Municipal Building/City Hall Council Chamber
2821 Washington Street
Greenville, TX 75401

City Council

Jerry Ransom - Mayor	Place 7
Ramon Rodriguez	Place 1
T.J. Goss - Mayor Pro Tem	Place 2
Philip R. Spencer	Place 3
Tim Kruse	Place 4
Ben Collins	Place 5
Kenneth Freeman	Place 6

Work Session Agenda
August 12, 2025
4:30 PM

1. **Call to Order**
2. **Items to be Discussed**
   A. FY2025-2026 Proposed Budget *(Summer Spurlock, City Manager)*
3. **Items on the Regular Agenda**
4. **EXECUTIVE SESSION AS NEEDED FOR AGENDA ITEMS OR EXECUTIVE SESSION ITEMS AS LISTED ON THE REGULAR AGENDA - SECTIONS 551.071, 551.087, 551.072, 551.074,551.089, OR 551.073**
5. **Adjourn**

“The Vision of the City of Greenville is to build on our hometown values and rich heritage as a diverse community, by providing quality, cost-effective services to create an enjoyable, vibrant place where families and businesses choose to live, grow and prosper.”

2025-2026 Proposed Budget

IMPORTANT DATES

- 8/12/2025-Proposed Budget presented to Council
- 9/9/2025-Public hearing on tax rate, public hearing on budget, adopt budget, ratify tax rate, and adopt tax rate

BUDGET ASSUMPTIONS

- Overall strong financial position with stable fund balances (17% of expenses for GF)
- Sales tax revenues growth of 6.0% over projected (8.24% over 24-25 Budget)
- Net taxable property value growth of 4.68%
- New value taxable increased 26.02%
- Rate increase for water and sewer of 10%
- Health insurance rate increase of 5%

Greenville

ELEMENTS OF PROPERTY TAX RATE

Operations and Maintenance (O&M)

- Ongoing General Fund operations

Interest and Sinking (I&S)

- Payments on debt for general government (not utility rated) improvements

Tax Rate = O&M Rate + I&S Rate

Greenville

2025-2026

One cent on the ad valorem tax rate will generate $350,222 ALLOWING for protested and frozen values and assuming a 101% collection rate.

2024-2025 (ASSUMING 101%)

$327,941

PROPERTY TAX DEFINITIONS

No-New-Revenue Tax Rate

"A calculation, based upon new valuations, that gives the City the exact dollars in revenue as generated in the previous year"

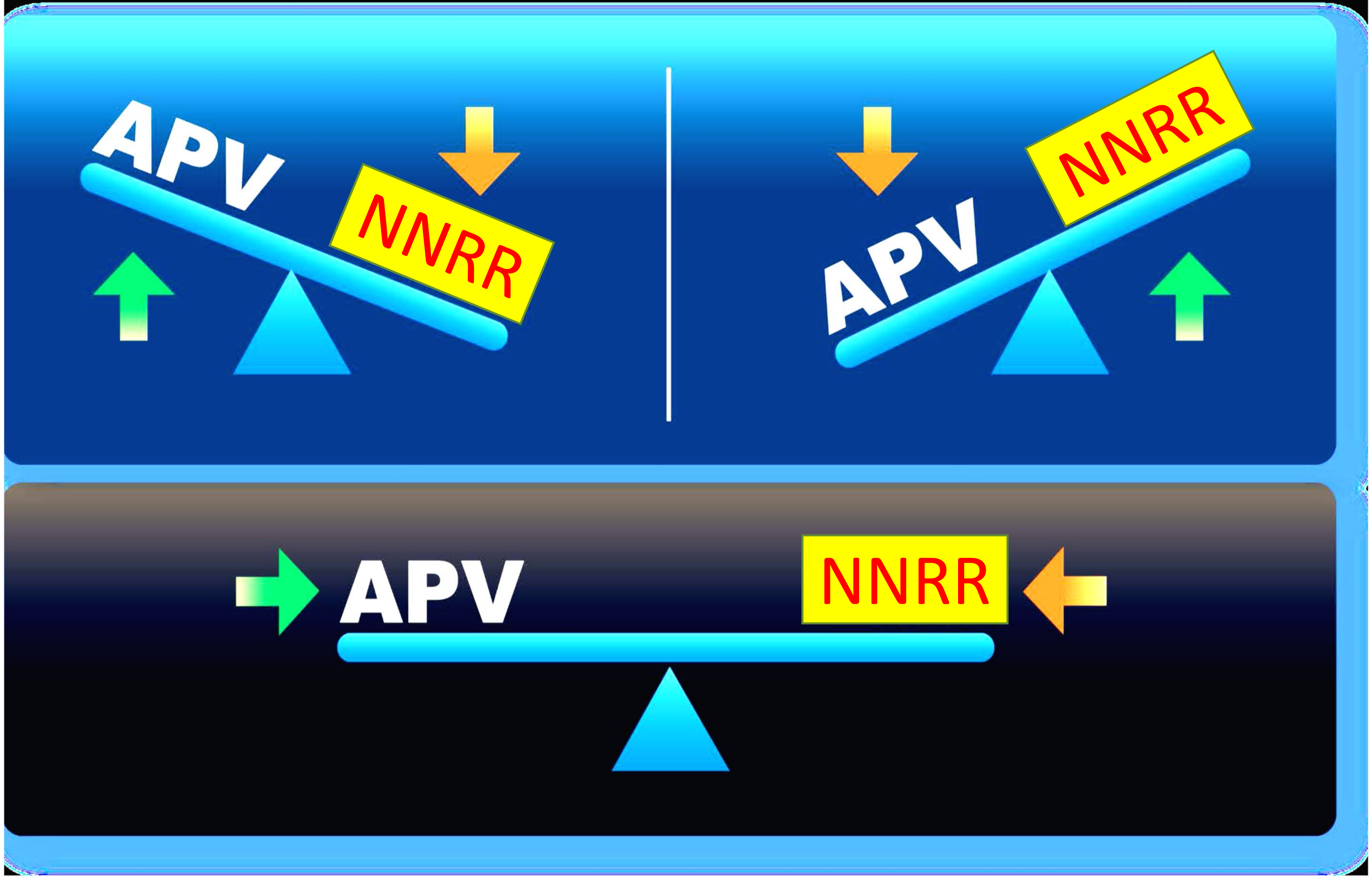
- The No-New-Revenue Tax Rate is basically the tax rate you would pass to collect the same tax revenue as last year (FY 2024-2025) using this year's (FY 2025-2026) appraised values.

- Truth in Taxation requires the No-New-Revenue calculation be published
  - If proposed tax rate is = or < than No-New-Revenue Rate
    - No further action is required prior to adoption
  - If proposed tax rate > than No-New-Revenue Rate
    - Notices and Public Hearings are required
    - Some exceptions for smaller cities or districts

