

FY2010 Budget Message by County Executive John R. Leopold

Mr. Chairman, members of the County Council, cabinet members, elected officials, honored guests, fellow citizens:

We convene this morning at a time of great financial uncertainty, at home and around the world. Every public official and every citizen faces the challenge of meeting budget demands with reduced resources. The Fiscal Year 2010 Anne Arundel County Operating and Capital Budget that I am presenting today recognizes those challenges and continues my philosophy that government, like every family, must live within its means. The Operating Budget I am submitting is approximately \$1.17 billion, and the Capital Budget is approximately \$217 million.

I am pleased to report that there will a decline in our property tax rate and no increase in our income tax rate. While the growth in personal income rose by approximately 3 percent, the Fiscal Year 2010 Operating Budget is 4 percent less than last year's budget. It should be noted that while the Board of Education budget will increase by 1.3 percent, all other agencies of government in the aggregate will decrease by 8.8 percent.

Throughout this economic downturn, our County can be proud that sound fiscal planning, responsible budgeting, and reductions in expenses have allowed us to secure Standard and Poor's Triple A bond rating once again this year. We have been able to save our taxpayers, and their children, millions of dollars over the coming years through reduced interest rates for our bond sales. Securing this Triple A bond rating for the second consecutive year is a testament to responsible management of County finances.

This County government has made the same sacrifices that our families and small businesses have made, and those sacrifices began almost from the day we took office. We have implemented three hiring freezes over the last three years and imposed a freeze on non-essential spending last December. By not purchasing 130 new or replacement County cars this year we have saved almost \$4 million. The Budget being presented today eliminates 107 vacant positions with a savings of more than \$6 million

annually. The renegotiation of health insurance contracts will save \$15 million over the next three years.

We must continue to examine new ways to save money but continue to deliver the services our residents expect by focusing our tax dollars on the essentials. In the coming year we will be instituting a new process that will more precisely define capital projects and related services to reduce the number of costly change orders in the construction process. This new process has the potential to save us millions of dollars in the coming years.

Salaries

For Fiscal Year 2010, many County agency budgets have been reduced from Fiscal Year 2009 levels. Our Department Heads were faced with difficult choices and all should be congratulated for their efforts to do more with less. Leaders must lead by example. I have therefore decided that, although County law effective in December provides for a \$5,000 pay increase for the County Executive, I will forgo that salary increase. Our Department Heads and other non-represented employees will not receive cost-of-living or merit pay increases. I appreciate each and every person doing his or her part to help get our County government through these difficult times while still providing quality services for our citizens.

Seven unions who represent about 90 percent of our represented workers also have done their part. They have worked with their membership to reduce our personnel costs and avoid both furloughs and layoffs in this budget. These unions have agreed to forgo a cost-of-living increase, and where necessary many have agreed to reduce their merit increase due next year. I thank you all for understanding the difficult fiscal situation the County faces. County employees come to work each day to do their best for the citizens, and we owe them thanks for a job well done.

I want to thank the following union presidents for all of their time and effort by working with their membership to ratify these new agreements

FY2010 Budget Message by County Executive John R. Leopold

to meet the fiscal demands of this budget, if you would please stand: Mike Akers of AFSCME, Lieutenant Craig Oldershaw, International Association of Firefighters, Sergeant Carl Klapaska, Police Supervisors Association, Corporal “O.B.” Atkinson, Fraternal Order of Police, Sergeant Karen George, Detention Sergeants and Donald Scates of the Sheriff Sergeants’ Association. I am hopeful that over the next few days the remainder of the employee groups will join the partnership of their fellow employees.

Education

These sacrifices and reductions in spending could have been worse without federal stimulus funding that helped avert more drastic cutbacks. While the General Assembly was forced to make significant reductions in local aid to subdivisions, our legislative delegation was able to increase our allocation of State school construction funding from 8.1% this fiscal year to 9.3% for the coming year. With this State funding and our County capital budget funding of \$112.5 million, a total of \$137.5 million in Board of Education projects are funded. We will be able to complete projects at Severna Park Middle School and Southgate Elementary School this coming year, and begin construction at Pershing, Overlook, and Belle Grove Elementary Schools and Northeast High School. Additionally, Chesapeake Science Pointe Public Charter School in Hanover will receive \$250,000 for renovation and expansion. This budget contains design money for the renovation of Folger McKinsey Elementary School, with construction to begin in Fiscal Year 2011.

It has taken all of our budget skills, with help from the federal government, the General Assembly and even citizens who have sent suggestions to our “Your Taxpayer Dollars at Work” Website, to avoid significant reductions in our commitment to funding classroom education needs.

While this year presented a unique set of challenges to funding operations at our school system, this Budget continues our policy of managing our

education funding to get results. The \$592 million in operating funds set aside for education is the highest percentage of the County budget allotted to education in the history of Charter Government. Since taking office, my Administration has increased school funding by 8 percent, while enrollment has increased by less than 1 percent. This additional funding has helped our students increase their test scores, as well as gain admission to colleges at rates that exceed State and national averages.

We must meet the needs of our technology-based society for students with a strong background in science and math by continuing to fund the Science, Technology, Engineering and Mathematics program, or STEM, at the Community College. This budget allows for \$600,000 in operating funding and \$425,000 to upgrade space for STEM labs, for a total of \$1.2 million capital investment over three years.

Two other worthy programs at the College will continue to receive funding. The Center on Aging’s gerontology program will receive \$150,000, and the Parenting Center, which helps parents of middle-school-age students, will receive \$200,000.

I have also included more than \$200,000 in the budget to continue the new STEM magnet program at North County High School, and more than \$600,000 to expand the program to South River High School. We will also continue funding for our national board certified teachers in these and other disciplines by providing \$630,000 in stipends to keep these educators in our classrooms and provide the rigorous training that can help lead to improved student performance.

The STEM initiative will provide the classroom component for our students to gain the skills necessary to compete for the high-paying jobs generated by the Base Realignment and Closure relocations at Fort Meade. These students can look forward to staying here in Anne Arundel County and taking advantage of these “high tech” employment opportunities in the global economy.

FY2010 Budget Message by County Executive John R. Leopold**Police and Fire**

Along with education, a key priority of our County government is public safety. Under the very able leadership of Chief Teare in our Police Department and Chief Ray in the Fire Department we have been able to continue to provide high quality services for our citizens.

Chief Teare's reorganization plans include the new Police Community Relations Division headquarters, located at Arundel Mills, and the use of federal stimulus funds to enhance our human and technological response to crime. This budget also continues to fund the Streetlights program that has literally brightened up more than 60 neighborhoods. I would like to recognize Gary O'Neill, Mildred Pastor and Steve Pastor from the Arundel Village Community Association. At your request, we installed lights that have made a real difference in your community. Thank you for being here. The streetlight initiative is a part of my overall philosophy that improving community appearance and strictly enforcing nuisance laws can lead to a reduction in serious crimes.

The School Resource Officer initiative continues in our schools. This budget provides \$2.9 million for these officers, as well as \$11.7 million for school nurses. These initiatives, and our Gems and Jewels and Brooklyn Park Teen after-school programs, are examples of County funding that supports public education even though not contained in the School Board budget.

Chief Ray has led the implementation of our ambulance service fee, which will provide needed fiscal resources without impacting citizen needs for medical transportation. Insurance companies that have collected premiums from County residents for this service but have never had to pay a claim will now be billed for these costs. No County resident, with or without insurance, will ever be charged.

Our public safety capital program continues to provide funding for construction of the new Eastern District Police Station, the purchase of

land for the relocation of the Lake Shore Fire Station and design funding to relocate the Galesville Fire Station. Speaking of public safety capital projects, I am pleased that today marks the opening of the Annapolis Neck fire station, where we have placed an engine company in service. A paramedic unit will be placed in service later this month with the graduation of the recruit class at the Training Academy.

Investment in the future

With the help of the County Council, we have made financial decisions that will increase the County's revenue stream in future years, and allow us to expand our capital program that will help with our road and school construction needs.

Our new impact fee structure will provide a short term stimulus for the housing industry but ensure that we have the funds in coming years to meet the infrastructure needs for new development. I want to thank the Council for its hard work in developing an approach that recognized the need to phase in these necessary fee increases, while setting the fees at future levels that will reflect the impact that new development has on our roads, schools and public safety facilities.

Not all our efforts, however, should be measured in dollars and cents. We owe our veterans a debt that really cannot be repaid in these perilous times. Our men and women in uniform put themselves in harm's way so that we can sleep peacefully at home. Working with our County Council, we have been able to provide those in uniform with a hiring preference that allows them to continue to use their talents here at home to benefit our citizens. To date, Anne Arundel County has hired 56 veterans through this initiative. I would like to recognize four who are with us today: Michael Comeau, a member of the Maryland Army National Guard and Bronze Star recipient who is now an Assistant County Attorney; Corey Oliver, a County firefighter cadet and former Army platoon sergeant, Brianna Mullen, a County detention officer and former Army private; and Robert Singleton, a Navy Unit Commander who is now a County Police

FY2010 Budget Message by County Executive John R. Leopold

Officer. Thank you all for your service to our country and we welcome you to our Anne Arundel County family.

We also recognize that our environment is a priceless heritage that must be preserved and protected, even in tough economic times. With the help of our General Assembly delegation, the 2009 session again saw significant protections added to our efforts to curb air pollution from fly ash and enforce stormwater management requirements. Legislation was also enacted that will provide for reimbursement from polluters when the County conducts environmental health testing and monitoring to protect citizens.

With the help of Program Open Space and County funding, we have kept South County rural and expanded parks countywide by preserving more than 800 acres through agricultural easements and more than 250 acres through land acquisitions. These efforts preserve our history, protect our open space, and provide recreational opportunities for our children and grandchildren. We are close to providing County public water access for boats in North County and will add the first dog park at Lake Shore Athletic Complex as part of its renovation and expansion.

Safety Net

We will also work to preserve our human resources safety net during these tough economic times. To help identify priority needs, I convened a 22-member Clergy Advisory Committee. I would like to recognize representatives of the committee: the chairman, Pastor Larry Smith of Grace of God Church in Millersville, the Rev. Joseph Barr of Holy Family Catholic Church in Davidsonville. These men have seen firsthand how our most vulnerable citizens have been impacted by the economy, and I appreciate their service.

You have identified needs, including crisis services, mental health counseling, children's services, and emergency housing and assistance for the elderly and people with disabilities.

This administration has responded with community grant funding to local non-profits. We have maintained our human services safety net at a time of great fiscal stress.

Annapolis Area Ministries will receive \$250,000 in capital funding to help in funding its new shelter facility now under construction. The County Mental Health Agency, which operates the Mobile Crisis Team and the suicide hotline for the school system, will receive \$200,000 in operating funds. The ARC of the Central Chesapeake Region, which provides critical services to people with developmental disabilities, will receive \$90,000 in operating assistance. Arundel Child Care Connections will receive its full request of \$55,000 to provide daycare referral services as well as mental health counseling for children.

We are increasing funding for the County Food Bank, which distributed food to over 35,000 families at 60 pantries last year and served more than 350,000 nutritious meals around the County.

With its record of success, the Gems and Jewels program has made a real difference in children's lives. The program will receive \$15,000 for its Mentoring Institute and the new "Friday Night Alternative" at Bates Middle School, which keeps students safe and connected during the weekends. The Brooklyn Park Teen Program, a similar initiative that provides after school recreational activities and summer camp in North County, will receive \$45,600.

I would like to recognize Cesalie Jenkins, the domestic violence intake counselor at Arden House, and Molly Knipe, Executive Director of the YWCA. They have seen the Arden House filled to capacity as the economy has worsened. They will receive \$70,000 to help keep open the only emergency safe house shelter for female victims of domestic violence and their children. Arden House offers programs and services to help these victims become safe, secure and independent.

FY2010 Budget Message by County Executive John R. Leopold

Economy

As dark as the economic sky has been, there are some signs that things may be brightening. In most economic scoring measures, like unemployment rates, Anne Arundel County has fared better than the State or National trends. As the County has been a leader in securing defense procurement contract dollars, we have been better insulated from the downturned economy than other jurisdictions in the State. We must plan conservatively but we are hopeful that our excellent team at the Anne Arundel County Economic Development Corporation will continue to identify opportunities for increased business activity and job creation that generates significant tax revenues for the County. An estimated 7.5 million square feet of office development - a \$1.5 billion investment - is anticipated to come on line in the next 25 to 46 months as part of the overall BRAC enhancements in the Fort Meade/Odenton area. We have already seen major commercial operations begin at the Station Ridge Office Complex in Hanover as well as the Annapolis Town Center at Parole.

We can be proud of our health care services available to County residents. Baltimore-Washington Medical Center will open its new obstetrics unit this fall as part of its \$117 million expansion. Anne Arundel Medical Center's \$100 million Acute Care Pavilion will also add to our enhanced level of medical services. Together, our two regional hospitals are providing excellent care and growing our economy.

Let's take these hopeful signs on the economic horizon and continue to build a strong commercial and residential property base that can provide the fiscal resources necessary to meet our priorities. We must carefully manage our growth so that we preserve the quality of life that we have come to know and expect in our County. The location of new businesses and homes must be planned with that key goal in mind. Our new General Development Plan will be the master guide for this effort. It will be presented to the Planning Advisory Board next week for the first of three scheduled public reviews, and we look forward to the presentation of the Plan to the Council later this month. The County Planning and Zoning Office will continue to work with the Special Advisory Committee, citizens and the Council as we move through consideration of this critical guide to our future growth.

The challenges facing every level of government have never been greater but we are committed to working together to get through these tough times. We have a strong and vibrant County and we will see brighter days. But we must never waver from our efforts to deliver efficient, effective services to our citizens — safe communities with great schools and roads. We will continue to find ways to meet that goal, in good times and bad.

We will work together with the County Council to finalize a budget that meets our citizens' expectations that government live within its means and preserves the quality of life we enjoy in Anne Arundel County.

Thank you for listening.

Budget Message

Long Term Goals

FY2010 Approved Budget

This section provides an overview to the Anne Arundel County Performance Assessment Initiative. As a first step, a document entitled Long Term Goals, Objectives, and Outcome Indicators has been published on the County's web site (see link below).

<http://www.aacounty.org/Budget/Resources/FY09Performance.pdf>

The County is constantly seeking to improve county operations and services. Performance Measurement is one of the tools used to do this. Anne Arundel County's performance measures are integrated into the annual budget to ensure accountability and establish the link between resources and results.

The performance measures shown in the budget represent but a few of the many measures used to facilitate the management of the various functions of government. Despite this fact, over 400 such performance measures are shown in the budget.

A key challenge to making this multitude of performance measures useful to the overall budgetary decision-making process is to relate these various functions of government to the vision and long-term goals of the organization. This relationship between the functions of each department and the long term goals of the organization is shown in the matrix provided on the last page of this section.

Within each of these larger goal areas, outcome indicators have been developed and are reported on in the above mentioned document. The accomplishments and objectives shown in that document represent the County's plan of action to achieve the County's long term goals and improve performance as measured by each outcome indicator.

While the Current Expense Budget identifies a large number of these accomplishments and objectives, and some specific performance measures, these do not tell the whole story. One of goals of the Performance Assessment Initiative is to provide summarized or high level information of this sort while also providing links to more detailed and comprehensive information of this sort on a departmental basis.

The budget planning process is not undertaken in the vacuum of annual increments but is instead guided by the vision and long term goals presented on the following page. This vision itself is not developed in isolation but has emerged as a result of the County's comprehensive planning framework, the core of which is the General Development Plan, or GDP (see link below).

<http://www.aacounty.org/PlanZone/LongRange/GDP.cfm>

The GDP is a comprehensive land use plan prepared in compliance with State requirements and guidelines. It is a policy document that is formally adopted by the County Council. The plan is used by the County in making decisions about growth and development, land preservation, resource protection, and the provision of infrastructure and services over a 10 to 20 year planning horizon. The County has had a GDP since 1968, with updates in 1978, 1986, and 1997. The planning process for the 2008 update to the GDP began in the summer of 2007 and extends into the winter of 2009. A Draft GDP was made available for public review in January of 2009.

It is expected that the vision and long term goals articulated in this document, and which serves as the underpinning to the County's Performance Assessment Initiative, will be updated consistent with the updated GDP.

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.

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 from 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.

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				✓			✓	✓

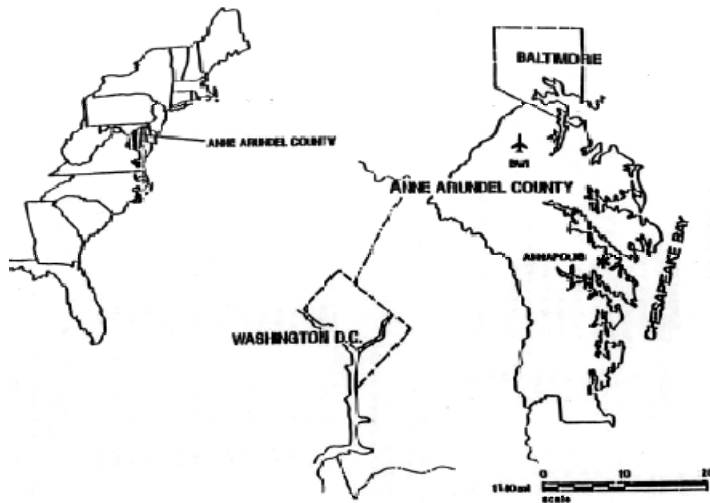
Numeric Key to Goals

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

Budget Message
Budget Overview

FY2010 Approved Budget

Anne Arundel County is located thirteen miles east of Washington, D.C., with Baltimore City and Baltimore County as its northern boundary and the Chesapeake Bay as the county's entire eastern boundary. The County is also bordered by Howard County to the west, Prince George's County to the southwest and Calvert County at its southern tip. Situated within the Atlantic Coastal Plain, the elevation rises from sea level along its coast to approximately 300 feet in the northern part. The County terrain which varies from level plains to gentle rolling hills is well drained by its streams and rivers into the Chesapeake Bay. The area of the County is 416 square miles.



Annapolis, the County's seat as well as the capital of Maryland, remains the County's largest incorporated area, with a 2000 population estimated at 35,838. Annapolis serves not only as a government center, but also as the focus of boating and tourism for the Chesapeake Bay region. The city perhaps is best known as the home of the United States Naval Academy. With more than 534 miles of coastline, the County is naturally known for boating and water sports, fishing, crabbing, water skiing, sailing and swimming. But that's just the beginning. For nature lovers, there are 2 state parks, over 70 county parks, and several nature preserves. The County also houses numerous greenways, including the 13-mile Baltimore and Annapolis Trail where walkers, runners, bicyclists and equestrians pass sunny mornings and afternoons.

For most of its 350 year history, Anne Arundel County consisted of the City of Annapolis and largely rural and agricultural tracts of land. Particularly during the last several decades, the nature of land use has changed in the county and its population has increased. Although much of the County retains a rural and agricultural character, large areas of the County have become suburbs that are closely linked to the Baltimore-Washington metropolitan area.

Housing Statistics			
2007			
	Estimate	%	U.S.
Total Housing Units	202,712		
Occupied Housing Units	188,874	93.2%	87.9%
Owner-occupied	144,187	76.3%	67.2%
Renter-occupied	44,687	23.7%	32.8%
Vacant Housing Units	13,838	6.8%	12.1%
Median Value	\$384,200	N.A.	\$194,300

Source: U.S. Census Bureau, 2007 American Community Survey

Population Characteristics			
2007			
	Estimate	%	U.S.
Total Population	512,154		
Male	254,294	49.6%	49.3%
Female	257,860	50.4%	50.7%
Median Age (years)	37.6	N.A.	36.4
Under 5 years	34,071	6.6%	6.8%
18 yrs and over	388,197	75.8%	75.4%
65 years and over	56,517	10.9%	12.4%

Source: U.S. Census Bureau, 2007 American Community Survey

Budget Message
Budget Overview

FY2010 Approved Budget

Some key demographic statistics over the past decade are depicted below:

Demographic Statistics						
Fiscal Year	Population	Per Capita Income	State Per Capita Income	U.S. Per Capita Income	Public Schl Enrollment	Unempl Rate
1996	467,286	\$28,402	\$27,393	\$24,175	71,824	4.10%
1997	472,356	\$29,990	\$28,666	\$25,334	72,707	3.80%
1998	477,749	\$31,905	\$30,317	\$26,883	73,775	3.70%
1999	484,800	\$33,544	\$31,796	\$27,939	74,097	3.20%
2000	491,347	\$36,464	\$34,256	\$29,843	74,663	2.90%
2001	496,937	\$38,438	\$35,625	\$30,562	74,495	2.80%
2002	502,081	\$39,313	\$36,539	\$30,795	75,094	3.10%
2003	505,205	\$40,440	\$37,361	\$31,466	74,798	3.60%
2004	508,572	\$43,230	\$39,725	\$33,090	74,519	3.40%
2005	510,878	\$45,648	\$41,972	\$34,741	74,000	3.50%
2006	509,300	\$48,580	\$43,788	\$36,714	73,633	3.30%
2007	512,154	N.A.	\$46,763	\$38,611	73,111	3.00%

Fort Meade, including its tenant organizations such as the National Security Agency, Defense Information Schools, the Environmental Protection Agency, etc., is the county's largest employer. Reflective of the county's reliance upon government as an employer, the County's top ten government employers account for nearly four times the number of employees than the county's top ten private employers.

See the below link for a listing of Anne Arundel County's Top Ten Government Employers & Top Ten Private Sector Employers:

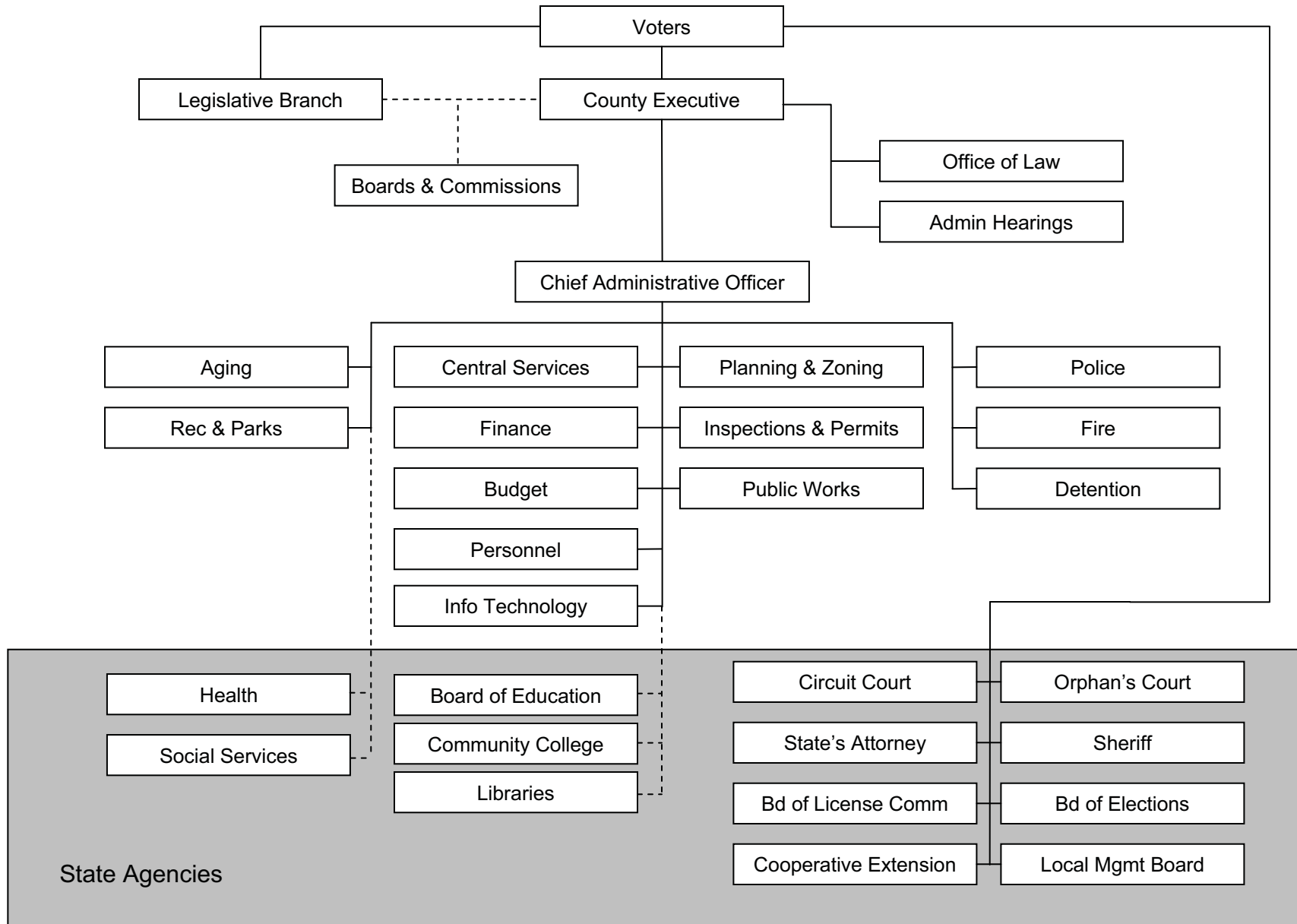
http://www.aedc.org/top_employers.html

Based on the recommendations from the federal Base Realignment and Closure Commission (BRAC), Anne Arundel County expects 9,000 – 14,000 more jobs through the next five plus years connected directly and indirectly to the operations, activities and mission of Fort Meade. Up to 20,000 private contractors could follow thus creating 40,000 to 60,000 jobs in the County. In response, County Executive John R. Leopold established the Anne Arundel County BRAC Task Force on March 1, 2007. The purpose of the task force is to help Anne Arundel County prepare a plan to address the community impact associated with BRAC.

The County's economic base has broadened with the growth of high technology industries around the Baltimore-Washington International Airport and the Parole areas near Annapolis. Other major employers are shown below. Commercial employment has grown, spurred in part by the construction of large shopping malls and smaller shopping centers.

Northwest Anne Arundel County, anchored by the National Security Agency, BWI Airport, and Fort George G. Meade, is rich with opportunity as companies cluster around the County's strategic assets. These public and private enterprises have fueled tremendous economic growth and represent the heartbeat of the informatics corridor.

Anne Arundel County, Maryland



Budget Message

Budget Overview

FY2010 Approved Budget

The “form” of the comprehensive budget for FY2010 follows closely the requirements set forth in the County Charter. Section 703 of the Charter defines the comprehensive scope of the budget to include three things: the budget message, the current expense budget, and the capital budget and capital program.

In the comprehensive budget for FY2010, these three things take the form of three separate documents each of which conform to the content requirements set forth in Section 706 of the Charter. In addition to meeting these Charter-mandated content requirements, each document also attempts to meet the awards criteria set forth by the Government Finance Officers Association for their Distinguished Budget Presentation Awards Program. Finally, any additional material required by the County Council as provided for under the Charter that is not otherwise included in these three documents is provided in appendices and/or supplements to these documents.

Therefore, the broad outline of the Comprehensive Budget for FY2010 is as follows:

1. The Budget Message
2. The Current Expense Budget
 - One appendix
3. The Capital Budget and Program
 - One appendix
 - Four supplements

In addition to the requirements regarding the content of the County budget, the County Charter also provides, in sections 610, 704 and 705, specific requirements with respect to the process of formulating both the Current Expense Budget and the Capital Budget and Program.

The steps of the annual budget process for both the Current Expense Budget and the Capital Budget and Program can be organized according to the following four phases:

1. Departmental Preparation and Affordability Recommendation
2. Review and Recommendation
3. Executive Review and Proposal
4. Legislative Review and Approval

The budget process is designed to encourage citizen input during each phase. The process is described on the following pages, and is summarized in the time-line figure shown at the conclusion of this section.

Phase 1: Departmental Preparation and Affordability Recommendation

Capital Budget and Program – September through January

County departments receive capital budget preparation instructions in early September. Under the direction of the Chief Administrative Officer, the Department of Public Works Engineering Bureau and Office of the Budget, collectively steer this phase of the capital budget preparation process. For FY2010, as is typically the case, this phase concluded at the end of January with the transmission by the Budget Officer to the Office of Planning and Zoning an itemized list of the capital projects which each agency proposes to undertake in the ensuing fiscal year and the next succeeding five fiscal years thereafter for review and recommendation by the Planning Advisory Board, comprised of citizens appointed by the County Executive.

