



NOTICE OF A WORK SESSION OF THE CITY COMMISSION OF THE CITY OF BROWNSVILLE

Pursuant to Chapter 551, Title 5 of the Texas Government Code, the Texas Open Meetings Act, notice is hereby given that the City Commission of the City of Brownsville, Texas, in accordance with Article V, Section 12, of the Charter of said City, will convene a **Special Work Session** on **July 25, 2023**, at **5:00 p.m.**, at the **City Commission Chambers**, located on the **Second Floor** of the **Brownsville City Hall-Old Federal Building**, located at **1001 East Elizabeth Street**, Brownsville, Cameron County, Texas, 78520.

Pursuant to Section 551.127, Texas Government Code, one or more Commissioners or employees may attend this meeting remotely using videoconferencing technology. The video and audio feed of the videoconferencing equipment can be viewed and heard by the public at the address posted above as the location of the meeting.

Members of the Public, Employees, and the City Commission may join via the Webex Teleconference Meeting by logging on at:

<https://brownsvilletx.webex.com/brownsvilletx/j.php?MTID=m122c38d522bdbc41fd7b759b5017dff3>

Password: commission (26664774 from video systems)

CALL TO ORDER

A) ROLL CALL

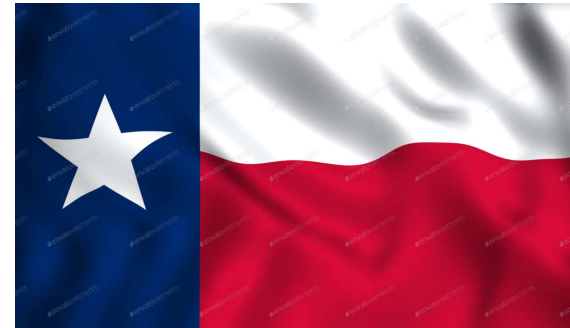
B) INVOCATION

Pledge of Allegiance to United States



I pledge allegiance to the flag
of the United States of
America and to the Republic
for which it stands, one Nation
under God, indivisible, with
liberty and justice for all.

Texas Pledge



Honor the Texas flag, I pledge
allegiance to thee, Texas, one
state under God, one and
indivisible.

WORK SESSION(S)

Presentation on Fiscal Year 2024 Budget Workshop #1.

Financial Services Department

BUDGET WORKSHOP

City Commission
The City of Brownsville

On the Border, By the Sea, and Beyond
July 25, 2023

One City Team



John Cowen, Jr.
Mayor



Tino Villarreal
*City Commissioner
at-Large "A"*



Rose M.Z. Gowen
*City Commissioner
at-Large "B"*



Bryan L. Martinez
*City Commissioner
District 1*



Linda C. Macias
*City Commissioner
District 2*



Roy De los Santos
*City Commissioner
District 3*



Pedro Cardenas
*City Commissioner
District 4*



Commission Pillars for the City of Brownsville

Progressive, Sustainable, Desirable, Innovative, Inclusive Community...

Economic Development

- Job & wealth creation
- Growth of tax revenues
- Attraction of businesses
- Maximizing funding & resources
- Support advanced manufacturing
- Support workforce development
- Support New Space programs
- Review marketing strategies

Planning & Zoning

- Promote business friendly atmosphere
- Complete updating of Building & Fire Codes
- Revise Land Use Plan
- Strategize downtown development
- Develop Comprehensive Housing Strategy

Infrastructure

- Update 2014 Pavement Condition Index (PCI)
- Integrate PCI Study with Sidewalk/Bike/Hike Master Plan
- Drainage Improvements
- Develop Comprehensive Drainage Master Plan
- Develop Comprehensive Technology Needs Study

Public Safety

- Review needs for new Emergency Operations Center
- Review and enhance Animal Control Program
- Review Police Officer staffing model
- Implement data-driven approach for fire operations
- Better monetize ambulance service
- Integrate Police/Fire dispatch operation

Quality of Life

- Assess and act on homelessness & mental health issues
- Focus on economic security
- Promote health initiatives
- Update 2015 Parks & Rec Master Plan
- Address needs for animal friendly facilities
- Support historical groups and Zoo

Governance

- Promote transparency & accountability
- Reinforce City's Vision, Mission, & Goals
- Review City's decision making approaches
- Develop and promote organizational values and culture

ONE CITY

City Commission



GBIC



Municipal Leadership



BCIC



15 Min City



SpaceX



LNG



Smart City Roadmap



Broadband



Games of Texas



Charro Days



Gladys Porter Zoo



Quality of Life



Avelo Airlines

Overall City Management Strategy – One City

Citizens

- Provide Citizens With Required Street Improvements

Citizens

- Lower Tax Rates (Debt Rate from \$.264 to \$.25)

Infrastructure

- Historic Buildings, Gladys Porter Zoo, Public Works, Drainage, Police & Fire: Ambulances & Trucks, Streets, Network Switches (5G).

Public Safety

- Year 2 Police & Fire Contracts

Employees

- Competitive Wages

\$29.6M Bond Issuance (Est.)

\$10,000,000 FY 23 CIP

\$10,000,000 FY 24 CIP

\$4,500,000 Old HWY 77

\$2,173,489 Network Project for 5G

\$26,673,489 Subtotal

\$2,000,000 Zoo Master Plan Match

\$1,500,000 Historic Preservation

\$30,173,489 Total

\$12.5M
Streets & Roads

\$2.2M
Network Switches

\$2.0M
Gladys Porter
Zoo Match

\$1.5M
Historic Buildings

\$2.0M
Public Works
Heavy Equipment

\$2.4M
Ambulance &
Fire Trucks

\$7.6M
Infrastructure



Budget History – New Commissioners

- Years 1 & 2 – Police Contract (December 2022)
 - COLA Increases: Year 1 (4%) and Year 2 (4%)
- Year 2 – Fire Contract (September 2022)
 - COLA Increases: Year 1 (3%) and Year 2 (3%)
- Compensation Subcommittee
- FY 2023 Budget – 88% / 12% (\$431,161)



City of Brownsville Compensation Analysis Update

August 23, 2022



16 Comparable Cities – Compensation Comparison

Edinburg	Mission	New Braunfels
Harlingen	Beaumont	Galveston
Laredo	Pasadena	Victoria
Mcallen	Baytown	Corpus Christi
Pharr	Grand Prairie	San Antonio
		El Paso





STRATEGY #1 FY23 Budget



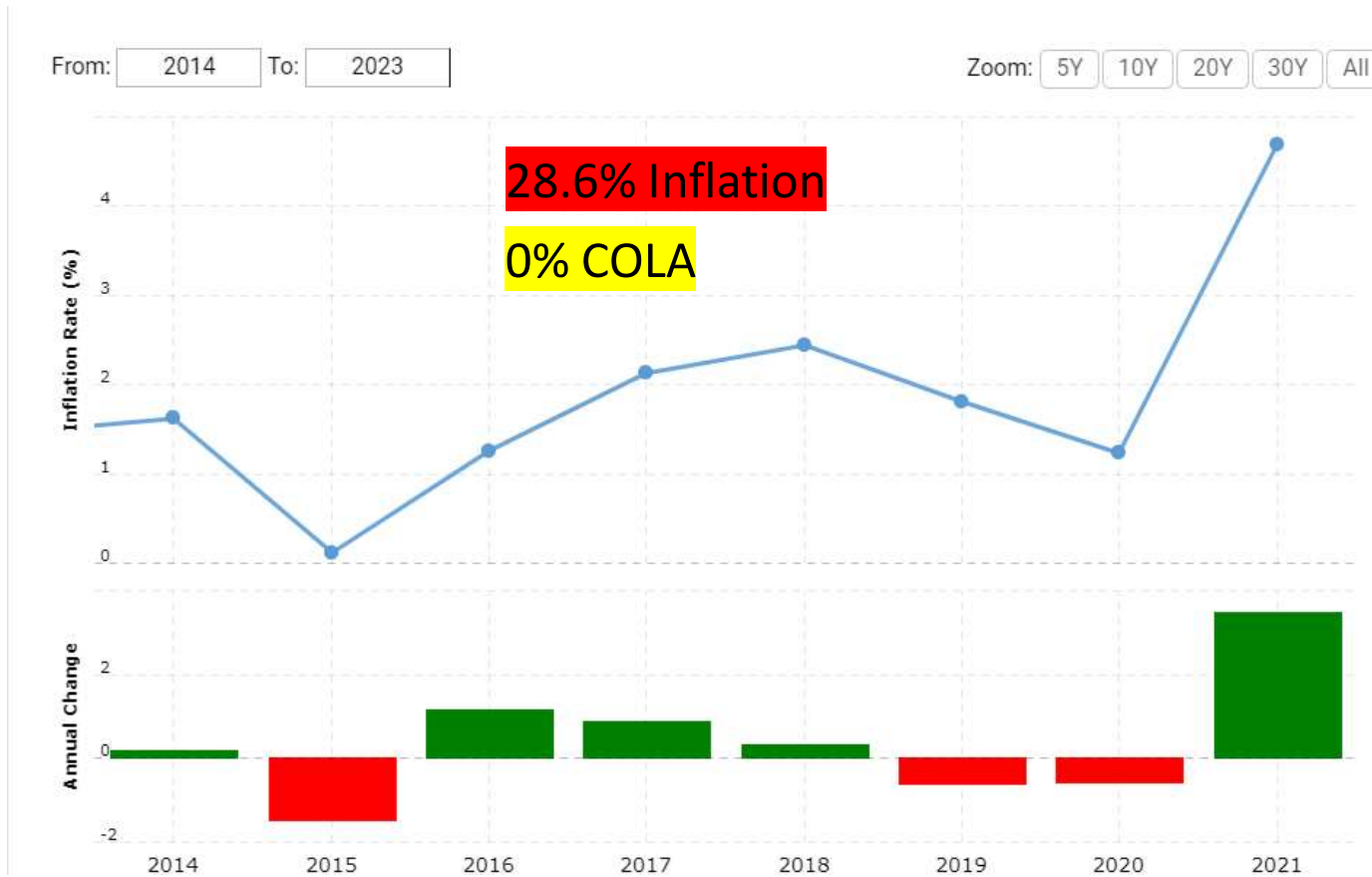
- Implement compensation analysis at 88% of **(\$3.1M)**.
 - *Recommended adjustment as of October 1st, 2022.*
- 12% remaining to be implemented by phase approach when recurring funding is available **(\$431,161)**.

Employee Focus – City Manager's Top Priorities

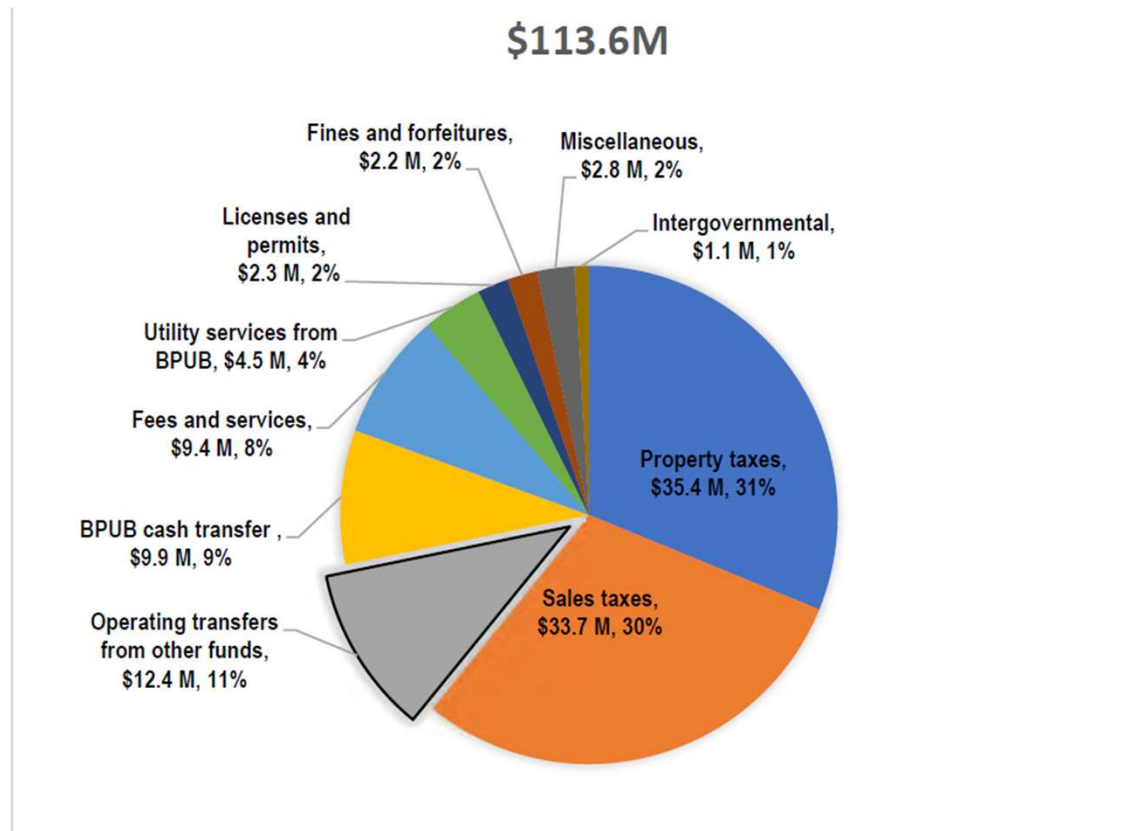
- Last COLA increase in 2014
- Inflation: 2014 – 2023 (28.6%)
- Retention Rates & Turnover
- Organizational Culture
- Career Development



Inflation Rates – 2014 to 2023 vs City COLA



FY 23 General Fund Budgeted Revenue



FY 23 Projections

FY23 Budget Surplus - Stipends

FY23 Year-End Reconciliation

FY22 Total General Fund Balance	\$	53,402,790	
FY22 Unassigned General Fund Balance	\$	43,365,209	(113 days)
Subtotal Surplus Forecasted	\$	3,700,000	(100 days vs 90 days)
- Multimodal Matching Grants	\$	(2,100,000)	
- FY24 COLA Required	\$	(445,646)	
Surplus Forecasted	\$	1,154,354	

Option 9 - \$1,154,000 Civilian Pool Amount

Full-Time Employees	\$	1,120,064	672	\$	1,315
Part-Time Employees	\$	30,653	37	\$	658
Total	\$	1,150,717	709		

Full-Time Headcount - Payroll 7/12/2023

Civilian Full-Time	672	61.6%
Police	221	20.3%
Fire	198	18.1%
Total Headcount	1,091	100.0%

FY 24 Diversified Budget Approach

FY23 Budgeted Revenue	Dollars (in Millions)	% of Total
Property Tax	35.4	31.2%
Sales Tax	33.7	29.7%
BPUB	14.4	12.7%
Landfill	9.3	8.2%
Bridge Fund	3.1	2.7%
Subtotal	95.9	84.4%
Other	17.7	15.6%
Grand Total	113.6	100.0%

City of Brownsville

Accelerating Property Tax Valuations

Year Ended September 30,	Estimated Population	Total Tax Levy
2013	177,795	5,580,529,052
2014	179,834	5,771,016,332
2015	181,487	5,900,931,613
2016	182,110	6,039,624,579
2017	183,823	6,303,725,588
2018	183,299	6,440,434,596
2019	183,292	6,685,286,108
2020	182,781	7,136,996,284
2021	186,738	7,246,442,694
2022	187,831	7,847,124,557

11 Year Growth Rate

76.7% 11 7.0%

5 Year Growth Rate

53.1% 5 10.6%

City of Brownsville

Accelerating Property Tax Valuations

- Cameron County Appraisal District: 31.5% Overall Increase
- Single Family Residential: 36%
- Commercial Property Values: 12.5%
- Average home value: \$280,634
- Brownsville Preliminary Assessed Value after Tax Limit Freezes: \$9,862,190,724



City of Brownsville

Ad Valorem Levy & Collection History

CITY OF BROWNSVILLE, TEXAS Property Tax Levies and Collections Last Ten Fiscal Years

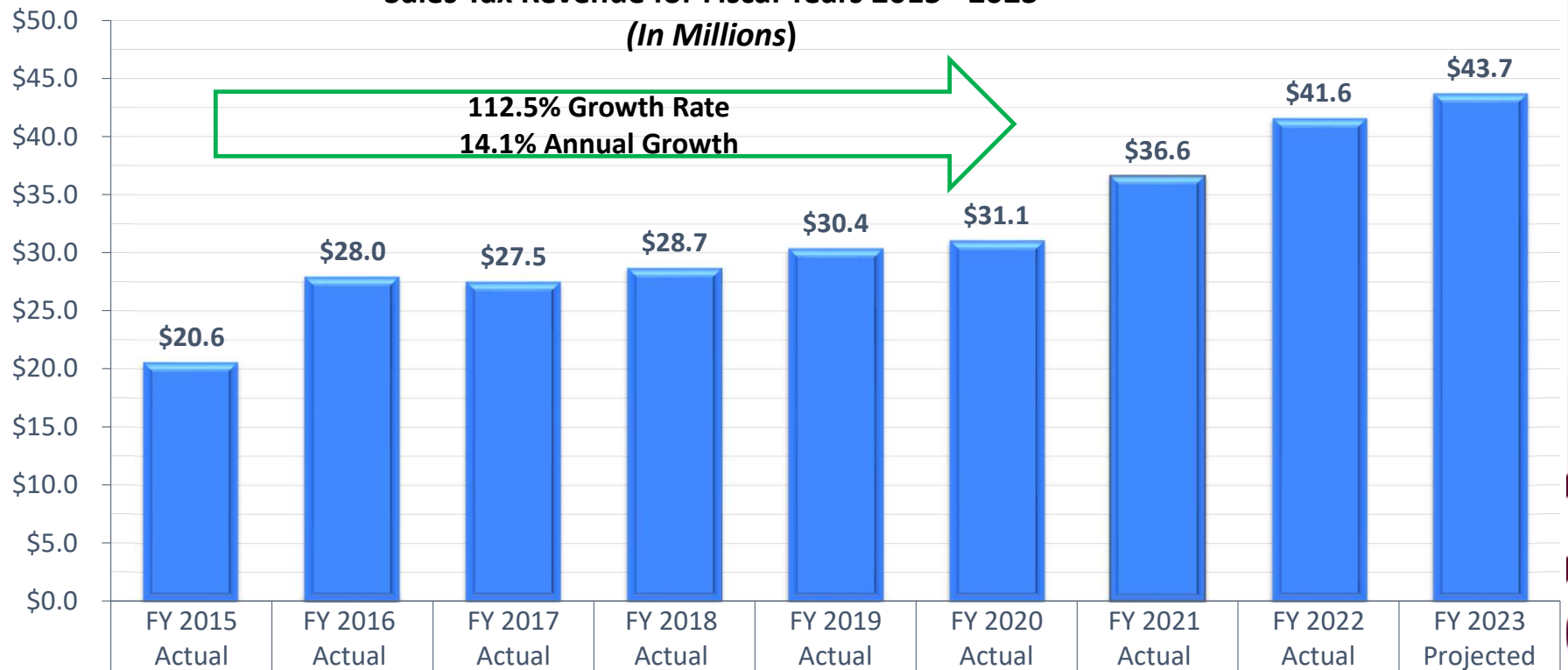
Year Ended September 30,	Tax Roll Year	Total Tax Levy	Collected within the Fiscal year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			(2) Amount	Percentage of Levy		Amount	Percentage of Levy
2013	2012	\$ 39,097,909	\$ 36,855,131	94.26%	\$ 1,852,656	\$ 38,707,787	99.00%
2014	2013	\$ 40,432,488	\$ 38,431,526	95.05%	\$ 1,679,090	\$ 40,110,616	99.20%
2015	2014	\$ 41,342,694	\$ 39,653,498	95.91%	\$ 1,472,709	\$ 41,126,207	99.48%
2016	2015	\$ 42,219,131	\$ 40,434,990	95.77%	\$ 1,643,360	\$ 42,078,350	99.67%
2017	2016	\$ 43,504,244	\$ 41,727,203	95.92%	\$ 1,599,590	\$ 43,326,794	99.59%
2018	2017	\$ 44,614,444	\$ 42,819,706	95.98%	\$ 1,579,311	\$ 44,399,017	99.52%
2019	2018	\$ 45,952,908	\$ 43,968,132	95.68%	\$ 1,444,676	\$ 45,412,808	98.82%
2020	2019	\$ 49,194,494	\$ 47,332,858	96.22%	\$ 1,240,358	\$ 48,573,216	98.74%
2021	2020	\$ 51,805,997	\$ 50,247,574	96.99%	\$ 748,608 (1)	\$ 50,996,182	98.44%
2022	2021	\$ 53,864,255	\$ 52,429,367	97.34%	\$ - (1)	\$ 52,429,367	97.34%

(1) Delinquent taxes for fiscal year 2021 & prior are in process of collection during fiscal year 2022.

(2) Year-end adjusted tax levy shown

SOURCE: Cameron County Tax Office

City of Brownsville, Texas
Sales Tax Revenue for Fiscal Years 2015 - 2023
(In Millions)



Sales Tax	\$20.6	\$28.0	\$27.5	\$28.7	\$30.4	\$31.1	\$36.6	\$41.6	\$43.7
\$ Inc From Prior Year	(\$5.8)	\$7.4	(\$0.5)	\$1.2	\$1.7	\$0.7	\$5.6	\$5.0	\$2.1
% Inc From Prior Year	-21.9%	35.9%	-1.6%	4.3%	5.9%	2.2%	17.9%	13.6%	5.1%

City of Brownsville

Landfill



- Budgeted \$9.3M Transfer
- City of Harlingen added in FY22
- Extending Useful Life
- Enterprise Fund Buys Its Own Equipment

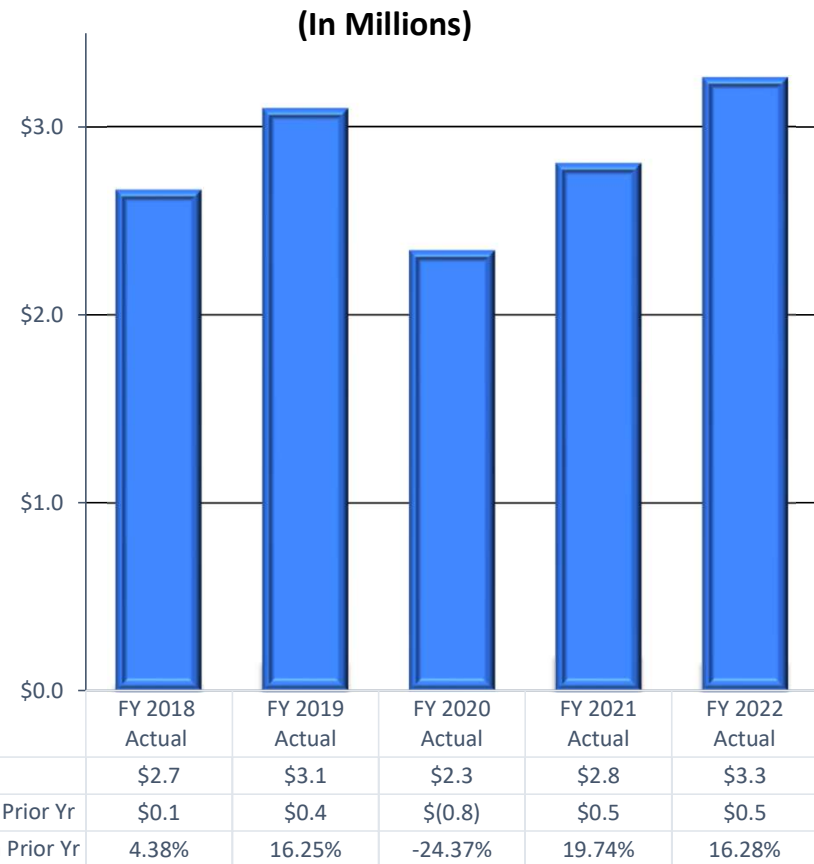
City of Brownsville

BPUB



- 10% Net Revenue Transfer After Allowable Expenses
- \$14.4M Budgeted Revenue, 13% of Total

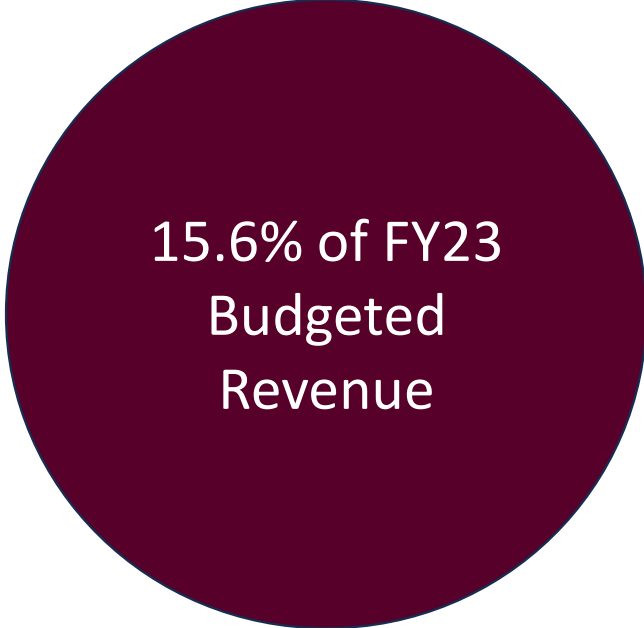
Veterans International Bridge Transfer (FY 2018-2022)



Revenue	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual
	\$2.7	\$3.1	\$2.3	\$2.8	\$3.3
\$ Income (Dec) From Prior Yr	\$0.1	\$0.4	\$(0.8)	\$0.5	\$0.5
% Income (Dec) From Prior Yr	4.38%	16.25%	-24.37%	19.74%	16.28%

All Other General Fund Revenues

- Franchise Tax
- Fees & Services
- Licenses & Permits
- Interest Income
- Miscellaneous
- Other Income



15.6% of FY23
Budgeted
Revenue



City of Brownsville Texas
Building Permits Values Issued From Fiscal Years 2016 - 2023
(In Millions)

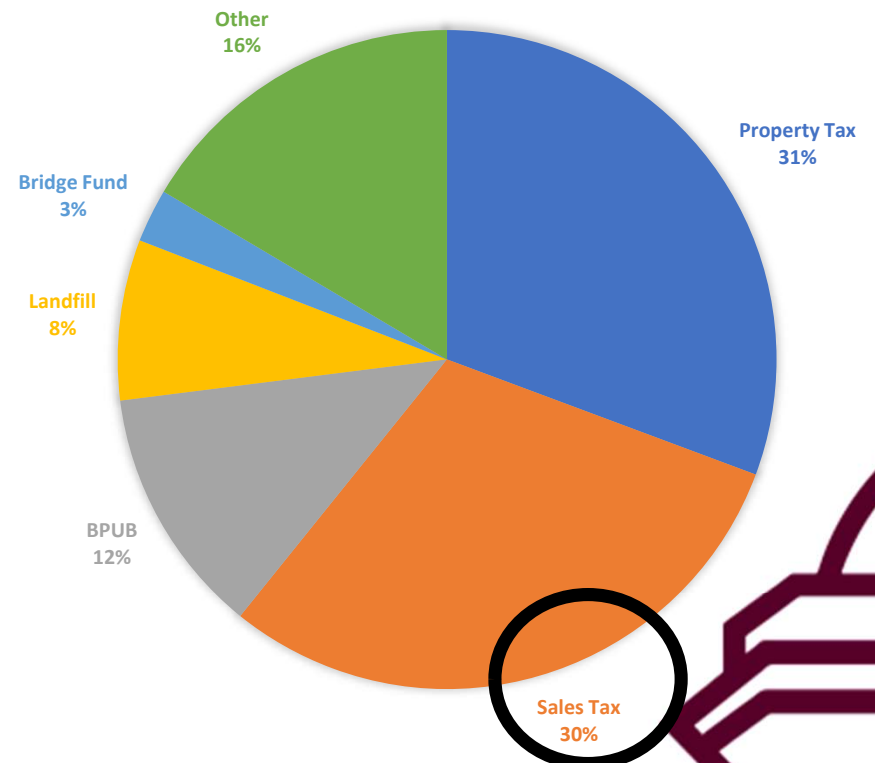
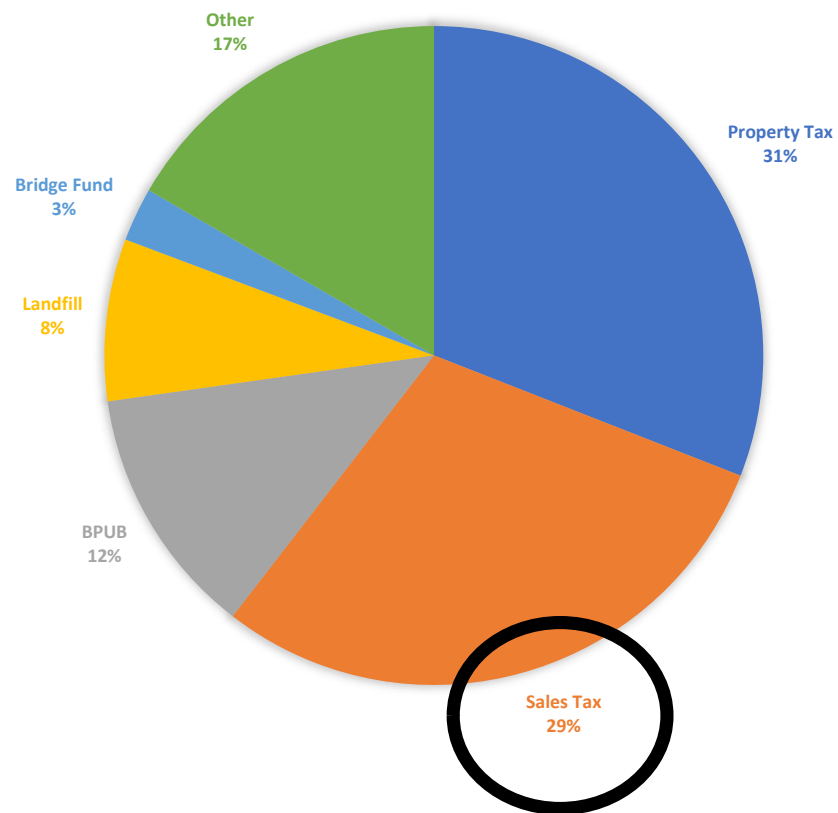


FY 24 Proposal

FY24 Budget Planning

FY23 - FY24 Revenue Increase	\$ 3,430,000
12% - FY22 Compensation Analysis (versus 16 City Comparison)	\$ (431,161)
3.5% COLA	\$ (1,477,890)
Fire Incremental Year 2	\$ (489,271)
Police Incremental Years 1 - 2	\$ (1,593,188)
PAN Increases FY23 (including benefits)	\$ (895,150)
Balance	\$ (1,456,660)
 Increase Sales Tax from 2.5% to 5.5%	 \$ 1,011,014
Fund Balance FY23	\$ 445,646
Total	\$ 1,456,660
 Difference	 \$ -

FY 24 Current Budget Projections



Financial Policy Guideline Request

- Requesting Commission Approval To Move Sales Tax from 2.5% to 5.5% +\$1,011,014.
- Increase Sales Tax as a Percent of Overall Budget From 29.5% to 30.1%. (\$179,010 over 30%)



An aerial photograph of a city at dusk or dawn. The sky is a mix of orange, pink, and blue. In the center, a white building with a prominent blue dome stands out. The building has arched windows and a classical architectural style. Surrounding it are various other buildings, some with flat roofs and others with more complex structures. Palm trees are scattered throughout the scene, particularly in the foreground and around the central building. The overall atmosphere is serene and urban.

FY24 Budget QUESTIONS

CONTACT US

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cityofbrownsville