



Takoma Park City Council Meeting – September 30, 2020

Agenda Item 3

Work Session

Fiscal Year 2021 Budget Amendment No. 2

Recommended Council Action

Approve Draft Ordinance for FY 2021 Budget Amendment No. 2

Context with Key Issues

The Fiscal Year (FY) 2021 Budget was adopted by the City Council on May 20, 2020. Modification to the FY21 budget is required in order to carry forward unspent funds, acknowledge a project completed in FY20 that was anticipated to be done in FY21, note a reduction in anticipated revenue regarding the County tax duplication payment, note receipt of funds from a FEMA reimbursement and for grant awards, and note a significant savings in Workers Compensation costs from what had been anticipated for FY21.

Project/Initiative	Fund	Budget Amount	Reason for Amendment
Flower Avenue Green Street-Capital Improvements	General Fund	\$1,146,909	Budget expenditure increase to provide funding for the completion of the construction project – Carryover ; no new funds
Facility Maintenance Reserve Expenditure	General Fund	\$28,300	Budget expenditure increase to provide funding for the completion of the HVAC project – Budget was to replace four units but a fifth died during the time of work so that unit was also replaced; project begun in FY20
In Lieu of Police-Revenue	General Fund	\$99,000	Budget revenue reduction due to last-minute County adjustment to the Tax Duplication payment
FEMA Emergency Assistance-Revenue	General Fund	\$21,304.25	Budget revenue increase due to the receipt of 75% FEMA COVID-19 reimbursement for the City's purchase of personal protective equipment
Workers Compensation Expenditure	General Fund	\$276,116	Budget expenditure reduction due to lower than projected insurance premium
New Avenue Bikeway Grant	Special Revenue Fund	\$475,000	Budget expenditure and revenue are increased due to the award of grant funds
Flower Avenue-Montgomery County Grant	Special Revenue Fund	\$200,000	Budget expenditure and revenue are decreased from FY21 budget, due to the completion of this portion of the

			project in FY20 and the submission of the grant reimbursement
Maryland Citizens for the Arts	Special Revenue Fund	\$2,946.41	Budget expenditure and revenue are increased, due to the grant awarded
WSSC Flower Avenue	Special Revenue Fund	\$300,327.56	Budget expenditure and revenue are increased to provide for the construction cost to complete the project in FY21; Carryover

Council Priority

Fiscally Sustainable Government

Environmental Considerations

The receipt of the New Ave Bikeway Grant allows for completion of design of Section A of this important bicycle facility, furthering efforts to rely on motorized vehicles. HVAC improvements have positive environmental benefits. The Flower Avenue Green Street project completion will provide significant environmental benefits to the community.

Fiscal Considerations

General Fund (GF) Fund Balance: Net decrease \$976,788.75

- Decrease GF revenue by \$77,695.75
- Increase total Capital Improvement Program (CIP) expenditures by \$899,093
- Non carryover General Fund decreases equal \$127,300; non carryover General Fund increases equal \$297,420.25; with a net non carryover balance of \$170,120.25.

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

- Increase SRF revenue by \$578,273.97
- Increase SRF expenditure by \$578,273.97

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. 2020-**

FY 2021 BUDGET AMENDMENT NO. 2

WHEREAS, the Fiscal Year (FY) 2021 budget was adopted by the City Council on May 20, 2020 and;

WHEREAS, since this date, information has been received that requires amendments to the FY 2021 budget; and

WHEREAS, the budget for the In lieu of Police revenue is decreased \$99,000 due to the adjustment of Tax Duplication by Montgomery County late in the County's budget process; and

WHEREAS, the budget for FEMA Emergency Assistance grant fund is increased \$21,304.25 due to the reimbursement by the Federal Government for COVID-19 expenditures for personal protection equipment; and

WHEREAS, the budget for the Workers Compensation expenditure decreased \$276,116 due to the premium reduction; and

WHEREAS, the budget for the Flower Avenue Green Street Capital Improvement expenditure is increased \$1,146,909 to provide for the completion of the street project in 2021; and

WHEREAS, the budget for the Facility Maintenance Capital Improvement expenditure is increased \$28,300 to provide for the completion of the HVAC improvement project in 2021; and

WHEREAS, the expenditure and revenue budgets for the Flower Avenue-Montgomery County sidewalk project in the Special Revenue Fund are decreased \$200,000 due to the completion of the project in FY20 and the grant reimbursement submitted; and

WHEREAS, the expenditure and revenue budgets for the WSSC Flower Avenue project in the Special Revenue Fund are increased \$300,327.56 to provide for construction costs; and

WHEREAS, the expenditure and revenue budgets for the New Avenue Bikeway - Section A in the Special Revenue Fund are increased \$475,000 due to the new grant fund awarded to provide for the project costs; and

WHEREAS, the expenditure and revenue budgets for the Maryland Citizens for Arts in the Special Revenue Fund are increased \$2,946.41 due to the new grant fund awarded; and

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

SECTION 1. The Fiscal Year 2021 Budget is amended as follows:

General Fund - Revenues

1. Reduce \$99,000 to account 0001-33250, In Lieu of Police, due to the Tax Duplication adjustment.
2. Appropriate \$21,304.25 to account 0001-33010, FEMA Emergency Assistance, due to the reimbursement received from the Federal Government.

General Fund – Expenditures

1. Appropriate \$1,146,909 to account 9100-80010, Flower Avenue Green Street Project Expenditures, to provide funds for the completion of the Green Street project.
2. Appropriate \$28,300 to account 9100-80008, Facility Maintenance Expenditures, to provide funds for the completion of the HVAC project.
3. Reduce \$276,116 to account 9000-40060, Workers Compensation, due to the premium reduction.

Special Revenue Fund – Revenues

1. Reduce \$200,000 to account 0010-39161, Flower Avenue Montgomery County Grant, due to early sidewalk project completion in Fiscal Year 2020; grant reimbursement request has been submitted.
2. Appropriate \$300,327.56 to account 0010-36930, WSSC Flower Avenue, to provide funds for the completion of the project in FY21.
3. Appropriate \$475,000 to account 0010-39162, New Avenue Bikeway, to provide funds for the project in FY21.
4. Appropriate \$2,946.41 to account 0010-37040, Maryland Citizens for the Arts, to provide funds for the activities in the project in FY21.

Special Revenue Fund – Expenditures

1. Reduce \$200,000 to account 0010-0010-68028, Flower Avenue Montgomery County expenditure, due to the early sidewalk project completion in Fiscal Year 2020 and grant reimbursement submitted during the same year.
2. Appropriate \$300,327.56 to account 0010-0010-80020, WSSC Flower Avenue, to provide funds for the completion of the project in FY21.
3. Appropriate \$475,000 to account 0010-0010-68029, New Avenue Bikeway, to provide for the project costs.
4. Appropriate \$2,946.41 to account 0010-0010-68018, Maryland Citizens for the Arts, to provide funds for the activities in the project.

SECTION 2. The City's Capital Improvement Program for FY 2021 shall be amended to reflect the aforementioned changes in the General Fund budget.

SECTION 3. This Ordinance shall become effective upon adoption.

Adopted this the day of October, 2020 by Roll Call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: