



Legislation Details (With Text)

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On agenda: 9/19/2017 **Final action:**
Title: Discussion of issues relating to the Fiscal Year 2017-2018 Final Budget.
Sponsors: City Manager's Office
Indexes:
Code sections:
Attachments: 1. Budget FY 2017-2018, 2. Explanation of Changes - Final 17-18 Budget

Date	Ver.	Action By	Action	Result
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Discussion of issues relating to the Fiscal Year 2017-2018 Final Budget.

Summary:

The key dates in the development of the FY 2017-2018 Budget were as follows:

- March 27, 2017: Staff budget kick-off meeting.
- March 27 - May 1, 2017: Preparation of departmental budget requests.
- May 1 - May 25, 2017: City Manager/Assistant City Manager/Finance Director Meetings with Department Heads to discuss FY 2016-2017 budget estimates and FY 2017-2018 budget requests.
- June 26, 2017: City Council budget workshop.
- July 31, 2017: City Manager submitted the Proposed FY 2017-2018 Budget. Council called a public hearing.
- August 15, 2017: Council conducted public hearing on the proposed FY 2017-2018 Budget.

The City Charter states that the budget shall, by ordinance, be adopted no later than the last regular meeting in September of each year. Therefore, it is now time for Council to adopt the Final FY 2017-2018 Budget. Subsequent to the public hearing on the budget, it has become necessary to include certain changes in the final budget document. These changes include items that were budgeted, but not completed, in FY 2016-2017. The City Charter states that after the public hearing, but before final adoption of the proposed budget, the Council may delete or insert items of expenditure or may increase or decrease the amount of any item of expenditure, except those fixed by law. The following summarizes the changes from the Proposed FY 2017-2018 Budget presented to Council on July 31,

2017 (note: these changes are described in more detail on the attached explanation of changes):

General Fund: The total increase of \$46,470 - to be funded by prior year revenue - represents \$5,469 for additional personnel costs related to recent reclassifications, \$20,856 to cover TMRS for part-time staff expected to exceed the 1,000 hour threshold, and \$20,145 of capital outlay for budgeted projects that will not be completed in the current fiscal year.

Special Revenue Funds: The total increase of \$189,150 - to be funded by the prior year revenue of the Hotel/Motel Tax Fund - represents \$169,150 for budgeted wayfinding signs that will not be completed in the current fiscal year, \$5,000 for host fees for the Texas Non-Profit Theater Festival, and \$15,000 for consulting services related to the Golf Course Bridge.

Water & Sewer Fund: The total increase of \$50,000 - to be funded by fund reserves - represents an addition to the contingency in contemplation of possible effects from Hurricane Harvey that are unknown at this time.

Capital Improvements Fund: The total increase of \$100,000 - to be funded by fund reserves - represents expenditures for budgeted sidewalks that will not be completed in the current fiscal year.

With these changes, the final proposed budgeted expenditure totals by fund are summarized below:

General Fund - \$42,503,051

Special Revenue Fund - \$1,975,718 (includes \$529,585 for grants)

Debt Service Fund - \$7,018,928

Water & Sewer Fund - \$10,958,161

Storm Water Utility Fund - \$337,500

Golf Course Lease Fund - \$176,000

Capital Improvements Fund - \$6,506,253

TOTAL ALL FUNDS - \$69,475,611

It should be noted that the FY 2017-2018 budgets for the Crime Control and Prevention District ("CCPD"), the Fire Control, Prevention, and EMS District ("FCPEMSD"), and the Deer Park Community Development Corporation ("DPCDC") were adopted pursuant to applicable laws and are in addition to the amounts above. These budgets, which are included in the City's budget as "component units", reflect total expenditures as follows:

CCPD - \$1,442,096

FCPEMSD - \$3,810,343

DPCDC - \$2,700,900

Fiscal/Budgetary Impact:

N/A.

Discussion only during Workshop. A proposed ordinance adopting the FY 2017-2018 Budget is included on the September 19, 2017 Regular Council Meeting Agenda.