

FISCAL YEAR 2023-2024
**PROPOSED
OPERATING
BUDGET**



PRESENTED TO CITY COUNCIL
ON JULY 25, 2023

**CITY OF CORPUS CHRISTI
CITY MANAGER
PETER ZANONI**

FY 2024 PROPOSED ANNUAL OPERATING

2nd Reading
September 5, 2023

Addresses City Council & Community Priorities



- \$123.7M investment in Streets
- New pavement only approach projected to decrease backlog



- 9 new Police Officer positions – 54 officers have been added in five years
- 9 new Firefighter positions



- New Operations & Maintenance budget for:
 - Bill Witt Aquatic Center
 - Water Garden
 - Cole Park Splash Pad
- 4 Northside Neighborhood Parks included



- Proposed Budget establishes better equity in rate structure
- \$73M for improvements in water distribution, including water lines
- \$53M for improvements at all six Wastewater Treatment Plants

FY 2024 Total City Budget **\$1.5 Billion**



General Fund
\$291.9 Million

Enterprise Funds
\$291.5 Million

Special Revenue Funds
\$198.3 Million

Debt Funds
\$124.5 Million

Capital Budget
\$604.1 Million

City Residential Rates



Property Tax – Proposed Rate Decrease from \$0.626261 per \$100 valuation to \$0.599774 per \$100 valuation

Water – No proposed rate change for the typical residential customer (6,000 gallons).

Wastewater – No proposed residential rate change

Storm Water – Proposed monthly rate adjustment of \$1.15 for a typical residential customer (consistent with 5-year plan)

Gas – No proposed service delivery rate change

Solid Waste – Proposed monthly rate adjustment of \$1.15 per month for residential customers

Streets – No renewal of Street Maintenance Fee which sunsets on December 31, 2023 and will result in \$5.38 monthly savings for residential customer

Sample Utility Bill for Residential Customer



Service	Current Fee	Original Proposed Fee	Current Proposed Fee	Change
Water ¹	\$ 39.06	\$ 40.88	\$ 39.96	\$ 0.00
Wastewater ²	\$ 54.64	\$ 57.03	\$ 54.64	\$ 0.00
Storm Water	\$ 7.69	\$ 8.84	\$ 8.84	\$ 1.15
Natural Gas	\$ 18.60	\$ 18.60	\$ 18.60	\$ 0.00
Solid Waste	\$ 26.70	\$ 27.85	\$ 27.85	\$ 1.15
Streets	\$ 5.38	\$ 5.38	\$ 0.00	\$ (5.38)
Per Month	\$ 152.07	\$ 158.58	\$ 149.89	\$ (3.08)
% (Decrease)				(2%)
¹ Based on 6,000 gallons water usage				
² Based on 5,000 gallons winter quarter average				

Even more relief provided by a \$0.02 property tax reduction

Sample Tax Bill for City & CCISD

FOR AVERAGE HOMESTEAD OF \$265,923

Current Property Taxes	
City of Corpus Christi (\$0.620261/\$100 valuation)	\$1,484
CCISD (\$1.2111/\$100 valuation)	<u>\$2,736</u>
Total	\$4,220

Proposed Property Taxes	
City of Corpus Christi (\$0.599774/\$100 valuation)	\$1,435
CCISD (\$0.96000/\$100 valuation)	<u>\$1,593</u>
Total	\$3,028



\$1,192
Average Annual Savings

Sample Tax Bill for City & CCISD

FOR HOMESTEAD VALUED AT \$405,955

Current Property Taxes	
City of Corpus Christi (\$0.620261/\$100 valuation)	\$2,266
CCISD (\$1.2111/\$100 valuation)	<u>\$4,432</u>
Total	\$6,698

Proposed Property Taxes	
City of Corpus Christi (\$0.599774/\$100 valuation)	\$2,191
CCISD (\$0.96000/\$100 valuation)	<u>\$2,937</u>
Total	\$5,128



\$1,570
Average Annual Savings

Sample Tax Bill for City & FBISD

FOR AVERAGE HOMESTEAD OF \$265,923

Current Property Taxes	
City of Corpus Christi (\$0.620261/\$100 valuation)	\$1,484
Flour Bluff Independent School District (\$0.958600/\$100 valuation)	<u>\$2,166</u>
Total	\$3,650

Proposed Property Taxes	
City of Corpus Christi (\$0.599774/\$100 valuation)	\$1,435
Flour Bluff Independent School District (proposed \$0.768200/\$100 valuation)	<u>\$1,275</u>
Total	\$2,710



\$940
Average Annual Savings

Sample Tax Bill for City & FBISD

FOR HOMESTEAD VALUED AT \$405,955

Current Property Taxes	
City of Corpus Christi (\$0.620261/\$100 valuation)	\$2,266
Flour Bluff Independent School District (\$0.958600/\$100 valuation)	<u>\$3,508</u>
Total	\$5,774

Proposed Property Taxes	
City of Corpus Christi (\$0.599774/\$100 valuation)	\$2,191
Flour Bluff Independent School District (proposed \$0.768200/\$100 valuation)	<u>\$2,350</u>
Total	\$4,541



\$1,233
Average Annual Savings

Community Amendments

- Reduce Water Rate increase for Residential Customer – Typical 6,000 gallon per month ICL customer will see NO monthly increase, down from original proposal of \$1.82 monthly increase
- ✓ Remove Wastewater increase for Residential Customer
- ✓ Add Blucher Park Amenities

Staff Amendments

General Fund

- Increase Property Tax Revenue due to certified tax roll - \$691,205
- Increase Interest on Investment Revenue - \$98,262
- Increase Transfer to Residential Streets - \$691,205
- Increase Transfer to Street Maintenance Fund due to non-renewal of Street Fee - \$9,000,000
- Increase contribution to MetroCom Fund - \$41,812
- Increase in cost of Type A election - \$50,000
- Wranosky Park Improvements - \$111,000
- Blucher Park Amenities - \$17,250
- Increased Operating Hours and Staffing at 2 Senior Centers - \$103,200
- Remove Expanded Heating and Cooling Service Enhancements – (\$150,000)
- Remove Tree Canopy Study – (\$50,000)
- Additional funding for tree planting - \$50,000
- Remove Air Monitoring Funding – (\$25,000)

Staff Amendments

Enterprise Funds

- Airport – (\$1,152,352)
 - Remove duplicate Capital Improvement Project for East Hangars 2 & 3 and Concourse Upgrades – (\$879,831)
 - Eliminate 5 vacant positions – (\$272,521)

- Water – (\$3,642,756)
 - Reduce Revenue due to decreased water rate adjustment – (\$3,642,756)

- Wastewater – (\$9,980,610)
 - Reduce Revenue due to decreased Wastewater rate adjustment – (\$9,980,610)

Staff Amendments

Special Revenue Funds

- Hotel Occupancy Tax – (\$50,000)
 - Remove Tourism Sustainability Study – (\$50,000)
- Street Maintenance - \$1,000,000
 - Decrease Revenue due to non-renewal of Street Fee – (\$9,000,000)
 - Increase Interfund Transfer from General Fund - \$9,000,000
 - Increase expenditures for Traffic Signal Support replacements - \$1,000,000
- Residential Street Reconstruction - \$691,205
 - Increased Transfer from General Fund due to increased value and change in tax rate - \$691,205
- MetroCom – (\$138,972)
 - Decrease in Nueces County Payment Revenue – (\$180,784)
 - Increase Interfund Transfer from General Fund – \$41,812

Staff Amendments

Internal Service Funds

- Employee Health Benefits – (\$293,617)
 - Decrease Employee Contribution Revenue – (\$293,617)

Debt Service Funds

- Storm Water Debt Service - \$1,500
 - Increase expenditures for Paying Agent Fees - \$1,500

CIP

- Parks and Recreation CIP Program – \$111,000
 - Addition of Wranosky Park Improvements - \$111,000

Staff Amendments for Second Reading

General Fund

- Refund to Flint Hills for Updated Property Values (2019-2022) - \$290,184

Enterprise Funds

- Water – (\$999,000)
 - Reduce revenue for the decreased meter charge for ICL and OCL 3/4" or 5/8" meter by \$0.90 (\$999,000)

Grant Funds

- Health Department Grants - \$3,988,153
- Parks & Recreation Department Grants - \$2,208,561

Next Steps



City Council Budget Workshops

(July 19th, August 1st, 3rd, 8th, 10th, 21st, 25th **completed**)



Budget Community Input Sessions

(August 7th, 9th, 10th, 14th, 16th **completed**)



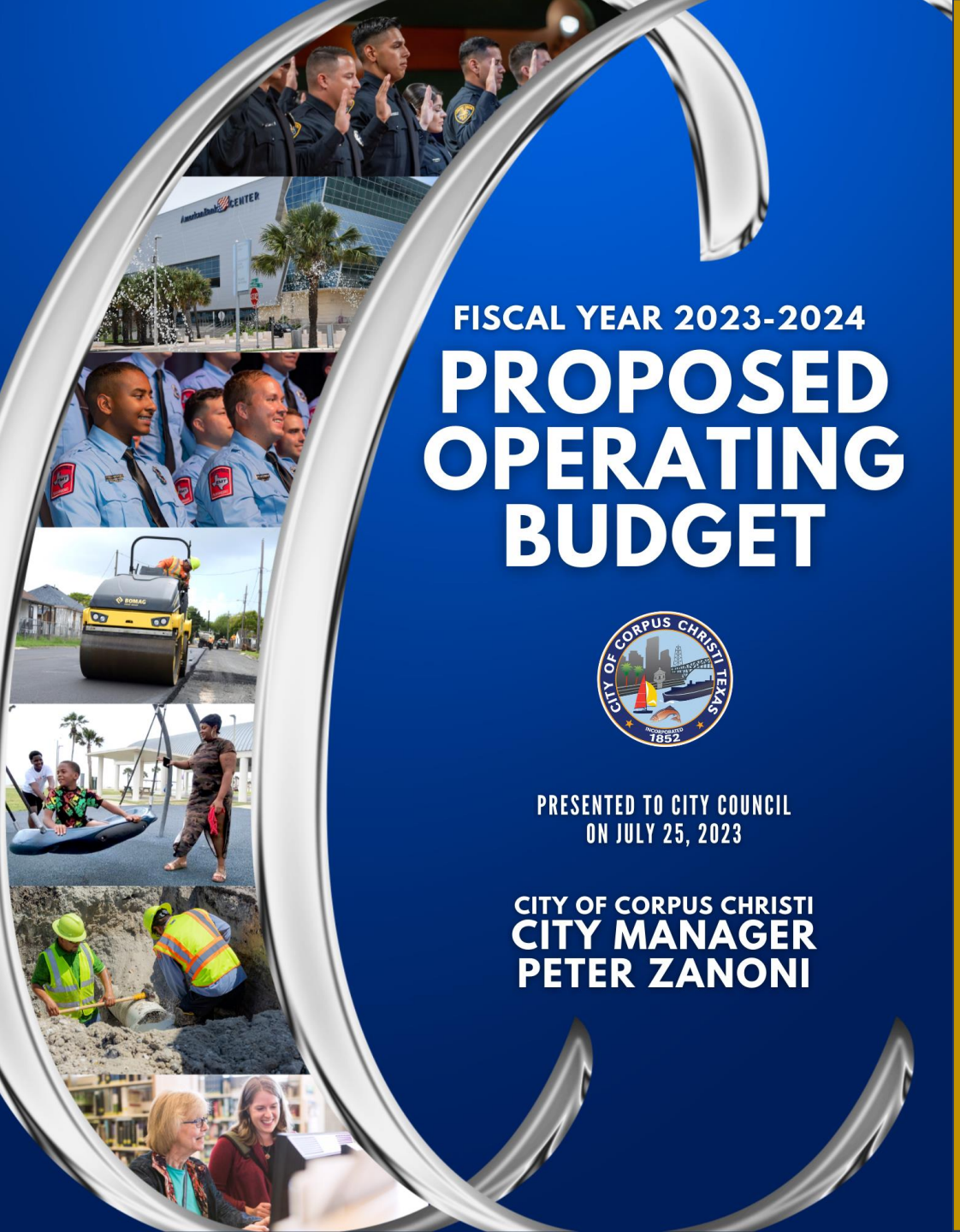
Public Hearings

(Tax Rate - August 29th **completed**)
(Budget – August 29th **completed**)



Budget and Tax Rate Adoption

(1st reading August 29th **completed**
2nd reading September 5th)



FISCAL YEAR 2023-2024
**PROPOSED
OPERATING
BUDGET**



PRESENTED TO CITY COUNCIL
ON JULY 25, 2023

**CITY OF CORPUS CHRISTI
CITY MANAGER
PETER ZANONI**

FY 2024 PROPOSED ANNUAL OPERATING

2nd Reading
September 5, 2023