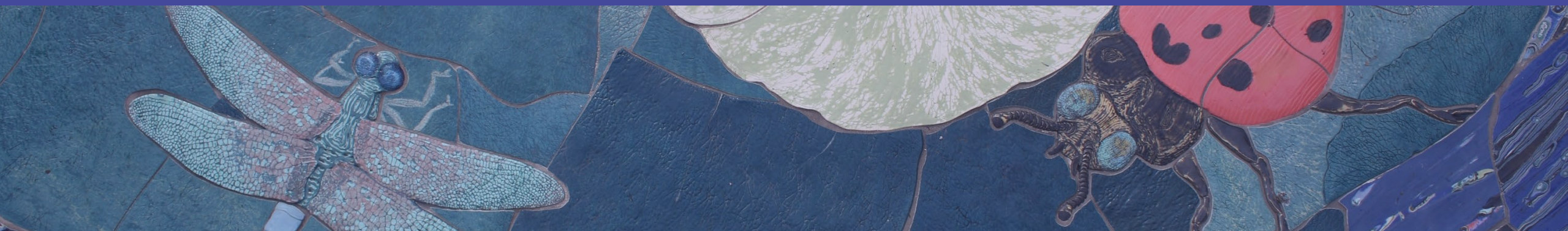




FY 2026-27 Proposed Budget & FY 2027-28 Planned Budget

July 16, 2026

Art in Public Places: Lotus by Sunyong Chung and Philippe Klinefelter, 2013

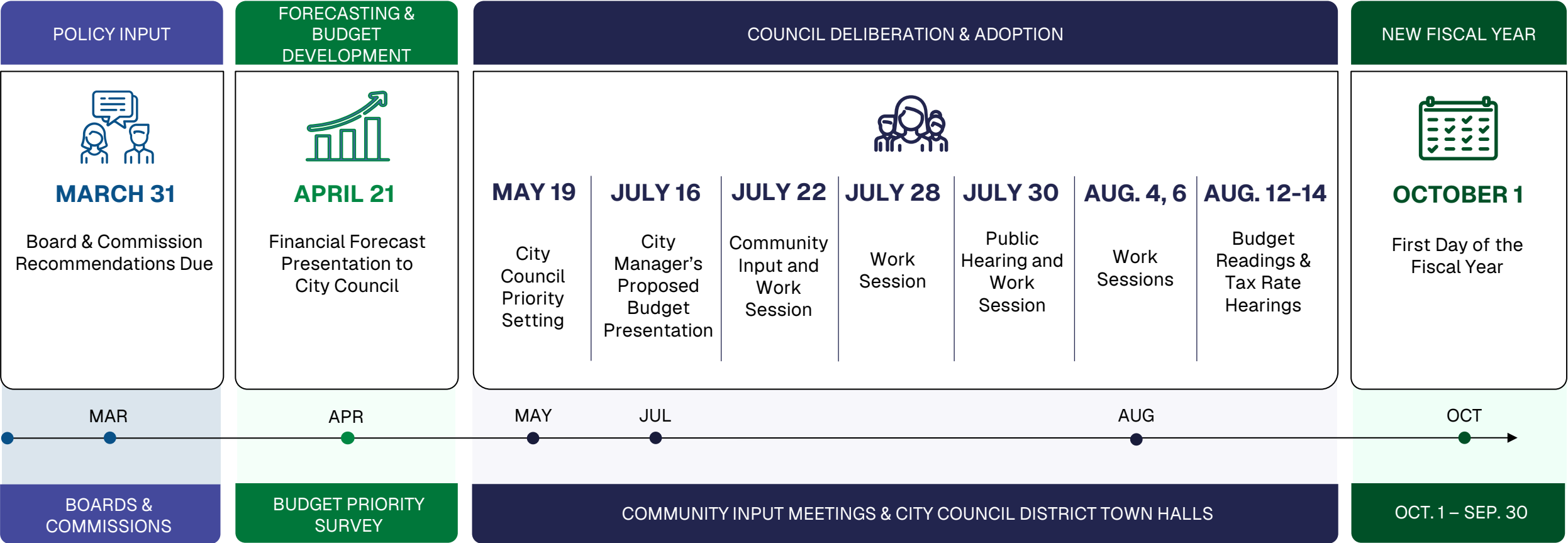


Today's Agenda

- FY27 Budget Timeline
- All Funds Overview
- General Fund Highlights
- Enterprise Highlights
- Capital Budget Highlights
- Next Steps



FY 2026-27 Budget Timeline

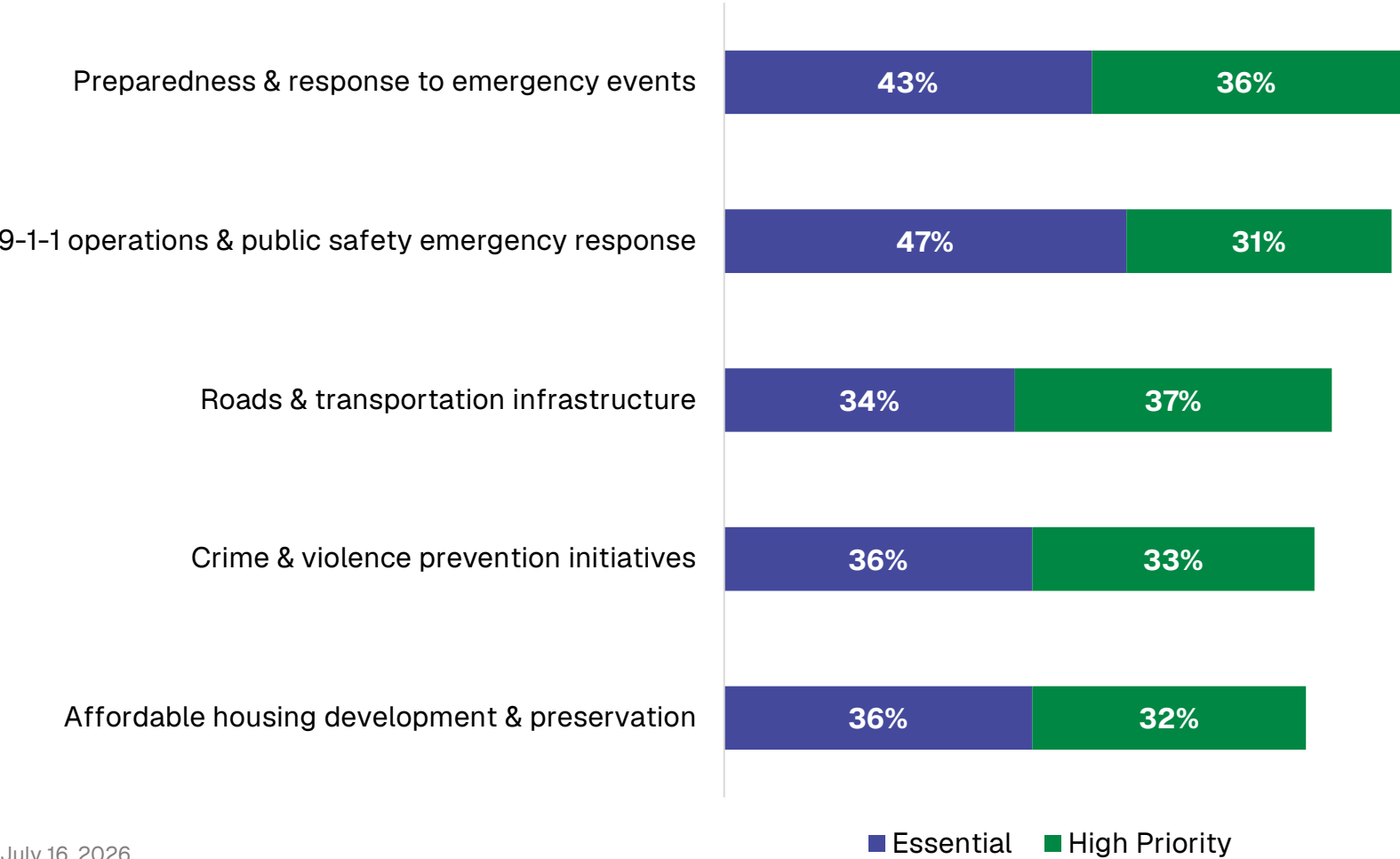


- Received 169 recommendations from Boards & Commissions
- 11 input sessions as part of the City Manager Community Budget Conversations
- Community Survey completed in 2025
- Budget Priority Survey completed in 2026
- City Council District Townhalls – *usually occur in July and August*

Budget Priority Survey *Final* Results

How important is it to you that the City funds the following services?

Top five aggregated scores across questions that related to each service category

