



Legislation Text

File #: ORD-3587, Version: 1

Consider adopting Ordinance No. 3587 approving and adopting the City's 2019-20 Operating and Capital Improvement Program Budget and Strategic Plan and take appropriate action

BACKGROUND:

On July 31, 2019, the proposed 2019-20 fiscal year operating and capital budget was delivered to the City Council and copies were made available at the Farmers Branch Manske Library and placed on the City's Website for review. The proposed budget was discussed with City Council during a budget retreat held August 13th-15th and public budget work sessions held August 20th, September 3rd, September 11th, and earlier this evening. Citizen comments were also requested at a public hearing held earlier this evening.

The following City Council recommended changes (resulting in \$1,340,000 in transfers from the General Fund to Non-Bond CIP and Stormwater Utility Funds) have been incorporated into the Proposed Fiscal Year Budget 2019-20 since it was submitted on July 31, 2019.

- General Fund Expenditures - Expenditure Decrease: \$43,800
 - Non-Departmental Division - Removed *Transfer to Non-Bond CIP* for future (FY20/21) library renovations funding totaling \$746,200; added a *Transfer to Non-Bond CIP* for future infrastructure improvements totaling \$370,000; and, added a *Transfer to Stormwater Utility Fund* for storm water initiatives totaling \$500,000.
 - Accounting Division - Removed *Transfer to Fixed Asset* totaling \$200,000 for software costs. Balance of funding will be from existing General Fixed Asset Fund fund balance.
 - Parks Maintenance Division - Increased *Transfer to Non-Bond CIP* funding for additional park improvements totaling \$300,000 and a lighting project at Rawhide Creek totaling \$170,000.
 - Manske Library - Removed a portion of *Transfer to Fixed Asset* costs for roof replacement totaling \$350,000. Balance of funding will be from existing General Fixed Asset Fund fund balance.
- Non-Bond CIP Fund - Revenue Increase: \$93,800 Expenditure Increase: \$840,000
 - General Fund Non-Departmental Division - Removed *Transfer* for future (FY20/21) library renovations totaling \$746,200 and added a *Transfer* for future infrastructure improvements totaling \$370,000. [Note Library renovations were a revenue source for 2019/20 and an expense in FY20/21.]
 - General Fund Parks Maintenance Division - Added *Transfer* for additional park improvements totaling \$300,000 and a lighting project at Rawhide Creek totaling \$170,000.
- Stormwater Utility Fund - Revenue Increase \$500,000 Expenditure Increase \$500,000

- General Fund Non-Departmental Division - Added a *Transfer* and related expenditure of \$500,000 for stormwater initiatives.

- Fixed Asset Proposed Transfers - Revenue Decrease \$550,000: Reduced by \$550,000 as a result of funding Accounting Division software totaling \$200,000 and a portion of Manske Library roof replacement costs totaling \$350,000 from General Fund Fixed Asset Fund fund balance.

- Fixed Asset Planned Purchases - Expenditure Decrease \$238,000: Reduced Fire Department hardscape/landscape funding totaling \$300,000; eliminated additional Street Division monument signage totaling \$250,000; and, increased Recreation Division planned renovations by \$312,000 (funded in 2018-19).

The proposed budget will raise more revenue from property taxes than last year's budget by an amount of \$1,542,430, which is a 4.55% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$1,930,791.

DISCUSSION:

Ordinance No. 3587 establishes the operating and capital improvement program budget for the 2019-20 fiscal year. Property Tax Code Section 26.05(b) and Texas Local Government Code, Chapters 102, 111 and 140, all have requirements, notices, and/or motions that must be followed related to the budget and tax rate process. All applicable laws and City Charter provisions necessary for adoption of the budget have been followed. The proposed budget meets all financial objectives and fund balance targets of the City on a most realistic budget basis.

This Ordinance supports the City's guiding principle of Financial Stewardship.

FISCAL IMPACT:

1. Financial Impact - Total Operating & Capital Budget of \$124,173,804

RECOMMENDATION:

City Administration recommends the adoption of Ordinance No. 3587 approving and adopting the 2019-20 Proposed Fiscal Year Operating & Capital Budget and Strategic Plan.

POSSIBLE COUNCIL ACTION:

1. I move to approve Ordinance No. 3587 approving and adopting the City's 2019-20 Operating and Capital Improvement Program Budget and Strategic Plan.
2. I move to approve Ordinance No. 3587, with modifications.
3. I move to table the issue for further study or take no action.

ATTACHMENT(S):

1. Ordinance No. 3587
2. 2019-20 Operating and Capital Budget
3. 2019-20 Strategic Plan