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EDWIN GREEN



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PAMELA JANIFER



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COMMISSIONER
RON WATERS

Fiscal Year 2027

PROPOSED BUDGET



Building a Stronger District Heights
— Together. —



ONE CITY.



ONE COMMUNITY.



BETTER TOGETHER.

CITY OF DISTRICT HEIGHTS, MARYLAND



Executive Summary

Transmittal Letter

Mayor Janifer and City Commissioners,

I am pleased to present the Fiscal Year 2027 Proposed Budget for the City of District Heights.

The FY 2027 Proposed Budget reflects the City's commitment to responsible stewardship of public resources, operational transparency, and the continued delivery of essential services to our residents. Developed in collaboration with the City Treasurer, department leadership, and the Mayor and Commission, this budget represents a strategic effort to align available resources with the priorities and needs of our community.

As District Heights continues to strengthen its financial foundation, the FY 2027 Proposed Budget focuses on ensuring that expenditures are appropriately aligned with departmental operations, service delivery objectives, and long-term organizational goals. The budget reflects a deliberate effort to improve accountability, enhance budget transparency, and provide a clearer connection between financial resources and community outcomes.

The proposed budget supports the City's core functions, including public safety, public works, recreation, youth services, senior services, and administrative operations. In addition, the budget prioritizes investments that strengthen organizational capacity, support ongoing infrastructure needs, and position the City to respond to future opportunities and challenges.

Recognizing the importance of diversifying revenue sources, the city is also implementing a more structured approach to grant identification, management, and external funding opportunities. Through partnerships with grant management professionals and increased coordination among departments, District Heights is actively pursuing funding opportunities that can supplement local revenues and expand services without placing additional burdens on taxpayers. This strategy reflects our commitment to leveraging every available resource in support of residents and community priorities.

While the FY 2027 Proposed Budget reflects current operating needs, staff recognize the importance of maintaining a structurally balanced budget. To address funding gaps and reduce reliance on local revenues, the City has implemented a formal Grant Identification and Management Process. Through this process, department directors are required to identify funding opportunities, coordinate with GS Proctor for grant development and submission, and provide ongoing reporting regarding funding opportunities and awards. Staff anticipate that successful grant awards will help offset eligible operational, programmatic, and capital costs during FY 2027.

Respectfully submitted,

Kenneth C. Warren
Interim City Manager
City of District Heights

District Heights

History

The City of District Heights was incorporated in 1936 and proudly celebrates its 90th Anniversary in 2026. Originally established as a suburban community serving the greater Washington metropolitan region, District Heights traces its roots to the development of approximately 500 acres acquired in 1925 by the District Heights Company. Early development expanded outward from Foster Street, Halleck Street, and Aztec Street and was followed by several periods of residential growth throughout the twentieth century.

Today, District Heights remains a predominantly residential community characterized by stable neighborhoods, strong community pride, and a growing commercial corridor. The City's housing stock reflects its rich history, with many homes dating to the post-war development era and situated on spacious residential lots.

Located inside the Capital Beltway, District Heights provides residents with convenient access to Metrorail, major transportation corridors, regional employment centers, and the Nation's Capital. The City continues to build upon its legacy by investing in public safety, community services, economic development, infrastructure improvements, and resident engagement.

As District Heights enters its tenth decade, the city remains committed to preserving its heritage while embracing opportunities that strengthen the community for future generations.

Category	District Heights	Prince George's County
Population	5,878	967,201
Households	1,981	358,681
Persons Age 65 and over	16.0%	15.7%
Veterans Population	306 (7.0%)	49,682 (5.9%)
Owner-Occupied House Rate	72.0%	64.1%
Median Household Income	\$86,955	\$98,336
Per Capita Income	\$33,999	\$47,649
Persons Per Household	3.0	2.7
Housing Units	2,092	385,377
Persons with a Computer Access	98.5%	97.1%

Vision and Mission

Vision

The City of District Heights strives to provide excellent, responsive, and accessible municipal services through responsible stewardship of public resources, evidence-based decision making, and innovative community-focused programs. We are committed to fostering a welcoming, safe, healthy, and sustainable community where residents, businesses, and visitors can thrive.

Mission

The mission of the City of District Heights is to enhance the quality of life for all who live, work, and invest in our community by delivering efficient and transparent government services, preserving our history and neighborhood character, promoting public safety, supporting health and wellness, expanding recreational opportunities, encouraging economic development, and maintaining sustainable infrastructure.

Through collaboration with residents, community partners, businesses, and regional stakeholders, we are committed to building a stronger District Heights that values respect, accountability, innovation, inclusion, and progress while honoring the City's proud legacy and preparing for its future.

FY 2027 Strategic Priorities

Outcome: District Heights is a Transparent and Accountable Municipality

Goal: Strengthen Financial Stewardship and Public Trust

Activities:

- Ensure departmental budgets are aligned with operational needs and approved priorities.
- Improve budget transparency through enhanced financial reporting and public communication.
- Continue strengthening internal financial controls and accountability measures.
- Support the completion of ongoing audit and financial management initiatives.
- Pursue grant funding and external revenue opportunities to supplement local resources.

Outcome: District Heights Delivers Excellent Municipal Services

Goal: Improve Service Delivery Across All Departments

Activities:

- Prioritize the efficient delivery of core municipal services.
- Evaluate departmental operations and identify opportunities for process improvement.
- Strengthen collaboration between departments to improve resident service experiences.
- Continue investments in technology and administrative systems that improve accessibility.
- Establish clear service expectations and performance measures where appropriate.

Outcome: District Heights is a Safe Municipality

Goal: Support Public Safety and Community Well-Being

Activities:

- Maintain effective police services and public safety operations.
- Pursue public safety grants and funding opportunities.
- Support community-oriented policing initiatives and resident engagement efforts.
- Encourage proactive approaches to addressing quality-of-life concerns.
- Strengthen partnerships with regional public safety agencies and community organizations.

Outcome: District Heights is an Engaged Municipality

Goal: Improve Communication and Resident Engagement

Activities:

- Expand communication methods to better reach residents and stakeholders.
- Increase public awareness of City programs, services, meetings, and events.
- Continue enhancing the City's website, social media, and digital communication platforms.
- Promote transparency through timely sharing of information and City updates.
- Encourage resident participation in public meetings, community events, and volunteer opportunities.

Outcome: District Heights is a Healthy and Connected Municipality

Goal: Support Youth, Senior, and Community Programs

Activities:

- Maintain and strengthen recreation, youth, and senior programming.
- Pursue sponsorships and partnerships to expand community programming opportunities.
- Support initiatives that promote health, wellness, and quality of life.
- Foster collaboration with schools, nonprofits, businesses, and regional partners.
- Continue investing in programs that serve residents of all ages.

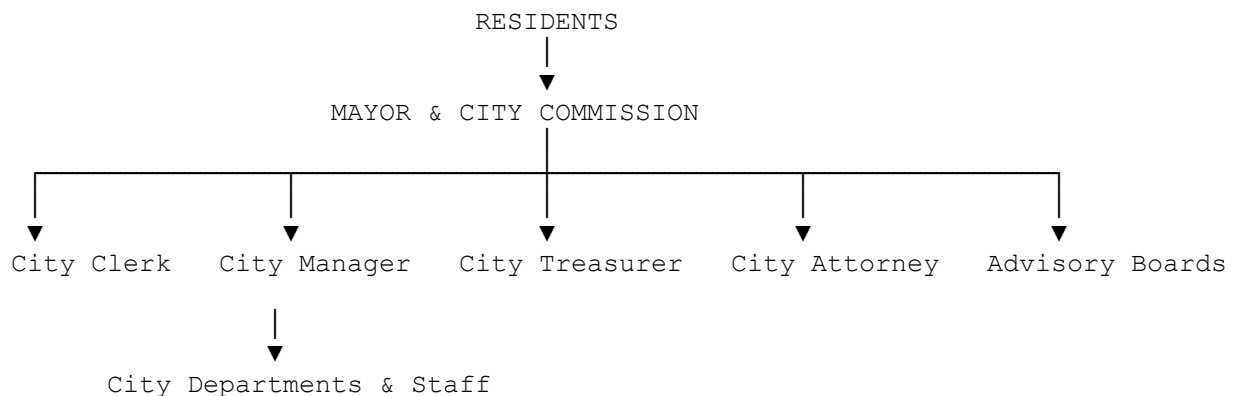
Outcome: District Heights is Prepared for the Future

Goal: Build a Sustainable Foundation for Long-Term Success

Activities:

- Maintain City infrastructure and municipal facilities.
- Evaluate capital needs and prioritize investments that support long-term sustainability.
- Seek grants and partnerships to support infrastructure improvements and community projects.
- Strengthen organizational capacity through training, planning, and professional development.
- Position the City to respond effectively to future opportunities and challenges.

