



City of Greenbelt, Maryland

ADOPTED BUDGET FOR THE FISCAL YEAR JULY 1, 2008 – JUNE 30, 2009

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HOW TO USE THIS BUDGET BOOK

The budget is the City organization's operational master plan for the fiscal year. This section is designed to acquaint the reader with the organization in order to get the most out of the information contained herein.

The budget is divided by tabs into sections, and a **Table of Contents** is included at the beginning of the book.

The **City Manager's Message**, in the very front of the book, summarizes what is going on in the budget and tells the story behind the numbers. It identifies major issues, notes decisions to be made by the City Council when adopting the budget, and conveys a thorough understanding of what the budget means for this fiscal year.

A **Table of Organization** is provided for the entire City organization. Tables of Organization for each department are located with the departmental budgets.

A budget summary is presented in the **General Fund – Revenues and Expenditures** section. Included in this summary are listings of total revenues and expenditures for the remainder of this fiscal year (estimated), next fiscal year, and past years. Expenditures are broken down into three categories: personnel expenses, other operating expenses, and capital expenditures. A one-page "executive summary" of all of the above is also included.

Departmental Expenditures are grouped by activity. Each section includes:

- Narratives describing the department or division's mission,
- FY 2008 accomplishments,
- FY 2009 issues and services,
- A table of organization,
- Personnel details,
- Past and projected expenditures,
- FY 2009 objectives,
- Measures by which to judge the performance of the department during the next fiscal year,
- Budget comments explaining significant expenditures within each budget.

The **Analysis and Background** section contains charts and graphs that further describe the City's condition including background reports on budget issues, a debt service schedule, and demographic information.

Finally, a **Glossary** at the back of the book defines technical terms used throughout the budget document.

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June 2, 2008

Dear Fellow Greenbelt Citizens:

Enclosed is the City of Greenbelt's Adopted Budget for the fiscal year beginning July 1, 2008, and ending June 30, 2009 (FY 2009). A proposed budget was submitted to the City Council by the City Manager on March 24, 2008. The City Council held ten work sessions, as well as two public hearings, in April and May, at which we received public comment. As always, your interest in this process is greatly appreciated.

From our review of the budget, the City appears on solid financial footing for FY 2009 and, we believe, for FY 2010. Given the uncertain economic circumstances we seem to be facing on a national level, how can this be? There are a number of reasons, but two key ones bear highlighting.

First, Greenbelt continues to be an attractive place to live and work. While there clearly has been a slow-down in the real estate market, including troubles related to foreclosures, there is no evidence of this reality noticeably impacting Greenbelt. People continue to be drawn to the Greenbelt community.

Second, the method by which real property is valued and assessed by the State of Maryland spreads changes out over a number of years which moderates any impacts. The real property taxes, which comprise 57% of the City's revenues, are based on the assessed value of real property as set by the State of Maryland Department of Assessment and Taxation (SDAT). Maryland has a triennial assessment process. Properties are assessed every three years with changes phased in over a three year period. Furthermore, for a property which is the owner's principal residence, increases in the assessed value for purposes of taxation are limited to no more than ten (10) percent per year. Property in Greenbelt was last assessed in 2006 and will be reassessed in 2009. As it turns out, the increase in the value of residential property in Greenbelt that occurred earlier this decade is still positively impacting the City's budget and is expected to continue into FY 2010. In FY 2009, it is estimated that property tax revenues will increase 9.3%, which will be the fifth year of an increase.

The growth in real property tax revenues more than offset some anticipated reductions in other revenues. The reductions included lower highway revenues and police aid from the State, a drop in corporate property taxes due to Northrop Grumman closing offices in Greenbelt to consolidate elsewhere in the region, and a lowering in the amount of interest earned on City funds due to a reduction in interest rates. In spite of these downturns, the City's solid financial footing enabled us to make key improvements to the budget.

- ◆ Apartment Inspection Fees were increased from \$85 to \$100 per year. The additional \$72,000 will enable another Community Development Inspector position to be hired, allowing for increased attention to be paid to the Empirian Village (formerly Springhill Lake) apartments.

- ◆ Following many suggestions from the Visioning sessions earlier this year, a position has been added in the Community Promotion budget to expand the City’s public information efforts. The first evidence of this will be the publication of a quarterly newsletter starting this summer.
- ◆ Funds were provided to upgrade laptops in Police cruisers, increase support to the Greenbelt Volunteer Fire Department and Rescue Squad, and provide a nominal contribution to the West Lanham Hills and Berwyn Heights fire departments in recognition of their providing first responder service to parts of Greenbelt.
- ◆ Contributions were increased to the Washington Ear and College Park Meals on Wheels, which serve Greenbelt by providing a radio-based reading service to visually impaired residents and vital meals to needy residents.
- ◆ Provided for the implementation of a City Property Tax Credit program to help homeowners of limited income.

Finally, FY 2009 will be another year of notable achievements to making Greenbelt Great! This time next year a new “green” Public Works facility will be open, the renovation of the Old Greenbelt Theatre will be well underway, and the Police Department will be implementing a new computer aided dispatch and records management system.

We greatly appreciate the support you, the citizens, provide to us and City staff. We promise to continue to work hard to deserve that support.

Sincerely,

Judith F. Davis, Mayor

Rodney M. Roberts, Mayor Pro Tem

Konrad E. Herling, Council member

Leta M. Mach, Council member

Edward V.J. Putens, Council member

March 24, 2008

Honorable Mayor and City Council,

I am pleased to present the proposed budget for the City of Greenbelt for Fiscal Year 2009 (FY 2009). The budget is the City's operational and financial master plan for the coming year. It is the annual opportunity to review and identify the issues and opportunities that will face the Greenbelt community over the next twelve months, as well as to discuss and set the direction of the organization for the coming year and beyond.

Last year's budget message talked about establishing a mission statement or brand for the City of Greenbelt. It also spoke to the need for a goals setting effort to set the future direction of the organization. The mission statement or brand suggested was "A National Historic Landmark...A Model for the Future" and the goals setting was addressed with the Visioning sessions led by the City Council and advisory board volunteers in early 2008.

The Visioning sessions created an opportunity for residents to put forth ideas and suggestions to help make Greenbelt the best community it can be. Over 100 residents participated in a first-time event for Greenbelt and more than 500 ideas and suggestions were offered. These will be reviewed and considered throughout the remainder of 2008. It is anticipated that the work will culminate in a goals and action plan which will be implemented over the next five years or so. For the FY 2009 budget, wherever the Visioning process has influenced the budget, it will be noted.

KEY ISSUES

In recent years, a focus of the budget has been communicating that the City was facing a structural deficit with its annual budget. Expenses for providing City services were increasing faster than City revenues. While that situation does not exist in FY 2009, the makings of a structural deficit continue. The rising real property assessments that have occurred since FY 2005 have resulted in increasing property tax revenues that have funded the increasing costs of city services and allowed for the expansion of some services. However, it is not reasonable to expect property assessments to continue to increase at a rate around ten (10) percent for the foreseeable future.

The FY 2009 assessed value of real property for tax purposes is estimated to increase 9.3% making it the fifth year in a row of increases in the area of 9% and it is estimated that FY 2010 will have a similar increase as well. However, FY 2010 will be the final year of the current triennial assessment. Greenbelt will be reassessed in calendar year 2009 and FY 2011 will be the first year of the next cycle. Given the turmoil in the real estate and credit markets, it is unlikely that the three year period of FY 2011-2013 will see increases similar to those of recent years. While the Washington area has been described as "recession proof", there are reports of declining property values which may be reflected in the next assessment cycle. Second, while recent history has seen property values increasing, for most of the 1990's and the early part of

this decade, the City's assessable base was flat and it is not unreasonable to think that cycle might repeat itself while the problems in the credit markets and real estate pricing correct themselves.

Previous budgets have taken note of the fact that even though the City has faced financial constraints, the Council and the community have supported maintaining a high level of service and seen fit to add programs. Without a doubt, these decisions contribute greatly to the quality of life and the sense of community that exists in Greenbelt that does not exist everywhere else. The community, city councils and city staff are to be commended for having the vision and willingness to provide and support these services. However, as has been reported, nearby jurisdictions are facing difficult budget decisions for FY 2009. The current economy cannot support the revenue and programmatic growth of recent years. For example, recent downturns in key revenue sources has brought to the forefront that Montgomery County government had been growing at unsustainable levels. Given the current economic situation and the unknown future, a key policy question for this budget and future budgets ought to be:

Should the City's level of program service be sustained in the future?

1. BUDGET SUMMARY

The proposed FY 2009 expenditure budget is \$24,873,800, an increase of \$1,357,300 or 5.8% over the adopted FY 2008 budget. In comparison, over the past year, there has been a 3.6% increase in the Consumer Price Index (CPI) for the Baltimore-Washington region and a 2.8% increase in the nation wide CPI.

