



PROPOSED BUDGET

BUDGET WORKSHOP #2

August 22, 2022

GF – INCOME STATEMENT

ORIGINAL	FY 2021 YEAR END ACTUAL	FY 2022 AMENDED BUDGET	FY 2022 YEAR END PROJECTED	FY 2023 PROPOSED BUDGET
Total Revenues:	\$7,474,951	\$7,496,659	\$7,568,529	\$7,847,594
Operating Expenditures:	6,197,912	6,361,974	6,300,693	6,696,500
Non-Operating Expenditures:	1,903,594	1,134,685	1,134,685	1,151,094
Total Expenditures:	\$8,101,506	\$7,496,659	\$7,435,378	\$7,847,594
<i>Revenues Over Expenditures</i>	<i>(626,555)</i>	<i>0</i>	<i>133,151</i>	<i>0</i>
Fund Balance - Ending	\$3,702,509	\$3,702,509	\$3,835,660	\$3,835,660
3-Month Reserve (25%)		1,590,494	1,590,494	1,674,125
Excess/(Deficit)		2,112,016	2,245,166	2,161,535

REVISED	FY 2021 YEAR END ACTUAL	FY 2022 AMENDED BUDGET	FY 2022 YEAR END PROJECTED	FY 2023 PROPOSED BUDGET
Total Revenues:	\$7,474,951	\$7,496,659	\$8,713,940	\$8,318,980
Operating Expenditures:	6,197,912	6,361,974	6,317,598	6,868,807
Non-Operating Expenditures:	1,903,594	1,134,685	1,134,685	3,109,176
Total Expenditures:	\$8,101,506	\$7,496,659	\$7,452,283	\$9,977,983
<i>Revenues Over Expenditures</i>	<i>(626,555)</i>	<i>0</i>	<i>1,261,657</i>	<i>(1,659,003)</i>
Fund Balance - Ending	\$3,702,509	\$3,702,509	\$4,964,166	\$3,305,163
3-Month Reserve (25%)		1,590,494	1,590,494	1,717,202
Excess/(Deficit)		2,112,016	3,373,672	1,587,962

GF – CHANGES TO PROPOSED

	<u>FY2022 PROJECTED</u>	<u>FY2023 PROPOSED</u>
Preliminary Revenues:	\$7,568,529	\$7,847,594
Total Revenue Changes:	\$1,145,411	\$471,386
Total Revenue with Changes:	<u>\$8,713,940</u>	<u>\$8,318,980</u>
Preliminary Expenditures:	\$7,435,378	\$7,847,594
Total Change in Expenditures:	\$16,905	\$2,130,389
Total Expenditures with Changes:	<u>\$7,452,283</u>	<u>\$9,977,983</u>
Net Revenues Over/(Under) Expenses	\$1,261,657	(\$1,659,003)
Beginning Fund Balance	\$3,702,509	\$4,964,166
Ending Fund Balance	<u><u>\$4,964,166</u></u>	<u><u>\$3,305,163</u></u>

GF – REVENUE CHANGES

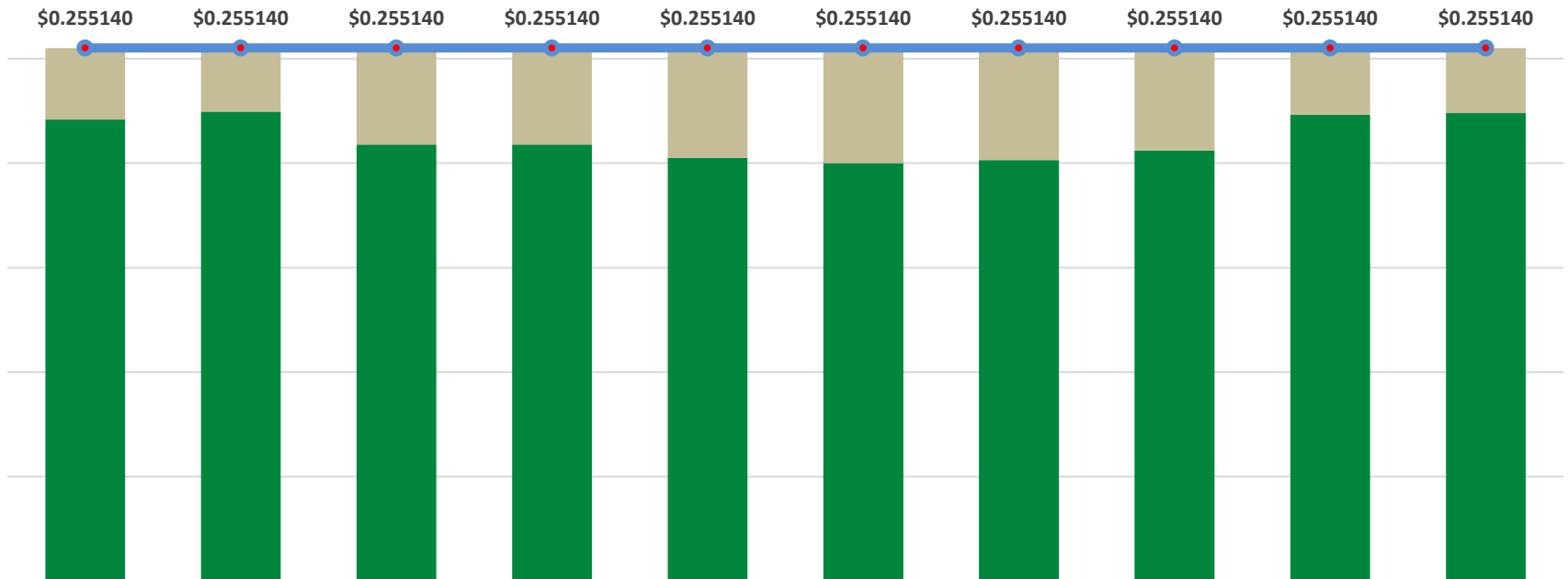
	<u>FY2022</u> <u>PROJECTED</u>	<u>FY2023</u> <u>PROPOSED</u>	<u>DATE OF</u> <u>CHANGE</u>
Preliminary Revenues:	\$7,568,529	\$7,847,594	
<u>Changes to Preliminary Revenues:</u>			
1 Adjust Property Tax (M&O = 0.224025)		\$244,661	08/18/22
2 Sales Tax	\$67,000	\$67,000	08/04/22
3 Permits - Drainage Review	\$20,400	\$725	08/04/22
4 Permits - Inspection Fees	\$91,409	\$71,000	08/04/22
5 Interest Revenue	\$26,155		08/08/22
6 Contributions	\$88,000	\$88,000	07/25/22
7 Windermere Reimbursement	\$361,422		07/25/22
8 ARPA (Includes due from Capital)	\$491,025		08/18/22
Total Revenue Changes:	\$1,145,411	\$471,386	
Total Revenue with Changes:	\$8,713,940	\$8,318,980	

PROPERTY TAX

NNR Rate \$0.254369
Proposed Rate \$0.255140
VA Rate: \$0.272302

Proposed Rate

M&O Rate: \$0.224025
 Debt Rate: \$0.031115
Total \$0.255140



	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
■ I&S	\$0.034310	\$0.030420	\$0.046200	\$0.046200	\$0.052550	\$0.055140	\$0.053650	\$0.048980	\$0.031980	\$0.031115
■ M&O	\$0.220830	\$0.224720	\$0.208940	\$0.208940	\$0.202590	\$0.200000	\$0.201490	\$0.206160	\$0.223160	\$0.224025
● Total	\$0.255140	\$0.255140	\$0.255140	\$0.255140	\$0.255140	\$0.255140	\$0.255140	\$0.255140	\$0.255140	\$0.255140

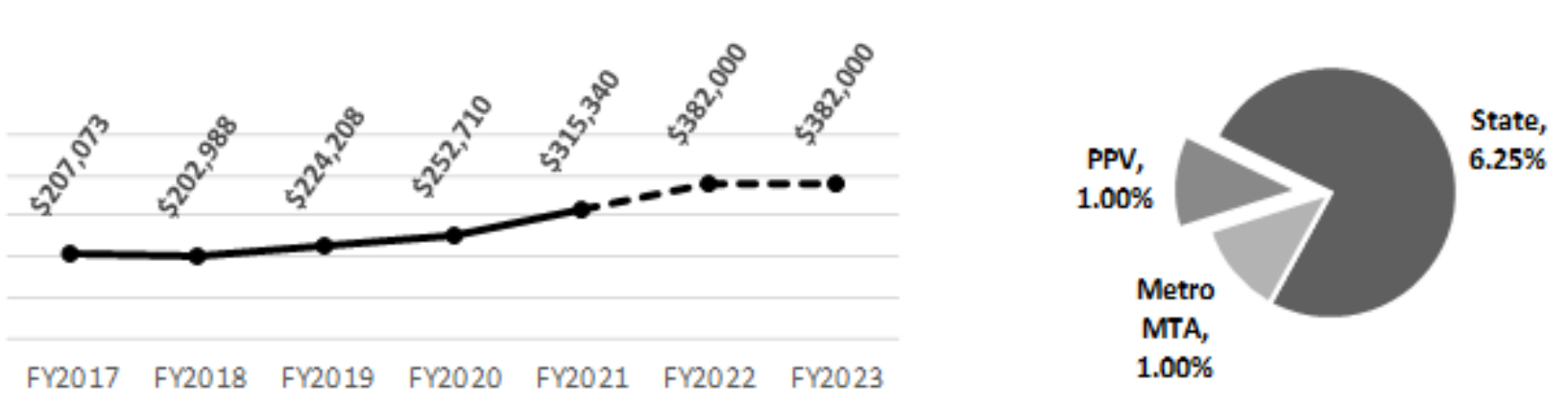
PROPERTY TAX

	<u>Last Year</u>	<u>Proposed</u>	<u>Change</u>
<u>Certified Values</u>			
Taxable Value	\$2,719,127,469	\$2,919,537,709	\$200,410,240
Taxable / \$100	\$27,191,275	\$29,195,377	\$2,004,102
<u>Tax Rate</u>			
Debt Service (I&S) Rate	\$0.031980	\$0.031115	(\$0.00086)
Maintenance & Operating (M&O) Rate	\$0.223160	\$0.224025	\$0.00086
Total Proposed Tax Rate	\$0.255140	\$0.255140	(\$0.00000)
<u>Percentages</u>			
Debt Service (I&S) %	12.53%	12.20%	-0.34%
Maintenance & Operating (M&O) %	87.47%	87.80%	0.34%
Total Proposed Tax %	100.00%	100.00%	0.00%
<u>Total Adjusted Value</u>			
Debt Service (I&S) Levy	\$869,577	\$908,414	\$38,837
Maintenance & Operating (M&O) Levy	\$6,068,005	\$6,540,494	\$472,489
Total Tax Levy	\$6,937,582	\$7,448,909	\$511,327
<u>Levy Collection</u>			
Collection Rate	99.00%	99.00%	0.00%
Debt Service (I&S) Levy	\$860,881	\$899,330	\$38,449
Maintenance & Operating (M&O) Levy	\$6,007,325	\$6,475,089	\$467,765
Total Levy Collection Rate	\$6,868,206	\$7,374,419	\$506,213

SALES TAX

	ACTUAL 21	BUDGET 22	PROJECTED 22	BUDGET 23
Sales Taxes	\$325,009	\$260,000	\$382,000	\$382,000

- Texas imposes a 6.25% state sales and use tax on all retail sales, leases and rentals of most goods, as well as taxable services.
- Local taxing jurisdictions such as cities, counties, special purpose districts and transit authorities, can also impose up to 2% sales and use tax for a maximum combined rate of 8.25 percent.
- Piney Point Village is a participating city within the Houston MTA, known as METRO, which imposed a 1% sales and use tax. The remaining 1% sales and use is allocated to Piney Point Village.
- The total city rate is set to \$382,000, equivalent to the Projected 22.



PERMITS & INSPECTIONS

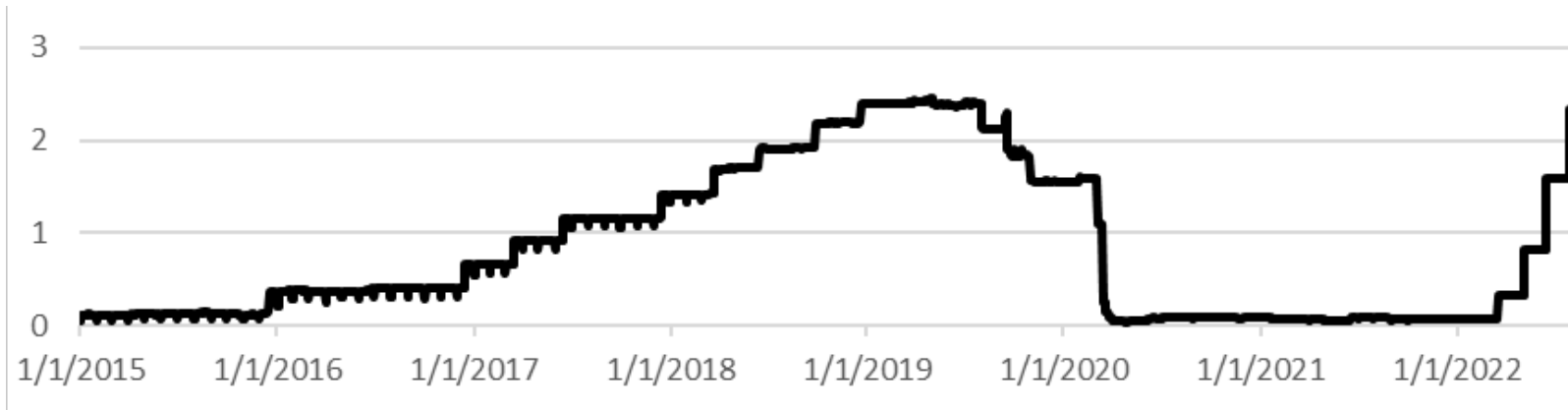
	ACTUAL 21	BUDGET 22	PROJECTED 22	BUDGET 23
Permits & Inspections	\$523,360	\$424,600	\$537,800	\$538,150

- Permits & Inspections (Revenue Category) proposes a total of \$538,150, 2.8% increase from the FY 2021 Actual.
- Significant increase to the projected 2022 and adopted 2023 were warranted from the filed proposed budget as activity rallied in the summer months of FY2022. Both drainage reviews and permit/inspections saw major improvements. Permit activity is expected to remain strong as Kinkaid, St. Francis and Memorial Drive Elementary will all be under major reconstruction.
- Below is the charted activity for permits and Inspection Fees (10-4207) which is the major line item within the total Permit & Inspection revenue category.



INTEREST INCOME

	ACTUAL 21	BUDGET 22	PROJECTED 22	BUDGET 23
Investment Income	1,290	40,000	33,911	60,000



- We understand that interest revenue is dictated to the Fed's response on slowing high inflation. The following chart is the federal funds rate historical chart through August 2022 at 2.33%.
- As city investments ride the Federal Reserve increases in fiscal year 2022, projections should level out for 2023.
- A conservative expectation is that the average monthly interest rate maintains an income of \$5,000 per month.
- Interest on cash investments is projected at \$60,000.

GF – CHANGES TO PROPOSED

	<u>FY2022 PROJECTED</u>	<u>FY2023 PROPOSED</u>
Preliminary Revenues:	\$7,568,529	\$7,847,594
Total Revenue Changes:	\$1,145,411	\$471,386
Total Revenue with Changes:	<u>\$8,713,940</u>	<u>\$8,318,980</u>
Preliminary Expenditures:	\$7,435,378	\$7,847,594
Total Change in Expenditures:	\$16,905	\$2,130,389
Total Expenditures with Changes:	<u>\$7,452,283</u>	<u>\$9,977,983</u>
Net Revenues Over/(Under) Expenses	\$1,261,657	(\$1,659,003)
Beginning Fund Balance	<u>\$3,702,509</u>	<u>\$4,964,166</u>
Ending Fund Balance	<u><u>\$4,964,166</u></u>	<u><u>\$3,305,163</u></u>

GF – EXPENDITURE CHANGES

	<u>FY2022 PROJECTED</u>	<u>FY2023 PROPOSED</u>	<u>DATE OF CHANGE</u>
Preliminary Expenditures:	\$7,435,378	\$7,847,594	
<u>Changes to Preliminary Expenditures:</u>			
1 Base Adjustments to Proposed Budget:			
<i>Information Technology</i>	\$20,000	\$20,000	08/08/22
<i>Salary & Benefit (Base Adjustment)</i>	(\$3,095)	\$59,824	08/08/22
2 TMRS Contribution (Rate to 7%)		\$13,185	08/08/22
3 Salary/Benefit Adjustment (COLA ~9%)		\$59,298	08/08/22
4 Landscape Improvements		\$20,000	08/18/22
5 Wilding Lane Improvements	\$129,260		08/18/22
6 Tokeneke & Country Squires	\$326,031	\$384,311	08/18/22
7 Williamsburg	\$32,350	\$187,215	08/18/22
8 Windemere 24-inch Outfall		\$304,200	08/18/22
9 SPP 96" Drainage Replacement	\$88,346	\$1,447,000	08/18/22
10 Bothwell Way	\$7,500	\$67,500	08/18/22
11 Smithdale Landscape/Sidewalk		\$178,690	08/18/22
12 Greenbay Beautification		\$440,260	08/18/22
13 Harris Co. Signal Participation		\$100,000	08/18/22
14 Proposed Capital-Supplemental Base	(\$583,487)	(\$1,151,094)	08/18/22
Total Change in Expenditures:	\$16,905	\$2,130,389	
Total Expenditures with Changes:	\$7,452,283	\$9,977,983	

GF - BUDGET HIGHLIGHTS

This budget achieves the following:

- **Police Services:**
 - Capital the cost of radio system upgrades.
 - Budget supports a 9% increase in MVPD personnel and benefits costs.
 - Non-recurring cost for jail locks, overhead doors, evidence room ventilation, and exterior camera upgrade.
- **Fire Services:**
 - Annual cost operating the second ambulance with 3 additional positions.
 - Supports 5% mid-year COLA in FY2022 and a 7% increase COLA in FY2023.
- **PPV TMRS Adjustment:** Expand our benefits from 5% to 7% contribution, same as the other villages.
- **PPV Salary COLA/Merit:** To expand salary/wages up to 9%, to equal the purchasing power from the prior year.
- **Capital Programs:** The proposed budget allocates \$3,109,17 toward capital programming.
 - Tokeneke & Country Squires Street Improvements
 - Williamsburg Storm Drainage
 - Windermere Outfall
 - SPPR 96" Storm Drainage Replacement
 - Bothwell Way Storm Drainage
 - Smithdale Landscape/Sidewalk
 - Greenbay Beautification
 - Harris Co. Signal Participation

GF – CAPITAL PROJECTS

	FY2020	FY2021	FY2022	FY2023	FY2024	Total
Wilding Lane	\$124,987	\$1,369,461	\$249,260			\$1,743,708
Tokeneke & Country Squires			\$426,031	\$384,311		\$810,341
Williamsburg			\$32,350	\$187,215		\$219,565
Windermere Outfall Project				\$304,200	\$254,200	\$558,400
SPP 96" Drainage Replacement			\$188,346	\$1,447,000		\$1,635,346
Bothwell Way Storm Sewer			\$7,500	\$67,500		\$75,000
Other Projects						
Smithdale				\$178,690		\$178,690
Landscape/Sidewalk				\$440,260		\$440,260
Greenbay Beautification				\$100,000	\$100,000	\$200,000
Harris Co. Signal Participation						
Other/Future Capital Programs	\$2,716,669	\$520,330	\$231,198		\$953,719	\$4,421,916
Other Project Total:	\$2,716,669	\$520,330	\$231,198	\$718,950	\$1,053,719	\$5,240,866
All Programs & Projects:	\$2,841,656	\$1,889,791	\$1,134,684	\$3,109,176	\$1,307,919	\$10,283,226

GF – CAPITAL PROJECTS

FY 2022

		FY2022
Wilding Lane		
Engineering		\$4,224
Construction		\$226,603
Observation		\$18,433
	Project Total:	\$249,260
Tokeneke & Country Squires		
Engineering		\$58,645
Construction		\$357,011
Observation		\$10,375
	Project Total:	\$426,031
Williamsburg		
Engineering		\$32,350
	Project Total:	\$32,350
SPP 96" Drainage Replacement		
Engineering		\$188,346
	Project Total:	\$188,346
Bothwell Way Storm Sewer		
Engineering		\$7,500
	Project Total:	\$7,500
Other Projects		
Other/Future Capital Programs		\$231,198
	Project Total:	\$231,198
	All Programs & Projects:	\$1,134,684

GF – CAPITAL PROJECTS

FY2023

Tokeneke & Country Squires

Engineering	\$16,925
Construction	\$357,011
Observation	\$10,375

Total: \$384,311

Williamsburg

Engineering	\$32,350
Construction	\$139,865
Observation	\$15,000

Total: \$187,215

Windermere Outfall Project

Engineering	\$50,000
Construction	\$254,200

Total: \$304,200

SPP 96" Drainage Replacement

Engineering	\$50,500
Construction	\$1,335,000
Observation	\$61,500

Total: \$1,447,000

Bothwell Way Storm Sewer

Engineering	\$2,500
Construction	\$60,000
Observation	\$5,000

Total: \$67,500

Other Projects

Smithdale Landscape/Sidewalk	\$178,690
Greenbay Beautification	\$440,260
Harris Co. Signal Participation	\$100,000

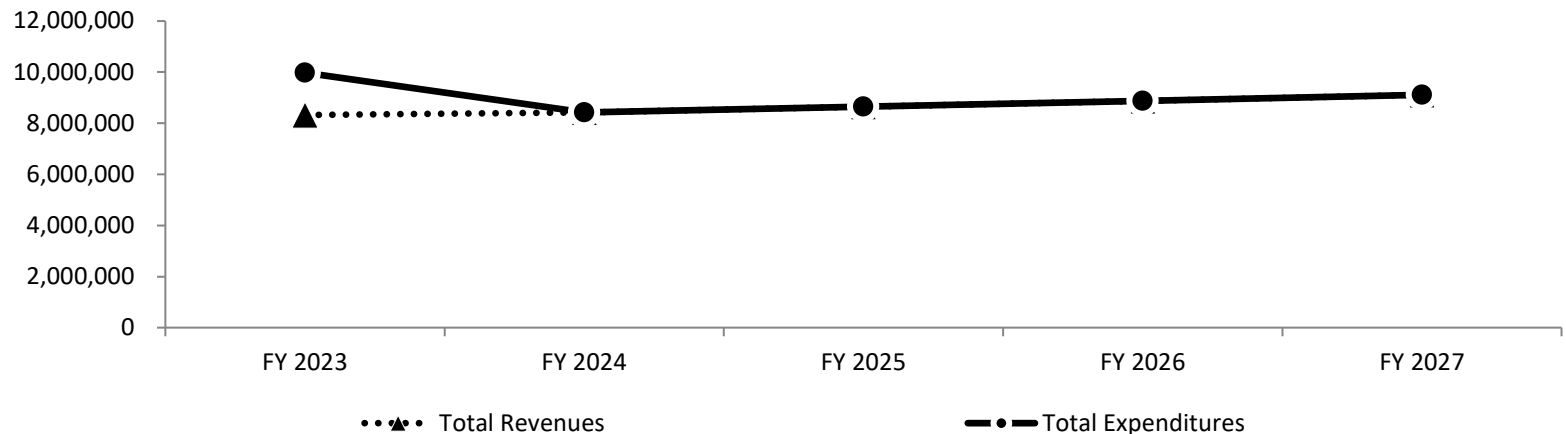
Total: \$718,950

All Programs & Projects: \$3,109,176

FY 2023

GF – MULTI-YEAR FORECAST

	FY 2023 PROPOSED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED
Total Revenues:	8,318,980	\$8,419,947	\$8,644,037	\$8,874,606	\$9,111,846
Operating Expenditures:	2,060,264	2,111,771	2,164,565	2,218,679	2,274,146
Capital Programs	3,109,176	0	0	0	0
New / Expanded Programs	0	1,307,919	1,279,838	1,248,947	1,215,087
Total Non-Operating:	3,109,176	1,307,919	1,279,838	1,248,947	1,215,087
Total Expenditures	9,977,983	8,419,947	8,644,037	8,874,606	9,111,846
<i>Revenues Over Expenditures:</i>	<i>(1,659,003)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Fund Balance - Ending:	3,305,163	\$3,305,163	\$3,305,163	\$3,305,163	\$3,305,163



