

Commissioners of Bel Air
Agenda
July 15, 2024

Public Hearing

Resolution No. 1233-24
Budgetary Amendment – Fiscal Year 2024

1. **BACKGROUND**

There are several additional revenues/appropriations, transfers, and monetary adjustments that need to be addressed in the fiscal year 2024 budget.

2. **PRIMARY ISSUES**

The total of the recommended adjustments in this year's proposed budget amendment decreases the fiscal year 2024 general fund budget by \$155,552 from \$18,481,015 to \$18,325,463.

While most of our revenue projections are still reasonable, several require adjustment. Some of the more significant changes are as follows:

- Income Taxes - \$350,000 increase: based on actual revenue in FY23, FY24 to-date, and factoring a 2% increase
- American Rescue Plan (ARPA) Grants, Federal - \$(947,582) decrease: mainly due to the delay of the Thomas/George St project, the removal of the Burns Alley project, the finality of the TH/PPD building project, and various other additions/savings of other projects
- Governor's Office Crime Control and Prevention Grant - \$104,531: increase mainly due to the additional grant for the tasers from the Police Accountability, Community, and Transparency Program (PACT)
- Miscellaneous Income - \$300,907 increase: based on LGIT reimbursement of attorney's fees/defense costs in civil cases (\$50,000); LGIT reimbursement for accidents/fire (\$42,000); worker's compensation 2022 dividend (\$147,893); closed forfeiture account in the old 401a defined contribution plan (\$15,111); and redemption of credit card rewards (\$26,750)
- Interest on Investments - \$312,376 increase to reflect higher interest rates and used to balance the budget amendment; the LGIP is approximately 5.35%
- Transfer from Capital Reserve - \$(365,414) decrease: reduction is due to the ability to fund the majority of the capital projects, initially budgeted from the capital reserve, with additional revenues or expenditure savings

Several adjustments to our expenditures are proposed as well. Some of the more significant changes are as follows:

- A bonus totaling approximately \$99,000 is included for those employees who are employed with the Town as of May 31, 2024. This bonus will be

paid to all Town employees on June 28, 2024 and will equate to \$1,000 for full-time and \$500 for part-time employees hired before July 1, 2022; \$500 for full-time and \$250 for part-time employees hired after July 1, 2022 but before June 1, 2024. Funding from the Chesapeake Employer's Insurance group 2022 worker's compensation dividend affords the Town the opportunity to provide this bonus.

- Armory - \$276,523 increase: mainly to fund the armory window project (\$229,635)
- Town Buildings - \$634,020 increase: mainly to fund the remainder of the TH/PD construction project (\$770,824)
- Legal - \$145,000 increase: additional services for several lawsuits and various other projects
- Planning - \$(1,578,967) decrease: mainly due to delaying the Thomas/George St project (\$916,100), removing the Burns Alley project (\$500,000), and netting the removal of the Homestead Park project encumbered in FY23 and adding the play equipment (\$133,414)
- Police - \$285,257 increase: additional expenses related to grants (\$128,439) and additional vehicle accident costs (\$33,000) which were reimbursed
- DPW Streets - \$86,259 increase: addition of Office St/Courthouse Sq project that was delayed from FY23 (\$123,368), addition of a ventrac tractor (\$38,221), and salary savings

The net effect of these changes is an overall increase of \$155,552 in Total Revenues and Expenditures.

Two Special Revenue Fund budget changes were necessary due to changes in grants: 1. CDBG Project is reduced by \$66,576 due to completing the project in FY23 and 2. Community Parks & Playground Grant is reduced by \$115,000 due to encumbering the Homestead Park project in FY23.

3. **DISCUSSION**

The attached 7-page budget reflects all the adjustments to revenues and expenditures as proposed by the staff.

4. **RECOMMENDATION**

The staff recommends that the Board of Town Commissioners approve Resolution No. 1233-24, amending the budget for fiscal year 2024.

Commissioners of Bel Air
Agenda
July 15, 2024

Unfinished Business

Resolution No. 1233-24
Budgetary Amendment – Fiscal Year 2024

RECOMMENDED MOTION: “that Resolution No. 1233-24, amending the budget for fiscal year 2024 for additional revenues/appropriations, monetary adjustments, and transfers between departments, be approved by the Board of Town Commissioners with the following amendments.”

1. Income Taxes – increase the adjustment from \$350,000 to \$375,000 due to receiving the June distribution and adjusting for the decrease in the State Aid for Police Protection.
2. Police Protection Grant – decrease the adjustment from \$36,825 to \$12,129 due to receiving the final fourth quarter distribution which was lower than the previous three quarters.
3. Interest on Investments – increase the adjustment from \$312,376 to \$315,460 to balance the amendment.
4. Planning & Zoning Capital Improvements – decrease the adjustment from (\$1,584,463) to (\$1,581,075) to account for a change order to Homestead Park for additional paving.

RESOLUTION NO. 1233-24
A RESOLUTION AMENDING THE BUDGET FOR FISCAL YEAR 2024

WHEREAS, Section 703 of Article VII of the Charter of the Town of Bel Air provides that no public money be expended without having been appropriated by the Board of Town Commissioners; and

WHEREAS, Section 704 of Article VII of the Charter of the Town of Bel Air provides that any transfer of funds between appropriations for different purposes shall be approved by a majority of the Board of Town Commissioners; and

WHEREAS, the Town will be receiving and expending additional funds; it is therefore necessary to account for such receipts and appropriate these funds as expenditures in the corresponding accounts; and

WHEREAS, the Town will be transferring funds from various departments to fund overages in other departments; and

WHEREAS, there are a number of monetary adjustments which are deemed necessary and it is considered advisable to adjust some estimated revenues and expenditures; and

WHEREAS, this Resolution provides that by adopting this Amended Budget, the Board of Town Commissioners has properly appropriated additional funds to be spent in the areas on the Amended Budget;

NOW, THEREFORE, BE IT RESOLVED by the Board of Town Commissioners, that the Amended Budget be approved;

AND BE IT FURTHER RESOLVED that this Resolution shall take effect on the ____ day of July, 2024.

INTRODUCTION:

PUBLIC HEARING:

ENACTMENT:

EFFECTIVE:

AYES:

NAYES:

ABSENT:

Paula Etting, Chair
Board of Town Commissioners

Michael L. Krantz
Town Clerk

**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL**

REVENUES

FY 2024

	Approved FY24 Budget	Proposed Changes Inc (Dec)	Amended FY24 Budget
I. GENERAL FUND			
<u>Operating Revenues</u>			
Real Property Taxes	\$8,353,051	44,000	\$8,397,051
Half-year Taxes	21,600	4,800	26,400
Personal Property Taxes - Unincorporated	10,000		10,000
Public Utilities Corporation	510,000	4,600	514,600
Ordinary Business Corporations - Incorporated	520,000	(100,000)	420,000
Penalties & Interest	50,000		50,000
Income Taxes	1,800,000	375,000	2,175,000
Admission & Amusement Taxes	65,000	10,000	75,000
Motor Vehicles (SHA)	614,666	9,100	623,766
Police Protection Grant	234,564	12,129	246,693
Business Licenses	55,000		55,000
Public Works Fees	50,000	(10,000)	40,000
Planning & Zoning Fees	16,000	6,000	22,000
Cable TV Franchise	140,000	(13,000)	127,000
Liquor Licenses	0	8,850	8,850
American Rescue Plan (ARPA)	2,315,000	(947,582)	1,367,418
Governor's Office Crime Prevention Grant	57,124	104,531	161,655
Miscellaneous Grants, MD	0	25,441	25,441
Financial Corps. - County Grant	8,458		8,458
Harford County Tax Rebate	1,225,802		1,225,802
Traffic Grants	6,000		6,000
Stormwater Management Harford County	175,000	(33,100)	141,900
Miscellaneous Grants	8,935	7,400	16,335
Bel Air Armory Fees	95,000	30,000	125,000
Police & PW Overtime Reimbursement	20,000	8,000	28,000
Police Security (Overtime) Schools	30,000		30,000
Police Reports	1,800		1,800
False Alarm Fees	18,000	(11,100)	6,900
Red Light Camera	581,250	(21,250)	560,000
Miscellaneous Income	5,000	300,907	305,907
Finance Fees	9,900		9,900
Administration Fees	300		300
MAWC Well Fees	9,000		9,000
Interest on Investments	250,000	315,460	565,460
MD Homebuilder Guaranty Fund	300		300
Seized Property	3,000	3,800	6,800
Rental Income-Armory Marketplace	28,500		28,500
Alliance Contribution	13,200	(3,700)	9,500
Rockfield Foundation Contribution	900		900
Vehicle/Equipment Sale Proceeds	44,000	51,000	95,000
Total Operating Revenues	\$17,346,350	\$181,286	\$17,527,636
Transfer from Unassigned	35,000	(35,000)	0
Transfer from Capital Reserve	432,000	(365,414)	66,586
Transfer to Seized Property Reserve	(2,000)		(2,000)
Transfer from Leave Payout Reserve	0	38,584	38,584
Transfer from Sewer Fund	391,620	28,380	420,000
Transfer from Parking Fund	278,045		278,045
GENERAL FUND TOTAL REVENUES	\$18,481,015	(\$152,164)	\$18,328,851

