



## Legislation Text

**File #:** 17-0399, **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 2017 by amending Ordinance No. 2016-30, Ordinance No. 2017-02, and Ordinance No. 2017-09 to adjust the operating and capital budget for actual and projected expenditures (Assistant City Manager)

Staff requests first and final reading.

The proposed ordinance requests adjustments to the Utility Fund with a net increase \$48,126, an increase to General Debt Service Fund of \$1,088,772, and the Capital Replacement Fund with a \$750,709 increase.

If approved, the proposed ordinance would amend the City's FY 2017 budget to incorporate proposed adjustments for:

- **Merit increases:** \$477,051 budgeted in non-departmental and then charged to the departments based on each employee's actual merit increase.
- **Personnel Related Items:**
  - o \$46,424 is requested to be reallocated from the Streets Department to Public Works Administration based on the Public Works reorganization in October 2016
  - o \$27,001 is requested to be reallocated from the Fire Marshal to the Fire Department to fund the implementation of an Office Support Specialist/Quartermaster
  - o \$218,162 is requested to be reallocated from vacancy savings in the Police Department to fund the separation pay in the City Manager's office
- **Future Land Use Model:** \$48,097 is requested to be reallocated from the Planning, Engineering, and Police salary savings to Public Works Administration to fund a future land use model update that is needed for the completion of the Water & Wastewater Master Plans.
- **Galveston Co MUD 13:** \$1,088,772 is requested to fund debt service payments that are offset by revenue from the MUD as a result of the dissolution.
- **Utility Fund Bad Debt:** Increase Utility Fund non-departmental for \$48,126 to cover Bad Debt expenses approved by Council 11/8/2016 item 10D.
- **Fire Ladder Truck Remount:** Increase Capital Replacement Fund budget for \$750,709 for remount of the current ladder tower approved by Council on May 9, 2017.
- **Rollover Purchase Orders:** The increase is due to purchases made in FY 2016 for which goods and services were not received as of September 30, 2016. The increase is in accordance with the FY 2017 Adopted Budget ordinance 2016-30, section 6, "That the budget for FY 2017 shall be increased for valid outstanding encumbrances at the conclusion of FY 2016. 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 **Technology Fund (\$462,027):** Continued expenses from implementation of new Tyler MUNIS system

### General Fund

The requested adjustment to the General Fund is an increase of \$765,934 with the entire amount being offset by allocations from other departments. This results in a net adjustment of zero; no increase to the total General Fund appropriation.

### Utility Fund

The requested adjustment to the Utility Fund is an increase of \$113,036 and is offset by a decrease of \$64,910 for a net increase of \$48,126, resulting in a total fund appropriation increase from the current budget of \$34,845,626 to

\$34,893,738.

**General Debt Service Fund**

The requested adjustment to the General Debt Service Fund is an increase of \$1,088,772 results in a total fund appropriation from the current budget of \$11,283,966 to \$12,372,738. Contributions from Galveston Co MUD 13 increase revenue estimates for the General Debt Service Fund by \$1,066,503.

**Capital Replacement Fund**

The requested adjustment to the Capital Replacement Fund in the amount of \$750,709 results in a total fund appropriation increase from the current budget of \$2,382,021 to \$3,132,730.

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 the Utility Fund, General Debt Service Fund, and Capital Replacement Fund - see narrative and attachments