

FISCAL YEAR 2021 PROPOSED BUDGET

REVENUES

TAXES

Income Taxes

FY20 Budget: \$2.40M FY20 Est. Actual: \$3.16M FY21 Budget: \$2.70M

- **Source:** The Town receives 17% of Town residents' Montgomery County income tax liability. The local income tax charged by Montgomery County is 3.2%.
- **Rationale:** The FY21 budget approximates FY19 actual receipts. The budgeted amount for FY21 is not based on estimated actual FY20 receipts due to some anomalies with the November 2019 (FY20) distribution that will not likely repeat in FY21.

Real Property Taxes

FY20 Budget: \$122,000 FY20 Est. Actual: \$124,500 FY21 Budget: \$124,500

- **Source:** The Town may levy a real property tax that is paid by Town residents to the County and returned to the Town. If the Town levies a real property tax, Montgomery County will provide monies to the Town for savings realized by not providing certain services in Town (see Montgomery County Tax Duplication Reimbursement).
- **Rationale:** The Town Council is proposing to adopt a real property tax of \$0.0098 per \$100 of assessed value for FY21. This reflects the constant yield tax rate, which is a property tax rate that, when applied to new real estate assessments, will produce the same revenue in the coming taxable year that was produced in the prior taxable year.

Highway User Revenue

FY20 Budget: \$117,500 FY20 Est. Actual: \$119,000 FY21 Budget: \$121,000

- **Source:** The Town receives a disbursement from the State based on Town road mileage and the number of registered motor vehicles in the Town.
- **Rationale:** The FY21 budget reflects a slight increase in highway user revenue based on an estimate from the State Highway Administration.

Utility Property Taxes

FY20 Budget: \$30,000

FY20 Est. Actual: \$29,000

FY21 Budget: \$29,000

- **Source:** The Town may levy a tax on utility property in the Town. This tax is paid by utility companies, not by Town residents. It is collected by the County and returned to the Town.
- **Rationale:** The Town Council is proposing to maintain a utility property tax of \$0.66 per \$100 of assessed value for FY21.

REIMBURSEMENTS & BANK SHARES

Montgomery County Tax Duplication Reimbursement

FY20 Budget: \$132,000

FY20 Est. Actual: \$132,000

FY21 Budget: \$132,000

- **Source:** If the Town levies a property tax, Montgomery County will provide monies to the Town for savings realized by not providing certain services in Town.
- **Rationale:** The calculations are based on actual net expenditures by the County for eligible services for two years prior to the payment.

Bank Shares

FY20 Budget: \$500

FY20 Est. Actual: \$500

FY21 Budget: \$500

- **Source:** The State of Maryland distributes these funds annually in February.
- **Rationale:** This revenue is regulated by law and remains the same from year to year. It is received by about half of Maryland's cities and towns. It represents a hold harmless grant for a discontinued tax in those municipalities where owners of stock from financial institutions resided prior to July 1, 1968.

PERMIT FEES & CABLE TV REVENUE

Cable T.V. Franchise Fees

FY20 Budget: \$40,000

FY20 Est. Actual: \$40,000

FY21 Budget: \$40,000

- **Source:** The Town receives money from Montgomery County as part of the Town's various cable franchise agreements, which are administered by the County.
- **Rationale:** For FY21, the County estimates that the Town will receive \$40,000.

Permit Fees

FY20 Budget: \$30,000 FY20 Est. Actual: \$24,000 FY21 Budget: \$25,000

- **Source:** This account includes all fees for construction and water drainage permits.
- **Rationale:** The FY21 budget is based on FY20 estimated actual revenue.

Variance Fees

FY20 Budget: \$5,000 FY20 Est. Actual: \$4,000 FY21 Budget: \$4,000

- **Source:** This account includes all application fees for traditional variances (\$400/application) and for administrative variances (\$200/application).
- **Rationale:** The FY21 budget is based on FY20 estimated actual revenue.

OTHER REVENUE

Interest Income (General Fund)

FY20 Budget: \$140,000 FY20 Est. Actual: \$140,000 FY21 Budget: \$100,000

- **Source:** This account includes interest on money deposited into the Montgomery County investment pool.
- **Rationale:** The FY21 reflects reduced interest income due to falling interest rates.

State Aid for Police Protection

FY20 Budget: \$23,000 FY20 Est. Actual: \$23,000 FY21 Budget: \$51,000

- **Source:** The account includes State funds to support the operational costs of the Town's off-duty police officers. Annual fund distributions are calculated according to the previous year's operations costs.
- **Rationale:** The FY21 budget is based on an estimate provided by the State.

Parking Fines/Meters

FY20 Budget: \$9,000 FY20 Est. Actual: \$10,000 FY21 Budget: \$10,000

- **Source:** This account includes revenue from payments of parking tickets issued by the Montgomery County Police Department and money collected from 5 parking meters on Willow Lane.
- **Rationale:** The FY21 budget is based on FY20 estimated actual revenue.

Miscellaneous

FY20 Budget: \$2,000 FY20 Est. Actual: \$1,500 FY21 Budget: \$2,000

- **Source:** This account includes any income that is not included in any other category, including admissions and amusement tax, occasional payments for damages from private contractors, as well as insurance rebates.
- **Rationale:** The FY21 budget is based on normal annual receipts.

Special Trash Collection

FY20 Budget: \$1,000 FY20 Est. Actual: \$1,000 FY21 Budget: \$1,000

- **Source:** This revenue is generated from four homes, not within the Town, that are serviced by the Town’s household trash contractor.
- **Rationale:** The FY21 budget represents the amount to be paid to the Town.

EXPENDITURES

GENERAL GOVERNMENT – SALARIES AND BENEFITS

Staff Salaries

FY20 Budget: \$460,000 FY20 Est. Actual: \$388,000 FY21 Budget: \$400,000

- **Purpose:** This account funds salaries for the Town Manager, Permitting and Code Enforcement Manager, Administrative Assistant, and Maintenance Technician.
- **Rationale:** The FY21 budget provides funding for four full-time employees. A 3.5% performance step increase for all employees, except the Town Manager, is calculated in the budgeted amount.

Health Insurance

FY20 Budget: \$65,000 FY20 Est. Actual: \$55,000 FY21 Budget: \$60,000

- **Purpose:** This account funds health insurance for the Town’s employees through the State of Maryland.
- **Rationale:** The cost of health insurance benefits is determined by the State of Maryland. The FY21 budget reflects an anticipated slight increase in premium rates.

Retirement

FY20 Budget: \$45,000 FY20 Est. Actual: \$45,000 FY21 Budget: \$43,000

- **Purpose:** This account funds the Town’s participation in two Montgomery County retirement plans: the Retirement Savings Plan (RSP), and the Guaranteed Retirement Income Plan (GRIP).
- **Rationale:** The employer contribution rate for the RSP for FY21 is 8%. The rate for the GRIP is 6.1%. These premium rates and fees are set by Montgomery County.

Social Security and Medicare

FY20 Budget: \$35,000 FY20 Est. Actual: \$31,000 FY21 Budget: \$31,000

- **Purpose:** This account funds the federally-mandated Social Security and Medicare programs for Town employees (excluding off-duty police officers).
- **Rationale:** The Town’s portion of Social Security and Medicare costs total 7.65% of employee salaries, estimated bonuses and overtime. This rate is set by the Federal Government.

Awards & Bonuses

FY20 Budget: \$20,000

FY20 Est. Actual: \$25,000

FY21 Budget: \$30,000

- **Purpose:** This account funds staff performance awards.
- **Rationale:** The FY21 budget includes funds for staff awards.

Overtime

FY20 Budget: \$10,000

FY20 Est. Actual: \$5,000

FY21 Budget: \$10,000

- **Purpose:** This account funds overtime work by Town employees.
- **Rationale:** The FY21 budget is based on an average of past expenditures.

Workers' Compensation

FY20 Budget: \$6,000

FY20 Est. Actual: \$5,000

FY21 Budget: \$5,000

- **Purpose:** This account funds workers' compensation insurance for Town employees (excluding off-duty police officers) through Chesapeake Employers Insurance.
- **Rationale:** Rates are based on staff payroll figures and the Town's history of employee injuries.

Unemployment Insurance

FY20 Budget: \$200

FY20 Est. Actual: \$200

FY21 Budget: \$500

- **Purpose:** This account funds state-mandated unemployment insurance for Town employees (excluding off-duty police) through the Maryland Unemployment Insurance Trust Fund.
- **Rationale:** The Town's unemployment insurance rate for FY21 is 0.03%. The FY21 budget is based on the first \$8,500 of wages paid to each employee during the calendar year.

GENERAL GOVERNMENT – PROFESSIONAL SERVICES

Legal Counsel

FY20 Budget: \$100,000

FY20 Est. Actual: \$75,000

FY21 Budget: \$75,000

- **Purpose:** This account funds the Town's legal representation.
- **Rationale:** The FY21 budget is based on anticipated expenditures.

Code Enforcement

FY20 Budget: \$35,000 FY20 Est. Actual: \$20,000 FY21 Budget: \$35,000

- **Purpose:** This account funds a part-time contractor for code enforcement services.
- **Rationale:** The FY21 budget is based on approximately 15 hours/week of code enforcement services.

Management Consultant

FY20 Budget: \$28,000 FY20 Est. Actual: \$20,000 FY21 Budget: \$35,000

- **Purpose:** This account funds a part-time management consultant.
- **Rationale:** The FY21 budget is based on approximately 15 hours/week of consulting management services.

Engineering/Plan Review

FY20 Budget: \$30,000 FY20 Est. Actual: \$20,000 FY21 Budget: \$30,000

- **Purpose:** This account includes funds for professional services, including engineers, plan reviewers, architects, and land use/planning firms, as well as other professional assistance as needed.
- **Rationale:** The FY21 budget is based on anticipated expenditures.

Permit Parking/Parking Meter Enforcement

FY20 Budget: \$0 FY20 Est. Actual: \$0 FY21 Budget: \$25,000

- **Purpose:** This account is new for FY21 and includes funds for permit parking and parking meter enforcement.
- **Rationale:** The FY21 budget funds expansion of this service.

Accounting Services

FY20 Budget: \$24,000 FY20 Est. Actual: \$24,000 FY21 Budget: \$24,000

- **Purpose:** This account funds a part-time contractor for accounting services.
- **Rationale:** The FY21 budget is based on a contract with an independent accountant.

Professional Services – Bethesda Downtown Plan & Purple Line

FY20 Budget: \$20,000 FY20 Est. Actual: \$2,000 FY21 Budget: \$20,000

- **Purpose:** This account includes funds for professional services related to Bethesda Downtown Plan implementation and Purple Line mitigation.
- **Rationale:** The FY21 budget is based on anticipated needs.

Auditing Services

FY20 Budget: \$11,000 FY20 Est. Actual: \$12,000 FY21 Budget: \$12,000

- **Purpose:** This account funds the annual audit, as required by law.
- **Rationale:** The FY21 budget is based on a contract with the Town’s accounting firm.

GENERAL GOVERNMENT -- CIVIC AFFAIRS AND COMMUNITY PROGRAMS

Civic Affairs (Special Events)

FY20 Budget: \$53,000 FY20 Est. Actual: \$35,000 FY21: \$55,000

- **Purpose:** This account funds Town events and any Council or Committee meeting expenses.
- **Rationale:** The FY21 budget includes funding to continue the Town’s regular events schedule.

Private Canopy Tree Maintenance Program

FY20 Budget: \$35,000 FY20 Est. Actual: \$30,000 FY21 Budget: \$35,000

- **Purpose:** This account provides funds to assist residents in maintaining private canopy trees.
- **Rationale:** The FY21 budget is based on anticipated expenditures.

Consulting Arborist Program

FY20 Budget: \$10,000 FY20 Est. Actual: \$10,000 FY21 Budget: \$10,000

- **Purpose:** This account funds the Town’s Consulting Arborist Program.
- **Rationale:** The FY21 budget is based on past expenditures.

Consulting Water Management

FY20 Budget: \$7,000

FY20 Est. Actual: \$5,000

FY21 Budget: \$10,000

- **Purpose:** This account funds the costs of the Town’s consulting engineer to provide recommendations to Town residents on improving water management on their property.
- **Rationale:** The FY21 budget is based on anticipated expenditures.

Native Canopy Tree Planting Program

FY20 Budget: \$10,000

FY20 Est. Actual: \$10,000

FY21 Budget: \$10,000

- **Purpose:** This account funds the Native Canopy Tree Planting Program, in which the Town plants native canopy trees on private property at the request of homeowners.
- **Rationale:** The FY21 budget is based on anticipated expenditures.

Senior Support Services

FY20 Budget: \$5,000

FY20 Est. Actual: \$5,000

FY21 Budget: \$10,000

- **Purpose:** This account provides funds to the Chevy Chase at Home organization for services to Town seniors.
- **Rationale:** The FY21 budget increases funding for these services due to the ongoing public health crisis.

GENERAL GOVERNMENT – OTHER SERVICES AND SUPPLIES

Printing and Recording

FY20 Budget: \$25,000

FY20 Est. Actual: \$30,000

FY21 Budget: \$30,000

- **Purpose:** This account funds printing costs for Town publications. It also funds recordings and transcripts by the court reporter.
- **Rationale:** The FY21 budget is based on past expenditures.

Dues and Subscriptions

FY20 Budget: \$17,000 FY20 Est. Actual: \$20,000 FY21 Budget: \$20,000

- **Purpose:** This account funds membership dues for municipal associations and professional organizations.
- **Rationale:** The FY21 budget is based on past expenditures.

Insurance (LGIT)

FY20 Budget: \$11,500 FY20 Est. Actual: \$11,500 FY21 Budget: \$11,500

- **Purpose:** This account funds the Town's liability insurance provided through the Local Government Insurance Trust (LGIT).
- **Rationale:** The FY21 budget is based on cost estimates provided by LGIT.

Supplies

FY20 Budget: \$5,000 FY20 Est. Actual: \$10,000 FY21 Budget: \$10,000

- **Purpose:** This account funds paper and office products, refreshments and supplies.
- **Rationale:** The FY21 budget is based on anticipated expenditures.

Telephone

FY20 Budget: \$8,000 FY20 Est. Actual: \$8,000 FY21 Budget: \$8,000

- **Purpose:** This account funds office phone lines, cell phones, and internet service.
- **Rationale:** The FY21 budget is based on past expenditures.

Web Hosting and Development

FY20 Budget: \$5,000 FY20 Est. Actual: \$6,000 FY21 Budget: \$7,500

- **Purpose:** This account funds web hosting and development.
- **Rationale:** This account includes funds for hosting and maintenance of the Town website.

Postage

FY20 Budget: \$6,000

FY20 Est. Actual: \$6,000

FY21 Budget: \$4,000

- **Purpose:** This account funds all Town postage, including the bulk mail permit.
- **Rationale:** The FY21 budget is based on past expenditures.

County Tax Collection Service

FY20 Budget: \$1,000

FY20 Est. Actual: \$2,000

FY21 Budget: \$3,500

- **Purpose:** The County assesses a fee to recover some administrative costs in collecting and disbursing the Town's property taxes.
- **Rationale:** The FY21 budget is based on County estimates.

Payroll Service

FY20 Budget: \$2,500

FY20 Est. Actual: \$3,500

FY21 Budget: \$3,500

- **Purpose:** This account funds the Town's payroll service.
- **Rationale:** The FY21 budget is based on estimates provided by the payroll company.

Repairs and Maintenance

FY20 Budget: \$3,000

FY20 Est. Actual: \$3,000

FY21 Budget: \$3,000

- **Purpose:** This account funds maintenance of the photocopier and the Town generator.
- **Rationale:** The FY21 budget is based on anticipated expenditures.

Travel/Meeting Expenses

FY20 Budget: \$2,000

FY20 Est. Actual: \$2,000

FY21 Budget: \$2,000

- **Purpose:** This account funds Council and staff attendance at professional conferences, meetings and seminars. It also funds travel reimbursement.
- **Rationale:** The FY21 budget is based on past expenditures.

Unusual Non-recurring

FY20 Budget: \$1,000

FY20 Est. Actual: \$500

FY21 Budget: \$1,000

- **Purpose:** This account funds unexpected items that are not originally budgeted.
- **Rationale:** The FY21 budget is based on past expenditures.

