



CECIL COUNTY, MARYLAND

DEPARTMENT OF FINANCE

FISCAL NOTE

SUMMARY OF LEGISLATION

SPONSOR: Council President Meffley at the request of the County Executive

RESOLUTION NO. 45-2020 – Supplemental Appropriation - Fund Balance – Board of Education – Small Capital Projects.

SYNOPSIS: A resolution to amend the Annual Budget and Appropriation Ordinance for Cecil County, Maryland for the fiscal year ending June 30, 2021 in order to provide the Board of Education Small Cap Budget within the General Fund, expenditure appropriation authority to authorize \$137,767 to be expended for FY2020 small cap projects that were not completed by June 30, 2020..

FISCAL IMPACT SUMMARY: The approval of this bill will have a net fiscal impact on the Cecil County of \$137,767, by expending the FY2020 assigned fund balance designated by the County Executive to provide carryover funding for the unspent Cecil County Public Schools small cap budget.

FISCAL ANALYSIS:

At the end of FY2020, Cecil County Public Schools informed the County it would be unable to complete two of its scheduled FY2020 small capital projects by the end of the fiscal year. The two incomplete projects that were approved by the County Executive earlier in the fiscal year due to realized savings from the diesel program are the new playground at Cecil Manor Elementary School (\$39,000) and the replacement of the HVAC Dual temperature piping at the Administrative Services Center building. As CCPS's small cap budget is part of the County's annual operating budget, any funds not spent by June 30 revert back to the fund balance of the general fund. In anticipation of not completing the two project by fiscal year end, CCPS proactively asked for the funds to be carried over to FY2021. In order to appropriate the funds back to the school system, the County Executive has assigned the funds to CCPS to allow the completion of the two small cap projects.

Although the County Executive has the power to assign fund balance, the Council, per Charter, must approve changes to the approved budget.

A copy of the letter requesting the transfer of funds from the diesel start up to other small projects is attached along with the County Executive's approval. The County Executive has the ability to approve the use of small cap operating funds for different uses as the funds for small capital projects are together in one expense line item of the general fund budget.



CECIL COUNTY PUBLIC SCHOOLS OFFICE OF THE SUPERINTENDENT

GEORGE WASHINGTON CARVER EDUCATION LEADERSHIP CENTER
201 BOOTH STREET • ELKTON, MD 21921

phone: 410.996.5499 • fax: 410.996.5137 • www.ccps.org

Jeffrey A. Lawson, Ed.D.
Superintendent of Schools

William H. Malesh
President, Board of Education

May 14, 2020

Dr. Alan McCarthy
County Executive, Cecil County Government
200 Chesapeake Boulevard, Suite 2100
Elkton, MD 21921

Dear Dr. McCarthy:

The purpose of this amendment is to adjust the County allocations for school construction projects supported by County pay-go funding.

The Cecil County School of Technology Diesel Program Renovation project is expected to realize savings due to CCPS staff performing portions of the renovation. We request to transfer funds to the new projects listed below.

| Pay-Go Funds | | | | |
|------------------------|--------------------------------|------------------------|--------------|------------------------|
| | Project Name | Project Budget | Amendment | Amended Budget |
| Multi - School | Energy performance contract | \$ 803,913.00 | \$ - | \$ 803,913.00 |
| School of Technology | Diesel program renovations | 322,878.00 | (184,766.23) | 138,111.77 |
| North East Middle | New school | 53,000.00 | | 53,000.00 |
| Cecilton Elementary | Secure Entrance | 245,658.00 | | 245,658.00 |
| Holly Hall Elementary | Secure Entrance | 158,501.00 | | 158,501.00 |
| Leeds Elementary | Secure Entrance | 271,335.00 | | 271,335.00 |
| Cecil Manor Elementary | Secure Entrance | 348,628.00 | | 348,628.00 |
| Holly Hall Elementary | Pavement Repair | | 15,000.00 | 15,000.00 |
| Bay View Elementary | Sidewalk Repair | | 7,000.00 | 7,000.00 |
| Cecil Manor Elementary | Pavement Repair | | 10,000.00 | 10,000.00 |
| North East High | Sidewalk Repair | | 12,000.00 | 12,000.00 |
| ASC | Sidewalk Repair | | 3,000.00 | 3,000.00 |
| ASC | HVAC Dual Temp. Piping Replace | | 98,766.23 | 98,766.23 |
| Cecil Manor Elementary | Playground Repairs | - | 39,000.00 | 39,000.00 |
| TOTAL | | \$ 2,203,913.00 | \$ - | \$ 2,203,913.00 |

If you have questions, please do not hesitate to contact me.

Sincerely,

Jeffrey A. Lawson, Ed.D.

Our Mission: *CCPS serves equitably through positive relationships as a safe, collaborative community. We will ensure all learners acquire the knowledge, skills, and qualities to be responsible, caring, and ethical citizens.*

Alan J. McCarthy
County Executive

Alfred C. Wein, Jr.
Director of Administration



Office: 410.996.5202
Fax: 800-863-0947

County Information
410.996.5200
410.658.4041

CECIL COUNTY, MARYLAND
Office of the County Executive
200 Chesapeake Boulevard, Suite 2100, Elkton, MD 21921

June 12, 2020

Dr. Jeffrey A. Lawson
Superintendent
Cecil County Public Schools
201 Booth Street
Elkton, MD 21921

Dear Dr. Lawson:

I am in receipt of your request dated May 14, 2020 to make a change to the FY2020 Approved Small Capital Pay-Go project funding. Your request is to transfer funds from the Cecil County School of Technology diesel program renovations project (\$184,766.23) to the following projects:

| | | |
|------------------------|--------------------|------------------|
| Holly Hall Elementary | Pavement Repair | \$ 15,000.00 |
| Bay View Elementary | Sidewalk Repair | 7,000.00 |
| Cecil Manor Elementary | Pavement Repair | 10,000.00 |
| North East High | Sidewalk Repair | 12,000.00 |
| ASC | Sidewalk Repair | 3,000.00 |
| ASC | HVAC Repairs | 98,766.23 |
| Cecil Manor Elementary | Playground Repairs | <u>39,000.00</u> |
| | | \$ 184,766.23 |

Upon my review of the justification to transfer funding between the projects, I am approving your request. As you know the County's fiscal year end is June 30, 2020, and the small capital budget to support CCPS will no longer be available for expenditure after that date. If your team would please inform Finance (Becky Anderson and/or Lisa Saxton) in early July, which projects did not get completed as of June 30, so at my request they will submit a resolution to Council to assign the funds to complete the above projects, with the explanation of timing/fiscal year end as the reason for FY2021 assignment to CCPS.

If you have any additional concerns about the Small Capital Budget for FY2020, please don't hesitate to give me a call

Respectfully,

Alan J. McCarthy
Cecil County Executive