



AGENDA
CITY OF TAYLOR, TEXAS
SPECIAL CALLED CITY COUNCIL
BUDGET WORKSHOP MEETING
CITY HALL, COUNCIL CHAMBERS, 400 PORTER STREET
JUNE 17, 2026, 6:00 PM

CALL TO ORDER AND DECLARE A QUORUM

FY2026/2027 BUDGET WORKSHOP SESSION

1. Discuss Preliminary FY27 Budget (No Action) *Robert Powers*

ADJOURN

The Council may vote and/or act upon each of the items listed in this Agenda. As authorized by Section 551.071(2) of the Texas Government Code, the Workshop Meeting and/or Regular Meeting may be convened into Closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.

I certify that the notice of meeting was posted in the Taylor City Hall Lobby on June 11, 2026, and remained posted for at least three business days before the scheduled date of said meeting. I further certify that the following news media was notified of this meeting: Taylor Press.

In compliance with the ADA the City Hall and Council Chambers is wheelchair accessible. Reasonable accommodations will be provided for persons attending city council meetings in need of special assistance. Please contact the City Clerk at least 24 hours prior to the meeting for special assistance.

Posted by: Lucy Aldrich Date: June 11, 2026



**City Council Meeting
June 17, 2026
Transmittal Letter**

STRATEGIC PILLAR

Agenda Item Number: 1.

Agenda Title: **Discuss Preliminary FY27 Budget (No Action)**

Council Action to be Taken: Receive Presentation from City staff and Discussion only regarding the FY27 Budget.

Department Submitted: Finance

Staff Contact: Robert Powers, Chief Financial Officer

1. PURPOSE / DESCRIPTION

City Staff will present at a summary level the preliminary recommendations for the FY27 Annual Budget. This will be an opportunity for the City Council to discuss their priorities and/or expectations for the upcoming year. The presentation will be primarily focused on the City's General Fund.

2. STAFF ANALYSIS / BACKGROUND / PRIOR COUNCIL ACTIONS

City staff desires Council feedback and input on the preliminary budget. The City Manager plans to submit his proposed budget to the City Council on or before August 3rd. At this time, staff continues to work on the proposed budget, including the enterprise, capital project, and special revenue funds in addition to the General Fund.

At the August 13th City Council meeting, Council will be required to vote on setting a maximum tax rate and schedule a public hearing. The proposed budget and tax rate will be introduced at the August 27th City Council meeting. The public hearings and adoption of the budget and tax rate is scheduled for September 10th.

3. PROS and CONS

<u>PROS</u>	<u>CONS</u>
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4. RECOMMENDATION

5. FUNDING SOURCE

6. TIMELINE

7. OTHER OPTIONS

8. ATTACHMENTS

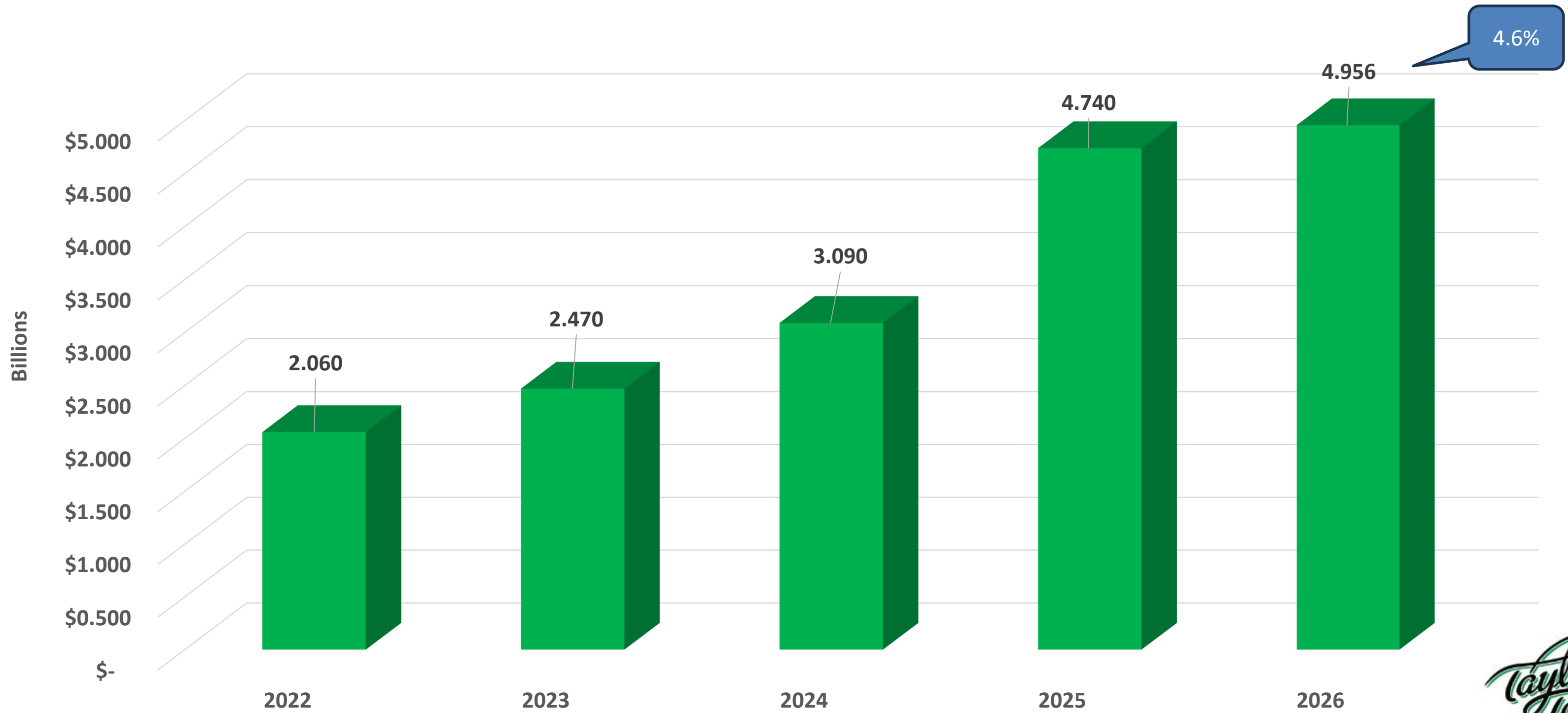
1. Presentation - FY27 Budget Workshop

FY27 Budget Workshop

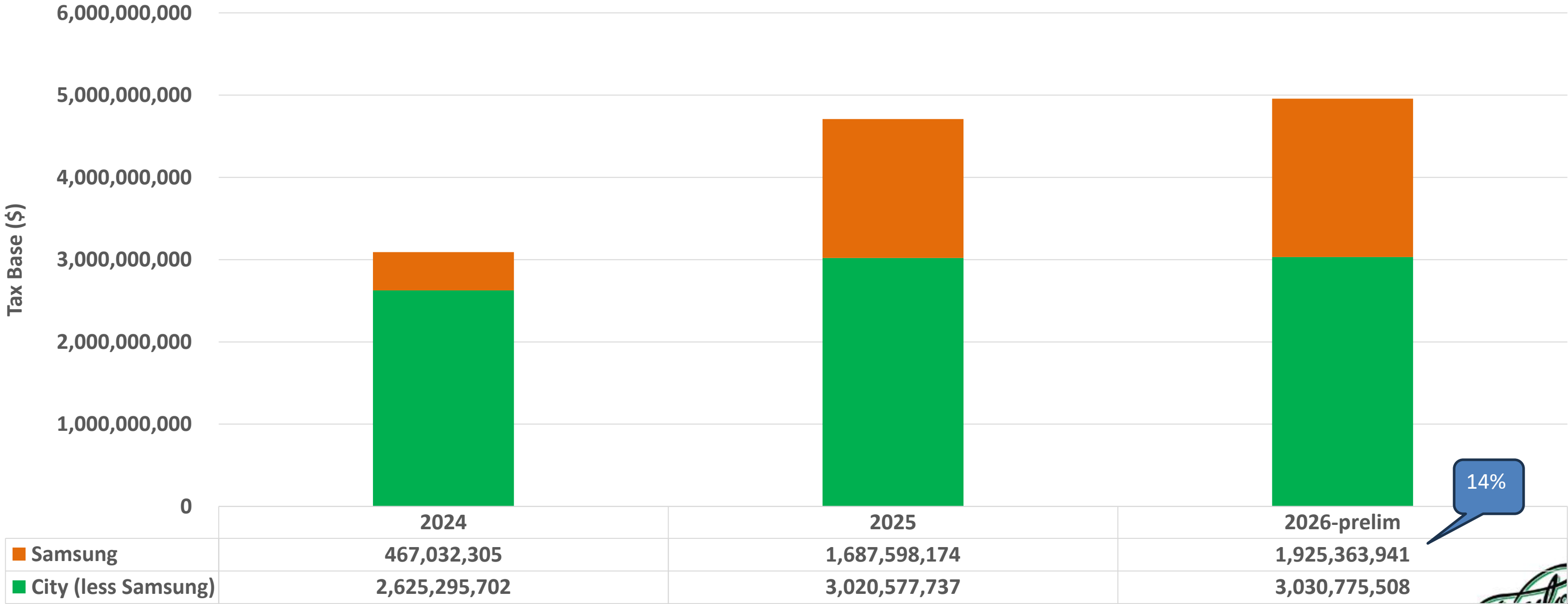
June 17, 2026



Property Tax Base Trend (2022-2026)



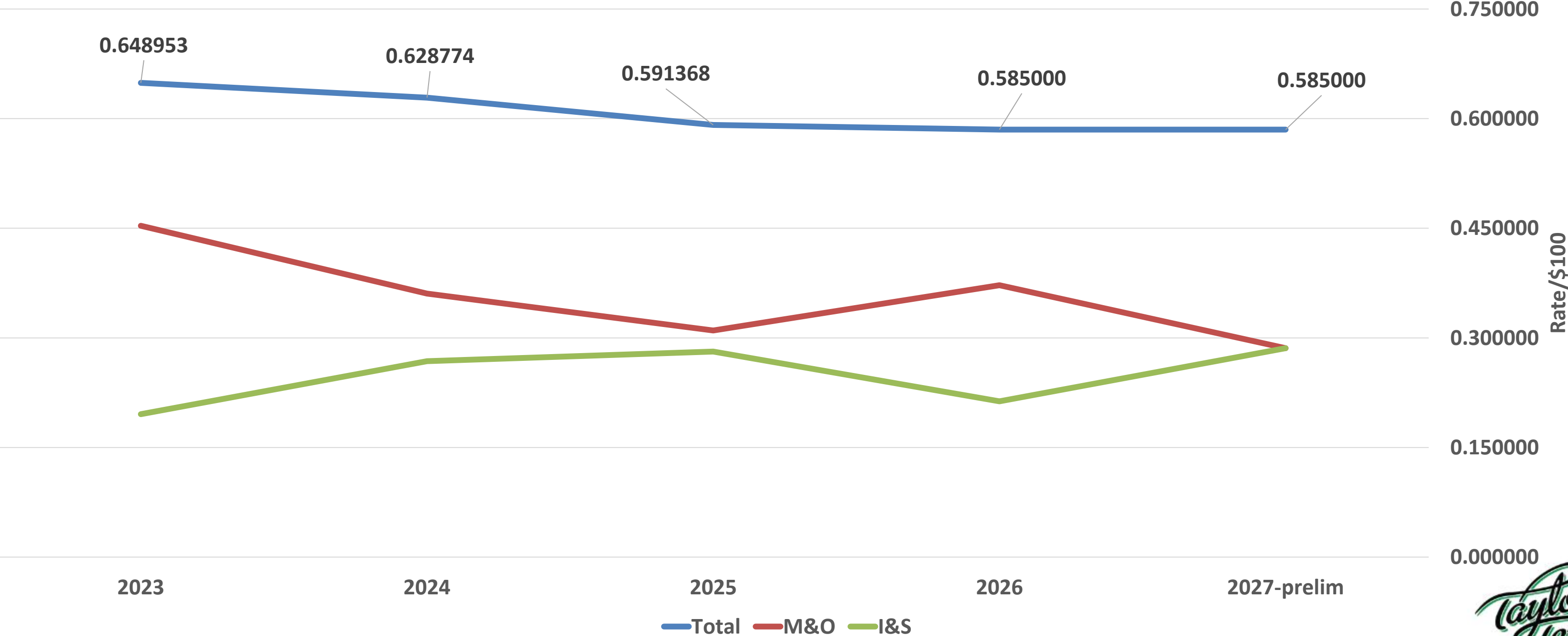
Tax Base Adjusted for TIF #2 (Samsung)



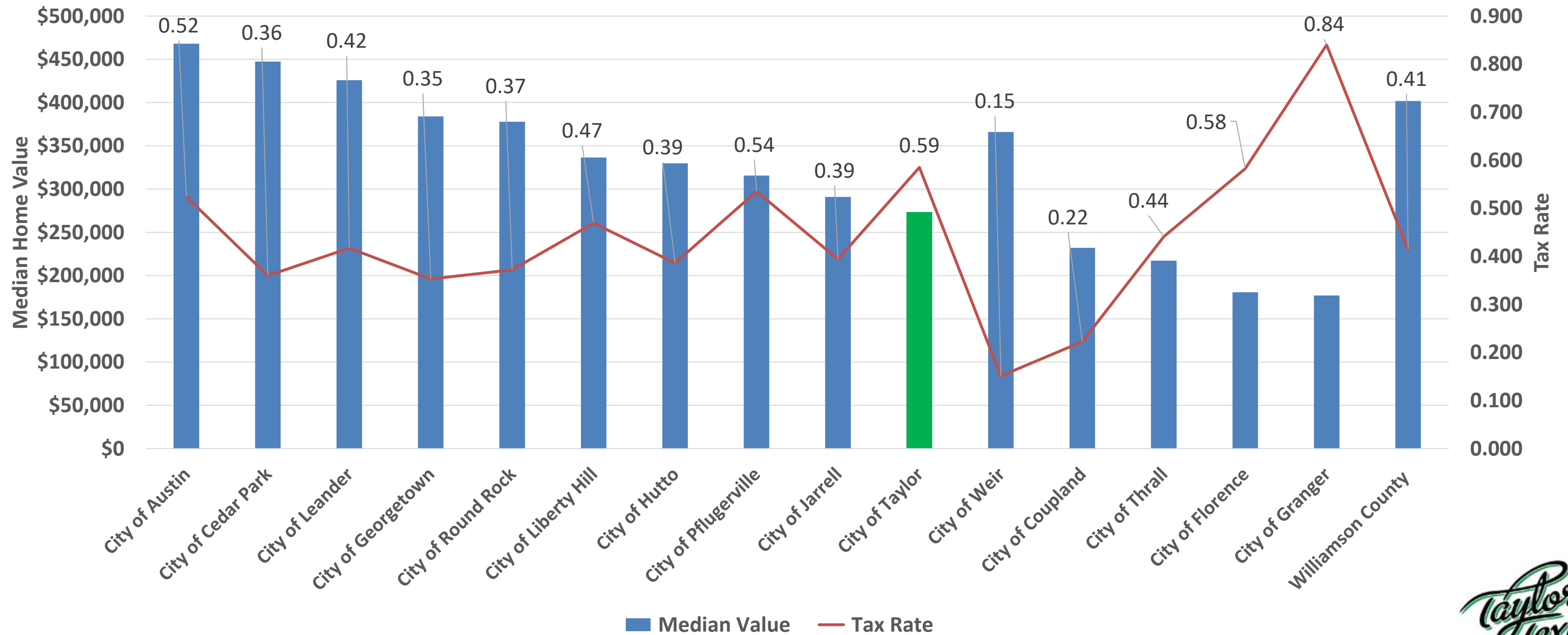
14%



Property Tax Rates (2023-2027)

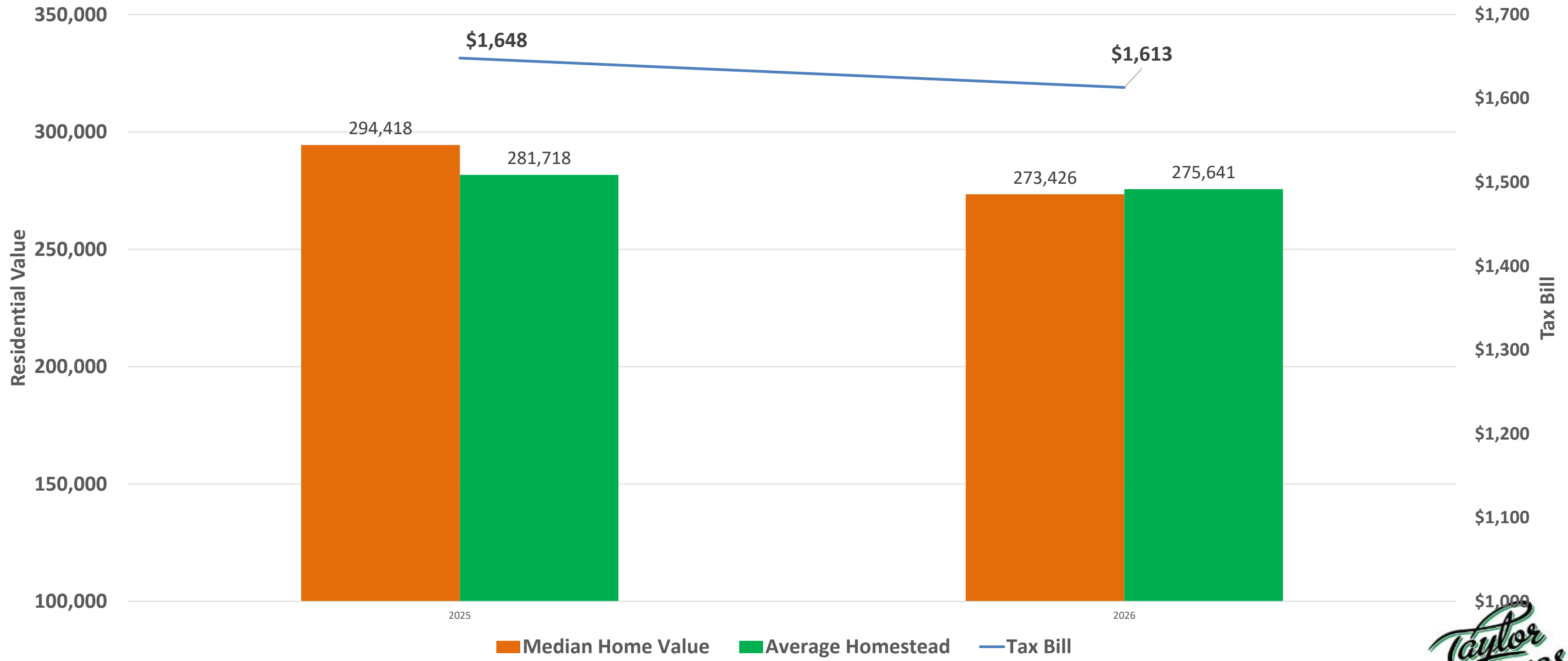


Median Residential Values & Tax Rates (Williamson County)

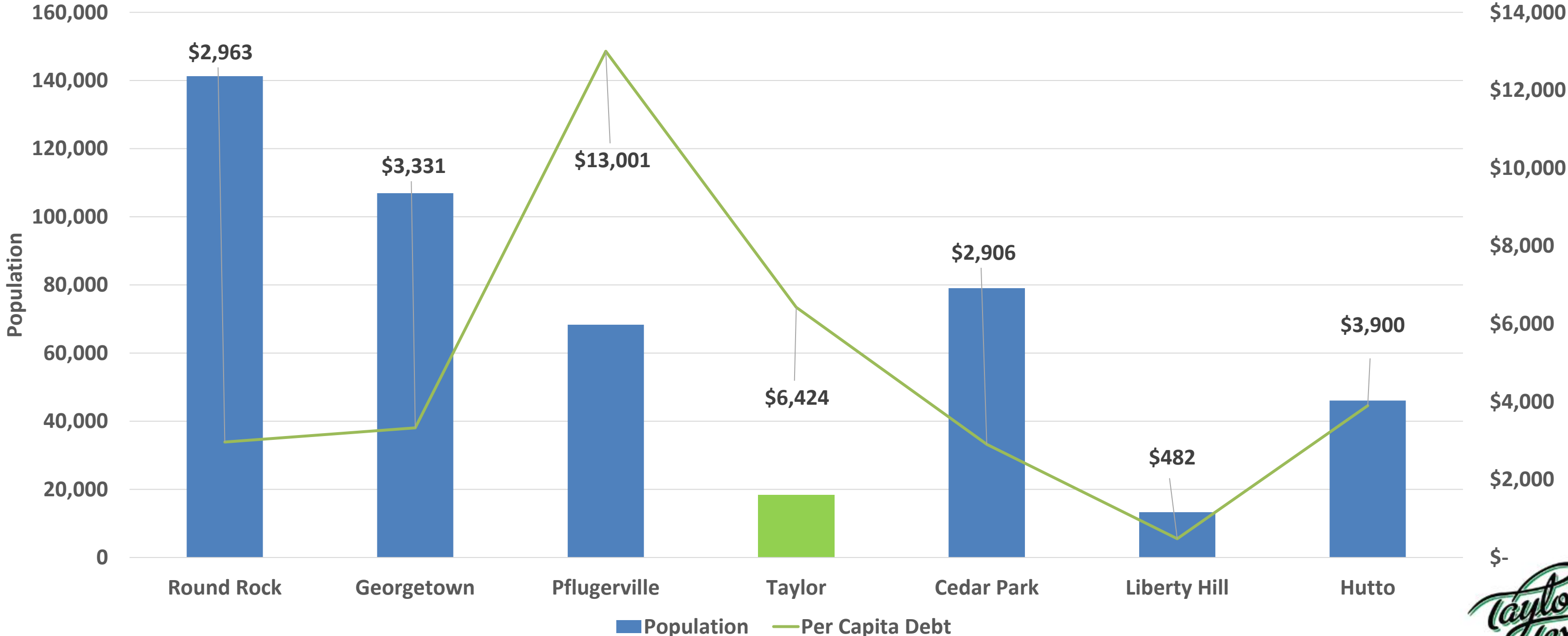


RESIDENTIAL PROPERTY VALUES

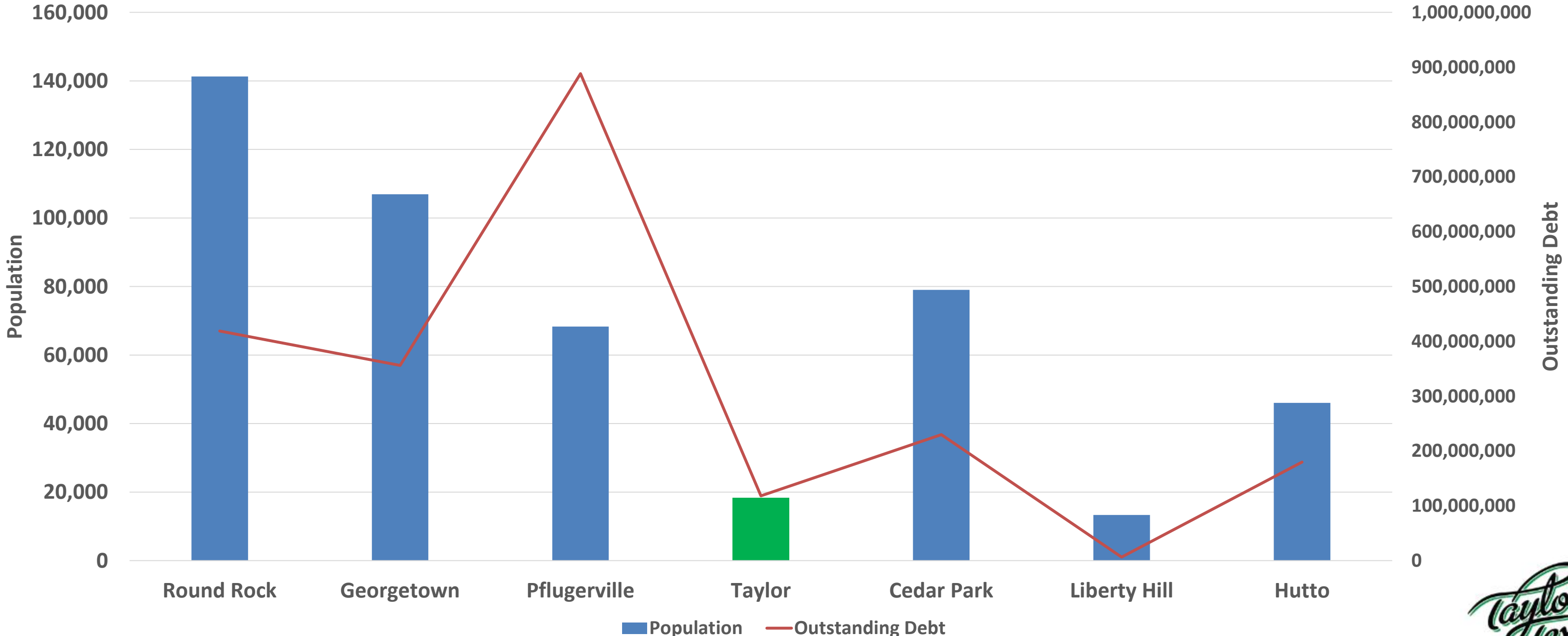
(AVERAGE HOMESTEAD TAX BILL)



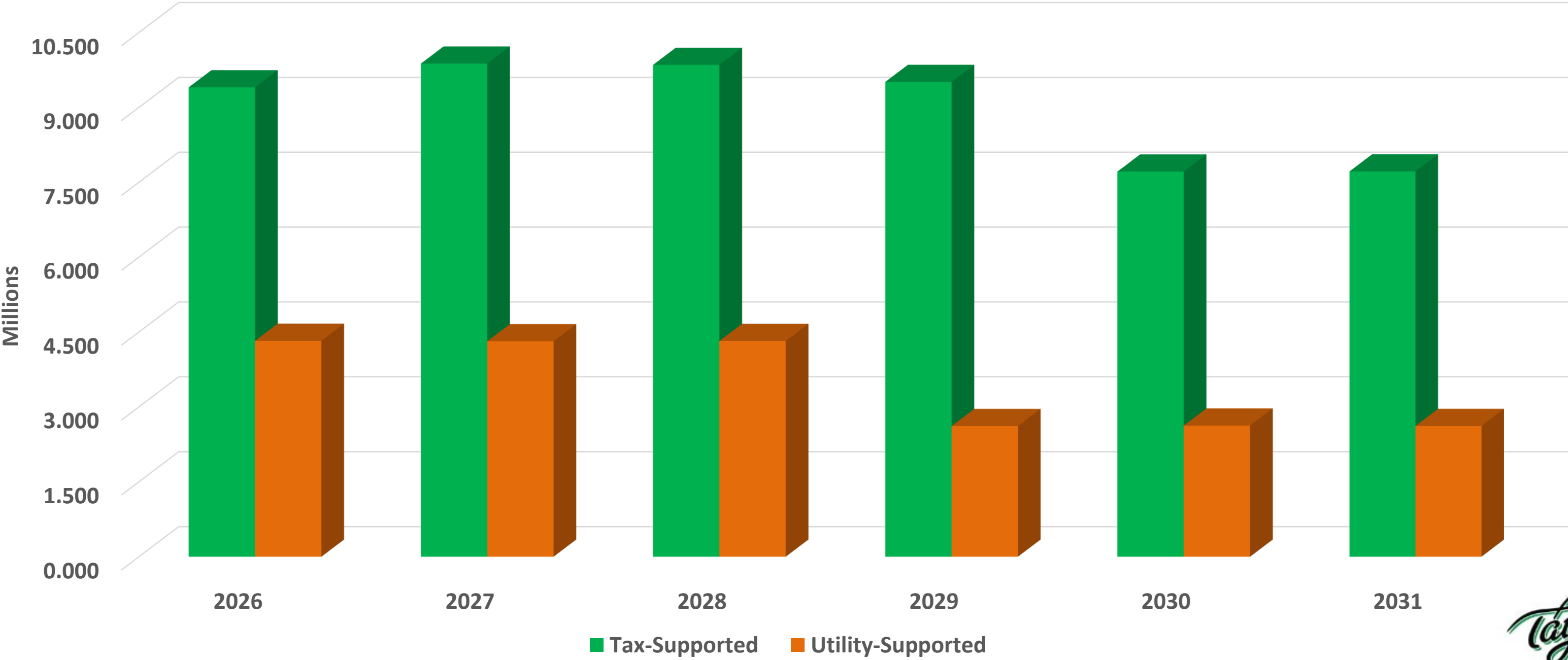
Area Cities – Per Capita Tax-supported Debt (2025)



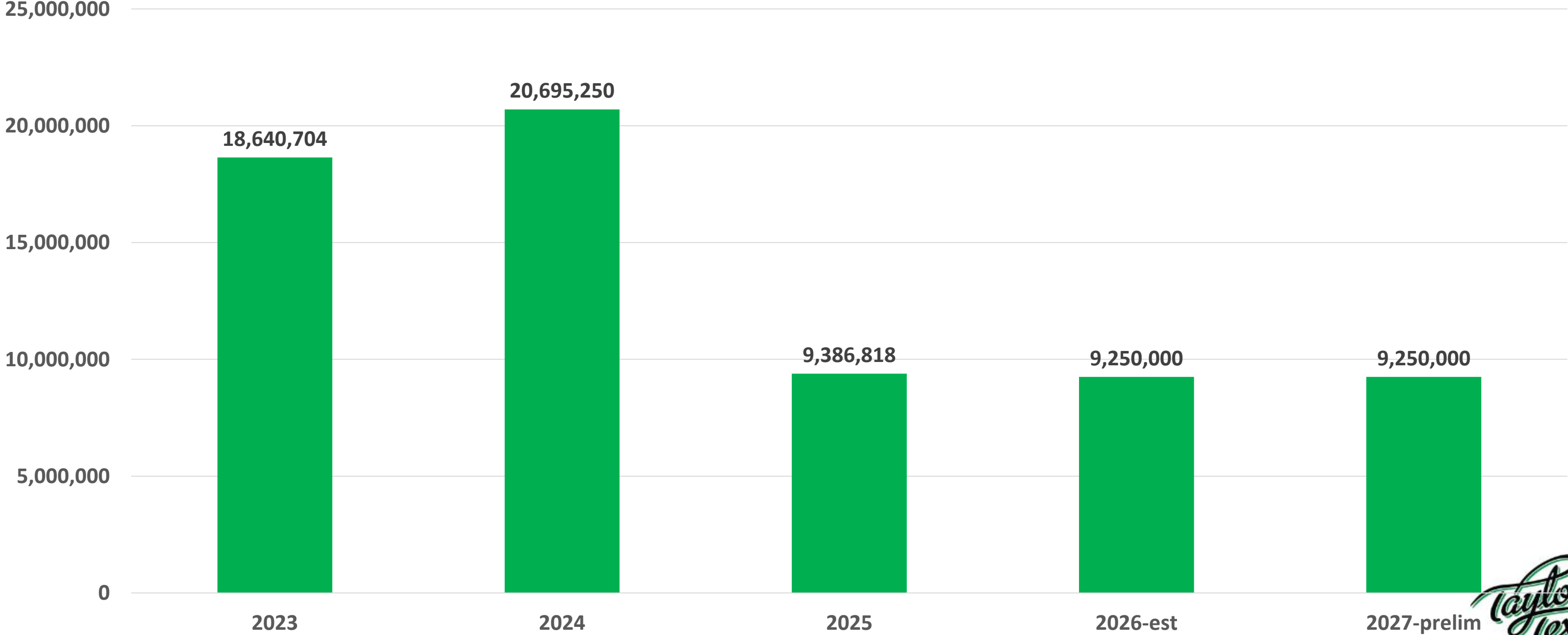
Area Cities – Tax-supported Debt vs Population (2025)



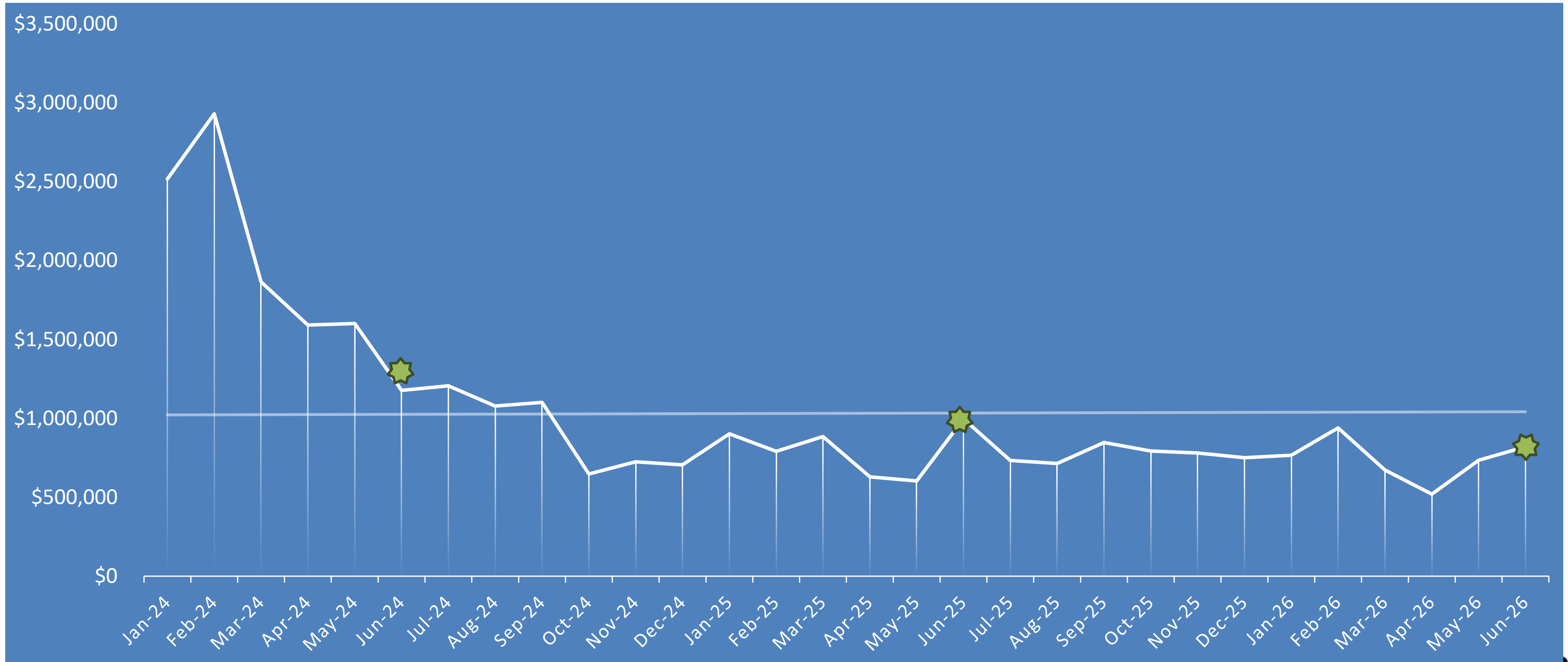
Future Debt Service (Tax & Utility)



Sales Tax (by Fiscal Year)



Monthly Sales Tax History



DEVELOPMENT SERVICES REVENUES

	<u>ACTUAL-23</u>	<u>ACTUAL-24</u>	<u>ACTUAL-25</u>	<u>BUDGET-26</u>	<u>PRELIM-27</u>	<u>\$ Chg / FY26</u>	<u>% Chg / FY26</u>	<u>% Chg from 3yr avg</u>
REVENUES - DEV SERVICES								
151 PLAT/ZONING PERMITS	17,410	27,600	23,200	14,000	18,000	4,000	28.6%	-20.8%
★ 152 BUILDING PERMIT	659,996	718,182	1,826,936	1,125,000	1,125,000	0	0.0%	5.3%
153 ELECTRICAL PERMITS	18,730	14,380	10,200	20,000	20,000	0	0.0%	38.5%
154 PLUMBING PERMIT FEES	11,330	11,115	19,205	12,000	12,000	0	0.0%	-13.6%
156 MECHANICAL PERMIT FEES	735	1,375	650	1,500	1,500	0	0.0%	63.0%
★ 157 SUBDIVISION DEVELOPMENT FEE	927,860	231,509	520,081	375,000	250,000	(125,000)	-33.3%	-55.3%
161 TECHNOLOGY FEE	16,275	14,490	23,733	22,000	22,000	0	0.0%	21.1%
164 MISC LICENSES/PERMITS	38,993	66,310	43,490	28,000	28,000	0	0.0%	-43.5%
★ 266 PLAN REVIEW FEES	525,101	997,944	379,508	425,000	300,000	(125,000)	-29.4%	-52.7%
267 ENGINEERING/INSPECTION FEES	69,900	62,051	75,935	90,000	90,000	0	0.0%	29.9%
291 FIRE INSPECTION FEES	8,538	5,731	14,911	13,500	13,500	0	0.0%	38.8%
					Net Change	(\$246,000)		



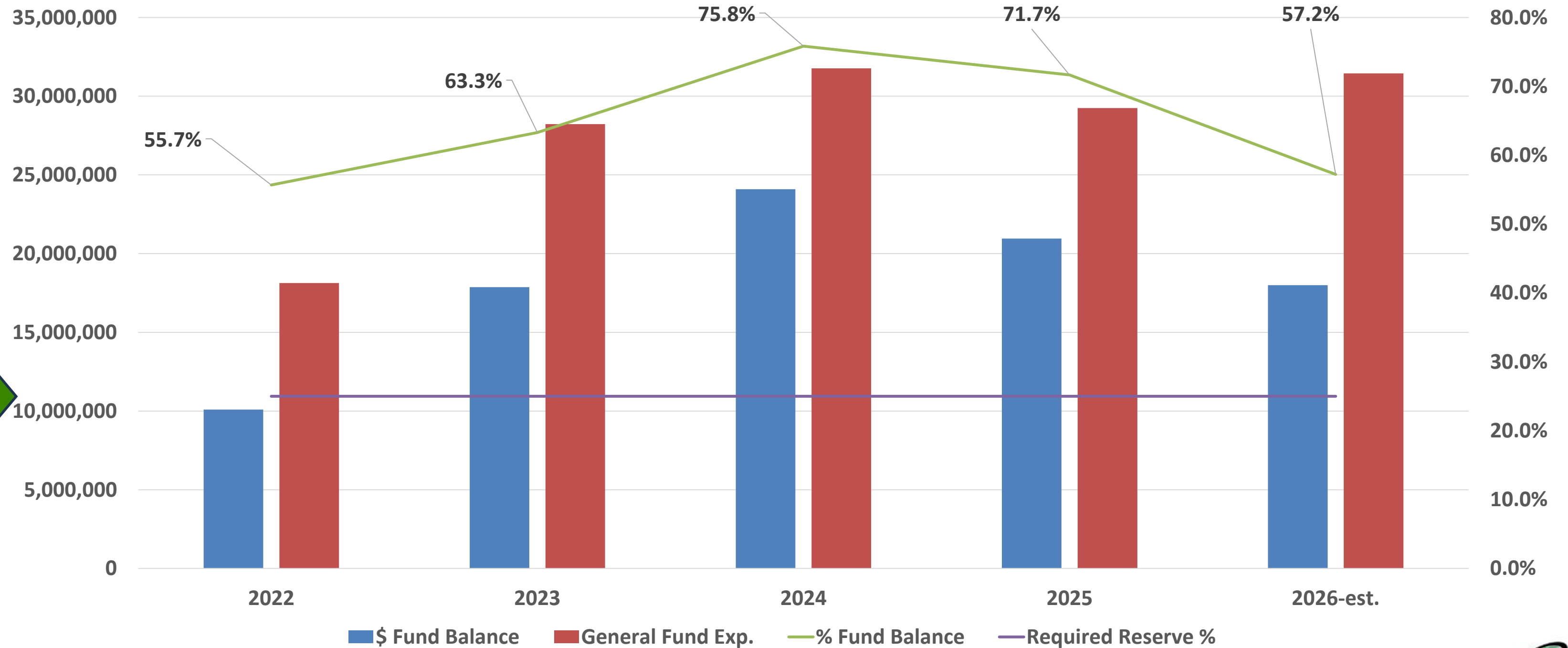
UTILITY FUND TRANSFER TO GENERAL FUND

- Increase from \$1,600,000 to \$2,250,000 based on the following formula:
 - Franchise Fee (4% x gross revenues).
 - PILOT (payment-in-lieu of taxes) based on value of capital assets.
 - General Fund indirect cost overhead.

Note: The current indirect cost recovery fee has remained unchanged since FY 2020.



General Fund Expenditures vs Fund Balance



PRELIMINARY FY27 GENERAL FUND BUDGET STATUS

- The preliminary budget assumes no change in the current tax rate of \$0.5850 cents per \$100.
- The budget sets aside contingency funds for a potential 20% increase in health insurance premiums.
- Current budget gap between revenues and operating expenditures is \$530,000.
- Unless the revenue picture changes, the gap would be covered by surplus fund balance reserves.



USE OF FUND BALANCE - RECOMMENDATIONS

Note: Minimum Required Fund Balance is 25%

Current Year FY26 estimated ending Fund Balance is \$18,000,000 or 57% (mainly due to FEMA reimbursement of \$3.95m)

- \$250,000 for Comprehensive Plan and Land Use Code update (General Fund share.)
- \$1,000,000 set aside for vehicles and major equipment replacements (under review.)
- Police & Fire Civil Service 1% COLA (\$146,000)
- Non-civil service employees 1x tenure-based stipend (\$116,000) as follows:
 - 6mos - 4 years \$500
 - 5-9 years \$1,000
 - 10+ years \$1,500
 - City Management and Department Directors would not be eligible for the 1x stipend.



USE OF FUND BALANCE RECOMMENDATIONS

If the recommended uses of Fund Balance were approved, the projected General Fund ending balance would be \$16,485,000 or 55%. *

- \$12,000,000 is required to maintain a 40% Fund Balance. *
- \$10,500,000 is required to maintain a 35% Fund Balance. *

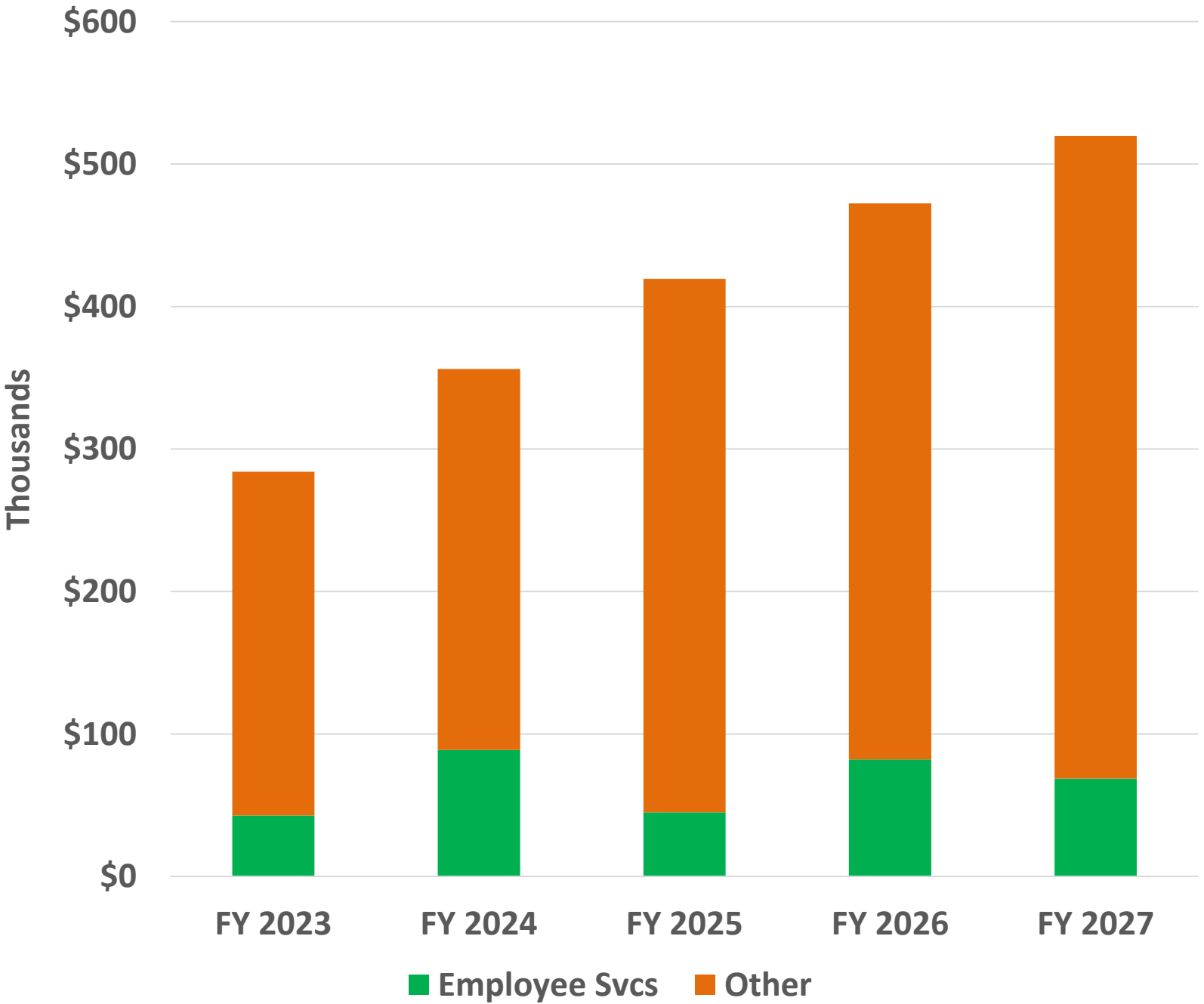
* Based upon a \$30,000,000 operating budget.



DEPARTMENT BUDGET CHANGES



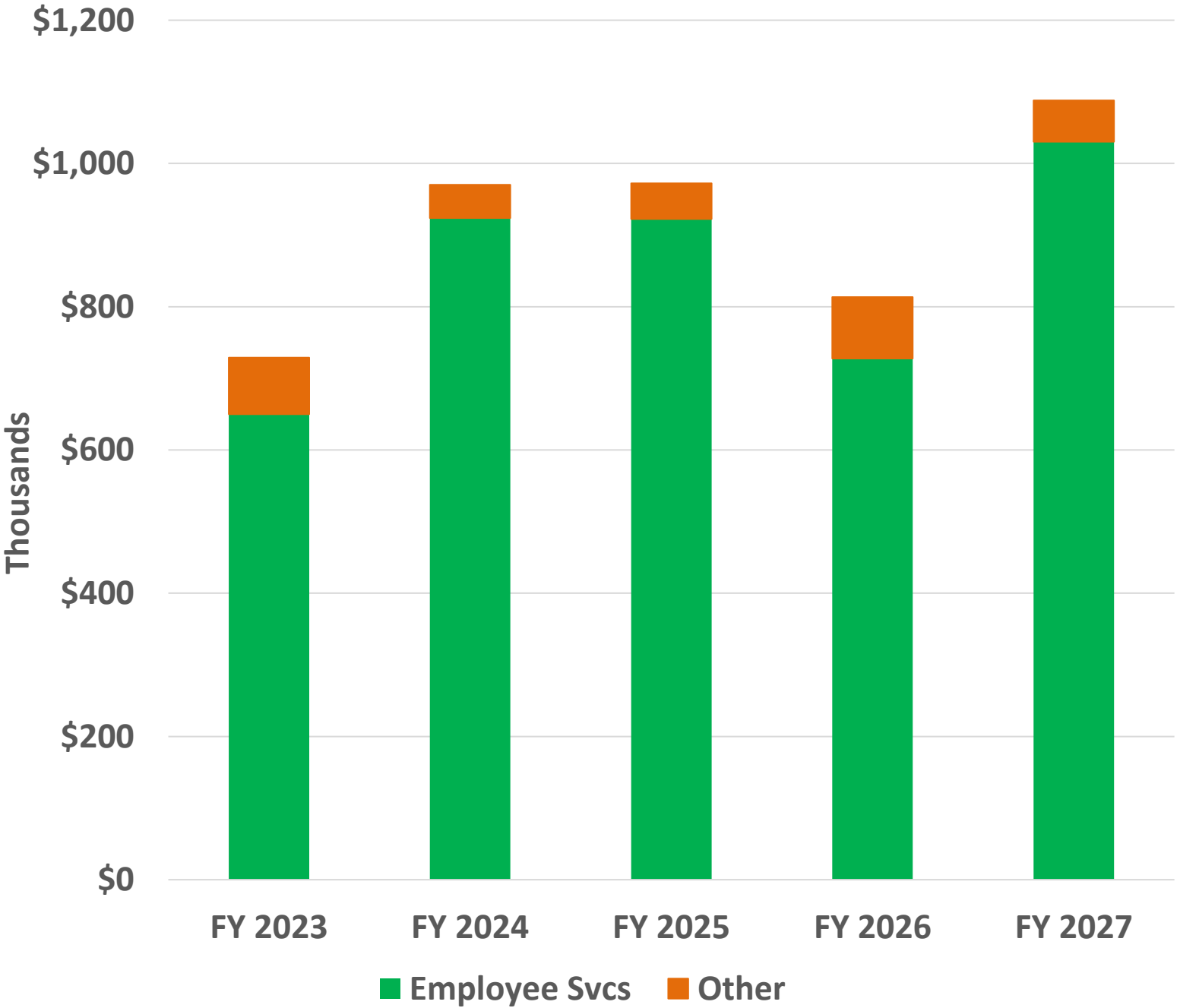
City Council



	Inc.	Dec.
Legal Services (prior average)	\$80,000	
Engineering Services		(\$10,000)
Unallocated Community Service Grants		(\$20,000)



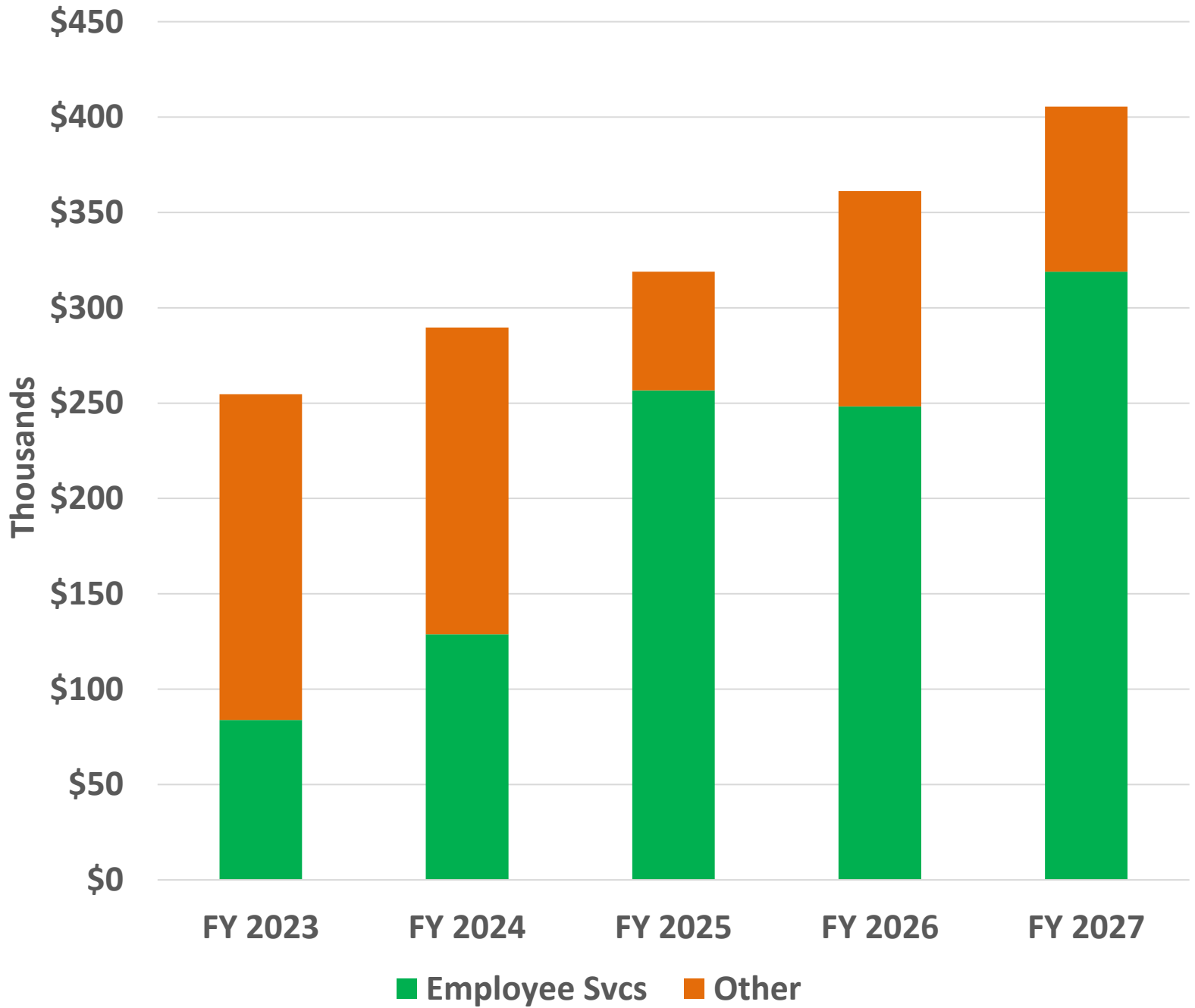
City Management



	Inc.	Dec.
Engineering Services		(\$25,000)
Internal Reorg / ACMs	Net zero	



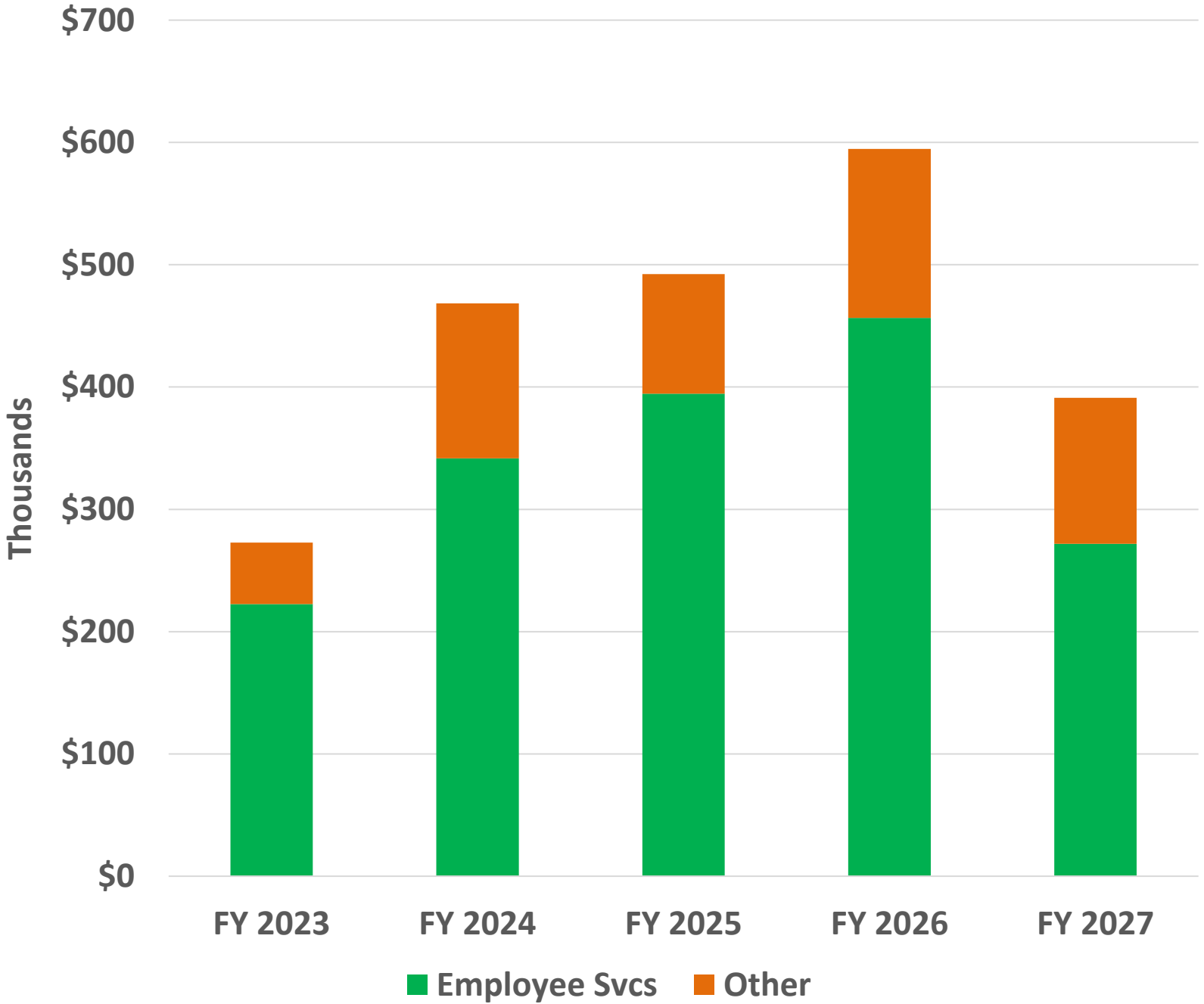
Communications



	Inc.	Dec.
Engineering Services		(\$8,000)
Website Services Software (savings)		(\$7,000)



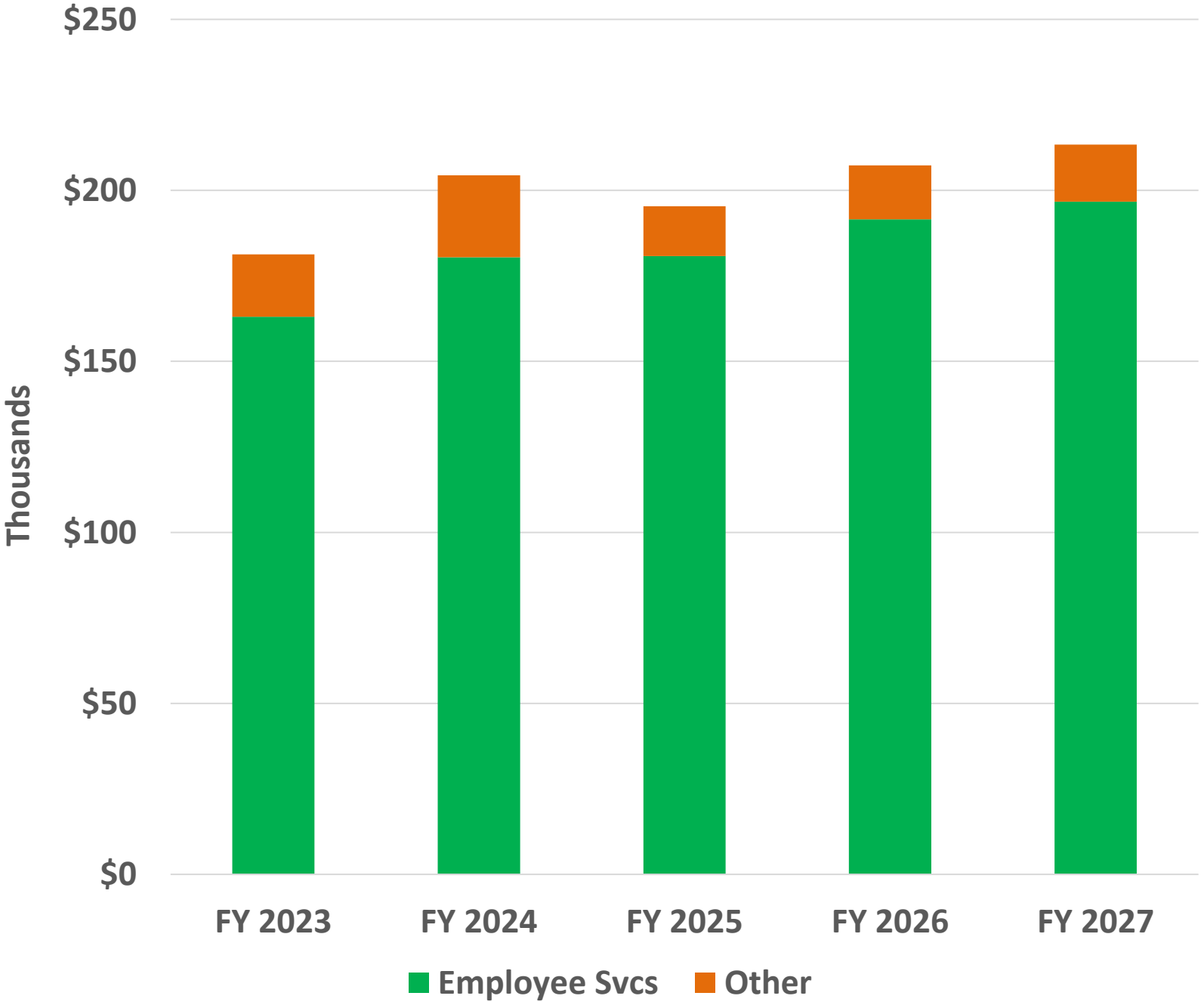
Human Resources



	Inc.	Dec.
Tuition Assistance Program (defer 1yr)		(\$7,500)
Reduce Employee Appreciation event		(\$3,000)
Reduce Directors staff retreat		(\$3,000)
HR Director transition to ACM office		Net \$0



