



Legislation Text

File #: [22-0637], Version: 1

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 2022-23 fiscal year.



Recommendation(s):

That the Council enact the budget ordinance amendment to adjust for encumbrances and other commitments from FY 2022 to FY 2023.

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, 2022 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 2022-2023 budget. Staff recommends carrying forward a total of \$6,706,074 across all funds from last year to the 2022-2023 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, 2022. These projects include: Land Use Management Ordinance (LUMO) update \$152,983, training initiatives \$263,029, reimagining community safety \$93,842, affordable housing \$299,400, the penny for housing initiative \$942,196, climate action plan \$465,295, vehicle replacements \$214,551, Transit ARPA funding held in reserve until projects are identified \$5,844,446, and stormwater projects \$580,228. 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 \$11,019,258 across all funds from last year to the 2022-2023 budget.

- **Grant Fund Carryovers**

The attached ordinance would re-appropriate \$99,971 for unspent grants in the Grant Fund as follows:

Grant	Grant Budget in 2021-22	Balance to Reappropriate in 2022-23
CARES Grant	3,915	-
Governors Highway Safety Grant	48,097	28,253
Governors Crime Commission Grant	-	21,939
Triad Foundation Grant	22,212	14,115
Governors Crime Commission Grant	-	4,400
Governors Crime Commission Grant	89	-
FY18 Bulletproof Vest Grant	12,624	12,624
Orange County ABC Grant	6,182	18,514
Youth Initiative Grant	49	-
FY17 Bulletproof Vest Grant	126	126
Total	\$ 93,294	\$ 99,971

• Transit Grant Carryovers

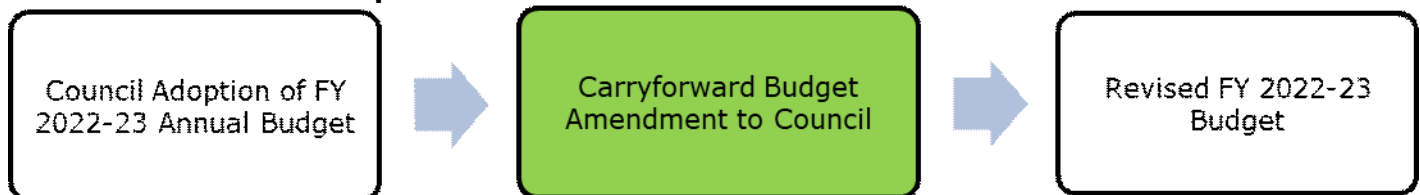
In addition to items encumbered, the Transit Fund has residual balances on grants that were awarded in FY 2022 that are not complete and will carry over to FY 2023. There is one grant with a residual balance from FY 2022 and that is the Transit Oriented Development grant. Expenditures remaining on the grants total \$360,240, with federal funding available of \$284,693. 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 \$1,207,977 requires re-appropriation in FY 2023. The attached amendment would re-appropriate funding for the completion of Post Office/Courthouse roof replacement, bike/ped improvements, 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 \$6,716,849 in encumbrances and \$11,021,303 for other items that were not completed in the prior year for a total of \$17,725,332.

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, 2022" (2022-09-14/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, 2022" as duly adopted on June 8, 2022, be and the same is hereby amended as follows:

ARTICLE I

APPROPRIATIONS	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Mayor/Council	\$ 498,793	\$ -	\$ -	\$ 498,793
Town Manager/CaPA	3,533,474	229,834	-	3,763,308
Human Resource Dev't	1,809,332	316,817	-	2,126,149
Business Management	2,739,491	174,165	-	2,913,656
Technology Solutions	2,691,695	38,835	-	2,730,530
Attorney	598,125	21,779	-	619,904
Planning & Sustainability	2,039,409	506,648	-	2,546,057
Building & Development Services	2,493,251	-	-	2,493,251
Housing & Community	954,730	341,750	-	1,296,480
Public Works	13,578,637	152,171	-	13,730,808
Police	15,053,310	99,391	-	15,152,701
Fire	10,615,997	133,134	-	10,749,131
Parks and Recreation	7,815,048	143,556	-	7,958,604
Library	4,177,724	17,749	-	4,195,473
Non-Departmental	8,089,984	309,927	-	8,399,911
GENERAL FUND TOTAL	\$ 76,689,000	\$ 2,485,756	\$ -	\$ 79,174,756
OTHER FUNDS				
Grants Fund	\$ 493,903	\$ 99,971	\$ -	\$ 593,874
Downtown Service District	574,897	-	-	574,897
Affordable Housing Development Reserve	688,395	1,031,686	-	1,720,081
Climate Action Fund	550,000	485,078	-	1,035,078
Library Gift Fund	181,759	338,031	-	519,790
Debt Service Fund	9,570,927	-	-	9,570,927
Capital Improvement Fund	741,241	2,060,360	-	2,801,601
Vehicle Replacement Fund	355,000	855,264	-	1,210,264
Vehicle Maintenance Fund	1,646,640	209	-	1,646,849
Computer Replacement Fund	173,975	-	-	173,975
Parking Fund	6,130,626	67,278	-	6,197,904
Public Housing Fund	2,416,924	1,015	-	2,417,939
Stormwater Management Fund	3,010,000	690,266	-	3,700,266
Transit Fund	31,454,363	9,610,418	-	41,064,781
Total all funds	\$ 134,677,650	\$ 17,725,332	\$ -	\$ 152,402,982

ARTICLE II

REVENUES	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Other Revenues	\$ 74,025,610	\$ -	\$ -	\$ 74,025,610
Fund Balance Appropriated	2,663,390	2,485,756	-	5,149,146
GENERAL FUND TOTAL	\$ 76,689,000	\$ 2,485,756	\$ -	\$ 79,174,756
OTHER FUNDS				
Grants Fund	\$ 493,903	\$ 99,971	\$ -	\$ 593,874
Downtown Service District	574,897	-	-	574,897
Affordable Housing Development Reserve	688,395	1,031,686	-	1,720,081
Climate Action Fund	550,000	485,078	-	1,035,078
Library Gift Fund	181,759	338,031	-	519,790
Debt Service Fund	9,570,927	-	-	9,570,927
Capital Improvement Fund	741,241	2,060,360	-	2,801,601
Vehicle Replacement Fund	355,000	855,264	-	1,210,264
Vehicle Maintenance Fund	1,646,640	209	-	1,646,849
Computer Replacement Fund	173,975	-	-	173,975
Parking Fund	6,130,626	67,278	-	6,197,904
Public Housing Fund	2,416,924	1,015	-	2,417,939
Stormwater Management Fund	3,010,000	690,266	-	3,700,266
Transit Fund	31,454,363	9,610,418	-	41,064,781
Total all funds	\$ 134,677,650	\$ 17,725,332	\$ -	\$ 152,402,982

This the 14th day of September, 2022.

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 2022-23 fiscal year.