



MEMORANDUM

TO: Mayor and City Commission

Thru: Darvin Williams, City Manager

FROM: Hamid Nikvan, Public Utilities/Public Works Director

DATE: June 1, 2026

RE: Washington Park Community Center Redevelopment Project – Budget Transfer

SUBJECT:

Motion to approve a budget transfer in the amount of \$9,766,517.77 within the General Capital Project Fund 391, from Account 539630 – Improvements Other Than Buildings to Account 539620 – Buildings, to provide sufficient appropriations for the architectural and construction management services portion of the Washington Park Community Center Redevelopment Project (Fund 391860), and to authorize the City Manager, or designee, to execute all related documents and take all necessary administrative actions to implement the transfer.

BACKGROUND:

The Washington Park Community Center Redevelopment Project is an approved Capital Improvement Project (CIP) currently underway under General Capital Project Fund 391, Project 391860. The total project value is \$15,325,923.00. The project encompasses redevelopment and construction activities, including architectural and construction management services with an estimated value of approximately \$9.7 million.

During routine requisition processing for the Washington Park Community Center Redevelopment Project, staff identified a funding allocation discrepancy between the project's architectural scope and the available appropriations within the designated expenditure account. The total project

funding is currently concentrated in Account 539630 – Improvements Other Than Buildings, which carries an available balance of \$18,533,498.73. However, the architectural and construction management services portion of the project is programmatically tied to Account 539620 – Buildings, which currently has an available balance of \$0.00.

Approximately \$5.5 million of the project has been entered utilizing project strings associated with Account 539630 – Improvements Other Than Buildings, where sufficient funding exists. The remaining architectural component, valued at approximately \$9.7 million, cannot be processed under the current account structure due to the absence of appropriations in Account 539620 – Buildings.

This budget transfer does not introduce new funds or increase the overall FY 2025–2026 adopted budget. It realigns existing appropriations within the approved project funding structure to allow the requisition to be processed and the project to proceed without delay.

ANALYSIS:

Staff reviewed the project funding structure under General Capital Project Fund 391860 and identified the following key findings:

- **Account Structure and Available Balances:** The Washington Park Community Center Redevelopment Project is funded under General Capital Project Fund 391, with appropriations distributed across the following expenditure accounts:
 - Account 539620 – Buildings: \$0.00 (available balance)
 - Account 539630 – Improvements Other Than Buildings: \$18,533,498.73 (available balance)
 - Account 539640 – Machinery and Equipment: \$0.00 (available balance)
- **Nature of the Discrepancy:** The architectural and construction management services portion of the project is assigned to Account 539620 – Buildings, consistent with applicable accounting standards for building construction and redevelopment services. The current \$0.00 balance in Account 539620 – Buildings prevents the requisition from being processed as currently structured.

- **Existing Expenditures and Available Capacity:** Approximately \$5.5 million in project expenditures has already been entered using project strings tied to Account 539630 – Improvements Other Than Buildings, where sufficient appropriations exist. The remaining architectural component, valued at approximately \$9,766,517.77, requires appropriation within Account 539620 – Buildings.
- **Budget Transfer Scope:** A total budget transfer of \$9,766,517.77 is required, moving available appropriations from Account 539630 – Improvements Other Than Buildings to Account 539620 – Buildings within General Capital Project Fund 391860. The transfer does not increase the overall project budget or the FY 2025–2026 adopted budget and utilizes existing budgeted funds.
- **Commission and City Manager Authorization:** Pursuant to Resolution No. R2025-141, adopted November 17, 2025, the City's Budget Control Policy establishes formal approval thresholds for internal budget transfers. The City Manager has reviewed and authorized this transfer. City Commission approval is required given the amount of the transfer.

Based on the foregoing, the budget transfer is necessary to align available appropriations with the correct expenditure category, ensure proper accounting treatment, and allow the Washington Park Community Center Redevelopment Project to proceed as planned.

RECOMMENDATION:

It is recommended that the City Commission approve a budget transfer in the amount of \$9,766,517.77 within General Capital Project Fund 391, from Account 539630 – Improvements Other Than Buildings to Account 539620 – Buildings, to provide sufficient appropriations for the architectural and construction management services portion of the Washington Park Community Center Redevelopment Project (Fund 391860). It is further recommended that the City Commission authorize the City Manager, or designee, to execute all related documents and take all necessary administrative actions to implement the transfer in accordance with the City's Budget Control Policy.

FISCAL IMPACT:

This action does not increase the overall FY 2025–2026 adopted budget and does not introduce new appropriations. The transfer realigns \$9,766,517.77 of existing Capital Project funds from Account 539630 – Improvements Other Than Buildings to Account 539620 – Buildings within General Capital Project Fund 391860, as detailed in the table below:

From Account Number	From Account Title	Amount	To Account Number	To Account Title
391860-539630	Improvements Other Than Buildings	\$9,766,517.77	391860-539620	Buildings

Following the transfer, the remaining available balance in Account 539630 – Improvements Other Than Buildings under Fund 391860 will be approximately \$8,766,980.96. The Finance Department will process the transfer through the appropriate General Ledger accounts in the City's financial management system.

ALTERNATIVES:

- **Deny or Defer the Budget Transfer:** Decline to approve the budget transfer at this time. This option would prevent the architectural and construction management services requisition from being processed under the current funding structure, resulting in project delays and potential cost escalation for the Washington Park Community Center Redevelopment Project.

ATTACHMENTS:

- Budget Transfer Summary – General Capital Project Fund 391860
- Washington Park Community Center Redevelopment Project Funding Summary
- Resolution No. R2025-141 – City Budget Control Policy (November 17, 2025)
- Resolution No. R2024-33 (Reference)
- Resolution No. R2026-47 (Reference)