

January 8, 2026

Item No. 9.1.

Public Hearing, presentation, discussion, and possible action on Budget Amendment #1 amending Ordinance No. 2025-4612 which will amend the budget for the 2025-2026 Fiscal Year in the amount of \$32,714,163.

Sponsor: Mary Ellen Leonard, Director of Fiscal Services

Reviewed By CBC: City Council

Agenda Caption: Public Hearing, presentation, discussion, and possible action on Budget Amendment 1 amending Ordinance No. 2025-4612 which will amend the budget for the 2025-2026 Fiscal Year in the amount of \$32,714,163.

Relationship to Strategic Goals:

Good Governance
Financial Sustainability
Core Services & Infrastructure
Neighborhood Integrity
Diverse & Growing Economy
Improving Mobility
Sustainable City

Recommendation(s): Staff recommends the City Council approve FY26 Budget Amendment #1.

Summary: The charter of the City of College Station provides for the City Council to amend the annual budget in the event there are revenues available to cover expenditures, and after holding a public hearing on such budget amendment.

The proposed budget amendment is to increase the FY26 budget appropriations by \$32,714,163, primarily due to the addition of \$19,250,000 in Capital Project and the annual encumbrance roll of \$10,481,379 for goods budgeted and ordered in FY25. The encumbrance roll is primarily composed of fleet purchases not yet received including a Fire department preorder of two pumper trucks, one grass truck and one aerial truck. The fleet preorders total \$7,899,939 and make up 75% of the encumbrance roll.

This amendment also includes eight interfund transfers from the General Fund, Hotel Tax Fund, Memorial Cemetery Fund, and Impact Fee Funds to contribute cash for capital for the additional Capital Projects.

Budget & Financial Summary: The City has resources or can reasonably expect resources to cover the appropriations in this budget amendment. The attached summary has the complete description of the items included on the proposed budget amendment. If approved, the net revised 2025-2026 budget appropriations will be \$506,939,861.

Attachments:

1. FY26 Budget Amendment #1 Ordinance

ORDINANCE NO. _____

AN ORDINANCE AMENDING ORDINANCE NO. 2025-4612 AS BUDGET AMENDMENT NUMBER 1 AMENDING THE BUDGET FOR THE 2025-2026 FISCAL YEAR AND AUTHORIZING AMENDED EXPENDITURES AS THEREIN PROVIDED.

WHEREAS, on August 28, 2025, the City Council of the City of College Station, Texas, adopted Ordinance No. 2025-4612 approving its Budget for the 2025-2026 Fiscal Year: and

WHEREAS, this amendment was prepared and presented to the City Council and a public hearing held thereon as prescribed by law and the College Station City Charter, after notice of said hearing having been first duly given; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That Ordinance No. 2025-4612 is hereby amended by amending the 2025-2026 Budget adopted by a net amount of \$32,714,163 as further detailed in **Exhibit A**.

PART 2: That this Budget Amendment Number 1 shall be attached to and made a part of the 2026-2026 Budget.

PART 3: That except as amended hereby, Ordinance No, 2025-4612 shall remain in effect in accordance with its terms.

PART 4: That this ordinance shall become effective immediately after passage and approval.

PASSED and APPROVED this _____ day of _____ 2026

ATTEST:

APPROVED:

City Secretary

Mayor

APPROVED:

City Attorney

OPERATING BUDGET AMENDMENT ITEMS:

- 1. Encumbrance Roll – Various Funds - \$10,481,379 (Budget Amendment).** This item covers expenditures encumbered but not completed or expensed in FY25. Those goods and services were budgeted in FY25 but will not be received until FY26. This amendment increases the FY26 budget appropriation in each applicable fund for the eligible items.

SUMMARY DESCRIPTION	TOTAL	%
Replacement vehicles/equipment in progress	\$ 6,376,133	61%
Fire #7 vehicle in progress	1,348,975	13%
New vehicle purchases in progress	174,831	2%
Vehicles subtotal	7,899,939	75%
Supplies, maintenance, professional services	2,265,411	22%
Generator replacements in progress	197,701	2%
IT replacement purchases in progress	118,328	1%
TOTAL	\$ 10,481,379	

Fleet Maintenance, an Internal Service Fund that is not included in the net budget totals, has items on the encumbrance roll for \$48,361. The Encumbrance Roll Summary file (attached) gives a brief description and totals by fund, by department.

