

Office of the County Auditor
Auditor's Analysis

Transfer of Appropriation Ordinance No. 1–FY 2022

Introduced: July 6, 2021

Auditor: Maya Cameron

Fiscal Impact:

The fiscal impact of this legislation will be an \$8 million increase to the Fiscal Year 2022 Capital Budget's appropriation of grant funding. There is no County match required by this award.

The Administration's testimony states that this grant "eliminates the need for \$700,000 currently budgeted in FY22 T-Tax for the replacement of Schooley Mill Park and Warfields Pond Park playground equipment and safety surfacing" in Capital Project N3108.

However, per the Director of the Budget Office, no decisions have been made as to the removal or repurposing of the \$700,000 of Transfer Tax appropriation.

Corresponding decreases in other funding sources in the FY22 Capital Program could result from this new appropriation. Per the Director of the Department of Recreation and Parks (DRP), this grant eliminates the need for the following:

- \$1.3 million of GO Bonds in FY 2023 in Capital Project N3108 for the replacement of athletic lighting at Centennial Park – West Area; and
- \$6 million of GO Bonds in proposed FY 2029 and FY 2030 in Capital Project N3962 for the design and renovation of Centennial Park- West Area facilities.

NOTE: We asked why all the grant funding is being appropriated in Capital Project N3108, considering that the Administration's testimony states that \$6 million of the expenditures are planned out of Capital Project N3962 for Centennial Park. According to the Director of DRP:

"Project N3108 can accommodate all types of systemic park improvements throughout the County. The grant funding is currently intended for multiple sites. If expenses for the proposed Centennial Park improvements are lower than anticipated, then we wouldn't have to go through a budget revision process to utilize remaining N3108 funds on qualifying park improvements outside of Centennial Park."

We believe that the Administration should consider appropriating the portion of the grant funds in the stand-alone project, up to the amount they intend to utilize at Centennial Park. This would allow better tracking of grant expenditures. If budget transfers are necessary, this could be accomplished during the FY 2023 Budget Ordinance.

The Director of DRP also anticipates decreased ongoing maintenance and operating costs resulting from the updated facilities to be constructed with this grant award. Increased revenues from the transition to turf fields at the Centennial Park – West Area are anticipated, as well.

Purpose:

The purpose of this Transfer of Appropriation Ordinance 1-FY2022 is to establish an \$8 million capital grant appropriation in Capital Project N3108 – Park Systemic Improvements. The \$8 million appropriation authority will be transferred from Capital Project C0214 – Category Contingency.

This grant is coming from the Maryland Department of Natural Resources' (DNR) Local Parks and Playground Infrastructure Program, which was authorized via the State's Capital Budget Bill (House Bill 590). The County will use it to support capital improvements at Schooley Mill Park, Warfield's Pond Park, and Centennial Park – West Area.

Other Comments:

Per the Director of DRP:

- The timeline for the completion of the projects to be funded by this award are:
 - Schooley Mill Park and Warfield's Pond Park playground equipment and servicing replacements planning will begin in Summer 2021 and be installed by Spring 2022.
 - Centennial Park – West Area renovations and improvements will begin design by Fall 2021 and be completed by Summer 2022. Construction will last from Fall 2022 to Fall 2023 with a purchase order being issued to a selected contractor by Summer 2022.
- The proposed projects cannot be formally presented to the State's DNR until locally approved.
 - However, the funder did indicate during informal discussions with the County's DRP that they are not concerned with the proposed plan to appropriate this grant.

Per the Director of the Budget Office, the Administration does not plan to prepare amended capital project pages resulting from TAO1-FY2022 in advance of the FY 2023 Capital Budget Book.