

# FISCAL YEAR 2024 BUDGET

## FY 2024 GENERAL REVENUE

### TAXES

#### Income Taxes

FY23 Budget: \$3.18M                      FY23 Est. Actual: \$3.75M                      FY24 Budget: \$3.45M

- **Source:** Per state law, 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 FY24 budget assumes income tax revenues will be \$300,000 less than estimated to be received in FY23. The FY24 figure is an average of income tax revenue over the past 5 years.

#### Highway User Revenue

FY23 Budget: \$127,000                      FY23 Est. Actual: \$122,500                      FY24 Budget: \$153,000

- **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 FY24 budget is based on an estimate from the State Highway Administration.

#### Real Property Tax

FY23 Budget: \$128,500                      FY23 Est. Actual: \$131,000                      FY24 Budget: \$131,000

- **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 lower the real property tax rate from \$0.0097 per \$100 of assessed value in FY23 to \$0.0090 per \$100 of assessed value in FY24. These rates reflect 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. The FY24 rate is equal to \$90 for each \$1 million in a home's assessed value.

### Utility Property Tax

FY23 Budget: \$31,000

FY23 Est. Actual: \$34,000

FY24 Budget: \$34,000

- **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 FY24.

### **GRANTS, REIMBURSEMENTS & BANK SHARES**

#### American Rescue Plan Act (ARPA) Grant

FY23 Budget: \$0

FY23 Est. Actual: \$700,000

FY24 Budget: \$739,000

- **Source:** The Town is a recipient of approximately \$2.49 million in Coronavirus Local Fiscal Recovery Funds under the American Rescue Plan Act (ARPA).
- **Rationale:** To ease the administration and use of the Town’s ARPA grant, and as permitted by the final ruling from the U.S. Treasury Department, the Council agreed to expend grant funds for the provision of government services (as designated in the budget) rather than identify and implement special projects to be funded directly by the grant. The Council has approved a plan to spend a portion of ARPA funds on government services each fiscal year from 2022 through 2026 until such funds are fully expended. Since the amount of the grant will offset Town operating expenditures, an equal amount will remain available in the Town reserves to support future special projects, including social, infrastructure, and environmental programs, as well as the new parks adjacent to the Farm Women’s Market, which were contemplated to be funded with the grant.

#### Montgomery County Tax Duplication Reimbursement

FY23 Budget: \$235,000

FY23 Est. Actual: \$237,650

FY24 Budget: \$265,000

- **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. In FY22, the Montgomery County Council approved a revised methodology for calculating tax duplication reimbursements. The Town will receive progressively higher reimbursements as the new methodology is fully phased in by FY25.
- **Rationale:** The budget is based on the new methodology and reimbursement schedule approved by the Montgomery County Council.

### **State Aid for Police Protection**

FY23 Budget: \$52,000                      FY23 Est. Actual: \$46,276                      FY24 Budget: \$47,000

- **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 operational costs.
- **Rationale:** The FY24 budget is based on an estimate provided by the State.

### **Bank Shares**

FY23 Budget: \$500                      FY23 Est. Actual: \$500                      FY24 Budget: \$500

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

## **INTEREST, FINES & COLLECTIONS**

### **Interest Income (General Fund)**

FY23 Budget: \$10,000                      FY23 Est. Actual: \$346,00                      FY24 Budget: \$586,000

- **Source:** This account includes interest on money deposited into the Montgomery County Investment Pool.
- **Rationale:** The FY23 estimated actual and FY24 budget account for a significant increase in interest rates. The yield on the County's investment portfolio as of March 9, 2023 was 4.21%.

### **Parking Fines/Meters**

FY23 Budget: \$16,000                      FY23 Est. Actual: \$23,000                      FY24 Budget: \$23,000

- **Source:** This account includes revenue from payments of parking tickets issued by the Montgomery County Police Department and money collected from five parking meters on Willow Lane.
- **Rationale:** The FY24 budget is based on FY23 estimated actual revenue.

**Miscellaneous**

FY23 Budget: \$1,000                      FY23 Est. Actual: \$1,000                      FY24 Budget: \$1,000

- **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 FY24 budget is based on normal annual receipts.

**Special Trash Collection**

FY23 Budget: \$1,000                      FY23 Est. Actual: \$0                      FY24 Budget: \$0

- **Source:** This revenue is generated from homes, not within the Town, serviced by the Town’s household trash contractor.
- **Rationale:** The FY24 budget reflects that no homes will be provided this service.

**PERMIT FEES & CABLE TV REVENUE**

**Cable TV Franchise Fees**

FY23 Budget: \$40,000                      FY23 Est. Actual: \$37,000                      FY24 Budget: \$37,000

- **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 FY24, the County estimates that the Town will receive \$37,000.

**Permit Fees**

FY23 Budget: \$20,000                      FY23 Est. Actual: \$25,000                      FY24 Budget: \$25,000

- **Source:** This account includes all application fees for building and water drainage permits.
- **Rationale:** The FY24 budget is based on FY23 estimated actual revenue.

**Variance Fees**

FY23 Budget: \$2,000                      FY23 Est. Actual: \$3,500                      FY24 Budget: \$3,500

- **Source:** This account includes all application fees for regular and administrative variances.
- **Rationale:** The FY24 budget is based on FY23 estimated actual revenue.

## **FY 2024 OPERATING EXPENDITURES**

### **GENERAL GOVERNMENT – SALARIES & BENEFITS**

#### **Staff Salaries**

FY23 Budget: \$553,000

FY23 Est. Actual: \$540,000

FY24 Budget: \$622,000

- **Purpose:** This account funds salaries for the Town Manager, Special Project Director, Permitting and Code Enforcement Manager, Administrative Assistant, and Maintenance Manager.
- **Rationale:** The FY24 budget includes funding for 5 full-time staff members. It also includes funds to provide a 3.5% performance step increase and a 4.5% COLA for current staff members, except for the Town Manager. The BLS Consumer Price Index, as reported on January 1, 2023, has increased 4.5% over its level as of January 1, 2022. The CPI is for Urban Wage Earners and Clerical Workers (CPI-W) CPI for the Washington, D.C. standard metropolitan statistical area (i.e., the "Washington-Baltimore, DC-MD-VA-WV" area index).

#### **Awards and Bonuses**

FY23 Budget: \$45,000

FY23 Est. Actual: \$85,000

FY24 Budget: \$100,000

- **Purpose:** This account funds staff performance awards and bonuses.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

#### **Health/Life Insurance**

FY23 Budget: \$90,000

FY23 Est. Actual: \$90,000

FY24 Budget: \$95,000

- **Purpose:** This account funds health and life 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 FY24 budget anticipates a slight increase in premium rates and accounts for participation by new staff members.

#### **Retirement**

FY23 Budget: \$53,000

FY23 Est. Actual: \$50,000

FY24 Budget: \$62,000

- **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 FY24 is 8%. The rate for the GRIP is 6.12%. These premium rates and fees are set by Montgomery County.

**Payroll Taxes (Social Security, Medicare, Unemployment)**

FY23 Budget: \$40,000                      FY23 Est. Actual: \$38,000                      FY24 Budget: \$45,000

- **Purpose:** This account funds federally mandated Social Security and Medicare programs and state-mandated unemployment insurance for Town staff members.
- **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. The Town’s unemployment insurance rate is set by the State of Maryland. The FY24 budget is based on the first \$8,500 of wages paid to each employee during the calendar year.

**Workers’ Compensation**

FY23 Budget: \$5,000                      FY23 Est. Actual: \$5,000                      FY24 Budget: \$11,000

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

**Overtime**

FY23 Budget: \$10,000                      FY23 Est. Actual: \$10,000                      FY24 Budget: \$10,000

- **Purpose:** This account funds overtime work by Town employees.
- **Rationale:** The FY24 budget is based on an average of past expenditures.

**GENERAL GOVERNMENT – PROFESSIONAL SERVICES**

**Land Use/Planning/Development Consultants**

FY23 Budget: \$250,000                      FY23 Est. Actual: \$100,000                      FY24 Budget: \$125,000

- **Purpose:** This account includes funds for professional services related to the Corso Chevy Chase rezoning/redevelopment; Bethesda Market Park redevelopment; Bethesda Downtown Plan implementation; Purple Line mitigation; and Town Code review.
- **Rationale:** The FY24 budget is based on anticipated needs.

**Legal Counsel**

FY23 Budget: \$150,000                      FY23 Est. Actual: \$125,000                      FY24 Budget: \$125,000

- **Purpose:** This account funds the Town’s legal representation.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Civil Engineering/Water Drainage Plan Review**

FY23 Budget: \$45,000                      FY23 Est. Actual: \$35,000                      FY24 Budget: \$45,000

- **Purpose:** This account funds professional services related to water drainage plan review.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Accounting Services**

FY23 Budget: \$30,000                      FY23 Est. Actual: \$30,000                      FY24 Budget: \$30,000

- **Purpose:** This account funds a part-time contractor for accounting services.
- **Rationale:** The FY24 budget is based on a contract with an independent accountant.

**Code Enforcement (Building/Parking/Noise)**

FY23 Budget: \$50,000                      FY23 Est. Actual: \$15,000                      FY24 Budget: \$25,000

- **Purpose:** This account funds all Town code enforcement services.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Election Services**

FY23 Budget: \$0                                      FY23 Est. Actual: \$0                                      FY24 Budget: \$22,000

- **Purpose:** This account funds the contract to manage the Town’s annual election.
- **Rationale:** The FY24 budget is based on a contract with the Town’s election service provider. Costs for these services were included in the Civic Affairs & Community programs account in FY23.

**Audit Services**

FY23 Budget: \$13,000                      FY23 Est. Actual: \$13,000                      FY24 Budget: \$13,000

- **Purpose:** This account funds the annual audit, as required by law.
- **Rationale:** The FY24 budget is based on a contract with the Town’s accounting firm.

**Management Consultant**

FY23 Budget: \$25,000                      FY23 Est. Actual: \$0                      FY24 Budget: \$0

- **Purpose:** This account funds a part-time management consultant to assist the Town with special projects.
- **Rationale:** The FY24 eliminates funding for a Management Consultant position since a new employee has assumed these job responsibilities.

**GENERAL GOVERNMENT -- CIVIC AFFAIRS & COMMUNITY PROGRAMS**

**Community/Special Events**

FY23 Budget: \$55,000                      FY23 Est. Actual: \$100,000                      FY24 Budget: \$80,000

- **Purpose:** This account funds Town special/community events and any Council or Committee meeting expenses.
- **Rationale:** The FY24 budget includes funding to continue the Town’s regular events schedule.

**RainScapes Supplemental Rebate Program**

FY23 Budget: \$100,000                      FY23 Est. Actual: \$0                      FY24 Budget: \$75,000

- **Purpose:** This account funds the cost of providing residents who complete a County RainScapes project with a supplemental rebate of up to 50% of the County rebate amount, with the total combined rebate limited to 85% of the total cost of the project.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Consulting Water Management Program**

FY23 Budget: \$5,000                      FY23 Est. Actual: \$40,000                      FY24 Budget: \$50,000

- **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 FY24 budget has been increased to reflect higher participation rates in response to the Town’s RainScapes Supplemental Rebate Program.

**Private Canopy Tree Maintenance Program**

FY23 Budget: \$42,000                      FY23 Est. Actual: \$42,000                      FY24 Budget: \$42,000

- **Purpose:** This account provides funds to assist residents in maintaining private canopy trees.
- **Rationale:** The FY24 budget is based on FY23 estimated expenditures.

**Private Native Tree Planting Program**

FY23 Budget: \$24,000                      FY23 Est. Actual: \$24,000                      FY24 Budget: \$24,000

- **Purpose:** This account funds the Private Native Tree Planting Program, in which the Town plants native trees on private property at the request of homeowners. In FY23, the Council expanded the list of trees that may be planted under this program to include non-canopy native trees.
- **Rationale:** The FY24 budget is based on FY23 estimated expenditures.

**Consulting Arborist Program**

FY23 Budget: \$10,000                      FY23 Est. Actual: \$8,500                      FY24 Budget: \$10,000

- **Purpose:** This account funds the costs of the Town’s consulting arborist to provide recommendations to Town residents on private tree pruning and pest management.
- **Rationale:** The FY24 budget is based on past expenditures.

**Senior Support Services**

FY23 Budget: \$10,000                      FY23 Est. Actual: \$10,000                      FY24 Budget: \$10,000

- **Purpose:** This account provides funds to the Chevy Chase at Home organization for services to Town seniors.
- **Rationale:** The FY24 budget provides funding for these services.

**Battery-Powered Blower Rebate Program**

FY23 Budget: \$0                              FY23 Est. Actual: \$0                              FY24 Budget: \$0

- **Purpose:** This account provides reimbursements to residents and businesses that work in Town for the purchase of battery-powered leaf blower equipment.
- **Rationale:** This program was discontinued after FY22.

