



Agenda Item Report

Legislative Board: City Council
Date: April 21, 2026
Contact: Natassa Robbins
Agenda Item ID / Number: 2026-52- / K.2

ITEM TITLE: Deliberation and possible action to consider an Ordinance on first and final reading and to adopt said Ordinance to approve Fiscal Year 2026 Budget Amendment #2, consisting of donations, grants, police software, personnel changes, animal shelter contributions, and CIP & wastewater related professional service agreements (Finance Director Bianca Redmon) [PUBLIC TESTIMONY]

1. EXECUTIVE SUMMARY

The Fiscal Year 2026 Budget was originally adopted by the City Council on September 16, 2025. Since the adoption of the budget, there have been changes within various funds that require a change in appropriation of funds in the budget. This budget amendment request is the second budget amendment of the fiscal year.

2. BACKGROUND/HISTORY

A budget amendment by City Council is necessary if the total appropriation for the fund will change - either increase or decrease. This could occur under, but is not limited to, the following situations:

1. The total budgeted appropriation is expected to change at the fund level prior to year-end.
2. Acceptance of a grant, donation, or sponsorship that was not included in the annual budget.
3. Appropriation from fund balances for items that were not budgeted.

To streamline the process, budget amendments are to be considered by City Council on an as-needed basis and then formally adopted by ordinance periodically.

3. ANALYSIS

Staff has reviewed these amendment requests and determined that a budget amendment is required to adjust revenues and/or expenditure appropriations. The following items are included in this amendment:

2.14. Acceptance of Texas State Donation for Buda U

To recognize the receipt of a \$2,000 donation from the Texas State University for the Buda University (BudaU) program and to establish corresponding expenditure authority. The donation was recorded as revenue in the Program Donations account within the General Fund, and related program expenses were utilized for BudaU.

2.15. Recognition of Libraries for Health Mental Health Grant

To recognize the \$25,000 Libraries for Health Mental Health Grant awarded to the Buda Library by the St. David's Foundation and to authorize a corresponding increase in revenue and expenditure appropriations. FY 26 expenses will increase by \$31,845, utilizing the remaining unspent balance of \$20,064 from the previous Library Grant combined with \$11,781 from this new grant; the remaining

portion of the new grant will be projected for the next year's budget. The grant funds will support the enhancement of mental health collections and the expansion of non-clinical supports within library programs, with the grant period extending through December 31, 2026.

2.16. Police Department Blue Voice Software Recurring License

To establish a budget for the annual Blue Voice software subscription for the Buda Police Department in the amount of \$1,407. Blue Voice is a CJIS (Criminal Justice Information Services) compliant AI-powered platform that provides officers with real-time access to legal, policy, and community resources through a mobile app and web interface. The one-year subscription covers the period October 1, 2025 through September 30, 2026, and will be funded by the Police Special Fund.

2.17. City of Buda's Share of Kyle Regional Animal Shelter

The purpose of this amendment is to appropriate \$45,000 for the City of Buda's allocated share of design and feasibility costs associated with the Kyle Regional Animal Shelter in FY 2026, with an additional \$670,000 projected for FY 2027 budget. This item was previously discussed by City Council on January 20, 2026, when Council authorized the City Manager to negotiate an Interlocal Agreement with the City of Kyle for the construction, operation, and use of the facility. Under the proposed partnership, Buda is responsible for 2.8% of capital construction costs for the estimated \$24 million, 25,000 square foot animal shelter.

2.18. Police Department Position Reclassification - Officer to CID Sergeant

The purpose of this amendment is to approve the reclassification of one open Police Officer / Mental Health Officer position to a Criminal Investigations Division (CID) Sergeant position within the Buda Police Department. This change aligns with recommendations from the 2021 Matrix Consulting Group staffing study and will provide dedicated supervision for criminal investigations, evidence management, property control, and related operations while relieving the Captain of these additional duties to focus more effectively on Emergency Management and other command responsibilities. Sufficient salary savings from the currently vacant position are available to fully absorb the net fiscal impact for the remainder of FY 2026. The City's existing Mental Health Officer is able to carry the caseload.

2.19. Amendment to Parks and Public Works Pay Plan

To approve revisions to the Parks and Public Works Pay Plan to allow total years of relevant experience to substitute for required certifications when determining eligibility for promotion and associated pay progression for Parks Technicians and Public Works Technicians. This change provides an experience-based alternative qualification pathway to enhance recruitment and retention of qualified personnel in a competitive labor market and will apply to both current staff and new hires, with Human Resources and department leadership finalizing the specific internal application criteria. Reference Exhibit B for more details.

2.20. Colony at Cole Springs Cost Share Reimbursement to Developer

To appropriate \$59,499 for the City's cost-share reimbursement to Meritage Homes of Texas, LLC and M/I Homes of Austin, LLC for the additional costs associated with upsizing the Colony at Cole Springs lift station to its ultimate capacity to benefit the regional sewer shed and expand the regional system in accordance with the City's future infrastructure plans. The development team added the upsizing scope and costs to their design and bid proposal to accommodate the request. The agreement was taken to Council and approved at the March 24, 2026 meeting.

2.21. Black & Veatch Wastewater Flow Monitoring & Model Calibration

To appropriate \$73,404 from the Wastewater Fund for a professional services contract with Black & Veatch Corporation (PSA #26-114) to perform a wastewater flow monitoring study and calibrate the City's flow analysis model for the Bradfield and Sequoyah neighborhoods, including training City staff on model use.

2.22. Capital Project Planning Support

This budget amendment requests additional funding to support Capital Projects staffing and associated project delivery needs, as the City's capital improvement program continues to expand in size, complexity, and regulatory requirements.

4. FINANCIAL IMPACT

This budget amendment changes appropriations from fund balance by the following amounts:

Fund	Revenues	Expenditures	Fund Balance
			Net Increase/(Decrease)
General Fund	2,000	47,000	(45,000)
Water Fund	0	25,000	(25,000)
Wastewater Fund	0	98,404	(98,404)
Information Technology ISF	1,407	1,407	0
Police Special Fund	0	1,407	(1,407)
Wastewater CIP Fund - Impact Fees	0	59,499	(59,499)
Library Special Revenue Fund	31,845	31,845	0
Total	35,252	264,562	(229,310)

5. STRATEGIC PLAN/GOALS

EXCEPTIONAL CITY SERVICES

6. STRATEGIC PLAN OBJECTIVES

Maintain a fiscally responsible City property tax rate and competitive fee structure.

7. PROS AND CONS

Pro: This amendment aligns the budget with current expectations of both revenue and expenditures.

Cons: Not applicable.

8. ALTERNATIVES

Not applicable.

9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION

Staff recommends consideration of approval of the second budget amendment for Fiscal Year 2026 on first and final reading.

Attachments:

[Ordinance - FY2026 BA#2.docx](#)

[Budget Amendment#2 Slides 04.21.26.pdf](#)

[Exhibit A Budget Amendment 04.21.26.pdf](#)

[Exhibit B Public Works and Parks Pay Structure - Amended.pdf](#)