



City of Takoma Park Proposed Budget FY 2010



Budget Structure

- General Fund
- Stormwater Management Fund
- Special Revenue Funds
- Community Center Fund
- Speed Camera Fund

Budget Overview (All Funds)

- Total revenues = \$26.96 million
- Total expenditures = \$28.31 million
- Variance
 - Speed Camera Fund revenues not fully expended
 - Bond proceeds = \$1.5 million
 - Equipment Replacement Reserve = \$0.43 million
 - Allocation of General Fund fund balance

General Fund

- Accounts for majority of City spending
 - 82% of FY 2010 expenditures
- Operational activities
- Debt service
- Capital outlay

General Fund Overview

- Revenues = \$20.61 million
- Expenditures = \$23.11 million
- Other financing sources/uses
 - Bond proceeds = \$1.5 million
 - Operating transfer to Special Revenue Fund = \$0.24 million
- Use of fund balance = \$1.24 million
 - Equipment Replacement Reserve = \$0.43 million
 - Public Works facility renovation = \$0.76 million

Stormwater Management Fund

- Accounts for revenue and expenditure activity related to stormwater management
- No change in base rate of \$48
- Expenditures = \$357,428

Special Revenue Funds

- Accounts for grant-funded projects
- Expenditures = \$1.47 million
- FY 2010 projects include:
 - CSAFE program
 - Purchase of audio-visual equipment
 - Safe Routes to School activities
 - Bridge repairs

Community Center Fund

- Established in FY 2003
- Accounts for construction and related costs
- Expenditures = \$1.085 million
 - Renovation of Council Chambers/Auditorium
 - Financed by grants and expected WAH donation

Speed Camera Fund

- Established in FY 2009
- Program went into effect on April 1, 2009
- Monthly citations of 7,500 assumed
 - Should be reviewed as more data is available

Speed Camera Fund

- Expenditures must promote public safety
- Expenditures = \$2.28 million
 - Payment to ACS = \$1.46 million
 - Sidewalk design and construction = \$0.50 million
 - Neighborhood traffic calming = \$0.10 million
 - Personnel and other capital costs = \$0.22 million

Property Assessments & Taxes

- Assessable real property base (net)
 - Increase of \$163.4 million or 9.8% from prior year
- State Homestead Property Tax Credit
 - Limits increase in taxable assessments to 10% for certain property owners
- Reassessment in calendar 2010

Property Assessments & Taxes

- Real property tax rate unchanged
 - \$0.605 per \$100 of assessed valuation
 - Constant yield tax rate = \$0.551
- 53.6% of General Fund revenues
- State Homeowner Property Tax Credit
 - City supplement = \$160,000

Tax Duplication

- Joint Revenue Sharing Task Force
 - Final report is being drafted
- Second largest source of operating revenues
 - 15% of General Fund revenues
- Payments = \$3.0 million
 - No change since FY 2007

Staffing and Personnel Costs

- Changes in Recreation Department
 - Full-time Recreation Coordinator eliminated
 - Additional part-time hours for specific programming needs and building coverage
- Change in Communications
 - Additional part-time hours based on Auditorium renovation

Staffing and Personnel Costs

- Addition of 1.0 FTE in Speed Camera Fund
- Salary market adjustment rate = 3.1%
 - Based on DOL Employment Cost Index
- Worker's compensation insurance up by \$103,330

Police Employees' Retirement Plan

- Covers sworn police officers
- Plan provisions include retirement, disability, and death benefits
- Contribution rate is actuarially determined

Police Employees' Retirement Plan

- Higher than expected rate of disability awards since plan's inception
- Pension Board proposed plan amendment in March 2008 to address issue
 - Not submitted to Council to allow discussion with union
- Staff and union have been evaluating options
 - Discussions are ongoing

Police Employees' Retirement Plan

- Budget assumes continuation of City plan
- Actuarially calculated rate = 34.70%
 - Increased cost of \$131,000

Renovation of City Facilities

- Public Works Facility = \$2.26 million
 - Design/construction administration = \$0.26 million
 - Construction = \$2.0 million (preliminary estimate)
 - Bond financing = \$1.50 million
 - Reserve monies = \$0.50 million
 - Debt service beginning in FY 2011
- Council Chamber/Auditorium = \$1.085 million

Bridges

- City responsible for two bridges within its limits
- Minimal maintenance funding through tax duplication formula
- Both bridges require maintenance repairs
 - Budgeted cost = \$335,826
 - Cost sharing with County assumed

Equipment Replacement Reserve

- Thorough analysis on an annual basis
- Ideal funding level of \$1.5 million per year
 - Inadequately funded over the years
- Recommended contribution = \$0.75 million

Other Budget Highlights

- Increased purchase of wind power
- Continued funding for Main Street Takoma and Crossroads Farmer's Market
- Second survey of City residents
- Funding for Small Community Grants Program

Next Steps

- Public hearings on April 13th
 - Proposed FY 2010 budget
 - Constant yield tax rate
- Series of Council worksessions in April and May