

Budge Budget Amendments
6/4/15

0-14-15 Annual Operating Budget

Amendment #1

Decrease receipts for Alcoholic Beverage License Fees

	Change	Amount
Line 99 - General Fund Receipts Licenses and Permits	2,573,000 2,473,000	-100,000
Line 292 – General Fund Projected Change in Fund Balance (Before Finance Committee amendments)	117,895 17,895	-100,000

Rationale: Alcoholic Beverage License Fees should be based on costs incurred by the City related to the licensed activity. The Finance Director estimates that at current levels alcoholic beverage licensing fees will exceed related expenses by \$100,000. This amendment recognizes the required adjustment and removes the appropriate fee revenue from the budget.

The \$100,000 change to Alcoholic Beverage License Fees amounts to an *average* fee decrease of 22%. However, the City of Annapolis has sixty-four different Alcoholic Beverage License Fees. Rather than attempting to apportion a change in these fees during the budget process, the intent is to examine all of these fees in conjunction with City Staff, the Hospitality Industry, and the Alcoholic Beverage Control Board to assure that the fee changes are apportioned fairly and appropriately. A separate resolution will be forthcoming, well before the April license renewal date, to specify the adjusted fee schedule for Alcoholic Beverage licenses.

Adoption of this amendment specifies the total dollar amount of fee changes that the future resolution can consider for it to have zero fiscal impact.

Amendment #2

Decrease receipts for Taxi Permit Fees

	Change	Amount
Line 419 – Transportation Fund Revenues	1,036,500	- 17,200
Transportation Charges	1,019,300	
Line 421 – Transportation Fund Revenues	2,400,000	17,200
Other Financing Sources	2,417,200	
Line 279 – General Fund Expenses	3,511,848	17,200
Other Financing Uses and Transfers	3,530,048	
Line 292 – General Fund	117,895	-17,200
Projected Change in Fund Balance (Before Finance Committee amendments)	100695	

Rationale: The Maryland State Legislature has given the Public Services Commission state-wide authority for the licensing and regulation of Transportation Network Companies such as Uber and Lyft. The Annapolis Taxi Industry has requested regulatory and financial relief to help remain competitive. This amendment implements fiscal relief to the extent that the City is able. See accompanying fee change below.

Amendment #3

Decrease receipts for Solid Waste Fees

	Change	Amount
Line 536 – Solid Waste Fund Revenues	2,931,500	-664,396
Refuse Collection Charges	2,267,104	
Line 574 – Solid Waste Fund	671,718	-664,396
Projected Change in Fund Balance	7,322	

Rationale: The Solid Waste Fund is scheduled to finish FY15 with close to \$4 million in accumulated fund balance, almost all of which is unassigned. The existing fund balance provides adequate buffer for unexpected cost increases and future rate shocks. The amendment proposes adjusting the fee so that the fund operates break-even instead of with a six-figure surplus. See related fee changed below.