

Anne Arundel County

Office of the County Auditor



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget and Capital Budget and Program

May 28, 2024

Anne Arundel County Council

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The Office of the County Auditor was created by the Anne Arundel County Charter as an independent office reporting to the County Council to help establish accountability and improve County services. We conduct reviews of legislation for fiscal considerations as a duty assigned by the County Council via Resolution 48-15. This report includes our review of the Fiscal Year 2025 Proposed Current Expense Budget and Capital Budget and Program and the related bills that implement provisions of the proposed budget.

This report is intended solely for the use of the County Council and Anne Arundel County Management. We acknowledge the cooperation extended to us during the course of our review by the Office of the Budget and all other departments and agencies included in the proposed budget.

Copies of our legislation review reports are available at:

<https://www.aacounty.org/auditor/oca-reviews/legislation-reviews>

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Introduction

In Resolution 48-15, under Section 311(c) of the County Charter, the County Council assigned an additional duty for the Office of the County Auditor (OCA) to submit a written document to the County Council addressing the fiscal considerations of each bill and resolution to be heard by the County Council. This report includes our review of the Fiscal Year 2025 (FY25) Proposed Current Expense Budget and Capital Budget and Program. The legislation that implements the proposed budget are Bills 33-24 through 48-24 and 53-24.

Appendix A includes operating recommendations and Appendix B includes capital recommendations based on our review of the FY25 proposed budget.

On May 13, 2024, we provided a presentation on our review of the budget and general comments on spending affordability and debt affordability. This presentation is included in Appendix C. Throughout the department and agency budget hearings, we provided reports to summarize our review of various FY25 proposed operating and capital budgets. These reports are included in Appendix D and E for these operating and capital reports, respectively.

County Revenues

We have reviewed the Administration's estimates for the material revenue sources to support the FY25 proposed budget and concur with the estimates within a reasonable margin and, from what we have reviewed, the assumptions used by the Administration are reasonable.

Along with the submitted Annual Budget and Appropriation Ordinance (ABAO), Bill 33-24, the Administration introduced several bills to establish tax rates that will provide the revenue to fund the proposed FY25 budget appropriations. Bills 34-24 through 48-24 and 53-24 establish various tax rates, including those for special taxing districts, special community benefit districts, shore erosion control districts, waterway improvement districts, utility customers, residents, and property tax payers.

We have reviewed the calculation of the rates and agree the rates will generate revenue to support the FY25 appropriation request in the ABAO.

The following table summarizes the tax changes included in certain bills:

Legislation	Increase
Bill 43-24: Fee for Switched Local Exchange Access Service, Commercial Mobile Radio Service, and Other 9-1-1-Accessible Service	\$0.75 to \$1.00 per month
Bill 44-24: Construction Code – Department of Inspections and Permits – Fees	Appx. 100 fees increased (majority increase by 73%)
Bill 45-24: Public Works – Utilities – Metered Water and Wastewater Charges	\$3.23 to \$3.45 water \$5.67 to \$6.06 wastewater
Bill 46-24: Public Works – Solid Waste Collection – Solid Waste Service Charge – Solid Waste Landfill and Facility Delivery Fees	\$380 to \$404 curbside \$85 to \$100/ton commercial \$37.50 to \$44.20/cubic yard closed vehicle
Bill 47-24: Finance, Taxation, and Budget – Income Tax	Middle bracket 2.81% to 2.94%
Bill 48-24: Property Tax and Semiannual Payment Service Charge	\$0.980 to \$0.983 County \$0.586 to \$0.587 City of Annapolis 0.68% to 1.08% service charge on second installment
Bill 53-24: Public Works – Utilities – Water and Wastewater – Capital Facility Recoupment Charge – Capital Facility Connection Charges	\$3.81 to \$4.00 recoupment \$10,286 to \$10,800 connection

Property Tax Rates (Bill 48-24)

The FY25 Proposed Current Expense Budget incorporates the following property tax rate changes:

- From \$0.980 to \$0.983 per \$100 of assessed value for the County,
- From \$0.586 to \$0.587 per \$100 of assessed value for the City of Annapolis,
- From \$0.950 to \$0.953 per \$100 of assessed value for the Town of Highland Beach, and
- Semiannual payment schedule service fee increases from 0.68% to 1.08%.

This table shows how changes in the real property assessable base and proposed changes to property tax rates impact estimated FY25 property tax revenues. The majority of the FY25 increase in property tax revenues can be attributed to an increase in the assessable base.

FY25 Property Tax Estimate			
	County	City	Total
Previous Real Property Base Less Tax Credits	80,548,909,447	7,037,152,553	87,586,062,000
New Real Property Base Less Tax Credits	82,510,992,015	7,400,543,151	89,911,535,166
FY24 Real Property Tax Rate:	0.980	0.586	
Real Property Tax Yield FY24 Property Tax Rate @ Previous Assessable Base	789,379,313	41,237,714	830,617,027
Real Property Tax Yield FY24 Property Tax Rate @ New Assessable Base	808,607,722	43,367,183	851,974,905
Difference of New Assessable Base @ Current Tax Rate	19,228,409	2,129,469	21,357,878
FY25 Proposed Real Property Tax Rate:	0.983	0.587	
Real Property Tax Yield New Assessable Base @ FY25 Proposed Tax Rate	811,083,052	43,441,188	854,524,240
Increase Based on Proposed Tax Rate Above Current Rate	2,475,330	74,005	2,549,335

Note: Table does not reflect changes to rates for Highland Beach.

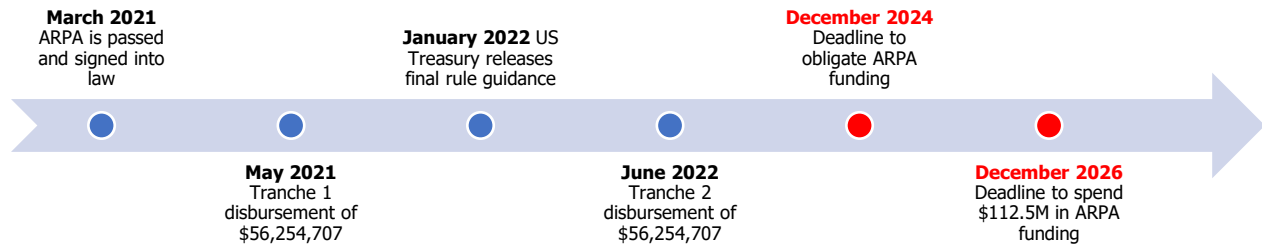
Inspection and Permit Fees (Bill 44-24)

- Existing construction and grading permit fees with specified dollar values increase an average of 76% starting October 1, 2024. Many of the proposed increases are 73%, but there are exceptions.
- New fees for specified re-inspections and investigations of \$150.
- Requires fees to be adjusted annually in accordance with a specified employment cost index, beginning July 1, 2025.
- Select fee changes include:
 - building permit (\$20,001-\$25,000 estimated value) increases from \$140 to \$242;
 - grading, single-family dwelling, lot over 2,000 sq/ft increases from \$650 to \$1,124;
 - minimum electrical permit fee for a new single-family home increases from \$85 to \$147; and
 - certificate of occupancy penalty increases from \$500 to \$1,000.
- The FY25 proposed budget estimates revenues will increase by \$5,900,000 in FY25, by \$7,800,000 in FY26, and annually thereafter. This estimate assumes that the volume of permit issuance remains constant.

Grant Funding

American Rescue Plan Act of 2021 (ARPA) funds are programmed in the FY25 proposed budget, similar to how this occurred in prior budgets. The related timeline is shown in the chart below.

Upcoming Deadlines



Program Funding

The County received a total of \$112,509,400 in ARPA funding. According to the monthly ARPA report provided to the Council, as of April 30, 2024, there was \$102,429,100 in funds already assigned to various programs. The Administration advised that they have begun closing out certain previously approved program funding requests for projects with cost savings and reprogramming those funds to new projects. These changes should be provided in the May or June ARPA Report to the Council.

The FY25 proposed budget includes approximately \$10,600,000 in funds assigned to new programs. This includes \$7,980,000 in revenue replacement and \$2,620,000 for PAYGO for the capital budget. The PAYGO funding will support Recreation and Parks Facility Lighting (\$1,320,000), Brooklyn Park Community Center (\$1,000,000), and Grinder Pump Replacement/Upgrade (\$300,000).

The FY25 proposed budget also includes ARPA funding placeholders to deploy the remaining funds as follows:

- Department of Aging (\$5,000)
- Fire Department (\$1,000)
- Department of Health (\$10,400)
- Partnership for Children, Youth and Families (\$2,300)
- Department of Social Services (\$1,000)
- Office of Transportation (\$1,000)

County and Community Grants

There are approximately \$8,120,000 in County funded grants to outside organizations funded by the General Fund and approximately \$3,450,000 in grants funded by other funds included in the FY25 proposed budget. The following table shows the breakdown of the FY25 proposed grants to outside organizations and the prior year approved budgets for similar funding:

Schedule of County Funded Grants to Outside Organizations					
Fiscal Years 2021 - 2025					
Grant Category	FY21	FY22	FY23	FY24	FY25
	Budget	Budget	Budget	Budget	Proposed Budget
Identified Grantees:					
Outside Organization Grants	\$ 1,838,800	\$ 2,540,910	\$ 4,491,800	\$ 4,182,400	\$ 6,097,900
Cultural Grants	384,000	405,000	338,000	404,365	397,865
Teen Grants	6,000	8,000	8,000	8,000	8,000
Maintenance Grants	313,000	377,000	465,360	467,000	469,600
Capital and Other	8,614,040	2,525,000	3,429,000	850,000	953,100
Unidentified Grantees:					
Outside Organization Grants	*	*	*	20,000	191,600
General Fund Total	\$ 11,155,840	\$ 5,855,910	\$ 8,732,160	\$ 5,931,765	\$ 8,118,065
Identified Grantees:					
Outside Organization Grants Non-General Funds	\$ 1,626,900	\$ 1,024,302	\$ 681,700	\$ 393,000	\$ 2,189,420
Environmental Grants Non-General Funds	1,200,000	2,000,000	1,790,000	1,740,000	1,260,000
Unidentified Grantees:					
Environmental Grants Non-General Funds	*	*	*	500,000	-
Non-General Fund Total	\$ 2,826,900	\$ 3,024,302	\$ 2,471,700	\$ 2,633,000	\$ 3,449,420
Total	\$ 13,982,740	\$ 8,880,212	\$ 11,203,860	\$ 8,564,765	\$ 11,567,485
* Unidentified Grantees were not presented in years prior to FY24, therefore we do not have that information to compare.					

Follow-Up to OCA Operating and Capital Budget Analyses

The following areas were either items that required follow up or additional information was received after the budget hearing and the updated information is provided below:

Pay Package

The salary increases for County groups vary and below is a summary of the salary increases or average increase provided to County employee groups, the Department of Public Libraries (Library), Anne Arundel Community College (Community College), and Board of Education (BOE) teachers. Based on our review, the salary increases included in the FY25 proposed budget follow all union agreements and include a 3% cost of living adjustment (COLA) and 3% merit for non-represented classified employees and exempt employees. For component unit increases, the Library's salary increase includes a 3% COLA and a market rate adjustment to be provided based on the determination of the Library (see details below). A portion of the Library's market rate adjustment was provided in FY24. The Community College increase includes a 6% average increase based on a salary pool methodology. The BOE teachers increase includes a 3% COLA and an average 2% step increase.

Average % Increase to Salary by Group						
	Employee Group	FY21	FY22	FY23	FY24	FY25
County	Non-represented	0.0%	4.5%	7.5%	8.0%	6.0%
County	AFSCME 2563	5.0%	4.5%	8.0%	8.0%	6.0%
County	AFSCME 582	5.0%	4.5%	8.0%	8.0%	6.0%
County	Correctional Program Specialists	8.0%	4.5%	7.0%	8.0%	6.0%
County	Detention Officers & Corporals	6.0%	4.5%	7.5%	8.0%	7.0%
County	Detention Sergeants	7.0%	4.5%	7.0%	8.0%	6.0%
County	Fire	9.0%	8.0%	8.5%	9.0%	7.0%
County	Fire Battalion Chief	5.0%	5.0%	8.0%	8.5%	7.0%
County	Park Rangers	5.0%	4.5%	7.5%	8.0%	6.0%
County	Police (FOP)	13.0%	5.0%	8.0%	9.5%	8.5%
County	Police Sergeants	13.0%	5.0%	8.0%	9.5%	8.5%
County	Police Lieutenants	8.0%	5.0%	8.0%	9.5%	8.5%
County	Police Captains	0.0%	5.0%	8.0%	9.5%	8.5%
County	Sheriff Deputies	6.0%	4.5%	7.5%	8.0%	7.4%
County	Sheriff Sergeants	6.0%	6.0%	7.5%	8.0%	6.0%
Library	Library	0.0%	4.5%	7.5%	8.0%	3.0%
AACC	AACC (Community College)	0.0%	5.0%	5.0%	10.0%	6.0%
BOE	Unit 1 - TAAAC (Teachers)	3.0%	3.0%	6.0%	8.0%	5.0%

Library Market Rate Adjustment Initiative

In 2023, the Library received the results of a study that proposed a market rate adjustment for various Library employees for a total cost of approximately \$2,700,000. In the FY24 proposed budget, \$485,000 was included for related market rate adjustments for these employees. During the FY24 supplemental budget request process, the County Council approved an additional request of \$530,000 for market rate adjustments (a total market rate adjustment in FY24 of \$1,015,000).

The Library has requested additional funding to continue implementation of the market rate adjustment in FY25. In the FY25 proposed budget, funding totaling approximately \$980,000 was included. This provides the remaining market rate adjustments for any employee that has a salary that is less than \$100,000.

New Positions

The FY25 proposed budget includes 12 new general fund positions in 5 County departments. Below is a summary of these new general fund positions and the estimated costs of these positions, including recurring costs (such as, salary and benefits) and one-time costs (such as, computers, desks, uniforms, and vehicles). There is also one new position in the Garage Working Capital Fund (not shown in the summary of new general fund positions below).

Summary of New General Fund Positions								
DEPT	Job Title	Salary Plan	Grade	Position Control #	Salary, FICA, Insurance, Pension	Ancillary Costs	Vehicle Costs	Grand Total
AGE	Program Specialist I	NR	15	90002	\$ 81,821	\$ -	\$ -	\$ 81,821
POL	Info System Support Specialist	NR	14	90003	\$ 78,237	\$ 5,000	\$ -	\$ 83,237
POL	Public Safety Analyst I	LM	11	90004	\$ 74,903	\$ 5,000	\$ -	\$ 79,903
POL	Public Safety Analyst I	LM	11	90005	\$ 74,903	\$ 5,000	\$ -	\$ 79,903
POL	Public Safety Analyst I	LM	11	90006	\$ 74,903	\$ 5,000	\$ -	\$ 79,903
POL	Senior Forensic Examiner	NR	18	90008	\$ 100,313	\$ 5,000	\$ -	\$ 105,313
POL	Police Sergeant	P	02	90007	\$ 130,658	\$ 21,800	\$ 62,600	\$ 215,058
CAO	Exec Budget and Mgmt Analyst ①	EX	17	90012	\$ 85,090	\$ -	\$ -	\$ 85,090
RCP	Management Assistant I ②	NR	15	90010	\$ 81,821	\$ 400	\$ -	\$ 82,221
RCP	Park Ranger ②	R	1	90009	\$ 77,449	\$ 400	\$ 55,520	\$ 133,369
RCP	Assistant Facilities Superintendent	NR	16	90001	\$ 87,529	\$ -	\$ -	\$ 87,529
LEG	Legislative Chief of Staff	E	6	90013	\$ 159,593	\$ -	\$ -	\$ 159,593
					\$ 1,107,221	\$ 47,600	\$ 118,120	\$ 1,272,941

① Although the salary and benefit costs for this position per the FY25 projected payroll is \$85,090 (as noted above), the Administration advised that there is currently a filled contractual position that will be converted to this full-time position and the anticipated salary and benefit costs will be \$102,700.

② While these positions are anticipated to be filled in January 2025, the related costs above are full year costs and a portion of these full year costs were offset with an increased turnover reduction to the applicable department.

In addition, the FY25 proposed budget includes 2.34 positions (3 total positions but offset by a decrease of 0.66 for a position that will be partially grant funded in FY25), transferred from other funds to general fund positions, two grant fund positions and one child care fund position. Below is a summary of these newly transferred positions, including recurring costs (such as, salary and benefits).

Summary of Positions New to General Fund from Other Fund Sources ③								
DEPT	Job Title	Salary Plan	Grade	Position Control #	Salary, FICA, Insurance, Pension	Ancillary Costs	Vehicle Costs	Grand Total
RCP	Management Aide	NR	12	69810	\$ 84,397	\$ -	\$ -	\$ 84,397
SHR	Office Support Specialist	OS	6	24170	\$ 119,095	\$ -	\$ -	\$ 119,095
SHR	Crime Analyst	OS	11	29965	\$ 89,266	\$ -	\$ -	\$ 89,266
					\$ 292,758	\$ -	\$ -	\$ 292,758

Resilience Authority Funding

The FY25 Proposed Capital Budget and Program includes several projects the County is implementing in coordination with the Resilience Authority, which is a body corporate and politic of the County and the City of Annapolis. The capital projects include:

- Glen Burnie Plz Redevelopment (Project #C591300, p. 49) for \$1,550,000 in General Fund PAYGO and Other Fed Grants funding. The County is partnering with the Resilience Authority to manage this project. The Administration did not explain whether the total project funding was included in the FY25 Proposed Capital Budget and Program.
- EV Charging St & Oth Grn Tech (Project #C582800, p. 42) for \$660,000 in FY25 General County Bond funding. The Administration did not explain whether the total project funding was included in the FY25 Proposed Capital Budget and Program.
- Beverly Triton Nature Park (Project #P570300, p. 121) for \$4,000,000 in FY25 General Fund PAYGO to provide a contribution for use in the management of the project. This project was transferred to the Resilience Authority due to affordability concerns and the remaining required project funding is not reflected in the FY25 Proposed Capital Budget and Program.

In accordance with the County Code, the Resilience Authority has all powers necessary or convenient to undertake, finance, manage, acquire, own, convey, or support resilience infrastructure projects. The Administration advised that they are working in accordance with a MOU and project task orders to determine how the funding will be handled between the County and the Resilience Authority.

Other Items to Note

- **Contractual School Health Employees Employee Retirement Savings Plan** – The FY25 Proposed Current Expense Budget reflects an increase of \$799,800 in the Department of Health (DOH) School Health & Support Bureau for 401A Defined Contributions. This proposed DOH funding is contingent upon approval of Bill 49-24, which authorizes certain contract or temporary Anne Arundel County Public Schools health employees to participate in the County’s Employee Retirement Savings Plan.
- **Mental Health Agency Arundel Lodge Support** – The FY25 Proposed Current Expense Budget includes \$200,000 for the Anne Arundel County Mental Health Agency, a bureau under DOH, to support salary and fringe benefits for staff at the Arundel Lodge, which treats mental health and substance abuse disorders. This is a one-time expense due to operational issues experienced by Arundel Lodge.
- **County Contract Monitoring Concerns** – Certain department and agency responses indicated that contracts need to be requested of the Office of Central Services Purchasing Division; however, departments and agencies need to maintain their own contracts to ensure proper monitoring and billing.

Appendix A

FY25 Operating Budget Recommendations

Operating Budget Recommendations							
Department	Bureau	Operating Budget Book Page	Category	Object	Amount	Explanation	Total by Department
Chief Administrative Officer	110	107	Contractual Services	7439-Other Professional Services	\$50,000	The Chief Administrative Office (CAO) provides funding for a variety of services throughout the year, including event marketing and promotions. The FY25 proposed budget for Other Professional Services is \$235,000. The CAO's fiscal year expenditures were \$14,257 in FY23. Through April 30, 2024, \$43,415 in FY24 funding has been committed. We recommend reducing the FY25 proposed budget by \$50,000 to \$185,000 to consider the expenditure history of the account. This provides funding for all planned purposes and provides an additional \$50,000 for unidentified purposes.	
Total Chief Administrative Office Recommendations:							\$50,000
Office of Transportation	450	173	Contractual Services	7809 - Other Services	\$215,000	The Office of Transportation's transit service contract cost calculations assume a 3% contract rate increase for calendar year 2025 and use the highest monthly payment to estimate costs. We recommend a \$215,000 reduction to reflect a transit service rate increase consistent with 2024 and use of the average monthly payment to estimate total costs.	
Total Office of Transportation Recommendations:							\$215,000
Board Of Education		180	Fixed Charges		\$130,000	The Board of Education's (BOE) updated annual liabilities has resulted in \$130,000 reduction in estimated costs. Therefore, we recommend reducing the FY25 unrestricted budget by \$130,000 to correct the contribution to the Self-Insurance Fund.	
Board Of Education		180	Multiple		\$3,040,800	The New Village Academy Public Charter School announced in mid-May 2024 that it will defer opening until Fall 2025. BOE's FY25 operating costs will decrease as a result of this delay. We recommend reducing the FY25 budget by \$3,040,800 to reflect this reduced operating cost.	
Total Board of Education Recommendations:							\$3,170,800
Office of Central Services	180	119	Contractual Services	7224-Water and Sewer	\$30,000	The Office of Central Services (OCS) funds water and sewer costs for most County buildings. The OCS' FY25 requested budget of \$650,000 did not include new locations and remained the same from the FY24 approved budget. Water and sewer actual costs have been decreasing since FY22. Specifically, actual costs went from \$618,600 in FY22 to \$572,100 in FY23. OCS is estimating expenditures to be \$590,600 for FY24 (a three-year average). Although we estimated \$563,000 for FY24 showing the costs continuing to decline, we used OCS' FY24 estimate in assessing the FY25 proposed budget to take a conservative approach. We recommend reducing the FY25 proposed budget to \$620,000 (a \$30,000 reduction). Our calculated estimate reflected OCS' FY24 estimate plus inflation and weather volatility.	
Office of Central Services	180	119	Contractual Services	7223-Fuel Oil	\$20,000	OCS funds fuel oil costs for most County buildings. The OCS' FY25 requested budget of \$134,600 did not include new locations and decreased by approximately \$53,500. As shown in the budget decrease from FY24, fuel oil actual costs have been decreasing since FY22. Specifically, actual costs went from \$134,600 in FY22 to \$108,200 in FY23. OCS is estimating expenditures to be \$99,700 for FY24 (a three-year average). Although we estimated \$82,000 for FY24 showing the costs continuing to decline, we used OCS' FY24 estimate in assessing the FY25 proposed budget to take a conservative approach. We recommend reducing the FY25 proposed budget by \$20,000 to \$114,600 to account for estimated expenditures for FY24 plus inflation and weather volatility.	
Total Office of Central Services							\$50,000

Operating Budget Recommendations							
Department	Bureau	Operating Budget Book Page	Category	Object	Amount	Explanation	Total by Department
Department of Health	535	253	7200 - Contractual Services	7207 - Data Processing Hardware	\$167,900	The replacement costs of computers and related equipment based on the County's five-year replacement policy totaling \$167,900 was included in the Department of Health's (DOH) budget when the County's replacement policy states that the Office of Information Technology (OIT) is responsible for technology within the five-year refresh cycle. We recommend deleting the FY25 budget request of \$167,900.	
Department of Health	535	253	7200 - Contractual Services	7211 - Office Equipment	\$18,000	The replacement costs of computers and related equipment based on the County's five-year replacement policy totaling \$18,000 was included in the DOH's budget when the County's replacement policy states that OIT is responsible for technology within the five-year refresh cycle. We recommend reducing the FY25 budget request by \$18,000 to \$36,000.	
Total Department of Health Recommendations:							\$185,900
PAYGO Reconciling Amendment	150	138	Grants, Contributions & Other	8761 - Pay-as you-Go		Amount to be determined based on amendments to the Annual Budget and Appropriation Ordinance (ABAO).	
Impact Fee Reconciling Amendment		150	Grants, Contributions & Other	8761 - Pay-as you-Go		Amount to be determined based on amendments to the ABAO.	
TOTAL GENERAL OPERATING FUND RECOMMENDATIONS:							\$3,671,700
Water and Wastewater Operating Fund	310, 665, 670	214-215	Personal Services	7019 - Turnover	\$1,100,000	This object is calculated to determine the savings projected to occur in the personal services category due to vacancies. The Water and Wastewater Operating Fund (Fund) turnover budget request is 4.05%. The FY24 Fund approved budgeted turnover was 4.25%. However, actual turnover for FY24 is now estimated at 8.29%. As of April 10, 2024, 43 of 383 positions were vacant (11.2%). As of May 10, 2023, there were also 43 vacant positions. Considering there are the same number of vacancies as last fiscal year and that the estimated turnover rate for FY24 remains significantly higher than the budgeted rate, we recommend that the proposed turnover budget increase by (\$1,100,000), or to 6.00% based on historical turnover rates. Actual turnover rates over the past three years were still higher than what we are recommending (ranging from 6.66% to 8.29%).	
Total Water and Wastewater Operating Fund							\$1,100,000
TOTAL OPERATING BUDGET RECOMMENDATIONS:							\$4,771,700

Appendix B

FY25 Capital Budget Recommendations

Capital Budget Recommendations									
Class	Project #	Project Name	Capital Budget Book Page	Description of Recommendation	Explanation	Total FY25 PAYGO	Total FY25 Bonds	Total Prior Approved Bonds	Total Recommendation
Community College	J569700	Health and Life Sciences Bldg	347	Reduce prior approved general county bonds by \$197,000.	The Community College advised that this project is complete and has determined that the remaining County project funding can be released. Therefore, we recommend reducing prior approved general county bonds by \$197,000.			\$197,000	\$197,000
Community College	J587500	GBTC Tutoring Ctr Renovation	349	Reduce prior approved general county bonds by \$84,000.	The Community College advised that the project is in closeout and has determined that project funding of \$84,000 can be released. Therefore, we recommend reducing prior approved general county bonds by \$84,000.			\$84,000	\$84,000
Total Community College Recommendations:									\$281,000
Dredging	Q582300	Severn River HW Dredging 2	268	Reduce MD waterway improvement funds by \$89,000.	This project is complete and the Administration advised the remaining funding can be released. Therefore, we recommend reducing prior approved MD waterway improvement funds by \$89,000.				\$89,000
Dredging	Q584900	Yantz & Saltworks Creek Drdg	270	Reduce prior approved general county bonds by \$69,000 and prior approved MD waterway improvement funds by \$15,000.	Our review disclosed that estimated project costs were reduced. The Administration advised that the excess funds can be released. We recommend reducing the prior approved appropriation by \$84,000; reduce prior approved general county bonds by \$69,000 and prior approved MD waterway improvement funds by \$15,000.			\$69,000	\$84,000
Dredging	Q585000	Grays Crk & Hunters Hbr Drdg	271	Reduce prior approved general county bonds by \$177,000 and prior approved MD waterway improvement funds by \$189,000.	Our review disclosed that estimated project costs were reduced. The Administration advised that the excess funds can be released. We recommend reducing the prior approved appropriation by \$366,000, reduce prior approved general county bonds by \$177,000, and prior approved MD waterway improvement funds by \$189,000.			\$177,000	\$366,000
Total Dredging Recommendations:									\$539,000
General County	C106700	Advance Land Acquisition	19	Delete FY25 general fund PAYGO of \$3,350,000.	As of March 31, 2024, the available project balance was approximately \$5,644,910. The Administration advises that \$3,500,000 in FY24 and FY25 funding is being used to purchase property for the Board of Education School Bus Facility/Lot (Project #E591800) capital project. This would leave \$5,495,000 for unanticipated needs. Based on the lack of support and the available balance, we recommend deleting FY25 general fund PAYGO of \$3,350,000.	\$3,350,000			\$3,350,000
General County	C443400	Agricultural Preservation Prgm	22	Delete \$70,000 in FY26 miscellaneous funds.	FY26 miscellaneous funding from the Tri-County Council of Southern Maryland is included for operating budget expenditures. We recommend deleting FY26 miscellaneous funding of \$70,000 and including this funding in the FY26 Current Expense Budget once awarded.				\$70,000

Capital Budget Recommendations									
Class	Project #	Project Name	Capital Budget Book Page	Description of Recommendation	Explanation	Total FY25 PAYGO	Total FY25 Bonds	Total Prior Approved Bonds	Total Recommendation
General County	C501100	Failed Sewage&Private Well Fnd	25	Delete FY25 general fund PAYGO of \$80,000.	As of May 21, 2024, this project had an available project balance of \$185,000. The average annual expenses in this project are \$38,000. There is sufficient available balance for the Administration to perform planned tasks of \$53,000 and the remaining project funds would be available for any unplanned costs. Therefore, we recommend deleting FY25 general fund PAYGO of \$80,000.	\$80,000			\$80,000
General County	C562400	Add'l Salt Storage Capacity	33	Reduce FY26 general county bonds by \$200,000.	Our review disclosed calculation errors in the project cost estimates. As a result, the project budget can be reduced by \$200,000. Therefore, we recommend reducing FY26 general county bonds by \$200,000.				\$200,000
General County	C571700	Parking Garages Repair/Renov	36	Reduce FY25 PAYGO by \$14,000 and reduce FY26 general county bonds by \$495,000.	Our review disclosed calculation errors in the project cost estimates. As a result, the Administration reduced the project budget by \$509,000. Therefore, we recommend reducing FY25 PAYGO by \$14,000 and reducing FY26 general county bonds by \$495,000.	\$14,000			\$509,000
General County	C571800	Millersville Garage Renovation	37	Reduce FY26 general county bonds by \$337,000.	Our review disclosed calculation errors in the project cost estimates. As a result, the Administration reduced the project budget by \$337,000. Therefore, we recommend reducing FY26 general county bonds by \$337,000.				\$337,000
General County	C580000	West County Road Ops Yard	40	Reduce prior approved general county bonds by an additional \$1,112,000.	Our review disclosed calculation errors in the project cost estimates. As a result, the Administration reduced the project budget by \$1,112,000. The proposed FY25 budget included a reduction of \$673,000 in the prior approved general county bonds. Therefore, we recommend reducing prior approved general county bonds by an additional \$1,112,000.			\$1,112,000	\$1,112,000
General County	C585700	Circuit Courthouse Major Reno	43	Reduce FY26 general county bonds by \$513,000, reduce FY27 general county bonds by \$408,000, and reduce FY28 general county bonds by \$72,000.	Our review disclosed calculation errors in the project cost estimates. As a result, the Administration reduced the project budget by \$993,000. Therefore, we recommend reducing FY26 general county bonds by \$513,000, FY27 general county bonds by \$408,000, and FY28 general county bonds by \$72,000.				\$993,000
Total General County Recommendations:									\$6,651,000
Public Safety	F586400	Joint 911 Public Safety Ctr	82	Delete FY25 general county bonds of \$488,000 and replace with public safety impact fees of \$488,000.	This project is eligible for public safety impact fees that are available and are not being fully utilized. We recommend deleting FY25 general county bonds of \$488,000 and adding public safety impact fees of \$488,000.		\$488,000		\$0
Public Safety	F563000	Police Training Academy	87	Reduce prior approved general county bonds by \$170,000.	Our review disclosed calculation errors in the project cost estimates for phase 2. As a result, the Administration reduced the project budget for phase 2 by \$170,000. Therefore, we recommend reducing prior approved general county bonds by \$170,000.			\$170,000	\$170,000
Public Safety	F572800	New Police C.I.D. Facility	90	Reduce prior approved public safety impact fees by \$90,000.	This project is complete, and the Administration has determined that project funds can be reduced by \$90,000. Therefore, we recommend reducing prior approved public safety impact fees by \$90,000.				\$90,000

Capital Budget Recommendations									
Class	Project #	Project Name	Capital Budget Book Page	Description of Recommendation	Explanation	Total FY25 PAYGO	Total FY25 Bonds	Total Prior Approved Bonds	Total Recommendation
Public Safety	F575100	Evidence & Forensic Sci Unit	93	Reduce prior approved general county bonds by \$2,095,000.	Our review disclosed that a contract was awarded for construction (\$24,369,234); however, a higher cost estimate was used to determine the overall project cost (\$26,349,000). In addition, the project includes contingency funds of \$2,750,200. The Administration would like to retain the excess in the project for potential future changes. In light of the existing contingency provision and the existence of a contract award, we recommend reducing the project budget to the estimated cost using the contract award amount.			\$2,095,000	\$2,095,000
Public Safety	F580400	Zetron Tone Generator	96	Reduce prior approved general fund PAYGO by \$90,000.	This project is complete, and the Administration has determined that project funds can be reduced by \$90,000. Therefore, we recommend reducing prior approved general fund PAYGO by \$90,000.				\$90,000
Total Public Safety Recommendations:									\$2,445,000
Recreation & Parks	P445800	Facility Lighting	108	Delete FY25 general county bonds of \$90,000 and reduce ARP grant funding by \$249,000.	The Administration advised that reassessment of project costs results in less FY25 project funding being needed. Therefore, we recommend deleting \$90,000 in FY25 general county bonds and reducing FY25 ARP funding by \$249,000.		\$90,000		\$339,000
Recreation & Parks	P452500	R & P Project Plan	109	Reduce FY25 general fund PAYGO by \$63,000.	The Administration advised that reassessment of project costs results in less FY25 project funding being needed. Therefore, we recommend reducing FY25 general fund PAYGO by \$63,000.	\$63,000			\$63,000
Recreation & Parks	P570000	N Arundel Swim Ctr Campus Imp	119	Reduce FY25 general county bonds by \$100,000.	This project includes \$1,000,000 for project lighting, which exceeds the FY24 average lighting project cost of \$475,000. The Administration revised the lighting project estimate to \$600,000 but requests an additional \$300,000 for a playground to be added to the project. Therefore, general county bonds can be reduced by \$100,000.		\$100,000		\$100,000
Recreation & Parks	P570200	Eisenhower Golf Course	120	Reduce FY25 general county bonds by \$400,000.	Due to errors in the project budget, the Administration revised the project budget, resulting in a cost reduction of \$400,000. We recommend reducing FY25 general county bonds by \$400,000.		\$400,000		\$400,000
Recreation & Parks	P579000	Brooklyn Park Community Center	126	Reduce FY25 general county bonds by \$700,000.	The construction bid came in lower than expected, resulting in a reduction of \$1,200,000 in the project budget. Unforeseen water services work is estimated to cost \$500,000. Therefore, we recommend reducing FY25 general county bonds by \$700,000.		\$700,000		\$700,000
Total Recreation and Parks Recommendations:									\$1,602,000
Roads & Bridges	H539600	Trans Facility Planning	171	Reduce FY25 other state grants by \$80,000.	Our review disclosed an error in the other state grants funding amount listed in the FY25 proposed budget. Therefore, we recommend reducing FY25 other state grants by \$80,000 to agree with the related award amount.				\$80,000

Capital Budget Recommendations									
Class	Project #	Project Name	Capital Budget Book Page	Description of Recommendation	Explanation	Total FY25 PAYGO	Total FY25 Bonds	Total Prior Approved Bonds	Total Recommendation
Roads & Bridges	H566700	Hanover Road Corridor Imprv	178	Delete the FY25 hwy impact fees dist 1 of \$250,000 and reduce FY29 developer contributions by \$550,000.	Our review disclosed that due to a correction of a calculation error and the correction of an error in state funding, the overall project budget was reduced by \$800,000. Therefore, we recommend deleting the FY25 hwy impact fees dist 1 of \$250,000 and reducing FY29 development fees by \$550,000.				\$800,000
Roads & Bridges	H575600	Jumpers Hole Rd Improvements	182	Reduce FY25 general county bonds by \$500,000 and replace with highway impact fees district 3 of \$500,000.	This project is eligible for highway impact fees district 3 that are available and are not being fully utilized. We recommend reducing FY25 general county bonds by \$500,000 and adding highway impact fees district 3 of \$500,000.		\$500,000		\$0
Roads & Bridges	H575700	MD 214 & Loch Haven Road	183	Reduce FY25 general county bonds by \$300,000 and replace with highway impact fees district 5 of \$300,000.	This project is eligible for highway impact fees district 5 that are available and are not being fully utilized. We recommend reducing FY25 general county bonds by \$300,000 and adding highway impact fees district 5 of \$300,000.		\$300,000		\$0
Roads & Bridges	H583700	Pleasant Plains Rd Safety Im	191	Delete FY25 general county bonds of \$275,000 and reduce prior approved general county bonds by \$553,000.	The Administration revised the project's utility cost estimate resulting in a project cost reduction of \$828,000. Therefore, we recommend deleting the FY25 general county bonds of \$275,000 and reducing prior approved general county bonds by \$553,000.		\$275,000	\$553,000	\$828,000
Roads & Bridges	H583800	Duvall Hwy Access Imp	192	Reduce FY25 hwy impact fees dist 2 by \$157,000.	Our review disclosed a calculation error in the project cost estimate that reduced the project costs by \$157,000. Therefore, we recommend reducing FY25 hwy impact fees dist 2 funds by \$157,000.				\$157,000
Roads & Bridges	H587300	Bluewater/Milestone SUPs	199	Reduce FY25 general county bonds by \$146,000.	Our review disclosed a calculation error in the project cost estimate that reduced the project costs by \$146,000. Therefore, we recommend reducing FY25 general county bonds by \$146,000.		\$146,000		\$146,000
Roads & Bridges	H589800	Ridge Rd Improvements	202	Reduce FY25 general county bonds by \$315,000.	Our review disclosed a calculation error in the project cost estimate that reduced the project costs by \$315,000. Therefore, we recommend reducing FY25 general county bonds by \$315,000.		\$315,000		\$315,000
Roads & Bridges	H371200	Town Cntr To Reece Rd	213	Reduce FY25 hwy impact fees district 4 by \$316,000.	Our review disclosed calculation errors in the project cost estimates. As a result, the Administration reduced the project budget by \$316,000. Therefore, we recommend reducing FY25 hwy impact fees dist 4 funds by \$316,000.				\$316,000
Roads & Bridges	H579700	Odenton Area Sidewalks	226	Reduce prior approved general county bonds by \$64,000.	Our review disclosed a calculation error in the project cost estimate that reduced the project costs by \$64,000. Therefore, we recommend reducing prior approved general county bonds by \$64,000.			\$64,000	\$64,000
Roads & Bridges	H583500	Oakwood/Old Mill Blvd Roundabo	234	Reduce prior approved hwy impact fees dist 1 by \$290,000.	A construction contract was awarded for less than the Administration's estimate resulting in an overall reduction in project costs of \$290,000. Therefore, we recommend reducing prior approved hwy impact fees dist 1 funds by \$290,000.				\$290,000
Total Roads and Bridges Recommendations:									\$2,996,000

Capital Budget Recommendations									
Class	Project #	Project Name	Capital Budget Book Page	Description of Recommendation	Explanation	Total FY25 PAYGO	Total FY25 Bonds	Total Prior Approved Bonds	Total Recommendation
Water	W778600	Crofton Meadows II WTP Upgr	438	Reduce FY25 water bonds by \$1,339,000.	The project cost estimate included an error in the calculation resulting in excess funds. The Administration revised the project budget, resulting in a cost reduction of \$1,339,000. Therefore, we recommend reducing FY25 water bonds by \$1,339,000.		\$1,339,000		\$1,339,000
Total Water Recommendations:									\$1,339,000
TOTAL CAPITAL BUDGET RECOMMENDATIONS:						\$3,507,000	\$4,653,000	\$4,521,000	\$15,853,000

Appendix C

County Auditor's Presentation

May 13, 2024

OFFICE OF THE COUNTY AUDITOR

FY25 Proposed Budget Analysis
Michelle Bohlayer, County Auditor

Overview

- ▶ Introduction
- ▶ New Review Process
- ▶ Spending Affordability
- ▶ Debt Affordability

Spending Affordability

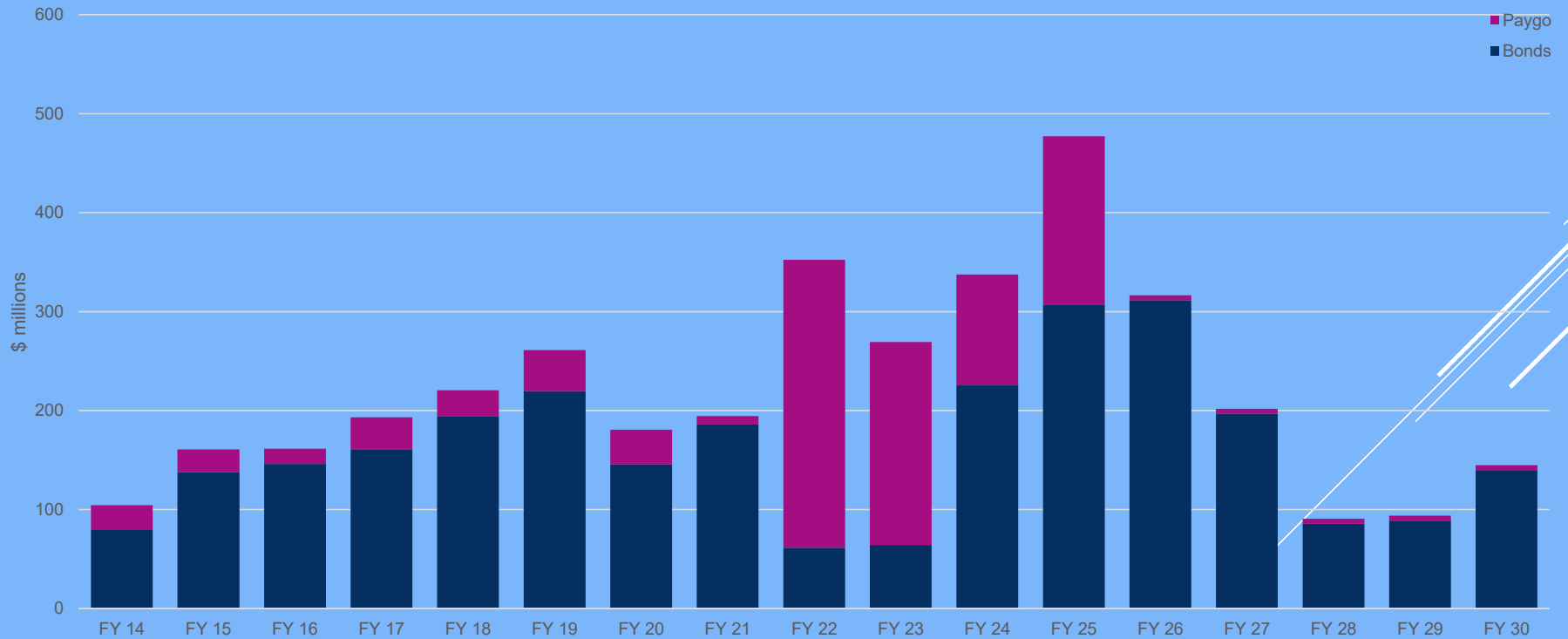
	FY25 (Proposed)	FY24	FY23	FY22	FY21
General Fund Appropriation Limit:					
SAC Recommendation	\$ 2,050,445,590	\$ 1,967,029,004	\$ 1,809,032,099	\$ 1,714,087,050	\$ 1,698,208,829
Add: Available General Fund Balance	\$ 182,206,300	\$ 146,822,900	\$ 262,372,000	\$ 114,225,200	\$ 37,746,800
Add: Budgeted Contribution to the Revenue Reserve Fund	\$ 7,800,000	\$ 24,600,000	\$ 23,500,000	\$ 11,000,000	\$ 1,000,000
Adjusted Recommended Spending	\$ 2,240,451,890	\$ 2,138,451,904	\$ 2,094,904,099	\$ 1,839,312,250	\$ 1,736,955,629
General Fund Spending per Proposed Operating Budget	\$ 2,312,436,300	\$ 2,137,300,400	\$ 2,157,450,500	\$ 1,873,082,300	\$ 1,719,224,300
Proposed Spending in Excess (Below) of SAC Recommendation	\$ 71,984,410	\$ (1,151,504)	\$ 62,546,401	\$ 33,770,050	\$ (17,731,329)
General Fund Debt Limit:					
Recommended General Fund Debt Limit	\$ 2,057,498,898	\$ 1,972,886,265	\$ 1,818,409,674	\$ 1,722,551,438	\$ 1,675,435,728
Estimated Outstanding General Fund Debt (End of FY)	\$ 1,582,255,897	\$ 1,611,329,933	\$ 1,642,387,399	\$ 1,548,439,585	\$ 1,459,797,020
Proposed Debt in Excess (Below) of SAC Recommendation	\$ (475,243,001)	\$ (361,556,332)	\$ (176,022,275)	\$ (174,111,853)	\$ (215,638,708)

Debt Affordability

- ▶ Proposed Capital Budget and Program meets County Debt Affordability guidelines
- ▶ FY25 Capital Budget is large by historic standards
- ▶ PAYGO used to reduce planned borrowing and expand capital spending
- ▶ Increasing debt earlier in the program will increase debt service costs earlier in the long term for the County
- ▶ There is capacity under the guidelines to increase future bonds over the proposed program
- ▶ Increasing debt would further increase debt service costs

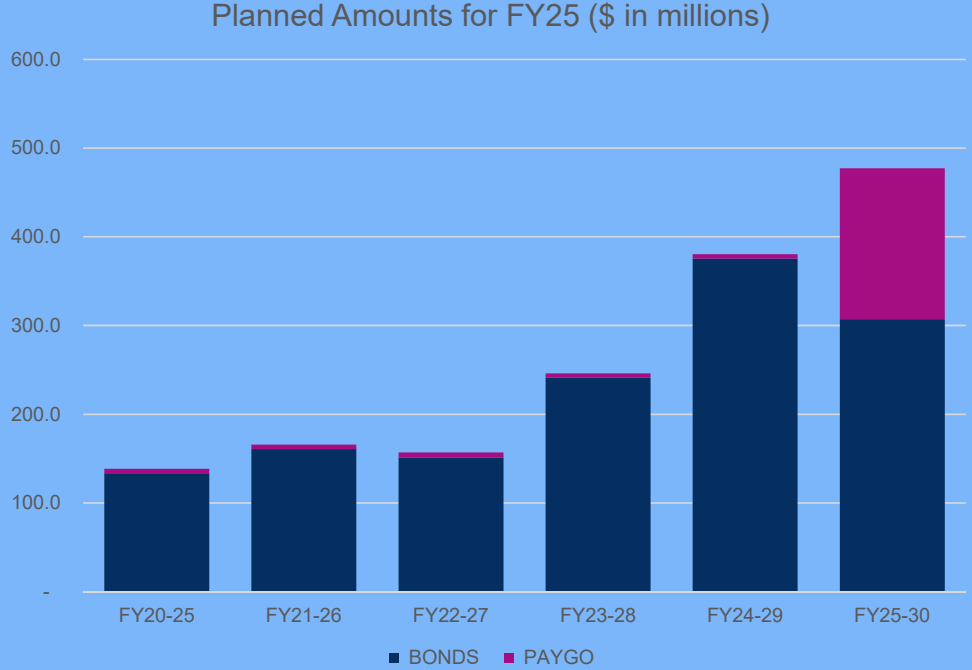
Proposed FY25 Capital Budget is the largest in County history

The program calls for reduced bond and PAYGO levels in FY28-30.



Planned amount for FY25 has tripled since the FY20-25 program

Proposed capital budget uses PAYGO to reduce planned bonding and increase overall capital spending, compared with the prior approved program.



Proposed Capital Program is within Affordability Guidelines

Over time, 3 of the 4 measures are trending up towards the guidelines.

Criteria	Guideline	FY 25	FY 30 Proj.
Debt service % of revenue	11.5%	7.6%	8.7%
Debt % of full value	2.0%	1.43%	1.58%
Debt % of personal income	4.0%	3.1%	3.1%
Debt per capita (adjusts for CPI)	\$3,839	\$2,633	\$3,245 (CPI adjusted guideline ≈ 4,366)

Even if the County remains within affordability guidelines,
increased debt results in increased future debt service costs.

	Est. Debt Service (\$ in millions)	Increase over FY24
FY25 Capital Budget	161	7
FY30 (Proposed Capital Program)	213	62
FY30 (Maximized Debt Capacity in Future Program Years)	232	78

Questions?

Appendix D

FY25 Operating Budget Reports

Anne Arundel Community College

Board of Education

Chief Administrative Officer

Department of Aging

Department of Detention Facilities

Department of Health

Department of Public Libraries

Department of Public Works

Department of Recreation and Parks

Fire Department

Office of Central Services

Office of Finance

Office of Information Technology

Office of Personnel

Office of the Sheriff

Office of Transportation

Police Department



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Anne Arundel Community College

Report Date: May 12, 2024

Hearing Date: May 13, 2024

Questions Sent to the Agency:	Thursday, May 2, 2024
Responses Received from the Agency:	Friday, May 3, 2024

This analysis considers all agency responses.

Anne Arundel Community College (AACC)

AACC Maintenance of Effort (MOE) History

Fiscal Year	Budgeted Appropriation*	Appropriation Required*	Amount over MOE
2017	\$38,687,700	\$36,687,700	\$2,000,000
2018	40,287,700	38,687,700	1,600,000
2019	42,387,700	40,287,700	2,100,000
2020	45,387,700	42,387,700	3,000,000
2021	45,387,700	45,387,700	-
2022	46,427,800	45,387,700	1,040,100
2023	47,427,800	46,427,800	1,000,000
2024	48,427,800	47,427,800	1,000,000
2025 (Proposed)	50,827,800	48,427,800	2,400,000

* Budgeted Appropriation and Appropriation Required exclude the appropriation from the Video Lottery Terminal Impact Aid Fund.

NOTE: The Education Article, Section 16-305(d) of the Annotated Code of Maryland requires the County share, in the aggregate, that supports the Community College to be equal or exceed the aggregate amount of operating fund appropriations made to the Board by the County in the previous fiscal year in order for a board to receive an increase in the state share of support or a hold harmless component amount.

Key Observations

1. AACC is also receiving FY25 funding of \$1,950,000 in Video Lottery Terminal Impact Aid Funds consisting of \$1,700,000 to sustain operations for their campus located in the County Local Development Council (LDC) target area and \$250,000 for a new pilot program to provide scholarships for residents of the LDC target area zip codes.
2. The \$3,300,000 increase in FY25 tuition and fee revenue is projected from a \$1 per credit hour tuition rate increase for in-County students, a \$2 per credit hour tuition rate increase for out-of-County students, a \$3 per credit hour tuition rate increase for out-of-state students, and a \$1 per credit hour athletic fee increase.
3. AACC uses a salary pool methodology and the funding included, based on the support provided, a 6% average increase.



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Board of Education

Report Date: May 12, 2024
Hearing Date: May 13, 2024

Questions Sent to the Agency:	Wednesday, May 1, 2024 and Monday, May 6, 2024
Responses Received from the Agency:	Wednesday, May 1, 2024 and Tuesday, May 7, 2024

This analysis considers all agency responses.

Board of Education (BOE)

BOE Maintenance of Effort (MOE) History

Fiscal Year	Per Pupil Expenditure (PPE) Required	Budgeted Appropriation	Appropriation Required	Amount over MOE	Enrollment	PPE Calculation
2017	8,021	\$638,003,110	\$626,013,617	\$11,989,493	78,052	8,174
2018	8,174	657,774,500	644,237,925	13,536,575	78,814	8,346
2019	8,346	687,809,300	670,593,776	17,215,524	80,350	8,560
2020	8,560	733,315,800	692,170,691	41,145,109	80,860	9,069
2021	9,069	749,579,900	748,066,152	1,513,748	82,486	9,087
2022	9,315	784,741,000	768,319,269	16,421,731	82,486	9,514
2023	9,514	834,741,000	784,741,000	50,000,000	81,405	10,254
2024	10,128	881,481,000	829,584,928	51,896,072	81,911	10,761
2025	10,761	929,281,000	879,729,363	49,551,637	81,749	11,368

Note: In accordance with HB1372, enrollment for FY2022 MOE is the greater of the full-time equivalent enrollment in September 2019 or the 3-year moving average enrollment of September 2017 through September 2019. September 30, 2019 was the greater amount and used for the MOE calculation.

Note: In accordance with HB1450, FY2023 MOE is the greater of the local share of major education aid under the Education Article, Section 5-235(A)(1) of the Annotated Code of Maryland or \$784,741,000. The basis for FY2023 MOE was \$784,741,000.

Key Observations

1. **Proposed FY25 Budget** – In accordance with MOE requirements, the Proposed FY25 Budget is required to provide a BOE operations budget of at least \$879,729,363. BOE’s Proposed FY25 Budget provides \$49,551,637 more than required MOE.

The Proposed FY25 Budget reflects funding category changes from the FY24 Approved Budget, including a:

- \$19.6 million increase for Fixed Charges,
- \$17.5 million increase for Mid-Level Administration,
- \$11.8 million decrease for Instructional Salaries, and
- \$11.2 million increase for Special Education.

2. **Health Care Fund Support Required** – Several actions have been taken recently, or are anticipated, to support the Health Care Fund in FY24, including: a \$7,000,000 transfer to the Fund in accordance with Bill 5-24 and a potential \$15,000,000 fourth quarter transfer to the Fund from unanticipated additional revenue, transfers from other categories, and savings. The Proposed FY25 Budget provides a \$11,053,600 increase for the Health Care Fund, which reflects \$7,500,000 from the County and \$3,553,600 from the Internal Service Fund for Health Care.
3. **County Contributions to OPEB Trust Fund on Behalf of BOE** – In accordance with the FY24 Approved Budget as well as Bill 10-24, an Amended and Restated Retiree Health Benefits Trust Agreement was approved that adds BOE as a sponsor and allows BOE to pool assets in the OPEB Trust fund for investment purposes. The FY25 Proposed Budget includes a County contribution of \$25,000,000 to the OPEB Trust Fund. Additional information about the OPEB Trust Fund will be included in the OCA Operating Budget Analysis for the Office of Personnel.

Appendix

Board of Education - All Funding Sources

	FY 2024	FY 2025 Proposed	\$ Change	% Change
Administration	\$49,303,300	\$51,011,769	\$1,708,469	3%
Mid-Level Admin.	\$90,027,900	\$107,575,033	\$17,547,133	19%
Instructional Salaries	\$593,365,500	\$581,526,174	-\$11,839,326	-2%
Instructional Supplies	\$48,288,100	\$41,375,846	-\$6,912,254	-14%
Other Instruction	\$38,639,200	\$38,123,886	-\$515,314	-1%
Special Education	\$191,389,300	\$202,510,733	\$11,121,433	6%
Pupil Services	\$18,440,600	\$21,806,835	\$3,366,235	18%
Transportation	\$86,423,100	\$87,005,285	\$582,185	1%
Plant Operations	\$99,726,400	\$102,475,532	\$2,749,132	3%
Maintenance of Plant	\$29,544,000	\$28,282,924	-\$1,261,076	-4%
Fixed Charges	\$342,430,500	\$361,993,893	\$19,563,393	6%
Community Services	\$811,000	\$678,588	-\$132,412	-16%
Capital Outlay	\$4,569,300	\$4,728,791	\$159,491	3%
Health Services	\$1,707,500	\$2,915,993	\$1,208,493	71%
Food Services	\$56,226,200	\$55,242,000	-\$984,200	-2%
	\$1,650,891,900	\$1,687,253,282	\$36,361,382	2%



Legislation Review

Review of the Fiscal Year 2025 Proposed
Current Expense Budget
Chief Administrative Officer, Including Non-
Profit Partner Organizations and
Partnership for Children, Youth and Families

Report Date: May 13, 2024

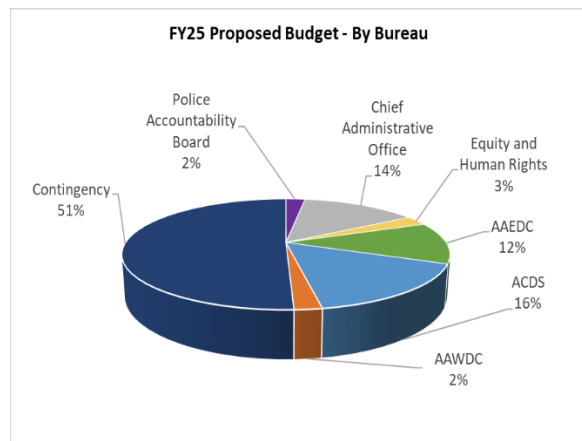
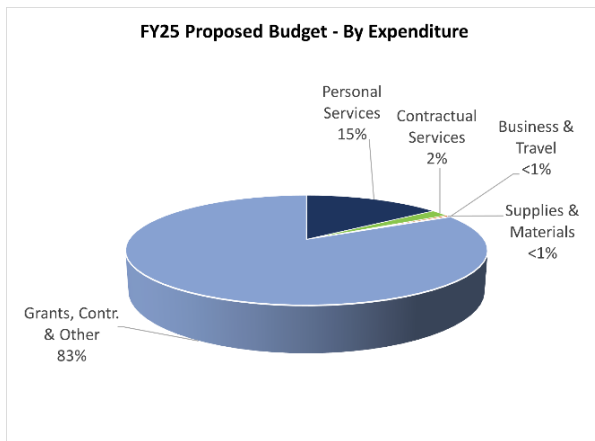
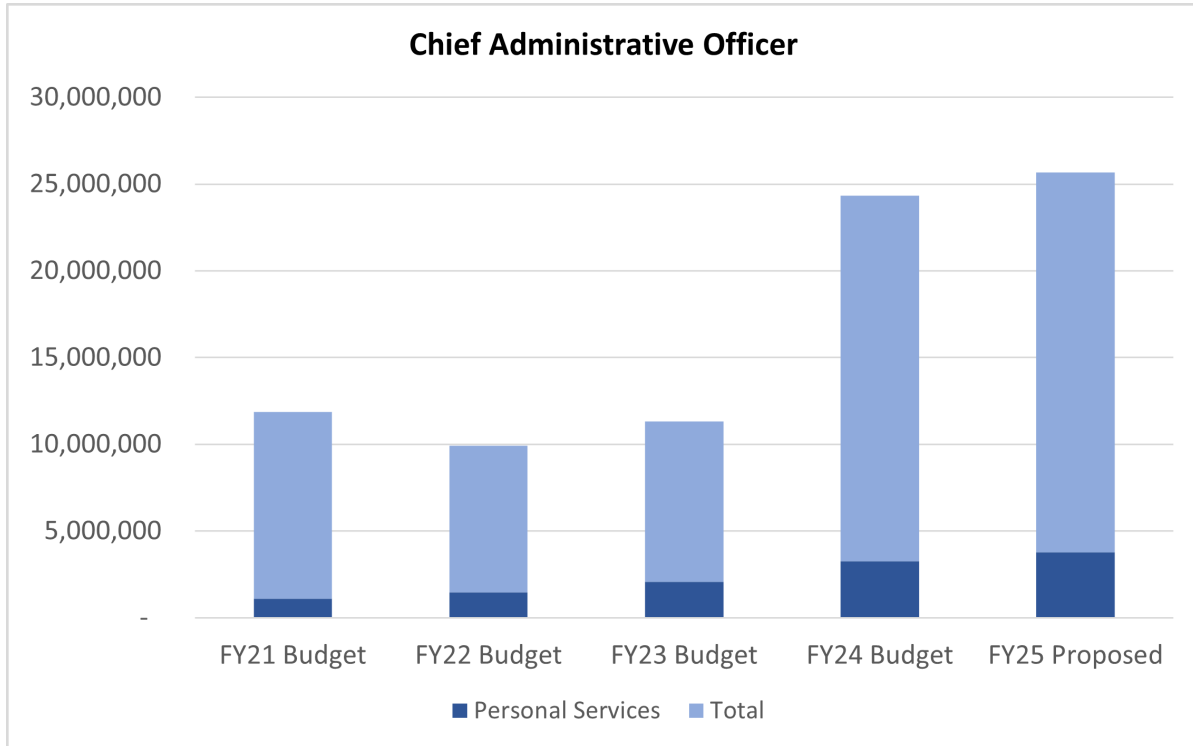
Hearing Date: May 14, 2024

Questions Sent to the Agency:	Friday, May 3, 2024
Responses Received from CAO:	Thursday, May 8, 2024
Responses Received from PCYF:	Tuesday, May 7, 2024

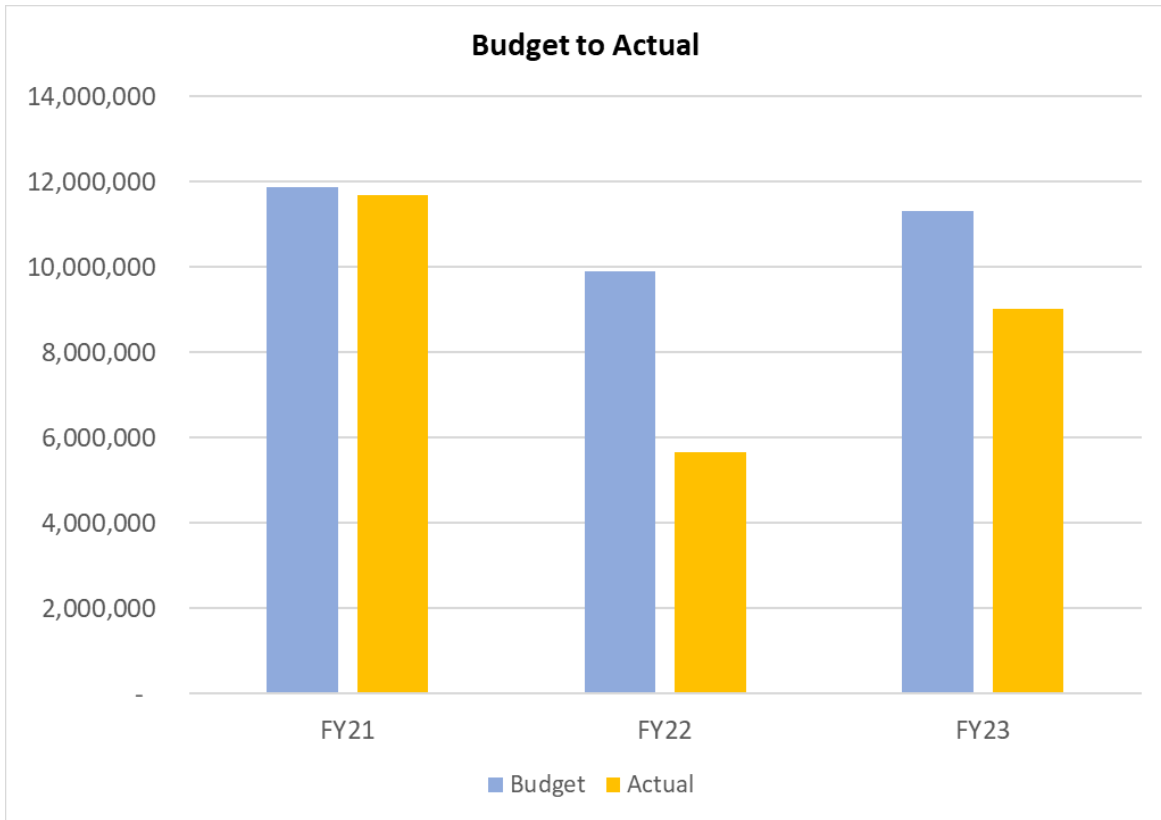
This analysis considers all agency responses.

Chief Administrative Officer

Operating Budget Summary



Note: Chart data is provided in the Appendix 1



Note: Chart data is provided in the Appendix 1

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	9	9	19	20	1
Filled	7	8	17		
Vacant	2	1	2		

Note: The FY24 position increase reflects, in part, establishing the Office of Equity and Human Rights and moving the Anne Arundel Economic Development Corporation from the Office of the County Executive to the CAO.

Key Observations

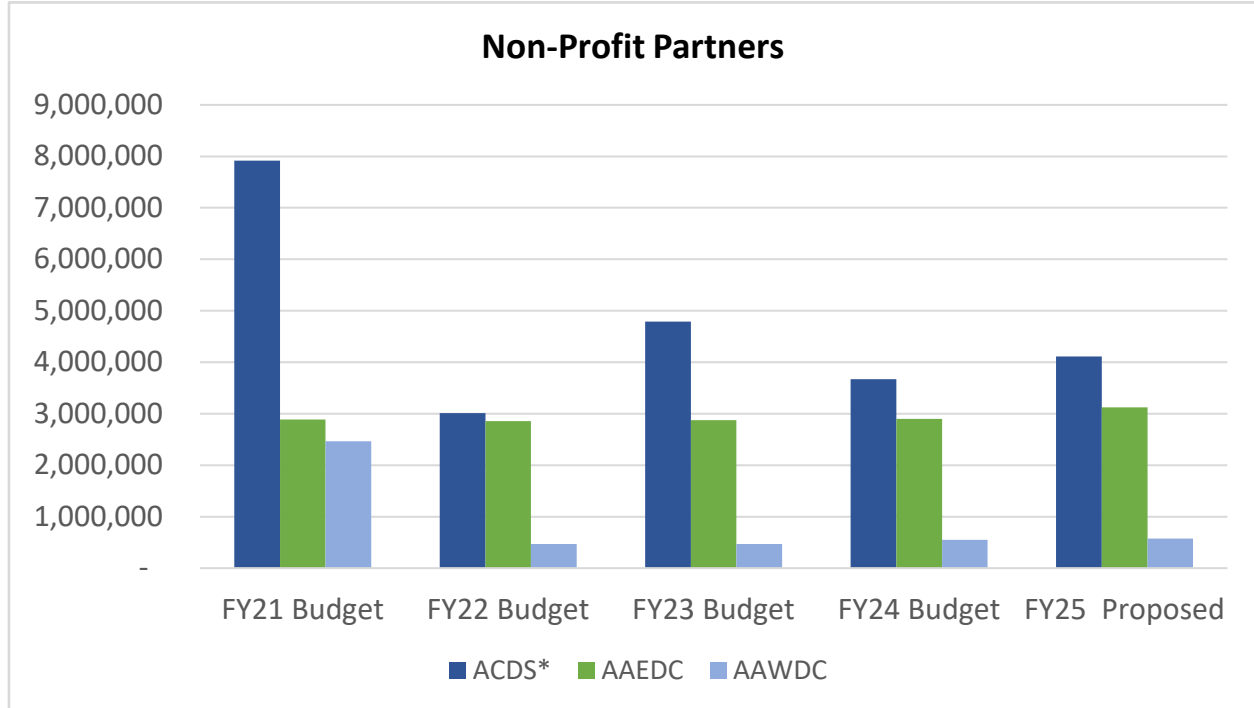
1. **New Executive Budget and Management Analyst Position** – The FY25 Proposed Current Expense Budget provides \$102,700 for salary and benefits to convert an existing, filled contractual position responsible for maintaining County performance information into a full-time position.
2. **Non-Profit Incubator at 41 Community Place, Crownsville** – The Administration advises that as part of efforts to create the Crownsville Hospital Memorial Park, the Non-profit Incubator provides capacity building services and support to non-profit organizations. The FY25 Proposed Current Expense Budget includes \$120,000 for training consultants and part-time employees.
3. **Resilience Authority** – The FY25 Proposed Current Expense Budget provides \$500,000 in grants to the Resilience Authority. This is consistent with funds budgeted over the past two years.
4. **Office of Equity and Human Rights** – Funding for this office, which was established in FY24, increased from \$626,000 in the Approved FY24 Current Expense Budget to \$717,700 in the FY25 Proposed Current Expense Budget.
5. **Grants with County Funds** – The Administration advises that the FY25 Proposed Current Expense Budget will be used to make the following grants:
 - \$85,000 in general funds will be distributed by the Office of Hispanic/Latino and Multicultural Resources to support cultural celebrations that foster respect and exposure to other cultures, celebrate the County’s diversity, and help build unity and serve as an educational opportunity for all;
 - \$2,000,000 in general funds will be distributed by ACDS to non-profit organizations working to provide human services programming in underserved communities, promote equity, and expand health and well-being; and
 - \$150,000 in general funds will be distributed by the CAO for additional community needs as they arise throughout the year.
6. **Contingency Account** – The FY25 Proposed Budget includes \$13,000,000 for the contingency account, consistent with the Approved FY24 Current Expense Budget. (See Appendix 4).

County Support for Non-Profit Partner Organizations

Key Observations

- General Fund Grants and Contributions to Non-Profit Partners** – The CAO’s FY25 Proposed Current Expense Budget dedicates \$7,495,700 of its annual budget to grants and contributions to non-profit partners.

Non-Profit Partner Organizations Budgets – General Fund Grants



*ACDS funding increased due to the Housing Trust Fund receiving a \$10 million general fund contribution in FY23 and a \$2 million general fund contribution in FY24.

Note: Chart data is provided in the Appendix 2

- ACDS Funding** – The FY25 Proposed Current Expense Budget provides a total of \$19,145,900 for ACDS, which includes funding for a new Chief Affordable Housing Officer and is supported by a variety of revenues, including the General Fund (\$4,110,300), Housing Trust Fund (\$6,200,000), Community Development Fund (\$7,692,000), and Community Reinvestment and Repair Fund (\$1,143,600).

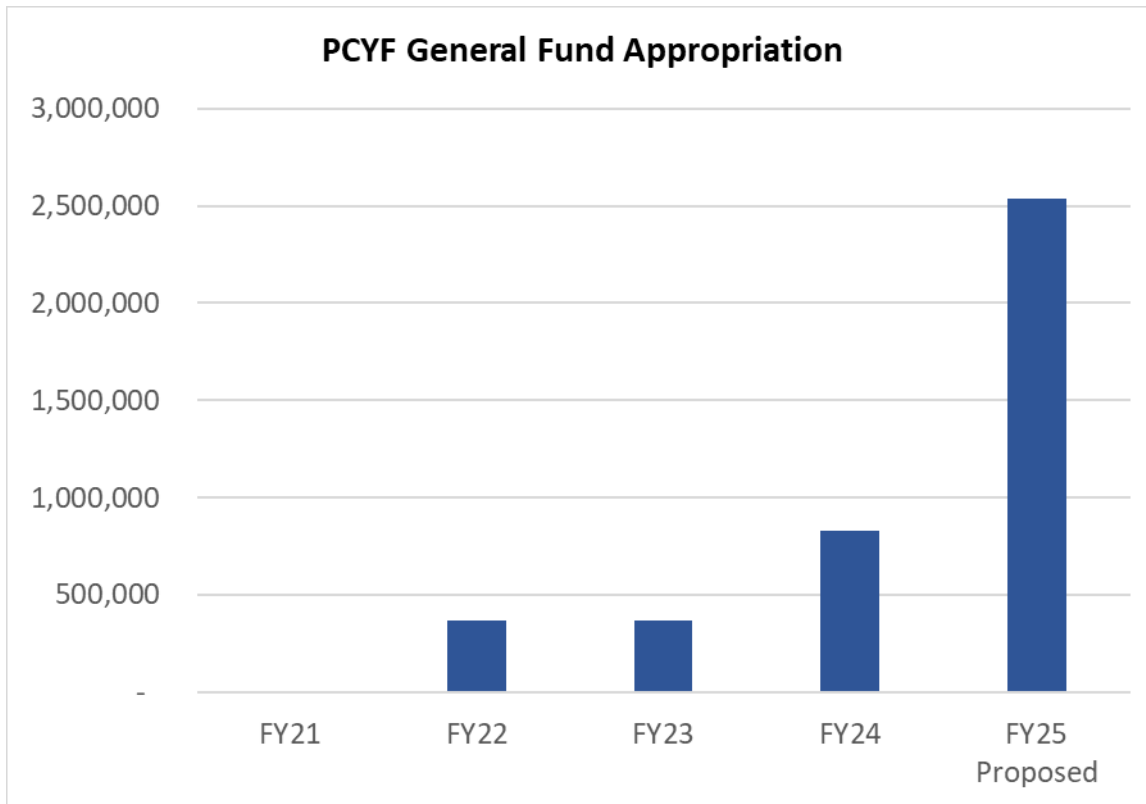
The Community Reinvestment and Repair Fund was established via Bill 57-23. A Community Reinvestment and Repair Commission is tasked with making recommendations on the allocation of this funding, but Commission members have not been appointed to date. ACDS must use the Community Reinvestment and Repair Fund revenues for programs that are

supplemental to and do not supplant funding that otherwise would be appropriated for County programs that existed prior to July 1, 2023.

3. **Tourism and Arts Funding** – In accordance with the Local Government Article, Section 20-603(c) of the Annotated Code of Maryland, the County's share of revenue from the hotel tax, the County must distribute 3% to the Arts Council of Anne Arundel County and 17% to the Annapolis and Anne Arundel County Conference and Visitors Bureau from the County's share of revenue from the hotel tax. The FY25 Proposed Current Expense Budget is based on gross hotel tax revenues that include the City of Annapolis in addition to the County share and reflects a 20% increase adjustment for any collections received in excess of the estimated hotel tax revenue.

Partnership for Children, Youth and Families

Operating Budget Summary



Note: Chart data is provided in the Appendix 3

Key Observations

- Increase in County General Funds** – The Partnership for Children, Youth and Family’s (PCYF) FY25 Proposed Current Expense Budget is funded with an increase of \$1,708,200 (206%) in general funds. PCYF advised that the FY25 Proposed Current Expense Budget will be used to make general fund grants, including: \$1,500,415 to the County Food Bank to provide food to residents in need and \$249,783 to Annapolis Immigration Justice Network to provide legal services and for administration, which was previously funded American Rescue Plan Act grant funding.

Appendix 1

Chief Administrative Officer Chart Data

	FY21 Budget	FY21 Actual	FY22 Budget	FY22 Actual	FY23 Budget	FY23 Actual	FY24 Budget	FY25 Proposed	FY24 v FY25 (\$)	FY24 v FY25 (%)
Personal Services	1,116,600	1,057,944	1,480,900	1,454,079	2,070,700	2,007,661	3,248,100	3,776,100	528,000	16%
Contractual Services	208,000	157,801	308,000	257,884	637,000	135,325	380,800	503,000	122,200	32%
Supplies & Materials	42,500	27,062	42,500	28,052	43,500	29,727	68,100	102,200	34,100	50%
Business & Travel	25,100	32,708	29,100	27,017	41,000	22,463	41,000	65,800	24,800	60%
Capital Outlay	-	178	-	-	-	-	-	-	-	#DIV/0!
Grants, Contr. & Other	10,480,800	10,416,851	8,047,400	3,903,375	8,532,000	6,830,850	20,596,900	21,230,700	633,800	3%
Total	11,873,000	11,692,544	9,907,900	5,670,407	11,324,200	9,026,026	24,334,900	25,677,800	1,342,900	6%
Total - Personal Services	10,756,400	10,634,600	8,427,000	4,216,328	9,253,500	7,018,365	21,086,800	21,901,700		

Proposed FY25 Budget by Bureau		
Name	FY25 Proposed	% of Total
Police Accountability Board	590,600	2%
Chief Administrative Office	3,558,300	14%
Equity and Human Rights	717,700	3%
AAEDC	3,124,800	12%
ACDS	4,110,300	16%
AAWDC	576,100	2%
Contingency	13,000,000	51%
Total	25,677,800	100%

Proposed FY25 Budget by Expenditure Type		
Object	FY25 Proposed	% of Total
Personal Services	3,776,100	0.147056991
Contractual Services	503,000	0.019588906
Supplies & Materials	102,200	0.003980092
Business & Travel	65,800	0.002562525
Capital Outlay	-	0
Grants, Contr. & Other	21,230,700	0.826811487
Total	25,677,800	1

Budget to Actual			
	FY21	FY22	FY23
Budget	11,873,000	9,907,900	11,324,200
Actual	11,692,544	5,670,407	9,026,026

Appendix 2

Non-Profit Partner Organizations Budgets Chart Data

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
ACDS*	7,916,100	3,010,000	4,787,500	3,668,400	4,110,300
AAEDC	2,888,900	2,857,500	2,874,200	2,901,400	3,124,800
AAWDC	2,464,700	469,700	469,700	551,000	576,100

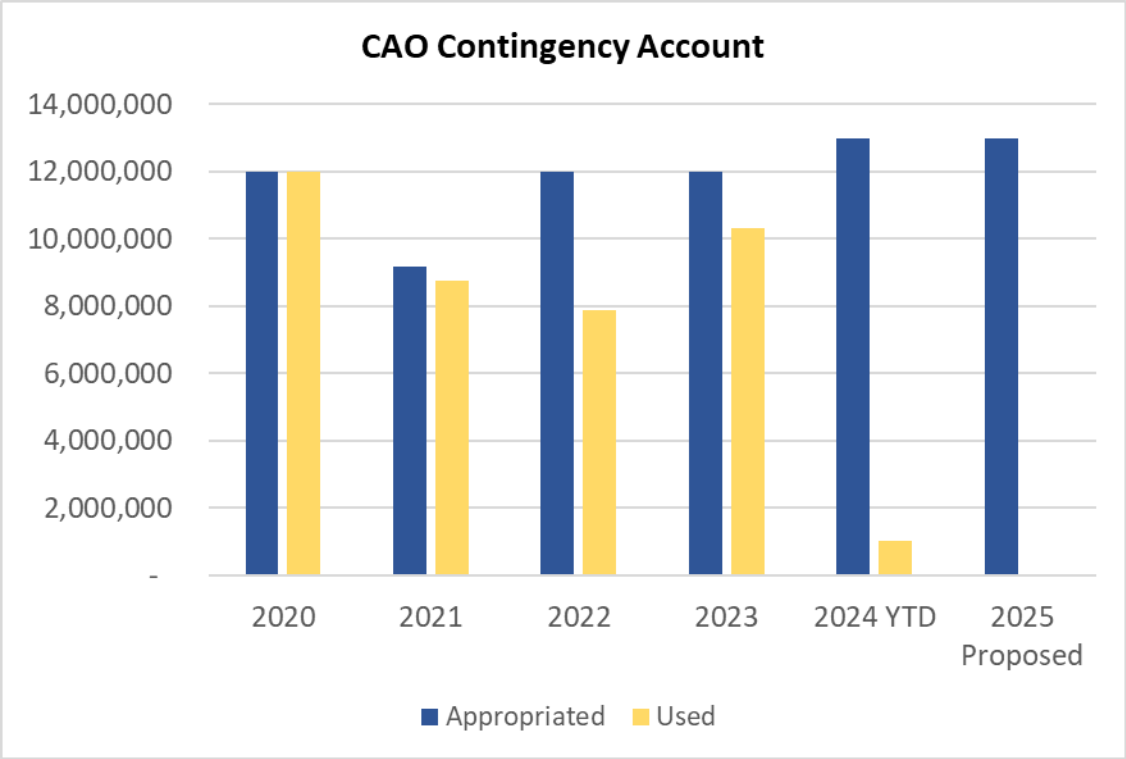
Appendix 3

Partnership for Children, Youth and Families Chart Data

Table 1 PCYF	FY21 Budget	FY21 Actual	FY22 Budget	FY22 Actual	FY23 Budget	FY23 Actual	FY24 Budget	FY25 Proposed
General Fund Total	\$0.00	\$0.00	\$370,200.00	\$370,200.00	\$370,200.00	\$370,200.00	\$829,100.00	\$2,537,300.00

Appendix 4

Chief Administrative Officer Contingency Account



Key Observations

- FY24 Contingency Account Balance** – There have been two requests to adjust the CAO contingency account appropriation in FY24.

Bill 15-24 transferred \$1,000,000 of appropriations in the contingency account to the Brooklyn Park Outdoor Rec Imps (Project #P576500) capital project. This left an available contingency account appropriation of \$12,000,000.

Bill 24-24, as amended on May 6, 2024, transfers \$4,224,100 of appropriations in the contingency account as follows: \$150,000 for the CAO (AAEDC), \$760,000 for the Department of Detention Facilities, \$471,300 for the Office of Transportation, and \$2,842,800 for the Department of Public Works. If this bill passes, the available contingency account appropriation would be \$7,775,900.



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Department of Aging

Report Date: May 13, 2024

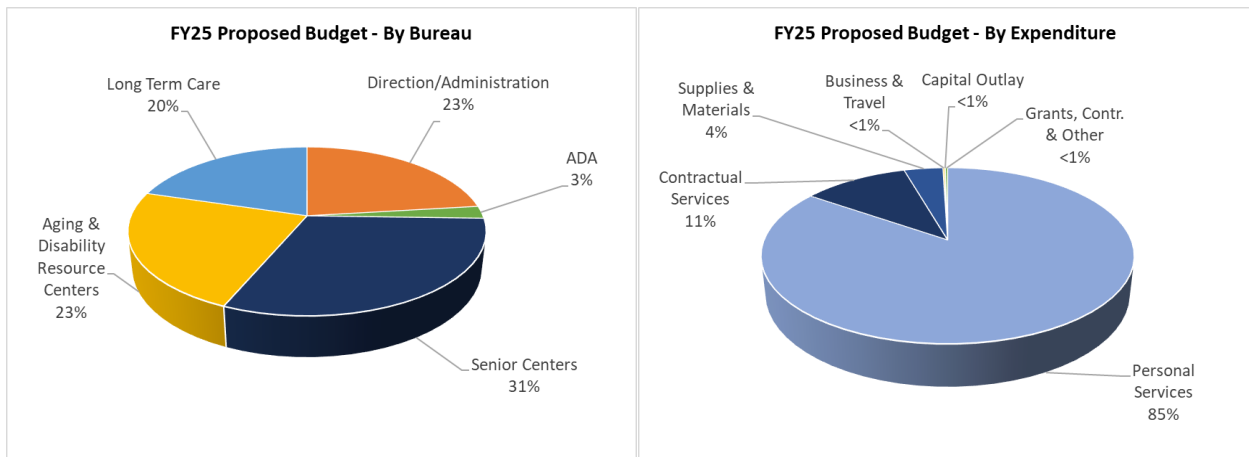
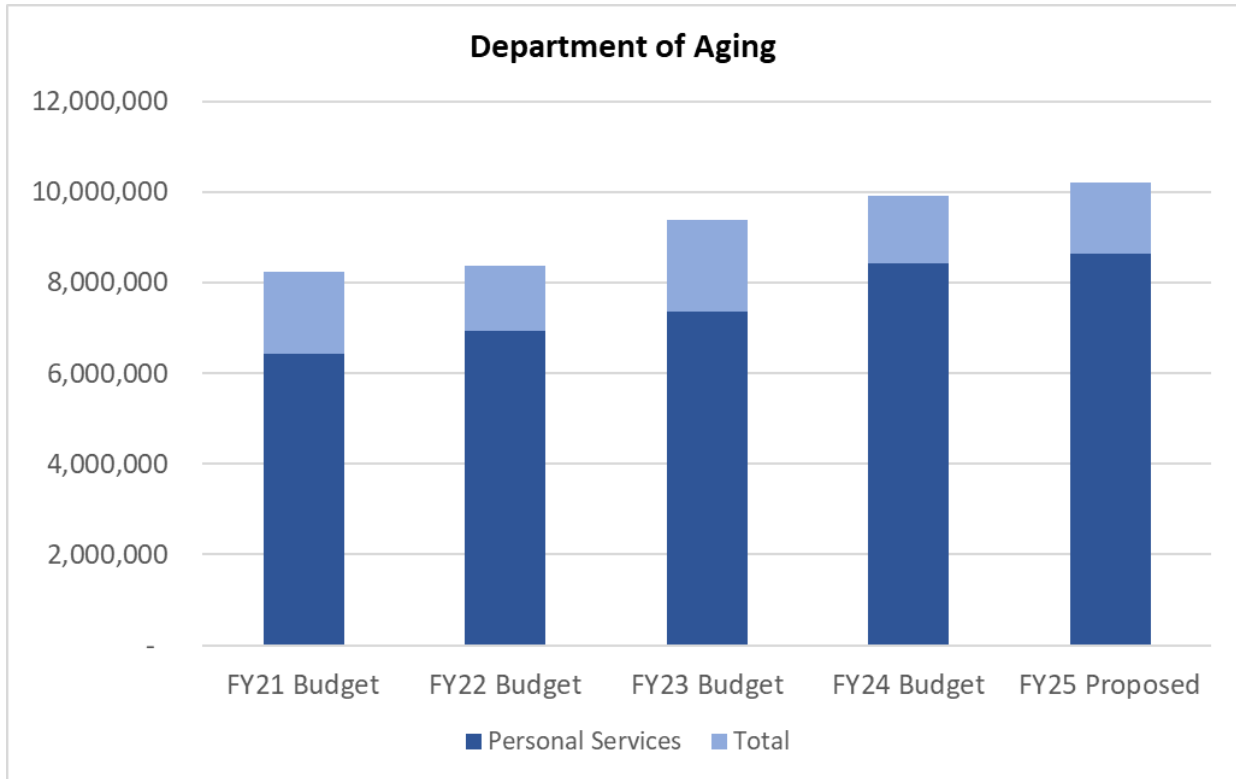
Hearing Date: May 14, 2024

Questions Sent to the Agency:	Friday, May 3, 2024
Responses Received from the Agency:	Monday, May 6, 2024

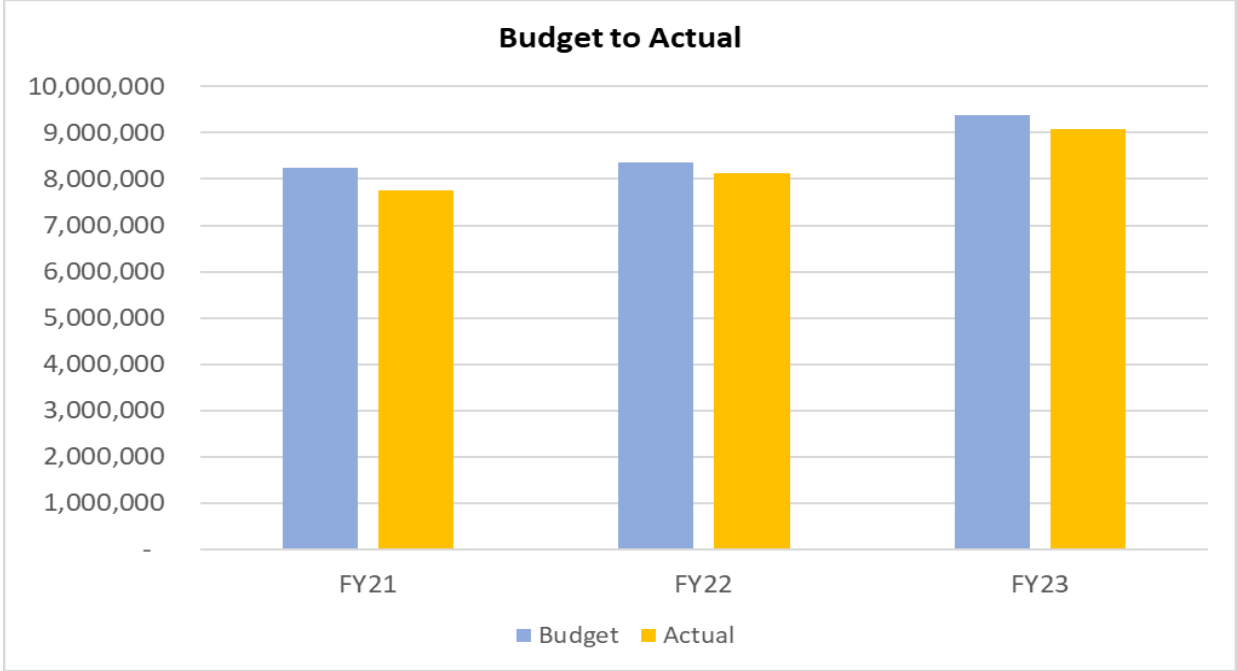
This analysis considers all agency responses.

Department of Aging

Operating Budget Summary



Note: Chart data is provided in the Appendix



Note: Chart data is provided in the Appendix

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	62	68	70	71	1
Filled	59	65	59		
Vacant	3	3	11		

- Full-time classified positions increased by 1** – This reflects an increase of one new Program Specialist I position. All associated costs (salaries and benefits) for this new position is approximately \$81,800. This position is further described in Key Observations below.
- Two reclassifications, both vacant positions, are proposed** –
 - One vacant Human Services Supervisor position to a Program Specialist II, which is a lateral change. The Department of Aging (Aging) advised that this reclassification was due to qualification differences in the positions to better align with the needs of their department.
 - One vacant Management Assistant II position to a Senior Management Assistant position, which is reclassing the position from a NR-17 to NR-19 grade classification. Aging informed us they have been functioning without

this position since FY18 and requests the reclassification to meet their operational needs.

- **Funding for contractual staff decreased by \$211,700 (25.3 percent)** – The decrease is based on historical spending not reaching the appropriation level.

Key Observations

1. **Personal Services** – The new proposed Program Specialist I position will increase the staffing at the Severn Senior Center (also known as the Severn Intergenerational Center), which operates 12 hours a day, 7 days a week. After one year of operations, Aging requested this position to accommodate work hours covering evening and weekends.
2. **Contractual Services** – Costs include providing in-home aide services to clients in need of personal and respite care and chore services under the terms of the In Home Aide Services (IHAS) agreement. The inter-governmental agreement is between the Maryland Department of Human Services and Aging. The IHAS agreement provides 100% state reimbursement for these services to Aging. Aging is requesting an increase of approximately \$48,000 (from \$302,000 to \$350,000) for the cost of providing these services.

Appendix: Chart Data

Department of Aging Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	6,427,300	6,938,800	7,357,800	8,433,500	8,647,400
Contractual Services	1,312,300	1,035,300	1,200,600	1,037,200	1,113,200
Supplies & Materials	418,500	332,000	502,100	395,700	408,500
Business & Travel	52,000	34,400	30,000	27,200	18,300
Capital Outlay	3,400	3,100	255,200	4,100	6,700
Grants, Contr. & Other	24,800	24,800	26,800	24,800	24,800
Total	8,238,300	8,368,400	9,372,500	9,922,500	10,218,900

FY25 Proposed Budget - By Bureau

Name	FY25 Proposed
Direction/Administration	2,360,600
ADA	242,700
Transportation	-
Senior Centers	3,161,900
Aging & Disability Resource Centers	2,375,300
Volunteers & Employment	-
Long Term Care	2,078,400
Total	10,218,900

FY25 Proposed Budget - By Expenditure

Object	FY25 Proposed
Personal Services	8,647,400
Contractual Services	1,113,200
Supplies & Materials	408,500
Business & Travel	18,300
Capital Outlay	6,700
Grants, Contr. & Other	24,800
Total	10,218,900

Budget to Actual

	FY21	FY22	FY23
Budget	8,238,300	8,368,400	9,372,500
Actual	7,766,085	8,117,619	9,082,924



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Department of Detention Facilities

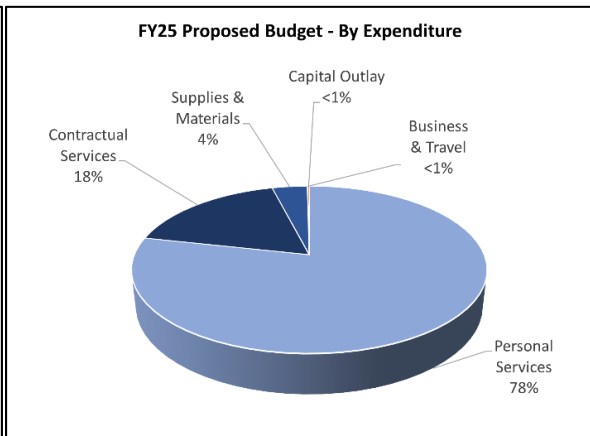
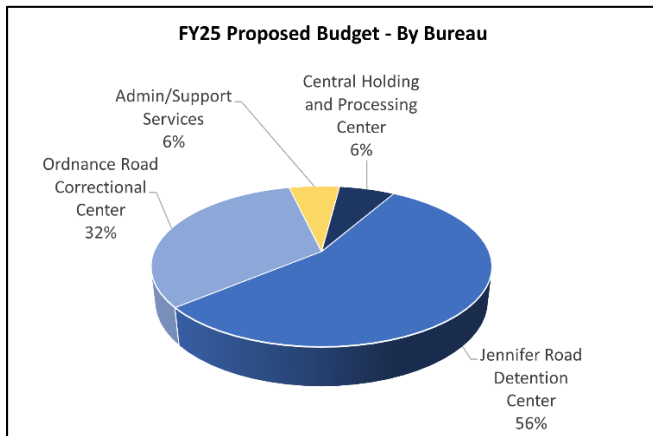
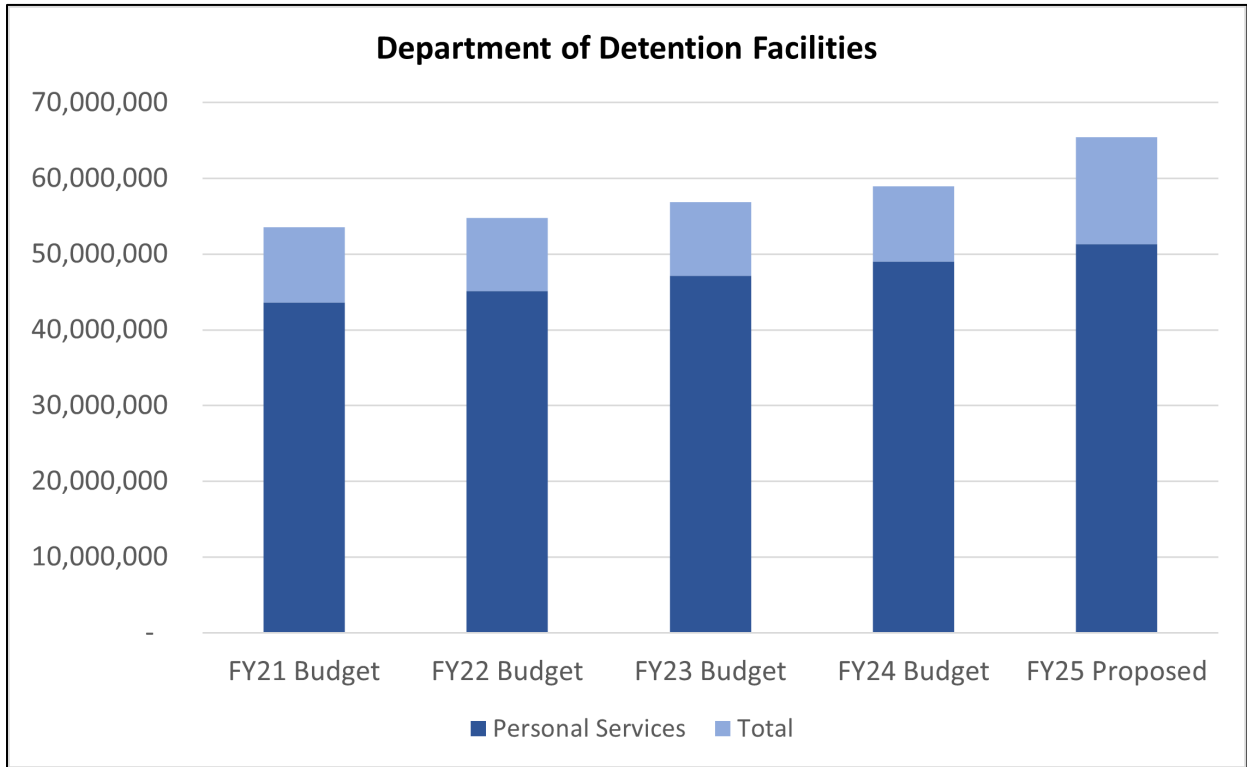
Report Date: May 22, 2024
Hearing Date: May 23, 2024

Questions Sent to the Agency:	May 3, 2024; May 14, 2024
Responses Received from the Agency:	May 6, 2024; May 15, 2024

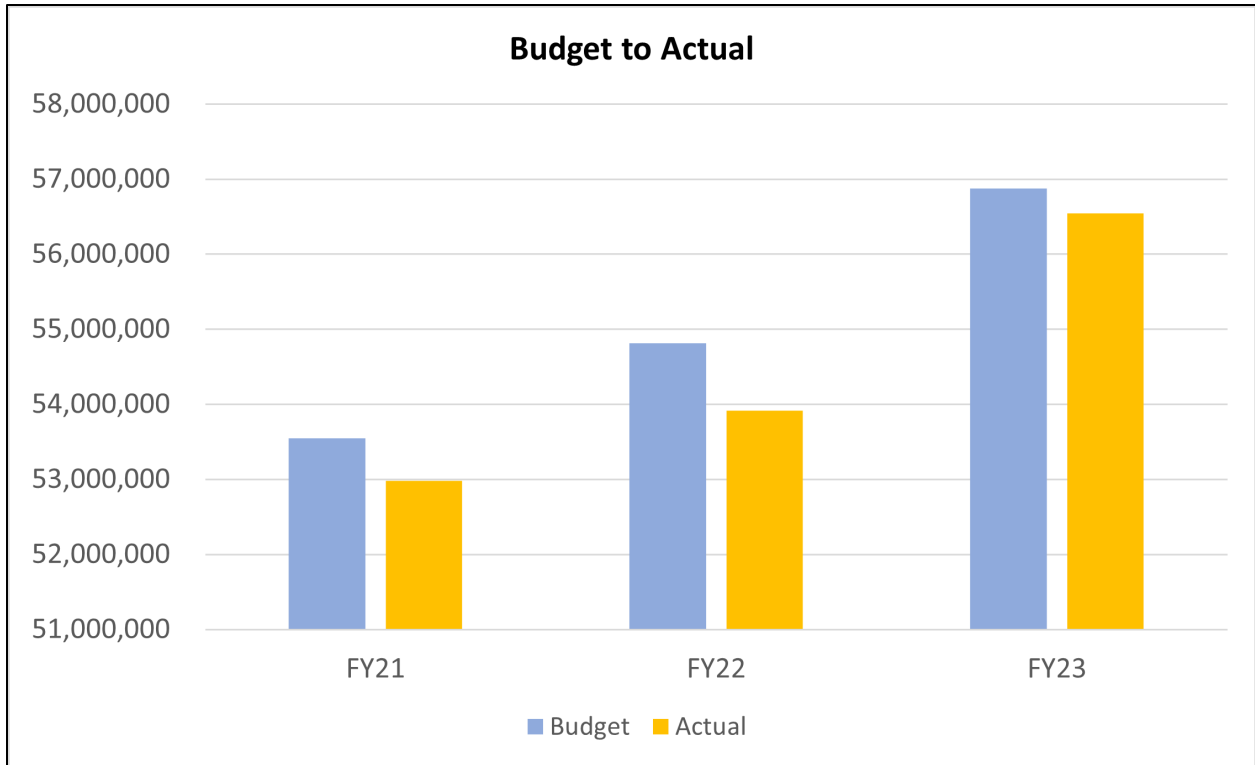
This analysis considers all agency responses.

Department of Detention Facilities

Operating Budget Summary



Note: Chart data provided in the Appendix



Note: Chart data provided in the Appendix

Proposed Budget Change

FY24 Budget	\$58,974,700
FY25 Proposed Budget	\$65,420,800

Where It Goes – Highlighted Changes	Change
Personnel – pay package (union and non-represented)	1,366,800
Personnel – turnover (assumes more position vacancies)	(206,000)
Personnel – special pay (leave payout and union negotiated pay)	118,400
Medical Services – new contract, with cost increases bided higher than expected, to provide inmate medical services	4,230,800
Meal prices – increased for inflation of 13.5%, including higher costs of kosher meals, as allowed under the contract	90,400
Removal of one-time funding for full body security scanning system	(130,000)

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund*	433.6	433.6	440.6	434.6	(6)
Filled	367.6	356.6	384.6		
Vacant	66	77	56		

* The Office of the Budget (Budget) advised that six Detention Officer positions were temporarily created to allow the Department of Detention Facilities to continue to fill these positions while filling vacant Corporal positions in FY24. Budget also advised that five of the six Corporal positions are expected to be filled in June 2024 and, once the Corporal positions are filled, these six Detention Officer positions will be deactivated.

- **Thirty-six grade reallocations, 26 filled and 10 vacant, are proposed.** The Department of Detention Facilities (Detention) advised the following grade reallocations proposed, which modifies the pay grades for positions classified as Booking Officer, Senior Booking Officer, Correctional Records Clerk I, and Correctional Records Clerk II, are due to difficulty filling positions and retaining staff.
 - Nineteen Booking Officer positions, 13 filled and 6 vacant, are receiving a grade reallocation from an OS-7 to OS-9.
 - Four Senior Booking Officer positions, 3 filled and 1 vacant, are receiving a grade reallocation from an OS-9 to OS-10.
 - Twelve Correctional Records Clerk I positions, 8 filled and 4 vacant, are receiving a grade reallocation from an OS-7 to OS-9.
 - One filled Correctional Records Clerk II position is receiving a grade reallocation from an OS-9 to OS-10.
- **Increase in special pays by \$118,400 (14%).** This reflects new negotiated allowances within the union agreements (such as, field training payments and firearms qualification payments).

Key Observations

- 1. Medical Services** – The FY25 Proposed Current Expense Budget request of \$10,380,800 (a \$4,230,800 (69%) increase from the FY24 approved budget of \$6,150,000) can be attributed to a rebid medical services contract for inmate medical, dental, mental health, and pharmaceutical services. This contract rebid price was significantly higher than expected, and the County went through multiple rounds of best and final offers to negotiate the prices lower. This is an initial three-year contract that began on March 31, 2024 with the option to renew for up to five additional one-year periods, including an annual increase of no less than 3% to be adjusted based on the consumer price index.
- 2. Meal Costs** – The FY25 Proposed Current Expense Budget request of \$1,373,500 (a \$90,400 (7%) increase from the FY24 approved budget of \$1,283,100) can be attributed to an anticipated increase in the current meal services contract based on the vendor requesting an adjustment for inflation of 13.5% in accordance with the consumer price index, as allowed under the contract, as well as an adjustment to the cost per kosher meal from an average cost per meal of \$1.83 in FY21 to \$5.49 in FY24. Detention and the Office of Central Services Purchasing Division are currently negotiating with the vendor that provides inmate meal services for FY25 meal prices.
- 3. Recruiting Class** –The current May 2024 recruiting class is for 21 new recruits with graduation expected in July 2024. The FY25 recruiting class is scheduled to start in August 2024 with graduation expected October 2024. This class is also expected to have 21 recruits. The recruits begin working in operations based on the end date of their field training, which varies based on the recruit. Detention advised that the most recent graduated recruit class began in September 2023 with 14 recruits and ended with 9 graduates in November 2023.

Appendix: Chart Data

Department of Detention Facilities Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	43,586,700	45,149,800	47,128,000	48,991,300	51,310,000
Contractual Services	7,011,600	7,111,600	7,173,500	7,345,300	11,489,800
Supplies & Materials	2,671,300	2,389,500	2,389,500	2,403,400	2,481,300
Business & Travel	31,600	32,600	39,400	35,700	28,500
Capital Outlay	246,600	130,800	144,100	199,000	111,200
Grants, Contr. & Other	-	-	-	-	-
Total	53,547,800	54,814,300	56,874,500	58,974,700	65,420,800

FY25 Proposed Budget – By Bureau

Name	FY25 Proposed
Jennifer Road Detention Center	36,413,900
Ordinance Road Correctional Center	21,153,300
Admin/Support Services	3,740,000
Central Holding and Processing Center	4,113,600
Total	65,420,800

FY25 Proposed Budget – By Expenditure

Object	FY25 Proposed
Personal Services	51,310,000
Contractual Services	11,489,800
Supplies & Materials	2,481,300
Business & Travel	28,500
Capital Outlay	111,200
Grants, Contr. & Other	-
Total	65,420,800

FY21-FY23 Budget to Actual

	FY21	FY22	FY23
Budget	53,547,800	\$ 54,814,300	\$ 56,874,500
Actual	52,979,629	\$ 53,915,873	\$ 56,541,720



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Department of Health

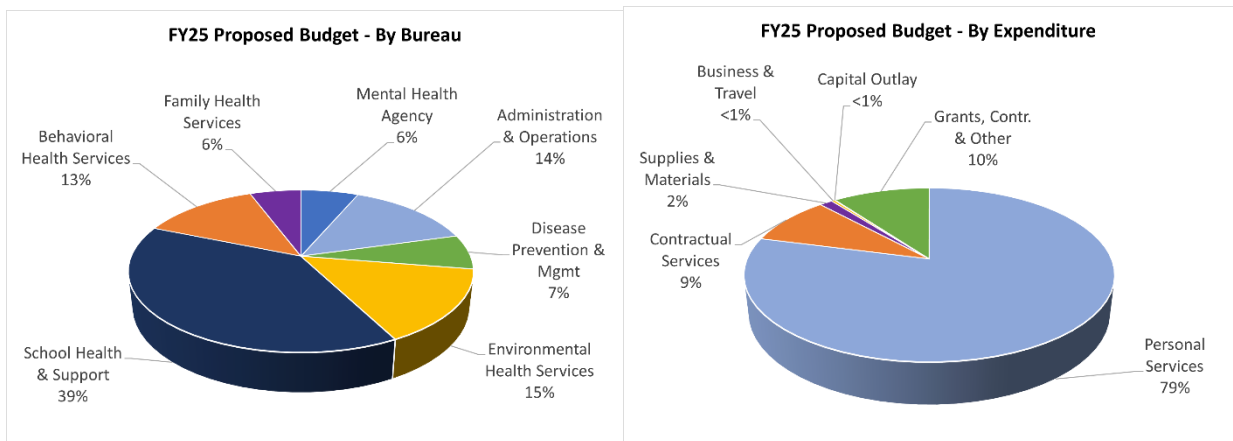
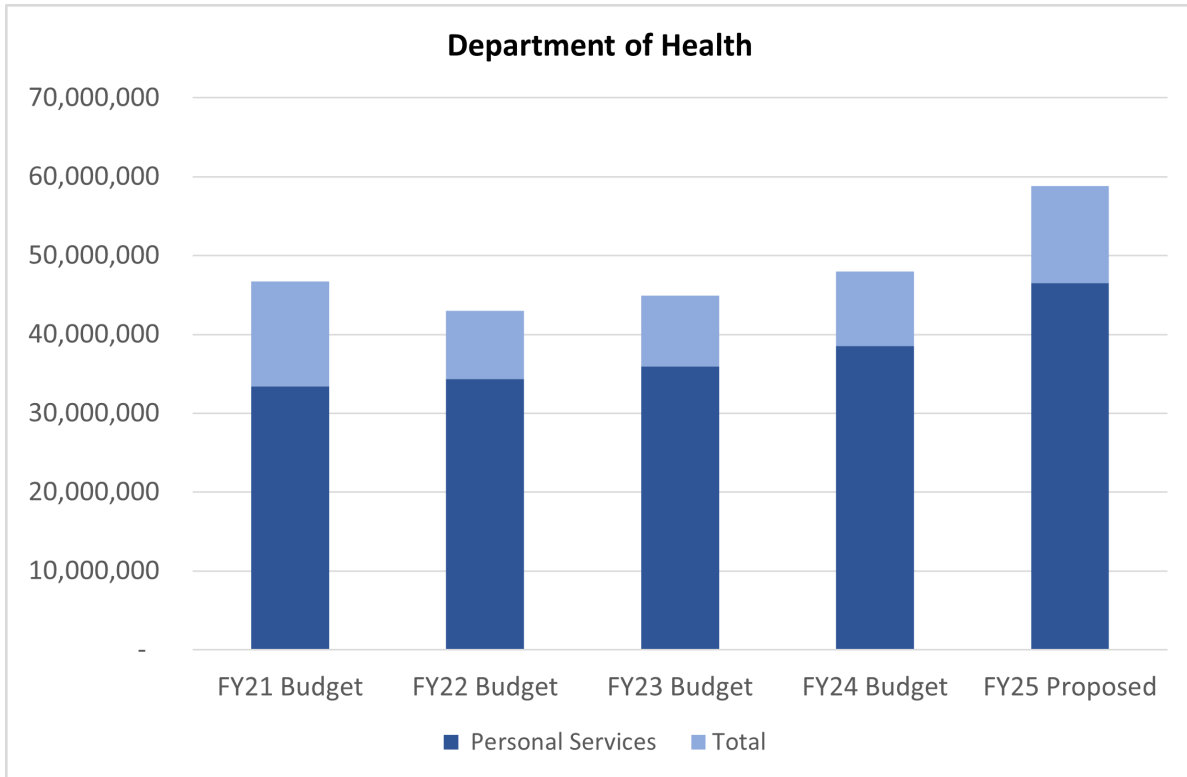
Report Date: May 13, 2024
Hearing Date: May 14, 2024

Questions Sent to the Agency:	Friday, May 3, 2024
Responses Received from the Agency:	Thursday, May 9, 2024

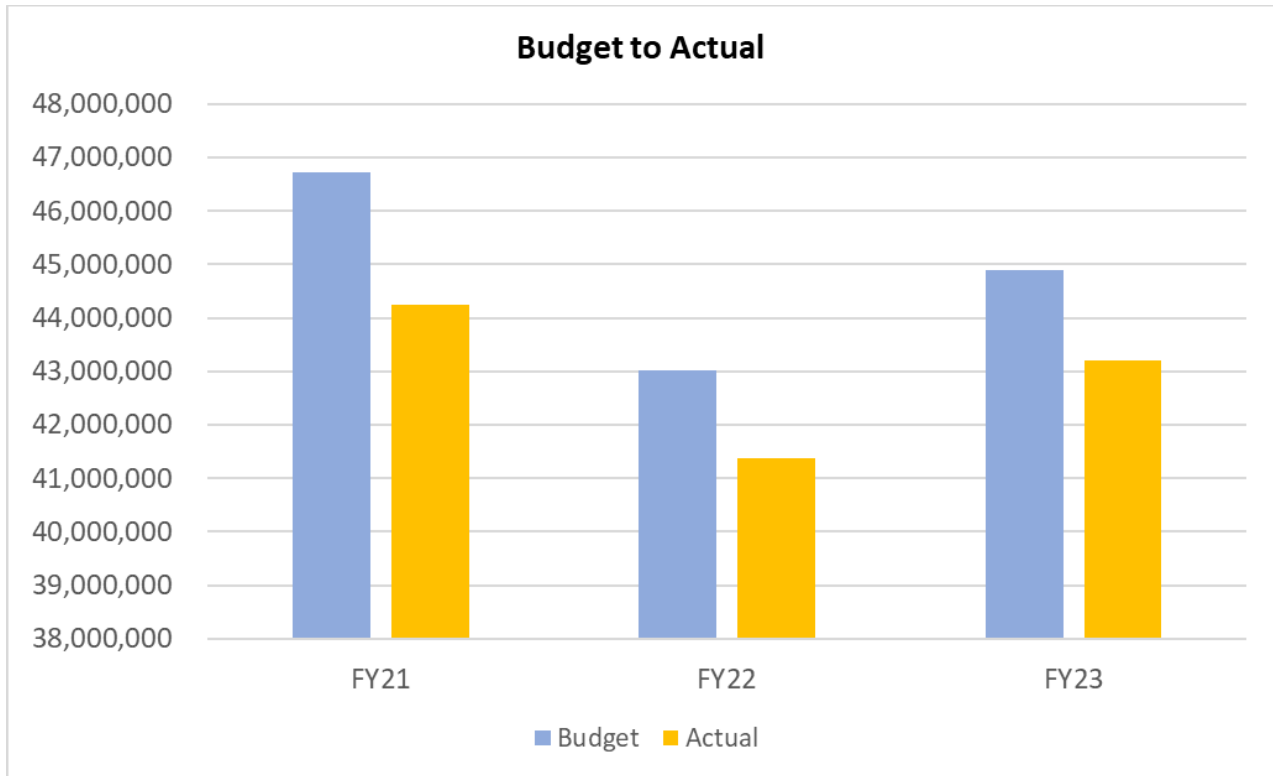
This analysis considers all agency responses.

Department of Health

Operating Budget Summary



Note: Chart data is provided in the Appendix



Note: Chart data is provided in the Appendix

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	72.95	75.62	75.82	75.82	0
Filled	61.95	68.62	69.82		
Vacant	11	7	6		

- Funding for contractual pay staff increased by \$2.4 million** – The FY25 Proposed Current Expense Budget for the Department of Health includes approximately \$13.7 million in contractual pay for its 421 contractual positions of which \$11.3 million is for 340 school health positions in the Bureau of School Health and Support. See further details under Key Observations regarding the Department of Health’s Personal Services category.

Key Observations

2. We are still finishing our review of the Department of Health's Personal Services category to understand the assumptions and \$10.1 million increase in general funds included in the FY25 Proposed Current Expense Budget.
3. We are still understanding the General Fund increase of \$800,000 and the elimination of special grant funds – Health Dept. of \$600,000 in the Grants, Contributions & Other category to the Mental Health Agency included in the FY25 Proposed Current Expense Budget.
4. The Department of Health is requesting \$167,900 for replacement of computers and related equipment based on the County's five-year replacement policy. We are still determining how these costs are budgeted in the Department of Health and not in the Office of Information Technology.
5. The Department of Health is requesting \$5.9 million for grants and contributions to various organizations, including continued funding for Community Health Ambassador partners and Cure Violence programs of \$1.2 million, operating expenses for the Anne Arundel County Food Bank of \$344,000, and approximately \$594,000 for substance abuse treatment and the YWCA of Annapolis and Anne Arundel County's Domestic Violence Hotline, Sexual Assault Hotline, and Crisis Intervention and other behavioral health programs.

Appendix: Chart Data

Department of Health Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	33,400,800	34,345,900	35,963,300	38,513,500	46,492,300
Contractual Services	9,549,600	5,157,500	4,266,800	4,490,500	5,332,900
Supplies & Materials	976,400	629,800	757,000	781,400	793,900
Business & Travel	217,600	218,500	180,300	197,500	200,500
Capital Outlay	56,000	64,200	64,000	51,200	45,700
Grants, Contr. & Other	2,510,600	2,609,500	3,671,100	3,916,100	5,942,100
Total	46,711,000	43,025,400	44,902,500	47,950,200	58,807,400

FY25 Proposed Budget - By Bureau

Name	FY25 Proposed
Mental Health Agency	\$ 3,783,300
Administration & Operations	\$ 8,350,500
Disease Prevention & Mgmt	\$ 4,071,600
Environmental Health Services	\$ 8,681,800
School Health & Support	\$ 22,867,900
Behavioral Health Services	\$ 7,691,100
Family Health Services	\$ 3,361,200
Total	\$ 58,807,400

FY25 Proposed Budget - By Expenditure

Object	FY25 Proposed
Personal Services	\$ 46,492,300
Contractual Services	\$ 5,332,900
Supplies & Materials	\$ 793,900
Business & Travel	\$ 200,500
Capital Outlay	\$ 45,700
Grants, Contr. & Other	\$ 5,942,100
Total	\$ 58,807,400

Budget to Actual

	FY21	FY22	FY23
Budget	46,711,000	\$ 43,025,400	\$ 44,902,500
Actual	44,243,807	\$ 41,385,768	\$ 43,205,662



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Department of Public Libraries

Report Date: May 12, 2024

Hearing Date: May 13, 2024

Questions Sent to the Agency:	Wednesday, May 1, 2024
Responses Received from the Agency:	Friday, May 3, 2024

This analysis considers all agency responses.

