



Takoma Park City Council Meeting – June 5, 2024

Agenda Item 2

Voting Session

First Reading Ordinance Approving FY24 Budget Amendment No. 4

Recommended Council Action

Adopt the budget amendment.

The Fiscal Year (FY) 2024 Budget was adopted by the City Council on May 17, 2023. Budget Amendment No.1 was adopted on August 2, 2023, Budget Amendment No. 2 was adopted on December 6, 2023, and Budget Amendment No. 3 was adopted on February 28, 2024. Since the last amendment, new operational needs have arisen with unforeseen costs and additional expenditures need to be addressed, both of which require changes to the approved Fiscal 2024 budget. This includes an emergency replacement of a compressor and the new COVID Library Relief grant. The substantial decrease in Speed Camera violations and the delayed implementation of the Red-Light Camera Program directly impact the revenue and expenditure of the Speed and Red-Light Camera Fund. To address the revenue shortfall, the City is required to execute an inter-fund transfer of approximately \$700,000 from the General Fund Unassigned Reserve to prevent a negative fund balance in the Speed and Red-Light Camera Fund.

*In general, amounts in parentheses () denote a decrease in expenditure and an increase in revenue, which typically have a positive impact on reserve balances. Conversely, amounts not in parentheses signify an increase in expenditure and a decrease in revenue. Within the Special Revenue Fund (SRF), any increases in grant expenditure must align with corresponding revenue increases (grant reimbursements) within the same fiscal or accounting period. Please refer to the 'Reason for Amendment' column for detailed descriptions of budget items. Items highlighted in light orange denote additional budget increases or decreases for the period.

Department/Division	Funding Source	Account Title	Reason for Amendment	Amount*
Special Revenue Fund				
Revenue	Special Revenue Fund	COVID Library Relief Fund	Adjustment to the revenue due to new grant awarded	(\$500)
<i>Special Revenue Fund Revenue Total</i>				<i>(\$500)</i>
Expenditure	Special Revenue Fund	COVID Library Relief Fund	Adjustment to the expenditure due to new grant awarded	\$500
<i>Special Revenue Fund Expenditure Total</i>				<i>\$500</i>
Special Revenue Fund Subtotal				\$0

Department/Division	Funding Source	Account Title	Reason for Amendment	Amount*
General Fund				
Expenditure	General Fund	Equipment Replacement Expenditure	Budget increase due to emergency replacement for compressor	\$9,279
<i>General Fund Expenditure Total</i>				<i>\$9,279</i>
Speed & Red-Light Camera Revenue				
Revenue	Speed & Red-Light Camera Fund	Speed Camera Fines	Reduction to the revenue due to reduced violations from five speed cameras	\$290,000
Revenue	Speed & Red-Light Camera Fund	Red-Light Camera Fines	Reduction to the revenue due to delayed implementation of the Red-Light Camera Program	\$1,300,000
<i>Speed & Red-Light Camera Fund Revenue Total</i>				<i>\$1,590,000</i>
Speed & Red-Light Camera Expenditure				
Expenditure	Speed & Red-Light Camera Fund	Speed Camera Contract	Expenditure savings due to reduced operation costs by placing five speed cameras out of service	(\$33,490)
Expenditure	Speed & Red-Light Camera Fund	Red-Light Camera Contract	Expenditure savings due to delayed implementation of the Red-Light Camera Program	(\$266,700)
Expenditure	Speed & Red-Light Camera Fund	Red-Light Camera Contract	Expenditure savings due to reduced promotional cost	(\$9,000)
Expenditure	Speed & Red-Light Camera Fund	Safety Projects	Expenditure savings due to reduced operation cost in Safety Projects	(\$9,000)
Expenditure	Speed & Red-Light Camera Fund	Recruit & Applicant Processing	Expenditure savings due to reduced operation cost in applicant processing	(\$10,000)
Expenditure	Speed & Red-Light Camera Fund	Cell Phone	Expenditure savings due to reduced cell phone cost	(\$18,000)
<i>Speed & Red-Light Camera Fund Expenditure Total</i>				<i>(\$346,190)</i>
Speed & Red-Light Camera Fund Subtotal				\$1,243,810
Grand Total				\$1,253,089

Council Priority

Fiscally Sustainable Government

Environmental Considerations

N/A

Fiscal Considerations

Funding Source	Budget Amendment Type
	FY24 Revenue & Expenditure
General Fund	\$ 9,279
Speed & Red-Light Camera Fund	\$ 1,243,810
ARPA Fund	\$
Subtotal	\$ 1,243,810
Stormwater Fund	\$
Total	\$ 1,253,089

Appropriation by Department	Budget Amount
General Fund Total	
Revenue	\$ -
Revenue Subtotal	\$ -
Expenditure	
General Government	\$ -
Police	\$ -
Public Works	\$ -
Recreation	\$ -
Housing and Community Development	\$ -
Library	\$ -
Inter-Departmental	\$ -
Capital Improvement Program	\$ 9,279
Expenditure Subtotal	\$ -
General Fund Total	\$ -
Special Revenue - Grants Total	
Public Works	\$ -
Housing and Community Development	\$ -
Library	\$ -
Grand Total	\$ -
ARPA Fund- Total	
General Government	\$ -
Public Works	\$ -
Housing and Community Development	\$ -
Library	\$ -
Grand Total	\$ 9,279
Speed & Red-Light Camera Fund	
Police	\$ 1,243,810
Grand Total	\$ 1,243,810
Total	\$ 1,253,089

Racial Equity Considerations

N/A

Attachments and Links

- Draft FY24 Budget Amendment No. 4 Ordinance
- Speed Camera & Red Light Camera Fund Summary

FY24 General Fund Adopted Budget and Amendment

	Adopted	1st Amendment	2nd Amendment	3rd Amendment	4th Amendment	Current
	FY24					FY24
Total Revenues	29,021,811	20,000	0	300,875	0	29,342,686
EXPENDITURES						-
General Government	4,433,239	42,427		(21,850)		4,453,816
Police	9,299,721	3,000		328,981		9,631,702
Public Works	5,784,558			6,275		5,790,833
Recreation	2,160,020			(8,446)		2,151,574
Housing and Community Development	2,640,193			(115,944)		2,524,249
Communications	820,981	66,163				887,144
Library	1,491,232					1,491,232
Inter-Departmental	1,393,369	12,500	500,000			1,905,869
Capital Outlay**	2,529,377			25,000	9,279	2,563,656
Debt Service	741,663					741,663
Total Expenditures	31,294,353	124,090	500,000	214,016	9,279	32,141,738
Net (deficiency) of revenues over expenditures	(2,272,542)	(104,090)	(500,000)	86,859	(9,279)	(2,799,052)
Operating transfer in (out)					(700,000)	(700,000)
Estimated GF Ending Fund Balance	11,191,536	11,087,446	10,587,446	10,674,305	9,965,026	9,965,026

Speed Camera & Red Light Camera Fund Summary

	<u>Audited FY22</u>	<u>Audited FY23</u>	<u>Adjusted FY24</u>	<u>Adjusted w 4th Amend FY24</u>	<u>Projected FY24</u>	<u>Adopted FY25</u>	<u>Change Proj FY24-25</u>	<u>%Change Proj FY24-25</u>
<u>REVENUES</u>								
Taxes and utility fees	-	-	-	-	-	-		
Fines and forfeitures-Red Light	-	-	1,300,000	-	100,000	1,300,000	1,200,000	1200.0%
Fines and forfeitures-Speed Camera	996,767	701,412	850,000	560,000	580,000	550,000	(30,000)	-5.2%
Use of money and property	796	930	81,600	81,600	82,000	82,000	-	0.0%
Charges for service	-	-	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	-	-	0.0%
Miscellaneous	-	-	-	-	-	-	-	0.0%
Total Revenues	997,563	702,342	2,231,600	641,600	762,000	1,932,000	1,170,000	153.5%
<u>EXPENDITURES</u>								
Police	841,715	930,268	1,657,182	1,310,992	1,483,542	1,569,942	86,400	5.8%
Capital Outlay	55,990	299,714	68,500	68,500	68,500	320,500	252,000	367.9%
Total Expenditures	897,705	1,229,982	1,725,682	1,379,492	1,552,042	1,890,442	338,400	21.8%
Excess (deficiency) of revenues over expenditures	99,858	(527,640)	505,918	(737,892)	(790,042)	41,558	831,600	-105.3%
<u>OTHER FINANCING SOURCES (USES)</u>								
Bond proceeds	-	-	-	-	-	-	-	
Operating transfers in (out)	-	-	-	700,000	700,000	-	-	
Total Other Financing Sources (Uses)	-	-	-	700,000	700,000	-	-	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	99,858	(527,640)	505,918	(37,892)	(90,042)	41,558	131,600	-146.2%
<u>FUND BALANCE</u>								
Beginning of year	567,456	667,314	139,674	139,674	139,674	49,632	(90,042)	-64.5%
End of year	667,314	139,674	645,592	101,782	49,632	91,190	41,558	83.7%

Speed Camera Fund Balance is restricted for Public Safety Purposes, including Police Equipment in the the Capital Improvement Plan designated as funded by the Speed Camera Fund. Beginning FY25, Red Light Camera Program is implemented.

FY24 Fiscal Year
Budget Amendment No# 4
All Departments

Note: ** For Requested Amendment Amount in both revenue and expenditure, please use (-) for amount reduction.

General Fund Transfers			Budget Account Title	Approved FY24 Budget	**Requested Amendment	Amended FY24 Budget	Explanation of Requested Amendment * (Please explain in detail the reason for the requested amendment)
Items	Division	Account					
From	0001-7000	40010	Salaries	\$ 674,483.31	\$ (12,000.00)	\$ 662,483.31	There are salary savings from a FT position that was vacant from 7/1/2023-12/17/2023
To	0001-7000	40800	Supplemental Assistance	\$ 33,956.83	\$ 12,000.00	\$ 45,956.83	Additional supplemental assistance has been required due to a FT Computer Center staff member's ongoing long-term medical leave
Subtotal Departmental Transfer Budget				\$ 708,440.14	\$ -	\$ 708,440.14	
* General Fund Transfers are done within the Account Type. Transfers should be done from one expenditure account to another expenditure account within the department only. No Transfer is allowed from personnel expenditure to operating expenditure or vice versa.							
GF Capital Expenditure Account 9100			Budget Account Title	Approved FY24 Budget	**Requested Amendment	Amended FY24 Budget	Explanation of Requested Amendment (Please explain in detail the reason for the requested amendment)
Items	Department	Account					
1	PW	9100-80003	Equipment Replacement Expenditure	\$ 1,655,294.00	\$ 9,279.00	\$ 1,664,573.00	Current compressor broke down after 10 years, is not repairable and must be replaced
2						\$ -	
Subtotal Capital Improvement Expenditure Budget				\$ 1,655,294.00	\$ 9,279.00	\$ 1,664,573.00	
Total General Fund Expenditure Budget				\$	9,279.00	\$ 1,664,573.00	
Total General Fund Fund Balance				\$	(9,279.00)		

FY24 Fiscal Year
Budget Amendment No# 4
All Departments

Note: ** For Requested Amendment Amount in both revenue and expenditure, please use (-) for amount reduction.

Special Revenue Fund -Revenues							
Items	SRF Revenues		Budget Account Title	Approved FY24 Budget	**Requested Amendment	Amended FY24 Budget	Explanation of Requested Amendment (Please explain in detail the reason for the requested amendment)
	Department	Account					
1	Library	0010-33750	COVID Library Relief Fund	\$ -	\$ (500.00)	\$ (500.00)	The Library was awarded a small grant for a bilingual youth and family program in April 2024
2						\$ -	
SRF Departmental Revenue Budget				\$ -	\$ (500.00)	\$ -	
Special Revenue Fund -Expenditure							
Items	SRF Expenditure		Budget Account Title	Approved FY24 Budget	**Requested Amendment	Amended FY24 Budget	Explanation of Requested Amendment (Please explain in detail the reason for the requested amendment)
	Department	Account					
1	Library	0010-71800	COVID Library Relief Fund	\$ -	\$ 500.00	\$ 500.00	The Library was awarded a small grant for a bilingual youth and family program in April 2024
2						\$ -	
SRF Departmental Expenditure Budget				\$ -	\$ 500.00	\$ 500.00	

FY24 Fiscal Year
Budget Amendment No# 4
All Departments

Note: ** For Requested Amendment Amount in both revenue and expenditure, please use (-) for amount reduction.

Speed & Red Light Camera Fund							
Items	SCF/RLCF Revenue		Budget Account Title	Approved FY24 Budget	Requested Amendment	Amended FY24 Budget	Explanation of Requested Amendment (Please explain in detail the reason for the requested amendment)
	Fund	Account					
1	0060	35220	Red Light Camera Fines	\$ (1,300,000.00)	\$ 1,300,000.00	\$ -	Due to permitting delays from the state, the implementation of the program did not occur during this fiscal
2	0060	35210	Speed Camera Revenue	\$ (850,000.00)	\$ 290,000.00	\$ (560,000.00)	Reduction due to the reduced violations/revenue of five (5) speed cameras. These cameras have been taken out of service
Speed & Red Light Camera Revenue Budget				\$ (2,150,000.00)	\$ 1,590,000.00	\$ (560,000.00)	

Speed & Red Light Camera Fund							
Items	SCF/RLCF Expenditure		Budget Account Title	Approved FY24 Budget	Requested Amendment	Amended FY24 Budget	Explanation of Requested Amendment (Please explain in detail the reason for the requested amendment)
	Fund	Account					
1	0060	61042	Red Light Camera Contracts	\$ 266,700.00	\$ (266,700.00)	\$ -	Due to permitting delays from the state, the implementation of the program did not occur during the fiscal.
2	0060	61040	Speed Camera Contracts	\$ 447,000.00	\$ (33,490.00)	\$ 413,510.00	Due to taking five speed cameras out of service that had a significant drop of the number of citations and cost the City to operate, the City will recover \$33,490 from paying the operating costs of the cameras.
3	0060	61040	Speed Camera Contracts	\$ 30,000.00	\$ (9,000.00)	\$ 21,000.00	Expenditure savings due to reduced promotional cost
4	0060	71200	Safety Projects	\$ 9,000.00	\$ (9,000.00)	\$ -	Expenditure savings due to reduced operation cost in Safety Projects
5	0060	70090	Applicant Processing	\$ 38,885.00	\$ (10,000.00)	\$ 28,885.00	Expenditure savings due to reduced operation cost in applicant processing
6	0060	62008	Cell Phones	\$ 37,680.00	\$ (18,000.00)	\$ 19,680.00	Expenditure savings due to reduced cell phone cost
Speed & Red Light Camera Expenditure Budget				\$ 829,265.00	\$ (346,190.00)	\$ 483,075.00	

Introduced by:

First Reading:

Second Reading:

Effective Date:

CITY OF TAKOMA PARK, MARYLAND

ORDINANCE NO. 2024-

FISCAL YEAR 2024 BUDGET AMENDMENT NO. 4

WHEREAS, the Fiscal Year (FY) 2024 budget was adopted by the City Council on May 17, 2023; and

WHEREAS, since this date, some expenditures have deviated from the original projections, necessitating adjustments to the Fiscal Year 2024 budget. Additionally, unforeseen operational needs have emerged that were not accounted for in the Fiscal Year 2024 budget. This includes an emergency purchase of a compressor and the new COVID Library Relief grant awarded in the Special Revenue Fund. The substantial decrease in speed camera violations and delayed implementation of the Red-Light Camera Program directly impact the revenue and expenditure of the Speed and Red-Light Camera Fund; and

WHEREAS, those budget adjustments are listed in the table below by Department with an explanation for the adjustment and the amount to be adjusted in the Fiscal Year 2024 budget for each funding source:

*In general, amounts in parentheses () denote a decrease in expenditure and an increase in revenue, which typically have a positive impact on reserve balances. Conversely, amounts not in parentheses signify an increase in expenditure and a decrease in revenue. Within the Special Revenue Fund (SRF), any increases in grant expenditure must align with corresponding revenue increases (grant reimbursements) within the same fiscal or accounting period. Please refer to the 'Reason for Amendment' column for detailed descriptions of budget items. Items highlighted in light orange denote additional budget increases or decreases for the period.

Department/Division	Funding Source	Account Title	Reason for Amendment	Amount*
Special Revenue Fund				
Revenue	Special Revenue Fund	COVID Library Relief Fund	Adjustment to the revenue due to new grant awarded	(\$500)
<i>Special Revenue Fund Revenue Total</i>				<i>(\$500)</i>
Expenditure	Special Revenue Fund	COVID Library Relief Fund	Adjustment to the expenditure due to new grant awarded	\$500
<i>Special Revenue Fund Expenditure Total</i>				<i>\$500</i>
Special Revenue Fund Subtotal				\$0

Department/Division	Funding Source	Account Title	Reason for Amendment	Amount*
General Fund				
Expenditure	General Fund	Equipment Replacement Expenditure	Budget increase due to emergency replacement for compressor	\$9,279
<i>General Fund Expenditure Total</i>				<i>\$9,279</i>
Speed & Red-Light Camera Revenue				
Revenue	Speed & Red-Light Camera Fund	Speed Camera Fines	Reduction to the revenue due to reduced violations from five speed cameras	\$290,000
Revenue	Speed & Red-Light Camera Fund	Red-Light Camera Fines	Reduction to the revenue due to delayed implementation of the Red-Light Camera Program	\$1,300,000
<i>Speed & Red-Light Camera Fund Revenue Total</i>				<i>\$1,590,000</i>
Speed & Red-Light Camera Expenditure				
Expenditure	Speed & Red-Light Camera Fund	Speed Camera Contract	Expenditure savings due to reduced operation costs by placing five speed cameras out of service	(\$33,490)
Expenditure	Speed & Red-Light Camera Fund	Red-Light Camera Contract	Expenditure savings due to delayed implementation of the Red-Light Camera Program	(\$266,700)
Expenditure	Speed & Red-Light Camera Fund	Red-Light Camera Contract	Expenditure savings due to reduced promotional cost	(\$9,000)
Expenditure	Speed & Red-Light Camera Fund	Safety Projects	Expenditure savings due to reduced operation cost in Safety Projects	(\$9,000)
Expenditure	Speed & Red-Light Camera Fund	Recruit & Applicant Processing	Expenditure savings due to reduced operation cost in applicant processing	(\$10,000)
Expenditure	Speed & Red-Light Camera Fund	Cell Phone	Expenditure savings due to reduced cell phone cost	(\$18,000)
<i>Speed & Red-Light Camera Fund Expenditure Total</i>				<i>(\$346,190)</i>
Speed & Red-Light Camera Fund Subtotal				\$1,243,810
Grand Total				\$1,253,089

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND THAT:

SECTION 1. The Fiscal Year 2024 Budget is amended as follows:

General Fund-Transfers

1. Transfer \$12,000 in expenditure from account 7000-40010, Salaries, to account 7000-40800, Supplemental Assistance, to cover personnel costs in the Computer Center. This transfer is necessary due to a staff member's extended medical leave.

General Fund – Expenditures

- 1 Appropriate \$9,279 to account 9100-80003, Equipment Replacement Expenditure, due to the emergency replacement of the compressor.

Special Revenue Fund – Revenues

- 1 Appropriate \$500 to account 0010-33750, COVID Library Relief Fund, due to the new grant awarded.

Special Revenue Fund – Expenditures

- 1 Appropriate \$500 to account 0010-71800, COVID Library Relief Fund, due to the new grant awarded.

Speed & Red-Light Camera Fund – Revenues

- 1 Reduce \$1,300,000 to account 0060-35220, Red-Light Camera Fines, due to the delayed implementation of the Red-Light Camera Program.
- 2 Reduce \$290,000 to account 0060-35210, Speed Camera Fines, due to the reduced revenue received from Speed Camera violations.

Speed & Red-light Camera Fund – Expenditures

- 1 Reduce \$266,700 to account 0060-61042, Red-Light Camera Contract, due to the delayed implementation of the Red-Light Camera Program.
- 2 Reduce \$33,490 to account 0060-61040, Speed Camera Contract, due to reduced operating contract cost for servicing the Speed Cameras.
- 3 Reduce \$9,000 to account 0060-71200, Safety Projects, due to the reduced operating cost for Safety Projects.
- 4 Reduce \$9,000 to account 0060-61040, Speed Camera Contract, due to reduced promotional cost.
- 5 Reduce \$18,000 to account 0060-62008, Cell Phone, due to reduced cell phone cost.
- 6 Reduce \$10,000 to account 0060-70090, Applicant Processing, due to reduced operating cost for applicant processing.

SECTION 2. This Ordinance shall become effective upon adoption.

Adopted this _____ by Roll-Call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: