



Takoma Park City Council Meeting – July 14, 2021

Agenda Item 6

Work Session

Fiscal Year 2022 Budget Amendment No. 1

Fiscal Year 2022 Stormwater Budget Amendment No. 1

Recommended Council Action

Approve Draft Ordinances for FY 2022 Budget Amendment No. 1 and Stormwater Budget Amendment No. 1

Context with Key Issues

The Fiscal Year (FY) 2022 Budget was adopted by the City Council on May 19, 2021. Due to delays on certain expenditures originally anticipated to occur during FY 2021, modification to the FY 2022 budget is required in order to carry forward unspent funds.

In addition, the American Rescue Plan Act of 2021 (ARPA) appropriates \$1.9 trillion to States and other jurisdictions to address health and economic issues exacerbated by the pandemic, address budget shortfalls of jurisdictions, and allows for investment. The City is likely to receive about \$17.4 million in two tranches, the first of which is expected later this month.

City staff have identified urgent expenditure categories related to ARPA. The remaining ARPA funds will be held in reserve; further ARPA spending categories will be defined in the September 2021 budget amendment. ARPA funding eligibility can be used in four primary categories per federal guidelines: Public Health and Economic Impacts, Premium Pay, Revenue Loss, and Investments in Infrastructure.

Project/Initiative	Department	Fund	Budget Amount	Reason for Amendment
Sidewalks – <i>Capital Improvement</i>	Public Works	General Fund	\$300,000	Carryover for ADA sidewalks
License Plate Reader– Equipment Replacement – <i>Capital Improvement</i>	Police	General Fund	\$26,800	Carryover for License Plate Reader due to delay in purchasing
Public Land Management - <i>Capital Improvement</i>	HCD - Planning	General Fund	\$40,000	Carryover for Public Land Management Projects; following identification plans to address proximity, access and quality of public space
Bus Shelter – <i>Capital Improvement</i>	HCD - Planning	General Fund	\$60,000	Carryover for the improvement and implementation of bus shelters

Project/Initiative	Department	Fund	Budget Amount	Reason for Amendment
Public Arts – <i>Capital Improvement</i>	HCD - Planning	General Fund	\$8,000	Carryover for public art projects delayed by delivery issues or damages
Bike Improvement – <i>Capital Improvement</i>	HCD - Planning	General Fund	\$50,000	Carryover for unfinished bike improvement projects
Site Improvements – <i>Capital Improvement</i>	HCD - Planning	General Fund	\$48,000	Carryover for place making and streetscape improvements; delivery on orders was delayed due to supply chain issues
Contracts	Public Works - Sustainability	General Fund	\$192,000	Carryover for numerous sustainability projects delayed due to the pandemic; add to FY22 numbers: <ul style="list-style-type: none"> • \$30K for low/mod income rebate program • \$20K for residential rebates • \$22K for business assistance • \$70K for multifamily assistance • \$50K for outreach
Printing	HCD - Planning	General Fund	\$10,000	Carryover for development of publications, bus shelter ads, other materials in multiple languages
Publicity	HCD - Planning	General Fund	\$3,000	Carryover for outreach and public engagement delayed by the pandemic on projects such as Public Space Management Plan, bike lanes, ads in multiple languages
Contracts	HCD - Planning	General Fund	\$11,800	Carryover for numerous planning projects delayed due to staff shortage; pays for software for race equity mapping as well as various feasibility studies, surveys, impact studies
Conferences	HCD - Planning	General Fund	\$6,000	Carryover for conference opportunities cancelled during the pandemic; carrying forward unspent funds to provide for various conference options
Transit Pedestrian Projects	HCD - Planning	General Fund	\$17,000	Carryover for projects including Safe Routes to School,

Project/Initiative	Department	Fund	Budget Amount	Reason for Amendment
				pedestrian safety, bike/transit safety and promotion, etc.
Association Dues	HCD - Planning	General Fund	\$2,500	Carryover funds for American Planning Association and Bike-ped organization
iCan Shine	HCD - Planning	General Fund	\$6,000	Carryover for the iCan Shine program was cancelled; carryover funds (from City's match to grant) will be used to improve equipment or facilities for outdoor riders, with a goal of helping a similar population of riders
Training	HCD - Planning	General Fund	\$1,000	Carryover for EcoDistricts Certification and Dignity Institute
Contracts	HCD - Arts & Humanities	General Fund	\$2,400	Carryover for Arts Honoraria
Publicity	HCD - Arts & Humanities	General Fund	\$1,600	Carryover for Arts events as the Community Center reopens
Website – Communication	Communications	General Fund	\$5,000	Carryover for City Website upgrade
Conference & Training	General Government - Legislative	General Fund	\$6,000	Carryover for additional conferences and training opportunities
City Commissions, etc.	General Government - Legislative	General Fund	\$4,000	Carryover to provide new orientation programs and incentives
Conferences & Training	General Government - Finance	General Fund	\$11,000	Carryover for conference and training for the Budget Manager and finance staff
Investment Assistance	General Government - Finance	General Fund	\$10,000	Carryover for delay in investment consultation
Conferences & Training	General Government – City Clerk	General Fund	\$2,900	Carryover for conference and training
Leaf Collection Vacuum– Equipment Replacement –	Public Works	General Fund	\$52,965	Carryover of \$30,000 and budget increase of \$22,965 due to the price increase

Project/Initiative	Department	Fund	Budget Amount	Reason for Amendment
<i>Capital Improvement</i>				
Pick-up Truck– Equipment Replacement – <i>Capital Improvement</i>	Public Works	General Fund	\$31,277	Carryover for Pick-up truck due to invoicing delay
Contracts - Police	Police	General Fund	\$37,700	Carryover for Police Promotional Process
Conferences & Training – City Admin	General Government	General Fund	\$5,000	Carryover for additional conferences and training opportunities
Contracts	General Government - IT	General Fund	\$125,000	Budget increase for Enterprise Resource Planning (ERP) upgrades for HR system consolidation
Salary & Fringes	General Government - Human Resources	General Fund	\$40,000	Budget increase to provide additional staff support for HR system consolidation
Recruitment	General Government - Human Resources	General Fund	\$28,000	Carryover due to hiring delays and new hires expected in FY22 Q1
Training	General Government – Human Resources	General Fund	\$3,000	Carryover to provide training during HR system consolidation
Contracts	General Government – Human Resources	General Fund	\$3,900	Carryover to facilitate HR systems consolidation
Contracts – City Clerk	General Government	General Fund	\$75,000	Budget increase for the completion of redistricting prior to elections
Salary & Fringes – Communications	Police	General Fund	\$30,000	Budget increase to allow dispatch position upgrades and reduce staff turnover
Stormwater Capital Projects	Public Works	Stormwater Fund	\$295,000	Carryover for planned projects not implemented in FY21
Outside Labor and Parts	Public Works	Stormwater Fund	\$100,000	Carryover for labor and parts for delayed Stormwater projects
Closed Captioning – Cable Grant	Communications	Special Revenue Fund	\$20,000	Carryover for implementation with City Server upgrade

Project/Initiative	Department	Fund	Budget Amount	Reason for Amendment
Sports Production – Cable Grant	Communications	Special Revenue Fund	\$5,000	Carryover for system upgrade and technology improvement
Wireless Video Transmission – Cable Grant	Communications	Special Revenue Fund	\$5,000	Carryover for wireless video transmission upgrade and technology improvement
ARPA Emergency Assistance	Housing	Special Revenue Fund	\$150,000	Budget allocation of ARPA funding for Emergency Rental Assistance on back rent, utilities and moving expenses
ARPA Administration – IT	General Government	Special Revenue Fund	\$120,000	Budget allocation of ARPA funding for Software Developer position in IT
ARPA Administration – Finance	General Government	Special Revenue Fund	\$75,000	Budget allocation of ARPA funding for a Payroll and Accounts Payable position upgrade in Finance
ARPA Administration – City Administration	General Government	Special Revenue Fund	\$120,000	Budget allocation of ARPA funding for an ARPA Coordinator to administer ARPA funding
ARPA Administration – City Administration	General Government	Special Revenue Fund	\$100,000	Budget allocation of ARPA funding for Community Engagement on ARPA Spending

Council Priority

Fiscally Sustainable Government

Environmental Considerations

Several items in this budget amendment promote energy efficiency and sustainable practices. Most of the amendments related to sustainability will enable delayed projects that will have an environmental benefit to revisited in Fiscal 2022.

Fiscal Considerations

General Fund (GF) Fund Balance: Net decrease \$1,256,842

- Increase GF Departmental expenditure by \$687,800
- Increase total Capital Improvement Program (CIP) expenditures by \$569,042

Special Revenue Fund (SRF) Fund Balance: Net decrease \$595,000

- Increase SRF expenditure by \$595,000

Stormwater Fund (SWF) Fund Balance: Net decrease \$395,000

- Increase Stormwater expenditure by \$395,000

Racial Equity Considerations

Many of the carryover items will assist people being disproportionately affected by COVID-19 via direct and indirect funding.

Attachments and Links

- Draft Ordinances

Introduced by: Councilmember

First Reading:

Second Reading:

Effective Date:

**CITY OF TAKOMA PARK, MARYLAND
ORDINANCE NO. 2021-**

DRAFT FY 2022 BUDGET AMENDMENT NO. 1

WHEREAS, the Fiscal Year (FY) 2022 budget was adopted by the City Council on May 19, 2021; and

WHEREAS, since this date, certain expenditures originally anticipated to occur during Fiscal Year 2021 were delayed, requiring modification to the Fiscal Year 2022 budget; and

WHEREAS, certain ADA Sidewalk Improvements are delayed, the remaining amount \$300,000 is carried over to Fiscal Year 2022 under Public Works; and

WHEREAS, the Housing and Community Development Public Arts project fund in the amount of \$8,000 needs to be carried over due to delivery issues; and

WHEREAS, Bike Improvement projects were postponed due to the pandemic and funds in the amount of \$50,000 need to be carried over; and

WHEREAS, Public Land Management projects in the amount of \$40,000 need to be carried over following up on plans to address various factors impacting the quality of public space; and

WHEREAS, the implementation of the Bus Shelters budget line carries over an amount of \$60,000 for bus shelter improvement; and

WHEREAS, the Planning Division will carry over \$48,000 for streetscape improvements to compensate for Fiscal Year 2021 supply chain delays due to the pandemic; and

WHEREAS, Legislative Division funds in the amount of \$6,000 need to be carried over to provide additional opportunities for conferences and training conventions; and

WHEREAS, City Commissions funding under the Legislative Division shows a carryover of \$4,000 to provide new orientation programming and member incentives; and

WHEREAS, in City Administration, carryover funds totaling \$5,000 need to be carried over to provide additional conference and training convention opportunities; and

WHEREAS, Contract Services for Information Technology reflects a \$125,000 increase for an Enterprise Resource Planning (ERP) upgrade to improve Human Resources and Finance Departments' systems; and

WHEREAS, the Salary and Fringe Benefits for Human Resources in the amount of \$40,000 are increased to provide additional staff capacity for HRIS system migrations; and

WHEREAS, the Human Resources training funds in the amount of \$3,000 need to be carried over to facilitate systems consolidation; and

WHEREAS, Human Resources Recruitment Process funds in the amount of \$28,000 need to be carried over due to hiring delays; and

WHEREAS, Contract Services for Human Resources in the amount of \$3,900 need to be carried over for systems consolidation support; and

WHEREAS, Contract Services for City Clerk need to be increased by \$75,000 for the completion of redistricting prior to the next City Elections; and

WHEREAS, Salary and Fringe Benefits for Police Communications are increased in the amount of \$30,000 to reduce staff turnover and allow for promotional opportunities for dispatchers; and

WHEREAS, a \$1,900 carryover will provide the City Clerk's office with funds for additional conference opportunities not realized in Fiscal Year 2021; and

WHEREAS, the City Clerk training carryover in the amount of \$1,000 will provide additional training opportunities not realized in Fiscal Year 2021; and

WHEREAS, Contract Services for the Police promotional process has a \$37,700 carryover; and

WHEREAS, from the unspent FY21 budget of Finance Office, \$11,000 needs to be carried over, including Conference (\$5,000) and Training (\$6,000), due to staff turnover; and

WHEREAS, the amount of \$10,000 in Investment Assistance under Finance Contracts needs to be carried over due to complete investment consultations; and

WHEREAS, the Site Improvements-Planning funds in the amount of \$48,000 need to be carried over due to the delay in the delivery of replacement benches, and recycling receptacles because of supply chain issues; and

WHEREAS, Contract Services funding for Planning in the amount of \$11,800 needs to be carried over due to work delays from staff vacancies; and

WHEREAS, funds for Planning Publicity for outreach and engagement activities in the amount of \$3,000 needs to be carried over to be used for outreach and public engagement projects; and

WHEREAS, Printing funds for public outreach through publications, bus shelter ads and other means in the amount of \$10,000 are carried over since staff shortages prevented use in Fiscal Year 2021 and the Planning Division is now fully staffed in Fiscal Year 2022; and

- WHEREAS, the Transit-Pedestrian Project funds used for pedestrian safety, Safe Routes to School, and bike promotion in the amount of \$17,000 needs to be carried over by the Planning Division; and
- WHEREAS, the iCan Shine camp was canceled during the pandemic and grant match funds in the amount of \$6,000 need to be carried over; and
- WHEREAS, the Conference-Planning funds in the amount of \$6,000 need to be carried over to be used for expanded skill programs including race equity and public engagement; and
- WHEREAS, the Association Dues-Planning funds in the amount of \$2,500 need to be carried over to provide for memberships that were not included in the FY22 budget; and
- WHEREAS, the training budget for Planning carries over \$1,000 to provide for the Eco-Districts Certification and Dignity Institute for staff; and
- WHEREAS, the Contract Services for Arts and Humanities in the amount of \$2,400 need to be carried over to complete Arts Honoria, and
- WHEREAS, funds for Arts and Humanities publicity in the amount of \$1,600 needs to be carried over to be used for additional outreach for art events; and
- WHEREAS, a Communications carryover in the amount of \$5,000 is included for website upgrades; and
- WHEREAS, the budget for Sustainability Contracts in the amount of \$192,000 needs to be carried over in the Public Works Fiscal Year 2022 budget due to implementation delays during the pandemic, with funds added for low and moderate income rebates program (\$30,000), single family energy efficiency rebates (\$20,000), business sustainability assistance (\$22,000), multifamily assistance (\$70,000), and sustainability outreach activities (\$50,000); and
- WHEREAS, the budget for Equipment Replacement Expenditure is increased by \$52,965 plus a \$31,277 carryover due to delays in deliveries and price increases for the Leaf Collection Vacuum and Pick-Up Truck #244; and
- WHEREAS, the budget for Equipment Replacement Reserve Expenditures is increased by \$26,800 due to a delay in purchasing the Police License Plate Reader; and
- WHEREAS, Cable Grant Capital projects in the Special Revenue Fund in the amount of \$30,000 need to be carried over, including (\$20,000) Closed Captioning, (\$5,000) Sports Production and (\$5,000) Wireless Video Transmission due to the technology upgrade; and
- WHEREAS, a budget allocation for ARPA-funded Housing Emergency Rental Assistance in the amount of \$150,000 is included to assist residents with back rent, utilities and moving expenses; and

WHEREAS, the budget for ARPA Administration in the Special Revenue Fund in amount of \$315,000 is allocated for the hiring of a Software Developer (\$120,000), Finance Payroll and Accounts Payable Specialist (\$75,000), and ARPA Coordinator (\$120,000); and

WHEREAS, a budget for ARPA-funded Community Engagement is added to the Special Revenue Fund in the amount of \$100,000 to facilitate outreach; and

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

SECTION 1. The Fiscal Year 2022 Budget is amended as follows:

General Fund – Expenditures

1. Appropriate \$6,000 to account 1110-70025, Conference, to provide funds for conference expenses.
2. Appropriate \$4,000 to account 1110-70016, City Commissions, etc., to provide funds for new orientation program expenses.
3. Appropriate \$1,900 to account 1170-70025, Conference, to provide funds for conference expenses.
4. Appropriate \$1,000 to account 1170-70050, Training, to provide funds for training expenses.
5. Appropriate \$37,700 to account 2100-61040, Contracts, to provide funds for Police Promotional Process.
6. Appropriate \$10,000 to account 1130-70009, Investment Expenditures, to provide funds for Investing consulting fee.
7. Appropriate \$5,000 to account 1130-70025, Conference, to provide funds for conference expenses.
8. Appropriate \$6,000 to account 1130-70050, Training, to provide funds for training expenses.
9. Appropriate \$5,000 to account 1120-70025, Conference, to provide funds for conference expenses.
10. Appropriate \$125,000 to account 1150-61040, Contracts, to provide funds for Enterprise Resource Planning (ERP) upgrade expenses.
11. Appropriate \$40,000 to account 1160-40010 and 1160-40200, Salary and Fringe Benefits, to provide funds for system migration.
12. Appropriate \$3,000 to account 1160-70050, Training, to provide funds for system migration.
13. Appropriate \$28,000 to account 1160-70090, Recruit/Applicant Process for expected increased in hiring volume.
14. Appropriate \$3,900 to account 1160-61040, Contracts, to facilitate HR system migration.
15. Appropriate \$75,000 to account 1170-61040, Contracts, to facilitate the completion of redistricting.
16. Appropriate \$30,000 to account 2200-40010 and 2200-40200, Salary and Fringe Benefits, to provide funds for Police dispatch upgrades.

17. Appropriate \$192,000 to account 3600-61040, Sustainable Contracts, to provide funds for various sustainable projects.
18. Appropriate \$48,000 to account 5400-53070, Site Improvement, to provide funds for place making and streetscape improvements.
19. Appropriate \$11,800 to account 5400-61040, Contracts, to provide funds for the implementation of contract services.
20. Appropriate \$3,000 to account 5400-64010, Publicity, to provide funds for the outreach efforts.
21. Appropriate \$10,000 to account 5400-65015, Printing, to provide funds for the bus shelter ads, publications and media in multiple languages.
22. Appropriate \$17,000 to account 5400-70014, Transit -Pedestrian Project, to provide funds for projects to increase pedestrian safety and bike promotion.
23. Appropriate \$6,000 to account 5400-70015, iCanShine, to provide funds for improved facilities for outdoor riders.
24. Appropriate \$6,000 to account 5400-70025, Conference, to provide funds for conference expenses.
25. Appropriate \$2,500 to account 5400-70035, Association Dues, to provide funds for housing and non-profit developers membership fees.
26. Appropriate \$1,000 to account 5400-70050, Training, to provide funds for attending training.
27. Appropriate \$2,400 to account 5700-61040, Contracts, to provide funds for Arts Honoraria.
28. Appropriate \$1,600 to account 5700-64010, Publicity, to provide funds for the design of the resource guides.
29. Appropriate \$5,000 to account 6000-62007, Website, to provide funds for the city's website upgrade.
30. Appropriate \$158,000 to account 9100-80000, Capital Equipment Expenditure, to provide funds for:
 - a. \$60,000 for the Bus Shelter installation.
 - b. \$40,000 for Public Land Management.
 - c. \$50,000 for Bike Improvements.
 - d. \$8,000 for Public Art funds.
31. Appropriate \$111,042 to account 9100-80003, Equipment Reserve Expenditure, to provide funds for:
 - a. \$52,965 for the Leaf Collection Vacuum.
 - b. \$31,277 for Pick-Up Truck #244.
 - c. \$26,800 for License Plate Reader.
32. Appropriate \$300,000 to account 9100-80009, Sidewalks, to provide fund for the ADA sidewalks:
 - a. \$50,000 for the City Sidewalks.
 - b. \$150,000 for SHA Sidewalks.
 - c. \$100,000 for the new Sidewalks.

Special Revenue Fund – Expenditures

1. Appropriate \$30,000 to account 0010-0010-72410, Cable Grant Expenditure, to provide fund for Capital Projects:
 - a. \$20,000 for the CIP Closed Captioning.
 - b. \$5,000 for the Sports Production.
 - c. \$5,000 for the Wireless Video Transmission.
2. Appropriate \$150,000 to account 0010-0010-72430, ARPA Housing Emergency Assistance Expenditure, to provide fund for rental assistance and back rent to the city residents.
3. Appropriate \$120,000 to account 0010-0010-72420, ARPA Administration, to provide fund for the hiring of a Software Developer.
4. Appropriate \$75,000 to account 0010-0010-72470, ARPA Administration Finance, to provide fund for the hiring of Payroll and AP Specialist.
5. Appropriate \$120,000 to account 0010-0010-72460, ARPA Administration, to provide fund for the hiring of ARPA Coordinator.
6. Appropriate \$100,000 to account 0010-0010-72440, ARPA Administration Community Engagement, to provide fund for the community activities.

SECTION 2. The City's Capital Improvement Program for FY 2022 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, 2021 by Roll Call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT:

Introduced by:

First Reading:

Second Reading:

Effective Date:

**CITY OF TAKOMA PARK, MARYLAND
ORDINANCE NO. 2021-XX**

**FY 2022 STORMWATER MANAGEMENT FUND
BUDGET AMENDMENT NO. 1**

WHEREAS, the Fiscal Year (FY) 2022 Stormwater Management Fund budget was adopted by the City Council on May 19, 2021; and

WHEREAS, unspent funds for Capital Improvement Projects in the amount of \$295,000 need to be carried over due to the delayed implementation of various projects; and

WHEREAS, unspent funds in the Stormwater Outside Parts and Labor account in the amount of \$100,000 need to be carried over allow for completion of Fiscal Year 2021 Stormwater projects in Fiscal Year 2022; and

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

SECTION 1. The Fiscal Year 2022 Stormwater Management Fund Budget is amended as follows:

Stormwater Management Fund-Expenditures

1. Appropriate \$295,000 to 0030-0030-80001, Capital Projects Expenditure, to carry over unspent funds in the Capital Projects due to the delay implementation of the planned projects.

2. Appropriate \$100,000 to 0030-0030-53350, Outside Labor and Parts, due to the delayed Stormwater projects.

SECTION 2. Use of fund balance in the amount of \$325,700 is hereby authorized to supplement other fund revenues and financing sources:

SECTION 3. This Ordinance shall become effective upon adoption.

Adopted this ____ day of ____, 2021 by Roll Call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: