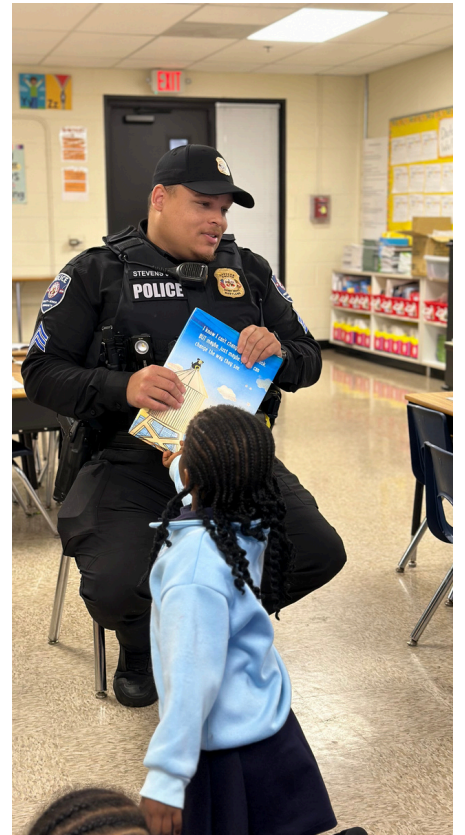




**District
Heights
Maryland**
FY 2026 Proposed Budget





FY 2026 Proposed Budget

City Commission

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

Staff

David Street, City Manager
Ralph Bazilio, Treasurer
Cecelia Smith-Budd, Deputy Treasurer

2000 Marbury Drive
District Heights, Maryland, 20747
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Executive Summary

Budget Transmittal

Mayor Miller, Vice Mayor Gomez, and City Commissioners,

I’m pleased to present to you a balanced FY 2026 budget at the current real property tax rate (\$0.692 per \$100 of assessed value). As noted during the budget outlook items beginning in January, FY 2026 was always anticipated to be a constrained budget, however, external factors have led to a more constrained budget than anticipated during the FY 2025 development process where the Commission began a service stabilization initiative. The initiative sought to take advantage of increases in real property to naturally absorb anticipated increased operating costs associated with the District Heights Senior Center and other discretionary programs through relying on net new revenue driven by increases in valuation.

Projected 3-Year Net New Revenue at Current Tax Rate

Rate	Net New Revenue FY 2025	Net New Revenue FY 2026	Net New Revenue FY 2027	Total 3-Year Net New Revenue
\$0.692 per \$100	\$231,806	\$205,263	\$190,719	\$627,788

The FY 2025, FY 2024, and FY 2023 budgets included the use of American Rescue Act Program funds to absorb some operating expenditures. This was most apparent in FY 2024 and was diminished in FY 2025, which reoriented most of the City’s ARPA spending towards capital improvements, facility and equipment improvements, and service restoration. FY 2026 is the first full year since FY 2022 where there are no significant ARPA funds in the operating budget.

Additional constraints include limited commercial/industrial tax base, quickly shifting economic and labor market conditions, and fast emerging federal, state, and local funding constraints. From an expenditure perspective, FY 2026 is constrained by full absorption of Senior Center operating costs, full absorption of pay parity implementation, full absorption of a new solid waste management service and anticipation of collective bargaining costs.

In January and February 2025, the Commission launched a community budget survey – the survey asked several questions, but importantly, garnered community feedback about revenue options. The responses are listed “pursuing grants or alternative funding sources, utilization of reserves, reduction or elimination of programs or services, and introduction or increases in fees for services” as the top selection for revenue to fund the City government.

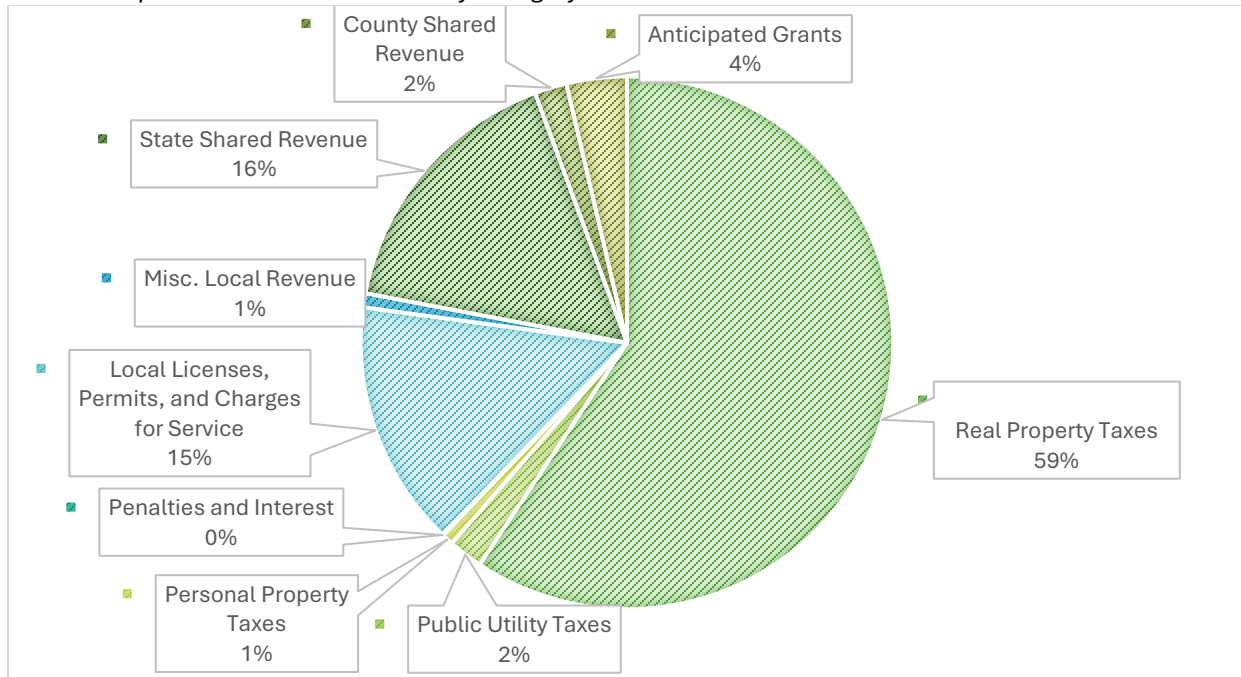
The FY 2026 Proposed Budget attempts to incorporate some of these recommendations, particularly around the potential use of reserves or fund balance. The FY 2026 Proposed Budget includes one proposed freeze, one reduction in force, and makes use of reserve funds to limit the impact on departmental budgets, absorb potential collective bargaining implementation costs, and as a hedge against limited county, state, and federal funding. Similarly, the FY 2026 Proposed Budget includes a focus on grants in the mental health, senior, and law enforcement areas, however, staff currently anticipates that available funding, particularly from the state and federal governments, will be limited.

The FY 2026 Proposed Budget takes a conservative approach to revenue estimation as a hedge against potential economic instability and federal, state, and local funding constraints. Outside of real property taxes and formula-driven state funding, the FY 2026 budget hold other revenue categories relative flat – the FY 2026 revenue budget is only increased by 7 percent over FY 2025, although this is attributable to increased property valuations and increased anticipation of certain grant funding. The City’s fee structure is not currently a

significant source of revenue and is driven by both rates that are set, enforcement practices, and prevailing economic conditions.

The Proposed FY 2026 Budget prioritizes retaining gains in service delivery enhancements and restorations made over the last two fiscal year and beginning the shift in revenue-burden balance from residential real property taxpayers to commercial uses. The proposed revenue mix, shown below, demonstrates the need for the City to adjust non-property tax revenues – especially in the fees for service areas.

FY 2026 Proposed Revenue Allocation by Category



FY 2026 is heavier than prior years in the personnel budget due to absorption of new positions, pay parity, and a reservation for unknown and variable collective bargaining costs. The proposed total personnel budget is approximately \$4.3 MM, an approximately 16 percent increase over the FY 2025 appropriation in the same area.

The FY 2026 Proposed Budget continues the prior year trends of centralizing costs that can be centralized and seeking efficiencies and cost savings on the operating and maintenance side of the budget. In FY 2026, most departments are facing a 15-20 percent operating reduction, however this is partially offset by the aforementioned centralization of contractual (and similar) costs.

Like its preceding budgets, FY 2026 contains a number of firsts – it’s the first budget informed by the community budget survey as well as the first amendment year to the City’s first six-year capital improvement program. While constrained, I believe this budget proposal meets the expectation of the Commission and continues critical services to residents and taxpayers in a time of increasing economic uncertainty.

Respectfully Submitted,

David 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 individual 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.

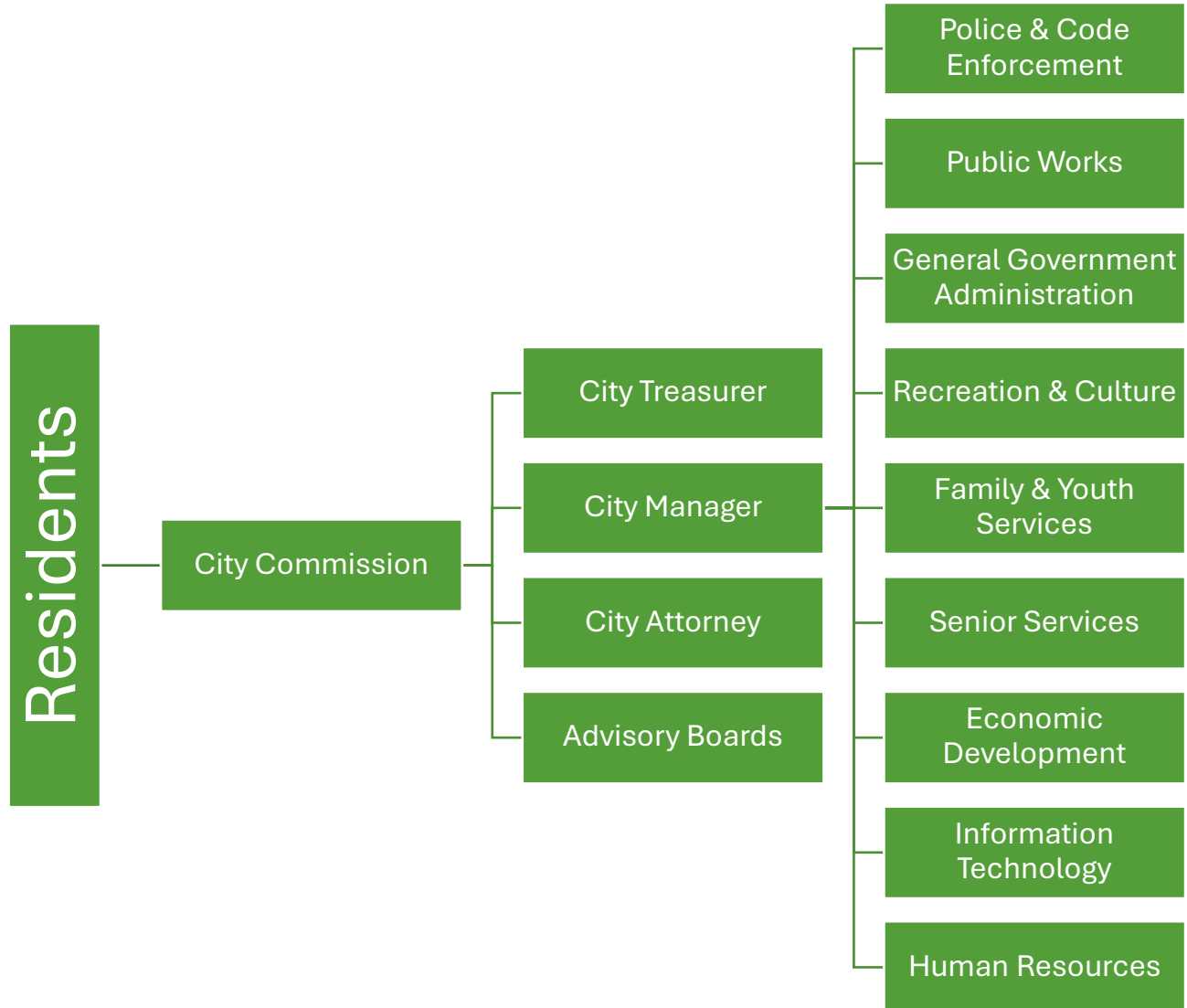
- Activity: Develop department performance metrics and service level benchmarks for the FY 2025 budget cycle.

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



Advisory & Volunteer Boards, Committees and Commissions

Board of Supervisors of Elections

Ethics Commission

Charter Committee

Citizens Action Patrol

Veterans Committee

Sustainability Committee

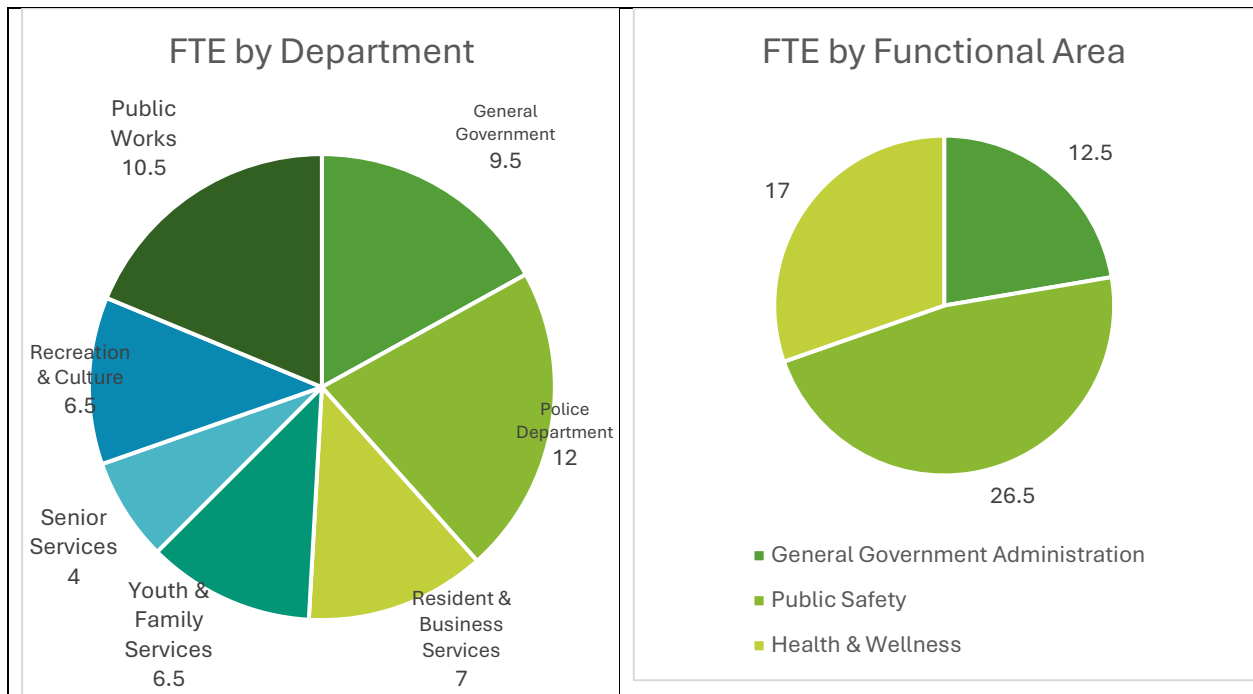
Fiesta Place Community Garden Volunteer Committee

Departmental FTE Chart¹

	FY 2022 Estimated	FY 2023 Estimated	FY 2024 Actual	FY 2025 Adopted	FY 2026 Proposed
General Government	6.5	6.5	7.5	7.5	9.5
Police Department	10.0	10.0	12.0	12.0	12.0
Resident & Business Services	2.5	5.5	6.5	7.0	7.0
Youth & Family Services	3.5	4.5	4.5	6.5	6.5
Senior Services	-	1.0	2.0	2.0	4.0
Recreation & Culture	4.0	3.0	5.5	6.5	6.5
Public Works	11.5	11.5	11.5	11.5	10.5
FTE	38.0	42.0	49.5	53.0	56.0

Functional Area FTE Chart

	FY 2022 Estimated	FY 2023 Estimated	FY 2024 Actual	FY 2025 Adopted	FY 2026 Proposed
General Government	6.5	9.5	10.5	10.5	12.5
Public Safety	24.0	24.0	27.0	27.5	26.5
Health & Wellness	7.5	9.5	12.0	15.0	17.0
FTE	38.0	42.0	49.5	53.0	56.0

Staffing Allocations by Department and Functional Area


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 2026 Budget Proposals

Base Budget Proposals

The FY 2026 Proposed Budget was built following budget guidance from the City Commission to prepare the budget at the 0.692 real property tax rate (“current rate”) The FY 2026 Adopted Budget assumes approximately \$205,263 of new revenue at the current rate due to increases in real property valuation. The proposals below reflect the constraints placed on FY 2026 budget due to the prevailing state-level and federal-level funding and budget climate. The proposals noted below are included in the base budget.

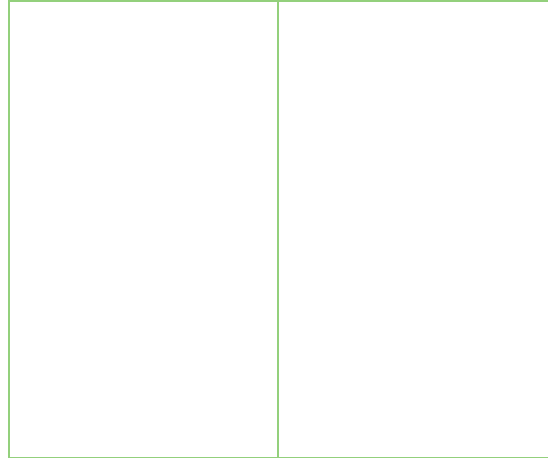
Base Budget Proposals	Category	Estimated Impact	FTE
<i>Position freezes & reductions in force.</i> This proposal reduces the Public Works budget by 1.0 FTE and freezes 0.5 FTE in General Government for FY 2026.	Personnel	\$115,617	(1.0)
<i>Annual software and license reductions.</i> This proposal removes potential duplicative software licenses and service subscriptions.	Operating	\$4,918	-
<i>Herald Ad Sales.</i> In FY 2025, staff began to pilot the sales of limited ad space in the Herald. The purpose of this is to offset the cost of developing, printing, and mailing the Herald.	Revenue	\$12,000	-
Total		\$132,535	1.0

Additional Budget Proposals

Given the anticipated and unanticipated constraints facing the FY 2026 budget, the Commission could also consider some or all of the following budget proposals. These proposals are not included in the base budget but could be accommodated by Commission action.

Additional Budget Proposals	Category	Estimated Impact
<i>Commercial Vehicle Parking Pilot Program.</i> The Commission could adopt a pilot commercial vehicle parking program wherein commercial vehicles could pay to park on the lower municipal lot. This pilot, which could include up to 20 vehicles, would generate revenue for the City, place the lower lot into more regular productive use, and remove commercial vehicles from City streets and driveways.	Revenue Enhancement	\$12,000
<i>Like-for-like Permit Freeze.</i> The City’s ordinances require a number of permits (generally in the \$20 range) to conduct different types of renovation work. Historically, this has included like-for-like replacements or repairs which places a burden on homeowners conducting repairs or lite renovations and results in review and inspection costs for the City far beyond the cost of the permit.	Revenue Reduction/Overhead Reduction	\$35,000
<i>Targeted Buy-out Program.</i> The Commission could consider a targeted buy-out program that allows the government, as an employer, to offer targeted buyouts to certain qualifying positions. This program would allow the City to reorganize in a non-punitive manner.	Personnel Expenditure	(\$50,000)
<i>Non-Uniform 40 to 37.5 Hour Work Week Conversion (Non-uniform).</i> The Personnel Manual States, “Work schedules for employees of the City of District Heights may vary	Personnel Savings	\$197,675

depending on the needs of the various departments. However, a standard work week consists of 40 hours, include a one-hour daily lunch break.” This has historically meant that the City operates from 9 AM to 5 PM with a one-hour paid lunch break, although departments implement this differently. The City could adjust the working week from 40 to 37.5 hours, retain 9:00 AM to 5:00 PM working hours, and insert a 30-minute unpaid lunch into the current schedule. This would result in approximately \$269,194 in saved personnel costs over one year. This also has the complimenting benefit of adding a 2.5 hour cushion before overtime requirements are triggered. It is not unusual for law enforcement to retain a 40-hour week when a general workforce converts to 37.5 hour weeks.



Compensation Plans

Compensation Philosophy: In 2023, the City adopted the following compensation philosophy. District Heights seeks to pay 100 – 110% of market rate for positions within the greater District/Maryland/Virginia market. The current pay plan was implemented in 2023 and 2024 and will be up for review in 2026.

Proposed Uniformed Step and Grade Plan, FY 2026-27: The proposed uniformed step and grade plan adds pay bands for command ranks above lieutenant.

Grade	Steps								
	1	2	3	4	5	6	7	8	9
P0					\$50,000				
P1	\$60,831	\$62,712	\$64,652	\$66,652	\$68,713	\$70,774	\$72,898	\$75,085	\$77,337
P2	\$64,305	\$66,294	\$68,344	\$70,458	\$72,637	\$74,816	\$77,061	\$79,372	\$81,754
P3	\$69,866	\$72,027	\$74,255	\$76,551	\$78,919	\$81,287	\$83,725	\$86,237	\$88,824
P4	\$75,428	\$77,761	\$80,166	\$82,645	\$85,201	\$87,757	\$90,390	\$93,101	\$95,894
P5	\$80,989	\$83,494	\$86,076	\$88,739	\$91,483	\$94,227	\$97,054	\$99,966	\$102,965
P6	\$95,942	\$98,909	\$101,968	\$105,122	\$108,373	\$111,624	\$114,973	\$118,422	\$121,975
P7	\$99,323	\$102,394	\$105,561	\$108,826	\$112,192	\$115,662	\$119,132	\$122,705	\$126,387
E1	\$105,561	\$108,826	\$112,192	\$115,662	\$119,132	\$122,705	\$126,387	\$130,178	\$134,084

Position	Grade	Spread Across Grade
Academy Recruit	P0	N/A
Officer I	P1	\$16,506
Officer II	P2	\$17,449
Corporal I	P3	\$18,958
Corporal II	P4	\$20,467
Sergeant	P5	\$21,976
Lieutenant	P6	\$26,033
Major, Deputy Chief	P7	\$27,064
Chief	E1	\$28,523

General Workforce Step and Grade Plan, FY 2026-27: There are no proposed changes to the General Workforce pay plan.

