



TOWN OF CHAPEL HILL

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

Legislation Text

File #: [22-0138], Version: 1

Approve the Miscellaneous Budget Ordinance Amendment to Adjust Various Fund Budgets for FY 2021-22.

Staff:

Amy Oland, Director
Matt Brinkley, Assistant Director

Department:

Business Management

Overview: After the Council approves the annual budget, periodic changes require the Town to amend the current budget.



Recommendation(s):

That the Council:

- Enact the attached budget ordinance amendment to adjust the General Fund, Grants Fund, Transit Fund, Downtown Service District Fund, and Library Gift Fund.

Key Issues:

- **General Fund**

Criminal Justice Debt Relief Project - The Criminal Justice Debt Relief Project provides criminal justice-related debt relief to low-income residents who are taking steps to successfully reintegrate into the community but whose ability to do so is hampered by this debt. The program is administered by the Chapel Hill Police Crisis Unit with support from an advisory board made up of representatives from the criminal justice and services provider community in Orange County. The Orange County Bail/Bond Justice Project contributed \$6,000 to the program to be used towards Orange County residents outside Chapel Hill and Carrboro. Enactment of the attached budget ordinance amendment would recognize and appropriate the \$6,000 from the Orange County Bail/Bond Justice Project for the Criminal Justice Debt Relief Project.

Teen Center Donation - The Friends of Chapel Hill Parks and Recreation donated \$15,300 for various improvements to the Teen Center. These improvements include new equipment and supplies to support new programming, flooring, furniture, computer replacement, as well as other structural improvements to the space. Enactment of the attached budget ordinance amendment would recognize and appropriate the \$15,300 from the Friends of Chapel Hill Parks and Recreation for the improvements to the Teen Center.

Estes Drive Pedestrian Improvements - The Town of Chapel Hill has received a \$30,000 donation for pedestrian safety improvements on Estes Drive. The funding will go towards the purchase of two Rectangular Rapid Flashing Beacons for the Caswell/Estes and the Estes/Somerset crosswalks. In addition, the funding will be used for two flashing speed display signs to put at both ends of the Estes Drive school zone, as well as miscellaneous safety improvements as needed on Estes Drive. Enactment of the attached budget ordinance amendment would recognize the \$30,000 and appropriate the funds toward Estes Drive pedestrian improvements.

- **Grants Fund**

The Town received a grant from the North Carolina Governor's Crime Commission in the amount of \$21,939 to purchase 3 radios. Effective July 1, 2025, all radios currently active on the VIPER (State) system, along with all future additions to the system need to be ready to receive Time Division Multiple Access (TDMA) programming. We will need to replace 140 radios by that date. Currently, none of our radios are TDMA compatible and they are no longer supported by Motorola. This grant will allow us to purchase 3 radios to field test the product and new technology prior to committing to a larger purchase. Additionally, we will be able to pull 3 of our radios to have as a backup should other radios fail. To replace the rest of our radios, we will need to secure funding of approximately \$1.5 million. We have not identified this funding source yet, but TDMA compliance is mandatory. Enactment of the attached budget ordinance amendment establishes the grant budget of \$21,939.

- **Transit Fund**

The Town of Chapel Hill was awarded \$3,631,704 in State Maintenance Assistance Program (SMAP) funding. This represents just over \$1 million above the anticipated amount represented in the current year's budget. SMAP funding varies from year to year based on a variety of factors, including receipts and appropriations approved by the General Assembly. Additional funds will be expended in accordance with state guidance on Chapel Hill Transit's operating expenses as defined for the Federal Section 5307 program. Enactment of the attached budget ordinance would recognize \$1,002,006 in additional SMAP funds and allocate those funds towards the ongoing and additional maintenance and repair of vehicles, building, and grounds.

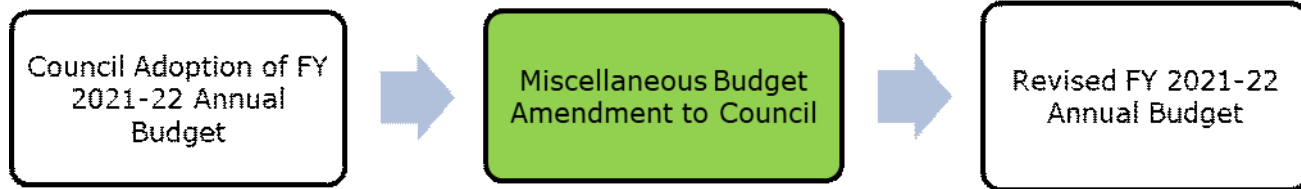
- **Downtown Service District Fund**

A loan agreement and promissory note was entered into in July 2014 between DSI Theatre, Inc. and the Town of Chapel Hill in the amount of \$30,000. This loan was intended to promote the establishment of arts programs for the benefit of the Town (specifically downtown) and its residents with the opening of the DSI Theatre at 462 West Franklin Street. The terms of the agreement stated that the loan was to be repaid over a period of 5 years at a fixed interest rate of 5%. In August of 2017, DSI Theatre closed, leaving \$16,991 remaining to be paid to the Town. The Downtown Service District Fund has not had enough funding to cover this additional expense since that time, therefore we need to appropriate fund balance to cover the loss. Enactment of the attached budget ordinance amendment would appropriate \$16,991 in Downtown Service District fund balance to cover the unpaid receivable from DSI Theatre.

- **Library Gift Fund**

The Chapel Hill Public Library Foundation has approved the distribution of \$60,000 to fund an upgrade to library's Automated Materials Handling System. This upgrade will entail replacing the current DC motor system with a new, AC motor system. This upgrade is designed to improve reliability, enhance energy efficiency & sustainability, and reduce repairs. It will operate at lower decibels, producing a much improved, quieter day-to-day work environment for staff. Enactment of the attached budget ordinance amendment would recognize the \$60,000 from the Chapel Hill Public Library Foundation and allocate the funds towards the Automated Materials Handling System upgrade.

Where is this item in its process?



Attachments:

- Budget Ordinance

AN ORDINANCE TO AMEND "THE ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 2021" (2022-02-23/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	3,274,278	-	-	3,274,278
Human Resource Dev't	2,009,707	-	-	2,009,707
Business Management	2,460,541	-	-	2,460,541
Technology Solutions	2,547,572	-	-	2,547,572
Attorney	577,687	-	-	577,687
Planning & Sustainability	2,353,422	-	-	2,353,422
Building and Development Services	2,518,666	-	-	2,518,666
Housing and Community	843,694	-	-	843,694
Public Works	13,027,106	30,000	-	13,057,106
Police	13,432,173	6,000	-	13,438,173
Fire	10,203,486	-	-	10,203,486
Parks and Recreation	7,495,026	15,300	-	7,510,326
Library	3,885,064	-	-	3,885,064
Non-Departmental	8,367,636	-	-	8,367,636
	<u>\$ 73,488,578</u>	<u>\$ 51,300</u>	<u>\$ -</u>	<u>\$ 73,539,878</u>
GRANTS FUND				
Other Expenses	\$ 607,596	\$ -	\$ -	\$ 607,596
NC Governor's Crime Commission Grant	-	21,939	-	21,939
	<u>\$ 607,596</u>	<u>\$ 21,939</u>	<u>\$ -</u>	<u>\$ 629,535</u>
TRANSIT FUND				
Other Expenses	\$ 38,829,693	\$ 1,002,006	\$ -	\$ 39,831,699
DOWNTOWN SERVICE DISTRICT				
	\$ 465,500	\$ 16,991	\$ -	\$ 482,491
LIBRARY GIFT FUND				
Other Expenses	\$ 468,535	\$ -	\$ -	\$ 468,535
Chapel Hill Public Library Foundation	150,000	60,000	-	210,000
	<u>\$ 618,535</u>	<u>\$ 60,000</u>	<u>\$ -</u>	<u>\$ 678,535</u>

ARTICLE II

REVENUES	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Other Revenues	\$ 73,488,578	\$ -	\$ -	\$ 73,488,578
Friends of Chapel Hill Parks	-	15,300	-	15,300
Estes Drive Project Donation	-	30,000	-	30,000
Orange County Bail/Bond Justice Project	-	6,000	-	6,000
	<u>\$ 73,488,578</u>	<u>\$ 51,300</u>	<u>\$ -</u>	<u>\$ 73,539,878</u>
GRANTS FUND				
Other Revenues	\$ 607,596	\$ -	\$ -	\$ 607,596
NC Governor's Crime Commission Grant	-	21,939	-	21,939
	<u>\$ 607,596</u>	<u>\$ 21,939</u>	<u>\$ -</u>	<u>\$ 629,535</u>
TRANSIT FUND				
Other Revenues	\$ 36,199,995	\$ -	\$ -	\$ 36,199,995
State Operating Assistance	2,629,698	1,002,006	-	3,631,704
	<u>\$ 38,829,693</u>	<u>\$ 1,002,006</u>	<u>\$ -</u>	<u>\$ 39,831,699</u>
DOWNTOWN SERVICE DISTRICT				
Other Revenues	\$ 465,500	\$ -	\$ -	\$ 465,500
Appropriated Fund Balance	-	16,991	-	16,991
	<u>\$ 465,500</u>	<u>\$ 16,991</u>	<u>\$ -</u>	<u>\$ 482,491</u>
LIBRARY GIFT FUND				
Other Expenses	\$ 468,535	\$ -	\$ -	\$ 468,535
Chapel Hill Public Library Foundation	150,000	60,000	-	210,000
	<u>\$ 618,535</u>	<u>\$ 60,000</u>	<u>\$ -</u>	<u>\$ 678,535</u>

This the 23rd day of February, 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 adjusts the General Fund, Grants Fund, Transit Fund, Downtown Service District, and the Library Gift Fund FY22 budgets.