



Weatherford City Council

AGENDA REPORT

Meeting Date: April 12, 2022

Item Number: 2022-190-AR

Staff Contact: Dawn Brooks, Director of Finance

Phone: 817-598-4130

SUBJECT: Consider approval of Ordinance O2022-06 amending the FY22 Adopted Budget.

BACKGROUND/DISCUSSION

The adopted budget is a planning document used to fund policies and programs as directed by Council, and is based on assumptions and projections. As a result of the second quarter monitoring, the Finance Department determined that it is necessary to make several modifications to this planning document.

Staff recommends modifying its current practice for projecting sales tax revenues. Currently, for budget purposes we use a historical three-year average to project sales tax, with 90% of the projected sales tax used for ongoing expenditures and 10% of the projected sales tax for one-time or non-recurring expenditures. Staff is recommending performing a mid-year sales tax re-estimate based on the average of the previous two-year actual collections and the current year projection. The current year projection will include the first six-months actual collections and zero growth for the remainder of the fiscal year. Staff also recommends utilizing up to 95% of projected sales tax revenues for ongoing expenditures during the fiscal year. Any changes to sales tax revenue or related expenditures will be brought forward with a budget amendment. This practice will enable the City to remain conservative in its budget practices by aligning the most variable revenue source with current economic trends, while also allowing the Council more discretion in how sales tax revenues are utilized.

Also, staff identified various activities and changes that were not identified in the annual budget process and are requesting modifications and/or corrections to the adopted budget. A summary of the modifications and corrections to the adopted budget are as follows:

- Sales tax projections increased by \$1,777,700,
- Additional administrative service charges to other funds increased by \$91,502,
- Grants awarded to the City for various purchases in the amount of \$70,978, with related additional appropriations of \$17,314,
- various personnel appropriations of \$1,298,700.
- appropriate funds for the purchase of a property for future City use \$100,859,
- increase appropriations, \$118,157, for various one time purchases; video storage for camera and dash cams, repairs to fire apparatus, and a vehicle purchase
- reduction in appropriations, \$179,000, for the Service Center roofing project being shifted to the Utility fund.

A complete summary of the proposed Budget Amendments per fund and object code are identified in the "2nd Quarter Budget Status Report".

FINANCIAL IMPACT

If approved, the recommended budget amendments would result in:

General Fund

An increase in revenues of \$1,940,180 and an increase in appropriations of \$1,381,272, resulting in a net increase to fund balance of \$558,908.

Other Funds

An increase in revenues of \$753,629 and an increase in appropriations of \$2,187,497, resulting in a net decrease in total fund balance of (\$1,433,868) to all other governmental funds.

SUGGESTED ACTION

Staff recommends approval of Ordinance O2022-06 adopting an amended budget for the fiscal year ending September 30, 2022.

ATTACHMENTS

- [2nd Quarter Budget Status Report.pdf](#)
- [2nd Quarter Amendment.pdf](#)