

Regular Meeting

Agenda Item #	4
Meeting Date	May 12, 2008
Prepared By	Barbara B. Matthews City Manager
Approved By	

Discussion Item	2 nd Reading Ordinance Regarding FY08 Budget Amendment No. 3
Background	<p>The FY08 budget was adopted by the City Council on June 18, 2007. Since that time, the Council has passed two ordinances amending the budget.</p> <p>Since the second budget amendment was adopted in October 2007, certain events have transpired that necessitate a third amendment to the budget. These events are outlined below.</p> <p>To encourage residents to beautify their yards and to help in replacing the aging tree canopy in Takoma Park, the City offered residents the opportunity to participate in the City's "bulk buy" tree sale in the fall of 2007. Acting as a purchasing agent with Stadler Nursey, the City made a number of species available at wholesale prices. The Public Works Department would like to offer residents the opportunity to participate in a spring "bulk buy" tree sale. A budget amendment is required to account for both the Public Works Department's purchase of the trees and the monies that will be received from City residents who participate in the tree sale.</p> <p>In accordance with Chapter 12.12 of the Code of the City of Takoma Park, an individual removing trees on his/her property is required to plant replacement trees under certain conditions. Where it is not feasible or desirable to replace trees on site, the replacement requirement may be satisfied by planting trees at another location approved by the City Manager or by a contribution equivalent to the installed market value of the required replacement trees to the City's tree planting fund.</p> <p>Monies deposited in the tree planting fund are held in a deferred revenue account until such time as the monies are appropriated. The City Arborist would like to do additional tree planting during the fiscal year and has requested that an appropriation in the amount of \$10,000 be made. The planting is anticipated to occur in Ward 6, Jequie Park, Spring Park, and Forest Park.</p> <p>The Capital Outlay budget includes \$65,000 for neighborhood commercial center improvements. During the associated Master Plan process discussions, community members recommended that a concert series be held in Takoma Junction to improve the image of the area and to increase awareness of businesses located there. Monies would need to be transferred from the Capital Outlay budget to the operating budget for the proposed concert series.</p> <p>The City Manager's proposed budget for FY09 includes funding for the replacement of a skid steer loader purchased in 1996. The skid steer loader, one of the most heavily used pieces of equipment in the Public Works Department, recently became inoperable. To avoid rental charges, the Public Works Director has asked if the FY08 budget could be amended to allow the staff to move forward with the purchase of a new skid steer loader in the current fiscal year. Funding is available in the</p>

	<p>Equipment Replacement Reserve.</p> <p>The City receives a variety of grants that provide funding for law enforcement, community revitalization, parks development, and infrastructure improvements. The City utilizes Special Revenue Funds to account for revenue and expenditure activity attributable to the specific projects funded by these grants.</p> <p>At the time of the budget's adoption, the City anticipated receipt of \$25,000 from the Montgomery County Collaboration Council for the CSAFE initiative in the Crossroads area; these funds will not be received. However, the Montgomery County Collaboration Council recently awarded funding in the amount of \$3,480 for the development of a "train the trainers" program for CSAFE's gang awareness curriculum. The training will be provided to the MCPS Parents Academy staff within the Division of Family and Community Partnerships so that "Gang Awareness, Prevention, and Intervention" can become one of the core classes offered to MCPS parents. Additionally, the amount of the Project for Public Spaces/Crossroads Market must be adjusted to reflect funds provided by the Takoma Foundation for the Market's 2007 season.</p> <p>First reading of the ordinance amending the FY08 budget was held on April 28, 2008. Since that time, the following changes have been made to the proposed budget amendment:</p> <ul style="list-style-type: none"> • The cost of the skid steer loader was increased from \$19,863 to \$20,835 as a result of a lower trade-in value for the existing equipment. • Community Center Fund expenditures would be increased by \$30,000 for architectural, legal, and other costs, including retention of a fire protection consultant.
Policy	The Code of the City of Takoma Park requires budget amendments to be approved by a two-reading ordinance.
Fiscal Impact	<p>The Deferred Revenue Account of the General Fund would be reduced by \$10,000. The balance of the Equipment Replacement Reserve would be reduced by \$20,835.</p> <p>General Fund revenues would increase by \$18,650; fund expenditures would increase by \$39,485. Special Revenue Funds revenues would decrease by \$20,520, with a corresponding decrease in fund expenditures. Community Center Fund expenditures would be increased by \$30,000, with a corresponding operating transfer from the General Fund</p>
Attachments	Proposed FY08 Budget Amendment Ordinance No. 3
Recommendation	Staff recommends that the City Council accept the proposed ordinance for second reading.
Special Consideration	

Introduced by: Councilmember Clay

First Reading: April 28, 2008
Second Reading:

CITY OF TAKOMA PARK, MARYLAND

**ORDINANCE NO. 2008-18
FY08 BUDGET AMENDMENT NO. 3**

- WHEREAS, to encourage residents to beautify their yards and to help in replacing the aging tree canopy in Takoma Park, the City offered residents the opportunity to participate in the City's "bulk buy" tree sale, offering certain species of trees to be purchased at wholesale prices; and,
- WHEREAS, a budget amendment is required to account for both the Public Works Department's purchase of said trees and the monies received from City residents who participated in the tree sale; and,
- WHEREAS, Chapter 12.12 of the Code of the City of Takoma Park requires an individual removing trees on his/her property to plant replacement trees under certain conditions; and,
- WHEREAS, where it is not feasible or desirable to replace trees on site, the replacement requirement may be satisfied by planting trees at another location approved by the City Manager or by a contribution equivalent to the installed market value of the required replacement trees to the City's tree planting fund; and,
- WHEREAS, monies deposited in the tree planting fund are held in a deferred revenue account until such time as the monies are appropriated; and,
- WHEREAS, the City Arborist would like to do additional tree planting during the fiscal year and has requested that an appropriation in the amount of \$10,000 be made; and,
- WHEREAS, the Capital Outlay budget includes \$65,000 for neighborhood commercial center improvements; and,
- WHEREAS, During the associated Master Plan process discussions, community members recommended that a concert series be held in Takoma Junction to improve the image of the area and to increase awareness of businesses located there; and,
- WHEREAS, monies must be transferred from the Capital Outlay budget to the operating budget for said concert series; and,
- WHEREAS, the City Manager's proposed budget for FY09 includes funding for the replacement of a skidsteer purchased in 1996; and,
- WHEREAS, the 1996 skidsteer recently became inoperable and the Public Works Director has asked if the FY08 budget could be amended to allow the staff to move forward with the purchase of a new skidsteer in the current fiscal year in order to avoid equipment rental charges; and,

WHEREAS, revenues and expenditures associated with the Project for Public Spaces/Crossroads Market must be adjusted to reflect funds provided by the Takoma Foundation for the market's 2007 season.

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

SECTION 1. The Fiscal Year 2008 Budget is amended as follows:

General Fund – Transfers

1. Transfer \$10,000 from account 0001-1202, Deferred Revenue Tree Fund, to account 0001-3616, Tree Fund.
2. Transfer \$4,800 from account 9100-8000, Capital Equipment/Outlay, to account 5400-6140, Contracts, to hold a series of concerts in Takoma Junction.
3. Appropriate \$30,000 to account 9200-8101, Community Center Transfer.

General Fund – Revenues

1. Appropriate \$8,650 to account 0001-3680, Miscellaneous, to reflect the receipt of monies from City residents who elected to participate in the "bulk buy" tree sale.

General Fund – Expenditures

1. Appropriate \$18,650 to account 3800-5308, Tree Planting, for expenditures related to the City's "bulk buy" tree sale program and for additional tree planting to be made from Tree Fund revenues.
2. Appropriate ~~\$19,863~~ \$20,835 from the Equipment Replacement Reserve to account 9100-8003, Equipment Reserve, for the purchase of a skid steer loader.

Special Revenue Funds – Revenues

1. Appropriate \$1,000 to account 0010-3913, Project for Public Spaces.
2. Reduce account 0010-3391, Montgomery County Youth Strategies, by \$21,520.

Special Revenue Funds – Expenditures

1. Appropriate \$1,000 to account 0010-7245, Project for Public Spaces.
2. Reduce account 0010-7225, Montgomery County Youth Strategies, by \$21,520.

Community Center Fund – Transfers

1. Appropriate \$30,000 to account 0050-3385, General Fund Transfer.

Community Center Fund – Expenditures

1. Appropriate \$30,000 to account 0050-8005, Construction Costs.

SECTION 2. The City's Capital Improvement Program for FY08 shall be amended to reflect the aforementioned changes in the General Fund.

SECTION 3. This Ordinance shall become effective upon adoption.

Adopted this _____ day of _____ by Roll Call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT:

Explanatory Note:

Shading indicates additions to Ordinance No. 2008-18 made after first reading on April 28, 2008.