FY 2009 revenues are proposed at \$24,999,100, a 6.3% increase over FY 2008 with no tax rate increase. This increase is supported by a 17.4% increase in the assessed value of property in Greenbelt which, after accounting for an increased Homestead Tax Credit, results in a 9.3% increase real property tax revenue. It should also be noted that at the time of this writing, City taxpayers will receive an almost one cent (\$0.008) reduction in the County tax rate as a result of the municipal tax differential. Corporate personal property is estimated to increase only 0.25% in FY 2009. One (1) cent on the tax rate yields \$193,700.

This budget funds existing services and the completion of the Public Works facility project and the theater renovation project. In order to do that, fewer funds are being allocated to the Building Capital Reserve, Capital Projects and Replacement funds than in previous years. This is in accord with a financing plan presented to Council in September 2007. It is intended that the reduction of funds is a one-time action, however, this is based on a plan to incur additional debt to fund the Public Works project along with some other big-ticket capital projects and funds to pay this debt will need to be identified in FY 2010.

No new positions are proposed in the FY 2009 budget, though funds are set aside to fund the outcome of the Classification and Compensation study. It should be noted that the set aside amount is an estimate as the study is still underway.

The budgets of FY 2006 and 2007 included funds to rebuild the City's Undesignated and Unreserved General Fund Balance. No funds were identified in FY 2008 for this purpose. However, due to savings that have occurred and better than expected receipts in a few revenues, almost \$600,000 will be added to the Fund Balance as a continuing effort to have a Fund Balance of at least 10%. For FY 2009, \$125,300 is available to be added to the Fund Balance which will bring the total to \$2,255,091, 9.1% of expenditures.

REVENUE DETAIL

As noted, revenues are projected to increase 6.3% over the adopted FY 2008 budget.

Here are some key revenues and what is expected to occur in FY 2009:

1. **Real Property** – As previously noted, the assessed value of real property in Greenbelt will increase 17.4% in FY 2009 as reported by the State of Maryland Department of Assessments and Taxation. This follows an increase of 22.3% in FY 2008. This increase reflects the strong real estate market that has occurred in Greenbelt and the region over the last few years. It is also evidence of how the State's triennial assessment process and ten (10) percent annual cap on assessment increases for residential property spreads changes out over time. While the region and nation are experiencing declining real estate values, local governments in Maryland are still seeing assessment increases as the run-up in market values in past years is still being incorporated into assessed values. The increases in FY 2008 and 2009 follow strong growth of 33% from the last reassessment done in 2003.

The net increase in assessed value is estimated at 9.3% after accounting for the Homestead Tax Credit Program and setting aside \$300,000 for possible abatement requests. Given the continued strength of the market, increases of between 8 to 10% will likely occur again in FY 2010.

The proposed Real Property revenue is \$14,319,700, which is 58% of the total revenue. Greenbelt, like other municipal governments in Maryland, is becoming more and more reliant on the property tax. In FY 2003, property taxes accounted for 42% of City's revenue.

2. **Business/Corporate Property** - This revenue is one of Greenbelt's largest. The closing of Sports Authority and the relocation of Northrop Grumman have negatively impacted this revenue in FY 2007 and FY 2008, respectively. Sports Authority annually generated around \$30,000 in Corporate property taxes and Northrop Grumman generated approximately \$135,000. For FY 2009, this revenue is budgeted at \$1,650,000, down \$200,000 from the expected FY 2008 receipt.
3. **Income, Hotel/Motel, and Admission & Amusement (A&A) Taxes** – Receipts from Income Taxes, another large revenue, has seen steady growth, 5% in FY 2007 and 3% in FY 2008. An increase of 2% is expected in FY 2009.

The addition of the Hilton Garden Inn a couple of years ago raised Hotel/Motel taxes 8% in FY 2007. Since then, the revenue seems to have flattened, though it may be too early to make that determination. For FY 2009, an increase of 1% is budgeted.

As for the A&A tax, the largest generator of this revenue has been movie theaters. At the end of 2004, six of the 14 movie theaters at Beltway Plaza were closed and operations at the remaining eight were going to cease at the end of February 2006. The owners of Beltway Plaza, Quantum Management, stepped in and continued to operate the eight and have installed stadium seating in the theaters. The City supported this action by reducing the A&A tax and it has been successful. The net receipts from the A&A tax are estimated to increase from \$130,000 in FY 2008 to \$165,000 in FY 2009.

4. Other Revenues –

Highway User/Gas Tax – This revenue had been increasing, but in recent years it has been a target at the State level for limited cuts. As such, the FY 2009 budget is the same amount as was received in FY 2006.

School Resource Officer (SRO) – The City receives a reimbursement from the County for the provision of a SRO at Eleanor Roosevelt High School. \$60,000 is expected to be received in FY 2008, though it was initially thought \$80,000 would be provided. \$80,000 has been budgeted for FY 2009.

Four Cities Street Sweeping - The four cities of Berwyn Heights, College Park, Greenbelt and New Carrollton jointly fund one person to serve as the driver for the shared program and share the expenses of operating the sweeper. The driver is a City of Greenbelt employee and the communities reimburse Greenbelt for their share of the expenses. An estimate of \$53,200 is included.

5. Service Charges/User Fees/Fines –

- The Waste Collection fee is proposed to increase by \$4.00 per quarter to \$57 per quarter. This is a 7.5% increase. Compared to other local governments, Greenbelt's rate continues to be very affordable. The Recycling only rate will increase from \$26 to \$28 per year. A portion of the fee increase is proposed to be used for a pilot program to use larger recycling containers to make recycling easier.
- Pass fees at the Aquatic and Fitness Center are recommended at 5% higher than last year and a 25 cent increase is proposed for daily admission fees. The City's Aquatic and Fitness Center remains a good bargain in comparison to other similar facilities.
- Fees from the City's Red Light Camera program peaked in FY 2003 at just over \$600,000. Since then, fees have been declining, due in small part to the elimination of one camera, but more importantly, better compliance. In FY 2007, the operating cost of the program exceeded the fees.

EXPENDITURE ISSUES

The Proposed FY 2009 budget funds existing services without any new positions, significant new services or programs. While this is good news compared to the service and program reductions that the State and nearby counties are proposing, there are a number of issues to be raised for consideration as Council reviews this budget.

1. **Structural Problem** – The City continues to wrestle with a structural problem with its budget. For the fifth year in a row, the City has experienced a sizeable increase in its assessable base, and while it is able to fund existing services, nearly all of the increased revenue is needed to fund existing services. As noted, the key factor causing this situation is that as a service organization, the City's largest cost items are salaries and benefits which comprise two-thirds of the City budget.

2. **Energy Costs** – For the last few years, rising energy costs have severely impacted the City budget. First was the deregulation of electric costs. Then natural gas prices skyrocketed. Third, since FY 2003, the City’s gasoline costs have tripled. Now electricity costs are rising again. Even though the City locked in a price for electricity through the Baltimore-Washington Corridor Chamber of Commerce, in the last year, the delivery portion of the bill has increased 10%.

The City’s budget has absorbed the additional costs, since the City’s buildings as public facilities need to be open and vehicles are vital to providing Police, Public Works and Community Development services. A number of steps have been taken to reduce the impact such as switching to more energy efficient lighting and making the fleet more fuel efficient. In FY 2009, additional steps will be taken. It is proposed to develop a plan to reduce energy usage and the City’s impact on the environment. This will be in line with the Cool Capital Challenge through the Metropolitan Washington Council of Governments and climate change legislation being sponsored by State Senator Pinsky in the current General Assembly session. Also, seventeen (17) year old HVAC equipment at the Aquatic & Fitness Center will be replaced with more efficient equipment and funds are provided for the acquisition of a hybrid pickup truck, if available.

3. **Need for additional capital financing** – The Public Works project is being completed using short-term financing. This financing will need to be converted into long-term financing and there are a number of other projects such as Greenbelt Lake improvements and public safety communications upgrades for which funding will likely be needed in the next two years. In addition, there maybe a need for funds to address a number of smaller infrastructure projects, such as street resurfacing and facility upgrades. Identifying the funding for this debt will need to be done in FY 2010.
4. **Visioning 2008** – The successful Visioning process conducted earlier this year raised many good ideas towards making Greenbelt the best community it can be. Resources will likely be needed to implement these ideas when an action plan is approved later this calendar year.

5. **Savings**

The budget has benefited from a number of savings that merit mention:

- A. The State Retirement Agency recalculated the payment percentages for each of its retirement/pension plans for FY 2009. In the Law Enforcement Officers Pension System (LEOPS), the percentage was changed from 36.8% to 30.5%. This reduction lowered the City’s FY 2009 payment by \$220,000.
- B. As part of the budget preparation process, departments were asked to identify savings, reductions or cuts equal to one (1) percent of their FY 2008 budget. The intent was not to reduce services or to cut budgets by 1%, it was to ensure that we had “sharpened our pencils’ in preparing the budget. While 1% does not sound like a lot, when budgets consist overwhelmingly of personnel, benefits and other fixed costs such as insurance and utilities, finding 1% is a challenge. The objective was to identify \$200,000 in savings. Each department met the intent of the objective, however, due to the impact of some of the proposals, they have not been incorporated in the budget. While that objective was not reached, \$124,000 in savings or reductions have been incorporated in the budget and will be identified in the individual budgets.

- C. Health insurance premiums will not increase. This is the second year the City has experienced zero increase in these areas. In addition, the self-insuring for prescription costs continues to save the City money. With the reserves built up over the past two years, premiums will be reduced 10 percent. Together, just over \$100,000 has been saved over what was initially budgeted for these costs.

GOALS FOR FY 2009

Besides dealing with the fiscal conditions facing the community, the budget seeks to keep the community moving forward and as such includes a number of management objectives or work initiatives in line with Council's goals for the coming fiscal year. These include:

- 1. Improve and enhance public safety**
 - a. Implement new computer aided dispatch system
 - b. Plan for new National Capital Region Interoperable Radio communication system
- 2. Preserve and expand the Greenbelt**
 - a. Complete the Greenhill/Hillside Roads outfall stabilization and stream restoration
 - b. Inventory and map all trails in Forest Preserve areas
 - c. Conduct a detailed assessment of the street tree canopy
- 3. Enhance the Sense of Community**
 - a. Begin planning for city's 75th anniversary
 - b. Working with City Council and the public, develop a goals/strategic plan based on the community visioning work (Visioning 2008)
 - c. Complete renovation of Old Greenbelt Theatre
 - d. Produce information pieces on topics of interest to the community (Visioning 2008)
- 4. Invest in Greenbelt's Youth**
 - a. Identify model of child centered therapy to serve younger children with issues such as anger, attachment disorders, grief, etc.
 - b. Work with Springhill Lake Elementary School and Greenbelt Middle School to incorporate the "Be Happy, Be Healthy" initiative
- 5. Provide Quality of Life programs for All, especially Greenbelt's seniors**
 - a. Develop in-home counseling services for seniors
 - b. Funded Strengthening Families program
 - c. Following success of Daddy Daughter dance, create program for Mothers & Sons (Visioning 2008)
- 6. Pursue sustainability for city facilities, vehicles and operations**
 - a. Develop a program to monitor and reduce energy use by City in conjunction with the Cool Capitol Challenge
 - b. Keep the City's recycling rate above 50%
- 7. Be fiscally sustainable**
 - a. Prepare a capital project financing plan for the additional cost of the Public Works facility, Greenbelt Lake dredging, public safety communications and other projects
 - b. Pursue federal or state funding for GAIL program

LONG TERM OUTLOOK

In past budgets, it has been noted that the long term condition of the City's financial condition would likely be positive. Continued increases in real estate values and possible development and redevelopment raised the potential for growth in the City's assessable base. However, the downturn in the real estate market and the credit crisis gripping the financial markets appear now to be slowing both these situations.

1. The State will reassess Greenbelt in calendar year 2009 as part of its triennial assessment program. The assessed values will impact the FY 2011 through 2013 budgets. It is unclear at this time what the impact will be. Anecdotal information seems to indicate that homes are taking longer to sell, but there does not appear to be a glut of homes on the market. Sales prices have dropped slightly, but there is no evidence that the lower prices will cause a retrenchment in assessed values.
2. Development in the South Core of Greenbelt Station has slowed noticeably in the past six months. The apartments proposed by Fairfield are expected to commence this calendar year, but development of the townhomes section is much less certain. There have been no updates on the North Core since the developer met with City Council in the fall of 2007.
3. The owners of Springhill Lake, AIMCO, are exploring all options regarding that property including its possible sale, so reinvestment in the coming years is much less certain.

STAFFING

No new positions are proposed in the budget, though the funding is provided for a full year for the Capital Projects Manager and Assistance in Living Case Manager. If there were funding available, nearly every department could benefit from additional staffing. For example, a point raised over and over in the Visioning discussions was a desire for more information about City programs and services, so it is clear that the current methods of communicating are not reaching everyone. Progress is being made in upgrading the City's information technology capabilities. However, swifter progress would be possible with additional staff. In the strategic plan for Social Services, it is noted that a Community Outreach position would be useful. Council has asked that the value of positions such as marketing manager and grants manager be examined and that is being done, but neither position is funded. Finally, there is justification to look at classifying a number of additional positions, primarily in the Recreation Department. However, when this situation has been analyzed in the past, the cost has been prohibitive.

For existing staff, the budget funds the costs of the second year of the Collective Bargaining Agreement (CBA), a six (6) percent pay increase. It is worth noting that the Police Department is at full staffing for police officers and it is believed the pay adjustments incorporated in the CBA is a key factor in aiding recruiting. For the other employees in the classified service, the budget includes a three (3) percent pay increase along with \$300,000 to fund any changes that result from the Classification and Compensation study currently underway. In terms of Employee Benefits, for the second year in a row, there will be no increase in health insurance and prescription premiums will drop by 10%. The Livable Wage policy, adopted in September 2007, has been checked with the State Department of Labor, Licensing and Regulation and the State wage level remains at \$11.30 per hour, so the City is in compliance with the policy.

TAX DIFFERENTIAL

While Greenbelt residents pay property taxes to the City to support the services provided, they also benefit from lower tax rates from the County and Maryland-National Capital Park and Planning Commission (MNCPPC) as a result of the city's services. This is called tax differential. In FY 2008, property owners residing in an unincorporated portion of Prince George's County such as Glenn Dale paid County taxes at the rate of \$0.96 per \$100 assessed valuation and MNCPPC taxes at the rate of \$0.279 per \$100 assessed valuation. By comparison, Greenbelt residents paid a lower County tax rate of \$0.792 per \$100 assessed valuation and lower MNCPPC tax rate of \$0.107. These rates are essentially credit for the services the City provides. A detailed breakdown is in the Analysis and Background section of this document. In FY 2009, it is expected that the County tax rate for Greenbelt residents will be reduced by an additional eight-tenths (\$0.008) of a cent.

REPLACEMENT FUND

\$103,000 in expenditures is proposed in this fund in FY 2009. It is proposed to transfer \$203,000 from the General Fund to assist with these purchases. The key expenses in this budget are to replace body armor for the police (\$21,000), replace two pickup trucks in Public Works (\$52,000) and replace a chipper (\$30,000).

BUILDING CAPITAL RESERVE FUND

This fund was established in FY 2004. It is essentially a replacement fund for the City's facilities. With the number, age and size of City facilities, this fund is to set money aside to cover large ticket expenses to city facilities such as HVAC equipment and to build reserves for future costs. No funds are budgeted as a contribution to this fund in FY 2009 due to the need for funds to complete the Public Works facility. However, work will be done to replace the Pool Pak and heat exhaust equipment at the Aquatic and Fitness Center. This project had initially been scheduled and funded in FY 2008.

CAPITAL PROJECTS FUND

The City has two capital project funds: the 2001 Bond Fund which accounts for the \$3.5 million bond issue approved in 2001, and the pay as you go Capital Projects Fund. In FY 2009, it is anticipated that the theater renovation project and Public Works facility renovation and addition will be completed and all monies in the 2001 Bond Fund expended.

In the Capital Projects fund, projects totaling \$1,079,000 are proposed. These will be funded with existing fund balance, State grants and a transfer of \$280,000 from the General Fund. Some of the projects proposed for FY 2009 are:

1. Resurfacing Walker Drive and half of Greenbrook Drive - \$300,000
2. Upgrade one Greenbelt East playgrounds under the playground agreement - \$60,000
3. Complete a dredging plan for Greenbelt Lake - \$38,000
4. Stabilization of the Hillside outfall as a Greenbelt Lake water quality project - \$140,000

Also, \$500,000 in Program Open Space funds is identified for land acquisition, if the opportunity presents itself.

Thank You's

As Council knows, the preparation of Greenbelt's budget is a significant undertaking by many people - the department heads and their staffs that do a great amount of detail work in preparation of the budget and work to meet the budget directives while maintaining Greenbelt's quality services. Every year their assistance is vital as we seek to best serve the community within the available resources of the City. To each of them, I extend my thanks.

Special thanks go to a few folks that shoulder the majority of the burden for preparing this plan and document. These people are Jeff Williams, City Treasurer, who handles the great majority of the details of preparing this budget from the preliminary meetings with the departments to determining the revenues which will be available; David Moran, Assistant City Manager, who prepares the majority of the Other Funds section, the Capital Projects section, and a number of operating budgets; Anne Marie Belton, Executive Associate, who handles all the input of the information into this document; and Beverly Palau, Public Information and Communications Coordinator, who adds the artwork that makes this document as enjoyable a document as a budget can be. My very special thanks to them!

To the citizens and City Council of Greenbelt, thank you for your interest in this process and your support this year and in past years.

Sincerely,

Michael McLaughlin
City Manager

Fy 2009 budget at a glance

- ◆ \$24,873,800 General Fund Budget, a \$1,357,300 or 5.8% increase over FY 2008.
- ◆ No tax increase.
- ◆ Property assessments estimated to increase 17.4%.
- ◆ Business Corporate Personal Property Taxes are down over \$200,000, primarily due to relocation of Northrop Grumman.
- ◆ Income Tax budgeted to be \$2,218,500, up 2%.
- ◆ Highway User Revenue budgeted at \$655,000, down 5.5%.
- ◆ 224.75 full-time equivalent positions, down 0.1 from FY 2007. No new positions are proposed.
- ◆ 40.2% of all General Fund expenditures go to Public Safety, down from 41.8% last year.
- ◆ Second year of Collective Bargaining Agreement funded.
- ◆ Initial funding for Police computer aided dispatch system provided.
- ◆ A 3% Pay Adjustment for non-sworn classified employees and 3% Performance Bonus for above average evaluation. \$300,000 set aside for results of Classification and Compensation Study.
- ◆ Health insurance costs will not increase and prescription costs will decrease 10%.
- ◆ Waste Collection fee increased per quarter to \$57 or \$228 per year, a 7.5% increase.
- ◆ Aquatic and Fitness Center passes proposed to increase five (5) percent and daily admissions by \$0.25.
- ◆ Aquatic and Fitness Center revenues will cover 60% of costs and Community Center revenues will cover 34% of operating expenses.
- ◆ \$483,000, or 2.5 cents on the tax rate, is budgeted for transfer to Capital Projects and Replacement Fund; no transfer is budgeted for the Building Capital Reserve funds.
- ◆ \$1,079,000 budgeted in Capital Projects fund including resurfacing Walker Drive and a portion of Greenbrook Drive, one playground replacement in Greenbelt East, playgrounds and the Hillside Road stabilization project.
- ◆ \$103,000 budgeted in Replacement Fund.
- ◆ Expenditures of \$2,469,000 are proposed in the 2001 Bond Fund to complete the Public Works Facility project and the Greenbelt Theatre renovation.
- ◆ \$625,000 is proposed to be transferred to the 2001 Bond Fund for the Public Works facility project in accord with the September 2007 financing plan.
- ◆ At the end of FY 2009, the City's Undesignated and Unreserved fund balance is estimated to be \$2,255,091 or 9.1% of Total Expenditures.

Notes



**Fiscal Years 2006 – 2009
Summary of Budget Revenues**

FUND	FY 2006 Actual Trans.	FY 2007 Actual Trans.	FY 2008 Adopted Budget	FY 2008 Estimated Trans.	FY 2009 Proposed Budget	FY 2009 Adopted Budget
GENERAL FUND	\$20,406,890	\$21,736,063	\$23,516,500	\$23,914,900	\$24,999,100	\$25,009,000
SPECIAL REVENUE FUNDS						
Building Capital Reserve Fund	\$54,762	\$108,401	\$82,000	\$82,000	\$341,500	\$341,500
Cemetery Fund	3,995	4,506	3,500	4,000	3,500	3,500
Debt Service	925,890	914,850	922,200	921,300	962,600	962,600
Replacement	206,469	418,052	337,000	344,000	216,000	216,000
Special Projects Fund	157,198	172,406	158,000	150,800	89,700	89,700
Temporary Disability	27,983	0	0	0	0	0
Unemployment	8,028	0	0	0	0	0
TOTAL SPECIAL REVENUE	\$1,384,325	\$1,618,215	\$1,502,700	\$1,502,100	\$1,613,300	\$1,613,300
CAPITAL PROJECTS FUNDS						
Capital Projects	\$322,613	\$600,988	\$1,309,000	\$741,000	\$907,000	\$907,000
2001 Bond Fund	116,112	147,718	627,500	151,000	2,105,000	2,105,000
Comm. Dev. Block Grant	100,000	86,240	100,000	130,200	100,000	100,000
TOTAL CAPITAL PROJECTS	\$538,725	\$834,946	\$2,036,500	\$1,022,200	\$3,112,000	\$3,112,000
ENTERPRISE FUND						
Green Ridge House	\$1,125,755	\$1,130,328	\$1,214,000	\$1,163,600	\$1,256,900	\$1,256,900
TOTAL ALL FUNDS	\$23,455,695	\$25,319,552	\$28,269,700	\$27,602,800	\$30,981,300	\$30,991,200

**Fiscal Years 2006 – 2009
Summary of Budget Expenditures**

GENERAL FUND	\$19,922,708	\$21,541,385	\$23,516,500	\$23,324,100	\$24,873,800	\$24,881,100
SPECIAL REVENUE FUNDS						
Building Capital Reserve Fund	\$45,311	\$47,810	\$159,000	\$40,600	\$550,000	\$550,000
Cemetery Fund	1,800	0	0	0	0	0
Debt Service	928,057	927,415	921,400	919,900	921,800	921,800
Replacement	181,002	444,047	361,000	348,500	103,000	103,000
Special Projects Fund	105,558	112,347	183,000	215,200	120,700	120,700
Temporary Disability	50,896	0	0	0	0	0
Unemployment	7,102	0	0	0	0	0
TOTAL SPECIAL REVENUE	\$1,319,726	\$1,531,619	\$1,624,400	\$1,524,200	\$1,695,500	\$1,695,500
CAPITAL PROJECTS FUNDS						
Capital Projects	\$419,361	\$811,366	\$1,537,100	\$883,800	\$1,079,000	\$1,079,000
2001 Bond Fund	170,815	227,266	2,975,920	2600,000	2,469,000	2,469,000
Comm. Dev. Block Grant	100,000	86,240	100,000	130,200	100,000	100,000
TOTAL CAPITAL PROJECTS	\$690,176	\$1,124,872	\$4,613,020	\$3,614,000	\$3,648,000	\$3,648,000
ENTERPRISE FUND						
Green Ridge House	\$1,129,234	\$1,187,146	\$1,204,800	\$1,184,500	\$1,253,800	\$1,253,800
TOTAL ALL FUNDS	\$23,061,844	\$25,385,022	\$30,958,720	\$29,646,800	\$31,471,100	\$31,478,400

* The sources and uses of the Agency Fund are not formally adopted. The actual transactions are reported to provide complete disclosure of the City's fiduciary responsibility over taxpayer and donated funds.

FY 2009 Budget Summary

FUND	Total All Funds	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Enterprise Fund
REVENUE						
Taxes & Special Assessments	\$20,345,600	\$20,174,200		\$171,400		
Licenses & Permits	1,238,100	1,185,100	\$53,000			
Intergovernmental	2,259,700	831,500	348,200		\$1,080,000	
Interest	36,000		15,500	2,500	18,000	
Charges for Services	2,057,000	2,056,000	1,000			
Fines & Forfeitures	540,500	520,500	20,000			
Contributions	75,000				75,000	
Miscellaneous	251,700	241,700	10,000			
Fund Transfers	1,208,000		203,000		1,005,000	
Bond Proceeds	1,788,700			788,700	1,000,000	
Enterprise Fund	1,256,900					\$1,256,900
TOTAL REVENUE	\$31,057,200	\$25,009,000	\$650,700	\$962,600	\$3,178,000	\$1,256,900
EXPENDITURES						
General Government	\$2,467,300	\$2,392,300	\$75,000			
Planning & Development	1,070,900	1,070,900				
Public Safety	10,107,000	10,055,300	51,700			
Public Works	5,995,000	3,001,000	23,000		\$2,971,000	
Social Services	717,200	717,200				
Recreation & Parks	6,333,000	4,977,000	509,000		847,000	
Miscellaneous	190,700	190,700				
Non-Departmental	1,501,800	580,000		\$921,800		
Fund Transfers	2,011,700	1,896,700	115,000			
Enterprise Fund	1,253,800					\$1,253,800
TOTAL EXPENDITURES	\$31,648,400	\$24,881,100	\$773,700	\$921,800	\$3,818,000	\$1,253,800
Projected Fund Balances						
Balances at July 1, 2007	\$6,689,572	\$1,888,991	\$705,458	(\$8,107)	\$3,292,409	\$810,821
FY 2008 Expected Revenues	\$27,672,840	\$23,914,900	\$580,800	\$921,300	\$1,092,240	\$1,163,600
FY 2008 Expected Expenditures	29,662,840	23,324,100	604,300	919,900	3,630,040	1,184,500
Balances at June 30, 2007	\$4,699,572	\$2,479,791	\$681,958	(\$6,707)	\$754,609	\$789,921
FY 2009 Budgeted Revenues	\$31,057,200	\$25,009,000	\$650,700	\$962,600	\$3,178,000	\$1,256,900
FY 2009 Budgeted Expenditures	31,648,400	24,881,100	773,700	921,800	3,818,000	1,253,800
Balances at June 30, 2009	\$4,108,372	\$2,607,691	\$558,958	\$34,093	\$114,609	\$793,021

* In the proprietary funds, the amount referred to as Unreserved Fund Balance consists of total current assets, net of current liabilities.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Greenbelt
Maryland**

For the Fiscal Year Beginning

July 1, 2007

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the City of Greenbelt for its annual budget for the fiscal year beginning July 1, 2007.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operational guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.