



TOWN OF CHAPEL HILL

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

Legislation Details (With Text)

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Type: Consent **Status:** Passed
File created: 8/25/2020 **In control:** Town Council
On agenda: 9/9/2020 **Final action:** 9/9/2020
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, 2020" FOR ENCUMBRANCES AND CARRYOVERS (2020-09-09/O-1)

Date	Ver.	Action By	Action	Result
9/9/2020	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 2020-21 fiscal year.



Recommendation(s):

That the Council enact the budget ordinance amendment to adjust for encumbrances and other commitments from FY 2020 to FY 2021.

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, 2020 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 2020-2021 budget. Staff recommends carrying forward a total of \$5,696,978 across all funds from last year to the 2020-2021 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, 2020. These projects include: CARES funds \$696,410, Rosemary Deck design \$152,800, year three of the LUMO update \$203,521, inspections

software replacement \$215,000, COVID-19 response \$104,068, the penny for housing initiative \$767,405, and stormwater subwatershed studies \$200,000. Other carryforward items include workforce development training, Council-approved planning initiatives, police federal and state drug seizure funds, traffic studies, facility maintenance, technology projects, and other ongoing initiatives that were not encumbered. Staff recommends carrying forward a total of \$3,257,133 across all funds from last year to the 2020-2021 budget.

- **Grant Fund Carryovers**

The attached ordinance would re-appropriate \$818,784 for unspent grants in the Grant Fund as follows:

Grant	Grant Budg in 2019-20	Balance to Reappropriate in 2020-21
CARES Grant	746,410	746,410
Triad Foundation Grant	45,671	33,586
Governors Crime Commissio	89	89
FY18 Bulletproof Vest Grant	12,624	12,624
Orange County ABC Grant	30,421	9,828
Youth Initiative Grant	619	49
FY17 Bulletproof Vest Grant	25,351	16,198
Total	\$ 861,185	\$ 818,784

- **Transit Grant Carryovers**

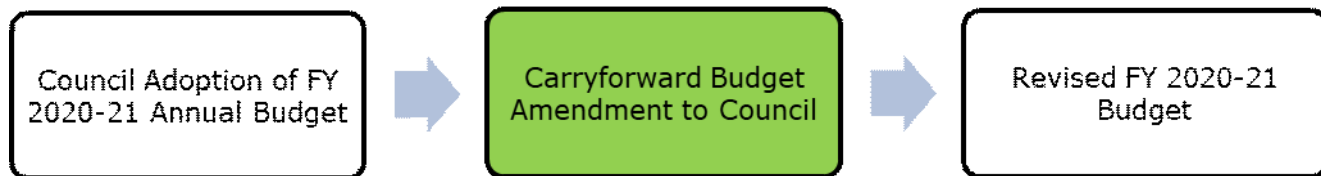
In addition to items encumbered, the Transit Fund has residual balances on grants that were awarded in FY 2020 that are not complete and will carry over to FY 2021. Grants with residual balances include the Senior Shuttle Program, FY 2015 Section 5307 grants for transit enhancements and the FY 2020 Advanced Technology Grant for the purchase of real-time vehicle locators for bus stops. Expenditures remaining on the grants total \$184,420, with federal funding available of \$91,831 and state funding available of \$55,705. 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 \$207,909 require re-appropriation in FY 2021. The attached amendment would re-appropriate funding for the completion of parks and greenways, parking lot projects, curbs and gutters projects, 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 \$5,696,978 in encumbrances and \$3,257,133 for other items that were not completed in the prior year for a total of \$8,954,111.

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, 2020" FOR ENCUMBRANCES AND CARRYOVERS (2020-09-09/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, is hereby amended as follows:

ARTICLE I

APPROPRIATIONS	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Mayor/Council	\$ 418,280	\$ 740	-	\$ 419,020
Town Manager/CaPA	2,902,719	46,322	-	2,949,041
Human Resource Dev't	1,769,797	133,013	-	1,902,810
Business Management	2,330,886	-	-	2,330,886
Technology Solutions	2,379,166	7,599	-	2,386,765
Attorney	390,963	784	-	391,747
Planning & Sustainability	1,810,542	364,306	-	2,174,848
Building & Development Services	2,188,013	215,000	-	2,403,013
Housing & Community	834,709	-	-	834,709
Public Works	12,081,024	384,553	-	12,465,577
Police	13,924,133	22,288	-	13,946,421
Fire	9,583,954	121,904	-	9,705,858
Parks and Recreation	7,234,154	5,175	-	7,239,329
Library	3,672,918	39,791	-	3,712,709
Non-Departmental	4,766,742	209,450	-	4,976,192
GENERAL FUND TOTAL	\$ 66,288,000	\$ 1,550,925	-	\$ 67,838,925

OTHER FUNDS

Grants Fund	\$ 386,237	\$ 818,784	-	\$ 1,205,02
Downtown Service District	456,954	-	-	456,954
Affordable Housing Development Reserve	688,395	943,493	-	1,631,88
Library Gift Fund	268,591	233,101	-	501,692
Debt Service Fund	9,332,831	-	-	9,332,831
Transit Capital Reserve Fund	260,890	-	-	260,890
Capital Improvement Fund	98,949	348,029	-	446,978
Vehicle Replacement Fund	72,596	131,246	-	203,842
Vehicle Maintenance Fund	1,555,862	-	-	1,555,862
Computer Replacement Fund	167,000	-	-	167,000
On-Street Parking Fund	781,500	-	-	781,500
Off-Street Parking Fund	2,422,787	248,738	-	2,671,525
Public Housing Fund	2,176,756	1,500	-	2,178,256
Stormwater Management Fund	3,010,500	3,121,092	-	6,131,592
Transit Fund	25,196,757	1,557,203	-	26,753,960
Total all funds	\$113,164,605	\$ 8,954,111	-	\$122,118,716

ARTICLE II

REVENUES	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Other Revenues	\$ 63.899.488	- \$	-	\$ 63.899.488
Fund Balance Appropriated	2,388,512	1,550,925	-	3,939,437
GENERAL FUND TOTAL	\$ 66.288.006	1.550.925	-	\$ 67.838.931
OTHER FUNDS				
Grants Fund	\$ 386,237	\$ 818,784	-	\$ 1,205,02
Downtown Service District	456,954	-	-	456,954
Affordable Housing Development Reserve	688,395	943,493	-	1,631,88
Library Gift Fund	268,591	233,101	-	501,692
Debt Service Fund	9,332,831	-	-	9,332,831
Transit Capital Reserve Fund	260,890	-	-	260,890
Capital Improvement Fund	98,949	348,029	-	446,978
Vehicle Replacement Fund	72,596	131,246	-	203,842
Vehicle Maintenance Fund	1,555,862	-	-	1,555,862
Computer Replacement Fund	167,000	-	-	167,000
On-Street Parking Fund	781,500	-	-	781,500
Off-Street Parking Fund	2,422,787	248,738	-	2,671,525
Public Housing Fund	2,176,756	1,500	-	2,178,256
Stormwater Management Fund	3,010,500	3,121,092	-	6,131,592
Transit Fund	25,196,757	1,557,203	-	26,753,960
Total all funds	\$113,164,605	\$ 8,954,111	-	\$122,118,716

This the 9th day of September, 2020.

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 2020-21 fiscal year.