

Regular Meeting

Agenda Item #	2
Meeting Date	January 11, 2010
Prepared By	Barbara B. Matthews City Manager
Approved By	

Discussion Item	First Reading Ordinance Regarding FY 2010 Budget Amendment No. 2
Background	<p>The FY 2010 budget was adopted by the City Council on May 26, 2009. Budget Amendment No. 1 was approved by the Council on October 12, 2009.</p> <p>Since adoption of the first budget amendment, certain events have transpired that require further modification to the FY 2010 budget, as revised. These events are outlined below.</p> <p>In the fall, the City was awarded a Byrne Justice Assistance Grant in the amount of \$13,882. The budget for the Special Revenue Funds, used to account for grant-related financial activity, must be modified to recognize both the receipt and expenditure of these monies.</p> <p>The Police Department has a part-time employee who provides assistance with policy and procedure matters (formerly known as the Accreditation Officer). As discussed on November 30, 2009, the Chief has identified an existing grant opportunity that could be used to pay for the employee for two years, thereby reducing General Fund expenditures. The proposed budget amendment would transfer the FY 2010 salary and benefit costs for the employee, currently accounted for in the Police Department operating budget, to the Special Revenue Funds.</p> <p>The Communications Department is requesting that \$150,000 be appropriated for renovation of City TV spaces located on the second and third floors of the Takoma Park Community Center. If authorized, the capital equipment reserve for cable would be reduced by \$150,000; Special Revenue Funds expenditures would increase by a like amount. Cable capital monies are restricted in nature and are not available for the City's general operations.</p> <p>The FY 2010 budget, as revised, includes the anticipated expenditure of \$300,000 in cable capital monies for the audio-visual system integration project associated with the renovation of the Community Center Auditorium. As plans for the Auditorium evolved over the first half of 2009, City TV staff, in consultation with engineers and advisors, determined that the construction offered the opportunity to implement upgrades and enhancements to City TV facilities and equipment. The relocation of the cable television control room to a second floor space closer to the Auditorium provides the opportunity to modify and make better use of the third floor space by consolidating staff functions and creating a separate space for editing work. Additionally, with the purchase of the new equipment for the Auditorium, staff believes it is an appropriate time to upgrade existing equipment, much of which is ten years old or more, with compatible digital equipment.</p> <p>On October 30, 2009, a police officer was traveling home from an on-call investigation when he observed an accident on the shoulder of I-495. The officer</p>

	<p>stopped to provide assistance, and the police cruiser was rear-ended by a box truck, causing extensive rear end damage to the City vehicle. The vehicle was a total loss, and the City received a settlement check in the amount of \$17,146. The proposed budget amendment would recognize receipt of the settlement check, thereby increasing General Fund revenues, and capital expenditures by the same amount.</p>
Policy	<p>The Code of the City of Takoma Park requires budget amendments to be approved by a two-reading ordinance.</p>
Fiscal Impact	<p>General Fund revenues would increase by \$17,146.</p> <p>General Fund expenditures would decrease by \$17,223.</p> <p>Special Revenue Funds revenues would increase by \$13,882. Fund expenditures would increase by \$163,882.</p> <p>The capital equipment reserve for cable would be reduced by \$150,000.</p>
Attachments	<p>Proposed FY 2010 Budget Amendment Ordinance No. 2</p>
Recommendation	<p>Staff recommends that the City Council accept the proposed ordinance for first reading.</p>
Special Consideration	<p>The FY 2010 budget, as adopted, contemplated the purchase of seven vehicles (comprised of marked and unmarked vehicles and a replacement Sport Utility Vehicle) for the Police Department. This budget amendment, which includes replacement of a vehicle severely damaged in an accident, would bring the total to eight. Staff is in the process of re-examining the current condition of the vehicles that are proposed for replacement, as well as their use and need, to determine if the purchase of any vehicles can be deferred.</p> <p>The City retained PDA, Inc. to provide technical assistance related to the proposed relocation of Washington Adventist Hospital and the Certificate of Need application process. The authorized amount of the contract has been expended. At some future date, staff may request an extension of the contract with the PDA, Inc. and an associated appropriation.</p> <p>As a result of legislation enacted in 2009, the threshold resulting in a speed camera citation changed from speeds more than ten miles per hour above the posted limit to speeds in excess of 12 miles per hour above the posted limit as of October 1, 2009. Budget Amendment No. 1 reduced anticipated fund revenues as a result. The number of paid citations has significantly decreased as expected. In addition to the 2009 legislative change, construction on New Hampshire Avenue will reduce the number of speed camera citations. There is insufficient data to determine if fund revenues should be further decreased; staff will continue to closely monitor the status of the Speed Camera Fund and provide periodic updates to the City Council.</p>

Introduced by:

First Reading:
Second Reading:

**CITY OF TAKOMA PARK, MARYLAND
ORDINANCE NO. 2010-**

FY 2010 BUDGET AMENDMENT NO. 2

WHEREAS, the Police Department was awarded a Byrne Justice Assistance Grant following adoption of the FY 2010 budget, necessitating an amendment to the Special Revenue Funds budget to recognize both the receipt and expenditure of the grant funds; and,

WHEREAS, The Police Department has a part-time employee who provides assistance with policy and procedure matters (formerly known as the Accreditation Officer); and,

WHEREAS, the Chief of Police has identified an existing grant opportunity that could be used to pay for said employee for two years, thereby reducing General Fund expenditures; and,

WHEREAS, a modification to the budget is required to transfer the salary and benefit costs for said employee from the Police Department operating budget to the Special Revenue Funds; and,

WHEREAS, the relocation of the cable television control room has created an opportunity to modify and make better use of the cable television space located on the third floor of the Community Center; and,

WHEREAS, with the purchase of the new equipment for the Auditorium, staff believes it is an appropriate time to upgrade existing cable television equipment, much of which is ten years old or more, with compatible digital equipment; and,

WHEREAS, the renovation of the third floor City TV space and the upgrade of existing cable television equipment necessitates the appropriation of monies to the Special Revenue Funds and a reduction in the capital equipment reserve for cable; and,

WHEREAS, the City received a settlement check for damage sustained to a police cruiser in the fall of 2009, requiring an adjustment in General Fund revenues to recognize the receipt of said insurance proceeds and the appropriation of funds for a replacement vehicle.

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 – Revenues

1. Appropriate \$17,146 to account 0001-3683, Insurance Claims, for a settlement check for damage sustained to a police cruiser.

General Fund – Expenditures

1. Reduce account 2100-4010, Salaries, by \$24,351 due to the transfer of a part-time police employee to an existing grant.
2. Reduce account 2100-4020, Fringe Benefits, by \$10,018 due to the transfer of a part-time police employee to an existing grant.
3. Appropriate \$17,146 to account 9100-8003, Equipment Reserve, for the replacement of a damaged police cruiser.

Special Revenue Funds – Revenues

1. Appropriate \$13,882 to account 0010-3902, Byrne Justice 2009.

Special Revenue Funds – Expenditures

1. Appropriate \$13,882 to account 0010-7231 Byrne Justice 2009.
2. Appropriate \$150,000 to account 0010-7241, Cable Grant, for space renovation and the upgrade of equipment.

SECTION 2. This Ordinance shall become effective upon adoption.

Adopted this _____ day of _____, 2010 by Roll Call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: