

ORDINANCE NO. 2016-

AN ORDINANCE APPROVING AND ADOPTING THE CITY OF LEAGUE CITY, TEXAS, ANNUAL GOVERNMENTAL AND PROPRIETARY FUNDS BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017; 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 2017 CAPITAL BUDGET; AND MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, on July 11, 2016, the City Manager presented to the City Council a proposed budget of the expenditures of the City of League City for the fiscal year 2017 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 23, 2016, 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 2017" 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 2017 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 2017 Capital Budget shall be administered as follows:

- a. The Capital Budget includes specific projects programmed in FY 2017.
- b. Bond sales for FY 2017 will be conducted and proceeds there from will be appropriated in accordance with and in the furtherance of the FY 2017 Capital Budget.
- c. Reports will be provided to City Council quarterly on the status of each project that is a part of the FY 2017 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 2017 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 2017 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 2017. 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.

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 2016 as reflected in the final Comprehensive Annual Financial Report for Fiscal Year 2016 upon publication. The revised Beginning Fund Balance shall thereafter be used to calculate the Fiscal Year 2016 Ending Fund Balance.

Section 6. That the budget for FY 2017 shall be increased for valid outstanding encumbrances at the conclusion of FY 2016. 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 2016.

PASSED second reading the _____ day of _____, 2016.

PASSED AND ADOPTED the _____ day of _____, 2016.

PAT HALLISEY,
Mayor

ATTEST:

DIANA M. STAPP,
City Secretary

APPROVED AS TO FORM:

NGHIEM V. DOAN,
City Attorney

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FY 2016-2017 Proposed Budget
Exhibit A
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August 23, 2016

Fund	FY 2017 Proposed Budget	Adjusted from workshops	FY 2017 Proposed Budget
GENERAL FUND			
City Council	159,770		159,770
City Manager	452,073		452,073
City Secretary	383,303		383,303
City Attorney	584,037		584,037
City Auditor	112,785		112,785
Information Technology	2,624,122		2,624,122
Communications Office	468,545		468,545
Human Resources	899,488		899,488
Economic Development	340,224		340,224
Accounting	2,103,656		2,103,656
Municipal Court	657,204		657,204
Purchasing	347,888		347,888
Police	18,640,402		18,640,402
Animal Control	812,179		812,179
Fire Department	2,491,090		2,491,090
Fire Marshal	673,560		673,560
Emergency Medical Services	3,198,049		3,198,049
Emergency Management	195,637		195,637
Public Works Administration	458,457		458,457
Engineering/Project Management Office	1,802,079		1,802,079
Streets & Traffic	6,390,119		6,390,119
Facilities Maintenance	1,331,772		1,331,772
Solid Waste	4,774,380		4,774,380
Planning	1,118,965		1,118,965
Building	1,104,021		1,104,021
Neighborhood Services	573,677		573,677
Library	1,939,484		1,939,484
Civic Center Operations	499,970		499,970
Parks Operations	1,915,028		1,915,028
Parks Recreation	733,613		733,613
Non-Departmental	3,141,611		3,141,611
Transfers to the Tax Increment	2,016,060		2,016,060
Transfer to CIP to cash fund projects	12,000,000	(1,000,000)	11,000,000
General Fund Total	74,943,248	(1,000,000)	73,943,248

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Fund	FY 2017 Proposed Budget	Adjusted from workshops	FY 2017 Proposed Budget
UTILITY FUND			
Utility Billing	1,383,446		1,383,446
Water Production	6,192,783		6,192,783
Wastewater	4,094,849		4,094,849
Line Repair	3,108,646		3,108,646
Non-Departmental	3,692,184		3,692,184
Transfer to Debt Service	13,302,508		13,302,508
Transfer to CIP to cash fund projects	3,000,000		3,000,000
Utility Fund Total	34,774,416	0	34,774,416
OTHER FUNDS			
General Debt Service Fund	11,283,966		11,283,966
SPECIAL REVENUE FUNDS			
Police Activity Fund	415,000		415,000
Animal Control Donation Fund	30,000		30,000
Fire-EMS Donation Fund	70,614		70,614
Emergency Mgmt. Response Fund	-		-
4B Maintenance & Operations Fund	1,973,830		1,973,830
Library Gift Fund	8,500		8,500
Municipal Building Security Fund	48,401		48,401
Municipal Court Technology Fund	56,270		56,270
Technology Fund	-		-
Public Safety Technology Fund	195,000		195,000
Hotel/Motel Tax Fund	420,404		420,404
Public Access Channel Fund	196,359		196,359
Tree Preservation Fund	25,000		25,000
Special Revenue Funds Total	3,439,378	0	3,439,378
Grand Total Operating Budget	124,441,008	(1,000,000)	123,441,008
UTILITY DEBT SERVICE FUND			
Utility Debt Service Fund	13,124,010		13,124,010
INTERNAL SERVICE FUNDS			
Fleet Maintenance Fund	1,427,140		1,427,140
Capital Replacement Fund	1,964,004		1,964,004
Employee Benefit Fund	6,378,004		6,378,004

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.

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FY 2017 Proposed Capital Budget
Exhibit B
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Program	Project	Total Project Cost	FY 2017 Proposed Capital Budget	Phase
TAX SUPPORTED PROGRAMS				
Reinvestment	Sidewalk Replacements	\$ 3,000,000	\$ 1,000,000	Construction
	Street Reconstruction	52,161,100	2,959,691	Construction
	Traffic Signal Reconstruction	1,980,000	320,000	Year 1
	Annual Stormwater Improvements	17,211,769	2,010,000	Design/Construction
	Asphalt Rd Rehab	13,573,500	2,000,000	Construction
	Facilities Reinvestment	3,510,000	275,000	Construction
	Parks Facilities Renewal	1,865,945	155,266	Year 7
	Limited Renovation of 500/600 W. Walker	750,000	350,543	Phase 2
	Fire Training Room Expansion	225,000	25,000	Design
	Reinvestment Subtotal	\$ 94,277,314	\$ 9,095,500	
Streets/Traffic	Fiber Network Traffic System West side	100,000	84,026	Installation
	Calder Rd - Ervin to LC Pkwy (Galveston Co)	13,017,371	886,581	ROW/Construction
	Five Corners Realignment	8,718,885	2,792,748	ROW/Construction
	Butler/Turner Improvements	3,120,000	311,900	Land
	SS Blvd/SH96 Intersection Improvements	750,000	681,000	Construction
	Traffic System Improvements	6,434,173	320,000	New Signals
	HGAC/TIP Design Projects	1,842,706	808,881	Final Design
	TxDOT FM646 Widening - I45 to FM1266	125,000	125,000	Cash Call
	Right-of-Way Purchase	64,365	25,000	ROW
	SH96 Corridor Traffic Study	150,000	150,000	Study
	Ervin / Hobbs Connector	9,242,720	2,138,400	Design
	Streets Subtotal	\$ 43,565,220	\$ 8,323,536	
Drainage	Shellside Stormwater Management System	5,767,942	924,667	Land
	Nottingham Ditch Improvements	3,010,000	3,010,000	Construction
	Genco Canal	349,571	300,000	Construction
	Drainage Subtotal	\$ 9,127,513	\$ 4,234,667	
Police	New Animal Shelter	7,500,000	650,000	Design
	Police Subtotal	\$ 7,500,000	\$ 650,000	
Fire	Public Safety Annex Station 6	5,131,650	495,650	Design
	Fire Subtotal	\$ 5,131,650	\$ 495,650	
Facilities	Land Purchase for City Initiatives	3,197,225	1,545,725	Land
	Buildings and Facilities Subtotal	\$ 3,197,225	\$ 1,545,725	
Parks	Hometown Heros Park	15,314,737	88,600	Construction
	Sportsplex Entrance	1,172,407	400,000	Construction
	Nature Center Wetland Enhancement	159,450	111,950	Construction
	TxDOT FM518 Bypass Hike and Bike	3,837,705	1,335,791	ROW/Construction
	Hike and Bike Trails Way- Finding Signage	207,350	67,100	
	Heritage Park Sound Wall	42,595	42,595	Design/Construction
	Clairmont Connector Hike and Bike Trail	671,950	96,950	Design
	2012 Hike and Bike, Ph 1	4,358,062	240,000	Design
	Calder Connector	20,000	20,000	Design/Construction
	Parks Subtotal	\$ 25,784,256	\$ 2,402,986	

