



Takoma Park City Council Meeting – February 13, 2019

Agenda Item 1 - Revised Since Posting

Voting Session

First Reading Ordinance of Fiscal Year 2019 Budget Amendment No. 3

Recommended Council Action

Approve First Reading Ordinance for Fiscal Year 2019 Budget Amendment No. 3

Context with Key Issues

The Fiscal Year (FY) 2019 Budget was adopted by the City Council on May 16, 2018 and Budget Amendments were adopted on July 25, 2018 and November 28, 2018. Since the last amendment, certain needs have arisen or budgeted expenditures delayed that require further changes to the approved budget. They include:

Project/Initiative	Fund	Budget Amount	Reason for Amendment
Council Intern Salaries	General Fund	\$17,500	\$17,500 reduction due to the decision by the Council to eliminate the intern position
Salaries Sanitation Driver	General Fund	\$25,000	\$25,000 reduction due to delay in hiring Sanitation Drivers
Salaries Vegetation Manager	General Fund	\$40,000	\$40,000 reduction due to delay in hiring for Vegetation Manager position
Salaries Economic Development Manager	General Fund	\$25,000	\$25,000 reduction due to delay in hiring the Economic Development Manager
Intern Salaries-Urban Forest	General Fund	\$4,760	\$4,760 reduction due to decision to postpone hiring an intern in the Urban Forest division
Intern Salaries-Planning	General Fund	\$10,000	\$10,000 reduction due to fluctuating work hours and delay in hiring
Salaries Part-Time Finance	General Fund	\$5,000	\$5,000 reduction due to delay in hiring the replacement for part-time Sr. Accounting Assistant
Salaries Part-Time City Clerk	General Fund	\$25,000	\$25,000 reduction due to delay in hiring the part-time position
Temporary Assistance-Human Resources	General Fund	\$7,000	\$7,000 reduction due to the hiring of full-time intern in place of temporary assistant
Inventory Expenditure	General Fund	\$4,000	\$4,000 increase to provide for additional computers for intern positions
Investment Expense-Finance	General Fund	\$10,000	\$10,000 reduction due to delay of Socially Responsible Investment proposal
Flower Avenue Green Street	General Fund	\$1,279,126	The construction project for the Flower Avenue Green Street will be delayed until April. The General Fund, Capital Equipment Expenditure (City match), will be reduced by \$107,557; the Flower Avenue Green Street Project Expenditure will be reduced by \$1,171,569

Project/Initiative	Fund	Budget Amount	Reason for Amendment
Library Construction Project	General Fund	\$1,000,000	\$1,000,000 reduction due to the delay in the renovation project; will be carried forward to FY20 budget
Ethan Allen Gateway Project	General Fund <u>Special Revenue Fund</u>	\$22,884.07	The detailed designs and construction for the Ethan Allen Gateway project was included in FY18 budget but the project will be completed by the end of FY19, requiring an additional appropriation of \$22,884.07 from the <u>Special Revenue Fund</u> General Fund
Auditorium Lighting	Special Revenue Fund	\$7,500	\$7,500 reduction due to project delay; will be carried forward to FY20 budget
Lincoln Avenue Project	Special Revenue Fund	\$164,209	Appropriate \$164,209 to Lincoln Avenue Expenditure to provide funds for the unexpected additional construction cost of \$103,676 and grant funds in the amount of \$60,533 from SHA Safe Routes to School staff in Grant Year H.
SHA Safe Routes to School	Special Revenue Fund	\$5,828	Appropriate \$5,828 to Safe Routes to School Grant Year G Expenditure, to provide funds for the project from SHA Safe Routes to School staff in Grant Year G
Ethan Ellen Gateway Project	General Fund Special Revenue Fund	\$363,319.85	Appropriate \$363,319.85 to Transportation Grant Expenditure to provide funds for the unexpected additional expenditures in the Ethan Allen Gateway project.
Library Construction Grant	Special Revenue Fund	\$150,000	Appropriate \$150,000 to the Library Construction Grant Expenditure to provide extra funds for the Library construction by the Maryland State Grant.
Flower Avenue Green Street	Special Revenue Fund	\$928,232 <u>\$2,367,782</u>	Reduce \$928,232 to the Transportation Grant Flower Avenue Expenditure due to delay in beginning of construction until the end of April 2019; <u>and the WSSC Flower Avenue Expenditure will be reduced by \$1,439,550</u>

Council Priority

Fiscally Sustainable Government

Environmental Considerations

Several items in this budget amendment promote energy efficiency and sustainable practices. Most of the amendments delay but do not eliminate projects that will have an environmental benefit.

Fiscal Considerations

This budget amendment:

General Fund (GF) Fund Balance: Net increase \$3,861,052

- ~~Decrease GF Departmental expenditure by \$165,260~~
- ~~Decrease total Capital Improvement Program (CIP) expenditures by \$3,695,792~~

~~Special Revenue Fund (SRF) Fund Balance: Net increase \$7,500~~

- ~~• Increase SRF revenues by \$244,875~~
- ~~• Increase SRF expenditure by \$237,375~~

General Fund (GF) Fund Balance: Net increase \$2,081,066

- Decrease GF Departmental expenditure by \$165,260
- Decrease total Capital Improvement Program (CIP) expenditures by \$1,915,806

Special Revenue Fund (SRF) Fund Balance: Net increase \$7,500

- Decrease SRF revenues by \$2,024,861
- Decrease SRF expenditure by \$2,032,361

Racial Equity Considerations

We do not believe that the act of adopting this budget amendment will disproportionately impact any particular group.

Attachments and Links

- Draft Ordinance

Introduced by: Councilmember

First Reading:

Second Reading:

Effective Date:

**CITY OF TAKOMA PARK, MARYLAND
ORDINANCE NO. 2019-**

FY 2019 BUDGET AMENDMENT NO. 3

WHEREAS, the Fiscal Year (FY) 2019 budget was adopted by the City Council on May 16, 2018 and Budget Amendments were adopted on July 25, 2018 and November 28, 2018; and

WHEREAS, since the last amendment, certain needs have arisen or budgeted expenditures delayed that require further changes to the approved budget: and

WHEREAS, the budget for Council Intern salaries is reduced \$17,500 due to the decision by the Council to eliminate the intern position; and

WHEREAS, the budget for Salaries in the Sanitation division is reduced \$25,000 due to delay in hiring the Sanitation Drivers; and

WHEREAS, the budget for Salaries in the Gardens division is reduced \$40,000 due to delay in hiring for Vegetation Manager position; and

WHEREAS, the budget for Salaries in the Housing Economic Development division is reduced \$25,000 due to delay in hiring the Economic Development Manager; and

WHEREAS, the budget for the Intern Salaries in Urban Forest division is reduced \$4,760 due to decision to postpone hiring an intern in the Urban Forest division; and

WHEREAS, the budget for the Intern Salaries in the Housing Planning division is reduced \$10,000 due to the fluctuating work hours and delay in hiring; and

WHEREAS, the budget for the Salaries part-time in the Finance division is reduced \$5,000 due to delay in hiring the replacement for part-time Sr. Accounting Assistant; and

WHEREAS, the budget for the Salaries part-time in the City Clerk's Office is reduced \$25,000 due to delay in hiring the part-time position; and

WHEREAS, the budget for the temporary assistance in the Human Resources' Office is reduced \$7,000 due to the hiring of full-time intern in place of temporary assistant; and

WHEREAS, the budget for the inventory expenditure in the Human Resources' Office is increased \$4,000 to provide for additional computers for intern positions; and

WHEREAS, the budget for the investment expense in the Finance Office is reduced \$10,000 due to the delay of Socially Responsible Investment proposal; and

WHEREAS, the budget for the auditorium lighting is reduced \$7,500 due to project delay; will be carried forward to FY20; and

WHEREAS, the detailed designs and construction for the Ethan Allen Gateway project was included in FY18 budget but the project will be completed by the end of FY19, requiring an additional appropriation of \$22,884.07 ~~from the Special Revenue Fund~~ General Fund and addition appropriation of \$363,319.85 to Transportation Grant Expenditure in the General Fund ~~Special Revenue Funds~~; and

WHEREAS, the budget for Capital Expenditures for the Library in the General Fund is reduced \$1,000,000 due to delay in the renovation project; in Special Revenue Fund, the City appropriates \$150,000 to the Library Construction Grant Expenditure to provide extra funds for the Library construction by the Maryland State Grant.; and

WHEREAS, the construction project for the Flower Avenue Green Street will be delayed until April. The General Fund, the Capital Equipment Expenditure (City match), will be reduced by \$107,55; the Flower Avenue Street Project Expenditure will be reduced by \$1,171,569; and in Special Revenue Fund, the Transportation Grant Flower Avenue Expenditure will be reduced by \$928,232; and the WSSC Flower Avenue Expenditure will be reduced by \$1,439,550; and

WHEREAS, appropriate \$164,209 to Lincoln Avenue Expenditure to provide funds for the unexpected additional construction cost of \$103,676 and grant funds in the amount of \$60,533 from SHA Safe Routes to School staff in Grant Year H, appropriate \$5,828 to Safe Routes to School Grant Year G Expenditure, to provide funds for the project from SHA Safe Routes to School staff in Grant Year G; and

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

SECTION 1. The Fiscal Year 2019 Budget is amended as follows:

General Fund – Transfers

1. Transfer \$2,500 from 5500-40700, HCD Admin Temporary Assistance, to 5500-40030, HCD Administration Overtime, to offset staffing costs.
2. Transfer \$353,742 from 9100-80000, Capital Equipment Expenditure, to 9100-80010, Flower Avenue Street Project, to consolidate City match costs associated with the Flower Avenue Street Project.

General Fund – Expenditures

1. Reduce \$17,500 to account 1110-40110, Council Intern Salaries, due to the decision by the Council to eliminate the intern position.
2. Reduce \$25,000 to account 3500-40010, Salaries, due to delays in hiring Sanitation Drivers.
3. Reduce \$40,000 to account 3700-40010, Salaries, due to the delay in hiring for Vegetation Manager position.
4. Reduce \$25,000 to account 5600-40010, Salaries, due to delay in hiring the Economic Development Manager.
5. Reduce \$4,760 to account 3800-40011, Intern Salaries, due to decision to postpone hiring an intern in the Urban Forest division.
6. Reduce \$10,000 to account 5400-40011, Intern Salaries, due to fluctuating work hours and delay in hiring.
7. Reduce \$5,000 to account 1130-40015 Salaries Part-Time, due to delay in hiring the replacement for part-time Sr. Accounting Assistant.
8. Reduce \$25,000 to account 1170-40015, Salaries Part-Time, due to delay in hiring the part-time position in City Clerk's Office.
9. Reduce \$7,000 to account 1160-40700, Temporary Assistance, due to the hiring of full-time intern in place of temporary assistant.
10. Appropriate \$4,000 to account 1160-52900, Inventory Expenditures, to provide for additional computers for intern positions.
11. Reduce \$10,000 to account 1130-70009, Investment Expense, due to delay of Socially Responsible Investment proposal.
12. Reduce \$107,557 to account 9100-80010, Capital Equipment Expenditure (City match), due to delay in the construction of Flower Ave Green Street project until end of April 2019.
13. Reduce \$1,171,569 to account 9100-80010, Flower Ave Street Project Expenditure, due to the delay in the construction of Flower Ave Green Street project until end of April 2019.
14. Reduce \$1,000,000 to account 9100-80013, Library Construction Expenditure, due to delay in the construction project.
15. Appropriate \$363,319.85 to account 9100-80012, Ethan Allen Gateway Streetscape, to provide funds for the unexpected additional expenditures in the Ethan Allen Street project.
16. ~~Appropriate \$22,884.07 to account 9100-80012, Ethan Allen Gateway Project Expenditure, to provide funds for the unexpected additional expenditures in the project.~~

Special Revenue Fund – Revenues

1. Appropriate \$164,209 to account 0010-39211, Safe Routes to School GY-H Revenue, to provide funds for the unexpected additional construction cost of \$103,676 and grant fund \$60,533 from SHA Safe Route to School staff in grant year H.
2. Appropriate \$5,828 to account 0010-39210, Safe Routes to School GY-F&G Revenue, to provide funds for the project from SHA Safe Route to School staff in grant year F&G.
3. ~~Appropriate \$363,319.85 to account 0010-39160, Transportation Grant Revenue, to provide funds for the unexpected additional expenditures in the Ethan Allen Street project.~~

4. Appropriate \$150,000 to account 0010-33699, Library Construction Grant Revenue, to provide extra funds for the Library Construction by the Maryland State Grant.
5. Reduce \$928,232 to account 0010-39160, Transportation Grant Flower Ave Revenue, due to the delay in the construction until the end of April 2019. Reduce \$728,232 from the Transportation TAP Grant fund and reduce \$200,000 from the Montgomery County Grant fund.
6. Reduce \$1,439,550 to account 0010-36930, WSSC Flower Ave Revenue, due to the delay in the construction until the end of April 2019.
7. Appropriate \$22,884.07 to account 0010-39160, Ethan Allen Gateway Project Expenditure, to provide funds for the unexpected additional expenditures in the project.

Special Revenue Fund – Expenditures

1. Appropriate \$164,209 to account 0010-0010-72110, Lincoln Avenue Expenditure, to provide funds for the unexpected additional construction cost of \$103,676 and grant fund \$60,533 from SHA Safe Route to School staff in grant year H.
2. Appropriate \$5,828 to account 0010-0010-72130, Safe Routes to School GY-G Expenditure, to provide funds for the project from SHA Safe Route to School staff in grant year G.
3. ~~Appropriate \$363,319.85 to account 0010-0010-68026, Transportation Grant Expenditure, to provide funds for the unexpected additional expenditures in the Ethan Allen Street project.~~
4. Appropriate \$150,000 to account 0010-0010-68057, Library Construction Grant Expenditure, to provide extra funds for the Library construction by the Maryland State Grant.
5. Reduce \$928,232 to account 0010-0010-68026, Transportation Grant Flower Ave Expenditure, due to the delay in the construction until the end of April 2019. Reduce \$728,232 expenditure from the Transportation TAP Grant fund and reduce \$200,000 expenditure from the Montgomery County Grant fund.
6. Reduce \$7,500 to account 0010-0010-72410, Cable Grant Expenditure, due to the delay in the installation of auditorium lighting until FY2020.
7. Reduce \$1,439,550 to account 0010-0010-80020, WSSC Flower Ave Expenditure, due to the delay in the construction until the end of April 2019.
8. Appropriate \$22,884.07 to account 0010-0010-68026, Ethan Allen Gateway Project Expenditure, to provide funds for the unexpected additional expenditures in the project.

SECTION 2. The City’s Capital Improvement Program for FY 2019 shall be amended to reflect the aforementioned changes in the General Fund budget.

SECTION 3. This Ordinance shall become effective upon adoption.

Adopted this ____ day of February, 2019 by roll-call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: