

City of Hawk Cove, Texas
Consolidated Municipal Budget Fiscal Year 2027
October 1, 2026 through September 30, 2027
As of August 28, 2026
Presented to: Board of City, Mayor, City of Hawk Cove, Texas

Fund	General	Water	Sewer	Storm	Capital	Debt	Other	Total
Revenue	1,234,567	123,456	123,456	123,456	123,456	123,456	123,456	1,857,714
Expenses	1,100,000	110,000	110,000	110,000	110,000	110,000	110,000	1,650,000
Surplus	134,567	13,456	13,456	13,456	13,456	13,456	13,456	207,714

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Consolidated Municipal Budget, Fiscal Year 2027
For the Period October 1, 2026 through September 30, 2027

Date: August 28, 2026

To: Members of the City Council, and Residents of the City of Hawk Cove, Texas

From: Darren Evans, Mayor

Subject: Transmittal of the Proposed Fiscal Year 2027 Annual Operating and Capital Budget

I am pleased to present the Proposed Annual Budget for City of Hawk Cove, Texas for Fiscal Year (FY) 2027. This comprehensive financial plan serves as a roadmap for our community, reflecting our ongoing commitment to fiscal responsibility, operational excellence, and strategic investment in our city's future.

The development of this budget was guided by the strategic priorities and a shared vision of maintaining City of Hawk Cove, Texas as a safe, vibrant, and prosperous place to live and work. This year's balanced budget totals \$822,214 across all funds, representing a 13% increase from the previous fiscal year.

Strategic Priorities and Key Investments

This budget directly addresses the immediate needs of our community while making critical investments in long-term infrastructure and sustainability. Key highlights include:

- **Grant Eligibility:** Allocation of \$70,440 to comply with requirements to reduce the delinquent balance of an outstanding loan to the USDA. This action will allow the City of Hawk Cove, Texas to be eligible for grants from different agencies for infrastructure and capital improvements with a focus to the repairs of the city's roads and streets. The city's administration has been working with the USDA to this end. For the last three years the Special Assets Unit (SAU) of the USDA with the cooperation of Communities Unlimited has been collecting information and data to make this come to fruition.
- **Infrastructure and Capital Improvements:** An allocation of \$27,400 as created for current emergency repairs to the city's streets and roads. These funds could increase as the available funds increase.

- **Operational Efficiency:** Continuous modernization of city services through (e.g., upgraded municipal software, energy-efficient building conversions) to maximize the value of every taxpayer dollar.

Fiscal Health and Outlook

The instability of the current economic environment has led to an overall conservative approach to the design of this budget.

- **Revenue Assumptions:** Property tax revenues are projected to increase slightly due to modest growth in our local tax base. Sales tax revenues are estimated to remain unchanged from the previous year with little opportunity for potential economic fluctuations.
- **Tax Rate:** Unfortunately, due to statutory requirements* and the city's current debt position and number of deferred tax properties, the property tax rate will need to increase. For those reasons this budget proposes the election of an increased tax rate of \$1.142014/\$100 value Voter Approval Rate.
- *The Constitution of the State of Texas - Article XI, Section 5.
- Texas Tax Code - §26.04 and §26.012(c)

Challenges and Future Outlook

Looking ahead, the city continues to navigate rising costs driven by inflation, competitive labor markets, and increasing demands on public infrastructure and debt management. To mitigate these pressures, the city's administration has actively identified internal cost savings and restructured operations to avoid service reductions while ongoing efforts continue the City of Hawk Cove, Texas remains in compliance with statutory requirements. We remain dedicated to monitoring these economic indicators closely throughout the fiscal year.

Acknowledgments

The preparation of this budget is a collaborative effort. I want to express my sincere appreciation to the city's administrative staff for their hard work, dedication, and unwavering commitment to the fiscal stewardship of our community.

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Respectfully submitted,

Darren Evans
Mayor
City of Hawk Cove, Texas

Received By:
Angela M.
City Sec.
8/28/24 @ 4:48pm