

City Council Budget Work Session

**8 p.m. – Final Proposed
Budget Review**

Monday, May 16, 2016

City Council Chambers

1. Budget Update #3
2. List of Items for Budget Consideration
3. April Financial Report
4. Leta's Budget Proposals – 5/6/16

To: City Council
From: Michael McLaughlin, City Manager *MM*
Date: May 13, 2016
Re: Budget Update #3

Listed below are the items which Council members have identified for further consideration in the review of the Proposed FY 2017 budget and additional considerations.

Reminder – Due to Real Property Abatements received 4/25, City will have to repay \$823,190 this fiscal year (FY 2016). This will reduce the estimated undesignated, unreserved FY 2016 General Fund Balance, shown on page 15 of the budget, from \$3.5 million to \$2.7 million and the percentage from 13.2% to 10%. This will reduce FY 2017 Fund Balance by a similar amount, lowering it to \$2.7 million.

Revenues

- | | |
|---|------------|
| 1. Reduced Highway User Revenue - revised | (\$25,000) |
| 2. Anticipated FEMA reimbursement | 100,000 |

Expenditures

- | | |
|---|----------|
| 1. Workers Compensation premium | \$50,000 |
| 2. Economic development initiatives | ? |
| a. Carryover of \$50,000 from current year | |
| 3. Items from IT master plan | 120,000 |
| a. Additional funding – special projects - \$30,000 | |
| b. Security camera costs maint. - \$15,000 | |
| c. GIS position – GC-15 - \$65,000 | |
| d. Security audit of network - \$10,000 | |
| 4. Public Information position (GC-14) | 61,500 |
| a. Salary – \$47,300 & Benefits - \$14,200 | |
| 5. Additional funding for CERT | 1,000 |
| 6. Add one Police vehicle | 35,000 |
| 7. Greenbelt Vol. Fire & Rescue paramedic training | 5,000 |
| 8. Contribution to ATHA for Heritage Center Fund | 1,000 |
| 9. WIBIT inflatable for pool | 9,500 |
| 10. Assessment of splash pad area | 5,000 |

11. Improvements to Aquatic Center staff locker area	Underway
12. Concrete repairs at pool	4,000
13. Additional recycling totes – Woodland Hills	5,000
14. Second dog park – Capital Projects fund	5,000
15. Add 8 hours/week for Geriatric Case Mgr. (24 to 32 hrs)	16,700
16. Volunteer Coordinator (GC-14 - \$47,300 sal. & \$15,700 ben.)	61,500
17. Code enforcement abatement fund	25,000
18. ½ FTE Animal Control Offr. (GC-11 - \$20,400 & \$6,800 ben.)	27,200
19. Security camera at Animal Shelter	5,000

Other Notes

- a. Mayor Jordan asked for the cost of raising the Minimum Wage to \$15.00/hour. It would be an additional \$350,000 over the \$100,000 which is already included in the Proposed FY 2017 budget for the required increase.
- b. In Contribution Groups, the Arts Center and FONDCA have asked for more money, \$4,300 and \$1,000 respectively and the Community Foundation and Soccer Alliance have requested \$10,000 and \$6,000 respectively. An additional \$21,300 would need to be added to the budget if these are to be supported.

ITEM	UPDATE MEMO #3	AMOUNT	COMMENT
PROPOSED FY 2017 REVENUES		27,152,600	
Reduced Highway User Revenues		-25,000	
FEMA Reimbursement		100,000	
TOTAL REVENUES		27,227,600	
PROPOSED FY 2017 EXPENDITURES		27,133,100	
Workers Comp. Insurance Increase		50,000	
Econ. Dev. Initiatives			
IT Master Plan	120,000		
Public Information Position	61,500		
Additional Funding for CERT	1,000		
Add One Police Vehicle	35,000		
GVFD Paramedic Training	5,000		
ATHA for Heritage Center	Done		
WIBIT Inflatable for Pool	9,500		
Assessment of Splash Pad Area	5,000		
Concrete Repairs at Pool	4,000		
Recycling Toters - Woodland Hills	5,000		
2nd Dog Park - Capital Projects Fund	5,000		
Geriatric Case Mgr. - Add 8 hours/week	16,700		
Volunteer Coordinator	61,500		
Code Enforcement Abatement Fund	25,000		
Animal Control Officer - 1/2 FTE	27,200		
Security Cameras at Animal Shelter	5,000		
TOTAL EXPENDITURES		27,183,100	
Proposed Use of Fund Balance		0	
Difference		44,500	

City of Greenbelt, Maryland

Memorandum

To: Michael P. McLaughlin, City Manager
From: Jeffrey L. Williams, City Treasurer
Date: May 12, 2016
Subject: April 2016 Financial Report



Revenues

April revenues are 82.5% of the estimate in the FY 2016 proposed budget compared to 85.7% historically and 84.5% a year ago.

As reported earlier, real property abatements to Franklin Park for fiscal years 2014, 2015 and 2016 exceeded \$700,000. Real property abatements are currently \$1,010,000 or \$710,000 higher than the adopted budget. The Franklin Park abatement was the result of a court case dated January 1, 2013, a point in time that major renovations caused higher vacancies and thus lower revenues. The lower revenue, although temporary, was the basis for the reduction in the assessed value of the property. The State Department of Assessments and Taxation has assured the City that no additional evidence or testimony from the City would have changed the outcome.

Recreation revenues through April are slightly lower than a year ago. Aquatic & Fitness (AFC) and Community Center revenues are down \$42,000 and \$18,000 respectively. A reduction for AFC revenues was expected as a result of replacing the indoor pool roof. Community Center revenues are lower because the adult day care provider is delinquent in rent payments. Other recreation revenues are level with previous fiscal years except for revenue for camps and other children's programming which are approximately \$42,000 higher.

Fines and forfeitures are more than \$50,000 higher than the adopted budget. This is due to full staffing of parking enforcement. Red light camera fines are \$15,000 higher than the adopted budget and are expected to reach the estimate of \$360,000. Speed camera fines are \$26,000 higher than the adopted budget and expected to reach the budget estimate of \$460,000. However, it should be noted that total receipts to date are approximately \$90,000 lower than a year ago.

While additional analysis is necessary, revenues are expected to fall short of the estimate in the proposed budget by approximately \$700,000.

Expenditures

April expenditures are 85.7% of the estimate in the proposed budget compared to 85.6% historically and 85.0% a year ago. Salaries and benefits are 1.1% lower compared to the historical average. Police officer salaries are approximately \$150,000 lower than in FY 2015. The savings in the proposed budget are likely to be realized.

Operating expenditures are 0.3% lower than the historical trend. Motor vehicle fuel and natural gas expenditures are \$48,000 and \$29,000 lower than a year ago. However, building maintenance is \$90,000 higher. The FY 2016 estimate includes the \$205,000 expenditure for the acquisition of 10-A Crescent. This expenditure offsets much of the other savings.

FY 2016 expenditures are in line with expectations and historical averages. Staff expects that expenditures will end the fiscal year as presented in the proposed budget.

City of Greenbelt, Maryland
Revenues - FY 2016 vs. Historical
April

Account Number	Description	FY 2016 Budget	Apr-16	% of FY 2016 Budget	% of FY 2015 Budget	Historical %
Taxes						
411100	Real Estate	\$15,578,100	\$15,450,538	99.18%	99.95%	99.92%
411200	Real Estate Abatements	(300,000)	(1,010,128)	336.71%	69.44%	85.88%
411220	Homestead Credit	(20,000)	(18,836)	94.18%	100.00%	99.99%
411230	Homeowner's Credit	(50,000)	(31,638)	63.28%	75.61%	88.18%
Personal Property						
412100	Local Current Year	12,000	5,108	42.57%	98.53%	100.21%
412110	Utility - Current Year	290,000	307,879	106.17%	96.55%	89.05%
412120	Corporate - Current Year	1,400,000	1,153,682	82.41%	90.61%	90.99%
412140	Local - Prior Years	200	0	0.00%	0.00%	108.89%
412160	Corporate - Prior Years	30,000	67,943	226.48%	64.64%	58.81%
412200	Personal Prop. Abatements	(80,000)	(62,570)	78.21%	92.83%	92.94%
Other Taxes						
421100	Income	2,434,000	1,271,925	52.26%	48.95%	50.71%
421200	Admissions	145,000	107,444	74.10%	75.98%	76.28%
421300	Hotel/Motel	710,000	467,587	65.86%	47.59%	49.19%
422100	Highway	362,000	347,711	96.05%	91.15%	77.75%
Licenses						
431200	Rental & Constr.	1,094,000	459,817	42.03%	48.43%	50.91%
433400	Cable	415,000	256,745	61.87%	77.72%	61.28%
Grants - State						
442101	Police	479,400	334,986	69.88%	72.23%	77.42%
442102	Youth Service	65,000	43,734	67.28%	66.33%	63.50%
Grants - County						
443106	Landfill	57,700	43,239	74.94%	75.00%	75.00%
443102	Youth Service	30,000	20,000	66.67%	66.67%	31.15%
443108	MNCPPC	234,000	0	0.00%	0.00%	9.57%
443127	School Resource Officer	80,000	0	0.00%	0.00%	7.41%
Other						
451000	Waste	657,000	327,724	49.88%	74.98%	74.29%
452000	Recreation	721,200	530,698	73.59%	72.89%	71.06%
453000	Fitness Center	530,600	367,001	69.17%	75.41%	77.48%
454000	Community Center	213,100	159,169	74.69%	89.13%	85.11%
460100	Fines & Forfeitures	135,000	185,128	137.13%	78.52%	81.18%
460200	Red Light Cameras	300,000	315,496	105.17%	84.70%	83.30%
460300	Speed Cameras	350,000	376,636	107.61%	77.17%	
470000	Interest	1,000	6,808	680.80%	79.12%	92.12%
480400	Partnerships	126,000	91,600	72.70%	58.52%	69.81%
490000	Miscellaneous	433,800	324,229	74.74%	46.39%	64.60%
FY 2016 Adopted Budget vs. Actual		\$26,434,100	\$21,899,655	82.85%	84.45%	85.68%
FY 2016 Estimated Revenues			\$26,537,600	% of Estimate	82.52%	

City of Greenbelt, Maryland

Expenditures - FY 2016 vs. Historical

April

			% of FY 2016	% of FY 2015		
	FY 2016 Budget	April-16	Budget	Budget	Historical %	
100	General Government					
	Salary/Benefits	\$2,161,900	\$1,759,253	81.38%	85.66%	84.15%
	Operating Expense	707,900	523,491	73.95%	77.30%	81.15%
	Capital Outlay	7,000	5,590	79.86%	94.68%	84.79%
	Total General Gov't	2,876,800	2,288,334	79.54%	83.30%	83.27%
200	Planning & Comm. Dev.					
	Salary/Benefits	817,800	676,487	82.72%	86.20%	84.76%
	Operating Expense	252,700	168,340	66.62%	69.24%	76.78%
	Capital Outlay	0	0	0.00%	0.00%	100.00%
	Total Plan. & Comm. Dev.	1,070,500	844,827	78.92%	81.21%	83.71%
300	Public Safety					
	Salary/Benefits	8,568,500	7,118,256	83.07%	87.42%	86.14%
	Operating Expense	1,430,500	1,267,415	88.60%	77.70%	80.80%
	Capital Outlay	327,000	324,741	99.31%	90.55%	88.02%
	Total Public Safety	10,326,000	8,710,412	84.35%	86.08%	85.48%
400	Public Works					
	Salary/Benefits	1,866,100	1,558,000	83.49%	89.83%	85.87%
	Operating Expense	605,700	569,176	93.97%	74.19%	85.41%
	Capital Outlay	0	0	0.00%	0.00%	100.00%
	Total	2,471,800	2,127,176	86.06%	85.81%	85.75%
450	Waste Collection					
	Salary/Benefits	541,400	448,727	82.88%	86.75%	83.72%
	Operating Expense	184,300	149,936	81.35%	67.39%	70.69%
	Capital Outlay	0	0	0.00%	0.00%	0.00%
	Total	725,700	598,663	82.49%	81.95%	80.17%
	Total Public Works	3,197,500	2,725,839	85.25%	84.94%	84.41%
500	Greenbelt Cares					
	Salary/Benefits	921,100	758,205	82.32%	85.94%	84.47%
	Operating Expense	71,900	49,945	69.46%	82.78%	80.05%
	Total Cares	993,000	808,150	81.38%	85.71%	84.10%
600	Recreation					
	Salary/Benefits	2,421,800	2,108,313	87.06%	85.98%	84.67%
	Operating Expense	743,500	598,558	80.51%	75.99%	83.22%
	Capital Outlay	0	0	0.00%	0.00%	100.00%
	Total	\$3,165,300	\$2,706,871	85.52%	83.52%	84.30%
650	Aquatic & Fitness Center					
	Salary/Benefits	\$723,600	\$613,225	84.75%	83.86%	83.82%
	Operating Expense	371,400	282,262	76.00%	76.81%	78.69%
	Capital Outlay	0	0	0.00%	0.00%	0.00%
	Total	1,095,000	895,487	81.78%	81.38%	82.13%
	Total Recreation	4,260,300	3,602,358	84.56%	82.96%	83.73%

City of Greenbelt, Maryland

Expenditures - FY 2016 vs. Historical

April

			% of FY 2016	% of FY 2015		
	FY 2016 Budget	April-16	Budget	Budget	Historical %	
700	Parks					
	Salary/Benefits	1,004,200	834,642	83.12%	83.60%	84.56%
	Operating Expense	212,600	140,955	66.30%	64.93%	68.83%
	Capital Outlay	0	0	0.00%	0.00%	n/a
	Total Parks	1,216,800	975,597	80.18%	80.21%	81.15%
900	Miscellaneous					
	Salary/Benefits	198,200	172,989	87.28%	84.99%	84.70%
	Operating Expense	29,200	60,056	205.67%	16.89%	39.57%
	Capital Outlay	0	204,193	n/a	0.00%	0.00%
	Total Miscellaneous	227,400	437,238	192.28%	58.77%	74.37%

Operating Expenditures						
	Salary/Benefits	\$19,224,600	\$16,048,097	83.48%	86.80%	86.34%
	Operating Expense	4,609,700	3,810,134	82.65%	73.94%	76.92%
	Capital Outlay	334,000	534,524	160.04%	90.64%	89.08%
	Total Operating	\$24,168,300	\$20,392,755	84.38%	84.17%	84.33%

Reserves						
	Non-Departmental	191,000	\$67,377	35.28%	232.00%	99.96%
	Workers' Compensation	595,000	654,390	109.98%	100.00%	100.00%
	Interfund Transfers	1,745,200	1,745,200	100.00%	88.37%	96.31%
	Total Reserves	2,531,200	2,466,967	97.46%	96.93%	97.86%
	Total General Fund	\$26,699,500	\$22,859,722	85.62%	85.04%	85.57%

FY 2016 Projected						
	FY 2016 Est.					
Expenditures vs. 10 mos.						
	Salary/Benefits	\$18,828,900	\$16,048,097	85.23%	n/a	86.34%
	Operating Expense	4,784,400	3,810,134	79.64%	n/a	76.92%
	Capital Outlay	531,500	534,524	100.57%	n/a	89.08%
	Non-Departmental	180,900	67,377	37.25%	n/a	99.96%
	Workers' Compensation	614,400	654,390	106.51%	n/a	100.00%
	Interfund Transfers	1,745,200	1,745,200	100.00%	n/a	96.31%
	Total General Fund	\$26,685,300	\$22,859,722	85.66%	n/a	85.57%

Leta's Budget Proposals

This is a very tough year. However, here are my thoughts

Potential Additional Expenditures

Extra needed from reduced highway user revenue	\$25,000
Add 8 hours a week for Geriatric Case manager	16,700
Greenbelt Vol. Fire & Rescue paramedic training	5,000
Security camera at animal shelter	5,000
Concrete repairs at pool	4,000
Contribution to ATHA Heritage Center fund	1,000
Community Foundation one-time grant	2,000
Greenbelt Soccer Alliance one-time grant	2,500
Additional for economic development	17,000
Additional funding for CERT	1,000
IT security camera maintenance costs	15,000
IT security audit of network	10,000
½ FTE animal control officer	27,200
TOTAL	\$131,400

Revenue

I propose reducing the undesignated reserve fund balance a bit more than ½%
(reducing it 1% provides \$260,000)

5/6/16