



Legislation Text

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Agenda Information Sheet

DEPARTMENT: Water and Wastewater Utilities

CM/ ACM: Howard Martin

Date: August 22, 2016

SUBJECT

Recommend approval of amending the Fiscal Year 2015-2016 Budget and Annual Program of Services of the City of Denton to allow for adjustments to the Water Fund of one million dollars (\$1,000,000) and the Wastewater Fund of eight hundred sixty-five thousand dollars (\$865,000).

BACKGROUND

Ordinance 2015-170 was approved by City Council on June 16, 2015 establishing an economic development program grant between the City of Denton, the board of directors of Tax Increment Reinvestment Zone number two of Denton, and Denton-Tarrant PRW, LLC. Included in Ordinance 2015-170 is a "Reimbursement Grant" for up to \$1,000,000 in infrastructure financing for water improvements and up to \$865,000 for sewer improvements. These payments will be funded by Water and Wastewater Development Plan line funding. The Development Plan line funding is a component of the Water and Wastewater Fund balance (reserves). The expenditure of Development Plan Line funding was not included in the Water and Wastewater FY 2015-2016 Operating Budget. A budget amendment would increase the expenditure budget for the Water Fund from \$46,681,823 to \$47,681,823 and from \$32,340,185 to \$33,205,185 for the Wastewater Fund to allow for the reimbursement grant expense from the Development Plan Line funding.

RECOMMENDATION

Staff recommends approval of the budget amendment.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On June 8, 2015, the Public Utilities Board received a report and held a discussion in closed session on the economic incentive agreement with Denton-Tarrant PRW, LLC. On June 16, 2015, the City Council adopted Ordinance 2015-170 allowing reimbursement to Denton-Tarrant PRW, LLC through Development Plan Line funding for up to \$1,000,000 from the Water Fund and up to \$865,000 from the Wastewater Fund in accordance with the City's Infrastructure Financing Policy adopted by Resolution 91-008.

FISCAL INFORMATION

Approval of the requested budget amendment will alter the FY 2015-16 Budget and Annual Program of Services to allow for an increase to the Water Fund by \$1,000,000, increasing appropriations from \$46,681,823 to \$47,681,823. Along with an increase to the Wastewater Fund by \$865,000, increasing appropriations from \$32,340,185 to \$33,205,185.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: **Public Infrastructure**

Related Goal: **2.3 Promote superior utility services and facilities**

EXHIBITS

1. Ordinance 2015-170
2. Resolution 91-008

Respectfully submitted:

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