



# Town of Riverdale Park, Maryland

## Office of Finance Services

TO: John N. Lestitian

FROM: Paul Smith, Director of Finance and Employee Services  
Gentry Jones, Finance Manager

DATE: January 3, 2020

RE: FY2021 Budget – Priorities, Guidelines, Challenges, and Opportunities

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**Action Requested:** Staff seek an opportunity to present information at the January 6<sup>th</sup> Legislative Meeting. Specifically, staff seek to present information as part of the FY2021 Budget development process. No formal action is requested.

**Background:** The Office of Finance Services has implemented a participatory process for the development of the annual proposed budget. Central to this process are the twelve (12) public meetings at which aspects of the budget process are presented.

At the January 6<sup>th</sup>, meeting staff will present information and seek input from the Mayor and Council and members of the public. The presentation will cover the following topics:

- **Budget Priorities:** Determining foundational funding priorities is essential to building a balanced budget. The staff team will present a short list of priorities and seek input for additional priorities at this stage in the budget development process.
- **Budget Guidelines:** The staff team utilizes the Government Finance Officers Association Distinguish Budget Presentation Award guidelines. The staff team will provide a brief overview of the guidelines.
- **Budget Challenges:** It is important to have a solid understanding of the challenges the Town faces. Staff will present information on challenges that include the planning for Capital Improvement Projects, Capital Acquisitions, and Debt Service (current and future).
- **Budget Opportunities:** The Town has and continues to explore opportunities to reposition the Town's operations and the corresponding finances. Staff will present high-level information on potential opportunities.

Members of the budget committee will be present to respond to questions.

- c. Leadership Team  
Keith Robinson, Program Specialist II  
file

# **FY2021 Budget Discussion**





# FY2021 Budget

## Discussion Points

- Budget Priorities
- Budget Guidelines
- Budget Challenges
- Budget Opportunities



# Budget Priorities

FY2021

## Staff Budget Priorities

- Delivery of Services to Town Residents
- Retirement Plan
- Equipment Purchases/Upgrades
- Vehicle Replacements
- Future funding for CIP
- Other



# Budget Guidelines

FY2021

- Staff utilizes the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award Guidelines
- Main criteria includes:
  - Financial Structure, Policy and Process
  - Financial Summaries
  - Capital and Debt
  - Departmental Information
  - Document-wide Criteria



# Budget Challenges

FY2021

- Funding and Planning for CIP expenditures
- Funding Capital Acquisitions
- Funding New Projects
- Debt Service



# Budget Challenges

## Debt Service (Current & Future) FY2021

Institution	Origination	Maturity Date	Interest Rate	Principal Balance as of July 1, 2019
PNC Bank	05/29/12	05/30/26	3.00%	\$1,954,395
Maryland CDA 30-Year	10/01/13	05/01/31	3.78%	\$782,900
Maryland CDA 15-Year	10/01/13	05/01/28	5.085%	\$567,000

- Combined annual debt service payment decreased from \$537,730 to \$464,368



# Budget Opportunities

## FY2021

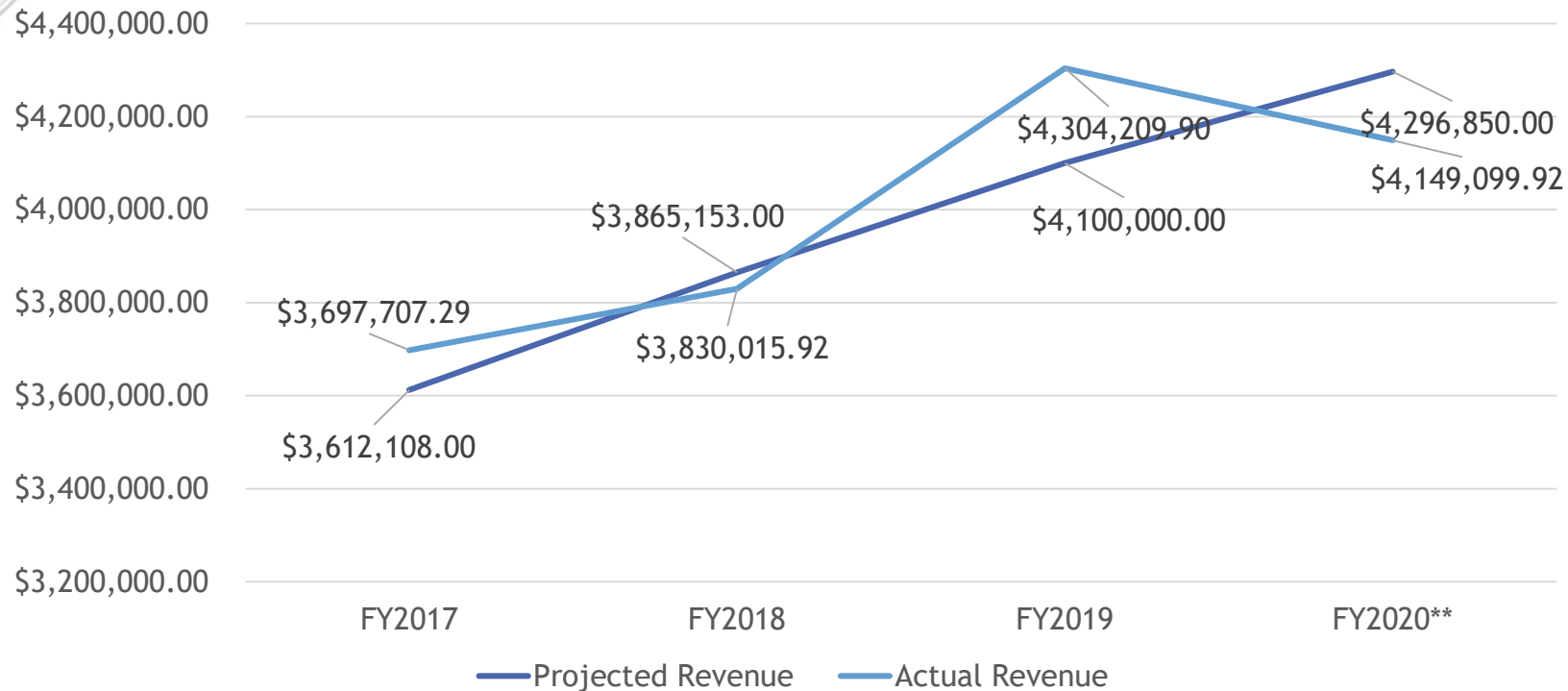
- Real Property Tax
- Speed Camera Revenue
- Permit Revenue
- Tangible Revenue





# Budget Opportunities

## Unreliable Revenue Sources: Real Property Tax FY2021



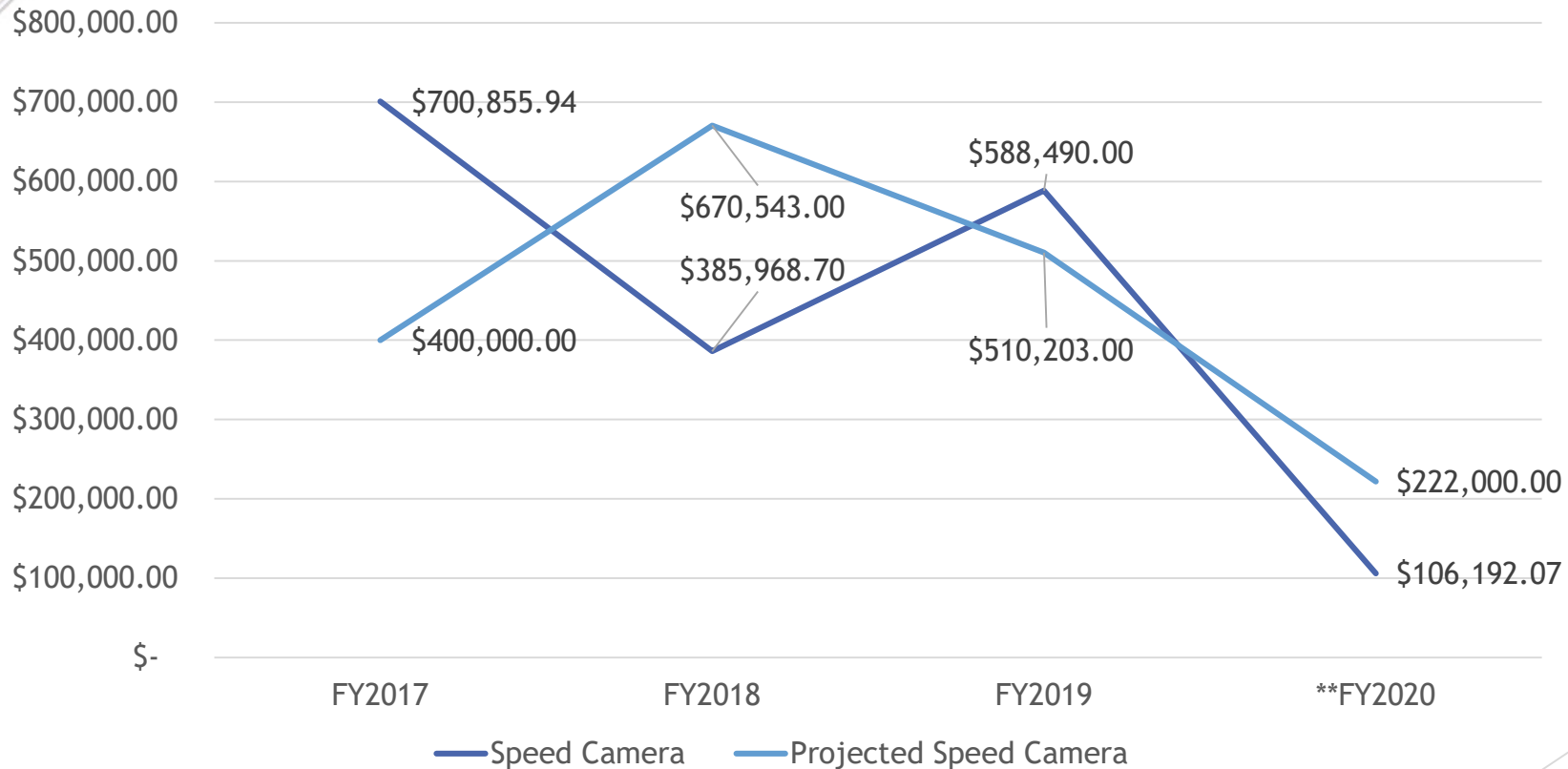
This chart above shows projected Personal Property Tax vs Personal Property Tax actually received.

