

COUNTY COUNCIL OF CECIL COUNTY, MARYLAND
LEGISLATIVE SESSION DAY 13-15

BILL NO. 2013-09

Title of Bill: Budget Ordinance FY2014 – Appropriations – Capital Budget

Synopsis: An Act to amend the Annual Budget and Appropriation Ordinance for Cecil County, Maryland for FY2014 to provide additional appropriation authority to the Capital Budget for (a) grant funding of \$968,394; (b) funding a Capital Project for the Cecil County Public Schools known as the Cecil School of Technology in the amount of \$17,380,000; and, (c) funding a project known as the Broadband Technology Opportunities Program (BTOP) in the amount of \$688,000, for the fiscal year ending June 30, 2014.

Introduced by: Council President on behalf of the County Executive

Introduced and ordered posted on: August 6, 2013

Public hearing scheduled on: September 3, 2013 **at:** 7:00 p.m.

Scheduled for consideration: September 17, 2013

By: James Massey
Council Manager

Public Hearing

Notice of time and place of public hearing and title of Bill have been posted by August 9, 2013 at the County Administration Building, 200 Chesapeake Blvd., Elkton and having been published according to the Charter on August 14, 2013 and August 21, 2013, a public hearing was held on September 3, 2013, and concluded on September 3, 2013.

By: James Massey
Council Manager

1 **WHEREAS**, in accordance with Section 505 of the Cecil County Charter, on March 1, 2013, the
2 County Executive submitted a proposed budget to the County Council for Fiscal Year 2014; and,

3 **WHEREAS**, in accordance with Section 506 of the Cecil County Charter, the County Council held
4 public hearings on the proposed budget submitted by the County Executive for Fiscal Year 2014; and,

5 **WHEREAS**, in accordance with Section 507(b) of the Cecil County Charter, on May 21, 2013, the
6 County Council adopted the budget for Fiscal Year 2014; and,

7 **WHEREAS**, the County Executive is revising the Fiscal Year 2014 Capital Budget revenue estimate
8 for Cecil County, Maryland to establish new capital projects, establish budgets for those new projects,
9 and increase the capital project total budgets for existing capital projects to include amounts funded
10 under grants that have or are expected to be awarded, and pursuant to the approval of the Planning
11 Commission of Cecil County as required, the following amounts within the Capital Projects Funds are
12 changed as follows:

- 13 a) The addition of \$879,978 grant revenue and expense to the Department of Emergency Services
14 Capital budget for the Vesta 4.X Sentinel Phone System project awarded by the Emergency
15 Number Systems Board.
- 16 b) The addition of \$88,416 grant revenue and expense to the Facilities Management Capital budget
17 for security enhancements to the Courthouse awarded by the Administrative Office of the Courts.
- 18 c) The addition of \$17,380,000 revenue and expense to the Cecil County Public Schools Capital
19 budget for the Cecil School of Technology to acquire an existing 91 acre site and 141,000 sq. ft.
20 facility to expand the CTE programs (including the expected state grant for improvements of
21 \$4,567,000), which will allow CCPS to provide a trained and skilled workforce for automotive
22 repair, cosmetology, culinary arts, welding, allied health, fire science, and building trades.
- 23 d) The addition of \$688,000 revenue and expense to the Information Technology Capital budget for
24 the Broadband Technology Opportunities Program (BTOP), of which \$138,000 is a capital grant to
25 be received from the State of Maryland, and which \$75,000 is to be transferred from the FY 2014
26 Information Technology expense budget to support the deployment of broadband infrastructure to
27 connect “community anchor institutions” such as governments and public safety facilities, which
28 will help ensure sustainable community growth and provide the foundation for enhanced
29 household and business broadband internet services; and,

30 **WHEREAS**, such appropriation is necessary to provide grant funding totaling \$5,673,394, , and
31 Capital Projects funding in the amount of \$19,036,394, for project expenditures.

32 **WHEREAS**, pursuant to Section 511 of the Cecil County Charter, the County Executive has now
33 recommended a supplemental appropriation to the Budget Ordinance for the fiscal year ending June 30,
34 2014; and

35 **WHEREAS**, Section 506 of the Charter of Cecil County requires that no final budget action may be
36 taken by the County Council until after public hearing or hearings have been held in open public session;
37 and,

38 **WHEREAS**, County Council has caused notice of a public budget hearing on the recommended
39 supplemental appropriation to the Budget Ordinance to be published in a newspaper of general
40 circulation in Cecil County; and,

41 **WHEREAS**, on September 3, 2013, the County Council held a public budget hearing on the
42 recommended supplemental appropriation to the Budget Ordinance and can now, therefore, take action
43 thereon.

44 **NOW THEREFORE,**

45 Section 1. Be It Hereby Enacted by the County Council of Cecil County, Maryland that the Annual Budget
46 and Appropriation Ordinance for Cecil County, Maryland for Fiscal Year 2014 is hereby amended for the
47 supplemental appropriation, and the Current Expense Budget is also hereby amended to appropriate
48 additional expenditures in the Capital Projects Fund in order to increase the Capital Projects Fund by the
49 amount of \$5,673,394 of grant funding and \$19,036,394 of capital projects expenditures.