- 2. Prior Years 1x items – Northgate, General Fund, and Water - \$1,252,784 (Budget Amendment).** This item covers approved FY25 1x SLAs and funding requests not encumbered and not expensed in FY25. Departments expect to receive these goods and services early in FY26. This item increases the FY26 budget appropriation in each applicable fund for the eligible items.
- 3. Parks Aquatics Recreation Coordinator – General Fund – (1.0 FTE).** The Aquatics Division of the Parks Department requires permanent leadership for ongoing business throughout the year. Current leadership is seasonal. This position will replace part-time Pool Manager positions. Budget will be transferred from current part-time accounts with a reduction in part-time personnel hours to cover the cost. Additional budget is not currently required.
- 4. Channel 19 Broadcast Equipment for Council Chambers – PEG Fund - \$135,000 (Budget Amendment).** The servers and broadcast equipment in Council Chambers has been temperamental and requires an update to ensure citizens can reliably watch Council and committee meetings. This item will completely overhaul and reconfigure the control room and will update the production equipment.
- 5. Sale of Millings – Roadway Maintenance Fund - \$325,000 (Budget Amendment).** The sale and removal of approximately 50,000 tons of mixed aggregate millings stockpile to Larry Young Paving, Inc. was approved by Council on 12/11/25. This amendment will increase the contracted labor budget and allow for additional preventive maintenance on city streets.

6. **Arts Center Statue Funding – HOT Fund - \$350,000 (Budget Amendment).** In coordination with the Arts Center, this item will appropriate funding for the installation of Lyle Lovett and Robert Earl Keen statues in the Northgate District.
7. **Early Fleet Replacement – Electric Fund - \$210,000 (Budget Amendment).** This item will increase the budget in Electric to fund an early vehicle replacement (due to age and timing). Funding for this item will come from an interfund transfer from Fleet Replacement to Electric. Sufficient funding was allocated to and is available in the Fleet Replacement Fund to cover this item.
8. **Additional Fire Station #7 Vehicle – General Fund - \$110,000 (Budget Amendment).** This item will fund the pre-order purchase of an additional light duty vehicle for Fire Station #7. The pre-order is necessary to receive the vehicle by the time Fire Station #7 opens and is operational.
9. **Release of Assigned Fund Balance for State Highway 6 landscaping/trees deposit – General Fund - \$600,000 (Budget Amendment).** This item will release the General Fund Assigned Balance previously held to contribute to State Highway 6 landscaping and trees. This item is an advanced funding deposit paid to TxDOT and has been reserved in the General Fund since Council provided direction on 20 November 2023.

CAPITAL IMPROVEMENT PROJECT BUDGET AMENDMENT ITEMS:

10. **Unspent Capital Budget – Electric CIP - \$10,950,000 (Budget Amendment).** This item will increase the Electric capital budget for projects and related costs that are anticipated to occur in FY26. These projects were previously approved and budgeted as part of the FY25 Budget. Due to various timing issues, these capital costs are now expected in FY26.
11. **Dowling Road Pump Station (DRPS) Variable Frequency Drive Replacement – Water CIP - \$1,500,000 (Budget Amendment).** This item funds the replacement of two variable frequency drives (VFDs) that operate high-service pumps at DRPS. These VFDs recently experienced a major failure and reached the end of their expected service life. As the City’s only high-service pump station delivering treated drinking water, DRPS is vital to maintaining system reliability and adequate distribution pressures. Replacing the VFDs is necessary to restore operational redundancy and ensure continued compliance with state and federal regulatory requirements. This item includes \$250,000 for design and \$1,250,000 for construction.
12. **Cemetery Columbarium Project – Parks CIP - \$950,000 (Budget Amendment).** This item will fund a new capital project to build an additional cemetery columbarium. The project will be funded via an interfund transfer from the Memorial Cemetery Fund to Parks CIP.
13. **State Highway 6 Water-Wastewater Utility Relocations – Water and Wastewater CIP - \$4,000,000 (Budget Amendment).** This item will increase the capital budget appropriations for existing utility relocation projects related to the State Highway 6 expansion project. Additional budget is needed due to current materials pricing and to meet required timelines. The Water increase is \$500,000. The Wastewater increase is \$3,500,000. Both increases will be funded by existing debt and an increase in the utility cash for capital transfer.

- 14. Lincoln Center Improvements – Parks CIP - \$350,000 (Budget Amendment).** This item will increase the capital budget appropriations for an existing Parks CIP project (approved by the voters in November 2022). Additional budget is needed to cover expected construction costs and will be funded via an interfund transfer from Parkland Zone 1 to Parks CIP.
- 15. VPAC Synthetic Fields – Parks CIP - \$1,500,000 (Budget Amendment).** This item will fund a new Parks CIP project to replace 2 synthetic fields at VPAC that have reached the end of their useful life. Due to compaction and other issues, these fields are no longer suitable for regular use. This item will be funded via an interfund transfer from the HOT Fund to Parks CIP.

INTER- AND INTRA-FUND TRANSFER BUDGET AMENDMENT ITEMS:

- 16. Memorial Cemetery Fund to Parks CIP – \$950,000 (Interfund Transfer).** This transfer will fund the new cemetery columbarium project described above.
- 17. HOT Fund to Parks CIP – \$1,500,000 (Interfund Transfer).** This transfer will move HOT revenues to Parks CIP to fund the replacement of 2 synthetic playing fields that have reached the end of their useful lives.
- 18. Central Park Operations Shop to Thomas Park Redevelopment – \$3,200,000 (Intra-fund Transfer).** At Bond Counsel’s recommendation, this transfer within the same fund moves previously approved capital budget appropriations from one Parks CIP project to another. Both projects were approved by voters during the November 2022 election. This item will increase the budget for the Thomas Park Redevelopment project to fund additional amenities, trails, and other Parks equipment. Budget is available because the Operations Shop construction cost was less than budgeted. The increase for Thomas Park will be funded by General Obligation debt, as approved by voters, to be issued in a future fiscal year.
- 19. Increased Water Impact Fee Transfer - \$250,000 (Interfund Transfer).** An increase to the Water Impact Fee Transfer due to the receipt of more revenue than budgeted in FY25.
- 20. Increased Wastewater Impact Fee Transfer - \$250,000 (Interfund Transfer).** An increase to the Wastewater Impact Fee Transfer due to the receipt of more revenue than budgeted in FY25.
- 21. Increased Water-Wastewater Cash for Capital Transfer - \$4,000,000 (Interfund Transfer).** This item will increase the currently budgeted Water and Wastewater cash for capital transfers. These transfers are made in lieu of issuing debt. The Water increase is \$500,000 and the Wastewater increase is \$3,500,000. These increases are possible due to additional utility revenue received in FY25 and are needed to fund the previously described additional State Highway 6 utility relocations.

1	CITY OF COLLEGE STATION			
2	ENCUMBRANCE ROLL BUDGET AMENDMENT SUMMARY			
3	FY26 BUDGET AMENDMENT #1			
4				
5	FUND	DEPARTMENT	ENCUMBRANCE ROLL AMOUNT	DESCRIPTION
6	General	Police	\$ 140,538	supplies, vehicle/equipment outfitting
7	General	Fire	50,368	supplies
8	General	Public Works	80,079	software, professional services, vehicle/equipment
9	General	Parks & Recreation	266,674	security cameras @ parks, professional services
10	General	Planning & Development	76,754	professional services
11	General	Fiscal Services	90,601	Municipal Court vehicle outfitting, software
12	General	CIP & Facilities	214,229	generators replacement, Rec Center Feasibility study
13	General	General Govt.	118,674	professional services, supplies
14	General	Non-Departmental	7,051,466	vehicle/equipment replacement, IT non-capital replacements
15		General Fund Total	\$ 8,089,383	
16				
17	Hotel Tax	Hotel Tax	72,301	tourism strategic plan, visitors guide
18		Drainage Fund Total	\$ 72,301	
19				
20	Drainage	Non-Departmental	2,700	IT non-capital replacements
21		Drainage Fund Total	\$ 2,700	
22				
23	Northgate Parking	Northgate Parking	94,490	repairs & painting, cameras
24		Northgate Parking Fund Total	\$ 94,490	
25				
26	Electric	Electric	154,320	professional services
27	Electric	Non-Departmental	519,400	vehicle/equipment/IT replacement
28		Electric Fund Total	\$ 673,720	
29				
30	Water	Water	628,053	maintenance
31	Water	Non-Departmental	56,283	IT non-capital replacements
32		Water Fund Total	\$ 684,336	
33				
34	Wastewater	Wastewater	442,885	professional services
35	Wastewater	Wastewater	69,602	vehicle replacement
36		Wastewater Fund Total	\$ 512,487	
37				
38	Solid Waste	Public Works	2,286	supplies, outfitting replacement vehicles
39			9,141	new vehicle purchases in progress-outfitting
40	Solid Waste	Public Works	340,535	new vehicle
41		Solid Waste Fund Total	\$ 351,962	
42				
43		EXPENDITURE TOTALS	\$ 10,481,379	
44				
45	INTERNAL SERVICE FUNDS:			
46	Fleet Maintenance	Fleet Maintenance	47,461	software, Samsura hardware
47	Fleet Maintenance	Non-Departmental	900	IT non-capital replacements
48		Fleet Maintenance Fund Total	\$ 48,361	
49				
50		INTERNAL SERVICE FUNDS EXPENDITURE TOTALS	\$ 48,361	
51		TOTAL ENCUMBRANCE ROLL	\$ 10,529,740	
54	CITY OF COLLEGE STATION			
55	1x PRIOR YEAR SLAS/FUNDING			
56	FY26 BUDGET AMENDMENT #1			
57				
58	1x Prior Year SLAs/Funding Not Encumbered			
59	1x SLA FY25 University Drive Pedestrian Safety Study (Northgate)		250,000	Northgate Fund
60	1x SLA FY25 Urban Heat Island Cooling College Station		375,230	General Fund
61	1x FY24 SLA VPAC Cameras		210,000	General Fund
62	1x SLA Water Meter Test Bench		83,554	Water Fund
63	Brazos Transit District FY25 funding agreement		334,000	General Fund
64		TOTAL 1x PRIOR YEAR SLAS	\$ 1,252,784	