



# PROPOSED BUDGET

BUDGET WORKSHOP #2

August 28, 2023

# GF – CHANGES

	<u>FY2023 PROJECTED</u>	<u>FY2024 PROPOSED</u>	<u>DATE OF CHANGE</u>
<b>Preliminary Revenues:</b>	<b>\$9,312,670</b>	<b>\$9,090,419</b>	
<b><u>Changes to Preliminary Revenues:</u></b>			
1 Adjust Property Tax (M&O = 0.226507)		\$150,000	08/10/23
<b>Total Revenue Changes:</b>	<b>\$0</b>	<b>\$150,000</b>	
<b>Total Revenue with Changes:</b>	<b>\$9,312,670</b>	<b>\$9,240,419</b>	
<b>Preliminary Expenditures:</b>	<b>\$10,072,488</b>	<b>\$9,090,419</b>	
<b><u>Changes to Preliminary Expenditures:</u></b>			
1 Salary & Benefit (Base Adjustment)		\$29,500	08/23/23
2 TMRS Contribution (USC 50%; 30% Repeating)		\$75,564	08/23/23
3 Public Relations		\$15,000	08/23/23
4 Proposed Capital - Supplemental Base	(\$687,755)	\$947,900	08/23/23
<b>Total Change in Expenditures:</b>	<b>(\$687,755)</b>	<b>\$1,067,964</b>	
<b>Total Expenditures with Changes:</b>	<b>\$9,384,733</b>	<b>\$10,158,383</b>	
<b>Net Revenues Over/(Under) Expenses</b>	<b>(\$72,063)</b>	<b>(\$917,964)</b>	
<b>Beginning Fund Balance</b>	<b>\$4,588,764</b>	<b>\$4,516,701</b>	
<b>Ending Fund Balance</b>	<b>\$4,516,701</b>	<b>\$3,598,737</b>	

# GF – CAPITAL PROJECTS

	ORIGINAL FY2023	CHANGE FY2023	ADJUSTED FY2023	FILED FY2024	CHANGE FY2024	ADJUSTED FY2024
<b>Tokeneke &amp; Country Squires</b>						
Engineering	\$16,925	\$0	\$16,925	\$0	\$0	\$0
Construction	\$357,011	\$0	\$357,011	\$0	\$0	\$0
Observation	\$10,375	\$0	\$10,375	\$0	\$0	\$0
<b>Project Total:</b>	<b>\$384,311</b>	<b>\$0</b>	<b>\$384,311</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Williamsburg</b>						
Engineering	\$32,350	\$0	\$32,350	\$0	\$24,800	\$24,800
Construction	\$139,865	(\$139,865)	\$0	\$0	\$178,500	\$178,500
Observation	\$15,000	(\$15,000)	\$0	\$0	\$27,200	\$27,200
<b>Project Total:</b>	<b>\$187,215</b>	<b>(\$154,865)</b>	<b>\$32,350</b>	<b>\$0</b>	<b>\$230,500</b>	<b>\$230,500</b>
<b>Windermere Outfall Project</b>						
Engineering	\$50,000	\$0	\$50,000	\$0	\$0	\$0
Construction	\$254,200	(\$254,200)	\$0	\$0	\$508,400	\$508,400
Observation	\$0	\$0	\$0	\$0	\$0	\$0
<b>Project Total:</b>	<b>\$304,200</b>	<b>(\$254,200)</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$508,400</b>	<b>\$508,400</b>
<b>SPP 96" Drainage Replacement</b>						
Engineering	\$50,500	\$0	\$50,500	\$0	\$0	\$0
Construction	\$1,335,000	\$0	\$1,335,000	\$350,000	(\$76,000)	\$274,000
Observation	\$61,500	\$0	\$61,500	\$0	\$0	\$0
<b>Project Total:</b>	<b>\$1,447,000</b>	<b>\$0</b>	<b>\$1,447,000</b>	<b>\$350,000</b>	<b>(\$76,000)</b>	<b>\$274,000</b>
<b>Bothwell Way Storm Sewer</b>						
Engineering	\$2,500	\$0	\$2,500	\$0	\$0	\$0
Construction	\$60,000	\$0	\$60,000	\$0	\$0	\$0
Observation	\$5,000	\$0	\$5,000	\$0	\$0	\$0
<b>Project Total:</b>	<b>\$67,500</b>	<b>\$0</b>	<b>\$67,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Projects</b>						
Smithdale Landscape/Sidewalk	\$178,690	(\$178,690)	\$0	\$0	\$0	\$0
Sidewalk Improvements				\$0	\$200,000	\$200,000
Greenbay Beautification	\$440,260	\$0	\$440,260	\$0	\$0	\$0
Paving Improvements	\$0	\$0	\$0	\$400,000	\$0	\$400,000
Street Sign Improvements				\$0	\$200,000	\$200,000
School Zone Flashing Beacons					\$50,000	\$50,000
Harris Co. Signal Participation	\$100,000	(\$100,000)	\$0	\$0	\$600,000	\$600,000
Other/Future Capital Programs	\$0	\$0	\$0	\$765,000	(\$765,000)	\$0
<b>Project Total:</b>	<b>\$718,950</b>	<b>(\$278,690)</b>	<b>\$440,260</b>	<b>\$1,165,000</b>	<b>\$285,000</b>	<b>\$1,450,000</b>
<b>All Programs &amp; Projects:</b>	<b>\$3,109,176</b>	<b>(\$687,755)</b>	<b>\$2,421,421</b>	<b>\$1,515,000</b>	<b>\$947,900</b>	<b>\$2,462,900</b>



# PROPERTY TAX

	Last Year	Proposed	Change
<b><u>Certified Values</u></b>			
Taxable Value	\$2,921,730,707.00	\$3,058,594,826.00	\$136,864,119.00
Taxable / \$100	\$29,217,307.07	\$30,585,948.26	\$1,368,641.19
<b><u>Tax Rate</u></b>			
Debt Service (I&S) Rate	\$0.031115	\$0.028633	(\$0.00248)
Maintenance & Operating (M&O) Rate	\$0.224025	\$0.226507	\$0.00248
<b>Total Proposed Tax Rate</b>	<b>\$0.255140</b>	<b>\$0.255140</b>	<b>\$0.00000</b>
<b><u>Percentages</u></b>			
Debt Service (I&S) %	12.20%	11.22%	-0.97%
Maintenance & Operating (M&O) %	87.80%	88.78%	0.97%
Total Proposed Tax %	100.00%	100.00%	0.00%
Debt Service (I&S) Levy	\$0.00	\$0.00	\$0.00
Maintenance & Operating (M&O) Levy	\$0.00	\$0.00	\$0.00
Total Proposed Tax Levy	\$0.00	\$0.00	\$0.00
<b><u>Total Adjusted Value</u></b>			
Debt Service (I&S) Levy	\$909,096.51	\$875,767.46	(\$33,329.05)
Maintenance & Operating (M&O) Levy	\$6,545,407.22	\$6,927,931.38	\$382,524.17
<b>Total Tax Levy</b>	<b>\$7,454,503.73</b>	<b>\$7,803,698.84</b>	<b>\$349,195.11</b>
<b><u>Levy Collection</u></b>			
Collection Rate	99.00%	99.00%	0.00%
Debt Service (I&S) Levy	\$900,005.54	\$867,009.78	(\$32,995.76)
Maintenance & Operating (M&O) Levy	\$6,479,953.14	\$6,858,652.07	\$378,698.92
<b>Total Levy Collection Rate</b>	<b>\$7,379,958.69</b>	<b>\$7,725,661.85</b>	<b>\$345,703.16</b>

# GF – CAPITAL PROJECTS

FY2024

## Williamsburg

Engineering	\$24,800
Construction	\$178,500
Observation	\$27,200
<b>Project Total:</b>	<b>\$230,500</b>

## Windermere Outfall Project

Engineering	\$0
Construction	\$508,400
Observation	\$0
<b>Project Total:</b>	<b>\$508,400</b>

## SPP 96" Drainage Replacement

Engineering	\$0
Construction	\$274,000
Observation	\$0
<b>Project Total:</b>	<b>\$274,000</b>

