

COUNCIL OF THE TOWN OF RIVERDALE PARK

ORDINANCE 2019-OR-05

Introduced By: CM David Lingua

Date Introduced: May 6, 2019

Date Adopted: May 20, 2019

Date Reconsidered:

Date Effective: June 9, 2019

An Ordinance concerning

FY2020 BUDGET AND TAX RATES

FOR the purpose of adopting operating and capital budgets for the Town of Riverdale Park for the fiscal year beginning July 1, 2019 and ending June 30, 2020; setting rates of real and personal property and operating property taxation for such fiscal year and levying such taxes; and matters generally relating to the adoption of Town budgets and levying of taxes and setting of tax rates for the Town of Riverdale Park for the fiscal year beginning July 1, 2019 and ending June 30, 2020.

* * * * *

EXPLANATORY STATEMENT: The Town Council desires to adopt a budget for the Town of Riverdale Park for the fiscal year beginning July 1, 2019. The budget reflects proposed operating and capital expenditures and anticipated revenues for the upcoming fiscal year. As a matter of prudent fiscal policy, even with all proposed expenditures, the Town intends to maintain a General Fund unrestricted fund balance of approximately \$2,015,000. Now, therefore,

SECTION 1: BE IT ENACTED BY THE COUNCIL OF THE TOWN OF RIVERDALE PARK, that the Town of Riverdale Park budget for the fiscal year beginning July 1, 2019, and ending June 30, 2020, entitled "Town of Riverdale Park FY2020 Financial Plan and Budget" consisting of 4 pages, "FY2020 Fund Designations", "FY2020 Anticipated Revenues", "FY2020 Operating Expenditures," and "FY2020 Capital Revenues and Expenditures," a copy of

which is attached to this Ordinance and incorporated herein by reference, is hereby adopted.

SECTION 2: AND BE IT FURTHER ENACTED that the sums and amounts reflected in the Town of Riverdale Park FY2020 Financial Plan and Budget adopted by Section 1 of this Ordinance are hereby appropriated for the fiscal year beginning July 1, 2019 and ending June 30, 2020.

SECTION 3: AND BE IT FURTHER ENACTED that proceeds received by the Town of Riverdale Park from the sale of vehicles in FY2020 shall be deposited into the Town's Capital Improvement Program fund, to be credited to the "Vehicle Replacement" capital project.

SECTION 4: AND BE IT FURTHER ENACTED that that the Town of Riverdale Park Real Property Tax for the Fiscal Year beginning July 1, 2019, and ending June 30, 2020, shall be at the rate of \$0.654 per \$100.00 of assessed real property value, and such tax is hereby levied on all real property located in the Town of Riverdale Park that is subject to municipal taxation.

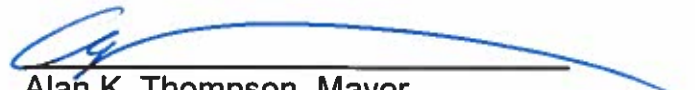
SECTION 5: AND BE IT FURTHER ENACTED that the Town of Riverdale Park Personal and Operating Property Tax for the Fiscal Year beginning July 1, 2019 and ending June 30, 2020, shall be at the rate of \$2.00 per \$100.00 of assessed property value, and such tax is hereby levied on all personal and operating property located in the Town of Riverdale Park that is subject to municipal taxation.

SECTION 6: AND BE IT FURTHER ENACTED that this Ordinance shall become effective twenty (20) days after its passage by the Council.

ATTEST:

COUNCIL OF THE TOWN OF RIVERDALE PARK


Jessica Barnes, Town Clerk


Alan K. Thompson, Mayor

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

Underlining indicates amendments to bill.

~~Strike-Out~~ indicates matter stricken from the bill by amendment or deleted from the law.



Town of Riverdale Park

FY2020

FY2020 Financial Plan and Budget

FY2020 Fund Designations	General Fund Reserve	OPEB Fund	Economic Development Fund	Community Development Fund	Health and Wellness Fund	Special Revenue Fund (TIF Admin)	Debt Service Reserve Fund	Capital Improvement Projects
PROJECTED FUND BALANCES June 30, 2019	2,559,170	319,563	50,000	12,500	71,952	41,297	199,100	650,596
FY2020 Activity								
GENERAL FUND RESERVE TRANSFERS:								
Transfers from:								
General Fund Reserve to Debt Service Reserve	(205,000)						205,000	
General Fund Reserve to Community Development Fund	(12,500)			12,500				
General Fund Reserve to CIP Unrestricted	(111,643)							111,643
OTHER FUND TRANSFERS								
Health and Wellness to Operating Budget					(42,663)			
OPEB to Operating Budget		(118,594)						
EXTERNAL DEPOSITS (INFLOWS) FY2020								
From Prince Georges County TIF Real Property Taxes						461,455		
From State of Maryland Highway User Funds								204,335
From Benecon Health Care Benefit Premium Refund								17,000
From Cable Franchise PEG Capital Funds								3,000
From various CIP funding sources								
FUND EXPENDITURES (OUTFLOWS) FY2020								
CIP Expenditures								(500,034)
Economic Development Projected Grants Paid			(30,000)					
Community Development Projected Grants Paid				(12,500)				
Debt Service Payments from Debt Service Reserve							(278,254)	
TIF Administrative Fees Paid						(10,000)		
TIF Bond Bill Paid						(252,119)		
Projected FY2019 Operating Budget Net Surplus/(Deficit)								
PROJECTED FUND BALANCES June 30, 2020	2,230,027	200,969	20,000	12,500	29,289	240,633	125,846	486,540

FY2020 Activity and Projected Fund Balances

(1) Other Post-Employment Benefits (OPEB) Liability as of 6/30/18 was \$1,248,945
(2) The Special Revenue Fund consist of TIF Administrative Expense and TIF Bond Expenditures

FY2020 Anticipated Real Property Tax Revenue	Tax Incremental Financing		
	Tax Rate	General Fund ¹	Calvert Tract ²

Assessable Base		674,498,077	81,529,098
Gross Real Property Tax Revenue	0.6540	4,411,218	461,455
TIF Revenue available for Town Debt Service	0.0880	71,746	
TIF Administrative Expenses			(9,816)
TIF Interest Payments Due			(252,119)
TIF Adjusted Annual Debt Service			(124,119)
FY2020 Debt Payments			
PNC - 11/30/2019		149,500	
PNC - 5/30/2020		147,200	
		<u>296,700</u>	
CDA (15 yr.) - 11/1/2019		11,182	
CDA (15 yr.) - 5/1/2020		65,182	
		<u>76,364</u>	
CDA (30 yr.) - 11/1/19		18,957	
CDA (30 yr.) - 5/1/20		72,347	
		<u>91,304</u>	
Total Debt Payments		<u>464,368</u>	(464,368)
Funds used from Debt Service Reserve Fund			278,254
Net Real Property Tax Revenue available for General Fund		<u>4,296,850</u>	
TIF Surplus/Deficit			<u>75,401</u>

¹ In calculating the constant yield for the Town of Riverdale Park, the State of Maryland subtracted the entire value of the Calvert Tract (Riverdale Park Station) from the Town's assessable base. This is a conservative approach. Staff are working with the State to ensure an accurate accounting.

² Based on current assessment and the June 2018 Projected Debt Service Coverage.

Tax Incremental Financing (TIF) Riverdale Park Station / Calvert Tract

The Calvert Tract is the location of the Riverdale Park Station Development. The Town is participating in a Tax Increment Financing (TIF) structure. The TIF involves the incremental increases in the assessable value of the Calvert Tract. Increases above the base value go to support the hard-cost construction of the bridge from Riverdale Park Station to Lafayette Avenue.