## GENERAL GOVERNMENT – OTHER SERVICES & SUPPLIES

### Debt Service Principal (Wynne)

FY23 Budget: \$38,100                      FY23 Est. Actual: \$38,111                      FY24 Budget: \$38,000

- **Purpose:** As of 6/30/2023, the Town will owe \$666,949 to the state due to the 2015 U.S. Supreme Court decision that requires a state to provide a local income tax credit to those residents who pay taxes to another state (the “Wynne” decision). The quarterly repayments, which began in May 2021 and will continue over 20 years, amount to \$38,111 per year.
- **Rationale:** The FY24 budget is based on a debt service repayment schedule established by the state.

### Dues and Subscriptions

FY23 Budget: \$25,000                      FY23 Est. Actual: \$30,000                      FY24 Budget: \$30,000

- **Purpose:** This account funds membership dues for municipal associations and professional organizations.
- **Rationale:** The FY24 budget is based on past expenditures.

### Printing and Recording

FY23 Budget: \$25,000                      FY23 Est. Actual: \$25,000                      FY24 Budget: \$25,000

- **Purpose:** This account funds printing costs for Town publications. It also funds meeting recordings and transcripts.
- **Rationale:** The FY24 budget is based on past expenditures.

### Insurance (LGIT)

FY23 Budget: \$15,000                      FY23 Est. Actual: \$15,000                      FY24 Budget: \$16,000

- **Purpose:** This account funds the Town’s liability insurance provided through the Local Government Insurance Trust (LGIT).
- **Rationale:** The FY24 budget is based on cost estimates provided by LGIT.

### Web Hosting and Development

FY23 Budget: \$8,000                      FY23 Est. Actual: \$15,000                      FY24 Budget: \$15,000

- **Purpose:** This account funds hosting and development of the Town website and municipal code.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Supplies**

FY23 Budget: \$7,000                      FY23 Est. Actual: \$8,000                      FY24 Budget: \$8,000

- **Purpose:** This account funds paper and office products, refreshments, and supplies.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Telephone**

FY23 Budget: \$8,000                      FY23 Est. Actual: \$8,000                      FY24 Budget: \$8,000

- **Purpose:** This account funds office phone lines, cell phones, and internet service.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Payroll Service**

FY23 Budget: \$4,000                      FY23 Est. Actual: \$5,000                      FY24 Budget: \$5,000

- **Purpose:** This account funds the Town’s payroll service.
- **Rationale:** The FY24 budget is based on estimates provided by the payroll company.

**Postage**

FY23 Budget: \$4,000                      FY23 Est. Actual: \$5,000                      FY24 Budget: \$5,000

- **Purpose:** This account funds all Town postage, including the Town’s bulk mail permit.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**County Tax Collection Service**

FY23 Budget: \$2,000                      FY23 Est. Actual: \$2,000                      FY24 Budget: \$2,000

- **Purpose:** The County assesses a fee to recover administrative costs in collecting and disbursing the Town’s property taxes.
- **Rationale:** The FY24 budget is based on County estimates.

**Repairs and Maintenance**

FY23 Budget: \$27,000                      FY23 Est. Actual: \$27,000                      FY24 Budget: \$2,000

- **Purpose:** This account funds maintenance of Town office equipment and the generator.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Travel/Meeting Expenses**

FY23 Budget: \$2,000                      FY23 Est. Actual: \$2,000                      FY24 Budget: \$2,000

- **Purpose:** This account funds Council and staff attendance at professional conferences, meetings, and seminars.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Unusual Non-recurring**

FY23 Budget: \$2,000                      FY23 Est. Actual: \$2,000                      FY24 Budget: \$2,000

- **Purpose:** This account funds unexpected items that are not originally budgeted.
- **Rationale:** The FY24 budget is based on past expenditures.

**PUBLIC WORKS -- SANITATION & WASTE REMOVAL**

**Household Trash Collection Contractual Services**

FY23 Budget: \$354,000                      FY23 Est. Actual: \$354,000                      FY24 Budget: \$354,000

- **Purpose:** This account funds the contract for household trash collection.
- **Rationale:** The FY24 budget is based on competitively bid contractual costs. The contract was rebid in FY23, and costs increased substantially.

