CITY OF PINEY POINT VILLAGE, TEXAS
ADOPTED BUDGET
FISCAL YEAR JANUARY 1, 2026 - DECEMBER 31, 2026

ALIZA DUTT
MAYOR

JOEL BENDER
MAYOR PRO-TEM
COUNCIL MEMBER, POSITION 3

MICHAEL HERMINGHAUS
COUNCIL MEMBER, POSITION 1

HENRY KOLLENBERG
COUNCIL MEMBER, POSITION 2

MARGARET ROHDE
COUNCIL MEMBER, POSITION 4

JONATHAN CURTH
COUNCIL MEMBER, POSITION 5

PRESENTED BY:
ROBERT PENNINGTON
CITY ADMINISTRATOR

MICHELLE YI
FINANCE DIRECTOR

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PINEY POINT VILLAGE,

TEXAS ADOPTED BUDGET

FISCAL YEAR 2026

Mayor, Aliza Dutt
Mayor Pro-Tem, Joel Bender

City Council
Michael Herminghaus
Henry Kollenberg
Margaret Rohde
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September 25, 2025

Honorable Mayor and Members of the City Council
City of Piney Point Village

Subject: Transmittal of the FY2026 Adopted Budget

Mayor and Councilmembers,

In accordance with Texas Local Government Code Chapter 102, I respectfully transmit the Adopted Budget for Fiscal Year 2026. The original filed budget, submitted on July 25, 2025, has been revised to incorporate Council direction and subsequent adjustments reflected in the General Fund and Debt Service Fund change sheets.

For the General Fund, revenues increase to $10,452,697, primarily from the adjustment to the Maintenance & Operations property tax rate. Expenditures increase to $11,560,294**,** reflecting Council-approved capital and supplemental additions, including the base capital program, shared cost of an MVPD bucket truck, uniforms, and a speed trailer. After these changes, the projected ending General Fund balance is $3,987,328**,** which continues to exceed the 25% reserve requirement, preserving financial stability while addressing community priorities.

For the Debt Service Fund**,** revenues are adjusted upward to $332,757, reflecting tax rate modifications and revised interest projections. Expenditures total $449,425**,** including scheduled bond obligations and fiscal agent fees. The fund balance is projected at $118,089 at year's end, consistent with the City's strategy of using reserves to meet remaining obligations through 2027.

Together, these adjustments result in a financial plan that sustains essential operations, funds priority projects, and maintains prudent reserves. The budget reflects both fiscal responsibility and responsiveness to the City's service and infrastructure needs.

Respectfully submitted,

Robert Pennington
City Administrator

CITY OF PINEY POINT VILLAGE
FISCAL YEAR 2026 ADOPTED BUDGET

The City Council has adopted this document as the official budget under Texas state law, finalizing the City of Piney Point Village's 2026 budget process.

The City Administrator filed a balanced budget to ensure essential services are sustained. Following this, non-recurring capital improvements and supplemental items were selectively added under the direction of the City Council, funded with unrestricted cash, to address one-time needs without jeopardizing the city's long-term financial stability.

Maintaining a balanced budget is fundamental to the fiscal health and responsible governance of Piney Point Village. It ensures expenditures do not exceed anticipated revenues and preserves essential services without deficit spending. This balance supports long-term stability, investor confidence, and the city's ability to respond to unexpected challenges. The prudent use of retained fund balance, accumulated funds from prior years, allows the city to address one-time purchases and capital improvements without compromising ongoing operations. Strategically utilizing these reserves enables significant investments in infrastructure and community priorities while safeguarding daily operations.

City staff and leadership will review financial reports continuously throughout 2026 to monitor operational and capital funding. All additions, modifications, and reallocations to the original filed budget were tracked transparently to ensure the city council, staff, and residents remained fully informed. This process culminated in a budget reflecting the city's fiscal realities and shared vision.

The City's two main funds, the General Fund and the Debt Service Fund, serve distinct purposes. The General Fund supports most day-to-day municipal services by accounting for financial resources except those assigned for specific uses. The Debt Service Fund is designated solely for paying principal and interest on long-term city debt, such as bonds, ensuring these obligations are met without drawing from general operating revenue.

- **General Fund**: The General Fund, designated as Fund 10, serves as the primary financial resource supporting essential government services within Piney Point Village. Major revenue streams include property taxes, sales taxes, franchise fees, permits, user fees, and municipal court fines. Expenditures are allocated across key divisions, including public services, contract services, development services, administrative services, municipal court, public works, and capital programs. Public safety remains the most significant component of the operational budget, with services provided through the Village Fire Department and the Memorial Village Police Department.
- **Debt Service Fund**: Also called the interest and sinking fund, this fund is established by ordinance to manage the issuance of debt and the payment of principal and interest as they come due. An ad valorem (property) tax rate and levy are set to generate sufficient revenue for annual debt service. Piney Point Village has no general obligation legal debt limit, except for the tax rate ceiling imposed by the state of Texas. Per Texas Attorney General rules, the City may issue general obligation debt only up to levels serviceable by a debt service tax rate of $1.50 per $100 assessed valuation, assuming a 90% collection rate.

The following pages of this document provide a detailed description of the final budget, outlining the City of Piney Point Village's planned revenues, expenditures, and fund allocations for the upcoming fiscal year. This detailed overview highlights the transparency and informed decision-making involved in the budget adoption process.

GENERAL FUND

FISCAL YEAR 2026 ADOPTED BUDGET

GENERAL FUND REVENUE

The FY26 Budget projects total revenues of $10,452,697, representing an 11.9% increase over the FY25 amended budget. Property taxes remain the City's most significant revenue source, with collections projected at $8.26 million, an increase of 16.1% from FY25. Sales tax is expected to remain stable at $500,000, while permit and inspection revenues are forecast at $529,100, reflecting a return to normalized activity following unusually high projections in fiscal year 2025. Court revenues are projected to grow modestly to $143,562, and investment income is anticipated to remain steady at $373,505. Franchise fees are forecast to decline slightly to $374,283, consistent with statewide regulatory trends. Revenues from agencies and alarms are discontinued in FY26. Non-operating revenues are projected to decrease significantly, from $280,322 in FY25 to $23,000, with no ambulance reimbursements or cost-sharing for capital improvements anticipated. Overall, the FY26 Budget is supported by a stable, conservative revenue forecast that prioritizes reliability and long-term fiscal sustainability.

Property Tax: The property tax rate and levy are determined by the City's Tax Assessor/Collector based on the certified values provided by the Harris County Appraisal District (HCAD). For Tax Year 2025, Council will adopt a Maintenance and Operations (M&O) tax rate of $0.245830 per $100 of assessed valuation on all taxable property within the city's corporate limits. On September 5, the city received the 2025 Certified Roll. The total taxable value attained is the certified taxable value plus estimated amounts for property under protest and properties not yet included. The 2025 Certified Roll establishes a certified taxable value of $3,320,612,329, which forms the basis of the City's property tax calculations. Additionally, the Harris County Appraisal District has identified properties currently under protest with an estimated taxable value of $79,134,932, as well as taxable properties not yet included on the roll, totaling $63,703,210. When these adjustments are incorporated, the City's total taxable value for Tax Year 2025 amounts to $3,463,450,471. The property tax rate and levy are determined by the City's Tax Assessor/Collector based on values certified by the Harris County Appraisal District (HCAD). The 2025 Certified Roll was received on September 5, later than the City's required budget adoption schedule. As a result, the council adopted the Maintenance and Operations (M&O) property tax levy based on the best available estimates at the time. Accordingly, the city adopted an M&O levy of $8,260,747, rather than the final HCAD-certified projected amount of $8,420,824, as per the final certified roll, at a 99% collection rate. This timing and conservative approach ensures the city remains compliant with budget adoption deadlines while aligning closely with anticipated revenues. Any differences between adopted and actual collections will be monitored through monthly financial reporting during the fiscal year, with a potential surplus variance of $160,000.

Component	Rate per $100	Full Levy (100%)	99% Collections	Adopted Levy*
M&O	$0.245830	$8,505,883	$8,420,824	$8,260,747

**The adopted levy reflects the amount budgeted prior to receipt of the final certified roll.*

Sales Tax: Piney Point Village, though lacking commercial businesses, collects around $200,000 to $270,000 in sales tax each month due to Texas destination-based sourcing rules. This revenue is generated from online sales, deliveries from companies such as Amazon, telecom services, and contractor materials sent to residential addresses. The city showed a drop in collections from FY23 to FY24. However, collections for the first five months are like those of last year-to-date at $222K. The Projected for FY25 is $500,000, $40,000 more than budgeted. Texas Comptroller Glenn Hegar's Biennial Revenue Estimate (BRE) for the

2026–27 biennium anticipates a steady yet modest increase in Texas sales tax collections for Fiscal Year 2026. It is essential to note that this document was published in January 2025; therefore, any subsequent developments should be taken into consideration. The budget for FY26 will stay at $500,000 to address any potential downturns that are currently unknown.

Permits & Inspections: FY25 permit revenue is expected to exceed the budget due to increased activity resulting from post-storm permitting following the 2024 storms and large projects at the Kinkaid School. Monthly averages for the latter part of the year are expected to return to normal, leading to a total projected revenue of $780,447. The Adopted FY26 amount of $529,100 reflects a return to normal activity levels, marking a 32.21% decrease from FY25. This adjustment ensures that the FY26 budget relies on sustainable revenue, rather than being artificially inflated by major one-time projects.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Permits & Inspections	$568,651	$520,300	$780,447	$529,100
			Change from Projected ($):	($251,347)
			Change from Projected (%):	-32.21%

Court Revenue: FY25 is projected to exceed the FY25 budget by over $32,283 due to increased citation activity or collections. The FY26 revenue of $143,562 is lower than the FY25 projection of $161,283, reflecting a decrease of $17,721. This adjustment brings the estimate closer to historical averages (FY24 actual was $132,376) and avoids overestimating based on a potentially unsustainable spike in citations. The FY26 figure reflects a more conservative, realistic expectation of ongoing court revenue performance. The Legislature eliminated the itemized court costs, the Municipal Court Building Security Fund, and the Technology Fund as separate items. Instead, these were combined into a single, standard "Consolidated Court Cost" that is now assessed on convictions.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Municipal Court	$132,451	$129,000	$161,283	$143,562
			Change from Projected ($):	($17,721)
			Change from Projected (%):	-10.99%

Franchise Revenue: In Texas, cities collect franchise fees from utility and telecommunications providers for the use of public rights-of-way. These revenues are generated by companies providing electric power, natural gas, cable TV, telephone, and wireless services. The fees are typically calculated as a percentage of the provider's gross receipts from customers within city limits. For example, electric and gas providers may pay up to 5%, while cable providers often pay 5% under state-franchised agreements. Telephone companies contribute based on access line fees set by the Public Utility Commission. Wireless providers may also pay similar fees for infrastructure access. These franchise revenues support general city operations and help offset the public cost of maintaining streets and rights-of-way. Reductions primarily stem from a decline in cable franchise revenue, as fewer people are subscribing to traditional cable TV services. This trend has led to decreased cable franchise fee revenues for cities across Texas. The primary reason for this shift is the growing popularity of streaming services, which do not incur the same franchise fees as cable providers.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Total Franchise Revenue:	$390,263	$409,872	$374,283	$374,283
			Change from FY25 Budget v. FY25 Projected ($):	($35,589)
			Change from FY25 Budget v. FY25 Projected (%):	-8.68%

Investment Income: The FY26 investment income remains flat at $373,505, reflecting a 6.62% reduction from the FY25 budget. This adjustment accounts for lower-than-expected earnings in FY25 and revised federal interest rate expectations, which suggest declining rates and reduced investment returns in the upcoming year. These expectations are in fluctuation as the Fed debates further rate cut expectations and will be monitored through the 2026 year.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Investment Income	$466,881	$400,000	$373,505	$373,505
		Change from FY25 Budget ($):		($26,495)
		Change from FY25 Budget (%):		-6.62%

Alarm Permit: The Fiscal Year 2025 budget was initially set at $23,500; however, it has been revised to a projected amount of $21,015. It is recommended that the permit be eliminated, as the MVPD will assume direct management of the relevant information, and authorized staff will have access to contact information.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Agencies & Alarms	$23,350	$23,500	$21,015	$0
		Change from FY25 Budget v. FY 25 Projected ($):		($2,485)
		Change from FY25 Budget v. FY 25 Projected (%):		-10.57%

Other Revenue: Revenue from contributions, intergovernmental sources, miscellaneous income, cost shares, and non-operational income is projected based on its source and purpose. Contributions and cost shares support specific projects or services. Intergovernmental revenue includes grants and reimbursements. The following are other revenue sources for Piney Point Village:

- Kinkaid School Contribution**:** The intent of the contributions from Kinkaid School to the City of Piney Point Village is to serve as voluntary payments in lieu of taxes, acknowledging the school's use of City services despite its tax-exempt status. These payments are intended to offset the cost of municipal services such as public safety, infrastructure, and traffic mitigation, which directly support the school's operations and the surrounding community. Initially informal, the contributions became more structured through a mitigation agreement formalized in 2022, which included back payments for prior years and established an annual contribution for the future. The agreement reflects a collaborative effort to share costs associated with City resources equitably. The current annual contribution is $107,500.
- Metro Congested Mitigation**:** The City of Piney Point Village, along with neighboring cities, entered into a Congestion Mitigation/Traffic Management Agreement with METRO as early as July 1, 1999. In the original agreement, METRO committed to pay an initial amount of $33,000 and subsequently $131,000 annually. In the amended contract, METRO's annual contribution increased to $136,000. The purpose of this funding is to allocate one-quarter of the METRO Sales Tax towards general mobility initiatives within the service area, subject to budget appropriations. Either party has the right to terminate the agreement under specific conditions. Under the METRO Congestion Mitigation/Traffic Management Agreement, cities may use funding for eligible transportation projects, including street maintenance, traffic signal upgrades, intersection improvements, sidewalks, bike lanes, drainage tied to roadways, and mobility enhancements. All projects must directly support transportation or congestion relief and are subject to budget appropriations.

- Ambulance Billing Fund Contribution**:** The reimbursement for ambulance services will be funded by insurance proceeds, with participating cities of the VFD receiving their respective shares. The VFD has budgeted an expectation of collecting $375,000, which translates to a city portion of $78,750 for fiscal year 2026. However, the VFD plans to directly allocate these funds to cover vehicle replacements, identified as capital funding within their budget.
- Reimbursement Proceeds: The city received cost-share contributions from local schools to help offset the cost of the school zone improvements. A one-time collection totaling $52,000 is received as revenue in FY25.
- CIP Cost Shares: The city is currently undergoing construction on the Chuckanut Lane Drainage and Paving Improvements Project, which includes a cost-sharing agreement with participating property owners on Chuckanut Lane. Under this arrangement, residents will contribute 50% of the total construction cost. This partnership aims to enhance drainage infrastructure by utilizing enclosed drainage systems. This revenue participation model aligns with previous capital improvement partnerships the city has established with residents of Williamsburg and Tokeneke Streets, who also contributed 50% of the costs for their respective projects.
- Credit Card (Revenue): To offset the cost associated with processing credit card payments, the city has implemented a 3% credit card handling fee. This fee helps recover a portion of the merchant discount fees charged by card service providers for each transaction. The city anticipates $23,000 in handling fee revenue for FY26, an increase from the budgeted amount of $20,000 for last year. This adjustment reflects both the increased use of credit card payments by customers and the city's efforts to mitigate the impact of transaction costs on the general fund.

GENERAL FUND EXPENDITURE

The City's total expenditures for FY26 are adopted at $11,560,294, reflecting a focus on essential services and infrastructure. Public Services, which include police, fire, sanitation, and other public safety services, make up the largest share at $5.78 million, with increases driven by service level enhancements. Contract, development, administrative, court, and public works services total nearly $2.79 million, supporting operational needs and maintenance. Overall operating expenditures increased to $8.56 million. Non-operating expenditures, primarily capital programs for streets, drainage, and infrastructure, are adopted at $3.0 million, a slight decrease from FY25's one-time capital investments. This budget balances sustaining public safety, maintaining city services, and addressing long-term infrastructure priorities.

Memorial Villages Police Department (MVPD): The Memorial Villages Police Department was established in 1977 by the municipalities of Bunker Hill, Hunters Creek, and Piney Point, functioning as a collaborative municipal police force under the provisions of the "Texas Interlocal Agreement Act." Each participating city appoints a Police Commissioner and an Alternate Police Commissioner to serve on the Board of Police Commissioners. This Board is responsible for overseeing the administration of the Agreement and managing the agency's operations. The 2026 budget for MVPD includes increased personnel and operational costs aimed at improving community service and retaining staff. The total budget for Fiscal Year 2026 is $8,680,494, which represents a 7.07% increase in total expenditures compared to the previous year. Piney Point Village's contribution accounts for one-third of the total budget, totaling $2,860,165. The distribution of the 2026 MVPD budget among the three municipalities (Bunker Hill, Hunters Creek, and Piney Point) will be equitable. Key highlights include:

- Personnel Costs: MVPD intends to increase personnel costs by $455,513. This move aims to retain current staff while addressing the rising expenses of health insurance and retirement contributions. The plan includes introducing additional incentives, such as enhanced shift differentials and the formal recognition of corporal rank.

- Operational Costs: MVPD is expected to increase its operational expenses by approximately $115,305. The plan includes replacing malfunctioning ticket writers to ensure that each vehicle is equipped with its own printer. Additionally, there will be an expansion of the Automated License. Plate Recognition cameras to ensure coverage at all signalized intersections.
- Capital Costs: A total of $100,000 will be drawn from the capital reserve fund to purchase two new marked vehicles, as part of our ongoing vehicle replacement program. Additionally, MVPD plans to upgrade our existing phone systems, which are nearing the end of their lifecycle, to enhance communication effectiveness.
- Funding Requirements/Resources: A noticeable discrepancy was found in the calculations for police spending in 2025. Instead of the anticipated 5.81% increase, the adjustment came out to 6.7%. This difference translates to roughly $24,000. The equitable allocation of the 2026 MVPD budget among three cities, Bunker Hill, Hunters Creek, and Piney Point, results in each city being assigned a total of $2,860,165.

Sanitation Collection: Fiscal year 2026, adjustments to trash service expenditures reflect changes driven by external economic factors. GFL Environmental has increased the per-household service rate by 4.88%, in line with nationwide Consumer Price Index trends. As a result, the new cost per household is $46.07, representing a $2.15 increase over the previous rate of $43.92. Offsetting a portion of this increase, GFL has reduced its fuel surcharge from 3% to 2%. However, these changes go into effect mid-year. Fiscal Year 2026 includes a projected 5% increase for the 2026-2027 timeframe, along with a contingency for reversing the percentage change in fuel consumption, dependent on economic factors related to future fuel costs.

Village Fire Department (VFD): The Village Fire Department (VFD) serves Piney Point Village through an Interlocal Cooperation Agreement with five other Memorial Villages: Bunker Hill, Hedwig, Hilshire, Hunters Creek, and Spring Valley. A Board of Commissioners, with one representative from each village, oversees the VFD's budget and operations. Each city pays its share of the annual budget. The Village Fire Department's budget for fiscal year 2026 reflects a necessary increase in personnel, capital expenditures, and operating expenses, all of which are required to maintain essential services. The final approved budget for VFD fiscal year 2026 totals $10,962,801. Out of this total, $10,587,801 is allocated for assessments to the member cities. Additionally, it is understood that VFD will retain the cumulative contribution of $375,000 from EMS revenue to help meet the overall budget requirements. The assessment for Piney Point Village totals $2,223,438, which represents a 21% share of the department's total contribution requirement.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Fire Services	$2,081,832	$2,115,943	$2,115,943	$2,223,438
			Change from Projected ($):	$107,495
			Change from Projected (%):	5.08%

VFD key highlights include:

- Personnel Cost: Personnel costs increased by $269,252, representing a 3% rise in staffing expenses.
- Capital Costs: Capital expenditures total $176,210, marking a 20% increase from the previous year. This budget is earmarked for replacing outdated apparatus, computers, radios, and essential emergency gear, including boots and helmets.
- Operational Costs: Operating costs have increased by $157,199, indicating a 13.1% rise. This increase is attributed to investments in new HVAC systems and necessary repairs to electrical and plumbing infrastructures. Additionally, vehicle maintenance expenses have increased due to service requirements and enhanced commitments for emergency medical supplies.
- City Contribution: The percentage of shares for each city, along with their budgeted contributions to the Village Fire Department, are detailed:

Participant City	Interlocal Share	FY26 Contribution
Bunker Hill Village	19.00%	$2,011,682
Hedwig Village	18.50%	$1,958,743
Hilshire Village	3.00%	$317,634
Hunters Creek Village	22.25%	$2,355,786
Piney Point Village	21.00%	$2,223,438
Spring Valley Village	16.25%	$1,720,518
	100.00%	**$10,587,801**

Contract Service Division: The 2026 Adopted Budget for the Contract Service Division reflects an increase over prior years, totaling $527,000. Key adjustments include a $50,000 budgeted increase in Engineering services to support ongoing infrastructure needs. Although legal services are projected to be lower for FY25, funding is reinstated at $100,000 for 2026. Tax Appraisal (HCAD) and Animal Control are both adjusted to reflect projected service levels. Notably, IT Hardware/software and support are reduced to $26,000, as the city invested in one-time equipment purchases completed in FY25. Minor increases have also been incorporated for mosquito control to allow for additional sprayings if necessary. All other contract service areas remain unchanged.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Contract Services	$501,205	$476,500	$491,200	$507,000
			Change from Projected ($):	$35,800
			Change from Projected (%):	7.29%

Building Service Division: The adopted budget for the Building Service Division for the fiscal year 2026 is $368,700. This figure represents a modest increase compared to the projected figures for 2025; however, it indicates a significant change from the budget approved for fiscal year 2025. The largest portion of the budget continues to support Building & Inspection Services, with an adopted total of $337,000. Notable adjustments include increased funding for Drainage, Electrical, Structural, and Plumbing Inspections due to higher service demand. The Urban Forester line includes a $5,000 increase to support contractual services. Office supplies and technology expenditures remain level, with a slight decrease from FY25 projections. Credit card service fees are budgeted at $29,000, consistent with previous years and reflecting continued use of card payments. The budget prioritizes critical inspection services while managing discretionary spending, supported by increased permit fee revenues.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Building Services	$367,015	$302,200	$360,700	$368,700
			Change from Projected ($):	$8,000
			Change from Projected (%):	2.22%
			Change from FY25 Budget v. FY25 Projected ($):	$66,500
			Change from FY25 Budget v. FY25 Projected (%):	22.01%

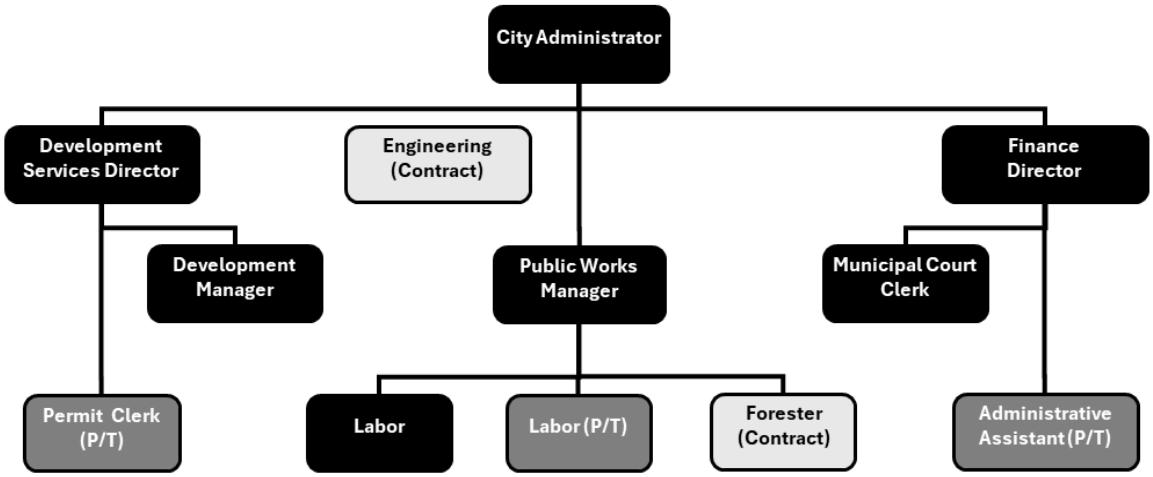
Municipal Court: The FY26 Municipal Court Division budget is adopted at $46,137, reflecting an increase from prior years due to rising contract costs for the Judge, Prosecutor, and Interpreter, which includes a recurring $12,000 supplemental request. Credit card processing fees are projected to be $7,387, consistent with the growing use of cards. Supplies and office supplies remain minimal, with no adopted increases. Funding is allocated for employee costs, and additional equipment is consolidated under administration. The budget supports essential court operations while maintaining a conservative approach to administrative spending.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Municipal Court	$24,999	$35,510	$46,397	$46,137
			Change from Projected ($):	($260)
			Change from Projected (%):	-0.56%
			Change from FY25 Budget v. FY25 Projected ($):	$10,627
			Change from FY25 Budget v. FY25 Projected (%):	29.93%

Administrative Services: The division's budget reflects the necessary investment in enhancing services for our residents, ensuring they receive the high-quality support they value. Administrative expenses increased from $1,319,608 (as amended) in FY25 to 2026 Adopted $1,455,938, mainly driven by an increase of $151 thousand in personnel costs. In addition, the division includes new lease costs totaling $160,684 and IT services at $45,000. Memberships and legal notices are raised to enhance compliance and public engagement. Wages and benefits, crucial for service delivery, increased from the amended 2025 of $896,950 to $1.05 million in FY26, due to the addition of new positions, salary adjustments, retirement contributions, and payroll taxes necessary to attract and retain staff. Gross wages increase to $774,683, with the potential for an additional 3% increase based on employee performance. Projected health insurance expenses for fiscal year 2026 are expected to reach $91,027, marking a 15% increase to account for potential rate hikes after the budget approval. Any savings from this line item will return to the fund balance at the end of the fiscal year. These adjustments are essential for maintaining service quality amid increasing community expectations, and the budget highlights the City's commitment to improving service levels.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Admin. Services	$1,149,416	$1,319,608	$1,279,792	$1,455,938
			Change from Projected ($):	$176,146
			Change from Projected (%):	13.76%

- Current Organization: The illustrated chart presents the current organizational structure for Piney Point Village. Full-time employees are denoted in black, part-time employees are shown in gray, and contract personnel are represented in an intermediate gray scale.



Public Works: The FY26 Public Works Maintenance Division budget is adopted at $387,330, with supplemental requests for enhanced landscape services ($10,000), a co-op bucket truck ($25,000), and a traffic control speed trailer ($15,000). While the total is approximately the same as the FY25 amended budget, it reflects a reduction in one-time capital equipment costs in FY25, primarily the public works truck. Maintenance and repair remain the largest category at $338,330, supporting key services such as landscaping, tree removal, traffic control, and street maintenance. Landscape Services, Community Beautification, and Tree Care continue to represent significant investments in city appearance and upkeep. Fuel, TCEQ permits, and utilities are also funded at consistent levels. Office and travel expenses include a $5,000 supplement for uniform services. No additional funding for the division operation is foreseeable.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Public Works	$287,359	$388,430	$331,462	$342,330
			Change from Projected ($):	$10,868
			Change from Projected (%):	3.28%
			Change from FY25 Budget v. FY25 Projected ($):	($46,100)
			Change from FY25 Budget v. FY25 Projected (%):	-11.87%

Capital Programming: The City's financial plan shows a strong position for maintaining services and addressing future capital needs. Total expenditures from a projected $10.99 million in FY25 to $11.56 million in the Adopted FY26 budget, reflecting the completion of several one-time capital initiatives within FY25 and a continuation of funding in capital programming. Capital funding, primarily for street and drainage improvements, is budgeted at $3.0 million in FY26, nearly identical to the $3.0 million budgeted in FY25.

	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Capital Projects	$1,153,262	$3,009,490	$3,009,490	$3,000,000

The City has allocated $3 million in FY25 for drainage, roadway, and traffic improvements, with several key projects underway. The Windermere Outfall Repair Project is 75% designed, with construction expected by August 2026 after securing easements. The Chapelwood Court Drainage Project has entered pre-

construction and will begin later in FY25, while the Chuckanut Drainage and Paving Improvements are set for substantial completion by October 2025. Improvements on Calico Lane and Oaklawn Ditch are nearly finished, with ongoing pipeline inspections at Bothwell and Holidan Way. On transportation, HDR's review of Kinkaid School's proposed second left-turn lane raised safety concerns, requiring further study. Harris County is also progressing on two major projects: replacing traffic signals on Memorial Drive and the Memorial Asphalt Reclamation Project, which is in the advertising phase. Additionally, emergency repairs on the Blalock Road sinkhole were initiated in September at a cost of $102,426. Overall, these initiatives reflect progress in enhancing the city's infrastructure, with many projects on track for FY25 and FY26 completion..

Capital programming resources help cities plan infrastructure strategically, aligning financial capabilities with community needs and broader goals. This approach maximizes public fund efficiency and maintains community assets. Funding for capital improvements is approved by the city as Pay-as-you-go (PAYGO), utilizing available funds and minimizing long-term debt reliance. The city approves funding for projects but provides potential capital programs as a reference. The proposed projects listed, including anticipated allocations for FY2026, are not yet part of the adopted projects and may span multiple fiscal years. If the city proceeds with any projects, the council will adopt them through a separate action.

PROGRAM/PROJECT*	MID-YEAR FY25	PROJECTED FY25	FY26 PLANNED
Scheduled CIP			
Bayou Debris Removal	$35,600	$40,000	$0
Blalock Point Repairs	$59,408	$75,000	$0
Calico Lane Drainage Improvements	$14,723	$17,000	$0
Chapelwood Court Drainage	$35,709	$255,000	$0
Chuckanut Drainage & Paving	$38,230	$1,000,000	$170,000
City-Wide Point Repair	$0	$865,450	$0
Engineering Services - Other	$15,959	$25,000	$25,000
Paving Improvements Project - 2023	$550,786	$693,000	$0
School Zones Signs	$10,500	$11,000	$0
Shadow Way Drainage	$3,000	$15,000	$0
South Piney Point Road Improvements	$15,206	$17,000	$0
Street Condition Assessment	$0	$30,000	$0
Traffic Signal Participation - Harris Co.	$0	$475,000	$25,000
Windermere Outfall (V2)	$0	$160,050	$1,067,000
Proposed/Future CIP			
Country Squire Drainage Outfall	$0	$0	$200,000
Jamestown Drainage	$0	$0	TBD
Landscape - S. Piney Point Rd.	$0	$0	TBD
Landscape - San Felipe Esplanade	$0	$0	TBD
Soldiers Creek HCFCD	$0	$0	TBD
Future Capital Programs/Other	$0	$0	$1,500,000
	$779,121	**$3,678,500**	**$2,987,000**

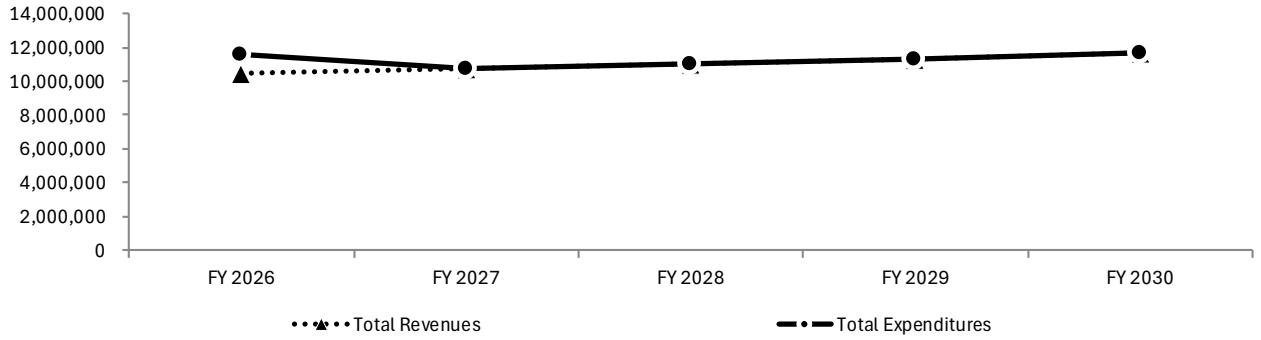
*The items listed are only proposed programs, and each new project is approved by council action with an updated probable cost.

Financial Position: The budget process started with a balanced budget, where revenues matched expenditures and no shortfall was anticipated. This demonstrates that the city can operate effectively without incurring a deficit. Since the original filing in July, the city has decided to utilize its cash reserves to support additional non-recurring capital projects aimed at improving infrastructure, all while maintaining the tax rate unchanged. For adoption, the projected ending fund balance is $3.99 million. Cities typically aim to

maintain a cash reserve of around 90 days of operating expenses for several important reasons. Tax revenues and other income sources often come in unevenly throughout the year, while expenses tend to be more consistent. A 90-day reserve helps smooth out these fluctuations and ensures the city can pay its bills on time. Reserves provide a financial cushion to handle unexpected events or emergencies without disrupting essential services. The city will maintain $2.14 million as a 90-day reserve, with an additional unallocated amount of $ 1.85 million at the adoption of this budget. The unallocated funds are designated for future capital programming in the subsequent fiscal years.

Multi-Year Plan: A five-year plan is programmed for forecasting purposes only. It is projected that Fund 10 will sustain a balanced budget and provide funds for capital in fiscal years ending 2027 through 2030. The current plan involves maintaining our current levels of services while allocating approximately $1 million for new and expanded programs, which will be funded exclusively by the General Fund. The budget is adopted by the Council annually; therefore, the projection detailed below does not restrain future councils to this plan:

	FY 2026 ADOPTED	FY 2027 PROJECTED	FY 2028 PROJECTED	FY 2029 PROJECTED	FY 2030 PROJECTED
Total Revenues:	**10,452,697**	**$10,736,370**	**$11,028,242**	**$11,328,554**	**$11,637,557**
Operating Expenditures:	**2,785,105**	**2,814,732**	**2,885,101**	**2,957,228**	**3,031,159**
Capital Programs	3,000,000	0	0	0	0
New / Expanded Programs	0	1,887,970	1,862,579	1,833,665	1,801,009
Total Non-Operating:	**3,000,000**	**1,887,970**	**1,862,579**	**1,833,665**	**1,801,009**
Total Expenditures	**11,560,294**	**10,736,370**	**11,028,242**	**11,328,554**	**11,637,557**
Revenues Over Expenditures:	*(1,107,598)*	*0*	*0*	*0*	*0*
Fund Balance - Ending:	**3,987,328**	**$3,987,328**	**$3,987,328**	**$3,987,328**	**$3,987,328**



GENERAL FUND - 10
FISCAL YEAR 2026 ADOPTED BUDGET

	FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
REVENUES:				
Property Taxes	6,949,218	7,112,732	7,112,732	8,260,747
Sales Taxes	502,390	460,725	500,000	500,000
Permits & Inspections	568,651	520,300	780,447	529,100
Court Revenue	132,451	129,000	161,283	143,562
Investment Income	466,881	400,000	373,505	373,505
Agencies & Alarms	23,350	23,500	21,015	0
Franchise Taxes	390,263	409,872	374,283	374,283
Contribution & Use Fee	0	107,500	107,500	107,500
Other Governmental	136,000	136,000	136,000	136,000
Donations & Other	35,787	9,000	8,000	5,000
Operating Revenues:	**9,204,992**	**9,308,629**	**9,574,766**	**10,429,697**
Other Sources	91,944	8,948	178,310	0
Ambulance	81,375	0	27,012	0
CIP Cost Share	0	0	52,000	0
Non-Operating Transfers	21,538	20,000	23,000	23,000
Non-Operating Revenues:	**194,857**	**28,948**	**280,322**	**23,000**
Total Revenues:	**$9,399,849**	**$9,337,577**	**$9,855,088**	**$10,452,697**
EXPENDITURES:				
Police Services	2,622,267	2,681,790	2,702,322	2,860,161
Fire Services	2,081,832	2,115,943	2,115,943	2,223,438
Sanitation Services	587,114	621,596	619,472	649,590
Other Public Services	36,181	36,900	41,000	42,000
Total Public Services:	**5,327,394**	**5,456,229**	**5,478,737**	**5,775,189**
Contract Services	501,205	476,500	491,200	527,000
Development Services	367,015	302,200	360,700	368,700
Administrative Services	1,149,416	1,319,608	1,279,792	1,455,938
Municipal Court	24,999	35,510	46,397	46,137
Public Works & Maintenance	287,359	388,430	331,462	387,330
	2,329,993	**2,522,248**	**2,509,552**	**2,785,105**
Operating Expenditures:	**7,657,388**	**7,978,477**	**7,988,289**	**8,560,294**
Capital Programs	1,153,262	3,009,490	3,009,490	3,000,000
Non-Operating Expenditures:	**1,153,262**	**3,009,490**	**3,009,490**	**3,000,000**
Total Expenditures:	**$8,810,649**	**$10,987,967**	**$10,997,779**	**$11,560,294**
Revenues Over Expenditures	*589,199*	*(1,650,390)*	(1,142,691)	*(1,107,598)*
Fund Balance - Beginning		6,237,617	6,237,617	5,094,926
Fund Balance - Ending	**$6,237,617**	**$4,587,227**	**$5,094,926**	**$3,987,328**
Reserve Requirement (25%)		1,994,619	1,994,619	2,140,074
Excess/(Deficit)		2,592,608	3,100,307	1,847,255

GENERAL FUND - 10
FISCAL YEAR 2026 ADOPTED BUDGET

		FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
REVENUE					
Tax Collection					
10-4101	Property Tax (M&O)	6,949,218	7,112,732	7,112,732	8,260,747
10-4150	Sales Tax	502,390	460,725	500,000	500,000
	Total Tax Collection:	**7,451,609**	**7,573,457**	**7,612,732**	**8,760,747**
Permits & Inspections					
10-4203	Plat Reviews	1,750	1,000	1,000	1,000
10-4205	Contractor Registration	6,390	8,800	9,750	9,750
10-4206	Drainage Reviews	62,000	50,000	57,850	57,850
10-4207	Permits & Inspection Fees	497,511	460,000	711,347	460,000
10-4208	Board of Adjustment Fees	1,000	500	500	500
	Total Permits & Inspections:	**568,651**	**520,300**	**780,447**	**529,100**
Municipal Court					
10-4300	Court Fines	122,013	120,000	145,597	130,000
10-4301	Building Security Fund	3,653	3,000	5,512	0
10-4302	Truancy Prevention	3,728	3,000	5,625	3,500
10-4303	Local Municipal Tech Fund	2,982	2,950	4,500	0
10-4304	Local Municipal Jury Fund	75	50	50	50
10-4305	Consolidated Court Cost	0	0	0	10,012
	Total Municipal Court:	**132,451**	**129,000**	**161,283**	**143,562**
Investment Income					
10-4400	Interest Revenue	466,881	400,000	373,505	373,505
	Total Investment Income:	**466,881**	**400,000**	**373,505**	**373,505**
Agencies & Alarms					
10-4508	SEC-Registration	23,350	23,500	21,015	0
	Total Agencies & Alarms:	**23,350**	**23,500**	**21,015**	**0**
Franchise Revenue					
10-4602	Cable Franchise	75,250	85,153	58,559	58,559
10-4605	Power/Electric Franchise	272,424	272,419	272,424	272,424
10-4606	Gas Franchise	29,046	25,000	30,000	30,000
10-4607	Telephone Franchise	2,205	3,300	3,300	3,300
10-4608	Wireless Franchise	11,338	24,000	10,000	10,000
	Total Franchise Revenue:	**390,263**	**409,872**	**374,283**	**374,283**

GENERAL FUND - 10
FISCAL YEAR 2026 ADOPTED BUDGET

		FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
Donations & In Lieu					
10-4702	Kinkaid School Contribution	0	107,500	107,500	107,500
10-4703	Metro Congested Mitigation	136,000	136,000	136,000	136,000
10-4704	Intergovernmental Revenues	0	0	0	0
10-4705	Ambulance	81,375	0	27,012	0
10-4800	Misc. Income	35,787	9,000	8,000	5,000
10-4802	Reimbursement Proceeds	0	0	52,000	0
10-4803	CIP Cost Share	91,944	8,948	178,310	0
10-4804	Credit Card Fees	21,538	20,000	23,000	23,000
	Total Donations & In Lieu:	**366,644**	**281,448**	**531,822**	**271,500**
	TOTAL REVENUES:	**9,399,849**	**9,337,577**	**9,855,088**	**10,452,697**

GENERAL FUND - 10
FISCAL YEAR 2026 ADOPTED BUDGET

		FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
EXPENDITURES					
PUBLIC SERVICE DIVISION					
Community Events					
10-510-5001	Community Celebrations	7,674	6,000	10,000	10,000
10-510-5002	Public Relations	12,693	15,000	15,000	15,000
	Community Events:	**20,368**	**21,000**	**25,000**	**25,000**
Police Services					
10-510-5010	MVPD Operations	2,525,700	2,625,123	2,645,655	2,845,494
10-510-5011	MVPD Auto Replacement	46,667	48,000	48,000	14,667
10-510-5012	MVPD Capital Expenditure	49,900	8,667	8,667	0
	Police Services:	**2,622,267**	**2,681,790**	**2,702,322**	**2,860,161**
Sanitation Collection					
10-510-5030	Sanitation Collection	576,549	604,553	609,502	639,620
10-510-5031	Sanitation Fuel Charge	10,565	17,043	9,971	9,971
	Sanitation Collection:	**587,114**	**621,596**	**619,472**	**649,590**
Library Services					
10-510-5040	Spring Branch Library	0	1,500	0	0
	Library Services:	**0**	**1,500**	**0**	**0**
Street Lighting Services					
10-510-5050	Street Lighting	15,814	14,400	16,000	17,000
	Street Lighting Services:	**15,814**	**14,400**	**16,000**	**17,000**
Fire Services					
10-510-5060	Villages Fire Department	2,081,832	2,115,943	2,115,943	2,223,438
	Fire Services:	**2,081,832**	**2,115,943**	**2,115,943**	**2,223,438**
	TOTAL PUBLIC SERVICE:	**5,327,394**	**5,456,229**	**5,478,737**	**5,775,189**

GENERAL FUND - 10
FISCAL YEAR 2026 ADOPTED BUDGET

		FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
CONTRACT SERVICE DIVISION					
10-520-5102	Accounting/Audit	24,989	25,000	25,000	25,000
10-520-5103	Engineering	269,918	220,000	240,000	270,000
10-520-5104	Legal	80,694	100,000	80,000	100,000
10-520-5105	Tax Appraisal-HCAD	73,997	64,000	75,000	75,000
10-520-5107	Animal Control	8,116	2,300	5,000	5,000
10-520-5108	IT Hardware/Software & Support	18,946	41,200	41,200	26,000
10-520-5110	Mosquito Control	24,545	24,000	25,000	26,000
	TOTAL CONTRACT SERVICE DIVISION:	**501,205**	**476,500**	**491,200**	**527,000**

GENERAL FUND - 10
FISCAL YEAR 2026 ADOPTED BUDGET

		FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
BUILDING SERVICE DIVISION					
Building & Inspection Services					
10-530-5152	Drainage Reviews	144,208	103,000	120,000	124,000
10-530-5153	Electrical Inspections	28,215	15,000	31,000	30,000
10-530-5154	Plat Reviews	0	500	0	0
10-530-5155	Plan Reviews	48,000	50,000	48,000	48,000
10-530-5156	Plumbing Inspections	32,895	18,000	32,000	32,000
10-530-5157	Structural Inspections	42,840	30,000	43,000	43,000
10-530-5158	Urban Forester	39,520	45,000	45,000	50,000
10-530-5160	Mechanical Inspections	9,450	8,500	10,000	10,000
	Building and Inspection Services:	**345,128**	**270,000**	**329,000**	**337,000**
Supplies and Office Expenditures					
10-530-5204	Dues & Subscriptions	0	500	0	0
10-530-5206	Legal Notices	2,255	0	0	0
10-530-5207	Misc Supplies	735	1,000	1,000	1,000
10-530-5209	Office Equipment & Maintenance	0	500	500	500
10-530-5213	Office Supplies	0	900	900	900
10-530-5215	Travel & Training	0	300	300	300
	Supplies and Office Expenditures:	**2,990**	**3,200**	**2,700**	**2,700**
Insurance					
10-530-5403	Credit Card Charges	18,898	29,000	29,000	29,000
	Insurance:	**18,898**	**29,000**	**29,000**	**29,000**
	TOTAL BUILDING SERVICE DIVISION:	**367,015**	**302,200**	**360,700**	**368,700**

GENERAL FUND - 10
FISCAL YEAR 2026 ADOPTED BUDGET

		FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
GENERAL GOVERNMENT DIVISION					
Administrative Expenditures					
10-540-5108	Information Technology	42,182	42,000	42,000	45,000
10-540-5201	Admin/Professional Fee	9,105	3,905	12,000	5,000
10-540-5202	Auto Allowance/Mileage	8,775	7,200	7,200	7,800
10-540-5203	Bank Fees	917	2,200	1,500	1,500
10-540-5204	Dues/Seminars/Subscriptions	3,649	3,600	4,500	7,600
10-540-5205	Elections	489	750	500	3,000
10-540-5206	Legal Notices	7,553	8,000	8,000	8,000
10-540-5207	Miscellaneous	633	5,000	1,000	1,000
10-540-5208	Citizen Communication	4,691	8,000	5,000	7,000
10-540-5209	Office Equipment & Maintenance	8,886	10,000	9,000	9,000
10-540-5210	Postage	232	2,000	1,000	1,000
10-540-5211	Meeting Supplies	9,375	7,500	9,500	10,000
10-540-5212	Rent/Leasehold/Furniture	122,791	155,142	155,142	160,684
10-540-5213	Supplies/Storage	32,288	30,000	20,000	20,000
10-540-5214	Telecommunications	13,034	16,000	15,000	15,000
10-540-5215	Travel & Training	0	2,500	2,500	2,500
10-540-5216	Statutory Legal Notices	0	1,500	0	0
	Administrative Expenditures:	**264,601**	**305,297**	**293,842**	**304,084**
Wages & Benefits					
10-540-5301	Gross Wages	610,438	689,255	689,255	774,683
10-540-5302	Overtime/Severance	2,348	10,000	10,000	10,000
10-540-5306	FICA/Med/FUTA Payroll Tax Exp	45,735	50,035	50,035	62,439
10-540-5310	TMRS (City Responsibility)	141,382	143,660	143,660	196,552
10-540-5311	Payroll Process Exp-Paychex	3,920	4,000	4,000	4,500
	Wages & Benefits:	**803,823**	**896,950**	**896,950**	**1,048,174**
Insurance					
10-540-5353	Employee Insurance	71,536	102,161	75,000	91,027
10-540-5354	General Liability	7,209	10,000	10,000	10,000
10-540-5356	Workman's Compensation	2,248	4,000	4,000	2,653
	Insurance:	**80,992**	**116,161**	**89,000**	**103,680**
Other					
10-540-5403	Credit Card Charges (Adm)	0	1,200	0	0
	Intergovernmental:	**0**	**1,200**	**0**	**0**
	TOTAL GENERAL GOVERNMENT DIVISION:	**1,149,416**	**1,319,608**	**1,279,792**	**1,455,938**

MUNICIPAL COURT DIVISION

GENERAL FUND - 10
FISCAL YEAR 2026 ADOPTED BUDGET

		FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
Supplies & Office Expenditures					
10-550-5207	Misc Supplies	0	250	0	0
10-550-5213	Office Supplies	1,029	2,000	0	0
10-550-5215	Travel & Training	650	1,750	1,750	1,750
	Supplies and Office Expenditures:	**1,679**	**4,000**	**1,750**	**1,750**
Court Operations					
10-550-5403	Credit Card Charges	5,895	6,510	7,387	7,387
10-550-5404	Judge/Prosecutor/Interpretor	17,425	25,000	37,260	37,000
	Court Operations:	**23,320**	**31,510**	**44,647**	**44,387**
	TOTAL MUNICIPAL COURT DIVISION:	**24,999**	**35,510**	**46,397**	**46,137**

GENERAL FUND - 10
FISCAL YEAR 2026 ADOPTED BUDGET

		FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
PUBLIC WORKS MAINTENANCE DIVISION					
Supplies & Office Expenditures					
10-560-5108	Information Technology	3,044	2,500	2,500	2,500
10-560-5207	Misc Supplies	88	500	500	500
10-560-5215	Travel & Training	0	1,000	1,000	1,000
	Supplies and Office Expenditures:	**3,132**	**4,000**	**4,000**	**9,000**
Maintenance & Repair					
10-560-5501	TCEQ/County Permits	1,766	1,850	1,850	1,850
10-560-5504	Landscape Services	112,198	134,280	134,280	144,280
10-560-5505	Fuel & Oil	2,053	1,000	2,832	3,200
10-560-5506	Right of Way Mowing	23,557	0	0	0
10-560-5507	Traffic Control	28,366	20,000	20,000	20,000
10-560-5508	Water Utilities	8,316	2,800	9,000	9,000
10-560-5509	Tree Care/Removal	53,109	40,000	40,000	40,000
10-560-5510	Drainage Maintenance	3,301	1,500	1,500	2,000
10-560-5515	Community Beautification	42,331	100,000	50,000	100,000
10-560-5516	Equipment Maintenance	1,611	3,000	3,000	3,000
10-560-5517	Street Maintenance	7,619	10,000	15,000	15,000
	Maintenance and Repair:	**284,227**	**314,430**	**277,462**	**338,330**
Other					
10-560-5600	Capital Equipment	0	70,000	50,000	40,000
	Other:	**0**	**70,000**	**50,000**	**40,000**
	TOTAL PUBLIC WORKS DIVISION:	**287,359**	**388,430**	**331,462**	**387,330**

GENERAL FUND - 10
FISCAL YEAR 2026 ADOPTED BUDGET

		FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
CAPITAL OUTLAY PROGRAMS					
10-580-5811	Capital Programming	1,153,262	3,009,490	3,009,490	3,000,000
		1,153,262	**3,009,490**	**3,009,490**	**3,000,000**
	TOTAL CAPITAL OUTLAY PROGRAMS:	**1,153,262**	**3,009,490**	**3,009,490**	**3,000,000**
	TOTAL EXPENDITURES:	**8,810,649**	**10,987,967**	**10,997,779**	**11,560,294**

DEBT SERVICE FUND

FISCAL YEAR 2026 ADOPTED BUDGET

The Adopted FY26 Debt Service Fund shows total revenues of $332,757, primarily from property taxes ($322,757) and interest income ($10,000), while expenditures total $449,425 for scheduled bond principal ($425,000) and interest ($19,425) payments. This results in a formulated shortage of $116,668 for fiscal year 2026. The City plans to use existing fund balance cash to cover this gap, intentionally reducing the fund balance as part of a strategy to apply reserves toward the final two years of scheduled debt payments, as the balance is technically restricted for debt service. This planned use of reserves facilitates the orderly retirement of non-callable outstanding debt while minimizing the excess cash required to secure debt that is to be paid in full by 2027.

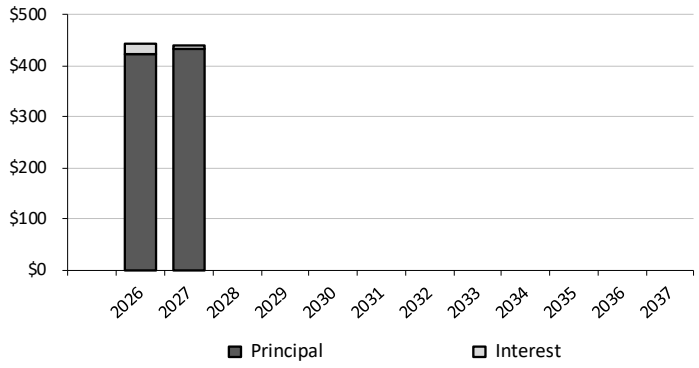
	FY24 Actual	FY25 Budget	FY25 Projected	FY26 Adopted
Revenue / Tax	$900,270	$902,719	$902,719	$322,757
Expend / Debt	$884,200	$881,325	$881,325	$449,425
Over / (Under)	*$16,070*	*$21,394*	*$21,394*	*($116,668)*
Fund Balance - Ending			**$234,757**	**$118,089**

GENERAL LONG-TERM DEBT

AGGREGATE DEBT MATURITY SCHEDULE

Fiscal Year	Principal	Interest	Total
FY2026	425,000	19,425	444,425
FY2027	435,000	6,525	441,525
FY2028			
FY2029			
FY2030			
FY2031			
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	**860,000**	**25,950**	**885,950**

Series Name	Principal Amount
Series 2015 General Obligation	-
Series 2017 General Obligation	860,000
Total	**860,000**



DEBT SERVICE FUND
FISCAL YEAR 2026 ADOPTED BUDGET

	FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
REVENUES:				
Property Taxes	878,141	877,325	877,325	322,757
Interest	22,129	25,394	25,394	10,000
Transfers and Contributions	0	0	0	0
Total Revenues:	**$900,270**	**$902,719**	**$902,719**	**$332,757**
EXPENDITURES:				
Debt Service	881,050	877,325	877,325	444,425
Fiscal Agent Fees	3,150	4,000	4,000	5,000
Total Expenditures:	**$884,200**	**$881,325**	**$881,325**	**$449,425**
Revenue Over/(Under) Expenditures	*16,070*	*21,394*	*21,394*	*(116,668)*
Fund Balance - Beginning	197,293	213,363	213,363	234,757
Fund Balance - Ending	**$213,363**	**$234,757**	**$234,757**	**$118,089**
Reserve Requirement (25%)		220,331	220,331	112,356
Excess/(Deficit)		14,426	14,426	5,733

DEBT SERVICE FUND - DETAIL
FISCAL YEAR 2026 ADOPTED BUDGET

		FY 2024 YEAR END ACTUAL	FY 2025 AMENDED BUDGET	FY 2025 YEAR END PROJECTED	FY 2026 ADOPTED BUDGET
Revenues					
Property Taxes					
20-4101	Current Taxes	878,141	877,325	877,325	322,757
	Total Property Taxes	**878,141**	**877,325**	**877,325**	**322,757**
Interest					
20-4400	Interest Income	22,129	25,394	25,394	10,000
	Total Interest	**22,129**	**25,394**	**25,394**	**10,000**
Non-Operating					
20-4410	Transfer In	0	0	0	0
	Total Non-Operating	**0**	**0**	**0**	**0**
	TOTAL REVENUES:	**900,270**	**902,719**	**902,719**	**332,757**
Expenditures					
Financial Obligations					
20-500-5821	Tax Bond Retirement	820,000	840,000	840,000	425,000
20-500-5820	Tax Bond Interest	61,050	37,325	37,325	19,425
20-500-5204	Fiscal Agent Fees	3,150	4,000	4,000	5,000
	Total Financial Obligations	**884,200**	**881,325**	**881,325**	**449,425**
	TOTAL EXPENDITURES:	**884,200**	**881,325**	**881,325**	**449,425**
Revenue Over/(Under) Expenditures		*16,070*	*21,394*	*21,394*	*(116,668)*

GENERAL FUND
LIST OF ADOPTED CHANGES FROM THE PROPOSED FILED

		FY2025 CHANGE	FY2026 CHANGE	DATE OF CHANGE
Preliminary Revenues:		**$9,855,088**	**$9,663,875**	
Changes to Preliminary Revenues:				
1	Adjust Property Tax (M&O = 0.24069)		$788,822	08/13/25
	Total Revenue Changes:	**$0**	**$788,822**	
Total Revenue with Changes:		**$9,855,088**	**$10,452,697**	
Preliminary Expenditures:		**$10,997,779**	**$9,663,875**	
Changes to Preliminary Expenditures:				
1	Proposed Capital-Supplemental Base		$1,851,419	08/13/25
2	MVPD Bucket Truck (Shared 1/3)		$25,000	08/25/25
3	Uniforms		$5,000	08/25/25
4	Speed Trailer		$15,000	08/25/25
	Total Change in Expenditures:	**$0**	**$1,896,419**	
Total Expenditures with Changes:		**$10,997,779**	**$11,560,294**	
Net Revenues Over/(Under) Expenses		($1,142,691)	($1,107,598)	
Beginning Fund Balance		$6,237,617	$5,094,926	
Ending Fund Balance		**$5,094,926**	**$3,987,328**	

DEBT SERVICE FUND
LIST OF CHANGES FROM PROPOSED TO ADOPTED

		FY25 CHANGE	FY26 CHANGE	DATE OF CHANGE
Preliminary (Filed) Revenues:		**$902,719**	**$320,775**	
Changes to Preliminary Revenues:				
1	Change I&S Rate ($0.009310)		$21,028	08/13/25
2	Interest Revenue		($9,046)	08/13/25
Total Revenue Changes:		**$0**	**$11,982**	
Total Revenue with Changes:		**$902,719**	**$332,757**	
Preliminary (Filed) Expenditures:		**$881,325**	**$444,425**	
Changes to Preliminary Expenditures:				
1	Fiscal Agent Fees	$0	$5,000	08/13/25
Total Change in Expenditures:		**$0**	**$5,000**	
Total Expenditures with Changes:		**$881,325**	**$449,425**	
Net Revenues Over/(Under) Expenses		$21,394	($116,668)	
Beginning Fund Balance		213,363	234,757	
Ending Fund Balance		**$234,757**	**$118,089**	

The City of Piney Point Village

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