



City of League City, TX

300 West Walker
League City TX 77573

Text File

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Title

Consider and take action on an ordinance amending the City of League City, Texas, Governmental, Proprietary, and Capital Funds Budget for Fiscal Year 2024 by amending Ordinance No. 2023-28 to adjust the operating and capital budget for actual and projected expenditures related to TIRZ 2 and COVID ARPA funds (Assistant City Manager - CFO)

..Background:

This item was directed by City Council on September 12, 2023 agenda item 9C.

With the closing of TIRZ 2, staff estimates between **\$7.0 to \$9.7 million** will be remaining as uncommitted funds.

There will be approximately **\$6 million** in uncommitted COVID ARPA funds remaining at the end of FY2023. At Council's direction, staff can use current public safety salaries as justification to claim the remaining \$6 million in COVID ARPA grant funds. Since the salary expense is currently paid from the general fund, moving the expense to ARPA, would free up an equal amount (\$6 million) in general fund dollars. This amount will be transferred to the CIP to cash fund (without time or project type restriction) CIP projects at Council's direction.

The proposed ordinance requests a net zero amendment to the General Fund, addition of Fire Station 7 to the capital budget, creates capital projects fund 5018 "Fire Station 7", and modifies the COVID ARPA spending plan.

If approved, the proposed ordinance would amend the City's FY2024 budget to incorporate proposed adjustments for:

- Modify the formal COVID ARPA spending plan by reprogramming the uncommitted total at the end of FY2023 to FY2024 public safety salaries (estimated at \$5,950,000)
 - including removing COVID ARPA funding for construction of the DSWWTP Admin, Lab & Ops building as part of FY2024 capital budget in the amount of \$1.16 million
- Create capital projects fund 5018 "Fire Station 7"
- Transfer from General Fund an equal amount to the remaining ARPA funds (estimated at \$5,950,000) to the new dedicated fund 5018 to plan, design, construct, and equip Fire Station 7,
- Add Fire Station 7 to the FY2024 capital budget in order to spend CIP funds in FY2024 on planning, design of station (\$900K), design of offsite infrastructure (\$900K), and land (\$450K) (total \$2.25 million). This is just a budget to start work on the Fire Station and funds spent in FY2024 may be less.
- At the close of FY2023, remaining uncommitted funds from TIRZ 2 will be allocated to the new dedicated fund 5018 for Fire Station 7, estimated at \$7 million.

- City Council will be presented with a station optimization presentation at the second meeting in October 2023. Decisions made regarding location and station type will affect the total funds estimated for the Fire Station planning, design, utilities, land, construction and equipment.
- After funding Fire Station 7 expenses, remaining funds from TIRZ 2 or COVID ARPA, will be spent on the following based on priority as directed by City Council by separate action,
 - a. Up to \$3M of the TIRZ 2 uncommitted balance to be allocated to completing underfunded road projects in the Capital Improvement Plan,
 - b. Grant program of \$200K to fund installation of flock license plate reader cameras in neighborhoods as requested by HOA's,
 - c. Replacement of approximately 200 public safety radios with any remaining TIRZ 2 uncommitted funds.
- Remove New I45 Frontage Road to Hobbs (Winfield Road) ST2203 from the FY2024 capital budget and reallocate the \$1.1M programmed in the FY2024 capital budget for Winfield Road to North Landing Blvd Extension project (also a 2019 GO Bond project).
 - A separate item on tonight's agenda to remove Winfield Road (I45 feeder to Hobbs Rd) from the 2019 GO Bond program and the FY2024-2028 CIP.

TOTAL BY FUNDS:

General Fund

The requested adjustment to the General Fund is an increase of \$5,950,000; decrease of the same, resulting a net change of **zero**. There is no adjustment to the fund appropriation.

COVID ARPA Fund

The requested adjustment to the COVID ARPA Fund results a net change of **zero**. There is no adjustment to the fund appropriation.

Capital Budget

The request adjustment to the Capital Budget is an increase of \$2,250,000 and the addition of the Fire Station 7 project. The total fund appropriation amended budget of \$153,572,670 increases by \$2,250,000 to \$155,822,670.

Attachments:

1. Data Sheet
2. Proposed Ordinance with Exhibits
3. Updated COVID ARPA spending plan
4. Fire Station 7 Project Sheet
5. New I45 Frontage Road to Hobbs (Winfield Rd) Project Sheet
6. DSWWTP Admin, Lab & Operations Building Project Sheet
7. Approved Agenda 9/12/23 Item 9C

FUNDING

{ } Funds are available from Account # _____

{ } Requires Budget Amendment to transfer from Account # _____ to Account # _____

{X} NOT APPLICABLE

STRATEGIC PLANNING

{X} Addresses Strategic Planning Critical Success Factor # _____ { } NOT APPLICABLE