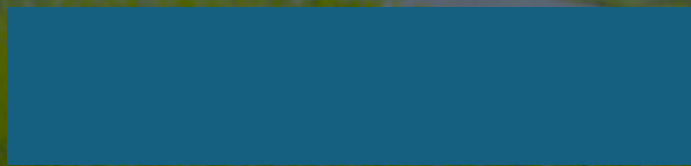


ANNUAL BUDGET



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The Annual Budget provides the resources necessary to carry out the City’s plan for providing the services, facilities, and infrastructure that help make Temple a place you love to call home. The Annual Budget is more than a spending plan; it is the way the City operationalizes our Strategic Plan, which reflects the needs and input of the community and priorities of City Council.

The development of the Annual Budget is a task of primary importance for the City Manager and the City Council. The budget is the most important working and planning tool used by the City to determine and fund the desired levels of services and infrastructure investment determined by the City Council to be necessary for the community.

The Annual Budget portion of the Business Plan formally proposes the sixth year of the Business Plan’s multi-year Financial Plan meeting the City’s Charter requirement that the City Council files a complete financial plan of all the City funds and activities for the upcoming fiscal year.

This is the sixth year we have presented the Annual Budget in the context of a multi-year business plan. The multi-year planning framework of our Business Plan allows us to be flexible and responsive to changing circumstances while maintaining our focus on intentionally planning for the future.

The focus of the FY 2025 Proposed Budget is on enhancing our service levels while responding to the growth of our community and doing so in a way that maintains the financial health of the City. This budget reflects a fiscally responsible approach to improving the City’s infrastructure and maintaining quality City services to a growing population.

In accordance with the Financial Plan, the City’s Proposed Annual Budget allocates resources based on the five focus areas identified in the Strategic Plan. The Annual Budget estimates available revenue over the upcoming fiscal year and identifies the resources needed for the specific initiatives that will help accomplish the strategic goals of the City and drive improvement in each focus area.

For fiscal year 2025, the Budget totals \$274,303,244 for all funds. This Annual Budget has been developed with the goal of providing a wide range of high-quality services while maintaining fiscal soundness as the foundation of all that we do. The Proposed Budget is based on a property tax rate of 62.67¢ per \$100 valuation, which is an increase of 1.37¢ as compared to FY 2024 tax rate of 61.30¢.

FINANCIAL HIGHLIGHTS

The FY 2025 Budget allocates resources based on the five focus areas identified in the Strategic Plan:



HIGH-PERFORMING ORGANIZATION

\$27,283,943



COMMUNICATION & COLLABORATION

\$2,630,541



PLACES & SPACES

\$29,123,268



HEALTH & SAFETY

\$51,133,347



SMART GROWTH

\$164,132,145

FINANCIAL HIGHLIGHTS

General Fund Revenues

Total revenues for the FY 2025 General Fund Proposed Budget are presented at \$126,361,352 an increase of 7.32% as compared to the FY 2024 Adopted Budget. The three largest sources of revenue for the General Fund are sales tax, property tax, and solid waste charges.

Property Tax

In the FY 2025 Proposed Budget, property tax accounts for 22.48% of the General Fund budgeted revenues and is the second largest revenue source of the General Fund. The Budget is based on a property tax rate of 62.67¢ per \$100 valuation, which is an increase of 1.37¢ as compared to FY 2024 tax rate of 61.30¢.

This rate is based on a preliminary appraised value of value of \$9,356,724,889 (net taxable value not adjusted for frozen values). The tax rate is comprised of two components, the Maintenance and Operations rate (M&O) and the Interest and Sinking rate (I&S). This year's tax rate is at 29.57¢ for the M&O rate and 33.10¢ for the I&S rate.

Sales Tax

While much attention is focused on the property tax rate number, our single largest source of revenue for the General Fund continues to be sales tax revenue. In the FY 2025 Proposed Budget, sales tax is projected to account for 29.96% of the General Fund budgeted revenues.

The FY 2025 Proposed Budget estimates \$37,854,532 in sales tax revenue, a 3.73% decrease in sales tax revenue over budgeted FY 2024 sales tax revenue.

Solid Waste Rates

Charges associated with solid waste services represent the third largest source of revenue for the General Fund and are projected to account for 14.00% of total General Fund revenues. \$17,686,210 in solid waste revenue is projected for FY 2025, representing an 11.19% increase from the FY 2024 solid waste revenue adopted budget of \$15,906,877. A rate adjustment of



approximately 7.40% is being proposed for residential services, as well as an approximate 7.00% rate adjustment for commercial services.

General Fund Expenditures

Total expenditures for the FY 2025 General Fund Proposed Budget are presented at \$130,302,652, an increase of 6.15% compared to the FY 2024 Adopted Budget.

Water and Wastewater Fund

Total revenues for the FY 2025 Water and Wastewater Fund Proposed Budget are presented at \$67,987,777, an increase of 15.65% compared to the FY 2024 Adopted Budget. Total expenditures for the FY 2025 Water and Wastewater Fund Proposed Budget are presented at \$67,987,777, an increase of 15.65% compared to the FY 2024 Adopted Budget. A rate adjustment of approximately 8.50% is being proposed for water rates, as well as an approximate 25.50% rate adjustment for wastewater rates.

Hotel/Motel Tax Fund

Total revenues for the Hotel/Motel Fund Proposed Budget are presented at \$5,432,687, an increase of 59.45% compared to the FY 2024 Adopted Budget. Expenditures for the Hotel/Motel Fund Proposed Budget are presented at \$6,212,393, an increase of 82.34%

compared to the FY 2024 Adopted Budget. The significant increase in revenues and expenditures can be attributed to the iconic music festival being planned for in the upcoming fiscal year. This event accounts for 36.81% of the proposed Hotel/Motel Fund revenues and 40.24% of the proposed Hotel/Motel expenditures.

Federal and State Grant Fund

Total revenues and expenditures for Federal and State Grant Fund Proposed Budget are presented at \$744,152, a decrease of 4.41% compared to the FY 2024 Adopted Budget. Total revenues include the award of the Community Development Block Grant (CDBG) and the anticipated award of \$93,739 for the Crisis Assistance grant. The allocation of CDBG funds are as follows:

HOMELESSNESS & MENTAL HEALTH PROGRAM	\$164,297
GENERAL ADMINISTRATION	\$130,082
PROJECTS	\$137,562
HOUSING IMPROVEMENT PROGRAM	\$129,588
NEIGHBORHOOD REVITALIZATION PROGRAM	\$88,884

Drainage Fund

Total revenues for the Drainage Fund Proposed Budget are presented at \$3,220,278, an increase of 1.05% compared to the FY 2024 Adopted Budget. These revenues are based on rates that remain unchanged from current year. Expenditures for the Drainage Fund Proposed Budget are presented at \$3,254,178, an increase of 2.11%.

