ORDINANCE NO. 2024 – 09 - 03

AN ORDINANCE OF THE CITY OF COMMERCE, TEXAS, AMENDING "ORDINANCE NO. 2023-09-04" WHICH ADOPTED THE 2023 – 2024 BUDGET ("FISCAL YEAR 2024 BUDGET") OF THE CITY OF COMMERCE AND PROVIDING FOR THE APPROVAL OF THE AMENDMENTS SET FORTH IN "EXHIBIT A", SUCH AMENDMENTS BEING NECESSARY FOR MUNICIPAL PURPOSES; PROVIDING SAVINGS, REPEALER AND SEVERABILITY CLAUSES AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Commerce, Texas ("the City") is a duly created home-rule governmental body of the State of Texas; and

WHEREAS, the City Council has previously adopted a fund-level budget for Fiscal Year 2023 – 2024 ("Fiscal Year 2024") that established the planned expenditures and appropriated the funds necessary to support those operations; and

WHEREAS, circumstances have arisen during the fiscal year which required the expenditure of additional funds in some of the line items of the budget, and for which there is adequate funding in the line items of the budget; and

WHEREAS, Section 26.4a of the City Charter allows for the adoption or amendment of a budget or the assessment of levy of taxes to be approved on the first and only reading; and

WHEREAS, the City has a process to provide for the amendment of that budget as a result of major, unforeseeable issues and expenditures and to appropriate funds necessary to support those additional expenditures;

WHEREAS, the City Council finds the amendments in the funds identified in Exhibit A are reasonable, necessary, and for municipal purposes;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COMMERCE, TEXAS AS FOLLOWS:

SECTION 1. FINDINGS. The City Council finds the statements made in the preamble above are true and correct.

SECTION 2. BUDGET AMENDMENTS. The City Council approves the budget amendment in the attached Exhibit A, a copy of which is incorporated herein for all purposes.

SECTION 3. SAVINGS AND REPEALING CLAUSE. This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances or parts thereof in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such Ordinance on the date of adoption of this Ordinance shall continue to be governed by the provisions of that Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 4. SEVERABILITY. If any section, subsection, clause, phrase or provision of this Ordinance, or any application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unconstitutional, the remaining sections, subsections, clauses, phrases and provisions of this Ordinance, or any application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

SECTION 5. EFFECTIVE DATE. This Ordinance shall take effect immediately from and after its passage on September 17, 2024.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Commerce, Texas on this the 17th day of September 2024.

ATTEST:

Molly Jacobsen

Molly Jacobsen, City Secretary

(seal)

CITY OF COMMERCE:

Ted Reel

Teddy Reel, Mayor

APPROVED AS TO FORM:

Charles R Anderson

Charles Anderson, City Attorney

I, Molly Jacobsen, City Secretary of the City of Commerce, Texas, do hereby certify that the above is a true and correct copy of an Ordinance, and that the same has not been repealed and is in full force and effect.

(Seal)

Molly Jacobsen

Molly Jacobsen, City Secretary

"EXHIBIT A"

FY 2024 Budget Adjustment Summary:

Major Funds with Adjustments	Adopted Budget	Adjusted Budget	CHANGE
Fund 01 - General Fund			
Emergency Management (Solar Eclipse)	$ 37,085	$ 61,673	$ 24,589
Governmental Affairs (Various)	$ 649,872	$ 751,462	$ 101,589
Public Works (Various)	$ 673,416	$ 776,983	$ 103,568

Emergency Management had expenses related to the solar eclipse that was not previously budgeted. Governmental Affairs had various expenses that exceeded budget. Specially Insurance claims was under budgeted, but there is revenue to offset the espense. Consulting services for an internal investigation and the comprehensive plan were not previously budgeted. Computer Maintenance was under budgeted as we added additional softwares not orginially accounted for. Public Works budget needs to be adjusted for Street and Alleyway Manintenance, Machine and Implement Maintenance and Motor Vehicle Maintenance. Computer Maintenance, Enterprise User Fees, and Street Restricted Funds all had expenses that were not accounted for in the budget.

Fund 02 - Public Utility Fund			
Water Treatment	$ 2,276,262	$ 2,742,416	$ 466,154

Water Treatment department did not budget for depreciation expense, had a project to rebuild a motor at the Horton #4 well that was not anticipated. There was also bond issuance cost that was not accounted for.

Minor Funds with Expense Adjustments	Adopted Budget	Adjusted Budget	CHANGE
Fund 05 - Equipment Replacement Fund			
Capital Outlay	$ 424,752	$ 500,051	$ 75,300

At the time of the budget we estimate what the expense will be for purchasing new pieces of equipment and enterprise vehicles. At the end of the year we true up all the actual expenses.

Fund 09 - Capital Project Fund			
Street & Drainage Improvements	$ 3,000,000	$ 4,146,000	$ 1,146,000
Animal Shelter Improvements	$ -	$ 1,877,000	$ 1,877,000
Public Library Improvements	$ -	$ 800,000	$ 800,000
City Hall Annex	$ -	$ 764,000	$ 764,000

These adjustments account for the actual expenses that occurred in the Capital Project Fund.

Fund 11 - Airport Fund			
Capital Outlay	$ -	$ 50,092	$ 50,092

The Airport is undergoing a TxDot project that will refinish our taxiway. We had to pay a match in order to be a part of the program. This will pull from the fund balance we have since selling the land.

Fund 14 - Recreation Fund			
Basketball	$ -	$ 5,500	$ 5,500
Soccer	$ -	$ 400	$ 400
Baseball	$ -	$ 600	$ 600

During the basketball season, we incurred expenses that had not been budgeted. We billed the Boys & Girls club for those expenses for which they have paid and offset that expense. In Soccer and Baseball we had expenses related to the purchase of equipment