

# Proposed Fiscal Year 2026 Budget Type B



Board Presentation  
May 19, 2025



# Budget Overview- Economic Development

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	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
<b>Beginning Fund Balance</b>	<b>12,013,140</b>	<b>14,002,290</b>	<b>14,760,259</b>	<b>14,760,259</b>	<b>6,410,811</b>
Total Revenue	5,204,269	4,906,826	4,906,826	4,981,123	4,787,483
Total Expenditures	2,457,150	10,486,546	16,023,185	13,330,571	8,075,186
<b>Ending Fund Balance</b>	<b>14,760,259</b>	<b>8,422,570</b>	<b>3,643,900</b>	<b>6,410,811</b>	<b>3,123,108</b>



# Proposed Revenue Economic Development

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	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
Sales Tax*	4,508,796	4,542,638	4,542,638	4,576,371	4,576,371
Interest and Investment Income	695,473	364,188	364,188	404,752	211,112
<b>Total</b>	<b>5,204,269</b>	<b>4,906,826</b>	<b>4,906,826</b>	<b>4,981,123</b>	<b>4,787,483</b>

\*50% of 1/8 cent voter approved sales tax

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# Proposed Expenses Economic Development

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	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
Economic Development	125,000	275,000	496,284	346,284	346,284
Major Business Incentive Project	983,657	5,011,745	4,790,461	2,674,116	2,750,000
Small Business Projects	1,200,265	1,076,700	3,324,339	2,987,070	1,076,700
Administration	5,468	148,250	148,250	148,250	10,000
Type B Incentives	74,000	89,000	998,000	909,000	-
Transfer to General Fund	68,760	114,408	114,408	114,408	115,552
Transfer to CIP	-	1,350,625	1,350,625	1,350,625	3,776,650
Transfer to Streets CIP	-	2,420,818	2,420,818	2,420,818	-
Transfer to Streets Fund	-	-	2,380,000	2,380,000	-
<b>Total</b>	<b>2,457,150</b>	<b>10,486,546</b>	<b>16,023,185</b>	<b>13,330,571</b>	<b>8,075,186</b>

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# Major Business Incentives

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Projects	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
NEXT Sports Complex	1,200,000	1,200,000	-	1,850,000
Texas A & M Drones	911,745	954,116	954,116	-
South Texas Military Housing	900,000	636,345	500,000	500,000
Erosion of Public Parks Along CC Bay	-	820,000	820,000	-
Hilton Homewood Suites	2,000,000	1,180,000	400,000	400,000
<b>Total</b>	<b>5,011,745</b>	<b>4,790,461</b>	<b>2,674,116</b>	<b>2,750,000</b>



# Small Business Projects

	FY 2025 Adopted Budget	FY 2025 Amended Budget*	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
Texas A&M Internship	150,000	231,185	150,000	150,000
Del Mar College Internship	140,000	170,994	140,000	140,000
Del Mar College - PTAC/APEX	110,000	158,003	110,000	110,000
Del Mar College - CRC	150,000	213,919	150,000	150,000
Del Mar College - SBDC	150,000	150,000	150,000	150,000
Del Mar College: Enhanced Skills Training	-	1,897,870	1,897,870	-
Del Mar College: Cyber Center	140,000	203,288	140,000	140,000
Lift Fund	150,000	199,880	150,000	150,000
SCORE	86,700	86,700	86,700	86,700
Home to Texas Program	-	12,500	12,500	-
<b>Total</b>	<b>1,076,700</b>	<b>3,324,339</b>	<b>2,987,070</b>	<b>1,076,700</b>

\*Amended budget reflects calendar year  
contracts remaining amounts from FY 24



# FY26 Proposed Additional Funding

## Small Business Projects

\$1,290,225

Small Business Contracts	FY25 Funding	Proposed FY26 Funding
SCORE	\$86,700	\$95,225
TAMUCC Internship	\$150,000	\$200,000
DMC SBDC	\$150,000	\$150,000
DMC APEX Accelerator	\$110,000	\$150,000
DMC CRC	\$150,000	\$150,000
DMC Cyber Center	\$140,000	\$195,000
LiftFund	\$150,000	\$200,000
DMC Internship	\$140,000	\$150,000
<b>Total</b>	<b>\$1,076,700</b>	<b>\$1,290,225</b>



# Type B Incentives

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	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
South Texas Botanical Gardens	89,000	178,000	89,000	-
Texas General Land Office Grant	-	820,000	820,000	-
<b>Total</b>	<b>89,000</b>	<b>998,000</b>	<b>909,000</b>	<b>-</b>





# FY26 Proposed CIP Projects

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Harbor Playhouse Improvements	\$2,250,000
Harbor Playhouse HVAC System	\$1,526,650
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Total FY 2025 Proposed Projects	\$3,776,650



# Budget Overview-Housing

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	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
<b>Beginning Fund Balance</b>	<b>2,295,675</b>	<b>2,896,751</b>	<b>2,908,895</b>	<b>2,908,895</b>	<b>2,473,105</b>
Total Revenue	645,853	747,094	747,094	794,160	563,830
Total Expenditures	32,633	2,740,416	2,740,416	1,229,950	70,455
<b>Ending Fund Balance</b>	<b>2,908,895</b>	<b>903,429</b>	<b>915,573</b>	<b>2,473,105</b>	<b>2,966,480</b>

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# Proposed Revenue-Housing

	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
Sales Tax*	500,000	500,000	500,000	500,000	500,000
Interest and Investment Income	145,853	76,534	76,534	123,600	63,830
Transfer from Type A	-	170,560	170,560	170,560	-
<b>Total</b>	<b>645,853</b>	<b>747,094</b>	<b>747,094</b>	<b>794,160</b>	<b>563,830</b>

\*First 500k of 50% of 1/8 cent voter approved sales tax; remaining goes to Type B - Streets



# Proposed Expenses-Housing

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	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
Affordable Housing	-	2,670,560	2,670,560	1,160,100	-
Administration	65	10,000	10,000	9,994	10,000
Transfer to General Fund	32,568	59,856	59,856	59,856	60,455
<b>Total</b>	<b>32,633</b>	<b>2,740,416</b>	<b>2,740,416</b>	<b>1,229,950</b>	<b>70,455</b>



# Affordable Housing

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Projects	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
Affordable Housing Projects	2,670,560	1,510,460	-	-
Palms at Morris	-	1,160,100	1,160,100	-
<b>Total</b>	<b>2,670,560</b>	<b>2,670,560</b>	<b>1,160,100</b>	<b>-</b>



# Budget Overview-Streets

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	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
<b>Beginning Fund Balance</b>	<b>237,434</b>	-	-	-	<b>87,394</b>
Total Revenue	4,072,021	4,062,182	4,062,182	4,139,661	4,107,552
Total Expenditures	4,309,455	4,062,182	4,062,182	4,052,267	4,194,946
<b>Ending Fund Balance</b>	<b>-</b>	-	-	<b>87,394</b>	-



# Proposed Revenue-Streets

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	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
Sales Tax*	4,008,796	4,042,638	4,042,638	4,076,371	4,076,371
Interest and Investment Income	63,225	19,544	19,544	63,290	31,181
<b>Total</b>	<b>4,072,021</b>	<b>4,062,182</b>	<b>4,062,182</b>	<b>4,139,661</b>	<b>4,107,552</b>

\*50% of 1/8 cent voter approved sales tax after first 500k to Type B - Housing

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# Proposed Expenses-Streets

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	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
BJD - Administration	402	10,000	10,000	85	10,000
Transfer to General Fund	47,304	72,000	72,000	72,000	72,720
Transfer to Street CIP	4,261,749	3,980,182	3,980,182	3,980,182	4,112,226
<b>Total</b>	<b>4,309,455</b>	<b>4,062,182</b>	<b>4,062,182</b>	<b>4,052,267</b>	<b>4,194,946</b>





# Budget Overview- New Facilities Fund

	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended Budget	FY 2025 Estimated Actuals	FY 2026 Proposed Budget
<b>Beginning Fund Balance</b>	-	-	-	-	-
Sales Tax	-	-	-	-	4,576,371
Interest on Investments	-	-	-	-	3,500
<b>Total Revenue</b>	-	-	-	-	<b>4,579,871</b>
Facilities Administration	-	-	-	-	5,000
<b>Total Expenditures</b>	-	-	-	-	<b>5,000</b>
<b>Ending Fund Balance</b>	-	-	-	-	<b>4,574,871</b>



# Budget Overview- New Streets Fund

	FY2024 Actual	FY2025 Adopted Budget	FY2025 Amended Budget	FY2025 Estimated Actuals	FY2026 Proposed Budget
<b>Beginning Fund Balance</b>	-	-	-	-	-
Sales Tax	-	-	-	-	4,576,371
Interest on Investments	-	-	-	-	3,500
<b>Total Revenue</b>	-	-	-	-	<b>4,579,871</b>
Facilities Administration	-	-	-	-	5,000
<b>Total Expenditures</b>	-	-	-	-	<b>5,000</b>
<b>Ending Fund Balance</b>	-	-	-	-	<b>4,574,871</b>



# Budget Overview- New Seawall & City-Wide Flood Control Fund

	FY2024 Actual	FY2025 Adopted Budget	FY2025 Amended Budget	FY2025 Estimated Actuals	FY2026 Proposed Budget
<b>Beginning Fund Balance</b>	-	-	-	-	-
Sales Tax	-	-	-	-	4,536,030
Interest on Investments	-	-	-	-	3,500
<b>Total Revenue</b>	-	-	-	-	<b>4,539,530</b>
Facilities Administration	-	-	-	-	5,000
<b>Total Expenditures</b>	-	-	-	-	<b>5,000</b>
<b>Ending Fund Balance</b>	-	-	-	-	<b>4,534,530</b>