



FINANCE DEPARTMENT

To: Mayor and Town Council

From: Chris Landrum, Finance Director

Through: Ron K. Patterson, Interim Town Manager
Bob Scott, Executive Director of Administrative Services

Re: Ordinance amending Ordinance No. 2021-55 (FY 2021-2022 Annual Budget)
Town Council Meeting – December 13, 2022

Agenda Item:

Consider and act upon an ordinance amending Ordinance No. 2021-55 (FY 2021-2022 Annual Budget). (CL)

Description of Agenda Item:

The proposed ordinance is amending the following balances for the FY 2021-2022 Budget:

General Fund

To maintain an adequate fund balance in the Stormwater Drainage Utility Fund, the General Fund will transfer \$140,000.

Crime Control and Prevention District Fund

The Crime Control and Prevention District Fund was created to support the cost of crime control and prevention and includes salaries and benefits for designated personnel. The approved policy for this fund is to maintain a maximum cash balance of \$25,000 at year-end, to expend all resources on an annual basis. This policy requires revenues to be increased by \$443,206 from \$2,103,218 to \$2,546,424 and expenditures increased the budget by \$450,605 from \$2,078,358 to \$2,528,963.

Fire Control, Prevention, and Emergency Medical Services District Fund

The Fire Control, Prevention, and Emergency Medical Services District Fund was created for fire safety and emergency medical services programs and includes salaries and benefits for designated personnel. The approved policy for this fund is to maintain a maximum cash balance of \$25,000 at year-end, to expend all resources on an annual basis. This policy requires revenues to be increased by \$438,473 from \$2,103,218 to \$2,541,987 and expenditures increased the budget by \$406,381 from \$2,099,095 to \$2,505,476.

TIRZ #1 Fund

TIRZ #1 revenues are restricted and reimbursable for expenditures of TIRZ #1. All revenues received are reimbursed on an annual basis. This requires revenues to be increased by

\$2,584,379 from \$2,376,368 to \$4,960,747 and expenditures to be increased by \$2,853,566 from \$2,376,368 to \$5,229,934.

TIRZ #2 Fund

TIRZ #2 revenues are restricted and reimbursable for expenditures of TIRZ #2. All revenues received are reimbursed on an annual basis. This requires revenues to be increased by \$22,195 from \$162,376 to \$184,571 and expenditures to be increased by \$22,121 from \$162,428 to \$184,549.

Stormwater Drainage Fund

Stormwater Drainage Fund transferred funds to partially fund Old Town drainage projects. Expenditures are increasing by \$383,197 from \$763,323 to \$1,146,520. Revenues will increase by the transfer in from the General Fund of \$140,000.

Wastewater Impact Fund

Developer reimbursements from impact fees are dependent on the developer completing wastewater projects. Reimbursements for wastewater projects for Windsong exceeded original estimates. Developer reimbursement expenditures will increase by \$590,743 from \$1,295,000 to \$1,885,743.

West Thoroughfare Impact Fee Fund

Developer reimbursements from impact fees are dependent on the developer completing thoroughfare projects. Reimbursements for thoroughfare projects at the Parks at Legacy and Windsong exceeded original estimates. Developer reimbursement expenditures will increase by \$3,790,135 from \$5,300,000 to \$9,073,939.

Health Fund

The health plan experienced a few significant claims requiring an increase to health claims of \$715,166 from \$4,052,014 to \$4,767,180. The Town participates in reinsurance through a stop loss policy. Reimbursement from the stop loss insurance increased revenues by \$628,068 from \$91,236 to \$719,304.

Budget Impact:

The General Fund expenditures will increase by \$140,000; Crime Control and Prevention District Fund expenditures will increase by \$450,606; Fire Control, Prevention, and Emergency Medical Services District Fund expenditures will increase by \$406,381; TIRZ #1 Fund expenditures will increase by \$2,853,566; TIRZ #2 Fund expenditures will increase by \$22,121; Stormwater Drainage Utility Fund expenditures will increase by \$383,197; Wastewater Impact Fee Fund expenditures will increase by \$383,197; West Thoroughfare Impact Fee Fund expenditures will increase by \$3,790,135; Health Fund expenditures will increase by \$715,166 in FY 2021-2022.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has reviewed and approved the budget amendment ordinance as to form and legality.

Attached Documents:

1. Ordinance
2. Exhibit A

Town Staff Recommendation:

Town staff recommends approval of amending Ordinance No. 2021-55 (FY 2021-2022 Annual Budget) to provide funding increased expenditures in the General Fund, Crime Control and Prevention District Fund, Fire Control, Prevention, and Emergency Medical Services District Fund, TIRZ #1 Fund, TIRZ #2 Fund, Stormwater Drainage Utility Fund, Wastewater Impact Fee Fund, West Thoroughfare Impact Fee Fund, and Health Fund.

Proposed Motion:

I move to approve amending Ordinance No. 2021-55 (FY 2021-2022 Annual Budget) to provide funding increased expenditures in the General Fund, Crime Control and Prevention District Fund, Fire Control, Prevention, and Emergency Medical Services District Fund, TIRZ #1 Fund, TIRZ #2 Fund, Stormwater Drainage Utility Fund, Wastewater Impact Fee Fund, West Thoroughfare Impact Fee Fund, and Health Fund.