



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 2/23/2021

ALL

Item Creation Date: 2/19/2021

FIN-2021 Severe Winter Storm Emergency - Appropriation of budget stabilization funds

Agenda Item#: 12.

Summary:

ORDINANCE appropriating a sum not to exceed the amount currently in the Budget Stabilization Fund out of the Budget Stabilization Fund, transferring some or all of that amount as determined by the Finance Director to the Disaster Recovery Fund, and authorizing expenditures therefrom related to responding to and recovering from the 2021 Severe Winter Storm Emergency; declaring the City's intent to seek reimbursement from the Federal Emergency Management Agency (FEMA) and other eligible sources for such expenditures

Background:

The Finance Department recommends council approval of the use a sum not to exceed the amount currently in the Budget Stabilization Fund and the transfer of some or all of those funds to the Federal / Local / State Pass Fund, in accordance with the City's Financial Policies (Ordinance No. 2020-999, as may be amended from time to time) which include the following provision:

"C4. In addition to the Fund Balance, the City shall maintain a separate Budget Stabilization Fund in an amount not less than the greater of (a) 1% of Adopted Budget General Fund expenditures (excluding debt service payments and transfers for pay-as-you-go (PAYGO) capital expenditures) or (b) \$20 million, which may be used in accordance with the definition of the fund. Transfers necessary to meet this requirement shall occur by July 31 of each fiscal year. Any proposed use of the Budget Stabilization Fund shall be accompanied by a justification to City Council and shall require approval from two-thirds of the City Council present and voting. When an event causing use of the Budget Stabilization Fund has concluded, the City shall allocate sufficient funds by the end of the second subsequent full fiscal year to restore the Budget Stabilization Fund to at least minimum levels."

JUSTIFICATION:

Additional funds are needed to assist with expenditures related to 2021 Severe Winter Storm Emergency, including first responder overtime, debris removal, and other recovery costs. While it is expected that this funding will be reimbursed up to 75-90% by FEMA, the timing of that reimbursement is uncertain.

Per the financial policy, the City shall allocate sufficient funds by the end of the second subsequent full fiscal year to restore the Budget Stabilization Fund to at least minimum levels by the end of FY2023.

DocuSigned by:

Tantri Emo

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Tantri Emo

Chief Business Officer/Director of Finance

Prior Council Action:

(O) 2020-0999

Amount of Funding:

Amount Not Exceed \$15,000,000.00

Budget Stabilization Fund

Fund 1023

Contact Information:

Arif Rasheed, Deputy Director

Phone: 832.393.9013

DS

MR

ATTACHMENTS:

Description

Coversheet (final)
Public Notice of Emergency Special Meeting
Presidential Major Disaster Declaration for Texas

Type

Signed Cover sheet
Backup Material
Backup Material