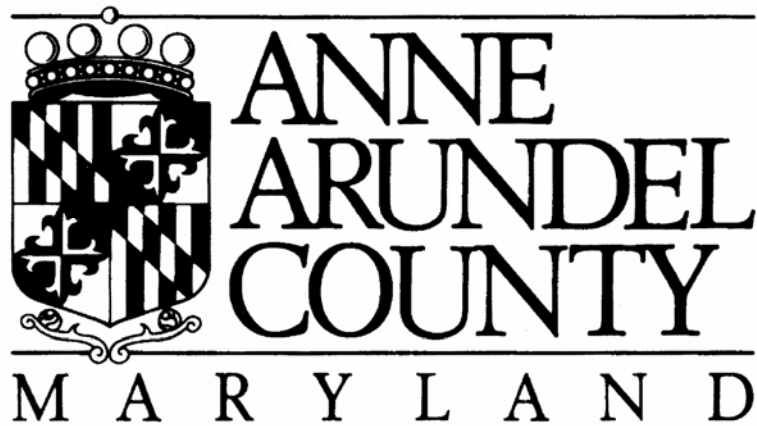


Budget Message



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John R. Leopold
County Executive

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May 1, 2008

Madame Chairman, Members of the County Council, Cabinet Members, Elected Officials, Honored Guests, Friends, and Fellow Citizens:

I am pleased to present the Fiscal Year 2009 Budget to the Council and the citizens of Anne Arundel County. As was the case last year, my Administration is committed to a budget that allocates taxpayers' money in a way that is both fiscally prudent and socially responsible. This \$1.2 billion General Fund Budget and \$3.6 billion on-going Capital Budget and Program contain no increase in either the property or income tax rate. Our level of fiscal credibility continues to justify Standard & Poor's Triple-A bond rating, a significant achievement for this county. Together with the positive outlooks from the other major bond houses, these ratings are the highest in county history. Keeping our fiscal house in order saves taxpayers millions of dollars in interest payments for the bonds that help build our roads and schools.

Since taking office, we have significantly improved the way our county government operates – implementing efficiencies and reducing bureaucracy. By imposing and enforcing our hiring freeze we saved \$3 million. In these times of rising gas prices, we have saved \$600,000 through elimination of excessive use of county vehicles. One example of the results of this effort is shown in one county-operated fueling station reducing their service from 11,000 gallons in the month of February 2007 to 1,000 gallons in the same month this year. In 2007 we saved over \$4 million dollars in energy costs through our participation in a regional purchasing cooperative. I urge the Council during its budget deliberations to encourage our County Board of Education to join the Boards of Education in Baltimore City and Baltimore and Harford Counties in this cooperative - so Anne Arundel County can channel more funding into our classrooms.

Our County funding for the Board of Education will exceed the record-setting level of last year. I have allocated 50% of the entire county budget to continue our efforts in providing the highest quality education for our children. Overall, 95% of the Board's requested budget of over \$909 million will be funded. Total funding for the Board from all sources will increase by \$48 million, including a 5% increase in direct County funding. We will again focus County funds on our classrooms, our teachers and those who support their daily work.

Through the efforts of our General Assembly delegation, the County was able to secure \$27.4 million in state aid for school construction. Together with the \$92.7 million for school construction projects in our County Capital Budget submission, we will be able to complete projects at Gambrills, Lake Shore, and Freetown Elementary Schools as well as Arundel High School. Construction funding will also be provided to revitalize Southgate and Overlook Elementary Schools and Severna Park Middle School.

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This budget will also reflect my priority to provide design funding for the modernization of Northeast High School and I am pleased that the Board of Education has supported this priority. We will also provide funding for a new combined Pershing Hill-West Meade Elementary School at Fort Meade. This new combined elementary school will not only save on construction costs, but will be a showcase for current students as well as those students arriving as a result of the BRAC expansion.

We will ensure that the County is financially prepared to leverage the maximum amount of State school construction funding in future years. This budget includes a \$112 million funding placeholder for feasibility and planning costs as we move forward in meeting our needs for quality classrooms.

We must be able to recruit and retain the best and brightest teachers to prepare future generations for the challenges of the 21st Century. This budget will continue to fund the 6% pay raise for all our teachers and keep our promise to those hard working men and women who are so crucial to the education, growth, and development of our children.

Modern classrooms and great teachers and support staff are key components to a successful education system. Every child also deserves a safe and secure learning environment. This budget continues my initiative to increase the number of Student Resource Officers, adding three additional officers to the five officers approved last year. Once again, our Police Department will work with the Superintendent and the Board to locate these new officers in the most effective way.

School secretaries and administrative assistants - who are the backbone that help maintain our day to day operations in classrooms, media centers, and school offices around the county – also deserve our thanks and support. This budget provides a 3% cost-of-living adjustment, plus merit and longevity increases, for these hardworking school employees.

I urge the Superintendent and the Board of Education to join with me in honoring their contractual commitments to our teachers and our secretaries and assistants. Diverting resources from these vital priorities must be resisted.

Every family in the county is painfully aware of the difficult economic conditions in which we are living. We don't know how much deeper or how much longer this economic downturn will go. Our fiscal year-over-year collections of revenue from real estate transactions declined by over \$29 million. In these difficult economic times, we must find the political fortitude to make budgetary decisions that reflect cold fiscal reality. Consistent with that approach, we reduced the Fiscal Year 2009 base budget by \$6.6 million.

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Consequently, this budget takes several actions that I believe are necessary to fund these enhancements for our schools and our education staff, while preserving our fiscal integrity. First, I will ask the Council to increase the transient occupancy tax on hotel rooms from 7% to 10%. The additional funds generated from this increase will be used to support our education budget, including the salary enhancement for the secretaries and administrative assistants. We will also provide a \$100,000 increase in funding for the Annapolis & Anne Arundel County Conference & Visitors Bureau.

Our subdivision and building permit fees were last adjusted in 2003 by a unanimous vote of the Council at that time. I will ask this Council to bring these fees up to date with increases based on the cost of living index for these past five years. I will also ask that the Council join with Baltimore City and sixteen other counties, along with Fort Meade and Aberdeen Proving Grounds, in collecting an ambulance service fee. This fee will be collected primarily through third party insurers, Medicare, and Medicaid. The legislation will mandate that no one will ever be denied ambulance service because of an inability to pay or a lack of insurance.

This funding will allow us to continue to protect our citizens with well-equipped fire and police departments. This budget includes funding to replace underground water fire suppression tanks in communities not served by public water. Over \$6.5 million will be provided in construction funding for the new Eastern Police Station.

All of us who are privileged to live and work in Anne Arundel County are rightfully protective of our Bay and the rivers and streams that are such a large part of the quality of life here. Since taking office, I have instituted a zero-tolerance policy against environmental polluters. Through administrative proceedings and court actions, we have made it clear that we expect property owners and developers to be responsible for strictly complying with state and county environmental protection laws. With the help of the County Council and our General Assembly delegation, we have strengthened these laws and enhanced our ability to bring polluters to justice. The Council has joined with us to create the first small business recycling program in the county. Our state and county legislators are due our thanks for continuing to help preserve the quality of our air and water.

In addition to strengthening our Critical Areas Law, the 2008 General Assembly session enacted landmark legislation that will provide money through the Bay Restoration Fund to defray the costs of providing community sewage systems in areas where older septic systems are creating hazards to public health and polluting our waterways. This will mark the first time that this Fund has been used to provide community-wide assistance for these problematic septic systems, and I want to thank Delegate Bob Costa for his leadership and collaborative work with our Department of Public Works to craft a solution to this long standing problem.

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As a result of this legislation, our budget provides funding for two pilot projects – one in the southern area of the county and one in the northern area – that will assist existing homeowners in reducing nitrogen pollution caused by aging septic systems.

The 2008 session also saw continued cooperation between county government and our legislative delegation. Our senators and delegates relieved county taxpayers of the burden of subsidizing state-mandated inspections of our restaurants and wells. Legislation will be submitted to the Council with the budget to implement this relief.

Their efforts also resulted in over \$1 million of salary and benefit costs for Health Department employees remaining a state responsibility. As a result of these efforts and the work the Council will do to implement these laws, Fran Phillips and her excellent staff will have the resources necessary to be proactive and to continue their vigilance in protecting the health of our county residents.

Our delegation also successfully worked to enact legislation to require the Maryland Department of the Environment to reimburse the Health Department for over \$100,000 in costs incurred to detect the pollution caused by fly ash in a state-permitted surface mine reclamation project in Gambrills. I want to thank the County Council for working with us to promptly ban the dumping of this dangerous material. Unless the state adopts stringent regulations that will protect our citizens from the health hazards of fly ash, I will ask the Council to continue to prohibit the placement of fly ash in our county.

Our Health Department will also be funded to address the very disturbing problem of high infant mortality rates among African-American children. Their effort will be part of the Healthy Babies Coalition, a public-private partnership that has joined together to remove risk factors. Special thanks go to the Baltimore-Washington Medical Center, whose Board adopted the Coalition as a special community project, and to Jim Walker, the Center's CEO, who is retiring after a long career in the health services field.

As many of you know, cancer prevention and treatment has been of primary concern to me during my career in the General Assembly and now as County Executive. This budget continues my commitment to fund our Health Department's programs for cancer prevention, education, screening, and treatment services. We will continue the initiative begun last year with funding to promote colon cancer screening and treatment.

We will address the critical need for workforce housing by including in this budget a \$2 million Workforce Housing Initiative. These funds will increase the supply of homeownership units for purchase by income-qualified buyers. The initiative includes \$500,000 to support homeownership education and foreclosure prevention counseling for over 700 clients. Down-payment assistance, along with closing cost supplements, will also be provided. Our County Community Development Services budget will include \$1 million to leverage over \$2 million in Federal and State funds for workforce housing

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and first time home buyers. My Administration has already submitted legislation to the Council to transfer surplus county property to Arundel Community Development Services to develop and sell to qualified buyers. We owe our County workforce the opportunity to be able to afford a home close to their jobs – whether they are police officers, fire fighters, teachers, hospital workers or any others who qualify for this vital program.

This Initiative will be considerably assisted by the enactment of state legislation that enables the County Council to provide exemptions or credits from development impact fees for non-profit organizations. Our delegation's efforts will allow the Council to consider this assistance for Arundel Community Development Services, Habitat for Humanity, and similar organizations. The Council's Impact Fee Advisory Committee also recommended allowing such credits or exemptions, and I will be working with the Council to craft the implementing bill.

With each passing day, we are one step closer to the BRAC expansion at Fort Meade. Anne Arundel County is now home to eight of the top ten defense contractors in the nation, and BRAC puts our county at the epicenter of our nation's homeland security and electronic intelligence effort. The Defense Information Systems Agency has broken ground on its 1.1 million square foot facility on base that will be home to over 4,000 personnel by 2011. While the arrival of DISA and the private contractors that support it will create many opportunities for economic development and our county workforce, it will also create many challenges.

My Administration worked closely with Lt. Governor Anthony Brown during the General Assembly's consideration of the BRAC Community Enhancement Act. I want to specially thank Sen. Ed DeGrange, whose leadership on the Budget and Taxation Committee was key to the enactment of this legislation.

The new law will allow our Odenton Town Center project to qualify as a Revitalization and Incentive Zone that will provide state funding for infrastructure improvements to help make the Town Center a reality. We also look forward to working with the leadership at Fort Meade and Trammell Crow, the developer of a 1.7 million square foot private office space complex, to use this legislation to provide a payment to the County to help finance infrastructure improvements in the area around this new office project. The County and Fort Meade have had a long history of cooperation, and this legislation will give us new tools to continue that partnership.

The BRAC expansion will also challenge us to provide an educated workforce to meet the demands of the high technology public and private employers that will be coming to the Fort Meade area. I want to recognize Dr. Marty Smith, our community college president, who has joined with us to create the Regional Science, Technology, Engineering, and Math Center to prepare all segments of the workforce to meet these demands. This budget will provide \$600,000 in funding to operate the Center and a

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comparable amount of capital funding to outfit the STEM laboratories at the College's Arundel Mills Campus. The Center's goal is to increase the number of STEM students and graduates through enhanced K through 12 and baccalaureate articulation agreements.

The high technology defense contractors that will be coming to the area will be looking for skilled employees. Thus, the Center will also focus on increasing the number of secondary science, math, engineering, and technology teachers to help train that workforce. Overall County funding for the Community College will increase 5.3% and, combined with other funding sources, the College will be receiving an increase of over \$5.1 million.

To encourage our STEM teachers to stay in our classrooms, this budget provides an additional stipend of \$2,000 for every nationally certified STEM teacher in our middle and high schools. This budget also provides funding to the Board of Education for the STEM Program at North County High School, and we anticipate beginning a STEM Program at South River High next year.

The BRAC expansion also reminds us of this county's long relationship with our nation's armed forces. We value the tradition of service with honor represented by our Naval Academy and National Guard units, as well as the US Army at Fort Meade. We owe every service member, and every member of their family, a huge debt of gratitude.

Our concern for veterans returning from Afghanistan and Iraq is particularly high because of the increased risk of mental health and substance abuse problems resulting from the traumatic impact of combat in these areas. This budget earmarks a portion of our Health Department's Opportunity for Treatment Fund to assist any County veteran of active duty in Iraq or Afghanistan, or their dependents, in obtaining needed mental health and substance abuse treatment. This assistance will include needs assessment, identification of suitable treatment opportunities, and bridge payments for treatment. These county payments will be effective until state or federal assistance is available through the Veterans Behavior Health Act enacted by the 2008 General Assembly.

Last year, the County Council joined with the Administration in bringing fiscal accountability to our County Grants Program. We committed to providing funding to those groups and organizations that justified the investment of taxpayer dollars. Our approach helped encourage organizations to increase their efforts to secure private support and funds to match county dollars. My Administration is working closely with the Community Foundation of Anne Arundel County to coordinate public-private support and avoid duplication and identify gaps in funding.

As a result, the Grants Program will provide increased funding for the Annapolis Area Ministries' Lighthouse Shelter and the Arts Council of Anne Arundel County. We will support the Gems and Jewels Program and the after-school program at Brooklyn Park

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Middle School, as well as Sarah's House. Continuing assistance will be provided to a range of organizations that provide needed services to our county's citizens. With the help of the County Council, we have taken a Grants Program that allocated tax dollars in an unstructured way and replaced it with a coordinated approach that recognizes government's role in partnership with the private community.

When the work day is done, our county citizens and their children should have recreational opportunities that are so important to our quality of life here. Our budget will continue to expand the use of our high school stadium fields through the installation of safety turf. We will open the "Field of Dreams" to provide opportunities for our disabled kids to enjoy our national pastime. Almost 130 acres will be purchased through Program Open Space - including the South River Greenway, the Hot Socks Historical Baseball Field in Galesville, and over seven acres in the environmentally sensitive area around Jug Bay. We will continue to work with the Council and citizens to plan for the unique uses of the US Naval Academy Dairy Farm that will benefit the Gambrills community and the entire county. Whether it's a quiet picnic area, a hillside concert, or an athletic field full of enthusiastic kids, we will work together to provide those recreational opportunities.

It is not enough to stand on our accomplishments. We must build on them and, together, create a county in which we are all proud to live and work.

Thank you for listening.

Vision

Anne Arundel County will continue to be a place that values and strives to protect the natural and cultural environment, where opportunities exist to live in a variety of well-designed and maintained neighborhoods and communities. It will be a place where a healthy local economy will provide jobs, and people can travel by foot, bicycle, car and transit to nearby employment areas and to a variety of educational, recreational and commercial services. Anne Arundel County will strive to provide the best educational and public safety services while maintaining a high quality of life for all of its citizens.

Long Term Goals

1. Public Education – to build a working relationship with the Board of Education to provide for the needs of the children of the County, and to support the Community College and Library in the provision of life-long learning environments and services to all citizens of Anne Arundel County.
2. Public Safety – to provide a safe and secure environment to everyone who lives, works and conducts business in Anne Arundel County.
3. Environmental Stewardship and Managing Growth– to protect and maintain the character of the various types of communities throughout the County, including the revitalization of older communities and the preservation of agricultural land.
4. Fiscal Management – to adhere to conservative financial policies and continually strive to efficiently utilize available resources.
5. Transportation – to establish and maintain a transportation plan and program that is compatible with the County's land use, growth management, environmental and economic development priorities.
6. Economic Development – to attract and retain business investment, focusing on those companies that maintain economic balance, that respect our quality of life on the magnificent Chesapeake Bay, and that provide quality, high paying jobs to Anne Arundel County citizens.
7. Health – to educate the public about health hazards and promote programs that increase awareness, detection and early detection of harmful diseases.
8. Recreation – To expand services to residents at low cost to enjoy the benefits of preserving our natural resources, and contribute to a healthy and active community by improving trails, parks and activities.

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Long Term Goals and Objectives

Accomplishments and Objectives

The Departments and State Agencies funded by the County budget collectively contribute to the accomplishment of these goals. In the Expenditure Detail section of the Budget, a mission statement is provided for each department along with a listing of key accomplishments over the past year and key objectives for the coming year. A selection of the many performance measures used by each department in managing its work is also presented in the Expenditure Detail section.

The accomplishments and objectives shown for each department are driven by the pursuit of the long-term goals expressed above and their inter-relationships are represented in the matrix shown on the opposite page.

Key Accomplishments, Objectives and Outcome Indicators

The Current Expense Budget identifies a large number of the accomplishments, objectives, and specific performance measures. While all of these can be found in the Departmental Section of the Current Expense Budget, some key accomplishments and objectives are shown on the following pages, together with some key outcome indicators.

Long Term Goals by Agency or Department

Departments & State Agencies	1	2	3	4	5	6	7	8
County Executive	✓	✓	✓	✓	✓	✓	✓	✓
Office of Law				✓				
Admin Hearings			✓	✓				
Chief Admin. Officer	✓	✓	✓	✓	✓	✓	✓	✓
Central Services				✓				
Finance				✓				
Budget	✓	✓	✓	✓	✓	✓	✓	✓
Personnel				✓				
Info Technology	✓	✓	✓	✓	✓	✓	✓	✓
Bd. Of Education	✓			✓			✓	✓
Community College	✓			✓		✓	✓	✓
Libraries	✓			✓				
Planning & Zoning			✓	✓	✓	✓		✓
Inspections & Permits			✓	✓		✓		✓
Public Works	✓		✓	✓	✓	✓	✓	✓
Aging			✓	✓	✓			✓
Recreation & Parks			✓	✓			✓	✓
Health	✓	✓		✓	✓			
Social Services		✓		✓				
Police		✓		✓				
Fire		✓		✓				
Detention		✓		✓				
Circuit Court		✓		✓				
Orphan's Court				✓				
State's Attorney		✓		✓				
Sheriff		✓		✓				
License Commissioners		✓		✓				
Elections				✓				
Coop Extension Service				✓			✓	✓

Numeric Key to Goals

1. Public Education
2. Public Safety
3. Environmental Stewardship and Managing Growth
4. Fiscal Management
5. Transportation
6. Economic Development
7. Health
8. Recreation

- 1. Public Education** – to build a working relationship with the Anne Arundel County Public Schools (AACPS) Board of Education to provide for the needs of the children of the County, and to support the Anne Arundel Community College (AACC) and the Anne Arundel County Public Libraries (AACPL) in the provision of life-long learning environments and services to all citizens of Anne Arundel County.

Accomplishments

- For the fourth consecutive year, elementary and middle school students posted increases in reading and mathematics on the Maryland School Assessments - 88.3 percent of elementary students and 74.5 percent of middle school students scored at the proficient or advanced level for 2007.
- Countywide pass rates for High School Assessments improved in algebra, biology, and English. Notable improvements in some or all subjects were made by African-American and Hispanic students.
- For the third consecutive year, all but two of the county's comprehensive high schools met the state's Adequate Yearly Progress (AYP) performance targets, and two county schools did well enough to come off lists for local or state improvement.
- A concerted effort by principals to identify students for Advanced Placement classes is paying off. AACPS saw a 28 percent increase in the number of AP tests taken in the 2006-2007 school year as compared to the year before. There was a 59 percent increase in the number of tests taken by African-American students and a 50 percent jump in the number of tests taken by Hispanic students. Among individual schools, North County showed the biggest jump with a remarkable 83 percent increase.
- Countywide performance on the SAT continued to be above State and National averages (507 reading, 529 math, 496 writing).
- The Washington Post's 2007 Challenge Index – a key barometer of the success a school system has in encouraging students to take advanced exams like AP and IB – ranked AACPS 10th on the Washington area index, a jump of six places from the year before. Anne Arundel County trails only Montgomery County among Maryland jurisdictions on the index, and surpassed five other counties, including Howard, Charles, and Calvert. Six schools rank in the top 76 on the list, led by Broadneck at No. 30. Annapolis High School jumped 33 spots to 50th on the list.

Long Term Goals and Objectives

- Meade High School was authorized as an International Baccalaureate (IB) World School, bringing the total number of county schools offering the rigorous and highly-regarded IB Programme to three.
- Annapolis Middle School, MacArthur Middle School, and Old Mill Middle School North began offering a Prospective IB Middle Years Programme, and are candidates to be authorized for the program.
- In partnership with the 21st Century Education Foundation, AACPS conducted its first-ever Career Expo to connect secondary students with local businesses. With more than 700 students in attendance, the event was a success, providing information to students about career paths, internships, and college admissions.
- AACPS completed the final stage of implementation to provide full-day kindergarten in every county elementary school.
- New schools, new beginnings:
 - Moved more than 100 4- and 5-year-olds into the newly reconstructed Ferndale Early Education Center.
 - Opened a new Pasadena Elementary School, with 16,000 more square feet than its predecessor. The \$19.7 million facility offers students interactive white boards in every classroom, a kiln for art projects, and mobile computer lab.
 - Completed construction on the new \$16.4 million Tracey's Elementary, where students enjoy interactive white boards, a science lab, and a climbing wall in the gymnasium.
- AACPS expanded evening high school services to Annapolis High School, bringing additional educational opportunities to more students in the Annapolis area. The county now has five evening high schools that provide alternatives to meeting the academic needs of students.
- Thirty-four Anne Arundel County educators earned National Board Certified status, the highest teaching credential in the nation. In all, there are 124 National Board Certified teachers in Anne Arundel County. Only one other county in Maryland has more National Board Certified teachers.
- Alicia Appel of Southern High School was named Anne Arundel County Public Schools Teacher of the Year and was a finalist for the state Teacher of the Year award. That's the second straight year that AACPS' nominee has been a finalist.

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Long Term Goals and Objectives

Objectives

- Implement the county's first Science, Technology, Engineering, and Math (STEM) magnet program at North County High School and Homeland Security signature program at Meade High School.
- Continue plans for additional magnet and signature programs, including STEM programs at several middle schools, a biomedical health magnet program at Glen Burnie High School, and performing and visual arts magnet programs at Bates Middle and Annapolis High schools.
- Ensure that all students reach high performance standards and the achievement disparities among all demographic groups of students continue to narrow, with the ultimate goal to eliminate the achievement gap.
- Begin and continue construction projects at Freetown Elementary, Lake Shore Elementary, Severna Park Middle, and Arundel High schools.
 - Construction on the new Gambrills-area elementary school is expected to be completed by August 2008.

Outcome Indicators

Community College Transfer Students to Maryland 4-year Institutions	Academic <u>Yr 00-01</u>	Academic <u>Yr 01-02</u>	Academic <u>Yr 02-03</u>	Academic <u>Yr 03-04</u>	Academic <u>Yr 04-05</u>
- Avg GPA 1st year after transfer	2.84	2.79	2.76	2.78	2.70
- Number of students transferring	910	999	1,002	1,125	1,235
- % with Bachelors Degree 2 years after	10.1%	8.2%	9.1%	10.2%	n.a.
- % with Bachelors Degree 5 years after	56.0%	n.a.	n.a.	n.a.	n.a.

Long Term Goals and Objectives

2. Public Safety – to provide a safe and secure environment to everyone who lives, works and conducts business in Anne Arundel County.

Accomplishments

- The Northern District initiated Operation TRUEE, an initiative focused on reducing truancy at local high schools. Fifty-seven juveniles were identified as well as multiple criminal violations.
- The Auto-Theft Unit investigated over 190 cases and maintained a 76% clearance rate, making over 60 arrests. In addition, utilizing TAGNABIT license plate reader, scanned over 47,000 vehicles recovering 14 cars.
- The Narcotics Unit seized over \$2.5 million worth of controlled dangerous substances during various investigations.
- In the spring of 2007, the Southern District implemented an initiative to reduce motor vehicle collisions at intersections. Based on frequent crash locations, Officers aggressively enforced moving violations, issuing a total of 430 citations and over 1,000 warnings.
- The Eastern District instituted an initiative to combat rising robberies by use of concentrated patrols and undercover surveillance. As a result, forty-five arrests were made as well as multiple seizures of CDS and currency.
- Placed 2 Medic Engines in service (Woodland Beach & Harmons Dorsey)
- Placed 1 New Medic Unit in service (Herald Harbor)
- Received an award from *Fire/Rescue Magazine* for design of Station 4 (Severn)
- Reinstated the Volunteer Vo-Tech program at CAT North.
- Broke ground on Annapolis Neck Fire Station (Station 8).
- Upgraded fire safety system in ORCC's gym to accommodate use for inmate housing.
- In cooperation with Public Works and Inspection & Permits, implemented a litter and illegal sign removal project using inmate labor.
- Replaced the electronic monitoring system utilized in administering the House Arrest Program.

Long Term Goals and Objectives

- Designed and implemented an internal system for tracking and comparing recidivism of sentenced inmates who were successful participants of the Department's programs with sentenced inmates who were not.
- The Department of Public Works implemented National Incident Management System/Incident Command System into Department disaster plans.
- Continued efforts to expand placement of AED's throughout the County. To date, 45 AED's are located in County facilities.

Objectives

- Elevate the Police department's responsiveness to citizen and community problems, and develop strategies and solutions in accordance with the enhanced community policing philosophy and the department's shared values.
- Continue strengthening partnerships between law enforcement and the county public school system, through utilization of School Resource Officers, in order to provide a safer environment for students and faculty.
- Employ comprehensive approaches in response to local evidence of regional, national, and international matters—such as undocumented immigrants, homeland security, and identity theft.
- Enhance the Police department's ability to detect and respond to terrorism and extremist activities through diligence and continued cooperation with federal, state, and local agencies.
- Prepare for the impact of the Parole Town Center project.
- Continue to prepare public safety infrastructure for impact of BRAC.
- Prepare for opening of Annapolis Neck Fire Station (Station 8).
- Continue with the Wellness and Fitness initiative to reduce firefighter injuries.
- Continue with Paramedic Engine concept to reduce ALS response times.
- Develop and submit a Part II Facility Program and file legislation seeking 50% funding of facility expansion costs.
- Initiate design planning for ORCC expansion.

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Long Term Goals and Objectives

- Implement an internship program in cooperation with the University of Maryland University College.
- Install closed circuit television between ORCC and the District and Circuit Courts.

Outcome Indicators

Outcome Indicators	2003	2004	2005	2006	2007
No. of Part 1 Crimes	17,921	17,355	17,274	17,447	18,618
No. of Violent Crimes	2,239	2,173	2,096	2,095	2,041
Clearance Rates					
- Homicide Unit (state or national rate)	90.0% (62.4%)	76.0% 62.6%	88.0% n.a.	n.a. n.a.	66.0% n.a
- Sexual Offense Unit (state or national rate)	98.7% (44.0%)	89.0% 41.8%	89.0% n.a.	90.0% n.a.	86.0% n.a
- Robbery Unit (state or national rate)	61.0% (28.0%)	61.0% 26.2%	55.0% 25.0%	48.0% n.a.	46.0% n.a
No. of Fires	1,485	1,684	1,743	2,074	1,994
No. of Fire-related Deaths	4	2	2	2	4
No. of Fire-related Injuries	27	29	20	43	36
Direct \$ Loss due to Fire (millions)	\$138.2	\$15.5	\$17.9	18.8	43.6
No. of Security Breaches	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	
- Jennifer Road Detention Facility	2	0	0	0	
- Ordnance Road Detention Facility	0	0	1	1	

Long Term Goals and Objectives

- 3. Environmental Stewardship and Managing Growth** – to protect and maintain the character of the various types of communities throughout the County, including the revitalization of older communities and the preservation of agricultural land.

Accomplishments

- The Office of Law prosecuted 67 injunction cases and 533 citations involving code violation matters referred from the Department of Inspections and Permits in fiscal year 2007. Protecting the critical areas of the Chesapeake Bay is a top priority and there was an increase of 38% in the number of cases prosecuted from 2006 to 2007 in the critical area. The fines assessed in all code enforcement matters totaled \$139,610.
- Maintained full regulatory compliance relative to air emissions, landfilling, groundwater protection and storm water control.
- Recycled 122,721 tons of material and diverted 146,359 tons of waste to alternative sites leaving 98,094 to be buried at Millersville Landfill.
- Expanded the County Office Recycling Program (CORP) including programs at County Parks and Detention Centers.
- Received over \$2.16 million in revenue from the sale of batteries, cardboard, compost, scrap metal, paper, cans, bottles and jars.
- Reached agreement with Ft. Meade to sell the County's landfill gas (LFG) for beneficial reuse.
- Reincorporated the Agricultural Land Preservation Program into the Department.
- Preserved nearly 2,000 acres of land, including the Naval Academy Dairy Farm in Gambrills, Maryland and the nature preserve at Wayson's Corner.
- Completed the master planning process for the Fort Smallwood and Weinberg properties.
- The Department of Health completed extensive groundwater investigation in the Gambrills area to determine the extent of contamination related to fly ash deposits in a nearby sand and gravel mine, conducted an outreach and information campaign, worked to assure full enforcement of a State Consent Decree, and pursued new fly ash regulations to be promulgated by MDE.
- Drafted and adopted the Water and Sewer Master Plan 2007 Update.

*Long Term Goals and Objectives*Objectives

- Aggressively enforce the County's program of code enforcement in the Chesapeake Bay Critical Area.
- Revise Floodplain, Grading and Stormwater Management laws.
- Develop a proficiency advancement program for Environmental and Infrastructure inspectors.
- Received National Association of Clean Water Agencies (NACWA) Gold, Silver and Platinum Awards at all water reclamation facilities (WRF).
- Achieved perfect environmental compliance with drinking water requirements.
- Negotiated a contract with Constellation energy to sell them treated effluent.
- Eliminated gaseous chlorine and installed backup for the Arnold WTP.
- Implemented an EMS program for bio-solids disposal.
- Implement a strategy to implement Enhanced Nutrient Removal (ENR) at county water reclamation facilities utilizing grant funding from flush fee implemented by the Governor.
- Complete the design of Annapolis, Broadneck and Cox Creek ENR projects.
- Identify opportunities to reduce costs for electricity despite major increases in electricity required for ENR projects.
- Expand Crofton and Arnold water treatment plants to meet demands and reduce dependence on Baltimore City.
- Expand water plant capability in the Broadneck service area to meet increasing demand
- Increase residential recycling in the County to ensure maximum diversion from the Landfill and other disposal sites.
- Address growing capacity limitations for yard waste processing seeking alternative sites.

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Long Term Goals and Objectives

- Continue implementation of the Solid Waste Strategy that minimizes reliance on the Millersville Landfill.
- Complete and adopt the 2008 General Development Plan.

Outcome Indicators

Preserved acreage totals by year

	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>
Acreage Preserved (agriculture)	10,563	10,624	11,294	11,471
Acreage Preserved (parks)	9,328 ¹	9,534 ²	9,534	11,033

¹ Fiscal year 2005 based on perpetual inventory records of all County and BOE sites, less BOE owned locations.

² Fiscal year 2006 based on actual inventory of County owned land conducted to create the Anne Arundel County Land Preservation, Parks and Recreation Plan (LPPRP). The LPPRP plus recorded land additions is also the basis for fiscal years 2007 and 2008.

Long Term Goals and Objectives

- 4. Fiscal Management** – to adhere to conservative financial policies and continually strive to efficiently utilize available resources.

Major Accomplishments

- Received distinguished budget presentation award from the Government Finance Officers Association (GFOA).
- Received the Certificate of Achievement for Excellence in Financial Reporting- Anne Arundel County's Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2006.
- Received the Certificate of Excellence in Financial Reporting-Anne Arundel County's Retirement and Pension System's Comprehensive Annual Financial Report for the Year Ended December 31, 2006.
- Conducted Risk Assessments of all County departments to identify opportunities for improvement.
- Pension fund assets totaled \$1,483,255,000 in December 2007. The rate of return on the invested assets was 11.2% for the calendar year 2007.
- Coordinated the development and adoption of a balanced operating and capital budget for FY2008.
- Negotiated and refurbished an additional 2,000 square feet at Pasadena Senior Center at no cost to county.
- Implemented new server and disk storage technology to increase capacity, redundancy, performance, and reduce maintenance costs.
- Began collecting County Recordation Taxes effective January 1, 2008.

Key Objectives

- Initiate a two year Public Safety System Upgrade including Computer Aided Dispatch (CAD), Records management system (RMS), a comprehensive and specialized Detention Center inmate management services system and integration with Mobile Data systems. Staff from Sheriff's Office, Detention Center, Police, Fire and OIT will work on this mission critical integration project.
- Upgrade MUNIS software to version 7.0 from Version 6.

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Long Term Goals and Objectives

- Draft of Policy and Procedures Manual for Accounting & Control and Accounts Payable divisions.
- Begin program to move vendors from check payment to automated on-line payments through the automated clearing house or "ACH".
- The Office of Law will continue to evaluate procedures, equipment, and software in an effort to reduce costs and improve efficiency.
- Continue marketing potential surplus properties for disposal, creating direct income for the County at settlement, as well as putting the surplus properties back on the tax rolls.
- Continue to make the operating budget presentation more understandable through user-friendly design and more descriptive narrative.
- Continue to develop a method to better link existing performance measures with budget decision-making processes, and to develop additional performance measures where cost effective.
- Continue the annual update of the County's debt affordability model and maximization of the use of restricted funding sources (e.g., impact fees, program open space and waterway improvement fund grants) in the development of a balanced capital budget and five year capital program.

Outcome Indicators

Outcome Indicators	FY2004	FY2005	FY2006	FY2007	FY2008
Bond Ratings					
- Moody's	Aa1	Aa1	Aa1	Aa1	
- Standard and Poors	AA+	AA+	AA+	AAA	
- Fitch	AA+	AA+	AA+	AA+	
General Fund Budget vs Actual	actual	actual	actual	estimate	
- Resulting Surplus (Deficit) (\$ millions)	\$59.7	\$94.1	\$92.6	\$60.9	
Revenue Reserve Fund	actual	actual	actual	estimate	estimate
- dollar amount (\$ millions)	\$27.2	\$35.6	\$38.8	\$44.8	\$45.3

Long Term Goals and Objectives

- 5. *Transportation*** – to establish and maintain a transportation plan and program that is compatible with the County's land use, growth management, environmental and economic development priorities.

Major Accomplishments

- Completed the Edwin Raynor Phase II Study for Complete Streets.
- Executed travel demand models to develop forecasts for West County and Annapolis Neck.
- Extended and improved transit service in the Glen Burnie area consistent with the Transit Development Plan 2003.
- Implemented a HPS-20 Road Improvement Reporting cycle resulting in additional State funding.
- Establish best management practices and performance standards within the Bureau of Highways to maximize the use of available resources.
- Focus on infrastructure preservation through planned and preventive maintenance rather than reactive maintenance.
- Conducted the OSHA 10-Hour Highway Construction Course for Public Works Highways.
- Completed Anne Arundel County *traffic* television show.
- Participated in ongoing comprehensive planning studies to accommodate the impacts of BRAC.

Key Objectives

- Refine the procedures for monitoring drivers who operate vehicle for the County.
- Review and revise as necessary the drivers training being conducted for drivers who operate vehicle for the County.
- Complete the Transit Development Plan 2008 Update.
- Participate in comprehensive planning studies to accommodate the impacts of BRAC.

Long Term Goals and Objectives

6. *Economic Development* – to attract and retain business investment, focusing on those companies that maintain economic balance, that respect our quality of life on the magnificent Chesapeake Bay, and that provide quality, high paying jobs to Anne Arundel County citizens.

Accomplishments

- Baltimore Washington International Thurgood Marshall Airport had record passenger numbers with 21 million passengers in 2007 – up 1.7% from 2006.
- The Annapolis & Anne Arundel County Conference and Visitors Bureau opened its newly expanded and renovated facility in October 2007. Project total was \$1.3 million project of which \$200K was granted by Anne Arundel County.
- Annapolis Towne Centre at Parole has begun to take shape; \$400 million mixed-use project; will open in October 2008.
- Six new hotels opened in the last year adding 1,055 hotel rooms; four additional hotels currently under construction.
- Odenton Town Center – AAEDC and other Anne Arundel County departments have worked together to estimate the amount and cost of new infrastructure needed to support the desired development in Odenton Town Center as called for in the General Development Plan. Current efforts focus on finding methods of financing the infrastructure needed to allow development to take place. The creation of a special taxing district has been proposed.
- Park Place in Annapolis officially opened in October 2007.
- Westfield Annapolis opened new 240,000SF wing in November 2007; \$150 million project bringing the mall square footage to 1.5 million.
- Quarterfield Crossing opened in North County in fall 2007 offering a Lowes, Kohls, Wal-mart Supercenter, and Sams Club.
- Northrop Grumman – opened their 16,000 SF state of the art antenna testing facility in Linthicum; opened 34,000 Assurance Innovation Center in Millersville; announced they would be hiring 500 employees in the next year to fill mostly engineering, electrical design and other technical areas.
- Both the Anne Arundel Medical Center and the Baltimore Washington Medical Center continued the expansion of their facilities adding beds and upgrading their emergency departments to accommodate county growth. Baltimore Washington Medical Center broke ground on their new 63,000 SF full-service

Long Term Goals and Objectives

medical facility at Arundel Mills Corporate Park in Hanover to serve the growing West County area with a projected opening of fall 2009.

Objectives

- Provide seamless and targeted economic development services to the diverse businesses and residents of Anne Arundel County by providing information responses and business assistance; by developing business opportunities from multiple contracts; and by transforming opportunities into successfully closed transactions.
- Outreach to Anne Arundel County businesses in order to retain and grow our incumbent companies; implement a proactive business development plan to encourage the location of new companies into the County.
- Anticipate and address with our County, Regional and State Workforce Development Partners, the workforce development needs of our existing business community.
- Promote Anne Arundel County as a premier location for business and provide our existing business community with informational resources.
- Provide services and support to the entrepreneurial, small and minority business community.
- Nurture Innovation and Technology in Anne Arundel County.
- Increase by 10% the Industrial and Commercial Share of the County Tax Base over the next 4 years.
- Work with the Executive Office, other County Departments, property owners and community to coordinate the county's implementation of growth center plans for Glen Burnie, Parole and Odenton.

Budget Message
Long Term Goals and Objectives

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Outcome Indicators

Outcome Indicators	relevant time period				
	<u>CY03</u>	<u>CY04</u>	<u>CY05</u>	<u>CY06</u>	<u>CY07</u>
Personal Income ¹					
- county growth rate	3.38%	7.59%	5.94%		
- state growth rate	3.48%	6.99%	5.47%	5.66%	5.4%
- national growth rate	3.13%	6.13%	5.9%	6.65%	6.18%
Total Employment ²					
- county growth rate	3.08%	3.28%	3.32		
- state growth rate	1.41%	2%	2.15%	2.15%	
- national growth rate	.55%	1.77%	2.15%	2.39%	
Unemployment Rate ³					
- county unemployment rate	3.9%	3.8%	3.5%	3.3%	3.2%
- state unemployment rate	4.5%	4.3%	4.2%	3.9%	3.8%
- national growth rate	6.1%	5.6%	5.1%	4.6%	4.6%
Defense Contracts (\$ billions) ⁴					
- county growth rate (annual)	31.8%	-1.7%	35.5%	\$1.14	\$1.54
- state growth rate (annual)	13.8%	28.5%	18.16%	\$9.21	\$10.89

¹ Source: Bureau of Economic Analysis; most current data

² Source: Bureau of Economic Analysis

³ Source: MD Department of Labor, Licensing & Regulation (DLLR); National data US Department of Labor

⁴ Source: US Census Bureau Consolidated Federal Funds Report – 2005 most recent data

Long Term Goals and Objectives

7. **Health** – to educate the public about health hazards and promote programs that increase awareness, detection and early detection of harmful diseases.

Accomplishments

- Implemented a very successful disease-oriented case management program that focuses on clients with diabetes. All outcome measures, which are widely standardized medical treatment standards, illustrate the program to be a great success. So far, 80 clients have been served in this program to promote Seniors to a healthier life.
- Utilized Long Term Care (LTC) programs to create an interdisciplinary team that provides technical assistance to long term care facilities and individual clients. These teams also can critically and creatively respond to facilities that are inadequately taking care of their clients. The team can also work closely with State regulators to improve or close down LTC facilities that do not meet regulatory standards.
- Aired cable TV presentation of Medicare Prescription Drug Program to all County Residents subscribing to cable TV.
- Initiated the LifeScreen Program, offering free colorectal cancer screening to income- and age-eligible uninsured County residents through services provided under contracts with hospitals, labs and medical specialists.
- The new REACH Dental Program for uninsured low-income County residents opened its doors in August 2007 and will see a projected 350 patients in FY 2008.
- Administered 14,956 doses of Flu-Mist (nasal spray flu vaccine) to 11,202 students in County elementary schools.
- To reduce the disparity in infant mortality between African American and Caucasian babies born to Anne Arundel County women, established a Healthy Babies Coalition of 60 health care providers, government representatives and community organizations, implemented a multi-media information program targeting African American pregnant women and distributed 4,200 resource directories.
- Nearly 1,000 County residents have subscribed to the Department's E-Alert notification system that provides immediate notification of health-related closures and re-openings of the County's waterways.

Budget Message

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Long Term Goals and Objectives

- Behavioral Health worked in partnership with the Anne Arundel County Mental Health Agency to identify workforce training needs and provide training for Anne Arundel County providers who treat County residents with co-occurring mental health and substance abuse disorders.

Objectives

- Continue to utilize available resources to prevent abuse, neglect, and exploitation of vulnerable adults in assisted living, nursing homes and retirement communities.
- Implement initiatives to reduce obesity in Anne Arundel County targeted toward children and adults in a variety of venues. Activities will focus on healthy eating and increased physical activity in schools, at home, in communities, and in work places.
- Fully implement the Maryland Clean Indoor Air Act, enforcing a ban on smoking in restaurants, bars and other public places.
- Implement restructuring of environmental health fees to better reflect service costs.
- Continue to monitor fly ash reclamation in Gambrills.
- Increase enrollment in the REACH Program and the ScriptSave Discount Prescription Drug Program.
- Complete All-Hazard and Continuity of Operations (COOP) emergency preparedness plans.
- Continue implementation of uniform public health management software system in the Health Department.
- Continue Healthy Babies Initiative to reduce infant mortality with a new focus on new fathers.
- Implement a new initiative in the Adult Addictions Program to treat opioid-addicted adults with Buprenorphine, an alternative to methadone, treating an initial 35 individuals.

Budget Message

Long Term Goals and Objectives

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Outcome Indicators	2001	2002	2003	2004	2005	2006
Infant Mortality - All Races per 1,000 Live Births ¹						
Anne Arundel Co.	6.4	5.9	8.1	7.7	5.5	7.7
Maryland	8.0	7.6	8.1	8.5	7.3	7.9
U.S.	6.8	7.0	6.9	6.8	6.9	6.6
Cancer Incidence - All Types per 100,000 population ²						
Anne Arundel Co.	460.5	N/A	N/A	N/A	N/A	N/A
Maryland	444.4	N/A	N/A	N/A	N/A	N/A
U.S.	468.8	N/A	N/A	N/A	N/A	N/A
Cancer Mortality - All Types per 100,000 population ^{2,5}						<u>2004-2006¹</u>
Anne Arundel Co.	215.3	210.5	199.4	202.6	203.8	196.0
Maryland	205.1	201.9	195.6	189.8	190.0	186.6
U.S.	196.0	193.5	190.1	185.8	183.8	183.8
Cigarette Use in Last 30 Days – 12th Graders ³						
Anne Arundel Co.	28.9%	23.2%	N/A	23.0%	N/A	N/A
Maryland	25.5%	19.8%	N/A	19.8%	N/A	N/A
U.S.	29.5% ⁶	26.7% ⁶	N/A	25.0%	N/A	N/A
Proportion of Adults Who Smoke ⁴						
Anne Arundel Co.	28.1%	23.7%	23.0%	20.1%	19.5%	17%*
Maryland	21.1%	21.9%	20.1%	19.5%	17.8%	17.7%
U.S.	22.8%	22.5%	21.6%	20.9%	20.6%	20.1%
Heart Disease Mortality Rates per 100,000 population ⁵						<u>2004-2006¹</u>
Anne Arundel Co.	252.1	256.9	230.4	196.4	223.5	201.7
Maryland	252.6	241.0	237.6	216.6	216.2	205.7
U.S.	247.8	240.8	232.3	217.0	211.1	210.3

N/A = Not Available

1Source: Md. Vital Statistics Reports, NCHS, CDC

2Source: Md. Cancer Registry, SEER

3Source: Md. Adolescent Survey, Monitoring the Future Survey

4Source: Behavioral Risk Factor Surveillance System; *Anne Arundel County BRFSS

5Source: CDC Wonder

6Source: National Institute on Drug Abuse, National Institutes of Health

Long Term Goals and Objectives

8. **Recreation** - To expand services to residents at low cost to enjoy the benefits of preserving our natural resources, and contribute to a healthy and active community by improving trails, parks and activities.

Accomplishments

- Introduced a recycling program throughout the County park system.
- Implemented the Lasting Gifts program that permits the dedication and naming of park features for loved ones.
- Completed the new 380-foot long Fort Smallwood Park fishing pier.
- Started the Challenger League, an adaptive recreation baseball program.
- Completed renovations of the Plummer House Offices and Visitors Center in the Jug Bay Sanctuary.
- Opened new Child Care facilities at Tracey's and Pasadena Elementary Schools and new summer sites at Brock Bridge, Harman, and Marley Elementary Schools.
- Completed Phase 2 of the WB&A Trail. Extended Health Insurance to Assistant Directors at Child Care Centers.
- Designated 90 acres at Sands Road Park for scouting uses.

Objectives

- Finalize the Southwest Greenway; includes 650 acres Crownsville Hospital Campus and 2 private parcels.
- Complete the installation of six safety turf fields at high school stadiums throughout the county.
- Reopen the Quiet Waters Ice Rink in time for the winter 2008 season.
- Establish a car top boating program with locations on waterways throughout the county.
- Open a "Field of Dreams" for adaptive recreation use at Lake Waterford Park.
- Open Jonas Green Visitor's Center.
- Open Bay Head Park public use.
- Open a new Child Care program at Gambrills Elementary School and new summer Child Care programs at Pasadena and Lothian Elementary Schools.

Outcome Indicators

Recreation Activities

	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>
Recreation Programs	92,000	93,000	Estimate 93,000	Projected 94,000
Regional Parks*	1.124 million	1.275 million	Estimate 1.352 million	Projected 1.476 million
Lake Waterford Park	419,411	494,939	Estimate 499,169	Projected 509,152
Total	1.543 million	1.770 million	Estimate 1.851 million	Projected 1.985 million

* Includes Quiet Waters Park, Downs Park, Ft. Smallwood Park, Kinder Farm Park, and the Jug Bay Wetlands Sanctuary.

Anne Arundel County's financial policies and guidelines provide the basic framework for the development of the FY2009 budget. These policies and guidelines provide direction for evaluating both current activities and proposals for future programs during the budget process. Many of the policies and guidelines represent long-standing principles and practices that have shaped County budgets in the past and have helped maintain the County's financial stability. The policies and guidelines are reviewed annually.

Operating Budget

1. The budget will be balanced.
2. The County will maintain a budgetary control system to insure adherence to the budget and will hold monthly meetings to review reports comparing actual revenue collections and expenditure commitments to budgeted amounts.
3. The County will devote resources for loss prevention activities to lessen losses experienced by the County's self-insurance fund.
4. The County will endeavor to fund recurring expenses with recurring revenue. One-time revenue should be utilized for PayGo capital projects or to enhance reserves.
5. Given the County's property tax revenue limitation, the County will utilize techniques to smooth year-to-year expenditures so as to avoid volatile annual total expenditure swings.
6. The County will maximize its property tax realization under the property tax revenue limitation Charter provision.
7. The County will utilize multi-year forecasts to evaluate the impact of budget decisions.
8. The County will endeavor to maintain a diversified and stable revenue system so as to minimize exposure to economic cycles.
9. The County will aggressively pursue the collection of revenue it is due.
10. The County will regularly review user charges and permit fees so as to keep them in line with actual costs.
11. The County will conservatively estimate revenues.

Capital Budget

1. The County will endeavor to maintain its recently achieved AAA bond rating from Standard and Poors, and continue its quest to raise the current ratings of Aa1 and AA+ from Moody's and Fitch, respectively.
2. The County will employ a debt affordability model so as to monitor and comply with its debt policies.
3. The guidelines utilized for the debt affordability model are as follows:

<u>Measure</u>	<u>Guideline</u>	
	<u>Tax Supported Debt</u>	<u>Tax Increment Special Taxing District Other Revenue Supported Debt</u>
Debt to Operating Income	9.0%	1.0%
Debt to Personal Income	3.0%	0.5%
Debt to Full Value Assessment	1.5%	0.25%
Debt per Capita	\$1,500	\$200
Percentage of Tax Supported Debt	-----	15%

4. Commercial paper issued to finance the construction of capital projects shall be limited to a two-year maturity.
5. Tax supported debt issued to finance General County projects shall generally be limited to a twenty-year maturity, and have an average life of less than ten years.
6. Utility Fund and Solid Waste Fund debt shall first be revenue supported debt, but may utilize a general obligation pledge as a secondary debt service source, however these Funds shall be individually self-supporting.
7. All County debt shall have a component of annual repayment.

Fund Balance

1. The County shall maintain a Revenue Stabilization Fund equal to 10% of the previous three-year average of income tax, recordation tax and transfer tax receipts and investment income. The purpose of the fund is to provide a source of funds should revenue estimates in the current year not be achieved.
2. Before the Revenue Stabilization Fund may be accessed, every effort to reduce expenditures shall be employed.
3. If the Revenue Stabilization Fund is utilized, the Fund shall be replenished within three years.
4. The General Fund should generate a fund balance of at least \$5 million each year.
5. Undesignated fund balance shall be utilized as a source of PayGo funding or to fund the Revenue Stabilization Fund.
6. The Utility Fund shall endeavor to have a fund balance of approximately two months of operating expenses. The Solid Waste Fund shall endeavor to have a fund balance of 10% of operating revenue.

Major Changes in Financial Policies and Guidelines

- None

Comparative Statement of Revenues

Fund: General Fund

Funding Source	FY2007 Actual	FY2008 Original	FY2008 Revised	FY2009 Estimate	Inc (Dec) from Orig.
Property Taxes	457,825,359	474,036,000	481,150,000	516,584,000	42,548,000
Local Income Tax	361,956,043	368,700,000	375,762,000	389,000,000	20,300,000
State Shared Revenues	37,125,849	38,185,000	36,229,000	36,324,000	(1,861,000)
Grants and Aid - State/Federal Recordation and Transfer Taxes	45,683,648	50,868,800	48,767,000	0	(50,868,800)
Local Sales Taxes	109,257,440	100,800,000	80,000,000	83,000,000	(17,800,000)
Licenses and Permits	34,604,174	34,710,000	35,229,000	35,463,000	753,000
Investment Income	17,681,827	16,498,800	15,905,100	17,964,300	1,465,500
Other Reimbursements	10,109,420	8,950,000	10,176,000	8,133,000	(817,000)
Interfund Reimbursements	40,807,633	36,960,400	36,109,900	50,458,100	13,497,700
Total County Revenue	37,853,669	31,102,000	30,988,000	36,704,000	5,602,000
Fund Balance (Appropriated)	1,152,905,062	1,160,811,000	1,150,316,000	1,173,630,400	12,819,400
Total	0	60,880,400	60,880,400	42,667,200	(18,213,200)
	1,152,905,062	1,221,691,400	1,211,196,400	1,216,297,600	(5,393,800)

Commentary

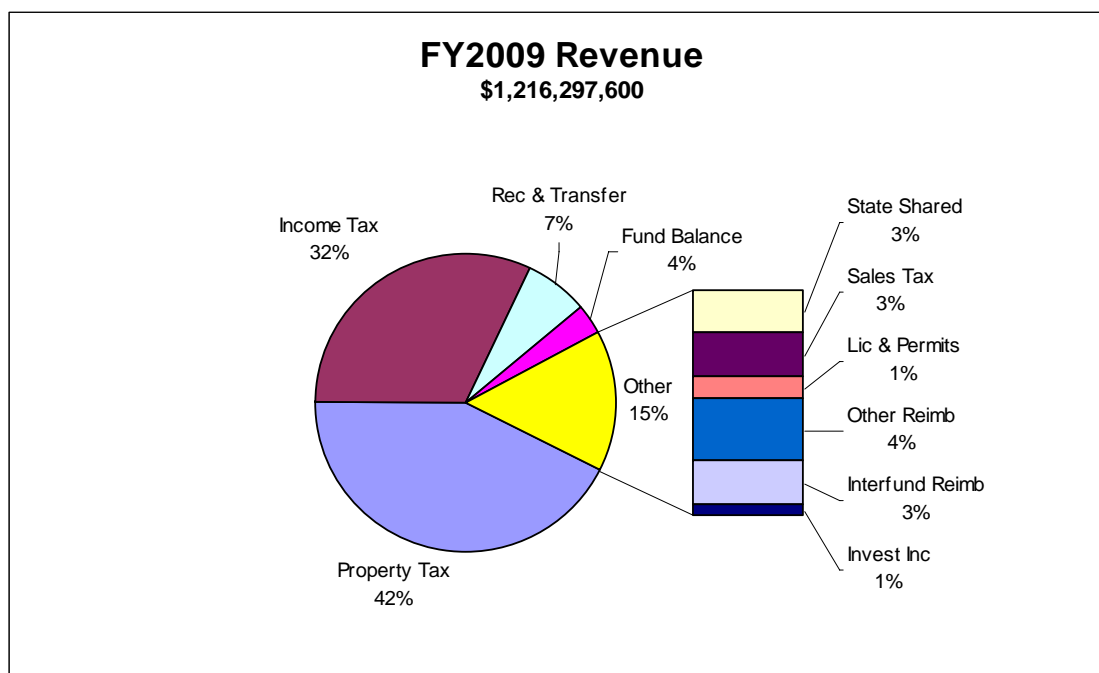
- As part of an overall Countywide effort to better manage and control the grants management process, grant revenues will be accounted for in a new Grants Special Revenue Fund rather than intermingling these restricted funds with the discretionary funds included in the General Fund. The chart below shows the impact of making the necessary adjustments to provide a more comparable budget-to-budget comparison.

Accounting Change: New Grants Fund			
Comparability Adjustments	FY08 Orig.	FY09 Est.	Inc (Dec)
Total County Revenue (unadjusted)	1,160,811,000	1,173,630,400	12,819,400
Subtract: Grants and Aid - now in Special Revenue Fund	(50,868,800)		
Add Back: Reimbursements formerly shown in "Grants & Aid" but now shown in "Other Reimbursements"	9,011,400		
Total County Revenue (comparably adjusted)	1,118,953,600	1,173,630,400	54,676,800

- After making the comparability adjustments illustrated above, it is shown that General Fund revenues, exclusive of appropriated fund balance, are projected to increase by \$54,676,800, or 4.9%, over the original FY08 estimate of last year.
- Approximately \$8.5 million, or 15%, of this increase is accounted for by a set of revenue enhancements that do not involve increases in either property or income taxes. A summary of these is provided below.

Revenue Enhancements	
\$0	Hotel tax rate increase from 7% to 10% (not approved by County Council)
\$2,000,000	Ambulance Transport Fee of \$500 - Assumes a 50% recovery rate - Assumes FY2009 implementation in last quarter of year
\$2,700,000	Various fee increases to recoup the cost of the services provided - Health Department Fees (\$1.1 million) - Permit & Review Fees (\$1.3 million) - Recreation & Park Fees (\$300,000)
\$2,500,000	Charges to Enterprise Funds to cover their fair share of retiree health costs
\$1,300,000	Returns the transfer station "host fee" to the General Fund from the Solid Waste Fund
<u>\$8,500,000</u>	Total

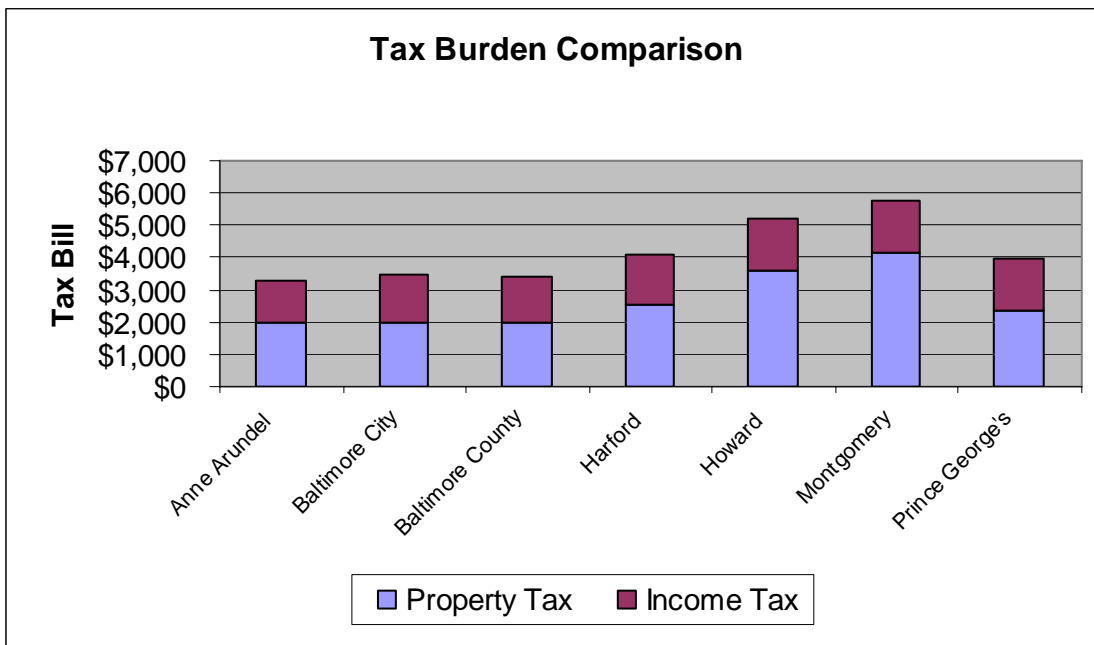
- Aside from these revenue enhancements, the balance of the increase in revenues is attributable to "tax cap" limited growth in property tax revenue and growth in income tax revenues which is constrained by a 4.5% assumed rate of growth in personal income combined with the negative impact of increased personal exemptions associated with State income tax changes enacted at the 2007 Special Session.
- As illustrated in the chart below, Property Taxes and Income Taxes represent three quarters of all General Fund revenue collected by the County.



Anne Arundel County has the lowest tax burden of surrounding jurisdictions.

Tax Burden Comparison							
Jurisdiction	Property Tax			Income Tax		Total	
	Rate/\$100	Base	Bill	Rate	Bill	Bill	% More
Anne Arundel	\$0.888	\$224,000	\$1,989	2.56%	\$1,280	\$3,269	-
Baltimore City	\$2.248	\$87,000	\$1,956	3.05%	\$1,525	\$3,481	6%
Baltimore County	\$1.100	\$180,000	\$1,980	2.83%	\$1,415	\$3,395	4%
Harford	\$1.082	\$236,000	\$2,554	3.06%	\$1,530	\$4,084	25%
Howard	\$1.230	\$292,000	\$3,590	3.20%	\$1,600	\$5,190	59%
Montgomery	\$0.994	\$420,000	\$4,175	3.20%	\$1,600	\$5,775	77%
Prince George's	\$1.319	\$177,000	\$2,335	3.20%	\$1,600	\$3,935	20%

Notes:
 The "Base" for the property tax bill calculation uses the average taxable assessment in each jurisdiction
 The "Base" for the income tax bill calculation uses \$50,000 for all jurisdictions
 Note: includes additional countywide property tax levys for parks, fire districts, transit, storm drains, etc.



Comparative Statement of Expenditures

Fund: General Fund

Department/Agency	FY2007 Actual	FY2008 Original	FY2008 Adjusted	FY2009 Approved	Inc (Dec) from Orig.
Legislative Branch					
Legislative Branch	3,174,503	3,498,500	3,498,500	3,641,400	142,900
Executive Branch					
County Executive	4,016,996	3,847,600	3,847,600	5,329,700	1,482,100
Law	3,093,486	3,453,700	3,453,700	3,531,800	78,100
Administrative Hearings	278,239	292,000	292,000	285,800	(6,200)
Administrative Core Group					
Chief Administrative Officer	5,804,153	12,194,400	9,615,500	10,836,800	(1,357,600)
Central Services	20,651,844	22,408,700	22,408,700	21,132,600	(1,276,100)
Finance	5,955,500	6,669,200	6,687,200	7,145,000	475,800
Finance (Non-Departmental)	131,669,669	143,698,400	143,723,400	114,880,500	(28,817,900)
Budget	1,025,657	1,114,400	1,114,400	909,400	(205,000)
Personnel	4,727,034	6,060,800	6,060,800	6,235,800	175,000
Information Technology	15,450,370	15,777,200	15,777,200	15,870,600	93,400
Board of Education	516,915,751	544,741,400	546,974,900	584,642,800	39,901,400
Community College	34,415,539	36,049,900	36,049,900	37,849,900	1,800,000
Libraries	13,661,000	13,948,600	13,948,600	14,021,000	72,400
Land Use and Environment Core Group					
Land Use and Environment	311,699	0	0	0	0
Planning and Zoning	7,783,282	9,924,800	10,014,800	8,188,500	(1,736,300)
Inspections and Permits	11,099,943	12,065,300	12,065,300	12,331,900	266,600
Public Works	37,149,250	36,606,800	37,520,800	37,264,900	658,100
Human Services Core Group					
Aging	11,959,741	12,627,700	12,627,700	8,544,700	(4,083,000)
Recreation and Parks	22,824,708	24,628,200	24,778,200	25,228,700	600,500
Health	49,491,786	50,134,300	50,334,300	30,688,300	(19,446,000)
Social Services	5,961,633	6,548,400	6,548,400	5,324,900	(1,223,500)
Public Safety Core Group					
Police	87,543,385	95,431,700	95,622,800	100,635,400	5,203,700
Fire	87,658,205	95,305,400	95,073,400	97,089,300	1,783,900
Detention Facilities	35,876,919	39,236,100	39,236,100	40,499,600	1,263,500
State Agencies					
Circuit Court	5,557,986	5,817,100	5,915,600	4,480,400	(1,336,700)
Orphans' Court	108,803	129,100	129,100	133,400	4,300
State's Attorney	8,065,285	8,373,700	8,539,300	8,534,900	161,200
Sheriff	6,650,871	7,127,400	7,137,400	7,010,500	(116,900)
License Commissioners	507,949	634,000	664,000	624,200	(9,800)
Supervisors of Elections	2,698,126	2,908,800	2,908,800	2,976,300	67,500
Cooperative Extension Service	160,416	254,200	254,200	242,700	(11,500)
Other					
Ethics Commission	163,059	183,600	183,600	185,900	2,300
	<u>1,142,412,784</u>	<u>1,221,691,400</u>	<u>1,223,006,200</u>	<u>1,216,297,600</u>	<u>(5,393,800)</u>

Comparative Statement of Expenditures
(With Comparability Adjustments)

Fund: General Fund

Department/Agency	FY2008 Original	FY2008 Grants	FY2008 No Grants	FY2009 Approved	Inc (Dec) from Orig.
Legislative Branch					
Legislative Branch	3,498,500	0	3,498,500	3,641,400	142,900
Executive Branch					
County Executive	3,847,600	0	3,847,600	5,329,700	1,482,100
Law	3,453,700	0	3,453,700	3,531,800	78,100
Administrative Hearings	292,000	0	292,000	285,800	(6,200)
Administrative Core Group					
Chief Administrative Officer	12,194,400	1,395,600	10,798,800	10,836,800	38,000
Central Services	22,408,700	0	22,408,700	21,132,600	(1,276,100)
Finance	6,669,200	0	6,669,200	7,145,000	475,800
Finance (Non-Departmental)	143,698,400	0	143,698,400	114,880,500	(28,817,900)
Budget	1,114,400	0	1,114,400	909,400	(205,000)
Personnel	6,060,800	0	6,060,800	6,235,800	175,000
Information Technology	15,777,200	0	15,777,200	15,870,600	93,400
Board of Education	544,741,400	0	544,741,400	584,642,800	39,901,400
Community College	36,049,900	0	36,049,900	37,849,900	1,800,000
Libraries	13,948,600	0	13,948,600	14,021,000	72,400
Land Use and Environment Core Group					
Land Use and Environment	0	0	0	0	0
Planning and Zoning	9,924,800	1,700,400	8,224,400	8,188,500	(35,900)
Inspections and Permits	12,065,300	0	12,065,300	12,331,900	266,600
Public Works	36,606,800	0	36,606,800	37,264,900	658,100
Human Services Core Group					
Aging	12,627,700	3,800,200	8,827,500	8,544,700	(282,800)
Recreation and Parks	24,628,200	0	24,628,200	25,228,700	600,500
Health	50,134,300	20,173,600	29,960,700	30,688,300	727,600
Social Services	6,548,400	1,324,300	5,224,100	5,324,900	100,800
Public Safety Core Group					
Police	95,431,700	574,500	94,857,200	100,635,400	5,778,200
Fire	95,305,400	2,067,800	93,237,600	97,089,300	3,851,700
Detention Facilities	39,236,100	0	39,236,100	40,499,600	1,263,500
State Agencies					
Circuit Court	5,817,100	1,342,300	4,474,800	4,480,400	5,600
Orphans' Court	129,100	0	129,100	133,400	4,300
State's Attorney	8,373,700	276,800	8,096,900	8,534,900	438,000
Sheriff	7,127,400	482,400	6,645,000	7,010,500	365,500
License Commissioners	634,000	0	634,000	624,200	(9,800)
Supervisors of Elections	2,908,800	0	2,908,800	2,976,300	67,500
Cooperative Extension Service	254,200	0	254,200	242,700	(11,500)
Other					
Ethics Commission	183,600	0	183,600	185,900	2,300
	<u>1,221,691,400</u>	<u>33,137,900</u>	<u>1,188,553,500</u>	<u>1,216,297,600</u>	<u>27,744,100</u>
			New Grants Fund:	<u>34,469,500</u>	
	1,221,691,400			<u>1,250,767,100</u>	29,075,700

Comparative Statement of Revenues

Fund: Other Funds

	FY2007 Actual	FY2008 Original	FY2008 Revised	FY2009 Estimate	Inc (Dec) from Orig.
Enterprise Funds					
Water & Wstwtr Operating	74,776,368	77,501,600	81,257,500	83,702,400	6,200,800
Water & Wstwtr Sinking Fund	59,234,857	46,127,000	35,523,700	41,297,700	(4,829,300)
Maryland City AMT Fund	494,330	1,810,400	1,804,000	1,676,500	(133,900)
Waste Collection Fund	47,997,499	47,880,600	48,194,800	47,909,900	29,300
Solid Waste Assurance Fund	1,301,438	705,000	705,000	565,400	(139,600)
Rec & Parks Child Care Fund	2,881,008	3,379,900	2,900,000	3,877,200	497,300
Internal Service Funds					
Self Insurance Fund	17,724,080	17,628,700	17,320,700	16,576,100	(1,052,600)
Health Insurance Fund	67,703,691	77,315,100	75,600,000	77,722,100	407,000
Garage Working Capital Fund	13,831,468	13,527,500	14,214,400	14,090,600	563,100
Garage Vehicle Replacement	8,062,612	7,879,100	7,441,100	8,083,000	203,900
Fiduciary & Special Debt Service Funds					
Pension Fund (Admin. Only)	6,186,742	7,391,200	7,468,800	7,594,000	202,800
Ag & Wdln Prsrvt Sinking	583,727	50,000	100,000	50,000	0
Special Revenue Funds					
Parking Garage Spec Rev Fund	417,126	413,000	413,000	565,200	152,200
Developer Street Light Fund	629,061	1,000,000	1,000,000	1,000,000	0
Forfeit & Asset Seizure Fnd	332,434	450,000	350,000	400,000	(50,000)
Conference & Visitors Fund	971,097	980,000	1,010,000	0	(980,000)
Economic Development Fund	971,097	980,000	1,010,000	0	(980,000)
Incentive Loan Program Fund	15	250,000	0	0	(250,000)
Piney Orchard WWS Fund	641,288	795,000	840,000	1,000,000	205,000
Local Management Board	3,275,929	3,840,000	2,788,200	3,120,800	(719,200)
Laurel Race Track Comm Ben	405,567	400,000	400,000	350,000	(50,000)
Inmate Benefit Fund	1,261,992	1,270,000	1,210,000	1,270,000	0
Reforestation Fund	2,387,605	1,200,000	1,400,000	1,200,000	0
AA Workforce Dev Corp Fund	1,394,284	1,600,000	950,000	950,000	(650,000)
Community Development Fund	6,141,009	6,836,300	6,836,300	7,022,800	186,500
Circuit Court Special Fund	0	0	0	154,800	154,800
Tax Increment Financing and Special Tax District Funds					
Nursery Rd Tax Increment Fund	4,080,536	4,146,000	4,518,000	4,939,000	793,000
West Cnty Dev Dist Tax Inc Fnd	2,417,224	2,651,000	2,774,000	3,705,000	1,054,000
Farmingtn Vlg Spc Tax Dist Fnd	490,512	571,400	571,400	579,600	8,200
Park Place Tax Increment Fund	39,682	56,000	722,000	1,062,000	1,006,000
Rte 100 Dev Dist Tax Inc Fund	3,837,392	3,938,000	3,972,000	4,123,000	185,000
Parole TC Dev Dist Tax Inc Fnd	5,151,538	6,328,000	6,128,000	8,429,000	2,101,000
Natl Bus Pk Spcl Tax Dist Fnd	0	0	0	0	0
Dorchester Specl Tax Dist Fund	1,192,745	1,279,900	1,279,900	1,289,100	9,200
	336,815,953	340,180,700	330,702,800	344,305,200	4,124,500

Comparative Statement of Expenditures

Fund: Other Funds

	FY2007 Actual	FY2008 Original	FY2008 Adjusted	FY2009 Approved	Inc (Dec) from Orig.
Enterprise Funds					
Water & Wstwtr Operating	76,900,543	82,882,200	82,882,200	89,280,000	6,397,800
Water & Wstwtr Sinking Fund	29,995,305	31,369,300	31,369,300	34,459,300	3,090,000
Maryland City AMT Fund	1,792,968	1,810,400	1,810,400	1,809,700	(700)
Waste Collection Fund	44,769,844	48,331,100	48,331,100	49,857,800	1,526,700
Solid Waste Assurance Fund	0	0	0	0	0
Rec & Parks Child Care Fund	2,816,418	3,562,200	3,562,200	4,186,600	624,400
Internal Service Funds					
Self Insurance Fund	15,565,571	17,421,500	17,421,500	18,097,100	675,600
Health Insurance Fund	63,096,256	77,315,100	77,315,100	80,722,100	3,407,000
Garage Working Capital Fund	12,469,322	13,441,500	13,841,500	14,042,400	600,900
Garage Vehicle Replacement	7,116,002	8,533,600	8,533,600	6,275,900	(2,257,700)
Fiduciary & Special Debt Service Funds					
Pension Fund (Admin. Only)	6,186,742	7,391,200	7,391,200	7,594,000	202,800
Ag & Wdln Prsrvt Sinking	561,083	2,880,000	2,880,000	985,000	(1,895,000)
Special Revenue Funds					
Parking Garage Spec Rev Fund	408,983	413,000	438,000	438,700	25,700
Developer Street Light Fund	63,692	1,000,000	1,000,000	1,000,000	0
Forfeit & Asset Seizure Fnd	345,655	550,000	550,000	402,400	(147,600)
Conference & Visitors Fund	945,000	980,000	980,000	0	(980,000)
Economic Development Fund	945,000	980,000	980,000	0	(980,000)
Incentive Loan Program Fund	0	250,000	250,000	0	(250,000)
Piney Orchard WWS Fund	641,288	795,000	795,000	1,000,000	205,000
Local Management Board	3,327,917	3,840,000	3,896,200	3,120,800	(719,200)
Laurel Race Track Comm Ben	297,000	405,000	405,000	350,000	(55,000)
Inmate Benefit Fund	1,065,176	1,400,000	1,400,000	1,585,000	185,000
Reforestation Fund	894,702	3,024,000	3,024,000	2,510,900	(513,100)
AA Workforce Dev Corp Fund	1,394,284	1,600,000	1,600,000	950,000	(650,000)
Community Development Fund	6,326,992	6,836,300	6,836,300	7,022,800	186,500
Circuit Court Special Fund	0	0	125,200	154,800	154,800
Tax Increment Financing and Special Tax District Funds					
Nursery Rd Tax Increment Fund	4,112,000	4,146,000	4,173,000	4,939,000	793,000
West Cnty Dev Dist Tax Inc Fnd	2,487,234	2,651,000	2,651,000	3,705,000	1,054,000
Farmingtn Vlg Spc Tax Dist Fnd	482,998	571,400	571,400	579,600	8,200
Park Place Tax Increment Fund	0	56,000	56,000	1,062,000	1,006,000
Rte 100 Dev Dist Tax Inc Fund	3,817,000	3,938,000	4,035,000	4,123,000	185,000
Parole TC Dev Dist Tax Inc Fnd	5,036,000	6,328,000	6,523,000	8,429,000	2,101,000
Natl Bus Pk Spcl Tax Dist Fnd	0	0	0	0	0
Dorchester Specl Tax Dist Fund	1,178,540	1,279,900	1,279,900	1,289,100	9,200
	295,039,514	335,981,700	336,907,100	349,972,000	13,990,300

Comparative Summary of Revenues and Expenditures

Fund: All Funds

Type	FY2007 Actual	FY2008 Original	FY2008 Revised	FY2009 Estimate	Inc (Dec) from Orig.
Revenue					
General Fund	1,152,905,062	1,160,811,000	1,150,316,000	1,173,630,400	12,819,400
Revenue Reserve Fund	6,198,402	500,000	2,747,900	0	(500,000)
Other Funds	336,815,953	340,180,700	330,702,800	344,305,200	4,124,500
Grants Special Revenue Fund	0	0	0	35,762,200	35,762,200
BOE - County Contribution	516,916,922	544,741,400	544,741,400	584,642,800	39,901,400
BOE - Grants & Local Sources	280,371,782	303,836,700	306,074,000	319,959,900	16,123,200
BOE - Food Services	20,006,393	19,327,500	19,852,500	22,000,000	2,672,500
AACC - County Contribution	34,415,539	36,049,900	36,049,900	37,849,900	1,800,000
AACC - Grants & Local Sources	50,131,769	58,758,700	56,064,100	63,190,800	4,432,100
AACC - Auxiliary & Other	24,615,427	30,417,700	30,417,700	30,643,700	226,000
Library - County Contribution	13,661,000	13,948,600	13,948,600	14,021,000	72,400
Library - Grants & Local Sources	2,779,430	2,701,300	2,701,300	3,001,300	300,000
Special Benefit Districts	5,361,674	5,309,000	5,309,000	5,683,000	374,000
Total Revenues	2,444,179,353	2,516,582,500	2,498,925,200	2,634,690,200	118,107,700
Object					
Object	FY2007 Actual	FY2008 Original	FY2008 Estimate	FY2009 Approved	Inc (Dec) from Orig.
Expenditures					
Personal Services	425,163,923	465,923,100	455,297,000	467,553,400	1,630,300
Contractual Services	164,157,325	180,354,600	177,596,200	172,220,500	(8,134,100)
Supplies & Materials	26,745,588	30,133,000	31,077,900	30,168,700	35,700
Business & Travel	2,302,773	2,769,700	2,616,000	2,574,600	(195,100)
Capital Outlay	15,855,818	17,397,600	17,136,500	12,362,300	(5,035,300)
Debt Service	113,866,120	119,412,200	119,309,700	125,413,000	6,000,800
Grants, Contrib. & Other	689,360,750	741,682,900	734,866,400	755,977,100	14,294,200
Itemized Grants	0	0	0	35,762,200	35,762,200
BOE Categories	817,295,097	868,905,600	873,467,900	931,302,700	62,397,100
AACC Categories	109,162,735	125,048,700	125,048,700	131,421,900	6,373,200
Library Categories	16,440,430	16,649,900	16,649,900	17,022,300	372,400
Special Benefit Districts	5,125,422	9,295,300	9,295,300	9,481,200	185,900
Total Expenditures	2,385,475,982	2,577,572,600	2,562,361,500	2,691,259,900	113,687,300
Net use of (contribution to)					
Budgetary Fund balance:	(58,703,371)	60,990,100	63,436,300	56,569,700	
<i>General Fund</i>	(42,960,356)	60,880,400	61,173,600	42,667,200	
<i>All Others</i>	(15,743,015)	109,700	2,262,700	13,902,500	
<i>Net Use of Fund Balance</i>	(58,703,371)	60,990,100	63,436,300	56,569,700	

Statement of Unduplicated Expenditures

Funding Source	FY2008 Original	FY2008 Estimate	FY2009 Approved	Inc (Dec) from Orig.
General Fund	\$1,221,691,400	\$1,211,489,600	\$1,216,297,600	-\$5,393,800
Other Funds	\$335,981,700	\$326,410,100	\$349,972,000	\$13,990,300
Grants Special Revenue Fund	\$0	\$0	\$35,762,200	\$35,762,200
BOE Component Unit	\$868,905,600	\$873,467,900	\$931,302,700	\$62,397,100
AACC Component Unit	\$125,048,700	\$125,048,700	\$131,421,900	\$6,373,200
Library Component Unit	\$16,649,900	\$16,649,900	\$17,022,300	\$372,400
Special Benefit Districts	\$9,295,300	\$9,295,300	\$9,481,200	\$185,900
Total Operating Budget (with duplication)	\$2,577,572,600	\$2,562,361,500	\$2,691,259,900	\$113,687,300
Less Duplicate Appropriations				
GF Contr to BOE	\$544,741,400	\$544,741,400	\$584,642,800	\$39,901,400
GF Contr to AACC	36,049,900	36,049,900	37,849,900	\$1,800,000
GF Contr to Library	\$13,948,600	\$13,948,600	\$14,021,000	\$72,400
GF Contr to Whitmore	\$95,000	\$95,000	\$107,500	\$12,500
GF Contr to Conf and Visitor	\$980,000	\$1,010,000	\$0	-\$980,000
GF Contr to Econ Devel	\$980,000	\$1,010,000	\$0	-\$980,000
GF Contr to IPA Debt Service	\$0	\$0	\$0	\$0
GF Contr to Community Devel	\$279,000	\$279,000	\$270,000	-\$9,000
GF Contr to Grants Fund - Matches	\$0	\$0	\$1,239,000	\$1,239,000
GF Contr to Grants Fund Contingency	\$0	\$0	\$200,000	\$200,000
County Pass-throughs in Grants Fund	\$0	\$0	\$53,700	\$53,700
Internal Service Funds				
- Self Insurance Fund	\$17,421,500	\$17,407,400	\$18,097,100	\$675,600
- Health Fund	\$77,315,100	\$73,101,700	\$77,722,100	\$407,000
- Garage Working Capital Fund	\$13,441,500	\$13,096,900	\$14,042,400	\$600,900
- Garage Vehicle Replacement	\$8,533,600	\$8,442,300	\$6,275,900	-\$2,257,700
Pension Fund (Admin. Only)	\$7,391,200	\$7,468,800	\$7,594,000	\$202,800
Pro Rata Share Charges				
- Whitmore Garage	\$30,000	\$30,000	\$30,000	\$0
- Child Care Fund	\$133,000	\$133,000	\$219,000	\$86,000
- Utility Opns Fund	\$7,120,000	\$7,120,000	\$9,390,000	\$2,270,000
- Utility Debt Serv Funds	\$484,000	\$498,000	\$498,000	\$14,000
- Solid Waste Fund	\$1,920,300	\$1,920,300	\$1,779,300	-\$141,000
- SIF Fund	\$273,000	\$273,000	\$258,000	-\$15,000
- Health Ins Fund	\$300,000	\$300,000	\$475,000	\$175,000
- Pension Fund	\$500,000	\$500,000	\$545,000	\$45,000
- Central Garage Fund	\$845,000	\$845,000	\$555,000	-\$290,000
- Capital Projects Funds	\$5,285,000	\$4,827,000	\$4,827,000	-\$458,000
TIF Districts Contrib to GF	\$13,453,000	\$13,783,000	\$17,587,000	\$4,134,000
Total Operating Budget "Unduplicated"	\$1,826,052,500	\$1,815,481,200	\$1,892,981,200	\$66,928,700

Add FY2009 Capital Budget: \$390,179,667

Less FY2009 PayGo contrib.:

General Fund \$32,913,000

Utility Fund \$21,123,000

Solid Waste Fund \$500,000

Total Unduplicated Comprehensive Budget: \$2,228,624,867

Budget Message
Financial Summary

FY2009 Approved Budget

Position Summary

	FY2007 Approved	FY2008 Request	FY2008 Approved	FY2008 Adjusted	FY2009 Approved	Inc(Dec) from Adj.
General Fund						
Legislative Branch	40	40	40	40	40	0
County Executive	21	20	20	20	20	0
Law Office	33	33	33	33	33	0
Administrative Hearings	2	2	2	2	2	0
Chief Administrative Office	9	5	5	5	5	0
Central Services	132	131	131	131	130	-1
Office of Finance	78	81	81	82	79	-3
Office of the Budget	8	8	8	8	7	-1
Personnel Office	44	44	44	44	44	0
Information Technology	87	86	86	86	84	-2
Land Use & Environment	19	0	0	0	0	0
Planning and Zoning	81	85	85	85	83	-2
Inspections and Permits	148	151	151	151	150	-1
Public Works	304	308	308	309	309	0
Department of Aging	90	89	89	89	81	-8
Recreation and Parks	110	113	113	113	112	-1
Health Department	72	76	76	76	83	7
Social Services	13	13	13	13	13	0
Police Department	923	933	933	933	938	5
Fire Department	833	860	860	860	861	1
Detention Center	415	415	415	415	412	-3
Orphans Court	3	3	3	3	3	0
Office of the Sheriff	101	101	101	101	101	0
Board of License Commissioners	24	27	27	27	27	0
Board of Election Supervisors	4	4	4	4	4	0
Ethics	2	2	2	2	2	0
General Fund Total	3,596	3,630	3,630	3,632	3,623	-9

Budget Message
Financial Summary

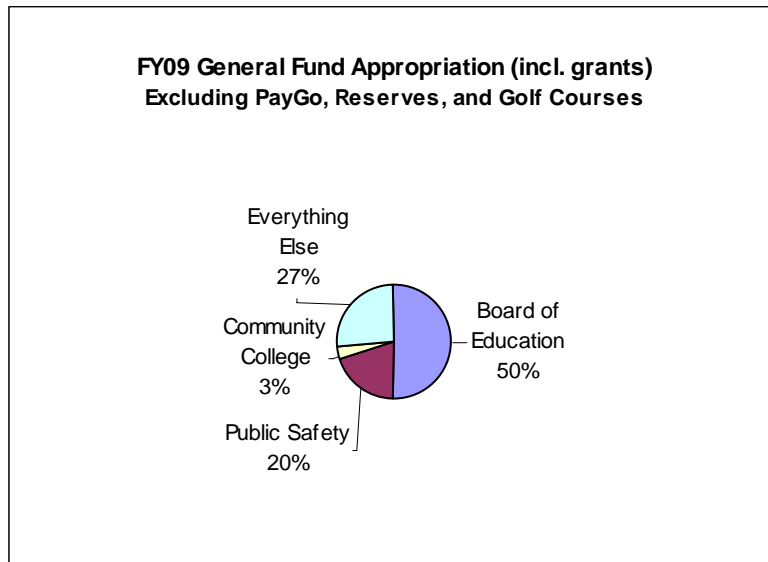
FY2009 Approved Budget

Position Summary

	FY2007 Approved	FY2008 Request	FY2008 Approved	FY2008 Adjusted	FY2009 Approved	Inc(Dec) from Adj.
General Fund	3,596	3,630	3,630	3,632	3,623	-9
Rec & Parks Child Care Fund	8	8	8	8	9	1
Water & Wstwrtr Operating Fund	348	348	348	349	351	2
Waste Collection Fund	85	85	85	85	85	0
Self Insurance Fund	14	14	14	14	14	0
Garage Working Capital Fund	68	68	68	68	68	0
Reforestation Fund	3	3	3	3	3	0
	4,122	4,156	4,156	4,159	4,153	-6

Budget Message
Operating Budget Highlights

FY2009 Approved Budget



Board of Education and Community College - Review of Increases

	<u>FY2008</u>	<u>FY2009</u>	<u>% of Whole</u>	<u>Increase over FY2008</u>	
Board of Education (Operating Fund)					
Anne Arundel County	544,741,400	584,642,800	67%	39,901,400	7.3%
Maryland	260,472,300	275,190,000	32%	14,717,700	5.7%
Board of Education	6,206,700	10,607,000	1%	4,400,300	70.9%
Federal	3,000,000	1,500,000	0%	-1,500,000	50.0%
Total	814,420,400	871,939,800	100%	57,519,400	7%

Plus Funding in CAO Contingency

0
871,939,800

Board Request: 909,483,578
% funded: 96%

Community College (Discretionary Fund)					
Anne Arundel County	36,049,900	37,849,900	38%	1,800,000	5.0%
Maryland	27,297,800	29,090,430	29%	1,792,630	6.6%
Tuition & Fees	30,153,600	31,558,740	31%	1,405,140	4.7%
College Revenues	2,157,400	2,279,130	2%	121,730	5.6%
Total	95,658,700	100,778,200	100%	5,119,500	5%

Life Long Learning

Board of Education

- 96% of the Board's request of over \$909 million has been funded
 - Direct County funding, which represents 67% of the Board's budget, increases \$40 million; a 7% increase
 - Combined with other funding sources like state grants, total funding will increase 7%, or \$58 million
- The budget provides sufficient funds for 128 new; 49.5 are classroom positions.
- The budget funds a \$25.9 million request for cost of living adjustments (COLA), including a 5% COLA for teachers, plus an additional \$15.6 million for merit steps and longevity pay increases.
- Funding for increased operating expenses is also provided, including:
 - An increase of \$1.25 million for electricity, fuel and utilities costs
 - An increase of \$1.4 million for transportation costs
- By recognizing that the Board has accumulated over \$17 million in health care reserves, more than 15% of health care spending, no additional appropriation authority is provided in order to draw down this health care reserve.
- FY2009 enrollment for purposes of State aid is projected to be 73,400. The increase is about 300 students, but an overall decline in enrollment since FY2005 of about 500 students.
- The County's \$39.9 million increase for direct, non-debt service, funding will exceed Maryland's "maintenance of effort" formula by about \$36.7 million

Community College

- The County contribution increases 5%, or \$1.8 million. Combined with other funding sources, total funding will increase 5%, or \$5.1 million
- This increased funding will provide \$600,000 in operating funds supporting Science, Technology, Engineering and Math (STEM) and \$600,000 for a conversion to an upgraded windows operating system

Library

- The County Contribution to the Library operating budget increases by nearly \$100,000, or less than 1%

Public Safety

- Police Department budget increases by \$5.8 million, a 6% increase including a net increase of five positions:
 - three new School Resource Officers
 - one new Police Officer for Immigration and Customs Enforcement (ICE)
 - A net increase of one civilian position as part of an overall plan civilianize functions currently performed by uniformed personnel and put those
- Fire Department budget increases by \$3.9 million, a 4% increase including a net increase of one fitness coordinator position to help prevent firefighter injuries
- The new Annapolis Neck Fire Station is tentatively scheduled for a March 1, 2009 opening
- The Detention Facilities budget increases by \$1.3 million, a 3% increase

General County Government

- The net reduction of 17 positions made possible the addition of the eight new positions in the Police and Fire Departments while still reducing the overall number of General Fund positions by nine
- Initiates a \$500,000 workforce housing initiative through Arundel Community Development Services, Inc.
- The Health Department will fully implement the Maryland Clean Air Act by enforcing a ban on smoking in restaurants, bars and other public places
- The Health Department will establish a mental health and substance abuse program providing assistance to Veterans (and their families) returning from active duty in Iraq and Afghanistan

Highlights of the Approved FY09 Capital Budget

Capital Budget and Program Summary

Life Long Learning

Board of Education

- Funds recurring projects totaling \$38.3 million in FY2009
 - Textbook Program
 - Systemic Replacements
 - Student Safety
 - School Furniture Replacement
 - Vehicle Replacement
- Provides funding of \$21.3 million in FY2009 for the completion of the following schools with total project costs in excess of \$102 million:
 - Gambrills Areal Elementary School (\$24,602,000)
 - Lake Shore Elementary School (\$23,314,000)
 - Freetown Elementary School (\$27,501,000)
 - Arundel High School (\$26,511,000)
- Provides construction funding of \$57.1 million for the following projects in FY2009 with total project costs of nearly \$143 million:
 - Pershing Hill Elementary School (\$34,369,000)
 - Southgate Elementary School (\$29,566,000)
 - Overlook Elementary School (\$22,941,000)
 - Severna Park Middle School (\$56,192,000)
- FY2009 Budget funds \$6.5 million to design and begin construction of the revitalization of Northeast High School.

Board of Education (continued)

- Provides a \$10.6 million in funding to the following schools: Phoenix Annapolis, Annapolis ES, Belle Grove ES Feasibility Study, Point Pleasant ES, Germantown ES and Folger Mckinsey to ensure the County is financially prepared to leverage the maximum available amount of State funding in future years.

Community College

- Provides funding to upgrade and outfit one Science, Technology, Engineering and Mathematics (STEM) lab
- Provides \$1.5 million for the Campus Improvements, Walkways, Roads & Parking Lots and State/County Systemics projects
- Funding provided in the program to renovate and expand the Andrew G. Truxall library (total cost of \$21.3 million)

Library

- Provides over \$2 million for the annual Library Materials project

Highlights of the Approved FY09 Capital Budget

Capital Budget and Program Summary

Public Safety

Fire

- Provides funding \$400,000 in the budget year and each program year to replace existing underground water/fire suppression tanks in communities not served by public water

Detention Facilities

- Continues to fund a \$250,000 annual maintenance project to allow for planned, cost effective improvements

Police

- Provides \$6.5 million in construction funding for the New Eastern Police Station

Highlights of the Approved FY09 Capital Budget

Capital Budget and Program Summary

General County

- Continues to fund the installation of new streetlights to improve safety and reduce crime in locations identified by the Police Department
- Continues to provide funding for the County to promote the program to subsidize water treatment systems on approved properties and for lab testing and other services to evaluate groundwater quality
- Continues to fund the efforts to improve roads in the County
- Provides funding for the completion of improvements to Cape St. Claire Rd.
- Provides funding for the design and construction of a “Challenger Baseball Field” that will be constructed with a rubber surface to be wheelchair accessible for disabled children
- Continues to provide funding for the installation of artificial turf field surfaces on stadium fields at each of Anne Arundel County’s High Schools
- Provides funding for the installation of a parking lot at the Hancocks Historical Site in Pasadena
- Purchases 129.9 acres with use of Program Open Space funding:
 - South River Greenways – 96 acres adjoining Bacon Ridge Park
 - Jug Bay – 7.4 acres connecting to the Glendenning Nature Preserve at Jug Bay.
 - Hot Socks Park – 26.5 acres in South County to preserve the history of the 1926 Negro League Hot Socks Baseball team and provide recreation opportunities for South County residents
- Provides funding to dredge Rockhold creek to restore recreational and commercial boating to the community
- Provides funding to dredge material within the Mill Creek entrance and maintenance channel

FY2009 DEBT AFFORDABILITY

	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>
New Authority, Normal	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000
New Authority, IPA	\$1,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Not used in FY08	\$35,600,000					
Total New Authority	\$136,600,000	\$103,000,000	\$103,000,000	\$103,000,000	\$103,000,000	\$103,000,000
Debt Service as % of Revenues (9%)	6.9%	7.2%	7.6%	8.0%	8.1%	8.1%
Debt as % of Estimate Full Value (1.5%)	1.15%	1.28%	1.31%	1.32%	1.32%	1.32%
Debt Per Capita (\$1,500)	\$1,365	\$1,509	\$1,574	\$1,626	\$1,671	\$1,710
Debt to Personal Income (3.0%)	2.5%	2.7%	2.7%	2.7%	2.7%	2.6%
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Debt Service	\$84,316,259	\$91,280,529	\$100,556,827	\$109,558,670	\$116,131,541	\$120,608,406
Debt, at end of fiscal year	\$709,538,199	\$789,157,736	\$827,884,286	\$860,859,538	\$889,632,590	\$916,028,442
General Fund Revenues	\$1,215,000,000	\$1,270,000,000	\$1,321,000,000	\$1,374,000,000	\$1,429,000,000	\$1,486,000,000
Est. Full Value (\$000)	\$61,459,000	\$61,459,000	\$63,303,000	\$65,202,000	\$67,158,000	\$69,173,000
Population	519,883	523,002	526,140	529,297	532,473	535,668
Total Personal Income (\$000)	\$27,839,000	\$29,092,000	\$30,401,000	\$31,769,000	\$33,199,000	\$34,693,000

**BONDS & PAYGO AFFORDABILITY
 COMPARED WITH
 USE OF BONDS & PAYGO IN PROPOSED BUDGET**

Bonds Affordability

	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>
Affordable New Authority	136,600,000	103,000,000	103,000,000	103,000,000	103,000,000	103,000,000
Use of New Bond Authority	117,214,567	110,318,000	114,561,000	111,128,010	93,303,510	57,042,438
Amount Over (Under) Affordability	(19,385,433)	7,318,000	11,561,000	8,128,010	(9,696,490)	(45,957,562)

PayGo Affordability

Recurring Revenues for PayGo	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
"One-Time" Revenue	7,913,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Adjusted Affordability	32,913,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Use of PayGo	32,913,000	25,704,000	27,849,000	28,449,000	27,799,000	27,192,648
Amount Over (Under) Affordability	0	(9,296,000)	(7,151,000)	(6,551,000)	(7,201,000)	(7,807,352)

Bonds & PayGo Affordability (Combined)

Bonds & PayGo Affordability	169,513,000	138,000,000	138,000,000	138,000,000	138,000,000	138,000,000
Use of Bonds & PayGo	150,127,567	136,022,000	142,410,000	139,577,010	121,102,510	84,235,086
Amount Over (Under) Affordability	(19,385,433)	(1,978,000)	4,410,000	1,577,010	(16,897,490)	(53,764,914)

Project Class Summary

Council Approved

<i>Project Class</i>	<i>Total</i>	<i>Prior</i>	<i>FY2009</i>	<i>FY2010</i>	<i>FY2011</i>	<i>FY2012</i>	<i>FY2013</i>	<i>FY2014</i>
General County	\$219,066,446	\$140,307,446	\$7,784,000	\$14,195,000	\$14,195,000	\$14,195,000	\$14,195,000	\$14,195,000
School Off-Site	\$8,664,645	\$2,914,645	\$750,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Stormwater Runoff Controls	\$30,861,558	\$15,670,558	\$2,677,000	\$2,514,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Board of Education	\$1,181,676,063	\$620,767,345	\$133,915,718	\$99,987,000	\$102,704,000	\$104,693,000	\$78,874,000	\$40,735,000
Fire & Police	\$71,464,089	\$42,764,089	\$3,950,000	\$1,750,000	\$5,750,000	\$5,750,000	\$5,750,000	\$5,750,000
Roads & Bridges	\$328,373,895	\$192,011,328	\$19,599,567	\$36,458,000	\$22,133,000	\$22,372,000	\$17,900,000	\$17,900,000
Traffic Control	\$9,894,265	\$2,644,265	\$1,125,000	\$1,185,000	\$1,235,000	\$1,235,000	\$1,235,000	\$1,235,000
Community College	\$102,700,579	\$55,692,020	\$3,785,000	\$5,780,000	\$12,470,000	\$11,068,019	\$6,285,019	\$7,620,521
Library	\$44,337,454	\$24,900,454	\$2,687,000	\$3,350,000	\$3,350,000	\$3,350,000	\$3,350,000	\$3,350,000
Community Development	\$2,050,000	\$2,050,000	\$0	\$0	\$0	\$0	\$0	\$0
Recreation & Parks	\$176,335,575	\$131,437,293	\$12,639,282	\$7,215,000	\$6,864,000	\$2,865,000	\$7,265,000	\$8,050,000
Water Quality Improvements	\$47,909,362	\$27,014,362	\$7,217,000	\$5,470,000	\$2,154,000	\$2,044,000	\$2,005,000	\$2,005,000
Dredging	\$34,566,504	\$19,909,504	\$7,364,000	\$2,157,000	\$1,284,000	\$1,284,000	\$1,284,000	\$1,284,000
Special Benefit Districts	\$2,289,448	\$2,289,448	\$0	\$0	\$0	\$0	\$0	\$0
<i>Sub-Total General County</i>	\$2,260,189,883	\$1,280,372,757	\$203,493,567	\$181,061,000	\$175,639,000	\$172,356,019	\$141,643,019	\$105,624,521
Waste Management	\$66,974,319	\$23,816,319	\$4,583,000	\$2,560,000	\$1,300,000	\$18,637,000	\$1,300,000	\$14,778,000
<i>Sub-Total Solid Waste</i>	\$66,974,319	\$23,816,319	\$4,583,000	\$2,560,000	\$1,300,000	\$18,637,000	\$1,300,000	\$14,778,000
Wastewater	\$699,986,623	\$356,825,923	\$129,129,000	\$123,157,700	\$19,703,000	\$29,573,000	\$29,573,000	\$12,025,000
Water	\$493,957,201	\$228,051,101	\$52,974,100	\$52,105,000	\$56,320,000	\$58,606,000	\$31,085,000	\$14,816,000
<i>Sub-Total Utility</i>	\$1,193,943,824	\$584,877,024	\$182,103,100	\$175,262,700	\$76,023,000	\$88,179,000	\$60,658,000	\$26,841,000
<i>Grand-Total:</i>	\$3,521,108,026	\$1,889,066,100	\$390,179,667	\$358,883,700	\$252,962,000	\$279,172,019	\$203,601,019	\$147,243,521

Highlights of the Approved FY09 Capital Budget Significant Capital Projects

The presentation above shows that the FY2009 budget provides \$203,493,567 in appropriation authority for General County Capital Projects. This amount of appropriation authority is distributed among a total of 143 capital projects. The “80-20 Rule” (whereby 80% of the whole can be explained by just 20% of the detail) again applies to the Capital Budget this year. That is, just 25 capital projects (17% of the 143 projects) account for \$163,597,573, or 80.4%, of the FY2009 Capital Budget appropriation.

The table in the opposite column lists these 25 capital projects and sorts them into two categories: those that are of a recurring nature, and those that are not. The recurring projects represent major initiatives to renovate and rehabilitate existing infrastructure. This investment will not only improve the quality of life in Anne Arundel County but should also have a positive impact on the operating budget in that facilities that are beyond their useful life tend to require more maintenance. Give the maintenance backlogs in virtually all of these major infrastructure categories (e.g., schools, roads, county buildings, etc.) this positive impact is not likely to result in operating budget reductions but rather in improved service delivery.

Virtually all of the non-recurring projects are similar to the recurring projects in that they represent the renovation, rehabilitation or replacement of existing infrastructure. A brief description of these major capital projects is shown on the following pages. More detail regarding these and all the other capital projects can be found in the Capital Budget and Program, which is an integral part of the County’s Comprehensive Budget.

Major Capital Projects	
Capital Project	FY2009 Amount
Building Systems Renov	\$20,000,000
Rd Reconstruction	\$9,000,000
Road Resurfacing	\$5,000,000
Textbooks	\$3,400,000
Open Space Classroom Enclosures	\$3,181,573
Information Technology Enhance	\$2,950,000
Stadium Renovations	\$2,825,000
Library Materials Account	\$2,225,000
Roof Replacement	\$2,000,000
Maintenance Backlog (Bd. of Ed.)	\$2,000,000
County Facilities & Sys Upgrad	\$2,000,000
CATV PEG	\$1,680,000
Recurring Subtotal	\$56,261,573
Severna Park MS	\$20,000,000
Southgate ES	\$16,149,000
Pershing Hill ES	\$12,660,000
Freetown ES	\$11,520,000
Lake Shore ES	\$9,809,000
Overlook ES	\$8,314,000
Belle Grove ES Feasibility Study	\$7,260,000
New Eastern PS	\$6,588,000
Northeast HS	\$6,487,000
Carrs Creek Dredging	\$2,635,000
Dorr Property-Jug Bay	\$2,075,000
Shipley's Choice Dam Rehab	\$2,039,000
Physical Plant Renov (Comm. College)	\$1,800,000
Non-Recurring Subtotal	\$107,336,000
Total	\$163,597,573

Highlights of the Approved FY09 Capital Budget

Significant Capital Projects

Severna Park MS (total cost estimate: \$56.2 million)

This project will provide a renovated school for Severna Park MS. The existing building is not configured to support the current and future educational program. This facility was originally constructed in 1967. Although this renovates existing infrastructure, it is anticipated that the impact on the operating budget could be \$100,000 to \$500,000 per year.

Southgate ES (total cost estimate: \$29.6 million)

This project provides a renovation of and addition to Southgate ES. The existing building is not configured to support the current and future educational program. This facility was originally constructed in 1969. Although this project provides additional capacity, the impact on the operating budget is not expected to be significant as the project will relieve overcrowding in the existing facility; it is anticipated that the impact on the operating budget could be \$100,000 to \$500,000 per year.

Pershing Hill ES (total cost estimate: \$34.3 million)

This project will provide a new building for Pershing Hill ES and consolidate West Meade ES with Pershing Hill ES. The existing building is not configured to support the current and future educational program. This facility was originally constructed in 1960. Because this project will consolidate two existing elementary schools into one school, it is anticipated that the impact on the operating budget will be either negligible or positive.

Freetown ES (total cost estimate: \$27.5 million)

This project will provide the replacement of Freetown ES. The existing building is not configured to support the current and

future educational program. This facility was originally constructed in 1959 and renovated in 1966. Although this project provides additional capacity, the impact on the operating budget is not expected to be significant as the project will relieve overcrowding in the existing facility; it is anticipated that the impact on the operating budget could be \$100,000 to \$500,000 per year.

Lake Shore ES (total cost estimate: \$23.3 million)

This project provides a renovation and addition for Lake Shore ES. The existing building is not configured to support the current and future educational program. This facility was originally constructed in 1955 with an addition in 1958. Although this project provides additional capacity, the impact on the operating budget is not expected to be significant as the project will relieve overcrowding in the existing facility; it is anticipated that the impact on the operating budget could be \$100,000 to \$500,000 per year.

Overlook ES (total cost estimate: \$22.9 million)

This project provides a renovation of and addition to Overlook ES. The existing building is not configured to support the current and future educational program. This facility was originally constructed in 1955 with an addition in 1958. Although this project provides additional capacity, the impact on the operating budget is not expected to be significant as the project will relieve overcrowding in the existing facility; it is anticipated that the impact on the operating budget could be \$100,000 to \$500,000 per year.

Highlights of the Approved FY09 Capital Budget

Significant Capital Projects

Belle Grove ES Feasibility Study (total cost estimate: \$18.1 million)

This project will provide a feasibility study and construction for Belle Grove ES. The existing building is not configured to support the current and future educational program. The final scope and budget will be determined by the Board of Education following completion of the feasibility study. Although this renovates existing infrastructure, it is anticipated that the impact on the operating budget could be \$100,000 to \$500,000 per year.

New Eastern Police Station (total cost estimate: \$7.2 million)

This project consists of design and construction of a new 19,000 sq. ft. police station to replace the existing facility. It will also include a gasoline facility and adequate parking for police and public use. This project replaces an existing facility with a larger facility, it is anticipated that the impact on the operating budget could be \$100,000 to \$500,000.

Northeast HS (total cost estimate: \$82 million)

This project consists of design and construction of the revitalization option set forth in the Northeast High School Feasibility Study prepared by the SHWGROU. Although this renovates existing infrastructure, it is anticipated that the impact on the operating budget could be \$100,000 to \$500,000 per year.

Carrs Creek Dredging (total cost estimate: \$2.7 million)

This project consists of project formulation, preliminary engineering studies and dredging of Carrs Creek. No operational costs are expected as a result of this project.

Dorr Property-Jug Bay (total cost estimate: \$2 million)

This project provides for the acquisition of 7.4 acres of environmentally sensitive land connecting to the Glendenning Nature Preserve at Jug Bay. The property is located at 5520 Southern Maryland Boulevard and is zoned C3 Commercial. This acquisition does not have a significant impact on the operating budget. Future capital and operating costs may be identified in the future.

Shipley's Choice Dam Rehab (total cost estimate: \$3.3 million)

This project consists of the removal of the failing, existing dam, installation of stormwater management controls to replace those provided by the dam, reconstruction of the stream crossing under West Benfield Boulevard to prevent flooding of properties, and stream restoration. No operational costs are expected as a result of this project.

Physical Plant Renovation (total cost estimate: \$3.3 million)

The physical plant is one of the original buildings on the Community College campus and will be 40-years old before the proposed renovations are completed. Proper maintenance of the plant building is essential to the operation of the college. The building requires updating and refurbishing. The electrical distribution switchboard needs to be de-energized, overhauled and updated to current standards. The domestic hot water heat exchangers are original equipment and need to be replaced before a major breakdown occurs. Because this renovates existing infrastructure, it is anticipated that the impact on the operating budget will be either be negligible or positive.

Funding Source Summary

Council Approved

Project	Project Title	Total	Prior	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
General County									
Bonds									
	General County Bonds	\$1,119,929,206	\$516,361,681	\$117,214,567	\$110,318,000	\$114,561,000	\$111,128,010	\$93,303,510	\$57,042,438
	Revenue Bonds	\$24,530,000	\$24,530,000	\$0	\$0	\$0	\$0	\$0	\$0
	IPA Bonds	\$29,607,000	\$14,607,000	\$0	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
	Bond Anticipation Note	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 1	\$1,524,000	\$0	\$1,524,000	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 2	\$1,400,000	\$0	\$0	\$0	\$0	\$1,400,000	\$0	\$0
	Hwy Impact Fee Bonds Dist 3	\$1,953,000	\$0	\$1,953,000	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 4	\$7,500,000	\$810,000	\$0	\$6,690,000	\$0	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 5	\$900,000	\$900,000	\$0	\$0	\$0	\$0	\$0	\$0
	Public Safety Impact Fee Bonds	\$3,000,000	\$2,700,000	\$300,000	\$0	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 1	\$11,511,000	\$10,048,000	\$1,463,000	\$0	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 2	\$1,420,000	\$1,670,000	(\$250,000)	\$0	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 3	\$1,300,000	\$1,400,000	(\$100,000)	\$0	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 4	\$1,400,000	\$1,000,000	\$400,000	\$0	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 7	\$1,280,000	\$1,480,000	(\$200,000)	\$0	\$0	\$0	\$0	\$0
	Bonds	\$1,207,254,206	\$575,506,681	\$122,304,567	\$120,008,000	\$117,561,000	\$115,528,010	\$96,303,510	\$60,042,438
PayGo									
	WasteWater PayGo	\$700,000	\$700,000	\$0	\$0	\$0	\$0	\$0	\$0
	Solid Wst Mgmt PayGo	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0
	General Fund PayGo	\$467,648,767	\$297,742,119	\$32,913,000	\$25,704,000	\$27,849,000	\$28,449,000	\$27,799,000	\$27,192,648
	Bd of Ed PayGo	\$2,649,131	\$2,649,131	\$0	\$0	\$0	\$0	\$0	\$0
	Community College Pay Go	\$4,056,086	\$4,056,086	\$0	\$0	\$0	\$0	\$0	\$0
	PayGo	\$475,253,984	\$305,347,336	\$32,913,000	\$25,704,000	\$27,849,000	\$28,449,000	\$27,799,000	\$27,192,648
Impact Fees									
	Hwy Impact Fees Dist 1	\$13,062,500	\$12,768,500	\$294,000	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 2	\$4,494,000	\$4,494,000	\$0	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 3	\$6,060,750	\$6,060,750	\$0	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 4	\$14,681,800	\$14,681,800	\$0	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 5	\$4,284,100	\$4,284,100	\$0	\$0	\$0	\$0	\$0	\$0
	Impact Fees - Ed	\$2,500,000	\$1,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	Ed Impact Fees Dist 1	\$30,798,500	\$30,798,500	\$0	\$0	\$0	\$0	\$0	\$0
	Ed Impact Fees Dist 2	\$3,493,600	\$3,493,600	\$0	\$0	\$0	\$0	\$0	\$0
	Ed Impact Fees Dist 3	\$5,885,300	\$5,885,300	\$0	\$0	\$0	\$0	\$0	\$0
	Ed Impact Fees Dist 4	\$2,343,800	\$2,343,800	\$0	\$0	\$0	\$0	\$0	\$0
	Ed Impact Fees Dist 5	\$280,700	\$280,700	\$0	\$0	\$0	\$0	\$0	\$0

Funding Source Summary

Council Approved

<i>Project</i>	<i>Project Title</i>	<i>Total</i>	<i>Prior</i>	<i>FY2009</i>	<i>FY2010</i>	<i>FY2011</i>	<i>FY2012</i>	<i>FY2013</i>	<i>FY2014</i>
	Ed Impact Fees Dist 6	\$12,510,000	\$12,510,000	\$0	\$0	\$0	\$0	\$0	\$0
	Ed Impact Fees Dist 7	\$4,286,500	\$4,286,500	\$0	\$0	\$0	\$0	\$0	\$0
	Public Safety Impact Fees	\$2,218,000	\$2,218,000	\$0	\$0	\$0	\$0	\$0	\$0
	Impact Fees	\$106,899,550	\$105,105,550	\$544,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	Grants & Aid								
	Grants and Aid-CP Fed	\$2,646,000	\$2,446,000	\$200,000	\$0	\$0	\$0	\$0	\$0
	Federal Aviation Auth	\$1,033,369	\$1,033,369	\$0	\$0	\$0	\$0	\$0	\$0
	Fed Bridge Repair Prgm	\$8,154,000	\$2,326,000	\$158,000	\$3,287,000	\$2,383,000	\$0	\$0	\$0
	Other Fed Grants	\$20,917,158	\$18,523,723	\$693,435	\$1,700,000	\$0	\$0	\$0	\$0
	POS - Acquisition	\$26,214,995	\$17,378,995	\$6,456,000	\$476,000	\$476,000	\$476,000	\$476,000	\$476,000
	POS - Development	\$37,658,100	\$24,075,100	\$3,154,000	\$2,076,000	\$2,180,000	\$81,000	\$3,107,000	\$2,985,000
	MDE Erosion & Water Qlty	\$2,347,000	\$1,070,000	\$663,000	\$614,000	\$0	\$0	\$0	\$0
	MD Waterway Improvement	\$12,777,000	\$8,747,000	\$3,390,000	\$440,000	\$50,000	\$50,000	\$50,000	\$50,000
	Maryland Higher Education	\$38,683,887	\$21,242,934	\$426,000	\$1,540,000	\$5,635,000	\$4,334,009	\$2,267,509	\$3,238,435
	Inter-Agency Committee	\$226,696,431	\$131,839,431	\$28,708,000	\$14,806,000	\$15,785,000	\$19,718,000	\$7,920,000	\$7,920,000
	Other State Grants	\$18,952,039	\$15,285,474	\$716,565	\$590,000	\$590,000	\$590,000	\$590,000	\$590,000
	Grants & Aid	\$396,079,979	\$243,968,026	\$44,565,000	\$25,529,000	\$27,099,000	\$25,249,009	\$14,410,509	\$15,259,435
	Other								
	Developer Contribution	\$12,894,266	\$6,252,266	(\$48,000)	\$6,690,000	\$0	\$0	\$0	\$0
	Other Funding Sources	\$18,027,034	\$10,465,034	\$1,562,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
	Forfeiture	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Insurance Recoveries	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
	Miscellaneous	\$104,000	\$104,000	\$0	\$0	\$0	\$0	\$0	\$0
	Project Reimbursement	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0
	Proceeds from Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Bonds Previously Issued	\$72,552	\$72,552	\$0	\$0	\$0	\$0	\$0	\$0
	City of Annapolis	\$268,000	\$268,000	\$0	\$0	\$0	\$0	\$0	\$0
	Cable Fees	\$18,440,000	\$8,360,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000
	Other BOE Agreements	\$5,950,000	\$5,950,000	\$0	\$0	\$0	\$0	\$0	\$0
	School Waiver Fees	\$2,087,000	\$2,114,000	(\$27,000)	\$0	\$0	\$0	\$0	\$0
	Dorchester Tax District	\$16,000,000	\$16,000,000	\$0	\$0	\$0	\$0	\$0	\$0
	Natl. Bus Park Tax Dist	\$9,312	\$9,312	\$0	\$0	\$0	\$0	\$0	\$0
	Other	\$74,702,164	\$50,445,164	\$3,167,000	\$9,570,000	\$2,880,000	\$2,880,000	\$2,880,000	\$2,880,000
	General County	\$2,260,189,883	\$1,280,372,757	\$203,493,567	\$181,061,000	\$175,639,000	\$172,356,019	\$141,643,019	\$105,624,521

Funding Source Summary

Council Approved

<i>Project</i>	<i>Project Title</i>	<i>Total</i>	<i>Prior</i>	<i>FY2009</i>	<i>FY2010</i>	<i>FY2011</i>	<i>FY2012</i>	<i>FY2013</i>	<i>FY2014</i>
Solid Waste									
Bonds									
	Solid Waste Bonds	\$57,705,000	\$17,547,000	\$4,083,000	\$2,060,000	\$800,000	\$18,137,000	\$800,000	\$14,278,000
	Bonds	\$57,705,000	\$17,547,000	\$4,083,000	\$2,060,000	\$800,000	\$18,137,000	\$800,000	\$14,278,000
PayGo									
	Solid Wst Mgmt PayGo	\$8,519,319	\$5,519,319	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
	PayGo	\$8,519,319	\$5,519,319	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Other									
	Project Reimbursement	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0
	Other	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0
	Solid Waste	\$66,974,319	\$23,816,319	\$4,583,000	\$2,560,000	\$1,300,000	\$18,637,000	\$1,300,000	\$14,778,000
Utility									
Bonds									
	General County Bonds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Water Bonds	\$433,351,009	\$198,444,909	\$47,395,100	\$45,597,000	\$51,347,000	\$53,650,000	\$26,567,000	\$10,350,000
	WasteWater Bonds	\$384,485,638	\$235,068,938	\$57,765,000	\$39,021,700	\$9,879,000	\$19,833,000	\$19,833,000	\$3,085,000
	Bonds	\$817,836,647	\$433,513,847	\$105,160,100	\$84,618,700	\$61,226,000	\$73,483,000	\$46,400,000	\$13,435,000
PayGo									
	WasteWater PayGo	\$104,535,516	\$43,500,516	\$14,973,000	\$11,018,000	\$9,024,000	\$8,940,000	\$8,940,000	\$8,140,000
	Water PayGo	\$64,438,192	\$30,563,192	\$6,150,000	\$5,612,000	\$5,773,000	\$5,756,000	\$5,318,000	\$5,266,000
	PayGo	\$168,973,708	\$74,063,708	\$21,123,000	\$16,630,000	\$14,797,000	\$14,696,000	\$14,258,000	\$13,406,000
Grants & Aid									
	Other State Grants	\$190,132,500	\$70,267,500	\$54,509,000	\$65,356,000	\$0	\$0	\$0	\$0
	Grants & Aid	\$190,132,500	\$70,267,500	\$54,509,000	\$65,356,000	\$0	\$0	\$0	\$0
Other									
	Developer Contribution	\$443,000	\$443,000	\$0	\$0	\$0	\$0	\$0	\$0
	Developer Contribution	\$4,031,846	\$4,031,846	\$0	\$0	\$0	\$0	\$0	\$0
	Other Funding Sources	\$532,000	\$532,000	\$0	\$0	\$0	\$0	\$0	\$0
	Project Reimbursement	\$2,000,000	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0
	City of Annapolis	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	User Connections	\$25,123	\$25,123	\$0	\$0	\$0	\$0	\$0	\$0
	Special Tax Districts	\$9,969,000	\$0	\$1,311,000	\$8,658,000	\$0	\$0	\$0	\$0
	Other	\$17,000,969	\$7,031,969	\$1,311,000	\$8,658,000	\$0	\$0	\$0	\$0
	Utility	\$1,193,943,824	\$584,877,024	\$182,103,100	\$175,262,700	\$76,023,000	\$88,179,000	\$60,658,000	\$26,841,000