

**Mayor**

Breann Buxkemper

Council Members

Michael Stueart, Mayor Pro Tem

Bill Powell

Max Ledesma

Jaime McCabe

City Manager

James Fisher

Assistant City Manager

Justin Balderas

September 8, 2025

Honorable Mayor Breann Buxkemper and Council Members:

RE: Fiscal Year 2025-2026 Adopted Budget

In accordance with the Texas Local Government Code and the Charter of the City of Levelland, we are pleased to submit the adopted budget for the fiscal year beginning October 1, 2025, and ending September 30, 2026. This balanced budget, as required by law, serves as the financial framework to deliver essential services, respond to citizen's needs, address infrastructure demands, and implement City Council priorities for the coming year. This year's budget builds on the goals identified and outlined in the City Council Planning Session in November 2024 and reflects adjustments made to address inflationary pressures, capital demands, and fiscal sustainability.

A consolidation of the Adopted Annual Budget expenditures, comprising all funds, totals approximately \$27,950,000. The budget can be broken down as follows:

• General Fund	\$11.5 M
• Cemetery	0.38 M
• Debt Service	0.83 M
• Special Revenue Funds	0.37 M
• Capital Financing Funds	0.7 M
• Enterprise or Utility Funds (Water, Wastewater, Sanitation)	7.5 M
• Wastewater Improvement Fund	3.07 M
• Water Improvement Fund	0.24 M
• Levelland Community Development Corporation (LCDC)	0.96 M
• Levelland Economic Development Corporation (LEDC)	<u>2.4 M</u>
Total	\$ 27.95M

City of Levelland

The City of Levelland is the county seat of Hockley County, centrally located in the Llano Estacado region approximately 30 miles west of Lubbock. Levelland had a 2020 census population of 12,652, a 6.57% decrease from the 2010 census of 13,542. Though the census reflects a declining population, local indicators like development and residential growth suggest population stability and growth.

Demographically, Levelland is a diverse community. According to 2023 American Census Survey (ACS) 5-year estimates (a census survey), approximately 56.5% of residents identify as Hispanic or Latino, 38.5% as White non-Hispanic, with the remaining percentage comprising African American, Native American, Asian, and multiracial groups. The median age in the city is 34.2 years old, and slightly more than 35% of the population is under the age of 24, which supports the need for continued investment in education, recreation, and family-oriented services. The average household size is approximately 2.57 persons, with a homeownership rate of 69%, slightly higher than the state average.

Levelland city limits encompass around 10.2 square miles, with a population density of 1,240 residents per square mile. Its central location facilitates the city as a primary economic center for Hockley County, which had a population of 21,537 in 2020. Both Levelland's population majority of Hockley County, and its location help facilitate its leadership role and responsibility for infrastructure, services, and regional collaboration. The city continues to invest in public safety, utilities, recreation, and economic development, positioning itself to meet the needs of both current residents and future growth.

Local Economy

Levelland's economy is primarily based on four pillars: agriculture, oil and gas, music services, and education. Cotton production continues to be a dominant agricultural force which is complimented by maize, sorghum, and cattle. Favorable rainfall this year has helped contribute to strong yields, supporting the city's tax base and agricultural-related businesses. The oil and gas sector, which while cyclical, continues to remain a key employer and revenue generator for the city, especially through oilfield service providers.

The City's industrial development has been anchored by the Levelland Industrial Rail Park, designed in 2010 to attract manufacturing and industrial businesses via rail access and strategic location. Though recent storm damage impacted portions of the rail park, the City and Levelland Economic Development Corporation (LEDC) remains committed to expanding industrial capacity and incentivizing economic development. The construction of the wastewater treatment plant and other projects is expected to also foster economic activity, especially through housing, service spending, and other local purchases, contributing to increased local sales tax revenue.

The music industry is anchored by South Plains College's (SPC) nationally recognized creative art department and Levelland's deep roots in Texas music culture. These assets serve as both a cultural hallmark and economic driver for the community. Graduates from SPC's music and sound technology programs attract talent, performances, and events that bring visitors and spending into the community, further boosting tourism, hospitality, and retail activity. Moreover, the creative art department at SPC celebrates its 50-year anniversary this October through November, making a half-century of shaping musicians, artists, and sound engineers that resonate locally and abroad.

Professional services, contract services, retail, and healthcare also play a growing role in the economy. Local businesses benefit from Levelland's position as a service center for rural West Texas communities, drawing consumers from Hockley County and surrounding counties. Continued growth in sales tax revenue (approximated at a 4% rate of growth for fiscal year 2025-2026), a stable property tax base, and active commercial permitting all points to a resilient and diversifying economic environment with long-term stability.

South Plains College

South Plains College (SPC), founded in 1957, plays a central role in Levelland's identity, economy, and workforce development strategy. As a public community college, the campus will enroll approximately 9,300 students, with 2,800 students at the Levelland location for the Fall 2025 semester and serves as one of the largest employers in the City. SPC offers associate degrees as well as certifications across technical, academic, and workforce programs, including nursing, automotive technology, welding, and a truck driving academy. Through a free dual credit program partnership with Levelland ISD, high school students have the opportunity to earn substantial college credit, upwards and including an associate degree, by the time they graduate, providing them with a strong head start toward higher education or career readiness. These programs are tailored to effectively meet labor needs and regional industry demand.

The college's emphasis on technical and career education aligns with Levelland's economic development strategy and workforce development. Programs like the Truck Driving Academy contributes to a labor-ready population capable of supporting logistics and infrastructure projects. Through its academic and technical programs, SPC acts as a critical institution for Levelland's economic growth, workforce development, and economic resilience.

Economic Outlook

The economic outlook for Levelland's fiscal year 2025-2026 Budget is favorable, supported by investment in capital projects, stable agricultural output following a year of strong rainfall, and targeted utility system improvements. The City's strong fiscal management ensured an A+ Standard and Poor (S&P) Global Ratings for both its 2025A Tax and Waterworks-and-Sewer System Revenue Certificates of Obligation (\$3 million) and its 2025B Tax and Waterworks-and-Sewer System Revenue Certificates of Obligation (\$7.2 million). These ratings position the City

to secure favorable borrowing terms, enabling continued investment in infrastructure while managing costs to taxpayers. The construction activity related to the wastewater treatment plan will continue to bring an influx of labor and contractor spending, contributing to economic activity and anticipated sales tax growth. Additionally, the City's Smart Meter project, serving 5,200 average active water users, will enhance billing accuracy, aligning with water sustainability, conservation, and operational efficiency. Further contributing to the City's utility position is its agreement to sell treated effluent water to an ethanol plant, serving as an additional revenue stream.

Recent commercial growth reflects a healthy and diversifying local economy. The additions of new business have expanded dining, fitness, retail, and services options for residents while attracting visitors from surrounding areas. These new businesses not only enhance quality-of-life amenities but also contribute to the City's sales tax base, supporting continued public investment in infrastructure and services.

Levelland continues to see healthy growth in its ad valorem (property tax) tax base allowing the city to pay for the increasing costs of city services. Certified grand total taxable property values rose by \$42,069,380 or 4.7% from 2024 to \$937,314,681. Average market property values for single-family residential homes have also increased by 8.9% or \$13,849 from 2024 to \$168,371.

General Fund

The General Fund revenue budget is \$11,039,423. Of this, 35.2% is funded by ad valorem taxes, 32.5% by sales taxes, 9.1% by utility franchise fees, and 4.7% by transfer-ins. The remaining 18.5% comes from other revenue sources. The General Fund budget increases the Maintenance and Operating (M&O) rate to \$0.5085 per \$100 assessed value from \$0.498729 and increases the Interest and Sinking (I&S) rate to \$0.0465 per \$100 assessed value from \$0.036271.

Revenues and Other Sources FY25-26	General Fund
Property Taxes (M&O Rate \$0.4785) ¹	3,884,957
Sales Taxes	2,607,774
Street Maintenance Sales Tax	651,944
Sales Tax to Reduce Ad Valorem	325,972
Utility Franchise Fees	1,010,000
Transfers-in	519,555
Subtotal (fund X% of Budget)	81.5%
Other Revenues	2,039,221
Total Revenues and Financing Sources FY25-26	11,039,423
Total Revenues and Financing Sources FY24-25 ²	11,568,073

¹ The M&S rate minus ¢3 which is dedicated to the Cemetery fund

² Based on projected values

The largest budget expenditure (\$6,692,035 or 58.12%) in the general fund is personnel salaries and benefits.

