City of Austin
2025-26
BUDGET

Five-Year Financial Forecast Report
FY 2026 - FY 2030

Office of Budget and Organizational Excellence

Art in Public Places: *La Mujer* by J Muzacz/Caminos Internship Program, 2022

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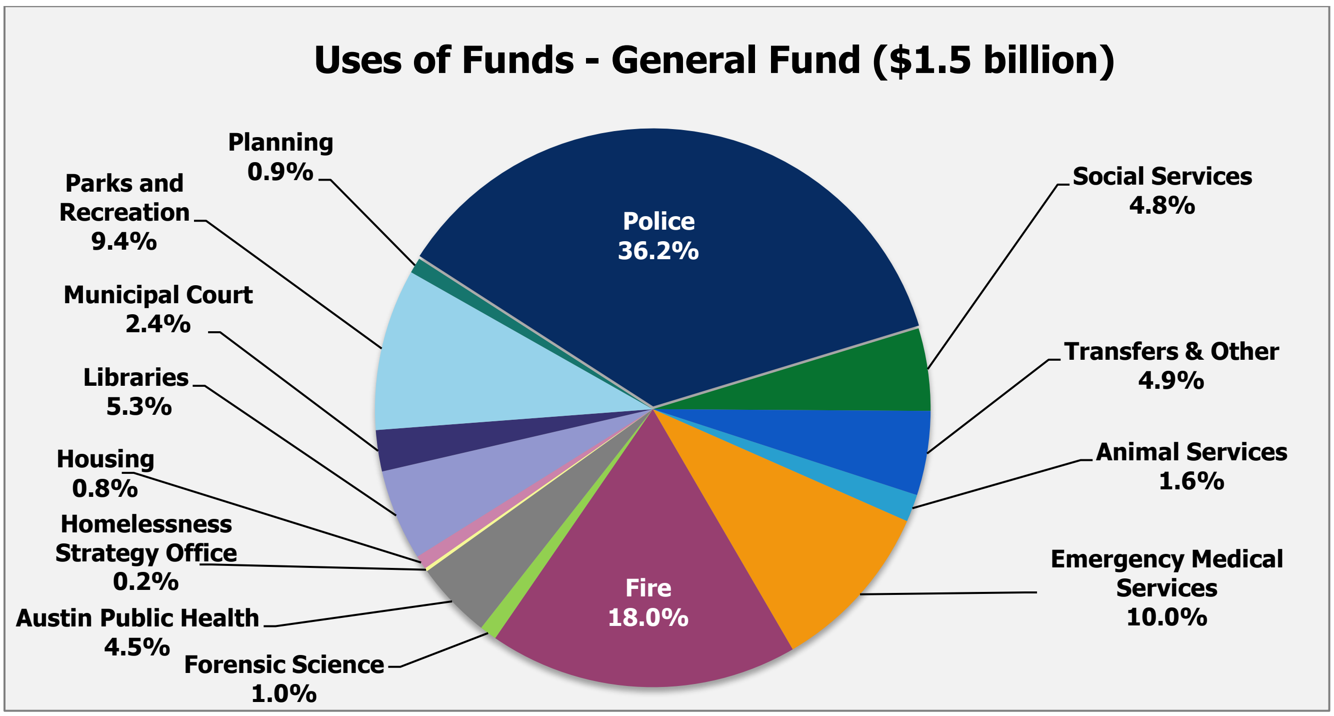
General Fund Forecast

Expenditures

The General Fund is the general operating fund for the City of Austin. It includes twelve departments that provide programs, activities, and services directly to the citizens of Austin, as well as to surrounding communities. Total FY 2026 base expenditures for the General Fund are projected at $1.5 billion, which is $76.6 million, or 5.4%, higher than the FY 2025 Amended Budget. The largest portion of the General Fund budget, approximately 65.2%, is allocated to the four existing public safety departments: Police, Fire, Emergency Medical Services and Forensic Science. The community service departments—Parks and Recreation, Austin Public Health, Library, Animal Services, Municipal Court, Homelessness Strategy, Housing, Planning and Social Services Contracts—collectively comprise 29.9% of the General Fund budget. Transfers & Other Requirements represent the remaining 4.9% of General Fund expenditures.



FY 2025 General Fund expenditures are projected to end the year at the amended budgeted amount of $1.4 billion. Current estimates assume no departmental budget savings this year due to inflationary cost pressures and as a result of a decline in vacancy savings attributable to successful hiring efforts. During the FY 2025 budgetary planning process, the City continued a policy that positions vacant longer than two years would be eliminated, and any department with a vacancy rate higher than 15% would not be able to make requests for new positions. This policy will be repeated during the development of the FY 2026 Budget in order to identify resources that can be repurposed to other priorities. As a result of the organization's emphasis on filling its authorized positions, the City-wide vacancy rate currently stands at 10.2%, a significant decrease from levels in recent years.

For the FY 2026 Forecast, General Fund expenditures are projected to increase by $76.6 million, or 5.4%, over the FY 2025 Amended Budget. Major anticipated cost drivers and year-over-year adjustments are described below. An additional section detailing variances between the FY 2026 Forecast and the FY 2026 planned budget is included in a later section of this report.

- Sworn public safety personnel costs in the amount of $22.5 million, including base pay enhancements and increased health insurance and pension contribution costs.
  - Police and EMS both have agreements with their sworn labor force; the agreement with the Austin Police Association will expire at the end of FY 2029 and the EMS Association contract at the end of FY 2027.
  - Negotiations with the Austin Fire Association will commence soon. This forecast includes placeholder values—projected based on market factors and historical trends—for the ultimate cost of a new contract.
- $17.3 million in personnel and benefit costs associated with our civilian workforce, including base wage and living wage increases, City-wide market-driven salary adjustments, and growth in the cost of the City's contributions to employee health insurance premiums and the COAERS pension system.
- $17.4 million to fund increases in allocated charges for Support Services, Information & Technology Management, fleet maintenance and fuel, and other City-wide costs.
- $3.5 million in the budget of the Homeless Strategy Office for the permanent operation of the 8th Street shelter.
- Miscellaneous contractual increases of $2.7 million across General Fund departments for technology and software contracts, interlocal agreements, rent, utilities, supplies, and operational equipment.
- $2.1 million for the annualized costs of positions and resources added in the FY 2025 Budget.
- $2.0 million for 16 new Fire sworn positions, and associated equipment and supplies, to staff a new ladder apparatus scheduled to become operational in FY 2026.
- A $2.0 million increase for the anticipated cost of a new Travis County Central Booking interlocal agreement, which is the net result of:
  - A reduction of $4.0 million and 16 positions in Municipal Court as result of the transition to Travis County providing 100% of the magistration services; and,
  - $6.0 million in the Police budget to fund the anticipated increase in the cost of the City's interlocal agreement with Travis County for Central Booking services.
- Net total increase of $5.0 million in other requirements and transfers out, primarily due to increases in the transfers to the Capital Rehabilitation Fund, Economic Development Fund, Housing Trust Fund and various other funds to keep pace with growing costs, partially offset by the removal of a one-time $1.5 million transfer to the Budget Stabilization Reserve that took place in FY 2025.

Over the remainder of the five-year forecast period, annual General Fund expenditures are projected to increase by an additional $248.4 million. This equates to a compound annual growth rate of 3.9%. Major components of this increase are described below. Outside of the items included here, *the Forecast does not assume or include any significant enhancements to General Fund services or staffing levels.*

- $178.2 million for personnel-related cost drivers such as wage adjustments, health insurance contributions to the Employee Benefits Fund, and pension contributions.
- $56.3 million for anticipated growth in the General Fund's share of the allocated costs of the City's Support Services, Information & Technology Management, and Fleet departments, as well as for other City-wide cost allocations.
- An additional $2.0 million in FY 2027 for the full-year cost of operating an additional new Fire ladder apparatus, including 16 positions, equipment, and operational supplies.

- An increase of $10.6 million in other requirements and transfers out, due to projected growth in the General Fund's contribution to other funds including the Capital Rehabilitation Fund, Economic Development Fund, Housing Trust Fund and the Liability Reserve Fund, as well as for miscellaneous other requirements.

Fund Summary *(in millions)*

	FY25 Amended	FY25 Estimated	FY26	FY27	FY28	FY29	FY30
Revenue & Transfers In*	$1,425.4	$1,419.7	$1,468.6	$1,515.3	$1,562.4	$1,616.0	$1,670.5
Expenditures & Transfers Out	$1,425.4	$1,425.4	$1,502.0	$1,569.5	$1,631.6	$1,690.6	$1,750.4
Surplus (Deficit)	$0	($5.7)	($33.4)	($54.3)	($69.2)	($74.5)	($79.9)
Projected Monthly Property Tax Bill for Typical Homeowner*	$164.13	$164.13	$180.53	$193.32	$204.10	$211.29	$219.16
FTEs	6,978	6,978	6,978	6,994	6,994	6,994	6,994

**Assumes voter-approval tax rate in all fiscal years.*
Note: Numbers may not add due to rounding.

Revenue

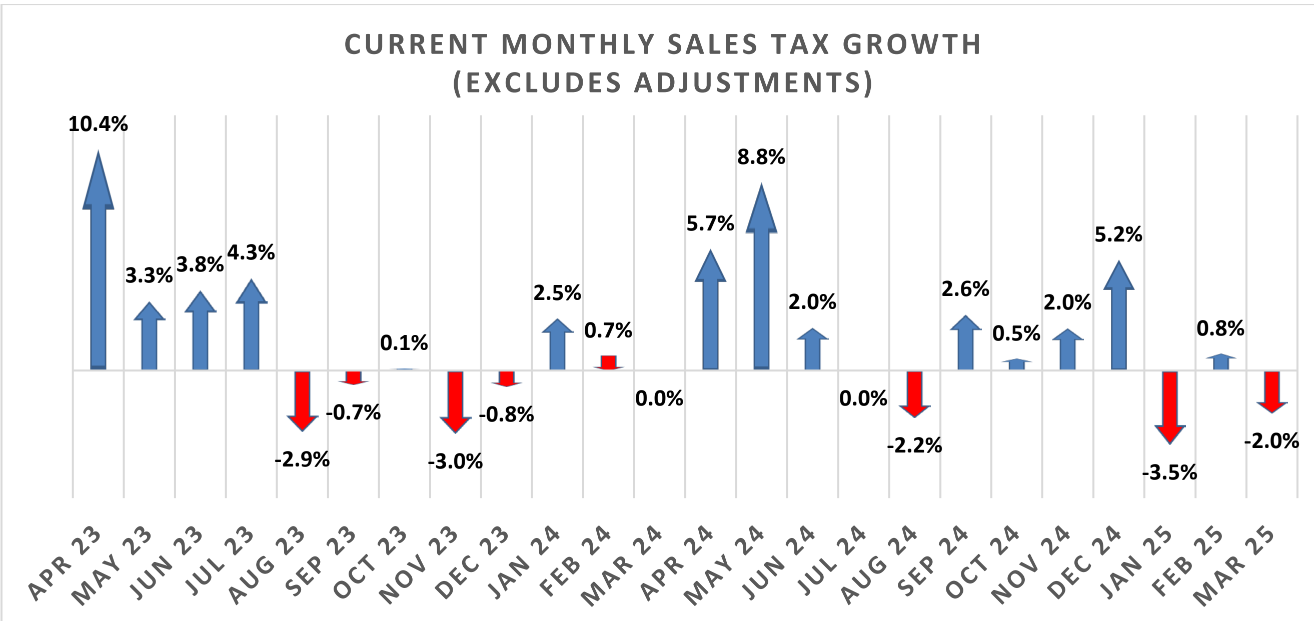
General Fund revenue is sourced from four broad categories: property tax, sales tax, transfers in from the two City-owned utilities, and other revenue. Property taxes are a result of the tax rate per $100 of property valuation. Sales tax collections allocated to the City of Austin are 1% of the price of taxable goods and services sold in the city of Austin. Transfers into the General Fund are received from the electric and water utilities in accordance with a Council ordinance. Other revenue comprises franchise fees, development fees, fines, forfeitures, penalties, licenses, permits, inspections, charges for services, and interest.

In FY 2025, property tax revenue is estimated to end the year at its budgeted figure of $682.2 million, as payments are currently tracking in line with the projected 98.5% collection rate. Sales tax receipts, the second largest revenue source, are projected at $370.5 million, which represents 1.5% growth from the prior year. This estimate is $7.9 million, or 2.1%, *below* the FY 2025 budget of $378.3 million, as taxable sales activity continues to slow in the face of economic uncertainty and declining consumer confidence. Transfers from the City-owned electric and water utilities are expected at the budgeted figure of $177.4 million. Other Revenue, such as departmental fees for services, franchise fees, and interest are estimated at a combined $189.6 million, 1.1% above the budgeted projection of $187.5 million, primarily as a result of stronger-than-anticipated growth in EMS ambulance services revenue attributable to increased billing and processing efficiencies. In total, General Fund revenue is projected to end the current year $5.7 million, or 0.4%, below the FY 2025 budget of $1.43 billion.

The FY 2026 base revenue forecast expects a 10% *decline* in taxable property value, from $236.3 billion to $212.7 billion, based on preliminary indications from the Travis County Appraisal District, with moderate increase in values in the 2%-to-4% range anticipated for FY 2027 through FY 2030. New property valuation of $2.2 billion is projected for FY 2026, which represents a steep decline from the record high of $5.4

billion experienced and reflects the recent downturn in development activity. An average of $2.6 billion in new value is anticipated in each year from FY 2027 through FY 2030 as the elevated interest rate environment of the past two years has constrained the pipeline of new development projects.

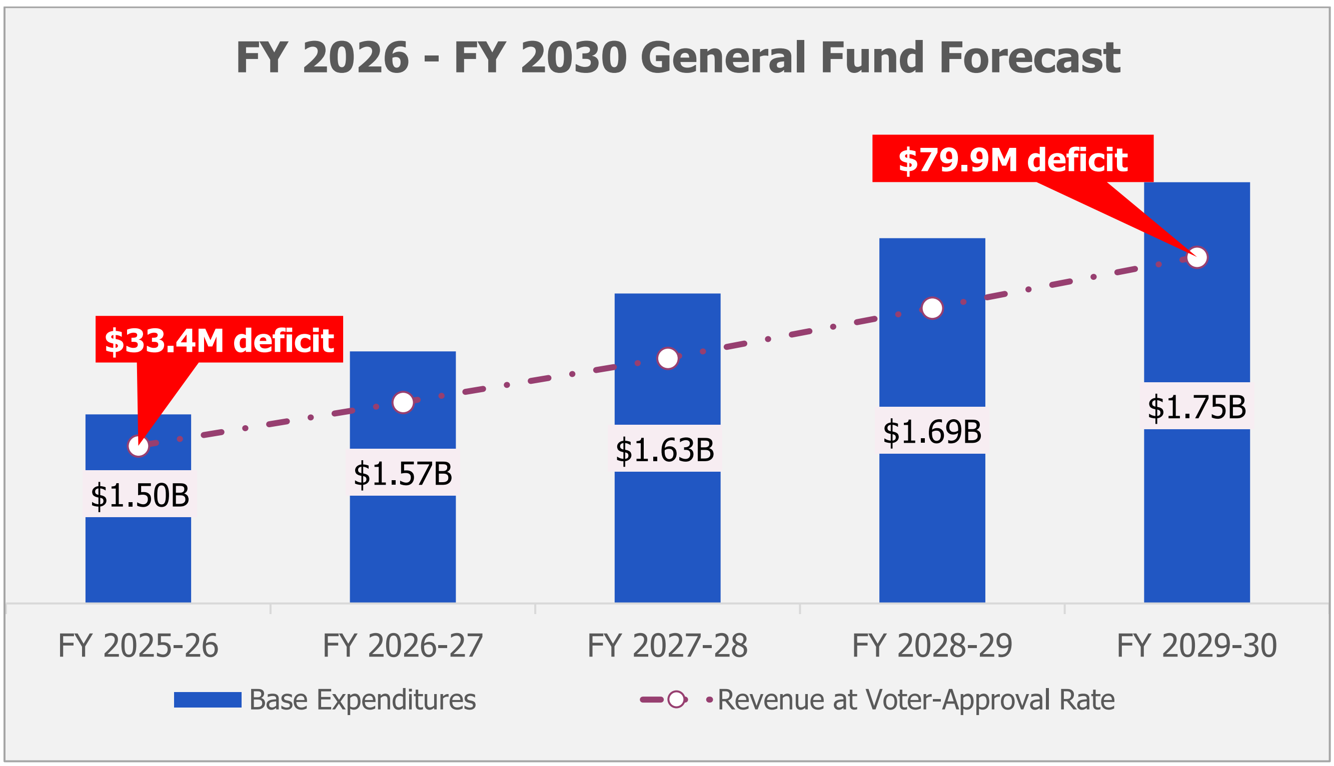
Sales tax growth for FY 2026 is projected at 1.0%, representing an increase of $3.7 million over estimated FY 2025 receipts, as a result of an analysis of the trend in current monthly collections (displayed below), which evidences a severe slowdown in retail sales activity. Anticipated annual growth rates recover to levels more consistent with the City's historical experience in the later years of the forecast period, rising to 1.5% in FY 2027, to 2.0% in FY 2028, and to 3% in FY 2029 and FY 2030.



Other Revenue is expected in FY 2026 to decrease by $1.4 million, or 0.8%, in comparison with estimated FY 2025 receipts, primarily due to lower expectations for interest earnings due to anticipated rate cuts by the Federal Reserve. Other Revenue is projected to increase at a 0.3% average annual rate over the remainder of the forecast period as the impact from a projected return to a lower interest rate environment counteracts modest growth in the other revenue sources. Utility Transfers are based on applying a percentage to three-year average revenue. Per financial policy, for Austin Energy, this percentage shall not exceed 12% and for Austin Water, it shall not exceed 8.2%. The total transfer is anticipated to increase by $16.1 million, or 9.1%, to $193.5 million in FY 2026, reflecting the impact of recent rate increases by both utilities. As a result of further planned rate increases by both utilities, as well as continued growth in their customer bases, the combined transfer is currently projected to rise to $227.0 million by the close of the forecast period.

Combined General Fund Forecast

The graph displayed below illustrates the combined revenue and baseline expenditure forecast for the General Fund over the next five fiscal years. It displays projected total revenue at the voter-approval property tax rate in each fiscal year. The voter-approval property tax rate is the maximum property tax rate that the City Council may approve without triggering an automatic citywide election. This tax rate generates the same amount of maintenance and operations tax revenue as was generated in the prior fiscal year from properties taxed in both years, plus an additional 3.5%, and plus the tax rate necessary to generate revenue sufficient to meet the servicing requirements for eligible debt. In 2019, state law was changed to reduce this 3.5% increase factor from 8%, which has placed *significant* constraints on the City's ability to generate sufficient property tax revenue to maintain structural balance. If the cap had remained at 8%, and the City Council had adopted the voter-approval property tax rate in each year, budgeted General Fund property tax revenue would be $160.8 million higher in FY 2025. Under the lower cap, even at the voter-approval property tax rate in each year, the General Fund is currently projected to experience significant deficits, with the imbalance increasing from $33.4 million in FY 2026 to $54.3 million in FY 2027, and further widening to $79.9 million by FY 2030.



FY 2026 Forecast Compared to FY 2026 Plan

The FY 2025 Approved Budget included for the first time the inclusion of a balanced budget plan for the subsequent fiscal year. This section details the changes in revenue and expenditure assumptions between this balanced FY 2026 plan and the FY 2026 Forecast, with its projected General Fund deficit of $33.4 million.

The FY 2026 Plan projected total General Fund revenue of $1,483.4 million, while the revised FY 2026 Forecast projects total revenue of $1,468.6 million, a decrease of $14.8 million, or 1.0%. The components of this variance are detailed in the table below.

General Fund Revenue Revisions	
Sales and Mixed Beverage Tax	($21.7 million)
Property Tax	($2.9 million)
EMS ambulance services revenue	$4.1 million
Utility Transfers	$6.1 million
Net other revenue adjustments	($0.2 million)
Total Net Revenue Revisions	*($14.8 million)*

Note: Numbers may not add due to rounding.

The FY 2026 Plan included total General Fund expenditures of $1,483.4 million, while the revised FY 2026 Forecast projects total expenditures of $1,502.0 million, an increase of $18.7 million, or 1.3%. The components of this variance are detailed in the table below.

General Fund Expenditure Revisions		
Employee Wages & Benefits		
	Health Insurance Contributions	($5.5 million)
	Civilian wage, living wage, market salary, and shift differential adjustments	$4.2 million
	COAERS pension contributions and legacy liability payment	$3.6 million
	Costs associated with contract with Austin Police Association	$2.1 million
	Austin Police Retirement System contributions	$1.8 million
Total Employee Wages & Benefits		*$6.3 million*
City-Wide Allocations		
	Information & Technology Cost Allocation	$2.4 million
	Support Services Cost Allocation	$2.0 million
	Accrued Payroll Allocation	$0.9 million
	311 Call Center Allocation	$0.8 million
Total City-Wide Allocations Changes		*$6.1 million*

Departmental Items	
HSO: 8th Street Homeless Shelter (formerly Salvation Army)	$3.4 million
Various: true-up of departmental budgets to reflect documented utility and contractual expenses	$2.2 million
Municipal Court/Police: anticipated net increase in costs of interlocal agreement with Travis County for magistration services	$2.0 million
Fire: addition of one ladder apparatus and associated staffing and equipment	$2.0 million
Forensic Science: career progression & contractual expenses	$0.3 million
Total Departmental Items	*$9.9 million*
Transfers & Other Requirements	
Remove transfer to Budget Stabilization Reserve	($5.0 million)
Transfer to Capital Rehabilitation Fund	$0.7 million
Net other adjustments to transfers & other requirements	$0.7 million
Total Transfers & Other Requirements	*($3.6 million)*
Total Net Expenditure Revisions	***$18.7 million***

Note: Numbers may not add due to rounding.

Reserves

The General Fund is projected to close FY 2025 with a combined reserve balance of $248.3 million, or 17.4% of ongoing expenditures. City financial policies currently require a total reserve level of 17% across the Budget Stabilization Reserve and Emergency Reserve Fund. This projected balance includes $12.7 million in anticipated reimbursements from the Federal Emergency Management Agency (FEMA) for COVID- and disaster response-related expenses incurred in prior years. An additional $9.6 million in FEMA reimbursements are anticipated in FY 2026, which would increase General Fund reserve levels to $257.9 million, or 17.2% of forecasted FY 2026 expenditures, $2.5 million above the policy target level. The FY 2026 Forecast does not assume any expenditures on one-time items from these reserve funds. It is important to note that there is significant uncertainty regarding the timing and ultimate magnitude of the $22.3 million in projected FEMA reimbursements, especially given recent statements and actions by the federal government with respect to grants to state and local governments. Should these payments be delayed, or their amounts significantly reduced, General Fund reserve levels are likely to fall below the financial policy target unless the shortfall can be replaced by a transfer from the General Fund itself.

Next Steps and Forecast Caveats

As the FY 2026 budget and FY 2027 planned budget development process progresses, it is important to bear in mind that this Forecast reflects only baseline General Fund expenditures and does not assume or include any significant enhancements to current levels of General Fund staffing or services outside of the items described in the *Expenditures* section of this report. Even with the inclusion of only these baseline cost drivers, the General Fund is displaying a $33.4 million deficit that must be closed by the time the FY 2026 budget is adopted. Additional ongoing expenditures in FY 2026 for which offsetting reductions or new revenue sources are not identified will widen the projected General Fund deficits in FY 2026 and each subsequent year. Aggressive COVID-era federal stimulus and the associated spike in sales tax receipts allowed the City to weather the initial years of the 3.5% property tax revenue cap. With this stimulus funding now winding down and sales tax collections threatened by increasing economic uncertainty, the City's five-year outlook once again displays widening projected deficits and intensifies concerns about an underlying structural imbalance between the rising costs of providing the City's core services and its ability to generate sufficient revenue to pay for them. In the weeks ahead, Budget staff and City management will scour department budgets to identify savings that can offset the projected FY 2025 General Fund revenue shortfall, and a process is already in progress to evaluate cost efficiencies and revenue enhancements that can help close the projected FY 2025 and FY 2026 General Fund gaps. The City Manager will present balanced FY 2026 budget and FY 2027 planned budget proposals to the City Council in July.

Enterprise Department Forecasts

Typical Residential Ratepayer Historical Monthly Bill

	FY20	FY21	FY22	FY23	FY24	FY25	Compound Avg. Annual % Growth
Austin Energy	$88.05	$84.60	$84.56	$108.71	$119.26	$121.96	6.7%
Austin Water	$80.79	$80.79	$80.79	$80.79	$84.99	$91.20	2.5%
Austin Resource Recovery	$24.95	$27.55	$29.05	$29.70	$31.35	$33.40	6.0%
Clean Community Fee	$8.95	$8.95	$9.30	$9.60	$9.70	$10.15	2.5%
Transportation User Fee	$12.79	$13.04	$14.96	$17.87	$17.87	$19.74	9.1%
Drainage Utility Fee	$11.80	$11.80	$11.80	$11.80	$12.17	$13.38	2.5%
Monthly Bill Totals	**$227.33**	**$226.73**	**$230.46**	**$258.47**	**$275.34**	**$289.83**	**5.0%**

Typical Residential Ratepayer Projected Monthly Bill

	FY25	FY26	FY27	FY28	FY29	FY30	Compound Avg. Annual % Growth
Austin Energy	$121.96	$116.27	$119.21	$122.30	$125.55	$128.96	1.1%
Austin Water	$91.20	$100.15	$107.67	$114.84	$119.89	$125.40	6.6%
Austin Resource Recovery	$33.40	$34.70	$35.90	$37.65	$38.60	$39.45	3.4%
Clean Community Fee	$10.15	$10.50	$10.60	$11.00	$11.00	$11.05	1.7%
Transportation User Fee	$19.74	$21.52	$23.08	$24.29	$25.50	$26.71	6.2%
Drainage Utility Fee	$13.38	$13.94	$14.64	$15.37	$16.14	$16.95	4.8%
Monthly Bill Totals	**$289.83**	**$297.08**	**$311.10**	**$325.45**	**$336.68**	**$348.52**	**3.8%**

Austin Convention Center

The mission of the Austin Convention Department (ACCD) is to provide innovative space and customized services to attract customers to Austin and contribute to the local economy by supporting a prosperous tourism and travel industry. The goals of the department are to provide exceptional customer service, develop a well-trained customer-oriented workforce, and remain competitive by continually improving the facilities.

With the expansion of the Convention Center underway, the Austin Convention Center Department is forecasting a reduction in both revenue and expenditures due to the facility closure from FY26 to FY28. During the closure, the department will maintain an integral partner in the downtown travel and tourism industry through continued support of strategic marketing efforts to promote Austin as a premiere business and leisure destination. Hotel Occupancy Tax revenue, nearly 79% of the department's total revenue in FY26 Forecast, experienced unprecedented growth following the pandemic. Recent collection trends suggest a slowdown in the travel and tourism industry, with Austin remaining a leader in the market. In FY29, ACCD is planning for the return to full operations at the Convention Center, resulting in a significant increase in both forecasted expenditures and revenue in FY29. The new facility will deliver a more community-friendly event space that will drive an increase in tourism dollars to the city.

Operating Revenue

Primary revenue sources for Austin Convention Center Department (ACCD) are facility and contractor revenue, fees for parking, Hotel Occupancy Tax (HOT) collections, and Vehicle Rental Tax collections. In FY26, the department projects total operating revenue of $125.4 million, a net decrease of $9.2 million or 6.9% from the FY25 Budget. Major components of this decrease are described below:

- $10.3 million reduction in Convention Center facility, contractor, and parking fee revenue due to the planned facility closure.
- $1.7 million increase in projected Vehicle Rental Tax collections.
- $0.7 million increase in Palmer Events Center facility, contractor, and parking fee revenue based on scheduled events at the facility.
- $1.4 million decrease in projected Hotel Occupancy Tax revenue, a 1.5% reduction in anticipated collections due to the recent slowdown in tourism and travel.

By FY30, total departmental operating revenue is projected to be $157.4 million, an increase of $32.0 million, or 25.5% in comparison with the FY26 forecast. Major components of this increase are described below:

- $24.6 million in combined projected facility and contractor revenue increase based on the return of Convention Center operations in FY29.
- $4 million increased Hotel Occupancy Tax revenue based on a 1% annual growth in projected collections, reflecting stable growth in hotel receipts due to increased supply and relatively flat demand for hotel rooms.
- $1.8 million in additional revenue from parking fees at the Convention Center and Palmer Events Center.

Operating Expenditures

Major operating expenditures for the Austin Convention Center Department include event operations, facility maintenance, transfers to other City funds, and transfers to debt and capital funds. The FY26 projected total operating budget is $122.0 million, a net decrease of $8.2 million, or 6.3%, from FY25. Major components of this decrease are described below:

- $16.2 million reduction in Convention Center operational expenses, including the elimination of 27 vacant positions for the duration of the expansion project.
- $7.7 million increase in transfers for debt service and costs related to the planned Convention Center expansion and infrastructure projects at the Palmer Events Center.

By FY30, total departmental expenditures are expected to increase to $149.9 million, an additional $27.9 million, or 22.9%, in comparison with the forecasted requirements for FY26. Major components of this increase are described below:

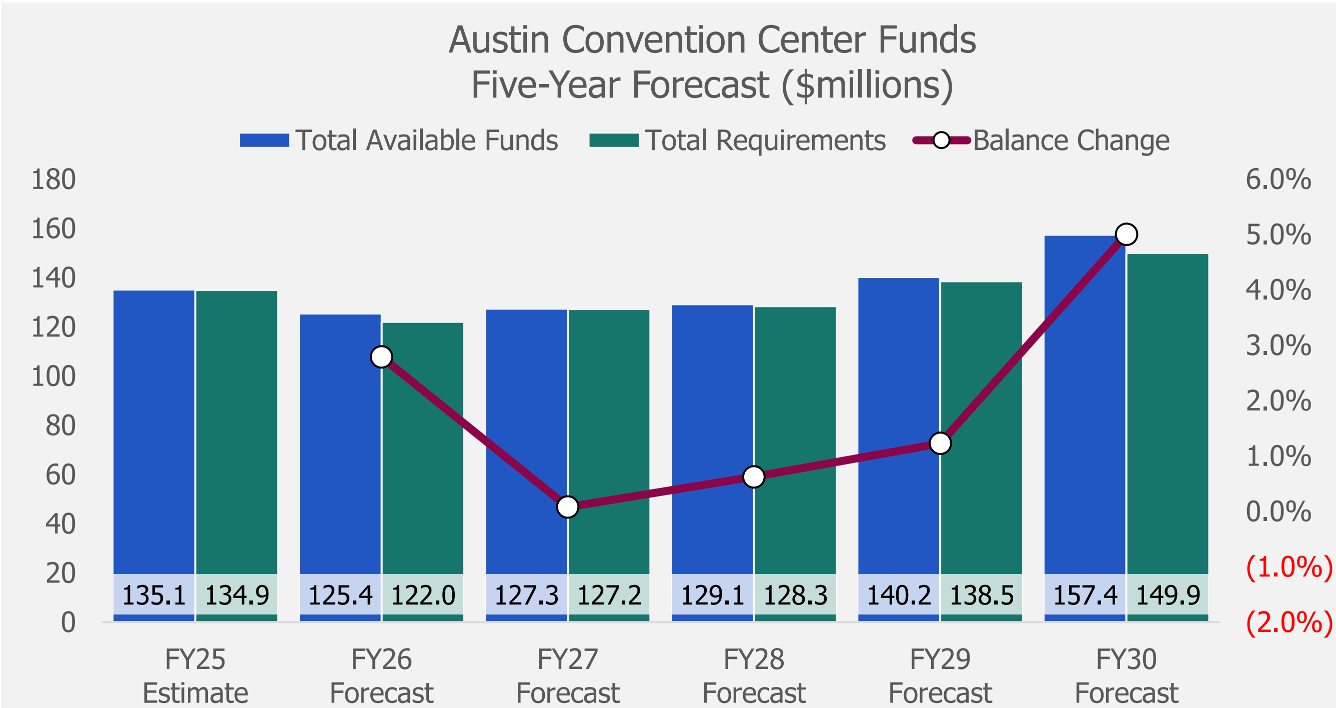
- $26.0 million increase in department operational expenses, including the restoration of personnel costs for the 27 previously eliminated positions, to operate the expanded Convention Center.
- $4.1 million reduction in transfers to the Convention Center Capital Fund following the completion of the expansion project.

Comparing FY26 Plan to FY26 Forecast

Between the release of the FY26 Plan and the FY26 Forecast, the Austin Convention Center Department further refined the operational plans of both the Palmer Event Center and the Convention Center to account for the planned facility closure. The department's FY26 Forecast reflects a $4.3 million decrease in forecasted expenditures from the FY26 Plan. This decrease is primarily attributed to the elimination of 27 vacant positions in the FY26 Forecast that was not included in the FY26 Plan, as well as a decrease in the planned transfer for infrastructure projects costs. Additionally, the department's FY26 Forecast includes a $1.3 million decrease in forecasted revenue compared to the FY26 Plan, which is primarily a result of a decrease in projected Hotel Occupancy Tax collections.

Five Year Forecast Fund Summary

The chart below displays Austin Convention Center Department estimated total expenditures and revenue for FY25, forecasted total expenditures and revenue for each subsequent year through FY30, and the projected change in fund balance.



The following table displays the Austin Convention Center Department's combined operating funds for FY25 to FY30.

Fund Summary (in $millions)

	FY25 Estimate	FY26	FY27	FY28	FY29	FY30
Beginning Fund Balance	37.3	37.5	41.0	41.1	42.0	43.7
Revenue & Transfers In	135.1	125.4	127.3	129.1	140.2	157.4
Expenditures & Transfers Out	134.9	122.0	127.2	128.3	138.5	149.9
Change in Fund Balance	0.2	3.5	0.1	0.9	1.7	7.6
Ending Fund Balance	37.5	41.0	41.1	42.0	43.7	51.3
FTEs	296	269	269	296	296	296

Note: Numbers may not add due to rounding.

Austin Energy

Austin Energy is a municipally owned electric utility that delivers electricity to roughly 570,000 residential, commercial, and industrial customers across 12,800 miles of distribution and transmission lines serving a 437-square-mile area. Austin Energy is committed to safely delivering clean, affordable, and reliable energy along with excellent customer service.

Operating Revenue

Austin Energy collects approximately 90% of its revenues through base rates and pass-through rates, with the remainder collected through other revenues, including interest income, transmission revenues, and miscellaneous service fees. Base rates recover the costs of basic utility services and infrastructure such as distribution lines, power plants, utility staff, customer service, and related operations and maintenance. Pass-through rates recover power supply costs, transmission costs, industry-leading energy efficiency services, and other services which benefit the community, such as streetlighting and the Customer Assistance Program.

In FY26, total departmental operating revenue is forecasted to increase by $83.3 million, or 4.5% in comparison with its FY25 budget. This increase is the result of:

- A forecasted 5.0% base rate increase, along with customer and load growth, resulting in additional revenues of $38.7 million;
- A forecasted increase in pass-through revenue totaling $49.8 million, consisting of Power Supply Adjustment revenue, Regulatory Charge revenue, and Community Benefit Charge revenue;
- A forecasted $13.4 million reduction in other revenue, primarily due to a one-time FEMA reimbursement in FY25; and,
- A forecasted $4.9 million, or 13.2% increase, in interest income.

By FY30, total departmental operating revenue is forecasted to increase by $470.5 million, or 25.4% in comparison with the FY26 Forecast. This increase is the result of:

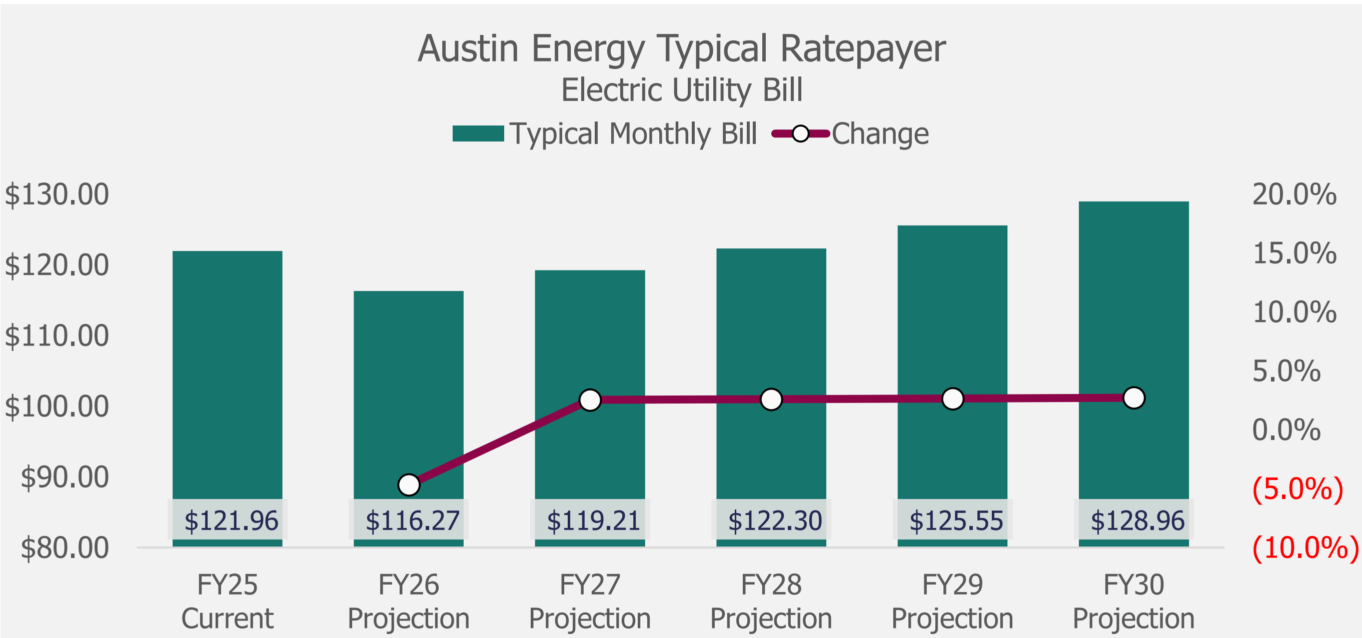
- A forecasted 5.0% annual base rate increase, along with customer and load growth, resulting in additional revenues of $215.7 million;
- Projected increase to pass-through revenue totaling $108.8 million; and
- A forecasted $46.9 million, or 41.8% increase, in transmission revenue.

Typical Ratepayer

Revenues from base rates and pass-through rates are expected to increase in FY26, driven by (1) a 5.0% increase in base rates, (2) a 1.6% projected increase in the residential customer count, (3) a 1.1% projected increase in residential kilowatt-hour sales, and (4) a projected 0.4% decrease in commercial and industrial electric demand.

Austin Energy's typical residential customer who consumes 860 kilowatt-hours of power in a month will pay $116.27 per month in FY26, a decrease of $5.69 per month, or 4.7%, from the FY25 budgeted amount. The monthly decrease reflects the net impact of the proposed 5.0% base rate increase of $2.80 and cumulative reductions to the Power Supply Adjustment of $8.49 since approval of the FY25 Budget. The bill impact does not reflect any future changes to the Power Supply Adjustment, Regulatory Charge or Community Benefit Charge. However, additional reductions to the Power Supply Adjustment may be warranted depending on power supply costs in the ERCOT market.

Base rate revenue is projected to increase by $38.7 million in FY26 in comparison with FY25 Budget. Austin Energy projects future increases in base rates of 5.0% annually for each year of the forecast period, resulting in $49.8 million in additional base rate revenues in FY27, $54.6 million in FY28, $53.8 million in FY29 and $57.4 million in FY30. The projected cumulative increase in base rate revenues is $254.4 million, or 35.8% from its current level.



Operating Expenditures

Austin Energy's major expenditures are power supply costs, wholesale transmission costs, operating and maintenance expenses, debt service payments, investment in capital improvements, transfers for City support and internal services, and the transfer to the General Fund. In FY26, Austin Energy's total expenditure budget is forecasted to increase by $72.8 million, or 3.9%, in comparison with its FY25 budget. The components of this increase are detailed below:

- With respect to City-wide cost drivers, (a) an increase in the transfer payment to the general fund in the amount of $14million, increasing from $125 million in FY25 to $139 million in FY26, and (b) an increase in transfer payments for other city services of $5.8 million, increasing from $71.7 million in FY25 to $77.5 million in FY26.
- With respect to department-wide cost drivers, (a) an increase in power-supply costs from an estimated $514.5 million in FY25 to $527.7 million in FY26, (b) a $51.5 million increase in operations and maintenance expenses (including personnel-related costs), (c) a $17.6 million increase in debt service payments, and (d) an $10.5 million increase in recoverable expenses include wholesale transmission and ERCOT charges.

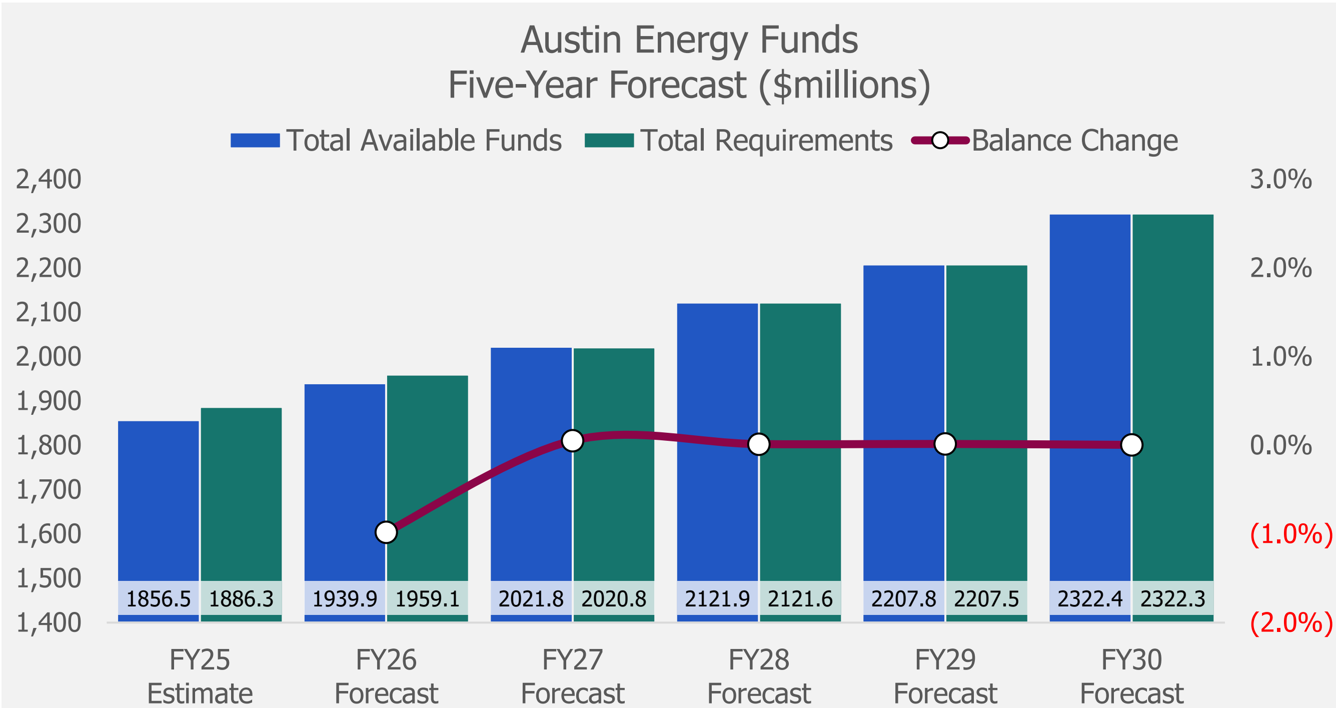
- With respect to staffing, Austin Energy projects adding 20 new positions in FY26, focused on Electric Service Delivery, Support Services, and Customer Energy Solutions, ensuring service levels meet continued customer growth. The utility continues to assess efficiency of overall staffing, which may result in contractor conversions with no budgetary impact.

By FY30, total departmental operating expenditures are forecasted to increase by an additional $436.0 million, or 23.1% in comparison with forecasted requirements for FY26. This increase is the result of:

- With respect to City-wide cost drivers, (a) an increase in transfer payments to the General Fund averaging $6.0 million per year, increasing from $139 million in FY26 to $155 million in FY30, and (b) an increase in transfer payments for City support and internal services averaging $5.6 million per year, increasing from $77.5 million in FY26 to $99.7 million in FY30.
- With respect to department-wide cost drivers, (a) an increase in power-supply costs from an estimated $527.7 million in FY26 to $561.0 million in FY30, (b) an increase in operations and maintenance expenses from an estimated $695.6 million in FY26 to $734.2 million in FY30, (c) an increase in debt service payments from $193.4 million in FY26 to $236.8 million in FY30 to cover the costs of planned debt issuances to finance Austin Energy's Capital Improvement Plan, (d) and an increase in wholesale transmission costs and ERCOT fees, from $216.8 million in FY26 to $268.8 million in FY30 to recover Austin Energy's assigned share of the costs to own and operate the ERCOT transmission grid.
- With respect to staffing, to better serve its customers Austin Energy proposes to add 20 positions per year during the period from FY27 to FY30, with additions primarily focused on operational positions to ensure system reliability and resiliency for Austin Energy customers.

Five Year Forecast Fund Summary

The chart below displays Austin Energy's estimated total expenditures and revenue for FY25, forecasted total expenditures and revenue for each subsequent year through FY30, and the projected change in fund balance for Austin Energy's major fund in each year.



The following table reflects Austin Energy's financial forecast and the impact to a typical residential customer for FY25 to FY30.

Fund Summary (in $millions)

	FY25 Estimate	FY26	FY27	FY28	FY29	FY30
Beginning Fund Balance	285.9	256.1	236.9	238.0	238.3	238.6
Revenue & Transfers In	1,856.5	1,939.9	2,021.8	2,121.9	2,207.8	2,322.4
Expenditures & Transfers Out	1,886.3	1,959.1	2,020.8	2,121.6	2,207.5	2,322.3
Change in Fund Balance	(29.8)	(19.2)	1.1	.3	.3	.1
Ending Fund Balance	256.1	236.9	238.0	238.3	238.6	238.7
Typical Residential Monthly Bill	$121.96	$116.27	$119.21	$122.30	$125.55	$128.96
FTEs	1,934	1,954	1,974	1,994	2,014	2,034

Note: Numbers may not add due to rounding.

Austin Resource Recovery

Austin Resource Recovery (ARR) plays a vital role in maintaining a clean and sustainable Austin by providing essential waste management services. Our services include curbside waste, recycling, and organics collection for approximately 225,000 customers. Furthermore, ARR enhances the city's environment by offering citywide litter abatement, remediation, and waste diversion opportunities to approximately 468,000 households. By supporting the City's sustainability initiatives, ARR is committed to protecting our community and the planet while leading the transition from traditional waste management to a more sustainable resource recovery model.

With the ambitious goal of achieving Zero Waste by 2040, ARR is forecasting expanded programs and new facilities that promote waste reduction and maximize resource recovery. The FY26 Forecast includes expenditure increases for expanded litter abatement programs and the Furniture Reuse Warehouse operations. Additional increases during the forecast period are primarily a result of the growing costs of fleet fuel and maintenance and projected costs of the Northeast Service Center. Opening in FY28, the Northeast Service Center will address critical facility and operational needs. To align revenue with the cost of providing services, ARR forecasts an annual increase to revenue based on growth in projected customer accounts and adjustments to all three major user fees: Trash Cart Fee, Base Customer Fee, and the Clean Community Fee.

Operating Revenue

Accounting for 94% of ARR's total operating revenue, ARR's utility bill revenue is comprised of three major user fees: Trash Cart Fee; Base Customer Fee; and the Clean Community Fee. In FY26, total departmental operating revenue is forecasted to increase by $9.8 million, or 7.3%, compared to the FY25 Budget. Major components of this increase are described below:

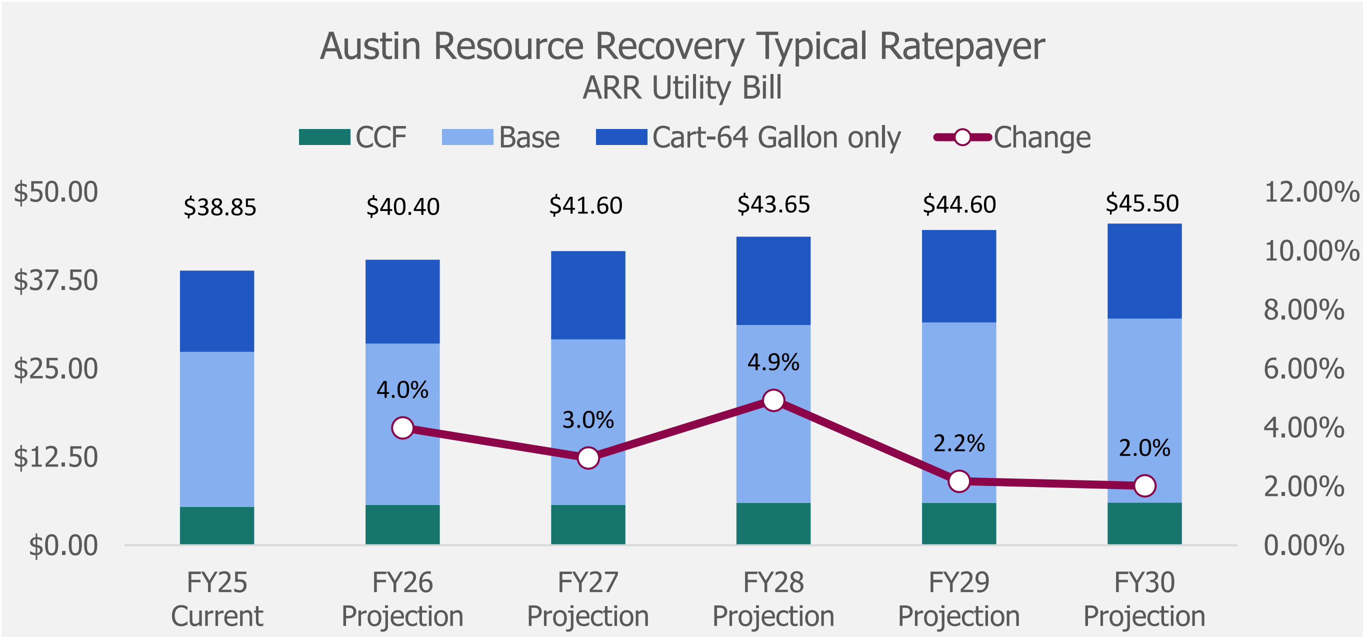
- $8.7 million increase in utility bill revenue based on customer account growth and planned increases to all three major user fees.
- $1.1 million increase in other revenue sources.

By FY30, total departmental operating revenue is projected to increase by $27.9 million, or 19.3% compared to the FY26 forecast. Major components of this increase are described below:

- $27.8 million increase in utility bill revenue based on forecasted customer account growth and further increases, necessary to align revenue with the cost of providing services, to all three major user fees.
- $0.1 million increase in recycling sales revenue.

Typical Ratepayer

The typical ARR utility bill customer is defined as a residential curbside collection customer with a 64-gallon trash cart who pays all three major user fees. ARR's typical residential utility bill customers will pay $40.40 in FY26, an increase of $1.55 per month, or 4.0%, from FY25. Austin Resource Recovery projects future increases in the monthly user fees of $1.20 in FY27, $2.05 in FY28, $0.95 in FY29, and $0.90 in FY30, a cumulative increase of $6.65, or 17.1%, from its current level.



Operating Expenditures

Major expenditure categories within ARR's operating budget are curbside collection services, citywide litter abatement, remediation, waste diversion services, and fleet maintenance. In FY26, ARR's total expenditure budget is forecasted to increase by $9.7 million, or 7.2%, compared to its FY25 budget. Major components of this increase are described below.

- $3.9 million increase in the transfers for vehicle purchases and debt service payments related to the Northeast Service Center.
- $2.0 million increase for fleet maintenance and fuel expenses, a facility lease to accommodate the growing needs of fleet maintenance operations, and waste collection and diversion contract services.
- 7 positions to operate the furniture reuse warehouse, expand litter abatement programs, and resume the entry-level driver training program.

By FY30, the total departmental operating budget is forecasted to increase by an additional $27.6 million, or 19.2%, compared to forecasted requirements for FY26. Major components of this increase are described below.

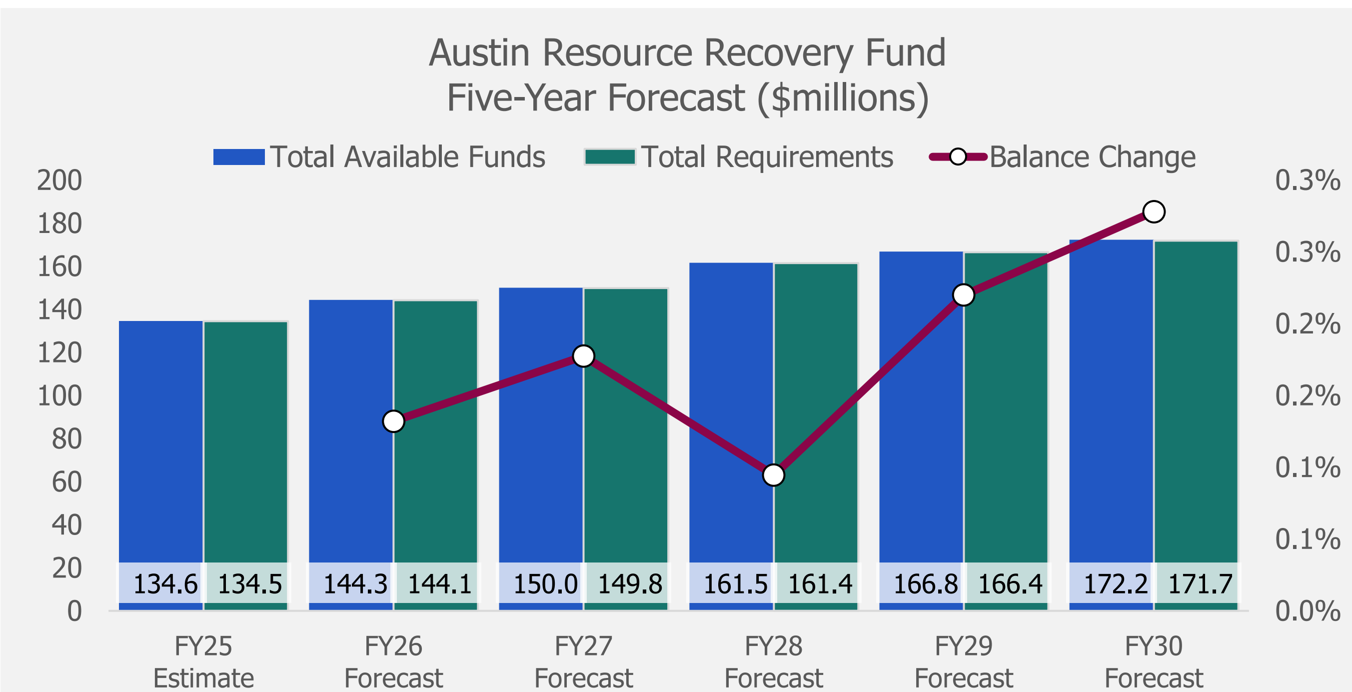
- 21 additional positions to meet growing service-area demands.
- $8.4 million increase for projected fleet maintenance and fuel costs and anticipated increases in waste collection and diversion contract services.
- $6.6 million increase to support debt service payments related to the Northeast Service Center.
- $1.8 million increase to support Northeast Service Center operating costs, aligned with the completion date in FY28.

Comparing FY26 to FY26 Forecast

There is nearly no variance between Austin Resource Recovery's FY26 Plan and FY26 Forecast for both total revenue and expenditures. However, the $0.1 million increase in revenue from FY26 Plan to FY26 Forecast is the primarily attributed to the net impact of an increase to projected customer accounts and other revenue, offset by the decrease in utility bill revenue due to the $0.75 decrease in ARR's typical residential utility customer monthly bill. The FY26 Forecast ARR typical residential utility customer bill is $34.70, a decrease of $0.75 from $35.45 in FY26 Plan. There is a nearly zero-dollar difference in projected expenditures from FY26 Plan to FY26 Forecast. This is the net result of a $2.2 million increase in projected costs associated with Northeast Service Center and updated City-wide cost driver assumptions, offset by a $2.2 million total decrease in projected costs attributed to a decrease in planned vehicle purchases and reducing the number of added positions.

Five-Year Forecast Fund Summary

The chart below displays Austin Resource Recovery's estimated total expenditures and revenue for FY25, forecasted total expenditures and revenue for each subsequent year through FY30, and the projected change in fund balance for Austin Resource Recovery's major fund each year.



The following table reflects Austin Resource Recovery's financial forecast and the impact on a typical residential customer for FY25 to FY30.

Fund Summary (in $millions)

	FY25 Estimate	FY26	FY27	FY28	FY29	FY30
Beginning Fund Balance	10.5	10.7	10.8	11.1	11.3	11.6
Revenue & Transfers In	134.6	144.3	150.0	161.5	166.8	172.2
Expenditures & Transfers Out	134.5	144.1	149.8	161.4	166.4	171.7
Change in Fund Balance	0.1	0.2	0.3	0.2	0.4	0.5
Ending Fund Balance	10.6	10.8	11.1	11.3	11.6	12.1
Typical Residential Monthly Bill	$38.85	$40.40	$41.60	$43.65	$44.60	$45.50
FTEs	530	537	540	546	552	558

Note: Numbers may not add due to rounding

Austin Water

Austin Water provides water, wastewater, reclaimed water, conservation, and environmental protection services to over one million residential customers spanning more than 538 square miles of service area. Austin Water is dedicated to delivering safe, reliable, high-quality water and wastewater services that exceed federal and state standards. Austin Water invests substantial resources to achieve ambitious sustainability goals and preserve the quality of the environment and the availability of natural resources.

Austin Water's five-year forecast is primarily driven by the growth of Austin Water's CIP. Consistent with peer utilities, Austin Water continues to address system expansion needs and ongoing rehabilitation and replacement of aging infrastructure in an environment of escalating construction costs. Austin Water projects rate increases through the forecast period to support greater cash transfers and scheduled debt service payments to meet the requirements of the CIP.

Operating Revenue

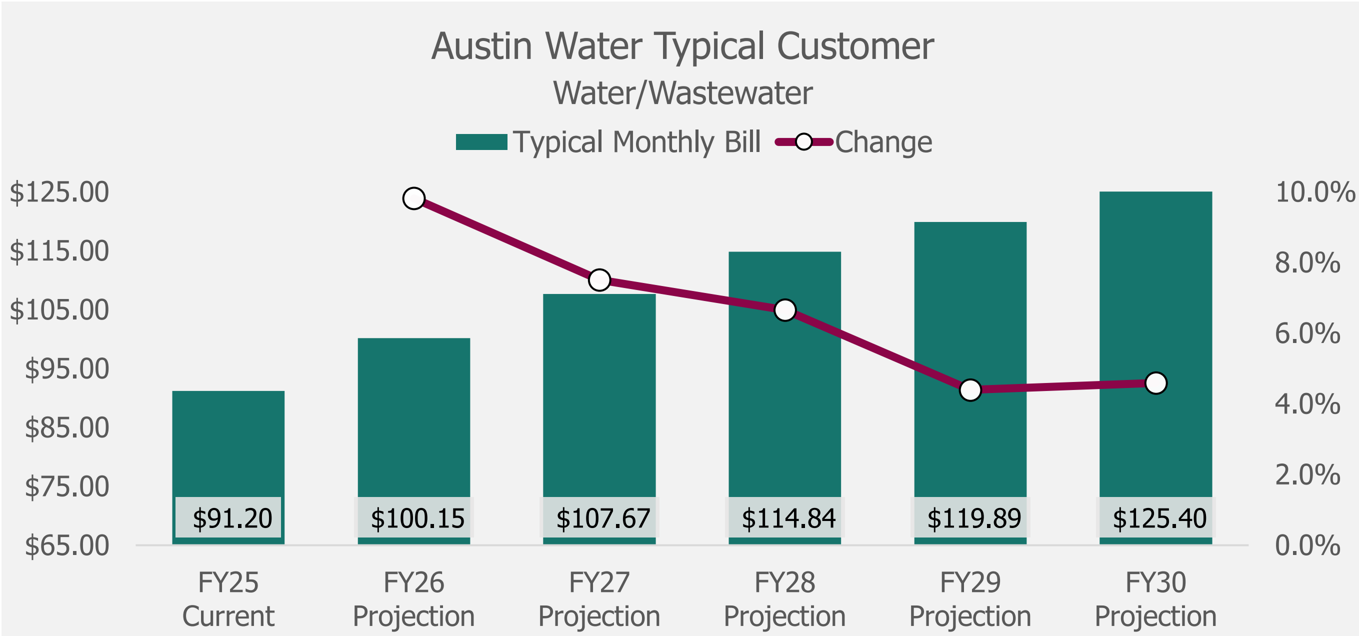
Austin Water primarily generates revenue through service rates and development fees. In FY26, total departmental operating revenue is forecasted to increase by $56.8 million, or 8.1% in comparison with its FY25 Budget. Major components of this increase are described below:

- $59.8 million, or 8.8%, increase in revenue from service rates due to anticipated rate increases and growth in the customer base.
- $3.9 million, or 26.1%, decrease in revenue from interest on cash balances.

By FY30, total departmental operating revenue is forecasted to increase by $212.9 million, or 27.9% in comparison with the FY26 forecast. This increase is primarily due to a $211.8 million, or 28.6%, increase in revenue from service rates due to anticipated rate increases and 0.9% growth in the customer base over the forecast period.

Typical Ratepayer

Revenue from combined water and wastewater service rates is expected to increase in FY26, as water and wastewater rates will increase to keep pace with inflationary operating cost increases and to support increased infrastructure investments through the capital improvement program. Austin Water's typical residential customer (using 5,800 gallons of water and 4,000 gallons of wastewater each monthly) will pay $100.15 in FY26, an increase of $8.95 per month, or 9.8%, from FY25. Austin Water projects future increases in the monthly rate of $7.52 in FY27, $7.17 in FY28, $5.05 in FY29, and $5.51 in FY30, a cumulative increase of $34.20, or 37.5%, from its current level.



Operating Expenditures

In FY26, Austin Water's total expenditure budget is forecasted to increase by $58.1 million, or 7.5%, in comparison with its FY25 forecasted requirements. Major components of this increase are described below:

- Growth in Austin Water's CIP
  - $24.0 million increase in cash transfers to CIP
  - $15.0 million increase in scheduled debt service payments
- City and Department-wide cost drivers
  - $8.7 million increase to budget for retention stipends included in FY25 Budget direction
  - $5.8 million increase in contractual and commodities cost
  - $4.7 million increase in City-wide wage adjustment
  - $1.7 million increase in employee health insurance and retirement contributions
- Impact of new positions
  - $1.5 million increase for 13 new positions converted from temporary employees

By FY30, total Austin Water's operating expenditures are forecasted to increase by an additional $207.8 million, or 25.0% in comparison with forecasted requirements for FY26. Major components of this increase are described below:

- Growth in Austin Water's CIP
  - $24.0 million increase in cash transfers to CIP, totaling $155.3 million in FY30
  - $59.0 million increase in scheduled debt service payments, totaling $252.2 million in FY30
- Impact of new positions
  - $11.0 million increase for 88 new positions, with approximately 40% dedicated to Support Services, 25% to Operations, 25% to Engineering and Quality, and 10% to Customer Experience programs. These positions will help advance progress towards Austin Water's Citywide Strategic Plan goal of providing secure, reliable, and resilient utility infrastructure that cost-effectively serves customers.

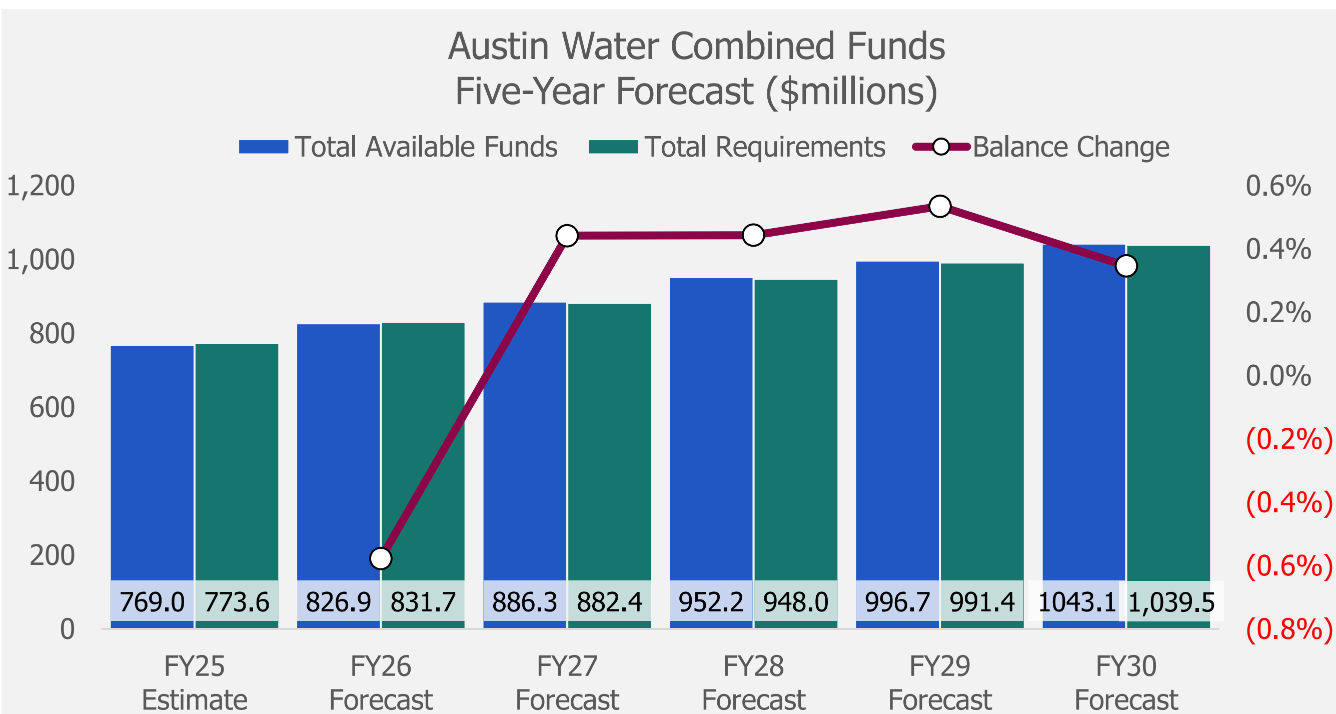
- City and Department-wide cost drivers
    - $20.6 million increase in contractual and commodities costs
    - $17.5 million increase in the General Fund transfer
    - $17.5 million increase in City-wide wage adjustment
    - $6.6 million increase in employee health insurance and retirement contributions

Comparing FY26 Plan to FY26 Forecast

Austin Water's FY26 Forecast revenue projections are in line (0.2% greater) than the FY26 Planned year presented in the FY25 Budget. The FY26 expenditure projection are $14.5 million (1.7% less) than the FY26 Planned year. The variance in expenditures is primarily explained by a reduction in scheduled debt service requirements and a decrease in the planned transfer to Reclaimed Water CIP. Austin Water also reduced the number of new FTEs requested in the FY26 Forecast to 13 from 36, and, instead, steadily adds FTEs through the out-years.

Five Year Forecast Fund Summary

The chart below displays Austin Water estimated total expenditures and revenue for FY25, forecasted total expenditures and revenue for each subsequent year through FY30, and the projected change in fund balance for Austin Water's major operating funds in each year.



The following table reflects Austin Water's financial forecast and the impact to a typical residential customer for FY25 to FY30.

Fund Summary (in $millions)

	FY25 Estimate	FY26	FY27	FY28	FY29	FY30
Beginning Fund Balance	265.9	261.3	265.5	260.4	264.6	269.9
Revenue & Transfers In	769.0	826.9	886.3	952.2	996.7	1,043.1
Expenditures & Transfers Out	773.6	831.7	882.4	948.0	991.4	1,039.5
Change in Fund Balance	(4.6)	(4.8)	3.9	4.2	5.3	3.6
Ending Fund Balance	261.3	256.5	260.4	264.6	269.9	273.5
Typical Residential Monthly Bill	$91.20	$100.15	$107.67	$114.84	$119.89	$125.40
FTEs	1,410	1,423	1,439	1,467	1,489	1,511

Note: Numbers may not add due to rounding.

Aviation

Austin Bergstrom International Airport (AUS) connects Austin and its surrounding communities to the world with exceptional facilities and services while representing the character and culture of the City of Austin.

AUS operates as an enterprise fund of the City of Austin and functions independent of the City budget or tax revenue. AUS has operated in this fashion since 1982; funding to finance operating expenses and development is generated by fees and rent paid by airlines, concessions, and passengers. In addition, AUS receives grants, including federal Airport Improvement Program (AIP) grants. To comply with federal regulations and to ensure AUS is eligible to receive AIP funds, all airport revenue is retained to fund the capital and operating costs of the airport.

The AUS five-year forecast is driven by the ongoing Airport Expansion and Development Program, a generational series of investments that will allow the airport to effectively serve the growing needs of the region. These capital investments necessitate large increases in debt service requirements and staff to operate and maintain expanded areas once opened. AUS will also begin a new airline use and lease agreement in FY26 that will generate significantly more revenue than the prior methodology.

Operating Revenue

AUS receives operating revenue from partnering airlines and non-airline fees which include parking, concessions, and miscellaneous fees. In FY26, total departmental operating revenue is forecasted to increase by $83.9 million, or 23.9% in comparison with its FY25 Budget. This increase is primarily the result of an $82.7 million increase in airline revenue due to the new airline use and lease agreement beginning in FY26.

By FY30, total departmental operating revenue is forecasted to increase by $292.6 million, or 67.3% in comparison with the FY26 forecast. Major components of this increase are described below:

- $241.3 million increase in airline revenue over the forecast period due to the new airline use and lease agreement. AUS anticipates that the new methodology that will significantly increase revenue through the forecast period.
- $47.4 million increase in non-airline revenue over the forecast period, driven by an anticipated 3% annual growth in passenger enplanements and the addition of new facilities.

Operating Expenditures

AUS operating requirements include personnel, contractual, and commodity costs to operate airport facilities, debt service from capital project funding, and City-wide allocations. In FY26, AUS's total operating expenditure budget, excluding transfers out of year-end surplus to the Airport Capital Fund and Major Maintenance Fund, is forecasted to increase by $6.9 million, or 2.5% in comparison with its FY25 budget. Major components of this increase are described below:

- $4.0 million increase and 25 positions that include custodial, security, and grounds maintenance positions, for operating expanded airport facilities. Significant expansion of passenger and tenant facilities at the airport will drive the demand for additional personnel, contractual services, and commodity expenses in FY26 and beyond.

- $2.8 million increase for city-wide employee wage and benefit increases.

By FY30, total departmental operating expenditures are forecasted to increase by an additional $256.1 million, or 88.4% in comparison with the forecasted requirements for FY26. This increase primarily consists of:

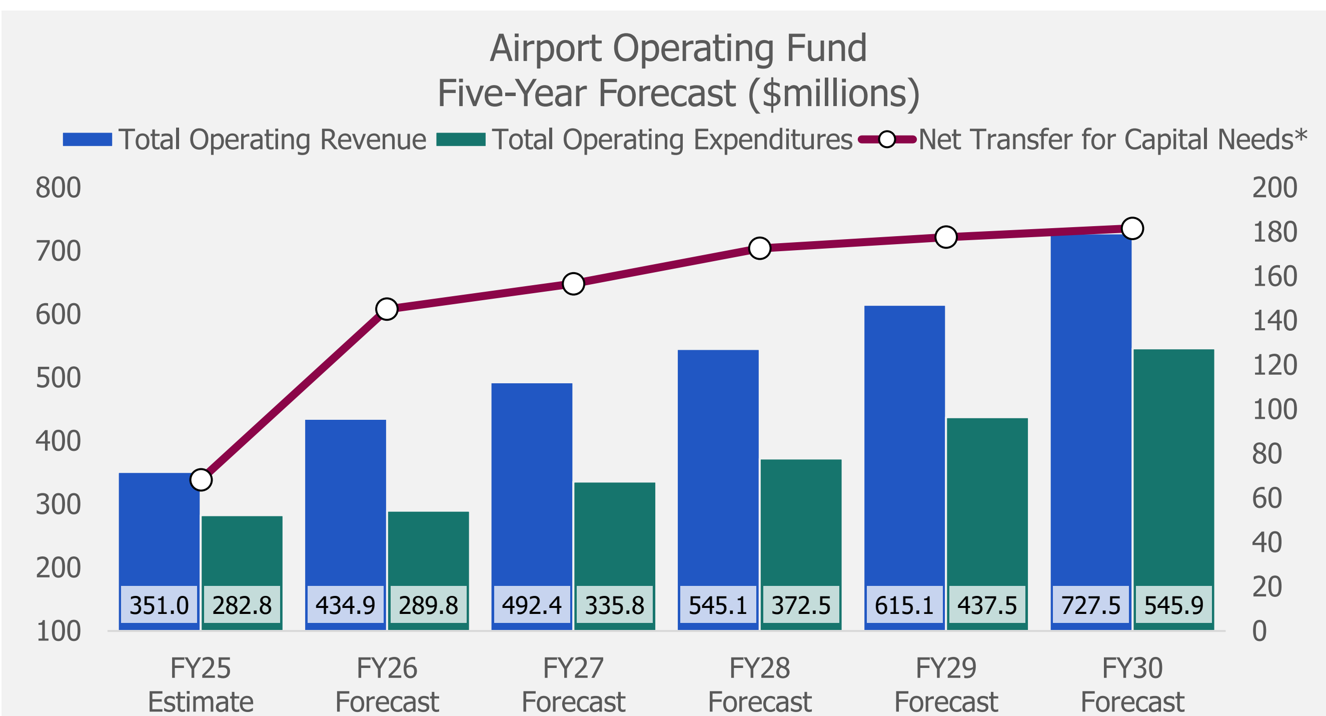
- $180.5 million in additional debt service requirements to fund airport expansion projects;
- $32.5 million and 30 full-time equivalents for operating expanded airport facilities;
- $10.7 million and 40 full-time equivalents to continue to operate and maintain passenger; spaces given a projected annual 3% passenger growth throughout the forecast period; and,
- $10.6 million for city-wide employee wage and benefit increases.

Comparing FY26 Plan to FY26 Forecast

The primary difference between the FY26 Plan and FY26 Forecast is the adoption of the new methodology for the airline use and lease agreement. FY26's Plan assumed airline revenue of $172.7 million based on the old agreement. Terms of the new agreement became clearer by the FY26 Forecast, allowing for a revised estimate of $253.6 million in airline revenue. FY26's Forecast operating expenditures reflect a $9.7 million increase over the FY26 Plan due to increasing contract costs for facility maintenance and a new contract for ramp control operations to ensure safer and more efficient aircraft movement.

Five Year Forecast Fund Summary

The chart below displays AUS's estimated total operating expenditures and revenue for FY25, forecasted total expenditures and revenue for each subsequent year through FY30, and the projected fund surplus for the Airport Operating Fund in each year.



**Net Transfer for Capital Needs includes transfer to Capital Fund and transfer to Major Maintenance Fund*

The following table reflects Department of Aviation's financial forecast for FY25 through FY30.

Fund Summary (in $millions)

	FY25 Estimate	FY26	FY27	FY28	FY29	FY30
Revenue	351.0	434.9	492.4	545.1	615.1	727.5
Transfer in from Airport Capital Fund	20.4	19.7	24.8	32.0	45.6	64.8
Expenditures	282.8	289.8	335.8	372.5	437.5	545.9
Transfer to Airport Capital Fund	68.1	115.1	125.6	140.5	144.3	147.2
Transfer to Major Maintenance Fund	-	30.0	31.1	32.1	33.3	34.4
FTEs	669	694	714	724	754	764

Note: Numbers may not add due to rounding.

Development Services

The Development Services Department (DSD) helps homeowners, business owners, and contractors ensure compliance with applicable City and building codes when they build, demolish, remodel, or perform any construction in the City of Austin. DSD supports a vibrant community through responsible development and fair and equitable enforcement of local property maintenance, land use, and nuisance codes, so that Austin is safe and livable.

After experiencing a steep decline in development fee revenue from its peak in FY22, the DSD five-year forecast focuses on achieving structural stability. In FY24, DSD began a practice of freezing positions vacated through attrition and evaluating whether they met a critical business need before opening for re-hiring. In the FY26 Forecast 39.85 vacant positions were identified to be eliminated. Positions will continue to be evaluated in this manner going forward. DSD is also evaluating its fee model to ensure that it is capturing the full cost of service. The Department also plans to pilot, then permanently establish, a Graffiti Abatement program funded through the Clean Community Fee.

Operating Revenue

DSD's primary revenue sources consist of permitting and inspection fees and Austin Code Fund's portion of the Clean Community Fee (CCF). In FY26, total departmental operating revenue is forecasted to decrease by $2.2 million, or a decrease of 2.2%, in comparison with the FY25 Budget. The components of this net decrease are detailed below:

- With respect to CCF revenue, a projected increase of $1.3 million in FY26 is attributed to a planned fee increase and marginal residential account growth partially offset by an anticipated reduction in commercial accounts.
- With respect to licensing and registration revenue in the Code Fund, a projected increase of $0.4 million is a result of anticipated growth in Short Term Rental licenses due to city ordinance changes.
- An anticipated $1.2 million decrease in code compliance penalties revenue in FY26 is based on historical data of actual collections.
- With respect to permitting and inspection revenue, an estimated $2.9 million decrease is the net impact of planned fee adjustments and the slowdown in development activity. This revenue source has recently experienced steep declines in actual collections, with FY24 collections of $56.5 million, a $20.0 million, or 26.1%, decrease from the peak of $76.5 million in FY22. Many economic factors can impact permit and inspection activity. DSD is recalibrating the cost-of-service model that sets fees, by reviewing the department's operational costs and projected volume to ensure fee revenue aligns with the cost of providing services.

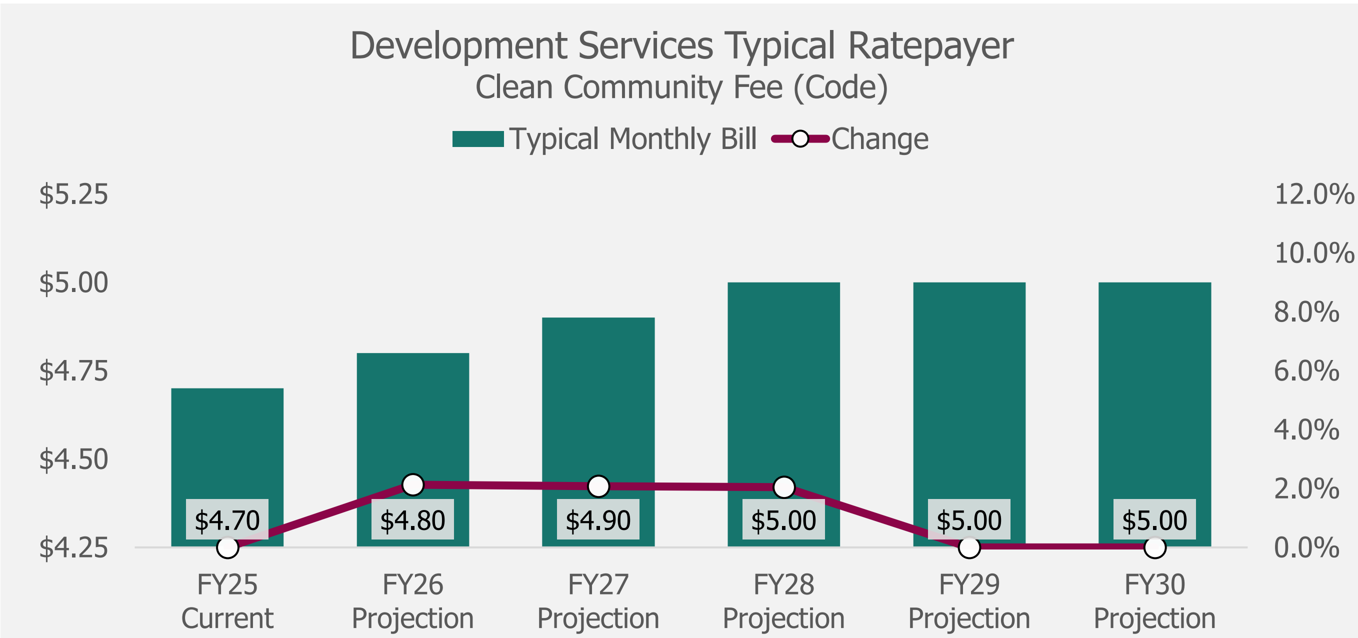
By FY30, total departmental operating revenue is forecasted to increase by $38.4 million, or 38.9% in comparison with the FY26 forecast. Major components of this increase are described below:

- $28.7 million increase in permitting and inspection revenue from cost-of-service adjustments to fees and moderate projected increases in development activity in the final years of the forecast period.
- $3.2 million increase in CCF revenue based on further projected fee increases and marginal residential account growth paired with flattening in commercial accounts.

- $1.0 million increase in licensing and registration revenue based on anticipated growth in Short Term Rental license enrollment.

Typical Ratepayer

DSD's typical residential CCF customer will pay $4.80 in FY26, an increase of $0.10 per month, or 2.1%, from FY25. DSD projects future increases in the monthly residential CCF rate of $0.10 in both FY27 and FY28. The CCF is projected to remain at $5.00 from FY28 through FY30, resulting in a total cumulative increase of $0.30, or 6.4%, between its current level and FY30.



Operating Expenditures

DSD's major expenditure categories are building permit and plan review services, construction and environmental inspections, and investigations and compliance. In FY26, DSD's total expenditure budget is forecasted to decrease by $2.6 million, or 2.3%, in comparison with the FY25 budget. Major components of this increase are described below:

- $3.8 million increase in City-wide base cost drivers.
- $3.9 million decrease from elimination of 39.85 vacant positions.
- $2.9 million one-time increase due to uncollectable Building Safety Commission penalty fees.
- $1.0 million reimbursement from Aviation for the temporary reassignment of 5 plan review positions and supporting costs.
- $0.6 million increase to establish the Graffiti Abatement pilot program in the Code Compliance Division including funding for temporary employees, rental vehicles, and equipment.

By FY30, total departmental operating expenditures are forecasted to increase by an additional $15.8 million, or 14.7% in comparison with forecasted requirements for FY26. Major components of this increase are described below:

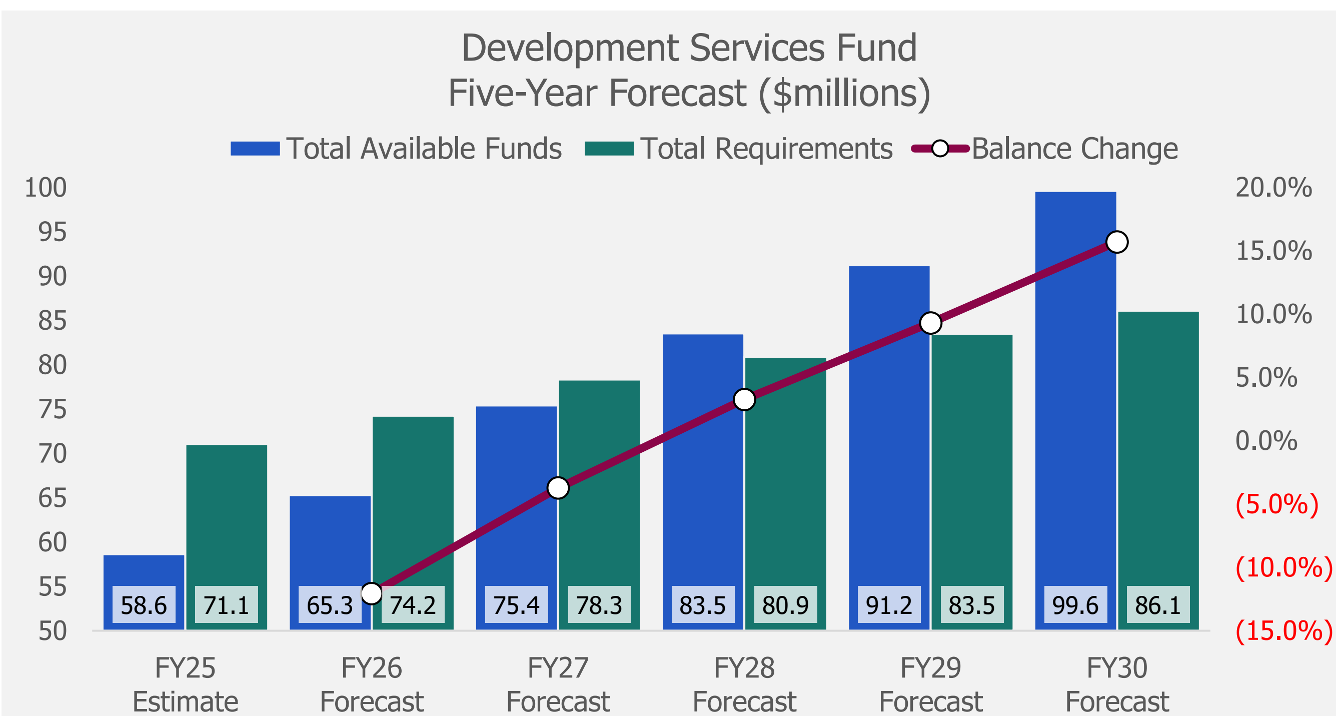
- $14.2 million increase in City-wide base cost drivers.
- $2.0 million annual cost for the licensing and permitting business process software starting in FY27.
- $0.5 million increase in FY27 for 6 positions to expand the Graffiti Abatement program in the Code Compliance Division.
- $0.3 million decrease in FY28 removing one-time equipment and vehicles expenses for the Graffiti Abatement program.

