



Finance Department

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TOWN COUNCIL CONSENT AGENDA

Date: May 14, 2024

PROJECT

Discussion and action approving Ordinance No. 1755 amending the FY 2023-2024 Annual Budget in accordance with existing statutory requirements; appropriating the various amounts herein; repealing all prior Ordinances and actions in conflict herewith; and providing for an effective date.

BACKGROUND

The city charter requires that when the budget is amended that the amendment be by ordinance. This budget amendment addresses several items discussed below.

"The legal level of budgetary control is at the fund level. The Town Manager is authorized to transfer budgeted amounts between departments within any fund. Any revisions that increases the total expenditures of any fund greater than the original budget must be approved by ordinance of Town Council."

General Fund:

Development Services had in the 5-year financial plan to prepare a long-range planning and unified development code. Council approved two contracts April 16, 2024 that will achieve this objective. The funding was in FY 2024 and FY 2025. We are requesting the funds in FY 2025 to be reauthorized in FY 2024 to fund the contracts and expediate the project. We are moving \$300,000 from development services FY 2025 budget to FY 2024. Development Services was asked to have a study done for the Hardwicke corner. Funding was not part of their operating budget and in an effort to move forward with this project, EDC will be funding half of the project. This budget amendment will add \$30,000 to the professional services line item to fund this study the Town is paying for.

During our first PO roll forward in the new ERP system (MUNIS), finance staff uncovered some purchase orders that rolled from FY 2023 into FY 2024 without the funding. We are re-establishing \$64,342 to ensure the purchase orders are funded for prior year commitments.

FERF:

The FERG is funded directly from Fire's operating budget to replace equipment for Fire. All the funds stay within this internal service fund. The budget amendment is requesting additional funds that rolled into the FERG's fund balance for ballistic vests and fire hoses in the amount of \$29,500. This fund has sufficient fund balance to spend for such additional equipment needs of Fire.

Park and Recreation Fund:

The Cove has a video wall that is behind the flow rider. Staff is replacing the broken video wall for \$144,000 which includes an electric panel. The funding for the unexpected replacement is coming from the reserve that has been established in this fund for such items. After transferring \$144,000 from the Park and Recreation Fund's equipment replacement reserves the balance left is \$161,465. This reserve will continue to be funded to replace the amount that was used for the video wall.

Hotel Occupancy Tax Fund:

At the time, the hotel tax fund budget was presented to Council, there was only the short-term rental

software compliance program in the approved budget. The Tourism program has expanded due to staff's efforts and is able to use such funds to recruit and market such events. The budget amendment is requesting \$25,000 from fund balance to move forward in tourism recruitment and marketing.

Landscape Fund:

The Town has received tree mitigation revenue in the amount of \$120,462. The budget amendment is recognizing this revenue received in order to support expenses already planned out of this fund.

Construction In Progress (CIP) Funds:

There have been several CIP projects that funding needs to be identified.

- Wood Family Dog Park - \$75,608 funding from CDC \$25,608 and Escrow (donation) \$50,000 for a total project cost of \$425,608.
- Brent Trail received a true up from TxDOT after they reconciled all project costs. TxDOT also sent funds to the Town for Hart's Branch Trail. This is net neutral impact to the budget with recognizing the revenue and the expense of \$18,000.
- Fishtrap Road expansion project-the Town entered into an interlocal agreement with Denton County to spend \$1,188,000 for design that is completely funded from Denton County's TRIP-22 Road Bond Program. Council approved the interlocal agreement 4/2/2024. This budget amendment is reflecting the county proceeds and expense for the project.
- Cottonwood Park Phase I- this has been a project ongoing and funded from the 2021 CO Bonds. This budget amendment in the amount of \$6,166,025 is establishing the construction budget and funding from the CO Bonds.
- French Settlement – right of way access expenses associated with this project is being funded from water, wastewater, and road impact fees for a total of \$60,000.
- Fire Station #4/Police Annex building – Council approved the CMAR March 19, 2024. This budget amendment is establishing construction budget in the amount of \$9,704,209 and the funding from the 2022 and the planned issuance of the 2024 CO Bonds along with developer contribution.
- Animal Shelter expansion-this budget amendment is addressing the \$2,000,000 animal shelter expansion project from the planned 2024 CO Bonds that was discussed with Council at the 4/16/2024 Council workshop.
- US Highway 380 lighting – funding has already been provided for this project from North Roadway impact fees. This budget amendment is re-establishing the budget in the amount of \$168,650 now that Engineering is moving forward with TxDOT on this project.
- Manhole Rehab-Finance took a reimbursement resolution to Council in February to begin water and wastewater projects that are funded from the future 2024 CO Bonds. This project is one of the many that has begun and the budget amendment is establishing budget authority in the amount of \$1,970,000.
- Westside water improvements - Finance took a reimbursement resolution to Council in February to begin water and wastewater projects that are funded from the future 2024 CO Bonds. This project is one of the many that has begun and the budget amendment is establishing budget authority in the amount of \$461,000.
- Public Works Service Center expansion-at the time of the budget adoption, we had not identified all costs associated with this project that is funded from the 2021 CO bonds. This budget amendment provides enough budget authority in the amount of \$735,600 to complete the project.

RECOMMENDED ACTION

Staff recommends approval of Ordinance No. 1755 amending the FY 2023-2024 Annual Budget for appropriations as presented.

ATTACHMENTS

1. Ordinance No. 1755
2. Exhibit A
3. Capital Improvement Program