



Takoma Park City Council Meeting – January 18, 2023

Agenda Item 1

Presentation

Presentation on the City's Fiscal Health

Recommended Council Action

Receive Presentation

Context with Key Issues

The City's new Fiscal Year 2024 will begin July 1, 2023. In preparation for the City Manager's FY24 Recommended Budget Presentation on April 5, 2023 and subsequent budget work sessions, the City's Finance Director will provide a presentation on recent trends in the City's reserve levels, unassigned fund balances, and overall financial structure from a multi-year perspective to "set the stage" for upcoming budget discussions.

The presentation will touch on best practices in managing and monitoring the City's financial activities in the City's five major funds: the General Fund, the Stormwater Management Fund, the Special Revenue Funds, the Speed Camera Fund and the newly created American Rescue Plan Act (ARPA) Fund. This is a follow up presentation to the Presentation of the Fiscal Year 2022 Annual Comprehensive Financial Report (ACFR) and Audit that occurred on November 30, 2022 by the City's auditor, Barbacane Thornton & Company LLP.

In addition to this presentation on the City's Fiscal Health, and the City Manager's FY24 Recommended Budget Presentation on April 5, there will be budget work sessions occurring on April 17, April 24, and May 1. A public hearing on the proposed FY24 budget will be held on April 26 during the Council as well as a public hearing on the Constant Yield Tax Rate that same evening. The First Reading of the FY24 Budget Ordinances is scheduled for Wednesday, May 10. The Second (final) Reading of the FY24 Budget Ordinances is scheduled for Wednesday, May 17.

Council Priority

Mitigate the impact of COVID-19 on the Community and City Operations

A Livable Community for All

Fiscally Sustainable Government

Environmentally Sustainable Community

Engaged, Responsive & Service-oriented Government

Community Development for an Improved & Equitable Quality of Life

Environmental Considerations

Effective management of the City's financial health ensures that financial resources are available to support substantial continued investment in improving the environment in Takoma Park, including, but not limited to stormwater system improvements, general sustainability efforts, continued efforts towards increasing tree canopy, and continued work on library renovations to meet the highest green standards possible.

Fiscal Considerations

The purpose of this presentation is to provide budget context and a general outlook for the City's fiscal health so that the City Council and the public might have a better understanding of the structural factors that will determine the City Manager's approach to the Fiscal Year 2024 Recommended Budget and that will impact budget decision-making in the coming months.

Racial Equity Considerations

The City's FY24 budget will include funds to continue to address racial equity through COVID-19 recovery efforts, implementation of the housing and economic development strategic plan, consideration of the recommendations of the Reimagining Public Safety Task Force, construction of the Library, planning the Recreation Center project, community engagement efforts on many subjects, pedestrian and transit safety improvements, and tree canopy and other environmental improvements.

Attachments and Links

Fiscal Health Presentation