

ORDINANCE NO. 2017-

AN ORDINANCE APPROVING AND ADOPTING THE CITY OF LEAGUE CITY, TEXAS, ANNUAL GOVERNMENTAL AND PROPRIETARY FUNDS BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017 AND ENDING SEPTEMBER 30, 2018; 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 2018 CAPITAL BUDGET; AND MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, on July 10, 2017, the City Manager presented to the City Council a proposed budget of the expenditures of the City of League City for the fiscal year 2018 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 8, 2017, 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, B, and C.

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, the capital budget as shown in Exhibit B, and the citywide budget as shown in Exhibit C. 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 2018" 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 2018 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 2018 Capital Budget shall be administered as follows:

- a. The Capital Budget includes specific projects programmed in FY 2018.
- b. Bond sales for FY 2018 will be conducted and proceeds there from will be appropriated in accordance with and in the furtherance of the FY 2018 Capital Budget.
- c. Reports will be provided to City Council quarterly on the status of each project that is a part of the FY 2018 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 2018 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 2018 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 2018. 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 2017 as reflected in the final Comprehensive Annual Financial Report for Fiscal Year 2017 upon publication. The revised Beginning Fund Balance shall thereafter be used to calculate the Fiscal Year 2017 Ending Fund Balance.

Section 6. That the budget for FY 2018 shall be increased for valid outstanding encumbrances at the conclusion of FY 2017. 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 _____, 2017.

PASSED second reading the ____ day of _____, 2017.

PASSED AND ADOPTED the ____ day of _____, 2017.

PAT HALLISEY,
Mayor

ATTEST:

DIANA M. STAPP,
City Secretary

APPROVED AS TO FORM:

NGHIEM V. DOAN,
City Attorney

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FY 2017-2018 Proposed Budget
Exhibit A
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Fund	FY 2018 Proposed Budget	Adjusted from workshops	FY 2018 Proposed Budget
GENERAL FUND			
City Council	160,970	(5,000)	155,970
City Manager	433,710	(2,000)	431,710
City Secretary	392,110	(500)	391,610
City Attorney	598,440	(1,000)	597,440
City Auditor	115,350	(400)	114,950
Communications Office	447,732	(1,000)	446,732
Human Resources	811,300	(3,000)	808,300
Economic Development	348,660	(5,000)	343,660
Information Technology	2,564,736	(15,000)	2,549,736
Facilities Services	1,384,770	(500)	1,384,270
Accounting	2,042,495	(2,000)	2,040,495
Municipal Court	687,160	(1,000)	686,160
Purchasing	358,695	(500)	358,195
Police	18,890,854	81,066	18,971,920
Animal Control	853,234	(500)	852,734
Fire Department	2,503,115	141,703	2,644,818
Fire Marshal	628,348	(4,000)	624,348
Emergency Medical Services	3,287,021	289,936	3,576,957
Emergency Management	196,728	(250)	196,478
Public Works Administration	607,570	(1,000)	606,570
Engineering/Project Management Office	1,900,705	(8,000)	1,892,705
Streets & Traffic	6,429,785	(11,000)	6,418,785
Solid Waste	4,841,460	-	4,841,460
Planning	1,112,637	(3,500)	1,109,137
Building	1,157,246	(3,000)	1,154,246
Neighborhood Services	552,191	(1,000)	551,191
Library	2,021,280	(500)	2,020,780
Civic Center Operations	513,129	-	513,129
Parks Operations	1,934,745	121,197	2,055,942
Parks Recreation	740,836	(200)	740,636
Non-Departmental	3,704,720	78,290	3,783,010
Transfers to the Tax Increment	2,156,508	-	2,156,508
Transfer to CIP to cash fund projects	1,250,000	-	1,250,000
Transfer to CIP reinvestment projects	12,000,000	-	12,000,000
Transfer to Employee Benefit Fund	430,000	-	430,000
General Fund Total	78,058,240	642,342	78,700,582

