

Budget Order

City of New Braunfels FY 2019-20 Budget

For the period October 1, 2019 through September 30, 2020

Approval of the FY 2019-20 Budget

City Council approves the FY 2019-20 Budget as filed with the City Secretary.

Authorized Positions and Salaries

The positions listed in the FY 2019-20 Budget document under each department or division are the authorized positions for FY 2019-20. These lists include seasonal, part time regular and part time positions but not temporary positions. Temporary positions are approved during the year at the City Manager's discretion and depend on available budgeted funds. Any increase in the authorized number of positions requires City Council approval.

Salary increases authorized for FY 2019-20 include market adjustments (Uniform Employees), increases to certification and education pay (Uniform employees) and a combination of merit based and cost of living adjustment for non-uniform employees. Uniform employees are also eligible for step pay plan adjustments. Step pay plan increases are effective on the employee's anniversary in their current position. Unless otherwise directed by the City Manager, these pay raises will be effective on October 5th, 2019.

Final non-uniform and uniform employee step/pay plans will be incorporated in the FY 2019-20 Adopted Budget Document.

The FY 2019-20 Budget, as adopted by City Council, controls expenditures by fund, department and at the group level for all funds in these categories. These groups are:

- Employee Expenses
- Operations Expenses
- Capital Expenses
- Interfund Transfers
- Debt Service
- Contingencies

This means that, although funds are allocated into individual line items in each budget and those line item allocations are adopted as part of the FY 2019-20 Budget, departments have flexibility in expensing these

funds within the group. As long as the total appropriation for a group (for example employee expenses) is not exceeded, one or more line items in the group (for example certification pay) may exceed its budget allocation. Operating (recurring) and Equipment and Initiatives (one-time), shown separately in the budget appropriations, are considered part of one appropriation - Operations Expenses - for budget control purposes. In the proposed budget document, funding for resource requests are separated from the other expenditure categories. This funding will be incorporated into the adopted budget document in the appropriate expenditure category i.e. employee, operating, capital expenditures.

In the CDBG, Special Revenue, Grants Funds, EARIP/HCP Fund and New Braunfels Economic Development Corporation (NBEDC) Budget, appropriations are controlled at the project level. As the Council accepts federal entitlements and grants, as donations are received from outside sources, and as projects are approved, those proceeds are appropriated and available to departments and to NBEDC to expend for identified City purposes and needs. As projects are completed, appropriations are reconciled to match the actual expenditure, to ensure that funds aren't expended up and above the intent of the specific allocation.

Capital Improvement Funds (as listed in the designated section of the FY 2019-20 Budget document)

Capital improvement funds are controlled at the project level. Expenditures within the individual projects may span fiscal years. However, budgetary control is not exercised by fiscal year; it is by the total project cost and total project expenditures. This provides a more realistic approach to budgetary control for these types of activities.

Budget Amendment Process

The budget may be changed through a budget transfer or a budget amendment only through an action of the City Manager (transfers) or City Council (amendments). Transfers move appropriations within a fund from one of the appropriation groups listed above to another of those groups, for example from operations expenses to capital expenses. These transfers most often occur within one department but can occur between departments within the same fund. The City Manager has the discretion to approve budget transfers. Budget amendments generally reflect changes in revenues and may allocate additional funds into a budget expenditure appropriation. Staff prepares an agenda item for Council consideration that describes the proposed budget amendment. A vote by the majority of the Council is required for approval of a budget amendment.

Authority of the City Manager

The City Manager and his authorized and designated employees, at his direction, are authorized to sign or release easements, airport leases, permits, and licenses; to authorize change orders of less than \$25,000; to sign interlocal agreements as authorized by state law; to sign documents authorizing the payment of funds, and to expend public funds as authorized by state law unless

otherwise authorized by the City Council; to settle paving assessment, weed mowing, demolition, and other disputes based on legal questions of whether the assessments are enforceable or other extenuating factual circumstances. The City Manager is authorized to adjust compensation, within Council policy direction, of any City employee when in his discretion an adjustment needs to be made to hire or retain qualified personnel. The City Manager is authorized to hire temporary employees when needed and if sufficient funds are available within the adopted budget. The intent of this section is to provide the ability to conduct daily affairs of the City, which involves numerous decisions of a routine nature, and to hire and retain qualified personnel

City Council Approval

The City Council hereby approves grants and contracts that are set out by this budget and authorizes the City Manager and his authorized and designated employees, at his discretion, to sign said federal, state, and other such grant and contract documents, including interlocal agreements, on behalf of the City. The funds for said contracts, agreements, and purchases are hereby approved and appropriated. The intent of this section is to approve and simplify the grant process and approve expenditures that are exempt from the Purchasing and Contracting Authority of Municipalities, Chapter 252 of the Local Government Code.

ATTACHMENT 1

TO: City Council
From: Jared Werner, Chief Financial Officer
Date: September 3rd, 2019
Subject: Recommended Changes to FY 2019-20 Proposed Budget

After Council direction and further staff review of the FY 2019-20 Proposed Budget document submitted to City Council for their consideration, the following changes are recommended.

- I. Increased Fitness Instructor positions for the Das Rec facility. Parks and Recreation requested additional Fitness Instructor positions to provide a “deeper bench” of talent to ensure classes can be held on a consistent schedule. Das Rec is not planning on increasing the amount of group exercise classes per say. However, the additional authorized positions will ensure that there are multiple backups available, again to ensure that we can consistently maintain our class schedule(s). Therefore, the additional eleven positions (5.5 FTE) are not projected to have a direct fiscal impact. Upon further discussion, City Management supports the additional authorized positions for inclusion in the FY 2019-20 Budget. The table below references the corrected number of Fitness Instructor positions.

	FY 2017-18 Actual	FY 2018-19 Actuals	FY 2019-20 Adopted Budget
Fitness Instructors (32 @ 19 hours)	10.5	10.5	16.0

