

Ordinance adopting the Corpus Christi Operating Budget for Fiscal Year 2025-2026, beginning October 1, 2025; authorizing personnel complements; authorizing various contracts and amendments funded by the budget; amending the City of Corpus Christi's Texas Municipal Retirement System Benefits; providing for a copy of the budget to be filed with the County Clerk; and appropriating funds as provided in the budget.

WHEREAS, the City Manager of the City of Corpus Christi (City), pursuant to Article IV, Section 2 of the City Charter, did submit to the City Council an operating budget proposal (Budget Proposal) of the revenues of the City and the expenses of conducting the affairs thereof for the ensuing fiscal year beginning October 1, 2025, and ending September 30, 2026, and which Budget Proposal had been compiled from detailed information from the several departments, divisions, and offices of the City, in accordance with the City Charter provision referenced above;

WHEREAS, the members of the City Council have received and studied the City Manager's Budget Proposal and have called and held the proper public hearing in accordance with Section 102.006, Texas Local Government Code, on the Budget Proposal; and

WHEREAS, pursuant to Section 2(f), Article IV, of the City Charter of the City, the City Council must appropriate such sums of money as provided in the budget; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:

SECTION 1. The Corpus Christi Operating Budget, with Schedule of Adjustments, covering proposed expenditures of \$1,274,139,693 and estimated revenues of \$1,244,783,516 for the fiscal year (FY) beginning October 1, 2025, and ending September 30, 2026 (FY 2025-26), as submitted by the City Manager, with modifications directed by the City Council and recorded in its minutes being incorporated by reference, is adopted.

SECTION 2. Upon the passage of this ordinance, certain sums of money from all sources of City revenues, as described in the Operating Budget, shall be and are appropriated to cover the sums for expenditures and investments as provided for each of the several funds in the Operating Budget, as modified by the City Council. Notwithstanding any other provision to the contrary, the City Manager is authorized to make transfers within departments, divisions, purposes, or funds, provided it is in accordance with applicable law.

SECTION 3. Police Officer Positions: The number of positions authorized for each police officer classification in the Police Department shall be:

Police officer and senior police officer - 440*
Police Lieutenant - 40
Police Captain - 17
Deputy Chief - 5
Assistant Police Chief - 3
Police Chief - 1
FY 2025-26 TOTAL 506

*These positions are interchangeable. Any police officer may become a senior police officer after 60 months' service by passing a pass/fail exam. This number may be temporarily increased by graduates from a police academy authorized by the City Manager, which temporary increase shall be reduced to budgeted total through attrition.

SECTION 4. Police Defunding Bill HB 1900 (87th Leg.): The City Council established that the Police Department adopted budget was \$77,383,274 for FY2020-21, \$81,570,124 for FY2021-22, \$97,792,152 for FY2022-23, \$103,873,487 for FY2023-24, and \$107,606,988 for FY2024-25. The Police Department budget for FY 2025-26

is hereby established to be \$114,172,553. Therefore, the City Council finds and declares that the City of Corpus Christi is not a defunding municipality as provided in Chapter 109 of the Texas Local Government Code.

SECTION 5. Firefighter Positions: The number of positions authorized for each firefighter classification in the Fire Department shall be:

Firefighter I - 114*
Firefighter II – EMS - 169
Firefighter II – Engineer - 73
Fire Captain - 82
Battalion Chief - 13
Assistant Fire Chief - 6
Deputy Fire Chief - 2
Fire Chief - 1
FY 2025-26 TOTAL 460**

*This number may be temporarily increased by graduates from a fire academy authorized by the City Manager, which temporary increase shall be reduced to budgeted total through attrition.

** If the President elects to be relieved of duty for the following calendar year, the Fire Chief shall request that a provisional position be added at the President's rank for the remainder of the year(s) in which this occurs. (See Firefighters' Collective Bargaining Agreement Art. 8, Section 2.C.)

SECTION 6. Personnel: The number of City-funded personnel positions (excluding grant-funded positions) in all City-funded departments shall not exceed the total number by indicated fund, as set forth in the FY 2025-26 Operating Budget.

SECTION 7. Annual Contracts: The City Manager, or his designee, is authorized to execute the following contracts in substantially the same form and content as shown in the attached draft contracts and to make payments consistent with appropriations in accordance with the FY 2025-26 Operating Budget, as provided below:

- A. Buccaneer Commission, Inc. - \$300,000.00
- B. South Texas Botanical Gardens & Nature Center - \$100,000.00
- C. South Texas Institute for the Arts - \$375,000.00
- D. Texas State Aquarium Association - \$310,000.00

SECTION 8. As authorized by Texas Government Code Section 1502.003, the City Council finds and determines that it is in the best interest of the City to create and maintain one or more combined systems. "Combined system" means any combination of one or more of the following: water system, sewer system, solid waste disposal system, drainage utility system, and a natural gas system.

SECTION 9. The City Manager is authorized to approve and accept the grants set forth in the FY 2025-26 Operating Budget's Proposed Grant Appropriations Schedule. In accordance therewith, the City accepts and appropriates \$4,092,234, a cash match of \$61,784, and authorizes 41 positions in Health Department Grants; accepts and appropriates \$1,413,908, a cash match of \$26,391, and authorizes 20 positions in Parks & Recreation Department Grants; accepts and appropriates \$840,613, with zero cash match, and authorizes zero positions in Gas Department Grants; accepts and appropriates \$15,589,360, with zero cash match, and authorizes zero positions in Finance Department Grants; accepts and appropriates \$1,789,588, with a cash match of \$644,325, and authorizes 13 positions in Police Department Grants; accepts and appropriates \$1,231,912, with a cash match of \$1,432,428, and authorizes zero positions in Storm Water Department Grants; accepts and appropriates \$2,212,872, with a cash match of \$339,673, and authorizes zero positions in Airport Department Grants; and accepts and appropriates \$2,611,159, with a cash match of \$507,000, and authorizes zero positions in Intergovernmental Affairs Department Grants.

SECTION 10. City Holidays: The official holidays for City employees eligible for benefits for FY 2025-26 are as follows:

Thanksgiving Day	November 27, 2025
Day After Thanksgiving Day	November 28, 2025
Christmas Day	December 25, 2025
New Year's Day	January 1, 2026
Martin Luther King, Jr. Civil Rights Day of Service	January 19, 2026
Memorial Day	May 25, 2026
Juneteenth	June 19, 2026
Independence Day (Observed)	July 3, 2026
Labor Day	September 7, 2026
Floating Holiday*	May be used only for religious or cultural holidays or a City Closure Day.

*All City employees eligible for benefits will receive one floating holiday for FY 2025-26 in addition to the City's regular paid holidays. This floating holiday may only be used for religious or cultural holidays or a City Closure Day.

SECTION 11. Office Closures: In addition to holiday closures, City offices, as designated by the City Manager, will be closed on December 26th, 29th, 30th, and 31st, 2025, for Winter Break. Winter Break days are not paid holidays for closed offices, and employees of closed offices shall not be paid for Winter Break days except for time worked. Employees of closed offices may use their personal leave, vacation leave accrual, or floating holiday to receive pay during Winter Break days. Corpus Christi Code Section 39-328(a) is waived to the extent necessary to allow new hires to use vacation leave during Winter Break days.

SECTION 12. Pay Grades: The pay grades and ranges for positions in Pay Plan 100, Pay Plan 200, and Pay Plan 300 for FY 2025-26 are as follows:

**Pay Plan 100
FLSA Overtime Eligible**

Grade	Minimum	Midpoint	Maximum
101	\$ 27,622	\$ 36,442	\$ 45,261
102	\$ 29,016	\$ 38,272	\$ 47,528
103	\$ 30,451	\$ 40,175	\$ 49,900
104	\$ 31,990	\$ 42,193	\$ 52,396
105	\$ 33,571	\$ 44,294	\$ 55,016
106	\$ 35,256	\$ 46,519	\$ 57,783
107	\$ 37,024	\$ 48,849	\$ 60,674
108	\$ 38,875	\$ 51,282	\$ 63,690
109	\$ 40,809	\$ 53,841	\$ 66,872
110	\$ 42,848	\$ 56,534	\$ 70,221
111	\$ 44,990	\$ 59,363	\$ 73,736
112	\$ 47,257	\$ 62,338	\$ 77,418
113	\$ 49,608	\$ 65,447	\$ 81,287

114	\$ 52,104	\$ 68,734	\$ 85,364
115	\$ 54,704	\$ 72,166	\$ 89,628
116	\$ 57,428	\$ 75,774	\$ 94,120
117	\$ 60,299	\$ 79,560	\$ 98,821
118	\$ 63,315	\$ 83,533	\$ 103,751
119	\$ 66,476	\$ 87,714	\$ 108,951
120	\$ 69,804	\$ 92,102	\$ 114,400

Pay Plan 200
FLSA Overtime Ineligible

Grade	Minimum	Midpoint	Maximum
201	\$ 37,267	\$ 49,167	\$ 61,068
202	\$ 39,130	\$ 51,625	\$ 64,121
203	\$ 41,087	\$ 54,207	\$ 67,327
204	\$ 43,141	\$ 56,917	\$ 70,694
205	\$ 45,299	\$ 59,763	\$ 74,228
206	\$ 47,563	\$ 62,751	\$ 77,939
207	\$ 49,941	\$ 65,888	\$ 81,836
208	\$ 52,438	\$ 69,183	\$ 85,927
209	\$ 55,060	\$ 72,642	\$ 90,224
210	\$ 57,813	\$ 76,274	\$ 94,735
211	\$ 60,704	\$ 80,089	\$ 99,473
212	\$ 63,740	\$ 84,093	\$ 104,446
213	\$ 66,927	\$ 88,297	\$ 109,668
214	\$ 70,273	\$ 92,712	\$ 115,151
215	\$ 73,785	\$ 97,347	\$ 120,908
216	\$ 77,475	\$ 102,214	\$ 126,953
217	\$ 81,349	\$ 107,325	\$ 133,301
218	\$ 85,416	\$ 112,691	\$ 139,966
219	\$ 89,687	\$ 118,326	\$ 146,964
220	\$ 94,172	\$ 124,242	\$ 154,312
221	\$ 98,881	\$ 130,454	\$ 162,027

Pay Plan 300
FLSA Overtime Ineligible

Grade	Minimum	Midpoint	Maximum
310	\$ 105,691	\$ 139,438	\$ 173,186
311	\$ 110,975	\$ 146,410	\$ 181,845
312	\$ 116,524	\$ 153,731	\$ 190,938
313	\$ 122,350	\$ 161,417	\$ 200,484
314	\$ 128,466	\$ 169,486	\$ 210,507
315	\$ 134,889	\$ 177,961	\$ 221,033
316	\$ 141,634	\$ 186,859	\$ 232,084
317	\$ 148,716	\$ 196,202	\$ 243,688
318	\$ 156,152	\$ 206,012	\$ 255,874

319	\$ 163,960	\$ 216,314	\$ 268,668
320	\$ 172,157	\$ 227,128	\$ 282,100
321	\$ 180,765	\$ 238,484	\$ 296,205
322	\$ 189,803	\$ 250,408	\$ 311,015
323	\$ 199,293	\$ 262,928	\$ 326,566
324	\$ 209,258	\$ 276,074	\$ 342,894

SECTION 13. Amendment to the current Collective Bargaining Agreement between the City and the Corpus Christi Police Officers' Association (CCPOA): The City Manager, or designee, is authorized to execute an amendment to the collective bargaining agreement with the CCPOA, specifically, Article 10, Section G.

SECTION 14. TMRS Findings. The following recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact:

Whereas, the City of Corpus Christi, Texas (the "City"), elected to participate in the Texas Municipal Retirement System (the "System" or "TMRS") pursuant to Subtitle G of Title 8, Texas Government Code, as amended (which subtitle is referred to as the "TMRS Act"); and

Whereas, each person who is or becomes an employee of the City on or after the effective date of the City's participation in the System in a position that normally requires services of 1,000 hours or more per year ("Employee") shall be a member of the System ("Member") as a condition of their employment; and

Whereas, House Bill 3161, 89th Texas Legislature, R.S., 2025, amended TMRS Act §855.401(a) to read that each municipality participating in the System shall designate the rate of Member contributions for Employees and shall elect a rate of five, six, seven, or – effective September 1, 2025 – eight percent of the Employees' compensation; and

Whereas, the City Council finds that it is in the public interest to: (1) increase the Employee contribution rate contributed to TMRS; (2) in accordance with TMRS Act §853.404 and §854.203(h), authorize annually accruing Updated Service Credits and provide transfer Updated Service Credits; and (3) in accordance with TMRS Act §854.203, authorize an annuity increase, also referred to as a cost of living adjustment ("COLA") for retirees and their beneficiaries.

SECTION 15. Increased Employee Contribution Rate.

(a) The rate of Employee contributions to be made by the City to the System shall be **8%** of the compensation of City Employees who are Members, in accordance with TMRS Act §855.401. The City shall submit a monthly payroll report and deposit the amounts deducted from Employees' compensation to the System in accordance with TMRS Act §855.402.

(b) The increased Employee contribution rate under this Section shall be effective on the first day of the month of January, 2026.

SECTION 16. Authorization of Annually Accruing Updated Service Credits and Transfer Updated Service Credits.

