



**FY 21 ANNUAL  
BUDGET  
WORK SESSION  
AUGUST 10, 2020**

**Fiscal Year  
2021  
Overview**

**Debt  
Service  
Fund**

**Capital  
Projects  
Fund**

***Our  
Employees***

**Enterprise  
Funds**



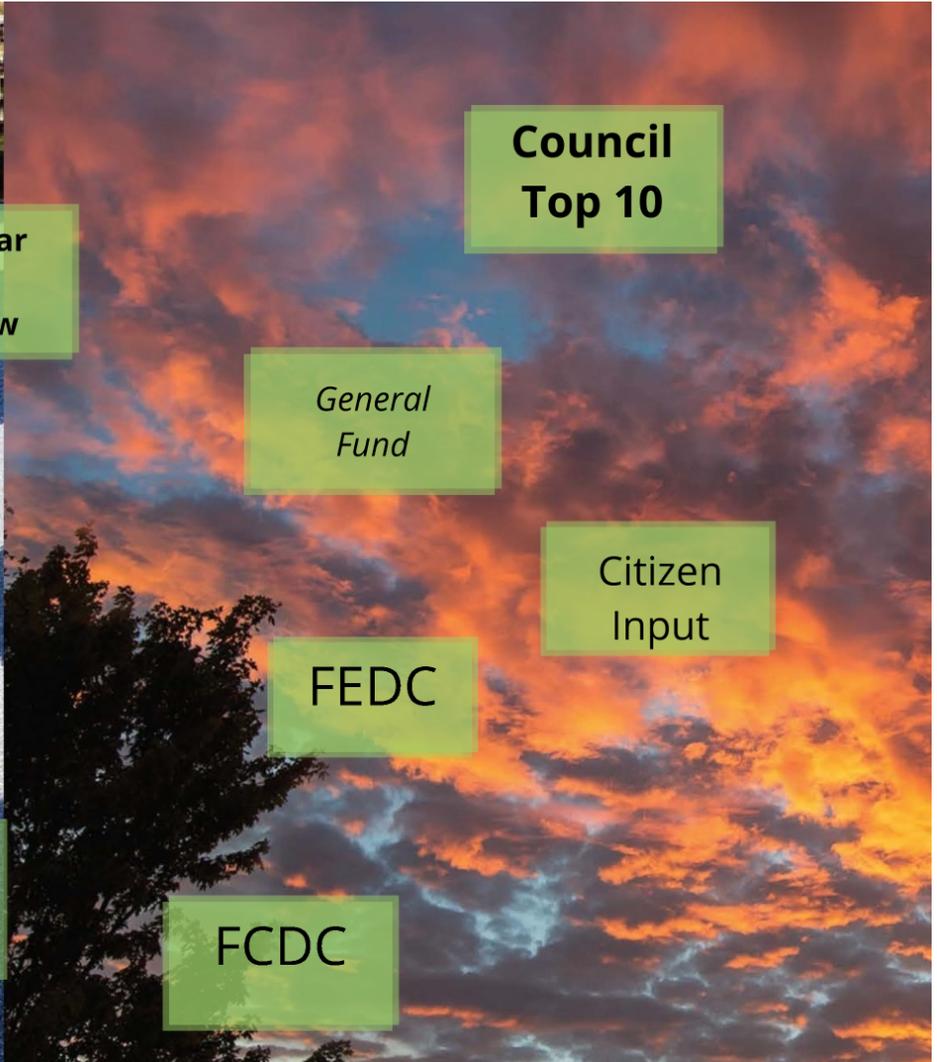
**Council  
Top 10**

*General  
Fund*

**Citizen  
Input**

**FEDC**

**FCDC**



# TOP TEN

The FY 21 Proposal  
Funds the Council  
Top 10 Priorities  
set in January  
2020  
with various  
funding sources or  
project deferrals



# FY 21 Budget Development - Challenges

COVID-19 - Global Pandemic

The Economy

86th Texas Legislature Senate Bill 2

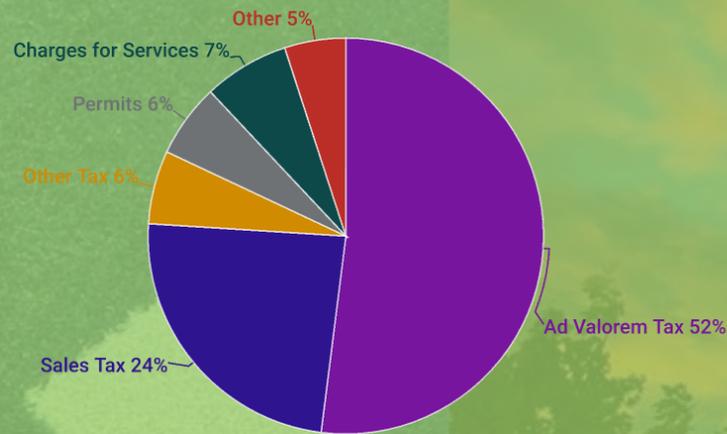
Property Tax Values

Sales Tax Collections

Fund Balance Reserves

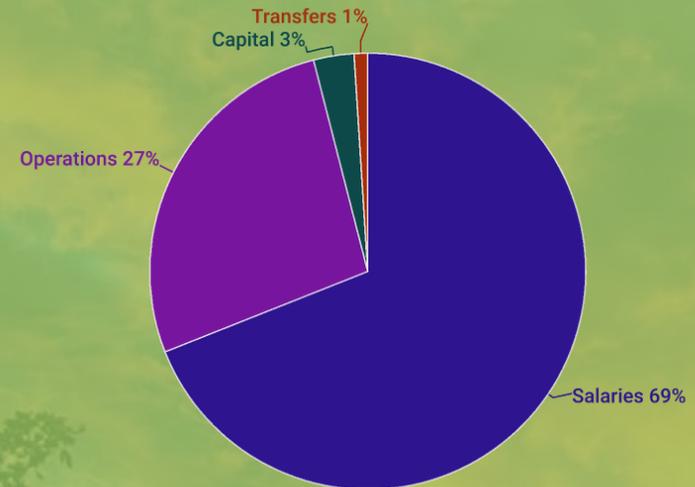
# Revenue - Expenditures

FY 21 Estimated Revenues  
\$183 Million



● Ad Valorem Tax ● Sales Tax ● Other Tax ● Permits  
● Charges for Services ● Other

FY 21 Proposed Expenditures  
\$183 Million



● Salaries ● Operations ● Capital ● Transfers

Ending Unassigned Fund Balance of \$68.4 Million or 37.69%

# Property Taxes

Assessed Valuation FY20	\$31,652,546,777
New Value FY21	\$ 1,805,379,669
Re-Value FY21	\$ 44,975,504
Assessed Valuation FY21	\$33,502,901,950

Average Taxable Home Value is \$418,042

# General Fund - Assumptions

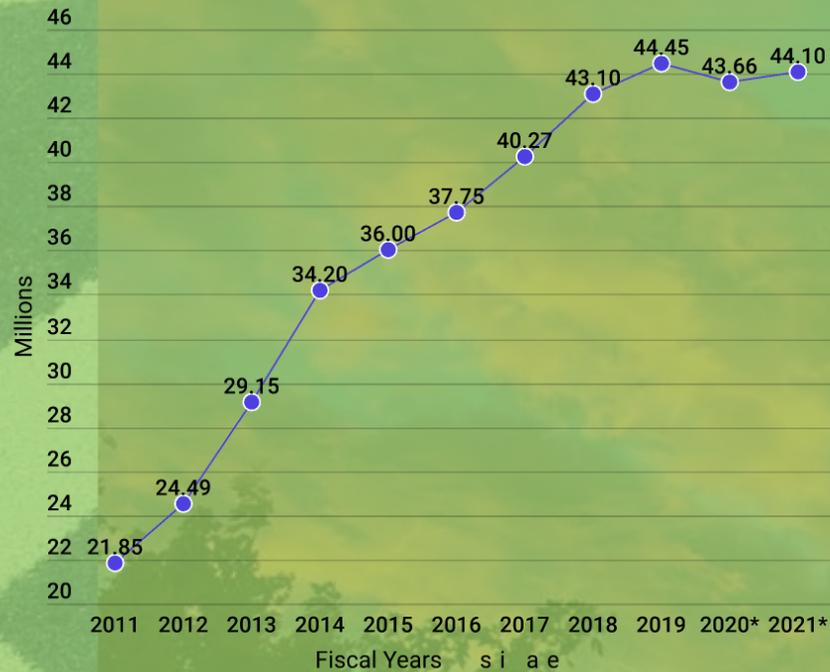
## Property Taxes

Proposed Tax Rate \$0.446600

No-New Revenue Tax Rate \$0.450894

Voter-Approval Tax Rate \$0.455172 (3.5% cap)

# General Fund Sales Tax Revenue

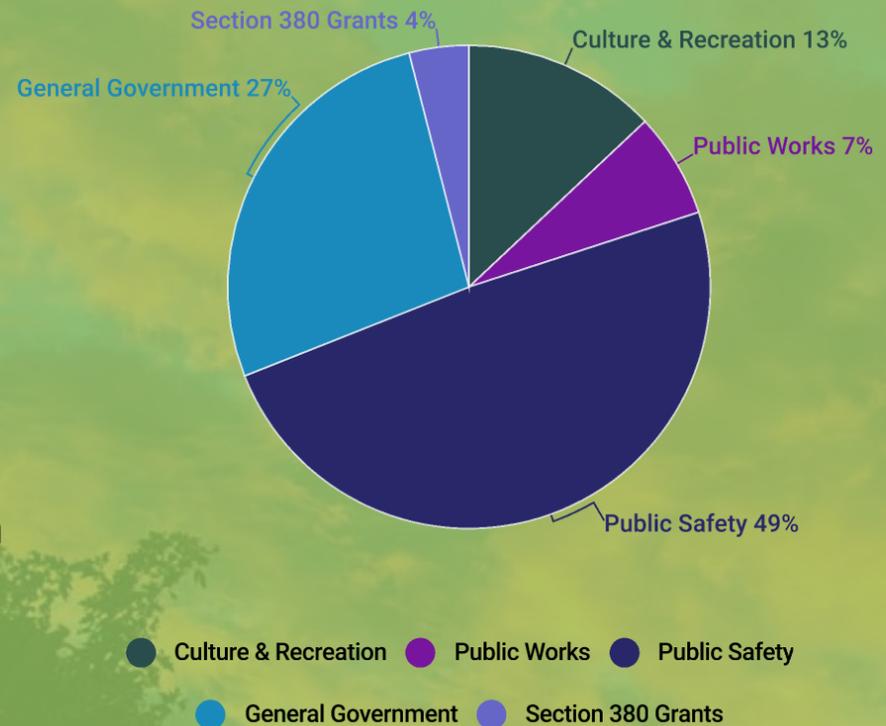


FY 2020 sales tax revenue projected at \$43.66 million, a 1.8% decrease from FY 2019

FY 2021 sales tax revenue projected at \$44.10 million, a 1% increase over FY 2020 estimate

# Revenue - Expenditures by Function

- FY 21 Expenditures:
  - 49% Public Safety
  - 13% Culture and Recreation
  - 7% Public Works
  - 27% General Government
  - 4% Section 380 Grants
- FY 21 Capital Total Cost - \$6 Million



# ENTERPRISE FUNDS

## **Total**

- FY 21 Revenue - \$134.6 Million
- FY 21 Expenses - \$135.9 Million

## **Utility Fund**

- NTMWD Costs of Sales is 55% of Total Expense
- FY 21 Ending Working Capital - \$51.8 Million
- Target Policy - 210 Days in Cash
  - FY 21 - 202 Days in Cash

# ENTERPRISE FUNDS

- Water and Sewer - No proposed rate increases
  - NTMWD fees remained flat for water charges (\$2.99/thousand gallons)
  - Minimum take-or-pay is up 6% from 10.9 to 11.6 billion gallons
- Environmental Services - No proposed rate increases
- Stormwater rates are being reviewed based on capital needs - slope failures & erosion issues

# Capital Projects Fund

- \$432 Million Total (Multi Year Plan)
- \$189 Million - Facilities
- \$213 Million - Thoroughfare Improvements
- \$ 30 Million - Parks and Hike/Bike Trail Improvements
  
- \$102 Million - Utility Projects (Multi Year Plan)

# Debt Service Fund

- 33% of Total Tax Rate
- Voters approved \$345 Million Bond Authorization May 2019
- Sold \$30 Million New Bond Proceeds in FY 20
- Estimated increase in total Debt Service Cost for FY 21 is \$880,000
  - Decrease in I&S Tax Rate of \$.007453
- Remaining Authorized but Unissued Bonds of \$318.5 Million

# OUR EMPLOYEES

- 3% Average Merit or 3% Step for Uniformed Officers - over \$4 Million
- Employee Clinic - \$1 Million (Transfer from Insurance Reserve)
- Insurance cost remains steady  
(no increase being proposed for premiums for FY 21)

New Positions - General Fund - 3 of these positions are 100% grant funded

- 4 - Police Patrol (1 of the 4 is grant funded)
- 1 - Police Patrol Wellness Coordinator (grant funded)
- 1 - Police Special Victims Advocate (grant funded)
- 1 - Deputy Fire Chief - Operations Shift

# FCDC

- FY 21 Estimated Revenue - \$26.4 Million
- FY 21 Estimated Expenditures - \$27.3 Million
  - Operations - \$700,000
  - Incentives - \$2.1 Million
  - Debt Appropriations - \$9.9 Million
  - Capital Expense and Transfers - \$14.6 Million
- Ending Unassigned Fund Balance of \$26.5 Million  
Policy 25% of Annual Sales Tax and Interest Revenue

# FEDC

- FY 21 Estimated Revenue - \$22.9 Million
- FY 21 Estimated Expenditures - \$30.5 Million
  - Operations - \$ 3.9 Million
  - Incentives - \$18.1 Million
  - Debt Appropriations - \$3.7 Million
  - Capital and Transfers - \$4.6 Million
- Ending Unassigned Fund Balance of \$26.9 Million  
Policy 25% of Annual Sales Tax and Interest Revenue

# Opportunities for Citizen Input

**The Proposed Budget and all presentations are on the City Web Page -  
[www.friscotexas.gov/Budget-Office](http://www.friscotexas.gov/Budget-Office)**

## **Meeting Dates**

**August 10 - City Council Work Session**

**August 18 - 1st Public Hearing - Proposed Budget & Stormwater Fee Discussion**

**September 1 - 2nd Public Hearing - Proposed Budget**

**September 15 - Public Hearing - Tax Rate**

**Council adopts Budget, Fee Ordinance and Sets Tax Rate**