Key personnel budget changes include:

- 3% Cost-of-Living Adjustment (COLA) for all employees
- Targeted salary adjustments in the Fire Department to remain competitive to recruit and retain
- Targeted salary adjustments in the Police Department to remain competitive to recruit and retain
- Review of certification pay
- Reduced certain risk pool premiums through the Texas Municipal League (TML) Intergovernmental Risk Pool
- Healthcare cost increases due to market conditions
- Hiring of staff members to begin succession planning

General Fund Programs	Personnel	Other*	Total
General Government	725,797	567,600	1,293,397
Public Safety	4,465,898	1,732,829	6,198,727
Public Works	719,394	1,306,152	2,025,546
Parks and Community	619,422	1,127,849	1,747,271
Development and Planning	161,524	87,500	249,024
Total FY25-26 budget	6,692,035	4,821,930	11,513,965
Total FY24-25 budget (Projected)	5,979,489	4,646,500	10,625,989

* Other indicates all expenditures not including personnel costs, i.e., supplies, maintenance, repairs.

General Government: Legislative, City Management, City Secretary, Finance, Human Resources (HR), and Information Technology (IT)

Public Safety: Police, Fire, Emergency and Health Services, Animal Shelter, and Municipal Court

Public Works: Streets, Shop, Inspections, and Building Services

Parks and Community Services: Parks and Main Street Services

Development and Planning: Economic Development, Professional Services, and Developer's Capital Improvement

Cemetery Fund

The Cemetery Fund is supported by 3¢ of the City's ad valorem tax rate and supplemented by service fees associated with burial plots, maintenance, and related services. The City of Levelland currently maintains the City of Levelland Cemetery and Memorial Gardens, ensuring both are preserved and maintained with dignity and care. Routine maintenance includes landscaping, irrigation, grave marking, and access improvements.

In addition to maintenance and operation costs, the Cemetery Fund makes a transfer to the General Fund to cover administrative services provided by the City Secretary's Office, including the

management of records and deeds. This interfund transfer ensures that the cost of administrative oversight is accounted for within the fund itself. The City continues to evaluate ways to maintain affordability for residents while ensuring that both cemeteries remain safe, accessible, and well-kept community assets.

Debt Service

The adopted budget expenditure for debt service is \$832,322. As the City continues to grow and invest in public facilities, debt obligations have increased to meet major project needs that enhance service delivery and public safety. To meet these obligations the interest and sinking (I&S) portion of tax rate increase from \$0.036271 per \$100 to \$0.0465. This rate increase ensures that debt for the following is addressed:

- \$3 million Certificate of Obligation for constructing a new animal shelter.
- \$7 million Certificate of Obligation to meet the increased cost of the City's wastewater treatment plant.
 - Wastewater improvement fees cover 75% of the cost with property tax covering the other 25% of the debt cost.

These capital investments are essential to meet regulatory standards, accommodate community growth, and maintain core public services. Council authorized the issuance of the certificates of obligation on August 25.

Levelland Economic Development Corporation

The Levelland Economic Development Corporation (LEDC) is funded by a 3/8-cent sales tax, which is projected to generate \$977,915 in fiscal year 2025-2026, an increase of 6.9% over the \$915,053 collected in 2024-2025. This continued growth reflects ongoing efforts to foster business retention, recruitment, and expansion throughout the community. In addition to sales tax collections, the LEDC also receives revenue from its railcar lease operations at the Levelland Rail Park. This income continues to provide a valuable funding source to offset operational costs and reduce reliance on sales tax revenue alone.

The LEDC remains responsible for the annual debt service payment on the Tax Increment Reinvestment Zone (TIRZ) No. 2 Rail Park debt. The outstanding balance of the refinanced Series 2019 issuance is approximately \$1,176,585, with annual payments of roughly \$293,000 expected through fiscal year 2028-2029. These payments support critical infrastructure investments that facilitate industrial growth and job creation.

Additionally, the LEDC provides transfer-ins to the general fund to reimburse the City for payroll, benefits, and associated administrative costs tied to LEDC activities.

Levelland Community Development Corporation

The Levelland Community Development Corporation (LCDC) is funded by a 1/4 cent sales tax, with projected revenue of \$651,943 in fiscal 2025-2026, an increase of 2.65% over the \$635,072 collected in 2024-2025. These funds are dedicated to quality-of-life projects, with major investments planned in city parks and recreational facilities, pending formal Board approval.

The LCDC has allocated \$635,000 toward park improvement projects in fiscal year 2025-2026, continuing its long-standing support for quality-of-life infrastructure. Key project allocations include:

- Playground resurfacing at Brashear Lake (\$30,000),
- Fountains for both Lobo Lake and Brashear Lake (\$30,000),
- A trail extension and overlook swing at Lobo Lake (\$25,000),
- Phase 2 of the Pickleball Complex: shade structure, benches, trash cans, and surface painting (\$25,000),
- Picnic tables and shade structures for the Oxy Sports Complex (\$15,000),
- A new roadside sign at the Oxy Sports Complex (\$15,000),
- Upgrades to City Park Field F: lighting, fencing, irrigation, and field materials (\$320,000),
- Improvements to Barty Johnson Field at City Park: fencing, irrigation, field materials, and demolition of an existing building (\$150,000),
- Renovation of the Church League Field at City Park: infield expansion and installation of a movable mound (\$25,000).

In addition to capital improvements, the LCDC continues to provide approximately \$300,000 annually as part of a grant repayment arrangement supporting the 2013 Certificate of Obligation (CO) debt issued for the development of the Oxy Sports Complex. This commitment will continue through fiscal year 2032-2033, with a total debt service obligation of \$2.4 million remaining.

Special Revenue Funds

There are 5 special revenue funds with combined expenditure budgets of \$370,000, including transfers out to other departments and entities for debt-service, operations, or project implementation.

Fund	Expenditures	Transfers-Out	Total
Hotel Occupancy Tax	147,000	0	147,000
TIF 1	-	-	0
TIF 2	-	200,000	200,000
Park Contribution Fund	-	-	0
Civic Improvement Fund	23,000	-	23,000
Total	170,000	200,000	370,000

Hotel Occupancy Tax

Revenues generated from the hotel tax are transferred to the Levelland Chamber of Commerce to cover the review of eligible applications, provide marketing efforts for events, and coordinate activities to attract overnight visitor stays in Levelland.

Tax Increment Financing (TIF) 1

Tax Increment Refinancing Zone (TIRZ) 1 was implemented in 2006 and is primarily involved with residential and to a smaller degree commercial properties. As the TIF debt has been fully amortized, revenues have currently been utilized for projects and building up a reserve.

Tax Increment Financing (TIF) 2

Tax Increment Refinancing Zone (TIRZ 2) was implemented in 2009 to help the funding of the industrial rail park, the municipal airport, and is primarily involved with manufacturing properties. As the TIF debt has not been fully amortized, revenues are transferred to the LEDC to partially finance the 2019 refinanced GO bonds.

Park Contribution Fund

The park fund is supported by donations and a \$1 voluntary utility fee that are used for park improvements, maintenance, and other capital upgrades.

Civic Improvement Fund

The civic improvements fund is utilized to support the civic center in both operation and capital expenses.

Utility Funds – Overview

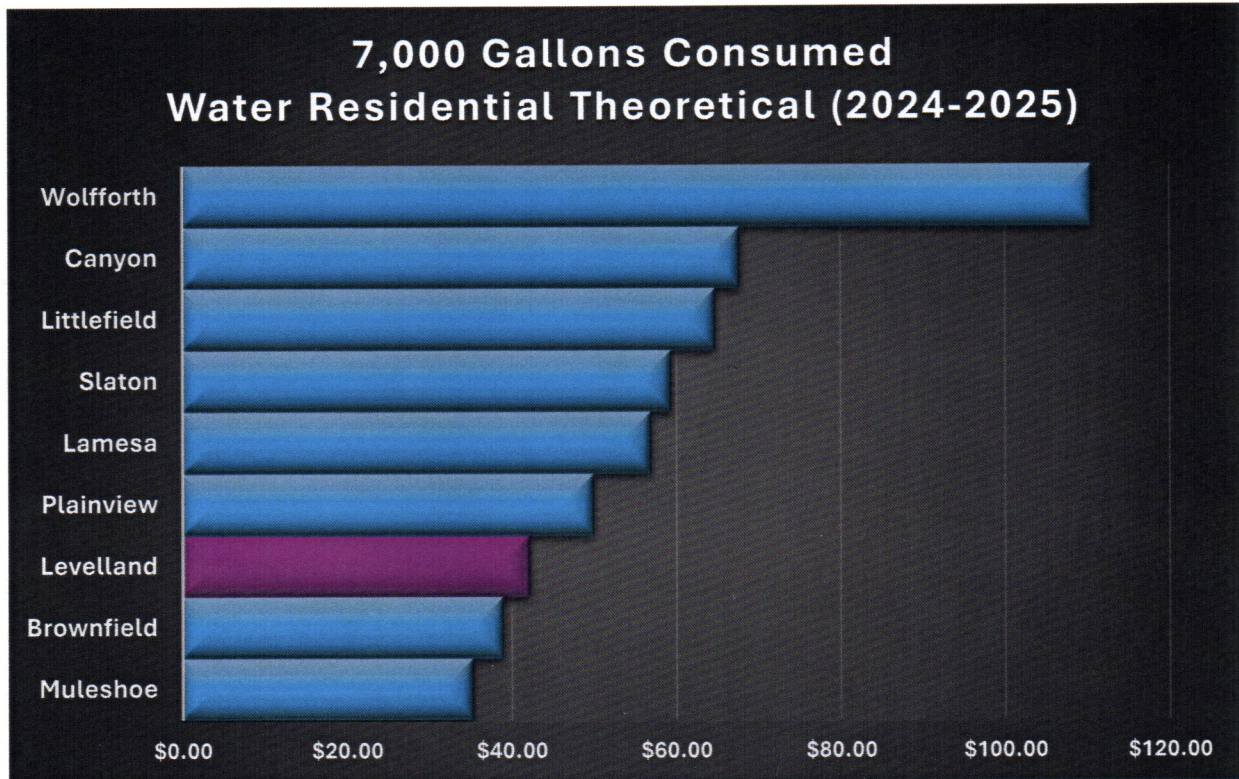
The City provides water, wastewater, and sanitation services. The utility funds expenditure budget is \$7,492,152 of which \$1,940,000 is the cost of purchases of water. This year, utilities focus on rate stability and capital investment to meet both current needs and long-term infrastructure renewal.

Utility Rates

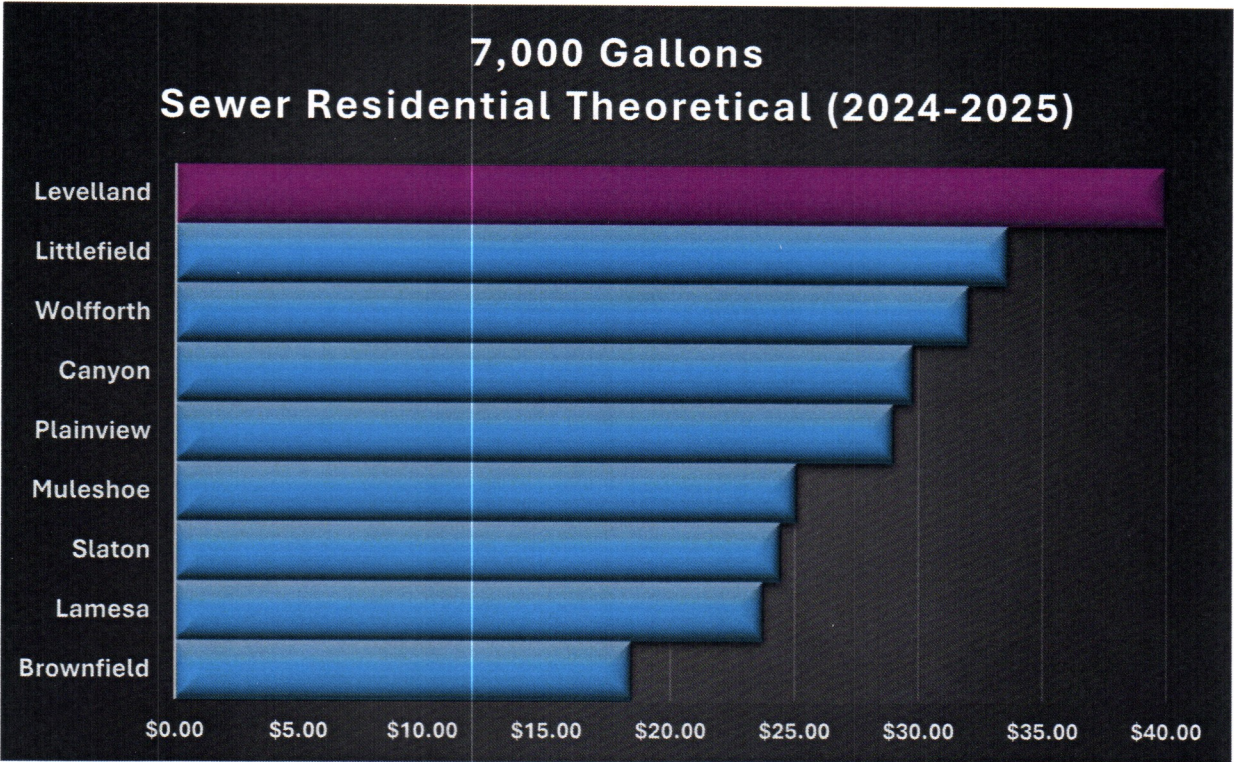
To meet increasing infrastructure and service delivery costs:

- Water improvement fees will increase from \$1 to \$5 a month, reflecting the cost increases from the City of Lubbock's treatment of water received from Canadian River Municipal Water Authority (CRMWA), for capital projects, and emergency projects within the water system.
- Wastewater improvement fees will rise from \$21.62 to \$28 per month, funding increased debt service on the wastewater treatment plant construction, for capital projects, and emergency projects within the wastewater system.

Despite the following adjustments, Levelland's total utility costs are below the average total utility costs in the region.³ The proposed rate changes serve a critical role in covering the cost of water and wastewater services that enable the continual investment in infrastructure necessary for the reliability of utility systems for current and future generations. The City remains committed to affordability while ensuring the sustainability of its systems for future generations.



³ \$16.22 less than average for 7,000 gallons consumed water, \$11.51 greater than average for 7,000 sewer gallons, and \$2.14 greater than average for residential refuse. The values displayed and utilized reflect values according to the representative cities' websites as of 9/4/2025.



Moreover, according to the Texas Municipal League (TML) Utility Study, the City charges \$7.33 less than the average rate charged by cities from a population of 10,000-15,000 and \$20.84 less than the average city water rate for 5,000 gallons of water consumed. The City does charge \$4.61

more than cities from a population of 10,000-15,000 for wastewater but \$0.89 less than the average for sewer rates of 5,000 gallons of wastewater.

Water Rates (2024-2025)	
	Cost
City of Levelland	\$34.25
10,000-15,000	\$41.58
All Cities (TML)	\$55.09

Wastewater Rates (2024-2025)	
	Cost
City of Levelland	\$39.66 ⁴
10,000-15,000	\$40.55
All Cities (TML)	\$35.05

By addressing critical utility needs today, the City can reduce the likelihood of expensive emergency repairs, reduce regular maintenance costs, and avoid steeper rate increases in the future. These improvements place Levelland in a strategic position to accommodate growth, maintain competitive rates, and provide residents and businesses with more manageable service at a lower overall cost over time.

Utility Debt

The fiscal year 2025-2026 Budget includes issuance of revenue-backed, Certificate of Obligation (CO) of \$9.85 million for wastewater projects. These bonds are structured with a 20-year term and an estimated annual debt service of \$491,000, funded 75% from utility rate revenue and 25% from interest and sinking (I&S) taxes. Proceeds from the issuance will primarily address a funding shortfall resulting from the difference between the 2022 Wastewater Treatment Plant Construction Series and the increased wastewater treatment plant cost.

Existing Utility Obligations

- Series 2022 – Wastewater Treatment Plant Construction CO
The issuance funds the replacement of a 40-year-old wastewater treatment plant, enhancing operational efficiency and improving capacity.
 - Remaining Principal: \$17,445,000
 - Remaining Interest: \$9,405,844
 - Remaining Principal and Interest: \$26,850,844
 - Term: Fiscal year 2041-2042
 - Annual Principal: \$675,000
 - Annual Interest: \$904,119
 - Annual Debt Service: **\$1,579,119**

⁴ Includes the Wastewater Improvement Fee

- **Series 2025 – Smart Meters CO**

This issuance supports replacing aging and outdated water meters with modern smart meters enabling accurate water consumption, improved leak detection, and facilitating water consumption forecasting.

- Remaining Principal: \$5,285,000
- Remaining Interest: \$2,500,434
- Remaining Principal and Interest: \$7,785,434
- Term: Fiscal year 2039-2040
- Annual Principal: \$145,000
- Annual Interest: \$370,684
- Annual Debt Service: **\$515,684**

These debt instruments support the City's investment in modernizing utility infrastructure, enhancing operational efficiency, and maintaining regulatory compliance. The blended funding structure ensures long-term sustainability while balancing the financial impact across ratepayers and the broader tax base.

Cost Savings

To further strengthen the City's financial position, several operational cost-saving and efficiency enhancing measures have been implemented. This includes a transition from Vexus and Windstream to the LEARN network, which not only provides faster, more reliable connectivity, but also reduces recurring internet service costs. Other measures include shifting from unlimited to tiered data plans for City-issued devices and conducting a device audit to identify unused or unnecessary equipment. Under the new tiered plan, inactive devices will cost only \$0.50 per month rather than \$41.88, a cost saving of \$41.38 per device, resulting in significant savings. Moreover, the plan provides improved diagnostic capabilities, facilitates inventory management, and drastically improve phone speeds. These measures reduce recurring expenses while enhancing service quality, reflecting the City's commitment to fiscal responsibility.

In addition, the City Council has elected to shift the property tax collection assumption from 96% to 98%, ensuring greater accountability for all taxing entities and improving projected revenues. The City is also analyzing the feasibility of shifting the cost of credit card transaction fees from being partially City-funded to entirely customer-funded (which is what most businesses and municipalities do), further reducing operational costs. Together, these strategies strengthen the City's long-term fiscal sustainability while maintaining high-quality services for residents.

Capital Equipment

The fiscal year 2025-2026 Budget includes a significant investment in capital equipment to support city operations, enhance public safety, and maintain infrastructure across departments. The proposed budget outlines expenditure on capital purchases, including large one-time investments and essential replacements of an aging fleet and equipment.

Major areas for capital equipment requests for fiscal year 2025–2026 and requested planned projects for 2026–2027 include (**bold indicates in budget**):

- **Transition to a lease system for vehicles for the Police Department (approximately \$320,000 annually).**
- **Purchase of new ACO unit vehicle (\$55,219.70) and 4 admin vehicles (\$235,797).**
- **Purchase of Police Department firearms (\$24,000).**
- **Fire Department purchase of a 1-ton heavy duty diesel to improve fleet capacity (\$80,000).**
- **Replacement of a loader for Street Department operations (\$185,000),** and planned expense for Maintainer (\$200,000), Steel Wheel Roller (\$50,000), and replacing Pick-Up (\$40,000) in 2026-2027.
- Fleet upgrades including the replacement of pick-ups for the Park Department (\$94,000 in 2025–2026 and \$47,000 in 2026–2027), a trencher (\$20,000) and backhoe attachment (\$25,000) in 2026-2027.
- **Site-specific needs such as a cyclone fence (\$6,000) and generator (\$10,000) at the tower site.**
- Cemetery equipment upgrades, **including mower replacements (\$19,500) and a lowering device (\$6,000),** with plans to replace pick-up (\$45,000) and Kubota RTV (\$25,000) in 2026-2027.
- Water production and sanitation investments include the replacement of a **hydraulic pump (\$15,000), two Ford F-150 trucks (\$45,000 each), signage at the landfill (\$10,000 incurred every other year), and wind fencing (\$50,000 annually).**
- Wastewater improvements include replacing Kubota RTV (\$35,000) and replacing Kubota Front Deck Mower (\$35,000) in 2026-2027.
- **Civic center improvement includes a floor scrubber (\$6,000) to ensure the facilities cleanliness.**
- Replacement of a Ballfield Mower-Kubota (\$23,000), an athletic field marking machine (\$45,000), and Kubota RTV (\$25,000) for the OXY Sports Complex in 2026-2027.
- **Parks and recreation enhancements, funded by the Levelland Community Development Corporation (LCDC) (\$635,000 total) to improve Brashear Lake, Lobo Lake, and Oxy Sports Complex.**
- Athletic field renovations at City Park and sports fields, including fencing, irrigation, field materials, movable mounds, and facility demolition/replacement, to enhance safety, usability, and community appeal.

For fiscal year 2025-2026, requested capital equipment total \$1,151,297 and for 2026-2027, requested capital equipment total \$985,000 not including \$635,000 from the LCDC.

These capital allocations reflect Levelland’s continued commitment to maintaining quality municipal services, supporting public safety, and investing in modern, reliable equipment that

supports safe, efficient operations. The mix of one-time investments and recurring replacements positions departments for success while limiting the long-term operational impact of aging infrastructure.

Capital Projects

The fiscal year 2025–2026 budget also provides for a range of capital improvement projects aimed at enhancing quality of life, modernizing infrastructure, and planning for long-term community needs. Key requested investments for 2025-2026 and 2026-2027 include (**bold indicates in budget**):

- **Centennial Celebration funding (\$50,000) to commemorate the City’s centennial year.**
- City Park improvements such as **tree removal/trimming (\$45,000) and ADA-accessible playground upgrades (\$30,000 in 2025-2026, \$60,000 in 2026-2027)**
- City Park renovation in 2026-2027 (\$1,500,000)
- **Expansion of City Hall’s conference room under Building Services (\$20,000).**
- **Cemetery irrigation upgrades (\$10,000).**
- **Academy sponsorships for police training (\$5,000 annually).**
- **Table and chair replacement project (\$3,000) at the Civic Center.**
- **Planning and initial construction activities for a new animal services facility to improve animal care and shelter capacity (\$3,000,000).**
 - Certificates of obligation issued August 25, 2025.
- A swimming pool feasibility and infrastructure study to evaluate the potential for updating or need for a new facility.
- Development of an updated airport lighting and layout plan to enhance safety, efficiency, and compliance with aviation standards.
- Improvements to and modernization of the City’s SCADA system to enhance monitoring, control, and operational reliability for critical utilities.
- Repair and maintenance of the fire station’s roof to address flatwind damage.

For fiscal year 2025-2026, requested capital projects total \$3,163,000 and for 2026-2027, requested capital projects total \$1,565,000.

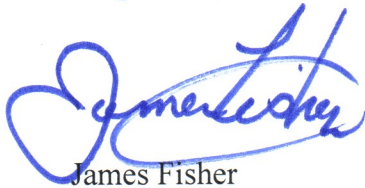
Over the next several years, the City plans significant investment in its parks, cemetery, recreational, and public service infrastructure, with major projects scheduled beyond fiscal year 2025-2026 totaling tens of millions of dollars, including the \$10.5 million OXY Sports Complex Phase II, \$3 million Brashear Lake Park rehabilitation, and a \$3 million City Park rehabilitation. These proposed projects reflect the City’s ongoing commitment to public service, quality-of-life, and essential utility services all aligned with the community’s growth and guided by the priorities outlined in the 2023 Infrastructure Master Plan.

Closing Remarks

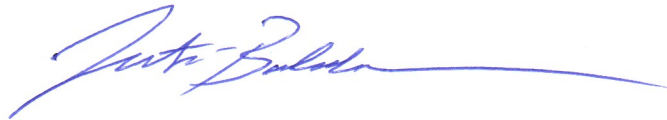
The fiscal year 2025-2026 Budget reflects Levelland's commitment to strategic investments, responsible fiscal management, and alignment with community priorities. The budget ensures the City is positioned to meet increasing service demands while addressing infrastructure and economic development needs.

We extend our sincere appreciation to City Council, staff, and community partners for their support and guidance during the budget process. We extend special thanks to our budget team, Finance Director, Cynthia Sanchez, Accountant II, Erich Miller, as well as our department heads for their support during this process. We look forward to another year of serving the citizens of Levelland.

Respectfully submitted,



James Fisher
City Manager



Justin Balderas
Assistant City Manager