

Mayor's Office

To the Honorable City Council of the City of Houston:

In accordance with the provisions of Article VII, Section 7 of the Charter of the City of Houston, I submit and introduce to you the Ordinance set out below with the request that it be passed finally on the date of its introduction. There exists a public emergency requiring such action and I accordingly request that you pass the same if it meets with your approval.

Date: June 21, 2006

Mayor of the City of Houston

Bill White

City of Houston, Texas Ordinance No. 2006-711

AN ORDINANCE RELATED TO THE FISCAL AFFAIRS OF THE CITY; APPROVING THE ANNUAL BUDGETS OF THE CITY OF HOUSTON, TEXAS, FOR FISCAL YEAR 2007 FOR THE GENERAL, ENTERPRISE AND SPECIAL REVENUE FUNDS; PROVIDING FOR FUTURE ADJUSTMENT TO THE BEGINNING FUND BALANCES; MAKING VARIOUS AMENDMENTS TO THE PROPOSED BUDGETS; RE-DESIGNATING A CASH RESERVE IN THE FUND BALANCE; CREATING THE MOBILITY RESPONSE TEAM FUND AND THE LIMITED USE ROADWAY & MOBILITY FUND AND PROVIDING FOR TRANSFERS THERETO FROM THE STREET, BRIDGE AND TRAFFIC CONTROL FUND (FUND 405); AUTHORIZING VARIOUS OTHER TRANSFERS; ESTABLISHING A COST FOR COPIES OF THE BUDGET; MAKING OTHER PROVISIONS RELATED TO THE SUBJECT; MAKING CERTAIN FINDINGS RELATED THERETO; PROVIDING A REPEALING CLAUSE; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.

* * * *

WHEREAS, on May 16, 2006, the Mayor of the City of Houston, Texas, filed with the City Secretary a proposed budget of the expenditures of the City of Houston General, Enterprise and Special Revenue Funds for the Fiscal Year beginning July 1, 2006 and ending June 30, 2007, (the "Proposed Budget"); and

WHEREAS, pursuant to a resolution of the City Council of the City of Houston, and after notice was provided as required by law, a public hearing on the Proposed Budget was held in the Council Chamber in the City Hall on Tuesday, June 13, 2006, at

which hearing all residents and all taxpayers, had the right to be present and to be heard, and those who requested to be heard were heard; and

WHEREAS, the City Council has considered the Proposed Budget and has made those changes to the Proposed Budget that in the City Council's judgment are warranted by law and demanded by the best interest of the taxpayers of the City; and

WHEREAS, the City Council desires to approve and adopt the final Budget as set out herein; **NOW, THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. That the findings contained in the preamble of this Ordinance are determined to be true and correct and are adopted as a part of this Ordinance.

Section 2. That in accordance with the City Charter and Sections 102.001 through 102.011, Tex. Loc. Gov't Code (Vernon's), the City Council hereby approves and adopts the Proposed Budget as amended herein as the Fiscal Year 2007 City of Houston, Texas, Budget, the same being contained in the budget document on file with the City Secretary in a volume entitled "Proposed Budget For Fiscal Year Ending June 30, 2007", as amended and supplemented herein, but specifically not including as part of the Budget, the Overview, the description of the General Fund other than the Fund Summary, data relative to any Fiscal Years prior to 2007, the General Obligation Debt Service Fund, the Internal Service and Revolving Fund budgets, the Tax Increment Reinvestment Zone budgets and the Appendices or information concerning Full-Time Equivalents, all of which is provided for background, accounting convenience and reference purposes only (the "Budget"). The City Secretary is hereby directed to attach to the Budget a copy of this ordinance, any motions amending the Proposed Budget

and an endorsement reading: "The Official Budget of the City of Houston, for the General, Enterprise and Special Revenue Funds for the Fiscal Year Beginning July 1, 2006 and ending June 30, 2007" and to keep the Budget on file in her office as a public record. In addition, in accordance with Section 102.009(d), Tex. Loc. Gov't Code (Vernon's), the City Secretary is hereby directed to file a true copy of the approved Budget in the offices of the county clerks of the counties in which the City is located.

Section 3. That the City Council hereby incorporates into the final approved Budget the revisions to the Proposed Budget contained in Exhibit A, attached hereto and incorporated herein for all purposes. Further, this ordinance is amended by the Motions attached hereto and incorporated herein for all purposes as Exhibit B. The City Council hereby incorporates into the final approved Budget the revisions attached hereto and incorporated herein for all purposes as Exhibit C.

Section 4. That the Beginning Fund Balance reflected in the Budget for each fund for which a budget is adopted hereby shall automatically be adjusted to be the amount of the Ending Fund Balance included in the final Comprehensive Annual Financial Report for Fiscal Year 2006 for each respective fund. The revised Beginning Fund Balance shall thereafter be used to calculate the Ending Fund Balance for each such fund, which shall also be adjusted automatically. No adjustment to the expenditure budgets is authorized by this Section.

Section 5. That the City Council hereby re-designates the cash reserve of \$20,000,000 in the General Fund fund balance, the Rainy Day Fund, to be available for unforeseen contingencies consistent with City of Houston Ordinance No. 2003-0474.

Each use of this designated portion of the fund balance must be approved and funds appropriated therefor by City Council.

Section 6. That the City Council hereby authorizes for each City Department the positions listed for that Department on the Personnel Summary included in the budget for that Department, including as applicable positions authorized in connection with Internal Service and Revolving Funds over which the Department has control. In addition, the City Council previously has authorized classified positions subject to Chapter 143, Tex. Loc. Gov't Code, through individual personnel ordinances, which shall continue to regulate those positions. The City Council further authorizes the currently existing grant funded positions. In the future, additional grant funded positions will be authorized by acceptance or modification of a grant whether by City Council or administratively. The City Council takes cognizance of the fact that in order to facilitate the operations of the various City departments the numbers and types of positions needed to carry out the functions of the departments may vary through the year. Accordingly, the Mayor is hereby authorized to alter the numbers and types of positions authorized herein (classified positions subject to Chapter 143, Tex. Loc. Gov't Code not being authorized herein, but by separate personnel ordinances) in order to accomplish the program goals of each department; provided, however, that in so doing, all such positions must have been established by City Council in the Master Classification Ordinance and the total departmental expenditures for the affected department must remain within authorized budgetary limits, or in the case of grant funded positions, within the funding levels of the grant. The Personnel Summaries adopted by this

Section are not to be considered part of the Budget adopted by this Ordinance for purposes of amendments to the Budget.

Section 7. That all expenditures heretofore made for Fiscal Year 2007, if any, are hereby approved, ratified and confirmed and because it is the intention of the City Council that the Budget hereby approved be inclusive of previous expenditures and commitments for Fiscal Year 2007, the City Controller is hereby directed to apply the amounts thereof to the appropriate accounts in the Budget.

Section 8. That the City Council takes cognizance of the fact that in order to facilitate operations of the various City departments established in the Code of Ordinances of the City of Houston (singularly "department"), and to make adjustments occasioned by events transpiring during the year, some transfers will be necessary to and from some of the accounts contained in the Budget as adopted herein. Accordingly, the Mayor shall have authority to transfer funds to and from the Budget accounts within any department without limitation. In addition, for transfers among departments within a Fund, the Mayor shall have authority to transfer funds from any Budget account (whether one or more) in one department to any other account or accounts in any other department within the Fund, but for each department such aggregate interdepartmental transfers from any Budget Expenditure Account Group in that department's budget shall not exceed 5% of the total amount shown for such Budget Expenditure Account group in the adopted budget for such department. Provided, however, that any such transfers shall not be subjected to or be included within the foregoing 5% limit if such transfers are approved by City Council through this

ordinance or, subsequent to adoption, in compliance with Section 102.001 through 102.011, Local Government Code (Vernon's).

As used in this Section the term "Budget Expenditure Account Group" means a group of accounts within a department or a group of nondepartmental accounts which have similar purposes (for example, the Budget Expenditure Account Group for "Personnel Services" within a given department might include all of the following accounts: 1100, 1105, 1110, 1113, 1115, 1120, 1125, 1130, 1135, 1140, 1145, 1146, 1150, 1155, 1160, 1199, 1200, 1201, 1205, 1207, 1210, 1211, 1213, 1215, 1220, 1225, 1230, 1235, 1240, 1245, 1250, 1255, 1260, 1265, 1266, 1270, 1275, 1280, 1300, 1400, 1405, 1410, 1415, 1420, 1425, 1980, 1981, 1997, 1998, 1999).

Section 9. That the City Council approves and authorizes the transfer, in the aggregate, of up to \$7,361,247 from the General Fund-General Government budget to General Fund budgets in the event that the amount included in the respective budget is inadequate to pay actual expenses for electricity, fuel, natural gas or other requirements of the City.

Section 10. That the City Council approves and authorizes the transfer, in the aggregate, of up to \$4,586,835 from the General Fund-General Government budget to other General Fund department budgets to pay their respective lease payment obligations for space in the Bob Lanier Public Works Building at 611 Walker, allocated on the basis of square footage occupied.

Section 11. That the City Council approves the increase, during FY '07, of the adopted budget for the Aviation Revenue Fund (Fund 501) by the amount of any increase in revenue over that projected for the Fund as certified by the City Controller,

but only for the purpose of transfer of such increased revenue, if any, to the Aviation System Capital Outlay Fund (Fund 562), and hereby approves and authorizes any such transfer.

Section 12. That the City Council approves the increase, during FY '07, of the adopted budget for the Public Works & Engineering Water & Sewer Operating Fund (Fund 701) by the amount of any increase in revenue over that projected for the Fund as certified by the City Controller, but only for the purpose of transfer of such increase, if any, to the Combined Utility Systems Operating Fund (Fund 702), which must subsequently transfer such increase, if any, to the Combined Utility System General Purpose Fund (Fund 708). The City Council approves the increase, during FY '07, of the adopted budget for the Combined Utility Systems Operating Fund (Fund 702) by the amount of increased revenue transferred from the Public Works & Engineering Water & Sewer Operating Fund (Fund 701) pursuant to this section, but only for the purpose of transfer of such increase, if any, to the Combined Utility Systems General Purpose Fund (Fund 708).

Section 13. That the City Council approves and authorizes the transfer of personnel positions involved in fleet management functions and associated funding in an amount up to \$319,520 from the General Fund-Finance & Administration budget, and the transfer of similar personnel positions and associated funding in an amount up to \$176,506 from the Central Services Revolving Fund, to the General Fund-Building Services budget upon the transfer of fleet management functions to the Building Services Department.

Section 14. That the City Council approves the payment of the City's general debt service obligations created elsewhere by separate Council action from funds in the General Obligation Debt Service Fund.

Section 15. That the City Council hereby creates the Mobility Response Team Fund, as a Special Revenue Fund, which will be managed by the Public Works & Engineering Department with collaboration from the Houston Police Department, and be used for costs associated with the Mobility Response Team. The City Council approves and authorizes the transfer of \$10,000,000, upon appropriation, from the Street, Bridge and Traffic Control Fund (Fund 405) to the Mobility Response Team Fund; and the transfer of any interest earned in the Street, Bridge and Traffic Control Fund (Fund 405) after July 1, 2006, as well as any remaining balance after the completion and payment of any projects funded in Fund 405 prior to July 1, 2006.

Section 16. That the City Council hereby creates the Limited Use Roadway & Mobility Capital Fund, which will be managed by the Public Works & Engineering Department, and be used for road projects with significant non-mobility functions, to accelerate projects to be reimbursed by other governmental entities, for Super Neighborhood capital projects, and for transportation and mobility related projects. The City Council approves and authorizes the transfer, upon appropriation, of \$26,000,000 from the Street, Bridge & Traffic Control Fund (Fund 405) to the Limited Use Roadway & Mobility Capital Fund. All projects funded from the Limited Use Roadway & Mobility Capital Fund will be subject to separate appropriation.

Section 17. That the City Council hereby establishes the price for the Budget at \$35.00 plus tax and postage, if any.

Section 18. That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict only. The Budget adopted by this ordinance replaces the FY2006 Budget.

Section 19. That the City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Sec. 551.001 et. seq. Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 20. That if any provision, section, subsection, sentence, clause or phrase of this ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this ordinance or their application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other portion hereof, and all provisions of this ordinance are declared to be severable for that purpose.

Section 21. That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor;

therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor or July 1, 2006, whichever is later.

PASSED AND ADOPTED this 21st day of June, 2006.

APPROVED this 21st day of June, 2006.

B. D. White
 Mayor of the City of Houston, Texas

(Prepared by Legal Dept. : Ann V. Gray)
 (STT:pas 6/13/06) Deputy City Attorney
 (Requested by Judy Gray Johnson, Director of Finance & Administration Department)
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AYE	NO	
✓		MAYOR WHITE
••••	••••	COUNCIL MEMBERS
✓		LAWRENCE
✓		JOHNSON
✓		CLUTTERBUCK
✓		EDWARDS
	✓	WISEMAN
✓		KHAN
✓		HOLM
✓		GARCIA
✓		ALVARADO
✓		BROWN
✓		LOVELL
	✓	SEKULA-GIBBS
✓		GREEN
✓		BERRY
CAPTION	ADOPTED	

CAPTION PUBLISHED IN DAILY COURT
 REVIEW
 DATE: JUN 27 2006