Department of Public Libraries

Department of Public Libraries Maintenance of Effort (MOE) History

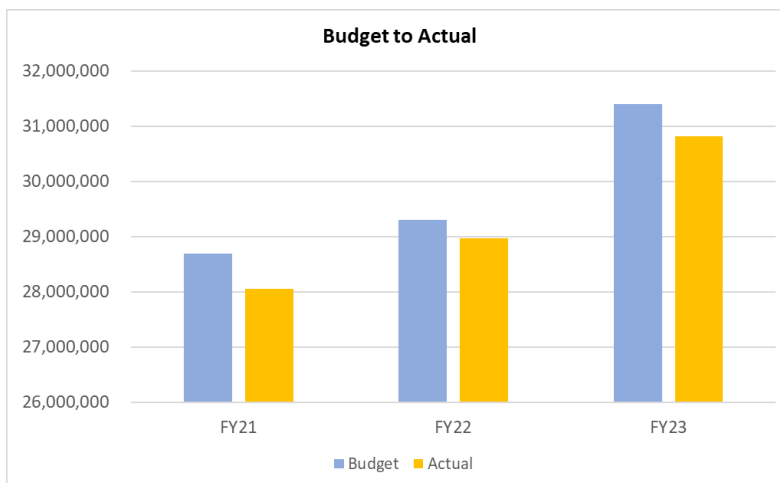
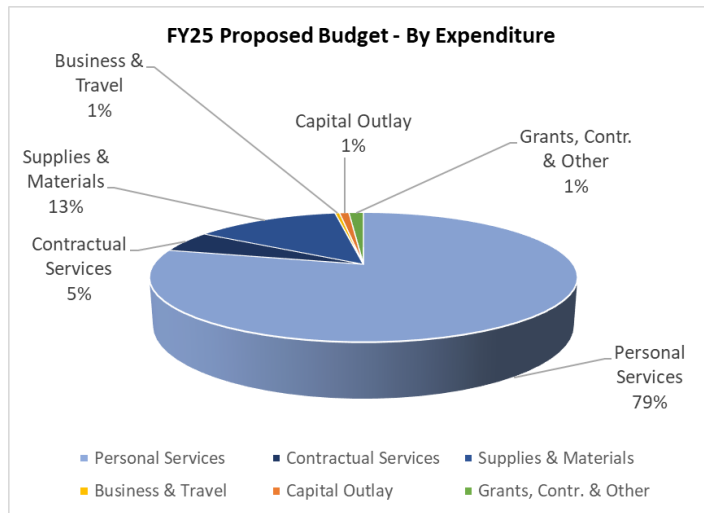
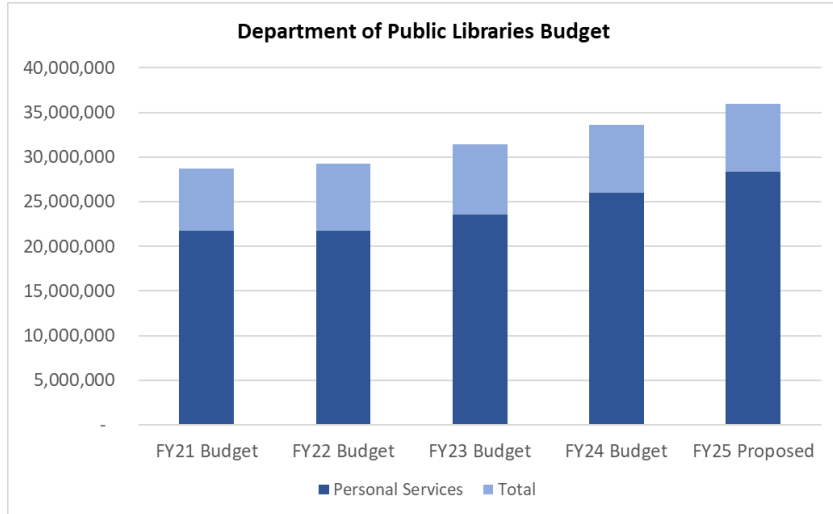
Fiscal Year	Budgeted Appropriation*	Appropriation Required*	Amount Over MOE
2020	\$26,804,800	\$5,652,182	\$21,152,618
2021	22,339,100	5,819,532	16,519,568
2022	23,538,700	6,074,454	17,464,246
2023	29,357,500	6,229,503	23,127,997
2024	33,818,200	6,371,892	27,446,308
2025 (Proposed)	61,101,900**	6,528,510	54,573,390

* Budgeted Appropriation and Appropriation Required exclude the appropriation from the Video Lottery Terminal Impact Aid Fund. MOE for the Department of Public Libraries includes both operating and capital funding.

** The increase in the proposed FY25 Budgeted Appropriation is mainly related to \$29 million in FY25 General County Bonds funding for the New Glen Burnie Library capital project (L576100).

NOTE: The Education Article, Section 23-503 of the Annotated Code of Maryland requires the State to provide approximately 40 percent of the total cost of the minimum program and not less than 20 percent of the cost of the minimum program in any county. Furthermore, counties participating in the program together are required to provide approximately 60 percent of the total statewide cost of the minimum program. This includes both operating and capital expenses.

Operating Budget Summary



Key Observations

1. The Department of Public Libraries (Library) is also receiving FY25 funding of \$550,000 in Video Lottery Terminal Impact Aid Funds consisting of \$500,000 for operating costs and \$50,000 for salary funding at the Severn Library.
2. We are still finishing our review of the Library Personal Services category to understand the assumptions and salary increases included in the FY25 Proposed Current Expense Budget.
3. **Notable Changes from prior year** – There was a \$310,400 decrease in the FY25 request from the FY24 appropriation for Data Processing Software (7605) as the Library changed to a web-based library management system, resulting in lower annual costs.
4. **New Programs or Projects** – Due to the projected expansion of Discoveries: The Library at the Mall (Annapolis), two new Library Associate positions are anticipated to be hired to work at this location during FY25 with salary, benefits, and ancillary costs of approximately \$137,000.

The Library has an estimated budgetary fund balance of \$912,500 as of June 30, 2024. A portion of these funds will be used for expansion costs of Discoveries: The Library at the Mall, including construction, furniture, fixtures, and equipment. Additionally, with the passage of House Bill 609 by the Maryland General Assembly during its 2024 legislative session, effective July 1, 2024, which allows for employees of the Library system to unionize. If any employee groups were to unionize, the Library would incur costs for negotiation services, a workload the Library does not currently undertake. The Library estimates \$475,000 of the estimated budgetary fund balance will be used for the collective costs of the Discoveries: The Library at the Mall expansion. The \$437,500 remainder of the estimated fund balance is expected to be used for union negotiation services.

Appendix: Chart Data

Department of Public Libraries Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	21,710,600	21,706,600	23,587,500	25,987,300	28,338,700
Contractual Services	1,633,500	1,837,700	2,022,600	2,205,400	1,904,300
Supplies & Materials	4,529,000	4,779,000	4,811,900	4,783,100	4,796,100
Business & Travel	146,500	146,500	146,500	141,500	146,500
Capital Outlay	239,000	399,000	390,700	451,600	309,300
Grants, Contr. & Other	433,000	433,000	433,000	-	475,000
Total	28,691,600	29,301,800	31,392,200	33,568,900	35,969,900

FY25 Proposed Budget - By Expenditure

Object	FY25 Proposed
Personal Services	28,338,700
Contractual Services	1,904,300
Supplies & Materials	4,796,100
Business & Travel	146,500
Capital Outlay	309,300
Grants, Contr. & Other	475,000
Total	35,969,900

Budget to Actual

	FY21	FY22	FY23
Budget	28,691,600	\$ 29,301,800	\$ 31,392,200
Actual	28,055,316	\$ 28,966,028	\$ 30,809,842



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Department of Public Works

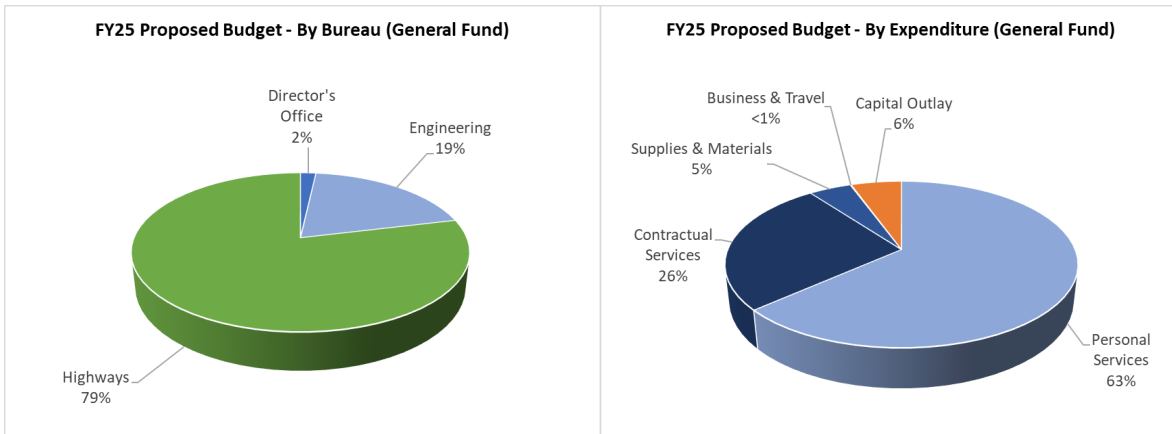
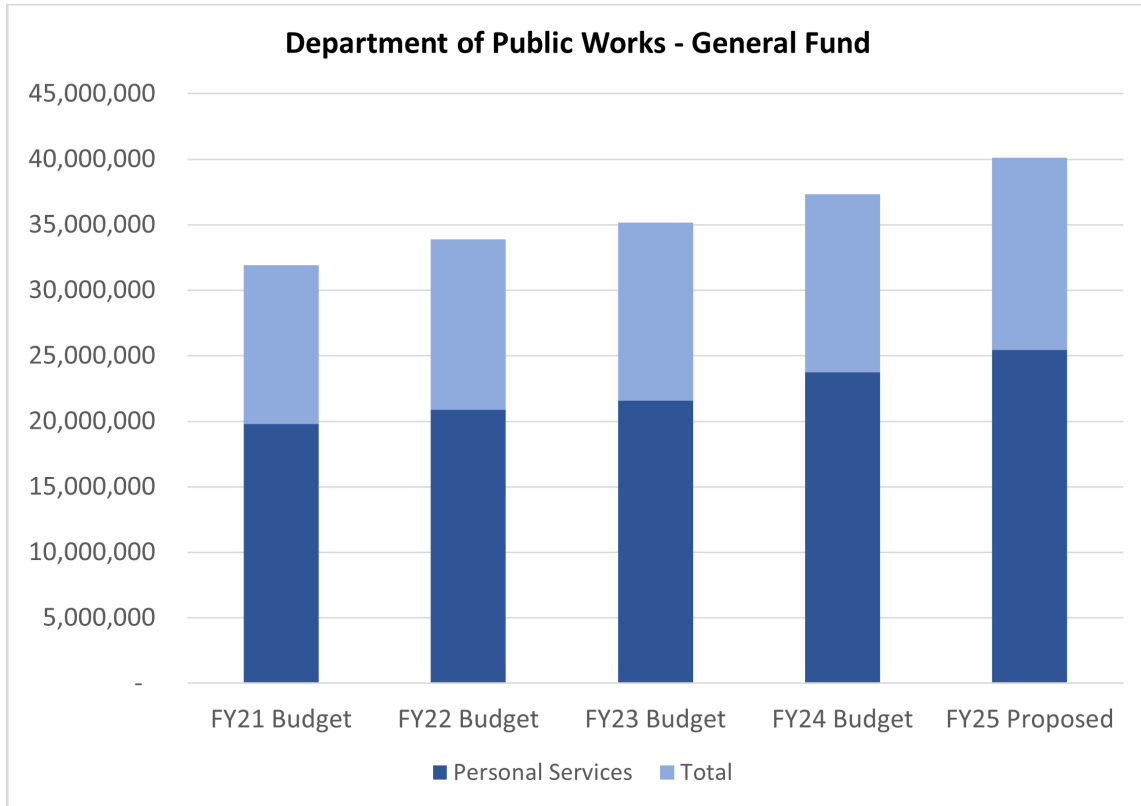
Report Date: May 15, 2024
Hearing Date: May 16, 2024

Questions Sent to the Agency:	May 3, 2024; May 4, 2024
Responses Received from the Agency:	May 8, 2024; May 9, 2024

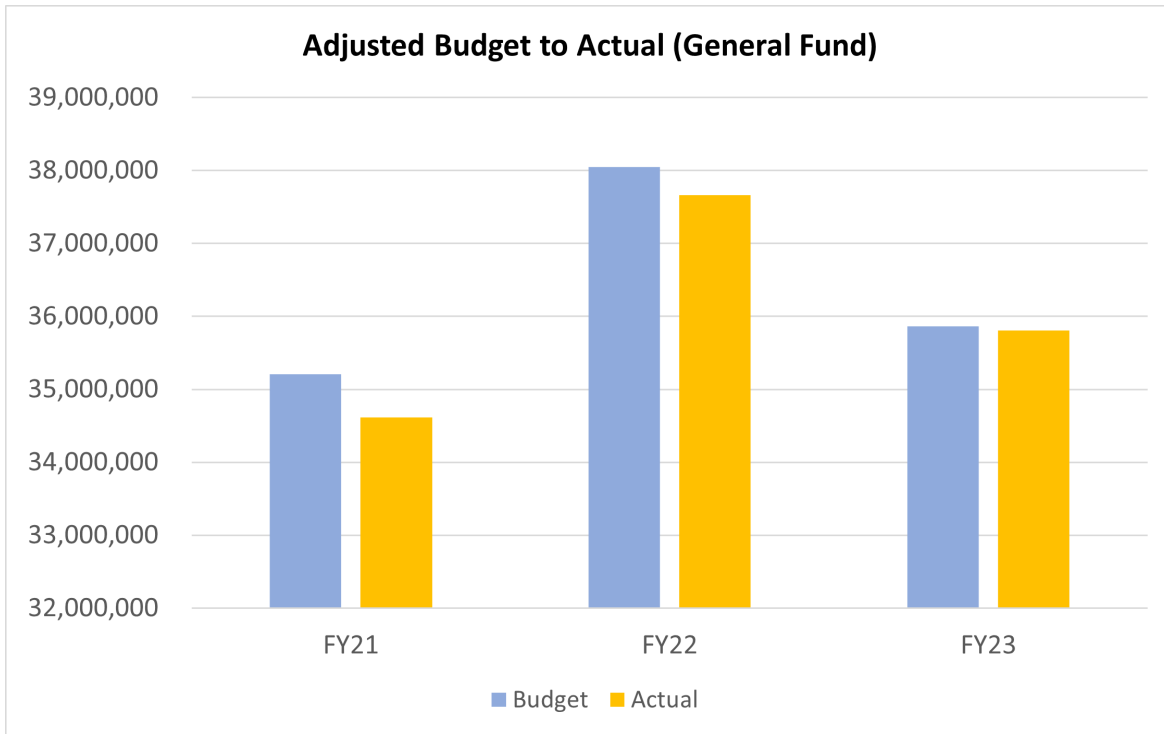
This analysis considers all agency responses.

Department of Public Works (DPW) – General Fund

Operating Budget Summary



Note: Chart data is provided in Appendix 1



Note: Chart data is provided in Appendix 1. Adjusted Budget includes supplemental appropriations of \$3,282,800 for FY21, \$4,157,700 in FY22, and \$701,900 in FY23 and, therefore, does not match the Original Budget used in Chart 1.

Proposed Budget Changes

FY24 Original Budget	\$37,344,200
FY25 Proposed Budget	\$40,118,400

Where It Goes – Highlighted Changes	Change
County pay package and benefits adjustments (cost of living and step/merit increases)	1,699,000
Traffic congestion reduction strategic plan implementation	150,000
Street lights maintenance contract with Baltimore Gas and Electric	160,000
Reduction in highway heavy equipment purchases from FY24 purchases	(290,000)
Supplies and materials associated with the traffic facility building fire (see #1 below)	114,600
Furniture and fixtures associated with the traffic facility building fire (see #1 below)	485,300

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	245	243	247	247	0
Filled	200	209	219		
Vacant	45	34	28		

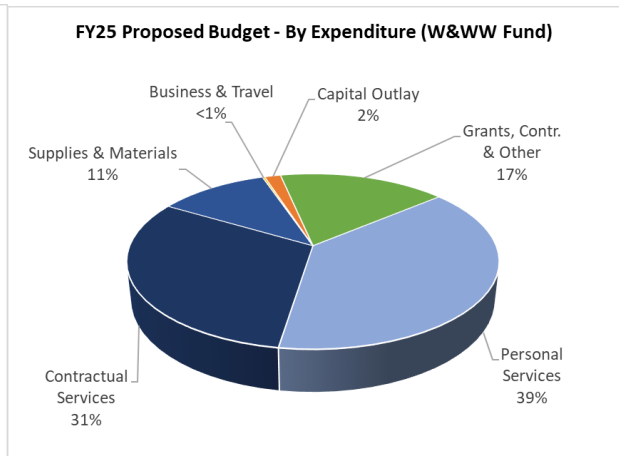
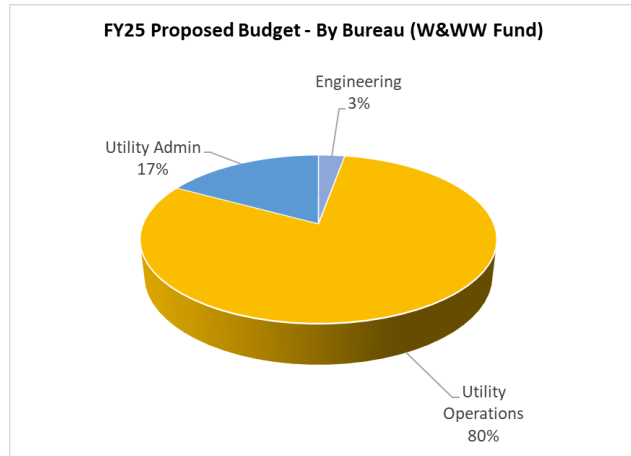
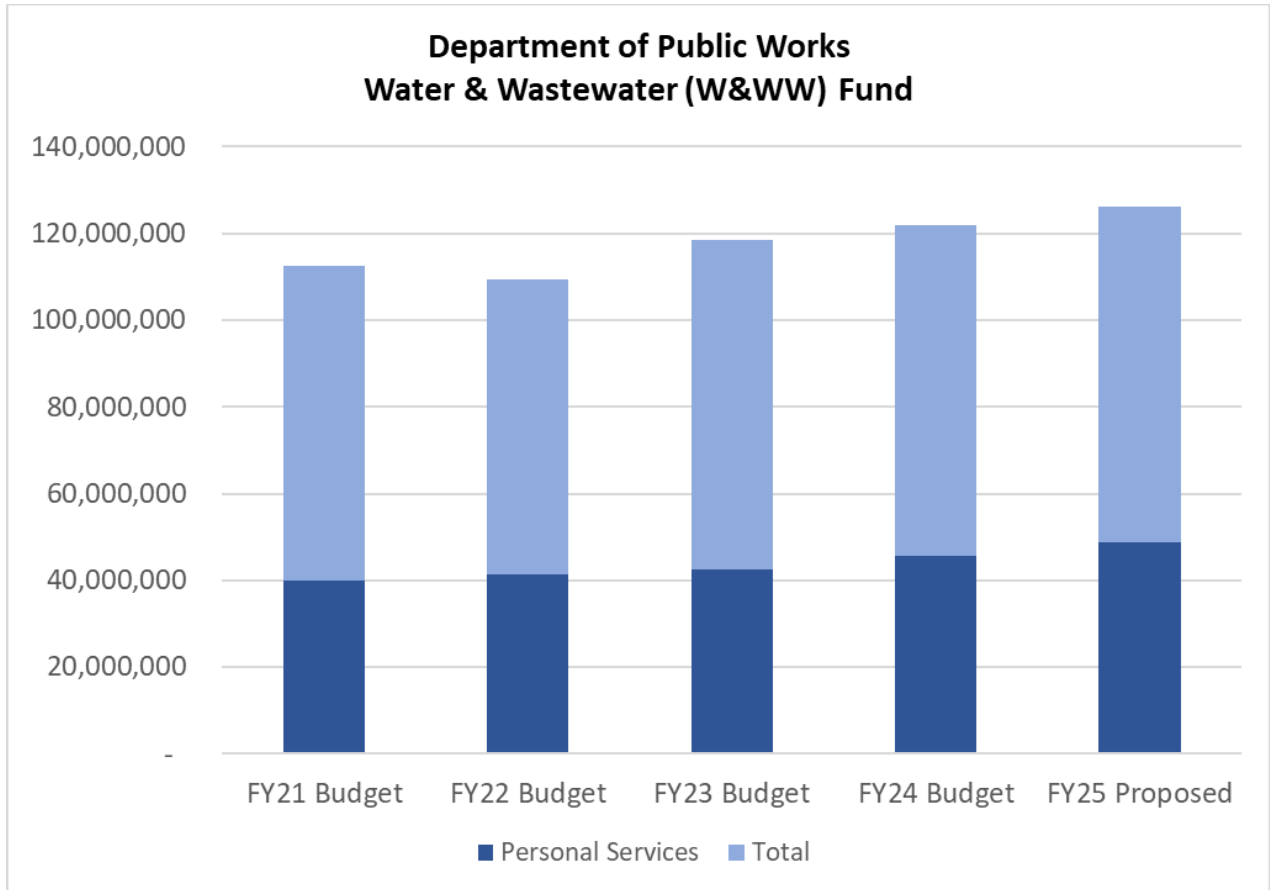
- **Four reclassifications are proposed –**
 - One vacant Engineer III position to a Senior Engineer, reclassing the position one grade from a NR-18 to NR-19. The Department of Public Works (DPW) advised that a Senior Engineer will provide the skills, experience, and training needed to lead the Traffic Engineering Division's Traffic Signal Operations Section.
 - Three filled Mason positions are reclassified three grades from LM-7 to LM-10. DPW advised that these reclassifications were recommended pursuant to a desk audit evaluation of this classification.

Key Observations

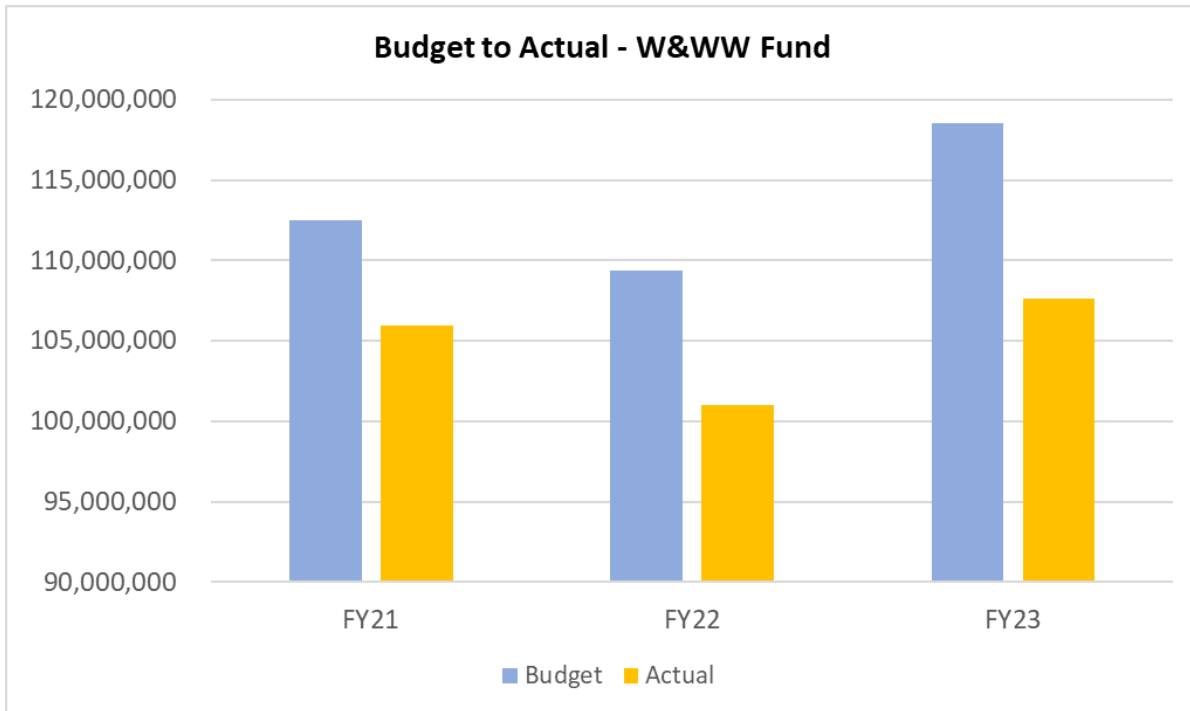
1. **Highway Maintenance Facility Fire Recovery** – The Bureau of Highways experienced a fire at its traffic maintenance facility in Millersville on March 18, 2024. Bill 24-24 proposes to transfer \$204,000 from the Chief Administrative Officer's contingency account to DPW to replace equipment lost due to the fire. The FY25 Proposed Current Expense Budget includes an additional \$600,000 to replace sign fabrication equipment, supplies, computers and related equipment, office furniture, and uniforms destroyed in the fire. DPW anticipates that before the end of FY25, the County will be reimbursed for much of the fire-related costs through insurance recoveries. The FY25 Proposed Capital Budget and Program provides the Traffic Maint Fac Upg Relo (Project #C589000, p.45 of the capital budget book) with \$1,000,000 in FY25 Insurance Recoveries funding for costs associated with providing temporary facilities.

DPW – Water and Wastewater Operating Fund

Operating Budget Summary



Note: Chart data is provided in Appendix 2



Note: Chart data is provided in Appendix 2

Proposed Budget Change

FY24 Budget	\$122,031,800
FY25 Proposed Budget	\$126,145,500

Where It Goes – Highlighted Changes	Change
County pay package and benefits adjustments (cost of living and step/merit increases)	1,655,900
Overtime increase due to vacant positions and pay increases	336,500
Increased electricity costs for existing water and wastewater facilities	1,449,400
Increase due to consultant support to handle stormwater permits and temporary secretarial services	310,000
Rate increases for water and sewer service purchases from other jurisdictions	453,100
Chemicals for water and wastewater treatment systems	300,200
Price increases for equipment repair parts for water and sewer systems	577,200
Replacing fewer vehicles (4 rather than 15) and heavy equipment	(637,600)
Decrease in County administrative overhead (pro rata) payment	(1,390,000)

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
Water & Wstwtr Op Fund	380	380	383	383	0
Filled	339	336	340		
Vacant	41	44	43		

- **Two reclassifications, both vacant positions, are proposed –**
 - One vacant Engineer II position to a Program Manager, which is reclassing the position two grades from a NR-17 to NR-19. This reclassified position will be responsible for program management associated with overseeing infrastructure asset control, data management, and preventative maintenance.
 - One vacant Utility Systems Technician II position to a Utility Systems Technician III, which is reclassing the position two grades from a LM-8 to LM-10. DPW advised that this change is consistent with the position’s duties, which includes quarterly stormwater inspections at County-owned wastewater treatment plants, pump out inspections of marinas, and compliance inspections.
- **Proposed Turnover Rate** – The FY25 Proposed Current Expense Budget assumes 4.05% turnover, which is below the 11.26% vacancy rate on April 10, 2024, and below the actual rate in previous years, including an estimated 8.08% in FY24, actual 6.66% in FY23 and actual 7.12% in FY22.

Key Observations

- 1. Service Rate Changes** – The FY25 Proposed Current Expense Budget reflects increases in metered water and wastewater charges. Bill 45-24 increases water usage charges from \$3.23 to \$3.45 per 1,000 gallons of water usage and wastewater charges from \$5.67 to \$6.06 for each 1,000 gallons of water usage on July 1, 2024. For the fiscal year beginning July 1, 2025, any increase in charges in an amount greater than 5% must be set by the County Council by ordinance. As noted below, rates are lower than previously anticipated for FY25 and FY26, but increase more than previously anticipated in FY27 through FY29.

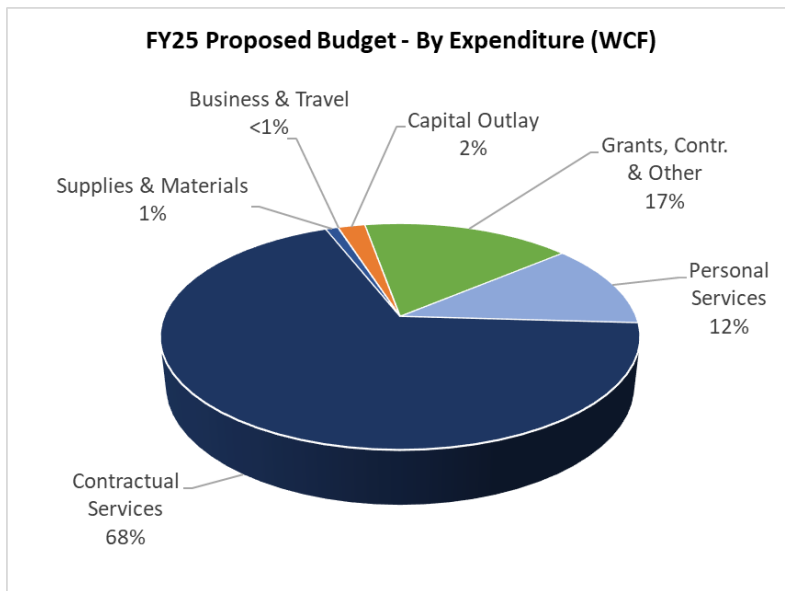
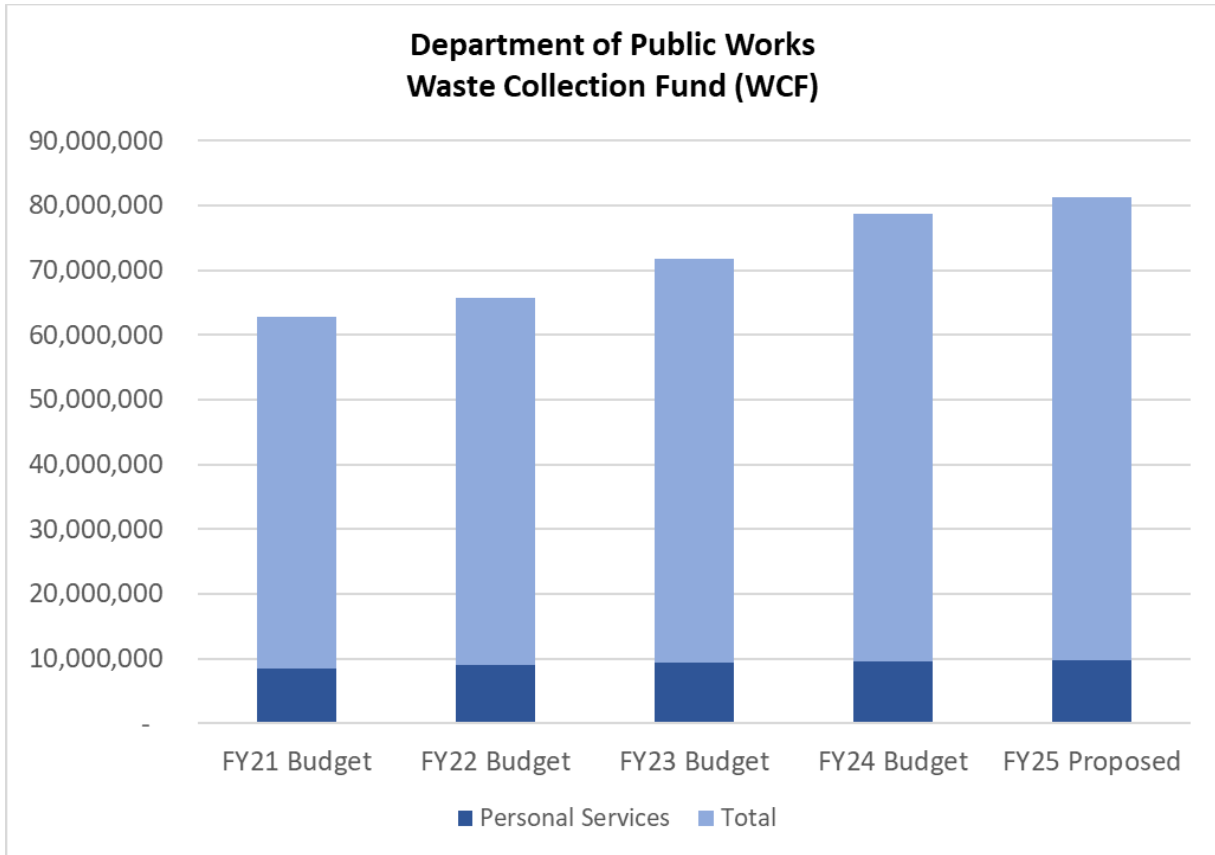
Water and Sewer	FY24	FY25	FY26	FY27	FY28	FY29
FY24 Budget	9.0%	9.0%	7.0%	1.0%	1.5%	1.0%
FY25 Budget	--	7.0%	5.0%	5.0%	4.0%	2.0%

We have performed an initial review of the Utility Operating Fund rate model data, assumptions, and FY25 calculation. The model adjusts rates to cover estimated costs and reflects a \$32,155,780 estimated ending FY25 fund balance, which is \$11,131,530 higher than the target balance of \$21,024,250 that represents two months of operating costs. However, in FY28, the estimated rate increase of 4% results in an estimated fund balance that exceeds the target balance by only \$193,575. To the extent Water and Wastewater operations spend less than budgeted, smaller rate increases may be possible and/or more PAYGO funding may be available for water and wastewater capital projects.

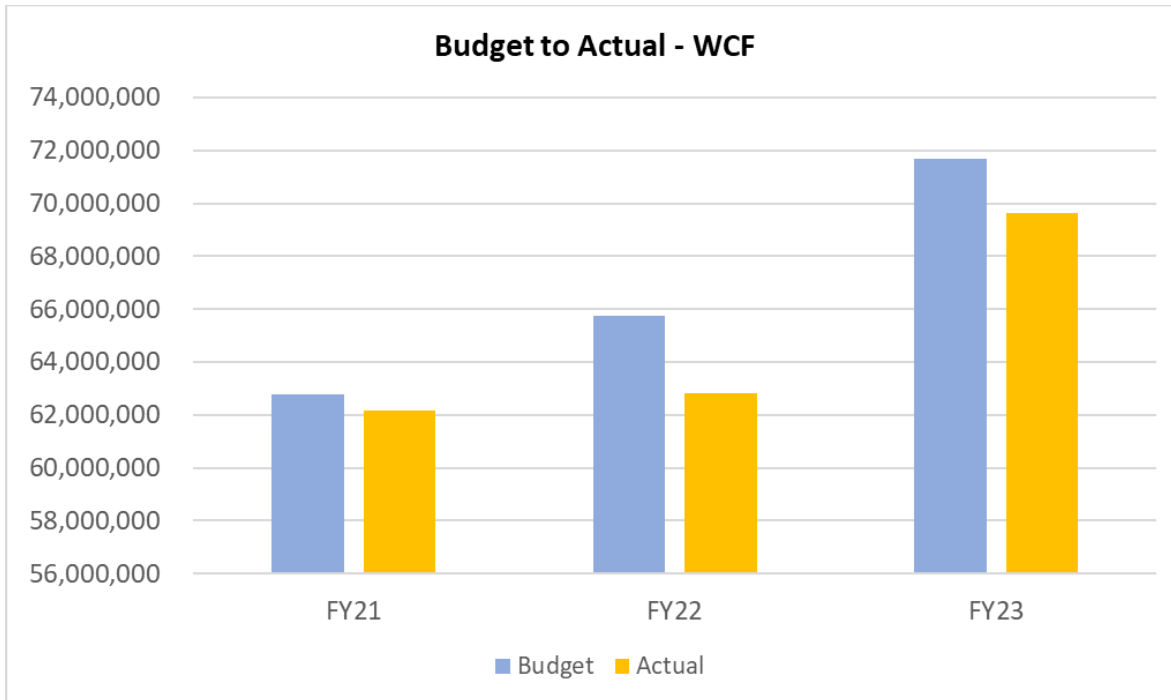
- 2. Unanticipated Needs Funding** – The FY25 Proposed Current Expense Budget includes \$515,000 for unanticipated operating costs. DPW advised this funding was used in the past for treatment plant chemicals, replacement parts, and contractor costs.

DPW – Waste Collection Fund

Operating Budget Summary



Note: Chart data is provided in Appendix 3



Note: Chart data is provided in Appendix 3

Key Observations

- Service Rate Changes** – The FY25 Proposed Current Expense Budget reflects increases in solid waste services charges. Bill 46-24 increases solid waste services charges from \$380 to \$404 on July 1, 2024. For the fiscal year beginning July 1, 2025, any increase in these charges in an amount greater than 5% must be set by the County Council by ordinance. Bill 46-24 also increases charges at County-owned or operated landfills and solid waste disposal facilities from \$85 to \$100 per ton for solid waste delivered by a commercial business and in certain trucks and trailers. This bill also increases certain charges based on weight.

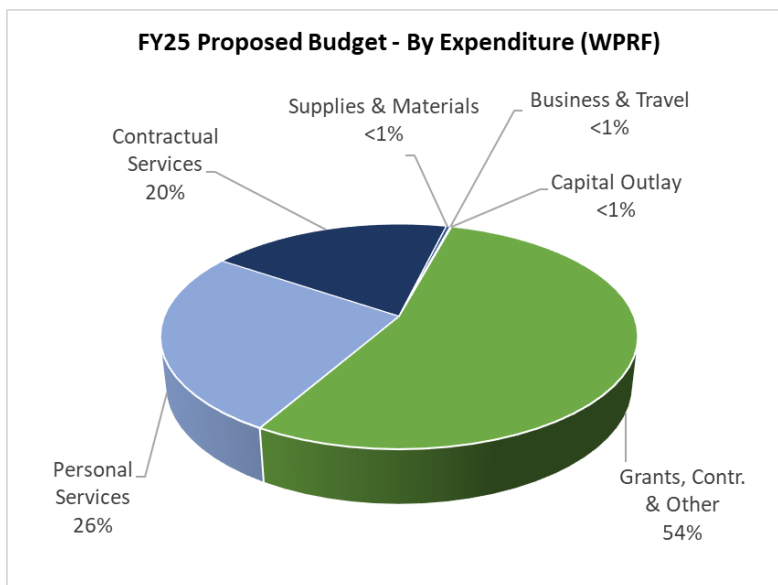
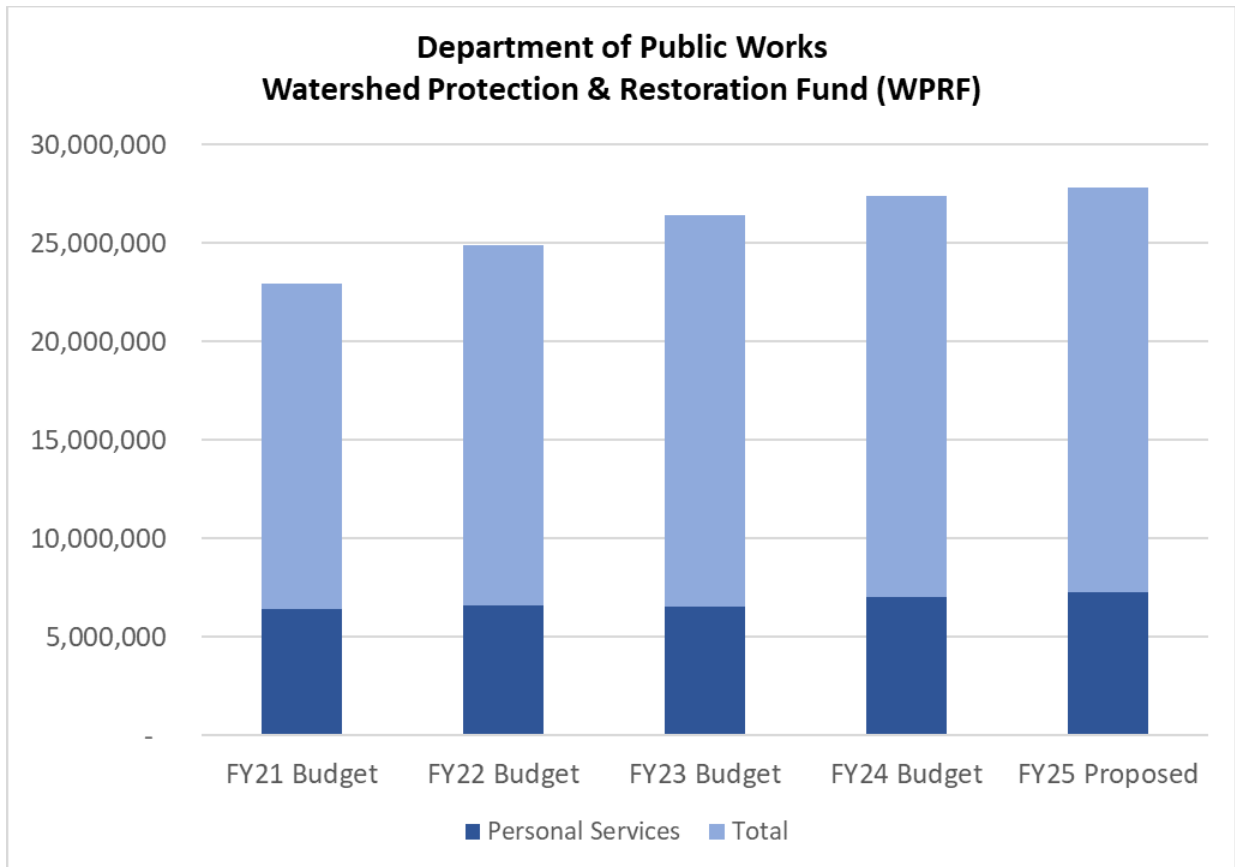
We have performed an initial review of the Solid Waste Fund rate model data, assumptions, and FY25 calculation. The model adjusts rates to cover estimated expenses and reflects a \$12,225,423 estimated ending FY25 fund balance, which exceeds the target fund balance of at least 10% of operating expenses. However, in FY27, the estimated rates increase of 12.9% results in an estimated ending fund balance that is approximately 10% of operating expenses, which is the target fund balance. The model includes adjustments in the curbside collection estimated expenditures to reflect expected trash collection procurements in FY26 and FY27. To the

extent Waste Management operations spend less than budgeted, smaller rate increases and/or more PAYGO funding for water and wastewater capital projects may be possible.

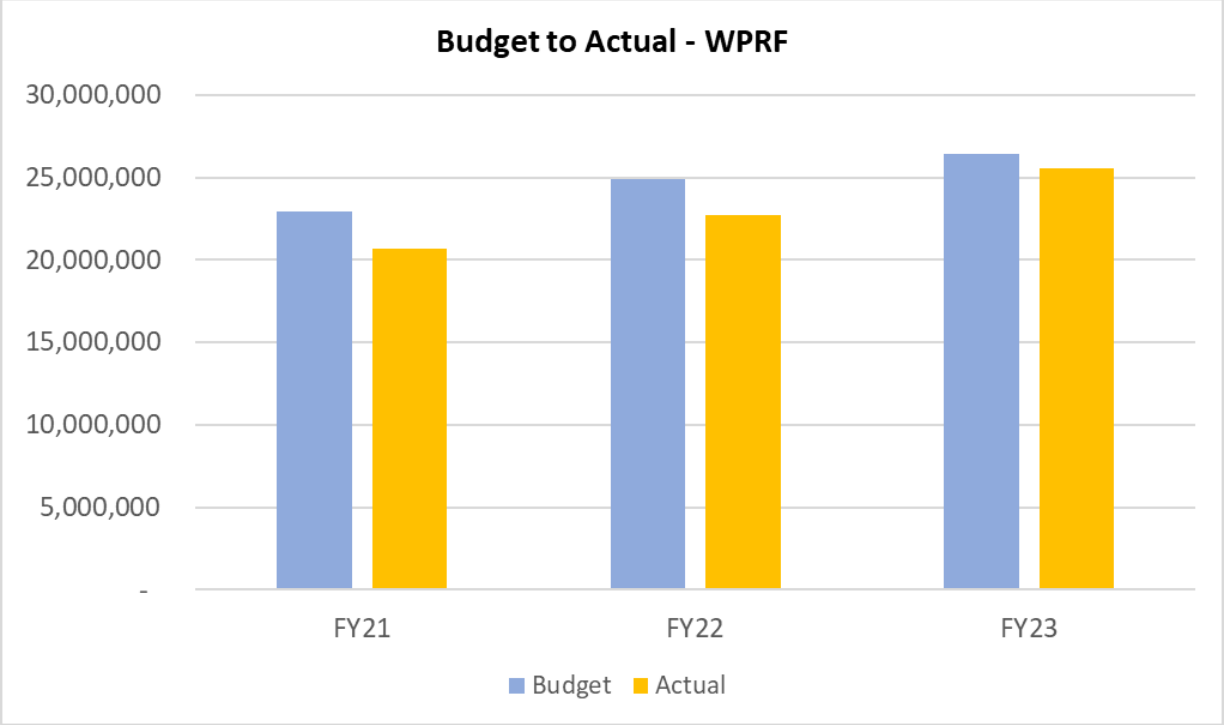
- 2. Capital Facility Connection Charges** – The FY25 Proposed Current Expense Budget reflects increases in the capital facility recoupment charge, water system capital facility connection charge, and the wastewater system capital facility connection charge. Bill 53-24 increases the capital facility recoupment charge from \$3.81 to \$4.00, water system capital facility connection charge from \$10,286 to \$10,800, and the wastewater system capital facility connection charge from \$10,286 to \$10,800. This bill also authorizes the County Executive to increase these charges by up to 5% per year beginning July 1, 2025 without Council approval.
- 3. Unanticipated Needs Funding** – The FY25 Proposed Current Expense Budget includes \$300,000 for unanticipated operating costs.
- 4. Residential Trash Collection** – The FY25 Proposed Current Expense Budget provides a total of \$35,331,800 for residential trash contracts, a \$1,053,000 (3.1%) increase over the Approved FY24 Current Expense Budget. This increase reflects inflationary adjustments for all 14 existing trash collection contracts. DPW intends to re-bid 5 residential trash contracts in FY25 that will take effect in FY26. The outcome of these procurements will help determine future residential trash collection rates.
- 5. Federal Grant Funding Adjustment** – The FY25 Proposed Current Expense Budget reflects a \$2,536,800 decrease in federal grant funding from the FY24 Approved Current Expense Budget due to the US Environmental Protection Agency grant funding request for infrastructure improvements not being awarded.

DPW – Watershed Protection and Restoration Fund

Operating Budget Summary



Note: Chart data is provided in Appendix 4



Note: Chart data is provided in Appendix 4

Key Observations

1. **One reclassification of a vacant position is proposed** – One vacant Engineer III position (NR-18) is being reclassified to a Program Specialist II (NR-17). This Program Specialist II will support the Ecological Assessment and Evaluation Program.
2. **Service Rate Changes** – Stormwater remediation fees for residential units increase 5% to \$98.40 per unit. We have performed an initial review of the Watershed Protection and Restoration Fund Financials and Affordability rate model data, assumptions, and FY25 calculation. The model projects a 5% annual fee increase for the FY25-FY30 period. An ending fund balance of \$42,998,703 in FY25 is projected to decrease annually to \$7,417,679 in FY30.

Appendix 1: Chart Data

Department of Public Works – General Fund Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	19,790,000	\$ 20,883,100	\$ 21,602,600	\$ 23,758,000	\$ 25,456,900
Contractual Services	9,641,800	\$ 9,593,800	\$ 10,066,000	\$ 9,809,700	\$ 10,565,800
Supplies & Materials	1,841,300	\$ 1,818,900	\$ 1,703,900	\$ 1,715,900	\$ 1,847,800
Business & Travel	49,300	\$ 48,300	\$ 47,600	\$ 46,800	\$ 46,800
Capital Outlay	603,800	\$ 1,545,300	\$ 1,738,300	\$ 2,013,800	\$ 2,201,100
Grants, Contr. & Other	-	\$ -	\$ -	\$ -	\$ -
Total	\$ 31,926,200	\$ 33,889,400	\$ 35,158,400	\$ 37,344,200	\$ 40,118,400

FY25 Proposed Budget - By Bureau - General Fund

Name	FY25 Proposed
Director's Office	\$ 707,100
Engineering	\$ 7,797,800
Highways	\$ 31,613,500
Total	\$ 40,118,400

FY25 Proposed Budget - By Expenditure - General Fund

Object	FY25 Proposed
Personal Services	\$ 25,456,900
Contractual Services	\$ 10,565,800
Supplies & Materials	\$ 1,847,800
Business & Travel	\$ 46,800
Capital Outlay	\$ 2,201,100
Total	\$ 40,118,400

Adjusted Budget* to Actual - General Fund

	FY21	FY22	FY23
Budget	35,209,000	\$ 38,047,100	\$ 35,860,300
Actual	34,611,447	\$ 37,660,806	\$ 35,808,149

*Adjusted Budget includes supplemental appropriations of \$3,282,800 for FY21, \$4,157,700 in FY22, and \$701,900 in FY23 and, therefore, does not match the Original Budget used in Chart 1.

Appendix 2: Chart Data

Department of Public Works Water & Wastewater (W&WW) Fund

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	39,935,600	\$ 41,224,800	\$ 42,592,900	\$ 45,621,100	\$ 48,675,600
Contractual Services	36,630,400	\$ 35,646,100	\$ 37,399,100	\$ 36,919,000	\$ 39,095,700
Supplies & Materials	9,543,300	\$ 9,652,400	\$ 10,676,900	\$ 13,232,800	\$ 14,268,800
Business & Travel	262,000	\$ 249,300	\$ 260,400	\$ 294,500	\$ 294,500
Capital Outlay	1,736,000	\$ 1,437,400	\$ 1,541,200	\$ 2,717,800	\$ 2,080,200
Grants, Contr. & Other	24,387,200	\$ 21,171,000	\$ 26,090,900	\$ 23,246,600	\$ 21,730,700
Total	\$ 112,494,500	\$ 109,381,000	\$ 118,561,400	\$ 122,031,800	\$ 126,145,500

FY25 Proposed Budget - By Bureau - W&WW Fund

Name	FY25 Proposed
Engineering	\$ 3,579,700
Utility Operations	\$ 101,030,000
Utility Admin	\$ 21,535,800
Total	\$ 126,145,500

FY25 Proposed Budget - By Expenditure - W&WW Fund

Object	FY25 Proposed
Personal Services	\$ 48,675,600
Contractual Services	\$ 39,095,700
Supplies & Materials	\$ 14,268,800
Business & Travel	\$ 294,500
Capital Outlay	\$ 2,080,200
Grants, Contr. & Other	\$ 21,730,700
Total	\$ 126,145,500

Budget to Actual - W&WW Fund

	FY21	FY22	FY23
Budget	112,494,500	\$ 109,381,000	\$ 118,561,400
Actual	105,943,266	\$ 101,005,742	\$ 107,648,181

Appendix 3: Chart Data

Department of Public Works Waste Collection Fund (WCF)

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	8,449,300	\$ 8,960,300	\$ 9,334,400	\$ 9,493,000	\$ 9,781,900
Contractual Services	39,789,300	\$ 40,621,600	\$ 46,249,500	\$ 52,397,400	\$ 55,399,900
Supplies & Materials	767,800	\$ 802,800	\$ 880,100	\$ 1,034,100	\$ 805,100
Business & Travel	23,900	\$ 21,500	\$ 21,900	\$ 21,800	\$ 21,600
Capital Outlay	1,694,400	\$ 1,655,800	\$ 1,818,800	\$ 2,020,800	\$ 1,758,900
Grants, Contr. & Other	12,072,000	\$ 13,667,300	\$ 13,400,400	\$ 13,756,700	\$ 13,586,300
Total	\$ 62,796,700	\$ 65,729,300	\$ 71,705,100	\$ 78,723,800	\$ 81,353,700

FY25 Proposed Budget - By Expenditure - WCF

Object	FY25 Proposed
Personal Services	\$ 9,781,900
Contractual Services	\$ 55,399,900
Supplies & Materials	\$ 805,100
Business & Travel	\$ 21,600
Capital Outlay	\$ 1,758,900
Grants, Contr. & Other	\$ 13,586,300
Total	\$ 81,353,700

Budget to Actual - WCF

	FY21	FY22	FY23
Budget	62,796,700	\$ 65,729,300	\$ 71,705,100
Actual	62,162,070	\$ 62,825,421	\$ 69,622,641

Appendix 4: Chart Data

Department of Public Works Watershed Protection & Restoration Fund (WPRF)

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	6,445,200	\$ 6,600,100	\$ 6,566,500	\$ 7,020,800	\$ 7,273,900
Contractual Services	5,709,200	\$ 5,745,600	\$ 5,750,600	\$ 5,707,100	\$ 5,385,700
Supplies & Materials	89,800	\$ 87,800	\$ 84,900	\$ 95,900	\$ 88,800
Business & Travel	30,200	\$ 30,200	\$ 31,900	\$ 28,300	\$ 26,800
Capital Outlay	15,400	\$ 15,400	\$ 5,700	\$ 5,700	\$ 5,700
Grants, Contr. & Other	10,652,600	\$ 12,399,800	\$ 13,979,700	\$ 14,550,500	\$ 15,067,900
Total	\$ 22,942,400	\$ 24,878,900	\$ 26,419,300	\$ 27,408,300	\$ 27,848,800

FY25 Proposed Budget - By Expenditure - WPRF

Object	FY25 Proposed
Personal Services	\$ 7,273,900
Contractual Services	\$ 5,385,700
Supplies & Materials	\$ 88,800
Business & Travel	\$ 26,800
Capital Outlay	\$ 5,700
Grants, Contr. & Other	\$ 15,067,900
Total	\$ 27,848,800

Budget to Actual - WPRF

	FY21	FY22	FY23
Budget	22,942,400	\$ 24,878,900	\$ 26,419,300
Actual	20,713,078	\$ 22,717,958	\$ 25,560,611



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Department of Recreation and Parks

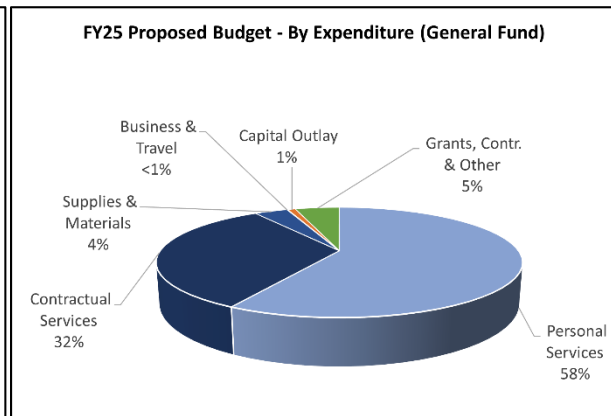
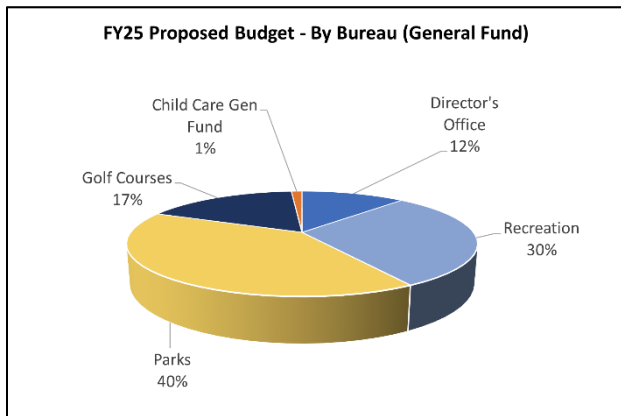
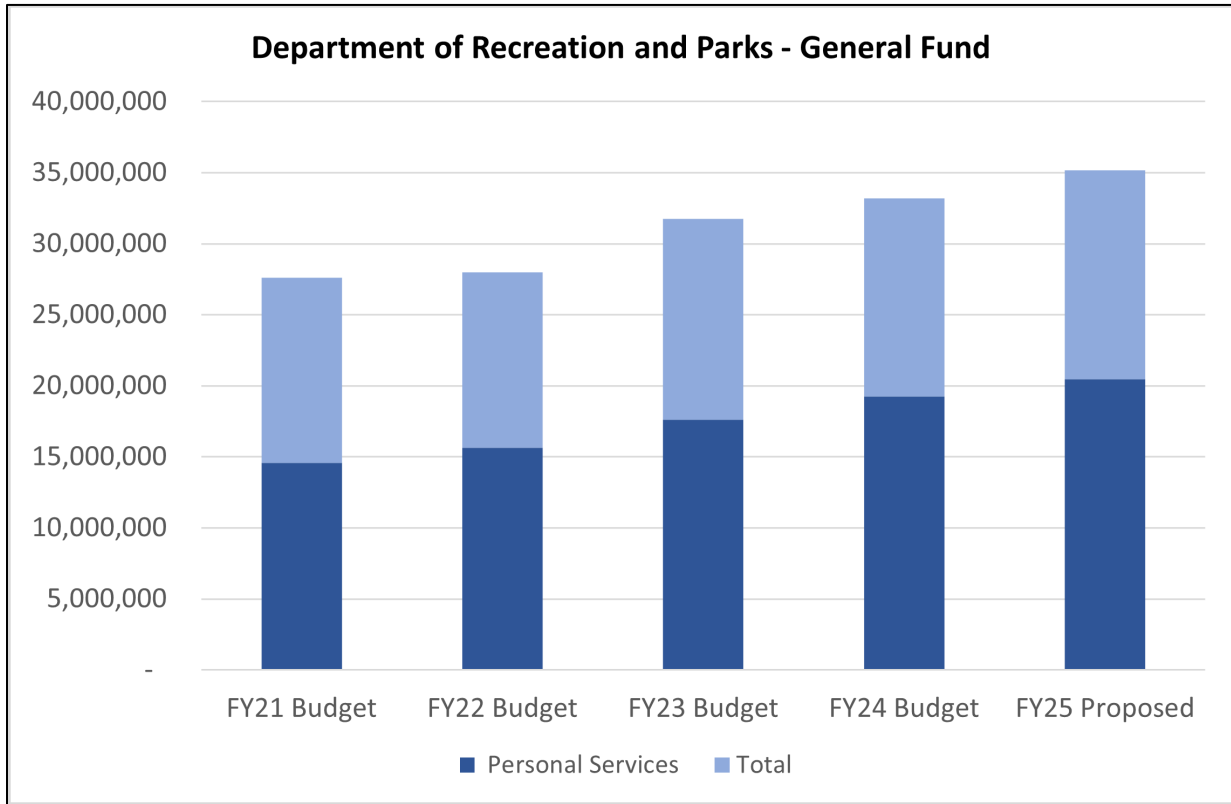
Report Date: May 20, 2024
Hearing Date: May 21, 2024

Questions Sent to the Agency:	May 3, 2024; May 13, 2024; May 14, 2024
Responses Received from the Agency:	May 8, 2024; May 12, 2024; May 13, 2024; May 16, 2024

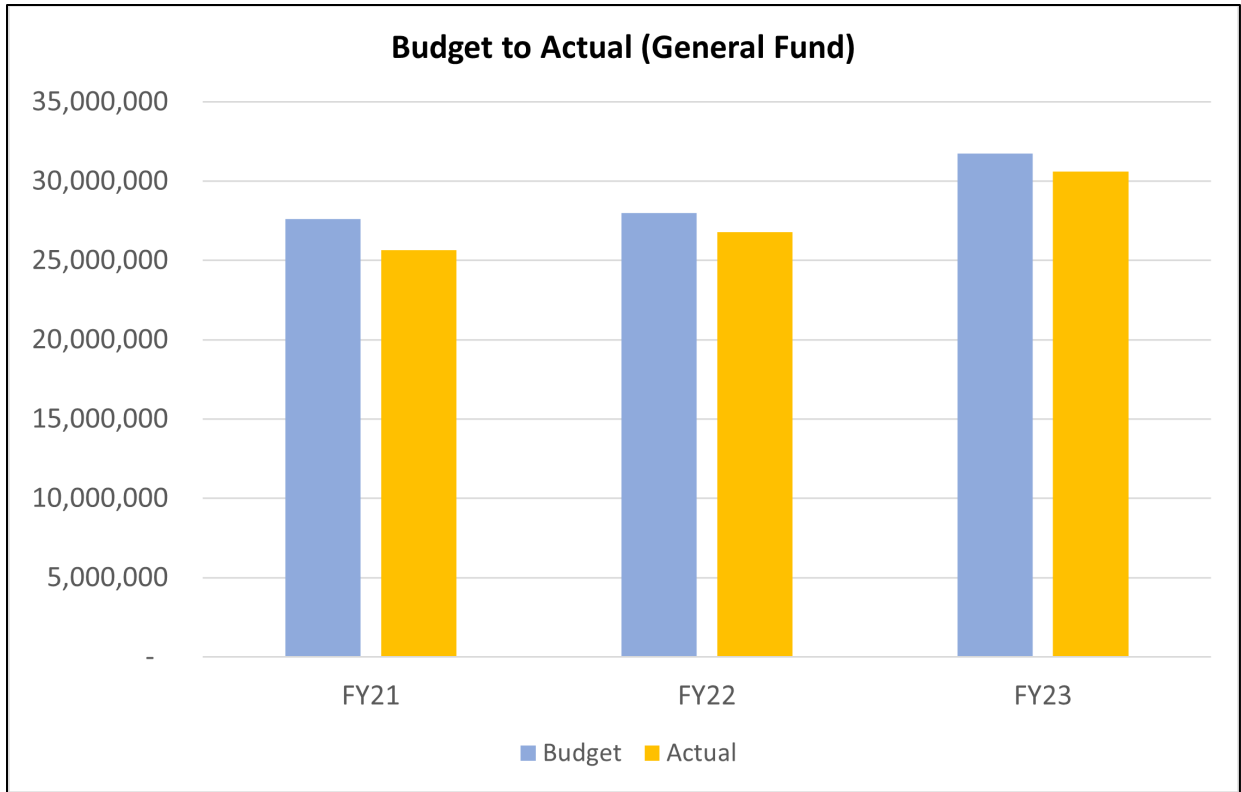
This analysis considers all agency responses.

