



Legislation Text

File #: [20-0567], 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 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 Budget 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

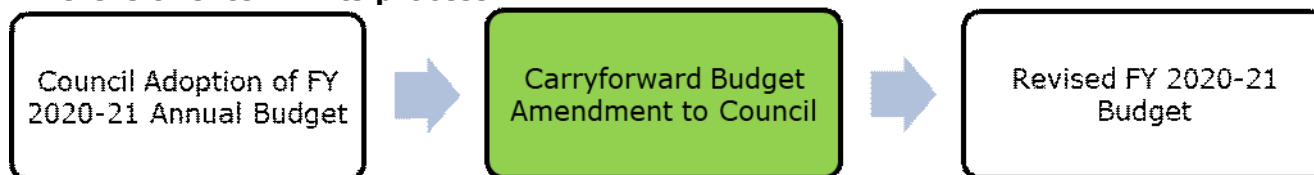
In addition to items encumbered, the Transit Fund has residual balances on grants that were awarded in FY 2020 that are not complete and will carry over to FY 2021. Grants with residual balances include the Senior Shuttle Program, FY 2015 Section 5307 grants for transit enhancements and the FY 2020 Advanced 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 | \$ - | \$ 1,205,021 |
| Downtown Service District | 456,954 | - | - | 456,954 |
| Affordable Housing Development Reserve | 668,395 | 943,493 | - | 1,631,888 |
| 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 | <u>2,388,512</u> | <u>1,550,925</u> | <u>-</u> | <u>3,939,437</u> |
| GENERAL FUND TOTAL | \$ 66,288,000 | \$ 1,550,925 | \$ - | \$ 67,838,925 |
| OTHER FUNDS | | | | |
| Grants Fund | \$ 386,237 | \$ 818,784 | \$ - | \$ 1,205,021 |
| Downtown Service District | 456,954 | - | - | 456,954 |
| Affordable Housing Development Reserve | 688,395 | 943,493 | - | 1,631,888 |
| 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 | <u>25,196,757</u> | <u>1,557,203</u> | <u>-</u> | <u>26,753,960</u> |
| 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.