

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 04/06/21 M&C FILE NUMBER: M&C 21-0227

LOG NAME: 17PID12 MIDYEARFY21

SUBJECT

(CD 7) Adopt Attached Resolution Amending the Fiscal Year 2020-2021 Budget and Five-Year Service Plan for Fort Worth Public Improvement District 12 – Chapel Hill and Adopt Attached Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the attached resolution approving the revised Fiscal Year 2020-2021 Budget and Five-Year Service Plan for Public Improvement District 12 – Chapel Hill to reflect amendments associated with a mid-year review; and
2. Adopt the attached appropriation ordinance increasing receipts and appropriations in the Fort Worth Public Improvement District 12 – Chapel Hill Fund in the amount of \$23,200.00, from available, unreserved fund balance.

DISCUSSION:

The City of Fort Worth Department of Economic Development administers the City's Public Improvement Districts (PIDs) in accordance with Chapter 372 of the Texas Local Government Code. The City's Operating PID Policy outlines the need to proactively work with the PID managers to oversee the services being provided by the PIDs and their associated financial positions. Staff, along with the contracted PID management companies, has conducted mid-year reviews of the Fiscal Year 2020-2021 Budget (Budget) for the Public Improvement District 12 - Chapel Hill (Chapel Hill PID) and recommend the following adjustments.

The City contracts with FirstService Residential Texas PID, LLC (FirstService) to manage the Chapel Hill PID. FirstService has identified the need to increase the Chapel Hill PID Budget by \$23,200.00 to cover expenses associated with increases to landscaping and a decrease to insurance line items in the Budget and Five-Year Service Plan. Removal of the insurance line item does not relieve FirstService from acquiring insurance in the types and amounts required under the contract. All such insurance costs are built into the current management fee.

Revenue adjustments:

Line Items to be Adjusted	Previously Approved FY21 Budget Item	Recommended Mid-Year Adjustment	Amended FY21 Budget Item
PID Assessments	\$79,451.00	\$0.00	\$79,451.00
Use of Fund Balance	\$0.00	\$23,200.00	\$23,200.00
Totals	\$79,451.00	\$23,200.00	\$102,651.00

Expenditure adjustments:

Line Items to be Adjusted	Previously Approved FY21 Budget Item	Recommended Mid-Year Adjustment	Amended FY21 Budget Item
Landscaping	\$28,143.00	\$34,708.00	\$62,851.00
Insurance	\$3,708.00	(\$3,708.00)	\$0.00
Contribution to Fund Balance	\$7,800.00	(\$7,800.00)	\$0.00
Totals	\$39,651.00	\$23,200.00	\$62,851.00

Staff supports FirstService's recommended mid-year budget adjustments. All other previously approved line items not mentioned above remain the same. Upon approval of the above recommendations, the total budgeted expenses for Fiscal Year 2020-2021 will be \$102,651.00. This mid-year budget adjustment will decrease the unaudited, unassigned fund balance by a total of \$23,200.00. The revised Budget and Five-Year Service Plan will take effect upon approval by City Council. The City and FirstService will amend the existing management contract to reflect the mid-year adjustment (City Secretary Contract No. 54794).

The Chapel Hill PID is located in COUNCIL DISTRICT 7.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the current operating budget, as appropriated, in the FWPID #12 - Chapel Hill Fund. Prior to any expenditure being incurred, the Economic Development Department has the responsibility to validate the availability of funds.

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