

Legislation Text

File #: 20-492, Version: 1

Presenter/Contact

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SUBJECT:

Approval of a budget amendment in the FY 2020 Grant Fund and Recreation Center Improvements and Fee Assistance Fund

BACKGROUND / RATIONALE:Grant Fund

The budget amendment in the FY 2020 Grant Fund is necessary to acknowledge the receipt of anticipated CARES Act funds that the city will utilize before the end of the fiscal year. While the City has incurred approximately \$800,000 in direct expenditures, the majority of the funds will be placed in the Grant Fund so that the best outcome and use of the funds can be determined. The amount below only represents 20% of the City's total allocation, the remaining amount will be recognized in the FY 2021 Proposed Budget. The \$292,450 is to support the agreement with the Chamber of Commerce, which is also on the agenda for the 27th regular meeting. The following amendment is recommended for City Council consideration.

Increase: Operating Expenditures	\$292,450
<u>Increase: Contingencies</u>	<u>638,282</u>
Total - Grant Fund Budget Amendment	\$930,732

Recreation Center Improvements and Fee Assistance Fund

As discussed during the July 13th retreat, membership revenues at Das Rec have been impacted significantly. One of the recommended funding strategies to address the revenue shortfall is to leverage a portion of the funds initially set aside to support the operation of the expanded and competitive side of the aquatic facility as well as provide fee assistance. Since the facility opened, the direct revenues have been able to support both the full operation of the facility and the fee assistance program without utilizing any of these set aside funds. The following amendment is recommended for City Council consideration.

Increase: Interfund Transfers	\$125,000
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ADDRESSES A NEED/ISSUE IN A CITY PLAN OR COUNCIL PRIORITY:

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FISCAL IMPACT:

The budget amendment in the Grant Fund is to recognize the acceptance of the first portion of CARES funding. As mentioned above, the majority of the funds will be budgeted in contingencies as

initiatives and uses are evaluated for maximizing outcomes. The amendment in then Recreation Center Improvements and Fee Assistance Fund utilizes a portion of the funds set aside for operation of the expanded aquatic facility and fee assistance program. As indicated, these set aside funds have not been needed under normal operating circumstances, therefore a portion of these funds is recommended to mitigate a small percentage of the significant loss in revenue from membership and programming cancellations.

COMMITTEE RECOMMENDATION:

N/A

STAFF RECOMMENDATION:

Approval of the Budget Amendments