

ORDINANCE NO. 2020-24

AN ORDINANCE APPROVING AND ADOPTING THE CITY OF LEAGUE CITY, TEXAS, ANNUAL GOVERNMENTAL AND PROPRIETARY FUNDS BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; 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 2021 CAPITAL BUDGET; AND MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, on July 14, 2020, the City Manager presented to the City Council a proposed budget of the expenditures of the City of League City for the fiscal year 2021 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 September 1, 2020, 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, all of which are attached and incorporated herein. 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 2021" 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 FY2021 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 FY2021 Capital Budget shall be administered as follows:

- a. The Capital Budget includes specific projects programmed in FY2021.
- b. Bond sales for FY2021 will be conducted and proceeds there from will be appropriated in accordance with and in the furtherance of the FY2021 Capital Budget.
- c. Reports will be provided to City Council quarterly on the status of each project that is a part of the FY2021 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 FY2021 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 FY2021 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 FY2021. 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 2020 as reflected in the final Comprehensive Annual Financial Report for Fiscal Year 2020 upon publication. The revised Beginning Fund Balance shall thereafter be used to calculate the Fiscal Year 2020 Ending Fund Balance.

Section 6. That the budget for FY2021 shall be increased for valid outstanding encumbrances at the conclusion of FY2020. 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.

Section 9. It is hereby found and determined that the meeting at which this ordinance was passed was open to the public and that advance public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED first reading the ____ day of _____, 2020.

PASSED second reading the ____ day of _____, 2020.

PASSED AND ADOPTED the _____ day of _____, 2020.

PAT HALLISEY,
Mayor

ATTEST:

DIANA M. STAPP,
City Secretary

APPROVED AS TO FORM:

NGHIEM V. DOAN,
City Attorney

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FY2021 Proposed Budget
Exhibit A
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Fund	FY2021 Proposed Budget	Adjusted from workshops	FY2021 2nd Reading
GENERAL FUND			
City Council	149,970	(10,500)	139,470
City Manager	735,614		735,614
City Secretary	512,490		512,490
City Attorney	596,334		596,334
City Auditor	146,905		146,905
Communications Office	752,030		752,030
Human Resources	894,288		894,288
Economic Development	402,415		402,415
Information Technology	3,011,766		3,011,766
Facilities Services	1,670,639		1,670,639
Budget & Financial Planning	450,823		450,823
Project Management	1,605,985	199,000	1,804,985
Accounting	1,883,429		1,883,429
Municipal Court	832,033		832,033
Purchasing	441,870		441,870
Police	21,481,828	180,956	21,662,784
Animal Control	1,041,721		1,041,721
Fire Department	3,080,048	126,004	3,206,052
Fire Marshal	864,480		864,480
Emergency Medical Services	4,121,084	116,129	4,237,213
Emergency Management	237,187		237,187
Public Works Administration	515,328		515,328
Engineering	1,627,836		1,627,836
Streets & Traffic	7,533,058	332,121	7,865,179
Solid Waste	6,732,249		6,732,249
Planning	1,250,797		1,250,797
Building	1,243,301		1,243,301
Neighborhood Services	540,655		540,655
Library	2,336,408		2,336,408
Civic Center Operations	762,865		762,865
Parks Operations	2,342,073		2,342,073
Parks Recreation	994,053		994,053
Non-Departmental	3,277,608	(359,020)	2,918,588
Transfers to the Tax Increment	2,238,162	(56,819)	2,181,343
Transfer to CIP to Cash Fund Projects	767,663	565,996	1,333,659
Transfer to Reinvestment Fund	7,125,000		7,125,000
Transfer to Employee Benefit Fund	-		-
Transfer to Technology Fund	200,000	150,000	350,000
General Fund Total	84,399,994	1,243,867	85,643,861

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Fund	FY2021 Proposed Budget	Adjusted from workshops	FY2021 2nd Reading
UTILITY FUND			
Utility Billing	2,005,255		2,005,255
Water Production	7,437,120		7,437,120
Wastewater	4,477,441		4,477,441
Line Repair	3,302,006		3,302,006
Non-Departmental	687,369	(57,600)	629,769
Transfer to Debt Service	12,752,669		12,752,669
Transfer to CIP	5,200,000		5,200,000
Transfer to General Fund	4,248,033		4,248,033
Utility Fund Total	40,109,893	(57,600)	40,052,293
OTHER FUNDS			
General Debt Service Fund	14,982,106	(451,207)	14,530,899
SPECIAL REVENUE FUNDS			
Chapter 59 Seizure Fund	24,000		24,000
Asset Forfeiture Fund	94,972		94,972
Animal Control Donation Fund	52,300		52,300
Fire/EMS Donation Fund	30,614		30,614
Library Gift Fund	5,000		5,000
4B Maintenance & Operations/Debt Fund	2,368,731		2,368,731
Municipal Court Building Security Fund	41,472		41,472
Municipal Court Technology Fund	29,705		29,705
Technology Fund	200,000	150,000	350,000
Public Safety Technology Fund	325,000		325,000
Hotel/Motel Tax Fund	711,247		711,247
Public Access Channel Fund	53,200		53,200
Tree Preservation Fund	40,000		40,000
Hurricane Harvey Fund	732,337		732,337
Disaster Preparedness Donation Fund	50,616		50,616
Special Revenue Funds Total	4,759,194	150,000	4,909,194
Grand Total Operating Budget	144,251,187	885,060	145,136,247
UTILITY DEBT SERVICE FUND			
Utility Debt Service Fund	13,793,619		13,793,619
INTERNAL SERVICE FUNDS			
Fleet Maintenance Fund	1,645,295		1,645,295
Capital Replacement Fund	1,251,000		1,251,000
Employee Benefit Fund	9,226,003	(237,946)	8,988,057

