

CITY OF TAKOMA PARK

Community Budget Forum

November 12, 2024

# Community Budget Forum

Panel: Robert DiSpirito, City Manager; Susan Cheung, Finance Director; Ron Kawaley, Budget and Accounting Manager; David Eubanks, Deputy City Manager



# Tonight's Goals

- Sharing information about the budget
- Public Engagement – Your Questions, Ideas, Input
- Community Budget Survey

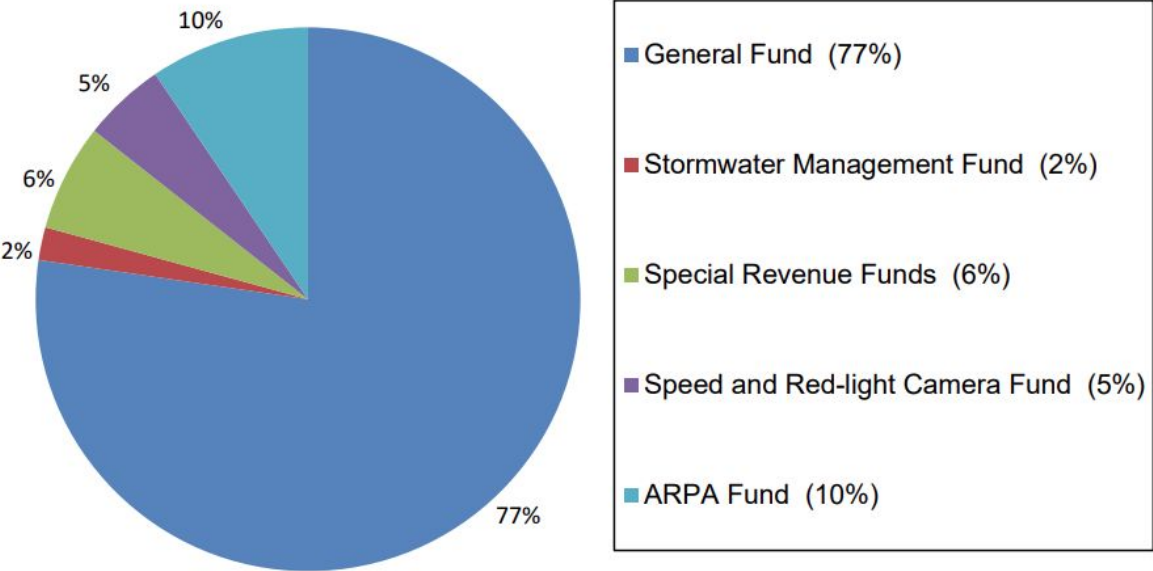


# Annual Budget Process - Overview

- Fiscal Year July 1 – June 30
- Key dates
  - October 16-December 2– Community Budget Survey Open to Public
  - December – Council sets annual budget goals & priorities
  - Jan-March – City Manager & Senior Leadership builds budget (talk about efficiencies & employee engagement)
  - Mid-February – Constant Yield Rate from County
  - March – City Manager presents draft budget to Mayor & Council
  - March- Department presentations
  - April – Public hearings, work sessions, and budget reconciliations
  - May – Council adopts budget & sets tax rates

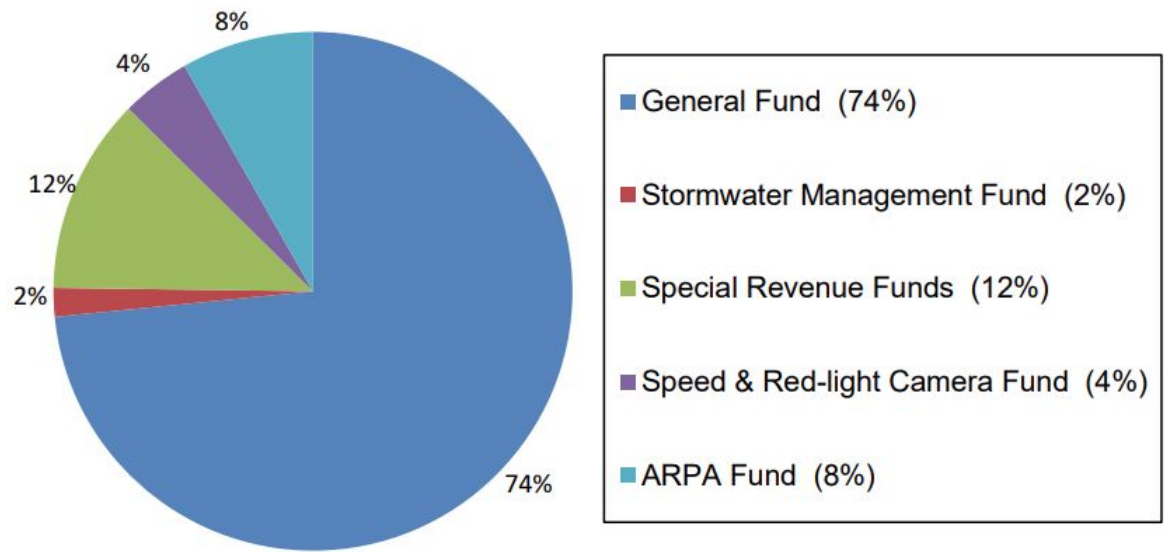
**Budget  
Combined  
Revenues  
by Fund**

TOTAL	\$39,579,982
General Fund (77%)	\$30,600,254
Stormwater Management Fund (2%)	\$775,000
Special Revenue Funds (6%)	\$2,520,695
Speed and Red-light Camera Fund (5%)	\$1,932,000
ARPA Fund (10%)	\$3,752,033



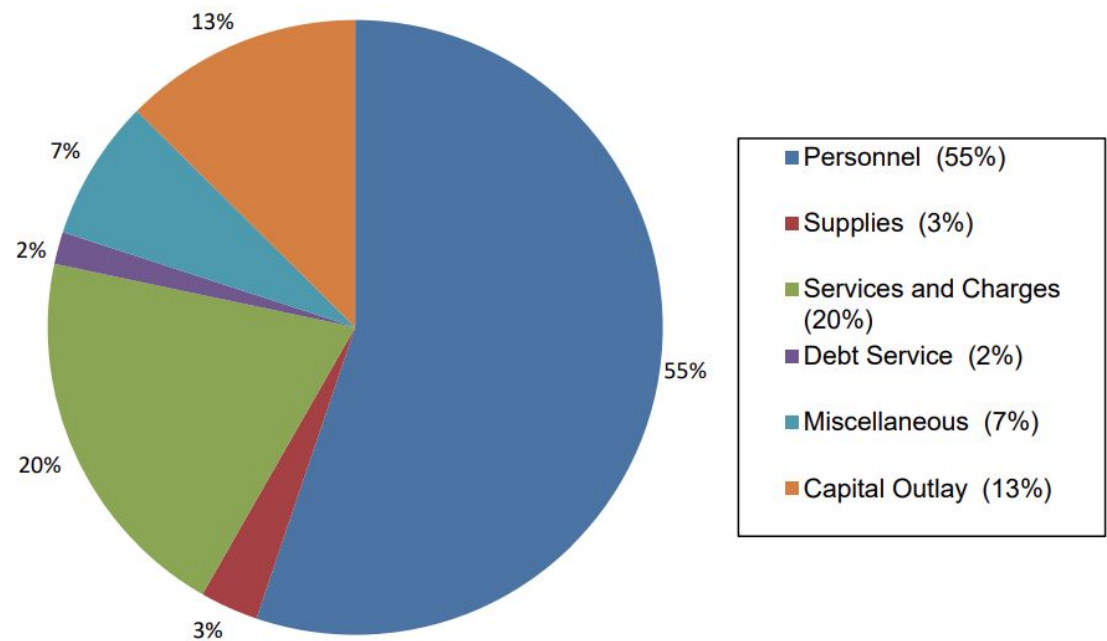
**Budget  
Combined  
Expenditure  
s by Fund**

TOTAL	\$43,675,888
General Fund (74%)	\$32,069,917
Stormwater Management Fund (2%)	\$779,040
Special Revenue Funds (12%)	\$5,334,456
Speed and Red-light Camera Fund (4%)	\$1,890,442
ARPA Fund (8%)	\$3,602,033



**Budget  
Combined  
Expenditures  
by Type**

Total	\$43,675,888
Personnel (55%)	\$24,116,506
Supplies (3%)	\$1,338,436
Services and Charges (20%)	\$8,753,602
Debt Service (2%)	\$739,885
Miscellaneous (7%)	\$3,237,023
Capital Outlay (13%)	\$5,490,436





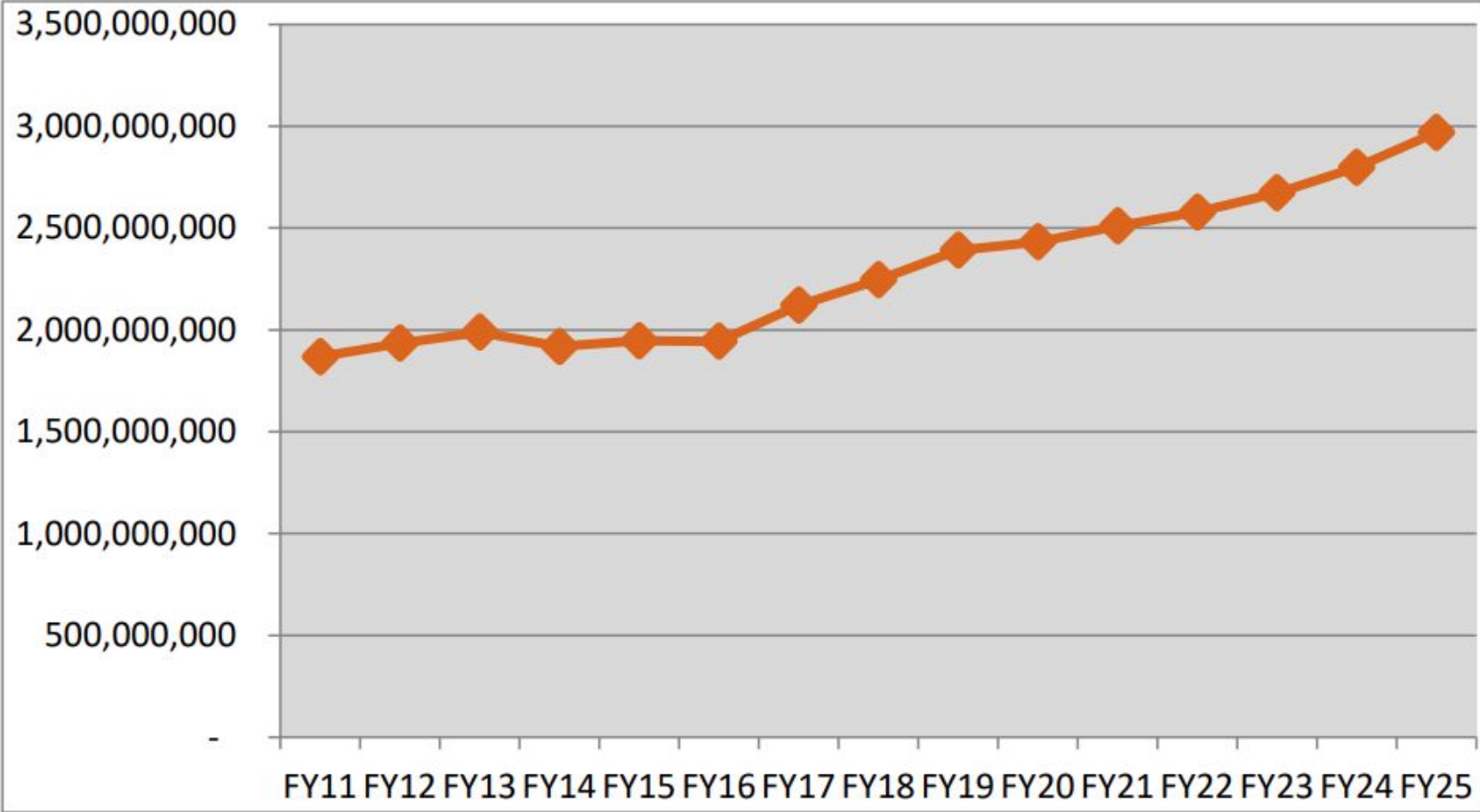
All real property within the corporate limits of Takoma Park is subject to real property tax. The State Department of Assessments and Taxation (SDAT) reassesses real property every three years, and tax bills are based on those assessments. Increases in assessed value are phased in over a three-year period; increases are capped at ten percent per year, even if that takes more than three years.

Pursuant to Maryland law, the constant yield tax (CYT) rate is calculated by the SDAT for each taxing authority. It represents the property tax rate that will generate the same amount of revenue generated during the previous year. As assessments increase, the CYT rate decreases. When a taxing authority plans to impose a tax rate that is higher than the CYT rate, it must advertise the increase and hold a public hearing. The City Council sets the tax rate. The tax rate for FY25 is \$0.5522 per \$100 of assessed valuation.

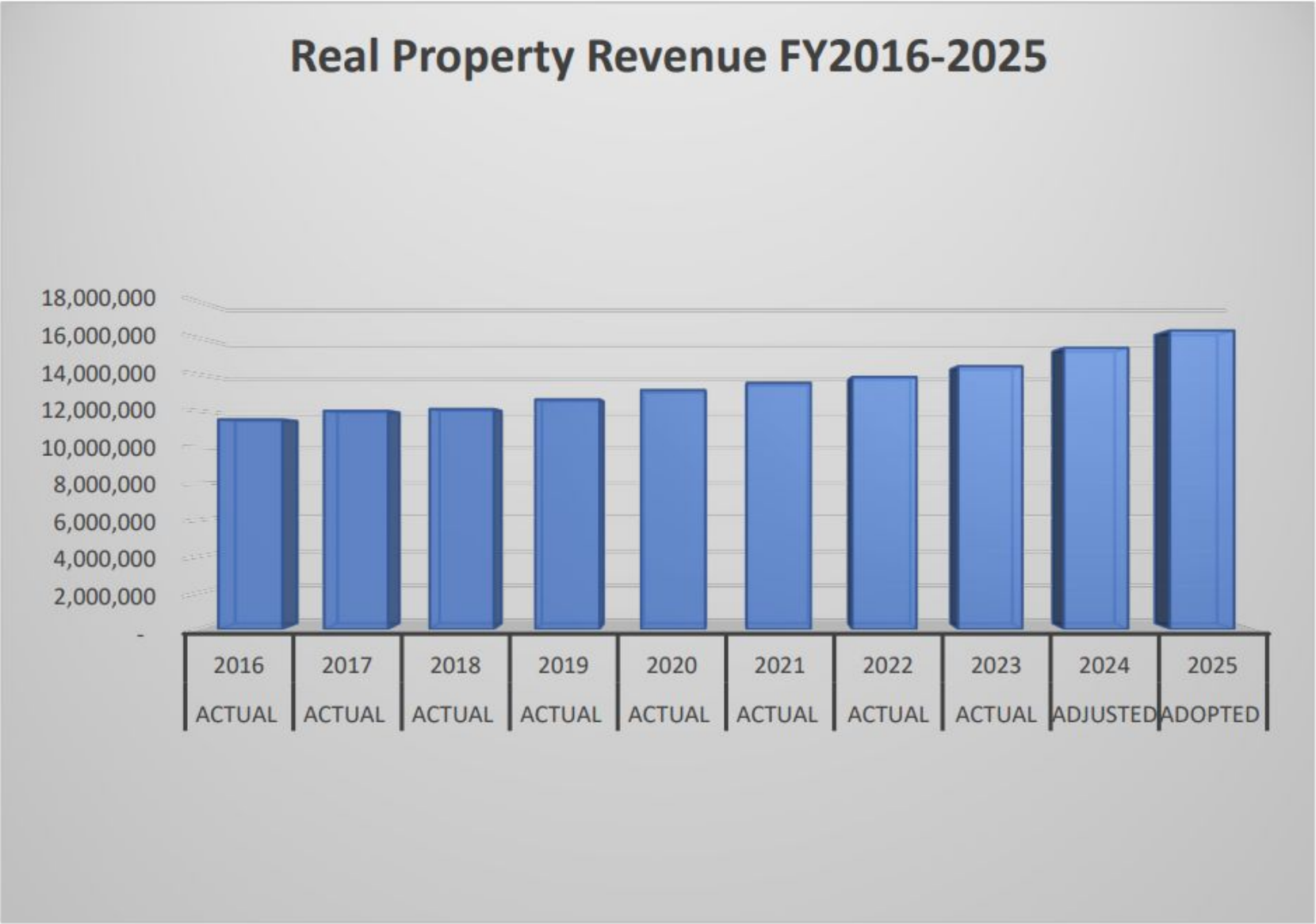
Real Property Tax Ten Year Revenue Bar Graph										
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjusted	Adopted
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Real Property (\$)	11,516,876	11,998,604	12,094,212	12,621,745	13,132,607	13,525,670	13,851,969	14,437,412	15,454,894	16,401,186
Real Property tax rate	0.5850	0.5675	0.5348	0.5291	0.5397	0.5397	0.5397	0.5397	0.5522	0.5522

**Assessed  
Value of  
Real  
Property**

The chart below tracks the total value of real estate property that the city levies real property tax on from FY11 to FY25.

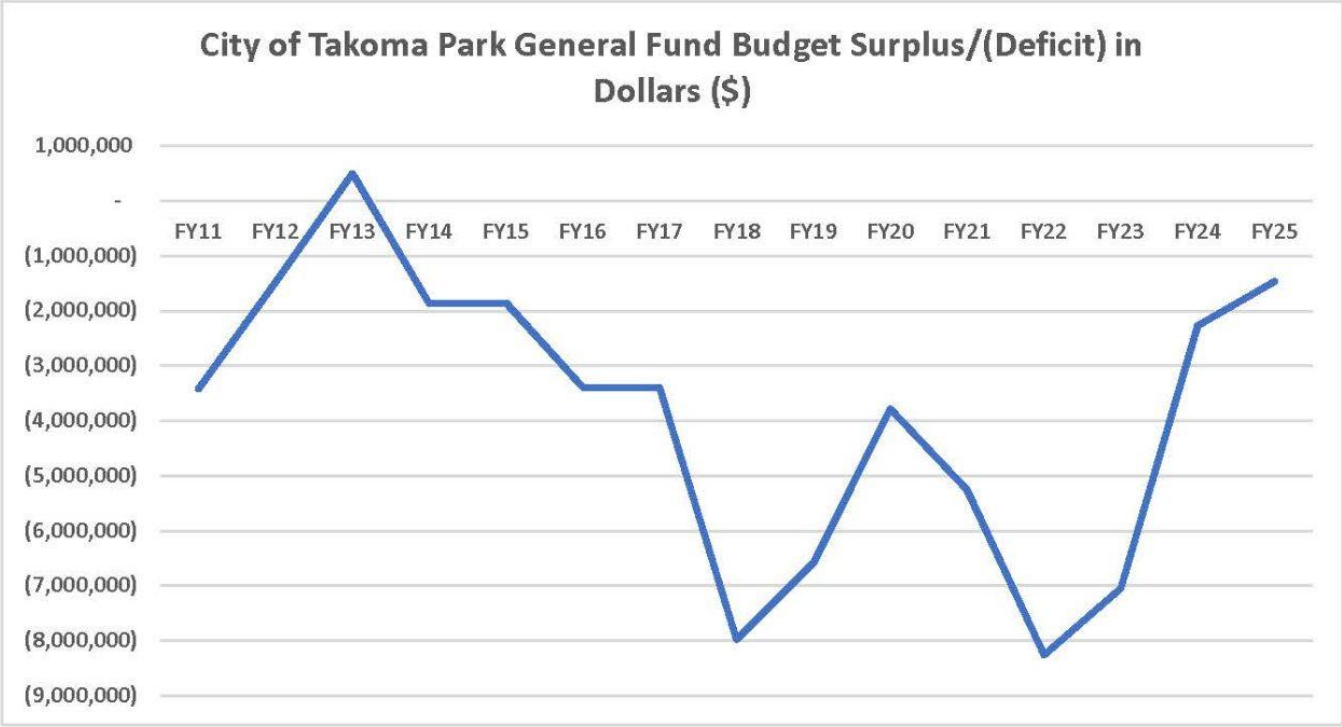






**Budget  
Structural  
Deficit**

City of Takoma Park General Fund Budget Surplus/(Deficit) in Dollars (\$)	
Fiscal Year	Dollars (\$)
FY11	(3,417,180)
FY12	(1,491,734)
FY13	499,560
FY14	(1,864,485)
FY15	(1,855,425)
FY16	(3,398,312)
FY17	(3,398,312)
FY18	(7,979,987)
FY19	(6,586,428)
FY20	(3,787,556)
FY21	(5,262,511)
FY22	(8,261,975)
FY23	(7,048,409)
FY24	(2,272,542)
FY25	(1,469,663)



# Forecasting FY26 – Challenges & Opportunities

## Forecasting FY26

- Structural deficit (every year since 2014)
- Inflation & Cost of Living (increasing)
- Other revenue funds:
  - Cable grant (declining)
  - Stormwater (underfunded in relation to desired projects)
  - Speed camera fund (declining)
  - Red light camera fund (new but unproven)
  - ARPA (funds nearly depleted)
- State Highway User Revenue (potentially at risk)
- Economic base constraints

# Complete the Takoma Park Community Survey- FY 2026 Budget Feedback

- Paper Copies Available in the November Newsletter

**Communit  
y Budget  
Survey**



CITY OF TAKOMA PARK



MARYLAND