Department of Receptions and Parks (DRP) – General Fund

Operating Budget Summary



Note: Chart data is provided in Appendix 1



Note: Chart data is provided in Appendix 1

Proposed Budget Changes

FY24 Original Budget	\$33,194,500
FY25 Proposed Budget	\$35,171,000

Where It Goes – Highlighted Changes	Change
Personnel - pay package (cost of living and step/merit increase) and new and transferred positions	580,200
Personnel – Turnover - Assumes more position vacancies	(78,500)
Child Enrichment Center contractual staff and operating costs moved from Child Care Fund to offer low-cost option	425,700
Additional summer camps, programs, and transportation	98,000
Jug Bay Wetlands Sanctuary Camp - contractual staffing and supplies	98,400
Operational costs for Deep Run Recreation Center and Brooklyn Park Track and Field Complex	83,400
Fixed Costs for proposed Park Ranger position at Jug Bay Wetlands Sanctuary (New vehicle, computer, and furniture)	57,500
Golf course management consultant fees increase of 5%	290,000

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	110	120	124	128	4
Filled	104	107	117		
Vacant	6	13	7		

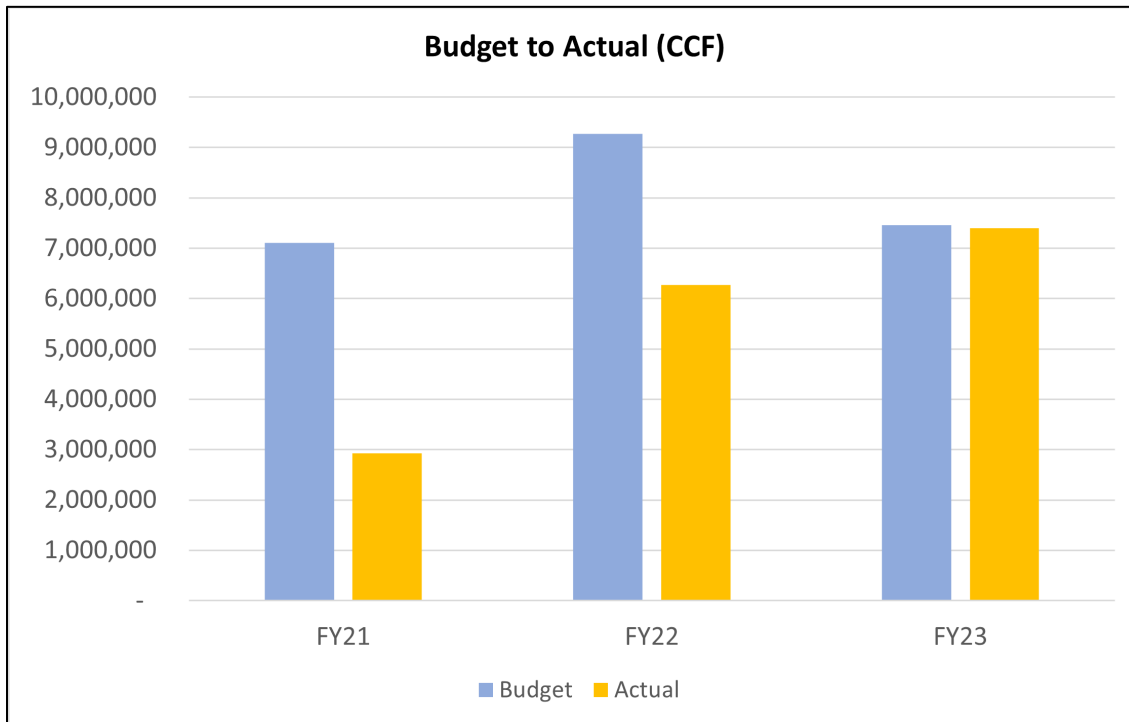
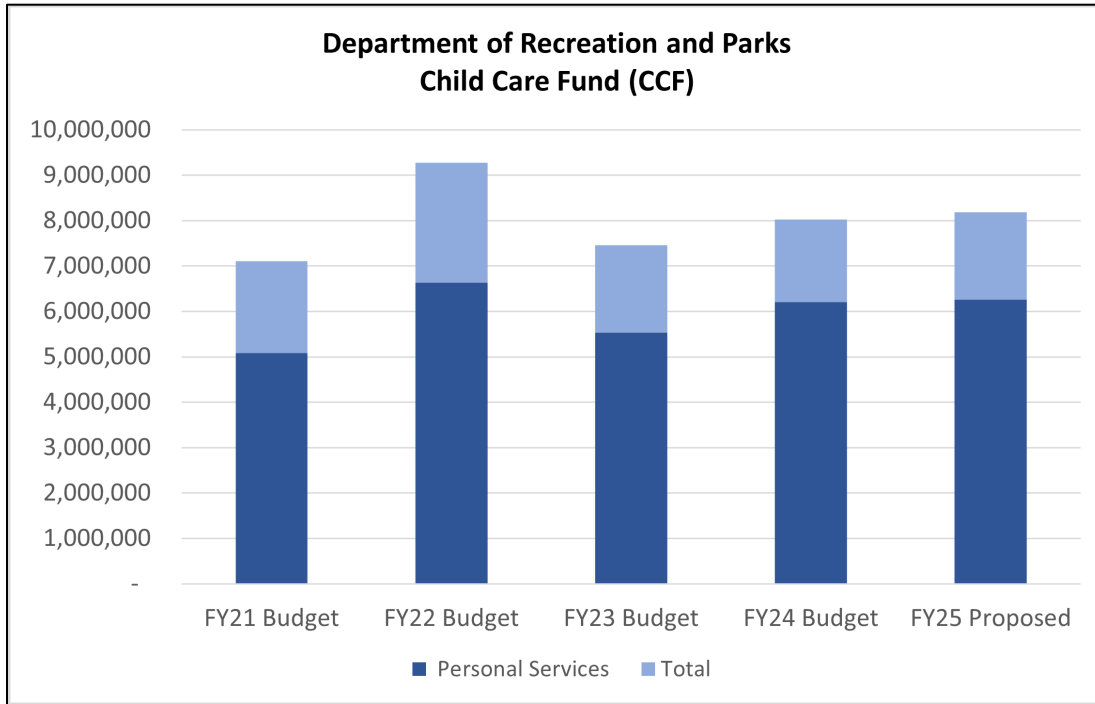
- **Four new full-time, general fund classified positions, are proposed –**
 - This reflects an increase of one new Assistant Facility Superintendent. All associated costs (salaries and benefits) for this new position are approximately \$87,500. This Assistant Facility Superintendent (NR-16) position will assist in the operation, maintenance, and improvement of Quiet Waters Park.
 - This reflects an increase of one new Management Assistant I. All associated costs (salaries and benefits) for this new position are approximately \$81,800. This Management Assistant I (NR-15) position will provide administrative support for Jug Bay Wetlands Sanctuary.
 - This reflects an increase of one new Park Ranger. All associated costs (salaries and benefits) for this new position are approximately \$133,020 (\$77,500 in salary and benefits and \$55,520 for a full-size 4x4 Pick-up vehicle). This Park Ranger (R-1) position will enforce park rules and regulations at the Jug Bay Wetlands Sanctuary.
 - One occupied Secretary III position to a Management Aide position, which is reclassifying the position from an OS-6 to NR-12 and transferring from the Child Care Fund to the General Fund. The Department of Recreation and Parks (DRP) advised that this position completes tasks for the entire department. All associated costs (salaries and benefits) for this position are approximately \$84,400.
- **Two reclassifications, one filled and one vacant position, are proposed –**
 - One filled Management Assistant II position to a Recreation Supervisor position, which is a lateral reclassification (NR-17).
 - One vacant Office Support Specialist position to a Recreation Specialist position, which is reclassifying the position from OS-6 to NR 13.
- **Proposed Turnover –** The FY25 Proposed Current Expense Budget assumes 1.1% (\$212,700) turnover, which is an increase from the 0.7% (\$134,200) turnover amount budgeted in FY24. The Administration advised that this increase is due to certain new positions not being filled until January 2025. Actual turnover for FY23 was 6.5% and for FY22 was 8.8%. We are still in the process of evaluating this proposed budget to determine if we will recommend a reduction.

Key Observations

1. **Child Enrichment Centers moving to the General Fund** – The FY25 Proposed Current Expense Budget funds the Child Enrichment Center Program with general funds rather than the Child Care Fund, which is funded by fees for services. A total of \$425,700 is provided in FY25, which includes \$381,300 for contractual staffing and \$37,200 for supplies and materials. Child Enrichment Centers provide child care in designated low-income areas. Child Enrichment Centers operate at Carrie Weedon Learning Center and the following elementary schools: Bell Grove, Brooklyn Park, Glen Burnie Park, Maryland City, Park, North Glen, and Woodside.
2. **Golf course management agreement cost increase** – In December 2023, DRP approved a one-year extension of its golf course management agreement for services at the County’s Eisenhower and Compass Point golf courses. The FY25 Proposed Current Expense Budget provides \$6,059,600 for this contract, a \$290,000 (5%) increase. DRP advised this cost increase is associated with contractual wage increases, salary increases, facility insurance, and professional golf instruction costs (offset by revenue collected).

Department of Recreation and Parks – Child Care Fund (CCF)

Operating Budget Summary



Note: Chart data available in Appendix 2

Operating Budget Summary

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
Child Care Fund	25	25	25	24	-1
Filled	22	23	25		
Vacant	3	2	0		

- **Two reclassifications, both filled positions, are proposed –**
 - Two Office Support Assistant II positions to Office Support Specialist positions, which is reclassifying the positions from an OS-4 to OS-6. DRP advised that these position duties were studied by the Office of Personnel and it was determined that the nature of the work and duties were best suited as Office Support Specialist classifications.

Key Observations

1. **New programs in FY25 –** The FY25 Proposed Current Expense Budget supports staffing and education supplies for new programs at the Deep Run Community Center, Two Rivers Elementary, and a pre-K extension pilot.
2. **FY25 general fund contribution offsets child care program costs –** The FY25 Proposed Current Expense Budget provides \$425,700 in general funds for the Child Care Program, which has historically been supported by the fees paid by participants from out of the Child Care Fund.
3. **The Child Care Fund balance decreases –** The Child Care Fund had a fund balance of \$1,191,029 at the end of FY22 and \$516,165 at the end of FY23. The FY25 Proposed Current Expense Budget assumes the fund balance will decrease to \$325,500 by the end of FY24.

Appendix 1: Chart Data

Department of Recreation and Parks Budget – General Fund

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	14,581,400	\$ 15,649,000	\$ 17,631,600	\$ 19,264,100	\$ 20,460,500
Contractual Services	8,471,100	\$ 9,420,000	\$ 10,773,300	\$ 10,734,000	\$ 11,447,800
Supplies & Materials	1,121,300	\$ 1,121,100	\$ 1,198,400	\$ 1,167,600	\$ 1,258,600
Business & Travel	34,400	\$ 25,500	\$ 25,000	\$ 30,700	\$ 32,700
Capital Outlay	300,000	\$ 253,500	\$ 478,500	\$ 324,100	\$ 294,400
Debt Service	1,675,500	\$ -	\$ -	\$ -	\$ -
Grants, Contr. & Other	1,417,000	\$ 1,524,000	\$ 1,629,000	\$ 1,674,000	\$ 1,677,000
Total	\$ 27,600,700	\$ 27,993,100	\$ 31,735,800	\$ 33,194,500	\$ 35,171,000

FY25 Proposed Budget - By Bureau - General Fund

Name	FY25 Proposed
Director's Office	\$ 4,126,300
Recreation	\$ 10,433,900
Parks	\$ 14,124,100
Golf Courses	\$ 6,061,000
Child Care Gen Fund	\$ 425,700
Total	\$ 35,171,000

FY25 Proposed Budget - By Expenditure - General Fund

Object	FY25 Proposed
Personal Services	\$ 20,460,500
Contractual Services	\$ 11,447,800
Supplies & Materials	\$ 1,258,600
Business & Travel	\$ 32,700
Capital Outlay	\$ 294,400
Grants, Contr. & Other	\$ 1,677,000
Total	\$ 35,171,000

FY21-FY23 Budget to Actual - General Fund

	FY21	FY22	FY23
Budget	27,600,700	\$ 27,993,100	\$ 31,735,800
Actual	25,636,873	\$ 26,796,033	\$ 30,615,563

Appendix 2: Chart Data

Child Care Fund (CCF)

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	5,091,300	\$ 6,634,600	\$ 5,538,900	\$ 6,208,300	\$ 6,265,700
Contractual Services	373,500	\$ 379,300	\$ 258,100	\$ 255,100	\$ 264,900
Supplies & Materials	532,700	\$ 631,400	\$ 451,400	\$ 442,800	\$ 464,600
Business & Travel	42,500	\$ 42,800	\$ 41,000	\$ 41,000	\$ 36,000
Capital Outlay	13,400	\$ 28,400	\$ 6,000	\$ 6,000	\$ 9,000
Grants, Contr. & Other	1,054,200	\$ 1,556,000	\$ 1,166,100	\$ 1,071,700	\$ 1,150,500
Total	\$ 7,107,600	\$ 9,272,500	\$ 7,461,500	\$ 8,024,900	\$ 8,190,700

FY21-FY23 Budget to Actual (CCF)

	FY21	FY22	FY23
Budget	7,107,600	\$ 9,272,500	\$ 7,461,500
Actual	2,930,360	\$ 6,268,860	\$ 7,402,180



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Fire Department

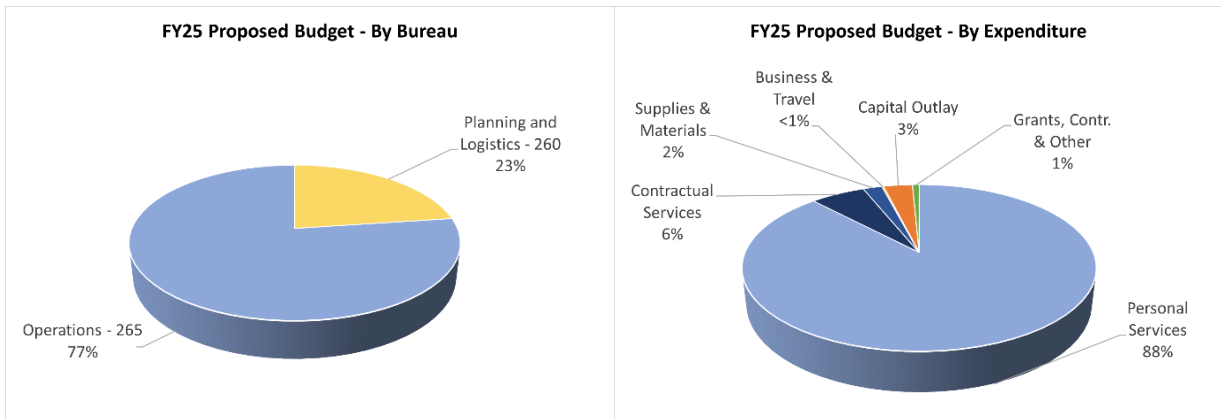
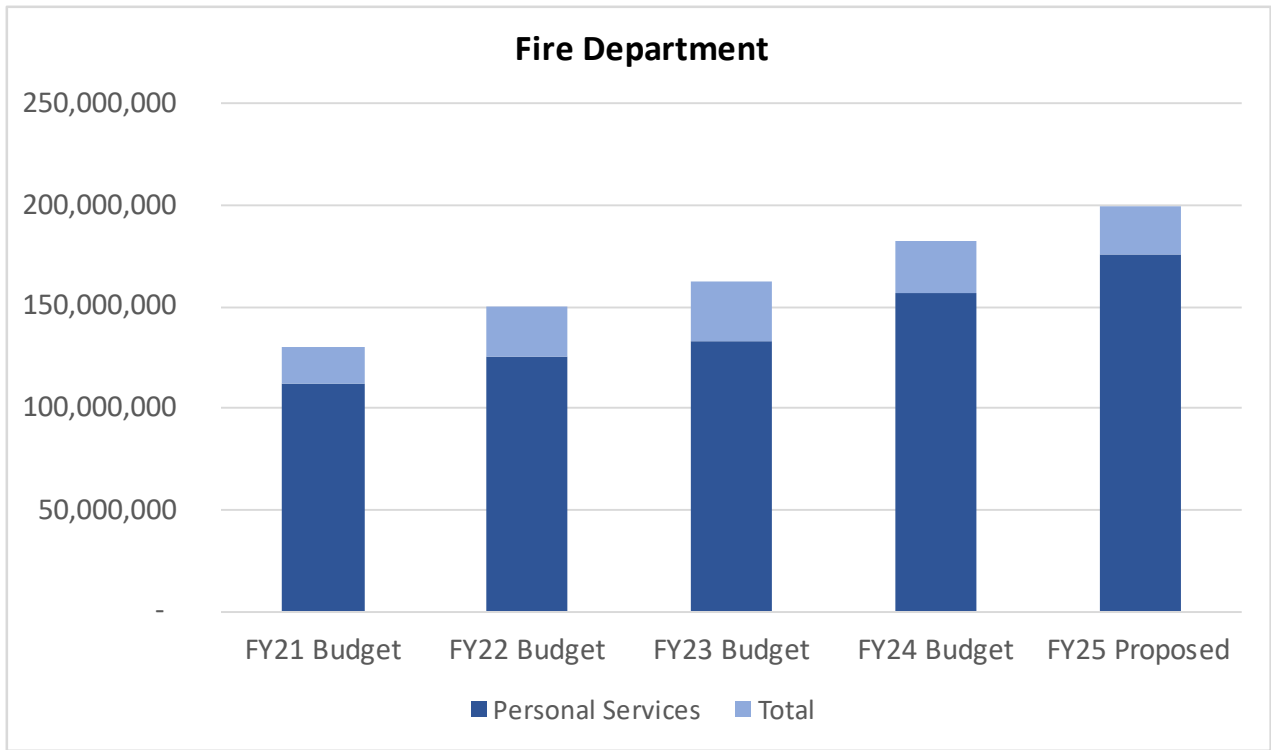
Report Date: May 15, 2024
Hearing Date: May 16, 2024

Questions Sent to the Agency:	May 2, 2024; May 7, 2024; May 10, 2024
Responses Received from the Agency:	May 7, 2024; May 10, 2024; May 14, 2024

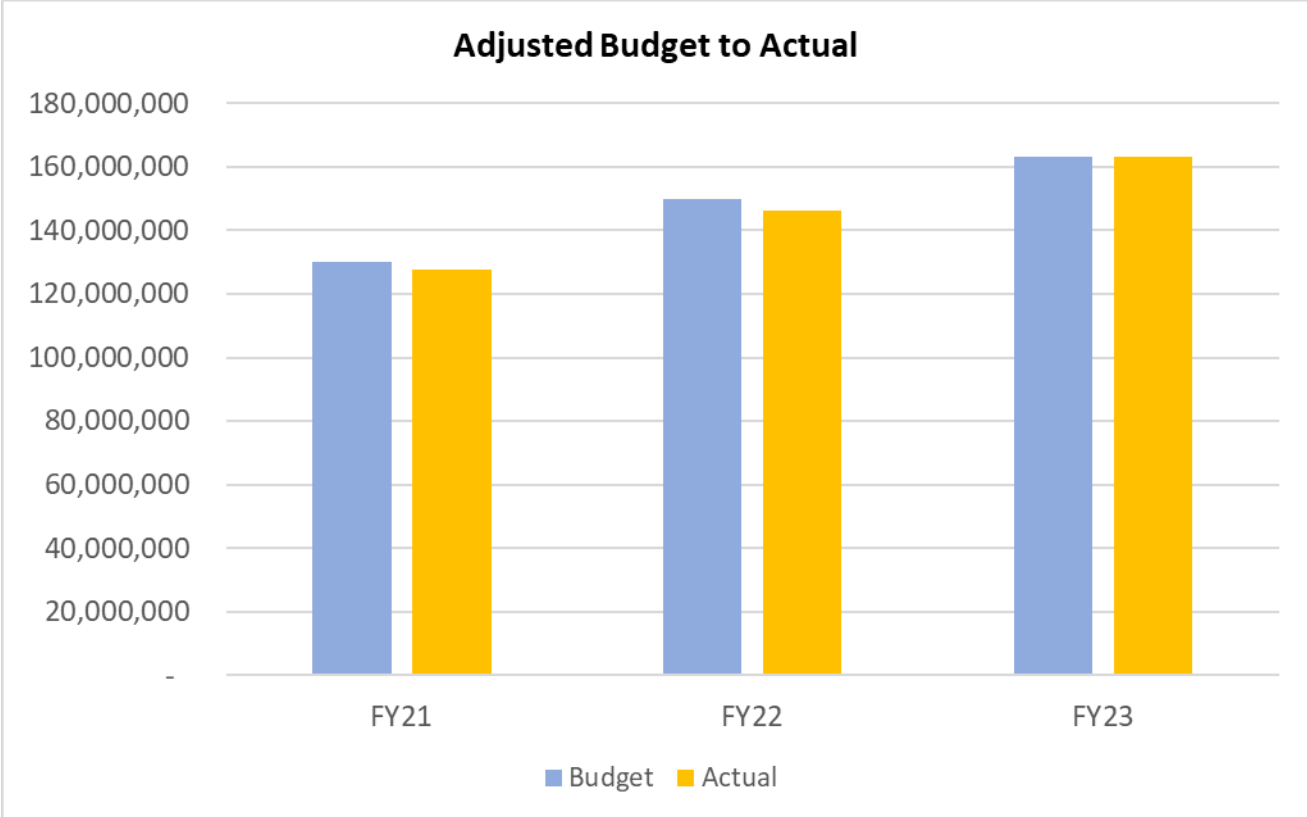
This analysis considers all agency responses.

Fire Department

Operating Budget Summary



Note: Chart data provided in the Appendix



Note: Chart data provided in the Appendix. Adjusted Budget includes a supplemental appropriation of \$710,500 for FY23 and, therefore, does not match the Original Budget used in Chart 1.

Proposed Budget Change

FY24 Budget	\$181,918,300
FY25 Proposed Budget	\$199,700,000

Where It Goes – Highlighted Changes	Change
Personnel – pay package (union and non-represented)	5,678,000
Personnel – special pay (leave payout and union negotiated pay)	762,000
Personnel - overtime	5,319,600
Supplies/Materials – Removal of FY24 one-time uniform and safety equipment costs due to no new positions and less recruits in FY25	(462,500)
Capital Outlay – removal of FY24 one-time equipment costs (e.g., defibrillators for tactical team)	(508,700)
Pay to Volunteer Companies (EMS Transport Billing)	269,800

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund *	941	1029	1044	1017	(27)
Filled	924	1010	1019		
Vacant	17	19	25		

* In accordance with the Personnel Article, Section 1-110(b)(4) of the County Code, the number and classification of positions may change during the fiscal year without approval of the County Council if a change results from creating positions to staff a recruit training academy class for the Fire Department. Therefore, the counts above include the positions added to account for the recruiting classes for the given fiscal years. For instance, the FY24 approved position count totaled 1,017; however, as of pay period ending April 10, 2024 there were 1,044 paid positions, an increase of 27 positions due the recruit training academy class.

- **Eleven reclassifications, all filled positions, are proposed.** The following reclassifications proposed are to implement the changes made during negotiations included in the union agreements.
 - Three Fire Fighter II positions to three Fire Lieutenant positions, which is reclassifying these positions from a F1 to a F5 grade classification.
 - Three Fire Fighter III positions to three Fire Lieutenant positions, which is reclassifying these positions from a F2 to a F5 grade classification.
 - Four FF Emergency Medical Tech – PM positions to four Fire Lieutenant/Emergency Medical Technician – PM positions, which is reclassifying these positions from a F4P to a F5P grade classification.
 - One Fire Lieutenant position to a Fire Captain position, which is reclassifying this position from a F5 to a F6 grade classification.
- **Funding for special pays increased by \$762,000 (37%).** This reflects new negotiated allowances within the union agreements (e.g., special qualification pay, investigation pay, training allowances, and bonus pay) and anticipated leave payouts.

Key Observations

1. **Personal Services** – The FY25 Proposed Current Expense Budget overtime has increased approximately \$5,300,000 (46%) from the FY24 approved budget (from \$11,496,000 to \$16,815,600). According to the Fire Department (Fire), the Administration assessed a more realistic and accurate understanding of overtime expenditures.
2. **Recruiting Class** – The current recruiting class is for 70 new recruits. This recruit class is anticipated to start at the training academy in February 2025 with the first group of recruits (with medical certification) starting between July and August 2025 with the remainder of the recruits starting in October 2025 (after completing medical certification).
3. **Contractual Services (Non-County Services)** – The FY25 funding request of \$130,000 (a \$30,000 increase from the FY24 approved budget of \$100,000) includes costs for ladder testing (\$10,000) and vessel maintenance (\$120,000). The increase is attributed to the addition of three vessels to Fire’s operations, consisting of one dive boat (in service in April 2024) and two fire boats (anticipated to be in service in July 2024 and October 2024).
4. **Capital Outlay** – The FY25 funding request of \$7,467,800 includes \$4,980,000 for the purchase of four fire engines (\$4,900,000) and for vessel site improvements (\$80,000) for the new vessel purchases detailed above (in addition to the fire engine detailed below to be purchased with video lottery terminal impact aid funds (VLT)).
5. **VLT** – The Local Development Council recommends in the FY25 Proposed Current Expense Budget funding Fire \$3,598,000 in VLT funds consisting of \$2,398,000 to support fire and EMS operations and \$1,200,000 toward purchasing a 1,000-gallon fire engine to replace Engine 211 at Fire Company 21 (Harmans/Dorsey Fire Station).

According to Fire, fire engine vendors are currently taking two to three years to deliver apparatus subsequent to ordering and paying the full cost upfront helps keep the cost of replacing fire engines at current prices while being added to the production list. Fire advised that support for operations at Fire Company 21 is projected to decrease \$500,000 annually and once this funding is no longer available, the plan is to use general funds for the needed funding.

Appendix: Chart Data

Fire Department Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	112,141,100	\$ 125,597,900	\$ 133,013,400	\$ 157,148,400	\$ 175,576,900
Contractual Services	10,482,700	\$ 10,801,200	\$ 10,442,600	\$ 11,810,600	\$ 11,882,800
Supplies & Materials	3,118,700	\$ 3,501,000	\$ 4,137,100	\$ 4,575,500	\$ 4,113,000
Business & Travel	224,800	\$ 263,500	\$ 320,100	\$ 422,400	\$ 398,300
Capital Outlay	2,741,300	\$ 6,598,300	\$ 9,726,200	\$ 6,776,400	\$ 6,267,700
Grants, Contr. & Other	1,249,800	\$ 3,304,700	\$ 4,821,400	\$ 1,185,000	\$ 1,461,300
Total	\$ 129,958,400	\$ 150,066,600	\$ 162,460,800	\$ 181,918,300	\$ 199,700,000

FY25 Proposed Budget - By Bureau

Name	FY25 Proposed
Planning and Logistics - 260	\$ 45,616,900
Operations - 265	\$ 154,083,100
Total	199,700,000

FY25 Proposed Budget - By Expenditure

Object	FY25 Proposed
Personal Services	\$ 175,576,900
Contractual Services	\$ 11,882,800
Supplies & Materials	\$ 4,113,000
Business & Travel	\$ 398,300
Capital Outlay	\$ 6,267,700
Grants, Contr. & Other	\$ 1,461,300
Total	\$199,700,000

FY21-FY23 Adjusted Budget* to Actual

	FY21	FY22	FY23
Budget	129,958,400	\$ 150,066,600	\$ 163,171,300
Actual	127,563,375	\$ 146,272,548	\$ 163,030,780

*Adjusted Budget includes supplemental appropriations of \$710,500 for FY23 and, therefore, does not match the Original Budget used in Chart 1.



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Office of Central Services

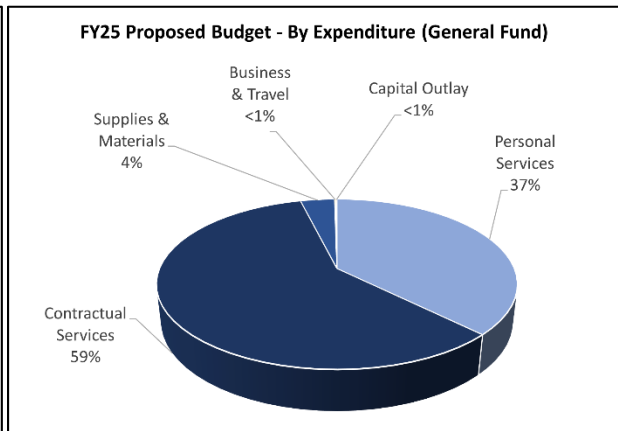
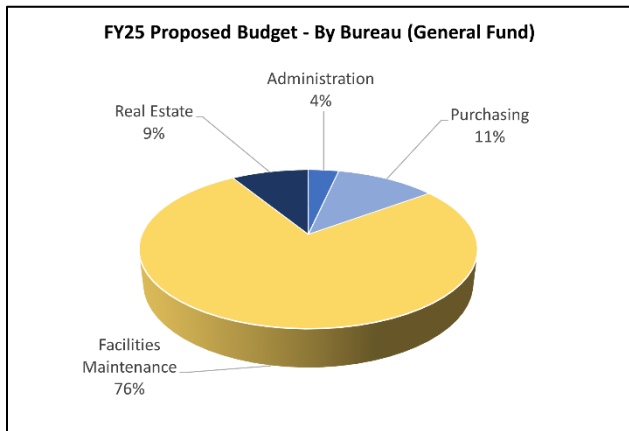
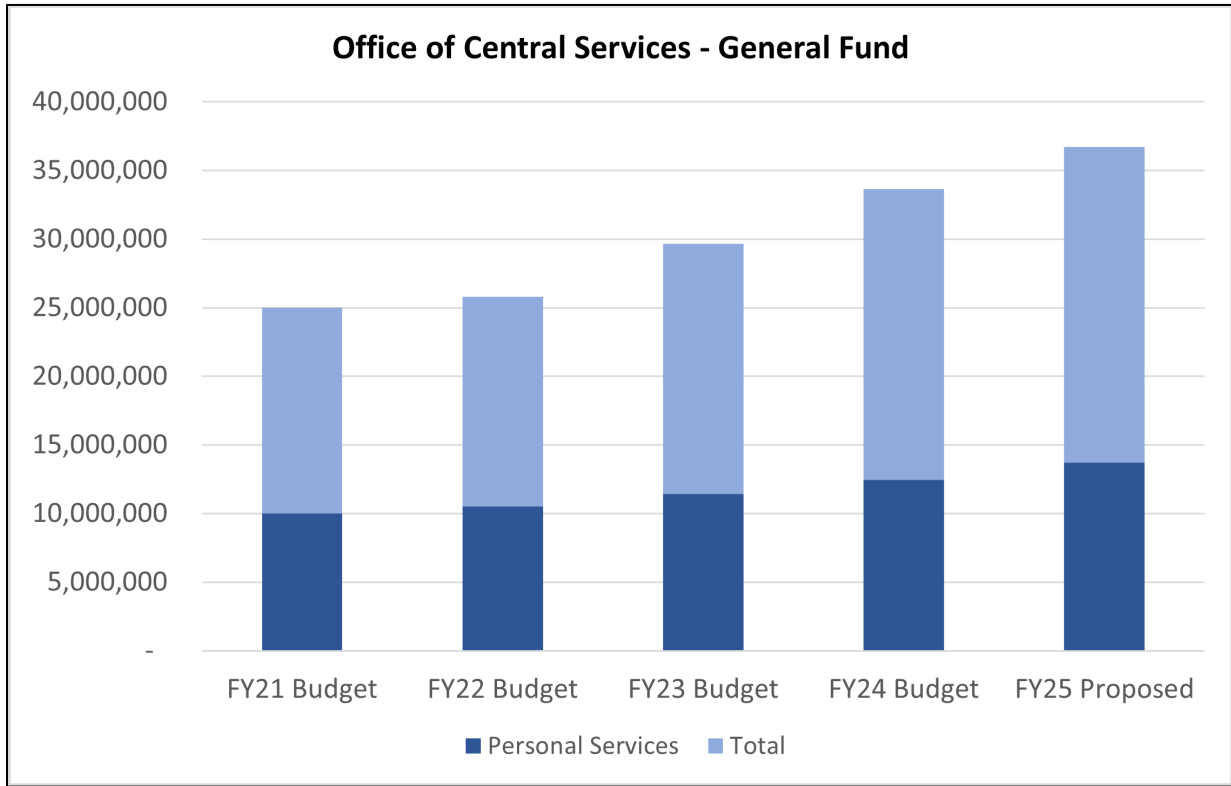
Report Date: May 20, 2024
Hearing Date: May 21, 2024

Questions Sent to the Agency:	May 3, 2024; May 5, 2024; May 13, 2024; May 15, 2024
Responses Received from the Agency:	May 8, 2024; May 8, 2024; May 13, 2024; May 14, 2024; May 15, 2024

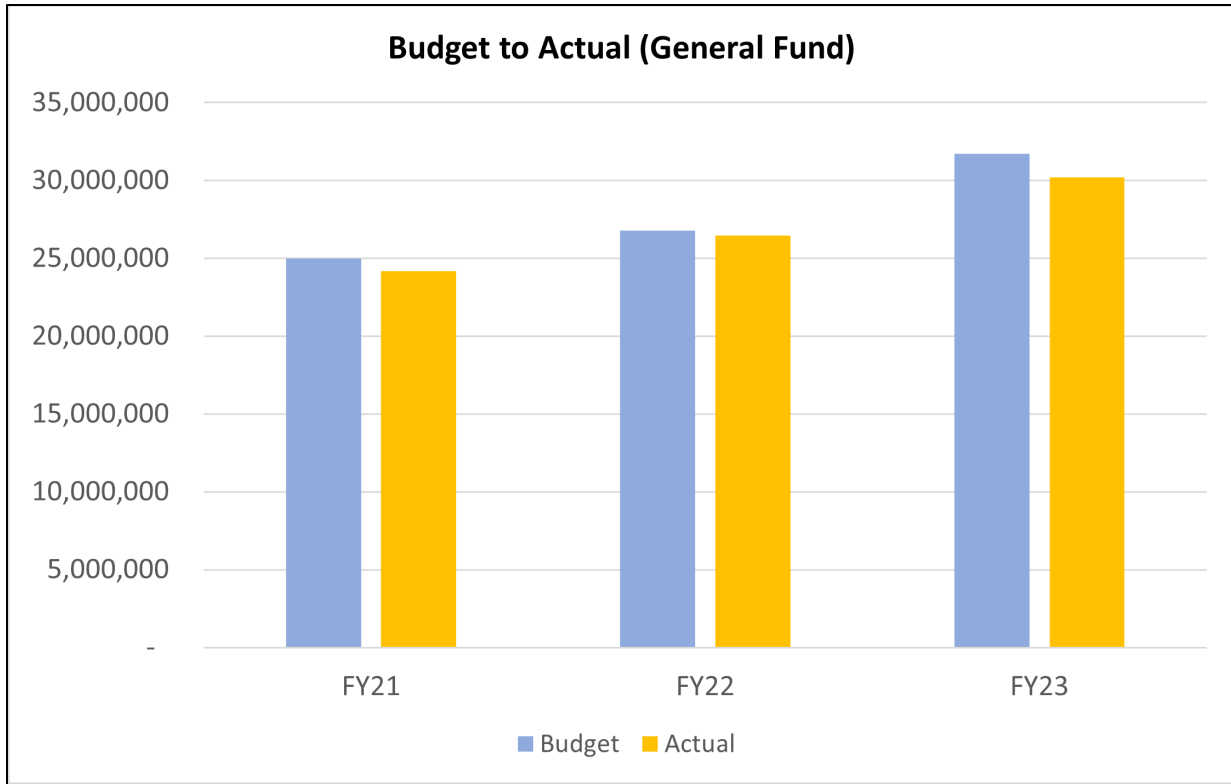
This analysis considers all agency responses.

Office of Central Services – General Fund

Operating Budget Summary



Note: Chart data provided in Appendix 1



Note: Chart data provided in Appendix 1. Adjusted Budget includes supplemental appropriations of \$1,011,300 for FY22 and \$2,050,000 for FY23 and, therefore, does not match the Original Budget used in Chart 1.

Proposed Budget Change

FY24 Budget	\$33,663,200
FY25 Proposed Budget	\$36,722,500

Where It Goes – Highlighted Changes	Change
Personnel – pay package (cost of living and step/merit increase)	492,300
Personnel – Turnover – assumes fewer position vacancies	441,300
Crownsville Hospital Memorial Park Water and Wastewater Treatment Plant – managed by Department of Public Works	565,200
Insurance – due to supply chain disruptions, aging infrastructure, building material price increases, and severe weather	297,200
Custodial services associated with a new vendor contract	146,900
Grounds maintenance contractor increase to reflect additional areas and repair of a bioretention pond	615,100
Office refurbishment projects to address HVAC improvements, overhead door repairs, and other remediation work	163,700
Removal of one-time funding for automotive equipment	(173,200)

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	120	127	125	125	0
Filled	101	114	114		
Vacant	19	13	11		

- One reclassification is proposed** – One filled Management Assistant II position to a Senior Management Assistant position, which is reclassifying this position from a NR-17 to NR-19. The Office of Central Services (OCS) advised that the roles and responsibilities of this position have changed beyond providing general administrative support services. This position is responsible for creating, analyzing, and developing the operating, Whitmore Parking Garage, and capital budgets for the Facilities Management Division and is responsible for the administration, projections, and maintenance of the Division’s operating and capital budgets.
- Proposed Turnover Rate** – The FY25 Proposed Current Expense Budget assumes 4% (\$476,200) turnover, which is a decrease from (\$917,500) FY24, and below the 9% vacancy rate on April 10, 2024 and the turnover rate in previous years (6% in FY23 and 9% in FY22). We are still in the process of evaluating this proposed budget to determine if we will recommend a reduction.

Key Observations

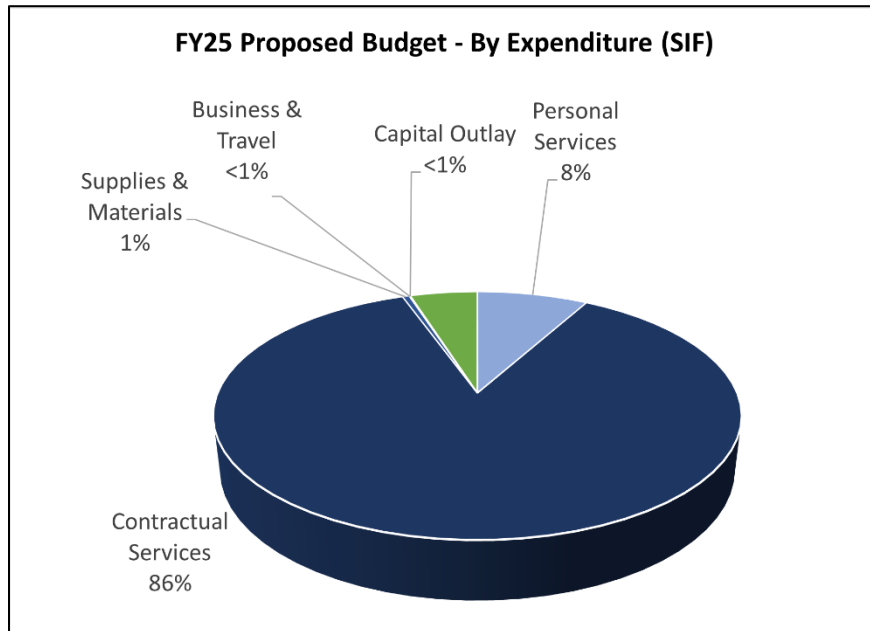
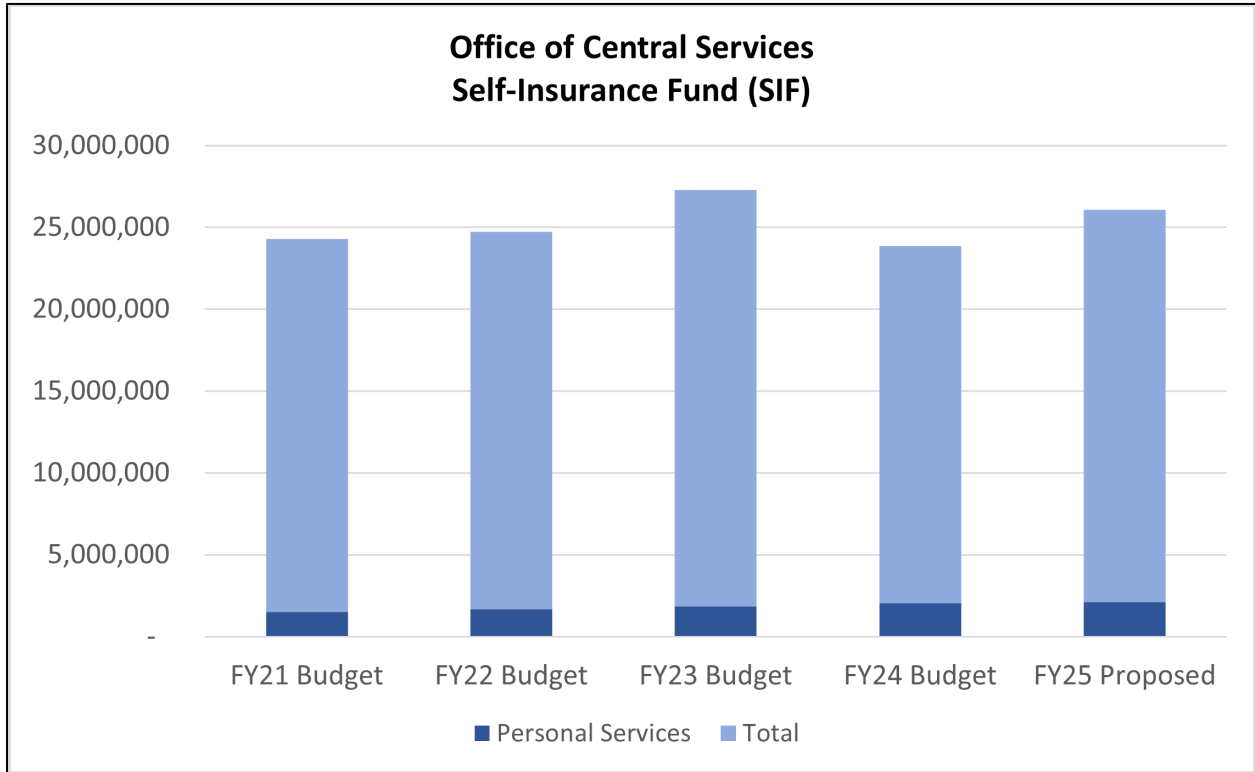
1. Crownsville Hospital Memorial Park Water and Wastewater Treatment Plant –

The FY25 Proposed Current Expense Budget includes \$1,363,100 for the Crownsville Hospital Water and Wastewater Treatment Plant (Plant). This is a \$565,200 increase over the current year. The Plant has been under OCS management since it was transferred from the state. It does not fall into the Department of Public Works (DPW) Bureau of Utility Operations as it has its own plants, completely separate from County water and sewer, and does not contribute to the Water and Wastewater Operating Fund. As of April 1, 2024, DPW is managing the Plant as the County terminated the contract with the Maryland Environmental Service who had been running the site. The proposed budget includes funding to cover DPW management/operational costs (\$688,900), distribution repairs (\$57,100), pump and hauling (\$575,100), and water (\$42,000).

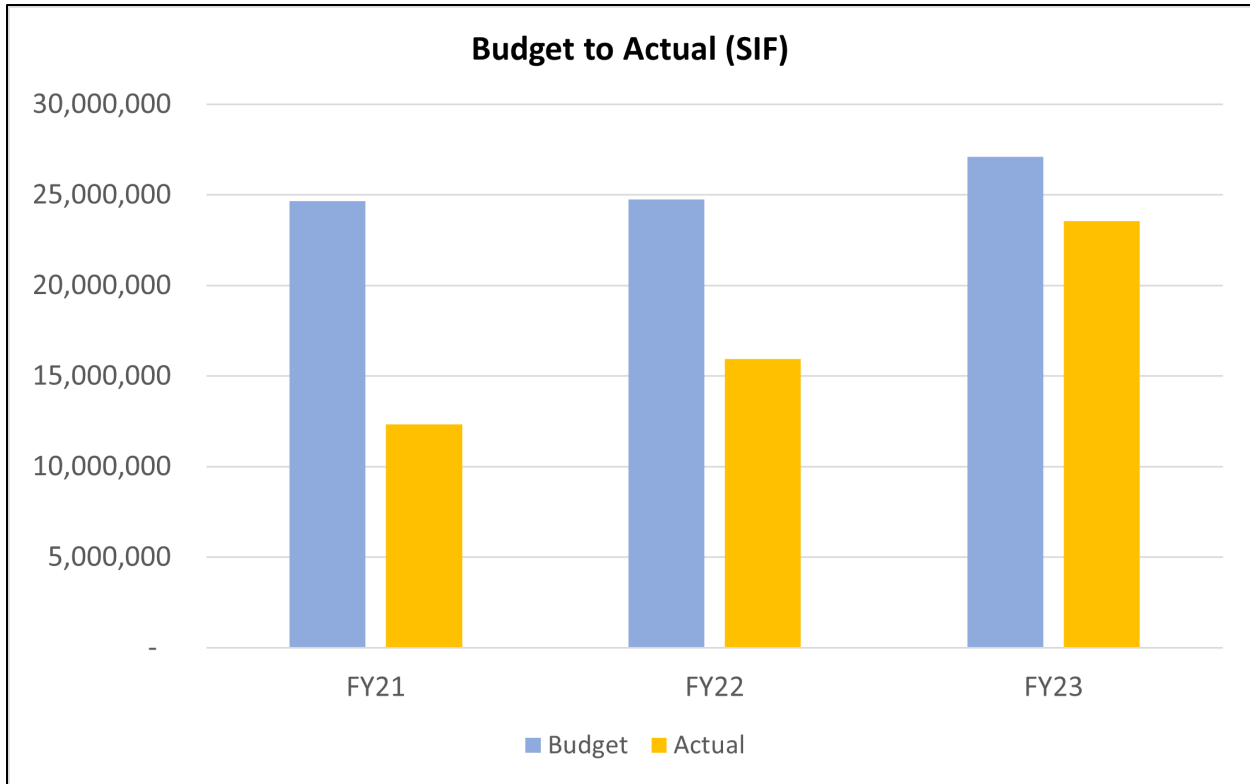
2. Grounds Maintenance Cost Increase – The FY25 Proposed Current Expense Budget requests \$1,107,100 which reflects an increase of \$615,100 for grounds maintenance, which includes a vendor rate increase and the addition of previously unfunded locations to their service contract (\$370,300), increase in tree trimming costs (\$31,900), one-time funding for restoration of bioretention ponds (\$151,000), and recurring funding for maintenance of the ponds (\$61,000). OCS advised that the increased funding request is necessary to avoid violations from the Department of Inspections and Permits.

Office of Central Services – Self-Insurance Fund

Operating Budget Summary



Note: Chart data is provided in Appendix 2



Note: Chart data provided in Appendix 2. Adjusted Budget includes supplemental appropriations of \$344,000 for FY21 and an appropriation adjustment of (\$180,000) for FY23, and, therefore, does not match the Original Budget used in Chart 1.

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
Self-Insurance Fund	16	16	17	17	0
Filled	16	16	17		
Vacant	0	0	0		

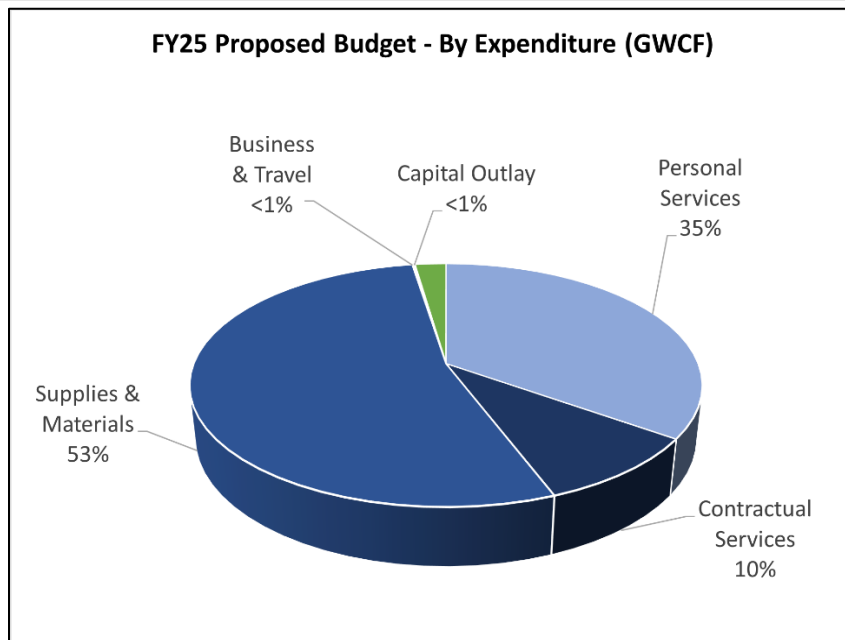
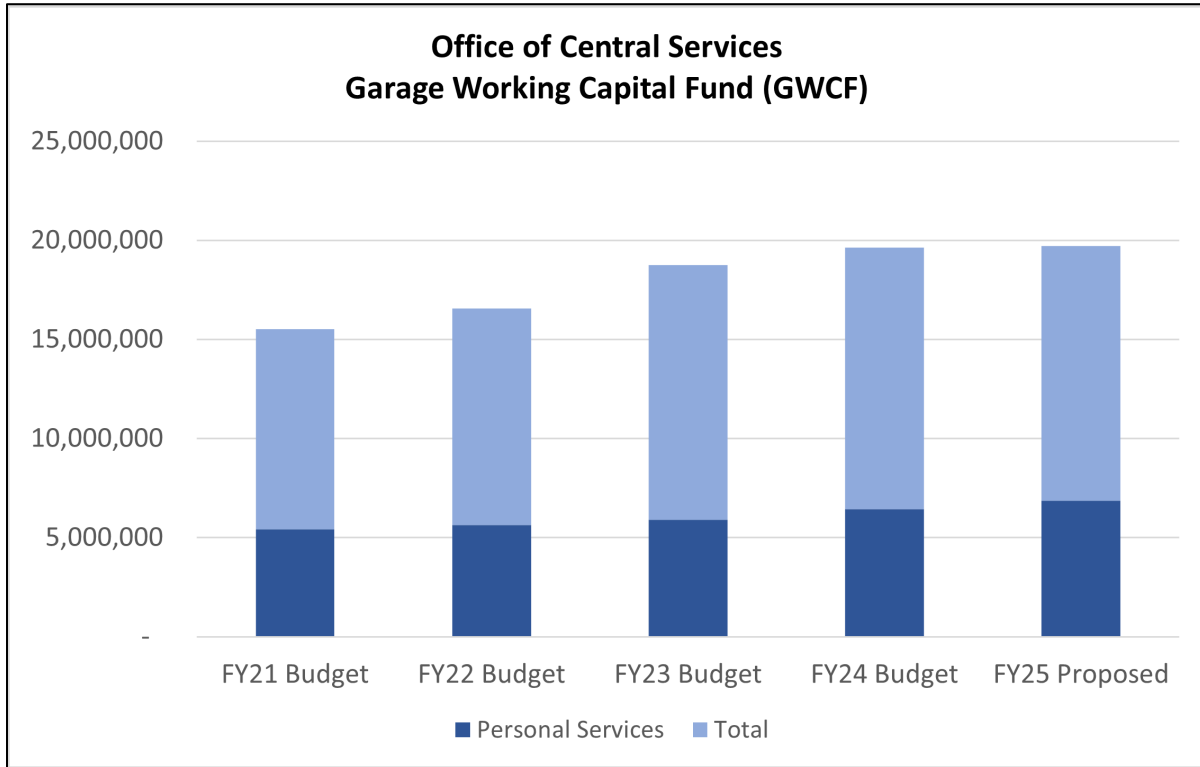
- **Two reclassifications are proposed-**
 - Two filled Safety Coordinator positions to Senior Safety Coordinator positions, reclassing the positions two grades higher from a NR-15 to NR-17. OCS advised that these positions are now responsible for creating and administrating County-wide safety programs as opposed to departmental level training programs.

Key Observations and Recommendation

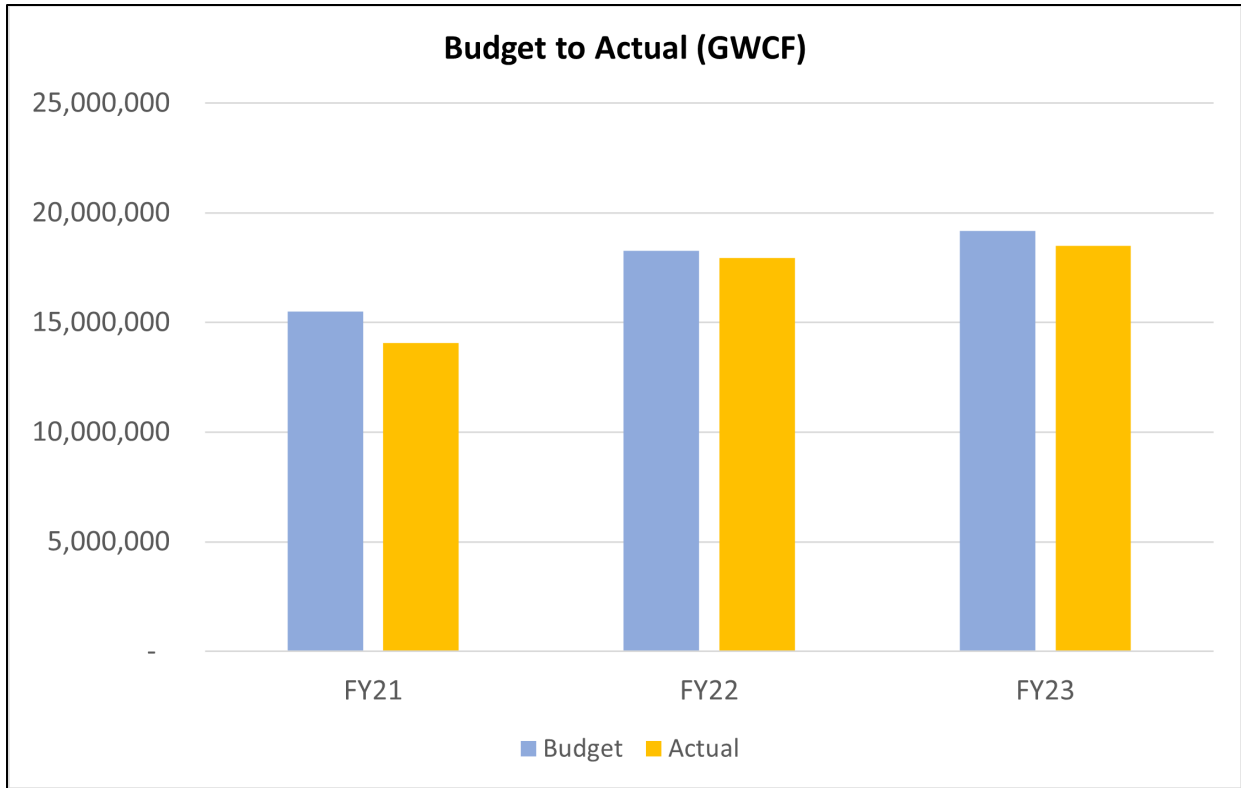
- 1. Bureau of Highways Capital Project** – The Bureau of Highways experienced a fire at its traffic maintenance facility in Millersville on March 18, 2024. The FY25 Proposed Current Expense Budget includes \$1,000,000 in anticipated insurance payments for the fire damage being allocated to the FY25 Proposed Capital Budget and Program for the Traffic Maint Fac Upg Relo (Project #C589000, p.45 of the capital budget book). The FY25 capital budget reflects \$1,000,000 in FY25 Insurance Recoveries funding for costs associated with providing temporary facilities.
- 2. Increase in Insurance Costs** – The FY25 Proposed Current Expense Budget reflects a collective \$1,100,000 increase in Worker’s Compensation, General Liability, Automobile Liability, and Vehicle Collision insurances based on the recommendations from the June 30, 2023 actuarial study for the SIF.
- 3. Self-Insurance Fund Balance Policy** – OCS current policy requires that the SIF maintain a budget year ending fund balance in the range of 6% of the Total Liability or 12% of the Unpaid Claims published on the most recent Annual Comprehensive Financial Report (ACFR). The FY23 ACFR states the Total Liability as \$88,205,544 and the Unpaid Claims as \$44,214,143, resulting in an ending fund balance range of \$5,292,332-\$5,305,697. The FY25 Proposed Current Expense Budget projects a June 30, 2025 fund balance of \$5,332,700, which is slightly higher than the policy fund balance range.
- 4. Reduction of Self-Insurance Contribution – Board of Education (BOE)** – The FY25 Proposed Current Expense Budget assumes a BOE contribution of \$4,389,500 to adequately fund SIF. Based on the annual liabilities update, BOE advised that there can be a decrease to the proposed budget contribution by \$130,000. **Therefore, we recommend a reduction of the BOE contribution to SIF of \$130,000.**

Office of Central Services – Garage Working Capital Fund (GWCF)

Operating Budget Summary



Note: Chart data is provided in Appendix 3



Note: Chart data provided in Appendix 3. Adjusted Budget includes supplemental appropriations of \$1,706,700 for FY22 and \$400,000 for FY23 and, therefore, does not match the Original Budget used in Chart 1.

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
Garage Working Capital Fund	67	67	67	68	1
Filled	63	63	62		
Vacant	4	4	5		

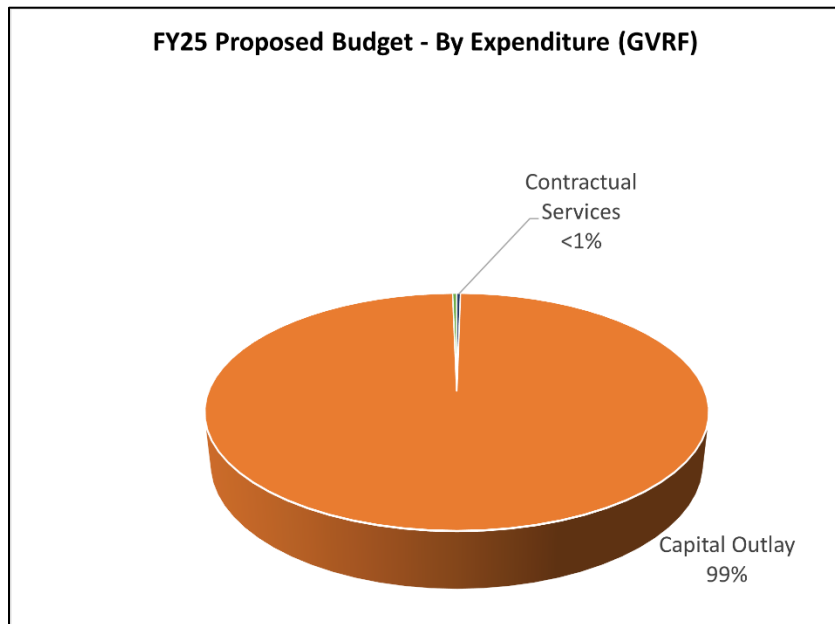
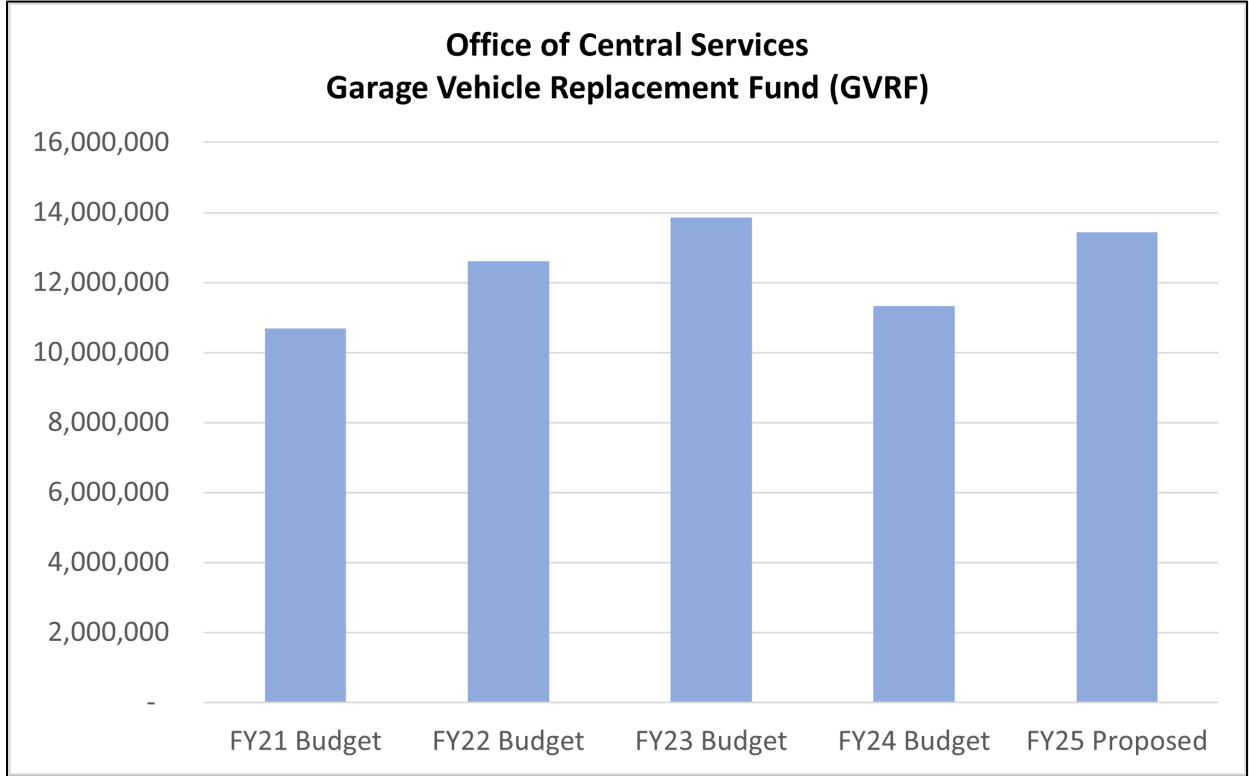
- **One new position is proposed** – The FY25 Proposed Current Expense Budget requests one full-time Automotive Mechanic I position, which provides \$62,900 for salary and benefits to convert an existing, vacant seasonal position responsible for maintaining the County’s automotive fleet. OCS advised that it is difficult to maintain garage staffing levels when the Automotive Mechanic III has to provide towing services. This request has reduced the Temporary Pay in the FY25 Proposed Current Expense Budget by \$27,500.

Key Observation

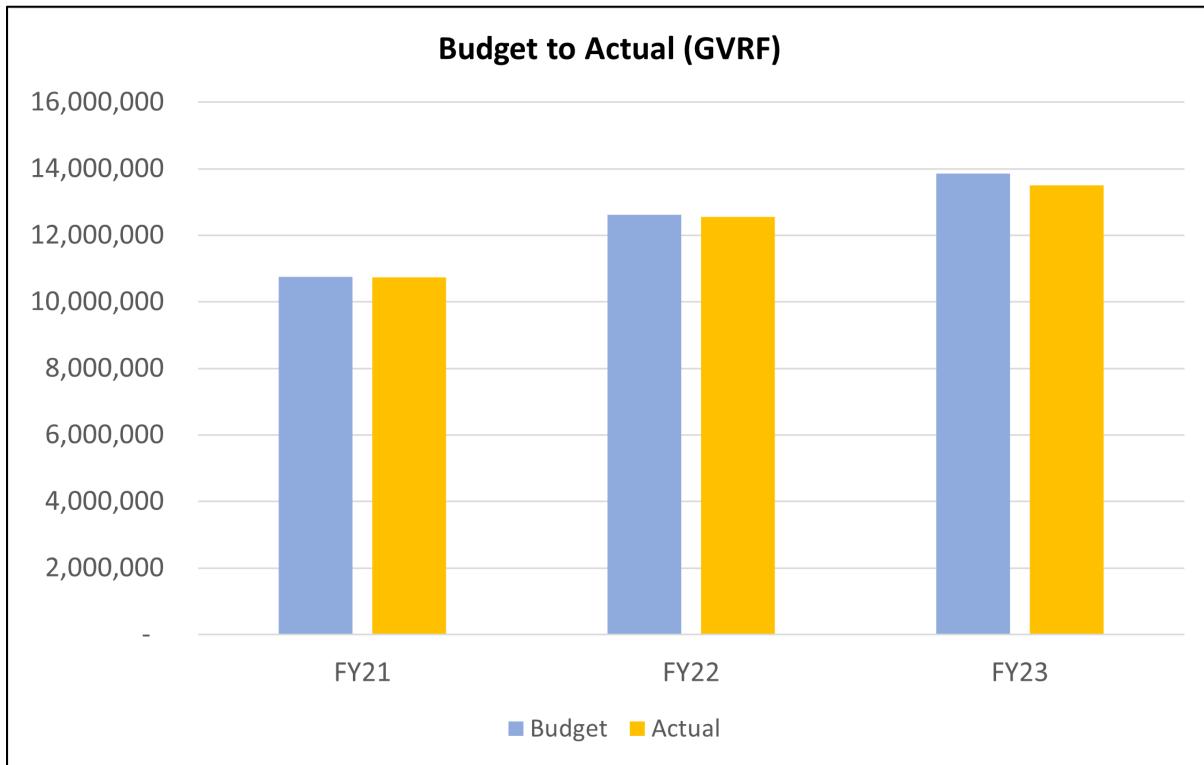
1. **Decrease in Working Capital Inventory** – The FY 25 Proposed Current Expense Budget for this object code is \$10,296,000 and reflects a \$408,000 decrease in operating costs based on flat gas and diesel cost expectations.

Office of Central Services – Garage Vehicle Replacement Fund (GVRF)

Operating Budget Summary



Note: Chart data is provided in Appendix 4



Note: Chart data provided in Appendix 4. Adjusted Budget includes a supplemental appropriation of \$68,000 for FY21 and, therefore, does not match the Original Budget used in Chart 1.

Key Observations and Recommendation

- 1. Policy Change for New Fleet Addition Budget Requests** – Beginning in FY25, new vehicle requests will be budgeted through the Garage Vehicle Replacement Fund (GVRF) instead of the General Fund. Effective July 1, 2024, the Fleet Manager will be responsible for ordering new vehicles. Departments will not be able to independently order vehicles outside of this process. OCS advised that this new policy will ensure compliance with purchasing laws as well as compatibility of equipment, parts costs, and service level agreements.
- 2. FY25 Fleet Additions and Replacement Vehicles** – The FY25 Proposed Current Expense Budget includes two new vehicle requests: one Police SUV Patrol-Police Department (\$69,500) and one Full 4x4 Pick-up-Department of Recreation and Parks (\$45,200). OCS has requested \$13,242,700 to replace 119 vehicles in the FY25 Proposed Current Expense Budget. This request includes 93 vehicles that were proposed to be replaced in prior fiscal years but were not replaced. When comparing the FY24 Vehicle Cost Rates with the FY25 Vehicle Cost Rates, the cost to replace these vehicles increased by \$334,372 for the FY25 proposed budget.

There is one vehicle listed on the FY25 Vehicle Replacement List that could not be located on the agency's Vehicle Master List. **Therefore, we recommend reducing the FY25 Proposed Current Expense Budget by \$66,000 to eliminate the excess funds.**

Appendix 1: Chart Data

Office of Central Services – General Fund Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	10,012,600	10,537,400	11,455,600	12,477,200	13,719,500
Contractual Services	12,112,700	13,935,900	16,646,400	19,527,600	21,572,200
Supplies & Materials	2,780,100	1,222,600	1,346,100	1,383,300	1,337,600
Business & Travel	48,600	48,500	48,500	48,900	49,400
Capital Outlay	33,800	34,800	167,200	226,200	43,800
Grants, Contr. & Other	-	-	-	-	-
Total	24,987,800	25,779,200	29,663,800	33,663,200	36,722,500

FY25 Proposed Budget by Bureau – General Fund

Name	FY25 Proposed
Administration	\$ 1,275,900
Purchasing	\$ 4,195,700
Facilities Maintenance	\$ 28,024,900
Real Estate	\$ 3,226,000
Total	\$ 36,722,500

FY25 Proposed Budget by Expenditure Type – General Fund

Object	FY25 Proposed
Personal Services	13,719,500
Contractual Services	21,572,200
Supplies & Materials	1,337,600
Business & Travel	49,400
Capital Outlay	43,800
Grants, Contr. & Other	-
Total	36,722,500

FY21-FY23 Budget to Actual – General Fund

	FY21	FY22	FY23
Budget	24,987,800	\$ 26,790,500	\$ 31,713,800
Actual	24,162,992	\$ 26,453,751	\$ 30,187,681

Budget includes supplemental appropriations of \$1,011,300 for FY22 and \$2,050,000 for FY23 and, therefore, does not match the Original Budget used in Chart 1.

Appendix 2: Chart Data

Office of Central Services – Self-Insurance Fund (SIF) Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	1,522,300	1,687,800	1,839,900	2,037,800	2,110,300
Contractual Services	22,406,700	22,680,600	25,027,600	21,416,600	22,534,900
Supplies & Materials	72,400	72,400	116,800	120,500	127,800
Business & Travel	16,700	16,700	16,700	16,800	24,500
Capital Outlay	2,000	2,000	2,000	3,900	-
Grants, Contr. & Other	278,000	278,000	278,000	278,000	1,278,000
Total	24,298,100	24,737,500	27,281,000	23,873,600	26,075,500

FY25 Proposed Budget by Expenditure Type – SIF

Object	FY25 Proposed
Personal Services	2,110,300
Contractual Services	22,534,900
Supplies & Materials	127,800
Business & Travel	24,500
Capital Outlay	-
Grants, Contr. & Other	1,278,000
Total	26,075,500

FY21-FY23 Budget to Actual – SIF

	FY21	FY22	FY23
Budget	24,642,100	\$ 24,737,500	\$ 27,101,000
Actual	12,327,800	\$ 15,935,177	\$ 23,541,454

Budget includes supplemental appropriations of \$344,000 for FY21 and an appropriation adjustment of (\$180,000) for FY23 and, therefore, does not match the Original Budget used in Chart 1.

Appendix 3: Chart Data

Office of Central Services – Garage Working Capital Fund (GWCF)

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	5,429,700	5,642,600	5,900,000	6,429,800	6,856,400
Contractual Services	1,795,300	1,795,300	1,789,700	1,789,700	1,855,500
Supplies & Materials	7,685,700	8,553,600	10,512,200	10,911,700	10,511,100
Business & Travel	16,700	16,700	16,700	16,700	18,800
Capital Outlay	125,400	87,500	89,600	22,500	23,200
Grants, Contr. & Other	455,800	455,800	455,800	455,800	455,800
Total	15,508,600	16,551,500	18,764,000	19,626,200	19,720,800

FY25 Proposed Budget by Expenditure Type – GWCF

Object	FY25 Proposed
Personal Services	6,856,400
Contractual Services	1,855,500
Supplies & Materials	10,511,100
Business & Travel	18,800
Capital Outlay	23,200
Grants, Contr. & Other	455,800
Total	19,720,800

FY21-FY23 Budget to Actual – GWCF

	FY21	FY22	FY23
Budget	15,508,600	\$ 18,258,200	\$ 19,164,000
Actual	14,061,964	\$ 17,935,113	\$ 18,493,938

Budget includes supplemental appropriations of \$1,706,700 for FY22 and \$400,000 for FY23 and, therefore, does not match the Original Budget used in Chart 1.

Appendix 4: Chart Data

Office of Central Services – Garage Vehicle Replacement Fund (GVRF)

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	-	-	-	-	-
Contractual Services	37,000	37,000	37,000	37,000	38,100
Supplies & Materials	-	-	-	-	-
Business & Travel	-	-	-	-	-
Capital Outlay	10,603,200	12,530,500	13,780,100	11,246,300	13,355,500
Grants, Contr. & Other	42,300	42,300	42,300	42,300	42,300
Total	10,682,500	12,609,800	13,859,400	11,325,600	13,435,900

FY25 Proposed Budget by Expenditure Type - GVRF

Object	FY25 Proposed
Personal Services	-
Contractual Services	38,100
Supplies & Materials	-
Business & Travel	-
Capital Outlay	13,355,500
Grants, Contr. & Other	42,300
Total	13,435,900

FY21-FY23 Budget to Actual - GVRF

	FY21	FY22	FY23
Budget	10,750,500	\$ 12,609,800	\$ 13,859,400
Actual	10,729,210	\$ 12,558,001	\$ 13,495,774

Budget includes a supplemental appropriation of \$68,000 for FY21 and, therefore, does not match the Original Budget used in Chart 1.



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Office of Finance and Office of Finance (Non-Departmental)

Report Date: May 20, 2024

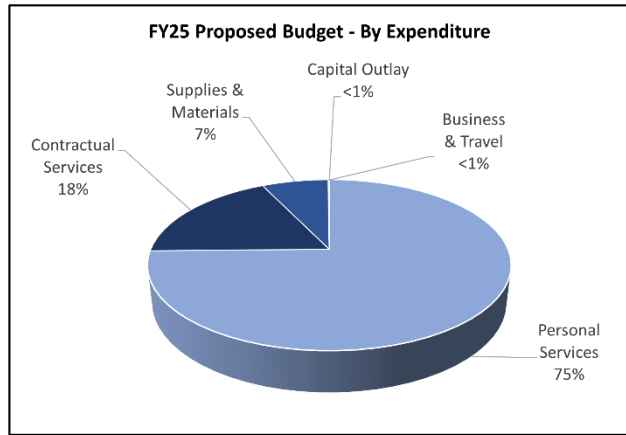
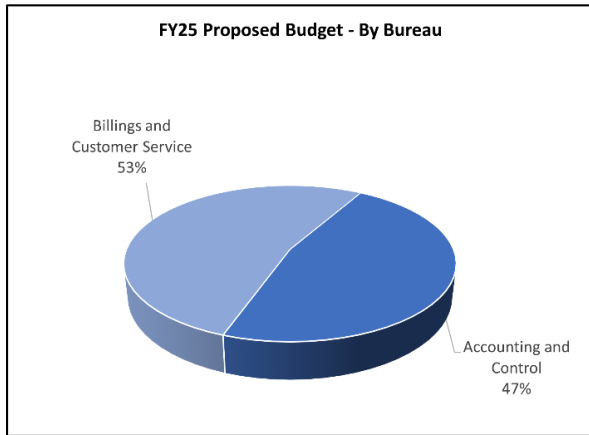
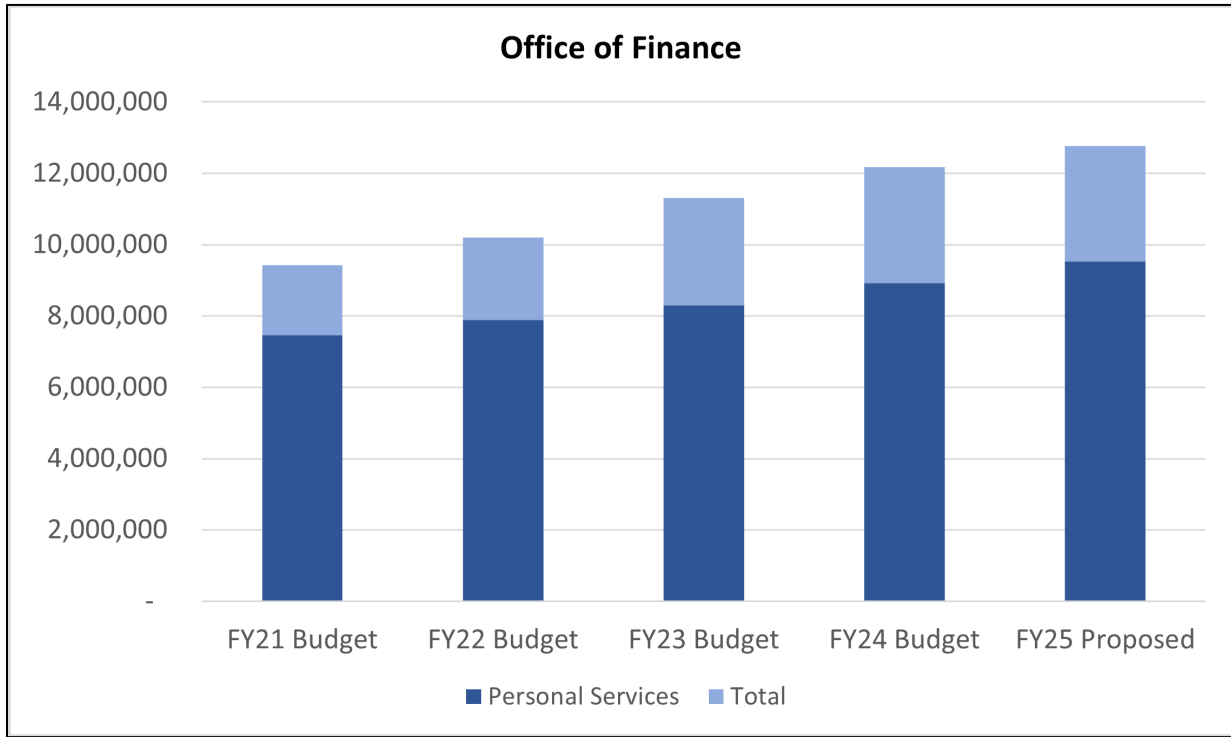
Hearing Date: May 21, 2024

Questions Sent to the Agency:	May 4, 2024; May 12, 2024
Responses Received from the Agency:	May 7, 2024 & May 8, 2024; May 16, 2024

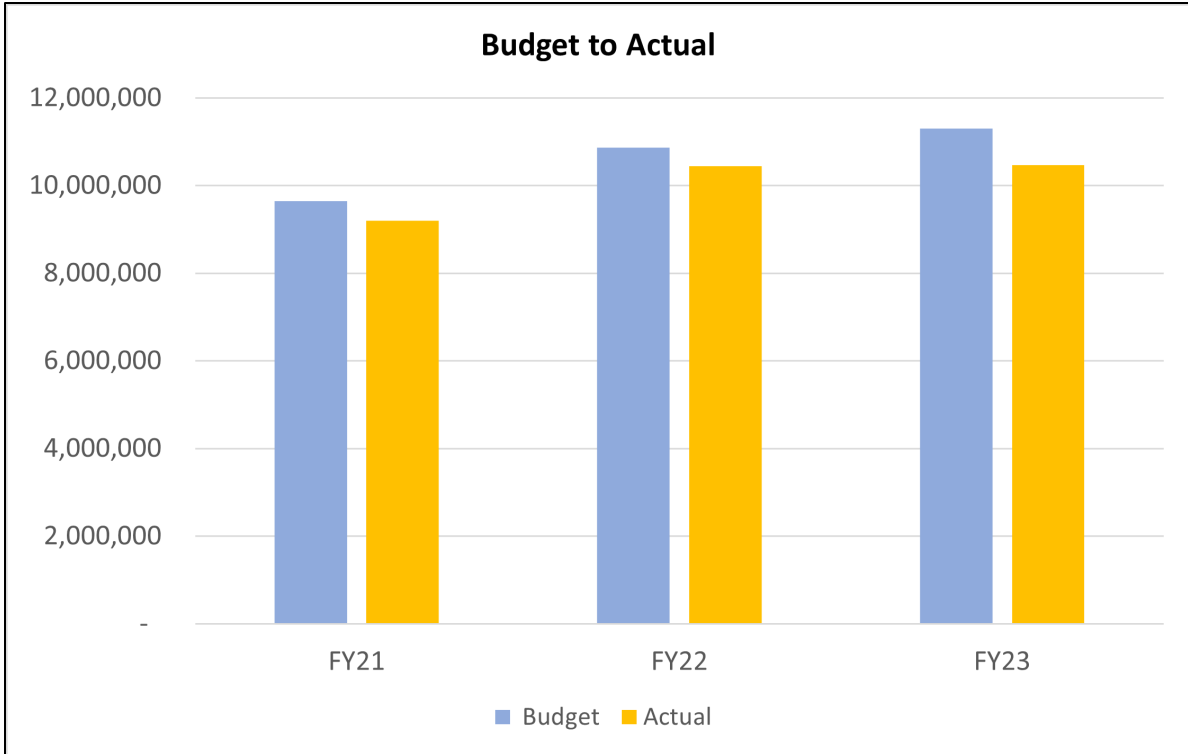
This analysis considers all agency responses.

Office of Finance

Operating Budget Summary



Note: Chart data provided in the Appendix



Note: Chart data provided in the Appendix. Adjusted Budget includes supplemental appropriations of \$225,000 for FY21 and \$663,000 for FY22 and, therefore, does not match the Original Budget used in Chart 1.

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	78	78	81	81	0
Filled	71	65	71		
Vacant	7	13	10		

- **Five reclassifications, three filled and two vacant positions, are proposed –**
 - One vacant Customer Service Representative position to a Financial Clerk I position, which is a lateral reclassification (OS-7). The Office of Finance (Finance) advised that this reclassification will alleviate some of the paperwork burden that customer service representatives face in handling customer complaints.
 - One vacant Customer Service Representative position to a Senior Customer Service Representative position, which is reclassifying the position from an OS-7 to OS-9. Finance advised that this reclassification is to provide a manager whose focus will be on customer service issues and supervising the employees who face those issues as well as providing opportunity for growth within the department for this position.
 - One filled Financial Clerk II position to a Management Aide position, which is reclassifying the position from a NR-11 to NR-12. Finance advised this reclassification is to better align the current duties of this position. These duties include training new accounts payable staff, customer service for vendors, and troubleshooting and testing system updates to allow the accounts payable team to focus on more complex issues.
 - One filled Budget and Management Analyst III position to a Manager, Financial Services position, which is a lateral reclassification (NR-20). Finance advised this reclassification is to better align the fiscal nature of this position with responsibilities such as, program administration, financial planning and reporting, fiscal analysis, and legislative liaison, and that this position was transferred from the Office of the Budget in FY24.
 - One filled Accountant III position to a Finance Systems Analyst position, which is reclassifying the position from a NR-19 to NR-20. Finance advised this reclassification is to better align the current duties of this position with a more accurate job description. These duties include similar duties as the System Analyst position in the Office of Information Technology, such as system support for the County’s billing and collection systems and working with software vendors.

Key Observations

- 1. Contractual Services (Legal Notices)** – The FY25 Proposed Current Expense Budget includes \$123,200 for advertising costs of the annual tax sale, a \$92,200 (43%) decrease from the FY24 Approved Current Expense Budget. The FY24 Approved Current Expense Budget was based on the anticipated tax sale of 4,000 parcels; however, the May 2023 tax sale consisted of 2,287 parcels. Finance advised the FY25 Proposed Current Expense Budget for these advertising costs reflected the decrease of parcels advertised for the annual tax sale.
- 2. Contractual Services (Other Professional Services – Ambulance Services)** – The FY25 Proposed Current Expense Budget includes \$1,467,100 for ambulance service costs, a \$187,700 (11%) decrease from the FY24 Approved Current Expense Budget. This decrease is offset by a \$75,000 increase to the ambulance billing program in a different object. The decrease is generally attributed to ambulance service costs, including the payments for the ambulance billing consultant related to Medicaid reimbursement for ambulance transports (\$897,003) and traditional ambulance billing program payments (\$604,700). Finance advised that the budget decreased due to many factors, known and unknown (such as, number of residents that are Medicaid recipients, level of care required, distance of each transport, and number of annual transports).
- 3. Supplies and Materials (Printing – Commercial)** – The FY25 Proposed Current Expense Budget includes \$126,800 for commercial printing costs, a \$63,300 (100%) increase from the FY24 Approved Current Expense Budget. The increase is attributed to the increase costs for envelopes used in County billings and that a FY24 fourth quarter supplemental appropriation will be requested for approximately \$125,000 related to the significant cost increases of envelopes.
- 4. Supplies and Materials (General Office Mailing)** – The FY25 Proposed Current Expense Budget includes \$698,300 for general office mailing, a \$68,500 (11%) increase over the FY24 Approved Current Expense Budget. The increase is attributed to the anticipated postage cost increase in July 2024 as well as the postage cost increase that occurred in January 2024, which has also caused an increase in the estimated FY24 expenditures. Postage costs have typically been increasing in January and July each year since 2011. Finance advised that a FY24 fourth quarter supplemental appropriation will be requested for approximately \$70,000 related to the increase in postage costs.

Office of Finance (Non-Departmental)

Key Observations

Office of Finance (Non-Departmental) represents costs that are not readily tied to any particular County department. Below summarizes certain costs included in this category:

- 1. Revenue Reserve Fund** – The FY25 Proposed Current Expense Budget includes a contribution of \$7,800,000 to the Revenue Reserve Fund (Fund). The current balance limit of this fund is 8% of general fund revenues (Bill 41-23 increased the balance limit of this fund from 7% to 8% of general fund revenues). Estimated revenues for FY25 are \$2,130,230,000; therefore, the reserve maximum is \$170,418,400 at the 8% limit. The FY25 beginning budgetary fund balance of \$159,903,638, the FY25 contribution of \$7,800,000, and projected interest of \$2,700,000 totals the estimated ending balance of \$170,403,638, less than \$14,762 under the 8% cap.

Note: The balance of the Fund above refers to the budgetary fund balance per the County's Debt Management Policy. This amount plus the appropriation and the estimated investment income are used to calculate the not to exceed amount.

- 2. Contributions to Other Funds** – The FY25 Proposed Current Expense Budget includes \$22,027,000 in contributions from the General Fund to other funds. These transfers consist of the annual contribution to the Reserve Fund for Permanent Public Improvements (\$21,000,000) related to capital project funding, a one-time contribution to the Public Campaign Financing Fund (\$1,000,000), and administrative expenses for the 401(a) plan (\$27,000). The Office of the Budget advised that the \$1,000,000 contribution to the Public Campaign Financing Fund is one-time start-up funding related to Bill 25-23.
- 3. Debt Service Payments** – Debt service payments are partially budgeted in the Office of Finance (Non-Departmental). The FY25 Proposed Current Expense Budget includes \$146,547,700 for debt service payments for the following:
 - General County – \$59,534,300,
 - Board of Education – \$77,603,000,
 - Community College – \$7,258,900, and
 - Compass Pointe Golf Course – \$1,676,500.

In addition, debt service issuance costs and consultant fees of \$475,000 are included in the FY25 Proposed Current Expense Budget. Other debt service payments in the FY25 Proposed Current Expense Budget include Water and Wastewater (\$79,200,300), Permanent Public Improvements (\$10,714,030), and installment purchase agreements for the purchase of real property easements to preserve agriculture and woodland (\$736,100).

We are waiting on additional support to review these amounts.

- 4. Tax Increment Districts/Special Tax Districts** – The FY25 Proposed Current Expense Budget request for Tax Increment Districts and Special Tax Districts are \$55,271,000 and \$4,631,300, respectively. Based on the provided annual special tax reports for each of these districts, we were able to verify these funding requests.
- 5. Contributions to Retiree Health Insurance** – The FY25 Proposed Current Expense Budget includes contributions to retiree health insurance of \$60,394,000 to pay for retirees of County government to continue to receive health benefits and consists of the following:
- \$1,119,000 represents the contribution for Anne Arundel Community College’s Retiree Health Benefits;
 - \$583,300 represents the contribution for Anne Arundel County Public Library’s Retiree Health Benefits;
 - \$24,963,600 represents the contribution for Anne Arundel County Board of Education’s Retiree Health Benefits; and
 - \$33,728,100 represents the contribution for Anne Arundel County’s Retiree Health Benefits, consisting of a general fund contribution to the County’s Retiree Health Benefits Fund (\$29,190,300) and to the reserve fund for retiree health benefits (\$4,537,800).

Further explanation regarding the General Fund contribution to the County’s Retiree Health Benefits Fund and the contribution for the Board of Education’s Retiree Health Benefits can be found in the Office of the County Auditor’s (OCA) Office of Personnel Operating Budget Analysis report.

- 6. Contributions to Self-Insurance Fund** – The FY25 Proposed Current Expense Budget includes contributions to the Self-Insurance Fund of \$16,442,000. Further explanation regarding the Self-Insurance Fund can be found in the OCA’s Office of Central Services Operating Budget Analysis report.
- 7. Mandated Grants** – The FY25 Proposed Current Expense Budget includes \$3,481,600 for various mandated grants, a \$117,800 (4%) increase over the FY24 Approved Current Expense Budget. The increase in funding is generally attributed to the payment to the City of Annapolis for their share of the state 9-1-1 Trust Fund payments and Fire Protection Aid, which we were able to verify.
- 8. PAYGO and Impact Fee Special Revenue Fund** – The recommendations for an amendment to Pay-as-you-Go (PAYGO) and the Impact Fee Special Revenue Fund are reconciliation items that will update based on any future amendments to the FY25 Proposed Capital Budget and Program, including the supplemental budget request, and will be provided at that time.

Appendix: Chart Data

Personal Services to Total

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	7,472,200	7,895,400	8,298,800	8,919,900	9,534,300
Contractual Services	1,282,300	1,643,800	2,291,400	2,457,500	2,313,200
Supplies & Materials	643,800	637,400	689,400	767,500	898,900
Business & Travel	20,800	19,800	19,200	17,200	14,200
Capital Outlay	5,000	4,000	3,200	5,400	2,000
Grants, Contr. & Other	-	-	-	-	-
Total	9,424,100	10,200,400	11,302,000	12,167,500	12,762,600

Proposed FY25 Budget by Expenditure Type

Object	FY25 Proposed
Personal Services	9,534,300
Contractual Services	2,313,200
Supplies & Materials	898,900
Business & Travel	14,200
Capital Outlay	2,000
Grants, Contr. & Other	-
Total	12,762,600

Proposed FY25 Budget by Bureau

Name	FY25 Proposed
Accounting and Control	\$ 6,020,900
Billings and Customer Service	\$ 6,741,700
Total	\$ 12,762,600

FY21-FY23 Budget to Actual

	FY21	FY22	FY23
Budget	9,649,100	\$ 10,863,400	\$ 11,302,000
Actual	9,194,310	\$ 10,444,214	\$ 10,464,613

Budget includes supplemental appropriations of \$225,000 for FY21 and \$663,000 for FY22 and, therefore, does not match the Original Budget used in Chart 1.



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Office of Information Technology

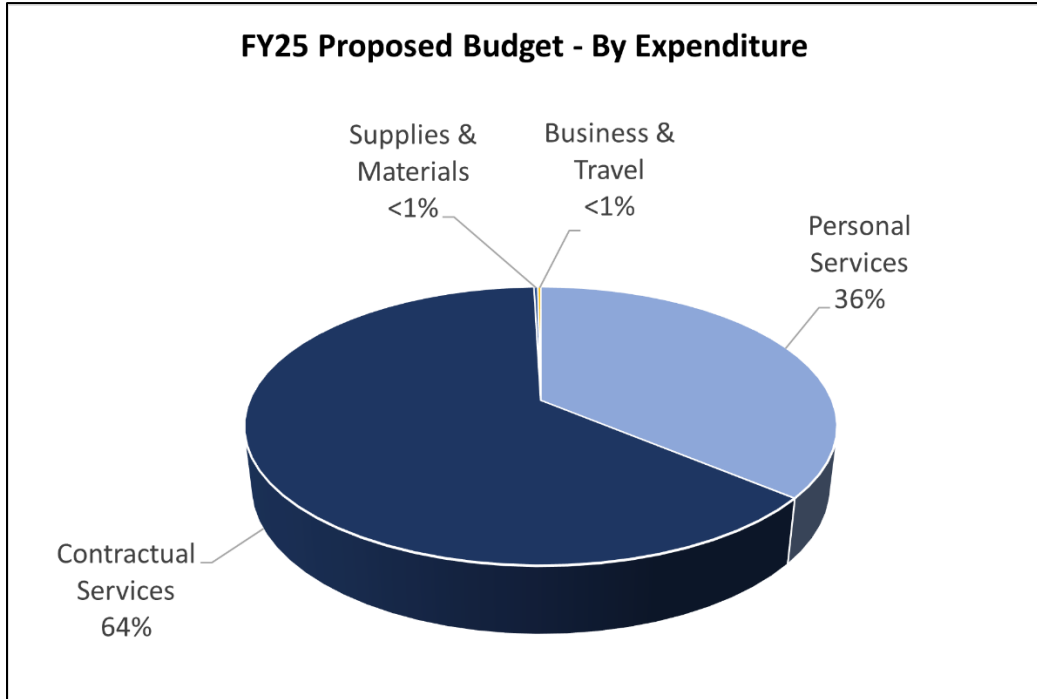
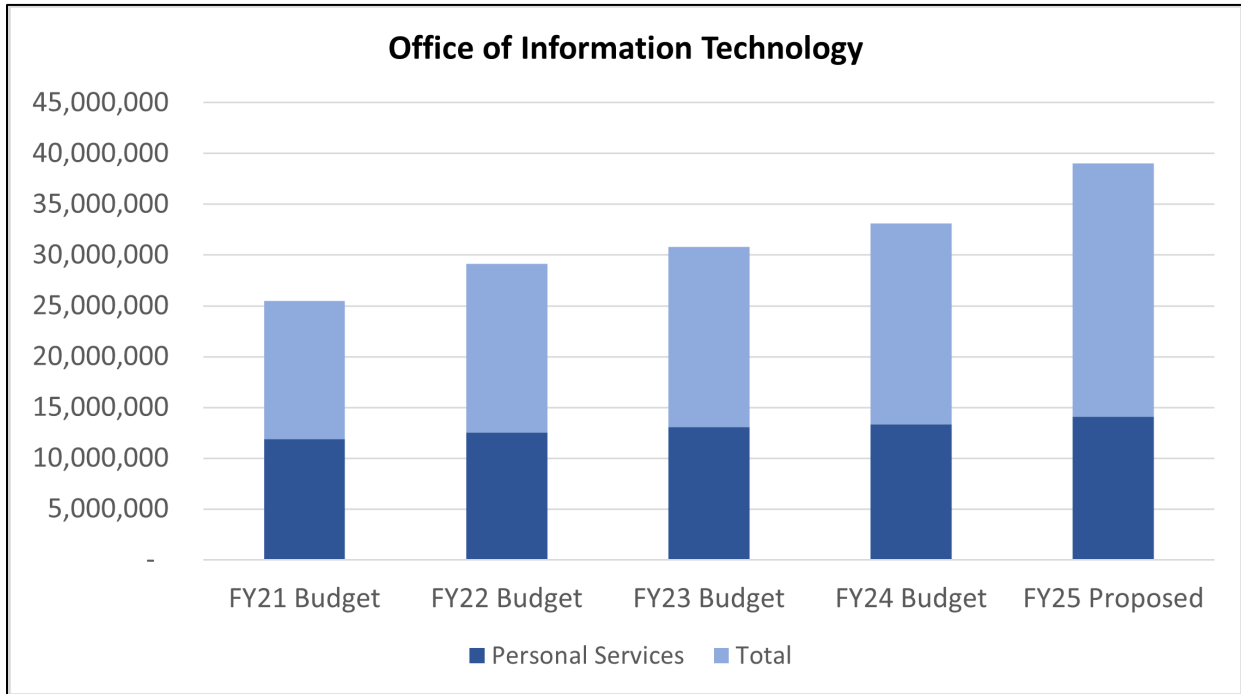
Report Date: May 20, 2024
Hearing Date: May 21, 2024

Questions Sent to the Agency:	May 4, 2024; May 10, 2024; May 15, 2024
Responses Received from the Agency:	May 9, 2024; May 13, 2024; Waiting on Responses

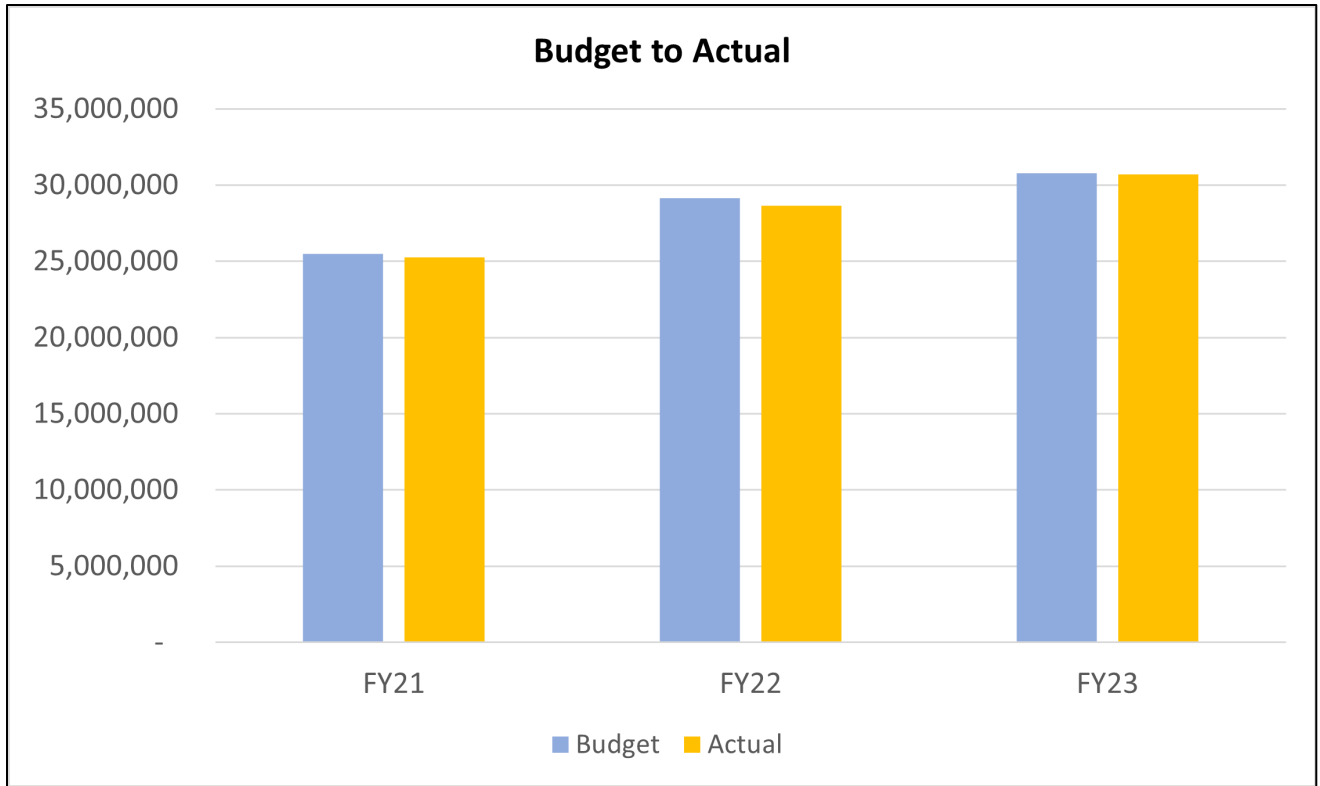
This analysis considers all agency responses.

Office of Information Technology

Operating Budget Summary



Note: Chart data provided in the Appendix



Note: Chart data provided in the Appendix

Proposed Budget Change

FY24 Budget	\$ 33,131,600
FY25 Proposed Budget	\$ 39,052,700

Where It Goes – Highlighted Changes	Change
Personnel – pay package (cost of living and step/merit increase)	537,400
Turnover – calculated based on averages, projections, and actuals by the Office of the Budget	(500,000)
Data Processing Software – software cost increases, including renewals	3,072,300
Communication Services – public safety radio maintenance contract moved from capital to operating budget and increased coverage of public safety sites	1,751,100
Other Professional Services – vendor price increases for software, hardware, and project management support	385,700
Data Processing Hardware – increase in body camera project costs	158,100

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	93	93	93	93	0
Filled	72	74	74		
Vacant	21	19	19		

- **Three reclassifications are proposed –**
 - One vacant Info System Support Specialist position to Chief, Information Security, position, which is reclassifying this position from a NR-14 to NR-23 grade classification, due to increased needs in the security area.
 - One filled Systems Analyst position to Information Services Manager position, which is reclassifying this position from a NR-20 to NR-22 grade classification, in order to be more responsive to the needs and demands of departments in the County.
 - One vacant Data Base Administrator position to Programmer-Analyst II position based on departmental needs. This is a lateral reclassification of a NR-18 grade classification.

Key Observations

Contractual Services:

1. **Data Processing Software** – The FY25 Proposed Current Expense Budget is requesting \$12,968,000 (a \$3,072,300 (31%) increase from the FY24 Approved Current Expense Budget of \$9,895,700). The Office of Information Technology (OIT) advised the price increase is attributed to licensed software renewals, such as financial management systems, graphic information systems, and cloud server services. OIT advised that original licenses are purchased under the Information Technology Enhance capital project (Project #C519600, p. 26 of the capital budget book). OIT has not provided adequate supporting documentation related to the licensed software increased request. We have an outstanding request as of May 15, 2024 (initially requested on May 4, 2024).

The FY25 Proposed Current Expense Budget also includes \$83,600 for unplanned services costs. According to OIT, they spent \$199,600 in FY23 and are estimating to spend \$165,000 in FY24 related to these costs. The Office of the County Auditor (OCA) is still determining how these unplanned services costs are utilized by OIT. We have outstanding questions as of May 15, 2024 (initially requested on May 4, 2024).

OCA is still in the process of clarifying how software is budgeted in OIT versus other County departments as we have noticed similar software budgeted in both for the FY25

Proposed Current Expense Budget. We have outstanding questions with OIT as of May 15, 2024 (initially requested on May 4, 2024).

- 2. Communication Services** – The FY25 Proposed Current Expense Budget is requesting \$2,916,500 (a \$1,751,100 (150%) increase from the FY24 Approved Current Expense Budget of \$1,165,400). This increase is attributed to maintenance of County radio communication devices utilized by public safety. OIT advised approximately \$1,350,000 of this budget increase was moved from the Public Safety Radio Sys Upg capital project (Project #F560700, p. 71 of the capital budget book) into the operating budget. In addition, OIT advised that the number of public safety sites where maintenance occurs increased from 10 to 22 sites and the cost associated with a full-time technician to perform preventative maintenance on the hardware attributes to the remaining budget increase. OIT has not provided adequate supporting documentation related to the radio communications services increase request. We have an outstanding request as of May 15, 2024 (initially requested on May 4, 2024).

- 3. Inadequate Supporting Documentation for Certain Increased Budget Requests** – Adequate supporting documentation for the following FY25 Proposed Current Expense Budget increases have not been provided to date (requested on May 15, 2024):
 - Other Professional Services – OIT advised that \$278,100 of the \$385,700 increase (amount requested for support) pertain to financial system support (\$42,200 increase), mainframe support (\$40,000 increase), and project management services (\$195,900 increase).
 - Data Processing Hardware – OIT advised that this includes a \$158,100 net increase in data processing hardware, which includes additional appropriations for the body camera project for the Police Department.

Appendix: Chart Data

Office of Information Technology Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	11,900,900	12,533,600	13,093,500	13,357,500	14,092,800
Contractual Services	13,427,000	16,427,500	17,435,800	19,598,600	24,786,200
Supplies & Materials	95,500	95,500	92,500	95,900	97,100
Business & Travel	79,600	79,600	79,600	79,600	76,600
Capital Outlay	-	-	84,900	-	-
Grants, Contr. & Other	-	-	-	-	-
Total	25,503,000	29,136,200	30,786,300	33,131,600	39,052,700

FY25 Proposed Budget – By Expenditure

Object	FY25 Proposed
Personal Services	14,092,800
Contractual Services	24,786,200
Supplies & Materials	97,100
Business & Travel	76,600
Capital Outlay	-
Grants, Contr. & Other	-
Total	39,052,700

Budget to Actual

	FY21	FY22	FY23
Budget	25,503,000	\$ 29,136,200	\$ 30,786,300
Actual	25,260,231	\$ 28,662,209	\$ 30,719,337



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Office of Personnel

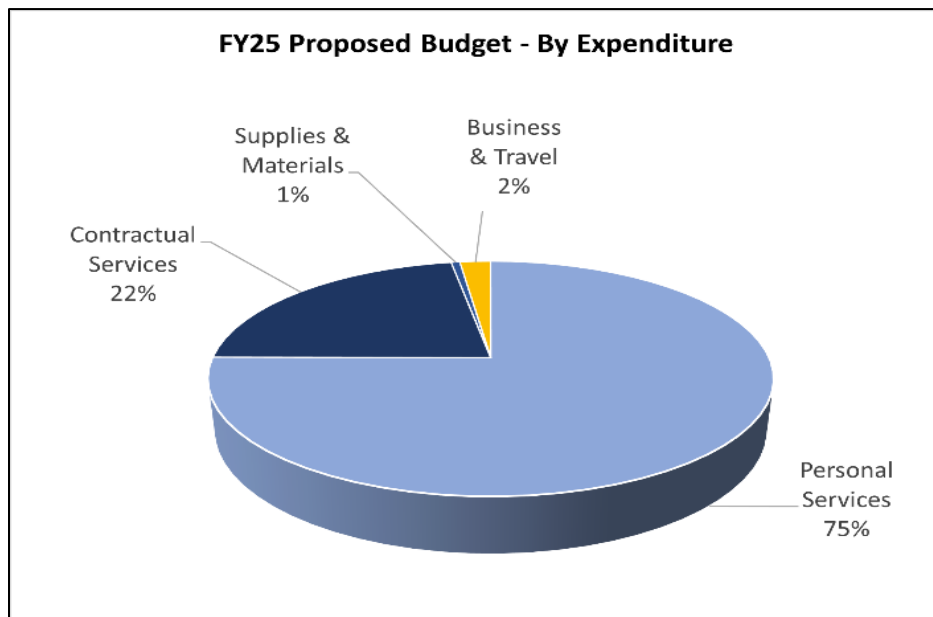
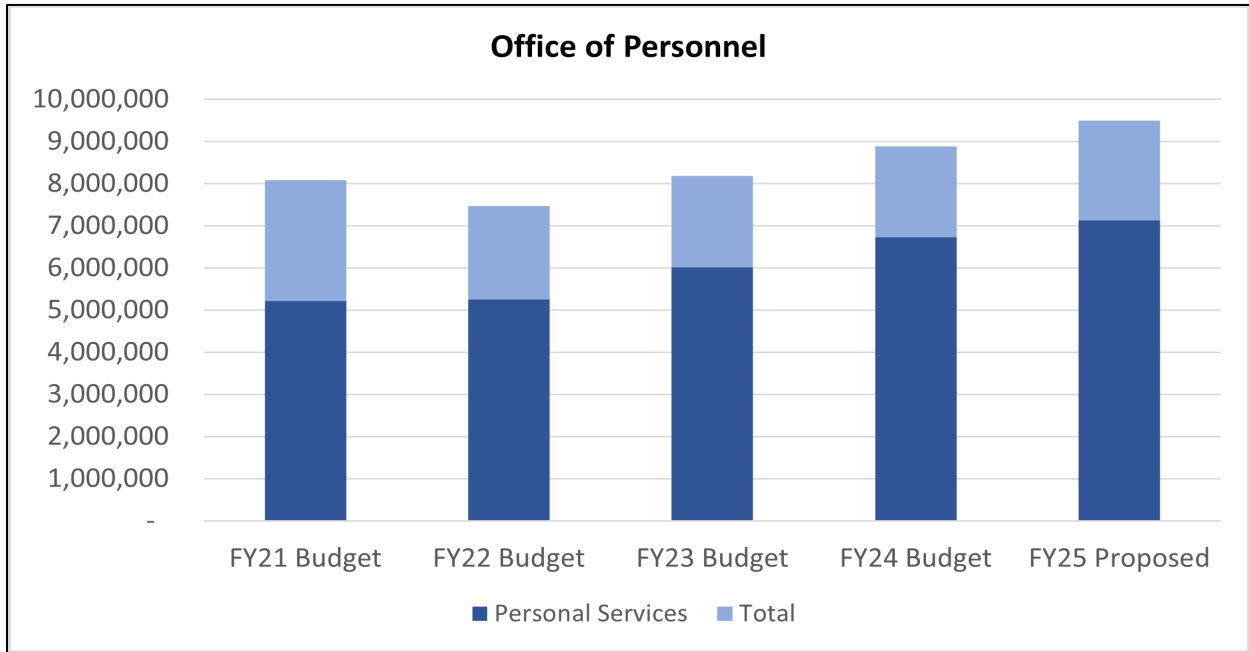
Report Date: May 20, 2024
Hearing Date: May 21, 2024

Questions Sent to the Agency:	May 4, 2024; May 8, 2024
Responses Received from the Agency:	May 7, 2024; May 8, 2024; May 9, 2024

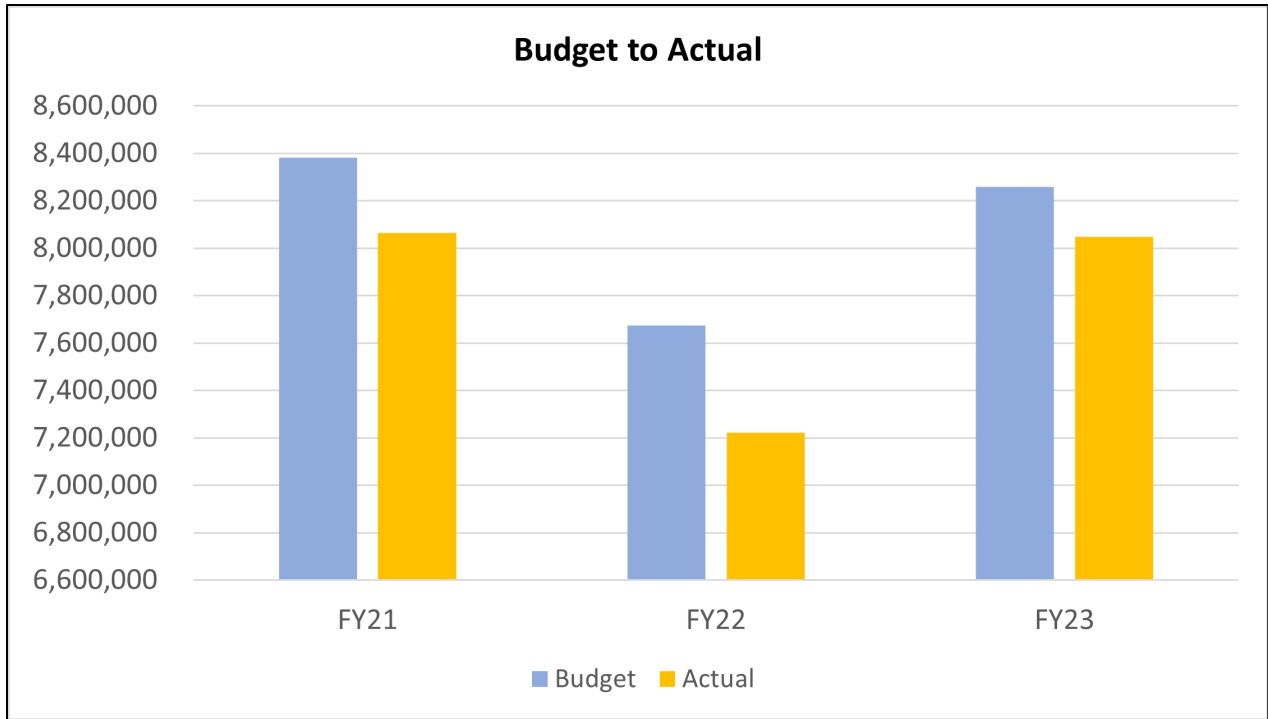
This analysis considers all agency responses.

Office of Personnel

Operating Budget Summary



Note: Chart data provided in Appendix 1



Note: Chart data provided in Appendix 1. Adjusted Budget includes supplemental appropriations of \$300,000 for FY21, \$200,000 for FY22, and \$75,000 for FY23 and, therefore, does not match the Original Budget used in Chart 1.

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	41	44	45	45	0
Filled	38	37	41		
Vacant	3	7	4		

- **A classification change is proposed.** The Human Resource Records Manager classification is being upgraded from a NR-16 to NR-18. The Office of Personnel (Personnel) advised that a study of the duties and responsibilities of the position determined that a grade reallocation was warranted. There is currently one position with the Human Resource Records Manager classification and it is currently filled.
- **Two reclassifications, both vacant positions, are proposed.** The following reclassifications proposed are to implement changes recommended by a consultant and by the Administration's Personnel Workgroup.
 - One vacant Office Support Assistant II position to an Assistant Personnel Officer position, reclassifying the position from a NR-7 to NR-22. This reclassification will be part of an office reorganization, which will add a third Assistant Personnel Officer to oversee the Class and Compensation Unit; whereas, currently one Assistant Personnel Officer is overseeing both the Class and Compensation Unit and the Employee Development and Evaluation Services Unit.
 - One vacant Office Support Specialist position to a Management Assistant I position, reclassifying the position from a NR-9 to NR-15. This reclassification is due to the duties changing to increased payroll processing responsibilities in order to support upgrades to the payroll system.

Key Observations

- 1. Contractual Services (Financial/Audit Services)** – The FY25 Proposed Current Expense Budget includes \$1,060,800 for the County payroll system, a \$103,100 (11%) increase over the FY24 Approved Current Expense Budget. The increase is attributed to the significant system upgrades that will enhance the operation and performance of the payroll system.
- 2. Contractual Services (Medical Services)** – The FY25 Proposed Current Expense Budget includes \$254,400 for certain medical testing of County employees (mainly in public safety departments) due to the increase in hiring and turnover, a \$43,400 (21%) increase over the FY24 Approved Current Expense Budget. These medical services cover the pre-employment medical, controlled substance, and psychological testing for new hires as well as additional controlled substance and fit-for-duty testing for existing employees. Since FY23, the hiring numbers are returning to pre-COVID levels, which is attributed to the increase in costs.
- 3. Contractual Services (Other Professional Services)** – The FY25 Proposed Current Expense Budget includes \$330,000 consisting of flexible spending account administrative costs (\$45,400) and arbitration and negotiation costs (\$284,600), a \$80,000 (32%) increase from the FY24 Approved Current Expense Budget. The increase reflects the historical spend of the arbitration and negotiation cost which, according to Personnel, has never been fully budgeted. Personnel advised that this increase is expected to aide in eliminating the need for future supplemental appropriations for these expenses.

Office of Personnel (Non-Departmental)

Employee Salary Changes

- The salary increases for County groups vary and below is a summary of the salary increases or average increase provided to County employee groups, the Department of Public Libraries (Library), Anne Arundel Community College (Community College), and Board of Education (BOE) teachers. Based on our review, the salary increases included in the FY25 Proposed Current Expense Budget follow all union agreements and include a 3% cost of living adjustment (COLA) and 3% merit for non-represented classified employees and exempt employees. For component unit increases, the Library's salary increase includes a 3% COLA and a market rate adjustment to be provided based on the determination of the Library. A portion of the Library's market rate adjustment was provided in FY24. The Community College increase includes a 6% average increase based on a salary pool methodology. The BOE teachers increase includes a 3% COLA and a step increase. We are still working with BOE to determine the average increase for one step increase for teachers and only the COLA of 3% is currently included in this salary increase chart.

Average % Increase to Salary by Group						
	Employee Group	FY21	FY22	FY23	FY24	FY25
County	Non-represented	0.0%	4.5%	7.5%	8.0%	6.0%
County	AFSCME 2563	5.0%	4.5%	8.0%	8.0%	6.0%
County	AFSCME 582	5.0%	4.5%	8.0%	8.0%	6.0%
County	Correctional Program Specialists	8.0%	4.5%	7.0%	8.0%	6.0%
County	Detention Officers & Corporals	6.0%	4.5%	7.5%	8.0%	7.0%
County	Detention Sergeants	7.0%	4.5%	7.0%	8.0%	6.0%
County	Fire	9.0%	8.0%	8.5%	9.0%	7.0%
County	Fire Battalion Chief	5.0%	5.0%	8.0%	8.5%	7.0%
County	Park Rangers	5.0%	4.5%	7.5%	8.0%	6.0%
County	Police (FOP)	13.0%	5.0%	8.0%	9.5%	8.5%
County	Police Sergeants	13.0%	5.0%	8.0%	9.5%	8.5%
County	Police Lieutenants	8.0%	5.0%	8.0%	9.5%	8.5%
County	Police Captains	0.0%	5.0%	8.0%	9.5%	8.5%
County	Sheriff Deputies	6.0%	4.5%	7.5%	8.0%	7.4%
County	Sheriff Sergeants	6.0%	6.0%	7.5%	8.0%	6.0%
Library	Library	0.0%	4.5%	7.5%	8.0%	3.0%
AACC	AACC (Community College)	0.0%	5.0%	5.0%	10.0%	6.0%
BOE	Unit 1 - TAAAC (Teachers)	3.0%	3.0%	6.0%	8.0%	3.0%

New Positions

- The FY25 Proposed Current Expense Budget includes 12 new general fund positions in 5 County departments. Below is a summary of these new general fund positions and the estimated costs of these positions, including recurring costs (such as, salary and benefits) and one-time costs (such as, computers, desks, uniforms, and vehicles). There is also one new position in the Garage Working Capital Fund (not shown in the summary of new general fund positions below).

Note: This summary does not include positions that are being transferred to the General Fund from other funds. We are still in the process of reviewing these transferred positions to understand the full number of positions being funded by the General Fund.

Summary of New General Fund Positions								
DEPT	Job Title	Salary Plan	Grade	Position Control #	Salary, FICA, Insurance, Pension	Ancillary Costs	Vehicle Costs	Grand Total
AGE	Program Specialist I	NR	15	90002	\$ 81,821	\$ -	\$ -	\$ 81,821
POL	Info System Support Specialist	NR	14	90003	\$ 78,237	\$ 5,000	\$ -	\$ 83,237
POL	Public Safety Analyst I	LM	11	90004	\$ 74,903	\$ 5,000	\$ -	\$ 79,903
POL	Public Safety Analyst I	LM	11	90005	\$ 74,903	\$ 5,000	\$ -	\$ 79,903
POL	Public Safety Analyst I	LM	11	90006	\$ 74,903	\$ 5,000	\$ -	\$ 79,903
POL	Senior Forensic Examiner	NR	18	90008	\$ 100,313	\$ 5,000	\$ -	\$ 105,313
POL	Police Sergeant	P	02	90007	\$ 130,658	\$ 21,800	\$ 62,600	\$ 215,058
CAO	Exec Budget and Mgmt Analyst*	EX	17	90012	\$ 85,090	\$ -	\$ -	\$ 85,090
RCP	Management Assistant I**	NR	15	90010	\$ 81,821	\$ 400	\$ -	\$ 82,221
RCP	Park Ranger**	R	1	90009	\$ 77,449	\$ 400	\$ 55,520	\$ 133,369
RCP	Assistant Facilities Superintendent	NR	16	90001	\$ 87,529	\$ -	\$ -	\$ 87,529
LEG	Legislative Chief of Staff	E	6	90013	\$ 159,593	\$ -	\$ -	\$ 159,593
					\$ 1,107,221	\$ 47,600	\$ 118,120	\$ 1,272,941

*Although the salary and benefit costs for this position per the FY25 projected payroll is \$85,090 (as noted above), the Administration advised that there is currently a filled contractual position that will be converted to this full-time position and the anticipated salary and benefit costs will be \$102,700.

**While these positions are anticipated to be filled in January 2025, the related costs above are full year costs and a portion of these full year costs were offset with an increased turnover reduction to the applicable department.

Pension

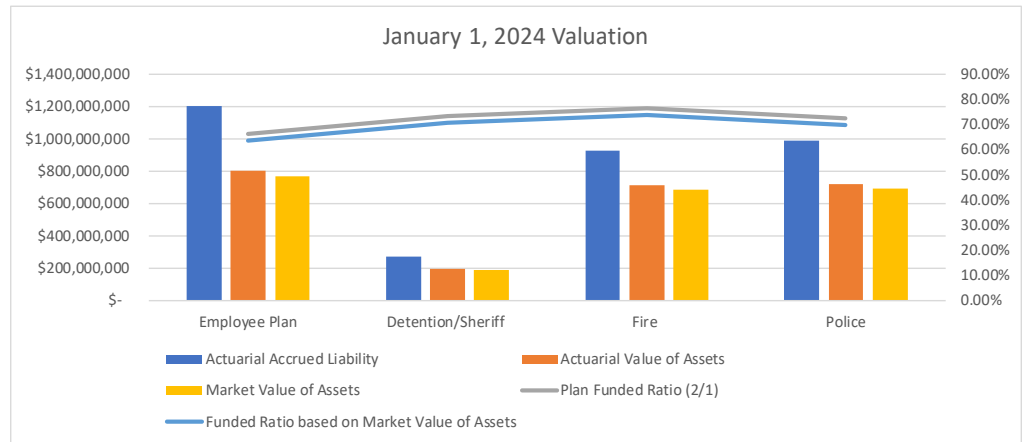
1. The funding method and actuarial assumptions were updated pursuant to the recommendations in the Experience Study Report dated November 14, 2022. Experience studies are performed every five years to review the assumptions and make change recommendations. These assumptions are used to determine pension plan costs based on long-term future outlook. Below is a summary of the updates that increased the actuarial accrued liability as of January 1, 2024 for each plan. There were no method or assumption changes since the prior valuation.

Anne Arundel County Pension Valuation- By Plan January 1, 2024

	Employee Plan	Detention/Sheriff	Fire	Police
Actuarial Accrued Liability	\$ 1,204,249,573	\$ 270,676,268	\$ 929,818,889	\$ 990,271,537
Actuarial Value of Assets	\$ 802,410,416	\$ 199,246,105	\$ 713,457,437	\$ 719,446,566
Plan Funded Ratio (2/1)	66.60%	73.60%	76.70%	72.70%
Market Value of Assets	\$ 768,217,898	\$ 191,259,963	\$ 686,216,748	\$ 691,098,519
Funded Ratio based on Market Value of Assets	63.80%	70.70%	73.80%	69.80%
Market Value Percent change over last year	9.10%	11.20%	10.80%	11.40%

Methods & Assumptions:

- 7% discount/long term investment return rates
- 3% payroll growth
- 3% inflation
- 3% Retiree COLA
- 5-year smoothing



Note: A comprehensive overview of all assumptions may be found in each Plan's valuation

Other Post-Employment Benefits

1. Current and historic funding levels for the County’s Other Post-Employment Benefits (OPEB) Trust for the General County Government (does not include the component units) are listed in the chart below. This follows the OPEB policy and uses the same methods and assumptions as last year to determine the Actuarial Determined Contribution. Based on the OPEB FY23 Annual report, the County’s total OPEB liability is \$692,399,000 and the asset was \$458,065,000. This leaves a net OPEB liability of approximately \$234,334,000. The decrease in the total liability for FY23 (Actual) and FY24 (Projected) from FY22 is due to a significant decrease in the total premium for Medicare-eligible retirees due to a change in Medicare coverage and a new claims processing vendor. The projected total liability for FY24 is \$655,503,000 and the \$466,355,000 funded portion estimate would bring the estimated funding to 71%.

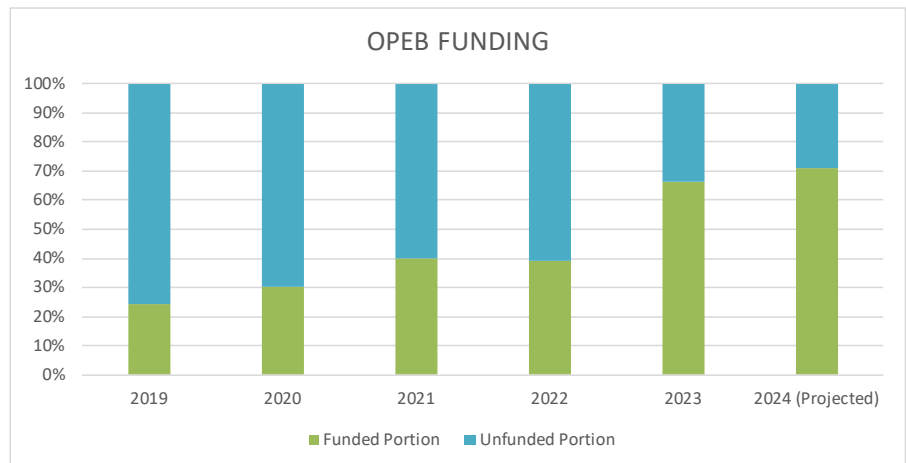
Other Post-Employment Benefits (OPEB)

	2019	2020	2021	2022	2023	2024 (Projected)
Total OPEB Liability	\$ 746,099	\$ 826,141	\$ 922,824	\$ 968,645	\$ 692,399	\$ 655,503
Funded Portion	\$ 180,303	\$ 249,106	\$ 370,969	\$ 378,345	\$ 458,065	\$ 466,355
Unfunded Portion	\$ 565,796	\$ 577,035	\$ 551,855	\$ 590,300	\$ 234,334	\$ 189,148
Funded %	24%	30%	40%	39%	66%	71%
Unfunded %	76%	70%	60%	61%	34%	29%

Figures provided in thousands

Methods & Assumptions:

- 6.30% discount/long term investment return rates
- 90% target funding levels
- 20-year target period to reach the goal level (7/1/2040)
- Open group valuation (including future hires)
- 3% payroll growth



2. FY25 assumptions and proposed changes – This is a list of FY25 assumptions and proposed changes for the County Health Trust (Trust).

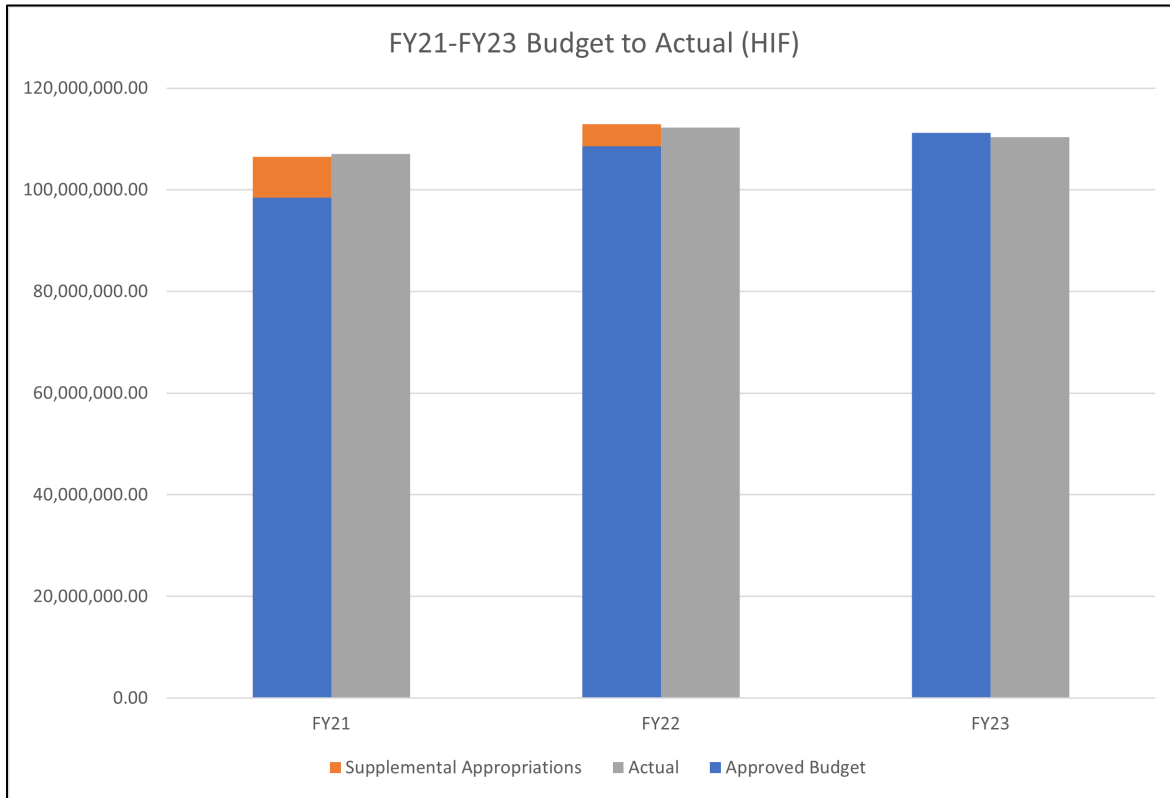
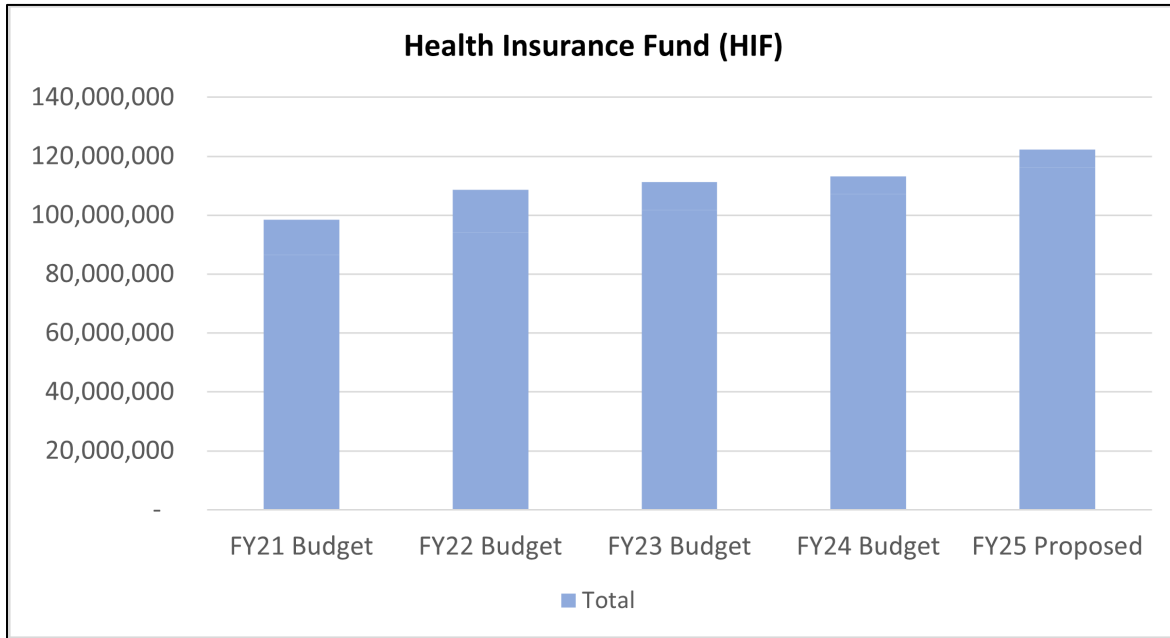
- The Trust will continue to pay the past service liabilities for Library and Community College. Past service liabilities are the cost of current employees who will receive benefits upon retirement.
- The Trust now also includes BOE employees as the County began paying their past service liabilities in FY24 when the County contributed \$19,230,000 to the Trust for BOE employees (see details below regarding the fiscal impact of adding BOE’s past service liability to the Trust).
- These institutions will continue to fund the PAYGO amounts required to cover existing retirees.
- The Administration’s plan is to still reach its 90% funding goal by 2040 for County employees.
- A new valuation of the Trust will be completed in January 2025 for FY26 and FY27.

3. Fiscal impact of adding BOE to the trust – At the time Bill 10-24 was adopted by the County Council in March 2024, which allowed for BOE to be added to the Trust, the fiscal impact was unknown. The Administration had indicated that an actuarial study to determine the long-term impact of a pooling agreement with BOE would be completed. The Administration subsequently obtained an actuarial study based on July 1, 2022 BOE participant data, which indicates that the long-term impact is an additional \$751,106,748 in County contributions during the 30-year target period (FY25 to FY54). The FY25 Proposed Current Expense Budget includes a County contribution of \$24,963,600 to the Trust on behalf of BOE and in agreement with the actuarial study. The actuarial study generally used similar methods and assumptions as the County for its employees, including:

- 90% target funding levels,
- 30-year target period (rather than the 20-year target period used for County employees),
- 3% payroll growth,
- 6% discount/long-term investment return rates, and
- Open group valuation (including future hires).

Office of Personnel - Health Insurance Fund (HIF)

Operating Budget Summary



Note: Chart data provided in Appendix 2. Chart shows supplemental appropriations of \$8,000,000 for FY21 and \$4,300,000 for FY22.

Key Observations

- 1. Personal Services (Insurance)** – The Administration advised that the FY25 Proposed Current Expense Budget includes a placeholder for a 6% health insurance rate increase on January 1, 2025. The consulting report recommends a rate increase of 8.5%; however, this report assumed fully budgeting rebate revenue. The Administration has historically over-achieved in rebate revenue, due to the practice of underbudgeting revenue, therefore, the Administration advised that it anticipates the Health Insurance Fund will be able to implement a smaller increase in rates due to additional rebate revenue. The proposed budget includes \$116,305,000 for health insurance claim costs, a \$9,121,400 (9%) increase from the FY24 Approved Current Expense Budget.

The Administration advised that a FY24 fourth quarter supplemental appropriation will be requested for approximately \$1,900,000 related to additional health claims expenditures.

Appendix 1: Chart Data

Office of Personnel Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	5,220,600	5,253,300	6,015,600	6,729,400	7,129,300
Contractual Services	2,564,900	1,909,400	1,892,400	1,894,300	2,112,900
Supplies & Materials	83,200	83,200	64,700	56,000	56,000
Business & Travel	211,900	226,900	210,600	203,000	198,600
Total	8,080,600	7,472,800	8,183,300	8,882,700	9,496,800

Proposed FY25 Budget by Expenditure Type

Object	FY25 Proposed
Personal Services	7,129,300
Contractual Services	2,112,900
Supplies & Materials	56,000
Business & Travel	198,600
Capital Outlay	-
Grants, Contr. & Other	-
Total	9,496,800

FY21-FY23 Budget to Actual

	FY21	FY22	FY23
Budget	8,380,600	\$ 7,672,800	\$ 8,258,300
Actual	8,064,763	\$ 7,222,326	\$ 8,047,707

Budget includes supplemental appropriations of \$300,000 for FY21, \$200,000 for FY22, and \$75,000 for FY23 and, therefore, does not match the Original Budget used in Chart 1.

Appendix 2: Chart Data

Health Insurance Fund (HIF) Budget (Expenditures)

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	86,512,600	94,160,700	101,864,600	107,183,600	116,305,000
Contractual Services	987,300	912,300	866,900	911,900	971,100
Supplies & Materials	46,900	46,900	19,600	20,100	17,900
Business & Travel	4,100	4,100	3,800	2,800	2,600
Capital Outlay	-	-	-	-	-
Grants, Contr. & Other	10,945,400	13,453,400	8,430,000	4,997,900	5,066,000
Total	98,496,300	108,577,400	111,184,900	113,116,300	122,362,600

FY21-FY23 Budget to Actual – HIF (Expenditures)

	FY21	FY22	FY23
Approved Budget	98,496,300	108,577,400	111,184,900
Supplemental Appropriations	8,000,000	4,300,000	-
Actual	107,080,884	112,256,257	110,351,149

Chart shows supplemental appropriations of \$8,000,000 for FY21 and \$4,300,000 for FY22.



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Office of the Sheriff

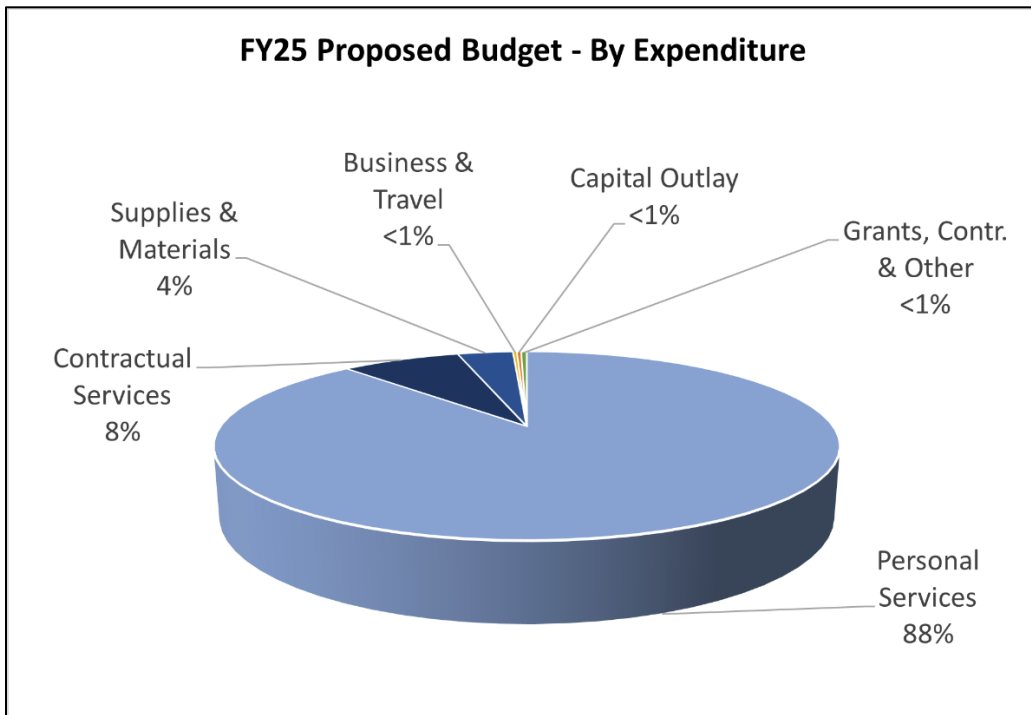
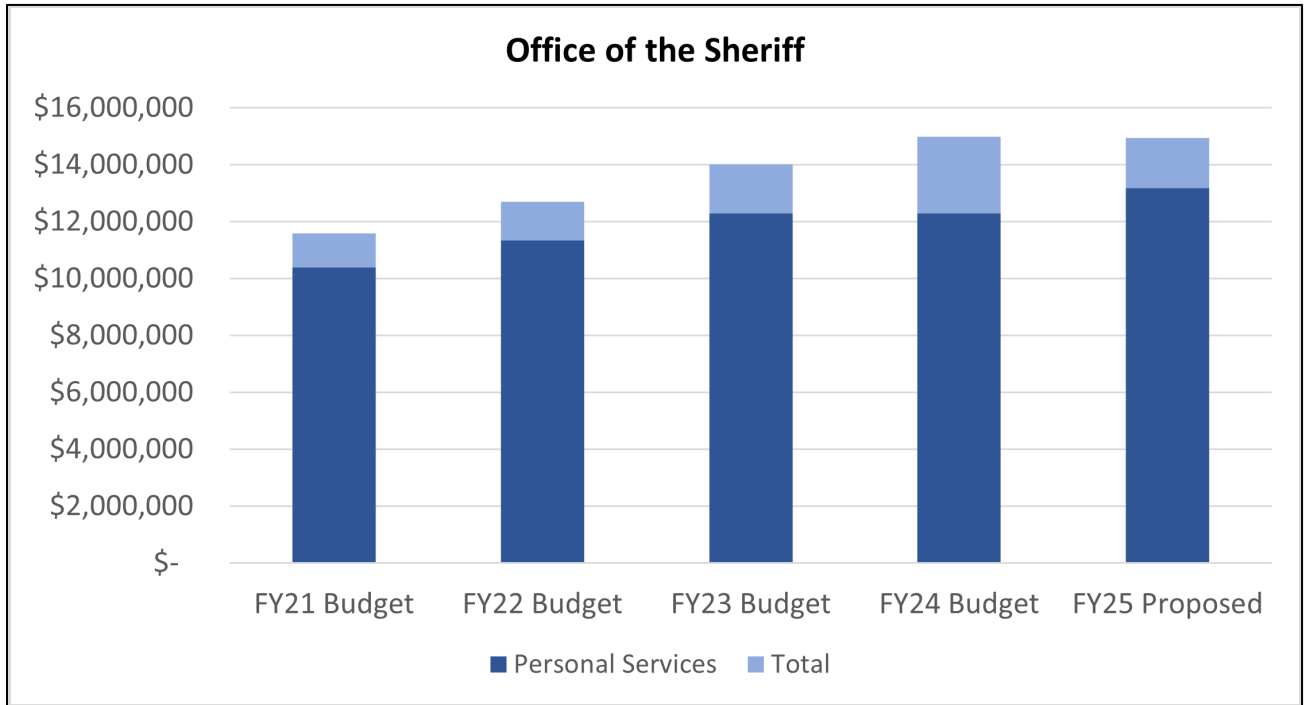
Report Date: May 22, 2024
Hearing Date: May 23, 2024

Questions Sent to the Agency:	May 5, 2024; May 14, 2024
Responses Received from the Agency:	May 8, 2024; May 9, 2024; May 17, 2024

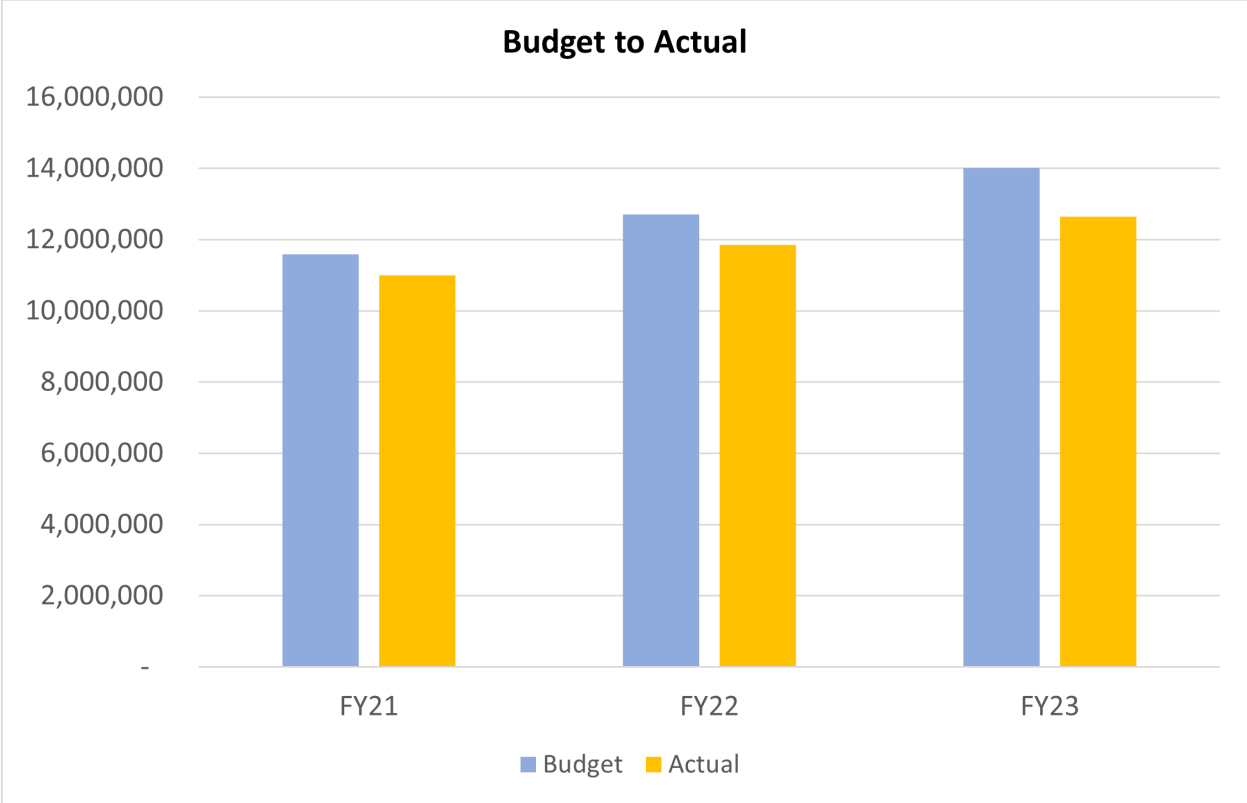
This analysis considers all agency responses.

Office of the Sheriff

Operating Budget Summary



Note: Chart data provided in Appendix



Note: Chart data provided in Appendix

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	115	117	117	118.34	1.34
Filled	98	94	97		
Vacant	17	23	20		

- Increase in general fund positions** – One filled Office Support Specialist position (OS-6 grade) and one filled Crime Analyst position (OS-11 grade) are being transferred from grant funded positions to general fund positions at a cost of approximately \$208,400 (salaries and benefits). Also, one filled Office Support Specialist position (OS-6 grade), which was previously 100% funded by the General Fund, will now be partially (34%) funded by the General Fund (cost of approximately \$30,400).
- Nine grade reallocations, all filled positions, are proposed** – Nine Sheriff Communication Operator positions are being reallocated from a LM-6 to LM-8. The Office of the Sheriff (Sheriff) advised that the reallocation is to reflect equivalent positions within the Police Department. There is no change in the job description for the Sheriff Communication Operator position.

Key Observations

- 1. Personal Services (Contractual Pay)** – The FY25 Proposed Current Expense Budget includes \$215,400 for security at the entry points of the Circuit Court building, a \$189,000 (716%) increase over the FY24 approved budget of \$26,400. The increase is attributed to the six new contractual positions (three Sheriff Court Officers and three Sheriff Cadets) to be hired to assist with armed security at the two entry points at the Circuit Court building. The new Sheriff Court Officer contractual positions will be certified by the Maryland State Police as special police officers, which is the same classification as the Bailiff position at the District Court of Maryland. These positions also will have arrest powers. The new Sheriff Cadet contractual positions will be added to compliment the sworn staff and will pursue a career in law enforcement once they have met the age requirement (21 years of age). Sheriff advised that these new contractual positions will allow for the reallocation of sworn personnel (Deputy Sheriff) to active courtrooms.
- 2. Supplies and Materials (Ammunition & Firearms)** – The FY25 Proposed Current Expense Budget, includes \$195,200 for ammunition and firearms maintenance and supplies, new firearms, and the annual lease payment for tasers; a \$98,300 (101%) increase over the FY24 approved budget of \$96,900. The increase is attributed to the anticipated purchase of 70 new firearms, electronic optics systems for firearms, and holsters to replace all current issued firearms. Sheriff advised that they are implementing the use of a new electronic optics systems for firearms to align with the firearms qualification requirements while participating in training at the County Police Academy. However, the new electronic optics systems for firearms are not compatible with their current issued firearms, thus the need for new firearms and related equipment.
- 3. Capital Outlay (Automotive Equipment and Miscellaneous Equipment)** - The FY25 Proposed Current Expense Budget includes \$40,500 for automotive equipment (\$23,000) and miscellaneous equipment (\$17,500), a \$910,000 (98%) and a \$81,500 (82%) decrease, respectively, from the FY24 approved budget of \$1,032,000. The FY24 approved budget included one-time funding for automotive equipment and miscellaneous equipment (such as, radio equipment) that was related to the purchase and outfitting of 14 new vehicles.

Appendix: Chart Data

Office of the Sheriff Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	10,405,800	11,357,000	12,301,700	12,306,600	13,180,700
Contractual Services	715,200	769,200	875,800	1,229,300	1,118,800
Supplies & Materials	252,500	328,600	315,700	332,700	521,400
Business & Travel	26,600	46,500	26,600	30,700	36,800
Capital Outlay	35,000	41,000	329,000	1,032,000	40,500
Grants, Contr. & Other	160,000	160,000	160,000	53,400	53,400
Total	11,595,100	12,702,300	14,008,800	14,984,700	14,951,600

FY25 Proposed Budget – By Expenditure

Object	FY25 Proposed
Personal Services	13,180,700
Contractual Services	1,118,800
Supplies & Materials	521,400
Business & Travel	36,800
Capital Outlay	40,500
Grants, Contr. & Other	53,400
Total	14,951,600

FY21-FY23 Budget to Actual

	FY21	FY22	FY23
Budget	11,595,100	12,702,300	14,008,800
Actual	11,002,470	11,848,716	12,650,139



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Office of Transportation

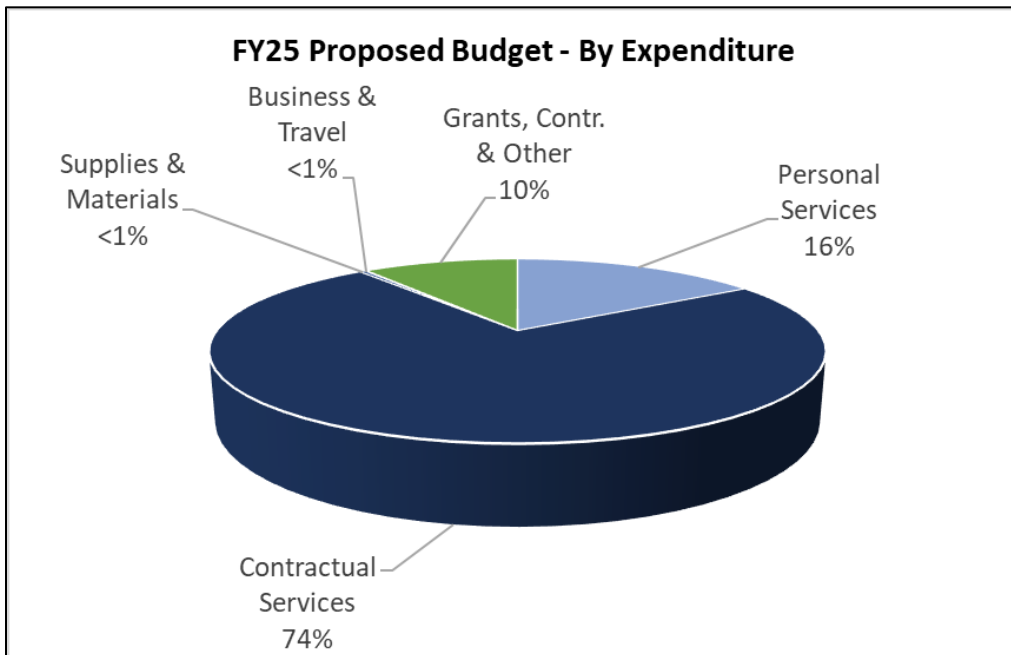
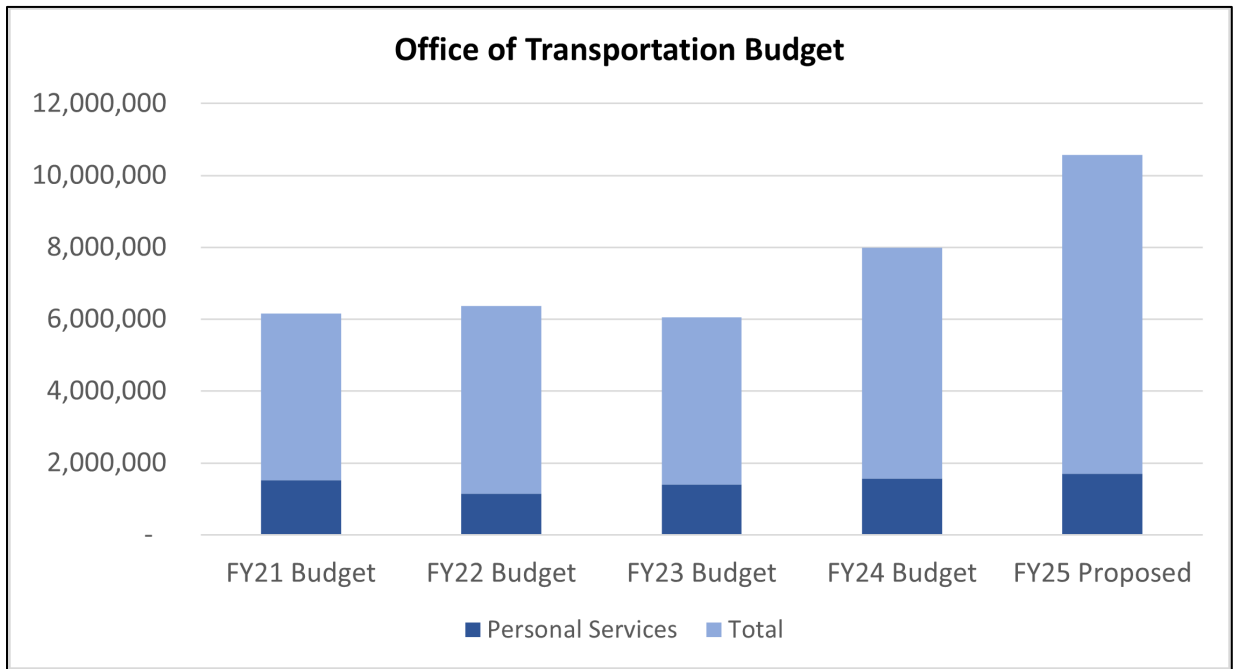
Report Date: May 20, 2024
Hearing Date: May 21, 2024

Questions Sent to the Agency:	May 1, 2024; May 16, 2024
Responses Received from the Agency:	May 7, 2024; May 17, 2024

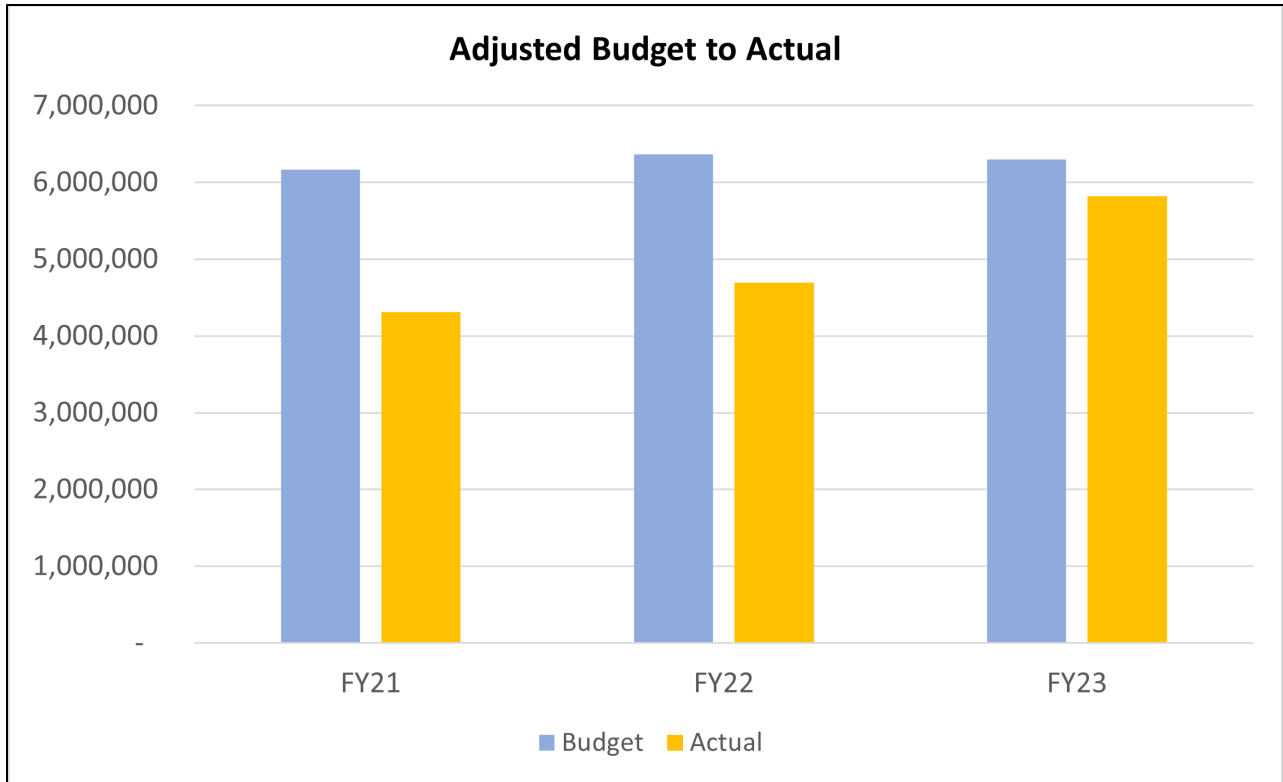
This analysis considers all agency responses.

Office of Transportation

Operating Budget Summary



Note: Chart data is provided in Appendix



Note: Chart data is provided in Appendix. Adjusted budget includes supplemental appropriation of \$252,400 in FY23 and, therefore, does not match the Original Budget used in Chart 1.

Proposed Budget Change

FY24 Budget	\$7,988,400
FY25 Proposed Budget	\$10,574,200

Where It Goes – Highlighted Changes	Change
Personnel - pay package (cost of living and step/merit increase)	91,100
Insurance - due to increases in vehicle purchase and repair costs as well as impact of distracted driving	146,800
Contract costs increase for fixed and paratransit transit services due to federal grant ending	2,028,200
New rider facing app that connects riders with drivers	64,900
Vehicle maintenance cost increases due to adding 6 vehicles to the Office's fleet to serve as spares if other vehicles require maintenance	273,000
Vehicle fleet operating cost increase adjustment	252,700
Less County grant match funding required due to fewer grants	(281,900)

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	7	10	10	10	0
Filled	7	8	10		
Vacant	0	2	0		

- **No new positions or reclassifications are proposed.**

Key Observations and Recommendations

1. **New Transportation Network Service Assessment Fee Revenue** – Bill 39-23 established a transportation network service assessment of \$0.25 per trip originating in the County, excluding those originating in the City of Annapolis. This fee took effect January 1, 2024, and the Office of Transportation’s FY25 Proposed Current Expense Budget reflects \$500,000 in anticipated revenue from this new fee to support transportation operations.
2. **Change in Calculation Assumptions – Transit Services Agreement** – The FY25 Proposed Current Expense Budget provides \$5,088,600, a \$2,028,200 (66%) increase, for the County’s bus transportation service contract. In prior years, the Office of Transportation used Coronavirus Aid, Relief, and Economic Security Act (GTR10002-Covid-19 Transportation) funding to offset these costs, including \$1,837,900 in FY22, \$2,598,600 in FY23, and an estimated \$307,000 in FY24.

The FY25 Proposed Current Expense Budget makes several assumptions about the bus service contract costs, including no federal grant funding will be available, a 3% contract rate increase will be approved for January-June 2025, and that the highest monthly payment in the first-half of FY24 should be used to estimate costs. **We recommend a \$215,000 reduction to reflect a 2.2% rate increase starting January 2025, consistent with this year, and use of the average monthly contract cost to estimate costs.**

Appendix: Chart Data

Office of Transportation Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	1,514,800	1,139,800	1,406,600	1,571,400	1,696,400
Contractual Services	4,223,200	4,444,200	3,624,300	5,020,900	7,762,900
Supplies & Materials	16,700	16,700	15,100	37,600	38,200
Business & Travel	10,900	10,900	10,900	10,900	11,000
Capital Outlay	-	-	-	-	-
Grants, Contr. & Other	400,100	754,500	992,400	1,347,600	1,065,700
Total	6,165,700	6,366,100	6,049,300	7,988,400	10,574,200

FY25 Proposed Budget - By Expenditure

Object	FY25 Proposed
Personal Services	1,696,400
Contractual Services	7,762,900
Supplies & Materials	38,200
Business & Travel	11,000
Grants, Contr. & Other	1,065,700
Total	10,574,200

FY21-FY23 Adjusted Budget* to Actual

	FY21	FY22	FY23
Budget	6,165,700	6,366,100	6,301,700
Actual	4,314,648	4,696,392	5,819,525

*Adjusted Budget includes supplemental appropriations of \$252,400 for FY23 and, therefore, does not match the Original Budget used in Chart 1.



Legislation Review

Review of the Fiscal Year 2025 Proposed Current Expense Budget Police Department

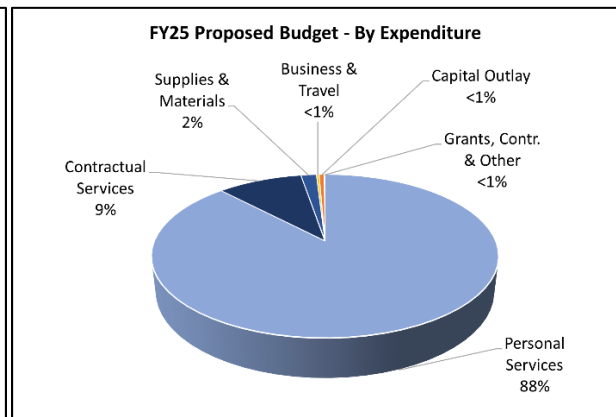
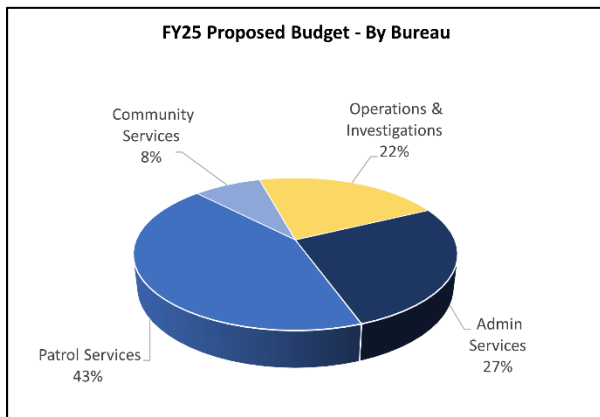
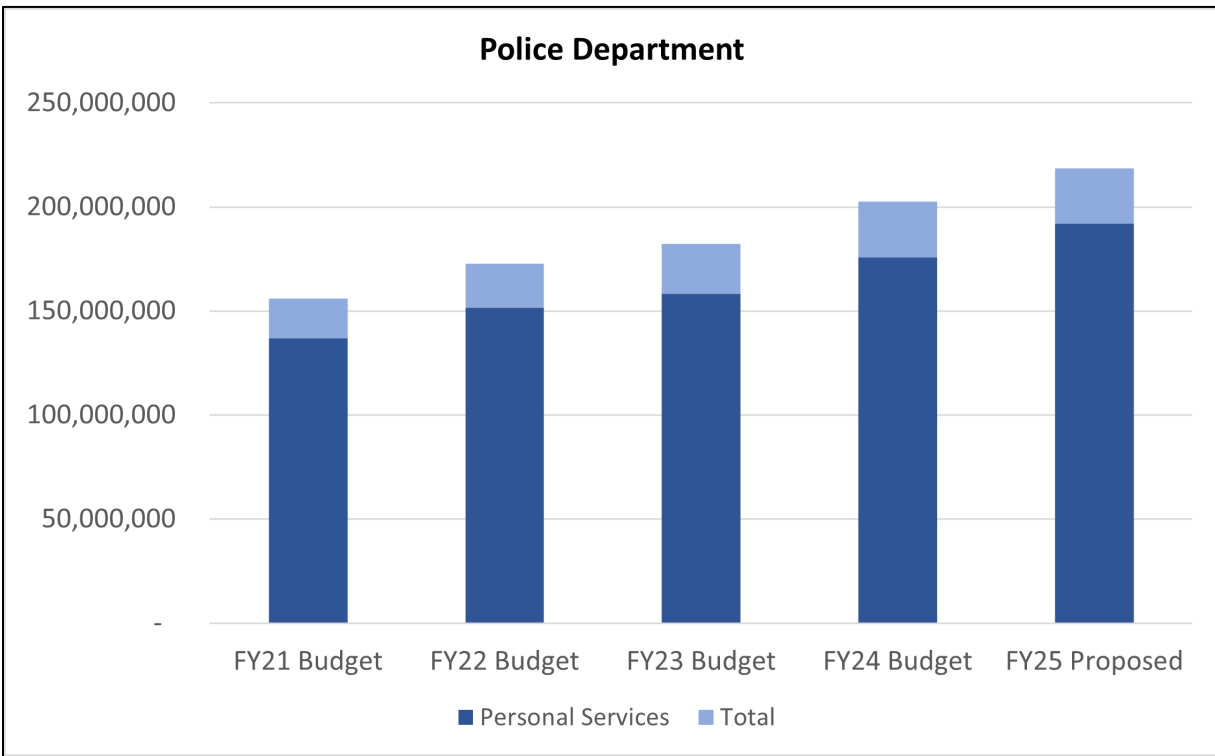
Report Date: May 22, 2024
Hearing Date: May 23, 2024

Questions Sent to the Agency:	May 3, 2024; May 14, 2024
Responses Received from the Agency:	May 7, 2024; May 16, 2024

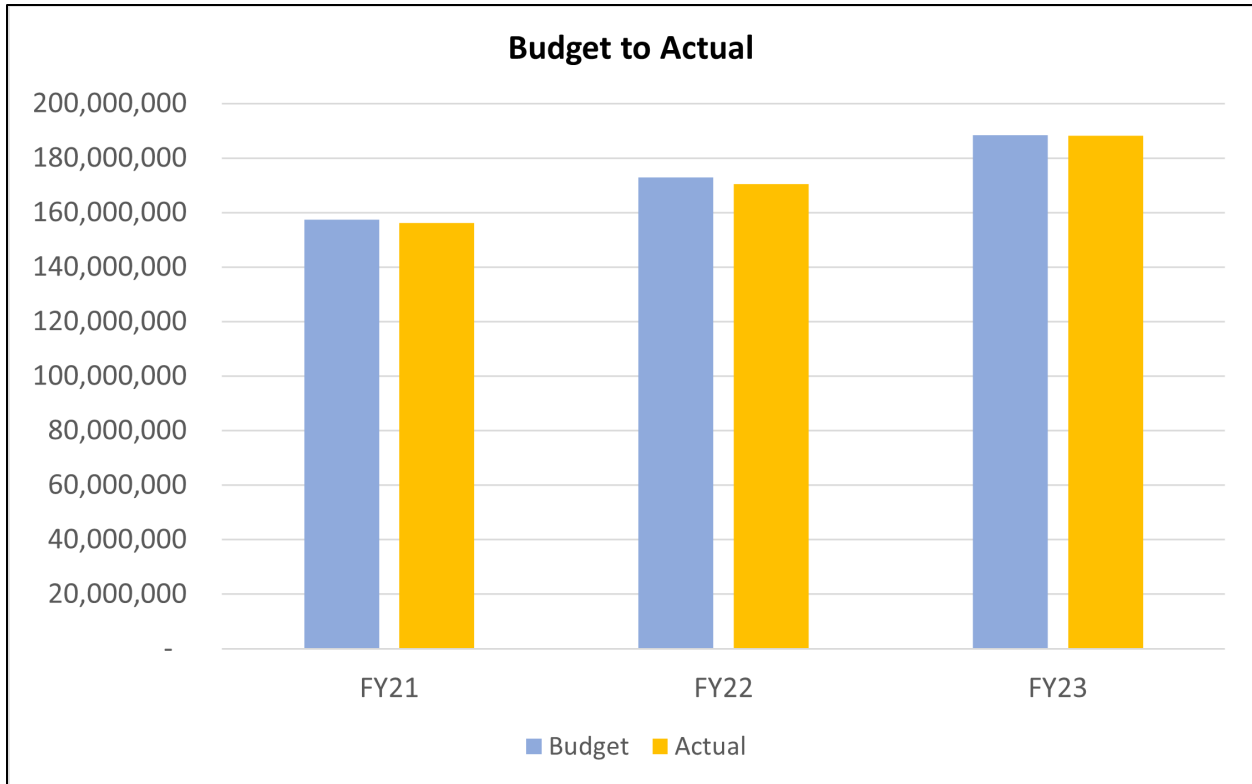
This analysis considers all agency responses.

Police Department

Operating Budget Summary



Note: Chart data available in the Appendix



Note: Chart data available in the Appendix. Budget includes supplemental appropriations of \$1,352,000 in FY21 and \$6,004,000 in FY23 and, therefore, does not match the Original Budget used in Chart 1.

Proposed Budget Change

FY24 Budget	\$202,544,600
FY25 Proposed Budget	\$218,451,800

Where It Goes – Highlighted Changes	Change
Personnel – pay package (union and non-represented) and new positions	7,615,900
Personnel – temporary pay (match historical spending and increase in temporary positions)	493,600
Personnel – contractual pay (new contractual positions related to the Automated Traffic Enforcement Program as detailed below)	183,300
Personnel – overtime (increase due to diminished ability to recruit and retain officers)	2,915,800
New Automated Traffic Enforcement Program (associated contract costs)	2,977,000
Data Processing Software – forensic software costs	223,800
Removal of one-time funding for automotive equipment	(1,407,600)

Personnel Data

Full-Time Equivalent Positions as of April 10, 2024					
Positions	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Proposed	FY24 v. FY25
General Fund	1,026	1,033	1,062	1,067	5
Filled	973	977	990		
Vacant	53	56	72		

- **Six new full-time, general fund classified positions, are proposed –**
 - One Info System Support Specialist position (NR-14). All associated costs for this new position are approximately \$83,200, consisting of recurring costs (salary and benefits) of \$78,200 and one-time costs (such as, a computer and furniture) of \$5,000. The Police Department (Police) advised this position will perform design, implementation, troubleshooting, and maintenance to a variety of technical platforms within the Police’s Real Time Information Center (RTIC).
 - Three Public Safety Analyst I positions (LM-11). All associated costs for each of these positions are approximately \$79,900 (total of \$239,700), consisting of recurring costs (salary and benefits) of \$74,900 each (total of \$224,700) and one-time costs (such as, a computer and furniture) of \$5,000 each (total of \$15,000). Police advised these positions will perform investigator, analyst, and dispatcher duties by conducting real-time assessments and supporting priority calls using technology within the RTIC.
 - One Police Sergeant position (P-2). All associated costs for this position are approximately \$215,100, consisting of recurring costs (salary and benefits) of \$130,700 and one-time costs (such as, radios, mobile data computers for a vehicle, and a vehicle) of \$84,400. Police advised this position will supervise officers and other staff in the new Automated Traffic Enforcement Program.
 - One Senior Forensic Examiner position (NR-18). All associated costs for this position are approximately \$105,300, consisting of recurring costs (salary and benefits) of \$100,300 and one-time costs (such as, a computer and furniture) of \$5,000. Police advised this position will perform the second technical review of cases required by standards to ensure proper methods are met and/or established.
- **One reclassification and transfer, vacant position, is proposed –** One Animal Care Attendant II position to a License Inspector position, which is reclassifying the position from a LM-6 to LM-9, and this position will be transferred to the Department of Inspections and Permits (DIP) to perform licensing related job duties. Police advised that this transfer is part of the Animal Care & Control reorganization, which includes splitting the current duties between Police and DIP.

Key Observations

1. **Management Services** – The FY25 Proposed Current Expense Budget request of \$3,650,500 (a \$2,977,000 (442%) increase from the FY24 approved budget of \$673,500) can be attributed to funding for the new Automated Traffic Enforcement, Collection, and Violation Processing System contract. The costs associated with this contract are estimated based on the Montgomery County contract with the same vendor to which Anne Arundel County entered into an agreement with in November 2023, with the initial contract ending in March 2027 with the option to renew for five additional one-year periods. The vendor costs consist of a per citation fee (for red light camera only), a flat fee per camera per month (speed camera only), and a license plate reader fee per camera (both speed and red light cameras). Therefore, the total fees will depend on the actual number of citations.

This is a revenue generating program for the County and the vendor costs are estimated at 40% of total program revenue collections. Police estimates total annual revenue collections of \$7,400,000 with total vendor payments estimated at approximately \$3,000,000. Police advised that the Automated Traffic Enforcement Program is expected to begin in August 2024, which equates to an eleven-month period of performance in its first year. FY25 revenue for this program was budgeted for \$5,500,000 as a conservative estimate for program revenue for the inaugural year. Additional costs are associated with the rental of covert vehicles for the program.

2. **Data Processing Software** – The FY25 Proposed Current Expense Budget request of \$546,100 (a \$223,800 (69%) increase from the FY24 approved budget of \$322,300) is generally attributed to the purchase of forensic software to extract and transfer electronic data from phones and vehicles to workstations for analysis and use in cases.
3. **Automotive Equipment and New Fleet Additions** - The FY25 Proposed Current Expense Budget does not include funding for automotive equipment, which decreased by \$1,407,600 from the FY24 approved budget. However, Police are requesting \$66,400 in new fleet additions. The FY24 approved budget included one-time funding for automotive equipment that was related to the purchase and outfitting of vehicles for 19 new sworn positions as opposed to the purchase and outfitting of 1 new vehicle for the new Police Sergeant position in the Automated Traffic Enforcement Program (see details above) in the FY25 proposed budget.
4. **VLT** – The Local Development Council recommends in the FY25 Proposed Current Expense Budget funding Police \$3,849,000 in VLT funds consisting of \$2,700,000 to support Police operations and \$1,149,000 for programming and equipment. Police advised that the funding to support operations will be used for the recurring costs (salary and benefits) of 18 Officers, 3 Sergeants, and 1 Lieutenant that are assigned to the Arundel Mills/Maryland Live Casino area, and ancillary costs (such as, equipment, ammunition, uniforms, and radio maintenance) associated with these positions.

The funding for programming and equipment will be used to support the Youth Activities Program staff (one supervisor and five advisors), location costs, and related camps and activities (\$724,000) and for community relations related expenses, including mental health support devices, ballistics shields, and other equipment (\$400,000) and chaplain training and membership dues (\$25,000).

Appendix: Chart Data

Police Department Operating Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	137,035,100	151,729,300	158,417,200	175,721,600	191,945,400
Contractual Services	15,127,400	15,179,300	16,012,500	19,708,700	20,651,900
Supplies & Materials	3,110,100	3,288,900	3,512,900	3,813,700	3,769,400
Business & Travel	371,800	540,800	557,100	625,100	651,900
Capital Outlay	354,000	1,881,100	3,706,700	2,505,500	1,263,200
Grants, Contr. & Other	100,000	227,200	140,000	170,000	170,000
Total	156,098,400	172,846,600	182,346,400	202,544,600	218,451,800

FY25 Proposed Budget – by Bureau

Name	FY25 Proposed
Patrol Services	94,447,400
Community Services	17,547,600
Operations & Investigations	48,382,400
Admin Services	58,074,400
Total	218,451,800

FY25 Proposed Budget - by Expenditure

Object	FY25 Proposed
Personal Services	191,945,400
Contractual Services	20,651,900
Supplies & Materials	3,769,400
Business & Travel	651,900
Capital Outlay	1,263,200
Grants, Contr. & Other	170,000
Total	218,451,800

FY21-FY23 Budget* to Actual

	FY21	FY22	FY23
Budget	157,450,400	172,846,600	188,350,400
Actual	156,178,046	170,553,836	188,269,746

*Budget includes supplemental appropriations of \$1,352,000 in FY21 and \$6,004,000 in FY23 and, therefore, does not match the Original Budget used in Chart 1.

Appendix E

FY25 Capital Budget Reports

Anne Arundel Community College (J Class)

Board of Education (E Class)

Dredging (Q Class)

General County (C Class)

Library (L Class)

Public Safety (F Class)

Recreation and Parks (P Class)

Roads and Bridges (H Class)

Waste Management (N Class)

Wastewater (S Class)

Water (W Class)

Watershed Protection and Restoration (B Class)



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Anne Arundel Community College (J Class)

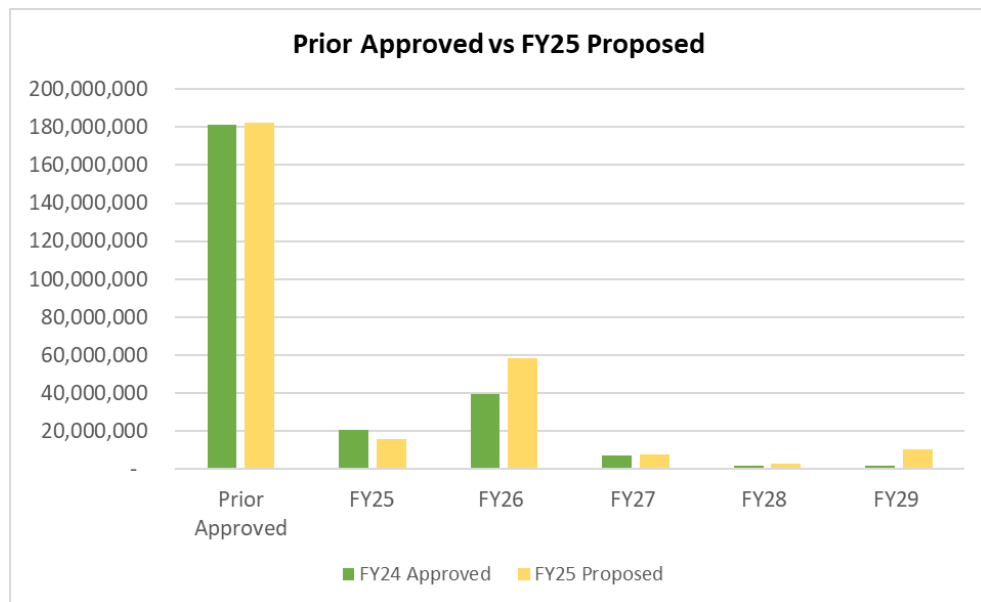
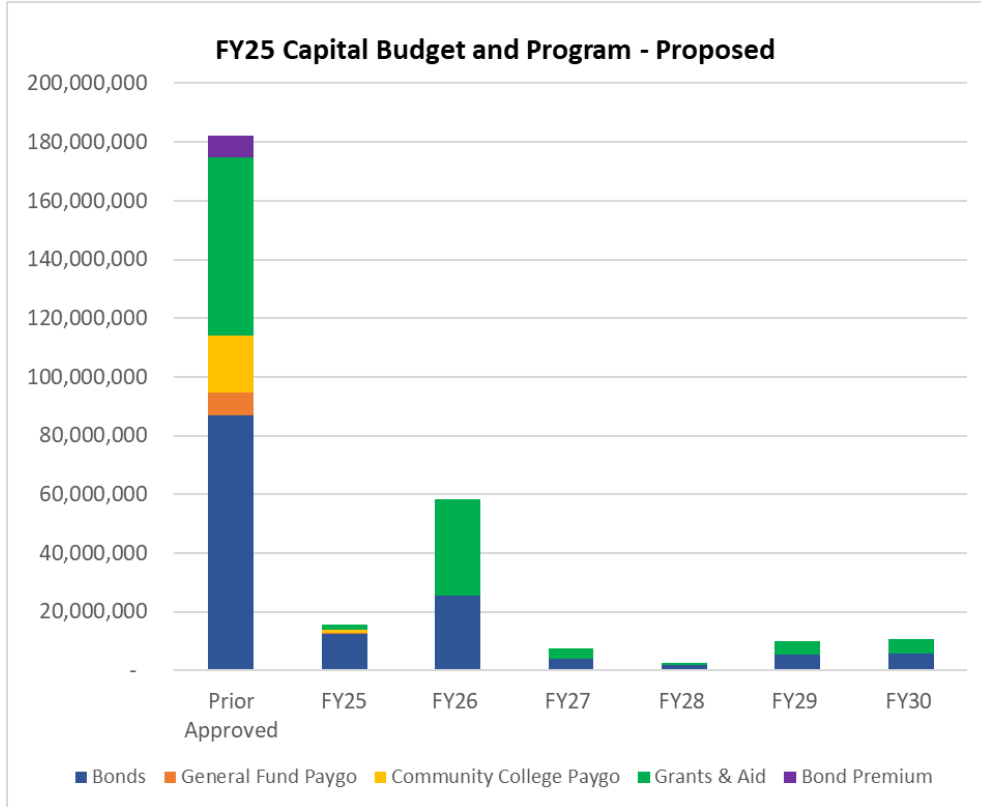
Report Date: May 12, 2024
Hearing Date: May 13, 2024

Questions Sent to Agency:	Thursday, April 25, 2024
Responses Received from Agency:	Friday, May 3, 2024

This analysis considers all agency responses.

Community College (J Class)

Capital Budget Summary



- The Proposed Capital Budget and Program includes 12 projects: 9 stand-alone/one-time and 3 multi-year/recurring.
- New project funding is provided for HCAT Relocation (J592400) for \$10,560,000 in General County Bonds and Maryland Higher Education funding with design costs budgeted in FY28.
- Significant changes in project scope for Dragun Renov and Addition (J578600) for the removal of the addition from the scope of work to reduce costs. The addition would have added 27,770 gross square feet to the building, consisting largely of new laboratories for the physical sciences.
- State infrastructure funding assumptions: Dragun Renov and Addition (J578600) and Florestano Renovation (J578700) has FY25 Maryland Higher Education funding of \$759,000 and \$1,050,000, respectively, as shown in the state capital budget bill. These projects also have anticipated Maryland Higher Education funding in outyears, along with the Student Services Ctr Reno (J587600) and the HCAT Relocation (J592400) projects, which is assumed funding at 50 percent of expenditures.

Capital Budget – Key Observations and Recommendations

1. **Available Program Funds to Complete Projects Identified – GBTC Tutoring Ctr Renovation (Project J587500)** – Anne Arundel Community College (AACC) advised that the project is in closeout and has determined that project funding of \$84,000 can be released. Therefore, we recommend reducing prior approved General County Bonds by \$84,000.
2. **Project Complete – Health and Life Sciences Bldg (J569700)** – AACC advised that this project is complete and has determined that the remaining County project funding can be released. Therefore, we recommend reducing prior approved General County Bonds by \$197,000.

Appendix: Chart Data

FY24 Capital Budget and Program Approved vs FY25 Prior Approved

Funding Source	FY24 Prior Approved	FY24 Approved	Prior Approved
Bonds			86,819,000
General Fund Paygo			7,695,000
Community College Paygo			19,479,000
Impact Fees			
Grants & Aid			60,883,875
Bond Premium			7,335,000
FY25 Proposed	-	-	182,211,875
FY24 Approved	174,273,500	6,938,375	181,211,875

FY24 Approved vs FY25 Proposed

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	86,819,000	12,386,000	25,529,000	4,192,000	1,874,000	5,533,000	5,928,000	55,442,000
General Fund Paygo	7,695,000	450,000	-	-	-	-	-	450,000
Community College Paygo	19,479,000	1,000,000	-	-	-	-	-	1,000,000
Impact Fees								-
Grants & Aid	60,883,875	1,809,000	32,906,000	3,242,000	874,000	4,583,000	4,928,000	48,342,000
Bond Premium	7,335,000							-
FY25 Proposed	182,211,875	15,645,000	58,435,000	7,434,000	2,748,000	10,116,000	10,856,000	105,234,000
FY24 Approved	181,211,875	20,370,000	39,600,000	7,384,000	1,950,000	1,848,000		71,152,000



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Board of Education (E Class)

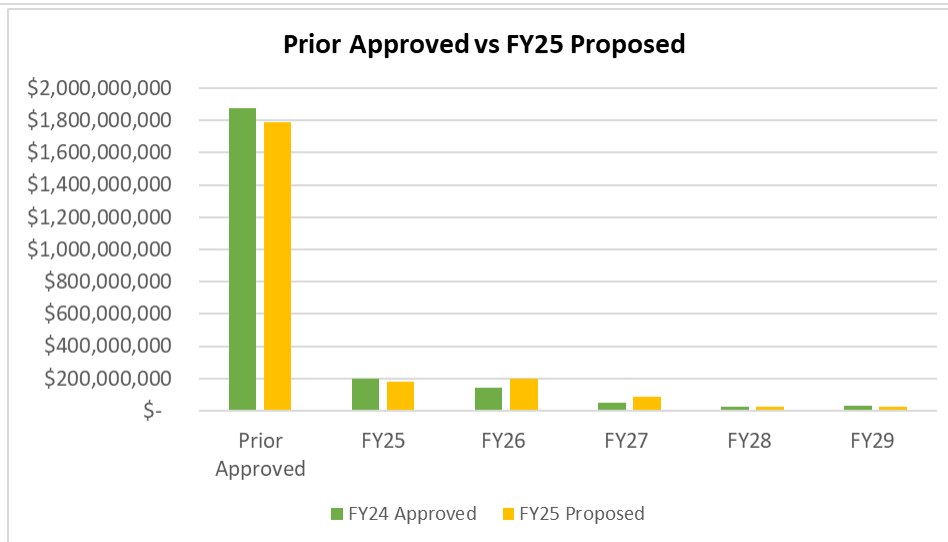
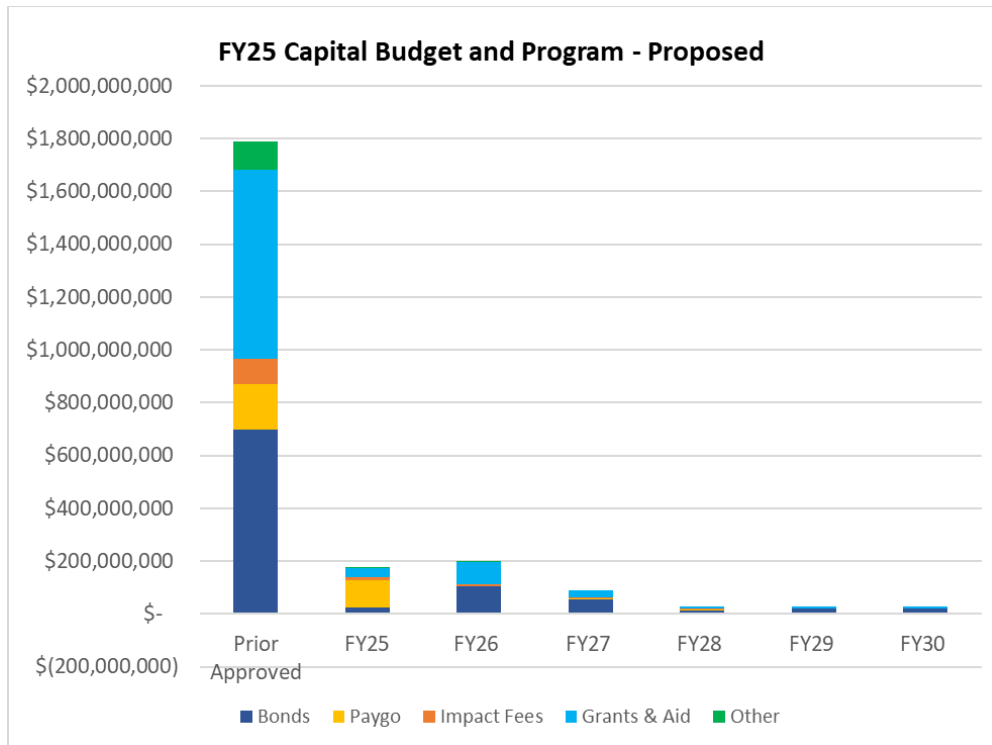
Report Date: May 12, 2024
Hearing Date: May 13, 2024

Questions Sent to Agency:	Friday, April 26, 2024
Responses Received from Agency:	Thursday, May 2, 2024

This analysis considers all agency responses.

Board of Education (E Class)

Capital Budget Summary



- The four projects receiving the largest FY25 funding amounts in the FY25 Proposed Capital Budget are:
 - \$52,095,000 for CAT North (Project #E578000),
 - \$44,078,000 for Old Mill HS (Project #E578100),
 - \$32,310,000 for Building Systems Renov (Project #E538200), and
 - \$22,117,000 for Old Mill MS North (Project #E550300).
- The Proposed Capital Budget and Program includes 41 projects: 19 stand-alone/one-time projects and 22 multi-year/recurring.
- Five projects replace previously approved FY25 funding amounts with new funds from different sources, including Quarterfield ES (Project #E572500) that replaces \$8,051,000 in General County Bonds and PAYGO with \$8,051,000 in Education Impact Fees District 2 funds.
- New project funding is provided for:
 - Sustainability Initiatives (Project #E591700) for \$1,800,000 in FY25 in General County Bonds, General Fund PAYGO, and BOE PAYGO for upgrades to building automation systems, lighting retrofits, solar panel installations, and other projects that improve energy efficiency; and
 - School Bus Facility/Lot (Project #E591800) for \$1,346,000 in FY25 General Fund PAYGO and \$9,191,000 in FY26 General County Bonds for a replacement renovation of transportation facilities.

Capital Budget – Key Observations

1. **Project on Hold – Northeast Area ES (Mt Rd Corr) (Project #E575000)** – The FY25 Proposed Capital Budget and Program does not reflect any funding for the Northeast Area ES (Mt Rd Corr). BOE anticipates the construction time frame for this school will require re-evaluation and, if this project is deemed unnecessary, advises that future funding would be reallocated to the next priority school in the long-range Facility Master plan.

2. **Electric Vehicle (EV) Investment** – The FY25 Proposed Capital Budget and Program reflects investment in transitioning to an EV fleet and building associated infrastructure by providing \$2,000,000 in General County Bonds and PAYGO for School Bus Replacement (Project #E538800) and \$400,000 in General Fund PAYGO for Vehicle Replacement (Project #E539200). BOE advises that:
 - an EV bus feasibility study was completed for the bus lot at the Central Office and EV charging infrastructure will be added in FY25;
 - EV charging infrastructure is being installed at the Facilities Office; and
 - privately owned EV charging infrastructure has been installed at Broadneck High School, Brooklyn Park Middle School, and the Central Office.

Appendix: Chart Data

FY24 Capital Budget and Program Approved vs FY25 Prior Approved

Funding Source	FY24 Prior Approved	FY24 Approved	Prior Approved
Bonds	689,739,698	65,160,000	696,760,516
Paygo	132,053,761	40,983,000	173,036,761
Impact Fees	101,971,000	(3,040,000)	96,055,000
Grants & Aid	652,251,131	89,556,947	715,853,578
Other	107,630,836	-	107,630,836
FY25 Proposed	1,683,646,426	192,659,947	1,789,336,691
FY24 Approved	1,683,646,426	192,659,947	1,876,306,373

FY24 Approved vs FY25 Proposed

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	696,760,516	23,378,387	104,644,000	56,287,000	13,918,000	19,068,000	19,068,000	236,363,387
Paygo	173,036,761	104,434,338	(450,000)	800,000	800,000	800,000	800,000	107,184,338
Impact Fees	96,055,000	10,100,000	8,450,000	5,000,000	5,150,000	-	-	28,700,000
Grants & Aid	715,853,578	34,242,775	81,600,000	27,756,000	6,707,000	6,707,000	6,707,000	163,719,775
Other	107,630,836	4,918,500	5,000,000	-	-	-	-	9,918,500
FY25 Proposed	1,789,336,691	177,074,000	199,244,000	89,843,000	26,575,000	26,575,000	26,575,000	545,886,000
FY24 Approved	1,876,306,373	199,197,000	145,739,000	48,132,000	26,575,000	30,503,000		450,146,000



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Dredging (Q Class)

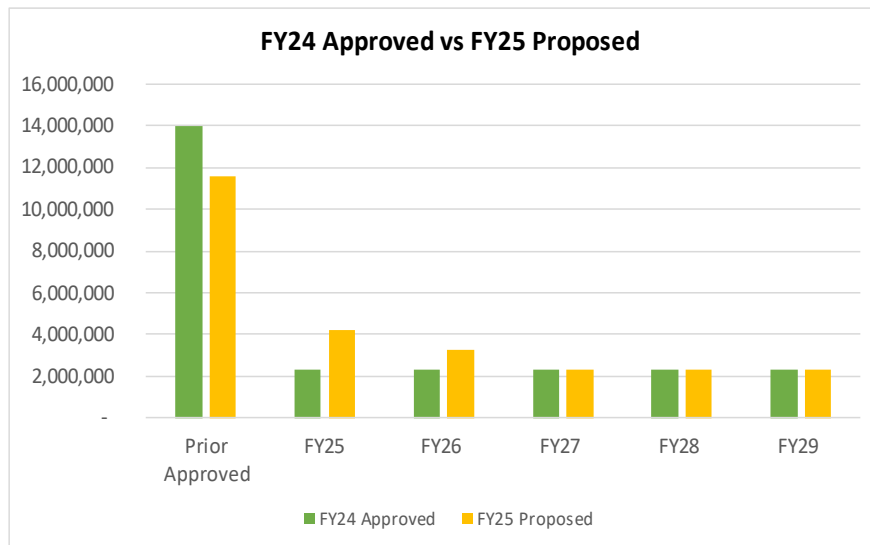
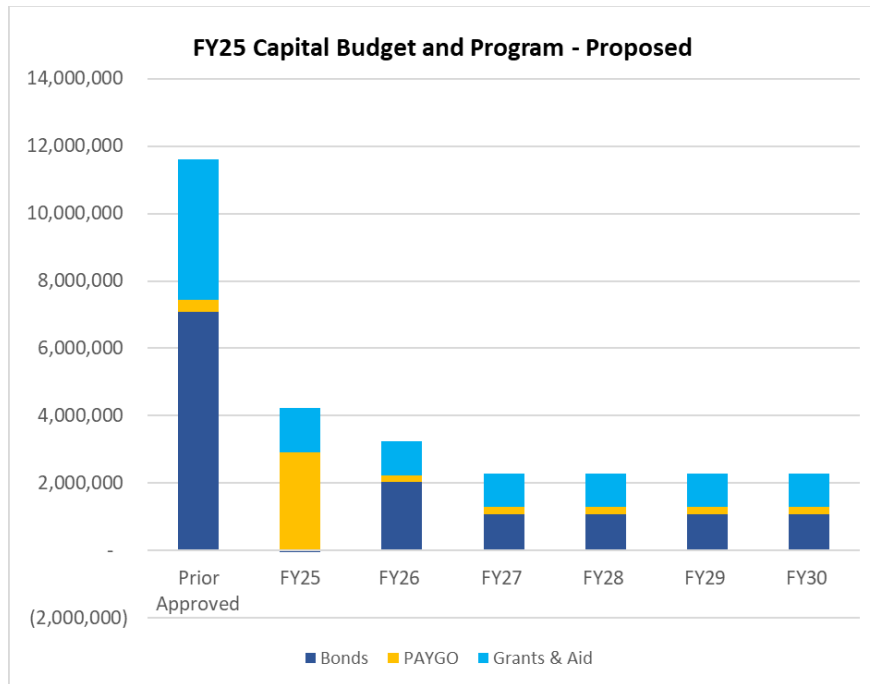
Report Date: May 15, 2024
Hearing Date: May 16, 2024

Questions Sent to Agency:	May 4, 2024; May 13, 2024
Responses Received from Agency:	May 10, 2024; Waiting on Responses

This analysis considers all agency responses.

Dredging (Q Class)

Capital Budget Summary



Note: Chart data provided in the Appendix

- The Proposed Capital Budget and Program includes 17 projects: 11 stand-alone/one-time and 6 multi-year/recurring.
- New project funding is provided for FY25 Dredging Program (Q592800, p. 266 of the capital budget book) for \$2,098,500 in General Fund PAYGO and MD Waterway Improvement funds.

Capital Budget – Key Observations and Recommendations

1. **Project Complete – Severn River HW Dredging 2 (Q582300, p. 268)** – This project is complete and the Administration advised the remaining funding can be released. **Therefore, we recommend reducing prior approved MD Waterway Improvement funds by \$89,000.**
2. **Estimated Project Costs Reduced – Yantz & Saltworks Creek Drdg (Q584900, p. 270)** – Estimated project costs were reduced. The Administration advised that the excess funds can be released. **We recommend reducing the prior approved appropriation by \$84,000; reduce prior approved General County Bonds by \$69,000 and prior approved MD Waterway Improvement funds by \$15,000.**
3. **Estimated Project Costs Reduced – Grays Crk & Hunters Hbr Drdg (Q585000, p. 271)** – Estimated project costs were reduced. The Administration advised that the excess funds can be released. **We recommend reducing the prior approved appropriation by \$366,000; reduce prior approved General County Bonds by \$177,000 and prior approved MD Waterway Improvement funds by \$189,000.**

Appendix: Chart Data

FY25 Proposed Capital Budget and Program vs FY24 Approved

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	7,095,799	(47,000)	2,035,000	1,089,000	1,089,000	1,089,000	1,089,000	6,344,000
Paygo	336,364	2,910,000	208,000	208,000	208,000	208,000	208,000	3,950,000
Impact Fees	-	-	-	-	-	-	-	-
Grants & Aid	4,176,421	1,334,500	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,334,500
Bond Premium & Other	-	-	-	-	-	-	-	-
FY25 Proposed	11,608,584	4,197,500	3,243,000	2,297,000	2,297,000	2,297,000	2,297,000	16,628,500
FY24 Approved	13,993,970	2,289,000	2,289,000	2,289,000	2,289,000	2,289,000		11,445,000



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program General County (C Class)

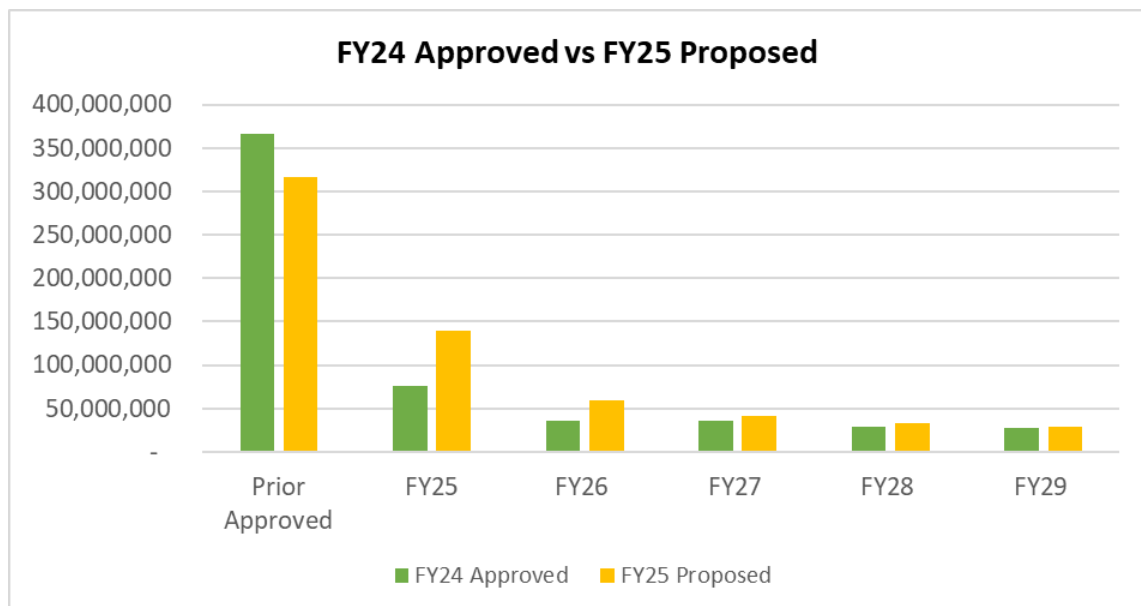
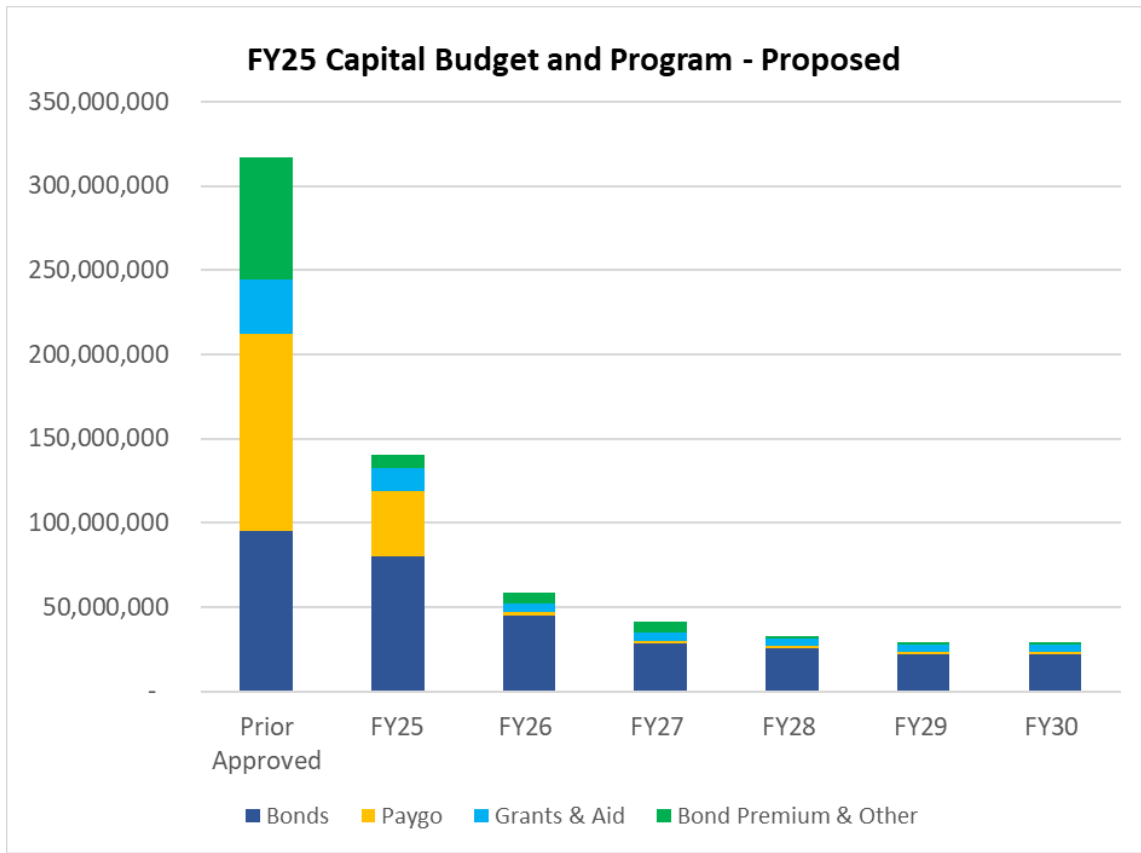
Report Date: May 15, 2024
 Hearing Date: May 16, 2024

C Class Project Type:	Questions Sent to Agency:	Responses Received from Agency:
C - Land Acquisition	April 26, 2024	May 1, 2024
C - OIT	April 15, 2024; May 9, 2024	May 3, 2023; May 14, 2024
C - General County	May 1, 2024; May 10, 2024	May 7, 2024; Waiting on Responses

This analysis considers all agency responses.

General County (C Class)

Capital Budget Summary



Note: Chart data provided in the Appendix

- The four projects receiving the largest FY25 funding amounts in the FY25 Proposed Capital Budget are:
 - \$23,711,500 for Information Technology Enhance (Project #C519600, p. 26 of the capital budget book),
 - \$22,292,000 for Odenton MARC TOD Dev Ph 1 & 2A (Project #C565500, p. 35),
 - \$21,567,000 for Traffic Maint Fac Upg Relo (Project #C589000, p. 45), and
 - \$18,592,000 for Fire Equip Maint Facility (Project #C571900, p. 38).
- The FY25 Proposed Capital Budget and Program includes 45 projects: 23 stand-alone/one-time and 22 multi-year/recurring.
- Five projects replace previously approved FY25 funding amounts with new funds from different sources.
 - Information Technology Enhance (Project #C519600, p. 26) replaces \$11,194,000 in General County Bonds with General Fund PAYGO and increased General Fund PAYGO to a total of \$21,407,000 (FY24 Approved Capital Budget and Program had \$250,000 in General Fund PAYGO for FY25).
 - County Facilities & Sys Upgrad (Project #C537800, p. 30) replaces \$3,967,202 in General County Bonds with General Fund PAYGO. In total, this project's FY25 funding was increased by \$3,330,000 (\$3,000,000 in General Fund PAYGO and \$330,000 in Energy Loan Revolving Fund funds) from the FY24 Approved Capital Budget and Program to address the project backlog.
 - Odenton MARC TOD Dev Ph 1 & 2A (Project #C565500, p. 35) replaces \$2,000,000 in Tax Increment Fund (TIF) with General County Bonds. In total, this project's FY25 funding was increased by \$17,292,000 from the FY24 Approved Capital Budget and Program to fund the balance of the construction costs for the parking garage project.
 - Parking Garages Repair/Renov (Project #C571700, p. 36) replaces \$773,000 in General County Bonds with \$523,000 in General Fund PAYGO and \$250,000 in Parking Garage Fund (this project was also reduced by \$5,139,000 in General County Bonds from the FY24 approved capital budget and program to the FY25 proposed capital budget).
 - Circuit Courthouse Major Reno (Project #C585700, p. 43) replaces \$1,550,000 in General County Bonds with Bond Premium. In total, this project's FY25 funding was decreased by \$3,503,000 as certain construction costs were moved into FY26.
- New project funding is provided for the following:
 - County Septic Systems Access (Project #C591200, p. 48) for \$134,000 in General Fund PAYGO funding with design costs budgeted in FY25.
 - Glen Burnie Plz Redevelopment (Project #C591300, p. 49) for \$1,550,000 in General Fund PAYGO and Other Fed Grants funding with design in FY25 for Glen Burnie Town Center Plaza improvements.
 - UM BWMC – Cardiac Cath Labs (Project #C591400, p. 50) for \$500,000 in General Fund PAYGO for assistance towards the expansion and renovation of BWMC's cardiac catheterization labs.
 - Multicultural Center (Project #C591500, p. 51) for \$5,500,000 in General Fund PAYGO and Other State Grants funding with design and construction costs in FY25 to study,

identify, and develop a center that promotes diversity, inclusivity, and cultural awareness in the County.

- Digital Access – DSP (Project #591600, p. 52) for \$1,375,000 in General Fund PAYGO and Other State Grants to help families get access to reliable high-speed internet.

Capital Budget – Key Observations and Recommendations

- 1. Lack of Support – Available Program Funds to Complete Projects Identified – Advance Land Acquisition (Project #C106700, p. 19 of the capital budget book) –**
The project’s available balance as of March 31, 2024 was \$5,644,910 and the Administration was not able to explain how this balance will be utilized in FY24 by providing a list of the expected land acquisitions along with the associated cost estimates and timeline.

The FY25 Proposed Capital Budget and Program includes \$3,350,000 in General Fund PAYGO for this project. The Administration advises that \$3,500,000 in FY24 and FY25 funding will be used to purchase property at 1699 Millersville Road for the Board of Education (BOE) School Bus Facility/Lot (Project #E591800) capital project. The Administration advises that the purchase agreement has been signed, environmental and feasibility studies are underway, and there is an anticipated closing date in October 2024. This would leave \$5,495,000 for unanticipated needs. **Based on the lack of support and the available balance, we recommend reducing FY25 General Fund PAYGO by \$3,350,000.**

- 2. Operational Costs in the Capital Budget – Agricultural Preservation Prgm (Project #C443400, p. 22) –** The FY25 Proposed Capital Budget and Program provides \$2,170,000 in FY26 for this project, which includes \$1,900,000 in General County Bonds, \$200,000 in State of Maryland Agricultural Land Preservation Fund grant funding (Other State Grants), and \$70,000 from the Tri-County Council of Southern Maryland (Miscellaneous Funding).

The Administration advises that the \$70,000 in FY26 Miscellaneous funding is for (1) expansion of public outreach and engagement, (2) ongoing support and stewardship of farms and farm owners with easements, and (3) supporting and streamlining easement inspections and reporting through improved technology and digital data collection. These funding uses are consistent with operating budget expenditures rather than capital construction. **We recommend deleting FY26 Miscellaneous funding of \$70,000 and including in the FY26 Current Expense Budget if awarded.**

- 3. Lack of Support - Reforest Prgm-Land Acquisition (Project #C531200, p. 27) –**
The FY25 Proposed Capital Budget and Program provides \$500,000 in FY25 Reforestation-Forest Conservation Funds for this project. However, the Administration was not able to provide a list of proposed FY25 land acquisitions.

4. **Lack of Support – Lack of State Grant Funding – Rural Legacy Program (Project #C543800, p. 31)** – The FY25 Proposed Capital Budget and Program provides \$75,000 in FY25 General County Bonds and \$1,500,000 in FY25 Other State Grants. The Administration has applied for \$2,500,000 in State Rural Legacy Program grant funding, but the award is still pending. The Administration was not able to provide a list of actual FY23 acquisitions, actual/expected FY24 acquisitions, and proposed FY25 acquisitions.
5. **Historical Spending Reduction – Failed Sewage & Private Well Fnd (Project #C501100, p. 25)** – As of May 1, 2024, this project had an available project balance of \$185,000. The average annual expenses in this project are \$38,000. There is a sufficient available balance for the Administration to perform planned tasks of \$53,000 and the remaining project funds would be available for any unplanned tasks. **We recommend deleting the FY25 General Fund PAYGO of \$80,000.**
6. **Calculation Error – Parking Garages Repair/Renov (Project #C571700, p. 36)** – Our review disclosed calculation errors in the project cost estimates. As a result, the Administration reduced the project budget by \$509,000. **Therefore, we recommend reducing FY25 General Fund PAYGO by \$14,000, and reducing FY26 General County Bonds by \$495,000.**
7. **Calculation Error – Millersville Garage Renovation (Project #C571800, p. 37)** – Our review disclosed a calculation error in the project cost estimates. As a result, the Administration reduced the project budget by \$337,000. **Therefore, we recommend reducing FY26 General County Bonds by \$337,000.**
8. **Calculation Error – West County Road Ops Yard (Project #C580000, p. 40)** – Our review disclosed calculation errors in the project cost estimates. As a result, the Administration reduced the project budget by \$1,112,000. The proposed FY25 budget included a reduction of \$673,000 in prior approved General County Bonds. **We recommend reducing an additional \$1,112,000 in prior approved General County Bonds.**
9. **Calculation Error – Circuit Courthouse Major Reno (Project #C585700, p. 43)** – Our review disclosed calculation errors in the project cost estimates. As a result, the Administration reduced the project budget by \$993,000. **Therefore, we recommend reducing FY26 General County Bonds by \$513,000, reducing FY27 General County Bonds by \$408,000, and reducing FY28 General County Bonds by \$72,000.**
10. **Increase in funding – Information Technology Enhancement (Project #C519600, p. 26)** – The FY25 Proposed Capital Budget and Program includes FY25 funding of \$23,711,500 (an increase of \$11,437,000 from the FY24 Approved Capital Budget and Program), including \$21,407,000 in General Fund PAYGO for the Computer Aided Dispatch

911 system replacement (expected cost of \$7,500,000 to \$9,000,000) and the new financial system upgrade (expected cost of \$13,000,000 to \$15,000,000), both of which are expected to take two years to implement. Additionally, the Detention system (expected cost of \$1,300,000) and Billing system (MUNIS with a cost not yet known) need to be updated. Multi-factor authentication tokens (expected cost of \$112,000) will also be purchased under this project. We are still working with the Administration to obtain quality support for the expected costs under this entire project.

11. **Project will be closed – Wired Broadband Access (Project #C586200, p. 62)** – As of May 1, 2024, this project had an available balance of \$226,600. There was no FY25 funding request and the Administration advised that the entirety of the currently appropriated funds will be used and the project closed out by December 31, 2025 per the ARP Grant terms.

12. **Resilience Authority** – The Administration advised that the implementation of EV Charging St & Oth Grn Tech (Project #C582800, p. 42) was transferred to the Resilience Authority, and the County will partner with the Resilience Authority to manage Glen Burnie Plz Redevelopment (Project #C591300, p. 49).

Appendix: Chart Data

FY25 Proposed Capital Budget and Program vs FY24 Approved

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	95,314,668	79,861,798	45,102,100	28,407,000	25,198,000	21,687,000	21,687,000	221,942,898
Paygo	116,724,665	38,877,702	2,129,900	1,478,000	1,478,000	1,478,000	1,478,000	46,919,602
Impact Fees	-	-	-	-	-	-	-	-
Grants & Aid	32,080,666	13,413,000	5,000,000	4,800,000	4,800,000	4,800,000	4,800,000	37,613,000
Bond Premium & Other	72,793,332	7,980,000	6,420,000	6,350,000	1,350,000	1,350,000	1,350,000	24,800,000
FY25 Proposed	316,913,331	140,132,500	58,652,000	41,035,000	32,826,000	29,315,000	29,315,000	331,275,500
FY24 Approved	365,889,041	76,175,500	35,956,000	36,196,000	29,308,000	27,815,000		205,450,500



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Library (L Class)

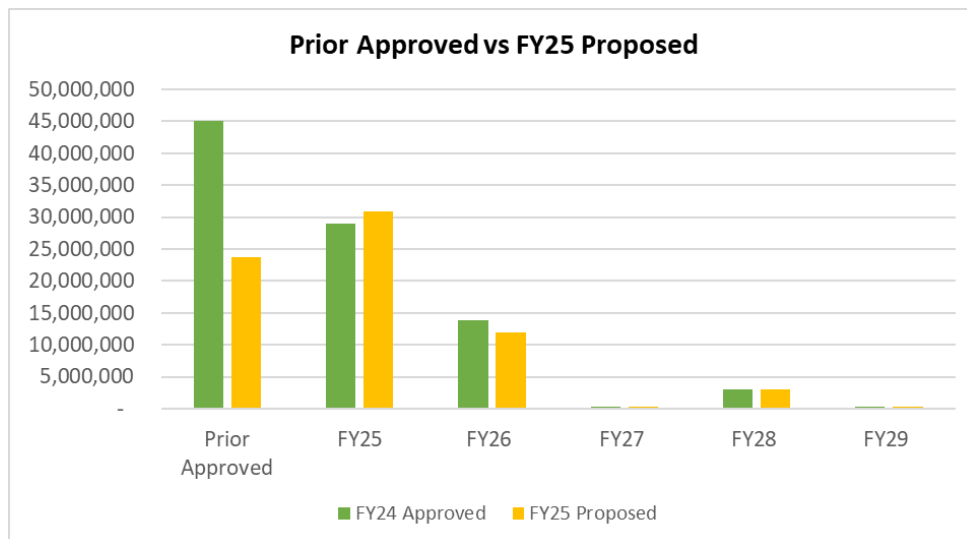
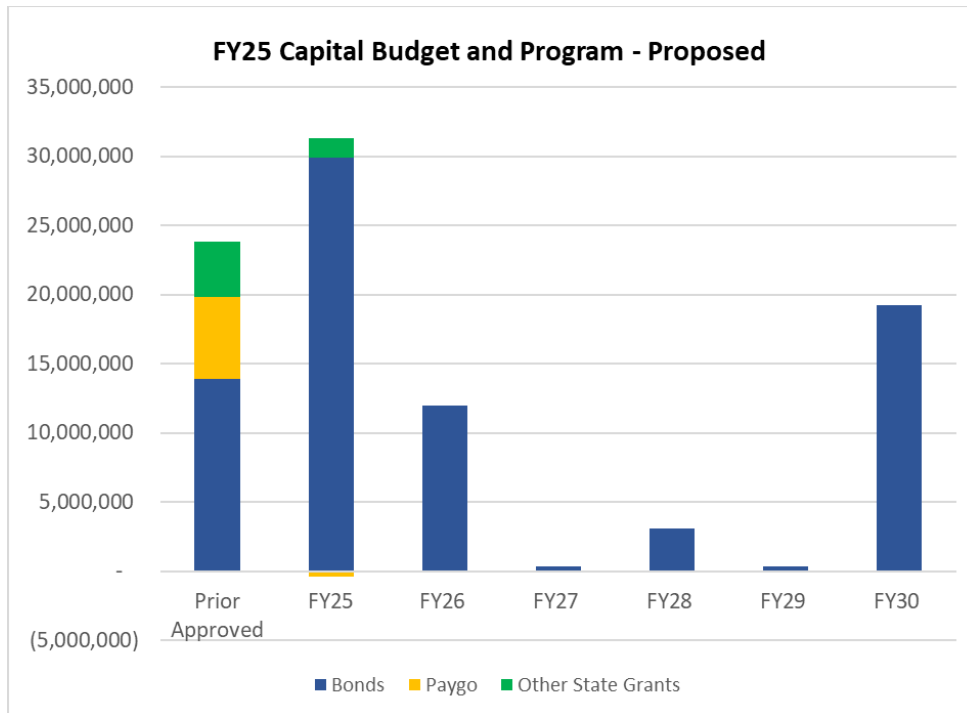
Report Date: May 12, 2024
Hearing Date: May 13, 2024

Questions Sent to Agency:	Thursday, April 25, 2024
Responses Received from Agency:	Thursday, May 2, 2024

This analysis considers all agency responses.

Library (L Class)

Capital Budget Summary



- The Proposed Capital Budget and Program includes 8 projects: 5 stand-alone/one-time and 3 multi-year/recurring.
- New project funding is provided for Brooklyn Park Lib Elevator (Project #L590700) for \$407,000 in FY25 General Fund PayGo.
- State infrastructure funding assumptions: New Glen Burnie Library (Project #L576100) has FY25 Other State Grants funding of \$1,398,000 as shown in the state capital budget bill.

Capital Budget – Key Observations

1. **Project Description – Brooklyn Park Lib Elevator (Project #L590700)** – The FY25 funding of \$407,000 in General Fund PAYGO is for project design costs. Please note that while this project is for the construction of an elevator and associated floor plan changes to the building to provide for safe circulation to and around the new elevator, it also includes a study to develop options for exterior envelope (window) improvements, the addition of sprinklers, lighting and window treatment replacement, parking lot and sidewalk improvements, and the addition of four electric vehicle spaces at the Library per the cost estimate calculation and related facility assessment.

2. The following are key observations planned for certain multiyear projects:

Library Renovation (Project #L479600) - The FY25 request of \$820,000 in General County Bonds includes projects at library headquarters for the Information Technology Department and at the Linthicum, Deale, Severna Park, and Edgewater Libraries.

Library Proj Plan (Project L542400) - The FY25 request of \$500,000 in General Fund PAYGO is for feasibility studies totaling \$250,000 each for the Crofton Library Meeting Room Expansion and the Deale Library Expansion.

Appendix: Chart Data

FY24 Capital Budget and Program Approved vs FY25 Prior Approved

Funding Source	FY24 Prior Approved	FY24 Approved	Prior Approved
Bonds	-	-	13,902,146
Paygo	-	-	5,931,564
Impact Fees	-	-	-
Grants & Aid	-	-	-
Other State Grants	-	-	3,960,564
FY25 Proposed	-	-	23,794,274
FY24 Approved	41,067,570	3,992,000	45,059,570

FY24 Approved vs FY25 Proposed

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	13,902,146	29,877,000	12,004,000	350,000	3,047,000	350,000	19,221,500	64,849,500
Paygo	5,931,564	(381,000)	-	-	-	-	-	(381,000)
Impact Fees	-	-	-	-	-	-	-	-
Grants & Aid	-	-	-	-	-	-	-	-
Other State Grants	3,960,564	1,398,000	-	-	-	-	-	1,398,000
FY25 Proposed	23,794,274	30,894,000	12,004,000	350,000	3,047,000	350,000	19,221,500	65,866,500
FY24 Approved	45,059,570	28,999,000	13,901,000	350,000	3,021,000	350,000		46,621,000



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Public Safety (F Class)

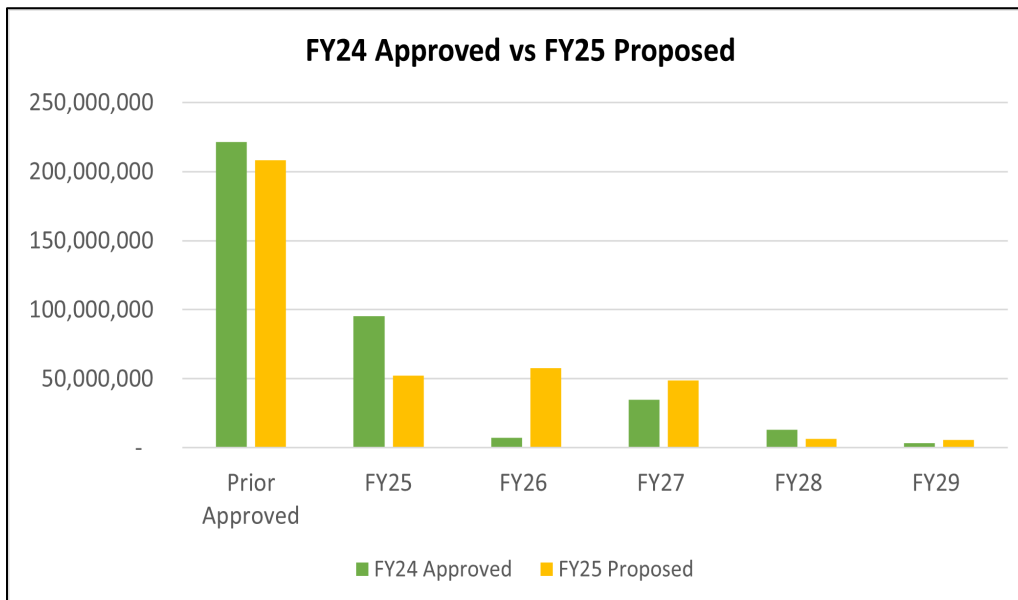
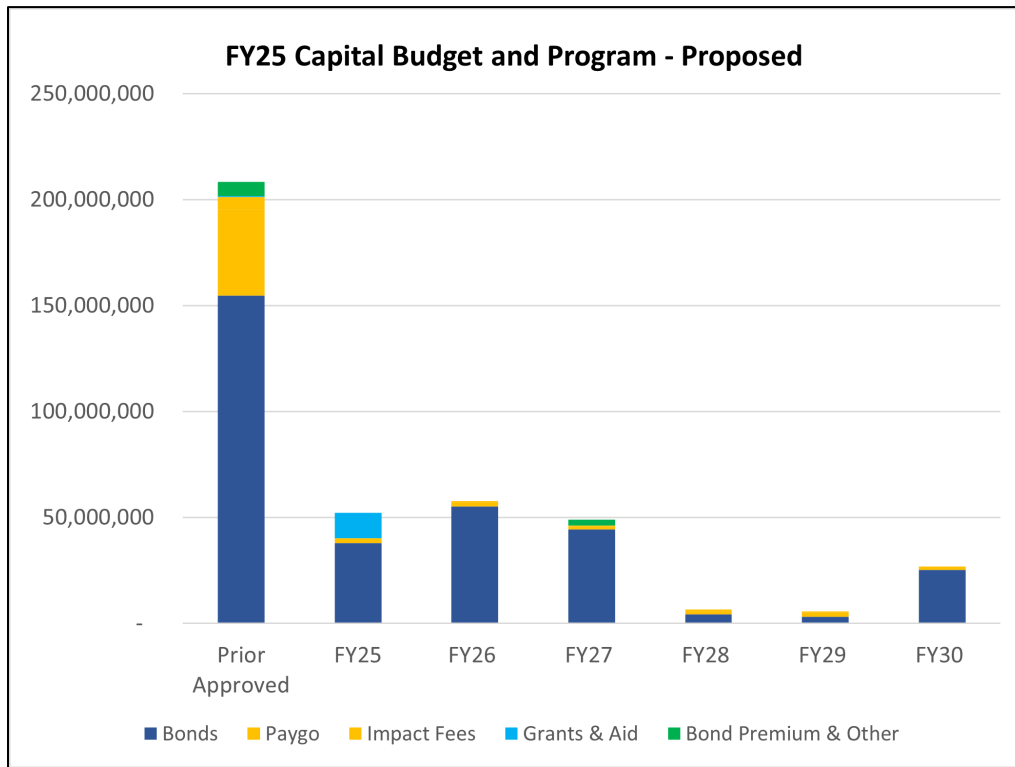
Report Date: May 22, 2024
Hearing Date: May 23, 2024

Questions Sent to Agency:	April 15, 2024; May 2, 2024; May 9, 2024; May 15, 2024; & May 17, 2024
Responses Received from Agency:	May 3; May 7, 2024; May 15, 2024; & May 21, 2024

This analysis considers all agency responses.

Public Safety (F Class)

Capital Budget Summary



Note: Chart data provided in the Appendix

- The two projects receiving the largest FY25 funding amounts in the FY25 Proposed Capital Budget are:
 - \$23,626,000 for New Police Firing Range (Project #F586600, p. 83 of the capital budget book), and
 - \$23,331,000 for Joint 911 Public Safety Ctr (Project #F586400, p. 82).
- The FY25 Proposed Capital Budget and Program includes 33 projects: 24 stand-alone/one-time and 9 multi-year/recurring.
- There are no new projects added to the FY25 Proposed Capital Budget and Program for Public Safety.
- There are four projects with significant project funding increases in the FY25 Proposed Capital Budget and Program:
 - Fire Training Academy (Project #F580200, p. 74), adds \$7,266,000 of General County Bonds to the project and moves \$7,950,000 of General County Bonds to FY26 for utility installation to the site. The FY30 General County Bonds of \$7,131,000 was added for site remediation. The construction of the Fire Training Academy is beyond the six-year program and is not included in the project total.
 - Arundel Fire Station Replace. (Project #F582900, p. 77), adds \$4,728,000 of General County Bonds to the project and increases FY29 General County Bonds of \$1,811,000 for land acquisition and adds General County Bonds of \$2,917,000 in FY30 for design. The construction of the Arundel Fire Station Replace. Project is beyond the six-year program and is not included in the project total.
 - Waugh Chapel Fire Station Repl (Project #F583000, p. 78), adds \$11,454,000 of General County Bonds to the project, moves General County Bonds of \$3,255,000 for design to FY28, and adds General County Bonds of \$14,144,000 for the initial construction phase to FY30. The total construction cost of the Waugh Chapel Fire Station Repl is beyond the six-year program and is not included in the project total.
 - New Northern Dist Pol Station (Project #F589500, p. 84), adds \$16,050,000 of General County Bonds to the project for design and construction costs. The Administration has determined that the new building will be built at the current station location. Design is anticipated to begin by August 2024.
- Federal and state infrastructure funding assumptions: Joint 911 Public Safety Ctr (Project #F586400, p. 82) has FY25 Other Fed Grants funding of \$2,000,000 from the US Federal Emergency Management Agency and FY25 Other State Grants funding of \$10,000,000 as shown in the state capital budget bill.

