

ORDINANCE NO. 2015-

AN ORDINANCE APPROVING AND ADOPTING THE CITY OF LEAGUE CITY, TEXAS, ANNUAL GOVERNMENTAL AND PROPRIETARY FUNDS BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND ENDING SEPTEMBER 30, 2016; MAKING APPROPRIATIONS FOR CITY OPERATIONS AND CAPITAL PROJECTS FOR SUCH FISCAL YEAR AS REFLECTED IN SUCH BUDGET; AUTHORIZING VARIOUS OTHER TRANSFERS; APPROVING AND ADOPTING THE FY 2016 CAPITAL BUDGET; AND MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, on July 13, 2015, the City Manager presented to the City Council a proposed budget of the expenditures of the City of League City for the fiscal year 2016 and the proposed budget was filed with the City Secretary and posted on the City website as required by Local Government Code Section 102.005; and

WHEREAS, pursuant to notice as required by Section 102.006 of the Local Government Code, on August 25, 2015, a public hearing on such budget was held in the Council Chambers, at which hearing all citizens and taxpayers of the City had the right to be present and to be heard, and those who requested to be heard were heard; and

WHEREAS, the City Council has considered the proposed budget and has made such changes therein as in the City Council's judgment were warranted by law and were in the best interest of the citizens and taxpayers of the City; and

WHEREAS, such changes are described in Exhibit A.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEAGUE CITY, TEXAS, as follows:

Section 1. The facts and opinions in the preamble of this ordinance are true and correct.

Section 2. In accordance with the provisions of Local Government Code Section 102.007, the City Council hereby approves and adopts the operating budget described above, the same as shown in Exhibit A, and the capital budget as shown in Exhibit B. The City Secretary is hereby directed to place on such budget and to sign an endorsement reading as follows: "The Original Annual Governmental and Proprietary Funds Budget of the City of League City, Texas, for Fiscal Year 2016" and to keep such budget on file in her office as a public record. In addition, in accordance with Section 102.009 (d), Texas Local Government Code, the City Secretary is hereby directed to file a true copy of the approved Budget in the offices of the county clerks of the counties in which the City is located.

Section 3. The FY 2016 Budget for operations shall be administered in accordance with Article VII, Section 5 and 8 of the City Charter as follows:

- a. The Council may transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another, at any time.
- b. The City Manager shall have authority, without Council approval, to transfer appropriation balances from one expenditure account to another within a single office, department, or agency.
- c. At any time in any fiscal year, the Council may, pursuant to Article VII, section 8 of the City Charter, make emergency appropriations to meet a pressing need for public expenditure, for other than regular or recurring requirements, to protect the public health, safety or welfare. Such appropriation shall be by ordinance adopted by the favorable votes of four-fifths (4/5) majority of the voting members of City Council present at the meeting, and shall be made only upon recommendation of the City Manager. The total amount of all emergency appropriations made in any fiscal year shall not exceed two and one-half (2 1/2) per centum of the tax levy for that fiscal year.

Section 4. The FY 2016 Capital Budget shall be administered as follows:

- a. The Capital Budget includes specific projects programmed in FY 2016.
- b. Bond sales for FY 2016 will be conducted and proceeds there from will be appropriated in accordance with and in the furtherance of the FY 2016 Capital Budget.
- c. Reports will be provided to City Council quarterly on the status of each project that is a part of the FY 2016 Capital Budget including financial, design, and construction status information.
- d. City Council approval is required to add or delete projects from the Capital Budget as shown in Exhibit B through passage of an ordinance amending the FY 2016 Capital Budget.
- e. Contracts and expenditures for individual projects shall be approved as provided by State law, the City Charter and the City's purchasing policies.
- f. Expenditures of capital funds shall be for projects included in the approved and/or amended FY 2016 Capital Budget.
- g. Funds shall be allocated based on the legal purpose of the capital funds; the Finance Department shall be authorized to charge expenditures of current projects to older capital funds which expenditures meet the legal purpose of those older capital funds in order to close them out.
- h. By this action, Council hereby appropriates any additional income dedicated by City Council action or state law for capital projects that is received during FY 2016. This includes but is not limited to net proceeds from the sale of municipal bonds as approved and authorized by City Council, interest income, capital recovery fees and additional amounts transferred from City operating funds to be used for capital projects.
- i. Funds shall be allocated to individual projects as approved in the FY 2016 Capital Budget when individual contracts are awarded and/or projects are ready for implementation.

