

FISCAL YEAR 2021

FINANCIAL REPORT

FOR THE THREE MONTHS ENDED

SEPTEMBER 30, 2020

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, 2020, General Fund revenues totaled \$5,193,849 or 20% of the Fiscal Year 2021 budgeted amount. Explanations are provided for revenue categories where collections were less than 25% and 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, 2020 were \$1,128,247, or approximately 8% of the budgeted amount. Along with the Real Property Taxes, the City also received \$24,515 in Personal Property Tax revenues within which 93% are generated by corporate businesses. No revenue for Railroad and Public Utilities; and Highway User had been received by September 30. The payment schedule for these sources varies from year to year. For Admission & Amusement the City has received \$6,569, or 9% of the budgeted amount. The City collected \$368,444 in Income Tax or 10% of the budgeted amount. Hotel and Motel Taxes collected were \$7,691 or 13% of the budgeted amount.

The revenue for Fines & Forfeitures totaled \$51,555 or 25% of the budgeted amount as of September 30, 2020. Public Parking Facilities revenue was \$9,855 or 16% of the budgeted amount. No Admin Parking Fees has been collected as yet. The parking revenues and fees collected for the quarter were lower due to the pandemic and with fewer cars on the road. Library Fines and Fees collected were \$86 or less than 1% of the budgeted amount due to the library not charging or collecting fines for overdue materials because of the pandemic shutdown. Waste collection and disposal fees were \$11 or less than 1% of the budgeted amount due to the timing of the receipts.

Revenue from Recreation Programs and Services was \$20,501 or 6% of the budgeted amount due to the pandemic restrictions; and no revenue was received for passport services because of the restrictions.

In the miscellaneous revenue categories, the City has not yet received any Bus Shelters Advertising payment due to significant drop in advertising revenues because of the pandemic and also due to the timing of the receipts. The advertising revenues are received twice a year. For Mulch Sales, the City received \$2,615 or 12% of the budgeted revenue. The Mulch Sales revenue

decreases as we approach fall season and increases during spring and summer. The collection of revenues for EVI chargers and Farmer's Market are also cyclical in nature.

For Intergovernmental Revenues such as Police Protection, Police Rebate, Cable Franchise Fees and Operating Fees, no revenue was collected by September 30. The majority of these revenues are usually collected a quarter behind due to the timing of the process by the other governmental agencies.

There was no revenue from the sale of city property in Q1.

Stormwater Management Fund

Revenues for the Stormwater Management Fund as of September 30, 2020 totaled \$589,940 or 99% of the budgeted amount. Beginning FY18, the Stormwater fee has been collected by Montgomery County and the revenue is distributed to the City on a monthly basis.

Fund expenditures totaled \$29,440 or 3% of the budgeted amount.

Speed Camera Fund

As of September 30, 2020, fines collected for the Speed Camera Fund totaled \$189,800 or 18% of the budgeted amount. We continue to monitor trends; while drivers have become aware of the speed camera locations and many adjust their speed accordingly, less traffic due to the pandemic can encourage greater speeding by the cars that are on the road.

Fund expenditures totaled \$115,991 or 14% of the budgeted amount.

Special Revenue Fund

The Special Revenue Fund revenues totaled \$2,532 or less than 1% of the budgeted amount as of September 30, 2020. Grant reimbursements are prepared on a quarterly basis. Grant reimbursements are pending the review and approval of the grantors so they may not be received for several months. Pending grant reimbursements include the New Ave Bikeway, Flower Ave and Flower Ave WSSC projects.

Fund expenditures totaled \$150,382 or 7% of the budgeted amount.

GENERAL FUND REVENUES
FOR THE THREE MONTHS ENDED
SEPTEMBER 30, 2020

REVENUES BY SOURCE:	Actual FY20 Q1	Budgeted FY21	Actual FY21 Q1	Uncollected Revenue*	% Collected
Taxes and Utility Fees					
Real Property	825,009	13,548,565	1,128,247	12,420,318	8.33%
Personal Property	14,818	300,000	24,515	275,485	8.17%
RR and Public Utilities	18	242,000	-	242,000	0.00%
Penalties and Interest	9,494	46,000	12,188	33,812	26.49%
Admission and Amusement	-	69,300	6,569	62,731	9.48%
Additions and Abatements	(1,439)	(18,500)	(1,691)	(16,809)	9.14%
Highway	-	453,379	-	453,379	0.00%
Income Tax	129,634	3,585,000	368,444	3,216,556	10.28%
Total--Taxes and Utility Fees	977,534	18,225,744	1,538,271	16,687,473	8.44%
Licenses and Permits	33,674	83,604	35,771	47,833	42.79%
Fines and Forfeitures	40,975	210,000	51,555	158,445	24.55%
Use of Money and Property	141,070	283,900	3,553	280,347	1.25%
Charges for Services					
Inspection Fees	3,209	321,000	1,656	319,344	0.52%
Public Parking Facilities	31,429	61,500	9,855	51,645	16.02%
Waste Collection & Disposal Charges	-	48,000	11	47,989	0.02%
Recreation Programs and Services	176,205	333,610	20,501	313,109	6.15%
Library Fines and Fees	3,620	15,000	86	14,914	0.57%
Passport Services	16,040	50,000	-	50,000	0.00%
EVI Charger	-	4,000	-	4,000	0.00%
Advertising--Bus Shelters	293	2,100	-	2,100	0.00%
Farmer's Market	-	5,900	-	5,900	0.00%
Recyclable Sales	145	300	285	15	94.93%
Mulch Sales	3,900	22,000	2,615	19,385	11.89%
Special Trash Pickup	2,760	10,000	3,285	6,715	32.85%
Total--Charges for Services	237,601	873,410	38,293	835,117	4.38%

GENERAL FUND REVENUES-Continue

REVENUES BY SOURCE:	Actual FY20 Q1	Budgeted FY21	Actual FY21 Q1	Uncollected Revenue*	% Collected
Intergovernmental Revenues					
Police Protection (State)	110,717	445,000	-	445,000	0.00%
Bank Share Tax	5,643	5,643	-	5,643	0.00%
Library Aid	-	185,973	-	185,973	0.00%
Police Rebate	-	1,126,000	-	1,126,000	0.00%
Federal Grants	-	5,675	-	5,675	0.00%
In Lieu of Police	2,515,147	2,615,740	2,515,147	100,593	96.15%
In Lieu of Roads Maintenance	743,199	743,199	743,199	-	100.00%
In Lieu of Parks Maintenance	72,913	72,913	72,913	-	100.00%
In Lieu of Crossing Guard	182,384	182,384	182,384	-	100.00%
Takoma/Langley Rec. Agreement	-	85,020	-	85,020	0.00%
Hotel Motel Tax	10,452	59,000	7,691	51,309	13.04%
Cable Franchise Fees	-	214,000	-	214,000	0.00%
Cable—Operating	-	404,000	-	404,000	0.00%
Total--Intergovernmental Revenues	3,640,455	6,144,547	3,521,334	2,623,213	57.31%
Miscellaneous					
Tree Fund	25,000	25,000	-	25,000	0.00%
Sales of Impounded Property	-	-	212	(212)	100.00%
Other	(5,609)	23,000	4,859	18,141	21.13%
Insurance Claims	-	3,000	-	3,000	0.00%
Administrative Fees--Parking	-	2,000	-	2,000	0.00%
Donations	-	1,000	-	1,000	0.00%
Total--Miscellaneous	19,391	54,000	5,071	48,929	9.39%
Total Operating Revenues	5,090,699	25,875,205	5,193,849	20,681,356	20.07%
Sale of City Property	2,734	20,000	-	20,000	0.00%
Total Revenues	5,093,434	25,895,205	5,193,849	20,701,356	20.06%

Note:

*Uncollected Revenue – Variance between Budgeted FY21 and Actual FY21.

GENERAL FUND EXPENDITURES
FOR THE THREE MONTHS ENDED
SEPTEMBER 30, 2020

EXPENDITURES BY DEPARTMENT:	Actual FY20 Q1	Budgeted FY21	Actual FY21 Q1	Available Balance**	% Expended
General Government					
Legislative	36,996	243,928	42,312.01	201,616	17.35%
General Management	165,797	733,367	108,306.14	625,061	14.77%
Finance	109,809	751,363	104,204.81	647,158	13.87%
Legal	32,815	236,200	48,747.50	187,453	20.64%
Information Systems	180,647	815,895	138,008.28	677,886	16.91%
Human Resources	59,685	525,050	74,708.98	450,341	14.23%
City Clerk	49,932	275,308	51,217.77	224,090	18.60%
Total--General Government	635,680	3,581,110	567,505	3,013,605	15.85%
Public Safety					
Office of the Chief	167,207	1,067,325	229,593	837,733	21.51%
Communications	110,554	617,623	110,542	507,081	17.90%
Patrol Operations	656,785	4,051,705	664,497	3,387,208	16.40%
Investigation Services	253,281	1,719,860	291,739	1,428,120	16.96%
Administrative Services	148,090	833,605	116,560	717,045	13.98%
Neighborhood Services	86,302	577,109	104,809	472,300	18.16%
Total--Public Safety	1,422,219	8,867,227	1,517,741	7,349,486	17.12%
Public Works					
Administration	91,924	460,317	54,399	405,918	11.82%
Building Maintenance	153,339	1,002,377	209,647	792,730	20.92%
Equipment Maintenance	77,571	514,054	92,352	421,702	17.97%
Right-of-Way	180,719	962,310	156,412	805,898	16.25%
Solid Waste Management	210,658	1,210,047	233,847	976,200	19.33%
Sustainability	2,752	537,339	30,041	507,298	5.59%
Vegetation Management	49,808	296,974	41,765	255,209	14.06%
Urban Forest	42,079	286,200	33,791	252,409	11.81%
City Engineer	62,747	287,918	34,642	253,276	12.03%
Total--Public Works	871,597	5,557,536	886,895	4,670,641	15.96%
Recreation					
Administration	106,171	531,321	98,306	433,015	18.50%
Outreach	63,436	267,251	35,874	231,378	13.42%
Recreation Center	53,211	187,919	16,075	171,844	8.55%
Community Programs	33,161	220,579	27,654	192,924	12.54%
Facilities/Athletic Fields	10,068	83,500	9,819	73,681	11.76%
Camps	75,392	39,429	82	39,347	0.21%
After School Programs	14,406	53,753	792	52,961	1.47%
Community Center	65,564	417,693	42,778	374,915	10.24%
Total--Recreation	421,410	1,801,445	231,381	1,570,064	12.84%

GENERAL FUND EXPENDITURES-Continued

EXPENDITURES BY DEPARTMENT:	Actual FY20 Q1	Budgeted FY21	Actual FY21 Q1	Available Balance**	% Expended
Housing & Comm. Development					
<i>Planning</i>	57,657	526,421	74,635	451,786	14.18%
<i>HCD Administration</i>	45,097	153,003	23,995	129,008	15.68%
<i>Economic Development</i>	35,922	342,940	44,890	298,050	13.09%
<i>Arts and Humanities</i>	13,989	76,462	11,599	64,863	15.17%
<i>Housing & Community Services</i>	146,713	845,629	158,546	687,083	18.75%
Total--Housing & Comm. Dev.	299,378	1,944,455	313,664	1,630,790	16.13%
Communications	116,710	637,308	105,760	531,548	16.59%
Library					
<i>Library</i>	234,940	1,321,997	219,500	1,102,496	16.60%
<i>Computer Learning Center</i>	18,248	111,337	18,093	93,244	16.25%
Total--Library	253,188	1,433,334	237,593	1,195,740	16.58%
Debt Service	156,178	918,054	-	918,054	0.00%
Non-Departmental	699,770	2,100,355	729,565	1,370,790	34.74%
Capital Outlay	146,908	6,408,665	84,419	6,324,246	1.32%
<u>Total Expenditures</u>	5,023,038	33,249,488	4,674,525	28,574,964	14.06%

Note:

**Available Balance – A variance between Budgeted FY21 and Actual FY21.

*OTHER FUNDS REVENUES
FOR THE THREE MONTHS ENDED
SEPTEMBER 30, 2020*

REVENUES BY FUNDS	<u>Actual FY20 Q1</u>	<u>Budgeted FY21</u>	<u>Actual FY21 Q1</u>	<u>Uncollected Revenue</u>	<u>% Collected</u>
Special Revenue Fund	5,946	2,135,925	2,532	2,133,393	0.12%
Stormwater Management Fund	707,023	598,300	589,940	8,360	98.60%
Speed Camera Fund	256,353	1,040,000	189,800	850,200	18.25%

*OTHER FUNDS EXPENDITURES
FOR THE THREE MONTHS ENDED
SEPTEMBER 30, 2020*

EXPENDITURES BY FUNDS	<u>Actual FY20 Q1</u>	<u>Budgeted FY21</u>	<u>Actual FY21 Q1</u>	<u>Available Balance</u>	<u>% Expended</u>
Special Revenue Fund	225,989	2,055,025	150,382	1,904,643	7.32%
Stormwater Management Fund	43,601	930,696	29,440	901,256	3.16%
Speed Camera Fund	160,828	848,328	115,991	732,337	13.67%

Note:

*Uncollected Revenue – A variance between Budgeted FY21 and Actual FY21.

**Available Balance – A variance between Budgeted FY21 and Actual FY21.