

## 1. Agenda & Materials

### Documents:

- 01 -- AGENDA FOR 09-15-2017.PDF
- 02 -- CAR -- FINANCIAL PLANNING.PDF

**AGENDA**  
**City of Cambridge**  
**City Council Meeting – Work Session**  
September 15, 2017

Public Safety Building Training Room - 8 Washington St., Cambridge, MD 21613  
Cambridge, MD 21613

*The meeting is open to the public for observation only.*

11:30 am Mayor to Convene Council in Work Session

**Agenda**

1. Approve the Agenda as presented.

**Work Session**

2. SUBJECT: Financial Planning  
Recommendation that Council:
  - A. Receive a presentation by staff on funds availability and unmet capital needs;
  - B. Discuss whether Council is interested in committing any fund balances to capital projects or reserves.

**Adjourn**

*City Council meetings are conducted in open session unless otherwise indicated. Pursuant to the Maryland Open Meetings Act, all or a portion of the Council meeting may be held in closed session by vote of the Council. Please note that the order of agenda items is subject to change and that meetings are subject to audio and video recording.*

## Council Agenda Report

**Date:** Sept. 15, 2017  
**Prepared and submitted by:** Sandra Tripp-Jones  
**SUBJECT:** Financial Planning

**Recommendation that Council:**

- A. Receive a presentation by staff on funds availability and unmet capital needs;
- B. Discuss whether Council is interested in committing any fund balances to capital projects or reserves.

**Discussion:**

The purpose of the work session is to review fund balances, reserves and anticipated savings as we close the FY 2017 books and consider whether Council wants to leave all additions to fund balances as rainy day reserves or to address any unfunded needs. On principle, the discussion will help us avoid spending funds without consideration of need to reserve funds for the unexpected and doing so for priorities needs, not simply situational desires. Our budget policies call for us to limit expenditures of one-time moneys to one-time expenses. Attached are two lists: 1) Available Funds including fund balances, reserves, and expected one-time moneys; and 2) unmet capital needs and potential future big ticket items. I suggest that Council discuss whether some/all fund balances should be held in "reserve" or appropriated to priority capital projects and whether there are priorities high enough to warrant funding from available funds now.

## AVAILABLE FUNDS

### Reserves:

#### **Water Fund**

##### **Cash Fund Balance**

Operating Reserve	\$300,000
Capital Reserve *	\$1,150,000
Unrestricted	\$400,000

\*\$52,668 of this is impact fees (only for new infrastructure)

#### **Sewer Fund**

##### **Cash Fund Balance**

Unrestricted	\$275,000
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#### **General Fund**

##### **Fund Balance**

Operating Reserve	\$1,000,000 (53% of 16% of GF budget)
Unrestricted	\$920,000 (includes FY 2017 revenue over expenses)

### Additional Revenue Sources

Sanitation privatization savings in FY 2018	\$137,172
Beazer back taxes	\$431,000 (\$100,000 committed as CDBG match)

Note: One time income tax payment of \$194,000 in FY2017 has already been appropriated to fund capital program expenses

### **POTENTIAL NEW REVENUE SOURCES**

Personalty taxes – solar	???
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## **CAPITAL EXPENSES TO CONSIDER**

Capital Reserve	???
High St:	
General	\$542,000
Sewer	\$156,000
Water	\$102,000
Sidewalks – Leonards Ln	\$350,000
Sidewalks- Dor. Ave (Cedar to Washington)	\$300,000
Trenton St Pump Station Rehab	\$1,900,000 (Sewer)
Woods Rd Upgrade	\$200,000
Paving Program (100% vs 33%)	\$550,000/year
Cameras	???
Maces Lane Community Center	\$1,500,000 (or local match of \$200,000)
Housing Authority Drainage Improvements	\$275,000
Relocation of Pole Sign on Gateway	\$150,000

## **EXPENSES TO CONSIDER – RESERVE BUILD UP**

Reserve for purchase of hospital property	???
Reserve for pump house renovations to lease	???
Reserve for Fire Apparatus	???