

Mayor and Council Communication

DATE: 01/25/22

M&C FILE NUMBER: M&C 22-0080

LOG NAME: 3503FY2022 CCPD BUDGET AMENDMENTS

SUBJECT

(ALL) Conduct Public Hearing and Approve Fiscal Year 2022 Crime Control and Prevention District Budget Amendments to (A) Shift \$1,750,000.00 from a Budgeted Contribution to Capital to the Equipment, Technology, and Infrastructure Initiative to Purchase Additional Police Vehicles; (B) Increase the Partners with a Shared Mission Initiative by \$102,000.00, from Fund Balance, for a School Crossing Guard Feasibility Study; and (C) Increase the Equipment, Technology, and Infrastructure Initiative by \$30,220,627.00, from Fund Balance, for a Transfer to Capital for the Renovation of the Existing City Hall as a Police Facility; Adopt Attached Ordinances, and Amend the City's Fiscal Year 2022 Adopted Budget to Reflect these Changes and Amend the Fiscal Years 2022-2026 Capital Improvement Program

(PUBLIC HEARING - a. Report of City Staff: Keith Morris; b. Public Comment; c. Council Action: Close Public Hearing and Approve Amendment to the Fiscal Year 2022 Crime Control and Prevention District Budget)

RECOMMENDATION:

It is recommended that the City Council:

1. Conduct a public hearing and approve amendments to the Fiscal Year 2022 Crime Control and Prevention District Budget (A) to shift \$1,750,000.00 from a budgeted Contribution to Capital to the Equipment, Technology, and Infrastructure Initiative to Purchase Additional Police Vehicles; (B) to increase funding in the Partners with a Shared Mission Initiative by \$102,000.00, from fund balance, for costs associated with a school crossing guard feasibility study; and (C) to increase funding in the Equipment, Technology, and Infrastructure Initiative by \$30,220,627.00, from fund balance, for a transfer to capital for renovation of the existing city hall as police facility.
2. Adopt the attached ordinance amending the City's FY2022 budget to adjust appropriations in the Crime Control and Prevention District Operating Fund by (i) increasing the Police budget appropriation by \$102,000.00, for a school crossing guard feasibility study; (ii) increasing transfers to CCPD Capital Projects Fund by \$30,220,627.00 for renovations of the existing city hall as a police facility; (iii) decrease budgeted contribution to fund balance by \$234,963.00 (resulting in \$0 contribution to fund balance); and (iv) decrease fund balance by \$30,087,664.00;
3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Crime Control and Prevention District Capital Fund in the amount of \$1,750,000.00, transferred from the Crime Control and Prevention District Operating Fund, for the purposes of funding the Vehicles-Police Project (City Project No. P00035); and
4. Amend the Fiscal Years 2022-2026 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to consider Fiscal Year (FY) 2022 budget amendments adopted by the Board of Directors of the Fort Worth Crime Control and Prevention District (CCPD) and to revise the City's budget and appropriations in accordance with those changes.

Overview of Three CCPD Budget Amendments

Recommendation number one relates to formal Council approval of the three budget amendments that were considered and adopted by the CCPD Board at its December 7, 2021 meeting. Council action (approval or rejection) is required as the final step for a CCPD budget amendment, per Chapter 363 of the Local Government Code and the CCPD Board's adopted budget rule.

The amendment for \$1,750,000.00 reallocates funding from a budgeted Contribution to Capital to the Equipment, Technology, and Infrastructure Initiative for vehicles, and associated outfitting, for positions added in FY2021 and FY2022. On March 9, 2021 (M&C 21-0194), City Council approved the addition of ten (10) sergeant positions that were based on a 2018 staffing study. On September 14, 2021 (M&C 21-0646), City Council approved the FY2022 CCPD budget that added ten (10) Civilian Response Specialists and four (4) Detective positions. This amendment reallocates \$1,750,000.00 in funding to purchase vehicles for positions approved in FY2021 and FY2022. Because these funds were appropriated for the contribution to capital as part of the originally adopted CCPD budget, approval of this change does not increase the CCPD budget, and no change to the City's CCPD operating fund appropriation is required.

The amendment for \$102,000.00 increases funding in the Partners with a Shared Mission Initiative for costs associated with a school crossing guard feasibility study. At the City Council work session on October 12, 2021, staff recommended that the Transportation and Public Works Department enter into a contract with a private firm to review the actual situations at middle and charter schools throughout the city to determine the appropriateness of adding crossing guards. This amendment adds funding for the study in order to determine if additional schools should be added to the crossing guard service contract.

The amendment for \$30,220,627.00 increases funding in the Equipment, Technology, and Infrastructure Initiative to renovate the existing City Hall to become a consolidated downtown police facility as part of the overall new city hall plan. The renovation project includes construction of a new parking garage and retrofitting the current city hall to provide space for Central Patrol employees (250 personnel), Communications employees

(150 personnel), and employees housed at 1000 Calvert (175 personnel).

An overview of the projected budget for the renovation is shown in the following chart.

Existing City Hall Preliminary Costs	
Office Remodel	\$15.02M
Other Costs (Security, IT, Moving, etc.)	\$900K
Design Fees (12%)	\$1.8M
Contingency	\$1.5M
Subtotal	\$19.22M
Parking Garage	\$11M
Total	\$30.22M

Adoption of this M&C appropriates the funds for the renovation as a transfer to the CCPD Capital Projects Fund to allow for future appropriations as individual projects are identified and contracts are awarded.

Funding to support the transfer comes from the elimination of a previously budgeted contribution to fund balance (\$234,963.00) and use of fund balance (\$30,087,664.00).

Revising City Budget to Align with CCPD Amendments

Enacting the CCPD's budget amendments will require adoption of two ordinances revising the City's appropriations.

The first attached ordinance amends the City's adopted budget for the Crime Control and Prevention District Operating Fund by reallocating \$234,963.00 originally budgeted for a contribution to fund balance and using \$30,087,664.00 in fund balance to support (i) a \$102,000.00 increase to the Police Department budget for the crossing guard study and (ii) a \$30,220,627.00 increase in transfer to capital for the city hall renovation project. Adoption of this ordinance results in a net increase of \$30,087,664.00 to the originally adopted budget for the Operating Fund.

Adoption of the second attached ordinance will amend the City's adopted budget to increase appropriations in the Crime Control and Prevention District Capital Fund by \$1,750,000.00, from the previously appropriated transfer to capital from the CCPD operating fund, for the additional vehicles.

The actions in this M&C will amend the Fiscal Year 2022 Adopted Budget and Fiscal Years 2022-2026 Capital improvement Program as approved in connection with Ordinance 25073-09-2021.

Impact of Budget Amendments on Fund Balance

Approval of this M&C will result in a CCPD FY22 budget totaling \$125,023,634.00.

FY2022 Adopted Budget	Amendments	FY2022 Amended Budget
\$94,935,970.00	\$30,087,664.00	\$125,023,634.00

The fund balance requirement for the CCPD Fund is 16.67% of regular, on-going operating expense (including operating transfers out), which equates to \$13,615,954.65. After the adoption of these budget amendments the FY2022 CCPD operating fund projects an available fund balance of 20.79%, which exceeds the required reserve. Details of the fund balance and required reserve are shown below.

Fund Balance Report	
Audited Fund Balance (9/30/2020)	\$28,638,000.00
Plus FY2021 - Rev	\$99,001,757.00
Less FY2021 - Exp	\$(78,775,191.00)
Projected Fund Balance (9/30/2021)	\$48,864,566.00
Committed Fund Balance	\$(1,792,973.00)
Projected Fund Balance (09/30/2021 after Committed)	\$47,071,593.00
Use of Fund Balance per M&C	\$(30,087,664.00)
Projected Available Fund Balance	\$16,983,929.00

Required Reserve Calculation	
CCPD Operating Fund FY2022 Budget, As Amended	\$125,258,597.00

<i>Capital - Transfer Out</i>	<i>\$43,344,248.00</i>
Total Subjected to Reserve Requirement	\$81,679,386.00
Reserve Requirement 16.67% (Required)	\$13,615,954.65
Reserve Requirement 18.00% (CMO Recommended)	\$14,702,289.48

The projected available fund balance following approval of this M&C would equal 124.7% of the 16.67% required reserve and equate to 115.5% of the 18% reserve requirement.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the fund balance and transfer & other category within the Crime Control & Prev Distr Operating Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the CCPD Capital Projects Fund for the Facility Renovation/Exp - Poli programmable project and the Vehicles-Police programmable project. Prior to an expenditure being incurred, the Police Department has the responsibility of verifying the availability of funds.

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Expedited