(a) As authorized by TMRS Act §854.203(h) and §853.404, and on the terms and conditions set out in TMRS Act §§853.401 through 853.404, the City authorizes each Member who on the first day of January of the calendar year immediately preceding the January 1 on which the Updated Service Credits will take effect (i) has current service credit or prior service credit in the System by reason of service to the City, (ii) has at least 36 months of credited service with the System, and (iii) is a TMRS-contributing Employee of the City, to receive "Updated Service Credit," as that term is defined and calculated in accordance with TMRS Act §853.402.

(b) The City authorizes and provides that each Employee who (i) is eligible for Updated Service Credits under Subsection (a) above, and (ii) who has unforfeited prior service credit and/or current service credit with another System-participating municipality or municipalities by reason of previous employment, shall be credited with Updated Service Credits pursuant to, calculated in accordance with, and subject to adjustment as set forth in TMRS Act §853.601 (also known as "Transfer USC"), both as to the initial grant and all future grants under this Ordinance.

(c) The Updated Service Credit authorized and provided under this Ordinance shall be **100%** of the "base Updated Service Credit" of the TMRS Member calculated as provided in TMRS Act §853.402.

(d) Each Updated Service Credit authorized and provided by this Ordinance shall replace any Updated Service Credit, prior service credit, special prior service credit, or antecedent service credit previously authorized for part of the same service.

(e) The initial Updated Service Credit authorized by this Section shall be effective on January 1 immediately following the year in which this Ordinance is approved, subject to receipt by the System prior to such January 1 and approval by the Board of Trustees ("Board") of the System. Pursuant to TMRS Act §853.404, the authorization and grant of Updated Service Credits in this Section shall be effective on January 1 of each subsequent year, using the same percentage of the "base Updated Service Credit" stated in Subsection (c) in computing Updated Service Credits for each future year, provided that, as to such subsequent year, the actuary for the System has made the determination set forth in TMRS Act §853.404(d), until this Ordinance ceases to be in effect as provided in TMRS Act §853.404(e).

SECTION 17. Authorization of Increases in Retirement Annuities, or COLA.

(a) On the terms and conditions set out in TMRS Act §854.203, the City authorizes and provides for payment of the increase described by this Section to the annuities paid to retired City employees and beneficiaries of deceased City retirees. An annuity increased under this Section replaces any annuity or increased annuity previously granted to the same person.

(b) The amount of the annuity increase under this Section is computed as the sum of the prior service and current service annuities on the effective date of retirement of the person on whose service the annuities are based, multiplied by **30%** of the percentage change in Consumer Price Index for All Urban Consumers, from December of the year immediately preceding the effective date of the person's retirement to the December that is 13 months before the effective date of the increase under this Section.

(c) An increase in an annuity that was reduced because of an option selection is reducible in the same proportion and in the same manner that the original annuity was reduced.

(d) If a computation under this Section does not result in an increase in the amount of an annuity, the amount of the annuity will not be changed under this Section.

(e) The amount by which an increase under this Section exceeds all previously granted increases to an annuitant is an obligation of the City and of its account in the benefit accumulation fund of the System.

(f) The increase in annuities authorized by this Section shall be effective on January 1 immediately following the year in which this Ordinance is approved, subject to receipt by the System prior to such January 1 and approval by the System's Board.

SECTION 18. If, for any reason, any section, paragraph, subdivision, clause, phrase, word, or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word, or provision of this ordinance, for it is the definite intent of this City Council that every section, paragraph, subdivision, clause, phrase, word, or provision in this ordinance be given full force and effect for its purpose.

SECTION 19. Upon final passage of this budget ordinance, a true and certified copy of this Operating Budget shall be transmitted by the City Manager to the County Clerk of Nueces County, Texas, pursuant to Section 102.011, Texas Local Government Code. The Operating Budget shall also be part of the archives of the City.

The foregoing ordinance was read for the first time and passed to its second reading on this the _____ day of _____, 2025, by the following vote:

Paulette Guajardo	_____	Kaylynn Paxson	_____
Roland Barrera	_____	Everett Roy	_____
Sylvia Campos	_____	Mark Scott	_____
Eric Cantu	_____	Carolyn Vaughn	_____
Gil Hernandez	_____		

The foregoing ordinance was read for the second time and passed finally on this the _____ day of _____, 2025, by the following vote:

Paulette Guajardo	_____	Kaylynn Paxson	_____
Roland Barrera	_____	Everett Roy	_____
Sylvia Campos	_____	Mark Scott	_____
Eric Cantu	_____	Carolyn Vaughn	_____
Gil Hernandez	_____		

PASSED AND APPROVED on this the _____ day of _____, 2025.

ATTEST:

_____	_____
Paulette Guajardo, Mayor	Rebecca Huerta, City Secretary