



CITY OF DISTRICT HEIGHTS

TUESDAY, APRIL 9, 2024

AGENDA

City Meeting

Commission Chamber, E. Michael Roll Municipal Building,
2000 Marbury Drive District Heights, Maryland 20747
7:00 PM

I. CALL TO ORDER:

II. APPROVAL OF AGENDA:

1. City Meeting Agenda April 9, 2024
Staff Contact: Starr Jefferson, City Clerk

III. PRESENTATION:

2. Autism Awareness Month Proclamation

IV. INFORMATION ITEMS:

3. DH 2024-03 Budget Proposal Public Hearing

V. PUBLIC PARTICIPATION:

MAYOR AND COMMISSION ANNOUNCEMENTS/COMMENTS:

ADJOURNMENT:

- City Meetings are streamed live on The City of District Heights' YouTube channel: [Link to join Webinar](https://www.youtube.com/channel/UCOaouHM_FeKqwKIYOGjkl-w)
https://www.youtube.com/channel/UCOaouHM_FeKqwKIYOGjkl-w
- Items on the Consent Agenda are denoted with an asterisk (*) and are presented for approval through a single motion. A Commissioner may remove an item from the Consent Agenda for placement as an Action Item for separate comment and action.
- This agenda is subject to change. For the most current information, please contact the City Clerk at 301-336-1402 x110.



**City of District Heights, Maryland
PROCLAMATION**

In Celebration of World Autism Day

WHEREAS, Autism Spectrum Disorder, the fastest growing developmental disability in the United States, affecting 1-in-36 children, is an urgent public health crisis that demands a national response; and

WHEREAS, Autism Speaks, is an organization dedicated to promoting solutions, across the spectrum and throughout the life span, for the needs of individuals with autism and their families. They do this through advocacy and support; increasing understanding and acceptance of people with autism; and advancing research into causes and better interventions for autism spectrum disorder and related conditions; and

WHEREAS, In the light of the growing impact of Autism Spectrum Disorder and the need for greater awareness, Autism Speaks holds their "Kindness Campaign" Autism Speaks Kindness for the month of April. The Campaign encourages acceptance, understanding and inclusion with daily acts of kindness. The Kindness Campaign is a great way to celebrate World Autism Month or World Autism Day in April; and

WHEREAS, the City of District Heights is honored to take part in the annual observance of Autism Acceptance Month and World Autism Awareness Day in the hope that it will lead to better understanding of the disorder.

NOW, THEREFORE, BE IT PROCLAIMED that Cynthia Miller, Mayor of the City of District Heights, hereby recognizes April 2, 2024 as World Autism Day and recognizes April 2024 as Autism Acceptance Month in the State of Maryland to raise public awareness of Autism Spectrum Disorder and the myriad of issues surrounding autism, as well as to increase knowledge of the programs that have been and are being developed to support autistic individuals and their families.

The Honorable Cynthia Miller, Mayor



CITY OF DISTRICT HEIGHTS

Public Hearing

Tuesday, April 9, 2024

Title: FY 2025 Budget Hearing
Staff Contact: David Street, City Manager
Purpose: To present the FY 2025 operating budget, FY 2025-30 Capital Improvement Program, and to introduce the budget ordinance.

Fig. 1. Proposed Budget Calendar

- | April 4 | April 9 | April 23 | May 5 |
|--|--|--|---|
| <ul style="list-style-type: none">• City Manager's Budget Proposal• FY 25 Budget Ordinance Introduced | <ul style="list-style-type: none">• Budget Hearing• Budget Work Session | <ul style="list-style-type: none">• Budget Hearing• Budget Work Session | <ul style="list-style-type: none">• Budget Adoption |

Fig. 2. Proposed Budget Work Session Schedule

- | April 9 | April 23 |
|--|---|
| <ul style="list-style-type: none">• Capital Improvement Program• General Government• Public Safety: Police• Public Safety: Resident and Business Services• ARPA Projects | <ul style="list-style-type: none">• Family and Youth Services• Senior Services• Recreation and Culture• Public Works• Wrap-up Questions |

City of District Heights, Maryland
Ordinance Number DH 2024 - 03
FY 2025 Budget

AN ORDINANCE of the City of District Heights, Maryland, to establish a budget for the city of District Heights for the fiscal year beginning July 1, 2024, and ending June 30, 2025.

WHEREAS, the Charter of the City of District Heights requires that the annual budget be adopted no later than 30 days prior to the upcoming fiscal year;

WHEREAS, the City Commission approved a Budget Policy in June 2023 that provides direction regarding the City's annual budget process;

WHEREAS, the City Commission passed budget guidance and directed staff to prepare the FY 2025 proposed budget at the estimated tax rate of \$0.692 per \$100 of assessed value;

WHEREAS, the City of District Heights is committed to sound financial management and public transparency;
BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF DISTRICT HEIGHTS, MARYLAND.

Section 1. That pursuant to the power and authority vested in the City Commission by Article 23, Section 2(b) of the Annotated Code of Maryland and Sections 605 and 606 of the Charter of the City of District Heights, a budget as attached hereto and made a part hereof, and known as the annual budget of the City of District Heights for the Fiscal Year beginning July 1, 2024 and fully ending June 30, 2025 be and the same is hereby enacted.

Section 2. That this Ordinance shall take effect at 12:01 AM on July 1, 2024.

Introduced: April 4, 2024

Adopted:




FY 2025 PROPOSED BUDGET





CITY OF DISTRICT HEIGHTS

FY 2025 Proposed Budget

Cynthia Miller, Mayor
Xander Harcourt, Vice Mayor, Ward 1
Anthony Tilghman, Commissioner, Ward 1
Pamela Janifer, Commissioner, Ward 2
Gyasi Gomez, Commissioner, Ward 2

David Street, City Manager
Ralph Bazilio, Treasurer

2000 Marbury Drive, District Heights, MD 20747

www.districtheights.org

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Executive Summary

Transmittal Letter

Mayor Miller and City Commissioners,

I am pleased to submit to you the FY 2025 Proposed Budget for the City of District Heights. The FY 2025 Proposed Budget represents the next evolution in financial management, oversight, and public visibility into the City's budget process. Beginning in December 2023, the FY 2025 budget process began with a preliminary economic and revenue outlook, continuing into budget guidance discussion in January and February 2024. Both the outlook and guidance items provided the Commission with new and needed access and insight into the City's budget development process. The process itself has allowed the Commission to carefully consider priorities, revenue scenarios, and needs in a meaningful way. The Proposed Budget itself offers incremental improvements in financial reporting, taxpayer and resident accessibility, and continues the City's strategic focus on performance, accountability, and innovation.

The FY 2025 Proposed Budget was prepared at a real property tax rate of \$0.692 per \$100 of assessed value; a half-penny increase over the FY 2024 real property tax rate of \$0.687. The proposed tax rate yields approximately \$3.7 million of local tax revenue while maintaining a lower rate than those over the prior ten fiscal years. The Proposed Budget also includes \$840 thousand of local permits and fee revenue, \$1.1 million of state and county shared revenue, \$197 thousand of FY 2023 fund balance and \$608 thousand of ARPA revenue replacement transfers into the general fund. The result is a balanced, \$6.7 million operating budget, a proposed \$1.65 million capital projects budget, and a \$1.3 million ARPA budget.

Like the FY 2024 Proposed Budget, the FY 2025 Proposed Budget includes a number of firsts for the City, including the City's first proposed 6-year Capital Improvement Program, the first budgetary incorporation of the City's strategic plan and proposed key performance indicators, the first set of departmental performance measures, and an appendix designed to improve accessibility for the average resident and taxpayer. The FY 2025 Proposed Budget also includes a number of reorganizations, new positions, position conversions, and investment in the foundational aspects of government: finance, technology infrastructure, and service delivery.

As with the prior year, expenditure projects were developed collaboratively with departments and, due to the extended budget development calendar, Commission-liaisons for departments were also able to be incorporated into the conversations around needs and priorities. The result is a budget proposal that I believe meets the expectations of the City Commission and service needs of residents and taxpayers.

Respectfully,



David L. Street
City Manager

District Heights

History

The City of District Heights was incorporated in 1936 as a suburb of Washington, D.C. In 1925, approximately 500 acres was purchased and formed into the District Heights Company, developing outward from Foster, Halleck, and Aztec streets. The City experienced several phases of growth, including a post-war development boom, which accounts for the many cape cod style homes in the community. Later phases of the City were built out in the mid to late-1900s.

District Heights is predominately a residential community with a redeveloping commercial corridor. The City is home to just under 6,000 residents and is home to several churches, civic organizations, and small businesses. Due to the age of the housing stock, the individuals lots are typically large and offer spacious outdoor yard area for homeowner and resident enjoyment. As an “inner-beltway” community, District Heights offers easy access to Metrorail, two major international airports, and the nation’s capital, Washington, D.C.

District Heights at a Glance

Category	District Heights	Prince George’s County
Population	5,816	946,980
Percentage of People Age 65 and Over	16.3%	15.3%
Veterans (2018-2022)	405, 8.4%	53,003, 5.5%
Owner-occupied Housing Rate	70%	62.4%
Total Households	2,104	341,057
Persons with a Computer	98.4%	96.6%
Persons with a Broadband Internet Connection	92.3%	92%
Median Household Income	\$84,929	\$97,935
Per Capita Income	\$32,090	\$43,833

Vision and Mission

Vision: We strive to provide excellent resident services through cost efficient, evidence-based programming, that are sustainable and accessible. Hallmarks of good governance.

Mission: The City of District Heights strives to promote and improve life, enhance a sense of community, preserve our culture and heritage, and create economic opportunities. We support initiatives focusing on the city's priorities, Economic Development, Public Safety, Health and Housing, Recreation, and Sustainable Climate, resulting in welcoming, safe, healthy, and productive municipality. We strive to provide excellence through evidence-based programming and services and responsible and accessible government. We encourage and expect public participation and collaboration from our residents and local businesses. We are committed to fostering respect, innovation, inclusion and progress.

Strategic Plan

Outcome: District Heights is a welcoming municipality.

Goal: Increase resident engagement with the City government.

- Activity: Create and conduct a survey of residents and incorporate the survey of residents into the City's ongoing strategic planning process.
- Activity: Focus resident and community interactions with City government to the appropriate agencies.
- Activity: Increase website and social media engagement between March 2023 and March 2024. Set recurring engagement goals for each year thereafter.

Outcome: District Heights is a safe municipality

Goal: Increase residents' sense of public safety.

- Activity: Evaluate the transition process and fiscal impact for 24-hour police service.
- Activity: Hold two or more "coffee with a cop" style events.
- Activity: Seek creative and proactive solutions to known problem areas.

Goal: Improve the reputation of "the Heights" by seeking community collaboration and focusing on the positivity emanating from the greater District Heights area.

- Activity: Develop a stronger municipal/governmental presence on Marlboro Pike.
- Activity: Actively market positive steps being taken by City government and better communicate community success stories.

Outcome: District Heights is a healthy municipality.

Goal: Foster a climate-resilient community by implementing sustainability programs across the City government.

- Activity: Evaluate the benefits of municipal-provided refuse and recycling collection.
- Activity: Prioritize the transition to an electronic-first government and sustainably-sourced goods.

Goal: Increase resident access to health and wellness services.

- Activity: Provide, partner, and refer to services across the spectrum of age, demographic, and need.
- Activity: Amass and analyze community health and supportive service data to understand requirements and design appropriate programming.

Outcome: District Heights is a productive municipality.

Goal: Establish District Heights as a modern, data-driven, and trustworthy governmental organization.

