



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 2024 by amending Ordinance No. 2023-28, Ordinance 2023-33, Ordinance 2023-47, Ordinance 2023-48, & Ordinance 2023-49 to adjust the operating and capital budget for actual and projected expenditures (Assistant City Manager - CFO)

Staff requests approval on first and final reading.

..Background:

The proposed ordinance requests a net increase of \$1,185,125 and one full-time-equivalent (1 FTE) to the General Fund, \$1 million to The Ballpark at League City fund, \$1,102,889 to the Utility Debt Service Fund, and \$625,788 to the capital budget.

If approved, the proposed ordinance would amend the City's FY2024 budget to incorporate proposed adjustments for:

General Fund

Merit Increases (\$1,354,254): \$1,354,254 budgeted in General Fund Non-Departmental and then reallocated to each department based on actual merit and compensation study implementation increases. This is NOT an increase to the fund budget but a transfer from General Fund Non-Departmental (\$1,354,254) to each department as allocated in the January 2024 merit implementation. See exhibit A of the ordinance for the allocation to each department.

City Attorney (\$400,000):

A budget increase of \$400,000 to cover estimated cost of litigations such as West FM 517, Big League Dreams, PID 5, Leticia Fuhr, Affinity Bayview, Jimmy Changas and MUD 6. Currently, the adopted budget for Professional Services is \$100,000 and if approved the additional \$400,000 will provide a total revised budget of \$500,000. This expense is offset by savings in General Fund Transfers.

Information Technology (\$90,489):

A budget increase of \$90,489 for the purchase of portable Motorola radios through the awarding of a grant from the Urban Area Security Initiative (UASI) awarded on September 26,2023. This item was previously approved by City Council on 12/12/23, Item 6C. This expense is offset 100% by grant revenue.

Planning (\$94,636 & 1 FTE):

A budget increase of \$94,636 and the addition of one full-time-equivalent (1 FTE) Planner position in the Planning department. As discussed in the FY2024 Adopted Budget, staff is bringing this forward based on increased development activity and a significant increase in Permit Revenues estimated to end the

year outperforming budget from the increase in new housing starts.

General Fund Transfers (\$1 Million):

\$1 million transfer from General Fund fund balance to The Ballpark at League City fund (Fund #2325) for the establishment of an enterprise fund for operations and maintenance of the sports park located at 1150 Ballpark Way, League City, Texas 77573.

Utility Fund

Merit Increases (\$179,997): \$179,997 budgeted in Utility Fund Non-Departmental and then reallocated to each department based on actual merit implementation increases. This is NOT an increase to the fund budget but a transfer from Utility Fund Non-Departmental to each department as allocated in the January 2024 merit implementation.

The Ballpark at League City Fund

\$1 million to establish a budget to operate The Ballpark at League City. We will continue to monitor this fund and may have to increase the budget as the year progresses. We are hopeful any future increase would come from new Ballpark revenues.

Utility Debt Service Fund

Certificate of Obligation Issuance Items (\$1,102,889): increase of \$1,102,889 is requested to cover Combination Tax and Revenue Certificates of Obligation issuance costs that satisfy the City of Houston cash call due February 2024 for the 54-inch Water Line Replace 42-inch Line on SH3 project (WT1502) as included in the FY2024-2028 CIP. Previously approved by City Council on 1/23/24, item #10A. Funding is available in the FY2024-2028 CIP as a transfer from Water Capital Recovery Fees.

FY2023 Rollovers

Increase is due to purchases made in FY2023 for which goods and services were not received as of September 30, 2023. The increase is in accordance with the FY2024 Adopted Budget ordinance 2023-28, section 6, "That the budget for FY2024 shall be increased for valid outstanding encumbrances at the conclusion of FY2023. 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:

Utility Fund

Total FY2023 Rollover amount for Utility Fund is **\$118,168:**

- **Water (\$57,729):** \$57,729 for the Lead and Copper Rule Revision project with CDM Smith
- **Wastewater (\$60,439):** \$35,109 for sludge removal and \$25,330 for replacement HVAC units at Dallas Salmon.

Special Revenue Funds

Total FY2023 Rollover amount for Special Revenue Funds is **\$764,878**:

- **Technology Fund (\$738,069):**
 - \$738,069 for replacement CAD, RMS & Mobile Software System.

- **Asset Forfeiture Fund (\$26,809):**
 - \$26,809 for the purchase of a Leica Scan Station

Internal Service Funds

Total FY2023 Rollover amount for Internal Service Funds is **\$2,353,812**:

- Fleet
 - \$48,000 for necessary repairs to the 2018 Spartan Tower Cab Over truck Tower 33 (Fire)

- Capital Replacement Fund
 - \$31,424 to purchase Chevrolet Tahoe lights and equipment for Unit 233 and Unit 235 (EMS)
 - \$49,678 for one Ford F350 Crew 4X2 Unit 607 (Line Repair)
 - \$49,678 for one F350 Crew 4X2 Unit 625 (Line Repair)
 - \$86,830 for one F750 Reg Cab Unit 823 (Street)
 - \$86,830 for one F750 Reg Cab Unit 829 (Street)
 - \$106,291 for one F750 Reg Cab with 2,000 gallon tank (\$105,991) with goodbye fee (\$300) Unit 852 (Street)
 - \$151,490 to purchase a Kenworth T480 Dump Truck Unit 608 (Line Repair)
 - \$51,888 to purchase a F250 Unit 645 (Wastewater)
 - \$55,120 to purchase a F250 Unit 652 (Wastewater)
 - \$55,120 to purchase a F250 Unit 689 (Water)
 - \$180,509 to purchase a F550 Unit 657 (Wastewater)
 - \$44,641 to purchase a Transit Cargo Van Unit 700 (Parks Recreation)
 - \$53,879 to purchase a Ford F250 Unit 736 (Parks Operations)
 - \$111,707 to purchase a Ford F750 Unit 821 (Street)
 - \$62,854 for one Ford F150 Unit 8 (Fire)
 - \$62,854 for one Ford F150 Unit 9 (Fire)
 - \$62,854 for one Ford F250 Unit 11 (Fire)
 - \$70,363 for one Ford F250 Unit 72 (Fire Marshal)
 - \$73,035 to purchase a Police Int Explorer (\$45,300) with equipment package (\$27,735) Unit 106 (Police)
 - \$73,035 to purchase a Police Int Explorer (\$45,300) with equipment package (\$27,735) Unit 107 (Police)
 - \$73,035 to purchase a Police Int Explorer (\$45,300) with equipment package (\$27,735) Unit 120 (Police)
 - \$73,035 to purchase a Police Int Explorer (\$45,300) with equipment package (\$27,735) Unit 122 (Police)
 - \$73,035 to purchase a Police Int Explorer (\$45,300) with equipment package (\$27,735) Unit 154 (Police)
 - \$73,035 to purchase a Police Int Explorer (\$45,300) with equipment package (\$27,735)

- Unit 157 (Police)
- \$73,035 to purchase a Police Int Explorer (\$45,300) with equipment package (\$27,735)
- Unit 160 (Police)
- \$60,729 to purchase a Police Int Explorer (\$45,300) with equipment package (\$15,429)
- Unit 233 (EMS)
- \$60,729 to purchase a Police Int Explorer (\$45,300) with equipment package (\$15,429)
- Unit 235 (EMS)
- \$62,948 to purchase a Ford F150 Responder 4X4 (\$48,098) with equipment package (\$14,550) Unit 206 (Police)
- \$236,150 to purchase a Freightliner M2-106 Grapple Truck Unit 850 (Street)

CAPITAL BUDGET - EXHIBIT B

If approved, the proposed budget would amend the City's FY2024 Capital Budget to add one (1) project as shown on Exhibit B (\$625,788):

- This request is to add \$625,788 in funds for the Feasibility Study cost share agreement with US Army Corps of Engineers through the Continuing Authorities Program (CAP 205). This item was previously approved by City Council on 11/14/2023, Agenda Item 6G. Funding is available from Miscellaneous Capital Projects, fund 5015.

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

TOTAL BY FUNDS:

General Fund

The requested adjustment to the General Fund expenditure budget includes a \$2,939,379 increase and a \$1,754,254 decrease for a total net increase of \$1,185,125 and an addition of one (1) FTE. Of the \$1,185,125 net increase, \$1 million is for the establishment of an enterprise fund for maintenance and operations of The Ballpark at League City, \$94,636 for the addition of 1 FTE Planner position, with offsetting permit revenue, and \$90,489 for the purchase of portable Motorola radios, with offsetting revenue from a UASI grant.

The total fund appropriation amended budget of \$102,226,159 increases by \$1,185,125 to \$103,411,284.

Working days of capital over the 110 days required by policy were 12.44 days per the 1st Quarter Report. This amendment along with the FY23 rollover amount lowers the excess working days of capital to 7.1 days over the 110 days required by policy.

Utility Fund

The requested adjustment to the Utility Fund includes a \$298,165 increase and a \$179,997 decrease for a total net increase of \$118,168 for FY2023 Utility Fund Rollovers.

The total fund appropriation adopted budget of \$46,646,916 increases by **\$118,168 rollovers** to \$46,765,084.

The Ballpark at League City Fund

The total fund appropriation is established at \$1,000,000 through a transfer from the General Fund.

Asset Forfeiture Fund

FY2023 Asset Forfeiture Fund Rollovers totaled an increase of \$26,809.

The total fund appropriation adopted budget of \$535,940 increases by **\$26,809 rollovers** to \$562,749.

Technology Fund

FY2023 Technology Fund Rollovers totaled an increase of \$738,069.

The total fund appropriation adopted budget of \$300,000 increases by **\$738,069 rollovers** to \$1,038,069.

Utility Debt Service Fund

The requested adjustment to the Utility Debt Service Fund expenditure budget is an increase of \$1,102,889 to cover Combination Tax and Revenue Certificates of Obligation issuance costs that satisfy the City of Houston cash call due February 2024 for the 54-inch Water Line Replace 42-inch Line on SH3 project (WT1502) as included in the FY2024-2028 CIP.

Total fund appropriation adopted budget of \$12,845,591 increases by \$1,102,069 to \$13,948,480.

Fleet Fund

FY2023 Fleet Fund Rollovers totaled an increase of \$48,000.

The total fund appropriation adopted budget of \$2,043,645 increases by **\$48,000 rollovers** to \$2,091,645.

Capital Replacement Fund

FY2023 Capital Replacement Fund Rollovers totaled an increase of \$2,305,812.

The total fund appropriation adopted budget of \$3,039,500 increases by **\$2,305,812 rollovers** to \$5,345,312.

Attachments:

1. Data Sheet
2. Proposed Ordinance with Exhibits A, B, C
3. Approved Agenda November 14, 2023, item 6G
4. Approved Agenda December 12, 2023, item 6C

FUNDING

{X} Funds are available from the General Fund, Utility Fund, Technology Fund, Asset Forfeiture Fund, Fleet Fund, Capital Replacement Fund and CIP Miscellaneous Capital Projects.

STRATEGIC PLANNING

{X} NOT APPLICABLE