



## Legislation Details (With Text)

**File #:** 17-0583      **Version:** 1      **Name:** Staff Report - Adopted Budget FY 2017-2018  
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**Title:** Staff Report on Adopted Budget for Fiscal Year 2017-2018 (Assistant City Manager)

**Sponsors:**

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**Attachments:** 1. Data Sheet, 2. 9-12-2017 Approved Data Sheet, 3. Exhibits Adopted in Budget, 4. General Fund Summary

| Date      | Ver. | Action By    | Action | Result |
|-----------|------|--------------|--------|--------|
| 9/26/2017 | 1    | City Council |        |        |

**Staff Report on Adopted Budget for Fiscal Year 2017-2018 (Assistant City Manager)**

On September 12, 2017, the City Council approved Ordinance 2017-21 adopting the budget for FY 2017-2018. At that second reading, the Council "approved budget incorporating a tax rate of \$0.565, using no reserves and tasking staff to address the CIP reduction to make this happen." This report is a follow up to that action, to inform the Council and the public of the steps taken by staff to meet this direction.

At the time of the second reading, the budget ordinance used \$3,741,042 of general fund reserves as a funding source. The ordinance also was based on a property tax rate of \$0.57 per \$100 valuation. The reduction in the tax rate reduced the available property tax revenue by \$380,136. In order to conform to the ordinance provision to use no reserves, a total of \$4,121,178 was required to be reduced from the CIP (Capital Improvement Program) general fund cash funding.

The General Fund Cash funds the reinvestment program of the CIP. The following reinvestment projects were adjusted from the ordinance as proposed.

- Street Reconstruction was reduced \$629,178 to match construction estimates/bid for Kansas Street and St. Christopher, for the concrete panel replacement and the design for Butler/Turner.
- Traffic Signal Reconstruction was reduced \$930,000 by deferring reconstruction of signals at FM 518 and Iowa and FM 518 and Park Street to align with the progression of the downtown project.
- Annual Storm Water Improvements were reduced \$2,095,000 by deferring the sheet piling work on Nottingham and Interurban Ditches. These projects were recently bid, and no bids were received on the work. The remaining project budget will provide funding for drainage evaluations after Hurricane Harvey, limited work on Interurban, and potential matching funds for mitigation work post Hurricane Harvey.
- Asphalt Street Rehab was reduced \$467,000 to correspond to the budget allocation available.

|                                  |                      | Reduction   | Revised Budget |
|----------------------------------|----------------------|-------------|----------------|
| - Street Reconstruction          | (\$629,178)          | \$7,200,822 |                |
| - Traffic Signal Reconstruction  | (\$930,000)          | \$ 0        |                |
| - Annual Stormwater Improvements | (\$2,095,000)        | \$ 525,000  |                |
| - Asphalt Street Rehab           | (\$467,000)          | \$1,400,000 |                |
| <b>Total Reduction</b>           | <b>(\$4,121,178)</b> |             |                |

These changes adjust the final General Fund Budget to \$74,914,304 as a part of the total Operating Budgets were revised to \$125,289,449 and the total Capital Budget to \$71,587,287 for a total appropriation of \$196,876,736. The revised exhibit to the ordinance and revised general fund budget summary page document are attached.

CONTRACT ORIGINATION: N/A

Attachments

1. Data Sheet
2. 9/12/2017 Approved Data Sheet
3. Exhibits Adopted in Budget
4. General Fund Summary

FUNDING

{X} NOT APPLICABLE

{ } Funds are available from Account # \_\_\_\_\_

{ } Requires Budget Amendment to transfer from Account # \_\_\_\_\_ to Account # \_\_\_\_\_