

VILLAGE OF FRIENDSHIP HEIGHTS

FY2027 Budget

Adopted: 6/8/26

Operating Budget

	FY 25 Actual	FY 26 Budget	10 Month Actuals		FY 26 Full Year Estimate	FY 27 Approved Budget
			FY 25 July - Apl 25	FY 26 July - Apl 26		
Column No. >>>	1	2	3	4	5	6
REVENUES						
1 Property tax ₁	\$647,544	\$660,000	\$645,296	\$639,998	\$648,000	\$673,920
2 Income tax ₂	\$1,744,306	\$1,481,000	\$1,159,515	\$1,190,248	\$1,814,027	\$1,572,000
3 Municipal Tax Rebate ₃	\$118,938	\$122,221	\$118,938	\$122,221	\$122,221	\$125,931
4 Gas/highway tax ₄	\$87,239	\$104,343	\$74,570	\$92,939	\$96,000	\$97,546
5 Parking violation income ₅	\$253,177	\$240,000	\$212,609	\$193,556	\$211,000	\$215,000
6 4602 N. Park Ave. rental	\$44,500	\$42,000	\$37,500	\$36,000	\$43,000	\$44,500
4608 N. Park / Red House Rental						\$35,400
7 Interest income ₆	\$129,317	\$130,000	\$106,697	\$108,328	\$137,000	\$150,000
8 Village Center rental income	\$5,409	\$5,000	\$1,935	\$5,099	\$7,000	\$7,140
9 Permit and License fees ₇	\$15,080	\$7,500	\$8,918	\$3,949	\$7,000	\$7,140
10 Newsletter ad income	\$22,828	\$24,000	\$19,825	\$13,553	\$20,000	\$20,400
11 Other Income	\$66718	\$0	\$36718	\$1673	\$3,000	\$3,060
12 Village Center program/misc. income ₈	\$14,627	\$20,000	\$10,799	\$11,286	\$17,000	\$17,340
TOTAL REVENUES:	\$3,149,683	\$2,836,064	\$2,433,320	\$2,418,850	\$3,125,248	\$2,969,377
EXPENDITURES						
LI General Government						
1 Elections	\$14,232	\$0	\$0	\$174	\$174	\$15,000
2A Financial admin. and accounting ₉	\$12,065	\$13,000	\$10,565	\$9,852	\$19,704	\$11,624
2B Administrative costs ₁₀	\$8,203	\$12,000	\$6,508	\$7,277	\$9,834	\$12,500
2C Memberships ₁₁	\$10,425	\$10,000	\$8,598	\$1,775	\$10,000	\$12,000

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2D Conference/Travel/Training Expenses	\$25,766	\$36,000	\$23,280	\$10,693	\$21,386	\$36,000
2E Legal counsel	\$39,717	\$62,500	\$37,671	\$39,164	\$32,896	\$62,500
3A Salaries ¹²	\$884,065	\$1,056,000	\$747,588	\$821,641	\$1,022,143	\$1,104,000
3B Health and life insurance ¹³	\$245,149	\$305,300	\$202,657	\$210,695	\$305,000	\$295,000
3C F.I.C.A.	\$64,389	\$67,000	\$53,132	\$64,957	\$67,000	\$69,710
3D Retirement contribution ¹⁴	\$61,747	\$70,000	\$51,313	\$55,260	\$70,000	\$73,000
4A Xerox copier and printers	\$7,319	\$9,000	\$6,326	\$5,550	\$6,500	\$6,695
4B Village Center Aquarium/Indoor Plants	\$12,077	\$12,000	\$9,965	\$10,835	\$13,512	\$13,917
4C Heating and cooling maintenance	\$6,955	\$8,000	\$5,216	\$3,478	\$6,956	\$7,165
4D Bldg. security system maintenance	\$9,754	\$10,000	\$8,704	\$14,309	\$13,836	\$14,251
5 Bldg. /General liability insurance ¹⁵	\$11,213	\$12,040	\$11,213	\$11,142	\$22,284	\$12,237
6 Telephone and utilities	\$47,532	\$45,000	\$41,108	\$69,540	\$86,864	\$80,000
7 Hospitality ¹⁶	\$3,584	\$4,000	\$3,186	\$744	\$854	\$880
8A Equipment and supplies ¹⁷	\$14,909	\$13,000	\$11,663	\$14,749	\$43,008	\$25,000
8B Office and building furniture	\$258	\$2,000	\$0	\$779	\$1,558	\$2,000
8C 4608 N. Park Ave Maintenance ¹⁸	\$29,886	\$10,000	\$7,776	\$11,555	\$37,522	\$20,000
8D 4602 N. Park Ave. maintenance	\$6,399	\$12,000	\$6,221	\$21,885	\$20,954	\$22,000
8E IT Website, Equipment, Supplies, Support ¹⁹	\$37,849	\$40,000	\$30,795	\$40,393	\$40,398	\$45,000
8F Center Maintenance/repairs	\$42,138	\$60,000	\$36,339	\$42,074	\$75,000	\$45,000
8G Contracted maintenance service ²⁰	\$18,120	\$22,000	\$14,430	\$24,222	\$39,294	\$40,473
8H Art Curator Contract	\$7,200	\$7,200	\$6,000	\$6,000	\$7,200	\$8,000
8I New Initiatives ²¹	\$2,190	\$5,000	\$0	\$1,800	\$3,600	\$8,000
Total General Government:	\$1,623,141	\$1,723,040	\$1,340,254	\$1,500,543	\$1,977,477	\$2,041,952

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Operating Budget

			10 Month Actuals		FY 26 Full Year Estimate	FY 27 Approved Budget	
	FY 25 Actual	FY 26 Budget	FY 25 July - Apr 25	FY 26 July - Apr 26			
Public Safety							
9A	Parking enforcement contract	\$69,271	\$70,000	\$58,819	\$53,188	\$70,000	\$70,000
9B	Police Field Office ²²	\$807	\$1,000	\$807	\$675	\$1,000	\$1,000
9C	Police Patrol						
Total Public Safety:		\$70,078	\$71,000	\$59,626	\$53,863	\$71,000	\$71,000
Public Works							
10	Bus Contract ²³	\$510,384	\$435,000	\$425,370	\$368,693	\$435,000	\$447,550
11A	Street maintenance	\$8,766	\$5,000	\$8,766	\$4,650	\$3,600	\$5,000
11B	Sidewalk maintenance	\$3,100	\$7,500	\$1,275	\$13,115	\$15,000	\$7,500
11C	Snow removal	\$42,753	\$35,000	\$40,384	\$29,744	\$5,000	\$35,000
12A	Waste collection ²⁴	\$16,982	\$19,000	\$14,252	\$14,685	\$17,440	\$19,000
12B	Recycling ²⁵	\$4,425	\$5,000	\$3,424	\$3,453	\$4,466	\$5,000
13	Street lighting	\$10,206	\$12,000	\$8,873	\$7,877	\$29,040	\$10,000
14	Street & Pedestrian signs	\$2,475	\$8,000	\$1,650	\$7,227	\$4,230	\$8,000
15	Trees	\$0	\$10,000	\$0	\$0	\$0	\$10,000
Total Public Works:		\$599,091	\$536,500	\$503,994	\$449,444	\$513,776	\$547,050
Health/Education/Social Serv.							
16	Health/Social services ²⁶	\$12,185	\$12,000	\$10,205	\$13,172	\$18,864	\$12,000
Total Health/Education/Social Serv.:		\$12,185	\$12,000	\$10,205	\$13,172	\$18,864	\$12,000
Recreation and Parks							
17A	Lecture fees	\$2,420	\$10,000	\$2,270	\$2,833	\$2,000	\$5,000
17B	Musicians' fees	\$26,641	\$30,000	\$21,010	\$24,024	\$33,058	\$35,000

VILLAGE OF FRIENDSHIP HEIGHTS**FY2027 Budget****Adopted: 6/8/26****Operating Budget**

			10 Month Actuals		FY 26 Full Year Estimate	FY 27 Approved Budget
	FY 25 Actual	FY 26 Budget	FY 25 July - Apl 25	FY 26 July - Apl 26		
17C Net Instructors' fees ²⁷	-\$9676	\$0	-\$9537	-\$6730	-\$8,828	-\$8,828
17D Trip fees	\$3,359	\$3,000	\$4,292	\$6,212	\$6,300	\$3,000
17E Art/theme shows	\$2,354	\$3,000	\$1,601	\$283	\$422	\$2,000
17F Consumable supplies	\$2,628	\$2,000	\$2,212	\$2,822	\$3,198	\$2,000
17G Teas and social events	\$7,442	\$10,000	\$6,851	\$10,484	\$12,322	\$15,000
17H Center special events ²⁸	\$32,675	\$35,000	\$23,299	\$31,134	\$44,572	\$40,000
18 Reading Room materials	\$4,136	\$5,000	\$3,761	\$2,698	\$3,654	\$4,000
19 Village newsletter	\$32,997	\$33,000	\$27,415	\$27,598	\$33,204	\$35,000
20A Village Parks: Electricity	\$1,384	\$1,500	\$1,039	\$1,162	\$1,400	\$1,500
20B Village Parks: Water	\$10,926	\$15,000	\$10,478	\$8,994	\$16,664	\$17,000
20C Village Parks: Fountain maint.	\$15,862	\$17,000	\$11,142	\$14,716	\$19,890	\$18,000
20D Village Parks: Lighting maint.	\$0	\$2,000	\$0	\$0	\$0	\$2,000
20E Village Parks: Furniture	\$430	\$2,000	\$430	\$4,513	\$0	\$1,000
20F Village Parks: Walkway maint.	\$0	\$5,000	\$0	\$775	\$0	\$1,000
21 Landscaping contract	\$100,453	\$120,000	\$74,762	\$63,515	\$89,722	\$94,000
22 Arborist contract	\$13,278	\$20,000	\$11,940	\$6,520	\$9,508	\$15,000
23 Art Fund / Supplies	\$0	\$0	\$382	\$0	\$144	\$148
Total Recreation and Parks:	\$247,309	\$313,500	\$193,347	\$201,553	\$267,230	\$281,820
Total Operating Expenditures:	\$2,551,804	\$2,836,040	\$2,107,299	\$2,218,575	\$2,848,347	\$2,953,822
Operating Surplus/(Deficit):	\$597,879	\$24	\$326,021	\$200,275	\$276,901	\$15,555

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			FY 25 July - Apl 25	FY 26 July - Apl 26		
CAPITAL EXPENDITURES						
Page Park Renovations						\$450,000
Pedestrian Safety*						\$125,000
Village Center & Humphrey Park Improvements						\$250,000
Total Capital Expenditures				\$453,744		\$825,000

*Note: The Village recently received a draft Pedestrian Safety Report with construction cost options and estimates. The preliminary FY27 estimate shown above assumes the Village opts for the lowest cost options, subject to further review and analysis of longer term costs and benefits of various approaches. For additional detail, including estimated outyear costs, see the FY27 Capital Budget and Five-Year Plan.

FOOTNOTES

FN LI# Revenues

- 1 1 The special tax rate for the Village of Friendship Heights (not less than 4¢/\$100 nor more than 20¢/\$100 on assessments based on 100% of value), set by the Friendship Heights Village Council, was 4¢/\$100 in FY2026 and is 4¢/\$100 for FY2027, which begins July 1, 2026.
- 2 2 Estimate reflects the portion of the County tax rate returned to the Village from state filings.
- 3 3 An agreement between the County and municipalities (including special tax districts) requires the County to reimburse special tax districts for a portion of certain expenditures, which currently include park maintenance, health services, and road maintenance.
- 4 4 This amount is derived from a State formula based on the number of registered vehicles at Village addresses.
- 5 5 Parking violation income is collected by Montgomery County. The Village revenue share is 75%.
- 6 7 Interest is from Village funds placed in State approved investments.
- 7 9 Permit fees are paid by contractors who occupy public rights-of-way (streets and sidewalks). By law, the fees defray only the reasonable administrative costs of maintaining the permit system and are currently \$250. Certain license fees are also received from the State.
- 8 12 Includes a percentage of art sales and commission from produce market sales.

Expenditures

- 9 2A Includes the annual audit and financial statements required by law.
- 10 2B Includes postage and stationery, and contracted administrative support i.e. Zoom, AccountEdge, Quickbooks, ApprovalMax.
- 11 2C Includes Maryland Municipal League and other membership organization dues.
- 12 3A Salaries of eight full-time and five part-time employees plus off-duty Montgomery County Police officers. (The Center is open seven days a week and four evenings until 9 p.m.) Volunteers provide additional support to staff.
- 13 3B Covers costs of health insurance and life insurance provided to qualifying employees.
- 14 3D Council contribution to employee retirement plan.
- 15 5 Includes Workers Compensation, Public Officials Liability, Fidelity Bond, and Building/General Liability.
- 16 7 Condolence flowers, and holiday cookie plates.
- 17 8A Includes general cleaning products, restroom paper supplies, copier paper, and office supplies.
- 18 8C Maintenance of red house property recently purchased by Village.
- 19 8E Line item has been renamed and consolidates expenditures previously included in other expense categories.
- 20 8G Contract for maintenance supplies, supplemental cleaning at Village Center, and special events maintenance workers.
- 21 8I Funds to be approved by Council for new projects, which may include capital expenses.
- 22 9B Cost to maintain Police Field Office at 4602 North Park Avenue.
- 23 10 Contract for operation of shuttle bus, including vehicle, drivers, maintenance, insurance.
- 24 12A Includes collection of Center trash and park trash six times per week. Rate increase as of 3/1/24.
- 25 12B Includes collection of Center recyclables and Shredding service four times per year.
- 26 16 Includes cost of nurse consultation services and other health related programs.
- 27 17C Payments to instructors' offset by fees received from class participants.
- 28 17H Cost of four major seasonal events each year.

Village of Friendship Heights - FY 27 Capital Budget and Five-Year Plan*

Acct No. Project Title
3-5402 **Page Park Renovations**

FY 2027		Outyear Estimates				Total Est 5Yr Proj Cost
<i>Budget</i>	<i>Year to Date</i>	<i>FY 28</i>	<i>FY 29</i>	<i>FY 30</i>	<i>FY 31</i>	
450,000	0	0	0	0	0	

Project Description

ADA Improvements, Stormwater Management, Pergola Removal, Park Furniture & Play Equipment

Issues / Next Steps

In April, the Council approved a contract with Superior Facilities Management Services (SFMS) to perform ADA improvements and stormwater management work for \$183k. Awaiting approval of County stormwater permit to begin work. The pergola has been removed and the pergola area will be filled in with soil and plantings. Additional work required includes potential installation of play equipment. The Parks and Grounds Committee is currently considering three play equipment options and will make a recommendation to the Council after receiving public input. Also, SFMS is currently preparing a change order to apply ADA-compliant mulch in the play equipment area. The costs are to be determined and will fall under FY27 expenses. Costs shown above include an estimated \$190k owed to GreenSweep for prior work completed (elements of the contract are disputed), plus an estimated \$75k including play equipment, park furniture, and project management fees.

Acct No. Project Title
Village Center & Humphrey Park Improvements

FY 2027		Outyear Estimates				Total Est 5Yr Proj Cost
<i>Budget</i>	<i>Year to Date</i>	<i>FY 28</i>	<i>FY 29</i>	<i>FY 30</i>	<i>FY 31</i>	
200,000	0	50,000	0	0	0	

Project Description

Project includes repair of Village fountain and lighting in Humphrey Park; garage column repair and additional work to address leakage in garage. As part of the project, the Village Council in early April approved waterproofing work in the Village Center plaza by Simpson Unlimited at an estimated cost of \$124,084. Additional costs include fountain repairs, replacement of lighting fixtures, park furniture Upgrades, and Village Center improvements.

Issues / Next Steps

Awaiting approval of County permit to begin plaza waterproofing work. The work is expected to take about four weeks. Fountain repair and lighting work was completed in July of FY 2027. Lighting replacement in Humphrey Park is anticipated for FY 2027. Park furniture upgrades and additional Village Center improvements are included in FY 2028 outyear estimates.

**Note: Cost estimates in this report are preliminary, order of magnitude for planning purposes and subject to revisions as projects progress and additional information becomes available.*

Village of Friendship Heights - FY 27 Capital Budget and Five-Year Plan*

Acct No. Project Title

Pedestrian Safety Improvements

FY 2027		Outyear Estimates				Total Est 5Yr Proj Cost
<i>Budget</i>	<i>Year to Date</i>	<i>FY 28</i>	<i>FY 29</i>	<i>FY 30</i>	<i>FY 31</i>	
125,000	0	120,000	0	0	0	245,000

Project Description

In December 2025, the Village Council approved a proposal by the Traffic Group totaling \$83,500 to conduct a pedestrian safety study of streets and intersections within the Village of Friendship Heights and boundary intersections including Willard and Wisconsin Avenues. Study recommendations will include the estimated construction costs of proposed safety-related improvements.

Issues / Next Steps

The pedestrian safety study began in early February 2026. The study was substantially completed in June, and the cost of the study (\$83,500) was fully paid in FY 26. The study provided preliminary cost estimates under two major options: 1) construction of sidewalk bump-outs to improve pedestrian visibility at select intersections and, alternatively, 2) use of heavy-duty, waist-high flower planters positioned on the street at the curblane to create a protected space where pedestrians can step out safely and be clearly visible to oncoming traffic. Costs of the two approaches, however, vary widely, with preliminary estimates of project costs including (in addition to options noted above) improved line striping, installation of speed bumps, and street sign replacement and upgrades, ranging from approximately \$200k to \$500k in total costs. Preliminary estimates shown above assume the Village goes with the lower cost "planter" option to improve pedestrian visibility at intersections. However, that assumption is subject to further review and analysis of longer-term costs and benefits of the two approaches. An internal "administrative review" meeting to discuss the proposal is set for July 22, to be followed by a follow-up review meeting with representatives of the Traffic Group and authors of the study, with final recommendations to be presented for Council review and approval sometime in Fall 2027.

**Note: Cost estimates in this report are preliminary, order of magnitude for planning purposes and subject to revisions as projects progress and additional information becomes available.*

Village of Friendship Heights - FY 27 Capital Budget and Five-Year Plan*

Acct No. Project Title

Street Resurfacing

FY 2027		Outyear Estimates				Total Est
<i>Budget</i>	<i>Year to Date</i>	<i>FY 28</i>	<i>FY 29</i>	<i>FY 30</i>	<i>FY 31</i>	<i>5Yr Proj Cost</i>
0	0	0	450,000	0	0	450,000

Project Description

Asphalt resurfacing, base patching where needed, and restriping with Thermoplastic Pavement Markings of all Village-owned streets, including Friendship Blvd., North Park Ave., Shoemaker Farm Lane, South Park Ave., and The Hills Plaza.

Issues / Next Steps

Total estimated project costs based on a January 2026 assessment from M.T. Laney (\$391,215). Asphalt resurfacing of Village streets was recommended to start in 12-18 months to avoid damage to the base.

Village of Friendship Heights - Total Five-Year Capital Plan Cost Estimates*

FY 2027		Outyear Estimates				Total Est
<i>Budget</i>	<i>Year-to-Date</i>	<i>FY 28</i>	<i>FY 29</i>	<i>FY 30</i>	<i>FY 31</i>	<i>5Yr Proj Cost</i>
775,000	0	170,000	450,000	0	0	1,395,000

*Note: Cost estimates in this report are preliminary, order of magnitude for planning purposes and subject to revisions as projects progress and additional information becomes available.