
CITY OF PORT LAVACA

CITY COUNCIL MEETING: SEPTEMBER 6, 2022

AGENDA ITEM _____

DATE: 9/8/2022

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: SUSAN LANG, FINANCE DIRECTOR 

SUBJECT: CONSIDER ORDINANCE APPROVING THE ANNUAL BUDGET

In accordance with the State of Texas Property Tax Code, the Comptroller of Texas' Truth-in-Taxation rules, the Local Government Code and the City's Charter, we have prepared an Ordinance that, if approved, meets the requirements as established by the governing legislation.

On July 25 (CIP) and August 22, 2022, the City Council held budget workshops to review recommendations from the City Manager for the FY 2022-2023 budget. The proposed budget was filed with the City Secretary and published on the City's website on August 8th.

On August 22, 2022, the City Council announced a public hearing on the FY 2022-2023 Budget to be held on September 6, 2022. Because the proposed tax rate exceeds the No-New-Revenue rate, legislation considers it a tax increase, and requires special language to be included in the Notice of Public Hearing on the Budget, the front page of the proposed budget and the front page of the adopted budget.

The City published a notice of public hearing on the budget in the newspaper of general circulation (Port Lavaca Wave) on August 24, 2022 and posted the same notice on the City's website.

The budget, as presented in the August 22, 2022 workshop and further discussed at the Sept. 6, 2022 Special Meeting, has been modified to accommodate the compensation plan update, and is recommended for the City Council's approval. The Combined Revenues and Expenditures statement (attached) includes Revenues of \$20,854,531 followed by combined Expenditures of \$21,351,963, which includes one-time Capital Expenditures of \$2,763,313 and leaves a remaining combined Fund Balance reserve of \$7,419,954.

The Ordinance to adopt the budget includes authorization, as prescribed in the City Charter, Section 8.03, for the City Manager to transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditures within an office, department or agency.

Legislation does require specific language on the vote to adopt the budget, only that it must be a record vote. Staff provides a recommended motion as follows:

➤ ***Motion: "I move to adopt the FY 2022-2023 Annual Budget as presented by the City Manager."***

○ ***Must be a Record Vote of each member of the governing body by name.***

City of Port Lavaca
Annual Budget
FY 2022-2023

Combined Revenues and Expenditures
General, Debt Service, PUF, Beach, Port and Hotel/Motel Funds
For the Fiscal Year ending September 30, 2023

Revenues Description	Actual 2020-2021	Budget 2021-2022	Estimate 2021-2022	Budget 2022-2023
Taxes	\$10,059,469	\$8,846,875	\$9,933,318	\$9,373,654
Licenses & Permits	\$163,486	\$227,745	\$160,476	\$174,010
User & Service Charges	\$6,230,788	\$6,062,366	\$6,383,565	\$7,255,131
Fines & Forfeitures	\$280,582	\$371,000	\$306,672	\$381,000
Other Revenue	\$1,282,348	\$1,216,131	\$1,450,498	\$623,255
Grants and Contributions	\$277,998	\$907,050	\$488,228	\$1,296,845
Intergovernmental (Xfers)	\$873,784	\$1,127,289	\$1,059,494	\$1,750,636
Total Revenues	\$19,168,455	\$18,758,456	\$19,782,251	\$20,854,531
Expenditures				
Salaries & Benefits	\$5,829,459	\$7,103,679	\$6,512,637	\$7,750,308
Materials & Supplies	\$360,001	\$440,996	\$493,138	\$555,721
Services	\$4,977,192	\$5,296,167	\$5,124,585	\$5,977,458
Maintenance	\$1,726,141	\$1,963,788	\$1,788,396	\$2,098,433
Sundry	\$4,447,529	\$1,109,987	\$1,744,972	\$1,643,756
PUF Transfers Less Debt Xfers	\$1,661,875	\$0	\$0	\$562,974
Capital Expenditures	\$1,050,412	\$4,044,301	\$3,371,962	\$2,763,313
Subtotal Expenditures	\$20,052,609	\$19,958,918	\$19,035,690	\$21,351,963
Debt Service	\$1,376,051	\$1,380,393	\$1,380,393	\$1,212,530
Debt Service - Public Utility	\$795,785	\$791,410	\$791,410	\$103,275
Debt Service - Port Revenue	\$260,329	\$257,721	\$257,721	\$255,389
	\$2,432,165	\$2,429,524	\$2,429,524	\$1,571,194
Total Expenditures	\$22,484,774	\$22,388,442	\$21,465,214	\$22,923,157
Net Change In Fund Balance	(\$3,316,319)	(\$3,629,986)	(\$1,682,963)	(\$2,068,626)
Beginning Fund Balance	\$14,487,861	\$11,171,543	\$11,171,543	\$9,488,580
Ending Fund Balance	\$11,171,543	\$7,541,557	\$9,488,580	\$7,419,954