

**ORDINANCE NO. 2020-06**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, AMENDING THE BUDGET FOR THE FISCAL YEAR 2020 IN ACCORDANCE WITH EXISTING STATUTORY REQUIREMENTS; APPROPRIATING THE VARIOUS AMOUNTS HEREIN, AS ATTACHED IN EXHIBIT A; REPEALING ALL PRIOR ORDINANCES AND ACTIONS IN CONFLICT HEREWITH; AND ESTABLISHING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City Manager of the City of Bastrop, Texas has submitted to the Mayor and City Council proposed amendment(s) to the budget of the revenues and/or expenditures/expenses of conducting the affairs of said city and providing a complete financial plan for Fiscal Year 2020; and

**WHEREAS**, the Mayor and City Council have now provided for and conducted a public hearing on the budget as provided by law.

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS THAT:**

**Section 1:** That the proposed budget amendment(s) for the Fiscal Year 2020, as submitted to the City Council by the City Manager and which budget amendment(s) are attached hereto as Exhibit A, are hereby adopted and approved as the amended budget of said city for Fiscal Year 2020.

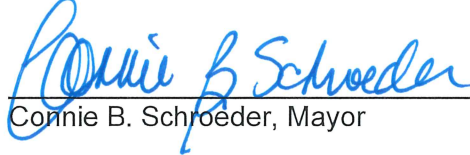
**Section 2:** If any provision of this ordinance or application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions, or application thereof, of this ordinance, which can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are hereby declared to be severable.

**Section 3:** This ordinance shall take effect upon the date of final passage noted below, or when all applicable publication requirements, if any, are satisfied in accordance with the City's Charter, Code of Ordinances, and the laws of the State of Texas.

**READ and APPROVED** on First Reading on the 10<sup>th</sup> day of March 2020.

**READ and ADOPTED** on Second Reading on the 24<sup>th</sup> day of March 2020.

**APPROVED:**

  
\_\_\_\_\_  
Connie B. Schroeder, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Ann Franklin, City Secretary

**APPROVED AS TO FORM:**

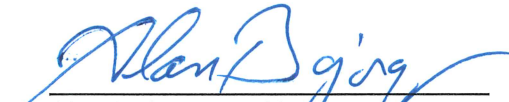
  
\_\_\_\_\_  
Alan Bojorquez, City Attorney

EXHIBIT A

**Budget Amendment #1: General Fund Debt Service**

The bond sale for the Certificate of Obligation 2020 Series closed on February 6, 2020. The City received the final debt schedule at this time. The payment for this bond was not included in the original FY2020 budget approved on September 24, 2019. There is one interest payment that will be due before the end of this fiscal year.

**FY 2020 Budget Book (Page 293)**

**Debt Service Amount**

Original Budget	\$2,752,618
Expected Expenditure	<u>\$2,790,559</u>
Difference	<b>\$ 37,941</b>

The difference needs to be applied to the following accounts:

CO SERIES 2020-INTEREST (120-00-00-7162) **\$37,941**

The difference will be addressed through the following:

Decrease in Fund Balance **\$37,941**

**Budget Amendment #2: Hunter's Crossing Public Improvement District Fund**

In January, one of the parcels within the district was sold and the buyer chose to pay off the outstanding balance of the capital portion of the assessment. This requires an amendment to increase the revenue account for commercial capital assessment and increase the expense reimbursement to the developer by the same amount.

**FY 2020 Budget Book (Page 319)**

Original Budget – Total Revenue	\$ 625,403
Expected Revenue	<u>\$ 2,985,224</u>
Difference	<b>\$2,359,821</b>

Original Budget – Total Expenditure	\$ 1,036,148
Expected Expenditure	<u>\$ 3,395,969</u>
Difference	<b>\$2,359,821</b>

The difference needs to be applied to the following accounts:

Commercial Capital (710-00-00-4011) **\$2,359,821**  
Reimbursement to Developer (710-00-00-5629) **\$2,359,821**

This amendment has a neutral effect and is not changing fund balance.

EXHIBIT A

**Budget Amendment #3: General Fund**

On page 98 of the FY2020 budget book, the proposed 2019-2020 shows a transfer in from the Innovation Fund of \$198,991. This was due to the requirement by the Financial Policy to maintain a 25% fund balance reserve in the General Fund. Since the FY 2020 budget's adoption, the FY2019 financials were finalized and the ending fund balance was 27% of operating expenses eliminating the need for this transfer in. The General Fund was in balance without this transfer in.

**FY 2020 Budget Book (Page 98)**

Original Budget – Total Transfers	\$ 769,741
Expected Transfers	\$ 570,750
Difference	\$ 198,991

The difference needs to be removed from account:

Transfer from Innovation Fund (101-00-00-4709)      **-\$198,991**

**Budget Amendment #4: Innovation Fund**

This amendment relates to Budget Amendment #3. Since this transfer from the Innovation fund is no longer needed to meet the reserve amount and can be re-appropriated for one-time expenditures that were put on hold for FY2020. Below is a section from page 12 of the City Manager's memorandum in the FY2020 proposed budget:

There are several projects identified for FY 2020 that are not included in the FY 2020 budget. At this point, we will not know what the actual carry-over for FY 2019 will be until the fiscal year is closed out in November. IF there is additional fund balance available over and above the 25% reserve requirement, Staff will bring Council a budget amendment to fund the following projects:

- Computer Replacement Program - \$65,000. Given the speed in which technology changes, we have a 3-year replacement for desktop and laptop computers. This funding is needed for the one-third of the organization's computers that need to be replaced in FY 2020.
- Computer Network System Improvements - \$76,000. The current system is approaching ten (10) years old and reaching the end of its useful life. In order to ensure continued system reliability, system improvements are required.
- Customer Relations Management System - \$25,000 - \$30,000. The system will significantly improve our ability to track customer concerns as well as provide citizens' access to track their concerns 24/7/365 with on-line notification capabilities.

The discussion at a City Council Budget Workshop was that we finalize the close of FY2019 and see what funds might be available.

Staff has been reviewing new software for Development Services and believes that the software that will be chosen will also fill the need of a Customer Relations Management System. We would ask that the computer replacement and the computer networking projects get funded from the \$198,991 that is no longer needed in the General Fund.



EXHIBIT A

**FY 2020 Budget Book (Page 208)**

Original Budget – Total Expenditures	\$ 976,059
Transfers Out (105-00-00-8001)	-( \$ 198,991)
Equipment (105-00-00-5222)	\$ 65,000
Equipment-Capital (105-00-00-6010)	\$ 76,000
Amended Total Expenditures	\$ <b>928,068</b>

The difference of \$47,991 from the original budget to the amended will go back into fund balance to be re-appropriated in the future.

**Budget Amendment #5: Water/Wastewater Fund**

**FY 2020 Budget Book (Page 222)**

Original Budget	\$6,211,564
Insurance Proceeds (202-00-00-4810)	<u>\$ 3,259</u>
New Total Revenue	<b>\$6,214,823</b>

The proceeds need to be applied to the following accounts:

**FY 2020 Budget Book (Page 223)**

Original Budget	\$3,600,611
Maintenance of Building (202-35-10-5340)	<u>\$ 3,259</u>
New Total Expenditure	<b>\$3,603,870</b>

This additional revenue came from proceeds from an insurance claim. The repair to the roof of the administration building was not originally in the FY2020 budget so these proceeds need to be applied to this expense account to cover the repairs. This amendment has a zero-net effect on fund balance. It is increasing revenue and increasing the expense.

**Budget Amendment #6: 2013 Combination Rev & Tax Bond**

The FY2019 projected ending fund balance for this fund was \$1,162,763. The actual ending fund balance is \$1,222,301 a difference of \$59,538.

**FY 2020 Budget Book (Page 295)**

Original Budget	\$1,189,407
Expected Expenditure	<u>\$1,232,500</u>
Difference	<b>\$ 43,093</b>

The difference needs to be applied to the following Capital Outlay accounts:

Main St. Sidewalk/St Improv (724-00-00-6154)	<b>\$16,593</b>
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EXHIBIT A

Gills Branch Drng Channel Repair (724-00-00-6712)	\$ 6,500
Phase I Improv to Bastrop Industrial Park (724-00-00-6608)	<u>\$20,000</u>
	<b>\$43,093</b>

This amendment will decrease available fund balance by **\$43,093**.

**Budget Amendment #7: 2018 Certificate of Obligation Bond**

The FY2019 projected ending fund balance for this fund was \$3,316,185. The actual ending fund balance is \$3,490,482 a difference of \$174,297. This difference added to the available ending balance that was projected for FY2020 of \$190,488 leaves \$364,785 available to allocate to current projects.

**FY 2020 Budget Book (Page 297)**

Original Budget	\$3,175,697
Expected Expenditure	<u>\$3,509,338</u>
Difference	<b>\$ 333,641</b>

The difference needs to be applied to the following **Capital Outlay** accounts:

Old Iron Bridge (726-00-00-6000)	\$ 58,876
Jasper/Newton Drainage Proj (726-00-00-6111)	\$ 10,684
Public Works Detention Pond Proj (726-00-00-6113)	-( \$ 7,486)
Main St. Sidewalk/St Improv (726-00-00-6154)	\$ 38,020
<b>Street Improvements- N. Main (726-00-00-6132)</b>	<b>\$230,291</b>
Pine St Drainage Proj (726-00-00-6112)	<u>\$ 3,256</u>
	<b>\$333,641</b>

This amendment will decrease available fund balance by **\$333,641**.