



Takoma Park City Council Meeting – July 17, 2019

Agenda Item 1

Work Session

Discussion of Fiscal Year 2020 Budget Amendment No. 1

Recommended Council Action

Discuss Fiscal Year 2020 Budget Amendment No. 1

Context with Key Issues

The Fiscal Year (FY) 2020 Budget was adopted by the City Council on May 15, 2019. Due to delays on certain expenditures originally anticipated to occur during FY2019, modification to the FY 2020 budget is required in order to carryforward unspent funds. They include:

Project/Initiative	Fund	Budget Amount	Reason for Amendment
Vulnerability Assessment - IT Contracts	General Fund	\$10,000	Delay in Vulnerability Assessment project
Unused budget for Mont. Co. Processing Charges - Finance Contracts	General Fund	\$14,600	Carrying forward unspent funds for County billing charges for Property Tax and Stormwater fee
Socially Responsible Investment Assistance - Finance Contracts	General Fund	\$5,000	Delay in Socially Responsible Investment consultation
Conferences & Training - Finance	General Fund	\$4,000	Carrying forward unspent funds for conference and training due to staff turnover
Supplies - Solid Waste	General Fund	\$18,184	Delay in purchase of sanitation supplies in the Solid Waste Division
Intern Salaries - Arts	General Fund	\$9,350	Intern hired later in FY19 than anticipated
Misc. Sustainability Projects - Contracted	General Fund	\$124,995	Delay in numerous sustainability projects
Urban Forest Subcontract/Assistance	General Fund	\$19,000	Carrying forward unspent funds to be used for urban forest assistance
Site Improvements - Planning	General Fund	\$13,746	Delay in place making and streetscape improvement project
Strategic Plan Implementation - Economic Development	General Fund	\$12,000	Delay in implementation of Strategic Plan

Project/Initiative	Fund	Budget Amount	Reason for Amendment
Publicity/Resource Guide Design - Economic Development	General Fund	\$1,300	Delay in development in design of resources guides
Printing - Economic Development	General Fund	\$2,000	Delay in business resource guide printing and distribution
Technical Assistance Supplies - Economic Development	General Fund	\$1,000	Delay in development of technical assistance class material
Conferences - Economic Development	General Fund	\$7,500	Carrying forward unspent funds for conferences to be used in part for the Int'l Economic Development Council Annual Conference
Association Dues - Economic Development	General Fund	\$1,355	Carrying forward unspent funds to provide for miscellaneous memberships
Operating Supplies - Communication	General Fund	\$4,000	Delay in purchases of operating supplies
Flower Avenue Green Street	General Fund	\$172,592	Delay in providing the City match for expenditures
Public Arts	General Fund	\$25,680	Delay in art projects for Summer 2019
Decorative Streetlights	General Fund	\$43,448	Delay in purchases of streetlights
Rear Elevator Upgrade	General Fund	\$213,733	Delay in upgrade for rear elevator project
Leaf Collection Vacuums	General Fund	(\$30,000)	\$30,000 reduction due to Vacuum purchases made in advance in FY19
Pedestrian Bridge	General Fund	\$30,000	Delay in refurbishment project for pedestrian bridge
Sidewalks	General Fund	\$270,735	\$4,135 increase to provide fund for retainage of Lincoln Avenue and \$266,600 increase due to delay in sidewalk project for Glenside and Lincoln Avenue
Community Grants	General Fund	\$16,784	To address timing of funding for multiple Community Grant agreements

Project/Initiative	Fund	Budget Amount	Reason for Amendment
Lincoln Avenue Project	Special Revenue Fund	\$16,540	Delay in Lincoln Avenue retainage project
Cable Grant	Special Revenue Fund	\$165,700	Delay in Cable Grant purchases - Auditorium Digital Video (\$155,000), Virtual Reality Equipment (\$2,000), Storage Furniture (\$1,600), Digital Signage (\$4,000) and Set Pieces and Graphics (2,500)
Ethan Ellen Gateway Project	Special Revenue Fund	\$112,961	Delay in retainage for the Ethan Allen Street project.
Library Construction Grant	Special Revenue Fund	\$145,000	Delay in Library project
Flower Avenue Green Street	Special Revenue Fund	\$1,194,912	\$312,099 increase to the Transportation Grant Flower Ave Expenditure due to delay in construction; the WSSC Flower Avenue Expenditure will be increased by \$882,813
Stormwater Capital Projects	Stormwater Fund	\$43,166	Delay in various Stormwater projects
Outside Labor and Parts	Stormwater Fund	\$44,399	Labor and parts for delayed Stormwater projects
Subcontracts	Stormwater Fund	\$25,000	Subcontracts for delayed the Stormwater projects
Provision for Allowance*	General Fund	\$19,000	\$19,000 increase due to the additional provision to allowance for doubtful accounts

*The Provision for Allowance is a new appropriation rather than a carryforward. These funds are needed in order to cover costs associated with "doubtful accounts" (revenues that were budgeted that we are unlikely to receive/recover)

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

General Fund (GF) Fund Balance: Net decrease \$1,010,002

- Increase GF Departmental expenditure by \$283,814
- Increase total Capital Improvement Program (CIP) expenditures by \$726,188

Special Revenue Fund (SRF) Fund Balance: Net decrease \$310,700

- Increase SRF revenues by \$1,324,413
- Increase SRF expenditure by \$1,635,113

Stormwater Fund (SWF) Fund Balance: Net decrease \$112,565

- Increase Stormwater expenditure by \$112,565

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 Ordinances

Introduced by: Councilmember

First Reading: July 24, 2019

Second Reading: July 31, 2019

Effective Date: July 31, 2019

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

FY 2020 BUDGET AMENDMENT NO. 1

WHEREAS, the Fiscal Year (FY) 2020 budget was adopted by the City Council on May 15, 2019 and;

WHEREAS, since this date, certain expenditures originally anticipated to occur during FY 2019 were delayed, requiring modification to the FY 2020 budget; and

WHEREAS, the Flower Avenue Green Street project, requiring that \$172,592 in FY19 funds be carried over due to delay in providing the City match for Capital Equipment Expenditure; and

WHEREAS, the Flower Avenue Green Street project, requiring that \$312,099 in FY19 funds be carried over to the Transportation Grant Flower Ave Expenditure due to delay in construction; the WSSC Flower Avenue Expenditure will be increased by \$882,813; and

WHEREAS, the Sidewalk project totaling \$270,735 to provide fund for retainage of Lincoln Avenue (\$4,135) and due to delay in the sidewalk project for Glenside and Lincoln Avenue (\$266,000); and

WHEREAS, the Decorative Streetlights project in the amount of \$43,448 needs to be carried over due to delay in purchases of streetlights; and

WHEREAS, the Rear Elevator project in the amount of \$213,733 needs to be carried over due to the delay in upgrade of the Rear Elevator; and

WHEREAS, the FY20 budget for Leaf Vacuum is reduced \$30,000 due to the purchases occurring in FY19; and

WHEREAS, the Pedestrian Bridge project funds in the amount of \$30,000 need to be carried over due to the delay in refurbishment project for pedestrian bridge; and

WHEREAS, the Public Arts project funds in the amount of \$25,680 need to be carried over due to delay in art projects for Summer 2019; and

WHEREAS, the Community Grant funds in the amount of \$16,784 need to be carried over in order to address timing of funding for multiple Community Grant agreements; and

- WHEREAS, the Supplies funds for Solid Waste in the amount of \$18,184 need to be carried over due to the delay in purchase of sanitation supplies in the Solid Waste Division; and
- WHEREAS, the Miscellaneous Sustainability Contracted Projects funds in the amount of \$124,995 need to be carried over due to the delay in numerous sustainable projects; and
- WHEREAS, the Urban Forest Subcontract/Assistance funds in the amount of \$19,000 need to be carried forward to be used for urban forest assistance; and
- WHEREAS, the Arts Intern Salaries in the amount of \$9,350 is carried over due to the position being filled later in FY19 than anticipated; and
- WHEREAS, the Site Improvements-Planning funds in the amount of \$13,746 need to be carried over due to the delay in place making and streetscape improvement project; and
- WHEREAS, the Strategic Plan Implementation-Economic Development funds in the amount of \$12,000 need to be carried over due to the delay in implementation of Strategic Plan; and
- WHEREAS, the Public/Resource Guide Design-Economic Development funds in the amount of \$1,300 need to be carried over due to delay in development in design of resources guides; and
- WHEREAS, the Printing -Economic Development funds in the amount of \$2,000 need to be carried over due to delay in business resource guide printing and distribution; and
- WHEREAS, the Technical Assistance Supplies-Economic Development funds in the amount of \$1,000 needs to be carried over due to delay in development of technical assistance class material; and
- WHEREAS, the Conference-Economic Development funds in the amount of \$7,500 need to be carried over to be used in part for the International Economic Development Council Annual Conference; and
- WHEREAS, the Association Dues-Economic Development funds in the amount of \$1,355 need to be carried over unspent funds to provide for miscellaneous memberships; and
- WHEREAS, the Operating Supplies-Economic Development funds in the amount of \$4,000 need to be carried over due to the delay in purchases of operating supplies; and
- WHEREAS, the Vulnerability Assessment –IT Contracts funds in the amount of \$10,000 need to be carried over due to the delay of the Vulnerability Assessment project; and
- WHEREAS, the unused budget for Montgomery County Processing Charges-Finance Contracts funds in the amount of \$14,600 need to be carried forward for County billing charges for Property Tax and Stormwater fee; and

WHEREAS, the unspent budget of the Socially Responsible Investment Assistance-Finance Contracts in the amount of \$5,000 needs to be carried over due to the delay in Socially Responsible Investment consultation; and

WHEREAS, the unspent budget of the Conference and Training-Finance in the amount of \$4,000 needs to be carried over for conferences and training due to staff turnover; and

WHEREAS, the budget for Lincoln Avenue Project in the amount of \$16,540 needs to be carried over due to the delay in Lincoln Avenue retainage project; and

WHEREAS, the budgeted revenues and expenditures for the retainage of Ethan Allen Avenue project in the Special Revenue Fund in the amount of \$112,961 need to be carried over due to the delay in retainage; and

WHEREAS, the various unspent funds in Cable Grant funds totaling \$165,700 for the purchase of Storage Furniture (\$1,600), Set Pieces and Graphics (\$2,500), Auditorium Digital Video (\$155,000), Digital Signage (\$4,000), Handheld Host Microphone (\$600) and Virtual Reality Equipment (\$2,000) need to be carried over due to the delay in Cable Grant purchases; and

WHEREAS, the budget for Library Construction Grant in the amount of \$145,000 needs to be carried over due to the delay in Library project; and

WHEREAS, the Provision for Allowance budget needs to be increased by \$19,000 due to the additional provision to allowance for doubtful accounts.

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

SECTION 1. The Fiscal Year 2020 Budget is amended as follows:

General Fund – Expenditures

1. Appropriate \$14,600 to account 1130-61040, Contracts, to provide funds for property tax and Stormwater billing process by Montgomery County.
2. Appropriate \$5,000 to account 1130-70009, Investment Expenditures, to provide funds for Socially Responsible Investment consultation fee.
3. Appropriate \$2,000 to account 1130-70025, Conference, to provide funds for conference expenses.
4. Appropriate \$2,000 to account 1130-70050, Training, to provide funds for training expenses.
5. Appropriate \$10,000 to account 1150-61040, Contract, for covering the cost of Vulnerability Assessments.
6. Appropriate \$18,184 to account 3500-52900, Sanitation Supplies, to provide funds sanitation supplies.
7. Appropriate \$124,995 to account 3600-61040, Contract, to provide funds for numerous sustainability project implementations.

8. Appropriate \$19,000 to account 3800-61045, Subcontract, to provide funds for various contractual projects.
9. Appropriate \$9,350 to account 5700-40011, Intern Salary, to provide funds for intern salary of the Arts Division.
10. Appropriate \$13,746.21 to account 5400-53070, Site Improvement, to provide funds for place making and streetscape improvements.
11. Appropriate \$12,000 to account 5600-61040, Contracts, to provide funds for the implementation of the Strategic Plan.
12. Appropriate \$1,300 to account 5600-64010, Publicity, to provide funds for the design of the resource guides.
13. Appropriate \$2,000 to account 5600-65015, Printing, to provide funds for the business resource guide printing and distribution.
14. Appropriate \$1,000 to account 5600-70005, Miscellaneous, to provide funds for technical assistance class materials and meeting supplies.
15. Appropriate \$7,500 to account 5600-70025, Conference, to provide funds for attending the International Economic Development Conference.
16. Appropriate \$1,355 to account 5600-70035, Association Due, to provide funds for housing and non-profit developers membership fees.
17. Appropriate \$4,000 to account 6000-52000, Operating Supplies, to provide funds for operating supplies.
18. Appropriate \$19,000 to account 9000-71350, Provision for Allowance, to provide funds for allowance for doubtful accounts.
19. Appropriate \$16,784.12 to account 9000-71500, Community Grants, to provide funds for:
 - a. \$2,835 for agreement between the City and Carpe Diem Arts.
 - b. \$5,000 for agreement between the City and Gandhi Brigade, Inc.
 - c. \$1,743.45 for agreement between the City and Create Arts Center, Inc.
 - d. \$2,205.67 for agreement between the City and Docs in Progress, Inc.
 - e. \$5,000 for agreement between the City and Takoma Park Cooperative Nursery School.
20. Appropriate \$25,680 to account 9100-80000, Capital Equipment Expenditure, to provide funds for Public Arts projects.
21. Reduce \$30,000 to account 9100-80003, Equipment Reserve Expenditure, due to Leaf Collection Vacuum purchases in advance in Fiscal Year 2019.
22. Appropriate \$257,181 to account 9100-80003, Equipment Reserve Expenditure, to provide funds for:
 - a. \$43,448 for the decorative street lights.
 - b. \$213,733 for rear elevator upgrade.
23. Appropriate \$30,000 to account 9100-80008, Facility Maintenance Expenditure, to provide funds for pedestrian bridge refurbishment.
24. Appropriate \$270,735 to account 9100-80009, Sidewalks, to provide funds for:
 - a. \$4,135 for Lincoln Avenue Retainage.
 - b. \$266,600 for Glenside and Lincoln Avenue sidewalk projects.

25. Appropriate \$172,592 to account 9100-80010, Flower Avenue Green Street, to provide funding for completion of the Flower Avenue Street Project.

Special Revenue Fund – Revenue

1. Appropriate \$16,540 to 0010-39211, Safe Routes to School, to provide funding for Retainage of Lincoln Avenue Sidewalk.
2. Appropriate \$312,099 to 0010-39160, Transportation Grant (Flower Avenue), to provide funding for Flower Avenue construction project.
3. Appropriate \$882,813 to 0010-36930, WSSC Flower Avenue, to provide funding for Flower Avenue construction project.
4. Appropriate \$112,961 to 0010-39160, Transportation Grant (Ethan Allen), to provide funding for the Retainage of the Ethan Allen construction project.

Special Revenue Fund – Expenditures

1. Appropriate \$16,540 to 0010-0010-72110, Safe Routes to School, to provide funding for Retainage of Lincoln Avenue Sidewalk.
2. Appropriate \$312,099 to 0010-0010-68026, Transportation Grant (Flower Avenue), to provide funding for Flower Avenue construction project.
3. Appropriate \$882,813 to 0010-0010-80020, WSSC Flower Avenue, to provide funding for Flower Avenue construction project.
4. Appropriate \$112,961 to 0010-0010-68026, Transportation Grant (Ethan Allen), to provide funding for the Retainage of the Ethan Allen construction project.
5. Appropriate \$145,000 to 0010-0010-68057, Library-Maryland Capital Grant, to provide funding for Library construction.
6. Appropriate \$165,700 to account 0010-0010-72410, Cable Grant, to provide funds for:
 - a. \$1,600 for the purchase of Storage Furniture.
 - b. \$2,500 for the purchase of Set Pieces and Graphics.
 - c. \$155,000 for the purchase of Auditorium Digital Video & Touch Panel.
 - d. \$4,000 for the purchase of Digital Signage.
 - e. \$600 for the purchase of Handheld Host Microphone.
 - f. \$2,000 for the purchase of Virtual Realty Equipment.

SECTION 2. The City’s Capital Improvement Program for FY 2020 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 July, 2019 by Roll Call vote as follows:

AYE: Stewart, Kovar, Dyballa, Kostiuik, Seamens, Smith, Searcy
NAY: None

ABSTAIN: None
ABSENT: None

Introduced by:

First Reading: July 24, 2019
Second Reading: July 31, 2019
Effective Date:

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

**FY 2020 STORMWATER MANAGEMENT FUND
BUDGET AMENDMENT NO. 1**

WHEREAS, the Fiscal Year (FY) 2020 Stormwater Management Fund budget was adopted by the City Council on May 15, 2019; and

WHEREAS, unspent funds in Stormwater Capital Projects in the amount of \$43,166 need to be carried over due to the delay in various Stormwater projects; and

WHEREAS, unspent funds in the Outside Labor and Parts in the amount of \$44,399 need to be carried over due to the delay of Stormwater projects; and

WHEREAS, unspent funds in the Subcontracts in the amount of \$25,000 need to be carried over due to the delay of Stormwater projects; and

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

SECTION 1. The Fiscal Year 2020 Stormwater Management Fund Budget is amended as follows:

Stormwater Management Fund-Expenditures

1. Appropriate \$43,166 to 0030-0030-80001, Capital Projects Expenditure, to carry over unspent fund in the Capital Projects due to the delay in various Stormwater projects.
2. Appropriate \$44,399 to 0030-0030-53350, Outside Labor and Parts, due to the delayed Stormwater projects.
3. Appropriate \$25,000 to 0030-0030-61045, Subcontractors Expenditure, due to the delayed Stormwater projects.

SECTION 2. Use of fund balance in the amount of \$112,565 is hereby authorized to supplement other fund revenues and financing sources:

SECTION 3. This Ordinance shall become effective upon adoption.

Adopted this ____ day of ____, 2019 by Roll Call vote as follows:

AYE:

NAY:

ABSTAIN:
ABSENT: