



June 11, 2024

Ms. Allison Pickard  
Chair, Anne Arundel County Council  
44 Calvert Street  
Annapolis, Maryland 21401

Dear Chair Pickard,

In accordance with Section 709 of the Anne Arundel County Charter, I am submitting to the County Council the attached proposed amendments to the FY 2025 Proposed Budget introduced on May 1, 2024. The attached amendments address the following general areas:

## **Operating Budget**

### **A. Supplemental Requests**

These summaries pertain to the supplemental requests only, however the amendments incorporate prior actions that the County Council took via amendments yesterday, on June 10.

#### **Current Expense Budget - General Fund**

**Chief Administrative Officer** – Increases Grants, Contributions & Other by \$590,000 to provide a \$500,000 one-time grant to the New Village Academy and a \$90,000 one-time grant to continue the Jovenes Artistas program at Maryland Hall for FY25. *(Council Request)*

**Fire Department** – Increases Grants, Contributions & Other by \$50,000 for a one-time Port Security grant match.

**Office of Information Technology** – Increases Contractual Services by \$20,000 for an increase in costs related to mass notifications (coordinated by Office of Emergency Management).

**Legislative Branch** – Increases Business and Travel by \$35,000 for increased travel and training. Additionally, reclassifies one Senior Legislative Analyst position to an Assistant County Auditor. *(Council Request)*

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countyexecutive@aacounty.org

**Police Department** – Increases Personal Services by \$19,100 to reconcile the pay scale adjustment for Police Captains.

**Department of Public Libraries** – Increases General Fund appropriation by \$65,900 to provide for a new Collection Development Specialist position. ***(Council Request)***

### **Other Funds**

**Grants Special Revenue Fund** – Increases the appropriation in the Grants Special Revenue Fund by \$1,531,100 to add new grant funding for the Chief Administrative Officer, Office of the County Executive, Department of Aging, and Fire Department. This amendment also corrects errors in the Grants Special Revenue Fund for the Chief Administrative Officer to allocate a grant award to the correct bureau, realigns a grant appropriation from the capital budget to the operating budget for the Police Department, and makes technical corrections to Exhibit C.

**Board of Education** – Increases Other Instructional Costs by \$102,000 for Pre-Kindergarten private provider programs as a result of an increase in State funding.

**Community Development Fund** - Increases Grants, Contributions & Other in the Community Development Fund by \$105,900 to appropriate additional grant revenue.

**Library Fund** – Increases Personal Services by \$65,900 to conform to the General Fund changes described above.

**Reforestation Fund** – Increases Grants, Contributions & Other in the Reforestation Fund by \$818,100, of which \$329,200 is for capital project C531200 – Reforestation Program Land Acquisition and the remainder is for other reforestation efforts. \$700,500 of this funding is reappropriated savings from FY2024 and \$117,600 is additional funding to mitigate forest loss.

## **Capital Budget and Program**

### **A. Errors and Omissions**

#### **General Fund**

**E572500 Quarterfield ES** - These amendments increase General County Bonds by \$5,834,000 and decreases General Fund PayGo funding source by (\$5,834,000) to correct an administrative error related to general county bonds. The bonds in this project have an issuance date that exceeds the window of time allotted for adjustments. As a result, the reduction is being amended to be applied to the General Fund PayGo funding source. There is no change in the level of appropriation.

**H587100 Old Mill MS Offsite Imp** - Decreases FY25 Hwy Impact Fees District 1 funding by (\$143,000) due to an administrative error made in the escalation calculation.

### **B. Supplemental Requests**

As shown in the table below, a total of \$10,695,000 in General County Bonds and General Fund PayGo has been reduced in the FY25 Capital Budget and Program by amendments approved by the County Council on June 10th.

