

Mayor and Council Communication

DATE: 03/09/21

M&C FILE NUMBER: M&C 21-0193

LOG NAME: 03CCPD CAPITAL ADJ

SUBJECT

(ALL) Conduct a Public Hearing and Approve FY2020 Crime Control and Prevention District Budget Amendment, Decreasing Capital Budget by \$1,260,000, and Returning Funds to CCPD Operating Fund Balance to Reflect Vehicle Acquisition with Tax Note Proceeds Instead of Cash, Adjust the FY2020-2024 Capital Improvement Plan, and Adopt Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

- 1) Conduct a public hearing and approve an amendment to the Crime Control and Prevention District's FY2020 adopted budget to decrease capital appropriations and reflect that equipment that was originally to be cash-funded was instead acquired using tax notes; and
 - 2) Adopt the attached ordinance adjusting FY2020 appropriations in the Crime Control and Prevention District Capital Projects Fund, by reducing appropriated expenditures by \$1,260,000.00 and increasing transfers back to the Crime Control and Prevention District (Operating) Fund by the same amount.
-

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to take actions to clean up the Fiscal Year 2020 Crime Control and Prevention District (CCPD) capital budget to reflect previously approved changes made in response to economic impacts of the COVID-19 pandemic.

In spring of 2020, during the early stage of COVID-19, large revenue shortfalls were projected in the CCPD sales tax. Staff identified Vehicle and Equipment purchases in the amount of \$1,260,000.00 that were included in the FY2020 CCPD capital budget and planned to be cash-funded by a transfer from CCPD operating funds as an expense that could be restructured to ease anticipated pressure on sales tax and other operating revenues.

The cost of these Vehicle and Equipment purchases were shifted to the 2020 Tax Note issuance instead (M&C 20-0266, May 5, 2020).

Approval of this M&C will formally decrease receipts and appropriations in the CCPD Capital Fund so that the transfer-in from the CCPD operating fund can be offset by a return transfer to the original source, the Crime Control and Prevention District (Operating) Fund, where it will be applied towards fund balance and available for future re-appropriation and use.

Under state law and the CCPD's adopted financial policies, a budget amendment requires public hearings and action by both the Board and the City Council. The CCPD Board held a public hearing and approved this budget amendment on February 23, 2021.

In revising the capital appropriations, this action will amend the 2020-2024 Capital Improvement Plan presented in connection with the adoption of the City's FY2020 budget. This action, however, does not impact the operating budget of the Crime Control and Prevention District Fund.

The CCPD operating fund is in compliance with reserve requirements.

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 available in the current capital budget, as appropriated, of the CCPD Capital Projects Fund. Prior to an expenditure being incurred, the Police Department has the responsibility of verifying the availability of funds.

Submitted for City Manager's Office by: Fernando Costa 8180

Originating Business Unit Head: Mark McAvoy 6222

Additional Information Contact: Terry Hanson 7934

