



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 2021 by amending Ordinance No. 2020-24 and Ordinance No. 2021-10 to adjust the operating and capital budget for actual and projected expenditures (Director of Budget & Project Management)
Staff requests approval on first and final reading.

..Background:

The proposed ordinance requests a net increase of \$642,062 to the General Fund, net increase of \$5,756,663 to the Utility Fund, net increase of \$62,053 to the Public Access Channel Fund, \$300 decrease to the Disaster Preparedness Donation Fund and an increase of \$500,000 to the Winterstorm URI Fund.

If approved, the proposed ordinance would amend the City's FY2021 budget to incorporate proposed adjustments for:

General Fund

Transfer to Winter Storm URI (\$350,000): \$350,000 will be transferred from General Fund to Winter Storm URI to establish initial cash flow for 75% reimbursed expenses and the City's 25% match. Reimbursement is for funds spent preparing for, responding to, and recovering from the February 2021 winter storm. City Council approved this item on March 9, 2021, agenda item 9C.

Non-Departmental (\$21,689): City Council approved the authorization to purchase windstorm and hail insurance for the city's property on March 23, 2021, agenda item 11A, which consisted of an increase in increase in 2020. The increase will be offset by savings anticipated in Park Recreation.

Facilities Services (\$168,960): Facilities Services received insurance reimbursements from Texas Municipal League (TML) Intergovernmental Risk Pool to cover generator damage (\$100,000) and water damage (\$36,330) due to the water leak at the Blue Building. Another \$32,630 was reimbursed by TML to cover repairs due to damages. Facilities paid for the replacements out of their Equipment Repair & Maintenance account and is requesting an increase to their FY2021 operating budget. The increase will be offset by the reimbursement checks that were deposited to account 0100-44530 Insurance Reimbursement.

Budget Office (\$10,000): Increase of \$10,000 to pay Eight 20 Consulting LLC for ZacTax, which is an analytics revenue platform specifically designed to help local governments recognize trends by business category and improve year end projections of Sales Tax. This increase will be offset by salary savings in

Streets & Traffic.

Project Management (\$30,000): Increase of \$30,000 to cover cost associated with the recruitment and hiring process of the Assistant Director of Project Management. There is an additional \$8K for computer equipment and office furniture. This increase will be offset by salary savings in Streets & Traffic.

Big League Dreams (\$80,147):

- City Council approved the authorization to purchase windstorm and hail insurance for the city's property on March 23, 2021, agenda item 11A, which consisted of an increase in premium over 2020. An increase of \$17,527 is to cover windstorm insurance for Big League Dreams and will be offset by projected savings in Civic Center Operations.
- \$62,620 increase to be used for interim maintenance of Big League Dreams such as mowing, electricity and water. On January 12, 2021, City Council voted to terminate its agreement with Big League Dreams. Funding to maintain the facility temporarily will be offset by salary savings in Civic Center Operations and Streets & Traffic.

Planning (\$110,000): \$110,000 increase to cover oil transport inspections which is reimbursed at 100% by the developer. Current budget for oil transport inspections is \$40,000 in FY2021. The increase of \$110,000 will be reimbursed at 100% and will be offset by revenue account 0100-44540 Reimbursements.

City Manager (\$7,000): \$7,000 increase to pay expenses related to temporary work performed at the front desk of City Hall. Due to COVID, a temp work was needed to answer phone and assist residents as they enter City Hall. This increase will be offset by salary savings in Streets & Traffic.

FY2020 ROLLOVERS:

Increase is due to purchases made in FY2020 for which goods and services were not received as of September 30, 2020. The increase is in accordance with the FY2021 Adopted Budget ordinance 2020-24, 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."

General Fund

Total FY2020 Rollover amount for Engineering:

Engineering (\$13,104): \$13,104 for the remaining balance for the 4-year contract with Ardurra Group for grant administration services related to the Hurricane Harvey CDBG-DR Program. This will come from fund balance.

Utility Fund

Non-Departmental (\$206,663): City Council approved the authorization to purchase windstorm and hail insurance for the city's property on March 23, 2021, agenda item 11A, which consisted of an increase in premium over 2020. An increase of \$206,663 is to cover the increase in windstorm insurance

and will come from fund balance.