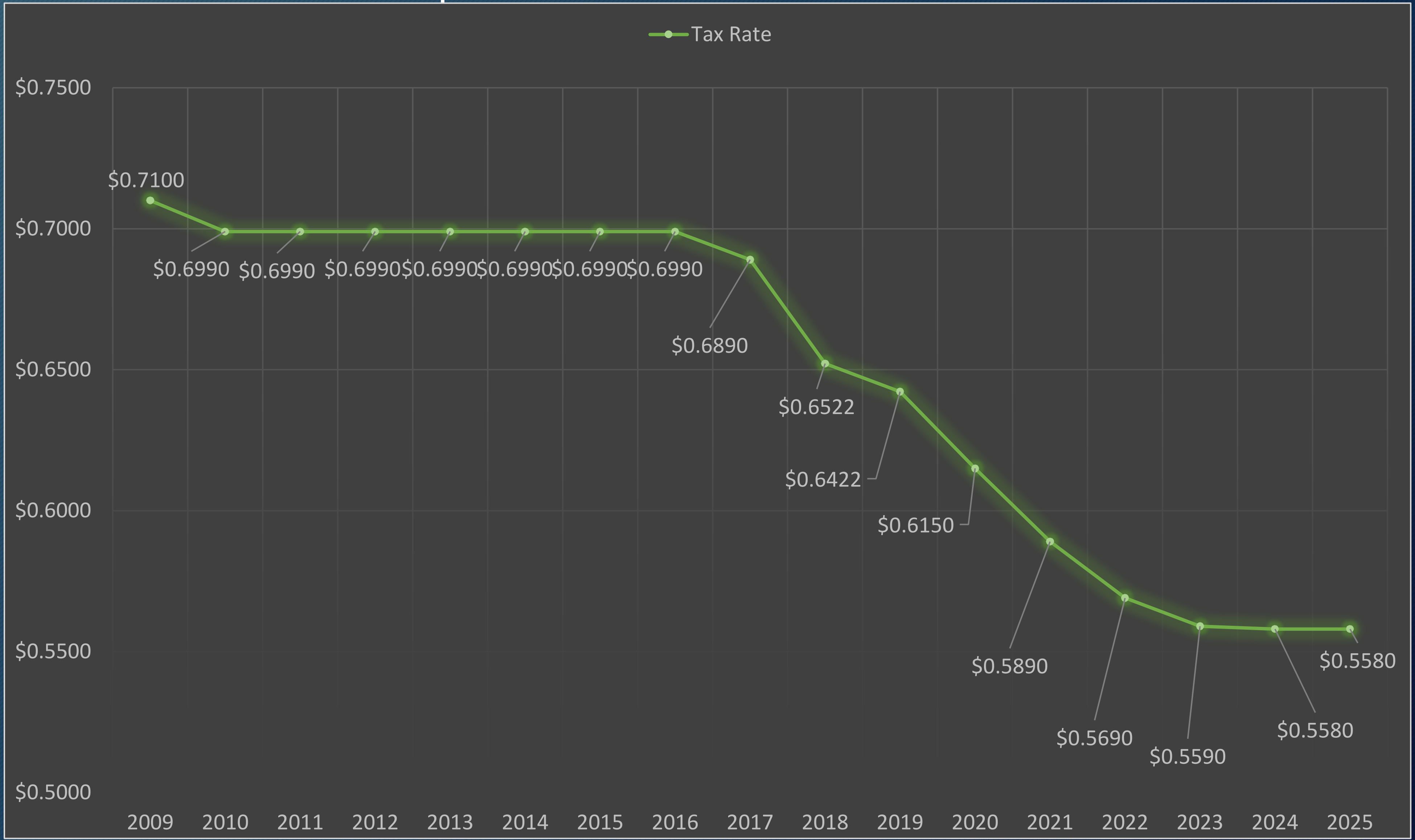
The No-New-Revenue Tax Rate is $0.593802 or $0.035802 cents over the proposed $0.558000 tax rate which is equal to $12,539 in revenue.

Seesaw Effects

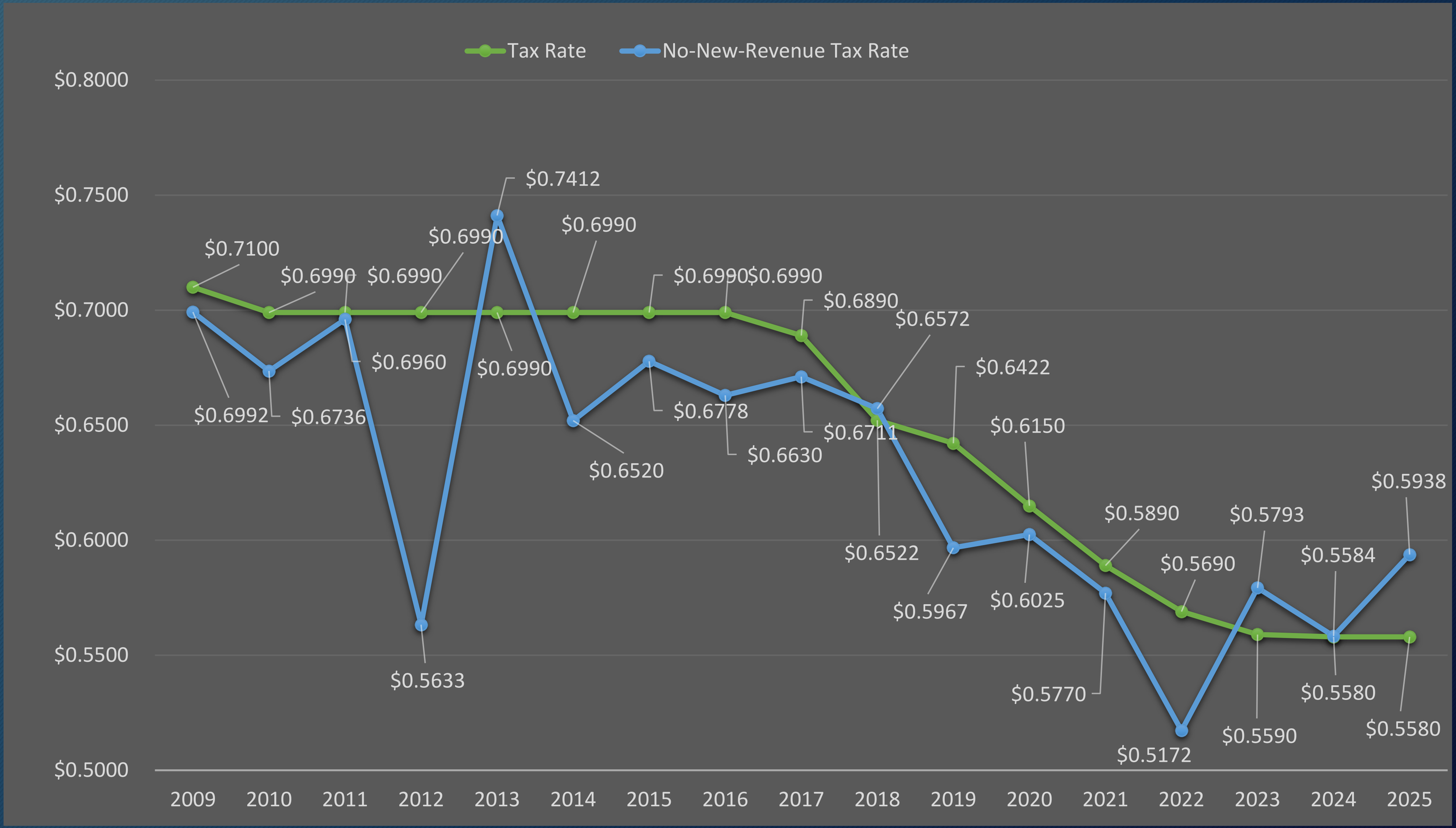
APV: Appraised Property Value | NNRR: No-New-Revenue Rate



AD VALOREM TAX RATE HISTORY PER $100/VALUATION



ADOPTED TAX RATE VS. NO-NEW REVENUE TAX RATE PER $100/VALUATION



PROPERTY TAX DEFINITIONS

<u>Voter Approval Tax Rate</u>

- Allows a taxing unit to raise the same amount for operations as in the prior year plus provides for an additional 3.5%
- Only includes the operations portion in the calculation
- The debt service portion of the overall rate may rise as high as necessary
- Taxpayers may petition for a voter approval tax election if City proposes an increase over the "voter approval rate"

UNDERSTANDING PROPERTY TAX

Taxing Entity	2024 Tax Rate	Percent of Total Tax Bill
Greenville ISD	$0.966900	47%
City of Greenville	$ 0.558000	27%
Hunt County	$ 0.323328	16%
Hunt Regional Hospital District	$ 0.200362	10%
Total	$2.04859	100%

CERTIFIED PROPERTY TAXES

Greenville

	2024-2025	2025-2026	%
➢Net Taxable	$3,312,535,911	$3,467,547,504	4.68
➢New Value Added	$ 134,137,162	$ 169,048,036	26.02
➢Tax Rate/$100	$ 0.558000	$ 0.558000	0
➢NNR/$100	$ 0.558383	$ 0.593802	6.3
➢O&M Tax Rate/$100	$ 0.281297	$ 0.288046	2.4
➢I&S Tax Rate/$100	$ 0.276703	$ 0.269954	-2.4