Current Expense Budget – December through February

County departments receive overall budget preparation guidance from the Chief Administrative Officer in early December. For FY2010, as is typically the case, departments were required to submit their requests and supporting materials to the Budget Officer by early February. Section 704 of the County Charter requires this to occur no later than 120 days prior to the end of each fiscal year, or about March 1.

Budget Message

Budget Overview

FY2010 Approved Budget

(An exception to this deadline for both the Capital and Current Expense Budgets is made for the Board of Education, for which state law sets a March 1 deadline for requests to the County government.)

Affordability Recommendation – October through January

There is a Spending Affordability Committee comprised of citizens appointed by the County Executive and confirmed by resolution of the County Council that makes advisory recommendations to the Office of the Budget, the County Executive, and the County Council relating to spending affordability including County spending levels to reflect the ability of the taxpayer to finance County services and long-term debt. The Committee's recommendations are provided in a report finalized by the end of January.

Phase 2: Review and Recommendation

Planning Advisory Board Review and Recommendation – February through March

The Planning Advisory Board, comprised of citizens appointed by the County Executive and responsible for review and recommendation of the General Development Plan, related Small Area Plans, and the Water and Wastewater Master Plans, reviews the itemized list of the capital projects which each agency proposes to undertake in the ensuing fiscal year and the next succeeding five fiscal years, and typically makes an interim recommendation by early March.

Administrative Review and Recommendation – February through March

The Chief Administrative Officer and the Budget Officer review the department requests, both operating and capital, during the month of February for accuracy, consistency with county goals, need, and affordability. The Chief Administrative Officer with the assistance of the Budget Officer considers the Spending Affordability Committee's recommendations and the Planning Advisory Board's recommendations, and recommends to the County Executive a comprehensive budget including both the Current Expense Budget and the Capital Budget and Program. This recommendation is typically made by mid-March.

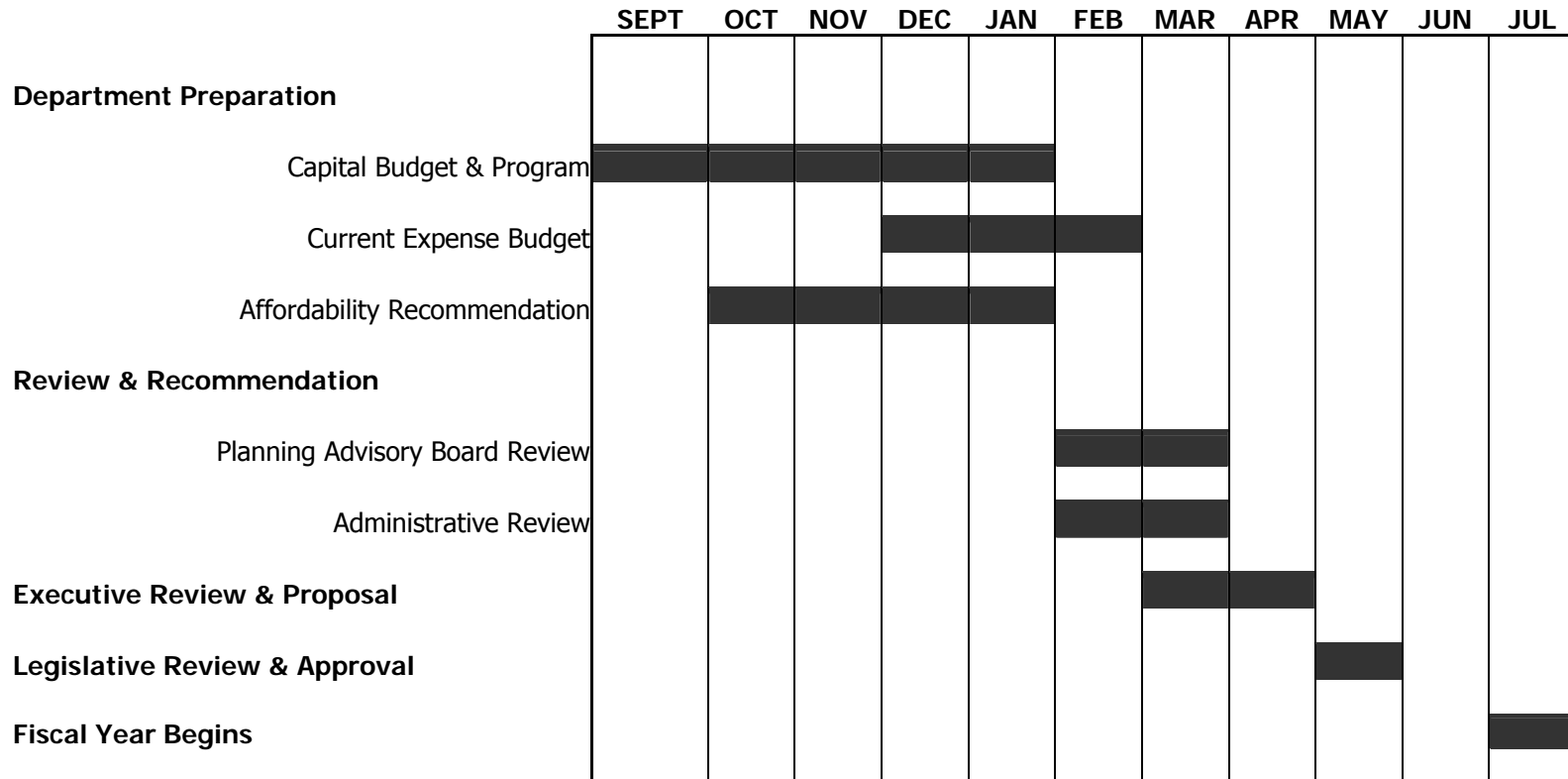
Phase 3: Executive Review and Proposal

From mid-March through early-April, the County Executive holds a series of meetings with budget staff and with departments to discuss departmental requests and related recommendations. Final decisions are made in mid to late April, and the Proposed Comprehensive Budget document is prepared for presentation to the County Council on May 1.

Phase 4: Legislative Review and Approval

Following the presentation by the County Executive of the proposed comprehensive budget on May 1, the County Council holds budget hearings throughout the month of May. By Charter, the County Council can reduce, but not increase, budgets for county departments. An exception is made for the Board of Education budget which can be increased or reduced by the County Council in accordance with state law. However, the total county budget cannot exceed that proposed by the County Executive.

Throughout the month of May, the County Council holds public hearings in different parts of the county to receive citizen input on the proposed budget. The Administration, primarily through the Office of Budget, provides detailed supplementary information to the county Auditor's Office for its review. The county Auditor's Office makes recommendations on the budget to the Council. The Council votes on proposed amendments to the County Executive's recommended budget. After all amendments have been considered, the County Council votes on the entire budget and sets the property tax rate. By Charter, the County Council must adopt the budget no later than June 1, otherwise the Proposed Comprehensive Budget stands adopted.



Fund Accounting

At the heart of government finances is the concept of fund accounting. Governments create funds to account for related expenses and revenues. For example, the Water and Sewer Operating Fund contains the budget to run the County's water supply and wastewater treatment system and the revenues collected (primarily user charges) to pay for the system. The use of fund accounting is one of the basic requirements of generally accepted accounting principles (GAAP) for government and one of the major differences between governmental and commercial accounting. It requires separate record keeping for each individual fund a government uses.

All of the County's funds fall into one of three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds. Within the Governmental Funds category, there are four primary types: the General Fund, Special Revenue funds, Capital Project funds and Debt Service funds. Within the Proprietary Funds category, there are two primary types: Enterprise funds and Internal Service funds. Within the Fiduciary Funds category, there are two primary types: Pension Trust funds and Agency funds.

Every fund that is accounted for is not necessarily subject to appropriation in the current expense budget. The following funds are reported in the County's Comprehensive Annual Financial Report (CAFR) but are not subject to appropriation in the current expense budget:

General County Capital Projects Fund – This fund accounts for all resources received and used for the acquisition or development of major capital improvements. Appropriations for expenditure of these resources are made through the Capital Budget.

Impact Fee Fund – This special revenue fund accounts for impact fees collected from developers to pay a share of the cost of school and road capacity improvements necessitated by development. Disbursements are made from these funds to the General County Capital Projects Fund as eligible expenditures are incurred. Appropriations for the expenditure of these resources are made through the Capital Budget.

Agency Funds – These fiduciary funds account for deposits that are collected and held on behalf of individuals, organizations, or other governments. Since agency funds report only assets and liabilities, these funds are not subject to appropriation.

Pension Trust Fund – This fiduciary fund accounts for the activity of the Anne Arundel County Retirement and Pension System. Employer and employee contributions are paid into this system and invested to provide guaranteed pension benefits after retirement. Because these contributions and investment earnings are not County monies, but are held in Trust, expenses related to the Pension Trust Fund are not subject to appropriation in the current expense budget.

All funds other than the General Fund that are subject to appropriation in the current expense budget are collectively referred to in this document as "other funds."

Budget Message

Budget Overview

FY2010 Approved Budget

A brief description of the major fund types within which each of these “other funds” are categorized follows:

The **General Fund**: is probably the most visible part of the County budget. It includes the budgets to pay for police and fire protection, maintain roads and plow the snow, operate the detention centers, provide grants to community social service agencies and a host of other activities, including the County’s contribution toward the operation of the County schools, community college and library system. The revenue to support the general fund comes primarily from local property and income taxes.

Special Revenue Funds: a number of County revenues can only be spent for specific purposes. Examples of such special revenue funds include the reforestation, Laurel impact fee, and workforce development funds. Beginning with the FY2009 Proposed Budget, all grant revenues are accounted for in a new Grants Special Revenue Fund. Previously, such grant revenues were accounted for in the General Fund. This change is one component of an overall Countywide effort to better manage and control the grants management process.

Enterprise Funds: some government operations are fully supported by revenues they generate. The water and wastewater utility fund is an example.

Internal Service Funds: Some government departments operate purely to support other local agencies. For example, the self insurance fund provides insurance coverage for County government agencies and charges their respective funds for the cost. Other internal funds include the central garage funds, and the health insurance fund.

These “other funds” and the department to which they are assigned are shown in the chart on the following page.

Departmental Assignments of Other Funds

	County Executive	Chief Admin. Office	Central Services	Finance (non-dept)	Personnel	Inspections & Permits	Public Works	Rec & Parks	Police	Detention Facilities	Local Mgmt. Board
Enterprise Funds											
Utility Operations							✓				
Utility Debt Service							✓				
Maryland City Altern. Minimum Tax							✓				
Solid Waste							✓				
Solid Waste Financial Assurance							✓				
Child Care								✓			
Internal Service Funds											
Print Shop			✓								
Self-Insurance			✓								
Health Insurance					✓						
Central Garage - Operations Fund			✓								
Central Garage - Replacement Fund			✓								
Special Debt Service Fund											
IPA Debt Service				✓							
Special Revenue Funds											
Whitmore Garage			✓								
Developer Street Light Installation							✓				
Forfeit & Asset Seizure								✓			
Piney Orchard WW Service							✓				
Systems Reform Init.											✓
Laurel Impact Fee	✓										
Inmate Benefit										✓	
Reforestation						✓					
Workforce Development		✓									
Community Development		✓									
Grants Fund	Specific sub-funds assigned to each department receiving grants.										
Tax Increment Financing and Special Tax District Funds											
Nursery Road Tax Increment				✓							
West County Tax Increment				✓							
Farmington Village Special Tax District				✓							
Park Place Tax Increment				✓							
Arundel Mills Tax Increment				✓							
Parole Tax Increment				✓							
Nat'l Business Park Tax Dist				✓							
Dorchester Special Tax District				✓							

Special Community Benefit Districts, and Erosion Control and Waterway Improvement Districts
(These districts are community-initiated and are not assigned to a particular Department)

Board of Education, Community College, and Library
(Funds have been established to accomodate appropriation of all funding sources for these component units)

Budget Message

Budget Overview

FY2010 Approved Budget

GAAP Basis of Accounting

The basis of accounting refers to the timing of when revenues and expenditures are reported in financial documents. The County presents financial statements in its Comprehensive Annual Financial Report (CAFR) in accordance with GAAP.

The governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. Expenditures are generally recorded when incurred. In accordance with GAAP, the County considers revenue collected within 90 days of the end of the fiscal year as being available, except for property taxes, which must be collected within 60 days. Therefore, when revenues have not been received within these availability periods, they have been deferred into a future fiscal year.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when a liability is incurred, regardless of the timing of cash flows.

Budgetary Basis of Accounting

The budgetary basis of accounting determines when a government charges expenditure to a budget appropriation, or when it credits revenue to its Funds for budgeting purposes. Although the County presents financial statements in its CAFR in accordance with GAAP, the budget is adopted on a modified cash basis. The major areas of difference between the two bases of accounting are as follows:

- For budgetary purposes, expenditures are recognized when encumbered. Under GAAP, encumbrances are classified as a reservation of fund balance.
- For budgetary purposes, grant revenue is recognized when the grant-related reimbursable expenditures are made. Under GAAP, these revenues are recognized when measurable and available.
- For budgetary purposes, depreciation expense is not appropriated, but capital outlays are. Under GAAP, in the proprietary funds, capital outlay transactions are recorded as an increase in capital assets, and

depreciation expense is recognized on an annual basis regardless of when a capital asset is actually replaced.

In recognition of these differences, companion financial statements are presented in the CAFR according to the budgetary basis of accounting.

Appropriation Control

Section 706 of the County Charter requires the County Executive to classify proposed expenditures within the current expense budget "by agency, character and object." The nature of this classification is left to the discretion of the County Executive. The current expense budget classifies department (i.e., agency) expenditures by sub-departments (i.e., character) and seven expense objects including Personal Services, Contractual Services, Supplies & Materials, Business & Travel, Capital Outlay, Debt Service, and Grants, Contributions & Other.

Section 715 prohibits the expenditure of funds in excess of the amounts appropriated under this general classification of expenditure. The specific level of appropriation control is identified in exhibits A, B and C which are part of the Annual Budget and Appropriations Ordinance a copy of which is included in the appendix to the Approved Current Expense Budget.

Amendment to the Budget

The County Charter, Section 711 allows appropriations in a fiscal year to be transferred between general classifications of expenditure within the same department with the approval of the County Executive. Transfers between departments may be made only on the recommendation of the County Executive and approval of the County Council.

Section 712 provides that during any fiscal year, the County Council, upon the recommendation of the County Executive, may by ordinance make additional, supplementary or emergency appropriations as long as they do not exceed the amount of funds certified as being available by the Controller.

Budget Message

Budget Overview

FY2010 Approved Budget

Balanced Budget

Section 710 (c) of the County Charter provides that the County budget shall be adopted in the Annual Budget and Appropriation Ordinance and "balanced as to proposed income and expenditures". The County encourages commitment to a balanced budget through the preparation, management and execution of the yearly budget.

The FY2010 Proposed Budget is balanced.

One-Time Revenues

One-time revenues are defined as revenue sources that cannot be relied upon over time. One time revenues are generally utilized to fund capital projects or to enhance reserves.

Statement of Contingency Reserves

Under Section 706 (a) of the County Charter, contingency reserves are limited to 3% of general and other fund appropriations. A General Fund contingency account is typically funded under the Office of the Chief Administrative Officer. The Proposed Budget includes \$4.8 million in this reserve account, or 0.4% of total General Fund appropriations.

Revenue Reserve Fund

Section 8-107 of the Anne Arundel County Code creates a revenue reserve account known as the Rainy Day Fund. The Revenue Reserve Fund is a continuing, non-lapsing account in which funds are retained to support appropriations if general fund revenues fall below revenue estimates during a fiscal year. Pursuant to Section 8-107(b) the budget as proposed by the County Executive and approved by the County Council may contain an appropriation to the Revenue Reserve Fund. This contribution must not cause the balance of this fund to exceed 10% of the estimated average aggregate annual revenue derived from the income tax, real property transfer tax, recordation tax, and investment income of the General Fund in the three fiscal years preceding the fiscal year for which the appropriation is made.

Section 8-107(d) allows the County Executive with the approval of the County Council, to authorize a transfer from the Revenue Reserve Fund to the General Fund in the current expense budget if: (1) revenues for the current fiscal year will be below the estimated revenues relied on to fund the current expense budget, and (2) all reasonable reductions in expenditures have been made and will not be sufficient to offset the anticipated shortfall. Clearly, strict standards govern the use of this fund.

It is currently estimated that approximately \$16 million of the Revenue Reserve Fund will need to be used to cover the remaining deficit incurred in FY2009. No replenishment of the is reserve fund is proposed in FY2010.

Budgetary Fund Balance

Fund Balance is the difference between the assets and liabilities of a governmental fund. It is always divided into two separate pieces: a "reserved" piece and an "unreserved" piece. The "unreserved" piece is generally the amount available for new spending. In some instances, a portion of this "unreserved" fund balance may be "designated" (or planned) for a particular purpose. The Budgetary Fund Balance represents the amount of net assets that are available for appropriation, consistent with the Budgetary Basis of Accounting. Budgetary Fund Balance data as of the end of the previous fiscal year is obtained from the County's Comprehensive Annual Financial Report (CAFR).

Budget Message
Budget Overview

FY2010 Approved Budget

Pension Fund

The employee contribution requirements for each employer defined benefit plan in the Retirement System are set by County legislation. The County's annual contribution is based on annual actuarial valuations. The table below provides the actuarial assumptions, funding methods and contributions related to the fiscal year 2008 financial statements.

Certain participants in the State Retirement and Pension Systems (State plans) are required to contribute 5% to 7% of compensation to the plans. The County is required to contribute the remaining amounts necessary to fund the plans, except that the State pays the employer's share of retirement costs on behalf of certain teachers, professional librarians, and related positions for the Board of Education, Library, and Community College, in accordance with State law.

	Employees Plan	Police Plan	Fire Plan	Detention Plan
Contribution rates:				
County	Legislated amount	Legislated amount	Legislated amount	Legislated amount
Plan members				
Tier One	4.00%	5% to 6%	5.00%	5.00%
Tier Two	-	Not applicable	Not applicable	Not applicable
Annual Pension Cost (APC)	\$12,399,040	\$9,777,042	\$11,194,123	\$3,557,116
Contributions made	\$12,399,036	\$9,777,036	\$11,194,116	\$3,557,112
Actuarial valuation date	January 1, 2007	January 1, 2007	January 1, 2007	January 1, 2007
Actuarial cost method	Projected unit credit	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level % of payroll	Level % of payroll	Level % of payroll	Level % of payroll
Remaining amortization period	30 years, closed 5-yr smoothed market	30 years, closed 5-yr smoothed market	30 years, closed 5-yr smoothed market	30 years, closed 5-yr smoothed market
Asset valuation method				
Actuarial assumptions:				
Inflation rate	3.50%	3.50%	3.50%	3.50%
Investment rate of return	4.50%	4.50%	4.50%	4.50%
Projected salary increases (graded scale)	Varies by age	Varies by age	Varies by age	Varies by age
Cost of living adjustments:				
Benefits earned prior to 1/31/97	3.00%	3.50%	3.50%	3.50%
Benefits earned thereafter	2.10%	2.10%	2.10%	2.10%

Source: Comprehensive Annual Financial Report FY2008

For FY2010, the County is again funding the actuarially recommended amounts for the four plans:

Employees' Plan	\$17,078,045
Police Plan	\$13,588,002
Fire Plan	\$14,217,007
Detention and Sheriffs Plan	\$4,678,430

Other Post Retirement Funds

Retirees of the Primary Government, Library, and Economic Development continue to receive medical coverage. The Primary Government pays eighty percent of the cost. These retirees have the option of retaining dental and vision coverage, but must pay the full cost of these benefits. Health benefits are provided to retirees through an agreement between the Primary Government and the Police labor union, and are extended to others by administrative policy.

Board of Education employees who are eligible to receive retirement benefits from the State Retirement Agency and are members of the Board's group medical insurance plan may elect to continue membership in the Board's group medical, dental, and vision plans after retirement. The Board funds 80% of the premiums for medical and prescription drug coverage for employees hired on or before September 15, 2002. For employees hired after September 15, 2002, the Board funds a portion of the premiums ranging from 25% with 10 years of service to 75% with 20 or more years of service. No Board funding is provided for dental and vision plan coverage. The Board maintains separate medical coverage plans for active employees and retirees, and the retiree plan is rated separately based on claims experience of the retiree group.

The Community College provides medical, dental, and vision benefits to eligible retirees who are enrolled in medical coverage at the time of retirement. The benefit levels, employee contributions, and employer contributions are governed by and may be amended by the College Board of Trustees. Retirees are eligible for these benefits if they have a minimum of 10 years of service and meet the eligibility requirement of their State of Maryland or other optional pension plans. The College contributes to the cost of retirees' benefits at a rate of 2.5% for each year of service, and employees must have at least 10 years of service to qualify. The maximum paid by the College is 75%. Retirees have no vested rights to these benefits.

The number of individuals eligible to participate in the plans is presented on below. Inactive includes both retirees and those who are terminated and vested.

	<u>Active</u>	<u>Inactive</u>	<u>Total</u>
Primary Government	3,394	1,618	5,012
Board of Education	7,149	3,387	10,536
College	215	207	422
Library	<u>205</u>	<u>81</u>	<u>286</u>
Total	<u>10,963</u>	<u>5,293</u>	<u>16,256</u>

The Government Accounting Standards Board (GASB) has issued Statements 43 and 45 (effective in FY07 and FY08, respectively), which pertain to reporting requirements for other post retirement benefits. This will require governments to accrue the liability and expense of these benefits over the working career of employees, rather than recognize the cost when paid. For FY2010, the annual required contribution to fully fund this accrued liability in conformance with GASB is approximately \$75 million.

The Administration has evaluated the impact of these statements, and in previous budgets began the implementation of a multi-year plan toward funding this accrued liability. Like many jurisdictions in Maryland and throughout the country, the current fiscal climate has necessitated a deferral of the implementation of this multi-year plan.

Budget Message
Budget Overview

FY2010 Approved Budget

Debt Limit

The Annotated Code of Maryland, Article 25A, Section 5P provides that the aggregate amount of bonds and other evidences of indebtedness outstanding at any one time shall not exceed a total of 6% of the assessable basis of real property of the county and 15% of the county's assessable basis of personal property and operating real property.

In compliance with State Code, Section 9-101 of the County Code authorizes the County Council to approve the issuance of general obligation bonds up to a limit of 5.2% of the assessable basis of real property and 13% of the assessable base of personal property and certain operating real property of the County. Section 9-103 of the Code allows general obligation water and sewer bonds to be issued up to a debt limit of 5.6% of the assessable basis of real property and 14% of the assessable base of personal property and certain operating real property within the County's sanitary district. The following calculation of the County's legal debt margin is taken from the Comprehensive Annual Financial Report (CAFR) for the period ending 6/30/2008:

	General Bonds	Water and Wastewater
Relevant Limitation percentages	5.2%/13%	5.6%/14%
Charter imposed limitation	\$3,938,534,981	\$3,879,859,352
Bonded debt outstanding		
Bond anticipation notes	49,800,000	17,000,000
Installment Purchase Agreements	11,397,925	0
Long-term serial bonds	617,680,000	311,472,707
Tax increment bonds	53,085,000	0
	<u>731,962,925</u>	<u>328,472,707</u>
Legal debt margin	\$3,206,572,056	\$3,551,386,645

Statement of Long-Term Outstanding Debt

As of March 31, 2009
(per 6/30/08 CAFR plus March 2009 Bond Issue)

General Improvements Bonds	652,380,924
Solid Waste Bonds	20,399,077
Water and Wastewater Utility Bonds	328,871,566
Installment Purchase Agreements	9,939,000
State & Federal Loans	3,803,208
<u>Tax Increment Bonds:</u>	
Arundel Mills (Rt. 100) - Bonds	30,350,000
Nursery Road - Bonds	2,500,000
Parole Town Center - Bonds	5,455,000
West County (National Business Park) - Bonds	15,655,000
Total Debt Outstanding	<u>1,069,353,775</u>

(Source: Preliminary Official Statement dated April 3, 2008)

Statement of Debt Service Requirements

Funding Source	FY2008 Actual	FY2009 Estimate	FY2010		
			Total	Principal	Interest
General Fund					
- General County	38,017,131	40,697,000	39,631,000	28,874,100	10,756,900
- Board of Education	32,352,584	33,436,300	38,853,000	25,236,000	13,617,000
- Community College	3,464,453	4,027,200	4,156,000	2,637,000	1,519,000
- Golf Course	1,357,011	1,586,200	1,622,800	1,622,800	0
General Fund Total	75,191,179	79,746,700	84,262,800	58,369,900	25,892,900
Enterprise Funds					
Utility Debt Service	30,345,471	33,699,100	35,632,900	20,200,800	15,432,100
Maryland City Alt. Min. Tax	1,789,728	1,809,700	0	0	0
Solid Waste	4,211,507	3,129,100	2,670,200	1,658,000	1,012,200
Fiduciary and Special Debt Service Funds					
IPA Debt Service	623,642	682,000	650,000	0	650,000
Tax Increment Financing and Special Tax District Funds					
Nursery Rd Tax Increment	175,535	175,000	172,000	72,000	100,000
West Cnty Dev Dist Tax Inc	757,425	757,500	945,000	0	945,000
Farmingtn Vlg Spc Tax Dist	476,813	485,800	495,800	146,000	349,800
Rte 100 Dev Dist Tax Inc	1,501,956	1,502,000	1,502,000	0	1,502,000
Parole TC Dev Dist Tax Inc	1,052,750	1,051,800	1,054,000	842,000	212,000
Natl Bus Pk Spcl Tax Dist	0	0	0	0	0
Dorchester Specl Tax Dist	1,093,265	1,131,200	1,152,100	0	1,152,100
	117,219,271	124,169,900	128,536,800	81,288,700	47,248,100

Budget Message

Financial Policies

FY2010 Approved Budget

Anne Arundel County's financial policies and guidelines provide the basic framework for the development of the FY2010 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.

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.

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:

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

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.

Major Changes in Financial Policies and Guidelines

- None

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.

Statement of Unduplicated Expenditures

Funding Source	FY2009 Original	FY2009 Estimate	FY2010 Approved	Inc (Dec) from Orig.
General Fund	\$1,216,297,600	\$1,191,561,100	\$1,180,889,400	-\$35,408,200
Revenue Reserve Fund	\$0	\$16,750,000	\$0	\$0
Other Funds	\$378,140,200	\$350,634,200	\$423,296,600	\$45,156,400
BOE Component Unit	\$931,302,700	\$937,436,800	\$936,277,500	\$4,974,800
AACC Component Unit	\$131,421,900	\$131,421,900	\$134,684,300	\$3,262,400
AACPL Component Unit	\$17,022,300	\$16,970,300	\$15,889,300	-\$1,133,000
Special Benefit Districts	\$9,490,300	\$9,490,300	\$9,868,600	\$378,300
Total Operating Budget (with duplication)	\$2,683,675,000	\$2,654,264,600	\$2,700,905,700	\$17,230,700
		(see pages 28 and 29)		
Less Duplicate Appropriations				
GF Contr to BOE	\$584,642,800	\$584,777,100	\$592,879,500	\$8,236,700
GF Contr to AACC	37,849,900	37,849,900	37,978,700	\$128,800
GF Contr to Library	\$14,021,000	\$13,996,000	\$12,621,000	-\$1,400,000
GF Contr to Whitmore	\$107,500	\$107,500	\$126,000	\$18,500
GF Contr to IPA Debt Service	\$0	\$0	\$761,000	\$761,000
GF Contr to Community Devel	\$270,000	\$270,000	\$270,000	\$0
GF Contr to Grants Fund - Matches	\$1,239,000	\$879,900	\$1,125,800	-\$113,200
GF Contr to Grants Fund Contingency	\$200,000	\$200,000	\$0	-\$200,000
County Pass-throughs in Grants Fund	\$53,700	\$52,100	\$0	-\$53,700
Internal Service Funds				
- Self Insurance Fund	\$18,097,100	\$18,055,300	\$19,031,600	\$934,500
- Health Fund	\$80,722,100	\$69,575,000	\$103,518,700	\$22,796,600
- Garage Working Capital Fund	\$14,042,400	\$13,749,000	\$14,938,600	\$896,200
- Garage Vehicle Replacement	\$6,275,900	\$686,800	\$11,930,200	\$5,654,300
Pro Rata Share Charges				
- Whitmore Garage	\$30,000	\$30,000	\$30,000	\$0
- Child Care Fund	\$219,000	\$196,000	\$290,000	\$71,000
- Utility Opns Fund	\$9,390,000	\$8,490,000	\$7,640,000	-\$1,750,000
- Utility Debt Serv Funds	\$498,000	\$498,000	\$505,000	\$7,000
- Solid Waste Fund	\$2,320,000	\$2,095,000	\$2,130,000	-\$190,000
- SIF Fund	\$258,000	\$258,000	\$270,000	\$12,000
- Health Ins Fund	\$475,000	\$475,000	\$23,475,000	\$23,000,000
- Central Garage Fund - Operating	\$555,000	\$555,000	\$2,207,000	\$1,652,000
- Central Garage Fund - Replacement	\$0	\$0	\$6,000,000	\$6,000,000
- Capital Projects Funds	\$4,827,000	\$6,232,000	\$45,669,000	\$40,842,000
TIF Districts Contrib to GF	\$17,587,000	\$17,033,000	\$19,550,000	\$1,963,000
Total "Unduplicated" Operating Budget	\$1,889,994,600	\$1,878,204,000	\$1,797,958,600	-\$92,036,000

Add FY2010 Capital Budget: \$331,851,000
Less FY2010 PayGo contrib.: \$13,699,000
Total Unduplicated Comprehensive Budget: \$2,116,110,600

Financial Summaries
All Funds

FY2010 Approved Budget

Summary of Changes in Budgetary Fund Balance

	Fund Balance as of 6/30/08	FY2009 Estimate		Fund Balance as of 6/30/09	FY2010 Approved		Fund Balance as of 6/30/10
		Revenues	Expenditures		Revenues	Expenditures	
General Fund							
General Fund	54,447,182	1,137,113,900	1,191,561,100	0	1,180,889,400	1,180,889,400	0
Revenue Reserve Fund	47,818,429	1,554,500	16,750,000	32,622,929	491,200	0	33,114,129
Enterprise Funds							
Water & Wstwr Operating	20,879,860	83,430,600	87,531,500	16,778,960	87,576,300	88,465,600	15,889,660
Water & Wstwr Sinking Fund	94,610,382	33,493,200	33,395,100	94,708,482	37,411,400	36,399,900	95,719,982
Maryland City AMT Fund	0	1,676,500	1,809,700	(133,200)	0	0	(133,200)
Waste Collection Fund	14,442,374	44,942,000	49,490,600	9,893,774	46,480,900	51,739,100	4,635,574
Solid Waste Assurance Fund	1,616,364	565,400	0	2,181,764	673,400	0	2,855,164
Rec & Parks Child Care Fund	868,853	3,864,300	3,045,000	1,688,153	4,259,300	4,367,200	1,580,253
Internal Service Funds							
Self Insurance Fund	(31,392)	16,576,100	18,055,300	(1,510,592)	19,045,400	19,031,600	(1,496,792)
Health Insurance Fund	19,743,765	89,800,000	69,575,000	39,968,765	78,477,300	103,518,700	14,927,365
Garage Working Capital Fund	2,173,098	14,042,900	13,749,000	2,466,998	13,714,700	14,938,600	1,243,098
Garage Vehicle Replacement	2,806,795	7,954,400	686,800	10,074,395	4,992,000	11,930,200	3,136,195
Special Debt Service / Fiduciary Funds							
Ag & WdInd PrsrvtN Sinking Fund	5,224,690	15,000	890,600	4,349,090	776,000	860,000	4,265,090
Special Revenue Funds							
Parking Garage Spec Rev Fund	0	382,500	449,800	(67,300)	459,700	459,700	(67,300)
Developer Street Light Fund	1,204,059	1,000,000	1,000,000	1,204,059	1,000,000	1,000,000	1,204,059
Forfeit & Asset Seizure Fnd	535,548	400,000	402,400	533,148	375,000	313,200	594,948
Conference & Visitors Fund	0	0	0	0	0	0	0
Economic Development Fund	0	0	0	0	0	0	0
Incentive Loan Program Fund	300	0	0	300	0	0	300
Piney Orchard WWS Fund	0	900,000	900,000	0	1,000,000	1,000,000	0
Partnership Children Yth & Fam	419,665	2,929,600	2,929,600	419,665	3,100,200	3,100,200	419,665
Laurel Race Track Comm Ben	1,388,635	350,000	350,000	1,388,635	380,000	380,000	1,388,635
Inmate Benefit Fund	910,707	1,270,000	1,480,000	700,707	1,314,000	1,718,000	296,707
Reforestation Fund	8,386,302	1,200,000	1,860,400	7,725,902	1,200,000	3,604,900	5,321,002
AA Workforce Dev Corp Fund	0	878,000	878,000	0	1,670,000	1,670,000	0
Community Development Fund	0	7,022,800	7,022,800	0	13,883,000	13,883,000	0
Circuit Court Special Fund	77,093	154,800	168,500	63,393	181,000	251,000	(6,607)
Grants Fund	N.A.	31,680,500	31,317,800	N.A.	38,174,300	38,374,300	N.A.

Summary of Changes in Budgetary Fund Balance

	Fund Balance as of 6/30/08	FY2009 Estimate		Fund Balance as of 6/30/09	FY2010 Approved		Fund Balance as of 6/30/10
		Revenues	Expenditures		Revenues	Expenditures	
Tax Increment Financing and Special Tax District Funds							
Tax Increment Financing Districts	476,018	21,795,000	21,795,000	476,018	24,481,000	24,481,000	476,018
Special Tax Districts	N.A.	1,851,300	1,851,300	N.A.	1,810,400	1,810,400	N.A.
Special Community Benefit/Waterway Improvement/Erosion Control Districts							
aggregate	229,100	5,683,000	9,490,300	4,036,400	5,832,200	9,868,600	0
Component Units*							
Board of Education (BOE)	N.A.	937,436,800	937,436,800	N.A.	936,277,500	936,277,500	N.A.
Community College (AACC)	N.A.	131,421,900	131,421,900	N.A.	134,684,300	134,684,300	N.A.
Public Libraries (AACPL)	N.A.	16,970,300	16,970,300	N.A.	15,889,300	15,889,300	N.A.
Totals		2,598,355,300	2,654,264,600		2,656,499,200	2,700,905,700	
		(see p. 29)	(see pp. 26 & 29)		(see p. 29)	(see pp. 26 & 29)	

The FY2009 Expenditure "Estimate" is as of the time of the Proposed Budget, consistent with the revenue estimate at that same time. The FY2009 "Adjusted" Expenditure shown elsewhere in this document memorializes the final budget approved by the County Council, represents the legal spending limit. For this presentation, the "Estimate" for FY2009 is used.

Per the County Charter, the FY2010 General Fund budget must appropriate all revenues and estimated fund balance, including an appropriation of a contingency reserve not to exceed 3% of the General Fund. This explains why the estimated fund balance as of 6/30/10 is zero. It is estimated that \$16.75 million of the Revenue Reserve Fund will need to be used to cover the remaining deficit incurred in FY2009. No replenishment of this reserve fund is proposed in FY2010.

In the Utility Operating Fund, the reduction in budgetary fund balance is mitigated by a 5% rate increase effective January 1, 2010. The estimated fund balance as of 6/30/10 exceeds a two-months operating expense target.

The FY2010 Budget fully funds the actuarially determined Self Insurance Fund reserves. The negative budgetary fund balance shown at the end of FY2010 is primarily the result of a \$1.5 million draw-down in FY2009 of what was then

reported as available fund balance. Following the actuarial valuation of claims in October of 2009, a corrective budgetary correction may be recommended.

The Central Garage Operations Fund is managed with the goal of maintaining no budgetary fund balance. Therefore, the projected fund balance as of 6/30/09 is drawn-down in the FY2010 budget by a \$1.7 million inter-fund transfer returning contributions made in previous years to the General Fund. The remaining fund balance provides a reserve for fuel cost increases.

The Central Garage Replacement Fund, on the other hand, is expected to regularly maintain a fund balance to accommodate the planned replacement of vehicles in the future. However, as a result of the freeze on General Fund equipment replacements instituted during FY2009, a substantial portion of this fund balance is also being returned to the General Fund. The remaining fund balance, combined with annual lease replacement contributions, is sufficient to fund future replacement cycles.

The Reforestation Fund balance is higher than desired, and staff continue to explore ways in which to utilize this fund balance in a manner consistent with the goals and requirements of the program. The Tax Increment/Special Tax Funds are managed with a goal of maintaining no budgetary fund balance.

* Fund Balance use (contribution) for Component Units (BOE, AACC, and AACPL) is shown as "revenue."

