

City of Greenbelt, Maryland

ADOPTED BUDGET

FOR THE FISCAL YEAR

JULY 1, 2013 – JUNE 30, 2014

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

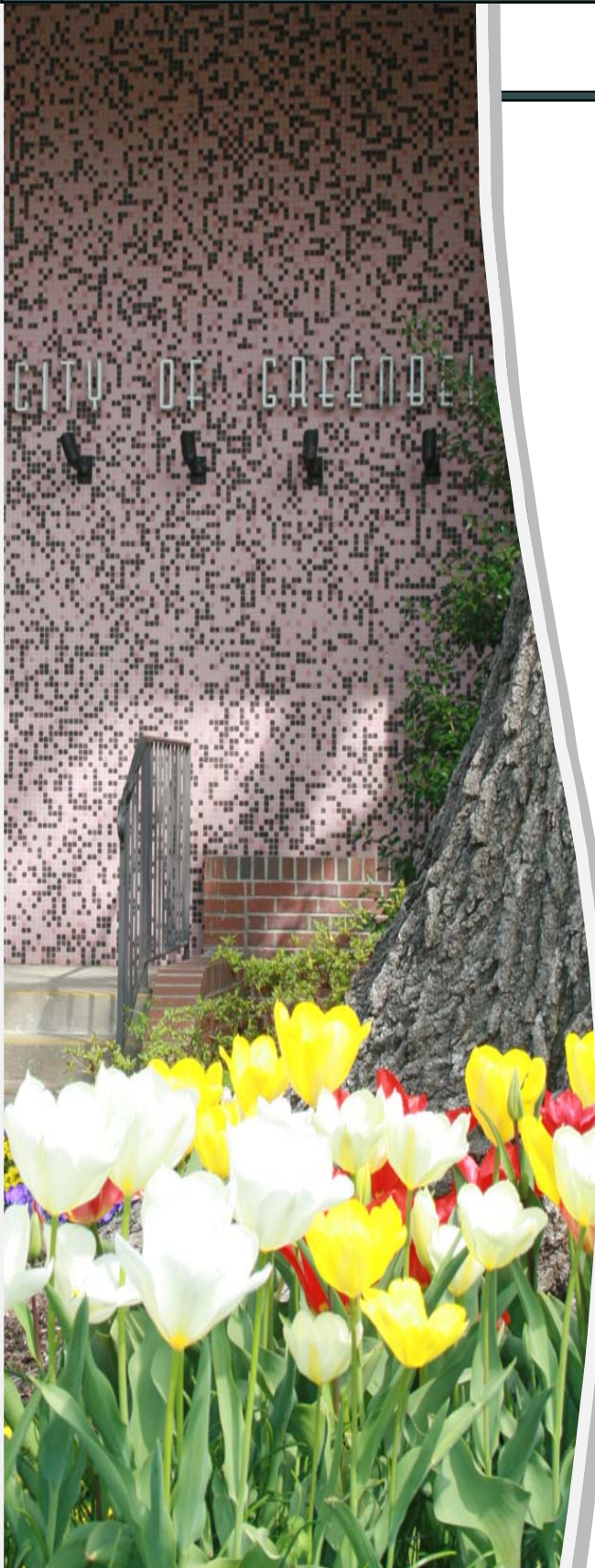
Michael P. McLaughlin

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, goals and objectives;
- FY 2013 accomplishments;
- FY 2014 issues and services;
- A table of organization;
- Personnel details;
- Past and projected expenditures; and
- Measures by which to judge the performance of the department during the next fiscal year, including how services are rated by citizens. Scores are rated on a scale of 1 (poor) to 5 (excellent).

Budget comments are also included which explain significant revenue and expenditure issues 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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ANALYSIS AND BACKGROUND

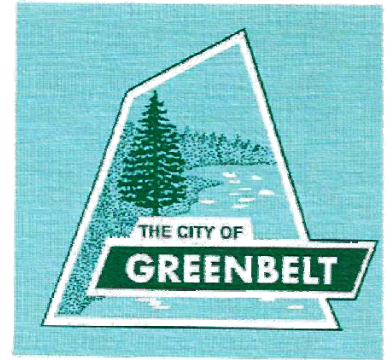
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CITY OF GREENBELT

25 CRESCENT ROAD, GREENBELT, MD. 20770-1886



June 3, 2013

Dear Fellow Greenbelt Citizens:

Enclosed is the City of Greenbelt's Adopted Budget for the fiscal year beginning July 1, 2013, and ending June 30, 2014 (FY 2014). The City Manager submitted a proposed budget to the City Council on March 27, 2013. 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.

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

For the past four years, we have been reporting to you that the City has been facing difficult economic times due to the national and world-wide recession. While it appears the national economy is improving, it could be a few years until the City experiences fiscal increases due to a better economy. The City relies heavily on Real Property taxes for its revenue (56%), and this revenue changes slowly due to the State's triennial assessment process. Real Property in Greenbelt was reassessed in 2012. Most residential property owners saw a 20 to 40% drop in their assessments at that time. As is detailed in this budget, that drop in assessments translates to a \$1.5 million reduction in revenues. This lower revenue base will be with the City through at least the next three fiscal years until the next reassessment in 2015.

Despite these difficult conditions, we are pleased to report that the City remains on solid fiscal footing. Expenses continue to be held at nearly the same level as in FY 2009. This was accomplished by the Council and City staff finding ways to reduce costs while not impacting services or laying off or furloughing employees. Since 2009, over \$2.5 million in reductions have been made to the City's budget.

For FY 2014, we were able to reduce the proposed tax rate increase from two (2) cents to one and one-half cents (1.5). With the drop in assessments, most residents will see lower tax bills this year. Additionally, we restored funding for sign language interpreting, added a part-time volunteer coordinator and increased bus shelter funding. Savings included reducing the number of Police cars to be purchased (\$70,000), eliminating a vacant Inspector position (\$60,000), renegotiating some service contracts for lower costs and lowering our electricity costs.

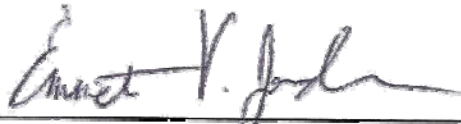


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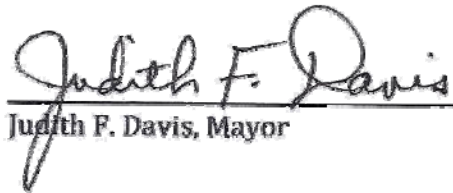


Apart from the budget, we are excited about the opening of Community Clinic, Inc., a health clinic in Franklin Park, the County and State support being expressed for bringing the headquarters of the Federal Bureau of Investigations (FBI) to the Greenbelt Metro Station site, and the likelihood of new housing construction beginning later this year south of the Metro Station. We believe all these events indicate a brighter future for our community.

We thank you for the special trust you place in us as your elected representatives and greatly appreciate your support.



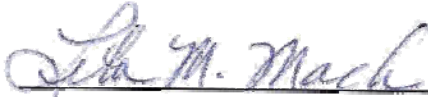
Emmett V. Jordan, Mayor Pro-Tem



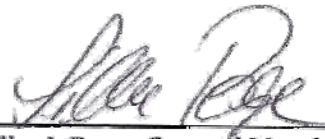
Judith F. Davis, Mayor



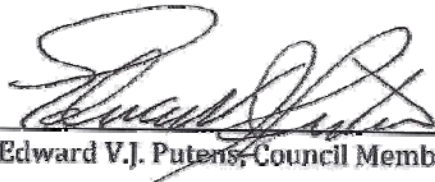
Konrad E. Herling, Council Member



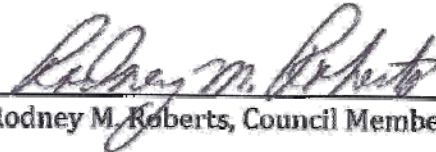
Leta M. Mach, Council Member



Silke I. Pope, Council Member



Edward V.J. Putens, Council Member



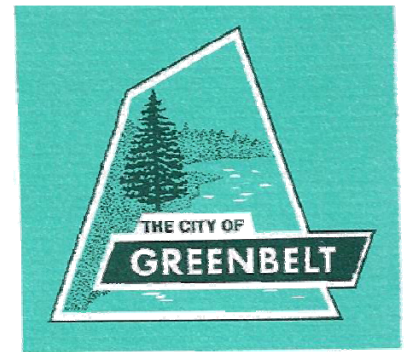
Rodney M. Roberts, Council Member

CITY OF GREENBELT, MARYLAND

OFFICE OF THE CITY MANAGER

25 CRESCENT ROAD, GREENBELT, MD. 20770

March 27, 2013



Michael P. McLaughlin
City Manager

Honorable Mayor and City Council,

I am pleased to present a proposed budget for the City of Greenbelt for Fiscal Year 2014 (July 1, 2013 to June 30, 2014). The budget is the City's operational and financial master plan for the coming year. It is the annual opportunity to review and identify the issues, 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.

OVERVIEW

The City's fiscal situation continues to be one constrained by and responding to the economic conditions which have existed for the past four years – a nationwide economic recession and a resulting reduction in real estate values and slowing economy. In this context, this budget seeks to provide quality city services to Greenbelt residents. While there are indications that the nation's and region's economies are improving, Greenbelt will not likely see any significant improvement for three years due to the reliance of local governments on property taxes for the bulk of their revenue. As has been noted in earlier budget sessions, all real property in Greenbelt was reassessed in calendar year 2012. The reassessment reduced the total value of property by 12% with residential down 25% (single family homes and townhomes 21% lower and condominiums declining 40%), and commercial property 8% lower. One encouraging sign is that the values of apartments increased 11%. With the State's triennial assessment process, these values will continue for the next three years as well (through FY 2016). The end result is a \$1.5 million, or 10%, reduction in property tax revenues.

While Greenbelt has been negatively affected by the recession over the past four years, the impacts have been managed as 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. Since FY 2009, over \$2.2 million in savings, reductions and cuts have been made to city budgets.

BUDGET SUMMARY

This budget was developed around three themes –

1. The budget must be responsive to the difficult fiscal conditions and the likelihood that they will continue for the next three years.



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2. The work plan is to reflect Council's goals –
 - ✧ Enhance the Sense of Community
 - ✧ Economic Development and Sustainability
 - ✧ Improve Transportation Opportunities
 - ✧ Maintain Greenbelt as an Environmentally Proactive Community
 - ✧ Improve and Enhance Public Safety
 - ✧ Preserve and Enhance Greenbelt's Legacy as a Planned Community
 - ✧ Provide Quality of Life Programs for all Citizens
 - ✧ Provide Excellent Constituent Service with Outside Organizations and Agencies
3. Even with constrained resources, continue to provide quality city services.

The proposed fiscal year (FY) 2014 expenditure budget totals \$24,869,400, which is in the range of \$24.4 to \$25.3 million that has existed since FY 2009. In other words, there has been little to no fiscal growth over the past 5 years.

Revenues are estimated at \$24,708,600, almost \$800,000 lower than the current year including a proposed two-cent tax rate increase. The two-cent increase raises \$365,200 and is a 2.5% increase on the rate. However, with the decline in assessments for most property in Greenbelt, nearly all taxpayers will still see a lower tax bill. For example, the average residential unit was valued at \$193,200 in FY 2013 and paid \$1,526 in city property taxes. For FY 2014, the average value will drop to \$144,500 and pay \$1,170 with the higher tax rate, a reduction of \$356 in the city tax bill. Additional savings will occur because County and State tax bills will be lower as well due to the lower assessments.

No layoffs or furloughs are proposed, but the elimination of one vacant Community Development Inspector position is recommended which will reduce staffing levels to 219.4, down almost 7 positions from FY 2009 (226.25). No programs are proposed for elimination, though some minor reductions are suggested.

REVENUE DETAIL

Here are some key revenues and what is expected to occur in FY 2014:

1. **Real Property** – As has been noted in prior years, Real Property tax revenue is the City's main revenue source comprising 56% of the City's total revenue in FY 2014. This revenue is calculated based on an estimate of the assessed value of real property in Greenbelt as determined by the Maryland State Department of Assessments and Taxation (SDAT).

The estimated gross assessed value for FY 2014 is \$1.8 billion, a 12% decline from FY 2013 (\$2.04 billion) and lower than the value in FY 2009 (\$2.136 billion). Compared to FY 2013 values, single family homes and townhouses are 21% lower, condominiums are 40% lower, and commercial property is down 8%. On the other hand, apartment properties are 11% higher and should continue to trend higher, as owners such as Fieldstone Properties continue to reinvest in their properties.

The proposed Real Property revenue is \$14,542,100. After deducting estimated Abatements, the Homestead Property Tax Credit and other credits, the net total will be \$13,870,900. This is almost \$1.2 million, or 8%, lower than the current year receipts. Without the tax increase, this revenue would be \$1.5 million, or 10%, lower.

2. **Economy Driven Revenues**

Three revenues react much 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. All three of the revenues are higher than recent lows, indicating an economic recovery in Greenbelt.

A. **Business/Corporate Property** – This revenue is generated by the property and inventory of businesses in Greenbelt. This revenue predicted the economic downturn in FY 2009 when receipts were first lower than the prior year (FY 2008 = \$1.6 million). The estimate for FY 2014 is \$1.46 million, down almost 9% since FY 2008, but up 14% from the low point in this period, FY 2010, of \$1.28 million.

B. **Income Taxes** - Receipts from Income Taxes are projected at \$2,190,000 for FY 2013 and \$2,230,000 for FY 2014. 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 peaked in FY 2008 at \$739,575, but dropped to a recent low of \$648,428 in FY 2010. It is anticipated to near its peak in FY 2014 at \$730,000

3. **State Revenues**

A. **Highway User/Gas Tax (HUR)** – This revenue has been most impacted by the economic downturn on a percent basis. The State of Maryland collects taxes on gasoline sales, and vehicle sales and registrations. It then distributes a portion to local governments. In FY 2010, the State reduced its transfer to local governments by 90%. For Greenbelt, this was a cut of \$450,000. There have been small increases since then, but not to previous levels. For FY 2014, the estimate is \$304,000, which includes \$214,000 in a one-time payment from the State as currently in Governor O’Malley’s budget. Since this increase may be one-time money, the bulk of it is proposed to be transferred to the Capital Projects fund, rather than used for operating expenses.

B. State Aid for Police Protection – At the same time Highway User revenue was reduced, the State also reduced this revenue almost \$90,000, or 17%. Governor O’Malley has restored these funds in his proposed FY 2014 budget.

4. 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 almost ten years since they have been adjusted for some customers.
- C.** Pass fees and daily admission rates at the Aquatic and Fitness Center are recommended to remain the same. Pass fees were increased 3% in FY 2013.
- D.** Five speed cameras were installed in FY 2013. They have been effective in encouraging motorists to abide by speed limits as the number of citations and fines have not come close to initial estimates which were based on survey information and the experiences of nearby jurisdictions. For FY 2013, \$100,000 in citations is estimated and \$150,000 is estimated for FY 2014, the first full year of operation. The citation revenue will likely decline over time as compliance increases.
- E.** The number of red light camera violations has increased in the current year following the reactivation of two cameras on Kenilworth Avenue with the completion of the bridge repair work. \$300,000 is budgeted for both FY 2013 and 2014, an increase of nearly \$100,000 and 50% from FY 2011.
- F.** Parking ticket revenue is expected to rise by \$50,000 in FY 2014. A review of records indicates there are vehicle owners with multiple unpaid parking tickets. A License Plate Reader will be purchased for the Parking Enforcement staff to assist them in identifying these violators and take action on them.

EXPENDITURE ISSUES

The Proposed FY 2014 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

As noted previously, since FY 2009, almost \$2.2 million in savings, reductions and cuts have been made to city expenses in response to the economic downturn. The FY 2014 budget includes additional proposals that merit mention.

A. Refinance Retirement/LEOPS liability (one time)	\$ 100,000
B. Reduce number of Police cars for purchase to 5	70,000
C. Eliminate 3rd Community Development Inspector	60,000
D. Not budget for pay off of Public Works facility	50,000
E. No purchase of recycling toters for recycling customers	8,000
F. Renegotiated cost of sprinkler and elevator maintenance	7,200
G. No purchase of leaf bags for GHI residents	5,000
H. Reduced cost of contracted grounds maintenance	4,000
I. Change sign language interpreting at Council meetings to “request only”	<u>4,000</u>
Total	\$ 308,200

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 almost seven (7) positions through attrition and eliminating some vacant positions. However, work responsibilities and expectations have not been similarly reduced, rather they have increased. Some examples include the renewed interest in development around Greenbelt Station (North/South Core and Sector Plan), various sustainability initiatives (Sustainable Maryland, goals from COG and the State), and the impact of 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, however no additional staff is proposed. This situation merits consideration which can be done when the Organizational Assessment is completed.

3. Use of Fund Balance

One of the City’s fiscal policies is to seek to maintain a General Fund Balance of at least ten (10) percent of the annual Expenditure budget. As of June 30, 2012, the last completed fiscal year, the city’s General Fund Balance was \$2.84 million, 11.5% of the budget. It is estimated the Fund Balance will increase as of the end of the current fiscal year to approximately \$3.1 million or 12.3%. It is proposed to use \$200,000 of Fund Balance in FY 2014 to cover two expenses. The first is to pay a portion of the City’s Workers Compensation premium. This proposal is being made because the Workers Compensation premium has a high probability to be lower in the coming years. For years, Workers Compensation premiums have been in the \$400,000 to \$600,000 range. In FY 2012, they spiked to \$1.2 million following a number of unique, isolated, but tragic accidents. The premium dropped to \$932,900 this year, is budgeted at \$790,000 for FY 2014, and is anticipated to return to typical levels

in FY 2015 or 2016. The use of Fund Balance for FY 2014 will bridge this expense to the expected lower amount in future years.

The second proposal is to provide funds to implement recommendations from the Organizational Assessment which will get underway this spring and be completed in early FY 2014. One of the primary objectives of the study is to determine whether the City has the right positions in the right areas. Since a few staff positions have been kept vacant pending this assessment, the study is likely to make recommendations to fill some of those positions or transfer those slots to other functional areas. Money was budgeted in FY 2013 to fund any recommendations. It was not spent and will be added to the Fund Balance. As such, it is proposed to appropriate \$100,000 of Fund Balance to support any recommendations from the study.

4. Use of Old Greenbelt Middle School

The Prince George’s County School System has offered the City the use of 5 classrooms in the old Greenbelt Middle School. Details on any related costs such as rent and maintenance are in discussion. Access to the space will not be available until late August of this year while the School System does some renovation work to the building. The Recreation Department has developed a preliminary program proposal for the space. \$50,000 is set aside in this budget for any costs related to the use of this space should the City reach an agreement with the School System.

GOALS FOR FY 2014

The City Council approved Visioning Goals in March 2009. In March 2012, Council reviewed and reaffirmed six of those goals, including combining two of them, and added goals for Economic Development and Sustainability, and Provide Excellent Constituent Service with Other Organizations and Agencies. These goals 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

- ✧ Update City’s website to include citizen request tracking.

2. Economic Development and Sustainability

- ✧ Become more involved in the business community.
- ✧ Support County efforts to bring a proposed new FBI headquarters to the Greenbelt Metro Station.
- ✧ Implement recommendations from the economic development study.
- ✧ Conduct Greenbelt business networking events

3. Improve Transportation Opportunities

- ✧ Implement findings of the bus stop accessibility study
- ✧ 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%.
- ✧ Meet or exceed the Climate Change goals of the State and the Council of Governments.
- ✧ Implement recommendations of the GreenACES Sustainability Master Plan.
- ✧ Reduce City's energy consumption 15% by 2015.

5. Improve and Enhance Public Safety

- ✧ Engage public involvement through a regular outreach and crime watch program.
- ✧ Install the Safe Routes to School plan on Springhill Drive
- ✧ Upgrade traffic control signs in compliance with the Manual of Uniform Traffic Control Devices

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

- ✧ Protect and expand Greenbelt's green space
- ✧ Focus on Greenbelt remaining an affordable community
- ✧ Manage the development review of Greenbelt Station South Core
- ✧ Become a Sustainable Community through the Maryland Department of Planning

7. Promote Quality of Life Programs for All Citizens

- ✧ Offer services to all ages – seniors, youth and others
- ✧ Enhance and facilitate cultural, artistic and recreational programming
- ✧ Work on future usage of Greenbelt Middle School
- ✧ Foster educational excellence in Greenbelt schools and lifelong learning
- ✧ Sweep all city streets a minimum of six times per year

8. Provide excellent constituent service with Other Organizations and Agencies

- ✧ Expand Council's stakeholder program to include WSSC, Verizon and Comcast
- ✧ Participate in the renegotiation process of the cable franchise with Comcast

ACCOMPLISHMENTS IN FY 2013

As plans are made for FY 2014, it is appropriate to highlight some of the noteworthy accomplishments in FY 2013.

1. The celebration of Greenbelt's 75th anniversary.
2. Sustainability & Energy Efficiency – With the switch to Clean Currents for the purchase of electricity and the resulting wind energy tax credits, Greenbelt is well ahead of meeting the reduction of greenhouse gas emissions goal set by the State and the Council of Governments. Through calendar year 2012, Greenbelt can take credit for reducing its carbon foot print by 55% since 2005. Similarly, actions taken to improve energy efficiency such as switching to more efficient office lighting, use of geothermal at the Public Works facility, more efficient HVAC equipment at the Aquatic and Fitness Center and Springhill Lake Recreation Center, and installation of LED lights in city parking lots, have helped to reduce the City's actual energy consumption by 13% compared to 2005.
3. Transportation – Beginning last fall, Greenbelt residents could use the University of Maryland's shuttle service with the purchase of a \$10 pass. Almost 90 residents have taken advantage of this opportunity. Additionally, after numerous conversations with the Washington Metropolitan Area Transportation Authority, late night bus service to Greenbelt has been extended.
4. Tennis court lights – New energy efficient, low height, and Dark Sky compliant lights were installed at the Braden Field tennis courts.
5. The Police Department achieved Accreditation with Excellence from the Commission for the Accreditation of Law Enforcement Agencies (CALEA).

LONG TERM OUTLOOK

As has been described previously, while economic recovery is becoming evident in the nation and region, it will not noticeably impact the City's budget for at least three years. However, three circumstances do point to an improving situation beginning with FY 2017. First, property values in the region have begun to show signs of increasing. If this continues, the low assessment figures impacting this budget will be higher in the next assessment in 2015. Second, construction in the Greenbelt Station South Core is anticipated to begin this calendar year. This residential development could add \$50 million to the City's assessable base by FY 2017 and more in subsequent years. Third, the Greenbelt Station North Core area is a leading candidate to be the location for a new headquarters for the Federal Bureau of Investigation (FBI). The FBI is seeking a location for the construction of 2.1 million square feet of leasable office space near a Metro station to house around 11,000 employees. Should the Greenbelt location be selected, it will have enormous positive economic benefits on nearby commercial office, residential and retail properties. It is anticipated that a decision on the relocation of the FBI will be made sometime in the next two years.

COMPENSATION

As a result of the economic downturn, governments at all levels have been laying off or furloughing employees, not increasing salaries and cutting benefits. Greenbelt has been no exception, though fortunately, the city has avoided layoffs and furloughs. In the past three fiscal year (FY 2011, 2012 and 2013), there has only been one cost of living adjustment (1% in FY 2013) and two 1% bonuses, while the cost of living has increased 5.2%. In addition, changes in employee benefits packages have cost employees more. In FY 2012, the employee's share of the health insurance premium was increased from 15% to 20%, and health insurance premiums increased 21% last year and are expected to increase 15% this year.

For FY 2014, \$275,000 is budgeted for a two (2) percent cost of living pay adjustment (COLA). No Merit Increase is funded. The proposed COLA is in line with the Consumer Price Index for the past year (2.2%), what was proposed for federal employees prior to the Sequester (1.5%), the State of Maryland (3%), Prince George's County (approximately 3.5% before furloughs) and what nearby jurisdictions are expected to provide.

Health insurance premiums are budgeted at 15% higher in FY 2014. Negotiations are still underway and the city has also approached Benecom, the self-insurance plan available through the Local Government Insurance Trust. After years of no increases in the City's self-insured prescription plan, an increase is necessary. Staff will bring forward a proposal on this matter.

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 \$12.91 per hour as of September 2012. 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 2013, 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 \$0.793 per \$100 assessed valuation and a lower M-NCPPC tax rate of \$0.1246. 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 2014, it is expected that the tax differential for Greenbelt residents will be reduced by 1.6 cents causing an increase in the County tax rate.

CAPITAL IMPROVEMENTS

The City has four active capital improvement funds: the pay as you go Capital Projects Fund, the Building Capital Reserve Fund, the Community Development Block Grant Fund, and the 2001 Bond Fund. In total, nearly \$2.6 million in capital expenses are budgeted.

In the Capital Projects fund, projects totaling \$1,174,800 are proposed. These will be funded with existing fund balance, State grants and a transfer of \$450,000 from the General Fund. The fund transfer is higher than past years because it includes the additional one-time Highway User funds included in Governor O'Malley's proposed budget. Some of the key projects proposed for FY 2014 are:

1. Resurfacing portions of Ridge Road between Lastner and Research (\$49,000), Southway from Ridge to the Parkway exit (\$96,000) and Eastway (\$47,200)
2. Installing traffic calming improvements along Springhill Drive through a Safe Routes to School grant - \$152,400
3. Replacing the playground in Greensprings Park - \$81,900
4. Removing the gasoline tank at the Police Station - \$113,000

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

Building Capital Reserve Fund

\$360,000 is provided for improvements to the Community Center HVAC system..

2001 Bond Fund

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

REPLACEMENT FUND

\$100,000 is budgeted as the fund transfer to the Replacement Fund. Items proposed for purchase include a hybrid sedan in Community Development and replacement of the weight training machine at the Aquatic and Fitness Center. This fund has a healthy balance, but expensive vehicles such as a refuse truck will need to be purchased in coming years which will reduce the fund balance.

Thanks!

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. While every year their assistance is vital as we seek to best serve the community with the available resources of the city, the coming year's

financial difficulties made this year's task even more demanding. A special note of thanks is extended to each of them.

Then there is the group of people who handle the myriad of details of finalizing numbers and narrative, and the preparing of this document. These people are Jeff Williams, City Treasurer, who handles many of the details of budget preparation from 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 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.

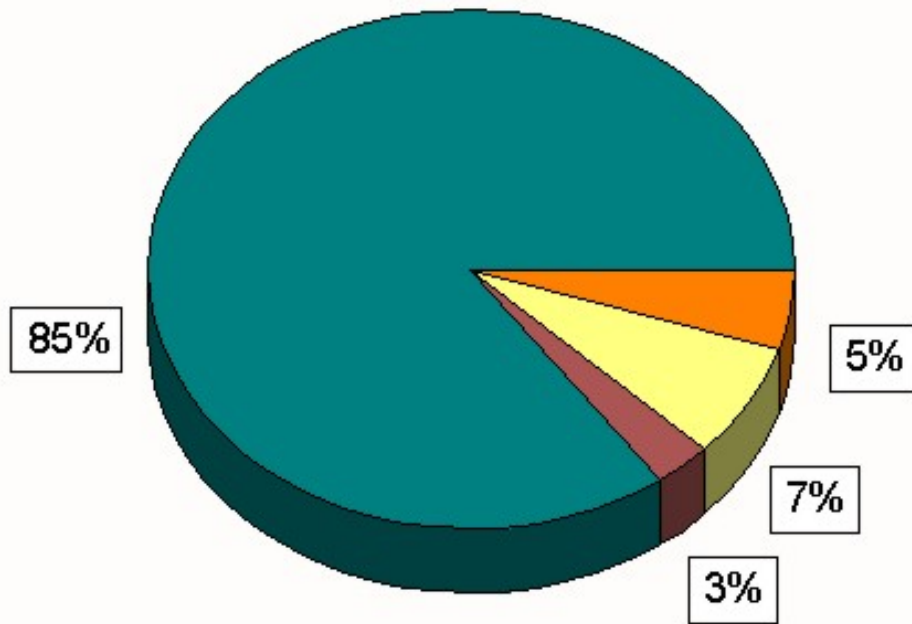
Michael McLaughlin
City Manager





FY 2014 BUDGET AT A GLANCE

- \$24,869,400 General Fund Budget, a \$92,200 or 0.4% decrease from FY 2013.
- Revenues of \$24,708,600, \$784,100 or 3% lower than FY 2013, with two cent tax increase. Revenues would be \$1,149,300 lower without tax increase.
- Property assessments estimated to decrease 12%.
- Eliminating 1 full-time equivalent position—vacant Community Development Inspector position.
- Highway User Revenue budgeted at \$304,000, up \$211,000 from FY 2013. Increase may be one-time increase.
- 40% of all General Fund expenditures go to Public Safety.
- \$275,000 set aside for 2% Pay Adjustment for all employees.
- Health insurance costs expected to increase 15%.
- No increase proposed for residential waste collection fee, \$67 or \$268 per year.
- No increase for Aquatic and Fitness Center passes.
- \$2.6 million in capital projects proposed, including resurfacing portions of Ridge Road and Southway and all of Eastway; improvements to the HVAC system in the Community Center; replacement playground at Greenspring Park; and Phase III of improvements at the Springhill Lake Recreation Center.
- \$650,000 or 3.6 cents on the tax rate, is budgeted for transfer to Capital Projects, Replacement Fund and the Building Capital Reserve funds.
- At the end of FY 2014, the city's Undesignated and Unreserved fund balance is estimated to be \$2,927,578 or 11.8% of Total Expenditures.

Summary of Budget Expenditures

FY 2014 Adopted Budget



-  General Fund
-  Special Revenue Funds
-  Capital Projects Funds
-  Enterprise Fund

FY 2014 Budget Summary

Fund	Total All Funds	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Enterprise Fund
Revenue						
Taxes & Special Assessments	\$19,082,100	\$19,082,100				
Licenses & Permits	1,437,800	1,437,800				
Intergovernmental	2,723,400	1,086,600	\$52,500		\$1,584,300	
Interest	600		400	\$200		
Charges for Services	2,113,700	2,113,700				
Fines & Forfeitures	698,000	698,000				
Contributions	0					
Miscellaneous	334,300	199,100	130,200		5,000	
Fund Transfers	950,000		100,000	300,000	550,000	
Bond Proceeds	0					
Enterprise Fund	1,438,100					\$1,438,100
Total Revenue	\$28,778,000	\$24,617,300	\$283,100	\$300,200	\$2,139,300	\$1,438,100
Expenditures						
General Government	\$2,761,800	\$2,664,300	\$82,500		\$15,000	
Planning & Development	893,600	866,200	27,400			
Public Safety	10,367,700	10,196,900	52,500		118,300	
Public Works	4,283,400	2,964,800	50,000		1,268,600	
Social Services	890,000	890,000				
Recreation & Parks	6,189,800	5,004,900	57,000		1,127,900	
Miscellaneous	214,600	214,600				
Non-Departmental	1,477,200	1,099,500		\$317,700	60,000	
Fund Transfers	953,000	950,000	3,000			
Enterprise Fund	1,424,500					\$1,424,500
Total Expenditures	\$29,455,600	\$24,851,200	\$272,400	\$317,700	\$2,589,800	\$1,424,500
Projected Fund Balances						
Balances at July 1, 2012	\$5,084,998	\$3,058,778	\$1,010,633	\$362,746	(\$714,618)	\$1,367,459
FY 2013 Expected Revenues	\$29,377,940	\$25,529,700	\$460,400	\$300,200	\$1,649,540	\$1,438,100
FY 2013 Expected Expenditures	28,727,040	25,195,700	546,000	549,300	1,029,740	1,406,300
Balances at June 30, 2013	\$5,735,898	\$3,392,778	\$925,033	\$113,646	(\$94,818)	\$1,399,259
FY 2014 Budgeted Revenues	\$28,778,000	\$24,617,300	\$283,100	\$300,200	\$2,139,300	\$1,438,100
FY 2014 Budgeted Expenditures	29,460,400	24,851,200	272,400	317,700	2,589,800	1,429,300
Balances at June 30, 2014	\$5,053,498	\$3,158,878	\$935,733	\$96,146	(\$545,318)	\$1,408,059

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

Fiscal Years 2011 - 2014

Summary of Budget Revenues

FUND	FY2011 Actual Trans.	FY2012 Actual Trans.	FY 2013 Adopted Budget	FY 2013 Estimated Trans.	FY 2014 Proposed Budget	FY 2014 Adopted Budget
GENERAL FUND	\$25,543,391	\$24,648,917	\$25,492,700	\$25,529,700	\$24,708,600	\$24,617,300
SPECIAL REVENUE FUNDS						
Building Capital Reserve	\$380,069	\$239,684	\$210,000	\$228,600	\$370,000	\$370,000
Cemetery	306	237	300	0	200	200
Debt Service	920,437	4,650,108	300,200	300,200	300,200	300,200
Replacement	662,920	406,991	160,000	252,300	105,100	105,100
Special Projects	849,005	198,307	170,400	208,100	177,800	177,800
TOTAL SPECIAL REVENUE	\$2,812,737	\$5,495,327	\$840,900	\$989,200	\$953,300	\$953,300
CAPITAL PROJECTS FUNDS						
Capital Projects	\$359,478	\$723,400	\$1,045,400	\$736,600	\$1,209,300	\$1,209,300
2001 Bond	0	0	862,100	482,100	380,000	0
Community Development Block Grant	182,882	90,034	130,000	202,240	180,000	180,000
Greenbelt West Infrastructure	115,571	0	0	0	0	0
TOTAL CAPITAL PROJECTS	\$657,931	\$813,434	\$2,037,500	\$1,420,940	\$1,769,300	\$1,389,300
ENTERPRISE FUND						
Green Ridge House	\$1,325,478	\$1,364,882	\$1,438,100	\$1,438,100	\$1,438,100	\$1,438,100
TOTAL ALL FUNDS	\$30,339,537	\$32,322,560	\$29,809,200	\$29,377,940	\$28,869,300	\$28,398,000

Fiscal Years 2011 - 2014

Summary of Budget Expenditures

FUND	FY2011 Actual Trans.	FY2012 Actual Trans.	FY 2013 Adopted Budget	FY 2013 Estimated Trans.	FY 2014 Proposed Budget	FY 2014 Adopted Budget
GENERAL FUND	\$24,661,815	\$24,687,869	\$24,961,600	\$25,195,700	\$24,869,400	\$24,851,200
SPECIAL REVENUE FUNDS						
Building Capital Reserve	\$580,785	\$97,830	\$180,000	\$186,100	\$435,000	\$435,000
Cemetery	5,100	4,000	3,000	3,000	0	0
Debt Service	921,043	4,324,230	319,100	549,300	317,700	317,700
Replacement	1,038,764	28,698	114,500	272,500	129,400	129,400
Special Projects	636,012	497,382	273,900	273,500	140,000	0
TOTAL SPECIAL REVENUE	\$3,181,704	\$4,952,140	\$890,500	\$1,284,400	\$1,022,100	\$882,100
CAPITAL PROJECTS FUNDS						
Capital Projects	\$576,510	\$1,089,221	\$1,219,600	\$641,400	\$1,174,800	\$1,178,800
2001 Bond	0	0	800,000	0	800,000	800,000
Community Development Block Grant	182,882	90,034	130,000	202,240	180,000	180,000
Greenbelt West Infrastructure	96,873	12,063	0	0	0	500
TOTAL CAPITAL PROJECTS	\$856,265	\$1,191,318	\$2,149,600	\$843,640	\$2,154,800	\$2,159,300
ENTERPRISE FUND						
Green Ridge House	\$1,296,882	\$1,327,349	\$1,429,300	\$1,406,300	\$1,424,500	\$1,424,500
TOTAL ALL FUNDS	\$29,996,666	\$32,158,676	\$29,431,000	\$28,730,040	\$29,470,800	\$29,317,100



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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**City of Greenbelt
Maryland**

For the Fiscal Year Beginning

July 1, 2012

Christopher P. Morrell *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.