Comparing FY26 Plan to FY26 Forecast

The FY26 Plan for DSD assumed a $5.3 million greater beginning balance than the FY26 Forecast, primarily due to the assumption that DSD's revenue would recover to a greater extent in FY25 than has been realized. The FY26 Forecast revenue has been reduced by $4.5 million from the FY26 Plan to temper the expectation of a steeper revenue recovery. This revenue impact is also partially due to a $0.15 decrease in the typical ratepayer's Clean Community Fee (Code) monthly rate from the FY26 Plan. Forecasted expenditures increased in FY26 Forecast compared to FY26 Plan, primarily attributed to a reduction in the number of eliminated positions from 55 in the FY26 Plan to 39.85 in FY26 Forecast. Additionally, the FY26 Forecast includes unanticipated increases for one-time uncollectable Building Safety Commission penalty fees and the Graffiti Abatement pilot program.

Five Year Forecast Fund Summary – Development Services Fund

The chart below displays the Development Services Fund's estimated total expenditures and revenue for FY25, forecasted total expenditures and revenue for each subsequent year through FY30, and the projected change in fund balance for the Development Services Fund in each year.



The following table reflects the Development Services Fund's financial forecast for FY25 through FY30.

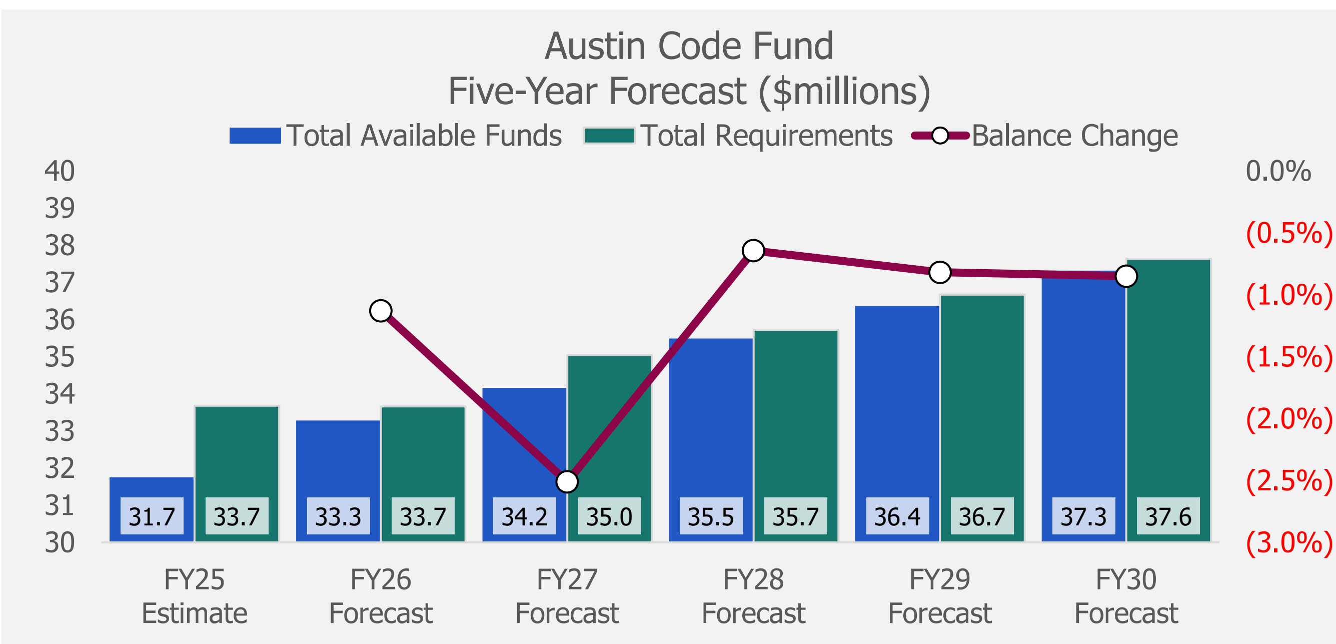
Fund Summary (in $millions)

	FY25 Estimate	FY26	FY27	FY28	FY29	FY30
Beginning Fund Balance	1.5	(10.9)	(19.9)	(22.8)	(20.2)	(12.4)
Revenue & Transfers In	58.6	65.3	75.4	83.5	91.2	99.6
Expenditures & Transfers Out	71.1	74.2	78.3	80.9	83.5	86.1
Change in Fund Balance	(12.4)	(9.0)	(2.9)	2.6	7.8	13.5
Ending Fund Balance	(10.9)	(19.9)	(22.8)	(20.2)	(12.4)	1.1
FTEs	447.4	404.7	404.7	404.7	404.7	404.7

Note: Numbers may not add due to rounding.

Five Year Forecast Fund Summary – Austin Code Fund

The chart below displays the Austin Code Fund's estimated total expenditures and revenue for FY25, forecasted total expenditures and revenue for each subsequent year through FY30, and the projected change in fund balance for the Austin Code Fund in each year.



The following table reflects the Austin Code Fund's financial forecast and the impact to a typical residential customer for FY 2025 through FY 2030.

Fund Summary (in $millions)

	FY25 Estimate	FY26	FY27	FY28	FY29	FY30
Beginning Fund Balance	10.0	8.1	4.8	3.9	3.7	3.4
Revenue & Transfers In	31.7	33.3	34.2	35.5	36.4	37.3
Expenditures & Transfers Out	33.7	36.6	35.0	35.7	36.7	37.6
Change in Fund Balance	(1.9)	(3.3)	(0.9)	(0.2)	(0.3)	(0.3)
Ending Fund Balance	8.1	4.8	3.9	3.7	3.4	3.1
Typical Residential Monthly Bill	$4.70	$4.80	$4.90	$5.00	$5.00	$5.00
FTEs	178.6	176.75	182.75	182.75	182.75	182.75

Note: Numbers may not add due to rounding.

Transportation and Public Works

The Transportation and Public Works Department (TPW) connects people with safe and reliable infrastructure by planning, building, and maintaining our streets, bridges, sidewalks, and urban trails, managing traffic engineering, permitting and coordination of construction and maintenance in the City's right-of-way.

TPW's five-year forecast is driven by projected increases to contractual and commodity costs, citywide base cost drivers, and increased transfers to CIP to support vehicle and equipment purchases and project preliminary design efforts. With declines in development-related revenue, TPW is shifting to a revenue model that relies more on the stable Transportation User Fee than cyclical sources.

Operating Revenue

TPW revenue is derived from the Transportation User Fee (TUF); direct charges to capital projects; collections from the Child Safety fund; permitting and review fees for Traffic Impact Analysis (TIA), Right-of-Way (ROW) and special event permits; parking meter revenue; and permits for mobility services (i.e. taxis, chauffeurs, car-share, bike-share, and scooters). In FY26, the department is forecasting an increase in revenue of $11.4 million, or 5.1%, in comparison with the FY25 Budget. Major components of this increase are described below:

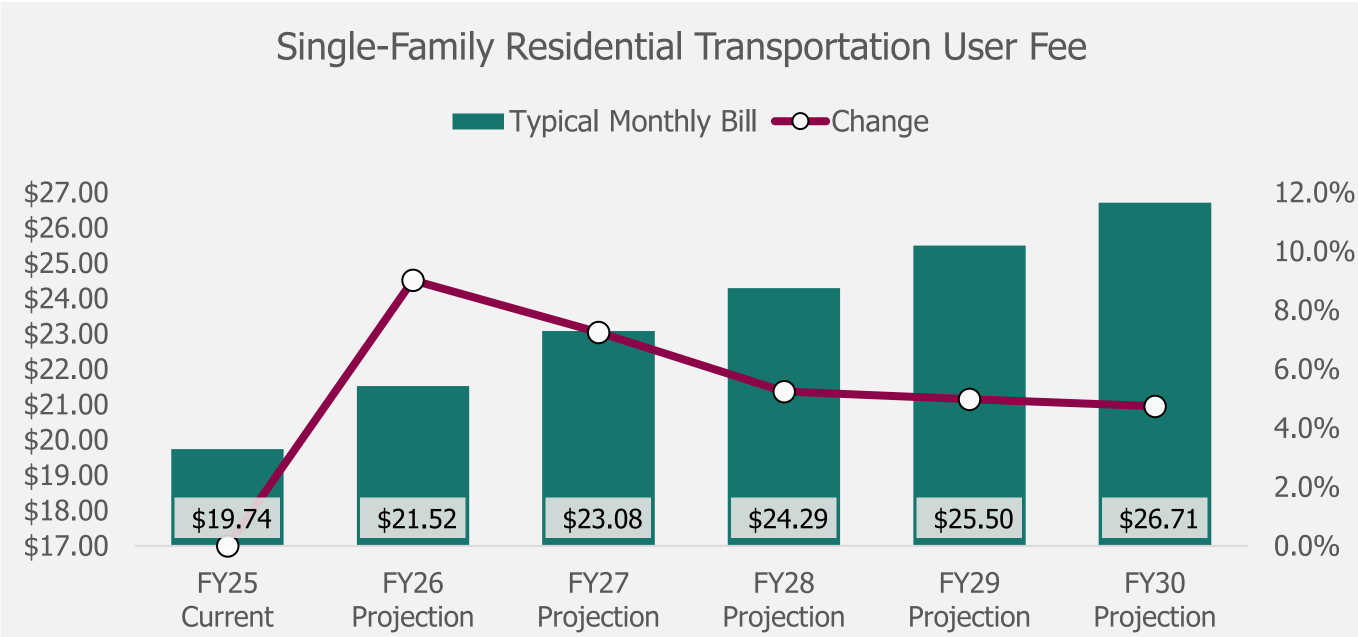
- $8.1 million, or 10.5%, increase in Residential TUF revenue and a $6.7 million, or 10.5%, increase in Commercial TUF revenue due to a forecasted 9.0% rate increase and anticipated growth in the customer base.
- $5.3 million, or 24%, decrease in Temporary Use of Right of Way Permitting revenue due to a reduction in development citywide.
- $1.7 million, or 44.3%, decrease in Traffic Impact Analysis revenue due to a reduction in development citywide.
- Ten positions to be converted from temporary to permanent employees at a net neutral cost.

By FY30, total departmental operating revenue is forecasted to increase by $49.7 million, or 21.4%, in comparison with the FY26 Forecast. Major components of this increase are described below:

- $26.7 million, or 31.3%, increase in Residential TUF revenue and a $22.0, or 31.3%, increase in Commercial revenue due to planned increases in the TUF rate and anticipated growth in the customer base.
- $0.8 million, or 5.0% increase in Temporary Use of Right of Way permitting revenue during the forecast period.

Typical Ratepayer

Revenue from the TUF is expected to increase by 10.5% in FY26 because of a forecasted rate increase and marginal growth in the customer base. TPW's typical residential TUF customers are projected to pay $21.52 in FY26, an increase of $1.78 per month, or 9.0%, from FY25. Total TUF revenue is projected to increase by $15.7 million in comparison with FY25 estimated levels. TPW projects future increases in the monthly TUF rate of $1.56 in FY27, $1.21 in FY28, $1.21 in FY29, and $1.21 in FY30, a cumulative increase of $6.97, or 35.3%, from its current FY25 level.



Operating Expenditures

Transportation and Public Works' major expenditure categories include maintenance and asset management of streets, bridges, sidewalks, signals, markings, signs, and urban trails; local mobility capital project delivery; transportation development and permitting; and traffic management. In FY26, TPW's total expenditure budget is forecasted to increase by $13.3 million, or 5.9%, in comparison with its FY25 Budget. Major components of this increase are described below:

- $6.3 million increase for city-wide cost drivers, including $3.8 million for employee wages and benefits.
- $1.5 million increase in transfers to CIP for vehicles and equipment.
- $1.1 million increase for contractuals and commodities to maintain roads, bridges, sidewalks, signals, and other transportation system requirements.
- $0.9 million increase for TPW's contribution to the Construction Partnership Program to support inter-agency coordination for regional transportation projects.
- $0.2 million increase to support the Downtown Refresh Project.

By FY30, total departmental operating expenditures are forecasted to increase by an additional $39.2 million, or 16.4% in comparison with forecasted requirements for FY26. Major components of this increase are described below:

- $23.4 million increase for city-wide cost drivers, including an increase of $14.2 million for employee wages and benefits.
- $15.8 million increase for department-wide cost drivers, including:
    - $9.0 million increase in contractuals and commodities related to maintaining roads, bridges, sidewalks, signals, and other transportation system requirements.

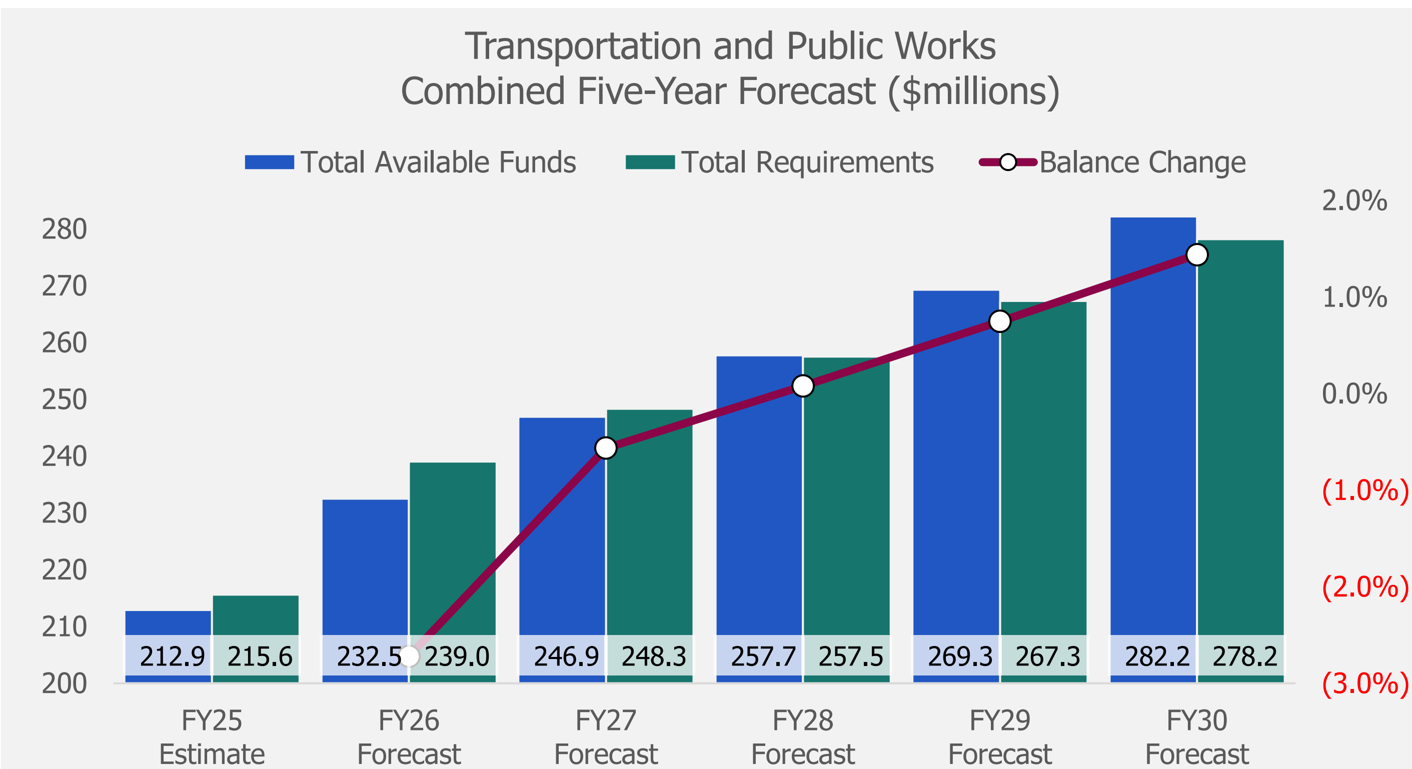
- $6.0 million increase in transfers to CIP for vehicle and equipment replacements and to support preliminary engineering and design for future capital projects.

Comparing FY26 Plan to FY26 Forecast

TPW's FY26 Forecast reflects a $1.78 (9.0%) increase in the typical residential monthly bill for the TUF, greater than the $1.17 (5.6%) increase projected in the FY26 Plan. The FY26 Forecast includes additional TUF revenue and a reduction in development-related revenue when compared to the FY26 Plan revenue amounts. With respect to expenditures, the FY26 Plan increases from the FY26 Forecast are primarily explained by additional transfers to CIP for vehicles and equipment and the contribution to the Construction Partnership Program. The FY26 Forecast also includes ten temporary to permanent employee conversions that were not included in the FY26 Plan.

Five Year Forecast Fund Summary

The chart below displays Transportation and Public Works' estimated total expenditures and revenue for FY25, forecasted total expenditures and revenue for each subsequent year through FY30, and the projected change in fund balance for TPW's major fund, the Transportation Fund.



The following table reflects Transportation and Public Works' financial forecast and the impact to a typical residential customer for FY25 through FY30.

Combined Fund Summary (in $millions)

	FY25 Estimate	FY26	FY27	FY28	FY29	FY30
Beginning Fund Balance	17.2	14.5	8.0	6.6	6.4	8.4
Revenue & Transfers In	212.9	232.5	246.9	257.7	269.3	282.2
Expenditures & Transfers Out	215.6	239.0	248.3	257.5	267.3	278.2
Change in Fund Balance	(2.7)	(6.5)	(1.4)	(0.2)	2.0	4.0
Ending Fund Balance	14.5	8.0	6.6	6.4	8.4	12.4
Typical Residential Monthly Bill	$19.74	$21.52	$23.08	$24.29	$25.50	$26.71
FTEs	854	864	864	864	864	864

Note: Numbers may not add due to rounding.

Watershed Protection

The Watershed Protection Department (WPD) protects the lives, property, and environment of our community by reducing the impacts of flooding, erosion, and water pollution. WPD maintains the stormwater conveyance system, which includes the city's creeks, channels, storm drainpipes, and stormwater controls. Furthermore, WPD aims to protect Austin's creeks and communities through construction projects that improve public stormwater infrastructure, water quality and development regulations, and flood safety awareness and preparedness activities.

With expected completion in FY26, WPD's Rain to River strategic plan will offer a roadmap for the department's work, setting goals and priorities, as well as identifying the most urgent challenges to address. The department's forecasted revenue and expenditures in FY26 are necessary to maintain current service levels. Investments in the remaining years of the forecast period will be reevaluated annually to ensure alignment with the Rain to River strategic goals and priorities.

Operating Revenue

Watershed Protection Department's revenue is primarily comprised of development fee revenue and a monthly drainage utility charge assessed on residential and commercial customer utility bills. In FY26, total departmental operating revenue is forecasted to increase by $4.5 million, or 3.8%, in comparison with the FY25 Budget. Major components of this increase are detailed below:

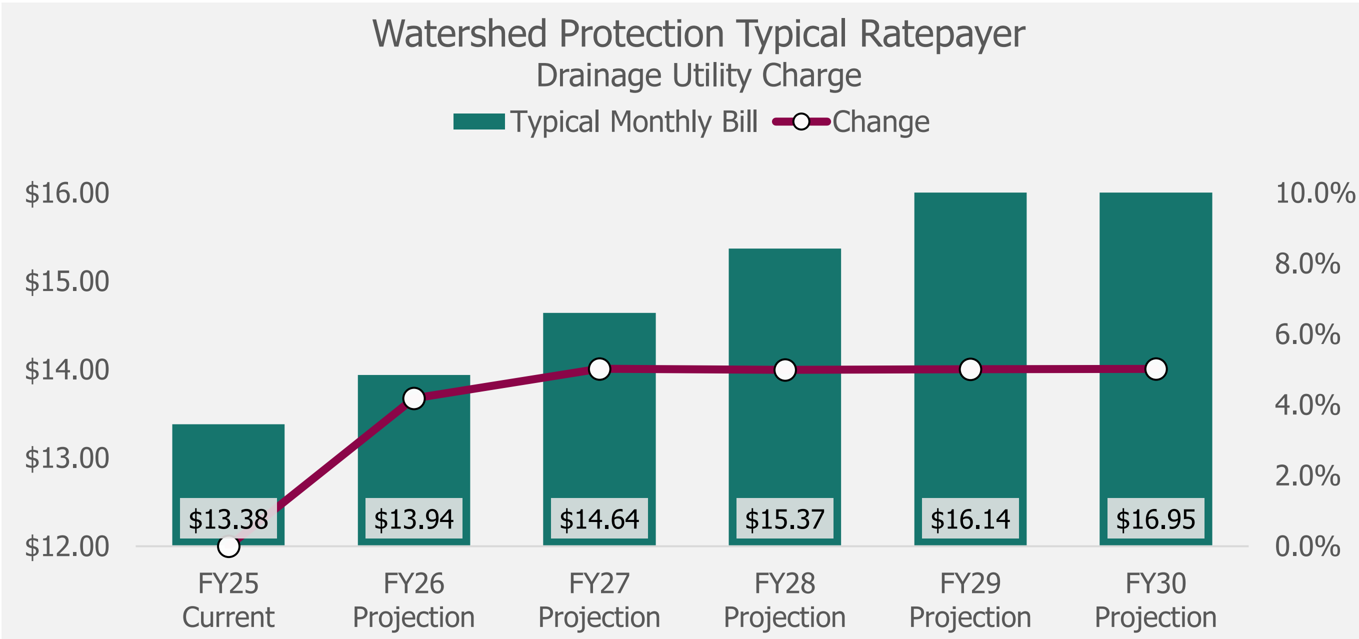
- $4.7 million increase in drainage utility charge revenue due to a planned increase in the fee assessed to both residential and commercial customers.
- $0.2 million decrease in other revenue sources, largely the result of an $0.3 million decrease in development fee revenue.

By FY30, total departmental operating revenue is forecasted to increase by $21.8 million, or 17.6%, in comparison with the FY26 forecast. Major components of this increase are detailed below:

- $25.4 million increase in drainage utility charge revenue a result of further planned increases to the fee to align revenue with the cost of providing services.
- $3.6 million decrease in projected interest income revenue.

Typical Ratepayer

WPD typical residential drainage utility customer is defined as a single-family home with 37% and 3,100 sq. ft. impervious cover. WPD's typical residential drainage utility charge customer will pay $13.94 in FY26, an increase of $0.56 per month, or 4.2%, from FY25. WPD projects future increases in the monthly drainage utility rate of $0.70 in FY27, $0.73 in FY28, $0.77 in FY29, and $0.81 in FY30, a cumulative increase of $3.57, or 26.5%, from its current level.



Operating Expenditures

Major expenditure categories for the department consist of drainage and watershed protection activities and transfers for planned infrastructure projects. In FY26, WPD's total expenditure budget is forecasted to increase by $3.7 million, or 3.0%, in comparison with the FY25 Budget. Major components of this increase are described below:

- $2.8 million increase in City-wide base cost drivers such as increases in employee wages and insurance, information technology support, and administrative support costs.
- 10 positions to keep pace with growing service requests to maintain stormwater infrastructure, rivers, and ponds.
- 3 positions for operational support, including geospatial analysts for utility asset data maintenance and a human resource professional to support growing operations.
- $3.5 million decrease in the transfer for planned infrastructure project costs based on current operational needs.

By FY30, total departmental operating expenditures are forecasted to increase by an additional $22.7 million, or 18.6%, in comparison with forecasted requirements for FY26. Major components of this increase are described below:

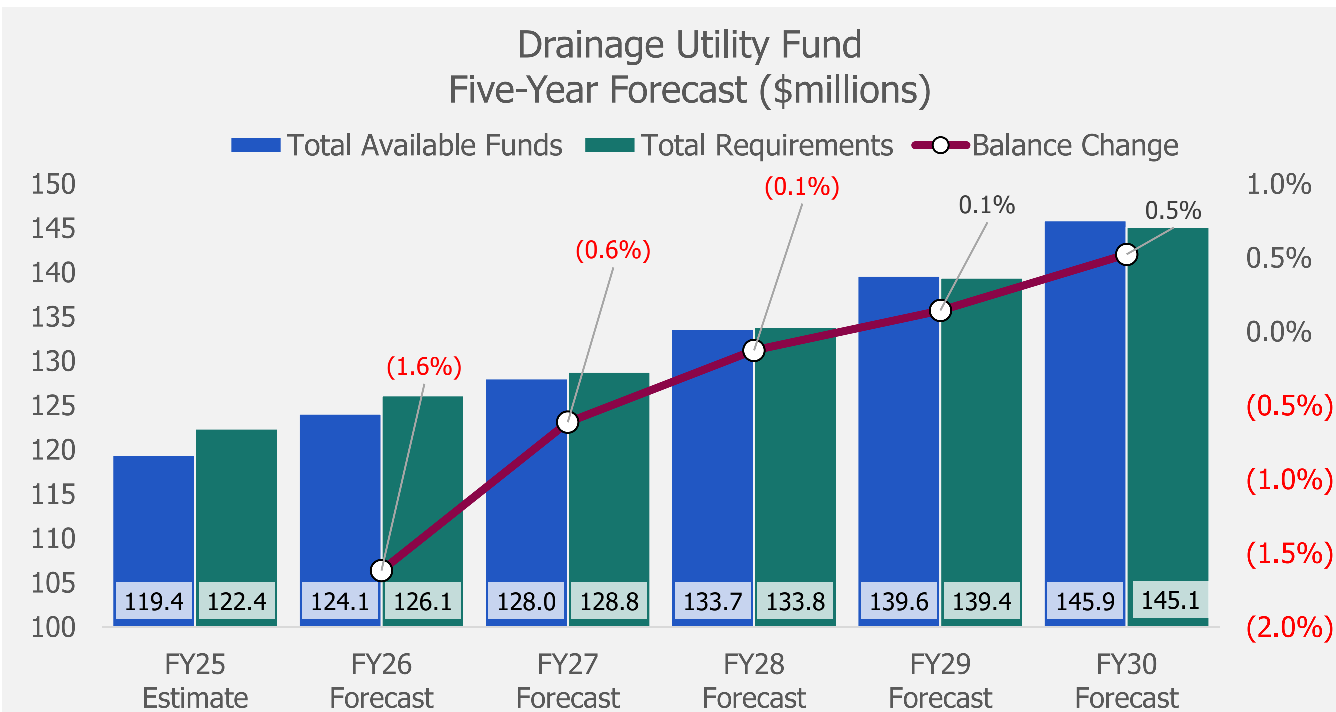
- $12.7 million to support anticipated further increases to City-wide base cost drivers, such as employee wages and City-wide shared services, and increases for contract services.
- $4.7 million to add 44 positions over the remaining years of the forecast period for stormwater conveyance system maintenance and operational support. Anticipating approval of the Rain to River strategic plan in FY26, WPD will review and ensure the forecasted positions align to the approved goals and priorities.

Comparing FY26 Plan to FY26 Forecast

The variance between Watershed Protection Department's FY26 Forecast and FY26 Plan is a $1.8 million net increase in forecasted expenditures and a $0.1 million net decrease in revenue. The net increase in forecasted expenditures is primarily a result of an adjustment to the number of positions added from 8 in FY26 Plan to 13.25 in FY26 Forecast, as well as a further $0.5 million decrease from FY26 Plan to FY26 Forecast in the transfer for planned infrastructure costs. The additional 5.25 positions, a $0.5 million increase from the FY26 Plan, are necessary to address the growing service requests to maintain stormwater infrastructure and ponds.

Five Year Forecast Fund Summary

The chart below displays WPD's estimated total expenditures and revenue for FY25, forecasted total expenditures and revenue for each subsequent year through FY30, and the projected change in fund balance for WPD's major fund in each year.



The following table reflects WPD's financial forecast and the impact to a typical residential customer for FY25 through FY30.

Fund Summary (in $millions)

	FY25 Estimate	FY26	FY27	FY28	FY29	FY30
Beginning Fund Balance	15.1	12.1	10.0	9.3	9.1	9.3
Revenue & Transfers In	119.4	124.1	128.0	133.7	139.6	145.9
Expenditures & Transfers Out	122.4	126.1	128.8	133.8	139.4	145.1
Change in Fund Balance	(3.0)	(2.0)	(0.8)	(0.2)	0.2	0.8
Ending Fund Balance	12.1	10.0	9.3	9.1	9.3	10.0
Typical Residential Monthly Bill	$13.38	$13.94	$14.64	$15.37	$16.14	$16.95
FTEs	442.5	455.75	469.75	479.75	489.75	499.75

Note: Numbers may not add due to rounding.

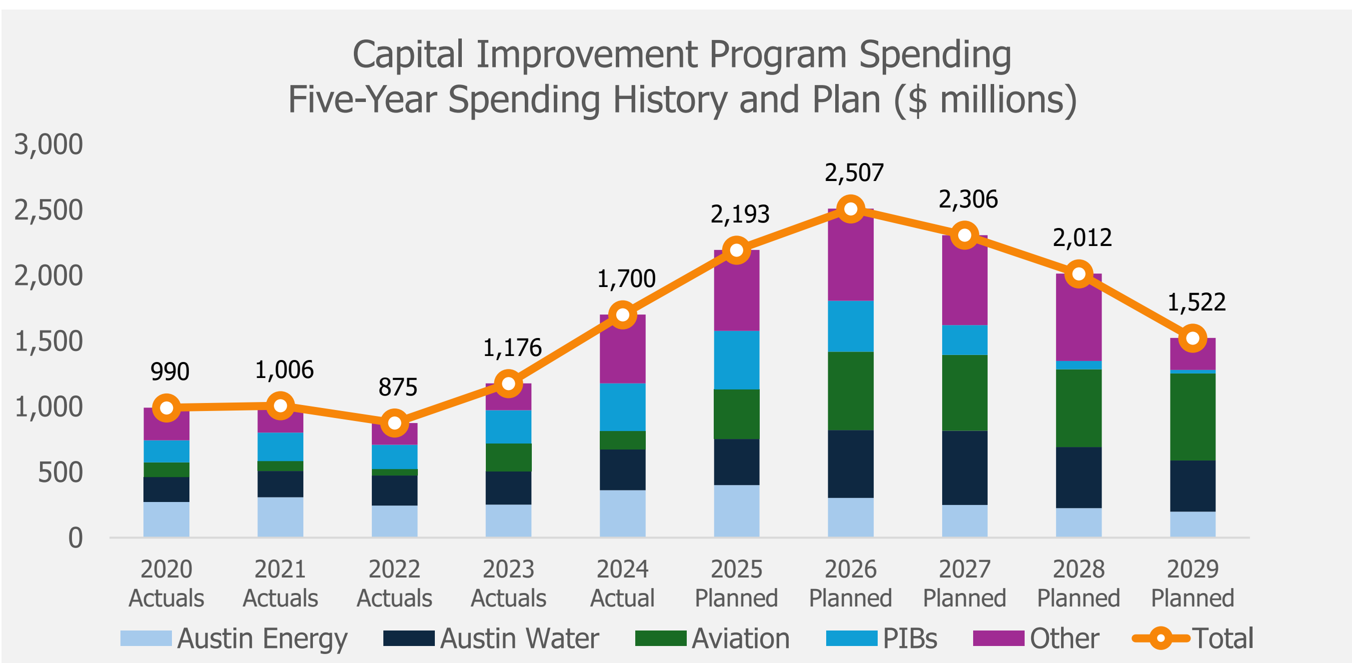
Capital Improvement Program

The City of Austin regularly undertakes projects to improve public facilities and infrastructure assets for the benefit of its citizens. Projects include the construction of City facilities such as recreation centers and libraries as well as the reconstruction of streets, replacement of water/wastewater lines, and provision of power for City of Austin residents. Collectively, these projects are referred to as the City of Austin Capital Improvement Program (CIP).

Each year, the City produces a Five-Year CIP Plan that outlines various projects and spending plans that are anticipated over the upcoming five-year period. This financial planning document is published as part of the annual budget and will include revised projections through FY30.

The CIP is supported by several different funding sources including debt, current revenue, and grants. Debt sources include public improvement bonds (PIBs), which are the voter-approved General Obligation bond programs, as well as certificates of obligation, contractual obligations, and commercial paper. Current revenue typically includes transfers from the operating budget, such as revenue collected through user fees.

The City has spent on average $1.2 billion per year in the CIP over the past five years and anticipates spending a total of $10.5 billion from FY25 through FY29. Austin Energy, Austin Water, and Aviation projects amount to $6.5 billion, or 61%, of projected spending over this timeframe. PIB-funded projects total $1.2 billion, or 11%, of the five-year plan. Other significant funding sources include the Convention Center ($1.8 billion), non-voter approved general obligation debt ($0.3 billion), and drainage utility fee transfers ($0.3). The graph below shows the past five years of actual spending data along with projected current-year and out-year spending.



Voter-Approved General Obligation Debt

The City currently has four active voter-approved General Obligation bond programs: 2016, 2018, 2020 and 2022. Active bond programs are those with more than 5% of authorized funding remaining to be obligated and with more than 10% remaining to be spent.

The table below provides an overview of the authorizations and activity for these programs through February 28, 2025.

Public Improvement Bond Program	Voter Approved	Expended	% Expended
2016 – Prop 1: Transportation and Mobility	$720,000,000	$457,812,753	64%
2016 Bond Total	**$720,000,000**	**$457,812,753**	**64%**
2018 – Prop A: Affordable Housing	$250,000,000	$225,320,382	90%
2018 – Prop B: Libraries, Museums and Cultural Arts Facilities	$128,000,000	$44,812,140	35%
2018 – Prop C: Parks and Recreation	$149,000,000	$99,275,138	67%
2018 – Prop D: Flood Mitigation, Open Space, and Water Quality Protection	$184,000,000	$143,965,606	78%
2018 – Prop E: Health and Human Services	$16,000,000	$15,510,591	97%
2018 – Prop F: Public Safety	$38,000,000	$33,041,446	87%
2018 – Prop G: Transportation Infrastructure	$160,000,000	$108,298,959	68%
2018 Bond Total	**$925,000,000**	**$670,224,262**	**73%**
2020 – Prop B: Transportation Infrastructure	$460,000,000	$150,789,848	33%
2020 Bond Total	**$460,000,000**	**$150,789,848**	**33%**
2022 – Prop A: Affordable Housing	$350,000,000	$61,698,481	18%
2022 Bond Total	**$350,000,000**	**$61,698,481**	**18%**
Total	**$2,455,000,000**	**$1,340,525,344**	**55%**

Based on the FY 2025-29 CIP Plan, the 2016 Bond Program is projected to achieve 90% spent of its authorized amount in FY2026, the 2018 Bond Program in FY2027, the 2020 Bond Program in FY2028, and the 2022 Bond Program in FY2028. The spending plans presented in the FY 2026-30 CIP Plan and actual spending to date will allow for an update on estimated Bond Program completion dates.

