



TOWN OF CHAPEL HILL

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

Legislation Text

File #: [19-0730], 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 2019-20 fiscal year.



Recommendation(s):

That the Council enact the budget ordinance amendment to adjust for encumbrances and other commitments from FY 2019 to FY 2020.

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, 2019 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 2019-2020 budget. Staff recommends carrying forward a total of \$3,522,227 across all funds from last year to the 2019-2020 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, 2019. These projects include: the Elliott Road Storage Facility \$3,034,772, Wallace Deck design \$290,000, year two of the LUMO update \$100,957, the penny for housing initiative \$646,528, and stormwater subwatershed studies \$310,948. Other carryforward items include workforce development training, Council-approved planning initiatives, police federal and state drug seizure funds, street resurfacing, traffic studies, facility maintenance, technology projects, and other ongoing initiatives that were not encumbered. Staff recommends carrying forward a total of \$5,089,155 across all funds from last year to the 2019-2020 budget.

- **Grant Fund Carryovers**

The attached ordinance would re-appropriate \$99,684 for unspent grants in the Grant Fund as follows:

Grant	Grant Budget in 2018-19	Balance to Reappropriate in 2019-20
Triad Foundation Grant	50,771	45,671
FY16 Bulletproof Vest Grant	6,974	2,909
Governors Crime Commissio	89	89
FY18 Bulletproof Vest Grant	22,687	12,624
Orange County ABC Grant	55,849	12,421
Youth Initiative Grant	619	619
FY17 Bulletproof Vest Grant	26,030	25,351
Total	\$ 163,019	\$ 99,684

- **Transit Grant Carryovers**

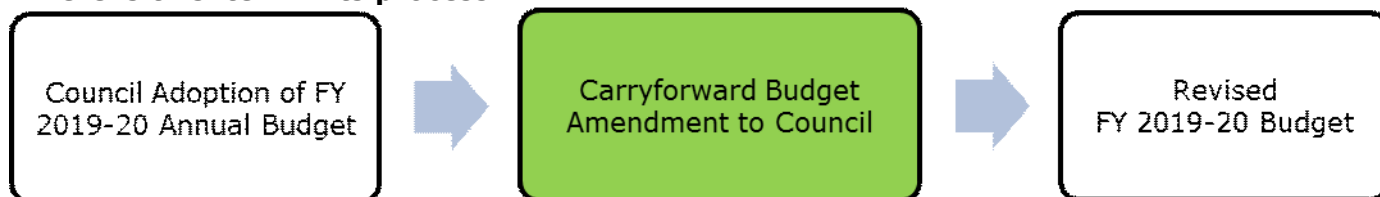
In addition to items encumbered, the Transit Fund has residual balances on grants that were awarded in FY 2019 that are not complete and will carry over to FY 2020. Grants with residual balances include the FY 2014 and FY 2015 Section 5307 grants for transit enhancements. Expenditures remaining on the grants total \$54,321, with federal funding available of \$43,457. 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 require re-appropriation in FY 2020. The attached amendment would re-appropriate funding for the completion of Fire Station #1 roof replacement, parks and greenways, parking lot 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 \$3,522,227 in encumbrances and \$5,089,155 for other items that were not completed in the prior year for a total of \$8,611,382.

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, 2019" FOR ENCUMBRANCES AND CARRYOVERS (2019-09-11/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, 2019" as duly adopted on June 12, 2019, is hereby amended as follows:

ARTICLE I

APPROPRIATIONS	Current Budget	Increase	Decrease	Revised Budget
GENERAL FUND				
Mayor/Council	\$ 475,446	\$ -	\$ -	\$ 475,446
Town Manager/CaPA	2,834,061	15,964	-	2,850,025
Human Resource Dev't	1,859,535	105,457	-	1,964,992
Business Management	2,310,602	1,063	-	2,311,665
Technology Solutions	2,366,219	6,359	-	2,372,578
Attorney	386,581	-	-	386,581
Planning & Sustainability	1,743,331	338,421	-	2,081,752
Building & Development Services	2,162,844	1,520	-	2,164,364
Housing & Community	837,649	4,826	-	842,475
Public Works	13,065,980	322,016	-	13,387,996
Police	13,864,910	71,341	-	13,936,251
Fire	9,653,939	16,620	-	9,670,559
Parks and Recreation	7,236,607	16,492	-	7,253,099
Library	3,822,604	33,817	-	3,856,421
Non-Departmental	5,862,692	279,629	-	6,142,321
GENERAL FUND TOTAL	\$ 68,483,000	\$ 1,213,525	\$ -	\$ 69,696,525

OTHER FUNDS

Grants Fund	\$ 402,746	\$ 99,684	-	\$ 502,430
Downtown Service District	456,107	-	-	456,107
Affordable Housing Development Reserve	68,395	1,058,720	-	1,747,115
Library Gift Fund	237,468	28,587	-	266,055
Debt Service Fund	9,845,432	-	-	9,845,432
Transit Capital Reserve Fund	10,000	-	-	10,000
Capital Improvement Fund	420,341	238,846	-	659,187
Vehicle Replacement Fund	859,091	290,550	-	1,149,641
Vehicle Maintenance Fund	1,532,000	-	-	1,532,000
Computer Replacement Fund	165,250	-	-	165,250
On-Street Parking Fund	707,239	-	-	707,239
Off-Street Parking Fund	2,203,622	294,246	-	2,497,868
Public Housing Fund	2,182,460	11,977	-	2,194,437
Stormwater Management Fund	2,965,115	3,779,655	-	6,744,770
Transit Fund	24,792,491	1,595,592	-	26,388,083

Total all funds \$115,950,758 8,611,382\$ - \$124,562,139

ARTICLE II

REVENUES	Current Budget	Increase	Decrease	Revised Budget
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GENERAL FUND

Other Revenues	\$ 65,127,234	- \$	-	\$ 65,127,234
Fund Balance Appropriated	3,355,766	1,213,525	-	4,569,291
GENERAL FUND TOTAL	\$ 68,483,000	1,213,525	-	\$ 69,696,525

OTHER FUNDS

Grants Fund	\$ 402,746	\$ 99,684	-	\$ 502,430
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Library Gift Fund	237,468	28,587	-	266,055
Debt Service Fund	9,845,432	-	-	9,845,432
Transit Capital Reserve Fund	10,000	-	-	10,000
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Computer Replacement Fund	165,250	-	-	165,250
On-Street Parking Fund	707,239	-	-	707,239
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Transit Fund	24,792,491	1,595,592	-	26,388,083

Total all funds \$115,950,758 8,611,382\$ - \$124,562,139

This the 11th day of September, 2019.

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 2019-20 fiscal year.