



## MEMORANDUM

**To:** Mayor and City Council

**Through:** Ed Van Eenoo, Chief Financial Officer *EW*

**From:** Kerri Lang, Director, Austin Budget and Organizational Excellence *KL*

**Date:** April 15, 2026

**Subject:** **Five-Year Financial Forecast Report for Fiscal Years 2027-2031**

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The purpose of this memorandum is to provide the City of Austin's Five-Year Financial Forecast for fiscal years 2027 through 2031. The Forecast provides initial revenue and expenditure for the City's General Fund and for each of its Enterprise departments. Please note that the amounts included in this Forecast are not budget recommendations, but rather a comparison of the anticipated costs of providing existing City services with projected revenue collections.

With respect to the General Fund, the Forecast report includes projections assuming the voter-approval rate as well as the "No New Revenue" maintenance and operations rate. Since the Legislature's approval of a lower property tax revenue cap in 2019, the City has consistently projected significant General Fund deficits as part of its Financial Forecast. Over the next several weeks, City management and Budget staff will make necessary adjustments and plan to present a balanced budget for both Fiscal Year 2027 and Fiscal Year 2028 to the City Council.

Staff will walk through the full Forecast and provide an opportunity for questions and discussion during the City Council's work session on Tuesday, April 21.

Should you have any questions or concerns, please contact Kerri Lang, Director of Budget and Organizational Excellence, at [kerri.lang@austintexas.gov](mailto:kerri.lang@austintexas.gov).

cc: T.C. Broadnax, City Manager  
Erika Brady, City Clerk  
Jason Hadavi, City Auditor  
Mary Jane Grubb, Municipal Court Clerk  
Judge Sherry Statman, Municipal Court  
CMO Executive Team  
Department Directors

Austin Budget and Organizational Excellence

# Five-Year Financial Forecast Report

FY 2027 - FY 2031



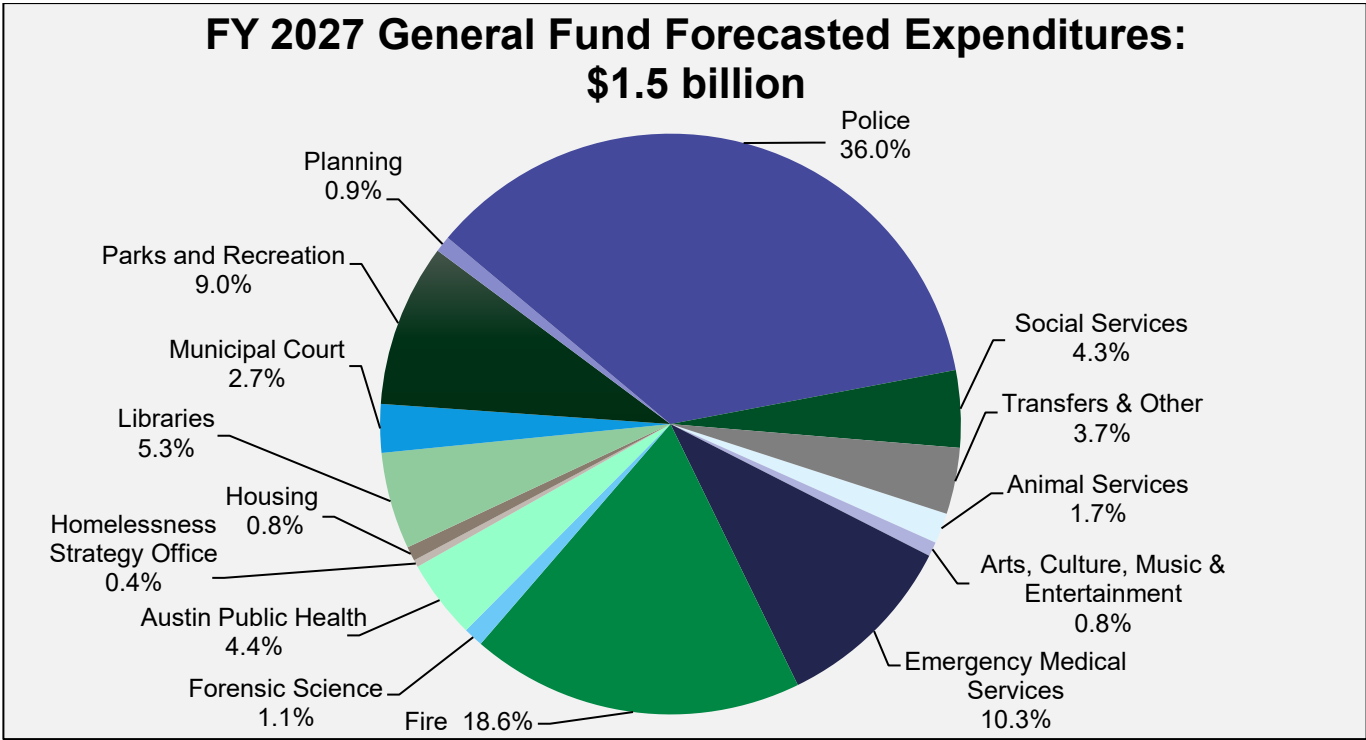
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# General Fund Forecast

## Expenditures

The General Fund is the general operating fund for the City of Austin. It includes thirteen departments that provide programs, activities, and services directly to the citizens of Austin, as well as to surrounding communities. Total FY 2027 base expenditures for the General Fund are projected at \$1.53 billion, which is \$45.7 million, or 3.1%, higher than the FY 2026 Amended Budget. The largest portion of the forecasted General Fund budget, 66.0%, is allocated to the City’s four public safety departments: Police, Fire, Emergency Medical Services and Forensic Science. The community service departments—Parks and Recreation, Austin Public Health, Library, Animal Services, Arts Culture Music & Entertainment, Municipal Court, Homelessness Strategy, Housing, Planning and Social Services Contracts—collectively comprise 30.3% of the General Fund budget. Transfers & Other Requirements represent the remaining 3.7% of forecasted General Fund expenditures.



FY 2026 General Fund expenditures are projected to end the year at the amended budgeted amount of \$1.49 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 2026 budgetary planning process, the City continued a policy that positions vacant longer than two years would be eliminated, and this policy will be repeated during the development of the FY 2027 Budget in order to identify resources that can be repurposed to other priorities.

For the FY 2027 Forecast, General Fund expenditures are projected to increase by \$45.7 million, or 3.1%, over the FY 2026 Amended Budget. The incremental cost of significant anticipated cost drivers and year-over-year adjustments are described below. An additional section detailing variances between the FY 2027 Forecast and the FY 2027 planned budget is included in a later section of this report.

- Sworn public safety personnel cost increases in the amount of \$30.0 million, including base pay enhancements mandated by the City's contracts with the Austin Police, Firefighters, and EMS Associations, and increased health insurance and pension contribution costs. There is no funding included for an across-the-board wage adjustment for civilian City employees.
- Net \$27.8 million increase in transfer between the Budget Stabilization Reserve Fund (BSRF) and the General Fund. The BSRF transferred \$14.1 million to the General Fund in FY26; the General Fund FY27 Forecast includes a \$13.7 million transfer from the General Fund to the BSRF to restore reserve levels to 17% of ongoing expenditures.
- \$16.8 million reduction in transfers to the Capital Rehabilitation Fund and the Housing Trust Fund.
- \$16.8 million reduction in funding for social services contracts.
- \$16.1 million to fund increases in allocated charges for Support Services, Information & Technology Management, fleet maintenance and fuel, and other City-wide costs.
- \$8.7 million in personnel and benefit costs associated with our civilian workforce, including 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.
- Miscellaneous increases of \$3.9 million across General Fund departments for interlocal agreements, rent, utilities, operational equipment and public safety-related technology and software contracts.
- \$3.0 million to provide full-year ongoing funding for the operation of the Marshaling Yard emergency shelter.
- \$2.9 million increase in the General Fund transfer to Austin Development Services (ADS) in support of a residential affordability stabilization initiative, which will allow ADS to limit increases in residential development fees identified by the City Council during the FY 2026 budget adoption process.
- \$2.9 million decrease reflecting projected savings from reducing redundant software contracts as part of the ONE-ATS initiative.
- \$2.8 million for 32 new sworn positions in Fire, and associated equipment and supplies, to provide additional staffing to support a reduced work week schedule beginning in October 2027 as mandated by the Collective Bargaining Agreement.
- \$1.0 million increase in the General Fund transfer to the Economic Incentives Reserve Fund for the cost of economic incentive agreements.

By FY 2031, the final year of the five-year forecast period, annual General Fund expenditures are projected to increase by a net total of an additional \$209.3 million, which equates to a compound annual growth rate of 3.3%. Major components of this net 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.*

- \$173.3 million for personnel-related cost drivers such as sworn and civilian wage adjustments, living wage increases, health insurance contributions to the Employee Benefits Fund, and pension contributions.
  - Agreements with the Austin Police Association and Austin Firefighters Association will expire at the end of FY 2029 and with the Austin EMS Association at the end of FY 2027. This forecast includes placeholder values—projected based on market factors and historical trends—for the ultimate cost of future labor contracts.
- \$57.8 million for anticipated growth in the General Fund's share of the allocated costs of the City's Support Services, Technology Services, and Fleet departments, as well as for other City-wide cost allocations.

- \$27.1 million in anticipated savings on information technology-related expenses, as a result of the ONE-ATS initiative.
- Miscellaneous increases of \$8.8 million across General Fund departments for interlocal agreements, rent, utilities, operational equipment and public safety-related technology and software contracts.

## Revenue

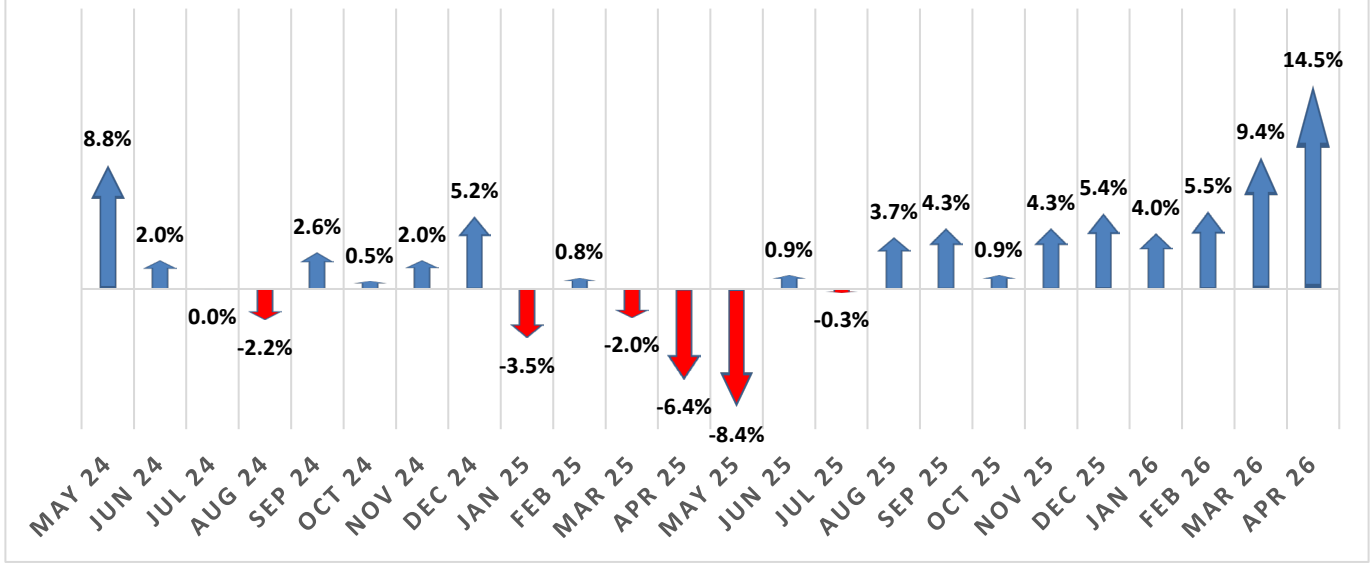
General Fund revenue is sourced from four broad categories: property tax, sales tax, transfers in from the two City-owned utilities, and other revenue. Property taxes are a result of the tax rate per \$100 of property valuation. Sales tax collections allocated to the City of Austin are 1% of the price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

In FY 2026, property tax revenue is estimated to end the year at \$706.8 million, \$6.5 million below budgeted collections of \$713.3 million, due to the impact of court appeals that have reduced taxable values below the amount included on the certified property tax roll on which the Budget was based and which have resulted in the refund of property taxes paid in prior years. Sales tax receipts, the second largest revenue source, are projected at \$375.8 million, which represents 2.5% growth from the prior year. This estimate is \$16.5 million, or 4.6%, greater than the FY 2026 budgeted figure of \$359.4 million, as retail sales activity appears to have begun to reverse the downtrend in evidence at the time of FY 2026 budget adoption. Transfers from the City-owned electric and water utilities and from other City funds are expected at the budgeted figure of \$209.4 million. Other revenue, such as departmental fees for services, franchise fees, and interest are estimated at a combined \$199.7 million, 1.9% below the budgeted projection of \$203.7 million, primarily as a result of continued erosion in telecommunications franchise fee collections and disruptions and uncertainty stemming from changes to the state law governing Public Health permitting fees. In total, General Fund revenue is projected to end the current year \$6.0 million, or 0.4%, above the FY 2026 budget of \$1.49 billion.

The FY 2027 base revenue forecast expects a 2.9% *decline* in certified taxable property value, from \$229.8 billion to \$223.1 billion, based on preliminary indications from the Travis County Appraisal District, with annual increases in taxable value in the 1%-to-3% range anticipated for FY 2028 through FY 2031. New property valuation of \$3.1 billion is projected for FY 2027, which represents a moderate decline from the \$3.5 billion in new property value that entered the roll in the prior year, and which reflects a continuation of relatively low levels of development activity in the city. An average of \$3.2 billion in new value is anticipated each year from FY 2028 through FY 2031 as lingering economic uncertainty and an unfavorable interest rate environment continue to constrain the pipeline of new development projects.

Sales tax growth for FY 2027 is projected at 2.0%, representing an increase of \$7.6 million over estimated FY 2026 receipts. In a slowing local economy that is displaying lackluster job growth, sales tax collections are expected to track core inflation in the near term. Anticipated annual growth rates recover to levels more consistent with the City's historical experience in the later years of the forecast period, increasing to 2.5% in FY 2028, and to 3.0% in FY 2029 through FY 2031.

### CURRENT MONTHLY SALES TAX GROWTH (EXCLUDES ADJUSTMENTS)



Other revenue is expected in FY 2027 to increase by \$1.2 million, or 0.6%, in comparison with estimated FY 2026 collections, and at a 0.9% average annual rate over the remainder of the forecast period as the impact of the ongoing return to a lower interest rate environment largely offsets 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 \$10.3 million, or 5.3%, to \$204.1 million in FY 2027, 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 \$242.0 million by the close of the forecast period.

### FY 2027 Forecast Compared to FY 2027 Plan

The FY 2026 Budget includes a balanced budget plan for the subsequent fiscal year. This section details the changes in revenue and expenditure assumptions between this balanced FY 2027 plan and the FY 2027 Forecast, with its projected General Fund deficit of \$1.3 million.

The FY 2027 Plan projected total General Fund revenue of \$1,522.0 million, while the revised FY 2027 Forecast projects total revenue of \$1,530.2 million, an increase of \$8.1 million, or 0.5%. The components of this variance are detailed in the table below.

General Fund Revenue Revisions	
Sales Tax	\$18.7 million
Property Tax	(\$5.0 million)
Public Health License, Permits, and Inspections	(\$2.0 million)
Franchise Fees	(\$1.5 million)
Utility Transfers	(\$1.6 million)
Net other revenue adjustments	(\$0.5 million)
<b>Total Net Revenue Revisions</b>	<b>\$8.1 million</b>

Note: Numbers may not add due to rounding.

The FY 2027 Plan included total General Fund expenditures of \$1,522.0 million, while the revised FY 2027 Forecast projects total expenditures of \$1,531.5 million, an increase of \$9.5 million, or 0.6%. The components of this variance are detailed in the table below.

<b>General Fund Expenditure Revisions</b>		
<b>Employee Wages &amp; Benefits</b>		
	Remove funding for Living Wage adjustment due to no projected adjustment per policy	(\$1.5 million)
<b>Total Employee Wages &amp; Benefits</b>		<b>(\$1.5 million)</b>
<b>City-Wide Allocations</b>		
	CTECC Cost Allocation	(\$0.5 million)
	Support Services Cost Allocation	(\$1.1 million)
	Liability Reserve Fund Allocation	\$2.2 million
	Worker's Compensation Fund Allocation	\$1.2 million
<b>Total City-Wide Allocations Changes</b>		<b>\$1.8 million</b>
<b>Departmental Items</b>		
	Allocated rent payments for Public Safety Headquarters & Warehouse moving to FY28	(\$6.8 million)
	Net other adjustments to rent allocations for City-owned facilities	(\$0.5 million)
	Miscellaneous: net other departmental adjustments	\$0.3 million
<b>Total Departmental Items</b>		<b>(\$7.0 million)</b>
<b>Transfers &amp; Other Requirements</b>		
	Transfer to Budget Stabilization Reserve	\$13.7 million
	Transfer to Austin Development Services to support residential affordability stabilization	\$2.9 million
	Net other adjustments to transfers & other requirements	(\$0.4 million)
<b>Total Transfers &amp; Other Requirements</b>		<b>\$16.2 million</b>
<b>Total Net Expenditure Revisions</b>		<b>\$9.5 million</b>

Note: Numbers may not add due to rounding.

