

City of Greenbelt, Maryland

ADOPTED BUDGET

FOR THE FISCAL YEAR
JULY 1, 2012 – JUNE 30, 2013

CITY COUNCIL

Judith F. Davis, Mayor
Emmett V. Jordan, Mayor Pro Tem
Konrad E. Herling
Leta M. Mach
Silke I. Pope
Edward V.J. Putens
Rodney M. Roberts



CITY MANAGER

Michael P. McLaughlin

BUDGET PREPARATION STAFF

Jeffrey L. Williams, City Treasurer
David E. Moran, Assistant City Manager
Anne Marie Belton, Executive Associate
Beverly Palau, Public Information and
Communications Coordinator



DEPARTMENT DIRECTORS

Celia W. Craze, Planning & Community Development
James R. Craze, Police
Kenneth Hall, Public Works
Julie McHale, Recreation
Elizabeth Park, Greenbelt CARES
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 2012 accomplishments,
- FY 2013 issues and services,
- A table of organization,
- Personnel details,
- Past and projected expenditures,
- FY 2013 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.

TABLE OF CONTENTS

INTRODUCTION

How to Use this Budget Book	ii
City Council’s Letter.....	1
City Manager’s Budget Message.....	3
The FY 2013 Budget at a Glance	13
Summary of All Funds	14
FY 2013 Budget Summary	15
GFOA Budget Award	16

GENERAL FUND SUMMARY OF REVENUES & EXPENDITURES

General Fund Summary.....	17
Revenue and Expenditure Charts.....	18
Revenue Summary	20
Assessable Base Detail	23
Sources of Revenue	24
Expenditure Summary.....	33
Organizational Chart.....	38
Personnel Staffing – Summary of All Departments	39

GENERAL GOVERNMENT

Accomplishments and Issues and Services.....	41
Organizational Chart.....	46
Personnel Staffing.....	47
City Council.....	48
Administration	50
Elections.....	52
Finance and Administrative Services.....	54
Information Technology	56
Legal Counsel.....	58
Municipal Building.....	59
Public Information and Community Promotion.....	60
Public Officers Association	62

PLANNING & COMMUNITY DEVELOPMENT

Accomplishments and Issues and Services.....	63
Personnel Staffing.....	86
Organizational Chart	87
Planning	88
Community Development	90

TABLE OF CONTENTS

PUBLIC SAFETY

2011 In Review	93
Accomplishments and Issues and Services	95
Personnel Staffing	108
Organizational Chart.....	109
Police.....	111
Traffic Control.....	114
Animal Control.....	116
Fire and Rescue Service	118

PUBLIC WORKS

Accomplishments and Issues and Services	119
Personnel Staffing	130
Organizational Chart.....	132
Distribution of Public Works Salaries.....	133
Public Works Administration.....	134
Maintenance of Multi-Purpose Equipment.....	136
Street Maintenance.....	138
Four Cities Street Cleaning	142
Waste Collection and Disposal.....	144
City Cemetery.....	146
Roosevelt Center.....	147

GREENBELT CARES

Accomplishments and Issues and Services	149
Personnel Staffing	166
Organizational Chart.....	167
Greenbelt CARES Youth and Family Services Bureau.....	169
Greenbelt Assistance In Living Program.....	172
Service Coordination Program.....	174

RECREATION AND PARKS

Accomplishments and Issues and Services	177
Program Offerings	198
Organizational Chart.....	203
Personnel Staffing	204
Departmental Summary	205
Recreation Administration	206
Recreation Centers	208
Aquatic and Fitness Center	210
Community Center	214

TABLE OF CONTENTS

RECREATION AND PARKS *continued*

Greenbelt's Kids.....	216
Therapeutic Recreation	218
Fitness & Leisure	220
Arts	222
Special Events.....	224
Parks.....	226

MISCELLANEOUS AND FUND TRANSFERS

Grants and Contributions	229
Greenbelt Connection	230
Greenbelt Museum	232
Non-Departmental.....	238
Fund Transfers	240

OTHER FUNDS

Building Capital Reserve Fund.....	243
Cemetery Fund	245
Debt Service Fund.....	246
Replacement Fund	248
Special Projects Fund	254
Agency Funds	256
Green Ridge House Fund.....	258
Green Ridge House Organizational Chart.....	260