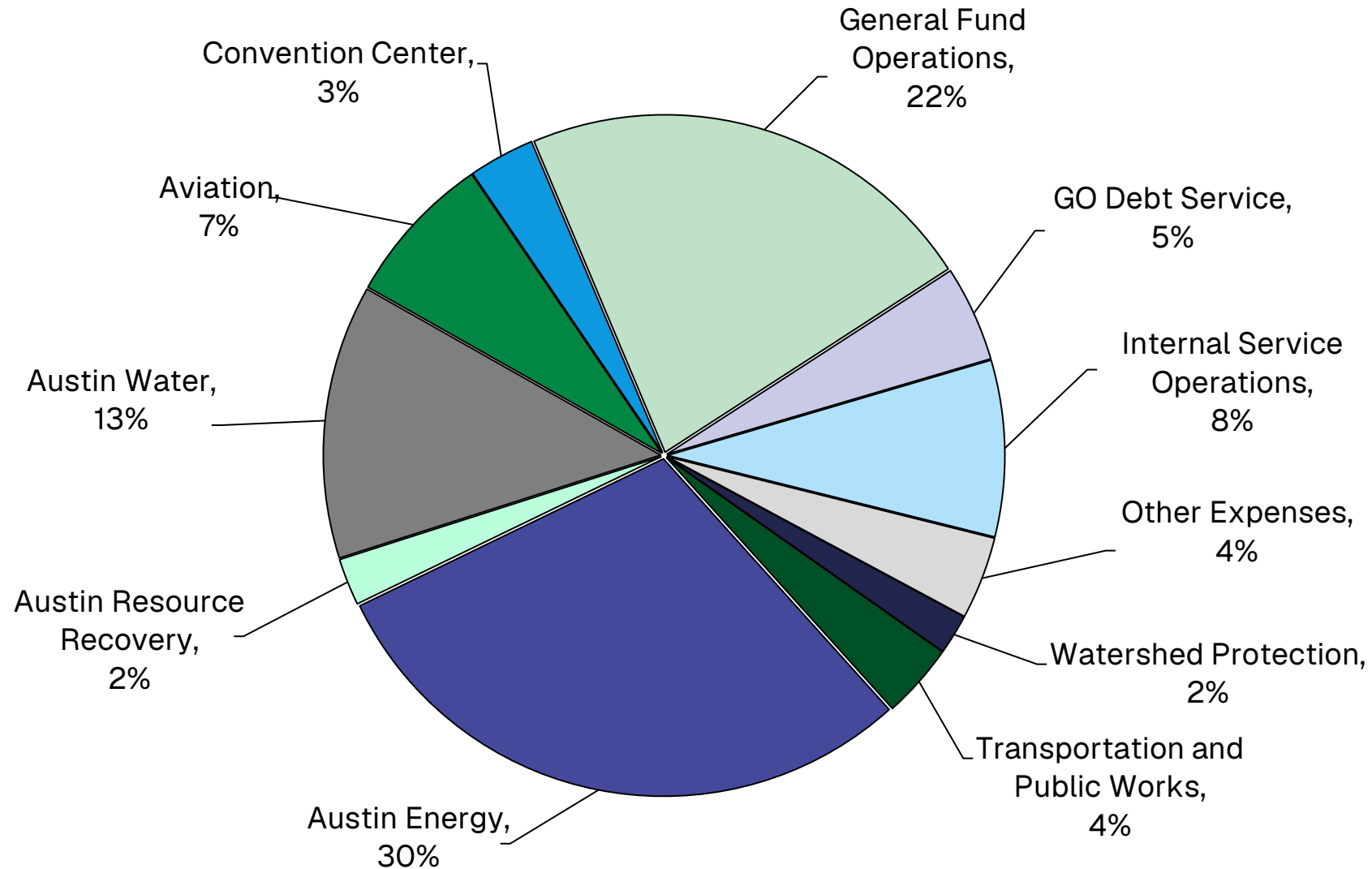


The top five funding priorities reflect a mandate centered on safety, mobility, and housing. All five have held within 5 percentage points of their 2025 levels, suggesting these priorities represent stable, enduring expectations among residents.

All Funds Overview

FY27 All City Funds - \$6.6 Billion

Uses of Funds



City-wide Cost Drivers

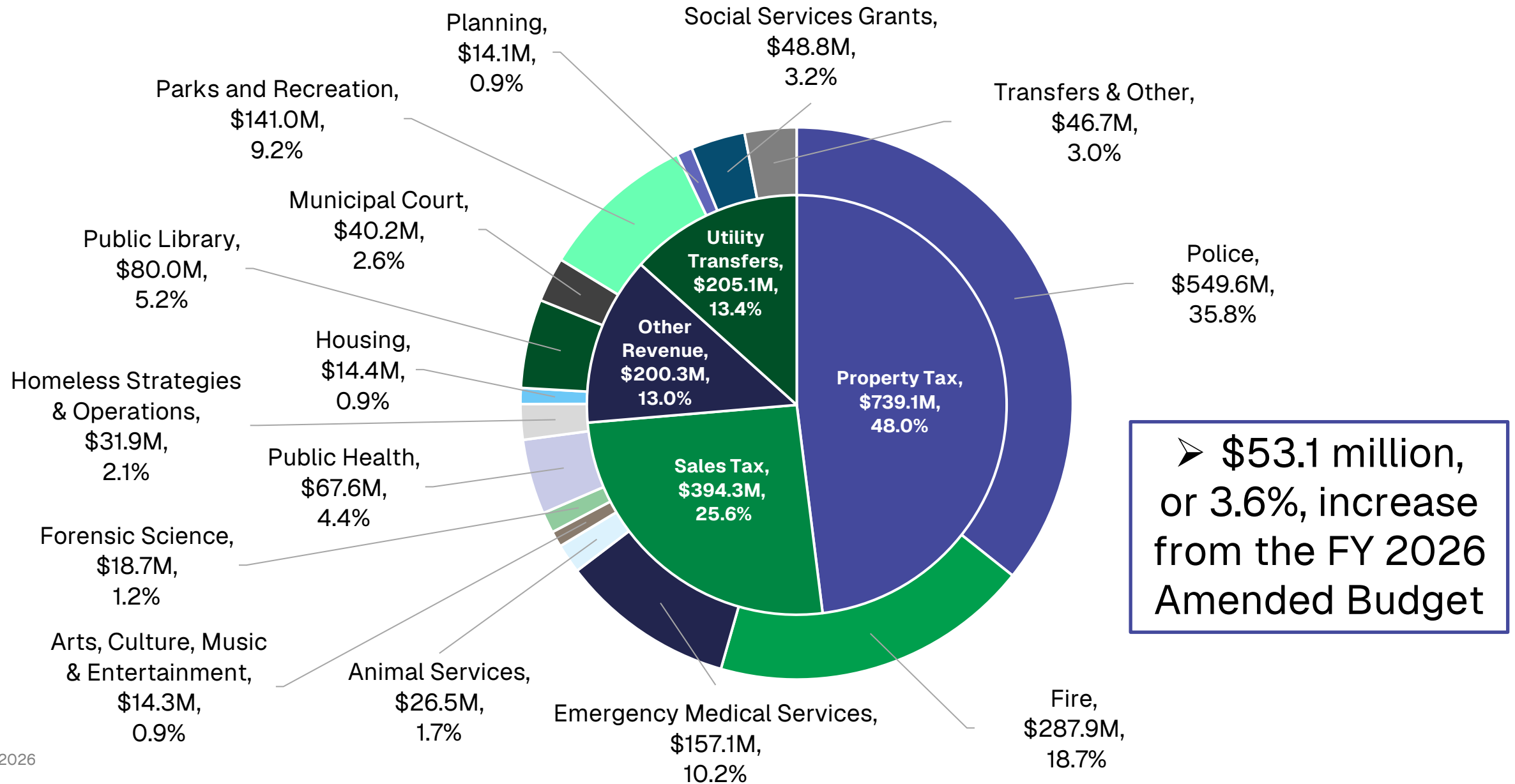
	FY 2026-27 Proposed	FY 2027-28 Planned
HEALTH INSURANCE	• 5% annual increase in City contribution • Adjustment to PPO Plan premiums & benefits • HMO & CDHP Plan premiums unchanged	• 5% projected increase (City Contribution)
WAGES	• 3% base wage increase for civilian workforce	• 0% base wage increase for civilian workforce
MARKET STUDY SALARY ADJUSTMENTS	• Placeholder for civilian City-wide market study	
LIVING WAGE	• Increasing from \$22.05 to \$22.15 per hour	• No adjustment per policy due to 0% civilian wage increase
CITY-WIDE VACANCY REVIEW	• Eliminated nine positions vacant longer than 2 years	• Continue strict review of positions vacant longer than 2 years

FY 2026-27 Personnel Summary

City-wide Position Changes	FY 2025-26 Amended	FY 2026-27 Proposed	Net Change	Major Changes
GENERAL FUND 59 New positions (9) Eliminations 13 Transfer In; (73) Transfer Out	7,035	7,025	(10)	32 new Sworn Fire positions 67 positions transferred to Austin Technology Services (ATS)
INTERNAL & SUPPORT SERVICES 70 New positions (1) Elimination 245 Transfer In; (105) Transfer Out	2,364	2,573	209	Facilities Management: 49 new ATS: 192 transferred from other departments
ENTERPRISE 126 New positions (16) Eliminations 11 Transfer In; (79) Transfer Out	6,841	6,883	42	Austin Water: 42 new Austin Energy: 29 new Aviation: 25 new 70 Enterprise positions transferred to ATS
GRANTS 0 New positions (4) Eliminations 0 Transfer In; (12) Transfer Out	302	286	(16)	12 Public Health-Grant positions transferred to Public Health-General Fund
TOTAL	16,542	16,767	225	<i>Figures have been rounded</i>

General Fund Highlights

FY27 General Fund Expenditures and Revenue: \$1.5 Billion



General Fund Cost Drivers: Civilian Employees

	FY 2026-27 Proposed	FY 2027-28 Planned
WAGE INCREASE, INCLUDING • 3% in FY 2027 • 0% in FY 2028	\$7.1M	\$0
LIVING WAGE • Increasing from \$22.05 to \$22.15 in FY 2027 • No change in FY 2028	\$106K	\$0
HEALTH INSURANCE (City Contribution) • 5% in FY 2027 • 5% in FY 2028	\$2.4M	\$2.6M
MARKET STUDY	\$4.3M	\$0
STATUTORILY REQUIRED PENSION PAYMENTS	\$0.6M	\$1.1M

General Fund Cost Drivers: Sworn Employees

	FY 2026-27 Proposed	FY 2027-28 Planned
EMS	• \$2.2M for 3.0% base wage increase per Meet & Confer agreement	• Contract negotiations begin Spring 2027 • Current agreement expires 9/30/2027
AUSTIN POLICE	• \$11.7M for 5.0% base wage increase per Meet & Confer agreement • \$1.3M incremental cost of statutorily required pension payments	• \$12.3M for 5.0% base wage increase per Meet & Confer agreement • \$1.8M incremental cost of statutorily required pension payments
AUSTIN FIRE	• \$4.4M for 3.0% base wage increase per Collective Bargaining agreement • \$6.0M increase in OT to support 4-person staffing levels • \$3.8M incremental cost of statutorily required pension payments	• \$5.3M for 3.5% base wage increase per Collective Bargaining agreement • \$4.7M incremental cost of statutorily required pension payments
SWORN HEALTH INSURANCE	• \$3.1M incremental cost	• \$3.3M incremental cost

