

Commissioners of Bel Air
Agenda
July 17, 2023

Resolution No. 1206-23
Budgetary Amendment – Fiscal Year 2023

1. **BACKGROUND**

There are several additional revenues/appropriations, transfers, and monetary adjustments that need to be addressed in the fiscal year 2023 budget.

2. **PRIMARY ISSUES**

The total of the recommended adjustments in this year's proposed budget amendment increases the fiscal year 2023 general fund budget by \$7,242,865 from \$16,486,617 to \$23,729,482.

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

- American Rescue Plan (ARPA) Grants, Federal - \$1,888,216 increase: mainly due to the TH/PD building project (\$2,014,416) with various savings from other projects
- Governor's Office Crime Control and Prevention Grant - \$164,544 increase: three separate grants 1. Police Accountability, Community, and Transparency Program (\$105,220), 2. Police Recruitment and Retention (\$45,500), and Explorer Program (\$13,824)
- Miscellaneous Grants - \$71,100 increase: Dresher Foundation (\$50,000) and GBACF (\$15,000) for Shamrock Park
- Miscellaneous - \$60,000 increase: mainly due to LGIT reimbursement of attorney's fees/defense costs in civil cases (\$50,000)
- Investment on Investments - \$199,396 increase: reflects higher interest rates and used to balance the budget amendment; the LGIP is now over 5%
- Bond Proceeds, DHCD - \$3,976,737 increase: reflects the remaining draw of monies from DHCD related to the building construction project
- Transfer from Leave Payout Reserve - \$96,095 increase: requirement to fund leave payouts greater than \$2,500 per employee

The net effect of these changes is an overall increase of \$6,487,275 in Total Revenues.

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

- A retention bonus totaling \$57,500 is included for those employees who are employed with the Town as of June 19, 2023; however, it shall not include any employee who provided notice as of that same date that he/she will separate from the Town's employment in the immediate future. This bonus will be paid to all Town non-sworn employees on June 23, 2023 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 January 1, 2023; and \$250 for full-time and \$125 for part-time employees hired after December 31, 2022. Funding from additional revenues as well as expenditure savings affords the Town the opportunity to provide this bonus.
- A recruitment and retention bonus totaling \$45,500 is included for all sworn employees based on parameters set in the Governor's Office of Crime Control and Prevention grant. This bonus will be paid on June 23, 2023.
- Town Buildings - \$6,042,675 increase: \$5,982,567 for various expenses, mainly Whiting Turner, related to the PD/TH construction project incurred this fiscal year
- Legal - \$111,000 increase: additional services for several lawsuits
- Planning - \$193,648 increase: \$178,748 mainly due to the additional costs associated with completing the Homestead Park project
- Police - \$221,096 increase: \$193,220 mainly due to expenses related to grants
- DPW Streets - \$(456,138) decrease: remove Office St/Courthouse Sq project until FY24 (\$175,261), trash truck erroneously budgeted in streets (\$198,579), vacancy savings (\$56,000), mild winter savings (\$74,241)
- DPW Refuse - \$246,035 increase: trash truck erroneously budgeted streets (\$198,579) and higher costs for trash and forestry trucks (\$39,726)

The net effect of these changes is an overall increase of \$6,487,275 in Total Expenditures.

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. 1206-23, amending the budget for fiscal year 2023.

Commissioners of Bel Air
Agenda
July 17, 2023

Resolution No. 1206-23
Budgetary Amendment – Fiscal Year 2023

RECOMMENDED MOTION: “that Resolution No. 1206-23, amending the budget for fiscal year 2023 for additional revenues/appropriations, monetary adjustments, and transfers between departments, be approved by the Board of Town Commissioners with the following amendments:”

General Fund Revenue:

1. American Rescue Plan (ARPA) – increase by \$718,434 for the TH/PD Construction
2. Miscellaneous Income – increase \$11,839 for opioid settlements
3. Interest on Investments – increase by \$25,317 to balance the amendment

General Fund Expenditures:

4. Armory Expenses – add \$13,656 to the already encumbered \$14,573 amount from fiscal year 21 for the CCTV/intercom/door release security project.
5. Town Buildings Capital, TH/PD Construction – increase by \$718,434 mainly due to work completed by Whiting Turner in May and June
6. Human Resources Salaries/Benefits – increase by \$2,500 to cover leave payout and additional part-time staff time to fill-in
7. Legal – increase by \$9,000 for additional legal services
8. Miscellaneous General Insurance – increase by \$12,000 for additional insurance costs

Special Revenue Fund Revenues/Expenditures:

9. Community Development Block Grant (CDBG) – reduce by \$39,998 due to the COVID related CDBG-CV allocation for the Armory replacement window project being delayed
10. Community Legacy Grant – remove \$100,000 budget due to the Courtland Square project not starting until FY24

RESOLUTION NO. 1206-23
A RESOLUTION AMENDING THE BUDGET FOR FISCAL YEAR 2023

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, 2023.

INTRODUCTION:

PUBLIC HEARING:

ENACTMENT:

EFFECTIVE:

AYES:

NAYES:

ABSENT:

Kevin M. Bianca, Chair
Board of Town Commissioners

Michael L. Krantz
Town Clerk

**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL**

REVENUES

FY 2023

	Approved FY23 Budget	Proposed Changes Inc (Dec)	Amended FY23 Budget
I. GENERAL FUND			
<u>Operating Revenues</u>			
Real Property Taxes	\$8,004,915		\$8,004,915
Half-year Taxes	0		0
Personal Property Taxes - Unincorporated	12,500		12,500
Public Utilities Corporation	500,000		500,000
Ordinary Business Corporations - Incorporated	500,000		500,000
Penalties & Interest	50,000		50,000
Income Taxes	1,677,900		1,677,900
Admission & Amusement Taxes	60,000		60,000
Motor Vehicles (SHA)	505,175		505,175
Police Protection Grant	234,564		234,564
Business Licenses	55,000		55,000
Public Works Fees	35,000	42,000	77,000
Planning & Zoning Fees	13,000		13,000
Cable TV Franchise	145,000		145,000
American Rescue Plan (ARPA)	1,613,195	2,606,650	4,219,845
Governor's Office Crime Prevention Grant	38,103	164,544	202,647
Miscellaneous Grants, MD	0	29,100	29,100
Financial Corps. - County Grant	8,458		8,458
Harford County Tax Rebate	1,216,111		1,216,111
Traffic Grants	8,000		8,000
Stormwater Management Harford County	145,000		145,000
Miscellaneous Grants	0	71,100	71,100
Bel Air Armory Fees	90,000	5,750	95,750
Police & PW Overtime Reimbursement	20,000		20,000
Police Security (Overtime) Schools	30,000		30,000
Police Reports	1,800		1,800
False Alarm Fees	18,000		18,000
Red Light Camera	570,000		570,000
Miscellaneous Income	5,000	71,839	76,839
Finance Fees	9,900		9,900
Administration Fees	1,000		1,000
MAWC Well Fees	9,000		9,000
Interest on Investments	25,000	224,713	249,713
MD Homebuilder Guaranty Fund	800		800
Seized Property	4,000		4,000
Rental Income-Armory Marketplace	35,000		35,000
Alliance Contribution	2,500	52,210	54,710
Rockfield Foundation Contribution	700		700
Vehicle/Equipment Sale Proceeds	47,000		47,000
Bond Proceeds, DHCD	0	3,976,737	3,976,737
Total Operating Revenues	\$15,691,621	\$7,244,643	\$22,936,264
Transfer from Unassigned	41,273	(41,273)	0
Transfer from Capital Reserve	56,600	(56,600)	0
Transfer from Worker's Comp Reserve	44,829		
Transfer to Seized Property Reserve	(2,000)		(2,000)
Transfer from Leave Payout Reserve	0	96,095	96,095
Transfer from Sewer Fund	382,580		382,580
Transfer from Parking Fund	271,714		271,714
GENERAL FUND TOTAL REVENUES	\$16,486,617	\$7,242,865	\$23,684,653
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**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL**

**REVENUES
FY 2023**

	Approved FY23 Budget	Proposed Changes Inc (Dec)	Amended FY23 Budget
II. SEWER FUND			
Revenues			
Sewer User Charges	\$2,450,000		\$2,450,000
Bay Restoration Fee Interest	2,000		2,000
Other Revenue	13,300		13,300
Miss Utility Fees	19,000		19,000
American Rescue Plan (ARPA)	890,000		890,000
User Benefit Fees	37,030		37,030
Connection Fees	<u>50,000</u>		50,000
SEWER FUND TOTAL REVENUES	\$3,461,330	\$0	\$3,461,330
III. PARKING FUND			
Revenues			
Meter Collections	\$125,000		\$125,000
Parking Fines	115,000		115,000
Lease Fees	71,411		71,411
County Share Operating Expenses	117,582		117,582
County Share Capital Expenses	10,080		10,080
Transfer from Retained Earnings	85,401		85,401
PARKING FUND TOTAL REVENUES	\$524,474	\$0	\$524,474
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	9,000		9,000
Auxiliary Police	2,500		2,500
Transfer from GF Seized Property	2,000		2,000
Seized Property - Federal Treasury	9,500		9,500
Cultural Arts Commission	16,440		16,440
CDBG Project	80,357	(39,998)	40,359
Community Legacy Grant	100,000	(100,000)	0
Community Parks & Playground Grant	115,000		115,000
Revolving Loan Fund	<u>500</u>		500
SPECIAL REVENUE TOTAL REVENUES	\$346,497	(\$139,998)	\$206,499
TOTAL REVENUES ALL FUNDS	\$20,818,918	\$7,102,867	\$27,876,956
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TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL
EXPENDITURES
FY 2023