## Other Projects

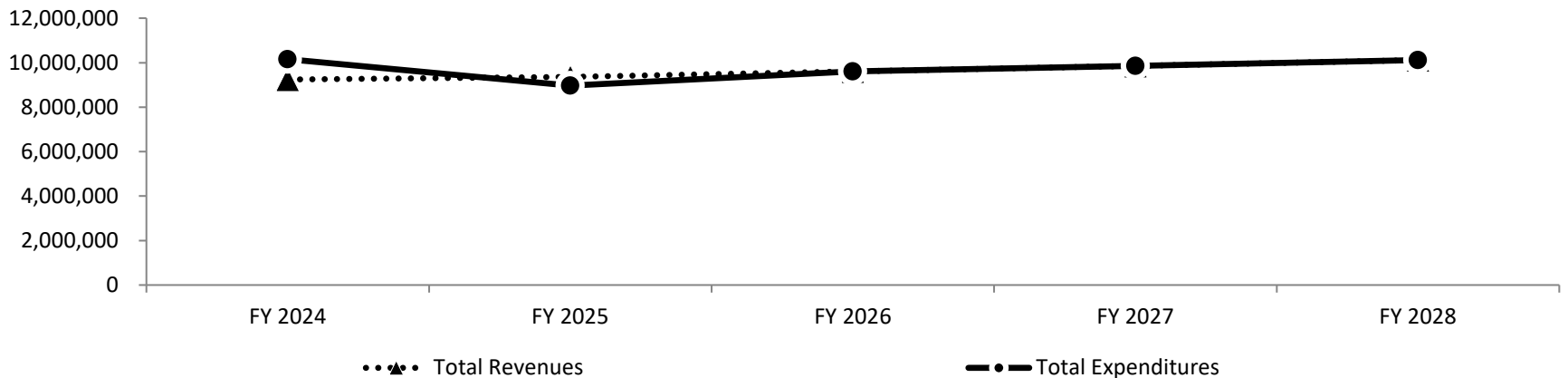
Sidwalk Improvements	\$200,000
Paving Improvements	\$400,000
Street Sign Improvements	\$200,000
School Zone Flashing Beacons	\$50,000
Harris Co. Signal Participation	\$600,000
<b>Project Total:</b>	<b>\$1,450,000</b>

**All Programs & Projects: \$2,462,900**

FY 2024

# GF – MULTI-YEAR FORECAST

	FY 2024 PROPOSED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED	FY 2028 PROJECTED
<b>Total Revenues:</b>	<b>9,240,419</b>	<b>\$9,361,295</b>	<b>\$9,605,830</b>	<b>\$9,857,394</b>	<b>\$10,116,194</b>
<b>Operating Expenditures:</b>	<b>2,358,920</b>	<b>2,417,893</b>	<b>2,478,341</b>	<b>2,540,299</b>	<b>2,603,807</b>
Capital Programs	2,462,900	0	0	0	0
New / Expanded Programs	0	1,000,304	1,357,733	1,317,677	1,274,133
<b>Total Non-Operating:</b>	<b>2,462,900</b>	<b>1,000,304</b>	<b>1,357,733</b>	<b>1,317,677</b>	<b>1,274,133</b>
<b>Total Expenditures</b>	<b>10,158,383</b>	<b>8,967,115</b>	<b>9,605,830</b>	<b>9,857,394</b>	<b>10,116,193</b>
<i>Revenues Over Expenditures:</i>	<i>(917,964)</i>	<i>394,180</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Fund Balance - Ending:</b>	<b>2,910,982</b>	<b>\$3,305,163</b>	<b>\$3,305,163</b>	<b>\$3,305,163</b>	<b>\$3,305,164</b>



# Longevity Pay

- Background

Longevity pay is an entitlement based on total city service. It is paid each month in addition to base salary.

- Eligibility for Longevity Pay

To be eligible for longevity pay, an individual must:

1. Be a full-time employee.
2. Have accrued 24 months of lifetime service credit.

- Ineligibility for Longevity Pay

1. Part-time employees



# Longevity Pay Chart

- The chart below shows the monthly amount of longevity to be paid to eligible employees:

At Least	But Less Than	Amount of Longevity Per Month
24 months	48 Months	\$ 20
48 months	72 months	\$ 40
72 months	96 months	\$ 60
96 months	120 months	\$ 80
120 months	144 months	\$ 100
144 months	168 months	\$ 120
168 months	192 months	\$ 140
192 months	216 months	\$ 160
216 months	240 months	\$ 180
240 months	264 months	\$ 200
264 months	288 months	\$ 220
288 months	312 months	\$ 240
312 months	336 months	\$ 260
336 months	360 months	\$ 280
360 months	384 months	\$ 300
384 months	408 months	\$ 320
408 months	432 months	\$ 340
432 months	456 months	\$ 360
456 months	480 months	\$ 380
480 months	504 months	\$ 400
504 months	No limit	\$ 420

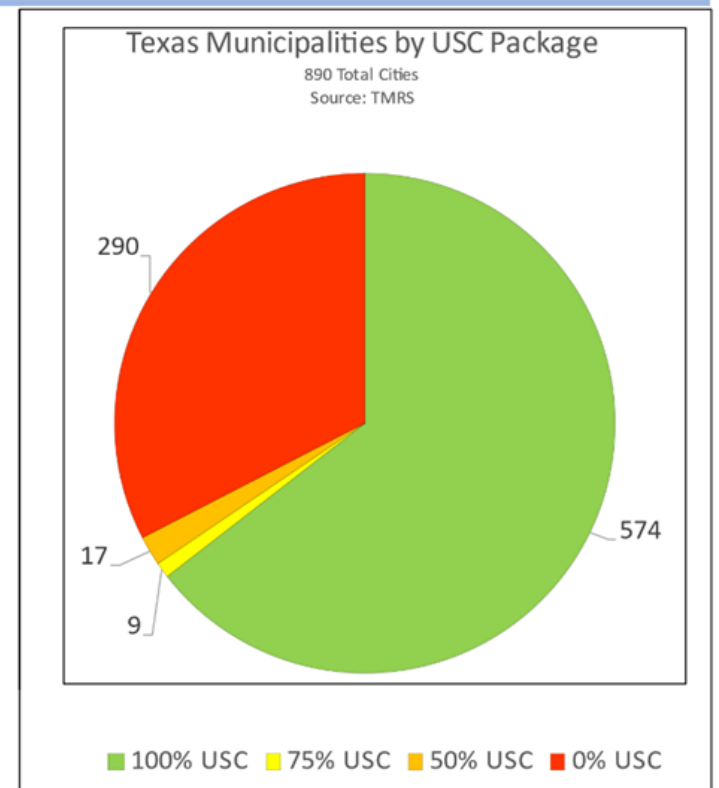
# TMRS Benefit

- **Updated Service Compensation (USC)**

Currently, employee's monthly pension checks are based on the accumulation of their employee deposits with interest combined with the City's matching ratio (2:1) upon retirement.

Goals are to retain employees as many municipalities are upgrading pension packages. Updated Service Credit (USC) is an optional feature that updates employees TMRS benefit. The benefit considers changes in their salary. Instead of an average of all employment months since date of hire, USC discards the most current year and averages the salary for the previous last 36 months. The highest and lowest monthly salaries are disregarded, and the remaining 34 months are average. Currently, Piney Point Village has a 0% USC option and 0% of COLA.

For a 50% USC rate calculation, the last three years of earnings adjusts the monthly pension benefit upon retirement by adding a credit calculated by multiplying the USC percentage (50%) by the total possible USC (100%) based on salary range earned during these 3 years. Therefore, the remaining 50% is calculated in the current manner (i.e. without a USC component)



# TMRS Comparison of Benefit Designs

Plan Provisions	Current	Option 4	Option 5	Option 6
Deposit Rate	7.00%	7.00%	7.00%	7.00%
Matching Ratio	2 to 1	2 to 1	2 to 1	2 to 1
Updated Service Credit	0%	50% (Repeating)	50% (Repeating)	50% (Repeating)
Transfer USC *	No	Yes	Yes	Yes
COLA	0%	30% (Repeating)	50% (Repeating)	70% (Repeating)
Retroactive COLA	No	No	No	No
20 Year/Any Age Retirement	No	No	No	No
Vesting	5 years	5 years	5 years	5 years
Supplemental Death Benefit	A & R	A & R	A & R	A & R
Contribution Rates	2024	2024	2024	2024
Normal Cost Rate	7.34%	14.49%	15.42%	16.43%
Prior Service Rate	<u>0.93%</u>	<u>7.10%</u>	<u>8.43%</u>	<u>9.87%</u>
Retirement Rate	<b>8.27%</b>	<b>21.59%</b>	<b>23.85%</b>	<b>26.30%</b>
Supplemental Death Rate	<u>0.36%</u>	<u>0.36%</u>	<u>0.36%</u>	<u>0.36%</u>
Total Contribution Rate	<b>8.63%</b>	<b>21.95%</b>	<b>24.21%</b>	<b>26.66%</b>
Unfunded Actuarial Liability	\$38,586	\$324,290	\$385,868	\$452,440
Amortization Period	10 years	10 years	10 years	10 years
Funded Ratio	96.0%	73.8%	70.4%	66.9%

# TMRS Benefit Study

<b>Percentage Comparison</b>				
Current Full-Time Annual Salary	Current Rate	Option 1	Option 2	Option 3
	No USC and COLA	50% USC 30% Repeating	50% USC 50% Repeating	50% USC 70% Repeating
\$ 567,297	8.63%	21.95%	24.21%	26.66%

<b>Cost Comparison</b>			
Current Rate	Option 1	Option 2	Option 3
No USC and COLA	50% USC 30% Repeating	50% USC 50% Repeating	50% USC 70% Repeating
\$ 48,958	\$ 124,522	\$ 137,343	\$ 151,241

<b>Cost Difference Compared to Current Rate</b>		
Option 1	Option 2	Option 3
50% USC 30% Repeating	50% USC 50% Repeating	50% USC 70% Repeating
\$ 75,564	\$ 88,385	\$ 102,284

**Proposed Budget**  
**+**  
**Changes to Filed Document**

**QUESTIONS?**

BUDGET WORKSHOP #2

August 28, 2023