

ACTION FORM BRYAN CITY COUNCIL

| | | | |
|--|---|---|---|
| DATE OF COUNCIL MEETING: September 16, 2014 | | DATE SUBMITTED: September 9, 2014 | |
| DEPARTMENT OF ORIGIN: Fiscal Services | | SUBMITTED BY: Joe Hegwood | |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: | STRATEGIC INITIATIVE: |
| <input type="checkbox"/> BCD | <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1ST READING | <input checked="" type="checkbox"/> PUBLIC SAFETY |
| <input type="checkbox"/> SPECIAL | <input checked="" type="checkbox"/> CONSENT | <input checked="" type="checkbox"/> 2ND READING | <input checked="" type="checkbox"/> SERVICE |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> STATUTORY | | <input checked="" type="checkbox"/> ECONOMIC DEVELOP. |
| <input type="checkbox"/> WORKSHOP | <input type="checkbox"/> REGULAR | | <input checked="" type="checkbox"/> INFRASTRUCTURE |
| | | | <input checked="" type="checkbox"/> QUALITY OF LIFE |
| AGENDA ITEM DESCRIPTION: An ordinance amending Ordinance No. 2039 increasing the expenditure budget appropriations for Fiscal Year 2014 from \$345,802,565 to \$359,182,373. | | | |
| SUMMARY STATEMENT: As required by Ordinance No. 2016, and subsequently amended by Ordinance No. 2039, which respectively authorized and amended City of Bryan Fiscal Year 2014 budget appropriations, budget expenditures and transfers in excess of annual appropriations require City Council authorization. The total requested increase in appropriations is \$13,379,808, which authorizes use of funds for services, programs, reimbursements, and transfers. | | | |
| <u>FY2014 Budget Appropriations History</u> | | <u>Amendments</u> | <u>Appropriations</u> |
| Ordinance No. 2016 - 9/10/2013 – Initial Budget Appropriation | | | \$338,295,425 |
| Ordinance No. 2039 - 1st Amendment | | \$7,507,140 | \$345,802,565 |
| Proposed 2 nd Amendment – 9/16/2014 | | \$13,379,808 | \$359,182,373 |
| The proposed amendment amounts for each fund are shown below. | | | |

| FUND | FY2014 Adopted Budget | Budget Amendment #1 | FY2014 Current revised budget | Proposed Budget Amendment #2 | FY2014 Revised w/ Proposed Amendment #2 |
|--------------------------|-----------------------------|------------------------|-------------------------------------|------------------------------------|---|
| GENERAL FUND | \$ 57,136,717 | 697,508 | \$ 57,834,225 | \$ - | \$ 57,834,225 |
| GRANT FUND | - | 10,904 | 10,904 | - | 10,904 |
| COMMUNITY DEV. FUND | 2,268,648 | 144,200 | 2,412,848 | - | 2,412,848 |
| HOTEL OCCUPANCY TAX FUND | 563,039 | - | 563,039 | 172,808 | 735,847 |
| STREET IMPROVEMENT FUND | 8,852,543 | 1,935,397 | 10,787,940 | - | 10,787,940 |
| DRAINAGE FUND | 884,500 | 133,196 | 1,017,696 | - | 1,017,696 |
| TIRZ #10 TRADITIONS | 1,417,002 | 47,574 | 1,464,576 | - | 1,464,576 |
| TIRZ #19 NASH | 156,331 | 4,774 | 161,105 | - | 161,105 |
| TIRZ #21 DOWNTOWN | - | 200,000 | 200,000 | - | 200,000 |
| TIRZ #22 TARGET | 420,009 | 42,514 | 462,523 | - | 462,523 |
| COURT TECHNOLOGY FUND | 57,000 | - | 57,000 | 25,000 | 82,000 |
| BTU - City | 175,274,304 | - | 175,274,304 | 9,244,000 | 184,518,304 |
| BTU-Rural | 33,513,180 | - | 33,513,180 | 3,689,000 | 37,202,180 |
| WATER FUND | 14,524,112 | 1,376,751 | 15,900,863 | - | 15,900,863 |
| WASTEWATER FUND | 13,009,512 | 1,669,993 | 14,679,505 | - | 14,679,505 |
| BRYAN COMMERCE & DEV | 36,284 | 8,000 | 44,284 | 35,000 | 79,284 |
| COULTER AIRPORT | 607,487 | 67,340 | 674,827 | 214,000 | 888,827 |
| SOLID WASTE FUND | 7,311,997 | 152,465 | 7,464,462 | - | 7,464,462 |
| SELF INSURANCE FUND | 2,584,211 | 1,016,525 | 3,600,736 | - | 3,600,736 |
| ALL OTHER FUNDS | 19,678,549 | - | 19,678,549 | - | 19,678,549 |
| | \$ 338,295,425 | \$ 7,507,140 | \$ 345,802,565 | \$ 13,379,808 | \$ 359,182,373 |