American Rescue Plan Act (ARPA) Update

Through the federal American Rescue Plan Act of 2021 (ARPA), Congress established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund (SLFRF). The Treasury Department's allocation methodology for the Coronavirus State and Local Fiscal Recovery Funds resulted in the City of Austin receiving one-time funding of $188.5 million. The total funding amount had to be either spent or encumbered by December 31, 2024. The City is using the $188.5 million of ARPA-SLFRF to fund thirty unique projects aimed at providing relief services and assistance to Austin residents, creatives, non-profits, and businesses to address the needs created by the COVID-19 public health emergency. The table below summarizes the City Council approved ARPA-SLFRF Spending Framework by department and project, including the allocated budget and total expenditures as of March 21, 2025.

Department	Project Name	Allocated Budget	Encumbered	Expended
Austin Public Health	Food Security/Food Access	$2.0 M	$0.3 M	$1.7 M
	Public Health - Communications Project	$4.5 M	$0.8 M	$3.7 M
	Public Health - IT Project	$5.4 M	$0.3 M	$5.1 M
	Public Health - Staffing and Support	$26.8 M	$4.8 M	$22.1 M
Economic Development	Arts Industry Support	$5.9 M	$0.0 M	$5.9 M
	High-Quality Affordable Child Care	$3.5 M	$0.1 M	$3.3 M
	Austin Arts & Culture Non-Profit Relief Grant	$2.0 M	$0.0 M	$2.0 M
	PARD - Austin Civilian Conservation Corps	$1.9 M	$0.0 M	$1.9 M
	Austin Civilian Conservation Corps - Creative Workers	$1.1 M	$0.9 M	$0.2 M
	Austin Live Music Venue Preservation Fund	$1.5 M	$0.0 M	$1.5 M
	Bachelor of Science in Nursing Degree Program	$1.5 M	$0.6 M	$0.9 M

Department	Project Name	Allocated Budget	Encumbered	Expended
Economic Development	Colony Park Sustainable Community Health Center	$1.5 M	$1.3 M	$0.2 M
	Community Navigator Program	$0.5 M	$0.0 M	$0.5 M
	Community-Owned Food Retail Initiative	$0.5 M	$0.0 M	$0.5 M
	Early Care and Education and Early Childhood (includes funding for APH Family Connects program)	$7.4 M	$1.2 M	$6.2 M
	Re:WorkNOW 2.0	$6.6 M	$0.1 M	$6.5 M
	Workforce Development Solicitation	$6.1 M	$1.0 M	$5.1 M
	Austin Music Disaster Relief Grant	$2.5 M	$0.0 M	$2.5 M
Financial Services	TARA - Austin Film Society	$0.8 M	$0.0 M	$0.8 M
Homeless Strategy Office	Capital Investments - Housing Development	$11.1 M	$0.6 M	$10.5 M
	Emergency Shelters & Crisis Services	$26.8 M	$2.1 M	$24.7 M
	Supporting Capacity Building	$2.0 M	$0.9 M	$1.1 M
	Rapid Rehousing	$42.3 M	$11.5 M	$30.8 M
	Landlord Engagement & Move-in Support	$1.5 M	$1.5 M	$0.0 M
	Other Homeless Support Services	$6.8 M	$1.2 M	$5.6 M
	Homelessness Systems Support	$3.5 M	$1.6 M	$1.9 M
	Targeted Prevention	$3.3 M	$0.9 M	$2.4 M
Management Services	HSEM - EOC Emergency Response	$5.9 M	$0.0 M	$5.9 M

Department	Project Name	Allocated Budget	Encumbered	Expended
Management Services	Resilience - Resilience Hubs	$2.8 M	$0.3 M	$2.6 M
	Sustainability - Regional Food System Planning	$0.5 M	$0.0 M	$0.4 M
	TOTAL	***$188.5 M***	***$32.0 M***	***$156.5 M***

All ARPA spending must be completed by December 31, 2026. Of the thirty unique projects funded through ARPA, ten programs are ongoing in nature and would require additional investment to maintain the expanded service levels that have been achieved with ARPA funding. These programs total $18.1 million in combined annual operating costs.

Program	Annual Cost	Description
APH: Family Connects	$0.8 M	• Continue expanded postpartum nurse home visits; 6.0 positions
APH: Communications Project	$0.3 M	• Continue public health education and awareness campaigns; 3.0 positions
EDD: Community Owned Food Retail	$0.2 M	• Continue support for the pilot store until full-service store is developed
EDD: ACCC Workforce Development Training	$1.0 M	• Continue contracted services to provide career training
EDD: Workforce/Childcare Support	$0.1 M	• Contract management for staff for childcare; 1.0 position
DACC: Rapid Rehousing	$0.7 M	• Continue clinical case management support for Rapid Rehousing; 6.0 positions
HSO: Marshalling Yard Emergency Shelter	$8.0 M	• Continue operation of the Marshalling Yard Emergency Shelter facility
HSO: Northbridge & Southbridge Shelter Housing Program	$3.0 M	• Continue housing support through Housing-focused Encampment Assistance Link (HEAL) initiative
HSO: Street Outreach Initiatives	$2.0 M	• Contract with local organizations to deploy street outreach teams and resource navigation across the city
HSO: Community-Based Emergency Shelters	$2.0 M	• Support capacity building for community-based shelters

Unfunded Items from Council

The following table lists approved City Council resolutions for which funding sources have not yet been fully identified, or research and planning is still in progress as of March 26, 2025. Additional information can be found in response memos provided to City Council.

Resolution	IFC Description
Resolution 20240215-023	Approve a resolution directing the City Manager to investigate ways to preserve accessible, inclusive, open-to-the-public events and Citywide traditions and to identify opportunities for the City to support and promote community events including a free annual summer concert series.
Resolution 20240215-025	Approve a resolution establishing the City's intent to act urgently to address local causes of climate change, enhance the sustainability of City operations, and develop community resiliency to the impacts of extreme weather; directing the City Manager to post a public hearing of the Joint Sustainability Committee to gather public input and make recommendations; further directing the City Manager to prepare an environmental investment plan, including recommendations for appropriate funding sources; and setting a public hearing.
Resolution 20240229-058	Approve a resolution directing the City Manager to implement sustainable procurement practices in City operations and establish a pilot program for concrete construction and greenspace maintenance services and equipment, and to provide recommendations for further program expansion.
Resolution 20240229-059	Approve a resolution to establish Austin as a recognized soccer city and directing the City Manager to analyze challenges and needs in soccer field development and soccer programming and to provide recommendations.
Resolution 20240321-033	Approve a resolution directing the City Manager to explore options related to permit applications and health authority inspections of mobile food establishments, including amending City Code Section 10-3-93.
Resolution 20240321-035	Approve a resolution directing the City Manager to assess the effectiveness of the Emergency Closure/Bad Weather Pay Procedure and report back to Council with findings and potential costs associated with providing emergency pay stipends to eligible essential employees.
Resolution 20240321-036	Approve a resolution related to the Community Wildfire Protection Plan.
Resolution 20240321-039	Approve a resolution directing the City Manager to explore a right-of-way design and management plan to promote green infrastructure including street trees in the right-of-way while ensuring the safety and reliability of utility infrastructure.

Resolution	IFC Description
Resolution **20240404-067**	Approve a resolution directing the City Manager to develop and expand community land trusts as a method to increase long-term affordable housing.
Resolution **20240418-048**	Approve a resolution directing the City Manager to initiate a Passive Building pilot program.
Resolution **20240418-049**	Approve a resolution directing the City Manager to pilot opportunities to reduce aquatic fees and increase pool access during the Fiscal Year 2023-2024 swim season.
Resolution **20240418-051**	Approve a resolution directing the City Manager to explore options for a comprehensive tree inventory, establish a tree planting and maintenance plan, and provide recommendations for the Fiscal Year 2024-2025 budget.
Resolution **20240502-063**	Approve a resolution directing the City Manager to conduct a survey on youth caregivers that support family members or guardians and report updates and final results.
Resolution **20240502-065**	Approve a resolution related to supporting and expanding community engagement.
Resolution **20240530-115**	Approve a resolution directing the City Manager to initiate new programs, streamline processes, and build on the City's existing resources to ensure the recently adopted amendments to City Code Title 25 (Land Development) regarding regulations for housing units (also known as the Home Options for Middle-Income Empowerment "HOME" Initiative) are accessible to low- and moderate-income homeowners, helping minimize the impacts of displacement.
Resolution **20240814-014**	Approve a resolution directing the City Manager to identify funding or other resources capable of providing small grants to community-based organizations in pursuit of the goals set forth in Resolution Nos. 20071213-058, 20210902-048, and 20240418-076 regarding the African American Cultural Heritage District.
Resolution **20240814-015**	Approve a resolution amending Resolution No. 20021003-040 and directing the City Manager to solidify the City's efforts and financial support for Juneteenth celebrations, to identify opportunities to further support and sustain other culturally significant and legacy events, and to return to council with updates.
Resolution **20240814-016**	Approve a resolution relating to cybersecurity, contract efficiencies, and the Information Security Office.
Resolution **20240814-017**	Approve a resolution relating to EMS billing process improvements and related system investments.
Resolution **20240814-020**	Approve a resolution relating to the Austin Fire Department's overtime costs.
Resolution **20240814-022**	Approve a resolution directing the City Manager to conduct a feasibility study to determine potential properties that can host an LGBTQIA+ community center and establish a task force to lead this initiative.

Resolution	IFC Description
Resolution [20240814-025]	Approve a resolution directing the City Manager to develop a multi-year plan for applying the City's Living Wage requirements to future solicitations for social services.
Resolution [20240814-029]	Approve a resolution relating to shade tree planting projects at parks and community tree planting and increasing the allocation from the Urban Forest Replenishment Fund.
Resolution [20240814-030]	Approve a resolution directing the acquisition and development of additional Downtown Austin Community Court facilities to provide criminal justice diversion and navigation services.
Resolution [20240829-141]	Approve a resolution regarding Austin Fire Department staffing for aerial fire trucks.
Resolution [20240912-057]	Approve a resolution relating to the removal of per- and poly-fluoroalkyl substances (PFAS) from firefighting equipment and materials.
Resolution [20240926-072]	Approve a resolution directing the City Manager to identify funding to keep the Marshalling Yard Emergency Shelter (Marshalling Yard) open to serve individuals experiencing homelessness until an alternative emergency shelter is identified and operational, and improve the rate of exits from the Marshalling Yard to permanent housing.
Resolution [20240926-073]	Approve a resolution amending Resolution No. 021003-40 to add the Small Business Opportunity Summit hosted by the Diversity and Ethnic Chamber Alliance (DECA) as a City co-sponsored event and directing the City Manager to bring an ordinance to amend Ordinance No. 20240814-006 to add the Summit as a co-sponsored event for fiscal year 2024-2025 for which fees are waived and authorizing the City Manager to negotiate and execute a co-sponsorship Agreement with DECA, and include the Summit in the list of City co-sponsored events with fees waived annually in the ordinance adopted with the budget starting in fiscal year 2025-2026 as well as explore options to waive parking fees.
Resolution [20241010-023]	Approve a resolution directing the City Manager to conduct a cost-benefit analysis to determine effective financial or other strategies for public safety personnel recruitment, including, but not limited to housing and other options for public safety cadet class participants.
Resolution [20241010-026]	Approve a resolution directing the City Manager to identify and define leadership roles and responsibilities, as well as work with co-partners, to implement the Austin/Travis County Food Plan (Plan) including funding now and in the next fiscal year, and identify and prioritize Plan strategies to address racial inequities, displacement, food insecurity, food workers, and emergency preparedness.
Resolution [20241010-028]	Approve a resolution directing the City Manager to perform a cost estimate for City employee participation in election activities, and analysis of different methods for improving voter registration efforts within the City and explore intergovernmental opportunities for voter registration at City facilities.

Resolution	IFC Description
Resolution <u>20241107-034</u>	Approve a resolution to develop a pilot program for implementing a budget and framework for allocation of discretionary Council Member District Service Funds for use by Council offices to implement various projects within their districts to begin in the Fiscal Year 2025-2026 Budget.
Resolution <u>20241121-072</u>	Approve a resolution directing the City Manager to explore additional funding strategies to sustain City parks and to explore a regional approach to parks funding, acquisition, and maintenance strategy; and further directing the City Manager to provide an annual report on the Parkland Dedication Fund to City Council.
Resolution <u>20241121-073</u>	Approve a resolution directing the City Manager to return to Council with updates regarding the City's implementation efforts of Lights Out Austin, a City-wide initiative that aims to raise awareness of the risk of light pollution for migrating birds, explore bird-friendly building techniques including the impacts on cost and time on developments, and develop recommendations for amendments to City Code or guidelines to incorporate bird-friendly building standards for construction of new buildings.
Resolution <u>20241121-074</u>	Approve a resolution directing the City Manager to develop an incentive program to encourage the preservation of trees that have a diameter between 8 and 18 inches on residential lots through the provision of a credit toward development fees and directing funding and elements of the program.
Resolution <u>20241212-062</u>	Approve a resolution directing the City Manager to allocate to the House Our People Endowment (HOPE) Fund revenue received from the Austin Tourism Public Improvement District as a result of the City performing services or providing incentives for advertising, promotion, or business recruitment, directly related to hotels.
Resolution <u>20241212-067</u>	Approve a resolution concerning the lease of an affordable multi-use creative space located at the Austin Permitting and Development Center to the Austin Economic Development Corporation d/b/a Rally Austin and its advancement of its use of the creative space, including possible waiver of fees and expenses; and review of Rally Austin's operational model and potential future City funding.
Resolution <u>20250130-079</u>	Approve a resolution declaring the City's support for the United Nations Sustainable Development Goals (SDGs) and directing the City Manager to identify and register existing major City actions that accelerate implementation of the SDGs and to recommend additional major City actions that could accelerate implementation of the SDGs.
Resolution <u>20250130-080</u>	Approve a resolution directing the City Manager to prepare a report and make recommendations to the Public Safety Committee regarding the City's police and non-police responses to mental health-related incidents and to requests for service made through the 911 and 311 systems.

Resolution	IFC Description
Resolution **<u>20250213-031</u>**	Approve a resolution relating to the establishment of the Downtown Austin Strategic Initiative to track, oversee, coordinate, implement, and identify any additional funding needed for all projects and programs within and impacting downtown Austin, focusing on mobility and infrastructure, music and arts, cultural and historical assets, economic and workforce development, public safety, homelessness, and parks and greenspace.
Resolution **<u>20250306-030</u>**	Approve an ordinance amending Resolution No. 021003-40 and Ordinance No. 20240814-006 to add Eeyore's Birthday Party as a co-sponsored event for which fees are waived annually, starting with the 2025 Eeyore's Birthday Party, and authorizing negotiation and execution of a co-sponsorship agreement with Friends of the Forest Foundation to achieve the purposes of the co-sponsorship.

Council Amendments Approved During the FY25 Budget Adoption Process

The following 15 amendments require further funding consideration to maintain FY 25 service levels.

REFERENCE	DESCRIPTION	GENERAL FUND IMPACT
A-Alter-4	Maternity Leave for Sworn Firefighters	$75,488
Fuentes-1	Flood Insurance	$100,000
Fuentes-2	Family Stabilization Grant	$1,300,000
Fuentes-3	Rapid Rehousing Program	$3,200,000
Fuentes-4	Reproductive Health-Logistical Support	$400,000
Fuentes-5	Early Childhood Social Services Contract Adjustment	$195,408
Pool-1	EMS Domain Demand Unit Pilot	$142,000
Qadri-4	Community Health Navigator Program	$268,000
R-Alter-5	Expanded Mobile Crisis Outreach Team (EMCOT) 24/7	$2,484,860
R-Alter-7	Homelessness Prevention	$2,212,508
R-Alter-8	Services for Families Experiencing Homelessness	$300,000
Velasquez-1	Parent Support Specialists (PSS)	$619,000
Velasquez-2 (revised)	Substance Use Continuum of Care	$140,000
Velasquez-4	Office of Violence Prevention's Community Violence Intervention programming	$200,000
R-Alter-10	Additional Fire Department Cadet Class	$875,000

The following 21 amendments do not require further funding considerations. Items funded with on-going funding will remain in the FY26 forecast at the FY25 budgeted amount. Debt funded items were appropriated in the Capital Budget at the amount necessary to fully fund the planned expense. Amendments noted with the asterisk in the table below were items that required one-time funding.

REFERENCE	DESCRIPTION
R-Alter-2*	Citywide Land Acquisition Fund
R-Alter-4	Homeless Encampment Response Team
R-Alter-6	Home Weatherization Program Expansion
R-Alter-12	Office of Violence Prevention, Crisis Intervention Specialist
A-Alter-2	Climate Co-Lab
A-Alter-3*	Anti-Hate Education and Outreach
A-Alter-6	Domestic Violence Unit
Kelly-1	Support Cemetery Operations

REFERENCE	DESCRIPTION
Ellis-1; A-Alter-1	PARD Maintenance FTEs and Equipment
Ellis-2	Transportation FTEs
Ellis-5	Firearms Examiner FTE
Harper-Madison-1	DACC Mobile Court and Case Workers
Qadri-2	Counter Assault Strike Team Paramedics (CASTMED)
Qadri-3	Homelessness Engagement Assistance Response Program
Vela-1	Portable for the Gus Garcia Recreation Center for Seniors
Vela-3	Restore Sobering Center Budget
Watson-1	Permanent Supportive Housing Support Services
Watson-2	Bridge/Emergency Shelter
Watson-3	Downtown Area Command
Watson-4	Adoption & Foster Coordinators
Velasquez-3	EMS Communications

CITY OF AUSTIN

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