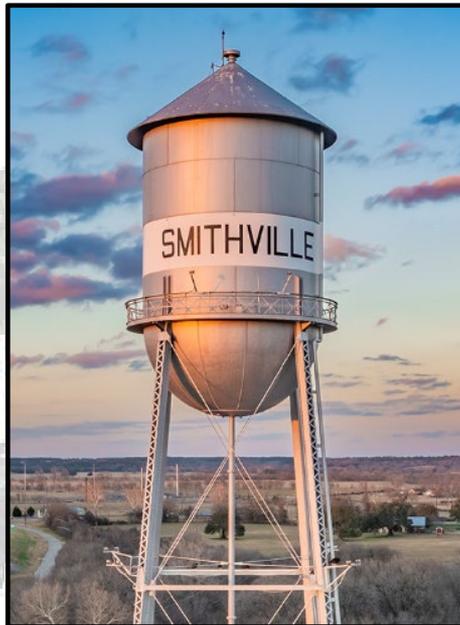


City of Smithville Special-Called Council Meeting / Budget Workshop #1



Wednesday, June 18, 2025

Smithville City Council Budget Workshop

Wednesday, June 18, 2025

Agenda:

- Recent Accomplishments
- FY24/25 Budget Status / Tax Note Update
- FY25/26 Preliminary Budget Overview:
 - Budget Assumptions
 - Budget Process / Timeline
 - BCAD Preliminary Property Values
- Future Plans / Projects – Top Level
- Cost Center (Dept) Overview
- Citizen Comments
- Next Steps



City of Smithville Special-Called Council Meeting / Budget Workshop #1



Recent Accomplishments

Recent Accomplishments

Innovation Center

NE/NW 2nd Drainage

Loop 230 Detention

LCRA
Steps Forward



Special-Called Council Meeting / FY25-26 Preliminary Budget Workshop #1



City of Smithville Special-Called Council Meeting / Budget Workshop #1



Current Budget Status / Tax Note Update

Smithville City Council Budget Workshop

Wednesday, June 18, 2025

Current Budget Status:

- Received “**CLEAN**” FY23/24 financial audit.
- FY24/25 Revenues **EXCEEDING** Expenditures by **\$425k** on a \$16.7M budget.
- 3X Operating in GF Fund Balance.
- **HOT Tax** and **Sales Tax** revenues have INCREASED.
- 73% of **\$3M Tax Note** has been spent. \$143k YTD Interest earned.
- FY25/26 budget process currently underway.



FUND BALANCE

GF = \$338k

>\$1,832,739

3X Operating

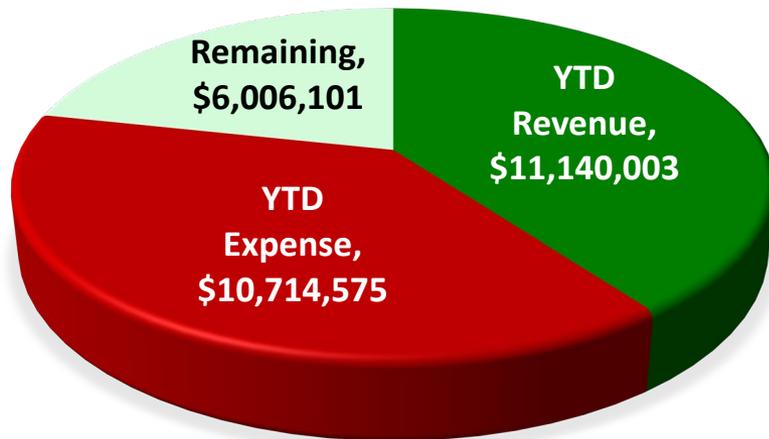
**Completed 67%
(8-months) of Fiscal Year**

Smithville City Council Budget Workshop

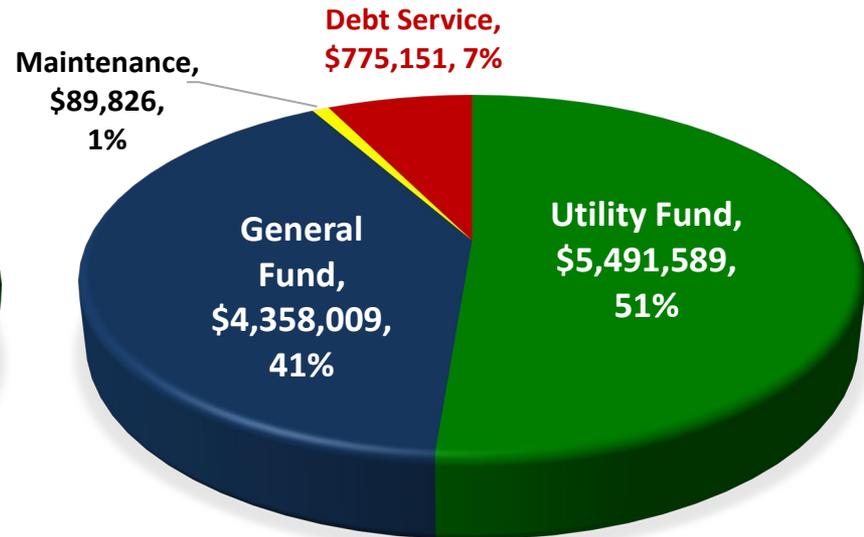
Wednesday, June 18, 2025

Current Budget Status:

FY24/25 YEAR-TO-DATE (YTD)
REVENUE VS. EXPENSE

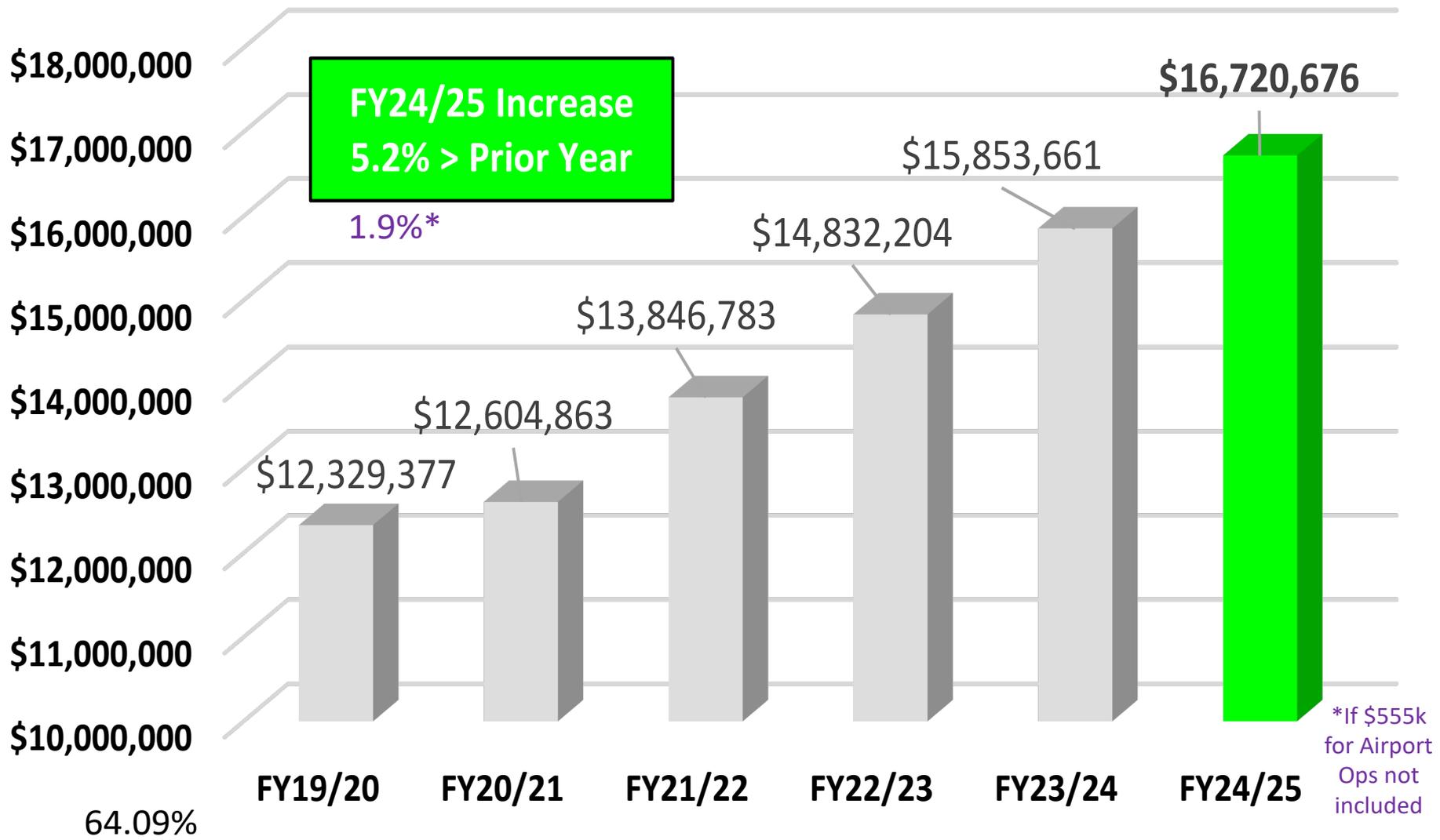


FY24/25 YTD EXPENSES BY FUND



- FY24/25 Revenue Exceeding Expenses by **\$425,428**
- 8/12th of Budget = 66.67% versus Actual = 64.09%

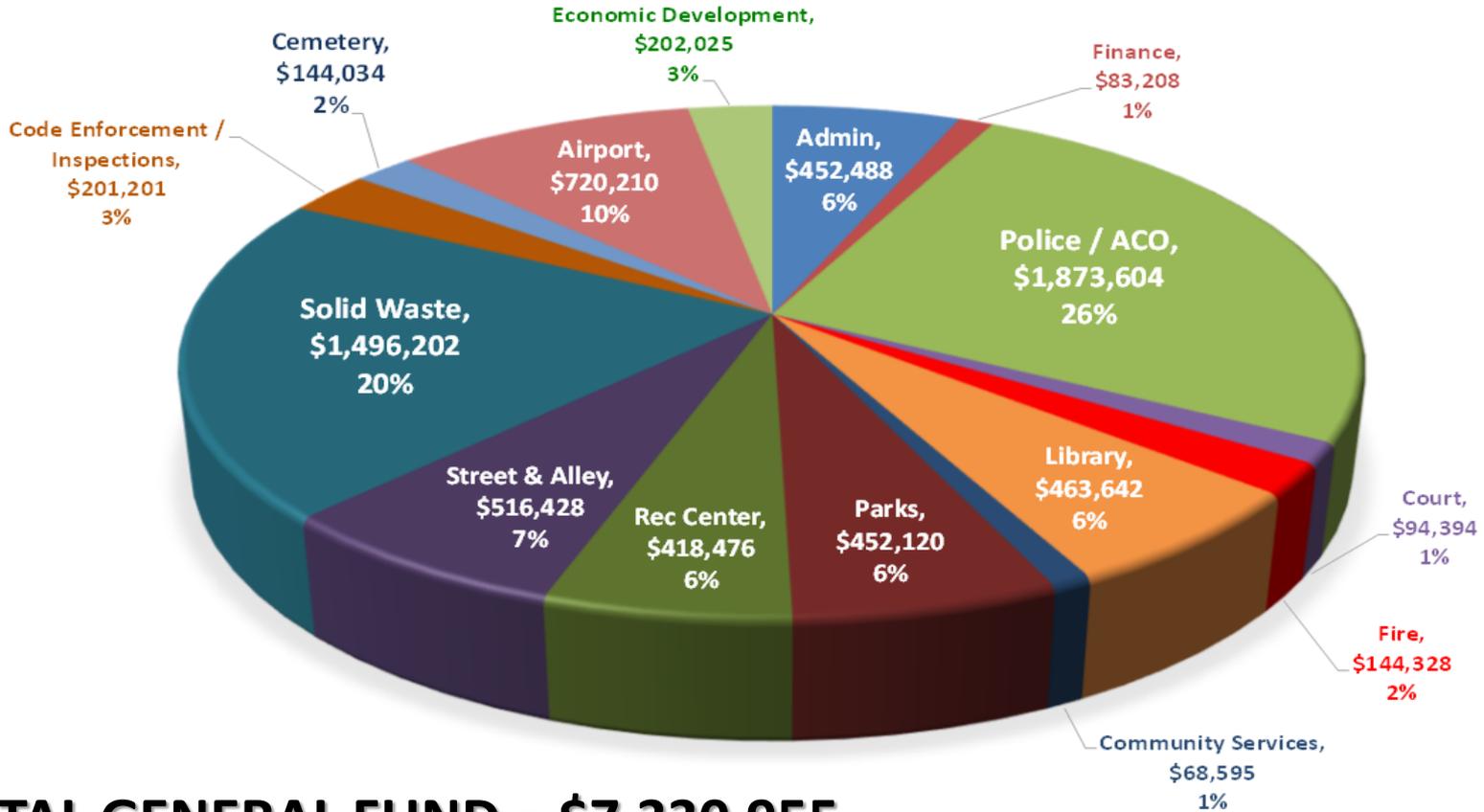
City of Smithville Budget History



Smithville City Council Budget Workshop

Wednesday, June 18, 2025

FY24/25 GENERAL FUND EXPENSES

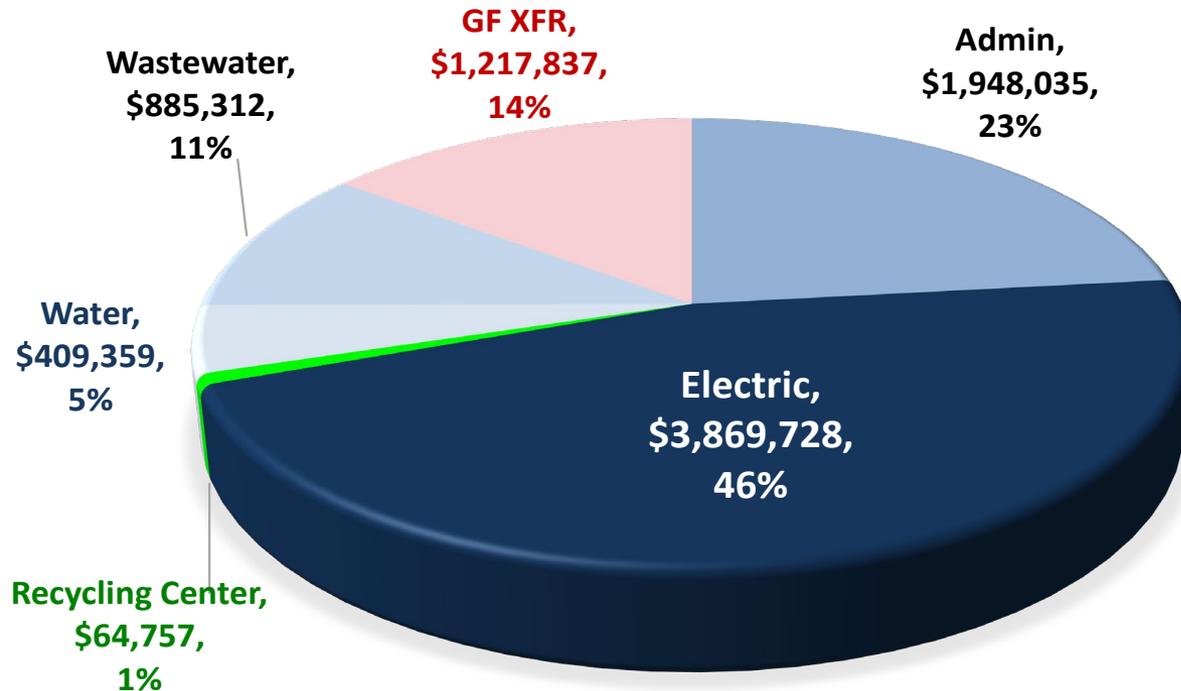


TOTAL GENERAL FUND = \$7,330,955

Smithville City Council Budget Workshop

Wednesday, June 18, 2025

FY24/25 UTILITY FUND EXPENSES



TOTAL UTILITY FUND = \$8,394,028

Smithville City Council Budget Workshop

Wednesday, June 18, 2025

Benchmark Data:

- Eight (8) municipalities benchmarked.
- COS budget consistent with municipalities of similar size.
- Tax Burden is **\$1.93 per \$100 Valuation** with City of Smithville representing 30% of total.

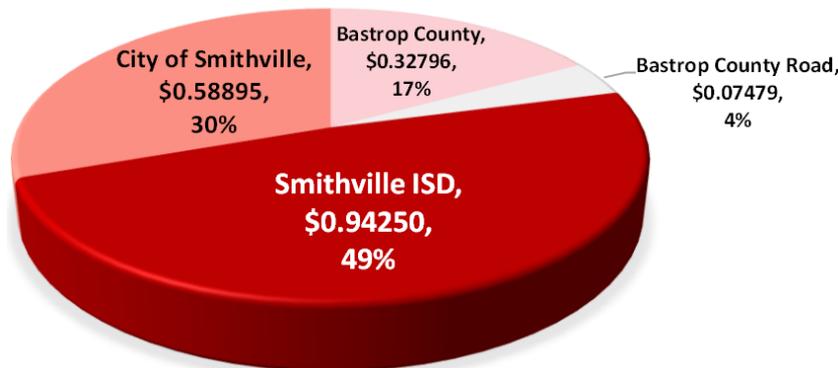
FY24/25 Budget Comparison by Municipality

City	Population	Annual Budget	Tax Rate
Bastrop	12,934	\$ 93,263,860	\$0.49940
Lockhart	15,960	\$ 48,289,650	\$0.50930
Elgin	13,976	\$ 27,010,308	\$0.62683
Giddings	5,430	\$ 19,323,585	\$0.62150
LaGrange	4,641	\$ 17,721,147	\$0.18668
Smithville	4,250	\$ 16,720,676	\$0.58895
Luling	5,868	\$ 15,732,140	\$0.40240
Flatonia	1,400	\$ 8,540,083	\$0.28359

FY24/25 Tax Rate Comparison by Municipality

City	Population	Annual Budget	Tax Rate
Elgin	13,976	\$ 27,010,308	\$0.62683
Giddings	5,430	\$ 19,323,585	\$0.62150
Smithville	4,250	\$ 16,720,676	\$0.58895
Lockhart	15,960	\$ 48,289,650	\$0.50930
Bastrop	12,934	\$ 93,263,860	\$0.49940
Luling	5,868	\$ 15,732,140	\$0.40240
Flatonia	1,400	\$ 8,540,083	\$0.28359
LaGrange	4,641	\$ 17,721,147	\$0.18668

FY24/25 ADOPTED TAX RATES



Smithville City Council Budget Workshop

Wednesday, June 18, 2025

FY24/25 Per Capita Budget Comparison

City	Population	Annual Budget	Tax Rate	Budget Per Capita	Per Capita Cost / Day
Bastrop	12,934	\$93,263,860	\$0.49940	\$ 7,211	\$19.76
Flatonia	1,401	\$ 8,540,083	\$0.28359	\$ 6,096	\$16.70
Smithville	4,250	\$16,720,676	\$0.58895	\$ 3,934	\$10.78
LaGrange	4,641	\$17,721,147	\$0.18668	\$ 3,818	\$10.46
Giddings	5,430	\$19,323,585	\$0.62150	\$ 3,559	\$9.75
Lockhart	15,960	\$48,289,650	\$0.50930	\$ 3,026	\$8.29
Luling	5,868	\$15,732,140	\$0.40240	\$ 2,681	\$7.35
Elgin	13,976	\$27,010,308	\$0.62683	\$ 1,933	\$5.29

“ROOFTOPS bring in RETAIL → RETAIL brings in REVENUE”

City of Smithville Special-Called Council Meeting / Budget Workshop #1



Series 2023 Tax Note Update

Smithville City Council Budget Workshop

Wednesday, June 18, 2025

2023 Tax Note Update:

- City Council approved **\$3M Tax Note** in 2023 to purchase capital equipment, upgrade infrastructure, and improve city-owned facilities.
- Must spend 85% of Tax Note within 3-years.
- Term is 7-years. Repaid with property taxes from the I&S portion of debt service.
- 73% of Tax Note spent. \$143k YTD interest earned.

Total Remaining w/ Interest = \$938,704

Police Department					
Qty	Description	Unit Cost	Total	Actual	Remain
1	Miscellaneous Equipment	\$85,000	\$85,000	\$62,632	\$22,368
2	Patrol Vehicles	\$65,000	\$130,000	\$92,913	\$37,087
2	Offline F150 Responder PU	\$65,000	\$130,000	\$121,454	\$8,546
1	New HVAC	\$20,000	\$20,000	\$13,247	\$6,753
1	Animal Control Vehicle	\$55,000	\$55,000	\$47,628	\$56,122
13	Mobile CAD Units for Patrol Cars	\$6,250	\$81,250	\$81,250	\$81,250
			\$501,250	\$419,124	\$212,126
Public Works / Utilities					
Qty	Description	Unit Cost	Total	Actual	Remain
1	Chipper Truck	\$85,000	\$85,000	\$79,078	\$5,922
1	Sewer Pump Truck	\$200,000	\$200,000	\$205,520	-\$5,520
1	Small Bucket Truck	\$190,000	\$190,000	\$190,000	\$0
2	Utility Trucks (F-250)	\$80,000	\$160,000	\$160,000	\$0
1	Tractor w/ Shredder	\$40,000	\$40,000	\$40,000	\$0
1	Mini Excavator	\$0	\$0	\$37,000	\$0
1	Warehouse Roof Repair	\$100,000	\$100,000	\$100,000	\$0
1	Rack Storage System (Warehouse)	\$25,000	\$25,000	\$25,000	\$0
1	Miscellaneous Tools / Equip.	\$100,000	\$100,000	\$78,485	\$21,515
1	Streets/Drainage/Sidewalks/Curbs	\$200,000	\$200,000	\$190,807	\$9,193
			\$1,100,000	\$1,065,160	\$31,110
General					
Qty	Description	Unit Cost	Total	Actual	Remain
1	Airport Lighting System	\$150,000	\$150,000	\$154,500	-\$4,500
1	Security Camera Upgrade	\$50,000	\$50,000	\$0	\$50,000
1	City ERP System	\$200,000	\$200,000	\$74,401	\$200,000
1	Fire Department Tanker	\$275,000	\$275,000	\$141,480	\$133,520
1	Baseball Field / Park Upgrades	\$50,000	\$50,000	\$0	\$50,000
1	Cemetery CRM Platform	\$25,000	\$25,000	\$16,292	\$8,708
1	Playground Equip / Park Upgrades	\$200,000	\$200,000	\$166,658	\$33,342
1	Misc. City Facility Upgrades	\$175,000	\$175,000	\$174,904	\$96
1	Grant Match for Infrastructure	\$275,000	\$275,000	\$119,765	\$155,235
			\$1,400,000	\$721,728	\$552,002
			Totals: \$3,001,250	\$2,206,012	\$795,238

City of Smithville \$3M Series 2023 Tax Note

Police Department

Qty	Description	Unit Cost	Total	Actual	Remain	Received	Comments
1	Miscellaneous Equipment	\$85,000	\$85,000	\$62,632	\$22,368	WIP	Weapons, Ammunition, Tasers, Office Equipment, Computers, etc.
2	Patrol Vehicles	\$65,000	\$130,000	\$92,913	\$37,087	YES	Two (2) fully outfitted patrol vehicles
2	Offline F150 Responder PU	\$65,000	\$130,000	\$121,454	\$8,546	YES	Offline (un-marked) vehicles for PD
1	New HVAC	\$20,000	\$20,000	\$13,247	\$6,753	YES	Replace / repair HVAC to improve efficiency and reduce cost
1	Animal Control Vehicle	\$55,000	\$55,000	\$47,628	\$56,122	YES	Replace old vehicle with new holding pins for animals
13	Mobile CAD Units for Patrol Cars	\$6,250	\$81,250	\$81,250	\$81,250	WIP	Mobile access to BADGE system and other LE databases.
			\$501,250	\$419,124	\$212,126		

Public Works / Utilities

Qty	Description	Unit Cost	Total	Actual	Remain	Received	Comments
1	Chipper Truck	\$85,000	\$85,000	\$79,078	\$5,922	YES	Replace older chipper truck (Delivered July 2024)
1	Sewer Pump Truck	\$200,000	\$200,000	\$205,520	-\$5,520	WIP	RE-ALLOCATE - Leaf Machine (\$32k) / Mower (\$16k) / Backhoe (\$150k)
1	Small Bucket Truck	\$190,000	\$190,000	\$190,000	\$0	YES	Use for tree trimming and cleaning alleys + back-up when needed (Dec 1)
2	Utility Trucks (F-250)	\$80,000	\$160,000	\$160,000	\$0	YES	Replace older trucks in current fleet (1 Received / 1 estimated delivery July 2024)
1	Tractor w/ Shredder	\$40,000	\$40,000	\$40,000	\$0	YES	Additional tractor to mow at Airport and Riverbend Park (Est. Dec 1)
1	Mini Excavator	\$0	\$0	\$37,000	\$0	YES	needed for utility department
1	Warehouse Roof Repair	\$100,000	\$100,000	\$100,000	\$0	YES	New roof w/ spray insulation to repair leaks help with heating / cooling
1	Rack Storage System (Warehouse)	\$25,000	\$25,000	\$25,000	\$0	YES	Rack storage system will provide additional space in warehouse
1	Miscellaneous Tools / Equip.	\$100,000	\$100,000	\$78,485	\$21,515	WIP	Mowers, Weed-eaters, Chainsaws, Tools, Tire Balancer, Industrial Vacuum
1	Streets/Drainage/Sidewalks/Curbs	\$200,000	\$200,000	\$190,807	\$9,193	WIP	Road repair / paving. Street Assessment. Sidewalks / curbs. Small drainage projects.
			\$1,100,000	\$1,065,160	\$31,110		

General

Qty	Description	Unit Cost	Total	Actual	Remain	Received	Comments
1	Airport Lighting System	\$150,000	\$150,000	\$154,500	-\$4,500	YES	Upgrade runway lighting system. Est. cost = \$1.5M w/ 10% Grant Match.
1	Security Camera Upgrade	\$50,000	\$50,000	\$0	\$50,000	WIP	Now \$50k for Parks and Recycling Center camera installation.
1	City ERP System	\$200,000	\$200,000	\$74,401	\$200,000	WIP	Enterprise Resource Planning (ERP) system for payroll, budget, billing, HR, timecards.
1	Fire Department Tanker	\$275,000	\$275,000	\$141,480	\$133,520	WIP	RE-ALLOCATE. \$135k for Innovation Center. \$140k for Hangar purchase match
1	Baseball Field / Park Upgrades	\$50,000	\$50,000	\$0	\$50,000	WIP	Facility upgrades at Little League/Baseball Fields (Keilberg, Riverbend, Dennis Walker).
1	Cemetery CRM Platform	\$25,000	\$25,000	\$16,292	\$8,708	WIP	Purchase cemetery inventory management system / customer interface
1	Playground Equip / Park Upgrades	\$200,000	\$200,000	\$166,658	\$33,342	WIP	Playground equipment for Riverbend Park (\$55k + \$35k Installation). MLK Park BB Court(s) +\$50k
1	Misc. City Facility Upgrades	\$175,000	\$175,000	\$174,904	\$96	WIP	Counter glass @ City Hall. HVAC repairs @ Rec Center. Upgrade microphones in Council Chambers. RE-ALLOCATE to PD for 3 Patrol Cars (\$195k)
1	Grant Match for Infrastructure	\$275,000	\$275,000	\$119,765	\$155,235	WIP	GLO Drainage (\$130k) / TXDOT Main Street ADA Ramps & Sidewalks (\$35k) / Tub Grind

			\$1,400,000	\$721,728	\$552,002		73.50%	Spent	\$143,466 in Interest Earned		As of 6/19/25
		Totals:	\$3,001,250	\$2,206,012	\$795,238		26.50%	Remain			

City of Smithville Special-Called Council Meeting / Budget Workshop #1



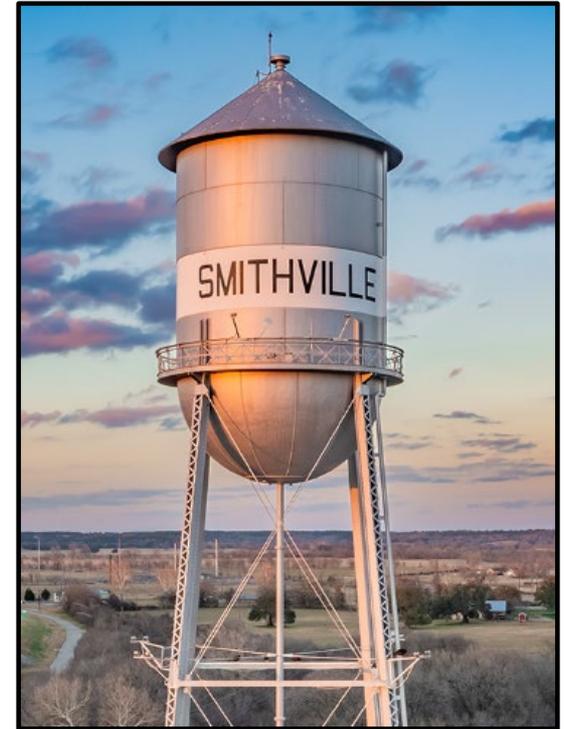
FY25/26 Preliminary Budget Overview

Smithville City Council Budget Workshop

Wednesday, June 18, 2025

Budget Assumptions:

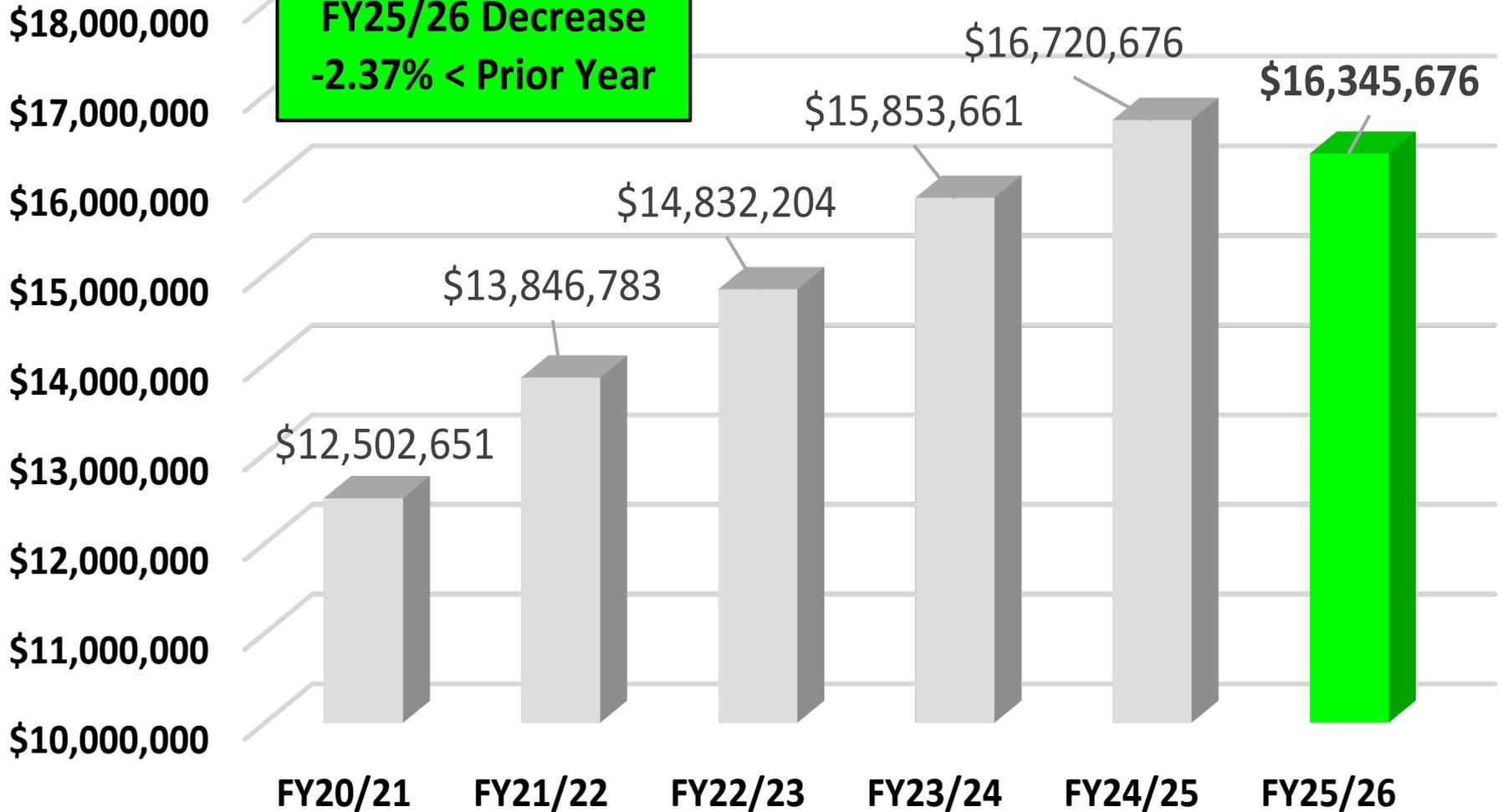
- Y-O-Y Decrease = **-2.37%**
- May 2025 BLS / CPI Inflation Rate = **2.4%**
- 2025 BCAD Values **LOWER** than 2024.
- Payroll and Benefits account for approximately 35% of total Budget
- Actively evaluating **cost savings / cost cutting measures** and **opportunities to increase revenue**. Identification and prioritization of plans, projects, and budgetary needs underway.
- **NO PLANS** at this time to increase utility fees (e.g., water, electric, sewer, garbage).



