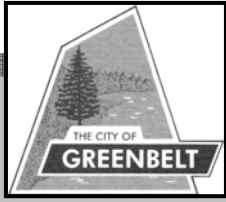


City of Greenbelt, Maryland



PROPOSED BUDGET

**FOR THE FISCAL YEAR
JULY 1, 2010 – JUNE 30, 2011**

CITY COUNCIL

Judith F. Davis, Mayor
Emmett V. Jordan, Mayor Pro Tem
Konrad E. Herling
Leta M. Mach
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CITY MANAGER

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Jeffrey L. Williams, City Treasurer
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James R. Craze, Police
Kenneth Hall, Public Works
Julie McHale & Joe McNeal, Recreation
Elizabeth Park, Social Services
Robert Manzi, City Solicitor



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 2010 accomplishments,
- FY 2011 issues and services,
- A table of organization,
- Personnel details,
- Past and projected expenditures,
- FY 2011 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 2003 are rated on a scale of 1 (poor) to 4 (excellent). In 2005, 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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This year’s cover photo was taken by Public Works employee, Mike Rall. He also took the pictures on the General Fund and Other Funds tabs.

*This year, the budget book is dedicated to all of the men and women of the City of Greenbelt staff who worked around the clock, in order to clear our streets and keep Greenbelt safe for our residents during the history making Blizzard of 2010. **THANK YOU!***

It is also dedicated to Hank Irving, our long-time dedicated Director of Recreation. Congratulations to Hank on his retirement. May he enjoy many happy years of retirement bliss. Thank you for the legacy that you have left behind.

April 12, 2010

Honorable Mayor and City Council,

I am pleased to present the proposed budget for the City of Greenbelt for Fiscal Year 2011 (FY 2011). 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 in the next twelve months, as well as to discuss and set the direction of the organization for the coming year and beyond.

KEY ISSUE

The key issue influencing the FY 2010 and FY 2011 budgets is the very difficult economic climate. The recession in the overall economy, problems in the housing market, and a reduction in State revenues have resulted in significant financial crisis at all levels of government. While Greenbelt has been negatively affected, the impacts have been relatively manageable compared to the State and County because the current year's budget (FY 2010) was constructed with a number of savings to prepare the city for the expected downturn this coming fiscal year (FY 2011). As it has turned out, those savings have enabled the city to handle the unexpected cuts and reductions that have occurred in FY 2010 without impact to the community, the work force or services. The evidence of the impacts is the FY 2010 revenue budget which is estimated to end the year about \$800,000 or 3% less than adopted due to these economic conditions. Having survived FY 2010, the real problems will occur in FY 2011 and beyond.

In the past six budgets, real property assessments have been growing close to ten (10) percent annually. This situation was driven 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 was the third and final year of the phase-in of assessed values that were set in 2006, prior to the start of the decline in housing values.

In calendar year (2009), all real property in Greenbelt was reassessed with the real estate market at or near its lowest point relative to recent years. As a result, it is certain the city will not see increases similar to those of recent years. The likely scenario is for there to be little to no increase and even the possibility of a decline in assessed values for the next three years - FY 2011, 2012 and 2013. Obviously, this means there will be fiscal constraints and difficult choices allocating the city's financial resources for the next three years.

Besides lower property tax receipts, reductions are also anticipated in a number of other large revenues because of the economic downturn. Corporate Tax receipts are projected almost \$220,000 lower than three years ago (FY 2008), Hotel/Motel Tax receipts are estimated \$150,000 lower over the same period, and Highway User/Gas Tax revenues will remain at the revised FY 2010 level of \$51,000 which is \$450,000 or 90% lower than expected, due to a State cut of this funding source. In total, this is a reduction of over \$800,000 in just these three revenues. At the same time, costs are increasing. Retirement/Pension costs will

be \$300,000 higher due to increased premiums. Utility and fuel costs are rising and Prince George's County has raised the dumping fee at its landfill from \$54 to \$59 per ton (\$9,000).

At the financial forecast provided to City Council earlier this year, I noted that my approach in preparing this budget would be to seek to fund existing services, and if a significant gap existed between revenues and expenditures, then I would look to "share the pain" between expenditure savings, programmatic reductions, employee compensation and taxpayers. This budget utilizes all these approaches and as such will likely cause controversy. Obviously, these proposals are not the only means to deal with the city's fiscal issues, but, in my view, they "share the pain" without unreasonably burdening any one group. Finally, there is capacity in this proposed budget to reinstitute some of the proposed reductions, if desired.

BUDGET SUMMARY

The proposed FY 2011 expenditure budget is \$24,934,200, a decrease of \$380,200 or 1.5% from the adopted FY 2010 budget.

FY 2011 revenues are estimated at \$25,249,200, a \$558,400 or 2.2% decrease compared to FY 2010 including a 4/10ths cent tax rate increase on real property. Such a tax rate increase would translate to \$6 on a home assessed at \$150,000 and will raise \$80,000 for the city. One (1) cent on the tax rate yields \$208,600.

It should be noted that city taxpayers will see about a 1/10th cent decrease in the County tax rate due to the Municipal Tax Differential. The Tax Differential is a reduction in the County tax rate due to the services provided by the city such as police and snow removal that the County does not have to provide in Greenbelt and other municipalities.

This budget seeks to fund core services and make continued progress on Council's Visioning Goals, while proposing a reduction of 2.9 positions or full time equivalents (FTEs) in the work force. Over the last two fiscal years, 5.65 positions or full-time equivalents have been eliminated in order to save money in response to the economic downturn. The city's fund balance will also be drawn down \$113,700 by the end of FY 2010 and will be just 8.5% of expenditures. Attention needs to be paid to this situation and the FY 2011 budget proposes to add over \$300,000 to the fund balance leaving it just short of the city's goal of 10% for its fund balance.

REVENUE DETAIL

Here are some key revenues and what is expected to occur in FY 2011:

- 1. Real Property** – Heading into this budget, there was concern that there would be a significant drop in the city's assessable base. This thought was based on the declining prices of real property in recent years, and the assessed values set by the State and received by residents at the beginning of the calendar year. In many cases, the assessed values of homes in Greenbelt were down 10-20-30% from their prior value. As was reported to Council in February 2010, the downward impact has not been as great as initially expected. Total assessed value of real property is down only 2% (\$50 million), and more surprisingly, the Homestead Tax Credit is down just 14% or \$60 million. It was thought the Homestead Credit might be eliminated in the revaluation, but with it only being reduced 14%, there is the possibility of some growth in the assessable base in FY 2012 and 2013.

How can this be? The information available to city staff at this time is limited and there is some skepticism about these numbers which are provided by the State Department of Assessments and Taxation. However, residential homes such as condominiums, townhouses and single family homes comprise only about one-third of the total assessable base. Apartments, Greenbelt Homes, Inc. (GHI), and commercial property such as office parks and shopping centers make up the other two-thirds of the assessable base and their values are not expected to drop in FY 2011. This is a better situation than was expected a few months ago, but it is certainly not a good one. Therefore, a conservative fiscal approach is necessary for the foreseeable future.

A tax rate increase of 4/10ths of a cent is being proposed to offset the cost of the city's property tax credit program which was established just two years ago when revenues were much stronger. With the anticipated expansion of the program to GHI residents once assessed values are set on a unit by unit basis, and the overall decline in city revenues, it is recommended that the program either be eliminated or taxes increased to pay for it.

The proposed Real Property revenue is \$15,702,000, which is 62% 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. **Economy Driven Revenues** – There are a number of large revenues which are more sensitive to the state of the economy than the property tax. These revenues will turn positive when the economy does, but that is not expected to occur in FY 2011.
 - A. **Business/Corporate Property** - The economic downturn began to be evident in this revenue in FY 2009. Actual receipts in FY 2008 were \$1.6 million, but dropped to just below \$1.5 million in FY 2009 and are estimated at just under \$1.4 million in FY 2010. Over this period, companies such as Northrop Grumman (\$135,000), Hewlett Packard (\$50,000) and Value City (\$35,000) have closed operations in Greenbelt, while other businesses shrunk their inventories. The estimate for FY 2011 is to hold steady at the FY 2010 amount of \$1,385,000.
 - B. **Income Taxes** - Receipts from Income Taxes are projected at \$2,040,000 for FY 2010 and 2011, essentially unchanged since FY 2005. While this revenue has not been growing, it does indicate that the employment status of Greenbelt citizens has been steady.
 - C. **Hotel/Motel Taxes** – This revenue indicates the health of the economy perhaps more quickly than any other. This revenue peaked in FY 2008 at \$739,575, since then it has dropped 20% to the \$590,000 level estimated for FY 2010 and 2011. When the economy turns positive, this revenue should begin to increase first.
 - D. **Admission & Amusement (A&A) Taxes** - FY 2011 will be the fifth year of the rebate of this tax which was done to assist Beltway Plaza in its renovation and operation of the theaters. The rebate is scheduled to drop from 6% to 5% and to go to 0% in FY 2012. The owners of the Beltway Plaza theaters are interested in the rebate staying at 6%, but the budget is proposed with the rebate at 5%. Net receipts from the A&A Tax are estimated at \$150,000.

E. Highway User/Gas Tax – This revenue is the one which has been most impacted by the economic downturn. The State of Maryland collects and then shares this revenue with local governments. After FY 2010 began, the State reduced its transfer to Greenbelt by \$450,000 or 90% of the amount that was expected for FY 2010. The amount will remain at this new level, \$51,000 in FY 2011 and FY 2012, and possibly beyond. By comparison, the city received \$639,687 in FY 2008.

3. Licenses/Service Charges/User Fees/Fines –

- No changes are proposed to any of the city’s residential or business licenses since they cover the city’s costs of providing the service.
- The Waste Collection fee is recommended to increase by \$3.00 per quarter to \$63 per quarter. This is a 5% increase. Compared to other local governments, Greenbelt’s rate continues to be very affordable. The Recycling only rate will increase from \$30 to \$32 (6.7%) per year. The fee increases are due in part to a proposed increase in the landfill fee charged by Prince George’s County from \$54/ton to \$59/ton (9.3%) on July 1, 2010. In addition, it is estimated the city will continue to pay \$5/ton for recycling materials brought to a recycling facility due to the drop in commodities prices.
- Pass fees at the Aquatic and Fitness Center are proposed at 5% higher than last year. 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 largely to better compliance. Revenues are estimated to slightly exceed expenditures in FY 2011 at \$280,000 and \$249,000, respectively.
- Empirian Village Fine – In FY 2010, the owners of Empirian Village were fined \$278,000 for allowing its rental license to expire. This revenue has been fully accounted for in the Special Projects fund in FY 2010. It is proposed to transfer or draw down these funds in four annual increments in FY 2011-14 to support the costs of the third Community Development Inspector to ensure there is appropriate staffing to inspect the Empirian Village area.

EXPENDITURE ISSUES

The Proposed FY 2011 budget funds core services and a number of initiatives based on Council’s goals, but with 2.9 fewer positions. This situation is relatively good news compared to the service and program reductions that the State and nearby counties are proposing. Described below are some issues for consideration as Council reviews this budget.

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

As predicted a year ago in the FY 2010 budget, revenues for FY 2011 and beyond have experienced a downturn which is expected to continue through at least FY 2013. My suggested approach is to “share the pain” between savings, programmatic reductions, employee compensation and taxpayers. This approach seeks to minimize impacts on existing classified employees by avoiding reductions in force and furloughs that would impact the employees’ paycheck, but it trims back on some initiatives

undertaken in recent years when revenues were stronger. Listed below are some of the key proposals put forth in this budget to balance it.

A. Savings

1. Eliminate two Public Works positions	\$145,000
2. Reduce debt set aside	20,300
3. Cut Membership and Training Cost 10% Across the Board	20,000
4. Lower Prescription Costs	48,000

B. Programmatic Reductions

1. Close Post Office Operation	20,000
2. Switch the Recreation quarterly brochure to electronic	20,000
3. Close Pool at 10 pm Monday thru Friday and 9 pm on weekends	8,000
4. Eliminate New Year program	10,000
5. Reduce Contribution to Greenbelt Volunteer Fire Department	28,000
6. Suspend Contribution to Other Fire Departments	10,000
7. Reduce Contribution to Greenbelt Access Television	10,400

C. Employee Compensation

1. Not fund Leave Buyback	70,000
2. Reduce Deferred Compensation Contribution from 10% to 7.5% to pay for increase in Retirement/Pension costs – non-sworn employees	200,000
3. No step increase for sworn personnel covered by CBA	60,000

D. Taxpayer Impacts

1. Raise tax rate 4/10ths cent to fund the Property Tax Credit	80,000
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These proposals total \$749,700 or 3% of the proposed budget and are equal to an additional 3.6 cents on the tax rate. These proposals will not be popular. Closing or reducing a service and contributions by the city will impact community users and groups. Down sizing Public Works will require adept management to minimize any noticeable service impacts. The proposals to not fund leave buyback, provide a step increase for police, and to use a portion of the deferred compensation payment to fund increases in pension/retirement costs all run counter to Greenbelt City Councils' history of protecting city employees from cutbacks. However, these actions mean there will be no layoffs or furloughs which many other governments are implementing.

2. Restore Fund Balance

The city has a financial policy to seek to maintain a General Fund balance of at least 10% of expenditures. In FY 2005, the fund balance got as low as 4.6% of expenditures, and since then there has been a concerted effort to restore it to 10%. The FY 2010 budget was adopted with almost \$500,000 more in revenues than expenditures. This was done to rebuild the fund balance and prepare the city for anticipated difficult fiscal times in FY 2011 and beyond. However, these funds have been needed in FY 2010 to cushion the city from the \$530,000 reduction of State revenues and other revenue impacts which occurred after the fiscal year began.

The FY 2011 budget proposes revenues that are \$315,000 in excess of expenses which will rebuild the fund balance to 9.8% of the expenditures.

3. Need for Additional Capital Financing

The 2001 Bond Fund was intended to fund four projects. Two are completed, the Public Works facility and traffic calming/playground renovation in Greenbelt East. Two other projects have not gotten underway – renovation of the Springhill Lake Recreation Center and the rehabilitation of the Greenbelt Theatre. Eighty thousand dollars (\$80,000) in Community Development Block Grant (CDBG) funds have been approved for some improvements at the recreation center and \$380,000 in state funds are available for the theater project. More funds are needed for both projects along with \$1 million dollars for the additional cost of the Public Works facility. There are a number of other projects, such as Greenbelt Lake improvements, for which funding will likely be needed in the coming years. Over the next year, there should be a discussion about the city undertaking additional debt for these type projects, however, the fiscal constraints of the next few years could well limit the city's ability to incur more debt.

GOALS FOR FY 2011

The City Council approved the below 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. A sampling of the initiatives is shown below.

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
 - Include city information in homeowner association newsletters
- ✓ Upgrade and coordinate signage identifying Greenbelt
 - Install gateway signage capital project

2. Improve Transportation Opportunities

Transportation within a community and easy accessibility to it is key to making a livable community.

- ✓ Maximize available transit resources to provide efficient services throughout the community
 - Continue transit efficiency efforts including a review of bus stop locations
- ✓ Improve the pedestrian and bicycle experience throughout the community
 - Adopt a pedestrian/bicycle master plan

3. Maintain Greenbelt as an Environmentally Proactive Community

We are all stewards of the environment. Greenbelt, as a community, must do its share to minimize its impact on the environment.

- ✓ Increase city's recycling rate to 55%
 - Met in FY 2009, goal raised to 60% by 2013

- ✓ Meet or exceed the Climate Change goals of the State of Maryland and the Council of Governments
 - Use \$93,000 in federal Energy Efficiency and Conservation Block Grant on LED outdoor lighting and facility energy efficiency improvements
- ✓ Expand the city's fleet of alternative vehicles to 10% of fleet (12) by 2012
 - Replace a CNG van with a hybrid SUV
 - Reexamine city use of biodiesel

4. Improve and Enhance Public Safety

A safe community makes for a place where people want to live and prosper.

- ✓ Engage public involvement through a regular outreach and crime watch program
- ✓ Make neighborhoods safer by calming traffic and enforcing appropriate motorist behavior
 - Implement the Safe Routes to School plan on Springhill Drive
- ✓ Protect Greenbelt's legacy as a livable community through use of livability rules and regulations
 - Study the creation of a landlord-tenant commission

5. Preserve and Enhance Greenbelt's Legacy as a Planned Community

Greenbelt is an important part of this country's history and a model for community planning. It is vital that it continue to thrive for future generations.

- ✓ Protect and expand Greenbelt's green space
 - Complete the Greenhill/Hillside Roads Outfall Stabilization project
- ✓ Act to maximize Greenbelt's influence in the planning and development of the community
- ✓ Focus on Greenbelt remaining an affordable community
- ✓ Continue to tell the Greenbelt story
 - Plan for city's 75th anniversary in 2012

6. Promote Quality of Life Programs for All Citizens

In its planning and building, Greenbelt offered a better opportunity for its residents. Such aspirations must continue to guide programs that the city offers.

- ✓ Seniors
- ✓ Youth
- ✓ Others

7. Enhance and Facilitate Cultural, Artistic and Recreational Programming for all Citizens

The original planners of Greenbelt recognized that art and recreation are a vital part of a community's fabric and of value to its residents.

8. Maintain and Improve Fiscal Sustainability

The city must exercise prudence with its resources which in one form or another comes from taxpayers.

- ✓ Become more involved in the business community
- ✓ Provide high quality city services in a cost effective manner
 - Implement on-line bill paying
 - Examine participation in health insurance cooperative organized by LGIT

LONG TERM OUTLOOK

As has been noted, the long term outlook is very concerning. While the nation's economic troubles seem to be lessening, visible improvement that would positively impact Greenbelt's budget will be slow. There will be limited or no growth in the city's main revenue source, the property tax, until the next reassessment cycle, FY 2014, at the earliest. Further, the State's fiscal situation remains challenging and could result in more impacts to the city in future years. While improvement in the overall economy could raise revenues such as corporate tax receipts and/or hotel/motel receipts, that is likely to be slow as well.

On a positive note, as evidenced by Income Tax receipts, residents seem to have been minimally impacted. In addition, Greenbelt continues to be an attractive place to do business. The Greenbelt Ambulatory Care facility in Maryland Trade Center and the Old Line Bank in Capital Office Park have opened in the past year. Also two retail vacancies in Beltway Plaza and Greenway Center have recently been filled with Shoppers' World and Dollar Tree, respectively. While work has stopped at the Greenbelt Station, talk of something happening has begun again.

COMPENSATION

In the preparation of this budget, it was clear that it would not be a typical budget. With the background of the recession, the drop in property values and cuts in State revenues both in Maryland and Virginia, State and county governments have been proposing employee layoffs and furloughs to reduce budgets. Not surprisingly, no pay increases are being proposed either.

As noted earlier, the intent with this budget was to avoid both layoffs and furloughs for classified employees, if possible, in order to maintain employee pay checks. I am pleased to say that has been done. No layoffs or furloughs are proposed. However, there will be employee compensation impacts. The leave buyback program is not funded (\$70,000). Also, for non-sworn employees, an increase in the city's payment for the retirement and pension systems of 3.25% is proposed to be paid for by a reduction in the amount of the deferred compensation payment from 10% of salary to 7.5% of salary. On the other hand, funding is budgeted for a Performance or merit increase of up to 3% of salary which will place more money in an employee's paycheck or can be placed into the employee's deferred compensation account.

For the city's sworn Police officers covered by the collective bargaining agreement, it has been agreed that they will forgo a Step increase (Performance pay) in exchange for the deferred compensation payment not being reduced. The pension plan covering the police, Law Enforcement Officers Pension System (LEOPS), also will have a payment increase of 2.7% for FY 2011.

After being initially advised that health insurance premiums would increase 20 to 25%, the city was recently informed the increase will only be 2.1%. This increase will be more than offset by a \$48,000 reduction in the city's successful self-insured prescription plan.

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 \$12.25 per hour as of September 28, 2009. The city's pay scale exceeds this amount and thus is in compliance with the policy.

TAX DIFFERENTIAL

Because Greenbelt residents pay property taxes to the city to support the services provided, they pay a lower tax rate to the county and Maryland-National Capital Park and Planning Commission (M-NCPPC) as a result of the city's services. This is called the tax differential. In FY 2010, 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 a lower M-NCPPC tax rate of \$0.1071. 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 2011, it is expected that the county tax differential for Greenbelt residents will be increased by one-tenth of a cent causing a slight decrease in the County tax rate.

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 Capital Projects fund, projects totaling \$1,420,400 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 2011 are:

1. Resurfacing portions of Gardenway, Research Road, and Greenbrook Drive along with base repair work - \$249,000
2. Installing LED lighting in city parking lots - \$53,000
3. Install traffic calming improvements along Springhill Drive through a Safe Routes to School grant - \$152,400
4. Upgrade the playgrounds on Mandan Road and at McDonald Field - \$105,000
5. Implementing the gateway signage plan - \$20,000
6. Stabilization of the Greenhill/Hillside outfall as a Greenbelt Lake water quality project - \$200,000
7. Resurface the outdoor pool at the Aquatic and Fitness Center - \$35,000

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, a second year of the Accessible Greenbelt program (\$50,000) will be undertaken, renovations made to the Springhill Lake Recreation Center (\$80,000), and street improvements made in Empirian Village (\$70,000).

REPLACEMENT FUND

\$721,800 in expenditures is proposed in this fund in FY 2011 funded with a federal grant and \$153,000 transfer from the General Fund. The expenses in this budget are to upgrade the Police radio system to become interoperable with the County's public safety communications system (\$541,000), replace a natural gas fueled cargo van with a hybrid SUV (\$28,800), and replace two step machines at the Aquatic and Fitness Center (\$8,000).

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 2011. Work to be done will include replacement of the Pool Pak and heat exhaust equipment at the Aquatic and Fitness Center. Also budgeted are \$90,000 to replace the generator at the Municipal Building and \$40,000 to make energy efficiency improvements in city facilities.

Thank yous

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 makes this document as enjoyable a document to read and understand as a budget can be. My very special thanks to them!

To the citizens, the City Council of Greenbelt and all city employees, thank you for the interest you place in this process and the support you provide this year and every year to making Greenbelt GREAT!

Sincerely,



Michael McLaughlin
City Manager



FY 2011 BUDGET AT A GLANCE

- ★ \$24,934,200 General Fund Budget, a \$380,700 or 1.5% decrease from FY 2010.
- ★ \$689,700 in expense savings, programmatic reductions, and employee compensation savings.
- ★ Tax increase of 4/10ths cent on real property (\$80,000) to fund property tax credit program.
- ★ Property assessments estimated to decrease 2%.
- ★ Income Tax budgeted at \$2,040,000, essentially flat since FY 2005 .
- ★ Highway User Revenue budgeted at \$51,000, down \$450,000 or 90%.
- ★ 220.6 full-time equivalent positions, down 2.9 from FY 2010.
- ★ \$278,000 fine payment by Empirian Village set in Special Projects Fund to be drawn down in four payments to support cost of a Community Development Inspector.
- ★ 41.6% of all General Fund expenditures go to Public Safety, down 0.1% from FY 2010.
- ★ New three year Collective Bargaining Agreement negotiated and funded.
- ★ No Pay Adjustment for employees. 3% Performance Bonus for non-sworn classified employees with above average evaluations.
- ★ Health insurance costs will increase 2.1%, but cost will be offset by reduction in prescription premium.
- ★ Waste Collection fee increased \$3 per quarter to \$63 or \$252 per year, a 5% increase.
- ★ Aquatic and Fitness Center passes proposed to increase five (5) percent.
- ★ \$528,000 or 2.53 cents on the tax rate, is budgeted for transfer to Capital Projects, Replacement Fund and the Building Capital Reserve funds.
- ★ \$1,420,400 budgeted in Capital Projects fund including resurfacing of portions of Gardenway, Research Road and Greenbrook Drive, traffic calming on Springhill Drive, and two playground replacement projects (Mandan Road and McDonald Field).
- ★ \$721,800 budgeted in Replacement Fund.
- ★ At the end of FY 2011, the city's Undesignated and Unreserved fund balance is estimated to be \$2,450,061 or 9.8% of Total Expenditures.

**Fiscal Years 2008 – 2011
Summary of Budget Revenues**

FUND	FY 2008 Actual Trans.	FY 2009 Actual Trans.	FY 2010 Adopted Budget	FY 2010 Estimated Trans.	FY 2011 Proposed Budget	FY 2011 Adopted Budget
GENERAL FUND	\$23,812,438	\$24,269,161	\$25,807,600	\$24,987,700	\$25,249,200	
SPECIAL REVENUE FUNDS						
Building Capital Reserve	\$82,756	\$2,460	\$525,500	\$75,200	\$528,200	
Cemetery	3,974	2,198	3,000	1,200	1,200	
Debt Service	919,652	953,250	954,700	945,100	921,000	
Replacement	344,733	205,161	220,000	208,000	705,000	
Special Projects	148,514	118,526	820,000	833,300	351,300	
TOTAL SPECIAL REVENUE	\$1,499,629	\$1,281,595	\$2,523,200	\$2,062,800	\$2,506,700	
CAPITAL PROJECTS FUNDS						
Capital Projects	\$510,987	\$341,165	\$1,216,000	\$448,200	\$1,509,400	
2001 Bond	171,792	739,721	1,580,000	0	1,580,000	
Comm. Dev. Block Grant	106,539	0	230,000	140,000	240,000	
Greenbelt West Infrastructure	3,701	1,058	0	200	0	
TOTAL CAPITAL PROJECTS	\$793,019	\$1,081,944	\$3,026,000	\$588,400	\$3,329,400	
ENTERPRISE FUND						
Green Ridge House	\$1,180,506	\$1,229,654	\$1,294,100	\$1,273,000	\$1,346,700	
TOTAL ALL FUNDS	\$27,285,592	\$27,862,354	\$32,650,900	\$28,911,900	\$32,432,000	

**Fiscal Years 2008 – 2011
Summary of Budget Expenditures**

GENERAL FUND	\$23,075,892	\$24,445,937	\$25,314,400	\$25,101,400	\$24,934,200
SPECIAL REVENUE FUNDS					
Building Capital Reserve	\$15,630	\$131,094	\$630,000	\$40,100	\$680,000
Cemetery	0	0	0	0	5,100
Debt Service	921,158	923,777	925,000	927,500	925,000
Replacement	263,335	147,647	250,000	279,300	721,800
Special Projects	233,104	79,877	815,000	565,000	420,000
TOTAL SPECIAL REVENUE	\$1,433,227	\$1,282,395	\$2,620,000	\$1,811,900	\$2,751,900
CAPITAL PROJECTS FUNDS					
Capital Projects	\$321,949	\$510,702	\$1,514,100	\$799,200	\$1,420,400
2001 Bond	2,580,003	1,992,327	657,374	10,100	722,455
Comm. Dev. Block Grant	106,539	0	230,000	140,000	240,000
Greenbelt West Infrastructure	9,104	0	107,166	0	106,424
TOTAL CAPITAL PROJECTS	\$3,017,595	\$2,503,029	\$2,508,640	\$949,300	\$2,489,279
ENTERPRISE FUND					
Green Ridge House	\$1,209,750	\$1,218,092	\$1,292,100	\$1,192,900	\$1,321,400
TOTAL ALL FUNDS	\$28,736,464	\$29,449,453	\$31,735,140	\$29,055,500	\$31,496,779

* 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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Greenbelt
Maryland**

For the Fiscal Year Beginning

July 1, 2009

A handwritten signature in black ink, appearing to be 'H.R.' followed by a flourish.

President

A handwritten signature in black ink, appearing to be 'Jeffrey R. Emery'.

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.

