

AN ORDINANCE AMENDING THE FISCAL YEAR 2016 UTILITY FUND BUDGET OF THE CITY OF SEGUIN, TEXAS.

NOW, THEREFORE, BE IT ORDAINED THAT THE FISCAL YEAR 2016 UTILITY FUND BUDGET OF THE CITY OF SEGUIN, TEXAS, IS AMENDED AS FOLLOWS:

Utility Fund

Amount	Increase:	Increase:
\$ 10,294	Utility Fund Administrative Services Salaries 002-4600-110100	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000
\$ 783	Utility Fund Administrative Services Payroll Taxes 002-4600-121000	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000
\$ 1,802	Utility Fund Administrative Services Retirement 002-4600-122000	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000
\$ 1,455	Utility Fund Administrative Services Health Insurance 002-4600-123000	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000
\$ 198	Utility Fund Administrative Services Workers' Compensation 002-4600-124000	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: In the management letter from our auditors this year, they suggested we designate an overall Grants Compliance Manager. In the past, this function has not been a full time position. Over the past twelve months, the City has either applied for or been awarded over \$20 million in grants. Usually, each of these grants has very different and specific requirements. This amendment would fund ½ of a position of a Grants Coordinator. The other ½ will be funded through the General Fund beginning mid-April.

Amount	Increase:	Increase:
\$ 22,600	Utility Fund Electric Distribution Testing and Maintenance 002-4700-344000	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: Every three years, the City's breakers are tested. This last test indicated we need have our settings for the relays adjusted. During this last storm, lightning struck a pole and went through our breaker to LCRA's transformer. Having the relays adjusted would prevent this from happening. This amendment appropriates funds to allow us to hire an engineer to complete this project.

Amount	Increase:	Increase:
\$ 50,000	Utility Fund Electric Distribution Poles, Towers and Fixtures 002-4700-703100	Utility Fund Miscellaneous Revenue Miscellaneous 002-362030

Reason requested: This fiscal year, the City has seen some welcomed growth in our electric customers. With the new customers, comes a need for more infrastructure. When customers pay for the needed infrastructure, those funds go to Miscellaneous Revenue. This amendment allows for the increased revenue along with the increased expense.

Amount	Increase:	Increase:
\$ 20,726	Utility Fund Non-Departmental Transfers to Retirement Fund-Utility 002-9000-828600	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: Each year at the end of our fiscal year, we look to see if there are available funds that we may have left in our budget in the Retirement line items. This amount is then transferred to a retirement fund to allow us to make additional payments to TMRS in order to buy down our retirement liability. This amendment would appropriate that amount left in our FY 2015 budget that was not spent.

Amount	Increase:	Increase:
\$ 82,798	Utility Fund Non-Departmental Transfers to Utility Fund Capital Projects 002-9000-822300	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: To transfer funds to Utility Fund Capital Projects to fund additional projects or additional funding toward current projects included in the individual amendment descriptions.

Utility Fund Capital Projects

Amount	Increase:	Increase:
\$ 20,000	Utility Fund Capital Outlay Miscellaneous Equipment-Utility Depts. 038-9000-706500	Utility Fund Intragovernmental Transfers Transfers from Utility Fund 038-391020
Reason requested:	Each year, staff recommends to budget funds for all Utility departments to use in case a need arises for purchase of smaller equipment. Earlier this year, a trench compactor was purchased for the Water/Wastewater Department in order to improve the quality of our utility street repairs, which used all remaining funds. This amendment is to put funds back into this project for the purchase of miscellaneous equipment for all Utility departments.	

Amount	Increase:	Increase:
\$ 6,790	Utility Fund Capital Outlay OVN Septic Decommissioning 038-9000-703000	Utility Fund Intragovernmental Transfers Transfers from Utility Fund 038-391020
Reason requested:	OVN residents were given a deadline in order to submit requests for funding through the grant for decommissioning their septic tanks. Nine residents did not submit their request by the deadline. Staff allowed them to get the similar funding as those that submitted the request on time. This amendment appropriates additional funds for the decommissioning of the septic tanks for those residents we did not receive grant funding.	

Amount	Increase:	Increase:
\$ 2,750	Utility Fund Capital Projects Capital Outlay Diagnostic Scan Tool 038-9000-706500	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020
Reason requested:	During the FY 2016 budget process, only one-half of the cost of a diagnostic scan tool was budgeted for vehicle maintenance. ½ of the funding will be coming from General Fund and the other ½ from the Utility Fund. This amendment is to increase appropriation for this purchase.	

Amount	Increase:	Increase:
\$ 53,258	Utility Fund Capital Projects Capital Outlay Downtown Lighting 038-9000-703000	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020
Reason requested:	During the March 1, 2016 City Council meeting, City Council approved to keep Central Park and the Courthouse lit with LED lighting year round. This amendment provides for ½ of the cost to purchase and install these lights. The other ½ is being funded out of General Fund.	

Sewer Impact Fund

Amount	Increase:	Increase:
\$ 235,000	Sewer Impact Fund Sewer Extensions Sagebiel Road Sewer Upgrade 017-9000-751200	Sewer Impact Fund Non-Departmental Use of Retained Earnings 017-9800-960000

Reason requested: According to the Sanitary Sewer Study, the size of the line for the Sagebiel Road Sewer Upgrade project needs to be upgraded to a 15" line. The original estimates were based upon a smaller line. Based upon preliminary estimates, the project budget needs to be increased. This amendment is to increase the appropriation for this project.

Utility I&S Fund

Amount	Increase:	Increase:
\$ 84,788	Utility I&S Fund Interest Payments 2016 Utility Revenue Bonds 041-9200-918500	Utility I&S Fund Non-Departmental Use of Retained Earnings 041-9800-960000

Reason requested: With the issuance of the 2016 Utility Revenue Bonds this month, the first interest payment needs to be made in August. This amendment is to appropriate funds for that interest payment.

2016 Utility Revenue Bonds

Amount	Increase:	Increase:
\$2,317,000	2016 Utility Revenue Bonds Capital Outlay SH 123 Bypass Pump Station 054-9000-703000	2016 Utility Revenue Bonds Long-Term Debt Proceeds Bond Proceeds 054-393000
\$ 200,000	2016 Utility Revenue Bonds Capital Outlay Water Main Replacement Material 054-9000-703000	2016 Utility Revenue Bonds Long-Term Debt Proceeds Bond Proceeds 054-393000
\$ 140,000	2016 Utility Revenue Bonds Capital Outlay Walmart 16 Inch Water Main Extension 054-9000-703000	2016 Utility Revenue Bonds Long-Term Debt Proceeds Bond Proceeds 054-393000
\$ 192,000	2016 Utility Revenue Bonds Capital Outlay River Street Water Main Replacement 054-9000-703000	2016 Utility Revenue Bonds Long-Term Debt Proceeds Bond Proceeds 054-393000

\$ 441,000	2016 Utility Revenue Bonds Capital Outlay Water Plant Filter Rehabilitation Engineering 054-9000-703000	2016 Utility Revenue Bonds Long-Term Debt Proceeds Bond Proceeds 054-393000
\$ 100,000	2016 Utility Revenue Bonds Capital Outlay Sagebiel Road Wastewater Main Upgrade 054-9000-703000	2016 Utility Revenue Bonds Long-Term Debt Proceeds Bond Proceeds 054-393000
\$ 90,000	2016 Utility Revenue Bonds Capital Outlay Geronimo Creek Pump Replacement 054-9000-703000	2016 Utility Revenue Bonds Long-Term Debt Proceeds Bond Proceeds 054-393000
\$ 180,000	2016 Utility Revenue Bonds Capital Outlay Fairway Manor Lift Station Replacement 054-9000-703000	2016 Utility Revenue Bonds Long-Term Debt Proceeds Bond Proceeds 054-393000
\$ 503,000	2016 Utility Revenue Bonds Capital Outlay Wastewater Plant Belt Filter Press 054-9000-703000	2016 Utility Revenue Bonds Long-Term Debt Proceeds Bond Proceeds 054-393000
\$ 337,000	2016 Utility Revenue Bonds Capital Outlay Contingency 054-9000-703000	2016 Utility Revenue Bonds Long-Term Debt Proceeds Bond Proceeds 054-393000

Reason requested: Bond proceeds from the 2016 Utility Revenue Bonds were received on February 17, 2016. This amendment allows for the receipt of the bond proceeds and the appropriation to the approved projects.

Retirement Fund – Utility

Amount	Increase:	Increase:
\$ 20,726	Retirement Fund-Utility Non-Departmental TMRS Liability Buy-Down 086-9000-122100	Retirement Fund-Utility Intragovernmental Transfers Transfers from Utility Fund 086-391020
\$ 72,691	Retirement Fund-Utility Non-Departmental TMRS Liability Buy-Down 086-9000-122100	Retirement Fund-Utility Non-Departmental Use of Retained Earnings 086-9800-960000

Reason requested: Each year at the end of our fiscal year, we look to see if there are available funds that we may have left in our budget in the Retirement line items. This amount is then transferred to a retirement fund to allow us to make additional payments to TMRS in order to buy down our retirement liability. This amendment would appropriate that amount left in our FY 2015 budget that was not spent. In addition, it also appropriates the use of the current balance in this fund to also assist in buying down the retirement liability.

The Council finds that these budget adjustments are required because of changes and unforeseen conditions that could not have been anticipated in the original budget.

This ordinance shall become effective and applicable on the date of its approval and passage.

PASSED ON FIRST READING BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS, on this the 1st day of March, 2016.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS, on this the 15th day of March, 2016.

Don Keil, Mayor

ATTEST:

Thalia Stautzenberger, City Secretary