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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FY2021 Proposed Capital Budget
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Program	Project	Total Project Cost	FY2021 Proposed Capital Budget	Workshop Changes	FY2021 Proposed Capital Budget	Phase
TAX SUPPORTED PROGRAMS						
Reinvestment	500 W Walker Building Repairs/Improvements	\$ 650,000	\$ 150,000		\$ 150,000	Construction
	Sidewalk Replacement Project	6,919,616	750,000		750,000	Construction
	Street Reconstruction	44,015,396	10,275,000		10,275,000	Design/Construction
	Asphalt Street Rehab	21,940,949	3,578,992		3,578,992	Construction
	Facilities Reinvestment	2,946,702	400,000		400,000	Construction
	Parks Facilities Renewal	2,006,098	400,000		400,000	Construction
	Landscape TxDOT Medians	4,450,000	450,000		450,000	Construction
	Traffic Signal Reconstruction	2,390,000	640,000		640,000	Construction
	Reinvestment Subtotal	85,318,761	16,643,992	-	16,643,992	
Streets/Traffic	North Landing Extension	\$ 65,549,741	\$ 6,889,567		\$ 6,889,567	Design/Land
	Walker Street Corridor Upgrades	6,454,620	3,000,000		3,000,000	Construction
	LCP & Walker Street Intersection Improvements	1,170,550	1,917,152		1,917,152	Land
	SH3 and SH96 Intersection Improvements	898,275	1,250,000		1,250,000	Construction
	LCP Right Turn Lane - Calder to Butler	1,725,000	1,485,000		1,485,000	Construction
	SH3 and FM518 Intersection Improvements	960,120	321,000		321,000	Construction
	Traffic System Improvements	5,938,506	2,520,000		2,520,000	Construction/FFE
	Transportation CIP Scheduling Program	235,000	125,000		125,000	Study
	Transportation Corridor Analysis & Evaluation Program	355,250	66,275		66,275	Study
	Extension of Hobbs to FM517	-	-	565,996	565,996	Design/Land
	Streets/Traffic Subtotal	83,287,062	17,573,994	565,996	18,139,990	
Drainage	Deer Ridge Dr Buy-out & Overland Flow Improvements	\$ 2,049,976	\$ 1,018,000		\$ 1,018,000	Construction
	Dove Meadows & Borden's Gully Detention Pond	5,302,133	3,716,280		3,716,280	Construction
	Bayridge Flood Reduction Phase 3	4,122,500	3,862,000		3,862,000	Construction
	City-wide 2D Model of Drainage Systems	1,040,000	120,000		120,000	FFE
	Countryside Subdivision Drainage Improvements	416,104	213,176		213,176	Construction
	Rustic Oaks Subdivision Drainage Improvements	359,289	170,000		170,000	Construction
	Bayridge Subdivision Drainage Improvements Phase 1	1,847,125	1,578,000		1,578,000	Design/Construction
	Bayridge Subdivision Drainage Improvements Phase 2	4,165,002	3,795,002		3,795,002	Construction
	Bayridge Flood Reduction Phase 4	2,894,348	250,000		250,000	Land
	Newport & Ellis Landing Subdiv. Drainage Improvements	510,000	135,000		135,000	Land
	Landing Subdivision Drainage Improvements	470,000	115,600		115,600	Land
	FM 518 & Wesley Drive Drainage Improvements	3,195,220	264,200		264,200	Land
	Magnolia Creek & Cedar Gully Channel Improvements	7,500,000	305,800		305,800	Design
	Magnolia Bayou Diversion Canal to Dickinson Bayou	15,500,000	3,000,000		3,000,000	Design
	Southeast Jarbo Bayou Drainage Study	105,000	105,000		105,000	Study
	Leisure Lane/Pecan Orchard Area Drainage Study	105,000	105,000		105,000	Study
	Hughes Ln-W. Deats Rd. Culvert Modifications	3,675,910	700,000		700,000	Design
	Oaks of Clear Creek Sub. Drainage Improvements Phase 1	3,285,500	2,488,000		2,488,000	Design/Construction
	Oaks of Clear Creek Sub. Drainage Improvements Phase 2	3,153,750	325,000		325,000	Design
	Drainage Subtotal	59,696,857	22,266,058	-	22,266,058	
Police	Animal Shelter - Phase 2 Parking Lot and Soundwall	\$ 15,544,409	\$ 150,000	\$ (150,000)	\$ -	Design
	Facilities Subtotal	15,544,409	150,000	(150,000)	-	
Fire	Fire Station #5 Dormitory and Bay Expansion	\$ 2,000,000	\$ 400,000		\$ 400,000	Design
	Facilities Subtotal	2,000,000	400,000	-	400,000	
Parks	Hometown Heroes Park 5K Loop	\$ 1,735,572	\$ 1,597,100		\$ 1,597,100	Construction
	East Side Dog Park	205,014	177,500		177,500	Construction
	FM270 Public Boat Ramp Renovation	857,645	666,667		666,667	Construction
	Nature Center Pond Bank Erosion	740,803	666,667		666,667	Construction
	Bayridge Park Redevelopment	303,016	250,000		250,000	Construction
	CC Nature Center Prairie Restoration	130,129	13,850		13,850	Construction
	Lynn Gripon Park Mountain Bike Course	132,310	85,000		85,000	Construction
	Gilmore Elementary - Claremont TPWD Trail Grant	673,665	98,500		98,500	Design
	Hike and Bike Trails Way- Finding Signage	299,000	52,000		52,000	Construction
	Bayridge & Hometown Heroes TPWD Outdoor Grant	978,000	95,000		95,000	Design
	Parks Subtotal	6,055,154	3,702,284	-	3,702,284	

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Downtown	Downtown Revitalization Plan	\$ 11,323,102	\$ 2,799,616		\$ 2,799,616	Land/Construction
	Downtown Subtotal	11,323,102	2,799,616	-	2,799,616	
	TAX SUPPORTED TOTAL	\$ 263,225,345	\$ 63,535,944	\$ 415,996	\$ 63,951,940	
REVENUE SUPPORTED						
Water	36" WL SH3 to SSH Booster Station	\$ 21,699,587	\$ 19,910,000		\$ 19,910,000	Design/Construction
	North Service Area 12" Waterline along Grissom	959,995	880,000		880,000	Construction
	Dickinson Ave GST & Generator	1,327,995	1,153,845		1,153,845	Construction
	Annual Water System Improvements	3,221,436	270,000	200,000	470,000	Design/Construction
	SEWPP Treatment Improvements	16,901,642	2,720,000		2,720,000	Design/Construction
	Waterline Upgrades & Replacement (Renewal)	17,166,407	2,250,000		2,250,000	Design/Construction
	Water Subtotal	61,277,062	27,183,845	200,000	27,383,845	-
Wastewater	Sanitary Sewer Annual Rehab	\$ 19,385,446	\$ 2,370,000		\$ 2,370,000	Design/Construction
	Annual Lift Station Improvements	5,115,500	900,000		900,000	Design/Construction
	Annual Odor Control Improvements	1,095,000	400,000		400,000	Construction
	DSWWTP SCADA Upgrade	1,150,000	150,000		150,000	Design
	15" Willow Branch & 18" FM-518 Gravity Line Replacement	1,391,300	181,500		181,500	Design
	Dallas Salmon WWTP Admin, Lab & Ops Building	6,500,000	500,000		500,000	Design
	Dallas Salmon WWTP Improvements	1,092,500	90,000	85,000	175,000	Design
	Wastewater Subtotal	35,729,746	4,591,500	85,000	4,676,500	-
	REVENUE SUPPORTED TOTAL	\$ 97,006,808	\$ 31,775,345	\$ 285,000	\$ 32,060,345	
FY2021 CAPITAL BUDGET TOTAL		\$ 360,232,153	\$ 95,311,289	\$ 700,996	\$ 96,012,285	

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FUNDING SOURCES	FY2021 Proposed Capital Budget	Workshop Changes	FY2021 Proposed Capital Budget
TAX SUPPORTED PROGRAMS			
Bond Funds			
Previously Issued Certifications of Obligation	\$ 2,278,007	\$ (150,000)	\$ 2,128,007.00
FY2020 GO Bond Issue	42,037,618		42,037,618
Subtotal Bond Funds	44,315,625	(150,000)	44,165,625
Funded through operations			
Miscellaneous Capital Project Fund 5015	(137,642)		(137,642)
Annual Misc Capital Projects Cash Transfer 5015	1,500,000		1,500,000
Reinvestment Cash Fund 5017	649,518		649,518
Annual Reinvestment Cash Transfer 5017	7,125,000	565,996	7,690,996
TIRZ 2 Fund	3,000,000		3,000,000
Subtotal Operation Funds	12,136,876	565,996	12,702,872
Grants			
Potential Grant Funding	500,000		500,000
Galveston County Funds	2,204,691		2,204,691
Subtotal Grant Funds	2,704,691	-	2,704,691
Dedicated Funds			
Park Facilities & Maint Fees Fund 5020	1,369,684		1,369,684
4B Corporation Cash Fund 3010	1,832,600		1,832,600
CDBG Cash	524,900		524,900
Right-of-Way Fund	651,568		651,568
Subtotal Dedicated Funds	4,378,752	-	4,378,752
TOTAL FY2021 TAX SUPPORTED FUNDING	\$ 63,535,944	\$ 415,996	\$ 63,951,940
REVENUE SUPPORTED PROGRAMS			
Bond Funds			
Previously Issued Certifications of Obligation	3,099,818	200,000	3,299,818
FY2020 Bond Issue	11,315,446		11,315,446
Subtotal Bond Funds	14,415,264	200,000	14,615,264
Funded through operations			
Existing Capital Project Fund	5,743,845		5,743,845
Annual Transfer Capital Project Fund	5,200,000		5,200,000
Subtotal Operation Funds	10,943,845	-	10,943,845
Dedicated Funds			
Water Capital Recovery Fees Fund 1040	6,144,736		6,144,736
Wastewater Capital Recovery Fees Fund 1045	271,500	85,000	356,500
Subtotal Dedicated Funds	6,416,236	85,000	6,501,236
Grants			
Potential Developer Contribution	-		-
Subtotal Grant Funds	-	-	-
TOTAL FY2021 REVENUE SUPPORTED FUNDING	\$ 31,775,345	\$ 285,000	\$ 32,060,345
FY2021 CAPITAL BUDGET TOTAL	\$ 95,311,289	\$ 700,996	\$ 96,012,285

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FY2021 Proposed Budget
Exhibit C
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	FY2021 Proposed Budget	Adjusted from workshops	FY2021 2nd Reading
Exhibit A Operating Budget	\$ 144,251,187	\$ 885,060	\$ 145,136,247
Exhibit B Capital Budget	95,311,289	700,996	96,012,285
	<u>\$ 239,562,476</u>	<u>\$ 1,586,056</u>	<u>\$ 241,148,532</u>