

# Regular Meeting (Revised)

Agenda Item #	2
Meeting Date	January 27, 2016
Prepared By	Suzanne Ludlow City Manager

<b>Discussion Item</b>	<b>First Reading Ordinance Adopting FY 2016 Budget Amendment No. 2</b>
<b>Background</b>	<p>The Fiscal Year (FY) 2016 budget was adopted by the City Council on May 18, 2015 and amended on July 27, 2015. Since that date, certain events have transpired that require modification of the budget.</p> <p><b><u>General Fund-Revenues</u></b></p> <p>The City received \$36,525 from the repayment of a lien on the property of 36 Philadelphia Avenue, which was imposed to cover the cost of demolishing a structure on the property in a prior year that had been paid from Housing and Community Development funds.</p> <p>The City received \$34,469 in insurance payments for two police vehicles that had been in accidents.</p> <p><b><u>General Fund-Expenditures</u></b></p> <p><u>Carry Overs</u></p> <p>The City has a number of purchases or projects that were included in the FY 2015 General Fund budget but were not able to be completed before the end of the fiscal year. These items and the amounts that need to be carried over are:</p> <ul style="list-style-type: none"> <li>• Funds for renovation of the Colby Playground (\$128,157 in Program Open Space Funds and \$42,719 in City matching funds)</li> <li>• Funds for the completion of the Holton Crossroads Green Space project (\$3,200)</li> <li>• Funds for additional expenses involved in enabling the Ethan Allen streetlights to use LED fixtures (\$60,000 from Neighborhood Commercial Center Improvements) and other design and engineering expenses for the Ethan Allen Streetscape Project (\$35,200)</li> <li>• Purchase of benches for Anne Street, the delivery of which had been delayed (\$4,310)</li> </ul> <p><u>Personnel Matters</u></p> <p>The City has several personnel account lines to augment, including the amounts given to employees when they reach their employment anniversaries every five years. As part of the discussions related to the City's collective bargaining agreements, the amount paid at these times as a bonus is being increased. (\$18,450 in the General Fund and \$1,350 in the Speed Camera Fund)</p> <p>Funds are needed to pay interns in the Police Department who originally volunteered</p>

to work, but the work they are doing requires payment. (\$18,000)

The Human Resources office workload has been heavy this year, during implementation of new time and attendance software and financial system software. Complicating this was the resignation of the City's HR Generalist who, to help with the software transition, continued to work for the City off-site while the new HR Generalist was hired and trained. For this reason, both the salary (\$12,000) and overtime (\$5,000) accounts for the Human Resources division need to be increased.

The overtime budget for the Lifelong Takoma Program needs to be increased by \$10,000 to accommodate unanticipated work needed to prepare for Lifelong Takoma Day and the Snow Angels program.

#### Other Items

The City has a Street Improvement Reserve into which WSSC contributes funds for future street repaving for the damage to roadways caused by doing utility work. Funds in the amount of \$129,339 need to be paid from this reserve for street repaving planned for this year.

Interior space improvements to the Human Resources and Housing and Community Development areas are desired to provide a confidential work space for the HR Generalist and to reorganize work spaces for Housing and Community Development staff. It is desired to use the funds from the lien repayment for this work.

The City wishes to provide a supplement of \$5,500 to a large 21<sup>st</sup> Century Grant for a pilot afterschool program at the Essex House. The supplement would pay for the program to provide services on Fridays; the large grant pays for the Monday through Thursday program.

The City wishes to provide a supplement of \$1,500 to the Independence Day Committee, reflecting an increase in the cost of fireworks.

It is desired to increase the budget for a police/community relations consultant to \$40,000 from the originally-budgeted \$10,000. Excess expected revenue from parking fines should cover the increase.

The Police Department needs to replace two police vehicles that were totaled in accidents. Insurance payments of \$34,469 need to be augmented by \$27,413 from the Equipment Replacement Reserve to replace the vehicles.

