# FY 2026-27 ICM PROPOSED BUDGET BRIEFING

## City Council Follow-Up Questions and Responses_4

The following provides responses to follow-up questions raised by members of the Kyle City Council regarding the FY 2026-27 Interim City Manager (ICM) Proposed Budget.

### QUESTION 1

**Requestor:** Council Member Claudia Zapata

**Date Requested:** August 19, 2026

**Council Question**

*Are there existing or planned uses for the Plum Creek Phase II Special Fee?*

**Staff Response**

The Plum Creek Phase II Special Fee Fund is restricted to the construction, erection, or installation of City buildings and facilities located on public parcels within Plum Creek Phase II.

The recommended proposed budget for FY 2026-27 does not include any special projects funded from this funding source. However, the City may consider reprogramming these accumulated funds for public facilities, water/ wastewater infrastructure, and/or storm drainage improvements within Plum Creek Phase II.

---

### QUESTION 2

**Requestor:** Council Member Claudia Zapata

**Date Requested:** August 19, 2026

**Council Question**

*The Post Oak Subdivision Road Improvements shows a $1.087 million dollar appropriation with an estimated year-end $200k in activity, leaving around $887,237 for Post Oak. Is that $887,237 assigned/committed to Post Oak in the proposed budget? The reason I ask is because in the five-year CIP, account 1110-64817 appears under "Residential Streets Maintenance & Rehabilitation Program" and that line item shows the exact same $1.087 million followed by future CO funding of $1 million every year from FY27-31. The proposed budget appears to be treating the existing Post Oak appropriation as part of the same underlying GF CIP/account that becomes the broader Residential Streets Program, and I would like some clarification on what is happening to the original money approved for Post Oak. If so, how much remains specifically for Post Oak and versus the broader streets?*

**Staff Response**

The General Fund CIP did not have the cash funding capacity for this project. Therefore, it was reprogrammed to Future CO Bonds.

The Post Oak Subdivision Road Improvements project has been renamed the Residential Streets Maintenance & Rehabilitation Program to establish an ongoing initiative for residential street improvements throughout the City.

The broader program name provides flexibility in future years to address other residential streets as needs are identified. Future residential street projects will be prioritized based on the City's Pavement Condition Assessment study.

For FY 2026-27, the City plans to focus the available funding initially on improvements within the Post Oak subdivision. Thereafter, other projects may be identified.

## QUESTION 3

**Requestor:** Council Member Claudia Zapata

**Date Requested:** August 19, 2026

**Council Question**

*For Langely, how much existing GF CIP funds remain available and does the future $2.5 million Future CO shown in the proposed budget represent the full remaining amount needed to complete the project?*

**Staff Response**

The General Fund CIP did not have the cash funding capacity for this project. Therefore, it was reprogrammed to Future CO Bonds.

---

## QUESTION 4

**Requestor:** Council Member Claudia Zapata

**Date Requested:** August 19, 2026

**Council Question**

*What is our employer load rate for FICA and retirement on a one-time, non-recurring payment?*

**Staff Response**

The federal FICA rate for 2026 is 7.65% each for employees and employers (15.3% combined), applied uniformly across Texas and all other states. It consists of 6.2% for social security and 1.45% for Medicare.

The City of Kyle has a TMRS (Texas Municipal Retirement System) employee deposit rate of 7%. The City's share for FY 2026-27 is 15.03%.

## QUESTION 5

**Requestor:** Council Member Claudia Zapata

**Date Requested:** August 19, 2026

**Council Question**

*What is the Moreno Street Drainage's engineering status?*

**Staff Response**

Per the Engineering Department, a Preliminary Engineering Report has been completed for the Moreno Street Drainage project and identifies multiple options for potential improvements.

Staff is currently evaluating those options and will bring a recommended approach forward to City Council for consideration.

The City's proposed FY 2027-2031 Five-Year CIP Spending Plan includes $2M in FY 2030 and $3M in FY 2031 as placeholders until a final determination on options has been completed (Future CO Bond).