



**City of Takoma Park
City Manager's
FY2023 Recommended Budget**

**Operating & Community Services
Work Session**

Presented by:

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Department Directors, All Depts.

April 18, 2022

Planning for a Strong and Resilient Future Investing in Our Community



Operating and Community Services

Work Session Agenda

Fiscal Year 2023 Recommended Budget

- **Budget Context**
- **Departmental Overviews**
 - General Government
 - Police
 - Public Works
 - Recreation
 - Housing & Community Development
 - Communications
 - Library
- **Community Services**
- **Budget Schedule**



Budget Context

- The Proposed FY23 Budget is a maintenance of effort budget. Budget increases in the General Fund generally reflect a return to pre-pandemic levels of service, as opposed to an expansion of services or new programming. The ARPA Fund provides some expansion of services and new initiatives in Fiscal Year 2023.
- To reduce General Fund expenditures, Departments reduced their baseline budgets by \$1 million in the FY22 fourth quarter and \$2 million in FY23 through a combination of a FY22 delayed hiring or project delays and reliance in FY23 on ARPA, Speed Camera Fund, and cable grants as alternative funding sources. Departments were not allowed to enter “wish list” or new items in an effort to limit General Fund expenditures— new budget requests from Departments above the baseline were tracked outside the financial system and totaled around \$3 million.
- The current proposed unassigned General Fund reserve amount is \$2.8 million or 10 percent of General Fund revenues. To meet the City’s reserve policy, the City would need to maintain an unassigned reserve level of \$4,732,480 or 17 percent of FY23 revenues.



General Government

Includes the following Divisions: City Manager's Office, Legislative, Finance, Legal Services, Information Technology, Human Resources, City Clerk

FY23 Proposed Budget Highlights – City Manager's Office & Legal Services

- \$70,000 for financial forecast consultant for long-term financial planning

Personnel Changes:

- No FTE changes (ARPA Manager added in FY22)

Impact of Budget Reductions:

- City Attorney & Labor Attorney costs reduced by \$127,000 compared to FY22 projected; will require cost control based on higher legal services actuals in recent years



General Government – cont.

FY23 Proposed Budget Highlights – Finance

- Tyler Software upgrade to Cloud (SaaS) Migration should be live in FY23. The cost increase is approximately \$20,000 more than the original contract.
- The cost of the auditing services and annual report preparation will increase approximately \$9,000 under the new contract.

Personnel Changes:

- Division FTE's increased by 0.5 compared to FY22. The increase is attributable to reduction of a half-time General Fund position replaced by a full-time ARPA Accounting Assistant position.



General Government – cont.

Includes the following Divisions: City Manager’s Office, Legislative, Finance, Legal Services, Information Technology, Human Resources, City Clerk

FY23 Proposed Budget Highlights – Human Resources

- New HRIS system should be live in FY23, which will completely replace the Kronos and SuccessFactors platforms, and will replace the HR modules in the Tyler financial system.

Personnel Changes:

- General Fund FTE increase in HR was approved via budget amendment in July 2021, which changed the HR Intern to an HR Coordinator position. As interns are not included in the FTE count, an increase is shown in the FTE total.

Impact of Budget Reductions:

- Reduced budget for recruiting ads to professional association sites and job posting platforms



General Government Cont.

FY23 Proposed Budget Highlights – Legislative Division

- This division accounts for Council salaries and fringe benefits, and other expenses related to the activities of the Council.
- For the Mayor and Council to be elected in November 2022, annual salaries will increase to \$32,000 for the Mayor and \$24,000 for each City Councilmember.
- Board and committee member stipends will continue (\$35,000).
- Non-personnel election costs are accounted for in this division. \$78,000 is budgeted for the November 8, 2022 election.
- Other expenses include contractual lobbying services, meeting costs, conference attendance, and dues.



General Government Cont.

FY23 Proposed Budget Highlights – City Clerk

- Maintenance of effort budget.
- The division responsibilities include support of City Council meetings and activities, recruitment and appointments to boards and committees, administering City elections, and responding to Maryland Public Information Act requests.

Personnel

- FTE count remains at 2.75
- Proposed budget includes \$16,720 for an intern to assist with the election August-December. Interns are not included in the FTE count.
- Personnel costs are 94% of the division budget.



General Government cont.

FY23 Proposed Budget Highlights – Information Technology

- Contracts: There continues to be an increase in hardware and software applications that the IT department is responsible for supporting. Additional vendor support will be needed to maintain them. An increase in vendor support is reflected in the FY23 budget.
- Software. Most of our software agreements are annual terms, with 3-5% annual increases. We also have a few larger vendor software contracts that are 3 year terms that will renew in FY23. These increases are reflected in the FY23 Software budget.
- Cyber-security is of utmost priority. We have included additional security services and software in the FY23 budget.

Personnel Changes:

- No changes in FTE count

Impact of Budget Reductions:

- We reduced our GF-CIP investments by \$40,000 for FY23. We value-engineered the recommended security and cloud technology investments to provide enhanced security at a lower cost.
- We removed wireless network resiliency for the Community Center's internet access to reduce investment costs.



Police Department

Includes the Following Divisions: Office of the Chief, Communications, Operations, Criminal Investigations, Administrative Services, Neighborhood Services

Projected Budgetary Change FY22 to FY23: (\$105,191); (1%)

- Personnel costs increased by 4%
- Operational costs (non-personnel) decreased by 46%

FY23 Proposed Budget Highlights

- Decrease due to budget reduction measures, and the transfer of several expenditures to Automated Enforcement (Speed Camera)

Personnel Changes:

- Proposed General Fund FTE Change: (3) with Code Enforcement returning to HCD

Impact of Budget Reductions:

- Required the transfer of needed expenditures to the Automated Enforcement (Speed Camera) Section



Police Department cont. (Speed Camera/Automated Enforcement)

Proposed FTE Change: 0 (3.0 FTEs)

Projected Budgetary Change (Expenditures) FY22 to FY23: \$635,736; 74% increase

- Personnel Costs increase by 11%
- Increase due to filling vacant Photo Enforcement Specialist position, as well as overall higher wages due to negotiated increases

Budget Highlights

- Non-personnel operating expenses increased by 118% due to the transfer of several contract charges from other Divisions as a General Fund budget reduction measure, supported by the addition of a new contract for red-light cameras, which are expected to result in increased revenue for the Speed Camera Fund



Public Works

Includes the following Divisions: Administration, Building Maintenance, Equipment Maintenance, Right of Way Maintenance, Sanitation, Vegetation Maintenance, Urban Forest & Engineering

FY23 Proposed Budget Highlights

- The FY23 budget is a very lean maintenance of effort budget
- Non-personnel operating budget is 21% lower than FY22 largely due to the elimination of sustainability grant funding in the operating budget (it is in ARPA budget) and the FY22 allocation of \$150,000 for the evaluation of stormwater impacts on private property
- Planned customer improvements - All permit applications are to be available online through Gov Q/A.
- Planned revenue increases - Permit & mulch delivery fees to be increased by \$10, heavy pick up fees by \$5

Personnel Changes:

- The Department's FTE's are increased by .92. Funds previously included for temporary assistance, which did not add to the FTE count, are now proposed as Seasonal Staff; 24 weeks for mowing assistance and 24 weeks for garden maintenance assistance

Impact of Budget Reductions:

- FY22 reductions included vacant positions and delay of hiring in Building Maintenance and Vehicle Maintenance and reduced use of temporary assistance in Right of Way Division.
- The FY23 budget does not include funding for a Work Order system, a high priority for the Department.



Public Works cont. (Stormwater Management)

FY23 Proposed Budget Highlights

- The FY23 budget is a maintenance of services budget
- Repairs and maintenance represent 24%, contractual services 25% and Capital expenditures 34%
- The Takoma Stream Restoration project is the single capital project planned
- Repair projects include Brashear's Run outfall repair, Poplar Avenue inlet reconstruction and sidewalk elevation & system repairs at Willow Ave and Valley View
- Contractual services include outfall water quality monitoring, system inspection and cleaning, maintenance of bioretention facilities and specialized engineering support

Personnel Changes:

- No change in FTE count

Impact of Budget Reductions:

- No planned reductions in FY23
- The stormwater expenditures are balance with revenue generated by the Stormwater Utility Fee.



Recreation Department

Includes the following Divisions: Administration, Youth Outreach, Takoma Park Recreation Center, Community Programs, Athletic Fields and Facilities, Camps, Before & After School Programs, Takoma Park Community Center

FY23 Proposed Budget Highlights

- There are no new programs and services in this budget.
- ARPA Funding will allow the Department to offer tutoring services for Takoma Park students and offset scholarships awarded to City residents.

Personnel Changes:

- Department FTEs increased by 1.72 compared to FY22
- 1.22 FTEs due to the return to pre-pandemic programming levels
- .05 FTEs is a transfer from the Finance Department



Housing and Community Development

Includes the following Divisions: Administration, Economic Development, Arts and Humanities, Planning and Development Services, Housing and Community Services, Code Enforcement (beginning FY23)

FY23 Proposed Budget Highlights

- HCD's budget improves quality of life in the City through the following services:
 - Supporting economic development and small businesses;
 - Assisting tenants to create Tenant Associations and to address/resolve issues between tenants and landlords;
 - Enhancing the City's bus shelter and bicycle network;
 - Public art installations, cultural exhibits, and lecture and film series;
 - Inspection of commercial, residential, and vacant properties.

Personnel Changes:

- FTEs increasing by three (3) to accommodate Code Enforcement division.



Housing and Community Development cont.

