CITY OF WATAUGA
ANNUAL BUDGET











FY
2024
2025

Filed
Tarrant County Clerk
12:27 pm, Feb 05 2025
Mary Louise Nicholson
County Clerk
by **ngorena**

City of Watauga, Texas
Fiscal Year 2024-2025
Budget Cover Page

This budget will raise more revenue from property taxes than last year's budget by an amount of $648,626, which is a 6.22 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $82,212.

The members of the governing body voted on the budget as follows:

FOR:

Patrick Shelbourne, Place 1
Cris Blackburn, Place 2
Lovie Downey, Place 3
Andrew Neal, Place 4
Malissa Minucci, Mayor Pro Tem, Place 5
Mark Taylor, Place 6
Jan Hill, Place 7

AGAINST:

PRESENT and not voting: Arthur Miner, Mayor

ABSENT:

Property Tax Rate Comparison

	2024-2025	2023-2024
Property Tax Rate:	$0.570200/100	$0.570200/100
No-New-Revenue Tax Rate:	$0.540097/100	$0.507081/100
No-New-Revenue Maintenance & Operations Tax Rate:	$0.341309/100	$0.334281/100
Voter-Approval Tax Rate:	$0.575477/100	$0.605718/100
Debt Rate:	$0.209149/100	$0.210490/100
De Minimis Rate:	$0.576204/100	$0.571910/100

Total debt obligation for City of Watauga, Texas secured by property taxes: $50,965,000

DISTINGUISHED BUDGET PRESENTATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Watauga, Texas for its Annual Budget for the fiscal year beginning October 1, 2023.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

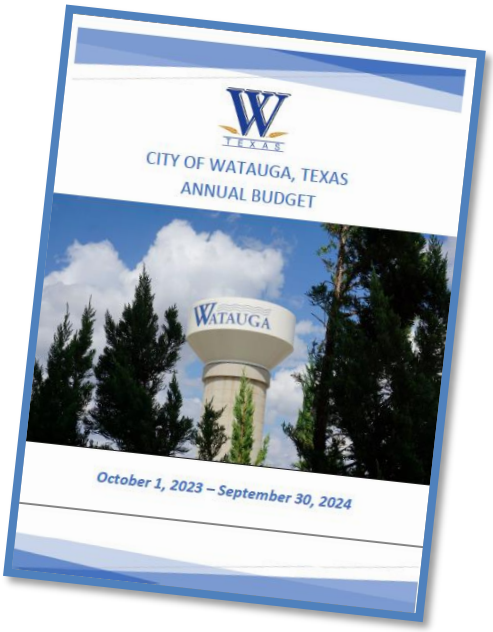
City of Watauga
Texas

For the Fiscal Year Beginning

October 01, 2023

Christopher P. Morrill

Executive Director



The award represents a significant achievement by the City of Watauga. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the award, the City of Watauga had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well the budget document serves as a policy document, a financial plan, an operations guide, and a communications device. Award recipients have pioneered efforts to improve the quality of budgeting and provide an excellent example for other government entities. Each year, the City of Watauga's staff incorporates recommendations from the reviewers for continuous improvement of our budget document.

This is the 35th consecutive year that the City has received this Award. 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. The City has received this award since 1989.

BUDGET

for

FISCAL YEAR ENDING SEPTEMBER 30, 2025

SUBMITTED BY:

SANDRA GIBSON, CGFO, CGFM
CITY MANAGER

AS ADOPTED ON AUGUST 26, 2024

THE WATAUGA CITY COUNCIL

MAYOR ARTHUR L. MINER

MAYOR PRO TEM COUNCIL MEMBER PLACE 5:	**MALISSA MINUCCI**
COUNCIL MEMBER PLACE 1:	**PATRICK SHELBOURNE**
COUNCIL MEMBER PLACE 2:	**CRIS BLACKBURN**
COUNCIL MEMBER PLACE 3:	**LOVIE DOWNEY**
COUNCIL MEMBER PLACE 4:	**ANDREW NEAL**
COUNCIL MEMBER PLACE 6:	**MARK TAYLOR**
COUNCIL MEMBER PLACE 7:	**JAN HILL**

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INTRODUCTION



HOW TO USE THIS BUDGET DOCUMENT

The City of Watauga's Budget Document provides comprehensive information about City policies, goals, objections, financial structure, operations, and an organizational framework that shows how City services are to be provided in FY2024-2025. A main objective of the budget document is to communicate this information to readers in a manner that is clear, concise, and understandable. At the front of the budget is a Table of Contents that will aid the reader in finding specific information quickly. The budget is divided into the major sections as described below:

Introductory Information

The Table of Contents should aid a user of this document as a guide to the organization of this book. The City Manager's Budget Message should be read first as it provides an overview of policy decisions made during the preparation process that influenced the FY2024-2025 budget. The message summarizes the contents of the budget with goals and objectives clearing outlined. The Introductory Section contains a City Organizational Chart followed by information about the City. The reader can read about physical location of the City, the history of Watauga, services offered by the City and significant demographic and graphical information about the City.

Long Term Strategic Plan

This section details the long-term strategic plans developed by the City Council and City Management. The City Council is committed to setting priorities, values, and policies that are in the best interest of the citizens of Watauga. Strategic planning is an essential component of the annual budget and multi-year financial planning processes that allow the City to maintain a plan that addresses current and future economic impacts. The multi-year financial projections estimate revenues and expenditures for the major operating funds. Projections are made for the General Fund, General Obligation Debt Service Fund, and Water and Sewer Fund, which comprise most of the City's revenues and expenditures (excluding capital funds). Other long-term financial plans included in this section are a Five-year personnel improvement plan to identify personnel needs in the current budget and future years, and a Five-year capital outlay plan that identifies equipment and vehicles that will need to be replaced with the year of planned replacement and estimated cost.

Budget Summary

The budget summary section for all funds discusses the budget preparation process that begins the first of every year and formally ends in September, with numerous steps in between. An explanation of the financial structure of the City shows how revenues and expenditures are reported by fund and their uses. A summary of all funds draws the operating funds and capital funds together.

Fund and Departmental Information

The fund sections include a summary of each fund level and information on the departmental budgets within those funds.

HOW TO USE THIS BUDGET DOCUMENT

General Fund – This major section of the budget will show the reader how the General Fund receives a greater variety of revenues and finances a wider range of governmental activity than any other fund.

Special Revenue Funds – This section provides information on the special revenue funds that provide an extra level of accountability and transparency that the revenues are being used for the intended purpose. These funds include the Crime Control and Prevention District Fund, the Economic Development Fund, Municipal Court Revenue Funds, the Library Donation Fund, the PEG fund, and the Grant Funds

Proprietary (Enterprise) Funds – This section includes the major Water and Wastewater Fund that encompasses the operations of the City's water and wastewater system. Much like a private business, the revenues generated are to cover all operating and capital expenses of the fund. The Storm Drainage Utility Fund operates in the same manner; however, capital improvements are budgeted in this fund versus a separate fund. The Storm Drainage Utility fund will provide significant improvements to the City's drainage system in the current and future years. The Internal Service Fund is used as an equipment and vehicle replacement fund for capital outlay items identified for replacement in the current year. These items are further described in the City's long-term strategic plan section in the Five-Year Capital Outlay Plan.

Capital Improvement Funds – The reader can obtain an overview of all City capital improvement projects that have been approved and planned future projects as part of the City's Capital Improvement Program (CIP). Additional information is provided to the reader primarily on current year projects that are generally managed by the Public Works department or Parks and Community Services. The funding source for each project is identified, including cash (pay-as-you-go), grants, and sale of long-term bonds. Future years identify proposed funding, but do not provide a guarantee as all projects, even in the current budget, will require additional council approval.

Debt Service Funds

This section summarizes current debt issuances and their purpose, as well as payment schedules for current and future years for the General Obligation Debt Service and the Utility Debt Service.

Appendix

The appendix contains the Summary of Property Tax Revenue & Distribution and the Truth in Taxation Calculation. The appendix also includes the budget glossary to aid the reader in verbiage used throughout the budget document.

This document should serve as a policy document, a financial plan, and an operations guide to our City, as well as a communication device to our readers. We designed this document to be a reference for a wide variety of users. As approved by the City Council for the fiscal year, City Management may use this document as a guide for operations. The City Council may use this document as a communication medium to staff and citizens to describe objectives, goals, and mission of the City. City staff may use this document to inform City Council and citizens of accomplishments and services. Current and

HOW TO USE THIS BUDGET DOCUMENT

prospective citizens and businesses may use this document to learn about the City and its plans for the future.

Should you have any questions about the City budget that this document does not answer, please feel free to call the Finance Office at 817-514-5822. Copies of this document are available for review at the City Secretary's Office, City Hall, and City Library. It can also be accessed through the Internet at https://www.cowtx.org/841/Budgeting.



August 26, 2024

To the Honorable Mayor Arthur L. Miner, Members of the City Council and the Citizens of Watauga:

I am pleased to present the City Manager's Annual Budget for the Fiscal Year beginning October 1, 2024, and ending September 30, 2025, for your review and consideration, as required by the City of Watauga's Home Rule Charter. It presents, in summary form, the revenues and expenditures for each of the City's Funds, departmental highlights, accomplishments and expenditures, as well as the five-year Capital Improvement Plan (CIP). The Annual Operating Budget represents the single most crucial management tool of the governing body and staff and allocates resources in alignment with the City Council's long-term Strategic Plan. The budget continues to maintain the conservative fiscal approach that has allowed the City of Watauga to achieve our sound financial position and excellent bond ratings (AA from Standard and Poor's). The **Budget Summary** section that follows this message provides a concise summary of the Budget with summaries of revenues, expenditures, and fund balance.

During FY2023-2024, economic activity slowed down, and the City continued to be impacted by sustained inflationary pressure and supply chain issues. The City continues to experience significant staffing shortages, most notably in the Police Department and Public Works.

In preparing the FY2024-2025 fiscal year budget, we strived to provide funding for the resources to provide continued excellent service to our citizens and businesses and a focus on the retention of our talented and skilled workforce while addressing inflationary pressures.

Highlights of the budget are presented below:

- The property tax rate is $.5702 per $100 of assessed valuation and maintains the same tax rate as FY2023-2024. The tax rate is under the de minimis rate that has been calculated at $.576204. The de minimis rate is a tax rate calculation added by Senate Bill 2 during the 2019 legislative session that is designed to give smaller taxer units some relief from the 3.5 percent voter-approval tax rate. The tax rate of $0.5702 allows the City to bring in more revenue in the operating budget (approximately $432,000) to cover cost increases and an additional amount in debt service payments, to include debt service for the 2024 Certificates of Obligation. The debt issuance will provide funding for Automated Metering Infrastructure (AMI), parks improvements to include an upgrade to the splashpad filtration system

and trail lighting at various parks, a fire engine, and various building improvements at various City facilities.

- Sales tax growth is forecasted at a moderate increase of 1.5% over the FY2023-2024 forecast. Through May, sales tax receipts are trending approximately 1% above the prior year and 3% under original budget expectations. Sales tax is influenced by economic trends, and the City has seen more volatile sales tax activity in FY2023-2024. The Texas State's Comptroller's office reports that state-wide, consumer driven retail trade is showing a decline, while receipts from restaurants are growing moderately.

- The remaining positions (2.5 full-time equivalents) that were funded by the American Rescue Act Plan (ARPA) grant are being absorbed by the General Fund this budget year. The ARPA grant originally funded 7 full-time equivalents to restore positions that had been reduced as a result of the economic impact of the pandemic. The number of FTEs funded by ARPA was later reduced to 6 full-time equivalents and in FY2023-2024, 3.5 full-time equivalent positions for parks and recreation were moved into the General Fund. The spending timeline for the ARPA funds is for funds to be obligated by 12/31/2024 and spent by 12/31/2026.

- 4 additional positions (1.75 full-time equivalents) are included this fiscal year to provide for an additional Code Enforcement Officer, a part-time Administrative Assistant for the City Secretary's office, and two additional part-time Recreation Attendants. The new positions are funded to be filled later in the fiscal year to reduce the budgetary impact. The cost of the recreation attendant positions will be recovered through revenue received for increased rental activity. Other personnel changes recommended in this budget include reclassifications and/or promotions for existing positions.

- The implementation cost of the 2024 compensation study is included in the FY2024-2025 budget and aligns with the City's stated goal of maintaining competitive wages and attracting and retaining qualified staff. In addition, a 4% cost of living adjustment for all employees is included in the budget. This budget provides funding to continue the civil service step increases as well as merit increases for general government employees. The City's portion of the retirement rate (TMRS) increased this budget year by 0.89%, totaling 17.73%.

- The budget includes a significant decrease in medical insurance costs from the City's medical insurance provider in the amount of approximately 30% with a combined change in provider plus changes in plan design. The City continues to explore ways to mitigate the cost of insurance while limiting the impact on employees.

- This budget will continue to utilize American Rescue Plan Act (ARPA) funding to implement projects approved in the Spending Plan Framework in July 2022. These projects include water and wastewater and storm drain projects, the restoration of positions lost due to the impact of the pandemic, the leave liability reduction program, and equipment purchases. Several projects have been completed and

the lead pipe identification and Park Vista Storm Drain project commenced this current fiscal year. The Utility project (Summertime Lane) is expected to be bid by the end of the current fiscal year. All funds must be obligated by December 31, 2024.

- Utility rate adjustments are anticipated to be necessary for FY2024-2025 due to an increase in rates from the City of Ft. Worth. Automated Metering Infrastructure (AMI) is funded by the 2024 Certificates of Obligation and a rate adjustment will be recommended to cover the debt service for this project. The impact to the average residential customer for these increases is estimated to be approximately $6.50/month. A rate model update is currently in progress and will be presented to the City Council in the fall of this year.

- Recommended capital improvement project funding is included in this budget. These include continuation of infrastructure projects (streets, water, sewer, drainage), sidewalks, upgrades to the filtration system at the splashpad, and parks and facility improvements. Design work for a food business park at Capp Smith is included that is funded by the Economic Development Corporation. The majority of the City's capital project funding is through debt issuance. The 2024 debt issuance in the amount of $7.10 million is included in this budget to fund these projects and capital outlay needs. Some projects are to be funded by cash reserves to include Street overlays, sidewalk repairs, parks improvements, and various water and sewer projects. The Capital Improvement Summary is included in this budget document.

- Critical capital outlay items such as vehicles, equipment, and technology are funded by the equipment replacement fund, cash reserves, and the 2024 Certificates of Obligation issuance. A fire engine in the amount of $1.5 million is funded by the 2024 debt issuance. The 5-year capital outlay plan is included in this budget document.

This spending plan reflects our commitment to provide quality services and amenities to our residents, while enhancing our organization's long-term financial sustainability. The objectives used in developing this budget were to present a balanced budget with prudent revenue and expenditure estimates and aligns with the City Council's Strategic Plan priorities and initiatives.

The Budget for the Fiscal Year 2024-2025 connects the priorities and financial planning as outlined in the Council Strategic Planning Session held in June 2024. The primary concerns while preparing this budget were continuing as many programs and services for our citizens as feasible within budgetary constraints while maintaining reserve levels in accordance with the City's fiscal policies. Services provided by the City include fire and police protection, emergency medical services, planning and zoning, economic development, code compliance, street maintenance, water and wastewater services, parks, recreation, library, and senior citizen services.

Strategic Direction

Setting long-term priorities for the City is one of the most important responsibilities for Watauga's elected officials. In June, 2024, Council met to discuss top priority goals for the City. The strategic plan was reviewed and updated during this meeting and those revisions are set to be reviewed and adopted during the FY2024-2025 budget process. By focusing on goals and strategic initiatives, Council and staff are able to position the community in a positive direction. These goals guide financial and operational decisions to achieve community excellence. Following are the City Council's goals and strategic initiatives, which are supported in the budget:

Policy Issues, Goals, and Objectives for FY2024-2025

The FY2024-2025 budget is designed to continue the City's programs to (a) provide efficient operations, (b) maintain basic and essential service levels, and (c) achieve City Council Goals. Specifically, the following policies are to be observed:

- Essential government services are to be provided at a level equal to or better than the level previously provided.
- All services are to be constantly examined to ensure that they are provided in an efficient and effective manner and that unnecessary services are eliminated.

Additionally, the FY2024-2025 Budget includes an emphasis on the following priorities:

- Managing inflationary pressures;
- Retaining and attracting employees by seeking to be competitive in the municipal employment market;
- Continuing the City's infrastructure improvements and the replacement of capital outlay that has reached the end of life; and
- Ensuring focus on community engagement and citizen satisfaction.

To ensure that City Council Goals are achieved, performance-based programs were implemented and are monitored. Under this program, each City department head is required to identify several performance objectives consistent with City goals and maintain performance indicators, which will measure progress toward the achievement of stated objectives. This process is reviewed and updated annually for inclusion in the budget document. Each department's progress in measuring their goals is reviewed and monitored throughout the budget year.

The FY2024-2025 balanced budget does have some planned drawdown of fund balance within the guidelines of the financial policy. All funds are planned to carry sufficient levels to protect the creditworthiness of the City and financial position from emergencies.

The General Fund has an imposed target of 25% of operating expenses. For FY2023-2024 the General Fund ending balance is projected to be at 50% of operating expenses at year-end. We expect to end FY2024-2025 with a balance of 42% of operating expenses.

City Council Goals

Watauga continues to move at a healthy pace toward its strategic goals and objectives with regards to meeting the needs of citizens, economic development and revitalization, improving infrastructure, and making Watauga, "A Great Place to Live." The budget reflects the City Council's vision that "***The City is focused on building an inclusive community that delivers an exceptional quality of life with access to amenities and programs through good governance, fiscal responsibility, and transparency."***

The FY2024-2025 Budget will provide funding for City Council goals and related strategic Initiatives:

- *Goal #1: Maintain the Financial Strength of the City* – this includes maintaining sound fiscal management practices and ensuring the City's bond rating is maintained or improved on an annual basis. In FY2024-2025, the City will continue to apply for grants for programs and projects and focus on enhancement of cybersecurity efforts. Funding for cybersecurity programs is included in this budget to continue our efforts in protection of the City's network and data.

- *Goal #2: Develop a sustainable economic development effort* –The City will continue efforts and develop policies and plans to reinvest, revitalize, and improve aging shopping center sites and foster economic development, redevelopment, business retention and attraction. In the upcoming budget year, the Watauga Revitalization Action Program (WRAP) is proposed to assist small businesses with the expenses of updating and beautifying their business with the goals of attracting and retaining businesses and boosting taxable value of commercial properties in the City. This program will be funded through the Watauga Economic Development Corporation as well as the food business park at Capp Smith that will be designed in the budget year.

- *Goal #3*: *Expand public safety through non-enforcement efforts* – This goal includes safety improvements for Watauga residents and visitors. The budget includes trail lighting for various parks that will be funded through the 2024 Certificate of Obligation proceeds. In addition, a Mental Health Coordinator is funded through the Crime Control and Prevention District budget and an additional code enforcement officer is funded to increase the code compliance efforts within the City's commercial corridor.

- *Goal #4: Strengthen Future Planning* – City ordinance review, evaluation of code compliance processes, a needs assessment for the animal control facility, and the evaluation of the street maintenance program are programs slated for the upcoming fiscal year. In FY2023-2024, a Property Maintenance Committee was established to aid in identifying deteriorating properties and improving communications among the City departments.

- *Goal #5: Improve Community Involvement* – this goal includes initiatives to develop more volunteer opportunities for citizens and identify technological options

that encourage citizen participation. Funding is included for a Citizen Survey this year and the annual Watauga 101 Citizens academy.

- *Goal #6: Improve the City Brand* – The City is focusing on developing a marketing strategy to promote the City. The continuous improvement of social media platforms, additional advertising efforts by the Watauga Economic Development Corporation to promote businesses, community events, and an evaluation of programs to enhance community information sharing is planned for the upcoming year.

- *Goal #7: Make Watauga a Great Place to Work through attracting, retaining and motivating staff* – a Personnel Enhancement Plan identifies areas of staffing needs for all City departments. With continued staffing challenges, a review of the City's recruitment and retention strategy will be conducted, and employee satisfaction surveys will be conducted every two years. The employee satisfaction survey will be rolled out in the fall/winter of 2024 to identify areas that can be improved to help retain staff.

- *Goal #8: Evaluate Technology and workplace solutions* – Technology updates continue this budget year and include new fleet software and the implementation of AMI technology in the City.

Planning for the Future

The City's financial condition remains strong, and the City has proven flexible to adapt to changing conditions. Fiscal Year 2024 showed slowing economic activity that economists predicted would emerge. Through sound fiscal management over the years, the City has positioned itself to create a positive atmosphere for economic development. Planned development includes a 67-home single family residential development that is underway on Hightower Drive. The development will add significant benefit to the City by adding new quality housing with improved streetscapes, new sidewalks, and greenspace. An additional residential development along Bursey Road includes 61 single family homes. Future growth includes a 132-home residential development at Capp Smith Park, and an additional package liquor store. These developments will aid the City in future year property valuation growth.

Over the last few years, the City has experienced property valuation increases and Fiscal Year 2025 Certified values from Tarrant Appraisal District show a 7.3% increase over prior year (including pending ARB accounts and Incompletes). In comparison, Fiscal Year 2024 (Tax Year 2023) showed property valuation growth of 13% (including pending ARB accounts). The continued growth has been a result of an extremely active real estate market in recent years but is showing signs of a slowdown.

There are numerous variables that merit a cautious approach when developing the current year budget with a long-term outlook. These include:

- The near build-out status of the City requires a strategic approach to attracting new development and revitalization of existing businesses. The City is mindful of two

primary objectives when pursuing development opportunities: maximizing economic benefit to the City while enhancing the quality of life enjoyed by our residents.

- Slowing revenue growth, most notably in sales tax, is projected to continue over the next fiscal year.

- The City must account for continued inflationary pressures to include the increasing cost of salaries, benefits, and supplier increases.

- Changes adopted by the Texas State Legislature continue to impact this budget as well as future budgets, most notably Senate Bill 2 that imposed a revenue cap of 3.5%.

Long Term Focus

The City continues a long-term approach through various planning tools. These include the following:

- **A Comprehensive Land Use Plan** was adopted by City Council to be used as a tool in the development of the City. As the City approaches full build out, planning initiatives for re-development and improvement of certain aging corridors in the City are of primary focus.

- **The Equipment Replacement Fund** put into place a few years ago continues to be assurance that certain equipment, technology, and vehicle needs will be met in the future.

- **The Capital Outlay Plan** provides for a 5-year format to identify timing of replacement and sources of funding for major equipment, vehicles, and technology City-wide.

- **5-year Capital Improvement Plan** is a long-range financial planning document that revolves around several major street projects, water/sewer system infrastructure projects as well as significant improvements to our storm water drainage system.

- **The Parks Master Plan** identifies various parks improvement projects throughout the City of Watauga. Many of these projects are incorporated into the 5-year Capital Improvement Plan with funding sources identified.

- **A Personnel Enhancement Plan** identifies needed personnel positions to provide quality services and programs to our Citizens.

Summary

The FY2024-2025 Budget totals $75,138,933 which includes $33.6 million in capital projects and equipment. This sound and fiscally conservative budget strives to continue and improve our program of services while addressing inflationary impacts and future sustainability.

To serve the community successfully, local government requires talented people and well-maintained infrastructure. The budget document truly represents a collaborative effort by the City Council and City Staff to develop a plan that spends within its means while we together serve, enhance, and transform our community. We recognize the need to balance service demands to maintain a sustainable operational and financial position that adheres to our strategic priorities and protects the City's fiscal health, while preserving those things that make Watauga **"A Great Place to Live"**.

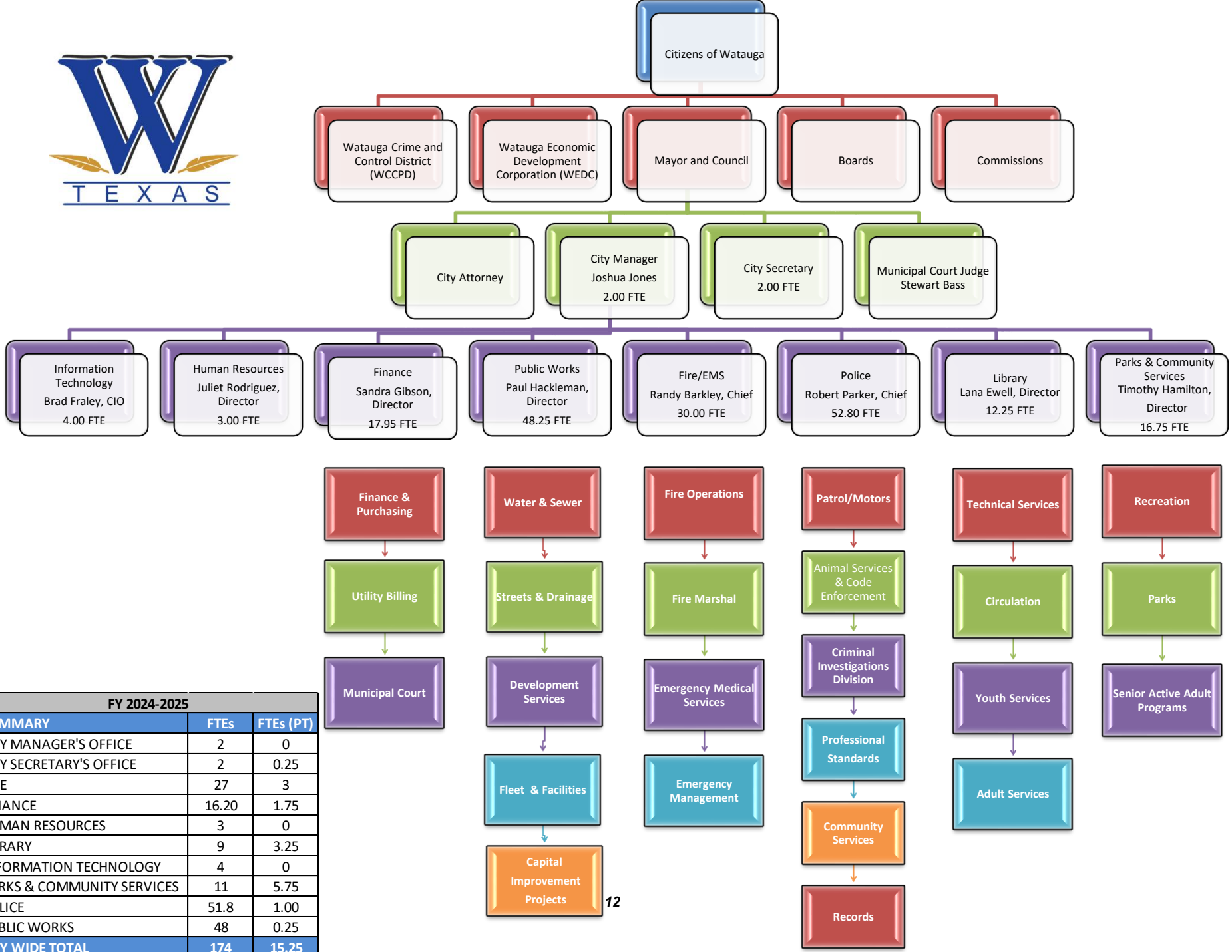
I would like to thank the City Council for their continued strong leadership and dedication during the budget process. In addition, I wish to thank the dedicated team of City employees who contributed their time and efforts in the development of the budget with special thanks to Deby Woodard, Assistant Finance Director, for her tireless efforts in producing this document.

Respectfully submitted,

Sandra Gibson

Sandra Gibson
City Manager





FY 2024-2025		
SUMMARY	**FTEs**	**FTEs (PT)**
CITY MANAGER'S OFFICE	2	0
CITY SECRETARY'S OFFICE	2	0.25
FIRE	27	3
FINANCE	16.20	1.75
HUMAN RESOURCES	3	0
LIBRARY	9	3.25
INFORMATION TECHNOLOGY	4	0
PARKS & COMMUNITY SERVICES	11	5.75
POLICE	51.8	1.00
PUBLIC WORKS	48	0.25
CITY WIDE TOTAL	**174**	**15.25**

THE CITY OF WATAUGA, TEXAS

Brief History of Watauga



The Cherokee Indians were the first settlers in Watauga. Watauga comes from the Cherokee word whose meaning has been lost, but has been variously interpreted as "Village of Many Springs," "River of Plenty," and "Beautiful Water." They were in search of bountiful game, fertile fields, and clear spring waters.

Around 1843, hardy settlers from Tennessee first arrived in the village. Among some of the first settlers were: W.A., Margaret and James Walker, Jane Weir, Willie Potts, William Samual, Martha and Nancy Evans, William, Julia and Mary Carlton, Syrena Stowel, and Sarah Henderson.

On December 14, 1867, Willow Springs Presbyterian Church was the first church organized in Watauga. In 1972, a state historical marker was presented to designate the Church's historical recognition for over one hundred years of service.

In 1876, the railroad came to Texas, linking the two coasts for transporting people and cattle to the Fort Worth area. However, in 1930, the Watauga Depot was moved to Hodge, causing growth to come to a standstill. At this time, Watauga's population was 50. Thirty-four years later, in 1964, the population was 300. However, Watauga grew rapidly in the late 70's and early 1980's, and currently has a population of 23,770.

DID YOU KNOW? "Watauga" is interpreted as Beautiful Water

Tarrant Utility Company deeded Lot 9, Block 1 (5633 Linda Drive) in April 1958, to the City for constructing a fire station and City Hall. The first City Hall and fire station cost $1,200 in materials and was built entirely by volunteers. On December 6, 1958, a chili pie supper was held to raise funds for a volunteer fire department, and the first volunteer fire department was organized on June 10, 1959.



Thirteen mayors have served the City. These are John Ransburger, Farris Jones, John Smith, Mack N. Burke, Jr., Mildred Morris, Noel Meadows, Mrs. Noel Meadows, Virgil R. Anthony, Sr., Anthony W. Girtman, Henry J. Jeffries, Hector F. Garcia, Patrick Shelbourne, and Arthur L. Miner is presently serving as Mayor.

Watauga was incorporated on September 24, 1958 and recently celebrated its 65th Anniversary. The Home Rule Charter was adopted by the citizens of Watauga, Texas at an election held on January 19, 1980 and amended at elections held on January 19, 1985, August

8, 1987, August 11, 1990, January 15, 1994, August 10, 1996, August 8, 1998, September 14, 2002, May 7, 2005, November 6, 2007, and November 5, 2019.

In June 1980, a new Municipal Complex was opened. The complex was dedicated to the memory of Merle Caudle, Fire Chief, who was killed in the line of duty. On September 10, 1988, the citizens of Watauga passed a bond election for the construction of a Library. In 2003, the City opened a Community and Recreation Center on Indian Springs. This Community Center was expanded in 2017 to provide for a Senior Activity Center. During the winter of 2005-2006, the City opened its new City Hall, and, in October of 2006, the City opened its first Animal Service Center. The Library received a 5,000 square foot expansion during the summer of 2007.

In February 2009, the City opened the renovated police facility, which provided new jail, office, training, and dispatch facilities. The police facility was adjusted in 2011 with the transfer of the jail and dispatch facilities to the City of North Richland Hills as a consolidation agreement between the cities of Watauga, North Richland Hills, Haltom City, and Richland Hills.



The City completed construction of its new Fire/EMS station, which was dedicated in June 2011.

On September 11, 2011, on the tenth anniversary of 9/11, the City dedicated a memorial at the new Fire/EMS station, commemorating the sacrifice and service of our Nation's military, police, fire, and first responders, which incorporated a piece of steel from the fallen Twin Towers in New York City.





The Veteran's Memorial located in the Capp Smith Park Area of the City was dedicated in November 2014 and serves as a proud tribute to Veterans of all five military branches of the United States of America.

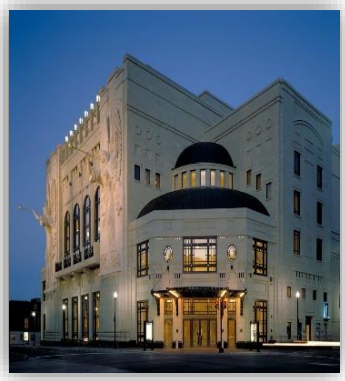
Education

The Birdville and Keller Independent School Districts (BISD and KISD) provide elementary and secondary educational services within the City. There are four campuses located within the City, with over 2,700 students enrolled and over 200 classroom teachers. Six elementary, six middle, and three high schools serve Watauga.

Adult and higher education is available locally through the Tarrant County College System's Northeast Campus. Additionally, located within a 35-mile radius of the City are: Texas Christian University and Texas Wesleyan College in Fort Worth; Southern Methodist University, the University of Texas at Dallas, the Dallas County Community College System, and the University of Dallas in Dallas; the University of Texas at Arlington, and the University of North Texas, and Texas Woman's University in Denton.

Medical

Medical City North Hills is a modern, private 164-bed hospital. Over 250 active medical doctors and six dental doctors serve the cities in the area with a full range of medical, surgical, and dental services, together with 24-hour emergency room services. In addition, four other main health systems serve the area. They are Texas Health, Baylor Scott & White, Medical City, and county-funded John Peter Smith (JPS) Hospital, the only Level-1 Trauma facility in Tarrant County.



Culture and Entertainment

Within a 30-minute drive of the city are the Kimbell Art Museum, Modern Art Museum of Fort Worth, Nancy Lee and Perry R. Bass Performance Hall, Amon Carter Museum, and the Fort Worth Museum of Science and History.

The Fort Worth Cultural District has Casa Manana, Cowtown Segway Tours, Equestrian Center Omni Theater, Sanders Theater, Scott Theater, and the Will Rogers Center, with the Fort Worth Opera.

See https://www.fortworth.com/about/neighborhoods-districts/cultural-district/.

A variety of major sporting franchises including the Texas Rangers, who won the Word Series on November 1, 2023, five time Super Bowl champion Dallas Cowboys, the 2011 NBA Championship Dallas Maverick basketball franchise, the 1999 Stanley Cup Champion Dallas Stars hockey club, Dallas Sidekicks soccer, PGA Colonial National Golf Tournament and Byron Nelson Classic are based in the Metroplex area. In addition, the City of Grand Prairie established the area's first horseracing facility, Lone Star Park.

Watauga is within a 30-mile driving distance to Six Flags Over Texas' amusement park and water park, Hurricane Harbor. Within 5 miles from Watauga, the City of North Richland Hills established the State of Texas' first municipally owned water park, NRH2O. There are 15 churches located in Watauga that represent a variety of denominations**.**

City Highlights



The City of Watauga's slogan is "A Great Place to Live" which is validated by the many amenities the City offers and affordable home prices.

- **Capp Smith Park -** The City has ten parks throughout the City of which Capp Smith Park is the largest. Capp Smith Park is 36.7 acres of park land which includes a stocked lake, amphitheater playground area and walking trail. There are approximately nine natural springs located within the confines of the lake area. The lake is stocked with a variety of fish. Each fall the City hosts Kid Fish and Capp Smith Camp Out which is a free event that features a fishing derby and hot dog dinner.



The City of Watauga maintains ten athletic fields for 220 youth and adult teams. The City has a Community Center that offers many fitness programs and services to its citizens. The Community Center was expanded in 2017 to include a Senior Center in order to better provide for the needs of senior citizens in the community.

- **Wild West Watauga Fest –** This annual festival held in the Spring brings together Watauga families for a fun-filled weekend packed with activities to include musical entertainment, a carnival, and a variety of food and games. In 2020 and 2021 the festival was cancelled due to the global pandemic but reinstated in 2022.





The City of Watauga Public Works offices can be found in one of the most unique office buildings in the world-the City's **Water Tower**! The City of Watauga's Tower Office Building includes a two million gallon composite water tank with four floors of City office space in the interior of the tank. The water tank was built in 1999 to provide the City of Watauga's 8000 customers with adequate water pressure for household use, business use, and fire protection.

CNNMoney.com rated Watauga as 2nd in the nation in 2008 "Where homes are affordable." The study stated that the median home price was $117,000, with a median family income of $73,203.

Realtor.com ranked Watauga as the hottest market in the country in both 2016 and 2017 due to homes selling quickly--just 17 days on average.

Opendoor ranked Watauga as the 5th most family friendly city in the U.S. Opendoor's second annual "Family-Friendly Cities" list focuses on local communities that offer plenty of recreational outdoor activities that are suitable for families of any age. Watauga was the only city in Dallas-Fort Worth to make the new list and the only Texas city to make the top 10. (Bellaire, near Houston, ranks No. 12.)



There's lots for families to do in Watauga. *Facebook/Watauga Parks and Recreation*

COMMUNITY PROFILE AND GENERAL INFORMATION

The City of Watauga is located in Tarrant County, approximately 10 miles northeast of downtown Fort Worth and 25 miles northwest of downtown Dallas. The City's corporate boundary comprises approximately four-square miles. Watauga's estimated population as of January 2024 is 23,775 as reported by the North Central Texas Council of Governments (NCTCOG).

The City of Watauga is part of the Metroplex of north-central Texas, which includes the cities of Fort Worth and Dallas and in January 2024 has a total estimated population of 8.5 million people. The economy of the area is based upon banking, commerce, insurance, technology, energy, healthcare, medical research, transportation, and logistics. Dallas-Ft. Worth is home to 24 Fortune 500 companies. The region boasts a GDP of just over $688.93 billion. The 11 county Dallas-Fort Worth Metroplex has been designated as one Consolidated Metropolitan Statistical Area (CMSA) and is the most populous area in both Texas and the Southern United States.

Economic conditions in the Metroplex continue to be influenced by the development and operation of the Dallas-Fort Worth International Airport which is located only ten miles southeast of Watauga. The airport, which opened in September 1973, covers approximately twenty-eight square miles and currently ranks as the 2nd busiest airport in the world based on passenger traffic and the 3rd busiest based on aircraft movement. The airport is so large that it has its own zip code and emergency services.



WATAUGA BY THE NUMBERS

Population	23,775
Area (Square Miles)	4
Percent Developed/Undeveloped	96%/4%
Unemployment Rate (September 2024)	
Tarrant County	3.9%
State	4.1%
Median Age	36.6
Average Household Size	3.30
Mean Household Income	$91,669
Educational Level (%)	
High School Diploma	74.1%
Post High School Degree	25.9%
Housing	
Number of Housing Units –	8,292
Average Household Size	3.30
Average Parcel Market Value (Tarrant Appraisal District Jul 2024)	$267,784
Average Parcel Taxable Value (Tarrant Appraisal District Jul 2024)	$238,062
City Property Tax Rate (Per $100)	$0.570200
Percent Owner Occupied	78%
Percent Renter Occupied	22%
Sales Tax Revenue Projection General Fund for FY2024-2025	$7,937,980
Operating Budget for FY2024-2025	$75,138,933

Top Ten Employers in Watauga, Texas

Name	Employees
Target	288
Birdville Independent School District	250
City of Watauga	190
North Pointe Health & Rehab	84
Albertson's	80
Chili's	70
Keller Independent School District	60
Cotton Patch Café'	54
Newman Academy	50
Frescos	23

*Top Ten Principal Employers in Tarrant County

Name	Employees
AMR Corp/ American Airlines	35,000
Lockheed Martin Aeronautics	21,600
DFW International Airport	14,000
Texas Health Resources	12,776
NAS Fort Worth JRB	11,000
General Motors Arlington Assembly Plant	10,512
Fort Worth Independent School District	9,956
Cooks Children's Health Care System	8,777
Arlington Independent School District	7,908
University of Texas at Arlington	7,647

*Source: Tarrant County Annual Comprehensive Financial Report (ACFR)

THE CITY OF WATAUGA, TEXAS





LONG TERM STRATEGIC PLANS



STRATEGIC PLANNING PROCESS

INTRODUCTION

The strategic plan guides the City's budget process and serves as a road map for the upcoming fiscal year. The City Council's strategic planning process begins with an annual strategic planning meeting. The Council reviews the plans and discusses key objectives for the upcoming annual budget. The financial plan is reviewed, and a strategy is developed to focus on financial sustainability. Key challenges are discussed and how they can be addressed with the budget. The City Manager then works with each department to follow the Council's direction to define service levels, update short-term divisional objects, and develop budget requests during the budget process.

The 2024-2025 review defined what we want to focus on as an organization: maintaining the City's overall strong financial position; continuing our investment in public infrastructure, addressing the retention and recruitment of employees; providing for community and business beautification efforts, and enhancing citizen engagement.

The following documents continue to be reviewed, evaluated, and updated on an annual basis to remain focused on our mission to be a vibrant and connected community that offers response services and effective programs.





CITY OF WATAUGA
STRATEGIC PLAN 2022-2032

updated 6/1/2024

Acknowledgements

The City of Watauga would like to recognize the members of the governing body and the following employees for contributing to the development of the City's Strategic Plan.

Governing Body

Arthur L. Miner—Mayor
Pat Shelbourne—Council Member, Place 1
Cris Blackburn—Council Member, Place 2
Lovie Downey—Council Member, Place 3
Andrew Neal—Council Member, Place 4
Malissa Minucci—Mayor Pro-Tem, Council Member, Place 5
Mark Taylor-Council Member, Place 6
Jan Hill— Council Member, Place 7

Members of City Staff

Sandra Gibson—Interim City Manager & Director of Finance
Robert Parker—Chief of Police
Randy Barkley—Fire Chief
Lana Ewell—Library Director
Juliet Rodriguez—Human Resources & Civil Service Director
Bradley Fraley—Chief Information Officer
Paul Hackleman—Public Works
Timothy Hamilton—Parks & Community Services Director

Executive Summary

"Planning is bringing the future into the present so that you can do something about it now."

—Alan Lakein



Strategic planning is a systematic and continuous process where people make decisions about intended future outcomes, how those outcomes are to be accomplished and how success is measured and evaluated. This executive summary is intended to provide an overview of the City of Watauga's Strategic Planning process.

The City's Strategic Plan is reviewed and updated during the budget process to provide greater guidance and encompass new ideas discussed at the annual budget and set the priorities for future budgets. The strategic planning process includes goals and action items for upcoming fiscal years.

Vision

The City of Watauga remains focused on building an inclusive community that delivers an exceptional quality of life with access to amenities and programs through good governance, fiscal responsibility, and transparency.

Mission

Develop programs to attract and support businesses to our community and provide a safe and secure community for all.

City Goals
Strategic Initiatives

Strategic Planning Goal:

Maintain financial strength of the City

Strategic Initiatives:

1. Maintain sound fiscal management practices and review those practices, policies, and procedures to ensure the City's bond rating is maintained or improved on an annual basis.

2. Continue to seek grants for programs and projects and review opportunity zone participation on an annual basis.

3. Enhance Cybersecurity through training, software, hardware, and other solutions.

Strategic Planning Goal:

Develop a sustainable economic development effort

Strategic Initiatives:

1. Develop a tax abatement policy within two years.

2. Enhance beautification efforts and improvements within the City's economic development corridor.

Strategic Planning Goal:

Expand public safety through non-enforcement efforts

Strategic Initiatives:

1. Evaluate lighting options that will create improvements in safety for Watauga residents and visitors within ten years.

2. Continue to review and evaluate the need for the Police Department to respond to calls for enforcement versus service annually.

3. Evaluate the need for appropriate response staff or enhanced officer training to sufficiently respond to the growing need for service type calls (i.e.. mental health) annually.

4. Enhance community policing programs and crime prevention efforts.

Strategic Planning Goal:

Strengthen future planning

Strategic Initiatives:

1. Complete an update to the Comprehensive Plan every ten years.

2. Conduct an annual review of City ordinances and present an annual schedule for proposed updates with a complete code review being completed prior to 2026.

3. Complete ordinance rewrites prior to October 2026.

4. Obtain public input on the police and library facility needs, to include project budget requirements, prior to May 2026.

5. Prepare and submit for Council consideration a permit process and any required ordinance revisions for Short Term Rental properties.

6. Prepare for further review a phase-in approach for a Street Maintenance Program and associated fee prior to October 2026.

7. Develop an on-line (website link) for a street maintenance program within seven years.

8. Improve the carbon footprint in the City within 10 years.

9. Review expansion options for the animal control facilities and operations within six years.

10. Improve the walkability and bicycling options in the City within ten years.

11. Evaluate the transition to hybrid or electric vehicles within ten years.

12. Continue to evaluate code compliance processes to improve the overall beautification of the City within three years.

Strategic Planning Goal:

Improve community involvement

Strategic Initiatives:

1. Conduct a citizen survey every three years.
2. Continue the Watauga 101 Citizens Academy annually.
3. Enhance citizen volunteer opportunities within six years.
4. Identify technological options that encourage citizen participation within 10 years.

Strategic Planning Goal:

Improve the City Brand

Strategic Initiatives:

1. Develop a marketing strategy prior to January 2025.

Strategic Planning Goal:

Make Watauga a Great Place to Work through attracting, retaining, and motivating qualified staff

Strategic Initiatives:

1. Continue revising our recruitment/retention efforts annually through policy and benefit enhancements.

2. Evaluate staffing needs annually to ensure departments can be successful in servicing the citizens of Watauga.

3. Conduct an employee survey every three years to strive to identify areas of improvement in order to retain staff.

4. Expand employee appreciation efforts through recognition, rewards and provide for employee development programs.

Strategic Planning Goal:

Evaluate technology and workplace solutions

Strategic Initiatives:

1. Implement AMI Technology in the City prior to a specified January 2026.



Veterans Memorial located at 5800 Robin Drive and dedicated to the men and women who honorably served their country, the Watauga Veterans Memorial was designed as a testament to sacrifice, courage and the true American Spirit.



MULTI-YEAR FINANCIAL FORECAST

MULTI-YEAR FINANCIAL FORECAST

INTRODUCTION

Each year the city conducts an evaluation of future planning years for primary operating funds which comprise the majority of our annual budget. They also deal with the major revenue sources of property tax, sales tax, water sales and sewer sales. The following spreadsheets illustrate a brief history of each fund's revenues and expenditures including a three-year projection for the same revenues and expenditures.

Any budgeting exercise that projects future budgets is based upon changing variables outside the City's control. Federal and state legislative changes can impact future budget projections, as well as unforeseen events such as the COVID-19 pandemic. Elections at all levels of government can affect revenues and expenditures that range from federal economic policies all the way down to local elections that can change the Council's priorities year over year.

The City of Watauga's Multi-Year Plan is presented on the following pages. Major funds will show the estimated beginning fund balances, estimated revenues and expenses, and ending fund balances. Staffing levels, estimated tax rates, and estimated water and wastewater rate increases are also presented. The three-year projections include a mix of assumed variables in both revenues and expenditures as provided in summary on the following pages and discussed by fund below.

Recommended reserve levels and designated reserves are reflected as required by the City's fiscal policies.

General Fund

Revenue increases are projected at conservative growth levels. Most revenue items are projected at a 2% to 3% growth factor, based on trend data. Revenues have recovered and increased from pre-pandemic levels in both property tax and sales tax. Many positions that were eliminated during the pandemic were restored in FY2022 and FY2023. Positions that were previously funded through American Rescue Plan Act grant funds in 2023 were moved to the General Fund in FY2024 and the remaining positions funding moved in FY2025. Property tax valuations have increased substantially in the past few years ranging from a 7% to 13% increase. Valuation increases are expected to continue, but at a slower pace in future years. Assumed property tax revenue growth is assumed to be limited to the state mandated 3.5% revenue growth. Sales tax growth is assumed to increase at 2% as a conservative assumption as this revenue stream is volatile and fluctuates and is beyond the City's control. Operational expenditures are generally projected to increase at 2% across the board on

assumptions that inflation will moderate, especially in the cost of labor and growth in the municipal market. Additional debt service for future debt issuance in the general obligation debt service fund is only built into the model if the actual debt issuance and project has been evaluated and is included in the 5-year capital improvement plan approved by City Council.

Departmental expenditures include an increase of a conservative 2% increase with annual increases for salary plan adjustments and health insurance increases reflected in the non-departmental category. The benefit plan increases are based on a 10% increase for medical and salary increases are included at 3% across the board. The City's 5-year Personnel Improvement Plan includes positions requested by all departments. These positions have not been included in the projections as the plan is reviewed annually during the budget process.

General Obligation Debt Service

The debt component of the tax rate includes debt service requirements for all general debt currently outstanding and projected over the next few years. Under the multi-year capital plan, debt issuance is proposed in years in which previous debt falls off for major projects such as street projects and parks projects. This section is included to consider the future debt planning impact on the debt portion of the tax rate.

Water and Wastewater Enterprise Fund

Revenues in this enterprise operation are based on projected rates sufficient to cover operations in each of the future years. Rates are based on projected cost increases from the City of Fort Worth and North Richland Hills as well as baseline increases for the city's operations, including salary plan adjustments and health insurance increases. Future projected rate increases for both water and wastewater are shown. Departmental operational expenditures are assumed to increase 2% across the board on assumptions that inflation will moderate.

The operating budget includes funding for the outstanding water and wastewater debt issuances and projected additional funding based on the City's 5-year Capital Improvement Plan in order to continue the annual water and wastewater infrastructure improvements. A water and sewer rate study is conducted annually to ensure future revenues will be sufficient to cover operation and capital costs.

CLOSING COMMENTS

MULTI-YEAR FINANCIAL FORECAST

This document is a plan for the future. Many things will certainly change and this document will need to be adjusted accordingly. Future capital and the timing of debt issuance can significantly impact the interest and sinking portion of the tax rate. The recommended Multi-Year Plan provides for a level tax rate and some increases in both water and wastewater rates while maintaining existing service levels. Future decisions will have a significant impact on many features of this plan.

MULTI-YEAR FINANCIAL FORECAST

General Fund
Five Year Plan Revenue and Expenditure Assumptions

Revenue Source	Assumptions
Property Taxes	Projections are based on 3.5 % capped revenue increase due to legislative changes.
Penalties & Interest	Remain Flat
Sales Tax	Based on 2% increase with additional revenue for new development
Franchise Fees	Remain Flat – slight increase due to solid waste franchise fee increases
Fines & Fees	Projected 3% increase due to increased staffing after 2024 .
Licenses & Permits	Projected a 2% increase over next few years due to redevelopment and increase in fees
Interest Income	Projected interest rates increase through 2025 to decline in 2026 and beyond
Charges for Services	Project increase of 3% average growth due to program increases and fee increases
Transfers	Based on 5% of revenue from the utility operation, 2% Crime Control District and 5% Parks Development Corporation.
Miscellaneous	Projected average growth of 3%.
Expenditure	**Assumptions**
Departmental expenditures	Projections are based on a 2% increase per year except for the non-departmental category where estimated medical benefits and salary increases are reflected. An average of 3% of salary increases and 10% medical increase per year is projected.
Non-Departmental Category	Includes estimated salary and benefit increases based on historical trends as outlined above.
Transfers to capital	Based on anticipated engineering needs in the Capital projects funds

MULTI-YEAR FINANCIAL FORECAST

General Fund
Multi-Year Financial Plan

	Actual 2022-2023	Budget 2023-2024	Estimate 2023-2024	Budget 2024-2025	Planning 2025-2026	Planning 2026-2027	Planning 2027-2028
BEGINNING BALANCE	**8,276,216**	**8,430,297**	**8,925,313**	**8,729,776**	**8,147,836**	**7,508,441**	**6,649,988**
REVENUES							
Ad valorem taxes[1]	6,727,508	7,194,500	7,309,300	7,800,000	7,955,650	8,245,664	8,546,407
Sales taxes	4,844,990	5,038,000	4,890,300	4,964,980	5,064,280	5,165,565	5,268,876
Franchise taxes	879,489	889,500	845,500	859,500	859,500	859,500	859,500
Fines and fees	470,674	559,500	488,900	590,500	608,215	626,461	645,255
Licenses and permits	783,980	762,700	831,450	825,500	842,010	858,850	876,027
Interest Income	385,589	300,000	420,000	380,000	361,000	342,950	325,803
Charges for Services	1,156,157	1,203,000	1,257,300	1,351,500	1,392,045	1,433,806	1,476,821
Miscellaneous	425,377	439,700	449,200	447,200	460,616	474,434	488,668
Intergovernmental Revenue	514,000	503,000	503,000	562,000	668,208	668,208	668,208
Operating Transfer In - Other Funds	817,827	861,000	861,000	910,640	910,640	910,640	910,640
Total Revenues	**17,005,591**	**17,750,900**	**17,855,950**	**18,691,820**	**19,122,163**	**19,586,080**	**20,066,205**
EXPENDITURES							
City Manager/City Secretary/City Attorney	(521,096)	(657,480)	(567,790)	(670,500)	(683,910)	(697,588)	(697,588)
Human Resources	(207,594)	(248,030)	(261,102)	(339,850)	(346,647)	(353,580)	(353,580)
Information Technology	(576,931)	(683,240)	(650,385)	(703,850)	(717,927)	(732,289)	(746,934)
Finance & Municipal Court	(949,730)	(1,059,320)	(1,013,380)	(1,112,450)	(1,134,699)	(1,157,393)	(1,180,541)
Police Department	(4,640,961)	(5,073,500)	(4,828,200)	(5,278,200)	(5,383,767)	(5,491,442)	(5,601,268)
Fire/EMS	(3,735,025)	(4,096,490)	(4,066,760)	(4,129,640)	(4,212,233)	(4,296,477)	(4,339,442)
Library	(1,002,312)	(1,175,200)	(1,159,150)	(1,244,700)	(1,269,594)	(1,294,986)	(1,320,886)
Public Works - Fleet/Buildings	(1,225,437)	(1,431,550)	(1,357,650)	(1,502,650)	(1,532,703)	(1,563,357)	(1,594,624)
Parks/Recreation & Community Services	(1,021,301)	(1,648,305)	(1,678,555)	(1,639,100)	(1,671,882)	(1,705,320)	(1,739,426)
Development Services	(206,394)	(291,860)	(286,460)	(369,040)	(376,421)	(383,949)	(391,628)
Public Works - Street Division	(559,974)	(719,780)	(629,930)	(718,430)	(732,799)	(747,455)	(762,404)
Non-Departmental - Operating	(724,739)	(879,415)	(917,125)	(917,350)	(1,263,978)	(1,585,697)	(2,254,044)
Transfers to Capital Project Fund - Operating	(85,000)	(35,000)	(85,000)	(35,000)	(35,000)	(35,000)	(35,000)
Operating Expenditures	**(15,456,494)**	**(17,999,170)**	**(17,501,487)**	**(18,660,760)**	**(19,361,559)**	**(20,044,533)**	**(21,017,365)**
	-	-	-	-	-	-	-
Total Expenditures	**(15,456,494)**	**(17,999,170)**	**(17,501,487)**	**(18,660,760)**	**(19,361,559)**	**(20,044,533)**	**(21,017,365)**
Designated Reserves	-	-	-	-	-	-	-
Recommended Reserves per Policy	(3,864,124)	(4,499,793)	(4,375,372)	(4,665,190)	(4,840,390)	(5,011,133)	(5,254,341)
Available for Supplemental	1,549,097	(248,270)	354,463	31,060	(239,395)	(458,453)	(951,161)
Remaining Supplemental	1,549,097	(248,270)	354,463	31,060	(239,395)	(458,453)	(951,161)
Additional Available for Capital	4,412,093	3,930,505	4,549,941	4,064,586	3,307,446	2,497,308	1,395,646
Total Available for Capital	5,961,190	3,682,235	4,904,404	4,095,646	3,068,051	2,038,854	444,486
Proposed Equip Replacement	**(500,000)**	**-**	**(400,000)**	**-**	**-**	**-**	**-**
Proposed Capital Projects	**(400,000)**	**(200,000)**	**(150,000)**	**(613,000)**	**(400,000)**	**(400,000)**	**(400,000)**
Proposed Personnel - 5 year plan [3]	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Remaining Funds Available	5,061,190	3,482,235	4,354,404	3,482,646	2,668,051	1,638,854	44,486
ENDING FUND BALANCE	**8,925,313**	**7,982,027**	**8,729,776**	**8,147,836**	**7,508,441**	**6,649,988**	**5,298,827**
% OPERATING	**58%**	**44%**	**50%**	**44%**	**39%**	**33%**	**25%**
Tax Rate Variable							
Assessed Taxable Value/$100	16,248,453	18,423,407	18,423,407	19,420,294	20,002,903	20,602,990	21,221,079
Amount generated by 1¢ tax	159,235	180,549	180,549	190,319	196,028	201,909	207,967
SR TAX FREEZE	551,000	578,550	578,550	734,376	771,095	809,650	850,132
I&S Rate	0.195013	0.210490	0.210490	0.209149	0.198190	0.204021	0.207159
General Fund	0.375187	0.395228	0.395228	0.361051	0.362804	0.364565	0.366335
Total Tax Rate	0.570200	0.570200	0.570200	0.570200	0.560994	0.568586	0.573494
Voter Approval I&S	0.195013	0.210490	0.210490	0.209149	0.198190	0.204021	0.207159
Voter Approval M&O	0.389187	0.395228	0.395228	0.366328	0.362804	0.364565	0.366335
Total Voter approval rate	0.584200	0.605718	0.605718	0.575477	0.560994	0.568586	0.573494
Total Voter Approval Levy	6,260,450	7,208,632	7,208,632	7,043,055	7,184,555	7,436,015	7,696,275
Staffing Variable							
Full-time positions	126.60	127.60	127.60	128.60	128.60	128.60	128.60
Part-time positions	10.50	14.00	14.00	14.75	14.75	14.75	14.75

Note: Non-departmental operating includes salary plan, Increase in city's insurance contribution & increase in equipment replacement payments.

*Additional positions requested in City's Personnel Improvement Plan

(1) Collection Rate for M&O is calculated at 99%

(2) Proposed Capital will only be funded if excess reserves are available. The City's Sidewalk program is funded by this transfer.

(3) Positions funded from PIP but may be adjusted to balance budget

Personnel Improvement Plan proposed positions to be reviewed and adjusted based on funding. Future years do not include any additional position funding until the budget year discussions are completed.

General Obligation Debt Service
Multi-Year Financial Plan

	Actual 2022-2023	Estimate 2023-2024	Budget 2024-2025	Planning 2025-2026	Planning 2026-2027	Planning 2027-2028
BEGINNING BALANCE	**782,055**	**870,872**	**1,151,683**	**1,212,239**	**1,212,239**	**1,231,304**
REVENUES						
Ad valorem taxes	3,468,902	4,195,000	4,403,000	4,288,928	4,536,537	4,738,560
Delinquent taxes	6,382	9,000	11,000	13,000	13,000	13,000
Penalties	17,932	14,000	11,000	12,000	12,000	12,000
Interest Income	40,873	65,000	40,000	38,000	36,100	34,295
Transfer from EDC/Fund Balance Reserve	153,200	149,000	150,000	150,000	150,000	150,000
Total Revenues	**3,687,289**	**4,432,000**	**4,615,000**	**4,501,928**	**4,747,637**	**4,947,855**
EXPENDITURES						
Principal	(2,910,000)	(3,180,000)	(3,530,000)	(4,200,000)	(4,200,000)	(4,200,000)
Interest	(686,072)	(968,767)	(1,021,844)	(450,972)	(525,972)	(729,921)
Bank Charges	(2,400)	(2,422)	(2,600)	(2,600)	(2,600)	(2,600)
Total Expenditures	**(3,598,472)**	**(4,151,189)**	**(4,554,444)**	**(4,653,572)**	**(4,728,572)**	**(4,932,521)**
Recommended Reserves per Policy	(359,847)	(318,000)	(353,000)	(420,000)	(420,000)	(420,000)
ENDING FUND BALANCE	**870,872**	**1,151,683**	**1,212,239**	**1,060,595**	**1,231,304**	**1,246,638**
Tax Rate Variable						
Assessed Taxable Value/$100	16,248,453	18,423,407	19,420,294	20,002,903	20,602,990	21,221,079
Amount generated by 1¢ tax	160,860	182,392	192,261	198,029	203,970	210,089
SR Tax Ceiling	2,519,073	3,031,512	3,122,457	3,216,131	3,216,131	3,312,615
SR Tax Freeze $	270,000	289,613	353,588	364,196	375,122	386,375
I&S Rate	0.195013	0.210490	0.209149	0.198190	0.204021	0.207159
General Fund	0.375187	0.359710	0.361051	0.362804	0.364565	0.366335
Total Tax Rate	0.570200	0.570200	0.570200	0.560994	0.568586	0.573494
Voter Approval I&S	0.195013	0.210490	0.209149	0.198190	0.204021	0.207159
Voter Approval M&O	0.389187	0.395228	0.366328	0.362804	0.364565	0.366335
Total Voter approval rate	0.584200	0.605718	0.575477	0.560994	0.568586	0.573494
Total Voter Approval Levy	6,260,450	7,208,632	7,043,055	7,184,555	7,436,015	7,696,275
CHANGE IN TAX RATE	(0.010200)	0.000000	0.000000	(0.009206)	(0.001614)	0.004908
Debt Issuance Variable:						
Beginning debt outstanding**	24,670,000	30,710,000	31,130,000	37,585,000	44,443,000	50,300,000
Principal Retired	(2,910,000)	(3,180,000)	(3,530,000)	(4,200,000)	(4,200,000)	(4,200,000)
Principal Issued (Proposed)*	8,950,000	3,600,000	9,985,000	11,058,000	10,057,000	10,098,000
Ending debt outstanding	30,710,000	31,130,000	37,585,000	44,443,000	50,300,000	56,198,000

*Proposed debt issuances based on Capital Improvement Plan and Capital Outlay Plan

Debt M&O and M&O Rollback amount calculated at 99% collection rate

Voter approval rate allows for 3.5% increase

MULTI-YEAR FINANCIAL FORECAST

Water & Wastewater Fund
Revenue and Expenditure Assumptions

Revenue Source	Assumptions
Water Service	Based on projected rate increases sufficient to cover increased cost
Wastewater Service	Based on projected rate increases sufficient to cover increased cost
Service Charges	Based on average growth of 2%.
EPA fees	Based on average growth of 2%.
Miscellaneous	Based on average growth of 3%.
Penalties	Flat Year 2024-2025 with projected average growth of 2% Year thereafter.
Expenditure	**Assumptions**
Departmental expenses	Forecasted 2% for departmental operating expenses. Non-departmental includes forecasted medical and salary increases. Medical is anticipated to rise 10% annually based on historical trends and salary increases are projected to rise 3% annually.
Transfers – Capital	These transfers for maintenance of water and sewer lines are expected to remain flat in budgeted year and projected 2024-2025, with a 2% increase thereafter.
Franchise Fees	This amount reflects a 5% of water and wastewater revenue transfer to general fund for street rental.
Debt Transfer	Debt service transfers are projected to remain flat after 2025 due to Increased debt service.

Water and Wastewater
Multi-Year Financial Plan

	Actual 2022-2023	Budget 2023-2024	Estimate 2023-2024	Budget 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028
BEGINNING BALANCE	**2,813,192**	**3,200,000**	**3,312,618** *	**3,154,204**	**2,669,614**	**1,917,183**	**2,655,108**
REVENUES							
Water Service	5,143,839	4,950,000	5,150,000	5,450,000	5,613,500	5,894,175	6,129,942
Wastewater Service	4,040,634	4,350,000	4,200,000	4,600,000	5,168,560	5,478,674	5,807,394
Proposed Increase in Revenues		3.00%		8.00%	8%	8%	6%
Service Charges	83,620	65,000	85,000	90,000	91,800	93,636	93,636
EPA Fees	160,460	161,000	160,000	160,000	163,200	166,464	166,464
Penalties	172,728	175,000	185,000	196,000	199,920	203,918	207,997
Miscellaneous	62,880	50,000	68,800	54,000	55,620	57,289	59,007
Interest Income/Transfers In JUF	132,764	120,000	204,000	175,000	176,750	178,518	180,303
Total Revenues	**9,796,925**	**9,871,000**	**10,052,800**	**10,725,000**	**11,469,350**	**12,072,673**	**12,644,743**
EXPENSES							
Utility Billing	(571,677)	(615,410)	(603,450)	(610,030)	(622,231)	(634,675)	(647,369)
Non-Departmental - Operating	(598,960)	(794,980)	(745,580)	(832,480)	(849,130)	(866,112)	(883,434)
Information Technology	(106,367)	(126,990)	(122,140)	(142,990)	(145,850)	(148,767)	(151,742)
Administration	(169,799)	(185,200)	(184,550)	(198,200)	(202,164)	(206,207)	(210,331)
	-		-				
Water Distribution	(2,592,204)	(2,865,830)	(2,706,130)	(2,912,840)	(3,062,875)	(3,148,003)	(3,235,549)
Sewer Collection	(2,861,740)	(3,284,614)	(3,504,364)	(3,676,050)	(3,557,553)	(3,628,704)	(3,701,278)
Transfers - Capital	(140,000)	-	-	-		-	-
Transfers - JUF	(40,752)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
G&A/Franchise Fee	(440,000)	(440,000)	(440,000)	(487,000)	(564,630)	(594,708)	(623,222)
W&WW Debt	(1,726,000)	(1,800,000)	(1,800,000)	(2,025,000)	(1,801,572)	(2,047,572)	(2,022,572)
Proposed Positions - PIP	-		-			-	-
Operating Expenses	(9,247,499)	(10,173,024)	(10,166,214)	(10,944,590)	(10,866,004)	(11,334,748)	(11,535,498)
Capital Expenses (carryover)	-	-	-	-	-	-	-
Total Expenses	**(9,247,499)**	**(10,173,024)**	**(10,166,214)**	**(10,944,590)**	**(10,866,004)**	**(11,334,748)**	**(11,535,498)**
Recommended Reserves per Policy	(2,311,875)	(2,543,256)	(2,541,554) *	(2,736,148)	(2,716,501)	(2,833,687)	(2,883,875)
Available for Supplemental Current Year	549,426	(302,024)	(113,414)	(219,590)	603,346	737,925	1,109,245
Proposed Supplemental	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Remaining Supplemental	549,426	(302,024)	(113,414)	(219,590)	603,346	737,925	1,109,245
Additional Available for Capital w/ Fund bal requirements	501,317	656,744	771,065	418,057	(46,887)	(916,504)	(228,766)
Total Available for Capital*	1,050,744	354,720	657,651	198,467	556,459	(178,579)	880,478
Proposed Equip Repl/Capital[1]	**(50,000)**	**(45,000)**	**(45,000)**	**(265,000)**	**-**	**-**	**(50,000)**
Remaining Funds Available	1,000,744	309,720	612,651	(66,533)	556,459	(178,579)	830,478
ENDING FUND BALANCE	**3,312,618**	**2,852,976**	**3,154,204** *	**2,669,614**	**1,917,183**	**2,655,108**	**3,714,353**
% of operating	**36%**	**28%**	**31%**	**24%**	**18%**	**23%**	**32%**
Staffing Variable							
Full-time Positions (2)	23.75	25.75	25.75	25.75	25.75	25.75	25.75
Part-time positions	0.00	Part-time position	0.00	0.00	0.00	0.00	0.00

[1] Proposed Capital will only be funded if excess reserves are available.

CAPITAL OUTLAY PLAN

FY 2025 – FY 2029





City of Watauga

Capital Outlay Plan Summaries

Summary by Category/Type

Summary by Funding Source

CITY OF WATAUGA
CAPITAL OUTLAY SUMMARY - CATEGORY/TYPE
FY 2025-2029

	2024-25		2025-26		2026-27		2027-28		2028-29		Total	
CATEGORY/TYPE	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**
VEHICLES												
AMBULANCE	0	0	1	420,000	1	410,000	0	0	0	0	2	830,000
ATV	0	0	0	0	0	0	0	0	0	0	0	0
EMERGENCY CAR	5	400,000	6	475,000	2	140,000	1	40,000	0	0	14	1,055,000
FIRE TRUCK	1	1,500,000	0	0	0	0	0	0	0	0	1	1,500,000
LIGHT DUTY TRUCK	5	275,000	2	112,000	5	322,000	1	40,000	2	135,000	15	884,000
HEAVY DUTY TRUCK	2	240,000	3	406,000	0	0	0	0	0	0	5	646,000
MEDIUM DUTY TRUCK	0	0	0	0	1	65,000	0	0	0	0	1	65,000
MOTORCYCLE	0	0	1	44,000	0	0	0	0	0	0	1	44,000
PASSENGER CAR	0	0	1	40,000	1	40,000	0	0	3	135,000	5	215,000
MACHINERY/MOTORIZED EQUIPMENT												
HEAVY EQUIPMENT	1	100,000	0	0	1	45,000	3	360,000	1	42,000	6	547,000
LIGHT EQUIPMENT	1	20,000	4	170,000	1	25,000	0	0	0	0	6	215,000
SMALL ENGINE EQUIPMENT	0	0	1	13,000	1	8,000	0	0	0	0	2	21,000
BOAT	0	0	0	0	0	0	0	0	0	0	0	0
TRAILER	0	0	2	38,000	1	6,000	0	0	0	0	3	44,000
COMMUNICATIONS EQUIPMENT												
RADIO SYSTEMS	0	0	0	0	0	0	0	0	0	0	0	0
COMPUTERS/ELECTRONIC EQUIPMENT												
SERVERS	0	0	0	0	0	0	0	0	0	0	0	0
HARDWARE	5	57,800	2	283,300	5	106,000	2	98,600	3	32,000	17	577,700
COMPUTERS	2	42,800	0	0	1	15,200	1	13,800	1	3,500	5	75,300
SOFTWARE	1	4,800	0	0	2	91,000	0	0	0	0	3	95,800
OTHER EQUIPMENT												
FITNESS EQUIPMENT	3	21,200	17	74,350	3	26,000	0	0	7	53,000	30	174,550
OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
FURNITURE	0	0	0	0	0	0	0	0	0	0	0	0
PUBLIC SAFETY EQUIP *	7	281,800	0	0	0	0	5	275,500	1	10,000	13	567,300
FACILITIES												
HVAC	1	24,526	0	0	3	8,140	1	2,961	7	22,906	12	58,533
FIRE ALARMS	1	31,750	1	45,750	0	0	0	0	0	0	2	77,500
GENERATOR	0	0	0	0	1	22,000	1	15,000	0	0	2	37,000
TOTALS	**35**	**$ 2,999,676**	**41**	**$ 2,121,400**	**29**	**$ 1,329,340**	**15**	**845,861**	**25**	**$ 433,406**	**145**	**$ 7,729,683**

	2024-25		2025-26		2026-27		2027-28		2028-29		Total	
FUND TOTALS	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**
GENERAL FUND	27	2,334,676	31	1,264,400	23	1,051,340	13	805,861	21	256,406	115	5,712,683
WATER AND SEWER FUND	3	265,000	3	252,000	1	65,000	0	0	0	0	7	582,000
STORM DRAIN	0	0	1	145,000	2	33,000	1	0	1	42,000	5	220,000
TRAFFIC SAFETY	0	0	0	0	0	0	0	0	0	0	0	0
CCD	5	400,000	6	460,000	3	180,000	1	40,000	3	135,000	18	1,215,000
PEG	0	0	0	0	0	0	0	0	0	0	0	0
TOTALS	**35**	**$ 2,999,676**	**41**	**$ 2,121,400**	**29**	**$ 1,329,340**	**15**	**845,861**	**25**	**$ 433,406**	**145**	**$ 7,729,683**

	2024-25		2025-26		2026-27		2027-28		2028-29		Total	
FUNDING SOURCE	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**
CERTIFICATES OF OBLIGATION	1	1,500,000	1	420,000	1	410,000	0	0	1	75,000	4	2,405,000
TAX NOTES	0	0	0	0	0	0	0	0	0	0	0	
EQUIPMENT REPLACEMENT FUND	15	922,076	12	842,750	14	572,340	7	602,261	9	68,406	57	3,007,833
CCD FUND	5	400,000	6	460,000	3	180,000	1	40,000	3	135,000	18	1,215,000
PEG	0	0	0	0	0	0	0	0	0	0	0	
OTHER GENERAL FUNDING	14	177,600	22	398,650	11	167,000	7	203,600	12	155,000	66	1,101,850
TOTALS	**35**	**2,999,676**	**41**	**$ 2,121,400**	**29**	**$ 1,329,340**	**15**	**845,861**	**25**	**$ 433,406**	**145**	**$ 7,729,683**

** Additional request made following presentation to Council.*

CITY OF WATAUGA
CAPITAL OUTLAY SUMMARY - Funding Source
FY2025 - FY2029

General Fund

	2024-25		2025-26		2026-27		2027-28		2028-29		Total	
Funding Source	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**
Certificates of Obligation	1	1,500,000	1	420,000	1	410,000			1	75,000	4	2,405,000
Tax Note												
ERF	12	657,076	8	445,750	12	482,340	6	602,261	8	26,406	46	2,213,833
PEG												
Other	14	177,600	22	398,650	10	159,000	7	203,600	12	155,000	65	1,093,850
TOTALS	**27**	**$ 2,334,676**	**31**	**$ 1,264,400**	**23**	**$ 1,051,340**	**13**	**$ 805,861**	**21**	**$ 256,406**	**115**	**$ 5,712,683**

Water & Sewer

	2024-25		2025-26		2026-27		2027-28		2028-29		Total	
Funding Source	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**
Certificates of Obligation												
Tax Note												
ERF	3	265,000	3	252,000	1	65,000					7	582,000
Other												
TOTALS	**3**	**$ 265,000**	**3**	**$ 252,000**	**1**	**$ 65,000**		**$ -**		**$ -**	**7**	**$ 582,000**

Storm Drain

	2024-25		2025-26		2026-27		2027-28		2028-29		Total	
Funding Source	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**
Certificates of Obligation												
Tax Note												
ERF			1	145,000	1	25,000	1		1	42,000	4	212,000
Other					1	8,000					1	8,000
TOTALS		**$ -**	**1**	**$ 145,000**	**2**	**$ 33,000**	**1**	**$ -**	**1**	**$ 42,000**	**5**	**$ 220,000**

Traffic Safety

	2024-25		2025-26		2026-27		2027-28		2028-29		Total	
Funding Source	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**
Certificates of Obligation												
Tax Note												
ERF												
Other												
TOTALS		**$ -**		**$ -**		**$ -**		**$ -**		**$ -**		**$ -**

CCD

	2024-25		2025-26		2026-27		2027-28		2028-29		Total	
Funding Source	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**	**#**	**COST**
Certificates of Obligation												
Tax Note												
ERF												
CCD Fund	5	400,000	6	460,000	3	180,000	1	40,000	3	135,000	18	1,215,000
Other												
TOTALS	**5**	**$ 400,000**	**6**	**$ 460,000.00**	**3**	**$ 180,000.00**	**1**	**$ 40,000**	**3**	**$ 135,000.00**	**18**	**$ 1,215,000**

TOTALS	**35**	**$ 2,999,676**	**41**	**$ 2,121,400**	**29**	**$ 1,329,340**	**15**	**$ 845,861**	**25**	**$ 433,406**	**145**	**$ 7,729,683**

CLASS CODE CHART

CLASS CODE	RELACEMENT THRESHOLD YEAR/MILES OR HOURS	DESCRIPTIONS
EMERGENCY CAR	5 YEAR/100K MILES	MARKED EMERGENCY RESPONDERS
PASSENGER CAR	8 YEAR/120K MILES	CARS NON-EMERGENCY
LT TRK	8 YEAR/120K MILES	LIGHT DUTY PICK-UPS
MED TRK	8 YEAR/150K MILES	MEDIUM DUTY PICK-UPS (DIESEL)
HD TRK	10 YEAR/150K MILES	HEAVY DUTY TRUCKS (DUMP TRUCKS, VACTOR TRUCK)
LT EQUIP	12 YEAR/6K HOURS	LIGHT EQUIPMENT (SMALL TRACTORS, CONCRETE SAWS, CRACK SEALERS, ROLLERS, LIFTS, SANDERS, SKID STEERS)
HD EQUIP	10 YEAR/7K HOURS	HEAVY DUTY EQUIPMENT (LARGE TRACTORS, BACK HOE, LOADERS, MOTOR GRADER, DOZERS, SWEEPER)
MOWERS	6 YEAR/3K HOURS	ZERO TRUNS
ATV	12 YEARS/6K HOURS	GATOR, MULES, HUMVEE
MEDIC	8 YEAR/80K MILES	AMBULANCES
FIRE TRK	10 YEAR FRONT LINE/10 YEAR RESERVE	FIRE TRUCKS (ENGINE, PUMPER, QUINT, RESCUE)
GEN/COM	12 YEAR/6K HOURS	GENERATORS, COMPRESSORS
TRAILERS	8 YEAR MIN	ALL TRAILERS
BOAT	12 YEAR/6K HOURS	BOAT AND MOTORS
MOTORCYCLE	5 YEAR/100K MILES	MOTORCYCLE
PUBLIC SAFETY EQUIP	5 YEAR	BALLISTIC VESTS
PUBLIC SAFETY EQUIP	10 YEAR	DRONE, WEAPONS SYSTEM, NARCOTICS TESTING
FURNITURE	7-10 YEAR	OFFICE, PUBLIC
HVAC	15 YEAR	HEATING, VENTILATION, AIR CONDITIONING
FIRE ALARMS	15-18 YEAR	FACILITIES FIRE ALARMS
FITNESS EQUIPMENT	8-10 YEAR	CARDIO AND WEIGHT



City of Watauga

Capital Outlay

Plan Detailed

List by Year

Sorted by Fund and Department

Water and Sewer Fund

CAPITAL OUTLAY SUMMARY - WATER/SEWER

VEHICLE	ODO	MAKE	MODEL	TYPE	FUND	LIFE EXPECTANCY	REPLACEMENT YEAR	FUNDING SOURCE	ESTIMATED REPLACEMENT COST
810	70706	FORD	F150	LIGHT DUTY TRUCK	WATER/SEWER	8 YEAR/120K MILES	2024-25	EQUIPMENT REPLACEMENT FUND	$ 45,000
419	43090	INTERNATIONAL	TANDEM DUMP TRUCK	HEAVY DUTY TRUCK	WATER/SEWER	10 YEAR/150K MILES	2024-25	EQUIPMENT REPLACEMENT FUND	$ 120,000
420	5020	CAT	430E BACKHOE LOADER	EQUIPMENT - HEAVY	WATER/SEWER	10 YEAR/7K HOURS	2024-25	EQUIPMENT REPLACEMENT FUND	$ 100,000
400	44499	FORD	F150 4X4 *	LIGHT DUTY TRUCK	WATER/SEWER	8 YEAR/120K MILES	2025-26	EQUIPMENT REPLACEMENT FUND	$ 56,000
405	50000	FORD	F150 4X4 *	LIGHT DUTY TRUCK	WATER/SEWER	8 YEAR/120K MILES	2025-26	EQUIPMENT REPLACEMENT FUND	$ 56,000
407	32903	INTERNATIONAL	7400 SBA 6X4 DUMP TRUCK	HEAVY DUTY TRUCK	WATER/SEWER	10 YEAR/150K MILES	2025-26	EQUIPMENT REPLACEMENT FUND	$ 140,000
404	3339	FORD	F450 CAMERA	MED DUTY TRUCK	WATER/SEWER	8 YEAR/150K MILES	2026-27	EQUIPMENT REPLACEMENT FUND	$ 65,000

** Public Works & Library Going Green - Emission Reduction with Incorporating Hybrid &/or Electric Light Duty Trucks/Vehicles.*

City of Watauga

Capital Outlay Plan

Detailed List by Year

Sorted by Fund and Department

General Fund

CAPITAL OUTLAY SUMMARY - GENERAL FUND

VEHICLE	ODO	MAKE	MODEL	TYPE	DEPARTMENT	FUND	LIFE EXPECTANCY	REPLACEMENT YEAR	FUNDING SOURCE	ESTIMATED REPLACEMENT COST
7	63606	PIERCE FIRE	FIRE TRUCK	FIRE TRK	FIRE	GENERAL FUND	10 YEAR FRONT LINE/10 YEAR RESERVE	2027-28	DEBT ISSUANCE 2024	$ 1,500,000
**		MSA	THERMAL IMAGER	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10 Years	2024-25	EQUIPMENT REPLACEMENT FUND	$ 10,000.00
		HURST	EXTRICATION SPREEDER	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10-YEARS	2024-25	GENERAL FUND	$ 18,000
		HURST	EXTIRICATION RAM	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10-YEARS	2024-25	GENERAL FUND	$ 15,000
		HURST	EXTIRICATION CUTTERS	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10-YEARS	2024-25	GENERAL FUND	$ 18,000
		PHYSIO CONTROL	LP15	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10 YEAR	2024-25	EQUIPMENT REPLACEMENT FUND	$ 73,600
		PHYSIO CONTROL	LP15	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10 YEAR	2024-25	EQUIPMENT REPLACEMENT FUND	$ 73,600
		PHYSIO CONTROL	LP15	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10 YEAR	2024-25	EQUIPMENT REPLACEMENT FUND	$ 73,600
700	47991	FORD	F150	LIGHT DUTY TRUCK	FLEET	GENERAL FUND	8 YEAR/120K MILES	2024-25	EQUIPMENT REPLACEMENT FUND	$ 60,000
201	56493	FORD	F150 4X4 *	LIGHT DUTY TRUCK	PUBLIC WORKS	GENERAL FUND	8 YEAR/120K MILES	2024-25	EQUIPMENT REPLACEMENT FUND	$ 55,000
207	44499	FORD	F150 4X4 *	LIGHT DUTY TRUCK	PUBLIC WORKS	GENERAL FUND	8 YEAR/120K MILES	2024-25	EQUIPMENT REPLACEMENT FUND	$ 55,000
2		LIFE FITNESS	RECUMBENT BIKE	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2024-25	GENERAL FUND	$ 4,600
3		LIFE FITNESS	RECUMBENT BIKE	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2024-25	GENERAL FUND	$ 4,600
6		LIFE FITNESS	POWERMILL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2024-25	GENERAL FUND	$ 12,000
302	80535	FORD	TRUCK	LIGHT DUTY TRUCK	STREETS	GENERAL FUND	8 YEAR/120K MILES	2024-25	EQUIPMENT REPLACEMENT FUND	$ 60,000
305	66307	INTERNATIONAL	7400 SBA DUMP TRUCK	HEAVY DUTY TRUCK	STREETS	GENERAL FUND	10 YEAR/150K MILES	2024-25	EQUIPMENT REPLACEMENT FUND	$ 120,000
324-A	0	HENDERSON	FSP2 SANDER	EQUIPMENT-LIGHT	STREETS	GENERAL FUND	12 YEAR/6K HOURS	2024-25	EQUIPMENT REPLACEMENT FUND	$ 20,000
		Bibliotheca	RFID DISCS	COMPUTER	LIBRARY	GENERAL FUND		2024-25	GENERAL FUND	$ 14,500
		Bibliotheca	RFID BOOKDROP	COMPUTER	LIBRARY	GENERAL FUND	5-10 YEAR	2024-25	GENERAL FUND	$ 28,300
		AAON	RN-020-8-0-EB0A-12A	HVAC	FIRE DEPT	GENERAL FUND	15 YRS	2024-25	EQUIPMENT REPLACEMENT FUND	$ 24,526
		FIRE LITE	MS5UD	FIRE ALARM	ANIMAL CONTROL	GENERAL FUND	15-18 YEAR	2024-25	EQUIPMENT REPLACEMENT FUND	$ 31,750
1300	64277	FORD	CROWN VIC	EMERGENCY CAR	MARSHAL	GENERAL FUND	5 YEAR/100K MILES	2025-26	EQUIPMENT REPLACEMENT FUND	$ 55,000
12	68168	RAM	RAM 4500	MEDIC	FIRE DEPARTMENT	GENERAL FUND	6-YR Front Line and 2-YR Reserve 8 YEAR/80K MILES	2025-26	DEBT ISSUANCE 2025	$ 420,000
NL	N/A	TRUE FIT	TLC1100 TREADMILL	FITNESS EQUIPMENT	FIRE DEPARTMENT	GENERAL FUND	10 YEARS	2025-26	GENERAL FUND	$ 6,000
629	1389	JOHN DEERE	3320H TRACTOR	EQUIPMENT-LIGHT	PARKS	GENERAL FUND	12 YEAR/6K HOURS	2025-26	EQUIPMENT REPLACEMENT FUND	$ 40,000
634	756	KUBOTA	KX41-3VR1 EXCAVATOR	EQUIPMENT-LIGHT	PARKS	GENERAL FUND	12 YEAR/6K HOURS	2025-26	EQUIPMENT REPLACEMENT FUND	$ 50,000
610	914	BOBCAT	T180 TRACKLOADER	EQUIPMENT-LIGHT	PARKS	GENERAL FUND	12 YEAR/6K HOURS	2025-26	EQUIPMENT REPLACEMENT FUND	$ 70,000
618	273	SCAGG	STT61V27CH MOWER	MOWERS	PARKS	GENERAL FUND	6 YEAR/3K HOURS	2025-26	GENERAL FUND	$ 13,000
69	9,294	HARLEY DAVIDSON	FLHP	MOTORCYCLE	POLICE	GENERAL FUND	5 YR	2025-26	EQUIPMENT REPLACEMENT FUND	$ 44,000
102	0	STALKER	SPEED SENSOR & TRAILER	TRAILERS	POLICE	GENERAL FUND	12 YEAR/6K HOURS	2025-26	GENERAL FUND	$ 18,000
637	0	BIG TEX	TRAILER	TRAILERS	PUBLIC WORKS	GENERAL FUND	8 YEAR MIN	2025-26	EQUIPMENT REPLACEMENT FUND	$ 20,000
1		LIFE FITNESS	RECUMBENT BIKE	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2025-26	GENERAL FUND	$ 4,600
9		LIFE FITNESS	ELLIPTICAL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2025-26	GENERAL FUND	$ 7,000
10		LIFE FITNESS	ELLIPTICAL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2025-26	GENERAL FUND	$ 7,000
77		MATRIX	CABLE CROSS	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	15 YEAR	2025-26	GENERAL FUND	$ 8,150
106		LIFE FITNESS	HIP ADDUCT/ABDUCT	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 2,900
101		LIFE FITNESS	LEG EXTENSION	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 3,600
102		LIFE FITNESS	SEATED LEG PRESS	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 4,600
103		LIFE FITNESS	LEG CURL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 3,500
104		LIFE FITNESS	TORSO ROTATION	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 3,500
105		LIFE FITNESS	CHEST PRESS	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 3,500
108		LIFE FITNESS	TRICEPS PRESS	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 3,000
109		LIFE FITNESS	SHOULDER PRESS	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 3,000
110		LIFE FITNESS	ABDOMINAL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 3,000
111		LIFE FITNESS	PULLDOWN	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 3,500
112		LIFE FITNESS	DUAL ADJUSTABLE PULLEY	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 4,500
113		LIFE FITNESS	SYNRGY 360	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	10 YEAR	2025-26	GENERAL FUND	$ 3,000
337	0	LINELAZER	IV3900 PAINT STRIPER	EQUIPMENT-LIGHT	STREETS	GENERAL FUND	12 YEAR/6K HOURS	2025-26	GENERAL FUND	$ 10,000
		FORD	F550 BUCKET TRUCK	HEAVY DUTY TRUCK	STREETS	GENERAL FUND	8 YEAR/120K MILES	2025-26	EQUIPMENT REPLACEMENT FUND	$ 121,000
		FARADAY	MPC-6000	FIRE ALARM	FIRE STATION	GENERAL FUND	15-18 YEAR	2025-26	EQUIPMENT REPLACEMENT FUND	$ 45,750

CONTINUED

CAPITAL OUTLAY SUMMARY - GENERAL FUND CONTINUED

VEHICLE	ODO	MAKE	MODEL	TYPE	DEPARTMENT	FUND	LIFE EXPECTANCY	REPLACEMENT YEAR	FUNDING SOURCE	ESTIMATED REPLACEMENT COST
11	32535	FORD	EXPEDITION XL	LIGHT DUTY TRUCK	FIRE	GENERAL FUND	8 YEAR/120K MILES	2026-27	EQUIPMENT REPLACEMENT FUND	$ 75,000
210	17252	FORD	F150 4X4 *	LIGHT DUTY TRUCK	BUILDING OFFICIAL	GENERAL FUND	8 YEAR/120K MILES	2026-27	EQUIPMENT REPLACEMENT FUND	$ 56,000
13	34116	CHEVY	TAHOE SSV 4X4	LIGHT DUTY TRUCK	FIRE	GENERAL FUND	8 YEAR/80K MILES	2026-27	EQUIPMENT REPLACEMENT FUND	$ 75,000
16	39588	RAM	RAM 4500	MEDIC	FIRE	GENERAL FUND	8 YEAR/80K MILES	2026-27	DEBT ISSUANCE 2026	$ 410,000
728	0	GENIE-SCISSOR	AWP-30DC GENERATOR	GENERATOR	FLEET	GENERAL FUND	12 YEAR/6K HOURS	2026-27	EQUIPMENT REPLACEMENT FUND	$ 22,000
		Bibliotheca & ELM USA	VARIOUS	SOFTWARE	LIBRARY	GENERAL FUND	5-10 YEAR	2026-27	EQUIPMENT REPLACEMENT FUND	$ 70,000
		AWE Acquisitions	Early Literacy Stations (2) & After School Edge (2)	COMPUTER	LIBRARY	GENERAL FUND	5 YEAR	2026-27	EQUIPMENT REPLACEMENT FUND	$ 15,200
TL2	0	STAR AMERICA	TRAILER	TRAILER	POLICE	GENERAL FUND	8YR MIN	2026-27	GENERAL FUND	$ 6,000
5		LIFE FITNESS	POWERMILL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2026-27	GENERAL FUND	$ 12,000
11		LIFE FITNESS	ELLIPTICAL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2026-27	GENERAL FUND	$ 7,000
12		LIFE FITNESS	ELLIPTICAL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2026-27	GENERAL FUND	$ 7,000
300	22953	FORD	F150 4X4 *	LIGHT DUTY TRUCK	STREETS	GENERAL FUND	8 YEAR/120K MILES	2026-27	EQUIPMENT REPLACEMENT FUND	$ 56,000
311	876	CRAFCO	CRACK SEALER	EQUIPMENT-HEAVY	STREETS	GENERAL FUND	10 YEAR/7K HOURS	2026-27	EQUIPMENT REPLACEMENT FUND	$ 45,000
338	21152	FORD	F250	LIGHT DUTY TRUCK	STREETS	GENERAL FUND	8 YEAR/120K MILES	2026-27	EQUIPMENT REPLACEMENT FUND	$ 60,000
		LENNOX	CBX25UH-024-230-1	A COIL	PARKS	GENERAL FUND	15 YEAR	2026-27	EQUIPMENT REPLACEMENT FUND	$ 3,004
		LENNOX	13ACX-024-230-18	2 TON SPLIT	PARKS	GENERAL FUND	15 YEAR	2026-27	EQUIPMENT REPLACEMENT FUND	$ -
		LENNOX	TZAA-120CA757	10 TON	REC CENTER	GENERAL FUND	15 YEAR	2026-27	EQUIPMENT REPLACEMENT FUND	$ 5,136
		Covert Armor	BALLESTIC HELMET & VEST	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10 YEAR	2027-28	GENERAL FUND	$ 10,000
		GLOBE	Bunker Gear	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	FIRE	2027-28	EQUIPMENT REPLACEMENT FUND	$ 85,000
		MSA	G1 SCBA Breathing Apparatus	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10 YEAR	2027-28	EQUIPMENT REPLACEMENT FUND	$ 110,500
		Stryker	Lucas 2.0	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10 YEAR	2027-28	GENERAL FUND	$ 20,000
		Stryker	Lucas 2.0	PUBLIC SAFETY EQUIP	FIRE	GENERAL FUND	10 YEAR	2027-28	GENERAL FUND	$ 20,000
		PATRON LAPTOPS - (6)	Dell XPS 13 9310	COMPUTER	LIBRARY	GENERAL FUND	FIRE	2027-28	GENERAL FUND	$ 13,800
335	143	WEILER	P385 PAVER	EQUIPMENT - HEAVY	STREETS	GENERAL FUND	10 YEAR/7K HOURS	2027-28	EQUIPMENT REPLACEMENT FUND	$ 200,000
415	338	SULLAIR	185DPQ-JD AIR COMPRESSOR	COMPRESSOR	STREETS	GENERAL FUND	12 YEAR/6K HOURS	2027-28	GENERAL FUND	$ 15,000
304	5792	CAT	430F BACKHOE	HD EQUIP	STREETS	GENERAL FUND	10 YEAR/7K HOURS	2027-28	EQUIPMENT REPLACEMENT FUND	$ 160,000.00
170	8591	FORD	F150	LIGHT DUTY TRUCK	POLICE	GENERAL FUND	8 YEAR/120K MILES	2027-28	GENERAL FUND	$ 40,000
		GIBSON	GBS5M-T30K-A	A COIL	OLD SR CENTER	GENERAL FUND	15 YEAR	2027-28	EQUIPMENT REPLACEMENT FUND	$ 2,961
107	8932	FORD		LIGHT DUTY TRUCK	ANIMAL CONTROL	GENERAL FUND	8YR/120K MILES	2028-29	GENERAL FUND	$ 60,000
15	28378	CHEVY	SUBURBAN	LIGHT DUTY TRUCK	FIRE DEPARTMENT	GENERAL FUND	8 YEAR/80K MILES	2028-29	DEBT ISSUANCE 2028	$ 75,000
		BULLARD	THERMAL IMAGER	PUBLIC SAFETY EQUIP	FIRE DEPARTMENT	GENERAL FUND	10 YEARS	2028-29	GENERAL FUND	$ 10,000
		ACCO GBC	PINNACLE 27 EZLoad LAMINATOR	COMPUTER	LIBRARY	GENERAL FUND	5 years	2028-29	EQUIPMENT REPLACEMENT FUND	$ 3,500
4		LIFE FITNESS	RECUMBENT BIKE	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2028-29	GENERAL FUND	$ 4,600
20		LIFE FITNESS	TREADMILL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2028-29	GENERAL FUND	$ 8,600
30		LIFE FITNESS	ELLIPTICAL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2028-29	GENERAL FUND	$ 7,000
30		LIFE FITNESS	TREADMILL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2028-29	GENERAL FUND	$ 8,600
31		LIFE FITNESS	ELLIPTICAL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2028-29	GENERAL FUND	$ 7,000
68		LIFE FITNESS	TREADMILL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2028-29	GENERAL FUND	$ 8,600
88		LIFE FITNESS	TREADMILL	FITNESS EQUIPMENT	RECREATION	GENERAL FUND	8 YEAR	2028-29	GENERAL FUND	$ 8,600
		LENNOX	CBX32MV-024/30-230-6-06		FOSTER VILLAGE	GENERAL FUND		2028-29	EQUIPMENT REPLACEMENT FUND	$ -
		LENNOX	14ACX-024-230-16	2 TON SPLIT	FOSTER VILLAGE	GENERAL FUND		2028-29	EQUIPMENT REPLACEMENT FUND	$ 3,439.00
		THERMAL ZONE	FAS072MAAA0A0AA	7 TON AIR HANDLER	REC CENTER	GENERAL FUND		2028-29	EQUIPMENT REPLACEMENT FUND	$ 3,520.00
		THERMAL ZONE	CAS072HAA0A00AA---	7 TON	REC CENTER	GENERAL FUND		2028-29	EQUIPMENT REPLACEMENT FUND	$ 3,410.00
		THERMAL ZONE	TZAA-090CA757	7 TON	REC CENTER	GENERAL FUND		2028-29	EQUIPMENT REPLACEMENT FUND	$ 4,179.00
		THERMAL ZONE	TZAA-090CA757	7 TON	REC CENTER	GENERAL FUND		2028-29	EQUIPMENT REPLACEMENT FUND	$ 4,179.00
		THERMAL ZONE	TZAA-090CA757	7 TON	REC CENTER	GENERAL FUND		2028-29	EQUIPMENT REPLACEMENT FUND	$ 4,179.00

** Public Works & Library Going Green - Emission Reduction with Incorporating Hybrid &/or Electric Light Duty Trucks/Vehicles.*

*** Additional request made following presentation to Council.*

TECHNOLOGY CAPITAL OUTLAY PLAN - GENERAL FUND

MAKE	MODEL	TYPE	LOCATION	FUND	REPLACEMENT YEAR	FUNDING SOURCE	ESTIMATED REPLACEMENT COST
FIRE MDT - LAPTOPS (7)	DELL	HARDWARE		GENERAL FUND	2024-25	GENERAL FUND	$ 25,200
FIRE MDT - KEYBOARDS	DELL	HARDWARE		GENERAL FUND	2024-25	GENERAL FUND	$ 5,600
SERVER REPLACEMENT	DELL	HARDWARE	FINANCIAL	GENERAL FUND	2024-25	GENERAL FUND	$ 9,000
SERVER REPLACEMENT	DELL	HARDWARE	I.T.	GENERAL FUND	2024-25	GENERAL FUND	$ 9,000
SERVER REPLACEMENT	DELL	HARDWARE	LIBRARY	GENERAL FUND	2024-25	GENERAL FUND	$ 9,000
WINDOW SERVER LICENSE	MICROSOFT	SOFTWARE		GENERAL FUND	2024-25	GENERAL FUND	$ 4,800
WORKSTATION REPLACEMENT	DELL	HARDWARE	ALL LOCATIONS	GENERAL FUND	2025-26	GENERAL FUND	$ 276,300
SERVER REPLACEMENT	DELL	HARDWARE		GENERAL FUND	2025-26	GENERAL FUND	$ 7,000
SERVER REPLACEMENT	DELL	HARDWARE	CITY HALL	GENERAL FUND	2026-27	GENERAL FUND	$ 16,500
SERVER REPLACEMENT	DELL	HARDWARE	POLICE	GENERAL FUND	2026-27	GENERAL FUND	$ 7,000
SERVER REPLACEMENT	DELL	HARDWARE	CITY HALL	GENERAL FUND	2026-27	GENERAL FUND	$ 16,500
SERVER REPLACEMENT	DELL	HARDWARE	CITY HALL	GENERAL FUND	2026-27	GENERAL FUND	$ 49,500
SERVER REPLACEMENT	DELL	HARDWARE	POLICE	GENERAL FUND	2026-27	GENERAL FUND	$ 16,500
WINDOW SERVER LICENSE	MICROSOFT	SOFTWARE		GENERAL FUND	2026-27	GENERAL FUND	$ 21,000
POLICE MDT - LAPTOP (16)	TBD	HARDWARE		GENERAL FUND	2027-28	GENERAL FUND	$ 73,000
POLICE MDT - DOCK (16)	TBD	HARDWARE		GENERAL FUND	2027-28	GENERAL FUND	$ 25,600
NVR COMPUTER (2)		HARDWARE		GENERAL FUND	2028-29	GENERAL FUND	$ 15,000
SECURITY CAMERA		HARDWARE		GENERAL FUND	2028-29	GENERAL FUND	$ 10,000
ID PRINTER	FARGO	HARDWARE		GENERAL FUND	2028-29	GENERAL FUND	$ 7,000

City of Watauga

Capital Outlay Plan

Detailed List by Year

Sorted by Fund and Department

Crime Control and Prevention District Fund

CAPITAL OUTLAY SUMMARY - CCD FUND

VEHICLE	ODO	MAKE	MODEL	TYPE	FUND	LIFE EXPECTANCY	REPLACEMENT YEAR	FUNDING SOURCE	ESTIMATED REPLACEMENT COST
165	67874	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	5YR/100K MILES	2024-25	CCD FUND	$ 80,000
166	57523	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	5YR/100K MILES	2024-25	CCD FUND	$ 80,000
167	56170	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	5YR/100K MILES	2024-25	CCD FUND	$ 80,000
168	48782	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	5YR/100K MILES	2024-25	CCD FUND	$ 80,000
169	52302	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	5YR/100K MILES	2024-25	CCD FUND	$ 80,000
164	86148	FORD	ESCAPE S	PASSENGER CAR	CCD FUND	8YR/120K MILES	2025-26	CCD FUND	$ 40,000
172	55200	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	5YR/100K MILES	2025-26	CCD FUND	$ 80,000
173	47690	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	5YR/100K MILES	2025-26	CCD FUND	$ 80,000
174	37744	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	5YR/100K MILES	2025-26	CCD FUND	$ 80,000
175	56000	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	5YR/100K MILES	2025-26	CCD FUND	$ 80,000
176	68421	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	5YR/100K MILES	2025-26	CCD FUND	$ 100,000
161	43711	CHEVY	SUBURBAN	PASSENGER CAR	CCD FUND	8YR/120K MILES	2026-27	CCD FUND	$ 40,000
177	43851	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	8YR/120K MILES	2026-27	CCD FUND	$ 80,000
162	54535	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	8YR/120K MILES	2026-27	CCD FUND	$ 60,000
171	51710	CHEVY	TAHOE	EMERGENCY CAR	CCD FUND	8YR/120K MILES	2027-28	CCD FUND	$ 40,000
178	23667	CHEVY	TAHOE	PASSENGER CAR	CCD FUND	8YR/120K MILES	2028-29	CCD FUND	$ 45,000
179	49613	CHEVY	TAHOE	PASSENGER CAR	CCD FUND	8YR/120K MILES	2028-29	CCD FUND	$ 45,000
180	14382	CHEVY	TAHOE	PASSENGER CAR	CCD FUND	8YR/120K MILES	2028-29	CCD FUND	$ 45,000

City of Watauga

Capital Outlay Plan

Detailed List by Year

Sorted by Fund and Department

Storm Drain Fund

CAPITAL OUTLAY SUMMARY - STORM DRAIN

VEHICLE	ODO	MAKE	MODEL	TYPE	FUND	LIFE EXPECTANCY	REPLACEMENT YEAR	FUNDING SOURCE	ESTIMATED REPLACEMENT COST
501	64720	FORD	F350 DUMP BODY - DIESEL	LIGHT DUTY TRUCK	STORM DRAIN	8 YEAR/120K MILES	2023-24	EQUIPMENT REPLACEMENT FUND	$ 80,000
500-A	0	HENDERSON	FSP2 SANDER	EQUIPMENT - LIGHT	STORM DRAIN	12 YEAR/6K HOURS	2023-24	EQUIPMENT REPLACEMENT FUND	$ 40,000
510	58696	INTERNATIONAL	7400 SBA 6X4 DUMP TRUCK	HEAVY DUTY TRUCK	STORM DRAIN	10 YEAR/150K MILES	2025-26	EQUIPMENT REPLACEMENT FUND	$ 145,000
314	20649	JOHN DEERE	TRACTOR	EQUIPMENT - LIGHT	STORM DRAIN	8 YEAR MIN	2026-27	EQUIPMENT REPLACEMENT FUND	$ 25,000
525	1352	SCAG	MOWER	MOWERS	STORM DRAIN	6 YEARS/3K HOURS	2026-27	STORM DRAIN FUND	$ 8,000
310	64814	HOLT CAT	924H FRONT END LOADER	EQUIPMENT - HEAVY	STORM DRAIN	10 YEAR/7K HOURS	2027-28	EQUIPMENT REPLACEMENT FUND	$ -



PERSONNEL ENHANCEMENT PLAN FY2024-2028



PERSONNEL ENHANCEMENT PLAN

The following pages present the City of Watauga's Personnel Enhancement Plan. (PEP)
for FY2024-2028. The purpose of this Personnel Enhancement Plan is to identify current and future personnel needs, justify these needs and develop a plan to fund these positions. City administration will continue to rely on planning tools and documents such as the Personnel Improvement Plan to ensure sufficient staffing numbers exist to maintain quality services to our residents.

The PEP provides a five (5) year staffing plan created as a result of department directors' requests. It is used as a tool for the annual budgeting process. Although 8.50 FTEs (Full-Time Equivalent Employees) were requested for the FY2024-2025 budget year, only 1.75 FTE positions were funded for a partial year to reduce the budgetary impact and still provide departmental needs.

24-25 Total Requests Approved

Department	Request	One Time Cost	Ongoing Cost	Total FTE	Approved
CSO					
Administrative Assistant - PT	New Position	$ 17,358	$ 20,528	0.25	Funded partial in Jan
Finance					
Financial Services Tech II to Purchasing Coord	Promotion	$ 6,746	$ 6,746	0	
Grant and Recognition Manager	Move from **ARPA** to GF	$ 18,611	$ 18,611	0.2	
HR					
HR Coordinator	Move from **ARPA** to GF	$ 61,285	$ 61,285	1	
IT					
Media Specialist to Comm Specialist II/PIO	Promotion	$ 3,600	$ 3,600	0	
Library					
Tech Services Supv promotion to Librarian	Promotion	$ 1,857	$ 3,686	0	Funded 1/2 year
Library Assistant promotion to Admin Assistant	Promotion	$ 2,740	$ 5,481	0	Funded 1/2 year
Parks and Community Services					
3 PT Recreation Attendants	New Position	$ 14,118	$ 13,718	0.5	2 PT .25 total 490 hrs each
Police					
Grant and Recognition Manager	Move from **ARPA** to GF	$ 27,916	$ 27,916	0.3	
Code Enforcement Officer	New Position	$ 67,974	$ 61,488	1	Funded 1/2 year
Public Works					
Permit Tech	Move from **ARPA** to GF	$ 53,848	$ 53,848	1	
4 Summer MWI SD - to 2 FT MWI - Storm Drain	Reclass Seasonal to 2 FT	$ 24,814	$ 23,914	0	1 FTE approved for 1/2 year
Totals		**$ 300,867**	**$ 300,821**	**4.25**	

**These numbers have been updated based on approval conditions and have been updated in accordance with comp study recommendations.*

Additional changes in the FY2024-2025 personnel include reclassing the four part-time Summer Maintenance Worker positions funding to a full-time Maintenance Worker I position, reclassing positions previously funded by grants into departmental budgets, and four position promotions.

Additional details on the City's number of FTEs by department can be found in the Budget Summary section of this document. The requests that were submitted for FY2024-25 that were not funded will be reevaluated during the next budget cycle. Through the PEP process department directors also submitted requests for the reclassification of existing positions. These reclassifications are due to an increase in responsibilities, as well as the creation of promotional paths within the departments to supplement the City's Succession Plan and promote employee retention. Reclassifications do not affect the number of FTEs.

CMO PEP Changes/Requests

FY 2023-2024	Current Year	Cost
CMO	None	
	Total	$ -

FY 2024-25	Phase 1	Cost
CMO	None	
	Total	$ -

FY 2025-26	Phase 2	Cost
CMO	None	
		$ -

FY 2026-27	Phase 3	Cost
CMO	None	
	Total	$ -

FY 2027-28	Phase 4	Cost
CMO	None	
	Total	$ -

Notes
No new request pending xfer of Admin Asst. to ED Specialist already budgeted.

CSO PEP Changes/Requests

FY 2023-2024	Current Year	Cost	Notes
CSO	None		
	Total	$ -	

FY 2024-25	Phase 1	Cost	Notes
CSO	Administrative Assistant - PT New	$ 21,227	New Position
General Fund	Total	$ 21,227	

FY 2025-26	Phase 2	Cost	Notes
CSO	Promote Assistant to City Secretary to Deputy City Sec	$ 3,150	Career Ladder Promotion - estimated
General Fund	Total	$ 3,150	

FY 2026-27	Phase 3	Cost
CSO	None	
	Total	$ -

FY 2027-28	Phase 4	Cost
CSO	None	
	Total	$ -

FINANCE PEP Changes/Requests

FY 2023 24	Current	Cost	Notes
FIN/MC/UB			
		$ -	

FY 2024 25	Phase 1	Cost	Notes
FIN	Financial Services Technician II to Purchasing Coordinator	$ 8,950	1 Promotion
FIN	Admin Asst. PT to Financial Services Tech I	$ 42,356	2 PT to FT .50 to 1.00 and grade change
FIN	Financial Services Technician II to Payroll Coordinator	$ -	3 Title change
MC	Court Assistant PT to Court Records Clerk PT	$ 1,240	4 Promotion
FIN	Grant Recognition Manager .20 from ARPA to GF	$ 18,611	Move from ARPA to GF
General Fund	Total	$ 71,157	

FY 2025 26	Phase 2	Cost	Notes
UB	Utility Billing Rep to Senior Utility Billing Rep	$ 3,600	Promotion Ladder
Enterprise		$ 3,600	

FY 2026 27	Phase 3	Cost
FIN/MC/UB	None	
	Total	$ -

FY 2027 28	Phase 4	Cost
FIN/MC/UB	None	
	Total	$ -

FIRE DEPARTMENT PEP Changes/Requests

FY 2023-24	Current		Cost	Notes
	None			
General Fund		Total	$ -	

FY 2024-25	Phase 1		Cost	Notes
FD	Firefighter/Paramedic (3)	$ 105,713 x 3	$ 317,139	3 New positions one on each shift
General Fund		Total	$ 317,139	

FY 2025-26	Phase 2	Cost
	None	
		$ -

FY 2026-27	Phase 3		Cost	Notes
FD	Firefighter/Paramedic (3)	$108,408x3	$ 108,402	3 New positions one on each shift
General Fund			$ 325,206	

FY 2027-28	Phase 4		Cost
	None		
		Total	$ -

HR PEP Changes/Requests

FY 2023-24	Current	Cost	Notes
HR	None		
	Total	$ -	

FY 2024-25	Phase 1	Cost	Notes
HR	FT- HR Coordinator	$ 61,285	Add current ARPA funded position to the budget
General Fund	Total	$ 61,285	

FY 2025-26	Phase 2	Cost	Notes
HR	None		
	Total	$ -	

FY 2026-27	Phase 3	Cost	Notes
HR	HR Generalist II - promotion	$ 11,207	Promotion to HR Generalist II
General Fund	Total	$ 11,207	

FY 2027-28	Phase 4	Cost	Notes
HR	None		
	Total	$ -	

IT PEP Changes / Requests

FY 2023-24	Current	Cost	Notes
IT	None		
	Total	$ -	

FY 2024-25	Phase 1	Cost	Notes
IT	Media Specialist promotes to Comm Specialist II/Public Information Officer	$ 3,600	Promotion Ladder w/ 5% Increase
General Fund	Total	$ 3,600	

FY 2025-26	Phase 2	Cost	Notes
IT	IT Support Specialist promotes to Systems Administrator	$ 5,200	Promotion Ladder w/ 5% increase
General Fund	Total	$ 5,200	

FY 2026-27	Phase 3	Cost
	Total	$ -

FY 2027-28	Phase 4	Cost
	None	
	Total	$ -

LIBRARY PEP Changes/Requests

LIB	Librarian Assistant PT to FT	$ 35,396
	Total	**$ 35,396**

FY 2024-25	**Phase 1**	**Cost**
LIB	Tech Services Supv promotion to Librarian - Acquisitions/Reference	$ 3,500
LIB	Library Assistant to Admin Assistant - Tech Services	$ 3,800
General Fund	**Total**	**$ 7,300**

FY 2025-26	**Phase 2**	**Cost**
LIB	Library Assistant - Adult Services PT to FT	$ 34,800
LIB	3 Library Aides to PT Library Assistants	$ 10,400
General Fund	**Total**	**$ 45,200**

FY 2026-27	**Phase 3**	**Cost**
LIB	None	
		$ -

FY 2027-28	**Phase 4**	**Cost**
LIB	None	
	Total	**$ -**

Notes
New Position Youth Department

1	Promotion Ladder 5%	Trina Nosenzo
2	Promotion Ladder Min Starting	Sarah Gianoli-Nyhus
3	.75 New position w/ benefits Min starting	New
4	Promotion to Library Assistants PT	D.Lancaster, N. Contreras, P.Kirspel

PACS PEP Changes/Requests

FY 2023-24	Current	Cost
Parks & CS	Assistant Director of Parks & Community Services	$ 26,809
CS	Reclassified Rec Programmer to Rec Programmer II	$ 9,606
CS	Reclassified Rec Programmer to Recreation Coordinator I	$ (5,579)
CS	Reclassified Rec Attendant to Recreation Coord. I	$ 5,579
CS	Reclassified Rec Attendant to Recreation Coord. I	$ 5,579
General Fund		$ 41,994
	Summer Program	
CS	Summer Camp Coordinator - PT	$ 10,875
CS	Summer Camp Leader (6 Seasonal PT Positions)	$ 18,450
CS	Summer Camp Counselor (6 seasonal PT positions)	$ 16,050
CS	Seasonal Preschool Teacher (2 Seasonal PT positions)	$ 12,890
General Fund	**Total**	**$ 58,265**
	Combined Total	**$ 100,259**

FY 2024-25	Phase 1	Cost	Notes
CS	Recreation Coordinator - Special Events	$ 59,473	New Position
CS	3 Recreation Attendents - PT	$ 25,792	New Positions 2x490 + 1 x 980 = 1,960 hours @$12.00
Parks	Landscape Gardner	$ 56,773	New Position
General Fund		**$ 142,038**	

FY 2025-26	Phase 2	Cost
PACS	none	
General Fund	**Total**	$ -

FY 2026-27	Phase 3	Cost
PACS	none	
	Total	$ -

FY 2027-28	Phase 4	Cost
PACS	None	
	Total	$ -

Notes
All Current FY requests approved.

PD - PEP Changes/Requests

			Notes
			Promotion
CCD Fund	Total	$ 9,185	

FY 2024-25	Phase 1	Cost	
PD	Grant and Recognition Program Manager ARPA To GF	$ 27,916	.30 ARPA Funding
PD	Code Enforcement Officer	$ 95,196	1 New
General Fund		$ 123,112	

FY 2025-26	Phase 2	Cost	
		$ 211,808	2 New
General	Total	$ 211,808	
PD	Mental Health Police Officer (1)	$ 106,154	1 New MH Specialist
CCD Fund		$ 106,154	
	Total	$ 317,962	

			3 New - total of 10 over 4 years
General Fund	Total	$ 325,734	

			3 New - total of 10.5 over 4 years
General Fund	Total	$ 333,999	

PW - PEP Changes/Requests

FY 2023-24	Current	Cost	Priori	Notes
P&D	Reclass P&Z to Planner I	$ 14,689		Promotion to Planner I
PW	Senior Sign and Signal Tech Promotion	$ 15,059		Promotion to Senior Sign and Signal Tech
	Total	$ 29,748		

FY 2024-25	Phase 1	Cost	Notes
PW	Permit Tech	$ 53,848	Add current ARPA funded position to the budget
PW	Assistant Director of Public Works	$ -	Reclassify to pay grade 37
P&D	Building Official	$ 185,497	New P succession (vehicle can be pushed out a year) AD is eligible for retirement
General Fund	Total	$ 239,345	
PW	Reclass Summer MWI to 2 FT PW MWI	$ 24,814	Reclassify 4 Seasonal to 2 FT split 24-25 and 25-26
Enterprise Fund	Total	$ 24,814	
		$ 264,159	

FY 2025-26	Phase 2	Cost	Notes
PW	Administrative Assistant - Development Services	$ 58,521	New position
PW	Environmental Compliance Officer	$ 75,485	New position
General Fund	Total	$ 134,006	
PW	Reclass Summer MWI to 2 FT PW MWI	$ 44,537	Reclassify 4 Seasonal to 2 FT split 24-25 and 25-26
Enterprise Fund	Total	$ 44,537	
		$ 178,543	

FY 2026-27	Phase 3	Cost	Notes
PW	Crew Leader - Streets	$ 77,094	New position
General Fund	Total	$ 77,094	
PW	Crew Leader - Storm Drain	$ 130,535	New position
PW	Crew Leader - Utilities	$ 130,535	New position
PW	Crew Leader - Wastewater	$ 130,535	New Position
Enterprise Fund	Total	$ 391,605	
		$ 468,699	

FY 2027-28	Phase 4	Cost	Notes
PW	Maintenance Worker I - Storm Drain	$ 58,401	New position
PW	Maintenance Worker II - Wastewater	$ 65,130	New position
PW	Maintenance Worker I - Utilities	$ 58,401	New position (unfreeze)
Enterprise Fund	Total	$ 181,932	

FY Totals by Fund

Totals FY 24-25	Cost
CMO	$ -
CSO	$ 21,227
Finance	$ 71,157
Fire	$ 317,139
HR	$ 61,285
IT	$ 3,600
Library	$ 7,300
Parks and Community Services	$ 142,038
Police	$ 123,112
Public Works	$ 264,159
Grand total	**$ 1,011,017**

Totals FY 25-26	Cost
CMO	$ -
CSO	$ 3,150
Finance	$ 3,600
Fire	$ -
HR	$ -
IT	$ 5,200
Library	$ 45,200
Parks and Community Services	$ -
Police	$ 317,962
Public Works	$ 178,543
Grand total	**$ 553,655**

Totals FY 26-27	Cost
CMO	$ -
CSO	$ -
Finance	$ -
Fire	$ 325,206
HR	$ 11,207
IT	$ -
Library	$ -
Parks and Community Services	$ -
Police	$ 325,734
Public Works	$ 468,699
Grand total	**$ 1,130,846**

Totals FY 27-28	Cost
CMO	$ -
CSO	$ -
Finance	$ -
Fire	$ -
HR	$ -
IT	$ -
Library	$ -
Parks and Community Services	$ -
Police	$ 333,999
Public Works	$ 181,932
Grand total	**$ 515,931**

Requested 4 Year Totals By Department

Department	FY 24-25	FY 25-26	FY 26-27	FY 27-28	4 YR Total
CMO	$ -	$ -	$ -	$ -	$ -
CSO	$ 21,227	$ 3,150	$ -	$ -	$ 24,377
Finance	$ 71,157	$ 3,600	$ -	$ -	$ 74,757
Fire	$ 317,139	$ -	$ 325,206	$ -	$ 642,345
HR	$ 61,285	$ -	$ 11,207	$ -	$ 72,492
IT	$ 3,600	$ 5,200	$ -	$ -	$ 8,800
Library	$ 7,300	$ 45,200	$ -	$ -	$ 52,500
Parks and Community Services	$ 142,038	$ -	$ -	$ -	$ 142,038
Police	$ 123,112	$ 317,962	$ 325,734	$ 333,999	$ 1,100,807
Public Works	$ 264,159	$ 178,543	$ 468,699	$ 181,932	$ 1,093,333
Grand total	**$ 1,011,017**	**$ 553,655**	**$ 1,130,846**	**$ 515,931**	**$ 3,211,449**

Requested 4 Year Totals by Fund

Department	FY 24-25	FY 25-26	FY 26-27	FY 27-28	Total
General Fund	$ 986,203	$ 399,364	$ 739,241	$ 333,999	$ 2,458,807
CCD Fund	$ -	$ 106,154	$ -	$ -	$ 106,154
Enterprise	$ 24,814	$ 48,137	$ 391,605	$ 181,932	$ 646,488
Grand total	**$ 1,011,017**	**$ 553,655**	**$ 1,130,846**	**$ 515,931**	**$ 3,211,449**

24-25 Total Requests

Department	Request		Cost	Total FTE
CSO				
Administrative Assistant - PT	New Position	$	21,227	0.25
Finance				
Financial Services Tech II to Purchasing Coord	Promotion	$	8,950	0
Admin Asst PT to Financial Services Tech I	PT to FT and grade change	$	42,356	0.5
Financial Services Tech II to Payroll Coordinator	Title change	$	-	0
Grand and Recognition Manager - ARPA	Move .20 FT to GF	$	18,611	0.2
Court Asst. PT to Court Records Clerk PT	Promotion	$	1,240	0
Fire				
Firefighter/Paramedics	New Positions	$	317,139	3
HR				
HR Coordinator	Move from ARPA to GF	$	61,285	1
IT				
Media Specialist to Comm Specialist II/PIO	Promotion	$	3,600	0
Library				
Tech Services Supv promotion to Librarian	Promotion	$	3,500	0
Library Assistant promotion to Admin Assistant	Promotion	$	3,800	0
Parks and Community Services				
Recreation Coordinator - Special Events	New Position	$	59,473	1
PT Recreation Attendants	New Position	$	25,792	0.75
Landscaper Gardner	New Position	$	56,773	1
Police				
Grant and Recognition Manager	Move from ARPA to GF	$	27,916	0.3
Code Enforcement Officer	New Position	$	95,196	1
Public Works				
Permit Tech	Move from ARPA to GF	$	53,848	1
Asst Director of Public Works	Reclass to higher grade	$	-	0
Building Official	New Position	$	185,497	1
Reclassify 4 Summer MWI SD - to 2 FT MWI - Storm D.	Reclass Seasonal to 2 FT	$	24,814	1
Totals		**$**	**1,011,017**	**12**

24-25 Total Requests Approved

Department	Request	One Time Cost	Ongoing Cost	Total FTE	Approved
CSO					
Administrative Assistant - PT	New Position	$ 17,358	$ 20,528	0.25	Funded partial in Jan
Finance					
Financial Services Tech II to Purchasing Coord	Promotion	$ 6,746	$ 6,746	0	
Grant and Recognition Manager	Move from **ARPA** to GF	$ 18,611	$ 18,611	0.2	
HR					
HR Coordinator	Move from **ARPA** to GF	$ 61,285	$ 61,285	1	
IT					
Media Specialist to Comm Specialist II/PIO	Promotion	$ 3,600	$ 3,600	0	
Library					
Tech Services Supv promotion to Librarian	Promotion	$ 1,857	$ 3,686	0	Funded 1/2 year
Library Assistant promotion to Admin Assistant	Promotion	$ 2,740	$ 5,481	0	Funded 1/2 year
Parks and Community Services					
3 PT Recreation Attendants	New Position	$ 14,118	$ 13,718	0.5	2 PT .25 total 490 hrs each
Police					
Grant and Recognition Manager	Move from **ARPA** to GF	$ 27,916	$ 27,916	0.3	
Code Enforcement Officer	New Position	$ 67,974	$ 61,488	1	Funded 1/2 year
Public Works					
Permit Tech	Move from **ARPA** to GF	$ 53,848	$ 53,848	1	
4 Summer MWI SD - to 2 FT MWI - Storm Drain	Reclass Seasonal to 2 FT	$ 24,814	$ 23,914	0	1 FTE approved for 1/2 year
Totals		**$ 300,867**	**$ 300,821**	**4.25**	

**These numbers have been updated based on approval conditions and have been updated in accordance with comp study recommendations.*

BUDGET SUMMARY



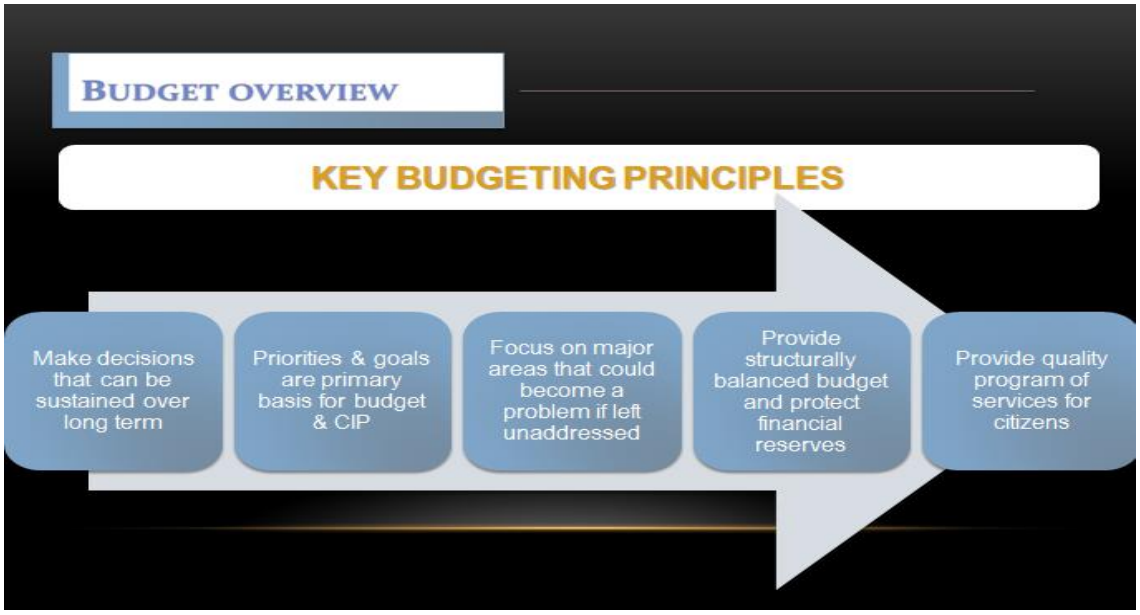
ANNUAL BUDGET PROCESS

BUDGETARY SYSTEM AND PROCESS

The City Charter requires the City Manager to submit a proposed budget for the fiscal year, which begins October 1, to the City Council by August 1 each year, and provides for Council adoption of the budget by September 15; Article IX Section 9.02 F states "The budget shall be finally adopted not later than the last regular Council meeting of the last month of the fiscal year." Prior to August 1, the Finance department prepares a forecast of expected revenues from property taxes, sales taxes, and other fees and transfers. The City Manager and City department heads prepare expenditure estimates for the remainder of the current fiscal year and for the ensuing fiscal year, and these are compared to estimates of revenue for the same periods. Adjustments are made to the departmental expenditure estimates as necessary to ensure that the proposed budget is balanced within total estimated income as required by the City Charter. A **balanced budget** can include a planned drawdown of fund balance within guidelines discussed on the following pages.

As part of the general government budget preparation, there is also a simultaneous preparation of a budget for both the Crime Control District and the Economic Development Corporation. Due to their separate legal status, the respective boards must approve their budget, which is then sent to the City Council for final approval and appropriation.

During the budget cycle, key budgeting principles are considered throughout the process as shown below. These principles ensure the long-term vision and fiscal sustainability is a priority throughout the budget process.



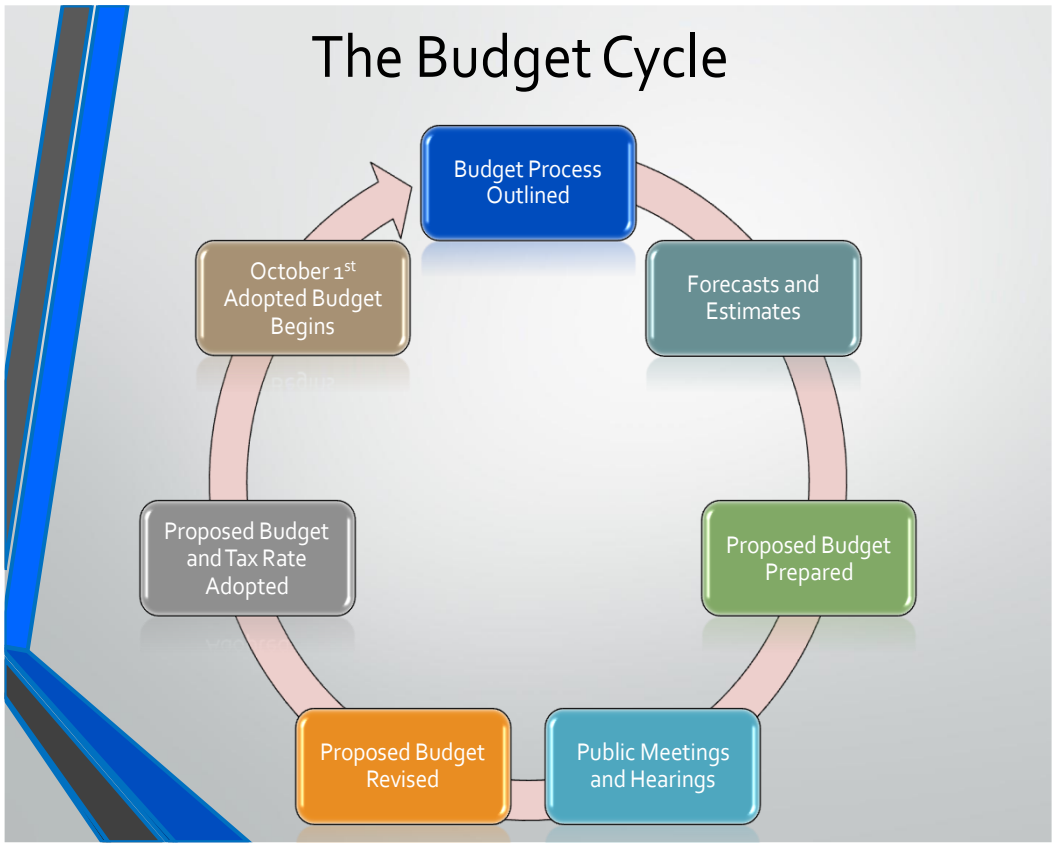
ANNUAL BUDGET PROCESS

Following adoption of the budget by the City Council, the City Manager and department heads, supported by the Finance department, monitor expenditures and revenues throughout the year to ensure that the integrity of the budget is maintained.

The Charter allows the City Manager to transfer appropriation balances among programs within a department and provides for transfer of appropriation balances from one department to another upon approval by the City Council by ordinance. If a departmental appropriation is exceeded at any time during the year, the budget must be amended and a supplemental or transfer appropriation ordinance approved by the City Council.

The City Manager is required to make monthly reports to the Council concerning the financial condition of the City.

The annual budget process includes considerable staff participation from all departments and City Council direction concerning key policy areas. The public has the opportunity to participate with comments, concerns, or budget requests during public meetings and a public hearing prior to adoption of the budget and proposed tax rate. The budget cycle below depicts the process and a monthly calendar follows that summarizes the 2025 budget schedule:



ANNUAL BUDGET PROCESS

March

- Capital Improvement Plan Committee Meeting
- Review and update Personnel Enhancement Plan

April

- Update Capital Outlay Plan needs and estimates
- Distribute budget instructions to staff & provide training sessions as requested

May

- Departments submit 2024 projections
- Deadline for submittal of 2025 department budget requests
- Deadline for submittal of 2025 department new requests
- Economic Development Corporation Budget Development and presentation to Board

June

- City Manager/City Council Strategic Planning and Budget Retreat
- City Manager/budget officer review of budgets
- City Manager/departmental meetings on budget requests
- Crime Control and Prevention District Budget presentation to Board and Public Hearing
- Economic Development Corporation Budget Public Hearing
- Capital Improvement Plan Presentation and Updates

July

- Finance updates revenue estimates, all funds
- July 25th Certified Rolls receipted from Appraisal District
- Final budget decisions made and Proposed Budget prepared
- Crime Control and Prevention District Budget adoption and City Council acceptance
- Economic Development Corporation Budget Public Hearing, Budget Adoption, and Council acceptance

ANNUAL BUDGET PROCESS

August

- By August 1st, distribute proposed budget to Council and City Secretary
- Present Proposed Budget/Tax Rate to Council and Citizens
- Public Hearing on Proposed Budget and 2025 Tax Rate
- Council Workshop on planning documents (Capital Outlay, Personnel Enhancement Plan)
- 2025 Budget appropriation ordinance and tax rate adoption

October

- Finalize and distribute final budget and budget implementation.

BUDGET CALENDAR 2024-2025

City Wide Budget			
Thu, Feb 15, 2024	Directors/FD	Personnel Improvement Plan Update	Each department reviews 5 year plan and submits update to HR - Due March 15
Fri, Mar 15, 2024	Directors/FD	Personnel Improvement Plan Update	Due to HR
Mon, Mar 25, 2024	Bond/CIP Committee/Engineer	Capital Improvement Plan Kick-off - Update of estimates	Due May 17th
Mon, Apr 1, 2024	Bond/COP Committee	Update COP needs and estimates	Due May 3rd
Wed, Apr 3, 2024	Directors/FD/CM	Digital Budget Kick-off - Documents available	
Thu, Apr 4, 2024	Directors / FD / CM	Budget training (As needed on individual basis)	Optional Refresher (contact Finance)
Thu, May 9, 2024	Bond/COP Committee	Final COP Committee	
Fri, May 10, 2024	Bond/CIP Committee/Engineer	Final Update on CIP due to Finance	
Fri, May 17, 2024	HR/FD/CM	Personnel Improvement Plan Update	PIP due to CM review and budget prep
Fri, May 17, 2024	Directors / FD	Baseline Budgets & Year End Projections Due	Departments update into Incode
Fri, May 17, 2024	Directors/FD	New & Expanded Requests Due	Departments submit requests - not in System until approved
April - May 2024	TAD / FD	Preliminary TAD Taxable Values are received (Finance Department begins Tax Rate Analysis)	Tarrant Appraisal District submits preliminary tax values to cities
Wed, May 29, 2024	FD	Preliminary Revenue Estimates	All revenues estimates due - 1st update
Sat, Jun 1, 2024	CM/CC	Strategic Planning & Budget Retreat	Review Strategic Plan and budget topics
Mon, Jun 10, 2024	CM/CC	Budget Worksession	CIP, COP, discuss debt issuance if needed
Mon, Jun 10, 2024	FD/CM	Finance Department submits preliminary consolidated budget to CMO	
6/17-6/21 2024	Directors/FD/CM	Budget Request Discussions	Meeting with City Manager & Directors (Finance Director to allow departments to present budget requests)
Mon, Jun 24, 2024	CM/CC/Directors	City Council Meeting	NOI debt issuance
Fri, Jul 12, 2024	CM	Final Decisions & Budget Message Prepared	
7/15-7/19	FD/CM	Budget Preparation Week	
Sat, Jul 20, 2024	FD / CM	Submit Preliminary Budget to CSO/Council/Website	Required by August 1st - Article IX Sec. 9.02B. Home Rule Charter-de minimis rate triggers earlier date
Fri, Jul 19, 2024	CSO for CC	Publish Notice of Availability of the proposed budget document for public inspection	8/1/2024 Article IX Sec. 9.02C. Home Rule Charter-earlier date for de minimis
Thu, Jul 25, 2024	TAD / FD	Certified Appraisal Roll Received Tax Rate Calculations and Revenue estimates (revisions to the Budget are made as necessary)	
Thu, Jul 25, 2024	CSO for CC	Publish Notice of Public Hearing EDC & CCPD	To be held August 12th
Thu, Aug 1, 2024	CSO for CC	Publish Notice of Budget Public Hearing to be held 8/12 and Property tax rate and Public Hearing on Tax Increase to be held 8/26	TEX. LOC. GOV'T CODE § 102.0065 (not later than 10th day before the budget hearing). Note that the notice may not be published earlier than the 30th day before the hearing.
Mon, Aug 5, 2024	CC/Directors/CM	Budget Presentations Workshop (Budget Highlights & Tax Rate and Department Budgets)	Present highlights for funds and significant changes. Discuss supplemental requests.
Mon, Aug 5, 2024	CC	Meeting of City Council to discuss tax rate (if above no new revenue rate, take record vote and schedule public hearing)	The designated officer or employee must submit the no-new-revenue and voter-approval tax rates to the city council by August 7th, or as soon thereafter as practicable. TEX. TAX CODE § 26.04(e)
Mon, Aug 12, 2024	CC	Public Hearing on Budget - Must be at least 15 days after submission to CSO	Article IX Sec. 9.02E. Home Rule Charter Chapter 26 Sec.26.06(a) Property Tax Code SB2 new requirement - over 3.5% (Must be 78 days before November election)
Mon, Aug 19, 2024	CC	Budget Worksession (if needed)	Additional budget worksession if desired by City Council
Mon, Aug 26, 2024	CC	Public Hearing on Tax RateBudget & Tax Rate adopted, Ratification of Revenue Increase and Fee changes.	By September 15th by City Ordinance
Tue, Oct 1, 2024	**ALL**	**Budget Implementation**	

Crime Control District			
Wed, May 15, 2024	Directors / FD	Baseline Budgets due	
Wed, May 15, 2024	Directors / FD	New & Expanded Requests Submitted	
Mon, May 20, 2024	FD	Finance Dept. submits budget requests to CMO	
Mon, May 20, 2024	CM/Director/FD	Discussion of Budget	
Mon, Jun 3, 2024	CCD	Crime Board Workshop Meeting (Set the date for Public Hearings on proposed WCCPD Budget)	Meeting at 5:30PM
Sun, May 26, 2024	CSO for CCD	Publish Notice of Public Hearing	Sec. 363.204(b) Local Government Code (Not later than 10th day before hearing) 12 days
Mon, Jun 10, 2024	CCD	Public Hearing (meeting at 5:30PM)	Sec. 363.204(a) Local Government Code (Not later than 100th day before fiscal year begins) 112 days
Mon, Jul 8, 2024	CCD	Budget Adoption (meeting at 5:30PM)	Sec. 363.204(d) Local Government Code (Not later than 80th day before the fiscal year begins) 80 days
Mon, Jul 8, 2024	CC	Budget Acceptance	Sec. 363.204(e) Local Government Code (Not later than 10th day after CCD Adopts) 0 days
Fri, Jul 26, 2024	CSO for CC	Publish Notice of Public Hearing	Sec. 363.205(b) Local Government Code (Not later than 10th day before hearing - must allow 10 days before PH) 15 days
Mon, Aug 12, 2024	CC	Public Hearing	Sec. 363.205(a) Local Government Code (Not later than 45th day before fiscal year begins) 50 days
Mon, Aug 26, 2024	CC	**Budget Adoption**	Sec. 363.205(d) Local Government Code (Not later than 30th day before fiscal year begins) 34 days
Tue, Oct 1, 2024	**ALL**	**Budget Implementation**	

Economic Development Corporation			
Tue, May 7, 2024	CM / FD	Baseline Budgets submitted	CM&Finance to develop
Tue, May 7, 2024	CM / FD	New & Expanded Requests Submitted	CM&Finance to develop
Fri, May 10, 2024	CM/FD	Finance Dept. submits budget draft to CM	
Tue, May 21, 2024	EDC	Budget Workshop (Submit Budget to Board)	Set Public Hearing and Adoption dates
Fri, Jun 7, 2024	CSO for EDC	Publish Notice of Public Hearing	11days before PH (no requirement)
Tue, Jun 18, 2024	EDC	Public Hearing	
Tue, Jul 16, 2024	EDC	Budget Adoption	60 days after submitted to Board (56 days) and allow 30 days before Council Adoption (39 days)
Thu, Jul 18, 2024	FD/CSO	Submit EDC Budget to CSO for Council agenda	30 days prior to Council adoption (39 days)
Mon, Jul 29, 2024	CC	Budget Acceptance	Set Public Hearing and Adoption dates
Thu, Aug 1, 2024	CSO for CC	Publish Notice of Public Hearing	10 days
Mon, Aug 12, 2024	CC	Public Hearing	At least 15 days after Board submits budget to City Secretary (20 days)
Mon, Aug 26, 2024	CC	Budget Adoption	At least 30 days after Board submits budget to City Secretary (34 days)
Tue, Oct 1, 2024	**ALL**	**Budget Implementation**	

City Council Dates
Mon, May 13, 2024
Mon, Jun 10, 2024
Mon, Jun 24, 2024
Mon, Jul 8, 2024
Mon, Jul 22, 2024
Mon, Aug 12, 2024
Mon, Aug 26, 2024
Mon, Sep 9, 2024

Deliverables by Area of Responsibility
DEPARTMENTAL
CITY SECRETARY
CITY COUNCIL
FINANCE
WEDC BOARD
WPCCD BOARD

BUDGET SUMMARY

BUDGETARY FINANCIAL POLICY GUIDELINES

Numerous financial policy guidelines are followed for the fiscal management of the City and enable the City to maintain financial stability. The financial policy statements are reviewed annually and provide a framework for fiscal decision-making to ensure that financial resources are available to meet the present and future needs of the citizens of Watauga.

The benefits of a financial policy are:

- Improve and expedite the decision-making process by allowing elected officials and staff to consider approaches to financial management from a long-term perspective.
- Enhanced credibility with the public, investors, and bond-rating agencies.
- Provide a sense of continuity as changes occur among elected officials and staff.
- Provide a means for dealing with fiscal emergencies.

Financial policies should be reviewed periodically (at least annually) by the City Council and revised and updated as necessary.

The following are the fiscal objectives of this policy:

- **Revenues:** Design, maintain, and administer revenues that will ensure reliable, equitable, and sufficient amounts to support desired services.
  - Balance and Diversify Revenue Sources: Maintain a balanced and diversified revenue system to avoid adverse fluctuations in any one source due to changes in economic conditions.
  - Property Tax Revenues: Strive to reduce reliance on property tax revenues by implementation of user fees, economic development, and revenue diversification.
  - User fees: Establish and collect fees to recover the costs for services that benefit specific users. When feasible, the City shall recover full direct and indirect costs. These fees should be reviewed on a regular basis to calculate full-cost recovery levels, compare them with current structures, and recommend adjustments when necessary.
  - Utility/Enterprise Fund Service Fees: Utility rates shall be set at sufficient levels to recover operating expenditures, meet debt obligations, provide funding for capital improvements, and provide an adequate level of working capital. The City should seek to eliminate all forms of subsidization to utility funds from the General Fund.
  - Administrative Service Charges: A method should be established to determine the annual administrative service charges due the General Fund from

Enterprise Funds for overhead and staff support. The Enterprise Fund shall pay the General Fund for direct services rendered when appropriate.

- Revenue Estimates for Budgeting: A conservative, objective, and analytical approach shall be used when preparing revenue estimates. This should include an analysis of probable economic changes, historical collection rates, and trends in revenues. This should maintain a stable level of services and reduce the probability of actual revenues being short of budget estimates.
- Revenue Collection: The revenue system should be as simple as possible in order to expedite payments. Since revenue should exceed the cost of producing it, administrative costs should be controlled and reduced as much as possible. The City shall pursue, to the full extent allowed by law, all delinquent taxpayers, and others overdue in their payments to the City.

- **Expenditures:** Prioritize services, establish appropriate levels of service, and administer the resources to ensure that fiscal stability is attained and maintained, and that services are delivered in an effective, efficient manner.
  - Current Funding Basis: Expenditures shall be budgeted and controlled to not exceed current revenues plus the planned use of fund balance accumulated through prior year saving. (Use of fund balance is discussed in another section).
  - Operating Deficits: Take immediate corrective action if expenditures are projected to be greater than projected revenues at year-end. Corrective actions could include, but are not limited to, expenditure reductions, fee increases, or use of fund balances. Short-term loans, use of one-time revenue sources, or expenditure deferral to the following fiscal year should be avoided.
  - Capital Asset Maintenance: As resources are available each year, capital assets and infrastructure should be maintained at sufficient levels to minimize future replacement and repair costs, to continue prescribed service levels, and to protect the City's investment in the assets.
  - Program Reviews: Make periodic staff and third-party reviews of programs to ensure efficiency and effectiveness. Consider privatization and contracting with other governmental agencies as alternative approaches for service delivery. Eliminate programs that are determined to be inefficient or ineffective. Use of performance management and performance measurement techniques is encouraged.
  - Purchasing: Every effort should be made to maximize discounts offered by vendors. Competitive bidding should be used to receive the most advantageous prices on goods and services.

- **Fund Balances:** Maintain fund balances in the various funds at sufficient levels to protect the creditworthiness of the City and protect the financial position from emergencies.

- General Fund Undesignated Fund Balance: The undesignated fund balance should be maintained at or above 25% of expenditures.
- Retained Earnings of Other Operating Funds: Positive retained earnings shall be maintained in enterprise operating funds in order to ensure that sufficient reserves are available for emergencies and revenue shortfalls. In the Water and Sewer Enterprise Fund, an operating reserve will be established and maintained at or above 20% of the current year's budget. The reserve is calculated as total budget less debt service and capital project expenditures. Special revenue funds such as Watauga Economic Development Corporation and Crime Control and Prevention District Fund should maintain positive fund balances and each respective Board should approve the amount to be retained each year.
- Use of Fund Balance/Retained Earnings: Fund Balance/Retained Earnings should be used only for emergencies, major capital purchases, or non-recurring expenditures that cannot be provided by savings in the current year. Should the use reduce the balance below the appropriate level, recommendations will be made by management on how to restore the balance to its designated level.

- **Capital Expenditures and Improvements**: Review and monitor the condition of capital equipment and infrastructure, establish priorities for replacement and repair based on needs and availability of resources.
  - Capital Improvement Program (CIP): An annual review of the need for capital improvements and equipment should be conducted. This review should evaluate the status of infrastructure, its replacement and repair, and any potential new projects. Prioritize all projects, both on-going and proposed, based on an analysis of current needs and resource availability. All operations, maintenance, and replacement costs should be listed for every capital project.
  - Scheduled Replacement of Capital Assets: An annual schedule shall be prepared for the replacement of non-infrastructure capital assets. As resources are available, these assets shall be replaced according to the schedule.
  - Capital Expenditure Financing: There are three methods of financing capital requirements:
    - Current revenues.
    - Fund balance/retained earnings, as allowed.
    - Debt.

    Debt financing includes general obligations bonds, revenue bonds, certificates of obligation, and lease/purchase agreements. Guidelines for assuming debt are described in the Debt section, below.
  - Capital Projects Reserve Fund: A fund may be established and maintained to accumulate proceeds from the sale of real property, and transfers from the General Fund undesignated fund balance. This fund should be used to pay for

capital improvements and equipment with an expected life of greater than 10 years.

- **Debt:** Establish guidelines for debt financing that will provide capital equipment and infrastructure improvements while minimizing the impact of principal and interest payments on current revenues.

  - Use of Debt Financing: Debt financing, including general obligation bonds, revenue bonds, certificates of obligation, and lease/purchase agreements shall be used only when capital assets cannot be financed from current revenues or when the useful life of the asset or project exceeds the payout schedule of any debt.
  - Assumption of Additional Debt: Additional tax supported debt should not be assumed without conducting an analysis to determine the community's ability and desire to support additional debt service payments.
  - Affordability Targets: An objective analytical approach should be used to determine whether new general-purpose debt could be assumed beyond what is retired each year. Generally Accepted Standards of affordability should be used in the analysis. These include debt per capita, debt as a percent of taxable value, debt service payments as a percent of current revenues and current expenditures, and the level of overlapping net debt of all local taxing jurisdictions. The direct costs and benefits of the proposed expenditures should be examined. The decision to assume new debt should be based on the costs and benefits, plus the ability to assume the new debt without detriment to the City or its citizens.
  - Debt Structure: Debt payments should be structured to ensure level repayment. Level payment schedules improve budget planning and financial management.
  - Debt Limits: Article XI, Section 5, of the State of Texas Constitution does not provide for a statutory debt limit for cities. However, it does state: "Cities may levy, assess and collect such taxes as may be authorized by law or by their charters; but no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half per cent. [*sic*] of the taxable property of such city, and no debt shall ever be created by any city, unless at the same time provision be made to assess and collect annually a sufficient sum to pay the interest thereon and creating a sinking fund of at least two per cent. [*sic*] thereon." See also the Texas Tax Code Section 302.001(c).

    City Charter Article X - Taxation, Section 10.02 - Power to Tax states: "The City shall have the power to tax property in accordance with the statutory provision of the Texas Property Tax Code, as now or hereafter amended by the state legislature."

Thus, the maximum rate of tax for the City is $2.50/$100 of value of the taxable property in the municipality. The current City Tax rate is $0.570200/$100 of valuation and thus well below the state and charter statutory maximum.

- **Investments:** Invest the City's operating cash to ensure its safety, provide for necessary liquidity, and optimize yield in accordance with the City of Watauga Investment Policy. Interest earned from investments shall be distributed to the fund from which the money was provided.

- **Fiscal Monitoring:** Prepare and present regular reports that analyze, evaluate, and forecast the City's financial performance and economic condition.
  - Financial Status and Performance Reports: Monthly reports comparing expenditures and revenues to current budget, projecting expenditures and revenues through the end of the year, noting the status of fund balances to include dollar amounts and percentages, and outlining any remedial actions necessary to maintain the City's financial position shall be prepared for review by the City Manager and the City Council.
  - Three-year Forecast of Revenues and Expenditures: A three-year forecast of revenues and expenditures should be prepared in anticipation of the annual budget process. The forecast should include critical issues facing the City, economic conditions, and the outlook for the upcoming budget year.
  - Quarterly Status Report on Capital Projects: A summary report on the contracts awarded, capital projects completed, and the status of the various capital programs should be prepared quarterly and presented to the City Manager and the City Council.

- **Financial Consultants:** Within available resources, employ the assistance of qualified financial advisors and consultants, as needed, in the management and administration of the City's financial functions.

  These areas include but are not limited to investments, debt administration, financial accounting systems, program evaluations, and financial impact modeling. Advisors should be selected on a competitive basis using objective questionnaires and requests for proposals based on the scope of the work to be performed.

- **Accounting, Auditing and Financial Reporting:** Comply with prevailing federal, state, and local regulations. Conform to Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).

FINANCIAL PLAN

PURPOSE OF FINANCIAL PLAN

The main purpose of a financial plan is to guide the City in financing cost effective services, programs and capital needs, while focusing on a stabilized tax levy and appropriate levels for fees and service charges as prescribed by approved financial objectives. The annual audit, internal audits, and review of Monthly Financial Reports assure the compliance of financial objectives.

Basis of Accounting and Budgeting

Basis of Accounting

The city's accounting records for general governmental operations are maintained on a modified accrual basis according to Generally Accepted Accounting Principles (GAAP). Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Proprietary funds use the accrual basis of accounting. Under this method, revenues are recorded when earned (for example, water & sewer and drainage utility fees are recognized as revenue when bills are produced) and expenses are recorded when a commitment is made (e.g., through a purchase order).

Basis of Budgeting

Basis of budgeting refers to the methodology used to include revenues and expenditures in the budget. The City of Watauga budgets on a cash basis. The City does not budget for non-cash items such as depreciation. The revenues and expenditures are assumed to be collected or spent during the period appropriated. Using this assumption, the current year revenues are compared to expenditures to ensure that each fund has sufficient revenues to cover a revenue shortfall. The City's operating budget is adopted on an annual basis (the fiscal year begins with the first day in October and ends on the last day of September), with all appropriations lapsing at fiscal year-end. Capital project funds and grant funds have multi-year budgets. Outstanding encumbrances at fiscal year-end are re-appropriated by Council ordinance and carry-over to the following fiscal year.

BUDGET SUMMARY

Basis of Budgeting vs. Basis of Accounting

The basis of budgeting differs from the basis of accounting only by the assumptions that are made in regard to the timing of recognition of revenues and expenditures. The budget assumes that all revenues and expenditures, as well as the associated cash, will be expended or received during the budget period. Conversely, the basis of accounting only recognizes revenues when they become both measurable and available when incurred. Cash is not necessarily received and expended at the same time.

Each year the City of Watauga completes its annual audit and presents the Annual Comprehensive Financial Report (ACFR). The Annual Comprehensive Financial Report (ACFR) shows the status of the City's finances on the basis of "generally accepted accounting principles" (GAAP). We develop our budget to follow this basis of accounting to provide greater efficiency during our annual audit.

Basis of Presentation– Fund Accounting

For financial reporting purposes, all City accounts are organized based on funds, or account groups, of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. Using these accounts, the revenues and expenditures are budgeted and approved before the beginning of each fiscal year by an ordinance passed by the City Council.

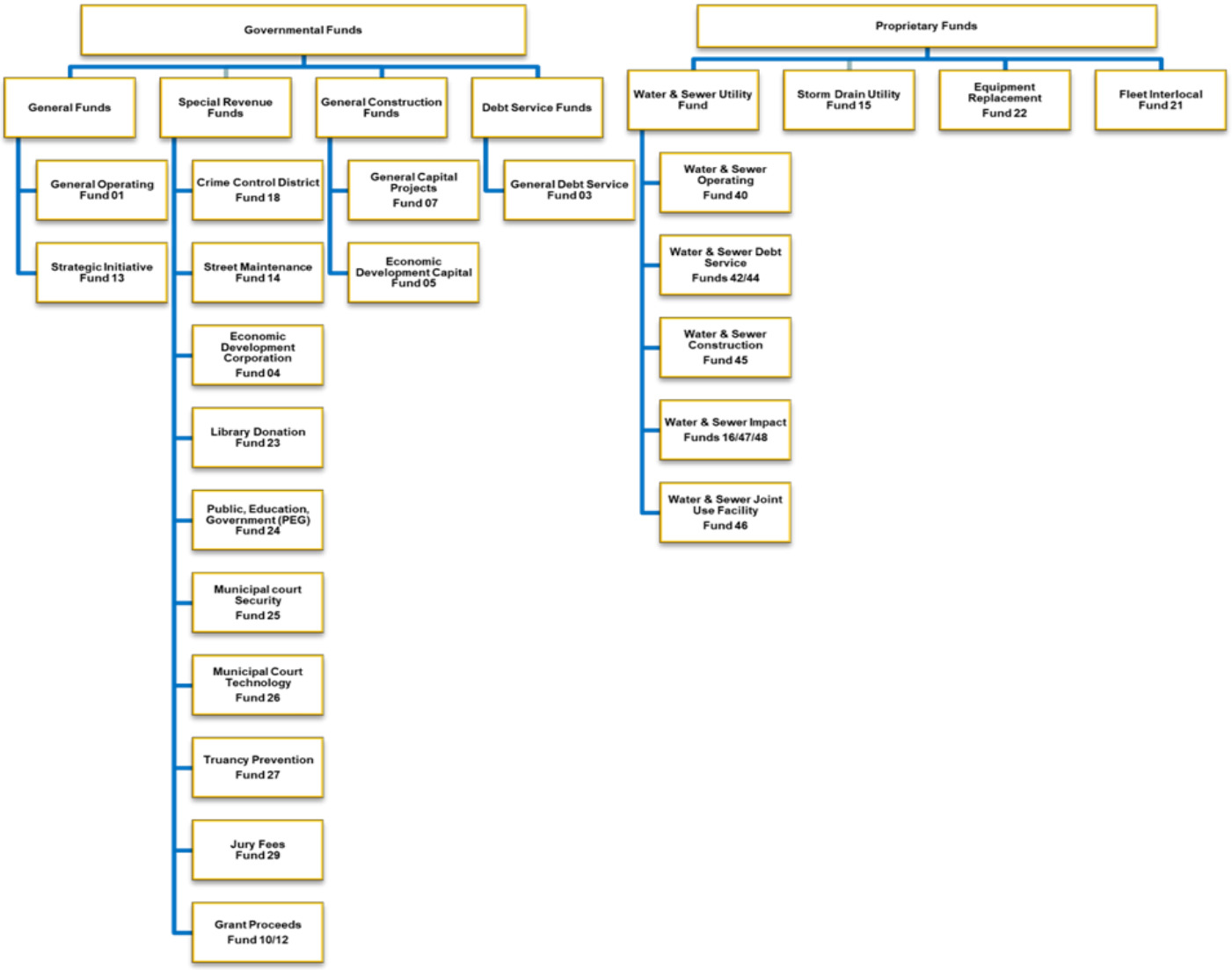
Understanding the fund structure is an important part of understanding the City’s finances. The City funds can be divided into two categories: governmental funds and proprietary funds. The City’s major funds are the General Fund and the Water and Sewer Fund.

The various funds are primarily grouped into two types, governmental fund and proprietary fund types. Governmental funds finance most of the City's functions and include, but are not limited to, the General Fund, Debt Service Fund, Special Revenue Fund, and Capital Projects Funds. Proprietary funds are used to account for the City's organizations and activities which are like those often found in the private sector.

The Financial Structure of the City is shown on the following page and is followed with a description of each fund.

BUDGET SUMMARY

FINANCIAL OPERATING STRUCTURE



Governmental Fund Types

These funds are used to account for the majority of the City's activities. Governmental funds finance most of the City's functions and include the General Fund, the Debt Service Fund, Special Revenue Funds, and Capital Projects Funds. The following are the City's governmental funds:

BUDGET SUMMARY

General Fund

The General Fund is the primary operating fund of the City and is used to track the revenues and expenditures associated with the basic City services that are not required to be accounted for in other funds. These services include police, public works, parks, and recreation, library, and administrative support services. All general tax revenues and other receipts that are not restricted by law or contractual agreements to some other fund are recorded in this fund. The General Fund also records the general operating expenditures, the fixed charges, and the capital improvement costs that are not paid through other funds.

Special Revenue Funds

There are three major Special Revenue Funds:

The Parks Development Corporation Sales Tax Fund was established to account for a ½ cent sales tax increase approved by the voters in May 1994. The purpose of the increase in sales tax is to build city parks and improve existing parks under the supervision of the Watauga Parks Development Corporation. In FY2018-2019 the corporation's name was changed to Economic Development Corporation and the focus was redirected to economic development.

In May 2012, voters approved a reallocation of ¼ cent sales tax from the Parks Development Corporation to the Street Maintenance Fund to provide for the maintenance of existing city streets. The reallocation was effective October 1, 2012, and reauthorized by voters in May 2016. In November 2020 voters chose not to reallocate the tax and as a result the street maintenance dedicated sales tax was abolished effective January 1, 2021.

The Crime Control and Prevention District was established to account for a ½ cent sales tax increase approved by voters in March 1996. The purpose of the increase in sales tax is to enhance law enforcement in the area. In 2001 voters approved a ten-year extension of this tax. A ten-year extension was passed in November 2010 and again in November 2020.

Other special revenue funds include the court funds, library donation fund, and the PEG fund.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of major capital facilities and equipment. Financing is provided primarily by the sale of general obligation and contractual obligation bonds and through cash transfers from the General Fund. The 5-year Capital

Improvement Plan lists approved and anticipated capital projects of the City and is located in the Capital Improvement section of this budget document.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general and contractual obligation bonds, interest, and related costs.

Proprietary Fund Type

Proprietary funds are used to account for activities that are similar to those often found in the private sector. The Water and sewer fund is the City's main proprietary fund. The City's proprietary fund type consists of:

Enterprise Funds

The Water and Sewer Utility Enterprise Fund is a proprietary fund used to account for revenues and expenses related to the operations and maintenance of the City's water and sewer utility system including, but not limited to, administration, operations, maintenance, billing, and collections.

The Storm Drainage Utility Enterprise Fund is a proprietary fund used to account for revenues and expenses related to the operations and maintenance of the City's drainage utility system. Costs of the system are recovered through drainage utility fees, which are levied against all developed property within the City.

Balanced Budget

It is the policy of the City to prepare a balanced budget. A balanced budget is one where expenses are less than or equal to estimated revenues. A balanced budget may also include situations where the Council approves the use of reserves or fund balance to offset revenue shortfalls. If, during the year, the revenues received or expected to be received are less than estimated, the City Manager will recommend a revised or amended expense appropriation for Council approval that will again balance the budget.

BUDGET SUMMARY

The following table shows the City's Departments and the funds used to support that department's operations.

CITY OF WATAUGA FUND/DEPARTMENT RELATIONSHIP

FUNDS

	GENERAL		SPECIAL REVENUE							PROPRIETARY				CAPITAL		
DEPARTMENT/FUNCTION	GENERAL	STRATEGIC	CRIME CONTROL	ECONOMIC DEVELOPMENT	STREET MAINT	PEG FEE	LIBRARY DONATIONS	GRANT FUNDS	COURT FUNDS	UTILITY	STORM DRAIN	FLEET INTERLOCAL	INTERNAL SERVICE (EQUIPMENT REPLACEMENT)	GENERAL CAPITAL PROJECTS	UTILITY CONSTR. FUND	ECONOMIC DEV. CAPITAL PROJECTS
CITY MANAGER	X															
CITY SECRETARY	X															
NON-DEPARTMENTAL	X									X						
HUMAN RESOURCES	X							X								
DEVELOPMENT SERVICES	X	X														
ECONOMIC DEVELOPMENT	X	X		X												X
FINANCE	X							X	X							
FINANCE COURTS	X								X							
INFORMATION TECHOLOGY	X					X		X		X			X			
LIBRARY	X						X									
PARKS/RECREATION	X															
POLICE DEPARTMENT	X		X					X								
ANIMAL CONTROL (POLICE)	X															
FIRE/EMS DEPARTMENT	X							X								
PUBLIC WORKS	X				X			X		X	X		X	X	X	
FLEET	X											X	X			
FACILITIES	X												X			
UTILITY BILLING/FINANCE										X						
WATER										X					X	
WASTEWATER										X					X	
DEBT SERVICE	X									X						

LEGEND:

- GENERAL FUND
- SPECIAL REVENUE FUNDS
- PROPRIETARY FUNDS
- CAPITAL FUNDS

REVENUES AND EXPENDITURES SUMMARY
ALL FUNDS

Revenues	Combined Total All Funds
Estimated Beginning Resources	**$51,308,943**
Estimated Revenues	
Taxes / Assessments	**12,225,000**
Sales Tax	**7,937,980**
Licenses and Permits	**825,500**
Franchise Fees	**883,500**
Intergovt Revenue	**562,000**
Charges for Service	**13,175,160**
Fines & Forfeitures	**637,800**
Interest on Investments	**1,886,100**
Grant Revenue	**5,702,049**
Miscellaneous	**1,109,700**
Operating Transfer In	**4,328,640**
Revenues	**49,273,429**
Total Available Resources	**100,582,372**

Total Revenues include ARPA Grant Funds and Tarrant County Grant funds for Street Projects.

Expenditures	Combined Total All Funds
Estimated Expenditures	
City Manager	**320,500**
City Secretary/Admin	**458,200**
City Attorney	**95,000**
Public Works Bldg. Maint.	**1,041,400**
Human Resources	**339,850**
Public Works - Dev. Svcs.	**369,040**
Economic Development	**134,600**
Strategic Initiative Projects	**-**
Finance	**650,660**
Municipal Court	**577,140**
Library	**1,254,700**
Rec & Comm Svc	**760,740**
Parks	**878,360**
Police	**7,467,950**
Fire / EMS	**4,129,640**
Public Works	**1,622,090**
Public Works - Fleet	**559,150**
Non-Departmental	**1,861,810**
Information Technology	**846,840**
Billing & Collection	**610,030**
Water Operations	**2,912,840**
Wastewater Operations	**3,676,050**
Grant Expenditures	**41,000**
CARES/CLFRF Grant xfer	**-**
Operating Transfer Out	**4,328,640**
Sub Total Operating	**34,936,230**
Capital Projects/Equip	**33,572,093**
Debt Service	
Principal Payments	**4,995,071**
Interest Payments	**1,631,939**
Fiscal Agent Fees	**3,600**
Sub Total Debt Service	**6,630,610**
Total Expenditures	**75,138,933**
Change in Fund Balance	**(25,865,504)**
Est. Ending Resources	**$25,443,439**
% operating expenditures	
$ Requirement	**$8,698,664**
%Policy Requirement	**0.00%**
OVER/UNDER REQUIRE	**$16,744,776**
FUND BALANCE CHANGE %	-50.4%

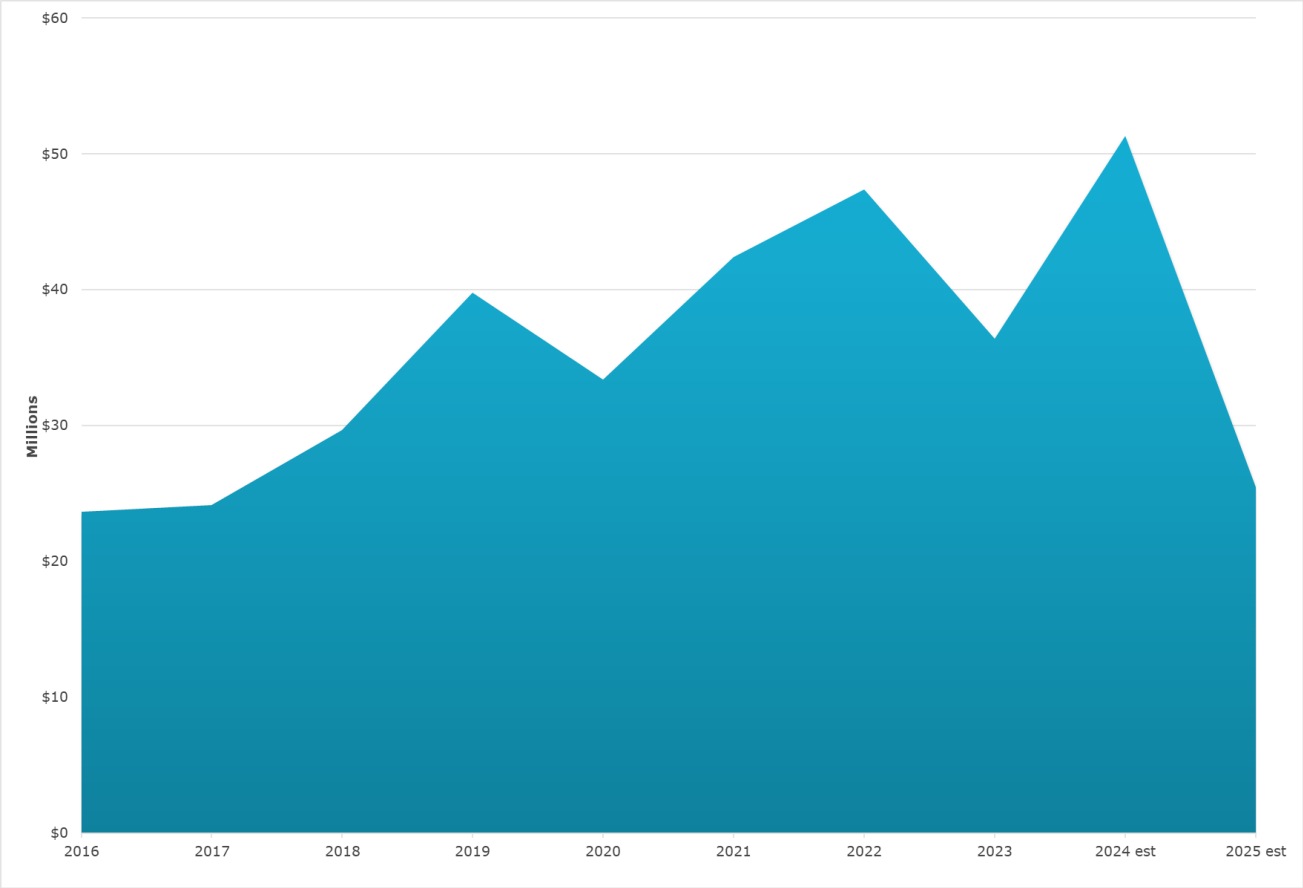
COMBINED SUMMARY OF REVENUES AND EXPENDITURES
ALL CITY FUNDS

	General Fund	Strategic Initiative Fund 13	W/S Utility Fund 40	EDC Sales Tax Fund 04	Crime Control District Sales Tax Fund 18	Storm Drain Utility Fund 15	Capital Projects Fund 07	W/S Constr Fund 45	Internal Service Fund 22
Estimated Beginning Resources	$8,729,777	$41,529	$3,154,207	$2,833,101	$1,508,694	$4,737,000	$19,840,008	$5,474,921	$1,802,579
Estimated Revenues									
Taxes / Assessments	7,800,000								
Sales Tax	4,964,980			996,000	1,977,000				
Licenses and Permits	825,500								
Franchise Fees	859,500								
Intergovt Revenue	562,000				-				-
Charges for Service	1,351,500		10,050,000			1,485,000			137,660
Fines & Forfeitures	590,500								
Interest on Investments	300,000	-	125,000	50,000	60,000	130,000	600,000	500,000	65,000
Grant Revenue							3,200,000	150,000	
Miscellaneous	527,200		500,000	3,500	73,000		-	-	
Operating Transfer In	910,640	-	50,000	-	-		648,000	-	385,000
Revenues	**18,691,820**	**-**	**10,725,000**	**1,049,500**	**2,110,000**	**1,615,000**	**4,448,000**	**650,000**	**587,660**
Total Available Resources	**27,421,597**	**41,529**	**13,879,207**	**3,882,601**	**3,618,694**	**6,352,000**	**24,288,008**	**6,124,921**	**2,390,239**
Estimated Expenditures									
City Manager	320,500		-						
City Secretary/Admin	260,000		198,200						
City Attorney	90,000			5,000					
Public Works Bldg. Maint.	1,041,400						-		-
Human Resources	339,850								
Public Works - Dev. Svcs.	369,040								
Economic Development	-			134,600					
Strategic Initiative Projects		-							
Finance	650,660								
Municipal Court	461,790								
Library	1,244,700								
Rec & Comm Svc	760,740								-
Parks	878,360			-					-
Police	5,278,200				2,189,750		-		-
Fire / EMS	4,129,640						-		-
Public Works	718,430					848,660	55,000		-
Public Works - Fleet	461,250						-		
Non-Departmental	917,350		832,480	-		111,980		-	
Information Technology	703,850		142,990				-		
Billing & Collection			610,030						-
Water Operations			2,912,840						
Wastewater Operations			3,676,050						
Grant Expenditures									
CARES/CLFRF Grant xfer									
Operating Transfer Out	648,000	-	2,837,000	561,640	38,000	194,000	-	-	-
Sub Total Operating	**19,273,760**	**-**	**11,209,590**	**701,240**	**2,227,750**	**1,154,640**	**55,000**	**-**	**-**
Capital Projects/Equip					**460,750**	**3,495,200**	**20,273,844**	**5,971,450**	**949,800**
Debt Service									
Principal Payments							-		
Interest Payments									
Fiscal Agent Fees									
Sub Total Debt Service	**-**		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Expenditures	**19,273,760**	**-**	**11,209,590**	**701,240**	**2,688,500**	**4,649,840**	**20,328,844**	**5,971,450**	**949,800**
Change in Fund Balance	**(581,940)**	**-**	**(484,590)**	**348,260**	**(578,500)**	**(3,034,840)**	**(15,880,844)**	**(5,321,450)**	**(362,140)**
Est. Ending Resources	**8,147,837**	**41,529**	**$2,669,617**	**$3,181,361**	**$930,194**	**$1,702,160**	**$3,959,164**	**$153,471**	**$1,440,439**
% operating expenditures	**42%**		**24%**						
$ Requirement	**$4,818,440**	**$0**	**$2,802,398**	**$137,348**	**$445,550**	**$230,928**	**$0**	**$0**	**$0**
%Policy Requirement	**25.00%**	**0.00%**	**25.00%**	**20.00%**	**20.00%**	**20.00%**	**0.00%**	**0.00%**	**0.00%**
OVER/UNDER REQUIRE	**$3,329,397**	**41,529**	**($132,781)**	**$3,044,013**	**$484,644**	**$1,471,232**	**$3,959,164**	**$153,471**	**$1,440,439**
FUND BALANCE CHANGE %	-6.7%	0.0%	-15.4%	12.3%	-38.3%	-64.1%	-80.0%	-97.2%	-20.1%

COMBINED SUMMARY OF REVENUES AND EXPENDITURES
ALL CITY FUNDS

	W/S Joint Use Facility Fund 46	EDC Capital Projects 05	Fleet ILA Fund 21	Library Donation Fund 23	PEG Fee Fund 24	Municipal Court Funds 25/26/27/29	Traffic Safety Fund 28	Grant Funds 10, 12	GO Debt Service Fund 03	W/S Sewer Debt Service 42/44	Combined Total All Funds
Estimated Beginning Resources	$1,397,154	$24,345	$124,894	$68,545	$134,434	$214,245	$579	$7,920	$1,151,542	$56,589	**$51,308,943**
Estimated Revenues											
Taxes / Assessments									4,425,000		**12,225,000**
Sales Tax											**7,937,980**
Licenses and Permits											**825,500**
Franchise Fees					24,000						**883,500**
Intergovt Revenue											**562,000**
Charges for Service			151,000								**13,175,160**
Fines & Forfeitures						47,300	-				**637,800**
Interest on Investments	-	2,000	-	100	3,500	10,500	-	-	40,000	-	**1,886,100**
Grant Revenue								2,352,049			**5,702,049**
Miscellaneous				6,000			-				**1,109,700**
Operating Transfer In	60,000	100,000	-						150,000	2,025,000	**4,328,640**
Revenues	**60,000**	**102,000**	**151,000**	**6,100**	**27,500**	**57,800**	**-**	**2,352,049**	**4,615,000**	**2,025,000**	**49,273,429**
Total Available Resources	**1,457,154**	**126,345**	**275,894**	**74,645**	**161,934**	**272,045**	**579**	**2,359,969**	**5,766,542**	**2,081,589**	**100,582,372**
Estimated Expenditures											
City Manager											**320,500**
City Secretary/Admin											**458,200**
City Attorney											**95,000**
Public Works Bldg. Maint.											**1,041,400**
Human Resources											**339,850**
Public Works - Dev. Svcs.											**369,040**
Economic Development											**134,600**
Strategic Initiative Projects											**-**
Finance							-				**650,660**
Municipal Court						115,350					**577,140**
Library				10,000							**1,254,700**
Rec & Comm Svc											**760,740**
Parks											**878,360**
Police							-				**7,467,950**
Fire / EMS											**4,129,640**
Public Works											**1,622,090**
Public Works - Fleet			97,900								**559,150**
Non-Departmental		-	-				-				**1,861,810**
Information Technology											**846,840**
Billing & Collection											**610,030**
Water Operations											**2,912,840**
Wastewater Operations											**3,676,050**
Grant Expenditures								41,000			**41,000**
CARES/CLFRF Grant xfer											**-**
Operating Transfer Out	50,000					-	-	-		-	**4,328,640**
Sub Total Operating	**50,000**	**-**	**97,900**	**10,000**	**-**	**115,350**	**-**	**41,000**	**-**	**-**	**34,936,230**
Capital Projects/Equip	**-**	**100,000**	**-**		**10,000**		**-**	**2,311,049**			**33,572,093**
Debt Service											
Principal Payments									3,530,000	1,465,071	**4,995,071**
Interest Payments									1,021,844	610,095	**1,631,939**
Fiscal Agent Fees									2,600	1,000	**3,600**
Sub Total Debt Service	**-**	**-**	**-**	**-**			**-**	**-**	**4,554,444**	**2,076,166**	**6,630,610**
Total Expenditures	**50,000**	**100,000**	**97,900**	**10,000**	**10,000**	**115,350**	**-**	**2,352,049**	**4,554,444**	**2,076,166**	**75,138,933**
Change in Fund Balance	**10,000**	**2,000**	**53,100**	**(3,900)**	**17,500**	**(57,550)**	**-**	**-**	**60,556**	**(51,166)**	**(25,865,504)**
Est. Ending Resources	**$1,407,154**	**$26,345**	**$177,994**	**$64,645**	**$151,934**	**$156,695**	**$579**	**$7,920**	**$1,212,098**	**$ 5,423**	**$25,443,439**
% operating expenditures											
$ Requirement	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$7,920**	**$264,000**	**$0**	**$8,698,664**
%Policy Requirement	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
OVER/UNDER REQUIRE	**$1,407,154**	**$26,345**	**$177,994**	**$64,645**	**$151,934**	**$156,695**	**$579**	**$7,920**	**$948,098**	**$ 5,423**	**$16,744,776**
FUND BALANCE CHANGE %	0.7%	8.2%	42.5%	-5.7%	13.0%	-26.9%	0.0%	0.0%	5.3%	-90.4%	-50.4%

AVAILABLE RESOURCES AT FISCAL YEAR END



Total estimated resources at the end of FY2024-2025 are expected to be $25.4 million if all capital projects are completed. Of this amount, $8.7 million is required fund balance per the City's financial fund balance policies. The drawdown of fund balance planned for this year totals $25.8 million and will be used for various capital projects and equipment replacement needs. More information on these projects can be found in the Capital Projects Fund tab in this budget document.

COMBINED SUMMARY OF REVENUES AND EXPENDITURES

ANALYSIS OF CHANGES IN FUND BALANCES

The following table briefly describes the impacts of the projected changes in fund balances for the year, a total decrease of $25,865,504. The largest decreases are due to planned capital project spending in the General Capital Project Fund, Water/Sewer Utility Project Fund, and Storm Drain Utility Fund.

Fund	Beginning Fund Balance	Ending Fund Balance	Difference	Comments
General Fund	$8,729,777	$8,147,837	($581,940)	Drawdown is primarily for one-time equipment and transfer to Capital Projects fund. Projected ending fund balance exceeds financial policy minimum target of 25%.
W/S Utility Fund	$3,154,207	$2,669,617	($484,590)	Drawdown largely due to the increase in wastewater operations. Ending fund balance is at financial policy minimum target.
Economic Development Corp. Sales Tax (formerly Parks Development)	$2,833,101	$3,181,361	$348,260	Increase due to shift of focus to Economic Development. Fund balance to be used for future projects. Ending fund balance exceeds financial policy minimum target.
Crime Control District	$1,508,694	$930,194	($578,500)	Decrease due to vehicle and equipment one-time purchases (capital outlay). Ending fund balance complies with financial policy.
Storm Drain Utility Fund	$4,737,000	$1,702,160	($3,034,840)	Drawdown is due to Capital Projects paid from storm drain fees that were identified in 5-year CIP. Ending fund balance exceeds financial policy minimum target.
General Capital Projects Fund	$19,840,008	$3,959,164	($15,880,844)	Continuation of major capital projects, which include major street projects, parks projects, and trails throughout the City.
W/S Construction Fund	$5,474,921	$153,471	($5,321,450)	Water/sewer projects are planned this fiscal year to continue as identified in 5-year CIP.
Internal Service (Equipment Repl. Fund)	$1,802,579	$1,440,439	($362,140)	Decrease in fund balance due to purchases using legacy funds this fiscal year for equipment.
Fleet ILA	$124,894	$177,994	$53,100	No minimum target fund balance policy. Services to surrounding cities are anticipated to increase this fiscal year, resulting in additional revenues.
PEG Fee Fund	$134,434	$151,934	$17,500	No minimum target fund balance. Fees received in compliance with SB1087, resulting in additional revenues.

COMBINED SUMMARY OF REVENUE AND EXPENDITURES (3 YEAR)
ALL CITY FUNDS

	GENERAL FUND (& Strategic)			UTILITY FUNDS(W&WW)(JUF)			STORM DRAIN UTILITY FUND			CAPITAL PROJECTS FUNDS		
	FY2023 ACTUAL	FY2024 ESTIMATE	FY2025 BUDGET	FY2023 ACTUAL	FY2024 ESTIMATE	FY2025 BUDGET	FY2023 ACTUAL	FY2024 ESTIMATE	FY2025 BUDGET	FY2023 ACTUAL	FY2024 ESTIMATE	FY2025 BUDGET
Estimated Beginning Resources	**$8,341,951**	**$8,994,343**	**$8,771,306**	**$4,078,822**	**$4,622,572**	**$4,555,319**	**$4,035,700**	**$4,685,464**	**$4,737,000**	**$24,726,943**	**$31,255,502**	**$25,339,274**
Estimated Revenues												
Taxes / Assessments	6,727,508	7,309,300	7,800,000									
Sales Tax	4,844,990	4,890,300	4,964,980									
Licenses and Permits	783,980	831,450	825,500									
Franchise Fees	879,489	845,500	859,500									
Intergovt Revenue	514,000	503,000	562,000									
Charges for Service	1,156,157	1,257,300	1,351,500	9,184,473	9,350,000	10,050,000	1,484,499	1,485,000	1,485,000			
Fines & Forfeitures	470,674	488,900	590,500	-	-							
Interest on Investments	3,294	352,500	300,000	184,248	144,000	125,000	181,991	200,000	130,000	1,140,857	1,352,000	1,102,000
Grant Revenue				-	-	-				800,000		3,350,000
Miscellaneous	810,966	519,200	527,200	479,690	498,800	500,000	-		-	9,238,139	7,300,000	
Operating Transfer In	817,827	861,000	910,640	49,738	120,000	110,000				625,000	235,000	748,000
Revenues	**17,008,885**	**17,858,450**	**18,691,820**	**9,898,149**	**10,112,800**	**10,785,000**	**1,666,490**	**1,685,000**	**1,615,000**	**11,803,996**	**8,887,000**	**5,200,000**
	-			-								
Total Available Resources	**25,350,836**	**26,852,793**	**27,463,126**	**13,976,970**	**14,735,372**	**15,340,319**	**5,702,190**	**6,370,464**	**6,352,000**	**36,530,939**	**40,142,502**	**30,539,274**
Estimated Expenditures												
Administration (CM,CS,CA)	521,096	567,790	670,500	169,799	184,550	198,200						
Building	987,232	1,068,700	1,041,400							-		
Human Resources	207,594	261,102	339,850									
Development Services	206,394	286,460	369,040									
Economic Dev./Strategic Inn.												
Finance/Municipal Court	949,730	1,013,380	1,112,450									
Library	1,002,312	1,159,150	1,244,700									
Rec & Comm Svc	394,219	737,170	760,740									
Parks	627,082	941,385	878,360									
Police	4,640,961	4,828,200	5,278,200									
Fire / EMS	3,735,025	4,066,760	4,129,640									
Public Works	559,974	629,930	718,430				1,141,200	772,375	848,660	27,418	113,100	55,000
Fleet Services	238,205	288,950	461,250				-					
Non-Departmental	724,739	917,125	917,350	598,960	745,580	832,480	58,397	111,980	111,980	173,444		
Information Technology	576,931	650,385	703,850	106,367	122,140	142,990	-					
Billing & Collection				571,677	603,450	610,030	-					
Water Operations				2,592,204	2,706,130	2,912,840	-					
Wastewater Operations				2,861,740	3,504,364	3,676,050	-					
Grant Expenditures												
Operating Transfer/Grant	985,000	665,000	648,000	2,396,752	2,355,000	2,887,000	73,500	194,000	194,000			
Sub Total Operating	**16,356,494**	**18,081,487**	**19,273,760**	**9,297,499**	**10,221,214**	**11,259,590**	**1,273,097**	**1,078,355**	**1,154,640**	**200,862**	**113,100**	**55,000**
Capital Projects/Equip				**8,986**			**457,260**	**555,109**	**3,495,200**	**5,011,506**	**14,629,628**	**26,345,294**
Debt Service												
Principal Payments										63,068	60,500	
Interest Payments												
Fiscal Agent Fees												
Sub Total Debt Service		-		-	-					**63,068**	**60,500**	-
Total Expenditures	**16,356,494**	**18,081,487**	**19,273,760**	**9,306,485**	**10,221,214**	**11,259,590**	**1,730,357**	**1,633,464**	**4,649,840**	**5,275,436**	**14,803,228**	**26,400,294**
Change in Fund Balance	**652,391**	**(223,037)**	**(581,940)**	**591,664**	**(108,414)**	**(474,590)**	**(63,867)**	**51,536**	**(3,034,840)**	**6,528,560**	**(5,916,228)**	**(21,200,294)**
Est. Ending Resources	**8,994,342**	**$8,771,306**	**$8,189,366**	**$4,670,485**	**$4,514,158**	**$4,080,729**	**$3,971,833**	**$4,737,000**	**$1,702,160**	**$31,255,503**	**$25,339,274**	**$4,138,980**

COMBINED SUMMARY OF REVENUE AND EXPENDITURES (3 YEAR)
ALL CITY FUNDS

	DEBT SERVICE FUNDS			INTERNAL SERVICE FUND			NON MAJOR GOVT FUNDS			ALL CITY FUNDS TOTAL		
	FY2023 ACTUAL	FY2024 ESTIMATE	FY2025 BUDGET	FY2023 ACTUAL	FY2024 ESTIMATE	FY2025 BUDGET	FY2023 ACTUAL	FY2024 ESTIMATE	FY2025 BUDGET	FY2023 ACTUAL	FY2024 ESTIMATE	FY2025 BUDGET
Estimated Beginning Resources	**$914,399**	**$929,424**	**$1,210,931**	**$1,497,989**	**$2,056,119**	**$1,802,579**	**$4,204,287**	**$4,432,086**	**$4,892,412**	**$47,800,091**	**$56,975,510**	**51,308,821**
Estimated Revenues												
Taxes / Assessments	3,493,216	4,218,000	4,425,000							**10,220,724**	**11,527,300**	**12,225,000**
Sales Tax							2,850,052	2,973,000	2,973,000	**7,695,042**	**7,863,300**	**7,937,980**
Licenses and Permits										**783,980**	**831,450**	**825,500**
Franchise Fees							24,813	28,000	24,000	**904,302**	**873,500**	**883,500**
Intergovt Revenue	-			-	-					**514,000**	**503,000**	**562,000**
Charges for Service				87,660	87,660	137,660	151,136	90,000	151,000	**12,063,925**	**12,269,960**	**13,175,160**
Fines & Forfeitures							37,914	48,300	47,300	**508,588**	**537,200**	**637,800**
Interest on Investments	40,873	65,000	40,000	75,951	105,000	65,000	176,514	165,250	124,100	**1,803,728**	**2,383,750**	**1,886,100**
Grant Revenue							1,842,940	1,391,000	2,352,049	**2,642,940**	**1,391,000**	**5,702,049**
Miscellaneous							91,413	79,846	82,500	**10,620,208**	**8,397,846**	**1,109,700**
Operating Transfer In	1,879,200	1,949,000	2,175,000	550,000	565,000	385,000	-			**3,921,765**	**3,730,000**	**4,328,640**
Revenues	**5,413,289**	**6,232,000**	**6,640,000**	**713,611**	**757,660**	**587,660**	**5,174,782**	**4,775,396**	**5,753,949**	**51,679,202**	**50,308,306**	**49,273,429**
							-					-
Total Available Resources	**6,327,688**	**7,161,424**	**7,850,931**	**2,211,600**	**2,813,779**	**2,390,239**	**9,379,069**	**9,207,482**	**10,646,361**	**99,479,292**	**107,283,816**	**100,582,250**
Estimated Expenditures												-
City Manager/City Secretary							2,006	1,000	5,000	**692,901**	**753,340**	**873,700**
Building										**987,232**	**1,068,700**	**1,041,400**
Human Resources										**207,594**	**261,102**	**339,850**
Development Services										**206,394**	**286,460**	**369,040**
Economic Dev./Strategic Inn.							45,626	107,950	134,600	**45,626**	**107,950**	**134,600**
Finance							56,398	97,450	115,350	**1,006,128**	**1,110,830**	**1,227,800**
Library							759	10,000	10,000	**1,003,071**	**1,169,150**	**1,254,700**
Rec & Comm Svc										**394,219**	**737,170**	**760,740**
Parks										**627,082**	**941,385**	**878,360**
Police							1,718,849	1,822,800	2,189,750	**6,359,810**	**6,651,000**	**7,467,950**
Fire / EMS										**3,735,025**	**4,066,760**	**4,129,640**
Public Works				286,997						**2,015,589**	**1,515,405**	**1,622,090**
Fleet Services							93,813	75,900	97,900	**332,018**	**364,850**	**559,150**
Non-Departmental								86,870		**1,555,540**	**1,861,555**	**1,861,810**
Information Technology										**683,298**	**772,525**	**846,840**
Billing & Collection										**571,677**	**603,450**	**610,030**
Water Operations										**2,592,204**	**2,706,130**	**2,912,840**
Wastewater Operations										**2,861,740**	**3,504,364**	**3,676,050**
Grant Expenditures							1,717,161	1,285,000	41,000	**1,717,161**	**1,285,000**	**41,000**
Operating Transfer Out					-	-	457,527	466,000	599,640	**3,912,779**	**3,680,000**	**4,328,640**
Sub Total Operating				**286,997**	**-**	**-**	**4,092,139**	**3,952,970**	**3,193,240**	**31,507,088**	**33,447,126**	**34,936,230**
Capital Projects/Equip				**154,446**	**1,011,200**	**949,800**	**854,843**	**362,100**	**2,781,799**	**6,487,041**	**16,558,037**	**33,572,093**
Debt Service												
Principal Payments	4,195,000	4,525,000	4,995,071							**4,258,068**	**4,585,500**	**4,995,071**
Interest Payments	1,199,665	1,422,073	1,631,939							**1,199,665**	**1,422,073**	**1,631,939**
Fiscal Agent Fees	3,600	3,422	3,600							**3,600**	**3,422**	**3,600**
Sub Total Debt Service	**5,398,265**	**5,950,495**	**6,630,610**							**5,461,333**	**6,010,995**	**6,630,610**
Total Expenditures	**5,398,265**	**5,950,495**	**6,630,610**	**441,443**	**1,011,200**	**949,800**	**4,946,982**	**4,315,070**	**5,975,039**	**43,455,462**	**56,016,158**	**75,138,933**
Change in Fund Balance	**15,024**	**281,505**	**9,390**	**272,168**	**(253,540)**	**(362,140)**	**227,800**	**460,326**	**(221,090)**	**8,223,740**	**(5,707,852)**	**(25,865,504)**
Est. Ending Resources	**$929,423**	**$1,210,929**	**$1,220,321**	**$1,770,157**	**$1,802,579**	**$1,440,439**	**$4,432,087**	**$4,892,412**	**$4,671,322**	**56,023,830**	**51,267,658**	**25,443,317**

Non-major funds include Economic Development Corporation Sales tax Fund, Crime Control District Sales Tax Fund, Library Donation Fund, Street Maintenance Fund, Municipal Court Funds, Traffic Safety Fund and Grant Funds.

Fiscal Year 2024-2025 Financial and Economic Outlook

The financial plan as presented in the budget should be considered from the broad perspective of the specific environment within which the City operates. The City of Watauga is located in Tarrant County and is part of the Dallas-Fort Worth Metroplex that has a total population of 7.6 million people. The City of Watauga encompasses 4 square miles of which 96% is developed. The 2024 population estimate from North Central Texas Council of Governments is 23,653.

This section is intended to provide highlights of the City of Watauga's fiscal year budget for the period of October 1, 2024 through September 30, 2025. It describes the fund structure used by the City and summarizes the source and use of City funds and describes recent trends in revenues and expenditures.

This budget reflects the positive financial condition of the City and utilizes sound fiscal policies and a conservative approach in revenue and expenditure forecasting. For FY2024-2025, the City's budget provides for continued programs and services and maintains the tax rate of $0.570200/$100 valuation. The tax rate will also provide additional funding for capital improvement and equipment needs.

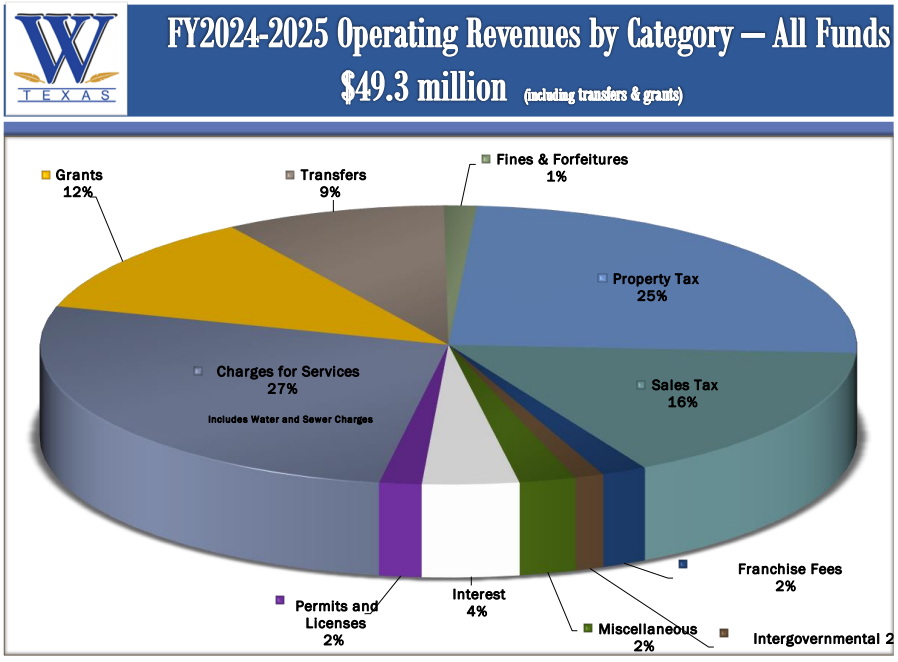
This budget is a fluid document that is changing and moving on a constant basis and serves as a guide for the following twelve-month period. We utilize past history, present conditions, and expected future trends in preparing estimated revenues. Once revenues are developed, we then evaluate costs associated with the delivery of existing services, any new and expanded costs or programs, and new programs established by Council. Within the limited resources available, we adjust the costs to achieve a balanced budget. The budget document, even after adoption, is still an estimated financial plan and is always subject to change by amendment. More often than not, elements within the body of the document will change throughout the year. Changes in economic conditions, new projects, project overruns, emergencies and unforeseen events can necessitate a budget amendment.

This budget document and financial plan for FY2024-2025 have been developed and constructed in such a way as to balance revenues to expenditures with minimal use of fund balances. Typically, fund balances are used to allow for one-time needs or liabilities

that have accrued over long periods of time. When fund balances are used, the remaining fund balances are well above the minimums approved by Council. These balances throughout the various City's Funds are used to provide as much economic relief to our citizens as possible, while still providing a financially sound and strong municipal organization.

BUDGET HIGHLIGHTS – ALL FUNDS

Revenues from all funds total $49.3 million in comparison to last year's $56.7 million. Prior year revenue included $8.950 million in anticipated proceeds from the 2023 Certificates of Obligation debt issuance, and grant funds (American Rescue Act Plan and Tarrant County Street Funding) of $7.2 million. In FY2024-2025, Property and Sales tax make up 41% of all revenues, followed by charges for services at 27% of all revenues. Grant Revenues make up 12% of revenues and include ARPA and Tarrant County Street funding totaling $5.79 million. Bond proceeds are not budget for in



ALL CITY FUNDS TOTAL					
	FY2023 ACTUAL	FY2024 BUDGET	FY2024 ESTIMATE	FY2025 BUDGET	BUDGET VARIANCE EST FY2024 TO FY2025
Estimated Revenues					
Taxes / Assessments	10,220,724	11,365,500	11,527,300	12,225,000	7%
Sales Tax	7,695,042	8,011,000	7,863,300	7,937,980	-1%
Licenses and Permits	783,980	762,700	831,450	825,500	8%
Franchise Fees	904,302	917,500	873,500	883,500	-4%
Intergovt Revenue	514,000	503,000	503,000	562,000	10%
Charges for Service	12,063,925	12,185,660	12,269,960	13,175,160	8%
Fines & Forfeitures	508,588	606,800	537,200	637,800	5%
Interest on Investments	1,803,728	1,950,700	2,383,750	1,886,100	-3%
Grant Revenue	2,642,940	7,200,000	1,391,000	5,702,049	-26%
Miscellaneous/Bond Proceeds	10,620,208	9,866,200	8,397,846	1,109,700	-789%
Operating Transfer In	3,921,765	3,280,000	3,730,000	4,328,640	24%
Total Current Year Revenues	51,679,202	56,649,060	50,308,306	49,273,429	-15%

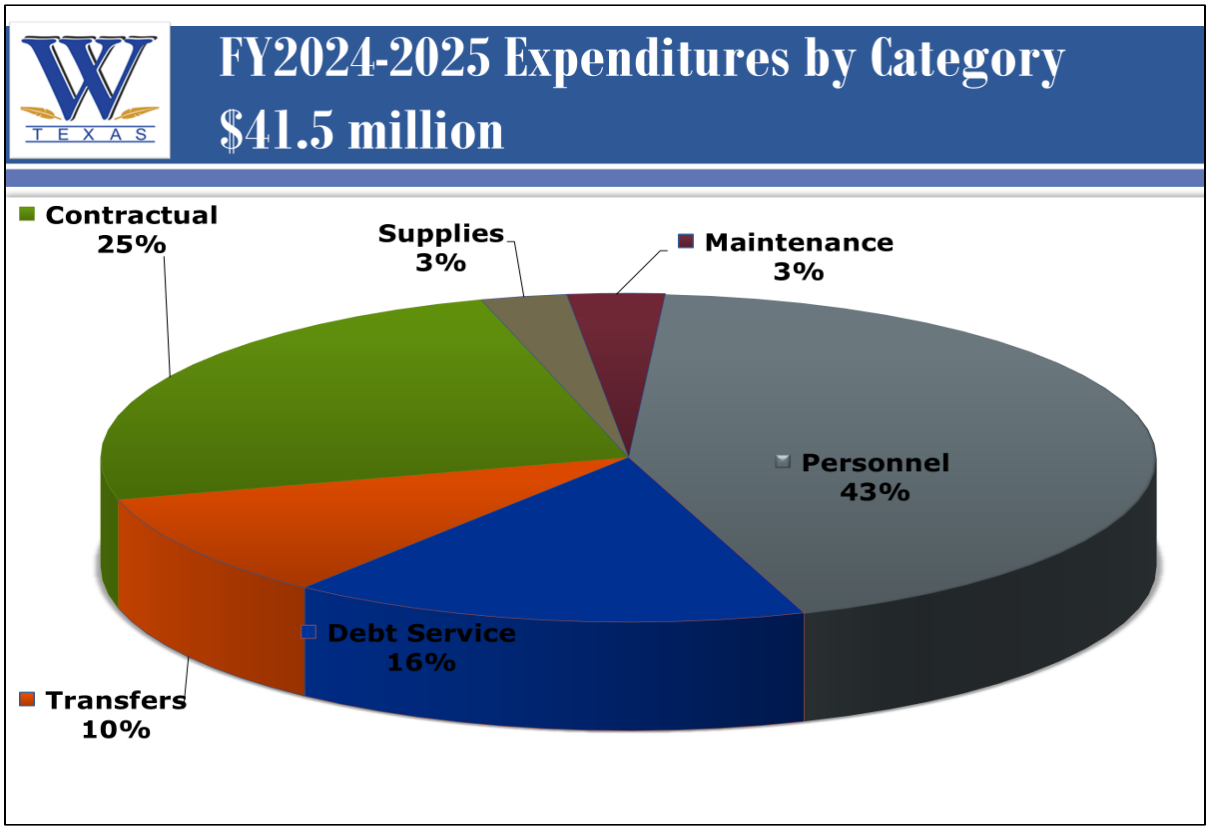
BUDGET SUMMARY

FY2025 as this will be determined later in the fiscal year.

This summary contains a general description of the major revenue sources for the City of Watauga's major operating funds and the assumptions used to project those revenues for this budget. Recent trend data is also included for major revenues described in the following pages. Most projected revenues are based on assumptions of historical data with increases and decreases associated with economic conditions and rate changes.

The total budget for FY2024-2025, including transfers between funds and capital projects is $75.14 million. This represents an increase of $8.23 million when compared to FY2023-2024, largely due to increases in capital project funding, debt service payments and increases in the personnel category in comparison to prior year.

A discussion of major expenses/expenditures for the City's major operating funds and assumptions used to project those expenses for this budget are included in this section. Personnel makes up the largest operational expenditure

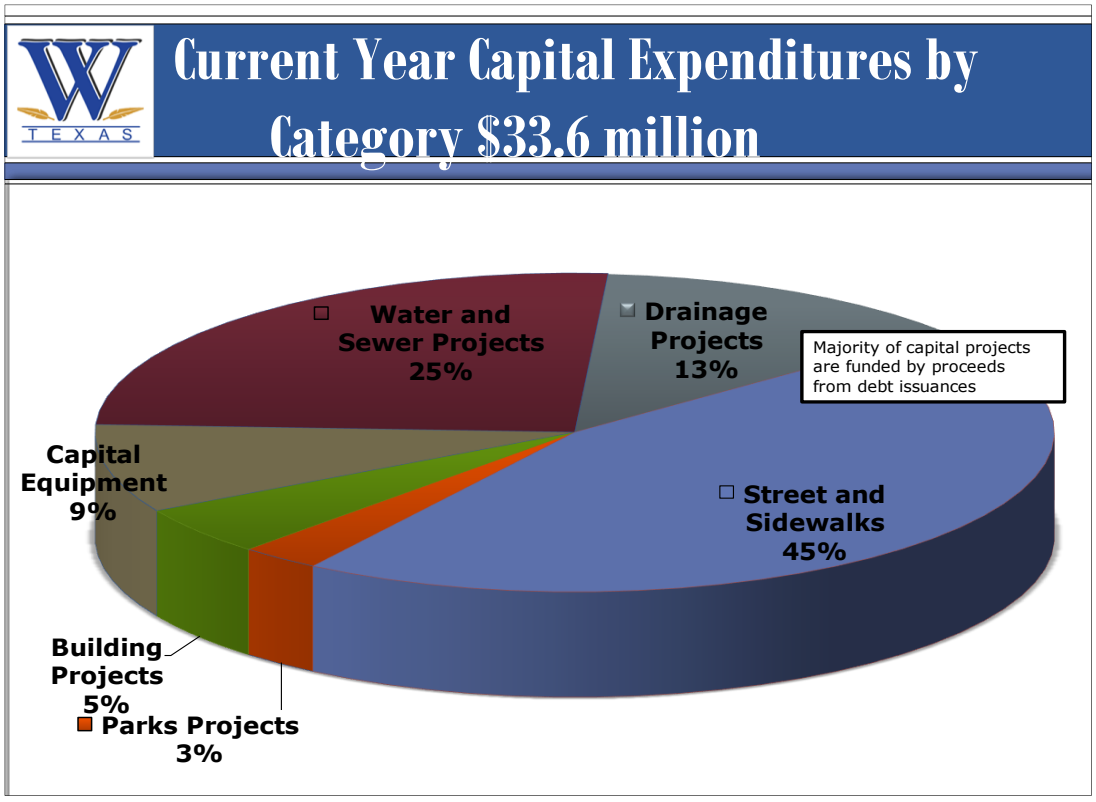


Total operating expenses (including transfers and debt service) increased 6% from Budget 2024 to Budget 2025. More detail by category can be found in the Expense Analysis discussion in this section.

BUDGET SUMMARY

OPERATING EXPENSES/EXPENDITURES					
CATEGORY	2023 ACTUAL	2024 BUDGET	2024 ESTIMATE	2025 BUDGET	BUDGET VAR 2024 TO 2025
PERSONNEL	$ 14,820,073	$ 17,339,500	$ 16,102,960	$ 18,170,300	5%
PERSONNEL (ONE-TIME GRANT)	$ 1,841,150	$ 277,000	$ 185,000	$ -	-100%
TOTAL PERSONNEL	$ 16,661,223	$ 17,616,500	$ 16,287,960	$ 18,170,300	3%
SUPPLIES	$ 908,182	$ 1,043,410	$ 1,019,550	$ 1,100,530	5%
MAINTENANCE	$ 958,148	$ 1,085,526	$ 1,143,465	$ 1,250,700	15%
CONTRACTUAL - OTHER	$ 2,908,496	$ 5,502,574	$ 4,938,601	$ 4,980,900	-9%
WATER AND WASTEWATER	$ 4,449,263	$ 4,700,000	$ 5,000,000	$ 5,100,000	9%
DEBT SERVICE	$ 5,398,263	$ 6,010,431	$ 6,010,431	$ 6,630,610	10%
TOTAL CONTRACTUAL	$ 12,756,022	$ 16,213,005	$ 15,949,032	$ 16,711,510	3%
TRANSFERS	$ 4,431,136	$ 3,280,000	$ 3,280,000	$ 4,328,640	32%
TOTAL OPERATING EXPENSES	$ 35,714,711	$ 39,238,441	$ 37,680,007	$ 41,561,680	6%

Funding for planned capital projects and equipment this fiscal year is $33.6 million in comparison to $27.6 million last fiscal year. Detailed information on the Capital Improvement Projects and Capital Outlay Plan can be found within this budget document.



BUDGET SUMMARY

REVENUE
DESCRIPTIONS, EVALUATIONS, AND PROJECTIONS

TAXES

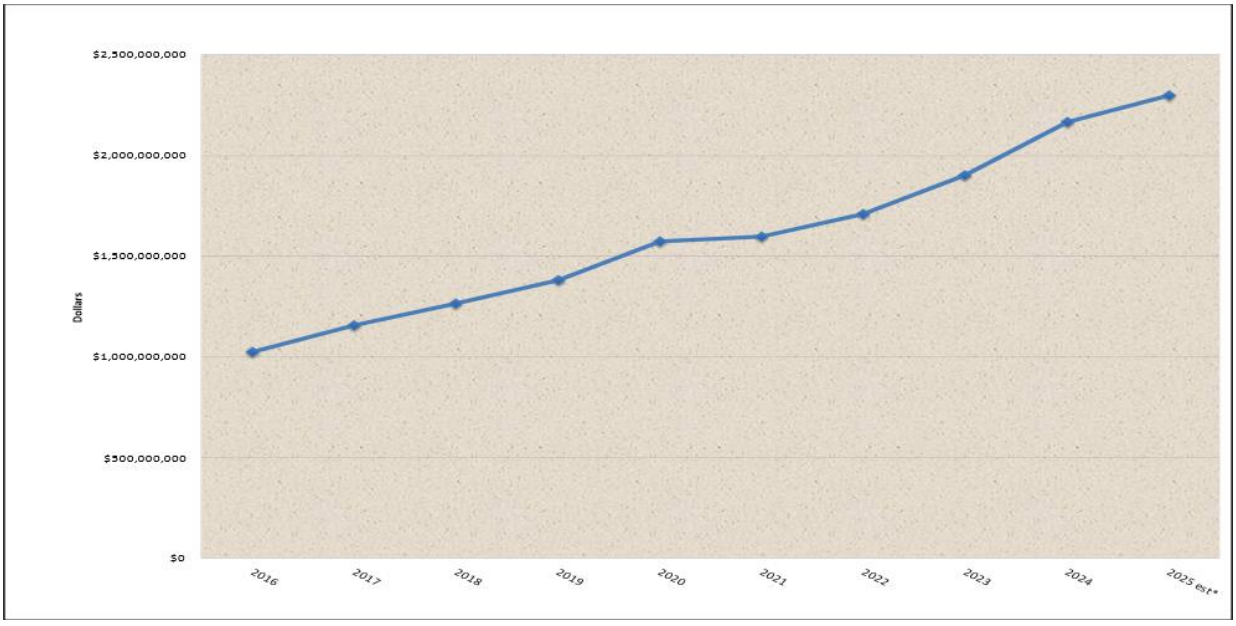
The revenues from taxes are classified as general property taxes, sales taxes (consumer taxes), and franchise taxes in the General Fund Operating Budget. These taxes are levied to provide for general municipal services and benefits to the citizens. Sales taxes are also distributed to the Economic Development Corporation and Crime Control District, which are special revenue funds.

Property tax revenues are a major revenue category for the City's General Fund, comprising 42% of all revenues. This heavy reliance on property tax revenues is a significant challenge as the community is 96% built out. Since 2022, the City has seen substantial property valuation increases as shown below. This year's net taxable values with estimated ARB values as certified by Tarrant Appraisal District came in at $2.4 billion, an increase of 7% over prior year.

All tax information relative to budgetary decisions is not available until July 25th of each year when the certified roll is received from the Chief Appraiser.

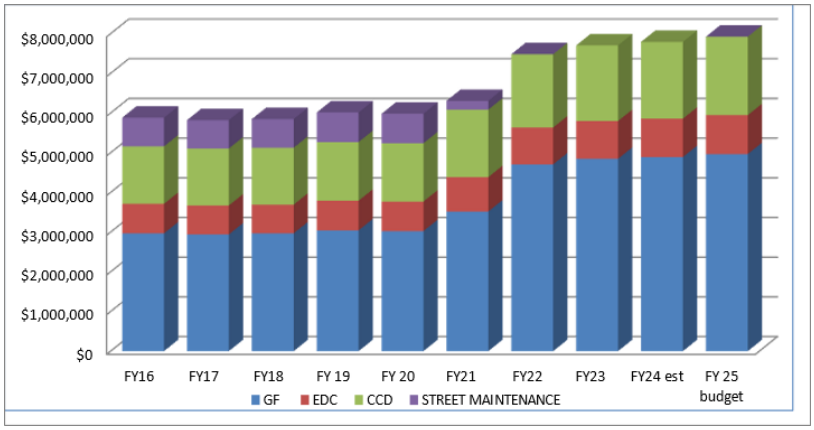
General Property taxes are assessed on real and personal property as of January 1 each year. The approved tax rate for FY2024-2025 was set by the City Council via ordinance at $0.5702 per $100 valuation. The portion of the tax rate that supports maintenance and operations in the General Fund is $0.361051, or 63%. The remainder supports the debt service for payments on outstanding long-term debt and is budgeted in the General Obligation Debt Service Fund.

ASSESSED VALUE OF TAXABLE PROPERTY HISTORY



BUDGET SUMMARY

Sales Tax History



Sales taxes are collected by the State from the sale of goods and services. Goods and services are taxed at 8.25% in the City of Watauga, of which 6.25% is the state portion. The remaining 2% is received as follows: The General Fund receives 1.25% of each dollar taxed within the City. The Crime Control and Prevention District receives .5% and the Watauga Economic Development Corporation receives .25%. The Mixed Beverage Tax – 1.5% (or 10.7143% of the State's 14%) of each dollar taxed within the City is allocated to the General Fund.

Sales tax is the second largest source of revenue for the general fund. A significant portion (28%) of the city's general operating revenue is derived from sales tax. Sales taxes also fund the operations for the Crime Control and Prevention District and the Economic Development Corporation activities.

FY2023-2024 sales tax receipts were slightly lower than anticipated and are trending 2% under budget and 1% over prior year actuals. We have conservatively estimated FY2024-2025 sales tax to be 1.5% over FY2023-2024 year-end projections. The conservative approach places the budget in the position to absorb economic losses without a reduction in service levels. The City continues its economic development and redevelopment strategic planning that is essential for the City to increase its sales tax revenues and reduce its dependency on property taxes to fund basic City services. The City's economic development goals include attraction of quality visually appealing businesses, as well as revitalization and investment in areas that have seen some deterioration of economic activity. Efforts to maintain and grow our sales tax base continue to be a high priority.

Franchise taxes are collected primarily from utilities and fees charged for the privilege of continued use of public property and municipal rights of way. Most franchise fees are set by the State of Texas and the City of Watauga collects the amounts prescribed by law. However, our solid waste franchise fees are established in our contract with our solid waste hauler and are equal to 5% of gross revenues.

Licenses and permits revenues include fees charged by the City for business licenses and permits for general construction. Fees are charged for City inspection of electrical, plumbing, and mechanical installations. Over the last few years, this revenue has fluctuated due to construction activity in the City; however, as the City is approximately

96% built out, this revenue is not expected to increase substantially. However, in FY2022-FY2024, the City has experienced an increase in construction permits related to renovations and building activity along Bursey Road and Hightower. These projects are expected to continue in FY2024-2025. An increase of 8% in FY2024-2025 from 2024 estimated revenue is expected from the permits remaining for these projects.

Projections are based on the established historical base of issued permits and the expectations of inspectors and economic development staff for new permits and buildings. This revenue source is estimated to bring in 4% of General Fund revenues for FY2024-25.

Intergovernmental revenue - Intergovernmental revenue consists of a payment-in-lieu-of-tax (PILOT) from the enterprise funds based on a percentage of revenues from the water and sewer utility systems and the storm drain system. This is similar to the fee charged to other utilities for the use of City rights-of-way except for City-owned utilities. Projections are based solely on revenues projections for those revenue generators. Such funds total 3% of General Fund revenues.

Charges for services – This category includes General Fund charges, as well as Water and Sewer and Storm Drain fees. The category makes up 27% of city-wide revenues.

General Fund - These charges for the General Fund include recreation fees, fees paid by developers as reimbursements for City services, charges for emergency medical service (EMS), and various other service charges. Service Charges account for about 7% of General Fund revenues. Projections are based on historical use of City services as well as rates charged by the City on such services. Recreation programs are being expanded in FY2024-2025 that increased revenues in this category. EMS services have been outsourced to Emergicon, which handles all billing and initial collections. Ambulance revenues have experienced growth the past couple of years due to increased volume and collection activity due to the Fire Department running a second ambulance beginning in FY2020-2021. Increases in the General Fund are estimated at 12% due to fee increases and new program charges.

Water and Wastewater Fees are included under Charges for Services category and are received primarily from water sales to City utility customers and sewer charges. For FY2024-2025, Utility Fund Revenues account for 21% of all city-wide revenues. Water and Sewer revenues are projected to increase 8%. Other sources consist of penalties, service and miscellaneous fees, and investment earnings. The increase in rates is due primarily to the City of Ft. Worth increasing wholesale wastewater treatment costs and the City's planned purchase of Advanced Metering Infrastructure (AMI) in FY2025 and the issuance of debt to fund this project. The financial objective of the water and sewer rates is to ensure that rates are adequate to meet all operating needs; cover existing debt service; and provide enough working capital levels to be fiscally responsible.

The Storm Drain Utility Fees are also included under the Charges for Services Category and the fee is assessed on water bills and will generate funding for drainage projects and maintenance of the City's storm drain system.

BUDGET SUMMARY

Fines and Forfeitures - Include fines levied by the Municipal Judge for misdemeanor offenses occurring with the City and those collected on citations issued for code enforcement. Fines for overdue library books were discontinued in FY2020-21. Other fees are also included in this category for certain items relating to municipal court. Fines and forfeitures make up approximately 3% of General Fund revenues for fiscal year 2025.

Miscellaneous revenue – This revenue consists primarily of interest earnings from the investment of city funds, proceeds from the sale of surplus City property, cell phone tower rent revenues and other various revenues. Interest earnings are expected to increase in FY2025-26 due to the rising interest rates and comprise 5% of total revenues.

Transfers In – Transfers in are comprised of funds transferred from another fund for general and administrative fees or obligations that the General Fund provides. The contributing funds include the proprietary funds (Water and Sewer, Storm Drain) and special revenue funds (Crime Control and Economic Development Fund). These are projected at 5% of General Fund Revenues.

BUDGET SUMMARY

EXPENDITURE/EXPENSES
DESCRIPTIONS, EVALUATIONS AND PROJECTIONS

The following information is a general description of the major expenditure/expense types for the City's major operating funds.

Changes in operating expenditures vary in each fund based on the nature of the services provided in each fund.

Personnel Services

This category consists of personnel salaries and benefits. Salaries include base pay, overtime, step-up pay, certification pay, sick and vacation pay, and holiday pay. Benefits include healthcare, retirement, accrued sick and vacation leave, partial tuition reimbursement, longevity pay, and payout of certain leave accruals per policy guidelines. The City of Watauga participates in the Texas Municipal Retirement System (TMRS) for eligible employees.

Across all City of Watauga operations, personnel services increased approximately 5% (excluding one-time expenditures paid by grant funds). This increase is reflected in the changes outlined in the following pages.

Organizational Objectives: Retaining and attracting qualified staff is integral to our organization. Civil service and general government retention, hiring, and retirements have greatly impacted the City in the last few years.

The City must continue to develop strategies to retain current employees and recruit new employees.

Personnel Highlights

In FY 2021-2022, the City began to restore positions that were eliminated during the FY2020-2021 fiscal year due to budget constraints and the reorganization of the recreation center operations due to the impact of the pandemic. In the FY2022-2023 budget, a total of 13.25 full-time equivalents were added. Of those positions, 7.25 full-time equivalent positions were restored and funded, and 6.0 positions were added as determined by the Personnel Enhancement Plan. The ARPA grant funded 7 full-time equivalent positions which were later reduced to 6.0 full-time equivalent positions. In FY2023-2024, the funding for 3.5 full-time equivalent positions was absorbed by the General Fund. In the FY2024-2025 budget, the remaining 2.5 full-time equivalent positions are proposed to be funded by the General Fund in order to close out the ARPA funds for personnel costs.

BUDGET SUMMARY

In the FY2024-2025 budget, funding was concentrated on retention and recruitment of employees. In this budget, the following is included:

- Implementation of Compensation Study recommendations to include 3% market adjustment for Civil Service, and a market adjustment for general government employees to minimum ranges. The impact of the compensation study on the annual budget is estimated to be $380,000 across all funds, including benefits.
- Increase of certification pay for civil service employees.
- Continued funding for civil service step increases.
- 1-3% merit increase for general government employees based on annual evaluations.
- 4% cost of living increase for all employees.

Personnel additions (not including reclassifications) are listed below. These positions have been funded for a partial year to reduce the budgetary impact but still provide for the departmental needs.

- **Parks and Recreation Department** –
  - 2 Recreation Attendants Part-time (.50 FTE)
- **City Secretary's Office –**
  - 1 Administration Assistant Part-time (.25 FTE)
- **Police Department –**
  - 1 Code Enforcement Officer (1.0 FTE)

Additional changes include reclassing the four part-time Summer Maintenance Worker I positions funding to a full-time Maintenance Worker I position due to the discontinuation of the seasonal positions.

Other reclassifications are included in this year's proposed budget as submitted within the Personnel Enhancement Plan (PEP) with a nominal impact on the budget.

- The **City's Employee Retirement (TMRS)** rate is forecast to be 17.73%, up 0.89% from last year's rate of 16.84%.

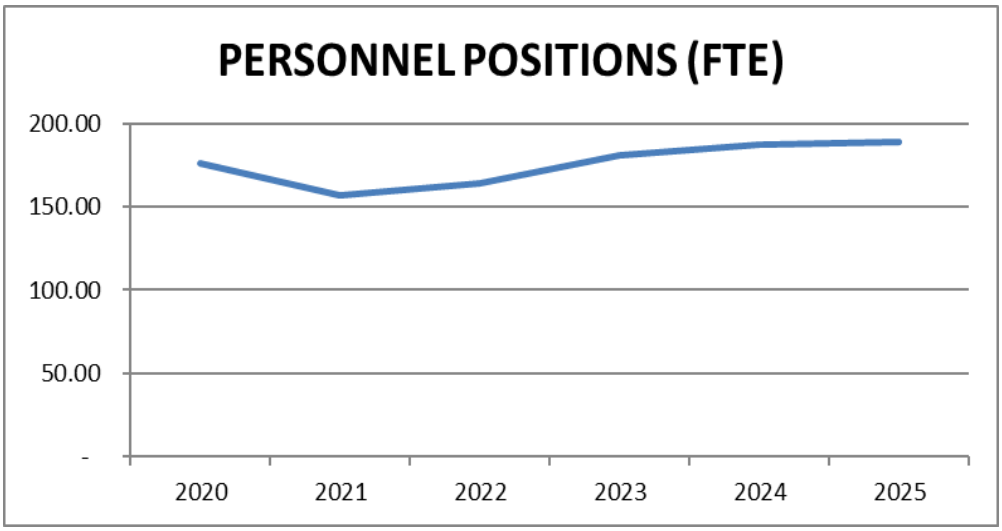
- **Health insurance** cost increases over the last few fiscal years have been a major concern in the City. This fiscal year, health insurance was originally forecast to come in at a 17% increase in the budget. However, the City received multiple bids this year and will realize significant savings of approximately 30% in medical insurance costs with a shift in vendors and changes in the plans. The City contributes some funding to dependent insurance costs and matching contributions for employees' health savings accounts. The City contributions for health savings accounts are under market and are proposed to increase in the upcoming budget year. In FY2023, the City rolled out a tiered cost sharing model for insurance premiums to aid in the funding of medical costs which will continue in the FY2025 budget.

- **Employee Programs funded this year include:**

Employee engagement and events continue to be a priority this fiscal year and funding has been provided for programs that bring city employees together. Safety and supervisor training programs are funded in this year's budget. The WataugaFit program continues to be funded this year. This is an employee wellness program to identify risk and provide avenues for behavior modification which reduces chronic disease, medical costs, and absenteeism. It is a priority of the City to continue Health and Wellness programs for City Employees and funding is in place for additional programs. The employee tuition reimbursement continued to be funded this fiscal year.

Employee programs continuing this year include an employee award and an employee of the month program to recognize employees for excellent achievements and service. In addition, an employee referral program is funded that is designed to incentivize and encourage employees to market the City and help with recruitment.

Analysis of Full-Time Equivalent Positions



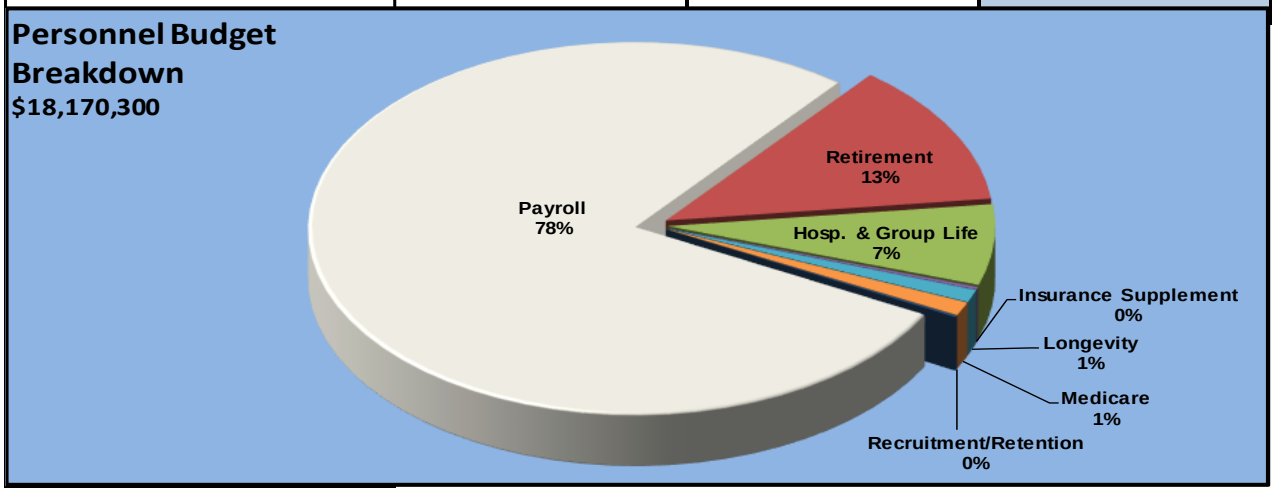
The chart above shows the total number of Full-time equivalent positions from FY2020 to the current FY2025 budget. The drastic reduction of employees in FY2021 is due to the cost saving measures put in place during the pandemic. The Recreation department was dramatically impacted by a reduction in personnel due to the elimination of many programs. Beginning in FY2022, the City began the restoring of the programs and personnel. The General Fund accounts for the majority of the FTE growth, due to the restoration of funding of positions as discussed previously. In FY2023-2024, additional recreation programs were reinstated that include the Summer Camp program and the pre-school program that facilitated the need for increased personnel. 3.75 FTEs were added that include 15 part-time positions to cover the program needs. In addition, a part-time Library position was converted to a full-time position. The sewer department gained 1.0 FTE for a Maintenance Worker

position that was previously not funded during the cost savings measures put in place during the pandemic. The total number of authorized full-time equivalent positions in the 2024-2025 budget increased by 1.75 FTEs to 189.25.
The following chart shows the budgeted positions by fund and department in a 3-year summary:

BUDGET SUMMARY

PERSONNEL POSITIONS (Budgeted)

	FY2023 BUDGET		FY2024 BUDGET		FY2025 BUDGET	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
GENERAL FUND						
City Secretary	2.00		2.00		2.00	0.25
City Manager	2.00		2.00		2.00	
Human Resources	2.50		2.50		2.50	
Development Services Division	3.50	0.25	3.50	0.25	3.50	0.25
Municipal Court Division	3.60	0.50	3.60	0.50	3.60	0.50
Finance	3.75	0.75	3.75	0.75	3.95	0.75
Information Technology	3.50		3.50		3.50	
Library	8.00	3.50	9.00	3.25	9.00	3.25
Recreation and Community Services	4.50	1.25	4.50	5.00	4.50	5.50
Parks	6.50	0.25	6.50	0.25	6.50	0.25
Police Division	39.00	1.00	39.00	1.00	39.80	1.00
Fire / EMS Division	27.00	3.00	27.00	3.00	27.00	3.00
Public Works Streets Division	8.75		8.75		8.75	
Public Works - Fleet Services	4.00		4.00		4.00	
Public Works - Building Maintenance	8.00		8.00		8.00	
Total General Fund	126.60	10.50	127.60	14.00	128.60	14.75
ENTERPRISE FUNDS						
Drainage Utility	6.25	1.00	6.25	1.00	7.25	
Water/Sewer Fund						
Administration	1.25		1.25		1.25	
Billing and Collections	7.50		7.50		7.50	
Information Technology	0.50		0.50		0.50	
Water Distribution	7.75		8.75		8.75	
Sewer Collections	6.75		7.75		7.75	
Total Water/Sewer Fund	23.75		25.75		25.75	
Total Enterprise Funds	30.00	1.00	32.00	1.00	33.00	-
SPECIAL REVENUE FUNDS						
Crime Control District	12.00		12.00		12.00	
Traffic Safety						
Municipal Court Security		0.50		0.50		0.50
Municipal Truancy Prevention	0.40		0.40		0.40	
Total Revenue Funds	12.40	0.50	12.40	0.50	12.40	0.50
GRAND TOTAL	169.00	12.00	172.00	15.50	174.00	15.25
Est. Population	24,400		23,653		24,000	
Personnel Per Capita	0.007418033		0.007927113		0.007885417	



Supplies

This object classification is for expendable materials and operating supplies necessary to conduct departmental activity and is consumed through use. Supplies make up 3% of operating expenditures. Examples of these items include office and janitorial supplies, postage, publications, wearing apparel, vehicle parts and fuel, tools, and living plants. For all funds, this category increased over prior year by 5% due to inflationary pressures.

Maintenance

This object classification include services required to maintain assets of the City and may be paid to outside vendors. This can include vehicle or equipment maintenance, hardware and software maintenance, street striping, plumbing and electrical services, and radio and book repairs. Maintenance makes up 3% of the operating expenditure budget. Overall, maintenance is budgeted to increase 15% this fiscal year in comparison to last year's budget. This is due to some one-time maintenance projects budgeted in FY2024-2025, but not in FY2023-2024.

Contractual/Sundry

This category consists primarily of services provided to the City, and other miscellaneous items. Services include bank services, audit and attorney fees, printing and binding, laboratory testing, public utilities, rental of equipment, ambulance billing services, collection agency fees, engineering services, appraisal district expenses, and insurance fees. This category also includes water distribution and wastewater treatment fees paid to the City's wholesale providers. Miscellaneous expenses include dues and subscriptions, travel, and training. This category also includes transfers between funds and debt service payments. A decrease of % has been budgeted for this category. The contractual increases are generally driven by inflation in contracted services and other related items, but also include the below:

- Water and Wastewater costs are estimated to increase 8% due to a sewer wholesale cost increase from our provider, the City of Ft. Worth.
- The Arts Program and funding for Concerts in the Park continues to be funded this fiscal year.
- Debt service payments increased this year due to the 2024 debt issuance and required payments budgeted for FY2025.

Capital Outlay

This classification is for the purchase or investment in items that are more than $10,000 each that have a life of more than five years and that will be capitalized or considered a long-term asset of the City. The budget for these items fluctuates from year to year based on identified needs and funding availability. Examples include buildings, furniture, equipment, and vehicles. Infrastructure projects such as streets and water and sewer projects are included in this category.

The City plans for these high dollar items through the Capital Improvement Plan Committee and Capital Outlay Plan Committee process. The end results are the creation and continual updating of multi-year plans that help identify capital needs and possible funding sources. The capital expenditures can be found in the Capital Projects and Capital Outlay Sections of this budget document.

Various equipment and vehicle purchases will be funded this year and the majority of these items are listed in the 5-year Capital Outlay Plan with identified funding sources. Additionally, one-time capital items that have been requested are included in the General Fund budget. Some of the items are listed below:

- **Public Works Department**
  - Fleet vehicles (4)
  - Dump Truck (2) for Storm Drain and Streets division
  - Mini excavator (Water/Sewer)
  - HVAC and fire alarm replacements
  - Fleet Software
- **Fire Department**
  - Fire Truck
  - Defibrillator replacement
  - Extrication Gear replacements
  - Thermal Imager
  - Dishwasher and Refrigerator Replacement
  - Training Room Furniture Replacement
- **Police Department**
  - Vehicle replacements (5) CCD fund
  - Flock safety camera program increase
  - ALERRT Program weapons/ammunition
  - Furniture Replacements
- **Finance Department**
  - Vehicle replacement for Utility Billing
- **Information Technology**
  - Hardware and software replacements

- Cybersecurity software continuation
- **Parks and Recreation**
  - Fitness equipment replacements
  - Perennial Plant replacement
- **Library**
  - Furniture and equipment replacements
  - RFID Technology enhancements

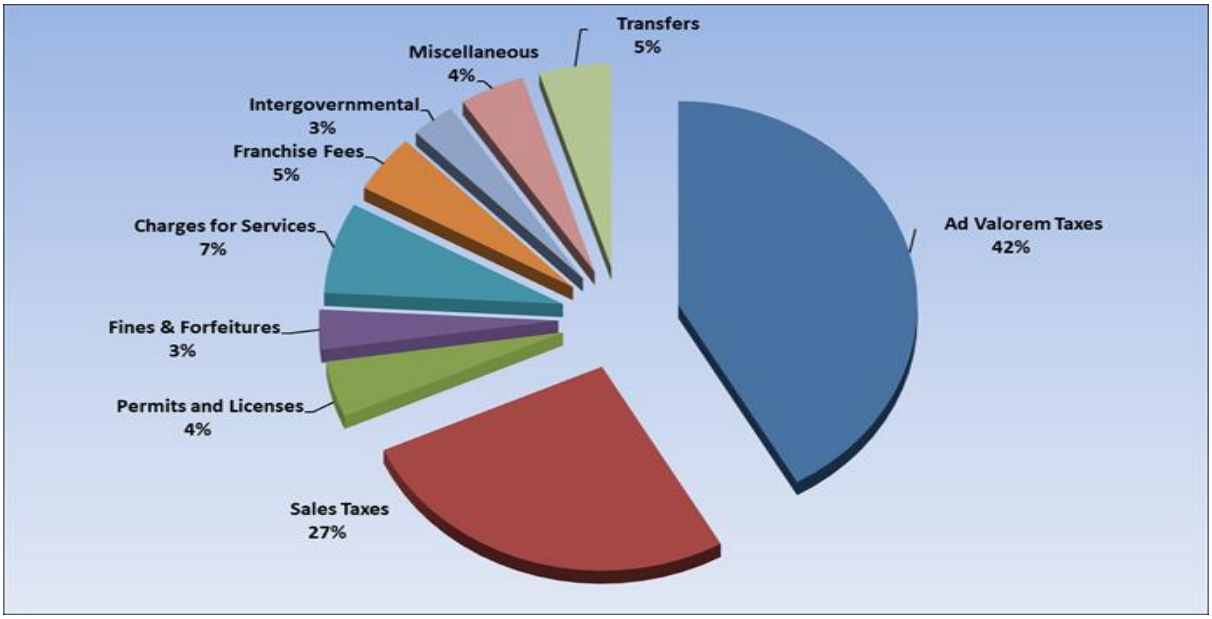
Capital Projects - The City's Capital Improvement Plan (CIP) is a 5-year plan for public physical improvements to include infrastructure such as streets, water and sewer and drainage improvements. In addition, parks and building improvements are included in the CIP. The CIP provides a forecast of funds available for capital projects and identifies all planned capital improvement projects and their estimated costs. A detail of these projects can be found in the Capital Improvement section of this document. Approximately $31.0 million in planned capital projects are included in this year 's budget and include continuation of the Whitley Road Street project, the Hightower Road and Watauga Road street projects, and various water and sewer and storm drain infrastructure projects. Projects supported by the Economic Development Corporation include a food business park at Capp Smith Park. Some projects will carry over from FY2023-2024 and year-end projections are subject to change. Unused funds roll over each year until the projects are completed. Capital equipment identified needs include $2.9 million in vehicles, equipment, facility, and technology needs, to include the fire engine with an estimated cost of $1.5 million. More information can be found in the Capital Outlay section of this document.



Revenues and Expenditures by Fund

General Fund

General Fund Revenues The budget provides funding for continuation of current programs and services. Revenue projections for FY2024-2025 total $18,691,820, an increase of $940,920, or 5.3% from the FY2023-2024 original budget. Increases have been projected for property tax, charges for services, permits and licenses, fines and forfeitures and miscellaneous revenues.



- Ad Valorem Property Taxes - Revenue collected from property taxes is the largest component of the General Fund, comprising 42% of revenues in FY2024-2025. This includes current and delinquent tax payments as well as penalties and interest. This revenue is calculated based on information from the Certified Tax Roll received July 25th from the Tarrant Appraisal District (TAD). The certified roll reflects all taxable property in the City as of January 1, 2024. After the roll is received, the tax rate is set by the City Council based on both the debt rate required to pay the City's General bonded indebtedness and funds needed for maintenance and operations for the use and support of the General Fund.

- Property valuations increased 7.3% over prior year. Certified values from TAD came in at $2,262,802,659 and estimated Net Taxable Values are $2,303,104,957. In FY2023-2024, valuations increased by 13%, compared to an increase of 11% in FY2022-2023. In the budget, the tax rate of $0.57020 per 100

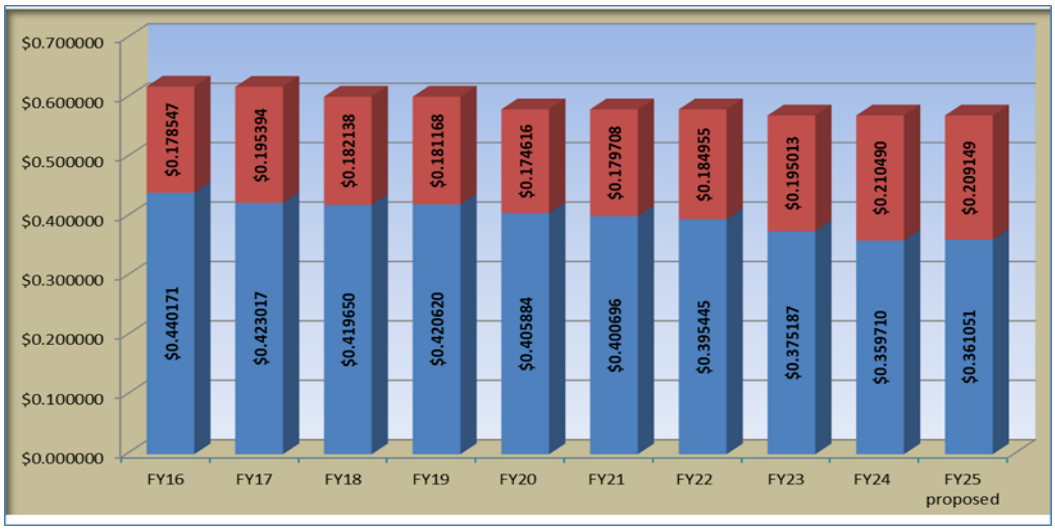
valuations maintains the current tax rate and brings in additional revenue to cover cost increases. The tax rate is a result of the higher valuations and will ensure that the quality service levels and programs are maintained, and new debt service requirements are met for capital projects in the City.

- The tax rate for FY2024-2025 is **$0.5702/$100** of valuation. The tax rate distribution for FY2024-2025 compared to FY2023-2024 is as follows:

	FY2023-2024	FY2024-2025
Maintenance and Operations:	$0.359710/$100	$0.361051/$100
Interest & Sinking	$0.210490/$100	$0.209149/$100
TOTAL TAX RATE:	**$0.57020/$100**	**$0.570200/$100**

Estimated collections for the current year have been computed at approximately 100% of net taxable value for the interest and sinking (I&S) portion of the tax rate. The City's historical tax rate and distribution is shown below:

PROPERTY TAX DISTRIBUTION HISTORY



Please see Budget Ordinances and Notices section for computation of tax rates

BUDGET SUMMARY

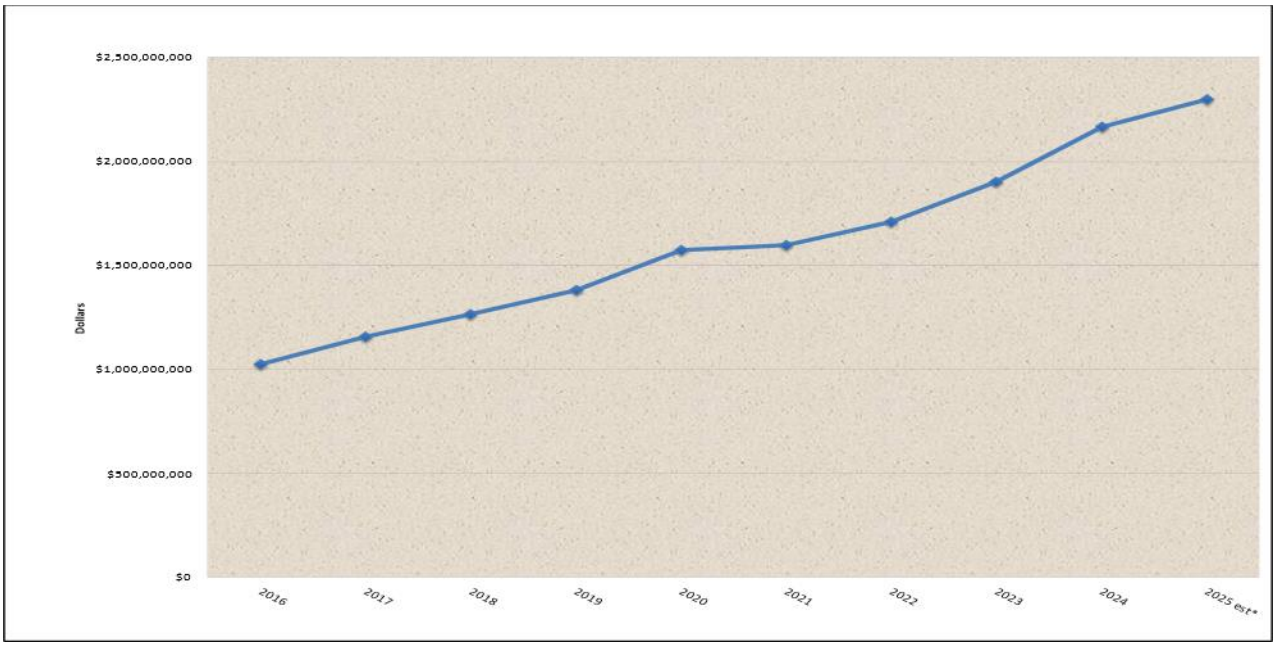
10 YEAR HISTORY OF PROPERTY TAX RATES

	M&O	I&S	TOTAL
FY16	$0.440171	$0.178547	$0.618718
FY17	$0.423017	$0.195394	$0.618411
FY18	$0.419650	$0.182138	$0.601788
FY19	$0.420620	$0.181168	$0.601788
FY20	$0.405884	$0.174616	$0.580500
FY21	$0.400696	$0.179708	$0.580404
FY22	$0.395445	$0.184955	$0.580400
FY23	$0.375187	$0.195013	$0.570200
FY24	$0.359710	$0.210490	$0.570200
FY25 proposed	$0.361051	$0.209149	$0.570200



As shown in the table below and the Assessed Value of Taxable Property Graph, City valuations have experienced growth in the last ten years. In FY2021 values came in at 1.5% over prior year, in FY2022, valuations increased 7% over prior year, in FY2023, valuations increased 11%, and in FY2024, valuations increased 13% over prior year..

ASSESSED VALUE OF TAXABLE PROPERTY HISTORY



In Tax Year 2024, Fiscal Year 2024-25, certified values from Tarrant Appraisal District came in at 7.3% over prior year. The City's collection rates for property taxes are strong at approximately 99% annually.

BUDGET SUMMARY

TABLE OF TRENDS IN ASSESSED VALUES, RATES, AND LEVIES

Year Ending Sept. 30	Assessed Value of Taxable Property (Adjusted)	Tax Rate/$100 of valuation	Tax Levy	Current Year's Taxes Collected	% Current Levy Collected
2016	$ 1,024,630,104	0.618718	$ 6,325,757	$ 6,262,499	99.00%
2017	$ 1,157,125,543	0.618411	$ 7,051,792	$ 6,969,084	98.83%
2018	$ 1,265,325,039	0.601788	$ 7,487,384	$ 7,401,975	99.20%
2019	$ 1,382,731,351	0.601788	$ 8,040,121	$ 8,014,638	99.68%
2020	$ 1,573,355,021	0.580500	$ 8,780,923	$ 8,693,114	99.00%
2021	$ 1,597,254,264	0.580404	$ 8,894,923	$ 8,810,156	99.05%
2022	$ 1,708,914,183	0.580400	$ 9,440,143	$ 9,373,453	99.29%
2023	$ 1,903,634,822	0.570200	$ 9,994,389	$ 9,979,926	99.86%
2024 (adj)	$ 2,167,206,911	0.570200	$ 11,539,609	$ 11,229,260	97.31%
2025 est	$ 2,303,104,957	0.570200	$ 12,225,000	n/a	n/a

The average taxable value of a home in Watauga this year is at $238,062 an increase of 5.2%, or $11,679 from last year's average taxable value of $226,383. The amount of annual City property tax on the average home at the tax rate of $0.5702/$100 is $1,357.43, an increase of $66.59 from prior year. This represents a monthly cost of $113.12, or $3.72/day for the City to provide services such as the day-to-day operations of the City including 24-hour police, fire and EMS Service, public works, parks and recreation, library services, building inspections, code compliance, and other essential City services.

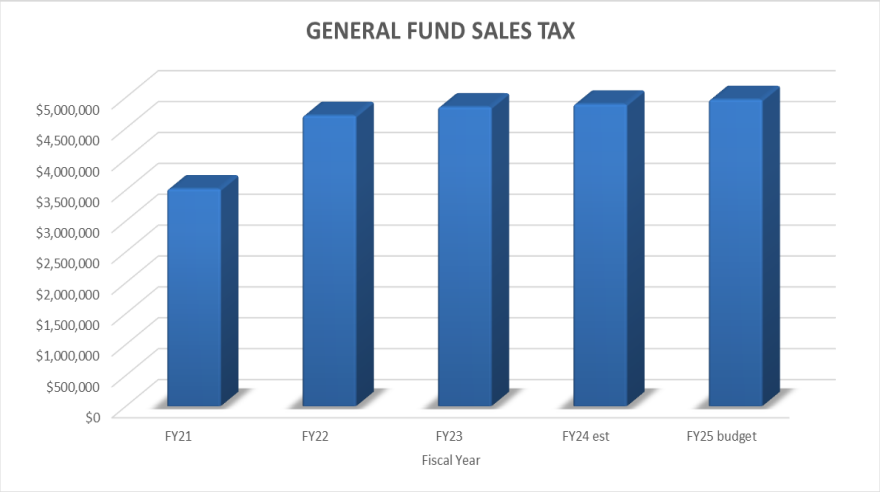
The City is landlocked and approximately 96% built out, however, in the City and surrounding area, there has been substantial growth in residential and commercial property valuations over the last several years. In future years, growth is forecasted to slow to 3-5% annually.

Ad valorem taxes are billed October 1 of every year and are due on or before January 31 of the next calendar year. Projections for delinquent tax revenues for those collected after January 31 are based on conservative prior years' experience, as well as interest and penalties on delinquent ad valorem taxes.

The City is located in two different independent school districts (ISDs); so, overlapping property taxes vary by what section of the City in which a property is located. The City's portion has historically been less than one-fourth of the entire property tax bill for the area. The City offers a $40,000 senior citizen exemption from assessed values and has incorporated the over-65 and disabled citizen tax freeze. All other exemptions for disabled persons and veterans are as stipulated by State law.

BUDGET SUMMARY

Sales Tax Collections



The second major financial consideration that guides the development of the budget for the upcoming year is the projection of sales tax revenues. The City's 1.25% share of all local taxable sales are remitted by merchants to the State Comptroller's Office and then distributed to the City on a monthly basis. Sales tax revenues comprise 27% of General Fund (GF) revenues. The City has experienced volatile sales tax receipts this fiscal year which are up 1% from prior year-to-date. Sales tax for FY2024-2025 is projected to be 1.5% above the current year-end forecast for the 1.25 cent sales tax.

In May, 2021, voters approved a one and one quarter cent sales and use tax for general government services. This allows for additional revenue to operate and provide public services. The additional ¼ sales tax is used for general government services and will provide funds for continuing street maintenance.

Sales Tax revenue for the City is subject to the general economic environment of the DFW Metroplex. The City continues to see growth in economic activity for current businesses, attraction of new businesses, and online sales tax growth. The gains from sales tax are also attributable to inflation with the higher cost of goods and services.

Other taxes - Include receipts from the operation of bingo halls in the City.

Utility Franchise Fees – This revenue category consists of a percentage of local gross receipts remitted to the City by each privately owned utility (electric, telephone, gas, waste and recycling collections, and cable) providing services to Watauga citizens for their use of the City's right-of-way. This can be the right-of-way used by the companies for their utility lines or the use of our streets for their vehicles. Revenues are based on terms of a franchise agreement between the City and each utility. The majority of franchise revenue is based on a percentage of gross revenues from the utilities.

Projected revenues for these fees are generally based on population estimates. Recently, weather conditions and the economy have been significant factors in a decline of revenues as citizens have been more frugal in utilization of resources, which has led to lower utility revenues. In addition, the Texas Legislature passed Senate Bill 1152 which undercut the collection by cities of right-of-way rental fees from companies that provided both cable and telecom services. Beginning January 1, 2020, these companies now pay the greater of the two charges measured on a statewide basis, but not both and the City

has seen a significant decline in these revenues as a result. These fees currently total 5% of General Fund revenues.

Licenses and permits – This includes construction permit fees, animal licenses, electrical and plumbing licenses and other licenses and permits. Over the last few years, this revenue has fluctuated due to construction activity in the City; however, as the City is approximately 96% built out, this revenue is not expected to increase substantially. However, the City has experienced an increase in construction permits related to a few new residential developments in the City.

Projections are based on the established historical base of issued permits and the expectations of inspectors and economic development staff for new permits and buildings. This revenue source is estimated to bring in 4% of General Fund revenues for FY2024-25.

Intergovernmental revenue - Intergovernmental revenue consists of a payment-in-lieu-of-tax (PILOT) from the enterprise funds based on a percentage of revenues from the water and sewer utility systems and the storm drain system. This is similar to the fee charged to other utilities for the use of City rights-of-way except for City-owned utilities. Projections are based solely on revenues projections for those revenue generators. Such funds total 3% of General Fund revenues.

Charges for services – These charges include recreation fees, fees paid by developers as reimbursements for City services, charges for emergency medical service (EMS), and various other service charges. Service Charges account for about 7% of General Fund revenues. Projections are based on historical use of City services as well as rates charged by the City on such services. New recreation programs were added in FY2023-2024 that increased revenues in this category. EMS services have been outsourced to Emergicon, which handles all billing and initial collections. Ambulance revenues have experienced growth the past couple of years due to increased collection activity and the City running a second ambulance beginning in FY2020-21.

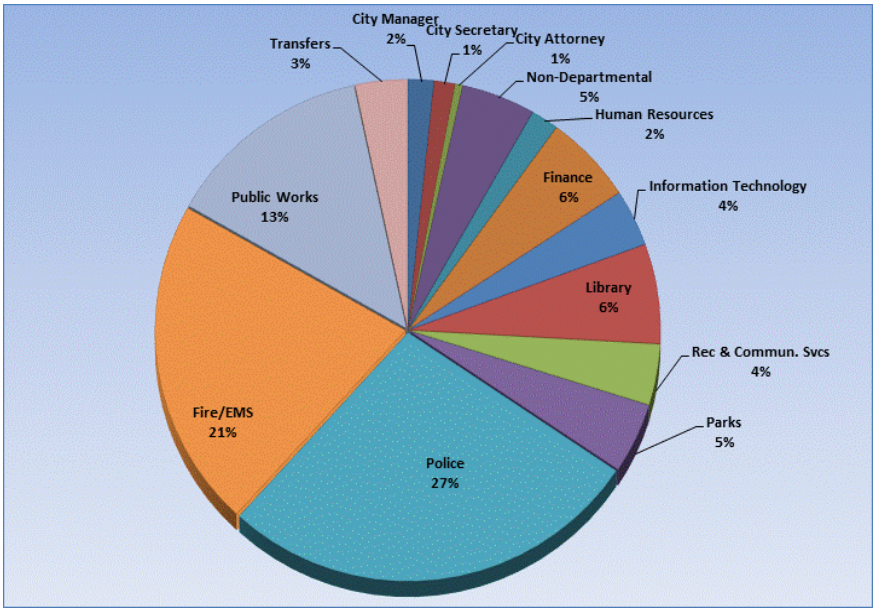
Fines and Forfeitures - Include fines levied by the Municipal Judge for misdemeanor offenses occurring with the City and those collected on citations issued for code enforcement. FY2023 Fines for overdue library books were discontinued in FY2020-21. Other fees are also included in this category for certain items relating to municipal court. Fines and forfeitures make up approximately 3% of General Fund revenues for fiscal year 2025.

Miscellaneous revenue – This includes interest earned on the investment of General Fund cash, proceeds from the sale of surplus City property, cell phone tower rent revenues and other various revenues. Interest earnings are expected to decrease slightly from FY2023-24 based on the assumption that the Fed will lower interest rates in the coming year. These revenues comprise 4% of total revenues.

Transfers In – Transfers in are comprised of funds transferred from another fund for general and administrative fees or obligations that the General Fund provides. The contributing funds include the proprietary funds (Water and Sewer, Storm Drain) and

special revenue funds (Crime Control and Economic Development Fund). These are projected at 5% of General Fund Revenues.

General Fund Expenditures



The operating expenditures (including transfers) for the General Fund total $19,273,760. This is a 5.9%, or a $1,074,590 increase over last year's budgeted expenditures, including transfers.

Personnel expenditures make up 73% of the General Fund's budget. A total of 4.25 full-time equivalent positions were added to the general fund this year, of which 2.5 full-time equivalents were previously funded by the ARPA grant. In the FY2024-25 budget, medical insurance costs decreased approximately 30%, and the City's TMRS (retirement funding) was increased by 0.89%. Also included is a 4% cost of living for all employees, civil service step increases, and a merit increase for general government employees. A Compensation Study was completed in July 2024 and the recommendations for compensation adjustments have been added to the proposed budget. Police and Fire expenditures make up 48% of the General Fund Budget.

The General Fund expenditures include $50,000 of contingency funds for unforeseen events or emergency purchases during the year. Transfers will be made this year to the Capital Projects Fund for miscellaneous engineering services, sidewalk replacements, and street maintenance for a total of $648,000. Street overlays are funded this year by previous transfers to the General Capital Projects Fund.

There will be a utilization of fund balance for one-time expenditures and programs in the amount of $581,940 for this year and the projected ending fund balance for FY2024-25 is $8,147,837, which equates to 42% of operating expenditures in reserves. This is above the minimum target policy of twenty-five percent (25%) by approximately $3.3 million which may be used in future budgets for one-time expenditures, such as funding of capital projects.

General Fund Debt Service Fund

As discussed in the General Fund section above, the City bases its ad valorem tax rate on the certified appraisal roll provided by the Tarrant Appraisal District (TAD). A combined tax rate is adopted each year by the City Council that funds 1) the use and support of the

general fund (maintenance and operations rate) and 2) to finance the City's Debt Service Fund (referred to as Interest and Sinking, or I&S rate) for payment of annual principal and interest due on outstanding general indebtedness. This is the portion obligated for debt service payments and is projected on payments as specified in debt obligations. The fund receives a transfer-in from the Economic Development Corporation for their payment of various economic development and parks projects within the City.

The City has existing long-term debt issued for the construction of capital facilities, infrastructure, vehicles, and equipment. The debt service requirement for principal and interest payments and fiscal agent charges totals $4,554,444. This amount includes debt service for the 2024 Certificates of Obligation debt issuance for projects included in the General Capital Project Fund and listed below. The ending fund balance is projected to be $1,212,098.

General Capital Projects Fund

The General Capital Projects Fund provides the basic resource for general government projects such as streets, parks, public facilities, equipment, and other infrastructure needs. Many of these projects are funded from debt issuance proceeds and the remaining are funded by a transfer in from the General Fund. Other revenues include interest income on investments and proceeds of the sale of surplus property.

The following projects will be funded this year:

- ✓ This year the sidewalk program will be funded at $175,000, an increase of $25,000 over prior year funding.
- ✓ Engineering costs have been funded at $30,000 in anticipation of additional needs throughout the City.
- ✓ Continuation of the Whitley Road street projects, parks projects are funded by the 2018, 2020, 2021 Certificates of Obligation proceeds and Tarrant County Grant. These projects are continued from prior years.
- ✓ The Hightower Street Project continues this year with phase I of construction to be funded by the 2023 Certificates of Obligation debt proceeds. The Watauga Road Street project's engineering and design will continue in FY2024-2025 and is funded by the 2022 Certificates of Obligation.
- ✓ The proposed 2024 Certificates of Obligation will fund various projects such as the Advanced Metering Infrastructure (utility), building improvements at City facilities, trail lighting at various parks, upgrades to the Splashpad at Capp Smith, and a Fire Engine.
- ✓ The design work for the food business park project at Capp Smith Park is funded by the 2020 Certificates of Obligation debt issuance and will begin in FY2024-2025.

General capital projects and equipment expenses for this year are projected at $20,328,844. The ending Fund Balance is forecast to be $3,959,164 if all projects are

completed by fiscal year end. See the General Capital Projects Fund for a more detailed description.

Strategic Initiative Fund

The Strategic Initiative Fund was created in FY2015-2016 to fund the strategic initiatives identified as priorities by Council. The funding source for this fund is through General Fund transfers. Last year the City closed out the use of the Strategic Initiative Fund and moved some of the balance to the General Fund for future projects. The fund balance is expected to be $41,529. The previous expenditures in this fund included $30,000 for the home revitalization program through the Tarrant County HOME program that has been moved to the Development Services in the General Fund. The General Fund will continue to fund Council initiatives in future years.

Special Revenue Funds

Economic Development Corporation

The Economic Development Corporation (EDC) is funded by a ¼ cent sales tax and funds economic development activities and quality of life projects in the City. Voters approved a 1/2 cent sales tax under Section 4B of Article 5190.6, Vernon's Texas Civil Statutes with an effective date of October 10, 1994. In May, 2012, Voters approved a reallocation of 1/4 cent for the Watauga Parks Development Corporation to go towards Street Maintenance, effective October 2012. In FY2018-19, the Corporation was renamed the Watauga Economic Development Corporation (EDC). Funds can only be used for economic development activities and projects and funds are administered under the supervision of the Economic Development Corporation Board of Directors. The City Council retains final oversight authority and must approve the EDC's programs and expenditures.

Sales tax revenues are projected to be $996,000 for FY2024-FY2025. The ¼ cent share of all local taxable sales are remitted by merchants to the State Comptroller's Office and then distributed to the City on a monthly basis. This represents approximately 99% of total revenue for the Economic Development Corporation Fund.

The budget for this fund includes funding for the completion of various economic development initiatives as guided by the Corporation's strategic plan that was developed in FY2019-20 and updated in FY2020-21. Expenditures are budgeted at $701,240. The ending fund balance is projected to be $3,181,361.

The EDC Capital Fund Budget includes $100,000 for the splashpad filtration upgrade and 10,000 in contingency funding for projects that may be considered for funding for the fiscal year. The projected ending fund balance is $26,345.

Street Maintenance Fund

This fund was originally established on October 1, 2012, to account for ¼ cent sales tax reallocated from the Parks Development Corporation, now the Economic Development Corporation. At a special election on May 12, 2012, the voters approved this tax under Section Chapter 327 of the Tax Code.

In November 2020 a measure was presented to voters to reallocate the ¼ cent dedicated street maintenance sales tax to economic development. The voters chose not to reallocate the tax and as a result, the street maintenance dedicated sales tax was abolished effective January 1, 2021. The source of funding for streets will be cash flowed from the general fund in future years. This fund will be closed out in FY2023-2024.

Crime Control and Prevention District Fund

The Watauga Crime Control and Prevention District (WCCPD) was established in March 1996 under Local Government Code Chapter 363 and reauthorized most recently on May 1, 2021, to account for a one-half sales tax to fund officers and purchase additional equipment and supplies for law enforcement purposes. The fund is administered by a Board of Directors, which is currently made up of the Mayor and all Council Members.

The sales tax represents 99% of total revenue for the WCCPD. Sales tax revenues generated from this ½ cent sales tax are projected at $1,977,000, flat with prior year budget. Total revenues are forecast to be $2,110,000. The FY2024-2025 operating budget is $2,688,500 which includes $460,750 for equipment and replacement vehicles. Ending fund balance is projected to be $930,194.

Library Donation Fund

Revenues represent donations made by customers as part of utility bill payment. Funds are used to purchase additional library supplies such as books, audio and video, periodicals, and other types of supplies. Projections are based on historical trend of donations, which have declined in the last several years.

Estimated revenues received by donations for this fund are expected to be $6,000 and make up approximately 98%of the Library Donation's fund's total revenues. The proposed budget expenditure of $10,000 will leave an estimated ending fund balance of $64,645.

PEG Fee Fund

This fund was created in FY2017-2018 to comply with SB1087 and to account for a 1% PEG (public, educational or governmental) fee received from Cable Providers operating in the City. Revenue estimates are conservative, and fees are estimated to be $24,000

for FY2024-2025. Expenditures are budgeted at $10,000 this fiscal year for capital projects. Expenditures can only be spent on capital items for the local access channel as described by federal law. The estimated ending fund balance is $151,934.

Municipal Court Revenue Funds

Revenues for the Security Fund, Technology Fund, Truancy Prevention Fund, and Jury Fund come from a $4.90, $4.00, $5.00, and $0.10 fee, respectively, on each citation for which there is a conviction. Thus, as citations fluctuate up or down, these revenues are increased or decreased. For FY2024-25, forecasted revenues are $57,800 for all of these funds combined.

For each municipal court fund, funds can be used for only specific purposes that are outlined under the provisions of the Code of Criminal procedures or changes under Senate Bill 346. Expenses are for technology improvements for the Court office, a portion of the Juvenile Case Manager salary, a part-time Deputy City Marshal and upgraded ticket writers. The total budget for this year is $115,350, leaving combined fund balances of $156,695.

Traffic Safety Fund

In June 2019, legislation passed by the 86th Texas Legislature (House Bill 1631) affected cities that have automatic photographic enforcement programs. The City's contract was terminated June 1, 2019, when the law to ban photo enforcement programs became effective. The City will close out the fund in FY2023-2024.

Grant Funds

In FY2019-2020, the City received a Staffing for Adequate Fire Emergency Response (SAFER) Grant Award that provides for 75% funding of six Fire/EMS positions for the first 2 years of the grant, and 35% of funding for the 3rd year of the grant. The SAFER Grant Fund was completed in February 2023, and grant funding reduced to 0% in FY2023-2024, thus increasing the general fund portion of funding for these positions.

The City received a **CARES Act** Grant for reimbursement of COVID-19 response expenditures in the amount of $1,307,350 that was expended in fiscal years 2019-20 and 2020-21. The City earned and expended all of the funds by December 31, 2020, as outlined in the CARES Act funding guidelines.

The **American Rescue Plan Act Coronavirus Local Fiscal Recovery Funds (CLFRF)** provides funding to local governments to broadly respond to the COVID-19 public health emergency and restore governments to pre-pandemic staffing levels and for the provision of general government services. Two tranches of payments were made to local governments serving populations under 50,000. The City received a total of $6.072 million in CLFRF funding to be obligated by 2024 and fully expended by December 2026. In July 2022, the City Council approved the Spending Plan Framework for the ARPA

funds. In FY2024-2025, $2,354,049 has been budgeted in grant revenues and expenditures, which includes infrastructure projects that will are scheduled to begin in FY2023-2024. These include the lead pipe identification project, enhanced funding for a water and sewer project, and the Park Vista drainage project. Additional funding is provided for personnel programs to target recruitment and retaining staff.

Proprietary Funds

Storm Drainage Fund

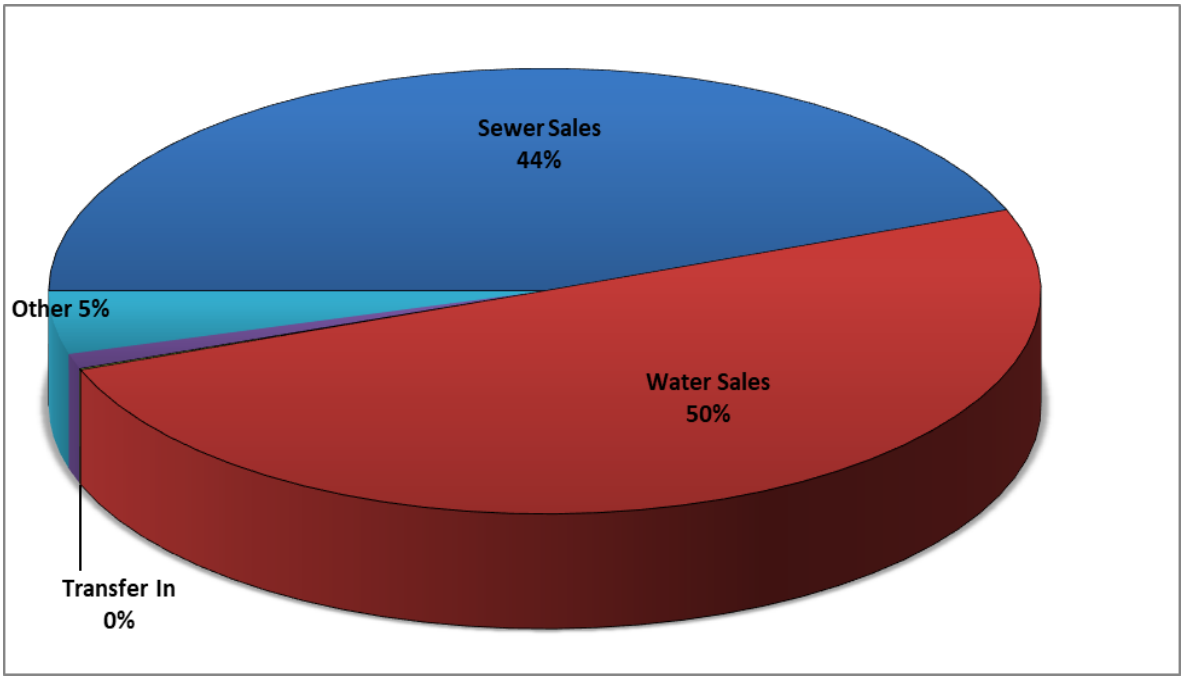
A $11.00 fee per month per residential utility account was adopted through the Code of Ordinances, to enhance drainage of properties within the City. Commercial accounts are charged a uniform rate, but the amount charged is based on impervious area. The fee is billed and collected through the Utility Billing Office and is 99.8% of the Storm Drain Utility Revenues. Projections are based on the active accounts and rate charges. The last fee review was conducted in FY2024.

Total charges for services are forecast to be $1,485,000 for service charges, with total revenues of $1,615,000. Total expenditures are $4,649,840. The operating expenditure budget is $960,640, with additional transfers to other funds in the amount of $194,000. This year, $3,495,200 in capital projects are included in the budget to include the drainage portion of Whitley Road Phase 5, Bunker Hill drainage and Echo Hill. The projected ending fund resources will be $1,702,160 if all budgeted capital projects are completed.

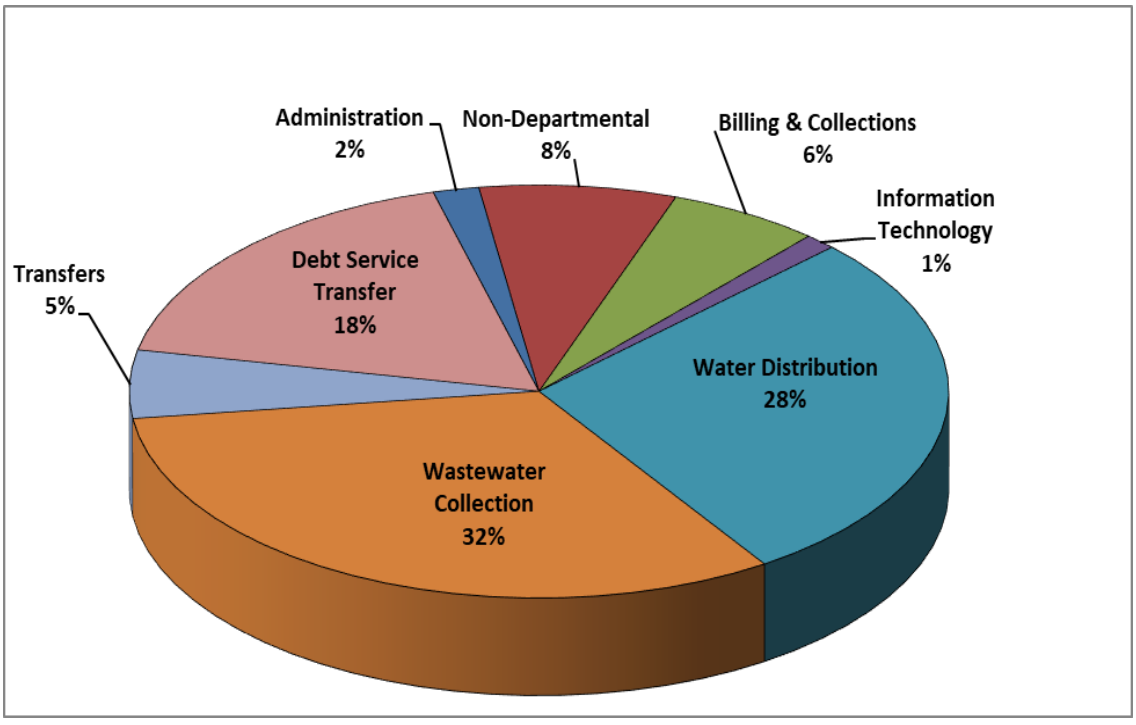
Water and Sewer Fund

The Utility Billing Office bills and collects revenues from the sale of potable water and the disposal of sewage discharge for single and multifamily residential buildings and commercial facilities inside the City. Projected revenues for these fees are generally based on population estimates, although weather conditions play a significant factor in revenues actually received. The City is 96% built out and increases in customer accounts are projected to remain fairly flat in future years. Water and sewer sales constitute 94% of the Water and Sewer Utility Fund revenues. Other revenues such as penalty revenue, service charges, interest and transfers make up 6% of the total revenues. Total charges for water and wastewater services are forecast to be $10,050,000, with total revenues of $10,725,000 and total available resources are $13,879,207. A rate increase is anticipated for wastewater services and is included in this budget. A rate model review is underway, and a rate increase will be presented in 2024 for consideration. The City contracts with the City of Ft. Worth for wastewater treatment and the City of North Richland Hills for water purchases. Wastewater collection and treatment costs have risen drastically in the last two fiscal years.

BUDGET SUMMARY



Expenditures for water purchases and sewer treatment services also vary based on customer usage and weather. Total expenses are estimated as $11,209,590. These expenditures include an increase in our wholesale wastewater costs by the City of Ft. Worth.



Transfers to the Debt Service Fund are included to cover debt service payments. These payments increased by $225,000 this year due to the debt service for the 2024 Certificates of Obligation issuance for AMI Technology.

The fund is anticipated to be at the appropriate reserve level with the ending fund balance expected to be $2,669,617 which is a 24% reserve level at the end of FY2024-2025. The City's reserve policy is to ensure a 25% reserve level in this fund.

Fleet Interlocal Agreement Fund

In FY2019-2020, the City contracted with three surrounding cities to provide fleet services. The City estimates revenues to be $151,000 and estimates expenses to be at $97,900. Ending fund resources are projected at $177,994.

Water and Sewer Debt Service Fund

The Utility Fund debt service requirement for FY 2024-2025 is $2,076,166 and will be funded by a transfer from the Water/Sewer operating fund and fund balance reserves. The fund balance at the end of the year is expected to be $5,423. Debt service is paid for those issuances that fund wastewater improvements identified in the 5-year Capital Improvement Plan.

Water and Sewer Capital Projects Funds

Total available resources are projected at $6,124,921 which includes remaining proceeds from the 2019 debt issuance for funding of various water and sewer infrastructure projects and funds from the 2024 debt issuance for AMI implementation. Total expenditures are budgeted at $5,971,450 and include the water and wastewater projects that were identified and prioritized in the City's 5-year Capital Improvement Plan and the AMI project. The ending fund balance will be $153,471 in this fund if the planned projects are completed by September 30, 2025. Unused funds will roll over to the next fiscal year until the projects are completed.

Joint Use Facility Fund

The City of Watauga and City of North Richland Hills jointly maintain a transfer station for water. A maintenance reserve of $60,000 per year is scheduled. These reserves are transferred in annually from the Water/Sewer operating fund. Reserves are used for pump replacements and other maintenance, as necessary.

Equipment Replacement Fund

This year the City enhanced the use of the Equipment Replacement Fund that had been reduced in FY2021. The City maintains an equipment replacement fund for use in the purchase of rolling stock, equipment, and facility needs such as HVAC and roofing, and technology replacement with a minimum cost of $10,000 and a

useful life of at least five years. This fund is designed to provide on-going financing for replacement equipment once it reaches its expected life span. The Equipment Replacement Fund purchases these items and charges the acquiring fund a prorated amount based on the cost and useful life of the equipment. These are reflected as transfers in from other funds and charges for services. This year we are utilizing this fund for the purchase of rolling stock, equipment, technology, and facility needs in the amount of $949,800.

The forecasted ending Fund Balance is $1,440,439.

Conclusion

This Budget in Brief is a summary of the major highlights of the 2024-2025 Fiscal Year Budget document. This budget contains the significant budget changes and new and expanded requests submitted by departments this fiscal year. The summaries by fund and departmental detail can be found in the fund sections

GENERAL FUND

STRATEGIC INITIATIVE FUND

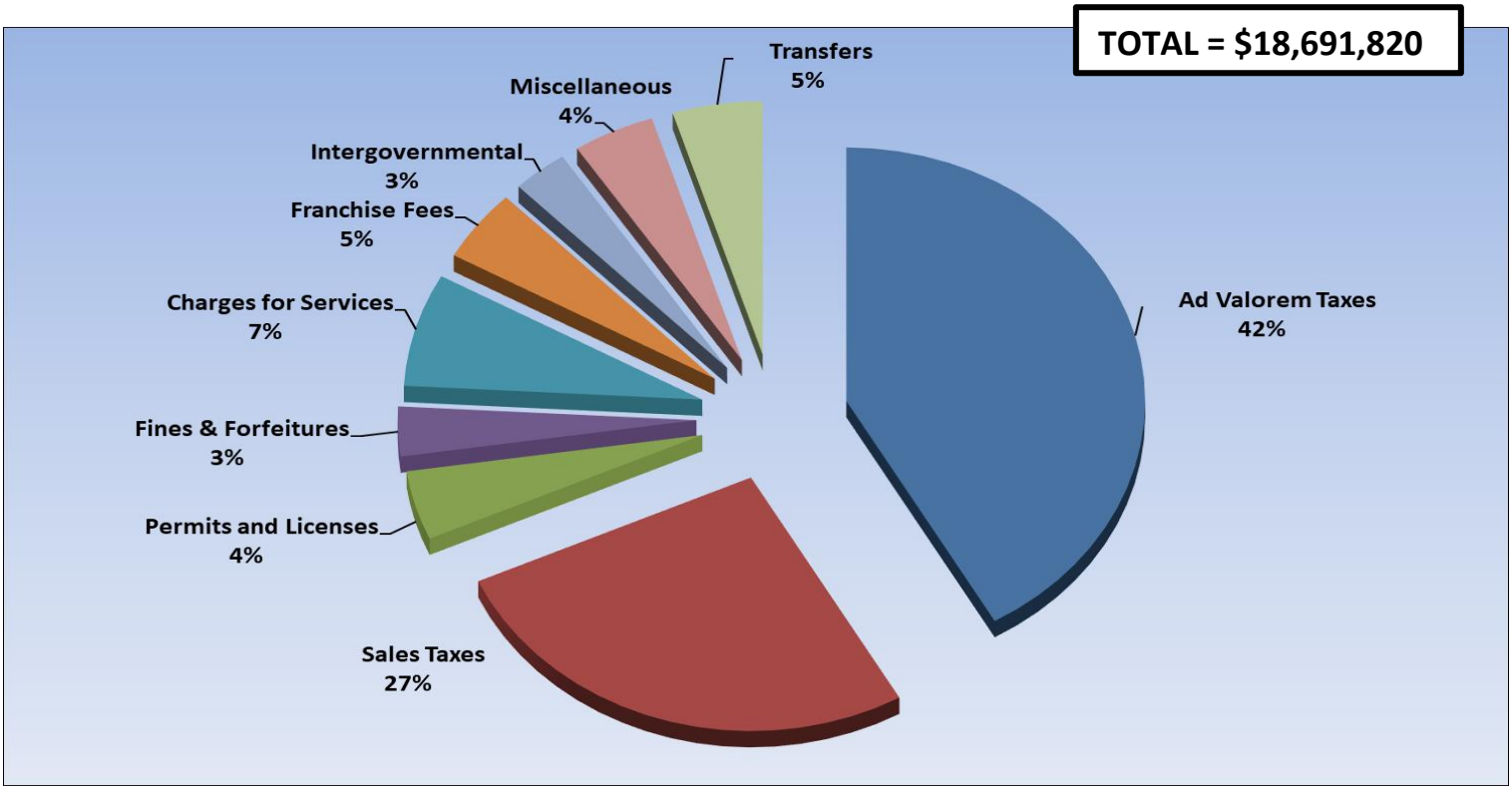


GENERAL FUND

The General Fund is a Governmental Fund, which means that it is used to account for tax-supported activities that benefit all citizens. The General Fund is used to account for all revenues and expenditures not accounted for in other funds. It receives a greater variety of taxes and other revenues and finances a wider range of governmental activities than other funds. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable and expenditures are recorded when the liability is incurred.

Where does the money come from?

GENERAL FUND REVENUES

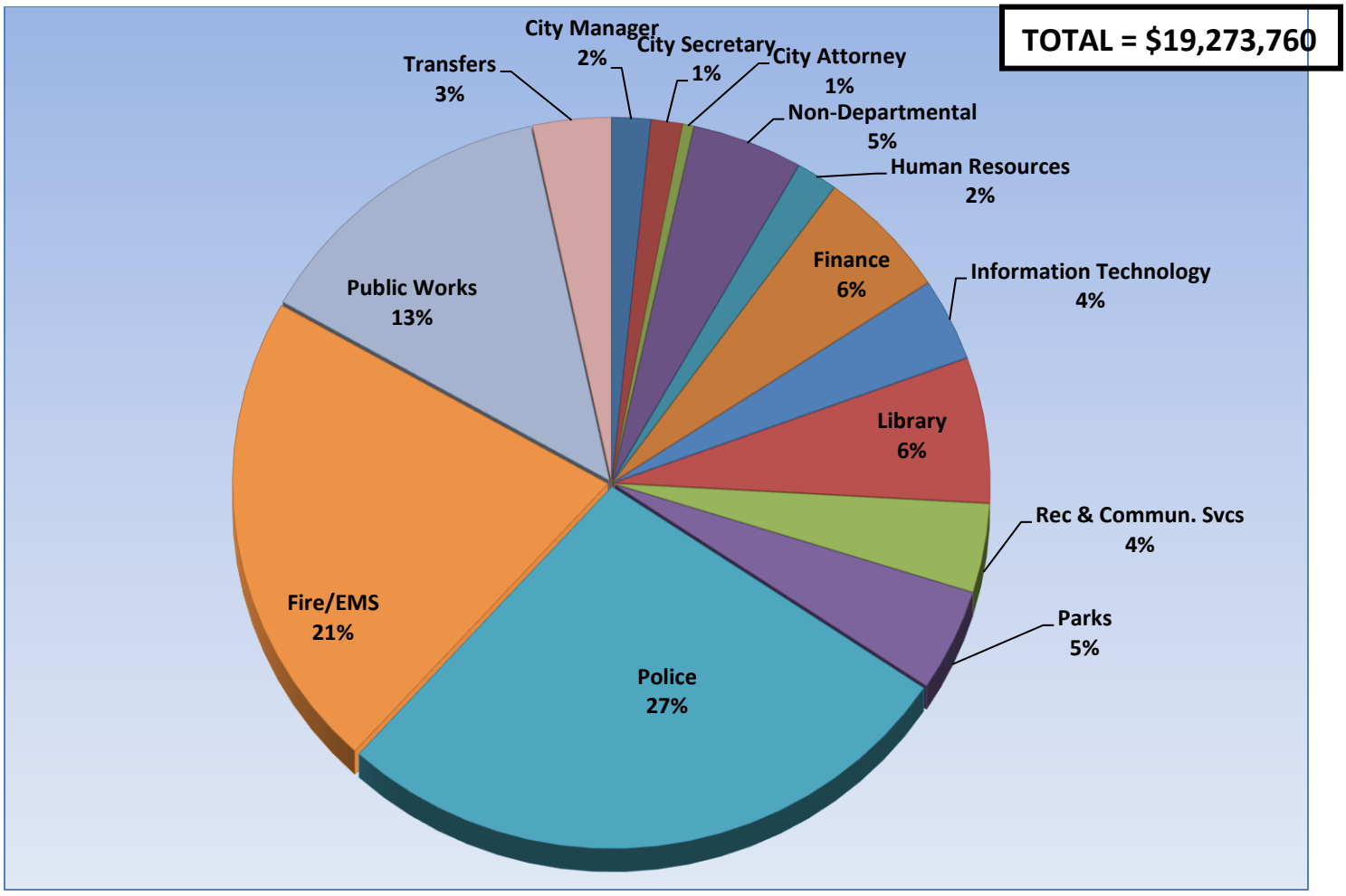


Revenues are forecasted at approximately 5.3% more than prior year, or by $891,280 due in large part to property tax and charges for services increases offset by a slight decline in sales tax. Other revenues such as permits, fines and forfeitures are forecast to increase this year. Property tax revenue has been based on maintaining the City's current tax rate, and is expected to bring in approximately $7.8 million at the FY2025 tax rate of $0.570200/100 of valuation.

Where does the money go?

GENERAL FUND EXPENDITURES BY DEPARTMENT

General Fund expenditures have increased by approximately 5.9% from prior year, or by $1,074,590. A major component of this increase is the remaining movement of the ARPA funded positions into General Fund, restoring of various positions that were unfunded for the last several years as a cost saving measure, personnel increases for salary and benefits, and one-time capital purchases. Utilitization of fund balance this year is forecasted at $581,580. Public Safety comprises 48% of the General Fund expenditures.



GENERAL FUND BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET	CHANGE	
	2021 2022 Actual	2022 2023 Actual	2023 2024 Budget	2023 2024 Projected	2024 2025 Budget	FY2023 2024 to 2024 2025 $	%
Fund Balance, October 1	**$ 6,947,251**	**$ 8,276,216**	**$ 8,430,297**	**$ 8,925,314**	**$ 8,729,777**	**$ 299,480**	
Revenues:							
Property Taxes	6,446,896	6,727,508	7,194,500	7,309,300	7,800,000	605,500	8.3%
Sales Taxes	4,705,981	4,844,990	5,038,000	4,890,300	4,964,980	(73,020)	-1.4%
Permits and Licenses	741,399	783,980	762,700	831,450	825,500	62,800	8.2%
Fines & Forfeitures	638,906	470,674	559,500	488,900	590,500	31,000	5.5%
Charges for Services	1,024,127	1,156,157	1,203,000	1,257,300	1,351,500	148,500	12.3%
Franchise Fees	791,372	879,489	889,500	845,500	859,500	(30,000)	-3.4%
Intergovernmental Revenue	502,600	514,000	503,000	503,000	562,000	59,000	11.7%
Miscellaneous	436,082	810,966	739,700	869,200	827,200	87,500	11.8%
Operating Revenues	**$ 15,287,363**	**$ 16,187,765**	**$ 16,889,900**	**$ 16,994,950**	**$ 17,781,180**	**$ 891,280**	**5.3%**
Operating Transfers-In:							
Transfers from Other Funds	779,300	817,827	861,000	861,000	910,640	49,640	5.8%
Water/Sewer, Storm, EDC, Traffic Safety							
Total Operating Revenues and Transfers-in	**$ 16,066,663**	**$ 17,005,592**	**$ 17,750,900**	**$ 17,855,950**	**$ 18,691,820**	**$ 940,920**	5.3%
Total Available Resources	**$ 23,013,913**	**$ 25,281,808**	**$ 26,181,197**	**$ 26,781,264**	**$ 27,421,597**	**$ 1,240,400**	4.7%
Expenditures:							
City Manager	149,847	273,559	314,230	242,140	320,500	6,270	2.0%
City Secretary	177,721	182,698	248,250	235,650	260,000	11,750	4.7%
City Attorney*	55,895	49,314	70,000	65,000	65,000	(5,000)	-7.1%
City Attorney - Prosecutor*	36,000	15,525	25,000	25,000	25,000	0	0.0%
Non-Departmental*	646,611	724,739	879,415	917,125	917,350	37,935	4.3%
Human Resources	203,559	207,594	248,030	261,102	339,850	91,820	37.0%
Development Services	168,679	206,394	291,860	286,460	369,040	77,180	26.4%
Finance - Municipal Court Division*	369,707	410,381	456,110	436,370	461,790	5,680	1.2%
Finance	538,292	539,349	603,210	577,010	650,660	47,450	7.9%
Information Technology	495,879	576,931	683,240	650,385	703,850	20,610	3.0%
Library	865,205	1,002,312	1,175,200	1,159,150	1,244,700	69,500	5.9%
Recreation & Community Serv.	287,369	394,219	700,520	737,170	760,740	60,220	8.6%
Parks**	579,228	627,082	947,785	941,385	878,360	(69,425)	-7.3%
Police Division	4,417,806	4,640,961	5,073,500	4,828,200	5,278,200	204,700	4.0%
Fire / EMS	3,196,643	3,735,025	4,096,490	4,066,760	4,129,640	33,150	0.8%
Public Works - Street Division	429,590	559,974	719,780	629,930	718,430	(1,350)	-0.2%
Fleet Maintenance	203,258	238,205	361,650	288,950	461,250	99,600	27.5%
Building Maintenance	801,409	987,232	1,069,900	1,068,700	1,041,400	(28,500)	-2.7%
Operating Expenditures	**13,622,697**	**15,371,495**	**17,964,170**	**17,416,487**	**18,625,760**	**$ 661,590**	**3.7%**
***City Attorney and City Attorney budgeted in non-departmental and Court through FY2020-2021 and moved to City Attorney in FY2021-2022**							
Operating Surplus/(Deficit)	$ 2,443,966	$ 1,634,097	$ (213,270)	$ 439,463	$ 66,060		
Transfers to Other Funds							
To Capital Project Fund Projects	1,115,000	485,000	235,000	235,000	648,000	413,000	100.0%
To Equipment Repl. - Fund Year	0	500,000	0	400,000	0	0	0.0%
Total Transfers to Other Funds	**1,115,000**	**985,000**	**235,000**	**635,000**	**648,000**	**$ 413,000**	
TOTAL OPERATING & TRANSFERS	**$ 14,737,697**	**$ 16,356,495**	**$ 18,199,170**	**$ 18,051,487**	**$ 19,273,760**	**$ 1,074,590**	**5.9%**
Fund Balance, September 30	**$ 8,276,216**	**$ 8,925,314**	**$ 7,982,027**	**$ 8,729,777**	**$ 8,147,837**		
STRATEGIC INITIATIVE							
CHANGE IN FUND BALANCE	**$ 1,328,966**	**$ 649,097**	**(448,270)**	**(195,537)**	**(581,940)**		
% OF EXPENDITURES	61%	58%	44%	50%	42%		

City Secretary Office



Mission Statement

The Mission of the Watauga City Secretary's Office is to ensure continuity in the municipal legislative process through the guardianship of City Council, Boards, Commissions, and Committees agendas, minutes, ordinances, resolutions, board appointments and elections, as well as to promote quality service to all customers in a cost effective and efficient manner.

Department Overview

The City Secretary's office is dedicated to delivering a spectrum of unparalleled services, characterized by a commitment to excellence. Among our distinguished offerings are:

- The provision of exceptional support to the Governing Body.
- The seamless coordination of elections with utmost convenience and efficiency.
- Effectively overseeing multiple Boards and Commissions.
- Meticulous oversight of records management.
- Rigorous enforcement of Open Meetings Act (OMA) and Public Information Act (PIA).
- Facilitation of Alcohol and Massage permits.
- Proficient handling of liens and claims.
- The provision of exemplary internal and external customer service.

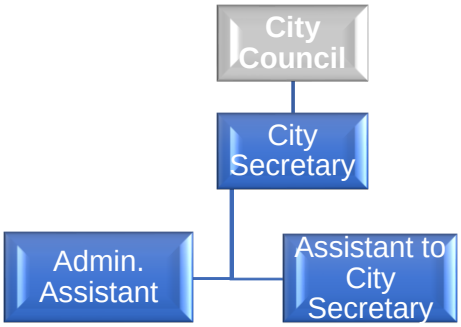
Highlights/Achievements for FY2024

- Effectively managed the May 2024 General and Charter Amendment Special Election, ensuring smooth logistical coordination, voter accessibility, and compliance with legal requirements, thus upholding the democratic process, and facilitating citizen participation in shaping the future of our city.
- Conducted a comprehensive review of 71 boxes and 24,345 electronic records for records destruction, with 14 boxes identified as not meeting readiness criteria and subsequently returned. This process adhered rigorously to established records retention policies, showcasing meticulous attention to detail and a steadfast dedication to upholding organizational efficiency and compliance standards. Also, Diligently renamed 3608 files with naming convention, significantly enhancing accessibility, and facilitating seamless identification processes.
- The City Secretary achieved certification as a Certified Municipal Clerk from The International Institute of Municipal Clerks, marking a pivotal achievement in professional accreditation. Subsequently, the initiation into the Master Municipal Clerk Certification program underscores a continued dedication to excellence and ongoing advancement within municipal administration.
- The Assistant to the City Secretary underwent training covering the Public Information Act, Open Meetings Act, and Records Retention.
- Managed 210 Public Information requests in strict compliance with the Texas Public Information Act and lowered our average response time to 4.32 days.
- Delivered comprehensive administrative support to the Council and all City Departments, fostering streamlined operations, and enhancing organizational effectiveness.
- Enhancements were made to the City Secretary's web pages, amplifying governmental transparency by granting access to a plethora of vital information including City Council agendas, minutes, ordinances, resolutions, Boards and Commissions details, claims, records retention policies, public information requests, and election information. The ongoing efforts of the office persist in augmenting the accessibility and transparency of city documents on the website.
- Executed a thorough transformation of the alcohol beverage and massage permit procedures, renewals, and registrations, resulting in a significant boost to efficiency and promptness.

Goals/Objectives for FY2025

- To remain steadfast in our commitment to refining the organization of city records, diligently executing the destruction of eligible records in strict accordance with both the city's records management program and the stringent guidelines set forth by the Texas State Library and Archives retentions.
    - Objective - Ensure compliance with state records retention requirements.
    - Objective - Ease of access to department records through the renaming of records.
    - Objective - Reduce legal risk.
    - Objective - Provide comprehensive information and training sessions to staff liaisons
- Persist in ensuring records accessibility, maintaining up-to-date department pages, and facilitating easy access to information on the website for public convenience.
    - Objective - Transparency.
    - Objective - Convenience.
    - Objective - Positive City Image
- Conduct a thorough audit and implement strategic enhancements to streamline the lien process for optimal efficiency.
    - Objective - Identify inefficiencies.
    - Objective - streamline procedures.
    - Objective - Improve customer experience.

Organizational Chart



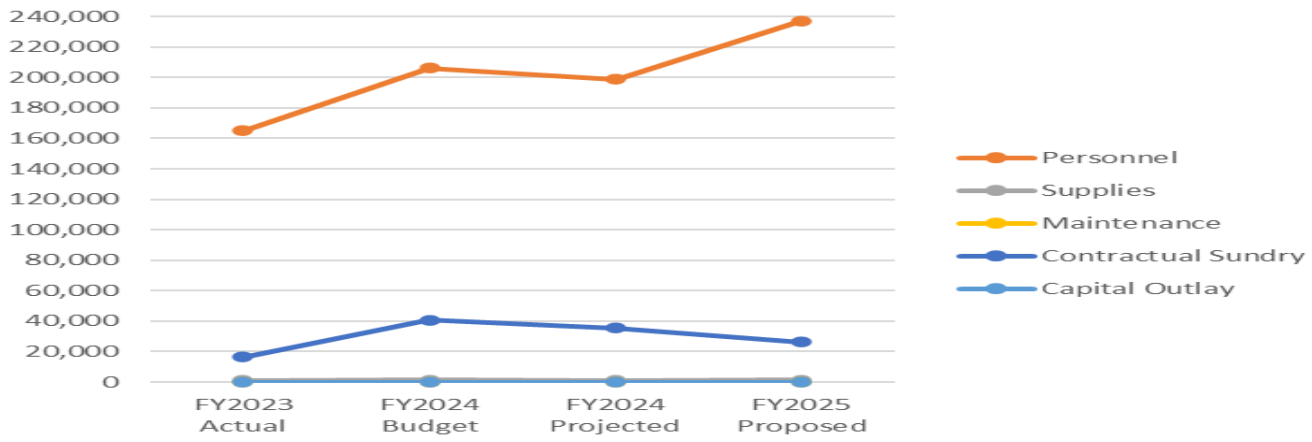
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
City Secretary	1.00	1.00	1.00
Assistant to City Secretary	1.00	1.00	1.00
Administration Assistant (PT)	0	0	.25
Total City Secretary Office FTE	**2.00**	**2.00**	**2.25**

Summary of Expenditures by Category

The City Secretary Office budget increase by $11,750 primarily due to personnel adjustments and the Personnel Enhancement Plan approval for a part time Admin. Assistant position. The reduction in election expenses was the essential adjustment in the budget for Fiscal Year 2024-2025.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	165,000	206,200	198,800	229,700
Supplies	1,213	1,450	1,250	1,450
Contractual Sundry	16,485	40,600	35,600	26,150
Capital Outlay	0	0	0	2,700
Total City Secretary	**$182,698**	**$248,250**	**$235,610**	**$260,000**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Produce meeting agendas	71	97	88	85
Produce notices and possible quorums	22	N/A	35	35
Prepare meeting minutes	71	97	88	85
Prepare resolutions	41	35	30	35
Prepare ordinances	21	25	20	25
Processed Contact Us/Citizen Concerns	119	200	130	120
Processed Public Information Requests	210	250	200	200
Processed property & liability insurance claims	14	12	13	12
Boxes of records destroyed	321	N/A	57	65
Processed beverage & massage permits	43	38	44	45
Successful election (0 complaints filed)	0	N/A	0	0



Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Projected	Goal
Percentage of City Council meeting minutes approved without changes.	# 1. Maintain the financial strength of the City # 4. Strengthen future planning	Efficiency	100%	100%	100%	100%	100%
Transcribe and publish City Council meeting minutes prior to next scheduled meeting.	# 1. Maintain the financial strength of the City # 4. Strengthen future planning	Efficiency	100%	84%	100%	90%	90%
Percentage of City Council agendas posted without errors.	# 4. Strengthen future planning # 5. Improve community involvement	Efficiency	100%	100%	100%	100%	100%
Provide prompt response to Public Information requests in 7 days or less.	# 5. Improve community involvement	Efficiency	100%	100%	100%	100%	100%
Conduct annual destruction records which have met State retention requirements	# 1. Maintain the financial strength of the City	Effectiveness	1	2	1	1	1
Posting Notices of All meetings, and possible quorum notices. Within 72 hours of meeting online and outside boards.	# 5. Improve community involvement	Efficiency	100%	100%	100%	100%	100%

City Secretary Office at a Glance

	**Location:** City Hall 7105 Whitley Road		**FY2025 Budget:** $260,000		**Full-time Employees:** 2.25



CITY SECRETARY OFFICE

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$5,800	Benefits, retention, COLA/merit/comp & TMRS adjustments
Personnel	Personnel Services		$17,700	Part-time Admin. Asst. (PEP approved) 1/2 year funding
Special Services	Contractual/Sundry	($100)		Notary adjustment
Training	Contractual/Sundry	$150		Training needs adjustment
Election Expense	Contractual/Sundry	($14,500)		Election publishing adjustment
Computer Hardware	Capital Outlay	$2,700		PEP approved position technology (one time)
TOTALS:		**($11,750)**	**$23,500**	

$11,750 **NET INCREASE/DECREASE**

Human Resources



Mission Statement

The Human Resources Department is committed to delivering the highest quality of service to all departments, employees, applicants, and citizens. It supports the City of Watauga through recruitment, training and retention of a diverse and high performing workforce and management of employee benefits and compensation. Our goal is to make Watauga A Great Place to Work.

Department Overview

The Human Resources Department is responsible for the following core services: Professional Development and Performance Management, Employee and Labor Relations, Risk Management, Compensation and Benefits and Workforce Planning. These include, but are not limited to: Recruitment, On-boarding, Workers' Compensation, Unemployment Claims, Job Descriptions, Benefits, Employee Relations, Employment Verification, Employee Engagement, Retirement, ADA, COBRA, FMLA, Performance Evaluations, Training, Workers' Compensation, Safety, Compliance with Local Government Code Chapter 143 for Firefighters and Police Officers, Meet and Confer Negotiations, Personnel Records Management and recommending action on complex personnel issues including disciplinary issues and termination.

Highlights/Achievements for FY2024

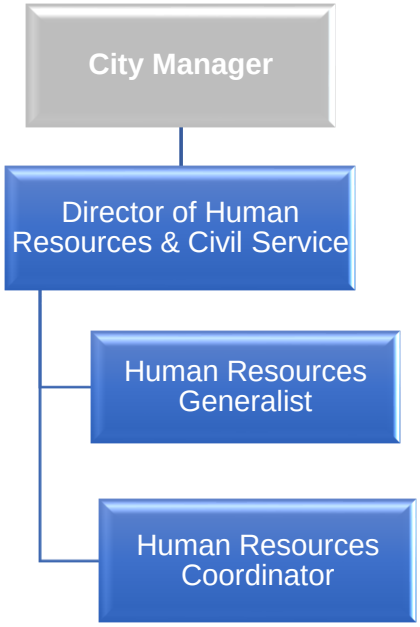
- Managed and tracked 11 workers compensation cases, 33 first aid injuries, 11 FMLA, and 10 vehicle accidents.
- Marketed and recruited for an increased number of vacancies throughout the year including the utilization of billboard advertisements.
- Successfully onboarded 37 FT/PT employees.
- Processed 32 terminations, tracking Exit surveys, and running turnover reports.
- Worked on Personnel Enhancement Plan requests – and total compensation worksheets for all department on personnel requests/changes totaling 38 requests.
- Completed promotional testing for Fire Department Driver, Lieutenant, and Battalion Chief positions and Police Department Corporal position.
- Proctored 3 entry exams for Police and 1 for Fire, scheduled assisted in coordination of appeal hearing.
- Recruited for one new staff member on the HR team.
- Enhanced the annual compliance training and established a quarterly completion schedule.
- Successfully revised 6 policies, implemented Employee of Month program, Referral Program, & training agreements.
- Successfully completed Vacation /Compensatory Time to reduce City Leave Liability.
- Collected and tracked all Performance Evaluations for new year March due date.
- Significantly reduced unemployment chargebacks in 2023-2024 and was successful with all claims.
- Implemented new employee appreciation notes for Employee Appreciation Week.
- Successfully completed 2 blood drives, and one upcoming employee fundraising campaign with the Tree of North Texas.



Goals/Objectives for FY2025

- Continue working on policy reviews and revisions.
- Implement newly requested budget programs.
- Maintain compliance in Employment Law, Civil Service, and Meet & Confer, and update local rules.
- Begin ADA Certification and accessibility transition plan.
- Complete and implement compensation study recommendations.
- Continue improvements with employee morale and making Watauga A Great Place to Work.
- Reinstate the Vehicle Accident committee for reviews and safety training.
- Coordinate and schedule Supervisor Employment Law and leadership training.
- Retention efforts using turnover reporting and identification.

Organizational Chart



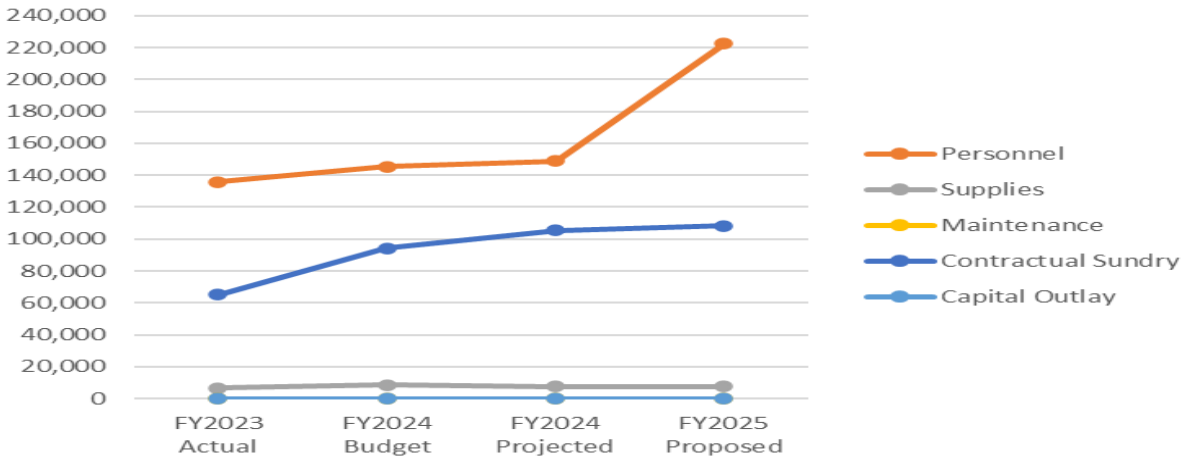
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Director of Human Resources & Civil Service	1.00	1.00	1.00
Human Resources Generalist	1.00	1.00	1.00
Human Resources Coordinator	1.00	1.00	1.00
Total Human Resources FTE	**3.00**	**3.00**	**3.00**

Summary of Expenditures by Category

Human Resources' budget increased by $91,820 in large part due to personnel cost increases. The HR Generalist position was reallocated from ARPA funding in FY23-24. In addition, there were several minor needs and costs budget adjustments along with an anticipated increase in pre-employment expenses along with New Request fundings.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	135,903	145,400	148,820	218,800
Supplies	6,486	8,500	7,550	7,600
Maintenance	0	0	0	300
Contractual Sundry	65,205	94,130	105,232	113,150
Total Human Resources	**$207,594**	**$248,030**	**$261,602**	**$339,850**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Processed separations/retirements	41	25	45	30
Processed promotions/transfers	13	16	16	15
Performed payroll/benefit transactions	1,014	700	900	950
Onboarded new employees	50	45	65	60
Applications processed	1,894	1,350	1,747	1,800
Positions posted	45	45	50	45
Workers Compensation claims processed	18	22	18	15
Team building morale events held	5	6	5	6
Employee fundraising events	1	1	1	2
Wellness events/opportunities	2	6	2	3



Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Projected	Goal
Increase the annual percentage of employees who pass probation to greater than 95%	# 7. Attract, retain, and motivate qualified staff.	Efficiency	95%	73%	95%	65%	75%
Decrease the time to fill vacant positions within the city.	# 7. Attract, retain, and motivate qualified staff.	Efficiency	45 Days	113 Days	65 Days	80 Days	65 Days
% of performance reviews completed on time annually.	# 7. Attract, retain, and motivate qualified staff.	Efficiency	95%	100%	100%	100%	100%
Full-time employee turnover rate	# 7. Attract, retain, and motivate qualified staff.	Effectiveness	10%	14.3%	12%	19%	15%
Increase participation in employee wellness events to impact benefits and employee well-being.	# 7. Attract, retain, and motivate qualified staff.	Effectiveness	6	5	6	4	6
Increase the annual employee compliance and development training.	# 2. Expand public safety through mom-enforcement efforts. # 7. Attract, retain, and motivate qualified staff.	Effectiveness	6	5	6	6	6

Human Resources at a Glance

	**Location:** City Hall 7105 Whitley Road		**FY2025 Budget:** $339,850		**Full-time Employees:** 3



HUMAN RESOURCES

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$15,400	Benefits, retention, COLA/merit/comp & TMRS adjustments
Personnel	Personnel Services		$58,000	ARPA position adjustment
Publications	Supplies		$200	Employment law posters costs and needs adjustment
Misc. Equipment/Furniture	Supplies	(1,000)		One time scanner purchase adjustment
Misc. Equipment/Furniture	Supplies	$500		One time file cabinets purchase adjustment
Awards/Recognitions	Supplies	(600)		Employee milestone service awards adjustment
Software Maintenance	Maintenance		$300	Adobe license - HR Coordinator
Communications	Contractual/Sundry		$520	HR Coordinator cell stipend addition
Special Services	Contractual/Sundry	$100		HR Generalist notary adjustment
Advertising	Contractual/Sundry		($500)	Employee referral program adjustment
Advertising	Contractual/Sundry		$300	Neogov recruitment software estimated cost increase
Advertising	Contractual/Sundry		$500	Estimated online & print recruitment advertisement needs
Travel Expense	Contractual/Sundry	$300		Estimated needs adjustment
Training	Contractual/Sundry	$200		Certification training adjustment
Training	Contractual/Sundry		$2,500	New supervisor training (NR FY24-25 ongoing)
Employee Relations	Contractual/Sundry	($100)		Christmas pies allocation needs adjustment
Employee Relations	Contractual/Sundry		$1,500	Safety Incentive Program (NR FY24-25 ongoing)
Employee Relations	Contractual/Sundry	$1,000		Wellness Fair (NR FY24-25 every other year)
Testing/Physicals	Contractual/Sundry		$1,000	Estimated needs & costs adjustment
Contractual Services	Contractual/Sundry		$200	Estimated needs & costs adjustment
Pre-employment Expense	Contractual/Sundry		$11,500	Estimated needs & costs adjustment
TOTALS:		**$400**	**$91,420**	

$91,820 **NET INCREASE/DECREASE**

Public Works – Development Services



Mission Statement

We lead by exceptional customer service in partnering with the citizens and development community of the City of Watauga in building and revitalizing our neighborhoods promoting quality development and planning services to enhance the quality of life for all citizens and visitors.

Department Overview

The Development Services Division consists of several different sections, including planning & zoning, engineering, building inspections, and permitting. The following are services provided within the Development Services Division of Public Works:

- Provide quality oversight of development, revitalization, ordinance administration and enforcement.
- Engineering and Building Inspection ensure that all plans and projects submitted meet the city specification through plan review and field inspections.
- Customer Service and attention to detail through the permit and inspection process.

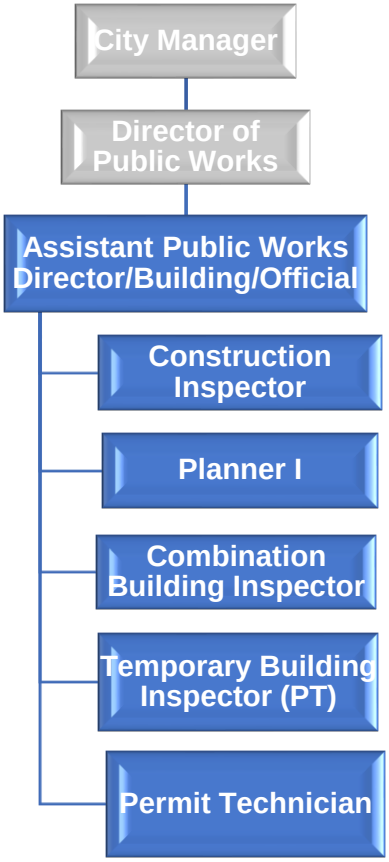
Highlights/Achievements for FY2024

- Completed 608 single family rental inspections.
- Completed 768 plumbing inspections.
- Completed 266 mechanical inspections.
- Completed 466 electrical inspections.
- Completed installation inspection of Hightower Estates detention pond.
- Completed installation inspection of fleet building expansion fire suppression service tab.
- Completed water wastewater projects 1 & 4.
- Completed CDBG 48 – Emerson Drive.
- Completed Whitley Road Phase 4.

Goals/Objectives for FY2025

- Support the goals and objectives of the Comprehensive Land Use Plan.
- Provide timely and accurate plan review for contractors and developers.
- Enhance technical knowledge of staff through in-house and outside training sources.
- Engineering inspection will ensure that all plans and projects submitted meet the city specifications through plan review and field inspections.
- Building inspections will ensure that all construction, remodel, alteration plans, and projects submitted meet city, state, and federal specifications through plan review and field inspections.
- Continue to maximize revitalization efforts (Tarrant County Home Program) within the city to allow for the most effective use of funds allowed for repairing and maintaining housing.

Organizational Chart



Budgeted Positions

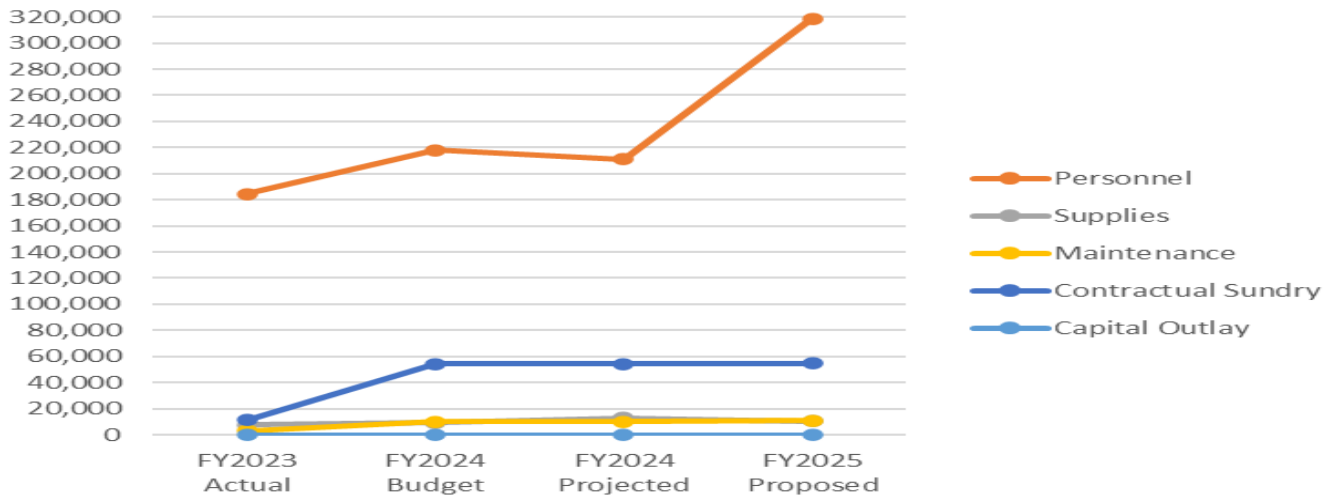
Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Asst. Public Works Director/Bldg. Official	.25	.25	.25
Construction Inspector	.25	.25	.25
Planner I	0	1.00	1.00
Planning & Zoning Coordinator	1.00	0	0
Combination Building Inspector	1.00	1.00	1.00
Temporary Building Inspector (PT)	.25	.25	.25
Permit Technician	1.00	1.00	1.00
Total PW – Development Services FTE	**3.75**	**3.75**	**3.75**



Summary of Expenditures by Category

Public Works – Development Services Division budget increased by $77,180 due mainly to personnel cost and position adjustments. The Permit Technician position was reallocated from ARPA funding in FY23-24. Vehicle supplies and maintenance was reallocated to Public Works – Fleet Division.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	184,228	218,100	212,700	304,300
Supplies	7,746	9,250	12,750	6,300
Maintenance	3,173	10,250	6,750	3,750
Contractual Sundry	11,246	54,260	54,260	54,690
Total PW Development Services	**$206,394**	**$291,860**	**$286,460**	**$369,040**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Number of new single family permits	25	90	71	83
Number of single family additions/remodels	13	15	40	20
Number of new commercial buildings	3	5	3	2
Number of commercial remodels	22	30	25	25
Number of rental registrations	608	700	600	640
Number of vacant structure registrations	6	7	6	8



Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Projected	Goal
% of residential plans reviewed within 7 working days.	# 4. Strengthen future planning.	Efficiency	100%	100%	100%	100%	100%
% of commercial plans reviewed within 30 working days.	# 3. Develop a sustainable economic development effort. # 4. Strengthen future planning.	Efficiency	100%	95%	100%	94%	100%
% of rezoning cases reviewed by staff by designated deadline.	# 3. Develop a sustainable economic development effort. # 4. Strengthen future planning.	Efficiency	100%	100%	100%	100%	100%
Maintain 95% or higher rating for building inspections completed within 3 days of request.	# 3. Develop a sustainable economic development effort. # 4. Strengthen future planning.	Effectiveness	100%	98%	100%	98%	100%
% of permits with first review completed within 7 days.	# 3. Develop a sustainable economic development effort. # 4. Strengthen future planning.	Efficiency	100%	100%	100%	100%	100%
% of capital projects started on time.	# 3. Develop a sustainable economic development effort. # 4. Strengthen future planning.	Efficiency	100%	100%	100%	100%	100%
% of engineering inspections completed within 48 hours of notification.	# 3. Develop a sustainable economic development effort. # 4. Strengthen future planning.	Efficiency	100%	100%	100%	100%	100%
% of permits completed according to timeframe.	# 3. Develop a sustainable economic development effort. # 4. Strengthen future planning.	Efficiency	100%	98%	100%	99%	100%

Public Works – Development Services at a Glance

	**Location:** Water Tower 7800 Virgil Anthony Blvd.		**FY2025 Budget:** $369,040		**Full-time Employees:** 3.75



PUBLIC WORKS - DEVELOPMENT SERVICES

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$16,200	Benefits, retention, position, COLA/merit & TMRS adjustments
Personnel	Personnel Services		$70,000	ARPA position adjustment
Office Supplies	Supplies		$200	Estimated needs & costs adjustment
Wearing Apparel	Supplies		$750	Estimated needs & costs adjustment
Travel Expense	Contractual/Sundry		$400	Estimated needs & costs adjustment
Training	Contractual/Sundry		$30	Estimated cost adjustment
REALLOCATIONS:				
Vehicle Fuels & Lubricants	Supplies		($3,900)	Reallocated to PW - Fleet Division
Vehicle Maintenance	Maintenance		($6,500)	Reallocated to PW - Fleet Division
TOTALS:		**$0**	**$77,180**	

$77,180 **NET INCREASE/DECREASE**

City Manager Office



Mission Statement

The mission of the Watauga City Manager's office is to provide professional management of City operations and to promote quality service to all customers.

Department Overview

- The City Manager serves at the discretion of the City Council and is responsible for attending all City Council meetings and provides leadership and direction for the implementation of policies and priorities set by the City Council.

- The City Manager ensures City departments provide high quality services to the citizens of Watauga in the most efficient and effective manner possible, while maintaining accountability for the public funds used to provide such services.

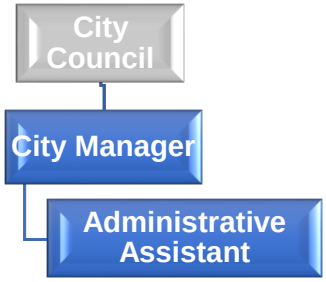
Highlights/Achievements for FY2024

- Facilitated continued Strategic Plan implementation for the city and Watauga EDC.
- Facilitated Annual Council Budget & Strategic Plan Review retreat.
- Conducted budget planning and personnel meetings with staff.
- Implemented and completed biweekly operations reporting for all city departments and the Watauga EDC.
- Recommended and implemented updated policies.

Goals/Objectives for FY2025

- Continue seeking grant funding opportunities.
- Continue researching opportunities to improve program efficiency and effectiveness.
- Support efforts to further new business attraction and business retention efforts of the Watauga EDC.
- Support efforts to finalize plans for City-sponsored food truck park in partnership with the WEDC.
- Assist the Mayor with and complete the annual State of the City Address.
- Facilitate the successful completion of the Watauga 101 Program. (subject to sufficient citizen enrollment)
- Ensure completion of Citizen and Employee Satisfaction Surveys.

Organizational Chart



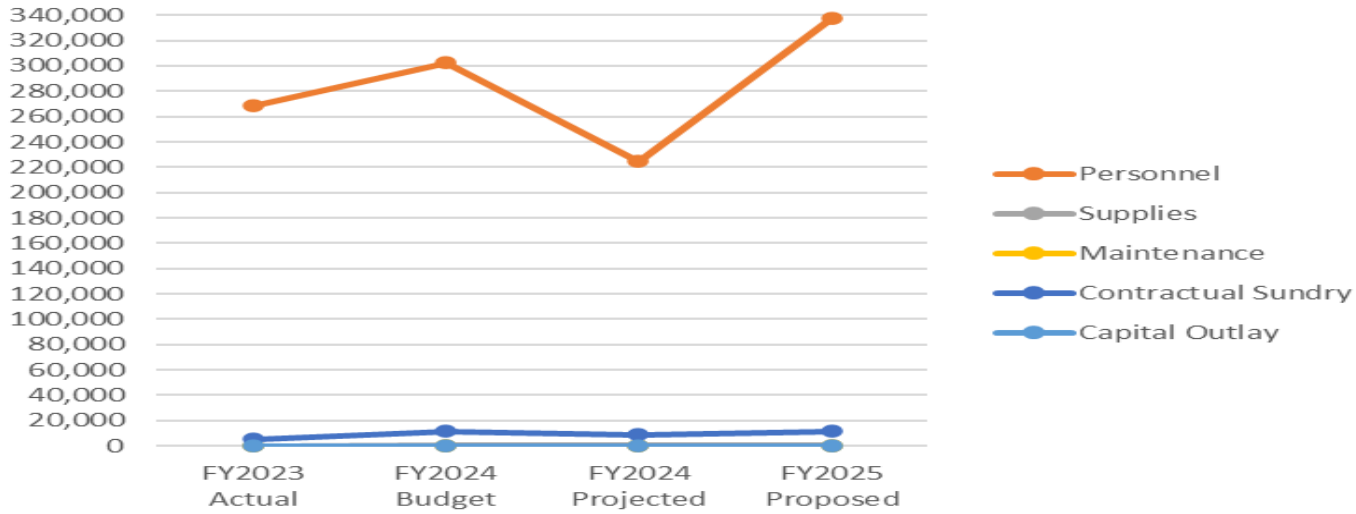
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
City Manager	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Total City Manager Office FTE	**2.00**	**2.00**	**2.00**

Summary of Expenditures by Category

The City Manager's budget increased by $6,270 due to personnel cost increases for benefits, retention, COLA/merit, and TMRS adjustments.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	268,435	302,500	233,440	308,700
Supplies	50	300	100	300
Maintenance	0	0	0	0
Contractual Sundry	5,074	11,430	8,600	11,500
Capital Outlay	0	0	0	0
Total City Manager Office	**$273,559**	**$314,230**	**$242,140**	**$320,500**





Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Council meetings/workshops attended	27	30	31	35
Public meetings held	24	24	28	25
Biweekly reports completed	24	24	24	24

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
Maintain an 80% or higher rating of citizens overall satisfaction	# 5. Improve community involvement. # 6. Improve the City brand	Effectiveness	80%	75%	80%	80%	90%
Maintain an 80% or higher employee overall satisfaction	# 6. Improve the City brand. # 7. Attract, retain, and motivate qualified staff.	Effectiveness	80%	80%	80%	80%	90%

City Manager Office at a Glance

	**Location:** City Hall 7105 Whitley Road		**FY2025 Budget:** $320,500		**Full-time Employees:** 2.00



CITY MANAGER

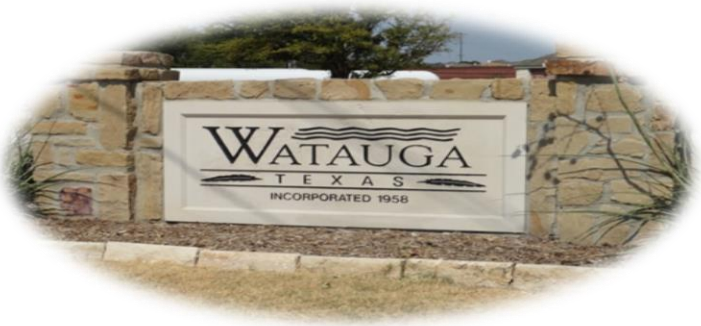
BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
Personnel	Personnel Services		$6,200	Benefits, retention, staff, COLA/merit & TMRS adjustments
Communications	Contractual/Sundry		$20	Minor rounding adjustment
Dues & Subscriptions	Contractual/Sundry		$50	Membership estimate adjustment
TOTALS:		**$0**	**$6,270**	

$6,270 **NET INCREASE/DECREASE**

Non-Departmental



Mission Statement

To provide and account for cost-effective programs that fall outside the functional responsibilities of other General Fund departments and divisions.

Department Overview

The Non-Departmental Division falls under control of the City Manager's Office and Finance Department staff. Expenditures in this division span a broad range of needs associated with the general operations of the City.

Examples of expenditures in this division include:

- Council expenses
- General liability insurance
- Copier costs
- Contingency
- Worker's compensation
- City-wide communications
- State of the City

Highlights/Achievements for FY2024

- Continued funding for dependent health coverage assistance.
- Continued health insurance supplement.
- Reinstated employee benefit programs.
- Continued the Capital Outlay Plan enhancement.
- Continued the Equipment Replacement Program.
- Funded vacation/comp time buyback program.

Goals/Objectives for FY2025

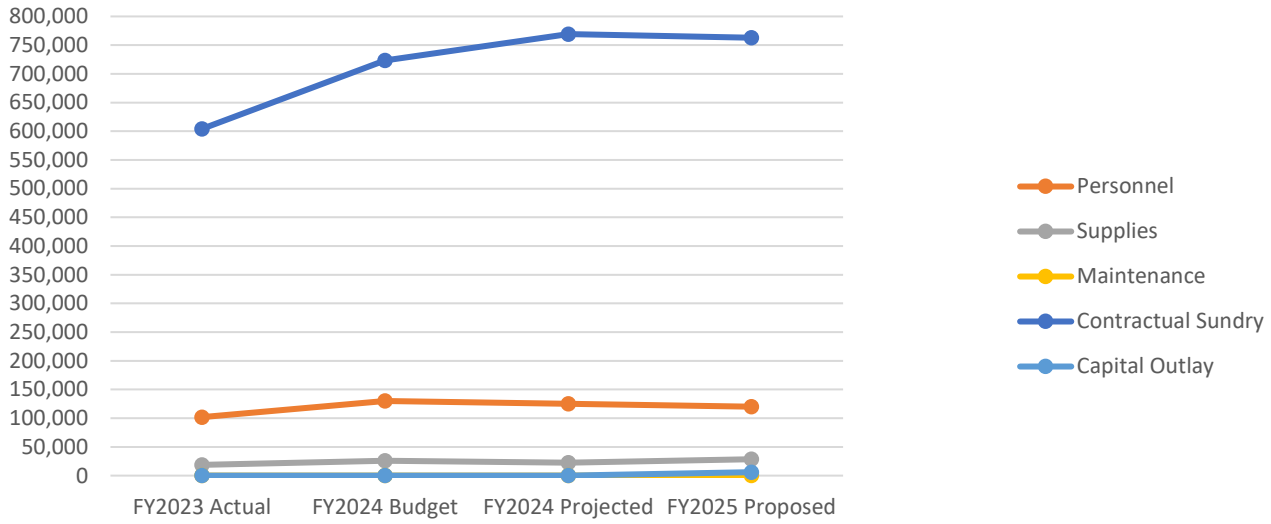
- Review merchant agreement and seek ways to decrease costs.
- Continue funding vacation/comp time buyback program.
- Reinstate the Citizen's Academy.



Summary of Expenditures by Category

The Non-Departmental budget decreased by $37,935 mainly due to adjustments in personnel services for retirement and insurance benefits. There were also anticipated decreases in Communications, Contingency, and Contractual Services. Budget increases in Contingency, Unemployment, Building/Contents and Police Liability insurances also impacted the budget.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	101,884	130,000	125,300	120,000
Supplies	18,701	26,000	22,550	28,500
Maintenance	0	0	0	0
Contractual/Sundry	604,154	723,415	769,275	762,850
Capital Outlay	0	0	0	6,000
Total Non-Departmental	**$724,739**	**$879,415**	**$917,125**	**$917,350**





NON-DEPARTMENTAL

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-25 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		($25,000)	Estimated vacation/comp adjustment
Personnel	Personnel Services	$15,000		Estimated HSA contribution adjustment
Postage	Supplies		$1,000	Rate increase adjustment
Wearing Apparel	Supplies	$1,500		Council apparel needs adjustment
Communications	Contractual/Sundry		($9,140)	City-wide phones cost adjustment
Dues & Subscriptions	Contractual/Sundry		$500	TML membership increase
Travel & Training Expense	Contractual/Sundry		$75	Minor estimate adjustment
Merchant/Bank Charges	Contractual/Sundry	$15,000		Estimated adjustment
Unemployment Insurance	Contractual/Sundry		$20,000	Estimated adjustment
Building/Contents	Contractual/Sundry		$21,000	Estimated premium adjustment
Police Liability	Contractual/Sundry		$2,000	Estimated premium adjustment
Contingency	Contractual/Sundry	$50,000		Internal Service Fund adjustment
Contractual Services	Contractual/Sundry	($60,000)		Incode Tyler services adjustment
Computer Hardware	Capital Outlay	$6,000		IPAD replacements as needed (partial NR FY24-25 funding)
TOTALS:		**$27,500**	**$10,435**	

$37,935 **NET INCREASE/DECREASE**

City Attorney

Mission Statement

The mission of the City Attorney's office is to provide professional legal services of the City and to represent the City in all matters under litigation.

Department Overview

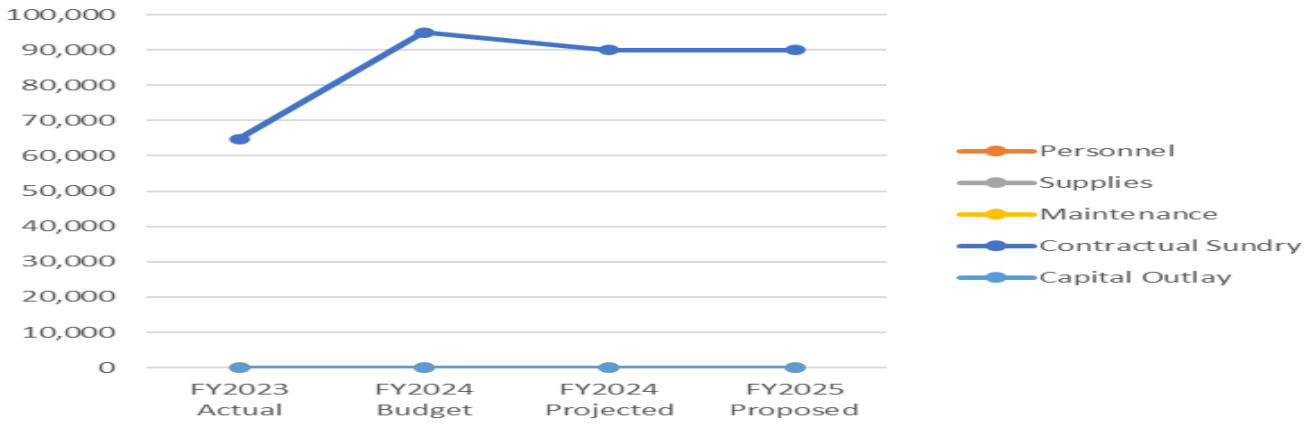
The City Attorney is not an employee of the City, and the services are provided by contract with a Municipal Law Firm.

- The City Attorney serves at the discretion of the City Council and is responsible for attending City Council meetings as directed by the Council.
- The City Attorney ensures all legal documents are reviewed and approved to legal form.
- Represents the City in municipal court prosecution in the most efficient and effective manner possible, while maintaining accountability for the public funds used to provide such services.
- Provides legal opinions to city officials and staff on city-related matters.

Summary of Expenditures by Category

The budget for legal services was captured in Non-Departmental and Municipal Court prior to FY2021-2022. The budget decreased by $5,000 for FY2025 with the reduction of anticipated expenses for services.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	0	0	0	0
Supplies	0	0	0	0
Contractual Sundry	64,839	95,000	90,000	90,000
Total City Attorney	**$64,839**	**$95,000**	**$90,000**	**$90,000**





Finance – Municipal Court



Mission Statement

The mission of the Watauga Municipal Court is to provide fair and impartial justice to all persons having business before the Court.

Department Overview

The City of Watauga Municipal Court manages the filing and disposition of all Class C Misdemeanor cases filed by Police Officers, Code Officers, Animal Control Officers, and the Fire Marshal.

The goal of the Watauga Municipal Court is to serve all those who encounter the Court staff in a courteous manner while helping them efficiently and effectively manage their cases. The goals are accomplished by accurately processing and timely filing complaints, efficiently docketing cases, timely and courteous responding to requests for information from both internal and external customers, and responsibility collecting and accounting for all fines and court costs.

Highlights/Achievements for FY2024

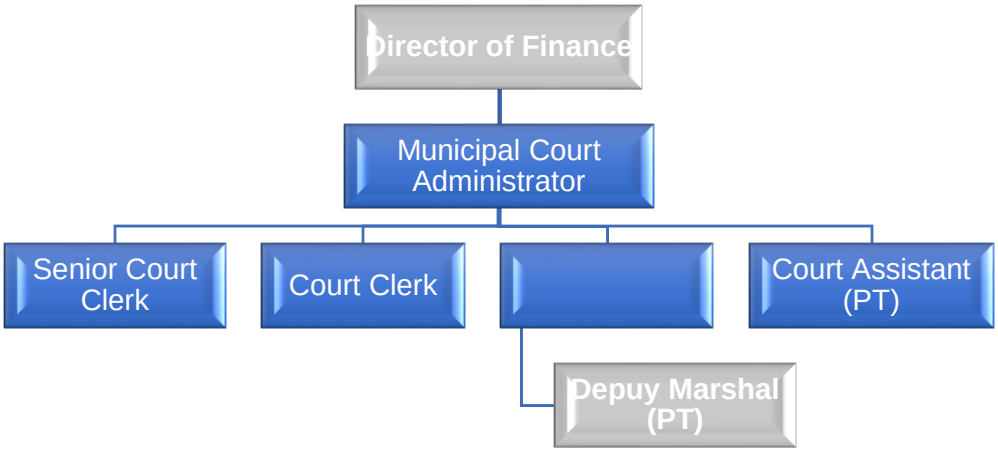
- All court staff received confidentiality training as required by the Texas Supreme Court and have signed the required confidentiality agreement.
- The Watauga Municipal court received Honorable Mention Award from the Municipal Traffic Safety Initiative in conjunction with TXDOT for efforts to promote traffic safety.
- In April 2024 court staff in conjunction with AAA provided a free workshop aimed at educating the community about the dangers of distracted driving.

Goals/Objectives for FY2025

- Transition all open electronic cases from Laserfiche to Tyler Content Management
- Transition all court documents to allow for electronic signing by defendants at the window and in the courtroom.
- Continue to look for new and innovative ways to reach citizens and educate them on the importance of traffic safety.
- Implement a juvenile diversion plan as required by January 1, 2025.
- Focus on employee development by providing continuing education to maintain and upgrade clerk certification by providing training offered through the Texas Municipal Court Education Center and the Texas Court Clerks Association.



Organizational Chart



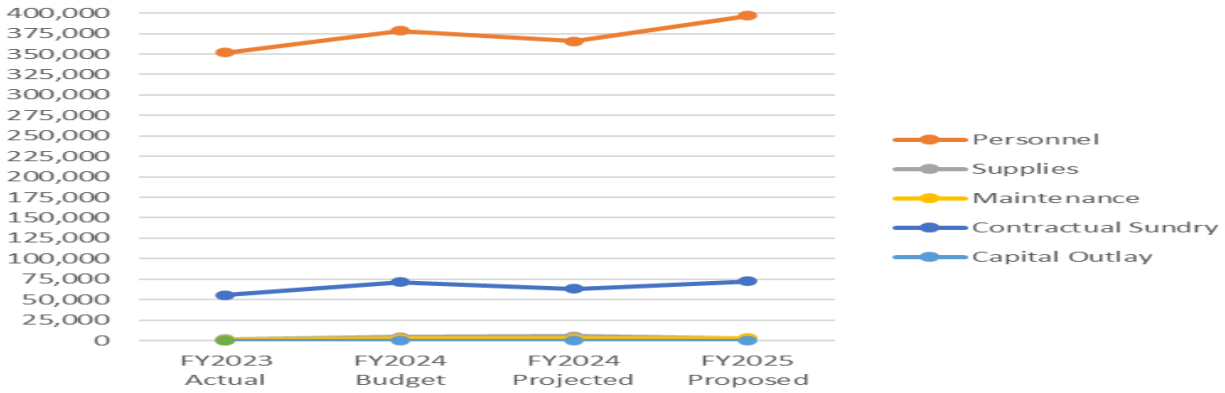
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Municipal Court Administrator	1.00	1.00	1.00
Senior Court Clerk	1.00	1.00	1.00
Court Clerk	.60	.60	.60
City Marshal	1.00	1.00	1.00
Court Assistant (PT)	.25	.50	0
Court Records Clerk (PT)	0	0	.50
Total Municipal Court FTE	**3.85**	**4.10**	**4.10**

Summary of Expenditures by Category

The Finance – Municipal Court Division budget increased by $5,680 mainly due to personnel cost increases. Vehicle supplies and maintenance were reallocated to Public Works – Fleet Division.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	351,759	378,100	365,400	383,650
Supplies	1,777	4,400	5,200	2,900
Maintenance	1,151	2,350	2,610	2,850
Contractual Sundry	55,693	71,260	63,160	72,390
Total Municipal Court	**$410,381**	**$456,110**	**$436,370**	**$461,790**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Cases filed	3,970	4,000	4,500	4,500
Warrants issued	1,561	1,000	1,500	1,000
Cases set on court docket	4,764	4,500	4,500	4,500
Payments processed	4,364	4,000	4,300	4,000
Time served and community service processed	749	1,000	550	600
Discovery requests processed	107	120	100	100
Phone calls/emails	9,043	8,000	8,200	8,000
Warrants cleared	1,473	1,000	1,500	1,500

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
Average ratio of cases filed per clerk	# 7. Attract, retain, and motivate qualified staff.	Efficiency	100	110	100	125	100
% of cases processed/disposed	# 8. Evaluate technology & workplace solutions	Effectiveness	5%	5%	5%	5%	5%
% of payments made after text notification	# 8. Evaluate technology & workplace solutions	Effectiveness	10	13	15	13	15
Conduct annual destruction records which have met State retention requirements	# 1. Maintain the financial strength of the City	Effectiveness	1	1	1	1	1

Finance – Municipal Court Division at a Glance

	**Location:** City Hall 7105 Whitley Road		**FY2025 Budget:** $461,790		**Full-time Employees:** 4.10



FINANCE - MUNICIPAL COURT

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$5,550	Benefits, retention, COLA/merit & TMRS adjustments
Office Supplies	Supplies		$500	Needs & costs adjustment
Radio Maintenance	Maintenance		$550	Fort Worth radio maintenance adjustment
Uniform Cleaning	Maintenance		$250	Needs & costs adjustment
Communications	Contractual/Sundry		$780	Netmotion & Jetpack adjustments
Special Services	Contractual/Sundry	($100)		Notary adjustment
Travel Expense	Contractual/Sundry	$500		Training adjustment - court security conference
Training	Contractual/Sundry	$250		Training adjustment - court security conference
Printing	Contractual/Sundry		$200	Needs & costs adjustment
Court Costs	Contractual/Sundry		($500)	Needs & costs adjustment
REALLOCATIONS:				
Vehicle Fuels & Lubricants	Supplies		($2,000)	Reallocated to PW - Fleet division
Vehicle Maintenance	Maintenance		($300)	Reallocated to PW - Fleet division
TOTALS:		**$650**	**$5,030**	

$5,680 **NET INCREASE/DECREASE**

Finance



Mission Statement

To preserve the City's strong financial condition by creating a financial strategy, effectively managing the City' s resources, and provide analysis and recommendations that ensure optimal economic results. Provide accurate financial information in a timely manner, produce, and generate information that is meaningful and in accordance with the generally accepted accounting principles and department procedures.

Department Overview

- Finance is responsible for providing accurate and timely financial data to management and council to facilitate the financial decision making process.
- This division is accountable for establishing, monitoring, and updating the City's fiscal policies to ensure they are both responsive in the current environment and fiscally responsible.
- Responsible for planning, collecting, recording, summarizing, and reporting the results of all financial transactions of the City in a timely manner and in accordance with generally accepted accounting principles, ensuring compliance with applicable state and federal statutes, bond covenants, grant contracts, and management policies.
- The purchasing area ensures that all purchases are in accordance with state laws. Responsible for obtaining the best value consistent with delivery terms. We strive to foster an understanding and appreciation of sound purchasing policy and procedures throughout all departments of the City.

Highlights/Achievements for FY2024

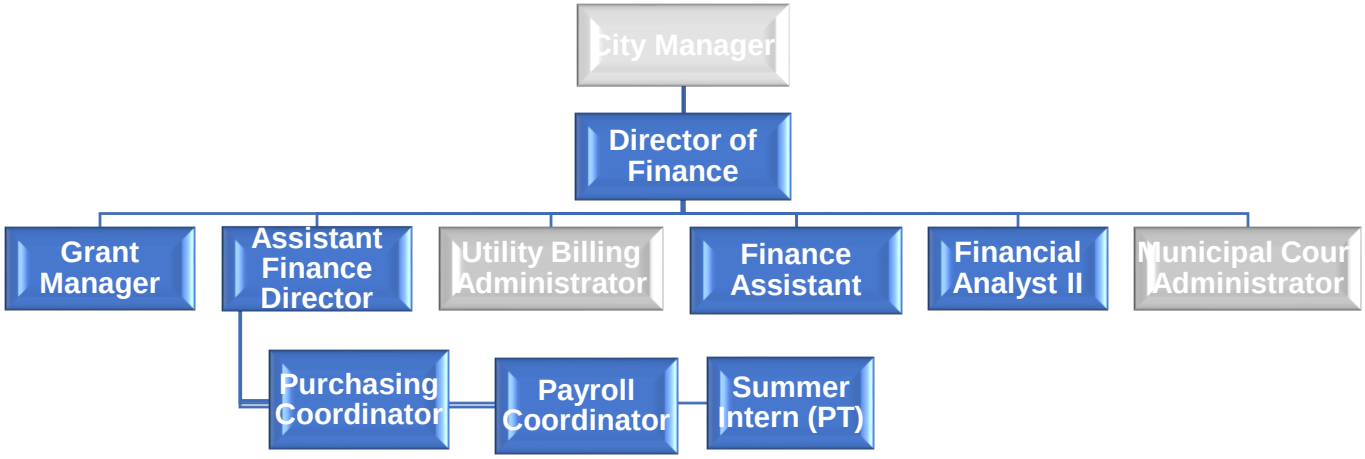
- Continued creating a digital budget book to be posted on the website that will be more user friendly for citizens and council.
- Received the Government Finance Officer's Distinguished Budget Award and the Certificate of Achievement for Excellence in Financial Reporting.
- Received the Government Treasurer's Officer's of Texas Distinguished Investment Policy Award.
- Continued the implemented of the electronic bidding platform and contract management software.
- Improved website to increase public transparency and ease of obtaining information.

Goals/Objectives for FY2025

- Complete the digital budget book publication to the website to share with the public to aid in citizen engagement.
- Continue succession plan and cross training staff.
- Implement budget platform for departments to enter budget requests and provide for on-line budget process for decision making and presenting budget information.
- Participate in the Transparency Stars program through the State Comptroller's Office.



Organizational Chart



Budgeted Positions

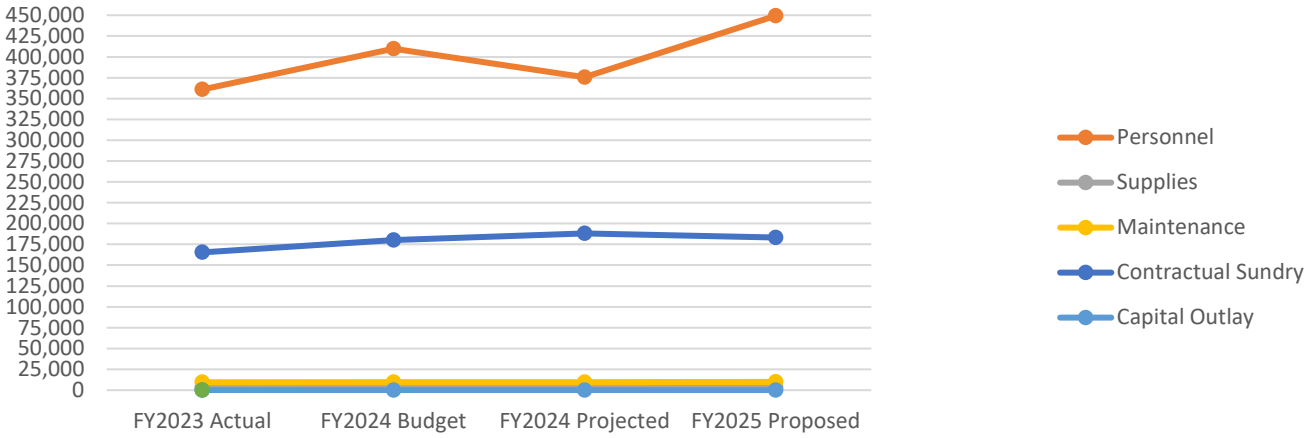
Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Director of Finance	.75	.75	.75
Assistant Finance Director	.50	.50	.50
Finance Admin. Assistant (PT)	.50	.50	0
Financial Services Tech (PT)	0	0	.50
Financial Analyst II	1.00	1.00	1.00
Grant Manager	0	0	.20
Purchasing Coordinator	0	0	.50
Payroll Coordinator	0	0	1.00
Financial Services Technician II	1.50	1.50	0
Summer Intern (PT)	.25	.25	.25
Total Finance FTE	**4.50**	**4.50**	**4.70**

Summary of Expenditures by Category

The Finance Department budget increased by $47,450 mainly due to personnel cost increases. Personnel Enhancement Plan adjustments and reallocation of ARPA funded position also contributed to the increase in personnel. There was also an adjustment projected for the appraisal services in this budget.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	360,873	410,000	375,800	454,150
Supplies	3,567	3,500	3,500	3,500
Maintenance	9,535	9,600	9,600	9,900
Contractual Sundry	165,374	180,110	188,110	183,110
Capital Outlay	0	0	0	0
Total Finance	**$539,349**	**$603,210**	**$577,010**	**$650,660**





Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Number of manual journal entries processed	1,212	1,250	1,275	1,250
Number of competitive solicitations & quotes processed	8	10	6	8
Number of purchase orders issued	1,229	1,200	1,200	1,300
Number of receivable invoices issued	138	50	75	128
Number of payables processed	6,570	7,000	6,340	7,000
Number of employee payrolls processed	5,933	6,000	6,027	6,000
Number of audit adjustments	4	7	4	3



Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
Number of days to close bank accounts.	# 1. Maintain the financial strength of the City.	Efficiency	6	5	6	6	6
Received unmodified audit opinion.	# 1. Maintain the financial strength of the City.	Efficiency	Yes	Yes	Yes	Yes	Yes
Received GFOA Certificate of Achievement Award.	# 1. Maintain the financial strength of the City.	Efficiency	Yes	Yes	Yes	Yes	Yes
Received GFOA Distinguished Budget Presentation Award.	# 1. Maintain the financial strength of the City.	Effectiveness	Yes	Yes	Yes	Yes	Yes
Maintain a Bond Rating of AA or greater.	# 1. Maintain the financial strength of the City. # 4. Strengthen future planning.	Efficiency	AA	AA	AA	AA	AA
Maintain 1% or less of disbursements voided due to error.	# 1. Maintain the financial strength of the City.	Efficiency	1%	<1%	1%	<1%	1%
Maintain no material error on ACFR.	# 1. Maintain the financial strength of the City.	Efficiency	None	None	None	None	None
Maintain a 99% timely payment to vendors within 30 days.	# 1. Maintain the financial strength of the City. # 7. Attract, retain, and motivate qualified staff.	Efficiency	99%	95%	99%	98%	99%

Finance Department at a Glance

	**Location:** City Hall 7105 Whitley Road		**FY2025 Budget:** $650,660		**Full-time Employees:** 4.70



FINANCE

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$21,500	Benefits, retention, COLA/merit/comp & TMRS adjustments
Personnel	Personnel Services		$3,650	PEP approved promotion
Personnel	Personnel Services		$19,000	ARPA position adjustment
Software Maintenance	Maintenance		$300	Bidding/contract management maintenance adjustment
Appraisal Services	Contractual/Sundry		$10,000	Allocation projection for TAD
Contractual Services	Contractual/Sundry		($7,000)	Investment services adjustment
TOTALS:		**$0**	**$47,450**	

$47,450 **NET INCREASE/DECREASE**

Information Technology

Mission Statement

To provide for the operations and development of the City through the implementation and support of cost effective technologies which enhance the efficiencies of City staff while facilitating effective information flow between the City and its citizens.

Department Overview

The Information Technology department handles all aspects of networking, hardware and software, telecommunications, web site management, cable channels, audio/video, building security, technical support, and public information. Information Technology provides and supports desktop access to general purpose software tools, business applications and adapt across multiple computing platforms, and external services, data, or applications.

Provides “on demand” service and support for system and security administration, problem resolution or coordination, acquisition research and assistance, and information requests relative to tools, data, and applications.

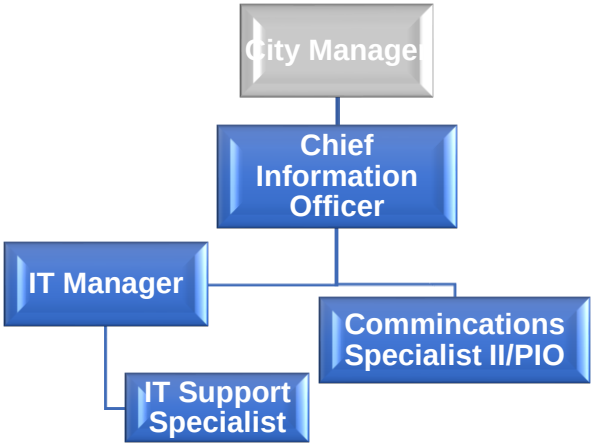
Highlights/Achievements for FY2024

- Implemented Library Coin-op Kiosk solution.
- Received recognition from Texas Association for Telecommunication Officers and Advisors placing 3rd in the Use of Humor <$250,000 category for the “Mayor in a Bottle” Wataugafest promo video.
- Shop Small Video campaign, “Rewind to a Time Before!”
- Video Camera NVR replacements, Park Camera additions.
- Police Door Access control software.
- Updated Exchange and migrated to Hyper-V/Hybrid.
- Mitigated cybersecurity threats.
- Replaced Medic tablets.
- MyGov to Tyler migrations for Permits and Licensing.

Goals/Objectives for FY2025

- Enhance cybersecurity.
- Employee development.
- Financial server replacement for financial stability.
- Replace council devices as needed/desired.
- Improve website content and management.
- Provide additional employee training related to use of I.T. services.

Organizational Chart



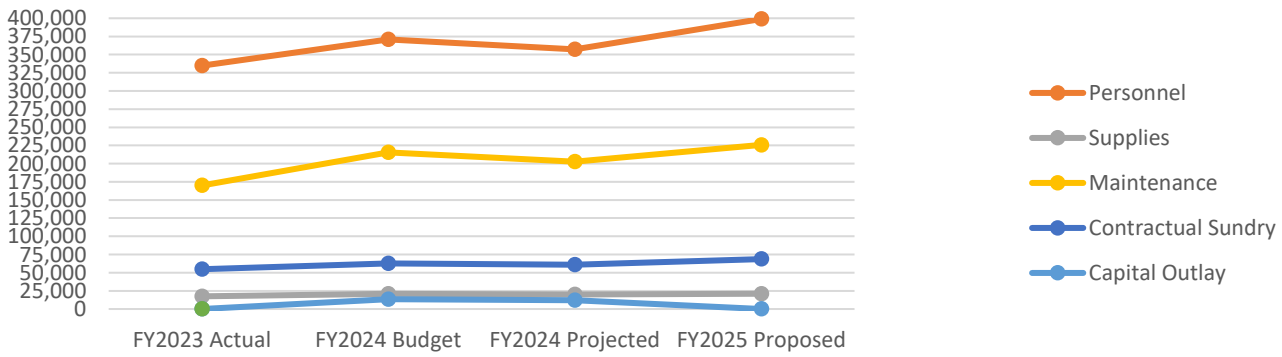
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Chief Information Officer	.50	.50	.50
IT Manager	1.00	1.00	1.00
IT Support Specialist	1.00	1.00	1.00
Media Specialist	1.00	1.00	0
Communications Specialist II/ PIO	0	0	1.00
Total Information Technology FTE	**3.50**	**3.50**	**3.50**

Summary of Expenditures by Category

Information Technology's budget increased by $20,610 mainly due to personnel cost increases. Personnel Enhancement Plan was approved to promote Media Specialist to Communications Specialist II/PIO and vehicle supplies and maintenance were reallocated to Public Works – Fleet Division. Additional major adjustments were seen in Capital Outlay, Special Services, and Software Maintenance.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	334,774	370,700	354,400	382,800
Supplies	17,456	20,800	20,000	20,200
Maintenance	169,962	215,490	202,885	232,200
Contractual Sundry	54,739	62,750	61,100	68,650
Capital Outlay	0	13,500	12,000	0
Total Information Technology	**$576,931**	**$683,240**	**$650,385**	**$703,850**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Respond to Help Desk calls	7,579	8,000	8,310	8,000
Number of PC workstations maintained	158	160	160	160
Number of LAN servers	16	17	19	19
Number of laptops maintained	85	90	85	85
Number of digital signage or conference displays managed	11	10	11	11
Number of audio/video systems maintained	3	3	4	4
Number of telephones	141	141	141	141



Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Projected	Goal
Provide a 90% or higher rating on employee IT requests resolved within 2 days.	# 1. Maintain financial strength of the City. # 2. Expand public safety through non-enforcement measures.	Effectiveness	100%	99%	100%	99%	99%
Provide access to data/digital services to empower the community without downtime 95%.	# 5. Improve community involvement.	Efficiency	100%	99%	100%	99%	99%
Provide public safety dispatch system uptime 95%.	# 2. Expand public safety through non-enforcement measures.	Efficiency	100%	99%	100%	99%	99%
Provide uptime of computer systems/networks 95%.	# 1. Maintain the financial strength of the City.	Efficiency	100%	99%	100%	99%	99%

Information Technology at a Glance



Location:
City Hall
7105 Whitley Road



FY2025 Budget:
$703,850



Full-time Employees:
3.50



INFORMATION TECHNOLOGY

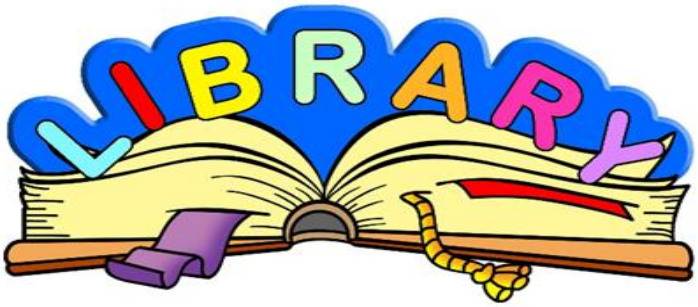
SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$7,200	Benefits, retention, COLA/merit & TMRS adjustments
Personnel	Personnel Services		$4,900	PEP approved
Misc. Equip/Furniture	Supplies		$200	Misc. props & supplies for filming
Hardware Maintenance	Maintenance		($2,700)	Remove city exchange server hardware maintenance
Hardware Maintenance	Maintenance		$1,750	Barracuda maintenance costs adjustments
Software Maintenance	Maintenance		($8,000)	Various maintenance licenses cost adjustments
Software Maintenance	Maintenance		$6,600	Tyler executime addition
Software Maintenance	Maintenance		$2,500	Tyler base annual maintenance cost adjustment
Software Maintenance	Maintenance		$2,700	Lansweeper maintenance addition
Software Maintenance	Maintenance		$500	Snipe-it asset manager addition
Software Maintenance	Maintenance		$2,000	Police CCURE maintenance addition (ID system card access)
Software Maintenance	Maintenance	$3,500	$3,810	Police Code My-Gov maintenance adjustment
Software Maintenance	Maintenance		$1,150	Netmotion cost adjustment
Software Maintenance	Maintenance		$3,150	Tyler permits/licenses module cost adjustment from My Gov
Software Maintenance	Maintenance		$6,600	Huntress Managed Endpoint addition (from ARPA)
Software Maintenance	Maintenance	($6,600)		Public Works My Gov permits/licenses removal
Communications	Contractual/Sundry		$1,000	Cell stipend adjustment
Special Services	Contractual/Sundry		$500	Archive Social cost adjustment
Special Services	Contractual/Sundry		$2,650	Civic Clerk suite cost adjustment
Travel Expense	Contractual/Sundry	$2,000		TAMIO & TATOA conferences
Dues & Subscriptions	Contractual/Sundry		$1,000	Social media submissions adjustment
Dues & Subscriptions	Contractual/Sundry		$250	Association memberships adjustment
Training	Contractual/Sundry	($1,500)		Training and conference adjustments
Computer Hardware	Capital Outlay	($13,500)		One time NR FY23-24 (medic tablets) adjustment
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		($500)	Reallocated to PW - Fleet Division
Vehicle Fuels & Lubricants	Supplies		($300)	Reallocated to PW - Fleet Division
Vehicle Maintenance	Maintenance		($250)	Reallocated to PW - Fleet Division
TOTALS:		**($16,100)**	**$36,710**	

$20,610 **NET INCREASE/DECREASE**

Library



Mission Statement

The Watauga Public Library is committed to enriching the community through access to informational, educational, cultural, recreational, and lifelong learning materials in a variety of formats. The library anticipates and responds to the needs of the community and offers a variety of classes, presentations, workshops, and services in a professional, efficient, caring, and friendly manner.

Department Overview

The library is responsible for the day-to-day operation and technical services including acquisition of materials, cataloging and classification of materials, management of the collection, and management of the integrated library system. The library shares the vision of the nation's founders that liberty and learning are inseparable and that a democratic people must have free, open, and equal access to information.

The four core purposes of public libraries are: 1) Learning, 2) Literacy, 3) Information, and 4) Community Spaces.

Highlights/Achievements for FY2024

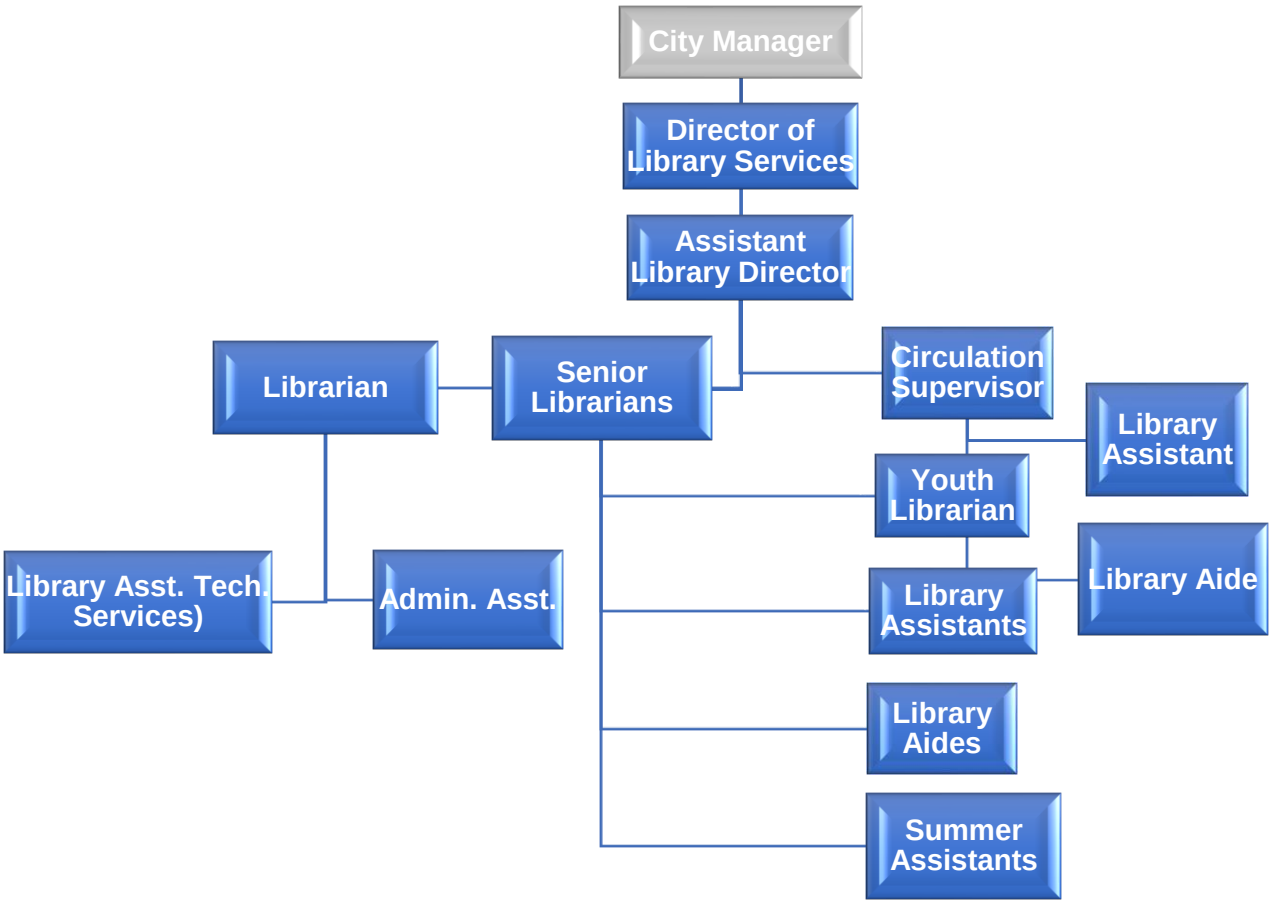
- Achievement of Excellence Award from the Texas Municipal Library Directors Association for 2022.
- Approval of City Council & Library Board for revision of the "Meeting Room" and "Material Selection" Policies.
- As a member of the MetroShare Consortium, Watauga Public Library applied with the consortium members for a third "Regional ILS Cooperative Grant" with the Texas State Library and Archives Commission (TSLAC). The applicants were informed of approval from the Grant Review Panel in May 2023.
- The successful launch of the MetroShare Community of Libraries, which is the 501 (C)(3) Non-Profit group that evolved from the MetroShare Consortium.
- Post-Covid library user behavior continues to evolve. Library visits and circulation numbers are rebounding and changes in use patterns identified. This challenge is not new for public libraries which are always adapting to better serve their communities.
- Adult Services events developed and scheduled due to patron requests: Saturday art classes, widowhood presentation, xeriscaping lecture, Harp Essence, trivia nights, and composting class.
- A successful Summer Reading Program for youth and adults. Events included art classes, book clubs, cultural performances, science-based presentations, and more.
- The return of Big Vehicle Day, a popular cooperative effort between the library, local businesses, and City of Watauga departments.
- The Adult Services Department has launched a new At-Home Delivery Program, focused on serving Watauga residents who cannot leave their homes.
- Family Fiesta was held to celebrate Hispanic/Latinx Heritage Month (Sept/Oct).
- Close to 300 patrons came to watch The Nutcracker performed by the North Central Ballet.
- In January the Lunar New Year was remembered with a traditional Lion Dance.
- Professional storyteller Oba King joined us to commemorate Black History Month with a program in February.

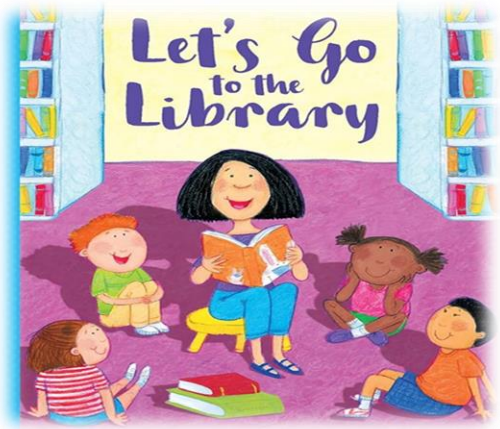


Goals/Objectives for FY2025

- Expand and adapt to informational diversity.
- Continue a strong commitment to exemplary customer service.
- Examine the organization of the department to better address workflow.
- Seek diverse ways to provide professional services.
- Select high quality materials and formats to meet the informational, educational, and recreational needs of the users.
- Provide residents with the resources they need to explore topics of personal interest and continue to learn throughout their lives.
- Serve as a safe place where people share a sense of community.

Organizational Chart





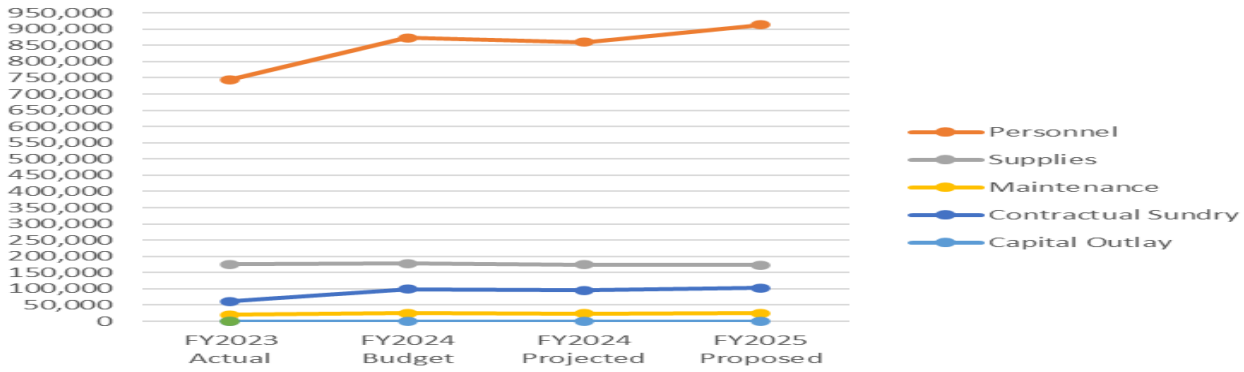
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Director of Library Services	1.00	1.00	1.00
Assistant Library Director	1.00	1.00	1.00
Technical Services Supervisor	1.00	1.00	0
Librarian	0	0	1.00
Senior Librarian	2.00	2.00	2.00
Librarian	1.00	1.00	1.00
Admin. Assistant	0	0	1.00
Library Assistant – Technical Services	.50	.50	.50
Library Assistant	0	1.00	0
Library Assistant – Youth	.50	1.25	1.25
Circulation Supervisor	1.00	1.00	1.00
Summer Assistant	.50	0	0
Librarian Assistant – Circulation	0	1.00	1.00
Library Assistant	1.00	0	0
Library Aide – Circulation	0	.50	.50
Library Assistant – Reference	1.25	0	0
Library Assistant – Adult Services	0	.25	.25
Library Aide – Adult Services	0	.25	.25
Library Aide	.75	0	0
Summer Library Assistant – Youth Services	0	.25	.25
Summer Library Assistant – Adult Services	0	.25	.25
Total Library FTE	**11.50**	**12.25**	**12.25**

Summary of Expenditures by Category

The Library budget increased by $69,500 mainly due to personnel cost increases. Personnel Enhancement Plan promotions were funded at ½ year in FY24-25. There were adjustments for the events and classes that are being expanded, department needs, usage, and increasing costs. A one-time New Request was included in this budget for the replacement of RFID tags.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	744,719	872,500	865,100	930,900
Supplies	176,118	178,250	174,600	172,200
Maintenance	19,786	24,950	23,350	39,100
Contractual Sundry	61,688	99,500	96,100	102,500
Capital Outlay	0	0	0	0
Total Library	**$1,002,312**	**$1,175,200**	**$1,159,150**	**$1,244,700**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Registered borrowers	9,025	14,500	9,830	10,600
Current holdings	152,901	144,800	142,000	144,000
Total library visits	79,813	73,000	96,000	106,000
Program attendance (includes virtual programs)	27,965	28,000	30,000	32,000
Curbside services	1,623	1,500	1,465	1,350
Summer reading club attendance	5,922	5,400	6,300	6,500
Volunteer hours logged	1,671	1,400	1,200	1,300
Reference transactions	13,925	12,000	14,500	15,000
Items circulated	167,898	160,000	171,000	175,000
Items added	6,416	6,800	6,700	6,900
Items withdrawn	4,857	5,000	6,000	4,600

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
Total circulation per capita.	# 5. Improve community involvement.	Efficiency	6.2	6.8	6.5	6.9	7.1
Collection turnover rate per capita.	# 5. Improve community involvement.	Demand	1.07	1.1	1.10	1.2	1.2
Materials expenditure per capita.	# 3. Maintain the financial strength of the City.	Efficiency	6	6.8	7	6.3	6.4
Operating revenue per capita.	# 3. Maintain the financial strength of the City.	Efficiency	25.00	40.70	25.00	47.19	48.20
Program attendance per capita.	# 5. Improve community involvement.	Demand	1.03	1.14	1.13	1.23	1.3
Visits per capita.	# 5. Improve community involvement.	Demand	3	3.24	2.96	3.9	4.3

Library at a Glance

	**Location:** 7109 Whitley Road		**FY2025 Budget:** $1,244,700		**Full-time Employees:** 12.25



LIBRARY SERVICES

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$54,500	Benefits, retention, COLA/merit/comp & TMRS adjustments
Personnel	Personnel Services		$3,900	PEP approved promotions (1/2 year funded)
Office Supplies	Supplies		$200	Department needs & costs adjustments
Publications	Supplies		$1,800	Streaming format addition
Minor Tools & Apparatus	Supplies		($500)	Department needs adjustments
Minor Tools & Apparatus	Supplies	($3,600)		Laminator (NR FY23-24 one-time) adjustment
Copy Machine Supplies	Supplies		$200	Department needs & costs adjustments
Event Refreshments/Meals	Supplies		$1,200	Events expansion, attendance & costs adjustments
Educational Supplies	Supplies		$1,600	Events expansion, attendance & costs adjustments
Computer Supplies	Supplies	($4,100)		RFID inventory device (NR FY23-24 one-time) adjustment
Computer Supplies	Supplies		$400	Department needs & costs adjustments
Misc. Equip/Furniture	Supplies	($2,500)		Mobile shelving (NR FY23-24 one-time) adjustment
Misc. Equip/Furniture	Supplies		$100	Department estimated needs adjustment
Book Repair/Processing	Maintenance	$14,400		RFID tags (NR FY24-25 one-time) adjustment
Library Consortium	Contractual/Sundry		($2,400)	Amigos courier adjustments
Special Services	Contractual/Sundry		$1,800	Adult & youth classes expansion & attendance adjustment
Advertising	Contractual/Sundry		($400)	Department analysis adjustment
Dues & Subscriptions	Contractual/Sundry		$1,800	Book continuations/subscriptions inflation adjustment
Training	Contractual/Sundry		$1,800	Training opportunities adjustment
Printing & Binding	Contractual/Sundry		$300	Costs & needs analysis adjustment
Contractual Services	Contractual/Sundry		$100	Hotspot cost adjustment
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		($500)	Reallocated to PW - Fleet Division
Vehicle Fuels & Lubricants	Supplies		($350)	Reallocated to PW - Fleet Division
Vehicle Maintenance	Maintenance		($250)	Reallocated to PW - Fleet Division
TOTALS:		**$4,200**	**$65,300**	

$69,500 **NET INCREASE/DECREASE**

Community Services



Mission Statement

To enrich the lives of Watauga citizens through the responsible administration of our resources with the goal of quality customer service, recreational opportunities, and community interaction.

Department Overview

The Community Services Division's vision is to enhance the quality of life, awareness of services, and the public perception as it relates to our residents from a recreational and community services standpoint via the following opportunities:

- Health and fitness programs for active adults (Seniors), adults, and youth
- Daily meals provided for active adults
- Youth and adult athletic programs
- Fine art programs
- Summer camps
- Special events
- Facility rentals

Highlights/Achievements for FY2024

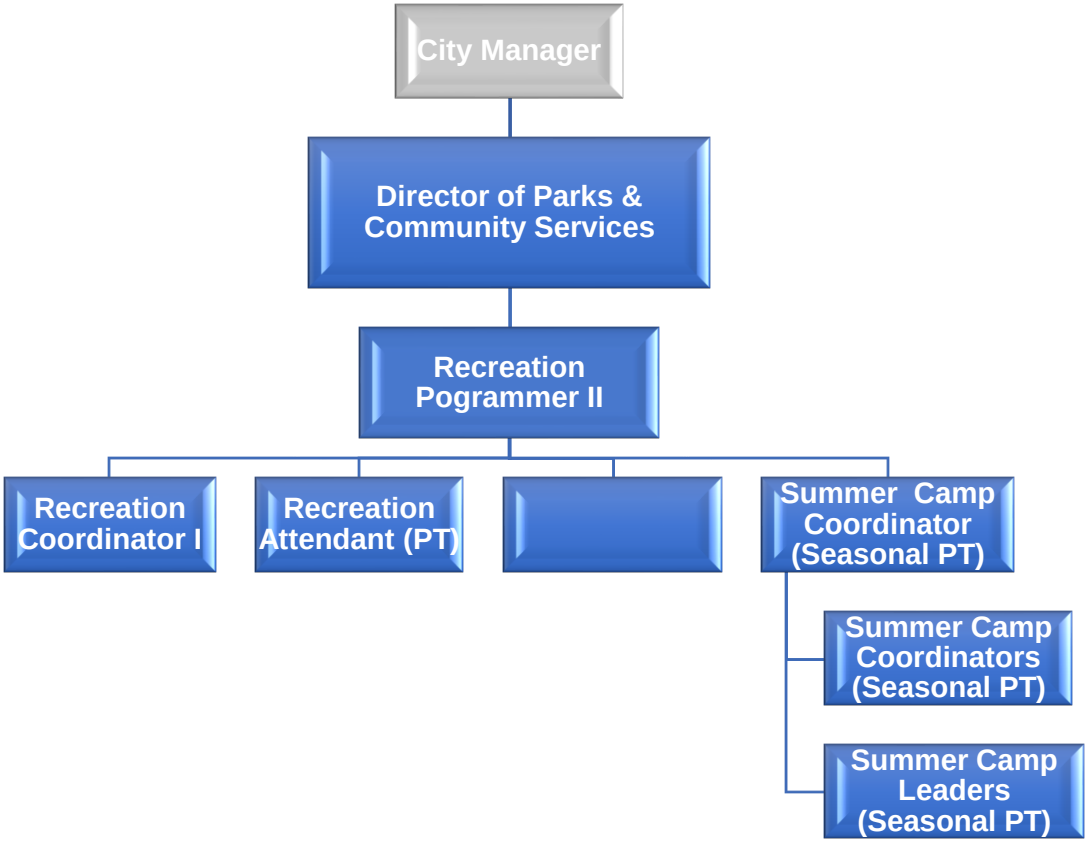
- Continued increase in Community and Active Adult Center memberships.
- Increased special events held, classes, and programs offered in direct correlation with staffing levels,
- Increased community awareness of additional and existing Community Services Division offerings that add to citizens' and visitors' quality of life.
- Maximize the City's brand exposure in the community through the linking of local resources that are cost-efficient.

Goals/Objectives for FY2025

- Continue to increase the Community and Active Adult Center memberships.
- Increase the number and quality of special events.
- Increase the variety of classes and programs offered to meet the community's needs.
- Continue to increase community awareness of additional and existing Community Services Division offerings that add to citizens' and visitors' quality of life.
- Maximize the City of Watauga's brand exposure in the community though the linking of local resources that are cost-efficient.



Organizational Chart



Budgeted Positions

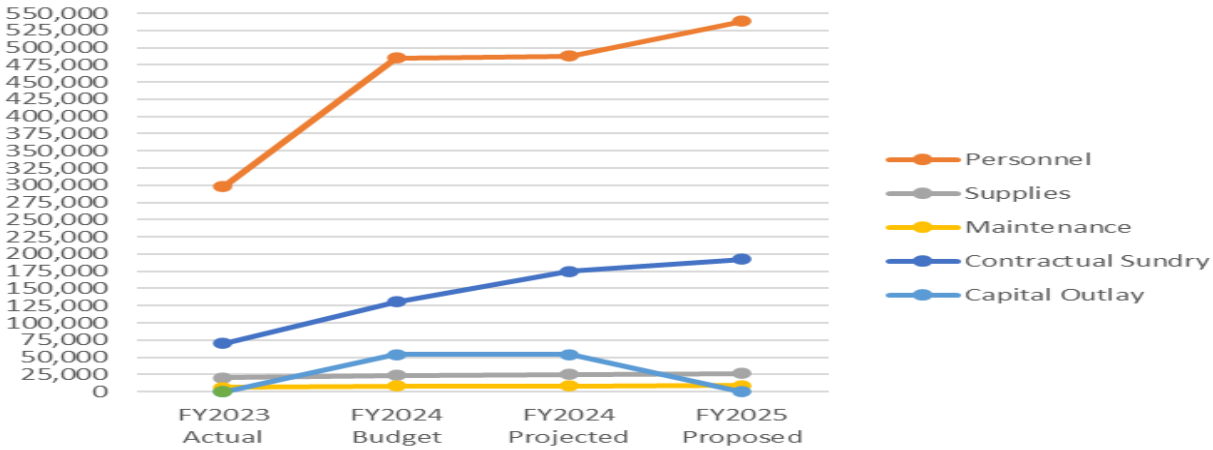
Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Director of Parks & Community Services	.50	.50	.50
Recreation Programmer II	0	1.00	1.00
Recreation Programmer	1.00	0	0
Recreation Programmer - Seniors	1.00	0	0
Recreation Coordinator I	0	3.00	3.00
Recreation Attendant (ARPA funded)	1.50	0	0
Recreation Attendant (PT)	.75	1.50	2.00
Preschool Instructor (Seasonal PT)	0	.50	.50
Summer Camp Coordinator (Seasonal PT)	0	.25	.25
Summer Camp Coordinators (Seasonal PT)	0	1.50	1.50
Summer Camp Leaders (Seasonal PT)	0	1.50	1.50
Total Community Services FTE	**4.75**	**9.75**	**10.25**



Summary of Expenditures by Category

Community Services budget increased by $60,220 mainly due to personnel cost increases and partial funding of Personnel Enhancement Plan positions. The continued expansion of community programs and events that were suspended due to the pandemic also impacted the Fiscal Year 2024-2025 budget.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	298,278	484,700	484,600	548,500
Supplies	20,033	23,600	24,850	26,300
Maintenance	5,846	8,200	8,600	8,600
Contractual Sundry	70,062	130,420	165,520	177,340
Capital Outlay	0	53,600	53,600	0
Total Community Services	**$394,219**	**$700,520**	**$737,170**	**$760,740**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Number of health and fitness programs	10	15	13	16
Number of fine arts programs	9	12	12	15
Number of athletic teams	129	150	135	150
Number of new memberships processed	142	199	189	110
Number of special events	16	19	19	22
Number of active members	901	1,100	1,091	1,200





Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
% of residents satisfied with community programs.	# 5. Improve community involvement.	Effectiveness	95%	91%	95%	93%	95%
% of returning vendors to WataugaFest.	# 1. Maintain the financial strength of the City. # 3. Develop a sustainable economic development effort. # 5. Improve community involvement.	Effectiveness	90%	85%	90%	87%	90%

Community Services at a Glance

	**Location:** Hector F. Garcia Community Center 7901 Indian Springs Rd.		**FY2025 Budget:** $760,740		**Full-time Employees:** 10.25



COMMUNITY SERVICES

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$50,400	Benefits, retention, COLA/merit/comp & TMRS adjustments
Personnel	Personnel Services		$13,400	PEP approved positions (partial funding)
Copy Machine Supplies	Supplies		$200	Increased usage adjustment
Event Refreshments	Supplies		$500	Increased event adjustment
Equipment Parts & Supplies	Supplies		$500	Estimated increase adjustment
Misc. Equipment	Supplies		$1,500	Estimated increase adjustment
Software Maintenance	Maintenance		$400	Estimated increase adjustment
Communications	Contractual/Sundry		($980)	Cell stipend adjustment
Printing & Binding	Contractual/Sundry		$1,000	Estimated increase adjustment
Contract Instructors	Contractual/Sundry		$40,000	Instructors (revenue offset)
Wataugafest	Contractual/Sundry		$5,000	Festival enhancement (revenue offset)
Halloween Bash	Contractual/Sundry		$1,900	Event enhancement
HolidayFest	Contractual/Sundry		$3,000	Enhance activities during event
Athletic Contractor Service	Contractual/Sundry		($3,000)	Not City sponsored (league sponsored)
Preschool Program	Contractual/Sundry	($1,000)		Supply needs adjustment (one-time NR FY23-24)
Nature Programs	Contractual/Sundry		$1,000	Event enhancement and participation
Other Equipment	Capital Outlay	($30,000)		Intercom system (one time NR FY23-24)
Other Equipment	Capital Outlay	($23,600)		Fitness equipment (COP FY23-24)
RELLOCATIONS:				
Special Services	Contractual/Sundry		$1,000	Reallocated from Dues/Subscriptions
Dues & Subscriptions	Contractual/Sundry		($1,000)	Reallocated to Special Services
TOTALS:		**($54,600)**	**$114,820**	

$60,220 **NET INCREASE/DECREASE**

Parks Services



Mission Statement

The mission of the City of Watauga Parks Division is to provide our citizens with an outstanding outdoor experience. We are focused on the quality and safety of our parks, which serve to enhance the quality of life for all citizens and visitors.

Department Overview

The Parks Division is responsible for the grounds maintenance of all parks, city buildings, and WEDC lots which total over 120 acres.

The Parks Division manages and maintains all aspects, such as:

- Landscape and lake maintenance contracts.
- Daily restroom cleaning and trash removal.
- Daily splashpad monitoring and operation in season.
- Playground inspections and repairs.
- Irrigation system monitoring for efficient operations to include inspections and repairs.
- Landscape and irrigation installations.
- Pesticide application as needed.
- Park facility and amenities repairs because of age and/or vandalism.
- Special events support of the Community Services Division.

Highlights/Achievements for FY2024

- Rental of new picnic tables located at Splashpad.
- Continue to offer wildflower areas at Capp Smith Park.
- Continue to maintain park amenities to maximize safe and functional use.
- Adjust current levels of service as new, approved staff is onboarded and trained.
- Improve visual appeal of city parks and facilities through the implementation of best practices.

Goals/Objectives for FY2025

- Installation of replacement playgrounds at Indian Springs and Hillview Parks.
- Complete a Foster Village Park site plan.
- Continue to maintain park amenities to maximize safe and functional use.
- Improve turf quality at the athletic fields by implementing a turf maintenance program.
- Improve the visual appeal of city parks and facilities through landscaping enhancements in parks and around city buildings.



Organizational Chart



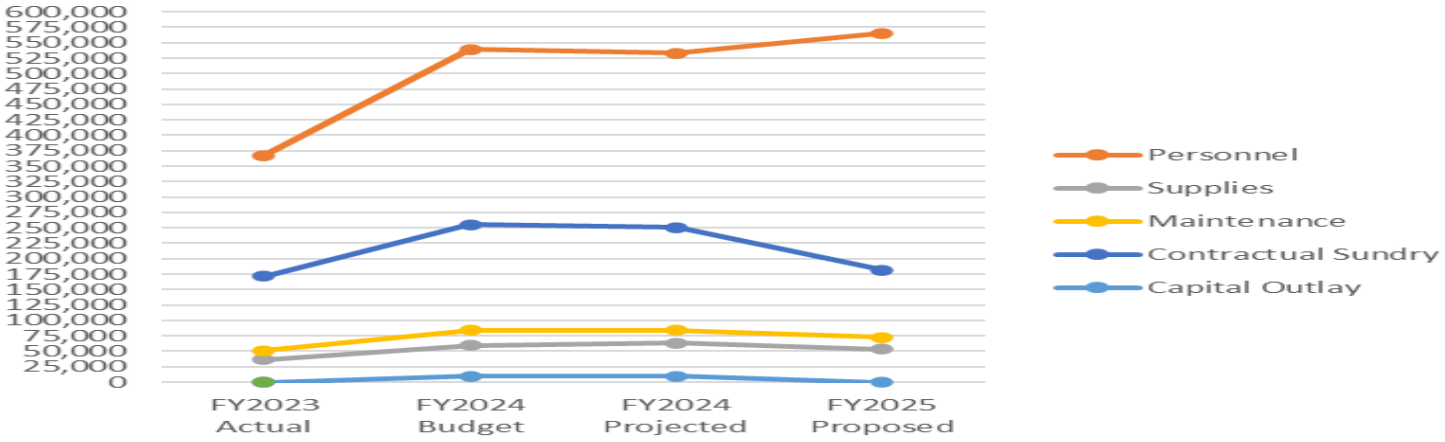
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Director of Parks & Community Services	.50	.50	.50
Assistant Director of Parks & Community Services	0	1.00	1.00
Irrigation Technician (ARPA funded)	1.00	0	0
Irrigation Technician	0	1.00	1.00
Parks Superintendent	1.00	0	0
Maintenance Worker II	2.00	2.00	2.00
Maintenance Worker I	1.00	2.00	2.00
Maintenance Worker I (ARPA funded)	1.00	0	0
Summer Maintenance Worker (Seasonal PT)	.25	.25	.25
Total Parks FTE	**6.75**	**6.75**	**6.75**

Summary of Expenditures by Category

The Parks Fiscal Year 2024-2025 budget decreased by $69,425. Personnel Services increased due to benefits, retention, COLA/merit and TMRS adjustments. These was a large decrease in capital outlay with the one time purchases of New Requests and Capital Outlay items in Fiscal Year 2023-2024. In addition there were minimal adjustments in Contractual/Sundry and Supplies. Vehicle supplies and maintenance was reallocated to Public Works – Fleet Division and a reallocation from Park Maintenance to Public Works - Building Maintenance due to duties adjustment. New Request for perennials in City Right of Ways was approved for Fiscal Year 2024-2024.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	367,381	539,300	532,900	565,100
Supplies	36,893	59,200	63,200	53,200
Maintenance	51,283	84,400	84,400	72,700
Contractual Sundry	171,526	254,885	250,885	191,260
Capital Outlay	0	10,000	10,000	0
Total Parks	**$627,082**	**$947,785**	**$941,385**	**$878,360**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Athletic fields maintained	12	12	12	12
Park acres maintained	88	88	88	88
Number of pavilion reservations at city parks	201	300	225	250
Hours of personnel training	52	72	78	84

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
% of residents satisfied with appearance, maintenance of parks.	# 5. Improve community involvement. # 6. Improve the City brand.	Effectiveness	95%	91%	95%	93%	95%
Mow and maintain developed facilities per schedule.	# 5. Improve community involvement. # 6. Improve the City brand.	Effectiveness	100%	98%	100%	100%	100%
Mow and maintain undeveloped facilities per schedule.	# 3. Develop a sustainable economic development effort. # 6. Improve the City brand.	Effectiveness	100%	95%	100%	100%	100%

Parks at a Glance

	**Location:** 5633 Linda Dr.		**FY2025 Budget:** $878,360		**Full-time Employees:** 6.75



PARKS
SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$21,900	Benefits, retention, COLA/merit/comp & TMRS adjustments
Agricultural/Botanical	Supplies		$2,000	Irrigation supplies increase
Communications	Contractual/Sundry		($125)	Department usage analysis
Special Services	Contractual/Sundry		($2,500)	Department usage analysis
Consulting/Agent Fees	Contractual/Sundry		($1,000)	Department needs adjustment
Contract/Outsource Services	Contractual/Sundry	($70,000)		Demo old senior center (one time NR FY23-24)
Contract/Outsource Services	Contractual/Sundry	$10,000		Perennials for Right of Ways (one time NR FY24-25)
Other Equipment	Capital Outlay	($10,000)		Trailer (one time COP FY23-24)
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		($2,000)	Reallocated to PW - Fleet Division
Vehicle Fuels & Lubricants	Supplies		($6,000)	Reallocated to PW - Fleet Division
Park Maintenance	Maintenance		($10,000)	Reallocated to PW - Facilities Maintenance Division
Vehicle Maintenance	Maintenance		($1,700)	Reallocated to PW - Fleet Division
TOTALS:		**($70,000)**	**$575**	

($69,425) **NET INCREASE/DECREASE**

Police Department

Mission Statement

The mission of the Watauga Police Department is to provide the highest quality police service while safeguarding individual liberties and building positive community relationships.

Department Overview

The Watauga Police Department provides services 24 hours a day 365 days a year to all the citizens of Watauga and those traveling in and out of the city.

Highlights/Achievements for FY2024

- Maintained a low response time to calls with minimum staff.
- Fully staffed Code Enforcement.
- Promoted a Senior Code Officer.
- Created a more positive presence on social media.
- Addition of five Flock Safety cameras.
- Transitioned to a new rifle.
- Launched the Drone Program.
- Obtained Texas Police Chiefs Association Re-Recognition status.

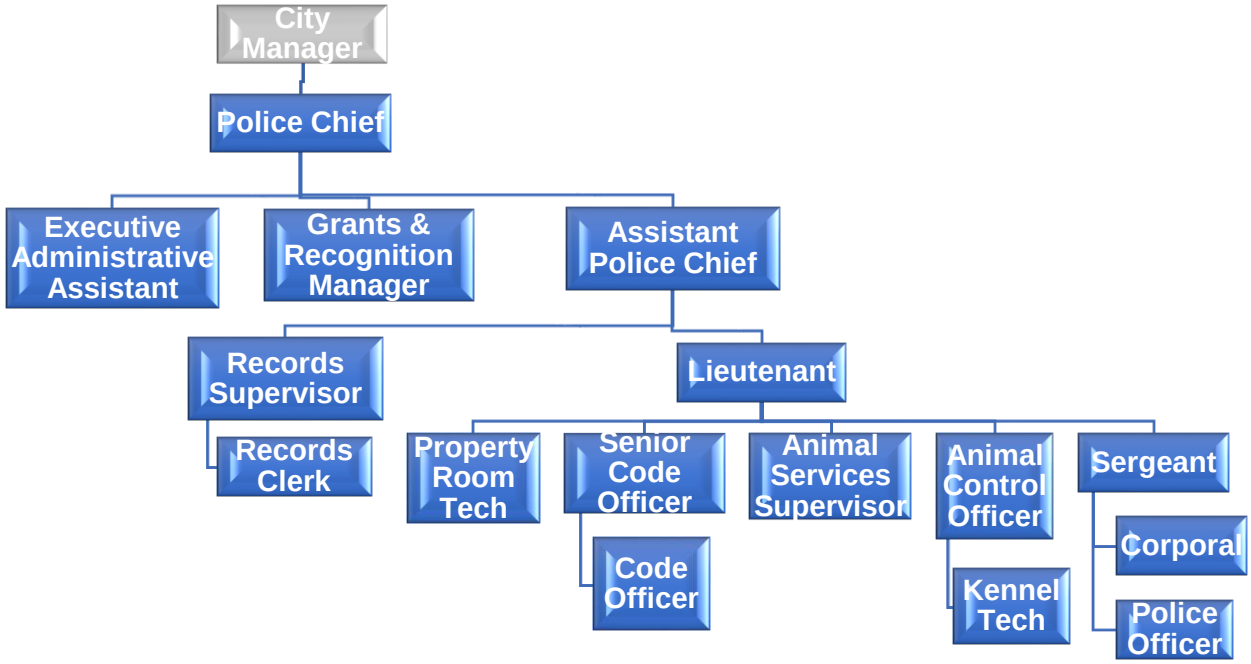
Goals/Objectives for FY2025

- Fully staff Animal Services.
- Create a Code Enforcement position for commercial issues.
- Recruit and fully staff sworn positions.
- Backfill CID and Traffic/Motors Divisions.
- Develop and participate in Community Policing and engagement events.





Organizational Chart



Budgeted Positions

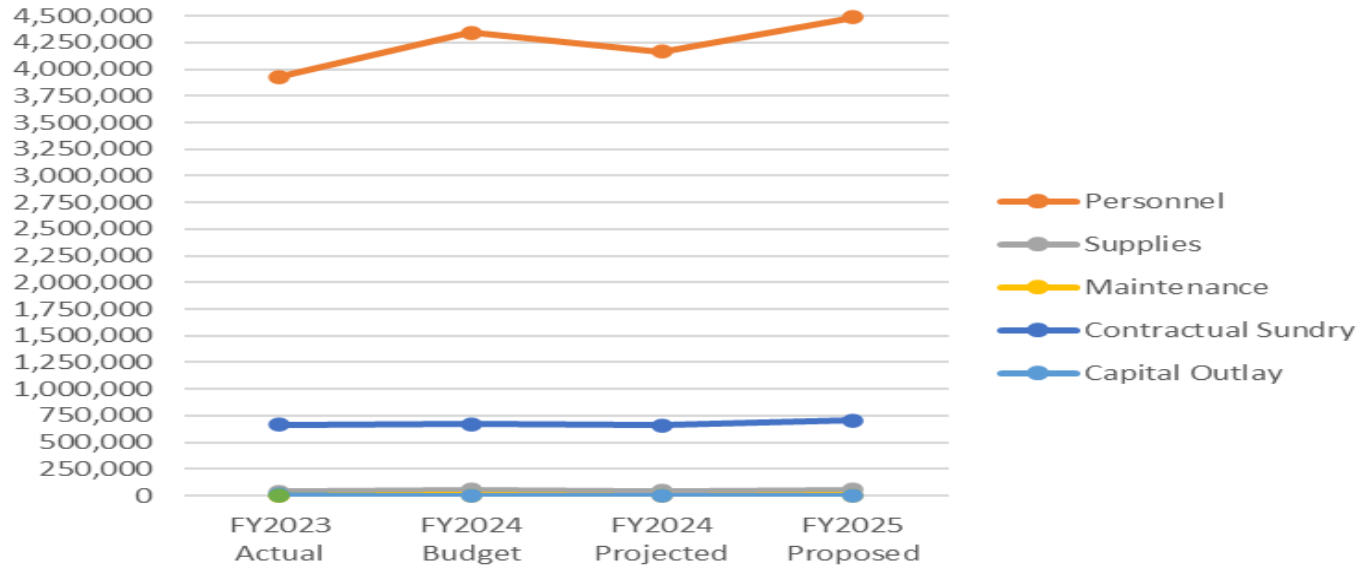
Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Police Chief	1.00	1.00	1.00
Assistant Police Chief	1.00	1.00	1.00
Lieutenant	2.00	2.00	2.00
Records Supervisor	1.00	1.00	1.00
Records Clerk	2.00	2.00	2.00
Executive Administrative Assistant	1.00	1.00	1.00
Property Room Technician	1.00	1.00	1.00
Sergeant	7.00	7.00	7.00
Corporal	5.00	5.00	5.00
Police Officer	10.00	10.00	10.00
Animal Services Supervisor	1.00	1.00	1.00
Animal Control Officer	3.00	3.00	3.00
Kennel Technician (PT)	1.00	1.00	1.00
Senior Code Officer	0	1.00	1.00
Code Officer	2.00	2.00	3.00
Grants & Recognition Manager (.20 finance funded)	1.00	1.00	.80
Total Police FTE	**40.00**	**40.00**	**40.80**



Summary of Expenditures by Category

The Police Department budget increased by $204,700 in large due to personnel costs adjustments, Personnel Enhancement Plan approved position addition, and ARPA funded position reallocation. In addition, the consolidated service agreement has an estimated increased by $37,500. Vehicle supplies and maintenance were reallocated to Public Works – Fleet Division.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	3,927,359	4,342,000	4,109,100	4,514,500
Supplies	38,730	56,300	42,500	49,600
Maintenance	3,683	5,200	2,600	600
Contractual Sundry	663,189	670,000	674,000	707,500
Capital Outlay	8,000	0	0	6,000
Total Police	**$4,640,961**	**$5,073,500**	**$4,828,200**	**$5,278,200**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Total calls for service	8,876	11,000	9,200	9,500
Total reports	1,896	2,500	1,800	2,000
Total traffic stops	5,777	1,800	7,500	7,500
Total citations	4,209	4,500	3,300	3,500
Total felony arrests	327	400	300	400
Total misdemeanor arrests	722	900	650	800
Crimes sent to investigations	499	1,00	400	600
Cases filed for prosecution	444	1,000	500	500
Number of animals taken in	652	700	750	750
Number of animals adopted	281	300	300	350
Number of animals returned to owner	199	250	200	250
Number of animals euthanized	132	100	150	175
Total number of ACO calls for service	995	1,200	1,500	1,700
Number of code violations reported/investigated	3,218	5,000	8,000	8,000
Number of code violations cited	247	250	500	450
Number of code violations voluntarily complied	2,774	4,000	6,000	6,500



Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
% change in crime rate per population.	# 2. Expand public safety through non-enforcement efforts.	Effectiveness	-0.50	+0.18%	-0.20%	-0.37%	-0.10%
Average response time to calls (priority 1-3).	# 2. Expand public safety through non-enforcement efforts.	Efficiency	1 5:00 2 6:00 3 7:00	1 7:33 2 7:11 3 5:29	1 6:00 2 7:00 3 8:00	1 5:30 2 7:00 3 8:00	1 6:00 2 7:00 3 8:00
% of total code cases that concluded in voluntary compliance	# 2. Expand public safety through non-enforcement efforts.	Effectiveness	90%	86%	80%	75%	80%
% of animals adopted or returned to owner	# 2. Expand public safety through non-enforcement efforts.	Effectiveness	80%	74%	80%	65%	80%

Police Department at a Glance

WATAUGA POLICE DEPARTMENT EST. 1962 LIBERTY ★ COMMUNITY ★ SERVICE	**Location:** Police Station 7101 Whitley Road		**FY2025 Budget:** $5,278,200		**Full-time Employees:** 40.80



POLICE - GENERAL FUND

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$119,100	Benefits, retention, step, COLA/merit/comp, certification, misc. pay & TMRS adjustments
Personnel	Personnel Services		$21,100	ARPA position reallocation
Personnel	Personnel Services		$32,300	PEP approved position (1/2 year funded)
Wearing Apparel	Supplies	$800		PEP approved position uniforms (one time)
Radio Maintenance	Maintenance		($600)	Radio maintenance needs adjustment
Contractual Payments	Contractual/Sundry		$37,500	Estimated consolidated services adjustment
Computer Hardware	Capital Outlay	$6,000		PEP approved position technology (one time)
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		($2,500)	Reallocated to PW - Fleet Division
Vehicle Fuels & Lubricants	Supplies		($5,000)	Reallocated to PW - Fleet Division
Vehicle Maintenance	Maintenance		($4,000)	Reallocated to PW - Fleet Division
TOTALS:		**$6,800**	**$197,900**	

$204,700 **NET INCREASE/DECREASE**

Fire Department

Mission Statement

Protecting with Purpose and Serving with:

Professionalism
Respect
Integrity
Dedication
Excellence

Department Overview

- Provides fire suppression and emergency medical response, car seat checks, assistance with the installation and maintenance of smoke detectors, home fire safety inspections, CPR training, fire extinguisher training, and other community education and support of community sponsored events.

- Provides a variety of specialized response personnel through a corporative agreement with other Northeast Tarrant County Cities (NEFDA).

Highlights/Achievements for FY2024

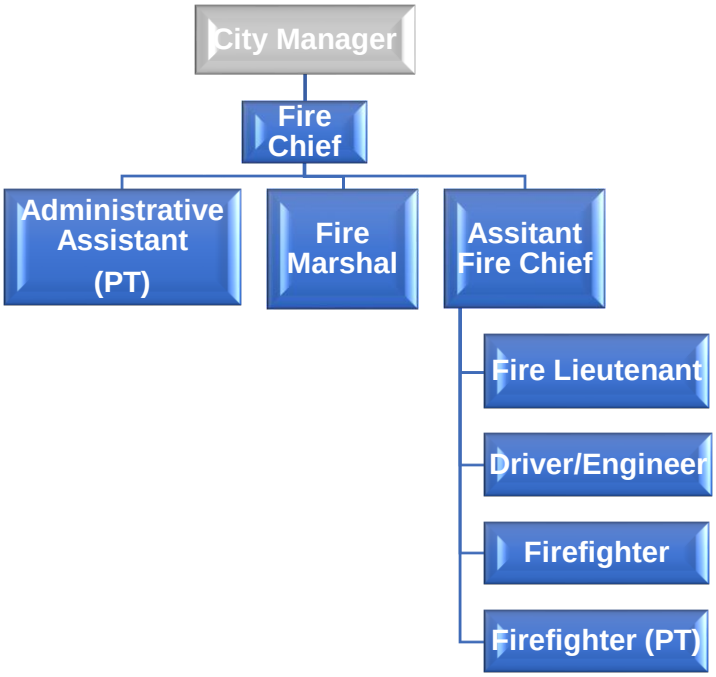
- Maintained ISO 1 Rating.
- Received the Silver level Texas EMS Mission Lifeline award.
- Received Mission Lifeline EMS Award.

Goals/Objectives for FY2025

- Renewal of the Texas Fire Chief's Best Practice Department Recognition.
- Maintain ISO 1 Rating.
- Maintain DSHS Continued Educational Training Facility license.
- Receive Mission Lifeline Silver or better award.
- Renewal of the Texas EMS Pediatric Readiness – Gold Level.



Organizational Chart



Budgeted Positions

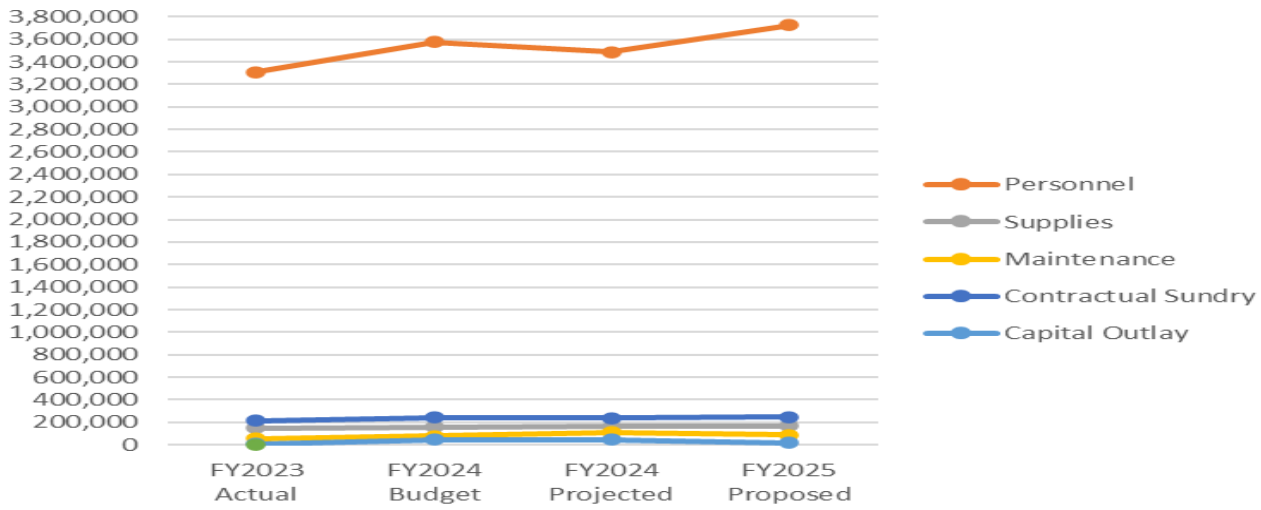
Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Fire Chief	1.00	1.00	1.00
Assistant Fire Chief	1.00	1.00	1.00
Administrative Assistant (pt)	.50	.50	.50
Fire Marshal	1.00	1.00	1.00
Fire Lieutenant	3.00	3.00	3.00
Driver/Engineer	3.00	3.00	3.00
Firefighter	18.00	18.00	18.00
Firefighter (PT)	2.50	2.50	2.50
Total Fire FTE	**30.00**	**30.00**	**30.00**



Summary of Expenditures by Category

The Fire Department budget increased by $33,150 in large due to personnel cost adjustments. In addition, Capital Outlay and costs adjustments had an impact on the Fiscal Year 2024-2025 budget. Vehicle maintenance and supplies were reallocated to Public Works – Fleet Division.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	3,310,598	3,573,200	3,484,800	3,671,400
Supplies	147,287	158,660	174,850	130,980
Maintenance	53,174	76,280	111,260	68,910
Contractual Sundry	213,889	244,350	251,850	246,350
Capital Outlay	10,078	44,000	44,000	12,000
Total Fire	**$3,735,025**	**$4,096,490**	**$4,066,760**	**$4,129,640**





Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Total fire calls	869	950	900	950
Total emergency medical service calls	1,959	1,950	1,900	1,950
Number of ambulance transports	1,532	1,600	1,600	1,600
Number of fire mutual aid provided	22	50	45	50
Number of fire mutual aid received	25	50	40	50
Number of EMS aid provided	98	150	150	150
Number of EMS aid received	148	150	150	150
Number of fire inspections	933	800	850	800

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
% of Priority 3 or higher Fire calls in Watauga responded to in 6 minutes or less	Goal 2. Expand public safety through non-enforcement efforts.	Effectiveness	100%	100%	100%	100%	100%
% of Priority 3 or higher EMS calls in Watauga responded to 6 minutes or less	Goal 2 Goal 2. Expand public safety through non-enforcement efforts.	Effectiveness	100%	100%	100%	100%	100%
% of required fire inspections completed	Goal 2. Expand public safety through non-enforcement efforts.	Effectiveness	100%	76.5%	100%	97.5%	100%

Fire Department at a Glance

	**Location:** Central Fire Station 5909 Hightower		**FY2025 Budget:** $4,129,640		**Full-time Employees:** 30.00

FIRE/EMS

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$98,200	Benefits, retention, step/COLA/merit/comp, staff adjust., TMRS & cert.
Office Supplies	Supplies		$150	Department needs analysis
Minor Tools & Apparatus	Supplies		$1,500	Department needs & increased costs adjustment
Janitorial Supplies	Supplies		$300	Department needs & increased costs adjustment
Chemicals	Supplies		$600	Department needs & increased costs adjustment
Event Refreshments	Supplies		$500	Department needs & increased costs adjustment
Educational Supplies	Supplies		$1,020	Programs & educational enhancement adjustments
Medical Supplies	Supplies		$1,800	Department needs & increased costs adjustment
Misc. Equip. Maintenance	Maintenance		$1,750	Equipment maintenance increased costs adjustments
Radio Maintenance	Maintenance		$1,080	Radio maintenance adjustment
Minor Tools & Apparatus	Maintenance		$1,500	Department needs & increased costs adjustment
Building Maintenance	Maintenance		$1,480	Department needs & increased costs adjustment
Software Maintenance	Maintenance		$1,820	Annual maintenance estimated increase adjustments
Communications	Contractual/Sundry		$225	Medic units cell service, hotspots, jetpack & cradlepoint adj.
Dues & Subscriptions	Contractual/Sundry		$835	Miscellaneous membership adjustments
Investigation Expense	Contractual/Sundry		($200)	Department analysis adjustment
State Certifications	Contractual/Sundry		$500	DSHS certifications adjustment
Hazardous Waste Disposal	Contractual/Sundry		$90	Department analysis adjustment
Compliance Testing	Contractual/Sundry		$50	SCBA flow testing adjustment
Medical Control	Contractual/Sundry		$2,000	Medical Control services/EMS continuing education adjustments
Furniture & Fixtures	Capital Outlay	($20,000)		Mattress replacement adj. (NR FY23-24 one time purchase)
Other Equipment	Capital Outlay	($12,000)		Fitness Equipment (COP FY23-24 one time purchase)
Other Equipment	Capital Outlay	($12,000)		Training prop program - 2nd year of 4 year program (NR FY23-24)
Other Equipment	Capital Outlay	$12,000		Training prop program - 3rd year of 4 year program (NR FY24-25)
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		($3,550)	Reallocated to PW - Fleet Division
Vehicle Fuels & Lubricants	Supplies		($30,000)	Reallocated to PW - Fleet Division
Vehicle Maintenance	Maintenance		($15,000)	Reallocated to PW - Fleet Division
Contractual Payments	Contractual/Sundry		$20,500	Reallocated from Special Services for the Shared Services
Special Services	Contractual/Sundry		($22,000)	Reallocated to Contractual Payments & decrease adjustment
TOTALS:		**($32,000)**	**$65,150**	

$33,150 **NET INCREASE/DECREASE**

Public Works – Streets Division



Mission Statement

It is the mission of the Streets Division to enhance the safety and welfare of the traveling public by effectively and efficiently maintaining the City of Watauga's transportation infrastructure.

Department Overview

- Provide maintenance for Watauga streets, signs, traffic signals, traffic markings, crossing flashers and school zone flashers.
- Promote ease of mobility throughout the city by maintaining our streets in a timely, efficient, and cost-effective manner.
- Manage annual overlay program to rehabilitate aging asphalt roads.
- Manage concrete repair contractors for annual sidewalk repair, general concrete road repairs and resident concern repair lists.

Highlights/Achievements for FY2024

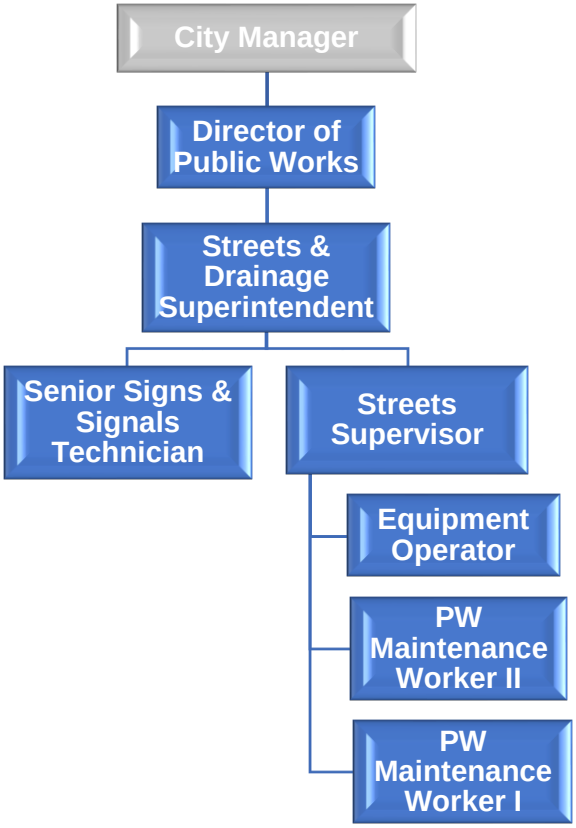
- Staffing shortages in Streets and Drainage Divisions presented the opportunity for cross training among all staff, making both divisions more effective and productive in time of staffing issues.
- Maintained 88 miles of roads, signs, traffic signals and road markings to an acceptable manner.
- Utilizing new methods of repair with Skid Steer with milling attachment making small road repairs faster, using less materials saving time and money.
- Continued the partnership with Tarrant County Precinct 3 to rehabilitate Chapman Road from Whitley Road to Denton Highway.
- New striping plans for Bursey Road and Chapman have added additional bike lanes.
- Developed working relationships with three newly approved concrete repair vendors for multiple repairs.
- Resolving staffing issues to pre pandemic levels.
- Traffic Division continue to bring all school zone flashers up to current AP21 timers, phasing out the older timers that are starting to fail.
- Developed more face-to-face safety training protocols that include daily safety briefings.

Goals/Objectives for FY2025

- Maintain 88 miles of roads, signs, traffic signals and road markings in an acceptable manner.
- Research options to downsize current paver to one that is designed towards smaller projects, current equipment is designed for larger crews.
- Continue the partnership with Tarrant County Precinct 3 to rehabilitate 4 residential streets: Kennedy, Whispering, Bowling and Lara Lane.
- Continue working with Storm Drain Division to complete larger projects for street and drainage issues.
- Seek opportunities to make Watauga more bike friendly.



Organizational Chart



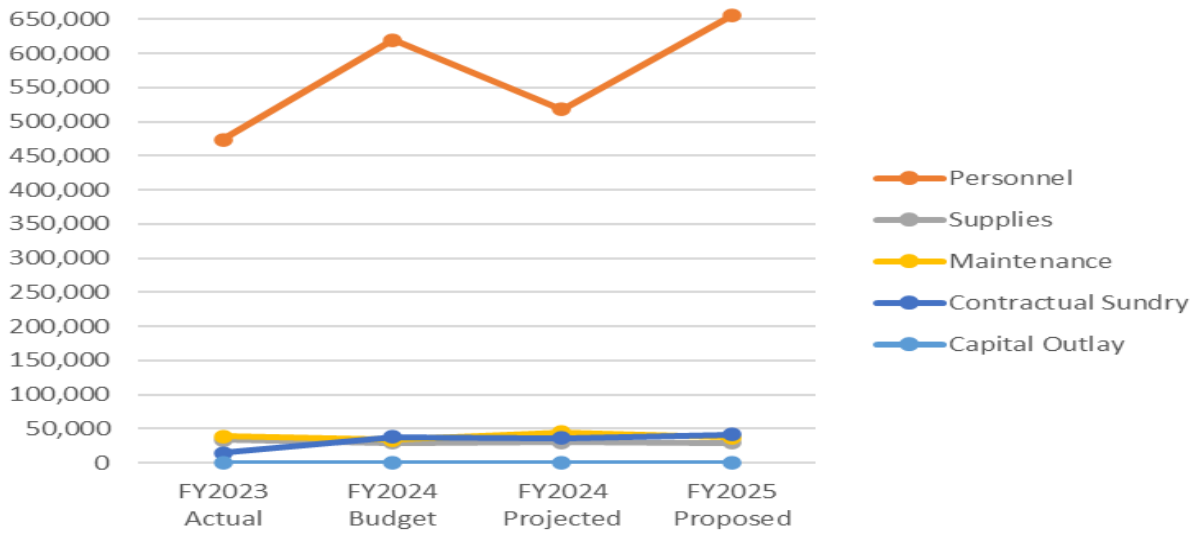
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Director of Public Works	.25	.25	.25
Streets & Drainage Superintendent	.50	.50	.50
Signs & Signals Technician	1.00	0	0
Senior Signs & Signal Technician	0	1.00	1.00
Streets Supervisor	1.00	1.00	1.00
Equipment Operator	1.00	1.00	1.00
Public Works Maintenance Worker II	1.00	1.00	1.00
Public Works Maintenance Worker I	4.00	4.00	4.00
Total Public Works - Streets Division FTE	**8.25**	**8.75**	**8.75**

Summary of Expenditures by Category

Public Works – Streets Division budget decreased by $1,350 due in large to reallocations and personnel adjustments. Vehicle supplies and maintenance expenses were reallocated to Public Works – Fleet Division. The addition of solar traffic control devices batteries, sign maintenance, and streets construction spoil disposal adjustments were also major budget impacts in fiscal year 2024-2025.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	473,626	619,400	516,000	640,600
Supplies	33,583	28,900	33,300	9,400
Maintenance	38,414	33,800	44,200	29,700
Contractual Sundry	14,350	37,680	36,430	38,730
Total Public Works – Street Division	**$559,974**	**$719,780**	**$629,930**	**$718,430**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Miles of streets maintained	88	88	88	88
Miles of curb and gutter maintained	176	176	176	176
Square yards of street rehabilitation	9,867	16,106	9,180	10,000
Linear feet of curb and gutter replaced	2,834	2,000	4,000	2,500
Number of potholes repaired	143	200	180	150
Subgrade/street repairs	64	75	70	75

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Projected	Goal
Maintain an 80% or greater road miles in good condition.	# 4. Strengthen future planning.	Efficiency	80%	81%	100%	82%	82%
Respond to street repairs within 5 business days from request.	# 4. Strengthen future planning.	Efficiency	100%	95%	100%	92%	96%
Repair 90% or more of resident sidewalk concerns annually.	# 4. Strengthen future planning.	Efficiency	90%	95%	100%	98%	95%

Public Works – Streets Division at a Glance

	**Location:** Water Tower 7800 Virgil Anthony Blvd.		**FY2025 Budget:** $718,430		**Full-time Employees:** 8.75



PUBLIC WORKS

PUBLIC WORKS - STREETS DIVISION

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$21,200	Benefits, retention, COLA/merit/comp & TMRS adjustments
Radio Maintenance	Maintenance		($500)	Needs adjustment
Sign Maintenance	Maintenance		$3,400	Department usage & costs adjustments
Traffic Signal Maintenance	Maintenance	($3,500)		School zone flasher upgrade (one-time NR FY23-24) adjustment
Traffic Signal Maintenance	Maintenance		$2,500	Batteries estimate for solar traffic control devices
Street Striping	Maintenance		$300	Costs & needs adjustment
Software Maintenance	Maintenance		$300	Adobe Acrobat license
Training	Contractual/Sundry		($300)	Training needs adjustment
Debris Disposal	Contractual/Sundry		$3,000	Construction spoil disposal adjustment
COG Storm Water PHII	Contractual/Sundry		($1,550)	Needs adjustment
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		($4,500)	Reallocated to PW - fleet division
Vehicle Fuels & Lubricants	Supplies		($15,000)	Reallocated to PW - fleet division
Vehicle Maintenance	Maintenance		($6,600)	Reallocated to PW - fleet division
Dues & Subscriptions	Contractual/Sundry		($100)	Tx Floodplain reallocated to Storm Drain division
TOTALS:		**($3,500)**	**$2,150**	

($1,350) **NET INCREASE/DECREASE**

Public Works – Fleet Division



Mission Statement

To provide a comprehensive fleet management program, which responsibly fulfills the vehicle and equipment needs for the City of Watauga through cost-effective and dedicated personal service.

Department Overview

- Maintain city vehicles and equipment properly and to the highest standard with limited down time and costs.
- Coordinate new vehicle upfitting and emergency light installation.
- Maintain compliance with mandated state and federal program.
- Coordinate used vehicles and equipment auction within city and state guidelines.

Highlights/Achievements for FY2024

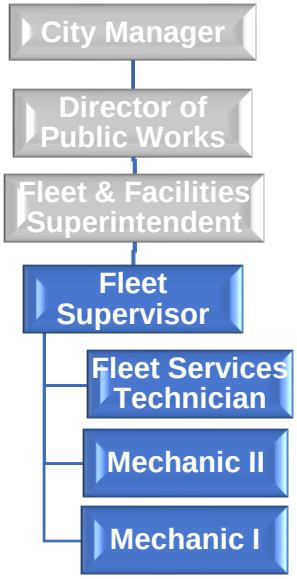
- Maintained city vehicles and equipment properly to the highest standard with limited downtime while being under staffed.
- Effectively coordinated new vehicle upfitting and lighting installations.
- Maintained compliance with mandated state and federal programs.
- Successfully completed fleet shop expansion.

Goals/Objectives for FY2025

- Fill vacant positions and maintain adequate staffing levels.
- Continue with the purchasing of more fuel-efficient vehicles and equipment to reduce fuel and maintenance costs.



Organizational Chart



Budgeted Positions

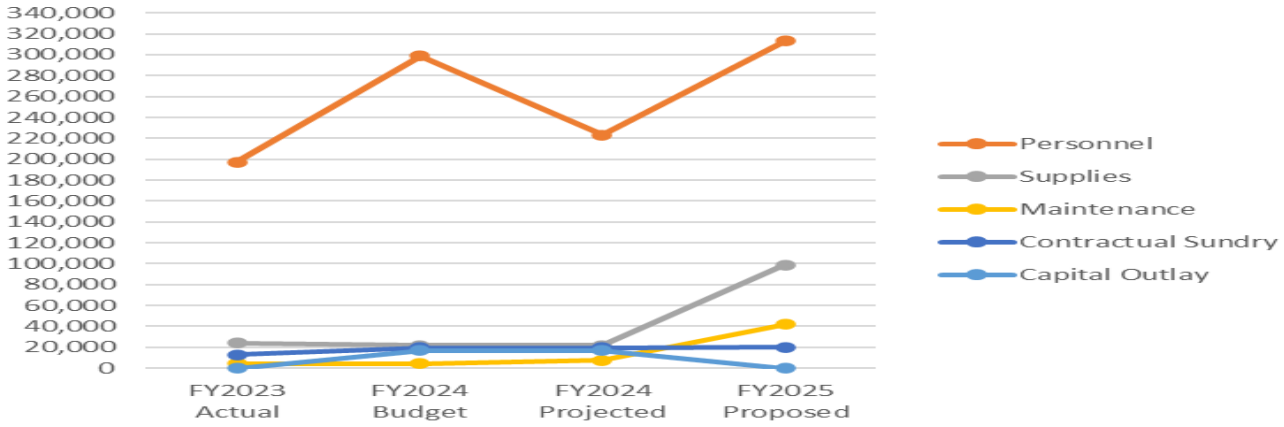
Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Fleet Supervisor	1.00	1.00	1.00
Fleet Services Technician	1.00	1.00	1.00
Mechanic II	1.00	1.00	1.00
Mechanic I	1.00	1.00	1.00
Total Public Works - Fleet Division FTE	**4.00**	**4.00**	**4.00**



Summary of Expenditures by Category

Public Works – Fleet Division budget increased by $99,600. Personnel staffing adjustments and the capital FY23-24 one-time adjustment impacted the budget. Reallocations from the general fund vehicle maintenance and supplies department levels had the greatest impact on the budget increase from FY23-24.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	197,014	299,000	223,400	298,450
Supplies	24,113	21,800	21,800	97,900
Maintenance	4,314	4,500	7,400	43,500
Contractual Sundry	12,674	19,350	19,350	19,900
Capital Outlay	0	17,000	17,000	1,500
Total Public Works – Fleet Division	**$238,205**	**$361,650**	**$288,950**	**$461,250**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Work orders completed	657	800	700	750
Gallons of fuel dispensed	38,141	62,000	62,000	62,000
Number of preventive maintenances performed per month	35	35	18	35
Number of city vehicles/equipment maintained	179	300	222	240
Number of training classes attended	15	15	8	15

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
Increase annual number of inhouse fleet repairs completed by 1% each year.	# 1. Maintain the financial strength of the City. # 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	96%	100%	90%	98%
Maintain average life per policy for fleet.	# 1. Maintain the financial strength of the City. # 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	100%	100%	100%	100%
Increase the number of employee certifications by 1% annually.	# 7. Attract, retain, and motivate qualified staff.	Efficiency	100%	28%	100%	75%	100%

Public Works – Fleet Division at a Glance

	**Location:** Water Tower 7800 Virgil Anthony Blvd.		**FY2025 Budget:** $461,250		**Full-time Employees:** 4.00



PUBLIC WORKS - FLEET SERVICES

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		($550)	Benefits, retention, staff, COLA/merit & TMRS adjustments
Shop Maintenance	Maintenance		$1,500	Fleet services reorganization
Software Maintenance	Maintenance		$2,900	Fleet software adjustment
Communications	Contractual/Sundry		$550	Cell stipend/on-call service adjustment
Other Equipment	Capital Outlay	$1,500		IDS Tool (NR FY24-25 one time approved) adjustment
Other Equipment	Capital Outlay	($17,000)		Fuel island system upgrade (NR FY23-24 one time) adjustment
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		$13,550	Reallocated from General Fund department levels
Vehicle Fuels & Lubricants	Supplies		$62,550	Reallocated from General Fund department levels
Vehicle Maintenance	Maintenance		$34,600	Reallocated from General Fund department levels
TOTALS:		**($15,500)**	**$115,100**	

$99,600 **NET INCREASE/DECREASE**

Public Works – Facilities Maintenance Division



Mission Statement

To provide citizens and staff with safe and accessible facilities. To maintain the city's investment in facility structures both interior and exterior and building equipment.

Department Overview

Facilities Maintenance is a section of the Public Works Fleet & Facilities Division. It provides the maintenance and operation of all city owned facilities, buildings, and structures which totals over 120,000 square feet.

- Minor and major remodeling and construction as needed.
- Provides an efficient and effective preventative maintenance program to maintain and upgrade city owned buildings to an acceptable condition compatible with city codes.
- Provides and maintains a pleasant and secure environment for all visitors and city employees in the buildings under city jurisdiction.

Highlights/Achievements for FY2024

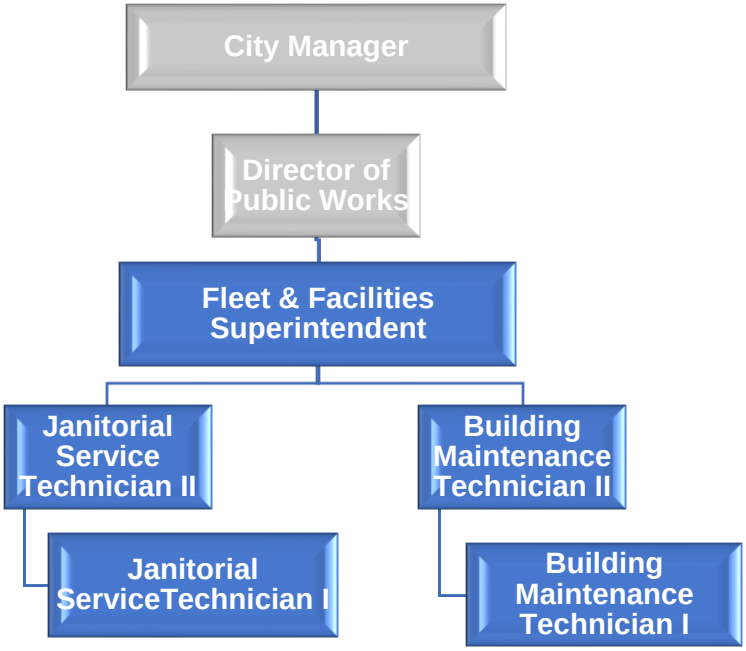
- Completed fleet shop expansion.
- Completed recreation center foundation repair.
- Water Tower generator installation.
- Library HVAC replacements.

Goals/Objectives for FY2025

- To provide safe and trouble free working environment for city personnel and citizens.
- Complete recreation Center HVAC system repair and update.



Organizational Chart



Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Fleet & Facilities Superintendent	1.00	1.00	1.00
Janitorial Service Technician II	1.00	1.00	1.00
Janitorial Service Technician I	3.00	3.00	3.00
Building Maintenance Technician II	1.00	1.00	1.00
Building Maintenance Technician I	1.00	2.00	2.00
Total Public Works – Facilities Maintenance Division FTE	**7.00**	**8.00**	**8.00**

Summary of Expenditures by Category

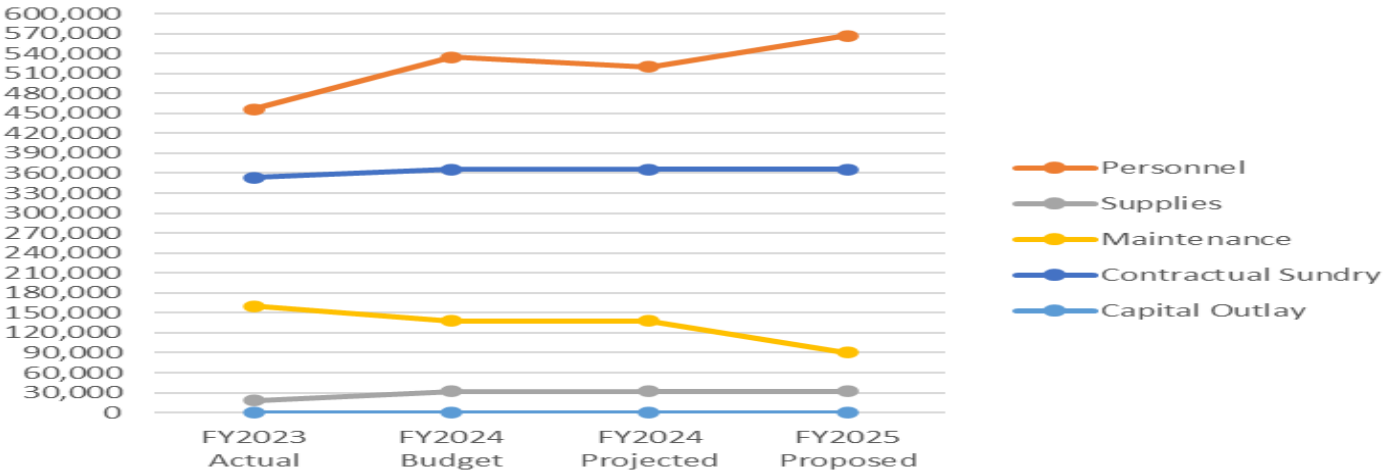
Public Works – Facilities Maintenance Division budget decreased by $28,500 in part due to personnel costs, staffing, and water tower elevator upgrade budgeted in Fiscal Year 2023-2024 adjustments.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	456,225	534,700	522,700	534,900
Supplies	18,202	32,000	32,000	32,000
Maintenance	159,742	137,500	146,300	106,000
Contractual Sundry	353,062	365,700	367,700	368,500
Capital Outlay	0	0	0	0
Total Public Works – Facilities Division	**$987,232**	**$1,069,900**	**$1,068,700**	**$1,041,400**









Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Number of city facilities maintained	11	11	11	11
Number of repair requests completed	95	415	415	415
Square footage of city facilities maintained	122,000	122,000	122,000	122,000

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
% of general maintenance work orders completed within 48 hours.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	95%	70%	100%	70%	100%
% of repairs completed in-house.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	90%	100%	89%	100%
Change 100% of A/C filters at all facilities every quarter.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	100%	100%	100%	100%
Test and exercise emergency generators 52 times year.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	50%	100%	95%	100%

Public Works – Facilities Maintenance Division at a Glance

	**Location:** Water Tower 7800 Virgil Anthony Blvd.		**FY2025 Budget:** $1,041,400		**Full-time Employees:** 8.00



PUBLIC WORKS - FACILITIES MAINTENANCE

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$200	Benefits, retention, staff, COLA/merit & TMRS adjustments
Bldg. Maintenance	Maintenance	($47,500)		Elevator upgrade (NR FY23-24 one time) adjustment
Software Maintenance	Maintenance		$6,000	Facilities software addition (NR FY24-25)
Communications	Contractual/Sundry		($1,000)	Usage analysis adjustment
Special Services	Contractual/Sundry		$800	Termite service adjustment
Janitorial Service	Contractual/Sundry		$3,000	Outsourced services adjustment
REALLOCATIONS:				
Bldg. Maintenance	Maintenance		$10,000	Reallocated from Parks Maintenance
TOTALS:		**($47,500)**	**$19,000**	

($28,500) **NET INCREASE/DECREASE**

STRATEGIC INITIATIVE FUND 13

The Strategic Initiative Fund was created in FY2014-15 to set aside funding for high-impact projects identified by City Council. Funding is provided by fund balance transfers of reserves in excess of the established policy. Examples of projects to be funded are:

1) revitalization opportunities;
2) capital improvements cash funding, plans (Land Use, Comprehensive, CIP,);
3) community enhancement projects;
4) funding of other one-time projects.

This fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when the liability is incurred.

Funds are transferred to General Fund – Development Services in Fiscal Year 2023-2025.

STRATEGIC INITIATIVE FUND BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget
Fund Balance, October 1	**$65,317**	**$65,735**	**$35,735**	**$69,029**	**$41,529**
Operating Transfers-In:					
Transfers from General Fund	0	0	0	0	0
Interest	418	3,294	0	2,500	0
Total Available Resources	**$ 65,735**	**$ 69,029**	**$ 35,735**	**$ 71,529**	**$ 41,529**
Expenditures:					
Home Revitalization Program	0	0	0	0	0
Strategic Initiatives	0	0	0	0	0
Operating Expenditures	0	0	0	0	0
Transfer to General Fund			30,000	30,000	0
TOTAL OPERATING & TRANSFERS	$0	$0	$30,000	$30,000	$0
Fund Balance, September 30	$65,735	$69,029	$5,735	$41,529	$41,529
CHANGE IN FUND BALANCE	$418	$3,294	($30,000)	($27,500)	$0

SPECIAL REVENUE FUNDS

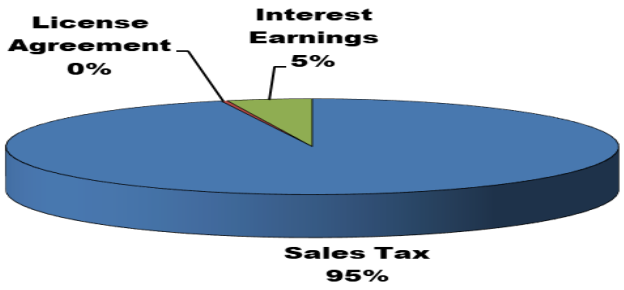


ECONOMIC DEVELOPMENT CORPORATION
(FORMERLY PARKS DEVELOPMENT CORPORATION)

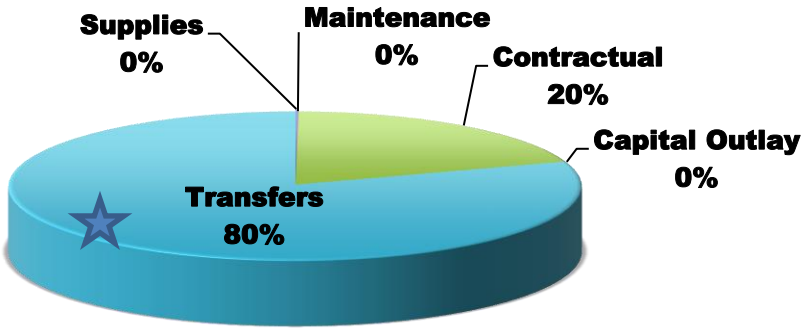
Voters established the Watauga Parks Development Corporation Sales Tax Fund to account for a ½ cent sales tax increase in May 1994 under the 4b Economic Development Legislation. The purpose of the increase in sales tax is to build city parks and improve existing parks under the supervision of the Watauga Parks Development Corporation. In May 2012, voters approved a reduction of the sales and use tax for the Watauga Parks Development Corporation to ¼ of one percent and reallocate ¼ of one percent for maintenance and repairs of municipal streets. This reduction took place on October 1, 2012. In FY2018-2019 the corporation's name was changed to Economic Development Corporation and the focus was redirected to economic development within the City. Sales tax revenues for FY2024-2025 are projected to be $996,000.

This Special Revenue Fund is used to account for specific revenues that are legally restricted to expenditures for particular purposes. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when liability is incurred.

Where Does the Money Come From?



Where Does the Money Go?



Note: Transfers to general fund cover personnel expenses and debt

ECONOMIC DEVELOPMENT CORPORATION
BUDGET SUMMARY - FUND 04

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2021 2022 Actual	2022 2023 Actual	2023 2024 Original Budget	2023 2024 Projected	2024 2025 Budget	FY2024 2025 vs 2023 2024
Fund Balance, October 1*	**$1,631,094**	**$1,733,255**	**$2,260,280**	**$2,295,551**	**$2,833,101**	
Revenues:						
Sales Taxes	929,538	952,990	996,000	996,000	996,000	0.0%
Proceeds From Sale of Assets	0	0	0	0	0	0.0%
Interest Earnings	13,921	73,826	55,000	75,000	50,000	-9.1%
License Agreement - Services	250	2,813	3,500	3,500	3,500	0.0%
Operating Revenues	**$943,709**	**$1,029,628**	**$1,054,500**	**$1,074,500**	**$1,049,500**	**-0.5%**
Total Available Resources	**$2,574,803**	**$2,762,883**	**$3,314,780**	**$3,370,051**	**$3,882,601**	
Expenditures:						
Business Retention	3,518	3,783	6,650	43,400	56,650	751.9%
Business Attraction	25,650	20,614	24,300	23,900	34,300	41.2%
General Administration	44,502	23,236	56,300	41,650	48,650	-13.6%
Operating Expenditures	**$73,670**	**$47,632**	**$87,250**	**$108,950**	**$139,600**	**60.0%**
Operating Transfers-Out						
To General Fund	245,800	266,500	279,000	279,000	311,640	11.7%
To Internal Service Fund	0	0	0	0	0	0.0%
To Capital Projects Fund	375,000	0	0	0	100,000	0.0%
To Debt Service	147,078	153,200	149,000	149,000	150,000	0.7%
Total Operating Transfers-Out	**$767,878**	**$419,700**	**$428,000**	**$428,000**	**$561,640**	**31.2%**
TOTAL OPERATING & TRANSFERS	**$841,548**	**$467,332**	**$515,250**	**$536,950**	**$701,240**	**36.1%**
Fund Balance, September 30	**$1,733,255**	**$2,295,551**	**$2,799,530**	**$2,833,101**	**$3,181,361**	
CHANGE IN FUND BALANCE	**$102,161**	**$562,296**	**$539,250**	**$537,550**	**$348,260**	

***Includes debt service fund balance**

Economic Development

Mission Statement

To make Watauga the best place to do business today and in the future by generating equitable economic growth opportunities, building strategic partnership, and maximizing resources.

Department Overview

To advance the economic strength of Watauga through business and community support programs, public education, and strategic partnerships. Economic Development provides emphasis on improving the business climate through new development, redevelopments, workforce development, business retention and expansion, and small business development.

To enhance the quality of life for residents and the sustainability of City businesses through the retention and revitalization of exiting business and neighborhoods, and promotion, recruitment, and coordination of new commercial and residential development in the City.

Highlights/Achievements for FY2024

- Researched and proposed the Watauga Revitalization Action Plan (WRAP) Incentive Policy designed to support local businesses by assisting with revitalization improvements.
- Economic development activity was strong for the 2024 fiscal year and included multiple business openings.
- Continued advertising efforts to include the Business Spotlight program and Shop Watauga social media platform to promote Watauga businesses.
- Continued to maintain economic development related databases to meet the needs of the development community.

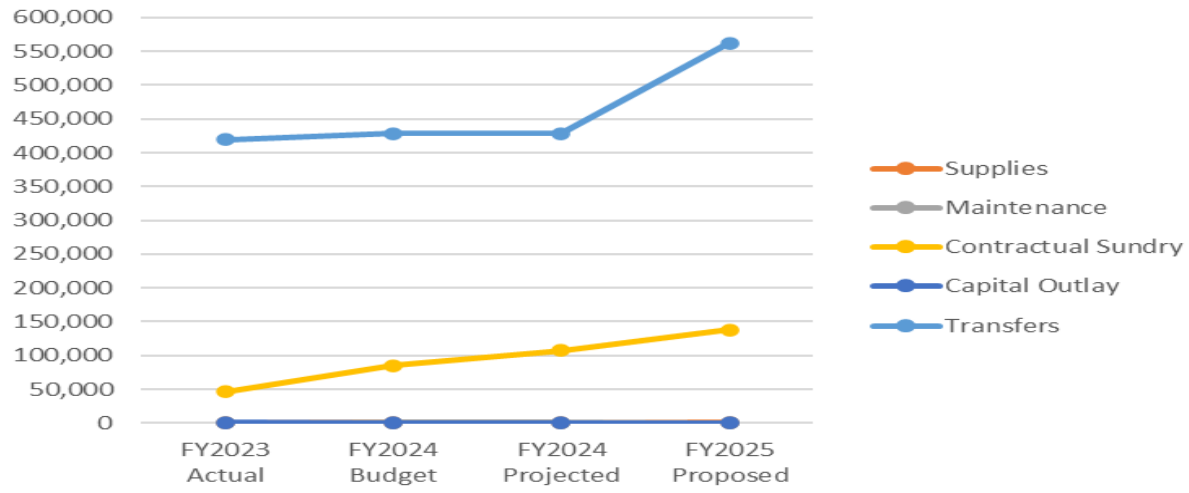
Goals/Objectives for FY2025

- Launch the WRAP program to support local business revitalization.
- Support the design and construction for the Food Business Park to support economic development efforts.
- Continue to promote Watauga businesses and stimulate participation in shop local programs.
- Prepare projects for development which allow for continued economic growth in the City.

Summary of Expenditures by Category

The Economic Development budget increased by $185,990 primarily due to the Beautification program addition, attorney fees and allocation transfer adjustments. Transfer to EDC Capital Projects in the amount of $100,000 includes $90,000 for splashpad redesign and $10,000 contingency. There were additional minor adjustments to the budget that also contributed to the overall change in the budget from 2023-2024.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Supplies	308	1,000	650	1,000
Maintenance	0	1,000	1,000	300
Contractual/Sundry	46,124	85,250	107,300	138,300
Capital Outlay	1,200	0	0	0
Transfers	419,700	428,000	428,000	561,640
Total Economic Dev.	**467,332**	**515,250**	**536,950**	**701,240**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Project files opened		10		
Jobs created		35		
Responses submitted	30	50	50	50
Board meetings held	4	12	8	8
Business retention visits	157	60	165	150
Economic Development agreements	1	3	1	3
Redevelopment projects	31	2	25	20
New development projects	2	2	4	2

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
Clients served	# 3. Develop a sustainable economic development effort.	Quantitative	15	20	15	20	25
Potential new business calls/contacts	# 3. Develop a sustainable economic development effort.	Efficiency	100	29	50	20	30
New business openings	# 3. Develop a sustainable economic development effort.	Quantitative	5		2	12	
Small business development assistance	# 3. Develop a sustainable economic development effort.	Effectiveness	5	0	2	2	5

N/A- new measure



ECONOMIC DEVELOPMENT CORPORATION

BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
Business Retention:				
Incentive Fund	Contractual/Sundry		50,000	Beautification Program addition
Business Attraction:				
Incentive Fund	Contractual/Sundry	10,000		380 Agreement adjustment
General Administration:				
Software Maintenance	Maintenance		(700)	Adobe Suites License adjustment
Dues & Subscriptions	Contractual/Sundry		50	TEDC dues increase
Attorney Fees	Contractual/Sundry		(5,000)	Usage analysis adjustment
Contractual Services	Contractual/Sundry		(2,000)	Civic Plus annual fee removal
Transfers;				
Transfer to General Fund	Transfers	32,640		Allocation adjustment
Transfer to Capital Projects Fund	Transfers	90,000		Splashpad redesign (50%)
Transfer to Capital Projects Fund	Transfers	10,000		Contingency
Transer to General Oblig. Debt	Transfers	1,000		Allocation adjustment
TOTALS:		**$143,640**	**$42,350**	

$185,990 **NET INCREASE/DECREASE**

SCHEDULE A - Estimated Cost for Economic Development Corporation
2024-2025

Salary/ Benefits Personnel

Department	Tasks performed for the EDC	Estimated hours	Estimated Cost
City Secretary - TOTAL	**Records Retention/PIA/Minutes/Resolutions/Agenda Posting**	**416**	**$18,252**
Asst. to the City Secretary 10%	Records Retention/PIA	208	$6,529
City Secretary 10%	Agenda Prep/Minutes/Resolutions/Posting	208	$11,723
Finance - TOTAL	**Financial Reporting, Budget, Annual Report, Audit, Purchasing, Accounts Payable**	**62**	**$3,978**
Finance Director & Asst. FD- Total 45 hours	Monthly Report	5	$3,242
	EDC Attendance	5	
	Annual Budget/Annual Report/Audit	30	
Financial Analyst	Monthly Report	12	$428
Purchasing personnel	Purchasing/Accounts Payable	10	$309
Information Technology - TOTAL	Marketing /Website/Projects/Updates	1768	**$69,223**
Media Specialist	85% of Media Specialist Position	1768	
Public Works/Parks - TOTAL	Project Coordination/Oversight	125	**$8,464**
City Manager's Office	EDC Director, Business Retention, Economic Development Duties		**$192,812**
EDC Coordinator	100% Economic Development Coordinator position salary & benefits	2080	$75,837
EDC Director (City Manager)	50% City Manager salary & benefits	1040	$116,976
Sub-total			**$292,730**

Other Items

Annual Audit Allocation	4% of Total		$2,500
Codification Fees	15% of Total		$1,200
Mowing of EDC project sites	9 times per year		$15,210
Sub-total			**$18,910**
GRAND TOTAL			***$311,640***

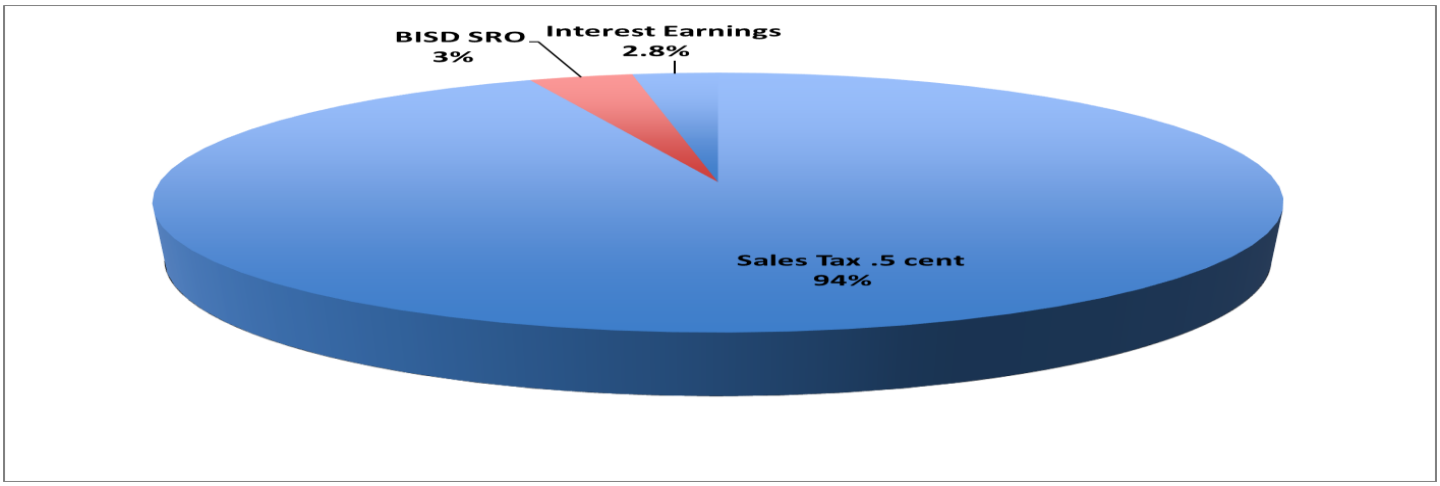
CRIME CONTROL DISTRICT – FUND 18

The Crime Control and Prevention District was established to account for a one-half cent sales tax increase approved by voters on March 23, 1996, for an initial five years and extended by voters each ten years. On the most recent election, May 1, 2021, voters extended the sales tax collection for ten more years. The purpose of the increase in sales tax is to enhance law enforcement in Watauga. The additional funding is used to add officers and purchase additional equipment and supplies for law enforcement purposes.

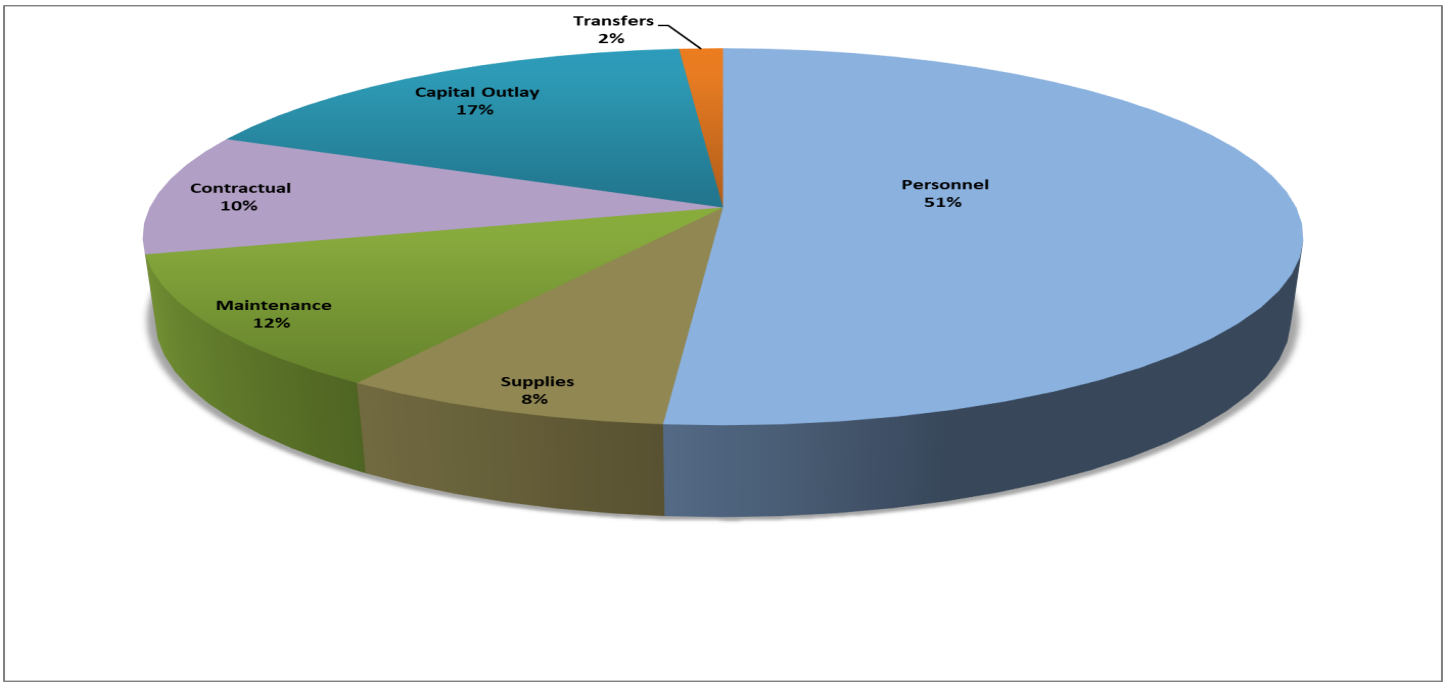
This is a Special Revenue Fund and is used to account for specific revenues that are legally restricted to expenditures for particular purposes. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Sales tax revenue continues to trend flat and is forecasted to be the same as in FY2023-2024 at $1,977,000.

Where Does the Money Come From?



Where Does the Money Go?



CRIME CONTROL DISTRICT
BUDGET SUMMARY - FUND 18

	HISTORY		PROJECTED YEAR		BUDGET	% CHANGE
	2021 2022 Actual	2022 2023 Actual	2023 2024 Original Budget	2023 2024 Projected	2024 2025 Budget	FY2024 2025 VS 2023 2024
Fund Balance, October 1	**$1,010,402**	**$1,329,162**	**$1,367,852**	**$1,464,248**	**$1,508,694**	
Revenues:						
Sales Taxes	1,846,233	1,897,062	1,977,000	1,977,000	1,977,000	0.0%
BISD SRO	63,848	66,319	66,000	70,346	73,000	10.6%
Transfer In From ERF	0	0	0	0	0	0.0%
Interest Earnings/Other	9,781	56,498	60,000	70,000	60,000	0.0%
Proceeds From Sales of Assets	34,701	17,201	0	0	0	0.0%
Operating Revenues	**$ 1,954,563**	**$ 2,037,080**	**$ 2,103,000**	**$ 2,117,346**	**$ 2,110,000**	**0.33%**
Total Available Resources	**$ 2,964,965**	**$ 3,366,241**	**$ 3,470,852**	**$ 3,581,594**	**$ 3,618,694**	**4.3%**
Expenditures:						
Operating Expenditures	1,605,803	1,718,849	2,006,800	1,822,800	2,189,750	9.1%
Capital Outlay	0	145,318	212,100	212,100	460,750	117.2%
Total Expenditures	1,605,803	1,864,167	2,218,900	2,034,900	2,650,500	**19.5%**
Operating Transfers-Out						
To General Fund	30,000	37,827	38,000	38,000	38,000	0.0%
To Capital Projects	0	0	0	0	0	0.0%
To Internal Service Fund	0	0	0	0	0	0.0%
Total Operating Transfers-Out	30,000	37,827	38,000	38,000	38,000	**0.0%**
TOTAL OPERATING & TRANSFERS	$ 1,635,803	$ 1,901,994	$ 2,256,900	$ 2,072,900	$ 2,688,500	**19.1%**
Fund Balance, September 30	$1,329,162	$1,464,248	$1,213,952	$1,508,694	$930,194	
CHANGE IN FUND BALANCE	$318,760	$135,086	($153,900)	$44,446	($578,500)	
Fund Balance Policy Min @ 20%					$445,550	

Police – Crime Control District

Mission Statement

The mission of the Watauga Police Department is to provide the highest quality police service while safeguarding individual liberties and building positive community relationships.

Department Overview

The Watauga Police Department provides services 24 hours a day 365 days a year to all the citizens of Watauga and those traveling in and out of the city.

The Watauga Police Department provides leadership and support to all members of the public, as well as Police personnel through fiscal responsibility and modeling of the City's values. The department is committed to strengthening and maintaining an atmosphere of community partnership, providing transparency, supporting continued training and leadership development of personnel, and providing opportunities for career growth and employee retention.

While the primary focus of the department is to ensure a safe environment for residents and businesses, several programs and services exist to address community needs and foster partnerships with the community.

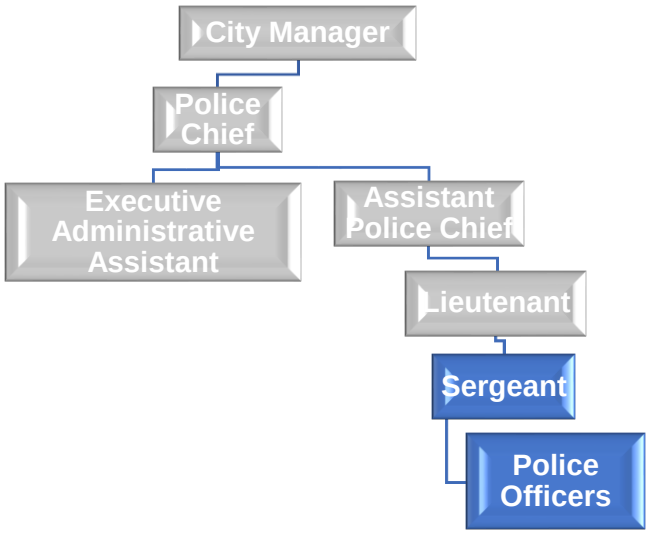
Highlights/Achievements for FY2024

- Maintained a low response time to calls with minimum staffing.
- Fully staffed Code Enforcement.
- Promoted a Senior Code Officer.
- Created a more positive presence on social media.
- Increased the total number of Flock Safety Cameras by five.
- Transitioned to a new rifle.
- Launched the Drone Program.
- Obtained Texas Police Chiefs Association Re-recognition status.

Goals/Objectives for FY2025

- Fully staff Animal Services Division.
- Create a Code Enforcement position for commercial issues concentration.
- Recruit and fully staff sworn positions.
- Backfill CID, Community Services Officer, and Traffic/Motors Divisions.
- Develop and participate in community policing and engagement events (such as Coffee with a Cop, National Night Out, neighborhood patrols, and block meetings).

Organizational Chart



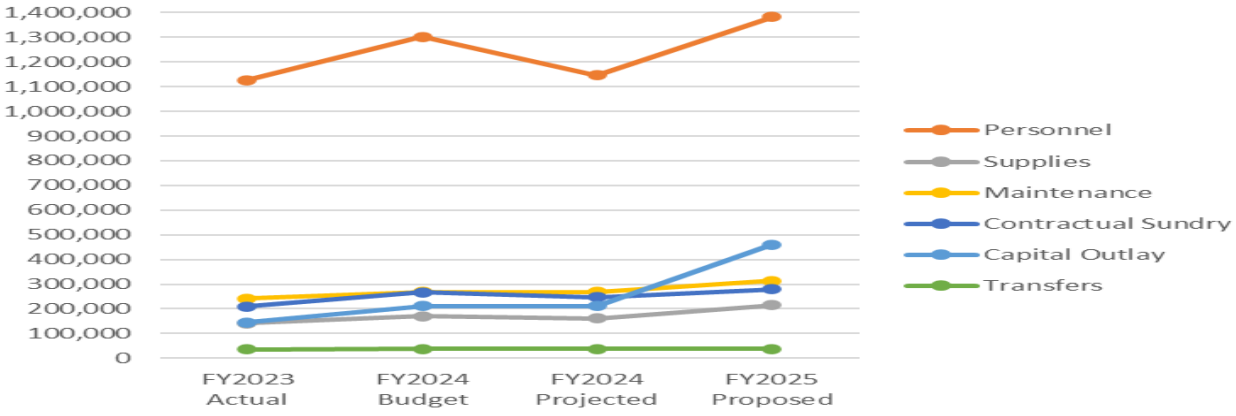
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Sergeant	1.00	1.00	1.00
Police Officer	11.00	11.00	11.00
Total Police – CCD FTE	**12.00**	**12.00**	**12.00**

Summary of Expenditures by Category

The Police Department – Crime Control District budget increased by $431,600 primarily due to one-time and capital outlay purchases and personnel increases. Contingency was adjusted by $5,000, crime victim liaison budget increased by $4,000 based on the estimate from North Richland Hills, and the capital outlay adjustment came to an increase of $187,900 in total.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	1,126,436	1,301,400	1,145,300	1,382,100
Supplies	142,327	170,500	161,300	214,500
Maintenance	241,049	268,700	268,200	313,700
Contractual Sundry	209,038	266,200	248,000	279,450
Capital Outlay	145,318	212,100	212,100	460,750
Transfers	37,827	38,000	38,000	38,000
Total Police – CCD	**$1,901,994**	**$2,256,900**	**$2,072,900**	**$2,688,500**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Total calls for service	8,876	11,000	9,200	9,500
Total reports	1,896	2,500	1,800	2,000
Total traffic stops	5,777	1,800	7,500	7,500
Total citations	4,209	4,500	3,300	3,500
Total felony arrests	327	400	300	400
Total misdemeanor arrests	722	900	650	800
Total crime victims assisted	227	300	200	250
Total SRO student contacts	6,034	6,000	7,284	6,000
Total SRO presentations	6	10	8	10
Number of area school events/contacts	4	150	2	12
Number of public safety cadet meetings	8	40	12	12
Number of public safety cadet unit training hours	87	2,000	180	2,000
Number of VIPS hours logged	228	1,000	24	1,000

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Projected	Goal
# of offenses known to law enforcement.	# 2. Expand public safety through non-enforcement efforts.	Quantitative	500	500	400	400	375
City population per census data.	# 2. Expand public safety through non-enforcement efforts.	Quantitative		23,050	22,500	22,500	22,500
Crime rate per capital.	# 2. Expand public safety through non-enforcement efforts	Quantitative		2.17%	1.80%	1.80%	1.70%
% change in crime rate per capital.	# 2. Expand public safety through non-enforcement efforts.	Quantitative		+0.18%	-0.37%	-0.37%	-0.10%

Police - CCD at a Glance

	Location: Police Station 7101 Whitley Road		**FY2025 Budget:** $2,688,500		**Full-time Employees:** 12.00

CRIME CONTROL DISTRICT

BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		80,700	step, benefits, retention, COLA & TMRS adjustments
Computer Supplies	Supplies		(1,000)	Historical usage adjustment
Weapons/Ammunition	Supplies	20,000		ALERRT Program (one time portion NR FY24-25)
Weapons/Ammunition	Supplies		5,000	ALERRT Program (on-going portion NR FY24-25)
Misc. Equip/Furniture	Supplies	20,000		Furniture Replacement (one time NR FY24-25)
Radio Maintenance	Maintenance		(1,000)	Radio communications (wave) adjustment
Software Maintenance	Maintenance		1,000	CAD/RMS Spillman server/maintenance estimate adjustment
Software Maintenance	Maintenance		45,000	Flock Safety expansion (on-going NR FY24-25)
Special Services	Contractual/Sundry		1,000	Evidence destruction estimate adjustment
Special Services	Contractual/Sundry	3,250		Drone Program Year 2 adjustment
Contingency	Contractual/Sundry		5,000	Adjustment for items as needed
Motor Vehicles	Capital Outlay	(45,000)		Tahoe replacement (one time NR FY23-24)
Motor Vehicles	Capital Outlay	400,000		COP - patrol vehicles replacement FY24-25
Other Equipment	Capital Outlay	60,750		Flock Safety expansion (one time NR FY24-25)
Other Equipment	Capital Outlay	(9,000)		Armory Storage (one time NR FY23-24)
Other Equipment	Capital Outlay	(19,500)		Drone Program (one time portion NR FY23-24)
Other Equipment	Capital Outlay	(15,000)		Flock Safety (one time portion NR FY23-24)
Other Equipment	Capital Outlay	(22,600)		Portable radar signs (one time NR FY23-24)
Other Equipment	Capital Outlay	(85,000)		Rifle replacements (one time NR FY23-24)
Other Equipment	Capital Outlay	(16,000)		Traffic safety data collectors (one time NR FY23-24)
REALLOCATIONS:				
Contractual Payments	Contractual/Sundry		14,000	Crime Victim Liaison reallocated from Sundry with increased estimate
Sundry	Contractual/Sundry		(10,000)	Crime Victim Liaison reallocated to Contractual Payments
TOTALS:		**291,900**	**139,700**	

431,600 **NET INCREASE/DECREASE**

CARES AND AMERICAN RESCUE PLAN (CLFRF) GRANT
FUND 10

The CARES Grant Interlocal Agreement with Tarrant County was approved in FY2019-2020 for Coronavirus Relief. The eligible expenses include COVID response payroll and benefit costs, public health, and safety, telework enhancement, and other expenses related to COVID-19 response. The City received $1,307,350 in FY2019-2020 and closed out the fund 12/31/2020 as required.

In July 2022, the City Council adopted a Spending Plan Framework for the American Rescue Plan Funding. The City's allocation is $6,066,048 and received the first half allocation in August 2021 and the second half is expected in August 2022.

This is a special revenue fund, and revenues must be spent based on grant restrictions.

BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget
Fund Balance, October 1	**$0**	**$0**	**$0**	**$0**	**$0**
Revenues:					
Grant Proceeds	383,725	1,815,790	4,000,000	1,391,000	2,352,049
Interest Earnings	0	0	0	0	0
Operating Revenues	**$ 383,725**	**$ 1,815,790**	**$ 4,000,000**	**$ 1,391,000**	**$ 2,352,049**
Total Available Resources	**$ 383,725**	**$ 1,815,790**	**$ 4,000,000**	**$ 1,391,000**	**$ 2,352,049**
Expenditures:					
CARES COVID-19 Personnel, Supplies, Contractual & Capital ARPA 6.1					
Infrastructure		0	3,300,000	106,000	2,311,049
Personnel Programs	383,725	1,642,179	277,000	185,000	30,000
Equipment		125,778	350,000	300,000	0
Supplies		2,450	0	0	0
Contractual		45,382	73,000	800,000	11,000
TOTAL OPERATING & TRANSFERS	$ 383,725	$ 1,815,789	$ 4,000,000	$ 1,391,000	$ 2,352,049
Fund Balance, September 30	$0	$1	$0	$0	$0
CHANGE IN FUND BALANCE	$0	$1	$0	$0	$0

ARPA Grant
$6,066,048 plus additional $5,994 allocation to be spent by December 31, 2026 or returned to the Treasury

SAFER GRANT REIMBURSEMENT – FUND 12

The Safer Grant Reimbursement Fund was established in FY2019-2020 to account for proceeds from the Safer Grant awarded to the City for a percentage of the fire personnel. The percentage of personnel reimbursement of six firefighters is at 75% of the first two years and 35% for the third year. This percentage will decline each fiscal year until all grant proceeds have been expended. FY2022-23 was the final year for the grant proceeds and the six firefighters have been reallocated to General Fund for FY2023-24.

SAFER GRANT REIMBURSEMENT BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget
Fund Balance, October 1	**$7,920**	**$7,921**	**$7,920**	**$7,920**	**$7,920**
Revenues:					
Grant Proceeds	220,854	27,150	0	0	0
Interest Earnings	0	0	0	0	0
Grant Revenues	$220,854	$27,150	**$ -**	**$ -**	**$ -**
Total Available Resources	$228,774	$35,070	**$ 7,920**	**$ 7,920**	**$ 7,920**
Expenditures:					
Personnel	220,854	27,150	0	0	0
Grant Expenditures	**220,854**	**27,150**	**0**	**0**	**0**
TOTAL EXPENDITURES	$220,854	$27,150	$ -	$ -	$ -
Fund Balance, September 30	$7,921	$7,921	$7,920	$7,920	$7,920
CHANGE IN FUND BALANCE	$0	$0	$0	$0	$0

STREET MAINTENANCE – FUND 14

The Street Maintenance Fund was established in FY2012-2013 to account for a ¼ cent sales tax approved by voters on May 12, 2012 for an initial four years effective October 1, 2012. The ¼ cent sales tax was reauthorized by voters on May 2016 for another four years. The purpose of the sales tax is to provide for the maintenance and repair of municipal streets in existence at the time of the vote. The Watauga Parks Development Corporation sales and use tax was reduced by ¼ of one percent effective October 1, 2012.

Street Maintenance sales tax was abolished by voters in November 2020.

STREET MAINTENANCE FUND 14 BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget
Fund Balance, October 1	**$1,501,910**	**$640,016**	**$63,016**	**$86,870**	**$0**
Revenues:					
Sales Taxes	0	0	0	0	0
Interest Earnings	6,335	25,667	0	0	0
Operating Revenues	**$ 6,335**	**$ 25,667**	**$ -**	**$ -**	**$ -**
Total Available Resources	**$ 1,508,245**	**$ 665,682**	**$ 63,016**	**$ 86,870**	**$ -**
Expenditures:					
Asphalt Overlay	798,730	474,508	0	0	0
Street Maintenance	63,294	99,440	63,016	86,870	0
Debris Disposal	6,205	4,865	0	0	0
Operating Expenditures	**868,229**	**578,813**	**63,016**	**86,870**	**0**
TOTAL OPERATING & TRANSFERS	$ 868,229	$ 578,813	$ 63,016	$ 86,870	$ -
Fund Balance, September 30	$640,016	$86,870	$0	$0	0
CHANGE IN FUND BALANCE	($861,895)	($553,146)	($63,016)	($86,870)	$0

LIBRARY DONATION FUND – FUND 23

The Library Donation Fund is a Special Revenue Fund used to account for specific revenues that are legally restricted to expenditures for particular purposes. The Library Donation Fund was established to give Watauga citizens the opportunity to assist the Library in purchasing supplies. Each month, citizens are given the opportunity to donate $1 when paying their water and sewer bill.

This money is used to purchase additional library supplies such as books, audio and videotapes, periodicals, and other types of supplies.

LIBRARY DONATION FUND BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget	FY2024-2025 VS 2023-2024
Fund Balance, October 1	**$56,357**	**$62,126**	**$66,126**	**$69,545**	**$68,545**	
Revenues:						
Library Donations	5,400	5,080	6,000	6,000	6,000	0.0%
Interest Earnings	369	3,098	100	3,000	100	0.0%
Operating Revenues	**$ 5,769**	**$ 8,178**	**$ 6,100**	**$ 9,000**	**$ 6,100**	**0.0%**
Total Available Resources	**$ 62,126**	**$ 70,304**	**$ 72,226**	**$ 78,545**	**$ 74,645**	3.3%
Expenditures:						
Personnel	0	0	0	0	0	0.0%
Library Materials	0	759	10,000	10,000	10,000	0.0%
Maintenance	0	0	0	0	0	0.0%
Capital Outlay	0	0	0	0	0	0.0%
Operating Expenditures	**0**	**759**	**10,000**	**10,000**	**10,000**	**0.0%**
TOTAL OPERATING & TRANSFERS	**$ -**	**$ 759**	**$ 10,000**	**$ 10,000**	**$ 10,000**	**0.0%**
Fund Balance, September 30	$62,126	$69,545	$62,226	$68,545	$64,645	
CHANGE IN FUND BALANCE	$5,769	$7,419	($3,900)	($1,000)	($3,900)	

PUBLIC, EDUCATION, GOVERNMENT (PEG) - FUND 24

In accordance with SB 1087, a municipality must set up a separate PEG fund to collect and account for the public, educational and government (PEG) fee collected through cable providers. The PEG fee is an additional 1% of gross revenue and can only be spent on capital items for the local access channel as described by federal law. A separate fund was established in FY2017-2018 to comply with SB 1087.

This fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when the liability is incurred.

PEG FUND BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget	FY2024-2025 VS 2023-2024
Fund Balance, October 1	**$82,280**	**$86,220**	**$106,220**	**$110,434**	**$134,434**	
Revenues:						
PEG Fee	28,977	24,813	28,000	28,000	24,000	-14.3%
Interest Earnings	560	4,334	3,000	6,000	3,500	16.7%
Transfer from General Fund	0	0	0	0	0	0.0%
Operating Revenues	**$ 29,537**	**$ 29,147**	**$ 31,000**	**$ 34,000**	**$ 27,500**	**-11.3%**
Total Available Resources	**$ 111,817**	**$ 115,368**	**$ 137,220**	**$ 144,434**	**$ 161,934**	**18.0%**
Expenditures:						
Capital Outlay	25,597	4,934	10,000	10,000	10,000	0.0%
Operating Expenditures	**25,597**	**4,934**	**10,000**	**10,000**	**10,000**	**0.0%**
TOTAL OPERATING & TRANSFERS	$ 25,597	$ 4,934	$ 10,000	$ 10,000	$ 10,000	**0.0%**
Fund Balance, September 30	$86,220	$110,434	$127,220	$134,434	$151,934	
CHANGE IN FUND BALANCE	$3,940	$24,213	$21,000	$24,000	$17,500	

MUNICIPAL COURT SECURITY – FUND 25

The Municipal Court Security Fund was established in the 1997 Texas Legislative Session to allow a $3 assessment on all court fines paid. This fee was increased to $4.90 during the 2020 Legislative Session with SB346. The assessment allows municipalities to purchase security equipment such as surveillance cameras, bulletproof glass, and Marshal cost for Municipal Court areas. The Municipal Building Security Fees were assessed beginning in May 1999.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

MUNICIPAL COURT SECURITY FUND BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget	FY2024-2025 VS 2023-2024
Fund Balance, October 1	**$ 29,719**	**$ 47,892**	**$ 59,592**	**$ 56,807**	**$41,207**	
Revenues:						
Municipal Bldg Security Fees	17,934	13,167	15,000	16,000	15,000	0.0%
Interest Earnings	239	2,620	2,500	3,000	2,500	0.0%
Operating Revenues	**$ 18,173**	**$ 15,786**	**$ 17,500**	**$ 19,000**	**$ 17,500**	**0.0%**
Total Available Resources	**$ 47,892**	**$ 63,678**	**$ 77,092**	**$ 75,807**	**$ 58,707**	**-23.8%**
Expenditures:						
Personnel	0	4,293	27,800	34,600	40,300	45.0%
Supplies	0	2,578	0	0	0	0.0%
Contractual/Sundry	0	0	0	0	0	0.0%
Capital	0	0	0	0	0	0.0%
Operating Expenditures	**0**	**6,871**	**27,800**	**34,600**	**40,300**	**45.0%**
Operating Transfers-Out						
To Internal Service Fund	0	0	0	0	0	0.0%
Total Operating Transfers-Out	0	0	0	0	0	0.0%
TOTAL OPERATING & TRANSFERS	**$ -**	**$ 6,871**	**$ 27,800**	**$ 34,600**	**40,300**	**45.0%**
Fund Balance, September 30	$47,892	$56,807	$49,292	$41,207	$18,407	
CHANGE IN FUND BALANCE	$18,173	$8,915	($10,300)	($15,600)	($22,800)	

MUNICIPAL COURT TECHNOLOGY– FUND 26

The Municipal Court Technology Fee was established in the 1997 Texas Legislative Session to allow a $4 assessment on all court fines paid. The fees were assessed beginning October, 1999. The assessment allows municipalities to purchase and maintain technology equipment for Municipal Court areas. This equipment includes computer hardware and software. In 2003 this fee was updated to include the maintenance of such technology improvements.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

MUNICIPAL COURT TECHNOLOGY FUND BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget	FY2024-2025 vs 2023-2024
Fund Balance, October 1	**$ 133,842**	**$ 138,217**	**$135,117**	**$140,742**	**$135,842**	
Revenues:						
Municipal Court Technology Fee	14,984	10,888	15,000	15,000	15,000	0.0%
Interest Earnings	870	6,833	5,000	5,000	5,000	0.0%
Operating Revenues	**$ 15,854**	**$ 17,722**	**$ 20,000**	**$ 20,000**	**$ 20,000**	**0.0%**
Total Available Resources	**$ 149,696**	**$ 155,939**	**$ 155,117**	**$ 160,742**	**$ 155,842**	**0.5%**
Expenditures:						
Supplies	0	0	0	0	0.0	0.0%
Contractual/Sundry	6,495	4,710	9,050	9,050	9,050	0.0%
Capital	4,984	10,487	15,850	15,850	24,100	52.1%
Operating Expenditures	11,479	15,197	24,900	24,900	33,150	33.1%
Transfer to Internal Service (Equipmer	0	0	0	0	0	
TOTAL OPERATING & TRANSFERS	**$ 11,479**	**$ 15,197**	**$ 24,900**	**$ 24,900**	**$ 33,150**	**33.1%**
Fund Balance, September 30	$138,217	$140,742	$130,217	$135,842	$122,692	
CHANGE IN FUND BALANCE	$ 4,375	$2,525	($4,900)	($4,900)	($13,150)	

MUNICIPAL COURT TRUANCY PREVENTION – FUND 27

The Municipal Court Juvenile Case Manager Fee was established in the Texas Legislative session to allow a $5 assessment on fines for misdemeanor offenses. The assessment allows municipalities to fund the salaries for a juvenile case manager. During the 2020 Legislative Session the name was changed to Truancy Prevention with SB346.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

MUNICIPAL COURT TRUANCY FUND BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget	FY2024-2025 VS 2023-2024
Fund Balance, October 1	**$ 82,556**	**$ 71,002**	**$52,252**	**$53,671**	**$35,721**	
Revenues:						
Truancy Prevention Fee	18,734	13,597	17,000	17,000	17,000	0.0%
Interest Earnings	524	3,402	0	3,000	3,000	100.0%
Operating Revenues	**$ 19,259**	**$ 16,999**	**$ 17,000**	**$ 20,000**	**$ 20,000**	**17.6%**
Total Available Resources	**$ 101,815**	**$ 88,001**	**$ 69,252**	**$ 73,671**	**$ 55,721**	**-19.5%**
Expenditures:						
Personnel	21,157	24,283	26,650	27,250	30,400	14.1%
Contractual/Sundry	9,656	10,046	11,500	10,700	11,500	0.0%
Operating Expenditures	30,813	34,330	38,150	37,950	41,900	9.8%
TOTAL OPERATING & TRANSFERS	**$ 30,813**	**$ 34,330**	**$ 38,150**	**$ 37,950**	**$ 41,900**	**9.8%**
Fund Balance, September 30	$71,002	$53,671	$31,102	$35,721	$13,821	
CHANGE IN FUND BALANCE	($11,554)	($17,331)	($21,150)	($17,950)	($21,900)	

TRAFFIC SAFETY – FUND 28

This fund is to account for civil or administrative penalties to no more than $75 and late penalties to no more than $25. Legislation passed by the 80th Texas Legislature allowed a local government entity to use a photographic traffic signal enforcement system. One-half the net revenue from this fund is remitted to the Texas Comptroller for deposit into a Regional Trauma Account. The City's traffic signal enforcement system was established December, 2010. In June, 2019 during the 86th Legislature, the traffic signal enforcement system was eliminated with HB1631. Funding for traffic safety programs is now covered by the City's General Fund.

TRAFFIC SAFETY FUND BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget
Fund Balance, October 1	**$33,956**	**$34,093**	**$34,293**	**$34,329**	**$579**
Revenues:					
Traffic Safety Fee	0	0	0	0	0
Other Revenue	0	0	0	0	0
Interest Earnings	136	236	0	250	0
Operating Revenues	**$ 136**	**$ 236**	**$ -**	**$ 250**	**$ -**
Total Available Resources	**$ 34,093**	**$ 34,329**	**$ 34,293**	**$ 34,579**	**$ 579**
Expenditures:					
Personnel/Training Expenses	0	0	0	0	0
Supplies & Equipment	0	0	0	0	0
Other Equipment	0	0	34,000	34,000	0
Traffic Safety Fees	0	0	0	0	0
Total Operating Expenditures	**0**	**0**	**34,000**	**34,000**	**0**
Operating Transfers-Out					
To Gen Fund	0	0	0	0	0
To State Trauma Center	0	0	0	0	0
Total Operating Transfers-Out	0	0	0	0	0
TOTAL OPERATING & TRANSFERS	$ -	$ -	$ 34,000	$ 34,000	$ -
Fund Balance, September 30	$34,093	$34,329	$293	$579	$579
CHANGE IN FUND BALANCE	$136	$236	($34,000)	($33,750)	$0

JURY FEES FUND – FUND 29

The Jury Fee Fund was established in FY2019-2020 with the passage of SB346 by Texas during the 86th Legislature Session taking effect January 1, 2020. The Senate Bill enacted changes to the fines, fees, and court costs landscapes. These fees are assessed upon conviction of any fine-only misdemeanor, including a parking or pedestrian offense.

This fee is used to fund juror reimbursements and otherwise finance jury services.

JURY FEE FUND BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET	% CHANGE
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget	FY2024-2025 vs 2023-2024
Fund Balance, October 1	**$562**	**$913**	**$1,213**	**$1,175**	**$1,475**	
Revenues:						
Jury Fees	351	262	300	300	300	0.0%
Interest Earnings	0	0	0	0	0	0.0%
Total Revenues	**$351**	**$262**	**$300**	**$ 300**	**$ 300**	**0.0%**
Total Available Resources	**$913**	**$1,175**	**$1,513**	**$ 1,475**	**$ 1,775**	**17.3%**
Expenditures:						
Juror Reimbursements	0	0	0	0	0	0.0%
Jury Services	0	0	0	0	0	0.0%
Expenditures	**$0**	**$0**	**$0**	**$0**	$0	**0.0%**
TOTAL EXPENDITURES	**$0**	**$0**	**$0**	**$0**	**$0**	**0.0%**
Fund Balance, September 30	**$913**	**$1,175**	**$1,513**	**$1,475**	**$1,775**	
CHANGE IN FUND BALANCE	**$351**	**$262**	**$300**	**$300**	**$300**	

PROPRIETARY FUNDS



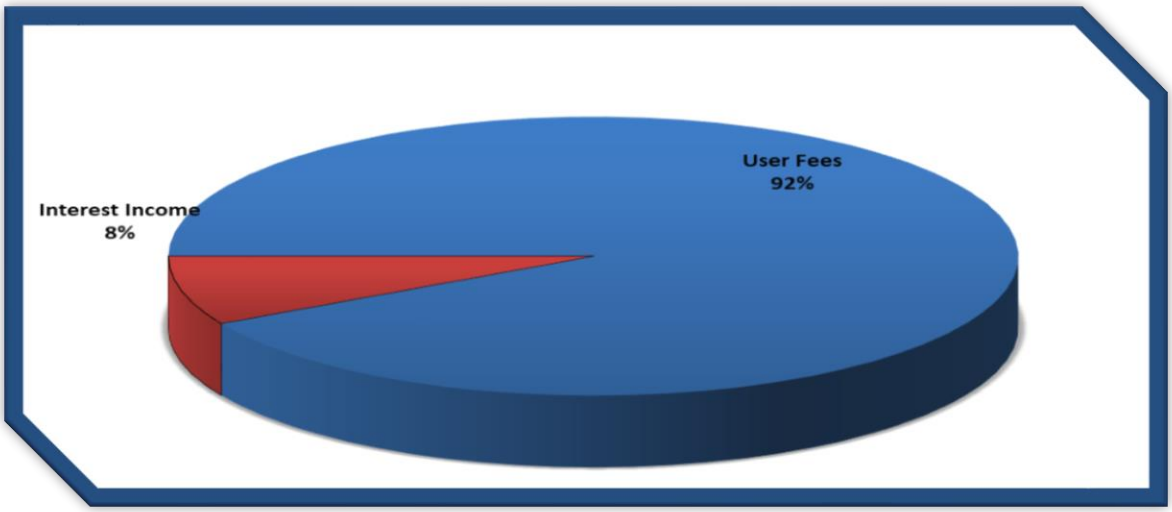
Storm Drain Utility Enterprise Fund

The Storm Drain Utility Enterprise is a proprietary fund. Its purpose is to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that cost of providing services to the general public on a continuing basis be financed or recovered primarily through use charges.

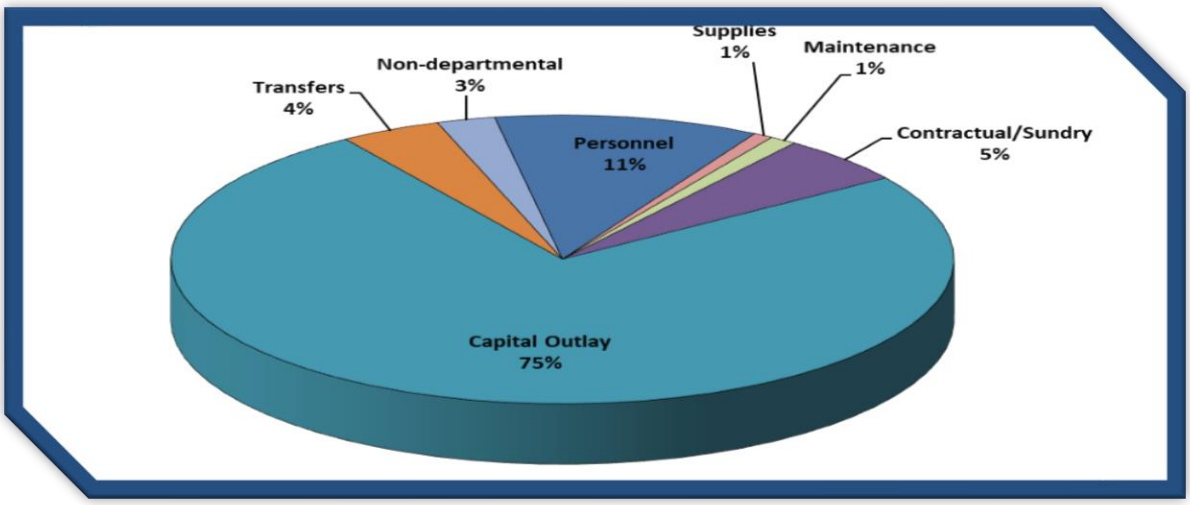
This fund is used to account for user fees charged per residential and commercial unit to enhance drainage of properties within the City. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations and maintenance.

Accounting records for the Storm Drain Utility Fund are maintained on the accrual basis.

Where Does the Money Come From?



Where Does the Money Go?

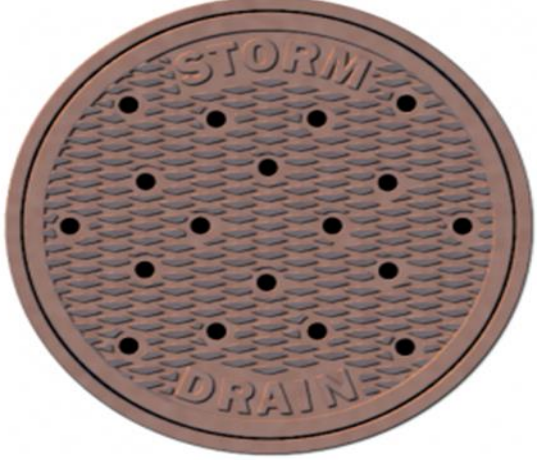


STORM DRAIN UTILITY BUDGET SUMMARY
FUND 15

	HISTORY		PROJECTED YEAR		BUDGET
	2021 2022 Actual	2022 2023 Actual	2023 2024 Budget	2023 2024 Projected	2024 2025 Budget
Working Capital, October 1*	**$3,321,060**	**$4,035,700**	**$4,319,700**	**$4,685,464**	**$4,737,000**
Revenues:					
Operating Revenues	1,479,826	1,484,499	1,485,000	1,485,000	1,485,000
Interest Income	29,222	181,991	160,000	200,000	130,000
Other Revenue/Grant	27,400	0	0	0	0
Total Revenues	**$ 1,536,448**	**$ 1,666,490**	**$ 1,645,000**	**$ 1,685,000**	**$ 1,615,000**
Total Available Resources	**$ 4,857,508**	**$ 5,702,190**	**$ 5,964,700**	**$ 6,370,464**	**$ 6,352,000**
Expenditures:					
Personnel	285,428	429,853	506,800	409,700	509,600
Supplies	18,188	21,916	37,400	37,400	37,400
Maintenance	10,284	27,293	37,000	37,000	52,000
Contractual/Sundry	139,331	267,674	356,200	400,255	361,640
Depreciation (non-exp)	444,350	452,861	0	0	0
Total Operating Expenditures	548,858	1,199,597	937,400	884,355	960,640
Operating Transfers-Out					
To General Fund	73,500	73,500	74,000	74,000	74,000
To Internal Service Fund	0	0	120,000	120,000	120,000
Total Operating Transfers-Out	73,500	73,500	194,000	194,000	194,000
Operating Surplus/(Deficit)	$914,090	$393,393	$ 513,600	$ 606,645	$ 460,360
CAPITAL PROJECTS	158,399	457,260	1,331,300	555,109	3,495,200
TOTAL OPERATING & TRNSFRS&CAP	$ 780,757	$ 1,730,357	$ 2,462,700	$ 1,633,464	$ 4,649,840
Working Capital, September 30	$4,076,750	$3,971,833	$3,502,000	$4,737,000	$1,702,160
CHANGE IN NET ASSETS	$755,690	($63,867)	($817,700)	$51,536	($3,034,840)

*** Working Capital adjusted to CAFR first of year**

Public Works – Storm Drain Division



Mission Statement

The mission of the Storm Drain division is to protect public health and safety by performing ongoing maintenance and repair of the storm water system, mosquito testing in partnership with Tarrant County Health and mosquito control utilizing multiple proven strategies.

Department Overview

- Perform maintenance on concrete and earthen channels, as well as the maintenance of ditches in the City owned right of ways to keep City in compliance with MS4 Stormwater Management.
- Clean and maintain curb and gutters, storm drain inlets, junction boxes and underground storm system boxes.
- Operate Street Sweeper to sweep each street a minimum of 2 times annually.
- Place and retrieve mosquito traps for West Nile and Zika virus testing in coordination with Tarrant County Health Department.

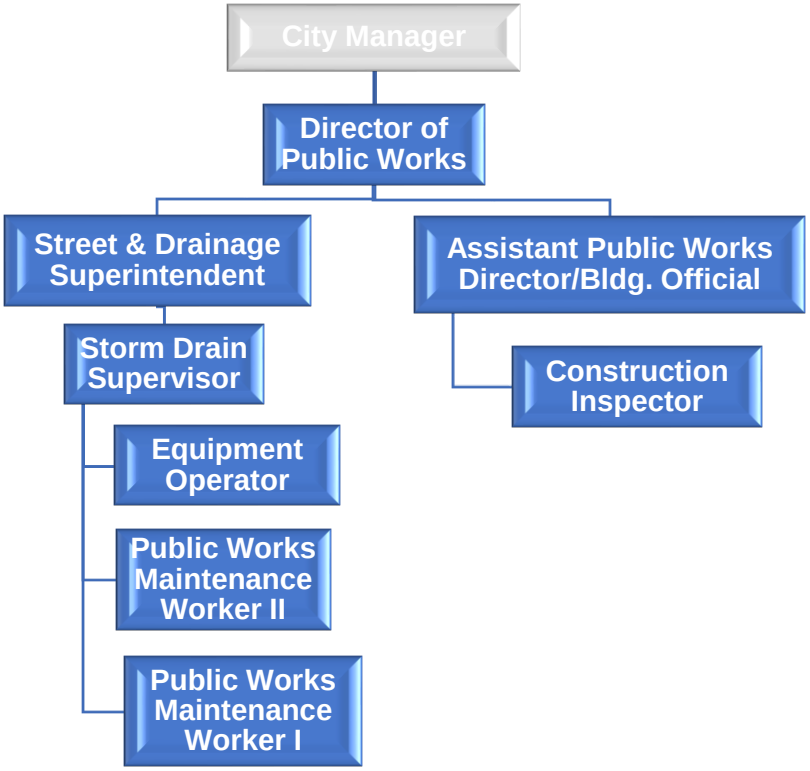
Highlights/Achievements for FY2024

- Swept all city streets 2 times annually in compliance with Stormwater Management Program
- Manage contracted maintenance areas and maintain right of ways and channels with city staff.
- Cleared all city flumes of overgrowth and vegetation, improving storm runoff, continuing maintenance.
- Placed and retrieved mosquito traps for West Nile and Zika virus testing in coordination with Tarrant County Health department.
- Rebuilt phase of staff recruitment.
- Developed more face-to-face safety training protocols that include daily safety briefings.

Goals/Objectives for FY2025

- Staff Recruitment for vacant positions and retention.
- Manage contracted areas of mowing for right of ways and drainage channels.
- Maintain multiple channels and other right of way areas with City staff.
- Convert part time positions to fulltime positions.
- Add Maintenance Worker I position to division.
- Add Crew Leader position to division.
- Sweep all city streets on an alternating monthly schedule.
- Maintain channels, repair erosion areas and coordinate repairs for damaged walls.
- Place and retrieved mosquito traps for West Nile and Zika virus testing in coordination with Tarrant County Health department.
- Apply for grant opportunities for sidewalk such as Safe Routes to School.
- Assist Street Division with operational needs including emergency storm response.

Organizational Chart



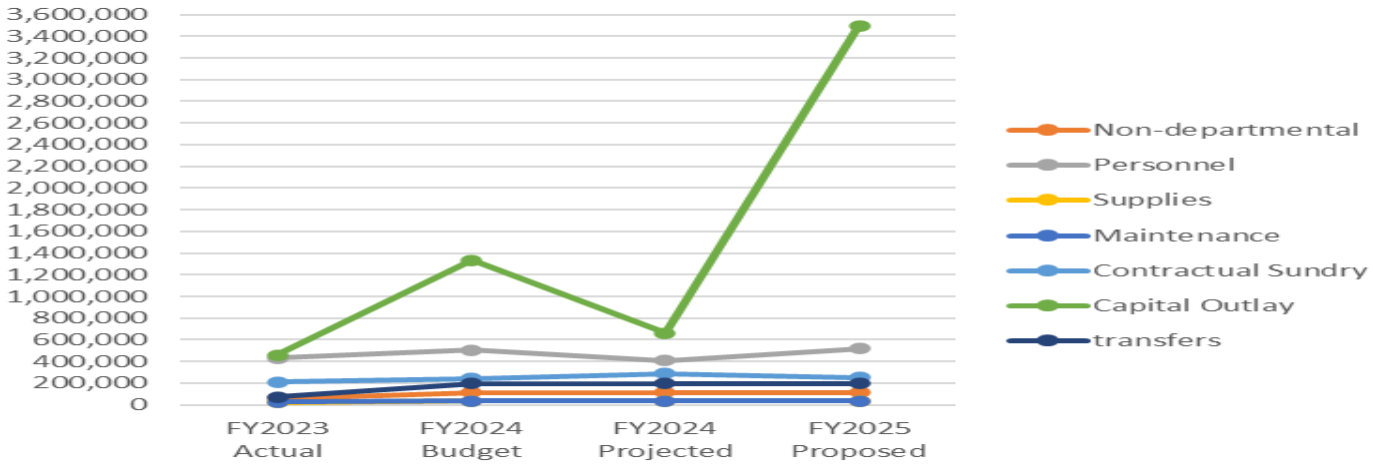
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Director of Public Works	.25	.25	.25
Assistant Director of Public Works/Building Official	.25	.25	.25
Construction Inspector	.25	.25	.25
Streets & Drainage Superintendent	.50	.50	.50
Storm Drain Supervisor	1.00	1.00	1.00
Equipment Operator	2.00	2.00	2.00
Public Works Maintenance Worker II	1.00	1.00	1.00
Public Works Maintenance Worker I	1.00	1.00	2.00
Summer Maintenance Worker (PT)	1.00	1.00	0
Total Public Works – Storm Drain Division FTE	**7.25**	**7.25**	**7.25**

Summary of Expenditures by Category

Public Works – Storm Drain Division budget increased by $2,187,140 in large due to the capital improvements adjustment. An adjustment in personnel also had an impact on the budget. A two-year program for tree removal in the storm channels was also included in this budget.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Non-Departmental	58,397	111,980	111,980	111,980
Personnel	429,853	506,800	409,700	509,600
Supplies	21,916	37,400	37,400	37,400
Maintenance	27,293	37,000	37,000	52,000
Contractual Sundry	209,277	244,220	288,275	249,660
Capital Outlay	457,260	1,331,300	555,109	3,495,200
Transfers	73,500	194,000	194,000	194,000
Total Public Works – Storm Drain Division	**$1,277,496**	**$2,462,700**	**$1,633,464**	**$4,649,840**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Number of city streets maintained (street sweeper)	88	88	88	88
Channels & Right of Way miles maintained/inspected	23	23	22	22
Weeks of mosquito testing	32	31	33	33

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
Percentage of drainage channels maintained to satisfactory levels.	# 2. Expend public safety through non-enforcement efforts.	Efficiency	100%	85%	100%	90%	100%
Percentage completed of Street Sweeping on all city streets 2 times annually.	# 2. Expend public safety through non-enforcement efforts.	Efficiency	100%	100%	100%	80%	100%
Maintain 100% Mosquito sample turn in rate to Tarrant County Health Department for Vector testing season.	# 2. Expend public safety through non-enforcement efforts.	Efficiency	100%	100%	100%	100%	100%

Public Works – Storm Drain Division at a Glance

	**Location:** Water Tower 7800 Virgil Anthony Blvd.		**FY2025 Budget:** $4,649,840		**Full-time Employees:** 7.25



PUBLIC WORKS - STORM DRAIN

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
Personnel	Personnel Services		$8,800	Benefits, retention, COLA/meritcomp & TMRS adjustments
Personnel	Personnel Services		($28,000)	Summer positions discontinuation
Personnel	Personnel Services		$22,000	PEP approved (1/2 year funding)
Storm Sewers & Drainage	Maintenance	$15,000		Channel tree removal program year 1 of 2 (NR FY24-25)
Communications	Contractual/Sundry		$965	Analysis adjustment
Travel Expenses	Contractual/Sundry		$75	Analysis adjustment
Dues & Subscriptions	Contractual/Sundry		$400	Commercial license issuance renewal adjustment
Dues & Subscriptions	Contractual/Sundry		$500	Texas Flood Plain & TFMA Dues
Debris Disposal	Contractual/Sundry		$3,000	Storm Drain construction spoil disposal adjustment
COG Storm Water	Contractual/Sundry		$500	Stormwater Public Outreach addition
Storm Drain Improvements	Capital Outlay	$2,163,900		Capital projects adjustment
TOTALS:		**$2,178,900**	**$8,240**	

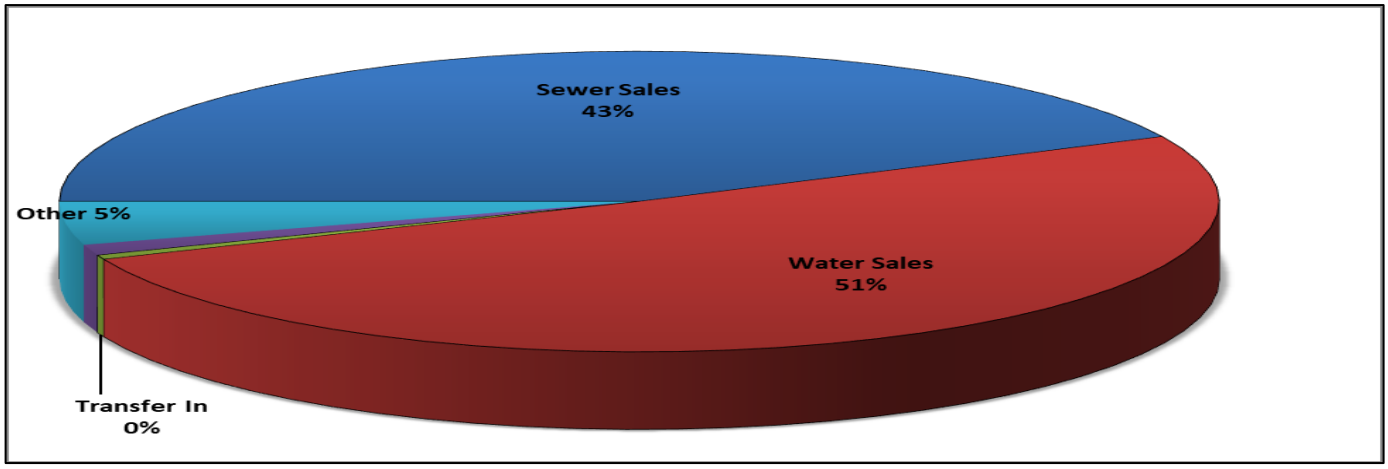
$2,187,140 **NET INCREASE/DECREASE**

Water and Sewer Utility Operating Fund

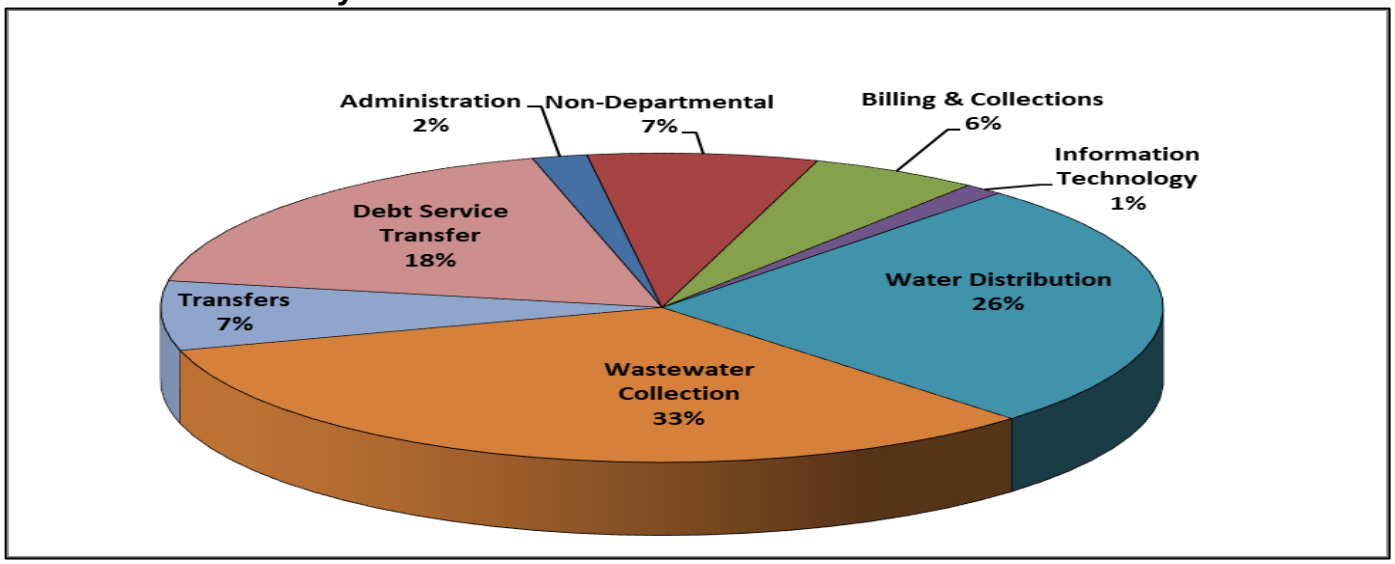
The Water and Sewer Utility Fund is one of two enterprise funds of the City. Its purpose is to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the City Council is that cost of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. Watauga implemented Water and Sewer rates in 1996 as a result of the system purchase from North Richland Hills. A pass-through rate change was made effective in 2001 based on actual charges incurred by wholesalers. In December 2011, rates were increased in order to make this fund self- sustaining and to begin water and wastewater line improvements. A utility rate study was performed in FY2018-2019 that resulted in an increase to the water and sewer base rate and consumption charges.

This fund is used to account for user fees charged to residential and commercial units located within the City of Watauga. All activities necessary to providing such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and billing and collections. Accounting records for the Water and Sewer Utility Fund are maintained on the accrual basis.

Where Does the Money Come From?



Where Does the Money Go?



WATER SEWER UTILITY BUDGET SUMMARY - FUND 40

	HISTORY		CURRENT YEAR		
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget
Retained Earnings, October 1	**$ 2,425,936**	**$ 2,813,192**	**$ 3,200,000**	**$ 3,312,621**	**$ 3,154,207**
Revenues:					
Water Sales	5,208,540	5,143,839	4,950,000	5,150,000	5,450,000
Sewer Sales	4,098,737	4,040,634	4,350,000	4,200,000	4,600,000
Other Revenue	452,361	479,690	451,000	498,800	500,000
Interest Income	24,451	123,778	110,000	144,000	125,000
Operating Revenues	**$ 9,784,090**	**$ 9,787,941**	**$ 9,861,000**	**$ 9,992,800**	**$ 10,675,000**
Operating Transfers-In:					
Transfers In JUF - Other	611	8,986	10,000	60,000	50,000
Total Available Resources	**$ 12,210,636**	**$ 12,610,120**	**$ 13,071,000**	**$ 13,365,421**	**$ 13,879,207**
Expenditures:					
Administration	144,958	169,799	185,200	184,550	198,200
Non-Departmental	762,761	598,960	794,980	745,580	832,480
Billing & Collections	534,874	571,677	615,410	603,450	610,030
Information Technology	92,524	106,367	126,990	122,140	142,990
Water Distribution	2,639,706	2,592,204	2,865,830	2,706,130	2,912,840
Wastewater Collection	2,786,489	2,861,740	3,284,614	3,504,364	3,676,050
Total Operating Expenditures	6,961,312	6,900,747	7,873,024	7,866,214	8,372,590
Operating Transfers-Out					
To General Fund	430,000	440,000	440,000	440,000	487,000
To Joint Use Facility Fund	34,149	40,752	60,000	60,000	60,000
To CO Debt Service	1,760,000	1,726,000	1,800,000	1,800,000	2,025,000
To Revenue Bond Debt Service	0	0	0	0	0
To Water/Wastewater Construction	140,000	140,000	0	0	0
Total Operating Transfers-Out	2,364,149	2,346,752	2,300,000	2,300,000	2,572,000
Operating Surplus/(Deficit)	$ 459,239	$ 549,429	(302,024)	(113,414)	(219,590)
Transfers to Sustainability Funds					
To Equipment Repl. - Current Year	79,999	50,000	45,000	45,000	265,000
Total Transfers to Sustainability Funds	79,999	50,000	45,000	45,000	265,000
Net Income Before Transfers	2,823,388	2,896,181	1,997,976	2,186,586	2,352,410
TOTAL OPERATING & TRANSFERS	$ 9,405,460	$ 9,297,498	$ 10,218,024	$ 10,211,214	$ 11,209,590
Retained Earnings, September 30	**$ 2,805,176**	**$ 3,312,621**	**$2,852,976**	**$3,154,207**	**$2,669,617**
CHANGE IN NET ASSETS	$379,240	$499,429	($347,024)	($158,414)	($484,590)
% OF EXPENDITURES	30%	36%	28%	31%	24%

Water/Sewer Fund- Administration



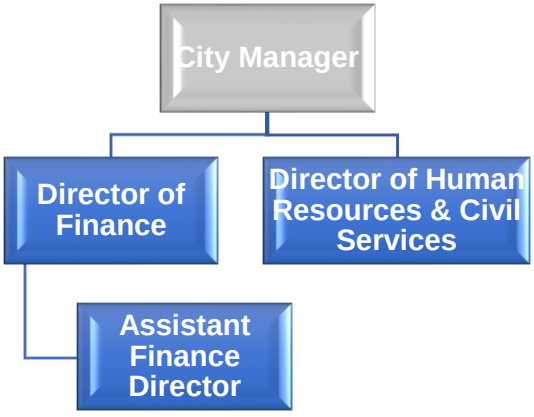
Mission Statement

To provide and account for cost-effective programs that fall outside the functional responsibilities of the Water/Sewer Fund departments and divisions.

Department Overview

Water/Sewer Fund Administration is responsible for the planning, development, programming, and management of activities and services provided to the citizens through the Human Resources and Finance departments. This budget consists of personnel costs associated with these services.

Organizational Chart





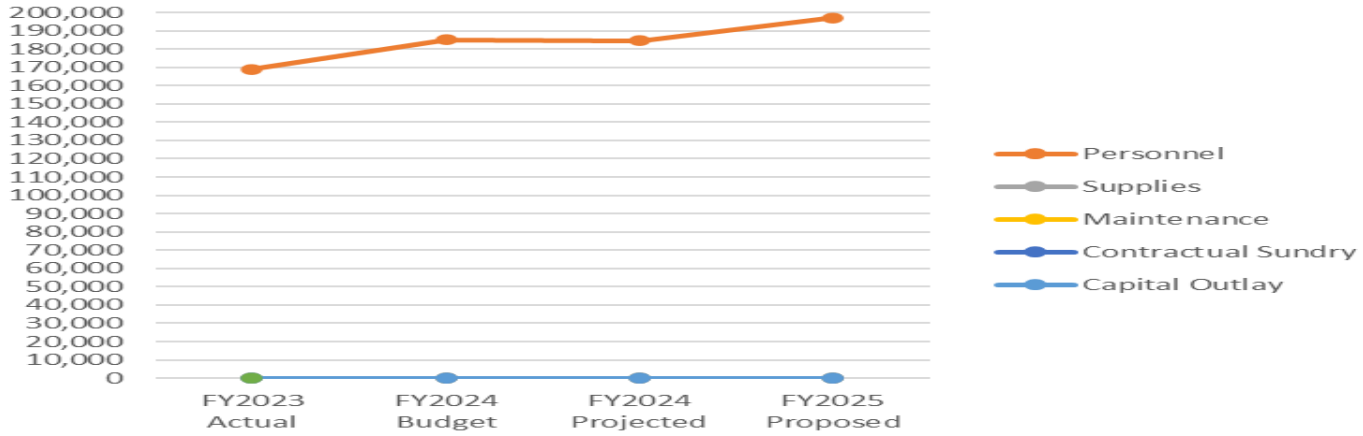
BUDGETED POSITIONS

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Director of Finance	.25	.25	.25
Director of Human Resources & Civil Svcs	.50	.50	.50
Assistant Finance Director	.50	.50	.50
Total Water/Sewer Administration	**1.25**	**1.25**	**1.25**

SUMMARY OF EXPENDITURES BY CATEGORY

The budget for Water/Sewer Fund Administration increased by $13,000 for personnel costs adjustments.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	169,011	185,200	184,550	198,200
Supplies	0	0	0	0
Contractual Sundry	0	0	0	0
Total W/S Administration	**$169,011**	**$185,200**	**$184,550**	**$198,200**





Water/Sewer Fund
Non-Departmental



Mission Statement

To provide and account for cost-effective programs that fall outside the functional responsibilities of other Water/Sewer Fund departments and divisions.

Department Overview

The Non-Departmental Division falls under control of the City Manager's Office and Finance Department staff. Expenditures in this division span a broad range of needs associated with the general operations of the City.

Examples of expenditures in this division include:

- Personnel
- General liability insurance
- Copier costs
- Contingency
- Worker's compensation
- General administrative costs

Highlights/Achievements for FY2024

- Continued to address employee compensation issues.
- Continued to address employee retention issues.
- Reduced unemployment chargebacks in comparison to previous years.
- Implemented employee referral bonus program.

Goals/Objectives for FY2025

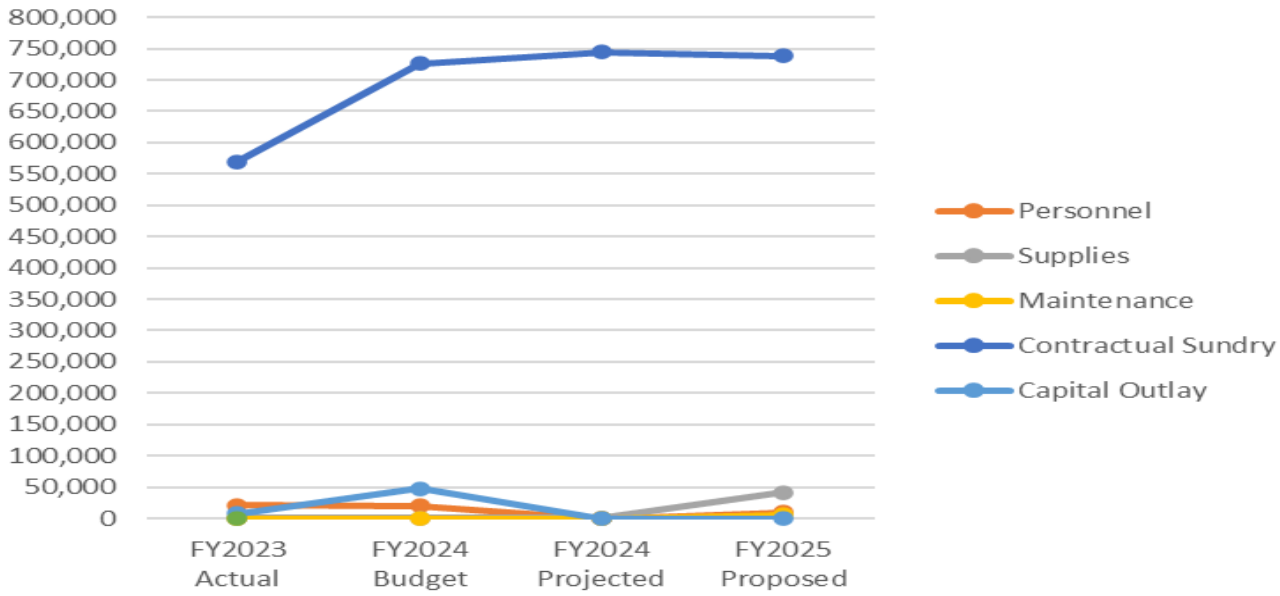
- Continue addressing employee compensation issues.
- Continue addressing employee retention issues.
- Continue the employee referral bonus program.
- Maintain financial and employment law compliance.



Summary of Expenditures by Category

The Water/Sewer Fund Non-Departmental budget increased by $37,500 mainly due to the one-time approved request for the elevator upgrade and a merchant/bank charges adjustment. Vehicles supplies and maintenance reallocations from Water/Sewer departments into this budget also impacted the budget.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	20,671	20,000	0	10,000
Supplies	856	1,000	1,100	41,600
Maintenance	0	0	0	5,400
Contractual/Sundry	569,821	726,480	744,480	775,480
Capital Outlay	7,612	47,500	0	0
Total Non-Departmental	**$598,960**	**$794,980**	**$745,580**	**$832,480**





WATER & SEWER FUND



NON-DEPARTMENTAL

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services	($10,000)		Vacation/Comp adjustment
Event Refreshments	Supplies		$100	Costs & needs adjustment
Merchant/Bank Charges	Contractual/Sundry		$10,000	Estimated adjustment
Workers Compensation	Contractual/Sundry	($8,000)		Estimated adjustment
Payment in Lieu of Taxes	Contractual/Sundry	$47,000		Estimated revenue adjustment
Other Equipment	Capital Outlay	($47,500)		Elevator upgrade (one time NR FY23-24)
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		$1,500	Reallocated from Utility Billing
Vehicle Parts & Supplies	Supplies		$7,000	Reallocated from Water Distribution
Vehicle Parts & Supplies	Supplies		$2,500	Reallocated from Sewer Collection
Vehicle Fuels & Lubricants	Supplies		$9,500	Reallocated from Utility Billing
Vehicle Fuels & Lubricants	Supplies		$10,000	Reallocated from Water Distribution
Vehicle Fuels & Lubricants	Supplies		$10,000	Reallocated from Sewer Collection
Vehicle Maintenance	Maintenance		$500	Reallocated from Utility Billing
Vehicle Maintenance	Maintenance		$3,400	Reallocated from Water Distribution
Vehicle Maintenance	Maintenance		$1,500	Reallocated from Sewer Collection
TOTALS:		**($18,500)**	**$56,000**	
			$37,500	**NET INCREASE/DECREASE**

Finance – Utility Billing Division



Mission Statement

Provide customers with the best service possible for prompt administration of their utility accounts. Perform duties in such a way as to protect the assets of the City and its citizens. Continue to seek ways to raise the level and quality of customer service provided by this office through continuous training. Ensure accurate reading of meters by properly maintaining meters and correctly read water customers' meters in a timely manner to meet billing cycle schedules.

Department Overview

Provided services include:

- Establishing new accounts and updating existing accounts.
- Handle customer inquiries.
- Meter reading.
- Initiate work orders.
- Process delinquent accounts.
- Bill and process customer payments.
- Receipting and posting the financial activity for other City departments.
- Our Field Service Representatives change out meters, perform meter box maintenance and installations, as well as assist with other departments.

Highlights/Achievements for FY2024

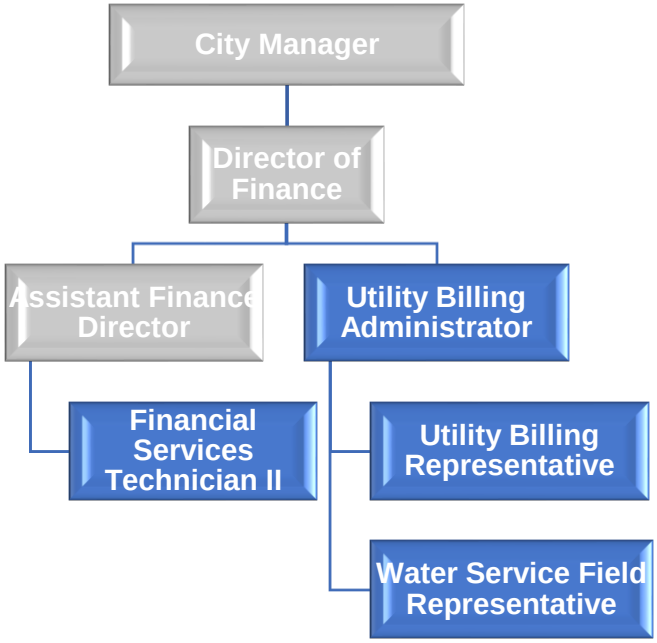
- Continued with the meter replacement and meter lid replacement program.
- Continued focus on essential succession planning and cross training for personnel in the office and in the field.
- Implemented the mobile work order application.
- Continued research on the automated meter technology for future application.

Goals/Objectives for FY2025

- Continue cross training for new personnel.
- Continue improvement of City website to ensure information is readily available for customers.
- Continue Tyler product enhancements within budget parameters.
- Implement automated meter technology.



Organizational Chart



Budgeted Positions

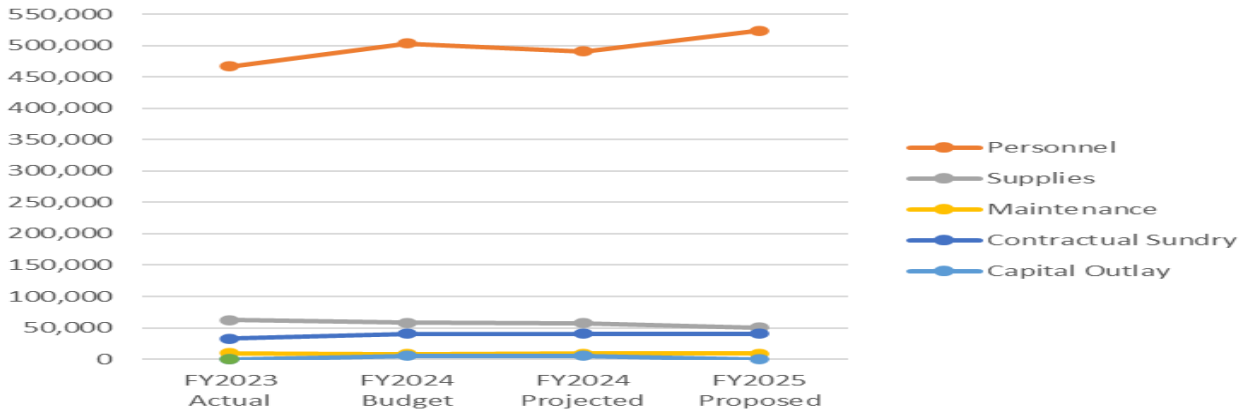
Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Utility Billing Administrator	1.00	1.00	1.00
Utility Billing Representative	2.00	2.00	2.00
Water Service Field Representative	4.00	4.00	4.00
Financial Services Technician II	.50	.50	.50
Total Finance – Utility Billing Division FTE	**7.50**	**7.50**	**7.50**

Summary of Expenditures by Category

Finance - Utility Billing Division budget decreased by $5,380 from Fiscal Year 2023-2024. There were personnel costs adjustments in this budget. The reallocation of vehicle maintenance and supplies to Public Works – Fleet Division had a major impact of the Fiscal Year 2024-2025 budget.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	466,925	503,050	490,350	509,650
Supplies	62,025	58,100	57,600	50,600
Maintenance	9,825	8,000	9,200	9,000
Contractual Sundry	32,902	40,760	40,800	40,780
Capital Outlay	0	5,500	5,500	0
Total Finance – Utility Billing Division	**$571,677**	**$615,410**	**$603,450**	**$610,030**





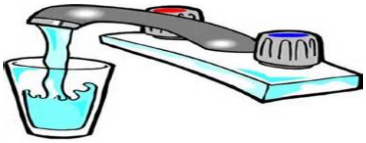
Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Number of service orders processed	3,550	5,000	3,800	3,800
Number of water/wastewater billings	98,951	100,000	100,000	100,000
Number of water/wastewater accounts	8,533	8,400	8,600	8,600
Number of meters read	102,396	104,000	104,000	104,000
Number of new accounts processed	1,176	1,200	1,200	1,200
Number of accounts transferred	18	25	25	25
Number of meters replaced	105	300	300	300
Cubic feet billed for water	89,242,967	92,000,000	92,000,000	100,000,000
Cubic feet billed for wastewater	61,863,586	75,000,000	75,000,000	75,000,000
Number of delinquent water cut-offs	1,301	1,500	1,500	1,500

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
% of work orders completed within 24 hours.	# 1. Maintain Financial Strength of the City	Efficiency	100%	100%	100%	100%	100%
Maintain a 95% or greater average on accurate readings.	# 1. Maintain Financial Strength of the City	Effectiveness	95%	95%	95%	95%	95%
% of revenues recorded within 24 hours.	# 1. Maintain Financial Strength of the City	Effectiveness	100%	100%	100%	100%	100%
Maintain a 98% or greater average of complaints addressed within 2 days.	# 1. Maintain Financial Strength of the City	Efficiency	98%	98%	98%	98%	98%

Finance – Utility Billing Division at a Glance

	**Location:** City Hall 7105 Whitley Road		**FY2025 Budget:** $610,030		**Full-time Employees:** 7.50



FINANCE - UTILITY BILLING

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$2,950	Benefits, retention, COLA/merit/comp & TMRS adjustment
Personnel	Personnel Services		$3,650	PEP approved promotion
Office Supplies	Supplies		$500	Needs & costs adjustment
Postage	Supplies		$3,000	Postage rate increase
Meter Reading System	Maintenance		$1,500	System maintenance estimated increase adjustment
Communications	Contractual/Sundry		$1,020	Usage analysis adjustment
Travel Expense	Contractual/Sundry	($500)		Travel usage adjustment
Training	Contractual/Sundry	($500)		Training usage adjustment
Other Equipment	Capital Outlay	($5,500)		Mobile work order app (one time NR FY23-24) adjustment
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		($1,500)	Reallocated to PW - Fleet Division (fund level)
Vehicle Fuels & Lubricants	Supplies		($9,500)	Reallocated to PW - Fleet Division (fund level)
Vehicle Maintenance	Maintenance		($500)	Reallocated to PW - Fleet Division (fund level)
TOTALS:		**($6,500)**	**$1,120**	

($5,380) **NET INCREASE/DECREASE**

Water/Sewer Fund- Information Technology



Mission Statement

To provide for the operations and development of the City through the implementation and support of cost effective technologies which enhance the efficiencies of City staff while facilitating effective information flow between the City and its citizens.

Department Overview

Programs and Services include:

Networking, Hardware and Software, Telecommunications, Web Site, Cable Channel, Audio/Video, Building Security and Technical Support and Public Information.

Organizational Chart



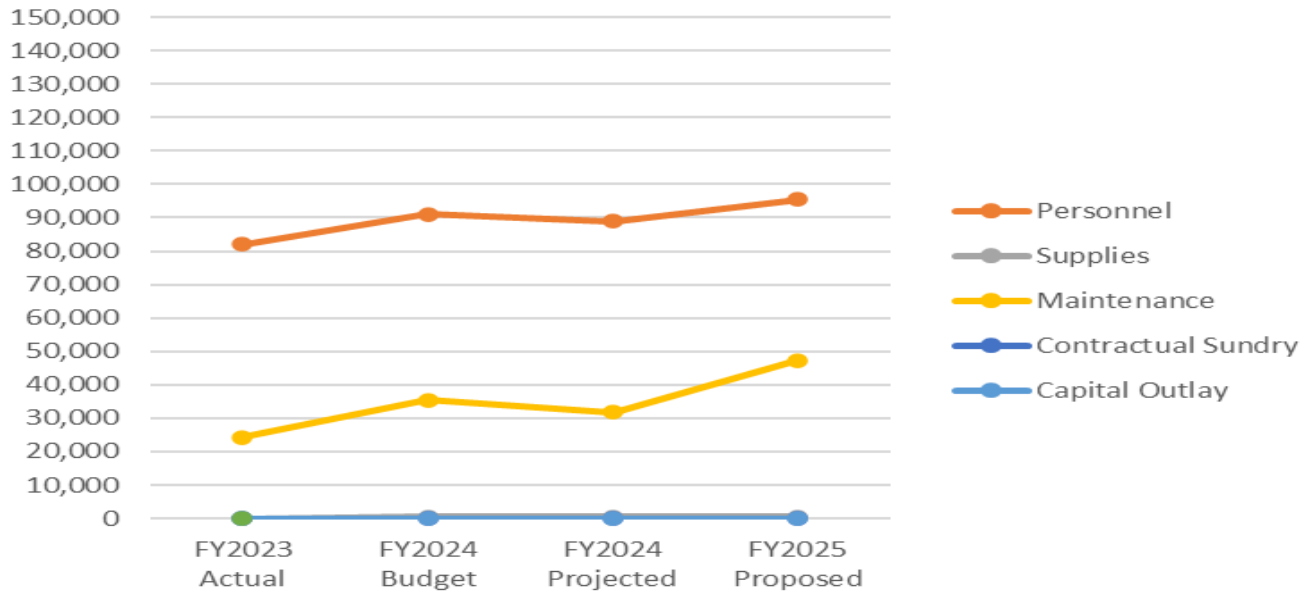
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Chief Information Officer	.50	.50	.50
Total Water/Sewer Information Techn.	**.50**	**.50**	**.50**

Summary of Expenditures by Category

The budget for Water/Sewer Fund Information Technology increased by $16,000 for personnel costs and software subscription adjustments.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	82,095	91,100	88,800	95,200
Supplies	0	500	500	500
Maintenance	24,262	35,390	32,840	47,290
Contractual Sundry	10	0	0	0
Total W/S Info. Techn.	**$106,367**	**$126,990**	**$122,140**	**$142,990**







WATER/SEWER FUND

INFORMATION TECHNOLOGY

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
Personnel	Personnel Services		$4,100	Benefits, retention, COLA/merit & TMRS adjustments
Software Maintenance	Maintenance		$4,000	Microsoft subscription adjustment
Software Maintenance	Maintenance		$150	Output Director maintenance adjustment
Software Maintenance	Maintenance		$6,600	Tyler Executime addition
Software Maintenance	Maintenance		$750	Tyler Content Management adjustment
Software Maintenance	Maintenance		$400	Tyler water mobile addition
TOTALS:		**$0**	**$16,000**	

$16,000 **NET INCREASE/DECREASE**

Public Works – Water Distribution Division



Mission Statement

The mission of the City of Watauga Water Department is to provide the highest quality and quantity of water by collecting bacteriological water samples monthly, repairing main breaks, and flushing mains to ensure safe drinking water while providing world class customer service to our citizens.

Department Overview

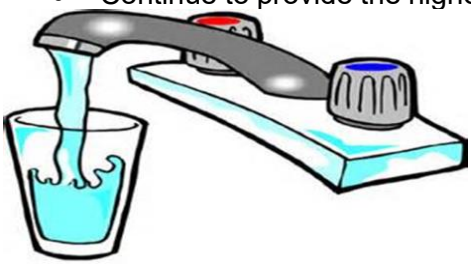
- Maintain 111 miles of water mains in the system.
- Provides water quality that meets or exceeds requirements set forth by the Texas Commission on Environmental Quality (TCEQ).
- Repairs leaks on mains and service lines to prevent loss of water and revenues.
- Repairs on fire hydrants and main line valves.
- Provides the highest quantity of water.
- Perform preventive maintenance hydrant/valve exercising.
- Strive to provide a world class customer service attitude.

Highlights/Achievements for FY2024

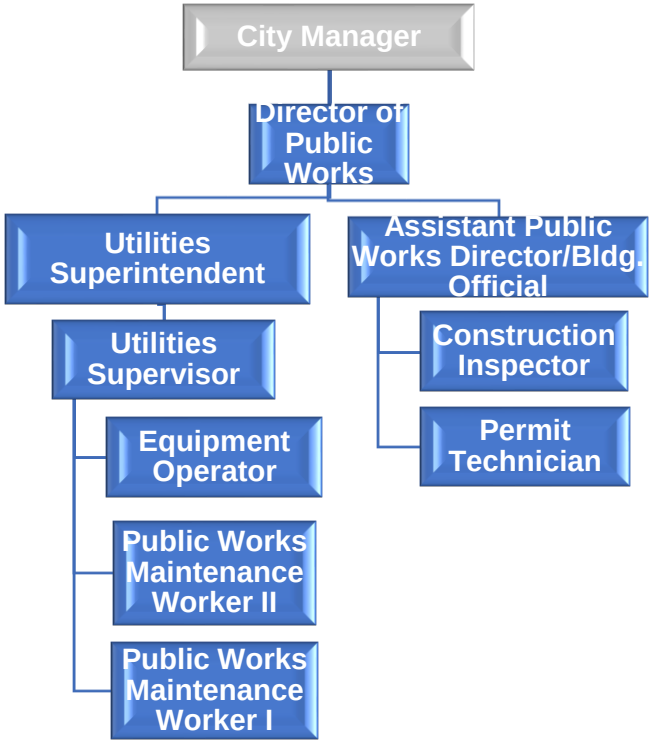
- Collected 300 routine bacteriological water samples.
- Collected quarterly nitrate/trihalomethane samples.
- Flush dead end water mains monthly to ensure a high quality of water.
- Quarterly water main valve exercising.
- Revised Water Conservation/Drought Contingency Plan.
- Delivered the Consumer Confidence Report to our citizens as well as posted in public places.
- Monitored disinfection levels daily as required by the Texas Commission on Environmental Quality (TCEQ), as well as, provided customer service to our citizens.

Goals/Objectives for FY2025

- Compliance with TCEQ regulations will be through continued quarterly and annual operating reports, the Consumer Confidence Report, bacteriological water sampling, tank inspection, dead end water main flushing and valve exercising.
- Water leaks will be repaired in a timely manner.
- Staffing recruitment and retention.
- Provide excellent staff training and safety.
- Continue to provide the highest quality drinking water possible combined with world class customer service.



Organizational Chart



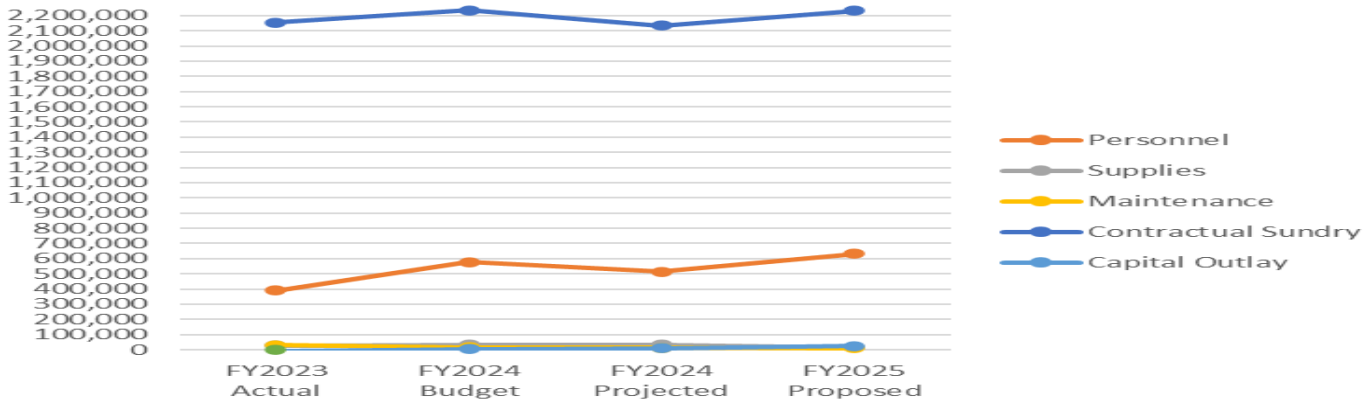
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Director of Public Works	.25	.25	.25
Assistant Director of Public Works/Building Official	.25	.25	.25
Construction Inspector	.25	.25	.25
Permit Technician	.50	.50	.50
Utilities Superintendent	.50	.50	.50
Utilities Supervisor	.50	.50	.50
Equipment Operator	1.50	1.50	1.50
Public Works Maintenance Worker II	1.00	1.00	1.00
Public Works Maintenance Worker I	3.00	4.00	4.00
Total Public Works – Water Distribution Division FTE	**7.75**	**8.75**	**8.75**

Summary of Expenditures by Category

Public Works – Water Distribution Division budget increased by $47,010 in large due to personnel costs increases and adjustments. There was a decrease in lab testing for the environmental UCMR5 mandated testing adjustment from FY23-24. Water meters were adjusted for the Bursey Townhomes and Hightower Estates. Reallocations for vehicle maintenance and supplies also impacted the FY24-25 budget.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	391,306	577,700	514,900	628,600
Supplies	27,793	32,800	32,800	15,900
Maintenance	29,598	15,900	14,000	11,400
Contractual Sundry	2,152,817	2,234,430	2,134,430	2,231,580
Capital Outlay	-9,309	5,000	10,000	25,360
Total Public Works – Water Distribution Division	**$2,592,204**	**$2,865,830**	**$2,706,130**	**$2,912,840**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Number of water service calls	99	110	97	100
Miles of water lines maintained	111	111	111	113
Number of fire hydrants maintained	680	680	700	710
Number of line locate calls	57	60	64	60
Number of water turn on/off's	27	40	50	45
Number of water samples taken	300	300	300	300

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
% of emergency calls responded within 30 minutes or less.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	95%	100%	95%	100%
% of non-emergency calls responded within 24 hours or less.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	95%	100%	95%	100%
% of main breaks repaired within 24 hours or less.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	98%	100%	98%	100%
Maintain water samples complying with quality standards to 100%.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	100%	100%	100%	100%
% water unaccounted for (water loss rate).	# 2. Expand public safety through non-enforcement efforts.	Efficiency	<5%	2%	<5%	3%	<5%

Public Works – Water Distribution Division at a Glance

	**Location:** Water Tower 7800 Virgil Anthony Blvd.		**FY2025 Budget:** $2,912,840		**Full-time Employees:** 8.75



PUBLIC WORKS - WATER DISTRIBUTION

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		$50,900	Benefits, retention, COLA/merit/comp & TMRS adjustments
Chemicals	Supplies		$100	Estimated costs adjustment
Radio Maintenance	Maintenance		($1,400)	Radio maintenance/replacement adjustment
Software Maintenance	Maintenance		$300	Adobe Acrobat license adjustment
Lab Testing	Contractual/Sundry	($5,500)		LCRA UCMR5 testing adjustment
Lab Testing	Contractual/Sundry		$2,650	Estimated testing increase adjustment
Water Meters	Capital Outlay	$970		Bursey Road townhomes adjustment
Water Meters	Capital Outlay	$6,460		Estimated commercial buildings water meters adjustment
Water Meters	Capital Outlay	$10,430		Hightower Estates adjustment
Water Meters	Capital Outlay		$2,500	Estimated water meters adjustment
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		($7,000)	Reallocated to PW - Fleet Division (fund level)
Vehicle Fuels & Lubricants	Supplies		($10,000)	Reallocated to PW - Fleet Division (fund level)
Vehicle Maintenance	Maintenance		($3,400)	Reallocated to PW - Fleet Division (fund level)
TOTALS:		**$12,360**	**$34,650**	

$47,010 **NET INCREASE/DECREASE**

Public Works – Wastewater Collection Division



Mission Statement

The mission of the wastewater collection division is to provide the most effective wastewater system by maintaining compliance with state and national agencies, preforming routine preventive maintenance, reduce inflow/infiltration and the repair and replacement of sewer mains and service lines while providing world class customer service to our citizens.

Department Overview

- Maintain 113 miles of sewer mains.
- Maintain compliance with the Texas Commission on Environmental Quality (TCEQ) regulations in monitoring and reporting overflows.
- Perform preventive maintenance flushing of sewer mains to reduce blockages.
- Replace and repair sewer mains and service lines.
- Perform video inspections to locate deficiencies for repair or replacement.
- Perform manhole and main line inspections to identify and repair inflow infiltration.
- Inspect grease and grit traps to ensure customers are in compliance with City ordinances.
- Provide world class customer service to citizens.

Highlights/Achievements for FY2024

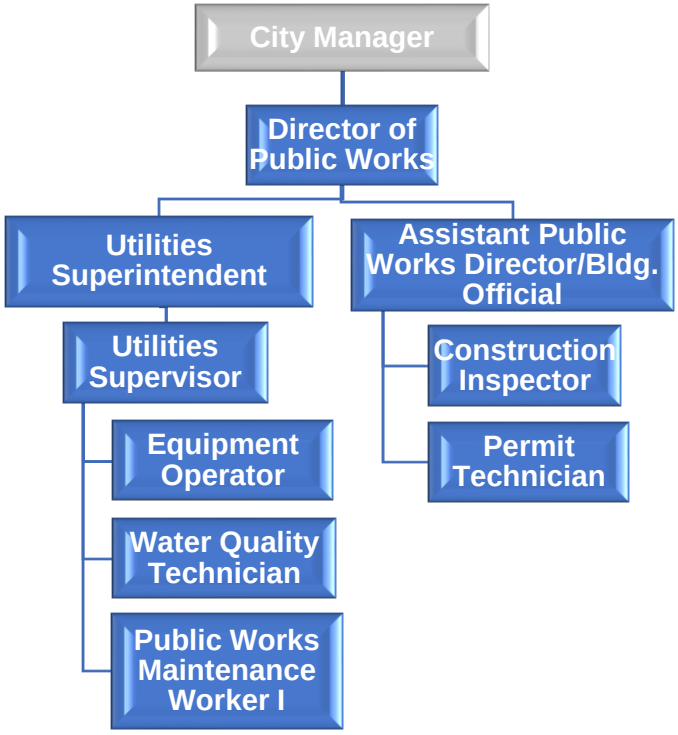
- Performed preventative flushing of sewer mains to prevent blockages and unauthorized sewage bypass.
- Video inspections, manhole inspections for inflow/infiltration.
- Repaired sections of city owned main line.
- Inspected grease traps to ensure compliance with City Ordinance # 1060 to prevent Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) as well as unauthorized discharge.
- Quarterly BOD/TSS sampling.

Goals/Objectives for FY2025

- Continue video inspections, manhole inspections for inflow/infiltration and preventative maintenance flushing of sewer mains to unstop and prevent sewer main blockages as well as locate problem areas and repair as necessary.
- Major problem areas will be listed for inclusion in the Capital Improvement Plan.
- Grease traps will be inspected monthly to ensure compliance with City Ordinances.
- Continue to repair or replace old, deteriorated sewer mains.
- Staffing recruitment and retention.
- Provide excellent staff training and safety.
- Continue to provide world class customer service.



Organizational Chart



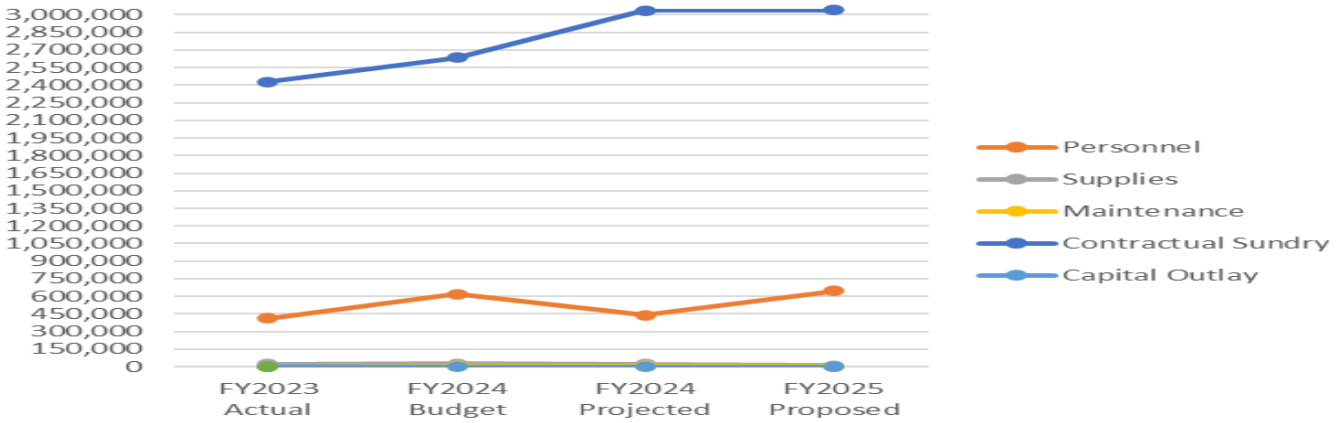
Budgeted Positions

Position Title	FY2023 Actual	FY2024 Actual	FY2025 Budget
Director of Public Works	.25	.25	.25
Assistant Director of Public Works/Building Official	.25	.25	.25
Construction Inspector	.25	.25	.25
Permit Technician	.50	.50	.50
Utilities Superintendent	.50	.50	.50
Utilities Supervisor	.50	.50	.50
Equipment Operator	2.50	3.50	3.50
Water Quality Technician	1.00	1.00	1.00
Public Works Maintenance Worker I	1.00	1.00	1.00
Total Public Works – Wastewater Collection Division FTE	**6.75**	**7.75**	**7.75**

Summary of Expenditures by Category

Public Works – Water Distribution Division budget increased by $391,436 mainly due to sewer costs increases. There were personnel costs adjustments also included within this budget. In addition, there was an increase in lab testing and sewage disposal fees to due estimated increased costs. Reallocations of vehicle parts and maintenance also impacted this budget.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Budget
Personnel	411,062	619,000	439,750	618,700
Supplies	21,241	24,200	23,200	11,700
Maintenance	2,861	4,500	4,500	3,100
Contractual Sundry	2,426,576	2,636,914	3,036,914	3,042,550
Capital Outlay	0	0	0	0
Total Public Works – Wastewater Collections Division	**$2,861,740**	**$3,284,614**	**$3,504,364**	**$3,676,050**



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Number of manholes maintained	1,041	1,048	1,045	1,048
Miles of sewer lines maintained	113	87	113	113
Number of sewer service lines repaired	25	28	25	28
Miles of sewer lines cleaned	8	30	10	12
Number of manholes inspected	75	150	70	75
Number of manholes repaired	17	25	20	25

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
% of backup call responded within 30 minutes or less.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	90%	100%	90%	100%
% of sewer line blockages repaired within 30 days or less.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	100%	100%	100%	100%	100%
% sewer lines inspected.	# 2. Expand public safety through non-enforcement efforts.	Efficiency	10%	5%	10%	7%	10%

Public Works – Wastewater Collection Division at a Glance

	**Location:** Water Tower 7800 Virgil Anthony Blvd.		**FY2025 Budget:** $3,676,050		**Full-time Employees:** 7.75



PUBLIC WORKS - WASTEWATER COLLECTION

SIGNIFICANT BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Personnel	Personnel Services		($300)	Benefits, retention, COLA/merit/comp & TMRS adj.
Radio Maintenance	Maintenance		$100	Radio maintenance adjustment
Sewage Disposal Fees	Contractual/Sundry		$4,350	Estimated cost adjustment
Communications	Contractual/Sundry		$386	Analysis adjustment estimate
Lab Testing	Contractual/Sundry		$900	Estimated cost adjustment
Sewer Costs	Contractual/Sundry	$400,000		Estimated sewer costs adjustment
REALLOCATIONS:				
Vehicle Parts & Supplies	Supplies		($2,500)	Reallocated to PW - Fleet Division (fund level)
Vehicle Fuels & Lubricants	Supplies		($10,000)	Reallocated to PW - Fleet Division (fund level)
Vehicle Maintenance	Maintenance		($1,500)	Reallocated to PW - Fleet Division (fund level)
TOTALS:		**$400,000**	**($8,564)**	

$391,436 **NET INCREASE/DECREASE**

FLEET INTERLOCAL – FUND 21

The Fleet Interlocal fund was established during FY2019-2020 when Council approved a resolution to provide vehicle maintenance services for surrounding government entities.

The Interlocal agreement between the City and entities allows Watauga to provide vehicle maintenance services for a defined fee. This was established in an effort to achieve common objectives relating to the services regarding vehicle maintenance and in the interest of saving taxpayer funding.

Each year the rate schedule set forth in the agreements shall increase per the Consumer Price Index for All Urban Consumers (CPI-U).

FLEET INTERLOCAL FUND BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget
Fund Balance, October 1	**$14,552**	**$53,471**	**$57,971**	**$110,794**	**$124,894**
Revenues:					
Other Revenue	90,503	151,136	110,000	90,000	151,000
Interest Earnings	0	0	0	0	0
Total Revenues	$90,503	$151,136	$110,000	**$ 90,000**	**$ 151,000**
Total Available Resources	**$105,055**	**$204,607**	**$167,971**	**$ 200,794**	**$ 275,894**
Expenditures:					
Personnel	10,774	16,081	15,000	15,000	15,000
Supplies	35,997	73,974	75,000	55,000	75,000
Maintenance	4,814	3,758	5,500	5,900	6,400
Capital	0	0	0	0	1,500
Expenditures	**$51,585**	**$93,813**	**$95,500**	**$75,900**	**97,900**
TOTAL EXPENDITURES	$51,585	$93,813	$ 95,500	$ 75,900	$ 97,900
Fund Balance, September 30	$53,471	$110,794	$72,471	$124,894	$177,994
CHANGE IN FUND BALANCE	$38,918	$57,323	$14,500	$14,100	$53,100

EQUIPMENT REPLACEMENT FUND
Internal Service Fund – 22 Budget Summary

The Internal Service Fund is used to account for the acquisition of various replacement capital items in the City. The objective of the fund is to accumulate sufficient funds to meet the capital needs of the City. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Beginning in the FY2013-2014 Budget Year, the use of the Equipment Replacement Fund was enhanced for all the City one-time purchases for all funds. We have continued this commitment this year and have evaluated prior year purchase equipment, vehicle, technology, and building maintenance needs. We began funding a portion of these future needs in FY2014-2015 Fiscal Year as the Legacy Program. Transfers for capital financing of major equipment purchases will be made from funds on an annual basis based on the purchases made per fund.

BUDGET SUMMARY

	HISTORY		PROJECTED YEAR		BUDGET
	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget
Working Capital, October 1*	**$1,741,325**	**$1,497,988**	**$2,050,649**	**$2,056,119**	**$1,802,579**
Revenues:					
Total Revenue Charges for Service	**$ 87,721**	**$ 87,660**	**$ 87,660**	**$ 87,660**	**$ 137,660**
Other Revenues:					
Interest Income	10,168	75,951	65,000	105,000	65,000
Total Other Revenue	**$ 10,168**	**$ 75,951**	**$ 65,000**	**$ 105,000**	**$ 65,000**
Transfers-In:					
Total Transfers-In	**$109,999**	**$550,000**	**$165,000**	**$565,000**	**$385,000**
Total Revenues	**$207,888**	**$713,611**	**$317,660**	**$757,660**	**$587,660**
Expenditures:					
Gain/Loss on Equipment	(66,243)	(7,045)	0	0	0
Other Equipment - CCD	0	0	0	0	0
Motor Vehicles & Equip W&S	0	0	45,000	45,000	45,000
Storm Drain Vehicles and Equip	0	0	40,000	40,000	0
Motor Vehicles - General Fund	176,684	0	10,000	10,000	0
Other Equipment - General Fund	0	15,875	156,200	156,200	49,000
Technology Replacement - GF	35,838	7,021	44,000	44,000	0
Technology Replacement - FIN	0	0	0	0	0
Other Equipment - Fire	0	0	110,000	110,000	230,800
Public Works Heavy Equipment	0	52,050	350,000	350,000	340,000
Furniture and Fixtures/Office Equip	4,193	0	0	0	0
Public Works Vehicles	116,203	66,254	201,000	201,000	230,000
Motor Vehicles - Parks	0	0	0	0	0
Recreation and Parks Equipment	0	0	0	0	0
Water Meter Program	29,875	13,246	25,000	25,000	25,000
Bldg/HVAC/Contingency	90,367	0	30,000	30,000	30,000
Depreciation Expense/Transfers Ou	226,419	294,042			
Total Operating Expenditures	**613,336**	**441,443**	**1,011,200**	**1,011,200**	**949,800**
Operating Surplus/(Deficit)	(405,448)	272,168	(693,540)	(253,540)	(362,140)
Working Capital, September 30*	$1,335,877	$1,770,156	$1,357,109	$1,802,579	$1,440,439

***Adjusted to end of year actual Working Capital**

CIP & CAPITAL PROJECTS



CIP AND CAPITAL PROJECTS FUNDS

Overview

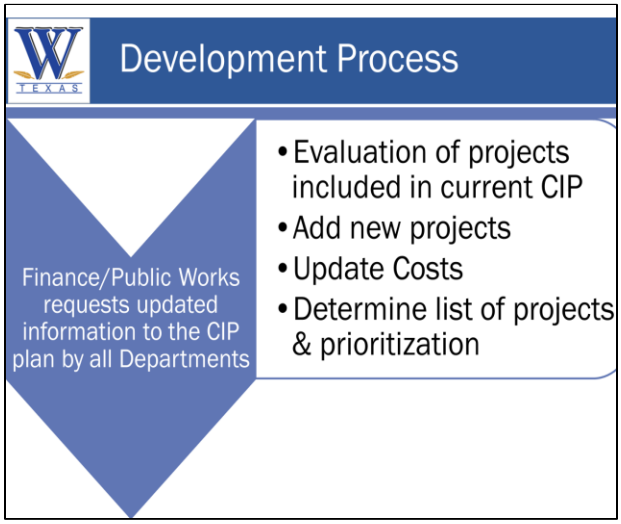
The Capital Improvement Plan (CIP) presents the City's plan for infrastructure development and improvements and is evaluated and updated annually by the City's leadership to determine the financial availability of resources for projects that will satisfy the City tax rate objectives. The Capital Improvements Program attempts to identify and plan for all major capital needs and deals with capital items that are different from those which are covered under the capital outlay category in each department's budget and in the Internal Service (Equipment Replacement) Fund.

Generally, the CIP includes improvements that are relatively expensive, are non-recurring, have a multi-year useful life, and, like capital outlay items, result in fixed assets.

The goals of the CIP are as follows:

- Inform the employees, departments, elected officials and the public of the City's intent to invest in its infrastructure and community.
- Represents a long-term financial plan and identifies resources or financing strategies that the City plans to use to fund the plan. The CIP plan does not appropriate money, but current year forecasted spending is included in the current year budget summaries.
- Identifies projects by functionality to ensure a balanced approach to our reinvestment in the Community.
- Establishes priorities and serves as a planning document or blueprint for the investment in capital infrastructure for short term and long-term projects.

The Process



Each year, the CIP committee meets to update and evaluate the current projects and identify future projects. The process includes:

The City's Capital Project committee receives, and reviews requests submitted by departments. Projects are prioritized each year based on various considerations and criteria. Project costs for existing projects are updated based on current economic data. The resulting proposed updated plan is then presented to Council for consideration, and adoption.

CIP AND CAPITAL PROJECTS FUNDS

The programs the City of Watauga currently identifies include:

Drainage Projects – Such projects include several drainage channels throughout the City that have been identified as known problem areas. All developed property owners within the City pay a monthly drainage utility fee, which is utilized for drainage development, redevelopment, and maintenance. The City has significantly lessened flooding along smaller channels and ditches throughout the City by keeping these facilities free of foliage and debris. These projects are included in the Operating Storm Drainage Fund and any long-term projects can be carried under General Capital or Water and Sewer Capital funds, depending on project goals.

Signalization Projects - Such projects include the construction or redevelopment of traffic light signalization needs for the City. These projects are included in the General Capital Fund.

Special Building Projects – Such projects include the construction or major renovations of special facilities owned by the City. These projects can be included in any of the three capital funds, depending on project purpose.

Street Projects – Such projects include construction or major redevelopment of the 322 current streets in the City. Street projects do not include normal repair and maintenance on sub-grades, milling, and overlay. Both street projects and normal repair and maintenance activities of street are included in the General Capital Fund.

Wastewater Projects – Such projects include improvements, expansions, or construction of wastewater lines in the City. These projects are included in the Water and Sewer Capital Fund.

Water Projects – Such projects include new waterlines or improvements to existing waterlines for future development or existing customer needs. These projects are included in the Water and Sewer Capital Fund.

Parks Projects – Parks projects improve the quality of life of Watauga residents and projects in the Parks Master Plan such as trails and parks improvements are included in the 5-year Capital Improvement Plan.

Accounting for CIP Projects - The funds are accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred. The Capital Projects Funds account for the acquisition of and construction or reconstruction of major capital facilities, infrastructure, and equipment. The projects are financed with resources allocated to the General Capital Projects Fund, Economic Development Corporation Capital Fund, and the Water and Sewer Capital Projects Fund.

BRIEF HISTORY OF THE CITY'S CAPITAL IMPROVEMENTS PROGRAM (CIP)

It has been the goal of the City of Watauga to have a Capital Improvements Program that is focused on adding value and extending the life of City infrastructure with no increase in operating costs or property tax. Consideration is given to debt issuance only if the overall tax

rate remains unchanged and to prioritizing projects that will either decrease operational costs or have little or no operational cost impact.

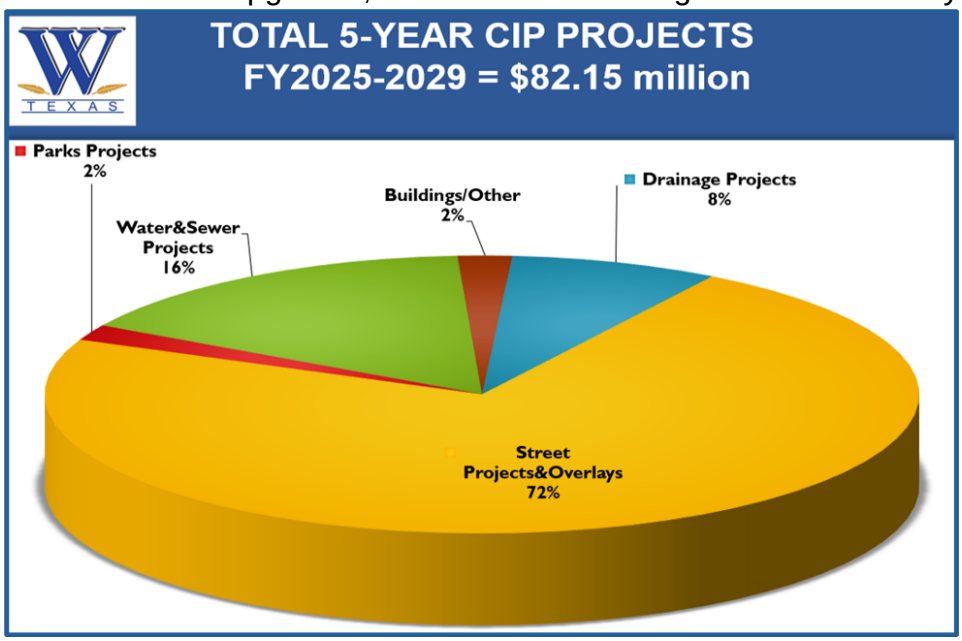
- FY2003-FY2011, the City was focused on an aggressive facilities campaign. During this time, we constructed a new City Hall and Animal Shelter, and upgraded facilites for the Police and Recreation departments, along with upgrades to major streets. The new Fire/EMS facility, was completed in FY2011, for just under $3.8 million dollars.

- FY2011-FY2021, the City's focus began to move from constructing and renovating facilities to the city's infrastructure and the need for replacement of outdated equipment and vehicles city-wide. In July of 2011, in order to fund future capital projects and needed equipment, the City issued $7.365 million in Combination and Limited Pledge Revenue Certificates of Obligation. This new issuance was designed to fund street improvements, water and sewer and drainage projects, purchase of new equipment, vehicles, machinery, and technology purchases. The issuance was timed to allow the City to maintain relatively the same amount of debt as prior years for both the General Fund and the Utility Fund. In July, 2012, the City issued $7.73 million in new debt for the utility fund. With this issuance, the City embarked on major improvements in the City's water and sewer infrastructure. The projects began in FY2013 were completed in FY2018. In FY2013, certain projects were identified as priority needs such as street projects, infrastructure, parks, and a Senior Center that resulted in the issuance of $3.50 million in Certificates of Obligation. These funds partially funded the expansion of the Community Center to include a Senior Center which was completed in FY2017. Also, the Bursey Road, Phase I street project, a major thoroughfare in the City, was funded by this debt issuance that was completed in FY2016. In FY2016, a $5.885 million debt issuance provided for funding for street projects such as Bursey Road, Phase II and Whitley Road, and parks projects to enhance the quality of life for Watauga citizens. The Whitley Road project is ongoing and the funding provided by this issuance is expected to be expended this fiscal year. In the Spring of 2017, a $7.325 million Certificates of Obligation was issued to provide funding for improvements to the City's utility system. Various wastewater and water projects began in FY2018 and will continue in future years utilizing these funds. In FY2018, a $6.780 million Certificates of Obligation issuance provided funding for parks projects, street projects, and other improvements listed within the 5-year Capital Plan. In FY2019, $8.85 million Certificates of Obligation issuance provided funding to continue the major utility infrastructure improvment projects and provide for some vehicle and heavy equipment replacements. $8.0 million of the proceeds will fund projects such as replacements of water and sewer lines and manhole replacements throughout the City.

- FY2022 – FY2025 The City's CIP plan continues with infrastructure projects funded in prior years. Funding of street projects is a priority and funding was provided in FY2022 by a $4.70 million issuance to fund streets and a large portion of the City's Capital Outlay Plan needs. In FY2023, the City's CIP plan continued with with the addition of new projects. Hightower Road and Watauga Road street construction projects were added to the 5-year Capital Improvement Plan to improve these streets and assist in attracting new businesses and development to the City. Certificates of Obligation were issued in the amount of $4.9 million in FY2023 and $8.9 million in FY2024 to fund these street projects,

as well as capital outlay needs such as vehicles and public safety replacement equipment. In FY2025, a $7.1 million Certificates of Obligation issuance will fund the Public Works parking lot renovation, splashpad filtration system, solar trail lights, and building improvements and renovations and the Advanced Metering system project.

As can be seen on the CIP summary schedule and detailed schedule on the following pages, the City will focus on major infrastructure upgrades, as well as continuing our street overlay program. Actual program expenditures may vary depending on changes in priority or addition or deletion of projects or emergencies. The 5-year Capital Improvement Plan includes projects that total $82.15 million for FY2025 through FY2029. These projects include $13 million in water and wastewater projects. Revenues will have an impact on the scope of these projects. Within the 5-year CIP plan, $59.64 million in street and street overlay projects and $6.34 million in drainage projects have been identified. Parks projects and building improvement projects in the 5-year CIP total $3.15 million which includes the Public Works parking lot renovation project, the construction of a food business park, trail projects and lighting, parks equipment, and other park amenities.



The funding source of the many of the capital projects will include debt issuances and pay-as-you-go methods, and many projects are in a “to be determined” funding status at this time. Some projects will be grant funded, as indicated in the revenue source section of the plan.

In the current year schedule, projects for FY2024-2025 total $24.69 million in capital projects (not including capital equipment). Many of these projects are continuation of projects that began in prior years. The $24.69 million is comprised of $12.9 million for street projects which include Whitley Road phase 5, Hightower Road, the continuation of Watauga Road engineering, and various street overlays and sidewalks, $3.5 million in drainage projects, and $5.65 million in water and sewer projects. Other improvement projects include the continuation of the Green Ribbon Project which will beautify the 377 corridor. A food business park



CIP AND CAPITAL PROJECTS FUNDS

is funded by the Economic Development Corporation to spur economic development.

The following table shows the City's 5-year Capital Improvement Projects Plan:

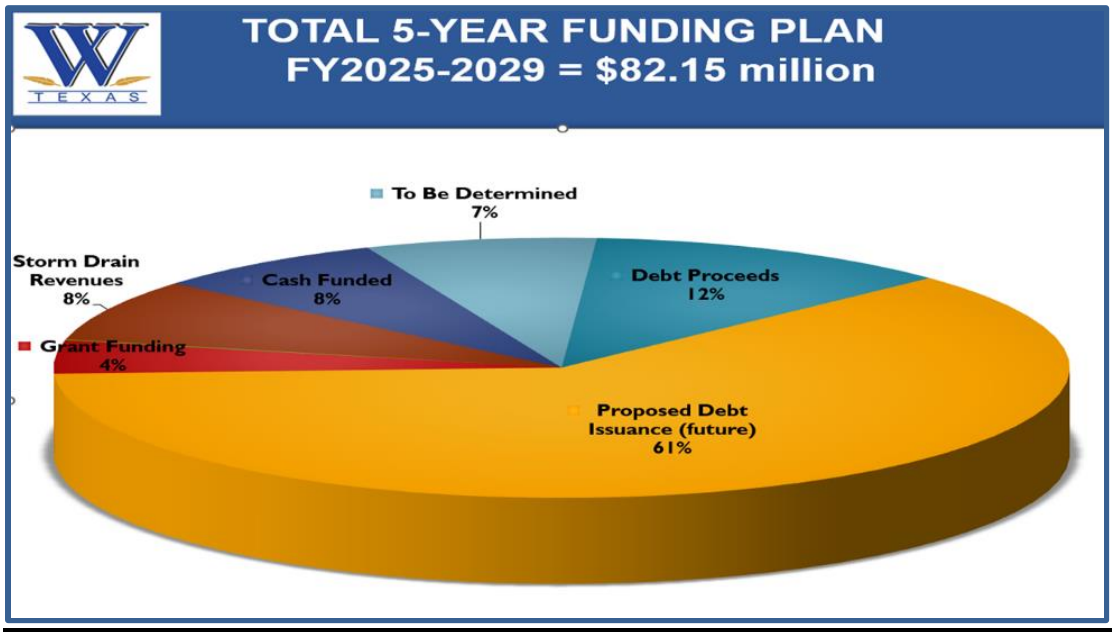
PROJECT EXPENDITURES	Totals Thru FY 2023	Estimated FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Project Total
			- - - - - - - - - - 5 Year Projection - - - - - - - - - -					
PARKS PROJECTS								
Pole Barn - Parks Facility		180,000						180,000
Whitesbranch Creek Trail	33,347	250,000						283,347
Park Vista - Site Project & Playground Equipment	22,715	15,785		490,500				529,000
Playground Equipment - Hillview, Hector Garcia, Capp Smith, Virgil Anthony		200,000	90,000					290,000
Foster Village Park Renovations (including playground)		50,000	245,000					295,000
Splashpad Filtration Upgrade			100,000					100,000
Trail Lights - Solar (city wide)			400,000					400,000
Site Amenities Improvements (city wide)	39,067	14,456	62,000					115,523
PARKS PROJECTS TOTAL	**95,129**	**710,241**	**897,000**	**490,500**	**0**	**0**	**0**	**2,192,870**
BUILDING IMPROVEMENT PROJECTS								
Fleet Bldg Expansion & Parking lot	290,997	772,473						1,063,471
Animal Shelter Needs Assessment			50,000					50,000
Public Works Parking Lot			1,000,000					1,000,000
Recreation Center HVAC & Room Rebuild			400,000					400,000
Building Improvements			200,000					200,000
BUILDING IMPROVEMENT PROJECTS TOTAL	**290,997**	**772,473**	**1,650,000**	**0**	**0**	**0**	**0**	**2,713,471**
ECONOMIC DEVELOPMENT PROJECTS								
Food Business Site - Capp Smith Park	43,550		456,450					500,000
Splashpad Filtration Upgrade			100,000					100,000
ECONOMIC DEVELOPMENT PROJECTS TOTAL	**43,550**	**0**	**556,450**	**0**	**0**	**0**	**0**	**600,000**
DRAINAGE PROJECTS								
Whitley Road 4	226,099	119,809						345,908
Bunker Hill		227,700	1,518,500					1,746,200
Whitley Road 5			1,550,000					1,550,000
Echo Hills Bristol Square (NEW)			426,700	2,848,000				3,274,700
Park Vista Drainage/Fort Worth (ARPA funded)		106,000	841,000					947,000
Animal Shelter Flood Study		66,700						66,700
Foster Village Park Flood Study		140,400						140,400
DRAINAGE PROJECTS TOTAL	**226,099**	**660,609**	**4,336,200**	**2,848,000**	**0**	**0**	**0**	**8,070,908**
STREETS PROJECTS								
Whitley Road 4	1,888,842	1,477,959						3,366,800
Whitley Road 5	673,380	109,620	4,090,000					4,873,000
Group 2 (water & wastewater) added amt for streets by B&N			1,437,594					1,437,594
Echo Hill Bristol Square				270,900	1,808,000			2,078,900
Hightower Road 1	456,702	1,237,298	6,328,000	7,094,000				15,116,000
Hightower Road 2-5 (future)								0
Watauga Road 1		2,232,000			9,058,000			11,290,000
Watauga Road 2					1,151,000	10,098,000		11,249,000
Watauga Road 3						1,134,000	10,006,000	11,140,000
Watauga Road 4							2,317,000	2,317,000
Green Ribbon Project 2-7	50,000	50,000	50,000	50,000	50,000			250,000
Sidewalks	150,000	150,000	175,000	175,000	175,000	175,000		1,000,000
Overlays	532,812	317,188	800,000	800,000	800,000	800,000	800,000	4,850,000
STREETS PROJECTS TOTAL	**3,751,736**	**5,574,064**	**12,880,594**	**8,389,900**	**13,042,000**	**12,207,000**	**13,123,000**	**68,968,295**
WATER & WASTEWATER PROJECTS								
CDBG Projects (50th year is Bunker Blvd)	295,800		250,000	65,000	400,000	65,000		1,075,800
CDBG-CV Round 4 (Plum Street waterline)		250,000	338,000					588,000
Whitley Road 4 (water portion)	885,339	970,670						1,856,009
Group 1 (water & wastewater)	207,900	2,404,480						2,612,380
Group 2 (water & wastewater)	252,760	1,382,697	780,949					2,416,406
Group 3 (water & wastewater) $1,470,049 ARPA	168,300		3,127,700					3,296,000
Group 4 (water & wastewater)	153,260	1,636,903						1,790,163
Group 5 (SSES)	290,000							290,000
Maurie & Barry Drive			112,600	758,000				870,600
AMI Project			3,500,000					3,500,000
Echo Hills Bristol Square (new)				304,400	2,031,000			2,335,400
Various Water and/or Sewer Projects			260,000	2,000,000	1,740,000			4,000,000
Lead Pipe Identification & Replacements		800,000	120,000					920,000
WATER & WASTEWATER PROJECTS TOTAL	**2,253,359**	**7,444,750**	**8,489,249**	**3,127,400**	**4,171,000**	**65,000**	**0**	**25,550,758**
TOTAL PROJECTS	**6,660,871**	**15,162,137**	**28,809,493**	**14,855,800**	**17,213,000**	**12,272,000**	**13,123,000**	**108,096,302**

CIP AND CAPITAL PROJECTS FUNDS

The below summary lists the revenue sources for the five-year capital improvement plan. These include cash funding, grants, bond issuances (General Obligation (GO) or Certificates of Obligation (CO). If funding is not currently in place, the possible funding sources include "TBD" to be determined. These are evaluated each year and updated in the CIP budget process.

SUMMARY OF REVENUE SOURCES FOR THE CAPITAL IMPROVEMENT PLAN

FUNDING ANALYSIS	Totals Thru FY 2023	Estimated FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
			---------- 5 Year Projection ----------					
2016 Certificate of Obligations	656,069							656,069
2017 Certificate of Obligations	885,339	820,670						1,706,009
2018 Certificate of Obligations	1,041,648	1,615,130		326,799				2,983,576
2019 Certificate of Obligations	1,091,287	5,588,536	1,503,700					8,183,523
2020 Certificate of Obligations	86,583	746,239	546,731					1,379,553
2021 Certificate of Obligations	673,380	-280,380	2,652,313					3,045,313
2022 Certificate of Obligations	704,667	2,089,333	240,000					3,034,000
2023 Certificate of Obligations		2,232,000	6,328,000					8,560,000
2024 Certificate of Obligations			5,600,000					5,600,000
TBD 2025 Certificate of Obligations				8,834,000	1,151,000			9,985,000
TBD 2026 Certificate of Obligations				260,000	10,798,000			11,058,000
TBD 2027 Certificate of Obligations						10,098,000		10,098,000
TBD 2028 Certificate of Obligations						1,134,000	10,006,000	11,140,000
TBD 2029 Certificate of Obligations							2,317,000	2,317,000
ARPA		906,000	2,311,049					3,217,049
Economic Development Corporation (EDC)			100,000					100,000
Storm Drain	226,099	554,609	3,495,200	2,848,000				7,123,908
General Fund Revenues (cash funded)	200,000	250,000	1,210,000	1,188,701	1,025,000	975,000	800,000	5,648,701
Water/Sewer Revenues (cash funded)			871,951	65,000	200,000	65,000		1,201,951
Tarrant County		390,000	2,807,000					3,197,000
Grant	800,000							800,000
CDBG Grant	295,800	250,000	250,000		200,000			995,800
TBD - WATER				304,400	2,031,000			2,335,400
TBD - WATER/SEWER			780,949					780,949
TBD - STREETS				270,900	1,808,000			2,078,900
TBD			112,600	758,000				870,600
FUNDING TOTALS	6,660,871	15,162,137	28,809,493	14,855,800	17,213,000	12,272,000	13,123,000	108,096,302



CIP AND CAPITAL PROJECTS FUNDS

GENERAL CAPITAL PROJECTS FUND
CAPITAL PROJECTS SUMMARY

FUND 07	HISTORY 2021-2022 Actual	HISTORY 2022-2023 Actual	CURRENT YEAR 2023-2024 Budget	CURRENT YEAR 2023-2024 Projected	BUDGET 2024-2025 Budget
Beginning Fund Balance*	**$11,248,865**	**$14,266,067**	**$21,122,786**	**$21,122,786**	**$19,840,008**
Revenues:					
Transfer from General Fund	1,085,000	485,000	235,000	235,000	648,000
Grants	0	800,000	3,200,000	0	3,200,000
2021/2022 Certificates of Obligation/Tax Notes	4,562,512	0	0		0
2023 Proposed Certificates of Obligation	0	9,142,698	0	0	0
2024 Proposed Certificates of Obligation	0	0	0	3,600,000	0
Other financing sources	0	0	0	0	0
Interest Income / Misc.	81,823	638,216	600,000	800,000	600,000
Total Revenue:	$5,729,335	$11,065,914	$4,035,000	$4,635,000	$4,448,000
Total Available Resources	**$16,978,200**	**$25,331,980**	**$25,157,786**	**$25,757,786**	**$24,288,008**
Expenditures:					
Public Works:					
Bond Issuance	114,078	173,444	0	0	0
Building Improvements	0	0	195,000	144,400	95,000
Equipment (Misc)	0	0	10,000	3,100	197,800
Green Ribbon	38,720	4,734	50,000	50,000	50,000
Contingency	0	0	80,000	80,000	25,000
Engineering	25,000	27,418	30,000	30,000	30,000
Pmt to NRH for Rufe Snow	63,068	63,068	60,500	60,500	0
Sidewalk Replacement	36,740	121,902	150,000	150,000	175,000
Street Overlays/Maintenance	0	0	800,000	800,000	950,000
Capital Projects	2,434,528	3,818,629	21,873,731	4,599,778	18,806,044
Total Fund Expenditures:	$2,712,134	$4,209,195	$23,249,231	$5,917,778	$20,328,844
Ending Fund Balance	**$14,266,067**	**$21,122,786**	**$1,908,555**	**$19,840,008**	**$3,959,164**

CIP AND CAPITAL PROJECTS FUNDS

ECONOMIC DEVELOPMENT CORPORATION
BUDGET SUMMARY
FUND 05 - CAPITAL PROJECTS

The Watauga Economic Development Construction fund accounts for construction projects in and for the Economic Development Corporation.

	HISTORY			PROJECTED YEAR		BUDGET
	2020-2021 Actual	2021-2022 Actual	2022-2023 Actual	2023-2024 Original Budget	2023-2024 Projected	2024-2025 Budget
Fund Balance, October 1	**$38,835**	**$38,660**	**$30,346**	**$21,146**	**$32,345**	**$24,345**
Revenues:						
Interest Earnings	61	247	1,543	100	2,000	2,000
Proceeds from Sale of Assets	0	0	456	0	0	0
Transfer from EDC Sales Tax Fun	0	375,000	0	0	0	100,000
Other Financing Sources	0	0	0	0	0	0
Matching Grants	0	0	0	0	0	0
Total Revenues	**$61**	**$375,247**	**$1,999**	**$100**	**$2,000**	**$102,000**
Total Available Resources	**$38,896**	**$413,907**	**$32,345**	**$21,246**	**$34,345**	**$126,345**
Expenditures:*						
Purchase of Property	0	375,000	0	0	0	0
Foster Village Improvements	0	0	0	0	0	0
Shade Structure - Indian Springs	0	0	0	0	0	0
Park Equipment (Picnic Pads, etc.)	0	0	0	0	0	0
Capp Smith Park Improvements	236	0	0	0	0	90,000
Contingency	0	8,561	0	10,000	10,000	10,000
Total Expenditures	**$236**	**$383,561**	**$0**	**$10,000**	**$10,000**	**$100,000**
Other Expenditures						
Transfer to PDC Debt Service	0	0	0	0	0	0
Total Other Sources (Uses)	0	0	0	0	0	0
REVENUES OVER (UNDER) EXPENSES	**($175)**	**($8,314)**	**$1,999**	**($9,900)**	**($8,000)**	**$2,000**
Fund Balance, September 30	**$38,660**	**$30,346**	**$32,345**	**$11,246**	**$24,345**	**$26,345**
CHANGE IN FUND BALANCE	**($175)**	**($8,314)**	**$1,999**	**($9,900)**	**($8,000)**	**$2,000**

CIP AND CAPITAL PROJECTS FUNDS

UTILITY CONSTRUCTION FUND 45 – CAPITAL PROJECTS
BUDGET SUMMARY

The Utility Construction Fund accounts for the acquisition and construction of major capital projects and capital outlay for the Utility Fund.

	HISTORY		CURRENT YEAR		BUDGET
FUND 45	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Budget
Working Capital, at October 1	**$10,475,157**	**$10,430,530**	**$9,424,751**	**$10,100,371**	**$5,474,921**
Revenue:					
Interest Income	81,393	501,098	500,000	550,000	500,000
Bond Proceeds/premium	294,127	78,638	0	3,500,000	0
Transfer from Water Sewer Operating	0	140,000	0	0	0
Miscellaneous/Grant	200,865	16,347	0	200,000	150,000
Total Revenue/Other Sources	$576,385	$736,083	$500,000	$4,250,000	$650,000
Total Available Resources	**$11,051,542**	**$11,166,612**	**$9,924,751**	**$14,350,371**	**$6,124,921**
Expenditures:					
Bond Issuance Costs			0	0	0
Loss on Refunding	0	0	0	0	0
Building Improvements	0	0	0	0	0
Water & Sewer Mains	72,498	72,921	117,000	83,000	83,800
SSES Repairs	56,690	56,277	60,000	60,000	66,000
Street Repairs	0	0	34,000	34,000	34,000
Capital Outlay:					
Heavy Equipment	0	0	550,000	550,000	0
Motor Vehicles	0	0	0	0	0
Water Tower Improvements	0	0	0	0	0
Infrastructure					
CDBG	158,300	0	250,000	250,000	250,000
Water & Wastewater Improvements	333,525	937,043	7,890,990	7,898,450	5,537,650
Total Expenditures	$621,013	$1,066,241	$8,901,990	$8,875,450	$5,971,450
Depreciation	$0	$0	$0	$0	$0
Transfers:					
Transfer	0	0	0	0	0
Total Transfers	$0	$0	$0	$0	$0
Cash Balance, September 30	**$10,430,530**	**$10,100,371**	**$1,022,761**	**$5,474,921**	**$153,471**

CIP AND CAPITAL PROJECTS FUNDS

2024-2025 PARKS PROJECTS DISCUSSION

- **Description: Foster Village Park Renovation, $435,400**



A needs assessment is planned to help guide future renovations at Foster Village Park. The assessment will solicit community input, analyze community needs, and provide cost estimates. Renovations are also planned and budgeted for the Foster Village Cottage.

Justification: A needs assessment/design for Foster Village Park is necessary to carefully consider the possibilities for future renovation of the park. The goal is to meet the needs of the community while being mindful of impact to the environment and surrounding residences. The process will provide public meetings and utilize design graphics to depict possibilities.

The Foster Village cottage needs substantial remodeling and structural repairs in order to maintain the structural integrity. Estimated renovation costs are approximately $245,000.

Operating Impact: $50,000 to the operating budget is anticipated for the needs assessment. The Foster Village Cottage renovation project will be paid for by the 2022 Certificates of Obligation proceeds, general fund and storm drain fund revenues.

- **Description: Splashpad Filtration, $200,000**



The project includes an ultraviolet (UV) system to be the secondary treatment of water. It will require the reconstruction and re-piping of the current filtration cabinet area in order to meet the current code requirements.

Justification: This project is a requirement to bring the splashpad filtration system up to the current code regulations and provide an enhanced layer of protection for the citizen as they enjoy the splashpad area.

Operating Impact: This project will be funded by the 2024 Certificate of Obligations and the Watauga Economic Development Corporation.



❖ **Description: <u>Solar Trail Lights, $400,000</u>**
This project provides for the installation of solar lights at Indian Springs, BISD, and Virgil Anthony parks. The loop trails in each of the parks will be lit with solar lighting similar to the lighting recently installed at Capp Smith Park.

Justification: The major Park Master Plan survey request was improvements in the hike and bike trails within the City. This is a continuation of that request and will provide improved lighting in the parks.

Operating Impact: This project is being funded by the 2024 Certificate of Obligations issued in September 2024 and is anticipated to create a reduction in the electricity expenses when completed.

FY2024-25 BUILDING PROJECTS DISCUSSION

❖ **Description: <u>Parks Facility Building Improvements, $180,000</u>**
This project provides improvements to the Parks Facility, with the replacement of the aging pole barn that houses equipment and vehicles and will add bins for material storage.



Justification: The pole barn is in need of replacement due to its age and condition of disrepair. The barn will house parks equipment and provide protection for equipment and vehicles such as sun damage and severe weather events. The material bins will provide storage for topsoil, mulch, and rock. The bins will provide protection for loss of materials from storm runoff.

Operating Impact: This project will be funded through the 2020 Certificates of Obligation Proceeds.

❖ **Description: <u>Public Works Parking Lot Reconstruction, $1,000,000</u>**
This project is to repave the entire Public Works Facility yard area due to the deterioration of the existing parking lot. The new parking lot area will be constructed of concrete to increase its service life and optimized to add additional parking within the existing boundary of the Public Works Facility.



Justification: The current condition of the Public Works yard pavement area is in complete disrepair and in need of a complete replacement. In addition, the recent expansion of the fleet maintenance building has created a need to optimize parking.

Operating Impact: This project is being funded by the 2024 Certificate of Obligations issued in September 2024.

FY2024-2025 ECONOMIC DEVELOPMENT PROJECTS DISCUSSION

- **Description: Food Business Park Project, $500,000**

This EDC project will provide for the construction of a food business park at Capp Smith Park. The site is planned to include a small entertainment stage with associated parking. The project began back in FY22-23 and is anticipated to be completed during FY24-25 with a total project expense of $500,000.

Justification: This project was designed to spur economic development activity in the city and surrounding region to help rebound from the impact of COVID-19. In addition, the private ownership of available parcels has caused the small restaurant entrepreneurs to seek other options outside of the City due to cost of real estate. The site will allow for mobile restaurants to support and promote economic activity within the City of Watauga with the objective to give restaurant owners the opportunity to build up a clientele in the Northeast Texas Mid-Cities area with minimal start-up costs.

Operating Impact: Funds are provided by the 2020 Certificates of Obligation proceeds. The City anticipates the impact of the operating budget for maintenance of the food business park to be approximately $3,000 per year after completion.

FY2024-25 STREETS/SIDEWALKS DISCUSSION

- **Description: FY2024-2025 Street Overlay, $800,000**

This project provides for the curb and gutter, subgrade, milling, and asphalt overlay for 7-8 streets annually.

Justification: The existing asphalt pavement for certain streets is deteriorating. The asphalt overlay will provide an improved riding surface and will extend the life of the roadways and will enhance the appearance of the streets.

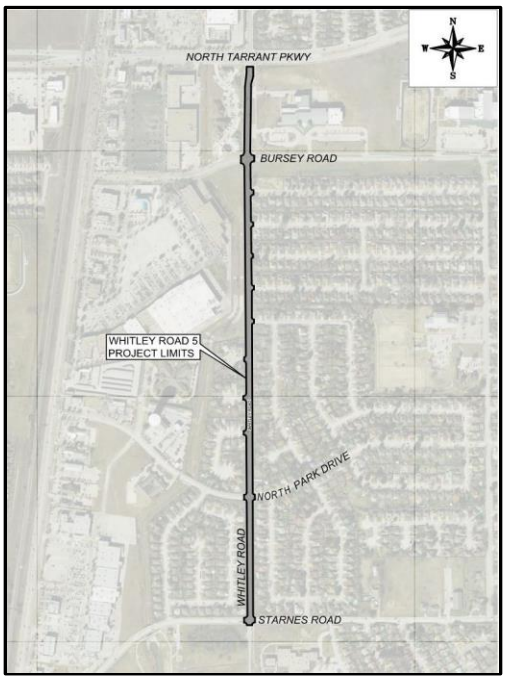
Operating Impact: The street program is cash funded by a transfer from the General Fund to the Capital Projects fund.



CIP AND CAPITAL PROJECTS FUNDS

❖ **Description: <u>Whitley Road 5 Street Project, $4,873,000</u>**

The Whitley Road Street Project, Phases 1,2,3,4, and 5 encompass the area of Oakhill to Starnes (1), Watauga to Chapman (2), Chapman to Concord (3), Concord to Oakhill (4) and Starnes to North Tarrant Parkway (5), which is approximately 12,500 linear feet. Whitley Road is a thoroughfare listed on the Watauga Master Thoroughfare Plan. Whitley Road Phase 1-4 were completed in prior years. The improvements in all phases include underground storm drains and the rehabilitation or replacement of any water lines and sanitary sewer lines under Whitley Road as needed.



Justification: Whitley Road is a major thoroughfare of the City. The existing asphalt pavement is deteriorating. The traffic flow on Whitley Road will improve considerably with the improvements to this road.

Operating Impact: This project began in FY2016-2017 and has carried over through the years. The expected completion date for the final phase is August 2025. This street improvement will have little or no impact on operations. These projects are funded through multiple Certificates of Obligation proceeds, Storm Drain fees, and grants from Tarrant County. The City was awarded $800,000 for Whitley Road 4 construction and $3.197 million for Whitley Road 5 construction.

❖ **Description: <u>Hightower Drive, Phase I, $8,022,000</u>**

This project includes a full concrete street reconstruction of Hightower Drive from Hwy 377 to Lyndale Drive, and asphalt mill and overlay of Hightower Drive from Lyndale Drive to Rufe Snow Drive. The project includes a center median, trail, and a shared use lane. Engineering for the project began in FY2023 and construction is expected to begin during FY2025.



Justification: Hightower Drive is a major thoroughfare in the City. The existing asphalt pavement is deteriorating. We anticipate this will rejuvenate the area for commercial development.

Operating Impact: Hightower Drive is a major thoroughfare in the City. This street improvement project will have little or no impact on operations. It will be funded through developer fees; the 2022 and 2023 Certificate of Obligation proceeds and Storm Drain fees.

- **Description: <u>Watauga Road, Phase I, $2,232,000</u>**

This project includes a full concrete street reconstruction of Watauga Road from the western city limits to the western right-of-way of Union Pacific Railroad. The existing bridge near the Watauga Animal Control Building will being inspected but is anticipated to remain untouched. The project will also include conceptual engineering for the entire street from the west city limits to the east city limits. Construction is anticipated to begin in FY2027 with an estimate of $9,058,000.



Justification: Watauga Road is a major economic thoroughfare in the City. The existing asphalt pavement is deteriorating. We anticipate this will rejuvenate the area for commercial development.

Operating Impact: This street improvement project will have little or no impact on operations. It will be funded through 2023 Certificate of Obligation.

- **Description: <u>FY2024-2025 Sidewalk Program, $175,000</u>**



Approximately 5,000 square feet of sidewalks will be maintained this fiscal year. The City identifies various sidewalks annually for replacement.

Justification: Safe, pedestrian-friendly neighborhoods are a priority of our community. An important component of this is the City's Sidewalk Program which is developed to provide for the maintenance of sidewalks within the City of Watauga.

Operating Impact: The Sidewalk program this year is funded by a transfer from the General Fund to the General Capital Projects Fund.

FY2024-2025 STORM DRAIN PROJECTS DISCUSSION

- **Description: Whitley Road 5 Project, $1,550,000**
  With the Whitley Road 5 project major storm drain improvements along Whitley Road are included. Currently, there are ditches along Whitley Road that carry the storm water. This storm water will be put under Whitley Road and carried by pipes.

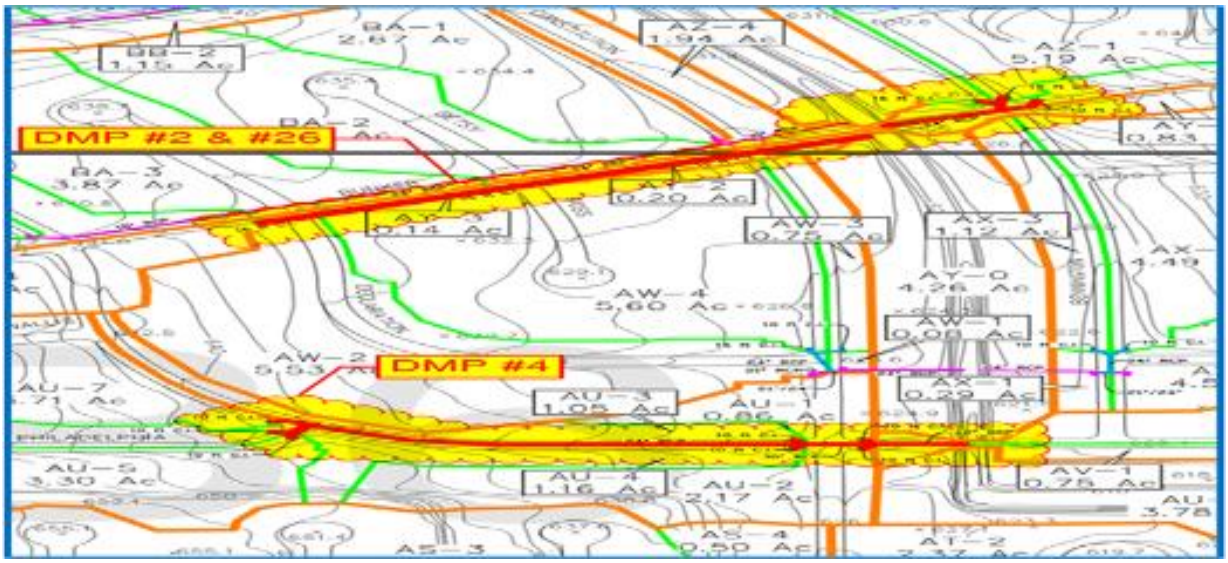
  Justification: When Whitley Road is widened, there will not be room within the right of way for the ditches to carry the storm water. Adding curbs and curb inlets allow us to carry the storm water underground.

  Operating Impact: Little to no impact upon operations is anticipated. This project is paid for with storm drain revenues with the current level of user fee charges.

- **Description: Bunker Hill Drainage Project, $1,746,000**
  Will improve drainage in the Bunker Hill subdivision with construction of curb inlets and an underground system along portions of Bunker Blvd and Yorkston Street.

  Justification: There is no existing system on the east side of the Bunker Blvd outfall and the system on the west side is undersized. Additionally, there is no existing underground system along this section of Yorkston Street that drains a large drainage area. The existing drainage system upstream at Declaration Street and Constitution Drive cannot adequately capture the flow, which exacerbates the system's inadequacies at the Yorkston Street channel outfall.

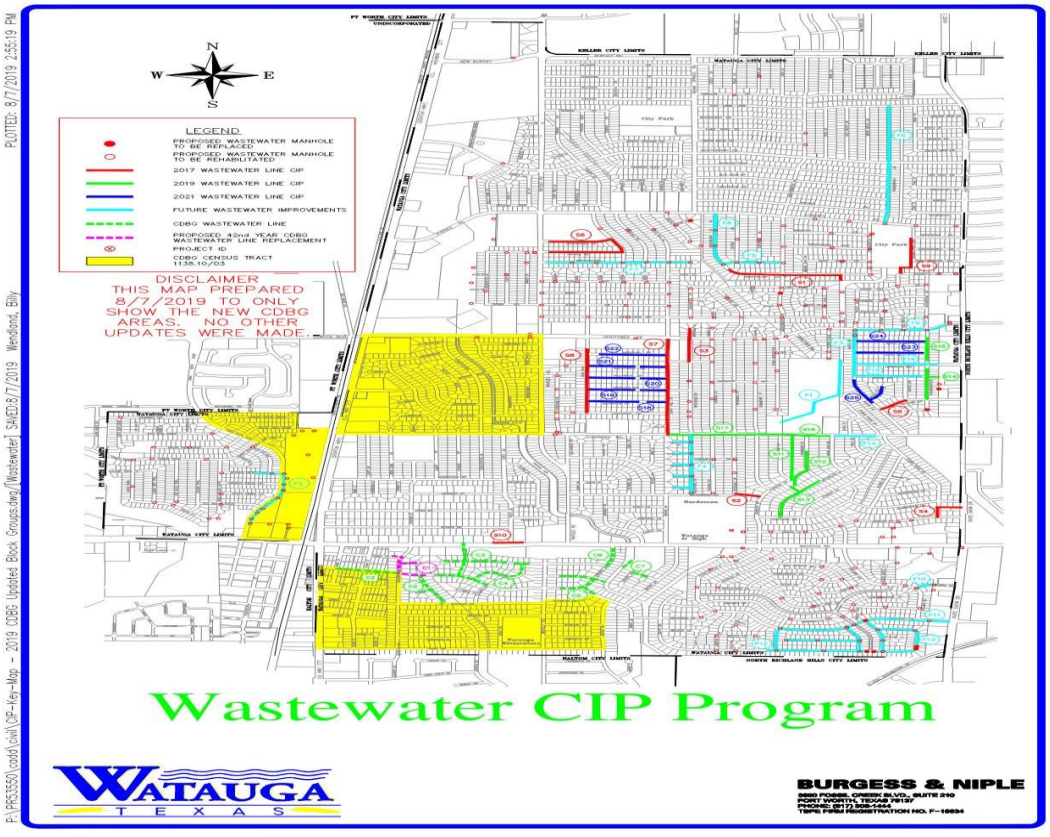
  Operating Impact: Little to no impact upon operations is anticipated. This project will be paid for with storm drain revenues in the amount of $227,700 for engineering, and construction is anticipated to be $1.5 million, with the project to commence in FY2025.



CIP AND CAPITAL PROJECTS FUNDS

FY2024-2025 WASTEWATER PROJECTS DISCUSSION

- **Description:** The 2019 Wastewater CIP will replace wastewater lines that were identified in the Sewer System Evaluation Survey (SSES) in 2015. These projects will include Sanitary Sewer Line Replacements throughout the City that have a high amount of inflow and infiltration and need to be replaced. This replaces the aging clay piping with Polyvinylchloride (PVC) piping in the older parts of the City. The 2019 Wastewater CIP and Certificates of Obligation proceeds will continue funding for these projects. A Sewer System Evaluation Survey (SSES) was completed in FY2018-2019 in another section of the city to identify additional high priority projects. Two separate projects will occur. The first one will rehabilitate wastewater lines along the following streets: Hickoryhill Road and Oakhill Road from Whitley Road to Maplehill Road; Echo Hill Drive from Hightower Drive to Chapman Road; and Quail Run from Herschel Drive to Highcrest Drive. The second project will rehabilitate wastewater lines along the following streets: Whispering Lane from Wooddale Drive to Stardust Drive; Brookdale Drive from Hightower Drive to Ridgecrest including Brookdale Court; Summit Ridge Drive from Rufe Snow Drive to Avalon Drive including Summertime Lane; Oaklawn Drive from Mickey Drive to McCoy Drive; Village Park Drive from Greendale Drive to Ridgetop Drive; and Watauga Road from Patsy Lane to Morris Boulevard. The project will also rehabilitate and repair various sanitary sewer manholes throughout the city.



Justification: The aging wastewater lines throughout the City are 30+ years old. The lines are subject to ground movement, pulled joints, root infiltration and deterioration. Many have inflow and infiltration problems. Proactive replacement, instead of reactive replacement, will reduce maintenance costs and customer problems.

Operating Impact: Savings of approximately $100,000 annually are expected in decreased wastewater fees paid due to prevention of inflow and infiltration into the system after completion of this project.

WATER & WASTEWATER CIP, GROUP 3



- **Description:** This project is part of the water/wastewater projects and includes a complete reconstruction of Summertime Lane street, storm water drainage system, water main improvements, and sanitary sewer improvements. Construction will include Summertime Lane from Rufe Snow Drive to Carousel Drive. The project also includes Route 66 from Summertime Lane to Whispering Lane.

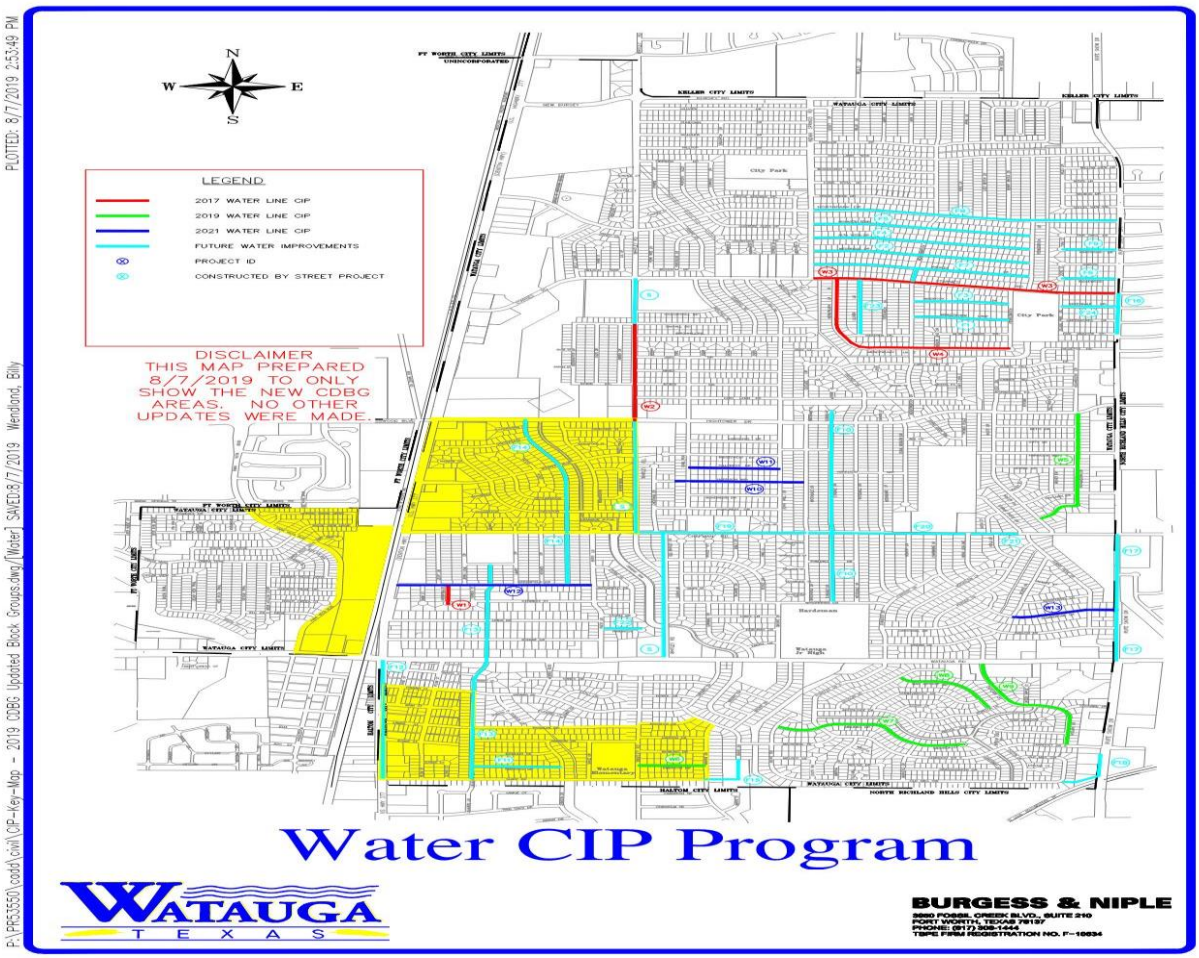
Justification: This project is part of the water lines that were identified as part of the Sewer System Evaluation Survey (SSES) in 2015 and 2019 Water CIP water line projects. The aging water and wastewater lines throughout the City are old and present frequent maintenance issues. Systematic replacement will reduce maintenance costs and customer problems.

Operating Impact: This project is funded through the ARPA grant and 2019 Certificate of Obligations.

CIP AND CAPITAL PROJECTS FUNDS

FY2024-2025 WATER PROJECTS DISCUSSION

❖ **Description:** The 2019 Water CIP water line projects are planned for Lalagray Lane from Watauga Road to Rosalyn Drive, MacNeal Trail from Stardust Drive South to Barry Drive, and Rufe Snow Drive from Ridgetop Road to Hightower Drive. It is anticipated that these projects will be underway in FY2025.



Justification: The aging water lines throughout the City are old and present frequent maintenance issues. Systematic replacement will reduce maintenance costs and customer problems.

Operating Impact: Savings of approximately $15,000 annually are expected in decreased maintenance issues for the system after completion of this project. The debt service to cover the 2017 bond issuance began in FY2018 and the debt service for the 2019 debt issuance began in FY2020.

CIP AND CAPITAL PROJECTS FUNDS

FY2024-2025 LEAD WATER SERVICE LINE IDENTIFICATION PROGRAM



- **Description:** The EPA published a new rule where the City is required to develop and maintain a lead water service line inventory.

  The purpose of this project is to locate every water meter in the City and determine the service line material. While we did this, we located all water valves and fire hydrants. We estimated 8,341 water meters, 1,703 water valves and 653 fire hydrants in the City. The identification inventory was completed in October 2024 with 8,471 total service lines inspected with 6 identified as containing lead, 11 identified as galvanized lines still requiring replacement, and 8,454 identified as non-lead. All information will be placed into the Watauga GIS maps for record purposes. The identified lead water service lines will need to be replaced. We anticipate performing these replacements within a CIP project. This project includes small, previously unidentified wastewater and water line problems detected and repaired throughout the fiscal year.

  Justification: Lead service lines have been identified as the primary contributor of lead in drinking water. This project will identify any lead pipe inventory in the system and address a plan for replacement of those pipes**.**

  Operating Impact: This project is funded through the ARPA grant.

OTHER UTILITY SYSTEM PROJECTS

FY2024-2025 UTILITY MAINTENANCE PROJECTS

- **Description:** This project includes small, previously unidentified wastewater and water line problems detected and repaired throughout the fiscal year.

Justification: The aging wastewater lines throughout the City are 30+ years old. The lines are subject to ground movement, pulled joints, root infiltration and deterioration. Many have inflow and infiltration problems. Systematic replacement will reduce maintenance costs and customer problems.

Operating Impact: Savings are expected in decreased wastewater fees paid due to prevention of inflow and infiltration into the system.

FY2024-2025 CDBG PROGRAM

- **Description:** Every even year, Watauga receives a Tarrant County Community Development Block Grant (CDBG) that varies in amount, which we use to help fund a project in a primarily (70% +) residential Census Block Group area that contains a defined percentage of low to moderate income. The typical process is the City submits an application to Tarrant County in January, holds a public hearing by March, prepares the design late in the year and then constructs the project in the next fiscal year. The 50th Year CDBG project is expected to begin in FY2025 and replaces the water line along the north side of Bunker Blvd. from west of Yorkston Street and west of Constitution Drive. The grant project ties into the previously constructed 46th year CDBG project on Bunker Blvd. that stopped a Constitution Drive. The project also entails the removal of 2 existing fire hydrants, 9 existing water valves And the installation of 4 fire hydrants.

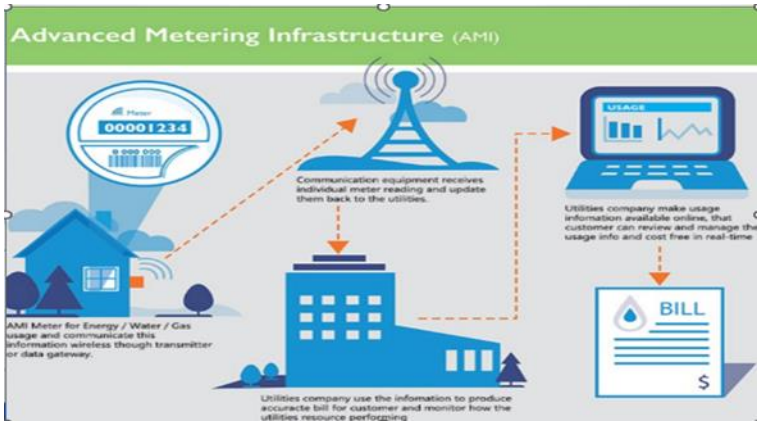


Justification: Watauga uses these grants to supplement our funding to repair deficient utilities and/or streets in order to develop viable urban communities within the City. The Emerson Drive water main has been leaking and failing and needs replacement. The Bunker Boulevard water main has been leaking and failing and needs replacement. The Plum Street water line has experienced emergency breaks necessitating emergency repairs and needs replacement.

Operating Impact: The biannual CDBG program is annually funded by a transfer from the General Fund to the General Capital Projects Fund or by a transfer from the Water and Sewer Utility fund to the Utility Capital Project fund and/or through Certificate of Obligation proceeds. for CDBG 50th year – Bunker Blvd. water main the City must cover any project cost overruns and fully fund the engineering fee estimated at $60,300. We anticipate receiving $170,000 in grant funding with construction costs of $385,000 leaving a City obligation of approximately $275,300.This will be funded by the Utility Construction Fund this budget year.

CIP AND CAPITAL PROJECTS FUNDS

ADVANCED METERING INFRASTRUCTURE (AMI) PROJECT



❖ **Description:** This project is for the replacement of the City's current outdated water metering system with a modern, adaptable advanced metering Infrastructure (AMI) solution.

Justification: The City's current water metering system is outdated. The AMI solution allows for remote meter reading, which eliminates the need to read directly from the meter box. Utility billing will be able to collect meter readings more efficiently, accurately, and faster. Because the data transmits from the endpoint directly to the software, there are less opportunity of error and the need for re-read situations.

Operating Impact: This project is being funded with the 2024 Certificate of Obligation issuance.

DEBT SERVICE FUNDS



DEBT SERVICE

The Debt Service Fund, also known as General Obligation Interest and Sinking Fund, was established to provide for the payment of bond principal and interest and for the payment of fiscal agent fees as they come due. Property tax rates and tax levy are required to be computed and levied to provide the money required to pay principal and interest as it comes due. Revenues are collected in the General Obligation Interest and Sinking Fund for the payment of general long-term debt, principal, and interest. The General Obligation debt is financed by property taxes and interest earned on investments. The FY2024-2025 tax rate was adopted at $0.5702 per $100 valuation, of which $0.209149, or 36% funds the FY2024-2025 debt service payments. The Utility Debt Service fund is funded through a transfer from the Water and Sewer Operating fund from revenues received from residential and commercial utility customers.

Debt issuance finances the City's purchase of land, buildings, land improvements, parks, and the construction and reconstruction of streets and drainage facilities. In addition to infrastructure, debt issuance finances large dollar capital outlay items such as fire trucks and public works heavy equipment.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Debt Management

The Watauga Charter provides that any limitation on the tax rate shall be determined in accordance with the statutory provisions of the Texas Property Tax Code, as now or hereafter amended by the state legislature, but does not set a limitation on the debt component.

Outstanding Debt Service by Issuance

During FY2006-2007, the City issued $3,400,000 of Combination Tax and Limited Pledge Revenue Certificate of Obligation bonds, which are paid from property tax levies. This issuance funded the renovation of the City's public safety facilities, including police, fire, and emergency medical services, and various street improvements.

In FY2013-2014, the City issued $3,500,000 of Combination Tax and Limited Pledge Revenue Certificate of Obligation bonds, which will be paid from property tax levies. This debt opportunity was available without any increase in the tax rate since the City's total debt obligations decreased the end of FY2013-2014. The expansion of the existing Community Center to provide for an updated Senior Center facility and improvements to Bursey Road, a major thoroughfare in the City were funded by this issuance. Both projects were completed by FY2016-2017.

In FY2015-2016, the City issued $5,885,000 Combination Tax and Limited Pledge Revenue Certificates of Obligation bonds, which will be paid from property tax levies. These funds were used for street improvements throughout the City and quality of life projects such as a splash pad, trails, and parking improvements. Whitley Road phase I was completed in FY2021-2022.

In FY2016-2017, $1.2 million of the Utility Fund debt service dropped off due to the final payment being made in FY2015-2016 for the debt service associated with the purchase of the Water system from North Richland Hills. In the summer of 2017, the City Council considered and approved additional utility project infrastructure funding by issuing certificates of obligation in the

amount of $7.325 million. These funds were received in August 2017 and funded water and sewer projects identified in the City's 5-year Capital Improvements Project plan. Whitley Road, phase 3 was the final project funded by these proceeds and was completed in FY2022-2023.

In FY2017-2018, $6.780 million Certificates of Obligation issuance was approved by Council. The proceeds will fund street projects, park projects, building equipment, signage throughout the City, and capital equipment items.

In August 2019, City Council approved an $8.490 million Combination and Limited Pledge Revenue Certificates of Obligation issuance. Proceeds will fund water and sewer projects and equipment, and some general fund capital equipment. The majority of the debt, $8.065 million, will be repaid with Utility system revenues and $425,000 of the principal will be paid by the I&S component of the tax rate. Payments began in February 2020 at approximately $70,000 annually for the General Fund portion of the debt, and approximately $344,000 for the Utility Fund. Standard & Poor Rating Services assigned a 'AA' rating to this issuance.

In August 2020, a $3.0 million Combination and Limited Pledge Revenue Certificates of Obligation issuance was issued. Proceeds will fund a Fire Station restroom renovation project, continuation of the Whitley Road Street Project, and construction of a restaurant food truck site at Capp Smith Park to spur economic development in the City. Additional projects funded are a roof replacement for the Library facility, construction of an equipment and vehicle storage facility (pole barn) for the Parks facility, and various capital outlay items.

During the fiscal year ended September 30, 2021, the City issued $1,715,000 in General Obligation Refunding Bonds with an interest rate of 1.17%. $560,000 was used to advance refund the outstanding Series 2011 Certification of Obligation Bonds in the General Debt Service Fund and $1,125,000 was used to advance refund the outstanding Series 2011 Certification of Obligation Bonds in the Water and Sewer Fund. The refunding resulted in a gross savings of $84,268.

Also, during FY2020-2021, the City Council approved the issuance of a $4.7 million Combination and Limited Pledge Revenue Certificates of Obligation issuance to continue the street program funding and capital equipment funding for needs identified in the 5-year Capital Improvement Plan and the 5-year Capital Outlay Plan.

During FY2021-2022, the City issued $4.2 million in General Obligation Refunding Bonds with an interest rate of 2 to 4% and was used to advance refund the outstanding Series 2012 Certification of Obligation Bonds in the debt service fund. This refunding resulted in a gross savings of $419,775.

In August 2022, the City Council approved the issuance of $4.93 million Combination and Limited Pledge Revenue Certificates of Obligation with an interest rate of 4% to fund street projects, building improvements, parks projects, and the Capital Outlay plan.

In September 2023, the City Council approved the issuance of $8.95 million Combination and Limited Pledge Revenue Certificates of Obligation to fund street projects and an ambulance for the Fire Department.

In September 2024, the City Council approved the issuance of $7.1 million Certificate of Obligations. The proceeds will fund a fire truck for the Fire Department, solar trail lights, building and parking lot renovations, and the installation of a utility Advanced Metering Infrastructure (AMI)

system. Payments will begin in 2025 with $1,582,850 for the General Fund portion of the debt, and approximately $275,000 for the Utility Fund.

The focus for future budgets will be on phasing in portions of the bond program and adopting a combination of bond issuance and cash financing to fit within budgetary (tax rate) constraints. Special consideration will be given to the leveling of City Debt.

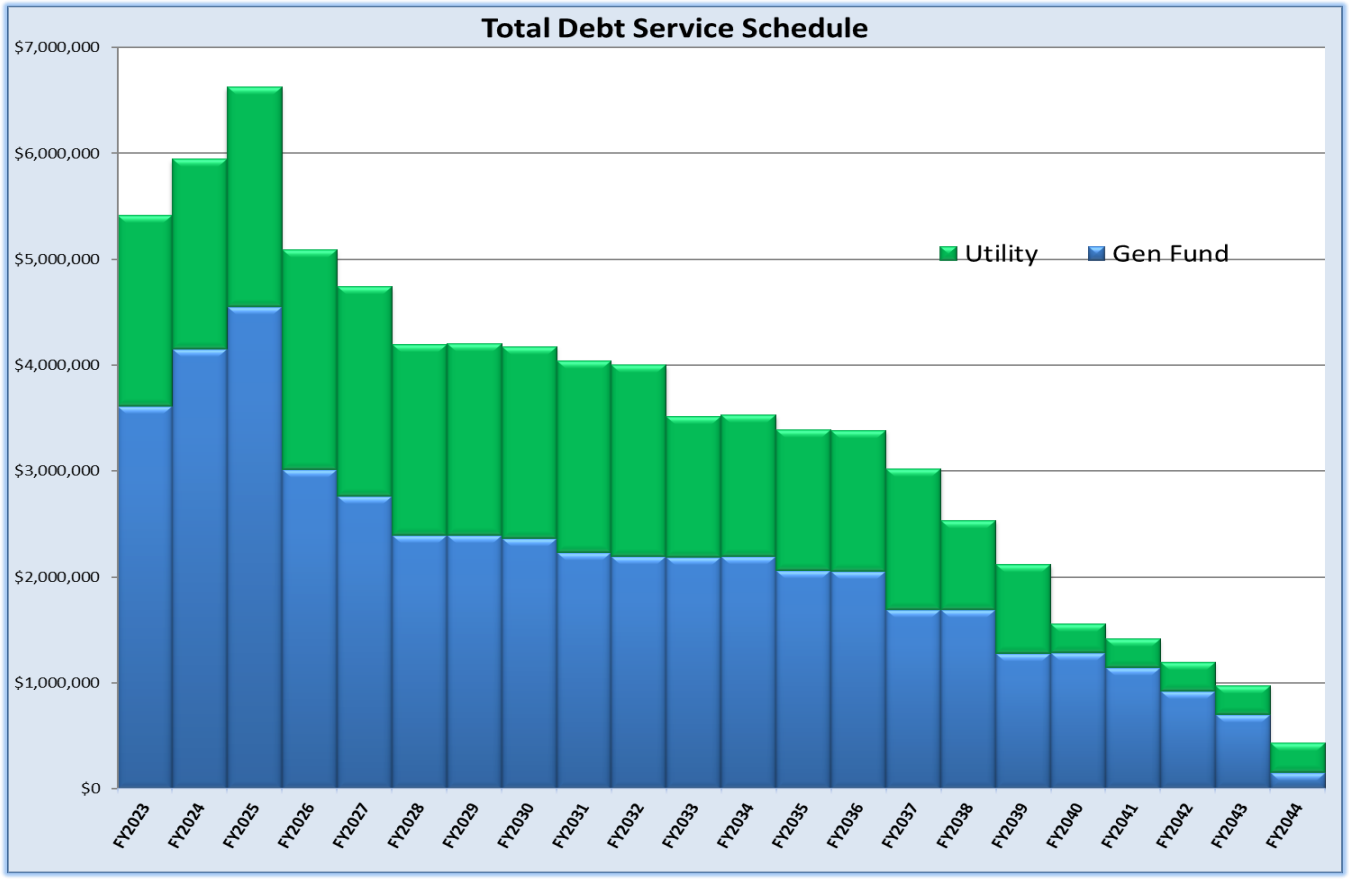
Current Bond Ratings

In recent years, S&P Global Ratings assigned its 'AA' long-term rating to the 2019, 2020, 2021, 2022, 2023, and 2024 issuances and affirmed their 'AA' rating on the city's certificates outstanding. The rating is based on the City's very strong reserves combined with steady budgetary performance produced by a very strong financial management team. In addition, S&P cited expectations for the city to continue stable operations and the projection for assessed values in the city to continue growth.

Moody's had assigned an Aa3 underlying rating to the City's 2011 and 2012 Certificates of Obligation issuances which have now been defeased through the refundings described above.

Debt Service and impact on operations:

The City's debt service schedule is shown below. The City continues planned debt service contributions to fund capital projects without tax increases when possible for General Fund projects. The Utility Fund capital projects are generally planned in the year or debt service declines in order to minimize the need to raise utility rates.



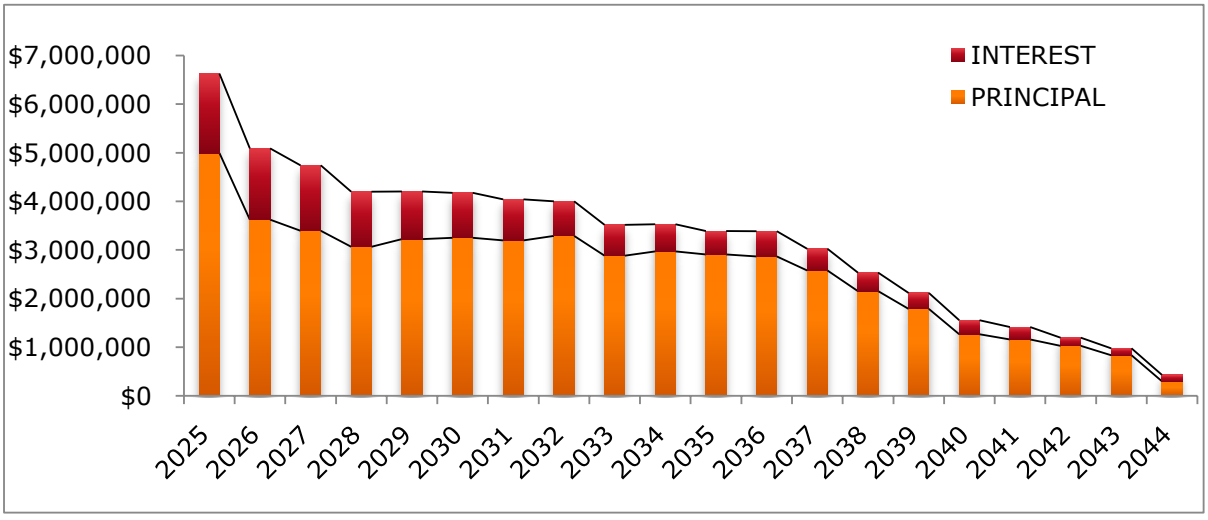
All Debt Service Requirements to Maturity

(Gen. Fund & Water)

as of October 1, 2024

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	INTEREST	TOTAL
2025	$50,965,000	$4,995,071	$1,631,939	$6,627,010
2026	$45,969,929	$3,624,156	$1,465,551	$5,089,707
2027	$42,345,773	$3,395,381	$1,345,457	$4,740,838
2028	$38,950,392	$3,066,061	$1,132,778	$4,198,839
2029	$35,884,331	$3,223,381	$979,838	$4,203,219
2030	$32,660,950	$3,250,301	$925,053	$4,175,354
2031	$29,410,649	$3,197,467	$844,103	$4,041,570
2032	$26,213,182	$3,289,474	$711,164	$4,000,638
2033	$22,923,708	$2,882,799	$634,135	$3,516,934
2034	$20,040,909	$2,970,637	$558,678	$3,529,315
2035	$17,070,272	$2,907,874	$481,886	$3,389,760
2036	$14,162,398	$2,867,125	$518,882	$3,386,007
2037	$11,295,273	$2,578,037	$445,949	$3,023,986
2038	$8,717,236	$2,153,225	$380,904	$2,534,129
2039	$6,564,011	$1,787,687	$328,516	$2,116,203
2040	$4,776,324	$1,266,425	$288,526	$1,554,951
2041	$3,509,899	$1,159,437	$255,276	$1,414,713
2042	$2,350,462	$1,027,683	$168,008	$1,195,691
2043	$1,322,779	$833,771	$142,151	$975,922
2044	$489,008	$299,008	$131,117	$430,125
		$50,775,000	**$13,369,908**	**$64,144,908**

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$6,627,010**	**$4,995,071**	**$ 1,631,939**
Maximum Requirement	**2025**	**$6,627,010**	**$4,995,071**	**$ 1,631,939**

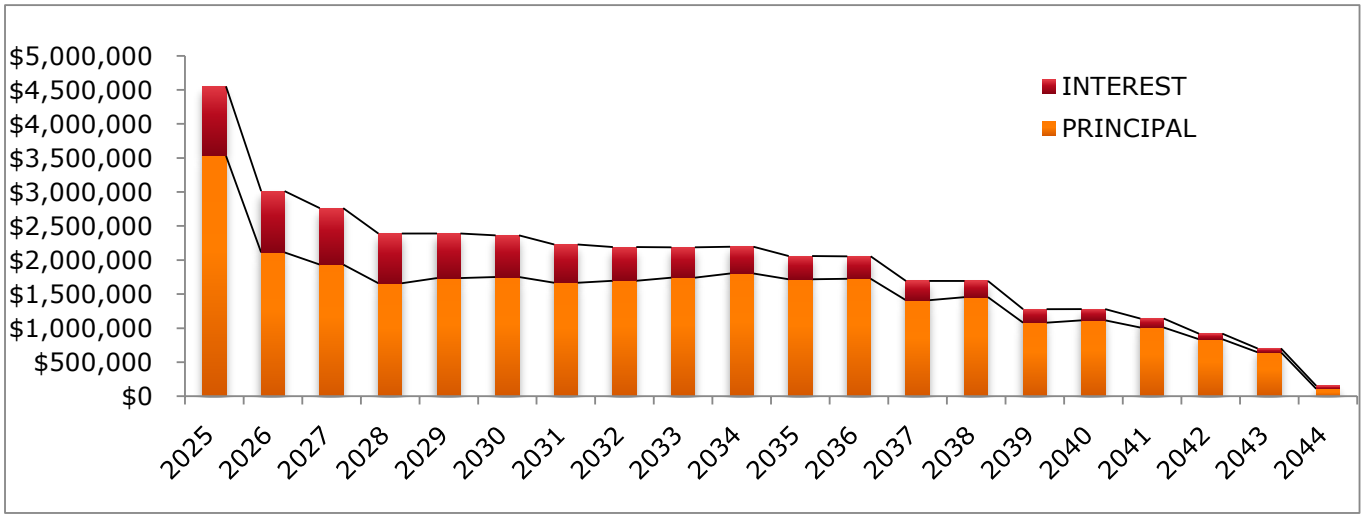


General Fund Debt Service Requirements to Maturity

as of October 1, 2024

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	INTEREST	TOTAL
2025	$30,910,000	$3,530,000	$1,021,844	$4,551,844
2026	$27,380,000	$2,111,963	$901,096	$3,013,059
2027	$25,268,037	$1,933,813	$828,977	$2,762,790
2028	$23,334,224	$1,659,578	$730,363	$2,389,941
2029	$21,674,646	$1,735,616	$654,556	$2,390,172
2030	$19,939,030	$1,750,890	$612,116	$2,363,006
2031	$18,188,140	$1,666,411	$562,386	$2,228,797
2032	$16,521,729	$1,695,608	$495,657	$2,191,265
2033	$14,826,121	$1,741,558	$445,629	$2,187,187
2034	$13,084,563	$1,802,396	$393,359	$2,195,755
2035	$11,282,167	$1,718,008	$341,042	$2,059,050
2036	$9,564,159	$1,725,084	$329,426	$2,054,510
2037	$7,839,075	$1,410,246	$282,879	$1,693,125
2038	$6,428,829	$1,455,184	$237,792	$1,692,976
2039	$4,973,645	$1,079,896	$198,467	$1,278,363
2040	$3,893,749	$1,114,384	$165,067	$1,279,451
2041	$2,779,365	$1,008,646	$131,817	$1,140,463
2042	$1,770,719	$836,727	$81,589	$918,316
2043	$933,992	$645,315	$55,732	$701,047
2044	$288,677	$108,677	$44,698	$153,375
		$30,730,000	**$8,514,490**	**$39,244,490**

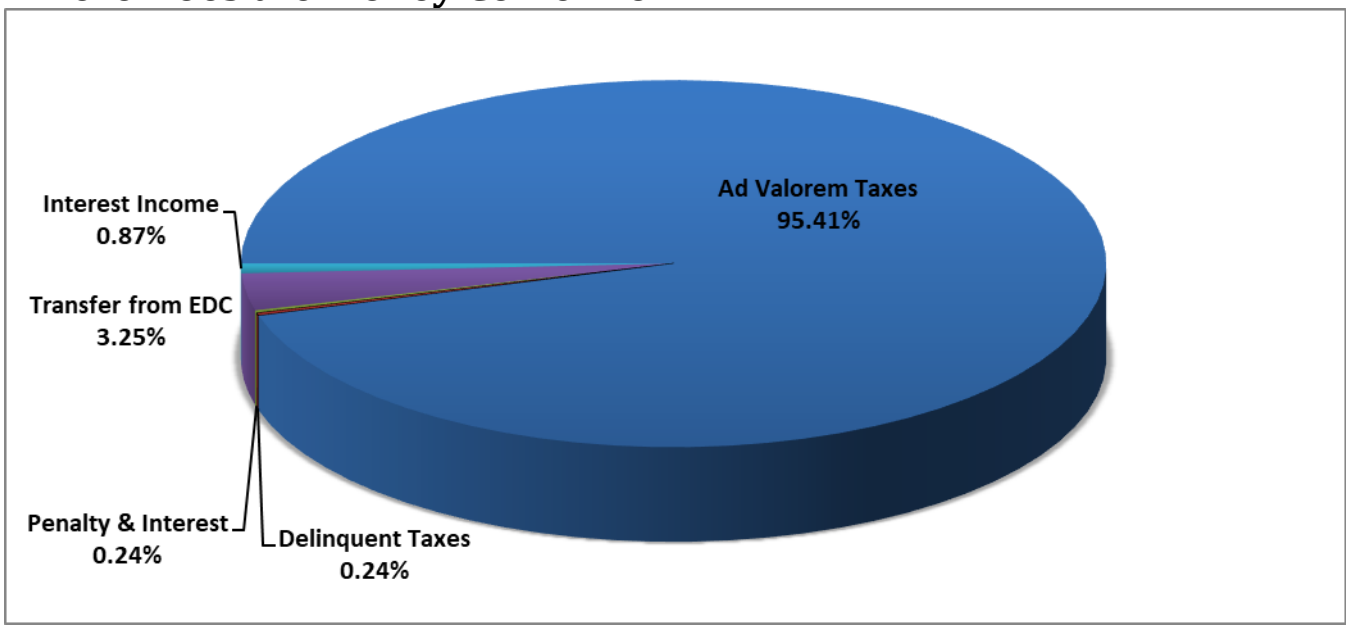
	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$4,551,844**	**$3,530,000**	**$ 1,021,844**
Maximum Requirement	**2025**	**$4,551,844**	**$3,530,000**	**$1,021,844**



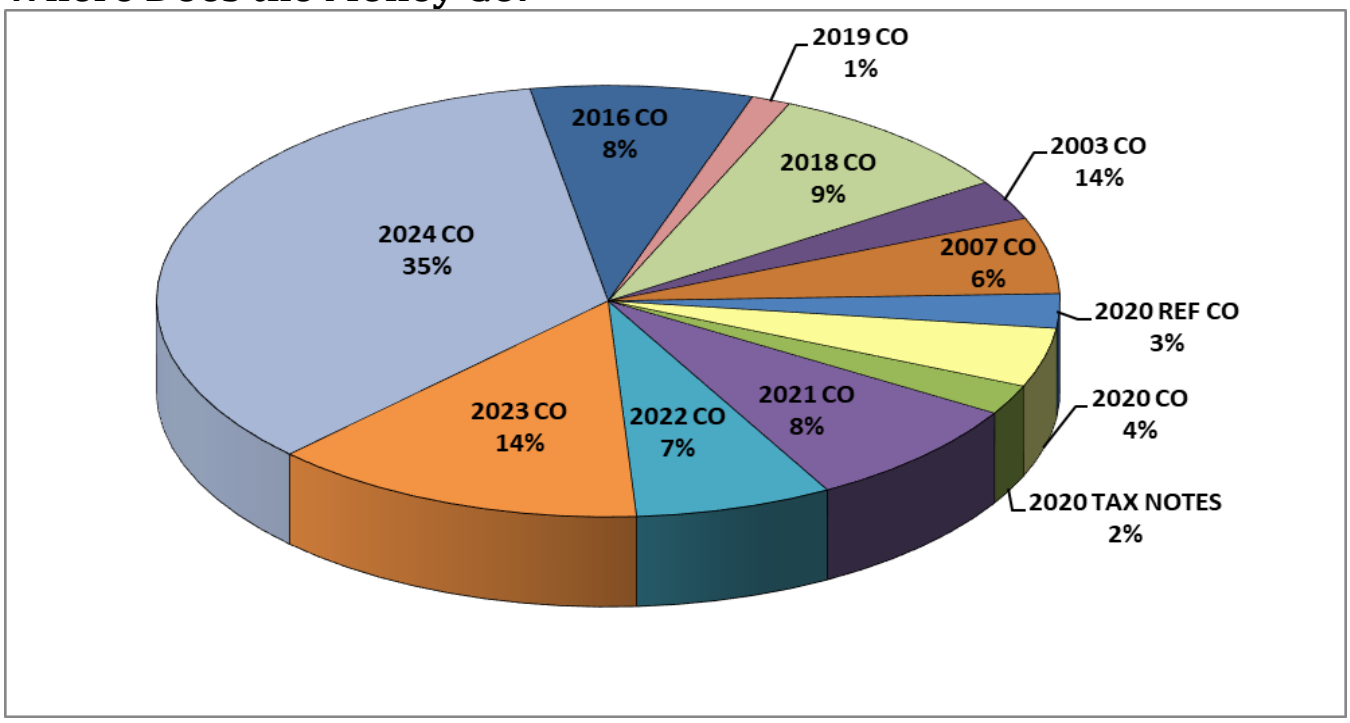
General Obligation Debt Service

Ordinances authorizing the issuance of tax notes, general, and contractual obligation bonds to provide for the payment of bond principal and interest as they come due established the General Obligation Debt Service Fund. This is also referred to as the Interest and Sinking Fund. A property tax is levied and allocated annually to the General Obligation Bond Debt Service Fund in amounts sufficient to service the debt payments. The Economic Development Corporation (EDC) provides debt service payments for EDC related projects through a transfer to this fund. This fund is also used to provide for the payment of fiscal agent fees.

Where Does the Money Come From:

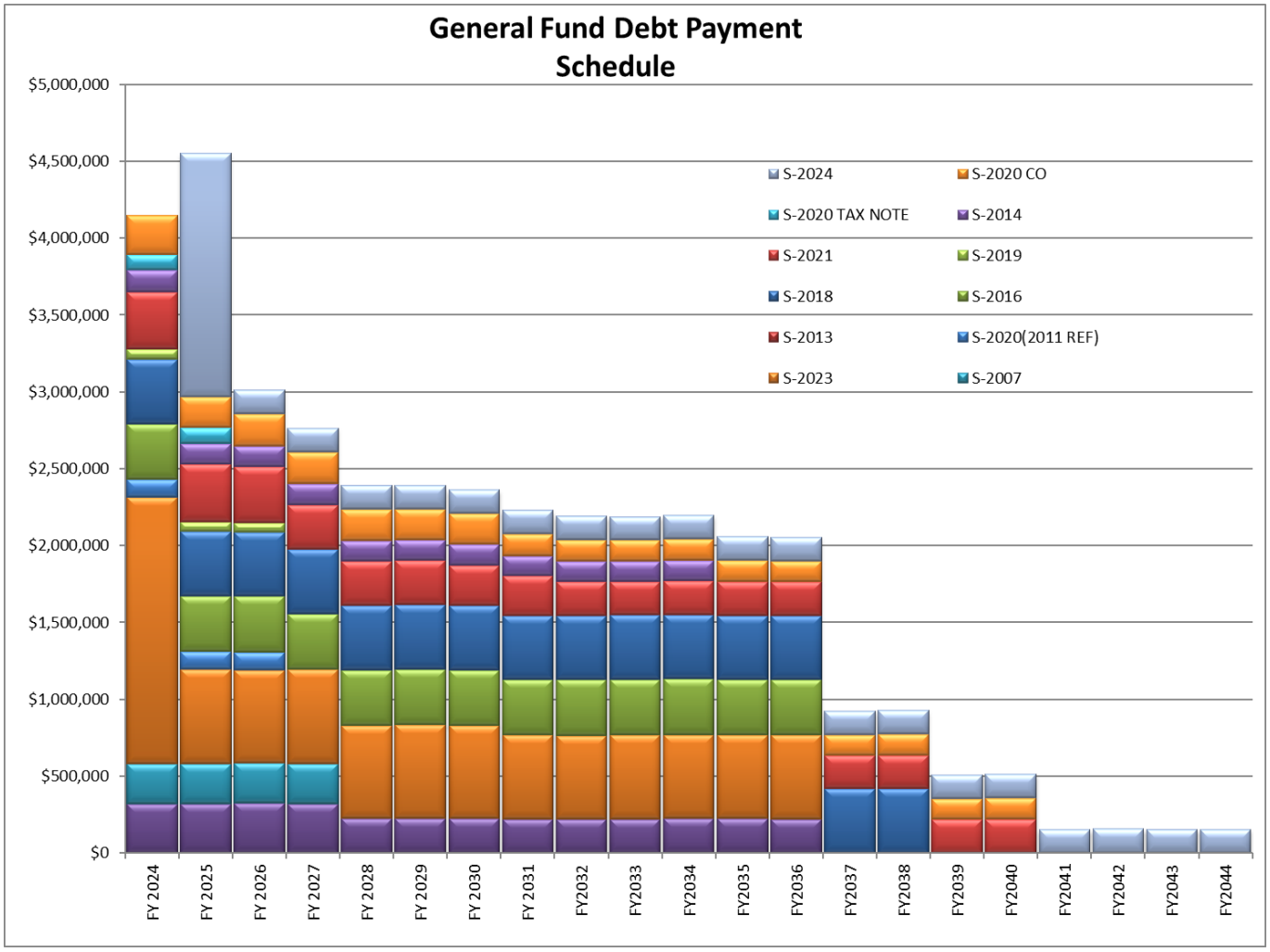


Where Does the Money Go:



The City is committed to fiscal sustainability by employing long-term financial planning efforts, maintaining appropriate reserve levels, and employing prudent practices in governance, management, budget administration and financial reporting. Below is the General Fund Debt Payment Schedule for all current issuances. As debt drops off, other projects may be funded through debt issuance that are identified in the City's 5- year Capital Improvement Plan and Capital Outlay Plan.

Debt levels and their related annual costs are important long-term obligations that must be managed within available resources. A disciplined, thoughtful approach to debt management includes policies that provide guidelines for the City to manage its debt consistent with available and reasonably anticipated resources. The City's debt issuance is related to the Capital Improvement Plan and Capital Outlay Plan, as well as cash reserves, and possible grant funding for those programs. The City strives to maintain a level funding plan that will minimize the peaks and valleys in General Fund support levels and allows the funding of projects over time.



General Obligation Debt Service Fund 03

Budget Summary

	HISTORY		CURRENT YEAR		FORECAST
	FY2021-22 Actual	FY2022-23 Actual	FY2023-24 Budget	FY2023-24 Estimate	FY2024-25 Budget *
Fund Balance, October 1*	**$758,686**	**$782,055**	**$870,873**	**$870,873**	**$1,151,542**
Revenues:					
Ad Valorem Taxes	2,987,004	3,468,902	4,149,000	4,195,000	4,403,000
Delinquent Taxes	11,818	6,382	11,000	9,000	11,000
Penalty & Interest	13,410	17,932	11,000	14,000	11,000
Interest Income	5,113	40,873	40,000	65,000	40,000
Transfer from EDC	147,078	153,200	149,000	149,000	150,000
Current Year Resources	$3,164,421	$3,687,290	$4,360,000	$4,432,000	$4,615,000
Total Available Resources	**$ 3,923,108**	**$ 4,469,345**	**$ 5,230,873**	**$ 5,302,873**	**$ 5,766,542**
2016 Certificates of Obligation					
Principal	255,000	265,000	270,000	270,000	280,000
Interest	106,144	98,344	90,319	90,319	82,069
2018 Certificates of Obligation					
Principal	310,000	330,000	245,000	245,000	255,000
Interest	204,840	188,840	174,415	174,465	161,965
2014 Certificates of Obligation					
Principal	900,000	100,000	100,000	100,000	100,000
Interest	55,625	42,875	39,875	39,875	36,875
2003/2013 Certificate of Obligation					
Principal	195,000	190,000	0	0	0
Interest	6,469	2,138	0	0	0
2007 Certificates of Obligation					
Principal	210,000	220,000	225,000	225,000	235,000
Interest	52,814	43,977	34,832	34,832	25,379
2024 Certificates of Obligation					
Principal	0	0	0	0	1,450,000
Interest	0	0	0	0	132,850
2020 Refunding (2011) CO					
Principal	115,000	115,000	115,000	115,000	115,000
Interest	6,044	4,709	3,364	3,364	2,018
2019 Certificates of Obligation					
Principal	55,000	55,000	60,000	60,000	60,000
Interest	11,325	8,575	5,700	5,700	3,600
2020 TN Certificates of Obligation					
Principal	90,000	90,000	95,000	95,000	100,000
Interest	11,550	8,400	5,163	5,163	1,750
2020 Certificates of Obligation					
Principal	115,000	200,000	205,000	205,000	155,000
Interest	63,050	58,325	52,250	52,250	46,850
2021 Certificates of Obligation					
Principal	265,000	275,000	285,000	285,000	295,000
Interest	111,050	100,250	89,050	89,050	80,400
2022 Certificates of Obligation					
Principal	0	1,070,000	190,000	190,000	200,000
Interest	0	129,639	128,800	128,800	121,000
2023 Certificates of Obligation					
Principal	0	0	1,415,000	1,415,000	285,000
Interest	0	0	320,000	320,092	327,088
Fiscal Agent Charges	2,143	2,400	2,000	2,422	2,600
Total Debt Service Requirement	$3,141,053	$3,598,471	$4,150,767	$4,151,331	$4,554,444
Fund Balance, September 30	**$782,055**	**$870,873**	**$1,080,106**	**$1,151,542**	**$1,212,098**
	23369	**88818**	**209233**	**280669**	**60556**

General Obligation Debt Service Fund

Annual Debt Service Requirement

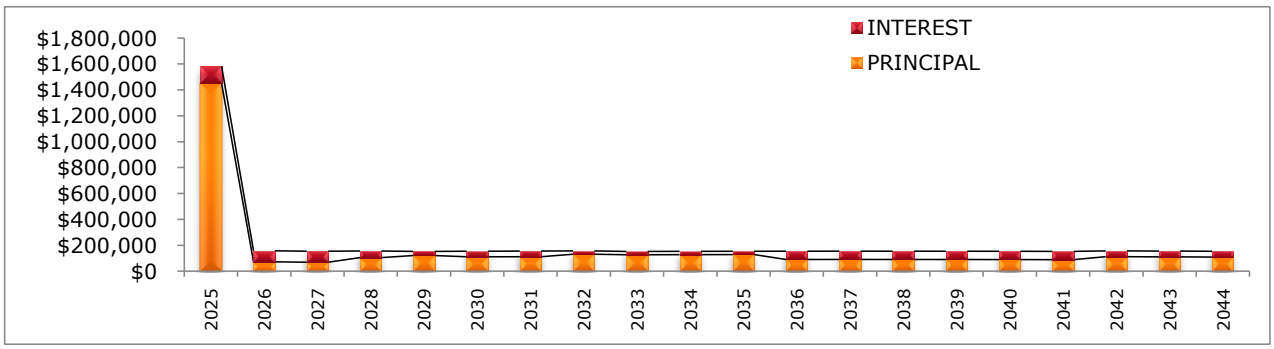
Series 2024 Certificates of Obligation ($3,600,000) *EST

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$3,600,000	$1,450,000	4.5%	$132,850	$1,582,850
2026	$2,150,000	$71,963	4.5%	$85,112	$157,075
2027	$2,078,037	$68,813	4.5%	$85,112	$153,925
2028	$2,009,224	$104,578	4.5%	$51,085	$155,663
2029	$1,904,646	$120,616	4.5%	$31,672	$152,288
2030	$1,784,030	$110,890	4.5%	$42,910	$153,800
2031	$1,673,140	$111,411	4.5%	$43,677	$155,088
2032	$1,561,729	$130,608	4.5%	$25,542	$156,150
2033	$1,431,121	$126,558	4.5%	$25,542	$152,100
2034	$1,304,563	$127,396	4.5%	$25,542	$152,938
2035	$1,177,167	$128,008	4.5%	$25,542	$153,550
2036	$1,049,159	$90,084	4.5%	$63,854	$153,938
2037	$959,075	$90,246	4.5%	$63,854	$154,100
2038	$868,829	$90,184	4.5%	$63,854	$154,038
2039	$778,645	$89,896	4.5%	$63,854	$153,750
2040	$688,749	$89,384	4.5%	$63,854	$153,238
2041	$599,365	$88,646	4.5%	$63,854	$152,500
2042	$510,719	$111,727	4.5%	$44,698	$156,425
2043	$398,992	$110,315	4.5%	$44,698	$155,013
2044	$288,677	$108,677	4.5%	$44,698	$153,375
		$3,420,000		$1,091,804	$4,511,804

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$1,582,850**	**$1,450,000**	**$132,850**
Maximum Requirement	**2025**	**$1,582,850**	**$1,450,000**	**$132,850**

Total Outstanding Bonds	**$3,420,000**
Total Original Issue	**$3,600,000**
Issue Date	**9/1/2024**

Proceeds for contractual obligations of the City to be incurred for making permanent public improvements and purposes, to-wit: (1) parking lot improvement project for Public Works; (2) park projects (3) building improvement projects (4) the purchase of fire engine; and (5) the AMI project (Utility Fund).



General Obligation Debt Service Fund

Annual Debt Service Requirement

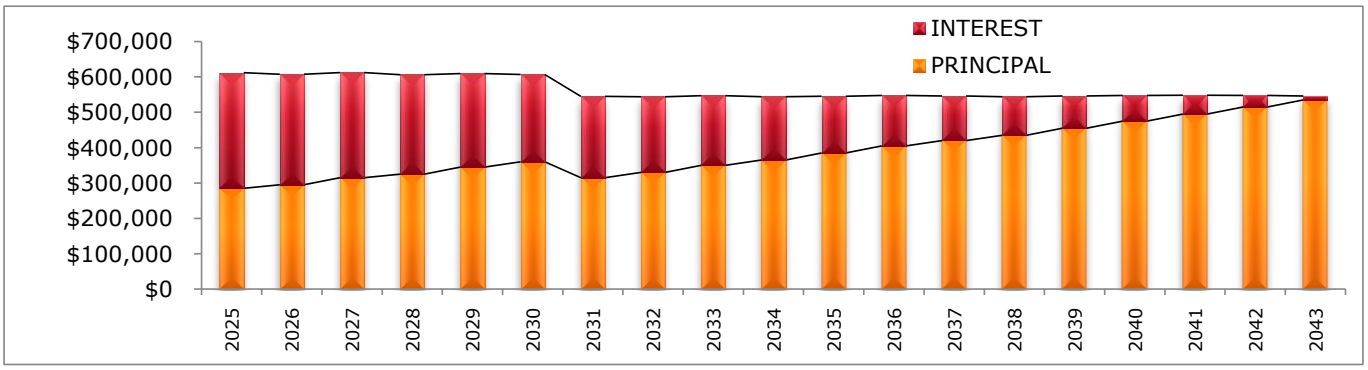
Series 2023 Certificates of Obligation ($8,820,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$7,405,000	$285,000	5.0%	$327,088	$612,088
2026	$7,120,000	$295,000	5.0%	$312,588	$607,588
2027	$6,825,000	$315,000	5.0%	$297,338	$612,338
2028	$6,510,000	$325,000	5.0%	$281,338	$606,338
2029	$6,185,000	$345,000	5.0%	$264,588	$609,588
2030	$5,840,000	$360,000	5.0%	$246,963	$606,963
2031	$5,480,000	$315,000	5.0%	$230,088	$545,088
2032	$5,165,000	$330,000	5.0%	$213,963	$543,963
2033	$4,835,000	$350,000	5.0%	$196,963	$546,963
2034	$4,485,000	$365,000	5.0%	$179,088	$544,088
2035	$4,120,000	$385,000	4.0%	$160,338	$545,338
2036	$3,735,000	$405,000	4.0%	$142,613	$547,613
2037	$3,330,000	$420,000	4.0%	$126,113	$546,113
2038	$2,910,000	$435,000	4.0%	$109,013	$544,013
2039	$2,475,000	$455,000	4.0%	$91,213	$546,213
2040	$2,020,000	$475,000	4.0%	$72,613	$547,613
2041	$1,545,000	$495,000	4.0%	$53,213	$548,213
2042	$1,050,000	$515,000	4.1%	$32,691	$547,691
2043	$535,000	$535,000	4.1%	$11,034	$546,034
		$7,405,000		$3,348,838	$10,753,838

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$612,088**	**$285,000**	**$327,088**
Maximum Requirement	**2027**	**$612,338**	**$315,000**	**$297,338**

Total Outstanding Bonds	**$7,405,000**
Total Original Issue	**$8,950,000**
Issue Date	**9/1/2023**

Proceeds for contractual obligations of the City to be incurred for making permanent public improvements and purposes, to-wit: (1) constructing street improvements, curbs, gutters, and sidewalk improvements, including drainage and traffic safety signalization and signage incidental thereto; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the City's utility system and public works facilities; (3) designing, constructing, renovating, improving, and equipping the City's parks and recreational facilities, including playground equipment; (4) the purchase of materials, supplies, equipment, digital signage, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; (5) the purchase of fleet vehicles, technology improvements, HVAC improvements, public safety equipment, and a motorcycle; and (6) payment for professional and employee services relating to the design, construction, project management, inspection, consultant services, and financing of the aforementioned projects.



General Obligation Debt Service Fund

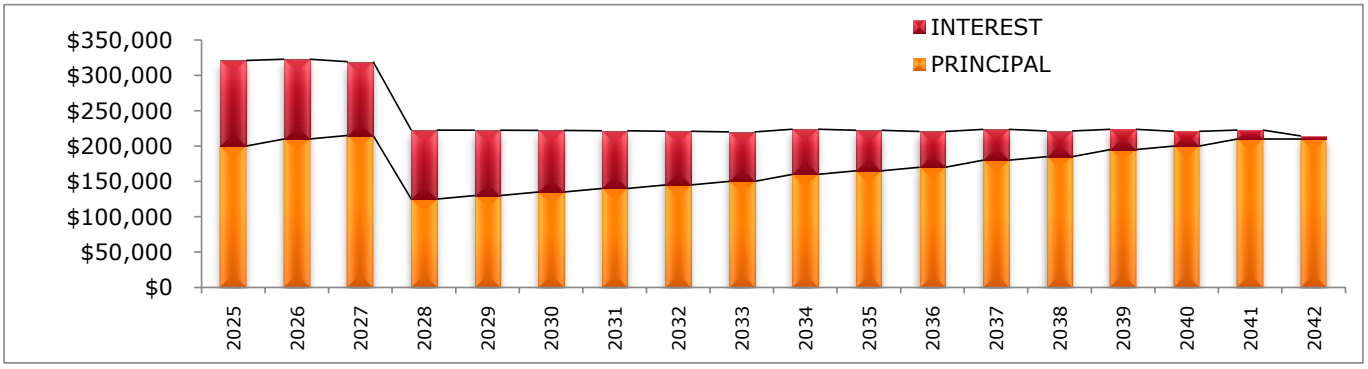
Annual Debt Service Requirement
Series 2022 Certificates of Obligation ($4,385,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$3,125,000	$200,000	4.0%	$121,000	$321,000
2026	$2,925,000	$210,000	4.0%	$112,800	$322,800
2027	$2,715,000	$215,000	4.0%	$104,300	$319,300
2028	$2,500,000	$125,000	4.0%	$97,500	$222,500
2029	$2,375,000	$130,000	4.0%	$92,400	$222,400
2030	$2,245,000	$135,000	4.0%	$87,100	$222,100
2031	$2,110,000	$140,000	4.0%	$81,600	$221,600
2032	$1,970,000	$145,000	4.0%	$75,900	$220,900
2033	$1,825,000	$150,000	4.0%	$70,000	$220,000
2034	$1,675,000	$160,000	4.0%	$63,800	$223,800
2035	$1,515,000	$165,000	4.0%	$57,300	$222,300
2036	$1,350,000	$170,000	4.0%	$50,600	$220,600
2037	$1,180,000	$180,000	4.0%	$43,600	$223,600
2038	$1,000,000	$185,000	4.0%	$36,300	$221,300
2039	$815,000	$195,000	4.0%	$28,700	$223,700
2040	$620,000	$200,000	4.0%	$20,800	$220,800
2041	$420,000	$210,000	4.0%	$12,600	$222,600
2042	$210,000	$210,000	4.0%	$4,200	$214,200
		$3,125,000		$1,160,500	$4,285,500

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$321,000**	**$200,000**	**$121,000**
Maximum Requirement	**2026**	**$322,800**	**$210,000**	**$112,800**

Total Outstanding Bonds **$3,125,000**
Total Original Issue **$4,450,000**
Issue Date **8/15/2022**

Proceeds for contractual obligations of the City to be incurred for making permanent public improvements and purposes, to-wit: (1) constructing street improvements, curbs, gutters, and sidewalk improvements, including drainage and traffic safety signalization and signage incidental thereto; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the City's utility system and public works facilities; (3) designing, constructing, renovating, improving, and equipping the City's parks and recreational facilities, including playground equipment; (4) the purchase of materials, supplies, equipment, digital signage, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; (5) the purchase of fleet vehicles, technology improvements, HVAC improvements, public safety equipment, and a motorcycle; and (6) payment for professional and employee services relating to the design, construction, project management, inspection, consultant services, and financing of the aforementioned projects.



General Obligation Debt Service Fund

Annual Debt Service Requirement

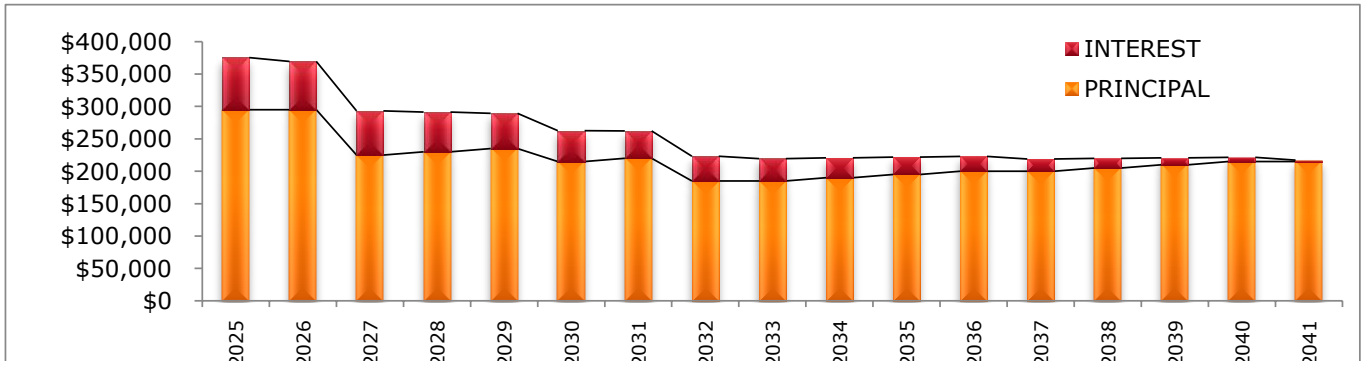
Series 2021 Certificates of Obligation ($4,540,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$3,715,000	$295,000	2.000%	$80,400	$375,400
2026	$3,420,000	$295,000	2.000%	$74,500	$369,500
2027	$3,125,000	$225,000	3.000%	$68,175	$293,175
2028	$2,900,000	$230,000	3.000%	$61,350	$291,350
2029	$2,670,000	$235,000	3.000%	$54,375	$289,375
2030	$2,435,000	$215,000	3.000%	$47,625	$262,625
2031	$2,220,000	$220,000	2.000%	$42,200	$262,200
2032	$2,000,000	$185,000	2.000%	$38,150	$223,150
2033	$1,815,000	$185,000	2.000%	$34,450	$219,450
2034	$1,630,000	$190,000	2.000%	$30,700	$220,700
2035	$1,440,000	$195,000	2.000%	$26,850	$221,850
2036	$1,245,000	$200,000	2.000%	$22,900	$222,900
2037	$1,045,000	$200,000	2.000%	$18,900	$218,900
2038	$845,000	$205,000	2.000%	$14,850	$219,850
2039	$640,000	$210,000	2.000%	$10,700	$220,700
2040	$430,000	$215,000	2.000%	$6,450	$221,450
2041	$215,000	$215,000	2.000%	$2,150	$217,150
		$3,715,000		$634,725	$4,349,725

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$375,400**	**$295,000**	**$80,400**
Maximum Requirement	**2025**	**$375,400**	**$295,000**	**$80,400**

Total Outstanding Bonds **$3,715,000**
Total Original Issue **$4,540,000**
Issue Date **8/1/2021**

Proceeds for contractual obligations of the City to be incurred for making permanent public improvements and purposes, to-wit: (1) constructing street improvements, curbs, gutters, and sidewalk improvements, including drainage and traffic safety signalization and signage incidental thereto; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the City's utility system and public works facilities; (3) designing, constructing, renovating, improving, and equipping the City's parks and recreational facilities, including playground equipment; (4) the purchase of materials, supplies, equipment, digital signage, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; (5) the purchase of fleet vehicles, technology improvements, HVAC improvements, public safety equipment, and a motorcycle; and (6) payment for professional and employee services relating to the design, construction, project management, inspection, consultant services, and financing of the aforementioned projects.



General Obligation Debt Service Fund

Annual Debt Service Requirement - GF (03)

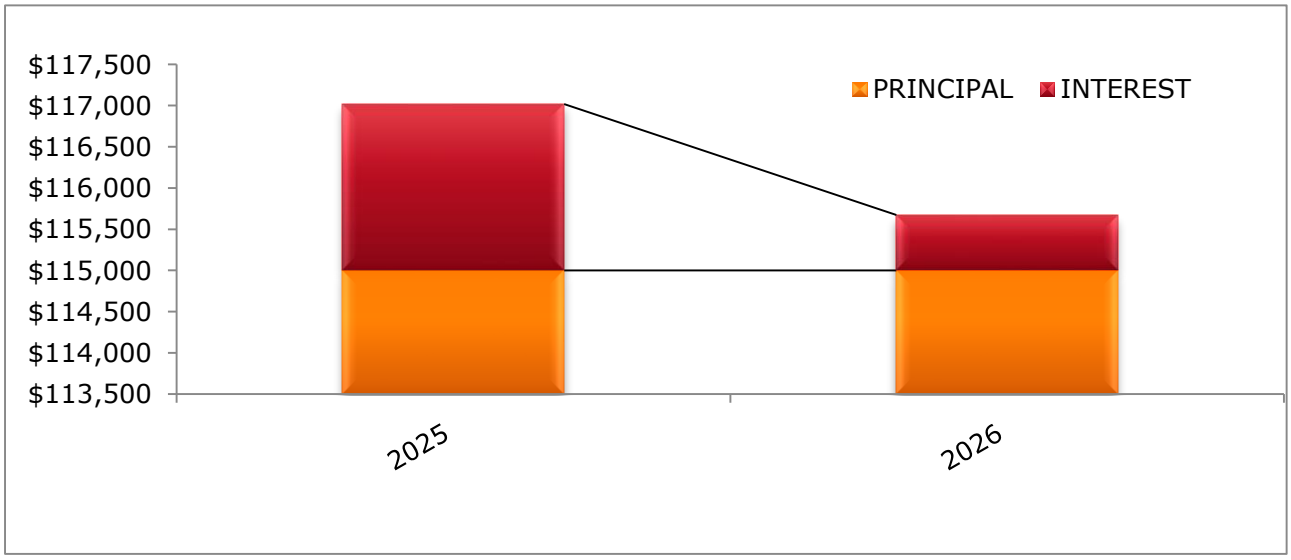
Series 2020 Certificate of Obligation (2011 REF) $7,365,000

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$230,000	$115,000	1.17%	$2,018	$117,018
2026	$115,000	$115,000	1.17%	$673	$115,673
		$230,000		**$2,691**	**$232,691**

Total Outstanding Bonds	**$230,000**
Total Original Issue	**$4,585,000**
Issue Date	**7/27/2011**

For the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to wit: (1) constructing, acquiring, purchasing, renovating, enlarging , and improving the System, (2) constructing street improvements (including utility repair, replacement, and relocation), curb, gutters, and sidewalk improvements, (3) constructing, renovating, and improving various City facilities, (4) purchasing a new fire truck, public safety vehicles and ambulance vehicles.

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$117,018**	**$115,000**	**$2,018**
Maximum Requirement	**2025**	**$117,018**	**$115,000**	**$2,018**



General Obligation Debt Service Fund

Annual Debt Service Requirement

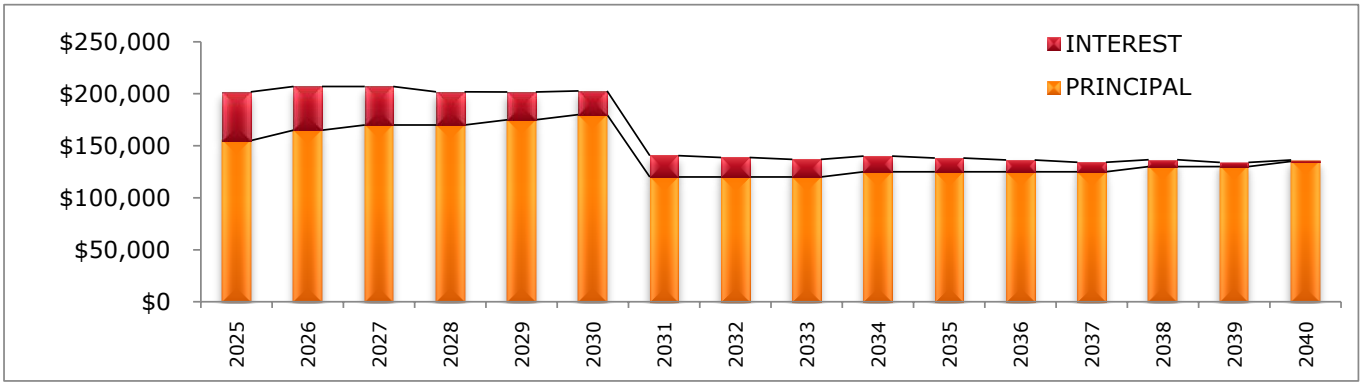
Series 2020 Certificates of Obligation ($2,910,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$2,270,000	$155,000	3.000%	$46,850	$201,850
2026	$2,115,000	$165,000	3.000%	$42,050	$207,050
2027	$1,950,000	$170,000	3.000%	$37,025	$207,025
2028	$1,780,000	$170,000	3.000%	$31,925	$201,925
2029	$1,610,000	$175,000	3.000%	$26,750	$201,750
2030	$1,435,000	$180,000	1.500%	$22,775	$202,775
2031	$1,255,000	$120,000	1.500%	$20,525	$140,525
2032	$1,135,000	$120,000	1.500%	$18,725	$138,725
2033	$1,015,000	$120,000	1.500%	$16,925	$136,925
2034	$895,000	$125,000	1.500%	$15,088	$140,088
2035	$770,000	$125,000	1.500%	$13,213	$138,213
2036	$645,000	$125,000	1.500%	$11,338	$136,338
2037	$520,000	$125,000	2.000%	$9,150	$134,150
2038	$395,000	$130,000	2.000%	$6,600	$136,600
2039	$265,000	$130,000	2.000%	$4,000	$134,000
2040	$135,000	$135,000	2.000%	$1,350	$136,350
		$2,270,000		$324,288	$2,594,288

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$201,850**	**$155,000**	**$46,850**
Maximum Requirement	**2026**	**$207,050**	**$165,000**	**$42,050**

Total Outstanding Bonds **$2,270,000**
Total Original Issue **$2,910,000**
Issue Date **8/24/2020**

Proceeds to be used for Fire Station Building renovations, street improvements, vehicles and equipment, and technology enhancements, construction of an incubator restaurant site.



General Obligation Debt Service Fund

Annual Debt Service Requirement

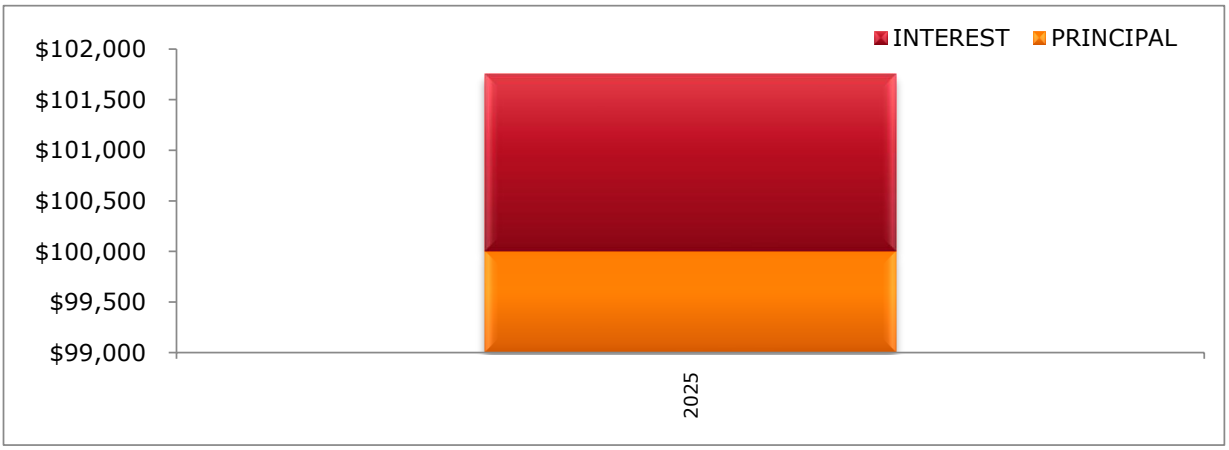
Series 2020 Certificates of Obligation Tax Note ($450,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$100,000	$100,000	3.500%	$1,750	$101,750
		$100,000		$1,750	$101,750

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$101,750**	**$100,000**	**$1,750**
Maximum Requirement	**2025**	**$101,750**	**$100,000**	**$1,750**

Total Outstanding Bonds **$100,000**
Total Original Issue **$450,000**
Issue Date **2/5/2020**

Proceeds to be used for design of Fire Station Restroom renovation and purchase of ambulance.



General Obligation Debt Service Fund

Annual Debt Service Requirement

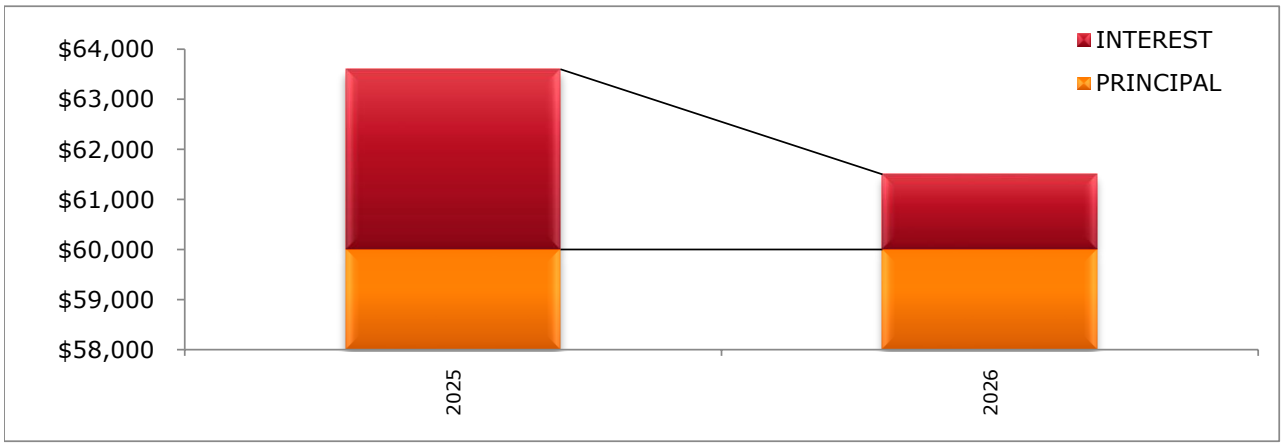
Series 2019 Certificates of Obligation ($425,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$120,000	$60,000	2.000%	$3,600	$63,600
2026	$60,000	$60,000	5.000%	$1,500	$61,500
		$120,000		$5,100	$125,100

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$63,600**	**$60,000**	**$3,600**
Maximum Requirement	**2025**	**$63,600**	**$60,000**	**$3,600**

Total Outstanding Bonds **$120,000**
Total Original Issue **$425,000**
Issue Date **8/15/2019**

Proceeds to be used for capital equipment. Proceeds can also be used for: construct street improvements such as utilities repair, curb, gutters, sidewalk and drainage improvement. Construct, improve, renovate existing municipal facilities or parks projects. Purchase of materials, supplies, equipment and land for aforementioned capital improvements. Payment of professional services - design, construction, project management, inspection & consultation of such capital improvements.



General Obligation Debt Service Fund

Annual Debt Service Requirement

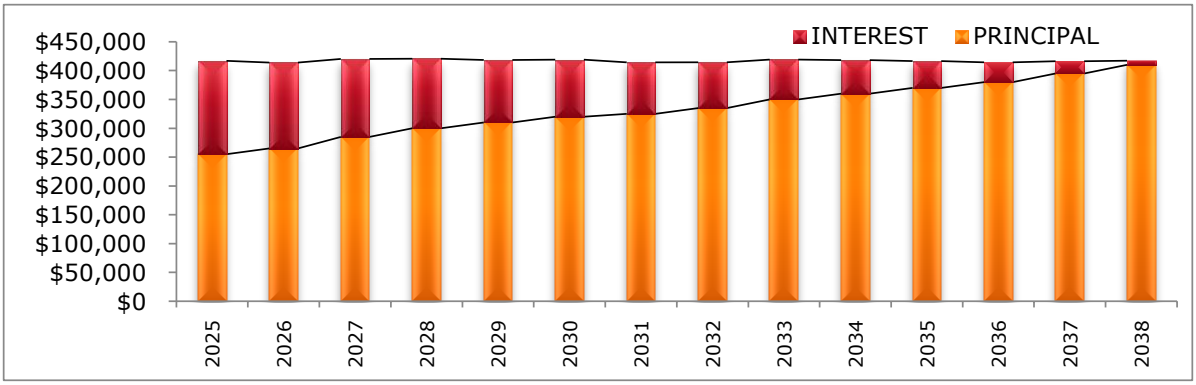
Series 2018 Certificates of Obligation ($6,780,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$4,660,000	$255,000	5.000%	$161,965	$416,965
2026	$4,405,000	$265,000	5.000%	$148,965	$413,965
2027	$4,140,000	$285,000	5.000%	$135,215	$420,215
2028	$3,855,000	$300,000	5.000%	$120,590	$420,590
2029	$3,555,000	$310,000	3.000%	$108,440	$418,440
2030	$3,245,000	$320,000	3.000%	$98,990	$418,990
2031	$2,925,000	$325,000	3.000%	$89,315	$414,315
2032	$2,600,000	$335,000	3.000%	$79,415	$414,415
2033	$2,265,000	$350,000	3.000%	$69,140	$419,140
2034	$1,915,000	$360,000	3.150%	$58,220	$418,220
2035	$1,555,000	$370,000	3.250%	$46,538	$416,538
2036	$1,185,000	$380,000	3.250%	$34,350	$414,350
2037	$805,000	$395,000	3.500%	$21,263	$416,263
2038	$410,000	$410,000	3.500%	$7,175	$417,175
		$4,660,000		$1,179,580	$5,839,580

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$416,965**	**$255,000**	**$161,965**
Maximum Requirement	**2028**	**$420,590**	**$300,000**	**$120,590**

Total Outstanding Bonds **$4,660,000**
Total Original Issue **$6,780,000**
Issue Date **9/18/2018**

Construct street improvements such as utilities repair, curb, gutters, sidewalk and drainage improvement. Construct, improve, renovate existing municipal facilities including a splash pad and park trails. Purchase of materials, supplies, equipment and land for aforementioned capital improvements. Payment of professional services - design, construction, project management, inspection & consultation of such capital improvements.



General Obligation Debt Service Fund

Annual Debt Service Requirement

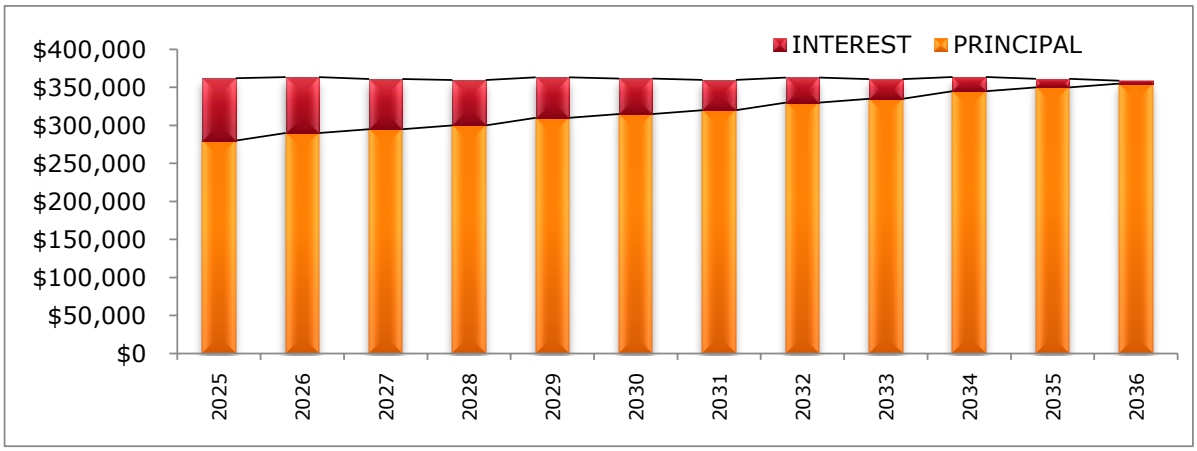
Series 2016 Certificates of Obligation ($5,885,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$3,825,000	$280,000	3.000%	$82,069	$362,069
2026	$3,545,000	$290,000	3.000%	$73,519	$363,519
2027	$3,255,000	$295,000	2.125%	$66,034	$361,034
2028	$2,960,000	$300,000	2.125%	$59,713	$359,713
2029	$2,660,000	$310,000	2.125%	$53,231	$363,231
2030	$2,350,000	$315,000	2.125%	$46,591	$361,591
2031	$2,035,000	$320,000	2.125%	$39,844	$359,844
2032	$1,715,000	$330,000	2.125%	$32,938	$362,938
2033	$1,385,000	$335,000	2.125%	$25,872	$360,872
2034	$1,050,000	$345,000	2.125%	$18,647	$363,647
2035	$705,000	$350,000	2.125%	$11,263	$361,263
2036	$355,000	$355,000	2.125%	$3,772	$358,772
		$3,825,000		$513,491	$4,338,491

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$362,069**	**$280,000**	**$82,069**
Maximum Requirement	**2034**	**$363,647**	**$345,000**	**$18,647**

Total Outstanding Bonds **$3,825,000**
Total Original Issue **$5,885,000**
Issue Date **9/28/2016**

Construct street improvements such as utilities repair, curb, gutters, sidewalk and drainage improvement. Construct, improve, renovate existing municipal facilities including a splash pad and park trails. Purchase of materials, supplies, equipment and land for aforementioned capital improvements. Payment of professional services - design, construction, project management, inspection & consultation of such capital improvements.



General Obligation Debt Service Fund

Annual Debt Service Requirement

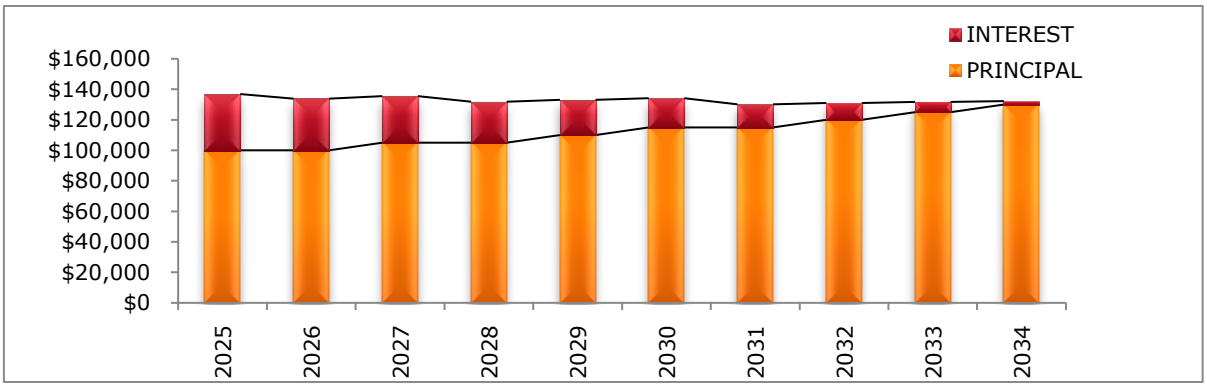
Series 2014 Certificates of Obligation ($3,500,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$1,125,000	$100,000	3.000%	$36,875	$136,875
2026	$1,025,000	$100,000	3.000%	$33,875	$133,875
2027	$925,000	$105,000	3.500%	$30,538	$135,538
2028	$820,000	$105,000	3.500%	$26,863	$131,863
2029	$715,000	$110,000	3.500%	$23,100	$133,100
2030	$605,000	$115,000	3.500%	$19,163	$134,163
2031	$490,000	$115,000	3.500%	$15,138	$130,138
2032	$375,000	$120,000	3.500%	$11,025	$131,025
2033	$255,000	$125,000	3.500%	$6,738	$131,738
2034	$130,000	$130,000	3.500%	$2,275	$132,275
		$1,125,000		$205,590	$1,330,590

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$136,875**	**$100,000**	**$36,875**
Maximum Requirement	**2025**	**$136,875**	**$100,000**	**$36,875**

Total Outstanding Bonds **$1,125,000**
Total Original Issue **$3,500,000**
Issue Date **7/28/2014**

Constructing street improvements such as utilities repair, curb, gutters, sidewalk and drainage improvement. Demolish, construct, improve, renovate and enlarge parks and recreation projects such as the Senior Center Facility. Purchase of materials, supplies, equipment and land for Senior Center Facility. Payment of professional services related to design, construction, project management, inspection & consultation of Senior Center Facility.



General Obligation Debt Service Fund

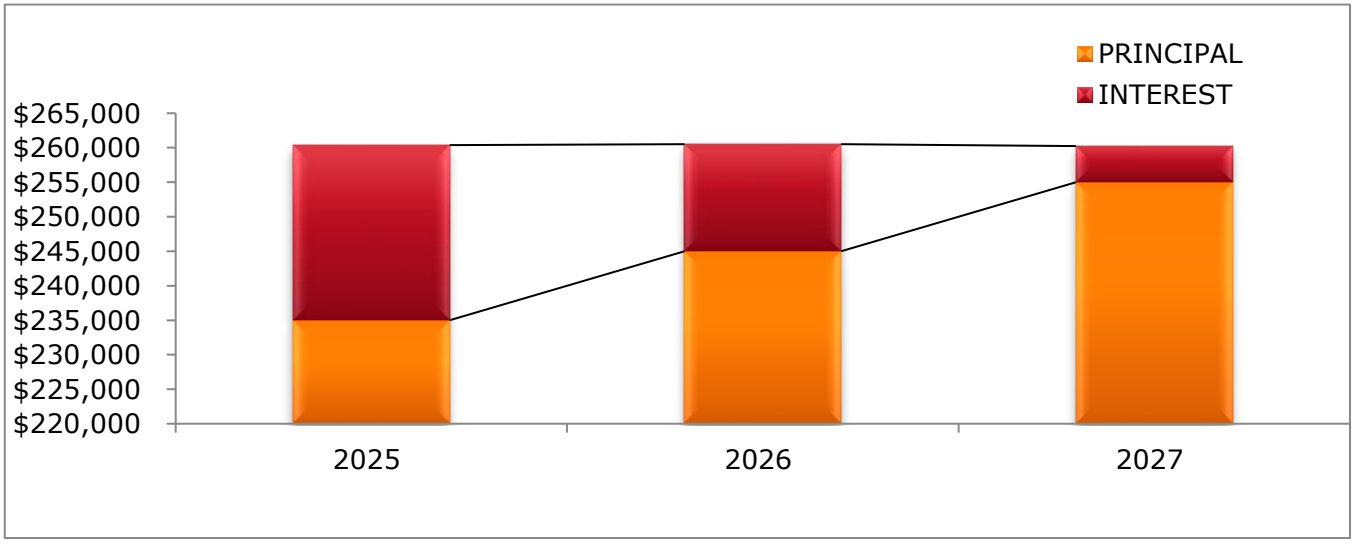
Annual Debt Service Requirement

Series 2007 Certificate of Obligation ($3,400,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$ 735,000	$235,000	4.11%	$25,379	$260,379
2026	$ 500,000	$245,000	4.11%	$15,515	$260,515
2027	$ 255,000	$255,000	4.11%	$5,240	$260,240
		$735,000		**$46,135**	**$781,135**

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$260,379**	**$235,000**	**$25,379**
Maximum Requirement	**2026**	**$260,515**	**$245,000**	**$15,515**
Total Outstanding Bonds	**$735,000**			
Total Original Issue	**$3,400,000**			
Issue Date	**8/29/2007**			

For the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to wit: (1) constructing, purchasing, renovating, and improving the City's public safety facilities, including police, fire, and emergency medical services, (2) constructing street improvements (including utilities repair, replacement, and relocation) and drainage incidental thereto; (3) the purchase of materials, supplies, equipment, machinery, land, rights-of-way for authorized needs and purposes relating to public safety improvement purposes and street improvement purposes, and (4) the payment of professional services related to the construction and financing of the aforementioned projects.



DEBT SERVICE

Water and Sewer Certificates of Obligation
Debt Service Fund

The Water and Sewer Certificates of Obligation Debt Service fund is used to account for Certificates of Obligation whose principal and interest are payable from earnings of the City of Watauga's Water and Sewer Enterprise Fund.

The original debt in the amount of $11,370,000 was used to purchase the Water and Sewer system from the City of North Richland Hills in October 1996, to build the necessary infrastructure, including an elevated water tank, and to purchase the necessary equipment in order to efficiently run the utility system. In July of 2001, City engineers, along with the firm of Knowlton - English - Flowers, Inc., produced a Capital Improvement Plan. Over $2.8 million in water and wastewater needs where detailed in this plan. Due to the urgency of some of these needs, the City issued revenues bonds during FY2001-2002 to fund $1.7 million of these projects and the remaining projects were completed on a pay-as-you-go basis. Due to low interest rates, the City was able to refund the 1996 Certificates (years 2008 - 2016) in FY2004-2005 for significant savings.

In July 2011, the City issued $7,365,000 of Combination Tax and Limited Pledge Revenue Certificates of Obligation. Of this amount, $2,780,000 is payable from and secured by a lien on the net revenues of the City's utility system, and the remaining $4,585,000 is funded by ad valorem taxes. These bonds financed heavy equipment for water and sewer operations, and various improvements to the utility system. This issuance was refunded in November 2020, resulting in an interest savings of $84,000 for the remaining bonds.

In July 2012, the City issued $7,730,000 of Combination Tax and Limited Pledge Revenue Certificates of Obligation. These bonds financed Water and Sewer Projects that have been completed. Due to low interest rates, the City was able to refund the certificates in October 2021 for a significant savings of $419,775 for the remaining bonds..

In FY2016-2017, $1.2 million of the Utility Fund debt service dropped off due to the final payment being made in FY2015-2016 for the debt service associated with the purchase of the Water system from North Richland Hills. In the summer of 2017, the City Council considered and approved additional utility project infrastructure funding by issuing certificates of obligation in the amount of $7.325 million. These funds were received in August 2017 and provided funding for several water and sewer projects identified in the City's 5-year Capital Improvements Project plan.

An $8.490 million Combination Tax and Limited Pledge Revenue Certificates of Obligation was issued in August 2019. $8.065 million of the issuance was dedicated to water sewer projects and to fund capital equipment and the remaining amount will

fund general capital equipment and projects. These Water and Sewer infrastructure projects will continue throughout the next several years.

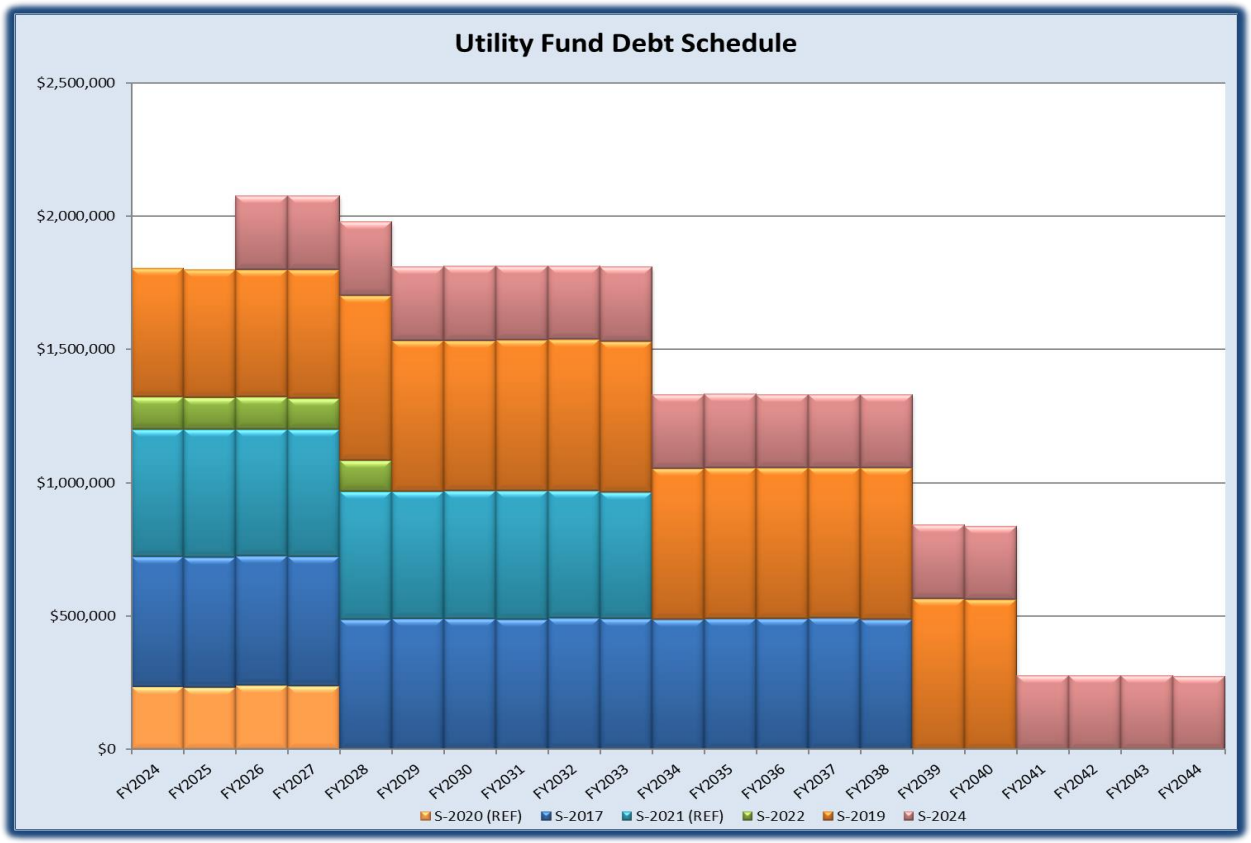
In 2022 a $5.0 million Combination Tax and Limited Pledge Revenue Certificates of Obligation; $550,000 of the issuance was to fund the purchase of a Jet Vac and the remaining amount will fund general capital equipment and projects.

In 2024 a $7.10 million Combination Tax and Limited Pledge Revenue Certificates of Obligation; $3.5 million of the issuance is to fund the Advanced Metering Infrastructure (AMI) project and the remaining amount will fund general capital equipment and projects.

The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when the liability is incurred.

Debt Management

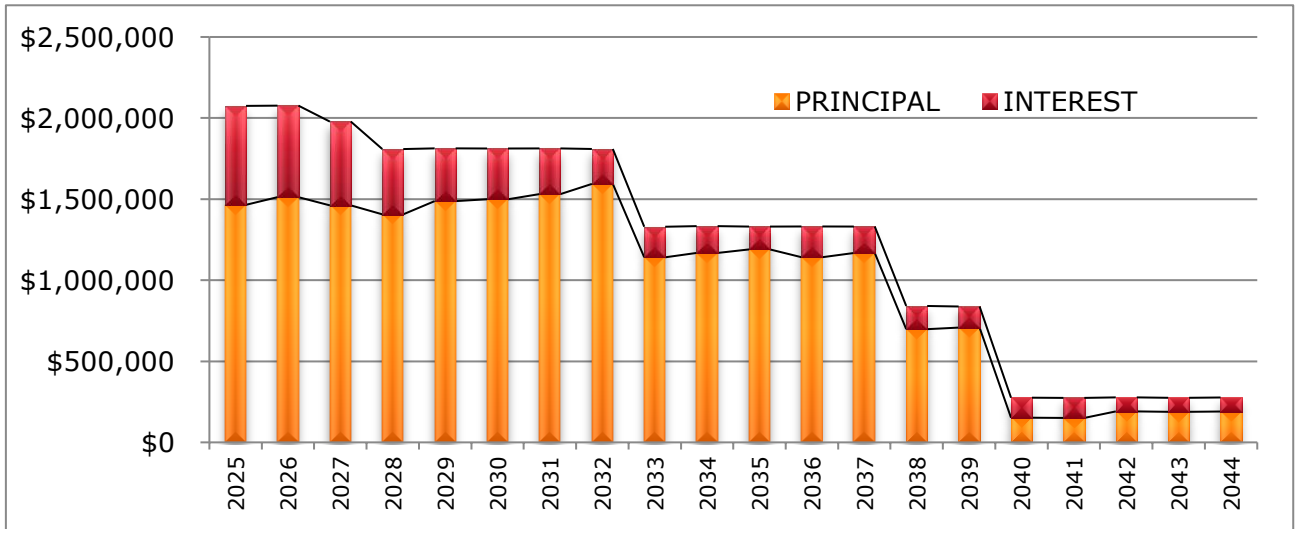
The existing debt payment schedule remains level through 2028 at approximately $1.9 million annually. Projects have been identified for a future debt issuance.



W/S Certificate of Obligation Bonds
Debt Service Schedule
Requirements to Maturity
All Issues

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT.1	PRINCIPAL	INTEREST	TOTAL
2025	$20,055,000	$1,465,071	$610,095	$2,075,166
2026	$18,589,929	$1,512,193	$564,454	$2,076,647
2027	$17,077,736	$1,461,568	$516,480	$1,978,048
2028	$15,616,168	$1,406,483	$402,415	$1,808,898
2029	$14,209,685	$1,487,765	$325,283	$1,813,048
2030	$12,721,920	$1,499,411	$312,937	$1,812,348
2031	$11,222,509	$1,531,056	$281,717	$1,812,773
2032	$9,691,453	$1,593,866	$215,507	$1,809,373
2033	$8,097,587	$1,141,241	$188,507	$1,329,748
2034	$6,956,346	$1,168,241	$165,319	$1,333,560
2035	$5,788,105	$1,189,866	$140,844	$1,330,710
2036	$4,598,239	$1,142,041	$189,457	$1,331,498
2037	$3,456,198	$1,167,791	$163,070	$1,330,861
2038	$2,288,407	$698,041	$143,112	$841,153
2039	$1,590,366	$707,791	$130,050	$837,841
2040	$882,575	$152,041	$123,459	$275,500
2041	$730,534	$150,791	$123,459	$274,250
2042	$579,743	$190,956	$86,419	$277,375
2043	$388,787	$188,456	$86,419	$274,875
2044	$200,331	$190,331	$86,419	$276,750
		$20,045,000	**$4,855,418**	**$24,900,418**

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$2,075,166**	**$1,465,071**	**$610,095**
Maximum Requirement	**2026**	**$2,076,647**	**$1,512,193**	**$564,454**



Water and Sewer Certificates of Obligation
Budget Summary FUND 44

	HISTORY		CURRENT YEAR		FORECAST
	2021-22 Actual	2022-23 Actual	2023-24 Budget	2023-24 Estimate	2024-2025 Budget *
Fund Balance, October 1	**$24,122**	**$129,544**	**$55,751**	**$55,751**	**$56,589**
Revenue:					
Transfer from W/S Op Fund	1,760,000	1,726,000	1,800,000	1,800,000	2,025,000
Transfer from W/S CO	0	0	0	0	0
Interest income	0	0	0	0	0
Total Revenue	1,760,000	1,726,000	1,800,000	1,800,000	2,025,000
Total Available Resources	**1,784,122**	**1,855,544**	**1,855,751**	**1,855,751**	**2,081,589**
Debt Service Requirements:					
Series 2011 CO/Refunding					
Principal	0	0	225,000	225,000	235,000
Interest	(4,311)	2,293	6,815	6,815	4,124
Series 2024 CO					
Principal	0	0	0	0	105,071
Interest	95,775	0	0	0	170,373
Series 2012 CO/Refunding					
Principal	0	0	380,000	380,000	385,000
Interest	0	113,000	100,000	100,000	88,525
Series 2017 CO					
Principal	0	0	325,000	325,000	335,000
Interest	181,725	172,425	162,825	162,825	152,925
Series 2019 CO					
Principal	0	0	285,000	285,000	295,000
Interest	220,523	207,023	193,023	193,023	182,948
Series 2022 CO	-	0	105,000	105,000	110,000
		18,852	15,500	15,500	11,200
Transfer Principal to Utility Construction	1,160,000	1,285,000	0	0	0
Transfer to W/S Rev					
Fiscal Agent Charges	867	1,200	1,000	1,000	1,000
Total Debt Service Requirements	1,654,578	1,799,792	1,799,163	1,799,163	2,076,166
Fund Balance, September 30	**$129,544**	**$55,751**	**$56,589**	**$56,589**	**$5,423**

***Fund 42 fund balance included**

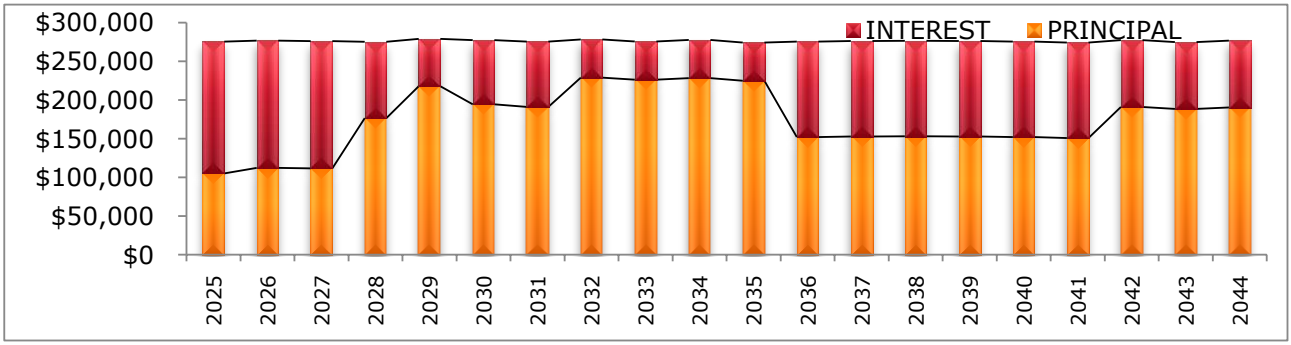
W/S Debt Service Fund
Annual Debt Service Requirement
Series 2024 Certificates of Obligation ($3,500,000) *EST

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$3,500,000	$105,071	5.0%	$170,373	$275,444
2026	$3,394,929	$112,193	5.0%	$164,557	$276,750
2027	$3,282,736	$111,568	5.0%	$164,557	$276,125
2028	$3,171,168	$176,483	5.0%	$98,767	$275,250
2029	$2,994,685	$217,765	5.0%	$61,235	$279,000
2030	$2,776,920	$194,411	5.0%	$82,964	$277,375
2031	$2,582,509	$191,056	5.0%	$84,444	$275,500
2032	$2,391,453	$228,866	5.0%	$49,384	$278,250
2033	$2,162,587	$226,241	5.0%	$49,384	$275,625
2034	$1,936,346	$228,241	5.0%	$49,384	$277,625
2035	$1,708,105	$224,866	5.0%	$49,384	$274,250
2036	$1,483,239	$152,041	5.0%	$123,459	$275,500
2037	$1,331,198	$152,791	5.0%	$123,459	$276,250
2038	$1,178,407	$153,041	5.0%	$123,459	$276,500
2039	$1,025,366	$152,791	5.0%	$123,459	$276,250
2040	$872,575	$152,041	5.0%	$123,459	$275,500
2041	$720,534	$150,791	5.0%	$123,459	$274,250
2042	$569,743	$190,956	5.0%	$86,419	$277,375
2043	$378,787	$188,456	5.0%	$86,419	$274,875
2044	$190,331	$190,331	5.0%	$86,419	$276,750
		$3,500,000		$2,024,444	$5,524,444

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$275,444**	**$105,071**	**$170,373**
Maximum Requirement	**2029**	**$279,000**	**$217,765**	**$61,235**

Total Outstanding Bonds **$3,500,000**
Total Original Issue **$3,500,000**
Issue Date **9/1/2024**

Proceeds for contractual obligations of the City to be incurred for making permanent public improvements and purposes, to-wit: (1) parking lot improvement project for Public Works; (2) park projects (3) building improvement projects (4) the purchase of fire engine; and (5) the AMI project (Utility Fund).



W/S Debt Service Fund

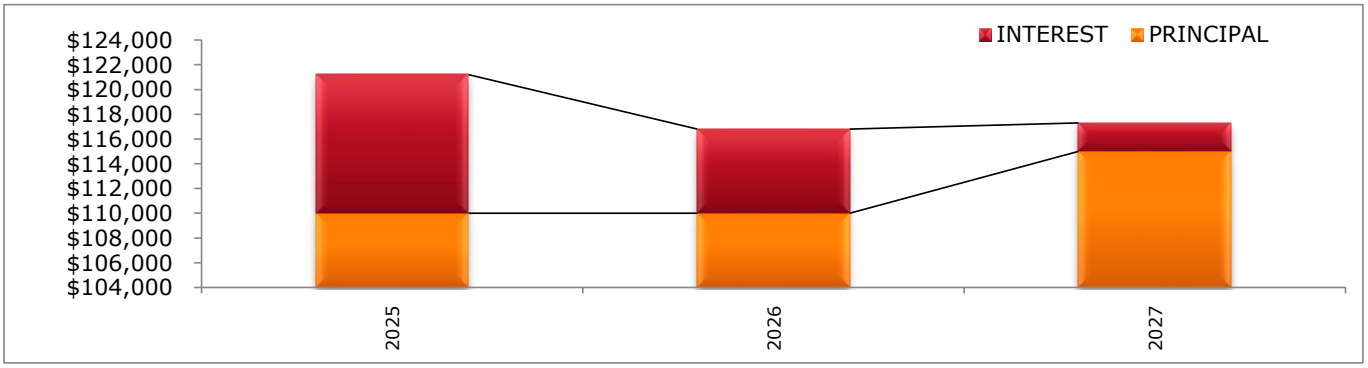
Annual Debt Service Requirement
Series 2022 Certificates of Obligation ($545,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$345,000	$110,000	4.000%	$11,200	$121,200
2026	$235,000	$110,000	4.000%	$6,800	$116,800
2027	$125,000	$115,000	4.000%	$2,300	$117,300
		$335,000		$20,300	$355,300

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$121,200**	**$110,000**	**$11,200**
Maximum Requirement	**2025**	**$121,200**	**$110,000**	**$11,200**

Total Outstanding Bonds	**$335,000**
Total Original Issue	**$335,000**
Issue Date	**8/15/2022**

Proceeds for contractual obligations of the City to be incurred for making permanent public improvements and purposes, to-wit: (1) constructing street improvements, curbs, gutters, and sidewalk improvements, including drainage and traffic safety signalization and signage incidental thereto; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the City's utility system and public works facilities; (3) designing, constructing, renovating, improving, and equipping the City's parks and recreational facilities, including playground equipment; (4) the purchase of materials, supplies, equipment, digital signage, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; (5) the purchase of fleet vehicles, technology improvements, HVAC improvements, public safety equipment, and a motorcycle; and (6) payment for professional and employee services relating to the design, construction, project management, inspection, consultant services, and financing of the aforementioned projects.



W/S Debt Service Fund 44

Annual Debt Service Requirement - Utility (44)

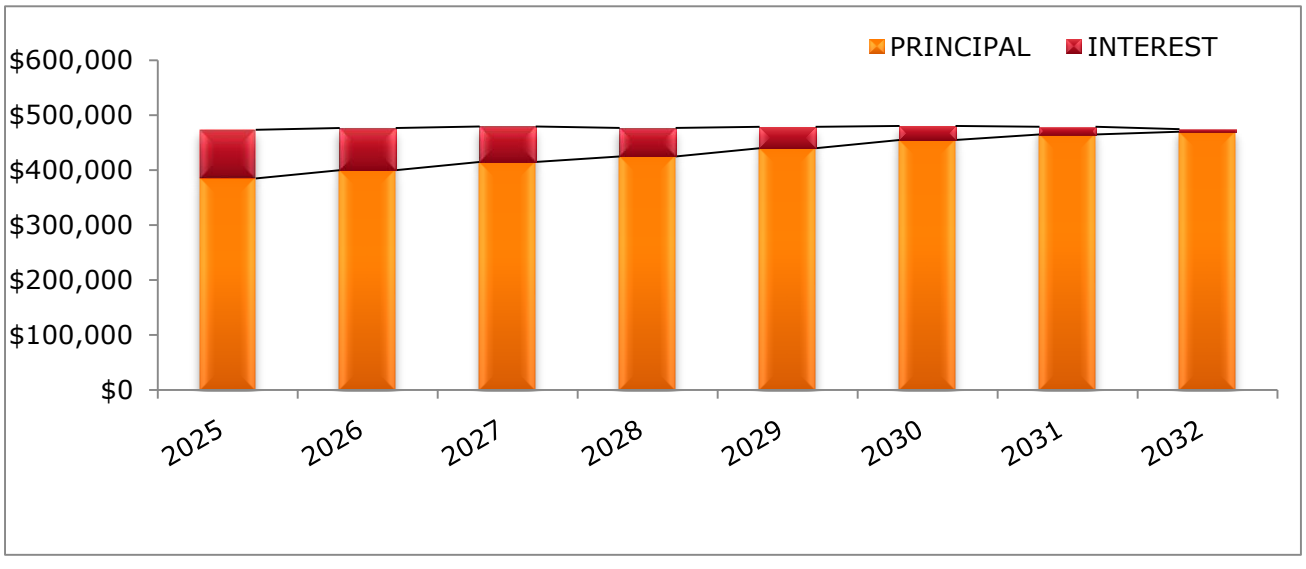
Series 2021 Certificate of Obligation (2012 REF) $7,730,000

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$3,455,000	$385,000	3.00%	$88,525	$473,525
2026	$3,070,000	$400,000	3.00%	$76,750	$476,750
2027	$2,670,000	$415,000	3.00%	$64,525	$479,525
2028	$2,255,000	$425,000	3.00%	$51,925	$476,925
2029	$1,830,000	$440,000	3.00%	$38,950	$478,950
2030	$1,390,000	$455,000	3.00%	$25,525	$480,525
2031	$935,000	$465,000	2.00%	$14,050	$479,050
2032	$470,000	$470,000	2.00%	$4,700	$474,700
		$3,455,000		**$364,950**	**$3,819,950**

Total Outstanding Bonds	**$3,455,000**
Total Original Issue	**$7,730,000**
Issue Date	**8/27/2012**

For the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to wit: (1) constructing, acquiring, purchasing, renovating, enlarging, and improving the System, (2) constructing street improvements (including utility repair, replacement, and relocation), curb, gutters, and sidewalk improvements, (3) constructing, acquiring, purchasing, renovating, enlarging and improving the storm water and drainage system.

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$473,525**	**$385,000**	**$88,525**
Maximum Requirement	**2030**	**$480,525**	**$455,000**	**$25,525**



W/S Debt Service Fund - 44

Annual Debt Service Requirement - Utility (44)

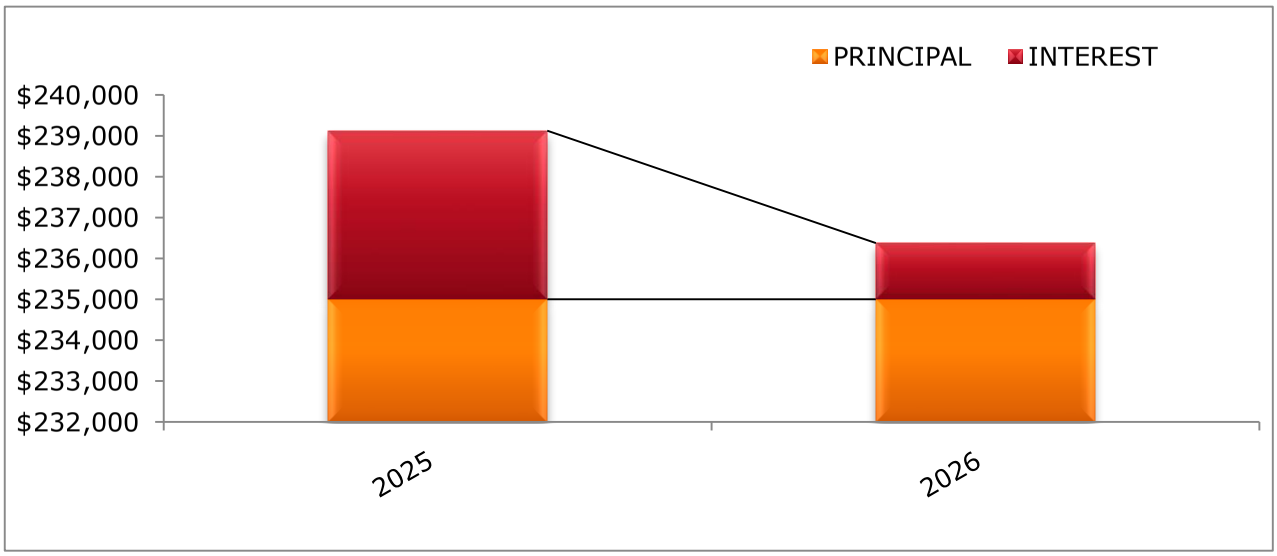
Series 2020 Certificate of Obligation (2011 REF) $7,365,000

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$470,000	$235,000	1.17%	$4,124	$239,124
2026	$235,000	$235,000	1.17%	$1,375	$236,375
		$470,000		**$5,499**	**$475,499**

Total Outstanding Bonds	**$470,000**
Total Original Issue	**$7,365,000**
Issue Date	**7/27/2011**

For the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to wit: (1) constructing, acquiring, purchasing, renovating, enlarging , and improving the System, (2) constructing street improvements (including utility repair, replacement, and relocation), curb, gutters, and sidewalk improvements, (3) constructing, renovating, and improving various City facilities, (4) purchasing a new fire truck, public safety vehicles and

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$239,124**	**$235,000**	**$4,124**
Maximum Requirement	**2025**	**$239,124**	**$235,000**	**$4,124**



W/S Debt Service Fund 44

Annual Debt Service Requirement - Utility (44)

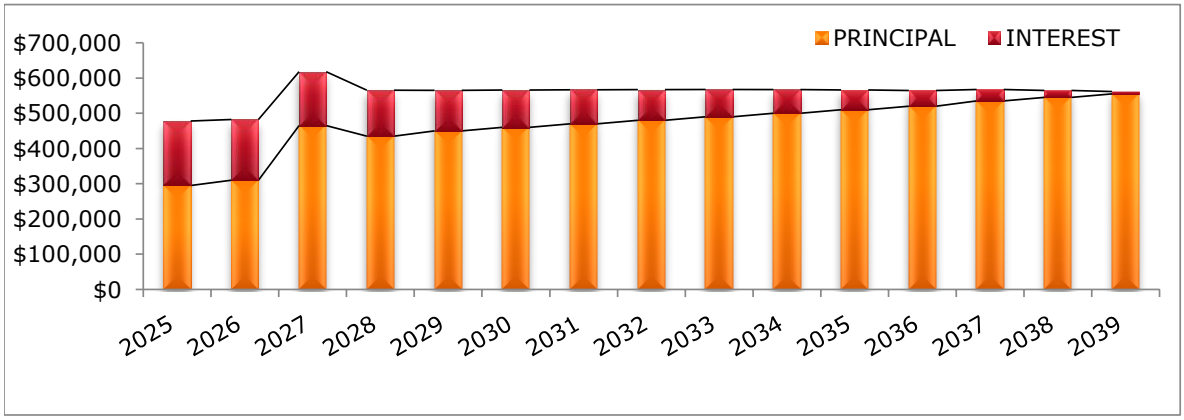
Series 2019 - Certificate of Obligation ($8,065,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$7,020,000	$295,000	2.00%	$182,948	$477,948
2026	$6,725,000	$310,000	5.00%	$172,248	$482,248
2027	$6,415,000	$465,000	5.00%	$152,873	$617,873
2028	$5,950,000	$435,000	5.00%	$130,373	$565,373
2029	$5,515,000	$450,000	2.00%	$114,998	$564,998
2030	$5,065,000	$460,000	2.00%	$105,898	$565,898
2031	$4,605,000	$470,000	2.00%	$96,598	$566,598
2032	$4,135,000	$480,000	2.00%	$87,098	$567,098
2033	$3,655,000	$490,000	2.00%	$77,398	$567,398
2034	$3,165,000	$500,000	2.13%	$67,185	$567,185
2035	$2,665,000	$510,000	2.25%	$56,135	$566,135
2036	$2,155,000	$520,000	2.25%	$44,548	$564,548
2037	$1,635,000	$535,000	2.35%	$32,411	$567,411
2038	$1,100,000	$545,000	2.38%	$19,653	$564,653
2039	$555,000	$555,000	2.38%	$6,591	$561,591
		$7,020,000		**$1,346,950**	**$8,366,950**

Total Outstanding Bonds	**$7,020,000**
Total Original Issue	**$8,065,000**
Issue Date	**8/1/2019**

For the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to wit: (1) constructing, acquiring, purchasing, renovating, enlarging , and improving the System, (2) constructing street improvements (including utility repair, replacement, and relocation), curb, gutters, and sidewalk improvements, (3) constructing, acquiring, purchasing, renovating, enlarging and improving the storm water and drainage system.

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$477,948**	**$295,000**	**$182,948**
Maximum Requirement	**2027**	**$617,873**	**$465,000**	**$152,873**



W/S Debt Service Fund 44

Annual Debt Service Requirement - Utility (44)

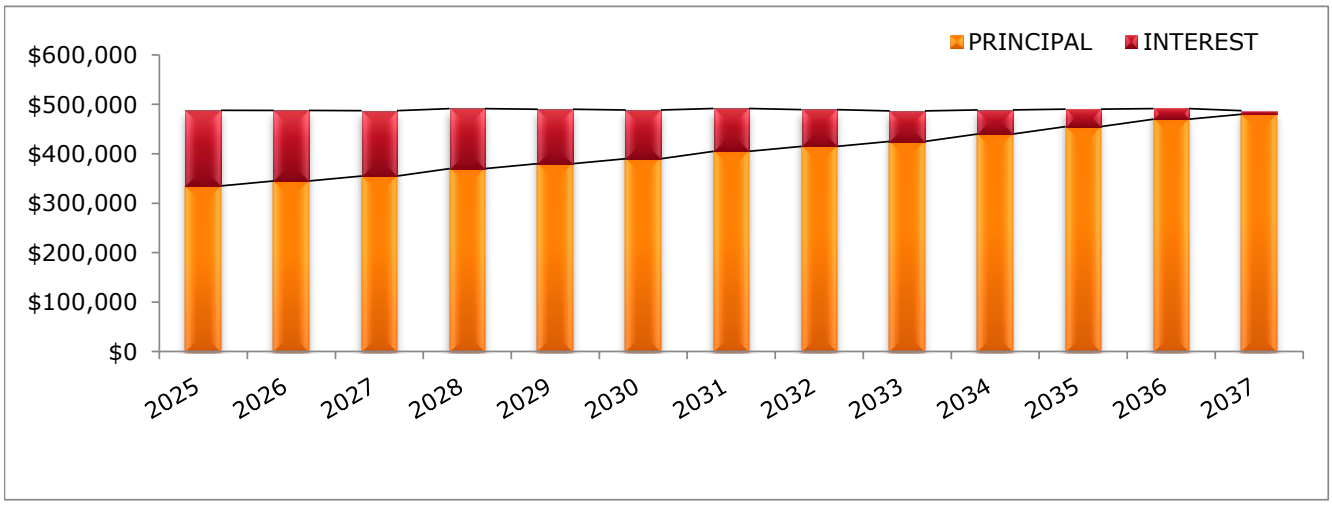
Series 2017 - Certificate of Obligation ($7,325,000)

YEAR ENDING SEPT. 30	DEBT OUTSTANDING OCT. 1	PRINCIPAL	Interest Rate	INTEREST	TOTAL
2025	$5,265,000	$335,000	3.00%	$152,925	$487,925
2026	$4,930,000	$345,000	3.00%	$142,725	$487,725
2027	$4,585,000	$355,000	3.00%	$132,225	$487,225
2028	$4,230,000	$370,000	3.00%	$121,350	$491,350
2029	$3,860,000	$380,000	3.00%	$110,100	$490,100
2030	$3,480,000	$390,000	3.00%	$98,550	$488,550
2031	$3,090,000	$405,000	3.00%	$86,625	$491,625
2032	$2,685,000	$415,000	3.00%	$74,325	$489,325
2033	$2,270,000	$425,000	3.00%	$61,725	$486,725
2034	$1,845,000	$440,000	3.00%	$48,750	$488,750
2035	$1,405,000	$455,000	3.00%	$35,325	$490,325
2036	$950,000	$470,000	3.00%	$21,450	$491,450
2037	$480,000	$480,000	3.00%	$7,200	$487,200
		$5,265,000		**$1,093,275**	**$6,358,275**

Total Outstanding Bonds	**$5,265,000**
Total Original Issue	**$7,325,000**
Issue Date	**6/1/2017**

For the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to wit: (1) constructing, acquiring, purchasing, renovating, enlarging , and improving the System, (2) constructing street improvements (including utility repair, replacement, and relocation), curb, gutters, and sidewalk improvements, (3) constructing, acquiring, purchasing, renovating, enlarging and improving the storm water and drainage system.

	Year	Total	Principal	Interest
This Year's Requirement	**2025**	**$487,925**	**$335,000**	**$152,925**
Maximum Requirement	**2031**	**$491,625**	**$405,000**	**$86,625**



APPENDIX



GLOSSARY OF TERMS

Accrual Accounting: A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

Ad Valorem Tax: A tax assessed against property (land, improvements, and personal property) for the purpose of financing general operations of the City and debt service requirements.

Advanced Refunding: A transaction in which new debt is issued to provide monies to pay interest on old, outstanding debt as it becomes due, and to pay the principal on the old debt either as it matures or at an earlier call date.

Allocation: A part of a lump-sum appropriation, which is designed for expenditures by specific organization units and/or for special purposes, activities, or objects.

Annual Comprehensive Financial Report (ACFR): This report is published annually to provide to the Council, the representatives of financial institutions, our citizens, and other interested persons, detailed information concerning the financial condition of the City government.

Appraised Value: The market value of real and personal property located in the City as of January 1 each year, determined by the Tarrant Appraisal District (TAD).

Appropriation: The maximum level of spending for each fund and for each department as authorized annually by the City Council.

Appropriation Ordinance: The official enactment by the legislative body by means of which appropriations are given legal effect. It is the method by which the expenditure side of the annual operating budget is enacted into law by the legislative body.

ARPA: Acronym for American Rescue Plan Act of 2021 a $1.9 trillion economic stimulus bill passed to speed up the recovery from the COVID-19 pandemic and ongoing recession.

Assessed Valuation: A value that is established for real or personal property for use as a basis for levying property taxes. The Tarrant Appraisal District establishes property values in Watauga.

Assessment Ratio: The ratio at which tax rate is applied to tax base. State Law currently sets the assessment ratio at 100%.

Assets: Resources owned or held by the City, which have monetary value.

Audit: An examination of an organizations'' financial statements and utilization of resources.

Balanced Budget: Annual financial plan in which the operating budget is balanced with current revenues, exclusive of beginning resources, and is greater than or equal to current expenditures/expenses.

Baseline: The amount necessary to provide the same level of services as in the prior year.

Basis of Accounting: The timing of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes.

Bond: A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date in the future, call the maturity date, together with periodic interest at a specified rate. The most common types of bonds are general obligation and revenue bonds. They are most frequently used for construction of large capital projects, such as buildings, streets, and bridges.

GLOSSARY OF TERMS

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year.

Budget Adjustment: Legal procedure utilized by City staff and City Council to revise a budget appropriation.

Budget Calendar: The schedule of key dates or milestones, which the City departments follow in the preparation, adoption, and administration of the budget.

Budget Document: The instrument used by the budget-making authority to present a comprehensive financial plan of operations to the City Council.

Budget Message: The opening section of the document which provides the reader of the budget document with a general summary of the important aspects of the budget, including current and previous fiscal years and views of the City Manager.

Budgetary Control: The control or management of a governmental or enterprise fund in accordance with an approved budget to keep expenditures within the limitations of available appropriations of revenue.

Capital Budget: A plan for the financing and completion of designated capital projects, financed for the most part with proceeds from general obligation bond issues. The "capital improvements program" is similar multi-year plan, which includes the year covered by the "capital budget".

Capital Improvement Plan (CIP): An important planning tool that is used to link the City's physical development planning with fiscal planning.

CARES: Acronym for Coronavirus Act, Relief and Economic Security Act of 2020 which is a $2.2 trillion economic stimulus bill passed in response to the COVID-19 pandemic.

Capital Projects Fund: A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment.

Capital Outlay: type of expenditure within the budget, which results in the acquisition of an asset which has a value of at least $5,000 and a useful life of three years or more.

Certificate of Obligation: A type of municipal debt that is unconditionally backed that can be issued without voter approval, usually by a vote of the City Council. Often used for smaller projects.

City Charter: The document of a home rule City similar to a constitution, which established the City's government structure and provides for the distribution of powers and duties among the various branches of government.

City Council: The Mayor and seven (7) Council members collectively acting as the legislative and policy-making body of the City.

CLFR: Coronavirus Local Fiscal Recovery Fund. Authorized by the American Rescue Plan Act (ARPA) of 2021. Provides funding to local governments to broadly respond to the COVID-19 public health emergency.

Community Development Block Grant (CDBG): Federal funds made available to municipalities specifically for community revitalization.

GLOSSARY OF TERMS

Contingency: A budgetary reserve set-aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services: The cost related to services performed for the City by individuals, business, or utilities.

Crime Control and Prevention District: The State Legislature in 1989 allowed certain cities and counties to establish a district and impose a local sales tax to fund its programs. Since that time, eligibility has been extended.

Current Refunding: A refunding transaction in which the proceeds of the refunding debt are applied immediately to redeem the debt to be refunded.

Current Taxes: Property taxes that are levied and due within one year.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Debt Service Fund: A fund established to account for the accumulation of resources for the payment of principal and interest on long term debt. May also be called Interest and Sinking Fund (I & S).

Delinquent Taxes: Taxes that remain unpaid on and after the date for which penalty for non-payment is attached.

Department: A major administrative organizational unit of the City, which indicates overall management responsibility for one or more divisions.

Depreciation: The portion of the cost of a fixed asset charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset. Through this process, the entire cost of the asset is ultimately charged off as an expense.

Distinguished Budget Presentation Award: A voluntary program administered by the Government Finance Officers Association to encourage governments to publish well organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them.

Division: A major administrative organizational unit of the City, which indicates overall management responsibility for one or more activities.

Economic Development Corporation (EDC): A corporation established for the focus of economic development within the City.

Effectiveness: The degree to which an entity, program, or procedure is successful at achieving its goals and objectives.

Efficiency: The degree to which an entity, program, or procedure is successful at achieving its goals and objectives with the least use of scarce resources.

Encumbrances: Obligations in the form of purchase orders and contracts, which are chargeable to an appropriation and for which a part of the appropriation is reserved because the goods or services have not been received. When paid, the encumbrance is liquidated.

GLOSSARY OF TERMS

Enterprise Fund: A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Two Enterprise Funds are established for Watauga - one for storm drainage maintenance and one for Water and Wastewater Operations.

Estimated Revenue: The amount of projected revenues to be collected during the fiscal year.

Exempt: Personnel not eligible to receive overtime pay and who are expected to work whatever hours are necessary to complete their job assignments.

Expenditure: Decreases in net financial resources. Expenditures include current operating expenses, which may require the present or future use of net current assets, debt service, and capital outlay.

Expenses: This term refers to the outflows or other using up of assets or incurrence of liabilities from rendering services or carrying out other activities that constitute the City's major operations.

Fiduciary Fund: A fund used to report and record assets held in trust or as in an agency capacity for others.

Financial Policies: Financial policies are used to enable the City to achieve a sound financial position. They are in writing and are periodically updated and endorsed.

Fiscal Year: The 12-month period covered by the budget. For the City of Watauga, the fiscal year begins October 1st and ends September 30th.

Fixed Assets: Assets of long-term character, which are intended to continue to be held or used, such as buildings, infrastructure, machinery, and equipment.

Franchise Fee: Fees levied by the City in return for granting a privilege, which permits the continual use of public property, such as city streets, in providing their services to the citizens of the community.

Full-Time Equivalent (FTE): Refers to the number of full-time employees, plus all part time and seasonal employees pro-rated to full time increments.

Fund: A fiscal and accounting entity with a self- balancing set of accounts recording cash and other financial resources along with all related liabilities and residual equities or balances and related changes. These accounts are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Accounting: A governmental accounting system that is organized and operated on a fund basis.

Fund Balance: The assets of a fund less liabilities, as determined at the end of each fiscal period. Any reservations of fund balance are deducted to result in an "unreserved fund balance".

Fund Type: In governmental accounting, all funds are classified into eight fund types: General, Special Revenue, Debt Service, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust and Agency.

GAAP: "Generally Accepted Accounting Principles" as determined through common practice or as promulgated by the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), or various other accounting standard setting bodies.

GLOSSARY OF TERMS

General Fund: The General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, park and recreation, library, public works and general administration.

General Obligation Bonds: Bonds that finance a variety of public projects, which pledge the full faith and credit of the City.

Government Finance Officers Association (GFOA): Association whose mission s to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting heir use through education, training, facilitation of member networking, and leadership.

Governmental Accounting Standards Board (GASB): The ultimate authoritative accounting and financial reporting standard – setting body for state and local governments.

Governmental Fund: A fund used to account for mainly tax-supported activities.

Grant: A contribution by a government or other organization to support a particular function. Typically, these contributions are made to local governments from the state and federal governments.

Grant-Funded Program: Any program requiring any amount of State and/or Federal funds.

Impact Fees: Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of the development.

Infrastructure: The underlying permanent foundation or basic framework.

Interest and Sinking Fund (I & S): See Debt Service Fund.

Interest Earnings: The earnings from available funds invested during the year in approved investment vehicles such as U.S. Treasury Bonds, Governmental Agencies, and Certificates of Deposits.

Inter-fund Transfer: Amounts transferred from one fund to another.

Intergovernmental Revenues: Funds received from federal, state, and other local governmental sources in the form of grants, shared revenues, and payments in lieu of taxes (PILOT).

Internal Service Fund: A fund used to account for the financing of goods or services provided by one department to another on a cost reimbursement basis.

Investments: Securities, bonds and real property (land or buildings) held for the production of revenues in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in the normal course of governmental operations.

IVR: Acronym for Interactive Voice Response which allows customers to interact with a company's call center system via a telephone keypad or by speech recognition, after which they can service their own inquiries by following the IVR dialogue.

Joint Use Facility: An agreement between both the City of Watauga and the City of North Richland Hills that establishes the method by which the responsibility to operate and the obligation to provide services related to a particular water facility will be shared until the sole ownership is transferred to the City of Watauga pursuant to the Settlement and Purchase agreement.

GLOSSARY OF TERMS

Levy: To impose taxes, special assessments, or service charges for the support of the City services.

Liabilities: Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed, or refunded at some future date.

Long-term Debt: Loans and obligations with a maturity of longer than one year; usually accompanied by interest payments; also called funded debt.

Maintenance & Operations (M&O): Represents the portion of taxes assessed for the maintenance and operations of General Fund Services.

Materials and Supplies: Expendable materials and operating supplies necessary to conduct departmental activity.

Modified Accrual Accounting: A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

NEFDA: Acronym for Northeast Fire Department Association is an association developed for the purpose of combining manpower, ideas, and education for special operations.

Net Bonded Debt: Gross bonded debt less any cash or other assets available and earmarked for its retirement.

No-New Revenue Tax Rate: The tax rate that would generate the same amount of revenue in the current year as was generated by a taxing unit's adopted tax rate in the preceding tax year from property that is taxable in both the current tax year and the preceding tax year.

Non-Departmental Expense: Expenses that benefit the fund as a whole rather than a particular department within the fund.

Non-exempt: Personnel eligible to receive overtime pay when overtime work has been authorized or requested by the supervisor.

Operating Budget: A financial plan outlining estimated revenues and expenditures and other information for a specified period (usually a fiscal year). The "proposed budget" is the financial plan presented by the City Manager for consideration by the City Council, and the "adopted budget" is the financial plan ultimately approved and authorized by the City Council.

Operating Expense: Proprietary fund expenses that are directly related to the fund's primary service activities.

Operating Revenues: Proprietary fund revenues that are directly related to the fund's primary service activities.

Operating Transfers: All inter-fund transfers other than residual equity transfers.

Ordinance: A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a State statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments, and service charges, universally require ordinances. Ordinances and other legislation are not passed until the plans for, and costs of endorsements are known.

GLOSSARY OF TERMS

Overlapping Debt: Proportionate share that property must bear of the debts of other local governments located wholly or in part within the geographic boundaries of the reporting government. Examples include BISD/KISD School Districts and debts related to County.

Paying (Fiscal) Agent Fee: Fee paid to the financial institution that receives and disburses bond payments made on the City's debt obligations.

Per Capita Costs: The cost of service per person. Per capita costs are based on the population estimates provided by the North Texas Council of Governments.

Performance Measures: Specific quantitative measures of work performed within a City department.

Personnel Services: The costs associated with compensating employees for their labor. This includes salaries and fringe benefits.

Property Taxes: Used to describe all revenues received in a period from current taxes, delinquent taxes, penalties, and interest on delinquent taxes. Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

Proprietary Fund: A fund to account for activities that focus on operating income and cash flows. Such activities are often business-like, whether internal or external to the organization.

Refunding: The issuance of new debt whose proceeds are used to repay previously issued debt.

Reserve: An account used to indicate that a portion of a fund balance is restricted for a specific purpose.

Revenues: All amounts of money earned or received by the City from external sources.

Revenue Bonds: Bonds usually sold for constructing a project that will produce revenue for the governmental entity. All or part of the produced revenue is used to pay the principle and interest of the bond.

Revised Budget: A department's authorized budget as modified by City Council action, through new or decreased appropriation or appropriation transfers from contingency, or transfers from or to another department or fund.

Sales Tax: A general sales tax is levied on persons and businesses selling merchandise or services in the city limits on a retail basis.

Special Revenue Fund: A governmental fund, which is used to account for activities in which a specific revenue source is legally restricted for a specific activity.

STEP: Acronym for Selective Traffic Enforcement Program whose goal is to reduce the number of crashes caused by excessive speed, disregard of traffic control devices, and alcohol.

Tap Fees: Fees charged to join or to extend an existing utility system.

Tax Anticipation Notes: Short-term, interest bearing note issued by a government in anticipation of tax revenues to be received at a later date.

GLOSSARY OF TERMS

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. The term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

Tax Levy: The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Tax Rate: An amount applied to the taxable value of assessed property, expressed as cents per $100 of assessed property, e.g. $0.591216/$100 of valuation.

Tax Roll: The official list of taxable property for a given tax year and the amount of taxes levied against each taxpayer.

Taxable Value: Estimated value of taxable property to which the ad valorem tax rate is applied.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

Texas Municipal Retirement System (T.M.R.S.): An agent multiple-employer public retirement system. Watauga provides pension benefits for all permanent employees through a joint contributory plan in the statewide Texas Municipal Retirement System.

TXDOT: Acronym for the Texas Department of Transportation, a state government agency responsible for administering capital funds for street repairs.

Utility Franchise Tax: A tax paid by a utility for a special privilege granted by the Watauga City Council, permitting the continued use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

Voter Approval Tax Rate: Calculated maximum property tax rate allowed by law without voter approval.

Warrants: A legal writ authorizing an officer to make an arrest, seizure, or search.

Working Capital: Current assets less current liabilities. The measure of working capital indicates the relatively liquid portion of total enterprise fund capital, which constitutes a margin or buffer for meeting obligations.

CITY OF WATAUGA, TEXAS
RESOLUTION NO. 2024-026

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS ADOPTING THE AMENDED STRATEGIC PLAN FOR THE FISCAL YEARS 2022-2032; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Watauga (hereinafter "the City") is committed to maintaining financial strength of the City, developing a sustainable economic development effort, strengthening future planning, improving community involvement, improving the City Brand, and attracting, retaining and motivating qualified staff; and

WHEREAS, the Strategic Plan for Fiscal Year 2022-2032 (the "Plan") provides for the administration of programs and initiatives to achieve the above listed goals; and

WHEREAS, City Administration has recommended, and the Council concurs, that certain amendments to the Plan have become necessary due to changing conditions and circumstances, and the Plan adopted herein contains the recommended amendments, which the Council finds are in the best interest of the citizen of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS AS FOLLOWS:

I.

The facts and recitations set forth in the preamble of this Resolution are hereby found to be true and correct and adopted herein for all purposes.

II.

The "Strategic Plan Fiscal Year 2022-2032," together with amendments, set forth in Exhibit "A," attached hereto and incorporated by reference, is hereby adopted.

III.

This Resolution shall be and is hereby cumulative of all other Resolutions of the City of Watauga, Texas, and this Resolution shall not operate to repeal or affect any such other Resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Resolution, in which event, such conflicting provisions, if any, in such other Resolutions are hereby repealed.

IV.

If any section, sub-section, sentence, clause, or phrase of this Resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of the Resolution.

V.

This Resolution shall become effective and shall be in full force and effect from and after the date of passage and adoption by the City Council of the City of Watauga, Texas, and upon application of law and in accordance with Section 3.13 of the Charter of the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this 9th day of September 2024.

APPROVED:

Arthur L. Miner, Mayor

ATTEST:

Linda Proskey, City Secretary

APPROVED AS TO FORM AND LEGALITY:

David Berman, City Attorney

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 2024-020

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS LEVYING AD VALOREM TAXES FOR THE 2024 TAX YEAR FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF WATAUGA, TEXAS FOR THE 2024-2025 FISCAL YEAR; APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; PROVIDING THE DATE ON WHICH SUCH TAXES SHALL BE DUE AND TIMELY PAID; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council finds the City of Watauga, Texas has previously complied with all notice, publications and public hearing requirements of the Home Rule Charter of the City of Watauga, Texas and the laws of the State of Texas providing for the consideration and adoption of the 2024 Tax Year Property Tax Rate; and

WHEREAS, the City Council finds ad valorem taxes should be levied and collected to provide a portion of the revenues necessary for the use and support of the City of Watauga, Texas municipal government.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS:

I.

The facts and recitations set forth in the preamble of this ordinance are hereby found to be true and correct and are adopted herein for all purposes.

II.

There is hereby levied and there shall be collected for the use and support of the municipal government of the City of Watauga, Texas, and to provide an Interest and Sinking Fund, for the 2024-2025 Fiscal Year, upon all property, real, personal and mixed, within the corporate limits of the City subject to taxation, a tax of $0.570200 on each $100.00 valuation of property, said tax being so levied and apportioned to the specific purposes herein set forth:

1. For the maintenance and support of the general government (General Fund), $0.361051 on each $100.00 valuation of property; and

2. For the Interest and Sinking Fund, $0.209149 on each $100.00 valuation of property.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 5.78 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $1.34.

III.

Taxes levied under the Ordinance shall be due October 1, 2024, and if not paid on or before January 31, 2025, shall immediately become delinquent.

IV.

All ad valorem taxes due the City of Watauga, Texas, and not paid on or before February 1 following the year for which they were levied shall bear penalty and interest as prescribed in the Texas Tax Code, as may be amended.

V.

All taxes shall become a lien upon the property against which assessed, and the City assessor and collector of the City of Watauga, Texas, shall by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes, penalty and interest, and the interest and penalty collected from such delinquent taxes shall be apportioned to the General Fund of the City of Watauga, Texas. All delinquent taxes shall bear interest from the date of delinquency at the rate as prescribed by state law.

VI.

The City assessor and collector of the City of Watauga, Texas is hereby directed to assess for the 2024 Tax Year the rates and amounts herein levied and, when such taxes are collected, to distribute the collections in accordance with this Ordinance.

VII.

This Ordinance shall be and is hereby cumulative of all other Ordinances of the City of Watauga, Texas, and this Ordinance shall not operate to repeal or affect any such other Ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event, such conflicting provisions, if any, in such other Ordinance or Ordinances are hereby repealed.

VIII.

If any section, subsection, sentence, or clause or phrase of this Ordinance shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portion of this Ordinance.

IX.

This Ordinance shall become effective and shall be in full force and effect from and after the date of passage and adoption by the City Council of the City of Watauga, Texas, and upon application of law and in accordance with Sections 3.11 and 3.13 of the Charter of the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this 26th day of August 2024.

APPROVED:

ARTHUR L. MINER, MAYOR

ATTEST:

LINDA PROSKEY, CITY SECRETARY

CITY OF WATAUGA, TEXAS

APPROVED AS TO FORM AND LEGALITY:

DAVID BERMAN, CITY ATTORNEY

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 2024-019

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2024, AND ENDING SEPTEMBER 30, 2025; PROVIDING FOR THE APPROPRIATION OF FUNDS IN THE BUDGET; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council finds the budget officer of the City of Watauga filed a proposed budget for the fiscal year beginning October 1, 2024, and ending September 30, 2025, with the City Secretary in accordance with state law; and

WHEREAS, the City Council finds the proposed budget was made available for public inspection; and

WHEREAS, the City Council finds the Interim City Manager presented the proposed budget for the fiscal year beginning October 1, 2024, and ending September 30, 2025, to the City Council in accordance with the City Charter; and

WHEREAS, the City Council finds a public hearing notice was published and said public hearing was held, the subject of which was the proposed budget submitted by the Interim City Manager; and

WHEREAS, after full and final consideration, it is the consensus of the City Council that the budget, as hereinafter set forth, should be approved and adopted.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS, THAT:

I.

The facts and recitations set forth in the preamble of this ordinance are hereby found to be true and correct and adopted herein for all purposes.

II.

The attached budget for the City of Watauga, Texas for the fiscal year beginning October 1, 2024, and ending September 30, 2025, is hereby approved and adopted, and appropriations are made as follows:

1.	General Fund Operating – Fund 01	$19,273,760
2.	General Obligation Debt Service Fund – Fund 03	$4,554,444
3.	Storm Drain Utility Enterprise Fund – Fund 15	$4,649,840
4.	Economic Development Corporation Fund – Fund 04	$701,240
5.	Capital Projects (Plus Prior Appropriations) – Fund 07	$20,328,844
6.	Crime Control and Prevention District – Fund 18	$2,688,500
7.	Economic Development Corporation Capital Projects – Fund 05 (Plus Prior Appropriations)	$100,000
8.	Water Impact Fee – Fund 47	$0
9.	Sewer Impact Fee – Fund 48	$0
10.	Water/Sewer Joint Use Facilities – Fund 46	$50,000
11.	Water/Sewer Capital Projects (Plus Prior Appropriations) – Fund 45	$5,971,450
12.	Water and Sewer Operating Fund – Fund 40	$11,209,590
13.	Internal Service Fund – Fund 22	$949,800
14.	Water and Sewer Debt Service Fund – Fund 44	$2,076,166
15.	Water and Sewer Revenue Bond Debt Service Fund – Fund 42	$0
16.	Water and Sewer Debt Reserve Fund – Fund 43	$0
17.	Library Donation Fund – Fund 23	$10,000
18.	Bunker Hill Drainage Fund – Fund 16	$0
19.	Municipal Court Security Fee – Fund 25	$40,300

20.	Municipal Court Technology Fund – Fund 26	$33,150
21.	Municipal Court Truancy Prevention Fund – Fund 27	$41,900
22.	Park Vista Public Improvement District – Fund 30	$0
23.	Traffic Safety Fund – Fund 28	$0
24.	Grant Fund – Fund 10	$2,352,049
25.	Street Maintenance Fund – Fund 14	$0
26.	Strategic Initiative Fund – Fund 13	$0
27.	PEG Fund – Fund 24	$10,000
29.	SAFER Grant Fund – Fund 12	$0
30.	Fleet ILA Fund – Fund 21	$97,900

III.

The expenditures during the fiscal year beginning October 1, 2024, and ending September 30, 2025, shall be made in accordance with the budget by departmental allocation approved by this ordinance unless otherwise authorized by a duly enacted ordinance of the City of Watauga, Texas.

IV.

All budget amendments and transfers of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2023-2024 are hereby ratified, and the budget ordinance for fiscal year 2023-2024, heretofore enacted by the City Council, be and the same is hereby amended to the extent of such transfers and amendments for all purposes.

V.

Upon approval of the budget, the budget officer shall file a true and certified copy thereof with the County Clerk of Tarrant County, Texas.

VI.

This Ordinance shall be and is hereby cumulative of all other Ordinances of the City of Watauga, Texas, and this Ordinance shall not operate to repeal or affect any such

other Ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event, such conflicting provisions, if any, in such other Ordinance or Ordinances are hereby repealed.

VII.

If any section, subsection, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portion of this Ordinance.

VIII.

This Ordinance shall become effective and shall be in full force and effect from and after the date of passage and adoption by the City Council of the City of Watauga, Texas, and upon application of law and in accordance with Sections 3.11 and 3.13 of the Charter of the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this 26th day of August 2024.

APPROVED:

ARTHUR L. MINER, MAYOR

ATTEST:

LINDA PROSKEY, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

DAVID BERMAN, CITY ATTORNEY

CITY OF WATAUGA, TEXAS

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 2024-018

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS APPROVING THE FISCAL YEAR 2024-2025 ANNUAL SERVICE PLAN UPDATE AND 2024 ASSESSMENT ROLL FOR THE PARK VISTA PUBLIC IMPROVEMENT DISTRICT OF THE CITY OF WATAUGA, TEXAS; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council finds the City Council of the City of Watauga, Texas adopted Resolution No. 98-12-14-3 which authorized the establishment of the Park Vista Public Improvement District (the "District") as provided by Chapter 372 of the Local Government Code on December 14, 1998; and

WHEREAS, the City Council finds the City Council adopted Resolution No. 99-1-19-3 on January 19, 1999, adopting the original service plan and budget for the District; and

WHEREAS, the City Council finds the City Council adopted Ordinance No. 1035 on September 25, 2000, levying assessments for use and support of the Park Vista Public Improvement District; and

WHEREAS, the City Council finds that after the creation of the District and the adoption of the original service plan and the assessment levy, the City Council regularly reviewed the service plan for the purpose of determining the annual budget for improvements and for determining the annual assessment roll for the District in accordance with Chapter 372 of the Local Government Code; and

WHEREAS, the City Council finds, after each such review, the City Council regularly approved the annual service plan update, the annual budget and the annual assessment for the District, in accordance with Chapter 372 of the Local Government Code; and

WHEREAS, the City Council finds that the City Council has reviewed the proposed Fiscal Year 2024-2025 annual service plan and budget and the proposed 2024 assessment roll; and

WHEREAS, the City Council now desires to approve the Fiscal Year 2024-2025 annual service plan update and budget and the 2024 assessment roll, in accordance with Chapter 372 of the Local Government Code; and

WHEREAS, the City Council finds the passage of this Ordinance is required by Chapter 372 of the Local Government Code and is in the best interest of the residents of the City of Watauga.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Watauga, Texas, as follows:

I.

The facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct and adopted herein for all purposes.

II.

The City Council of the City of Watauga, Texas does hereby approve and adopt the Fiscal Year 2024-2025 Annual Service Plan Update for the District, a copy of which is attached hereto as Exhibit 1 and is incorporated herein for all purposes.

III.

The 2024 Assessment Roll included in the Fiscal Year 2024-2025 Annual Service Plan Update is hereby accepted and approved pursuant to Chapter 372 of the Texas Local Government Code as the assessment roll of the District.

IV.

The method of apportioning the costs of the authorized improvements is set forth in the Fiscal Year 2024-2025 Annual Service Plan Update.

V.

The City Secretary is directed to cause a copy of this Ordinance, including the FY 2024-2025 Annual Service Plan Update and Assessment Roll and the notice form required by Section 5.014 of the Property Code be filed with the County Clerk of Tarrant County.

VI.

This Ordinance shall be and is hereby cumulative of all other ordinances of the City of Watauga, Texas and this Ordinance shall not operate to repeal or affect any such other ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

VII.

If any section, subsection, sentence, clause, or phrase of this Ordinance shall for any reason be held invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

VIII.

This Ordinance shall become effective and shall be in full force and effect from and after the date of passage and adoption by the City Council of the City of Watauga, Texas, and upon application of law and in accordance with Sections 3.11 and 3.13 of the Charter of the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas, this 26th day of August 2024.

APPROVED:

Arthur L. Miner, Mayor

ATTEST:

Linda Proskey, City Secretary

CITY OF WATAUGA, TEXAS

APPROVED AS TO FORM AND LEGALITY:

David Berman, City Attorney

Exhibit A



Exhibit B

Legal Description

80.551 acres situated in the WILLIAM EVANS SURVEY, Abst. No. 467 and the DAVID L. HALL SURVEY, Abst. No. 700, City of Fort Worth, City of Watauga and Unincorporated Tarrant County, Texas, being a portion of that certain tract of land conveyed to Havener Rupert Limited Partnership, by deed recorded in Volume 12451, Page 1824, Deed Records, Tarrant County, Texas, said 80.551 acres being more particularly described, as follows:

Commencing at a 1/2" iron found in the north line of Watauga Road (a 120 foot R.O.W.) at the southeast corner of that certain tract of land conveyed to Hillwood – Park Glen, Ltd., by deed recorded in Volume 9357, Page 3424, Deed Records, Tarrant County, Texas;

THENCE North 88 degrees 07 minutes 11 seconds East, along the north line of said Watauga Road, 265.86 feet to a 1/2" iron found at the beginning of a curve to the right, whose radius is 2924.79 feet and whose long chord bears North 89 degrees 24 minutes 56 seconds East, 133.72 feet;

THENCE continuing along the north line of said Watauga Road and along said curve in an easterly direction through a central angle of 02 degrees 37 minutes 11 seconds, a distance of 133.73 feet to a 1/2" iron set at the Point Of Beginning of the herein described tract;

THENCE North 06 degrees 11 minutes 23 seconds East, 387.72 feet to a 1/2" iron set at the beginning of a curve to the right, whose radius is 472.00 feet and whose long chord bears North 16 degrees 13 minutes 36 seconds East, 164.53 feet;

THENCE along said curve in a northerly direction, through a central angle of 20 degrees 04 minutes 26 seconds, a distance of 165.37 feet to a 1/2" iron set in a curve to the left, whose radius is 200.00 feet and whose long chord bears North 77 degrees 31 minutes 13 seconds West, 72.88 feet;

THENCE along said curve in a westerly direction, through a central angle of 20 degrees 59 minutes 45 seconds, a distance of 73.29 feet to a 1/2" iron set at the end of said curve;

THENCE North 88 degrees 01 minutes 06 seconds West, 443.97 feet to a 1/2" iron set in the west line of said Havener Rupert Limited Partnership tract and the east line of said Hillwood – Park Glen, Ltd. tract;

THENCE North 00 degrees 45 minutes 02 seconds West, along the common line of said Havener Rupert Limited Partnership and Hillwood – Park Glen, Ltd. tracts, 1355.61 feet to a 1/2" iron found;

THENCE North 89 degrees 30 minutes 17 seconds West, continuing along the common line of said Havener Rupert Limited Partnership and Hillwood – Park Glen, Ltd. tracts, 1264.52 feet to a 1/2" iron found at the most westerly southwest corner of said Havener – Rupert Limited Partnership tract in the east line of that certain tract of land conveyed to WPC – Basswood Developement Corporation, by deed recorded in Volume 12172, Page 796, Deed Records, Tarrant County, Texas;

THENCE North 00 degrees 52 minutes 25 seconds West, along the common line of said Havener Rupert Limited Partnership and WPC – Basswood Development Corporation tracts, 973.19 feet to a 1/2" iron found at the northwest corner of said Havener Rupert Limited Partnership tract;

THENCE North 88 degrees 52 minutes 25 seconds East, continuing along the common line of said Havener Rupert Limited Partnership and WPC – Basswood Development Corporation tracts, passing the southeast corner of said WPC – Basswood Development Corporation tract, passing the southwest and southeast corners of PHASE IV, SECTION 2, PARK GLEN ADDITION, an Addition to the City of Fort Worth, Tarrant County, Texas according to Plat recorded in Plat Cabinet A, Slide 329, Plat Records, Tarrant County, Texas and passing the southwest corner of PHASE IV, SECTION 1, PARK GLEN ADDITION an Addition to the City of Fort Worth, Tarrant County, Texas, according to Plat recorded in Plat Cabinet A, Slide 376, Plat Records, Tarrant County, Texas and continuing along the common line of said Havener Rupert Limited Partnership tract and said PHASE IV, SECTION 1, PARK GLEN ADDITION, in all, 2346.16 feet to a 1/2" iron set;

THENCE South 00 degrees 52 minutes 25 seconds East, 349.74 feet to a 1/2" iron found at the beginning of a non-tangent curve to the right, whose radius is 60.00 feet and whose long chord bears South 00 degrees 52 minutes 25 seconds East, 82.05 feet;

THENCE along said curve in a southwesterly direction, through a central angle of 110 degrees 16 minutes 36 seconds, a distance of 96.24 feet to a 1/2" iron set ;

THENCE South 00 degrees 52 minutes 25 seconds East, 106.02 feet to a 1/2" iron set;

THENCE North 89 degrees 38 minutes 32 seconds West, 141.72 feet to a 1/2" iron set;

EXHIBIT 1

CITY OF WATAUGA, TEXAS
PARK VISTA PUBLIC IMPROVEMENT DISTRICT
FY 2024-2025 ANNUAL SERVICE PLAN UPDATE

CITY OF WATAUGA, TEXAS
PARK VISTA PUBLIC IMPROVEMENT DISTRICT
FY 2024-2025 ANNUAL SERVICE PLAN UPDATE

Section 372.013(d) of the Local Government Code requires an annual update of the Service Plan. The boundaries of the Park Vista Public Improvement District are set forth in Exhibits "A" and "B" attached hereto and incorporated herein for all purposes. Park Vista Public Improvement District will not provide services during the fiscal year 2024-2025. The City will furnish or pay for standard improvements and/or services in the Park Vista Public Improvement District at the same level as they would be provided to the taxpayers generally. The service plan is approved and adopted by the City Council for a period of one year. The plan will be reviewed and updated annually by the City Council to determine the annual budget for improvements and/or services within Park Vista Public Improvement District. The cost of an improvement and/or special services will be assessed against real property within the Park Vista Public Improvement District according to value of the property with improvements as determined by the Tarrant Appraisal District.

The apportionment of costs between the Park Vista Public Improvement District and the City as a whole shall be:

(1) All of the cost of an improvement and/or service shall be paid by special assessments against real property in Park Vista Public Improvement District.
(2) The City Council of the City of Watauga will be authorized to establish by Ordinance reasonable classifications and formulas for the apportionment of costs between the City and the property to be assessed.
(3) The City as a whole will continue to provide standard improvements and services to Park Vista Public Improvement District at the same level as they are provided to other areas in the City and the taxpayers generally.

All public improvement projects of the Park Vista Public Improvement District have been completed. The District has no obligations of indebtedness for public improvement projects.

FISCAL YEAR 2024-2025 BUDGET

Cost of Maintenance & Operating Expense	$0.00
TOTAL	$0.00

FIVE YEAR SERVICE PLAN

Assessment Due Date	1/31/2023	1/31/2024	1/31/2025	1/31/2026	1/31/2027
Assessment Amount	$0.00	$0.00	$0.00	$0.00	$0.00

2024 ASSESSMENT ROLL

$0.00 on each $100.00 valuation of property, upon all real property within the Park Vista Public Improvement District.

The following notice is required by section 372.013(e) of the Texas Local Government Code. NO ASSESSMENT IS BEING IMPOSED ON THE PROPERTY AS A RESULT OF THE 2024-2025 ANNUAL SERVICE PLAN UPDATE.

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO CITY OF WATAUGA, TEXAS CONCERNING THE FOLLOWING PROPERTY: PARK VISTA ADDITION, PHASES I, II, III, AND IV

As the purchaser of the real property described above, you are obligated to pay assessments to City of Watauga, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the Park Vista Public Improvement District (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Watauga, Texas. The exact amount of each annual installment will be approved each year by the City Council of the City of Watauga, Texas in the annual service plan update for the district . More information about the assessments, including the amounts and due dates, may be obtained from the City of Watauga, Texas .

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

Section 5.014 of the Texas Property Code requires "A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code . . . shall first give to the purchaser of the property the written notice prescribed by Subsection (a-1). . ." Subsection 5.014(a-1) of the Texas Property Code provides that the above referenced notice shall be executed by the seller of property and must read as provided above.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas, by Ordinance No. 2024-_____ approved on the 26th day of August 2024.

APPROVED:

Arthur L. Miner, Mayor

ATTEST:

Linda Proskey, City Secretary

CITY OF WATAUGA, TEXAS
RESOLUTION NO. 2024-012

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS TO ACCEPT THE 2024 TARRANT APPRAISAL DISTRICT CERTIFIED APPRAISAL ROLL PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 26.04(b) of the Texas Property Tax Code, provides that the tax assessor for each taxing unit shall submit the unit's tax appraisal roll to the government body; and

WHEREAS, the Tarrant Appraisal District has provided the City of Watauga with a Certified Appraisal Roll for the tax year 2024; and

WHEREAS, the City Council of the City of Watauga desires to accept the 2024 Tarrant Appraisal District Certified Appraisal Roll pursuant to Section 26.04(b) of the Texas Property Tax Code;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS that:

I.

The facts and recitations set forth in the preamble of this Resolution are hereby found to be true and correct and adopted herein for all purposes.

II.

The 2024 Certified Appraisal Roll for the City of Watauga as provided and certified by the Tarrant Appraisal District, is hereby accepted by the City Council of the City of Watauga.

III.

This Resolution shall be and is hereby cumulative of all other resolutions of the City of Watauga, Texas and this resolution shall not operate to repeal or affect any such other resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this resolution, in which event such conflicting provisions, if any, in such other resolution or resolutions are hereby repealed.

IV.

If any section, subsection, sentence, clause or phrase of this resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this resolution.

V.

This Resolution shall become effective and shall be in full force and effect from and after the date of passage and adoption by the City Council of the City of Watauga, Texas, and upon application of law and in accordance with Section 3.13 of the Charter of the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this the 5th day of August, 2024.

APPROVED:

Arthur L Miner
ARTHUR L. MINER, MAYOR

ATTEST:

LINDA PROSKEY, CITY SECRETARY

CITY OF WATAUGA, TEXAS

APPROVED AS TO FORM AND LEGALITY:

Kaleb Smith, on behalf of
DAVID BERMAN, CITY ATTORNEY
Kaleb Smith, Attorney

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 2024-017

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS ADOPTING THE CAPITAL OUTLAY PLAN FOR FISCAL YEARS 2025-2029; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council finds the City of Watauga makes major investments, from time to time, in costly capital assets that improve the quality of service provided by the City; and

WHEREAS, the City Council finds each asset requires a long-term investment that should only take place after due consideration of the City's needs, service required to be provided by the City, and the City's ability to finance the asset; and

WHEREAS, the City Council finds the City has a number of funding resources at its disposal, including tax revenue, utility revenues, and financial aid from county, state, and federal agencies that can be used to replace and purchase capital assets; and

WHEREAS, the City Council finds the City desires to maintain a continuous process of planning for the replacement and purchase of capital assets; and

WHEREAS, the City Council finds that it, as the governing body, discussed the 2025-2029 Capital Outlay Plan and the capital items included in Fiscal Year 2024-2025 during a Workshop Meeting held on June 10, 2024; and

WHEREAS, the City Council finds the Fiscal Year 2024-2025 Budget has been submitted to the City Council by the Interim City Manager in accordance with the City Charter including funded items identified in the Capital Outlay Plan.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS:

I.

The City Council of the City of Watauga hereby adopts the Capital Outlay Plan (COP) for FY2025-2029, a copy of which is attached hereto as Exhibit A.

II.

Funded assets approved during the Fiscal Year 2024-2025 will be consistent with the approved COP. Any expenses substantively deviating from those authorized in the COP will require an amendment of the COP approved by the City Council.

III.

All ordinances appropriating funds for assets included in the approved or amended COP will include information citing the COP asset along with appropriate financial accounting information.

IV.

This Ordinance shall be and is hereby cumulative of all other Ordinances of the City of Watauga, Texas, and this Ordinance shall not operate to repeal or affect any such other Ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event, such conflicting provisions, if any, in such other Ordinance or Ordinances are hereby repealed.

V.

If any section, sub-section, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

VI.

This Ordinance shall become effective and shall be in full force and effect from and after the date of passage and adoption by the City Council of the City of Watauga, Texas, and upon application of law and in accordance with Sections 3.11 and 3.13 of the Charter of the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this the 26th day of August 2024.

APPROVED:

ARTHUR L. MINER, Mayor

ATTEST:

LINDA PROSKEY, City Secretary

CITY OF WATAUGA, TEXAS

APPROVED AS TO FORM AND LEGALITY:

DAVID BERMAN, City Attorney

Fiscal Year 2024-2025
Summary of Property Tax Revenue & Distribution

NET TAXABLE VALUE			**FY2024-2025 TOTAL**
Total Appraised Value as of July 25, 2024			2,508,223,649
Less:			
Absolute Exemption			(83,184,496)
Cases Before ARB			(44,954,330)
Incomplete Accounts			(18,513,451)
Disabled Veteran			(18,918,952)
Over 65			(69,069,046)
Homestead			
Disabled Persons Over65			(2,766,668)
Freeport Inventory Value Loss			
Pollution Control			(72,955)
Solar & Wind Powered Devices			(1,162,093)
Nominal Value Accounts			(134,080)
Miscellaneous Personal Property			(6,579,526)
Property Damaged by Disaster			
In Process			(65,393)
Total Reduction to Values			(245,420,990)
NET TAXABLE VALUE (CERTIFIED) AT JULY 25,2024			2,262,802,659
Add:			
Estimated Minimum ARB protested values			31,120,131
Estimated Minimum Incomplete Property Values			9,182,168
Estimated Minimum Value of In Process Properties			0
ESTIMATED NET TAXABLE VALUE AT JULY 25, 2024			$ 2,303,104,957
ESTIMATED PROPERTY TAX COLLECTIONS:	**GENERAL (M&O)**	**DEBT SERVICE (I&S)**	
Estimated Net Taxable Value			2,303,104,957
Less: Tax Ceiling Taxable Values			(361,075,580)
Net Taxable Values			1,942,029,377
Proposed Tax Rate per $100 Valuation	0.361051	0.209149	0.570200
Estimated Total Tax Levy at 100% Collection	7,011,716	4,061,735	11,073,452
Less: Estimated Uncollectable	(10,518)		(10,518)
Less: Estimated I&S Uncollectable (.15%)		(6,093)	(6,093)
Estimated Revenue from Property Tax	7,001,199	4,055,642	11,056,841
Estimated Revenue from Property Tax	7,001,199	4,055,642	11,056,841
Plus: Tax Ceiling Account Revenue (not included in tax rate calc)	734,376	353,588	1,087,964
Less: Estimated Uncollectable (.15%)	(1,102)		(1,102)
Less: Estimated I&S Uncollectable (.15%)		(530)	(530)
ESTIMATED PROPERTY TAX DISTRIBUTION	$ 7,734,473	$ 4,408,700	$ 12,143,173
BUDGET LINE ITEMS			
Ad valorem Taxes	$ 7,734,000	$ 4,403,000	$ 12,137,000
Delinquent/Penalties and Interest	$ 66,000	$ 22,000	$ 88,000
TOTALS	**$ 7,800,000**	**$ 4,425,000**	**12,225,000**
Prior year totals (calculated from Certified July 20, 2023)	*$ 7,194,500*	*$ 4,171,000*	*11,365,500*
Additional Revenues in budget from Property Taxes FY2024-2025	*$ 605,500*	*$ 254,000*	*859,500*

Section (b) of Property Tax Code
Works eet for Deter nation of Steps Re uired for Adoption of Tax Rate
City of Watauga

M&O Tax Increase in Current ear	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 8 of the No-New-Revenue Tax Rate Worksheet. **m**	$1,627,192,205
2. Last year's M&O tax rate. Enter Line 28 of the Voter-Approval Tax Rate Worksheet.	$0.375187/$100
3. M&O taxes refunded for years preceding tax year 2022. Enter Line 31A of the Voter-Approval Tax Rate Worksheet.	$49,523
4. TIF Adjustment. Enter Line 31B of the Voter-Approval Tax Rate Worksheet. **m**	$0
5. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3 and subtract line 4. **m**	$6,154,536
6. This year's total taxable value. Enter line 21 of the No-New-Revenue Tax Rate Worksheet. **m**	$1,842,340,668
7. This year's proposed M&O tax rate. Enter the proposed M&O tax rate approved by the Governing Body. **m**	$0.359710/$100
8. This year's M&O tax levy. Multiply line 6 times line 7 and divide by 100. **m**	$6,627,084
9. M&O Tax Increase (Decrease). Subtract line 5 from line 8. **m**	$472,548
10. No-New-Revenue Total Tax Rate.	$0.507081/$100
11. This year's proposed total tax rate. **m**	$0.570200/$100
12. This year's rate minus No-New-Revenue rate. Subtract line 10 from line 11. **m**	$0.063119
13. Percentage change in total tax rate. Divide Line 12 by line 10. **m**	12.45%
Co aris on of M&O Tax Rates	
14. No-New-Revenue M&O Tax Rate. Enter line 39 of the Voter-Approval Tax Rate Worksheet. **m**	$0.334281/$100
15. This year's proposed M&O tax rate.	$0.359710/$100
16. This year's rate minus No-New-Revenue rate. Subtract line 14 from line 15. **m**	$0.025429
17. Percentage change in M&O tax rate. Divide line 16 by line 14. **m**	7.61%
18. This year's taxable value on a $100,000 home. **m**	$100,000
19. Last year's M&O tax rate. **m**	$0.375187/$100
20. This year's proposed M&O tax rate. **m**	$0.359710/$100
21. This year's raised M&O taxes. Subtract line 19 from line 20 and multiply result by line 18. **m**	$-15.48 **m**

2024 Tax Rate Calculation Worksheet
Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Watauga, Texas	817-514-5800
Taxing Unit Name	Phone *(area code and number)*
7105 Whitley Road, Watauga, Texas	www.cowtx.org
Taxing Unit's Address, City, State, ZIP Code	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]	$ 2,112,556,102
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]	$ 332,703,377
3.	**Preliminary prior year adjusted taxable value.** Subtract Line 2 from Line 1.	$ 1,779,852,725
4.	**Prior year total adopted tax rate.**	$ 0.570200 /$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:** $ 59,150,326 **B. Prior year values resulting from final court decisions:** - $ 54,293,761 **C. Prior year value loss.** Subtract B from A.[3]	$ 4,856,565
6.	**Prior year taxable value subject to an appeal under Chapter 42, as of July 25.** **A. Prior year ARB certified value:** $ 34,361,911 **B. Prior year disputed value:** - $ 4,123,429 **C. Prior year undisputed value.** Subtract B from A.[4]	$ 30,238,482
7.	**Prior year Chapter 42 related adjusted values.** Add Line 5C and Line 6C.	$ 35,095,047

[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)

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.	$ 1,814,947,772
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: $ 0 **B. Partial exemptions.** Current year exemption amount or current year percentage exemption times prior year value: + $ 2,429,407 **C. Value loss.** Add A and B. [6]	$ 2,429,407
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 proper- ties 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.	$ 2,429,407
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.	$ 0
14.	**Prior year total value.** Subtract Line 12 and Line 13 from Line 8.	$ 1,812,518,365
15.	**Adjusted prior year total levy.** Multiply Line 4 by Line 14 and divide by $100.	$ 10,334,979
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]	$ 75,994
17.	**Adjusted prior year levy with refunds and TIF adjustment.** Add Lines 15 and 16. [10]	$ 10,410,973
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:** $ 2,262,802,659 **B. Counties:** Include railroad rolling stock values certified by the Comptroller's office: + $ **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] - $ 0 **E. Total current year value.** Add A and B, then subtract C and D.	$ 2,262,802,659

[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)

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] ..... $ 31,120,131 **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] ..... + $ 9,182,168 **C. Total value under protest or not certified.** Add A and B.	$ 40,302,299
20.	**Current year tax ceilings.** Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the home- steads 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]	$ 361,075,580
21.	**Current year total taxable value.** Add Lines 18E and 19C. Subtract Line 20. [17]	$ 1,942,029,378
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]	$ 0
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]	$ 14,417,989
24.	**Total adjustments to the current year taxable value.** Add Lines 22 and 23.	$ 14,417,989
25.	**Adjusted current year taxable value.** Subtract Line 24 from Line 21.	$ 1,927,611,389
26.	**Current year NNR tax rate.** Divide Line 17 by Line 25 and multiply by $100. [20]	$ 0.540097 /$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]	$ _____ /$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.	$ 0.359710 /$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.*	$ 1,814,947,772

[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)

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	$ 6,528,548
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 2023. This line applies only to tax years preceding the prior tax year. + $ 50,576 **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. – $ 0 **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. $ 50,576 **E.** Add Line 30 to 31D.	$ 6,579,124
32.	**Adjusted current year taxable value.** Enter the amount in Line 25 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,927,611,389
33.	**Current year NNR M&O rate (unadjusted).** Divide Line 31E by Line 32 and multiply by $100.	$ 0.341309 /$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, 2022 and ending on June 30, 2023, 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

[22] [Reserved for expansion]
[23] Tex. Tax Code §26.044
[24] Tex. Tax Code §26.0441

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, 2022 and ending on June 30, 2023, 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.	$ 0.341309 /$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 . . . . . $ 0 **B.** Divide Line 40A by Line 32 and multiply by $100 . . . . . $ 0.000000 /$100 **C.** Add Line 40B to Line 39.	$ 0.341309 /$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.	$ 0.353254 /$100

[25] Tex. Tax Code §26.0442
[26] Tex. Tax Code §26.0443

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).	$ 0.000000 /$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 $ 4,551,844 **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 – $ 150,000 **E. Adjusted debt.** Subtract B, C and D from A.	$ 4,401,844
43.	**Certified prior year excess debt collections.** Enter the amount certified by the collector. [29]	$ 340,098
44.	**Adjusted current year debt.** Subtract Line 43 from Line 42E.	$ 4,061,746
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. 99.58 % **C.** Enter the 2022 actual collection rate. 99.69 % **D.** Enter the 2021 actual collection rate. 100.06 % **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.	$ 4,061,746
47.	**Current year total taxable value.** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,942,029,378
48.	**Current year debt rate.** Divide Line 46 by Line 47 and multiply by $100.	$ 0.209149 /$100
49.	**Current year voter-approval tax rate.** Add Lines 41 and 48.	$ 0.562403 /$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.	$ 0.000000 /$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)

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.	$ 0
53.	**Current year total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet*.	$ 1,942,029,378
54.	**Sales tax adjustment rate.** Divide Line 52 by Line 53 and multiply by $100.	$ 0.000000 /$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*.	$ 0.540097 /$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.	$ 0.540097 /$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*.	$ 0.562403 /$100
58.	**Current year voter-approval tax rate, adjusted for sales tax.** Subtract Line 54 from Line 57.	$ 0.562403 /$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]	$ 0
60.	**Current year total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet*.	$ 1,942,029,378
61.	**Additional rate for pollution control.** Divide Line 59 by Line 60 and multiply by $100.	$ 0.000000 /$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)

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).	$ 0.562403 /$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] In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the portion of the unused increment rate that was used must be backed out of the calculation for that year.

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]

Individual components can be negative, but the overall rate will be the greater of zero or the calculated rate.

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 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)	$ 0.605718 /$100
	B. Unused increment rate (Line 66)	$ 0.049248 /$100
	C. Subtract B from A	$ 0.556470 /$100
	D. Adopted Tax Rate	$ 0.570200 /$100
	E. Subtract D from C	$ -0.013730 /$100
	F. 2023 Total Taxable Value (Line 60)	$ 1,842,340,668
	G. Multiply E by F and divide the results by $100	$ -252,954
64.	**Year 2 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)	$ 0.584200 /$100
	B. Unused increment rate (Line 66)	$ 0.014000 /$100
	C. Subtract B from A	$ 0.570200 /$100
	D. Adopted Tax Rate	$ 0.570200 /$100
	E. Subtract D from C	$ 0.000000 /$100
	F. 2022 Total Taxable Value (Line 60)	$ 1,624,845,306
	G. Multiply E by F and divide the results by $100	$ 0
65.	**Year 1 Foregone Revenue Amount. Subtract the 2021 unused increment rate and 2021 actual tax rate from the 2021 voter-approval tax rate. Multiply the result by the 2021 current total value**	
	A. Voter-approval tax rate (Line 67)	$ 0.597593 /$100
	B. Unused increment rate (Line 66)	$ 0.000000 /$100
	C. Subtract B from A	$ 0.597593 /$100
	D. Adopted Tax Rate	$ 0.580400 /$100
	E. Subtract D from C	$ 0.017193 /$100
	F. 2021 Total Taxable Value (Line 60)	$ 1,476,882,511
	G. Multiply E by F and divide the results by $100	$ 253,920
66.	**Total Foregone Revenue Amount.** Add Lines 63G, 64G and 65G	$ 966 /$100
67.	**2024 Unused Increment Rate.** Divide Line 66 by Line 21 of the *No-New-Revenue Rate Worksheet*. Multiply the result by 100	$ 0.000049 /$100
68.	**Total 2024 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)	$ 0.562452 /$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)

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.*	0.341309
70.	**Current year total taxable value.** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,942,029,378
71.	**Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 70 and multiply by $100.	$ 0.025746 /$100
72.	**Current year debt rate.** Enter the rate from Line 48 of the *Voter-Approval Tax Rate Worksheet.*	$ 0.209149 /$100
73.	**De minimis rate.** Add Lines 69, 71 and 72.	$ 0.576204 /$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.	**2023 adopted tax rate.** Enter the rate in Line 4 of the *No-New-Revenue Tax Rate Worksheet.*	$ 0.570200 /$100
75.	**Adjusted 2023 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 2023 and the taxing unit calculated its 2023 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2023 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 2023 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 2023, 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 2023 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 2023 voter-approval tax rate from the worksheet. **- or -** If the taxing unit adopted a tax rate above the 2023 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.	$ 0.000000 /$100
76.	**Increase in 2023 tax rate due to disaster.** Subtract Line 75 from Line 74.	$ 0.000000 /$100
77.	**Adjusted 2023 taxable value.** Enter the amount in Line 14 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,812,518,365
78.	**Emergency revenue.** Multiply Line 76 by Line 77 and divide by $100.	$ 0
79.	**Adjusted 2023 taxable value.** Enter the amount in Line 25 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,927,611,389
80.	**Emergency revenue rate.** Divide Line 78 by Line 79 and multiply by $100. [51]	$ 0.000000 /$100

[45] Tex. Tax Code §26.04(c)(2)(B)
[46] 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)

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).	$ 0.562452 /$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. $ 0.540097 /$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 $ 0.562452 /$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. $ 0.576204 /$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 ➧ Sandra Gibson
Printed Name of Taxing Unit Representative

sign here ➧
Taxing Unit Representative Date

[52] Tex. Tax Code §§26.04(c-2) and (d-2)

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