



Legislation Text

File #: ID 14-0507, Version: 1

Agenda Information Sheet

DEPARTMENT: Finance

CM/ ACM: Bryan Langley

Date: September 16, 2014

SUBJECT

Consider adoption of an ordinance of the City of Denton, Texas, adopting the Fiscal Year 2014-2015 Annual Program of Services (Budget) and the Capital Improvement Program of the City of Denton, Texas, for the fiscal year beginning on October 1, 2014, and ending on September 30, 2015; and declaring an effective date.

BACKGROUND

The City Council received the City Manager's FY 2014-15 Proposed Budget on July 25, 2014. A workshop to present the details of the Budget was conducted on July 31, 2014. Further discussions on the Budget were also held on August 5, August 12, August 19 and September 9. A public hearing on the Proposed Budget was also held on August 19 to solicit citizen feedback. In addition, two public hearings were held on the tax rate on August 19 and September 9. The FY 2014-15 Budget is summarized by fund in the Budget Resource and Expenditure Summary, which is attached to the ordinance.

As a result of discussions with the City Council, the following changes were made to the City Manager's Proposed Budget as summarized below.

Airport Fund

Due to recent negotiations regarding a land purchase for the Airport, staff is proposing to increase the expenditure authority for this fund by \$291,296. In addition, projected franchise fee payments (\$24,899) by the Airport are also proposed to increase as a result of increased ground lease revenues (\$187,546) associated with the above referenced land purchase. Reserves are also planned to be drawn down by an additional \$128,649 as a result of the increased expenditures.

Airport Fund:	
City Manager's Proposed FY 2014-15 Revenue Budget	\$4,251,182
Increased Airport ground lease revenues	\$187,546
Increase in use of reserves	\$128,649
Total Revised FY 2014-15 Proposed Revenue Budget	\$4,567,377

City Manager's Proposed FY 2014-15 Expenditure Budget	\$4,251,182
Increased capital project transfers	\$291,296
Increased franchise fee payments	\$24,899
Total Revised FY 2014-15 Proposed Expenditure Budget	\$4,567,377

General Government Capital Improvement Program (CIP)

The overall planned bond sale (GOs & COs) for FY 2014-15 is proposed to decrease by \$500,000 from \$32,000,000 to \$31,500,000. The change is associated with a delay in the issuance of \$500,000 in COs for the initial phase of the Airport's West Side Runway project. The City would now propose to issue the full amount of the project in FY 2015-16, rather than issue the amounts in two separate years. The amount for FY 2015-16 would be \$1,200,000.

In addition, staff would propose to issue an additional \$300,000 for fire station improvements and reduce the previously proposed amount for building/land acquisition and improvements by \$300,000. This change has no impact on the CIP budget. Lastly, the Airport's revenue funded land acquisition project is proposed to increase an additional \$291,296 to \$2,000,000 as a result of recent negotiations.

Community Market

The Community Market has proposed a budget of \$15,950 which includes \$10,000 in funding from HOT Funds. The proposed budget also includes requested funding of up to \$5,950 in one-time funds from the City's General Fund, which the City Council previously recommended to allocate from their FY 2014-15 proposed contingency funds. This funding allocation will reduce Council Contingency funds to \$11,550 (\$1,650 per member) for FY 2014-15.

In addition to the above funds, the FY 2014-15 Proposed Budget for the General Fund also includes \$3,200 in funding for portable restroom facilities for the Community Market. These funds were budgeted for this purpose beginning in FY 2013-14. These three funding sources total \$19,150 in support of the Community Market. Upon receipt of application for the HOT program, staff will plan to submit an agreement to the City Council for consideration of all Community Market funding sources early in FY 2014-15.

In summary, the total revised City of Denton budget (including grants and capital projects) is recommended to increase by \$107,491 to \$907,884,034 compared to the City Manager's Proposed Budget of \$907,776,543.

EXHIBITS

1. Ordinance

Respectfully submitted:
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