



City of League City, TX

300 West Walker
League City TX 77573

Text File

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Title

Consider and take action on an ordinance amending the City of League City, Texas, Governmental, Proprietary, and Capital Funds Budget for Fiscal Year 2018 by amending Ordinance No. 2017-21, Ordinance No. 2017-31 and Ordinance No. 2018-07 to adjust the operating and capital budget for actual and projected expenditures (Director of Budget & Project Management)

Staff requests first and final reading.

..Background:

Approval of this ordinance with amend the City of League City, Texas, Governmental, Proprietary, and Capital Funds Budget for Fiscal Year 2018 by amending Ordinance No. 2017-21, Ordinance No. 2017-31 and Ordinance No. 2018-07 to adjust the operating and capital budget for actual and projected expenditures The proposed ordinance requests adjustments to the General Fund with a net increase \$1,143,240, an increase to Technology Fund of \$83,324 and an increase in Capital Replacement Fund of \$1,359,095.

If approved, the proposed ordinance would amend the City's FY2018 budget to incorporate proposed adjustments for:

- Merit Increases: \$437,445 budgeted in non-departmental and then reallocated to each department based on actual merit increases.
- Compensation Study: \$284,745 budgeted in non-departmental then reallocated to each department based on increases.
- Personnel Related Items:
 - o \$83,898 is requested to be reallocated from the Parks Operations department to Project Management Office for the Grant Administrator/Project Manager position adopted in FY2018.
- Solid Waste: \$1,136,000 increase to the Solid Waste department for the purchase of a 5-year contract with AmeriWaste League City, Inc. to provide solid waste collection. Council approved this item on January 9, 2018 (Item 9H).
- Planning: Planning received \$50,000 in FY2017 to help with expenses related to residential housing repairs and improvements to qualified grant candidates. These expenses were funded with a Southeast Texas Housing Rehabilitation Grant. The remaining balance of \$7,240 will be spent in FY2018.
- Capital Replacement Fund: increase of \$572,815 to purchase twenty (20) replacement vehicles, of which eighteen (18) were damaged in Hurricane Harvey and two (2) suffered engine failure. Council approved this item on March 27, 2018 (Item 9A). This will be offset by the revenue of the insurance proceeds which were deposited into the Capital Replacement Fund.
- Rollover Purchase Orders: increase is due to purchases made in FY2017 for which goods and services were not received as of September 30, 2017. The increase is in accordance with the

FY2018 Adopted Budget ordinance 2017-21, section 6, "That the budget for FY2018 shall be increased for valid outstanding encumbrances at the conclusion of FY2017. 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." Department budgets were increased as follows:

- o Capital Replacement Fund (\$786,280): purchases for Tower 3 - Spartan 4-door full-tilt aluminum cab, aluminum bod, tandem axle, 100' 500# steel rear mounted telescoping ladder/platform (\$420,521) and a pumper truck for the fire department (\$365,759).
- o Special Revenue Fund - Technology Fund (\$83,324): increase due to one-time purchase of Tyler software and or expenses related to the purchase, implementation and training on the Tyler MUNIS system.

Approval of this ordinance would amend the City's FY2018 capital budget as shown on Exhibit B:

- o Addition of a new project named the Nature Center Pond Bank Erosion (\$200,000) as approved by Council (2/27/18 Item 10C).
- o \$43,318 for the Advance Funding Agreement with the Texas Department of Transportation for the replacement of the bridge on McFarland Road. This project was approved by Council on November 14, 2017 (Item 9K).

General Fund

The requested adjustment to the General Fund is an increase of \$1,799,937; decrease of \$656,697 resulting in a net increase \$1,143,240. The net increase of \$1,143,240 is due to the \$1,136,000 contract with AmeriWaste League City, Inc. and \$7,240 for the FY 2017 remaining balance of the SETH grant. Revenues for both items will increase by the same amount. The total fund appropriation amended budget of \$75,081,794 increases by \$1,142,240 to \$76,225,034.

Utility Fund

The requested adjustment to the Utility Fund is an increase of \$149,391 with the entire amount being offset by allocation from UF Non-Departmental. This results in a net adjustment of zero; no increase to the total Utility Fund appropriation.

Special Revenue Fund - Technology Fund

The requested adjustment affects the Technology Fund for a total increase of \$83,324. This results in the total Technology Fund appropriation increasing from the amended budget of zero (\$0) to \$83,324.

Capital Replacement Fund

The requested adjustment to the Capital Replacement Fund in the amount of \$1,359,095 results in a total fund appropriation increase from the amended budget of \$2,792,950 to \$4,152,045.

In addition to the data sheet this packet includes:

- Budget Ordinance and Exhibit A, B & C - Exhibit A details how these adjustments affect the approved budgets by fund and department; Exhibit B details the Capital Budget; and Exhibit C details the citywide summary

Attachments:

1. Data Sheet
2. Proposed Ordinance with Exhibits

Funding

(X) Funds are available from General Fund, Technology Fund, and Capital Replacement Fund - see narrative and attachments

