

**CITY OF TAKOMA PARK, MARYLAND
ORDINANCE NO. 2024-09**

**AN ORDINANCE APPROVING AND ADOPTING THE BUDGET FOR FISCAL YEAR 2025,
BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025**

- WHEREAS,** in accordance with Article VIII of the Charter of the City of Takoma Park, the City Manager submitted a recommended budget for Fiscal Year 2025 to the City Council for its review and consideration; and
- WHEREAS,** the Charter of the City of Takoma Park requires the conduct of at least one public hearing prior to adoption of the budget; and
- WHEREAS,** the City Council held said hearing and received public comment on the City Manager's recommended budget on April 10, 2024; and
- WHEREAS,** in the interest of obtaining additional public comment following its deliberations on the City Manager's recommended budget, the City Council held a second public hearing on April 24, 2024 and provided additional opportunities for public comment at each of its budget and reconciliation meetings; and
- WHEREAS,** a five-year ARPA spending plan in the amount of \$17.5 million was adopted by the City Council in January 2022 and was amended as part of the FY24 adopted budget; and
- WHEREAS,** in accordance to the Treasury Final Rule, the entire award of the ARPA funding must be obligated by December 31, 2024 and expended by December 31, 2026. In the FY 2025 Budget, the total appropriation from the ARPA Fund is \$3.6 million, including unallocated funding of \$1.2 million; and
- WHEREAS,** after considering the recommended annual budget submitted by the City Manager on April 3 and the comments made at the aforementioned public hearings, the City Council has determined its priorities relative to the delivery of municipal services for Fiscal Year 2025; and
- WHEREAS,** the Council and City Manager will work closely throughout the coming year to monitor revenues and expenditures to ensure the short and long-term fiscal health of the City and the appropriate use of the ARPA funds; and
- WHEREAS,** it is the policy of the City Council to set the level of the General Fund Unassigned Fund reserve at 17% of the General Fund revenue totaling \$30.6 million, which would be equivalent to \$5.2 million; and
- WHEREAS,** In the FY 2025 budget, the General Fund unassigned reserve is projected to be \$5.2 million, which is in compliance with the City's Reserve policy. Additionally, the City maintains other reserves totaling \$7.4 million; and
- WHEREAS,** the City Council maintains its commitment to a General Fund Unassigned Fund Balance of 17% of the General Fund revenue. As identified in Resolution 2018-24,

the Council recognizes that this may require a “phase-in” period to help mitigate impacts on the local property tax rate and/or City programs and initiatives.

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

SECTION 1. The budget attached hereto and by reference made a part hereof is hereby adopted for the year commencing on July 1, 2024 and ending June 30, 2025.

SECTION 2. The following amounts are hereby appropriated by fund:

Fund	Fiscal Year 2025 Appropriation
General Fund	\$ 32,069,917
Special Revenue Fund	5,334,456
Speed & Red-Light Camera Fund	1,890,442
ARPA Fund	3,602,033
GRAND TOTAL	\$ 42,896,848

SECTION 3. Use of the following fund balance amount is hereby authorized to supplement other fund revenues and financing sources:

Fund	Fiscal Year 2025 Appropriation
General Fund	\$1,453,660
Special Revenue Fund	\$2,813,761

SECTION 4. In accordance with Section 803 of the Charter of the City of Takoma Park, a general contingency account in the amount of \$153,081 has been included in the Inter-Departmental budget unit of the General Fund.

SECTION 5. A five-year Capital Improvement Program for Fiscal Year 2025 through Fiscal Year 2029 has been developed as part of the budget and is attached hereto and incorporated herein by reference.

SECTION 6. An amended five-year ARPA spending plan has been developed as part of the budget and is attached hereto and incorporated herein by reference.

SECTION 7. The City Council hereby authorizes the transfer of \$900,000 from the General Fund Unassigned Reserve to the Equipment Replacement Reserve.

SECTION 8. The City Council hereby authorizes the transfer of \$18,616 from the General Fund Unassigned Reserve to the Emergency Reserve.

SECTION 9. The City Council hereby authorizes the transfer of \$100,000 from the General Fund Unassigned Reserve to the Housing Reserve.

SECTION 10. It is hereby acknowledged that the City Council, in its capacity as the Stormwater Management Board, approved a Stormwater Management Fund budget for Fiscal Year 2025 by Ordinance No. 2024-08.

SECTION 11. The City Council will review budget revenues, expenditures and economic projections throughout the fiscal year.

SECTION 12. Should any section of this Ordinance be determined to be invalid, such invalidity shall not affect any other sections.

SECTION 13. This Ordinance shall be effective July 1, 2024.

Adopted this 15th day of May, 2024 by roll-call vote as follows:

AYES: Searcy, Fulcher, Dyballa, Gibson, Seamens, Honzak, Small

NAYS: None

ABSTAIN: None

ABSENT: None