

Ordinance No. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PFLUGERVILLE, TEXAS, AMENDING THE CITY OF PFLUGERVILLE, TEXAS CODE OF ORDINANCES, BY ADOPTING AN UNENCUMBERED OPERATING CAPITAL RESERVES FUND BALANCE POLICY AS TITLE III, CHAPTER 33, SECTION 33.07 TITLED OPERATING CAPITAL RESERVE FUND POLICY; PROVIDING A CUMULATIVE CLAUSE; REPEALING ALL ORDINANCES TO THE EXTENT THEY ARE IN CONFLICT WITH THE AMENDED SECTIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 9.03(a) of the City of Pflugerville's City Charter provides, in part, that "For every budget adopted after the 1997-1998 fiscal year budget, except in the event of an emergency under section 9.04(b), the adopted budget must include an unencumbered general fund balance that is at least sufficient to cover three months of the city's budgeted general fund operation and maintenance expenses. This fund balance may be used for emergency appropriations in accordance with section 9.04(b)"; and

WHEREAS, the City Council is authorized to adopt such regulations and ordinances that it deems to be in the best interest of the City's fiscal health and wellbeing for the benefits of its citizens; and

WHEREAS, City Council has determined that requiring additional unencumbered reserve fund balances across all operating funds beyond the three (3) months' general fund operation and maintenance budget reserve policy provided by City Charter is fiscally prudent and necessary; and

WHEREAS, City Council finds that amendments to the City of Pflugerville's Code of Ordinances is warranted for these purposes.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PFLUGERVILLE, TEXAS:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes and findings of fact.

Section 2. Amendment to Municipal Code of Ordinances. The City of Pflugerville, Texas Code of Ordinances, Title III (entitled "Administration"), Chapter 33 (entitled "*Finance and Taxation*"), Section 33.07 (entitled "*Operating Capital Reserve Fund Policy*") is hereby adopted as detailed herein:

§ 33.07 Operating Capital Reserve Fund Policy.

(A) There is hereby created and established an Operating Capital Reserve Fund Policy providing that beginning with the adoption of the 2020-2021 fiscal year budget and every budget

adopted thereafter, the adopted budget must include unencumbered operating fund balances that are at least sufficient to cover six (6) months of the respective city's budgeted operating fund operation and maintenance expenses, except in the event of an emergency and as provided under section 9.04(b) of the City's Charter.

(B) This policy shall apply to the following City budgeted funds:

- (1) Utility Fund, exclusive of all Capital Project Funding Uses
- (2) General Fund

Section 3. Repealer. This ordinance shall be cumulative of all provisions of the City of Pflugerville, Texas, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinance, in which event the conflicting provisions of such ordinance are hereby repealed.

Section 4. Severability. It is hereby declared to be the intention of the City Council of the City of Pflugerville that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of the Ordinances, since the same would have been enacted by the City Council without incorporation in this ordinance of any such unconstitutional phrases, clause, sentence, paragraph or section.

Section 5. Effective Date. This Ordinance will become effective on its adoption and passage by the City Council.

PASSED AND APPROVED this _____ day of _____, 20__.

CITY OF PFLUGERVILLE, TEXAS

by: _____
VICTOR GONZALES, Mayor

ATTEST:

KAREN THOMPSON, City Secretary

APPROVED AS TO FORM:

GEORGE E. HYDE, City Attorney
DENTON, NAVARRO, ROCHA, BERNAL, HYDE & ZECH P.C.