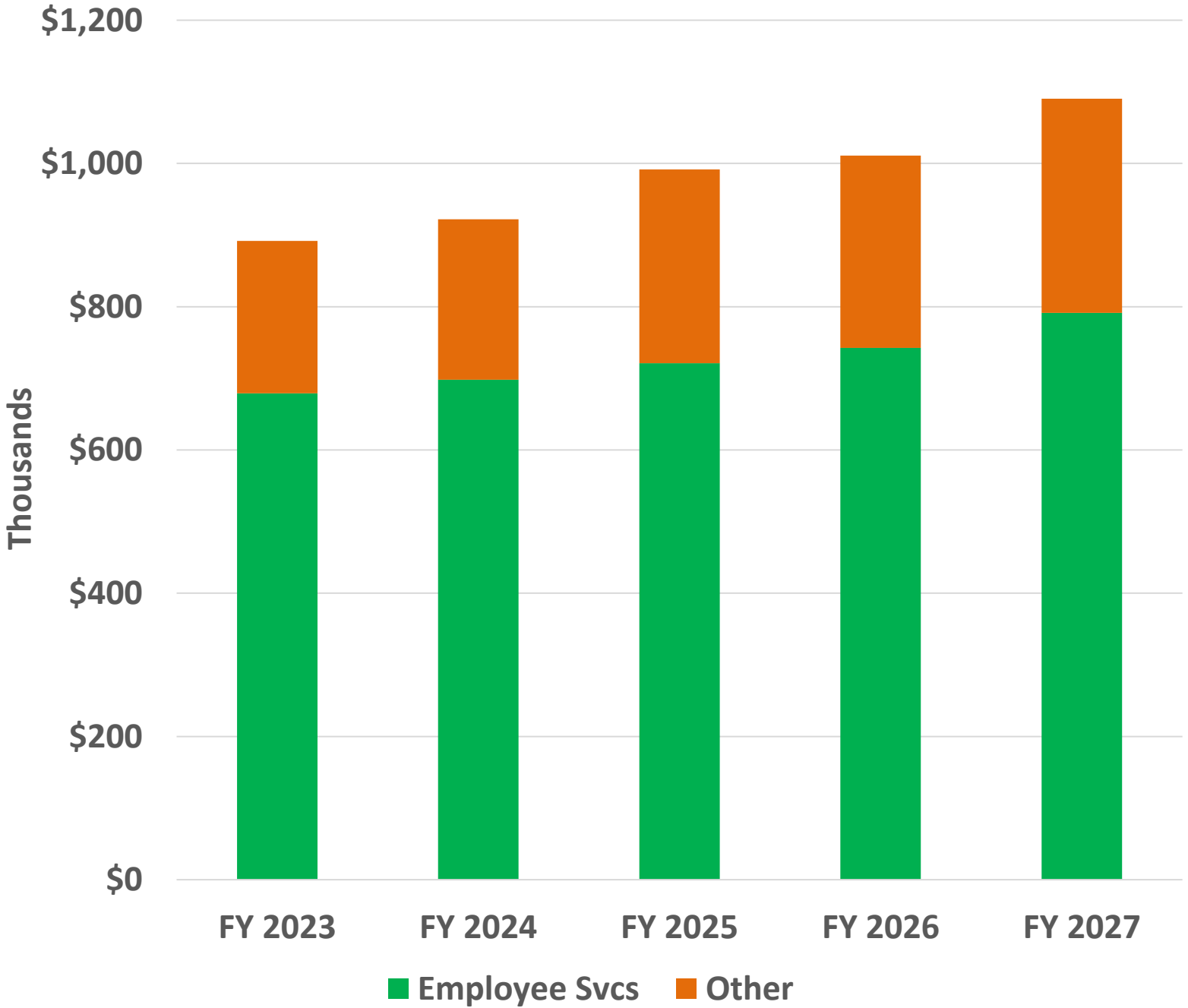
City Clerk



	Inc.	Dec.
Engineering Services		(\$4,000)
Shredding Services	\$4,000	



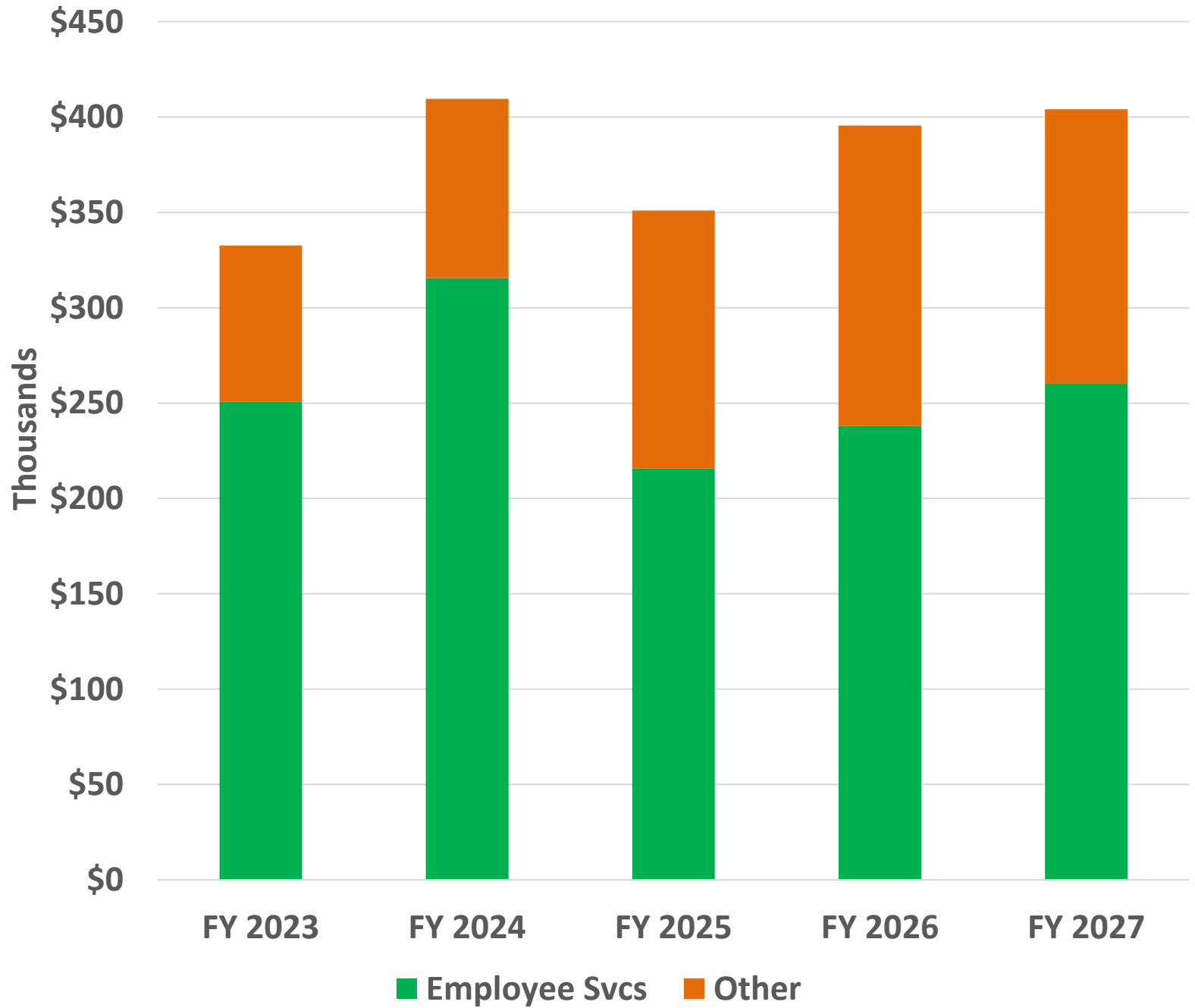
Finance



	Inc.	Dec.
Travel & Training		(\$4,800)
CAD Entity Fee	\$42,500	



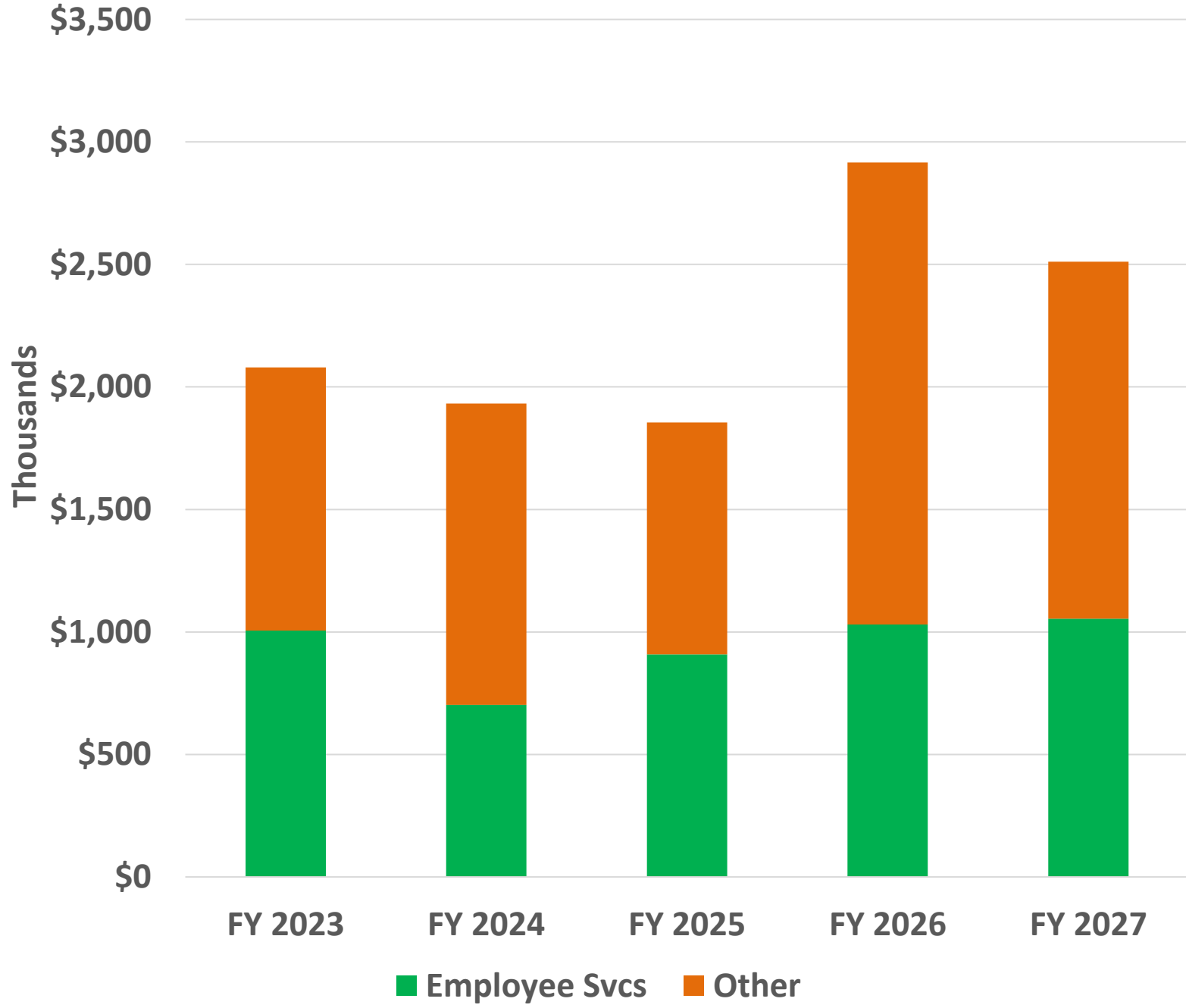
Municipal Court



	Inc.	Dec.
City Attorney services		(\$5,000)
Associate Judge (new) services	\$6,000	



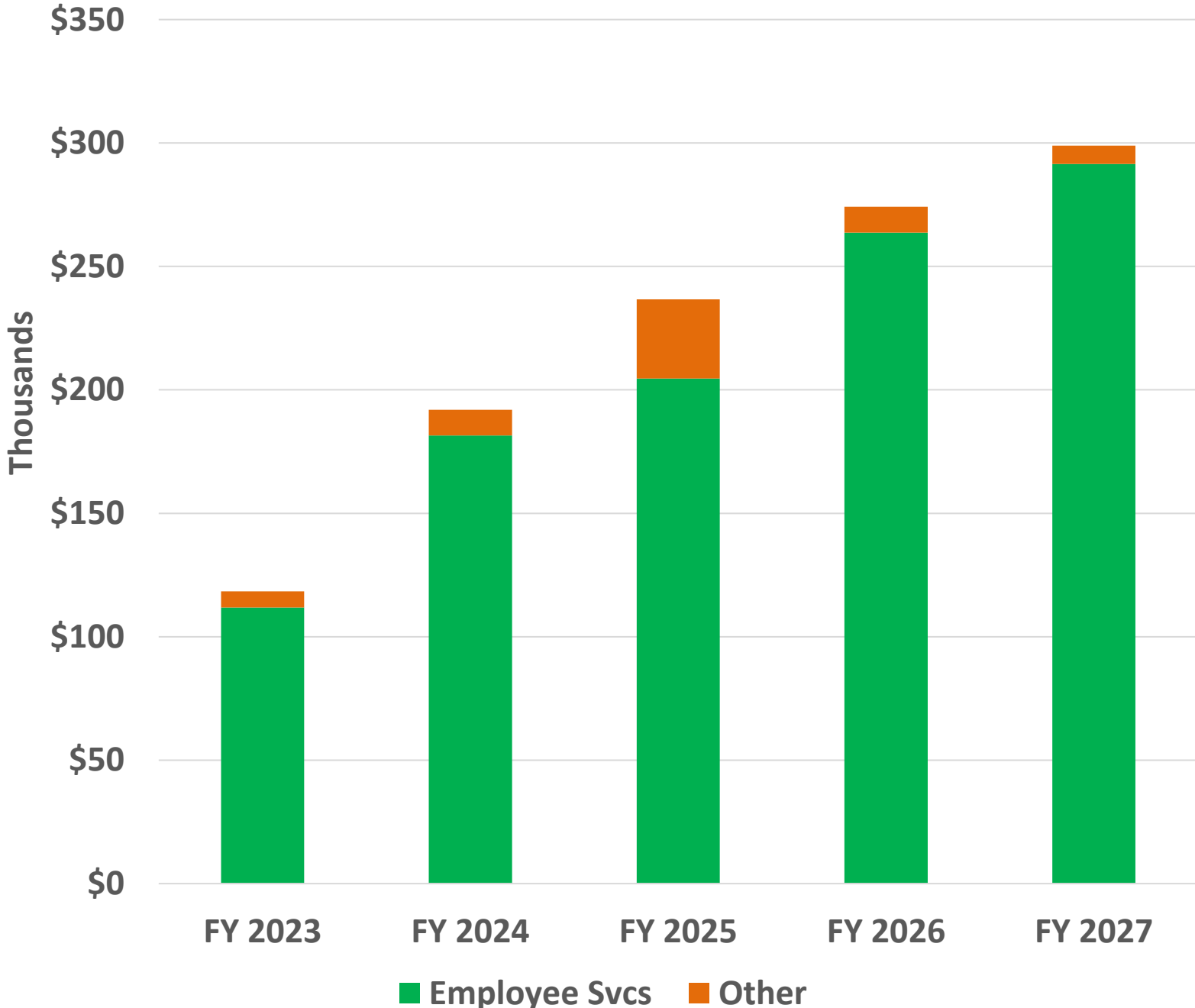
Development Services



	Inc.	Dec.
Travel & Training		(\$3,050)
Neighborhood Design Consultant		(\$95,000)
Comprehensive Plan (Phase 2) - reserves		(\$250,000)
Assistant Director (vacant; funding move to IT)		



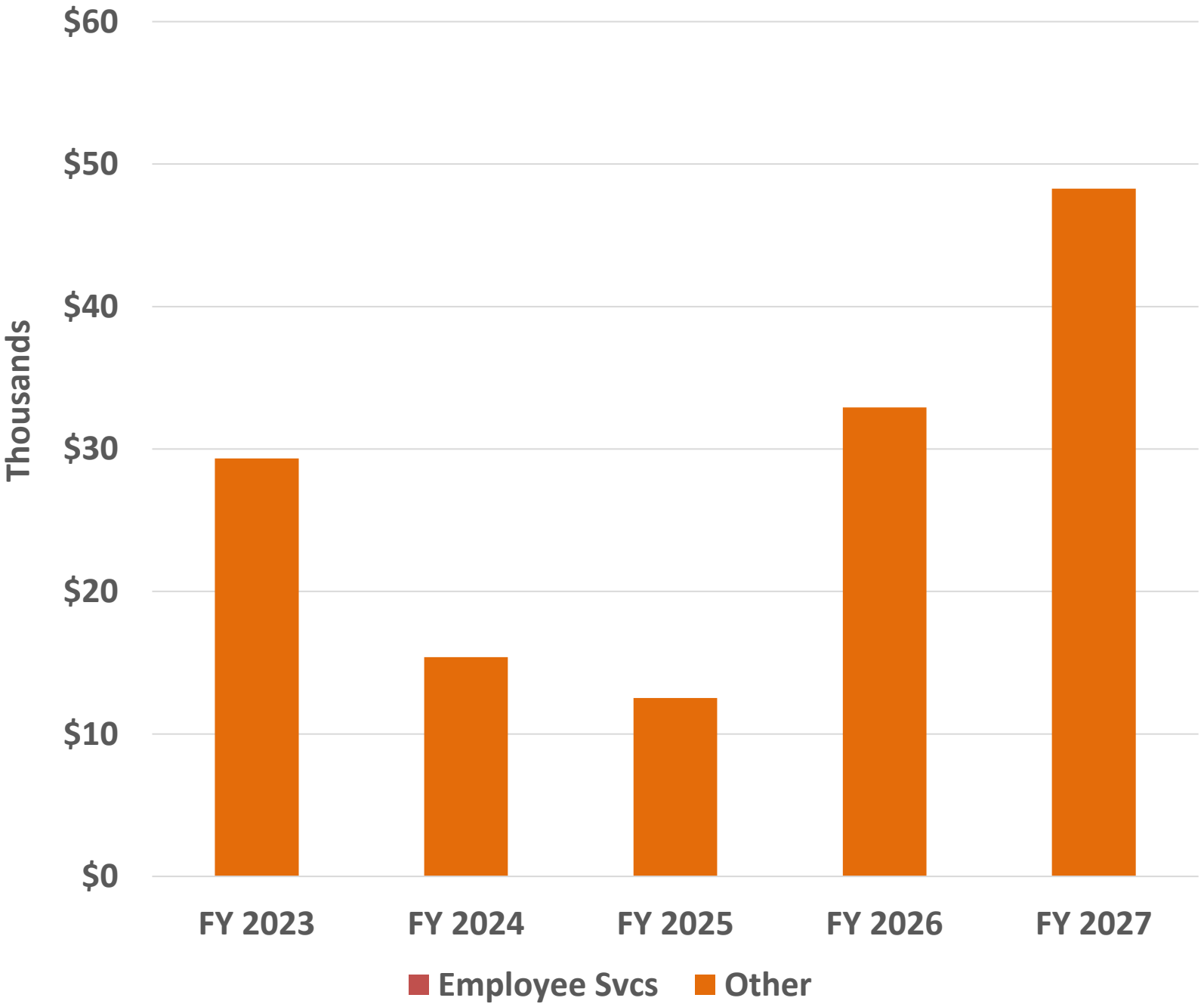
Main Street



	Inc.	Dec.
Main Street Manager (reclass)	\$8,445	
Travel & Training		(\$3,500)
Promotional Supplies		(\$2,000)



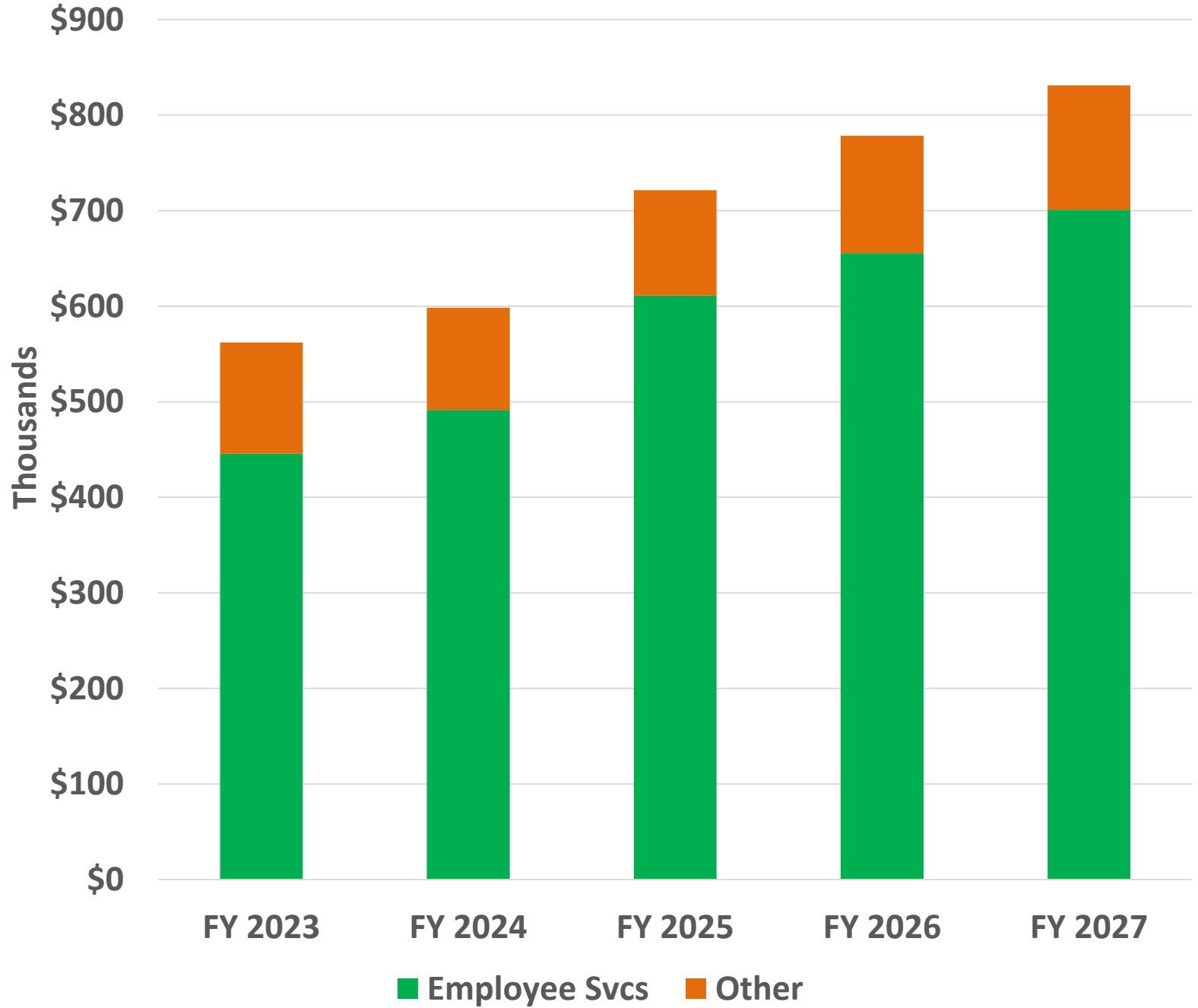
Moody Museum



	Inc.	Dec.
Building Maintenance		(\$1,050)
Grounds Maintenance (reallocation from TIF)	\$11,000	
Docent (increased hours)	\$6,500	



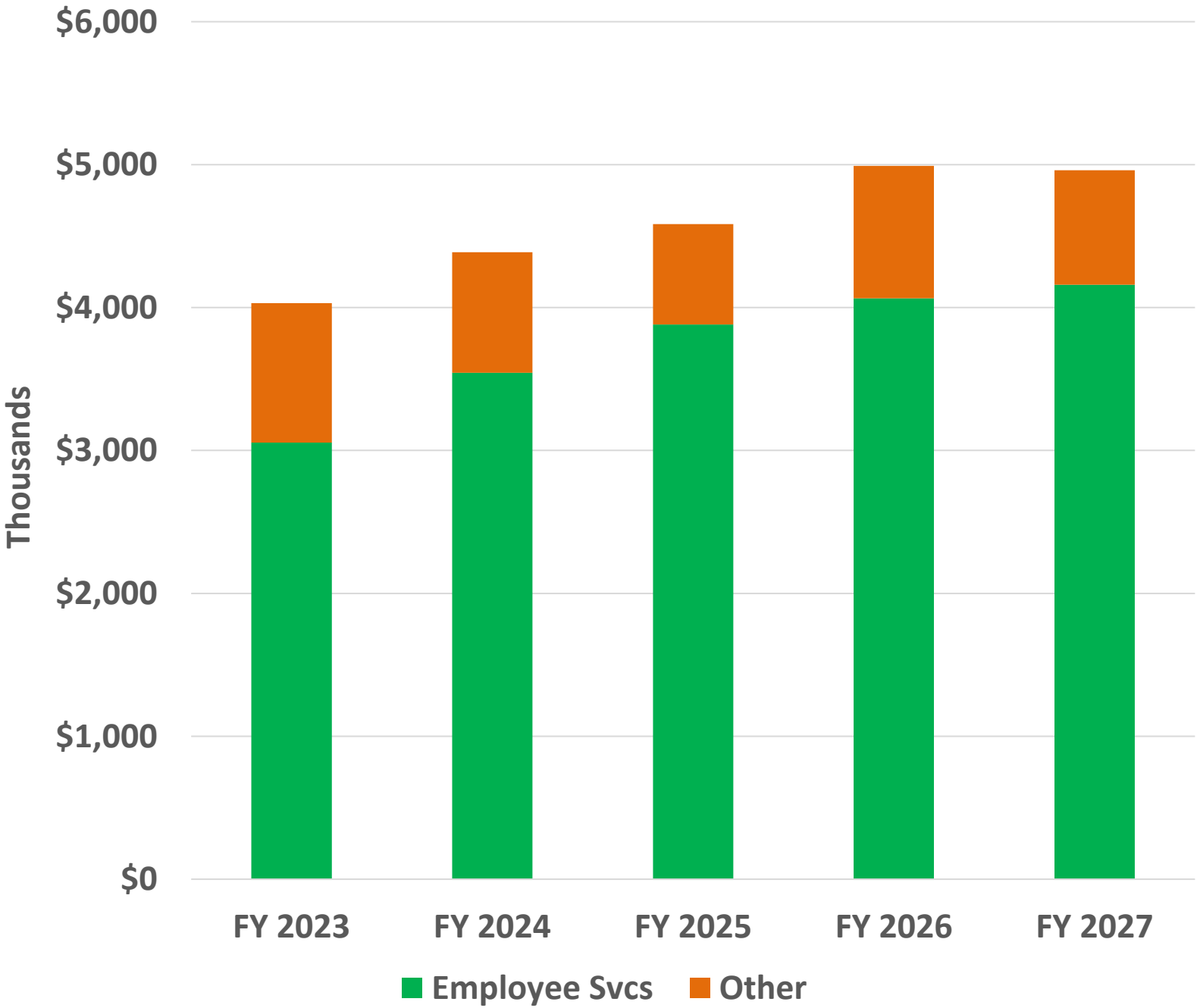
Library



	Inc.	Dec.
Summer Intern (defer 1 yr)		(\$1,750)
Travel & Training		(\$1,200)
Office supplies		(\$4,000)
Reference Books (offset with Endowment funds)		(\$2,340)
Door Counter (not replace)		(\$8,000)
Library Books (offset with Endowment funds)		(\$5,300)



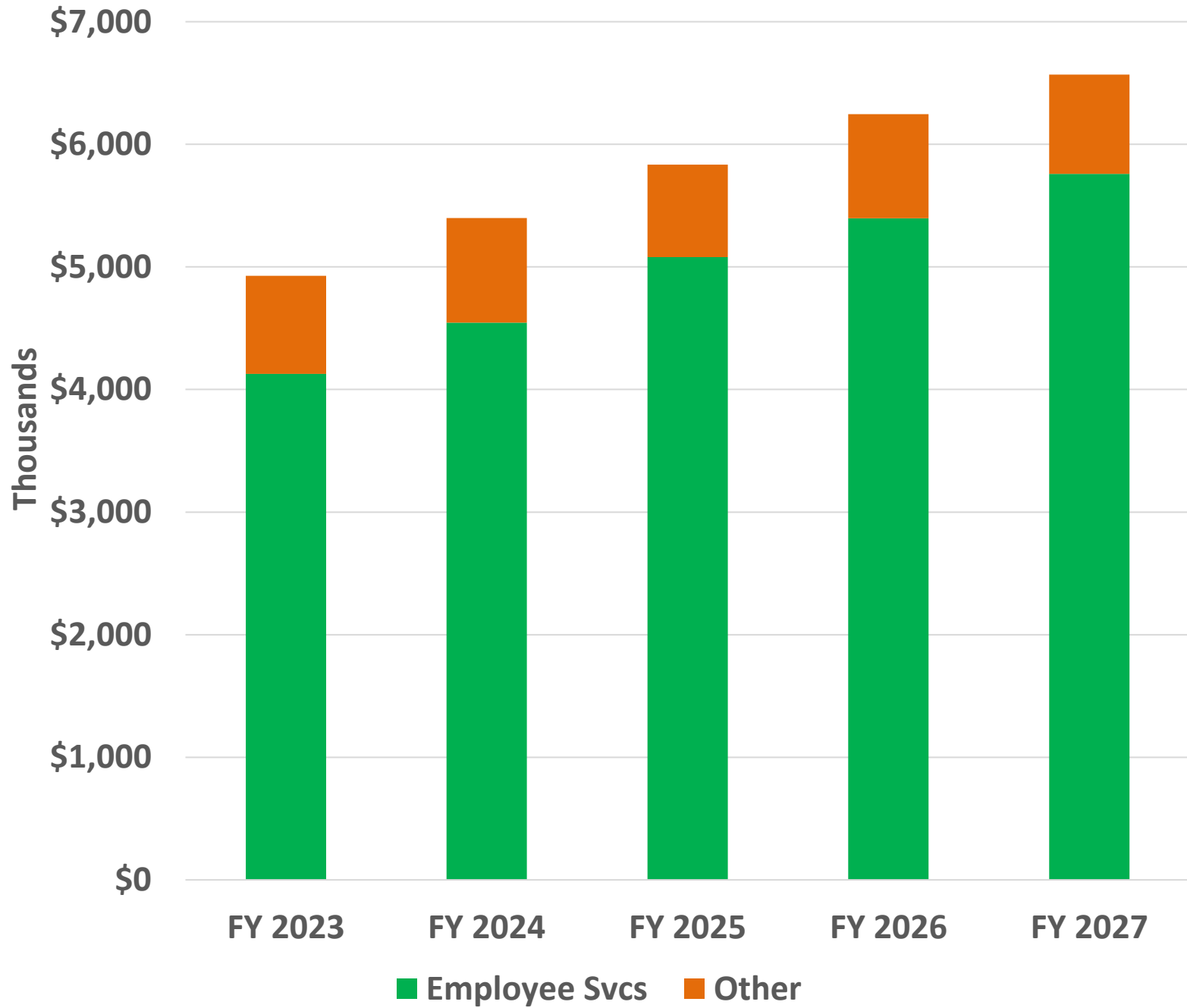
Fire Department



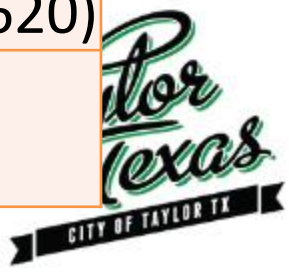
	Inc.	Dec.
Overtime (reduce minimum staffing)		(\$150,000)
Reduce uniform replacements		(\$10,000)
Reduce Travel & Training		(\$14,000)
Fire Prevention promotional supplies		(\$2,500)
Miscellaneous supplies		(\$6,000)
Minor equipment replacements		(\$10,000)
Station appliance replacements (defer)		(\$5,000)
Groundskeeping supplies		(\$2,500)
Engineering Services		(\$10,000)



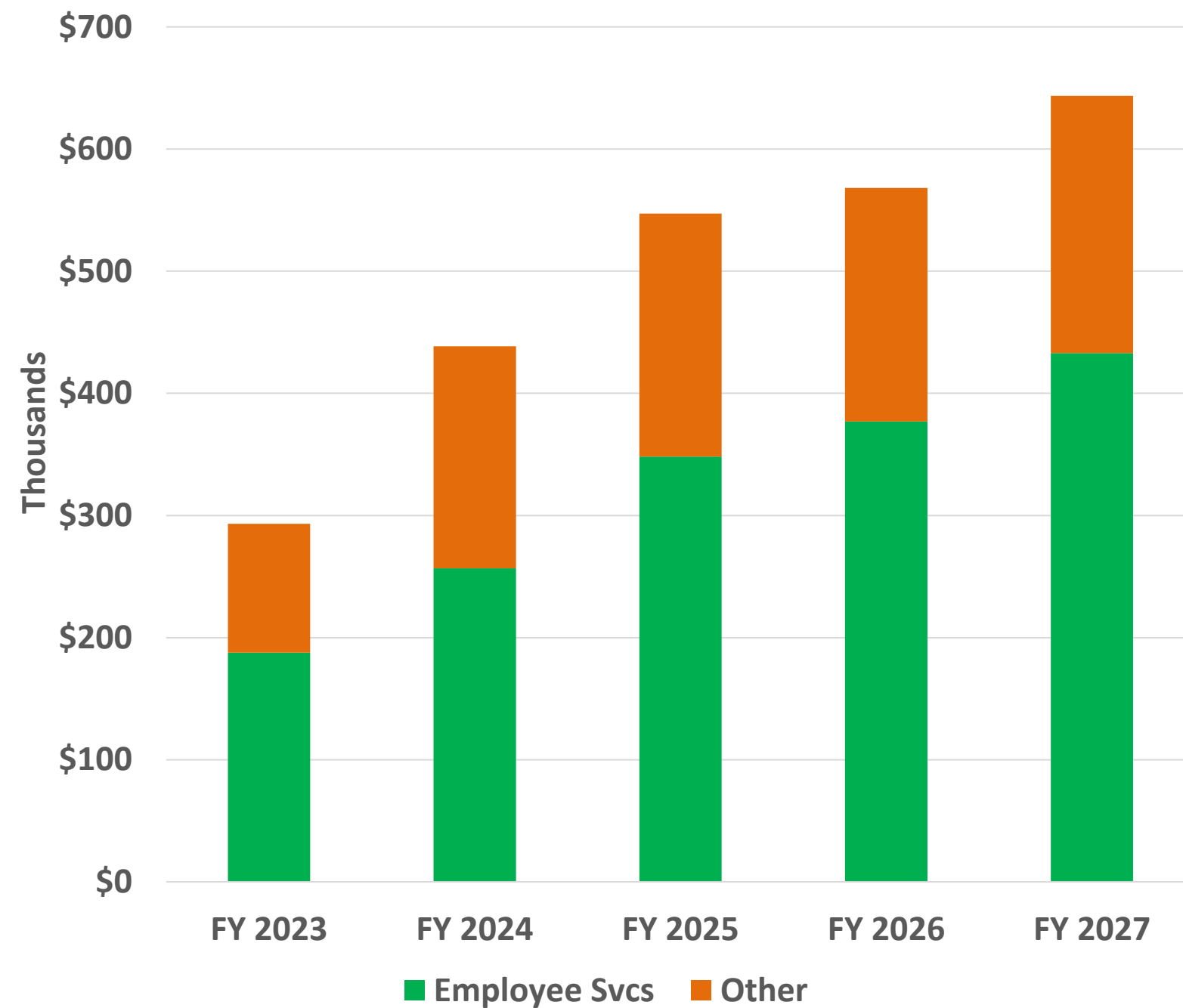
Police Department



	Inc.	Dec.
Reduce uniform replacements		(\$10,000)
Texas Law Enforcement Grants (move to Special Revenue)		(\$24,740)
Investigation Supplies		(\$6,080)
Furniture		(\$1,000)
Engineering Services		(\$5,000)
Printing		(\$1,900)
Leads Online subscription		(\$3,530)
Restructure Taser contract		(\$5,620)
Defer Fleet Replacement (2) - see Fleet Fund		



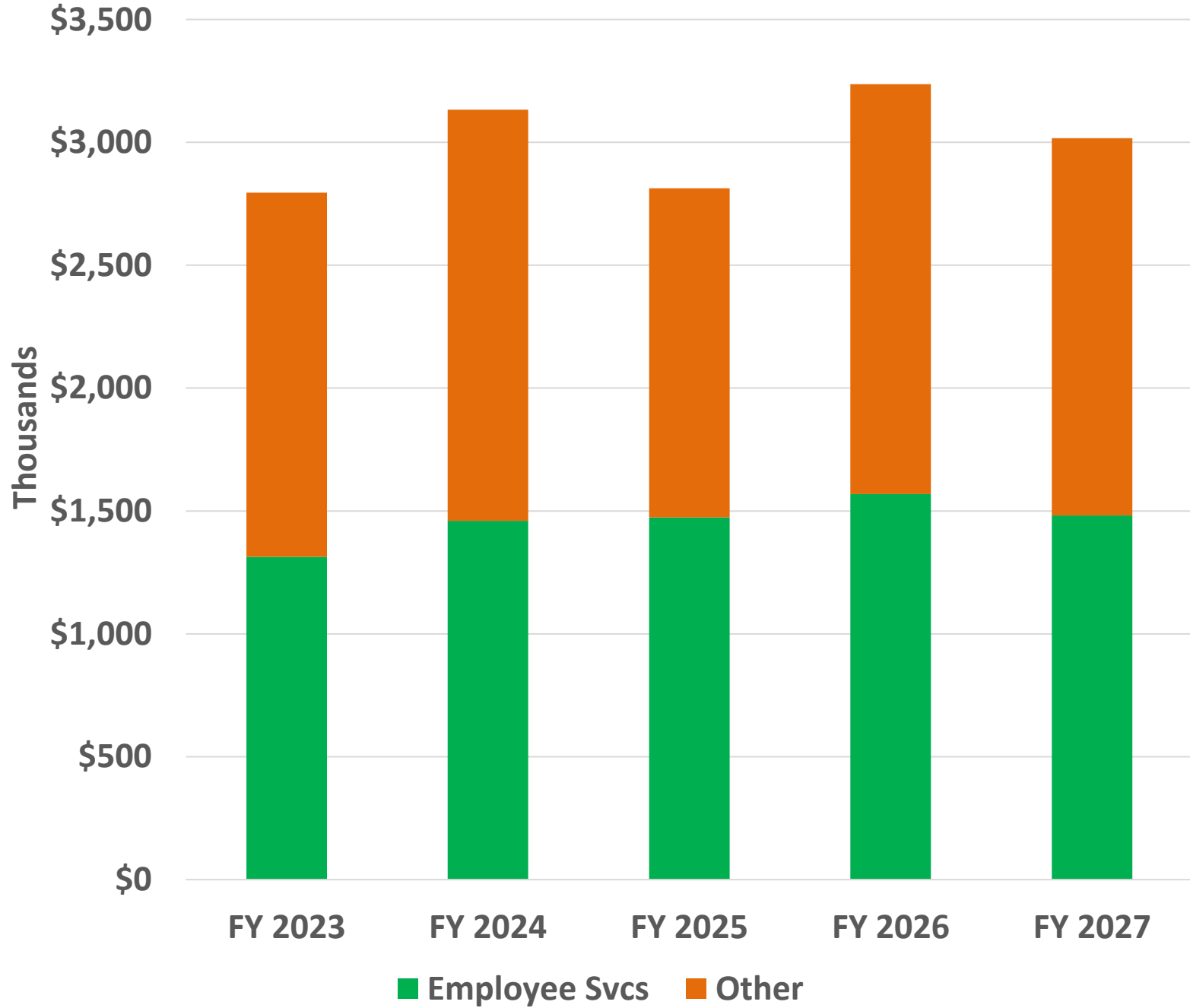
Animal Services



	Inc.	Dec.
Reduce uniform replacements		(\$1,250)
Travel & Training		(\$2,200)
Veterinarian Services	\$5,000	



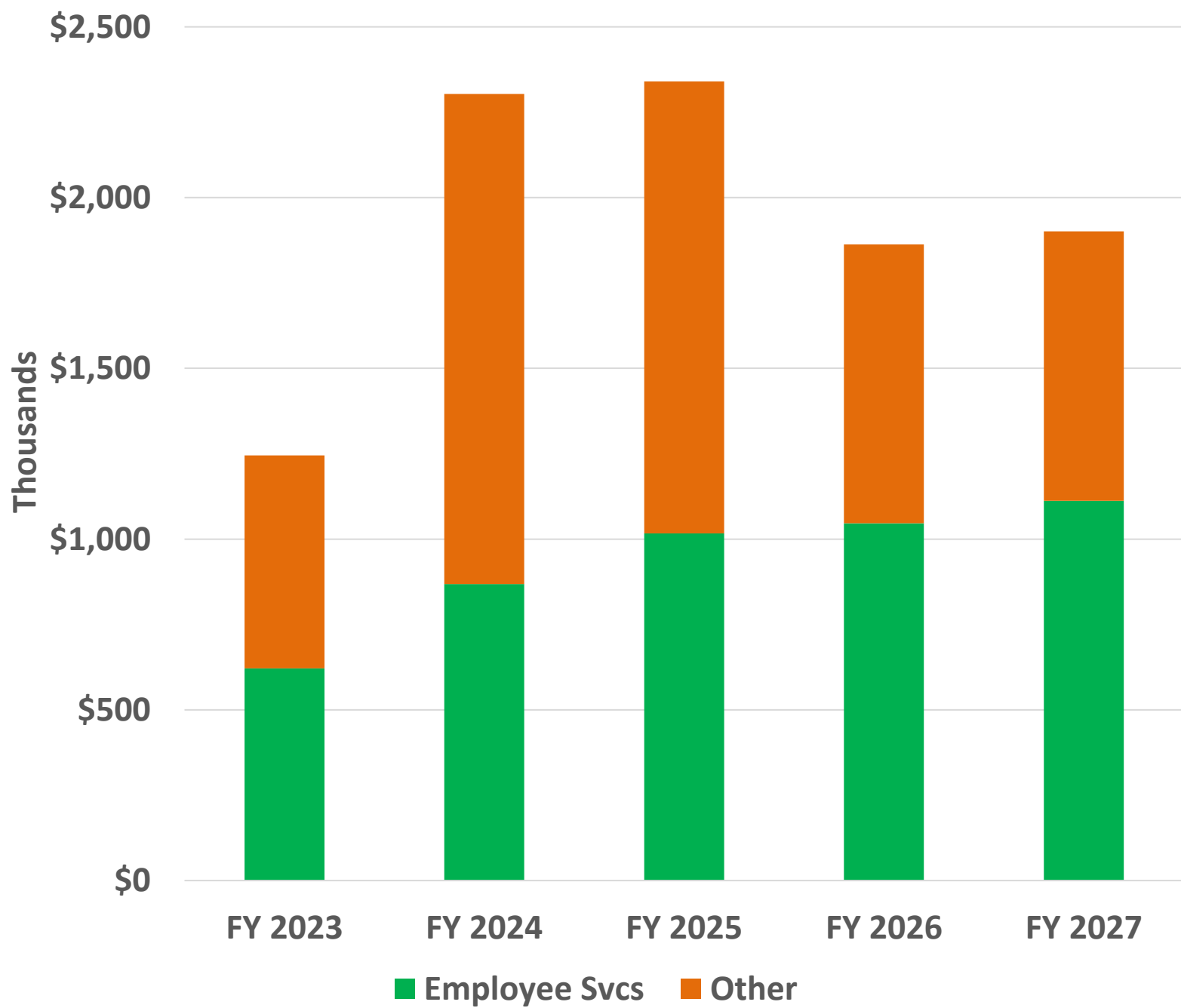
Public Works - Streets



	Inc.	Dec.
Overtime (prior history)	\$39,500	
Reduce uniform replacements		(\$1,170)
Travel & Training		(\$5,400)
Street Repair Materials		(\$44,000)
Striping & Signage		(\$18,300)
Minor tools & equipment		(\$4,400)
Rental of equipment		(\$16,780)



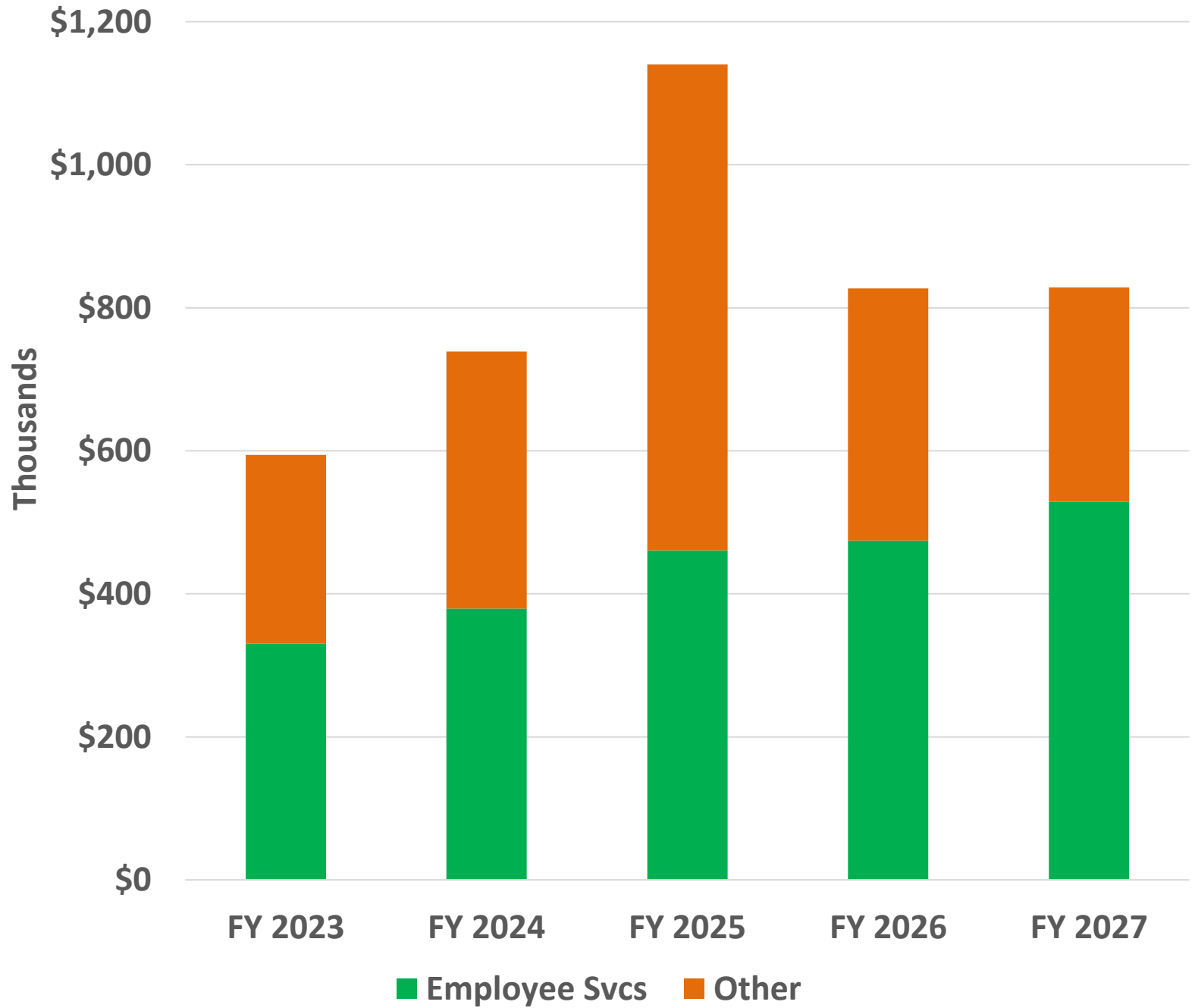
Parks & Recreation



	Inc.	Dec.
Overtime (prior history)	\$36,600	
Uniforms		(\$2,000)
Travel & Training		(\$1,100)
Sand and gravel		(\$3,000)
Programming (offset with Samsung grant)		(\$30,000)
Chemicals		(\$3,945)
Landscaping & groundskeeping supplies		(\$5,650)
Minor tools & equipment		(\$1,400)
Sports equipment		(\$3,000)
Cleaning supplies		(\$4,795)
Parks Master Plan (misc. items)		(\$30,000)



Building Maintenance



	Inc.	Dec.
Travel & Training		(\$3,350)
Medical Supplies		(\$940)
Cleaning Supplies		(\$800)
Chemicals		(\$300)
Engineering Services		(\$3,000)



ADJUSTMENTS TO BASE (REQUESTED / NOT INCLUDED)

DEPARTMENT	DESCRIPTION	FY27 COST
CITY COUNCIL	ADOPT RESIDENTIAL HOMESTEAD (HS) EXEMPTION	\$125,000
PUBLIC INFORMATION	ADA ACCESSIBLE PDF VIEWER	\$1,100
PUBLIC INFORMATION	SOCIAL MEDIA AND MARKETING COORDINATOR	\$20,338
PUBLIC INFORMATION	MULTIMEDIA SPECIALIST	\$58,107
PUBLIC INFORMATION	COMMUNITY ENGAGEMENT SPECIALIST	\$45,428
PUBLIC INFORMATION	LEADERSHIP TRAINING	\$2,060
PUBLIC INFORMATION	CIP COMMUNICATIONS	\$4,000
PUBLIC INFORMATION	LEAD TAYLOR REIMAGINED OPTION 1	\$7,000
PUBLIC INFORMATION	GENERAL SUPPLIES NEEDS	\$1,125
PUBLIC INFORMATION	BRANDED APPAREL	\$200
PUBLIC INFORMATION	PRINT NEWSLETTER OPTION 1-2	\$58,860 - \$84,480
HUMAN RESOURCES	HUMAN RESOURCES DIRECTOR	\$140,000
HUMAN RESOURCES	HUMAN RESOURCES GENERALIST	\$10,000
HUMAN RESOURCES	COMPENSATION STUDY	\$35,000
HUMAN RESOURCES	FINPATH WELLNESS	\$7,000
HUMAN RESOURCES	HOMEBUYERS INCENTIVE PROGRAM	\$25,000



ADJUSTMENTS TO BASE (REQUESTED / NOT INCLUDED)

DEPARTMENT	DESCRIPTION	FY27 COST
CITY CLERK	LASERFICHE SOFTWARE	\$147,500
MUNICIPAL COURT	DEPUTY COURT CLERK	\$72,526
MAIN STREET	NEW EVENTS/TOURISM SPECIALIST	\$72,633
MAIN STREET	HISTORIC PRESERVATION COMMISSION MAILING LEGAL NOTICES	\$700
MAIN STREET	FARMER'S MARKET PROMOTIONS AND PRINTED MATERIALS	\$500
PUBLIC LIBRARY	ADDITIONAL PROGRAM FUNDS	\$10,000
PUBLIC LIBRARY	BOOKMOBILE	\$150,000
FIRE	EQUIPMENT FOR NEW LADDER TRUCK	\$100,000
FIRE	REPLACEMENT TANKER TRUCK	\$500,000
FIRE	FIRE STATION #3 DESIGN	\$1,000,000
FIRE	NEW ENGINE FOR FUTURE FIRE STATION #3	\$1,300,000
FIRE	MEDICAL CASE MANAGEMENT	\$21,000
FIRE	FIRE STATION #1 RENOVATION	\$5,000,000
FIRE	DRIVER/OPERATOR UPGRADES	\$54,000
FIRE	3 BATTALION CHIEF POSITIONS	\$548,700
FIRE	6 FIREFIGHTER POSITIONS	\$560,000



ADJUSTMENTS TO BASE (REQUESTED / NOT INCLUDED)

DEPARTMENT	DESCRIPTION	FY27 COST
FIRE	EMERGENCY MANAGEMENT SOFTWARE	\$15,000
FIRE	FIRE INSPECTOR POSITION	\$146,000
FIRE	RADIO UPGRADES	\$210,000
POLICE	ADDITIONAL DETECTIVE	\$79,034
POLICE	ADDITIONAL TASERS	\$21,984
POLICE	DATA ANALYST/ GRANT ADMINISTRATOR	\$69,175
POLICE	MARKETING RECRUITING FUNDS	\$10,000
POLICE	EMERGENCY LODGING FUNDS	\$2,000
POLICE	TCO SHIFT DIFFERENTIAL PAY	\$5,400
ANIMAL SERVICES	ANIMAL SHELTER MANAGER	\$71,282
ANIMAL SERVICES	CENTRALSQUARE AC MODULE	\$7,300
ANIMAL SERVICES	SHADE STRUCTURES	\$55,000
ANIMAL SERVICES	ANIMAL CONTROL RADIO EQUIPMENT	\$21,000
ANIMAL SERVICES	ANIMAL SERVICES DIRECTOR	\$85,000



ADJUSTMENTS TO BASE (REQUESTED / NOT INCLUDED)

DEPARTMENT	DESCRIPTION	FY27 COST
STREETS AND GROUNDS	GUARDRAIL REPAIRS	\$20,000
STREETS AND GROUNDS	CEMETERY WORKER	\$58,903
STREETS AND GROUNDS	ADD SOLAR STREET LIGHTS ALONG EDMOND ST. (PUBLIC WORKS BLDG)	\$25,000
STREETS AND GROUNDS	HERITAGE SQUARE TREE LIGHTING	\$8,000
STREETS AND GROUNDS	PLOTTER	\$8,000
STREETS AND GROUNDS	GRASS GROWTH REGULATOR CHEMICAL-CEMETERY	\$6,000
PARKS AND RECREATION	WEATHER ALERT SYSTEM	\$20,000
PARKS AND RECREATION	CHRISTMAS TREE REPLACEMENT	\$45,000
PARKS AND RECREATION	ATHLETIC COORDINATOR	\$111,758
BUILDING MAINTENANCE	SECURITY SURVEILLANCE UPGRADES	\$48,000
BUILDING MAINTENANCE	INTERNAL SERVICES COORDINATOR (PROMOTION)	\$5,800
BUILDING MAINTENANCE	OVERTIME	\$1,200
BUILDING MAINTENANCE	FIRE ADMINISTRATION -COVERED PARKING	\$100,000
BUILDING MAINTENANCE	ALARM SYSTEMS	\$15,000
BUILDING MAINTENANCE	HVAC SYSTEM BUDGET INCREASE	\$40,000



ADJUSTMENTS TO BASE (REQUESTED / NOT INCLUDED)

DEPARTMENT	DESCRIPTION	FY27 COST
BUILDING MAINTENANCE	LIBRARY AND CITY HALL -PARKING LOT STRIPING	\$8,868
BUILDING MAINTENANCE	LIBRARY -WINDOW FILM	\$5,500
BUILDING MAINTENANCE	LIBRARY - PROFESSIONAL CARPET CLEANING	\$3,410
BUILDING MAINTENANCE	LIBRARY AND FIRE STATION 1 - REPLACEMENT OF FENCING	\$9,775
BUILDING MAINTENANCE	BUILDING MANTENANCE TECHNICIAN	\$49,160
BUILDING MAINTENANCE	BUILDING MANTENANCE TECHNICIAN (PART-TIME)	\$24,580
BUILDING MAINTENANCE	BUILDING MAINTENANCE CUSTODIAN (PART-TIME)	\$22,295
BUILDING MAINTENANCE	CONTRACTED JANITORIAL SERVICES (PW BLDG)	\$19,500
INFORMATION TECHNOLOGY	INTERNAL SERVICES ASSISTANT DIRECTOR (IT) (PROMOTION IT ADMINISTRATOR)	\$25,000
INFORMATION TECHNOLOGY	FIRE #1 AND WWTP NETWORK RACKS AND ORGANIZATION	\$6,000
NON-DEPARTMENTAL	FLEET REPLACEMENT PROGRAM	\$500,000



ADJUSTMENTS TO BASE (REQUESTED / UNDER REVIEW)

DEPARTMENT	DESCRIPTION	FY27 COST
PEG ADMINISTRATION	PODCAST STUDIO IMPROVEMENTS	\$5,500
TRANSPORTATION FUND	SCHOOL ZONE LIGHTS REPLACEMENT	\$64,000
TRANSPORTATION FUND	INCREASE IN EMULSION	\$18,000
TRANSPORTATION FUND	STRIPING	\$35,000
TRANSPORTATION FUND	MAINT-DWNTWN LIGHTS/RADAR SIGNS/SCHOOL ZONE LIGHTS/TRAFFIC LIGHT	\$20,000
TRANSPORTATION FUND	SIGNAGE/ STOP, YIELD, STREET NAMES, ETC.	\$30,000
TRANSPORTATION FUND	MESSAGE BOARDS- QTY 1	\$25,000
MUNICIPAL DRAINAGE	DETENTION POND FENCE REPAIR	\$20,000
MUNICIPAL DRAINAGE	FTE FOR CITYWIDE SWEEPER PROGRAM	\$75,000



ADJUSTMENTS TO BASE (REQUESTED / UNDER REVIEW)

DEPARTMENT	DESCRIPTION	FY27 COST
UTILITIES ADMINISTRATION	SAMSUNG COST OF SERVICE STUDY (5YR REQUIREMENT)	\$25,000
UTILITIES ADMINISTRATION	SAMSUNG WATER METER ANNUAL CALIBRATIONS	\$5,000
WASTEWATER TREATMENT PLANT	WWT PUMP & MOTOR INVENTORY	\$300,000
WASTEWATER TREATMENT PLANT	ATV SIDE BY SIDE	\$25,000
WASTEWATER TREATMENT PLANT	CHEVROLET 1/2 TON	\$45,000
DISTRIBUTION/COLLECTION	NORTH PUMP STATION - PUMP & MOTOR INVENTORY	\$300,000
DISTRIBUTION/COLLECTION	TOWER MAINTENANCE - TCEQ COMPLIANCE	\$120,000
DISTRIBUTION/COLLECTION	INSERTION VALVE	\$80,000
DISTRIBUTION/COLLECTION	TRAINING - CDL	\$8,000
NON-DEPARTMENTAL	ROW MANAGER-LAPTOP	\$1,600
NON-DEPARTMENTAL	ROW MANAGER FTE (COST TBD)	TBD



ADJUSTMENTS TO BASE (REQUESTED / UNDER REVIEW)

DEPARTMENT	DESCRIPTION	FY27 COST
AIRPORT OPERATIONS	REPLACEMENT MOWER	\$24,000
CEMETERY OPERATING	ROBOTIC AUTONOMOUS MOWERS	\$75,000
CEMETERY OPERATING	CEMETERY GROUNDS OPERATOR	\$49,161
CEMETERY OPERATING	CEMETERY ROADS LEVEL-UP/REPAVE	\$25,000
FLEET SERVICES	TRUCK/EQUIPMENT TIRE IRONS ESCO	\$1,200
FLEET SERVICES	MAINTENANCE / INSURANCE ON POOL VEHICLES FOR POLICE DEPARTMENT	\$10,000
FLEET SERVICES	FLEET SERVICES INTERNSHIP PROGRAM PROPOSAL (PART-TIME)	\$14,820
FLEET REPLACEMENT	CREATE SELF-SUPPORTING REPLACEMENT FUND (DISCUSSION)	\$500,000



FY27 Budget – WRAP UP

