

FISCAL YEAR 2019

FINANCIAL REPORT

FOR THE THREE MONTHS ENDED

September 30, 2018

THE CITY OF
TAKOMA PARK



EXECUTIVE SUMMARY

General Fund Revenues

The General Fund is the chief operating fund of City of Takoma Park and supports the regular day-to-day activities of the City, such as police protection, street and park maintenance, and general administrative functions. The General Fund's activities are supported primarily from two sources: taxes and utility fees and intergovernmental revenues.

Certain General Fund revenues are cyclical in nature. For example, property tax receipts and income tax payments are received during a certain period of time during the year. Other revenue sources are received on a monthly basis and, as a result, are more evenly distributed throughout the fiscal year.

As of September 30, 2018, General Fund revenues totaled \$5,616,859 or 22% of the Fiscal Year 2019 budgeted amount. Explanations are provided for revenue categories where collections were less than 25% and where significant variances were noted.

The largest single source of revenue for the City's general operations is Real Property Taxes. Total collections as of September 30, 2018 were \$888,597, or approximately 7% of the budgeted amount. Along with the Real Property Taxes, the City also received \$54,013 or 13% in Personal Property Tax revenues. There was no revenue received related to Railroad and Public Utilities. The City usually collects the majority of the real property taxes, personal property taxes, and public utilities in October and January, that would explain the lower revenue amount for the first quarter. As for Admission and Amusement and Income Tax, the City did not receive revenue due to the timing of the payments. In some cases, the first quarter revenues are expected to be received by the second quarter.

While the revenue for Public Parking Facilities continues to increase compare to prior years, the revenue for Fines & Forfeitures are decreased. The reduced revenue for Fines & Forfeitures is due to the combination of reasons including temporary staff shortage and the implementation of the ParkMobile. The billings for Inspection Fees and Waste Collection & Disposal Charges are mailed out in December. The revenues will go up in the second quarter. For Bus Shelters Advertising Income, the City receives the payments twice a year. The first payment should be received in January. The City did not receive Farmer's Market revenue in this quarter, payments are usually received once a year in the third quarter. The revenue for Mulch Sales is low, but it will pick up during Spring. In Intergovernmental Revenues, such as Cable Franchise Fees and Operating Fees, majority of these revenues will be collected in the second quarter due to the timing of the process by the other governmental agencies.

Use of Money is \$92,934 or 24% exceeding the budgeted amount. This is due to the increase in interest income from the depository accounts in SunTrust Bank and the undrawn bond balance from the Library and Transportation Bonds.

Stormwater Management Fund

Revenues for the Stormwater Management Fund as of September 30, 2018 totaled \$248,694 or 28% of the budgeted amount.

Fund expenditures totaled \$32,473 or 4% of the budgeted amount.

Speed Camera Fund

As of September 30, 2018, fines collected for the Speed Camera Fund totaled \$307,191 or 23% of the budgeted amount.

Fund expenditures totaled \$195,563 or 14% of the budgeted amount.

Special Revenue Fund

The Special Revenue Fund revenues totaled \$8,379 or less than 1% of the budgeted amount as of September 30, 2018. Grant reimbursements are prepared on a quarterly basis. Grant reimbursements are pending the review and approval of the grantor so they may not be received for several months.

Fund expenditures totaled \$168,502 or 3% of the budgeted amount.

