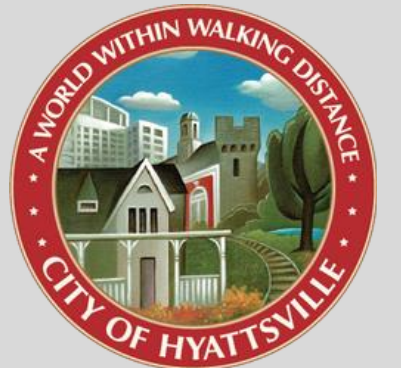




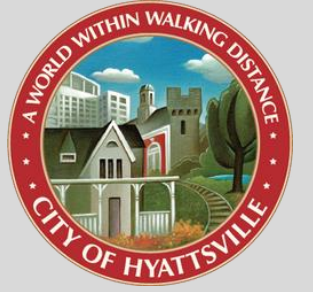
City of Hyattsville

FY26 Budget

March 24, 2025



Agenda



Introduction of the FY26 Budget

- Budget Goals & Objectives
- Budget Priorities & Highlights
- Review of Action Ready Plans, & ARPA Legacy Costs
- Cost Management Initiatives
- Opportunities for Community Engagement

Treasurer Overview of Revenues

- FY25 Year to Date
- FY26 Revenues

2

Next Steps

- Upcoming Meetings for Departmental Budgets, Budget Roundtables, Capital &

UPCOMING BUDGET MEETINGS



UPDATED SCHEDULE

- ~~Monday, March 31 – CANCELLED~~
- Wednesday, April 2 – Departmental Presentations (Virtual)
- Saturday, April 5, 10 AM – 2 PM, Budget Roundtable (In Person)
- Monday, April 7, 7 PM: Open Budget Discussion (virtual)
- Monday, April 21, 7 PM: Council Budget Amendments (virtual)
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FISCAL YEAR 2026 BUDGET GOALS & PRIORITIES

STRATEGIC GOALS & OBJECTIVES



- **Ensure Transparent & Accessible Governance**
- **Ensure the Long-Term Economic Viability of the City**
- **Provide a Safe & Vibrant Community**
- **Foster Excellence in City Operations**
- **Strengthen the City's Identity as a Diverse, Creative, & Welcoming Community**

FY 26 BUDGET GOALS & OBJECTIVES

The FY26 budget reflects the City's ongoing commitment to strategic priorities, including public safety in our growing city, continued improvements to roadways and infrastructure, and business and economic development initiatives which includes expanding support to the growing number of mixed-use developments in our community.

Budget Objectives

- Present a Balanced Budget
- Fund the Highest Priorities
- Reduce Costs
- Implement Components of our Action Ready Plans
- Ensure Expenses are Aligned w/Strategic Goals



FY 26 BUDGET CHALLENGES & COST CONTROLS

Key Factors Impacting FY26 Budget:

- ARPA Legacy Funding
- Debt Repayment Obligations
- Rising Costs of Goods, Services, and Raw Materials
- Competitive Salaries
- Increasing Costs in Public Utilities & Infrastructure
 - Higher tipping fees & fuel costs
 - Rising expenses for infrastructure, facilities, and roadway maintenance



FY 26 BUDGET CONSIDERATIONS

Delivering Quality Services with Budget Constraints:

- Growing demands will require tough financial decisions
- Committing to cost-effective strategies while maintaining high quality services
- Focus on using data to prioritize spending
- Identifying budget offsets and programs to start, stop, or continue
- Increasing demand on public safety and sanitation services to support a growing community
- Anticipating a slight reduction in revenues in response to improved homeowner tax credit programs
- Present a budget maintaining the current real property tax rate

 Our Goal: Support a growing community while addressing financial challenges.

BUDGET INCLUDES

The FY26 Budget proposal allocates funding for employee salaries and benefits, the continuation of essential operations, programs and services, as well as some select goals and objectives outlined in our action ready strategic plans. It also accounts for legacy costs associated with ARPA initiatives.

- **\$0.63 Real Property Tax Rate**
- **Salaries & Benefits**
- **ARPA Legacy Costs**
- **“Must Fund” Requirements**
- **Implementation of Tax Credit Program**
- **Existing Contractual Obligations**
- **Continuation of Core Services & Priority Programs**
- **Utilities, Maintenance & Repair**



FY26 BUDGET PRIORITIES

Salaries & Benefits

Salaries make up 64% of the budget. It includes one new position, merit & benefits increase, nonessential hiring frozen, and no COLA.