\*\*FY2020 - reflects revenue received as of 12/31/2019. Does not yet take into account Calvert Track.



# Budget Opportunities

## Unreliable Revenue Sources: Speed Camera Revenue FY2021

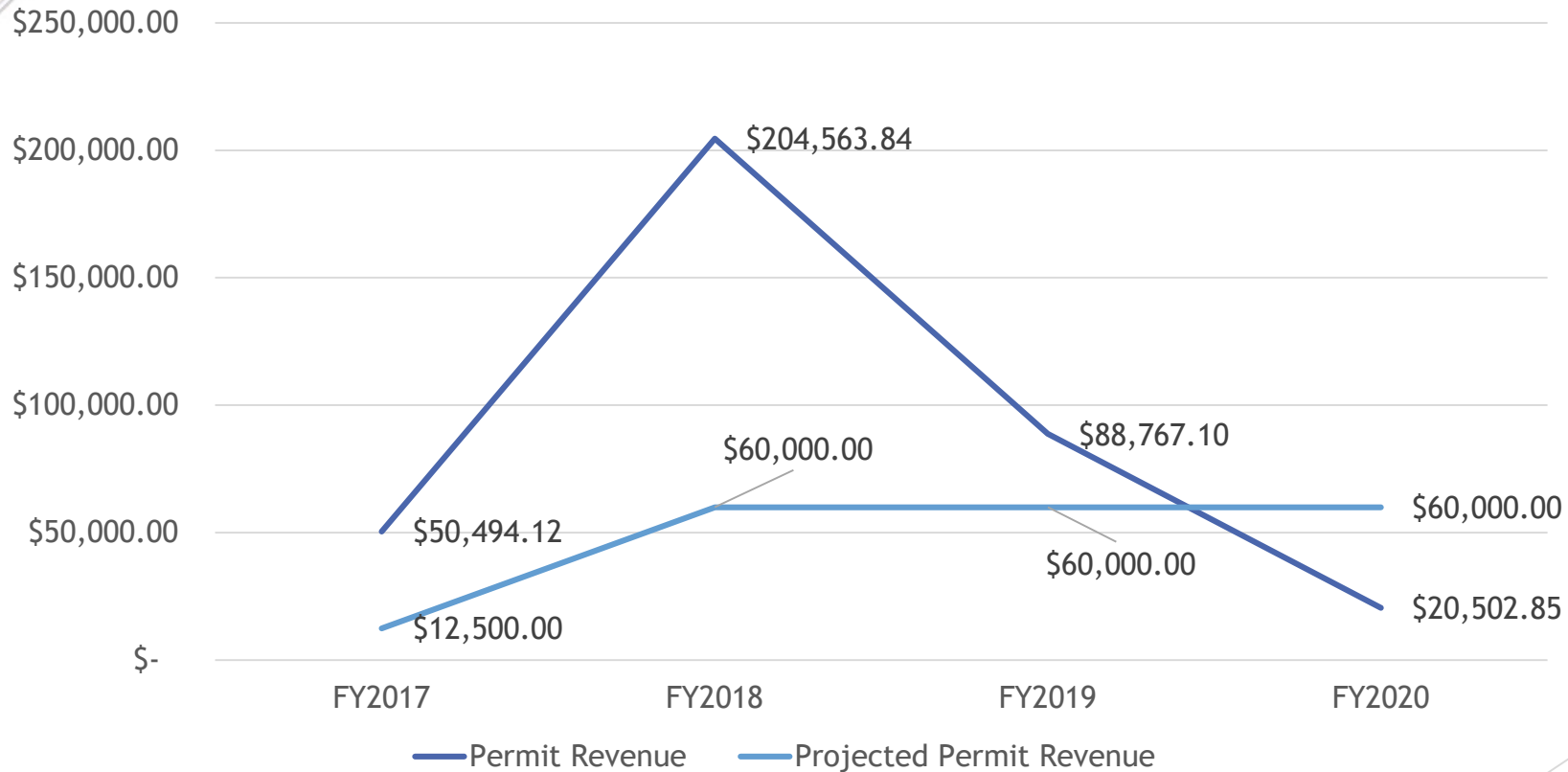


\*This chart above displays Speed Camera Revenue vs Projected Speed Camera



# Budget Opportunities

## Unreliable Revenue Sources: Permit Revenue FY2021

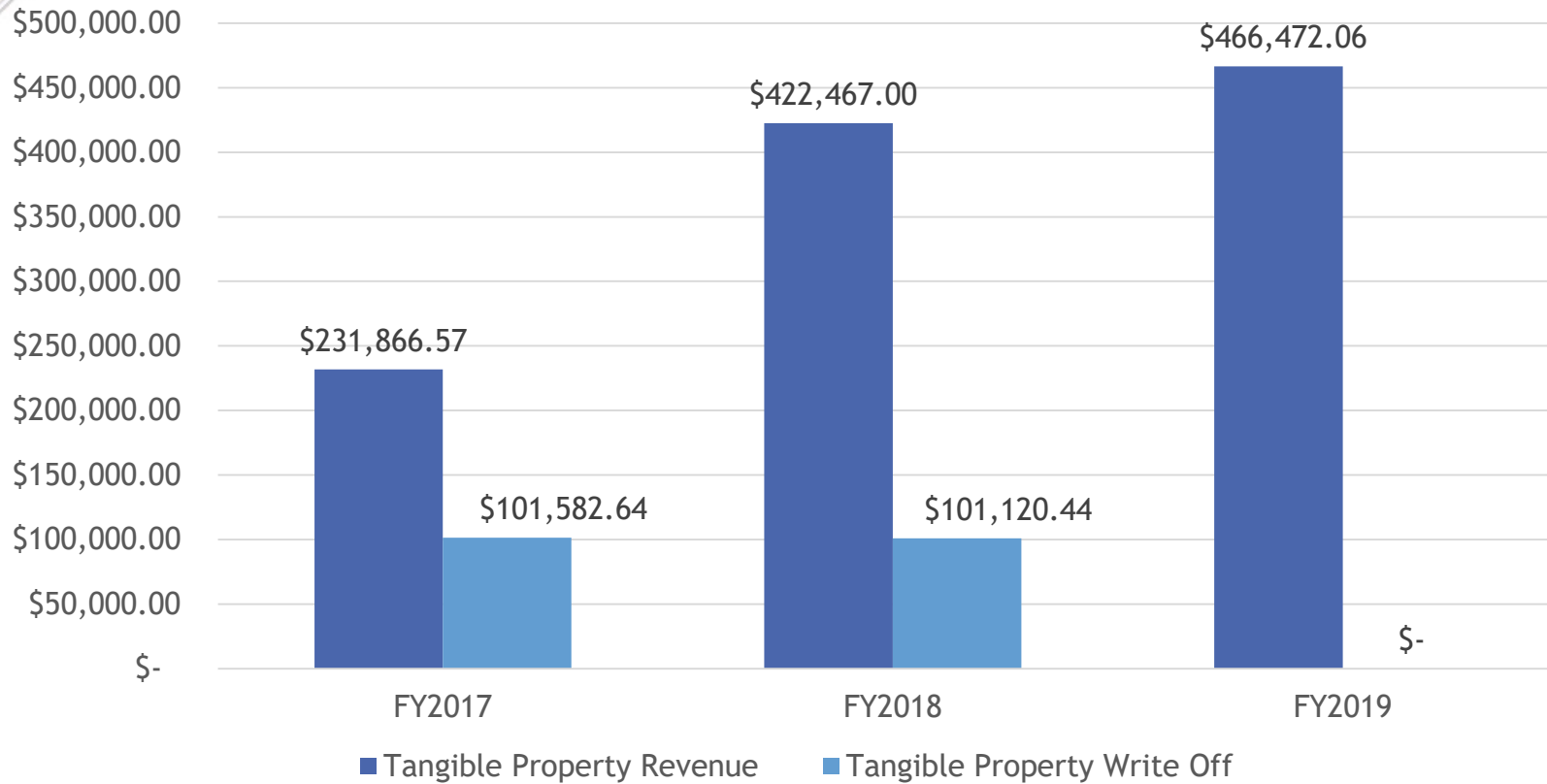


\*This chart above reflects Permit Revenue Vs Projected Permit Revenue



# Budget Opportunities

## Tangible Personal Property Revenue FY2021



\*This chart above reflects Tangible Personal Property Revenue



# Questions / Comments