

CITY OF PINEY POINT VILLAGE, TEXAS
PROPOSED BUDGET
FISCAL YEAR JANUARY 1, 2025 - DECEMBER 31, 2025

ALIZA DUTT
MAYOR

JOEL BENDER
MAYOR PRO-TEM
COUNCIL MEMBER, POSITION 3

MICHAEL HERMINGHAUS
COUNCIL MEMBER, POSITION 1

DALE DODDS
COUNCIL MEMBER, POSITION 2

MARGARET ROHDE
COUNCIL MEMBER, POSITION 4

JONATHAN CURTH
COUNCIL MEMBER, POSITION 5

PRESENTED BY:
ROBERT PENNINGTON
CITY ADMINISTRATOR

MICHELLE YI
FINANCE DIRECTOR

For more information contact:
The City of Piney Point Village
7660 Woodway, Suite 460; Houston, Texas 77063
(713) 782-0271
www.cityofpineypoint.com



PINEY POINT VILLAGE, TEXAS

PROPOSED BUDGET

FISCAL YEAR 2025

PRINCIPAL CITY OFFICIALS

City Elected Officials

Aliza Dutt	Mayor
Michael Herminghaus	Council Member, Position 1
Dale Dodds	Council Member, Position 2
Joel Bender	Council Member, Position 3, Mayor Pro-Tem
Margaret Rohde	Council Member, Position 4
Jonathan Curth	Council Member, Position 5

Board of Adjustment

Lawrence Chapman	Chairman
Vickie Driscoll	Member
Roland Sauermann	Member
Kevin F. Risley	Member
Michael Cooper	Member
Scott Bender	Alternate Member
John Brennan	Alternate Member
Zeb Nash	Alternate Member
Britton Holland	Alternate Member

Planning and Zoning Commission

Don Jones	Chairman
Bill Burney	Member
Buck Ballas	Member
Dana Gompers	Member
William Ogden	Member

Memorial Village Police Commission

James Huguenard	Police Commissioner
Solace Southwick	Police Commissioner
John Ebeling	Alternate Police Commissioner
Ray Schultz	Police Chief

Village Fire Commission

Henry Kollenbert	Fire Commissioner
Aliza Dutt	Alternate Fire Commissioner
Howard Miller	Fire Chief

Appointed Officials

Robert Pennington	City Administrator
David Olson	City Attorney
John J. Klevenhagen	Municipal Court Judge

Primary Staff

Michelle Yi	Finance Director
Annette Arriaga	Director of Planning
Maria Garcia-Ruiz	Municipal Court Clerk

Mayor, Aliza Dutt
Mayor Pro-Tem, Joel Bender

City Council
Michael Herminghaus
Dale Dodds
Margaret Rohde
Jonathan Curth



7660 Woodway, Suite 460
Houston, Texas 77063
Robert Pennington, City Administrator
Phone (713) 782-0271
www.cityofpineypoint.com

July 19, 2024

Honorable Mayor and Members of the City Council
City of Piney Point Village, Texas

I am pleased to submit the proposed 2025 Budget for your consideration. This budget document is designed to provide a comprehensive overview of the financial plan for the upcoming fiscal year, which runs from January 1, 2025, to December 31, 2025. It includes detailed projections of revenues and expenditures, as well as capital improvement funding for strategic initiatives aligned with the city's goals.

The proposed budget serves as the initial balanced budget, presenting total expected revenues equaling planned spending. This demonstrates our commitment to upholding financial stability while addressing vital community needs. The finalized document will be formally presented for adoption subsequent to a collaborative process aimed at evaluating our requirements and securing funding. As we continue to engage with various stakeholders, the final document will delineate the established priorities aimed at strategically enhancing the community's infrastructure and services. The outlined plan is designed to ensure stability while mitigating potential future risks.

It is imperative to note that the city plans to use additional funding from its reserves for one-time and nonrecurring expenses beyond what is presented in the initial filing. The objective to first show that the city can operate on a balanced budget then include the nonrecurring sources as it is to further improve city infrastructure, including streets and drainage for the citizens. The adjustments, primarily additions, will be meticulously monitored throughout the process and incorporated into the final document with a strong focus on financial transparency. Our team takes pride in presenting a budget that diverges from the conventional approach observed in many cities. Instead of revealing a deficit and subsequently reducing services in order to achieve balance, a practice that constitutes precarious financial planning, our endeavor is to refrain from adopting such a course of action.

As per the current economic outlook, it is advisable to maintain continuous vigilance over inflationary factors. Nevertheless, there are indications of a diminishing trend in overall inflation. In June, the nation reported a 2.7% year-over-year increase, down from a 2.9% rise in May. The once-strong job market is now slowing down, and unemployment has risen to 4.1%. Workers are "quitting" at a slower pace, and college graduates are finding it harder to land jobs. Our staff will continue to monitor economic factors that could impact the final budget for 2025. However, the

city's financial position remains very stable, and the proposed budget includes the following highlights:

- In order to maintain high standards of sanitation collection services, a 5.31% annual increase in the general fund revenue, including the fuel surcharge, is required.
- The proposed plan allows for a salary and wage increase of up to 4% for Piney Point employees. However, the administration acknowledges the need to consider a rate increase that is more in line with market conditions. This will be determined in December, after the budget is adopted. Therefore, there is potential for savings in this area.
- Capital improvement program estimated at \$1,318,392 includes Chuckanut, various street paving, traffic signals, as well as other undesignated programs totaling \$281,077. These funds may be used to support capital improvements or expanded recurring operations for the benefit of the residents.

Thankfully, our council's established practice of responsible budgeting has allowed for these proposed improvements. I eagerly await the council's guidance in finalizing an adopted budget in September.