CAPITAL IMPROVEMENTS FUNDS

Capital Projects Listing and Prioritization Process.....	263
Capital Projects Fund	264
Summary of Capital Projects	268
2001 Bond Fund	269
Community Development Block Grant Fund	271
Greenbelt West Infrastructure Fund	272

ANALYSIS AND BACKGROUND

The Budgeting Process.....	273
Budget Calendar	275
Budget & Accounting Information	276
Relationship Between the Capital and Operating Budgets.....	279
Bond Principal and Interest Payment Schedule.....	279
General Fund Revenues and Expenditure (Past Ten Years).....	280

TABLE OF CONTENTS

ANALYSIS AND BACKGROUND *continued*

Maryland State Retirement Agency Billings.....	281
City Workforce Demographics.....	282
General Pay Plan for Classified Employees.....	283
Position Classifications for Classified Employees.....	284
Police Pay Scale	285
Command Staff Pay Scale	286
Annual Growth in CPI.....	287
Commercial Floor Area	287
Population and Housing Units Charts.....	288
Number of Dwelling Units by Type	288
Cuts/Savings from 2009 – 2011.....	289
Sustainability Efforts	290
Swimming Facilities Rate Comparison.....	291
Tax Rate Comparison	292
GLOSSARY	293
CITY MAP	296

June 4, 2012

Dear Fellow Greenbelt Citizens:

Enclosed is the City of Greenbelt's Adopted Budget for the fiscal year beginning July 1, 2012, and ending June 30, 2013 (FY 2013). The City Manager submitted a proposed budget to the City Council on March 26, 2012. The City Council held ten work sessions, as well as two public hearings in April and May. As always, your interest and comments during this process were greatly appreciated.

Greenbelt is now halfway into celebrating its 75th anniversary (1937 – 2012). Greenbelt and its sister cities of Greenhills, Ohio, and Greendale, Wisconsin, were built during the Great Depression to provide jobs for people and to show that quality walkable communities could be built for and supported by people of modest means. Today, 75 years later, we celebrate that dream as our reality. Greenbelt is a vibrant and thriving community which remains a model planned community. It is visited and toured regularly by planners, academics, students and others interested in building communities.

We are pleased to report to you that even in these trying economic times, the FY 2013 budget continues to support quality City services. Expenses have been held at nearly the same level as the City's expenses in FY 2009. This has largely been accomplished by Council and City staff finding ways to economize and reduce costs while not impacting services. Since 2009, over \$2,000,000 in reductions have been made to the City's budget. For example, in our final deliberations on the FY 2013 budget, we agreed to eliminate a vacant position in the organization which saved over \$100,000. While we believe that difficult economic conditions will continue at least for this year and next, there are signs that fiscal conditions are improving. Hotel occupancy in Greenbelt is up and corporate tax receipts are returning to pre-recession levels. Bottom line, Greenbelt is prudently positioned fiscally for the coming year.

Further, we are excited that after years and years of advocating for it, a new Greenbelt Middle School will open in August 2012. Not only will this facility be the most energy efficient in the school system, it will also house the system's newest Talented and Gifted (TAG) program for middle schoolers. On a related note, we want to thank the members of the City's Greenbelt Middle School Task Force for the work that they have done over the past 18 months to identify community needs and possible uses of the "old" Greenbelt Middle School.

We thank you for the special trust you place in us as your elected representatives and greatly appreciate your support. We will do our best to keep Greenbelt the great place that it is as we celebrate our 75th Anniversary in 2012 and look forward to the future.

Sincerely,

Judith F. Davis, Mayor

Emmett V. Jordan, Mayor Pro-Tem

Konrad E. Herling, Council Member

Leta M. Mach, Council Member

Silke I. Pope, Council Member

Edward V.J. Putens, Council Member

Rodney M. Roberts, Council Member

March 26, 2012

Honorable Mayor and City Council,

I am pleased to present the proposed budget for the City of Greenbelt for Fiscal Year 2013 (FY 2013). 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.