PUBLIC WORKS -- SANITATION AND WASTE REMOVAL

Household Trash Collection Contractual Services

FY20 Budget: \$175,000

FY20 Est. Actual: \$175,000

FY21 Budget: \$175,000

- **Purpose:** This account funds the contract for household trash collection.
- **Rationale:** The FY21 budget is based on competitively bid contractual costs.

Trash and Treasures Contractual Services

FY20 Budget: \$11,000

FY20 Est. Actual: \$5,000

FY21 Budget: \$11,000

- **Purpose:** This account funds the Town's twice-yearly Trash and Treasures collection.
- **Rationale:** The FY21 budget is based on competitively bid contractual costs.

Town Dump Fees – Refuse

FY20 Budget: \$250

FY20 Est. Actual: \$250

FY21 Budget: \$500

- **Purpose:** This account funds the disposal of refuse by the Town's maintenance crew.
- **Rationale:** The FY21 budget is based on past expenditures.

Leaf Collection Contractual Services

FY20 Budget: \$72,000

FY20 Est. Actual: \$72,000

FY21 Budget: \$72,000

- **Purpose:** This account funds the annual leaf collection and disposal contract.
- **Rationale:** The FY21 budget is based on competitively bid contractual costs.

Recycling Collection Contractual Services

FY20 Budget: \$65,000 FY20 Est. Actual: \$65,000 FY21 Budget: \$105,000

- **Purpose:** This account funds the Town’s single stream recycling program.
- **Rationale:** The FY21 budget increases funding for the Town’s single stream recycling service due to rising costs for processing single stream materials, including glass. The increased contractual costs were approved by the Town Council in March 2020.

Recycling Bins/Carts

FY20 Budget: \$5,000 FY20 Est. Actual: \$0 FY21 Budget: \$32,000

- **Purpose:** This account funds new recycling bins and carts, as needed.
- **Rationale:** The FY21 budget provides funds for new recycling bins if the Town Council decides to convert to dual stream recycling.

Household Organic Waste Collection Contractual Services

FY20 Budget: \$35,000 FY20 Est. Actual: \$35,000 FY21 Budget: \$35,000

- **Purpose:** This account funds the Town’s household organic waste collection program.
- **Rationale:** The FY21 budget is based on competitively bid contractual costs.

Composting Bins

FY20 Budget: \$300 FY20 Est. Actual: \$250 FY21 Budget: \$500

- **Purpose:** This account funds new composting bins, as needed.
- **Rationale:** The Town anticipates purchasing additional composting bins in FY21.

Yard Trash Collection Contractual Services

FY20 Budget: \$23,000 FY20 Est. Actual: \$23,000 FY21 Budget: \$23,000

- **Purpose:** This account funds the Town’s yard trash collection contract.
- **Rationale:** The FY21 budget is based on competitively bid contractual costs.

Town Dump Fees – Yard Trash

FY20 Budget: \$250

FY20 Est. Actual: \$250

FY21 Budget: \$500

- **Purpose:** This account covers dump fees for yard trash taken to the dump by Town staff.
- **Rationale:** The FY21 budget is based on anticipated expenditures.

PUBLIC WORKS -- STREETS AND ROADS

Sidewalk Snow Removal

FY20 Budget: \$70,000

FY20 Est. Actual: \$0

FY21 Budget: \$70,000

- **Purpose:** This account funds the Town’s sidewalk snow removal program.
- **Rationale:** The amount of annual snowfall is unpredictable. The FY21 budget is based on average annual expenditures.

Street Snow Removal

FY20 Budget: \$50,000

FY20 Est. Actual: \$3,500

FY21 Budget: \$50,000

- **Purpose:** This account funds the contractor that assists the Town crews in clearing snow from Town streets.
- **Rationale:** The FY21 budget is based on average annual expenditures.

Consultants and Engineers

FY20 Budget: \$85,000

FY20 Est. Actual: \$80,000

FY21 Budget: \$40,000

- **Purpose:** This account funds civil engineers and traffic consultants.
- **Rationale:** The FY21 budget provides funds for consultants to assist with infrastructure improvements.

Utilities

FY20 Budget: \$30,000

FY20 Est. Actual: \$30,000

FY21 Budget: \$30,000

- **Purpose:** This account funds street light electricity and utilities used at the garage.
- **Rationale:** The FY21 budget is based on past expenditures.

Street Sweeping

FY20 Budget: \$10,000 FY20 Est. Actual: \$5,000 FY21 Budget: \$10,000

- **Purpose:** This account funds monthly street cleaning.
- **Rationale:** The FY21 budget is based on contractual and anticipated costs.

Supplies

FY20 Budget: \$3,000 FY20 Est. Actual: \$3,500 FY21 Budget: \$5,000

- **Purpose:** This account funds supplies for streets and roads, including winter salt and sand, gas and oil.
- **Rationale:** The FY21 budget is based on past expenditures and anticipated needs.

Repairs and Maintenance

FY20 Budget: \$2,500 FY20 Est. Actual: \$14,000 FY21 Budget: \$2,500

- **Purpose:** This account funds repairs and maintenance of the Town's trucks and plows.
- **Rationale:** The FY21 budget is based on past expenditures.

Street Signs

FY20 Budget: \$2,000 FY20 Est. Actual: \$2,000 FY21 Budget: \$2,000

- **Purpose:** This account funds new street signs.
- **Rationale:** The FY21 budget will allow the Town to continue to replace and maintain street signs.

PUBLIC WORKS – PARKS, GROUNDS AND TREES

Tree Maintenance

FY20 Budget: \$85,000 FY20 Est. Actual: \$130,000 FY21 Budget: \$150,000

- **Purpose:** This account funds the Town's street tree maintenance program.
- **Rationale:** The FY21 budget is based on anticipated expenditures and the resumption of a fully funded tree maintenance program.

Landscaping Services

FY20 Budget: \$50,000 FY20 Est. Actual: \$65,000 FY21 Budget: \$50,000

- **Purpose:** This account funds the Town's landscaping contract.
- **Rationale:** The FY21 budget is based on competitively bid contractual costs.

Consultants & Engineers

FY20 Budget: \$40,000 FY20 Est. Actual: \$40,000 FY21 Budget: \$ 40,000

- **Purpose:** This account funds landscape designers, architects and engineers to assist in improving Town parks and open space.
- **Rationale:** The FY21 budget provides funds for consultants and engineers to assist with improvements to Town parks.

Arborist

FY20 Budget: \$25,000 FY20 Est. Actual: \$25,000 FY21 Budget: \$25,000

- **Purpose:** This account funds the Town's arborist services, including integrated pest management visits, preparation of pruning lists and oversight of the tree maintenance contractor.
- **Rationale:** The FY21 budget is based on projected needs and past expenditures.

Supplies

FY20 Budget: \$9,000 FY20 Est. Actual: \$9,000 FY21 Budget: \$10,000

- **Purpose:** This account funds supplies for parks and grounds, including fertilizer, sod, flower bulbs, grass seed, light fixtures, and landscaping materials.
- **Rationale:** The FY21 budget is based on past expenditures.

Utilities

FY20 Budget: \$3,000 FY20 Est. Actual: \$3,000 FY21 Budget: \$3,000

- **Purpose:** This account funds utility services that the Town uses in its parks, including rental of WSSC water meters and water usage, and in the Town garage.
- **Rationale:** The FY21 budget is based on anticipated expenditures.

Repairs and Maintenance

FY20 Budget: \$1,000

FY20 Est. Actual: \$2,000

FY21 Budget: \$2,000

- **Purpose:** This account funds maintenance of the Town's landscaping equipment. It includes repairs to the trucks, lawn mowers and watering rig.
- **Rationale:** The FY21 budget is based on past expenditures.

PUBLIC SAFETY (POLICE)

Salaries - Police Officers

FY20 Budget: \$297,750

FY20 Est. Actual: \$297,750

FY21 Budget: \$315,000

- **Purpose:** This account funds the Town's off-duty Montgomery County police officers.
- **Rationale:** The FY21 budget provides funding for 16 hours per day police coverage at increased hourly rates approved by the Town Council in October 2019.

Police Management Service

FY20 Budget: \$30,000

FY20 Est. Actual: \$30,000

FY21 Budget: \$32,000

- **Purpose:** This account funds the administrative management of the Town's off-duty Montgomery County police officers.
- **Rationale:** The FY21 budget is based on anticipated expenditures.

