

ORDINANCE NO. 1166

AN ORDINANCE OF THE CITY OF KYLE, TEXAS ADOPTING A BUDGET FOR THE ENSUING FISCAL YEAR BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022; 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 July 31, 2021, 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 2021-2022 in compliance with the Kyle City Charter and the laws of the State of Texas; and,

Whereas, the proposed budget for fiscal year 2021-2022 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 May 1, 2021, June 26, 2021, July 31, 2021, August 17, 2021, and August 25, 2021, 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 2021-2022 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 17, 2021 and August 25, 2021, the City Council held separate public hearings on the City's proposed budget as amended by City Council 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 six (6.0) percent increase in water service rates, no change in wastewater service rates, a 2.51 percent increase in solid waste service rates per contract terms, addition of twenty-three (24.0) full-time equivalent positions for a total of 305.0 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 2021-2022 beginning October 1, 2021 and ending September 30, 2022, 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, 2021 and ending September 30, 2022.

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, 2021 and ending September 30, 2022. Refer to the following exhibits to this City Ordinance:

- EXHIBIT A:
City Manager's Proposed Budget for Fiscal Year 2021-2022 as presented to City Council

on July 31, 2021, and

- EXHIBIT B:
Amendments to the City Manager's Proposed Budget for Fiscal Year 2021-2022 as approved by City Council on July 31, 2021 (Budget Worksession #3).
- EXHIBIT C:
Amendments to the City Manager's Proposed Budget for Fiscal Year 2021-2022 as approved by City Council on August 17, 2021 (Budget Worksession #4).
- EXHIBIT D:
Amendments to the City Manager's Proposed Budget for Fiscal Year 2021-2022 as approved by City Council on August 25, 2021 (Budget Worksession #5).

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.

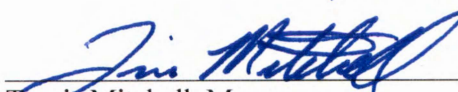
Section 7. Effective Date.

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 17th day of August 2021.

FINALLY PASSED AND APPROVED on this 25th day of August 2021.

CITY OF KYLE, TEXAS



Travis Mitchell, Mayor

ATTEST:



Jennifer Holm, City Secretary

EXHIBIT A

City Manager's Proposed Budget for Fiscal Year 2021-2022
As Presented to City Council on July 31, 2021

A copy of the proposed budget can also be found at:
<https://www.cityofkyle.com/finance/fiscal-year-2022-budget-development>

EXHIBIT B

Amendments to the City Manager’s Proposed Budget for Fiscal Year 2021-2022
As Approved by City Council on July 31, 2021

City of Kyle, Texas
Amendments to Proposed Budget for Fiscal Year 2021-2022
Considered & Approved by City Council on July 31, 2021

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.	Mayor Mitchell / CM Ellison	Approved 7-0	Amend the proposed budget by adopting the City Manager's proposal totaling \$438,386 as follows:						
			A. Addition of a Deputy City Manager or an Assistant City Manager position in the Office of the City Manager.	\$ 250,348	\$ -	\$ -	\$ -	\$ -	\$ 250,348
			B. Addition of two (2) Police Patrol Officer positions in the Police Department.	\$ 171,190	\$ -	\$ -	\$ -	\$ -	\$ 171,190
			C. Addition of one (1) leased police pursuit vehicle in the Police Department.	\$ 16,848	\$ -	\$ -	\$ -	\$ -	\$ 16,848
			Sub-total for Increases:	<u>\$ 438,386</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 438,386</u>
			D. Deletion of one (1) LGC Manager position proposed in the Office of the City Manager.	\$ (88,511)	\$ -	\$ -	\$ -	\$ -	\$ (88,511)
			E. Deletion of LGC Counsel & Architect/Planner consulting services proposed in the Office of the City Manager.	\$ (150,000)	\$ -	\$ -	\$ -	\$ -	\$ (150,000)
			F. Increase citation/fines (revenues) due to additional officers and return to pre-pandemic patrolling levels.	\$ (190,000)	\$ -	\$ -	\$ -	\$ -	\$ (190,000)
			G. Miscellaneous/Other Adjustments	\$ (9,875)	\$ -	\$ -	\$ -	\$ -	\$ (9,875)
			Sub-total for Decreases & Revenue Offset:	<u>\$ (438,386)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (438,386)</u>
2.	CM Ellison / CM Tobias	Approved 7-0	Amend the proposed budget to increase the City's cash contribution proposed for the Senior Activity Center from \$100,000 to \$200,000 in the CIP budget.	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
3.	MPT Koch / CM Rizo	Approved 7-0	Amend the proposed budget to create a separate line item in the Police department to provide \$15,000 in funding for the Citizens on Patrol program.	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000
			Net Increase (Decrease) in Proposed Ending Fund Balance:	<u>\$ 115,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,000</u>

A copy of the budget amendments can also be found at:
<https://www.cityofkyle.com/finance/fiscal-year-2022-budget-development>

EXHIBIT C

Amendments to the City Manager's Proposed Budget for Fiscal Year 2021-2022 As Approved by City Council on August 17, 2021

City of Kyle, Texas
Amendments to Proposed Budget for Fiscal Year 2021-2022
Considered & Approved by City Council on August 17, 2021

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
		Net Increase or (Decrease) in Proposed Ending Fund Balance Resulting From Budget Amendments As Approved by City Council on 7-31-2021.	\$ (115,000)	\$ -	\$ -	\$ -	\$ -	\$ (115,000)
1.	CM Rizo / MPT Koch	Approved 7-0	Amend the proposed budget for Fiscal Year 2021-2022 as follows:					
		A. Deletion of the new Deputy City Manager position added by City Council on 7-31-2021 in the Office of the City Manager.	\$ 250,348	\$ -	\$ -	\$ -	\$ -	\$ 250,348
		B. Reclassification of the existing Chief of Staff position in the Office of the City Manager to an Assistant City Manager position with fringe benefits and support costs.	\$ (40,184)	\$ -	\$ -	\$ -	\$ -	\$ (40,184)
		C. Addition of a new Assistant City Manager position in the Office of the City Manager with fringe benefits and support costs.	\$ (195,396)	\$ -	\$ -	\$ -	\$ -	\$ (195,396)
		Sub-total for This Amendment:	<u>\$ 14,768</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,768</u>
2.	Mayor Mitchell / MPT Koch	Approved 7-0	Amend the proposed budget for Fiscal Year 2021-2022 to provide funding for:					
		A. Addition of two (2) additional Police Patrol Officer positions with fringe benefits and support costs in the Police Department.	\$ (171,190)	\$ -	\$ -	\$ -	\$ -	\$ (171,190)
		B. Addition of one (1) additional leased police pursuit vehicle in the Police Department.	\$ (16,848)	\$ -	\$ -	\$ -	\$ -	\$ (16,848)
		C. Increase sales tax revenue estimates based on latest actual sales tax collection trends in the current fiscal year.	\$ 188,038	\$ -	\$ -	\$ -	\$ -	\$ 188,038
		Sub-total for This Amendment:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
3.	CM Ellison / CM Flores-Cale	Approved 6-1	Amend the proposed budget for Fiscal Year 2021-2022 as follows:					
		A. Decrease citation/fines (revenues) increased by City Council on 7-31-2021.	\$ (190,000)	\$ -	\$ -	\$ -	\$ -	\$ (190,000)
		B. Increase sales tax revenue estimates based on latest actual sales tax collection trends in the current fiscal year.	\$ 190,000	\$ -	\$ -	\$ -	\$ -	\$ 190,000
		Sub-total for This Amendment:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
		Net Increase or (Decrease) in Proposed Ending Fund Balance:	<u>\$ (100,232)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (100,232)</u>

A copy of the budget amendments can also be found at:
<https://www.cityofkyle.com/finance/fiscal-year-2022-budget-development>

EXHIBIT D

**Amendments to the City Manager’s Proposed Budget for Fiscal Year 2021-2022
As Approved by City Council on August 25, 2021**

City of Kyle, Texas
Amendments to Proposed Budget for Fiscal Year 2021-2022
Considered & Approved by City Council on August 25, 2021

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>
		Net Increase or (Decrease) in Proposed Ending Fund Balance Resulting From Budget Amendments As Approved by City Council through 8-17-2021.	\$ (100,232)	\$ -	\$ -	\$ -	\$ -	\$ (100,232)
1. CM Flores-Cale / CM Ellison	Approved 5-2	Amend the proposed budget for Fiscal Year 2021-2022 to separately identify the budget for lobbyist costs between federal and state as follows:						
		A. Create a separate line item budget for federal lobbying costs in the amount of \$172,000 in the budget of the Office of the City Manager.	\$ (172,000)	\$ -	\$ -	\$ -	\$ -	\$ (172,000)
		B. Create a separate line item budget for state lobbying costs in the amount of \$128,000 in the budget of the Office of the City Manager.	\$ (128,000)	\$ -	\$ -	\$ -	\$ -	\$ (128,000)
		C. Eliminate the combined lobbying budget line item in the proposed budget of the Office of the City Manager.	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
		Sub-total for This Amendment:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
2. Mayor Mitchell / CM Flores-Cale	Approved 7-0	Amend the proposed budget for Fiscal Year 2021-2022 to budget for a \$45,000 grant award accepted by the City Council on 8-25-2021 for Victim Services program in the Police Department as follows:						
		A. Increase grant revenue for the Victim Services Grant Fund by the amount of the grant award totaling \$45,000.	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ 45,000
		B. Addition of one (1) full-time grant funded Victim Services Advocate position with a base pay of \$45,000 in the Police Department.	\$ -	\$ -	\$ -	\$ -	\$ (45,000)	\$ (45,000)
		C. Provide matching funds for the grant award from the City's General Fund for fringe benefit costs of the Victim Services Advocate position.	\$ (18,617)	\$ -	\$ -	\$ -	\$ -	\$ (18,617)
		Sub-total for This Amendment:	<u>\$ (18,617)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,617)</u>
		Net Increase or (Decrease) in Proposed Ending Fund Balance:	<u>\$ (118,849)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (118,849)</u>

A copy of the budget amendments can also be found at:
<https://www.cityofkyle.com/finance/fiscal-year-2022-budget-development>