



INFORMATION MEMORANDUM

To: Mayor Bob Phelps & City Council

Thru: Gary D. Greer
City Manager

From: Charles S. Cox
Managing Director, Finance & Administration

Date: September 16, 2014

Subject: 2014-15 Proposed Budget Changes

Following is an outline of changes that have been incorporated into the 2014-15 Proposed Fiscal Year Budget since the proposed budget was submitted on July 30, 2014. Explanations for the *Year-End Amended Budget 2013-14* column changes are included with the Year-End Amended Budget agenda item presented earlier this evening.

General Fund Revenues – *Total Decrease of \$10,000*

- Swimming Pool Fees - Funding decreased \$10,000 based on revised estimates.

General Fund Expenditures – *Total Decrease of \$23,600*

- Contracts - Funding for *The Family Place* increased \$2,500; *Farmers Branch Chamber* increased \$5,000; *Metrocrest Social Services* increased \$5,000; *Bea's Kids* increased \$2,500; and *Metrocrest Family Medical* increased \$2,000. The total increase of \$17,000 is per the direction of the City Council.
- Swimming Pool – Funding for the *Services* category was reduced by \$40,600 to reflect a revision in the number of instructional classes offered to match that of proposed revenues.

Economic Development Fund

- *Projected Beginning Fund Balance(s)* were adjusted due to changes made during the 2013-14 Year-End Budget process.

**Special Revenue Funds – *Total Increase of \$2,000 in Revenues*
*Total Decrease of \$31,009 in Expenditures***

Special Revenue Fund *Projected Beginning Fund Balance(s)* were adjusted due to changes made during the 2013-14 Year-End Budget process. Changes to the beginning fund balance of a fund also results in a corresponding change to the *Projected Ending Fund Balance(s)*.

- Donations Fund Revenues – *Fire donation* revenues increased \$2,000 to better match proposed expenses. (Departments are unable to spend funds until they are received; therefore, if revenue projections are less than anticipated the department's expenditures will be reduced.)
- Donations Fund Expenses – *Human Resources – Wellness Program* expenditures were reduced by \$7,509 to reflect anticipated fund balance.
- PEG Access Channel Fund Expenses – *Supplies* expenditures decreased \$23,500 to balance the fund.

**Fixed Asset Fund – *Total Increase of \$5,865 in Proposed Budget Transfers/Revenues*
*Total Increase of \$106,100 in Proposed Planned Purchases/Expenditures***

Beginning fund balance changed as a result of 2013-14 Year-End Budget adjustments. Proposed 2014-15 revenue decreased \$5,865 due to year-end adjustments that utilized reserve funds for the purchase of an extrication rescue tool for the Fire department, which was also partially funded with a grant. Proposed 2014-15 expenditures increased \$106,100 due to deferring the 2013-14 planned purchase of a network authentication system (\$25,000) until 2014-15 and adding additional Human Resources personnel management software (\$81,100 utilizing funds from a purchase order closed out during the year-end budget process).

CIP Fund – *Total Increase of \$1,914,500 in 2014-15 Proposed Expenditures*

Expenditures for *Non-Bond CIP* increased by \$700,000 in 2014-15 due to deferring 2013-14 service center land acquisition costs. Expenditures for *Radio System Upgrade Bond* increased by \$823,500 in 2014-15 due to the moving of funds from 2013-14. Expenditures for *Consolidated Dispatch* were increased by \$391,000 due to moving proposed 2015-16 funding to fiscal years 2013-14 and 2014-15 in the amounts of \$300,000 and \$391,000, respectively.

Appendix – Both the *Combined Summary and Most Realistic Summary* reflect adjustments made during the 2013-14 Year-End Budget process. Revenues and Expenditures were changed to reflect the items discussed in this memo for the 2014-15 Proposed Fiscal Year Budget.