



City of Greenbelt, Maryland

ADOPTED BUDGET

FOR THE FISCAL YEAR

JULY 1, 2009 – JUNE 30, 2010

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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 2009 accomplishments,
- FY 2010 issues and services,
- A table of organization,
- Personnel details,
- Past and projected expenditures,
- FY 2010 objectives,
- Measures by which to judge the performance of the department during the next fiscal year, including how services are rated by citizens. Scores from 2001 and 2003 are rated on a scale of 1 (poor) to 4 (excellent). In 2005 and 2007, the scale changed to 1 (poor) to 5 (excellent).
- 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 9, 2009

Dear Fellow Greenbelt Citizens:

Enclosed is the City of Greenbelt's Adopted Budget for the fiscal year beginning July 1, 2009, and ending June 30, 2010 (FY 2010). A proposed budget was submitted to the City Council by the City Manager on March 23, 2009. 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.

Last year, we reported that Greenbelt was on solid financial footing and would likely continue to be for the coming year (FY 2010). Given the unsettling economic circumstances we are 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 little evidence of this reality noticeably impacting Greenbelt. People continue to be drawn to the Greenbelt community.

Second, the increase in the value of residential property in Greenbelt that occurred earlier this decade is still positively affecting the City's budget. In FY 2010, it is estimated that property tax revenues will increase 8.1%, which will be the sixth year in a row of 8-10% increases. The method by which real property is valued and assessed by the State of Maryland spreads changes out over a number of years. Real Property taxes, which comprise 60% of the City's revenues, are based on the assessed value of real property set by the State of Maryland Department of Assessment and Taxation (SDAT). Maryland has a triennial assessment process meaning properties are assessed every three years with changes phased in over a three year period. In addition, for an owner's principal residence, any increase in the assessed value is limited to no more than ten (10) percent per year for purposes of taxation. Property in Greenbelt was last assessed in 2006 and is being reassessed this calendar year.

The growth in real property tax revenues more than offset anticipated reductions in other revenues. The reductions included lower highway revenues, a drop in corporate property taxes and lower income tax receipts.

Four other points merit highlighting. First, there has been no tax rate increase for the third year in a row. Second, while some vacancies were not filled, none of our employees were let go or RIFed. Third, Prince George's County will again be providing support (\$60,000) for the School Resource Officer program. Fourth, the Maryland-National Capital Park and Planning Commission increased its funding assistance to the city's Recreation Department from \$84,000 to \$184,000. The last two actions were due to the efforts of County Council Member Turner.

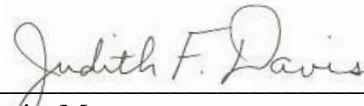
With the above revenues and additional expenditure savings identified during the budget review process, we were able to fund some initiatives that were not in the proposed budget.

1. The Contract Postal Unit in the Municipal Building was funded for FY 2010. This service, which provides limited postal services, such as stamps and parcel post, operates Tuesdays through Saturdays from 10 a.m. until 2 p.m.
2. An additional \$10,000 was allocated for outreach and education efforts to increase voter turnout in the 2009 city election.
3. The Greenbelt Connection bus service will be expanded to include Saturday service and to extend Sunday service from 1 p.m. until 4 p.m.
4. In the Capital Projects fund, monies were appropriated to install curbs and gutter along Westway between Crescent and Ridge Roads. Westway will be resurfaced at the same time.


Again, we are pleased to report that the City's finances in FY 2010 appear solid. However, it is likely that FY 2011 will be a challenging fiscal year which is why the City's reserves will also be increased in FY 2010 to better position the City for FY 2011.

We recognize the special trust you place in us as your elected representatives and greatly appreciate the support you, the citizens, provide to us and City staff. We promise to continue to strive to deserve that trust and 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 23, 2009

Honorable Mayor and City Council,

I am pleased to present the proposed budget for the City of Greenbelt for Fiscal Year 2010 (FY 2010). The budget is the city's operational and financial master plan for the coming year. It is an annual exercise to review and identify the issues, challenges 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.