Respectfully submitted,

Robert Pennington
City Administrator

GENERAL FUND

The General Fund, also known as Fund 10, is the main source of financing for all essential governmental services in Piney Point Village. The primary revenue streams include property tax, sales tax, franchise fees, permits, use fees, and court fines. The expenditures cover various divisions, including public services, contract services, development services, administrative services, municipal court, public works, and capital programs. Public safety services for Piney Point Village residents are provided by the Village Fire Department and Memorial Village Police Department, which are the major funded items in the operational budget.

FISCAL YEAR 2025 PROPOSED BUDGET

	FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
Total Revenues	10,308,959	9,240,418	9,173,743	9,281,870
Total Expenditures	9,344,667	10,143,382	9,173,743	9,281,870
<i>Over/(Under) Expenditures:</i>	<i>964,292</i>	<i>(902,964)</i>	<i>0</i>	<i>0</i>
<i>Fund Balance - Ending:</i>	<i>5,595,413</i>	<i>4,692,449</i>	<i>5,595,413</i>	<i>5,595,413</i>

The projected revenues for 2024 are \$9,173,743, which is \$66,675, or 0.7% less than the budget. This is primarily due to a shift in sales tax trends and a conservative estimate of permit activity. The 2025 proposed revenues total \$9,281,870 and account for increases in property value. Revenues remain relatively flat due to reduced Special Use Permit construction activity.

- **Property Tax:** Maintenance and operating property tax amount to an expected collection levy of \$6,870,898, 0.9% lower than the original budget projection. The 2025 Proposed budget incorporates the 2024 Projected value as its base and a conservative 3.0% increase of \$206,127, making the total \$7,077,025. However, actual certified values, truth-in-taxation, and adjustments to tax rate calculations for debt service will need to be made before the final budget approval. These changes will be monitored throughout the budget process.
- **Sales Tax:** Texas imposes 6.25% state sales and use tax on all retail sales, leases, and rentals of most goods, as well as taxable services. As a local taxing jurisdiction, Piney Point imposes an additional 1%, and METRO also imposes 1%, for a maximum combined rate of 8.25%. The Texas Comptroller reported Piney Point sales tax collections as \$220,718 for May 2024. The projected decline is 5.1% in collections compared to the budgeted \$460,725 for 2024. The proposed amount remains unchanged at \$460,725.
- **Permits and Inspections:** Municipal planning permits are essential for regulating land use to achieve the desired community planning outcome. Piney Point Village recently approved three special use zoning permits to SBISD, Saint Frances, and The Kinkaid School that allow these properties to be used in a council-approved manner that varies from the typical process of accepted use in the residential zone (R1). Plat reviews regulate adjustments of subdivision plat records. The city continues to see high-end residential redevelopment on existing lots. Through May, \$190,021 in Permits & Inspection Fees (10-4207) were collected, only half of the May 2023 report of \$384,673. The remaining months of 2023 recorded an additional \$582,895. The city administration expected the bubble of SUP permit activity; the only unknown was the timing of the permit approval and revenue posting for these colossal projects. For the 2024 Projected, \$460,000 was calculated for the fiscal year-end. The 2024 Proposed is \$90,000 less than the original budget. Staff will continue monitoring 2024 projections as the planned phase of Kinkaid's Upper School is underway. Plat Reviews (10-4203) at \$100,000, Contractor Registration (10-4205) at \$8,800, and

Board of Adjustment fees (10-4208) at \$500 have a more conservative outlook based on current collections. Drainage Reviews (10-4206) reported at \$31,550 is expected to meet the \$50,000 original target. After a revised review, the 2024 Projected total is \$520,300, and the 2025 Proposed total is the same \$52,300.

- **Court Revenue**: Court revenue through May is \$57,428, and \$5,855 less than last year. The city collected \$124,827 for year-end 2023. Both 2024 Projected and 2025 Proposed are adjusted to total \$129,000.
- **Investment Income**: Interest income remains at historical highs due to the Federal Reserve. The May investment income is reported at \$220,450. The following months will see some use of cash reserves, but conservative trends target at least \$40,000 per month. The current outlook indicates that these rates will likely stay high, with a possibility of some planned reduction. The Fed is eager to lower interest rates but is being cautious due to persistent inflationary factors. The 2025 proposed amount is \$50,000 lower than the 2024 projected amount, in anticipation of a moderate reduction in interest rates.
- **Agencies & Alarms**: Alarm Registration for May 2024 is \$21,550, with collections due in January. Both 2024 Projected and 2025 Proposed are adjusted to total \$23,500. Annual alarm registrations prove to be beneficial in maintaining up-to-date emergency information for individual properties.
- **Franchise Revenue**: May franchise taxes are reported at \$145,715. Cable Franchise (10-4602) is reported at \$20,896, with the expectancy of three additional quarterly proceeds for a total of \$85,153. Power/Electric Franchise (10-4605) to total \$113,510. The Gas Franchise (10-4606) budget remains unchanged at \$25,000 as the annual payment is received at the end of the year, and collections are subject to volatile market rates. The Telephone Franchise (10-4607) should include three additional quarterly proceeds to total \$3,300. The Wireless Franchise (10-4608) is \$10,543 and projected at \$24,000. Both the 2024 Projected and 2025 Proposed are adjusted slightly higher than the 2024 Budget by \$21,985 to total \$409,872.
- **Contributions, Donations, & Non-Operating Revenue**: The majority of category funds are from contributions, intergovernmental, and reimbursements.
 - **Contributions**: The Kinkaid School pledged discretionary payments in lieu of real estate taxes relating to Kinkaid's property. Kinkaid pledged \$107,500.
 - **Intergovernmental**: Metro Transit funds are historically received in October each year, totaling \$136,000,
 - **Reimbursement/Other**: Ambulance reimbursement has returned to participating villages at an annual expectancy of \$48,000. This standard practice was held during the reconstruction of the Village Fire Station, and funds are again redirected in 2025 to the VFD capital replacement, to fund apparatuses in the near term. Other forms of reimbursement or non-operating income include forfeitures in temporary certificates of occupancy (TCO), unrealized as non-operating revenue.

The 2024 projected expenditures total \$9,173,743, of which \$1,529,714 is related to nonrecurring capital improvements. The 2025 proposed expenditures total \$9,281,870. It is a balanced budget and confirms that the city can manage current services with the available annual financial resources, meeting the initial objective of this stage of the budget process. This budget allocates \$1,318,392 in new capital programming without additional resources. The council and this administration will likely finalize this budget and ultimately adopt the use of a portion of retained resources toward non-recurring programming while maintaining adequate reserves.

Public Services

The budget categorizes general fund operations into several divisions, with most resources supporting the Public Service Division. This division includes police, fire, and sanitation. Public Services totals \$5,441,229, a \$119,666 (2.2%) increase over the 2024 Projected.

- **Police Services**: The Memorial Village Police Department (MVPD) has a proposed budget of \$2,681,789 for 2025. This is a \$59,521 or 2.3% increase from the projected budget of \$2,622,268. The breakdown of the budget has MVPD Operations at \$2,625,123, MVPD Auto Replacement at \$48,000, and MVPD Capital at \$8,667.

- Fire Services: The VFD 2024 Projected is \$2,081,832, and unchanged from the 2024 Amended. The VFD 2025 Proposed at \$2,115,943 is \$34,111 (1.6%) greater than the 2024 Projected. The VFD will retain ambulance proceeds to fund capital directly.
- Sanitation Collection: Services include traditional “backdoor,” twice each week for municipal solid waste and once each week for recycling from each residential unit. Notification of a rate change increases services by 4.5%. The total cost for 2024 Projected is \$578,520. The 2025 Proposed is calculated on similar terms and future rate expectations for \$578,520.
- Other Public Services: Other services include Community Events at \$6,000, Street Lighting Services at \$14,400, and Library Services at \$1,500, totaling \$21,900.

Other Operating:

The budget allocates over a quarter of the general fund to support contract services, development services, and administrative, court, and public works. These activities are detailed below:

- Contract Service Division: The Contract Service Division includes Engineering, Legal, Auditing, Tax Appraisal, Mosquito Control, and other contracted services Piney Point has with other entities. Most of the division allocates funds for engineering services (46%) and legal services (21%). Total 2025 Proposed is \$476,500, an increase of \$1,000 or 0.2% over the 2024 Amended.
- Development Services: Expenditures within the division remain on target with the original budget. The total proposed for 2025 is \$302,200.
- Administrative Services: Expenditures within the division at \$1,245,106 are projected to be higher than the 2024 Amended at \$1,228,060 but do remain close to the original budget target. Additional costs in moving server equipment and using temporary office space allocation and storage are related to the modest increase of \$17,046. However, there are cost savings in the timing and structure of the new lease, and the review for additional savings will be monitored for the final changes to the budget. The 2025 Proposed supports up to a 4% increase in salary/wages. However, the final salary recommendation will be further reviewed on CPI and market conditions. Any additional changes in personnel and benefits will be presented before budget adoption. The Proposed is \$1,319,609.
- Municipal Court: Expenditures within the division remain below original budget targets. Court funding and operations are commended, as we have been working from temporary locations and have had to pivot for these changes without a decrease in collections. The total 2025 Proposed is \$35,510, the same as the 2024 Budget.
- Public Works/ Maintenance: The year is expected to have some cost savings totaling \$53,500 for landscape maintenance. However, this review occurred before the hurricane and will be reconsidered with these costs in mind. The total 2024 Projected is \$264,150. The 2025 Proposed is \$388,430, with increases to support the improvements to landscaped areas and additional contract services for manicuring the rights-of-way beyond the current level.

Capital and Undefined Programming:

Capital expenditures total \$1,318,392, or 14% of the current annual resources. This total is in addition to the current capital programs underway in the 2024 fiscal year. Capital programming will be detailed after a review by the city engineer and further programmed before final adoption.

Reserves:

The city balances revenues over expenditures. The beginning fund balance is projected at \$5,595,413, with the ending balance unchanged. The city maintains \$1,990,869 as a 90-day reserve, with the unallocated at \$3,604,544 at the filing of this budget.

GENERAL FUND - 10
FISCAL YEAR 2025 PROPOSED BUDGET

	FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
REVENUES:				
Property Taxes	6,544,370	6,930,156	6,870,898	7,077,025
Sales Taxes	510,017	485,725	460,725	460,725
Permits & Inspections	1,054,409	622,150	520,300	520,300
Court Revenue	135,966	135,000	129,000	129,000
Investment Income	398,488	374,000	450,000	400,000
Agencies & Alarms	26,100	25,000	23,500	23,500
Franchise Taxes	417,322	387,887	409,872	409,872
Contribution & Use Fee	173,000	95,000	107,500	107,500
Other Governmental	136,000	136,500	136,000	136,000
Donations & Other	0	1,000	9,000	9,000
Operating Revenues:	9,395,671	9,192,418	9,116,795	9,272,922
Other Sources	24,000	0	0	0
Ambulance	37,714	48,000	48,000	0
CIP Cost Share	4,155	0	8,948	8,948
Non-Operating Transfers	847,419	0	0	0
Non-Operating Revenues:	913,288	48,000	56,948	8,948
Total Revenues:	\$10,308,959	\$9,240,418	\$9,173,743	\$9,281,870

EXPENDITURES:

Police Services	2,299,184	2,622,267	2,622,268	2,681,789
Fire Services	1,969,287	2,081,832	2,081,832	2,115,943
Sanitation Services	559,622	595,563	595,563	621,596
Other Public Services	31,314	21,900	21,900	21,900
Total Public Services:	4,859,407	5,321,562	5,321,563	5,441,229

GENERAL FUND - 10
FISCAL YEAR 2025 PROPOSED BUDGET

	FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
Contract Services	466,966	475,500	475,500	476,500
Development Services	364,722	302,200	302,200	302,200
Administrative Services	1,022,722	1,228,060	1,245,106	1,319,609
Municipal Court	28,878	35,510	35,510	35,510
Public Works & Maintenance	263,068	317,650	264,150	388,430
	2,146,356	2,358,920	2,322,466	2,522,249
Operating Expenditures:	7,005,763	7,680,482	7,644,029	7,963,478
Capital Programs	2,338,904	2,462,900	1,529,714	1,318,392
Non-Operating Expenditures:	2,338,904	2,462,900	1,529,714	1,318,392
Total Expenditures:	\$9,344,667	\$10,143,382	\$9,173,743	\$9,281,870
<i>Revenues Over Expenditures</i>	964,292	(902,964)	0	0
Fund Balance - Beginning		5,595,413	5,595,413	5,595,413
Fund Balance - Ending		\$5,595,413	\$5,595,413	\$5,595,413
Reserve Requirement (25%)		1,920,121	1,920,121	1,990,869
Excess/(Deficit)		2,772,329	3,675,293	3,604,544

GENERAL FUND - 10
FISCAL YEAR 2025 PROPOSED BUDGET

		FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
REVENUE					
<u>Tax Collection</u>					
10-4101	Property Tax (M&O)	6,544,370	6,930,156	6,870,898	7,077,025
10-4150	Sales Tax	510,017	485,725	460,725	460,725
	Total Tax Collection:	7,054,386	7,415,881	7,331,623	7,537,750
<u>Permits & Inspections</u>					
10-4203	Plat Reviews	8,750	9,750	1,000	1,000
10-4204	Code Enforcement Citations	0	0	0	0
10-4205	Contractor Registration	9,090	10,650	8,800	8,800
10-4206	Drainage Reviews	68,250	50,000	50,000	50,000
10-4207	Permits & Inspection Fees	967,569	550,000	460,000	460,000
10-4208	Board of Adjustment Fees	750	1,750	500	500
	Total Permits & Inspections:	1,054,409	622,150	520,300	520,300
<u>Municipal Court</u>					
10-4300	Court Fines	124,827	126,000	120,000	120,000
10-4301	Building Security Fund	3,899	3,000	3,000	3,000
10-4302	Truancy Prevention	3,978	3,000	3,000	3,000
10-4303	Local Municipal Tech Fund	3,183	2,950	2,950	2,950
10-4304	Local Municipal Jury Fund	80	50	50	50
	Total Municipal Court:	135,966	135,000	129,000	129,000
<u>Investment Income</u>					
10-4400	Interest Revenue	398,488	374,000	450,000	400,000
	Total Investment Income:	398,488	374,000	450,000	400,000
<u>Agencies & Alarms</u>					
10-4508	SEC-Registration	26,100	25,000	23,500	23,500
	Total Agencies & Alarms:	26,100	25,000	23,500	23,500
<u>Franchise Revenue</u>					
10-4602	Cable Franchise	86,018	85,153	85,153	85,153
10-4605	Power/Electric Franchise	272,421	272,419	272,419	272,419
10-4606	Gas Franchise	30,521	25,000	25,000	25,000
10-4607	Telephone Franchise	3,393	3,515	3,300	3,300
10-4608	Wireless Franchise	24,969	1,800	24,000	24,000
	Total Franchise Revenue:	417,322	387,887	409,872	409,872
<u>Donations & In Lieu</u>					
10-4702	Kinkaid School Contribution	173,000	95,000	107,500	107,500
10-4703	Metro Congested Mitigation	136,000	136,000	136,000	136,000
10-4704	Intergovernmental Revenues	0	500	0	0
10-4705	Ambulance	37,714	48,000	48,000	0
10-4800	Misc. Income	0	1,000	9,000	9,000
10-4801	Donations	0	0	0	0
10-4802	Reimbursement Proceeds	24,000	0	0	0
10-4803	CIP Cost Share	4,155	0	8,948	8,948
10-4850	Transfer In	847,419	0	0	0
	Total Donations & In Lieu:	1,222,288	280,500	309,448	261,448
	TOTAL REVENUES:	10,308,959	9,240,418	9,173,743	9,281,870

GENERAL FUND - 10
FISCAL YEAR 2025 PROPOSED BUDGET

		FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
<u>EXPENDITURES</u>					
<u>PUBLIC SERVICE DIVISION</u>					
<u>Community Events</u>					
10-510-5001	Community Celebrations	13,191	6,000	6,000	6,000
	Community Events:	13,191	6,000	6,000	6,000
<u>Police Services</u>					
10-510-5010	MVPD Operations	2,201,260	2,525,700	2,525,700	2,625,123
10-510-5011	MVPD Auto Replacement	53,333	46,667	46,667	48,000
10-510-5012	MVPD Capital Expenditure	44,591	49,900	49,900	8,667
	Police Services:	2,299,184	2,622,267	2,622,267	2,681,789
<u>Miscellaneous</u>					
10-510-5020	Miscellaneous	0	0	0	0
	Total Miscellaneous:	0	0	0	0
<u>Sanitation Collection</u>					
10-510-5030	Sanitation Collection	550,446	578,520	578,520	604,553
10-510-5031	Sanitation Fuel Charge	9,176	17,043	17,043	17,043
	Sanitation Collection:	559,622	595,563	595,563	621,596
<u>Library Services</u>					
10-510-5040	Spring Branch Library	1,500	1,500	1,500	1,500
	Library Services:	1,500	1,500	1,500	1,500
<u>Street Lighting Services</u>					
10-510-5050	Street Lighting	16,623	14,400	14,400	14,400
	Street Lighting Services:	16,623	14,400	14,400	14,400
<u>Fire Services</u>					
10-510-5060	Villages Fire Department	1,969,287	2,081,832	2,081,832	2,115,943
	Fire Services:	1,969,287	2,081,832	2,081,832	2,115,943
	TOTAL PUBLIC SERVICE:	4,859,407	5,321,562	5,321,562	5,441,229

GENERAL FUND - 10
FISCAL YEAR 2025 PROPOSED BUDGET

		FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
<u>CONTRACT SERVICE DIVISION</u>					
10-520-5101	Grant Administration	28,000	0	0	0
10-520-5102	Accounting/Audit	19,399	25,000	25,000	25,000
10-520-5103	Engineering	244,021	220,000	220,000	220,000
10-520-5104	Legal	68,797	100,000	100,000	100,000
10-520-5105	Tax Appraisal-HCAD	62,982	63,000	63,000	64,000
10-520-5107	Animal Control	1,718	2,300	2,300	2,300
10-520-5108	IT Hardware/Software & Support	22,295	41,200	41,200	41,200
10-520-5109	Urban Forester	0	0	0	0
10-520-5110	Mosquito Control	19,755	24,000	24,000	24,000
TOTAL CONTRACT SERVICE DIVISION:		466,966	475,500	475,500	476,500

GENERAL FUND - 10
FISCAL YEAR 2025 PROPOSED BUDGET

	FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
<u>BUILDING SERVICE DIVISION</u>				
<u>Building & Inspection Services</u>				
10-530-5152	Drainage Reviews	145,152	103,000	103,000
10-530-5153	Electrical Inspections	22,995	15,000	15,000
10-530-5154	Plat Reviews	0	500	500
10-530-5155	Plan Reviews	48,000	50,000	50,000
10-530-5156	Plumbing Inspections	26,595	18,000	18,000
10-530-5157	Structural Inspections	34,245	30,000	30,000
10-530-5158	Urban Forester	47,680	45,000	45,000
10-530-5160	Mechanical Inspections	11,655	8,500	8,500
	Building and Inspection Services:	336,322	270,000	270,000
<u>Supplies and Office Expenditures</u>				
10-530-5108	Information Technology	0	0	0
10-530-5204	Dues & Subscriptions	0	500	500
10-530-5207	Misc Supplies	650	1,000	1,000
10-530-5209	Office Equipment & Maintenance	0	500	500
10-530-5211	Meeting Supplies	81	0	0
10-530-5213	Office Supplies	498	900	900
10-530-5214	Telecommunications	0	0	0
10-530-5215	Travel & Training	0	300	300
	Supplies and Office Expenditures:	1,230	3,200	3,200
<u>Insurance</u>				
10-530-5353	Employee Insurance	0	0	0
10-530-5403	Credit Card Charges	27,171	29,000	29,000
	Insurance:	27,171	29,000	29,000
	TOTAL BUILDING SERVICE DIVISION:	364,722	302,200	302,200

GENERAL FUND - 10
FISCAL YEAR 2025 PROPOSED BUDGET

		FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
<u>GENERAL GOVERNMENT DIVISION</u>					
<u>Administrative Expenditures</u>					
10-540-5108	Information Technology	22,559	22,000	22,000	42,000
10-540-5201	Admin/Professional Fee	0	0	3,905	3,905
10-540-5202	Auto Allowance/Mileage	10,402	7,200	7,200	7,200
10-540-5203	Bank Fees	2,169	3,000	2,200	2,200
10-540-5204	Dues/Seminars/Subscriptions	4,289	3,600	3,600	3,600
10-540-5205	Elections	619	3,000	750	750
10-540-5206	Legal Notices	7,390	3,500	8,000	8,000
10-540-5207	Miscellaneous	2,367	5,000	5,000	5,000
10-540-5208	Citizen Communication	3,888	5,000	8,000	8,000
10-540-5209	Office Equipment & Maintenance	8,699	10,000	10,000	10,000
10-540-5210	Postage	1,377	2,000	2,000	2,000
10-540-5211	Meeting Supplies	2,507	7,500	7,500	7,500
10-540-5212	Rent/Leasehold/Furniture	137,836	146,000	146,000	155,142
10-540-5213	Supplies/Storage	10,470	10,000	30,000	30,000
10-540-5214	Telecommunications	9,644	16,000	16,000	16,000
10-540-5215	Travel & Training	0	3,000	2,500	2,500
10-540-5216	Statutory Legal Notices	180	1,500	1,500	1,500
	Administrative Expenditures:	224,395	248,300	276,155	305,297
<u>Wages & Benefits</u>					
10-540-5301	Gross Wages	594,544	662,745	662,745	689,255
10-540-5302	Overtime/Severance	3,201	20,809	10,000	10,000
10-540-5303	Temporary Personnel	5,595	0	0	0
10-540-5304	Salary Adjustment(Bonus)	0	0	0	0
10-540-5306	FICA/Med/FUTA Payroll Tax Exp	43,525	50,035	50,035	50,035
10-540-5310	TMRS (City Responsibility)	58,773	138,135	138,135	143,660
10-540-5311	Payroll Process Exp-Paychex	3,215	4,000	4,000	4,000
	Wages & Benefits:	708,853	875,724	864,915	896,950
<u>Insurance</u>					
10-540-5353	Employee Insurance	76,836	88,836	88,836	102,161
10-540-5354	General Liability	11,472	10,000	10,000	10,000
10-540-5356	Workman's Compensation	(33)	4,000	4,000	4,000
	Insurance:	88,275	102,836	102,836	116,161
<u>Other</u>					
10-540-5403	Credit Card Charges (Adm)	1,199	1,200	1,200	1,200
		0	0	0	0
		0	0	0	0
	Intergovernmental:	1,199	1,200	1,200	1,200
	TOTAL GENERAL GOVERNMENT DIVISION:	1,022,722	1,228,060	1,245,106	1,319,609

