

REQUEST FOR COUNCIL ACTION**TO:** Mayor via City Secretary**Subject:** Ordinance approving the Annual Budgets for Fiscal Year 2017
(July 1, 2016 - June 30, 2017)**Category #****Page 1 of 3****Agenda Item****FROM (Department or other point of origin):**

Kelly Dowe, Finance Director/Chief Business Officer

**Origination
Date:**

May 19, 2016

Agenda Date**DIRECTOR'S SIGNATURE****Council District(s) affected:**
All**For additional information contact:** Tantri Emo, Deputy Director
Phone: 832-393-9076**Date and Identification of prior authorizing
Council Action:****RECOMMENDATION: (Summary)**

Adopt an ordinance approving the Annual Budgets of the City of Houston for Fiscal Year 2017 (July 1, 2016 – June 30, 2017), providing for various matters related to the fiscal affairs of the City and establishing a charge for purchase of budget document by the public.

Amount of Funding:

N/A

Finance Budget:**SOURCE OF FUNDING:** ☐ **General Fund** ☐ **Grant Fund** ☐ **Enterprise Fund** ☐ **Other (Specify)**
N/A**SPECIFIC EXPLANATION:**

Beginning April 25, 2016, City Council's Budget and Fiscal Affairs Committee hosted a series of budget workshops to review and discuss the Fiscal Year 2017 operating budget. The budget was distributed to City Council on May 9, 2016, in accordance with the City Charter and the Texas Local Government Code. The expenditure budget for all funds totals approximately \$5.1 billion, which includes a General Fund expenditure budget of approximately \$2.3 billion.

The budget ordinance includes the following provisions:

- Re-designate \$20.2 million for the Budget Stabilization Fund;
- Approval for budget transfers of up to 5% of a "budget expenditure group" between departments within a fund;
- Approval of the incorporation in the Adopted Budget for FY2017 of the audited FY2015 and FY2016 information, and the adjustment of fund balances that may occur as a result;
- Approval for budget transfers of up to \$3,459,138 from General Fund-General Government to General Fund departments if the amount budgeted by those departments in the FY2017 Adopted Budget is insufficient to pay actual expenses for electricity, fuel, natural gas, or other necessary expenses;
- Approval to increase the budgets for the Aviation Revenue Fund, but only for transfer to the Airport Improvement Fund, in the event, and to the extent, of unanticipated revenue increases in the Fund as certified by the City Controller;
- Approval to increase the budgets for the Water and Sewer Operating Fund and the Combined Utility System Operating Fund, but only for transfer to the Combined Utility System General Purpose Fund in the event, and to the extent, of unanticipated revenue increases in the Fund as certified by the City Controller;
- Approval to increase the budgets in various Funds to the extent of unanticipated revenue increases in the Fund as certified by the City Controller;
- Approval to charge \$35.00 plus tax and postage per set for the purchase of the budget document.

REQUIRED AUTHORIZATION

Finance Director:

Other Authorization:

Other Authorization:

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The budget totals include maintenance and operation expenditures, interfund transfers, and operating and capital reserves, as well as planned ending fund balances. The budget does not include the budgets for the Tax Increment Reinvestment Zones, which will be brought before City Council in a separate action. The Budget is available for review on the Internet, accessible through the City's home page located at <http://www.houstontx.gov/budget/17budprop/>.

In addition, request for approval to amend Ordinance 2014-416 to **(1)** re-name Houston Civic Events Fund to Tourism Promotion Special Revenue Fund and **(2)** that the purposes for the Tourism Promotion Special Revenue Fund as set out in Ordinance 2014-602 are hereby amended and restated to include special events and civic celebrations, activities designed to promote business travel, hotel occupancy, tourism and arts programs in the City of Houston, as well as protocol services for the City of Houston.

The Fiscal Year 2017 Annual Budget is recommended for approval as follows on the next page.

Cc: Marta Crinejo, Mayor's Office
Ronald Lewis, City Attorney

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Finance Director:

Other Authorization:

Other Authorization:

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Originator's Initials

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| Fund | Proposed Budget FY2017 |
|--|-----------------------------------|
| General Fund, Enterprise & Special Revenue Funds* | |
| General Fund | 2,308,370,504 |
| Aviation Fund | 501,725,267 |
| Convention and Entertainment Facilities | 98,955,498 |
| Parking Management Special Revenue Fund | 20,978,461 |
| Water and Sewer Operating | 904,332,900 |
| Combined Utility System Operating Fund | 468,443,000 |
| Dedicated Drainage & Street Renewal Fund | 226,906,600 |
| Storm Water Fund | 58,749,800 |
| Asset Forfeiture | 8,448,065 |
| Auto Dealers | 8,010,606 |
| BARC Special Revenue | 13,805,780 |
| Bayou Greenway 2020 | 1,228,424 |
| Building Inspection | 95,491,400 |
| Cable Television | 5,554,293 |
| Child Safety Fund | 3,429,000 |
| Contractors Responsibility | 872,024 |
| Essential Public Health Services | 26,109,199 |
| Forensic Transition Special | 8,545,134 |
| Health Special Revenue | 5,130,930 |
| Historic Preservation | 458,650 |
| Houston Emergency Center | 27,761,817 |
| Houston TranStar Center | 3,190,800 |
| Juvenile Case Manager Fee Fund | 2,035,464 |
| Laboratory Operations and Maintenance | 694,100 |
| Maintenance Renewal & Replacement | 17,906,251 |
| Municipal Courts Building Security Fund | 710,000 |
| Municipal Courts Technology Fee Fund | 915,170 |
| Parks Golf Special Fund | 6,276,655 |
| Parks Special Revenue | 2,493,934 |
| Planning & Development Special Revenue Fund | 7,057,408 |
| Police Special Services | 10,691,888 |
| Recycling Revenue | 6,048,663 |
| Special Waste | 4,603,704 |
| Swimming Pool Safety | 1,203,455 |
| Tourism Promotion Special Revenue Fund | 20,196,889 |
| Total | 4,877,331,733 |
| Enterprise Related Funds | |
| HAS-AIF Capital Outlay | 10,565,092 |
| Combined Utility System Gen Pur Fund | 198,722,200 |
| Total | 209,287,292 |
| Internal Service Funds | |
| Health Benefits | 364,412,306 |
| Long-term Disability | 1,644,919 |
| Total | 366,057,225 |
| Service Chargeback Funds | |
| Project Cost Recovery Fund | 50,243,371 |
| Workers' Compensation | 21,544,494 |
| Property & Casualty | 35,396,345 |
| Central Service Revolving | 198,085,857 |
| Fleet Management | 89,177,277 |
| In-House Renovation | 4,285,590 |
| Total | 398,732,934 |

* Attached are redlined pages of the budget providing adjustments and corrections.

REQUIRED AUTHORIZATION

Finance Director:

Other Authorization:

Other Authorization: