

FY 2014 Proposed Budget

April 8, 2013

FY 2014 Proposed Budget

City of Takoma Park

April 8, 2013

Suzanne Ludlow

Acting City Manager

Yovonda Brooks

Finance Director

Guiding Financial Principles

- Maintenance of adequate financial reserves to address timing differences in the receipt of monies and avoid disruption of services
- Maintenance of City infrastructure, equipment and facilities, now and in the future
- Use of reserve funds for only non-recurring initiatives or capital projects.

Continued Economic Uncertainty

- Effect of recession; possible impact of sequester on region
- Municipal tax duplication under study at County level; decision likely months away
- Highway User Revenue level to be discussed after Legislative Session ends

Effect of Recession

Constant Yield Tax Rate increased due to a decline in the value of real property in City

- Real property tax rate would need to be raised from 58 cents (per \$100 assessed valuation) to 60.2 cents just to bring in same amount of property tax revenue
- Next reassessment in Takoma Park not until 2016 so revenue likely to be stagnant for several years

Some Good News

Maryland Transportation Infrastructure Investment Act

- State Highway maintenance
- Purple Line and economic development
- Potential for increased Highway User Revenue

The Numbers

- Total revenues, all funds - \$23,737,261
- Total expenditures, all funds - \$25,497,116
- Total General Fund revenues - \$21,475,884
- Total General Fund expenditures - \$23,319,726

Highlights of Proposed Budget

- Keep tax rate at 58 cents
 - Personal property tax rate stays at 1.55 cents
 - Railroad/Public Utility tax rate stays at 1.57 cents
- Create two-year, half-time position to coordinate and provide service to seniors and others
- Increase amount of recommended contribution to police pension plan by \$100,000

Highlights, continued

- Continue economic development and environmental sustainability initiatives
- Position City for the future:
 - Assess extent to which City's computer hardware and software are appropriate for the future
 - Visioning process of the future role of the Takoma Park Library

Highlights, continued

- In recognition of continued heavy workload for City TV/Auditorium staff, create two full-time positions and reduce use of part-time and contract staff
- In recognition of increasing workload for Information Technology staff, add part-time administration assistant position

Late FY 2013 Changes

- Sunday hours for the Library, Computer Center and Community Center beginning in May; associated increase in budget and staff
- Change from a single position in Police Department (half dispatch supervisor/half emergency management coordinator) to a full-time dispatch supervisor and a half-time emergency management coordinator

Staff Changes

Beginning of FY 2013

- General Government – 16.88
- Police – 55.09
- Speed Camera – 6.26
- Public Works – 32.85
- Stormwater Mgmt – 1.15
- Recreation – 17.73
- Housing & Comm Dev – 10.66
- Special Revenue – 0.40
- Communications – 2.00 +
- Library – 9.00
- TOTAL – 152.02 +

Proposed FY 2014

- General Government – 16.95
- Police – 58.83
- Speed Camera – 3.00
- Public Works – 32.85
- Stormwater Mgmt – 1.15
- Recreation – 19.76
- Housing & Comm Dev – 10.66
- Special Revenue – 0.19
- Communications – 4.00 +
- Library – 10.16
- TOTAL – 157.55 +

Economic Development

- Takoma Junction Streetscape Plan - \$250,000
 - Neighborhood Commercial Imps. - \$100,000
 - Ethan Allen Gateway Streetscape - \$105,000
 - Old Takoma Business Assoc. - \$45,000
 - Feasibility Study - \$35,000
-
- May want to consider New Hampshire Avenue and University Boulevard improvements and/or support for Crossroads Development Authority

Environmental Sustainability

- Completion of Sustainability Action Plan and begin implementation - \$190,000
- Flower Avenue Green Street - \$596,000 from State – no City funds allocated
- Stormwater projects at Maplewood & Maple, Larch & Glaizewood, and Flower & Cherry

Other Expenditures of Interest

- \$166,000 for City's supplement to State Homeowner Property Tax Credit Program
- \$25,000 for emergency assistance services
- Support for City festivals
- \$125,000 for Large Community Grant Program (as yet undesignated)

Unreserved Fund Balance

- Transfer \$1,300,000 to the Equipment Replacement Reserve and \$250,000 to the Facility Maintenance Reserve
- As of June 30, 2014, General Fund fund balance projected to be \$3,899,280
- Recommended minimum balance is \$3 million
- Up to \$899,280 available for one-time expenditures only

Speed Camera Fund

Beginning FY 2013

- Revenue - \$ 3,019,410
- Expenditures - \$ 3,391,819
- 6.26 FTEs
- Capital Projects:
 - Sidewalks/Traffic Calming - \$ 845,000
 - ADA - \$ 600,000
 - Police Equip - \$ 90,845

Proposed FY 2014

- Revenue - \$ 1,507,600
- Expenditures - \$ 1,432,113
- 3.0 FTEs
- Capital Project – Police Equipment - \$315,000
- Moved to General Fund:
 - 3.26 FTEs
 - Sidewalks/Traffic Calming - \$505,000
 - ADA - \$600,000

Budget Review Schedule

- April 8 – Budget Presentation
- April 11 – Work Session
- April 15 – **Public Hearing**; Work Session
- April 18 – May 2: Work Sessions
- April 29 – **Public Hearing**
- May 6 and 9– Budget Reconciliation
- May 13 – **First Reading** of Budget Ordinances
- May 20 – **Second Reading** of Budget Ordinances



Thank you, Council and Staff.