



Legislation Text

File #: 23-0414, Version: 1

Consider and take action on an ordinance amending the City of League City, Texas, Governmental, Proprietary, and Capital Funds Budget for Fiscal Year 2023 by amending Ordinance No. 2022-32, Ordinance 2023-09, Ordinance 2023-12, Ordinance 2023-13, and Ordinance 2023-25 to adjust the operating and capital budget for actual and projected expenditures (Assistant City Manager - CFO)

Staff requests approval on first and final reading.

The proposed ordinance requests a net increase of \$280,084 and six full-time-equivalent (6 FTE) to the General Fund, net increase of \$64,623 to the Utility Fund, increase of \$44,000 to the Technology Fund, increase of \$40,000 to 4B Fund, increase of \$121,044 to the Capital Replacement Fund, increase of \$250,000 to Fleet, and addition of two (2) CIP projects to the capital budget. FY2022 rollovers for the General Fund as approved by City Council in Ordinance No. 2022-32 are also shown.

If approved, the proposed ordinance would amend the City's FY2023 budget to incorporate proposed adjustments for:

General Fund

Motor Pool Lease Fees (\$7,998): increase Municipal Court for motor pool lease fees previously budgeted in special revenue fund Municipal Court Security Fund. FY2023 year-end revenue estimates for the security fund does not support the lease fee expenditure. The \$7,998 increase to the general fund Municipal Court budget will be offset by an equal decrease in Purchasing personnel services category based on year-end estimates.

Election Expenses (\$117,892): increase City Secretary budget for election expenses with a decrease in General Fund non-departmental employee insurance. This funding was budgeted in non-departmental in FY2023 for anticipated increase to employee insurance cost that was not realized.

Purchase of Rental Ambulance (\$18,000): increase EMS autos & trucks account by \$18,000 for purchase of an ambulance that was previously rented with a decrease of the same to Fire department autos & trucks.

Banking Fees (\$125,000): increase banking fees in Accounting by \$125,000 based on year-end estimates with funds from Purchasing department by the same amount.

Parks Recreation (\$30,000): increase parks recreation supplies and professional services for Parks Recreation by \$30,000 to be offset by \$80,000 additional revenue from the programs to the general fund.

General Fund Positions:

- **Increase Police by six (6) FTE:** In FY2023, 6 additional officers authorized in the adopted budget were filled during the year. This budget amendment will permanently add the six (6) FTE to the total civil service count of 126, increasing the FY2023 year-end estimate to 132. Also included in the FY2023 year-end estimate, is the transfer of a police officer to the Fire Marshal's office as a Deputy Fire Marshal I, which reduces the civil service total to 131. Authorization to 'hire over' the current number of civil service officers (131) by 6 continues in FY2024.

- Current year-end estimates for personnel services in the Police department reflect a category overage from budget due to overtime and separation pay. Both will be addressed in the 4th Quarter amendment if projections hold.

Utility Fund

Employee Insurance (\$22,500): move budget in FY2023 for anticipated employee insurance increase to departments as needed based on year-end estimates with a decrease in Utility Fund non-departmental employee insurance. Department adjustments as follows: Utility Billing (\$22,500), decrease Utility Fund non-departmental by \$22,500.

Banking Fees (\$200,000): increase banking fees in Utility Billing by \$200,000 based on year-end estimates with funds reallocated from water contract purchases and utility fund non-department totaling the same amount.

Fleet

Vehicle Repair & Maintenance (\$250,000): increase requested from Fleet fund balance to cover cost of vehicle repair and maintenance in FY2023, including a \$48,000 Fire truck repair.

4B Fund

Parks Recreation program (\$40,000): increase requested to cover cost of parks recreation supplies and professional services related to programs with an offset in additional revenue of \$40,000.

Items previously approved by City Council (\$415,398):

General Fund (\$185,731):

- An increase in the Planning department of \$42,000 for oil well inspection services that will be reimbursed by the developer. City Council approved on May 9, 2023, item 6D.
- An increase in the Planning department of \$143,731 for upgrade of 41 TNMP power poles from wood to concrete on Hobbs Road. City Council approved on June 13, 2023, item 6D.

Utility Fund (\$64,623):

- An increase to Utility Fund, Water department of \$64,623 for principal and interest payments related to GCWA 2023 bond issuance as approved by City Council on January 10, 2023, item 11D.

Technology Fund (\$44,000):

- An increase to Technology Fund for Public Safety Data Center (\$44,000) Netsync from fund balance as approved by City Council on July 11, 2023, item 6C.

Capital Replacement Fund (\$121,044):

- An increase to Capital Replacement Fund of \$121,044 for purchase of two (2) Chevrolet Tahoes with emergency equipment as approved by City Council on June 27, 2023, item 6D.

FY2022 ROLLOVERS:

Increase is due to purchases made in FY2022 for which goods and services were not received as of September 30, 2022. The increase is in accordance with the FY2023 Adopted Budget ordinance 2022-32, section 6, "That the budget for FY2023 shall be increased for valid outstanding encumbrances at the conclusion of FY2022. 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:

General Fund

Total FY2022 Rollover amount for General Fund is **\$64,353**:

- Planning increased \$64,353 for remaining balance of oil well inspection services at the end of FY2022 that will be used in FY2023 and reimbursed by the developer.

Capital Budget (Exhibit B):

- Add PK2305 Shade Structure at HHP project as approved by City Council on June 27, 2023 with a design budget of \$38,924.
- Add ED2301 League City Development District project with a budget of \$801,000.

TOTAL BY FUNDS:

General Fund

The requested adjustment to the General Fund is an increase of \$548,974; decrease of \$268,890, resulting in a net increase of \$280,084. The total fund appropriation amended budget of \$95,339,678 increases by \$280,084 to \$95,619,762. Of the net increase of \$280,084, \$143,731 is for the TNMP power pole item previously approved by City Council action, \$64,353 is a FY2022 rollover approved in the budget ordinance and the remaining \$72,000 has offsetting revenue.

Utility Fund

The requested adjustment to the Utility Fund is an increase of \$287,123; decrease of \$222,500 resulting in a net increase of \$64,623. The total fund appropriation amended budget of \$44,762,389 increases by \$64,623 to \$44,827,012. The net increase of \$64,623 funds the GCWA 2023 bond issuance previously approved by City Council.

Special Revenue Fund - Technology Fund

The requested adjustment to the Technology Fund is an increase of \$44,000. The total fund appropriation amended budget of \$1,038,068 increases by \$44,000 to \$1,082,068.

Special Revenue Fund - 4B M&O Fund 2310

The requested adjustment to 4B M&O Fund is an increase of \$40,000. The total fund appropriation amended budget of \$2,502,503 increases by \$44,000 to \$2,542,503. The increase is offset by revenue of the same.

Internal Service Fund - Fleet Fund 4010

The requested adjustment to the Fleet Fund is an increase of \$250,000. The total fund appropriation amended budget of \$1,999,631 increases by \$250,000 to \$2,249,631. The increase is to pay requisitions through FY2023, including a \$48,000 Fire Truck repair. Due to unanticipated inflation costs, repair & maintenance expenses exceed the amount budgeted in FY2023. The increase will come from fund balance.

Internal Service Fund - Capital Replacement Fund 4020

The requested adjustment to the Capital Replacement Fund is an increase of \$121,044. The total fund appropriation amended budget of \$3,691,148 increases by \$121,044 to \$3,812,192.

Capital Budget

The request adjustment to the Capital Budget is an increase of \$839,924 and includes two additional projects. The total fund appropriation amended budget of \$148,254,948 increases by \$839,924 to \$149,094,872.

Attachments:

1. Data Sheet
2. Proposed Ordinance with Exhibits A, B, C
3. Approved Agenda May 9 item 6D
4. Approved Agenda June 13 item 6D
5. Approved Agenda June 27 item 6D
6. Approved Agenda January 10, 2023, item 11D
7. Approved Agenda July 11, 2023, item 6C
8. Approved Agenda June 27 item 6B

FUNDING

{X} Funds are available from the General Fund, Utility Fund, Technology Fund, 4B Fund, Capital Replacement Fund, Fleet Fund, and Capital Budget.

STRATEGIC PLANNING

{X} NOT APPLICABLE