



STAFF REPORT

DATE: January 22, 2019
TO: Ronald L. Olson, City Manager
FROM: Jonathan Locke, Executive Director of Finance
VIA: Miranda Drake, Director of Budget
SUBJECT: Budget Amendment

BACKGROUND AND FINDINGS:

On December 11, 2018, the City Council approved an ordinance establishing a Street Maintenance Special Revenue Fund and providing for the collection of street maintenance fees. While the ordinance became effective immediately, the implementation phase will take approximately six (6) months to properly integrate the new fee into the billing system. The collection of this fee will start in the July 2019 billing cycle.

Ordinance No. 18-045, Section 25-226, created a separate fund within the City's fund structure known as the Street Maintenance Special Revenue Fund, for the purpose of maintenance of the transportation system. This budget amendment transfers the funds for Street Operations from the General Fund to the Street Maintenance Special Revenue Fund.

| | Revenue Budget |
|------------------------------------------------|-----------------------|
| Special Revenue Fund - Street Maintenance Fund | \$5,233,565 |
| TOTAL | \$5,233,565 |

| Expenditure Budget | |
|------------------------------------------------|--------------------|
| General Fund | \$ 0 |
| Special Revenue Fund - Street Maintenance Fund | 5,233,565 |
| TOTAL | \$5,233,565 |

THE ALTERNATIVES CONSIDERED:

(1) Approve the attached ordinance amending the Annual Budget and Plan of Municipal Services for FY 2019 to establish the Street Maintenance Special Revenue Fund budget.; (2) Do not approve the ordinance.

Which alternative is recommended? Why?

Staff recommends option 1 to approve the ordinance amending the Annual Budget and Plan of Municipal Services for FY 2019 to establish the Street Maintenance Special Revenue Fund budget.

CONFORMITY TO CITY POLICY:

City Charter, Article VII., Section 71 and Section 73

FINANCIAL IMPACT:

Upon approval, accounts will be amended in the FY 2019 budget as follows:

An increase to General Fund expenditure accounts by \$0.

An increase to Special Revenue Funds - Street Maintenance Fund revenue accounts by \$5,233,565.

An increase to Special Revenue Funds - Street Maintenance Fund expenditure accounts by \$5,233,565.

What is the amount of the expenditure in the current fiscal year? For future years?

N/A

Is this a one-time or recurring expenditure?

This is a one-time transfer of the Streets operating budget from the General Fund to the Street Maintenance Special Revenue Fund.

Is this expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

N/A

RECOMMENDATION:

Staff recommends that the City Council approve this ordinance amending the FY 2019 Annual Budget and Plan of Municipal Services of the City of Killeen to establish the budget for the Street Maintenance Special Revenue Fund.

DEPARTMENTAL CLEARANCES:

City Attorney
Finance

ATTACHED SUPPORTING DOCUMENTS:

Ordinance