



## Takoma Park City Council Meeting – April 20, 2022 Agenda Item 6

### Work Session

FY 2022 Budget Amendment No. 4

### Recommended Council Action

Approve Draft Ordinances for FY 2022 Budget Amendment No. 4

### Context with Key Issues

The Fiscal Year (FY) 2022 Budget was adopted by the City Council on May 19, 2021, Budget Amendment No.1 was adopted on July 28, 2021; Budget Amendment No. 2 was adopted on October 6, 2021; and Budget Amendment No.3 was adopted on February 9, 2022. Since the last amendment, either new operational needs have arisen with unforeseen costs, or delayed expenditures need to be addressed which require changes to the approved Fiscal 2022 budget. In particular, several Capital Improvement Projects in the General Fund are expected to be delayed, including the Library Construction. In addition, during the preparation of the FY23 Proposed Budget, the staff from all the departments participated in a city-wide cost management activity in an effort to reduce the expenditures and the budget deficit in FY22. With the availability of Federal Aid, a number of community projects are moved from General Fund and consolidated in ARPA Fund. In the Housing and Community Development Department and Public Works, several grant receipts are accounted for in this budget amendment.

Department/Division	Funding Source	Account Title	Reason for Amendment	Amount
General Government-City Manager's Office	General Fund	Salaries and Fringe Benefits	Increase to provide for position move to City Manager's Office from Recreation	\$14,293.99
General Government-City Manager's Office	General Fund	Contracts	Reduction due to ARPA funding available for Community Ambassador, Community Engagement and Racial Equity programs	(\$175,000)
General Government-Finance	General Fund	Independent Auditor and Contracts	Increase to provide for Audit Services and Annual Report preparation under new contract	\$9,500
General Government-Legal Services	General Fund	Labor/Employment Legal Services	Increase spending expected in the 4 <sup>th</sup> quarter	\$77,000
General Government-Human Resources	General Fund	Salaries	Reduction due to vacancy Savings of Human Resources Director	(\$4,569.89)
<i>General Government Expenditure Subtotal</i>				(\$78,775.90)
Police-Office of Chief	General Fund	Accreditation	Reduction due to program removal in current year	(\$15,000)
Police-Operation	General Fund	Salaries	Reduction due to three vacancy savings	(\$53,897)

Submitted by: Susan Cheung, Finance Director  
Approved by: Jamal T. Fox, City Manager

Posted: 2022-04-15

Police-Operation	General Fund	Overtime	Reduction of overtime hours in Operation Division	(\$25,000)
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Department	Funding Source	Account Title	Reason for Amendment	Amount
Police-Operation	General Fund	Overtime Court	Reduction of overtime court hours	(\$10,000)
Police-Operation	General Fund	Overtime Staff Shortage	Reduction of overtime staff shortage hours	(\$10,000)
Police-Operation	General Fund	Fringe Benefits	Reduction of fringe benefit due to the three vacant positions	(\$11,000)
Police-Investigation	General Fund	Overtime	Reduction of overtime hours	(\$5,000)
Police-Admin Service	General Fund	Printing	Reduction of printing costs	(\$10,000)
<i>Police Expenditure Subtotal</i>				(\$139,897)
Public Works	General Fund	Salaries	Reduction due to the freeze of Building Maintenance Specialist position	(\$10,000)
Public Works	General Fund	Salaries	Reduction due to the freeze of Mechanic position	(\$26,408)
Public Works	General Fund	Seasonal Salaries	Reduction due to vacancies in the leaf collection unit	(\$10,356)
Public Works	General Fund	Temporary Assistance	Reduction due to expenditure freeze	(\$10,114)
Public Works	General Fund	Park Supplies	Reduction due to expenditure decrease	(\$5,000)
Public Works	General Fund	Street Light	Increase in spending expected in the 4 <sup>th</sup> quarter	\$7,000
Public Works	General Fund	Salaries	Reduction due to payment correction from Workers Compensation	(\$13,913)
Public Works	General Fund	Temporary Assistance	Increase to provide for additional staff assistance in Sanitation Division	\$129,000
<i>Public Works Expenditure Subtotal</i>				\$60,209
Recreation	General Fund	Salaries	Reduction due to freeze of Youth Success Coordinator position	(\$12,000)
Recreation	General Fund	Contracts	Reduction due to decrease funding for the teen contractors	(\$6,000)

