

# Debt, Transfers, and Reserves Summary

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	Actual FY 17	Original Budget FY 18	Adjusted Budget FY 18	Budget FY 19	% Change From Orig. FY 18	% Change From Adj. FY 18
Debt Service	\$30,045,417	\$26,482,190	\$26,482,190	\$24,564,430	-7.24%	-7.24%
Debt Service - Ag. Pres.	1,778,894	1,847,110	1,847,110	3,056,860	65.49%	65.49%
Intergovernmental Transfers	3,149,793	3,195,180	3,195,180	3,233,740	1.21%	1.21%
Interfund Transfers	7,914,074	11,885,390	11,885,390	7,496,620	-36.93%	-36.93%
Reserve for Contingencies	0	4,087,690	4,087,690	4,621,400	13.06%	13.06%
<b>Total Debt, Transfers, and Reserves</b>	<b>\$42,888,179</b>	<b>\$47,497,560</b>	<b>\$47,497,560</b>	<b>\$42,973,050</b>	<b>-9.53%</b>	<b>-9.53%</b>

## Highlights, Changes, and Useful Information

The budgets in Debt, Transfers, and Reserves are a functional grouping for presentation purposes.

### Budget Changes

- Debt Service decreases due to no bonds issued in FY 18.
- Agricultural Land Preservation Debt Service increases due to a greater number of Installment Purchase Agreement easement transactions planned in FY 19.
- Intergovernmental Transfers increases due to payments to Towns based on the Town Program formula.
- Interfund Transfers decreases due to:
  - A reduction in Transfer to Capital
  - One-time funding in FY 18 for Fiber Network Enterprise Fund
  - A decrease to Public Works Transit and Adult Basic Education grants, partially offset by increases to the General Fund

# Debt Service

Description	Actual FY 17	Original Budget FY 18	Adjusted Budget FY 18	Budget FY 19	% Change From Orig. FY 18	% Change From Adj. FY 18
Personnel	\$0	\$0	\$0	\$0	0.00%	0.00%
Benefits	0	0	0	0	0.00%	0.00%
Operating	30,045,417	26,482,190	26,482,190	24,564,430	-7.24%	-7.24%
Capital	0	0	0	0	0.00%	0.00%
<b>Total</b>	30,045,417	26,482,190	26,482,190	24,564,430	-7.24%	-7.24%
Employees FTE	0.00	0.00	0.00	0.00	-----	-----

Note: The Adjusted Budget includes budget changes made during the year. Ongoing mid-year changes have been annualized for comparison purposes.

## Contact

**Ted Zaleski, Director of Management and Budget**  
(410) 386-2082

## Description

The funding in this budget is for the principal and interest the County pays on long-term debt. The County uses an analysis of the debt affordability to determine an appropriate level of debt to prevent revenue from being burdened by an unmanageable debt service payment, as well as to protect the County's bond rating.

The County is reviewed annually by the three rating agencies, and in FY 16 received the following ratings:

- Fitch AAA
- Standard & Poor's AAA
- Moody's Aa1

The Standard & Poor rating was increased from AA+ to AAA in FY 14.

## Budget Changes

Debt Service decreases due to no bonds issued in FY 18.

# Ag Land Preservation Debt Service

Description	Actual FY 17	Original Budget FY 18	Adjusted Budget FY 18	Budget FY 19	% Change From Orig. FY 18	% Change From Adj. FY 18
Personnel	\$0	\$0	\$0	\$0	0.00%	0.00%
Benefits	0	0	0	0	0.00%	0.00%
Operating	1,778,894	1,847,110	1,847,110	3,056,860	65.49%	65.49%
Capital	0	0	0	0	0.00%	0.00%
<b>Total</b>	1,778,894	1,847,110	1,847,110	3,056,860	65.49%	65.49%
Employees FTE	0.00	0.00	0.00	0.00	-----	-----

Note: The Adjusted Budget includes budget changes made during the year. Ongoing mid-year changes have been annualized for comparison purposes.

## Contact

Thomas Devilbiss, Director of Land and Resource  
Management (410) 386-2506  
Lynn Karr, Senior Budget Analyst (410) 386-2082

## Description

The funding in this budget is for debt service the County pays on Installment Purchase Agreements (IPAs) for the Agricultural Land Preservation Program. The budget is determined by a combination of known debt service and estimated IPAs for the upcoming fiscal year. Typically, a land owner is offered 40% of Fair Market Value for the agricultural easement and the County pays 5.0% annual interest for 20 years on the easement value.

## Budget Changes

Agricultural Land Preservation Debt Service increases due to a greater number of IPA easement transactions planned in FY 19.

# Intergovernmental Transfers

Description	Actual FY 17	Original Budget FY 18	Adjusted Budget FY 18	Budget FY 19	% Change From Orig. FY 18	% Change From Adj. FY 18
Personnel	\$0	\$0	\$0	\$0	0.00%	0.00%
Benefits	0	0	0	0	0.00%	0.00%
Operating	3,149,793	3,195,180	3,195,180	3,233,740	1.21%	1.21%
Capital	0	0	0	0	0.00%	0.00%
<b>Total</b>	<b>3,149,793</b>	<b>3,195,180</b>	<b>3,195,180</b>	<b>3,233,740</b>	<b>1.21%</b>	<b>1.21%</b>
Employees FTE	0.00	0.00	0.00	0.00	-----	-----

Note: The Adjusted Budget includes budget changes made during the year. Ongoing mid-year changes have been annualized for comparison purposes.

## Contact

**Ted Zaleski, Director of Management and Budget**  
(410) 386-2082

## Description

The County provides a number of revenues to Carroll County municipalities. The Bank Shares Tax, Road Grant, and State Aid for Fire Protection are all pass-through revenues from the State. The County provides liquor and building permit services and sends the collections to municipalities. The County also shares County revenue with the municipalities through the Town Program funding. Brief descriptions of these revenues follow.

- Bank Shares Tax – This revenue replaced the municipal share of a discontinued State tax.
- Local Permits – As a service to the towns, the County collects fees for permits issued inside town boundaries.
- Local Liquor License – As a service to the towns, the County collects liquor license fees inside town boundaries.
- Road Grant – The State allocates funds to the County to replace Federal road funding. The municipalities receive 20% of the total allocation and individual town distributions are based on road mileage within their jurisdiction.
- State Aid for Fire Protection – State funds received by the County are passed on to the Volunteer Emergency Services Association. The County receives quarterly payments and distributes these funds at the end of the fiscal year.
- Town Program – The County shares a portion of its revenue with the municipalities. The amount is adjusted based on changes in municipal assessable bases and populations. Assessable base and population determine individual town distributions.

## Budget Changes

The Town Program formula is driven by inflation and population. The budget increases due to a 1.42% inflation rate and increase in town populations.

# Interfund Transfers

Description	Actual FY 17	Original Budget FY 18	Adjusted Budget FY 18	Budget FY 19	% Change From Orig. FY 18	% Change From Adj. FY 18
Personnel	\$0	\$0	\$0	\$0	0.00%	0.00%
Benefits	0	0	0	0	0.00%	0.00%
Operating	7,914,074	11,885,390	11,885,390	7,496,620	-36.93%	-36.93%
Capital	0	0	0	0	0.00%	0.00%
<b>Total</b>	7,914,074	11,885,390	11,885,390	7,496,620	-36.93%	-36.93%
Employees FTE	0.00	0.00	0.00	0.00	-----	-----

Note: The Adjusted Budget includes budget changes made during the year. Ongoing mid-year changes have been annualized for comparison purposes.

## Contact

**Ted Zaleski, Director of Management and Budget**  
**(410) 386-2082**

## Description

This budget includes transfers from the General Fund to the Capital, Grant, and Enterprise Funds.

Transfer to Capital moves operating funds to the Community Investment Plan for Paygo funding.

The expenditures from the General Fund to the Grant Fund can be voluntary contributions by the Commissioners to support State and Federal grant programs or the contribution may be a requirement of the State or Federal program.

The transfer to the Fiber Network Enterprise Fund is to fund the expansion of the existing Carroll County Fiber Network (CCFN) for business and economic development.

The transfer to the Solid Waste Enterprise Fund is to support operations.

The transfer to the Utilities Enterprise Fund is to fund the Board of Education facilities.

Included in the Interfund Transfer:

Aging and Disabilities	\$99,650
Circuit Court	54,480
Citizen Services State	4,000
Comprehensive Planning	11,060
Housing and Community Development	31,900
Local Management Board	45,170
Public Safety	108,860
Recreation	8,100
Sheriff's Office	110,950
Solid Waste Enterprise Fund – Operating	2,415,000
State's Attorney's Office	74,060
Transfer to Capital	3,254,000
Transit	1,071,570
Utilities Enterprise Fund – Operating	207,820

## Budget Changes

Operating decreases due to:

- A reduction in Transfer to Capital
- One-time funding in FY 18 for Fiber Network Enterprise Fund
- A decrease to Transit and Adult Basic Education grants, partially offset by increases to the General Fund

# Reserve for Contingencies

Description	Actual FY 17	Original Budget FY 18	Adjusted Budget FY 18	Budget FY 19	% Change From Orig. FY 18	% Change From Adj. FY 18
Personnel	\$0	\$0	\$0	\$0	0.00%	0.00%
Benefits	0	0	0	0	0.00%	0.00%
Operating	0	4,087,690	4,087,690	4,585,760	12.18%	12.18%
Capital	0	0	0	0	0.00%	0.00%
<b>Total</b>	0	4,087,690	4,087,690	4,585,760	12.18%	12.18%
Employees FTE	0.00	0.00	0.00	0.00	-----	-----

Notes: The Adjusted Budget includes budget changes made during the year. Ongoing mid-year changes have been annualized for comparison purposes.

## Contact

**Ted Zaleski, Director of Management and Budget**  
**(410) 386-2082**

## Description

The Reserve for Contingencies provides funds for emergency and unforeseeable expenses. It is difficult to determine how much will actually be needed in a given year. Examples of expenses that could be covered by the reserve are:

- Snow removal costs in excess of the Storm Emergencies budget
- Newly mandated Federal or State programs
- Unforeseen disruptions to critical County facilities and systems

Funds are moved from the Reserve to the appropriate budget with the approval of the Board of County Commissioners in response to a specific problem or opportunity.

## Budget Changes

- The Reserve for Contingencies is generally set at 1% of General Fund revenues.
- Included in the Reserve for Contingencies is \$0.2M for new positions. This will be adjusted mid-year as additional positions are approved by the Board of County Commissioners.
- Included in FY 19 is a Reserve for Position Reclassifications of \$0.3M.