Grade	Steps										
	1	2	3	4	5	6	7	8	9	10	11
G0				\$15.00	\$17.50	\$20.00	\$22.50	\$25.00			
G1	\$38,949	\$40,154	\$41,396	\$42,676	\$43,996	\$45,357	\$46,717	\$48,119	\$49,562	\$51,049	\$52,581
G2	\$44,554	\$45,932	\$47,353	\$48,817	\$50,327	\$51,884	\$53,440	\$55,043	\$56,695	\$58,396	\$60,147
G3	\$49,245	\$50,768	\$52,338	\$53,957	\$55,626	\$57,346	\$59,067	\$60,839	\$62,664	\$64,544	\$66,480
G4	\$55,890	\$57,618	\$59,400	\$61,237	\$63,131	\$65,084	\$67,036	\$69,047	\$71,119	\$73,252	\$75,450
G5	\$61,202	\$63,095	\$65,047	\$67,058	\$69,132	\$71,270	\$73,409	\$75,611	\$77,879	\$80,216	\$82,622
G6	\$67,323	\$69,405	\$71,551	\$73,764	\$76,046	\$78,398	\$80,749	\$83,172	\$85,667	\$88,237	\$90,884
G7	\$71,727	\$73,945	\$76,232	\$78,590	\$81,021	\$83,526	\$86,032	\$88,613	\$91,271	\$94,010	\$96,830
G8	\$78,575	\$81,005	\$83,511	\$86,094	\$88,756	\$91,501	\$94,246	\$97,074	\$99,986	\$102,986	\$106,075
G9	\$86,045	\$88,706	\$91,449	\$94,278	\$97,193	\$100,199	\$103,205	\$106,301	\$109,490	\$112,775	\$116,158
G10	\$99,323	\$102,394	\$105,561	\$108,826	\$112,192	\$115,662	\$119,132	\$122,705	\$126,387	\$130,178	\$134,084

Grade	Position Category	Spread
G0	Interns, seasonal staff, camp staff.	\$10 p/h
G1	Laborer I	\$13,632
G2	Laborer II, Admin./Program Assistant I	\$15,593
G3	Laborer III, Admin./Program Assistant II, Program Coordinator I	\$17,235
G4	Admin./Program Assistant III, Program Coordinator II, Code Officer I, Laborer IV	\$19,560
G5	Clinical Therapist I, Operations/Admin./Program Manager I, Code Officer II, Admin. Assistant IV	\$21,420
G6	Clinical Therapist II, Program Manager II	\$23,561
G7	Assistant Director, Assistant to the City Manager	\$25,103
G8	<i>Grade not currently in use</i>	\$27,500
G9	Director	\$30,113
G10	<i>Grade not currently in use</i>	\$34,761

Appropriations Tables

General Fund and Grants Revenue

Revenue Category	FY 2026 Proposed
Real Property Tax	\$3,814,387
Public Utility Tax	\$135,000
Personal Property Tax	\$45,000
Penalties and Interest	\$5,000
Bank Stock	\$500
Income Tax	\$675,000
Highway User Revenue	\$378,857
Traders License	\$2,500
Admissions and Amusements	\$1,500
Cable Franchise Fees	\$105,000
Cable Capital Equipment	\$65,000
Rental Permits	\$45,000
Building Permits	\$45,000
Business Licenses	\$45,000
Alarm Registrations	\$500
Real Estate Sign Fees	\$500
Landfill Rebate	\$20,608
Counseling Fees	\$15,000
Facility Rentals	\$10,000
Summer Camp Registrations	\$10,000
Recreation Activity Fees	\$10,000
Senior Center Activity Fees	\$10,000
Recreation Concessions	\$2,500
Fines	\$25,000
Flagging	\$500
Vehicle Releases	\$15,000
Speed Camera Enforcement	\$500,000
Interest	\$50,000
Rents	\$6,500
Sale of Assets	\$10,000
Utility Service Royalty	\$20,000
Use of Reserves	\$1,000,000
Dept. Oper. Carryforward	\$220,000
General Fund Total	\$7,288,852
Grants	
Youth Services Bureau (County)	\$105,000
Police Protection (State)	\$105,000
Grant Revenue Total	\$210,000
Total	\$7,498,852

General Fund and Grant Expenditures

Expenditure by Department	Total
Mayor and Commission	\$136,728
General Government	\$808,565
Family & Youth Services	\$555,170
Senior Services	\$409,897
Recreation & Culture	\$623,736
Police	\$1,166,696
Resident and Business Services	\$446,552
Public Works	\$1,335,147
Non-Departmental	\$2,016,360
Total Expenditures	\$7,498,852

ARPA Revenue & Expenditures

Expenditure Category	Total
Total Revenue	\$105,000
Total Expenditures	\$105,000

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.

Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Projected	FY 2026 Proposed
Expenditures					
Personnel	\$61,950	\$57,879	\$62,006	\$63,230	\$65,578
Operating and Maintenance	\$38,067	\$66,457	\$57,658	\$45,000	\$71,150
Total Expenditures	\$100,017	\$128,639	\$119,664	\$108,230	\$136,728

Mayor and Commission

Payroll	\$57,600
Payroll Taxes	\$7,978

Personnel **\$65,578**

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

Ward Budgets **\$66,150**

City Scholarship	\$5,000
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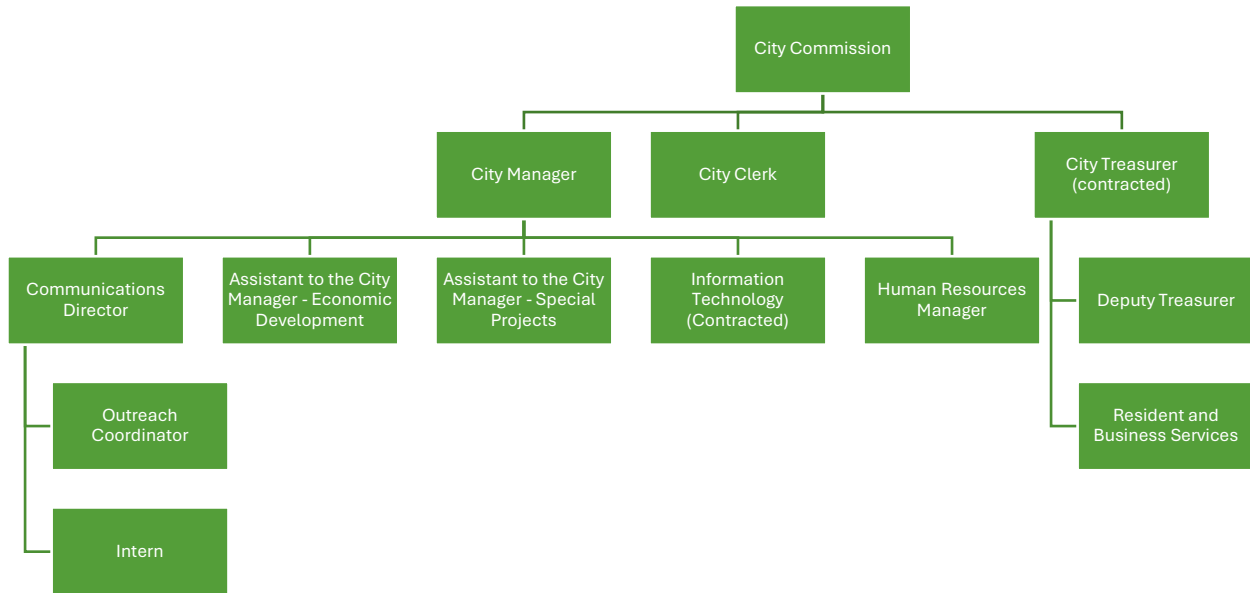
Commission Initiatives **\$5,000**

Total Mayor & Commission \$136,728

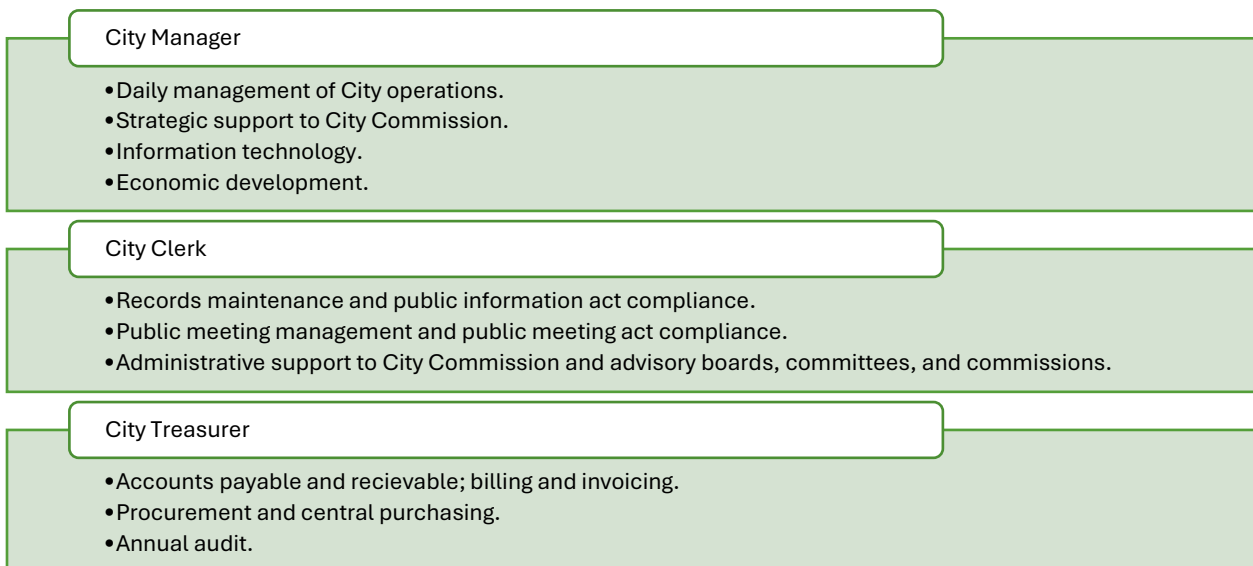
General Government

The General Government functional area is comprised of the Charter-defined officers of the City, the internal service functions for the City, and several other related, critical functions. Specifically, General Government includes the City Manager, Treasurer, Clerk, information technology, human resources, and economic development.

Organization Chart



Program Structure



Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Projected	FY 2026 Proposed
Expenditures					
Personnel	\$335,189	\$466,102	\$421,117	\$551,110	\$715,656
Operating and Maintenance	\$235,257	\$431,038	\$560,053	\$620,050 ²	\$93,000
Total Expenditures	\$570,446	\$897,140	\$981,144	\$1,171,160	\$808,565
Total FTE	6.5	6.5	7.5	7.5	9.5

FY 2026 Line Item

GG Expenditures
FY 20256 Proposed

Payroll	\$664,714
Payroll Taxes	\$50,851
Total Personnel	\$715,565
Association & Membership Dues	\$2,000
Travel Training & Education	\$3,000
Postage Mailing & Bulk Mail	\$15,000
Materials & Supplies	\$3,000
Marketing & Advertising	\$15,000
Contractual Services	\$5,000
Professional Services	\$5,000
Cell Phones	\$20,000
Computer Software	\$20,000
Computer Hardware	\$5,000
Total Operating	\$93,000
Total Expenditures	\$808,564.62

² General Government absorbed additional costs for temporary employees during FY 2025.

Public Safety

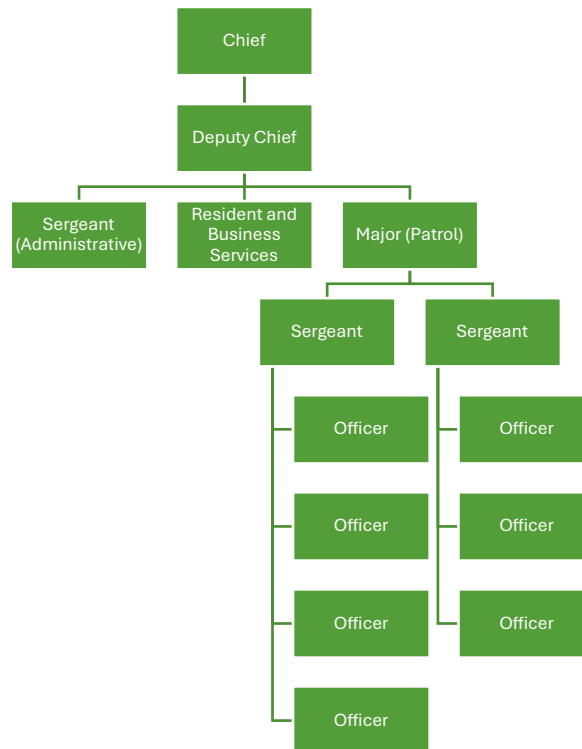
The public safety functional area is focused on the safety, security, and infrastructure of the City and is comprised of the Police Department, the Department of Public Works, and the Office of Resident and Business Services, collocated with DHPD.

Police

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 Budget created a new division, Resident and Business Services, 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. Resident and Business Services has its own budget pages in the FY 2026 Proposed Budget.

Organization Chart



Police Program Structure

Program: Community Policing

- Community outreach and engagement.
- Community public safety events and initiatives.
- In-school/facility support.

Program: Patrol Operations

- Patrol and field operations.
- Speed camera and automated device enforcement.
- Community calls for service.
- Mutual aid calls for service.

Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Projected	FY 2026 Proposed
Expenditures					
Personnel	\$637,530	\$536,789	\$750,725	\$890,000	\$1,021,696
Operating and Maintenance	\$205,069	\$301,109	\$368,780	\$219,900	\$145,000
Capital	\$75,070	\$12,406	\$27,761	\$18,000	-
Total Expenditures	\$917,667	\$850,304	\$1,147,266	\$1,127,900	\$1,166,696
Departmental Revenue	\$241,943	\$280,238	\$603,907	\$543,000	\$605,000
Net Budget Impact	\$675,724	\$570,066	\$543,359	\$584,900	\$511,696
Department FTE	10.0	10.0	12.0	12.0	12.0

FY 2026 Line Item
Expenditures

 Payroll \$949,091

 Payroll Taxes \$72,605
Total Personnel \$1,021,696

 Association & Membership Dues \$4,500

 Travel Training & Education \$10,000

 Office Supplies \$2,500

 Conduct of Business \$2,500

 Police Materials & Supplies \$25,000

 Marketing & Advertising \$500

 Contractual Services \$15,000

 Professional Services \$7,500

 Clothing and Uniforms \$17,500

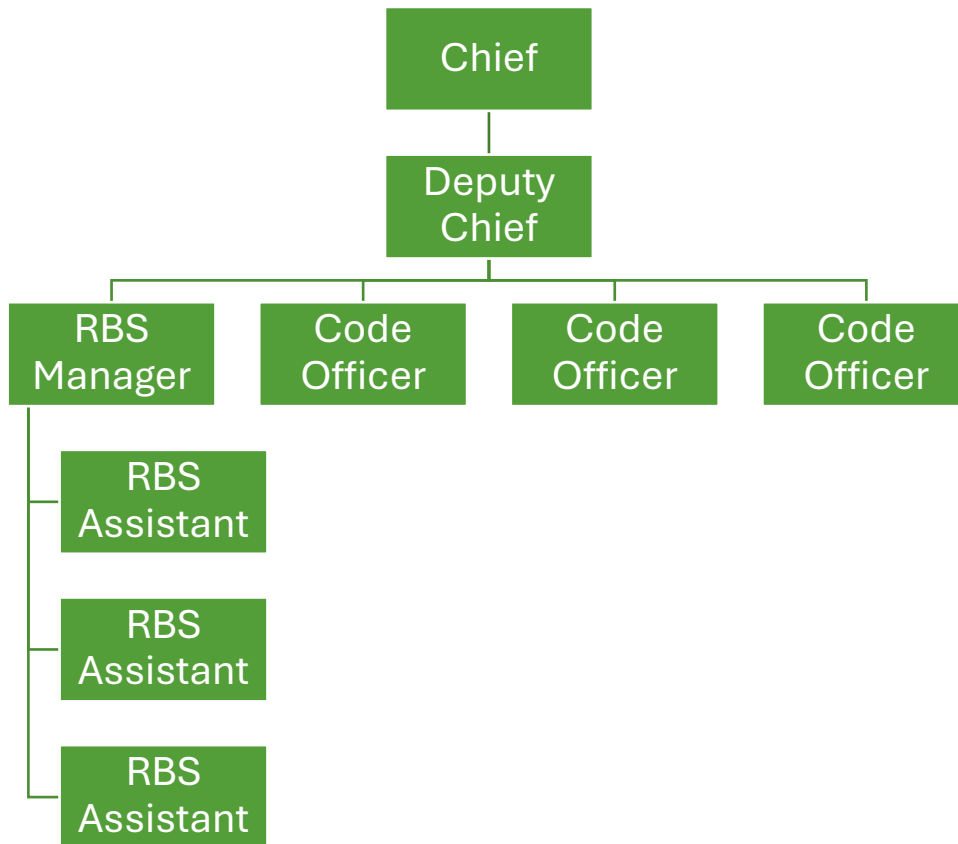
 Event Materials & Equipment \$15,000

Vehicle Maintenance	\$25,000
Fuel	\$20,000
Total Operating	\$145,000
Total Expenditures	\$1,166,696

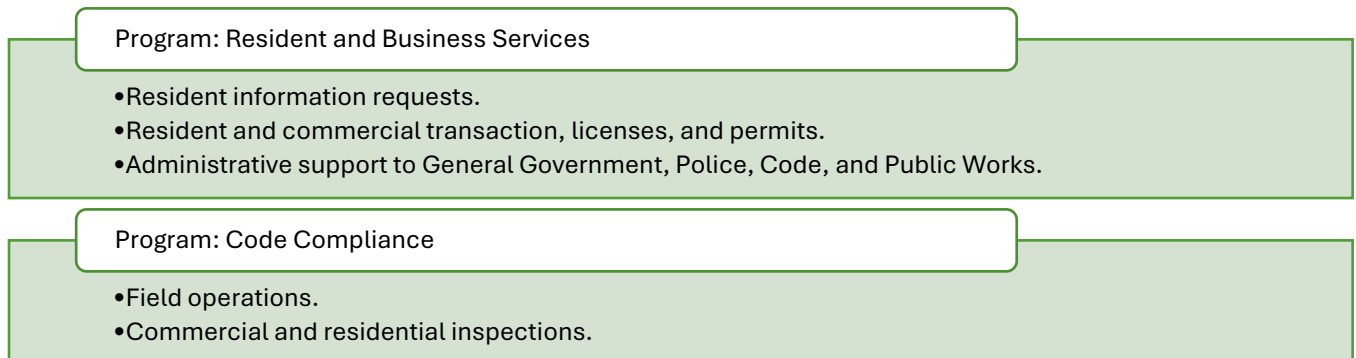
Resident and Business Services / Code Enforcement

Resident and Business Services is the front-facing element of the City. Basic calls for service, information, as well as basic business transactions will be handled by Resident and Business Services.

Organization Chart



Program Structure



Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Projected	FY 2026 Proposed
Expenditures					
Personnel		\$162,577	\$170,784	\$226,500	\$433,552
Operating and Maintenance		\$4,187	\$59,981	\$20,000	\$13,000
Total Expenditures		\$166,764	\$230,765	\$226,500	\$446,552
Departmental Revenue		\$83,615	\$44,766	\$43,157	\$121,000
Net Budget Impact		\$83,149	\$185,999	\$183,343	\$325,552
Department FTE		5.5	6.5	7.0	7.0

FY 2026 Line Item

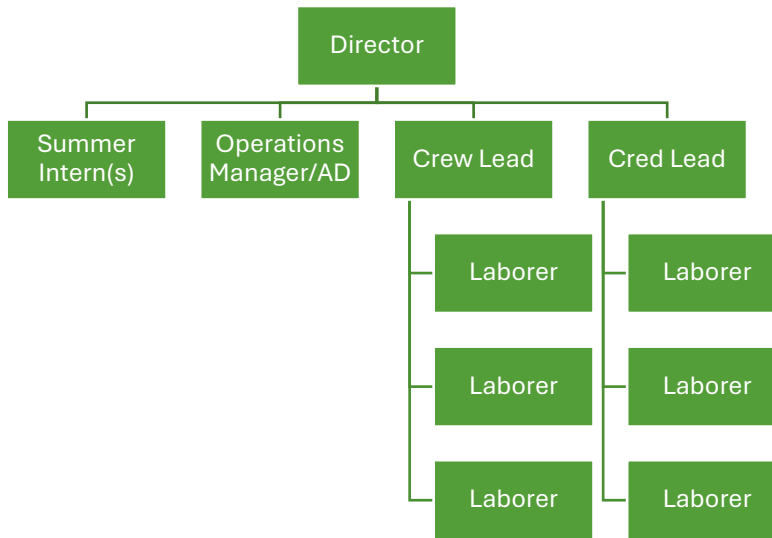
Expenditures

Payroll	\$402,742
Payroll Taxes	\$30,810
Total Personnel	\$433,552
Association & Membership Dues	\$1,000
Travel Training & Education	\$2,500
Office Supplies	\$1,000
Postage Mailing & Bulk Mail	\$5,000
Materials & Supplies	\$1,500
Fuel	\$2,000
Total Operating	\$13,000
Total Expenditures	\$446,551

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.

Organization Chart



Public Works Program Structure



Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Projected	FY 2026 Proposed
Expenditures					
Personnel	\$838,591	\$664,707	\$688,008	\$780,663	\$720,647
Operating and Maintenance	\$699,700	\$714,256	\$777,158	\$827,158	\$614,500
Capital	\$107,708	-	\$20,340	\$40,680	-
Total Expenditures	\$1,645,999	\$1,378,963	\$1,485,506	\$1,648,501	\$1,335,147

Departmental Revenue³	\$241,148	\$284,990	\$269,872	\$175,507	\$98,380
Net Budget Impact	\$1,404,851	\$1,093,973	\$1,215,634	\$1,472,994	\$1,236,767
Department FTE	11.5	11.5	11.5	11.5	10.5

FY 2026 Line Item

Personnel	FY 26 Proposed
Payroll	\$669,435
Payroll Taxes	\$51,212
Total Personnel	\$720,647
Association & Membership Dues	\$2,000
Travel Training & Education	\$2,500
Office Supplies	\$1,000
Materials & Supplies	\$20,000
Contractual Services	\$405,000
Professional Services	\$20,000
Clothing & Uniforms	\$9,000
Fees	\$100,000
Vehicle Maintenance	\$10,000
Fuel	\$10,000
Facility Maintenance	\$25,000
Heavy Equipment Maintenance	\$10,000
Total Operating	\$614,500
Total Expenditures	\$1,335,147

³ 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.

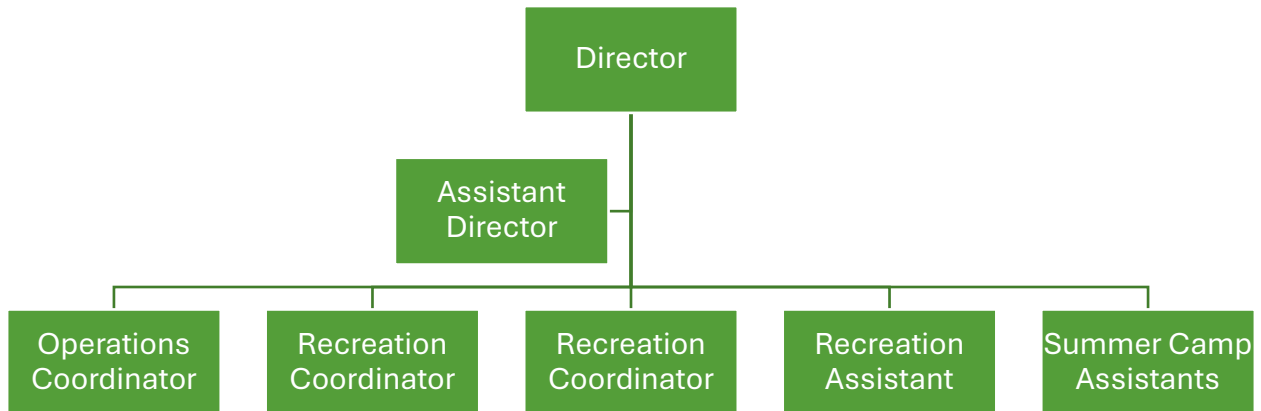
Health and Wellness

The health and wellness functional area focuses on direct recreational, wellness, and health services to residents, neighbors, and visitors to the City. Health and wellness is comprised of the Department of Recreation and Culture, Family and Youth Services, and Senior Services.

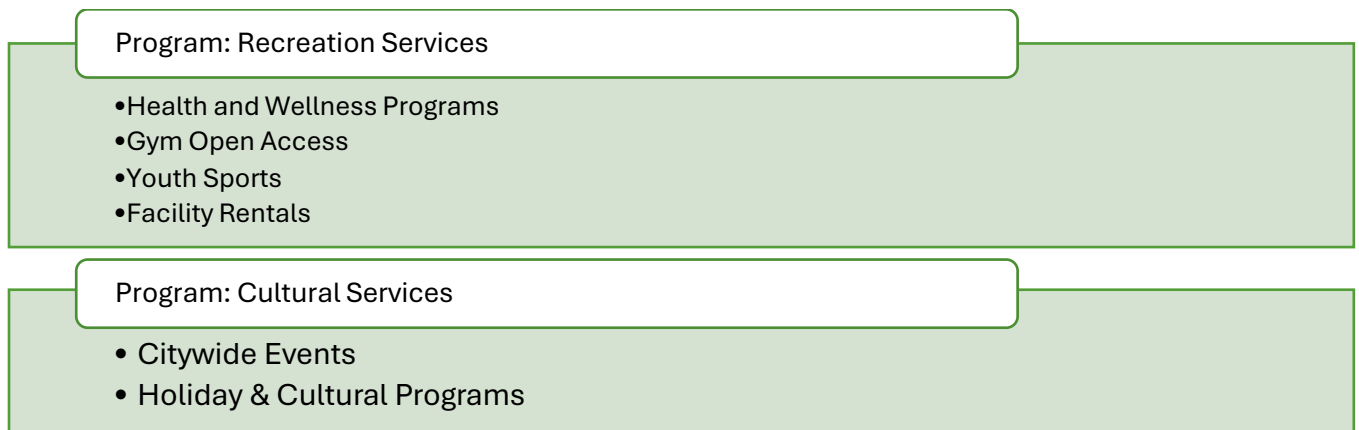
Recreation and Culture

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.

Organization Chart



Recreation and Culture Program Structure



Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Projected	FY 2026 Proposed
Expenditures					
Personnel	\$253,926	\$247,355	\$397,671	\$392,625	\$477,736
Operating and Maintenance	\$83,581	\$82,070	\$249,398	\$115,750	\$146,000
Total Expenditures	\$337,507	\$329,425	\$619,001	\$508,375	\$623,736
Departmental Revenue	\$3,483	\$12,617	\$21,856	\$124,796	\$21,000
Net Budget Impact	\$334,024	\$316,809	\$597,145	\$383,579	\$602,736
Department FTE	4.0	3.0	5.5	6.0	6.0

FY 2026 Line Item

Expenditures

Payroll \$419,619.10

Payroll Taxes \$58,117.25

Total Personnel \$477,736.35

Association & Membership Dues \$2,500.00

Travel Training & Education \$2,500.00

Office Supplies \$1,000.00

Materials & Supplies \$15,000.00

Contractual Services \$20,000.00

Event Materials & Equipment \$100,000.00

Recreation Travel \$5,000.00

Total Operating \$146,000.00

Total Expenditures \$623,736.00

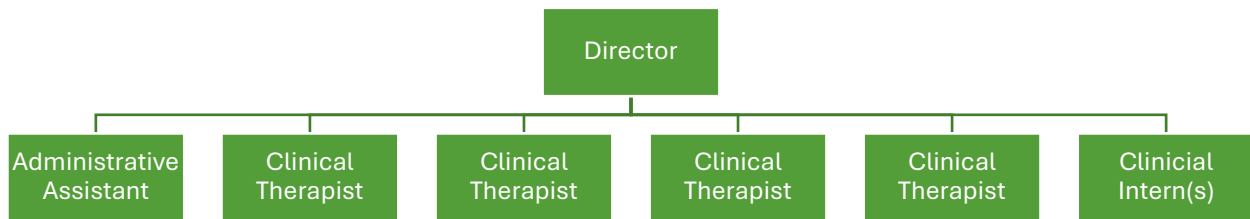
Family and Youth Services

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.

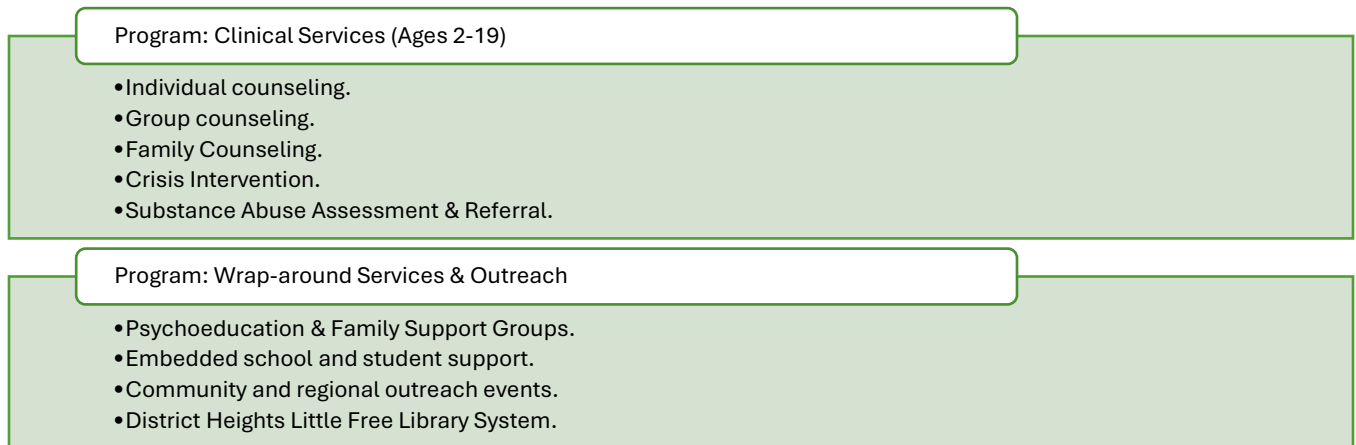
The YSB hosts information tables at City and local community events to provide information regarding mental/ behavioral health services within the community and the county and acts as a community resource for referral services – psychologists, psychiatrists, substance abuse services and access to community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

In FY 2026 and future years, the YSB will need to continue to advocate for expanded, dedicated sources of revenue. Restoration of state-shared funding and technical assistance is a priority for the department; the YSB has a service area greater than the borders of the City although the City provides for a majority of the funding for YSB activities.

Organization Chart



Program Structure



Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Projected	FY 2026 Proposed
Expenditures					
Personnel	\$227,713	\$200,430	\$254,053	\$464,500	\$510,650
Operating and Maintenance	\$140,234	\$89,352	\$100,628	\$68,500	\$44,520
Total Expenditures	\$367,947	\$289,782	\$354,303	\$533,000	\$555,170
Departmental Revenue	\$211,583	\$117,096	\$130,128	\$105,000	\$135,000
Net Budget Impact	\$156,364	\$172,686	\$224,175	\$428,000	\$420,170
Department FTE	4.5	4.5	5.5	6.5	6.5

FY 2026 Line Item

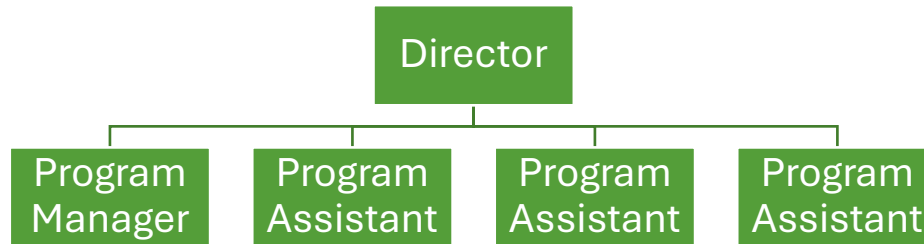
Expenditures

Payroll	\$474,362
Payroll Taxes	\$36,289
Total Personnel	\$510,650
Association & Membership Dues	\$3,500
Travel Training & Education	\$5,000
Office Supplies	\$500
Computer Software	\$6,520
Materials & Supplies	\$4,000
Contractual Services	\$17,500
Professional Services	\$7,500
Total Operating	\$44,520
Total Expenditures	\$555,170

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.

Organization Chart



Program Structure

Program: Open Access <ul style="list-style-type: none"> • Individual youth counseling • Group counseling • Family support groups
Program: Active Aging and Multigenerational Support <ul style="list-style-type: none"> • Meal program • Classes and activities
Program: Information and Referral <ul style="list-style-type: none"> • Inform and refer residents to appropriate state, federal, and county services. • Connect residents with networked and/or affiliated service providers

Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Projected	FY 2026 Proposed
Expenditures					
Personnel	-	\$90,404	\$66,301	\$142,268	\$306,397
Operating and Maintenance	-	\$68,707	\$325,913	\$78,251	\$123,500
Total Expenditures	-	\$159,114	\$392,214	\$220,519	\$429,897
Departmental Revenue	-	\$159,114	\$392,214	\$220,519	\$26,500
Net Budget Impact	-	\$0	\$0	\$0	\$403,397
Department FTE	0.0	1.0	2.0	2.0	4.0

FY 2026 Line Item Budget
Expenditures

Payroll	\$284,623.30
Payroll Taxes	\$21,773.68
Total Personnel	\$306,396.98
Association & Membership Dues	\$5,000.00
Travel Training & Education	\$5,000.00
Office Supplies	\$2,500.00
Materials & Supplies	\$10,000.00
Marketing & Advertising	\$1,000.00
Contractual Services	\$65,000.00
Professional Services	\$35,000.00
Total Operating	\$123,500.00
Total Expenditures	\$429,896.98

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 Actual	FY 2025 Projected	FY 2026 Proposed
Total Expenditures	\$1,438,693	\$1,776,059	\$2,016,361

Non-departmental Expenditures

Central Health Insurance **\$275,000**

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

Central Retirement Contributions **\$275,000**

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

General Insurance **\$170,000**

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

Workers Comp. Insurance **\$30,000**

Coverages for workers compensation claims.

Central Printing **\$25,000**

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

Service Contract - IT **\$90,000**

Recurring payments for managed services, helpdesk, cyber security and network engineering support.

Service Contract – Third Party Benefits Admin. **\$30,000**

Third party benefits administration contractual support.

Service Contract – Lobbying, Economic Development, Grants **\$70,000**

This line item is the central budget for the City’s lobbying firm which also includes economic development, annexation, and grants support.

Service Contract - Legal Counsel **\$40,000**

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

Service Contract - Annual Audit **\$23,000**

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

Central Building Utilities **\$175,000**

Centralized line for building utilities across the City’s physical plant.

RESERVED Collective Bargaining Costs & COLA **\$205,000**

This line is reserved for collective bargaining implementation costs in FY 2026 and an up to 3 percent cost of living adjustment.

Transfer to CIP **\$303,086**

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

Debt Service **\$300,000**

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

Contributions to Civic Organizations **\$5,000**

Direct support to civic, nonprofit, and community organizations.

Addition to Fund Balance **\$275**

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

FY 2026 ARPA Project Expenditures

FY 2026 ARPA expenditures are comprised of remaining, allocated, obligated ARPA funds. The ARPA obligation deadline was December 31, 2024. The ARPA spend deadline is December 31, 2025.

Budget

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Projected	FY 2026 Proposed
Allocated ARPA Revenue	\$5,895,793	\$5,831,841	\$3,783,288	\$1,536,798	\$105,000
Expenditures	\$63,952	\$2,048,554	\$2,246,490	\$1,431,798	\$105,000

FY 2026 ARPA Expenditures

Transfer to CIP – Fiesta Place Capital Project **\$105,000**

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

FY 2025-30 Capital Improvement Program

FY 2026 Amendment Year

Capital Budgeting

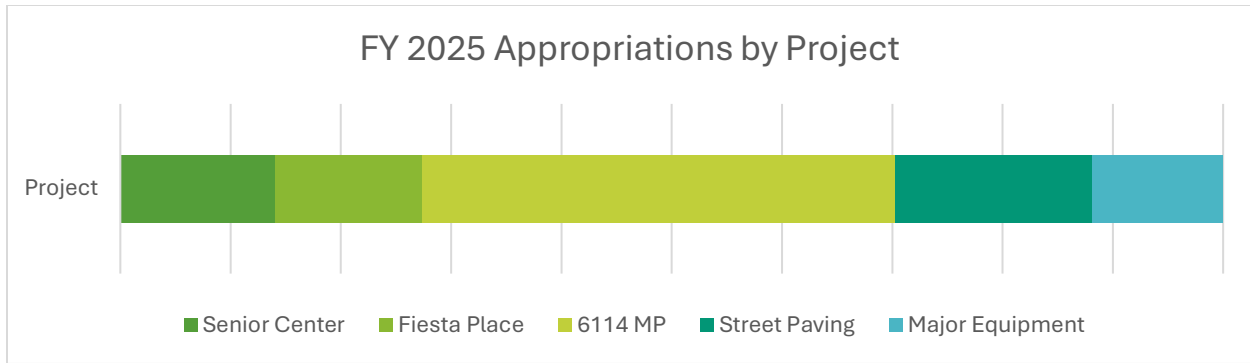
The Capital Improvement Program (CIP) is the City’s guide the future construction and maintenance projects, facility needs, and asset preservation programs. The CIP provides a six-year forecast of the City’s capital projects and a financing plan for each project. Potential projects are evaluated and 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 2026 is the first amendment year for District Heights’ CIP. The following tables are reflective of the FY 2025 Adopted CIP – given that there are significant new revenue constraints on the CIP and a number of anticipated new projects, the CIP will be presented in detail and amended in Work Session.

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

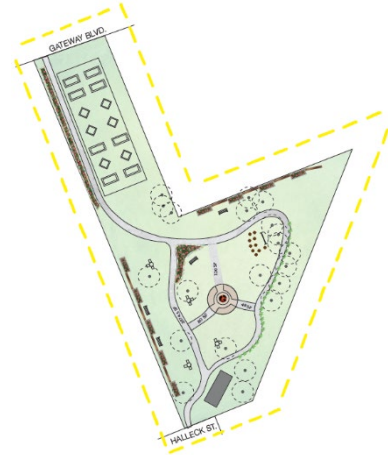
Figures in 1,000s	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Total
Funding Sources							
State Bond	\$197	-	-	-	-	-	\$197
Total – Funding	\$197	-	-	-	-	-	\$197
Expenditures							
Construction	\$197	-	-	-	-	-	\$197
Total – Exp.	\$197	-	-	-	-	-	\$197

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

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 Revenue(s)	Real estate, including land and improvements. 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.



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