GENERAL FUND - 10
FISCAL YEAR 2025 PROPOSED BUDGET

		FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
<u>MUNICIPAL COURT DIVISION</u>					
<u>Supplies & Office Expenditures</u>					
10-550-5108	Information Technology	0	0	0	0
10-550-5204	Dues & Subscriptions	0	0	0	0
10-550-5207	Misc Supplies	232	250	250	250
10-550-5211	Meeting Supplies	0	0	0	0
10-550-5213	Office Supplies	0	2,000	2,000	2,000
10-550-5215	Travel & Training	399	1,750	1,750	1,750
	Supplies and Office Expenditures:	631	4,000	4,000	4,000
<u>Insurance</u>					
10-550-5353	Employee Insurance	0	0	0	0
	Insurance:	0	0	0	0
<u>Court Operations</u>					
10-550-5403	Credit Card Charges	3,772	6,510	6,510	6,510
10-550-5404	Judge/Prosecutor/Interpreter	24,475	25,000	25,000	25,000
10-550-5406	State Comptroller/OMNI/Linebar	0	0	0	0
10-550-5408	Supplies/Miscellaneous	0	0	0	0
10-550-5410	OmniBase Services of Texas	0	0	0	0
	Court Operations:	28,247	31,510	31,510	31,510
	TOTAL MUNICIPAL COURT DIVISION:	28,878	35,510	35,510	35,510

GENERAL FUND - 10
FISCAL YEAR 2025 PROPOSED BUDGET

		FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
<u>PUBLIC WORKS MAINTENANCE DIVISION</u>					
<u>Supplies & Office Expenditures</u>					
10-560-5108	Information Technology	1,302	0	2,500	2,500
10-560-5207	Misc Supplies	1,751	500	500	500
10-560-5213	Office Supplies	4,805	0	0	0
10-560-5215	Travel & Training	0	1,000	1,000	1,000
	Supplies and Office Expenditures:	7,858	1,500	4,000	4,000
<u>Insurance</u>					
10-560-5353	Employee Insurance	0	0	0	0
	Insurance:	0	0	0	0
<u>Maintenance & Repair</u>					
10-560-5501	Public Works Maintenance	0	0	0	0
10-560-5501	TCEQ/County Permits	1,756	1,850	1,850	1,850
10-560-5504	Landscape Services	59,253	165,000	120,000	134,280
10-560-5505	Fuel & Oil	512	1,000	1,000	1,000
10-560-5506	Right of Way Mowing	72,888	0	0	0
10-560-5507	Traffic Control	8,652	15,000	20,000	20,000
10-560-5508	Water Utilities	11,390	2,800	2,800	2,800
10-560-5509	Tree Care/Removal	24,860	16,000	40,000	40,000
10-560-5510	Drainage Maintenance	4,259	1,500	1,500	1,500
10-560-5515	Community Beautification	64,736	100,000	60,000	100,000
10-560-5516	Equipment Maintenance	1,731	3,000	3,000	3,000
10-560-5517	Street Maintenance	5,173	10,000	10,000	10,000
	Maintenance and Repair:	255,210	316,150	260,150	314,430
<u>Other</u>					
10-560-5600	Capital Equipment	0	0	0	70,000
	Other:	0	0	0	70,000
	TOTAL PUBLIC WORKS DIVISION:	263,068	317,650	264,150	388,430

GENERAL FUND - 10
FISCAL YEAR 2025 PROPOSED BUDGET

	FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
<u>CAPITAL OUTLAY PROGRAMS</u>				
<u>Capital Maintenance</u>				
10-570-5602	Drainage Ditch Maintenance	0	0	0
10-570-5606	Road/Drainage Projects	0	0	0
10-570-5701	2019 Maintenance Projects	0	0	0
10-570-5702	Paving Improvements	27,151	0	0
10-570-5703	2021 Paving Improvements	0	0	0
10-570-5806	Drainage Improvements	0	0	0
		27,151	0	0
<u>Major Capital / Maintenance Programs</u>				
10-570-5640	Surrey Oaks	0	0	0
10-570-5808	Wilding Lane	0	0	0
10-580-5809	96" Stormwater Replacement	1,661,656	0	4,334
10-580-5810	Tokeneke - Country Squire	307,085	0	0
10-580-58XX	Williamsburg	49,352	0	0
10-580-58XX	Bothwell Way	0	0	0
10-580-58XX	Windermere Outfall Project	0	0	0
10-580-58XX	Smithdale Landscape/Sidewalk	0	0	0
10-580-58XX	Greenbay Beautification	139,984	0	6,894
10-580-58XX	Harris Co. Signal Participation	0	0	0
10-580-5811	Capital Programming	153,676	2,462,900	1,518,486
		2,311,753	2,462,900	1,529,714
TOTAL CAPITAL OUTLAY PROGRAMS:		2,338,904	2,462,900	1,529,714
	TOTAL EXPENDITURES:	9,344,667	10,143,382	9,173,743
		9,281,870	9,173,743	9,281,870

DEBT SERVICE FUND

The Debt Service Fund, also known as the interest and sinking fund, is established by ordinance and accounts for the issuance of debt and provides for the payment of debt, including principal, and interest as payments become due. In the Debt Service Fund, an ad valorem (property) tax rate and tax levy are required to be computed and levied, which will be sufficient to produce the money to satisfy annual debt service requirements. The City of Piney Point Village has no general obligation legal debt limit other than a ceiling on the tax rate specified by the State of Texas. Under the rules of the Texas Attorney General, the City may issue general obligation debt in an amount no greater than that which can be serviced by a debt service tax rate of \$1.50 per \$100 assessed valuation, based on a 90% collection rate.

FISCAL YEAR 2025 PROPOSED BUDGET

	FY 2023 YEAR END ACTUAL	FY 2024 AMENDED BUDGET	FY 2024 YEAR END PROJECTED	FY 2025 PROPOSED BUDGET
Total Revenues	958,248	896,050	902,194	902,719
Total Expenditures	877,950	885,050	885,050	881,325
<i>Over/(Under) Expenditures:</i>	<i>80,298</i>	<i>11,000</i>	<i>17,144</i>	<i>21,394</i>
<i>Fund Balance - Ending</i>	<i>197,293</i>	<i>208,293</i>	<i>214,437</i>	<i>235,831</i>

Based on the values unchanged, the proposed budget assumes a debt service (I&S) tax rate of 2.8633 cents (\$0.028633) per \$100 assessed valuation. The adopted budget will incorporate changes to the tax rate after certified values are received and truth in taxation calculations are finalized. The following is the detail for the proposed tax rate:

Fiscal Year 2025 Proposed Tax Rate / Tax Year 2024

Debt Service (I&S) Rate	\$0.0286330
Maintenance & Operating (M&O) Rate	\$0.2265070
Total Proposed Tax Rate	\$0.2551400

A proposed tax rate of \$0.255140 per \$100 valuation likely exceeds the no-new revenue rates on the unpublished certified rolls. Legislation has been widely overhauled limiting the methods in which local governments can raise proceeds for capital needs. Calculations as to the amount of proceeds available are dependent on the certified valuation of property. The council approves values in a separate action from the budget adoption scheduled for September 2024 that will support the obligated debt structure in the final adopted budget.

The municipality has issued two general obligation bonds, namely Series 2017 and Series 2015. Series 2015, which was issued for a principal amount of \$3,910,000, holds an S&P AAA rating. Interest on the Series 2015 accrues from the date of original delivery and is payable semi-annually on August 15 and February 15 of each year, commencing from August 15, 2015. The proceeds derived from the sale will be allocated to cover the expenses associated with the designing, engineering, and implementation of stormwater drainage and flood control enhancements. The 2017 General Obligation, amounting to \$3,735,000, has obtained a "AAA" rating from Standard & Poor's, featuring a stable outlook. Interest on the Series 2017 commences accruing from the original delivery date and is payable on August 15 and February 15 annually. The accrual period was initiated on February 15, 2018. This capital will be directed toward the essential expenses pertinent to the design, engineering, and execution of stormwater drainage and flood control improvements.

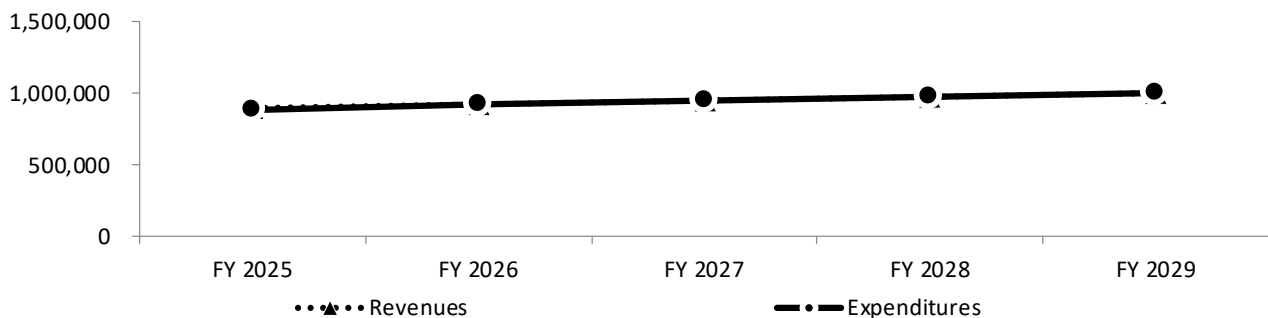
Proposed tax obligations for future years, if unadjusted, would allow debt service the capacity to support annual scheduled payments and is likely additional reserve will be maintained to further secure debt in the final adopted version of the budget.

Municipal Bonds	Principal	Interest	Total
<u>Total Obligation</u>			
Series 2015 General Obligation	430,000	5,375	435,375
Series 2017 General Obligation	1,270,000	57,900	1,327,900
	1,700,000	63,275	1,763,275
<u>Annual Obligation</u>			
Series 2015 General Obligation	430,000	5,375	435,375
Series 2017 General Obligation	410,000	31,950	441,950
	840,000	37,325	877,325

MULTI-YEAR PLAN

The Debt Service Fund is anticipated to uphold a balanced budget for the fiscal years ending 2026 through 2029, with the inclusion of extra debt capacity. The strategy encompasses the upkeep of yearly debt payments on outstanding commitments and the utilization of enhanced capacity as elaborated below. The subsequent five-year plan and graphic representation are furnished exclusively for planning purposes, as the budget is subject to annual adoption by the Council. Consequently, the projection delineated below does not bind future councils to this plan:

	FY 2025 PROPOSED	FY 2026 PROJECTED	FY 2027 PROJECTED	FY 2028 PROJECTED	FY 2029 PROJECTED
Property Taxes	877,325	903,645	930,754	958,677	987,437
Interest	25,394	20,000	20,000	20,000	20,000
Non-Operating / Transfers	0	0	0	0	0
Total Revenues	\$902,719	\$923,645	\$950,754	\$978,677	\$1,007,437
Series 2015 General Obligation	435,375	0	0	0	0
Series 2017 General Obligation	441,950	444,425	441,525	0	0
Future Bond Capacity	0	474,220	504,229	973,677	1,002,437
Fiscal Agent Fees	4,000	5,000	5,000	5,000	5,000
Total Expenditures	\$881,325	\$923,645	\$950,754	\$978,677	\$1,007,437



**DEBT SERVICE FUND
FISCAL YEAR 2024 PROPOSED BUDGET**

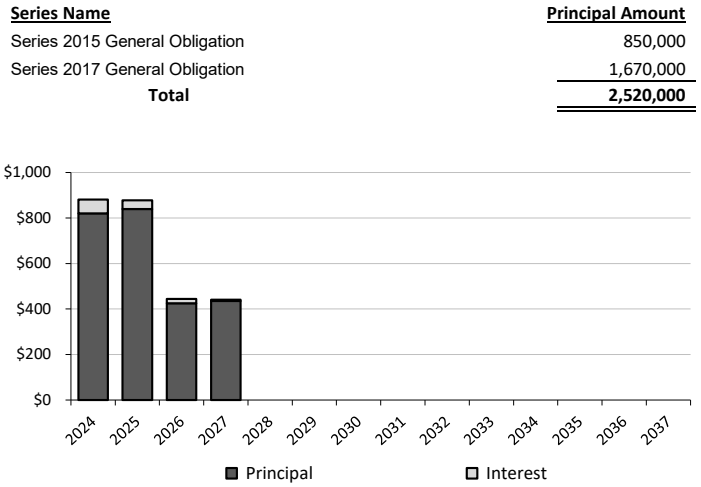
	FY 2022 YEAR END ACTUAL	FY 2023 AMENDED BUDGET	FY 2023 YEAR END PROJECTED	FY 2024 PROPOSED BUDGET
REVENUES:				
Property Taxes	886,381	899,330	905,680	881,050
Interest	67,401	10,000	46,296	15,000
Transfers and Contributions	0	0	0	0
Total Revenues:	\$953,782	\$909,330	\$951,976	\$896,050
EXPENDITURES:				
Debt Service	872,950	874,950	874,950	881,050
Fiscal Agent Fees	3,000	3,000	3,000	4,000
Total Expenditures:	\$875,950	\$877,950	\$877,950	\$885,050
Revenue Over/(Under) Expenditures	77,832	31,380	74,026	11,000
Fund Balance - Beginning	39,163	116,995	116,995	191,021
Fund Balance - Ending	\$116,995	\$148,375	\$191,021	\$202,021
Reserve Requirement (25%)		219,488	219,488	221,263
Excess/(Deficit)		(71,113)	(28,466)	(19,241)

**DEBT SERVICE FUND - DETAIL
FISCAL YEAR 2024 PROPOSED BUDGET**

		FY 2022 YEAR END ACTUAL	FY 2023 AMENDED BUDGET	FY 2023 YEAR END PROJECTED	FY 2024 PROPOSED BUDGET
Revenues					
<u>Property Taxes</u>					
20-4101	Current Taxes	886,381	899,330	905,680	881,050
	Total Property Taxes	886,381	899,330	905,680	881,050
<u>Interest</u>					
20-4400	Interest Income	67,401	10,000	46,296	15,000
	Total Interest	67,401	10,000	46,296	15,000
<u>Non-Operating</u>					
20-4410	Transfer In	0	0	0	0
	Total Non-Operating	0	0	0	0
	TOTAL REVENUES:	953,782	909,330	951,976	896,050
Expenditures					
<u>Financial Obligations</u>					
20-500-5821	Tax Bond Retirement	765,000	790,000	790,000	820,000
20-500-5820	Tax Bond Interest	107,950	84,950	84,950	61,050
20-500-5204	Fiscal Agent Fees	3,000	3,000	3,000	4,000
	Total Financial Obligations	875,950	877,950	877,950	885,050
	TOTAL EXPENDITURES:	875,950	877,950	877,950	885,050
<i>Revenue Over/(Under) Expenditures</i>		<i>77,832</i>	<i>31,380</i>	<i>74,026</i>	<i>11,000</i>

GENERAL LONG-TERM DEBT
AGGREGATE DEBT MATURITY SCHEDULE

Fiscal Year	Principal	Interest	Total
FY2024	820,000	61,050	881,050
FY2025	840,000	37,325	877,325
FY2026	425,000	19,425	444,425
FY2027	435,000	6,525	441,525
FY2028			
FY2029			
FY2030			
FY2031			
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	2,520,000	124,325	2,644,325



DISCRETE DEBT MATURITY SCHEDULES

SERIES 2015 GENERAL OBLIGATION BONDS

Fiscal Year	Principal	Interest	Total
FY2024	420,000	14,950	434,950
FY2025	430,000	5,375	435,375
FY2026			
FY2027			
FY2028			
FY2029			
FY2030			
FY2031			
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	850,000	20,325	870,325

SERIES 2017 GENERAL OBLIGATION BONDS

Fiscal Year	Principal	Interest	Total
FY2024	400,000	46,100	446,100
FY2025	410,000	31,950	441,950
FY2026	425,000	19,425	444,425
FY2027	435,000	6,525	441,525
FY2028			
FY2029			
FY2030			
FY2031			
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	1,670,000	104,000	1,774,000

ANNUAL ALLOCATION OF DEBT MATURITY

DATE	DESCRIPTION	AMOUNT ISSUED	AMOUNT OUTSTANDING AS OF 12/31/22		PAYMENT TOTAL		AMOUNT OUTSTANDING AS OF 12/31/23
			PRINCIPAL	INTEREST			
2/15/2024	Series 2015 General Obligation	3,910,000	420,000	9,575	429,575		
8/15/2024				5,375	5,375		
	Fiscal Year Total		850,000	14,950	434,950		430,000
2/15/2024	Series 2017 General Obligation	3,735,000	400,000	27,050	427,050		
8/15/2024				19,050	19,050		
	Fiscal Year Total		1,670,000	46,100	446,100		1,270,000
	TOTAL	7,645,000	2,520,000	61,050	881,050		1,700,000