GENERAL FUND REVENUES

FOR THE THREE MONTHS ENDED

SEPTEMBER 30, 2018

REVENUES BY SOURCE:	Actual FY18 Q1	Budgeted FY19	Actual FY19 Q1	Uncollected Revenue*	% Collected
Taxes and Utility Fees					
Real Property	919,050	12,652,357	888,597	11,763,760	7.02%
Personal Property	35,286	420,000	54,013	365,987	12.86%
RR and Public Utilities	0	240,000	0	240,000	0.00%
Penalties and Interest	9,633	40,000	27,013	12,987	67.53%
Admission and Amusement	0	134,000	0	134,000	0.00%
Additions and Abatements	-26,916	-48,000	-3,989	-44,011	8.31%
Highway	0	366,500	295,601	70,899	80.66%
Income Tax	48,727	3,400,000	122,279	3,277,721	3.60%
Total--Taxes and Utility Fees	985,780	17,204,857	1,383,514	15,821,343	8.04%
Licenses and Permits	21,541	73,604	24,685	48,919	33.54%
Fines and Forfeitures	57,461	310,000	49,674	260,326	16.02%
Use of Money and Property	13,069	75,000	92,934	-17,934	123.91%
Charges for Services					
Inspection Fees	1,785	333,595	4,568	329,027	1.37%
Public Parking Facilities	26,229	95,000	28,197	66,803	29.68%
Waste Collection & Disposal Charges	0	69,000	0	69,000	0.00%
Recreation Programs and Services	219,545	504,400	220,557	283,843	43.73%
Library Fines and Fees	5,054	17,000	5,216	11,784	30.68%
Passport Services	17,100	56,000	14,525	41,475	25.94%
Advertising--Bus Shelters	0	9,000	0	9,000	0.00%
Farmer's Market	0	5,772	0	5,772	0.00%
EVI Charger	0	0	0	0	100.00%
Recyclable Sales	0	500	0	500	0.00%
Mulch Sales	2,717	22,000	2,850	19,150	12.95%
Telephone Commissions	0	30	0	30	0.00%
Special Trash Pickup	3,010	8,500	3,220	5,280	37.88%
Total--Charges for Services	275,440	1,120,797	279,133	841,664	24.90%
Intergovernmental Revenues					
Police Protection (State)	101,234	415,436	103,859	311,577	25.00%
State & County MOU Projects	0	162,000	0	162,000	0.00%
Bank Share Tax	5,643	5,643	5,643	0	100.00%
Library Aid	0	164,000	0	164,000	0.00%
Police Rebate	0	1,028,000	0	1,028,000	0.00%

GENERAL FUND REVENUES-Continue

REVENUES BY SOURCE:	Actual FY18 Q1	Budgeted FY19	Actual FY19 Q1	Uncollected Revenue*	% Collected
<i>In Lieu of Police</i>	2,515,147	2,515,147	2,515,147	0	100.00%
<i>In Lieu of Roads Maintenance</i>	743,199	743,199	743,199	0	100.00%
<i>In Lieu of Parks Maintenance</i>	72,913	72,913	72,913	0	100.00%
<i>In Lieu of Crossing Guard</i>	182,384	182,384	182,384	0	100.00%
<i>Takoma/Langley Rec. Agreement</i>	0	85,020	0	85,020	0.00%
<i>Hotel Motel Tax</i>	12,586	118,000	20,801	97,199	17.63%
<i>Cable Franchise Fees</i>	0	228,000	0	228,000	0.00%
<i>Cable—Operating</i>	0	429,000	0	429,000	0.00%
Total--Intergovernmental Revenues	3,633,106	6,148,742	3,643,946	2,504,796	59.26%
Miscellaneous					
<i>Tree Fund</i>	25,000	25,000	25,000	0	100.00%
<i>Sales of Impounded Property</i>	0	1,000	0	1,000	0.00%
<i>Other</i>	7,575	30,000	11,009	18,991	36.70%
<i>Insurance Claims</i>	0	-7,827	500	-8,327	100.00%
<i>Administrative Fees--Parking</i>	1,065	6,000	805	5,195	13.42%
<i>Donations</i>	5	103,630	103,020	-102,020	10,302.00%
<i>Police Youth - Donation</i>	0	0	2,639	-2,639	100.00%
Total--Miscellaneous	33,645	157,803	142,973	-87,799	259.13%
Total Operating Revenues	5,020,042	25,090,804	5,616,859	19,371,315	22.48%
<i>Sale of City Property</i>	10,300	12,000	0	12,000	0.00%
Total Revenues	5,030,342	25,102,804	5,616,859	19,383,315	22.47%

Note:

*Uncollected Revenue – Variance between Budgeted FY19 and Actual FY19.

GENERAL FUND EXPENDITURES

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2018

EXPENDITURES BY DEPARTMENT:	Actual FY18 Q1	Budgeted FY19	Actual FY19 Q1	Available Balance**	% Expended
General Government					
Legislative	30,532	259,115	40,969	218,146	15.81%
General Management	152,405	711,840	157,776	554,064	22.16%
Finance	108,832	667,480	110,607	556,873	16.57%
Legal	14,065	233,750	50,765	182,985	21.72%
Information Systems	183,180	654,682	149,070	505,612	22.77%
Human Resources	82,341	542,550	84,407	458,143	15.56%
City Clerk	59,907	331,247	53,320	277,927	16.10%
Total--General Government	631,262	3,400,664	646,914	2,753,750	19.02%
Public Safety					
Office of the Chief	137,313	698,960	153,745	545,215	22.00%
Communications	103,156	604,560	105,359	499,201	17.43%
Operations	672,699	4,218,158	673,222	3,544,936	15.96%
Support Services	281,004	1,680,777	283,899	1,396,878	16.89%
Administrative Services	117,276	833,924	162,743	671,181	19.52%
Neighborhood Services	62,047	473,570	82,702	390,868	17.46%
Total--Public Safety	1,373,494	8,509,949	1,461,670	7,048,279	17.18%
Public Works					
Administration	89,341	770,569	111,062	659,507	14.41%
Building Maintenance	170,758	885,330	171,883	713,447	19.41%
Equipment Maintenance	86,514	502,946	119,377	383,569	23.74%
Right-of-Way	181,919	1,139,254	189,331	949,923	16.62%
Solid Waste Management	196,636	1,048,322	195,265	853,057	18.63%
Gardens	55,742	341,158	45,285	295,873	13.27%
Urban Forest	37,010	290,720	31,685	259,035	10.90%
City Engineer	41,583	339,520	42,659	296,861	12.56%
Total--Public Works	859,503	5,317,819	906,546	4,411,273	17.05%
Recreation					
Administration	65,135	551,970	105,323	446,647	19.08%
Outreach	5,779	301,182	54,915	246,267	18.23%
TP Recreation Center	65,341	186,380	47,476	138,904	25.47%
Community Programs	34,539	229,628	33,673	195,955	14.66%
Athletic Fields/Facilities	6,728	84,500	4,040	80,460	4.78%
Camps	58,146	127,980	59,920	68,060	46.82%
Before/After School Programs	13,309	126,500	12,106	114,394	9.57%
Community Center	126,486	380,410	77,965	302,445	20.49%
Total--Recreation	375,463	1,988,550	395,418	1,593,132	19.88%

GENERAL FUND EXPENDITURES-Continue

EXPENDITURES BY DEPARTMENT:	Actual FY18 Q1	Budgeted FY1	Actual FY19 Q1	Available Balance**	% Expended
Housing & Comm. Development					
<i>HCD Administration</i>	56,214	347,754	74,474	273,280	21.42%
<i>Planning & Development Services</i>	58,120	408,920	63,767	345,153	15.59%
<i>Economic Development</i>	-	250,454	-	250,454	0.00%
<i>Housing & Community Services</i>	138,018	763,574	178,040	585,534	23.32%
Total--Housing & Comm. Dev.	252,352	1,770,702	316,282	1,454,420	17.86%
Communications	105,287	565,800	114,361	451,439	20.21%
Library					
<i>Library</i>	222,140	1,271,030	248,191	1,022,839	19.53%
<i>Computer Learning Center</i>	20,279	101,690	19,881	81,809	19.55%
Total--Library	242,420	1,372,720	268,071	1,104,649	19.53%
Debt Service	273,285	919,915	161,209	758,706	17.52%
Non-Departmental	823,491	1,646,582	397,782	1,248,800	24.16%
Capital Outlay	478,399	6,868,175	391,153	6,477,021	5.70%
<u>Total Expenditures</u>	5,414,955	32,360,876	5,059,408	27,301,468	15.63%

Note:

**Available Balance – A variance between Budgeted FY19 and Actual FY19.

OTHER FUNDS REVENUES

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2018

REVENUES BY FUNDS	<u>Actual FY18 Q1</u>	<u>Budgeted FY19</u>	<u>Actual FY19 Q1</u>	<u>Uncollected Revenue*</u>	<u>% Collected</u>
Special Revenue Fund	<u>6,261</u>	<u>5,574,253</u>	<u>8,379</u>	<u>5,565,873</u>	<u>0.15%</u>
Stormwater Management Fund	<u>598,335</u>	<u>881,750</u>	<u>248,694</u>	<u>633,056</u>	<u>28.20%</u>
Speed Camera Fund	<u>305,118</u>	<u>1,316,600</u>	<u>307,191</u>	<u>1,009,409</u>	<u>23.33%</u>

OTHER FUNDS EXPENDITURES

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2018

EXPENDITURES BY FUNDS	<u>Actual FY18 Q1</u>	<u>Budgeted FY19</u>	<u>Actual FY19 Q1</u>	<u>Available Balance**</u>	<u>% Expended</u>
Special Revenue Fund	<u>217,134</u>	<u>5,634,853</u>	<u>168,502</u>	<u>5,466,351</u>	<u>2.99%</u>
Stormwater Management Fund	<u>32,326</u>	<u>927,706</u>	<u>32,473</u>	<u>895,233</u>	<u>3.50%</u>
Speed Camera Fund	<u>150,162</u>	<u>1,385,614</u>	<u>195,563</u>	<u>1,190,051</u>	<u>14.11%</u>

Note:

*Uncollected Revenue – A variance between Budgeted FY19 and Actual FY19.

**Available Balance – A variance between Budgeted FY19 and Actual FY19.