OVERVIEW

With the start of the new fiscal year on July 1, Greenbelt will be halfway through celebrating its 75th Anniversary. It is exciting to think that an idea that began with Greenbelt and its sister cities of Greenhills, Ohio, and Greendale, Wisconsin, thrives 75 years later as a model of successful community planning. At the same time, it is humbling to know it is our task to ensure that the legacy of this community is sustained for future generations as called for in the 75th Anniversary's symposium. This budget helps to celebrate Greenbelt's anniversary, supports the 75th Anniversary Committee's theme of "community, culture and cooperation" and continues to reinvest in the infrastructure that serves the community.

This financial plan also responds to what has been the key budget issue for the City since FY 2010 – to provide quality city services to the residents, and be responsive to community opportunities and needs, while dealing with the impacts of a very difficult economic climate. The recession in the overall economy, problems in the housing market and a severe 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 managed. City Council and staff have worked hard to reduce costs and find savings in order to produce balanced budgets with minimal programmatic cuts and no layoffs or furloughs. The proposed FY 2013 budget is evidence of that at \$25,010,500, lower than the actual FY 2010 budget.

For much of the previous decade, real property assessments grew by close to ten (10) percent annually. This situation was driven by the rise in home values that occurred in the late 1990's and 2000's. Due to the State of Maryland's triennial assessment process, these increases were phased in through FY 2010. In FY 2011, assessed values began declining reflecting the reality of the housing and commercial realty market that the real estate market had become over built and over priced.

With all real property in Greenbelt being reassessed in 2012 and the real estate market still at or near its lowest point in years, the City will not see increases similar to those of recent years. Thus the likely scenario is for there to be little to no increase, and even the possibility of a decline in assessed values over the next four years – FY 2013 through FY 2016. This means there will continue to be fiscal constraints and difficult choices in allocating the City's financial resources in the coming years.

BUDGET SUMMARY

This budget was developed around three areas of focus. The first, as mentioned above, is the probability that the City will continue to face little to no revenue growth over the next four years due to possibly reduced property tax revenue and State revenues.

The second area of focus has been to provide city services at the level expected by Greenbelt residents. This budget proposes no programmatic cuts, layoffs or furloughs.

The third focus has been to develop a work plan around Council's goals. Among the initiatives included in the budget are proposals to increase the City's sustainability, define a role for the City in economic development, expand traffic calming and celebrate Greenbelt's 75th Anniversary.

The proposed FY 2013 expenditure budget is \$25,010,500, a decrease of \$461,700 or 1.8% from the adopted FY 2012 budget. This budget funds city services at existing levels and makes progress on Council's Goals, with a proposed increase of 1.3 positions or full-time equivalents (FTEs) in the work force. The increase is to add one police officer to handle the speed camera program as required by State law and to expand counselor hours in CARES from salary savings due to a recent retirement.

FY 2013 revenues are estimated at \$25,542,700, a \$261,100 or 1.0% decrease compared to FY 2012, with no change to the tax rate. Revenues include an estimated \$500,000 in speed camera revenue. Without the speed camera revenue, total revenue would also be below FY 2010 levels.

REVENUE DETAIL

Here are some key revenues and what is expected to occur in FY 2013:

- 1. Real Property** – As has been noted in previous years, real property tax revenue is the City's main revenue source regularly comprising around 60% of the total revenue. This revenue is based on an estimate of the assessed value of real property in Greenbelt determined by the Maryland State Department of Assessments and Taxation (SDAT). Historically, SDAT's estimates have been very accurate and reliable. However, in each of the past two fiscal years, FY 2011 and 2012, the estimates have been too high by \$600,000 and \$350,000, respectively. As a result, the level of confidence in this estimate is not as high as in prior years.

The estimated gross assessed value for FY 2013 is \$2.067 billion, a 0.7% decrease from FY 2012 (\$2.082 billion) and lower than the value in FY 2009 (\$2.136 billion). By category compared to FY 2012 values, single family homes are 4% lower, townhouses and condominiums are flat, but are around 30% lower than FY 2011, and offices are down 8%. On the other hand, apartment properties are 1% higher and should continue to trend higher, as Fieldstone Properties continues to reinvest in Franklin Park. Besides the increase in apartment values, the Homestead Property Tax Credit is helping to lessen the impact of lower assessments. The Homestead Credit is a limit on how much the assessed value of a property can increase in value for taxation purposes. As housing values increased for most of the prior decade, the assessed value could only increase ten (10) percent per year. As of FY 2009, there was \$340 million in untaxed property value due to the Homestead Credit. As property values have dropped, the Homestead Credit "gap" has

dropped and moderated the impact. For FY 2013, the Homestead Credit is estimated at \$66 million, a reduction of \$274 million or 80% from FY 2009.

The proposed Real Property revenue is \$15,000,200, which is 59% of the total revenue. In FY 2003, property taxes accounted for 42% of City's revenue.

2. Economy Driven Revenues

There are a few revenues which react more quickly to changes in the economy than property taxes and thus provide insight to the "State of the Economy" in Greenbelt and the region. Three of the following four revenues are higher than recent lows, indicating an economic recovery in Greenbelt.

- 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 \$1.325 million in FY 2013, down almost 17% since FY 2008, but up 3.5% from the low point in this period, FY 2010, at \$1.28 million.
- B. Income Taxes** - Receipts from Income Taxes are projected at \$2,160,000 for FY 2012 and \$2,190,000 for FY 2013. These numbers are the highest in the past ten years and show a steady recovery from the recent low of \$2,043,480 received in FY 2009, reflecting an improving employment situation for Greenbelt residents.
- C. Hotel/Motel Taxes** - This revenue may indicate the health of the economy more quickly than any other by showing occupancy at local hotels. This revenue peaked in FY 2008 at \$739,575, but dropped to \$648,428 in FY 2010. It is recovering and is estimated at \$700,000 for both FY 2012 and 2013.
- D. 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 distributes a portion of it to local governments. After FY 2010 began, the State reduced its transfer to Greenbelt by \$450,000 or 90%. There have been small increases since then, but not to previous levels. For FY 2013, the estimate is only \$93,000.

3. Licenses/Service Charges/User Fees/Fines

- A.** No changes are proposed to any of the City's residential or business licenses. They were raised in FY 2012 and cover the City's costs of providing the services.
- B.** The Waste Collection fee is recommended to remain at \$67 per quarter. Compared to other local governments, Greenbelt's rate continues to be affordable. The Recycling Only rate will remain \$32 per year. Commercial refuse fees are proposed to increase as it has been six to nine years since they have been adjusted.
- C.** Pass fees at the Aquatic and Fitness Center are proposed to increase 3%. There was no increase last year as part of the facility's 20th Anniversary. The City's Aquatic and Fitness Center is priced competitively in comparison to similar facilities.
- D.** It is proposed to have one or more speed camera(s) installed by early FY 2013. Based on the experiences of College Park and Bowie, there will be an initial surge of violations, and thus citations,

which will result in significant fees. Improved compliance with speed limits will follow and cause a drop in violations, likely within the first year, similar to what was experienced with red light cameras. For FY 2013, \$500,000 in citations is budgeted as revenue. The citation revenue will likely decline over years as compliance increases. Thus, it is recommended that these revenues not be budgeted to support ongoing operating expenses.

EXPENDITURE ISSUES

The Proposed FY 2013 budget funds existing services and a number of initiatives based on Council's goals. Described below are issues suggested for consideration as Council reviews this budget.

1. Savings

A number of significant savings are included in this budget that merit mention.

- A. Debt Refinancing** – Last July, the City refinanced its debt. By taking advantage of very low interest rates and extending the term of the debt, the payment budgeted for debt services is \$460,000 lower than FY 2011. When the refinancing was authorized, there was also discussion about working to pay the debt off early. This budget does not include any specific proposal on that direction. It is recommended that this matter be considered annually following the close of the previous fiscal year. In this manner, if the fiscal year ends positively, a pre-payment can be authorized.
- B. Retirement/Pension Payment** – The City is a member of the Maryland State Retirement Agency (MSRA) for its retirement and pension programs. In FY 2011, the City's payment to MSRA increased almost \$350,000 or 22%. This occurred during a period when investments were losing value and the MSRA system had one of the worst unfunded liabilities of any State retirement/pension systems. Since then, the investment market has recovered and the unfunded liability has dropped. As a result, for FY 2013, MSRA has indicated the City's premium will be approximately \$1.5 million, about \$400,000 lower than budgeted in FY 2012.
- C. Staffing Transitions** – As a result of retirements in the Police department and other departments, some salary budgets are lower than prior years. For example, in the Police department, the FY 2013 salary budget for Police Officers is over \$125,000 lower than the actual expense in FY 2010.

2. Workload and Staffing

As governments have struggled in recent years to respond to the financial downturn, many have used furloughs and layoffs to reduce expenses. Greenbelt has not had to do this, but the work force has been reduced by over six (6) positions through attrition and eliminating some vacant positions. However, work responsibilities and expectations have not been similarly reduced, rather they have increased due to renewed interest in development around Greenbelt Station (North/South Core and Sector Plan), sustainability initiatives (Sustainable Maryland, goals from COG and the State), Council expansion from five to seven members (welcome wagon and economic development), and keeping positions vacant pending an organization study. There are clear and justifiable needs for additional staff in every functional area of the

City from Administration through Recreation. While this budget proposes adding 1.3 full time equivalents (FTE), more additions are supportable based on workload and expectations. However, additional resources are necessary before more workload is placed on city staff.

3. Need for Additional Capital Financing

The City has public facilities well beyond any other similarly sized community in the region with the Aquatic and Fitness Center, Community Center and 500 plus acres of parks and playgrounds. Investments, such as Greenbelt Lake improvements and a replacement roof for the Aquatic and Fitness Center, are needed in the coming years to keep them at the level expected by the public. It is recommended that Council undertake a review of the City's capital assets to determine future infrastructure needs in FY 2013.

GOALS FOR FY 2013

The City Council approved Visioning Goals in March 2009. In March 2012, Council reviewed and reaffirmed seven of those goals, including combining two of them, and added goals for Economic Development and Sustainability, and Relationships with Other Communities and Agencies. As of this date, the revised goals have not been approved, but they have been instrumental in the development of the work plan for this budget. Some of the initiatives incorporated in this budget in response to these goals are shown below.

1. Enhance Sense of Community

- ✓ Expand communication with residents
 - ✧ Expand the city's use of social media
- ✓ Upgrade and coordinate signage identifying Greenbelt
 - ✧ Install a new Southway "Welcome" sign

2. Economic Development and Sustainability

- ✓ Become more involved in the business community
- ✓ Define the City's strategy in economic development
- ✓ Define the City's capacity in economic development
 - ✧ Funds are provided to hire a consultant and to define the City's strategy and capacity in economic development

3. Improve Transportation Opportunities

- ✓ Maximize available transit resources to provide efficient services throughout the community
 - ✧ Reach an agreement with the University of Maryland for residents to use its shuttle service
 - ✧ Conduct a feasibility study of bike sharing if a grant is approved
- ✓ Improve the pedestrian and bicycle experience throughout the community
 - ✧ Implement changes to the pedestrian and bicycle network as recommended by the Advisory Planning Board master plan as adopted

4. Maintain Greenbelt as an Environmentally Proactive Community

- ✓ Increase City's recycling rate to 63%
 - ✧ Reached 55% in FY 2009 and 60% in 2011
 - ✧ Accelerate the distribution of large recycling totes to City refuse customers
 - ✧ Purchase recycling containers for Roosevelt Center
- ✓ Meet or exceed the Climate Change goals of the State of Maryland and the Council of Governments
 - ✧ Based on the ICLEI calculator, the City has reduced its greenhouse gas generation by 37%, well above the 10% by 2012 goal. In FY 2013, \$10,000 is budgeted for energy efficiency improvements will be implemented in the Community Center, Aquatic and Fitness Center and other City buildings.
 - ✧ Support Green ACES' Sustainability Master Plan
 - ✧ \$10,000 budgeted for energy efficiency improvements
- ✓ Become a Sustainable Maryland Certified community
- ✓ Update City street construction standards to include "green" and "complete" street requirements

5. Improve and Enhance Public Safety

- ✓ 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
 - ✧ Implement a speed camera program
- ✓ Protect Greenbelt's legacy as a livable community through use of livability rules and regulations
 - ✧ Work with Fieldstone Properties to renovate Franklin Park while continuing complaint inspection and proactive enforcement

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

- ✓ Protect and expand Greenbelt's green space
 - ✧ Complete a Tree Master Plan with a grant from the Chesapeake Bay Trust
 - ✧ Conduct a community informational session on parks, water quality and related topics
- ✓ Actively seek planning and zoning authority
- ✓ Focus on Greenbelt remaining an affordable community
 - ✧ Participate in the Greenbelt Metro Area Sector Plan development
- ✓ Continue to tell the Greenbelt story
 - ✧ Celebrate the City's 75th Anniversary

7. Promote Quality of Life Programs for All Citizens

- ✓ Offer services to all ages – seniors, youth and others
 - ✧ Hold focus group discussions to obtain feed back on recreation programming
 - ✧ Explore establishment of a volunteer coordinator and a volunteer coordination program
- ✓ Enhance and facilitate cultural, artistic and recreational programming
 - ✧ Work on future usage of Greenbelt Middle School
 - ✧ Develop programs for new computer lab at Springhill Lake Recreation Center
- ✓ Foster educational excellence in Greenbelt schools and lifelong learning

8. Relationships with Outside Agencies/Organizations

- ✓ Expand Council's stakeholder program to include WSSC, Verizon and Comcast
- ✓ Provide excellent constituent service by advocating for residents with other agencies

LONG TERM OUTLOOK

The long term economic outlook continues to be concerning. While the nation's economy seems to be improving, positive impacts to Greenbelt's budget will be slow. There will likely be limited or no growth in the City's main revenue source, the property tax, for the next four years as the City is being assessed this year at a low point in the real estate market. The only likely growth areas in the City's assessable base are the development of the South Core at Greenbelt Station, which will not impact FY 2013, and improvements at Franklin Park which will be incremental. Further, the State's fiscal situation remains challenged and could result in more revenue reductions to the City in future years. Improvement in the overall economy could raise other revenues such as corporate tax receipts, hotel/motel receipts and recreation fees. However, these revenues account for only 20% of the City's revenues.

COMPENSATION

As a result of the economic downturn, governments at all levels have been laying employees off, furloughing employees, not increasing salaries, and cutting benefits. Greenbelt has been no exception, though fortunately, with Council's leadership and hard work by City staff to identify savings, the City has avoided layoffs and furloughs. There has been no cost of living type pay adjustment since FY 2010, though a performance (or merit) increase was approved in FY 2011 and a one (1) percent lump sum bonus was approved in FY 2012. However, there have also been reductions in employees' compensation package in recent years – leave buy back was eliminated in FY 2010, the contribution by the City to the deferred compensation program was reduced in FY 2011 and last year the employee's share of the health insurance was increased from 15% to 20%.

For FY 2013, \$200,000 is budgeted for an employee pay adjustment and there are no reductions in any other compensation components.

Health insurance premiums are budgeted at 10% higher in FY 2013. This is only the second time in the past six years that health insurance costs will increase. However, negotiations are still underway and this situation may change as CareFirst, the City's provider's first offer was a 29% increase. No increase is proposed for 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 \$12.49 per hour as of September 27, 2011. 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 2012, 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 \$0.788 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 2013, it is expected that the county tax differential for Greenbelt residents will be decreased by one half of a cent causing an increase in the County tax rate.

CAPITAL IMPROVEMENTS

The City has two active capital improvement funds: the pay as you go Capital Projects Fund and the Community Development Block Grant Fund.

In the Capital Projects fund, projects totaling \$1,219,600 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 2013 are:

1. Resurfacing portions of Mandan Road, Ora Glen Drive and Hanover Parkway and Kara Court - \$249,600
2. Installing traffic calming improvements along Springhill Drive through a Safe Routes to School grant - \$152,400
3. Upgrading and consolidating the playgrounds at 12 Court Hillside and 2 Court Laurel Hill - \$86,200
4. Developing plans to repair Greenbelt Lake Dam and dredge the lake - \$30,000

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

2001 Bond Fund

\$800,000 is budgeted to begin the Greenbelt Theatre renovation project.

BUILDING CAPITAL RESERVE FUND

This fund is 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. A contribution of \$150,000 is budgeted in this fund in FY 2013. Proposed work to be done is to replace the gym floor at the Youth Center, an initial phase of HVAC improvements at the Community Center and \$10,000 for energy efficiency improvements.

Thank yous

As Council knows, the preparation of Greenbelt's budget is a significant undertaking by many people - the department heads and their staffs do a great amount of work in preparing proposals 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 group of people who 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 estimating expenditures 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,

A handwritten signature in black ink that reads "Michael McLaughlin". The signature is written in a cursive, flowing style.

Michael McLaughlin
City Manager

FY 2013 BUDGET AT A GLANCE

- ★ \$25,010,500 General Fund Budget, a \$461,700 or 1.8% increase from FY 2012. No tax rate increase proposed.
- ★ Revenues of \$25,542,700, \$261,100 or 1% lower than FY 2012.
- ★ Property assessments estimated to decrease 0.7%.
- ★ Adding 1.3 full-time equivalent positions, to oversee speed camera program and expand CARES services.
- ★ Income Tax budgeted at \$2,190,000, up 4.8% since FY 2010.
- ★ Highway User Revenue budgeted at \$93,000, down \$446,000 or 84% from FY 2009.
- ★ 40% of all General Fund expenditures go to Public Safety.
- ★ Implementation of a speed camera program planned. Estimated to result in \$500,000 in revenues.
- ★ \$200,000 set aside for Pay Adjustment for all employees.
- ★ Health insurance costs expected to increase 10%. Prescription premiums remain the same.
- ★ No increase proposed for residential waste collection fee, \$67 or \$268 per year, a 6.3% increase. Commercial rates will increase.
- ★ Three percent (3%) increase for Aquatic and Fitness Center passes.
- ★ Refinanced city debt saving \$460,000 in FY 2013.
- ★ \$600,000 or 2.9 cents on the tax rate, is budgeted for transfer to Capital Projects, Replacement Fund and the Building Capital Reserve funds.
- ★ \$1,219,600 budgeted in Capital Projects fund including resurfacing of portions of Mandan Road, Ora Glen Drive, Hanover Parkway, Kara Court, traffic calming on Springhill Drive and new gateway sign on Southway.
- ★ \$800,000 budgeted for theatre renovation.
- ★ At the end of FY 2013, the city's Undesignated and Unreserved fund balance is estimated to be \$3,118,530 or 12.5% of Total Expenditures.

**Fiscal Years 2010 – 2013
Summary of Budget Revenues**

FUND	FY 2010 Actual Trans.	FY 2011 Actual Trans.	FY 2012 Adopted Budget	FY 2012 Estimated Trans.	FY 2013 Proposed Budget	FY 2013 Adopted Budget
GENERAL FUND	\$25,081,363	\$25,543,391	\$25,803,800	\$24,612,200	\$25,542,700	\$25,492,700
SPECIAL REVENUE FUNDS						
Building Capital Reserve	\$75,229	\$380,069	\$165,300	\$261,300	\$210,000	\$210,000
Cemetery	2,428	306	1,100	300	300	300
Debt Service	945,111	920,437	821,500	808,300	300,200	300,200
Replacement	221,278	662,920	113,500	355,000	160,000	160,000
Special Projects	837,813	849,004	87,300	140,400	170,400	170,400
TOTAL SPECIAL REVENUE	\$2,081,859	\$2,812,736	\$1,188,700	\$1,565,300	\$840,900	\$840,900
CAPITAL PROJECTS FUNDS						
Capital Projects	\$447,863	\$359,478	\$1,671,300	\$1,074,900	\$1,045,400	\$1,045,400
2001 Bond	0	0	1,665,667	0	862,100	862,100
Comm. Dev. Block Grant	85,980	182,882	104,840	163,484	180,000	180,000
Greenbelt West Infrastructure	149	155,565	0	0	0	0
TOTAL CAPITAL PROJECTS	\$533,992	\$697,925	\$3,441,807	\$1,238,384	\$2,087,500	\$2,087,500
ENTERPRISE FUND						
Green Ridge House	\$1,279,011	\$1,325,478	\$1,379,200	\$1,380,000	\$1,438,100	\$1,438,100
TOTAL ALL FUNDS	\$28,976,225	\$30,379,530	\$31,813,507	\$28,795,884	\$29,909,200	\$29,859,200

**Fiscal Years 2010 – 2013
Summary of Budget Expenditures**

GENERAL FUND	\$25,381,686	\$24,661,815	\$25,472,200	\$24,823,600	\$25,010,500	\$24,961,600
SPECIAL REVENUE FUNDS						
Building Capital Reserve	\$49,824	\$580,785	\$228,200	\$208,700	\$180,000	\$180,000
Cemetery	0	5,100	4,000	4,000	3,000	3,000
Debt Service	927,497	921,046	499,157	480,357	319,100	319,100
Replacement	29,318	1,038,764	79,500	132,700	114,500	114,500
Special Projects	540,112	636,012	175,000	465,000	263,500	273,900
TOTAL SPECIAL REVENUE	\$1,546,751	\$3,181,707	\$985,857	\$1,290,757	\$880,100	\$890,500
CAPITAL PROJECTS FUNDS						
Capital Projects	\$210,095	\$576,510	\$1,898,000	\$1,257,700	\$1,219,600	\$1,219,600
2001 Bond	9,322	10,687	800,000	2,000	800,000	800,000
Comm. Dev. Block Grant	85,980	182,882	104,840	163,484	180,000	180,000
Greenbelt West Infrastructure	0	96,873	0	8,500	0	0
TOTAL CAPITAL PROJECTS	\$305,397	\$866,952	\$2,802,840	\$1,431,684	\$2,199,600	\$2,199,600
ENTERPRISE FUND						
Green Ridge House	\$1,253,310	\$1,296,882	\$1,370,300	\$1,351,500	\$1,429,300	\$1,429,300
TOTAL ALL FUNDS	\$28,487,144	\$30,007,356	\$30,631,197	\$28,897,541	\$29,519,500	\$29,481,000

* 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 2013 Budget Summary

FUND	Total All Funds	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Enterprise Fund
REVENUE						
Taxes & Special Assessments	\$19,851,500	\$19,851,500				
Licenses & Permits	1,372,800	1,372,800				
Intergovernmental	2,333,600	990,000	\$60,000		\$1,283,600	
Interest	2,400	1,500	500	\$200	200	
Charges for Services	2,099,400	2,099,400				
Fines & Forfeitures	848,000	848,000				
Miscellaneous	417,300	215,500	180,200		21,600	
Fund Transfers	1,496,100	114,000	300,000	300,000	782,100	
Bond Proceeds	0					
Enterprise Fund	1,438,100					\$1,438,100
TOTAL REVENUE	\$29,859,200	\$25,492,700	\$540,700	\$300,200	\$2,087,500	\$1,438,100
EXPENDITURES						
General Government	\$2,708,400	\$2,605,900	\$102,500			
Planning & Development	931,900	931,900				
Public Safety	10,227,700	10,067,300	60,400		\$100,000	
Public Works	4,308,100	2,983,700	45,000		1,279,400	
Social Services	907,300	857,300			50,000	
Recreation & Parks	5,912,000	4,902,300	239,500		770,200	
Miscellaneous	206,800	206,800				
Non-Departmental	1,785,500	1,456,400	10,000	319,100		
Fund Transfers	1,064,000	950,000	114,000			
Enterprise Fund	1,429,300					\$1,429,300
TOTAL EXPENDITURES	\$29,481,000	\$24,961,600	\$571,400	\$319,100	\$2,199,600	\$1,429,300
Projected Fund Balances						
Balances at July 1, 2011	\$4,594,375	\$3,097,730	\$892,225	\$36,865	(\$435,642)	\$1,057,252
FY 2012 Expected Revenues	\$28,858,171	\$24,612,200	\$757,000	\$808,300	\$1,238,384	\$1,380,000
FY 2012 Expected Expenditures	29,294,030	24,823,600	810,400	480,357	1,431,684	1,351,500
Balances at June 30, 2012	\$4,158,516	\$2,886,330	\$838,825	\$364,808	(\$628,942)	\$1,085,752
FY 2013 Budgeted Revenues	\$29,800,300	\$25,492,700	\$540,700	\$300,200	\$2,087,500	\$1,438,100
FY 2013 Budgeted Expenditures	29,422,000	24,961,600	571,400	319,100	2,199,600	1,429,300
Balances at June 30, 2013	\$4,536,816	\$3,417,430	\$808,125	\$345,908	(\$741,042)	\$1,094,552

* 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

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Greenbelt
Maryland**

For the Fiscal Year Beginning

July 1, 2011

Linda C. Dawson Jeffrey R. Egan

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.