

# FY 2020 Proposed Budget & Capital Improvement Program

**City of College Park**

Budget Worksession  
March 23, 2019

# FY2020 Proposed Budget Recommendations

- Guided by the Strategic Plan and City Council Priorities.
- Balance budget based on Constant Yield Rate.
- Limited departmental expenditures to FY19 levels or minimal increase.
- Seek enhancements to programs and services while being conscious of costs.
- Fund capital needs.

# FY2020 Proposed Budget - Summary

- Constant Yield Rate = 32.64 cents (per \$100 assessed value).
  - **Proposed budget balanced with 32.5 cents RE property tax rate**
  - **1<sup>st</sup> tax rate decrease since FY2001**
  - **2<sup>nd</sup> lowest municipal property tax rate in PG County**
- Continues to provides valuable government services to the community in a cost-effective and efficient manner.
- FY2019 Budget received the GFOA's *Distinguished Budget Presentation Award*.
  - **Indicates that the budget document meets GFOA's standards as a policy document, an operations guide, a financial plan and a communications device.**

# Real Estate Property Tax Rate

- The average tax rate for municipalities in Prince George's County is 55.78 cents/\$100 *(Table below shown in \$ per \$100 valuation)*

1	Upper Marlboro	0.2400	15	Seat Pleasant	0.5800
<b>2</b>	<b>College Park</b>	<b>0.3250</b>	16	Edmonston	0.5978
3	Glenarden	0.3579	17	Cottage City	0.6090
4	Bowie	0.4000	18	Hyattsville	0.6300
5	Brentwood	0.4000	19	Riverdale Park	0.6540
6	Capitol Heights	0.4130	20	New Carrollton	0.6625
7	North Brentwood	0.4400	21	Laurel	0.7100
8	Fairmount Heights	0.4600	22	Bladensburg	0.7400
9	Eagle Harbor	0.4727	23	Morningside	0.7800
10	Cheverly	0.5100	24	Greenbelt	0.8125
11	Landover Hills	0.5200	25	District Heights	0.8175
12	Berwyn Heights	0.5300	26	Mt. Rainier	0.8300
13	University Park	0.5380	27	Colmar Manor	1.0400
14	Forest Heights	0.5473			

# FY 2020 Proposed Budget General Fund

- Total proposed budget - \$20.89 million.

- **1.3% increase of \$265,000 over FY2019**

- Result of increase in departmental expenditures and decrease in capital transfers

- **Departmental increases \$866,000: most salary & benefits related**

- General Government & Admin - \$296k (Communications -\$159k)
- Public Services - \$388k (Contract Police – additional staffing)
- DPW - \$149k

- **Capital transfers net decrease of \$601,000:**

- Decreases in - City Hall \$1 million; CCTV- \$330k; CP Woods Prop.- \$264k; Hollywood Commercial Revitalization - \$150k
- Increases – Dog Park - \$224k; Duvall Field - \$150k; Facilities Capital Reserve - \$454k; OPH - \$161k; Parking Enforce. Equip - \$145k

# FY 2020 Proposed Budget General Fund (continued)

- Personnel Costs:

- **\$11.95 million:**

- 64% of departmental expenditures; 57% of total budget
- 4.5% increase of \$510,000 over FY 2019
- Increases from merit and COLA increases; Workers Comp increases; and 2 new FTE's:

