



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action approving the first reading of an ordinance amending the budget for the fiscal year beginning October 1, 2025, and ending September 30, 2026

DATE: December 4, 2025

DEPARTMENT: Finance

PRESENTED BY: Summer Fleming, CGFO, Director of Finance

INTRODUCTION/BACKGROUND:

This budget amendment increases the FY 2025-26 budget to account for prior-year commitments, continuing capital projects, and newly authorized appropriations.

First, the amendment re-appropriates funds for open purchase orders (encumbrances) totaling \$132,890 in the General Fund and \$124,422 in the Utility Fund, ensuring that outstanding FY 2024-25 obligations carry forward into the current fiscal year. It also rolls over continuing project appropriations totaling \$327,279 in the Strategic and Capital Projects Fund, \$2,656,165 in the Water Capital Fund, and \$1,005,412 in the Wastewater Capital Fund, allowing active multi-year projects to proceed without interruption.

Additionally, the December 4, 2025 agenda includes an Interlocal Agreement with Bexar County for the repair and maintenance of Old Fredericksburg Road. This amendment appropriates the City's proposed \$205,882 cost share for that agreement, funded from available Strategic and Capital Projects Fund balance and not impacting reserves.

The amendment also records a \$10,000 donation accepted on November 6, 2025, from the Fair Oaks Ranch Homeowners Association (FORHA) to support the City's Oak Wilt Program, along with the associated program expenditure.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Re-appropriating open purchase orders and rolling over ongoing capital projects ensures continuity of services, avoids project delays, and maintains accountability for prior-year contractual obligations. This practice strengthens financial transparency and supports long-range capital planning.

The appropriation for the Old Fredericksburg Road Interlocal Agreement advances Council's infrastructure goals by enhancing roadway reliability, safety, and long-term performance through coordinated investment with Bexar County.

The FORHA donation and related expenditure enhances the City's Oak Wilt Program, supporting environmental stewardship and expanding assistance available to residents for oak wilt prevention and treatment.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

This amendment re-appropriates:

- \$132,890 in the General Fund and \$124,422 in the Utility Fund for open purchase orders, and
- \$327,279 in the Strategic and Capital Projects Fund, \$2,656,165 in the Water Capital Fund, and \$1,005,412 in the Wastewater Capital Fund for continuing projects.

It also establishes new appropriations totaling \$215,882, consisting of:

- \$205,882 from Strategic and Capital Projects Fund balance for the Old Fredericksburg Rd. project, and
- \$10,000 in General Fund revenues and expenditures for the FORHA Oak Wilt Program donation.

LEGAL ANALYSIS:

Ordinance approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the first reading of an ordinance amending the budget for the fiscal year beginning October 1, 2025, and ending September 30, 2026.