



-Memorandum-

Finance Department

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Date: August 26, 2016

To: Mayor and City Councilmembers
Douglas Faseler, City Manager

From: Susan Caddell *Susan Caddell*
Director of Finance

Subject: Changes to FY17 Budget

Since our last budget workshop on August 16, a few changes to the Proposed FY17 budget are being recommended. When the budget for the Golf Course was created, staff was still finalizing the transition of taking over the administration and management of the Golf Course and Pro Shop. Staff now has recommendations for concession revenues and expenses along with merchandise revenues and expenses. Staff is recommending revenues for concessions of \$77,000 and merchandise of \$62,500. Along with this increase in revenue, an increase of \$14,000 is recommended for Golf Course Receipts for range ball sales. The expenditure to purchase these balls has already been included in the expenditures. The recommended expenditures for concessions are \$73,000 and merchandise is \$50,000. Along with these added expenditures, the City will be responsible for purchasing liquor liability insurance. This added expenditure is \$2,500. With these added revenues and expenditures, the net result is an increase of \$28,000 in revenue. Staff is recommending reducing the transfers from the General Fund by that amount.

Staff has been discussing the issues we have had with low hanging limbs in the streets. We have received some preliminary bids from our current tree trimming contractor to provide this service. In order to provide this service for about three to four months, it would cost the City approximately \$48,000. In the General Fund, on page 69 of the FY17 Proposed Budget, you will find \$25,000 in Professional Services. \$20,000 of this budget was for the City's contribution to the School Crossing Guard Program. The contract the City has with Seguin ISD, only called for a contribution from the City in FY16. No contribution is required in future years. Along with the reduction in the transfers to the Golf Course Fund by \$28,000 as mentioned above, this project can be funded through Professional Services for up to four months.

Please remember to bring your budget books on Tuesday nights to refer back to or if you may have any questions.