50 Section 2. And Be it Further Enacted that this Act shall take effect on November 14, 2013 when it
51 becomes law.

CERTIFICATION

I, HEREBY CERTIFY that the above Bill was posted for the public on the public bulletin board with the date, time and location of the public hearing meeting, copies were made available for the public, a copy was distributed to the press, and copy was made available on the Cecil County website.

BY:  Council Manager

BILL NO: 2013-09

Title of Bill: Budget Ordinance 2014 – Appropriations – Capital Budget
is hereby submitted to the County Council of Cecil County, Maryland for enrollment as being the text as finally passed.

CERTIFIED TRUE AND CORRECT

James Massey
Council Manager

Date: Sept 17, 2013

ENROLLED

[Signature]
Council President

Date: 9/17/13

BY THE COUNCIL

Read the third time.

Passed - LSD 13-18

Passage Failed - LSD _____

BY: James Massey
Council Manager

SEALED WITH THE COUNTY SEAL AND PRESENTED TO THE COUNTY EXECUTIVE for approval this 18
day of September, 20 13 at 11:00 a.m. / p.m.
(10 business days from adoption §306)

BY: James Massey
Council Manager



BY THE EXECUTIVE:

Jari Moore
Cecil County Executive

APPROVED Date: 9/19/13

VETOED Date: _____
(10 business days from presentation §306)

BY THE COUNCIL

This Bill No. 2013-09 having been approved by the Executive and returned to the Council becomes law
on 11/14/2013 with an effective date of 11/14/2013.

BY: James Massey
Council Manager

**FISCAL NOTE
SUBMITTED BY THE DEPARTMENT OF FINANCE
ON BEHALF OF THE COUNTY EXECUTIVE**

SUBJECT:

Bill No. 2013-09 – Budget Ordinance FY2014 – Appropriations – Capital Budget

FISCAL IMPACT: The approval of this resolution will have a net fiscal impact on the Cecil County Government. The approval of the Capital Project for land acquisition will not have a debt service impact in FY 2014, however expenses could be incurred on the project and financed through a Bank Anticipation Note, which will be reimbursed through a future bond issuance. Future debt service obligations are expected to be \$780,455 annually, and net annual operating costs will increase by \$914,607.

Further Detail:

The bill proposes to amend the Capital Budget by appropriating grant revenue funding for two previously approved projects in the Capital Improvement Program. The projects and associated grant amounts are as follows:

- The addition of an \$879,978 grants revenue and expense to the Department of Emergency Services Capital budget for the CAD Replacement, for procurement of the Vesta 4.X Sentinel Phone System awarded by the Emergency Number Systems Board.
- The addition of an \$88,416 grants revenue and expense to the Facilities Management Capital budget for the Courthouse Renovations Project, for security enhancements to the Courthouse awarded by the Administrative Office of the Courts.

The grant awards append to the project and matches revenue with expense, therefore has no net fiscal impact on the Cecil County Government.

The bill also proposes to amend the Capital Budget by appropriating \$17,380,000 in revenue and expense to the Cecil County Public Schools Capital Budget to acquire an existing 91 acre site and 141,000 sq. ft. facility to expand the CTE programs (including the expected state grant for improvements of \$4,567,000), which will allow CCPS to provide a trained and skilled workforce for automotive repair, cosmetology, culinary arts, welding, allied health, fire science, and building trades. The net appropriation for the County is \$ 12,813,000, which will be financed by general obligation bonds. Should the project be approved by the Council, financing could occur in January 2014, which would generate no debt service expense to the County in FY 2014. Assuming level payments, an interest rate of 2%, and 20 year term, expected debt service would be \$ 780,455 annually. Depending on the actual build out schedule, the total additional annual

operational cost, net of lease savings on Elkton Blvd. is \$914,607. The cost of the current school supporting 240 students is \$3,416,970 or \$14,237 per student. Operational costs of \$4,576,848 for the new school will support 580 students, an additional six programs and increased enrollment in current programs for a cost per student of \$7,891. The annual operating costs are cost shared between the State and County.

The bill also proposes to amend the Capital Budget by appropriating \$688,000 in revenue and expense to the Information Technology Capital budget for the Broadband Technology Opportunities Program (BTOP), of which \$138,000 is a capital grant to be received from the State of Maryland, and which \$75,000 is to be transferred from the FY 2014 Information Technology expense budget to support the deployment of broadband infrastructure to connect “community anchor institutions” such as governments and public safety facilities, which will help ensure sustainable community growth and provide the foundation for enhanced household and business broadband internet services. At this time, the project should be considered a “placeholder,” until such time as adequate documentation regarding the kind and nature of the infrastructure construction, and estimated ongoing expense obligations are clearly identified, as well as clarifying the nature of the financial obligations of the participating entities.