**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL**

**REVENUES
FY 2024**

	Approved FY24 Budget	Proposed Changes Inc (Dec)	Amended FY24 Budget
II. SEWER FUND			
Revenues			
Sewer User Charges	\$2,675,000		\$2,675,000
Bay Restoration Fee Interest	2,850		2,850
Other Revenue	21,400		21,400
Utility Locator Fees	22,450		22,450
American Rescue Plan (ARPA)	1,100,000		1,100,000
User Benefit Fees	35,770		35,770
Connection Fees	<u>50,000</u>		50,000
<u>SEWER FUND TOTAL REVENUES</u>	\$3,907,470	\$0	\$3,907,470
III. PARKING FUND			
Revenues			
Meter Collections	\$125,500		\$125,500
Parking Fines	92,100		92,100
Lease Fees	63,134		63,134
County Share Operating Expenses	118,799		118,799
County Share Capital Expenses	51,744		51,744
Transfer from Retained Earnings	143,586		143,586
<u>PARKING FUND TOTAL REVENUES</u>	\$594,863	\$0	\$594,863
IV. SPECIAL REVENUE FUND			
Revenues			
Stormwater Management Fee In Lieu	\$3,000		\$3,000
Open Space Fee in Lieu	2,000		2,000
Tree Planting - Forest Conservation	2,000		2,000
Tree Planting - Fee In Lieu	2,000		2,000
Memorials	200		200
Public Amenity	2,000		2,000
Explorer Scouts	22,725		22,725
Transfer from GF Seized Property	2,000		2,000
Seized Property - Federal Treasury	9,500		9,500
Cultural Arts Commission	16,520		16,520
CDBG Project	136,027	(66,576)	69,451
Community Legacy Grant	100,000		100,000
Community Parks & Playground Grant	115,000	(115,000)	0
Safe Streets for All	46,667		46,667
<u>SPECIAL REVENUE TOTAL REVENUES</u>	\$459,639	(\$181,576)	\$278,063
<u>TOTAL REVENUES ALL FUNDS</u>	\$23,442,987	(\$333,740)	\$23,109,247
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TOWN OF BEL AIR				
BUDGET AMENDMENT PROPOSAL				
EXPENDITURES				
FY 2024				
<u>I. GENERAL FUND</u>				
		Approved	Proposed	Amended
		FY24	Changes	FY24
<u>GENERAL GOVERNMENT</u>		<u>Budget</u>	<u>Inc (Dec)</u>	<u>Budget</u>
<u>Bel Air Reckord Armory</u>				
Salaries/Benefits		\$136,357	(\$2,550)	\$133,807
Expenses		140,356	49,438	189,794
Capital Improvements		130,000	229,635	359,635
<u>Administrator</u>				
Salaries/Benefits		177,892	500	178,392
Expenses		3,699		3,699
Municipal League Dues		19,099		19,099
<u>Town Buildings</u>				
Salaries/Benefits		71,349	(3,900)	67,449
Expenses		291,744	70	291,814
Pre-construction TH/PD		0	49,191	49,191
Capital, TH/PD Construction		0	770,824	770,824
Vehicles, Capital		0	1,585	1,585
Buildings, Capital		377,000	(183,750)	193,250
<u>Human Resources</u>				
Salaries/Benefits		276,241	(8,562)	267,679
Expenses		41,408	1,000	42,408
<u>Election</u>				
Expenses		4,020	1,028	5,048
<u>Finance</u>				
Salaries/Benefits		615,633	(22,250)	593,383
Audit		21,630	(2,090)	19,540
Expenses		25,404	(3,000)	22,404
OPEB Actuarial Valuation/GASB Pension Review		11,200		11,200
<u>Legal Services</u>				
Expenses		78,100	145,000	223,100
<u>Planning & Zoning</u>				
Salaries/Benefits		552,831	(10,000)	542,831
Expenses		76,702	15,496	92,198
Capital Improvements		1,808,167	(1,581,075)	227,092
<u>Economic Development</u>				
Salaries/Benefits		414,449	(53,500)	360,949
Expenses		80,732		80,732
<u>Commissioners</u>				
Salaries/Benefits		27,360		27,360
Expenses		30,250		30,250
<u>Technology</u>				
Salaries/Benefits		277,239	5,700	282,939
Expenses		260,447	25,950	286,397
Software/hardware non-capital		39,770	1,760	41,530
Software/hardware capital		0	3,513	3,513
<u>Public Relations</u>				
Salaries/Benefits		89,087	500	89,587
Expenses		24,254	(8,600)	15,654
<u>TOTAL GENERAL GOVERNMENT</u>	-3-	\$6,102,420	(\$578,087)	\$5,524,333

**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL
EXPENDITURES
FY 2024**

I. GENERAL FUND (Cont'd)

	Approved FY24 Budget	Proposed Changes Inc (Dec)	Amended FY24 Budget
<u>BENEFITS</u>			
Insurances	\$14,703		\$14,703
OPEB (Other Postemployment Benefits)	60,466		60,466
Transfer to Leave Payout Reserve	10,000		10,000
<u>TOTAL BENEFITS</u>	\$85,169	\$0	\$85,169
<u>MISCELLANEOUS</u>			
General Insurance	\$162,000	\$19,500	\$181,500
Miscellaneous Expenses	46,035	5,500	51,535
Contingency	2,500		2,500
Transfer to Capital Reserve	20,000		20,000
<u>TOTAL MISCELLANEOUS</u>	\$230,535	\$25,000	\$255,535
<u>DEBT SERVICE</u>			
Debt Service - Equipment/Vehicles	\$134,180		\$134,180
Debt Service - JCI Energy Project	75,927		\$75,927
Debt Service - PD/TH Renovation	404,779		\$404,779
<u>TOTAL DEBT SERVICE</u>	\$614,886	\$0	\$614,886
<u>PUBLIC SAFETY</u>			
Hydrant Rental	\$55,584		\$55,584
Red Light Camera Program	231,975	(11,593)	220,382
Volunteer Fire Co. Contribution	164,589		164,589
<u>TOTAL PUBLIC SAFETY</u>	\$452,148	(\$11,593)	\$440,555
<u>POLICE DEPARTMENT</u>			
Salaries/Benefits	\$5,705,239	\$106,200	\$5,811,439
Expenses	365,981	179,400	545,381
Equipment, Capital	0	5,167	5,167
Vehicles, Capital	150,000	(5,510)	144,490
<u>TOTAL POLICE DEPARTMENT</u>	\$6,221,220	\$285,257	\$6,506,477

**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL
EXPENDITURES
FY 2024**

I. GENERAL FUND (Cont'd)

	Approved FY24 Budget	Proposed Changes Inc (Dec)	Amended FY24 Budget
<u>PUBLIC WORKS</u>			
<u>General Administration</u>			
Salaries/Benefits	\$1,061,718	(\$22,500)	\$1,039,218
Expenses	105,459		105,459
MS4 SWM Program	130,000		130,000
<u>Town Shop</u>			
Salaries/Benefits	270,732	3,000	273,732
Expenses	186,444	10,000	196,444
<u>Streets & Highways</u>			
Salaries/Benefits	851,957	(90,300)	761,657
Expenses	369,020		369,020
Office St/Courthouse Sq	0	123,368	123,368
Construction, Capital	385,000		385,000
Vehicle/Equipment, Capital	305,000	53,191	358,191
<u>Refuse Collection</u>			
Salaries/Benefits	740,334	7,500	747,834
Expenses	191,923	43,000	234,923
<u>TOTAL PUBLIC WORKS</u>	\$4,597,587	\$127,259	\$4,724,846
<u>COMMITTEES</u>			
Parks & Recreation	\$96,700		\$96,700
Independence Day	15,200		15,200
Boys & Girls Club	12,500		12,500
Christmas Parade	5,000		5,000
Appearance & Beautification	39,300		39,300
Cultural Arts	8,350		8,350
<u>TOTAL COMMITTEES</u>	\$177,050	\$0	\$177,050
<u>TOTAL GENERAL FUND EXPENDITURES</u>	\$18,481,015	(\$152,164)	\$18,328,851

**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL
EXPENDITURES
FY 2024**

II. SEWER FUND

	Approved FY24 Budget	Proposed Changes Inc (Dec)	Amended FY24 Budget
Harford County Charges	\$1,778,938		\$1,778,938
Salaries/Benefits	\$276,258		\$276,258
Town Operation Expenses	123,003		123,003
Depreciation	76,780		76,780
Amortization Expense - Sewer Agreement	24,248		24,248
Transfer to General Fund	391,620		391,620
Root Control Maintenance	35,000		35,000
Pump Station Engineering	250,000		250,000
Connection Payments	50,000		50,000
User Benefit Fees	35,770		35,770
Pump Station Repairs/Replacements, Capital Equipment, Capital	850,000 8,000		850,000 8,000
Debt Service - Inflow and Infiltration	5,484		5,484
Debt Service - Sewer System CIP	567		567
Debt Service - DHCD Refinance II	1,368		1,368
Debt Service - JC Sewer Main	434		434
<u>TOTAL SEWER FUND EXPENSES</u>	\$3,907,470	\$0	\$3,907,470

III. PARKING FUND

Parking Lots

Operating Expenses	\$6,410		\$6,410
Maintenance	3,000		3,000
Transfer to General Fund	183,111		183,111

Parking Garage

Operating Expenses	37,135		37,135
Elevator Contract/Maintenance	8,050		8,050
Transfer to General Fund	94,934		94,934
Insurance	29,757		29,757
Capital Repairs	15,000		15,000
Building, Capital	62,000		62,000
Debt Service - Parking Garage Sweeper	364		364
Debt Service - Parking Garage JCI	1,297		1,297

Other

Parking Fine Charges	17,499		17,499
Miscellaneous	1,163		1,163
Postage	1,584		1,584
Depreciation	133,418		133,418
Debt Service-Parking Jeep	141		141

<u>TOTAL PARKING FUND EXPENSES</u>	\$594,863	\$0	\$594,863
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TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL
EXPENDITURES
FY 2024

IV. SPECIAL REVENUE FUND

	Approved FY24 Budget	Proposed Changes Inc (Dec)	Amended FY24 Budget
Stormwater Management Fee In Lieu	\$3,000		\$3,000
Open Space Fee In Lieu	2,000		2,000
Tree Planting - Forest Conservation	2,000		2,000
Tree Planting - Fee In Lieu	2,000		2,000
Memorials	200		200
Public Amenity	2,000		2,000
Explorer Scouts	22,725		22,725
Seized Property	2,000		2,000
Seized Property - Federal Treasury	9,500		9,500
Cultural Arts Commission	16,520		16,520
CDBG Project	136,027	(66,576)	69,451
Community Legacy Grant	100,000		100,000
Community Parks & Playground Grant	115,000	(115,000)	0
Safe Streets for All	46,667		46,667
<u>TOTAL SPECIAL REVENUE EXPENDITURES</u>	\$459,639	(181,576)	\$278,063
<u>TOTAL EXPENDITURES ALL FUNDS</u>	\$23,442,987	(333,740)	\$23,109,247