

## The Budget Process

Each year, **City Manager and staff prepare**, taking into account various master plans, Council policy statements, long-term studies, user group requests, volunteer committee recommendations, and staff observations.

### December through March

The **Council holds 2 public hearings** to solicit public comment & budget work sessions where the City Manager presents the proposed budget.

### April through May

The **City votes on the Ordinance to adopt the proposed budget.**

### In mid-May

The Adopted budget becomes effective **July 1, through June 30**

## FY 2018 Adopted Budget Highlights

The City will finalize plans for a multi-year re-capitalization program for deteriorated water distribution mains.

The City will continue to provide oversight and coordination for small business through and assistance programs through the Bowie Business and Innovation Center.

The City's **Police Department** will become dispatch capable and operational by June 30, 2018.

## City of Bowie Water and Sewer

The Bowie Water & Sewer system provides service to 7,900 customer accounts, which is less than 40% of the City's households.

The System is a separate financial entity, which means it is wholly supported by the customers and not by any tax revenue. 32.7 budgeted FTEs

The Water System consists of:

- ◆ Water Treatment Plant
- ◆ 90 miles of water mains
- ◆ 3 water storage tanks
- ◆ 6 water wells

The Sewer System consists of:

- ◆ Wastewater Treatment Plant
- ◆ 85 miles of collections mains
- ◆ 8 pumping stations

The Adopted FY 2018 W & S Fund Budget is \$7.8 million, an increase of 3.5% above the FY 2017 adopted budget. The slight increase is mainly due to the water distribution system re-capitalization program.

FY 2018 W & S Fund Revenue is projected at \$7.7 million. \$0.1 million of W & S Fund Balance will be used to cover FY 2018 W & S Fund expenditures.

FY 2018 **water rate increase is \$.23** per thousand gals & **\$.34 for sewer services**. This results in an estimated increase of **\$7.41 per quarter** for the average household, based on 13,000 gals per quarter usage.

**Renewal and Replacement fee of \$22.75** per quarter to replace City water pipes.

The City's detailed budget is available on the City's website, [www.cityofbowie.org](http://www.cityofbowie.org).

## CITY OF BOWIE BUDGET IN BRIEF Adopted Fiscal Year 2018

The adopted FY 2018 General Fund **Budget is \$55.1 million**, an increase of 4.4% above the FY 2017 adopted budget.

FY 2018 General Fund **Revenue is projected at \$49.6 million** plus \$5.5 million of the Fund Balance will be used to cover FY 2018 General Fund expenditures.

The FY 2018 Property tax revenue is projected at \$29.3 million, a **4.8% growth in the City's tax base**.



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## Where the Dollars Come From

**Property Taxes** include both real property tax and business personal property tax. City Council sets the tax rates each year as part of the budget process.

The majority of revenue from **Other Levels of Government** consists of the City's share of state income and motor vehicle taxes. It also includes state grants for youth services and police protection and Federal Grants.

**Service Charges and Permits** include such items as building permits, park use fees, and ice arena revenues.

**Other Revenues** include interest earnings, rents, donations, sales of recyclable materials, cable television franchise fees, and other miscellaneous items not classified elsewhere.

**Reserves** being used to provide funding for the current budget have accumulated over all years of the City's existence, when revenues have exceeded expenditures.

	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>Change</b>
	<u>Actual</u>	<u>Budget</u>	<u>Adopted</u>	<u>Fr FY17</u>
<b>General Fund Revenues</b>				
Appropriated Fund Balance	-	\$5.7	\$5.5	0.0%
Property Taxes	\$27.0	\$28.0	\$29.3	4.6%
Licenses and Permits	\$0.5	\$0.4	\$0.4	0.0%
Intergovernmental Revenues	\$13.2	\$13.2	\$14.4	9.1%
Charges for Services and Fines	\$3.9	\$4.1	\$4.0	-2.4%
Other Revenues and Sources	\$1.1	\$1.0	\$1.0	0.0%
Transfers from other funds	<u>\$0.4</u>	<u>\$0.4</u>	<u>\$0.5</u>	25.0%
Total GF Revenues	\$46.1	\$52.8	\$55.1	4.4%

## Where the Dollars Are Spent

**General Government** includes general management of government: Council, Clerk, Planning, Human Resources, Finance, Technology.

### Economic Development

**Public Safety** includes Police, Code Compliance and Animal Control.

**Social Services** includes Senior Services and the Youth Services Bureau.

**Public Works** includes Solid Waste, Street Maintenance, snow removal, Storm-water Management and Equipment Maintenance.

**Parks, Culture and Recreation** includes the City's parks, ball fields, Ice Arena, Bowie Playhouse, Gymnasium, City celebrations, recreational offerings, and all City museums.

**"Non-departmental"** refers to indirect cost like property insurance and contingencies.

### General Expenditures by Government Function

	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>Change</b>
<b>Expenditures</b>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ADOPTED</u>	<u>Fr FY17</u>
General Government	\$7.8	\$10.6	\$10.5	-0.9%
Economic Development	\$1.1	\$0.5	\$0.5	0.0%
Public Safety	\$10.6	\$12.6	\$13.5	7.1%
Public Works	\$12.6	\$14.3	\$14.8	3.5%
Social Services	\$2.2	\$2.4	\$2.6	8.3%
Parks, Culture & Rec.	\$6.2	\$7.0	\$7.3	4.1%
Debt	\$1.1	\$1.1	\$1.1	0.0%
Non-departmental	\$0.3	\$0.7	\$0.7	0.0%
Transfers to other funds	<u>\$4.7</u>	<u>\$3.6</u>	<u>\$4.1</u>	13.5%
	\$46.6	\$52.8	\$55.1	4.4%

## Operating Budget Detail

The Operating Budget includes the cost of City services, which include 370 Full-Time-Equivalent (FTE) positions. One FTE is equal to one or more employees working a total of 2,080 hours a year (40hrs. / week) or 1,950 hours a year (37.5 hrs./ week).

### General Fund Expenditures by Object

	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>Change</b>
<b>Expenditures</b>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ADOPTED</u>	<u>Fr FY17</u>
Personal Ser.	\$27.1	\$30.6	\$33.4	9.1%
Contractual Ser.	\$9.7	11.4	\$11.0	-3.5%
Commodities	\$2.3	\$3.1	\$2.9	-6.5%
Other Charges	\$1.5	\$1.6	\$1.6	0.0%
Capital Outlay	\$0.2	\$1.4	\$1.0	-28.57%
Debt Service	\$1.1	\$1.1	\$1.1	0.0%
Transfers	<u>\$4.7</u>	<u>\$3.6</u>	<u>\$4.1</u>	13.5%
Total	\$46.6	\$52.8	\$55.1	4.4%

**General Fund Budget Transfers** include funding for Capital Projects and the Equipment Acquisition Replacement Funds.

## Capital Projects Fund Budget

The Capital Projects Fund Budget includes funding for the acquisition of land, buildings, construction, major improvements, furniture, fixtures, equipment associated with capital assets, like parks, roads and trails. Capital Projects for FY18 includes:

Allen Pond Park, \$2.2 million

Whitemarsh Park, \$0.8 million

Bowie Heritage Trail, \$0.974 million

Public Works Main Facility, \$0.442 million

Chesapeake Bay, \$0.590 million