Recreation	General Fund	Youth Success	Reduction due to extended vacancy until the fiscal year ends	(\$12,000)
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Department/Division	Funding Source	Account Title	Reason for Amendment	Amount
Recreation	General Fund	Salaries & Fringe	Reduction due to position move to City Manager's Office	(\$14,293.99)
Recreation	General Fund	Rentals	Reduction due to Library Construction delay and rental units not required	(\$7,000)
Recreation	General Fund	Contracts	Reduction due to the decrease funding for class contracts	(\$5,000)
<i>Recreation Expenditure Subtotal</i>				(\$56,293.99)
Housing & Community Development	General Fund	Part-time Salaries	Reduction due to freeze of Grant Coordinator position	(\$7,417.50)
Housing & Community Development	General Fund	Site Improvement	Reduction due to decrease in funding	(\$15,000)
Housing & Community Development	General Fund	Contracts	Reduction due to delay of Public Space Management project	(\$65,000)
Housing & Community Development	General Fund	Transit-Pedestrian	Reduction due to decrease in funding	(\$14,000)
Housing & Community Development	General Fund	Intern Salaries	Reduction due to freeze of Economic Development Intern position	(\$9,500)
Housing & Community Development	General Fund	Contracts	Reduction due to the availability of ARPA Fund for the Recreation Center Feasibility Study	(\$50,000)
Housing & Community Development	General Fund	Contracts	Reduction due to the availability of ARPA Fund for the Work Force Development Study	(\$10,000)
Housing & Community Development	General Fund	Software	Reduction due to the delay of New Avenue Website Redesign Project	(\$8,000)
<i>Housing and Community Development Expenditure Subtotal</i>				(\$178,917.50)
Library	General Fund	Supplemental Assistance	Reduction due to the delay of Library Construction and reduced use of supplemental assistance	(\$10,000)
Library	General Fund	Contract	Reduction due to the delay of the Hotspot Lending Program	(\$15,000)
<i>Library Expenditure Subtotal</i>				(25,000)
Inter-Departmental	General Fund	Community Partner Program	Reduction due to the delay of the CP2 Grants	(\$75,000)
<i>Inter-Departmental Expenditure Subtotal</i>				(\$75,000)
<i>Departmental Expenditure Subtotal</i>				(\$493,675.39)

Capital Improvement	General Fund	Equipment Replacement Expenditure	Increase to provide for the extra cost of a police vehicle	\$8,135.95
Capital Improvement	General Fund	Street Improvement	Reduction due to reduced planned paving	(\$250,000)

Department/Division	Funding Source	Account Title	Reason for Amendment	Amount
Capital Improvement	General Fund	Sidewalks	Reduction due to reduced planned sidewalk repair	(\$200,000)
Capital Improvement	General Fund	Library Construction	Reduction due to the delay of signing the contract	(\$4,250,479)
<i>Capital Improvement Expenditure Subtotal</i>				(\$4,692,343.05)
Housing & Community Development	Special Revenue Fund	New Hampshire 6530	Funding Increase due to new grant awarded	\$500,000
Housing & Community Development	Special Revenue Fund	New Hampshire 6530	Reimbursement to cover for the grant expenditure	(\$500,000)
Housing & Community Development	Special Revenue Fund	Maryland Citizen of Arts	Funding Increase due to new grant awarded	\$3,150
Housing & Community Development	Special Revenue Fund	Maryland Citizen of Arts	Reimbursement to cover for the grant expenditure	(\$3,150)
Public Works	Special Revenue Fund	WSSC Flower Avenue	Funding increase due to the retainage payment	\$117,873.13
Public Works	Special Revenue Fund	WSSC Flower Avenue	Reimbursement to cover for the retainage payment	(\$117,873.13)
<i>Special Revenue Fund Subtotal</i>				0
<b>Grand Total</b>				(\$5,186,018.44)

\*In general, the amount in bracket ( ) represents budget decrease in expenditure and the amount without the bracket represents budget increase in expenditure. On the contrary, revenue increase is represented by the amount in bracket ( ) and revenue decrease is represented by the amount without the bracket. In Special Revenue Fund (SRF), the grant expenditure increases must coincide with revenue (grant reimbursement) increases within the same fiscal/accounting period. Therefore, the net budget increase in Special Revenue Fund is zero, as can be seen in the Fiscal Considerations section of this memo below. Refer to the "reason for amendment" column for budget item descriptions

### Council Priority

Fiscally Sustainable Government

### Environmental Considerations

None of the items in this budget amendment directly promote energy efficiency and sustainable practices.

### Fiscal Considerations

Funding Source	Budget Amendment Type	
	FY22 Expenditure	
General Fund	\$	(5,186,018.44)
Special Revenue -Grants	\$	-
ARPA Fund	\$	-
<b>Total</b>	<b>\$</b>	<b>(5,186,018.44)</b>

Appropriation by Department	Budget Amount	
<b>General Fund Total</b>	<b>\$</b>	<b>(5,186,018.44)</b>
Revenue	\$	-
<b>Revenue Subtotal</b>	<b>\$</b>	<b>-</b>
Expenditure		
General Government	\$	(78,775.90)
Police	\$	(139,897.00)
Public Works	\$	60,209.00
Recreation	\$	(56,293.99)
Housing and Community Development	\$	(178,917.50)
Library	\$	(25,000.00)
Inter-Departmental	\$	(75,000.00)
Capital Improvement Program	\$	(4,692,343.05)
<b>Expenditure Subtotal</b>	<b>\$</b>	<b>(5,186,018.44)</b>
<b>Special Revenue - Grants Total</b>	<b>\$</b>	<b>-</b>
Public Works	\$	-
Housing and Community Development	\$	-
Library	\$	-
<b>Grand Total</b>	<b>\$</b>	<b>(5,186,018.44)</b>

### Racial Equity Considerations

The New Hampshire Avenue 6530 project will provide housing improvements for low-income residents. The Public Space Management Plan request for proposals puts a strong emphasis on racial equity and equitable community engagement around use of public spaces.

### Attachments and Links

- Draft Ordinances

Introduced by: Councilmember

First Reading:  
 Second Reading:  
 Effective Date:

**CITY OF TAKOMA PARK, MARYLAND  
 ORDINANCE NO. 2022-**

**FISCAL YEAR 2022 BUDGET AMENDMENT NO. 4**

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

WHEREAS, since this date, certain expenditures are more or less than originally anticipated requiring modification to the Fiscal Year 2022 budget; and new operational needs have arisen that were not accounted for in the Fiscal Year 2022 budget including the receipt of grant funding and a city-wide cost management initiative; and

WHEREAS, those budget adjustments are listed in the table below by Department with an explanation for the adjustment and the amount to be adjusted in the Fiscal Year 2022 budget for each funding source;

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General Government-Finance	General Fund	Independent Auditor and Contracts	Increase to provide Audit Services and Annual Report preparation under new contract	\$9,500
General Government-Legal Services	General Fund	Labor/Employment Legal Services	Increase spending expected in the 4 <sup>th</sup> quarter	\$77,000
General Government-Human Resources	General Fund	Salaries	Vacancy Savings of Human Resources Director	(\$4,569.89)
<i>General Government Expenditure Subtotal</i>				(\$78,775.90)
Police-Office of Chief	General Fund	Accreditation	Reduction due to program removal in current year	(\$15,000)
Police-Operation	General Fund	Salaries	Reduction due to three vacancy savings	(\$53,897)
Police-Operation	General Fund	Overtime	Reduction of overtime hours in Operation Division	(\$25,000)

