



# San Marcos Fire Department



**April 15, 2025**

**TFCA Annual Conference**

**Budgeting and Finance Class**

**Total of 71 slides – our goal is 44**



# Budget Basics





# Why Budget?



**It's the Law**



**Hearings and Notices**



**Inspection/Audit**



**Authorized by Ordinance**



**Structurally Balanced**



# Revenues



- Where does the money come from?





# Forms of Revenue (General Fund)



**Ad Valorem**

**Sales Tax**

**Franchise  
Fees/Utility  
Transfers**

**Fines and  
Forfeitures**

**Permits**



# Forms of Revenue (Non-General Fund)



Water & Sewer Fund



Solid Waste  
Fund



Municipal Drainage Fund



Convention and Tourism  
Fund



Recreation Fund



Golf Course





# Forms of Expenses



**Personnel**

**Operating  
Supplies**

**Administration**

**Capital Outlay**

**CIP/Debt  
Service/Transfers**



# Expenses



➤ Where does the money go???





# Expenses



➤ Public Safety!!!



# Expenses



➤ Just Kidding!!!



# 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

$$\text{Tax Rate} = \text{O\&M Rate} + \text{I\&S Rate}$$

## Calculation

- $\text{Tax Rate} \times \text{Taxable Value} / \$100 = \text{Your City Tax Levy} (\$ \text{ paid to City})$



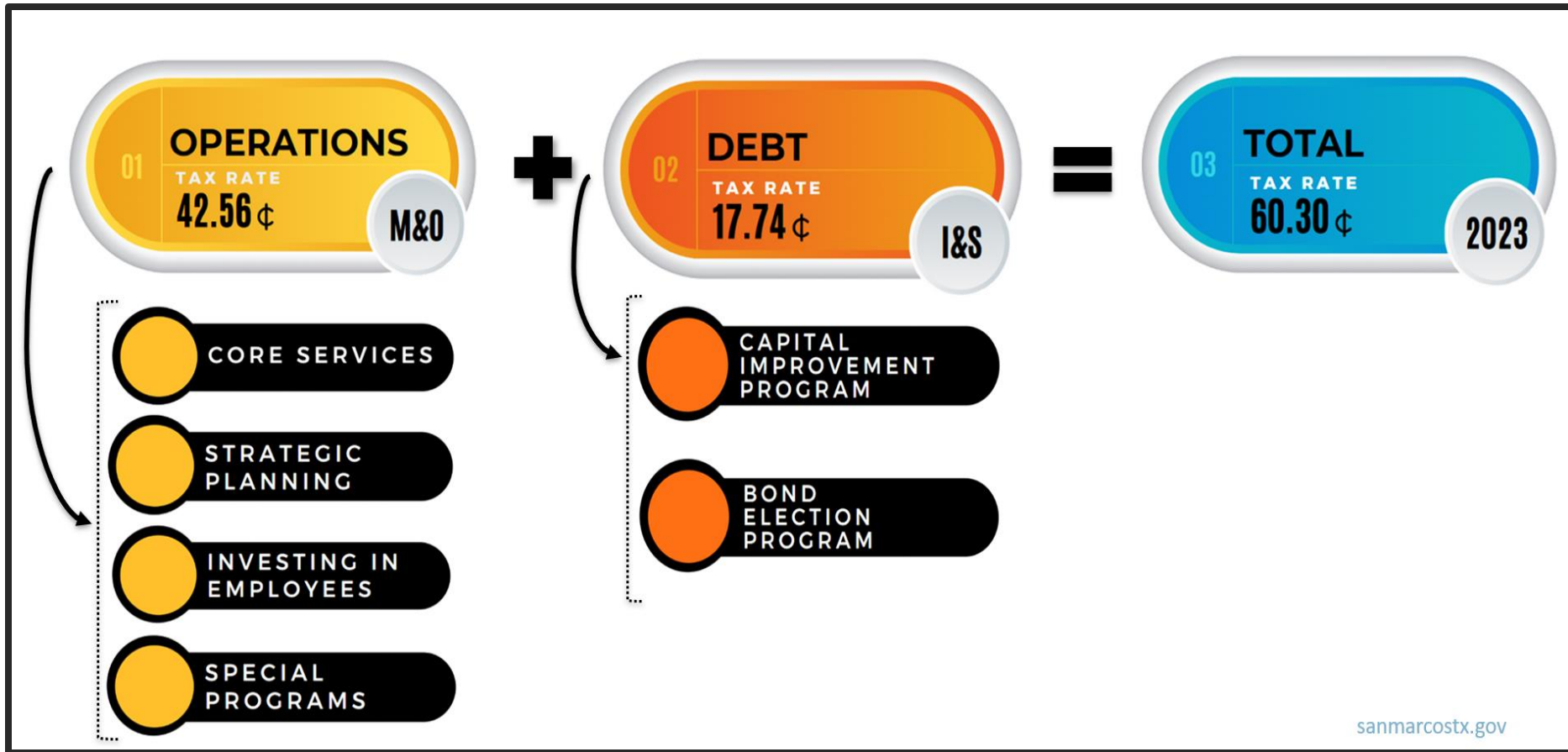
# Tax Rate Examples



- Canton
  - $\$289,053 \div 100 = 2,890 \times \$0.59 = \$1,705.41$
- Westlake
  - $\$2,536,509 \div 100 = 25,365 \times \$0.16788 = \$4,258.29$
- San Marcos
  - $\$328,306 \div 100 = 3,283 \times \$0.6030 = \$1,979.68$
- Garland
  - $\$298,423 \div 100 = 2,984 \times \$0.689746 = \$2,058.36$
- Sansom Park
  - $\$190,239 \div 100 = 1,902 \times \$0.779605 = \$1,483.11$



# Tax Rate Examples





# San Marcos Tax Rate Scenario



- San Marcos has a net taxable value of \$10B; a \$0.603 tax rate will generate ~\$60,300,000 in property tax per year.
- San Marcos has a 30% debt service to operations ratio which requires \$18.090M for debt service and leaves \$42M for operations.
- San Marcos Police (\$27M) and Fire (\$17M) budgets are \$44M combined (FY25).
- A 1 cent tax rate increase on \$10B will generate \$1,000,000 in additional funding.



# San Marcos Tax Rate Scenario



To open a new fire station costs ~\$2.8M:

- In San Marcos, which has an \$10B net taxable value you would have to raise the tax rate by .028 cents to \$0.628 to afford one additional station without any new taxable value.

Or

- Values need to increase by \$465,000,000 in one year to fund an additional station @ current tax rate
- **NOTE:** That's 1,416, \$328,300 homes (median home value in San Marcos).





# Harris County ESD No. 9 Tax Rate Scenario



- HCESD9 has a net taxable value of \$61.5B; a \$0.04436 tax rate will generate ~\$27M in property tax per year.
- HCESD9 collects \$.01 sales/use tax and will generate ~\$55M.
- HCESD9 has no debt service = **no interest charges**
- HCESD9 Operating budget is \$80M (FY 23).
- A 1 cent property tax rate increase on \$61.5B will generate ~\$6M in additional funding.



# Tax Rate Scenario



To open a new fire station costs ~\$2.3M:

- In Cy-Fair, which has a \$61.5B net taxable value you would have to raise the tax rate by .00374 cents to \$0.0481 to afford one additional station without any new taxable value.

Or

- Values need to increase by \$5,200,000,000 in one year to fund an additional station
- **NOTE:** That's 14,857, \$350,000 homes (median home value in Cypress).



# How is the \$\$ Divided



FY 2023 DISTRIBUTION	PROPERTY TAX	SALES TAX	GRAND TOTAL
<b>Total</b>	<b>\$ 48,044,500</b>	<b>\$ 38,806,195</b>	<b>\$ 86,850,695</b>
Debt	\$12,393,422	-	\$12,393,422
TIRZ/TRZ	5,819,951	-	5,819,951
Economic Incentive Agreements (Ch 380)	1,782,500	339,500	2,122,000
Remaining for Operations	28,048,627	38,466,695	66,515,322





# How is the \$\$ Divided



TAXING UNIT	\$1.00	FY 2023 TAX RATES
<b>Total</b>	<b>\$1.00</b>	<b>\$2.04928</b>
San Marcos ISD	0.55	\$1.13378
City of San Marcos	0.29	0.60300
Hays County	0.14	0.29500
Hays County RD	0.01	0.01750



San Marcos ISD  
55¢

City of San Marcos  
29¢

Hays  
County  
14¢

Special Road District 1¢





# Managing Expectations



CITY OF SAN MARCOS | TEXAS

## FY23 SUPPLEMENTAL BUDGET REQUEST

BUDGET DETAIL FOR: PERSONNEL + OPERATING

### LIST OF POSSIBLE RECOMMENDATIONS FOR DISCUSSION:

DEPT	DESCRIPTION	TOTAL COST (L2)	SALARY + BENEFIT COST
111 - HUMAN RESOURCES	INCREASE LONGEVITY PAY BY \$1.00	\$ 80,000.00	\$ -
111 - HUMAN RESOURCES	INCREASE SUPPLEMENTAL LIFE INSURANCE BENEFIT	\$ 30,000.00	\$ -
171 - PARKS OPERATIONS	(1) NATURAL AREA MAINTENANCE WORKER	\$ 61,436.53	\$ 61,436.53
132 - ENGINEERING	(1) PROJECT ENGINEER	\$ 126,930.04	\$ 123,488.07
123 - DEVELOPMENT SVS ADMIN	(1) SR PLANNING MAPPING ANALYST	\$ 106,461.70	\$ 103,569.73
123 - DEVELOPMENT SVS ADMIN	(1) CHIEF PLANNER	\$ 110,884.45	\$ 108,141.48
123 - DEVELOPMENT SVS ADMIN	(1) PERMIT MANAGER	\$ 116,452.25	\$ 114,060.28
135 - FIRE	(1) FIRE PREVENTION-ADMINISTRATIVE ASSISTANT Sr	\$ 73,217.50	\$ 68,309.52
120 - GIS	(1) GIS ANALYST (PUBLIC SAFETY)	\$ 102,975.08	\$ 95,083.11
135 - FIRE	(2) FIRE ENGINEER/INSPECTOR-INVESTIGATOR	\$ 232,378.02	\$ 165,021.94
141 - POLICE OPERATIONS	(2) PUBLIC SAFETY LIAISONS	\$ 204,656.94	\$ 140,378.10
105 - FINANCE	(1) CONTRACT COORDINATOR/SPECIALIST	\$ 78,557.42	\$ 77,111.44
165 - LIBRARY	(1) LIBRARY CLERKS	\$ 31,393.58	\$ 31,393.58
111 - HUMAN RESOURCES	(1) ADMINISTRATIVE COORDINATOR	\$ 75,306.32	\$ 74,037.33
117 - INFORMATION TECHNOLOGY	(1) IT SPECIALIST - POLICE DEPT	\$ 92,084.78	\$ 83,785.13
TOTAL		\$1,522,734.61	\$ 1,162,031.11

For FY 23 SMFD requested 32 positions; (3) above /  $\$1,522,734 \times .20\% =$   
 $\$305,595$ ;  $\$.01$  add  $\$703K = +4$  add'l positions for a blocker apparatus =  $>34\%$



# Helpful Hints: E-mail

## ✓ Favorites

### Inbox

- FY 09-10 Budget
- FY 11-12 Budget
- > FY 12-13 Budget
- > FY 13-14 Budget
- > FY 14-15 Budget
- > FY 15-16 Budget
- > FY 16-17 Budget
- > FY 17-18 Budget
- > FY 18-19 Budget
- > FY 19-20 Budget
- > FY 20-21 Budget
- > FY 21-22 Budget
- > FY 22-23 Budget
- > FY 23-24 Budget
- > FY 24-25 Budget
- > FY 25-26 Budget

## ✓ FY 24-25 Budget

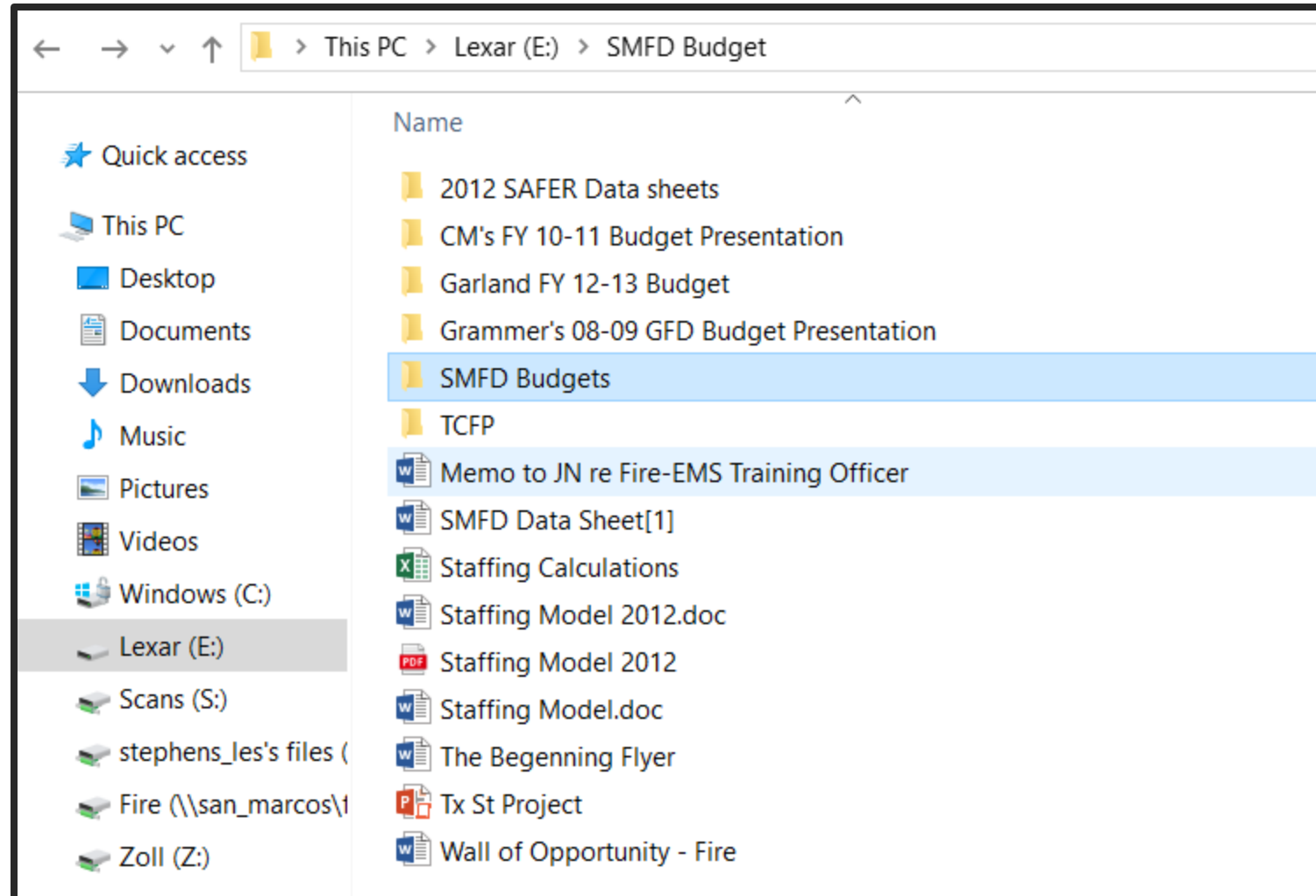
- Bond Rating
- Capital Outlay
- Carryforward Amendment
- CIP
- City Council Visioning
- Construction Contracts Closeout
- Fire Dept Budget
- FY 26-30 Anticipated Requests
- General Fund
- Potential Requests
- Sales Tax Reports
- > FY 25-26 Budget

## ✓ FY 25-26 Budget

- 6.5M Budget Shortfall
- CC Visioning
- CIP
- Construction Contracts
- Fire and Finance Budget Meeting
- Fire Dept Staffing
- FY 26-30 Anticipated Requests
- General Fund
- Housing Corps
- Managed Hiring Program
- Things to request



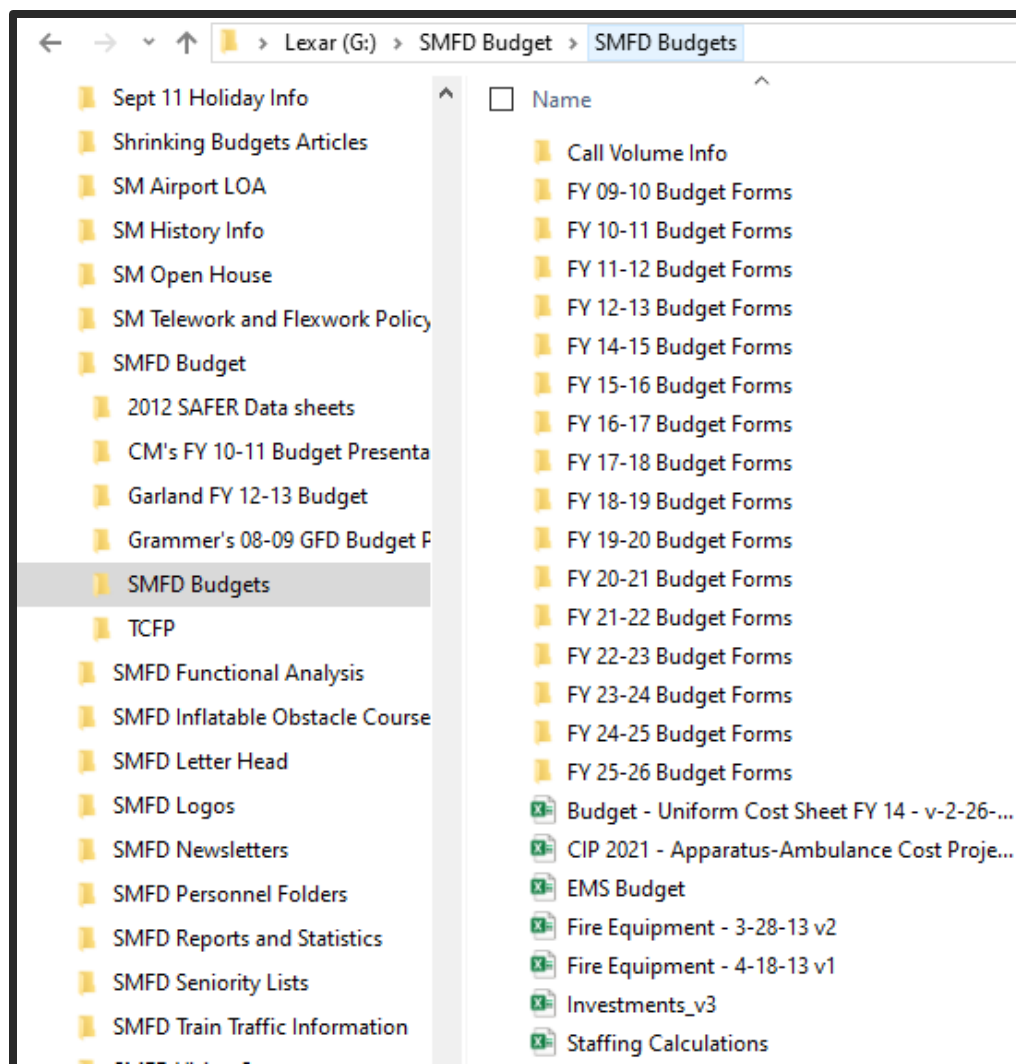
# Helpful Hints: Files







# Helpful Hints: Files





# Helpful Hints: Files



← → ▾ ⬆ > This PC > Lexar (E:) > SMFD Budget > SMFD Budgets > FY 22-23 Budget Forms			
	Name	Date modified	Type
★ Quick access			
💻 This PC	📁 Budget Presentation	05/10/2022 7:29 PM	File
🖥 Desktop	📁 Capital Outlay	04/25/2022 8:52 AM	File
📄 Documents	📁 CIP	04/08/2022 1:38 PM	File
⬇ Downloads	📁 General Fund	04/18/2022 9:51 PM	File
🎵 Music	📁 SM-HC EMS Budget_2023	05/11/2022 8:03 PM	File
🖼 Pictures	📄 Budget Issues FY 22-23	02/10/2022 12:52 PM	Mid
🎬 Videos	📄 Fire Department Constraints FY 22-23	04/01/2022 3:59 PM	Mid
🖥 Windows (C:)	📄 Fire Marshal Future State Diagram v2	08/01/2018 8:43 AM	Mid
Lexar (E:)	📄 FMO Personnel Justification FY 22-23	02/10/2022 10:48 AM	Mid
Scans (S:)	📄 FMO Personnel Justification V2	02/09/2022 8:56 AM	Mid
stephens_les's files (	📄 FMO Personnel Justification	04/21/2018 1:37 PM	Mid
Fire (\\san_marcos\t	📄 FY23 BUDGET PROJECTION - LEVEL 1 - D...	05/11/2022 8:38 PM	Mid
	📄 SMFD Calls For Service - 2021	02/10/2022 2:36 PM	PDF



# Helpful Hints: Staffing Scenarios



Fiscal Year	Adding three FTEs every other year	Adding two FTEs/year	Adding three FTEs/year	Adding four FTEs/year	Engine 7 Staffed	Engine 8 Staffed	Engine 9 Staffed	Engine 10 Staffed
FY25	-	-	-	-				
FY26	5	5	5	5	Adding 1/3 of the staffing for Engine 7 (SAFER or O&M)			
FY27	5	5	5	5	Adding 1/3 of the staffing for Engine 7 (SAFER or O&M)			
FY28	5	5	5	5	15 for Engine 7 achieved (5 FTEs every year)			
FY29	-	2	3	4				
FY30	3	2	3	4				
FY31	-	2	3	4				
FY32	3	2	3	4		15 for Engine 8 achieved (4 FTEs every year)		
FY33	-	2	3	4		15 for Engine 8 achieved (3 FTEs every year)		
FY34	3	2	3	4				
FY35	-	2	3	4				
FY36	3	2	3	4		15 for Engine 8 achieved (2 FTEs every year)	15 for Engine 9 achieved (4 FTEs every year)	
FY37	-	2	3	4				
FY38	3	2	3	4		15 for Engine 8 achieved (3 FTEs every other year)	15 for Engine 9 achieved (3 FTEs every year)	
FY39	-	2	3	4				
FY40	3	2	3	1				15 for Engine 10 achieved (4 FTEs every year)
FY41	-	2	3	-				
FY42	3	2	3	-				
FY43	-	2	3	-			15 for Engine 9 achieved (2 FTEs every year)	15 for Engine 10 achieved (3 FTEs every year)
FY44	3	2	-	-				
FY45	-	2	-	-				
FY46	3	2	-	-				
FY47	-	2	-	-				
FY48	3	2	-	-			15 for Engine 9 achieved (3 FTEs every other year)	
FY49	-	2	-	-				
FY50	3	2	-	-				
FY51	-	1	-	-				15 for Engine 10 achieved (2 FTEs every year)
FY52	3	-	-	-				
FY53	-	-	-	-				
FY54	3	-	-	-				
FY55	-	-	-	-				
FY56	3	-	-	-				
FY57	-	-	-	-				
FY58	3	-	-	-				15 for Engine 10 achieved (3 FTEs every other year)
FY59	-	-	-	-				
FY60	-	-	-	-				



# Helpful Hints: Planning



Description		SMFD Unit Name	City Vehicle #	Equipment Name	Year	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
E2	ENG02	Engine 2	23007	2022 Spartan Metro Star Pumper, L9 Cummins, Allison 3000 Series Transmission, Light Tower	2022							\$ 1,550,000.00				
Batt 1	BATT1	Battalion 1	21008	2021 Chevy 3500HD, Diesel, 4x4, Command, Light Tower	2021						\$ 272,000.00					
T5	TRK5	Truck 5 (Tiller)	22003	2020 Spartan ERV, 105' TDQ, 300 Gallons, 2000GPM	2020							\$3,600,000.00				
E6	ENG06	Engine 6	22002	2020 Spartan ERV Pumper, 1250 GPM, 500 Gallons, Light Tower	2020								\$ 1,650,000.00			
E-1	ENG01	Engine 1	52-628	2012 Spartan ERV (Emergency Response Vehicle); 2013 Spartan Gladiator Chassis; 500 HP ISX 15 Cummins Engine; Allison 4000EVS Automatic Transmissin; 1500 CSU Waterous Fire Pump; 500 gallon	2012											
E-7	ENG07	Engine 7	??-???	New Engine for Station at Yarrington and IH 35. Apparatus needs to be in the same year as the construction, will take 1 year to build.	2025		\$1,250,000.00									
Airport Engine	ENG??	Airport Engine	??-???	New Engine for Station at the Airport. Apparatus needs to be in the same year as the construction, will take 1 year to build.	2026			\$1,325,000.00								
B-2	BRSH2	Brush 2	52-319	2003 Ford F-550	2003			\$ 300,000.00								
T-3	TRK03	Truck 3	52-631	2014 Spartan ERV 100' Aerial Ladder	2014	\$2,300,000.00										
E-4	ENG04	Engine 4	17050	2017 Spartan 216087-01	2017						\$ 1,500,000.00					
B-4	BRSH4	Brush 4	52-625	2013 Ford F-550, Extended cab, 4x4	2013									\$ 397,994.66		
B-5	BRSH5	Brush 5	52-626	2013 Ford F-550, Extended cab, 4x4	2013									\$ 397,994.66		
Haz-Mat 3	HZMT3	Hazmat	52-503	2004 Ford F-550	2004					\$ 325,000.00						
R-1	RESC1	Heavy Rescue	52-641	2016 SVI Heavy Rescue Truck	2016											
Airpacks											\$ 1,000,000.00					
Radios										\$ 515,000.00						



# Helpful Hints: Planning



Description		SMFD Unit Name	City Vehicle #	Equipment Name	Year	FY34	FY35	FY36	FY37	FY38	FY39	FY40	FY41	FY42	FY43	FY44
E2	ENG02	Engine 2	23007	2022 Spartan Metro Star Pumper, L9 Cummins, Allison 3000 Series Transmission, Light Tower	2022											
Batt 1	BATT1	Battalion 1	21008	2021 Chevy 3500HD, Diesel, 4x4, Command, Light Tower	2021				\$ 401,867.88							
T5	TRK5	Truck 5 (Tiller)	22003	2020 Spartan ERV, 105' TDQ, 300 Gallons, 2000GPM	2020											
E6	ENG06	Engine 6	22002	2020 Spartan ERV Pumper, 1250 GPM, 500 Gallons, Light Tower	2020											
E-1	ENG01	Engine 1	52-628	2012 Spartan ERV (Emergency Response Vehicle); 2013 Spartan Gladiator Chassis; 500 HP ISX 15 Cummins Engine; Allison 4000EVS Automatic Transmissin; 1500 CSU Waterous Fire Pump; 500 gallon	2012					\$2,286,821.00						
E-7	ENG07	Engine 7	??-???	New Engine for Station at Yarrington and IH 35. Apparatus needs to be in the same year as the construction, will take 1 year to build	2025						\$2,598,660.22					
Airport Engine	ENG??	Airport Engine	??-???	New Engine for Station at the Airport. Apparatus needs to be in the same year as the construction, will take 1 year to build	2026								\$2,754,579.84			
B-2	BRSH2	Brush 2	52-319	2003 Ford F-550	2003											
T-3	TRK03	Truck 3	52-631	2014 Spartan ERV 100' Aerial Ladder	2014						\$4,781,534.81					
E-4	ENG04	Engine 4	17050	2017 Spartan 216087-01	2017											\$3,118,392.27
B-4	BRSH4	Brush 4	52-625	2013 Ford F-550, Extended cab, 4x4	2013											
B-5	BRSH5	Brush 5	52-626	2013 Ford F-550, Extended cab, 4x4	2013											
Haz-Mat 3	HZMT3	Hazmat	52-503	2004 Ford F-550	2004											
R-1	RESC1	Heavy Rescue	52-641	2016 SVI Heavy Rescue Truck	2016			\$ 2,922,999.10								
Airpacks																
Radios												\$ 924,866.01				\$ 2,078,928.18



# Helpful Hints: Planning



Description		SMFD Unit Name	City Vehicle #	Equipment Name	Year	FY44	FY45	FY46	FY47	FY48	FY49	FY50	FY51	FY52	FY53	FY54
E2	ENG02	Engine 2	23007	2022 Spartan Metro Star Pumper, L9 Cummins, Allison 3000 Series Transmission, Light Tower	2022		\$3,222,338.68									
Batt 1	BATT1	Battalion 1	21008	2021 Chevy 3500HD, Diesel, 4x4, Command, Light Tower	2021		\$ 593,741.89								\$ 877,227.18	
T5	TRK5	Truck 5 (Tiller)	22003	2020 Spartan ERV, 105' TDQ, 300 Gallons, 2000GPM	2020		\$7,484,141.45									
E6	ENG06	Engine 6	22002	2020 Spartan ERV Pumper, 1250 GPM, 500 Gallons, Light Tower	2020			\$3,430,231.50								
E-1	ENG01	Engine 1	52-628	2012 Spartan ERV (Emergency Response Vehicle); 2013 Spartan Gladiator Chassis; 500 HP ISX 15 Cummins Engine; Allison 4000EVS Automatic Transmission; 1500 CSU Waterous Fire Pump; 500 gallon	2012										\$4,754,136.61	
E-7	ENG07	Engine 7	??-???	New Engine for Station at Yarrington and IH 35. Apparatus needs to be in the same year as the construction, will take 1 year to build.	2025											
Airport Engine	ENG??	Airport Engine	??-???	New Engine for Station at the Airport. Apparatus needs to be in the same year as the construction, will take 1 year to build.	2026											
B-2	BRSH2	Brush 2	52-319	2003 Ford F-550	2003			\$ 795,989.31								
T-3	TRK03	Truck 3	52-631	2014 Spartan ERV 100' Aerial Ladder	2014											\$9,940,467.46
E-4	ENG04	Engine 4	17050	2017 Spartan 216087-01	2017	\$3,118,392.27										
B-4	BRSH4	Brush 4	52-625	2013 Ford F-550, Extended cab, 4x4	2013											
B-5	BRSH5	Brush 5	52-626	2013 Ford F-550, Extended cab, 4x4	2013											
Haz-Mat 3	HZMT3	Hazmat	52-503	2004 Ford F-550	2004					\$ 862,321.75						
R-1	RESC1	Heavy Rescue	52-641	2016 SVI Heavy Rescue Truck	2016											
Airpacks						\$ 2,078,928.18										
Radios														\$1,660,926.47		





# Helpful Hints: Planning



Description		SMFD Unit Name	City Vehicle #	Equipment Name	Year	FY55	FY56	FY57	FY58	FY59	FY60	FY61
E2	ENG02	Engine 2	23007	2022 Spartan Metro Star Pumper, L9 Cummins, Allison 3000 Series Transmission, Light Tower	2022						\$ 6,699,010.68	
Batt 1	BATT1	Battalion 1	21008	2021 Chevy 3500HD, Diesel, 4x4, Command, Light Tower	2021							\$1,296,064.08
T5	TRK5	Truck 5 (Tiller)	22003	2020 Spartan ERV, 105' TDQ, 300 Gallons, 2000GPM	2020					\$15,558,992.55		
E6	ENG06	Engine 6	22002	2020 Spartan ERV Pumper, 1250 GPM, 500 Gallons, Light Tower	2020							\$7,131,204.92
E-1	ENG01	Engine 1	52-628	2012 Spartan ERV (Emergency Response Vehicle); 2013 Spartan Gladiator Chassis; 500 HP ISX 15 Cummins Engine; Allison 4000EVS Automatic Transmissin; 1500 CSU Waterous Fire Pump; 500 gallon	2012							
E-7	ENG07	Engine 7	??-???	New Engine for Station at Yarrington and IH 35. Apparatus needs to be in the same year as the construction, will take 1 year to build.	2025	\$5,402,427.97						
Airport Engine	ENG??	Airport Engine	??-???	New Engine for Station at the Airport. Apparatus needs to be in the same year as the construction, will take 1 year to build.	2026		\$5,726,573.65					
B-2	BRSH2	Brush 2	52-319	2003 Ford F-550	2003							
T-3	TRK03	Truck 3	52-631	2014 Spartan ERV 100' Aerial Ladder	2014							
E-4	ENG04	Engine 4	17050	2017 Spartan 216087-01	2017					\$6,482,913.56		
B-4	BRSH4	Brush 4	52-625	2013 Ford F-550, Extended cab, 4x4	2013							
B-5	BRSH5	Brush 5	52-626	2013 Ford F-550, Extended cab, 4x4	2013							
Haz-Mat 3	HZMT3	Hazmat	52-503	2004 Ford F-550	2004							
R-1	RESC1	Heavy Rescue	52-641	2016 SVI Heavy Rescue Truck	2016		\$7,755,586.80					
Airpacks									\$ 4,116,135.60			
Radios												





# Financing Fire Apparatus



- New Engine - \$1M
- 20-year Certificate of Obligation (CO Bonds)
- Rates between 4.41% and 5.00%; avg 4.705%
- Total of 240 Loan Payments - \$1,545,044.56
- Total Loan Interest - \$545,044.56
- Total Cost (price, interest, fees) - \$1,545,044 56



# Financing Fire Apparatus



- New Engine - \$1M
- 10-year tax notes or “bank notes”
- Rates between 4.0% and 4.25%; avg 4.125%
- Total of 120 Loan Payments - \$1,222,083.29
- Total Loan Interest - \$222,083.29
- Total Cost (price, interest, fees) - \$1,222,083.29



# Financing Fire Apparatus



- New Engine - \$1M
- 7-year tax notes or “bank notes”
- Rates between 4.0% and 4.25%; avg 4.125%
- Total of 84 Loan Payments - \$1,153,019.31
- Total Loan Interest - \$153,019.31
- Total Cost (price, interest, fees) - \$1,153,019.31



# Financing Fire Apparatus



\$1M Purchase	\$1M Purchase	\$1M Purchase
7 years/84 months	10 years/120 months	20 years/240 months
Rate: 4.125%	Rate: 4.125%	Rate: 4.705%
Total: \$1,153,019.31	Total: \$1,222,083.29	Total: \$1,545,044.56
Interest: \$153,019.31	Interest: \$222,083.29	Interest: \$545,044.56
Δ \$392,025 over 20 year	Δ \$322,961.27 over 20 year	Δ No savings
Δ \$69,063.98 over a 10 year	Δ No savings	Δ No savings



# Housing Finance Corporations



## NEWS

### How a town miles away could take properties off Hill Country tax rolls

Four apartment complexes in Hays County are now owned by a public agency from Pleasanton — and might get their taxes exempted.

By **Richard Webner**, **Madison Iszler**, *Staff writers*  
March 24, 2025





# What are Housing Finance Corporations



- Housing Finance Corporations are nonprofit entities created under Texas Local Government Code Chapter 394 to support the construction or purchase of affordable housing. They are public instrumentalities distinct from cities, counties, or other political subdivisions.





# Pleasanton Housing Finance Corporation



Hays CAD  
Property Search



Homepage



Interactive Map



Online Forms

1610 N. IH 35

Search



Page 1 of 1 - Total: 1 (0.206 seconds)

Grid List

Customize View

Year: 2025

Page Size: 25

Download Results

1

1 - 1 of 1 items

Quick Ref ID	Nbrhd. Code	Type	Owner Name	Owner ID	Address	Appraised
R105374	C-SM-MF	Real	PLEASANTON HOUSING FINANCE CORPORATION	O0165578	1610 N IH 35, SAN MARCOS, TX 78666	\$41,579,560

1975 Aquarena Springs

Search



Page 1 of 1 - Total: 1 (0.027 seconds)

Grid List

Customize View

Year: 2025

Page Size: 25

Download Results

1

1 - 1 of 1 items

Quick Ref ID	Nbrhd. Code	Type	Owner Name	Owner ID	Address	Appraised
R100679	C-SM-MF	Real	PLEASANTON HOUSING FINANCE CORPORATION	O0165578	1975 AQUARENA SPRINGS DR, SAN MARCOS, TX 78666	\$35,700,000

36





# Pleasanton Housing Finance Corporation



- The Mirage Apartments
  - \$41,579,500 valuation
- The Lodge Apartments
  - \$35,700,000 valuation
- Total Valuation
  - $\$77,279,500 \div 100 \times \$0.6030 = \underline{\$456,995.38}$
- \$9,319,907 lost revenue over 20 years



# Pecos Housing Finance Corporation



Property	Owner	Property Address	Tax Year	2024 Assessed Value
R169258	IMPEX GRAND STONECREEK LLC	490 BARNES DR SAN MARCOS 78666	2024 ▼	\$42,000,000
<div>Details Bills Payment History Ag Rollback</div>				<div>Estimate Taxes Print</div>
2024 <span>Tax Statement Details</span>				
TOTAL TAXES DUE <span>Effective Date: 4/9/2025</span>				
Current Amount Due	\$0.00			
Past Years Due	\$0.00			
Total Due	\$0.00			
TAXING ENTITY	TOTAL TAXES DUE	DATE PAID	AMOUNT PAID	BALANCE
City Of San Marcos	\$253,260.00	1-17-2025	\$253,260.00	\$0.00
Hays County	\$129,570.00	1-17-2025	\$129,570.00	\$0.00
San Marcos CISD	\$426,384.00	1-17-2025	\$426,384.00	\$0.00
Special Road Dist	\$17,430.00	1-17-2025	\$17,430.00	\$0.00
TOTALS	\$826,644.00		\$826,644.00	\$0.00

Taxes Due –

City of San Marcos - \$253,260

SMCISD - \$426,384

Hays County - \$129,570

Special Road District - \$17,430



# Pecos Housing Finance Corporation



## Property Taxing Jurisdiction

[↑ Back to Top](#)

Owner: PECOS HOUSING FINANCE CORPORATION %Ownership: 100.00%

Entity	Description	Market Value	Taxable Value
CAD	APPRAISAL DISTRICT	\$42,000,000	\$42,000,000
CSM	CITY OF SAN MARCOS	\$42,000,000	\$42,000,000
GHA	HAYS COUNTY	\$42,000,000	\$42,000,000
RSP	SPECIAL ROAD	\$42,000,000	\$42,000,000
SSM	SAN MARCOS CISD	\$42,000,000	\$42,000,000

Total Tax Rate: 0.000000



# Pecos Housing Finance Corporation



- Purchased The Grand at Stonecreek Apts
- Assessed value: \$42,000,000
- Paid \$253,000 in CITY property taxes in 2024
- \$5,060,000 in lost revenue over 20 years, just to the City of San Marcos
- Paid \$826,644 in total ad valorem taxes in 2024
- \$16,532,880 in lost revenue over 20 years to COSM, Hays County, and SMCISD



# Housing Finance Corporations



- What's in it for them???
- To date, 68 properties associated with Pleasanton HFC are located across Texas counties including Bexar, Travis, Tarrant, McLennan, Dallas, Denton, Hays and Johnson.
- Pay \$300,000 to the Pleasanton Housing Finance Corporation for each transaction.
- Unclear if this is annual or one time



# Housing Finance Corporations



- Funds were recently used to support a five-year freeze on water rate hikes following a city council resolution.
- “The corporation provides an additional source of revenues to supplement the city’s other revenues, such as tax revenues and waterworks and sewer system revenues, and allow the city to maintain a healthy general fund balance without imposing additional taxes or raise rates on the citizens of Pleasanton or complete municipal projects of the city without imposing taxes on citizens.”



# How Smart Are We???



- Taxes Due –
  - City of San Marcos - \$253,260
  - Hays County - \$129,570
  - SMCISD - \$426,384
  - Special Road District - \$17,430
- Total - \$826,644 loss to gain \$300,000.
- The balance becomes ongoing profit for the investment firm.



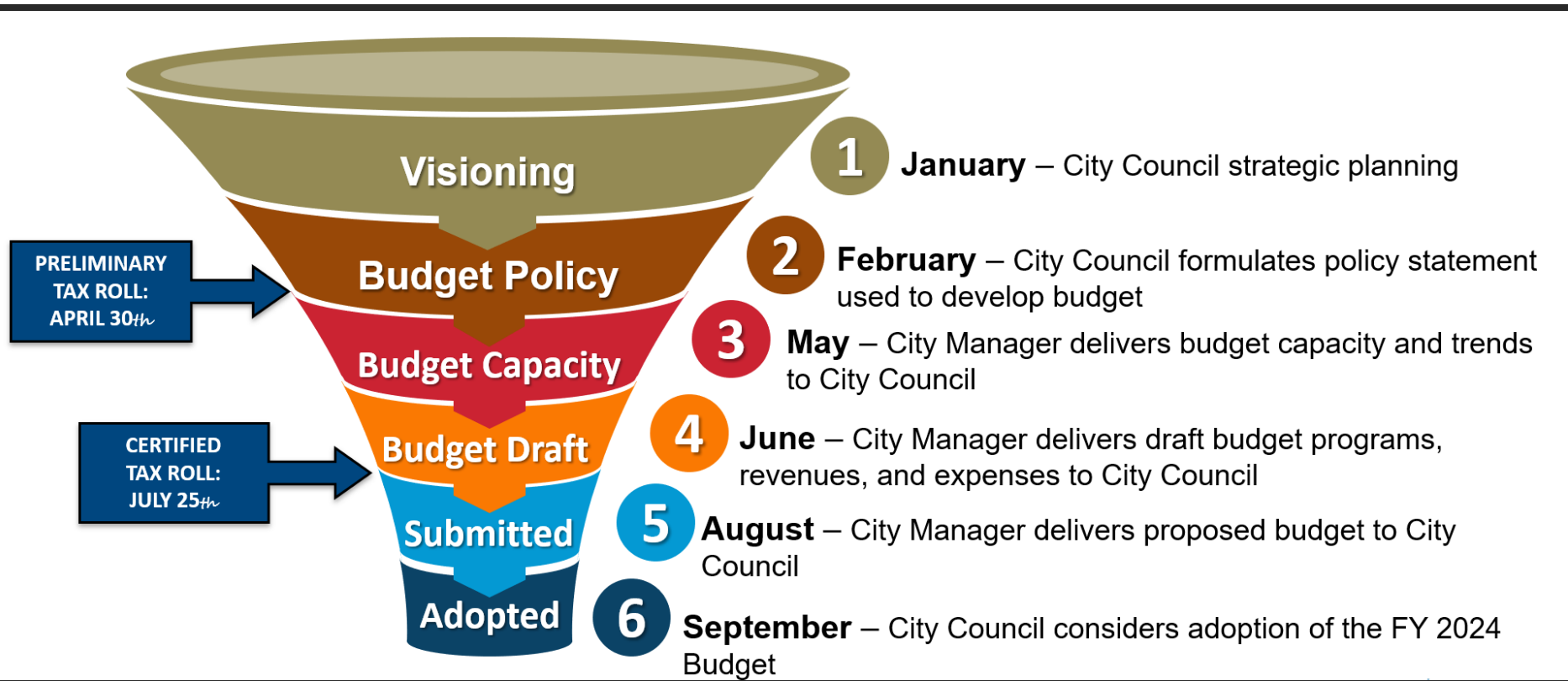


# Questions?





# Phases of the Budget Cycle





# Why Develop a CIP?



“If You Fail to Plan,  
You Plan to Fail”

*Benjamin Franklin*



# Capital Improvements Overview



**What is a CIP?**

**Why develop a Capital Plan**

**Community Input**

**The Budget Connection**



# What is a CIP?



- Capital Improvement Project: Construction, Major Maintenance and Improvement Projects. Includes Infrastructure Upgrades and Replacement
- Capital Improvement Plan: 5-10 Year Plan
- Update Annually – Not “One and Done”
- Approved by Council
- Future Capital Improvement Projects



# Why Develop a Capital Plan



**Inform Your Citizens of what Projects are Planned**

**Provides Certainty for the Future**

**Aides in Outreach and Construction Coordination**

**Prioritizes Capital Construction & Maintenance**

**Helps Forecast/Coordinate Long-term Needs**

**Ensures Infrastructure is Maintained & Upgraded**

**Provides a Plan for Funding**

**Maintain High Bond Ratings**

**Allows Time to Plan for Large Projects**



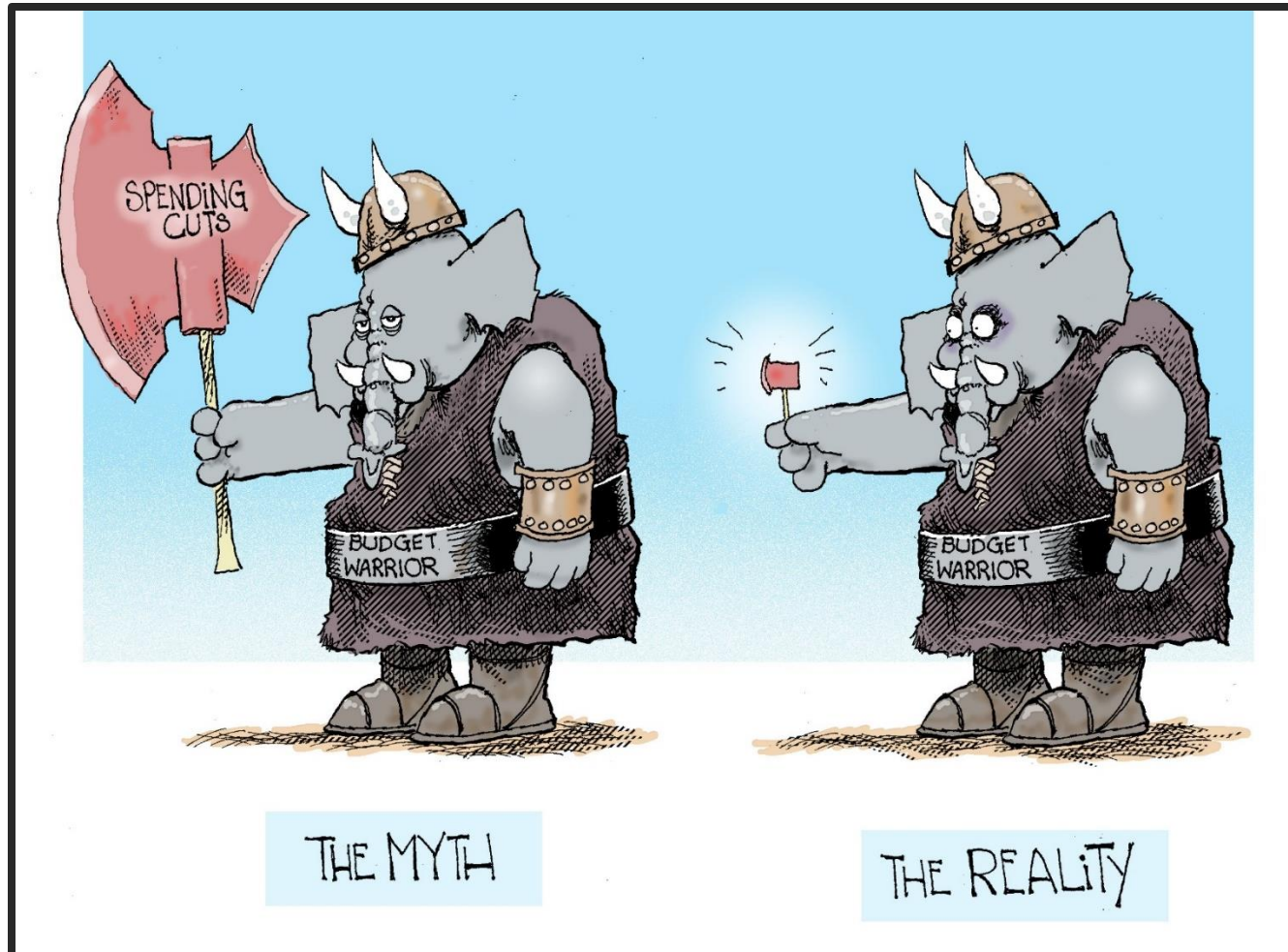


# Community Input





# The Budget Connection





# The Budget Connection – How Do These Projects Fit



**Funds Identified for Initial Construction**



**Annual Budgets Must Include Operating and Maintenance Costs**



**Inflation Should be Factored into the Equation**



**Set Aside Contingency Funds**



**Internal Service Funds Used to Set Aside Funds for Future Purchases**



**Long Term Forecasting Included in the Annual Budget Process**



# Capital Maintenance Program



- Deferred Maintenance Increases Future Capital Costs
- On-going Capital Maintenance is Included in Operating Budget
- Internal Service Funds - “Lease” Equipment to Departments
- Lease Fees Fund Capital Repairs and Replacement



# What is Truth-In-Taxation



Also known as

# TNT





# 2020 Truth-In-Taxation



**Property owners have the right to know about increases in their properties' appraised value and to be notified of the estimated taxes that could result from the new value**

**A taxing unit must publish its no new revenue tax rate and its voter approval rate before adopting an actual tax rate**

**A taxing unit must publish special notices and hold one public hearing before adopting a tax rate that exceeds the lower of the voter approval rate or the no new revenue tax rate**

**If a city adopts a tax rate exceeding the voter approval rate (3.5% M&O growth plus unused increment rate), a city must hold an automatic election in November**





# No New Revenue Tax Rate



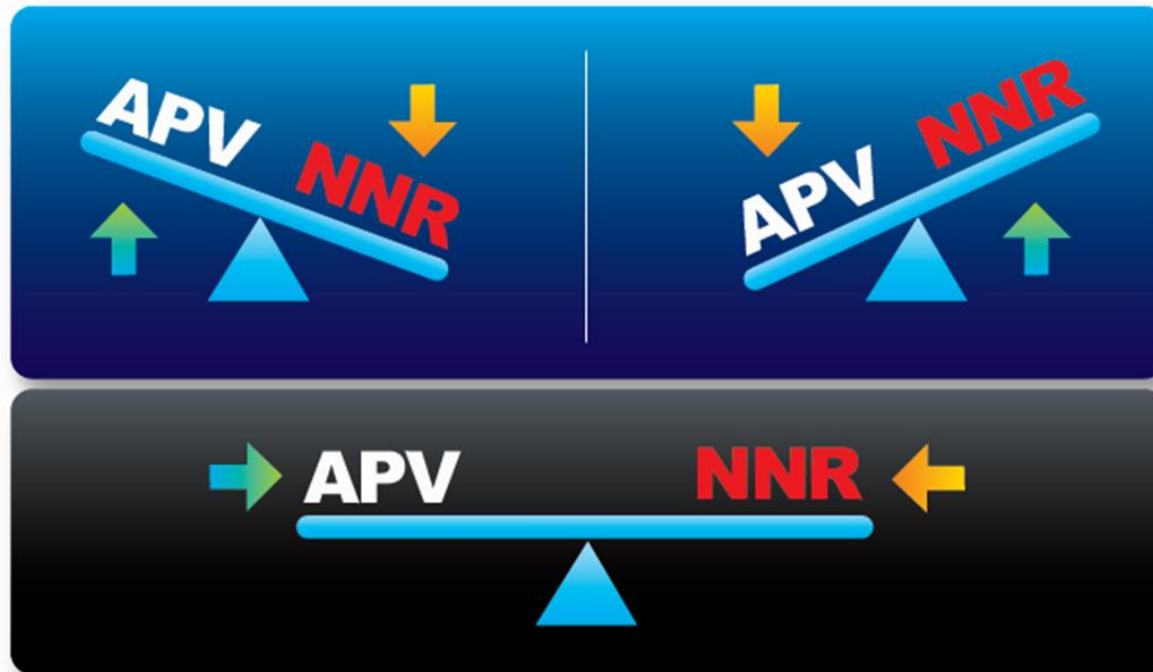
- **No-New-Revenue Tax Rate:** The tax rate that would produce the same amount of property tax revenue when applied against properties taxed in both years.
- **Voter-Approved Tax Rate:** The maximum rate allowed by law without voter approval and is the tax rate that would produce the same amount of property tax revenue for operations when applied against properties taxed in both years, plus 3.5%, plus the tax rate necessary to meet debt service requirements, and plus any unused increment from the prior three years.



# See-Saw Effects

## Seesaw Effects

**APV:** Appraised Property Value    **NNR:** No New Revenue Rate





# A Brief Review of the Process



- Appraisal District Provides Value
- Governing Body Drafts Budgets
- Tax Assessor Calculates Rates, May Publish Notices
- Governing Body Proposes Rate/Holds Hearings
- Governing Body Adopts Tax Rate
- Tax Assessor Mails Bills



# What are the Most Common Policies



- Budget
- Revenues/Expenditures
- Fund Balance/Reserves
- Accounting, Auditing and Financial Reporting
- Internal Control
- Asset Management



# Other Common Policies



- Capital Improvements and Maintenance
- Debt Management
- Investment
- Grants
- Economic Development
- Risk Management



# Asset Management



- Investment Policy
- Reviewed Annually by Council
- Confirms to Legal Requirements
- Governed by PFIA
- Required Training
- Adopted Policies
- Regular Reporting - Quarterly
- Fixed Assets
- Capitalization Criteria - \$5,000
- GASB 34 Requirements





# Debt Management



- Use of Debt Financing
- Future Use Against Future Payment
- Long-Life Capital Assets
- Affordability Targets
- Debt Per Capita
- Debt as a Percent of Taxable Value
- Debt Service Payments as % of Current Revenues
- Debt Tax Rates as Percent of Total Tax Rate
- Sale Process
- Competitive vs. Negotiated
- Full and Continuing Disclosure



# Types of Debt



- General Obligation
- Tax Supported and Voter Approved
- Certificates of Obligation
- Tax Supported
- Issued by Council after Notice Process
- Revenue Bonds
- Repaid through Rates
- Self-Supporting Debt
- Tax Debt PAID FROM OTHER SOURCES
- Internal Borrowings
- Between Funds Within the City
- Agreements with TXDOT



# Other Funding Alternatives



- Grants
- Use of Reserve Funds
- Developer Contributions
- Leases
- Impact Fees
- CARES Act Funding



# Accounting and Financial Reporting



- Provide Quarterly/Monthly Reports to Council
- Outside Audit Annually of all City Accounts
- Accountable Directly to City Council
- Prepare (CAFR)
- Follow GFOA Standards and Best Practices



# Internal Controls



- Deterrents
  - Stop it Before it Starts!
- Detection Controls
  - If Can't Stop it, Detect it Early!
- Actively Pursue
- Acknowledge Risks that Arise from Staff Cuts
- Internal Control Program / Audits
- Written Policies Reviewed Annually



# Financial Reserves



- Fund Balance Policy – 25-30%
- Rainy Day Fund for Unexpected Emergency
- 90 Day Reserve in General Fund
  - 30 Days = “Emergency” Funds
  - Offset Sudden Tax Decrease
  - Replenished Next Budget Cycle
- 60 Days = Long-term Reserves





# Conclusion



1

Allow policies to guide City's financial operations

2

Adhere to the guidelines addressed in the policies

3

Benchmark to ensure policies are reasonable and achieve desired goals

4

Communicate policies and guidelines to citizens and employees



# Budget Contingency Plan



- A Contingency Plan describes actions that can or should be executed when a specific contingency occurs
- A Budget Contingency Plan is designed to establish general policy guidelines for handling gaps between revenues and expenditures
- Determines the appropriate course of action management can take in anticipation of or in response to significant changes in the City's balance of revenues and expenditures



# Results of Good Budgeting Practices



- Good budgeting results in a number of positive financial outcomes:
  - Balanced Budgets
  - Positive Budget Variances
  - Positive Fund Balances
  - Improved Bond Ratings
  - Avoidance of Enterprise Fund Subsidies/Transfers
  - Stable Finances



# Questions?