I. GENERAL FUND

	Approved FY23 Budget	Proposed Changes Inc (Dec)	Amended FY23 Budget
<u>GENERAL GOVERNMENT</u>			
<u>Bel Air Reckord Armory</u>			
Salaries/Benefits	\$128,640	\$1,750	\$130,390
Expenses	100,796	49,756	
Capital Improvements	25,000	22,475	47,475
<u>Administrator</u>			
Salaries/Benefits	173,544	47,777	221,321
Expenses	904	2,200	3,104
Municipal League Dues	18,543		18,543
<u>Town Buildings</u>			
Salaries/Benefits	66,371	1,000	67,371
Expenses	200,912	75,296	276,208
Pre-construction TH/PD	0	27,909	27,909
Capital, TH/PD Construction	0	6,701,001	6,701,001
Buildings, Capital	200,000	(44,097)	155,903
<u>Human Resources</u>			
Salaries/Benefits	257,254	4,500	261,754
Expenses	38,844		38,844
<u>Election</u>			
Expenses	0		0
<u>Finance</u>			
Salaries/Benefits	577,432	4,500	581,932
Audit	19,525		19,525
Expenses	24,740		24,740
OPEB Actuarial Valuation/GASB Pension Review	11,200		11,200
<u>Legal Services</u>			
Expenses	54,800	120,000	174,800
<u>Planning & Zoning</u>			
Salaries/Benefits	518,176	4,000	522,176
Expenses	130,002	10,900	140,902
Capital Improvements	475,000	178,748	653,748
<u>Economic Development</u>			
Salaries/Benefits	386,521	7,000	393,521
Expenses	137,232	(5,000)	132,232
<u>Commissioners</u>			
Salaries/Benefits	27,493		27,493
Expenses	32,275		32,275
<u>Technology</u>			
Salaries/Benefits	261,299	2,000	263,299
Expenses	256,826	16,217	273,043
Software/hardware non-capital	13,530	29,498	43,028
Software/hardware capital	60,800		60,800
<u>Public Relations</u>			
Salaries/Benefits	102,102	(63,883)	38,219
Expenses	6,254		6,254
TOTAL GENERAL GOVERNMENT	-3-	\$4,306,015	\$7,193,547
			\$11,349,010

**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL
EXPENDITURES
FY 2023**

I. GENERAL FUND (Cont'd)

	Approved FY23 Budget	Proposed Changes Inc (Dec)	Amended FY23 Budget
<u>BENEFITS</u>			
Insurances	\$8,405		\$8,405
OPEB (Other Postemployment Benefits)	45,000	6,670	51,670
Transfer to Leave Payout Reserve	10,000	20,000	30,000
<u>TOTAL BENEFITS</u>	\$63,405	\$26,670	\$90,075
<u>MISCELLANEOUS</u>			
General Insurance	\$133,000	\$12,000	\$145,000
Miscellaneous Expenses	42,180		42,180
Contingency	2,500		2,500
Transfer to Capital Reserve	20,000		20,000
<u>TOTAL MISCELLANEOUS</u>	\$197,680	\$12,000	\$209,680
<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	401,629		\$401,629
<u>TOTAL DEBT SERVICE</u>	\$611,736	\$0	\$611,736
<u>PUBLIC SAFETY</u>			
Hydrant Rental	\$55,584		\$55,584
Red Light Camera Program	231,975		231,975
Volunteer Fire Co. Contribution	167,568		167,568
<u>TOTAL PUBLIC SAFETY</u>	\$455,127	\$0	\$455,127
<u>POLICE DEPARTMENT</u>			
Salaries/Benefits	\$5,411,870	\$79,950	\$5,491,820
Expenses	363,012	20,398	383,410
Equipment, Capital	0	104,872	104,872
Vehicles, Capital	120,000	15,876	135,876
<u>TOTAL POLICE DEPARTMENT</u>	\$5,894,882	\$221,096	\$6,115,978