Organizational Chart



FTE Chart

	FY24 Actual	FY25 Actual	FY27 Proposed
General Government	7.5	7.5	7.5
Police Department	12.0	12.0	12.0
Resident & Business Services	6.5	7.5	6.5
Youth & Family Services	4.5	6.5	6.5
Senior Services	2.0	2.0	2.0
Recreation & Culture	5.5	6.0	6.0
Public Works	11.5	11.5	11.5
Communications			1.5
Total FTE	49.5	53.0	53.5

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.

Appropriations Summary

The Fiscal Year 2027 Proposed Budget allocates resources across all City departments and operational functions to support the delivery of municipal services, public safety, infrastructure maintenance, recreation, youth and senior services, and general government operations.

The FY 2027 Proposed Budget reflects the City's current operational funding needs and available revenue projections. Staff continue to pursue grants, sponsorships, and other external funding opportunities to supplement local revenues and reduce reliance on the General Fund.

The City has established a formal Grant Identification and Management Process to support these efforts and strengthen long-term financial sustainability.

Revenue Category	FY27 Total
Local Taxes	\$3,536,068
State Shared Revenue	\$1,318,188
County Shared Revenue	\$21,000
Licenses, Permits & Fees	\$238,600
Recreation Revenue	\$107,000
Fines & Vehicle Releases	\$1,059,000
Grants & Intergovernmental Revenue (Conservative Estimate)	\$200,000
Other Revenue	\$6,000
Total Revenue	\$6,485,856

Department	FY 2027 Proposed
Mayor & Commission	
General Government	
Public Safety (Police Department)	
Public Works	
Recreation & Culture	
Youth & Family Services	
Senior Services	
Municipal Building Operations	
Non-Departmental	
Total Expenditures	\$6,870,809

Mayor & Commission

Account	FY 2027 Proposed
Elected Official Salaries	\$52,338
Payroll Taxes	\$11,009
Employer Taxes & Benefits	\$4,004
Commissioner Travel & Training	\$12,000
Mayor Travel & Training	\$15,000
Commissioner Edwin Green Travel & Training	\$12,000
Commissioner Rahsheim Wright Travel & Training	\$12,000
Commissioner Stephanie Holland Travel & Training	\$12,000
Commissioner Ronald Waters Travel & Training	\$12,000
Total Mayor & Commission	\$142,351

General Government

Account	FY 2027 Proposed
Salaries – General Government	\$629,394
Payroll Taxes – General Government	\$129,401
Employer Taxes & Benefits – General Government	\$47,593
Office Expenses	\$2,400
Veterans Memorial	\$2,000
Office Supplies	\$7,500
Postage & Mailing	\$1,200
Conduct of Business	\$4,800
Printing	\$4,020
Materials & Supplies	\$19,920
Contractual Services	\$19,920
Professional Services (General Government)	\$180,000
Total General Government	\$1,048,149

Public Safety (Police Department + Code Enforcement)

Account	FY 2027 Proposed
Salaries & Wages	\$1,022,379
Payroll Taxes	\$210,616
Employer Taxes & Benefits	\$77,472
Office Supplies	\$3,000
Uniforms & Equipment	\$15,000
Vehicle Operations & Fuel	\$30,000
Training & Professional Development	\$12,500
Communications & Technology	\$18,000
Contractual Services	\$40,000
Professional Services	\$25,000
Insurance & Memberships	\$7,500
Materials & Supplies	\$20,000
Capital Equipment Replacement	\$50,000
Other Operating Expenses	\$74,993
Total Public Safety	\$1,606,460

Youth Family Services

Account	FY 2027 Proposed
Salaries & Wages	\$336,211
Payroll Taxes	\$86,916
Employer Taxes & Benefits	\$25,331
Office Supplies	\$7,500
Postage & Mailing	\$1,200
Conduct of Business	\$4,800
Printing	\$4,020
Materials & Supplies	\$19,920
Contractual Services	\$19,920
Professional Services	\$7,080
Youth Programming & Activities	\$61,816
Total Youth & Family Services	\$573,714

Senior Services

Account	FY 2027 Proposed
Salaries & Wages	\$164,448
Payroll Taxes	\$42,502
Employer Taxes & Benefits	\$12,381
Office Supplies	\$1,200
Postage & Mailing	\$600
Conduct of Business	\$1,200
Printing	\$600
Materials & Supplies	\$8,400
Contractual Services	\$30,000
Program Activities	\$15,000
Professional Services	\$2,436
Total Senior Services	\$278,767

Municipal Building Operations

Account	FY 2027 Proposed
Utilities (Electric, Gas, Water, Sewer, Telecommunications)	\$216,000
Total Municipal Building Operations	\$216,000

Non-Departmental

Account	FY 2027 Proposed
Health Insurance	\$251,822
Retirement Contributions	\$275,000
Life Insurance	\$7,500
Employee Recognition & Awards	\$15,000
Cable Television / INET	\$24,300
Copier & Printing Equipment	\$48,000
Workers' Compensation Insurance	\$319,776
Contractual Services	\$24,000
General Insurance	\$22,464
Legal Counsel	\$74,400
Total Non-departmental	\$1,062,262

The Fiscal Year 2027 Proposed Budget allocates resources among City departments to support municipal operations, public safety, infrastructure maintenance, recreation programming, youth services, senior services, communications, and general government functions.

General Government

General Government provides the administrative leadership, financial management, records administration, legal support, communications, and organizational services necessary for the effective operation of the City of District Heights. These functions support the Mayor and City Commission, City departments, residents, businesses, boards, commissions, and community stakeholders.

General Government is responsible for ensuring compliance with applicable laws and regulations, maintaining transparent and accountable government operations, overseeing financial stewardship, supporting public communications, and coordinating the day-to-day administration of City services.

The General Government Department consists of the Office of the City Manager, City Treasurer, City Clerk, City Attorney, Human Resources, Communications, Information Technology, and other administrative support functions that collectively provide the foundation for municipal operations.

Office of the City Manager

The Office of the City Manager serves as the chief administrative office of the City and is responsible for the daily management and supervision of municipal operations. Acting under the direction of the Mayor and City Commission, the City Manager provides organizational leadership, strategic planning, policy implementation, intergovernmental coordination, and oversight of City departments.

The Office of the City Manager supports a variety of administrative functions, including:

- Organizational leadership and administration
- Public information and communications
- Human resources administration
- Economic development initiatives
- Information technology coordination
- Intergovernmental relations
- Strategic planning and performance management

During FY 2027, the Office of the City Manager will also oversee implementation of the City's Grant Identification and Management Process. This initiative requires department directors to actively identify grant opportunities, work with GS Proctor during application development, and report grant activities through regular departmental reporting. The process is intended to maximize external funding opportunities and support City operations, programs, and capital improvements.

City Treasurer

The City Treasurer serves as the chief financial officer of the City and is responsible for the management and oversight of the City's financial operations. Responsibilities include financial reporting, budget preparation and administration, cash management, annual audits, revenue administration, purchasing oversight, and compliance with applicable financial regulations.

A major priority for FY 2027 is strengthening financial accountability, improving financial reporting processes, supporting audit completion efforts, and implementing sustainable budgeting practices that align resources with departmental operations and community priorities.

City Attorney

The City Attorney serves as legal counsel to the City and provides legal guidance to the Mayor and City Commission, City Manager, departments, boards, and commissions. Responsibilities include legal review of ordinances, resolutions, contracts, personnel matters, procurement activities, litigation management, and statutory compliance.

The City continues to retain outside legal counsel to provide specialized legal expertise and representation as needed.

City Clerk

The Office of the City Clerk serves as the official records custodian for the City of District Heights and provides administrative support to the Mayor and City Commission. The City Clerk is responsible for maintaining official records, preparing meeting agendas and minutes, administering public notices, coordinating elections-related activities, managing records retention, and ensuring compliance with Maryland's Open Meetings Act and Public Information Act.

The City Clerk's Office serves as a primary point of contact for residents and plays a critical role in promoting transparency, accessibility, and public participation in local government.

FY 2027 Priorities

- Strengthen financial accountability and transparency.
- Improve organizational efficiency and internal operations.
- Support audit and financial management initiatives.
- Enhance resident communications and public engagement.
- Expand grant identification and funding opportunities.
- Maintain compliance with statutory and regulatory requirements.
- Continue investments in technology and administrative infrastructure.
- Support the Mayor and City Commission in advancing City priorities.

General Government Program Structure

Program: Executive Management

The Executive Management Program provides leadership, coordination, and administrative oversight for all municipal operations and services. The program supports the implementation of policies established by the Mayor and City Commission while ensuring the efficient delivery of services to residents and businesses.

Responsibilities:

- Management and oversight of City departments and services
- Strategic planning and organizational development
- Policy implementation and performance reporting
- Intergovernmental relations and community partnerships
- Economic development initiatives
- Grant identification and funding coordination
- Organizational accountability and operational efficiency

Program: Financial Management

The Financial Management Program is responsible for the stewardship of public funds and the administration of the City's financial operations. The program ensures compliance with applicable financial regulations and supports transparent, accountable budgeting and reporting practices.

Responsibilities:

- Annual budget development and administration
- Annual audit coordination and financial reporting
- Financial accounting and payroll administration
- Revenue management and local tax administration
- Purchasing and procurement oversight
- Internal controls and financial compliance
- Cash management and fiscal planning

Program: Communications and Public Engagement

The Communications and Public Engagement Program supports transparency, resident engagement, and public awareness of City programs, services, meetings, and initiatives. The program manages the City's communication platforms and works to strengthen connections between residents and local government.

Responsibilities:

- Public information and communications
- Website and social media management
- Community outreach and engagement
- Public meeting and event promotion
- Media relations and public notices
- Branding and public awareness initiatives
- Resident communication strategies

Program: Legal Counsel

The Legal Counsel Program provides legal advice and representation to the Mayor and City Commission, City Manager, departments, boards, and commissions. The program helps ensure that City actions remain consistent with applicable laws, regulations, and governing documents.

Responsibilities:

- Legal review and advice
- Contract preparation and review
- Litigation management
- Personnel and labor-related legal matters
- Ordinance and resolution review
- Statutory compliance and risk management

Program: Records and Public Body Support

The Records and Public Body Support Program maintains the official records of the city and provides administrative support to public bodies. The program promotes transparency, accessibility, and compliance with State and local requirements governing public meetings and records.

Responsibilities:

- Records management and retention
- Public meeting administration
- Agenda and minutes preparation
- Maryland Public Information Act compliance
- Maryland Open Meetings Act compliance
- Election and public notice administration
- Public body and board support services

Appendix

Budget Policy

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 (GAAP). These policies are intended to ensure that public resources are managed responsibly, transparently, and in a manner consistent with the City's mission, vision, and strategic priorities.

The Budget Policy should be reviewed periodically to reflect changes in applicable laws, organizational needs, industry best practices, and financial management standards.

Basis of Budgeting

Governmental funds, including the General Fund, shall be prepared using the modified accrual basis of accounting and may utilize encumbrance accounting where appropriate. Under this approach, revenues are recognized when measurable and available, and expenditures are recognized when liabilities are incurred.

Proprietary funds, if established, shall be budgeted using the full accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized when incurred.

Budgetary Control

Budgetary control shall be maintained at the department and fund level.

Department directors are responsible for managing resources within their approved budgets. Oversight of budget administration shall be provided by the City Manager and City Treasurer.

Expenditures shall not exceed approved appropriations without appropriate authorization. Any appropriations that are not expended, encumbered, or legally committed shall lapse at the end of the fiscal year unless otherwise authorized by the City Commission.

Balanced Budget

The City shall maintain a structurally balanced budget in which recurring revenues are sufficient to support recurring expenditures.

Pursuant to Section 605 of the City Charter, anticipated revenues shall equal or exceed proposed expenditures.

To support long-term financial sustainability:

- Fund balance should be used primarily for one-time expenditures or emergencies.
- Fund balance shall not be relied upon as a recurring revenue source for ongoing operations.
- New programs and services should be evaluated for long-term financial sustainability prior to implementation.
- The city should pursue grants, sponsorships, partnerships, and other external funding opportunities to supplement local revenues whenever practical.
- Tax rates and other revenue sources should be sufficient to support approved municipal services and operational needs.

Budget Proposal and Adoption

The City's fiscal year begins July 1 and ends June 30.

The annual budget serves as a policy document, financial plan, and operational guide for the City of District Heights. The budget shall align available resources with the priorities established by the Mayor and City Commission while supporting the efficient delivery of municipal services.

As a policy document, the budget should communicate the City's strategic priorities, goals, and objectives.

As a financial plan, the budget should include major revenue sources, expenditure categories, funding assumptions, and long-term financial considerations.

As an operational document, the budget should include an organizational chart, staffing summary, departmental descriptions, service objectives, and performance expectations where applicable.

The annual budget process generally includes:

1. Development of revenue projections and financial forecasts by the City Treasurer.
2. Submission of departmental requests and operational priorities.
3. Review of budget needs by the City Manager and Treasurer.
4. Development of the proposed budget.
5. Presentation of the proposed budget to the Mayor and City Commission.
6. Public review, budget work sessions, and public hearing(s).
7. Adoption of the annual budget by the City Commission.
8. Implementation beginning July 1.

Grants and External Funding

The City has adopted a formal Grant Identification and Management Process to increase external funding opportunities and strengthen long-term financial sustainability. Under this process, department directors are responsible for identifying grant opportunities and including those opportunities in their monthly department reports. Grant opportunities are then coordinated with GS Proctor for application development, submission, tracking, and reporting.

Quarterly grant status reports will be provided to the Mayor and Commission to ensure accountability and transparency. The City intends to utilize grants, sponsorships, and other external funding opportunities to supplement local revenues, support municipal operations, fund community programs, and advance capital improvement projects whenever possible.

Budget Amendments

Section 608 of the City Charter governs budget amendments.

Any transfer of funds between major appropriations for different purposes shall require approval by the City Commission before becoming effective.

For purposes of this policy:

- Major appropriations are defined as transfers exceeding \$10,000.
- Different purposes are defined as transfers between departments or funds.

Administrative Transfers

Administrative budget transfers consist of transfers between line items within the same departmental budget. Budget transfer requests of \$5,000 or less may be approved administratively by the department head and authorized by the City Manager in accordance with established procedures.

Commission-Approved Amendments

City Commission approval shall be required for:

- Budget transfers exceeding \$10,000.
- Transfers between departments or funds.
- Acceptance and appropriation of grant awards.
- Appropriation of additional funding when expenditures are projected to exceed approved budgets.
- Adjustments resulting from unanticipated revenues or receipts.
- Amendments that increase or decrease total departmental appropriations.

The City Commission shall maintain final authority over amendments that materially affect the adopted budget.

ORDINANCE NO. DH-2026-02

AN ORDINANCE ADOPTING THE FISCAL YEAR 2027 BUDGET FOR THE CITY OF DISTRICT HEIGHTS, MARYLAND

AN ORDINANCE OF THE CITY OF DISTRICT HEIGHTS, MARYLAND, ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2026, AND ENDING JUNE 30, 2027.

WHEREAS, Section 604 of the Charter of the City of District Heights establishes the City's fiscal year as beginning July 1 and ending June 30; and

WHEREAS, Section 605 of the Charter requires the preparation and submission of an annual budget providing a complete financial plan for the fiscal year; and

WHEREAS, the Fiscal Year 2027 Proposed Budget was prepared and submitted in accordance with the Charter of the City of District Heights; and

WHEREAS, the Fiscal Year 2027 Proposed Budget reflects the City's commitment to financial accountability, transparency, responsible stewardship of public resources, and the efficient delivery of municipal services; and

WHEREAS, pursuant to Section 606 of the Charter, the City Commission conducted a public hearing on the proposed budget and provided an opportunity for public review and comment; and

WHEREAS, the City Commission has reviewed the proposed budget and finds that adoption of the Fiscal Year 2027 Budget is in the best interests of the city and its residents;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF DISTRICT HEIGHTS, MARYLAND, THAT:

Section 1. Adoption of Budget

The Fiscal Year 2027 Budget attached hereto and incorporated herein by reference is hereby adopted as the Annual Budget of the City of District Heights for the fiscal year beginning July 1, 2026, and ending June 30, 2027.

Section 2. Appropriations

The amounts contained within the Fiscal Year 2027 Budget are hereby appropriated for the purposes specified therein and shall constitute the authorized expenditures of the City for Fiscal Year 2027.

Section 3. Administration

The City Treasurer, City Manager, and all department heads shall administer the Fiscal Year 2027 Budget in accordance with the Charter of the City of District Heights, applicable laws, and adopted City policies.

Section 4. Effective Date

This Ordinance shall become effective in accordance with Section 606 of the Charter of the City of District Heights.

Introduction: June 23, 2026

Public Hearing: June 23, 2026

Adopted: June 30, 2026

Effective: July 1, 2026

CITY OF DISTRICT HEIGHTS

Pamela Janifer, Mayor

ATTEST:

Kenneth C. Warren, City Clerk