Section 5. That the Beginning Fund Balance reflected in the budget for each operating and capital project fund for which a Budget is adopted shall be adjusted to be the amount of the Ending Fund Balance for Fiscal Year 2015 as reflected in the final Comprehensive Annual Financial Report for Fiscal Year 2015 upon publication. The revised Beginning Fund Balance shall thereafter be used to calculate the Fiscal Year 2015 Ending Fund Balance.

Section 6. That the budget for FY 2016 shall be increased for valid outstanding encumbrances at the conclusion of FY 2015. Said increased appropriations shall be equal to the outstanding and valid encumbrances in excess of \$25,000 per purchase and shall be recorded in the appropriate accounts.

Section 7. All ordinances and resolutions, and parts of ordinances and resolutions in conflict herewith, are hereby repealed.

Section 8. A copy of the final approved budget shall be filed with the City Secretary and posted on the website in accordance with Local Government Code Section 102.008.

PASSED first reading the ____ day of _____, 2015.

PASSED second reading the ____ day of _____, 2015.

PASSED AND ADOPTED the _____ day of _____, 2015.

TIMOTHY PAULISSEN,
Mayor

ATTEST:

DIANA M. STAPP,
City Secretary

APPROVED AS TO FORM:

NGHIEM V. DOAN
City Attorney

Ordinance No. 2015-
FY 2015-2016 Proposed Budget
Exhibit A
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August 25, 2015

| Fund | FY 2016 Proposed Budget | Adjusted from workshops | FY 2016 Adopted Budget |
|---------------------------------------|-------------------------------|-------------------------------|------------------------------|
| GENERAL FUND | | | |
| Police | 17,899,290 | - | 17,899,290 |
| Animal Control | 817,603 | - | 817,603 |
| Fire Department | 1,736,481 | - | 1,736,481 |
| Fire Marshal | 504,379 | - | 504,379 |
| Emergency Medical Services | 3,045,779 | - | 3,045,779 |
| Emergency Management | 194,450 | - | 194,450 |
| Public Works Administration | 441,737 | - | 441,737 |
| Engineering/Project Management Office | 1,564,325 | - | 1,564,325 |
| Streets & Stormwater | 5,636,346 | - | 5,636,346 |
| Traffic and Transportation | 642,468 | - | 642,468 |
| Solid Waste | 4,508,300 | - | 4,508,300 |
| Library | 1,972,717 | - | 1,972,717 |
| Park Planning | - | - | - |
| Facilities Maintenance | 1,324,871 | - | 1,324,871 |
| Civic Center Operations | 478,076 | - | 478,076 |
| Parks Operations | 1,968,202 | - | 1,968,202 |
| SportsPlex Operations | - | - | - |
| Parks Recreation | 678,140 | 17,688 | 695,828 |
| SportsPlex Recreation | - | - | - |
| Accounting | 1,977,500 | - | 1,977,500 |
| Budget Office | - | - | - |
| Municipal Court | 673,865 | - | 673,865 |
| Purchasing | 313,128 | - | 313,128 |
| Planning | 1,111,907 | - | 1,111,907 |
| Building | 1,100,901 | - | 1,100,901 |
| Neighborhood Services | 734,002 | - | 734,002 |
| Economic Development | 350,501 | - | 350,501 |
| City Manager | 478,266 | - | 478,266 |
| City Secretary | 354,530 | - | 354,530 |
| City Attorney | 585,920 | - | 585,920 |
| Mayor and Council | 166,920 | 1,500 | 168,420 |
| City Auditor | 170,940 | (56,120) | 114,820 |
| Information Technology | 2,227,006 | - | 2,227,006 |
| Communications Office | 397,987 | - | 397,987 |
| Human Resources | 804,239 | - | 804,239 |
| Civil Service | - | - | - |
| Non-Departmental | 3,504,110 | (272,911) | 3,231,199 |
| Transfer to CIP to cash fund projects | 3,600,000 | (1,670,000) | 1,930,000 |
| Transfers to the Tax Increment | 2,025,219 | (185,219) | 1,840,000 |
| Transfer to Employee Benefit Fund | 414,150 | - | 414,150 |
| General Fund Total | 64,404,255 | (2,165,062) | 62,239,193 |

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FY 2015-2016 Proposed Budget
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| Fund | FY 2016 Proposed Budget | Adjusted from workshops | FY 2016 Adopted Budget |
|--|-------------------------------|-------------------------------|------------------------------|
| UTILITY FUND | | | |
| Utility Billing | 1,362,066 | - | 1,362,066 |
| Water Production | 6,083,154 | - | 6,083,154 |
| Wastewater | 3,908,051 | - | 3,908,051 |
| Line Repair | 3,081,750 | - | 3,081,750 |
| Non-Departmental | 3,870,117 | (65,399) | 3,804,718 |
| Transfer to Debt Service | 12,866,274 | - | 12,866,274 |
| Transfer to CIP to cash fund projects | 2,000,000 | - | 2,000,000 |
| Utility Fund Total | 33,171,412 | (65,399) | 33,106,013 |
| OTHER FUNDS | | | |
| General Debt Service Fund | 10,801,253 | - | 10,801,253 |
| SPECIAL REVENUE FUNDS | | | |
| Police Activity Fund | 208,390 | - | 208,390 |
| Animal Control Donation Fund | 38,700 | - | 38,700 |
| Fire-EMS Donation Fund | 40,000 | - | 40,000 |
| Emergency Mgmt. Response Fund | 180,363 | - | 180,363 |
| 4B Maintenance & Operations Fund | 1,882,580 | (6,220) | 1,876,360 |
| Library Gift Fund | 9,000 | - | 9,000 |
| Municipal Building Security Fund | 11,763 | - | 11,763 |
| Municipal Court Technology Fund | 53,120 | - | 53,120 |
| Technology Fund | - | - | - |
| Public Safety Technology Fund | 110,000 | - | 110,000 |
| Hotel/Motel Tax Fund | 516,000 | - | 516,000 |
| Public Access Channel Fund | 30,000 | - | 30,000 |
| Special Revenue Funds Total | 3,079,916 | (6,220) | 3,073,696 |
| Grand Total Operating Budget | 111,456,836 | (2,236,681) | 109,220,155 |
| UTILITY DEBT SERVICE FUND | | | |
| Utility Debt Service Fund | 12,866,274 | - | 12,866,274 |
| INTERNAL SERVICE FUNDS | | | |
| Fleet Maintenance Fund | 1,453,056 | (6,431) | 1,446,625 |
| Capital Replacement Fund | 537,500 | - | 537,500 |
| Employee Benefit Fund | 7,161,454 | (533,444) | 6,628,010 |
| NOTE: Expenses for the Utility Debt Service Fund and the Internal Service Funds (Fleet Maintenance, Capital Replacement and Employee Benefit Funds) are not included in the Citywide Total above to avoid duplication of the amounts shown as part of the General and Utility Fund budgets that are transfers to these funds for services. | | | |

Ordinance No. 2015-
FY 2016 Proposed Capital Budget
Exhibit B
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| Program | Project | Total Project Cost | FY 2016 Proposed Capital Budget | Phase |
|---------------------------------------|--|----------------------|---------------------------------|------------------------|
| TAX SUPPORTED PROGRAMS | | | | |
| Streets/Traffic | McFarland Road Bridge | \$74,875 | \$5,127 | ROW/fence |
| | Butler/Turner Improvements | \$620,000 | \$319,000 | ROW |
| | FM518 Access Management | \$1,729,804 | \$25,000 | Landscaping repairs |
| | Fiber Network Traffic System West side | \$350,000 | \$84,026 | Equipment/Installation |
| | Hobbs/FM518 Signal Improvements (TxDOT) | \$320,000 | \$320,000 | Equipment/Installation |
| | Calder Rd - Ervin to LC Pkwy (Galveston Co) | \$10,418,630 | \$9,076,255 | ROW/Construction |
| | Five Corners Realignment | \$6,672,752 | \$5,565,400 | ROW/Construction |
| | HGAC/TIP Design Projects | \$1,842,706 | \$829,881 | Final Design |
| | North Landing Extension | \$18,600,000 | \$1,650,000 | ROW |
| | Sidewalk Project | \$2,284,421 | \$200,000 | Sidewalk repairs |
| | Traffic System Improvements | \$5,915,173 | \$350,000 | Signal improvements |
| | TxDOT FM646 Widening - I45 to FM1266 | \$125,000 | \$125,000 | Cash call |
| | Right-of-Way Purchase | \$64,365 | \$25,000 | ROW |
| | Master Mobility Plan | \$90,000 | \$90,000 | update plan |
| | Beaumont Rehab - Texas to Dickinson | \$475,000 | \$475,000 | Design/Construction |
| | SH96 Corridor Traffic Study | \$150,000 | \$150,000 | Study |
| Ervin / Hobbs Connector | \$9,318,241 | \$357,906 | Final Design | |
| | Streets Subtotal | \$59,050,967 | \$19,647,595 | |
| Drainage | Shellside Stormwater Management System | \$4,563,803 | \$4,126,338 | ROW/Construction |
| | Annual Stormwater Improvements | \$15,995,965 | \$1,771,236 | Construction |
| | Genco Canal | \$349,571 | \$300,000 | Construction |
| | Drainage Subtotal | \$20,909,339 | \$6,197,574 | |
| Fire | Fire Facility Needs Assessment | \$60,000 | \$60,000 | Study |
| | Public Safety Annex Station 6 | \$5,141,650 | \$10,000 | ROW |
| | Fire Station 1 & 3 Improvements | \$40,000 | \$40,000 | Construction |
| | Fire Subtotal | \$5,241,650 | \$110,000 | |
| Facilities | Facilities Modernization & Energy Efficiency | \$2,138,595 | \$197,300 | Equipment/Install |
| | Limited Renovation of old PD (500 W Walker) | \$750,000 | \$535,000 | Construction |
| | Land Purchase for City Initiatives | \$2,451,500 | \$1,650,000 | ROW |
| | Buildings and Facilities Subtotal | \$5,340,095 | \$2,382,300 | |
| Parks | Hometown Heros Park & Pool, Phase 3 | \$14,882,240 | \$478,795 | Ph 3 Construction |
| | Sportsplex Entrance | \$670,000 | \$670,000 | Design/Construction |
| | Nature Center Wetland Enhancement | \$147,500 | \$100,000 | Construction |
| | Parks Facilities Renewal | \$1,710,679 | \$262,000 | Construction |
| | TxDOT FM518 Bypass Hike and Bike | \$3,620,032 | \$3,064,561 | Construction |
| | 2012 Hike and Bike, Ph 1 | \$6,721,550 | \$115,000 | Design |
| | TxDOT Bike Trail & Sidewalk | \$1,759,539 | \$1,759,539 | Design/Construction |
| | TxDOT Trail - Palomino Rd to Ross Elementary | \$2,918,817 | \$2,918,817 | Design/Construction |
| | Hometown Heros Park 5K Loop | \$479,050 | \$479,050 | Design/Construction |
| Parks Open Space & Trails Master Plan | \$115,000 | \$115,000 | Study | |
| | Parks Subtotal | \$33,024,407 | \$9,962,762 | |
| Economic Development | Main Street / Downtown Plan | \$4,340,000 | \$2,000,000 | Design/Construction |
| | Westside Economic Development Initiatives | \$10,065,950 | \$875,300 | Design |
| | Economic Development Subtotal | \$14,405,950 | \$2,875,300 | |
| TAX SUPPORTED TOTAL | | \$137,972,408 | \$41,175,531 | |

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FY 2016 Proposed Capital Budget
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| Program | Project | Total Project Cost | FY 2016 Proposed Capital Budget | Phase |
|--------------------------|---|----------------------|---------------------------------|---------------------|
| REVENUE SUPPORTED | | | | |
| Water | 36" Waterline SH3 to SSH Booster Station | \$12,926,989 | \$11,654,428 | ROW/Construction |
| | Annual Water System Improvements | \$1,538,490 | \$677,500 | Design/Construction |
| | 24-inch Waterline Stabilization | \$466,310 | \$6,310 | Study |
| | New Water Lines to the West Side | \$5,672,925 | \$958,950 | Design/ROW |
| | Waterline Upgrades & Replacements | \$12,310,076 | \$2,000,000 | Design/Construction |
| | Waterline (Dickinson BPS to Strawberry) | \$230,000 | \$30,000 | Design |
| | DSWWTP Reclaimed Water Pump Station | \$290,000 | \$264,000 | Design |
| | Water Subtotal | \$33,434,790 | \$15,591,188 | |
| Wastewater | 30" Gravity Sewer on Calder Rd | \$5,513,707 | \$4,136,561 | Design/Construction |
| | Brookport/BLD 12-inch Sewer | \$390,500 | \$390,500 | Construction |
| | Force Main Upgrade Bay Colony LS to Ervin | \$1,461,000 | \$112,900 | Land |
| | Dallas Salmon Effluent Discharge Improvements | \$4,520,000 | \$520,000 | Design |
| | Sanitary Sewer Annual Rehab | \$13,005,201 | \$3,485,000 | Design/Construction |
| | 54" & 42" Gravity Sewer South from SWWRF to FW6 | \$2,101,500 | \$175,125 | Design |
| | Bay Area Blvd 12" Sewer Improvements / FM / LS | \$1,379,740 | \$206,645 | Design |
| | MUD 14-15 Lift Station Improvements | \$95,000 | \$95,000 | Design/Construction |
| | Wastewater Subtotal | \$28,466,648 | \$9,121,731 | |
| | REVENUE SUPPORTED TOTAL | \$61,901,438 | \$24,712,919 | |
| | | | | |
| | FY 2016 CAPITAL BUDGET TOTAL | \$199,873,846 | \$65,888,450 | |

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FY 2016 Proposed Capital Budget
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| PROGRAM TOTALS BY FUNDING SOURCE | |
|---|--|
| FUNDING SOURCES | FY 2016 Proposed Capital Budget |
| TAX SUPPORTED PROGRAMS | |
| Bond Funds | |
| 2008A Cert of Obligation Fund 237 | \$337,179 |
| 2009 Cert of Obligation Fund 238 | \$3,647,451 |
| 2011 Cert of Obligation Fund 239 | \$25,400 |
| 2012A Cert of Obligation Fund 240 | \$302,872 |
| FY 2015 Bond Issue | \$2,717,171 |
| FY 2016 Bond Issue | \$8,671,736 |
| Subtotal Bond Funds | \$15,701,809 |
| Funded through operations | |
| Miscellaneous Capital Project Fund 075 | \$3,253,631 |
| FY 2016 transfer from General Fund | \$1,930,000 |
| Subtotal Operation Funds | \$5,183,631 |
| Grants | |
| State of Texas (TxDOT and Texas Parks & Wildlife) | \$8,079,539 |
| CDBG-DR (Ike Recovery) | \$4,126,338 |
| Subtotal Grant Funds | \$12,205,877 |
| Dedicated Funds | |
| Galveston County Funds | \$3,238,000 |
| Park Facilities & Maint Fees Fund 071 | \$100,000 |
| 4B Corporation Cash Fund 305 | \$3,914,722 |
| Right-of-Way Fund | \$714,792 |
| South Shore Harbour MUD #3 Fund 250 | \$116,700 |
| Subtotal Dedicated Funds | \$8,084,214 |
| TOTAL FY 2016 TAX SUPPORTED FUNDING | \$41,175,531 |
| REVENUE SUPPORTED PROGRAMS | |
| Bond Funds | |
| 2008 Revenue Bonds Fund 122 | \$65,500 |
| 2011A Certificates of Obligation Fund 125 | \$133,400 |
| 2012B Certificates of Obligation Fund 126 | \$1,780,907 |
| FY 2015 Bond Issue | \$12,425,389 |
| FY 2016 Bond Issue | \$4,815,599 |
| Subtotal Bond Funds | \$19,220,795 |
| Funded through operations | |
| Operating Budget | \$6,310 |
| Miscellaneous Capital Project Fund 084 | \$3,063,039 |
| FY 2016 transfer from Utility Fund | \$2,000,000 |
| Subtotal Operation Funds | \$5,069,349 |
| Dedicated Funds | |
| Water Capital Recovery Fees Fund 023 | \$247,650 |
| Wastewater Capital Recovery Fees Fund 024 | \$175,125 |
| Subtotal Dedicated Funds | \$422,775 |
| TOTAL FY 2016 REVENUE SUPPORTED FUNDING | \$24,712,919 |
| FY 2016 PROPOSED CAPITAL BUDGET TOTAL | \$65,888,450 |