**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL
EXPENDITURES
FY 2023**

I. GENERAL FUND (Cont'd)

	Approved FY23 Budget	Proposed Changes Inc (Dec)	Amended FY23 Budget
<u>PUBLIC WORKS</u>			
<u>General Administration</u>			
Salaries/Benefits	\$1,009,759	(\$9,250)	\$1,000,509
Expenses	94,630	12,500	107,130
MS4 SWM Program	145,000		145,000
Vehicle, Capital	50,000	(6,595)	43,405
<u>Town Shop</u>			
Salaries/Benefits	245,970	3,000	248,970
Expenses	202,240		202,240
<u>Streets & Highways</u>			
Salaries/Benefits	783,010	(86,750)	696,260
Expenses	378,810	(12,199)	366,611
Capital, Construction	530,261	(157,089)	373,172
Vehicle/Equipment, Capital	271,579	(200,100)	71,479
<u>Refuse Collection</u>			
Salaries/Benefits	760,110	8,000	768,110
Expenses	183,258		183,258
Vehicle/Equipment, Capital	121,000	238,035	359,035
<u>TOTAL PUBLIC WORKS</u>	\$4,775,627	(\$210,448)	\$4,565,179
<u>COMMITTEES</u>			
Parks & Recreation	\$104,295		\$104,295
Independence Day	15,200		15,200
Boys & Girls Club	10,000		10,000
Christmas Parade	5,000		5,000
Appearance & Beautification	39,300		39,300
Cultural Arts	8,350		8,350
<u>TOTAL COMMITTEES</u>	\$182,145	\$0	\$182,145
<u>TOTAL GENERAL FUND EXPENDITURES</u>	\$16,486,617	\$7,242,865	\$23,729,482

**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL
EXPENDITURES
FY 2023**

II. SEWER FUND

	Approved FY23 Budget	Proposed Changes Inc (Dec)	Amended FY23 Budget
Harford County Charges	\$1,572,552		\$1,572,552
Salaries/Benefits	\$256,734		\$256,734
Town Operation Expenses	117,531		117,531
Depreciation	82,077		82,077
Amortization Expense - Sewer Agreement	24,248		24,248
Transfer to General Fund	382,580		382,580
Root Control Maintenance	35,000		35,000
Pump Station Engineering	40,000		40,000
Connection Payments	50,000		50,000
User Benefit Fees	37,030		37,030
Pump Station Repairs/Replacements, Capital	850,000		850,000
Debt Service - Inflow and Infiltration	7,966		7,966
Debt Service - Sewer System CIP	948		948
Debt Service - DHCD Refinance II	3,807		3,807
Debt Service - JC Sewer Main	857		857
<u>TOTAL SEWER FUND EXPENSES</u>	\$3,461,330	\$0	\$3,461,330

III. PARKING FUND

<u>Parking Lots</u>			
Operating Expenses	\$6,460		\$6,460
Maintenance	3,000		3,000
Transfer to General Fund	171,648		171,648
<u>Parking Garage</u>			
Operating Expenses	37,000		37,000
Elevator Contract/Maintenance	7,050		7,050
Transfer to General Fund	100,066		100,066
Insurance	23,992		23,992
Capital Repairs	15,000		15,000
Debt Service - Parking Garage Sweeper	486		486
Debt Service - Parking Garage Main/Rep	207		207
Debt Service - Parking Garage JCI	1,430		1,430
<u>Other</u>			
Parking Fine Charges	21,850		21,850
Miscellaneous	1,246		1,246
Postage	1,900		1,900
Depreciation	132,960		132,960
Debt Service-Parking Jeep	179		179
<u>TOTAL PARKING FUND EXPENSES</u>	\$524,474	\$0	\$524,474

**TOWN OF BEL AIR
BUDGET AMENDMENT PROPOSAL
EXPENDITURES
FY 2023**

IV. SPECIAL REVENUE FUND

	Approved FY23 <u>Budget</u>	Proposed Changes <u>Inc (Dec)</u>	Amended FY23 <u>Budget</u>
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	9,000		9,000
Auxiliary Police	2,500		2,500
Seized Property	2,000		2,000
Seized Property - Federal Treasury	9,500		9,500
Cultural Arts Commission	16,440		16,440
CDBG Project	80,357	(39,998)	40,359
Community Legacy Grant	100,000	(100,000)	0
Community Parks & Playground Grant	115,000		115,000
Revolving Loan Grant	500		500
<u>TOTAL SPECIAL REVENUE EXPENDITURES</u>	\$346,497	(139,998)	\$206,499
<u>TOTAL EXPENDITURES ALL FUNDS</u>	\$20,818,918	\$7,102,867	\$27,921,785