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<i>Police Expenditure Subtotal</i>				<i>(\$139,897)</i>
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<i>Recreation Expenditure Subtotal</i>				<i>(\$56,293.99)</i>
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Housing & Community Development	General Fund	Software	Reduction due to the delay of New Avenue Website Redesign Project	(\$8,000)
<i>Housing and Community Development Expenditure Subtotal</i>				<i>(\$178,917.50)</i>
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<i>Library Expenditure Subtotal</i>				<i>(\$25,000)</i>
Inter-Departmental	General Fund	Community Partner Program	Reduction due to the delay of the CP2 Grants	(\$75,000)
<i>Inter-Departmental Expenditure Subtotal</i>				<i>(\$75,000)</i>
<i>Departmental Expenditure Subtotal</i>				<i>(\$493,675.39)</i>
Capital Improvement	General Fund	Equipment Replacement Expenditure	To provide funds for the extra cost of a police vehicle	\$8,135.95
Capital Improvement	General Fund	Street Improvement	Reduction due to reduced/delayed planned paving	(\$250,000)



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Public Works	Special Revenue Fund	WSSC Flower Avenue	Funding increase due to the retainage payment	\$117,873.13
Public Works	Special Revenue Fund	WSSC Flower Avenue	Reimbursement to cover for the retainage payment	(\$117,873.13)
<i>Special Revenue Fund Subtotal</i>				<i>\$0</i>
<b>Grand Total</b>				<b>(\$5,186,018.44)</b>

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-Transfers**

1. Transfer \$9,300 from 5400-70015, iCanShine, to account 5400-61040, Contract, to provide funds for contract expenditure in the Planning Division.
2. Transfer \$10,451.72 from 4200-40010, Salaries, to account 1120-40010, Salaries, to provide funds for the change in position to the City Manager’s Office.
3. Transfer \$3,842.27 from 4200-40200, Fringe Benefits, to account 1120-40200, Fringe Benefits, to provide funds for the change in position to the City Manager’s Office.

**General Fund – Expenditures**

1. Reduce \$125,000 to account 1120-61040, Contract, due to the use of ARPA fund for the Community Engagement and Racial Equity.

2. Reduce 50,000 to account 1120-61040, Contract, due to the use of ARPA fund for the Community Ambassador program.
3. Appropriate \$7,500 to account 1130-61015, Independent Auditor, and \$2,000 to account 1130-61040, Contract, to provide funds for the cost increase in audit services and annual report preparation under the new contract.
4. Appropriate \$77,000 to account 1140-61020, Labor Employment Legal Services, due to higher spending expected in the fourth quarter.
5. Reduce \$4,569.89 to account 1160-40010, Salaries, due to vacancy savings of Human Resources Director.
6. Reduce \$15,000, to account 2100-70065, Accreditation, due to removal of program in the current Fiscal Year.
7. Reduce \$53,897 to account 2300-40010, Salaries, due to vacancy savings of three positions.
8. Reduce \$25,000 to account 2300-40030, Overtime, due to reduction of overtime costs in the Police Operation Division.
9. Reduce \$10,000 to account 2300-40034, Overtime Court, due to reduction of overtime costs in the Police Operations Division.
10. Reduce \$10,000 to account 2300-40035, Overtime Staff Shortage, due to reduction of overtime costs in the Police Operations Division.
11. Reduce \$11,000 to account 2300-40200, Fringe Benefits, due to lower fringe costs of the three vacant positions.
12. Reduce \$5,000 to account 2400-40030, Overtime, due to reduction of overtime costs in the Investigation Division.
13. Reduce \$10,000 to account 2500-65015, Printing, due to the reduction of printing costs.
14. Reduce \$10,000 to account 3200-40010, Salaries, due to the freeze of Building Maintenance Specialist position.
15. Reduce \$26,408 to account 3300-40010, Salaries, due to the freeze of Mechanic position.
16. Reduce \$10,356 to account 3400-40016, Seasonal Salaries, due to the staff vacancies in leaf collection unit.
17. Reduce \$10,114 to account 3400-40700, Temporary Assistance, due to the personnel cost reduction.
18. Reduce \$5,000 to account 3400-52800, Park Supplies, due to reduced expenditure in Fiscal Year 2022.
19. Appropriate \$7,000 to account 3400-67130, Street Light, due to the additional supply costs.
20. Reduce \$13,913 to account 3500-40010, Salaries, due to the payment correction from Worker Compensation during the employee injury leave.
21. Appropriate \$129,000 to account 3500-40700, Temporary Assistance, due to addition staff assistance in Sanitation Division.
22. Reduce \$12,000 to account 4200-40010, Salaries, due to freeze of Youth Success Coordinator position through June 2022.
23. Reduce \$6,000 to account 4200-61040, Contracts, due to the reduced funding for the teen contractors.

24. Reduce \$12,000 to account 4200-71004, Youth Success, due to the extended period of vacant position until the end of the fiscal year.
25. Reduce \$7,000 to account 4500-69200, Rentals, due to the delay of Library Construction, so that the funds will not be required in FY22.
26. Reduce \$5,000 to account 4800-61040, Contracts, due to the reduced funding for class contracts.
27. Reduce \$7,417.50 to account 5400-40015, Salaries, due to freeze of Grant Coordinator position.
28. Reduce \$15,000 to account 5400-53070, Site Improvement, due to reduced funding for the project.
29. Reduce \$65,000 to account 5400-61040, Contracts, due to the delay of Public Space Management Project.
30. Reduce \$14,000 to account 5400-70014, Transit-Pedestrian Project, due to the reduced funding for the project in the current year.
31. Reduce \$9,500 to account 5600-40011, Intern Salaries, due to freeze of Economic Development Intern position.
32. Reduce \$50,000 to account 5600-61040, Contracts, due to the use of ARPA fund for the Recreation Center Feasibility Study.
33. Reduce \$10,000 to account 5600-61040, Contracts, due to the use of ARPA fund for the Work Force Development Study.
34. Reduce \$8,000 to account 5600-64011, Software, due to the delay of New Avenue Website Redesign Project.
35. Reduce \$10,000 to account 7000-40800, Supplemental Assistance, due to the use reduction of the supplemental assistance with the delay of the Library Construction.
36. Reduce \$15,000 to account 7000-61040, Contract, due to the delay of the Hotspot Lending Program.
37. Reduce \$75,000 to account 9000-71600, Community Partner, due to the delay of the CP2 Grants.
38. Appropriate \$8,135.95 to account 9100-80003, Equipment Reserve Expenditure, to provide funds for extra cost of the replacement of a police vehicle.
39. Reduce \$250,000 to account 9100-80007, Street Improvement, due to the reduce planned paving to lower the expenditures.
40. Reduce \$200,000 to account 9100-80009, Sidewalks, due to the reduce planned sidewalk repair to lower the expenditures.
41. Reduce \$4,250,479 to account 9100-80013, Library Construction, due to the delay of signing the contract.

**Special Revenue Fund – Revenues**

1. Appropriate \$500,000 to account 0010-39150, New Hampshire 6530, to provide funds for new grant fund.
2. Appropriate \$3,150 to account 0010-37040, Maryland Citizen of Arts, to provide funds for the new grant fund.

3. Appropriate \$117,873.13 to account 0010-36930, WSSC Flower Avenue Green Street, to provide funds for the retainage payment to be reimbursed by WSSC.

**Special Revenue Fund – Expenditures**

1. Appropriate \$500,000 to account 0010-71780, New Hampshire 6530, to provide funds for new grant fund.
2. Appropriate \$3,150 to account 0010-68018, Maryland Citizen of Arts, to provide funds for the new grant fund.
3. Appropriate \$117,873.13 to account 0010-80020, WSSC Flower Avenue Green Street, to provide funds for the retainage of the street project.

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 \_\_\_\_\_ by Roll-Call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: