

ORDINANCE NO. 1112

**AN ORDINANCE OF THE CITY OF KYLE, TEXAS ADOPTING A BUDGET FOR THE ENSUING FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; APPROPRIATING THE VARIOUS REVENUE AND EXPENDITURE AMOUNTS THEREOF FOR ALL CITY FUNDS, INCLUDING AUTHORIZATION OF WATER AND WASTEWATER SERVICE RATES, STORM DRAINAGE FEES, ALL CITY RATES, FEES AND CHARGES AS SPECIFIED IN THE FEE SCHEDULE, CAPITAL IMPROVEMENTS PLAN, ADDITION OF FULL-TIME EQUIVALENT POSITIONS, PROVISIONS FOR THE CONTINUATION OF ALL FRINGE BENEFITS FOR CITY EMPLOYEES, CARRY-OVER OF ENCUMBRANCES, ALL ASSOCIATED BUDGET SCHEDULES AND DOCUMENTS, AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.**

**Whereas**, on August 1, 2020, the City Manager submitted to the City Council, a proposed budget for the revenue and expenditure amounts for all City Funds including line item budget for all City departments and functions, water and wastewater service rates, storm drainage fees, other fees and charges as specified in the fee schedule, capital improvements plan, total number of full-time equivalent positions and position reclassifications, provisions for the continuation of all fringe benefits for City employees, carryover of encumbrance amounts to next fiscal year, all associated budget schedules and documents, and,

**Whereas**, the proposed budget provides for a complete financial plan for conducting the affairs of the City thereof for fiscal year 2020-2021 in compliance with the Kyle City Charter and the laws of the State of Texas; and,

**Whereas**, the proposed budget for fiscal year 2020-2021 has been compiled from detailed information obtained from all departments and offices of the City; and,

**Whereas**, the City Council received the City Manager's proposed budget and conducted public hearings on the budget, a copy of which with all supporting materials has been filed with the City Secretary, all in compliance with state law and the Kyle City Charter; and,

**Whereas**, on June 13, 2020 and during the month of August 2020, the City Council held public meetings and public hearings to review revenue estimates from all sources for all City Funds including changes in various rates and fees for City services, expenditure line item budgets for all City departments and City Funds, fund balances for all City Funds, budget for capital improvements program (CIP) and the related 5-year CIP spending plan, and all other associated budget schedules and documents including fee

schedule, water and wastewater services rates, storm drainage fees, property tax rates (ad valorem tax rates), full-time equivalent positions, provisions for the continuation of all fringe benefits for City employees, carryover of encumbrance amounts to next fiscal year, outstanding debt and planned new debt issues and,

**Whereas**, the City Council has reviewed the fiscal year 2020-2021 budget including all revenue and expenditures for all City Funds, fund balances in each City Fund, the total number of full-time equivalent positions, and, having considered all appropriate amendments, now deem this document, filed with the City Secretary and made a part hereof, to be the appropriate financial plan for the City of Kyle in the ensuing fiscal year.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KYLE, TEXAS, THAT:**

**Section 1. Findings.**

The following recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.

**Section 2. Public Hearings.**

On August 18, 2020 and August 25, 2020, the City Council held separate public hearings on the City's proposed budget as amended by City Council on August 1, 2020 and August 25, 2020, and the proposed property tax rates to obtain comments and recommendations from Kyle taxpayers, ratepayers, residents, businesses, and other interested persons on the City's property tax rates (ad valorem tax rates) and the budget including revenue from all sources including changes in rates and fees for various City services, expenditures for all City Funds, fund balances, capital improvements plan expenditures, all rates, fees and charges as specified in the fee schedule, water and wastewater service rates, storm drainage fees, full-time equivalent positions, provisions for the continuation of all fringe benefits for City employees, carryover of encumbrance amounts to next fiscal year, and all other associated budget schedules and documents.

**Section 3. Budget Adoption.**

The annual budget of the City of Kyle including revenue and expenditures, fund balances, a ten (10.0) percent increase in water service rates, a ten (10.0) percent increase in wastewater service rates, a 2.5 percent increase in solid waste service rate per contract terms, addition of twenty-three (23.0) full-time equivalent positions, carryover of encumbrances, all rates, fees and charges as specified in the fee schedule, capital improvements plan, and all other associated budget schedules and documents for conducting the affairs of the City thereof and providing a complete financial plan for fiscal year 2020-2021 beginning October 1, 2020 and ending September 30, 2021, a copy of which is filed with the City Secretary, is in all respects adopted and approved as the annual budget for all revenue and expenditures including all rates, fees and charges of the City for the fiscal year beginning October 1, 2020 and ending September 30, 2021.

**Section 4. Approval of Expenditures by Fund.**

The sums included within the budget as described herein and as amended by City Council are hereby appropriated from the respective funds for the payment of expenditures on behalf of

the City of Kyle as established in the approved budget for the fiscal year beginning October 1, 2020 and ending September 30, 2021. Refer to the following exhibits to this City Ordinance:

- EXHIBIT A:  
City Manager's Proposed Budget for Fiscal Year 2020-2021 as presented to City Council on August 1, 2020, and
- EXHIBIT B:  
Amendments to the City Manager's Proposed Budget for Fiscal Year 2020-2021 as approved by City Council on August 1, 2020.
- EXHIBIT C:  
Amendments to the City Manager's Proposed Budget for Fiscal Year 2020-2021 as approved by City Council on August 25, 2020.

**Section 5. Conflict.**

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

**Section 6. Open Meetings.**

That it is hereby officially found and determined that the meeting at which this City Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Ch. 551, Texas Local Government Code.

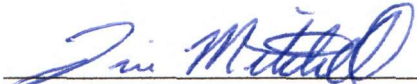
**Section 7. Effective Date.**

This Ordinance shall be in full force and effect from and after the date of its final passage and adoption in accordance with the provisions of applicable state law and the City Charter.

**PASSED AND APPROVED** on First Reading this 18th day of August 2020.

**FINALLY PASSED AND APPROVED** on this 25th day of August 2020.

**CITY OF KYLE, TEXAS**

  
\_\_\_\_\_  
Travis Mitchell, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Jennifer Holm, City Secretary

EXHIBIT A

City Manager's Proposed Budget for Fiscal Year 2020-2021  
As Presented to City Council on August 1, 2020

A copy of the proposed budget can also be found at:  
<https://www.cityofkyle.com/finance>

EXHIBIT B

Amendments to the City Manager’s Proposed Budget for Fiscal Year 2020-2021  
As Approved by City Council on August 1, 2020

City of Kyle, Texas  
Amendments to Proposed Budget for Fiscal Year 2020-2021  
Considered & Approved by City Council on August 1, 2020

Net Increase or (Decrease) in Fund Balance by Budget Amendment

	<u>Motion by / Seconded by</u>	<u>Council Vote</u>	<u>Description of Budget Amendment</u>	<u>General Fund</u>	<u>Water Utility Fund</u>	<u>Wastewater Utility Fund</u>	<u>Storm Drainage Utility Fund</u>	<u>Other Funds</u>	<u>TOTAL</u>
1.	Mayor Mitchell / CM Scheel	Approved 7-0	Amend the proposed budget to remove the one new full-time Code Enforcement Supervisor position proposed in the Police Department.	\$ 66,548	\$ -	\$ -	\$ -	\$ -	\$ 66,548
2.	Mayor Mitchell / CM Scheel	Approved 7-0	Amend the proposed budget to remove the one new full-time Code Enforcement Officer position proposed in the Police Department.	\$ 60,445	\$ -	\$ -	\$ -	\$ -	\$ 60,445
3.	Mayor Mitchell / CM Scheel	Approved 7-0	Amend the proposed budget to remove the one new full-time ROW Foreman position proposed in the Public Works Department.	\$ -	\$ -	\$ -	\$ 68,427	\$ -	\$ 68,427
4.	Mayor Mitchell / CM Scheel	Approved 7-0	Amend the proposed budget to remove the two new full-time Litter Abatement Technician positions proposed in the Public Works Department.	\$ -	\$ -	\$ -	\$ 113,933	\$ -	\$ 113,933
5.	Mayor Mitchell / CM Scheel	Approved 7-0	Amend the proposed budget to remove the lease costs for two trucks for the ROW Foreman position and the Litter Abatement crew proposed in the Public Works Department.	\$ -	\$ -	\$ -	\$ 34,000	\$ -	\$ 34,000
6.	Mayor Mitchell / CM Scheel	Approved 7-0	Amend the proposed budget to remove the two zero-turn mowers proposed in the Public Works Department.	\$ -	\$ -	\$ -	\$ 24,000	\$ -	\$ 24,000
7.	Mayor Mitchell / CM Scheel	Approved 7-0	Amend the proposed budget to increase funding for the three Mule units from \$21,000 to \$32,000 proposed in the Parks and Recreation Department.	\$ (11,000)	\$ -	\$ -	\$ -	\$ -	\$ (11,000)
8.	Mayor Pro Tem Koch / Mayor Mitchell	Approved 7-0	Amend the proposed budget to add two new full-time positions for videography and graphics in the proposed budget for the Communications Department.	\$ (150,000)	\$ -	\$ -	\$ -	\$ -	\$ (150,000)
9.	Mayor Mitchell / CM Rizo	Approved 7-0	Amend the proposed budget to add funding for a 2.0% average merit pay increase for all civilian City employees below the level of department head positions. The department head positions excluded from the merit pay include: (1) Assistant City Manager, (2) Chief of Staff, (3) Chief of Police, (4) City Engineer, (5) City Secretary, (6) Director of Communications, (7) Director of Planning & Community Development, (8) Director of Economic Development, (9) Director of Finance, (10) Director of Human Resources, (11) Director of Information Technology, (12) Director of Library, and (13) Director of Public Works.	\$ (106,901)	\$ (25,175)	\$ (18,912)	\$ (11,771)	\$ -	\$ (162,759)
10.	CM Scheel / Mayor Mitchell	Approved 7-0	Amend the proposed budget to increase the advertising line item budget from \$10,000 to \$20,000 in the proposed budget for the Economic Development Department.	\$ (10,000)	\$ -	\$ -	\$ -	\$ -	\$ (10,000)
									\$ -
Net Increase (Decrease) in Proposed Ending Fund Balance:				\$ (150,908)	\$ (25,175)	\$ (18,912)	\$ 228,589	\$ -	\$ 33,594

A copy of the budget amendments can also be found at:  
<https://www.cityofkyle.com/finance>

## EXHIBIT C

### Amendments to the City Manager's Proposed Budget for Fiscal Year 2020-2021 As Approved by City Council on August 25, 2020

City of Kyle, Texas  
Amendments to Proposed Budget for Fiscal Year 2020-2021  
Considered & Approved by City Council on August 25, 2020

Net Increase or (Decrease) in Fund Balance by Budget Amendment

Motion by / Seconded by	Council Vote	Description of Budget Amendment	General Fund	Water Utility Fund	Wastewater Utility Fund	Storm Drainage Utility Fund	Other Funds	TOTAL
1.		Net Increase (Decrease) to Proposed Ending Fund Balance Resulting From Budget Amendments As Approved by City Council on 8-1-2020.	\$ (150,908)	\$ (25,175)	\$ (18,912)	\$ 228,589	\$ -	\$ 33,594
2.	CM Rizo / CM Villalobos Approved 7-0	Amend the proposed budget to add back funding for a 2.0% merit pay for department heads which was eliminated by City Council as part of Budget Amendment #9 approved on 8-1-2020.	\$ (23,178)	\$ (4,238)	\$ (4,238)	\$ -	\$ -	\$ (31,654)
		Funding for the 2.0% merit pay for the department heads to be provided from the health insurance credit in the amount of \$37,000.06 received by the City of Kyle.	\$ 23,178	\$ 4,238	\$ 4,238	\$ -	\$ -	\$ 31,654
3.	CM Scheel / Mayor Mitchell Approved 7-0	Amend the proposed budget to provide funding for a grant program to assist businesses located on the former Rebel Road to offset costs incurred due to the renaming of the road for address change purposes.	\$ (5,346)	\$ -	\$ -	\$ -	\$ -	\$ (5,346)
		Funding for the grant program will be provided from the remaining balance of the health insurance credit in the amount of \$37,000.06 received by the City of Kyle.	\$ 5,346					\$ 5,346
4.	CM Ellison / CM Rizo Approved 7-0	Amend the proposed budget to authorize the addition of a new full-time unfunded Victims Services Coordinator position in the Police Department and direct staff to apply for a grant from the Department of Justice to fund the position. Staff is also directed to bring back a mid-year budget amendment for City Council's approval after the grant is awarded to the City and to include any matching funding required of the City for the Victim Services Coordinator position.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5.		Net Increase (Decrease) in Proposed Ending Fund Balance:	\$ (150,908)	\$ (25,175)	\$ (18,912)	\$ 228,589	\$ -	\$ 33,594

A copy of the budget amendments can also be found at:  
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