DS – INCOME STATEMENT

ORIGINAL	FY 2021 YEAR END ACTUAL	FY 2022 AMENDED BUDGET	FY 2022 YEAR END PROJECTED	FY 2023 PROPOSED BUDGET
Total Revenues:	\$1,376,157	\$875,200	\$879,200	\$877,950
Total Expenditures:	\$1,507,525	\$875,200	\$875,200	\$877,950
<i>Revenues Over Expenditures</i>	<i>(131,368)</i>	<i>0</i>	<i>4,000</i>	<i>0</i>
Fund Balance - Ending	\$39,163	\$39,163	\$43,163	\$43,163

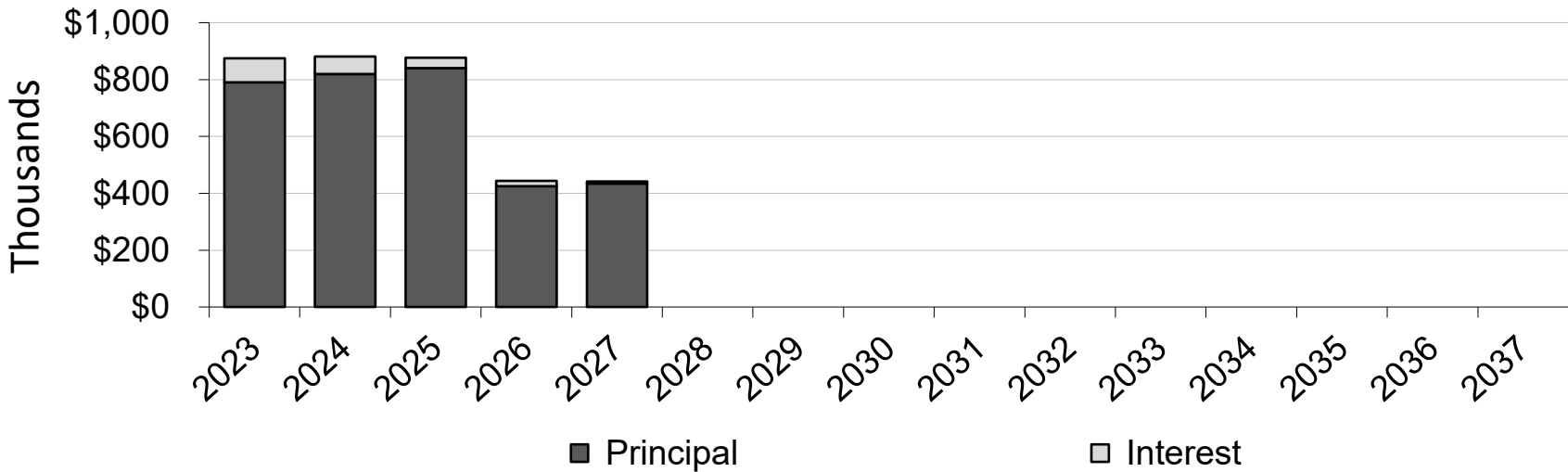
REVISED	FY 2021 YEAR END ACTUAL	FY 2022 AMENDED BUDGET	FY 2022 YEAR END PROJECTED	FY 2023 PROPOSED BUDGET
Total Revenues:	\$1,376,157	\$875,200	\$885,200	\$909,330
Total Expenditures:	\$1,507,525	\$875,200	\$875,200	\$877,950
<i>Revenues Over Expenditures</i>	<i>(131,368)</i>	<i>0</i>	<i>10,000</i>	<i>31,380</i>
Fund Balance - Ending	\$39,163	\$39,163	\$49,163	\$80,543

DS – REVENUE CHANGES

	<u>FY2022 PROJECTED</u>	<u>FY2023 PROPOSED</u>	<u>DATE OF CHANGE</u>
Preliminary Revenues:	\$879,200	\$877,950	
<u>Changes to Preliminary Revenues:</u>			
1 Change I&S Rate (0.031115)		\$26,380	08/18/22
2 Interest Revenue	\$6,000	\$5,000	08/18/22
Total Revenue Changes:	\$6,000	\$31,380	
Total Revenue with Changes:	\$885,200	\$909,330	
Preliminary Expenditures:	\$875,200	\$877,950	
Total Change in Expenditures:	\$0	\$0	
Total Expenditures with Changes:	\$875,200	\$877,950	
Net Revenues Over/(Under) Expenses	\$10,000	\$31,380	
Beginning Fund Balance	39,163	49,163	
Ending Fund Balance	\$49,163	\$80,543	

DEBT OBLIGATIONS

Fiscal Year	Principal	Interest	Total
FY2023	790,000	84,950	874,950
FY2024	820,000	61,050	881,050
FY2025	840,000	37,325	877,325
FY2026	425,000	19,425	444,425
FY2027	435,000	6,525	441,525
Total	3,310,000	209,275	3,519,275



Series Name

Series 2015 General Obligation

Series 2017 General Obligation

Total

Principal

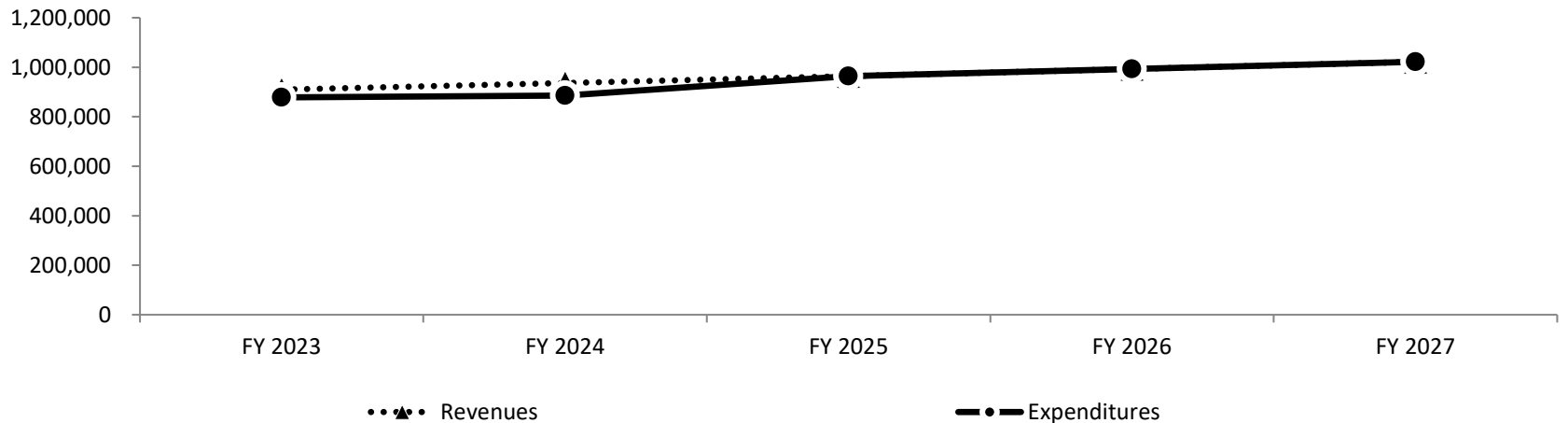
1,260,000

2,050,000

3,310,000

DS – MULTI-YEAR FORECAST

	FY 2023 PROPOSED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED
Property Taxes	899,330	926,310	954,099	982,722	1,012,204
Interest	10,000	10,000	10,000	10,000	10,000
Non-Operating / Transfers	0	0	0	0	0
Total Revenues	\$909,330	\$936,310	\$964,099	\$992,722	\$1,022,204
Series 2015 General Obligation	433,250	434,950	435,375	0	0
Series 2017 General Obligation	441,700	446,100	441,950	444,425	441,525
Future Bond Capacity	0	0	81,774	543,297	575,679
Fiscal Agent Fees	3,000	5,000	5,000	5,000	5,000
Total Expenditures	\$877,950	\$886,050	\$964,099	\$992,722	\$1,022,204



Proposed Budget
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Changes to Filed Document

QUESTIONS?

BUDGET WORKSHOP #2

August 22, 2022