What You Get For Your Money

Utility Bill
$2.73

Entertainment
$9.47

Lunch
$6.77

Gym Membership
$.93

Latte
$4.60

Auto Loan
$24.16

Electric Bill
$4.50

Home Value
$200,000

Daily Property Tax
$3.05

Cell Phone
$3.75

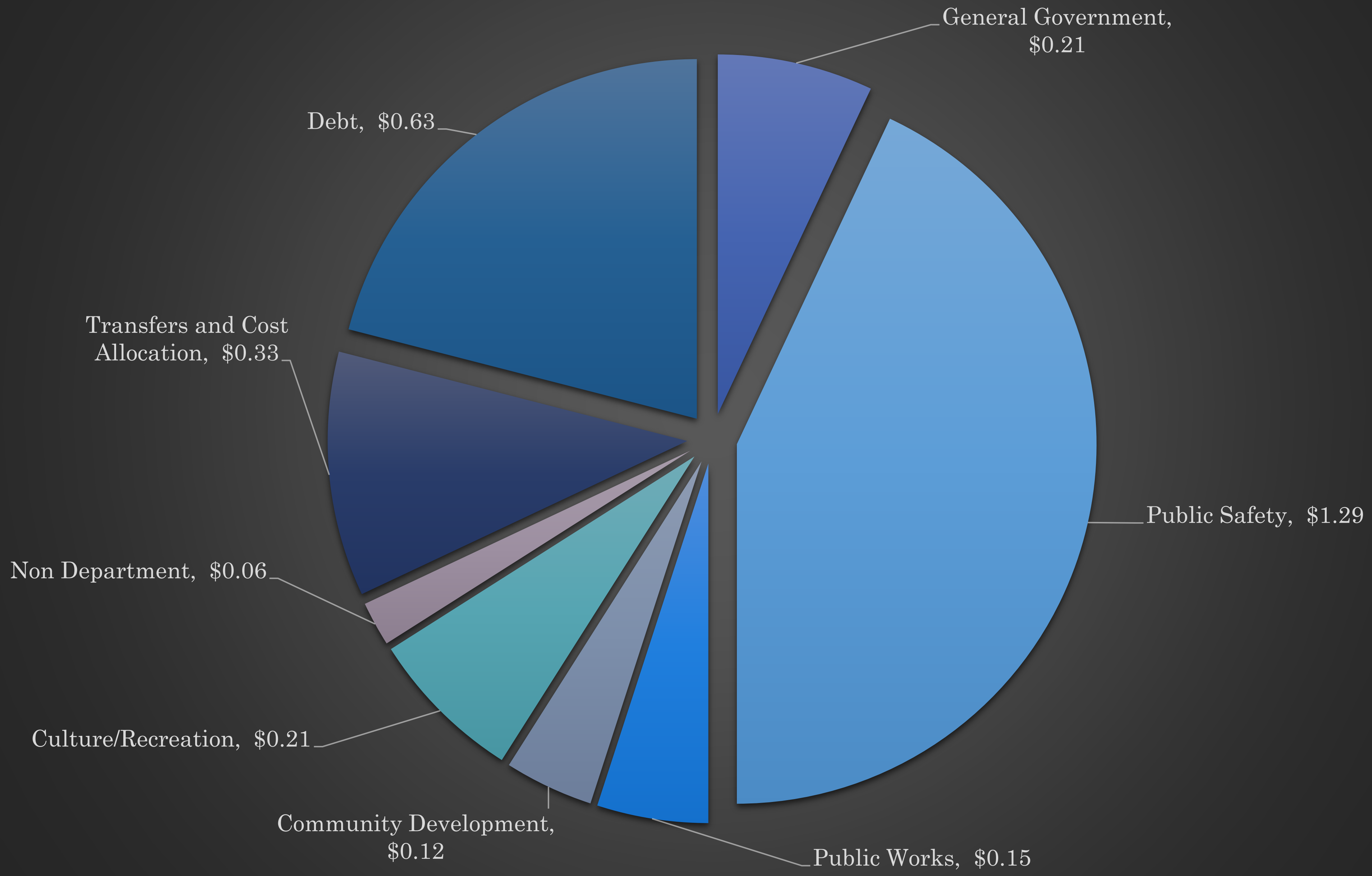
Home Alarm
$1.63

How does the City use Property Tax revenues?

- ✓ POLICE SERVICES
- ✓ FIREFIGHTERS
- ✓ PUBLIC SAFETY EDUCATION PROGRAMS
- ✓ MAINTENANCE OF ISO CLASS 2 RATING THAT LOWERS INSURANCE PREMIUMS
- ✓ EMERGENCY MANAGEMENT OPERATIONS COORDINATION AND PLANNING
- ✓ FREE PROGRAMS FOR ALL AGES
- ✓ LIBRARY SERVICES
- ✓ SENIOR CENTER PROGRAMS AND EQUIPMENT
- ✓ ROADWAY INFRASTRUCTURE MAINTENANCE PROJECTS
- ✓ SIDEWALK REPAIRS
- ✓ UPDATED SOFTWARE TO HELP US SERVE YOU EFFICIENTLY
- ✓ ADA COMPLIANCE IMPROVEMENTS
- ✓ ECONOMIC DEVELOPMENT PROGRAMS AND PERSONNEL
- ✓ SPECIAL EVENTS AT PARKS AND DOWNTOWN
- ✓ DEVELOPMENT OF ENVIRONMENTALLY FRIENDLY INITIATIVES
- ✓ RECREATION FACILITIES

AND MORE!

Daily Property Tax Cost, $3.05



Summary of Fund Balance

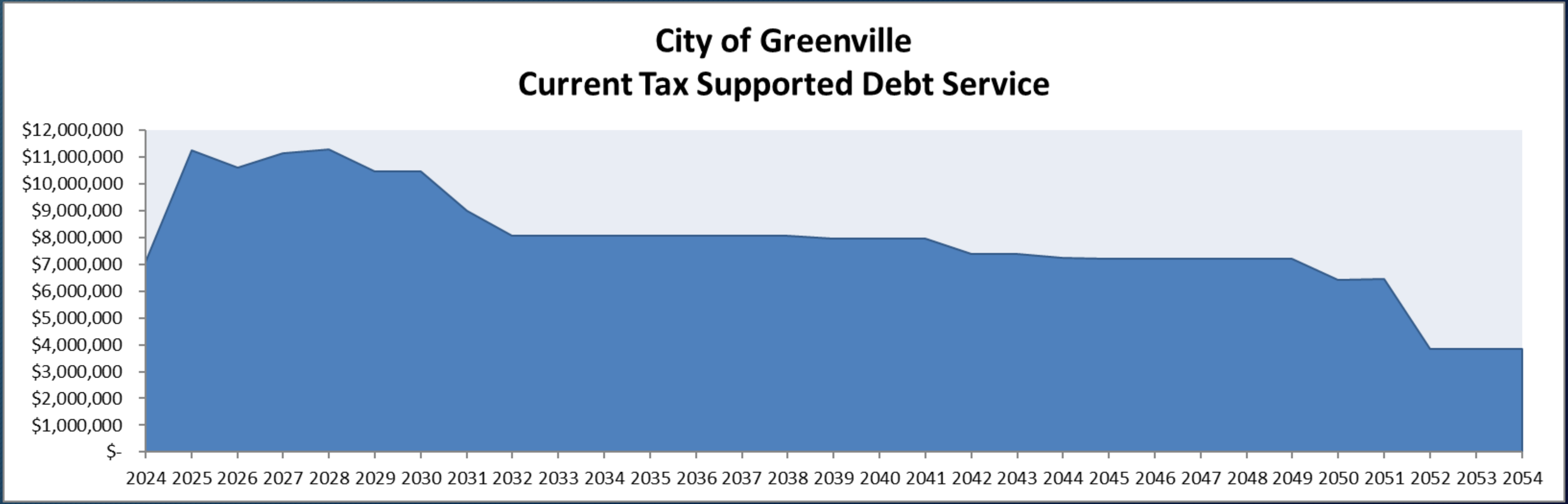
All Funds Fiscal Year 2025-2026

	Beginning Fund Balance	Revenues	Expenses	Ending Fund Balance	Calculated Target Fund Balance	Over/(Under) Target Fund Balance
General Fund	$ 8,848,929	$ 39,412,730	$ 41,245,138	$ 7,016,521	$ 7,011,673	$ 4,848
Child Safety Fund	29,401	32,064	35,001	26,464		
Recreation Activities Fund	(350,977)	902,108	900,386	(349,255)		
Gun Range Fund	(2,723)	9,400	6,500	177		
Hotel/Motel Occupancy Fund	565,234	965,244	1,374,675	155,803		
Venue Management Fund	(276,645)	230,250	588,900	(635,295)		
Spence Endowment Trust Fund	666,228	29,736	500	695,464		
Police Seizure Funds (State & Federal)	20,210	12,160	150	32,220		
TIRZ Fund	1,285,605	1,984,380	380,000	2,889,985		
Debt Service Fund	1,493,534	11,189,780	11,219,257	1,464,057	929,530	534,527
Capital Project Funds	2,388,171	706,906	706,906	2,388,171		
Water / Wastewater Fund	5,463,027	35,485,353	35,922,771	5,025,609	3,597,754	1,427,855
Utility Capital	2,992,361	1,565,000	1,565,000	2,992,361		
Airport Fund	7,382,926	885,703	445,734	7,822,895	89,147	7,733,748
Airport Capital	903,755	0	500	903,255		
Golf Fund	(125,864)	394,511	486,425	(217,778)		
Sanitation Fund	562,757	8,840,834	8,504,840	898,751		
Central Service Fund	(308,740)	2,608,122	2,175,838	123,544		
Insurance Fund	763,563	9,668,124	9,516,881	914,806		
MIS Fund	97,815	1,839,849	1,908,352	29,312		
Vehicle / Equipment Replacement Fund	3,366,160	1,715,000	2,495,354	2,585,806		
Total	**$ 35,764,727**	**$ 118,477,254**	**$ 119,479,108**	**$ 34,762,873**		

Greenville

City of Greenville
Proposed Fund Balance Summary
General Fund

		General
Beginning Fund Balance 10-01-2024	$	7,369,462
Add:		
Projected Revenues FY 24-25	$	36,272,405
Less:		
Projected Expenditures FY 24-25	$	34,792,938
Budgeted Fund Balance 09-30-2025	$	8,848,929
Add:		
Proposed Revenues FY 25-26	$	39,412,730
Less:		
Proposed Expenditures FY 25-26	$	41,245,138
Proposed Fund Balance 09-30-2026	**$**	**7,016,521**
Estimated Ending Fund Balance	$	7,016,521
Minimum Fund Balance with 17% Target	$	7,011,673
Over/(Under) Target Fund Balance	$	4,848
Proposed Fund Balance 09-30-2026	**$**	**7,016,521**


City of Greenville
Current Tax Supported Debt Service
$12,000,000
$11,000,000
$10,000,000
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$-
2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 2046 2047 2048 2049 2050 2051 2052 2053 2054

STAFFING PLAN

- Merit Raise 5% — $1,108,255
  - General Fund — $786,240
  - Water/Wastewater — $201,565
  - Other Funds — $120,450
- Sign On, Retention, and Spot Bonuses — $ 150,000
- Cost of 1% Base Pay Increase, All Funds — $ 224,415
- Cost of 1% Base Pay Increase, General — $ 157,248
- Pay Plan Adjustments — $ 123,738

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PERSONNEL REQUESTED

Position	Type	Department	Cost
Operations Lieutenant	Addition	Police	$ 175,013
Police Officers (2)	Addition	Police	$ 274,613
Park Planning Coordinator	Addition	Parks and Recreation	$ 107,533
Sports Park Center /Reecy Davis Expansion (7)	Addition	Parks and Recreation	$ 437,797
Sports Park Center /Reecy Davis Expansion (60)	Addition	Parks and Recreation	$ 516,676
Library Programmer	PT to FT	Library	$ 65,751
Municipal Court Clerk	PT to FT	Court	$ 12,051
Communications Manager	Addition	City Manager	$ 103,185
Human Resources Specialist (9 months)	Addition	Human Resources	$ 72,197
Assistant Community Development Director	Addition	Community Development	$ 116,559
Computer User Support Specialist (6 months)	Addition	IT	$ 51,478
Box Officer Coordinator	PT to FT	Venue	$ 54,245
TOTAL			$ 1,987,098