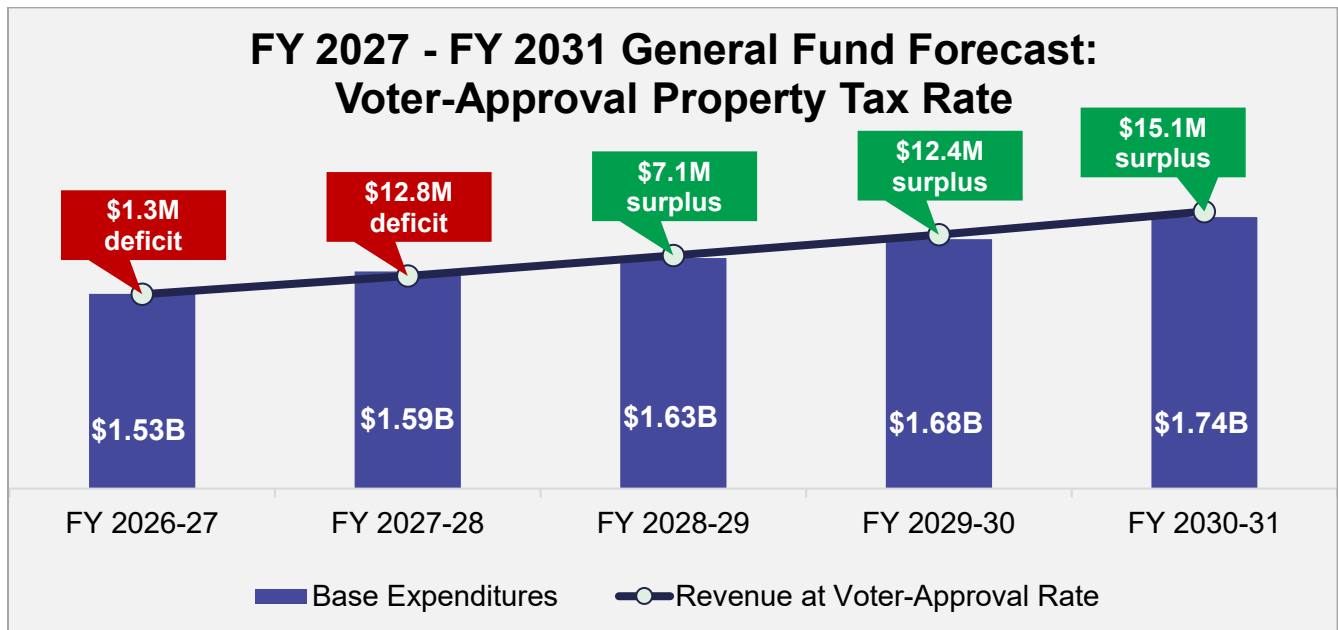
## Reserves

The General Fund is projected to close FY 2026 with a combined reserve balance of \$244.4 million, or 16.4% of ongoing expenditures. City financial policies mandate a total reserve level of 17% across the Budget Stabilization Reserve and Emergency Reserve Fund. The FY 2027 Forecast assumes a transfer of \$13.7 million from the General Fund to the Budget Stabilization Reserve Fund in order to restore total reserves to this 17% level, and further transfers, averaging \$8.7 million, in each subsequent year of the forecast period, in order to maintain General Fund reserves at the policy threshold. This Forecast does not assume any expenditures on one-time items from these reserve funds in FY 2027 or any subsequent fiscal year.

## Combined General Fund Forecast

The graphs and tables displayed below illustrate combined revenue and baseline expenditures forecasts for the General Fund over the next five fiscal years. There are two revenue scenarios: the first projects total General Fund revenue assuming the adoption of the voter-approval property tax rate in each year. The second scenario projects total General Fund revenue assuming the adoption of the no-new-revenue maintenance and operations property tax rate in each year. Both scenarios assume that the debt service component of the property tax rate will be set at the level necessary to generate revenue sufficient to meet the servicing requirements for eligible debt.

### Voter-Approval Property Tax Rate Scenario



## Fund Summary *(in millions)*

	FY26 Amended	FY26 Estimated	FY27	FY28	FY29	FY30	FY31
Revenue & Transfers In*	\$1,485.8	\$1,491.8	\$1,530.2	\$1,579.9	\$1,636.3	\$1,692.5	\$1,755.9
Expenditures & Transfers Out	\$1,485.8	\$1,485.8	\$1,531.5	\$1,592.7	\$1,629.2	\$1,680.1	\$1,740.8
Surplus (Deficit)	\$0	\$6.0	(\$1.3)	(\$12.8)	\$7.1	\$12.4	\$15.1
Projected Monthly Property Tax Bill for Typical Homeowner*	\$172.86	\$172.86	\$185.71	\$198.06	\$205.17	\$213.53	\$223.13
FTEs	7,035	7,035	7,072	7,072	7,072	7,072	7,072

\*Assumes voter-approval property tax rate in all fiscal years.

Note: Numbers may not add due to rounding.

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 the adjusted value of properties taxed in both years, plus an additional 3.5%. At this level of property taxation, the City would experience a projected deficit of \$1.3 million in FY 2027. Total General Fund revenue would grow at a compound average annual rate of 3.4% per year, while expenditures grow at a 3.2% compound average annual rate, resulting in a projected annual surplus of \$15.1 million by FY 2031.

As detailed earlier in this Report, the FY 2027 General Fund expenditure forecast reflects the following assumptions, which were outlined in the FY 2027 budget plan included in the FY 2026 Budget:

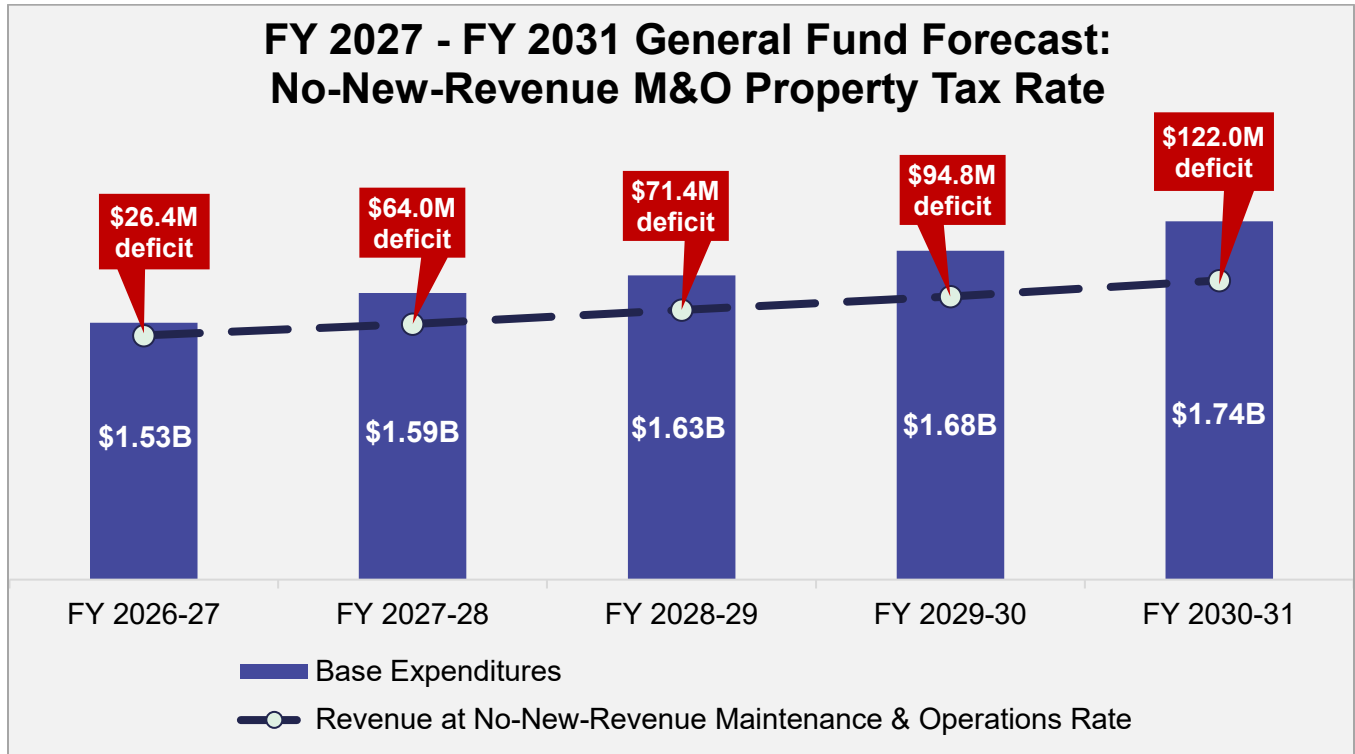
- A reduction of \$16.8 million, or 22.6%, in the budget for social services contracts.
- Elimination of the transfer to the Housing Trust Fund, budgeted at \$8.8 million in FY 2026. This Forecast does not include the identification of any alternate source of funding for the ongoing housing voucher programs previously supported by this Fund.
- Continuation of \$8.3 million reduction in Fire's overtime budget.
- Elimination of the transfer to the Capital Rehabilitation Fund, budgeted at \$8.0 million in FY 2026.
- No wage increases for civilian employees.

This Forecast also assumes the transfer of \$13.7 million from the General Fund to the Budget Stabilization Reserve Fund, which is the projected amount necessary to restore the General Fund's combined reserve balance to 17% of ongoing expenditures, the level mandated by financial policy.

Under this voter-approval property tax rate scenario, in order to achieve General Fund balance in FY 2027, the City would need to generate \$1.3 million in new revenue collections or identify \$1.3 million in expenditure savings. Alternatively, the transfer to the Budget Stabilization Reserve Fund could be reduced in order to obtain General Fund balance. If this transfer were reduced by \$1.3 million, the projected combined General Fund reserve level would fall from 17% to 16.9%.

Under this scenario, the City is projected to achieve small General Fund surpluses in the latter years of the Forecast period as a result of anticipated savings associated with the ONE-ATS initiative. The City could likely maintain most existing services at their current levels and, as ONE-ATS savings materialize, limited opportunities to fund new investments or service expansions may occur.

**No-New-Revenue Maintenance and Operations Property Tax Rate Scenario**



**Fund Summary (in millions)**

	FY26 Amended	FY26 Estimated	FY27	FY28	FY29	FY30	FY31
Revenue & Transfers In*	\$1,485.8	\$1,491.8	\$1,505.1	\$1,528.7	\$1,557.8	\$1,585.4	\$1,618.8
Expenditures & Transfers Out	\$1,485.8	\$1,485.8	\$1,531.5	\$1,592.7	\$1,629.2	\$1,680.1	\$1,740.8
Surplus (Deficit)	\$0	\$6.0	(\$26.4)	(\$64.0)	(\$71.4)	(\$94.8)	(\$122.0)
Projected Monthly Property Tax Bill for Typical Homeowner*	\$172.86	\$172.86	\$180.87	\$188.18	\$190.01	\$192.82	\$196.63
FTEs	7,035	7,035	7,072	7,072	7,072	7,072	7,072

\*Assumes no-new-revenue maintenance and operations property tax rate in all fiscal years.

Note: Numbers may not add due to rounding.

The no-new-revenue maintenance and operations property tax rate is the rate that generates the same amount of property tax revenue for maintenance and operations as was generated in the prior fiscal year, based on the adjusted value of properties taxed in both years. At this rate, the City receives incremental additional property tax revenue only from new property that enters the tax roll for the first time. At this level of property taxation, in comparison with voter-approval rate scenario, the City is projected to generate \$25.1 million less property tax revenue in FY 2027, and \$137.1 million less in FY 2031. The General Fund would experience a projected deficit of \$26.4 million in FY 2027. Total General Fund revenue would grow

at a compound average annual rate of 1.7% per year, while expenditures grow at a 3.2% compound average annual rate, resulting in a projected annual deficit of \$122.0 million by FY 2031.

Under this no-new-revenue maintenance and operations property tax rate scenario, to achieve General Fund balance in FY 2027, the City would need to maintain the expenditure assumptions included in the voter-approval rate scenario and generate \$26.4 million in new revenue collections or identify a further \$26.4 million in expenditure savings. The following list of items is meant to provide a sense of the magnitude of reductions necessary to generate \$26.4 million in General Fund expenditure savings by demonstrating concrete examples from each General Fund department that equate to this amount. ***This list does not represent City management's or Austin Budget & Organizational Excellence's (ABOE) recommendations regarding items to be eliminated or reduced in order to close a large General Fund deficit, nor would City management or ABOE recommend making a reduction of this size from a single department.***

- Eliminate approximately 240 public safety positions across Police, Fire, or EMS.
- Reduction in Municipal Court and Austin Community Court operating hours, longer processing times, and elimination of all non-mandatory services, including walk-in intensive case management, the Homeless Outreach Street Team, and the Violet KeepSafe Storage program.
- Closure of nearly all 17 community recreation centers and all 33 aquatic facilities operated by Austin Parks and Recreation.
- Significant reduction in departmental support functions and elimination of all non-mandatory services within Austin Public Health, including closing seven neighborhood centers and termination of the neighborhood services, family health, women/infants/children, health equity, community engagement, communicable disease, and community health programs.
- Closure of all twenty branch library locations operated by Austin Public Library.

Several General Fund departments' total operating budgets are less than the \$26.4 million deficit. A reduction of this magnitude applied to any of the following six departments would eliminate it entirely:

- Animal Services, \$26.1 million
- Arts, Culture, Music and Entertainment, \$11.8 million
- Forensic Science, \$16.8 million
- Homeless Strategies and Operations, \$5.5 million
- Housing, \$12.5 million
- Planning, \$13.4 million

Elimination of the entire projected transfer to the Budget Stabilization Reserve Fund would reduce the deficit to \$12.7 million, while the projected combined General Fund reserve level would fall from 17% to 16.1%.

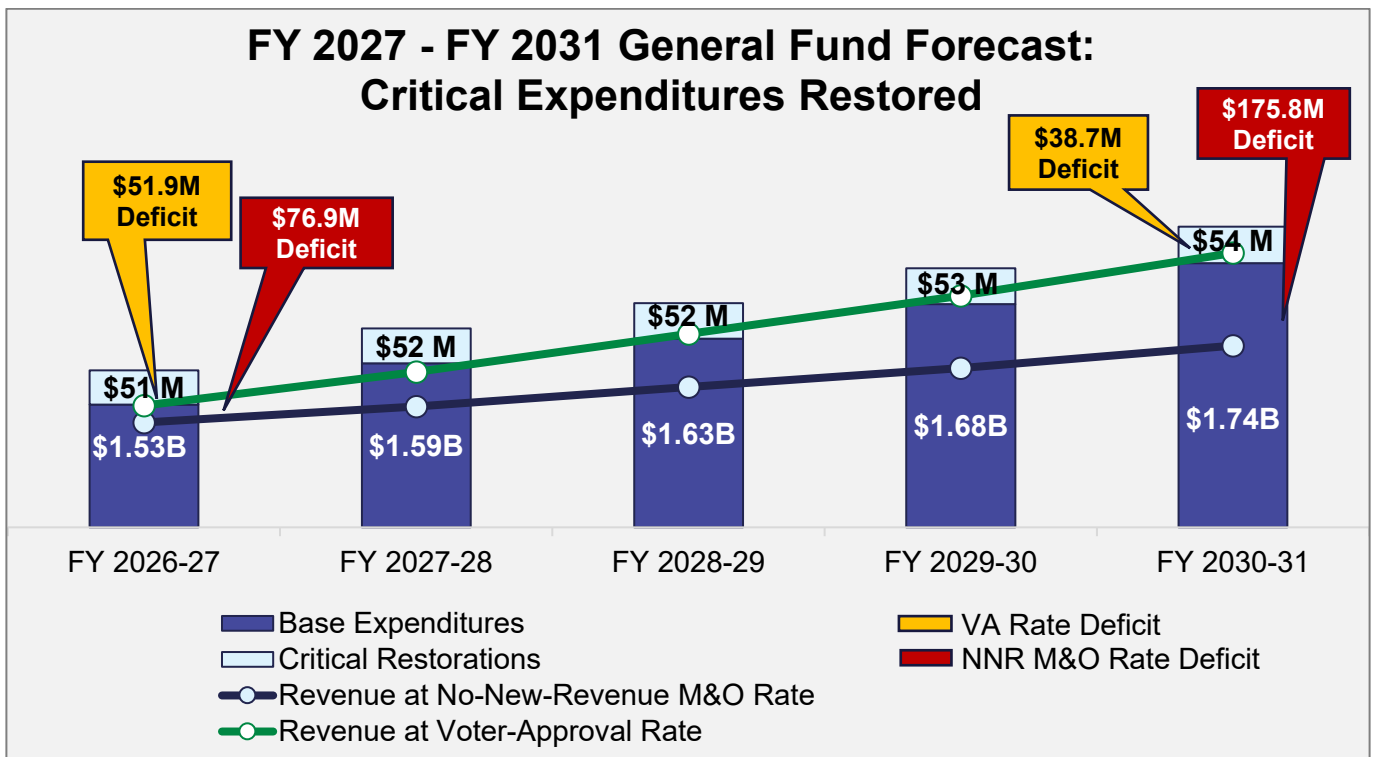
Under this scenario, the City is projected to experience large and rapidly compounding deficits that would require immediate and painful cuts in order to balance. Attaining structural balance in the General Fund would be impossible without drastic curtailment or elimination of many services currently regarded as fundamental, and funding for new investments or service expansions would be non-existent.

### Impact of Restoring Planned Reductions

If the cost savings measured included in the FY 2027 planned budget were reversed, it would add \$50.6 million in General Fund expenditures, including:

- \$16.8 million to eliminate planned reduction in Social Services contracts.
- \$12.6 million to restore the General Fund transfer to the Capital Rehabilitation Fund to the financial policy level.
- \$7.8 million to ensure continued funding for the Local Housing Voucher Program.
- \$7.3 million for a placeholder 3.0% civilian wage increase assumption.
- \$6.0 million to increase Fire’s budget to the level necessary to maintain four-person staffing, based on the department’s current spending trends.

The chart below displays the projected General Fund deficits in each year of the Forecast period, at both the voter-approval and no-new-revenue maintenance and operations property tax rates, if these critical expenditures were restored.



### Next Steps and Forecast Caveats

As the FY 2027 budget and FY 2028 planned budget development process progresses, it is important to reiterate 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 projected deficit that must be closed by the time the FY 2027 budget is adopted. Additional ongoing expenditures in FY 2027 for which offsetting reductions or new revenue sources are not identified will widen the projected General Fund deficits in FY 2027 and each subsequent year.

In the weeks ahead, City management and Budget staff will seek feedback on funding priorities from the City Council, community, City staff, and other stakeholders to inform the decisions necessary to close the projected FY 2027 and FY 2028 General Fund gaps and deliver a balanced FY 2027 Proposed Budget and FY 2028 budget plan to the City Council in July. At the same time, the City will continue to pursue several ongoing initiatives aimed at identifying efficiencies that will lead to cost savings in the General Fund and across the City's Enterprise departments, including the departmental service prioritization, ONE-ATS technology services, and Shared Services optimization processes.

### **Social Service Contracts Evaluation**

The City is also conducting a comprehensive evaluation of its social services contract portfolio. The evaluation covers a portfolio of 278 contracts across all City funding sources, totaling \$166.5 million in contract authority. Of these, 202 contracts totaling \$93.1 million are funded through City resources (General Fund, Support Services Fund, Economic Development Fund, Housing Trust Fund, and Budget Stabilization Reserve Fund) and represent the agreements under consideration for FY 2027 reductions. The remaining contracts are funded through grants, GO Bonds, or federal sources and are excluded from the reduction target.

The evaluation methodology, first presented to the City Council's Public Health Committee on February 4, 2026, applies a three-tiered framework:

1. A mandatory and structural filter that identifies legally required and operationally essential contracts before any performance assessment;
2. An efficiency and realignment filter that identifies duplication, consolidation opportunities, and services better suited for alternative funders; and,
3. A performance and strategic value filter that applies a consistent set of criteria including fiscal stewardship, strategic impact, equity considerations, and structural sustainability.

Council Resolution No. 20260226-056, adopted on February 26, 2026, directed the City Manager to develop a comprehensive rubric weighing community need, strategic alignment, fiscal stewardship, and equity impact; the ABOE evaluation framework incorporates each of these elements.

Stakeholder engagement has included presentations to the Public Health Committee, Joint Inclusion Committee (JIC), and partner departments throughout February and March of this year. On March 25, 2026, the JIC voted 9-0 to recommend explicitly prioritizing Basic Needs, Health Equity, Homelessness Services, and Workforce Development for protection. That recommendation has been incorporated into the evaluation framework's scoring. Additional community input will be gathered from social service contractors as well as the community at large through the budget prioritization survey. ABOE will return to the Public Health Committee in May to provide an update and recommendation for next steps.

# Enterprise Department Forecasts

## Typical Residential Ratepayer Historical Monthly Bill

	FY21	FY22	FY23	FY24	FY25	FY26	Compound Avg. Annual % Growth
Austin Energy	\$84.60	\$84.56	\$108.71	\$119.26	\$121.96	\$117.07	6.7%
Austin Water	\$80.79	\$80.79	\$80.79	\$84.99	\$91.20	\$99.91	4.3%
Austin Resource Recovery	\$27.55	\$29.05	\$29.70	\$31.35	\$33.40	\$36.30	5.7%
Clean Community Fee	\$8.95	\$9.30	\$9.60	\$9.70	\$10.15	\$10.25	2.7%
Transportation User Fee	\$13.04	\$14.96	\$17.87	\$17.87	\$19.74	\$21.80	10.8%
Drainage Utility Fee	\$11.80	\$11.80	\$11.80	\$12.17	\$13.38	\$14.05	3.6%
<b>Monthly Bill Totals</b>	<b>\$226.73</b>	<b>\$230.46</b>	<b>\$258.47</b>	<b>\$275.34</b>	<b>\$289.83</b>	<b>\$299.38</b>	<b>5.7%</b>

## Typical Residential Ratepayer Projected Monthly Bill

	FY26	FY27	FY28	FY29	FY30	FY31	Compound Avg. Annual % Growth
Austin Energy	\$117.07	\$120.03	\$123.14	\$126.40	\$129.83	\$133.43	2.7%
Austin Water	\$99.91	\$107.67	\$114.84	\$119.89	\$125.40	\$129.82	5.4%
Austin Resource Recovery	\$36.30	\$37.90	\$39.40	\$39.55	\$39.55	\$39.90	1.9%
Clean Community Fee	\$10.25	\$10.50	\$11.10	\$11.20	\$11.30	\$11.40	2.1%
Transportation User Fee	\$21.80	\$23.63	\$24.78	\$25.91	\$27.04	\$28.19	5.3%
Drainage Utility Fee	\$14.05	\$15.25	\$15.25	\$15.25	\$15.25	\$15.70	2.2%
<b>Monthly Bill Totals</b>	<b>\$299.38</b>	<b>\$314.98</b>	<b>\$328.51</b>	<b>\$338.20</b>	<b>\$348.37</b>	<b>\$358.44</b>	<b>3.7%</b>

# Austin Aviation

Austin Aviation (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.

Since 1982, AUS has operated as an enterprise fund of the City of Austin and functions without relying on tax revenue. 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 (AEDP), 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.

## Operating Revenue

AUS receives operating revenue from partnering airlines and non-airline fees which include parking, concessions, and miscellaneous fees. In FY27, total departmental operating revenue is forecasted to increase by \$64.2 million, or 15.1%, in comparison with the FY26 Budget. Major components of this increase are described below:

- \$34.3 million increase in non-airline revenue driven by a projected 5% growth in passenger enplanements, resulting in higher parking, concessions, and ground transportation revenue.
- \$29.9 million increase in airline revenue reflecting AEDP infrastructure cost recovery through the airline use and lease agreement.

By FY31, operating revenue is forecasted to increase by \$297.0 million, or 60.7%, in comparison with FY27 forecasted levels. Major components of this increase are described below:

- \$225.4 million increase in operating revenue over the forecast period associated with AEDP airline infrastructure costs through FY31.
- \$71.7 million increase in non-airline revenue over the forecast period driven by a projected 5% compound annual growth rate in passenger enplanements, resulting in increased activity across parking, concessions, and ground transportation.

## Operating Expenditures

AUS operating requirements include personnel, contractual, and commodity costs to operate airport facilities; debt service from capital project funding; and transfer payments City-wide support services and administrative costs. In FY27, 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 \$21.0 million, or 7.2%, in comparison with the FY26 Budget. Major components of this increase are described below:

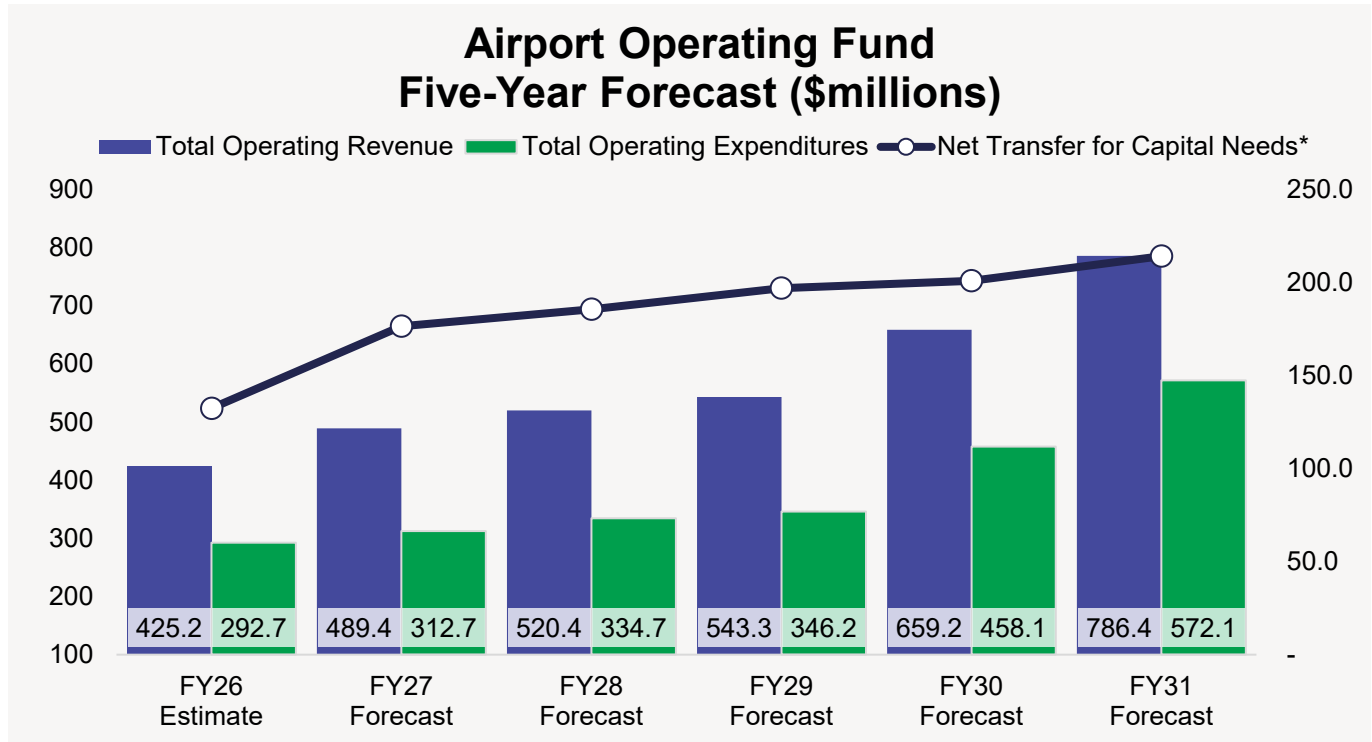
- \$7.4 million increase in operating expenses driven by facility operational requirements, expanded preventative maintenance, and contract cost escalation.
- \$7.2 million increase in debt service resulting from debt issuances to fund airport expansion projects.
- \$4.3 million increase in personnel costs driven by wage growth for public safety staff (APD/AFD), along with a reduction in personnel savings due to successful hiring for previously vacant positions.
- \$2.6 million increase to fund 30 new positions to support the operations of the expanded airport facilities. Significant expansion of passenger and tenant facilities at the airport will drive demand for additional personnel, contractual services, and commodity expenses in FY27 and beyond.
- \$0.6 million net decrease in City-wide support services and administrative costs, driven by:
  - \$1.4 million increase in the remaining support service allocations.
  - \$1.0 million increase for market studies.
  - \$3.1 million decrease associated with AUS transitioning to in-house capital contracting staff for larger project management.
- \$2.3 million decrease in operational costs due to the closure of the South Terminal.

By FY31, operating expenditures, excluding the transfer out of year-end surplus to the Airport Capital Fund and Major Maintenance Fund, are forecasted to increase by an additional \$259.3 million, or 82.9%, in comparison with FY27 forecasted levels. Major components of this increase are described below:

- \$178.4 million in additional debt service requirements to fund airport expansion projects.
- \$49.7 million of contractual costs to support maintenance needs, facility utility costs, public safety costs, information systems expenses, and ramp control costs.
- \$12.6 million to fund 140 new positions associated with new facilities and projected increases in passenger traffic.
- \$16.3 million for City-wide support services and administrative costs, including \$13.0 for employee wages and benefits.
- \$2.3 million increase for a transfer to the Operating Reserve Fund.

## Five Year Forecast Fund Summary

The chart below displays AUS’s estimated total expenditures and revenue for FY26, forecasted total expenditures and revenue for each subsequent year through FY31, and the projected fund surplus for the Airport Operating Fund in each year.



\*Net Transfer for Capital Needs includes transfer to Capital Fund for planned infrastructure projects and transfer to AA’s Capital Budget for terminal projects, airfield projects, and apron projects.

The following table reflects AUS’s financial forecast for FY26 through FY31.

### Fund Summary (in \$millions)

	FY26 Estimate	FY27	FY28	FY29	FY30	FY31
Revenue	425.2	489.4	520.4	543.3	659.2	786.4
Transfer in from Airport Capital Fund	19.7	21.6	24.2	24.6	44.2	66.2
Expenditures	292.7	312.7	334.7	346.2	458.1	572.1
Transfer to Airport Capital Fund	132.5	176.6	185.7	197.1	201.1	214.3
Transfer to Major Maintenance Fund	30.0	30.9	31.8	32.7	33.6	34.4
FTEs	688	718	728	738	818	858

Note: Numbers may not add due to rounding.

# Austin Convention Center

The mission of the Austin Convention Center 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 its facilities.

With the expansion of the Convention Center underway, ACCD is forecasting a reduction in both revenue and expenditures due to the facility's continued closure through FY28. During the closure, the department will remain 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 (HOT) revenue, which represents nearly 77% of the department's total projected revenue in FY27, experienced unprecedented growth following the pandemic, but more recent collection trends reflect a slowdown in the travel and tourism industry. In FY29, ACC is planning for a return to full operations with the opening of the new Convention Center, resulting in a significant increase in both forecasted expenditures and revenue. The new facility will deliver a more community-friendly event space that will drive an increase in tourism dollars to the city.

## Operating Revenue

The primary revenue sources for ACCD are HOT collections, Vehicle Rental Tax collections, facility and contractor revenue, and fees for parking. In FY27, the department projects total operating revenue of \$126.1M, an increase of \$0.5 million, or 0.4%, from the FY26 Budget. Major components of this increase are described below:

- \$1.1 million, or 21.5%, increase in parking revenue from three garages supporting ACCD and Palmer Event Center (PEC) operations.
- \$1.1 million, or 24.8%, increase in PEC facility and contractor revenue.
- \$1.8 million, or 1.8%, decrease in projected HOT revenue due to trends in hotel demand.

By FY31, total departmental operating revenue is projected to be \$118.4 million, a decrease of \$7.6 million, or 6.1%, in comparison with FY27 forecasted revenue. Major components of this decrease are described below:

- \$28.2 million, or 893%, increase in ACC projected facility, contractor, and parking fee revenue based on the resumption of operations in FY29.
- \$8.0 million, or 11.9%, increase in HOT revenue related to Convention Center operations, reflecting a 2.8% compounded annual growth rate in downtown hotel demand resulting from increased event activity following the facility's reopening in FY29.
- \$1.1 million, or 13.3%, increase in PEC facility, contractor, and parking fee revenue based on events at this facility.
- \$15.1 million, or 100%, decrease as Vehicle Rental Tax revenue dedicated to PEC construction, as collections are projected to end following debt repayment in FY30.
- \$29.9 million, or 100%, decrease in HOT revenue, derived from the additional two pennies dedicated to the ACC expansion, as collections are projected to end following debt repayment in FY30.

## Operating Expenditures

Major categories of operating expenditures for the department include event operations, facility maintenance, transfer payments for City-wide support services and administrative costs, and transfers to debt and capital funds. The FY27 projected total operating budget is \$125.9 million, an increase of \$0.6 million, or 0.5%, from the FY26 Budget. Major components of this increase are described below:

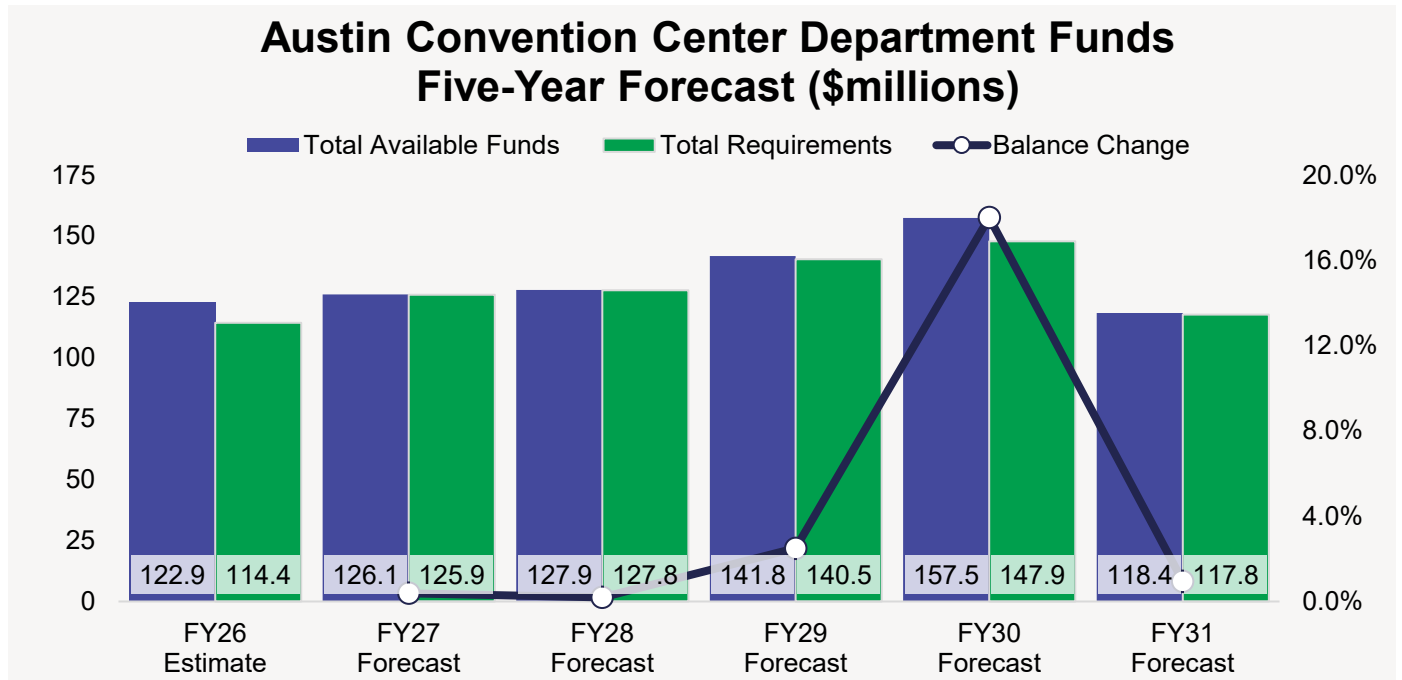
- \$1.0 million, or 10%, increase in City-wide cost drivers, including \$0.5 million for market study and insurance costs.
- \$1.3 million, or 9.1%, increase in debt service payments.
- \$0.6 million, or 3.0%, decrease in transfers to various Capital Improvement Funds, including the Tourism and Promotion Fund, Historic Preservation Fund, Live Music Fund.
- \$1.4 million, or 7.2%, decrease in transfers to the ACC Capital Improvement Program Fund.

By FY31, total departmental operating expenditures are expected to decrease to \$117.8M, a reduction of \$8.1 million, or 6.4%, in comparison with forecasted requirements for FY27. Major components of this decrease are described below:

- \$9.1 million, or 140%, increase in catering costs associated with expanded capacity and the ability to host larger events.
- \$8.5 million, or 44.0%, increase in projected contractual and commodity costs to support facility operations and maintenance of the expanded Convention Center.
- \$5.4 million, or 15.3%, increase in Citywide cost drivers, including \$4.0 million in employee wages and benefits.
- \$2.5 million, or 3.7%, increase in transfers to Capital Improvement Funds, including the Tourism and Promotion Fund, Historic Preservation Fund, and Live Music Fund.
- \$2.4 million increase in personnel costs to restore 27 previously eliminated positions needed to support operations of the expanded Convention Center.
- \$15.1 million, or 100%, decrease in transfers to the debt service fund.
- \$20.3 million, or 85.7% decrease in transfers to the ACC Capital Improvement Program Fund.

## Five Year Forecast Fund Summary

The chart below displays the department’s estimated total expenditures and revenue for FY26, forecasted total expenditures and revenue for each subsequent year through FY31, and the projected change in fund balance.



The following table reflects the Austin Convention Center Department’s combined operating funds for FY26 to FY31.

### Fund Summary (in \$millions)

	FY26 Estimate	FY27	FY28	FY29	FY30	FY31
Beginning Fund Balance	43.2	51.7	51.9	52.0	53.3	62.9
Revenue & Transfers In	122.9	126.1	127.9	141.8	157.5	118.4
Expenditures & Transfers Out	114.4	125.9	127.8	140.5	147.9	117.8
Change in Fund Balance	8.5	0.2	0.1	1.3	9.6	0.6
Ending Fund Balance	51.7	51.9	52.0	53.3	62.9	63.5
FTEs	269	269	296	296	296	296

Note: Numbers may not add due to rounding.

# Austin Development Services

Austin Development Services (ADS) 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. ADS 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.

## Operating Revenue

ADS's primary revenue sources consist of permitting and inspection fees and Austin Code Fund's portion of the Clean Community Fee (CCF). In FY27, total departmental operating revenue is forecasted to increase by \$1.3 million, or an increase of 1.3%, in comparison with the FY26 Budget. Major components of this increase are described below:

- \$2.9 million increase in General Fund reimbursements to support implementation of the Residential Affordability Stabilization program, which caps residential permitting fee increases at 10%, with the remaining cost of service funded by the General Fund.
- \$1.6 million increase in CCF revenue based on a forecasted increase in ADS's component of the fee, with the residential component projected to increase from \$4.80 to \$4.90 per month.
- \$0.9 million decrease in Short-Term Rental licensing and registration revenue due to the license renewal requirement changing from annual to every other year starting in FY26.
- \$2.0 million net decrease in permitting and development revenue due to flattening demand partially offset by planned fee increases to better align with the Department's cost of providing services.

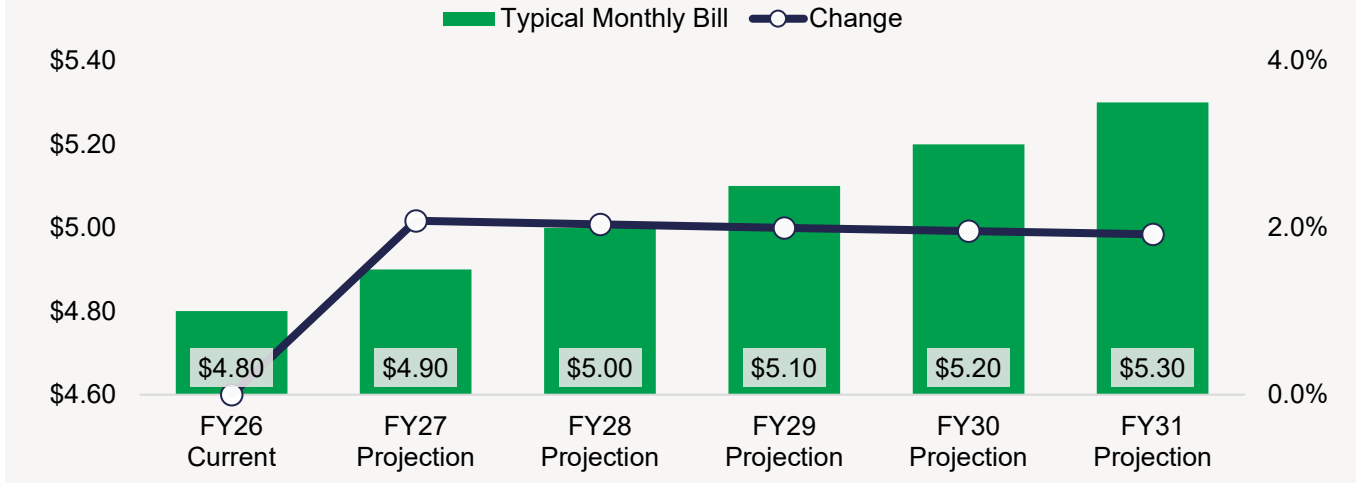
By FY31, total departmental operating revenue is forecasted to increase by \$26.7 million, or 26.2%, in comparison with the FY27 forecasted levels. Major components of this increase are described below:

- \$19.1 million increase in permitting and inspection revenue from continuing adjustments to fees to reflect the Department's cost of providing services, as well as from anticipated increases in development activity in the latter part of the forecast period.
- \$4.8 million increase in CCF revenue driven by forecasted increases in ADS's component of the fee, with the residential rate projected to increase from \$4.90 per month in FY27 to \$5.30 per month in FY31.
- \$1.9 million increase in reimbursement from the General Fund for non-fee-supported programs and functions, including the Residential Affordability Stabilization program.
- \$1.2 million increase in licensing and registration revenue based on anticipated growth in Short Term Rental license enrollment.

## *Typical Ratepayer*

ADS's typical residential Clean Community Fee customer will pay \$4.90 in FY27, an increase of \$0.10 per month, or 2.1%, from FY26. ADS projects future increases in the monthly residential CCF rate of \$0.10 annually throughout the forecast period, resulting in a total cumulative increase of \$0.50, or 10.4%, between its current level and FY31.

## Development Services Typical Ratepayer Residential Clean Community Fee (Code)



## Operating Expenditures

ADS's major expenditures include personnel, contracts, and commodities expenses to support Building Plan Review & Inspections, Investigations & Compliance, Environmental Inspections, and its other programs. In FY27, ADS's total expenditure budget is forecasted to increase by \$4.7 million, or 4.3%, in comparison with the FY26 Budget. Major components of this increase are described below:

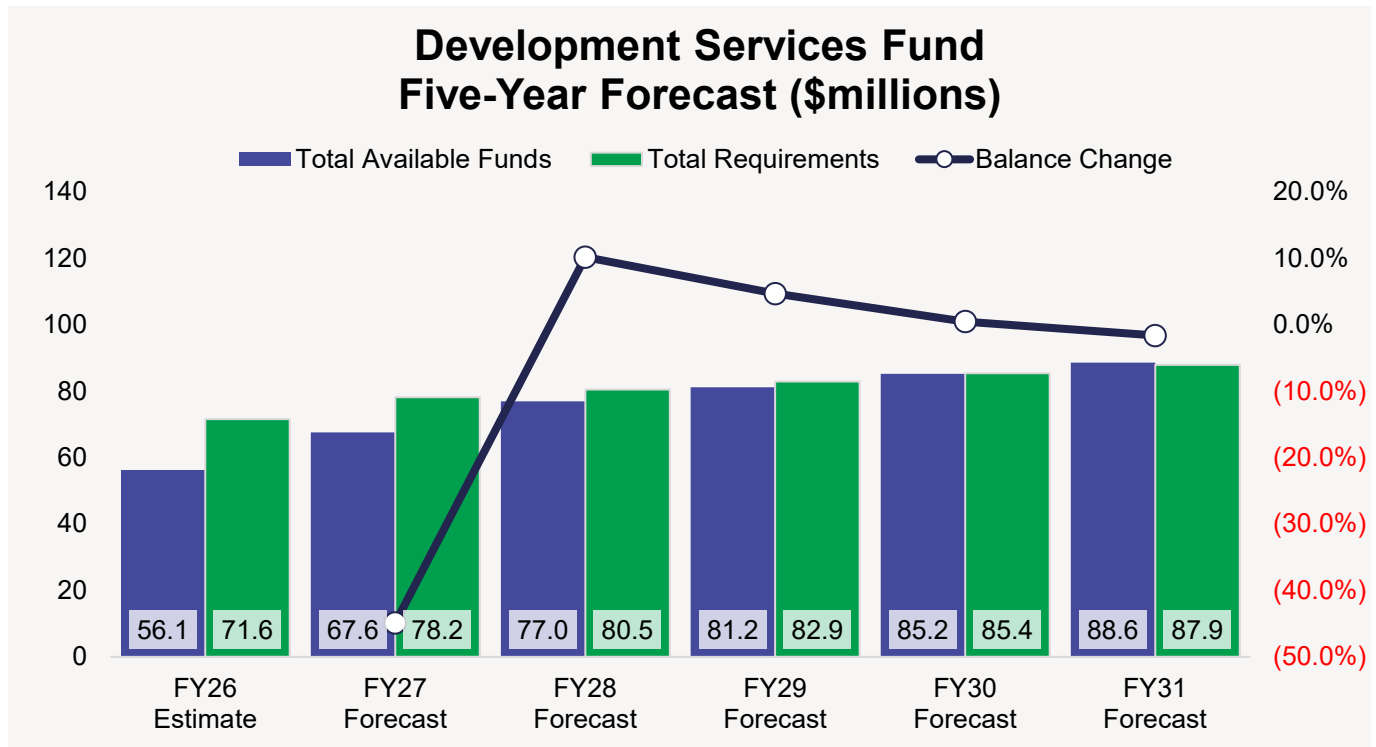
- \$2.2 million increase in transfers for City-wide support services and administrative costs.
- \$2.0 million annual cost for new licensing and permitting business process software.
- \$0.9 million increase associated with a City-wide review of compensation for job titles in comparison with the broader labor market.
- \$0.8 million increase for 6 new positions, vehicles, and additional contract funding to permanently establish the Graffiti Abatement program.
- \$0.5 million increase for vehicle replacements.
- \$0.3 million increase for demolition funds.
- \$0.1 million decrease to move one full-time position from Land Development Review to Management Services Department.
- \$0.4 million decrease in Drainage Utility Fee reimbursements due to a shift in funding for Environmental Inspection staff to the Clean Community Fee.
- \$1.1 million decrease in facilities management support costs due to the transfer of ADS's portion of General Obligation debt servicing for the Permitting and Development Center to the General Fund.

By FY31, total departmental operating expenditures are forecasted to increase by an additional \$12.9 million, or 11.2%, in comparison with forecasted requirements for FY27. Major components of this increase are described below:

- \$9.9 million for employee wages and benefits.
- \$3.6 million increase in transfers for City-wide support services and administrative costs.
- \$0.6 million decrease from the removal of one-time funding for graffiti abatement vehicles and radios and demolition contracting.

## Five Year Forecast Fund Summary – Development Services Fund

The chart below displays the Development Services Fund’s estimated total expenditures and revenue for FY26, forecasted total expenditures and revenue for each subsequent year through FY31, and the projected change in fund balance for the Development Services Fund in each year. Development Services’ organizational structure and expenditures continue to be evaluated to ensure alignment with and responsiveness to industry trends throughout the forecast period. Over the coming months, staff will develop a plan to address the negative fund balance forecasted below.



The following table reflects the Development Services Fund’s financial forecast for FY26 through FY31.

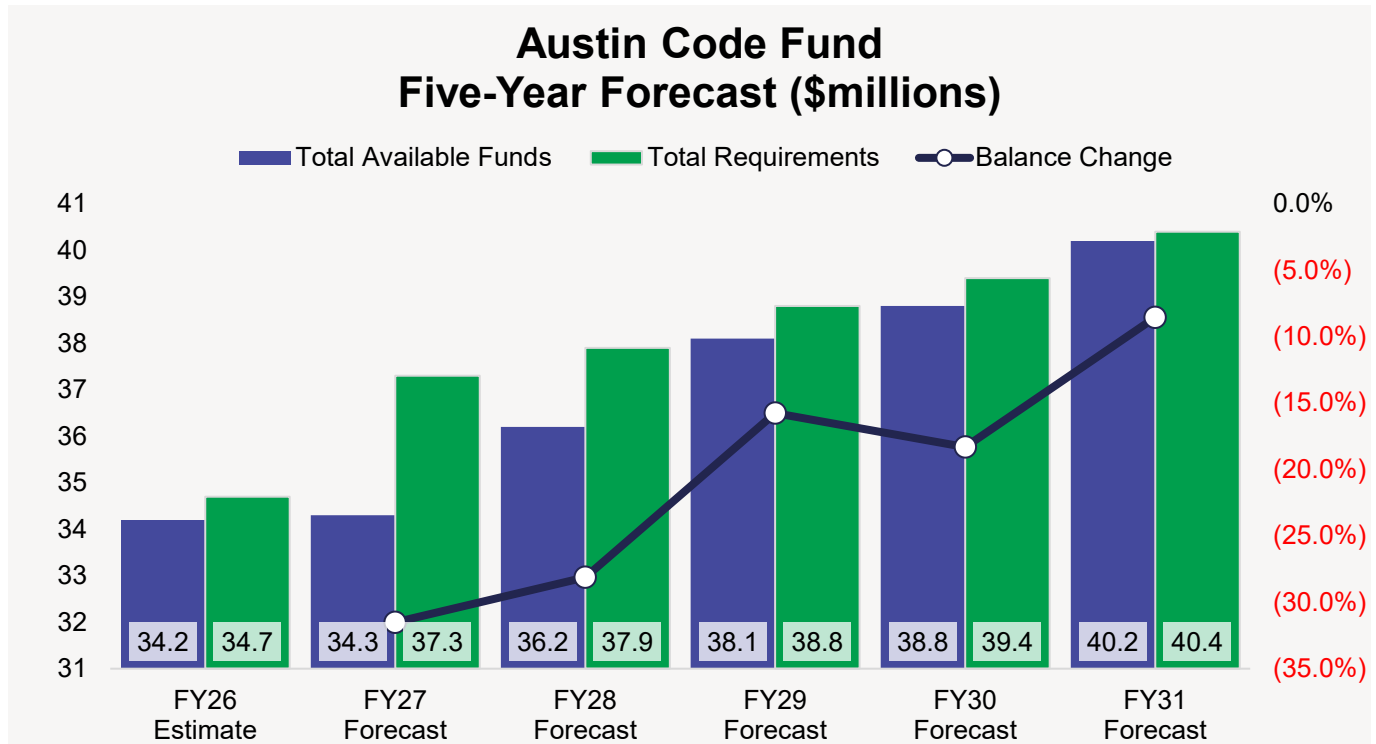
### Fund Summary (in \$millions)

	FY26 Estimate	FY27	FY28	FY29	FY30	FY31
Beginning Fund Balance	(8.2)	(23.7)	(34.3)	(37.8)	(39.5)	(39.7)
Revenue & Transfers In	56.1	67.6	77.0	81.2	85.2	88.6
Expenditures & Transfers Out	71.6	78.2	80.5	82.9	85.4	87.9
Change in Fund Balance	(15.5)	(10.6)	(3.56)	(1.8)	(0.2)	0.6
Ending Fund Balance	(23.7)	(34.3)	(37.8)	(39.58)	(39.75)	(39.1)
FTEs	413.8	412.2	412.2	412.2	412.2	412.2

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 FY26, forecasted total expenditures and revenue for each subsequent year through FY31, 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 for FY26 through FY31.

### Fund Summary (in \$millions)

	FY26 Estimate	FY27	FY28	FY29	FY30	FY31
Beginning Fund Balance	9.4	9.0	6.1	4.4	3.7	3.0
Revenue & Transfers In	34.2	34.3	36.2	38.1	38.8	40.2
Expenditures & Transfers Out	34.6	37.3	37.9	38.8	39.4	40.4
Change in Fund Balance	(0.4)	(2.9)	(1.7)	(0.7)	(0.7)	(0.3)
Ending Fund Balance	9.0	6.1	4.4	3.7	3.0	2.7
Typical Residential Monthly Bill	\$4.80	\$4.90	\$5.00	\$5.10	\$5.20	\$5.30
FTEs	173.2	180.8	180.8	180.8	180.8	180.8

Note: Numbers may not add due to rounding.

# Austin Energy

Austin Energy is a municipally owned electric utility that delivers electricity to approximately 575,000 residential, commercial, and industrial customers across 12,900 miles of distribution and transmission lines serving a 437-square-mile area. Austin Energy is committed to safely delivering clean, affordable, and reliable energy with excellent customer service.

## Operating Revenue

Austin Energy collects approximately 90% of its revenue through base rates and pass-through rates, with the remainder collected from other sources, including interest income, transmission revenue, 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 FY27, total departmental operating revenue is forecasted to increase by \$81.7 million, or 4.2%, in comparison with the FY26 Budget. Major components of this increase are described below:

- \$60.0 million, or 8.0%, increase in base-rate revenue driven by a forecasted 5.0% rate increase, along with continued customer and load growth.
- \$27.6 million, or 2.9%, increase in pass-through revenue, including Power Supply Adjustment, Regulatory Charge, and Community Benefit Charge revenues.
- \$6.5 million, or 3.3%, decrease in other revenue, driven by reduced Transmission and District Cooling revenues.

By FY31, total departmental operating revenue is forecasted to increase by \$417.4 million, or 20.6%, in comparison with the FY27 Forecast. Major components of this increase are described below:

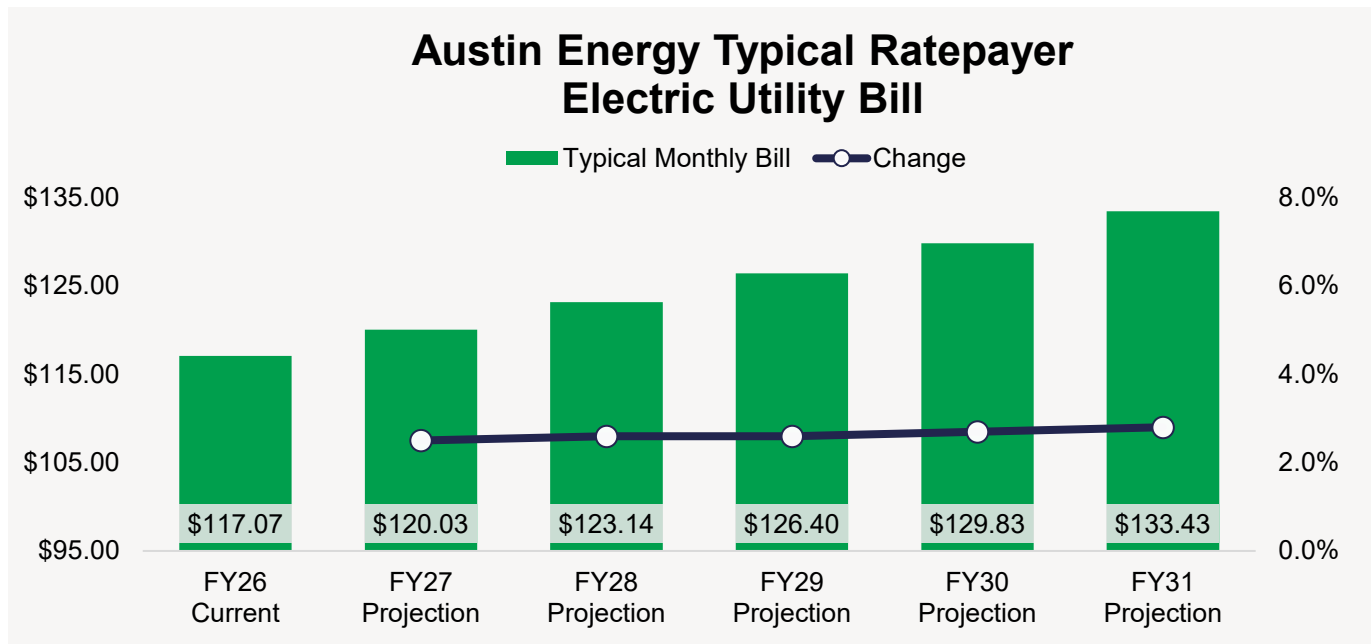
- \$227.2 million, or 28.1%, increase in base-rate revenue driven by a forecasted 5.0% rate increase, along with continued customer and load growth.
- \$147.6 million, or 15.0%, increase in pass-through revenue, including Power Supply Adjustment, Regulatory Charge, and Community Benefit Charge revenues.
- \$6.4 million, or 14.4%, increase in interest income.

## Typical Ratepayer

Revenue from Austin Energy's base rates and pass-through rates are expected to increase in FY27. This reflects planned base rate adjustments to keep pace with inflationary operating cost increases and to support ongoing investments in Austin Energy's infrastructure through the capital improvement program.

Austin Energy's typical residential customer who consumes 860 kilowatt-hours of power in a month, will pay \$120.03 per month in FY27, an increase of \$2.96 per month, or 2.5%, from FY26. Austin Energy projects future increases in the monthly bill of \$3.11 in FY28, \$3.26 in FY29, \$3.43 in FY30, and \$3.60 in FY31, a cumulative increase of \$16.36, or 14.0%, from the FY26 budgeted level. The projected monthly

bill impact does not reflect any future changes to the Power Supply Adjustment, Regulatory Charge or Community Benefit Charge.



## Operating Expenditures

Austin Energy’s major expenditures include power supply costs, wholesale transmission costs, operating and maintenance expenses, debt service payments, investment in capital improvements, transfer payments for City-wide support and internal services, and the transfer to the General Fund. In FY27, Austin Energy’s total expenditure budget is forecasted to increase by \$38.9 million, or 1.9%, in comparison with its FY26 budget. Major components of this increase are detailed below:

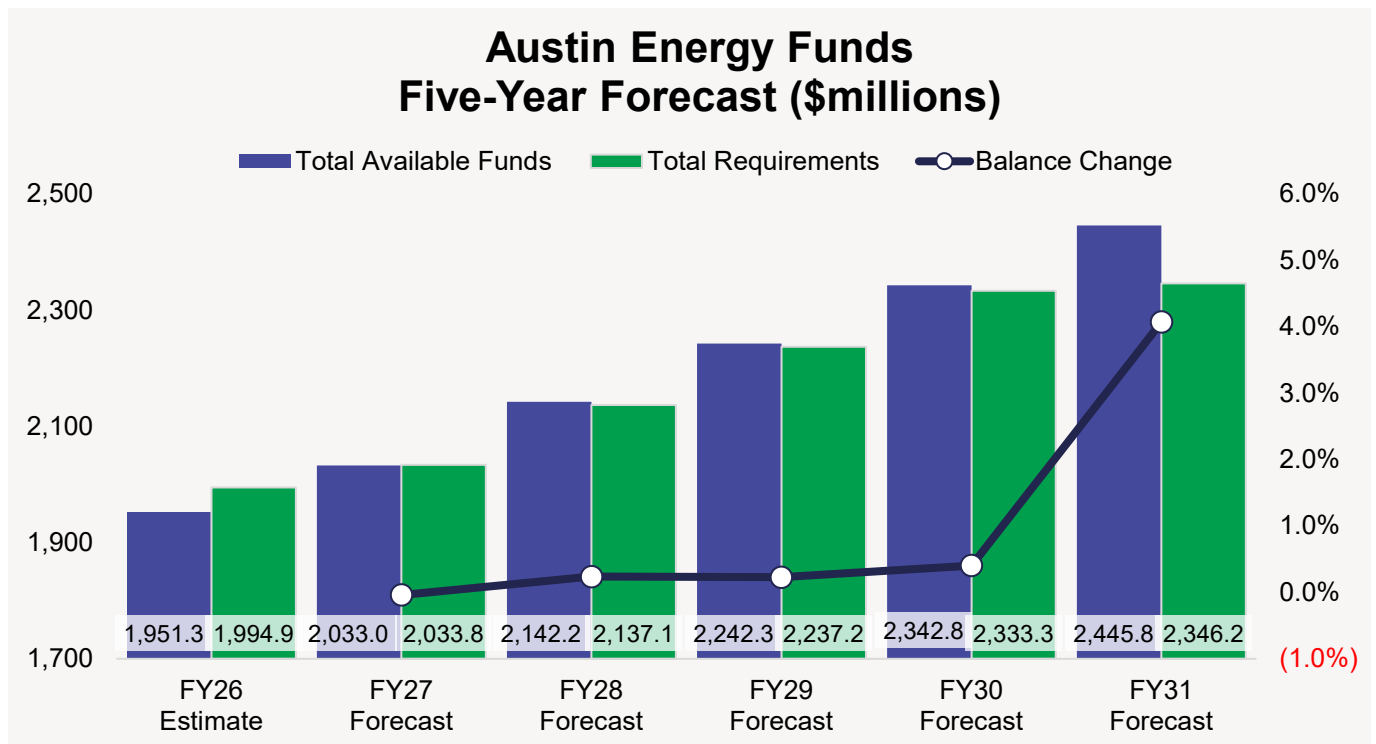
- \$19.9 million net increase for department-wide cost drivers, including:
  - \$16.0 million increase in operations and maintenance expenses, including \$2.0 million for call center staff augmentation.
  - \$15.4 million, or 7.1%, increase in wholesale transmission and ERCOT charges.
  - \$7.9 million, or 4.0%, increase in debt service payments.
  - \$3.2 million, or 0.6%, increase in power supply costs.
  - \$2.8 million increase to support 20 full-time positions to maintain service levels as the customer base continues to grow, and to support system reliability and resiliency
  - \$3.3 million, or 4.6%, decrease in transfer to Electric Capital Improvement Program Fund.
  - \$19.4 million, or 15.6%, decrease to nuclear and coal plant operating costs.
- \$9.3 million, or 6.4%, increase in transfers for City-wide support services and administrative costs, including \$3.7 million for market studies.
- \$7.0 million, or 5.0%, increase in the transfer to the General Fund.

By FY31, total departmental operating expenditures are forecasted to increase by an additional \$312.4 million, or 15.4%, in comparison with forecasted requirements for FY27. The major components of this increase are detailed below:

- \$227.2 million net increase for department-wide cost drivers, including:
  - \$68.4 million, or 12.9%, increase in power supply costs.
  - \$55.1 million, or 23.6%, increase in wholesale transmission costs and ERCOT fees.
  - \$54.8 million, or 27.0%, increase in debt service payments to support planned debt issuances for the Capital Improvement Program.
  - \$33.5 million increase in operations and maintenance expenses, including \$2.0 million for call center staff augmentation in FY28.
  - \$28.3 million, or 26.9%, increase to nuclear and coal plant operating costs.
  - \$14.0 million net increase to Power Supply Stabilization Reserve, Contingency Reserve, and Capital Reserve Funds.
  - \$26.9 million, or 22.4%, decrease in transfer to Electric Capital Improvement Program Fund.
- \$53.2 million, or 37.1%, increase for City-wide cost allocations, including \$38.1 million in employee wages and benefits.
- \$21.0 million, or 14.4%, increase in transfer to the General Fund.
- \$11.1 million increase to support 80 full-time positions in operations to focus on system reliability and resiliency for Austin Energy customers.

### Five Year Forecast Fund Summary

The chart below displays Austin Energy’s estimated total expenditures and revenues for FY26, forecasted total expenditures and revenues for each subsequent year through FY31, 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 on a typical residential customer from FY26 to FY31.

**Fund Summary (in \$millions)**

	<b>FY26 Estimate</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Beginning Fund Balance	192.9	149.4	148.6	153.7	158.7	168.2
Revenue & Transfers In	1,951.3	2,033.0	2,142.2	2,242.3	2,342.8	2,445.8
Expenditures & Transfers Out	1,994.9	2,033.8	2,137.1	2,237.2	2,333.3	2,346.2
Change in Fund Balance	(43.5)	(.8)	5.0	5.1	9.5	99.6
Ending Fund Balance	149.4	148.6	153.7	158.7	168.2	267.8
Typical Residential Monthly Bill	\$117.07	\$120.03	\$123.14	\$126.40	\$129.83	\$133.43
FTEs	1,965	1,985	2,005	2,025	2,045	2,065

*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 that protect people and the planet. Our services include curbside waste, recycling, and organics collection for approximately 221,000 customers. Furthermore, ARR enhances the city's environment by offering citywide litter abatement, remediation, and waste diversion opportunities to approximately 496,000 households.

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. These efforts support the City's sustainability initiatives and the transition from traditional waste management to a resource recovery model.

### Operating Revenue

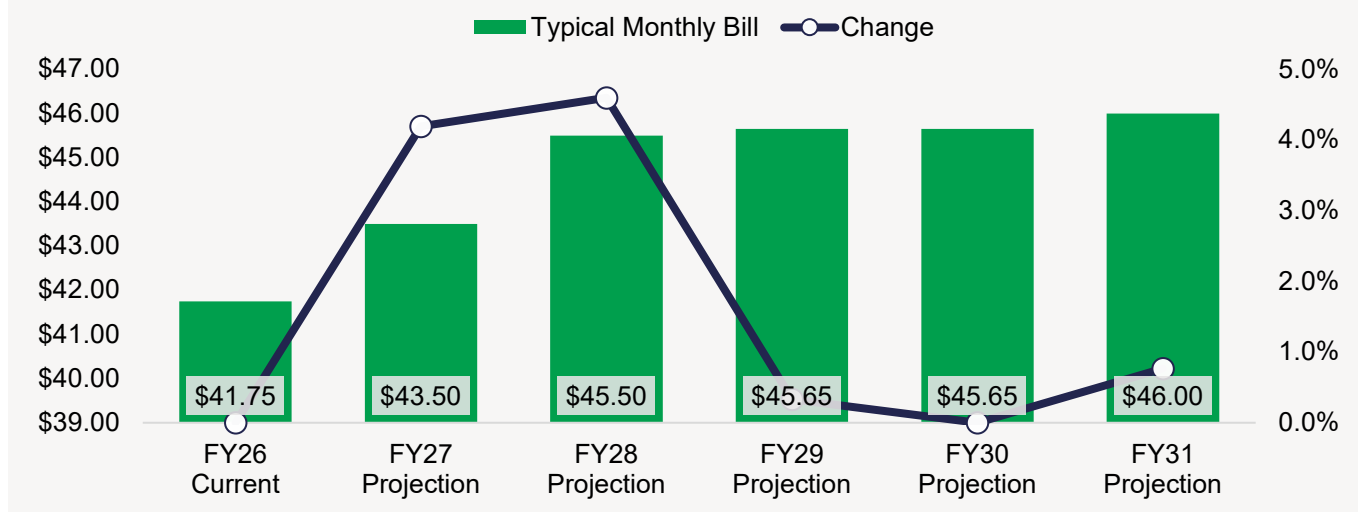
In FY27, total departmental operating revenue is forecasted to increase by \$5.6 million, or 3.8% compared to the FY26 Budget, primarily driven by a \$5.5 million increase in utility bill revenue based on planned increases to all three major user fees. Utility bill revenue accounts for 94% of ARR's total operating revenue and is comprised of the Trash Cart Fee; Base Customer Fee; and Clean Community Fee.

By FY31, total departmental operating revenue is projected to increase by \$16.3 million, or 10.8% compared to the FY27 forecast, primarily driven by a \$16.1 million increase in utility bill revenue resulting from adjustments to all three major user fees to align revenue with the cost-of-service delivery.

### *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 \$43.50 in FY27, an increase of \$1.75 per month, or 4.2%, from FY26. ARR projects future increases in the monthly user fees of \$2.00 in FY28, \$0.15 in FY29, \$0 in FY30, and \$0.35 in FY31, a cumulative increase of \$4.25, or 10.2%, from its current level.

## ARR Typical Ratepayer Residential Base Fee, CCF & Large Cart



## 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 FY27, ARR's total expenditure budget is forecasted to increase by \$6.9 million, or 4.7%, in comparison with its FY26 budget. Major components of this increase are described below:

- \$3.5 million increase in debt service obligations associated with the Northeast Service Center construction
- \$1.9 million net increase in transfers for City-wide support services and administrative costs, including \$0.7 million for an employee market study, \$0.5 million for insurance benefits, and \$1.0 million for fleet maintenance and fuel costs, partially offset by reductions in customer care and billing costs and general obligation debt.
- \$0.6 million net decrease in contractual obligations, driven by a \$1.0 million reduction in compost processing services, partially offset by a \$0.9 million increase in dumpster services and a \$0.6 million increase across various services, including waste disposal and processing, safety equipment and tools, facility utilities, and communications for ARR service pickups.

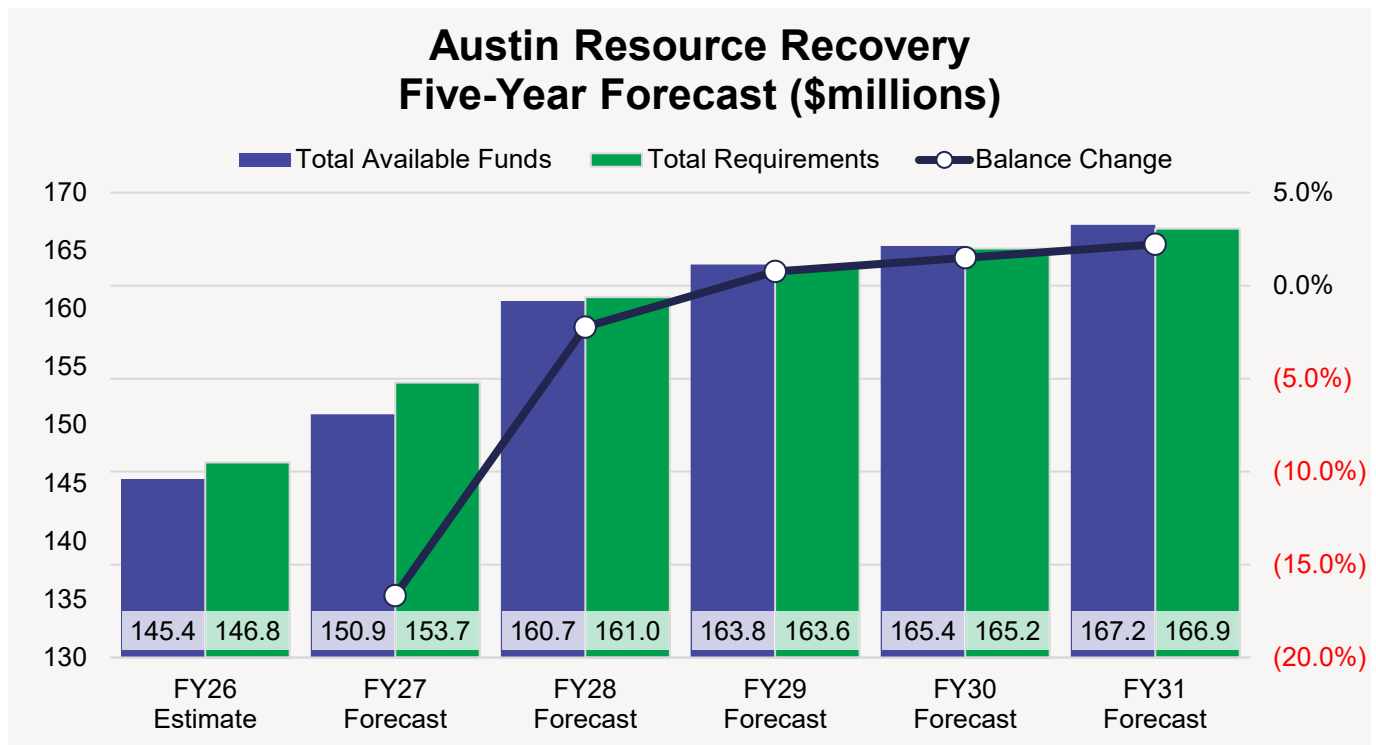
By FY31, total departmental operating expenditures are forecasted to increase by an additional \$13.2 million, or 8.6%, compared with forecasted requirements for FY27. Major components of this increase are described below:

- \$11.9 million increase in transfers for City-wide support services and administrative costs, including \$7.4 million for employee wages and benefits, and \$4.5 million for fleet maintenance and fuel costs.
- \$4.6 million increase in contractual obligations largely to cover contracts for waste and recycling collection services.
- \$3.7 million increase in debt service obligations associated with the Northeast Service Center construction.

- \$1.7 million increase for 17.0 full-time positions including field operators and technicians for service delivery and asset maintenance, customer service staff to support billing and account management, and business process and communications roles to improve efficiency, and customer engagement.
- \$7.9 million decrease in transfers to the CIP fund reflecting completion of NESC construction and a more disciplined fleet replacement schedule, resulting in more predictable and standardized capital costs over the forecast period.

## Five-Year Forecast Fund Summary

The chart below displays ARR’s estimated total expenditures and revenue for FY27, forecasted total expenditures and revenue for each subsequent year through FY31, and the projected change in fund balance for ARR’s major fund each year.



The following table reflects ARR's financial forecast and the impact on a typical residential customer for FY26 to FY31.

**Fund Summary (in \$millions)**

	<b>FY26 Estimate</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Beginning Fund Balance	17.6	16.2	13.5	13.2	13.3	13.5
Revenue & Transfers In	145.4	150.9	160.7	163.8	165.4	167.2
Expenditures & Transfers Out	146.8	153.7	161.0	163.6	165.2	166.9
Change in Fund Balance	(1.4)	(2.7)	(0.3)	0.2	0.2	0.3
Ending Fund Balance	16.2	13.5	13.2	13.3	13.5	13.8
Typical Residential Monthly Bill	\$41.75	\$43.50	\$45.50	\$45.65	\$45.65	\$46.00
FTEs	533	533	537	539	544	550

*Note: Numbers may not add due to rounding.*

# Austin Transportation and Public Works

The Austin Transportation and Public Works Department (ATPW) 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.

## Operating Revenue

ATPW 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 FY27, total departmental operating revenue is forecasted to increase by \$13.4 million, or 5.7%, in comparison with its FY26 budget. The major drivers of this increase are described below:

- \$14.8 million increase in Residential and Commercial TUF revenue due to a forecasted 8.4% rate increase and anticipated growth in the customer base.
- \$3.0 million increase in parking meter revenue due to meter usage trending higher, meter rate adjustments, anticipated growth in various Parking and Transportation Management Districts, and increased parking right-of-way usage for special events.
- \$4.5 million decrease in Right-of-Way (ROW) Excavation permits and Temporary Use of ROW permits due to declined development activity.

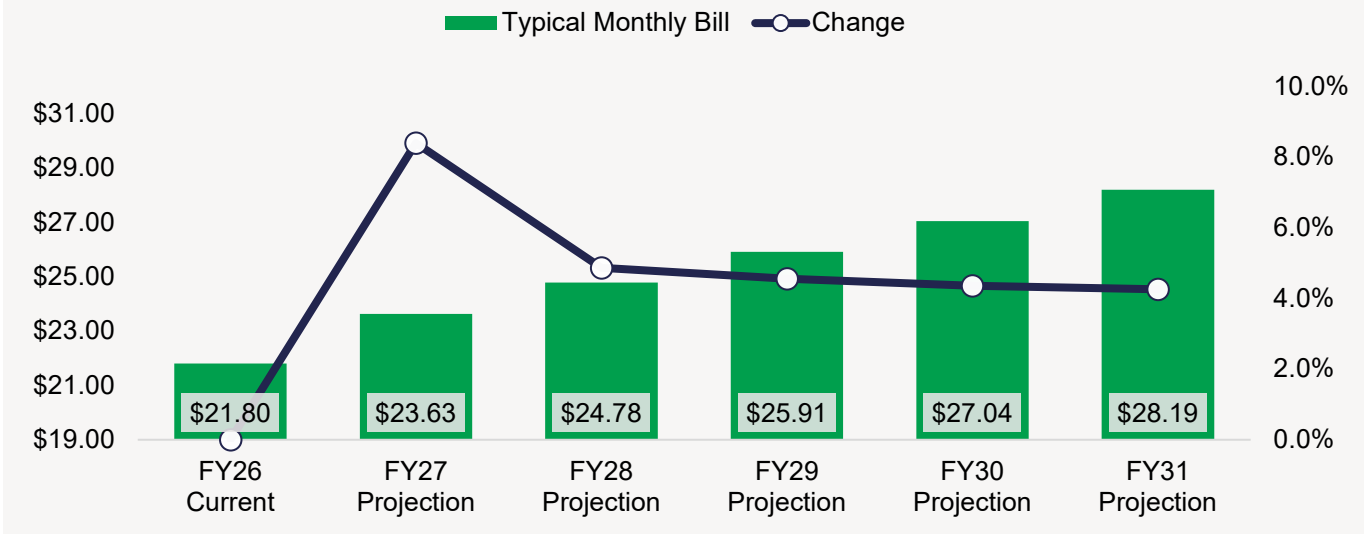
By FY31, total departmental operating revenue is projected to increase by \$39.3 million, or 15.9% in comparison with FY27 forecasted levels. The major drivers of this increase are described below:

- \$40.4 million increase in Residential and Commercial TUF revenue due to planned increases in the TUF rate and anticipated growth in the customer base.
- \$1.9 million increase in parking meter revenue due to meter usage trending higher, anticipated growth in various Parking and Transportation Management Districts, and increased parking right-of-way usage for special events.
- \$3.3 million decrease of Capital Improvement Plan reimbursements.

## *Typical Ratepayer*

ATPW's typical residential TUF customer is projected to pay \$23.63 per month in FY27, an increase of \$1.83, or 8.4%, over the prior year. ATPW projects further monthly rate increases of \$1.15 in FY28, \$1.13 in FY29, \$1.13 in FY30, and \$1.15 in FY31, a cumulative increase of \$4.56, or 20.9%, from its current level.

## Transportation User Fee



## Operating Expenditures

Austin Transportation and Public Works' major expenditure categories include maintenance and asset management of streets, bridges, sidewalks, signals, markings, signs, and urban trails; delivery of capital projects to improve and expand local mobility; transportation development and permitting; and traffic management. In FY27, ATPW's total expenditure budget is forecasted to increase by \$6.3 million, or 2.6%, in comparison with its FY26 budget. The major components of this increase are described below:

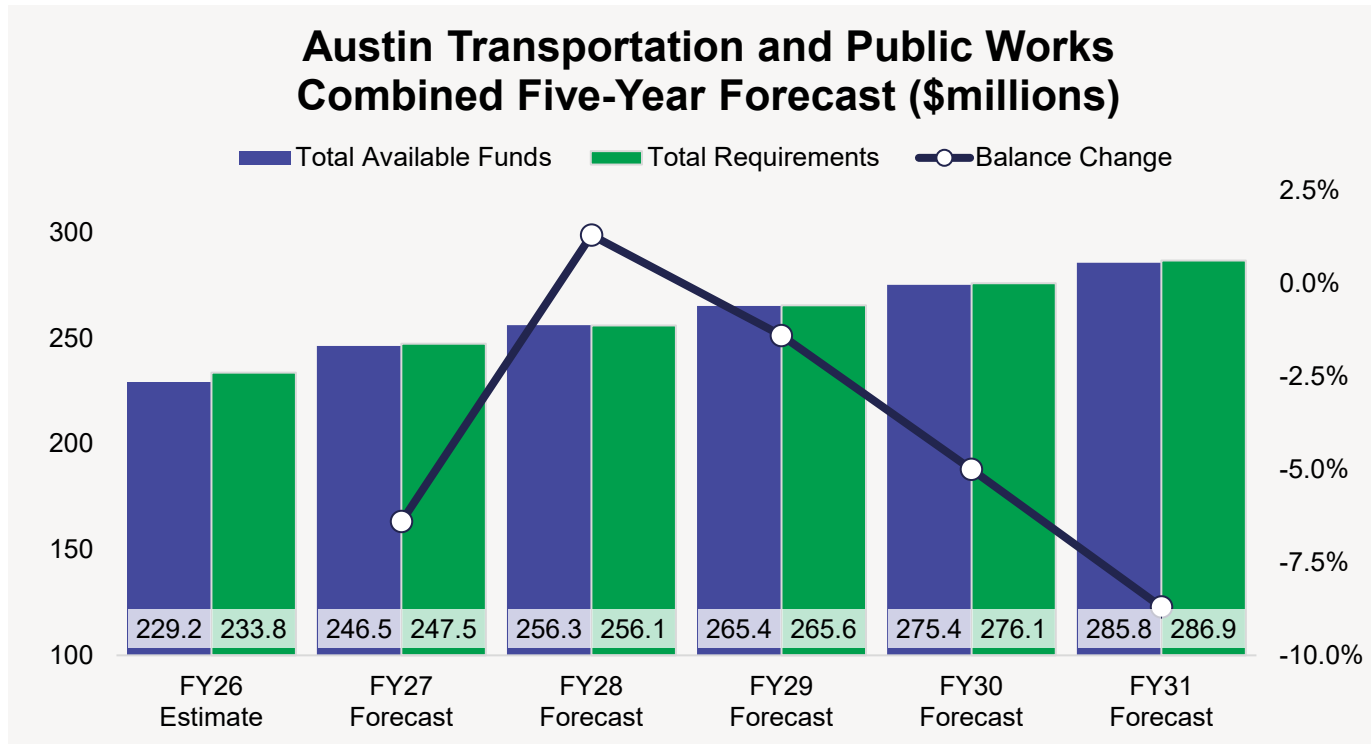
- \$4.4 million increase in transfers for City-wide support services and administrative costs, including \$1.3 million for market studies.
- \$1.3 million increase to support street and bridge operations, including increased asphalt costs and equipment rentals.
- \$0.5 million increase to support Cameron Road warehouse rental and utilities.

By FY31, total departmental operating expenditures are forecasted to increase by an additional \$39.4 million, or 15.9% in comparison with forecasted requirements for FY27. Major components of this increase are described below:

- \$20.7 million increase in transfers for City-wide support services and administrative costs, including \$13.5 million for employee wages and benefits.
- \$6.4 million in operational and preventative street maintenance costs, including asphalt, sand, stone, hauling, safety equipment, tools, and towing.
- \$5.1 million increase in traffic engineering and street sign and marking costs, driven by staff augmentation for engineering, consulting, and marking crews, along with higher costs for materials and equipment.
- \$1.4 million increase for sidewalk and urban trail maintenance, including concrete, sand, stone, steel, and traffic barricades.
- \$3.8 million increase in asset management costs for facility utilities, vehicle and equipment rentals, and warehouse rent.

## Five Year Forecast Fund Summary

The chart below displays Austin Transportation and Public Works' estimated total expenditures and revenue for FY26, forecasted total expenditures and revenue for each subsequent year through FY31, and the projected change in fund balance in each year.



The following table reflects Austin Transportation and Public Works' financial forecast and the impact to a typical residential customer for FY26 through FY31.

### Combined Fund Summary (in \$millions)

	FY26 Estimate	FY27	FY28	FY29	FY30	FY31
Beginning Fund Balance	19.0	14.5	13.5	13.7	13.5	12.8
Revenue & Transfers In	229.2	246.5	256.3	265.4	275.4	285.8
Expenditures & Transfers Out	233.8	247.5	256.1	265.6	276.1	286.9
Change in Fund Balance	(4.6)	(0.9)	0.2	(0.2)	(0.7)	(1.1)
Ending Fund Balance	14.5	13.5	13.7	13.5	12.8	11.7
Typical Residential Monthly Bill	\$21.80	\$23.63	\$24.78	\$25.91	\$27.04	\$28.19
FTEs	870.75	870.75	870.75	870.75	870.75	870.75

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 544 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 Capital Improvement Plan (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

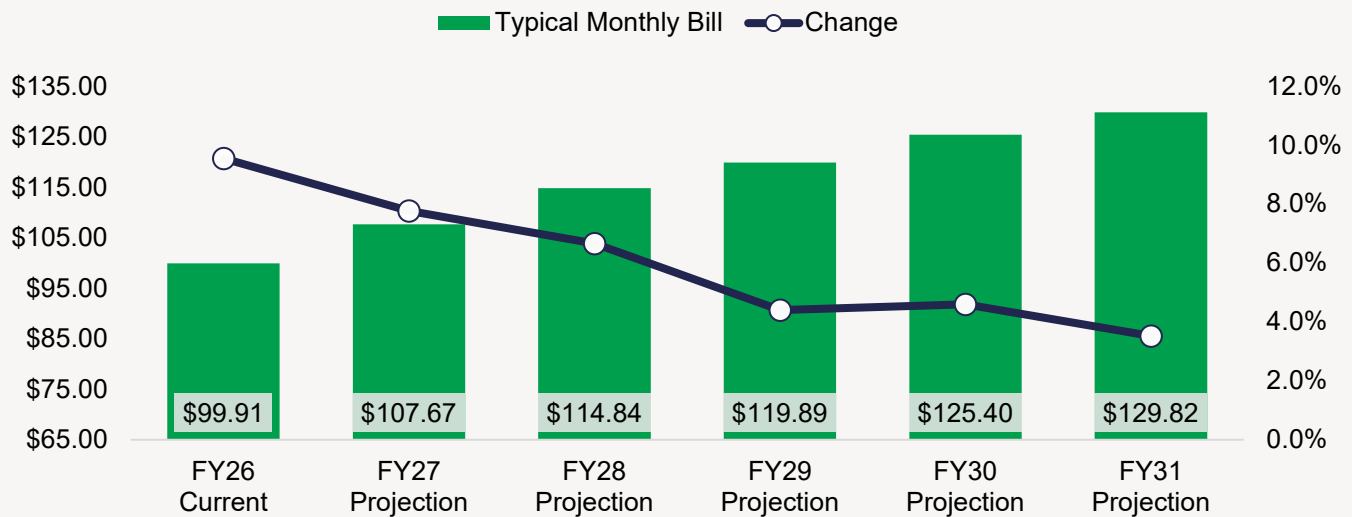
Austin Water primarily generates revenue through service rates and development fees. In FY27, total departmental operating revenue is forecasted to increase by \$54.5 million, or 7.2%, in comparison with the FY26 Budget, as a result of growth in the customer base and proposed increases in service rates.

By FY31, total departmental operating revenue is forecasted to increase by \$179.3 million, or 22.0% in comparison with FY27 forecasted levels. This increase is primarily due to a \$178.9 million, or 22.3%, increase in revenue from service rates due to anticipated rate increases and 0.7% growth in the customer base over the forecast period.

### *Typical Ratepayer*

Austin Water's typical residential customer – who uses 5,800 gallons of water and 4,000 gallons of wastewater monthly—will pay \$107.67 in FY27, an increase of \$7.76 per month, or 7.8%, from FY26. Austin Water projects future increases in the monthly rate of \$7.17 in FY28, \$5.05 in FY29, \$5.51 in FY30, and \$4.42 in FY31, a cumulative increase of \$29.91, or 29.9%, from its current level.

## Austin Water Typical Customer Water/Wastewater



## Operating Expenditures

In FY27, Austin Water's total expenditure budget is projected to increase by \$44.9 million, or 5.2%, in comparison with the FY26 Budget. Major components of this increase are described below:

- Growth in Austin Water's CIP
  - \$13.7 million in cash transfers to CIP.
  - \$16.5 million on scheduled debt service payments.
- City and Department-wide cost drivers
  - \$14.4 million increase in departmental contractual and commodity costs, such as chemicals, equipment, electricity, and contracted services.
  - \$4.4 million increase associated with the City-wide costs, including employee benefits cost increases and transfer payments for City-wide support services and administrative costs.
  - \$3.3 million increase in General Fund transfer.
- Impact of new positions
  - \$3.7 million increase for 30 new positions for support services (4), customer experience (1), engineering and technical services (3), environmental planning and development services (4), operations (16), reclaimed water services (2).
  - \$1.2 million increase for 11 new full-time positions converted from temporary employees.
  - \$0.4 million increase for 2 positions being transferred from Austin Capital Delivery Services.

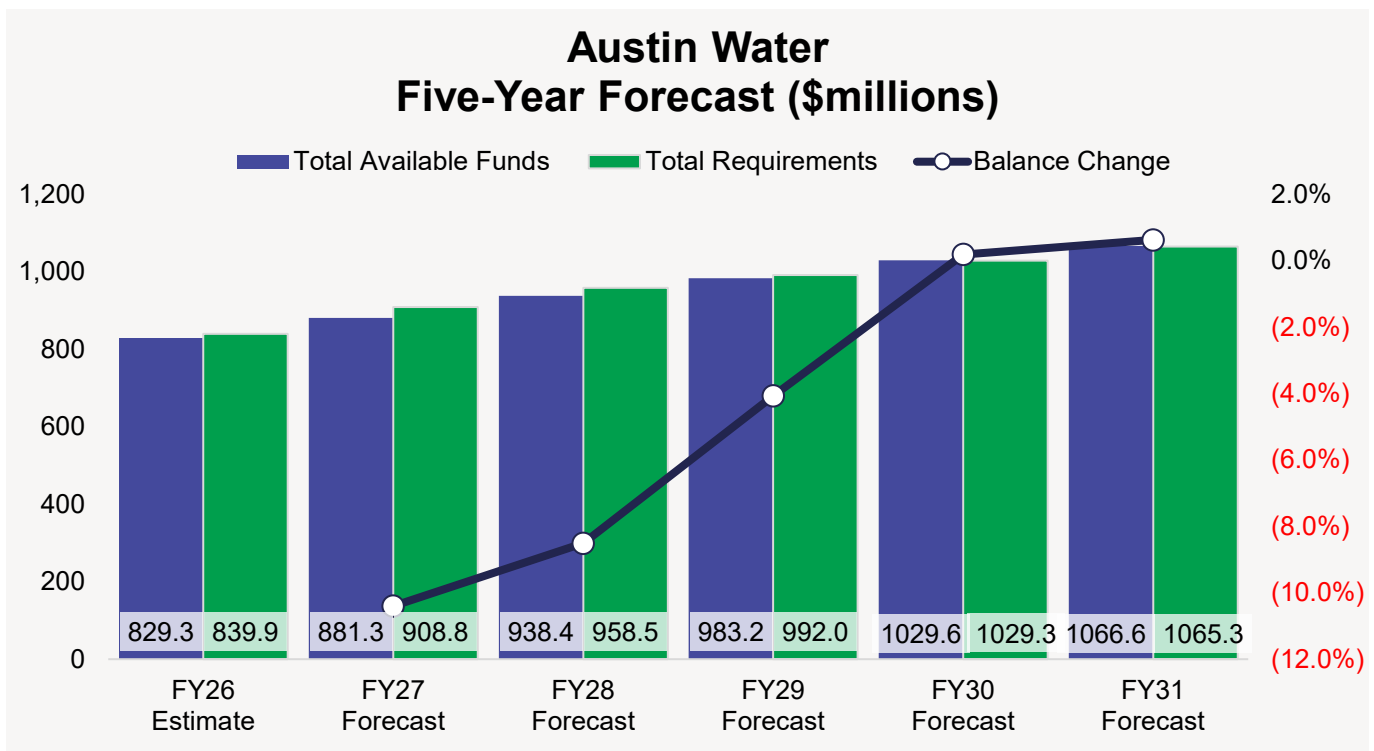
By FY31, total departmental operating expenditures are forecasted to increase by an additional \$156.5 million, or 17.2% in comparison with forecasted requirements for FY27. Major components of this net increase are described below:

- \$52.5 million increase in scheduled debt service payments.
- \$34.7 million increase in departmental contractual and commodity costs.
- \$35.0 million increase associated with the City-wide costs, including employee wage increases and transfer payments for City-wide support services and administrative costs.

- \$20.8 million increase for 161 new positions, with approximately 22% dedicated to support services, 39% to Operations, 10% to Engineering and Technical Services, 17% to Environmental, Planning and Development Services, and 12% to Customer Experience programs. These positions help advance progress towards Austin Water’s Citywide Strategic Plan of providing secure, reliable, and resilient utility infrastructure that serves customers cost-effectively.
- \$16.9 million increase in General Fund transfer.
- \$8.1 million net decrease in cash transfers to CIP.

## Five Year Forecast Fund Summary

The chart below displays Austin Water’s estimated total expenditures and revenue for FY26, forecasted total expenditures and revenue for each subsequent year through FY31, and the projected change in fund balance for Austin Water’s major fund in each year.



The following table reflects Austin Water’s financial forecast and the impact to a typical residential customer for FY 2026 FY 2031.

**Fund Summary (in \$millions)**

	<b>FY26 Estimate</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Beginning Fund Balance	274.2	263.5	236.1	216.0	207.2	207.6
Revenue & Transfers In	829.3	881.3	938.4	983.2	1,029.6	1,066.6
Expenditures & Transfers Out	839.9	908.8	958.5	992.0	1,029.3	1,065.3
Change in Fund Balance		(27.4)	(20.1)	(8.7)	0.4	1.3
Ending Fund Balance	263.5	236.1	216.0	207.2	207.6	208.9
Typical Residential Monthly Bill	\$99.91	\$107.67	\$114.84	\$119.89	\$125.40	\$129.82
FTEs	1,439	1,482	1,523	1,563	1,603	1,643

*Note: Numbers may not add due to rounding.*

# Austin Watershed Protection

Austin Watershed Protection (WPD) protects the lives, property, and environment of our community by reducing the impacts of flooding, erosion, and water pollution. WPD helps to protect our community by implementing flood risk reduction projects; constructing stream stabilization and restoration projects; enforcing drainage regulations; promoting flood safety and preparedness; and inspecting, maintaining, and repairing existing drainage infrastructure. WPD also protects the environment by constructing pollution removal projects, restoring riparian areas, promoting education and outreach activities, implementing water quality regulations, remediating spills, and permanently protecting open space.

## Operating Revenue

The Drainage Utility Fund accounts for drainage and watershed protection activities and is the operating fund for Austin Watershed Protection. Revenue is primarily comprised of the monthly Drainage Charge. In FY27, total departmental operating revenue is forecasted to increase by \$11.6 million, or 8.5% in comparison with the FY26 Budget, which is primarily the result of a planned rate increase in the Drainage Charge.

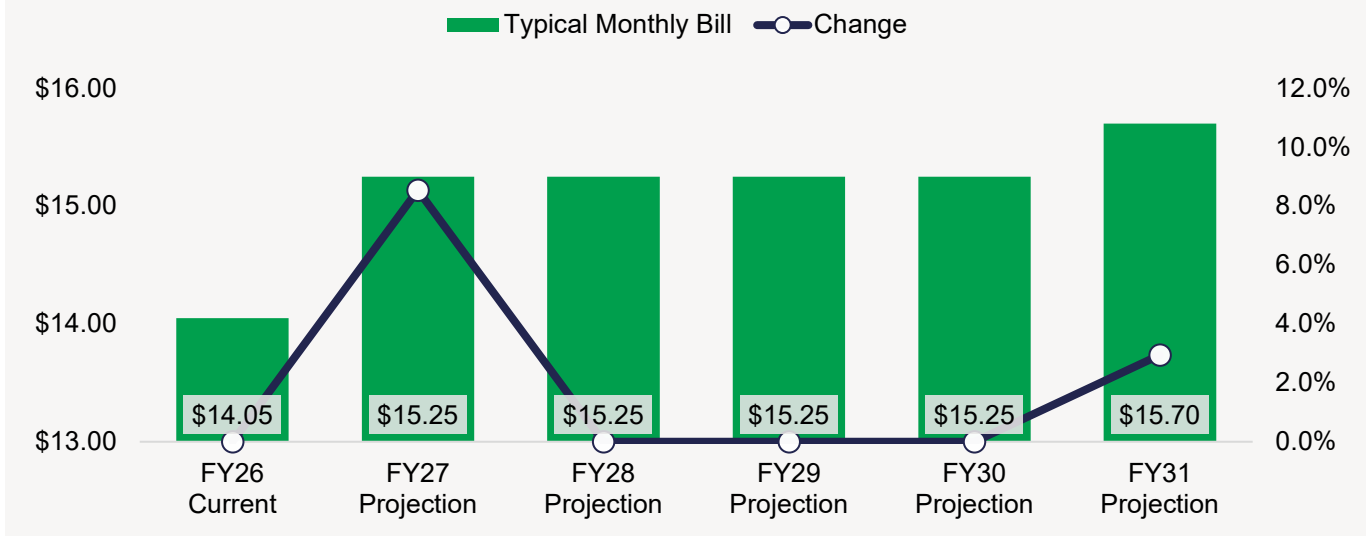
By FY31, total departmental operating revenue is forecasted to increase by \$2.4 million, or 1.7% in comparison with the FY27 Budget. Major components of this net increase include:

- \$5.9 million, or 4.6% increase in Drainage Charge revenue due to a projected rate increase in FY31 and anticipated growth in the customer base during the forecast period.
- \$3.6 million decrease in projected revenue from interest on cash balances.

## *Typical Ratepayer*

Austin Watershed Protection's typical residential Drainage Charge customer will pay \$15.25 in FY27, an increase of \$1.20 per month, or 8.5%, from FY26. WPD projects the Drainage Charge to increase by \$0.45 in FY31 for a cumulative increase of \$1.65, or 11.7%, from its current level.

## Drainage Charge



## Operating Expenditures

The major expenditures of the department consist of personnel costs, contractual obligations, commodity purchases, and transfers to other City funds. In FY27, Austin Watershed Protection's total expenditure budget is increasing by \$1.9 million, or 1.5%, in comparison with the FY26 Budget. Major components of this net increase include:

- \$2.1 million increase in City-wide base cost drivers including employee benefits cost increases and transfer payments for City-wide support services and administrative costs.
  - \$1.1 million increase in contractual costs, primarily for storm drain rehab program construction services and vegetation maintenance for the green infrastructure program.
  - \$0.8 million for 8 additional drainage maintenance positions and additional budget for temporary employees to keep pace with the maintenance needs of WPD's assets.
  - \$0.3 million for 3 additional positions to support community education and environmental conservation activities.
- \$3.0 million decrease in the transfer to CIP.

By FY31, total departmental operating expenditures are forecasted to increase by an additional \$16.5 million, or 12.7% in comparison with forecasted requirements for FY27. Major components of this increase include:

- \$10.5 million increase in City-wide base cost drivers including civilian wage increases and transfer payments for City-wide support services and administrative costs.
- \$3.0 million increase in contractual costs for storm drain rehab program construction services.
- \$2.9 million for the addition of 31 positions to meet the operational and maintenance needs of an expanding infrastructure portfolio and initiatives related to City-wide storm drain cleaning and repair.

## Five Year Forecast Fund Summary

The chart below displays WPD’s estimated total expenditures and revenue for FY26 and forecasted total expenditures and revenue for each subsequent year through FY31, as well as the projected percentage change in fund balance for AWP’s major fund in each year.



The following table reflects Austin Watershed Protection’s financial forecast and the impact to a typical residential customer for FY26 to FY31.

### Fund Summary (in \$millions)

	FY26 Estimate	FY27	FY28	FY29	FY30	FY31
Beginning Fund Balance	19.8	17.0	23.8	27.4	26.2	19.9
Revenue & Transfers In	125.0	136.6	137.4	136.9	136.4	139.0
Expenditures & Transfers Out	127.9	129.8	133.8	138.2	142.7	146.3
Change in Fund Balance	(2.9)	6.8	3.6	(1.3)	(6.3)	(7.3)
Ending Fund Balance	17.0	23.8	27.4	26.2	19.9	12.6
Typical Residential Monthly Bill	\$14.05	\$15.25	\$15.25	\$15.25	\$15.25	\$15.70
FTEs	456.75	467.75	478.75	488.75	498.75	498.75

Note: Numbers may not add due to rounding.