Capital Budget – Key Observations and Recommendations

1. **Calculation Error – Police Training Academy (Project #F563000, p. 87)** – Our review disclosed calculation errors in the project cost estimates for phase 2. As a result, the Administration reduced the project budget for phase 2 by \$170,000. **Therefore, we recommend reducing prior approved General County Bonds by \$170,000.**
2. **Project Complete – New Police C.I.D. Facility (Project #F572800, p. 90)** – This project is complete and the Administration has determined that project funds can be reduced by \$90,000. **Therefore, we recommend reducing prior approved Public Safety Impact Fees by \$90,000.**
3. **Cost Estimate – Evidence & Forensic Sci Unit (Project #F575100, p. 93)** – Our review disclosed that a contract was awarded for construction (\$24,369,234); however, a higher cost estimate was used to determine the overall project cost (\$26,349,000). In addition, the project includes contingency funds of \$2,750,200. The Administration would like to retain the excess in the project for potential future changes. In light of the existing contingency provision and the existence of a contract award, we recommend reducing the project budget to the estimated cost using the contract award amount. **Therefore, we recommend reducing prior approved General County Bonds by \$2,095,000.**
4. **Project Complete – Zetron Tone Generator (Project #F580400, p. 96)** – This project is complete and the Administration has determined that project funds can be reduced by \$90,000. **Therefore, we recommend reducing prior approved General Fund PAYGO by \$90,000.**

Appendix: Chart Data

FY25 Proposed Capital Budget and Program vs 24 Approved

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	154,587,358	37,821,000	55,164,000	44,310,000	4,278,000	3,139,000	25,117,000	169,829,000
General Fund PAYGO	40,613,935	2,358,760	1,804,760	1,315,860	1,561,860	1,922,360	1,750,000	10,713,600
Impact Fees	6,071,800	-	700,000	600,000	800,000	500,000	-	2,600,000
Grants & Aid	471,500	12,000,000	-	-	-	-	-	12,000,000
Bond Premium & Other	6,508,000	-	-	2,692,000	-	-	-	2,692,000
FY25 Proposed	208,252,593	52,179,760	57,668,760	48,917,860	6,639,860	5,561,360	26,867,000	197,834,600
FY24 Approved	221,312,494	95,419,300	7,398,000	34,903,900	13,229,900	3,460,360	-	154,411,460



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Recreation & Parks (P Class)

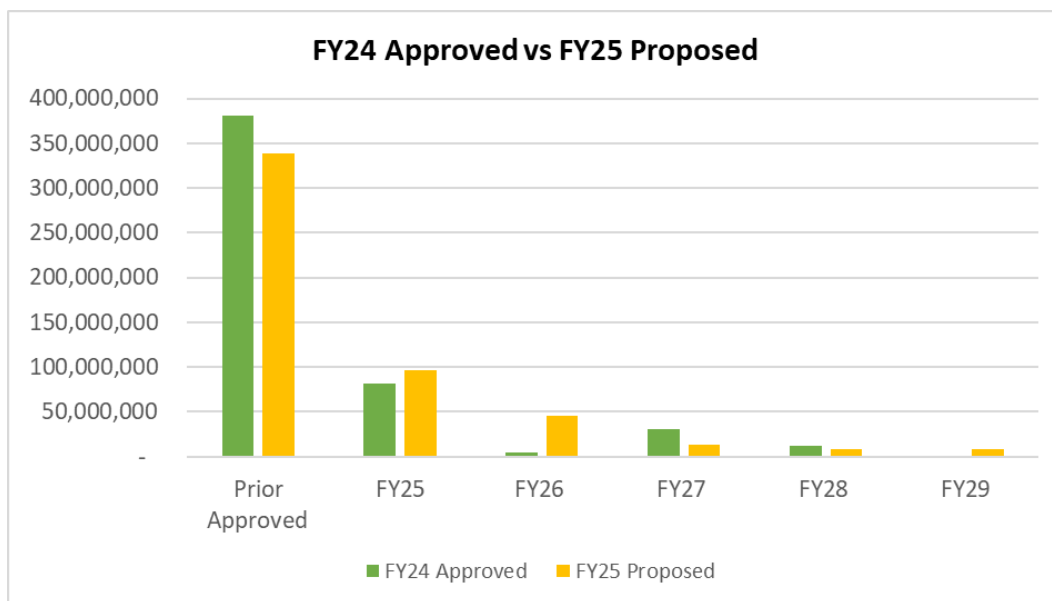
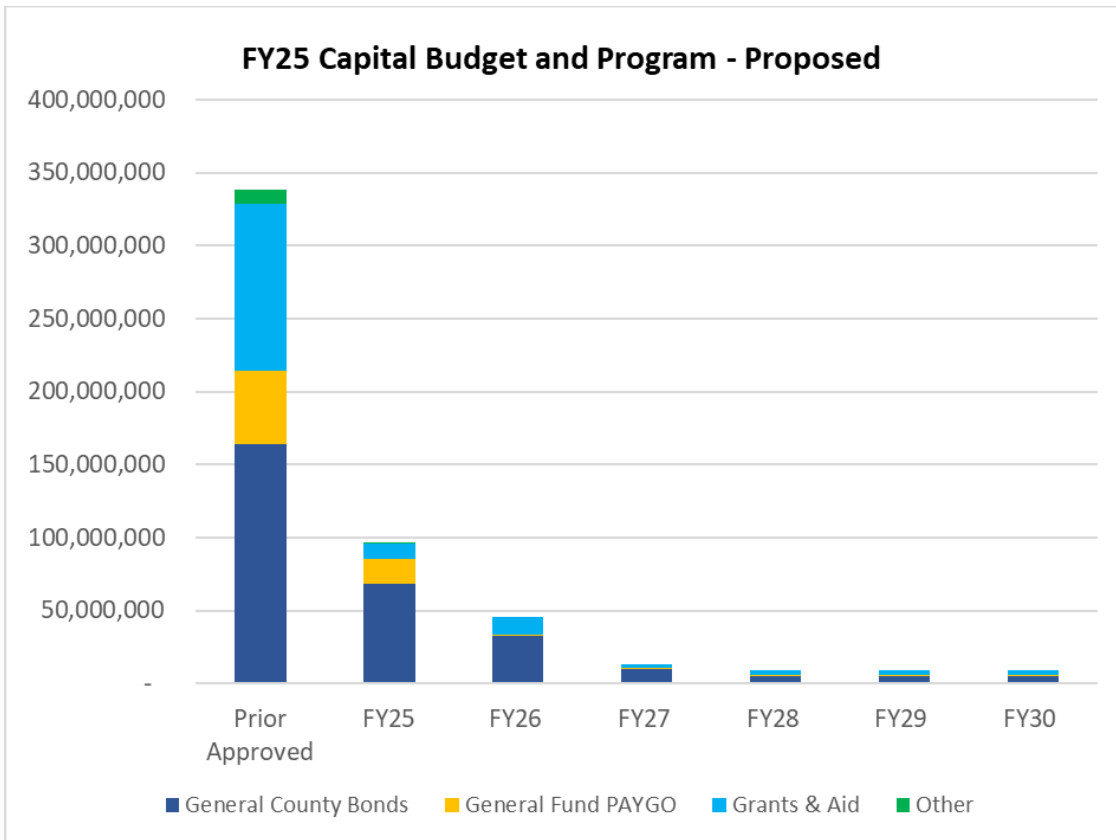
Report Date: May 20, 2024
Hearing Date: May 21, 2024

Questions Sent to Agency:	April 25, 2024; May 18, 2024
Responses Received from Agency:	May 2, 2024, May 3, 2024, & May 9, 2024; Waiting on Responses

This analysis considers all agency responses.

Recreation & Parks (P Class)

Capital Budget Summary



Note: Chart data provided in the Appendix

- The five projects receiving the largest FY25 funding amounts in the FY25 Proposed Capital Budget are:
 - \$15,926,000 for Eisenhower Golf Course (Project #P570200, p. 120 of the capital budget book),
 - \$14,192,000 for Brooklyn Park Community Center (Project #P579000, p. 126),
 - \$11,483,000 for Edgewater Reg Recr Imprv (Project #P592600, p. 135),
 - \$9,869,000 for Stream/Shoreline Erosion Ctrl (Project #P468700, p. 111), and
 - \$8,200,000 for Park Renovation (Project #P479800, p. 112).
- The FY25 Proposed Capital Budget and Program includes 51 projects: 42 stand-alone/one-time and 9 multi-year/recurring.
- New project funding is provided for:
 - Davidsonville Rec Ctr Reno (Project #P592500, p. 134) for \$664,000 in FY25 General Fund PAYGO and \$2,439,000 in FY26 General County Bonds for the planning, design, permitting, and construction of facility and fields replacement and improvements at the Davidsonville Recreation Center.
 - Edgewater Reg Recr Imprv (Project #P592600, p. 135) for \$9,671,037 in FY25 General County Bonds, \$1,000,000 in FY25 General Fund PAYGO, and \$811,963 in FY25 POS-Development funding for design and construction activities associated with an existing building that will result in a new community center.
 - Marley Creek Regional Park (Project #P592700, p. 136) for \$676,000 in FY25 General Fund PAYGO, \$530,000 in FY26 General County Bonds, and \$4,197,000 in FY27 General County Bonds for the planning, design, permitting, and construction of a new Glen Burnie Area Regional Park.
- Significant changes in project scheduling include:
 - West County Swim Center (Project #P579900, p. 148) removal of \$18,457,000 in FY26 General County Bonds due to the lack of a finalized location.
 - Odenton Library Community Park (Project #P584400, p. 151) removal of \$3,667,000 in FY26 General County Bonds due to not acquiring the nearby section of railroad tracks for Phase 2.
- Two projects reflect allocation of American Rescue Plan Act funding, which must be obligated by December 31, 2024 and expended by December 31, 2026:
 - \$1,320,000 for Facility Lighting (Project #P445800, p. 108), and
 - \$1,000,000 for Brooklyn Park Community Center (Project #P579000, p. 126).

Capital Budget – Key Observations and Recommendations

- 1. Project Schedule Changes – WB & A Trail (Project #P393600, p. 106)** – The FY25 Proposed Capital Budget and Program provides \$1,457,000 in FY25 General County Bonds, \$500,000 in FY25 General Fund PAYGO, and reflects a \$266,000 decrease in FY25 Other State Grants. An alignment study is still underway and design has not begun for the Phase 4 project. We are still working with the Administration to understand the procurement timeline and related funding requirements.
- 2. Inadequate Support – Facility Lighting (Project #P445800, p. 108)** – The FY25 Proposed Capital Budget and Program provides \$1,320,000 in FY25 ARP funding and \$90,000 in FY25 General County Bonds. The proposed FY25 project list totals \$950,000, \$460,000 less than budgeted, and reflects \$450,000 for Maryland City Park and \$500,000 for Bachman Sports Complex. The proposed FY25 budget also allocates \$121,000 to a DRP pass through, which we are still working with the Administration to understand. **Therefore, we recommend deleting \$90,000 in FY25 General County Bonds and reducing FY25 ARP funding by \$249,000.**
- 3. Inadequate Support – R & P Project Plan (Project #P452500, p. 109)** – The FY25 Proposed Capital Budget and Program provides \$1,363,000 in FY25 General Fund PAYGO and \$25,000 in FY25 POS-Acquisition funding. FY25 funding is provided for seven projects including: Biannual Bridge Inspections (\$250,000), Compass Point Golf Course Needs Assessment (\$200,000), West County Parks Study (Grover Rd/Two Rivers) (\$250,000), South County Recreation Center Needs/Feasibility Study (\$250,000), and Master Planning Lake Shore Trail (\$200,000). The proposed FY25 project list totals \$1,325,000, \$63,000 less than budgeted. **Therefore, we recommend reducing FY25 General Fund PAYGO by \$63,000.**
- 4. Project Schedule Changes – Stream/Shoreline Erosion Ctrl (Project #P468700, p. 111)** – The FY25 Proposed Capital Budget and Program provides \$9,369,000 in FY25 General County Bonds, \$500,000 in FY25 General Fund PAYGO, and \$13,488,000 in FY26 General County Bonds. The child project (Project #P468719) at Quiet Waters Park has not begun design, funding is budgeted for construction in FY26, and the projected bid date is uncertain. We are still working with the Administration to understand the procurement timeline and related funding requirements.
- 5. Revised Estimate - N Arundel Swim Ctr Campus Imp (Project #P570000, p. 119)**
The FY25 Proposed Capital Budget and Program provides \$3,002,000 in FY25 General County Bonds, which includes \$1,000,000 for lighting the new facilities. This lighting estimate exceeds the most expensive FY24 lighting project budgeted in Facility Lighting (Project #P445800, p. 108), which is \$610,000 for Northeast Middle School, as well as the average FY24 project cost of \$475,000. We are still working with the Administration to understand funding requirements.

6. **Bid Under Estimate – Brooklyn Park Community Center (Project #P579000, p. 126)** – The FY25 Proposed Capital Budget and Program provides \$11,942,000 in FY25 General County Bonds, \$1,000,000 in FY25 in General Fund PAYGO, \$1,000,000 in FY25 ARP Grant funding, and \$250,000 in FY25 Other State Grants funding. A project construction bid was \$1,200,000 less than estimated, but an unforeseen condition is requiring redesign of water services at an estimated cost of \$500,000. We are still working with the Administration to understand the procurement timeline and related funding requirements.

7. **Project Schedule Changes – South Shore Trail (Project #P372000, p. 105)** – The FY25 Proposed Capital Budget and Program provides \$3,443,781 in FY25 General County Bonds, \$75 in FY25 POS-Acquisition funds, and \$7,144 in FY25 POS-Development funds. The project has been deferred due to property acquisition challenges, and the County may secure state Transportation Alternatives Program grant funding for the project. We are still working with the Administration to understand the procurement timeline and related funding requirements.

Appendix: Chart Data

FY25 Proposed Capital Budget and Program vs FY24 Approved

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
General County Bonds	164,253,032	68,420,273	32,843,000	9,723,000	5,222,000	5,222,000	5,222,000	126,652,273
General Fund PAYGO	49,928,524	16,806,000	500,000	646,000	500,000	500,000	500,000	19,452,000
Impact Fees	-	-	-	-	-	-	-	-
Grants & Aid	114,725,226	10,901,154	12,594,000	3,025,000	3,025,000	3,025,000	3,025,000	35,595,154
Other	9,789,666	499,545	-	-	-	-	-	499,545
FY25 Proposed	338,696,449	96,626,972	45,937,000	13,394,000	8,747,000	8,747,000	8,747,000	182,198,972
FY24 Approved	380,426,898	81,728,000	4,844,000	30,116,000	11,488,000	1,428,000		129,604,000



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Roads and Bridges (H Class)

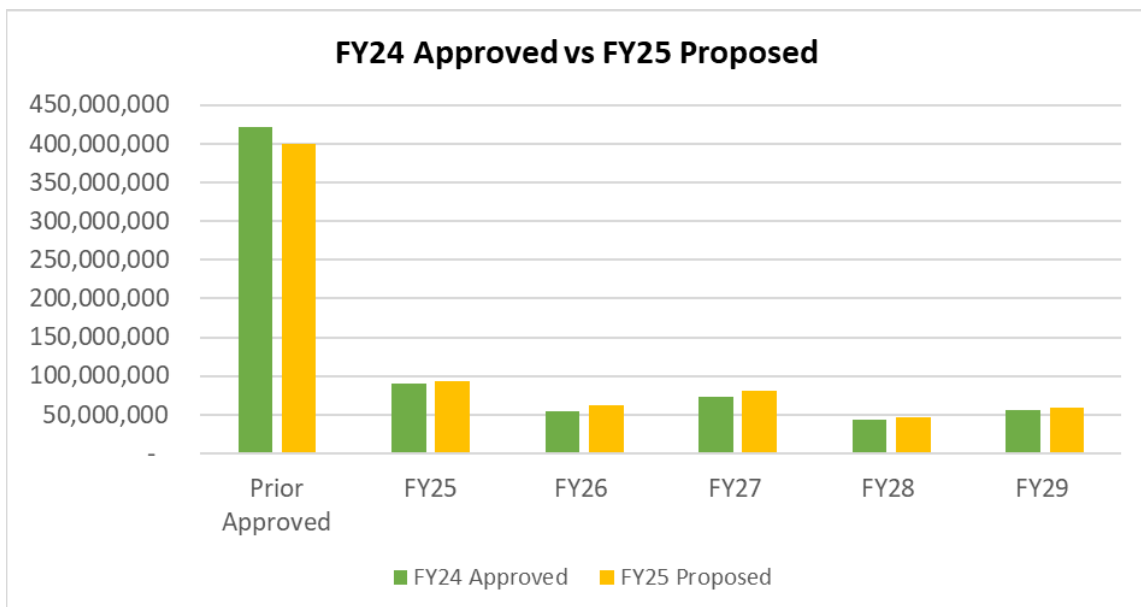
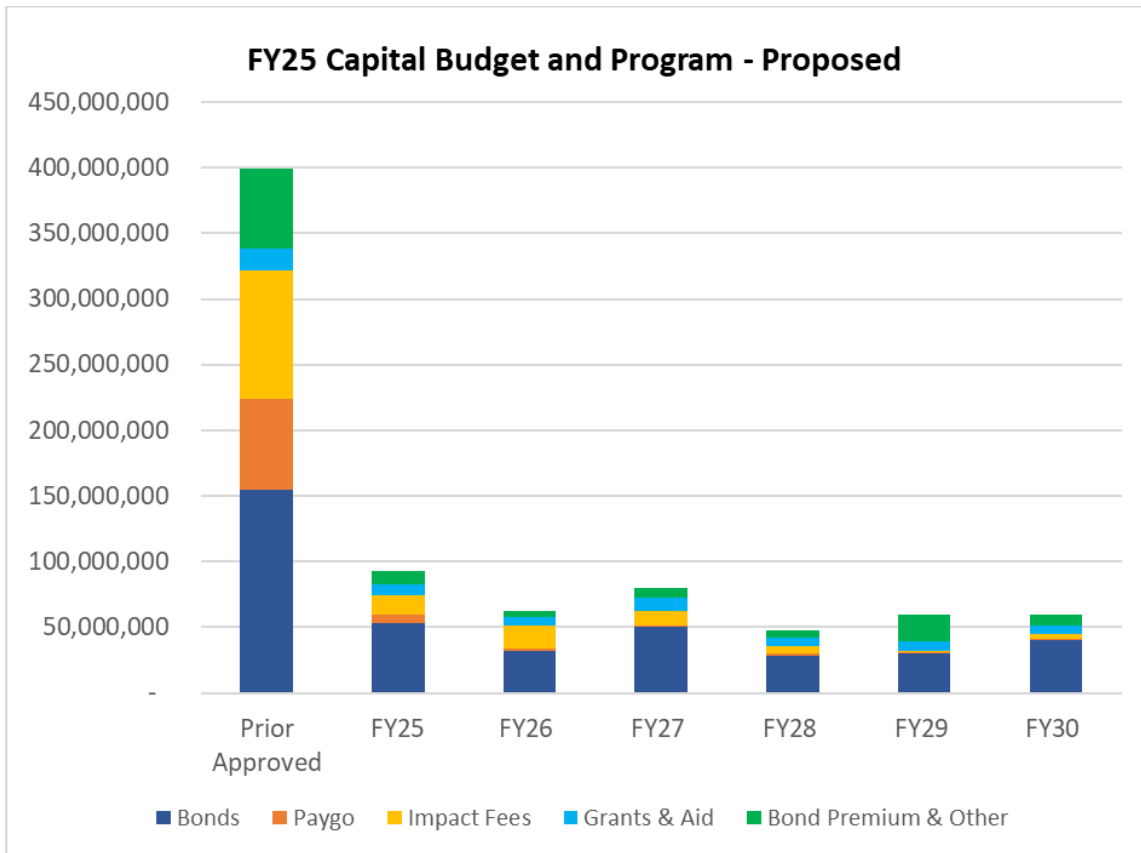
Report Date: May 15, 2024
Hearing Date: May 16, 2024

Questions Sent to Agency:	May 3, 2024; Multiple Additional Rounds
Responses Received from Agency:	May 8, 2024; Waiting on Certain Responses

This analysis considers all agency responses.

Roads and Bridges and Traffic (H Class)

Capital Budget Summary



Note: Chart data provided in the Appendix

- The four projects receiving the largest FY25 funding amounts in the FY25 Proposed Capital Budget are:
 - \$15,175,000 for Road Resurfacing (Project #H478600, p. 163 of the capital budget book),
 - \$13,032,000 for BWI Trail Ext/Belle Grove Imp (Project #H590500, p. 206),
 - \$12,427,000 for Jumpers Hole Rd Improvements (Project #H575600, p. 182), and
 - \$11,975,000 for Rd Reconstruction (Project #H478900, p. 166).
- The FY25 Proposed Capital Budget and Program includes 78 projects: 58 stand-alone/one-time and 20 multi-year/recurring.
- Three projects replace previously approved FY25 funding amounts with new funds from different sources:
 - Road Resurfacing (Project #H478600, p. 163) replaces \$4,000,000 in General County Bonds with Bond Premium.
 - Rd Reconstruction (Project #H478900, p. 166) replaces \$4,500,000 in General County Bonds with Bond Premium.
 - Jumpers Hole Rd Improvements (Project #H575600, p. 182) replaces \$4,500,000 in Hwy Impact Fees Dist 3 with General County Bonds.
- New project funding is provided for the following:
 - Gambrills/Dicus Mill Rd Imprv (Project #H591900, p. 208) for \$1,439,000 in General Fund PAYGO with design and land costs budgeted in FY25.
 - Brooklyn Park Mobility Imprv (Project #H592000, p. 209) for \$1,208,000 in General Fund PAYGO with design costs budgeted in FY25.
 - Forest Drive Safety Imprv (Project #H592100, p. 210) for \$617,000 in General Fund PAYGO with design and construction costs budgeted in FY25.
 - Stevenson Dr School Acc Imprv (Project #H592200, p. 211) for \$254,000 in General Fund PAYGO with design costs budgeted in FY25.
- Route 3 Improvements (Project #H581600, p. 187) to add an additional westbound lane on Millersville Road at MD 3 NB intersection which increased the project by approximately \$900,000.

Capital Budget – Key Observations and Recommendations

- 1. Calculation Error – Town Cntr To Reece Rd (Project #H371200, p. 213) –** Our review disclosed calculation errors in the project cost estimates. As a result, the Administration reduced the project budget by \$316,000. **Therefore, we recommend reducing FY25 Hwy Impact Fees Dist 4 funds by \$316,000.**
- 2. Grant Funding Error – Trans Facility Planning (Project #H539600, p. 171) –** Our review disclosed an error in the Other State Grants amount funding listed in the FY25 Proposed Budget. **Therefore, we recommend deleting FY25 Other State Grants by \$80,000 to agree with the related award amount.**
- 3. Calculation Error and Reduced Cost Estimates – Hanover Road Corridor Imprv (Project #H566700, p. 178) –** Our review disclosed that due to a correction of a

calculation error and the correction of an error in state funding, the overall project budget was reduced by \$800,000. **Therefore, we recommend deleting the FY25 Hwy Impact Fees Dist 1 funds of \$250,000 and reducing FY29 Developer Contribution funds by \$550,000.**

4. **Calculation Error – Odenton Area Sidewalks (Project #H579700, p. 226)** – Our review disclosed a calculation error in the project cost estimate that reduced the project costs by \$64,000. **Therefore, we recommend reducing prior approved General County Bonds by \$64,000.**
5. **Contract Awarded/Costs Reduced – Oakwood/Old Mill Blvd Roundabo (Project #H583500, p. 234)** – A construction contract was awarded for less than the Administration’s estimate resulting in an overall reduction in project costs of \$290,000. **Therefore, we recommend reducing prior approved Hwy Impact Fees Dist 1 funds or PPI Bonds by \$290,000.**
6. **Change in Cost Estimate – Pleasant Plains Rd Safety Im (Project #H583700, p. 191)** – The Administration revised the project’s utility cost estimate resulting in a project cost reduction of \$828,000. **Therefore, we recommend deleting the FY25 General County Bonds of \$275,000 and reducing prior approved General County Bonds by \$553,000.**
7. **Calculation Error – Duvall Hwy Access Imp (Project #H583800, p. 192)** – Our review disclosed a calculation error in the project cost estimate that reduced the project costs by \$157,000. **Therefore, we recommend reducing FY25 Hwy Impact Fees Dist 2 funds by \$157,000.**
8. **Calculation Error – Bluewater/Milestone SUPs (Project #H587300, p. 199)** – Our review disclosed a calculation error in the project cost estimate that reduced the project costs by \$146,000. **Therefore, we recommend reducing FY25 General County Bonds by \$146,000.**
9. **Calculation Error – Ridge Rd Improvements (Project #H589800, p. 202)** – Our review disclosed a calculation error in the project cost estimate that reduced the project costs by \$315,000. **Therefore, we recommend reducing FY25 General County Bonds by \$315,000.**

Appendix: Chart Data

FY25 Proposed Capital Budget and Program vs FY24 Approved

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	155,086,859	52,911,300	31,549,760	50,064,860	28,604,860	30,185,360	40,073,000	233,389,140
Paygo	68,669,354	6,585,700	1,776,240	1,296,140	1,050,140	689,640	862,000	12,259,860
Impact Fees	97,919,219	15,189,000	17,614,000	11,402,000	6,185,000	1,000,000	4,269,000	55,659,000
Grants & Aid	16,782,453	8,287,000	6,550,000	9,833,000	6,550,000	7,550,000	6,550,000	45,320,000
Bond Premium & Other	60,619,796	9,946,000	5,000,000	7,500,000	4,850,000	20,235,000	7,976,000	55,507,000
FY25 Proposed	399,077,681	92,919,000	62,490,000	80,096,000	47,240,000	59,660,000	59,730,000	402,135,000
FY24 Approved	422,186,097	90,841,000	54,223,000	73,561,000	43,917,000	55,597,000		318,139,000



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Waste Management (N Class)

Report Date: May 15, 2024

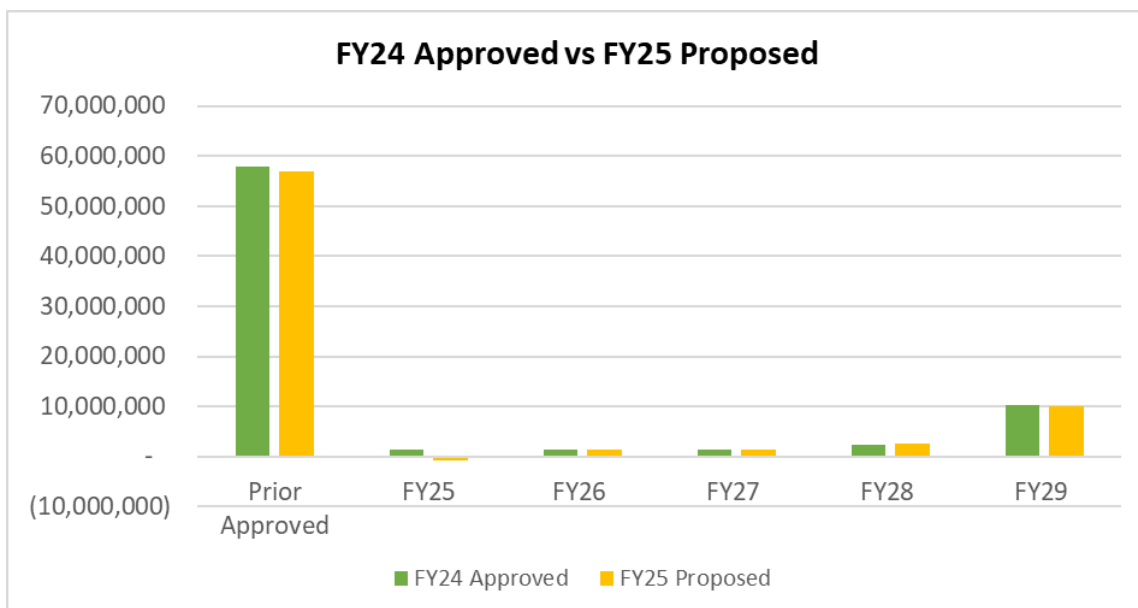
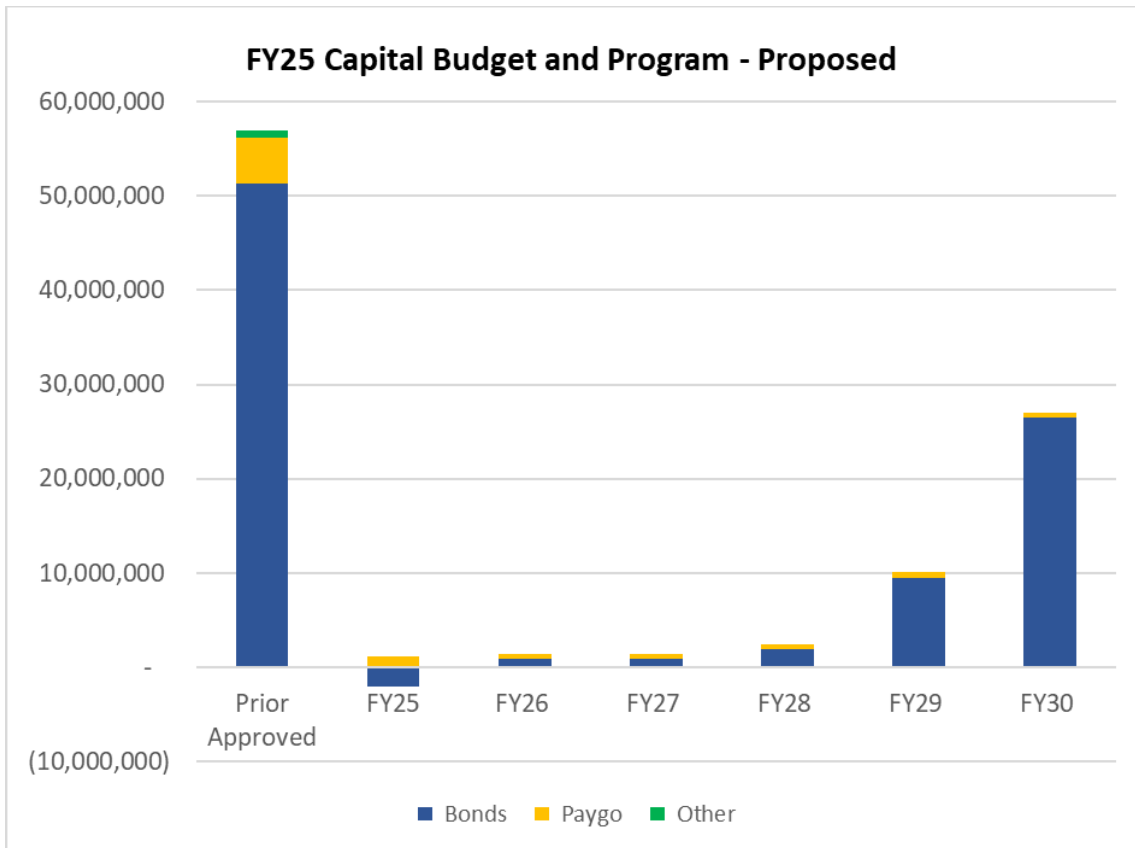
Hearing Date: May 16, 2024

Questions Sent to Agency:	April 28, 2024
Responses Received from Agency:	May 2, 2024

This analysis considers all agency responses.

Waste Management (N Class)

Capital Budget Summary



Note: Chart data provided in Appendix

- The FY25 Proposed Capital Budget and Program includes 12 projects: 10 stand-alone/one-time and 2 multi-year/recurring.
- Funding Changes to three existing projects in the FY25 Proposed Capital Budget:
 - \$586,000 increase of Solid Wst Mgmt PAYGO for SW Project Planning (Project #N422700, p. 366 of the capital budget book) for design work related to several projects, including a pre-treatment technology and pilot organics processing project, and maintenance building improvements at the Millersville Landfill and Resource Recovery Facility.
 - \$2,040,000 increase in Solid Waste Bonds (\$1,485,000) and Solid Wst Mgmt PAYGO (\$555,000) for Solid Waste Renovations (Project #N526900, p. 367) for 12 potential projects, such as Northern Recycling Center Maintenance Building Renovation.
 - \$3,489,000 reduction in Solid Waste Bonds to MLF Subcell 9.3 Design/Const. (Project #N578800, p. 368) at the Millersville Landfill and Resource Recovery Facility due to updated cost estimates. The project is out to bid and the Department of Public Works (DPW) is currently scheduled to receive bids on May 30, 2024.

Capital Budget – Key Observation

1. **Funding for Landfill Buffer Exp (Project #N535400, p. 374)** – As of March 31, 2024, this project had a fund balance of \$1,745,120. The FY24 budget included \$1,314,000 to support for two potential property acquisitions located adjacent to the Millersville Landfill and Resource Recovery Facility complex. DPW advised this funding is being maintained since there has been intermittent contact with both homeowners who have expressed interest in potentially selling their properties to the County based on a letter sent by DPW in October 2022.

Appendix: Chart Data

FY25 Proposed Capital Budget and Program vs FY24 Approved

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	51,276,910	(2,034,000)	885,000	885,000	1,925,000	9,500,000	26,469,000	37,630,000
Paygo	4,906,902	1,141,000	555,000	555,000	555,000	555,000	555,000	3,916,000
Impact Fees	-	-	-	-	-	-	-	-
Grants & Aid	-	-	-	-	-	-	-	-
Other	750,000	-	-	-	-	-	-	-
FY25 Proposed	56,933,812	(893,000)	1,440,000	1,440,000	2,480,000	10,055,000	27,024,000	41,546,000
FY24 Approved	57,924,016	1,440,000	1,440,000	1,440,000	2,287,000	10,287,000		16,894,000



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Wastewater (S Class)

Report Date: May 15, 2024

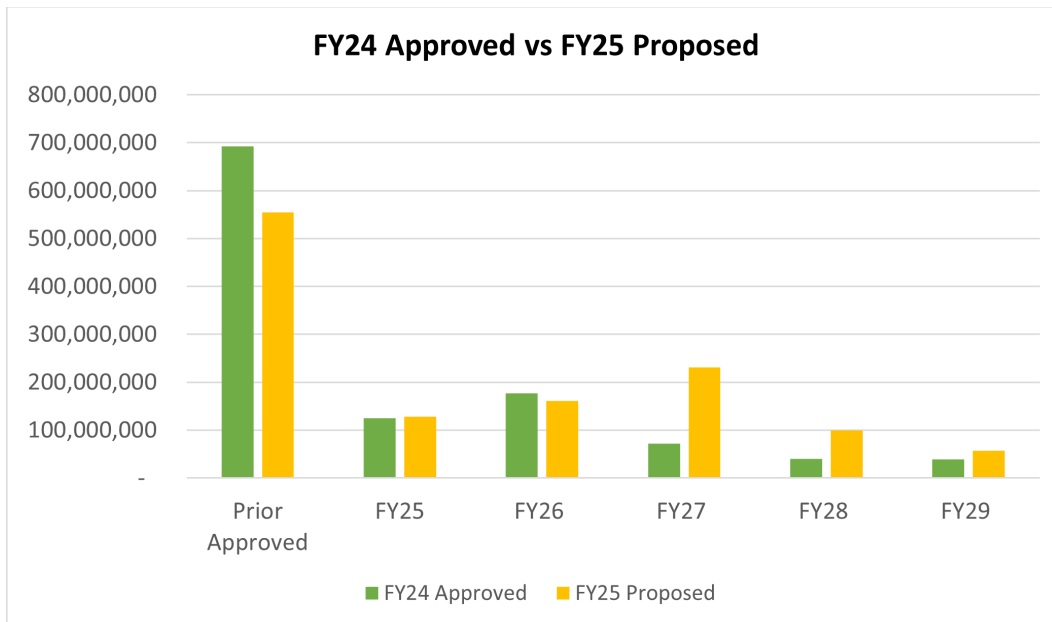
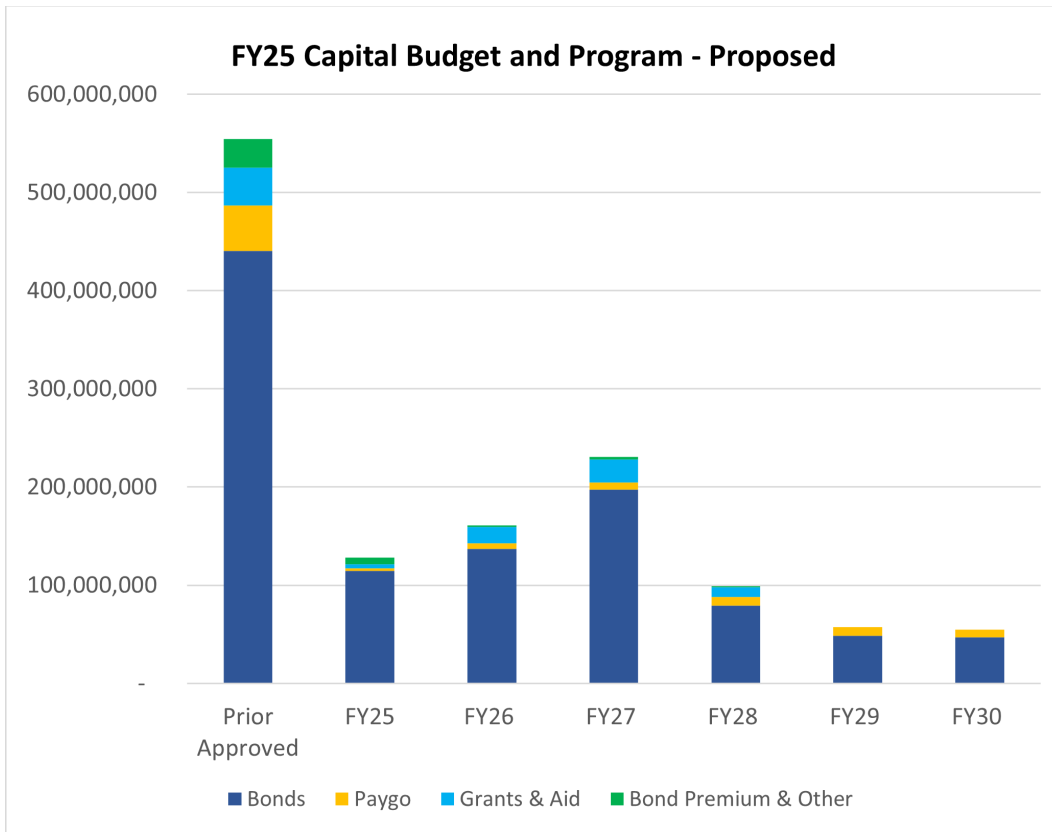
Hearing date: May 16, 2024

Questions Sent to Agency:	April 26, 2024
Responses Received from Agency:	May 3, 2024

This analysis considers all agency responses.

Wastewater (S Class)

Capital Budget Summary



Note: Chart data provided in Appendix

- The FY25 Proposed Capital Budget and Program includes 49 projects: 37 stand-alone/one-time and 12 multi-year/recurring.
- New project funding is provided for:
 - Mayo Tank Replacement (Project #S810700, p. 409 of the capital budget book) for \$2,500,000 in FY25 WasteWater Bonds. The total capital budget and program provides funding of \$25,445,000 for the first six years of a 20-year replacement program; and
 - WRF Aeration System Imprv (Project #S810600, p. 408) for \$5,715,000 in FY25 WasteWater Bonds for improvements at the Annapolis, Broadneck, and Cox Creek Water Reclamation Facilities.
- The four projects receiving the largest FY25 funding amounts in the FY25 Proposed Capital Budget are:
 - \$22,200,000 for Upgr/Retrofit SPS (Project #791800, p. 387);
 - \$20,000,000 for Sewer Main Repl/Recon (Project #X738800, p. 410);
 - \$12,033,000 for Annapolis WRF Upgrade (Project #S807300, p. 397); and
 - \$11,987,000 for Biosolids Facility (Project #S810200, p. 406).

Capital Budget – Key Observations

- 1. Biosolids Facility (Project #S810200, p. 406)** – The Proposed FY25 Capital Budget and Program includes \$1,987,000 in FY25 WasteWater Bonds and \$10,000,000 in Other State Grants for continued design and initial construction funding for this project which has a \$132,290,000 total estimated cost. The project will ultimately treat all biosolids from the County’s six water reclamation facilities (WRFs). The Department of Public Works (DPW) advised it is pursuing additional grant opportunities to assist with the funding of this project. DPW advises that when operational, the facility may provide auxiliary revenue and operating costs savings in other County operations.
- 2. Change in Scope – Wastewater Strategic Plan (Project #S776700, p. 385)** – The proposed budget increases \$500,000 in FY25 WasteWater PAYGO over the planned amount. The \$500,000 is an allowance to support the procurement of a new utility allocation software system. There is a corresponding allocation of \$500,000 in the Water Strategic Plan (Project #W778800, p. 439) for a total of \$1,000,000 for this system.
- 3. Upg/Retrofit SPS (Project #S791800, p. 387)** – This program funds upgrades to the 271 existing sewage pumping stations. As of March 31, 2024, this project had an available balance of \$3,557,802. The FY25 Proposed Capital Budget and Program provides \$22,200,000, \$9,700,000 more than estimated in the FY24 Capital Budget. DPW has identified 22 projects totaling \$34,800,000 that could be funded. DPW states that it prioritizes projects within available funding based on the condition of the existing equipment and the risk and consequences of a failure; however, over the past five fiscal years, the expenditures for this program have not exceeded \$12,300,000. We are following up to determine if capacity exists to utilize the additional funds.

Appendix: Chart Data

FY25 Proposed Capital Budget and Program vs FY24 Approved

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	440,626,800	114,514,000	136,762,900	197,489,600	79,290,600	48,531,000	46,782,000	623,370,100
Paygo	46,151,511	2,670,000	5,949,000	7,166,000	8,677,000	8,546,000	7,861,000	40,869,000
Impact Fees	-	-	-	-	-	-	-	-
Grants & Aid	38,373,000	4,200,000	16,894,200	23,300,800	9,700,800	-	-	54,095,800
Bond Premium & Other	29,514,287	6,960,000	1,326,900	2,912,600	1,212,600	-	-	12,412,100
FY25 Proposed	554,665,598	128,344,000	160,933,000	230,869,000	98,881,000	57,077,000	54,643,000	730,747,000
FY24 Approved	692,350,413	124,908,000	176,582,000	71,601,000	40,340,000	38,789,000		452,220,000



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Water (W Class)

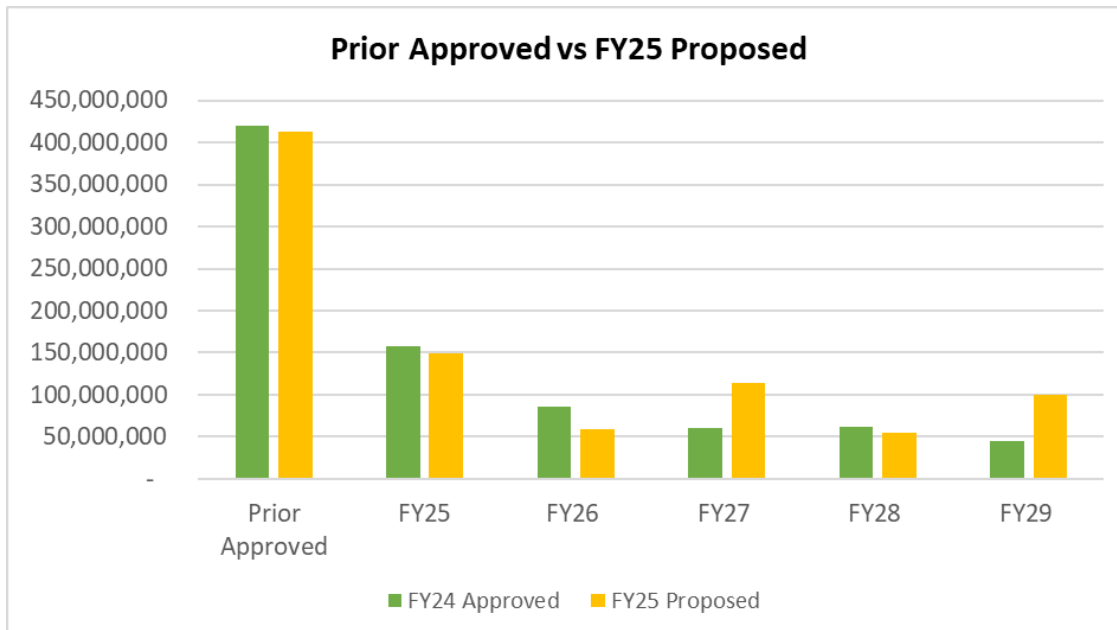
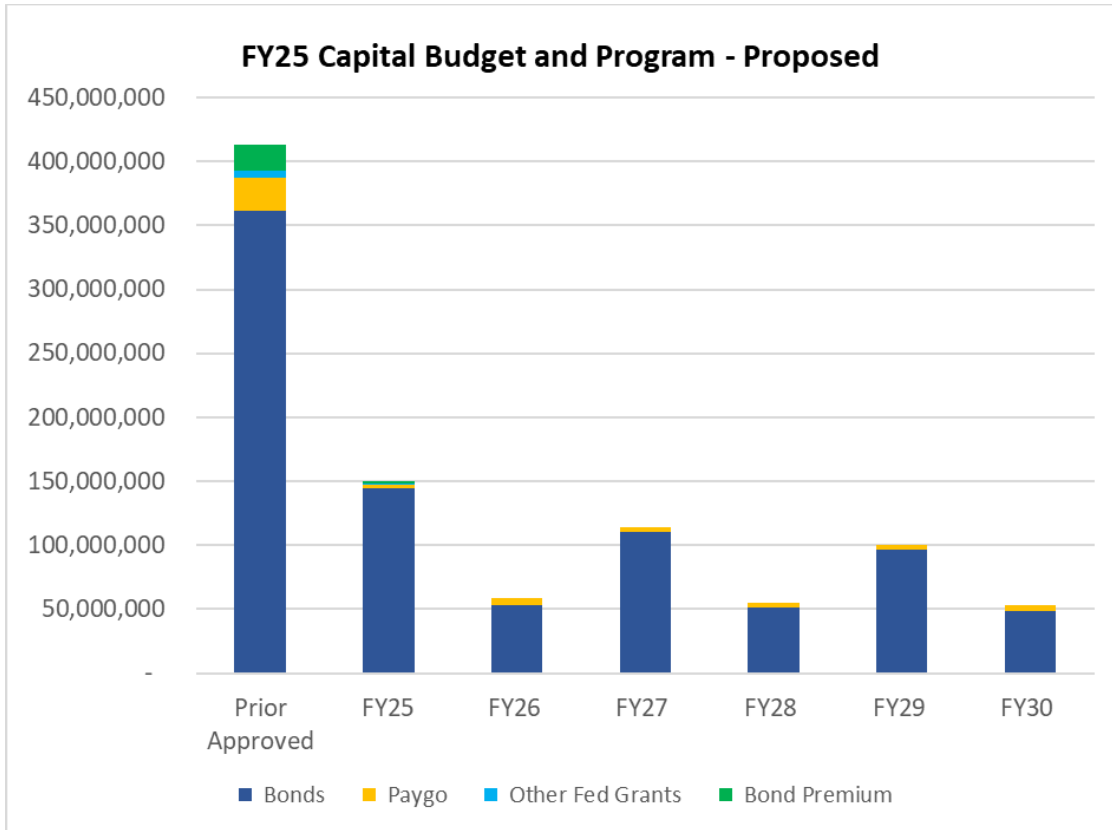
Report Date: May 15, 2024
Hearing Date: May 16, 2024

Questions Sent to Agency:	April 25, 2024
Responses Received from Agency:	May 2, 2024

This analysis considers all agency responses.

Water (W Class)

Capital Budget Summary



Note: Chart data provided in the Appendix

- The five projects receiving the largest FY25 funding amounts in the FY25 Proposed Capital Budget are:
 - \$42,041,000 for AMI Water Meter Program (Project #W809100, p 453 of the capital budget book),
 - \$33,510,000 for Crofton Meadows II Exp Ph 2 (Project #W801400, p. 443),
 - \$20,000,000 for East/West TM – North (Project #W803600, p. 447),
 - \$15,492,000 for Elevated Water Storage (Project #W799600, p. 442), and
 - \$12,200,000 for Water Main Repl/Recon (Project #X733700, p. 460).
- The Proposed Capital Budget and Program includes 43 projects: 30 stand-alone/one-time and 13 multi-year/recurring.
- Two projects replace previously approved FY25 funding amounts with new funds from different sources. Specifically, the Water Main Repl/Recon (Project #X733700, p. 460) replaces \$1,244,000 in Water Bonds with Bond Premium (\$1,200,000) and Water PAYGO (\$44,000) and the Lead Service Line Repl. (Project #W810500, p. 458) replaces \$959,752 in Water Bonds with Other Fed Grants (further described below).
- New project funding is provided for Heritage Harbor WM Interconnec (Project #W810800, p. 459) for \$960,000 in FY25 Water Bonds for installation of a new water main to interconnect portions of the existing Heritage Harbor area.
- Significant changes in project scheduling:
 - TM-MD Rte 32 @ Meade (Project #W801600, p. 444) construction costs have moved from FY25 to FY27 (\$9,346,000) and FY29 (\$46,519,000) due to challenges encountered during the easement process. The Administration is currently working on the easement process with Fort George G. Meade but is no longer pursuing easements with Patuxent Wildlife Refuge and are currently pursuing an alternative alignment to avoid the Refuge.
 - AMI Water Meter Program (Project #W809100, p. 453) project costs for FY25 increased by \$33,841,000 mainly due to an accelerated installation approach (replacement installation timeline was reduced from five years to three years) based on feedback from prospective vendors prior to procurement. The accelerated timeline moved the previously approved annual costs of \$8,200,000 budgeted in FY25 through FY28 to FY25.
- Federal infrastructure funding assumptions: Lead Service Line Repl. (Project #W810500, p. 458) has FY25 Other Fed Grants funding \$959,752 from the FY24 federal funding bill via the US Environmental Protection Agency to support the identification and replacement of water service lines.

Capital Budget – Key Observations and Recommendations

1. **Project Schedule Changes – Heritage Harbor WM Interconnec (Project #W810800, p. 459)** – The cost estimate shows the bid advertising date for the construction contract in FY27. As a result, construction costs of \$710,000 in FY25 and \$955,000 in FY26 should potentially be moved to FY26 and/or FY27; however, we are still working with the Administration to understand the procurement timeline and related funding requirements.
2. **Calculation Error – Crofton Meadows II WTP Upgr (Project #W778600, p. 438)** – Due to errors in the cost estimate calculation, the Administration revised the project budget resulting in excess project funds of \$1,339,000. **We recommend reducing FY25 Water Bonds by \$1,339,000.**
3. **Change in Scope – Water Strategic Plan (Project #W778800, p. 439)** – The proposed budget increases \$500,000 in FY25 over the planned amount. The \$500,000 is an allowance to support the procurement of a new utility allocation software system. There is a corresponding allocation of \$500,000 in the Wastewater Strategic Plan (Project #S776700) for a total of \$1,000,000 for this system.
4. **Change in Scope – Water Meter Replace/Upgrade (Project #W806300, p. 451)** – Project costs for FY25 totaling \$2,502,000 were removed due to water meter replacement costs now being programmed in the AMI Water Meter Program (Project #W809100).
5. **Change in Scope – Arnold WTP Upgrades (Project #W809600, p. 454)** – Construction has moved from FY25 to FY26 and project costs have increased by \$10,033,000 (from \$5,636,000 to \$15,669,000) due to the project scope addition of electrical power distribution equipment replacement and upgrades to the facility's fire alarm system.
6. **Change in Scope – Routine Water Extensions (Project #Y514200, p. 463)** – Changes the project scope cost limit for the construction of minor extensions and minor projects from \$250,000 to \$1,500,000. The construction of major extensions will be programmed and budgeted as separate capital projects when the projects are estimated to exceed the new threshold change. The Administration advised that the current limit significantly constricts the work that can be performed under this project.

Appendix: Chart Data

FY25 Proposed Capital Budget and Program vs FY24 Approved

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	361,043,086	144,261,248	53,286,000	109,936,000	51,453,000	96,942,000	48,935,000	504,813,248
Paygo	26,202,038	3,225,000	5,428,000	4,186,000	3,350,000	3,350,000	3,850,000	23,389,000
Impact Fees	-	-	-	-	-	-	-	-
Other Fed Grants	5,350,000	959,752	-	-	-	-	-	959,752
Bond Premium	20,240,000	1,200,000	-	-	-	-	-	1,200,000
FY25 Proposed	412,835,124	149,646,000	58,714,000	114,122,000	54,803,000	100,292,000	52,785,000	530,362,000
FY24 Approved	420,363,309	158,287,000	86,530,000	60,411,000	61,447,000	44,852,000		411,527,000



Legislation Review

Review of the Fiscal Year 2025 Proposed Capital Budget and Program Watershed Protection & Restor. (B Class)

Report Date: May 15, 2024

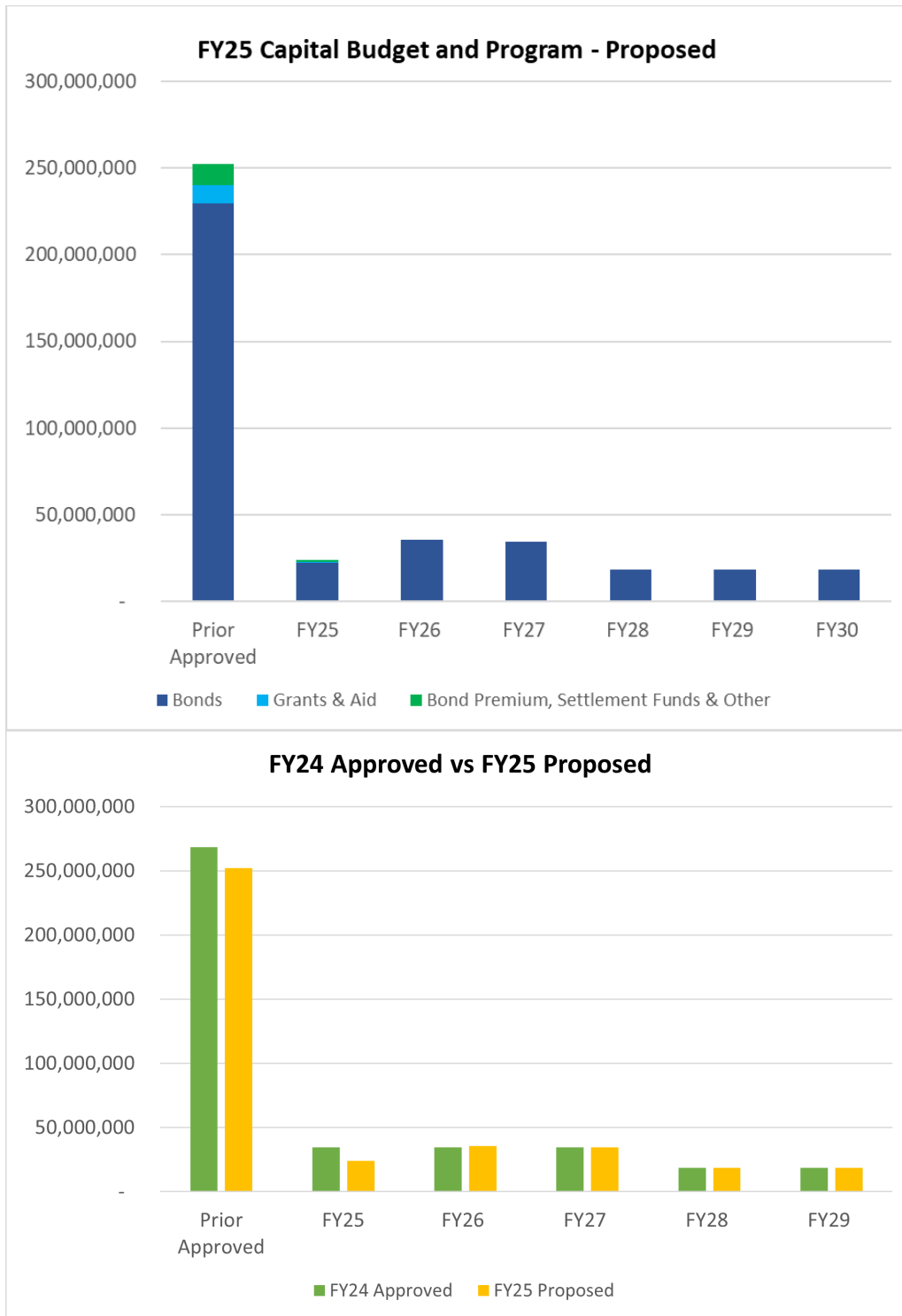
Hearing date: May 16, 2024

Questions Sent to Agency:	April 25, 2024
Responses Received from Agency:	May 2, 2024

This analysis considers all agency responses.

Watershed Protection & Restor. (B Class)

Capital Budget Summary



Note: Chart data provided in Appendix

- The Proposed Capital Budget and Program includes 71 projects: 62 stand-alone/one-time and 9 multi-year/recurring.
- This program is supported with Watershed Protection and Restoration Fund Bonds, which are supported with revenue from stormwater remediation fee proceeds.
- The five projects receiving the largest FY25 funding amounts in the FY25 Proposed Capital Budget are:
 - \$5,245,000 for Clark Station Rd Resilience Im (Project #B582500, p. 512 of the capital budget book);
 - \$5,167,000 for Culvert and Closed SD Rehab (Project #B551600, p. 486);
 - \$4,489,500 for Magothy Outfalls (Project #B571100, p. 508);
 - \$2,350,000 for Emergency Storm Drain (B) (Project #B551700, p. 487); and
 - \$2,150,000 for SO-ST-04 (Project #B559700, p. 502), which includes restoration and improvement to the Glebe Branch Tributary of the South River.
- Rather than budgeting outyear funding for each project, outyear funding for many projects is included in Permit Cycle 3 Placeholder (Project #B577500, p. 511). The FY25 Proposed Capital Budget and Program includes \$26,000,000 annually in FY26 and FY27, and \$10,000,000 annually in FY28-FY30.

Capital Budget – Key Observations and Recommendation

- 1. Grant Program – WPRP Restoration Grant (Project #B561100, p. 505)** – The FY25 Proposed Capital Budget includes \$1,200,000 in WPRF Bonds for a community watershed restoration project grant program administered by the Chesapeake Bay Trust. The FY24 Capital Budget included \$1,000,000 in WPRF Bonds for seven community restoration grants that ranged from \$30,614 to \$312,089.
- 2. Pub/Priv Perf of Wtr Qlty Imps (Project #B568300, p. 507)** – The FY25 Proposed Capital Budget includes \$2,000,000 in WPRF Bonds to incentivize the implementation of water quality restoration projects by private sector partners that help the County achieve regulatory pollution reduction targets. In FY23, a contract was awarded \$1,999,966 for an outfall project in the Patuxent River watershed. In FY24, a different contract was awarded \$1,837,000 for a stream and wetland restoration project in the Rhode River watershed.
- 3. Historical Spending Reduction – Storm Drainage/SWM Infrastr (B (Project #B551800, p. 488)** – As of March 31, 2024, this project had an available project balance of \$2,731,000. The average annual expenses in this project are \$996,000. There is sufficient available balance for the Administration to perform planned tasks of \$1,000,000 and the remaining project funds would be available for any unplanned expenses. **We recommend deleting \$700,000 in FY25 WPRF Bonds and \$300,000 in FY25 Bond Premium.**

Appendix: Chart Data

FY25 Proposed Capital Budget and Program vs FY24 Approved

Funding Source	Prior Approved	FY25	FY26	FY27	FY28	FY29	FY30	Total Proposed
Bonds	229,750,864	22,515,997	35,557,000	34,517,000	18,517,000	18,517,000	18,517,000	148,140,997
Paygo	-	-	-	-	-	-	-	-
Impact Fees	-	-	-	-	-	-	-	-
Grants & Aid	10,253,300	500,000	-	-	-	-	-	500,000
Bond Premium, Settlement Funds & Other	12,201,000	900,000	-	-	-	-	-	900,000
FY25 Proposed	252,205,164	23,915,997	35,557,000	34,517,000	18,517,000	18,517,000	18,517,000	149,540,997
FY24 Approved	268,266,091	34,517,000	34,517,000	34,517,000	18,517,000	18,517,000		140,585,000

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