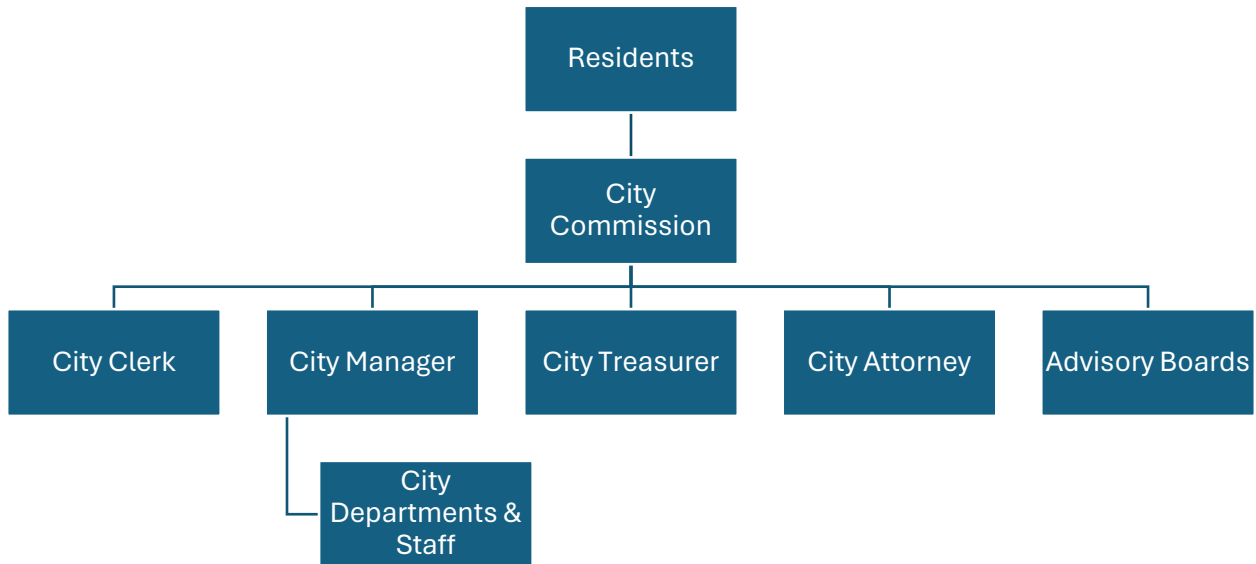
- Activity: Develop department performance metrics and service level benchmarks for the FY 2025 budget cycle.

Goal: Grow the City's commercial corridor to broaden the commercial tax base and increase the commercial options available to residents.

- Activity: Create an economic development plan and consider the creation of a District Heights-specific community development corporation.
- Activity: Actively participate in local initiatives like the Marlboro Pike Partnership CDC.
- Activity: Create an annexation and expansion plan.

Organizational and FTE Charts

Organizational Chart



FTE Chart¹

	FY 2022 Estimated	FY 2023 Estimated	FY 2024 Projected	FY 2025 Proposed
General Government	6.5	6.5	7.5	7.5
Police Department	10.0	10.0	12.0	12.0
Resident & Business Services	2.5	5.5	6.5	7.5
Youth & Family Services	3.5	4.5	4.5	6.5
Senior Services	-	1.0	2.0	2.0
Recreation & Culture	4.0	3.0	5.5	6.0
Public Works	11.5	11.5	11.5	11.5
FTE	38.0	42.0	49.5	53.0

¹ FTE, or “Full Time Equivalent” refers to approved positions within the City government. 1.0 FTE equates to the IRS definition of full time, which is an employee who works an average of 32-40 hours per week. Anything less than that is reflected in the budget as half of an FTE, or 0.5 FTE.

FY 2025 Budget Proposals

The FY 2025 Proposed Budget was built following budget guidance from the City Commission to prepare the budget at the 0.692 real property tax rate (“proposed rate”), with an option to reduce to the current FY 2024 real property tax rate of 0.687 (“current rate”. The tables below show budget proposals for the proposed rate and current rate. Both rates have been properly advertised.

Budget Proposals at the Proposed Rate

The FY 2025 Proposed Budget assumes approximately \$231,805.52 of new revenue at the proposed rate. \$205,728.03 of new revenue is projected to be realized at the current rate, leaving approximately \$26,077.48 available between the real property tax rates under consideration.

	Personnel	Operating and Maintenance	FTE
Mayor and Commission			
Annexation Initiative	-	\$20,000	-
Scholarship Expansion	-	\$3,000	-
General Government			
AV Coordinator to Intern Conversion	(\$6,071)	-	-
Deputy Clerk to Resident Services Assistant Conversion & Transfer	(\$61,576)	-	(1.0)
Communications Director	\$96,885	-	1.0
Unfreeze Finance and Accounting Manager	\$96,885	-	-
Police Department			
Police Auxiliary and Youth Academy	-	\$20,000	-
Resident & Business Services			
Deputy Clerk to Resident Services Assistant Conversion & Transfer	\$51,672	-	1.0
Family and Youth Services			
Convert Part-time Clinical Therapist to Full-time equivalent	\$25,448	-	0.5
Additional Clinical Therapist	\$73,891	-	1.0
Recreation & Culture			
Convert Part-time Recreation Assistant to Full-time Recreation Coordinator	\$25,001	-	0.5
Addition to Citywide Events budget	-	\$20,000	-
	Net New Personnel	Net New O&M	Net New FTE
Total	\$302,135	\$63,000	3.0

Reduction Options to the Current Rate

There is approximately a \$26,077.48 difference in revenue scenarios between the proposed and current real property tax rate. For reduction purposes, to allow sufficient contingency funding in revenue projections, the following table proposes a minimum of \$40,000 in reductions. The following reductions are recommended from the proposed rate budget proposals to achieve the current tax rate total \$44,076 in reduction and involve reducing the increase to the citywide events budget by

\$5,000; reducing the funding allocation to District Heights Police Department for the Police Auxiliary and Youth Academy initiative by \$5,000; fully eliminating the Deputy Clerk position and by removing the \$61,576 personnel budget and associated 1.0 FTE and converting a part time Resident and Business Services Assistant to full-time for \$27,500 and 0.5 FTE rather than fully transferring the FTE and budget as found in the proposed rate scenario:

	Personnel	Operating and Maintenance	FTE
General Government / Resident and Business Services			
Eliminate Deputy Clerk to Resident and Business Services Assistant PT	(\$61,576)	-	(1.0)
Convert Existing Resident and Business Services Assistant from Part-time to Full-time	\$27,500	-	0.5
Recreation and Culture			
Citywide Events Budget – Reduced Increase	-	(\$5,000)	-
Police Department			
Police Auxiliary and Youth Academy – Reduced Increase	-	(\$5,000)	-
	Reduced Personnel	Reduced O&M	Reduced FTE
Total	(\$34,076)	(\$10,000)	(0.5)

Appropriations Summary

General Fund

Revenue Category	Total
Local Taxes	\$3,779,124
State Shared Revenue	\$1,112,197
County Shared Revenue	\$70,608
Local Permits, Fees, and Charges for Services	\$840,000
Operating Grants	\$98,000
FY 2023 Dept. Operating Carryforward	\$196,724
ARPA Revenue Replacement	\$608,314
Total Revenue	\$6,704,966
Expenditure by Department	Total
Mayor and Commission	\$161,728
General Government	\$651,988
Youth Services	\$513,170
Senior Services	\$239,710
Recreation	\$570,625
Police	\$1,044,496
Resident and Business Services	\$488,275
Public Works	\$1,258,915
Non-Departmental	\$1,716,856
Total Expenditures	\$6,704,966

Capital Projects Fund

Revenue Category	FY 2025 Total
SHA Funding	\$250,000
State Bond Revenue	\$797,000
ARPA Revenue Replacement	\$350,000
Total Revenue	\$1,397,000
Expenditure by Project	FY 2025 Total
Senior Center	\$197,000
Fiesta Place	\$185,000
6114 Marlboro Pike	\$600,000
Streets and Sidewalks	\$250,000
Major Equipment	\$165,000
Total Expenditures	\$1,397,000

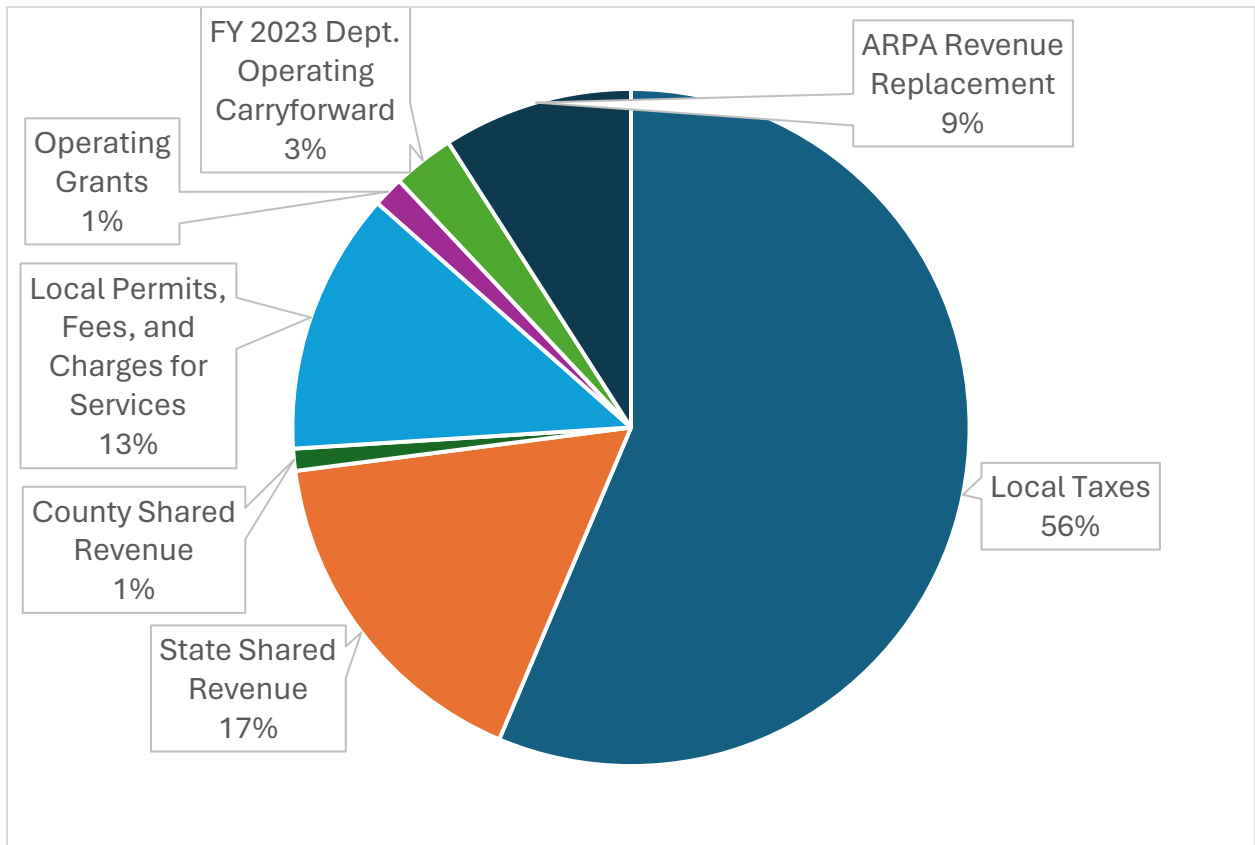
ARPA Projects Fund

Revenue Category	FY 2025 Total
FY 2025 ARPA Allocation	\$1,058,790
Total Revenue	\$1,058,790
Expenditure by Project	FY 2025 Total
Transfer to General Fund – Revenue Replacement	\$608,314
Transfer to Capital Projects Fund – Fiesta Place	\$165,000
Transfer to Capital Projects Fund – Police Vehicles	\$185,000
Unallocated Balance	\$100,476
Total Expenditures	\$1,058,790

Revenue

FY 2025 Revenue by Category

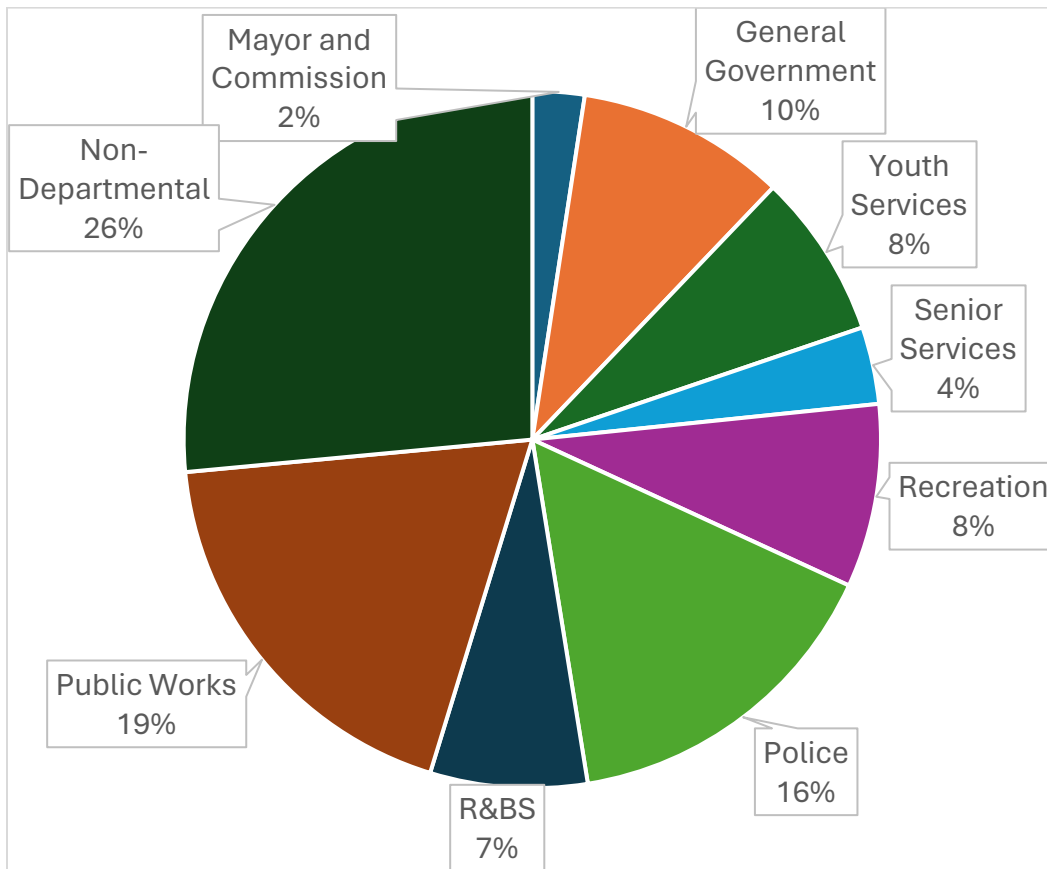
Category	Expenditure
Local Taxes	\$3,779,124
State Shared Revenue	\$1,112,197
County Shared Revenue	\$70,608
Local Permits, Fees, and Charges for Services	\$840,000
Operating Grants	\$98,000
FY 2023 Departmental Operating Carryforward	\$196,724
ARPA Revenue Replacement	\$608,314
Total Revenue	\$6,704,966



Operating Budget

FY 2025 Expenditures by Category

Category	Expenditure
Mayor and Commission	\$161,728
General Government	\$651,988
Youth Services	\$513,170
Senior Services	\$239,710
Recreation	\$570,625
Police	\$1,044,496
Resident and Business Services	\$488,275
Public Works	\$1,258,915
Non-Departmental	\$1,776,059
Total Expenditures	\$6,704,966



Mayor and City Commission

The budget for the Mayor and City Commission is comprised of salaries and payroll taxes for the City’s elected officials, which are \$10,000 for each of the four Commission members and \$14,400 for the Mayor. The operating and maintenance budget accounts for travel, training, education, and constituent services budgets for the Mayor and each Commissioner.

Mayor and City Commission Budget Proposals

Annexation Initiative	\$20,000	0.0 FTE
The annexation initiative budget proposal added operating and maintenance funding to the City Commission’s corporate budget to funding outreach, events, consultant hours, educational material and other expenses associated with the first year of District Heights’ annexation initiative.		
Addition to Scholarship Program	\$3,000	0.0 FTE
This proposal adds \$3,000 of new funding to the scholarship program, expanding either the amount of individual award or the total number of recipients possible.		

Proposed Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Projected	FY 2025 Proposed
Expenditures				
Personnel	\$61,950	\$57,879	\$62,006	\$65,578
Operating and Maintenance	\$38,067	\$66,457	\$38,078	\$96,150
Total Expenditures	\$100,017	\$128,639	\$100,084	\$161,728

Mayor and Commission

50101 · Salaries - Mayor & Commission	\$57,600
50102 · P/R Taxes - Mayor & Commission	\$7,978

Personnel

Personnel	\$64,578
Mayor Miller	\$15,750
Vice Mayor Harcourt	\$12,600
Commissioner Gomez	\$12,600
Commissioner Janifer	\$12,600
Commissioner Tilghman	\$12,600

Ward Budgets

Ward Budgets	\$66,150
City Scholarship	\$5,000
Special Events	\$5,000
Annexation Initiative	\$20,000

Commission Initiatives

Commission Initiatives	\$30,000
-------------------------------	-----------------

Total Mayor & Commission

\$161,728

General Government

General Government is responsible for the daily operations of government in addition to the administrative support of the City Commission, public meetings, and provides direct, informational support to residents. General government currently consists of the City Manager, City Clerk, and City Treasurer, who work collaboratively to support the residents, Commission, and organization.

City Manager

The Office of the City Manager is the chief administrative officer of the City and is responsible for the daily management and supervision of City operations. The City Manager is directly accountable to the Mayor and Commission to provide leadership and strategic direction to departments in alignment with Commission direction and the Commission's strategic plan. The City Manager oversees the implementation of City policies and regulations and is responsible for the regular reporting to the Commission on progress through its initiatives, policies, and programs. There are several divisions within the Office of the City Manager that provide services, including

- Public Information
- Human Resources
- Economic Development
- Information Technology

City Treasurer

The City Treasurer serves as the chief financial officer of the City. The Treasurer has responsibility for the City's financial transactions, general ledger, annual audit, funds authorization and reporting, and local tax administration. During FY 2023 and FY 2024, the Treasurer function was performed by a contract service provider.

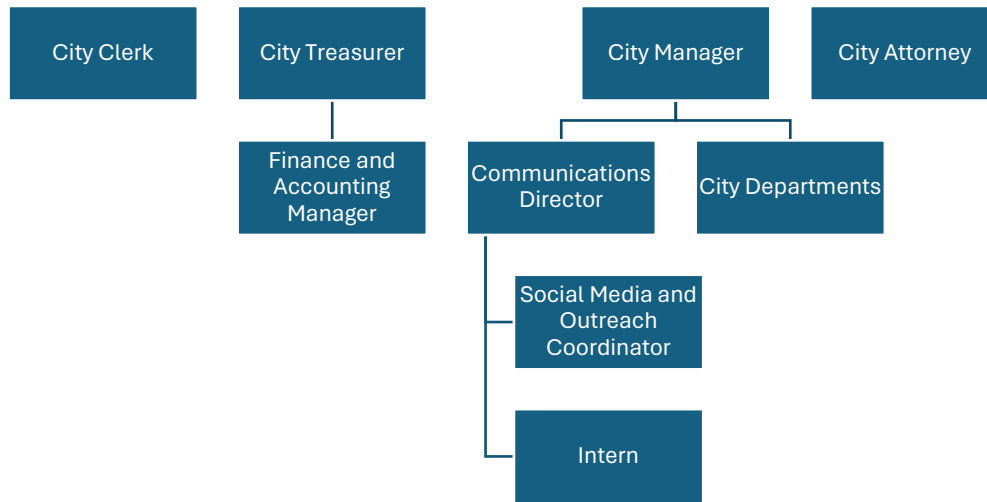
City Attorney

The City Attorney Serves as the City's legal counsel. The City currently retains Shipley Horne, PA to act as the City's legal counsel.

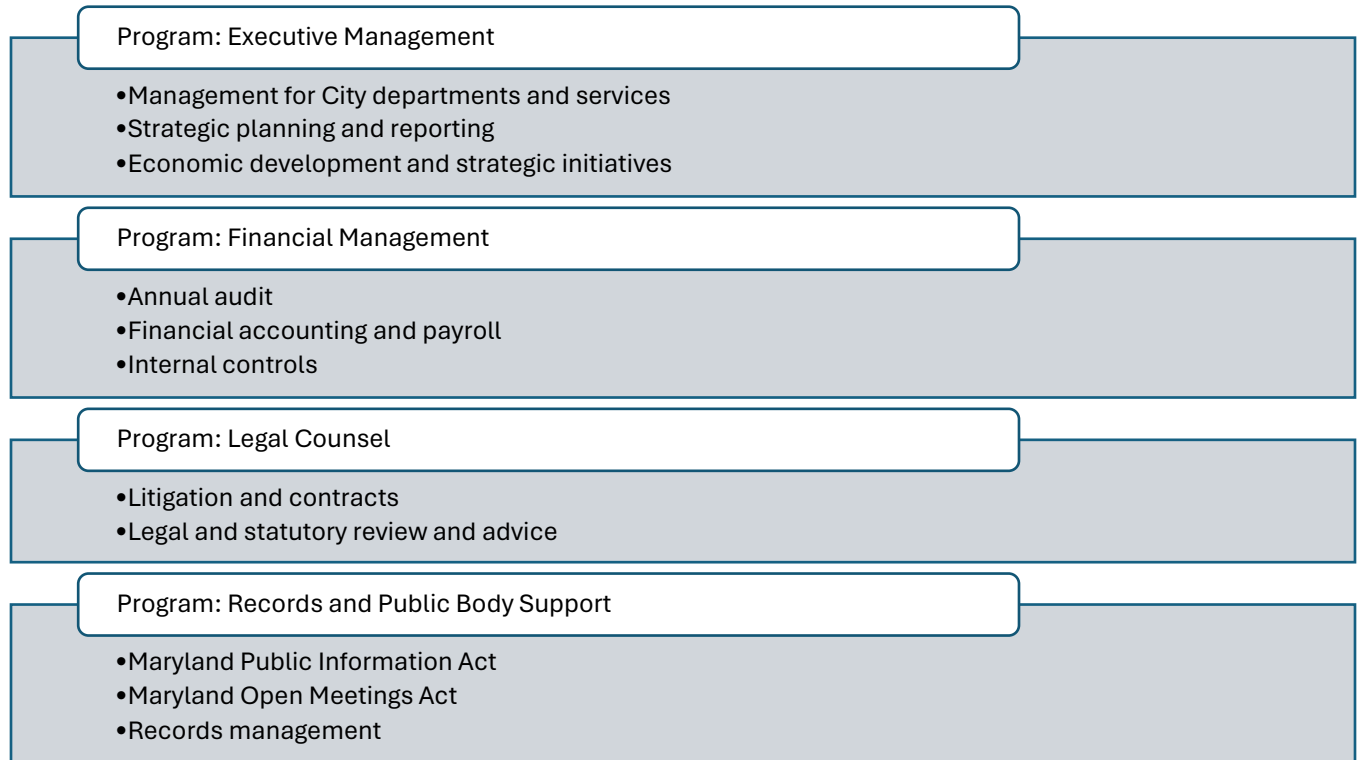
City Clerk

The City Clerk's Office maintains the official records of the City, provides administrative support to the Mayor and Council, and serves as the general point of contact for the public. The City Clerk ensures that the activities of all public bodies are conducted in accordance with the laws of the State of Maryland, the City Code and Charter of the City of District Heights.

Proposed Organization Chart



General Government Program Structure



General Government Budget Proposals

Convert AV Coordinator to General Government Intern	(\$6,071)	0.0 FTE
This proposal converts the budget and associated FTE of the AV Coordinator into a rolling intern position.		
Reclassify and Transfer Deputy Clerk	(\$61,576)	(1.0 FTE)
This budget proposal eliminates the Deputy Clerk position in the City Clerk's office and transfers the associated FTE and budget to the Resident and Business Services Division housed in the District Heights Police Department.		
Add Communications Director	\$96,885	1.0 FTE
Adding a Communications Director will provide the City with a more strategic approach and dedicated resources for media relations, communications surrounding strategic initiatives, and a renewed focus on the City's website and other communications platforms. The position further allows the current Media Coordinator to be refocused on social media and outreach.		
Unfreeze Finance and Accounting Manager	\$96,885	0.0 FTE
This budget proposals unfreezes the previously frozen FTE for a finance and accounting manager. This service is currently provided by a consultant and professional services contract.		

Proposed Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Projected	FY 2025 Proposed
Personnel	\$335,189	\$466,102	\$370,803	\$516,738
Operating and Maintenance	\$235,257	\$431,038	\$262,038	\$135,250
Total Expenditures	\$570,446	\$897,140	\$633,841	\$651,988
Total Revenue	-	-	-	\$69,143
Net Budget Impact	\$570,446	\$897,140	\$633,841	\$582,845
Department FTE	6.5	6.5	7.5	7.5

Expenditures

50301 · Payroll	\$480,017
50302 · Payroll Taxes	\$36,721
60201 · Association & Membership Dues	\$10,000
60202 · Travel Training & Education	\$15,000
60203 · Office Supplies	\$5,000
60204 · Postage Mailing & Bulk Mail	\$14,500
60205 · Conduct of Business	\$2,000
60206 · Printing	\$2,500
60207 · Materials & Supplies	\$3,500
60208 · Marketing & Advertising	\$1,500
60209 · Contractual Services	\$15,000
60210 · Professional Services	\$10,000
60211 · Publications & Books	\$250
60212 · Clothing & Uniforms	\$1,000
60213 · Cell Phones	\$20,000

FY 2025 Proposed Budget
 City of District Heights, Maryland

60214 · Computer Software	\$20,000
60215 · Computer Hardware	\$15,000
Total	\$651,988

Proposed Performance Metrics

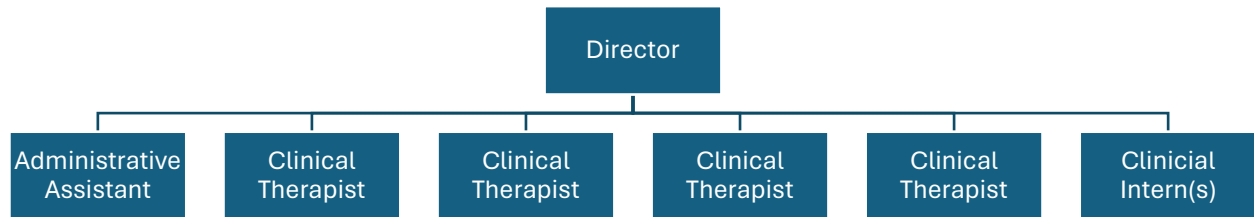
Metric	FY 2024 Estimated	FY 2025 Target
Number of Public Information Act (PIA) Requests Received	280	325
Percent PIA Requests Processed Before Statutory Deadline	83%	99%
Number of Public Meetings Supported (All public bodies)	83	105
Percent of Locally Administered Taxes Collected On-time	97%	99%
Current Debt to Revenue Ratio	1.03	1.05
Annual Turnover Rate	48.7%	30%

Family and Youth Services

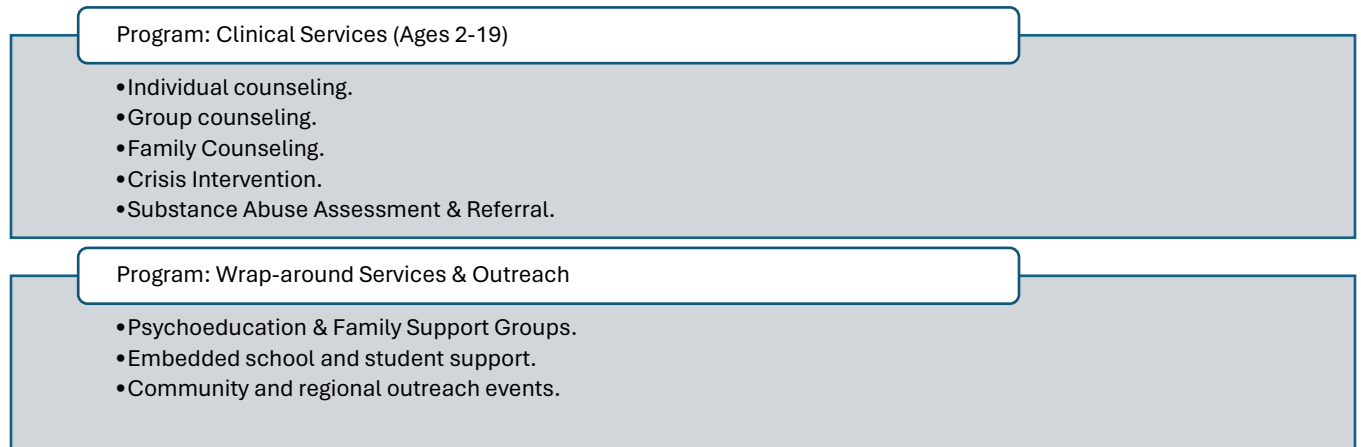
The Department of Family and Youth Services (Youth Services Bureau (“YSB”)) provides clinical services to children and families through individual, group and family mental behavioral health counseling services to the residents of District Heights and Prince George’s County at-large. The YSB also provides ancillary programs beyond counseling – Parent support groups, socio-emotional groups; internship training site for graduate masters and doctoral level students to obtain practical field experience hours to fulfill degree requirements.

The YSB hosts information tables at City and local community events to provide information regarding mental/ behavioral health services within the community and the county and acts as a community resource for referral services – psychologists, psychiatrists, substance abuse services and access to community resources – food banks, supportive programs and positive community engagement.

Proposed Organization Chart



Youth and Family Services Program Structure



Family and Youth Services Budget Proposals

Convert Part-time Clinical Therapist to Full-time	\$25,448	0.5 FTE
This proposal converts an existing part-time Clinical Therapist into a full-time Clinical Therapist.		
Additional Clinical Therapist	\$73,891	1.0 FTE
This proposal adds an additional full-time Clinical Therapist to support increasing caseloads and embed in a District-Heights serving school.		

Proposed Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Projected	FY 2025 Proposed
Expenditures				
Personnel	\$227,713	\$200,430	\$227,099	\$472,670
Operating and Maintenance	\$140,234	\$89,352	\$40,323	\$40,500
Total Expenditures	\$367,947	\$289,782	\$267,422	\$513,170
Departmental Revenue	\$211,583	\$117,096	\$155,000	\$216,113
Net Budget Impact	\$156,364	\$172,686	\$112,422	\$297,057
Department FTE	4.5	4.5	5.0	6.5

Expenditures

50301 · Payroll	\$439,080
50302 · Payroll Taxes	\$33,590
60301 · Association & Membership Dues	\$5,000
60302 · Travel Training & Education	\$8,500
60303 · Office Supplies	\$500
60304 · Postage Mailing & Bulk Mail	\$250
60305 · Conduct of Business	\$250
60307 · Materials & Supplies	\$5,000
60308 · Marketing & Advertising	\$3,500
60309 · Contractual Services	\$12,500
60310 · Professional Services	\$5,000
Total	\$513,170

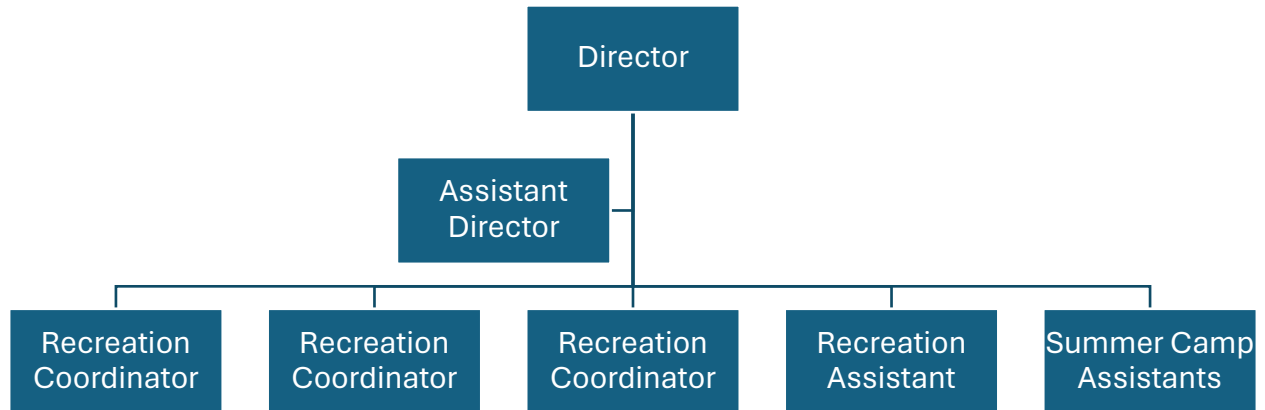
Proposed Performance Metrics

Metric	FY 2024 Estimated	FY 2025 Target
Therapist to client ratio.	1:15	1:10
Average number of prospective clients on waitlist.	15	10
Number of community events supported.	10	12

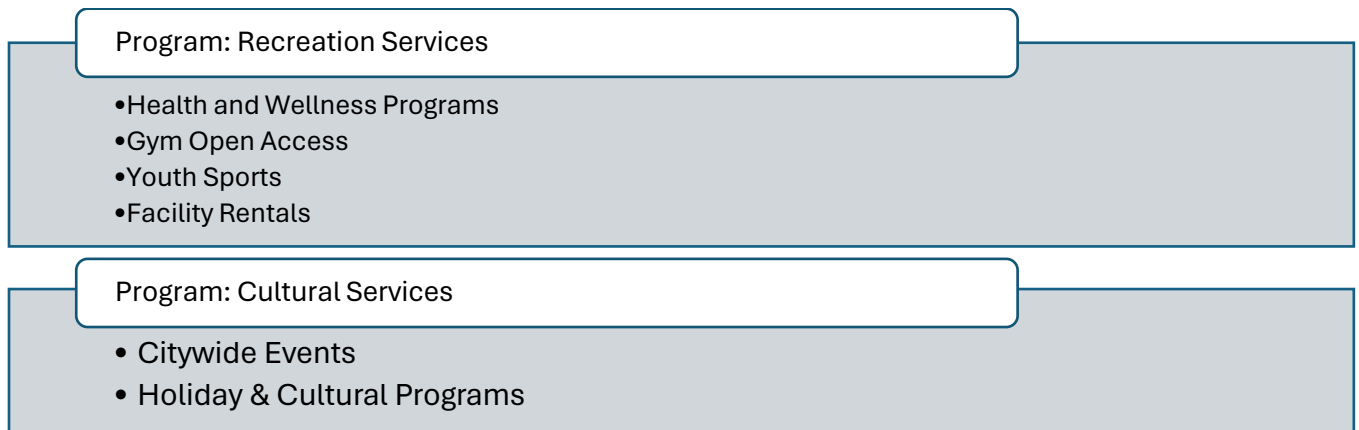
Recreation and Culture

The Department of Recreation and Culture is responsible for the recreational programming of City facilities. The mission of the Recreation, Parks and Culture Department is to provide comprehensive recreational programs that must meet the needs of a diverse and changing community. The department provides opportunities which reflect the recreation interests of all District Heights residents. Recreation opportunities within the financial ability of all people. Recreation programs for residents with varying degrees of skills and programs for progressive advancement. Occasions for citizens to become involved in recreational planning and to assist in implementing programs.

Proposed Organization Chart



Recreation and Culture Program Structure



Recreation Budget Proposals

PT -> FT Recreation Assistant Conversion	\$25,001	0.5 FTE
This proposal converts an existing part-time Recreation Assistant into a full-time Recreation Coordinator.		
Addition to Events Operating Budget	\$20,000	0.0 FTE
This proposal converts an existing part-time Recreation Assistant into a full-time Recreation Coordinator.		

Proposed Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Projected	FY 2025 Proposed
Expenditures				
Personnel	\$253,926	\$247,355	\$365,625	\$392,625
Operating and Maintenance	\$83,581	\$82,070	\$163,836	\$178,000
Total Expenditures	\$337,507	\$329,425	\$529,461	\$570,625
Departmental Revenue	\$3,483	\$12,617	\$24,908	\$80,000
Net Budget Impact	\$334,024	\$316,809	\$504,553	\$490,625
Department FTE	4.0	3.0	5.5	6.0

Expenditures

50401 · Payroll	\$344,862
50402 · Payroll Taxes	\$47,763
60401 · Association & Membership Dues	\$2,500
60402 · Travel Training & Education	\$10,000
60403 · Office Supplies	\$1,500
60405 · Conduct of Business	\$500
60407 · Materials & Supplies	\$24,000
60408 · Marketing & Advertising	\$2,000
60409 · Contractual Services	\$30,000
60412 · Clothing & Uniforms	\$2,500
60416 · Event Materials & Equipment	\$100,000
60471 · Recreation Travel	\$5,000
Total	\$570,625

Proposed Performance Metrics

Metric	FY 2024 Estimated	FY 2025 Target
Annual Health and Wellness Class Attendance	1,750	2,500
Number of Open Gym Memberships	New for FY 25	500
Percent of OGMs Held by Non-Residents	New for FY 25	55%
Number of Planned Major City Events	16	16
Number of Actual Major City Events	16	16
Number of Facility Rentals	32	40
Percent of Weeks with at least one Facility Rental	59%	65%

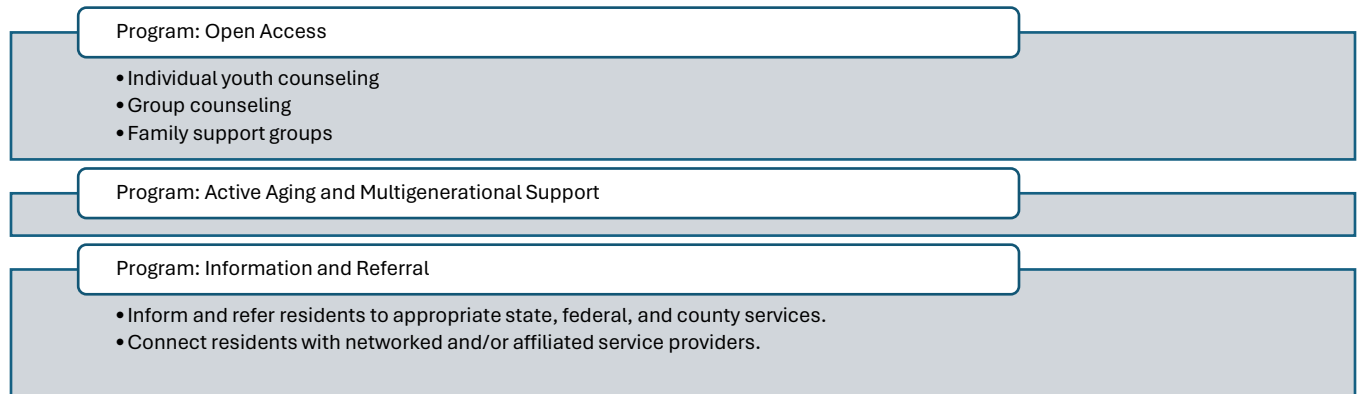
Senior Services

The District Heights Department of Senior Services focuses services on residents 50 years of age and older and vulnerable populations through evidence-based active aging and intergenerational programming and resource linkages to supportive services that enrich, empower, and enhance the quality of life with aging in place efforts in our city. We also envision an age-friendly City where individuals can grow and thrive with systems, policies, technology, infrastructure, and resources that address their life needs.

Proposed Organization Chart



Senior Services Program Structure



Proposed Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Projected	FY 2025 Proposed
Expenditures				
Personnel	-	\$90,404	\$53,996	\$150,710
Operating and Maintenance	-	\$68,707	\$297,138	\$89,000
Total Expenditures	-	\$159,114	\$351,134	\$239,710
Departmental Revenue	-	\$159,114	\$351,134	\$239,710
Net Budget Impact	-	\$0	\$0	\$0
Department FTE	0.0	1.0	2.0	2.0
Expenditures				

FY 2025 Proposed Budget
City of District Heights, Maryland

51001 · Payroll	\$140,000
51002 · Payroll Taxes	\$10,710
61001 · Association & Membership Dues	\$2,000
61002 · Travel Training & Education	\$2,000
61003 · Office Supplies	\$2,000
61007 · Materials & Supplies	\$10,000
61008 · Marketing & Advertising	\$3,000
61009 · Contractual Services	\$35,000
61010 · Professional Services	\$35,000
Total	\$513,170

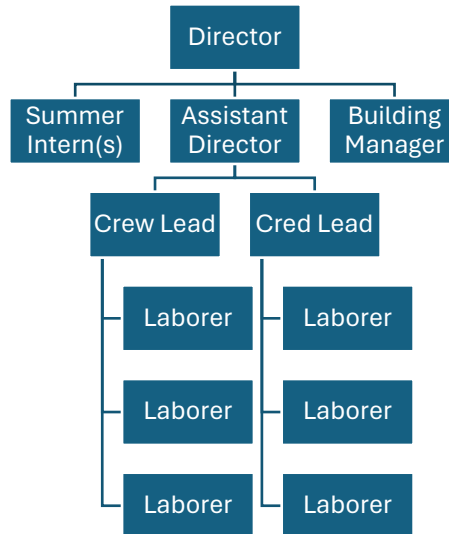
Proposed Performance Metrics

Metric	FY 2024 Estimated	FY 2025 Target
Average daily facility attendance.	35	45
Average class/program attendance.	15	15
Volunteer to staff ratio.	1:2	1:3

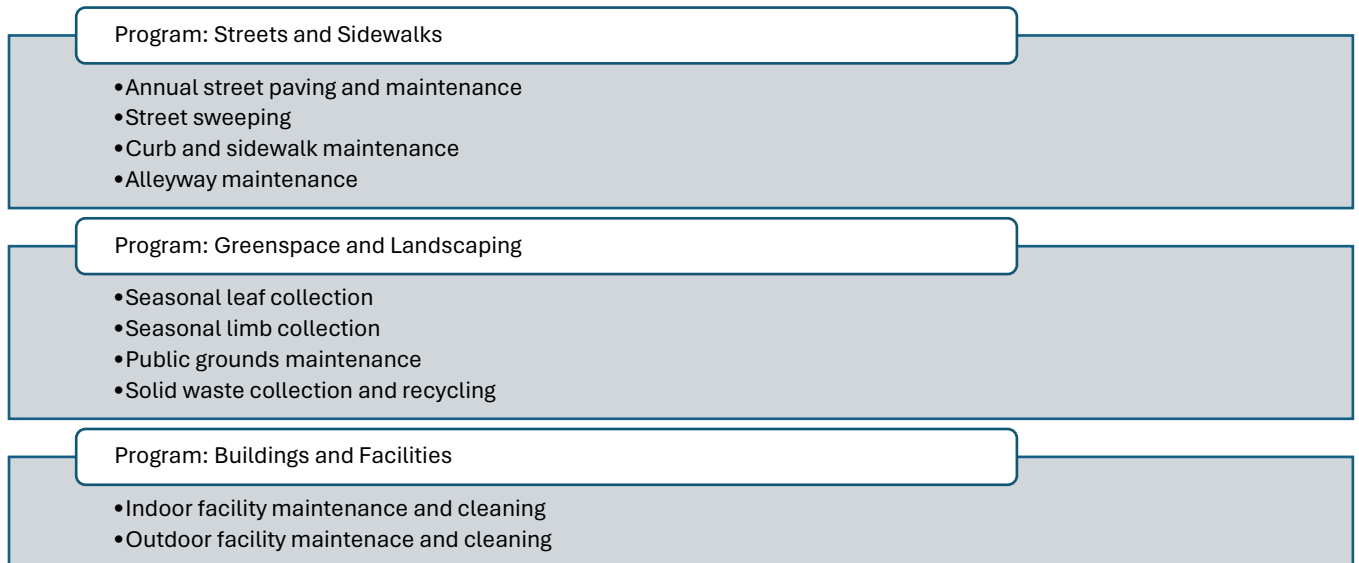
Public Works

The Department of Public Works is responsible for liaising with the City’s solid waste management contractor, maintaining City streets, sidewalks, and parking lots, maintain the City’s buildings and grounds, maintaining the City’s fleet, managing leaf, yard waste, and other regular/seasonal collections, managing the City’s tree/limb program, and signage.

Proposed Organization Chart



Public Works Program Structure



Proposed Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Projected	FY 2025 Proposed
Expenditures				
Personnel	\$838,591	\$664,707	\$658,693	\$729,415
Operating and Maintenance	\$699,700	\$714,256	\$439,882	\$529,500
Capital	\$107,708	-	\$13,300	-
Total Expenditures	\$1,645,999	\$1,378,963	\$1,111,875	\$1,258,915
Departmental Revenue²	\$241,148	\$284,990	\$289,884	\$175,507
Net Budget Impact	\$1,404,851	\$1,093,973	\$821,991	\$1,083,408
Department FTE	11.5	11.5	11.5	11.5

Expenditures

50701 · Payroll	\$677,580
50702 · Payroll Taxes	\$51,835
60701 · Association & Membership Dues	\$2,500
60702 · Travel Training & Education	\$7,000
60703 · Office Supplies	\$1,500
60705 · Conduct of Business	\$1,500
60707 · Materials & Supplies	\$25,000
60709 · Contractual Services	\$400,000
60710 · Professional Services	\$20,000
60712 · Clothing & Uniforms	\$9,000
60717 · Fees	\$12,500
60786 · Vehicle Maintenance	\$7,500
60787 · Fuel	\$7,500
60788 · Facility Maintenance	\$25,000
60789 · Heavy Equipment Maintenance	\$10,500
Total	\$1,258,915

Proposed Performance Metrics

Metric	FY 2024 Estimated	FY 2025 Target
Number of Work Order Requests Logged	145.3 ³	387.4
Percent of Work Order Requests Closed within 5 Business Days	10%	18.83%
Percentage of Leaf and Limb Pickups Completed on Scheduled Day	70%	75%
Annual Tonnage of Solid Waste Collected	4,903.13	5,131.61
Complaint Rate for Missed Trash/Recycling Per 1,000 Residents	1.65	1.5

² Beginning in FY 2025, 20 percent of SHA funding will be attributed to DPW to offset the cost of street and roadway maintenance; County landfill fee offsets will also be attributed to DPW as a revenue offset.

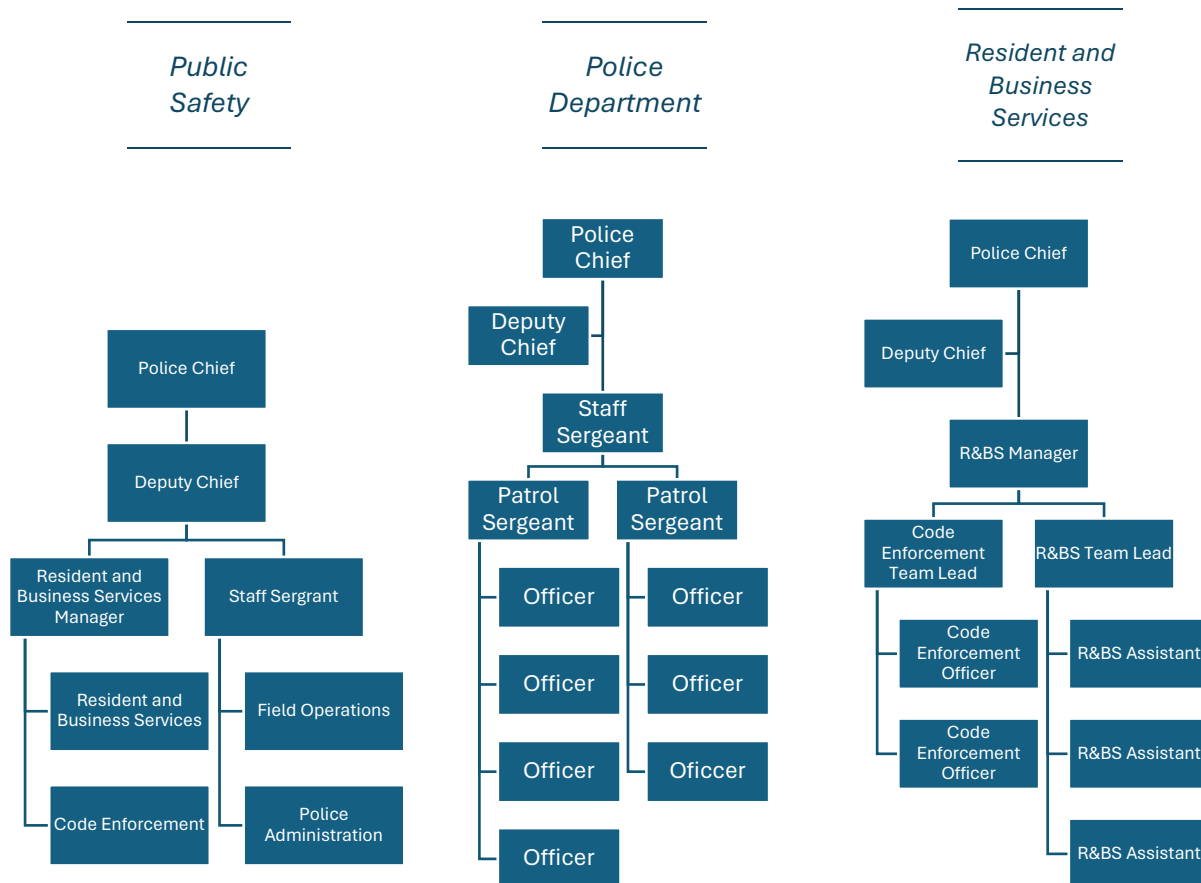
³ Only includes data from November 2023 to present.

Public Safety

The District Heights Police Department (DHPD) is the primary law enforcement agency for the City of District Heights. An agreement exists with Prince George’s County Police Department and the Prince George’s County Sheriff’s Office that outlines mutual aid assistance. Assistance is also provided by neighboring municipal agencies. The City of District Heights Police Department also has oversight of the City’s Code Enforcement program. The Code Enforcement program encompasses a number of service areas, including trash, grass, permit and license issuance, housing inspections for apartment and rental homes, and junk vehicles.

The FY 2025 Proposed Budget transforms the former Code Enforcement Division within the District Heights Police Department into the Resident and Business Services Division, which will be responsible for most front-line customer service functions in the City, most all basic business transactions, administrative support, and code enforcement and compliance. This budget initiative changes the City posture from one of reactive enforcement to proactive compliance.

Proposed Organization Chart



Police Program Structure

<p>Program: Community Policing</p> <ul style="list-style-type: none"> •Citywide and community outreach and engagement •Citywide and community public safety events and initiatives •PGCPS/DHES in-facility support / school resource
<p>Program: Field Operations</p> <ul style="list-style-type: none"> •Patrol •Speed camera •Mutual aide calls for service
<p>Program: Facility Safety and Security</p>

Resident and Business Services Program Structure

<p>Program: Resident, Business, and Taxpayer Customer Services</p> <ul style="list-style-type: none"> •Process resident walkin, email, and phone calls for service and information. •Process basic City business transactions; licenses, applications, public information requests; work order requests.
<p>Program: Code Enforcement</p> <ul style="list-style-type: none"> •Administer the City's building, professional, and administrative regulatory codes. •Conduct proactive residential and commercial enforcement activity.
<p>Program: Multi-departmental Administrative Support</p> <ul style="list-style-type: none"> •Provide internal administrative support to Police, Code, Public Works, and General Government.

Public Safety Budget Proposals

Police Auxiliary and Youth Academy	\$20,000	0.0 FTE
This proposal adds \$20,000 of operating and maintenance funding to establish and program the District Heights Police Auxiliary program and the District Heights Youth Police Academy program.		
Resident and Business Services Assistant	\$51,672	1.0 FTE
This proposal transfers 1.0 FTE and \$51,672 from the General Government personnel budget into the Resident and Business Services personnel budget.		

Proposed Budget - Police

	FY 2022 Actual⁴	FY 2023 Actual	FY 2024 Projected	FY 2025 Proposed
Personnel	\$637,530	\$536,789	\$690,610	\$899,496
Operating and Maintenance	\$205,069	\$301,109	\$123,355	\$145,000
Capital	\$75,070	\$12,406	\$17,723	-
Total Expenditures	\$917,667	\$850,304	\$831,688	\$1,044,496
Revenue	\$241,943	\$280,238	\$400,706	\$596,130
Net Budget Impact	\$675,724	\$570,066	\$430,982	\$458,996
Department FTE	10.0	10.0	12.0	12.0

Police Expenditures

50801 · Payroll	\$835,575
50802 · Payroll Taxes	\$63,921
60801 · Association & Membership Dues	\$4,500
60802 · Travel Training & Education	\$10,000
60803 · Office Supplies	\$2,500
60805 · Conduct of Business	\$2,500
60807 · Materials & Supplies	\$25,000
60808 · Marketing & Advertising	\$500
60809 · Contractual Services	\$15,000
60810 · Professional Services	\$7,500
60812 · Clothing and Uniforms	\$17,500
60816 · Event Materials & Equipment	\$15,000
60886 · Vehicle Maintenance	\$25,000
60887 · Fuel	\$20,000
Total	\$1,044,496

Proposed Performance Metrics - Police

Metric	FY 2024 Estimated	FY 2025 Target
Total Calls for Service	6,575	6,550
All Calls Average Response Time*	8:38	7:30

* Includes combined City and County response time.

⁴ FY 2022 data includes code enforcement.

Proposed Budget – Resident and Business Services

	FY 2022 Actual ⁵	FY 2023 Actual ⁶	FY 2024 Projected	FY 2025 Proposed
Expenditures				
Personnel		\$162,577	\$176,033	\$475,275
Operating and Maintenance		\$4,187	\$20,018	\$13,000
Total Expenditures		\$166,764	\$196,051	\$488,275
Revenue		\$83,615	\$42,601	\$123,500
Net Budget Impact		\$83,149	\$153,450	\$364,775
Department FTE		5.5	6.5	7.5

Police Expenditures

50501 · Payroll	\$441,500
50502 · Payroll Taxes	\$33,775
60501 · Association & Membership Dues	\$1,000.00
60502 · Travel Training & Education	\$2,500.00
60503 · Office Supplies	\$1,000.00
60504 · Postage Mailing & Bulk Mail	\$5,000.00
60507 · Materials & Supplies	\$1,500.00
60587 · Fuel	\$2,000.00
Total	\$488,274.75

Proposed Performance Metrics

Metric	FY 2024 Estimated	FY 2025 Target
Total Number of Customer Service Calls	19,205	20,000
Average Number of Calls Per Day	58	60
Customer Service Call Answer Rate	33%	80%
Number of License and Permit Applications Processed	Revised for FY 25	105
Percent of Licenses/Permits Reviewed within 5 Business Days	Revised for FY 25	90%

⁵ FY 2022 data is combined with Police.

⁶ FY 2023 data is derived from the former Code Enforcement Division.

Non-departmental Expenditures

Non-departmental expenditures are centralized, organization-wide expenditures that do not have a direct correlation to a given department’s operating budget. The table below describes the budget for non-departmental expenditures and provides an explanation as to what each budgeted item is dedicated to. FY 2024 was the first fiscal year to make use of a non-departmental group of expenditures.

Proposed Budget

	FY 2024 Adopted	FY 2024 Projected	FY 2025 Proposed
Total Expenditures	\$1,714,715	\$1,438,693	\$1,776,059

Non-departmental Expenditures

50003 · Health Insurance **\$203,000**

This line item is the central budget for the employer portion of organization-wide employee health insurance costs.

50004 · Retirement Contributions **\$284,000**

This line item is the central budget for organization-wide employee retirement contributions.

50005 · Life Insurance **\$4,500**

This line item is the central budget for the employer portion of employee life insurance costs.

50097 · Employee Awards **\$5,000**

Employee awards and recognition events, bonuses, and other incentives are centrally budgeted in this line item.

50098 · COLA Increase **\$98,000**

This line item is the central budget for the 3 percent cost of living adjustment.

60088 - Central Printing **\$15,000**

This line represents the City’s printing budget for office printers, centralized for the first time in FY 2025.

60087 - Contractual Services **\$40,000**

Central budget for non-departmental contractual services, including potential building renovations.

60018 · Insurance **\$154,000**

This line item is the centralized line for insurance coverages that the City must hold.

60079 · Building Utilities **\$155,000**

Central budget for payments to utilities such as Comcast, Verizon, Pepco, WGL Energy, etc. will be budgeted centrally.

60080 · Contribution to Local Nonprofits & Civic Orgs **\$10,000**

This line item includes donations to 501(c)3 organizations and similar institutions that provide a public benefit or service to residents.

60096 · Annual Audit **\$24,000**

This line item is the central budget for the City’s contracted annual audit.

60097 · Legal Counsel **\$40,000**

This line item is the central budget for the City's contractual legal counsel.

60098 · Lobbyist **\$24,000**

This line item is the central budget for the City's lobbying firm.

60095 Grants Consultant **\$24,000**

This line item is the central budget for the City's grants consultant.

60094 Economic Development Consultant **\$24,000**

This line item is the central budget for the City's economic development consultant.

60099 · Addition to Fund Balance **\$1,559**

This line adds to the City's balance of funds and is used as a balancing tool.

80001 · Debt Service **\$420,000**

This line represents the central budget for the City's debt service payments.

70099 Xfer to Capital Projects Fund **\$250,000**

The FY 2025 budget separates operating and capital planning expenditures. This line transfers funding between the general fund and the capital project fund.

FY 2025-2030 Capital Improvement Program

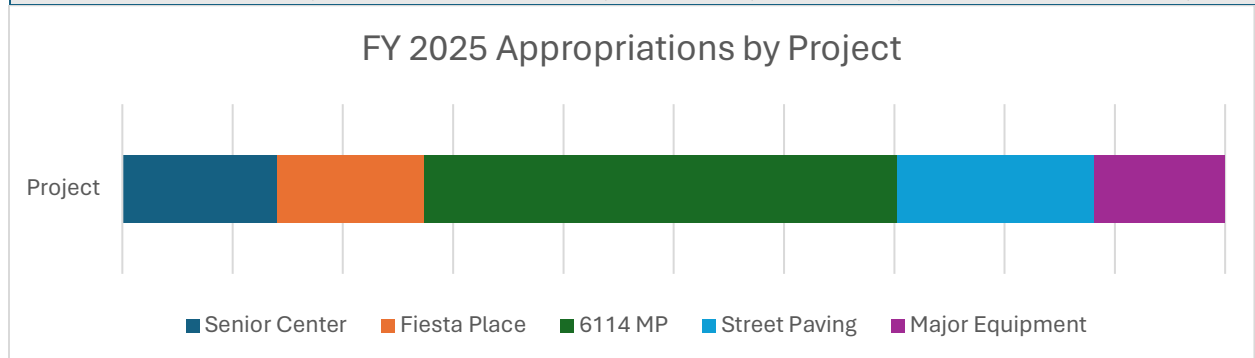
Capital Budgeting

The Capital Improvement Program (CIP) is the City’s guide the future construction and maintenance projects, facility needs, and asset preservation programs. The CIP provides a six-year forecast of the City’s capital projects and a financing plan for each project. Potential projects are evaluated and presented within the context of City Commission priority the City’s ability to finance and/or pay.

The CIP is developed biennially with the six-year period moving out an additional two years every other fiscal year. The FY 2025 -2030 CIP represents the first CIP for District Heights and FY 2025 is the first year of the FY 25-26 biennium; FY 2026 will represent an amendment year and FY 27-28 will represent the next biennium of the CIP. The CIP is a multi-year plan that does not constitute or require an appropriation of funds beyond those for the adopted fiscal year. Final authority to expend funds is accomplished through the Commission’s adoption of the budget ordinance. The inaugural FY 2025-30 CIP includes *three* construction projects and two capital asset replacement and preservation projects.

FY 2025-30 CIP Appropriations Table

<i>Figures in 1,000s</i>	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Total
Funding Sources							
ARPA	\$350	-	-	-	-	-	\$350
Local Funding	-	\$75	\$35	\$114	\$205	\$85	\$514
State Bond	\$797	\$300	\$100	\$2,000	\$2,000	\$500	\$5,697
Other Debt Financing	-	-	\$1,000	\$1,000	\$1,000	-	\$3,000
Fund Balance	-	-	-	-	\$30	\$15	\$45
SHA Funding	\$250	\$275	\$310	\$316	\$320	\$325	\$1,796
Total	\$1,397	\$650	\$1,445	\$3,430	\$3,555	\$925	\$11,402
Expenditures							
Construction	\$982	\$350	\$1,100	\$3,080	\$3,150	\$550	\$9,212
Asset Preservation	\$415	\$300	\$345	\$350	\$405	\$375	\$2,190
Total	\$1,397	\$650	\$1,445	\$3,430	\$3,555	\$925	\$11,402



Capital Construction Projects

District Heights Senior Center

Project Number: C0001
Location: 2000 Marbury Drive
Project Phase: Construction



Project Summary

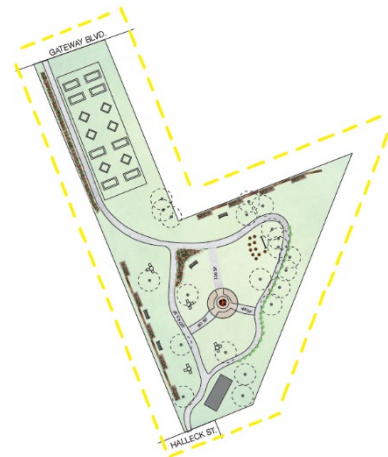
This project provides funding to finalize construction and closeout of the District Heights Senior Center located at 2000 Marbury Drive. The project has reached substantial completion and temporary occupancy. The project is pending final closeout.

Project Budget

Figures in 1,000s	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Total
Funding Sources							
State Bond	\$197	-	-	-	-	-	\$197
Total – Funding	\$197	-	-	-	-	-	\$197
Expenditures							
Construction	\$197	-	-	-	-	-	\$197
Total – Exp.	\$197	-	-	-	-	-	\$197

Fiesta Place Phase II

Project Number: C0002
Location: 6717 Gateway Blvd.
Project Phase: Construction



Project Summary

This project provides funding for the design build contract for phase II of the development of Fiesta Place Garden. The project adds site improvements, a gathering space, walking paths, and other features to the site and creates a new park within District Heights.

Project Budget

Figures in 1,000s	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Total
Funding Sources							
ARPA Funds	\$185	-	-	-	-	-	\$185
Total – Funding	\$185	-	-	-	-	-	\$185
Expenditures							
Construction	\$185	-	-	-	-	-	\$185
Total – Exp.	\$185	-	-	-	-	-	\$185

6114 Marlboro Pike

Project Number: C0003
Location: 6114 Marlboro Pike
Project Phase: Planning

Project Summary

This project provides funding to acquire, develop, and construct office space for municipal use on Marlboro Pike. The purpose of this project is to locate some or all government administrative and public safety services on Marlboro Pike. Property acquisition and preliminary site planning began in FY 2024; the project is anticipated to be completed in FY 2030.



Project Budget

Figures in 1,000s	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Total
Funding Sources							
State Bond	\$600	\$300	\$100	\$2,000	\$2,000	-	\$5,000
State Bond – Reprog.	-	-	-	-	-	\$500	\$5,00
Other Debt Fin.	-	-	\$1,000	\$1,000	\$1,000	-	\$3,000
Local Funding	-	\$50	-	\$80	\$150	\$50	\$330
Total – Funding	\$600	\$350	\$1,100	\$3,080	\$3,150	\$550	\$8,830
Expenditures							
Site Surveys	\$150	\$50	-	-	-	\$25	\$225
Site Engineering	\$200	\$150	\$50	\$20	\$20	\$25	\$465
Architectural Design	\$250	\$150	\$50	\$20	\$20	-	\$490
Construction	-	-	\$1,000	\$3,040	\$3,110	\$500	\$7,650
Total – Exp.	\$600	\$350	\$1,100	\$3,080	\$3,150	\$550	\$8,830

Capital Maintenance and Asset Preservation Projects

Street & Sidewalk Paving Program

Project Number: A0001
Location: Citywide

Project Summary

This recurring project provides funding to maintain, repave, and reseal the City’s streets, roads, and alleys. District Heights is responsible for maintaining the City’s roadways and impervious surfaces.



Project Budget

Figures in 1,000s	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Total
Funding Sources							
SHA Funding	\$250	\$275	\$310	\$316	\$320	\$325	\$1,796
Local Funding	-	\$5	\$10	\$4	\$10	-	\$29
Total – Funding	\$250	\$280	\$320	\$320	\$332	\$325	\$1,825
Expenditures							
Condition Surveys	\$150	-	\$50	-	\$50	-	\$150
Construction & Paving	\$100	\$280	\$270	\$320	\$280	\$325	\$1,575
Total – Exp.	\$250	\$280	\$320	\$320	\$330	\$325	\$1,825

Major Equipment Replacement Program

Project Number: A0002
Location: Citywide

Project Summary

This recurring project provides funding to maintain and replace the City’s vehicles, heavy machinery, and major equipment. The City’s fleet is comparatively young, thanks to investments made through the ARPA program; staff anticipates that a multi-year contract for vehicle purchases will be awarded in FY 2027 for the FY 2027-31 CIP in an amount of approximately \$300,000.



Project Budget

<i>Figures in 1,000s</i>	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Total
Funding Sources							
Local Funding	-	\$20	\$25	\$30	\$45	\$35	\$145
ARPA	\$165	-	-	-	-	-	\$165
Use of PY FB	-	-	-	-	\$30	\$15	\$45
Total – Funding	\$165	\$20	\$25	\$30	\$75	\$50	\$355
Expenditures							
Vehicle Purchase	\$120	-	-	-	\$65	-	\$185
Vehicle Upfit	\$40	-	-	-	\$10	-	\$50
Equipment and Machinery	\$5	-	-	-	-	\$50	\$55
Add to CY FB	-	\$20	\$25	\$30	-	-	\$75
Total – Exp.	\$165	\$20	\$25	\$30	\$65	\$50	\$355

ARPA Projects Fund

FY 2025 ARPA Project Expenditures

FY 2024 ARPA expenditures are comprised of a combination of planned FY 2025 projects and rollover of FY 2023. The District Height Senior Center operating expenditures are currently funded with ARPA funds.

Proposed Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Projected	FY 2025 Proposed
Allocated ARPA Revenue	\$5,895,793	\$5,831,841	\$3,783,288	\$1,058,790
Expenditures	\$63,952	\$2,048,554	\$2,724,497	\$1,058,790
Balance Allocated for Future Fiscal Year	\$5,831,841	\$3,783,288	\$1,058,790	\$0

Proposed FY 2025 ARPA Expenditures

Transfer to the General Fund – FY 2025 Revenue Replacement \$608,314

This line transfers \$531,440 to the general fund to offset department operating expenditures, broken down as follows: Senior Center \$239,710; Youth and Family Services \$59,113; Police \$81,808; Resident and Business Services \$41,338; Public Works \$73,202; General Government \$69,143; Recreation \$44,000. The purpose of this transfer is to use FY 2025, the final year of ARPA funding, to reduce the organization’s operating reliance on the funding source. Prior to FY 2024, several positions, one department, and some operating expenses were fully offset by ARPA funds. In addition to offsetting some pay increases, this funding will also offset some operating expenditures for each department.

Transfer to CIP - Police Vehicles – FY 2025 Planned Purchases \$165,000

Adjusts the planned purchase of police vehicles from the originally adopted \$110,000 in FY 2025 to \$165,000 to account for the unexpected surplus of one cruiser.

Transfer to CIP – Fiesta Place Capital Project \$185,000

Transfers the remaining, designated ARPA funding to the Fiesta Place Capital Project.

Unallocated Balance \$100,476

Estimated ARPA Funds available for reprogramming due to the rescoping of the Municipal Center Restroom project. This balance will be allocated during the budget development process.

Completed Projects

FY 2022	
Project Title	Actual Expenditure
Gift Card Program	\$20,902
Vaccination Event	\$1,072
Codification of City Code of Ordinances	\$3,130
ARPA Consultant	\$15,000
Community Garden Improvements	\$3,698
Building Cleaning and Sanitation	\$3,800
Municipal Building Security System	\$16,350

FY 2023	
Project Title	Actual Expenditure
ARPA Consultant	\$25,000
Municipal Building Security System	\$33,450
Police Vehicles	\$210,763
Senior Center - Operating Costs	\$153,921
Fiesta Garden Capital Project	\$1,438
Public Works Backhoe and Wood Chipper	\$206,693
Public Works Vehicles	\$134,801
Homeowners Assistance Program	\$853,750
City Employee Premium Pay	\$143,588
Marbury Court Tree Removal	\$6,991
District Heights Elementary School Community Garden, including ADA compliance	\$200
Gymnasium - Retractable Divider	\$9,623
Street Repaving Project	\$241,805
Bathroom Renovation Design	\$8,832
City Buildings - Remove and Replace Asbestos Floor (Police Station, Computer Room)	\$12,900
RingCentral One-time Expenditures	\$4,800

FY 2024		
Project Title	Expenditure	Status
Playground Equipment Replacement	\$290,958	Completed
Police Vehicles	\$206,930	Completed
Senior Center - Operating Costs	\$308,212	Completed
Speed Bumps	\$45,967	Completed
Street Repaving Project	\$433,323	Completed
Bathroom Renovation Design	\$3,940	Completed
One-time Software Expenditures (RingCentral and Laserfiche)	\$42,618	Completed
6114 Marlboro Pike	\$389,964	Completed
Street Sweeper	\$216,788	Completed
Psychotherapy Supplies (YSB)	\$7,338	Completed
Turf Tank (field striper)	\$8,700	Completed
Commission Chamber Update	\$40,409	Completed
Public Works Vehicles	\$124,260	Completed
ARPA Consultant	\$25,000	Estimated – In progress
ERP System Pre-pay	\$250,147	Estimated – In progress
Fiesta Place	\$140,000	Estimated – In progress
IT Support Vendor	\$90,000	Estimated
Bathroom Renovation	\$52,402	Estimated
Food Distribution	\$30,000	Estimated
Youth Reading Programs	\$10,000	Estimated

Appendix

Budget Policy

Adopted June 13, 2023

Purpose: The City of District Heights' budgeting practices are governed by applicable federal, state, and local laws, the City Charter, and Generally Accepted Accounting Principles. These policies and practices will be used to help ensure that the financial resources of the City are managed in a manner consistent with the City's mission and vision. The City's Budget Policy should be reviewed periodically to address potential policy gaps and to revise the policy as needed to reflect changes in applicable law and industry best practices.

Basis of Budgeting: Governmental Funds, like the General Fund, must be prepared on a modified accrual basis utilizing encumbrance accounting. Under this approach, encumbrances are used to indicate the City's intent to purchase goods or services and revenues are recognized when measurable and available. Proprietary Funds, when used, must be budgeted on a full accrual basis. As such, expenses are recognized when incurred and revenues are recognized when they are obligated to the City.

Budgetary Control: Budgetary control is maintained at the fund and department level. The department level of control is the highest level in which management may reassign resources without City Commission approval. Expenditures shall not exceed budget appropriations at the department level. Budget accountability rests primarily with the operating departments of the City, with oversight by the City Manager. All appropriations that have not been expended, encumbered, or appropriated to ongoing capital improvement projects shall lapse at the end of the fiscal year.

Balanced Budget: A structurally sound balanced budget means that recurring resources must equal recurring expenditures. Section 605 of the City Charter requires that the City's total anticipated revenues equal or exceed to total of proposed expenditures.

- Excess, unrestricted fund balance may be used for one-time expenditures. Fund balance may not be used as a long-term approach to balancing the budget.
- New programs should not be budgeted or implemented until the full annual cost and the financial impact can be reasonably projected. New or expanded services appropriations should be implemented simultaneously with an associated off-setting new revenue source, an existing revenue source increase and/ or other expenditure reduction.
- The tax rate shall be adequate to produce sufficient revenues to cover City services approved by the City Commission.

Budget Proposal and Adoption: The City's annual budget is prepared for the fiscal year beginning July 1 and ending June 30 of the following year. The operating budget represents the final plan for the City and serves as a policy document for the distribution of city resources in alignment with the vision and mission of the Mayor and Commission

As a policy document, the budget document must, at minimum, provide an understandable statement of the City's strategic goals and strategies. As a financial plan, the budget document must

include a summary of major revenues and expenditures and financing sources and uses. The budget document should include and explain the City's long-range financial plans.

As an operational document, the budget document must include an organization wide chart; summary table of authorized positions; describe activities, services, or functions carried out by organizational units; and include goals and objectives of the organizational units.

In general, the City's budget processes should proceed as follows:

1. In or around January, the City Commission provides budget guidance to the City Manager.
2. The City Manager, with the Treasurer, prepares the proposed budget based on budget guidance.
3. In or around March, the City Manager proposes the budget.
4. The City Manager advertises potential tax rates and schedules a budget public hearing.
5. In or around April, the City Commission holds budget work sessions to consider, debate, and
6. amend the proposed budget.
7. In or around May, the City Commission adopts the budget.
8. The fiscal year opens July 1.

Budget Amendments:

Section 608 of the City Charter defines the process for budget amendments. Section 608 (a) states, "any transfer of funds between major appropriations for different purposes must be approved by the Commission before becoming effective." For the purposes of this policy, "major appropriations" means transfers in the amount over \$10,000 and "different purposes" means transfers between different departments.

Administrative Transfers: Administrative budget transfers include transfers from one line item to another within a department's operating budget. Budget transfer requests of \$5,000 or less require approval by the department head and authorization by the City Manager.

Commission Approved Amendments: Budget amendments requiring City Commission approval are those amendments which result in a change to the total appropriations of a department or fund and/ or exceed the City Manager's approval threshold. The City Commission must approve budget amendments:

- All budget transfers over \$10,000;
- The acceptance and appropriation of a grant award;
- The appropriation of additional funding if expenditures are projected to exceed budgeted amounts;
- Adjustments to reflect unanticipated revenues or receipts; and
- Transfers of appropriation from one department or fund to another.

Glossary

501c3 / Civic Organization	Exempt tax designation afforded to nonprofit organizations that meet certain requirements.
Actual(s)	Revenues and expenditures that occur in a prior fiscal year. Actuals differ from budgeted figures in that they represent the real disbursements and/or collections that take place subsequent to budget adoption.
Adopted Budget	A plan of financial operations approved by the City Commission highlighting major changes made to the Proposed Budget.
Appropriation	A legal authorization granted by the City Commission to a specified organization to make expenditures and to incur obligations for specific purposes.
ARPA, ARPA Fund	American Rescue Plan Act, American Rescue Plan Act Funds where ARPA Projects are budgeted.
Assess	To place a value on property for taxation.
Assessed Value	The appraised value of a property for purposes of taxation.
Audit	A formal examination of an organization's accounts or financial situation.
Balanced Budget	A financial plan in which total expenditures equal total revenue and/or fund balance.
Budget Calendar	Schedule of key dates which a government follows in the preparation and adoption of the budget.
Budget Ordinance	The ordinance advertised and adopted by the City Commission enacting the annual budget.
Capital Improvement Program	The 6-year plan for current and future capital project expenditures.
Capital Projects Fund	The fund in which capital projects are budgeted in.
Carryover	Unexpended funds from the previous fiscal year.
Codified Ordinances	The Codified Ordinances of the city of District Heights.
COLA, COLA Increase	Cost of Living Adjustment, increases in base pay due to a calculation based on the average cost of living.
Constant Yield Tax Rate	The real property tax rate at which current/future fiscal year revenues approximate prior year revenues.
Debt	An obligation resulting from the borrowing of money.
Department	Organizational unit of City government.
Division	Significant subunit of a department.
Expenditure(s)	Decreases in financial resources.
Fiscal Year	The period used by the City for budgeting and accounting purposes. The City's fiscal year is July 1 to June 30.
FTE	Full-Time Equivalent, considering all full-time and part-time staff positions. Each full-time position working 2,080 hours per year is counted as one FTE.
Fund	A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities, or balances and changes therein. Funds are segregated for the

	purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.
Fund Balance	The amount of money or other resources remaining unspent or unencumbered in a fund at a specific point in time.
General Fund	The primary location of all financial activity associated with the ordinary operations of government.
Liabilities	Obligations incurred in past or current transactions requiring present or future settlement.
Long-term Debt	Debt with a maturity of more than one year after the date of issuance.
Obligation	A future expenditure.
Performance Measure(s)	Data collected to assess a program's progress toward achieving established objectives and goals.
Personal Property	A category of property other than real estate, identified for purposes of taxation, including personally owned items, corporate property, and business equipment.
Program	This is a plan or unit under which action may be taken towards meeting an individual or set of goal(s) in the provision of a particular service.
Proposed Budget	A plan of financial operations submitted by the City Manager and Treasurer to the City Commission.
Real Property	Real estate, including land and improvements.
Revenue(s)	An increase in assets or financial resources.
Short-term Debt	Debt with a maturity of less than one year after the date of issuance.
Step Increase	An increase in base salary from the dollar amount of one step to the dollar amount of the next higher step on a grade and step pay plan.
Tax Base	The aggregate value of taxed items. The base of the City's real property tax is the market value of all real estate in the City.

FY 2025 Tax Notification

CITY OF DISTRICT HEIGHTS NOTICE OF A PROPOSED REAL PROPERTY TAX RATE INCREASE

For the taxable year beginning July 1, 2024, the City of District Heights, Maryland proposes to increase real property tax rates from \$0.687 per \$100 of assessment to \$0.692 per \$100 of assessment. A public hearing on the proposed real property tax rate increase will be held at 7:00 PM on April 9, 2024 and April 23, 2024 at 2000 Marbury Drive, District Heights, Maryland, 20747. The hearing is open to the public, and public testimony is encouraged. Persons with questions regarding this hearing may call 301-336-1402 or visit www.districtheights.org for further information.

FY 2025 Proposed Budget Ordinance

City of District Heights, Maryland

Ordinance Number DH 2024 - 03

FY 2025 Budget

AN ORDINANCE of the City of District Heights, Maryland, to establish a budget for the city of District Heights for the fiscal year beginning July 1, 2024, and ending June 30, 2025.

WHEREAS, the Charter of the City of District Heights requires that the annual budget be adopted no later than 30 days prior to the upcoming fiscal year;

WHEREAS, the City Commission approved a Budget Policy in June 2023 that provides direction regarding the City's annual budget process;

WHEREAS, the City Commission passed budget guidance and directed staff to prepare the FY 2025 proposed budget at the estimated tax rate of \$0.692 per \$100 of assessed value;

WHEREAS, the City of District Heights is committed to sound financial management and public transparency;

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF DISTRICT HEIGHTS, MARYLAND.

Section 1. That pursuant to the power and authority vested in the City Commission by Article 23, Section 2(b) of the Annotated Code of Maryland and Sections 605 and 606 of the Charter of the City of District Heights, a budget as attached hereto and made a part hereof, and known as the annual budget of the City of District Heights for the Fiscal Year beginning July 1, 2024 and fully ending June 30, 2025 be and the same is hereby enacted.

Section 2. That this Ordinance shall take effect at 12:01 AM on July 1, 2024.

Introduced: April 4, 2024

Adopted:



**2000 Marbury Drive,
District Heights, MD 20772**



301-336-1402



www.districtheights.org