



STAFF REPORT

DATE: November 9, 2021
TO: Kent Cagle, City Manager
FROM: Jonathan Locke, Executive Director of Finance
VIA: Miranda Drake, Director of Budget
SUBJECT: Budget Amendment

BACKGROUND AND FINDINGS:

The roof at the City's Transfer Station was badly damaged due to a fire that occurred on August 18, 2020. Damage to the roof was contained to a large area on the east slope and a small area on the west slope. The City worked with the Texas Municipal League (TML), our insurance carrier, to perform on-site inspections of the roof. TML engaged the professional services of a roofing consultant and there were time delays associated with this consultant. TML acknowledged the need for the roof replacement and advised the City to move forward with obtaining proposals for the roof replacement.

Community Development is presenting an item for City Council's consideration regarding the replacement of the roof at the Solid Waste Transfer Station. This budget amendment appropriates funding to recognize a reimbursement from TML and appropriates funding for the expense of the roof replacement.

The revenue will be amended as follows:

Revenue	
Insurance Proceeds	\$229,857
TOTAL	\$229,857

The expense will be amended as follows:

Expense	
Claims and Damages	\$229,857
TOTAL	\$229,857

THE ALTERNATIVES CONSIDERED:

- 1) Do not approve the ordinance amending the FY 2022 Annual Budget.
- 2) Approve the ordinance amending the FY 2022 Annual Budget.

Which alternative is recommended? Why?

Option 2 is recommended to approve the ordinance amending the FY 2022 Annual Budget to recognize the revenue and expense associated with the TML reimbursement and roof replacement.

CONFORMITY TO CITY POLICY:

The City's Financial Governance Policies, Section V. Budget Administration (B)(1) states that City Council may amend or change the budget by ordinance.

FINANCIAL IMPACT:

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

The budget amendment will appropriate the revenue and expense of \$229,857 to replace the roof at the Solid Waste Transfer Station.

Is this a one-time or recurring expenditure?

One-time

Is this expenditure budgeted?

Upon approval of the attached ordinance amending the FY 2022 Annual Budget.

If not, where will the money come from?

N/A

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

Upon approval of the attached ordinance amending the FY 2022 Annual Budget.

RECOMMENDATION:

City Council approve the ordinance amending the FY 2022 Annual Budget.

DEPARTMENTAL CLEARANCES:

Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Ordinance