General Fund Cost Drivers: Cost Allocations & Transfers

	FY 2026-27 Proposed	FY 2027-28 Planned
SUPPORT SERVICES Support Service departments include Human Resources, City Attorney's Office, Financial Services, Management Services, City Council, and others	\$1.1M	\$9.5M
INFORMATION & TECHNOLOGY MANAGEMENT - Provides for the delivery of core IT infrastructure, applications, and information security - Includes CTECC, Wireless Communications and Radio Network allocations \$2.6M in direct ONE-ATS initiative savings in FY 2027 (\$5.8M total City-wide savings) \$10.9M in General Fund costs transferred to ATS	\$3.2M	(\$1.8M)
FACILITIES MANAGEMENT (RENT & SHARED SERVICES) - Supports the operations and maintenance of City-owned facilities - Reflects shift from Support Services to Facilities Management Fund and adoption of a standardized rent allocation model for individual facilities	\$14.8M	\$9.8M
OTHER ALLOCATIONS Includes 311 Call Center; Fleet Fuel & Maintenance; Capital Delivery Services; Wireless; Workers' Compensation; Liability Reserve; and Accrued Payroll	\$5.7M	\$5.9M
TRANSFER TO DEVELOPMENT SERVICES Residential Fee Stabilization	\$2.5M	\$1.5M

General Fund: Significant Adjustments

Public Safety

Emergency Medical Services

- \$500,000 sworn overtime to maintain full operational staffing levels during cadet training periods
- \$500,000 for terminal pay to reflect current trends in medic retirement and associated payments

Fire

- \$6.0 million in overtime funding to right-size budget while maintaining four-person staffing requirement
- \$2.8 million for 32 sworn positions to support the planned Austin Schedule to begin October 2027
- \$99,000 for replacement of high visibility jackets made with safe materials
- (\$300,000) in savings through the success of programs designed to expedite return to work from on-the-job injuries
- (\$1.5 million) in savings through adjusting the cadet-to-instructor ratio at the Austin Fire Academy and returning instructors to the field

Forensic Science

- \$379,000 for five new positions to assist with evidence processing chain of custody activities
- \$185,000 for one position to provide case management and DNA analysis oversight and one for administrative support
- \$168,000 for additional warehouse lease space and two new freezer units for evidence control

Municipal Court

- (\$315,000) from elimination of five vacant positions in Court Compliance unit

Police

- \$79,000 ongoing for one civilian position to support recruitment efforts

General Fund: Significant Adjustments

Homeless & Housing

Homeless Strategies & Operations	• \$3.0 million in ongoing funding to operate and provide support services at the Marshaling Yard • \$2.0 million ongoing General Fund and \$4.0 million one-time Housing Trust Fund funding for permanent supportive housing wraparound services • \$500,000 for housing navigation services provided through the House Our People Endowment (HOPE) Fund. • \$305,000 for four new positions to provide additional administrative and contract management support
Housing	• \$7.8 million for local housing vouchers • \$2.1M ongoing General Fund; \$2.6M Housing Trust Fund; \$3.1M Capital • \$2.3 million one-time funding through the HOPE Fund for emergency rental assistance • \$157,000 for two additional positions for financial monitoring of Austin Housing Finance Corporation properties
Planning	• \$88,000 for 3 positions to support case management, planning commission activities, and demographic data needs. Cost partially offset by a reduction in budget for temporary employees

General Fund: Significant Adjustments

Community Services

Animal Services	• \$85,000 for one position to develop and implement a department-wide safety program
Arts, Culture, Music and Entertainment	• \$198,000 through the Historic Preservation Fund for two positions supporting Elisabet Ney Museum & Montopolis Negro School • \$105,000 in one-time funding for audio-visual equipment at the Asian American Resource Center outdoor pavilion provided through the Austin Facilities Management Fund • \$90,000 for maintenance and repair of City-owned public art assets through the Art in Public Places (AIPP) program funded by the Austin Facilities Management Fund • (\$150,000) in General Fund savings with the elimination of the Creative Space Assistance Program
Parks and Recreation	• \$1.2 million for parkland and facility maintenance, as well as operational costs for refurbished pools • \$484,000 for two additional cashier positions and expanded environmental and educational programming at the newly renovated Joan Means Khabele Barton Springs Bathhouse • (\$171,000) reduction in supplemental programming provided to youth camps and senior centers • (\$400,000) from the elimination of two vacant positions and associated costs as department transitions to a facility-rental model for certain adult sports leagues • (\$800,000) reallocation of funding for contracts and temporary employees to other departmental priorities

General Fund: Significant Adjustments

Community Services, continued

Public Library	• \$1.1 million in one-time funding for audio-video equipment, lighting improvements, and a new loading dock at the Austin History Center Campus provided through the Library Facilities Maintenance and Improvements Fund • \$449,000 for five new positions and supporting expenses to operate the new Austin History Center Campus • (\$403,000) reallocation of funding for contracts and temporary employees to other departmental priorities
Public Health	• \$507,000 in ongoing funding for software that will enable electronic data sharing with the Department of State Health Services and temporary positions to operate this software • Transfer of 12 immunization clinic positions from the department’s grant budget to its General Fund operating budget, offset by an equivalent reduction in grant support funding • Transition of STI/HIV lab services currently performed onsite at an Austin Public Health facility to outsourced providers resulting in a cost savings of (\$174,000) • (\$400,000) reduction in funding for the convenient store healthy food program and reallocation to other priorities • Elimination of financial support for the Travis County Summer Youth Employment Program and reallocation of (\$652,000) to other priorities

General Fund: Significant Adjustments

Social Service Grants

Realignment	• Transfer of \$19.4 million within the General Fund from Social Services Grants to the operating budgets of Austin Public Health and Austin Homeless Strategies and Operations • Reflects long-term commitment to operating City-owned emergency shelters, bridge shelters, and domestic violence shelters • No net change in total funding
Social Service Providers	• (\$5.1 million) reduction in grants to social services providers • Allocated to focus areas in accordance with social services contract reduction strategic framework
Sobering Center Facility	• (\$2.9 million) reduction in ongoing General Fund funding for contract to operate Travis County's sobering center facility. • One-time funding in the same amount is included in the Budget Stabilization Reserve Fund for gap funding as alternative funding sources are identified

Reserves at Financial Policy Level in FY 2027

- General Fund Reserves budgeted to end FY27 at 17.0% of ongoing expenditures
- \$6.3 million transfer from the General Fund to the Budget Stabilization Reserve Fund
 - \$4.3 million for critical one-time items
- FY28 Planned Budget ends year at 16.4% reserve level
 - No anticipated transfers or expenditures

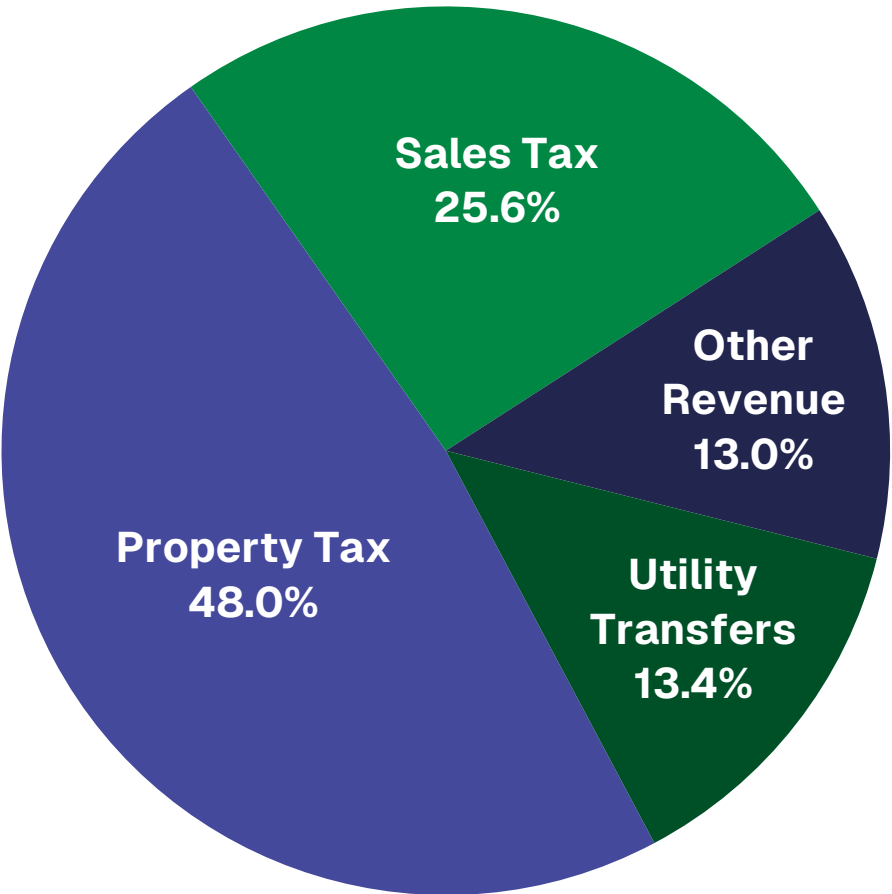
Reserve Policy Summary: FY 2027	
Total Budgeted Year-End General Fund Reserves	\$260.5M
Reserve Level	17.0%

General Fund: Budget Stabilization Appropriation

One-Time Expenditures

Animal Services	• \$240,000 for security improvements at the Austin Animal Shelter • \$35,000 for vests and personal protection equipment for shelter staff
Public Health	• \$160,000 to integrate software for bi-directional disease surveillance data sharing with the Texas Department of State Health Services
Emergency Medical Services	• \$375,000 for critical medical equipment and replacement of Automatic Defibrillators on ambulances
Human Resources	• \$100,000 to modernize the City's classification and compensation systems
Municipal Court	• \$2.9 million to provide gap funding for the Sobering Center as alternative funding sources are identified
Police	• \$425,000 to support Police Cadet recruitment efforts

FY 2027 Projected Revenue:
\$1,538.9 million

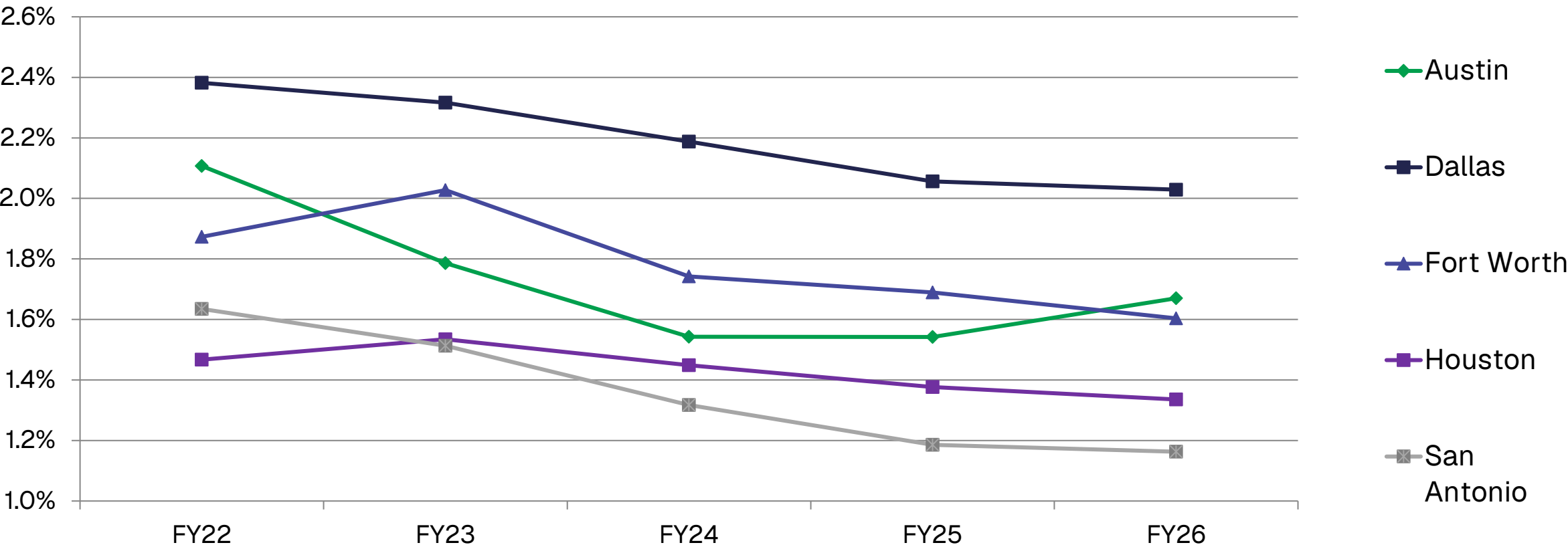


General Fund Revenue Projections (millions)

Source	FY26 Estimate	FY27 Proposed	Increase (Decrease)	FY28 Planned	Increase (Decrease)
Property Tax	\$705.0	\$739.1	\$34.2	\$770.0	\$30.9
Sales Tax	\$384.6	\$394.3	\$9.6	\$406.1	\$11.8
Utility Transfers	\$193.8	\$205.1	\$11.3	\$213.9	\$8.7
Other Transfers and Revenue	\$215.3	\$200.3	(\$15.0)	\$200.8	\$0.4
TOTAL	\$1,498.8	\$1,538.9	\$40.1	\$1,590.7	\$51.9

Note: Certain columns and rows may not add due to the use of rounded numbers.

City Property Tax Bill on Median-Priced Home as a Share of Median Family Income: FY22 – FY26



Net of homestead exemptions. Median home sales data from the Texas A&M Real Estate Center. Median family income from U.S. Department of Housing and Urban Development.

Property Tax

Proposed FY 2026-27 Property Tax Rate =
57.9530¢

General Fund M&O	Project Connect	Debt
35.1503¢	9.2251¢	13.5776¢

	Growth Rate	Total Certified Taxable Value	New Property Taxable Value	Tax Rate
FY 2025-26	(2.7%)	\$229.8 billion	\$3.5 billion	52.4017¢
FY 2026-27 Projected	(3.4%)	\$222.0 billion	\$3.2 billion	57.9530¢
FY 2027-28 Projected	1.0%	\$224.2 billion	\$3.0 billion	60.9837¢

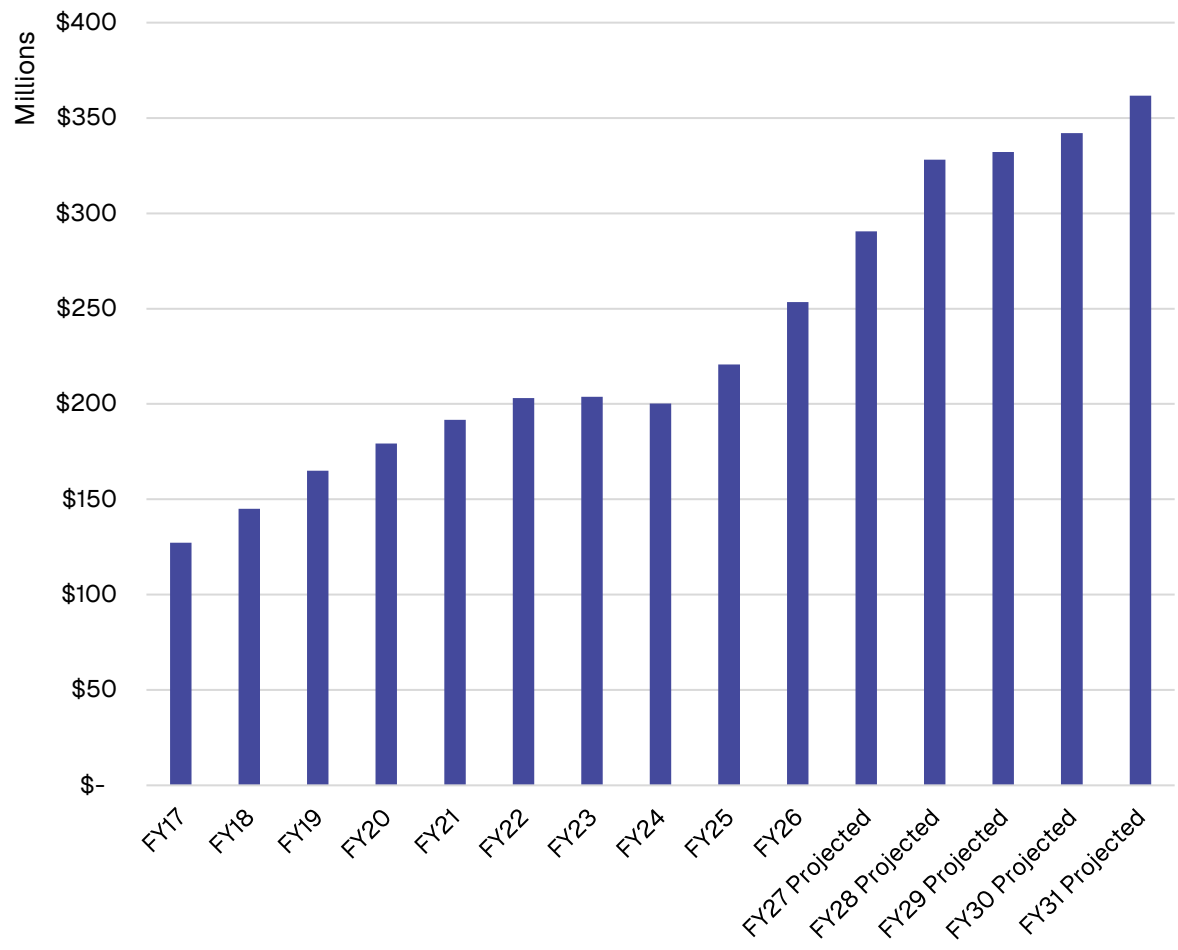
Property Tax

Projected Property Tax Bill

- City Council increased senior and disabled exemption from \$192,000 to \$204,000 in May

	FY26 Amended	FY27 Proposed	Annual Increase	% Change	FY28 Planned	Annual Increase	% Change
Non-Senior Homestead FY27 projected median assessed value of \$484,907, net of 20% homestead exemption	\$2,074	\$2,248	\$174	8.4%	\$2,389	\$141	6.3%
Senior/Disabled Homestead FY27 projected median assessed value of \$505,476, net of general and senior/disabled homestead exemptions	\$1,156	\$1,161	\$5	0.4%	\$1,247	\$85	7.4%

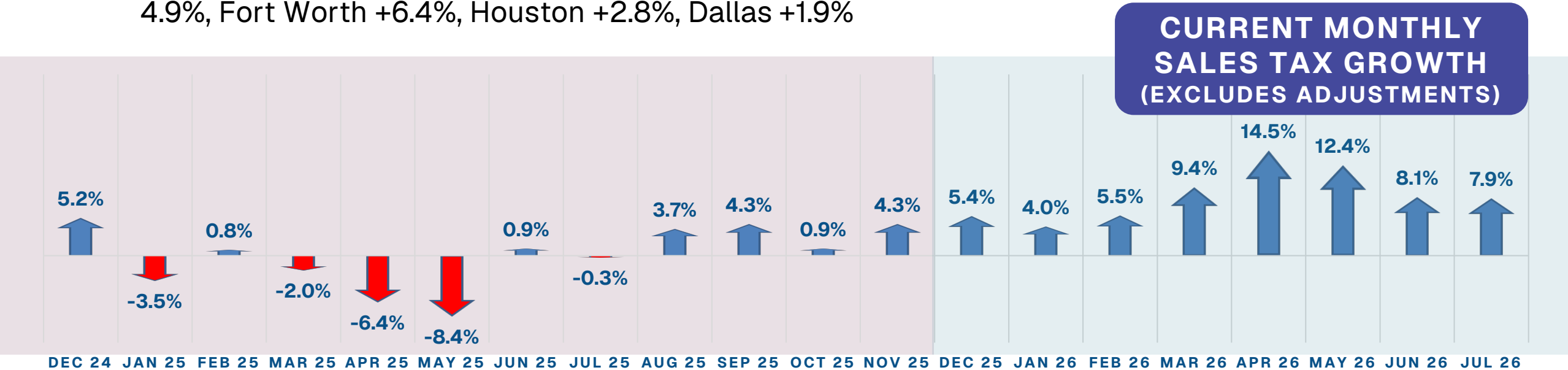
Property Tax-Supported Debt Requirements



	Debt Service Property Tax Rate	Typical Homeowner Annual Property Tax Bill for Debt Service
FY17	\$0.1019	\$261
FY18	\$0.1055	\$297
FY19	\$0.1095	\$328
FY20	\$0.1094	\$348
FY21	\$0.1126	\$369
FY22	\$0.1130	\$361
FY23	\$0.0958	\$348
FY24	\$0.0881	\$352
FY25	\$0.0961	\$396
FY26	\$0.113735	\$450
FY27 Projected	\$0.135776	\$527

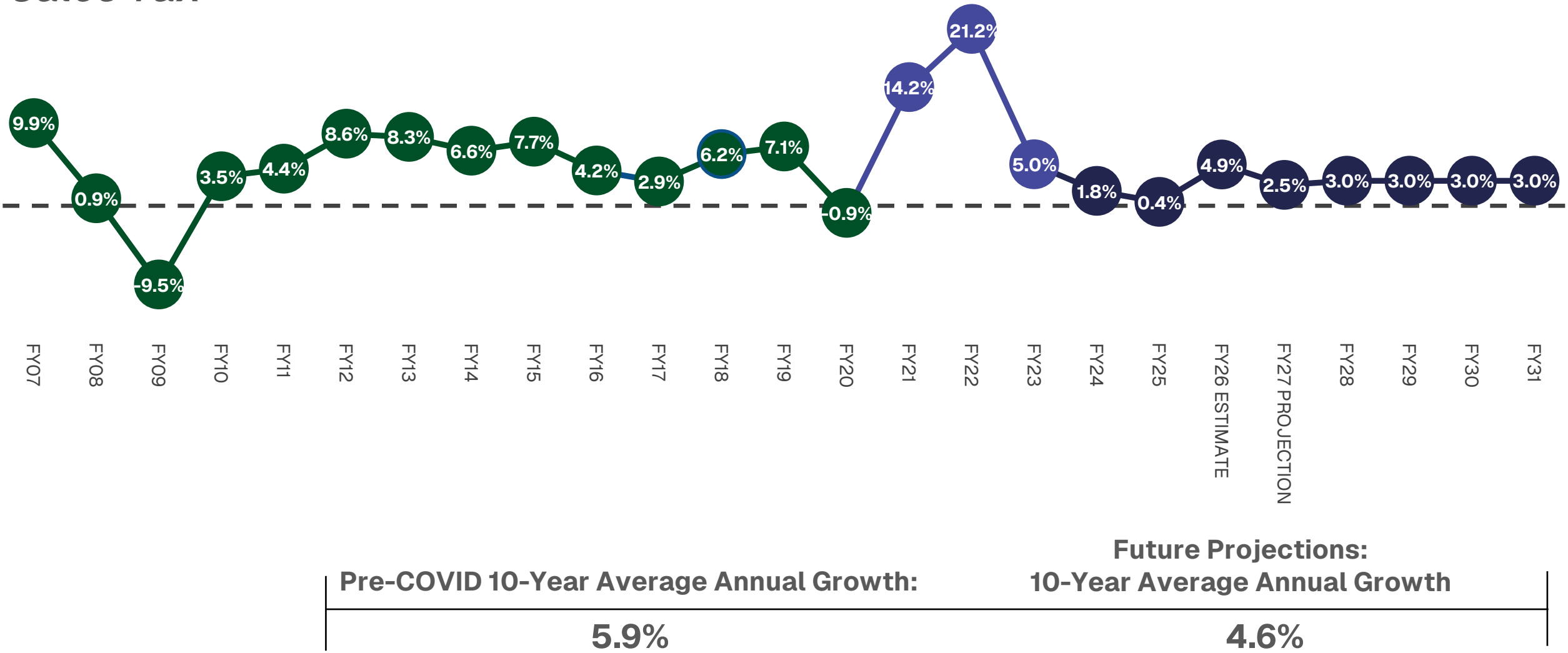
Sales Tax

- Through 8 payments, FY26 year-to-date collections: 6.7%, \$23.6M above budget
 - Current collections, which exclude adjustments, showing year-to-date increase of 8.3%
- FY26 year-end estimate of 4.9% growth**
 - Two-year compound annual growth rate tracking at 2.5%
- Continued uncertainty around trade, energy prices, interest rates, inflation
 - Local job growth projected to remain weak throughout FY27
 - 2026 FYTD results for Texas cities show no clear regional trend: Austin +6.7%, San Antonio - 4.9%, Fort Worth +6.4%, Houston +2.8%, Dallas +1.9%



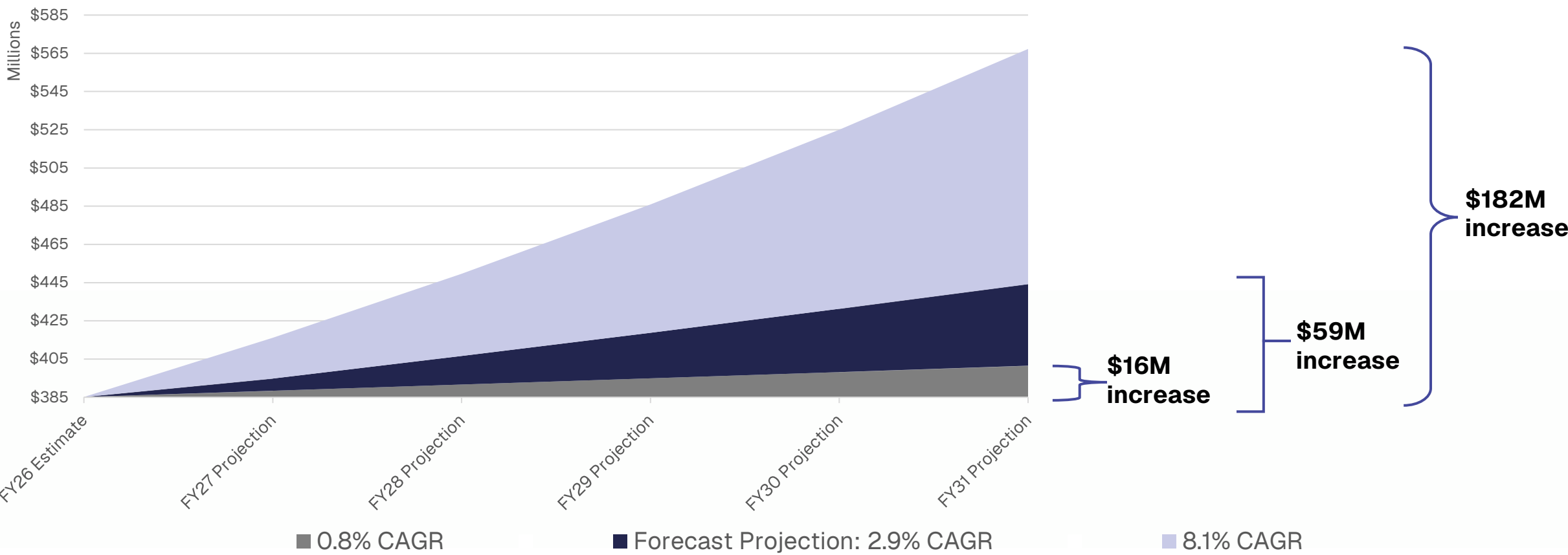
General Fund Revenue

Sales Tax



General Fund Revenue Sources: Sales Tax

In the 20 years prior to the pandemic, the City’s five-year compound average annual growth rate (CAGR) in sales tax collections ranged from 0.8% to 8.1%

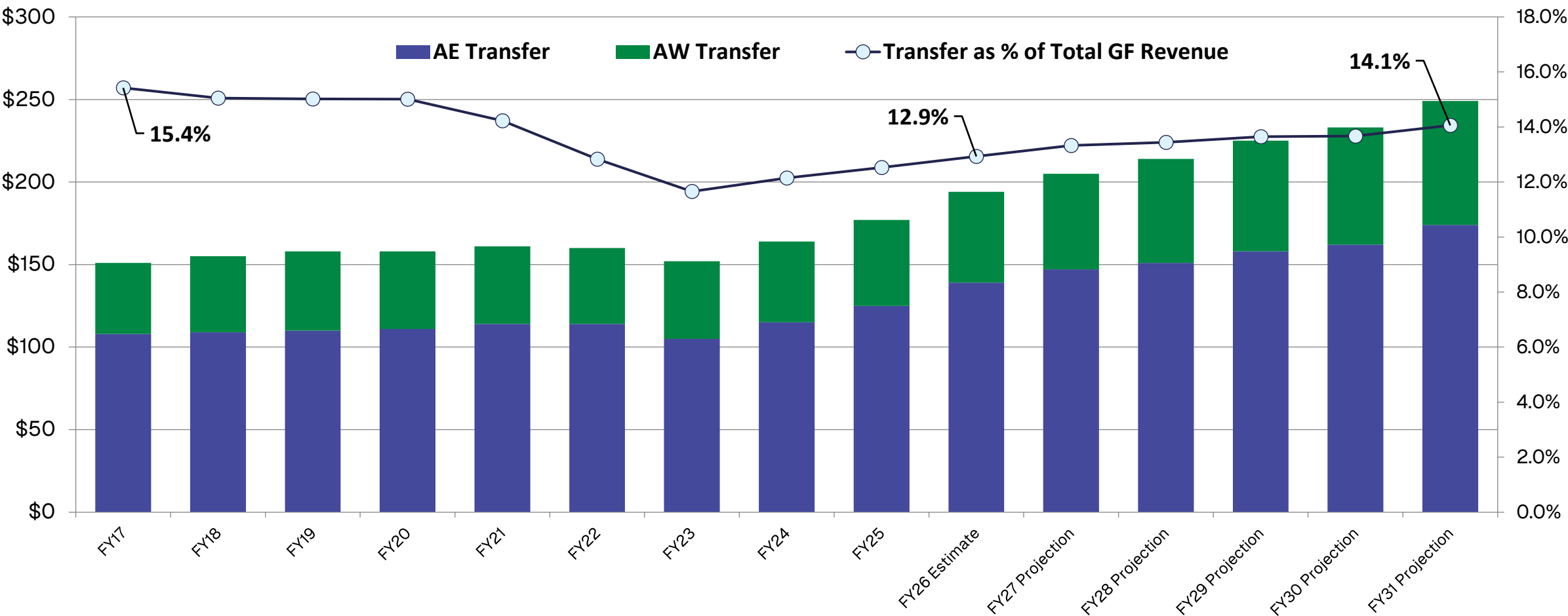


Utility Transfers

- Austin Energy transfer calculated based on 12% of the three-year average of non-power supply revenue
- Austin Water transfer set at 8.2% of the three-year average of gross revenue

Fiscal Year	AE Transfer	AW Transfer	Total Increase
in millions			
FY 2026 Estimate	\$139.0	\$54.8	\$16.5
FY 2027 Proposed	\$147.0	\$58.1	\$11.3
FY 2028 Planned	\$151.0	\$62.9	\$8.7

Utility Transfer to the General Fund



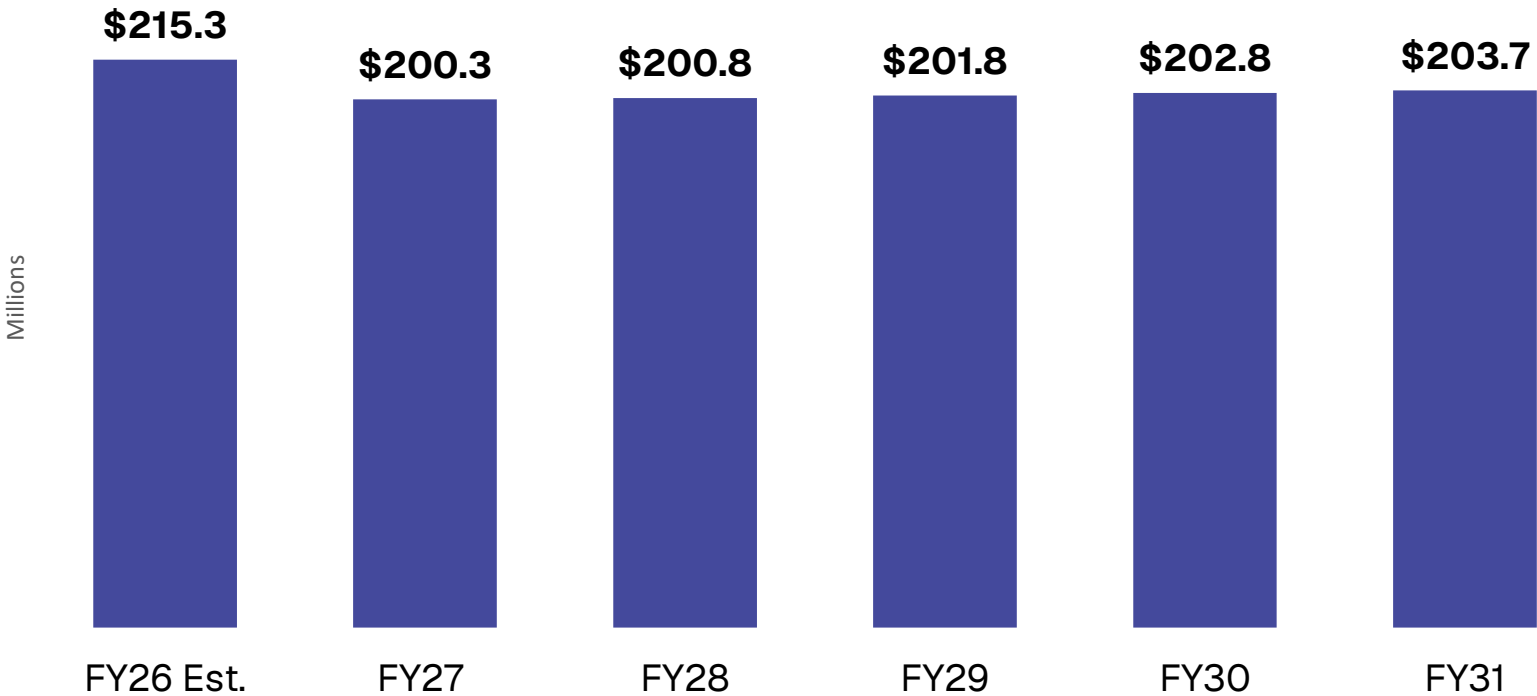
- Austin Energy transfer financial policy: not to exceed 12% of three-year average of non-power supply revenue
- Austin Water transfer financial policy: not to exceed 8.2% of the three-year average of gross revenue

Other Revenue

- One-time transfers of \$14.1M from BSRF and \$1.5M from Planning CIP to General Fund in FY26
- Decline in projected interest earnings partially offsets growth in other sources over forecast period

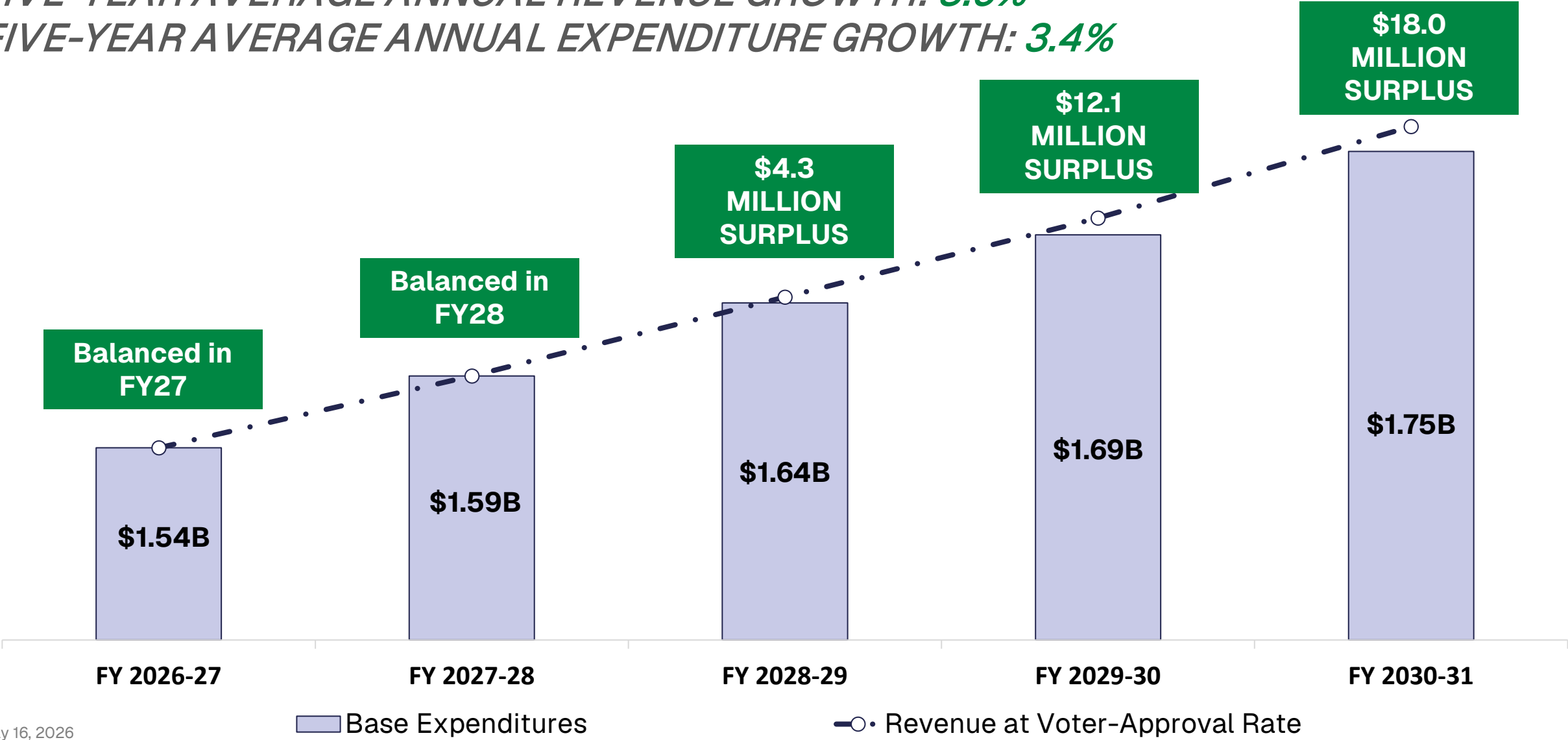
Other Revenue:

- Interest
- Telecommunications, Gas, Cable, and Broadband Franchise Fees
- EMS charges for service
- Public health and safety licenses, inspections, and permits
- Recreation charges for service
- Alarm permits
- Reimbursements
- Fines



General Fund Five-Year Base Forecast

FIVE-YEAR AVERAGE ANNUAL REVENUE GROWTH: 3.6%
FIVE-YEAR AVERAGE ANNUAL EXPENDITURE GROWTH: 3.4%



Enterprise Highlights

Eight Major Enterprise Departments



**AUSTIN
AVIATION**



**AUSTIN
CONVENTION CENTER**



**AUSTIN
WATER**



**AUSTIN
ENERGY**



**AUSTIN
TRANSPORTATION
AND PUBLIC WORKS**



**AUSTIN
RESOURCE RECOVERY**



**AUSTIN
DEVELOPMENT SERVICES**



**AUSTIN
WATERSHED PROTECTION**

Austin Aviation

FY 2027 TOTAL REQUIREMENTS: \$313.7 MILLION, 7.2%↑; 703 FTEs, 2.2%↑

FY 2027

HIGHLIGHTS:

- \$41.1M increase in transfer to the Airport Capital Fund for renovations, IT, vehicles, and equipment
- \$9.2M increase in debt service costs
- \$8.1M increase for building new and improving existing facilities
- \$2.3M increase for 25 new positions to support the new Concourse M, Yellow Parking Garage

REVENUE & RATES:

- Total revenue: \$485.0M, a 14.1% increase
- \$30.1M increase in non-airline revenue, driven by growth in passenger enplanements
- \$29.6M increase in airline revenue from airline use and lease agreements

FY 2028

PLANNED ASSUMPTIONS:

- \$28.8M increase in debt service costs to fund projects related to the Journey with AUS expansion program
- \$1.3M increase for operations of Concourse M
- \$1.0M increase for 10 new positions to staff Concourse M and the Central Utility Plant

Revenue per Enplaned Passenger (dollars)



Austin Convention Center

FY 2027 TOTAL REQUIREMENTS: \$145.5 MILLION, 16.1%↑; 266 FTEs, 1.1%↓

FY 2027

HIGHLIGHTS:

- \$25.1M increase in funding for debt service costs to support the Convention Center expansion project
- \$2.3M increase to support infrastructure projects at the Palmer Events Center such as critical parking garage infrastructure repairs

REVENUE & RATES:

- \$5.1M increase in projected HOT collections
- \$1.1M increase in projected parking revenue from the three garages that support Convention Center and Palmer Events Center operations

FY 2028

PLANNED ASSUMPTIONS:

- \$2.5M increase for the restoration of 27 positions eliminated during the facility closure
- \$19.5M increase in funding for debt service costs to support the Convention Center expansion project
- \$11.2M decrease in projected HOT collections to reflect the planned expiration of the 2-cent Venue HOT

Hotel Occupancy Tax (HOT)	Allocation*	FY27 Amount
Convention Center Tax Fund	4.50 cents	\$70,521,799
Venue Project Fund	2.00 cents	\$31,343,022
Convention Center Capital Fund	2.00 cents	\$31,343,022
Cultural Arts	1.05 cents	\$16,455,087
Historic Preservation	1.05 cents	\$16,455,087
Tourism & Promotion Fund	0.40 cents	\$6,268,601

**Excludes additional funding for tourism and promotion contracts with the Convention Center and the transfer from the Convention Center Operating fund equivalent to 15% of 2¢ expansion HOT for live music and 15% of 2¢ expansion HOT for historic preservation*

Austin Development Services

FY 2027 TOTAL REQUIREMENTS: \$113.2 MILLION, 2.2%↑; 557 FTEs, 5.1%↓

FY 2027

HIGHLIGHTS:

- \$1.5M increase for licensing and maintenance of new permitting software
- \$1.8M decrease from the elimination or transfer out of 15 positions due to contraction in development activity
- \$0.7M for 7 positions and supporting budget to make the Graffiti Abatement program permanent

REVENUE & RATES:

- Total revenue: \$105.6M, a 4.9% increase
- 3.1% increase to the DSD-Code's component of the residential Clean Community Fee
- \$1.4M increase in permitting and development revenue due to revised cost of service and fee increases
- \$2.5M total increase in General Fund reimbursements due to Residential Affordability Program

FY 2028

PLANNED ASSUMPTIONS:

- Maintain prior-year levels for staffing and software costs as development activity is anticipated to stabilize/level off
- \$0.15, or 3.0% increase to the DSD-Code's component of the residential Clean Community Fee

Major Fee/Rate Description: Code Component of Monthly Residential Clean Community Fee		
FY26 Actual Rate:	FY27 Proposed Rate:	Increase:
\$4.80	\$4.95	\$0.15

Austin Energy

FY 2027 TOTAL REQUIREMENTS: \$2.1 BILLION, 3.1%↑; 1,963 FTEs, 0.0%↓

FY 2027

HIGHLIGHTS:

- \$1.3M increase in Customer Energy Solutions rebates and incentives
- 29 additional positions, largely offset by reduction in contractor and temporary staffing funding, in order to support long-term grid modernization

REVENUE & RATES:

- Total Revenue: \$2.1B, a 5.6% increase
- 3.1% increase in the AE typical ratepayer's total monthly bill
 - Reflects net effect of 5% base rate increase and adjustments to energy, pass-through, and regulatory rates

FY 2028

PLANNED ASSUMPTIONS:

- \$2.8M for 20 positions to support system reliability and administrative functions
- Planned increase of 2.6% in AE typical ratepayer's total monthly bill as a result of 5.0% base rate increase

Major Fee/Rate Description: Monthly Electric Bill for Typical Residential Customer

FY26 Budgeted Rate:	FY27 Proposed Rate:	Increase:
\$117.07	\$120.73	\$3.66

Austin Resource Recovery

FY 2027 TOTAL REQUIREMENTS: \$156.9 MILLION, 6.9%↑; 534 FTEs, 0.2%↑

FY 2027

HIGHLIGHTS:

- \$2.8M increase in fleet fuel and maintenance costs
- 1 position transferred from Transportation and Public Works for underpass cleanup
- \$1.8M increase in debt service costs related to the Northeast Service Center

REVENUE & RATES:

- Total revenue: \$152.0M, 4.6% increase
- 3.7% increase in ARR's component of the residential Clean Community Fee
- 4.7% increase in the ARR typical resident's Curbside Collection Fees

FY 2028

PLANNED ASSUMPTIONS:

- \$2.2M increase for debt service costs related to the Northeast Service Center
- Planned 8.8% rate increase in ARR's component of the residential Clean Community Fee
- Planned 4.9% rate increase in the ARR typical resident's Curbside Collection Fees

Major Fee/Rate Description	FY26 Actual Rate	FY27 Proposed Rate	Increase
ARR Residential Clean Community Fee	\$5.45	\$5.65	\$0.20
Typical Resident: Curbside Collection	\$36.30	\$38.00	\$1.70

Austin Transportation and Public Works

FY 2027 TOTAL REQUIREMENTS: \$245.2 MILLION, 1.6%↑; 872.75 FTEs, 0.2%↑

FY 2027

HIGHLIGHTS:

- \$0.3M increase in funding for 3 positions added to improve the utility excavation repair program
- 1 position transferred out to Austin Resource Recovery for underpass cleanup
- \$3.1M decrease in funding for overtime and temporary employee budgets, and savings across various contracts

REVENUE & RATES:

- Total revenue: \$239.7M, a 2.7% increase
- No change in the typical ratepayer's monthly bill
- \$3.9M increase in parking revenue due to higher utilization of parking meters
- \$2.4M increase in Austin Water reimbursements from utility cut excavation projects

FY 2028

PLANNED ASSUMPTIONS:

- \$2.5M increase in the transfer to Parking CIP for vehicle acquisitions and parking transportation initiatives
- \$0.3M increase in funding for 3 additional positions to improve the utility excavation repair program

Major Fee/Rate Description: Monthly Residential Transportation User Fee		
FY26 Actual Rate:	FY27 Proposed Rate:	Increase:
\$21.80	\$21.80	\$0.00

Austin Water

FY 2027 TOTAL REQUIREMENTS: \$899.8 MILLION, 4.2%↑; 1,482 FTEs, 3.0%↑

FY 2027

HIGHLIGHTS:

- \$5.1M for adding and converting a total of 44 new positions across multiple operating programs
- \$30.5M increase in transfers for debt service costs and planned infrastructure improvement projects
- \$0.5M increase in funding for customer-facing leak repair and sewer infrastructure programs and \$0.6M increase in facility engineering consultant services

REVENUE & RATES:

- Total revenue: \$816.1M, a 7.1% increase
- 7.8% increase in the Austin Water typical ratepayer's monthly bill

FY 2028

PLANNED ASSUMPTIONS:

- \$4.1M for 36 positions to support operations, engineering, customer experience, and environmental and development services
- Planned 6.7% rate increase for the Austin Water typical ratepayer's monthly bill

Major Fee/Rate Description: Monthly Austin Water Bill for Typical Residential Customer		
FY26 Actual Rate:	FY27 Proposed Rate:	Increase:
\$99.91	\$107.67	\$7.76

Austin Watershed Protection

FY 2027 TOTAL REQUIREMENTS: \$133.7 MILLION, 4.6%↑; 472.75 FTEs, 3.5%↑

FY 2027

HIGHLIGHTS:

- \$2M increase in transfers to CIP for planned infrastructure projects that address flooding, water pollution, and erosion
- \$1.3M net increase for 18 positions to support education and training activities and to meet maintenance needs, partially offset by reductions to creek and drainage channel maintenance contracts
- (\$2.6M) decrease in costs related to overtime and supplies to reflect updated operational needs, improved cost controls, and historical spending

REVENUE & RATES:

- Total revenue: \$134.5M, a 7.6% increase
- 6.2% increase in the residential Drainage Charge for a typical home

FY 2028

PLANNED ASSUMPTIONS:

- \$8.0M increase in revenue as a result of a planned 6.0% increase in the commercial and residential Drainage Charge
- \$6.0M increase in transfers to CIP to address flooding, water pollution, and erosion
- \$1.2M increase for 12 positions to address operational demands and support safety and technical training

Major Fee/Rate Description: Monthly Drainage Utility Fee for Typical Residential Customer

FY26 Actual Rate:	FY27 Proposed Rate:	Increase:
\$14.05	\$14.92	\$0.87

FY27 Major Rate and Fees

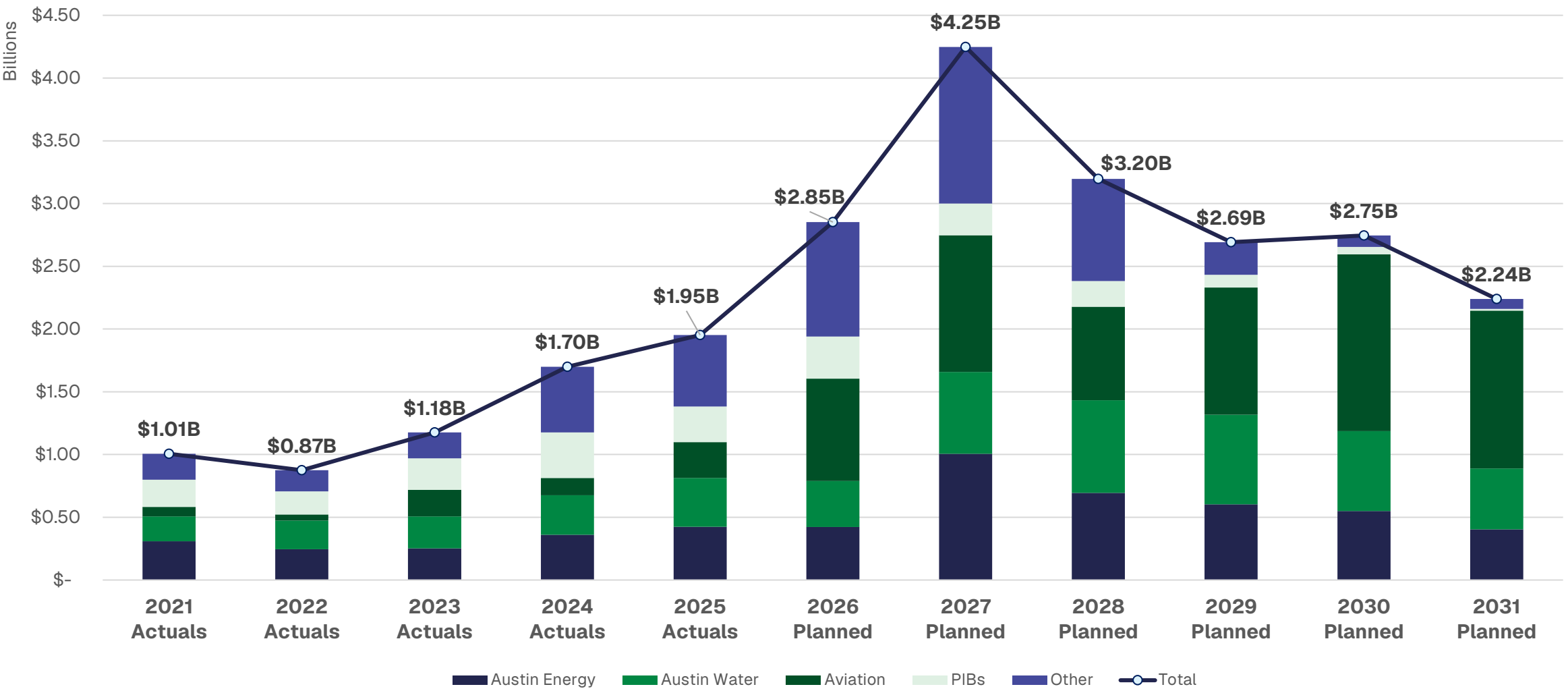
Projected Combined Increase of 6.1% for Typical Rate- and Taxpayer

	FY26 Monthly Rate	FY27 Proposed Rate	\$ Increase	% Increase	FY28 Planned Rate	\$ Increase	% Increase	Typical rate- and taxpayer defined as:
Austin Energy	\$117.07	\$120.73	\$3.66	3.1%	\$123.84	\$3.11	2.6%	<i>Residential customer usage of 860 Kwh</i>
Austin Water	\$99.91	\$107.67	\$7.76	7.8%	\$114.84	\$7.17	6.7%	<i>Residential customer usage of 5,800 gallons of water and 4,000 gallons of wastewater</i>
Austin Resource Recovery	\$36.30	\$38.00	\$1.70	4.7%	\$39.85	\$1.85	4.9%	<i>Residential customer with a 64-gallon cart</i>
Clean Community Fee	\$10.25	\$10.60	\$0.35	3.4%	\$11.25	\$0.65	6.1%	<i>Per residential unit</i>
Transportation User Fee	\$21.80	\$21.80	\$0.00	0.0%	\$22.90	\$1.10	5.0%	<i>Per single-family home</i>
Drainage Utility Fee	\$14.05	\$14.92	\$0.87	6.2%	\$15.82	\$0.90	6.0%	<i>Residential customer with 3,100 sq. ft./37% of impervious cover</i>
Property Tax Bill	\$172.86	\$187.35	\$14.49	8.4%	\$199.11	\$11.76	6.3%	<i>Median non-senior homestead with a projected FY27 assessed value of \$484,907, net of 20% exemption</i>
Total	\$472.24	\$501.07	\$28.83	6.1%	\$527.61	\$26.54	5.3%	

Capital Budget Highlights

Capital Budget Highlights

FY27-31 Five-Year CIP Spend Plan



Departmental Highlights: FY27 Budgeted Spending

AVIATION

\$119 million for Midfield Taxiway and \$20 million for West Garage Lot B construction

AUSTIN ENERGY

\$109 million for transmission projects, including substations at Brackenridge and McKinney Falls

AUSTIN CONVENTION CENTER

\$642 million for the Convention Center Expansion; Additional \$470 million projected through FY 2030-31

TRANSPORTATION & PUBLIC WORKS

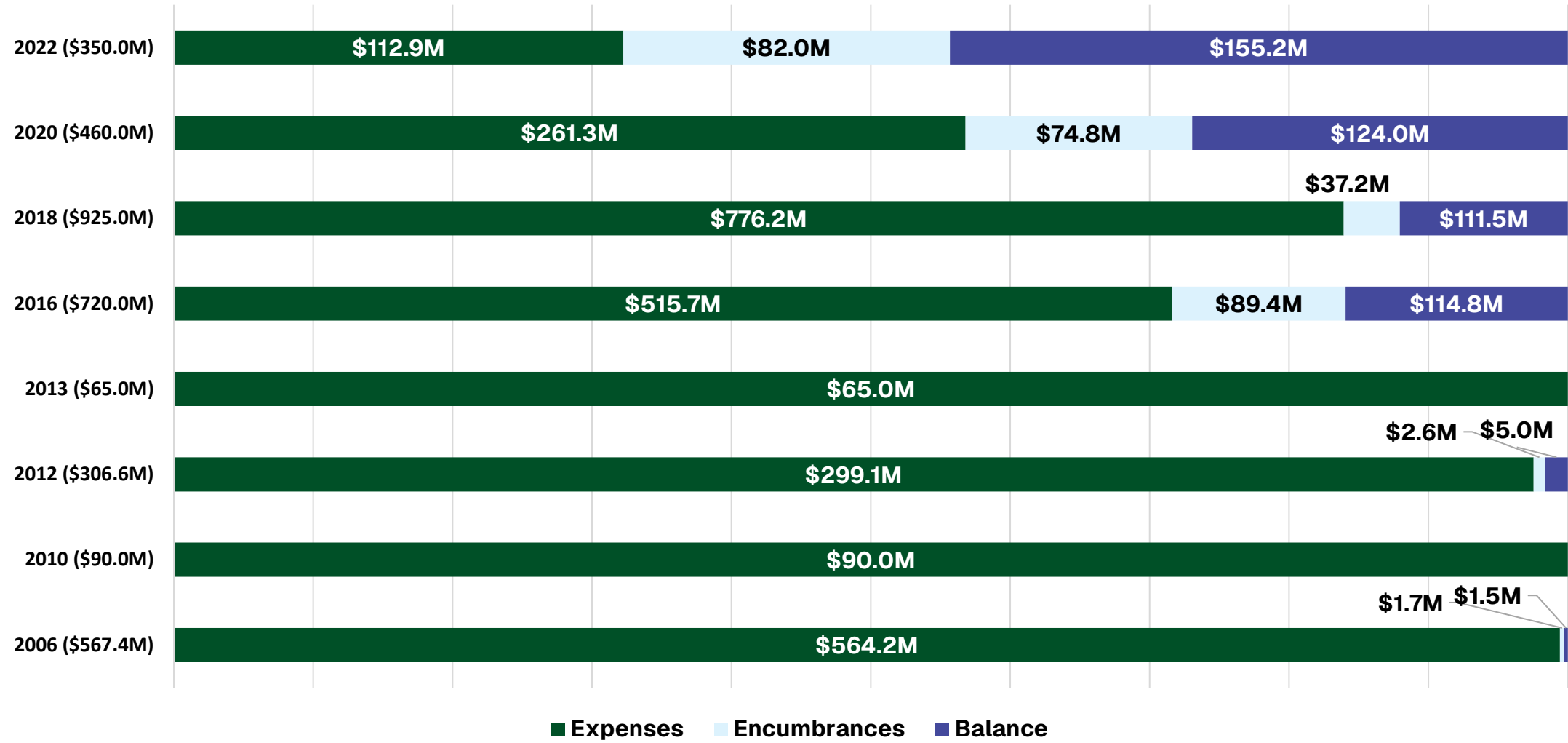
\$53 million for corridor program projects from the 2016 Mobility Bond

AUSTIN WATER

\$220 million for Walnut Creek Wastewater Treatment Plant Expansion; Additional \$1.03 billion through FY 2030-31

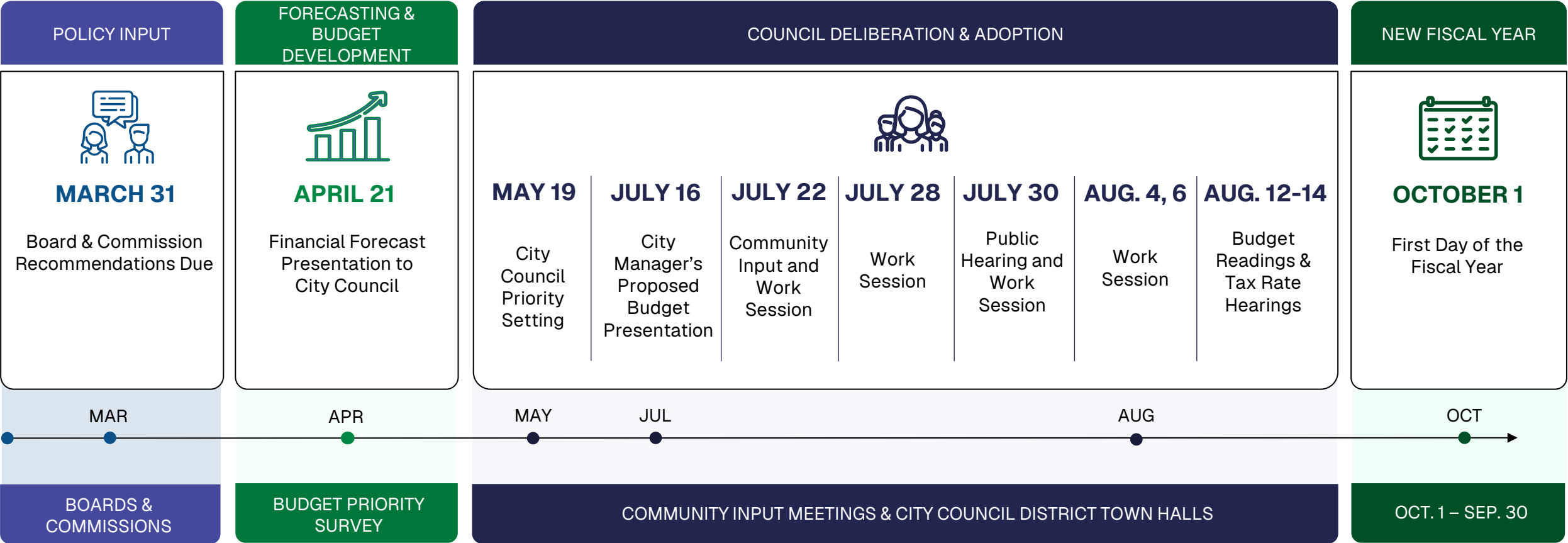
Capital Budget Highlights

Financial Summary of Prior Bond Programs



Next Steps

FY 2026-27 Budget Timeline



QUESTIONS?

For more information on the Budget: austintexas.gov/budget

Kerri Lang

Director

Budget and Organizational Excellence

kerri.lang@austintexas.gov

Erik Nelson

Deputy Director

Budget and Organizational Excellence

erik.nelson@austintexas.gov

Art Featured:

Lotus is a permanent outdoor artwork by Austin artists Sunyong Chung and Philippe Klinefelter, located at the Asian American Resource Center (AARC). The piece features a vibrant 12-foot mosaic lotus floating in water, surrounded by seven carved granite petals rising toward the sky. Made from thousands of hand-crafted ceramic tiles depicting plants and animals native to Central Texas, the sculpture is centered by a granite seed pod that doubles as a fountain.

The lotus flower is representative of the AARC and the long history of community activism that established the center as a cultural and collective hub for all Asian Americans. The mosaic depicts the lotus as a space wherein all things, be it damselflies, ladybugs, butterflies, fish and amphibians, can congregate for a shared purpose.