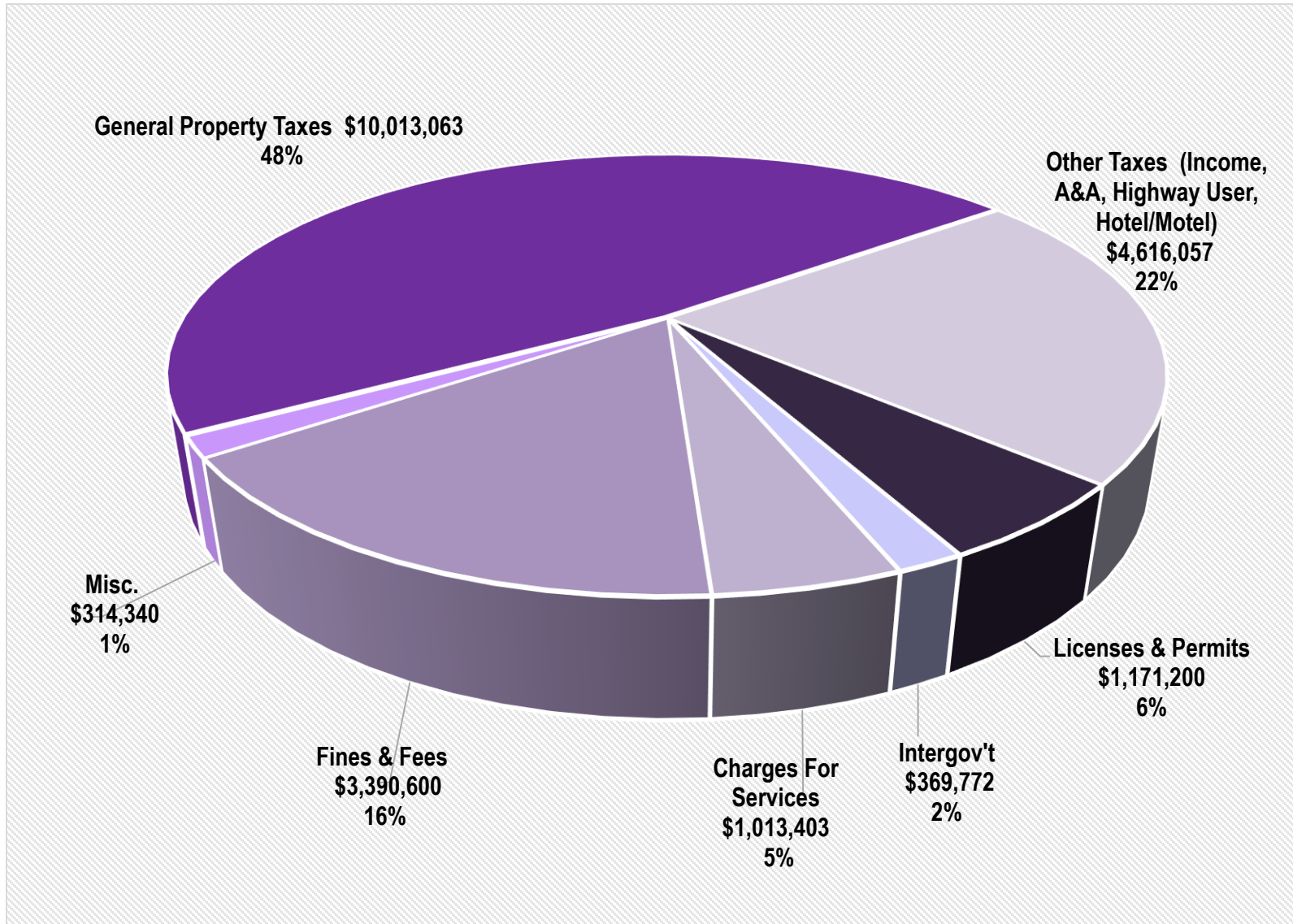
- **Full-time Special Events Coordinator Position (Communications & Public Relations); Part-time Elections Clerk and Part-time Assistant Parent Leader in YFS**

# General Fund - Revenue

	FY2020 BUDGET	FY2019 ADOPTED BUDGET	Change in Budget FY19 to FY20	
Real Property Tax	\$ 9,009,763	\$ 8,329,117	\$ 680,646	8.2%
Personal Property Tax	1,003,300	1,103,300	(100,000)	-9.1%
<b>Total General Property Taxes</b>	<b>10,013,063</b>	<b>9,432,417</b>	<b>580,646</b>	<b>6.2%</b>
Income Tax	2,075,000	2,050,000	25,000	1.2%
Admission & Amusement Tax	775,000	800,000	(25,000)	-3.1%
Highway User Tax	616,057	484,672	131,385	27.1%
Hotel & Motel Tax	1,150,000	1,120,000	30,000	2.7%
<b>Total Taxes</b>	<b>14,629,120</b>	<b>13,887,089</b>	<b>742,031</b>	<b>5.3%</b>
Licenses & Permits	1,171,200	1,163,200	8,000	0.7%
Intergovernmental Revenue	369,772	364,291	5,481	1.5%
Charges For Services	1,013,403	1,062,098	(48,695)	-4.6%
Fines & Fees	3,390,600	3,580,200	(189,600)	-5.3%
Miscellaneous Revenue	314,340	316,335	(1,995)	-0.6%
Interfund Transfers	-	250,000	(250,000)	-100.0%
<b>Total Revenue</b>	<b>\$ 20,888,435</b>	<b>\$ 20,623,213</b>	<b>\$ 265,222</b>	<b>1.3%</b>

# General Fund Revenues

## FY 2020



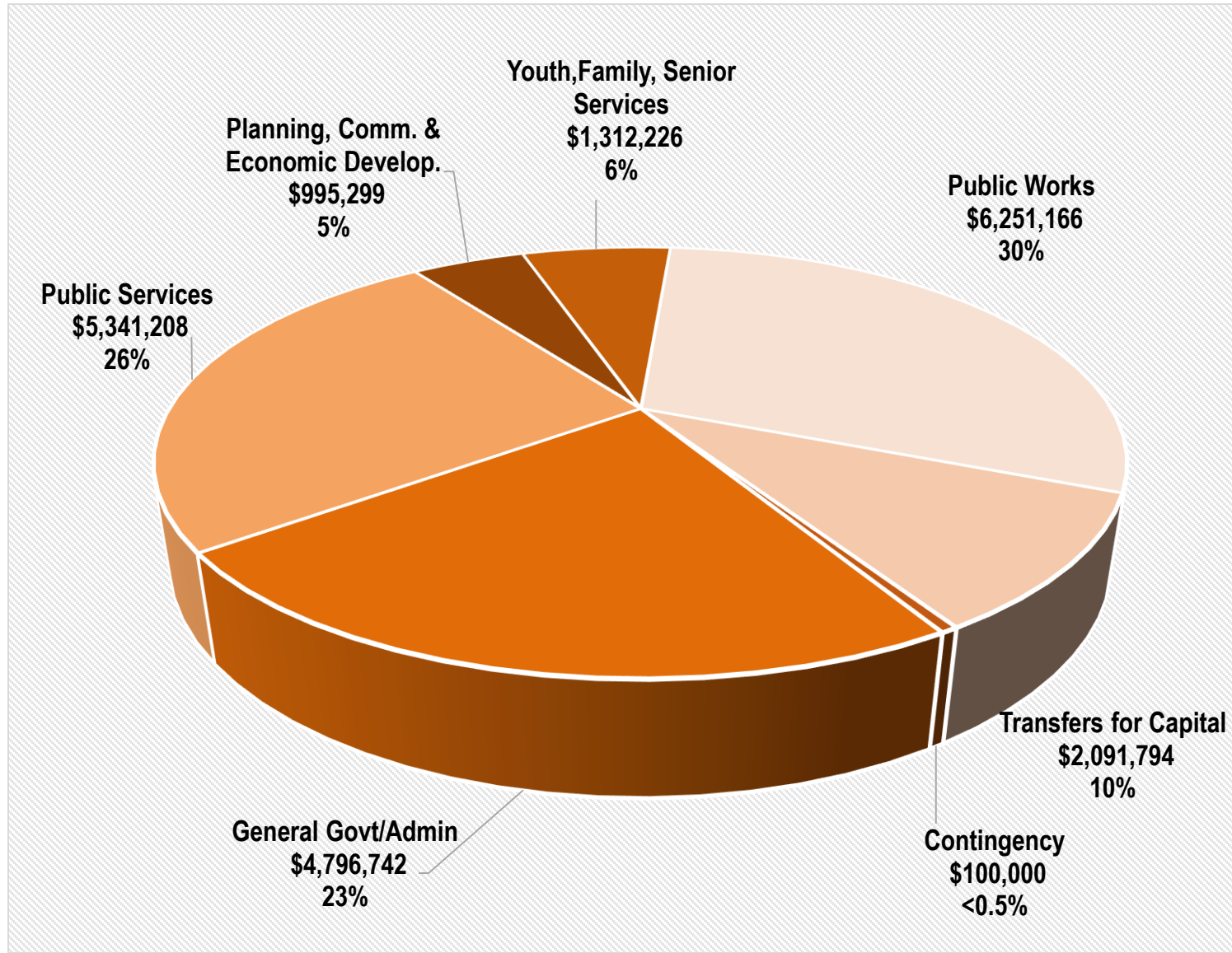


# General Fund - Expenditures

	FY 2020 BUDGET	FY 2019 BUDGET	Change in Budget FY2019 to FY 2020	
General Gov't & Admin.	\$ 4,796,742	\$ 4,500,477	\$ 296,265	6.6%
Public Services	5,341,208	4,953,564	387,644	7.8%
Planning, Community & Economic Development	995,299	988,340	6,959	0.7%
Youth, Family & Sr. Services	1,312,226	1,286,344	25,882	2.0%
Public Works	6,251,166	6,101,707	149,459	2.4%
<b>Total Expenditures</b>	<b>18,696,641</b>	<b>17,830,432</b>	<b>866,209</b>	<b>4.9%</b>
Transfers to:				
Capital Project Fund	2,091,794	2,692,781	(600,987)	-22.3%
Debt Service Fund	-	-	-	0.0%
Contingency	100,000	100,000	-	0.0%
<b>Total expenditures, transfers &amp; contingency</b>	<b>\$ 20,888,435</b>	<b>\$ 20,623,213</b>	<b>\$ 265,222</b>	<b>1.3%</b>

# General Fund

## FY 2020 Proposed Expenditures, Transfers & Contingency



# Other Operating Costs

## Significant Additions/Fluctuations

- Administration & General Government
  - Mayor & City Council - \$33k – Strategic Plan update
  - Finance - \$20k – Laserfiche file
  - Communications & PR - \$35k – Statistically significant community survey
    - \$20k – 75<sup>th</sup> Anniversary celebration
    - \$18k – Printing & postage for 2<sup>nd</sup> resident guide
  - Information Technology - \$77k – software support
  - Elections & Boards - \$78k – election year
- Public Services
  - Code Enforcement - \$30k - feasibility study re bringing Building Codes in-house
    - \$110k – Laserfiche records management

# Other Operating Costs

## Significant Additions/Fluctuations (continued)

- Planning, Community & Economic Development
  - Administration - \$10k – Laserfiche files management
  - Community Development - \$13k – 2020 Census costs
- Youth Family and Senior Services
  - Administration - \$11,000 – Consulting - Bilingual therapist & therapist for Hispanic Parent Support Group
- Public Works
  - Refuse Management - \$30k decrease – no operational assessment
  - Recycling - \$11k decrease – purchase of solid waste containers reduced
  - PW Buildings - \$25k – design & engineering for Davis Hall admin reconfig
    - \$19k – scheduled maintenance
  - Building Maintenance - \$30k decrease – remove op. costs of CP Woods property
  - Tree & Landscape Maintenance - \$11k decrease in trees, shrubs & flowers

# General Fund Transfers & Contingency

- No transfer from General Fund to Debt Service Fund
  - Same as FY2019, the FY2020 budget proposes paying the \$560k required principal and interest on the Parking Garage bond from accumulated reserves in the Debt Service Fund.
    - **No fund balance retention goal in the Debt Service Fund, nor needed.**
    - **Appropriate use of idle funds**
- Transfer to capital \$2.09 million
  - **Using \$1.225 million (Year 2 of 4 - Excess Fund Balance transfer)**
- Contingency remains \$100,000

# Value of Services for RE Property Tax

Cost of Municipal Services for benefit of general public:

- **General Gov't & Administration** **\$4.8 million**
- **Public Services** **5.3 million**
- **Planning, Comm. & Ec. Develop.** **1.0 million**
- **Public Works** **6.2 million**

Total **\$17,300,000**

**Total # of property parcels** (per SDAT) **5,483**

Cost of services provided/parcel **\$3,155** *Excludes YFS, Debt Service & Capital*

**AV of typical residential property \$300,000**

RE Property taxes (32.5 cents) paid **\$ 975**

**Cost of Services provided in excess of RE property tax paid** **\$2,180**

# Debt Service Fund & Capital Projects Fund (CIP)

- Debt Service Fund:

- Provides for debt service payments on the Parking Garage bond and Community Legacy loans
- Total principal & interest payments due in FY 2020 - \$559,055
  - Funded by Debt Service Fund reserves for FY2020
- Transfer of ~~\$250,000~~ \$50,000 to CIP for upgrade to Parking Garage payment system
- Fund balance will remain over ~~\$997,000~~ \$1,197,000 = 2 years of debt service
- GO Bond for new City Hall (Debt service currently shown in CIP for City Hall)

- Capital Projects Fund:

- Total FY2020 proposed expenditures of \$8.27 million
- Capital/project expenditure highlights will be reviewed during Departmental budget review

# Remaining Budget Calendar

- 2<sup>nd</sup> Budget worksession - March 26 (Following Council Mtg)
- **Budget ordinance introduced - April 23 Council Meeting**
- Budget Public Hearing - May 7 Council Meeting
  - **(No Constant Yield Public Hearing required)**
- Worksession to discuss possible changes to budget after Public Hearing (if needed) - May 14 Council Meeting
- **Adopt budget ordinance - May 21 Council Meeting**



Questions?