FY2020 Anticipated Revenue	FY2018	FY2019	FY2019	FY2020
	Actual Revenue	Approved Budget	Estimated Actual	Proposed Budget
	\$	\$	\$	\$
Operating Revenue	6,068,330	6,288,193	6,596,536	6,738,837
Local Taxes	4,920,124	5,077,000	5,226,534	5,401,978
Licenses & Permits	307,964	243,385	268,500	248,360
Administrative Fees	895	3,750	5,200	3,750
Fines & Forfeitures	59,494	54,500	50,530	50,500
Automated Safety Programs	399,159	527,703	518,000	567,500
Intergovernmental Revenues	219,381	231,655	224,680	195,491
Misc. Revenue	161,314	150,200	303,092	271,258
Total Revenue	6,068,330	6,288,193	6,596,536	6,738,837

FY2020 Anticipated Expenses	FY2018	FY2019	FY2019	FY2020	FY2020
	Actual	Approved	Estimated	Proposed	Proposed
	Expenditure	Budget	Actuals	Budget	Budget
	\$	\$	\$	\$	%
Operating Expenses	5,588,707	6,288,193	6,306,790	6,738,837	100%
Salary and Wages	3,009,894	3,267,430	3,218,848	3,364,369	50%
Benefits	1,068,363	1,200,097	1,243,536	1,489,581	22%
Overtime	84,872	129,300	110,900	129,300	2%
Contractual Services	632,099	662,800	730,966	756,815	11%
Operating Expenses	609,085	731,053	705,640	690,742	10%
Other Expenses	44,899	142,300	131,315	137,500	2%
Weather Response Services	12,297	21,500	12,000	22,160	0%
Municipal Center Buildings	73,042	45,642	63,642	54,300	1%
Community Events	10,278	24,720	30,520	30,720	0%
Community Grants	43,877	63,350	59,423	63,350	1%
Total Expenses	5,588,707	6,288,193	6,306,790	6,738,837	100%

Capital Improvement Programs

FY2020 Proposed CIP Revenues

FY2020 Available CIP Revenue	Total	Restricted Use	Unrestricted Use
Capital Improvement Fund Balance as of June 30, 2019	457,362	110,995	346,367
CIP Fund Balance Sources FY2020			
From State of Maryland Highway User Funds	204,335	204,335	
From Cable Franchise PEG Capital Funds	17,000	17,000	
Transfer From General Fund Reserves	111,643		111,643
Sale of Vehicles	3,000		3,000
Total CIP Fund Balance	793,340	332,330	461,010
Non CIP Fund Balance Sources			
State Bond Bills (Municipal Center)*	525,000	525,000	
State Bonds Bills (Open Space)	85,000	85,000	
Prince George's County (Grant)	100,000	100,000	
CDA 15-Year Loan*	462,425	462,425	
CDA 30-Year Loan ¹ *	804,004	804,004	
DOJ/BJA	44,000	44,000	
Total FY2020 Additions	2,020,429	2,020,429	
Total FY2020 Available	2,813,769	2,352,759	461,010

¹ Reflects the advance refunding of \$1,250,000

* Indicates available loan proceeds and grants (Not included in CIP Fund Balance)

FY2020 Proposed CIP Expenditures

Projects	Total	Restricted	Unrestricted
Longfellow Street Storm Water Improvments	(71,000)	(71,000)	
Beale Circle Improvements	(5,000)		(5,000)
Bus Stop Improvements	(45,000)	(45,000)	
Curb Ramp Improvements	(25,356)	(25,356)	
Open Space Improvements	(5,000)		(5,000)
Welcome Signage	(10,000)		(10,000)
Field of Dreams	(78,000)	(68,000)	(10,000)
Community Garden	(10,000)		(10,000)
Town Center Underpass	(25,000)		(25,000)
Municipal Center Renovation	(1,098,364)	(1,098,364)	
Office Renovations	(3,000)		(3,000)
Town Hall Offices	(3,000)		(3,000)
Technology Improvements	(62,870)		(62,870)
Vehicle Replacements - Neighborhood Services	(54,000)		(54,000)
Street Furniture and Waste Receptacles	(6,500)		(6,500)
Vehicle Replacements - Public Works	(30,761)		(30,761)
Streets and Sidewalks	(210,000)	(210,000)	
Street Light LED Retrofit	(9,581)		(9,581)
Vehicle Replacements - Police	(54,582)		(54,582)
Council Chamber Camera system	(75,000)	(75,000)	
Public Safety Video Surveillance System	(30,000)	(30,000)	
Public Safety License Plate Reader	(14,000)	(14,000)	
Total	(1,926,014)	(1,636,720)	(289,294)