Greenville

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TOTAL			$ 1,987,098

Greenville

HISTORY OF SALARY ADJUSTMENTS

2011-2012 0%

2012-2013 0%

2013-2014 3%

2014-2015 2%

2015-2016 1%

2016-2017 2%

2017-2018 3% merit

2018-2019 3% merit, 1% COLA

2019-2020 2% merit

2020-2021 0%

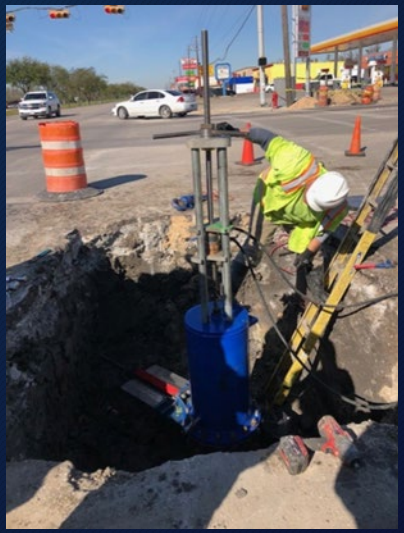
2021-2022 5% merit

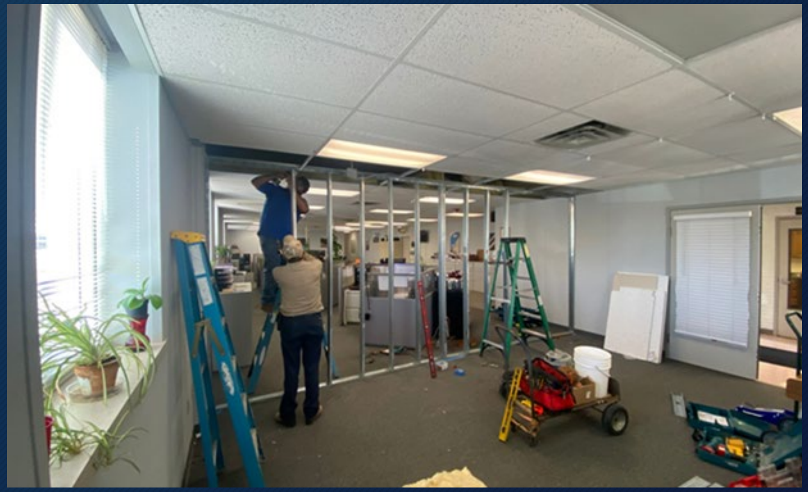
2022-2023 5% merit, 2% COLA

2023-2024 7% merit

2024-2025 5% merit

2025-2026 5% merit





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GENERAL FUND REVENUE

	2024-2025	2025-2026	%
➢Property Tax	$11,800,000	$12,352,240	4.68
➢Sales Tax	$12,360,000	$13,379,338	8.24
➢Franchise Fees	$ 6,000,000	$ 7,484,312	24.7
➢Lic. and Perm.	$ 1,500,000	$ 2,095,762	39.7
➢Other Revenue	$ 3,120,460	$ 4,101,078	31.4
➢Total	$34,780,460	$39,412,730	13.0

GENERAL FUND CIP

➢ <u>Capital Proposed:</u>	
➢ Spillman-new virtual environment	$259,355
➢ Axon Taser Replacement	$ 36,551
➢ 6 SCBA Units	$ 51,000
➢ Animal Control Safety Upgrades	$ 20,000
➢ Dog Kennel Insulation	$ 40,000
➢ Farmer's Market Awning	$ 50,000
➢ HVAC Municipal Building	<u>$250,000</u>
TOTAL	$706,906

Greenville

NON-GENERAL FUND CIP

- **Capital Proposed:**
  - GMA Lobby Bathroom Remodel $175,000

WATER/WASTEWATER FUND CIP

- **<u>Capital Proposed:</u>**
- Bowie St. Sewer Replacement $ 310,000
- Park St. Sewer Repl.(4th to 2nd) $ 375,000
- Wrought Iron Fencing (WTP facilities) $ 800,000
- Reservoir #6 Dock $ 60,000
- WWTP Video Surveillance $ 20,000

TOTAL $1,565,000

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PAY AS YOU GO CAPITAL

➢ Fire Truck Replacement	$ 355,000
➢ Valley Gutter & Sidewalk Replacement	$ 250,000
➢ Drainage Improvement	$ 300,000
➢ HVAC Replacement	$ 50,000
➢ IT Annual Computer Replacement	$ 75,000
TOTAL	$1,030,000

Greenville

OTHER ITEMS INCLUDED IN 2025-2026 BUDGET

- <u>**TOURISM FUNDING**</u> $98,000
  - Main Street $45,000
  - Tourism Distribution $50,000
  - Sports Tournaments $ 3,000

- **NON-GOVERNMENTAL FUNDING** $47,000

Greenville

CAPITAL IMPROVEMENT PROGRAM 2025-2026

Funding Source		2025-2026 Proposed
GENERAL FUND	$	706,906
WATER/WASTEWATER FUND	$	1,565,000
VEHICLE FUND	$	2,495,354
VENUE MANAGEMENT FUND	$	87,500
TOURISM FUND	$	87,500

Vehicle Replacement

- Total 2025 – 2026 Enterprise Expense: $1,705,354
  - Continuation of Existing Leases
    - 133 Vehicles
    - $1,633,764
  - Estimated Down Payments and Lease Payment Addition
    - 12 Vehicles
    - $382,590
    - Equity offset of $311,000 (23 Enterprise Vehicles)

FUTURE OFFSET:

- Vehicles and Equipment to Sell
- Revenue Estimate of $200,000 – $230,000 very conservative, $250,000 max

Equipment Replacement

EQUIPMENT REPLACEMENTS:

1. Streets, Dump Trucks (2), $478,000
2. Streets, Tymco Street Sweeper, $91,208.24 (Leased)
3. Utilities, John Deere 210G, $50,000 (Leased)
4. Utilities, John Deere 410L, $50,000 (Leased)
5. WWTP, John Deere Skid Steer $120,000
6. Utilities, Skid Steer Attachment, $15,000
7. Utilities, Walk Behind Street Saw, $7,000

QUESTIONS/ COMMENTS