



Legislation Text

File #: ORD 16-095, **Version:** 1

Consideration of and action on an ordinance adopting the FY 2016-2017 Budget.

Summary: City staff began working on development of the FY 2016-2017 Budget during the early spring of 2016 when each department was asked to begin planning for the new fiscal year including consideration of cost cutting measures. A budget workshop was held on July 6, 2016 to assist in the preparation of the proposed budget. A public hearing on the proposed budget was held on August 9, 2016. It is now time for Council to consider action on the Proposed FY 2016-2017 Budget, which includes several changes from the Proposed FY 2016-2017 Budget presented to Council on July 28, 2016. These proposed changes, which total \$3,133,261 (much of which represents unspent capital monies budgeted in FY 2015-2016), are itemized on the attached Explanation of Changes, and while a more detailed review of the changes will be presented in the Council workshop, a brief summary of the changes by fund is as follows:

General Fund: The total increase of \$999,644 represents a \$721,148 a transfer to the Capital Improvements Fund for street projects (being funded by the increase in current tax revenue); \$256,125 for capital expenditures, including \$200,000 for the completion of the "ring road" at the maintenance facility that is currently budgeted but will not be completed in the current fiscal year; \$15,171 for additional personnel costs, and \$7,200 for other administrative costs.

Special Revenue Funds: The total increase of \$15,171 represents the increased transfer to the General Fund for reimbursement of personnel costs funded by (1) the Hotel/Motel Tax for additional marketing efforts and (2) the Municipal Court Fund for overtime related to an additional bailiff when court is in session.

Water/Sewer Fund: The total increase of \$1,291,110 represents \$1,141,110 for capital expenditures on projects funded in the current budget that will not be completed during the current fiscal year and \$150,000 for a cost share with Harris County for a generator that, while grant funded, will exceed the total amount of the grant.

Storm Water Fund: The net decrease of \$23,812 results from the reclassification of drainage projects to the Capital Improvements Fund. With that reclassification, this budget now includes a contingency amount for current or future drainage projects.

Capital Improvements Fund: The total increase of \$851,148 represents the additional \$721,148 for street projects (being funded by a transfer from the General Fund) and \$130,000 for drainage projects that are currently budgeted but 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 - \$38,524,072

Special Revenue Fund - \$1,738,594 (includes \$535,500 for grants)

Debt Service Fund - \$6,689,214

Water & Sewer Fund - \$12,189,299

Storm Water Utility Fund - \$351,000

Golf Course Lease Fund - \$120,000

Capital Improvements Fund - \$3,198,148

TOTAL ALL FUNDS - \$62,810,327

Note: The FY 2016-2017 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 reflect total expenditures of \$1,320,000 for CCPD, \$1,636,312 for FCPEMSD, and \$3,296,596 for DPCDC, are included in the City's budget document as "component units."

Fiscal/Budgetary Impact:

N/A.

Take a record vote to approve the ordinance adopting the FY 2016-2017 Budget. **(Note: the vote to adopt the budget must be a record vote pursuant to Local Government Code, Chapter 102, Section 102.007.)**