



AGENDA MEMORANDUM

First Reading at the City Council Meeting of April 23, 2013
Second Reading at the City Council Meeting of April 30, 2013

DATE: April 15, 2013
TO: Ronald L. Olson, City Manager
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Ordinance Appropriating Funds Related to the American Bank Center

CAPTION:

Ordinance appropriating \$250,000 received from SMG (under contractual obligation to contribute capital for the American Bank Center) in the No. 4710 Visitors Facility Fund for improvements to the American Bank Center; Appropriating \$277,247.91 from reserved fund balance in the No. 4710 Visitors Facility Fund for American Bank Center capital improvement expenditures; Appropriating \$50,000 from reserved fund balance in the No. 4710 Visitors Facility Fund for capital and repair maintenance needs relating to the food and beverage concessions at the American Bank Center; Appropriating \$119,364.25 from unreserved fund balance in the No. 1130 Arena Facility Fund for repair maintenance needs at the Arena; changing the FY 2012-2013 Operating Budget adopted by Ordinance No. 029577 to increase revenues by \$250,000 and by increasing expenditures by a total of \$696,612.16.

PURPOSE:

The purpose of this agenda item is to appropriate funds relating to the American Bank Center for capital improvements, repairs and maintenance.

BACKGROUND AND FINDINGS:

On February 1, 2013, the City of Corpus Christi entered into a new agreement with SMG, which provided SMG to contribute \$250,000 for improvements to the American Bank Center including cosmetic improvements to the exterior of the American Bank Center facility. The capital contribution of \$250,000 was made to the City in accordance with the new agreement and now needs to be appropriated in order that it can be spent. This agenda item will appropriate these funds so that they can be expensed in this fiscal year.

On May 15, 2009, Type A Board approved \$500,000 for the use of capital improvements at the Arena facility. Each subsequent fiscal year's budget has included an appropriation of \$150,000. As of July 31, 2012, \$672,752.09 has been expended or committed for this purpose. The remaining \$277,247.91 has been reserved in the fund balance of Fund 4710 "Visitors Facilities Fund". This agenda item will appropriate these funds so that they can be expensed in the current fiscal year. Any funds remaining at July 31, 2013 will be reserved in the fund balance of Fund 4710 "Visitors Facilities Fund" and will either be included in the fiscal year 2013-2014 operating budget for Fund 4710 "Visitors Facilities Fund" or will be appropriated during fiscal year 2013-2014 as the need arises.

On September 29, 2011, the Type A Board approved appropriating \$50,000 from the unreserved fund balance in Fund 1130 "Arena Facility Fund" and transferring it to Fund 4710 "Visitors Facilities Fund" for expenditures relating to the needs of the food and beverage concessions at the American Bank Center. These funds were not expended by the end of the fiscal year but were reserved in the fund balance of Fund 4710 "Visitors Facilities Fund". This agenda item will appropriate these funds so that they can be expensed in the current fiscal year. Any funds remaining at July 31, 2013 will be reserved in the fund balance of Fund 4710 "Visitors Facilities Fund" and will either be included in the fiscal year 2013-2014 operating budget for Fund 4710 "Visitors Facilities Fund" or will be appropriated during fiscal year 2013-2014 as the need arises.

On September 29, 2011, the Type A Board also approved increasing the Arena Maintenance and Repairs org by \$50,000 – from \$150,000 approved in the fiscal year 2011-2012 budget for Fund 1130 "Arena Facility Fund" to \$200,000. At July 31, 2012, \$80,635.75 had been expended, and the remaining \$119,364.25 rolled into the fund balance of Fund 1130 "Arena Facility Fund". This agenda item will appropriate these funds for use in the current fiscal year.

ALTERNATIVES:

None

OTHER CONSIDERATIONS:

None

CONFORMITY TO CITY POLICY:

This item conforms to City policy.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

- Financial Services Department
- Legal Department

FINANCIAL IMPACT:

☐ Not Applicable ☒ Operating Expense ☐ Revenue ☐ CIP

FISCAL YEAR:	Project to Date Exp. (CIP Only)	Current Year	Future Years	TOTALS
Budget	-	\$ -	\$ -	\$ -
Encumbered/Expended amount of (date)	-	-	-	-
This item	-	\$ 696,612.16	\$ -	\$ 696,612.16
BALANCE	-	\$ 696,612.16	\$ -	\$ 696,612.16
FUND(S): Fund 1130 "Arena Facility Fund" \$119,364.25; Fund 4710 "Visitors Facility Fund" \$577,247.91				

COMMENTS:

n/a

RECOMMENDATION:

Staff recommends that City Council approve this agenda item as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance –American Bank Center Appropriations