Summary of Amendments already Approved (General County Bonds and General Fund PayGo):

Funding Source	Amend	Dept or Project	PY	FY25	FY26	FY27	FY28	FY29	FY30
General					(200,000)				
County Bonds	8	Add'l Salt Storage Capacity							
	10	Parking Garages Repair/Renov			(495,000)				
	11	Millersville Garage Renovation			(337,000)				
	12	West County Road Ops Yard	(1,112,000)						
	13	Circuit Courthouse Major Reno			(513,000)	(408,000)	(72,000)		
	14	Police Training Academy	(170,000)						
	16	Evidence & Forensic Sci Unit	(1,000,000)						
	18	Joint 911 Public Safety Ctr		(488,000)					
	19	Town Cntr To Reece Rd	(2,383,000)						
	23	Jumpers Hole Rd Improvements		(500,000)					
	24	MD 214 & Loch Haven Road	(300,000)	-					
	25	Odenton Area Sidewalks	(64,000)	-					
	27	Pleasant Plains Rd Safety Im	(553,000)	(275,000)					
	30	Bluewater/Milestone SUPs		(146,000)					
	31	Ridge Rd Improvements		(315,000)					
	32	Health and Life Sciences Bldg	(197,000)						
	33	GBTC Tutoring Ctr Renovation	(84,000)						
	34	Facility Lighting		(90,000)					
	36	N Arundel Swim Ctr Campus Imp		(100,000)					
	37	Eisenhower Golf Course		(400,000)					
	39	Yantz & Saltworks Creek Drdg	(69,000)						
	40	Grays Crk & Hunters Hbr Drdg	(177,000)						
General Fund				(80,000)					
PayGo	7	Failed Sewage&Private Well Fnd							
	9	Parking Garages Repair/Renov		(14,000)					
	17	Zetron Tone Generator	(90,000)						
	35	R & P Project Plan		(63,000)					

These reductions, collectively, are used to fund the supplemental amendments itemized on the following pages. Adopting all of these supplemental amendments would still maintain the Capital Budget and Program well within affordability guidelines. Note that several of the June 10 amendments will be “superseded” by the amendments included in this supplemental budget request - but in each case they preserve the prior action taken by the Council.

**CIP General Fund**

**General County Class**

C519600 Information Technology Enhancement - Reduces Other Federal Grants by (\$963,000). This grant is being moved from the Office of Information Technology capital project, to the Police Dept’s operating budget as the grant is for public safety related IT equipment.

C537800 County Facilities & Sys Upgrade – Increases General County Bonds by \$954,000 and PayGo totaling \$46,000 for this existing multi-year, recurring capital project in FY25. This funding will add to the County’s ability to address the ongoing project backlog for facility repairs and renovations. This project will increase in total by \$1,000,000.

C565500 Odenton MARC TOD Dev Ph 1 & 2A - This amendment performs a funding swap by decreasing General County Bonds (\$75,000) and increasing Tax Increment Fund (TIF) funding by \$75,000 in FY25. There is no change in the level of appropriation.

C571700 Parking Garages Repair/Renovation - Increases FY25 PayGo by \$386,000 and decreases Parking Garage funding source by \$400,000. This amendment swaps Parking Garage funding totaling (\$400,000) with PayGo, and also includes the (\$14,000) reduction in prior approved PayGo from amendment #9.

C582700 Forest Conservation Mitigation – Decreases prior approved Reforestation - Forest Conservation funding by \$371,300. These funds will be transferred to the operating budget side of the reforestation fund to mitigate forest loss.

### **Public Safety**

F586400 Joint 911 Public Safety Ctr - This amendment performs a funding swap by increasing FY25 Public Safety Impact Fees funding by \$488,000 and decreasing General County Bonds by (\$488,000). There is no change in the level of appropriation.

### **Recreation & Parks**

P479800 Park Renovation – Increase General County PayGo by \$2,000,000 for this existing multi-year, recurring capital project in FY25. This additional funding will give the department more capacity to work through their project backlog and support needed enhancements to park facilities. *(Council Request)*

P504100 Broadneck Peninsula Trail - Increases FY25 General PayGo by \$1,535,000 due to updated fiscal analysis that indicated that there were additional utility conflicts identified, and soil that is required to be replaced.

### **Roads and Bridges Class**

H371200 Town Cntr To Reece Rd - The net impact of these amendments reduces Highway Impact Fees District 4 funding by (\$316,000).

H478600 Road Resurfacing – Increases General County Bonds by \$2,500,000 for this existing multi-year, recurring capital project in FY25. Over the past few years there has been a waiting list at the end of each fiscal year due to the lack of available funds. This addition to the annual funding will help address the backlog in this project. *(Council Request)*

H478900 Rd Reconstruction – Increases General County PayGo by \$1,500,000 for this existing multi-year, recurring capital project in FY25. Over the past few years there has been a waiting list at the end of each fiscal year due to the lack of available funds. This addition to the annual funding will help address the backlog in this project. *(Council Request)*

H569600 Monterey Ave Sidewalk Improv - Decreases prior approved Tax Increment Fund (TIF) funding by (\$75,000) due to updated fiscal analysis, which indicated a savings to the capital project.

H575600 Jumpers Hole Rd Improvements - This amendment performs a funding swap by increasing FY25 Hwy Impact Fees District 3 funding by \$500,000, and decreasing General County Bonds by (\$500,000). There is no change in the level of appropriation.

H575700 MD 214 & Loch Haven Road - This amendment performs a funding swap by increasing FY25 Hwy Impact Fees District 5 funding by \$300,000 and decreasing prior approved General County Bonds by (\$300,000). There is no change in the level of appropriation.

H590400 Riva Rd Shared Used Path - This amendment moves the project timeline forward to start design in FY25, land acquisition in FY27, and construction in FY28. As a result it adds a FY25 appropriation of \$1,002,000, reduces funding planned for FY28 through FY30, moves funding forward to FY27 and FY28, and reduces the project total by \$761,000 to account for less cost escalation. ***(Council Request)***

### **Traffic Control Class**

H479100 Guardrail – Increase General County Bonds by \$20,000 to support work needed at the Wigley Ave portion of the intersection on Route 175. ***(Council Request)***

### **Dredging Class**

Q588500 FY 23 Dredging Program – Amends the General County Bond reduction total of (\$391,000), and replaces it with a total project reduction of (\$205,000). As a result there is an increase in General County Bonds of \$186,000 and a decrease of MD Waterway Improvement grant funding by (\$66,000). The change in the amount saved is the result of updated fiscal analysis, and a clarified scope on the project related to the amount of material to be dredged and transported to the storage site.

### **Education Class**

E538800 School Bus Replacement – Increases Other Federal Grant funding by \$1,320,000 to recognize additional grant funding received from the Environmental Protection Agency related to the 2023 Clean School Bus (CSB) Rebate program. These funds will be used for 6 new electric buses, charging infrastructure, and other eligible expenses.

### ***CIP Solid Waste Management Fund***

N578800 MLF Subcell 9.3 Design/Const. - Decreases the reduction of Solid Waste Bonds in FY25 from (\$3,489,000) to (\$2,758,000) as a result of an updated engineer's estimate, as well as an updated construction contingency from 10% to 15%.

### ***CIP Utility Fund***

S777200 Central Sanitation Facility - Increases FY25 WasteWater Bonds by \$117,600 for Fee-In-Lieu Reforestation expenses incurred in FY24 on this capital project.

### **Final Budget Balancing**

The Current Expense Budget Supplemental Request for the General Fund totals \$780,000, of which \$140,000 is recurring and \$640,000 is one-time. Amendments passed by the County Council on June 10 totaled \$180,000 of recurring reductions to appropriations. The Supplemental Request uses \$140,000 of those recurring General Fund operating budget reductions and a reduction of \$600,000 of PAYGO from yesterday's amendments and anticipated PAYGO reductions from supplemental amendments.

With the adoption of the supplemental amendments, the County will remain within our affordability guidelines in the Capital Budget and Program. Finally, attached to this letter are the specific amendments, as explained above, to the proposed Annual Budget and Appropriation Ordinance, the Current Expense Budget, and the Capital Budget and Program, for FY2025.

I look forward to working with the County Council toward the completion of the FY2025 annual budget adoption process.

Sincerely,



Steuart Pittman  
County Executive

cc: Members of the County Council  
Christine Anderson, Chief Administrative Officer  
Chris Trumbauer, Budget Officer  
Kaley Schultze, County Council Administrator  
Michelle Bohlayer, County Auditor