Transfers (\$150,000): \$150,000 will be transferred from General Fund to Winter Storm URI to establish initial cash flow for 75% reimbursed expenses and the City's 25% match. Reimbursement is for funds spent preparing for, responding to, and recovering from the February 2021 winter storm. City Council approved this item on March 9, 2021, agenda item 9C.

Transfer to CIP (\$5,400,000): \$5,400,000 increase to cash fund 36-inch waterline from SH3 Booster Pump Station to South Shore Harbor as discussed with Council during the issuance of the 2020 CO.

Special Revenue Funds:

Public Access Channel Fund (\$62,053): Increase of \$62,053 for Council Chambers Remodel Project (FM2002). Council approved this item on October 13, 2020, agenda item 11B. This increase will come from available cash in the Public Access Channel Fund.

Disaster Preparedness Donation Fund (-\$300): Based on FY2021 year-end estimates established during the FY2022 budget process, a decrease of \$300 is needed to eliminate overspend in the fund. This fund is projected to be closed at the end of FY2021.

Winter Storm URI Fund (\$500,000): On March 9, 2021, agenda item 9C, Council approved the submittal of a grant application for the FEMA Public Assistance Program, seeking reimbursement for funds spent preparing for, responding to, and recovering from the February 2021 winter storm. Approval of this item is a result of the creation of fund 8015 for Winter Storm URI which will track expenses and revenues related to the winter storm. Funding in the amount of \$500,000 was transferred from General Fund (\$350,000) and Utility Fund (\$150,000) to establish initial cash flow for 75% reimbursed expenses and the City's 25% match.

TOTAL BY FUNDS:

General Fund

The requested adjustment to the General Fund is an increase of \$790,900; decrease of \$148,838, resulting in a net increase of \$642,062. The \$642,062 is made up of \$13,104 related to FY2020 rollovers increasing the total fund appropriation amended budget of \$86,429,277 to \$86,442,381. The remaining \$628,958 consists of \$278,960 in expenses that will be offset by revenues and \$350,000 for Winterstorm URI for a total fund appropriation of \$87,071,339.

Utility Fund

The requested adjustment to the Utility Fund is an increase of \$5,756,663. The total fund appropriation amended budget of \$40,052,293 increases by \$5,756,663 to \$45,808,956. Increase of \$5,400,000 to cash fund 36-inch waterline from SH3 Booster Pump Station to South Shore Harbor as discussed with Council during the issuance of the 2021 CO.

Special Revenue Fund - Public Access Channel Fund

The requested adjustment to the Public Access Channel Fund is an increase of \$62,053. The total fund appropriation amended budget of \$1,222,706 increases by \$62,053 to \$1,284,759.

Special Revenue Fund - Disaster Preparedness Donation Fund

The requested adjustment to the Disaster Preparedness Donation Fund is a decrease of \$300. The total fund appropriation amended budget of \$105,215 decreases by \$300 to \$104,915. The total decrease of \$300 is to prevent the fund from going over budget in FY2021. The fund is projected to close at the end of FY2021.

Special Revenue Fund - Winterstorm URI

The amount of \$500,000 as approved by Council on March 9, 2021, agenda item 9C to establish the Winterstorm URI Fund. Funding in the amount of \$500,000 was transferred from General Fund (\$350,000) and Utility Fund (\$150,000) to establish initial cash flow for 75% reimbursed expenses and the City's 25% match.

CAPITAL BUDGET - EXHIBIT B:

If approved, the proposed ordinance would amend the City's FY2021 Capital Budget to add the following projects as shown on Exhibit B (\$63,818):

On April 13, 2021, agenda item 10B, City Council approved a resolution to add a project to the FY2021 Capital Improvement Plan that would install a right turn lane (southbound Calder Rd to westbound on FM517) at the intersection of Calder Road and FM517. Design of the right turn lane includes widening the intersection approach at Calder Rd to the east and re-stripping to include a southbound right turn lane at Calder Rd intersection at FM517. Staff will bring forward a design proposal for Council consideration. Design was approved by Council on July 13, 2021, item 9E in the amount of \$63,818. Construction is programmed in FY2022 and is estimated at \$223,592.

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

FUNDING

{X} Funds are available from the General Fund, Utility Fund, Public Access Channel Fund, Disaster Preparedness Fund and Winterstorm URI Fund.- see narrative and attachments.

STRATEGIC PLANNING

{X} NOT APPLICABLE