Increases in appropriations are proposed for the following funds and purposes:

Hotel Occupancy Tax Fund **\$172,808**

This amendment will appropriate funds for the following Council approved items:

- Convention and Visitor Bureau moving expense \$12,808
- Aggies Go to War exhibit \$100,000
- Vietnam Veteran's memorial \$25,000
- Game day Traffic Study \$35,000

These expenses will be funded by Hotel Occupancy Tax fund balance.

Court Technology Fund **\$25,000**

This amendment will appropriate funds for Court Technology Fund for laser fiche scanners and licenses for the Court.

These expenses will be funded by the Court Technology Fund balance.

BTU – City **\$9,244,000**

Energy costs have been higher than budget due to larger off-system sales.

These higher energy costs will be off-set by the higher BTU – City off-system sales revenues.

| | |
|---|--------------------|
| <u>BTU – Rural</u> | \$3,689,000 |
| Base and fuel purchased power has been higher than budget due to greater retail sales than budget. | |
| These higher purchased power costs will be off-set by the higher BTU – Rural base and fuel revenues. | |
| <u>Bryan Commerce & Development</u> | \$35,000 |
| This amendment will appropriate funds for consulting and engineering services. | |
| A transfer of \$80,000 from the General Fund will provide the funding for these costs as well as cover the deficit balance due to a lower than budgeted beginning balance. | |
| <u>Coulter Airport</u> | \$214,000 |
| <ul style="list-style-type: none"> • Purchase of fuel for resale - Fuel sales volumes have been higher than budget \$200,000 • Utility truck (gator) will be used to haul tools, perform inspections, and other maintenance work on the runway and around the airport - \$14,000 | |
| These additional fuel purchases will be off-set by higher fuel sales revenues. A portion of the received and unbudgeted Halcon revenues will cover the cost of the utility truck. | |
| STAFF ANALYSIS AND RECOMMENDATION: By approving this ordinance, the City Council will allow for the appropriation and expenditure of funds for authorized purposes. | |
| Staff recommends the approval of all items included in the budget amendment within this Council Action Form (CAF). Budget increases for the identified purposes will provide the necessary funds to meet contractual obligations. | |
| OPTIONS (In Suggested Order of Staff Preference): | |
| <ol style="list-style-type: none"> 1. Approve all items as proposed 2. Approve some of the items as proposed, which may require consideration at a future City Council meeting 3. Do not approve the budget amendment, which could result in the City not being able to cover the cost of goods and service for which the City is contractually obligated to pay | |
| ATTACHMENTS: | |
| <ol style="list-style-type: none"> 1. Budget Amendment Ordinance 2. BTU Resolution | |
| FUNDING SOURCE: Use of fund balance as shown by amendment amount and fund in the table included above in the Summary Statement. | |
| APPROVALS: Hugh R. Walker, 09/09/2014 | |
| APPROVED FOR SUBMITTAL: CITY MANAGER | |
| APPROVED FOR SUBMITTAL: CITY ATTORNEY Janis K. Hampton, 09-12-2014 | |

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BRYAN, TEXAS, AMENDING ORDINANCE NO. 2016 AND SUBSEQUENTLY AMENDED BY ORDINANCE NO. 2039; INCREASING EXPENDITURE APPROPRIATIONS FOR FISCAL YEAR 2014 FROM \$345,802,565 to \$359,182,373; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; FINDING AND DETERMINING THAT THE MEETINGS AT WHICH THE ORDINANCE IS PASSED ARE OPEN TO THE PUBLIC AS REQUIRED BY LAW; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, state law requires that municipal budget appropriations be increased when spending exceeds the amount appropriated; and

WHEREAS, the City of Bryan wishes to increase appropriations to facilitate the payment of contractual obligations which were not included in the Fiscal Year 2014 budget upon adoption;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BRYAN, TEXAS:

1.

That the City of Bryan City Council approves increases in appropriations in the amount of \$13,379,808.

2.

That Ordinance No. 2016 and subsequently amended by Ordinance No. 2039 the appropriations ordinance for the fiscal year beginning October 1, 2013 and ending September 30, 2014, be amended to reflect total expenditures for the City of Bryan be increased from \$345,802,565 to \$359,182,373.

3.

That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

4.

That should any section, paragraph, sentence, clause, phrase or word of this ordinance be declared unconstitutional or invalid for any reason, the remainder of this ordinance shall not be affected thereby, and to this end the provisions of this ordinance are declared to be severable.

5.

That it is hereby found and determined that the meetings at which this ordinance was passed were open to the public, as required by Section 551.001 et seq., Texas Government Code, and that advance public notice of time, place and purpose of said meetings was given.

6.

That this ordinance shall take effect immediately after its second and final reading.

PRESENTED AND GIVEN first reading the 16th day of September, 2014 at a special meeting of the City Council of the City of Bryan, Texas; and given second reading, **PASSED AND APPROVED** on the 23rd day of September, 2014 by a vote of ___ ayes and ___ nays at a regular meeting of the City Council of the City of Bryan, Texas.

ATTEST:

CITY OF BRYAN:

Mary Lynne Stratta, City Secretary

Jason P. Bienski, Mayor

APPROVED AS TO FORM:

Janis K. Hampton, City Attorney

RESOLUTION NO. BTU-P-XXX

A RESOLUTION RECOMMENDING AN INCREASE TO BRYAN TEXAS UTILITIES' FISCAL YEAR 2014 BUDGET APPROPRIATION TO THE BRYAN CITY COUNCIL.

WHEREAS, the Fiscal Year 2014 budget appropriations were set for Bryan Texas Utilities by the Bryan City Council on September 10, 2013 in Ordinance No. 2016; and

WHEREAS, state law requires that municipal budget appropriations be increased when spending exceeds the amount appropriated; and

WHEREAS, the Bryan City Council has authorized the Bryan Texas Utilities Board through Ordinance No. 1281 to make budget recommendations to the Bryan City Council; and

WHEREAS, the Bryan Texas Utilities' City system expenditures for 2014 will exceed appropriations that were budgeted due to greater cost of energy to serve wholesale sales; and

WHEREAS, it is in the best interest of Bryan Texas Utilities' customers that the City system contract for wholesale sales to help reduce Bryan Texas Utilities' net cost of energy to retail customers; and

WHEREAS, the Bryan Texas Utilities Rural system expenditures for 2014 will exceed appropriations that were budgeted due to the cost of energy needed to serve greater than budgeted retail sales; and

WHEREAS, it is in the best interest of Bryan Texas Utilities' Rural customers that Bryan Texas Utilities' Rural system procure the energy required to serve Rural retail customers; and

NOW, THEREFORE be it resolved that the Bryan Texas Utilities Board:

Recommends to the Bryan City Council that the budgeted expenditure appropriations for Bryan Texas Utilities – City fund be increased by \$9,244,000 to \$ 184,518,304 and Bryan Texas Utilities – Rural fund be increased by \$3,689,000 to \$ 37,202,180.

Considered and adopted on a vote of _____ ayes and _____ nays, this _____ day of _____, 2014 at a regular meeting of the Bryan Texas Utilities Board at which a quorum was present and which was held in accordance with Chapter 551, Texas Government Code.

ATTEST:

BRYAN TEXAS UTILITIES BOARD

Angela M. Saxby, Recording Secretary

Carl Benner, Chairman