

**Town of Chevy Chase
Budget and Tax Rate Ordinance**

Resolution No.: 24-07
Introduced: April 10, 2024
Adopted: May 7, 2024
Effective Date: July 1, 2024

SUBJECT: AN ORDINANCE TO ADOPT A BUDGET FOR FISCAL YEAR JULY 1, 2024 TO JUNE 30, 2025 AND TO LEVY A TAX ON CERTAIN REAL AND PERSONAL PROPERTY UNDER THE PROVISIONS OF SECTION 6-203 OF THE TAX-PROPERTY ARTICLE OF THE MARYLAND CODE, AS AMENDED

WHEREAS, Maryland Code, Local Government Article, Section 5-202, as amended, grants to the legislative body of every incorporated municipality in Maryland, including the Town of Chevy Chase, general power to pass such ordinances not contrary to the Constitution of Maryland, or the public general law, as deemed necessary in order to assure the good government of the municipality, to protect and preserve the municipality's rights, property, and privileges, to preserve peace and good order, to secure persons and property from danger and destruction, and to protect the health, comfort and convenience of the citizens of the municipality;

WHEREAS, Maryland Code, Local Government Article, Section 5-205, as amended, authorizes the legislative body of each municipal corporation in the State of Maryland to spend money for any public purpose and to affect the safety, health, and general welfare of the municipality and its occupants;

WHEREAS, Maryland Code, Tax-Property Article, Section 6-203, as amended, grants authority to municipal corporations to levy a tax on personal property, land, and improvements thereon, within the municipal corporation;

WHEREAS, Section 301 of the Town of Chevy Chase Charter authorizes the Town Council to pass ordinances as it may deem necessary for the good government of the Town; for the protection and preservation of the Town's property, rights and privileges; for the preservation of peace and good order; for securing persons and property from violence, danger and destruction; and for the protection and promotion of the health, safety, comfort, convenience, welfare and happiness of the resident(s) of the Town; and for such other police and health matters as it may deem necessary;

WHEREAS, pursuant to Section 501 of the Town of Chevy Chase Charter, the Town operates on an annual budget;

WHEREAS, Section 503(a) of the Town of Chevy Chase Charter authorizes the Town Council to levy and collect from the owners of real and/or taxable tangible personal property used in a trade or business in the town, tax on the assessed valuation of the real and/or taxable

tangible personal property used in a trade or business within the boundaries of the Town at a rate or rates set by the Town Council;

WHEREAS, the Town Council introduced the following Ordinance in public session assembled on the 10th day of April 2024;

WHEREAS, the Town Council, after proper notice to the public, considered the following Ordinance at a public hearing held on the 7th day of May 2024; and

WHEREAS, the Town Council finds that the ordinance as hereinafter set forth is necessary for the good government of the Town; for the protection and preservation of the Town's property, rights and privileges; for the preservation of peace and good order; for securing persons and property from violence, danger and destruction; and for the protection and promotion of the health, safety, comfort, convenience, welfare and happiness of the residents of the Town.

NOW, THEREFORE, the Town Council does hereby adopt the foregoing Ordinance.

BE IT ORDAINED AND ORDERED, this 7th day of May 2024, by the Town Council, acting under and by virtue of the authority given it by the Maryland Code and the Town of Chevy Chase Charter, that the attached Budget be and is hereby adopted.

AND BE IT FURTHER ORDAINED AND ORDERED, that the Town Council of the Town of Chevy Chase, pursuant to the authority granted by the Town Charter and Section 6-203 of the Tax-Property Article of the Maryland Code, hereby levies a tax at the following rates:

- (i) eighty-four one-hundredths of a cent (\$0.0084) per One Hundred Dollars of assessable value (fair market value) on real property subject to taxation;
- (ii) zero dollars and zero cents (\$0.00) per One Hundred Dollars of assessed value of assessable business-owned personal property subject to taxation; and
- (iii) zero dollars and sixty-six cents (\$0.66) per One Hundred Dollars of assessed value of assessable utility property subject to taxation.

AND BE IT FURTHER ORDAINED AND ORDERED, by the Town Council, acting under and by virtue of the authority granted to it by the Maryland Code, and the Charter of the Town of Chevy Chase, that:

- (1) That the tax levied hereby be certified to the County Council for Montgomery County, Maryland;
- (2) If any part or provision of this Ordinance is declared by a court of competent jurisdiction to be invalid, the part or provision held to be invalid shall not affect the validity of the Ordinance as a whole or any remaining part thereof; and

(3) This Ordinance shall take effect on the 1st day of July 2024.

ATTEST:

TOWN OF CHEVY CHASE


Stephanie Martz, Secretary


Irene Lane, Mayor
Town of Chevy Chase

GENERAL REVENUE									
Line Item	FY23	FY24	FY24	FY24	FY24	FY25	FY24 Est. Actual	FY25	FY25
	Actual	Budget	Estimated Actual	Est. Budget Variance	Budget	Budget	to FY25 Budget Variance	Budget	% of Total Budget
TAXES									
Income Tax	3,773,573	3,450,000	3,730,000	280,000	3,650,000	(80,000)			63.79%
Highway User Revenue	126,085	153,000	152,000	(1,000)	152,000	0			2.66%
Real Property Tax (CYTR \$0.0084/\$100 for FY25)	131,736	131,000	131,000	0	131,000	0			2.29%
Utility Property Tax (\$0.66/\$100 for FY25)	33,184	34,000	33,000	(1,000)	33,000	0			0.58%
Subtotal - Taxes	4,064,578	3,768,000	4,046,000	278,000	3,966,000	(80,000)			69.32%
GRANTS, REIMBURSEMENTS & BANK SHARES									
American Rescue Plan Act (ARPA) Grant*	700,000	739,000	739,000	0	739,000	0			12.92%
Montgomery County Tax Duplication Reimbursement	237,650	265,000	265,000	0	294,000	29,000			5.14%
State Aid for Police Protection Grant	46,276	47,000	44,833	(2,167)	45,000	167			0.79%
Bank Shares	510	500	500	0	500	0			0.01%
Subtotal - Grants, Reimbursements & Bank Shares	984,436	1,051,500	1,049,333	(2,167)	1,078,500	29,167			18.85%
INTEREST, FINES & COLLECTIONS									
Interest Income (Investment Pool)	462,792	586,000	800,000	214,000	600,000	(200,000)			10.49%
Parking Fines/Meters	20,984	23,000	16,500	(6,500)	20,000	3,500			0.35%
Miscellaneous	24,189	1,000	1,000	0	1,000	0			0.02%
Subtotal - Other Revenue	507,965	610,000	817,500	207,500	621,000	(196,500)			10.85%
PERMIT FEES & CABLE TV REVENUE									
Cable TV Franchise Fees	33,810	37,000	33,000	(4,000)	33,000	0			0.58%
Permit Fees	21,811	25,000	12,000	(13,000)	20,000	8,000			0.39%
Variance Fees	3,600	3,500	1,500	(2,000)	3,000	1,500			0.05%
Subtotal - Permit Fees & Cable TV Revenue	59,221	65,500	46,500	(19,000)	56,000	9,500			0.98%
TOTAL GENERAL REVENUE	5,616,200	5,495,000	5,959,333	464,333	5,721,500	(237,833)			100.00%

* Appropriation from the Town's restricted ARPA grant to general revenue.

OPERATING EXPENDITURES

Line Item	FY23 Actual	FY24 Budget	FY24 Estimated Actual	FY24 Est. Budget Variance	FY25 Budget	FY24 Est. Actual to FY25 Budget Variance	FY25 % of Total Budget
GENERAL GOVERNMENT							
Salaries & Benefits							
Staff Salaries	523,150	622,000	622,000	0	672,000	50,000	18.11%
Awards & Bonuses	122,843	100,000	100,000	0	125,000	25,000	3.37%
Health Insurance	87,274	95,000	95,000	0	100,000	5,000	2.70%
Retirement	49,596	62,000	62,000	0	66,000	4,000	1.78%
Payroll Taxes (Social Security/Medicare/Unemployment)	43,453	45,000	45,000	0	47,000	2,000	1.27%
Workers Compensation	3,063	11,000	12,530	1,530	15,000	2,470	0.40%
Overtime	9,023	10,000	10,000	0	10,000	0	0.27%
Subtotal - Salaries & Benefits	838,402	945,000	946,530	1,530	1,035,000	88,470	27.90%
Professional Services							
Land Use/Planning/Development Consultants	82,638	125,000	35,000	(90,000)	100,000	65,000	2.70%
Legal Counsel [†]	122,857	125,000	100,000	(25,000)	125,000	25,000	3.37%
Accounting Services [†]	30,000	30,000	30,000	0	45,000	15,000	1.21%
Civil Engineering/Water Drainage Plan Review [†]	33,683	45,000	25,000	(20,000)	35,000	10,000	0.94%
Code Enforcement (Building/Noise) [†]	23,800	25,000	20,000	(5,000)	25,000	5,000	0.67%
Election Services (included in community events for FY23)	0	22,000	25,000	3,000	25,000	0	0.67%
Audit Services	13,000	13,000	13,500	500	15,000	1,500	0.40%
Subtotal - Professional Services	305,978	385,000	248,500	(136,500)	370,000	121,500	9.97%
Civic Affairs & Community Programs							
Community/Special Events	129,342	80,000	65,000	(15,000)	80,000	15,000	2.16%
Private Canopy Tree Maintenance Program	47,374	42,000	42,000	0	45,000	3,000	1.21%
Private Native Tree Planting Program	24,974	24,000	24,000	0	25,000	1,000	0.67%
RainScapes Supplemental Rebate Program	3,750	75,000	15,000	(60,000)	25,000	10,000	0.67%
Consulting Water Management Program [†]	47,684	50,000	10,000	(40,000)	15,000	5,000	0.40%
Consulting Arborist Program [†]	9,010	10,000	10,000	0	10,000	0	0.27%
Senior Support Services	10,000	10,000	10,000	0	10,000	0	0.27%
Subtotal - Civic Affairs & Community Programs	272,134	291,000	176,000	(115,000)	210,000	34,000	5.66%

Line Item	FY23	FY24	FY24	FY24	FY25	FY24 Est. Actual	FY25	FY25									
	Actual	Budget	Estimated	Est. Budget	Est. Budget	Est. Budget	Budget	Variance	Budget	Budget	% of Total Budget						
Other Services & Supplies																	
Debt Service Principal (Wymne)	38,111	38,000	38,000	38,000	0	0	38,000	0	0	0	0	38,000	0	0	0	1.02%	
Dues & Subscriptions	31,126	30,000	35,000	35,000	5,000	5,000	35,000	0	0	0	0	35,000	0	0	0	0.94%	
Printing & Recording	24,498	25,000	25,000	25,000	0	0	25,000	0	0	0	0	25,000	0	0	0	0.67%	
Insurance	15,128	16,000	17,323	17,323	1,323	1,323	18,000	4,000	4,000	677	0	18,000	677	0	0	0.49%	
Supplies	11,654	8,000	12,000	12,000	4,000	4,000	12,000	2,000	2,000	0	0	12,000	0	0	0	0.32%	
Telephone	9,638	8,000	10,000	10,000	2,000	2,000	10,000	(3,000)	(3,000)	(2,000)	0	10,000	(2,000)	0	0	0.27%	
Web Hosting & Development	7,560	15,000	12,000	12,000	500	500	10,000	(4,500)	(4,500)	7,000	6,500	7,000	6,500	0	0	0.19%	
Postage	7,313	5,000	5,000	5,000	0	0	5,000	0	0	0	0	5,000	0	0	0	0.13%	
Payroll Service	4,879	5,000	2,000	2,000	0	0	5,000	0	0	0	0	5,000	3,000	3,000	0	0.13%	
Repairs & Maintenance	19,060	2,000	2,000	2,000	0	0	2,000	0	0	0	0	2,000	0	0	0	0.06%	
Unusual Non-recurring	5,189	2,000	3,653	3,653	1,653	1,653	4,000	0	0	347	347	4,000	347	1,000	1,000	0.08%	
Travel/Meeting Expense	2,661	2,000	2,000	2,000	0	0	3,000	(190)	(190)	190	190	3,000	1,000	1,000	1,000	0.05%	
County Tax Collection Service	1,988	2,000	1,810	1,810	0	0	2,000	0	0	0	0	2,000	0	0	0	0.05%	
Subtotal - Other Services & Supplies	178,805	158,000	164,286	164,286	6,286	6,286	174,000	(243,684)	(243,684)	253,684	253,684	1,789,000	253,684	1,789,000	1,789,000	48.22%	
TOTAL - GENERAL GOVERNMENT	1,595,319	1,779,000	1,535,316	1,535,316	(243,684)	(243,684)	1,789,000	(243,684)	(243,684)	253,684	253,684	1,789,000	253,684	1,789,000	1,789,000	48.22%	
PUBLIC WORKS																	
Sanitation & Waste Removal																	
Household Trash Collection																	
Contractual Services*	354,174	354,000	354,000	354,000	0	0	354,500	0	0	500	500	354,500	500	500	500	9.56%	
Bulk Trash Collection (Trash & Treasures)*	11,000	11,000	11,000	11,000	0	0	11,000	0	0	0	0	11,000	0	0	0	0.30%	
Town Dump Fees	0	500	500	500	0	0	500	0	0	0	0	500	0	0	0	0.01%	
	365,174	365,500	365,500	365,500	0	0	366,000	0	0	500	500	366,000	500	366,000	366,000	9.87%	
Recycling Collection																	
Contractual Services*	228,087	228,000	228,000	228,000	0	0	228,000	0	0	0	0	228,000	0	0	0	6.15%	
Recycling Bins/Carts	0	5,000	5,000	5,000	0	0	5,000	0	0	0	0	5,000	0	0	0	0.13%	
	228,087	233,000	233,000	233,000	0	0	233,000	0	0	0	0	233,000	0	233,000	233,000	6.28%	
Leaf Collection																	
Contractual Services*	83,000	84,000	88,000	88,000	4,000	4,000	88,000	4,000	4,000	0	0	88,000	0	0	0	2.37%	

Line Item	FY23 Actual	FY24		FY24		FY25 Budget	FY24 Est. Actual to FY25 Budget		FY25 % of Total Budget
		Budget	Estimated Actual	Est. Budget Variance	Variance				
Household Organic Waste Collection									
Contractual Services*	40,419	65,000	50,000	(15,000)	76,000	26,000		2.05%	
Composting Bins*	609	500	500	0	1,000	500		0.03%	
	41,028	65,500	50,500	(15,000)	77,000	26,500		2.08%	
Yard Trash Collection									
Contractual Services*	63,000	63,000	63,000	0	63,000	0		1.70%	
Town Dump Fees	0	500	500	0	500	0		0.01%	
	63,000	63,500	63,500	0	63,500	0		1.71%	
Subtotal - Sanitation & Waste Removal	780,289	811,500	800,500	(11,000)	827,500	27,000		22.30%	
Parks, Grounds & Trees									
Tree Maintenance*	130,443	150,000	150,000	0	150,000	0		4.04%	
Landscaping Services*	61,063	95,000	70,000	(25,000)	95,000	25,000		2.56%	
Consultants & Engineers (park design/architecture/engineering)†	76,872	75,000	50,000	(25,000)	50,000	0		1.35%	
Arborist	34,765	30,000	30,000	0	35,000	5,000		0.94%	
Supplies	6,122	10,000	8,000	(2,000)	10,000	2,000		0.27%	
Repairs & Maintenance	410	5,000	5,000	0	5,000	0		0.13%	
Utilities	2,333	3,000	2,500	(500)	3,000	500		0.08%	
	312,008	368,000	315,500	(52,500)	348,000	32,500		9.38%	
Subtotal - Parks, Grounds & Trees									
Streets & Roads									
Sidewalk Snow Removal	0	100,000	36,336	(63,664)	100,000	63,664		2.70%	
Consultants & Engineers (PE/Traffic)†	10,274	10,000	15,000	5,000	50,000	35,000		1.35%	
Street Snow Removal	3,775	50,000	25,000	(25,000)	50,000	25,000		1.35%	
Utilities	37,216	35,000	35,000	0	38,000	3,000		1.02%	
Street Signs	6,971	5,000	5,000	0	7,000	2,000		0.19%	
Repairs & Maintenance	2,805	5,000	1,000	(4,000)	5,000	4,000		0.13%	
Street Sweeping	2,621	10,000	5,000	(5,000)	5,000	0		0.13%	
Supplies	6,332	5,000	2,500	(2,500)	5,000	2,500		0.13%	
	69,994	220,000	124,836	(95,164)	260,000	135,164		7.01%	
Subtotal - Streets & Roads									

Line Item	FY23	FY24	FY24	FY24	FY24	FY24 Est. Actual	FY25	FY24 Est. Actual	FY25
	Actual	Budget	Estimated Actual	Est. Budget Variance	Budget	Variance	Budget	to FY25 Budget Variance	% of Total Budget
TOTAL - PUBLIC WORKS	1,162,291	1,399,500	1,240,836	(158,664)	1,435,500	194,664			38.69%
PUBLIC SAFETY									
Police Officer Salaries (\$55/day; \$60/night)	310,218	368,000	368,000	0	368,000	0	368,000	0	9.92%
Police Management Service†	30,967	55,500	55,500	0	55,500	0	55,500	0	1.50%
Payroll Taxes (Social Security/Medicare/Unemployment)	25,518	30,000	30,000	0	30,000	0	30,000	0	0.81%
Workers Compensation	19,359	15,000	17,301	2,301	20,000	2,699	20,000	2,699	0.54%
Legal Liability Insurance	7,887	8,000	10,671	2,671	12,000	1,329	12,000	1,329	0.32%
TOTAL - PUBLIC SAFETY	393,949	476,500	481,472	4,972	485,500	4,028	485,500	4,028	13.09%
TOTAL OPERATING EXPENDITURES	3,151,559	3,655,000	3,257,624	(397,376)	3,710,000	452,376	3,710,000	452,376	100.00%

* The Town's ARPA grant will fund these service contracts.

† In the event the primary contracts to be funded with the ARPA grant are modified or terminated early, the Town's ARPA grant will fund these service contracts.

CAPITAL EXPENDITURES									
Line Item	FY23 Actual	FY24 Budget	FY24 Estimated Actual	FY24 Est. Budget Variance	FY25 Budget	FY24 Est. Actual to FY25 Budget Variance	FY25 % of Total Budget		
STREETS, SIDEWALKS & STORMWATER									
Asphalt & Concrete	15,506	545,000	442,000	(103,000)	425,000	(17,000)			
Reimbursements for Utility Repairs	0	(130,000)	(156,393)	(26,393)	0	156,393			
Subtotal - Asphalt & Concrete	15,506	415,000	285,607	(129,393)	425,000	139,393	43.04%		
Stormwater Management (Storm Sewers/Streams)	0	283,000	0	(283,000)	455,000	455,000			
Reimbursements for Storm Sewer Work	0	0	0	0	(250,000)	(250,000)			
Subtotal - Stormwater Management	0	283,000	0	(283,000)	205,000	205,000	20.76%		
Special Infrastructure Projects	0	0	0	0	150,000	150,000			
Street Signs & Street Lights	28,078	55,000	55,000	0	55,000	0			
TOTAL - STREETS, SIDEWALKS & STORMWATER	43,584	753,000	340,607	(412,393)	835,000	494,393	84.56%		
PARKS, GROUNDS & TREES									
Park Improvements	0	450,000	0	(450,000)	450,000	450,000			
Reimbursements (Program Open Space)	0	(337,500)	0	337,500	(337,500)	(337,500)			
Subtotal - Park Improvements	0	112,500	0	(112,500)	112,500	112,500	11.39%		
New Trees/Reforestation	14,082	25,000	25,000	0	25,000	0			
TOTAL - PARKS, GROUNDS & TREES	14,082	137,500	25,000	(112,500)	137,500	112,500	13.92%		
FACILITIES & EQUIPMENT									
Town Office Improvements	0	25,000	20,000	(5,000)	10,000	(10,000)			
Information Technology	3,965	5,000	5,000	0	5,000	0			
TOTAL - FACILITIES & EQUIPMENT	3,965	30,000	25,000	(5,000)	15,000	(10,000)	1.52%		
TOTAL CAPITAL EXPENDITURES	61,631	920,500	390,607	(529,893)	987,500	596,893	100.00%		

RESTRICTED FUNDS							
Line Item	Balance 6/30/2023	FY24 Estimated Revenue	FY24 Estimated Expenditures	Est. Balance 6/30/2024	FY25 Estimated Revenue	FY25 Estimated Expenditures	Est. Balance 6/30/2025
American Rescue Plan Act (ARPA) Grant	1,604,908	0	739,000	865,908	0	739,000	126,908
Cable TV Improvements -- Capital PEG Grants	382,106	26,000	2,000	406,106	26,000	2,000	430,106