**Bulk Trash Collection (Trash & Treasures) Contractual Services**

FY23 Budget: \$11,000                      FY23 Est. Actual: \$11,000                      FY24 Budget: \$11,000

- **Purpose:** This account funds the Town’s twice-yearly Trash and Treasures collection.
- **Rationale:** The FY24 budget is based on competitively bid contractual costs.

**Town Dump Fees – Refuse**

FY23 Budget: \$500                      FY23 Est. Actual: \$500                      FY24 Budget: \$500

- **Purpose:** This account funds the disposal of refuse by the Town’s maintenance crew.
- **Rationale:** The FY24 budget is based on past expenditures.

**Recycling Collection Contractual Services**

FY23 Budget: \$228,000                      FY23 Est. Actual: \$228,000                      FY24 Budget: \$228,000

- **Purpose:** This account funds the Town’s single stream recycling program.
- **Rationale:** The FY24 budget is based on competitively bid contractual costs. The contract was rebid in FY23, and costs increased substantially.

**Recycling Bins/Carts**

FY23 Budget: \$5,000                      FY23 Est. Actual: \$2,500                      FY24 Budget: \$5,000

- **Purpose:** This account funds new recycling bins and carts, as needed.
- **Rationale:** The FY24 budget provides funds for new recycling bins.

**Leaf Collection Contractual Services**

FY23 Budget: \$84,000                      FY23 Est. Actual: \$84,000                      FY24 Budget: \$84,000

- **Purpose:** This account funds the annual leaf collection and disposal contract.
- **Rationale:** The FY24 budget is based on competitively bid contractual costs.

**Yard Trash Collection Contractual Services**

FY23 Budget: \$63,000                      FY23 Est. Actual: \$63,000                      FY24 Budget: \$63,000

- **Purpose:** This account funds the Town’s yard trash collection contract.
- **Rationale:** The FY24 budget is based on competitively bid contractual costs. The contract was rebid in FY23, and costs increased substantially.

**Town Dump Fees – Yard Trash**

FY23 Budget: \$500                      FY23 Est. Actual: \$500                      FY24 Budget: \$500

- **Purpose:** This account covers dump fees for yard trash taken to the dump by Town staff.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Household Organic Waste Collection Contractual Services**

FY23 Budget: \$42,000                      FY23 Est. Actual: \$42,000                      FY24 Budget: \$50,000

- **Purpose:** This account funds the Town’s household organic waste collection program.
- **Rationale:** The FY24 budget is based on competitively bid contractual costs and an anticipated rebid of the contract with an associated increased cost.

**Composting Bins**

FY23 Budget: \$500                              FY23 Est. Actual: \$500                              FY24 Budget: \$500

- **Purpose:** This account funds new composting bins, as needed.
- **Rationale:** The Town anticipates purchasing additional composting bins in FY24.

**PUBLIC WORKS – PARKS, GROUNDS & TREES**

**Tree Maintenance**

FY23 Budget: \$150,000                      FY23 Est. Actual: \$125,000                      FY243 Budget: \$150,000

- **Purpose:** This account funds the Town’s street tree maintenance program.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

**Landscaping Services**

FY23 Budget: \$95,000                      FY23 Est. Actual: \$60,000                      FY24 Budget: \$95,000

- **Purpose:** This account funds the Town’s landscaping contract for the maintenance of Town parks and open spaces.
- **Rationale:** The FY24 budget is based on competitively bid contractual costs.

**Consultants and Engineers**

FY23 Budget: \$75,000                      FY23 Est. Actual: \$50,000                      FY24 Budget: \$75,000

- **Purpose:** This account funds landscape designers, architects, and engineers to assist in improving Town parks and open space.
- **Rationale:** The FY24 budget provides funds for consultants and engineers to assist with improvements to Town parks, including redevelopment of Zimmerman Park and stabilization of Coquelin Run. The Town has a contract with Clark Azar to design and permit improvements to both Zimmerman Park and Coquelin Run.

**Arborist**

FY23 Budget: \$30,000                      FY23 Est. Actual: \$30,000                      FY24 Budget: \$30,000

- **Purpose:** This account funds the Town’s arborist services, including integrated pest management, preparation of pruning lists, and oversight of the tree maintenance contractor.
- **Rationale:** The FY24 budget is based on projected needs and past expenditures.

**Supplies**

FY23 Budget: \$10,000                      FY23 Est. Actual: \$7,500                      FY24 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 FY24 budget is based on past expenditures.

**Repairs and Maintenance**

FY23 Budget: \$5,000                      FY23 Est. Actual: \$4,000                      FY24 Budget: \$5,000

- **Purpose:** This account funds maintenance of the Town’s landscaping equipment. It includes repairs to the trucks, lawn mowers, and watering rig.
- **Rationale:** The FY24 budget is based on past expenditures.

**Utilities**

FY23 Budget: \$3,000                      FY23 Est. Actual: \$3,000                      FY24 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 FY24 budget is based on anticipated expenditures.

## **PUBLIC WORKS -- STREETS & ROADS**

### **Sidewalk Snow Removal**

FY23 Budget: \$100,000

FY23 Est. Actual: \$0

FY24 Budget: \$100,000

- **Purpose:** This account funds the Town's sidewalk snow removal program in which the Town assists with the clearing of public sidewalks when snow accumulates to 6 inches or more or when conditions warrant.
- **Rationale:** The amount of annual snowfall is unpredictable. The FY24 budget is based on average annual expenditures.

### **Street Snow Removal**

FY23 Budget: \$50,000

FY23 Est. Actual: \$5,000

FY24 Budget: \$50,000

- **Purpose:** This account funds the contractor that assists the Town crews in clearing snow from Town streets.
- **Rationale:** The FY24 budget is based on average annual expenditures.

### **Utilities**

FY23 Budget: \$35,000

FY23 Est. Actual: \$32,000

FY24 Budget: \$35,000

- **Purpose:** This account funds street light electricity and utilities used at the garage.
- **Rationale:** The FY24 budget is based on past expenditures.

### **Consultants and Engineers**

FY23 Budget: \$10,000

FY23 Est. Actual: \$7,000

FY24 Budget: \$10,000

- **Purpose:** This account funds civil engineers and traffic consultants.
- **Rationale:** The FY24 budget provides funds for consultants to assist with implementation of infrastructure improvements and traffic engineering/management.

### **Street Sweeping**

FY23 Budget: \$10,000

FY23 Est. Actual: \$5,000

FY24 Budget: \$10,000

- **Purpose:** This account funds street cleaning.
- **Rationale:** The FY24 budget is based on contractual costs.

### **Repairs and Maintenance**

FY23 Budget: \$5,000

FY23 Est. Actual: \$5,000

FY24 Budget: \$5,000

- **Purpose:** This account funds repairs and maintenance of the Town's trucks and plows.
- **Rationale:** The FY24 budget is based on past expenditures.

### **Street Signs**

FY23 Budget: \$5,000

FY23 Est. Actual: \$5,000

FY243 Budget: \$5,000

- **Purpose:** This account funds new street signs.
- **Rationale:** The FY24 budget will allow the Town to continue to replace and maintain street signs.

### **Supplies**

FY23 Budget: \$5,000

FY23 Est. Actual: \$5,000

FY24 Budget: \$5,000

- **Purpose:** This account funds supplies for streets and roads, including winter salt and sand, gas, and oil.
- **Rationale:** The FY24 budget is based on past expenditures and anticipated needs.

## **PUBLIC SAFETY (POLICE)**

### **Salaries**

FY23 Budget: \$336,000

FY23 Est. Actual: \$336,000

FY24 Budget: \$368,000

- **Purpose:** This account funds the Town's off-duty Montgomery County police officers.
- **Rationale:** The FY24 budget proposes an increase in the hourly rates for off-duty police officers from \$50/hour to \$55/hour for day shift and from \$55/hour to \$60/hour for night shift. The proposed budget provides funding for 16 hour/day (two 8-hour shifts) of off-duty police coverage and for an increase in the number of 4-hour shifts (180 total) to provide additional traffic control during rush hours and around schools within the Town.

### **Police Management Service**

FY23 Budget: \$34,000

FY23 Est. Actual: \$34,000

FY24 Budget: \$55,500

- **Purpose:** This account funds the administrative management of the Town's off-duty Montgomery County police officers.

- **Rationale:** The FY24 budget proposes an increase in the rate of the police supervisor from 10% to 15% of the total per hour rate for each off-duty officer.

**Payroll Taxes**

FY23 Budget: \$24,000                      FY23 Est. Actual: \$24,000                      FY24 Budget: \$30,000

- **Purpose:** This account funds the federally mandated Social Security and Medicare programs and state-mandated unemployment insurance for the Town’s off-duty police officers
- **Rationale:** Social Security and Medicare costs total 7.65% of officers’ salaries. This rate is set by the Federal Government. The Town’s unemployment insurance rate is set by the State of Maryland. The FY24 budget is based on the first \$8,500 of wages paid to each off-duty officer during the calendar year.

**Workers’ Compensation**

FY23 Budget: \$17,000                      FY23 Est. Actual: \$17,000                      FY24 Budget: \$15,000

- **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**

FY23 Budget: \$8,000                      FY23 Est. Actual: \$8,000                      FY24 Budget: \$8,000

- **Purpose:** This account funds the police portion of the Town’s liability insurance provided through the Local Government Insurance Trust (LGIT).
- **Rationale:** The FY24 budget is based on cost estimates provided by LGIT.

## **FY 2024 CAPITAL EXPENDITURES**

### **STREETS, SIDEWALKS & STORMWATER**

#### **Asphalt and Concrete**

FY23 Budget: \$150,000    FY23 Est. Actual: \$45,000    FY24 (Net) Budget: \$545,000

- **Purpose:** This account funds necessary street and sidewalk work.
- **Rationale:** The FY24 budget is based on anticipated expenditures.

#### **Stormwater Management (Storm Sewers/Stream)**

FY23 Budget: \$0    FY23 Est. Actual: \$0    FY24 Budget: \$283,000

- **Purpose:** This account funds new storm drains, storm sewers, and stream restoration work.
- **Rationale:** The FY24 budget includes funds for new storm drain inlets and pipes. It also includes funds to make improvements to Coquelin Run near Lynn Drive.

#### **Street Signs & Street Lights**

FY23 Budget: \$25,000    FY23 Est. Actual: \$17,000    FY24 Budget: \$55,000

- **Purpose:** This account funds new street signs and streetlights.
- **Rationale:** The FY24 budget includes funds for new street signs and streetlights.

### **PARKS, GROUNDS & TREES**

#### **Park Improvements**

FY23 Budget (Net): \$112,500    FY23 Est. Actual: \$0    FY24 Budget (Net): \$112,500

- **Purpose:** This account funds improvements to Town parks and open space.
- **Rationale:** The FY24 budget provides funds to construct improvements to Town parks, including Zimmerman Park. This amount is substantially offset by a state grant of \$337,500 to renovate and upgrade Zimmerman Park.

### **New Trees/Reforestation**

FY23 Budget: \$25,000

FY23 Est. Actual: \$20,000

FY24 Budget: \$25,000

- **Purpose:** This account funds the Town's reforestation efforts.
- **Rationale:** The FY24 budget provides funds to plant new street trees.

## **FACILITIES & EQUIPMENT**

### **Town Office Improvements**

FY23 Budget: \$25,000

FY23 Est. Actual: \$25,000

FY24 Budget: \$25,000

- **Purpose:** This account funds Town office improvements.
- **Rationale:** The Town plans to undertake office renovations in FY24. Renovations will include modifications to office layout, new carpeting, and new lighting.

### **Information Technology**

FY23 Budget: \$5,000

FY23 Est. Actual: \$4,000

FY24 Budget: \$5,000

- **Purpose:** This account funds upgrades to the Town's information technology systems.
- **Rationale:** The Town plans to make minor system enhancements in FY24.

## RESTRICTED FUNDS

### American Rescue Plan Act (ARPA) Grant

FY23 Balance: \$1,604,908      FY24 Est. Revenue: \$0      FY24 Est. Expenditures: \$739,000

- **Purpose:** The Town is a recipient of approximately \$2.4 million in Coronavirus Local Fiscal Recovery Funds under the American Rescue Plan Act (ARPA).
- **Rationale:** The FY24 budget reflects expenditure of \$700,000 in ARPA grant monies for the provision of government services (as identified in the budget).

### Cable TV Improvements – Capital PEG Grants

FY23 Balance: \$385,717      FY24 Est. Revenue: \$29,000      FY24 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 FY24, the Town anticipates additional upgrades to the audio/visual system in the Town Hall. In FY23, the Town entered into an agreement with Montgomery Municipal Cable (MMC) that provides MMC with the Town’s portion of PEG grants restricted for cable television operations in exchange for MMC’s assistance with covering Town meetings and events. The Town will retain the portion of PEG funds restricted for cable television capital expenditures.