Services and Charges

- Smartsheet software to improve project tracking and enhance productivity
- Service contracts with OTBA, Takoma-Langley CDA, Crossroads Community Kitchen, and Long Branch Business League;
- Contract with Montgomery County DHCA for rental inspections services;
- Honoraria for performers, film screenings, lectures, and the Poet Laureate;
- Public Space Management Plan contract;
- Rental Licensing and Rent Stabilization software and database;
- Vehicle leases for Code Enforcement.

Impact of Budget Reductions:

- HCD mitigated the impact of budget reductions and avoided duplication of efforts by utilizing ARPA dollars in place of General Fund dollars where eligible.



Communications Department

FY23 Proposed Budget Highlights

- Website annual maintenance & 311 functionality: \$26,900
 - Initial FY22 investment: \$48,000 for a secure - fully managed platform to efficiently inform and empower residents
 - City staff will interact with residents using dynamic and engaging content like videos, maps, and photos.
 - Will allow residents to reach out and engage with staff and provide greater transparency
 - Solution that accepts, routes, and manages public service requests with mobile app & web tool
- Auditorium Hybrid Meeting AV Integration- \$20,000 (FY23)
 - Integrate Hybrid Meeting production to Auditorium AV infrastructure

Personnel Changes: (FTE)

- No changes or additions to FTEs in Fiscal Year 2022-2023

Impact of Budget Reductions:

- The Communications Dept has moved approximately \$70,678 in General Funds into the cable grants fund.
- The move includes software (Adobe Cloud – all licenses for the City), contracts (Comcast Cable), operating supplies
- Cable grants revenue is expected to decrease over time due to lower cable subscriptions, so this is a short-term funding source.



Library and Computer Learning Center

Includes the following Divisions: 7000, 7200

FY23 Proposed Budget Highlights

- The proposed FY23 budget for the Library represents a return to pre-pandemic hours and operations and reflects modest increases in FTE and operational funds
- Line items for books and reference materials have a proposed increase to support catching up on new releases, purchasing replacement copies of popular items, and expanding world language materials

Personnel Changes:

- We are requesting an additional 0.51 FTE that reflects additional PT staff and supplemental assistance hours to support full-time operations. If the Library and Computer Center have to decentralize during construction, we will be staffing at least 3 desks during open hours.

Impact of Budget Reductions:

- The Library had proposed to make digital services more user friendly through implementation of Aspen Discovery, a “discovery layer” that makes digital resources searchable through our catalog. We have had to indefinitely delay this project.



Operating Budget Highlights – Community Investments



City of Takoma Park

American Rescue Plan Act (ARPA)
Spending Plan

\$17.5 MILLION



Affordable
Housing

\$2.3
MILLION



Small Business
Recovery

\$808
THOUSAND



Social Services
Partnerships

\$3
MILLION



Family Resiliency
Programs

\$1.7
MILLION



City
Operations

\$4.4
MILLION



Community
Anchors

\$5.3
MILLION



Operating Budget Highlights – Community Investments cont.

- Non-ARPA funded Community Investments
 - \$103,500 - Economic Development Service Contracts
 - \$45,000 - Summer Enrichment Program (Lunch and Learn)
 - \$20,000 - Independence Day Committee
 - \$15,000 - Folk Festival
 - \$10,000 - Community Play
 - \$5,000 - Montgomery College scholarships
 - \$150,000 – Property Tax & Renters’ Rebate Program
 - \$35,000 – Public Works Emergency Tree Removal Assistance

- Several community investment programs typically funded out of the General Fund will be covered by the ARPA Fund; the budget book reflects those General Fund reductions concentrated in the Inter-Departmental section.



Operating Budget Highlights – Community Investments cont.

▪ Special Revenues

- **\$200,000- Takoma Park Cooperative Nursery School Grant**
- **\$175,000 -Washington-McLaughlin School Grant**
- **\$273,000 - CDBG Neighborhood Improvements**
- **\$312,000 - New Hampshire Ave Bikeways**
- **\$120,000 - Safe Routes to School & TkPk Challenge**
- **\$145,000 - Recreation Center Redevelopment**
- **\$500,000 - Affordable Homeownership Grant**
- **\$500,000 - 6530 and 6600 New Hampshire Ave Revitalization**



Budget Schedule

- ~~Wednesday, April, 13th-FY23 Budget Public Hearing 1~~
- Monday, April 18th- City Council Budget Work Session 1
- Monday, April 25th- City Council Budget Work Session 2
- Wednesday, April 27th- FY23 Budget and Tax Rate Public Hearing 2
- Monday, May 2nd- City Council Budget Reconciliation Work Session 3
- Wednesday, May 11th- City Council First Reading Ordinance Adopting FY23 Budget and Tax Rate
- Wednesday, May 18th- City Council Second Reading Ordinance Adopting FY23 Budget and Tax Rate
- Thursday, May 19th- Tax Rate Submitted to the State and County



Questions?