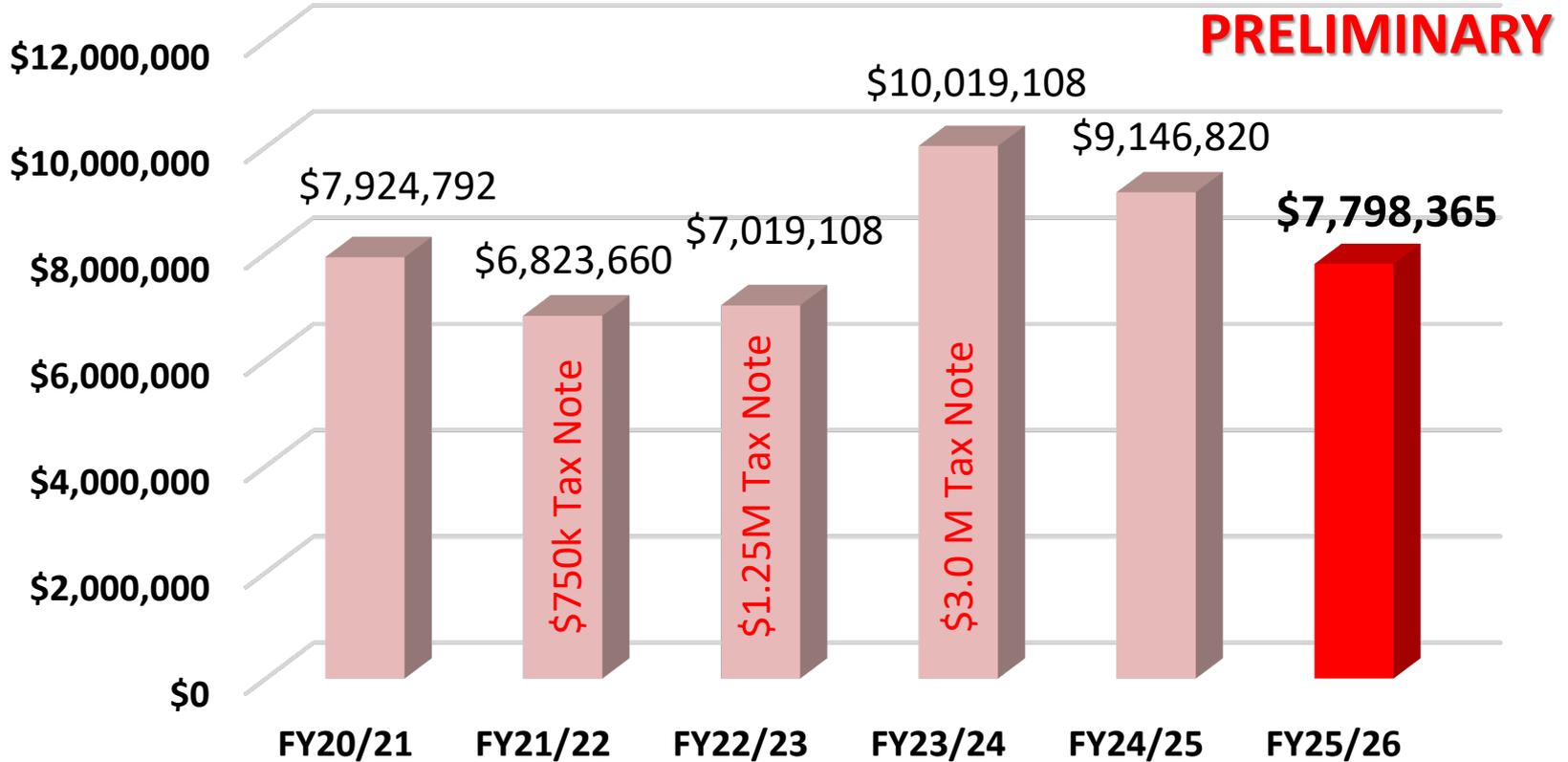
City of Smithville Budget History

PRELIMINARY

**FY25/26 Decrease
-2.37% < Prior Year**



City of Smithville Debt History



- \$3M Certificate of Obligation (C of O) for Water Tower / Wastewater Improvements;
- \$750k Tax Note (Series 2021) for Capital Equipment (Vehicles for PD & Public Works);
- \$1.25M Tax Note (Series 2022) for Capital Equipment / Infrastructure Upgrades;
- \$3M Tax Note (Series 2023) for Capital Equipment / Infrastructure Upgrades / Facility Improvements.



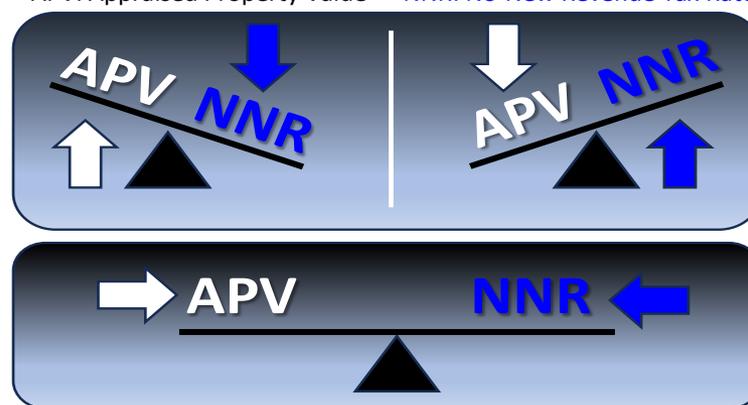
FY25 BCAD Property Values - PRELIMINARY

- 2025 BCAD net taxable property values (PRELIMINARY) in Smithville total **\$473,145,380**.
- **0.01% INCREASE** over last year's net taxable value of **\$473,112,093**.
- This adds **ZERO** additional revenue to the FY25/26 General Fund.
- 2,824 total properties evaluated with 271 (10%) still under review.
- 1,524 Single-Family Residential properties with 166 still under review. Average FMV **DECREASED** 5.4% from \$258k to \$244k.
- # of Over-65 Tax Freeze residents **INCREASED** from 464 to 500. **\$112k loss** in property tax revenue.

BCAD Property Valuation & City Tax Rate Comparison - Preliminary								
Year	Assessed Valuation	% Change in Value	Avg Home Value	Avg City Tax Paid	M&O Rate	I&S Rate	Total Tax Rate	% Change
2025	\$473,145,380	0.01%	\$243,596	\$1,435	TBD			
2024	\$473,112,093	4.78%	\$257,644	\$1,517	\$0.361372	\$0.227580	\$0.588952	7.287%
2023	\$451,537,121	14.45%	\$236,410	\$1,298	\$0.376543	\$0.172400	\$0.548952	0.004%
2022	\$394,511,444	20.20%	\$208,432	\$1,144	\$0.383085	\$0.165893	\$0.548930	-0.01%
2021	\$328,207,972	12.44%	\$186,277	\$1,023	\$0.419400	\$0.129600	\$0.549010	0.002%
2020	\$291,892,810	6.06%	\$170,086	\$934	\$0.446627	\$0.102434	\$0.549000	-3.52%
2019	\$275,208,274	10.97%	\$162,541	\$925	\$0.452515	\$0.116505	\$0.569020	0.004%

Seesaw Effect

APV: Appraised Property Value NNR: No-New Revenue Tax Rate



The **No-New Revenue (NNR) Tax Rate** (aka **Effective Tax Rate**) is the tax rate the City would pass to collect the same tax revenue as last year (FY24) using this year's (FY25) assessed values.

Smithville City Council Budget Workshop

Wednesday, June 18, 2025

Budget Timeline:

- Four (4) Budget Workshops scheduled. Process increases in scope and complexity over time.
- 2025 BCAD Property Values certified in **JULY**. Council / City Staff to present projects, plans, and preliminary spending @ the **7/23/25** workshop. Proposed Tax Rate and Yellow Sheet review.
- Prioritize projects / plans and revise spending as directed @ the **8/20/25** workshop.
- Finalize preliminary budget and tax rate @ **9/3/25** workshop.
- Council VOTE on **9/8/25** to Adopt FY25/26 Tax Rate & Budget.

FY25/26 Budget Workshop Schedule			
Date	Description	Location	Time
6/18/2025	Budget / Council Workshop #1	City Hall	5:00 PM
7/23/2025*	Budget / Council Workshop #2	City Hall	5:00 PM
8/20/2025	Budget / Council Workshop #3	City Hall	5:00 PM
9/3/2025	Budget / Council Workshop #4	City Hall	5:00 PM
9/8/2025	Adopt FY25/26 Tax Rate / Budget	City Hall	6:00 PM

*Originally 7/30/25



City of Smithville Special-Called Council Meeting / Budget Workshop #1



**Projects / Initiatives
-- Preliminary --**

Smithville City Council Budget Workshop

Wednesday, June 18, 2025

Current Projects / Initiatives:

- Adopt 2021 IBC
- GLO CDBG MIT Drainage
- ERP/CRM Implementation
- Comprehensive Plan
- Hwy 95 Expansion
- Airport Lighting Project



Future Projects / Initiatives - Preliminary:

- Implement Impact Fees
- Re-Bid Solid Waste Contract
- City-Wide Street Repairs / Paving
- Wastewater Improvements
- Regional Drainage Improvements
- Identify Funding For WWTF Expansion



