

Budget Worksession

Agenda Item #	1
Meeting Date	April 30, 2009
Prepared By	Barbara B. Matthews City Manager
Approved By	

Discussion Item	Worksession concerning the proposed Speed Camera Fund budget for FY 2010
Background	<p>The City's new fiscal year will commence on July 1, 2009. In accordance with Article VIII of the Charter of the City of Takoma Park, the City Manager prepared a proposed budget for consideration by the City Council.</p> <p>On April 30, 2009, the City Council is scheduled to discuss the proposed budget for the Speed Camera Fund. The fund was established in FY 2009 to account for financial transactions related to the City's speed camera program. The goal of the program is to reduce speeding in an effort to prevent accidents and reduce injuries and fatalities.</p> <p>In FY 2009, two cameras were installed on New Hampshire Avenue. Two cameras were also installed in the 500 block of Ethan Allen Avenue.</p> <p>By State law, program revenues are restricted and cannot be used to fund general City operations. They may be used for purposes that improve public safety.</p> <p>Following a warning period, the City's speed camera program went into effect on April 1, 2009. Other than the contractually required payment to ACS State and Local Solutions, Inc.—the firm that the City retained for installation of the speed cameras—fund expenditures in FY 2009 are expected to be minimal. It is anticipated that the Speed Camera Fund will have a fund balance of approximately \$881,000 as of June 30, 2009.</p> <p>In accordance with the goal of the program, it is anticipated that the number of violations will decline after the initial months of the program and the associated imposition of fines. In FY 2010, it is anticipated that 7,500 citations will be paid per month, generating gross revenues of \$3.6 million. It is anticipated that a civilian employee (1.0 FTE) will be hired in FY 2010 to assist with the administration of the program.</p> <p>As proposed, fund expenditures will include the following:</p> <ul style="list-style-type: none"> • Payment to ACS State and Local Solutions = \$1,462,500 • Design and installation of sidewalks = \$500,000 • Neighborhood traffic calming projects = \$100,000 • Other capital project funding = \$100,000 • Personnel costs = \$92,000

	<ul style="list-style-type: none"> Processing payment to the County = \$30,000 <p>Since the City Manager's submission of the proposed budget, the State Legislature passed legislation regarding speed camera usage, including those in Montgomery County. In accordance with the legislation, the City will be required to remit any monies in excess of ten percent of the City's total revenues, net of implementation and program administration costs, to the State. What constitutes a speeding violation was also modified by the legislation; it was changed from 11 to 12 miles over the speed limit. The aspects of the law that pertain to municipalities take effect on October 1, 2009.</p> <p>Additionally, the initial Memorandum of Understanding between the City and the County will expire May 15, 2009. The County is in the process of defining the method by which processing costs will be allocated among the various municipalities that have implemented speed camera programs. As a result, the projected contractual payment to the County may need to be modified before the FY 2010 budget is finalized.</p>
Policy	<p>In accordance with Article VIII of the Charter of the City of Takoma Park, the City Manager is charged with submission of a proposed budget for consideration of the City Council. Before adoption of the budget, the City Council shall hold at least one public hearing.</p> <p>A public hearing on the City Manager's proposed budget was held on April 13, 2009.</p>
Fiscal Impact	<p>The City Manager's proposed operating budget for the Speed Camera Fund is \$2,284,500.</p> <p>The Speed Camera Fund will be self-supporting. No General Fund monies will be transferred to it during FY 2010.</p>
Attachments	<p>Staff previously provided the City Council with a binder containing information related to the proposed budget for FY 2010. The information contained therein will be discussed at the worksession. Staff requests that Councilmembers bring their binders with them to the worksession.</p> <p>The following information previously distributed may be referred to during the discussion:</p> <ul style="list-style-type: none"> Proposed FY 2010 Speed Camera Fund Summary
Recommendation	<p>Staff recommends that the City Council discuss the proposed budget for the Speed Camera Fund and provide direction to the City Manager relative to the proposed budget for this service area.</p>
Special Consideration	