Social Security and Medicare (Police)

FY20 Budget: \$23,300

FY20 Est. Actual: \$23,300

FY21 Budget: \$24,000

- **Purpose:** This account funds the federally-mandated Social Security and Medicare programs for Town employees.
- **Rationale:** Social Security and Medicare costs total 7.65% of officers' salaries. This rate is set by the Federal Government.

Workers' Compensation (Police)

FY20 Budget: \$16,950 FY20 Est. Actual: \$16,950 FY21 Budget: \$21,000

- **Purpose:** This account funds workers' compensation insurance through Chesapeake Employers Insurance.
- **Rationale:** Rates are based on police payroll figures and the Town's history of employee injuries.

Legal Liability Insurance (Police)

FY20 Budget: \$9,000 FY20 Est. Actual: \$9,000 FY21 Budget: \$9,000

- **Purpose:** This account funds the police portion of the Town's liability insurance provided through the Local Government Insurance Trust (LGIT).
- **Rationale:** The FY21 budget is based on cost estimates provided by LGIT.

Unemployment Insurance (Police)

FY20 Budget: \$500 FY20 Est. Actual: \$500 FY21 Budget: \$500

- **Purpose:** This account funds state-mandated unemployment insurance for Town employees through the Maryland Unemployment Insurance Trust Fund.
- **Rationale:** The Town's insurance rate for FY21 will be 0.03%. The FY21 budget estimate is based on the first \$8,500 of wages paid to each employee during the calendar year.

FY 2021 CAPITAL BUDGET

INFRASTRUCTURE

STREETS & SIDEWALKS

FY20 Budget (Net): \$650,000 FY20 Est. Actual (Net): \$650,000 FY21 Budget (Net): \$725,000

- **Purpose:** This account funds necessary street and sidewalk work.
- **Rationale:** The FY21 budget is based on anticipated expenditures after reimbursements from utility companies for the ongoing utility upgrades.

OTHER CAPITAL PROJECTS

STREET LIGHTS

FY20 Budget: \$5,000 FY20 Est. Actual: \$1,500 FY21 Budget: \$5,000

- **Purpose:** This account funds new street lighting equipment.
- **Rationale:** The FY21 budget includes funds for new streetlights.

FACILITIES AND EQUIPMENT

Vehicles

FY20 Budget: \$85,000 FY20 Est. Actual: \$85,000 FY21 Budget: \$35,000

- **Purpose:** This account funds new Town vehicles.
- **Rationale:** The Town's plans to purchase a new pickup truck in FY21.

Information Technology Improvements

FY20 Budget: \$10,000 FY20 Est. Actual: \$0 FY21 Budget: \$0

- **Purpose:** This account funds upgrades to the Town's information technology systems.
- **Rationale:** The Town does not plan to make any system enhancements in FY21.

Computer System

FY20 Budget: \$5,000

FY20 Est. Actual: \$5,000

FY21 Budget: \$5,000

- **Purpose:** This account funds upgrades to the Town's computer system.
- **Rationale:** The Town's computer system may need enhancements in FY21.

PARKS, GROUNDS, AND TREES

Park Improvements

FY20 Budget: \$135,000

FY20 Est. Actual: \$0

FY21 Budget: \$400,000

- **Purpose:** This account funds improvements to Town parks and open space.
- **Rationale:** The FY21 budget provides funds to construct contemplated improvements in Town parks, including Zimmerman Park.

New Trees/Reforestation

FY20 Budget: \$15,000

FY20 Est. Actual: \$15,000

FY21 Budget: \$15,000

- **Purpose:** This account funds the Town's reforestation efforts.
- **Rationale:** The FY21 budget provides funds to plant new street trees.

RESTRICTED FUNDS

Cable T.V. Improvements -- PEG Grants

Est. balance (6/30/2020): \$246,334 FY21 Est. Expenditures: \$25,000

- **Purpose:** As part of the Town's various cable franchise agreement, the Town receives money to be used for cable television facilities and operations.
- **Rationale:** For FY21, the Town anticipates some additional upgrades to the A/V system in the Town Hall.