The Legal Contracts account needs to be increased by \$50,000 to pay for additional services related to the Takoma Junction Development and the Washington Adventist Hospital Certificate of Need review.

#### **Special Revenue Fund-Revenues**

The revenue accounts in the Special Revenue Fund need to be adjusted to:

- Reflect the receipt of a Maryland Bikeways Program grant of \$100,000

	<ul style="list-style-type: none"> <li>• Reflect the receipt of a Takoma Foundation grant of \$2,000 for the Lifelong Takoma’s Snow Angels and related programs</li> <li>• Reflect the receipt of a Maryland Energy Grant of \$35,000</li> <li>• Reflect the carryover from FY 2015 of \$128,157 in Program Open Space funds for the Colby Playground project.</li> </ul> <p><b><u>Special Revenue Fund-Expenditures</u></b></p> <p>The expenditure accounts in the Special Revenue Fund need to be adjusted to reflect funds for:</p> <ul style="list-style-type: none"> <li>• The use of \$100,000 in funds for the Maryland Bikeways Program</li> <li>• The use of \$2,000 in Takoma Foundation grant funds for the Lifelong Takoma Snow Angels and related programs</li> <li>• The use of \$35,000 in Maryland Energy Grant funds</li> <li>• The use of \$128,157 in Program Open Space funds for the Colby Playground project.</li> <li>• The use of \$5,000 in funds for the purchase and installation of video equipment in the Council Conference Room to allow for use of the space during emergencies and to provide conferencing capabilities. Funds for this purchase would come from the cable capital grant.</li> </ul> <p><b><u>Speed Camera Fund-Expenditures</u></b></p> <p>The Employee Awards and Recognition account needs to be increased by \$1,350 for a tenure award for staff whose salary is paid by from the Speed Camera Fund.</p>
<b>Policy</b>	The Council approves the budget of the City of Takoma Park. The Code of the City of Takoma Park requires budget amendments to be approved by a two-reading ordinance.
<b>Fiscal Impact</b>	<p>General Fund expenditures would increase by \$452,631. Of this, funds in the amount of \$145,429 are carried over from FY 2015, \$129,339 is from the Street Improvement Reserve and \$27,413 is from the Equipment Replacement Reserve.</p> <p>Revenues for the Special Revenue Fund would increase by \$265,157. Expenditures for the Special Revenue Fund would increase by \$270,157.</p> <p>Speed Camera Fund expenditures would increase by \$1,350.</p>
<b>Attachments</b>	Proposed FY 2016 Budget Amendment Ordinance No. 2.
<b>Recommendation</b>	Staff recommends that the City Council approve the proposed ordinance at first reading.
<b>Special Consideration</b>	

**CITY OF TAKOMA PARK, MARYLAND  
ORDINANCE NO. 2015-**

**FY 2016 BUDGET AMENDMENT NO. 2**

- WHEREAS, the Fiscal Year (FY) 2016 budget was adopted by the City Council on May 18, 2015 and amended on July 27, 2015; and
- WHEREAS, since this date, certain events have transpired that require modification to the FY 2016 budget; and
- WHEREAS, the City has received grants that need to be recorded, including a Maryland Bikeways Grant of \$100,000, a Snow Angels Grant of \$2,000; and a Maryland Energy Grant of \$35,000 and
- WHEREAS, the City received a payment of \$36,525 from a lien related to the demolition of a structure at 36 Philadelphia Avenue; and
- WHEREAS, it is desired that the funds from the lien repayment be used for interior space modifications in the Human Resources and Housing and Community Development area of the Community Center; and
- WHEREAS, the City will provide a supplement of \$5,500 to a large 21<sup>st</sup> Century Grant for an afterschool program at the Essex House contribute funds; and
- WHEREAS, the City will provide a supplement of \$1,500 to the grant to the Independence Day Committee for the increased cost of fireworks; and
- WHEREAS, the budget for Employee Recognition tenure awards needs to be increased by \$19,800 to reflect a change complementing provisions of the City's collective bargaining agreements; and
- WHEREAS, the budget for the Human Resources Division needs to be increased by \$17,000 reflecting expenses related to a staffing transition and the implementation of new software systems; and
- WHEREAS, the budget for the Police Department needs to be increased by \$18,000 to pay interns; and
- WHEREAS, the budget for Police contracts needs to be increased by \$30,000 for the Police / Community relations consultant contract; and
- WHEREAS, monies in the amount of \$5,000 are needed from cable capital grant funds to pay for video equipment in the Council Conference Room; and

WHEREAS, monies in the amount of \$27,413 from the Equipment Replacement Reserve is needed to be added to an insurance pay out for the purchase of two replacement police vehicles that were involved in accidents; and

WHEREAS, monies in the amount of \$129,339 need to be used from the Street Improvement Reserve to pay for street resurfacing due to damage from WSSC utility work; and

WHEREAS, monies for the Colby Playground project need to be carried over from FY 2015, including \$128,157 in Program Open Space funds and \$42,719 in City matching funds; and

WHEREAS, monies in the amount of \$3,200 need to be carried over from FY 2015 to pay for completion of the Holton Crossroads Green Space project; and

WHEREAS, monies in the amount of \$60,000 need to be carried over from the FY 2015 line for Neighborhood Commercial Center Improvements to pay for the additional expenses required to allow the Ethan Allen Streetlights to be able to use LED fixtures; and

WHEREAS, monies in the amount of \$35,200 need to be carried over from FY 2015 for the completion of design and engineering work for the Ethan Allen Streetscape project; and

WHEREAS, monies in the amount of \$4,310 need to be carried over from FY 2015 Placemaking funds to pay for the delayed delivery of the Anne Street benches; and

WHEREAS, the contract line in the Legal budget needs to be increased by \$50,000 to accommodate additional legal expenses related to the Takoma Junction Development project and the Washington Adventist Hospital Certificate of Need review; and

WHEREAS, additional monies are needed to pay for overtime (\$10,000) and printing costs (\$5,000) related to the Lifelong Takoma Day and Snow Angels program; and

WHEREAS, additional monies in the amount of \$10,000 are needed to pay for the publication costs of the City Guide.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND THAT:

SECTION 1. The Fiscal Year 2016 Budget is amended as follows:

**General Fund – Revenues**

1. Appropriate \$36,525 to account 0001-36800, Miscellaneous Revenue, for the payment of a lien concerning 36 Philadelphia Avenue.
2. Appropriate \$34,469 to account 0001-36830, Insurance Claims, for two police vehicles that had been involved in accidents.

## General Fund – Expenditures

1. Appropriate \$129,339 from account 9100-80007, Street Improvement to pay for street resurfacing due to damage from WSSC utility work.
2. Appropriate \$36,525 to account 5500-61040, HCD Contracts, for interior space modifications in the Human Resources and Housing and Community Development areas.
3. Appropriate \$5,500 to account 9000-71500, Grants, to supplement a 21<sup>st</sup> Century Grant for an afterschool program at Essex House.
4. Appropriate \$1,500 to account 9000-71150, Fourth of July Expenses, to supplement the grant to the Independence Day Committee for fireworks.
5. Appropriate \$18,450 to the various Employee Awards and Recognition accounts as follows, for employee tenure awards:
  - a. Finance 1130-40540 \$ 900
  - b. City Clerk 1170-40540 \$1,350
  - c. Police Patrol 2300-40540 \$6,750
  - d. Public Works ROW 3400-40540 \$3,150
  - e. Recreation Admin 4100-40540 \$ 270
  - f. Recreation Comm Pgm 4400-40540 \$ 117
  - g. Recreation Camps 4600-40540 \$ 90
  - h. Recreation Afterschool 4700-40540 \$ 63
  - i. Recreation Comm Ctr 4800-40540 \$1,260
  - j. Media 6000-40540 \$ 450
  - k. Library 7000-40540 \$3,150
  - l. Computer Center 7200-40540 \$ 900
6. Appropriate \$12,000 to account 1160-40010, Human Resources Salaries, for overlap of the HR Generalist position.
7. Appropriate \$5,000 to account 1160-40030, Human Resources Overtime, for additional work due to software systems installation.
8. Appropriate \$18,000 to account 2500-40011, Police Intern Salaries, to pay interns.
9. Appropriate \$30,000 to account 2100-61040, Police Contracts, for increased funds needed for a police/community relations consultant contract.
10. Appropriate \$34,469 to account 9100-80000, Capital Equipment Expenditure and \$27,413 to account 9100-80003, Equipment Replacement Reserve Expenditure, for purchase of two replacement police vehicles.
11. Appropriate \$42,719 to account 9100-80000, Capital Expenditures, as match for Program Open Space funds for the Colby Playground Renovation.
12. Appropriate \$3,200 to account 9100-80000, Capital Expenditures, to carry over unexpended FY 2015 funds for the completion of the Holton Crossroads Green Space improvements.
13. Appropriate \$60,000 to account 9100-80000, Capital Expenditures, to carry over FY 2015 Neighborhood Commercial Center Improvement funds to pay for Ethan Allen LED Streetlight work.

14. Appropriate \$35,200 to account 9100-80000, Capital Expenditures, to carry over unexpended FY 2015 funds for the completion of design and engineering work for the Ethan Allen Streetscape Project.
15. Appropriate \$4,310 to account 5400-53070, Site Improvements (Placemaking), to carry over FY 2015 funds to pay for the delayed delivery of street benches for Anne Street.
16. Appropriate \$50,000 to account 1140-61040, Legal Contracts, to pay for additional services related to the Takoma Junction Development and the Washington Adventist Hospital Certificate of Need review.
17. Appropriate \$10,000 to account 1120-40030 General Government Overtime, to pay for work related to preparation for Lifelong Takoma Day and the Snow Angels program.
18. Appropriate \$5,000 to account 1120-65015, General Government Printing, for printing of materials for the Lifelong Takoma program.
19. Appropriate \$10,000 to account 6000-65015, Media Printing, for printing of the City Guide.

#### **Special Revenue Fund – Revenues**

1. Appropriate \$100,000 to account 0010-39160, Transportation Grants, for the Maryland Bikeways Program.
2. Appropriate \$2,000 to account 0010-71770, Takoma Foundation, for a grant for the Snow Angels program and similar work.
3. Appropriate \$35,000 to account 0010-33520, Maryland Energy Assistance Grant, for an energy grant.
4. Appropriate \$128,157 to account 0010-38330, POS Park Grants, for the Colby Playground project.

#### **Special Revenue Fund – Expenditures**

1. Appropriate \$100,000 to account 0010-68026, Transportation Grants, for the Maryland Bikeways Program.
2. Appropriate \$2,000 to account 0010-38320, Takoma Foundation, for the Snow Angels program and similar work.
3. Appropriate \$35,000 to account 0010-71730, Maryland Energy Grant, for an energy grant.
4. Appropriate \$128,157 to account 0010-71910, POS Park Projects, for the Colby Playground project.
5. Appropriate \$5,000 to account 0010-72410, Cable Grant Fund, for purchase and installation of video equipment for the Council Conference Room.

#### **Speed Camera Fund – Expenditures**

1. Appropriate \$1,350 to account 0060-40540, Employee Awards and Recognition, for a tenure award for staff in the Speed Camera program.

SECTION 2. The City's Capital Improvement Program for FY 2016 shall be amended to reflect the aforementioned changes in the General Fund budget.

SECTION 4. This Ordinance shall become effective upon adoption.

Adopted this \_\_\_\_ day of \_\_\_\_, 2016 by Roll Call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: