



Takoma Park City Council Meeting – March 11, 2020 Agenda Item 2

Work Session

First Reading Ordinance of Fiscal Year 2020 Budget Amendment No. 3

Recommended Council Action

Consider First Reading Ordinance for Fiscal Year 2020 Budget Amendment No. 3

Context with Key Issues

The Fiscal Year (FY) 2020 Budget was adopted by the City Council on May 15, 2019 and Budget Amendments were adopted on July 31, 2019 and November 18, 2019. Since the last amendment, certain needs have arisen or budgeted expenditures delayed that require further changes to the approved budget. They include several transfer between accounts and the following:

Project/Initiative	Fund	Budget Amount	Reason for Amendment
City Management Salaries	General Fund	(\$40,000)	\$40,000 reduction due to the delay in hiring the Deputy City Manager
Salaries Part-Time City Clerk	General Fund	(\$26,000)	\$26,000 reduction due to delay in hiring the Record Specialist
Subcontractor Work Urban Forest	General Fund	\$11,000	\$11,000 increase due to additional expenditures related to tree removal
Provision for Allowance	General Fund	\$10,000	\$10,000 increase to provide funding for allowance to Doubtful Account
Capital Equipment Expenditure	General Fund	(\$12,375)	\$12,375 reduction in the City match fund due to delay in New Avenue Bikeway project
Capital Expenditure Library Construction	General Fund	\$4,649.94	\$4,649.94 increase due to delay in State Grant reimbursement for expenditures incurred in FY19
Equipment Replacement Expenditure	General Fund	\$40,460.33	\$40,460.33 increase due to additional cost for the replacement of police vehicle in an accident
Capital Expenditure Library Construction	General Fund	(\$400,000)	\$400,000 reduction due to delay in the Library renovation project
New Avenue Bikeway	Special Revenue Fund	(\$47,000)	\$47,000 reduction due to project delay; will be carried forward to FY21 budget
Library Construction Grant	Special Revenue Fund	(\$145,000)	\$145,000 reduction due to delay in the Library renovation project and the grant reimbursement by the State of Maryland

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 decrease \$409,665

- Decrease GF Departmental expenditure by \$45,000
- Decrease total Capital Improvement Program (CIP) expenditures by \$367,265

Special Revenue Fund (SRF) Fund Balance: Net change \$0

- Decrease SRF revenues by \$192,000
- Decrease SRF expenditure by \$192,000

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: March 11, 2020

Second Reading:

Effective Date:

CITY OF TAKOMA PARK, MARYLAND

ORDINANCE NO. 2020-

FY 2020 BUDGET AMENDMENT NO. 3

WHEREAS, the Fiscal Year (FY) 2020 budget was adopted by the City Council on May 15, 2019 and Budget Amendments were adopted on July 31, 2019 and November 18, 2019; 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 City Management salaries is reduced \$40,000 due to the vacancy in the Deputy City Manager position since January; and

WHEREAS, the budget for Part-Time Salaries in the City Clerk division is reduced \$26,000 due to delay in hiring the Record Specialist; and

WHEREAS, the budget for Subcontract Work in Urban Forest division is increased \$11,000 due to additional expenditures related to tree removal; and

WHEREAS, the budget for Provision for Allowance is increased \$10,000 to provide funding for the allowance to doubtful account; and

WHEREAS, the budget for the Capital Equipment Expenditure in General Fund is reduced \$12,375; in Special Revenue Fund, the City reduces \$47,000 due to delayed Bikeway grant agreement with the State of Maryland; and

WHEREAS, the budget for Capital Expenditures for the Library in the General Fund is increased \$4,649.94 due to delay State Grant reimbursement for expenditures incurred in FY19; and

WHEREAS, the budget for Capital Expenditures for the Library in the General Fund is reduced \$400,000 due to delay in the renovation project; in Special Revenue Fund, the City reduces \$145,000 due to delay reimbursement for the Library construction by the Maryland State Grant; and

WHEREAS, the budget for the Equipment Replacement Expenditure is increased \$40,460.33 due to additional replacement cost related to Police vehicle loss in an accident.

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 – Transfers

1. Transfer \$2,500 from 1130-70009, Investment Expenditure, to 1130-70025, Conference and Convention, to offset staff training and conference costs.
2. Transfer \$14,400 from 1130-40015, Salaries Part-Time Expenditure, to 1130-40700, Temporary Assistance, to offset temporary staff costs.
3. Transfer \$9,000 from 1160-40010, Salaries, to 1160-40030, Overtime, to offset additional work time by Human Resources staff.
4. Transfer \$40,000 from 1160-40010, Salaries, to 1160-40700, Temporary Assistance, to offset temporary staff costs.

General Fund – Expenditures

1. Reduce \$40,000 to account 1120-40010, Salaries, due to the departure of the Deputy City Manager since January 2020.
2. Reduce \$26,000 to account 1170-40015, Salaries Part-Time, due to delay in hiring Record Specialist position.
3. Appropriate \$11,000 to account 3800-61045, Subcontract Work, due to additional expenditures related to tree removal.
4. Appropriate \$10,000 to account 9000-71350, Provision for Allowance, due to additional funds required for allowance to doubtful account.
5. Reduce \$12,375 to account 9100-80000, Capital Equipment Expenditure, due to delay start of Bikeway project.
6. Appropriate \$4,649.94 to account 9100-80013, Library Construction, due to delay State Grant reimbursement for expenditures incurred in FY19.
7. Reduce \$400,000 to account 9100-80013, Library Construction, due to project delay.
8. Appropriate \$40,460.33 to account 9100-80003, Equipment Replacement Expenditure, due to additional cost for replacement of Police vehicle loss in accident.

Special Revenue Fund – Revenues

1. Reduce \$47,000 to account 0010-31963, New Ave Bikeway Project, due to delay grant agreement with the State.
2. Reduce \$145,000 to account 0010-33699, Library Construction Grant, due to the delay grant reimbursement until FY21.

Special Revenue Fund – Expenditures

1. Reduce \$47,000 to account 0010-68030, New Ave Bikeway Project, due to delay grant agreement with the State.

2. Reduce \$145,000 to account 0010-68057, Library Construction Grant, due to the delay grant reimbursement until FY21.

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 March, 2020 by roll-call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: