

Special Session

Agenda Item #	4
Meeting Date	September 8, 2009
Prepared By	Barbara B. Matthews City Manager
Approved By	

Discussion Item	First Reading Ordinance Regarding FY 2010 Budget Amendment No. 1
Background	<p>The FY 2010 budget was adopted by the City Council on May 26, 2009. Since that time, certain events have transpired that require an amendment to the budget. These events are outlined below.</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>Certain grant-funded projects were not completed by June 30, 2009. Special Revenue Funds' revenues and expenditures must be adjusted to reflect the financial activity that will take place in FY 2010.</p> <p>It was anticipated that the Park Avenue parking lot project would be completed as of June 30, 2009. The project was delayed due to inclement weather, requiring the carryover of funding to FY 2010. A transfer from the general contingency account will be necessary.</p> <p>Additionally, certain marketing activities related to the New Hampshire Avenue Corridor Initiative were not completed as of June 30, 2009. As a result, staff is requesting that funds be transferred from the general contingency account to cover these costs.</p> <p>The City Council provided a grant in the amount of \$75,000 to Safe Takoma, Inc. for a cross-jurisdictional crime prevention initiative. The Memorandum of Understanding between the City and Safe Takoma, Inc. provided for the return of any monies that were not expended as of June 30, 2009. Safe Takoma, Inc. returned \$24,965 to the City, necessitating an adjustment to General Fund revenues.</p> <p>The FY 2009 budget contemplated the receipt of monies from WSSC based on the execution of a road resurfacing cost sharing agreement. As staff advised the Council during the recent quarterly financial report, this agreement was not executed in FY 2009 so the funds were not received. A draft agreement is now being circulated, and it is expected that funding in the amount of \$179,991 from WSSC will be received in the fall of 2009 for road resurfacing projects.</p> <p>In late August, the State took a variety of measures to address its budget shortfall. These measures included reductions in Highway User Revenues and State Police Aid. Combined, these reductions will result in a loss of \$577,523 in FY 2010.</p>
Policy	The Code of the City of Takoma Park requires budget amendments to be approved by a two-reading ordinance.

Fiscal Impact	<p>General Fund revenues would decrease by \$372,567.</p> <p>Deferred revenue for the Special Revenues Funds would decrease by \$9,224.</p> <p>Special Revenue Funds revenues would increase by \$274,660, with a corresponding increase in fund expenditures.</p> <p>The general contingency account (budgeted at \$100,388) would be reduced by \$28,328, leaving a balance of \$72,060.</p>
Attachments	Proposed FY 2010 Budget Amendment Ordinance No. 1
Recommendation	Staff recommends that the City Council accept the proposed ordinance for first reading.
Special Consideration	

Introduced by:

First Reading:
Second Reading:

**CITY OF TAKOMA PARK, MARYLAND
ORDINANCE NO. 2009-**

FY 2010 BUDGET AMENDMENT NO. 1

WHEREAS, the City receives a variety of grants that provide funding for law enforcement, community revitalization, parks development, and infrastructure improvements; and,

WHEREAS, the City utilizes Special Revenue Funds to account for revenue and expenditure activity attributable to the specific projects funded by these grants; and,

WHEREAS, certain grant-funded projects were not completed by June 30, 2009, requiring an adjustment to Special Revenue Funds' revenues and expenditures; and,

WHEREAS, it was anticipated that the Park Avenue parking lot project would be completed as of June 30, 2009; and,

WHEREAS, the Park Avenue parking lot enhancement project was delayed due to inclement weather, requiring the carryover of funding to FY 2010; and,

WHEREAS, certain marketing activities related to the New Hampshire Avenue Corridor Initiative were not completed as of June 30, 2009, necessitating a transfer from the general contingency account to cover these costs; and,

WHEREAS, the City Council provided a grant in the amount of \$75,000 to Safe Takoma, Inc. for a cross-jurisdictional crime prevention initiative; and,

WHEREAS, the Memorandum of Understanding between the City and Safe Takoma, Inc. provided for the return of any monies that were not expended as of June 30, 2009; and,

WHEREAS, Safe Takoma, Inc. returned \$24,965 to the City, necessitating an adjustment to General Fund revenues; and,

WHEREAS, the FY 2009 budget contemplated the receipt of monies from WSSC based on the execution of a road resurfacing cost sharing agreement; and,

WHEREAS, because this agreement was not executed in FY 2009, receipt of the monies will occur in FY 2010, requiring an adjustment to General Fund revenues; and,

WHEREAS, in late August, the State took a variety of measures to address its budget shortfall; and,

WHEREAS, these measures included reductions in Highway User Revenues and State Police Aid, necessitating an adjustment to the budget amounts for these revenue sources.

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

SECTION 1. The Fiscal Year 2010 Budget is amended as follows:

General Fund – Transfers

1. Transfer \$5,900 from account 9000-7010, General Contingency, to account 5400-6410, Publicity, for marketing activities related to the New Hampshire Avenue corridor initiative.
2. Transfer \$3,428 from account 9000-7010, General Contingency, to account 5400-6515, Printing, for marketing activities related to the New Hampshire Avenue corridor initiative.
3. Transfer \$19,000 from account 9000-7010, General Contingency, to account 9100-8000 for the Park Avenue parking lot enhancement project.

General Fund – Revenues

1. Appropriate \$24,965 to account 0001-3680, Miscellaneous, for the remittance of unexpended funds by Safe Takoma, Inc.
2. Appropriate \$179,991 to account 0001-3693, Washington Suburban Sanitary Commission, based on the anticipated execution of a road resurfacing cost sharing agreement.
3. Reduce account 0001-3120, Highway User Revenues, by \$422,482 as a result of State budget reductions.
4. Reduce account 0001-3310, State Police Protection, by \$155,041, as a result of State budget reductions.

Special Revenue Funds – Transfers

1. Appropriate \$560 from account 0010-1200, Deferred Revenue, to account 0010-3913, Project for Public Spaces/Crossroad's Farmer's Market.
2. Appropriate \$8,664 from account 0010-1200, Deferred Revenue, to account 0010-3905, Takoma Junction Revitalization Grant, for the Carroll Avenue streetscape project.

Special Revenue Funds – Revenues

1. Appropriate \$2,803 to 0010-3361, Ministries United MUSST.
2. Appropriate \$4,800 to account 0010-3923, Manna Foods.
3. Appropriate \$6,125 to account 0010-3922, CUC/Victory Housing Healthcare.
4. Appropriate \$8,250 to account 0010-3705, Boys and Girls Club.
5. Appropriate \$6,919 to account 0010-3916, SHA National Recreational Trails.
6. Appropriate \$29,647 to account 0010-3710, Maple Avenue Streetscape.
7. Appropriate \$119,846 to account 0010-3739, Community Legacy 2008.
8. Appropriate \$14,769 to account 0010-3740, Community Legacy 2004.
9. Appropriate \$62,096 to account 0010-3709, Holton Lane Streetscape.

10. Appropriate \$10,181 to account 0010-3741, ADA Accessibility.

Special Revenue Funds – Expenditures

1. Appropriate \$2,803 to account 0010-6807, Ministries United MUSST.
2. Appropriate \$4,800 to account 0010-6812, Manna Foods.
3. Appropriate \$6,125 to account 0010-6813, CUC/Victory Housing Healthcare.
4. Appropriate \$8,250 to account 0010-6819, Boys and Girls Club.
5. Appropriate \$6,919 to account 0010-6826, SHA National Recreational Trails.
6. Appropriate \$29,647 to account 0010-6833, Maple Avenue Streetscape.
7. Appropriate \$119,846 to account 0010-6836, Community Legacy 2008.
8. Appropriate \$14,769 to account 0010-6837, Community Legacy 2004.
9. Appropriate \$62,096 to account 0010-6838, Holton Lane Streetscape.
10. Appropriate \$8,664 to account 0010-6854, Takoma Junction Revitalization Grant, for the Carroll Avenue streetscape project.
11. Appropriate \$10,181 to account 0010-6868, ADA Accessibility.
12. Appropriate \$560 to account 0010-7245, Project for Public Spaces/Crossroads Farmer's Market.

SECTION 2. This Ordinance shall become effective upon adoption.

Adopted this _____ day of _____, 2009 by Roll Call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: