

A Quick Guide to the FY 17 Budget

Department of Management and Budget

The combined Operating and Capital Budget books are a bit more than six hundred pages long and contain a great deal of information. This Quick Guide is intended to serve as a summary of important information and changes as well as a tool for understanding and locating information in the budget books.

The Recommended, Proposed and Adopted Budgets are available online at <http://ccgovernment.carr.org/ccg/budget>.

The Operating Budget

After numerous years of stagnant budgets, coupled with the desire to maintain quality service levels throughout the County, the Commissioners provided increased funding to our governmental partners (the public school system, community college, and library), as well as to volunteer fire companies and non-profit service providers.

Actions taken by the Board of County Commissioners during the Proposed Budget work sessions include:

- \$4.2M to the Board of Education
- \$0.5M for maintenance of closed schools
- \$0.3M to Non-Profit Providers for drug treatment and other services
- \$0.3M to the Sheriff and State's Attorney for equipment, salaries, and relocation
- \$0.9M to the Volunteer Emergency Services Association for new capital projects, equipment purchases, and increased LOSAP funding
- \$0.5M in ongoing funding to the Community College
- \$0.1M in ongoing funding, plus \$0.3M in one-time funding, for the Public Library system's technology replacement needs
- \$50,000 additional ongoing funding to the Length of Service Award Program (LOSAP) for the volunteer firefighters
- \$0.2M to Recreation and Parks for park restoration
- \$0.2M to Public Works for storm drain rehabilitation

The FY 17 Budget

The FY 17 Operating Budget is \$388.4M, an \$8.4M, or 2.2%, increase over FY 16. This increase is primarily driven by growth in Property and Income Tax Revenue, in addition to other revenues.

Revenues

- The FY 17 Budget increases \$8.4M, or 2.2%, from the FY 16 Budget. The increases in Property Tax, \$4.5M, Income Tax, \$8.9M, and Recordation Tax, \$0.9M, are partially offset by a reduction in Current Year Surplus, (\$1.9M), Transfer from Capital, (\$0.5M), and Transfer from Special Revenue Fund, (\$2.1M).
- Property Tax increases 2.3%, or \$4.5M from the FY 16 Budget, primarily due to a 6.0% reassessment in Group 1 properties. FY 17 continues positive reassessment growth begun in FY 16 after five years of negative reassessments. The FY 16 reassessment for Group 3 resulted in an increase of 4.1%. This was preceded by drops of 3.0% for Group 2 in FY 15, 3.8% in Group 1 in FY 14, 15.4% in Group 3 in FY 13, 19.6% for Group 2 in FY 12, and 19.2% for Group 1 in FY 11.
- Income Tax is up \$8.9M, a 6.8% increase from the FY 16 budget and \$2.9M above the FY 16 forecast. Growth in major distributions is planned at 4.8% in FY 17. Carroll historically outperforms the State due to our higher average income and lower unemployment rate.
- Recordation is up \$0.9M from the FY 16 Budget. This revenue is driven by activity in the housing market. After numerous years of a depressed housing market, indicators, such as average sale price, number of units sold, and the days on the market, are showing improvement. Recordation revenue hit a low in FY 11 at \$7.7M but we are now seeing positive growth in revenue.
- Transfer from Capital Fund is down \$0.5M, a 3.9% decrease from FY 16. This revenue is related to paying debt service on school construction projects with the dedicated portion of the Income Tax.

Expenditures

An amount equivalent to a 3.0% salary increase for County personnel is in FY 17. The individual budgets include a 2.5% salary increase, as included in the Recommended Budget. The Commissioners took action during Proposed Budget sessions to provide a 3% salary increase. The difference is included in the Reserves section of the Operating Plan. The Adopted Budget will reflect the 3% salary increase in the individual budgets.

General Fund:

Carroll County Public Schools Summary

- Total County funding to benefit Carroll County Public Schools (CCPS) is up \$5.7M, or 3.2% from FY 17.
- In FY 16, the Board of Commissioners voted to temporarily redirect 2.0% of Local Income Tax, traditionally appropriated directly to the Capital Fund for Board of Education construction projects, to the Public Schools operating budget. This is included in the plan for FY 17.

Education Other Summary

- Carroll Community College increases \$0.7M, or 8.9%, in FY 17 for ongoing funding of \$0.5M for salary adjustment and \$0.2M for operating increase.
- Carroll County Public Library is up \$0.2M, or 2.3%, in FY 17, which includes a 2.5% operating increase.

Public Safety and Corrections Summary

- Circuit Court increases \$0.1M, or 5.25%, due to a reorganization of the Court's administration that included the creation of the Interpreter/Pretrial/ADA Coordinator and changed the Deputy Court Administrator from a full-time to a part-time positions.
- Public Safety 911 increases \$0.8M, or 19.1%, due to the addition of an Emergency Communication Specialist, maintenance support for the County's 800 MHz radio communication system, and a one-time contribution to the University of Maryland Shock Trauma Center.
- Total Sheriff Services increases \$0.7M, or 3.6%, for continued implementation of an enhanced salary plan and the one-time purchase of Tasers and commercial truck scales.
- The State's Attorney's budget decreased \$0.2M due to funding planned in FY 16 for the State's Attorney to move from the Circuit Court Annex building into rented space. Funding is now included in the Law Enforcement Facility Renovation project.
- VESA/EMS increases \$0.5M, or 6.9%, due to \$0.1M for a reserve ambulance, and \$0.4M for ongoing operating costs. FY 17 funding includes the third year of a three-year grant match of \$0.3M for Self-Contained Breathing Apparatus.

Public Works Summary

- Public Works increases \$1.0M, or 3.3%, for utility costs, maintenance of the three planned school closures, and five new positions.

Citizen Services Summary

- Citizen Services increases \$61,000, or 2.7%, due to a part-time Veteran Services Coordinator position, a new Bureau Chief position, and one-time funding for gym equipment at Senior Centers, offset by the transfer of Veterans Services shuttle to Public Works Administration.
- Citizen Services - Non-Profits increases \$0.3M, or 8.7%, due to additional funding for:
 - The Arc Carroll County, CHANGE, Inc. and Target
 - Domestic Violence Safe House shelter operations
 - Rape Crisis Intervention Services for school and community outreach efforts
 - Youth Service Bureau drug treatment; and
 - Flying Colors of Success for one-time replacement of a wheelchair lift van

Culture and Recreation Summary

- Recreation and Parks increases \$0.1M, or 4.4%, due to a deck replacement at Bear Branch Nature Center, replacement gutters on the main building at the Sports Complex, and minimum wage effects.

General Government Summary

- The Department of Land Use, Planning and Development was eliminated. The employees and budget were distributed between the newly created Department of Comprehensive Planning and Department of Land and Resource Management.
- Comprehensive Planning increases \$0.1M, or 15.8%, due to a new Comprehensive Planning Technician position.
- Comptroller increases \$52.5K, or 1.6%, due to implementation costs of the new payroll system and advertising for the new County Master Plan.
- Human Resources decreases \$0.2M, or 1.1%, due to a reduction in the transfer to the Health Internal Service Fund partially offset by a new Human Resource Associate position and additional training funding for County personnel.
- Technology Services increases \$0.1M, or 2.5%, primarily due to security upgrades, professional training, and contracted developer services.
- Board of Elections decreases \$9.5K, or 0.9%, due to one-time costs associated with the new optical scan voting system.

Debt, Transfers, and Reserves Summary

- Debt Service increases slightly in FY 17 primarily due to bonds sold for various capital projects.
- Agricultural Land Preservation Debt Service decreases due to planned Installment Purchase Agreement (IPA) easement transactions. The number of property owners interested in the IPA easement has declined. There is an increase in FY 19 and FY 22 due to IPA's maturing. The debt service will be offset by revenue.
- Intergovernmental Transfers increases due to State Aid for Fire and NPDES compliance positions, which are both offset in other budgets, as well as increased payments to Towns based on the Town Program formula.
- Interfund Transfers decreases due to the final transfer of funds to establish the Risk Workers Compensation ISF.

- The Reserve for Contingency is generally set at 1% of the General Fund revenues. Included in FY 17 is the 0.5% difference between the 2.5% salary increase planned and the 3.0% included in the Proposed Budget, and funding for contracted inmate beds.

Other Funds:

Airport Enterprise Fund

- Airport increases due to a new Office Associate position.

Septage Facility Enterprise Fund

- Septage increases \$0.3M, or 22.1%, due to a 4.0M increase in gallons to be processed.

Solid Waste Enterprise Fund

- Solid Waste Enterprise Fund decreases \$0.8M, or 8.37%, due to a decrease in transfer costs. Currently between 80% and 90% of the waste delivered to the Northern Landfill and Hoods Mill drop off site is transferred to a landfill in Pennsylvania and the remainder buried at Northern Landfill. Beginning in FY 17, the percentage of waste transferred and waste buried will change to approximately 60% and 40% respectively. Burying waste at Northern Landfill will eliminate the cost of transferring the waste to Pennsylvania. The savings will be accumulated to help fund a long-term management plan being developed.

Utilities Enterprise Fund

- Water and Sewer Enterprise Fund increases \$0.4M, or 3.9% due to an increase in funding to repair, replace, or to rehabilitate capital assets and increase in the city of Baltimore water purchases.

Grant Fund Summary

- Overall, every \$1.00 of County match/contribution brings in approximately \$6.70 of grant funding.

OPEB Fund Summary

- The OPEB Fund increases \$0.4M, or 4.3%, due a 9% increase in costs for current retirees offset by a flat contribution from FY 16 for future retirees.

LOSAP Fund Summary

- LOSAP includes \$100,000 of funding in FY 17.

Special Revenue Fund

- Watershed Protection and Restoration Fund increases \$1.1M due to debt service on capital projects included in this fund for the first time in FY 17 and the addition of a second NPDES Compliance Specialist position.

Risk Management Workers Compensation ISF Summary

- In FY 16, the Risk Management Workers Compensation Internal Service Fund was established to account for the cost of County's workers compensation claims. Funding of \$1.2M is included in FY 17.