

City of Lake Jackson

Budget in Brief FY 2023-2024



BUDGET OVERVIEW

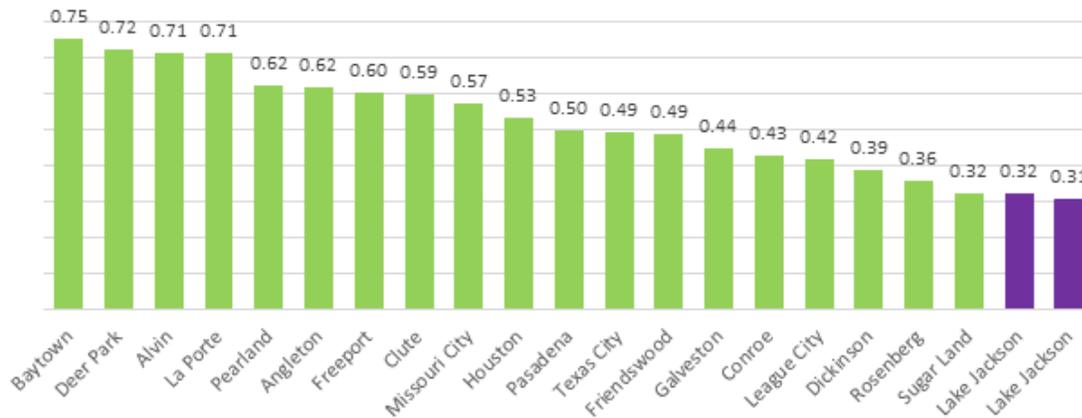
Tax Rate Proposal

Total Adopted: 2022 0.32131 per \$100 valuation
Proposed Total for 2023: 0.305606 per \$100 valuation
No New Revenue Rate: \$0.302716 per \$100 valuation

Highlights

\$54,113,555 (.38% increase)
 No new positions
 \$6.5 million worth of capital projects
 \$16.5 million in bond funded projects
 (approved by voters in May 2021)

Houston-Galveston Region Property Tax Rates



TAXES BY THE DOLLAR



In addition to city taxes, the monthly tax bill for Lake Jackson residents and homeowners includes taxes from the school district, county, community college, drainage district and port.

This illustration represents how much of every tax dollar is spent on each taxing entity.

** This illustration is for explanation and education purposes only.*

GENERAL FUND REVENUES

The City is fortunate to have a diverse revenue stream. The City's primary general fund revenue sources include sales tax, property tax, industrial district revenue, utility franchise payments and a variety of other revenues that include permit fees, court fines and recreation user fees.

Major Sources

*Sales Tax	\$8,168,000 (up 1%)
*Industrial District	\$6,323,810 (up 13.26%)
Property Tax	\$5,800,00 (slight increase of \$100,000)
Utility Franchise Payments	\$1,730,645 (no change)
Recreation and Civic Center Fees	\$918,915 (slight increase \$58,415)
Court fees	\$410,000 (decrease \$50,000)
Development permit fees	\$305,800 (increase \$84,000)

** Sales tax and industrial district payments represent 57% of all city revenue. Property tax generates 22% the city's total revenues.*

GENERAL FUND EXPENDITURES

The FY2024 budget proposes \$25,705,900 in expenditures. Expenditures include costs for personnel, supplies, materials, equipment, utilities, professional and contracted services, and other items. Personnel costs represent the single largest category of expenditures at 66% of budget. Public Safety represents 42% of the City's overall budget at the amount of \$10,797,490.

Major Expenses

Market 3% & Pay for Performance 2% - 4%	\$1,078,000
Property Insurance	\$119,000
Health & Dental Insurance	\$80,000
Police Department Overtime	\$53,800
Emergency Management Service Contract	\$29,000

UTILITY FUND

Highlights

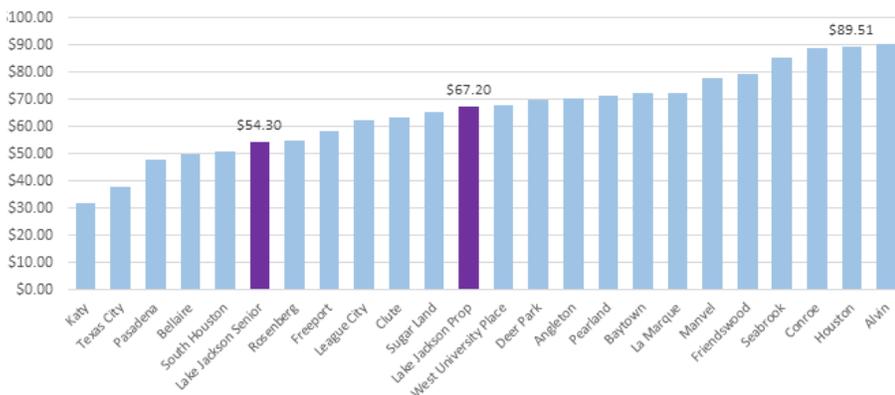
The average residential customer uses 5,000 gallons of water. For those residents, the total cost for water and sewer will increase \$2.65 per month.

Current Monthly Cost: \$64.55

New Monthly Cost: \$67.20

A \$1 per month sanitation service increase to cover costs will raise the monthly residential bill from \$25 to \$26.

Water & Sewer 5,000 gal Monthly Cost



Costs of Water Service

The residential utility bill increase was based on a \$0.30 increase in the per thousand-gallon rate for water and a \$1 increase to the sewer base rate and \$0.25 cent increase to the thousand-gallon rate for sewer treatment.

Special Notice

The Brazosport Water Authority estimates its rates will increase - at minimum - fifteen cents per year for the next eight years to cover its share of expanding the Harris Reservoir. For FY2024 the impact of the reservoir expansion is \$109,500. The annual cost of the expansion project to the City's Utility Fund by FY31 will be \$854,000 or \$1.15 per 1,000 gallons.

CAPITAL PROJECTS

The City has a portfolio of 21 Capital Improvement Projects that total \$5,423,710 and a series of projects from second phase of the **2021 bond project** that totals \$16.5 million.

Bond Projects that will begin in FY 23-24

Asphalt replacement on Sleepy Hollow, Balsam and Willenberg	\$2.9 million
New streets & drainage on Moss, Chestnut, Wisteria and Palm	\$12.1 million
Street panel replacements citywide	\$1.5 million

EQUIPMENT REPLACEMENT

The Equipment Replacement Fund is funded through annual department contributions based on the purchase price and estimated life of their equipment. This year, the City will use \$1,521,395 to replace worn and/or outdated computer equipment, vehicles, and mobile equipment.

