



# Agenda Item Report

**Legislative Board:** City Council  
**Date:** September 17, 2024  
**Contact:** Natassa Robbins  
**Agenda Item ID / Number:** 2024-782- / 1.7

**ITEM TITLE:** Public hearing, deliberation and possible action to consider an Ordinance on first and final reading and to adopt said Ordinance approving and adopting a budget for operating the municipal government of the City of Buda for the Fiscal Year beginning October 1, 2024 and ending September 30, 2025; adopting the Capital Improvements Plan; adopting and amending Appendix A of the Code of Ordinances entitled Fee Schedule; adopting the Employee Compensation Plans; appropriating money for the various funds and purposes of such budget including appropriations of money to pay interest and principal sinking fund requirements on all indebtedness; repealing all ordinances and appropriations in conflict with the provisions of the ordinance; establishing an effective date; and providing for filing of the budget (Finance Director Bianca Redmon) [PUBLIC TESTIMONY]

## 1. EXECUTIVE SUMMARY

In accordance with the Local Government Code and the City Charter, the City Council must adopt an annual budget. This will be the first and final reading for the adoption of the budget for fiscal year ending September 30, 2025.

## 2. BACKGROUND/HISTORY

Each year, the City Council is required to adopt a budget for the upcoming fiscal year. The City's proposed budget for Fiscal Year 2025 was filed with the City Clerk and submitted to City Council on August 13th. The City Manager presented the proposed budget to City Council on August 15th. The City is also required to hold a public hearing on the budget. The official public hearing on the budget was held on September 3rd. This item also includes a courtesy public hearing on the budget to encourage citizen input. The adoption of the budget on September 17th is in accordance with the City's Fiscal Year 2025 budget calendar and complies with the City Charter. Per the City Charter, adoption of the annual budget must occur on or before September 20th.

## 3. ANALYSIS

Staff has prepared the proposed budget that has been submitted to City Council. The proposed budget includes the Five-Year Capital Improvements Plan (CIP), the Fee Schedule for the 2025 fiscal year, and the City's compensation plans.

## 4. FINANCIAL IMPACT

Total Operating Budget: \$57,447,032

Total Capital Projects Funds: \$22,411,421

Total Other Funds (LGC/EDC/TIRZ 2): \$5,931,016

Total City of Buda Budget: \$85,789,469

Projected water user fee revenue for FY 2025 is \$5,889,664, and projected wastewater user fee revenue is \$6,774,310.

The FY 2025 Proposed Budget assumes a property tax rate of \$0.3395 per \$100 valuation and a sales tax rate growth of 1%.

Fee schedule changes:

- Development Fee Changes:
  - Reinspection Fees: 2x original to encourage compliance.
  - Sidewalk fee-in-lieu: Adjusted to actual cost for construction.
  - Site Plan Corrections: Lower rate for smaller properties (<1 acre). Per page fee waived in Downtown
  - Specific Use Permits (SUP): Created a new fee for concept site plans, incremented by <1 acre & > 1 acre.
  - Tree Removal Permit Fees: Updated to reflect staff effort to take permit to P&Z and City Council for consideration.
  - Parkland Fees: Adjusted up – Land values & Improvement costs.
  - Building Plan Reviews: Commercial Shell Buildout/ Remodel under 1500 sq ft.
- Utility Rate Changes
  - The fee schedule includes a 6% increase in water rates, and a 3% increase in wastewater rates for effectively a 4.5% (or approximately \$5.83) impact on the average utility bill.
- Parks
  - Addition of Fence Rental Fee including sandbags.
- No change to sanitation fees (year 5 of 5).

## **5. STRATEGIC PLAN/GOALS**

EXCEPTIONAL CITY SERVICES WITH A LOW TAX RATE

## **6. STRATEGIC PLAN OBJECTIVES**

Deliver City services in a cost-effective and efficient manner.

## **7. PROS AND CONS**

Pros: approval adopts a budget and operations plan for Fiscal Year 2025 compliant with the Charter and state law.

Cons: none.

## **8. ALTERNATIVES**

The City Council may make adjustments to the allocations within the various funds and modify the proposed fee schedule.

## **9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION**

Staff recommends consideration of the adoption of an ordinance approving and adopting a budget for operating the Municipal Government of the City of Buda for the fiscal year beginning October 1, 2024, and ending September 30, 2025; appropriating money for the various funds and purposes of

such budget including appropriations of money to pay interest and principal sinking fund requirements on all indebtedness; repealing all ordinances and appropriations in conflict with the provisions of this ordinance; establishing an effective date; and providing for the filing of the budget. The following are included as exhibits in the agenda item: a. Exhibit A: Five -Year Capital Improvement Plan b. Exhibit B: Code of Ordinance, Appendix A, Fee Schedule c. Exhibit C: Employee Compensation Schedules A record vote is required according to LGC 102.007(a). The motion must be made precisely as follows: I move to adopt the fiscal year 2025 budget as presented.

**Attachments:**

[Ordinance Approving & Adopting FY25 Budget](#)

[FY 25 Proposed Budget Document Link](#)

[Changes from the Proposed Budget FY 2025.pdf](#)

[Exhibit A - CIP 2025-2029 Document Link](#)

[Exhibit B - FY 2025 Fee Schedule.pdf](#)

[Exhibit C - City of Buda FY 2024-2025 General Pay Plan.pdf](#)

[Exhibit C - City of Buda FY 2024-2025 Parks and Public Works Pay Plan](#)

[Buda Notice of FY 2025 Budget Public Hearing](#)