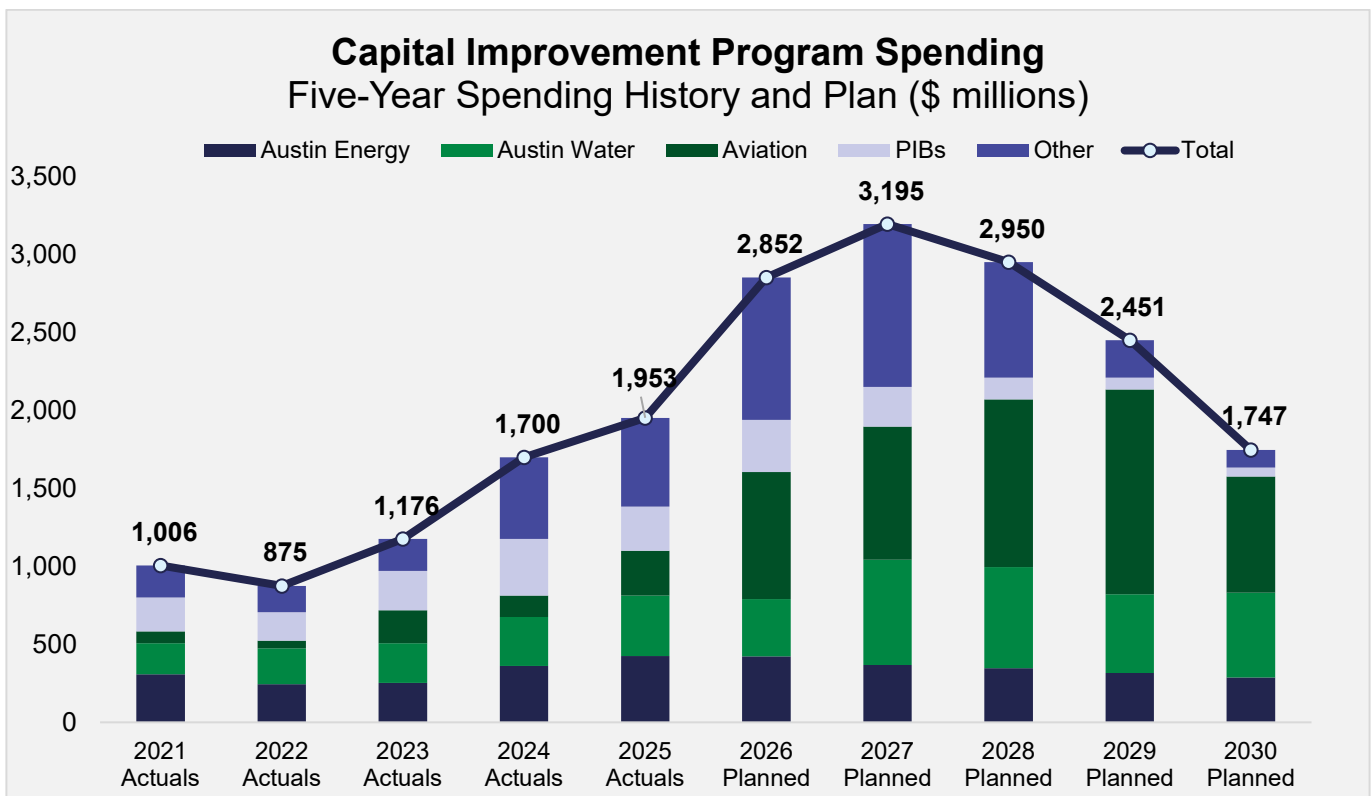
# Capital Improvement Program

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 FY 2031.

The CIP is supported by several different funding sources including debt, current revenue, and grants. Debt sources include public improvement bonds (PIBs) resulting from 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 \$1.34 billion in the CIP over the past five years and anticipates spending nearly \$13.2 billion between FY 2026 through FY 2030. Austin Energy, Austin Water, and Aviation projects amount to \$9.3 billion, or 70%, of projected spending over this timeframe. PIB-funded projects total \$865M, or 7%, of the five-year plan. The graph below shows the past five years of actual spending data along with projected current-year and out-year spending.

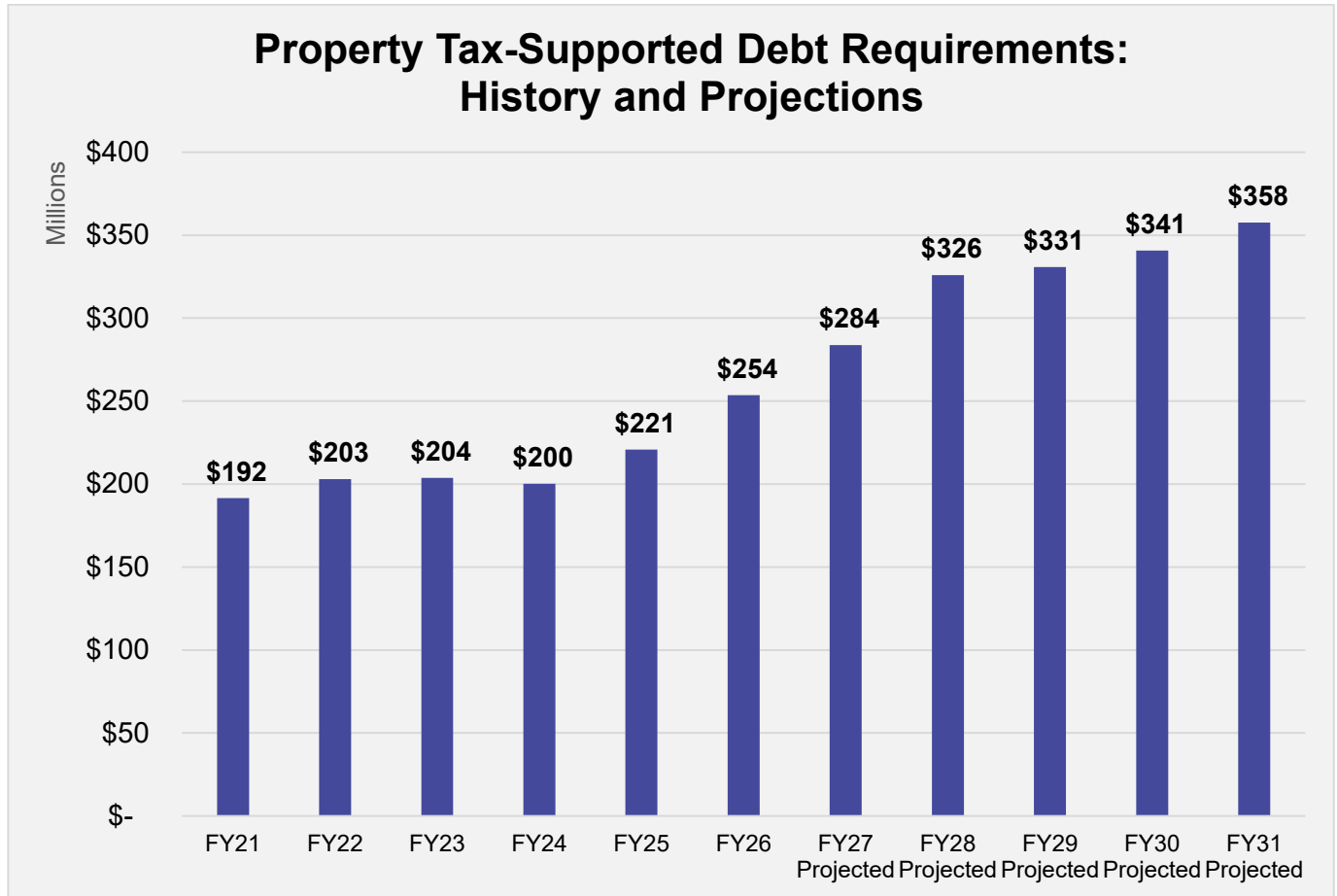


## General Obligation Debt

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 March 31, 2026.

Public Improvement Bond Program	Voter Approved	Expended	% Expended
2016 – Prop 1: Transportation and Mobility	\$720,000,000	\$502,725,475	70%
<b>2016 Bond Total</b>	<b>\$720,000,000</b>	<b>\$502,725,475</b>	<b>70%</b>
2018 – Prop A: Affordable Housing	\$250,000,000	\$241,217,810	96%
2018 – Prop B: Libraries, Museums and Cultural Arts Facilities	\$128,000,000	\$62,763,966	49%
2018 – Prop C: Parks and Recreation	\$149,000,000	\$121,076,897	81%
2018 – Prop D: Flood Mitigation, Open Space, and Water Quality Protection	\$184,000,000	\$173,870,918	94%
2018 – Prop E: Health and Human Services	\$16,000,000	\$15,819,916	99%
2018 – Prop F: Public Safety	\$38,000,000	\$36,242,937	95%
2018 – Prop G: Transportation Infrastructure	\$160,000,000	\$116,140,009	73%
<b>2018 Bond Total</b>	<b>\$925,000,000</b>	<b>\$767,132,453</b>	<b>83%</b>
2020 – Prop B: Transportation Infrastructure	\$460,000,000	\$241,603,394	53%
<b>2020 Bond Total</b>	<b>\$460,000,000</b>	<b>\$241,603,394</b>	<b>53%</b>
2022 – Prop A: Affordable Housing	\$350,000,000	\$100,909,611	29%
<b>2022 Bond Total</b>	<b>\$350,000,000</b>	<b>\$100,909,611</b>	<b>29%</b>
<b>Total</b>	<b>\$2,455,000,000</b>	<b>\$1,612,370,933</b>	<b>66%</b>

The chart below provides the recent history and a five-year projection of the City’s annual debt-service requirements for property tax-supported debt issuances. The annual requirement is expected to increase by \$104 million, or 41%, over the next five years as the City continues to issue bonds under existing authorization authority. The debt service property tax rate is also projected to increase over the Forecast period as a result of this growth in debt service requirements.



## 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 February 28, 2026.

Department	Project Name	Allocated Budget	Expended	Encumbered
Austin Public Health	Food Security/Food Access	\$2.0 M	\$2.0 M	\$0.0 M
	Public Health - Communications Project	\$4.5 M	\$3.8 M	\$0.7 M
	Public Health - IT Project	\$5.4 M	\$5.3 M	\$0.1 M
	Public Health - Staffing and Support	\$25.4 M	\$24.3 M	\$1.1 M
Economic Development	Arts Industry Support	\$5.9 M	\$5.9 M	\$0.0 M
	High-Quality Affordable Child Care	\$3.4 M	\$3.4 M	\$0.0 M
	Austin Arts & Culture Non-Profit Relief Grant	\$2.0 M	\$2.0 M	\$0.0 M
	PARD - Austin Civilian Conservation Corps	\$1.9 M	\$1.9 M	\$0.0 M
	Austin Civilian Conservation Corps - Creative Workers	\$1.1 M	\$0.5 M	\$0.5 M
	Austin Live Music Venue Preservation Fund	\$1.5 M	\$1.5 M	\$0.0 M
	Bachelor of Science in Nursing Degree Program	\$1.5 M	\$1.4 M	\$0.1 M

Department	Project Name	Allocated Budget	Expended	Encumbered
Economic Development	Colony Park Sustainable Community Health Center	\$1.5 M	\$1.5 M	\$0.0 M
	Community Navigator Program	\$0.5 M	\$0.5 M	\$0.0 M
	Community-Owned Food Retail Initiative	\$0.5 M	\$0.5 M	\$0.0 M
	Early Care and Education and Early Childhood (includes funding for APH Family Connects program)	\$7.4 M	\$6.9 M	\$0.5 M
	Re:WorkNOW 2.0	\$6.6 M	\$6.6 M	\$0.0 M
	Workforce Development Solicitation	\$6.1 M	\$5.8 M	\$0.3 M
	Austin Music Disaster Relief Grant	\$2.5 M	\$2.5 M	\$0.0 M
Financial Services	TARA - Austin Film Society	\$0.8 M	\$0.8 M	\$0.0 M
Homeless Strategy Office	Capital Investments - Housing Development	\$11.1 M	\$10.7 M	\$0.4 M
	Emergency Shelters & Crisis Services	\$26.8 M	\$26.8 M	\$0.1 M
	Supporting Capacity Building	\$2.0 M	\$2.0 M	\$0.0 M
	Rapid Rehousing	\$42.3 M	\$37.8 M	\$4.5 M
	Landlord Engagement & Move-in Support	\$1.5 M	\$0.4 M	\$1.1 M
	Other Homeless Support Services	\$6.8 M	\$6.1 M	\$0.7 M
	Homelessness Systems Support	\$1.7 M	\$1.7 M	\$0.0 M
Targeted Prevention	\$3.3 M	\$3.3 M	\$0.0 M	
Management Services	HSEM - EOC Emergency Response	\$5.9 M	\$5.9 M	\$0.0 M

Department	Project Name	Allocated Budget	Expended	Encumbered
Management Services	Resilience - Resilience Hubs	\$2.8 M	\$2.8 M	\$0.0 M
	Sustainability - Regional Food System Planning	\$0.5 M	\$0.5 M	\$0.0 M
Administrative	Administrative Costs	\$3.2 M	\$1.7 M	\$1.5 M
<b>TOTAL</b>		<b>\$188.5 M</b>	<b>\$176.8 M</b>	<b>\$11.7 M</b>

# Unfunded Items from Council

The following table summarizes approved City Council resolutions that may have budget implications, for which funding sources are not yet fully identified or department analysis and planning efforts are still in progress. Additional information can be found in response memos provided to the City Council.

Resolution	IFC Description
<p><b>Resolution</b> <b><u>20250522-051</u></b></p>	<p>Approve a resolution directing the City Manager to work with local government entities to identify opportunities to improve economic growth, public health and wellbeing, and public safety and lower taxes on the City’s taxpayers.</p>
<p><b>Resolution</b> <b><u>20250605-078</u></b></p>	<p>Approve a resolution directing the City Manager to support the creation of a Family Justice Center (FJC) through an interlocal agreement and intergovernmental working group between the City and Travis County, explore the formation of a local government corporation, and identify funding sources to support up to four full-time positions and necessary technical infrastructure for FJC services.</p>
<p><b>Resolution</b> <b><u>20250605-084</u></b></p>	<p>Approve a resolution affirming the City’s commitment to ensuring it is an age-friendly community and directing the City Manager to expand resources and programming for the older adult community, including implementing the 2016 Age-Friendly Action Plan, developing new senior centers in underserved areas, creating a specific budget for senior services and programming, working with CapMetro to improve transportation options for older adults, and developing a fraud prevention initiative for older adults.</p>
<p><b>Resolution</b> <b><u>20250813-014</u></b></p>	<p>Approve a resolution directing the City Manager to explore ways to expand the childcare fee waiver program to include new childcare facilities.</p>
<p><b>Resolution</b> <b><u>20250813-017</u></b></p>	<p>Approve a resolution directing the City Manager to provide and support additional shelter capacity for families experiencing homelessness.</p>
<p><b>Resolution</b> <b><u>20250813-018</u></b></p>	<p>Approve a resolution directing the City Manager to study and report to Council on the feasibility of creating a new Joint Emergency Communications Department to consolidate 911, emergency and non-emergency dispatch and communications through the Austin Police Department, Austin Fire Department and Emergency Medical Services Department.</p>
<p><b>Resolution</b> <b><u>20250828-101</u></b></p>	<p>Approve a resolution related to exploring funding for community-based non-congregate shelters to enhance and expand shelter capacity and workforce development programs.</p>
<p><b>Resolution</b> <b><u>20250911-041</u></b></p>	<p>Approve a resolution relating to the preservation, creation or enhancement of naturally occurring affordable housing (NOAH) and funding mechanisms to prevent the net loss of affordable housing, directing the City Manager to prepare a City Code amendment to change the relocation assistance requirements for residents of existing multi-family property that will be redeveloped because of a density bonus program.</p>

Resolution	IFC Description
<p><b>Resolution</b> <b><u>20251106-024</u></b></p>	<p>Approve a resolution directing the City Manager to develop a plan to prioritize, expand, and align the operations of street and community outreach for individuals experiencing homelessness and should emphasize the importance of vital and mental healthcare services connections and housing.</p>
<p><b>Resolution</b> <b><u>20251211-085</u></b></p>	<p>Approve a resolution directing the City Manager to develop a capital improvement program to remodel City facilities in a way that is both gender inclusive and compliant with Texas Senate Bill 8 and to explore related City Code and policy changes.</p>
<p><b>Resolution</b> <b><u>20260226-049</u></b></p>	<p>Approve a resolution committing to provide, as necessary, approximately \$7,700,000 in the Fiscal Year 2026-2027 City budget and approximately \$7,900,000 in the planned Fiscal Year 2027-2028 City budget for service contracts for operating costs at the Esperanza II emergency shelter planned to be constructed at 626 Bastrop Highway once it is open for occupancy to support a funding commitment by Texas Department of Housing and Community Affairs of approximately \$48 million in HOME-ARP Non-Congregate Shelter funds for the development of Esperanza II and directing the City Manager to work with local partners to develop a long-term operating sustainability plan to ensure adequate annual funding for operating costs for the Esperanza II project.</p>
<p><b>Resolution</b> <b><u>20260326-045</u></b></p>	<p>Approve a resolution directing the City Manager to explore partnership opportunities with independent school districts to repurpose closed school campuses, to develop a land policy to preserve public sites for community-beneficial uses and support equitable transit-oriented development policies, to identify potential funding sources, and to develop a list of priority properties and partnerships.</p>

*Note: Table is current through April 9, 2026*

