

## **MEMORANDUM**

**TO:** Claire Powell, City Manager

**FROM:** Ashley Carlisle, Budget Manager

**DATE:** September 15, 2025

**SUBJECT:** **Consideration of an Ordinance of the City Council of the City of Lewisville, Texas, Amending the Previously Adopted and Approved Budget Ordinance for the Fiscal Year October 1, 2024 to September 30, 2025 by Providing Supplemental Appropriations to Various Funds; and Providing an Effective Date.**

### **BACKGROUND**

The purpose of this ordinance is to amend the FY 2024-25 adopted budget to include all supplements and changes approved by City Council throughout the fiscal year.

### **ANALYSIS**

These appropriations include the routine supplements completed each year for prior-year encumbrances (purchase orders) that overlap into the next fiscal year, items presented in the mid-year report in May, and other individual items as requested throughout the year.

This ordinance will also authorize supplements that will correct year-end balances.

- A supplemental appropriation in the amount of \$80,000 is being requested in the Water & Sewer Fund. These funds will be used for increased credit card fee expenses related to utility customers paying utility bills via credit card. FY 2025 credit cards fees are anticipated to end the year approximately 28% higher than FY 2024 actuals. Funds are available due to increased revenues in the adjusted budget. In FY 2026, the City will begin to pass credit card fees for utility bills to the customer.
- A supplemental appropriation in the amount of \$1,200,000 is being requested in the Health Benefit Trust Fund. These funds are to support increased expenses related to health insurance claims and other liability claims that are paid from this fund. Health claims are projected to end the year at approximately 20% more than FY 2024 actuals. Funds are available in fund balance.

Other changes made to the FY 2024-25 budget not requiring a supplemental appropriation include:

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- Reorganization of the Tourism division to report to Economic Development rather than Community Engagement (formerly known as Community Relations & Tourism). This reorganization resulted in moving Hotel/Motel Fund dollars originally budgeted in Community Engagement to Economic Development instead. The amount moved for the last three months of FY 2024-25 amounted to \$183,910.

A listing of all supplemental appropriations throughout the fiscal year is included as Exhibit A to the ordinance.

#### **CITY STAFF'S RECOMMENDATION**

That the City Council approve the ordinance as set forth in the caption above.