



# TOWN OF CHAPEL HILL

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

## Legislation Text

File #: [20-0503], Version: 1

### Approve the Miscellaneous Budget Ordinance Amendment to Adjust Various Fund Budgets for FY 2020-21.

**Staff:**

Amy Oland, 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 Capital Improvement Fund; and
- Enact the attached project ordinance amendments to adjust the Capital Projects Ordinance Fund, Affordable Housing Fund, 2003 Library Renovations Bond Fund, 2012 Two-Thirds Bond Fund, 2012 Limited Obligation Bond Fund, and the 2017 Two-Thirds Bond Fund.

**Key Issues:**

- **Capital Improvement Fund**

Fire at Town Hall - Town Hall was broken into on Sunday, July 5<sup>th</sup> and a small fire was set in the second floor lobby. As a result, there is fire restoration clean-up work to be done. At this time, we do not know the total amount of damage or what we will receive from the insurance claim. Enactment of the attached budget ordinance amendment would appropriate \$100,000 from the Capital Improvement Fund balance to pay for the fire clean-up work.

828 MLK Jr Blvd Remediation Project - Due to unanticipated excess runoff from heavy rains and the need for quality management and project oversight related to the contaminated materials, the Coal Ash Remediation project at the police station property has exceeded original cost estimates. Enactment of the attached budget ordinance amendment would appropriate \$50,000 from the Capital Improvement Fund balance to transfer to the Capital Projects Ordinance Fund to complete the project.

HD Virtual Meeting Broadcast - The equipment in the GovTV room is needs immediate replacement. The current plan would replace two pieces of equipment and provide connection to Spectrum GovTV for a total cost of \$75,250. This setup provides the best option to work with virtual meetings and is convertible when the Town restarts in-person meetings. Enactment of the attached budget ordinance amendment would appropriate \$75,250 from the Capital Improvement Fund balance to replace the broadcast system.

- **Affordable Housing Fund**

The Town received a payment in lieu of providing affordable housing at the end of June from UNC for the Carolina Square development at 123 West Franklin Street in the amount of \$50,000. As stipulated in the Special Use Permit approved for this project, funds are directed to the Town's

Affordable Housing Fund.

The Town has received \$8,687 from individual community donations for the Emergency Housing Assistance Program.

Enactment of the attached project ordinance amendment would recognize the payment in lieu of \$50,000 and community donations of \$8,687 and would appropriate the funds to provide support to town residents experiencing a housing crisis.

- **2003 Library Renovations Bond Fund**

The 2003 Library Renovations Bond is complete and a budget amendment is needed in order to prepare to close out the capital project. Additional revenue that needs to be recognized is interest earned on the bond proceeds in the amount of \$10,628 and bond premium of \$5,374.

Enactment of the attached project ordinance amendment would recognize the additional \$16,002 in revenue to close out the library renovations capital project.

- **2012 Two-Thirds Bond Fund**

The 2012 Two-Thirds Bond is complete and a budget amendment is needed in order to prepare to close out the capital projects. Additional revenue that needs to be recognized is interest earned on the bond proceeds in the amount of \$784 and a payment in lieu of recreation and open space of \$5. Enactment of the attached project ordinance amendment would recognize the additional \$789 in revenue to close out the streets and parks capital projects.

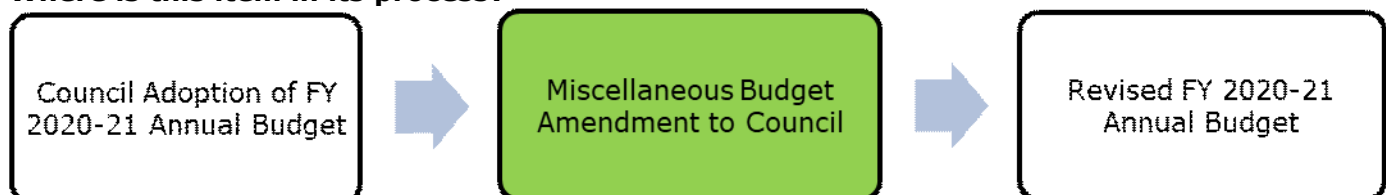
- **2012 Limited Obligation Bond Fund**

A budget amendment is needed to recognize interest earned on the bond proceeds in the amount of \$51,879 on the 2012 Limited Obligation Bonds. These funds will be used to construct an enclosure for the ice machine at Public Works, which is currently exposed and outdoors, creating a health and safety issue due to challenges keeping the ice machine clean. Any remaining funds will be spent on various facility improvements at the Town Operations Center (TOC), including technology improvements to the conference rooms used during emergency operations, gas detection system maintenance in the fleet shop, and painting. Enactment of the attached project ordinance amendment would recognize the additional \$51,879 to be used at the TOC.

- **2017 Two-Thirds Bond Fund**

The 2017 Two-Thirds Bond is complete, requiring a budget amendment to close out the capital projects. Additional revenue that needs to be recognized is interest earned on the bond proceeds in the amount of \$16,090. Enactment of the attached project ordinance amendment would recognize the additional \$16,090 in revenue.

**Where is this item in its process?**



 **Attachments:**

- Budget Ordinance
- Project Ordinance - Capital Projects Ordinance Fund
- Project Ordinance - Affordable Housing Fund
- Project Ordinance - 2003 Library Renovations Bond Fund
- Project Ordinance - 2012 Two-Thirds Bond Fund
- Project Ordinance - 2012 Limited Obligations Bond Fund
- Project Ordinance - 2017 Two-Thirds Bond Fund

**AN ORDINANCE TO AMEND "THE ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 2020" (2020-07-29/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, 2020" as duly adopted on June 24, 2020, be and the same is hereby amended as follows:

<b>APPROPRIATIONS</b>	<b>Current Budget</b>	<b>Increase</b>	<b>Decrease</b>	<b>Revised Budget</b>
<b>CIP FUND</b>				
Other Projects	\$ 36,449	\$ -	\$ -	\$ 36,449
Transfer to Capital Proj Ord Fund	-	50,000	-	50,000
Extraordinary Maintenance	62,500	100,000	-	162,500
HD Virtual Meeting Broadcast	-	75,250	-	75,250
	<u>\$ 98,949</u>	<u>\$ 225,250</u>	<u>\$ -</u>	<u>\$ 324,199</u>

<b>REVENUES</b>	<b>Current Budget</b>	<b>Increase</b>	<b>Decrease</b>	<b>Revised Budget</b>
<b>CIP FUND</b>				
Other Revenues	\$ 98,949	\$ -	\$ -	\$ 98,949
Appropriated Fund Balance	-	225,250	-	225,250
	<u>\$ 98,949</u>	<u>\$ 225,250</u>	<u>\$ -</u>	<u>\$ 324,199</u>

This the 29th day of July, 2020.

**AN ORDINANCE TO AMEND THE CAPITAL PROJECT ORDINANCE FOR VARIOUS CAPITAL PROJECTS (2020-07-29/O-2)**

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the capital project ordinance for various capital projects funded from a variety of sources is hereby amended to read as follows:

**SECTION I**

The capital projects as authorized by the Town Council include various capital projects funded from grants, the Capital Improvements Program funds, and other miscellaneous sources of revenues for a variety of projects extending beyond one year.

**SECTION II**

The Manager of the Town of Chapel Hill is hereby directed to proceed with implementation of these projects within terms of funds appropriated here.

**SECTION III**

Revenues anticipated to be available to the Town to complete the project are hereby amended as follows:

	Current Budget	Revised Budget
Other Revenues	\$ 38,680,996	\$ 38,680,996
Transfer from Capital Improv Fund	<u>1,214,258</u>	<u>1,264,258</u>
Total Revenues	\$ 39,895,254	\$ 39,945,254

**SECTION IV**

Amounts appropriated for capital projects are hereby amended as follows:

	Current Budget	Revised Budget
Other Projects	\$ 39,224,254	\$ 39,224,254
828 MLK Jr Blvd Remediation Project	<u>671,000</u>	<u>721,000</u>
Total Expenditures	\$ 39,895,254	\$ 39,945,254

**SECTION V**

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget, and shall keep the council informed of any unusual occurrences.

**SECTION VI**

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 29<sup>th</sup> day of July, 2020.

**AN ORDINANCE TO AMEND THE AFFORDABLE HOUSING FUND ORDINANCE (2020-07-29/O-3)**

BE IT ORDAINED by the Council of the Town of Chapel Hill that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the Affordable Housing Fund Ordinance to provide funds to support affordable homeownership opportunities is hereby amended as follows:

**"SECTION I**

The Affordable Housing Fund Ordinance as authorized by the Town Council provides funds to purchase properties to create permanently affordable homeownership opportunities.

**SECTION II**

The Manager of the Town of Chapel Hill is hereby directed to proceed with implementation of these projects within terms of funds appropriated here.

**SECTION III**

Revenues anticipated to be available to the Town are hereby amended as follows:

	Current Budget	Revised Budget
Transfer from Housing Loan Trust Fund	\$ 155,778	\$ 155,778
Loan Repayment	650,799	650,799
Payment in lieu - Affordable Housing	3,202,576	3,252,576
Donations - Rental Assistance	-	8,687
Interest Income	<u>54,612</u>	<u>54,612</u>
Total Revenues	\$ 4,063,765	\$ 4,122,452

**SECTION IV**

Amounts appropriated to create permanently affordable homeownership opportunities are hereby amended as follows:

	Current Budget	Revised Budget
Grants/Deferred Loans	\$ 1,167,141	\$ 1,167,141
Revolving Loan Fund	650,800	650,800
Rehabilitation & Refurbishment	106,511	106,511
Contributions to HOME Program	338,974	338,974
Contributions to Affordable Housing agencies	165,000	165,000
Contributions to Community Home Trust	394,242	394,242
Contributions to Affordable Housing	632,100	632,100
Rental Assistance	-	58,687
Homestead Road project	100,000	100,000
Professional Services	50,000	50,000
Miscellaneous Contracted Services	75,000	75,000
Legal Fees	380,000	380,000
Other Expenditures	<u>3,997</u>	<u>3,997</u>
Total Expenditures	\$ 4,063,765	\$ 4,122,451

**SECTION V**

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget, and shall keep the council informed of any unusual occurrences.

**SECTION VI**

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk."

This the 29<sup>th</sup> day of July, 2020.



**AN ORDINANCE TO AMEND THE 2003 LIBRARY RENOVATIONS BOND FUND (2020-07-29/O-4)**

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the capital projects ordinance for library renovations is hereby amended to read as follows:

**"SECTION I**

The capital projects as authorized by the Town Council include library renovations capital improvements extending beyond one year.

**SECTION II**

The Manager of the Town of Chapel Hill is hereby directed to proceed with implementation of these projects within terms of funds appropriated here.

**SECTION III**

Revenues anticipated to be available to the Town to complete the project are hereby amended as follows:

	Current Budget	Revised Budget
Bond Proceeds	\$ 16,631,611	\$ 16,631,611
Interest on Bonds	261,224	271,852
Premium on Bonds	<u>-</u>	<u>5,374</u>
Total Revenues	\$ 16,892,835	\$ 16,908,835

**SECTION IV**

Amounts appropriated for capital projects are hereby amended as follows:

	Current Budget	Revised Budget
Library Renovation	<u>\$ 16,892,835</u>	<u>\$ 16,908,835</u>
Total Expenditures	\$ 16,892,835	\$ 16,908,835

**SECTION V**

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget, and shall keep the council informed of any unusual occurrences.

**SECTION VI**

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 29<sup>th</sup> day of July, 2020.

**AN ORDINANCE TO AMEND A CAPITAL PROJECTS ORDINANCE FOR STREETS AND PARKS FACILITIES PROJECTS FUNDED FROM TWO-THIRDS BONDS (2020-07-29/O-5)**

BE IT ORDAINED by the Council of the Town of Chapel Hill that, pursuant to Section 49 of Chapter 159 of the General Statutes of North Carolina, the following capital projects for Streets and Parks Facilities Projects funded from Two-Thirds General Obligation Bonds are hereby amended to read as follows:

**SECTION I**

The capital projects as authorized by General Statute, and as determined by the Town Council, includes the capital costs of street resurfacing and parks facility renovations.

**SECTION II**

The Manager of the Town of Chapel Hill is hereby directed to proceed with implementation of these projects within terms of funds appropriated here.

**SECTION III**

Revenues anticipated to be available to the Town to complete the project are hereby amended as follows:

	Current Budget	Revised Budget
Bond Proceeds	\$ 1,700,000	\$ 1,700,000
Interest on Bonds	-	784
Revenue in Lieu - Recreation	50,100	50,105
Premium on Bonds	<u>70,684</u>	<u>70,684</u>
	\$ 1,820,784	\$ 1,821,573

**SECTION IV**

Amounts appropriated for capital projects are hereby amended as follows:

	Current Budget	Revised Budget
Street Resurfacing	\$ 982,500	\$ 982,500
Bolinwood Dr Bridge Replacement	17,500	17,500
Cedar Falls Park Building	226,566	226,566
Umstead Park Art	7,000	7,000
Tennis Court Reconstruction	228,639	228,639
Southern Community Park Lighting	106,535	106,535
Cedar Falls Artificial Turf	245,591	245,591
Inclusive Playground	6,453	5,868
Cedar Falls Park Trail Signage	<u>-</u>	<u>1,376</u>
	\$ 1,820,784	\$ 1,821,573

**SECTION V**

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget, and shall keep the council informed of any unusual occurrences.

**SECTION VI**

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 29<sup>th</sup> day of July, 2020.

**AN ORDINANCE TO AMEND THE CAPITAL PROJECTS ORDINANCE FOR PARKING AND PUBLIC FACILITY IMPROVEMENTS FUNDED FROM LIMITED OBLIGATION BONDS (2020-07-29/O-6)**

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 49 of Chapter 159 of the General Statutes of North Carolina, that the capital projects ordinance for parking and public facility improvements funded from limited obligation bonds is hereby amended as follows:

**SECTION I**

The capital projects as authorized by the Town Council include 140 West, parking deck repairs and TOC projects funded from the 2012 Limited Obligation Bonds and the Capital Improvements Program excess fund balance appropriations, for a variety of projects extending beyond one year.

**SECTION II**

The Manager of the Town of Chapel Hill is hereby directed to proceed with implementation of these projects within terms of funds appropriated herein.

**SECTION III**

Revenues anticipated to be available to the Town to complete the project are as follows:

	Current Budget	Revised Budget
2012 LOBS Debt Issuance	\$ 7,037,261	\$ 7,037,261
Interest on Bonds	-	51,879
Transfer from CIP Fund	<u>106,056</u>	<u>106,056</u>
Total Revenues	\$ 7,143,317	\$ 7,195,196

**SECTION IV**

Amounts appropriated for capital projects are as follows:

	Current Budget	Revised Budget
140 West Project Fees	\$ 6,000,000	\$ 5,770,000
Parking Deck Project	606,056	1,004,780
TOC Project	202,261	254,140
Bond Issuance Expenses	<u>335,000</u>	<u>166,270</u>
Total Expenditures	\$ 7,143,317	\$ 7,195,190

**SECTION V**

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget, and shall keep the council informed of any unusual occurrences.

**SECTION VI**

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 29<sup>th</sup> day of July, 2020.

**AN ORDINANCE TO AMEND A CAPITAL PROJECTS ORDINANCE FOR PUBLIC SAFETY EQUIPMENT FUNDED FROM TWO-THIRDS BONDS (2020-07-29/O-7)**

BE IT ORDAINED by the Council of the Town of Chapel Hill that, pursuant to Section 49 of Chapter 159 of the General Statutes of North Carolina, the following capital projects for Public Safety Equipment funded from Two-Thirds General Obligation Bonds are hereby amended to read as follows:

**SECTION I**

The capital projects as authorized by General Statute, and as determined by the Town Council, includes the capital costs of public safety equipment.

**SECTION II**

The Manager of the Town of Chapel Hill is hereby directed to proceed with implementation of these projects within terms of funds appropriated here.

**SECTION III**

Revenues anticipated to be available to the Town to complete the project are hereby amended as follows:

	Current Budget	Revised Budget
Bond Proceeds	\$ 1,460,000	\$ 1,460,000
Interest on Bonds	-	16,090
Premium on Bonds	<u>154,703</u>	<u>154,790</u>
	\$ 1,614,703	\$ 1,630,790

**SECTION IV**

Amounts appropriated for capital projects are hereby amended as follows:

	Current Budget	Revised Budget
100 Foot Fire Ladder Truck	\$ 1,348,000	\$ 1,347,990
Public Safety Radios	168,816	189,476
Body Cameras	72,506	72,506
Bond Issuance Expenses	<u>25,381</u>	<u>20,820</u>
	\$ 1,614,703	\$ 1,630,792

**SECTION V**

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget, and shall keep the council informed of any unusual occurrences.

**SECTION VI**

Copies of this amended projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk."

This the 29<sup>th</sup> day of July, 2020.

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**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 Capital Improvements Fund FY 2021 budgets. By enacting the project ordinance amendments, the Council adjusts the Capital Projects Ordinance Fund, Affordable Housing Fund, 2003 Library Renovations Bond Fund, 2012 Two-Thirds Bond Fund, 2012 Limited Obligations Bond Fund and the 2017 Two-Thirds Bond Fund project budgets.