Smithville City Council Budget Workshop

Wednesday, June 18, 2025



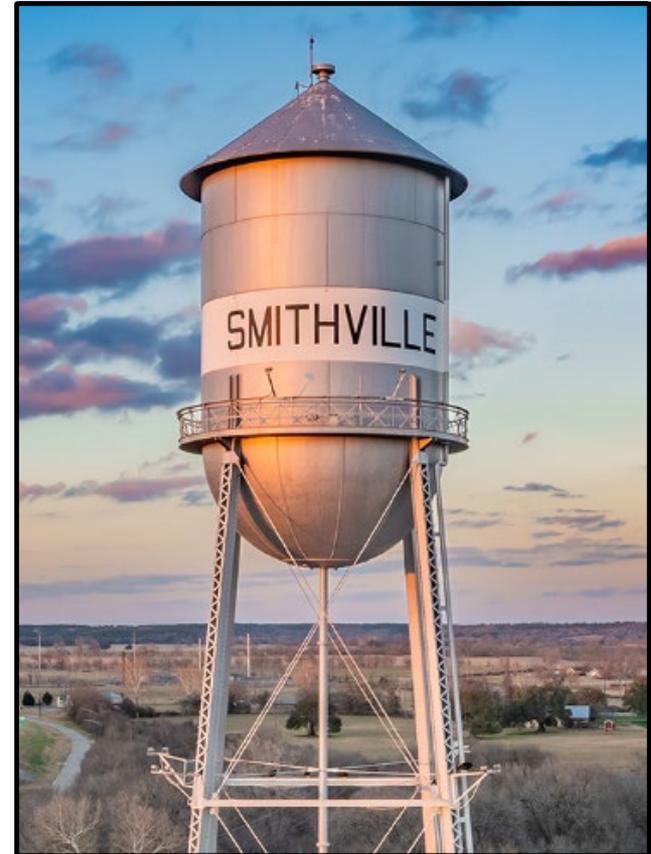
Cost Center (Dept) Overview

City of Smithville - City Council Workshop

Wednesday, May, 2023

Next Steps:

- Address workshop comments and/or action items.
- Next workshop is scheduled for **Wednesday, July 23, 2025:**
 - Review Proposed Projects / Plans
 - Present FY25/26 Preliminary Budget and Tax Rate (i.e., M&O, I&S)
 - Review Preliminary Cost Center Spending “Yellow Sheets”
- Other Topics for Future Discussion:
 - TBD



Citizen Comments





Smithville City Council Budget Workshop

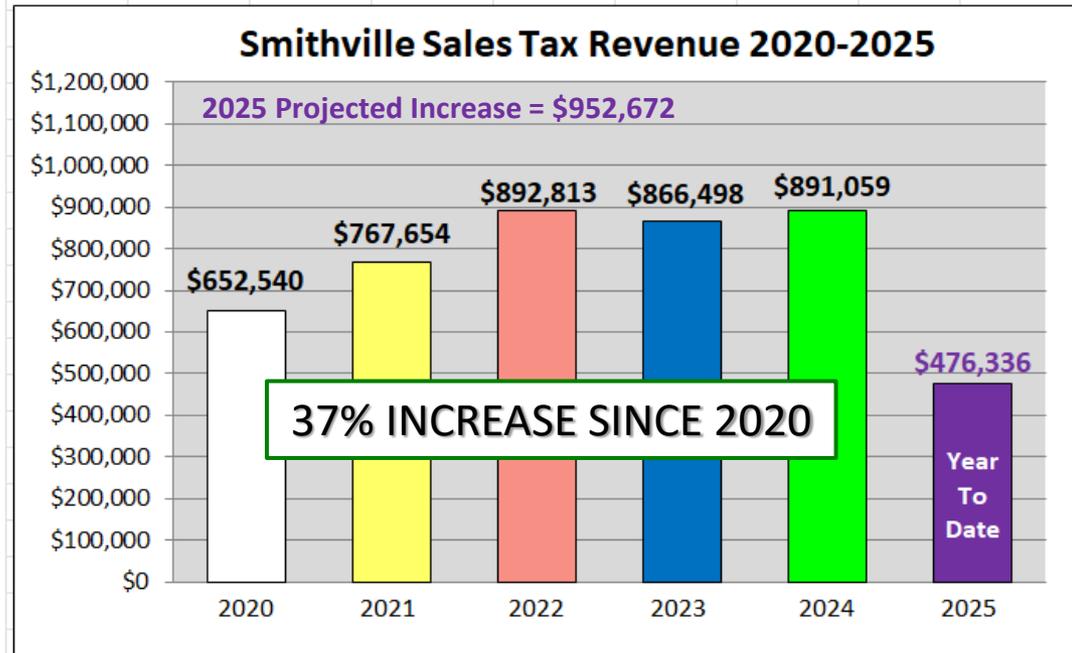
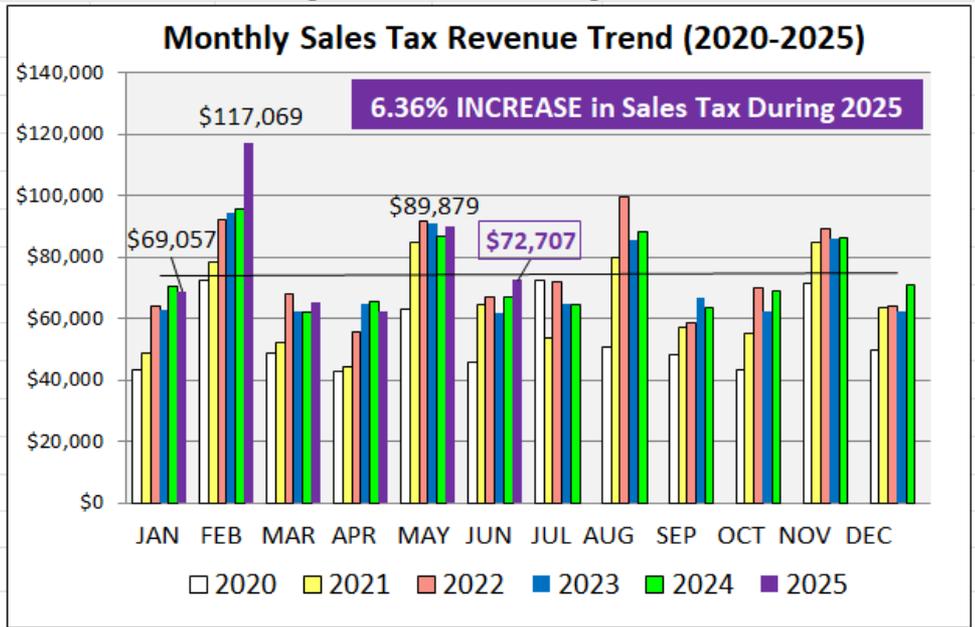
Wednesday, June 18, 2025

BACK UP

Smithville Sales Tax Revenue (2020-2025)

	2020	2021	2022	2023	2024	2025
JAN	\$43,347	\$48,759	\$64,226	\$62,860	\$70,729	\$69,057
FEB	\$72,422	\$78,459	\$92,024	\$94,558	\$95,775	\$117,069
MAR	\$48,809	\$52,210	\$68,204	\$62,561	\$62,179	\$65,130
APR	\$42,977	\$44,438	\$55,574	\$64,717	\$65,395	\$62,494
MAY	\$63,095	\$84,622	\$92,007	\$91,169	\$86,861	\$89,879
JUN	\$45,779	\$64,516	\$67,197	\$61,809	\$66,892	\$72,707
JUL	\$72,352	\$53,723	\$72,234	\$64,911	\$64,484	
AUG	\$50,878	\$79,858	\$99,610	\$85,733	\$88,120	
SEP	\$48,442	\$57,169	\$58,446	\$66,831	\$63,870	
OCT	\$43,150	\$55,398	\$69,994	\$62,501	\$69,136	
NOV	\$71,574	\$85,087	\$89,312	\$86,235	\$86,492	
DEC	\$49,714	\$63,415	\$63,985	\$62,613	\$71,126	

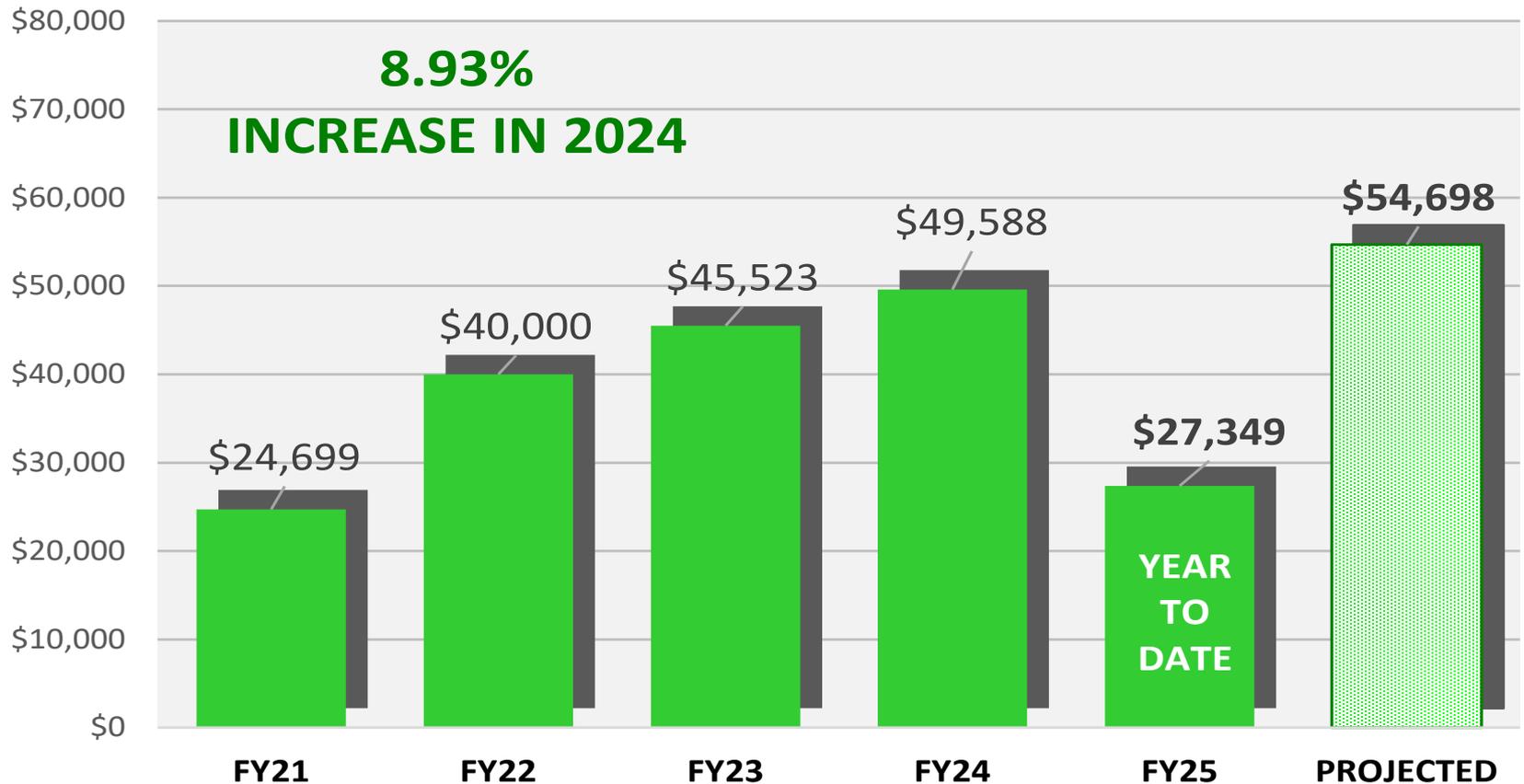
Sales Tax Revenue	2020	2021	2022	2023	2024	2025
	\$652,540	\$767,654	\$892,813	\$866,498	\$891,059	\$476,336



2025 YTD COMPARISON

County/City	2024 Perform	2025 Perform	Trend
Bastrop	2.39%	5.48%	↑
Elgin	10.13%	7.89%	↓
Smithville	1.99%	6.36%	↑
Bastrop County	5.82%	7.85%	↑

Hotel Occupancy Tax (HOT) History



- FY24 Annual Hotel Occupancy Tax Revenue = \$45,588. FY25 YTD = \$27,349
- Forty (40) hotel / lodging / STR establishments currently paying HOT
- 7% of Taxable Receipts with 1% Discount if paid before the quarterly DUE DATE

Smithville City Council Budget Workshop

Wednesday, June 18, 2025

FY24-25 Cost Savings / Cost Cutting Measures Taken - Updated 10/1/24

Item #	Description	Comments / Impact	Estimated Cost Savings
1	Cancelled Archive Social Platform	Tool used to expedite ORR from City FB Page	\$4,700
2	Eliminated Mailing Certified Letters for P&Z	75% of Letters Mailed were returned undeliverable or unsigned. Cost per certified letter = \$8.00	\$7,000
3	Eliminated City XMAS Party	Attendance down Y-O-Y	\$3,000
4	Eliminated Jamboree Wrist Bands for City Council and EE's	Hopefully a One-time Measure. Impact morale.	\$4,000
5	Eliminated Non-Essential Training	Limited attendance BEST Leadership / TRAPS / TML	\$5,000
6	Reduce Travel / Meals / Lodging Expense	Less Training = Less Travel Expense	\$8,000
7	Bundled Health Care, Vision, & Dental Plan	Lower Deductible / Higher Out-of-Pocket Expense	\$35,000
8	Reduced Streets & Alley Budget	Less Paving and Street Repair (GF Savings)	\$75,000
9	Reduced Expense for Property Clean-Up / Condemnation	Reduced spending for code enforcement clean-up and abatement (GF Code Enforcement Expense)	\$10,000
10	Reduced Staff / Council Attendance @ Annual TML Conference	Annual TML Conference for New Councilmembers Only	\$7,500
11	Cut Contribution to Non-Profit Organizations	Will evaluate on case-by-case basis	\$22,000
12	Re-structured Smithville PD OT policy	Holiday pay no longer counts toward "triggering" OT	\$50,000
13	Reduced Medical Benefits for Chief of Police	Family medical benefits available through Spouse	\$9,000
14	Cut City Manager Equity Incentive	Incentive tied to performance-based G&O's	\$10,000
15	Eliminated city-wide mosquito spraying	\$1500 per week for 5-weeks. 2X spraying/wk	\$7,500
17	Cut Mayor's monthly allowance	\$600 stipend to cover mileage and other expenses	\$7,200
18	Reduced employee COLA by 2%	Council authorized 1% COLA - impact to morale	\$98,000
TOTAL			\$362,900