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Fund	FY 2018 Proposed Budget	Adjusted from workshops	FY 2018 Proposed Budget
UTILITY FUND			
Utility Billing	1,515,730	(500)	1,515,230
Water Production	6,932,804	(500)	6,932,304
Wastewater	3,871,793	(1,000)	3,870,793
Line Repair	3,002,076	(500)	3,001,576
Non-Departmental	610,786	15,101	625,887
Transfer to Debt Service	13,054,797	-	13,054,797
Transfer to CIP to cash fund projects	3,000,000	-	3,000,000
Transfer to General Fund	3,312,000	-	3,312,000
Utility Fund Total	35,299,986	12,601	35,312,587
OTHER FUNDS			
General Debt Service Fund	11,736,558	-	11,736,558
SPECIAL REVENUE FUNDS			
Community Outreach Fund	99,000	-	99,000
Chapter 59 Seizure Fund	50,000	65,776	115,776
Asset Forfeiture Fund	-	-	-
Animal Control Donation Fund	45,000	-	45,000
Fire/EMS Donation Fund	70,614	-	70,614
Library Gift Fund	6,100	-	6,100
4B Maintenance & Operations/Debt Fund	2,079,092	40,527	2,119,619
Municipal Court Building Security Fund	48,308	42	48,350
Municipal Court Technology Fund	40,000	-	40,000
Technology Fund	-	-	-
Public Safety Technology Fund	194,999	-	194,999
Hotel/Motel Tax Fund	535,029	212	535,241
Public Access Channel Fund	27,301	-	27,301
Tree Preservation Fund	24,000	-	24,000
Special Revenue Funds Total	3,219,443	106,557	3,326,000
Grand Total Operating Budget	128,314,227	761,500	129,075,727
UTILITY DEBT SERVICE FUND			
Utility Debt Service Fund	13,466,239	-	13,466,239
INTERNAL SERVICE FUNDS			
Fleet Maintenance Fund	1,460,655	1,355	1,462,010
Capital Replacement Fund	2,577,700	-	2,577,700
Employee Benefit Fund	7,199,443	96,228	7,295,671

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 2018 Proposed Capital Budget
Exhibit B
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Program	Project	Total Project Cost	FY 2018 Proposed Capital Budget	Phase
TAX SUPPORTED PROGRAMS				
Reinvestment	Sidewalk Replacements	\$ 3,500,000	\$ 500,000	Construction
	Street Reconstruction	42,594,691	8,565,000	Design/Construction
	Traffic Signal Reconstruction	2,330,000	930,000	Update Signals
	Annual Stormwater Improvements	11,821,769	2,620,000	Design/Construction
	Asphalt Rd Rehab	12,309,823	1,867,000	Design/Construction
	Facilities Reinvestment	1,250,000	200,000	Construction
	Parks Facilities Renewal	1,135,000	335,000	Construction
	Reinvestment Subtotal	\$ 74,941,283	\$ 15,017,000	
Streets/Traffic	Fiber Network Traffic System West side	100,000	37,343	Installation
	McFarland Rd Bridge	74,875	5,127	Land
	Traffic System Improvements FY18-22	3,761,000	1,660,000	New Signals
	Ervin Connector	5,834,270	3,920,550	Construction
	North Landing Extension	48,665,266	800,000	Design/Land
	Walker Street Corridor Upgrades	2,500,000	1,250,000	Design/Construction
	Right-of- Way Purchase	45,000	45,000	ROW
	FM270 Widening (FM518 to FM646)	22,594,000	100,000	Design
	Streets Subtotal	\$ 83,574,411	\$ 7,818,020	
Drainage	Nottingham Ditch Improvements	3,010,000	2,928,819	Construction
	Genco Canal	166,271	116,700	Construction
	Drainage Subtotal	\$ 3,176,271	\$ 3,045,519	
Police	New Animal Shelter	7,537,167	6,850,000	Construction
	Police Subtotal	\$ 7,537,167	\$ 6,850,000	
Fire	Public Safety Annex Station 6	5,675,550	5,175,500	Construction
	Fire Subtotal	\$ 5,675,550	\$ 5,175,500	
Facilities	Land Purchase for City Initiatives	2,518,059	850,000	Land
	Municipal Court Facilities Needs Assessment	4,525,000	25,000	Study
	Buildings and Facilities Subtotal	\$ 7,043,059	\$ 875,000	
Parks	Dog Park	185,000	35,000	Construction
	Tuscan Lakes Trail	25,000	25,000	Construction
	TxDOT FM518 Bypass Hike and Bike	5,173,330	140,000	ROW/Construction
	Hike and Bike trails Way- Finding Signage	299,000	59,800	ROW/Construction
	Clairmont Connectore Hike and Bike Trail	690,000	575,000	Construction
	2012 Hike and Bike, Ph 1	6,351,229	670,970	Design
	Bay Colony Community Trail	75,000	75,000	Construction
	Hometown Heroes Park 5K Loop	1,493,300	93,300	Design
	FM270 Public Boat Ramp Renovation	663,000	163,000	Design
	Parks Subtotal	\$ 14,954,859	\$ 1,837,070	

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Program	Project	Total Project Cost	FY 2018 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	12,014,298	3,355,891	Construction
	Downtown Revitalization Trails	1,171,206	104,616	Design
	Downtown Revitalization Subtotal	\$ 13,185,504	\$ 3,460,507	
	TAX SUPPORTED TOTAL	\$ 220,154,054	\$ 44,278,616	
REVENUE SUPPORTED				
Water	60" Water Line Replace 42" Line on SH3	\$ 52,800,000	\$ 4,600,000	Design/ Land
	36" WL SH3 to SSH Booster Station	13,484,816	11,811,870	Land/ Construction
	Southeast Service Area Trunks	4,266,821	2,719,778	Land/ Construction
	Waterline Upgrades & Replacement	15,741,197	2,000,000	Design/Construction
	SS Lake Apts/ FM518 WL Extension	115,000	115,000	Design/Construction
	Annual Water System Improvements	2,038,505	197,500	Design/Construction
	West Side Well, GST, Generator and BPS	3,960,000	3,700,126	Design/ Construction
	24-inch Waterline Stabilization	452,710	50,000	Land
	New Water Lines to the West Side	5,672,925	448,950	Design/Land
	New Water Supply Strategies	19,630,000	264,000	Design
	SEWPP Treatment Improvements	6,545,000	1,760,000	Design/Construction
	Water Subtotal	\$ 124,706,974	\$ 27,667,224	
Wastewater	Sanitary Sewer Annual Rehab 2018-2022	8,930,000	1,675,000	Design/Construction
	Force Main Upgrade from Bay Colony LS to Ervin St	2,456,901	780,000	Design/Construction
	Westside 54" & 42" Gravity Sewer Interceptors, Ph 1	2,101,500	175,125	Design
	SWWRF Blower Intake Improvements	260,000	260,000	Design/Construction
	Annual Lift Station Improvements	2,950,350	747,500	Design/Construction
	DSWWTP 185 Hp Pump Replacement	250,000	125,000	Equipment
	Wastewater Subtotal	\$ 16,948,751	\$ 3,762,625	
	REVENUE SUPPORTED TOTAL	\$ 141,655,725	\$ 31,429,849	
	FY 2018 CAPITAL BUDGET TOTAL	\$ 361,809,779	\$ 75,708,465	

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PROGRAM TOTALS BY FUNDING SOURCE	
FUNDING SOURCES	FY 2018 Proposed Capital Budget
TAX SUPPORTED PROGRAMS	
Bond Funds	
Previously Issued Certifications of Obligation	\$ 6,424,359
FY 2018 Bond Issue	13,984,510
Subtotal Bond Funds	20,408,869
Funded through operations	
Miscellaneous Capital Project Fund 5015	3,235,815
Reinvestment Cash	14,717,000
TIRZ 2 Fund	1,250,000
HOT Cash	905,316
Subtotal Operation Funds	20,108,131
Grants	
State of Texas (TxDOT)	60,000
Texas Parks and Wildlife Department	122,250
Subtotal Grant Funds	182,250
Dedicated Funds	
Park Facilities & Maint Fees Fund 5020	1,024,250
4B Corporation Cash Fund 3010	1,683,686
CDBG Cash and 108 Loan	709,730
Right-of-Way Fund	45,000
South Shore Harbour MUD #3 Fund 2510	116,700
Subtotal Dedicated Funds	3,579,366
TOTAL FY 2018 TAX SUPPORTED FUNDING	\$ 44,278,616
REVENUE SUPPORTED PROGRAMS	
Bond Funds	
Previously Issued Certifications of Obligation	14,659,838
FY 2018 Bond Issue	4,378,800
Subtotal Bond Funds	19,038,638
Funded through operations	
Miscellaneous Capital Project Fund 1055	2,454,300
FY 2018 transfer from Utility Fund	3,000,000
Subtotal Operation Funds	5,454,300
Dedicated Funds	
Water Capital Recovery Fees Fund 1040	6,761,786
Wastewater Capital Recovery Fees Fund 1045	175,125
Subtotal Dedicated Funds	6,936,911
TOTAL FY 2018 REVENUE SUPPORTED FUNDING	\$ 31,429,849
FY 2018 Proposed CAPITAL BUDGET TOTAL	\$ 75,708,465

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Exhibit C
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	FY 2018 Proposed Budget	Adjusted from workshops	FY 2018 Proposed Budget
Exhibit A Operating Budget	\$ 128,314,227	\$ 761,500	\$ 129,075,727
Exhibit B Capital Budget	76,259,796	(551,331)	75,708,465
	<u>\$ 204,574,023</u>	<u>\$ 210,169</u>	<u>\$ 204,784,192</u>