



## Legislation Text

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**File #:** 19-0365, **Version:** 1

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Consider and take action on an ordinance amending the City of League City, Texas, Governmental, Proprietary, and Capital Funds Budget for Fiscal Year 2019 by amending Ordinance No. 2018-27, Ordinance No. 2019-12 and Ordinance No. 2019-14 to adjust the operating and capital budget for actual and projected expenditures (Director of Budget & Project Management)

Staff requests first and final reading.

The proposed ordinance requests a net increase of \$209,985 to the General Fund Budget and an increase of \$50,000 to the Public Access Channel Budget.

### OPERATING BUDGET

If approved, the proposed ordinance would amend the City's FY2019 Operating budget as shown in Exhibit A (\$209,985):

### **General Fund**

**Merit Increases:** \$9,215 increase to cover merit for employees who started July 1<sup>st</sup> through December 31<sup>st</sup> of 2018. The merit increase will come from General Fund Non-Departmental Personnel Services and this amendment allocates the budget to the appropriate departments.

**Employee Insurance Increases:** \$329,180 increase due to an increase in FY2019's rates that were budgeted in General Fund Non-Departmental. The increased amount is allocated to the appropriate departments based on the department's year end estimates.

### **Personnel Related Items - Reallocations from other departments**

- \$36,000 is requested to be reallocated from General Fund Professional Services to City Secretary Election Expenses to cover cost associated with the special election in May 2019.
- \$27,500 is requested to be reallocated from Streets & Stormwater Personnel Services to Civic Center Janitorial Services to cover actual janitorial cost.

### **Rollover Purchase Order:**

Increase is due to purchases made in FY2018 for which goods and services were not received as of September 20, 2018. The increase is in accordance with the FY2019 Adopted Budget ordinance 2018-27, section 6, "That the budget for FY19 shall be increased for valid outstanding encumbrances at the conclusion of FY2018. 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 budget was increased as follows:

- Information Technology: \$209,985 for the purchase of WESTNET Station Alerting at Fire Stations 1-5

### **Utility Fund**

**Merit Increases:** \$1,691 increase to cover merit for employees who started July 1<sup>st</sup> through December 31, 2018. The merit increase will come from Utility Fund Non-Departmental Personnel Services and this amendment allocates the budget to the appropriate departments.

**Employee Insurance Increases:** \$61,000 increase due to an increase in FY2019's rates that were budgeted in Utility Fund Non-Departmental. The increased amount is allocated to the appropriate departments based on the department's year end estimates.

**Personnel Related Items** - Reallocations from other departments

- \$60,000 is requested to be reallocated from Line Repair salary savings to Utility Billing to cover cost related to the software conversion for a call center and temporary employees.

**Special Revenue Fund**

**Public Access Channel (\$50,000):** \$15,000 increase related to office cubicle and electrical work to move three staff members into a new work space, \$5,000 to purchase two new MAC computers to replace failing units and \$30,000 for equipment needed for the Facebook Live studio (lighting, camera, switcher, microphones, etc.), Multibox (press box) to be used at press conferences and other events for media to "plug in" to receive a clean audio feed and to purchase a Gator/Golf cart for special events to transport equipment & guests, as well as the Facebook Live studio.

**CAPITAL BUDGET**

If approved, the proposed ordinance would amend the City's FY2019 Capital budget as shown on Exhibit B (\$1,559,131):

- Addition of projects with design contracts approved by Council on May 28<sup>th</sup>: DR1901 BayRidge Flood Reduction, Phase III (\$260,500); DR1902 Deer Ridge Dr Buy-out & Overland Flow Improvements (\$249,976); DR1903 Dove Meadows & Borden's Gully Detention Pond (\$255,500). The design cost will be funded by the GO Bond sale and Misc. Capital Projects Fund 5015 will be reimbursed once bond proceeds are received. Based on available cash flow, a Budget Amendment may be required to transfer from General Fund - Fund Balance to Misc. Capital Projects Fund 5015. If needed, the transfer will be included on a future budget amendment for Council approval.
- Addition of project with design contract approved by Council on June 25<sup>th</sup>: DR1904 BayRidge Flood Reduction, Phase IV (\$669,348). The design cost will be funded by the GO Bond sale and Misc. Capital Projects Fund 5015 will be reimbursed once bond proceeds are received. Based on available cash flow, a Budget Amendment may be required to transfer from General Fund - Fund Balance to Misc. Capital Projects Fund 5015. If needed, the transfer will be included on a future budget amendment for Council approval.
- Addition of project PK1909 Dr. Ned and Fay Dudley Clear Creek Nature Center (\$58,057) in order to satisfy Texas Parks & Wildlife requirements as outlined in the Coastal Management Plan approved by Council in 2016. Texas Parks & Wildlife is requiring removal of Chinese Tallow forest that has taken over the Coastal Prairie area of the park and re-establishment of the native Coastal Prairie as a stipulation to allow the City's boring of a 36" water line under the park (WT1109 36" Waterline from SH3 to SSHBPS). Following tree removal, the use of herbicides, prescribed burns and seeding with wildflowers and native grasses will re-establish the prairie plants. The project is funded by Parks Dedication Fees.
- Addition of PK1910 Clear Creek Connections Paddle Trail Extension - Kansas Avenue and Dr. Ned & Fay Dudley Clear Creek Nature Center (\$46,750) to be presented to 4B Board in early August to start preliminary design to be prepared to apply for grants in early October 2019.
- Addition of PK1911 Safe Routes to School (\$19,000) to be funded with Misc. Capital Projects Fund that are anticipated to be reimbursed by grant funds that will be applied for by August 15, 2019 as approved by Council on April 9, 2019.

## CHANGES BY FUND

### **General Fund**

The requested adjustment to the General Fund is an increase of \$611,880; decrease of \$401,895 resulting in a net adjustment of \$209,985. The net adjustment is due to FY18 Purchase Rollover for the purchase of WESTNET Station Alerting. The total fund appropriation amended budget of \$79,593,473 increases by \$209,985 to \$79,803,458.

### **Utility Fund**

The requested adjustment to the Utility Fund is an increase of \$122,691 and is offset by a decrease in the same amount, resulting in a net adjustment of zero; no increase to the total Utility Fund appropriation.

### **Special Revenue Fund - Public Access Channel**

The requested adjustment to the Public Access Channel Fund is an increase of \$50,000; decrease of zero, resulting in a net increase of \$50,000. The total fund appropriation amended budget of \$209,311 increases by \$50,000 to \$259,311.

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 General Fund, Public Access Channel and Capital Improvement Plan - see narrative and attachments

## STRATEGIC PLANNING

{x} NOT APPLICABLE