KEY ISSUES

Over the past twelve months, City Council has spent a good deal of time considering the outcomes of the Visioning sessions held in early 2008. This work culminated in the adoption of a goals plan on March 9, 2009. The goals plan has been one of the two key influences in the development of the FY 2010 budget and the goals are listed later in this message. Wherever contributions from the Visioning work are included in the budget, they are noted.

The other key issue influencing this budget is the very difficult economic climate. Regionally, problems in the housing market, the crisis in the financial industry, and the recession in the overall economy have resulted in significant budget deficits at the State and County levels. While Greenbelt has been negatively affected, the impacts have been comparatively minor compared to the State's and County's and relatively manageable. While the FY 2010 budget will be impacted due to these economic conditions, I believe the real problems will occur in FY 2011 and beyond. How can this be?

In the past five budgets, real property assessments have been growing at around ten (10) percent annually. This situation was caused by the rise in home values that occurred in the late 1990's and earlier this decade. Due to the State of Maryland's triennial assessment process, these increases have been phased in over time and FY 2010 will be the third year of the phase-in of assessed values that were set in 2006, prior to the start of the decline in housing values. As a result, real property assessed values are estimated to increase \$281.6 million (13.2%) and real property tax revenues by \$1.17 million or 8.1%.

However, in calendar year 2009, all real property in Greenbelt will be reassessed. With the real estate market currently at or near a low point relative to recent years, it is certain the city will not see increases similar to those of recent years. The likely scenario is for little to no increase and even the possibility of a decline in assessed values. These values will be the values that drive the budgets for the next three years - FY 2011, 2012 and 2013, and if they are flat or decreased, the city will face severe fiscal constraints and difficult choices.

While Property Taxes will be higher in FY 2010, reductions are anticipated in a number of non-property tax related revenues as a result of the economic downturn. For example, Corporate receipts are projected \$135,000 lower than FY 2009, Income Tax receipts are almost \$200,000 lower and Highway User/Gas Tax revenues are \$100,000 lower than budgeted in FY 2009, due to cuts at the State level, fewer vehicles being sold, and miles being driven. At the same time, costs are increasing. After two years of no increase, the city's health insurance premium is projected to increase fifteen (15) percent or approximately \$115,000. Prince George's County has raised the dumping fee at its landfill from \$49 to \$54 per ton (\$9,000) and has begun charging \$30 per ton at its recycling center (\$24,000) due to a downturn in the materials resale market.

At the financial forecast provided to City Council in January 2009, I noted that my approach in preparing this budget would be to seek to fund existing services and to look for savings that would help prepare the city for the expected downturn beyond FY 2010. Council asked further that reductions in the budget of 1, 3 and 5% be identified for Council's consideration. These concerns align with comments raised in previous budgets that the city's expenses were growing faster than its revenues. On the other hand, it has also been noted that even though the city has faced financial constraints in the past, the Council and the community have supported maintaining a high level of service and seen fit to add programs. Without a doubt, these decisions have contributed greatly to the quality of life and a sense of community that exists in Greenbelt that does not exist everywhere else. The community, city council and city staff are to be commended for having the vision and willingness to provide and support these services. Given the current economic situation and the unknown future, a key policy question for this budget and future budgets continues to be:

What should the city's level of program service be in the future?

1. BUDGET SUMMARY

The proposed FY 2010 expenditure budget is \$25,355,600, an increase of \$474,500 or 1.9% over the adopted FY 2009 budget.

FY 2010 revenues are estimated at \$25,694,600, a \$685,600 or 2.7% increase over FY 2009 with no tax rate increase. This increase is supported by the 13.2% increase in the assessed value of property in Greenbelt which, after accounting for an increased Homestead Tax Credit, results in an 8.1% increased real property tax revenue. One (1) cent on the tax rate yields \$209,000.

