



DEPARTMENT OF FINANCE & BUDGET
INTEROFFICE MEMORANDUM

TO: Board of County Commissioners
VIA: Julian M. Willis, County Administrator
FROM: Veronica Atkinson, Capital Projects Analyst
DATE: April 21, 2021
SUBJECT: Budget Adjustment and Resolutions for Increased Revenue Projections

Background:

Calvert County Government is on track for a significant positive variance in our Income Tax revenue. The funds provided to the economy from the Federal Government are impacting both revenues and expenses in a positive manner.

Discussion:

The Department of Finance & Budget has had informal discussions with members of the Board of County Commissioners (BOCC) and County staff. The proposed use of this additional income tax money is outlined in the chart below.

After review of the FY22 Requested Budget and the ensuing 6-year Capital Budget requests, Finance & Budget is proposing the following plan to the Board.

This chart reflects the allocation of \$12,931,300:	Costs
Ward Farm Roundabout/Restrooms (Not in the Budget)	\$3,000,000
Lore Oyster House Rehabilitation (Not in the Budget)	\$300,000
Prince Frederick Community Center (HEB) (FY21 - FY24 County Portion Debt)	\$6,000,000
STABILIZATION ACCOUNT (Committed Fund Balance - Savings)	\$3,631,300
INCREASE IN INCOME TAX REVENUE ESTIMATE	\$12,931,300

Fiscal Impact:

The fiscal impact includes the increase in the Income Tax estimate by \$12,931,300. At the end of every fiscal year, any net savings (revenues less expenditures) “falls to Fund Balance”. The actual Income Tax receipts at the end of the year would be part of this equation if not used as recommended here or in another manner.

The Harriet Elizabeth Brown Center (HEB) will not require the issuance of debt, saving the County future principal and interest payments. The County will not have to provide funding for the two items not in the budget. This also increases the “Emergency Savings” account.

Conclusion/Recommendation:

Staff recommends that, after taking public comment and the completion of the 10-day waiting period, the BOCC close the record and sign the resolutions to increase the FY 2021 County Budget and permanently increase the amount of the Stabilization Account.

Coordination: Office of the County Attorney