

Proposed Budget FY 2017

COLLEGE PARK, MARYLAND

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Mayor and City Council

The Honorable Patrick L. Wojahn, Mayor

City Council

P.J. Brennan

Fazlul Kabir

Mary Cook

Dustyn B. Kujawa

Robert W. Day

Christine L. Nagle

Monroe S. Dennis

Stephanie E. Stullich

Management Team

Scott Somers, City Manager

Bill Gardiner, Assistant City Manager

Stephen Groh, Finance Director

Robert Stumpff, Public Works Director

Bob Ryan, Public Services Director

Terry Schum, Planning Director

Steven E. Halpern, City Engineer

Janeen Miller, City Clerk

Jill R. Clements, Human Resources Director

Peggy Higgins, Youth, Family and Senior Services Director

Budget Message

FY 2017



Budget Message

The proposed budget submitted herein reflects the City's commitment to providing valuable government services to the community at-large in a cost-effective and efficient manner.

The budget serves as the City's financial and operations plan for the fiscal year beginning July 1, 2016 and ending June 30, 2017.

The proposed budget is balanced and has been prepared in accordance with the City's financial and budget policies and generally accepted accounting principles (GAAP).

The budget should be viewed as the intersection of public policy, values, and available resources.

Budget Message

The City's FY 2016 budget was awarded the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award.

The award signifies that the budget document meets the program criteria as a policy document, an operations guide, a financial plan and a communications device.

We believe the proposed budget continues to conform to program requirements and will once again receive the GFOA Distinguished Budget Presentation Award.

The FY 2017 Budget

The FY 2017 Budget

The total proposed budget is \$17,879,479 compared to last year's adjusted budget of \$16,317,988.

This represents a \$1,561,491 or 9.6% increase and

Includes an interfund transfer of \$211,687 from the Parking Debt Service Fund.

The General Fund

General Fund Revenues

Primary Sources:

Real Property Tax: \$7,658,722, an increase of \$728,846 due to increased assessed value

Fines and Fees: \$2,770,400, an increase of \$259,800

Income Tax: \$1,660,000, an increase of \$60,000

Licenses and Permits: \$1,265,653, an increase of \$71,718

Charges for Service: \$1,006,574, an increase of \$7,496

Personal Property Tax: \$952,500, an increase of \$101,000

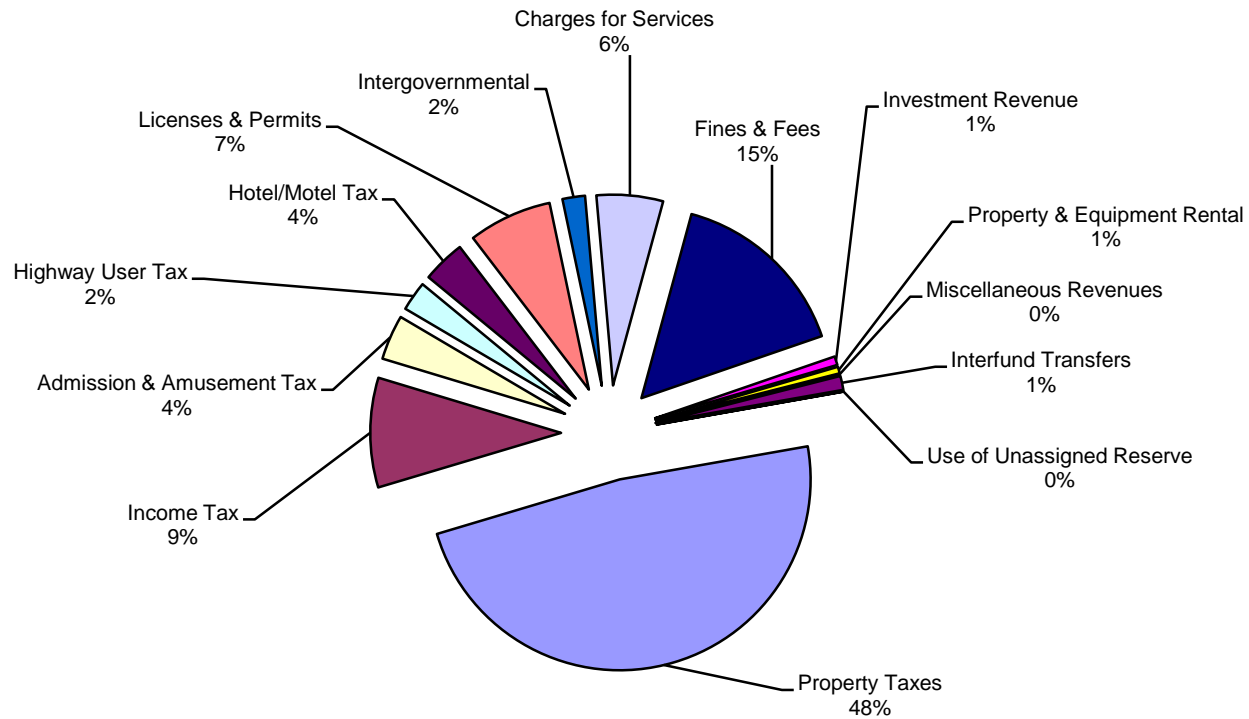
Admission and Amusement Tax: \$680,000, an increase of \$30,000

Hotel / Motel Tax: \$650,000, an increase of \$200,000

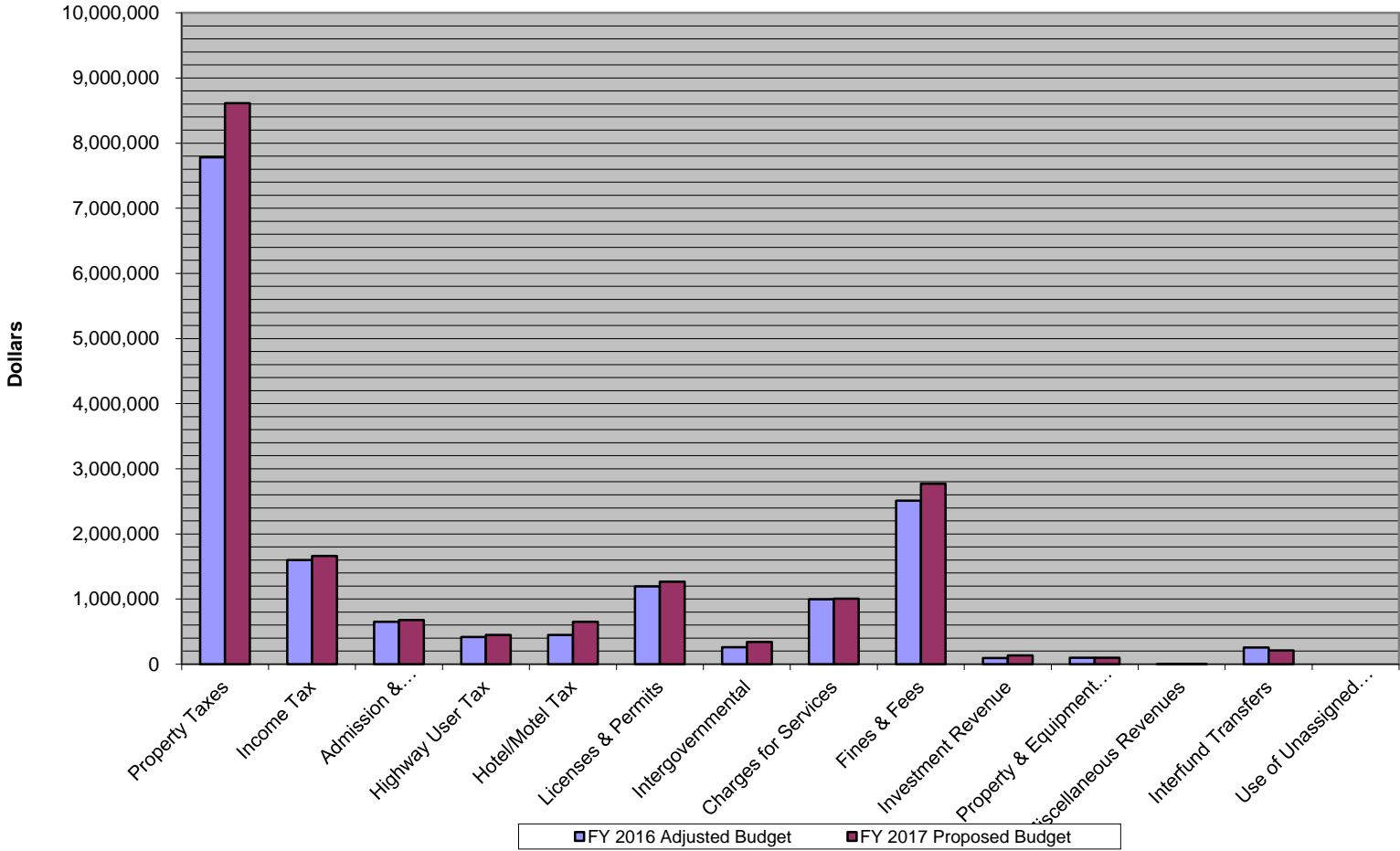
GENERAL FUND

	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Actual	Adjusted	Proposed
REVENUES:				
Real Property Tax	\$ 6,548,181	\$ 6,664,433	\$ 6,929,876	\$ 7,658,722
Personal Property Tax	887,440	978,181	851,500	952,500
Total Property Taxes	7,435,621	7,642,614	7,781,376	8,611,222
Income Tax	1,617,918	1,636,074	1,600,000	1,660,000
Admission & Amusement Tax	665,076	673,023	650,000	680,000
Highway User Tax	345,278	361,857	419,266	447,781
Hotel/Motel Tax	469,993	529,324	450,000	650,000
Total Taxes	10,533,886	10,842,892	10,900,642	12,049,003
Licenses & Permits	1,160,580	1,232,599	1,193,935	1,265,653
Intergovernmental	234,656	256,736	261,772	341,772
Charges for Services	960,580	988,596	999,078	1,006,574
Fines & Fees	1,992,281	3,001,290	2,510,600	2,770,400
Investment Revenue	198,972	156,313	93,019	132,520
Property & Equipment Rental	105,492	100,550	99,850	100,500
Miscellaneous Revenues	1,602	1,670	1,700	1,370
Interfund Transfers	0	0	257,392	211,687
Use of Unassigned Reserve	0	0	0	0
TOTAL REVENUES	15,188,049	16,580,646	16,317,988	17,879,479

FY 2017 Budgeted General Fund Revenues by Category as Percentage of Total Budgeted Revenues \$17,879,479



Comparative General Fund Budgeted Revenues FY 2016 Adjusted Budget and FY 2017 Proposed Budget



Real Property Tax Revenue

The Proposed Budget is balanced and stays within the current City tax rate.

College Park's Tax Rate is .335 per \$100 of Assessed Value.

The median 2013 home value was \$261,437 and cost the property owner \$875.81 in City property taxes.

The average tax rate among municipalities in Prince George's County is .6076. College Park's tax rate is 55.14% less than the County municipal average*.

Of the 28 Prince George's County municipalities*, College Park's tax rate is the 3rd lowest.

*Includes Takoma Park

Prince George's County*

Municipal Tax Rates_{as of 7/1/15}

1 Upper Marlboro	\$ 0.2400	15 Forest Heights	\$ 0.6248
2 Glenarden	\$ 0.3310	16 Hyattsville	\$ 0.6300
3 College Park	\$ 0.3350	17 Cottage City	\$ 0.6500
4 Bowie	\$ 0.4000	18 University Park	\$ 0.6530
5 Brentwood	\$ 0.4107	19 Riverdale Park	\$ 0.6540
6 North Brentwood	\$ 0.4400	20 Edmonston	\$ 0.6600
7 Fairmount Heights	\$ 0.4600	21 New Carrollton	\$ 0.6652
8 Capitol Heights	\$ 0.4619	22 Laurel	\$ 0.7100
9 Eagle Harbor	\$ 0.4800	23 Bladensburg	\$ 0.7400
10 Landover Hills	\$ 0.5200	24 Morningside	\$ 0.7400
11 Berwyn Heights	\$ 0.5300	25 Greenbelt	\$ 0.8125
12 Cheverly	\$ 0.5800	26 Mt. Rainier	\$ 0.8600
13 Seat Pleasant	\$ 0.5800	27 District Heights	\$ 0.9488
14 Takoma Park	\$ 0.5850	28 Colmar Manor	\$ 1.3100
		Average	\$ 0.6076

*Includes Takoma Park

General Fund Expenditures

Proposed Budget Highlights:

FY 2017 is the first year of a new collective bargaining agreement.

A slight decrease of full time equivalents (FTEs).

Health insurance rates increase 11.8%.

Net result of FTE changes, merit increases, and changes in employee insurance costs increased FY 2017 personnel costs by \$446,849 or 4.6% over FY 2016.

General Fund Expenditures

Proposed Budget Highlights continued:

Contract police services from Prince George's County: \$1,215,390.

Community Survey: \$30,000

Laserfiche scanning software and conversion of documents: \$26,350

Customer Relations Management (CRM) software improvements: \$51,678

Updated public safety study: \$67,500

Employee engagement study: \$20,000.

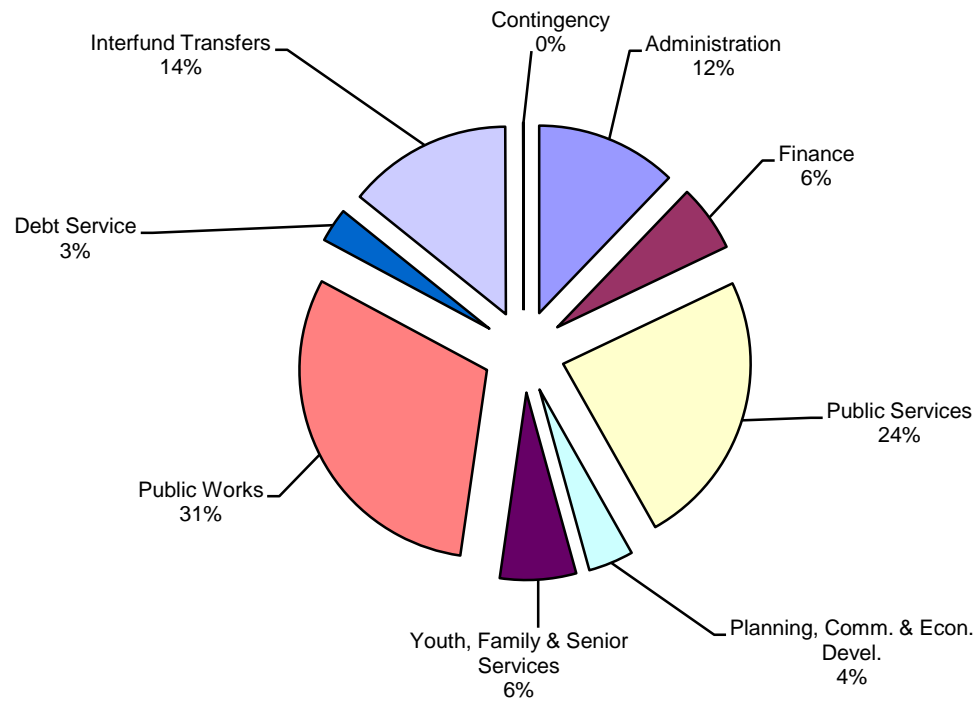
Customer service strategy, goals and training: \$5,000.

HVAC and new roof for Youth and Family Services: \$63,000 and 43,000 respectively

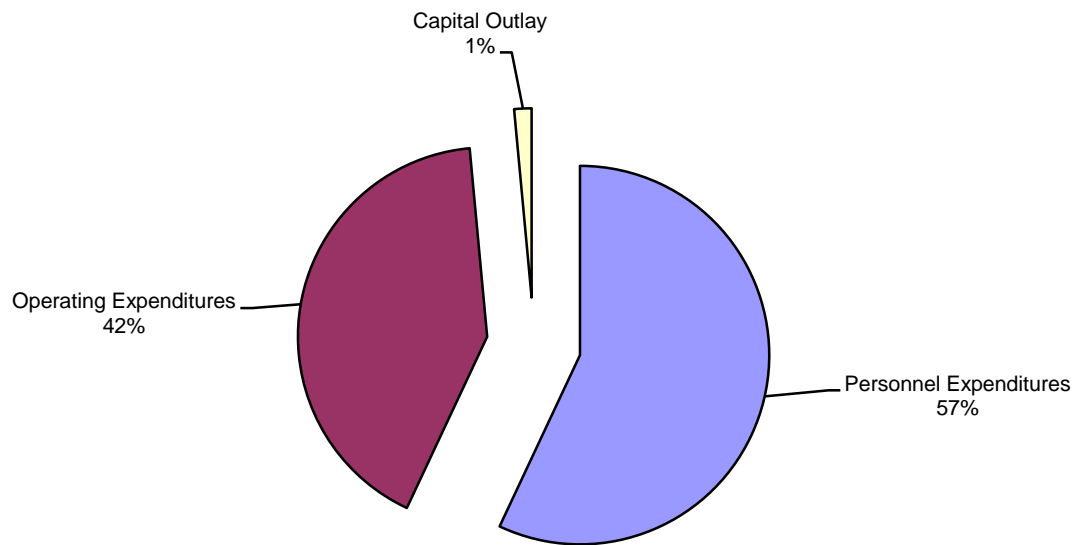
General Fund

	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Actual	Adjusted	Proposed
<u>EXPENDITURES:</u>				
Administration	1,661,450	2,111,537	2,111,697	2,175,171
Finance	896,854	3,633,906	991,278	1,032,106
Public Services	3,588,543	3,708,983	4,019,776	4,270,615
Planning, Comm. & Econ. Devel.	595,804	613,974	664,463	695,728
Youth, Family & Senior Services	1,064,723	1,027,995	1,114,881	1,172,946
Public Works	4,725,728	4,680,475	5,189,982	5,464,676
Debt Service	557,218	590,826	557,411	525,207
Interfund Transfers	922,000	1,081,225	1,658,500	2,533,030
Contingency	0	0	10,000	10,000
TOTAL EXPENDITURES	14,012,320	17,448,921	16,317,988	17,879,479

FY 2017 Budgeted General Fund Expenditures by Department as Percentage of Total Budgeted Expenditures \$17,879,479



FY 2017 Budgeted General Fund Expenditures by Category as Percentage of Total Budgeted Expenditures \$17,879,479



General Fund balance

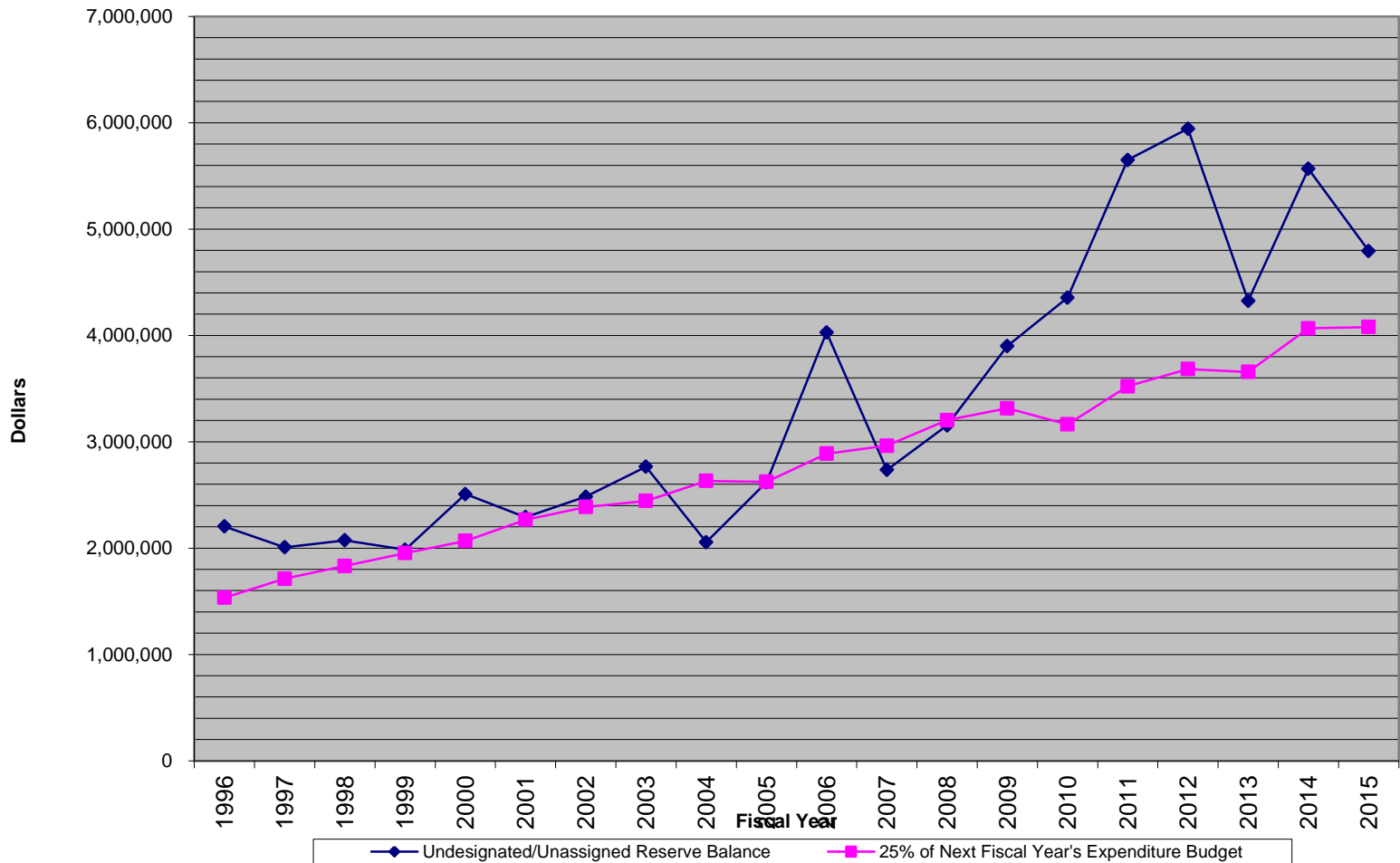
The City of College Park City Council has set a policy that the undesignated/unassigned General Fund Reserve balance be 25% of the current year appropriation less contingency.

The Proposed Budget anticipates a 29% unrestricted General Fund balance.

Reasons for maintaining a sufficient reserve include:

- better able to plan for contingencies;
- maintain credit worthiness with banks and rating agencies;
- ability to fund smaller capital projects without incurring debt;
- generate investment income, and;
- ensure cash availability and liquidity.

General Fund Undesignated/Unassigned Reserve Balance (Compared to Goal of 25% of Next Fiscal Year's Expenditure Budget)



Parking Debt Service Fund

Parking Debt Service Fund

	FY 2014		FY 2015		FY 2016		FY 2017 Budget	
	Actual	Actual	Adjusted Budget	Actual	City Manager Proposed	Adopted		
REVENUES:								
Property Taxes	\$	\$	\$	\$	\$	\$		
Income Tax								
Admission & Amusement Tax								
Highway User Tax								
Hotel/Motel Tax								
<i>Total Taxes</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Licenses & Permits								
Intergovernmental								
Charges for Services	204,355	212,593	205,000	168,609	220,000			
Fines & Fees	52,053	51,473	45,000	33,708	50,500			
Investment Revenue								
Property & Equipment Rental								
Miscellaneous Revenues								
Proceeds-Other Financial Sources								
Use of Undesignated Reserve								
TOTAL REVENUES	<u>256,408</u>	<u>264,066</u>	<u>250,000</u>	<u>202,317</u>	<u>270,500</u>	<u>0</u>		
EXPENDITURES:								
Administration								
Finance								
Public Services								
Planning, Comm. & Econ. Devel.								
Youth, Family & Senior Services								
Public Works								
Debt Service								
Interfund Transfers	0	0	257,392	0	211,687			
Contingency								
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>257,392</u>	<u>0</u>	<u>211,687</u>	<u>0</u>		
SURPLUS OR (DEFICIT)	\$ 256,408	\$ 264,066	\$ <u>(7,392)</u>	\$ 202,317	\$ <u>58,813</u>	\$ 0		
Fund Balance, Beginning of Year	<u>804,765</u>	<u>1,061,173</u>		<u>1,325,239</u>		<u>1,527,556</u>		
Fund Balance, End of Year	<u>\$ 1,061,173</u>	<u>\$ 1,325,239</u>		<u>\$ 1,527,556</u>		<u>\$ <i>[projected]</i> 1,527,556</u>		

Closing

Questions?