It should also be noted that at the time of this writing, city taxpayers will see about a one cent increase in the County tax rate. This increase is being caused by a reduction in the Municipal Tax Differential. The reduction has been caused by fewer County services being funded by property taxes as property taxes continue to be a smaller part of the County's revenue stream due to TRIM.

This budget funds core services, a number of new initiatives related to the Visioning goals and work on the Greenbelt Theatre renovation. One new position is proposed to provide Public Works with additional staff to maintain the new Public Works facility and the new restrooms at Buddy Attick Park. This position will work Saturdays and Sundays as part of its regular work week in order to provide the service. It will also maintain the Schrom Hills restrooms, handle weekend trash collection at Roosevelt Center and provide general weekend support to city events and activities. About a third of the cost of the position is offset by savings in overtime for this work. Another position in Public Works is recommended to expand to full-time in order to handle some tasks currently done by the Recycling Coordinator. The Recycling Coordinator will then be able to lead the city's energy efficiency opportunities.

It is also suggested to transfer \$200,000 from the General Fund to the 2001 Bond Fund to assist with the theatre project. This transfer is in addition to the normal transfers to the Capital Projects, Replacement and Building Capital Reserve funds.

Also proposed in the budget are the elimination of the public information position added in FY 2009, the Capital Projects Manager position and the Police Cadet position, all of which are vacant; the two Police Officer positions which were added but never filled as part of the Greenbelt Station South Core development agreement; the closing of the Contract Postal Unit in the Municipal Building; and not filling the ACE Reading Club Coordinator position with the funds budgeted for other initiatives by the Advisory Committee on Education (ACE). These proposals would result in a net reduction of 4.55 positions.

Finally, as a result of the economic downturn, FY 2009 is estimated to end with expenditures exceeding revenues by \$221,500 which will reduce the Fund Balance to \$2.15 million or 8.7% of expenditures. The city's policy is to maintain a fund balance equal to 10% of expenses. The proposed FY 2010 budget provides funds to restore the fund balance.

REVENUE DETAIL

Here are some key revenues and what is expected to occur in FY 2010:

1. **Real Property** – As previously noted, the assessed value of real property in Greenbelt will increase 13.2% in FY 2010 as reported by the State of Maryland Department of Assessments and Taxation. This follows increases of 22.3% and 17.4% in FY 2008 and 2009, respectively. These increases reflect the price inflation in the 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 the ten (10) percent annual cap on assessment increases for residential property spreads changes out over time. While other governments in 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 of past years is still being incorporated into assessed values. These increases follow strong growth of 33% from the last reassessment done in 2003.

The net increase in assessed value is estimated at 8.1% after accounting for the Homestead Tax Credit Program, the city's property tax credit program, and setting aside \$400,000 for possible abatement requests.

The proposed Real Property revenue is \$15,510,000, which is 61% of the total revenue. Greenbelt 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 and Income Taxes** - These revenues are two of Greenbelt's largest and are where the downturn is impacting the city. The FY 2010 estimate for Corporate Property of \$1,515,000 is 18% lower than the amount collected just three years ago in FY 2007. Since then, a number of companies have closed operation in Greenbelt. These include Northrop Grumman (\$135,000), Hewlett Packard (\$50,000) and Value City (\$35,000).

Receipts from Income Taxes are projected at \$2,025,000 for FY 2009 and 2010, essentially unchanged since FY 2005. The current projection is almost \$200,000 or 10% lower than the FY 2009 budget.

3. **Hotel/Motel, and Admission & Amusement (A&A) Taxes** - The addition of the Hilton Garden Inn a couple of years ago helped raise Hotel/Motel taxes 8% in FY 2007 and 3.4% in FY 2008. Since then, the revenue has leveled off. No increase is budgeted for FY 2010.

As for the A&A Tax, FY 2010 will be the fourth year of the rebate of this tax which was done to assist Beltway Plaza in its renovation and operation of the theaters. The net receipts from the A&A Tax are estimated at \$150,000, the same level since FY 2007.

4. **Other Revenues** –

Highway User/Gas Tax – This revenue is another one which has been noticeably impacted by the economic downturn. The State of Maryland has reduced its transfer and the decline in car sales and miles driven have further reduced this revenue. The current FY 2009 estimate of \$550,000 is \$105,000 or 16% lower than budgeted a year ago. The FY 2010 proposal is 1% higher, but it appears the State is considering an additional 20% (\$100,000) reduction in the distribution formula.

School Resource Officer (SRO) – At this time, the proposed County budget does not include any reimbursement to the city for the provision of a SRO at Eleanor Roosevelt High School. It should be noted that in response to the fiscal constraints being faced by the County, its FY 2010 budget is 3.5% less than the FY 2009 level and includes the elimination of approximately 300 positions.

Recreation Programs – Revenues from recreation programming are estimated to be 3.4% higher in FY 2010 and are showing steady growth. The areas showing the largest growth in recent years are the Arts and Greenbelt Kids programs, up 39 and 23% since FY 2007, respectively.

5. **Service Charges/User Fees/Fines** –

- The Waste Collection fee is recommended to increase by \$3.00 per quarter to \$60 per quarter. This is a 5.3% increase. Compared to other local governments, Greenbelt's rate continues to be very affordable. The Recycling only rate will increase from \$28 to \$30 per year. The fee increase is due in part to a proposed increase in the landfill fee charged by Prince George's County from \$49/ton to \$54/ton (10%) on July 1, 2009. In addition, in January of this year, the County began charging \$30/ton for recycling materials brought to its facility due to the drop in commodities prices.
- Pass fees at the Aquatic and Fitness Center are recommended at 5% higher than last year and a 25 cent increase is suggested 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 began to exceed the fees. The costs and revenues from the program have held steady since then at approximately \$300,000 each.

EXPENDITURE ISSUES

The Proposed FY 2010 budget funds core services with one new position and a number of initiatives based on Council's goals. This situation is relatively good news compared to the service and program reductions that the State and nearby counties are proposing, nevertheless, there are a number of issues to be raised for consideration as Council reviews this budget.

1. The Impacts of the Economic Downturn and the 2009 Reassessment

As has been shown, FY 2010 has sufficient revenue growth to enable the city to provide or expand services. However, this budget generally does not do that. It is essentially a core services budget with some notable suggested reductions. This approach is being proposed because it is thought that FY 2011, 2012 and 2013 will be difficult financially due to the economic downturn and reassessment. As such, it is not prudent to expand services when there may not be resources for them in the future. Property taxes could well be lower or flat in FY 2011 and beyond compared to FY 2010, and revenues from other areas, such as pass throughs from the State and County, could be decreased in future years as well.

With a difficult economic climate as a backdrop, it has been my intent from the beginning of the FY 2010 budget process to look for savings in order to prepare the city for constrained finances in FY 2011 and beyond. Along this same thinking, at the budget briefing in January 2009, Council directed this budget be developed with possible reductions/savings of one, three and five percent of the budget. For comparison purposes, with a \$25 million budget, the 1/3/5 % reductions/savings equal \$250,000, \$750,000 and \$1,250,000. A listing of suggested reductions/savings is below. Fortunately, a number of these can be implemented without any impact to the city, either because the need no longer exists, the cost has dropped, or another funding source has been provided. However, the majority of them have service impacts which Council ought to consider.

One (1) Percent - \$250,000 – Funding Not Included in Budget

1. Payment for Police computer system due to Congressman Hoyer's grant	\$120,000
2. Capital Projects Manager position (Sal. - \$52,000 & Benefits - \$18,000)	70,000
3. Reduced costs for County Institutional Network	25,000
4. Police Cadet position (Salary - \$24,300 & Benefits - \$8,000)	<u>32,300</u>
	\$247,300

Three (3) Percent - \$750,000 – Funding Not Included in Budget

5. Beltway Plaza partnership overtime	\$60,000
6. Public Info position (1/2 year)	30,000
7. Building Paint and Carpet Allowance	15,000
8. Muni. Bldg. Contract Postal Unit (Sal. - \$12,000 & Exp. - \$20,000)	20,000
9. Street Maintenance – Base repair – funded in Capital Projects Fund	10,000
10. Traffic Control – Signs and paints	7,000
11. Recreation – Transition to electronic brochure	23,000
12. Community Development – engineering services	<u>15,000</u>
	\$427,300

Three (3) Percent -\$750,000 – Funding is Included in the Budget

12. Pay Adjustment (1%)	\$ 80,000
13. Performance Pay	120,000
14. Reduce transfer to 2001 Bond Fund	<u>122,700</u>
	\$750,000

- 2. Visioning** – The successful Visioning process conducted in early 2008 raised many good ideas towards making Greenbelt the best community it can be. The ideas have been formed into a goals plan that was recently adopted by Council. The goals have influenced the FY 2010 work plan. If more progress on the goals is desired than is proposed in this budget, additional resources are necessary.
- 3. Energy Costs** – For the past few years, rising energy costs have severely impacted the city budget. First was the deregulation of electric costs. Then, natural gas prices surged. Finally, gasoline costs skyrocketed.

The city took a number of steps to address this problem. Cooperative volume purchasing contracts were obtained for electricity and natural gas, a switch was made to police cars that provided better gas mileage, the fleet was downsized and an energy audit was conducted.

For FY 2010, gas prices are well down from the highs of last summer, a new contract has been signed for natural gas at a current low price point in the market and one is being pursued for electricity, money is set aside for energy efficiency improvements and a sustainability tracking system has been established to show progress towards the goals of the Council of Government’s Climate Change Initiative.

- 4. 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 the theatre renovation and Greenbelt Lake improvements for which funding will likely be needed in the next two years. In addition, there may be a need for funds to address a number of smaller infrastructure projects, such as facility upgrades.

GOALS FOR FY 2010

The City Council approved the below listed set of goals on March 9, 2009. These goals were the result of the Visioning work that occurred in early 2008. These goals have been instrumental in the development of the work plan for this budget. Numerous initiatives have been incorporated in the budget in response to these goals. Any initiative related to the goals is listed in the budget as follows: (Visioning).

1. Enhance Sense of Community

Since its beginning in 1937, the Greenbelt community has benefited from a strong sense of community. The presence of an active and involved citizenry, citizen-owned cooperatives and the design of the community all contributed to a strong sense of community that continues to exist today. It is important to nurture it for Greenbelt to remain a special place to live, work and play.

- ✓ Expand communication with residents
- ✓ Upgrade and coordinate signage identifying Greenbelt
- ✓ Establish a community welcome wagon program
- ✓ Explore costs and benefits of providing a city-wide WiFi network

LONG TERM OUTLOOK

As has been noted, the long term outlook is very concerning. The depth and breadth of the nation's economic troubles seem to have gone well beyond the expectations of many experts. At this time, there is no indication when the economy will turn positive, though, at some point, it certainly will. So far, impacts on Greenbelt have been relatively minimal – property values have not been dramatically lowered and President Obama's economic stimulus program will enable the State of Maryland to minimize its cutbacks.

However, with the uncertainty of the economy in the near future and the reassessment of Greenbelt property occurring in 2009, it is quite likely the city will face very constrained finances in the coming years.

On a positive note, Greenbelt continues to be an attractive place to live and do business. The Greenbelt Ambulatory Care facility in Maryland Trade Center has been completed and the free-standing Old Line Bank in Capital Office Park is under construction. While work has stopped at the Greenbelt Station South Core area, existing properties such as Charlestowne North and Empirian Village are undergoing reinvestment to maintain their values.

COMPENSATION

For existing staff, the budget funds the costs of the third year of the Collective Bargaining Agreement (CBA), a six (6) percent pay increase. It is worth noting that the Police Department has generally been 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 the Performance Increase and a one (1) percent pay adjustment. With the Performance Increase, most employees will receive a three (3) percent increase. Also, when the Classification and Compensation study is approved, all non-sworn classified employees will receive at least a one (1) percent increase with approximately half receiving more. In terms of Employee Benefits, there will be a fifteen (15) percent increase in health insurance following two years of no increase. 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 is \$11.72 per hour. The city's pay scale exceeds this amount and thus 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 (M-NCPPC) as a result of the city's services. This is called tax differential. In FY 2009, 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 M-NCPPC taxes at the rate of \$0.279 per \$100 assessed valuation. By comparison, Greenbelt residents paid a lower County tax rate of \$0.784 per \$100 assessed valuation and lower M-NCPPC tax rate of \$0.107. These rates are essentially credit for the services the city provides. A detailed breakdown of the tax rates is in the Analysis and Background section of this document. In FY 2010, it is expected that the County tax differential for Greenbelt residents will be reduced by about one cent causing an increase in the County tax rate. The change is because property taxes are declining as a portion of the County's revenues, since they are limited by TRIM.

CAPITAL IMPROVEMENTS

The city has three capital improvement funds: the 2001 Bond Fund which accounts for the \$3.5 million bond issue approved in 2001, the pay as you go Capital Projects Fund and the Community Development Block Grant Fund. In the 2001 Bond Fund for FY 2010, it is anticipated that the theater renovation project will be underway. Depending on the approved scope of the project, there may be a need for additional funding. It is proposed to transfer \$200,000 from the General Fund to this fund.

In the Capital Projects fund, projects totaling \$1,559,000 are proposed. These will be funded with existing fund balance, State grants and a transfer of \$300,000 from the General Fund. Some of the projects proposed for FY 2010 are:

1. Resurfacing Greenway Center Drive, and portions of Gardenway, Hedgewood Drive and Research Road, along with base repair work - \$253,000
2. Resurfacing and relighting of four tennis courts at Braden Field - \$333,000
3. Upgrade the playground in Greenwood Village - \$60,000
4. Implementing a gateway signage plan - \$20,000
5. Stabilization of the Hillside outfall as a Greenbelt Lake water quality project - \$170,000
6. Replacing the light bollards along the Schrom Hills Park allée - \$12,000
7. Resurface the indoor pool at the Aquatic and Fitness Center - \$33,700

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

In the Community Development Block Grant Fund, it is anticipated that street light upgrades and one or more call boxes will be installed in Greenbelt West. Also, it is hoped that funds will be approved for a second year of the Accessible Greenbelt program (\$50,000) and renovations to the Springhill Lake Recreation Center (\$80,000).

REPLACEMENT FUND

\$250,000 in expenditures is proposed in this fund in FY 2010. 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 a refuse truck (\$165,000), a 1 ½ ton dump truck (\$58,000) and a compact pickup truck (\$14,000).

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. \$75,000 is budgeted as a

contribution to this fund in FY 2010. Work to be done will include replacement of the Pool Pak and heat exhaust equipment at the Aquatic and Fitness Center. This project had initially been scheduled and funded in FY 2008. Also budgeted are \$10,000 to make energy efficiency improvements at the Youth Center as an initial trial program, \$10,000 to replace a water line at the Municipal Building and \$10,000 for a full refinishing of the Community Center gym floor.

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 2010 BUDGET AT A GLANCE

- ★ \$25,355,600 General Fund Budget, a \$474,500 or 1.9% increase over FY 2009.
- ★ No tax increase.
- ★ Property assessments estimated to increase 13.2%.
- ★ Business Corporate Personal Property Taxes are down \$135,000, due to relocation of Hewlett Packard and closing of Value City.
- ★ Income Tax budgeted at \$2,025,000, down almost \$200,000 or 10%.
- ★ Highway User Revenue budgeted at \$555,000, down \$100,000 or 16%.
- ★ 222.7 full-time equivalent positions, down 4.55 from FY 2009. One new position is proposed.
- ★ 41.8% of all General Fund expenditures go to Public Safety, up from 40.2% last year.
- ★ Third year of Collective Bargaining Agreement funded.
- ★ A 1% Pay Adjustment for non-sworn classified employees and 3% Performance Bonus for above average evaluation.
- ★ Health insurance costs will increase 15%.
- ★ Waste Collection fee increased per quarter to \$60 or \$240 per year, a 5.3% increase.
- ★ Aquatic and Fitness Center passes proposed to increase five (5) percent and daily admissions by \$0.25.
- ★ \$578,000, or 2.7 cents on the tax rate, is budgeted for transfer to Capital Projects, Replacement Fund and the Building Capital Reserve funds.
- ★ \$1,559,000 budgeted in Capital Projects fund including resurfacing Greenway Center Drive and portions of Gardenway, Hedgewood Drive and Research Road, and one playground replacement in Greenbelt East.
- ★ \$250,000 budgeted in Replacement Fund.
- ★ \$200,000 is proposed to be transferred to the 2001 Bond Fund for the Greenbelt Theatre renovation.
- ★ At the end of FY 2010, the city's Undesignated and Unreserved fund balance is estimated to be \$2,543,037 or 10% of Total Expenditures.

**Fiscal Years 2007 – 2010
Summary of Budget Revenues**

FUND	FY 2007 Actual Trans.	FY 2008 Actual Trans.	FY 2009 Adopted Budget	FY 2009 Estimated Trans.	FY 2010 Proposed Budget	FY 2010 Adopted Budget
GENERAL FUND	\$21,736,063	\$23,812,438	\$25,009,000	\$24,447,800	\$25,694,600	\$25,807,600
SPECIAL REVENUE FUNDS						
Building Capital Reserve	\$108,401	\$82,756	\$341,500	\$3,000	\$525,500	\$525,500
Cemetery	4,506	3,974	3,500	3,300	3,000	3,000
Debt Service	914,850	919,652	962,600	963,100	954,700	954,700
Replacement	418,052	344,733	216,000	206,000	220,000	220,000
Special Projects	172,406	148,514	89,700	97,000	820,000	820,000
TOTAL SPECIAL REVENUE	\$1,618,215	\$1,499,629	\$1,613,300	\$1,272,400	\$2,523,200	\$2,523,200
CAPITAL PROJECTS FUNDS						
Capital Projects	\$600,988	\$510,987	\$907,000	\$492,600	\$1,261,000	\$1,216,000
2001 Bond	147,718	171,792	2,105,000	739,800	1,580,000	1,580,000
Comm. Dev. Block Grant	86,240	106,539	100,000	40,000	230,000	230,000
Greenbelt West Infrastructure	110,569	3,701	66,000	2,000	0	0
TOTAL CAPITAL PROJECTS	\$945,515	\$793,019	\$3,178,000	\$1,274,400	\$3,071,000	\$3,026,000
ENTERPRISE FUND						
Green Ridge House	\$1,130,328	\$1,180,506	\$1,256,900	\$1,241,800	\$1,294,100	\$1,294,100
TOTAL ALL FUNDS	\$25,430,121	\$27,285,592	\$31,057,200	\$28,236,400	\$32,582,900	\$32,650,900

**Fiscal Years 2007 – 2010
Summary of Budget Expenditures**

GENERAL FUND	\$21,541,385	\$23,075,892	\$24,881,100	\$24,669,300	\$25,355,600	\$25,314,400
SPECIAL REVENUE FUNDS						
Building Capital Reserve	\$47,810	\$15,630	\$550,000	\$131,000	\$630,000	\$630,000
Cemetery	0	0	0	0	0	0
Debt Service	927,415	921,158	921,800	923,900	925,000	925,000
Replacement	444,047	263,335	103,000	183,000	250,000	250,000
Special Projects	112,347	233,104	120,700	69,400	815,000	815,000
TOTAL SPECIAL REVENUE	\$1,531,619	\$1,433,227	\$1,695,500	\$1,307,300	\$2,620,000	\$2,620,000
CAPITAL PROJECTS FUNDS						
Capital Projects	\$811,366	\$321,949	\$1,079,000	\$630,500	\$1,559,100	\$1,514,100
2001 Bond	227,266	2,580,003	2,469,000	2,067,587	657,374	657,374
Comm. Dev. Block Grant	86,240	106,539	100,000	40,000	230,000	230,000
Greenbelt West Infrastructure	0	9,104	170,000	0	107,166	107,166
TOTAL CAPITAL PROJECTS	\$1,124,872	\$3,017,595	\$3,818,000	\$2,738,087	\$2,553,640	\$2,508,640
ENTERPRISE FUND						
Green Ridge House	\$1,187,146	\$1,209,750	\$1,253,800	\$1,272,200	\$1,292,100	\$1,292,100
TOTAL ALL FUNDS	\$25,385,022	\$28,736,464	\$31,648,400	\$29,986,887	\$31,821,340	\$31,735,140

* 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 2010 Budget Summary

FUND	Total All Funds	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Enterprise Fund
REVENUE						
Taxes & Special Assessments	\$21,047,200	\$20,874,800	\$0	\$172,400		
Licenses & Permits	1,128,600	1,060,600	68,000			
Intergovernmental	3,679,600	929,600	1,200,000		\$1,550,000	
Interest	59,500	45,000	6,500	2,000	6,000	
Charges for Services	2,123,800	2,123,800	0			
Fines & Forfeitures	566,000	566,000	0			
Contributions						
Miscellaneous	238,800	207,800	16,000		15,000	
Fund Transfers	1,513,300	0	278,000	780,300	455,000	
Bond Proceeds	1,000,000	0	0		1,000,000	
Enterprise Fund	1,294,100	0	0			\$1,294,100
TOTAL REVENUE	\$32,650,900	\$25,807,600	\$1,568,500	\$954,700	\$3,026,000	\$1,294,100
EXPENDITURES						
General Government	\$2,635,700	\$2,560,700	\$75,000			
Planning & Development	1,051,900	1,051,900				
Public Safety	11,516,366	10,570,800	760,000		\$185,566	
Public Works	4,513,574	3,125,200	223,000		1,165,374	
Social Services	780,500	780,500				
Recreation & Parks	7,043,500	5,261,800	624,000		1,157,700	
Miscellaneous	197,200	194,200	3,000			
Non-Departmental	1,191,000	256,000	10,000	\$925,000		
Fund Transfers	1,513,300	1,513,300				
Enterprise Fund	1,292,100					\$1,292,100
TOTAL EXPENDITURES	\$31,735,140	\$25,314,400	\$1,695,000	\$925,000	\$2,508,640	\$1,292,100
Projected Fund Balances						
Balances at July 1, 2008	\$5,281,746	\$2,625,530	\$773,815	(\$9,613)	\$1,067,833	\$824,181
FY 2009 Expected Revenues	\$28,236,400	\$24,447,800	\$309,300	\$963,100	\$1,274,400	\$1,241,800
FY 2009 Expected Expenditures	29,986,887	24,669,300	383,400	923,900	2,738,087	1,272,200
Balances at June 30, 2008	\$3,531,259	\$2,404,030	\$699,715	\$29,587	(\$395,854)	\$793,781
FY 2010 Budgeted Revenues	\$32,695,900	\$25,807,600	\$1,568,500	\$954,700	\$3,071,000	\$1,294,100
FY 2010 Budgeted Expenditures	31,735,140	25,314,400	1,698,000	925,000	2,508,640	1,292,100
Balances at June 30, 2010	\$4,447,019	\$2,897,230	\$573,215	\$59,287	\$121,506	\$795,781

* 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, 2008

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, 2008.

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.