SENIORS BEFORE SALARIES

Mario Reyes on Kyle's Budget and How to Pay for Senior Tax Relief

Kyle City Council, District 3 | Special Election, December 12, 2026

Kyle didn't have a revenue problem first. It had a planning problem. The city budgeted money it never collected, let road projects run tens of millions of dollars over budget, and then turned to homeowners to make up the difference. Your home is not the city's piggy bank.

I spent 16 years as a federal Contracting Officer. My job was to read the numbers behind the promises: what was planned, what was actually delivered, and who paid for the difference. When I look at Kyle's budget, I see the same thing I saw on contracts that went sideways. The plan assumed money that wasn't coming, and nobody stopped it early enough.

WHAT HAPPENED TO KYLE'S BUDGET

In May 2026, the city disclosed a $14.2 million hole in the General Fund, the fund that pays for police, parks, the library, street maintenance and city administration. It didn't happen overnight. For two years in a row, the adopted budget planned to spend more than it expected to collect, and then revenue came in below even those plans.

Item	What the city planned	What happened
Building permit fees (FY 2024-25)	$9.1 million	About $5.3 million
Sales tax (FY 2025-26)	$21.95 million	Now estimated at $20.28 million
Overtime (FY 2025-26)	$300,000	Now estimated at $1.6 million
2022 road bond, 8 projects	$281.8 million	Now projected at $330.6 million

At the same time, General Fund operating spending doubled in five years, from about $34 million to $68 million, and the 2025 tax rate went up 26.9%. Families felt it in their tax bills.

Credit where it's due. The interim city manager disclosed the deficit and wrote a budget to fix it. This year's budget cut General Fund spending by about 10%, eliminated 11 positions, held water rates flat and lowered the city tax rate 8.34%. That was the right direction. My job on council would be to keep that discipline going, not undo it.

MY PLAN FOR KYLE'S SENIORS

Seniors on fixed incomes should not be taxed out of the homes they paid for. I will propose, and fight for, two changes the council has the power to make:

1. Freeze city property taxes at 65. A senior and disabled tax freeze caps your city tax bill at the amount you pay the year it takes effect. It takes one council vote, and under the Texas Constitution no future council can take it away. It also protects a surviving spouse who stays in the home.

2. Raise the senior exemption from $10,000 to $35,000. That takes $25,000 more off the taxable value of every senior homestead in Kyle, so every senior pays less in city taxes, not just those who sign up for the freeze.

This applies to the city's share of your tax bill. School and county taxes are set separately. And to apply to a given year's bill, the council needs to adopt these changes before July 1, so I would bring them forward early in 2027.

WHAT IT COSTS

I won't call a promise free when it isn't. Based on the campaign's estimates from the city's budget and Hays County appraisal data:

Senior tax relief	Year 1	Year 3	Year 5
Raise senior exemption to $35,000 (plus disabled homeowners)	About $355,000	About $385,000	About $410,000
Senior and disabled tax freeze	$0	About $290,000	About $600,000
Total cost	**About $355,000**	**About $675,000**	**About $1 million**

For scale, year one is about one half of one percent of the General Fund. The freeze costs nothing the first year and grows as tax bills rise. In a year when city tax bills go down, like this one, it costs nothing at all.

These are campaign estimates. I will ask the city's finance office for the official numbers before the council votes.

HOW WE PAY FOR IT

A plan without a way to pay for it is just a wish. Here is where the money comes from, without touching police patrol, fire, streets or water:

1. Keep three eliminated executive jobs off the books. This year's budget eliminated a Chief Communications Officer, an Executive Director of Strategic Development and a Chief Development Officer. Together they cost $802,590 a year. I'll pledge not to bring them back when revenue recovers. That one decision covers more than twice the first-year cost of senior relief.

2. Bring overtime back to budget by filling vacancies, not by cutting patrol. Overtime is running about $1.3 million over budget. That is a staffing and scheduling problem, not a reason to put fewer officers on the street. Filling open positions and budgeting what the city actually spends could recover $300,000 to $650,000 a year. I support our police officers, and this plan protects patrol.

3. Stop road bond overruns before the city borrows to cover them. The 2022 road bond projects are projected $48.8 million over budget. Every $10 million the city avoids borrowing saves about $770,000 a year in debt payments. Controlling scope, bidding fixed prices and holding contractors to their commitments is the work I did for 16 years.

4. Budget only the money the city can see. Forecast revenue from the last twelve months of actual collections, not hoped-for growth. That isn't a cut. It's how we keep from digging the next hole.

The first three alone add up to roughly $1.9 million to $2.2 million a year, about twice what the full senior package would cost by year five.

Being straight with you: this year's budget is using some of those savings to rebuild the city's 25% reserve, and that should come first. Once the reserve is back where it belongs, and the budget projects it will be, I believe our seniors should be next in line. That is the choice: seniors before salaries.

WHAT I WILL AND WON'T PROMISE

- I won't promise to eliminate anyone's property taxes. The law doesn't allow it, and I won't pretend otherwise.

- I'm one vote of seven. I will propose these changes, make the case in public and fight for them. If the council won't adopt the freeze, Texas law lets voters put it on the ballot by petition, and I'll help them do it.
- I won't balance this on the backs of police, fire, streets or water.
- I will show the math, explain my votes, and ask the questions until the numbers add up.

Your Home Is Not the City's Piggy Bank!

Integrity. Accountability. Results.

Mario Reyes, candidate for Kyle City Council, District 3

Early voting November 30 to December 8 | Election Day December 12 | MarioReyesForKyle.com

Political advertising paid for by Mario Reyes for Kyle

SOURCES AND NOTES

- $14,173,372 General Fund deficit: Community Impact, May 20, 2026; Hays Free Press, May 2026 (article 26407).
- Building permit fees FY 2024-25 ($9.12M budgeted, about $5.29M actual), sales tax FY 2025-26 ($21.95M budgeted, $20.28M estimate) and overtime FY 2025-26 ($300K budgeted, $1.6M estimate): City of Kyle budget documents and the May 2026 deficit presentation.
- General Fund operating spending $34M to $68M in five years: interim city manager, FY 2026-27 budget presentation.
- 2025 tax rate increase of 26.9% and FY 2026-27 rate cut of 8.34% to $0.5460: FY 2025-26 and FY 2026-27 budgets; CBS Austin, Sept. 18, 2026.
- FY 2026-27 General Fund cut of $7.9M (9.97%), 11 positions eliminated, water rates held flat: FY 2026-27 budget transmittal (July 28, 2026); CBS Austin, Sept. 18, 2026.
- 2022 road bond, 8 projects $281.8M budgeted vs. $330.56M projected (+$48.76M): Road Bond Program Update to Council, July 7, 2026.
- Three eliminated executive positions, $802,590 a year (Chief Communications Officer $232,884, Executive Director of Strategic Development $300,226, Chief Development Officer $269,480): FY 2026-27 Proposed Budget.
- Senior package cost, overtime recovery ($300K-$650K, recovering 25-50% of the overrun) and about $770K a year per $10M of 20-year debt at 4.5%: campaign calculations from City of Kyle budget documents and Hays County appraisal data. These are not official city figures.
- Freeze authority and permanence: Texas Constitution art. VIII, §1-b(h); Tax Code §11.261. Senior exemption: Tax Code §11.13(d)-(f), currently $10,000 in Kyle. Petition route: 5% of registered voters. Adopt before July 1 to apply to that year's bill.