



TOWN OF CHAPEL HILL

Town Hall
405 Martin Luther King Jr.
Boulevard
Chapel Hill, NC 27514

Legislation Details (With Text)

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File created: 8/13/2021 **In control:** Town Council

On agenda: 9/1/2021 **Final action:** 9/1/2021

Title: Enact the Annual Budget Ordinance Amendment to Re-appropriate Funds for Prior Year Encumbrances and Other Commitments.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Summary listing of items carried over, 2. AN ORDINANCE TO AMEND “THE ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 2021” (2021-09-01/O-1)

Date	Ver.	Action By	Action	Result
9/1/2021	1	Town Council	adopted	Pass

Enact the Annual Budget Ordinance Amendment to Re-appropriate Funds for Prior Year Encumbrances and Other Commitments.

Staff:

Amy Oland, Director

Department:

Business Management

Overview: Enacting the attached budget ordinance amendment appropriates funds for prior year encumbrances, previously approved grants, and capital improvement projects in various funds for the 2021-22 fiscal year.

☆ **Recommendation(s):**

That the Council enact the budget ordinance amendment to adjust for encumbrances and other commitments from FY 2021 to FY 2022.

Key Issues:

Each year, as the new fiscal year budget gets underway, we ask the Council to re-appropriate funds for activities that cross over July 1st. These activities were anticipated and planned for in our budget preparation and are for routine activities and longer-term projects.

• **Encumbrances**

Encumbrances are obligations the Town committed to before June 30, 2021 through a contract or a purchase order. Since the materials or services weren't delivered before June 30th, we need to re-appropriate those funds in the 2021-2022 budget. Staff recommends carrying forward a total of \$4,328,887 across all funds from last year to the 2021-2022 budget.

• **Other Commitments**

In addition to outstanding contracts and purchase orders, there are items that were planned for in our budget preparation but not completed before June 30, 2021. These projects include: Rosemary Deck initial project costs \$86,992, Land Use Management Ordinance (LUMO) update \$361,747, inspections

software replacement \$93,799, COVID-19 response \$104,068, the penny for housing initiative \$924,387, and stormwater projects \$414,265. Other carryforward items include workforce development training, Council-approved planning initiatives, police federal and state drug seizure funds, traffic studies, facility and vehicle maintenance, technology projects, and other ongoing initiatives that were not encumbered. Staff recommends carrying forward a total of \$3,604,467 across all funds from last year to the 2021-2022 budget.

• Grant Fund Carryovers

The attached ordinance would re-appropriate \$93,294 for unspent grants in the Grant Fund as follows:

Grant	Grant Budget in 2020-21	Balance to Reappropriate in 2021-22
CARES Grant	1,553,262	3,915
Governors Highway Safety Grant	-	48,097
Triad Foundation Grant	33,586	22,212
Governors Crime Commission Grant	89	89
FY18 Bulletproof Vest Grant	12,624	12,624
Orange County ABC Grant	9,828	6,182
Youth Initiative Grant	49	49
FY17 Bulletproof Vest Grant	16,198	126
Total	\$ 1,625,636	\$ 93,294

• Transit Grant Carryovers

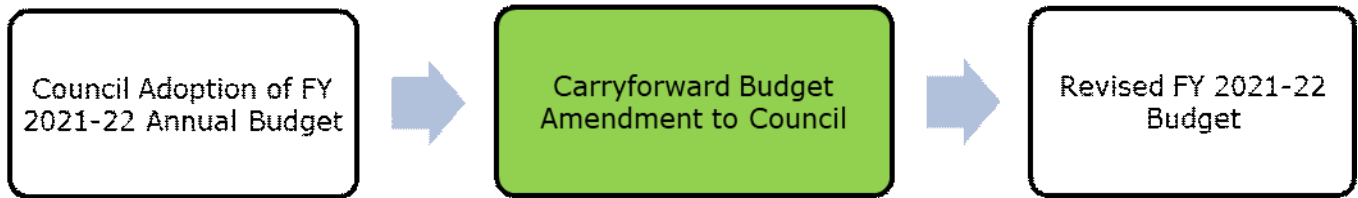
In addition to items encumbered, the Transit Fund has residual balances on grants that were awarded in FY 2021 that are not complete and will carry over to FY 2022. There is one grant with a residual balance from FY 2021 and that is the Senior Shuttle Program. Expenditures remaining on the grants total \$409,271, with federal funding available of \$237,461. The matching funds for the grants were established in the prior year’s budget and are re-appropriated from fund balance by the amendment attached.

• CIP Project Carryovers

Other than the amounts included for encumbrances above, the balance remaining for capital projects that are underway of \$218,157 require re-appropriation in FY 2022. The attached amendment would re-appropriate funding for the completion of parks and playgrounds, technology projects, and facility capital maintenance.

Fiscal Impact/Resources: The carryover budget amendment is intended to re-appropriate budget that was committed to in the prior fiscal year. Encumbered funds that were not spent were held in the fund balance of the various funds, or in additional grant funds awarded by agencies. The amount being carried over is \$4,328,887 in encumbrances and \$3,604,467 for other items that were not completed in the prior year for a total of \$7,933,354.

Where is this item in its process?



Attachments:

- Budget ordinance amendment
- Summary listing of items carried over

AN ORDINANCE TO AMEND “THE ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 2021” (2021-09-01/O-1)

BE IT ORDAINED by the Council of the Town of Chapel Hill that the Budget Ordinance entitled “An Ordinance Concerning Appropriations and the Raising of Revenue for the Fiscal Year Beginning July 1, 2021” as duly adopted on June 9, 2021, be and the same is hereby amended as follows:

ARTICLE I

APPROPRIATIONS	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Mayor/Council	\$ 492,520	\$ -	\$ -	\$ 492,520
Town Manager/CaPA	3,145,778	47,500	-	3,193,278
Human Resource Dev't	1,766,539	243,168	-	2,009,707
Business Management	2,419,766	40,775	-	2,460,541
Technology Solutions	2,477,186	70,386	-	2,547,572
Attorney	577,687	-	-	577,687
Planning & Sustainability	1,865,219	488,203	-	2,353,422
Building & Development Services	2,424,868	93,798	-	2,518,666
Housing & Community	843,694	-	-	843,694
Public Works	12,797,644	229,462	-	13,027,106
Police	13,346,550	85,623	-	13,432,173
Fire	10,004,565	198,921	-	10,203,486
Parks and Recreation	7,374,790	115,236	-	7,490,026
Library	3,868,320	11,180	-	3,879,500
Non-Departmental	7,614,874	209,450	-	7,824,324
GENERAL FUND TOTAL	\$ 71,020,000	\$ 1,833,702	\$ -	\$ 72,853,702
OTHER FUNDS				
Grants Fund	\$ 394,852	\$ 93,294	\$ -	\$ 488,146
Downtown Service District	465,500	-	-	465,500
Affordable Housing Development Reserve	688,395	1,233,098	-	1,921,493
Library Gift Fund	216,841	191,824	-	408,665
Debt Service Fund	9,664,932	-	-	9,664,932
Capital Improvement Fund	697,241	431,738	-	1,128,979
Vehicle Replacement Fund	344,660	-	-	344,660
Vehicle Maintenance Fund	1,605,222	122,464	-	1,727,686
Computer Replacement Fund	177,750	-	-	177,750
On-Street Parking Fund	787,565	3,073	-	790,638
Off-Street Parking Fund	2,548,423	123,632	-	2,672,055
Public Housing Fund	2,176,756	114,283	-	2,291,039
Stormwater Management Fund	3,009,500	578,545	-	3,588,045
Transit Fund	26,300,046	3,207,701	-	29,507,747
Total all funds	\$ 120,097,683	\$ 7,933,354	\$ -	\$ 128,031,037

ARTICLE II

REVENUES	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Other Revenues	\$ 68,509,779	\$ -	\$ -	\$ 68,509,779
Fund Balance Appropriated	2,510,221	1,833,702	-	4,343,923
GENERAL FUND TOTAL	\$ 71,020,000	\$ 1,833,702	\$ -	\$ 72,853,702
OTHER FUNDS				
Grants Fund	\$ 394,852	\$ 93,294	\$ -	\$ 488,146
Downtown Service District	465,500	-	-	465,500
Affordable Housing Development Reserve	688,395	1,233,098	-	1,921,493
Library Gift Fund	216,841	191,824	-	408,665
Debt Service Fund	9,664,932	-	-	9,664,932
Capital Improvement Fund	697,241	431,738	-	1,128,979
Vehicle Replacement Fund	344,660	-	-	344,660
Vehicle Maintenance Fund	1,605,222	122,464	-	1,727,686
Computer Replacement Fund	177,750	-	-	177,750
On-Street Parking Fund	787,565	3,073	-	790,638
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Public Housing Fund	2,176,756	114,283	-	2,291,039
Stormwater Management Fund	3,009,500	578,545	-	3,588,045
Transit Fund	26,300,046	3,207,701	-	29,507,747
Total all funds	\$ 120,097,683	\$ 7,933,354	\$ -	\$ 128,031,037

This the 1st day of September, 2021.

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

By enacting the budget ordinance amendment, the Council appropriates funds for prior year encumbrances, previously approved grants, and capital improvement projects in various funds for the 2021-22 fiscal year.