

INNOVATION

PIPELINE



REVITALIZE. REINVEST. RENEW.

2017-18

ANNUAL BUDGET



A Natural Beauty

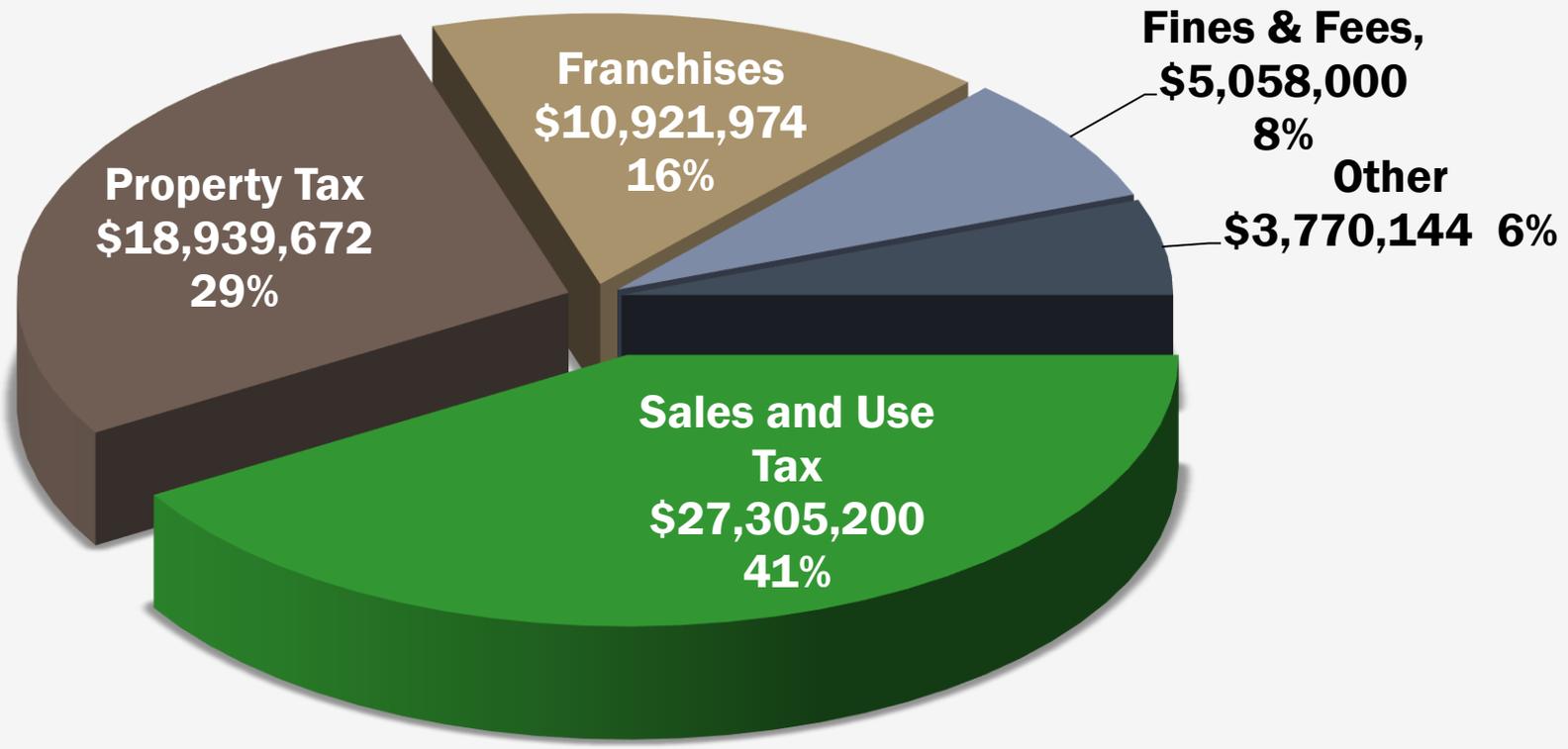


FY2017-18 Proposed Budget

General Fund

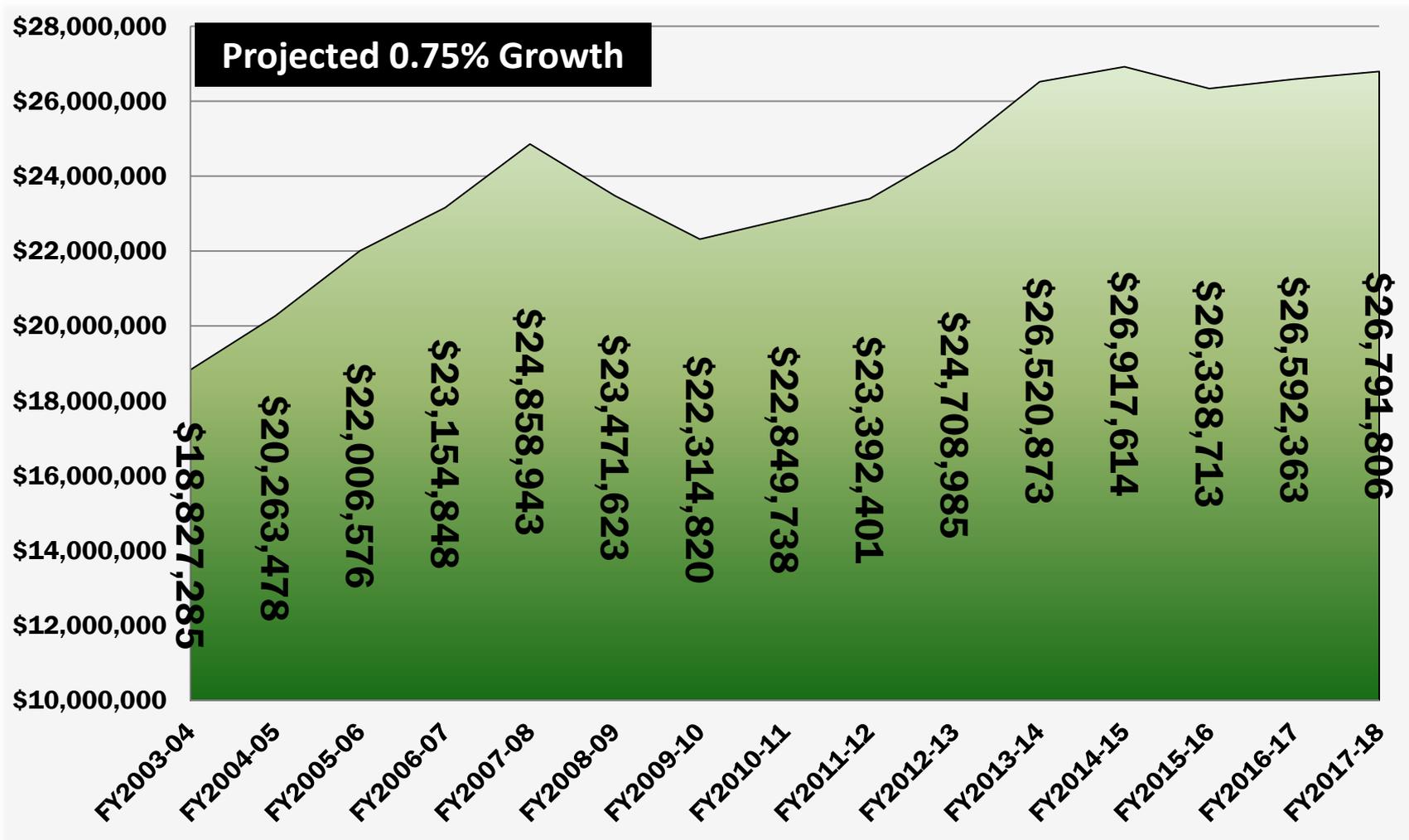
General Fund Revenue Highlights

Overall, a 0.32% decrease in proposed revenues (\$215,136)

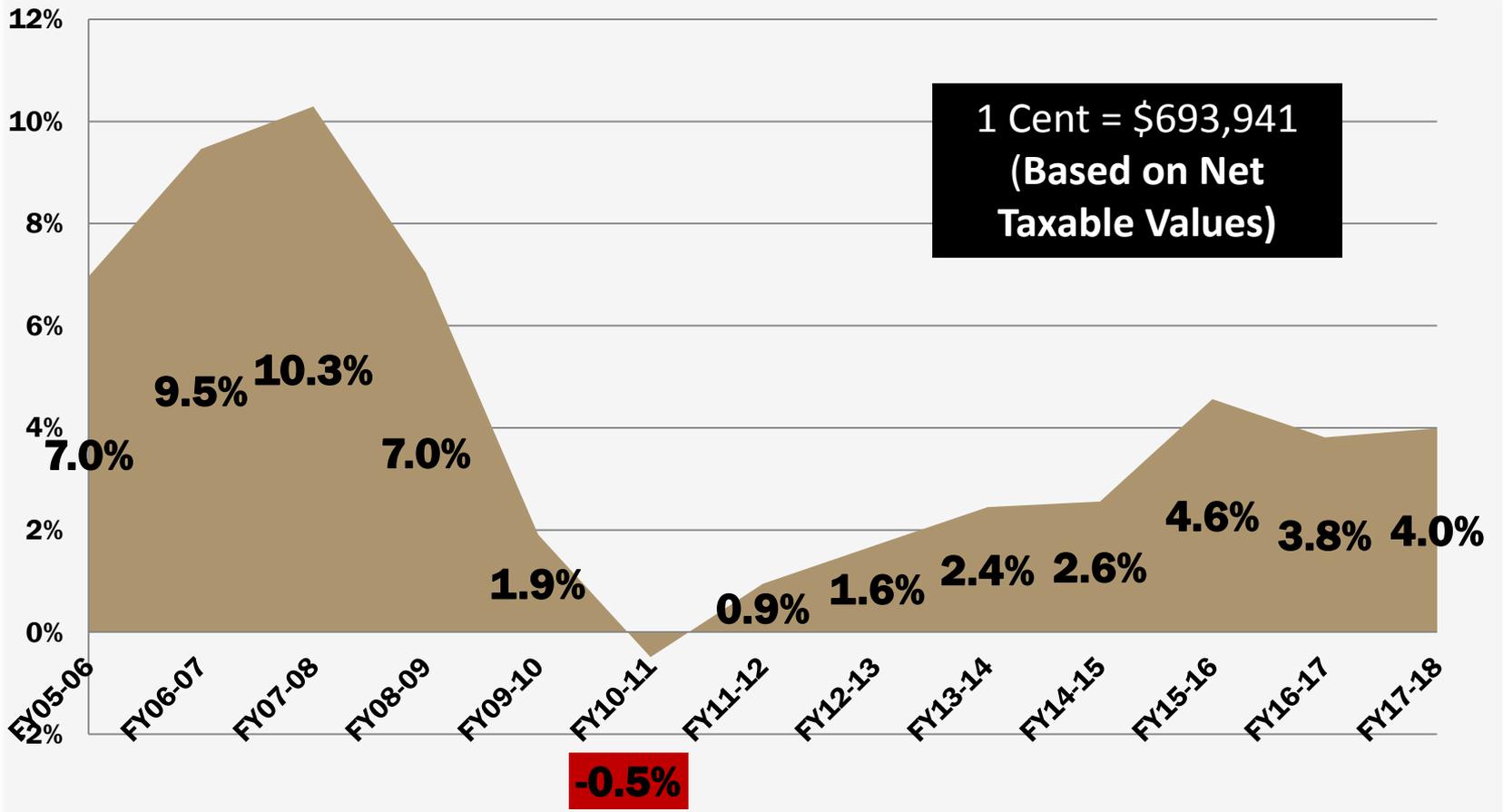


Still Funded Predominantly by 1% Sales Tax

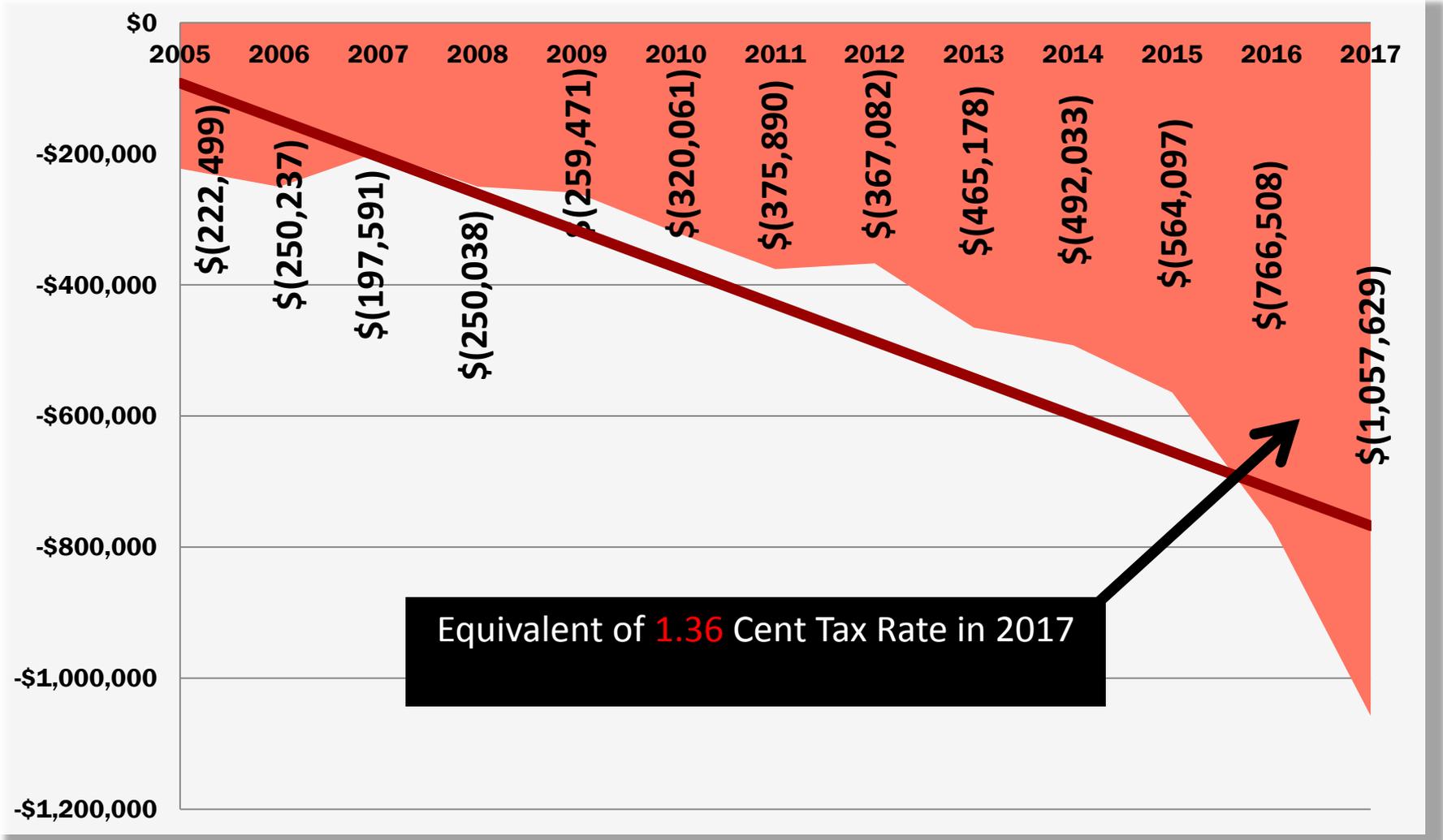
Sales Tax Collections



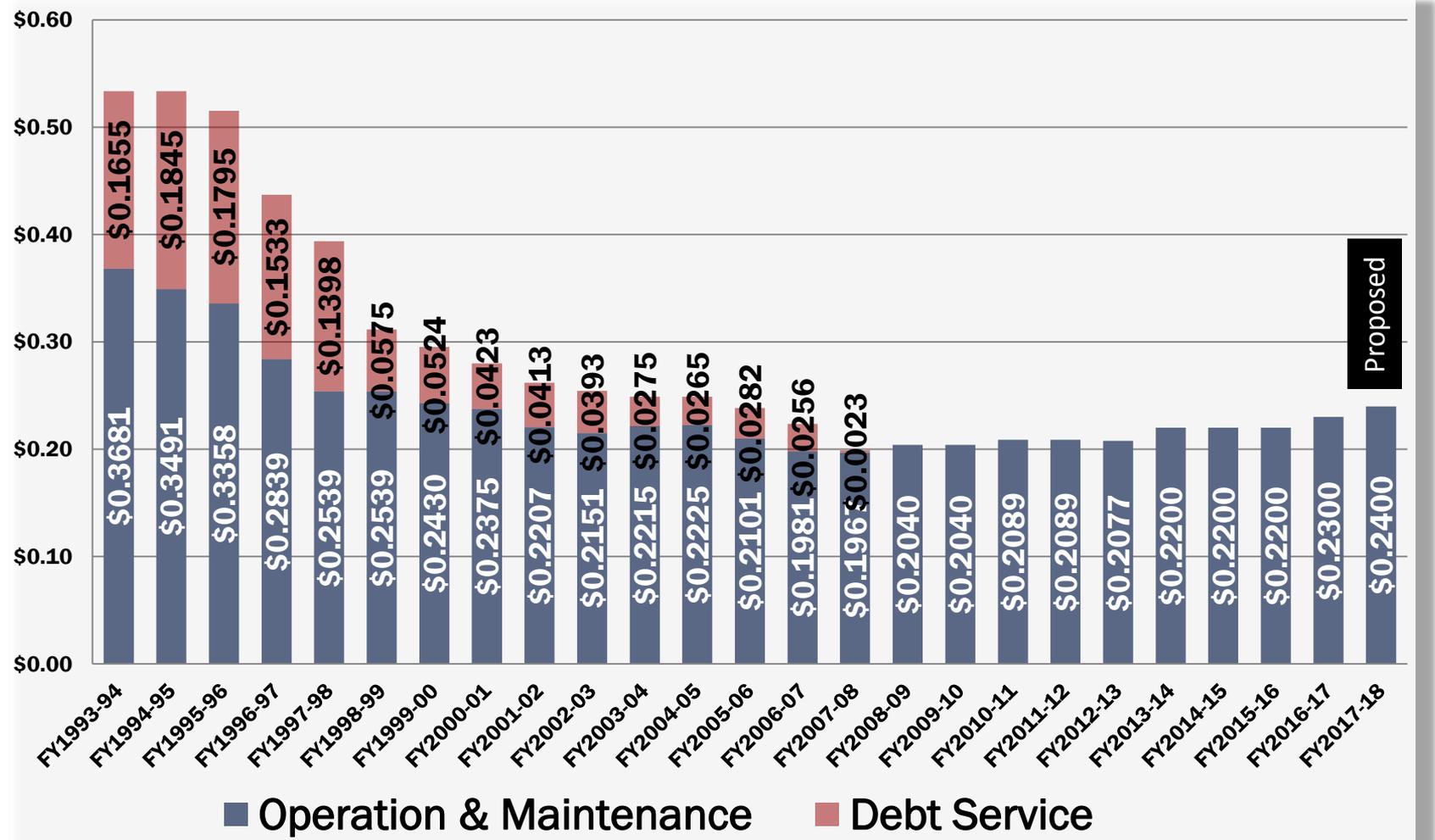
Percent Change in Taxable Values



Total Levy Frozen – \$5,588,314 Since Adopted Over 65/Persons with Disabilities Tax Ceiling (Freeze)



Tyler's Historical Tax Rate



General Fund Rate Increases

- **Fire Inspection fees - various increases totaling \$20,000**
- **Bergfield Amphitheater rental fee - \$135 to \$300 per event totaling \$5,810 annually**
- **Parks Athletic Field Fees – Standard Fee of \$2,000 per field total increase of \$112,000 per year (Current fees range \$35 to \$840)**
- **Glass Recreational Center fee – various fees totaling \$4,200**

Continue 1 Cent allocation for Street Improvements - \$693,941

Seal Coat for PCI from 65 to 85



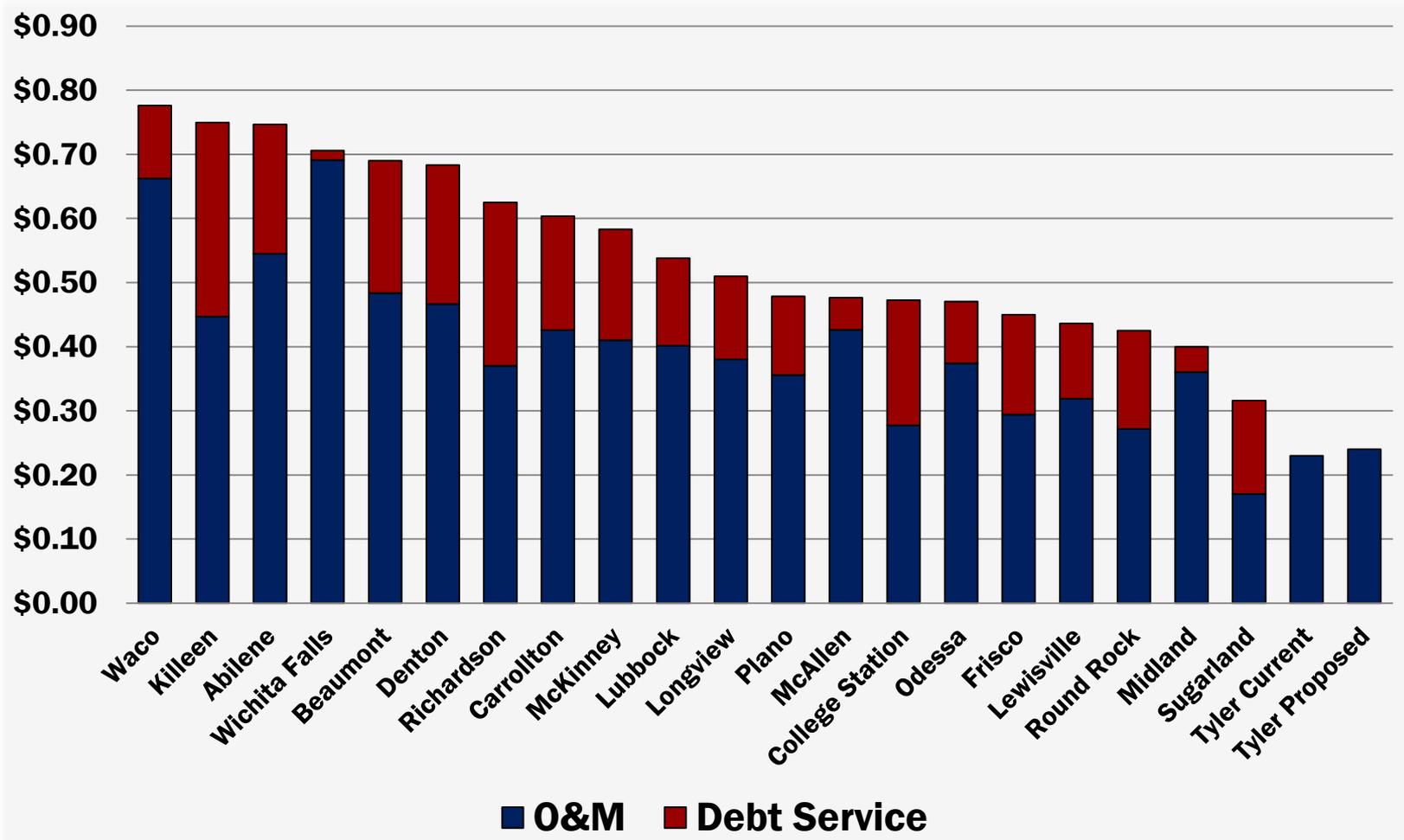
Seal Coat operations are contracted out by the City of Tyler. This type of maintenance includes an asphalt binder that is placed on the existing asphalt surface, followed with placement of aggregate material. The asphalt binder restores the aging road and seals the asphalt pavement from water damage. The aggregate helps provide skid resistance and a new surface to the roadway. Seal Coat operations will extend the life of a street by seven years and the City plans to address 32 lane miles with the funds.

Results! - 1 Cent allocation for Street Improvements

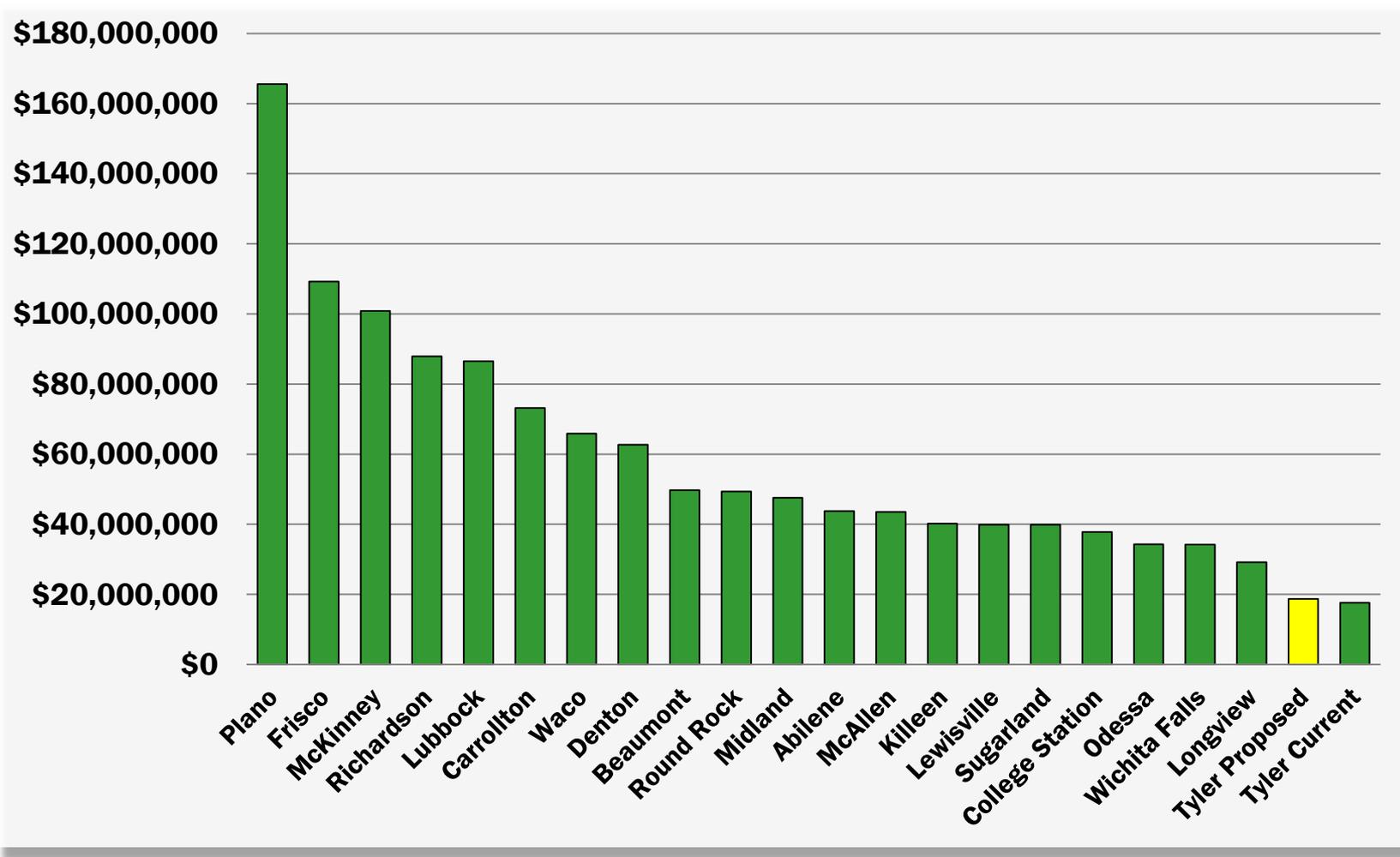
2017 Seal Coat Program and Crack Seal operations

- **Funded 47 lane miles of crack seal in preparation for seal coat and overlay program.**
- **Funded the 2017 Seal Coat Program was \$638,186**
- **The 2017 Seal Coat project is currently in construction and is 72% complete**
- **The 2017 Seal Coat will cover 20 lane miles**
- **Major streets that have been completed Azalea, Camellia, DC Drive area, and Outer Dr. area.**
- **Major streets left to Seal Coat include McDonald, Church, Herndon and Wilder Way**
- **Projected completion October 2017**

FY2016-17 Tax Rate Comparison – O&M vs Debt



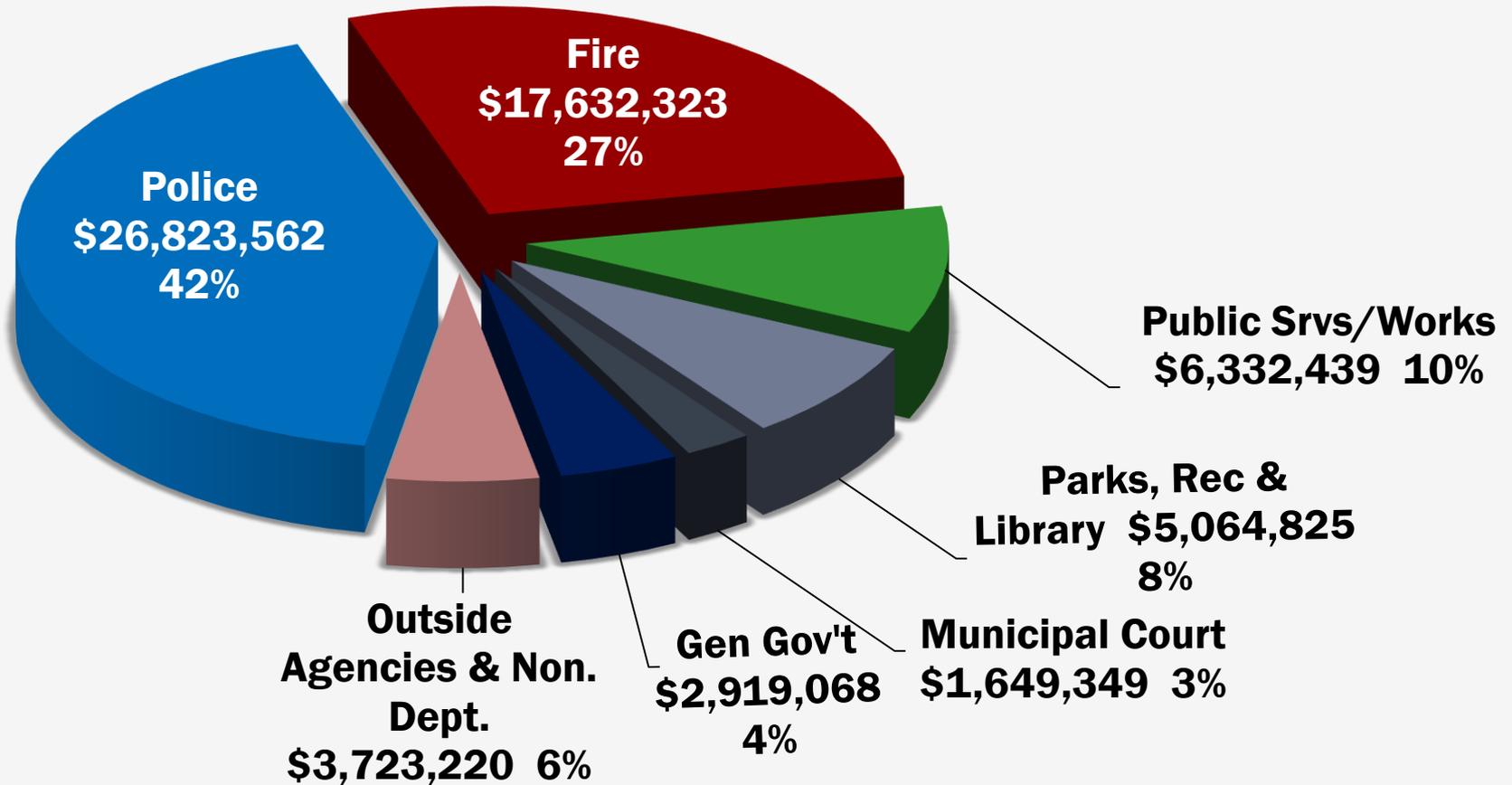
FY2016-17 Tax Levy Comparison



General Fund Expenditures

(excluding transfers to other funds)

Overall, a 0.36% increase in proposed expenditures \$236,248



Balancing the Budget

- **11 positions will continue to be frozen - \$468,937**
- **Eliminate Associate Engineer and CIP Analyst - \$76,749**
- **Reduction in outside agency funding - \$314,064**
- **Reduction in transfers to other funds - \$428,000**
- **Lowered fuel purchase projections from \$2.50 to \$2.00 per gallon - \$150,000**
- **Removal of disability premium - \$175,000**
- **Transfer funding of Innovation Pipeline coordinator to Utilities - \$100,000**

General Capital Projects (Detailed)

- **Library**

- **Brick Masonry Repair- \$25,000**



- **Public Safety**

- **71 WatchGuard Digital Cameras (2nd of 3 year lease) - \$139,703**
- **Public Safety Laptops (Lease) \$55,000**

- **Parks**

- **Children's Park Match- \$25,400**
- **Bleachers for Glass Rec - \$21,500**
- **Treadmills for Glass Rec - \$15,000**
- **Rework Water Well for Lindsey Park - 50,000**





A Natural Beauty



FY2017-18 Proposed Budget

Other Funds (Highlights)

Development Services

- **New Temporary CO fee - \$40; 1,440 annually**
- **New Plan Review fee – 20% of residential permit fee; \$28,381 annually**
- **New fee request for subdivision or public improvement infrastructure review of 1% (3% for ETJ) plus \$500; \$14,500**
- **Plating Fee increases (Wavier request, Residential Notification, and etc. totaling \$10,310**
- **Variance, Zone Change, SUP, and etc. increases totaling \$7,400**

Residential Water and Sewer Tap Fees

(not adjusted since 2008)

Water Taps and Branches

Tap Size	Average Cost		Unrecovered	
	Current Fee	Incurred by City	Cost	New Fee
1" tap x 5/8" meter	\$ 311.64	\$ 1,336.00	\$ (1,024.36)	\$ 950.00
1" tap x 1" meter	\$ 311.64	\$ 1,640.61	\$ (1,328.97)	\$ 950.00
1½" tap x 1½" meter	\$ 453.68	\$ 2,998.41	\$ (2,544.73)	\$ 1,200.00
2" tap x 2" meter	\$ 510.92	\$ 3,406.21	\$ (2,895.29)	\$ 1,600.00

Branch Size

Install Bullhead 5/8" meter	\$ 197.16	\$ 338.06	\$ (140.90)	\$ 340.00
Install Bullhead 1" meter	\$ 295.74	\$ 375.58	\$ (79.84)	\$ 375.00
Install Bullhead 1½" meter	\$ 346.62	\$ 687.70	\$ (341.08)	\$ 688.00
Install Bullhead 2" meter	\$ 452.62	\$ 781.38	\$ (328.76)	\$ 785.00

Meter Set

¾" x 5/8"	\$ 310.58	\$ 456.88	\$ (146.30)	\$ 467.00
1" x 5/8"	\$ 310.58	\$ 456.88	\$ (146.30)	\$ 467.00
1" x 1"	\$ 381.60	\$ 517.78	\$ (136.18)	\$ 528.00
1½" x 1½"	\$ 460.04	\$ 967.59	\$ (507.55)	\$ 968.00
2" x 2"	\$ 622.22	\$ 1,164.89	\$ (542.67)	\$ 1,165.00

Sewer Tap

4-inch	\$ 226.84	\$ 2,048.24	\$ (1,821.40)	\$ 950.00
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Rate Increase History

	Water Rate		Sewer Rate	
	Increase		Increase	
FY 2006	0%		0%	
FY 2007	7%		7%	
FY 2008	0%		0%	
FY 2009	6%		6%	
FY 2010	6%		6%	
FY 2011	6%		6%	
FY 2012	0%		0%	
FY 2013	2%		7%	
FY 2014	0%		5%	
FY 2015	5%		5%	
FY 2016	0%		\$ 0.58	Base Rate
FY 2017	5%		\$ 1.50	Base Rate
			\$ 0.54	per thousand
FY 2018	\$ 1.00	Base Rate	\$ 1.00	Base Rate
	1.5%	over 25 thousand	1.5%	over 25 thousand

Impact to Residential Customers*

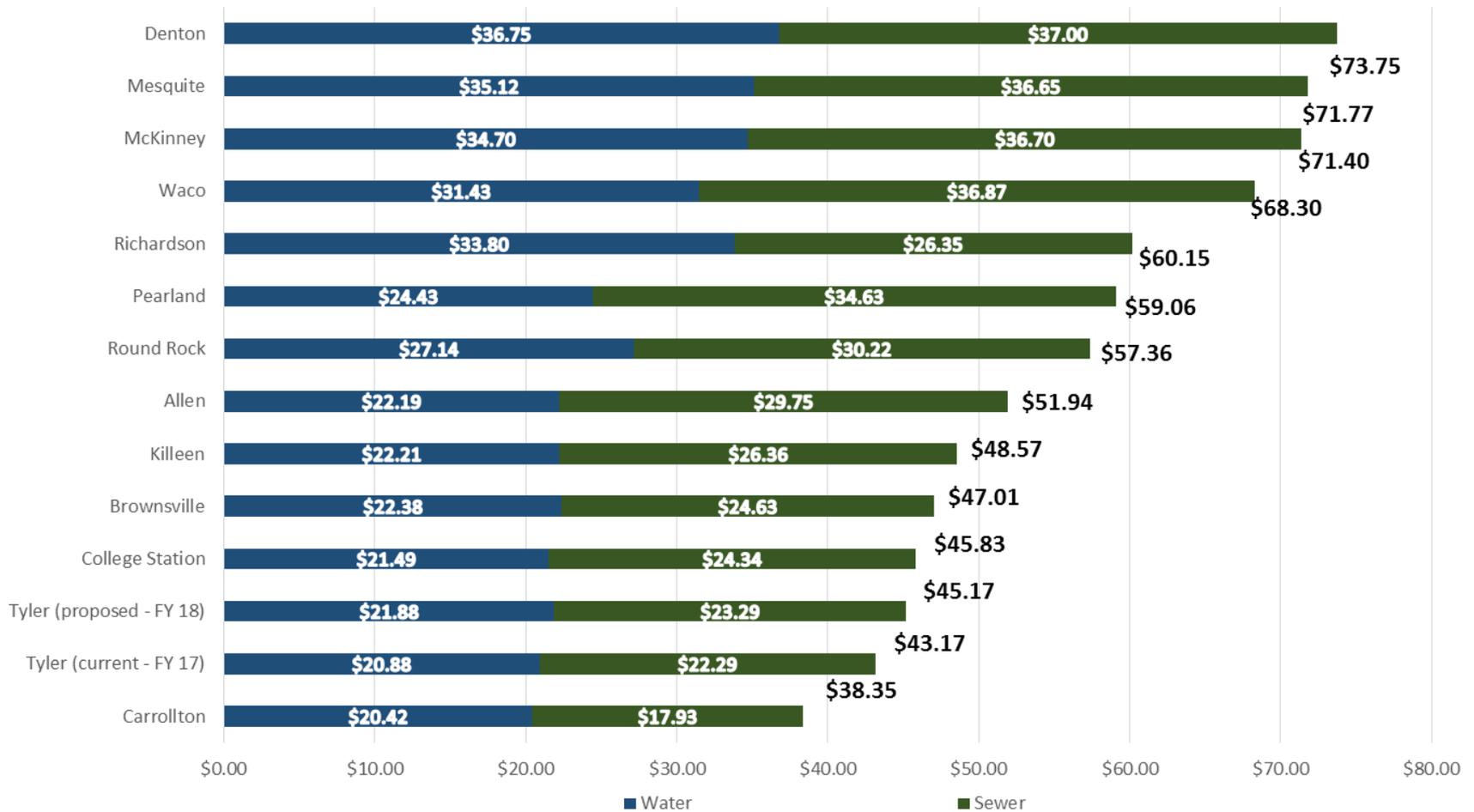
Minimum Charges (2 thousand gallons)			Consumption of 5000 gallons			Consumption of 10,000 gallons		
	<u>Current</u>	<u>2018</u>		<u>Current</u>	<u>2018</u>		<u>Current</u>	<u>2018</u>
Water	11.16	12.16	Water	20.88	21.88	Water	37.08	38.08
Sewer	14.27	15.28	Sewer	22.28	23.29	Sewer	35.63	36.64
Water Service	0.23	0.27	Water Service	0.23	0.27	Water Service	0.23	0.27
Water Quality	0.33	0.33	Water Quality	0.33	0.33	Water Quality	0.33	0.33
Storm Water	1.53	1.65	Storm Water	2.59	2.71	Storm Water	4.36	4.48
Regulatory Compliance		1.28	Regulatory Compliance		1.28	Regulatory Compliance		1.28
Water Franchise Fee	1.38	1.55	Water Franchise Fee	2.32	2.49	Water Franchise Fee	3.88	4.05
Total	28.89	32.51	Total	48.63	52.25	Total	81.51	85.14
Dollar Increase		3.62	Dollar Increase		3.62	Dollar Increase		3.62

***Includes Storm-water and Franchise Fee.**

Residential Monthly Utility Bill

(Rate excludes storm water fee, franchise fee, water quality fee, water service fee and regulatory compliance fee)

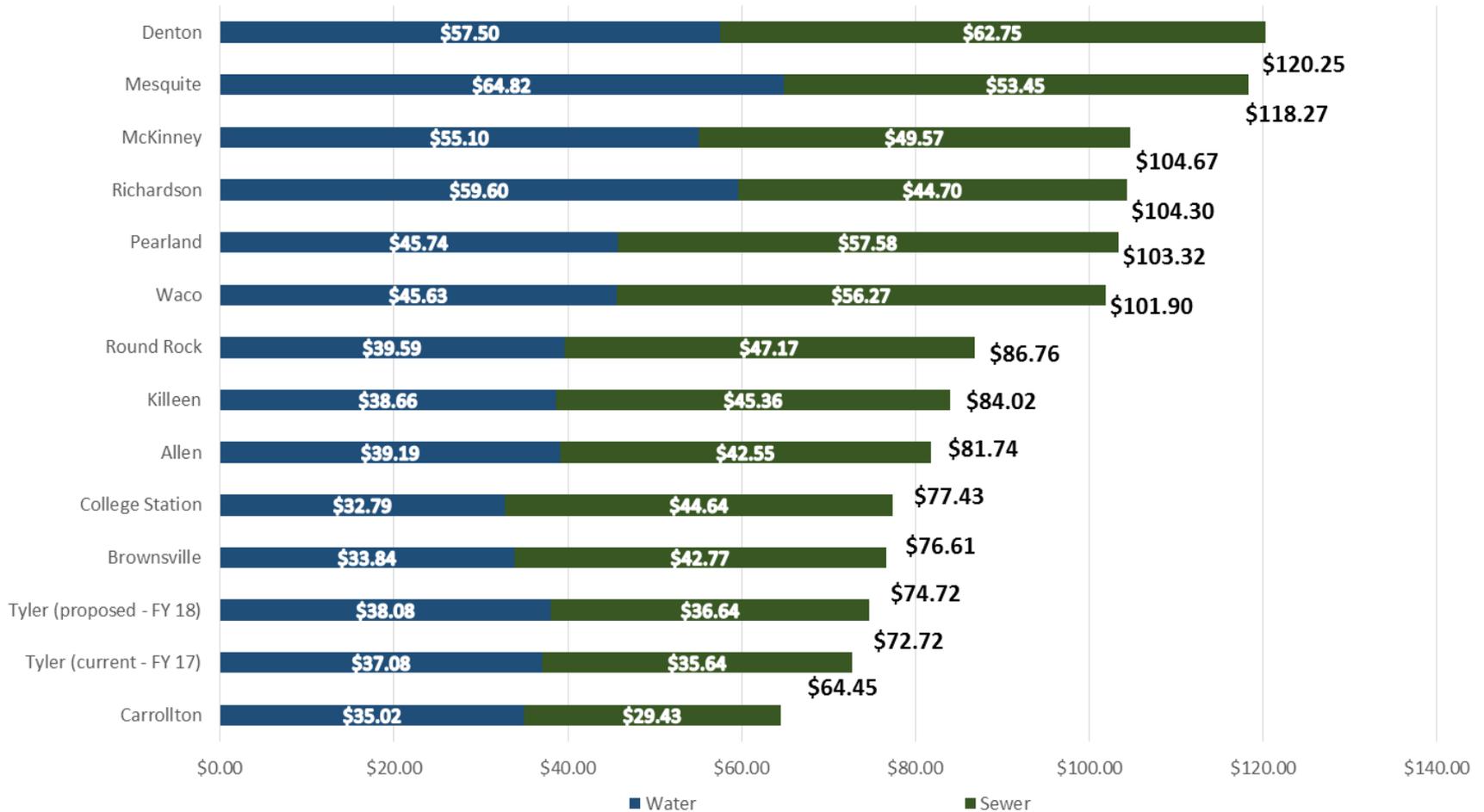
Rate Comparison - Water and Sewer Rates
(5,000 gallons usage)



Residential Monthly Utility Bill

(Rate excludes storm water fee, franchise fee, water quality fee, water service fee and regulatory compliance fee)

Rate Comparison - Water and Sewer Rates
(10,000 gallons usage)



Utilities

- **Authorization for 2 new positions:**
- **Water Business Office– 1 employee
(Utility Account Servicer) - \$40,911**
- **Waste Water Collection – 1 employee
(Equipment Operator) – \$47,097**



Utilities Capital Improvements

“Non-debt funded projects”

- **Water**
 - **2” Water Line Replacement; \$ 1,000,000**
 - **Water Meters and Boxes; \$ 750,000**
 - **Utility Repairs / Replacements in Conjunction With the Asphalt Overlay Program; \$ 500,000**
 - **18 “ Water Line -- FM 2493; \$ 710,000**
 - **Emergency Water Repairs; \$ 150,000**
 - **Golden Road Filter Control Panels 5-8; \$ 543,750**
 - **Cumberland Road Tank Painting; \$267,478**
 - **Total; \$ 3,921,228**



Utilities Capital Improvements

“Non-debt funded projects”

- **Waste Water (Sewer)**

- TXDOT Utility Relocation -- Camellia St.; \$ 405,000
- Emergency Sewer Repairs; \$ 175,000
- Southside Waste Water Treatment Plant – Clarifier Rehab.; \$ 500,000
- Total; \$ 1,080,000

- **Storm Water**

- Stagecoach Dr. Drainage Improvements Study ; \$ 40,000
- Miscellaneous Improvements; \$ 150,000
- Total; \$ 190,000



- **Revenues:**

- **\$3.00 Drive Out Fee Increase (based on 56 customers)**
- **\$3.00 Pack out Fee Increase (based on 1384 customers)**
- **\$3.00 Residential Additional Cart Fee Increase (based on 442 customers)**
- **\$2.00 Additional Residential Recycle Cart Fee (based on 70 customers)**
- **\$2.00 Residential Pick UP Rate Increase (based on a 30,831 GIS count)**
- **\$2.00 Residential Recycling Fee Increase (based on 4050 customers)**



- **Capital Expenses:**

- **Commercial Truck Buy Back** **\$437,408**
- **Residential Carts** **\$ 50,000**



- **West Terminal Security**
 - **Camera- \$20,000**



- **Cemetery**

- **Revenues**

- **New Columbarium for Rose Hill Fee- \$2,000 per niche**
- **Proposed Transfer Fee of \$250 per burial plot - \$5,000**



- **Tourism**

- **Replacement of tables and chairs in Harvey Convention Center - \$15,000**
- **Replacement of tables and chairs in Rose Garden Center- \$10,000**
- **Replace restroom partition in south foyer of Harvey Convention Center - \$11,000**



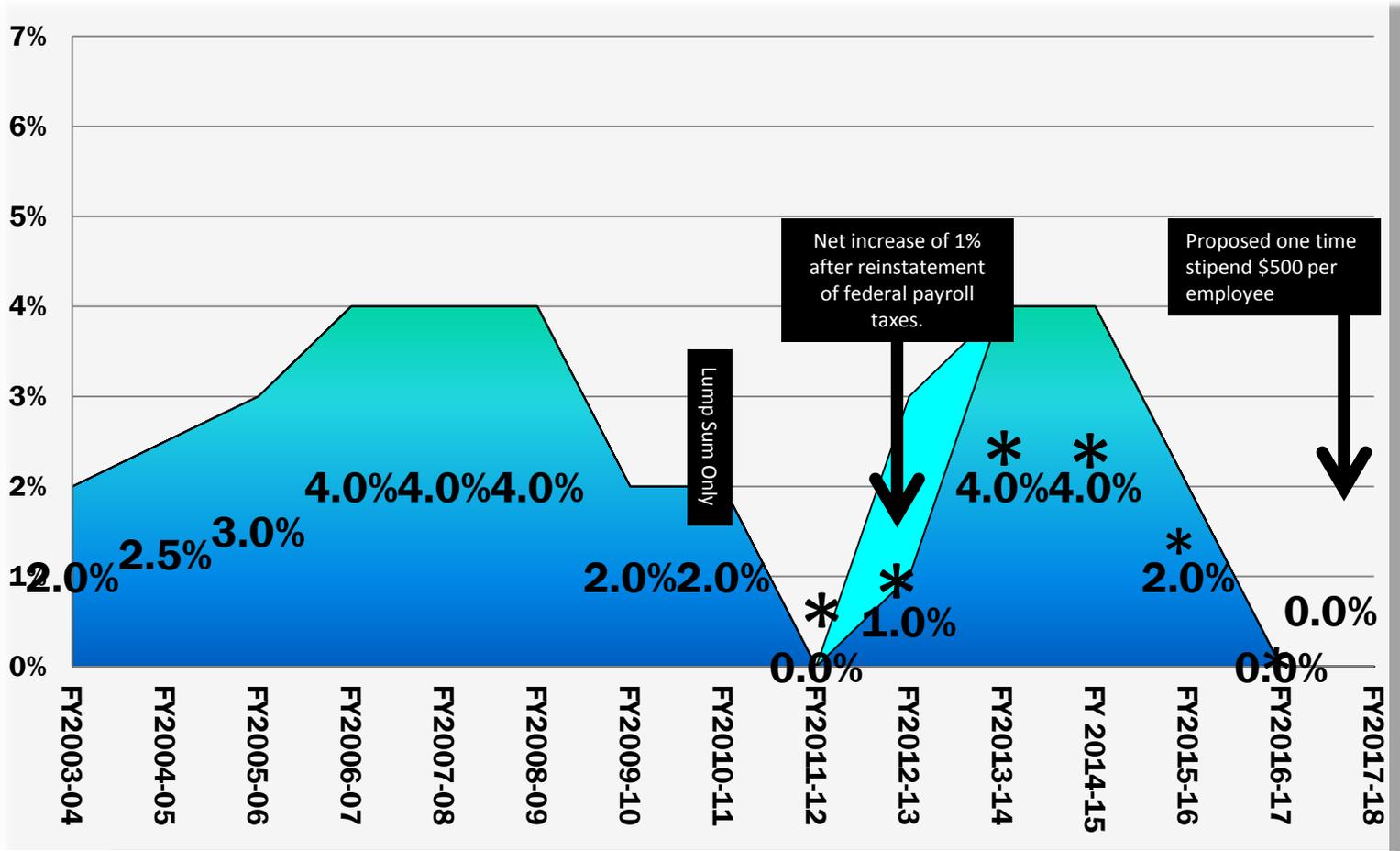
A Natural Beauty



FY2017-18 Proposed Budget

**Personnel
(All Funds)**

Historical Pay for Performance Adjustments - Max



*Increases to employee share of healthcare premiums and caps on City's contribution for over 65 retirees implemented.

Pay/Benefit Adjustments – All Funds

- **Pay Adjustments – No Increase Programmed**
 - **Civil Service – 0%**
 - **Civilian Productivity Pay – 0 %**
 - **Proposed one time stipend - \$500 per employee**

▪ **Benefit Adjustments** - beginning January 1st

▪ **Premium Adjustments**

- **Employee Only** Increase \$15 per month
- **Employee Spouse** Increase \$73 per month
- **Employee Children** Increase \$51 per month
- **Employee Family** Increase \$113 per month

▪ **Pharmacy Adjustment Medicare**

- **Elimination of Medicare prescription Drug Card**

▪ **Implementation of 90 day waiting period**

Other Adjustments are being considered but have not yet been finalized

Budget Calendar

- Fiscal Alignment Reviews – January thru April
- Submittal & review of departmental budget requests – May/June
- Compilation of Proposed Budget – July
- Initial Budget Presentation – **August 9th**
- Public Hearing – **August 23th**
- Public Hearing – **August 30th** - Special Called Meeting
- Adoption – **September 13th**



A Natural Beauty



FY2017-18 Proposed Budget



To SERVE our community to make a positive difference