Debt Service

Repayment of funds to complete the Public Works and Public Safety facilities, is approximately \$2M annually.

Infrastructure Projects

Priorities include West Hyattsville, Hamilton Street, Queens Chapel Alley, storm drain upgrades, and Oliver Alley activation.

Facility Investment

The Public Safety Building & Teen Center will open in FY26. Budget includes funds infrastructure improvements & maintenance.

Public Safety

Funding supports grant-funded officers, training, de-escalation, crisis intervention, leadership, and co-responder programs.

ARPA Legacy Programs

Budget includes funding to support continuation of ARPA programs in FY26.

Programs

Funding allocated to support transportation, recreation, multicultural events, children & youth and senior programs, and volunteer opportunities.

Services

Funding to support vulnerable populations including diaper & food distributions.

ACTION READY PLANS & STUDIES

IN PROGRESS: 10

Strategic Plan

Phase 2 Expected to begin Summer 2025

Gallatin Street Intersection

Community Meeting – Spring 2025

Waste Management

Review of existing in place systems

Equity Plan

Anticipated Completion Summer 2025

Climate Action Plan

Working with Prince George's Planning

Emergency Ops Plan

Anticipated Completion Summer 2025

West HVL Traffic Calming & Sidewalk Repairs

Design/Construction on Jamestown Rd

Driskell Park Master Plan

RFP for Design Development

Compensation & Benefit Study

Participating in SHRM Study

Police & Public Safety Regional Collaboration

Coordination Ongoing

ACTION READY PLANS & STUDIES

IMPLEMENTATION PHASE: 11

Affordable Housing Plan

Ongoing

Age Friendly Action Plan

Ongoing Projects
Citywide

Circulator Study

To be presented to
Council Summer 2025

Transportation Study

Ongoing project
Citywide

Lower Ward 1 Stormwater Study

Working on grant
application

Business Retention & Expansion Plan

Ongoing

Business Improvement District

Ongoing

Tax Relief Study

Ordinance 2025-01
Adopted March 2025

Space Utilization Study

Pending Police
Relocation

Strategic Communications Plan

Implementation Ongoing

ARPA LEGACY PERSONNEL COSTS

Operational costs associated with the continuation of American Rescue Plan Act (ARPA) funded personnel.

ARPA INITIATIVE	PURPOSE	BUDGETARY IMPACT	BUDGET
Case Manager – Individual Relief	Support residents experiencing hardship connecting them to resources and services, manage food and diaper distribution programs	\$85,000	Community Services
DPW Deputy Director	Supports the DPW Director with Operations and Environmental Programs	\$150,000	Public Works
Grant Writer Support	Contracts w/ LA Perez & Monarch Butterfly	\$110,000	Administration
Housing Manager	Manages Affordable Housing Programs and Initiatives	\$130,000	Community Services
IT Manager	Manages IT network, hardware, software, security, access and other computer related activities	\$150,000	Information Technology
Staff Salary Adjustments (FY24)	Adjusted Salaries for below market rate staff. The legacy costs will include annual increased salary base + benefits, over the one-time ARPA adjustment.	\$759,000	All Departments

ARPA LEGACY OPERATIONAL COSTS

Operational costs associated with the continuation of American Rescue Plan Act (ARPA) initiatives and the ongoing maintenance costs associated with completed infrastructure projects.

ARPA INITIATIVE	PURPOSE	BUDGETARY IMPACT	BUDGET
City Facilities Security Upgrades	Annual Maintenance of cameras and access points on City owned buildings	\$10,000	CIP
Mental Health Coordinator for Teen Center	Contract with Hope Center for Wellness	\$100,000	Community Services
Scholarships for City Camps	Provides scholarships for low-income families to participate in summer camps	\$31,000	Community Services
Solar Community Message Boards	Maintenance cost for three solar signs (\$6,200 annually per sign)	\$18,600	Communications

ARPA LEGACY OPERATIONAL COSTS

ARPA INITIATIVE	PURPOSE	BUDGETARY IMPACT	BUDGET
Tree Canopy Restoration	Tree Programs & Planting	\$100,000	Public Works
The Spot Placement Project	Annual Park Maintenance	\$5,000	Public Works
Public Restroom Facilities in City Parks	Contract with Throne for public restrooms located in Driskell, Hyatt, Heurich, and 38 th Ave. Parks	\$230,000	Public Works
West Hyattsville Alley Improvement Project	Maintenance of placemaking after project completion	\$20,000	Public Works

TOTAL FY26 ARPA LEGACY PERSONNEL/OPERATIONAL COSTS: \$1,898,600

FORMER ARPA PROJECTS CIP

Former ARPA projects where funding was reprogrammed, now capital projects. The projects listed below were not completed in FY25 and are anticipated to have capital expenditures in FY26.

FORMER ARPA INITIATIVE	PURPOSE	BUDGETARY IMPACT	BUDGET
Portland Loo	Installation Cost Only	\$156,000	Public Works
Beautify Route One	Project design and coordination with SHA. Scheduled for completion in FY26	\$116,000	Public Works
West Hyattsville Alley Improvement Project	Engineering design and construction of improvements for the Alley behind Queens Chapel Town Center. Legislative Bond Request of \$300k to offset project costs.	\$1,150,000	Public Works

TOTAL FY26 FORMER ARPA PROJECT CIP COSTS: \$1,422,000

FY 26 COST MANAGEMENT INITIATIVES

The City staff is committed to evaluating resources and opportunities to reduce costs, improve efficiencies, and ensure a competitive process for contracts and purchases to achieve the best value and remain good and responsible stewards of tax-payer dollars.

Below are some of the cost reduction initiatives the City will undertake in FY26.

- **Nonessential Hiring Freeze**
- **COLA Freeze**
- **Employee Stipend Freeze**
- **Retiree Benefits Review**
- **Overtime Expenditure Management**
- **Job Analysis Study**
- **Grants & Partnerships**
- **Contracted Support in lieu of FTEs**
- **Police Services Study**
- **Program Data Analysis & Evaluation**
- **Evaluation of Fees & Fines Structure**
- **Contract Review**
- **Automated Enforcement Signs**



FROZEN POSITIONS



FY26 cost management initiatives include a hiring freeze for non-emergency essential positions, with the exception of the proposed Deputy Budget Manager role. The following positions will remain frozen for FY26 and will be reconsidered as the budget conditions allow.

- Volunteer Services Coordinator
- Vehicle Maintenance Supervisor
- Solid Waste CDL Driver
- (3) Solid Waste Technicians
- HPD Public Safety Manager/Dispatch
- HPD Crime Analyst
- HPD Training Officer

The FY26 budget will include funding for emergency essential positions, including the hiring of COPS grant funded Police Officers.

FY26 GRANTS & PARTNERSHIPS

NAME OF GRANT/PARTNERSHIP	FUNDING SOURCE	FUNDING AMOUNT	COMMENTS
Maryland National Capital Parks & Planning	Prince George's County Planning Department	TBD	Climate Action Plan – County pays for consultant fee
FY25 EPA SWIFR for State and Local Gov	EPA	\$4.7MM	Funding for the purchase and development of an environmental depot
MD Legislative Bond Initiative – City Building	State Bond	\$550k	Funding for renovations to City Building
MD Legislative Bond Initiative – Land Acquisition for Public Safety Building	State Bond	\$600k	Funding for acquisition of land adjacent to the new Public Safety Building
MD Legislative Bond Initiative – Queens Chapel Alley Streetscape & Lighting	State Bond	\$300k	Funding for West Hyattsville Green Alley Project
Maryland National Capital Parks & Planning	Prince Georges County	\$200k	Reimbursement for ongoing Recreation programs
2019 Enhanced Mobility Grant	Federal Transit	\$339,543	Funding for wheelchair accessible bus and related transportation program salary and expenses
2023 Enhanced Mobility Grant	Federal Transit	\$100k	Continued transportation program funding beyond 2019 grant

FY26 BUDGET OPPORTUNITIES FOR COMMUNITY ENGAGEMENT



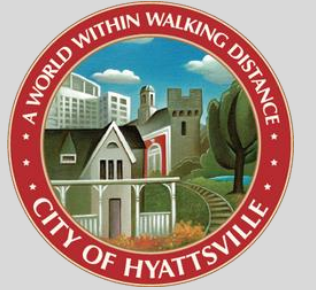
- New Budget Book Format
- Review the City's Budget Guides
 - Hyattsville Reporter – Preview of the Proposed Budget (Mailed to homes in early April)
 - FY26 Budget Guide (Mailed to homes this summer)
- Complete the Proposed FY26 Budget Digital Comment Card on Hello Hyattsville
- Speak with your Council Representatives about what you'd like to see in the budget!
- Attend the Budget Meetings!
 - Departmental Presentations – Wednesday, April 2 (Virtual)
 - Roundtable – Saturday, April 5, City Building, 10 am to 2 pm





FISCAL YEAR 2026 REVENUES

Revenue Overview



The City receives annual revenues from 10 sources.

Real Property Taxes

Revenues from Real Property Taxes are based on assessments established by the State Department of Assessment and Taxation. The property assessment is multiplied by the property tax rate established by the Mayor and Council to determine real estate tax revenues. The City receives the largest share of Real Property Taxes from the County in October & January of each fiscal year.

- **Proposed FY26 Rate:** \$0.63 per \$100/assessed value (*unchanged*)

Personal Property Taxes - Revenues from Personal Property Taxes are based on assessments established by the State Department of Assessment and Taxation. The property tax rate is established by the Mayor and Council to determine personal property tax revenues. Revenues are received monthly.

- **Proposed FY26 Rate:** \$1.15 per \$100/assessed value (*unchanged*)

Revenue Overview



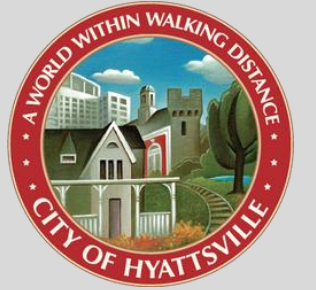
Operating Property Taxes - Revenues from Operating Property Taxes are based on utility assessments established by the State Department of Assessment and Taxation. The property assessment is multiplied by the property tax rate established by the Mayor and Council to determine operating property tax revenues. The largest share received by the City is from Verizon.

- **Proposed FY26 Rate:** \$3.00 per \$100/assessed value of property owned by a railroad or utility company (*increase*)

Income Tax - The county imposes a local income tax on residents' personal income and the tax revenue is shared with municipalities. Revenues are received monthly, with the largest shares received in May & June.

Admission / Amusement Tax - Municipalities may levy an admissions and amusement tax on the gross receipts of certain entertainment and amusement businesses within the municipality. A rate of up to 10% is permitted, with some limitations. The State Comptroller collects the tax for the City and deducts a service fee from the tax remitted. Revenues are received quarterly and are mostly generated from movie theatres.

Revenue Overview

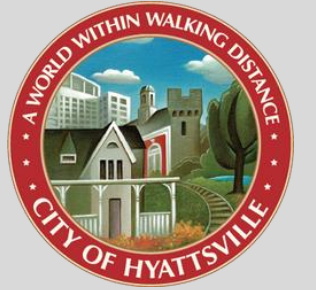


Licenses & Permits - Licenses & Permits revenues come monthly from issuing various licenses, permits & fines to businesses and property owners.

Other Governments - A portion of the state gasoline tax, taxes, and fees on the purchase and registration of vehicles, and a portion of the corporate net income tax are shared with counties and municipalities. These revenues are received from the State quarterly and usually dedicated to Police Protection and State Highway activities.

Service Charges - Municipalities may impose service charges on individuals who benefit directly from services and/or programs. Service Charges revenues are monthly and quarterly. Revenues include miscellaneous police charges, admin., and Cable TV.

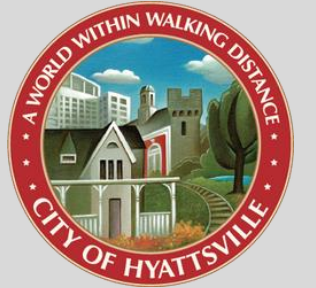
Revenue Overview



Fines & Forfeitures- Fines may be imposed on individuals for violations of municipal ordinances. Municipal fines may not exceed \$1,000 per violation. Fines and Forfeitures revenues are received monthly, and the largest source is the Redlight Camera Program. *(Legislation currently pending in the General Assembly to allow an increase in the allowable maximum fine from \$1,000 to \$5,000)*

Miscellaneous- Miscellaneous revenues include those which do not fit into another category – interest, rentals, donations, and reimbursements. Miscellaneous revenues are monthly and include rental revenues, reimbursements and revenues from Recreation Operations.

Revenues Recap & FY25 Estimated



CITY OF HYATTSVILLE															
Revenues Recap - FY22, FY23, FY24, Estimated FY25															
Revenue:	Audited FY-2022	Unaudited FY-2023	Amount of Change	% Change	Unaudited FY-2024	FY23 - FY24 Amount of Change	% Change	FY-2025 Budget	FY-2025 YTD	FY-2025 Projected	FY24 - FY25 Amount of Change	% Change	FY-2025 Proj. vs Budget Over/(Under)	% Change	
Local Taxes:	Actual	Actual			Actual										
(1) Real Property Taxes	15,252,154	16,297,734	1,045,580	6.9%	17,441,552	1,143,818	7.02%	18,525,821	18,651,075	18,651,075	1,209,523	6.93%	125,254	0.7%	
(2) Personal Property Taxes	1,162,107	1,190,217	28,110	2.4%	910,448	-279,769	-23.51%	1,025,700	525,083	825,000	-85,448	-9.39%	-200,700	-19.6%	
(3) Operating Property Tax	789,685	827,815	38,130	4.8%	800,135	-27,680	-3.34%	929,250	805,448	805,448	5,313	0.66%	-123,802	-13.3%	
(4) Income Tax	3,297,706	3,661,441	363,735	11.0%	3,972,218	310,777	8.49%	3,209,574	2,508,299	3,948,299	-23,919	-0.60%	738,725	23.0%	
(5) Admiss/Amusement Tax	135,579	262,101	126,522	93.3%	163,680	-98,421	-37.55%	192,000	85,904	114,539	-49,141	-30.02%	-77,461	-40.3%	
Subtotal - Local Taxes	20,637,231	22,239,308	1,602,077	7.8%	23,288,033	1,048,725	4.72%	23,882,345	22,575,809	24,344,361	1,056,328	4.54%	462,016	1.9%	
Other Revenue:															
(6) Licenses and Permits	537,905	484,725	-53,180	-9.9%	668,114	183,389	37.83%	844,248	582,967	660,976	-7,138	-1.07%	-183,272	-21.7%	
(7) Other Governments	1,031,930	1,315,450	283,520	27.5%	1,232,308	-83,142	-6.32%	1,357,169	525,644	1,380,620	148,312	12.04%	23,451	1.7%	
(8) Service Charges	151,174	249,565	98,391	65.1%	138,038	-111,527	-44.69%	144,050	80,039	122,610	-15,428	-11.18%	-21,440	-14.9%	
(9) Fines and Forfeitures	331,121	304,503	-26,618	-8.0%	341,420	36,917	12.12%	436,200	242,235	336,200	-5,220	-1.53%	-100,000	-22.9%	
(10) Miscellaneous	1,501,044	690,127	-810,917	-54.0%	993,364	303,237	43.94%	819,200	743,665	824,815	-168,549	-16.97%	5,615	0.7%	
Subtotal - Other Rev.	3,553,174	3,044,370	-508,804	-14.3%	3,373,244	328,874	10.80%	3,600,867	2,174,550	3,325,221	-48,023	-1.42%	-275,646	-7.7%	
Total Revenue	24,190,405	25,283,678	1,093,273	4.5%	26,661,277	1,377,599	5.45%	27,483,212	24,750,359	27,669,582	1,008,305	3.78%	186,370	0.7%	

FY26 Estimated Revenues



Proposed FY26 Revenues					
	Revenue:		FY-2026 Proposed	FY-2026 Over/(Under) Proj. FY25	% Change
	Local Taxes:				
(1)	Real Property Taxes		19,243,899	592,824	3.18%
(2)	Personal Property Taxes		915,000	90,000	10.91%
(3)	Operating Property Tax		1,271,000	465,552	57.80%
(4)	Income Tax		3,951,088	2,789	0.07%
(5)	Admiss/Amusement Tax		150,000	35,461	30.96%
	Subtotal - Local Taxes		25,530,987	1,186,626	4.87%
	Other Revenue:				
(6)	Licenses and Permits		712,900	51,924	7.86%
(7)	Other Governments		1,446,425	65,805	4.77%
(8)	Service Charges		136,900	14,290	11.65%
(9)	Fines and Forfeitures		353,200	17,000	5.06%
(10)	Miscellaneous		855,700	30,885	3.74%
	Subtotal - Other Rev.		3,505,125	179,904	5.41%
	Total Revenue		29,036,112	1,366,530	4.94%

FY26 BUDGET NEXT STEPS



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FY26 BUDGET REVENUES Q&A

