



BUDGET ^{AND} BUSINESS PLAN

FISCAL YEAR
2025



CITY COUNCIL PRIORITIES



SUPPORT

Youth and Families



CHAMPION

Great Neighborhoods



ENHANCE

Regional Mobility



LEVERAGE

Technology



INVEST

In Our Economy



BUILD

Unity

Core Services

Public Safety, Culture/ Recreation/ Education, Financial/ Economic Development, Infrastructure.

Live Our Values

- Accountability
- Collaboration
- Innovation
- Inclusiveness
- Professionalism

Pursue Our Vision

A pre-eminent city, Arlington aims to create an environment that empowers everyone to live their best lives and achieve their version of the American Dream.

Fulfill Our Mission

The City of Arlington efficiently meets the needs of the public through innovation, active engagement, and inclusive practices. The City invites everyone to work together to help us provide high-quality, cost-effective services and strong, safe neighborhoods.



OVERVIEW

- Recap of June 25th
- City Value Proposition
- FY 2025 Proposed Budget
- FY 2025 Priorities & Core Services
- August 13th Meeting
- Budget Calendar



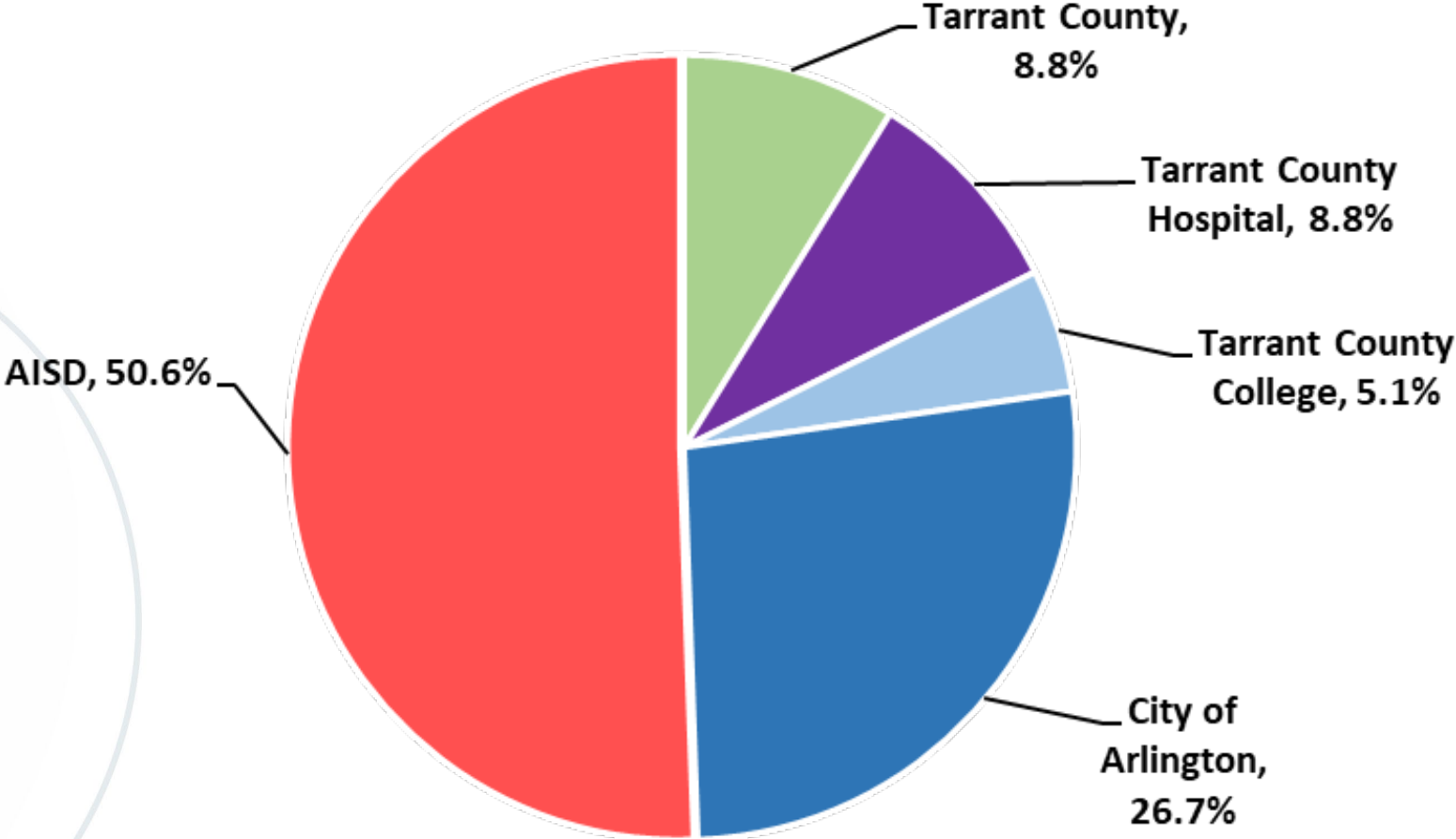
Recap of June 25th Budget Preview

- City Comparisons
- Favorable Tax Policy
- Budget Drivers
 - Inflation
 - Legislative Requirements
 - Prior Commitments
- Budget Development
- Compensation



Favorable Tax Policy

Arlington Tax Bill Breakdown for 2024



Favorable Tax Policy – Exemptions

RESIDENTIAL	Local Option Exemptions				Mandated Veteran Exemptions			
	General Homestead	Over 65	Disabled Person	Tax Ceiling for Over 65	Vet1	Vet2	Vet3	Vet4
Minimums and Maximums Authorized	Up to 20% of appraised value, must be worth at least \$5,000	At least \$3,000; no max established	At least \$3,000; no max established	Local Officials Authorized or Not Authorized	5,000	7,500	10,000	12,000
Arlington	20%	\$60,000	\$60,000	Authorized	5,000	7,500	10,000	12,000

COMMERCIAL	Authorized Business Exemptions		
	Freeport	Abatements	Childcare Facility
Minimums and Maximums Authorized	Local Officials Authorized or Not Authorized	Local Officials Authorized or Not Authorized	A portion or up to 100% of the appraised value real property used to operate a qualifying childcare facility
Arlington	Authorized	Authorized	100%

- 20% Homestead Exemption since **1988**
- \$60,000 Senior Exemption since **2003**
- \$60,000 Disabled Exemption since **2003**
- Senior Tax Freeze since **2006**
- Triple Freeport Exemption since **2000**
- 100% Childcare Facility adopted **2024**



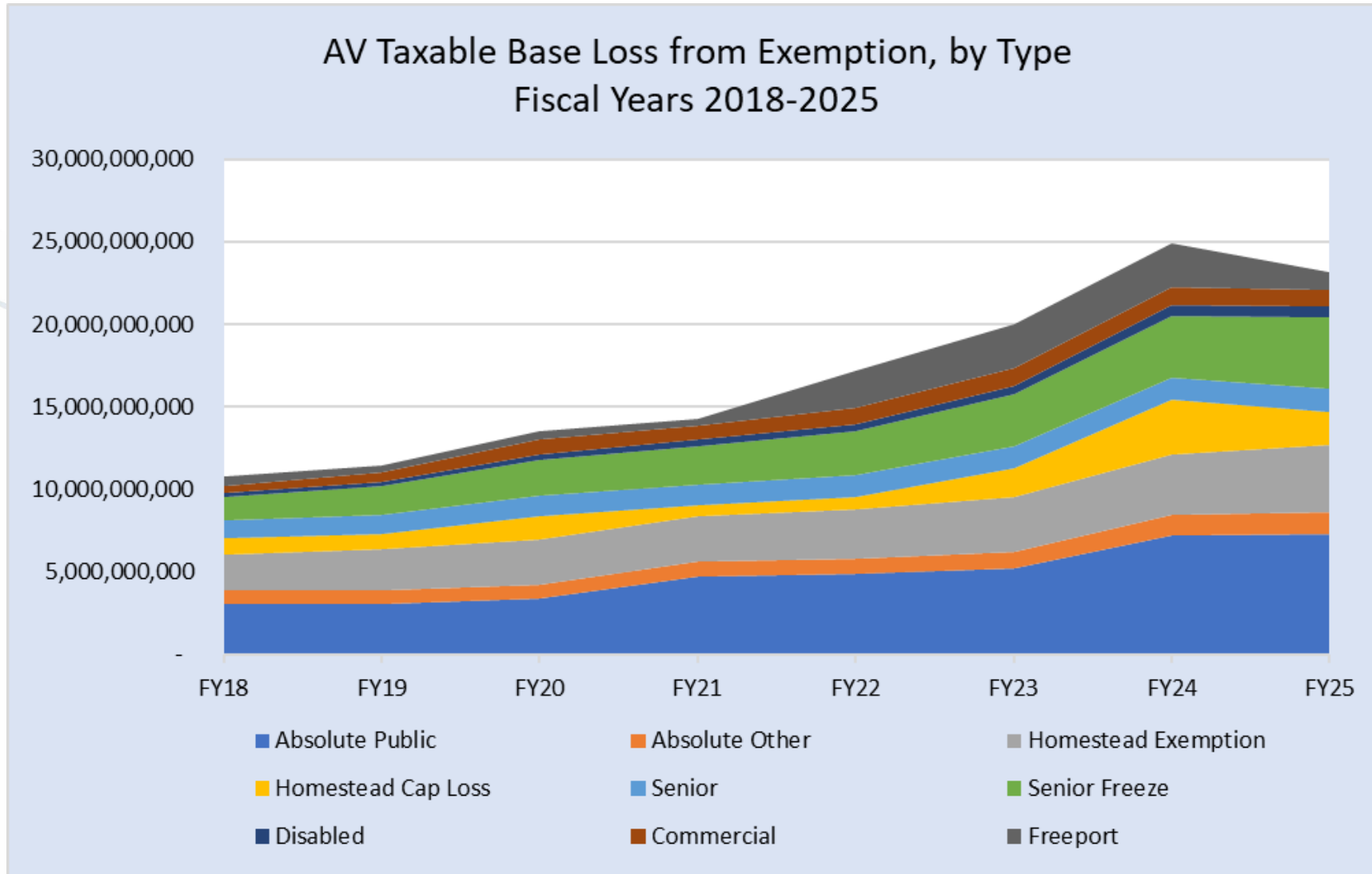
Property Tax Rate History

Fiscal Year	Tax Rate	Savings
FY 2016	\$0.6480	-
FY 2017	\$0.6448	(\$682,222)
FY 2018	\$0.6398	(\$1,922,585)
FY 2019	\$0.6348	(\$3,399,432)
FY 2020	\$0.6240	(\$6,977,535)
FY 2021	\$0.6225	(\$7,605,648)
FY 2022	\$0.6198	(\$8,907,133)
FY 2023	\$0.5998	(\$17,197,252)
FY 2024	\$0.5898	(\$23,712,157)
FY 2025	\$0.5998	(\$20,676,774)
Total		(\$91,080,738)

Market Value to Taxable Value

Walkthrough	FY25 Value	Tax Amount @.5998
Total Market Value	\$61,526,824,260	\$369,037,892
Capped Accts and Deferrals (Agricultural & Scenic)	(\$2,004,177,262)	(\$12,021,055)
Public/Charity/Religious Exemptions (inc. ARBs)	(\$8,580,985,588)	(\$51,468,752)
Personal Exemptions (inc. Homestead, Ceilings, & ARBs)	(\$5,992,708,525)	(\$35,944,266)
Business Exemptions (inc. ARBs)	(\$2,051,080,696)	(\$12,302,382)
Total Taxable Value	\$42,897,872,189	\$257,301,437

Favorable Tax Policy – Exemptions



Favorable Tax Policy – Exemptions

Exemptions By Tax Year (% of Levy)

Fiscal Year	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
% of Absolute Exempted	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
% of Residential Exempted	34.5%	35.6%	37.4%	34.7%	35.4%	37.6%	39.3%	38.3%
% of Commercial Exempted	3.6%	4.2%	6.7%	5.9%	6.9%	6.6%	6.3%	5.4%
% of Freeport Exempted	43.3%	34.4%	30.8%	28.1%	63.8%	66.4%	64.8%	42.8%
Total % Exempted	32.2%	31.6%	33.0%	33.2%	36.7%	37.6%	39.9%	37.3%

Exemptions By Tax Year (Levy \$ Amount)

Fiscal Year	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Absolute Exemption Total	25,116,389	24,975,362	26,915,828	34,975,846	35,947,047	37,146,370	50,030,279	51,468,752
Residential Exemption Total	37,905,277	42,011,585	49,739,137	46,116,104	50,314,470	60,434,511	74,568,578	75,085,295
Commercial Exemption Total	2,576,342	3,379,465	6,015,623	5,345,430	6,181,511	6,409,567	6,496,604	5,976,047
Freeport Exemption Total	3,853,119	2,792,336	3,245,495	2,664,981	13,896,224	16,082,373	15,810,008	6,326,335
Total Exemptions	69,451,126	73,158,749	85,916,083	89,102,361	106,339,252	120,072,820	146,905,470	138,856,428



City-wide exemptions save the taxpayers \$138,856,428

Property Tax Rates

	FY 2024	FY 2025	Increase (Decrease)
General Fund Tax Rate (M&O)	\$0.4080	\$0.4146	\$0.0066
<u>Debt Service Tax Rate (I&S)</u>	<u>\$0.1818</u>	<u>\$0.1852</u>	<u>\$0.0034</u>
Total Property Tax Rate	\$0.5898	\$0.5998	\$0.0100
No New Revenue Tax Rate (NNRTR):	\$0.5756		
Voter Approval Tax Rate (VATR):	\$0.6210		

* all Rates are per \$100 of assessed value

Change in Average Home Value

Fiscal Year	Average Homestead Market Value	Average Homestead Taxable Value	Tax Rate	Property Tax Amount
FY 2019	\$ 191,733	\$ 140,455	\$ 0.6348	\$ 891.61
FY 2020	\$ 215,308	\$ 155,869	\$ 0.6240	\$ 972.62
FY 2021	\$ 214,473	\$ 160,895	\$ 0.6225	\$ 1,001.57
FY 2022	\$ 220,951	\$ 172,899	\$ 0.6198	\$ 1,071.63
FY 2023	\$ 265,184	\$ 195,553	\$ 0.5998	\$ 1,172.93
FY 2024	\$ 317,785	\$ 226,067	\$ 0.5898	\$ 1,333.34
FY 2025	\$ 319,415	\$ 238,998	\$ 0.5998	\$ 1,433.51

Annual impact on average resident:

\$ 100.17	property taxes
43.84	water rates
6.00	storm water rates
12.00	garbage rates
<hr/>	
\$ 162.01	more per year
\$13.50	more per month

Tax Bill Comparison



WENDY BURGESS
TARRANT COUNTY
TAX ASSESSOR-COLLECTOR

100 E. Weatherford, Fort Worth, TX 76196
(817) 884-1100
e-mail: taxoffice@tarrantcountytx.gov
web: www.tarrantcountytx.gov
IN GOD WE TRUST

2023 TAX STATEMENT

DATE:
ACCOUNT:
LEGAL:

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 @TarrantCoTax

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Visit our website for online credit card and eCheck payments.
Pay by phone at 817-884-1110

OWNER:
PARCEL ADDRESS:
EXEMPTIONS: **HS001**

LAND VALUE	IMPROVEMENT VAL	APPRAISED VAL				
40,000	174,573	214,573				
TAXING ENTITIES	APPRAISED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	TAX RATE PER \$100	BASE TAX	TAXES DUE CURRENTLY
ARLINGTON CITY	214,573	42,915	171,658	0.589800	1012.44	0.00
TARRANT COUNTY	214,573	21,457	193,116	0.194500	375.61	0.00
T C HOSPITAL	214,573	21,457	193,116	0.194500	375.61	0.00
T C COLLEGE	214,573	5,000	209,573	0.112170	235.08	0.00
ARLINGTON ISD	214,573	100,000	114,573	1.115600	1278.18	0.00
Total Taxes					3,276.92	0.00

Tax Bill Comparison



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2023 TAX STATEMENT

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OWNER:
PARCEL ADDRESS:
EXEMPTIONS: **HS001 OV003**

LAND VALUE	IMPROVEMENT VAL	APPRAISED VAL				
119,000	101,146	220,146				
TAXING ENTITIES	APPRAISED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	TAX RATE PER \$100	BASE TAX	TAXES DUE CURRENTLY
ARLINGTON CITY	220,146	104,029	116,117	0.589800	167.53	0.00
TARRANT COUNTY	220,146	72,015	148,131	0.194500	184.75	0.00
T C HOSPITAL	220,146	72,015	148,131	0.194500	288.11	0.00
T C COLLEGE	220,146	55,000	165,146	0.112170	66.29	0.00
ARLINGTON ISD	220,146	110,000	110,146	1.115600	0.00	0.00
Total Taxes					706.68	0.00

Tax Bill Comparison

	Exemptions	2023 Valuation	2023 Tax Bill
House 1	None	\$214,573	\$1,265.55
House 1	HS	\$214,573	\$1,012.44
House 2	None	\$220,146	\$1,298.42
House 2	HS	\$220,146	\$1,038.74
House 2	HS, OV65 – No Freeze	\$220,146	\$684.86
House 2	HS, OV65 w/Freeze	\$220,146	\$167.53

Homeowner 1 Savings:

- HS – \$253.11

Homeowner 2 Savings:

- Over 65 Tax Freeze – \$517.33
- HS, Over 65 Exemption /Tax Freeze – \$1,130.89



Budget Development

Best Practices



Budget Development Process

- Comprehensive Financial Forecast
- Department Reviews
- A List of all Funding Requests included in Budget Document (Other Budget Information)
- Departmental Budget Reductions
- Reconciliation of Positions (adds and cuts)

FY 2025 Budget Strategies

Authorized Exemptions Maintained (Forgone Revenue)

- Homestead Exemption: **\$28.8M**
- \$60,000 Senior Exemption **\$9.9M**
- \$60,000 Disabled Exemption **\$600k**
- Senior Tax Freeze since **\$30.1M**



**1 CENT
Tax Adjustment**

- **New Core Service Investments**
- **Commitments Approved By Voters or Strong Resident Demand**
- **ACTIV Adult Opening**
- **Public Safety (Enhanced Police Response, Four-Person Fire Staffing)**
- **Clean Arlington**

**Existing Budget
Reductions/
Reallocations \$5.8M**

- **Requested departments to reduce their existing budgets, resulting in a \$3.1M reduction.**
- **\$2.7M in savings reallocated to the Health Fund.**

**\$23M In Budget Requests
Have Been Deferred**

Deferred \$23M in new budget requests for the department for the next fiscal year.

Growth \$9.5M

- **Maintain Base Services**
- **CPI Contract Increases**
- **Reasonable Compensation Adjustments**

Growth

- **\$9.5M of General Fund Revenue Growth**
 - Maintain Base Services
 - Cover CPI Contract Increases
 - Reasonable Compensation Increase

Budget Requests Deferred

- **\$23.8M of Budget Request Deferred**
 - 52.3% of all requested funding was deferred
- **Budget Proposals Deferred to 2025 Bond Election**
 - Fire Station Alerting System – \$470,000
 - Fire Apparatus – \$4,464,617
 - Aircraft Rescue and Fire Fighting (ARFF) Truck – \$1,500,000
 - Radio Network Transport Upgrade – \$375,000
 - Fire Department Radio Replacement – \$1,170,000

Reduce | Restructure | Reallocate

➤ \$5.8M in Base Budget Expenditure Reductions

- Reallocated Healthcare Savings – \$2.7M General Fund | \$3.4M Citywide
- Department Budget Reductions – \$2.3M

➤ Restructuring

- Code Compliance
- Animal Services
- Fleet Services
- Document Services

Position Eliminations

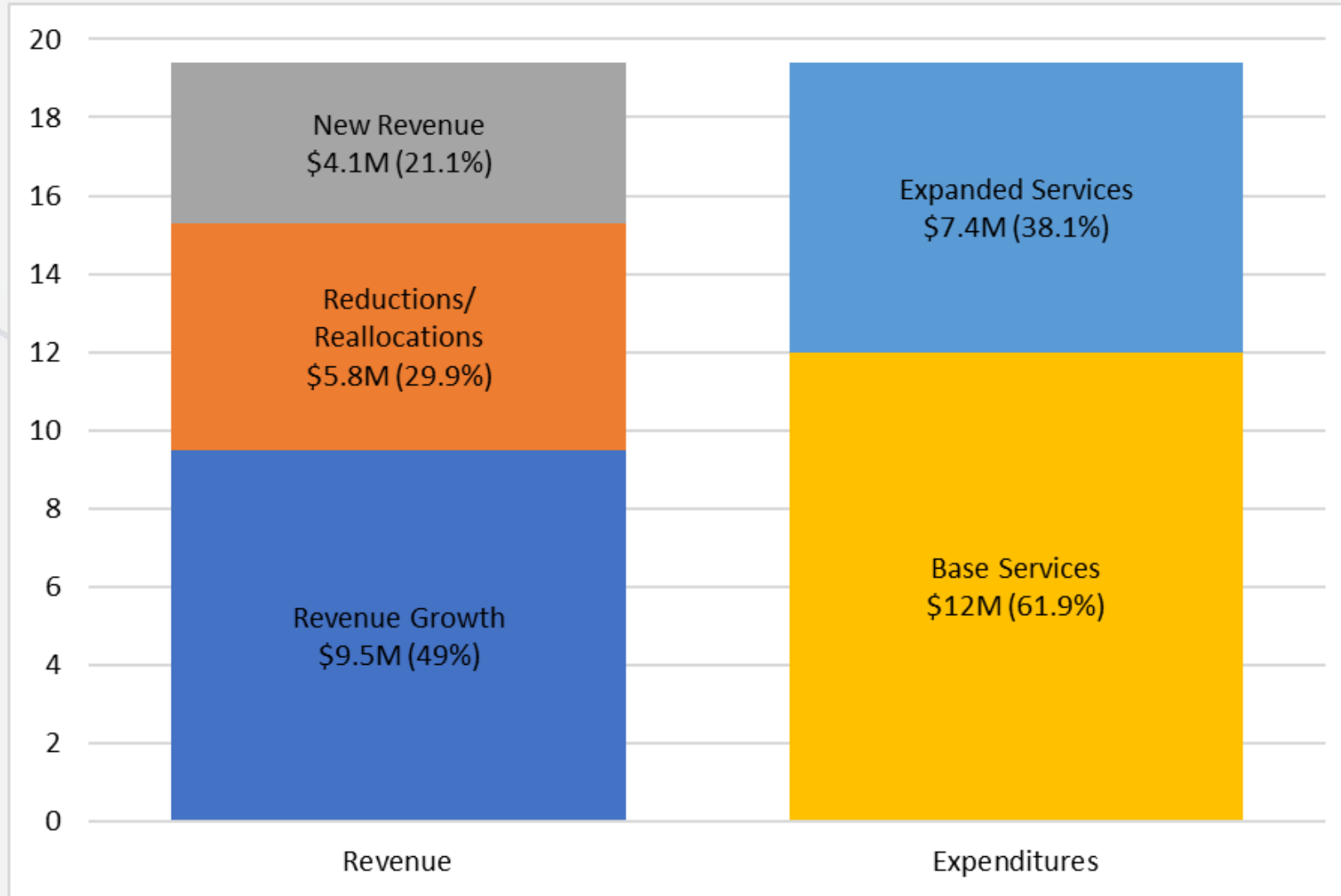
➤ 22 Positions Eliminated

- Code Compliance Director
- Civil Service Paralegal
- Public Health Nurse
- Veterinarian
- 10 Vacant Firefighter Trainee Positions
- Building Systems Supervisor
- Crime and Intelligence Analyst
- City Surveyor
- Parks Accounting Aide
- Parks Customer Service Representative
- 3 Irrigation Techs

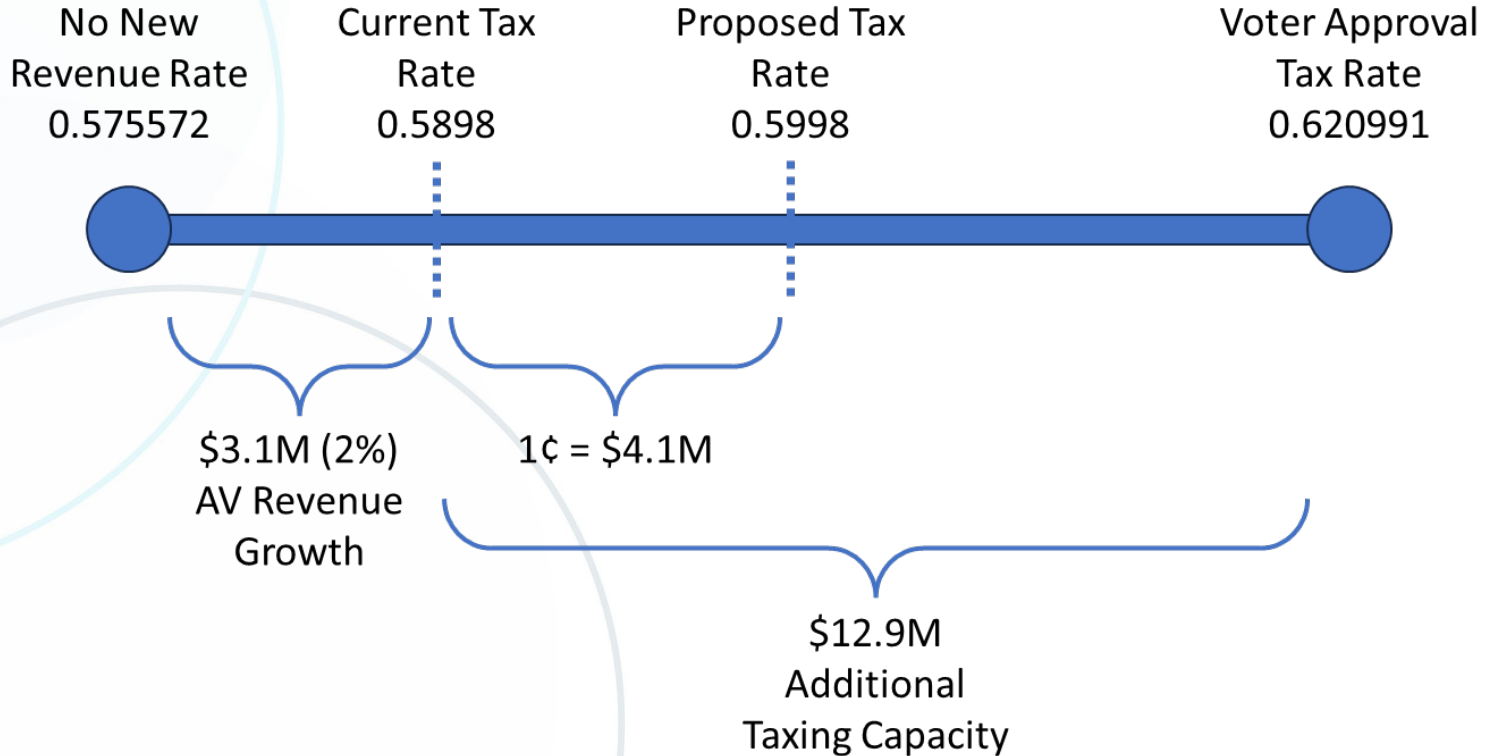
Expanded Services

- ACTIV Adult Center – \$1.3M + \$3.8M in debt service
- ARPA Grant Absorption – \$4.1M
 - 58 FTEs added to the General Fund
- COPS Grant Cash Match – \$1.3M
- Clean Arlington Team – \$498,265
 - 4 New FTEs
- Electric Rate Increase Set-aside – \$500k

Balancing the Budget



Financial Sustainability



Potential Uses

- Deferred Maintenance/ Investments
 - Street
 - Buildings
 - Vehicles
- Clean Community Enhancements
- Additional Compensation Adjustments
 - 1% = \$2.7M
- Health Fund Enhancements
 - HSA Contributions \$1.5M
- Other

Looking to the Future

Use one-time money for restructuring of our internal practices so that we can create:

Efficiencies

Reductions

Cost Savings

Use any funds identified to help balance the budget in the future

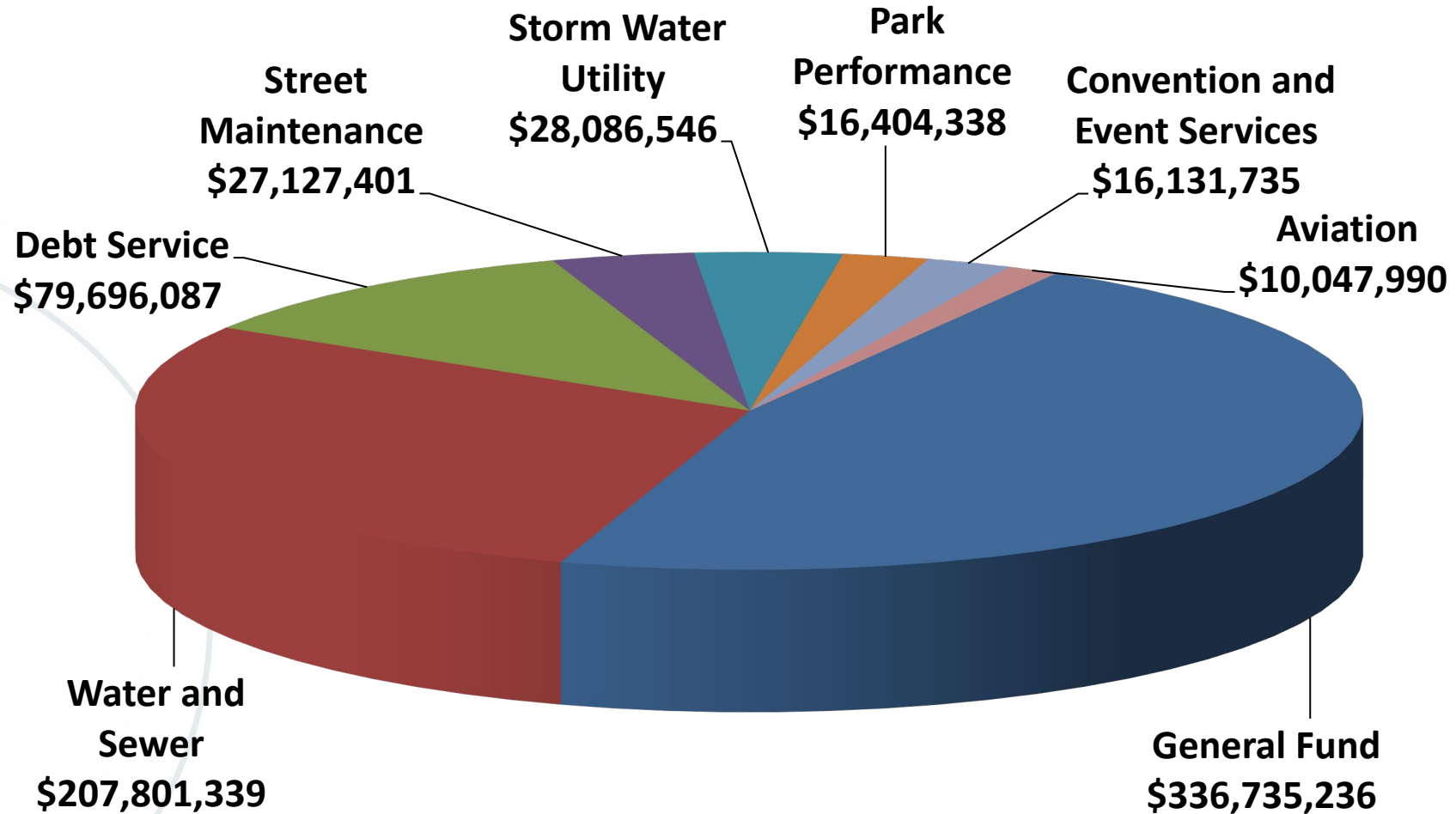


FY 2025 Budget

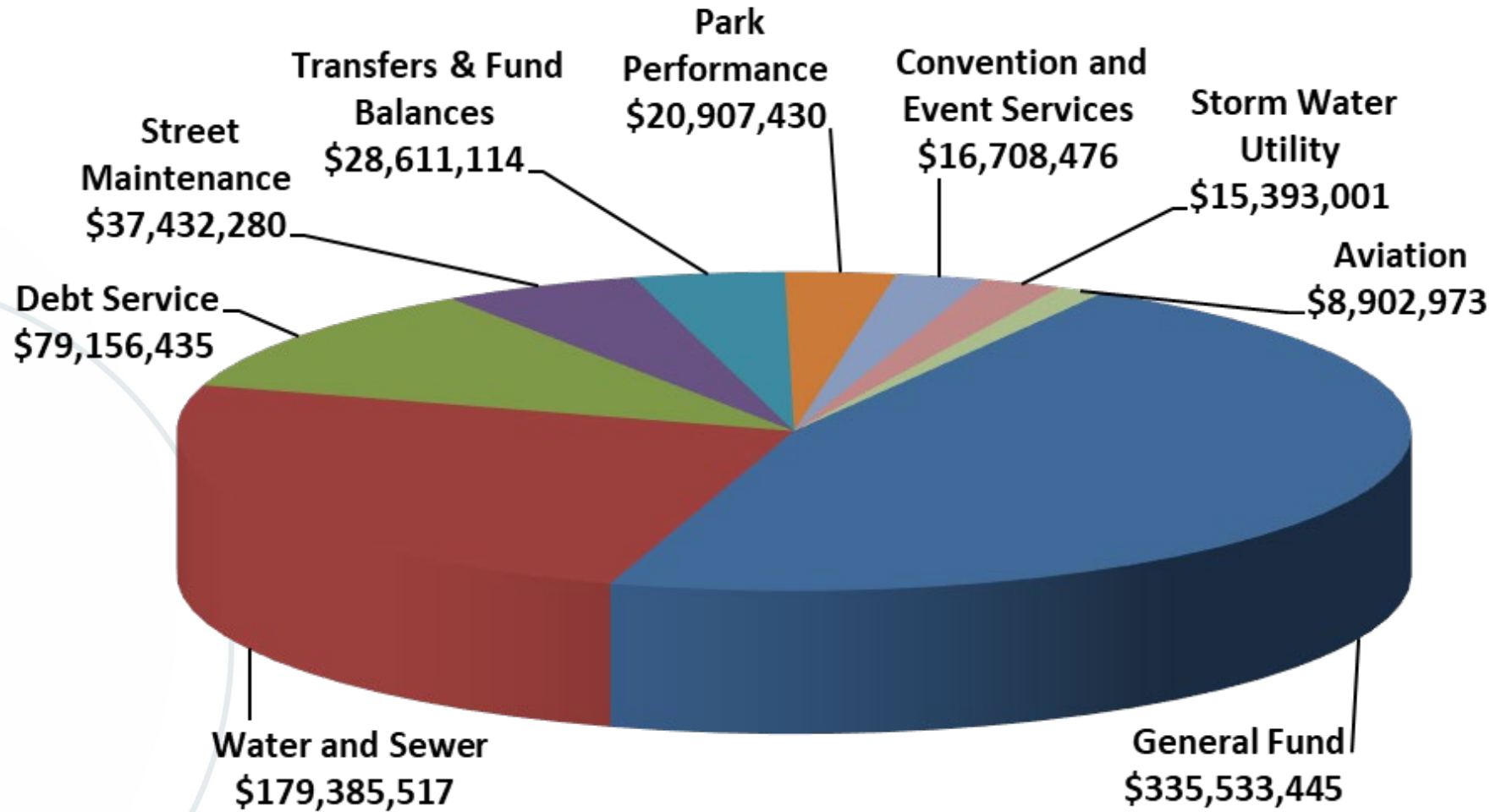
All Funds – Operating Positions

Funding Source / Use	General Fund	Water and Sewer Fund	Aviation Fund	Convention and Event Services Fund	Park Performance Fund	Storm Water Utility Fund	Street Maintenance Fund	Debt Service Fund	Totals
Beginning Balance	\$ -	\$ -	\$ 386,999	\$ 3,888,044	\$ 1,470,286	\$ 59,641	\$ 3,781,535	\$ 1,336,810	\$ 10,923,315
Total Revenues	\$ 336,735,236	\$ 207,801,339	\$ 10,047,990	\$ 16,131,735	\$ 16,404,338	\$ 28,086,546	\$ 27,127,401	\$ 79,696,087	\$ 722,030,671
Total Interfund Transfers	\$ (1,163,417)	\$ (28,405,315)	\$ (632,923)	\$ (3,009,056)	\$ 3,097,415	\$ (12,716,803)	\$ 6,810,548	\$ 1,536,324	\$ (34,483,228)
Total Available Funds	\$ 335,571,819	\$ 179,396,023	\$ 9,802,066	\$ 17,010,723	\$ 20,972,039	\$ 15,429,385	\$ 37,719,483	\$ 82,569,221	\$ 698,470,759
Total Expenditures	\$ 335,533,445	\$ 179,385,517	\$ 8,902,973	\$ 16,708,476	\$ 20,907,430	\$ 15,393,001	\$ 37,432,280	\$ 79,156,435	\$ 693,419,557
Ending Balance	\$ 38,374	\$ 10,506	\$ 899,093	\$ 302,247	\$ 64,609	\$ 36,384	\$ 287,203	\$ 3,412,786	\$ 5,051,202

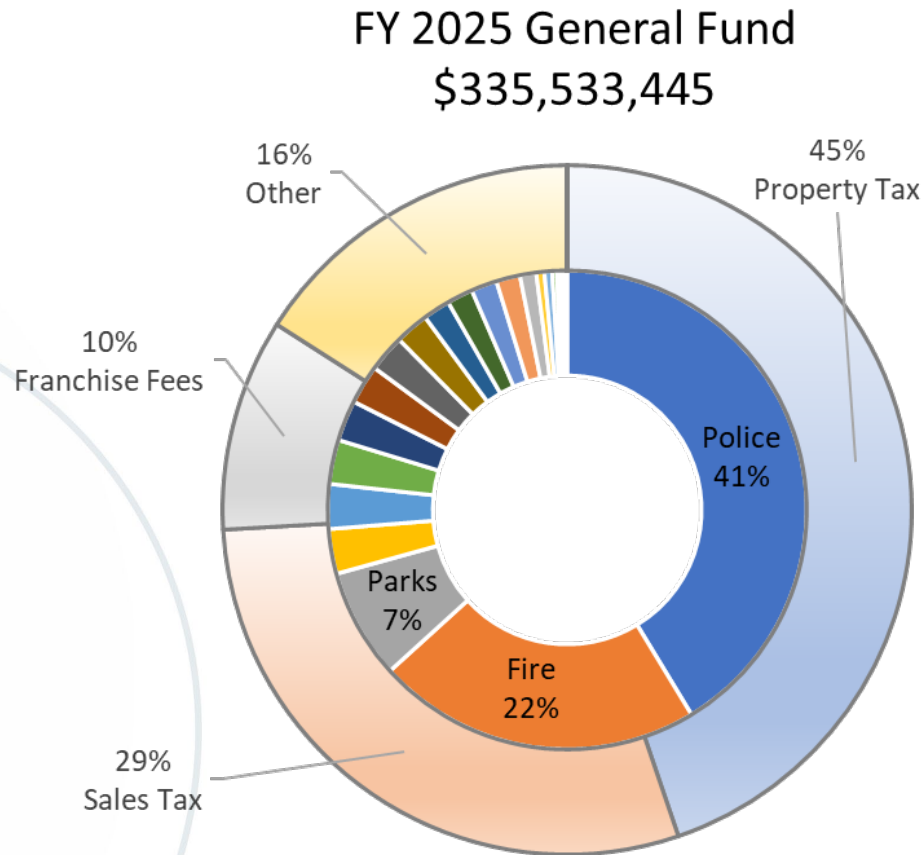
City Revenues by Fund



City Expenditures by Fund

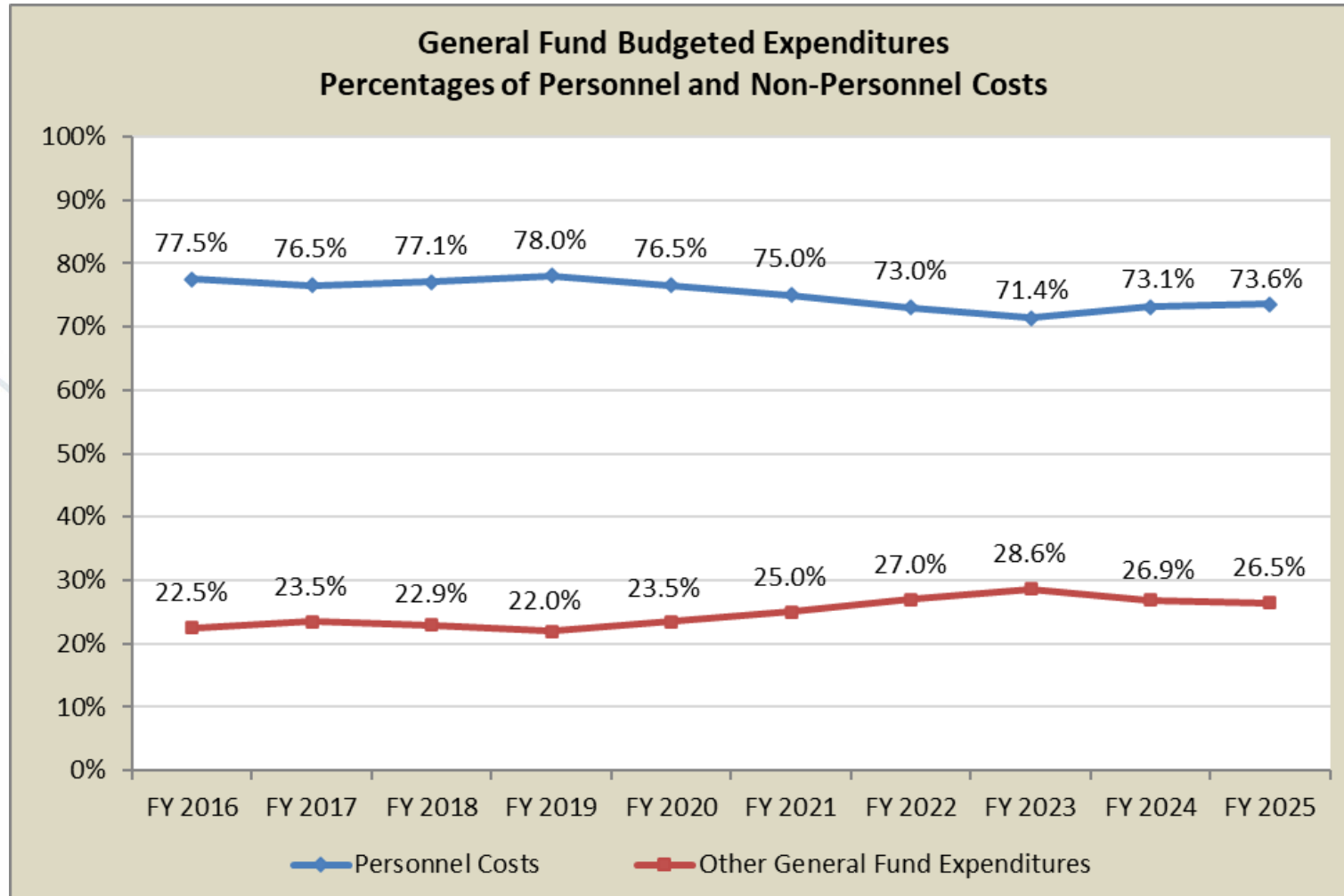


General Fund Budget by Department



Police -	\$ 138,618,763
Fire -	\$ 73,665,052
Parks -	\$ 24,959,493
Asset Mgmt. -	\$ 10,133,719
Library -	\$ 10,117,687
Non-Departmental -	\$ 10,012,720
Planning -	\$ 9,224,739
Public Works -	\$ 8,838,878
Code -	\$ 8,381,393
Finance -	\$ 7,646,106
Transportation -	\$ 6,144,747
City Attorney -	\$ 5,888,705
Human Resources -	\$ 5,861,932
Com. & Leg. Affairs -	\$ 5,395,881
Municipal Court -	\$ 3,700,240
Strategic Initiatives -	\$ 1,829,415
City Manager's Office -	\$ 1,728,901
Judiciary -	\$ 1,105,544
Internal Audit -	\$ 811,463
Economic Development -	\$ 802,984
Business Diversity -	\$ 665,083

General Fund Expenditures



General Fund Revenue Changes

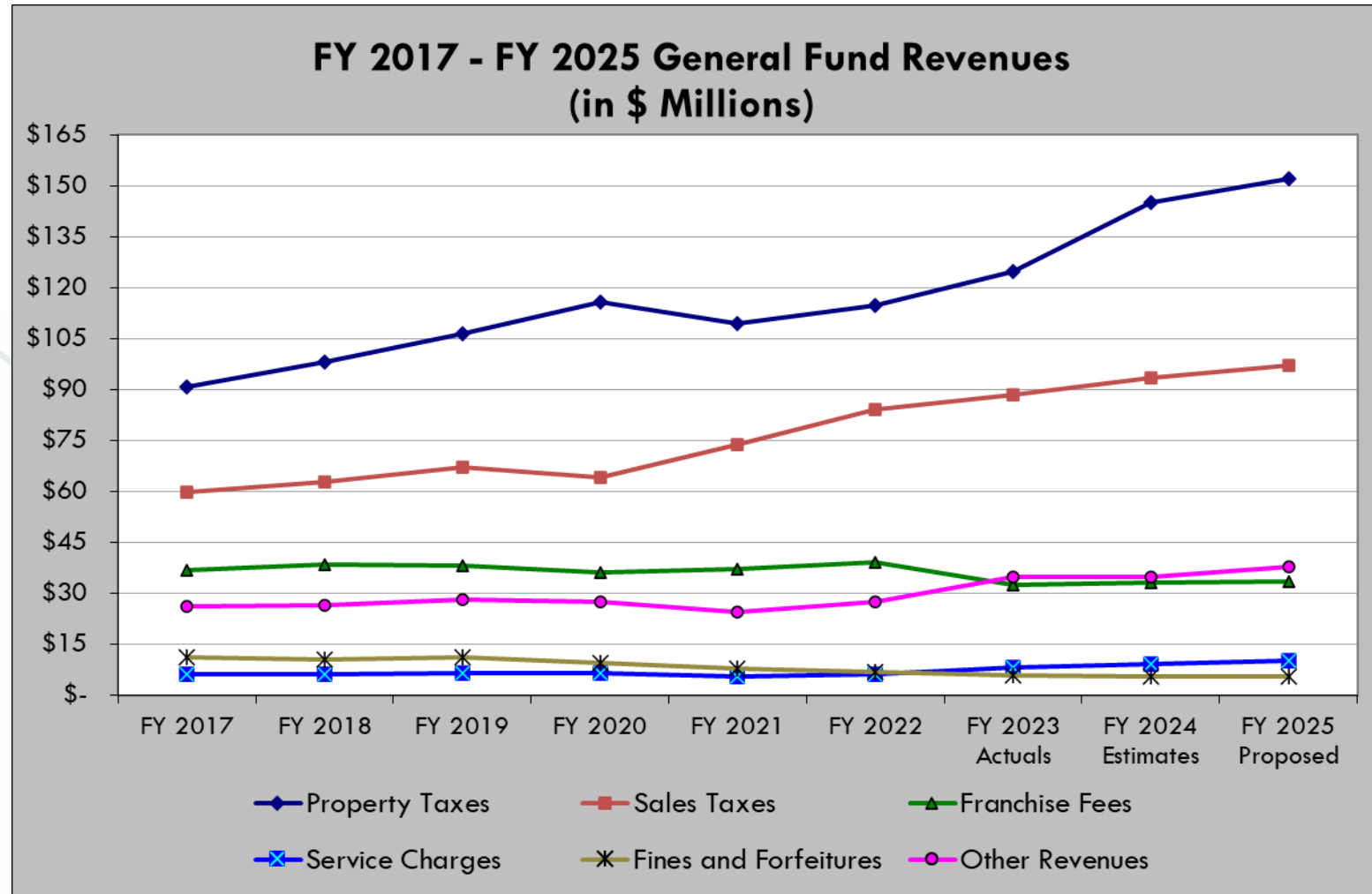
- Ad Valorem Revenue
 - Proposed rate increase of 1.0 cent
 - Increase of \$7.2M overall in FY 2025 budget
- Sales Tax revenue is projected to be \$97.2M in FY 2025, which is \$4.1 above the FY 2024 budget
- Overall increase in General Fund revenue of \$15.7 in FY 2025 budget

General Fund Revenue Changes

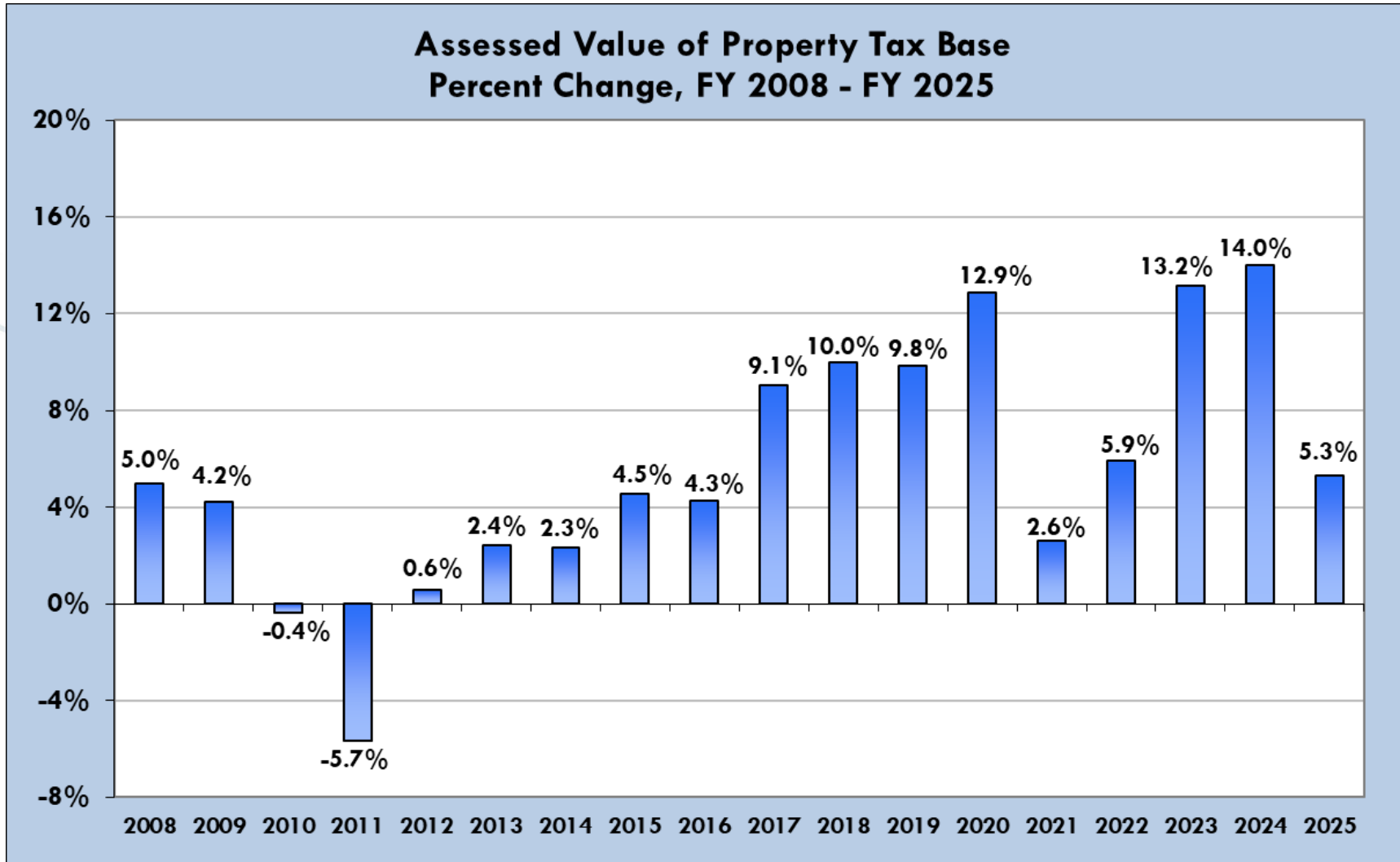
➤ Other Revenue

- Municipal Court down \$198,733 (3.4%) from FY 2024
- Interest income up by \$1.1M (28.2%)
- Franchise Fees up by \$974,862, largely due to natural gas and water franchise fees (3%)

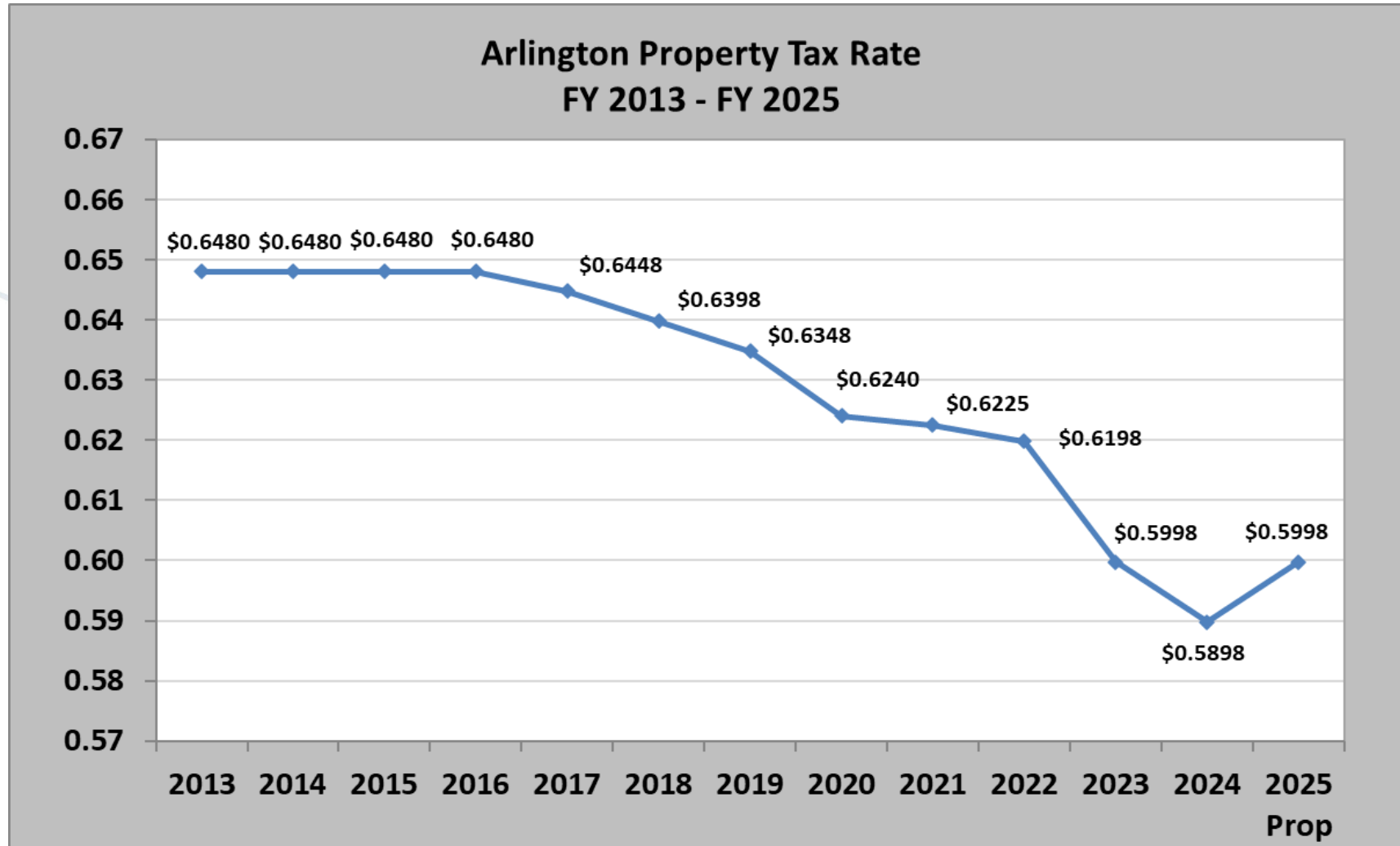
General Fund Revenues



Property Tax Base

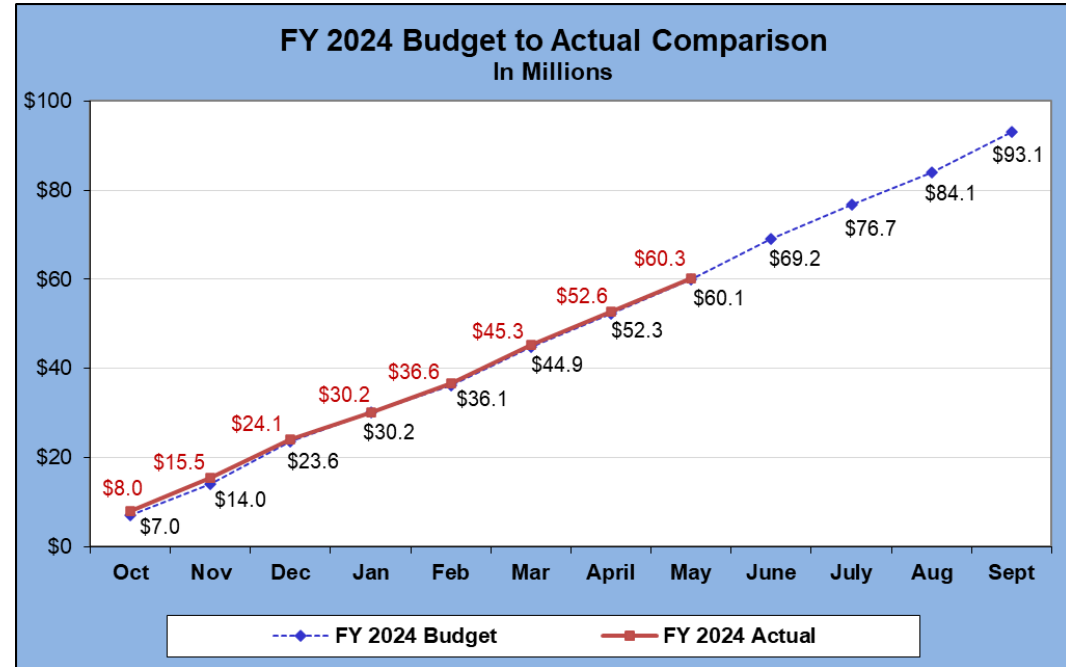


Property Tax Rate

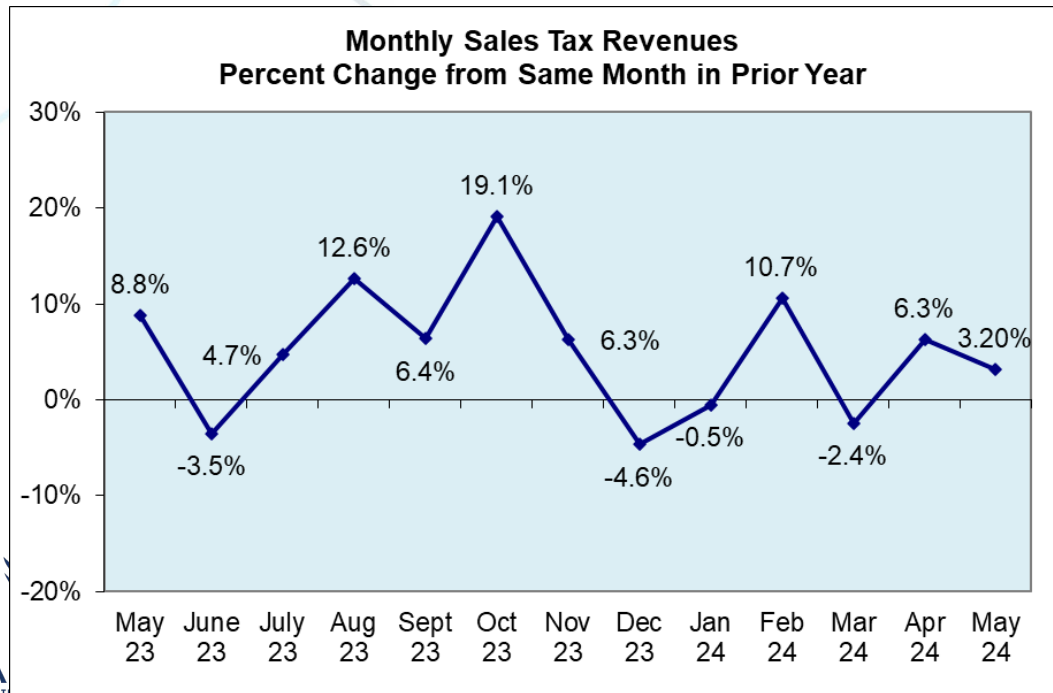


Sales Tax Revenue Trends

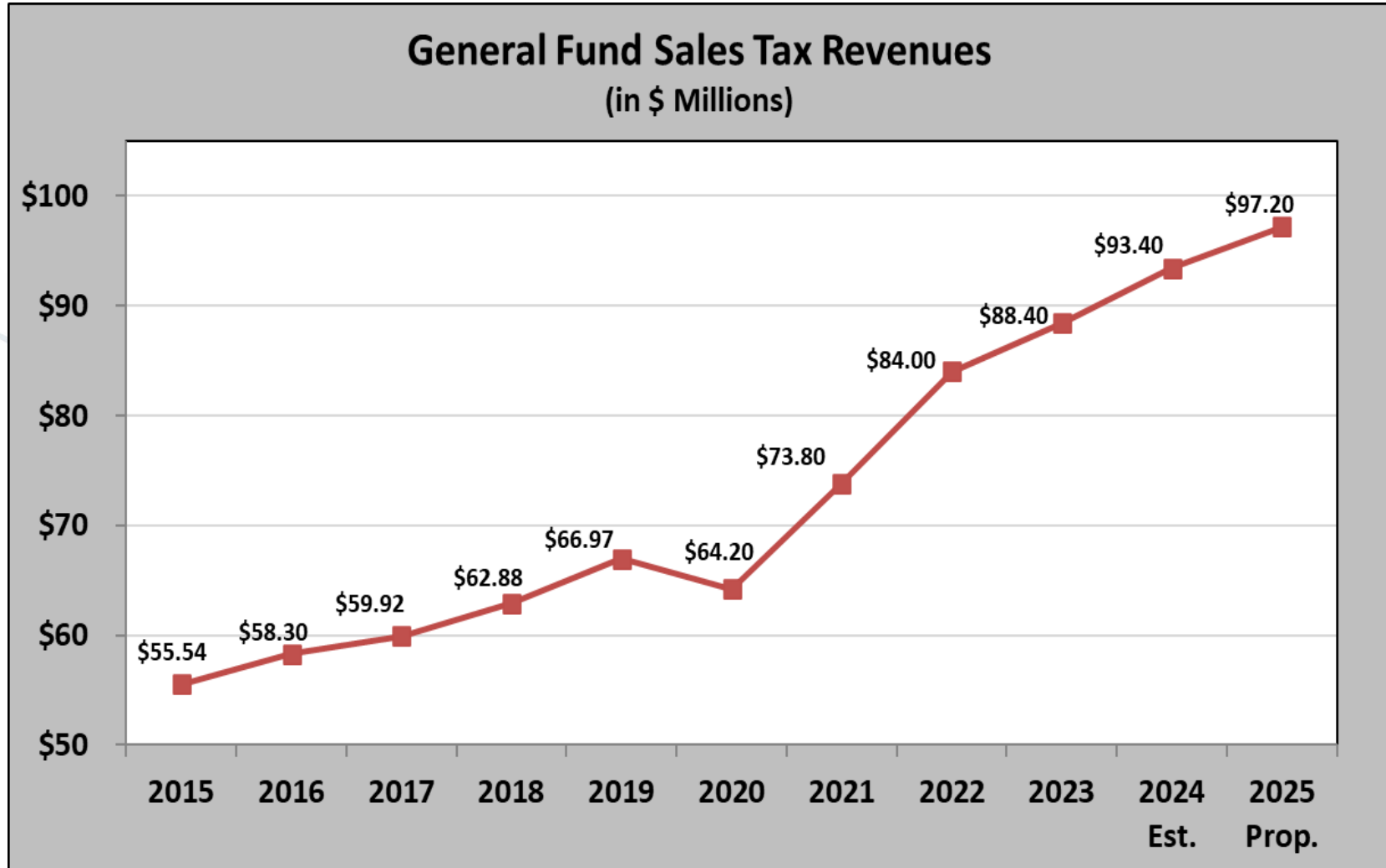
Through May, sales tax revenue in the General Fund is \$213,910 (0.4%) above the weighted monthly budget amount for the year to date. The current estimate for the year is \$93.4 million, which is \$331k (0.36%) above budget.



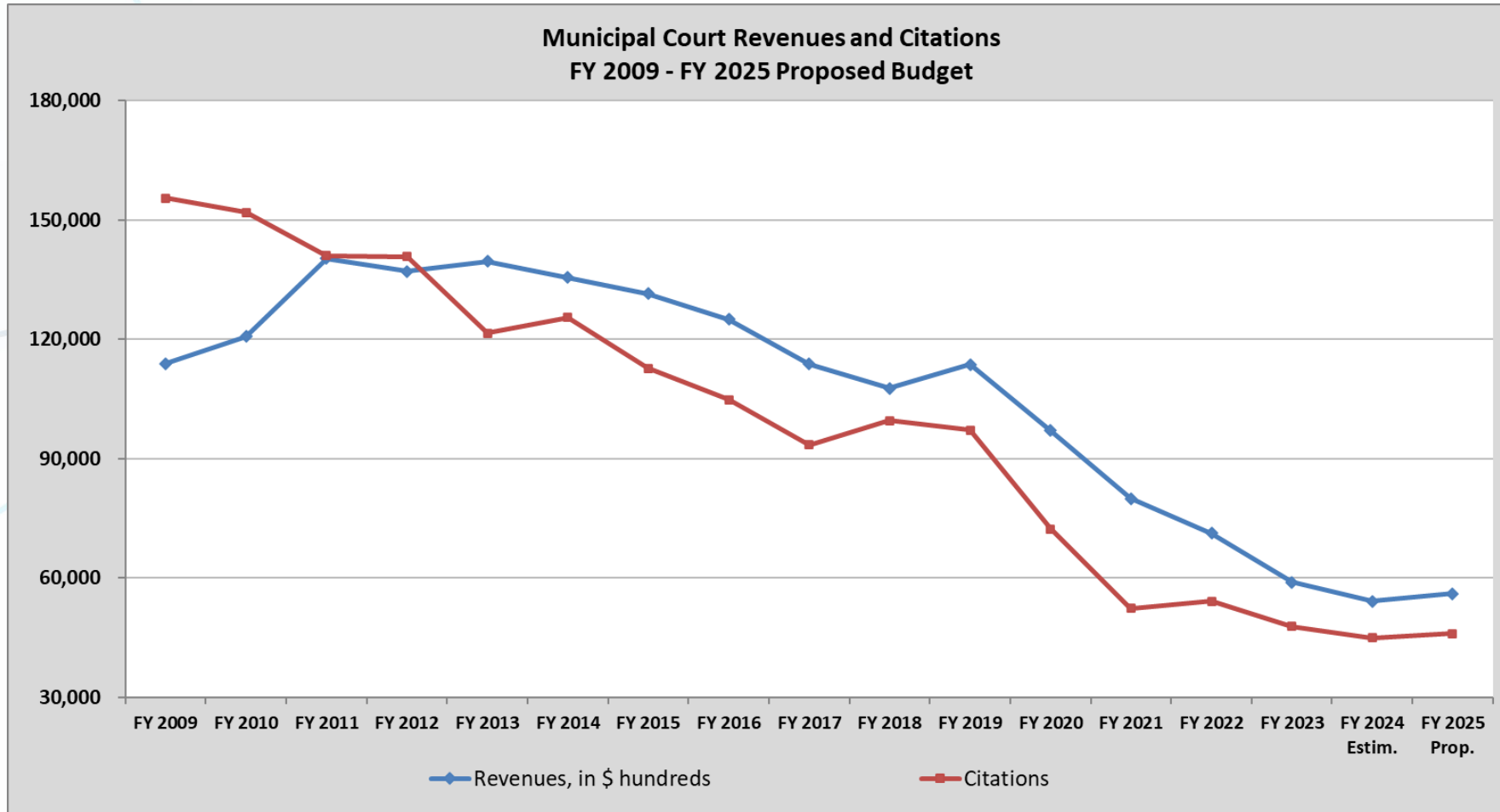
Through May, receipts are \$2,357,651 (4.1%) above what the City received last year. Receipts are up from the prior year in eight of the last twelve months.



Sales Tax Revenue History



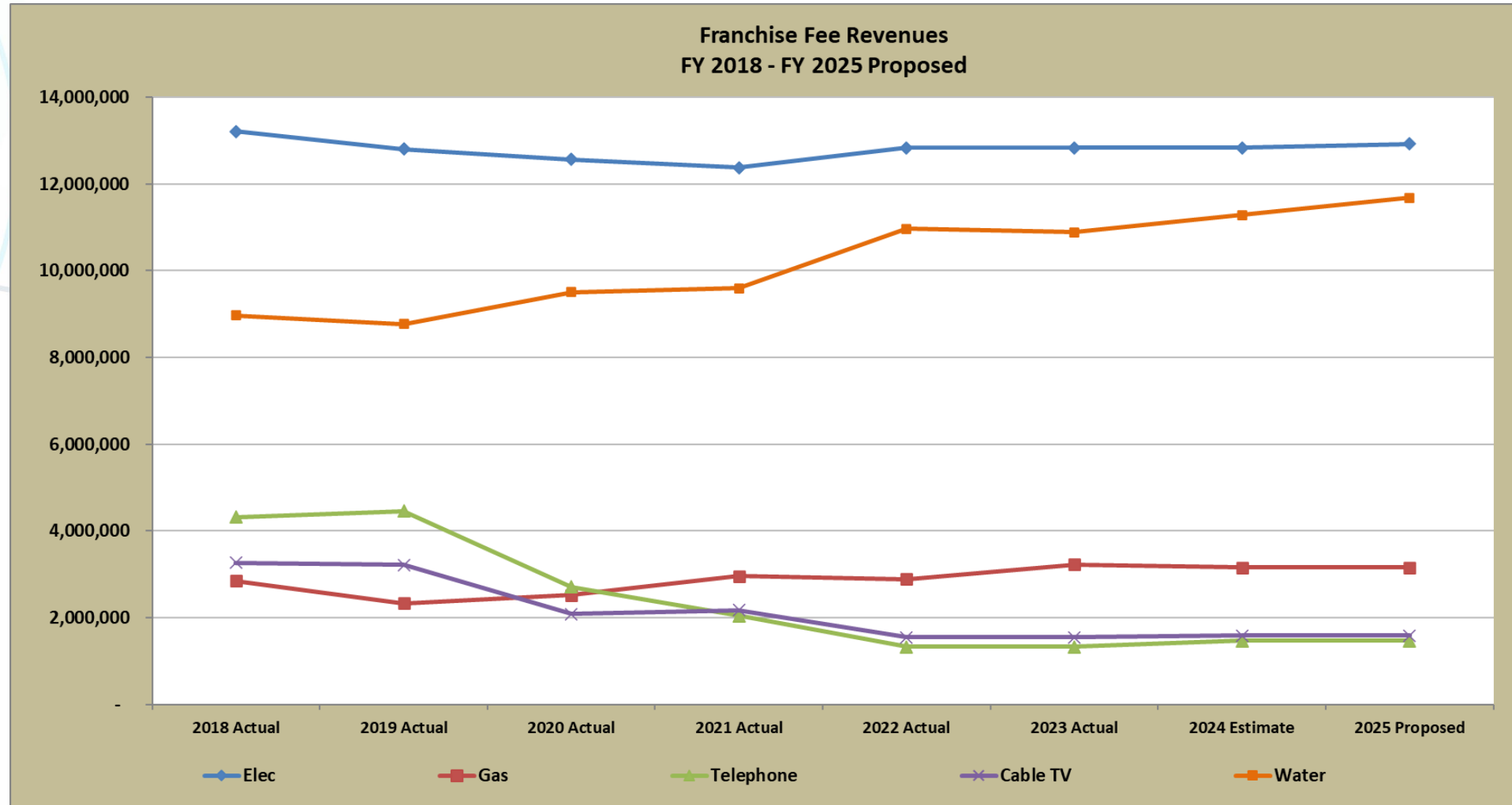
Municipal Court Revenues and Citations



In FY 2025, the proposed revenue for the Municipal Court is \$5.6 million

The estimate for the number of citations is approximately 46,000

Franchise Fee Revenues



City Contributions to the State

Sales Tax Service Fee – \$3.9M

Court Fines – \$2.4M

Payments to Other Agencies – \$0.7M

Total – \$7M

1.7 Cents on Tax Rate

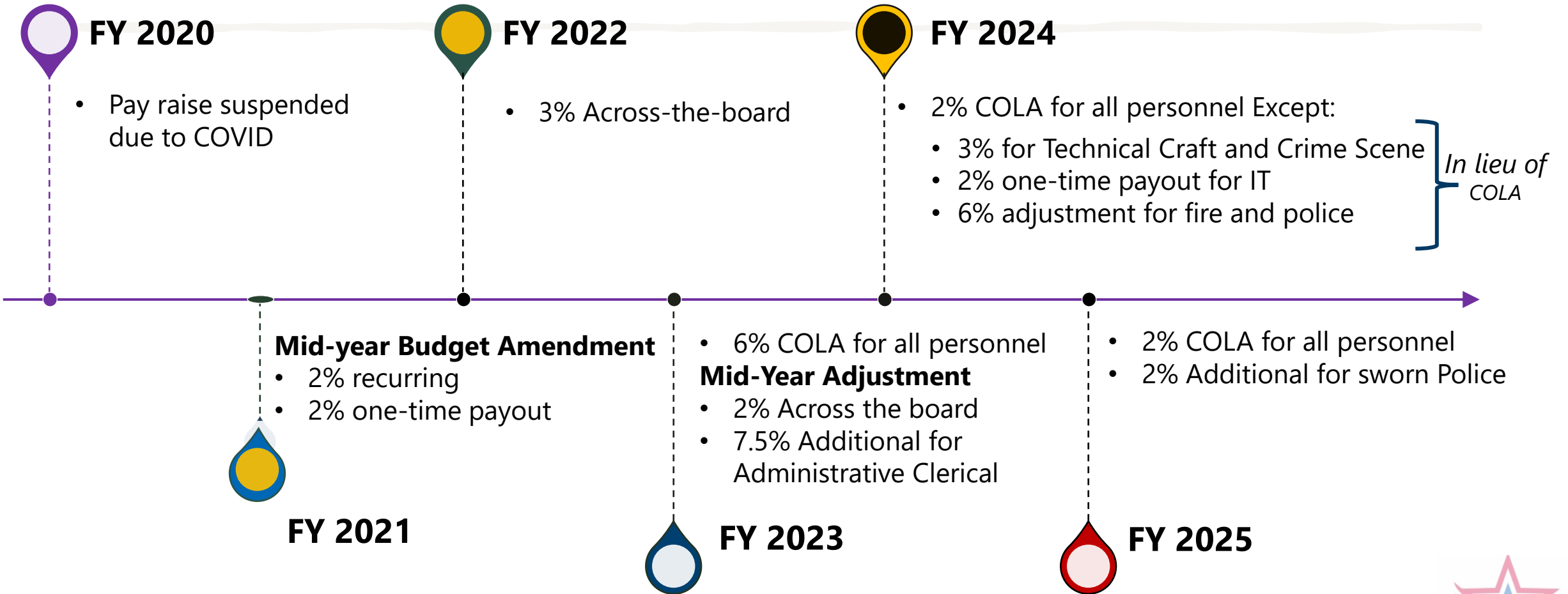


Compensation & Benefits

Compensation Adjustments

- 2% Across the Board Cost of Living Adjustments
- 2% Additional for Police Sworn Personnel
 - City-wide impact – \$6.7M
 - General Fund impact – \$6M
- Additional compensation for Management/Professional Market Study Pay Range Adjustments
- Public Safety Step Plan Maintained
 - Police – \$952,230
 - Fire – \$332,945
 - Total (including benefits) – \$1.8M

Compensation History





- Base Pay
- Special Pays
- Stability Pay
- Sick Leave Sellback
- Public Safety Step Increases

Market Wages



- TMRS
- 401(k)/Match
- 457 Deferred Comp
- Access to Retiree Insurance

Retirement Benefits

Financial Wellness



Growth Opportunities

- Training & Development Programs
- Tuition Reimbursement
- Promotional Opportunities



- Basic Life Insurance
- TMRS Life Insurance
- Long-Term Disability
- Workers' Comp

Income Protection for Families

Physical/Mental Wellness

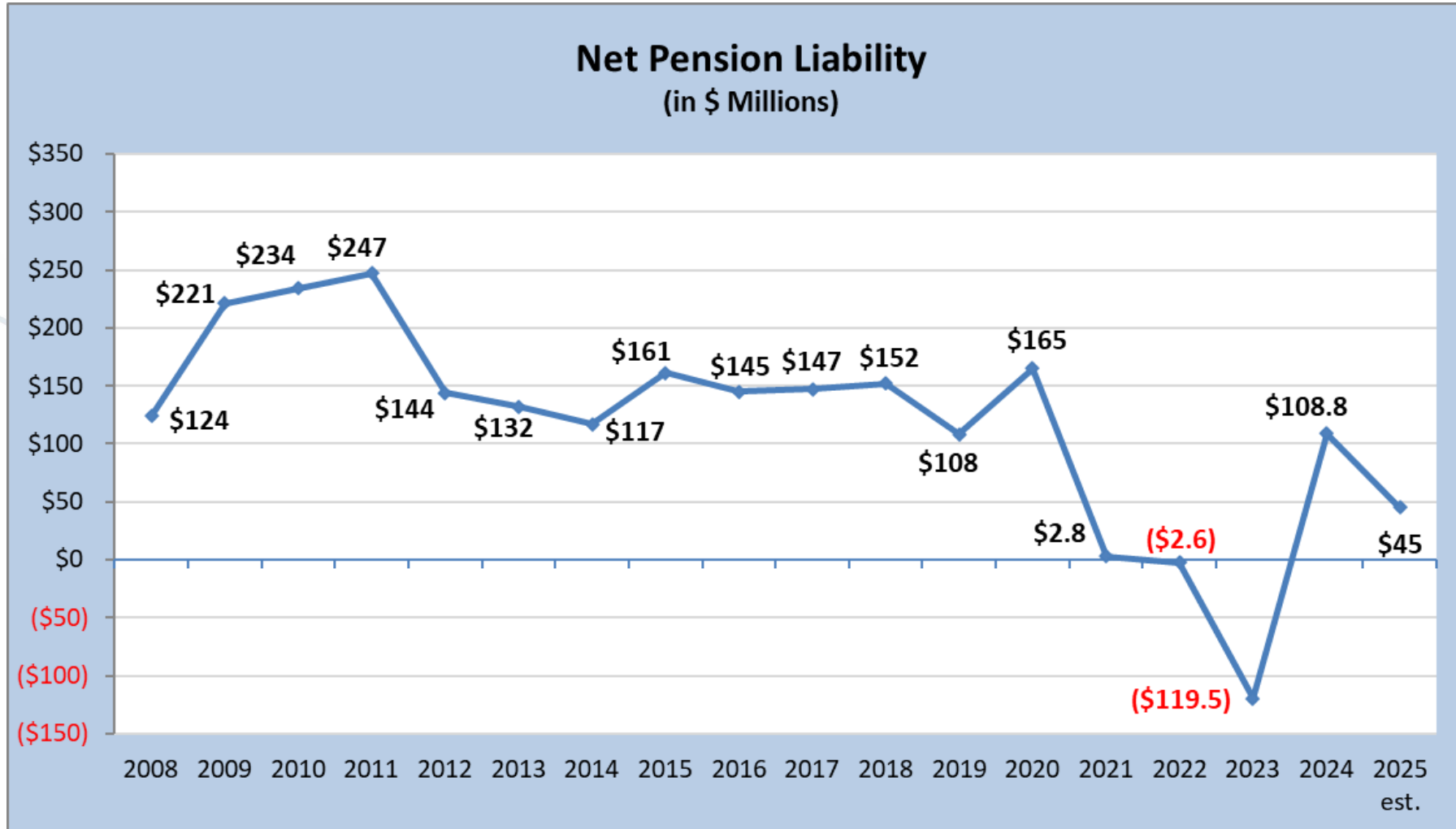
- Insurance Coverage Health/Vision/Dental
- Employee Assistance Program
- Health Savings Account
- Sick, Vacation, Holiday Pay
- Discounted Rec Center Memberships



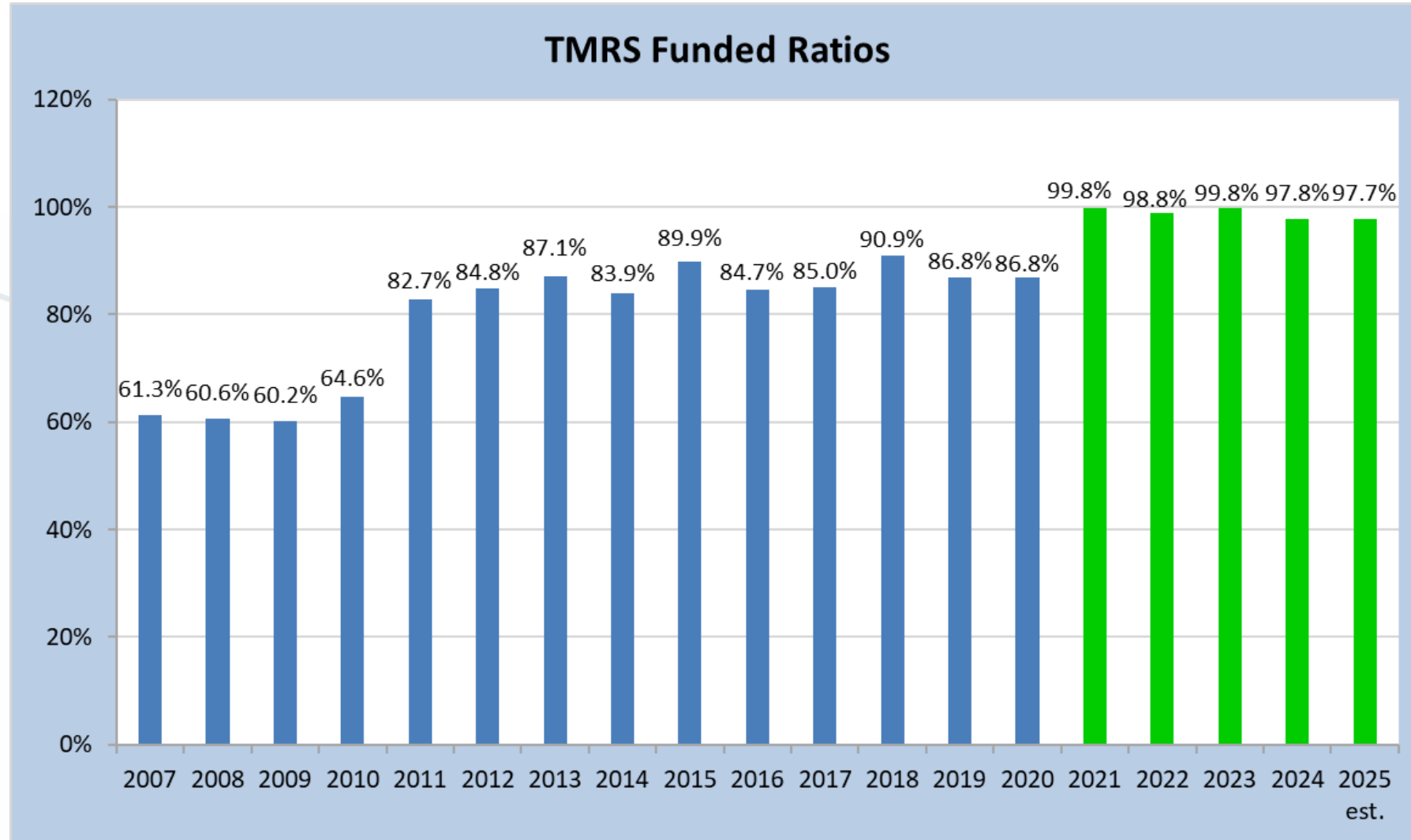
FY 2025 Proposed Health Plan Budget

- Changes to all benefits providers resulted in \$3.4M in estimated savings each year in the Health Fund
- In FY 2025, city contributions to the Health Fund were decreased to reallocate those savings to employee compensation increases

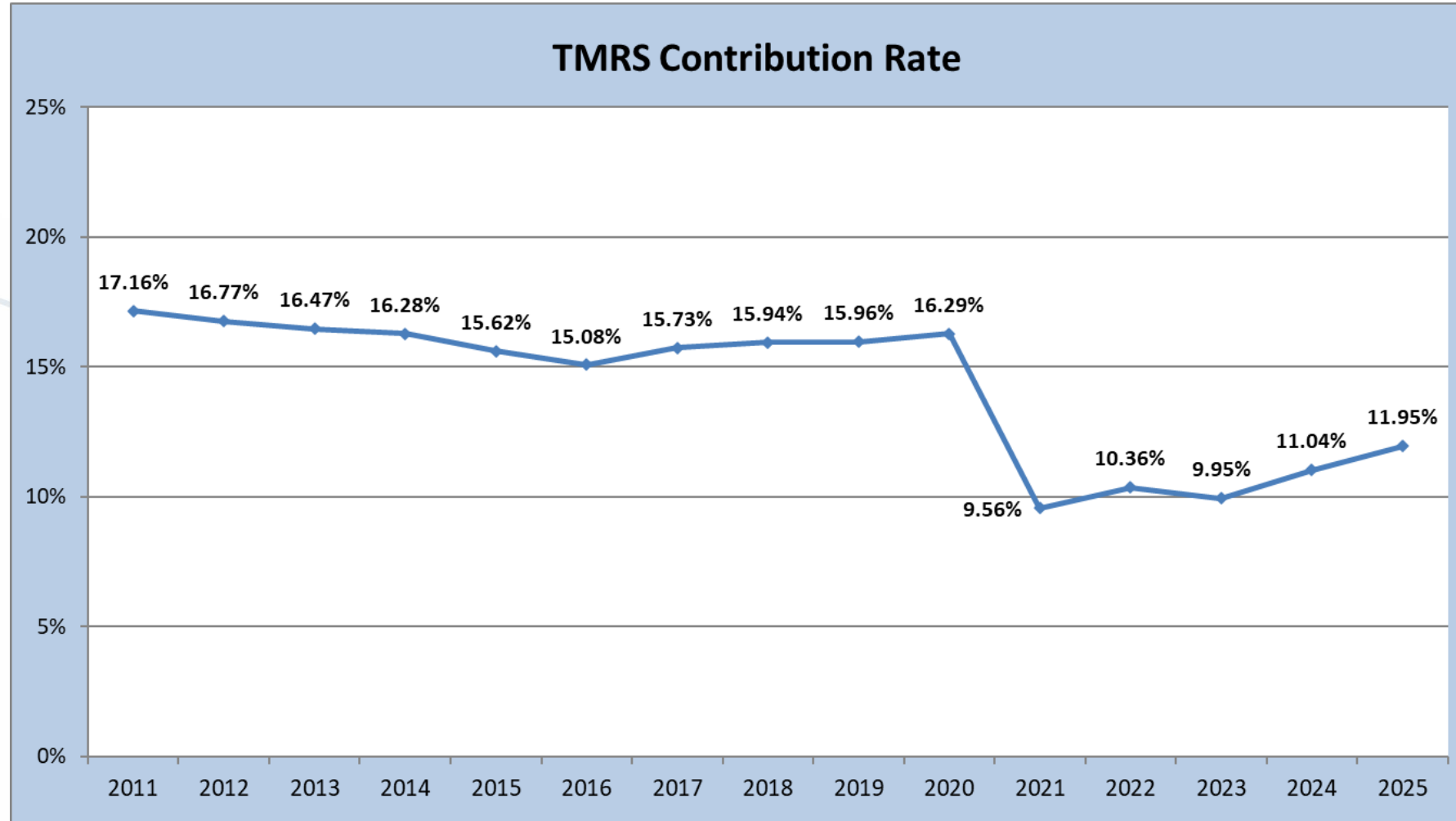
TMRS Net Pension Liability



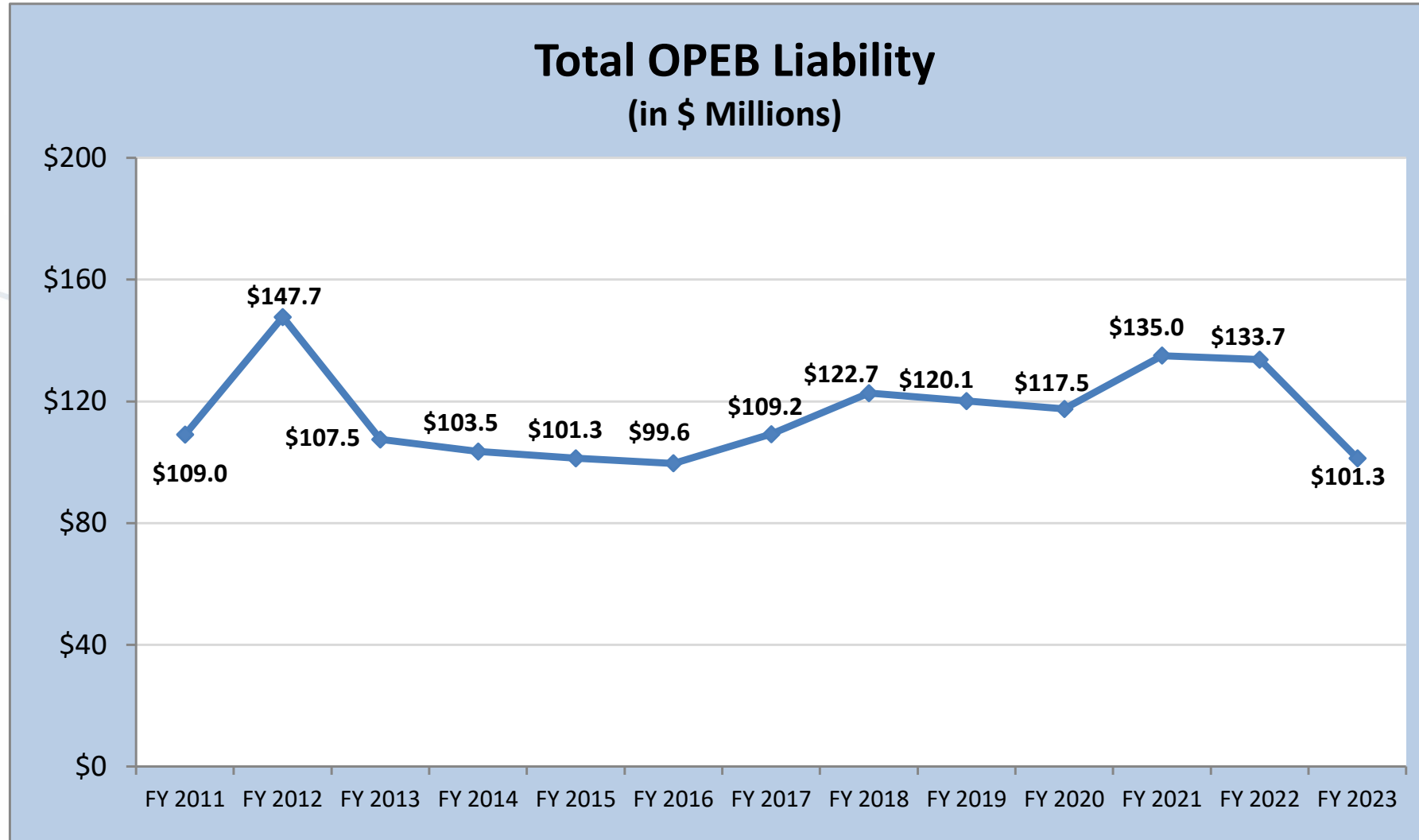
TMRS Funded Ratios



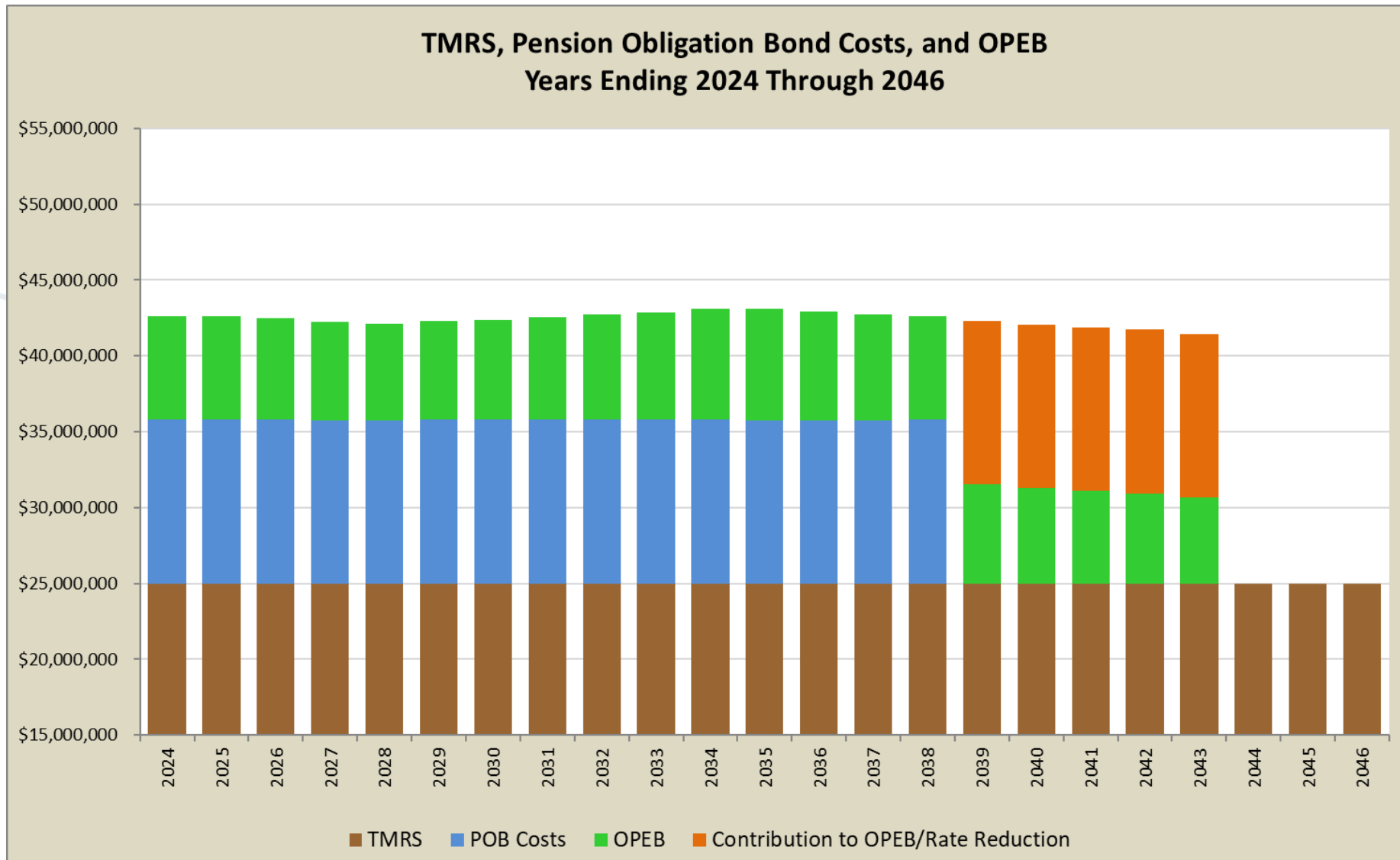
TMRS Contribution Rate



Other Post-Employment Benefits



TMRS, Bond Costs, and OPEB





FY 2025 New Funded Items

Recurring Funding Summary – General Fund Supported

Category	Amount
Mandates & Contractual Increases	\$6.4M
Employee Compensation & Benefits	\$8.0M
Technology Maintenance & Security	\$515k
Public Safety	\$1.4M
Parks & Facility Maintenance	\$1M
Priorities & Needs	\$1M
Total*	\$18.5M

Sources of One-time Funds in FY 2025

- FY 2024 Fire One-Times – \$3.9M
- Parks General Gas – \$1.1M
- Parks ATF Gas – \$1.9M
- Ending Balances in Fleet Services, Communication Services & Information Technology Funds – \$2.1M

Use of One-time Funds in FY 2025

- Funding for Reserves – \$2.5M
- Enterprise IT Projects – \$2.4M
- Temporary Lease at Chase Bank Tower & UTA – \$1.5M
- I-30/SH-360 Landscaping – \$550,000
- City Hall Security Upgrades (Phase 2) – \$550,000
- Fleet Vehicle Replacement Plan – \$450,000
- Four Personnel Staffing Unit – \$421,002
- Fire Station Partial Concrete Tear-out and Replacement – \$185,949

FY 2025 Budget Proposals One-time & Recurring

	Approved Requests			Declined/ Deferred/ Withdrawn Requests		
	No.	FTEs	Amount	No.	FTEs	Amount
General Fund* Total	85	68	\$21,593,555	94	44	\$23,721,310
Other Funds Total	59	10	\$35,100,829	4	0	\$124,250
City Total	144	78	\$56,694,384	98	44	\$23,845,560

Mandates & Contractual Increases

- FY25 ARP Absorption (58 FTEs) – \$4.1M
- Tarrant Appraisal District Assessment Services – \$174,137
- Taser Contract Price Increase – \$419,938
- Fleet Maintenance Contract – \$383,115
- Third Party Administration / Insurance Increases – \$274,715

Restoring ARPA to General Fund

- FY 2023/24 – \$7,375,038
 - Restored FY 2021 Voluntary Cuts
 - Restored Frozen Positions
- FY 2025 – \$4,130,299
 - Adds 58 Fire and Police Positions to the General Fund

General Fund Impact	Annually	Cumulative
FY23	\$ 3,571,108	\$ 3,571,108
FY24	\$ 3,803,930	\$ 7,375,038
FY25	\$ 4,130,299	\$ 11,505,337
FY26 Planned	\$ 3,820,636	\$ 15,325,973

ARPA Investment Plan to Date

Total COA ARP Funding **\$ 81,498,709**

Allocated To Date	Recurring	One-time	Total
FY21 Use	\$ -	\$ 11,974,932	\$ 11,974,932
FY22 Use	14,146,473	5,584,529	19,731,002
FY23 Use	11,023,456	22,700,000	33,723,456
FY24 Use	7,948,682	4,300,000	12,248,682
FY25 Use	3,820,636	-	3,820,636
Total Allocated	\$ 36,939,248	\$ 44,559,461	\$ 81,498,709

Grand Total Use **\$ 36,939,248** **\$ 44,559,461** **\$ 81,498,709** **100%**

General Fund Impact	Annually	Cumulative
FY23	\$ 3,571,108	\$ 3,571,108
FY24	\$ 3,803,930	\$ 7,375,038
FY25	\$ 4,130,299	\$ 11,505,337
FY26 Planned	\$ 3,820,636	\$ 15,325,973

Remaining ARP Funds **\$ -** **0%**

Technology Maintenance & Security

- Software Maintenance & Licenses Increase – \$70,000
- O365 iCloud Backups – \$95,000
- Security Detection and Response Tool Renewals – \$90,000
- Enterprise IT Projects (recurring) – \$252,300

Parks & Facility Maintenance

- Active Adult Center Base Funding Adjustment – \$437,541
- Forestry Budget Increase – \$191,600
- Park Development O&M – \$123,950
- Janitorial Contract Increase – \$98,187
- Aquatics Operation & Maintenance – \$80,000
- Mowing Contracts CPI Increase – \$70,097

Public Safety

- Enhanced Patrol Response – \$1.3M
 - Growth in Patrol
 - + 22 graduates from recent Academy
 - + 10 reallocated from Special Units
- Hosted Tow File – \$24,000
- Civil Service Testing and Assessments – \$22,042

Priorities & Needs

- Clean Team – \$498,265
- Additional Residential Curbside Collection Routes for Fall Leaf Season – \$250,000
- Veterinary Supplies Increase – \$89,210
- Multi-Family Inspections Program Expansion – \$74,521



Other Funds

Convention & Event Services Fund

- FY 2025 Revenues are \$791,522 higher than FY 2024
 - Hotel Occupancy Tax up \$373,371 (3.4%)
 - Esports Stadium & Expo Center revenues down \$16,849
 - Naming rights/rent – \$2.5M
 - Museum Revenues – \$680,000
- FY 2025 Expenditure changes
 - \$252k one-time funding for CVB (\$7.3M total)
 - \$125k additional recurring funding for Arlington Cultural Tourism Council
 - \$1.5M for historic preservation projects
 - \$2.5M for Esports/Museum of Art Facility and Grounds Upgrades

Park Performance Fund

- FY 2025 revenues are \$604,400 higher than FY 2024
- New funding for Golf and Recreation programs – \$2.5M
 - Expenditures offset by \$598,938 in additional revenues & \$1M transfer-in from Golf Surcharge Fund
 - Additional funding for opening Active Adult Center \$759,966
 - Golf / Food and Beverage Budget Adjustment \$715,211
 - Golf Surcharge fund expenditure appropriation \$1M (one-time expenditures)
- FY 2025 transfers of \$700k from Parks ATF and \$750k from Park Fee Fund

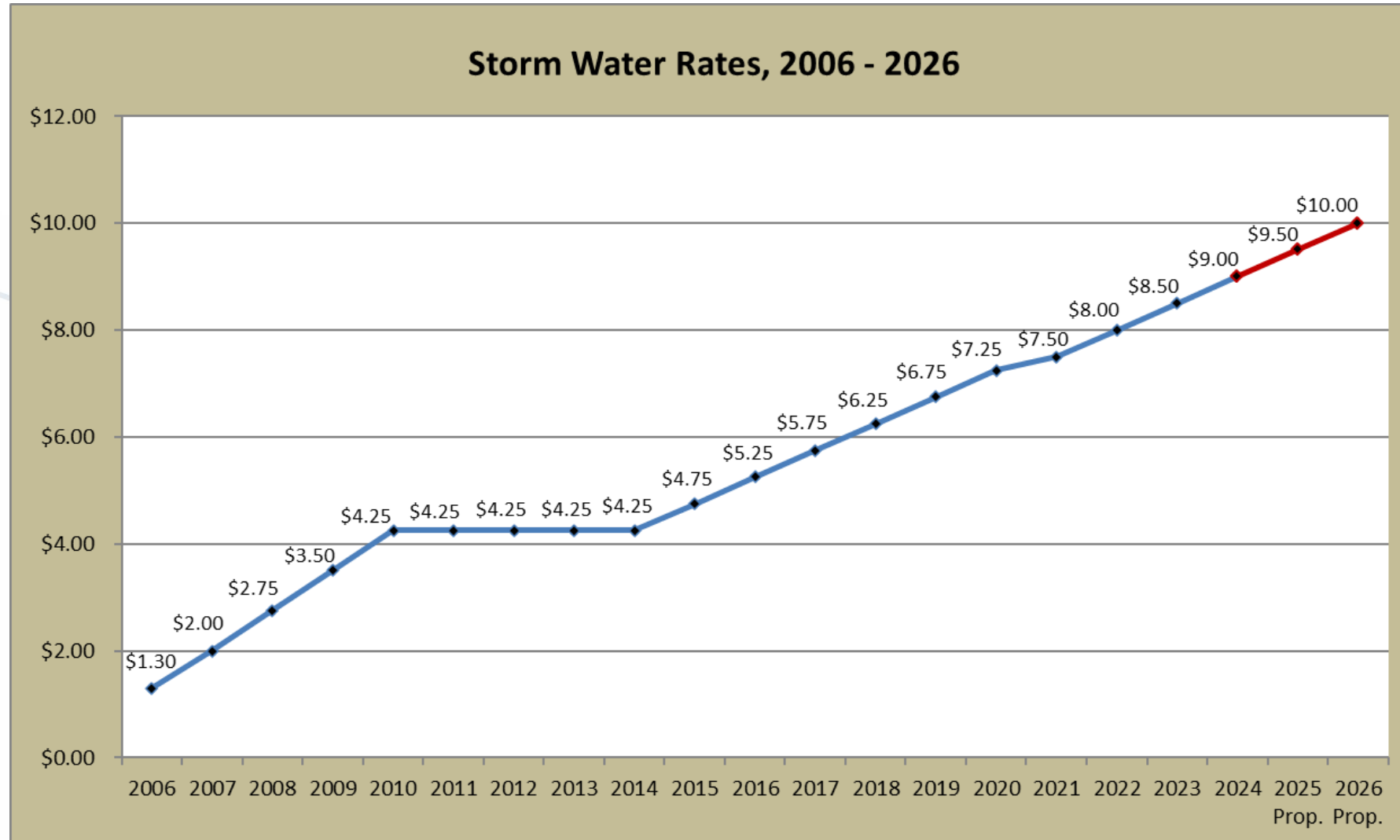
Aviation Fund

- Full-year revenues for the fund in FY 2025, from \$5M in FY 2024 to \$10M
 - Fuel revenues \$7.6M
 - Land/ramp leases \$939,873
 - Hangar rental revenue \$838,980
- New Funding in FY 2025
 - Full year funding of operations \$2.6M
 - Fuel expenditures \$1M
 - Fixed Base Operator (FBO) remodel \$307,000

Storm Water Utility Fund

- 0.50 per month increase in residential drainage utility rates
 - FY 2025 Revenues are \$1.8M higher than FY 2024
- Additional expenditures include debt service increase of \$628,523 and PILOT increase of \$59,554
- Total of \$386,744 added for replacement dump truck, software license increases, and maintenance and environmental management contract increases
- \$11M contribution to Pay-Go Capital Projects

Storm Water Utility Fund



Street Maintenance Fund

- Sales tax revenue increase of \$1.1M above FY 2024 estimated amount
- Expenditures
 - Increase of \$6.3M for contracted street maintenance (one-time and recurring)
 - \$53,000 for Two-way radio replacement program
 - \$30,000 for North Field Operations Facility remodel

Debt Service Fund

- Revenues up \$5.9M (property taxes and interest revenue)
- Expenditures up \$4.1M for principal and interest payments
- Transfers from other funds – \$1.54M (pension bond contributions)



Water Utilities

Water Utilities

- 5% Rate increase for the residential minimal and average users for FY 2025
 - Other Revenues are \$734K more than FY 2024
- FY 2025 Expenditures are \$16M more than FY 2024
 - \$2.0M Increase in Raw Water Purchases
 - \$4.4M Increase in Wastewater Treatment Costs
 - \$2M Increase in Debt Service
 - \$1.75M Increase in Rebatable Arbitrage
 - \$0.9M Increase in Fleet Purchases
 - \$1.6M Increase in Chemical Costs
 - \$3.35M Increase in Other Services
- \$18.3M contribution to Pay-Go Capital Projects

Water Fixed Monthly Charge

Meter Size	FY24	Proposed FY25
	Residential and Commercial	Residential and Commercial
$\frac{5}{8} \times \frac{3}{4}$	\$7.61/\$11.04	\$7.76/\$11.26
$\frac{3}{4} \times \frac{3}{4}$	16.72	17.89
1	24.16	25.85
1-1/2	57.83	61.88
2	100.95	108.02
3	238.04	254.70
4	378.87	405.39
6	882.38	944.15
8	1379.65	1476.23
10	2073.84	2219.01

Residential Water Volumetric Rate Block Structure

Usage (1,000 gal)	FY 2024	<i>Proposed FY 2025</i>
0 – 2	\$2.16	\$2.27
3 – 10	2.99	3.14
11 – 15	4.30	4.60
16 – 29	6.39	6.84
≥ 30	7.70	8.24

Commercial Water Volumetric Rate Block Structure

Usage (1,000 gal)	FY 2024	<i>Proposed FY 2025</i>
0 – 15	\$3.84	\$4.11
≥ 16	4.06	4.34

Construction Water Volumetric Rate Block Structure

Usage (1,000 gal)	FY 2024	<i>Proposed FY 2025</i>
0 – 99	\$7.10	\$7.95
≥ 100	8.93	10.00

Sewer Fixed Monthly Charge

Meter Size	FY24	Proposed FY25
	Residential and Commercial	Residential and Commercial
$\frac{5}{8} \times \frac{3}{4}$	\$8.40/\$14.42	\$8.82/\$15.14
$\frac{3}{4} \times \frac{3}{4}$	\$20.69	24.21
1	29.26	34.23
1-1/2	64.81	75.83
2	109.11	127.66
3	337.23	394.56
4	503.15	588.69
6	1368.79	1601.48
8	1803.41	2109.99
10	2608.66	3052.13

Sewer Volumetric Rate

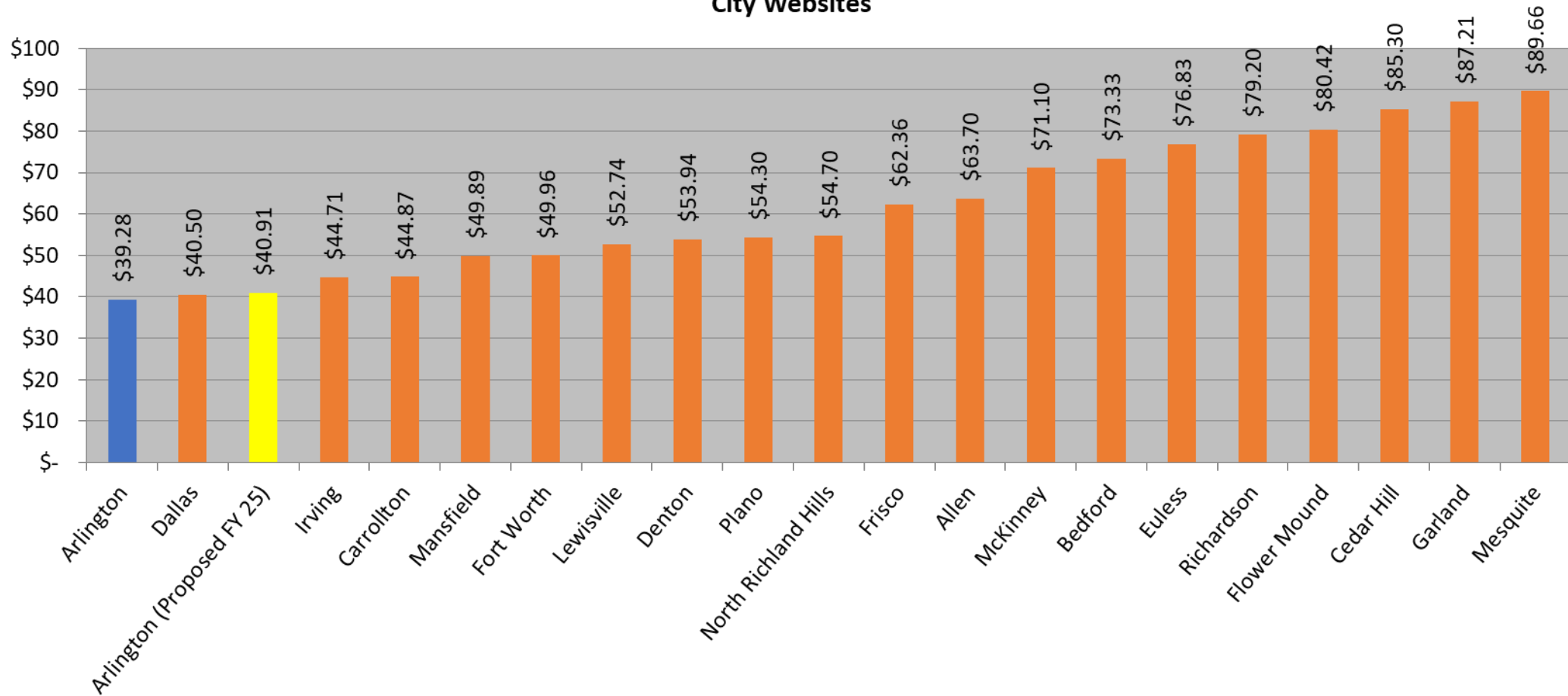
Wastewater Flow (1,000 gal)	FY 2024	<i>Proposed FY 2025</i>
All usage	\$5.71	\$6.11

Customer Impact

Monthly Bill (Water/Wastewater)	FY 2024	Proposed FY 2025	Annual Impact	Percentage Increase
Minimum User – 5/8 x 3/4" meter (2,000 gal/ 2,000 gal)	\$31.75	\$33.34	\$19.05	5.00%
Avg. Residential User – 5/8 x 3/4" meter (8,000 gal/ 4,000 gal)	\$70.56	\$74.21	\$43.84	5.18%
Commercial Customer – 2" meter (50,000 gal/ 50,000 gal)	\$695.26	\$754.84	\$714.95	8.57%

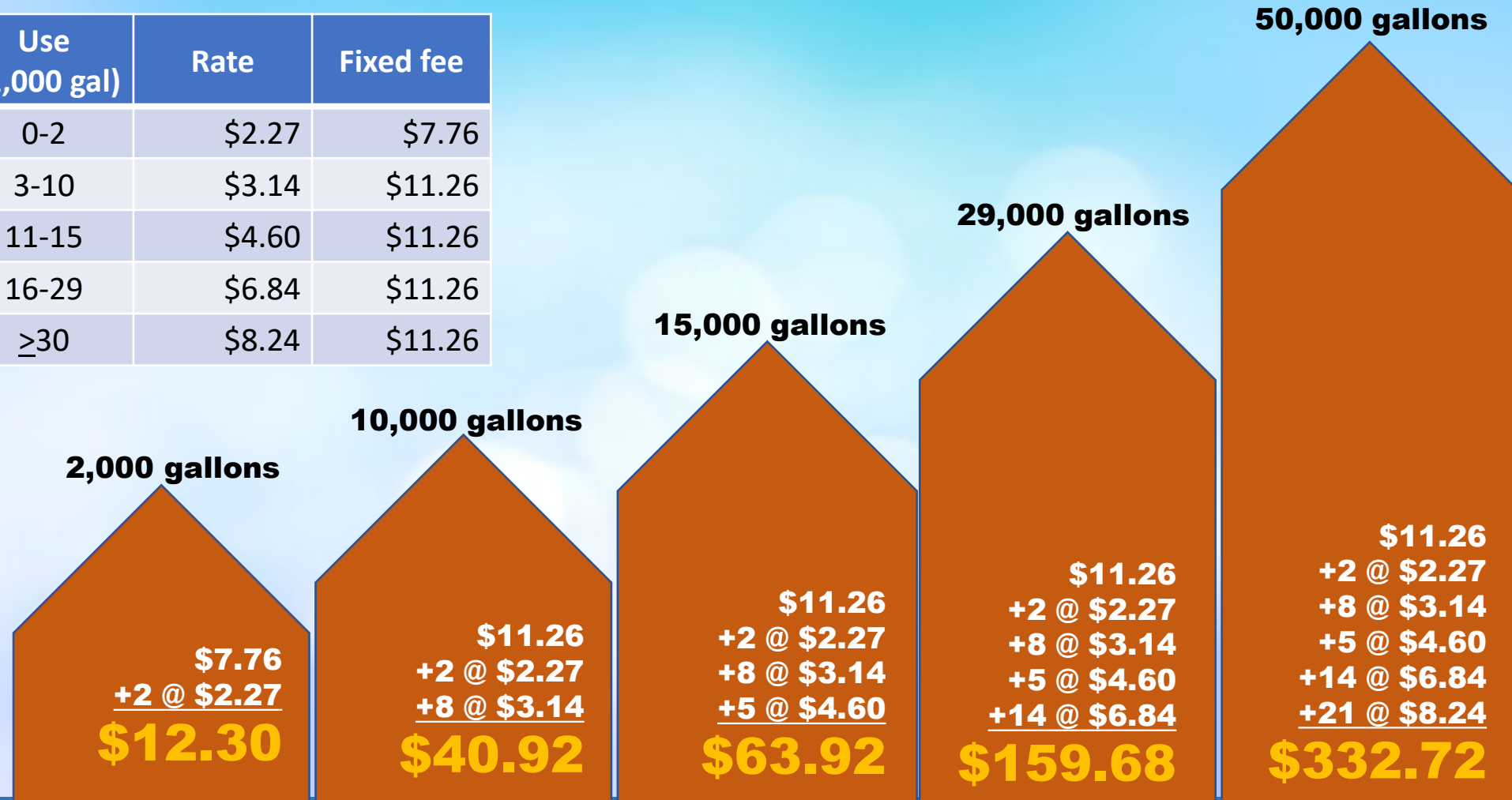
Residential Water Rates for 10,000 Gallons

Source Data:
City Websites



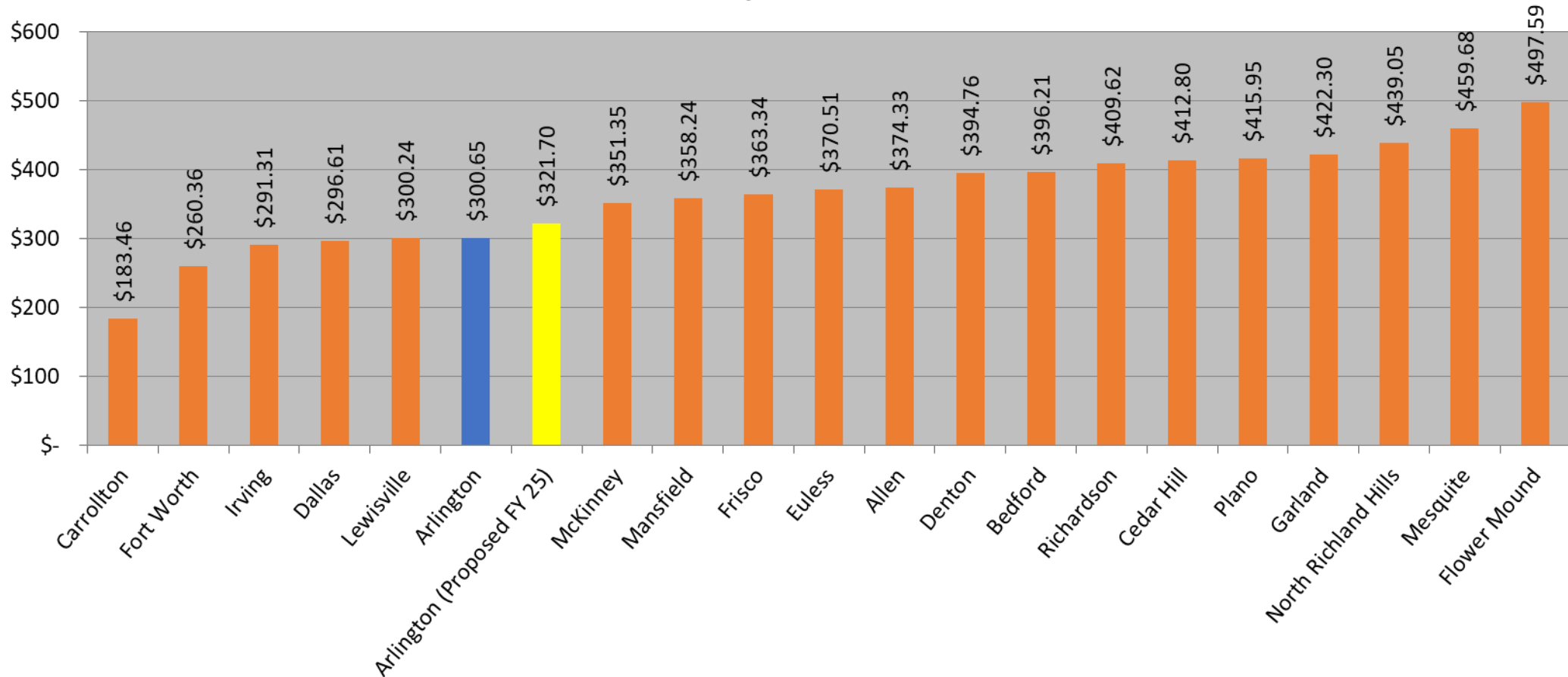
Arlington's Residential Block Structure for Water Rates – FY 2025 Proposed

Use (1,000 gal)	Rate	Fixed fee
0-2	\$2.27	\$7.76
3-10	\$3.14	\$11.26
11-15	\$4.60	\$11.26
16-29	\$6.84	\$11.26
≥30	\$8.24	\$11.26



Commercial Water Rates for 50,000 Gallons

Source Data:
City Websites





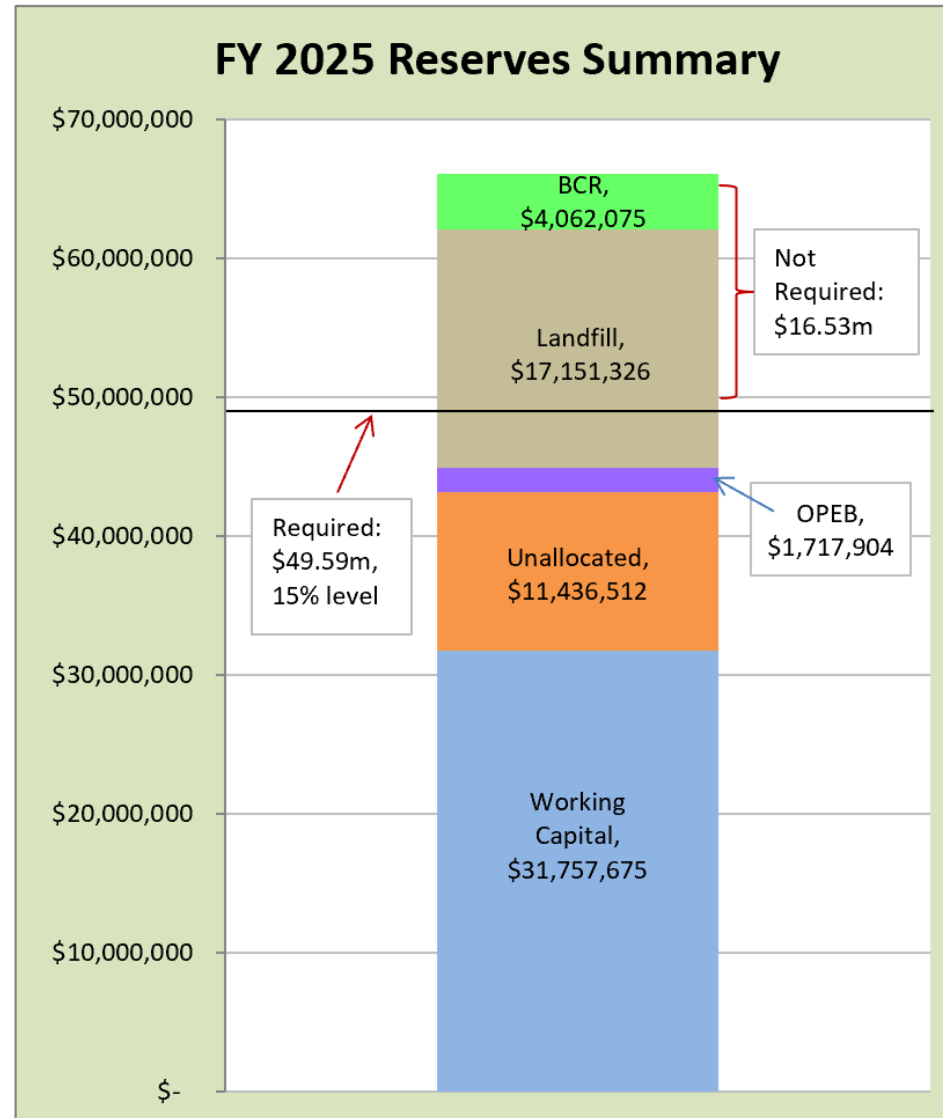
Funding for Reserves

Selected City Reserves

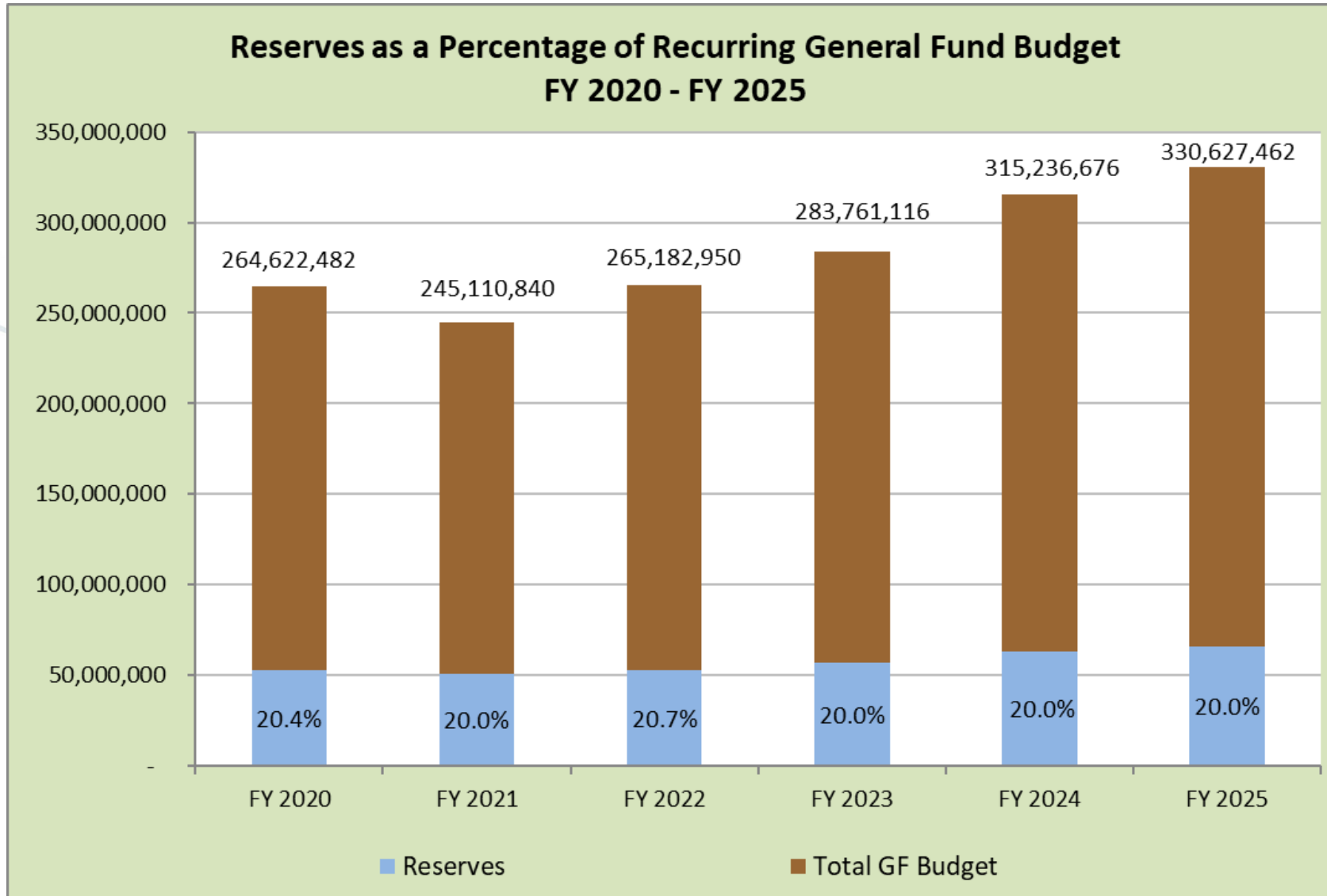
SELECTED FINANCIAL RESERVES FY 2025 OPERATING POSITIONS

	UNALLOCATED	WORKING CAPITAL	BUSINESS CONTINUITY	LANDFILL LEASE	OTHER POST EMPLOYMENT BENEFITS
Balance on October 1, 2023	\$ 9,260,653	\$ 25,722,745	\$ 4,062,075	\$ 17,151,326	\$ 1,717,904
Transfers In/(Out)	1,360,148	3,772,485	-	-	-
Appropriations/Mid-Year Adjustments	<u>141,110</u>	<u>391,380</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance on September 30, 2024	\$ 10,761,910	\$ 29,886,610	\$ 4,062,075	\$ 17,151,326	\$ 1,717,904
Transfers In/(Out)	674,602	1,871,065	-	-	-
Appropriations/Mid-Year Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance on October 1, 2024	\$ 11,436,512	\$ 31,757,675	\$ 4,062,075	\$ 17,151,326	\$ 1,717,904

FY 2025 Summary of Reserves – \$66M



Reserve Trends



Budget Calendar

- Proposed Budget Presentation – August 6
- Special Budget Meeting – August 13
- Scheduled Council Meetings
 - August 27
 - September 3
- Town Hall Meetings
 - Wednesday, August 14 – City Council Chambers
 - Monday, August 26 – South District Police Station
- September 10
 - Tax Rate Public Hearing
 - Budget Public Hearing
 - First Vote on Budget and Tax Rate
- September 17
 - Second Vote on Budget and Tax Rate



Questions