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Program	Project	Total Project Cost	FY 2017 Proposed Capital Budget	Phase
Economic Development	Westside Economic Development Initiatives	10,065,950	200,000	Design
	Economic Development Subtotal	\$ 10,065,950	\$ 200,000	
Downtown Revitalization	Downtown Revitalization Plan	11,450,273	5,901,300	Construction
	Downtown Revitalization Trails	1,171,206	104,616	Design
	Downtown Revitalization Subtotal	\$ 12,621,479	\$ 6,005,916	
	TAX SUPPORTED TOTAL	\$ 211,270,607	\$ 32,953,980	
REVENUE SUPPORTED				
Water	60" Water Line Replace 42" Line on SH3	\$ 43,800,000	\$ 3,600,000	
	36" WL SH3 to SSH Booster Station	13,563,431	12,281,459	Land/ Construction
	Annual Water System Improvements	2,358,550	1,677,500	Design/Construction
	New Well & Generator at South Shore Elevated	2,250,000	300,000	Design
	24" Waterline Stabilization	466,310	66,442	Design/Land
	New Water Lines to the West Side	5,672,925	958,950	Design/Land
	Waterline Upgrades & Replacement	13,887,718	2,000,000	Design/ Construction
	Waterline (Dickinson BPS to Strawberry)	230,000	30,000	Design
	DSWWTP Reclaimed Water Pump Station	2,900,000	264,000	Design
	Water Master Plan & CRF 5- year Update	175,000	75,000	Master Plan
	Southeast Service Area Trunks	4,237,513	2,708,003	Construction
	North Service Area 16" Waterline along Grissom	742,700	144,700	Design
	State Highway 3 Pump Station	19,701,523	175,000	Land
	Water Subtotal	\$ 109,985,670	\$ 24,281,054	
Wastewater	Force Main Upgrade Bay Colony LS to Ervin	1,659,445	1,398,375	Construction
	Dallas Salmon Effluent Discharge Improvements	4,457,755	4,038,000	Construction
	Sanitary Sewer Annual Rehab	15,074,978	390,000	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
	Annual Lift Station Improvements	725,000	287,500	Design/ Construction
	Wastewater Master Plan Update & CRF	175,000	75,000	Master Plan
	Countryside #1 Lift Station Improvements	287,500	287,500	Design/Construction
	Wastewater Subtotal	\$ 25,955,918	\$ 6,953,145	
	REVENUE SUPPORTED TOTAL	\$ 135,941,588	\$ 31,234,199	
	FY 2017 CAPITAL BUDGET TOTAL	\$ 347,212,195	\$ 64,188,179	

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PROGRAM TOTALS BY FUNDING SOURCE	
FUNDING SOURCES	FY 2017 Proposed Capital Budget
TAX SUPPORTED PROGRAMS	
Bond Funds	
Previously Issued Certifications of Obligation	\$ 5,850,779
FY 2017 Bond Issue	6,128,650
Subtotal Bond Funds	11,979,429
Funded through operations	
Miscellaneous Capital Project Fund 075	373,251
FY 2017 transfer from General Fund	11,000,000
Subtotal Operation Funds	11,373,251
Grants	
State of Texas (TxDOT)	2,687,826
CDBG-DR (Ike Recovery)	924,667
Subtotal Grant Funds	3,612,493
Dedicated Funds	
Park Facilities & Maint Fees Fund 071	1,154,545
4B Corporation Cash Fund 305	1,567,231
CDBG Cash and 108 Loan	2,240,000
Right-of-Way Fund	910,331
South Shore Harbour MUD #3 Fund 250	116,700
Subtotal Dedicated Funds	5,988,807
TOTAL FY 2017 TAX SUPPORTED FUNDING	\$ 32,953,980
REVENUE SUPPORTED PROGRAMS	
Bond Funds	
Previously Issued Certifications of Obligation	13,785,398
FY 2017 Bond Issue	7,326,586
Subtotal Bond Funds	21,111,984
Funded through operations	
Miscellaneous Capital Project Fund 084	2,195,322
FY 2017 transfer from Utility Fund	3,000,000
Subtotal Operation Funds	5,195,322
Dedicated Funds	
Water Capital Recovery Fees Fund 023	4,676,768
Wastewater Capital Recovery Fees Fund 024	250,125
Subtotal Dedicated Funds	4,926,893
TOTAL FY 2017 REVENUE SUPPORTED FUNDING	\$ 31,234,199
FY 2017 PROPOSED CAPITAL BUDGET TOTAL	\$ 64,188,179