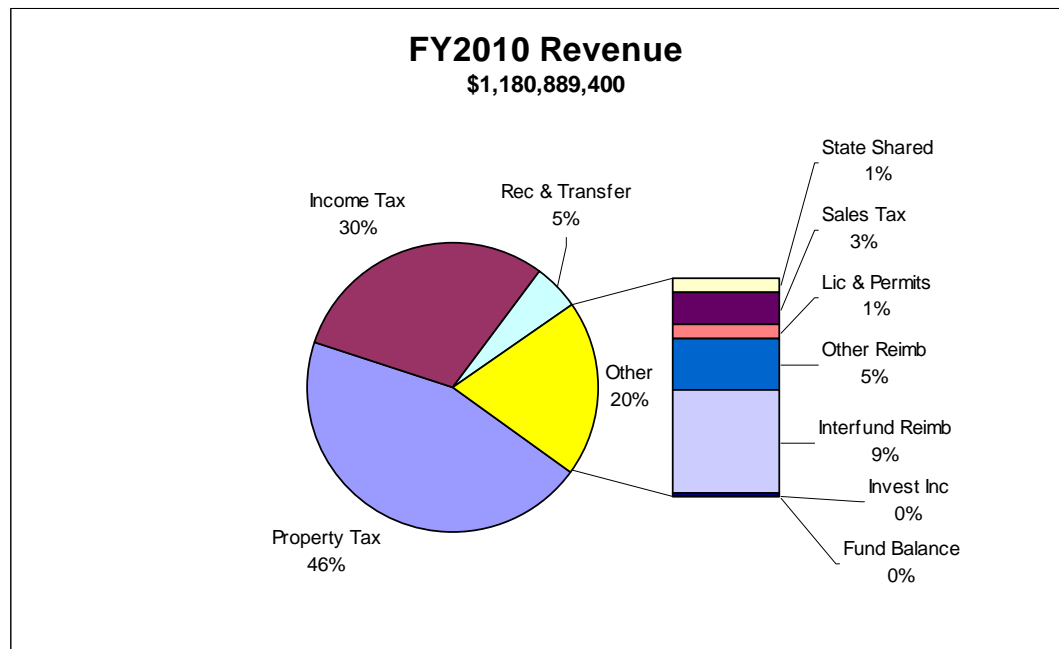
Comparative Summary of Revenues and Expenditures

Type/Object	FY2008 Actual	FY2009 Original	FY2009 Rev/Est	FY2010 Est/Apprvd	Inc (Dec) from Orig.
Revenue					
General Fund	1,160,688,922	1,173,630,400	1,137,113,900	1,180,889,400	7,259,000
Revenue Reserve Fund	2,365,578	1,554,500	1,554,500	491,200	(1,063,300)
Other Funds	334,684,084	375,473,400	368,174,900	382,435,300	6,961,900
BOE - County Contribution	546,699,984	584,642,800	584,777,100	592,879,500	8,236,700
BOE - Grants & Local Sources	307,660,710	324,659,900	329,109,700	318,908,000	(5,751,900)
BOE - Food Services	20,904,350	22,000,000	23,550,000	24,490,000	2,490,000
AACC - County Contribution	36,049,900	37,849,900	37,849,900	37,978,700	128,800
AACC - Grants & Local Sources	56,641,486	62,928,300	62,928,300	64,609,300	1,681,000
AACC - Auxiliary & Other	26,938,718	30,643,700	30,643,700	32,096,300	1,452,600
Library - County Contribution	13,948,600	14,021,000	13,996,000	12,621,000	(1,400,000)
Library - Grants & Local Sources	2,331,240	3,001,300	2,974,300	3,268,300	267,000
Special Benefit Districts	5,361,674	5,683,000	5,683,000	5,832,200	149,200
Total Revenues	2,514,275,246	2,636,088,200	2,598,355,300 (see p. 28)	2,656,499,200 (see p. 28)	20,411,000
Expenditures					
Personal Services	440,461,395	486,700,200	461,242,200	488,238,800	1,538,600
Contractual Services	169,424,104	175,316,800	171,233,900	172,108,300	(3,208,500)
Supplies & Materials	30,248,694	32,421,900	31,002,000	31,526,000	(895,900)
Business & Travel	2,145,847	3,078,000	2,289,000	2,492,900	(585,100)
Capital Outlay	15,899,075	14,159,800	6,056,500	14,345,600	185,800
Debt Service	117,721,110	125,413,000	124,323,200	129,511,800	4,098,800
Grants, Contrib. & Other	731,747,860	757,348,100	746,048,500	765,962,600	8,614,500
BOE Categories	875,265,044	931,302,700	937,436,800	936,277,500	4,974,800
AACC Categories	119,630,104	131,421,900	131,421,900	134,684,300	3,262,400
AACPL Categories	16,279,840	17,022,300	16,970,300	15,889,300	(1,133,000)
Revenue Reserve Fund	0	0	16,750,000	0	0
Special Benefit Districts	5,125,422	9,490,300	9,490,300	9,868,600	378,300
Total Expenditures	2,523,948,495	2,683,675,000	2,654,264,600 (see pp. 26 & 29)	2,700,905,700 (see pp. 26 & 29)	17,230,700
Net use of (contribution to)					
Budgetary Fund balance:	9,673,249	47,586,800	55,909,300	44,406,500	
<i>General Fund</i>	49,393,574	54,447,182	71,197,182	0	
<i>All Others*</i>	(39,720,325)	(6,860,382)	(15,287,882)	44,406,500	
<i>Net Use of Fund Balance</i>	9,673,249	47,586,800	55,909,300	44,406,500	

* Fund Balance use (contribution) for Component Units (BOE, AACC, and AACPL) is shown as "revenue."

Comparative Statement of Revenues

Funding Source	FY2008 Actual	FY2009 Original	FY2009 Revised	FY2010 Estimate	Inc (Dec) from Orig.
Property Taxes	482,514,483	516,584,000	520,783,000	531,002,000	14,418,000
Local Income Tax	371,369,460	389,000,000	376,101,000	356,850,000	(32,150,000)
State Shared Revenues	36,417,731	36,324,000	33,732,000	17,119,000	(19,205,000)
Grants and Aid - State/Federal	45,647,817	0	0	0	0
Recordation and Transfer Taxes	82,775,541	83,000,000	55,000,000	60,000,000	(23,000,000)
Local Sales Taxes	35,473,439	35,463,000	33,841,000	33,328,000	(2,135,000)
Licenses and Permits	17,178,944	17,964,300	15,066,200	15,549,600	(2,414,700)
Investment Income	9,950,400	8,133,000	3,975,000	3,891,000	(4,242,000)
Other Reimbursements	37,495,691	50,458,100	45,458,700	54,843,800	4,385,700
Interfund Reimbursements	41,865,417	36,704,000	36,407,000	108,306,000	71,602,000
Total County Revenue	1,160,688,922	1,173,630,400	1,120,363,900	1,180,889,400	7,259,000
Fund Balance (Appropriated)	0	42,667,200	42,667,200	0	(42,667,200)
Total	1,160,688,922	1,216,297,600	1,163,031,100	1,180,889,400	(35,408,200)



Comparative Statement of Expenditures

Department/Agency	FY2008 Actual	FY2009 Approved	FY2009 Adjusted	FY2010 Approved	Inc (Dec) from Approved	
					\$	%
Legislative Branch						
Legislative Branch	3,199,955	3,641,400	3,641,400	3,664,400	23,000	0.6%
Executive Branch						
County Executive	3,720,705	5,329,700	5,329,700	6,046,900	717,200	13.5%
Law	3,365,457	3,531,800	3,531,800	3,537,900	6,100	0.2%
Administrative Hearings	286,814	285,800	305,800	258,200	(27,600)	-9.7%
Administrative Core Group						
Chief Administrative Officer	3,596,789	10,836,800	10,655,500	23,992,700	13,155,900	121.4%
Central Services	21,393,933	21,132,600	20,387,600	19,749,200	(1,383,400)	-6.5%
Finance	6,416,762	7,145,000	7,145,000	7,151,700	6,700	0.1%
Finance (Non-Departmental)	142,434,563	114,880,500	114,880,500	70,118,000	(44,762,500)	-39.0%
Budget	1,062,593	909,400	909,400	874,200	(35,200)	-3.9%
Personnel	5,568,827	6,235,800	6,235,800	5,820,300	(415,500)	-6.7%
Information Technology	15,641,729	15,870,600	15,870,600	14,917,300	(953,300)	-6.0%
Board of Education	546,699,984	584,642,800	584,777,100	592,879,500	8,236,700	1.4%
Community College	35,941,680	37,849,900	37,849,900	37,978,700	128,800	0.3%
Libraries	13,948,600	14,021,000	14,021,000	12,621,000	(1,400,000)	-10.0%
Land Use and Environment Core Group						
Planning and Zoning	8,105,323	8,188,500	8,188,500	8,266,200	77,700	0.9%
Inspections and Permits	11,685,872	12,331,900	12,331,900	11,505,300	(826,600)	-6.7%
Public Works	36,975,443	37,264,900	37,264,900	34,984,200	(2,280,700)	-6.1%
Human Services Core Group						
Aging	12,518,022	8,544,700	8,544,700	8,712,200	167,500	2.0%
Recreation and Parks	24,479,443	25,228,700	25,228,700	24,321,400	(907,300)	-3.6%
Health	46,934,889	30,688,300	30,688,300	29,699,400	(988,900)	-3.2%
Social Services	5,627,769	5,324,900	5,324,900	5,047,500	(277,400)	-5.2%
Public Safety Core Group						
Police	92,582,914	100,635,400	100,635,400	101,197,300	561,900	0.6%
Fire	93,056,477	97,089,300	97,089,300	92,401,700	(4,687,600)	-4.8%
Detention Facilities	37,122,678	40,499,600	40,899,600	41,073,400	573,800	1.4%
State Agencies						
Circuit Court	5,896,995	4,480,400	4,580,400	4,555,800	75,400	1.7%
Orphans' Court	125,653	133,400	133,400	130,600	(2,800)	-2.1%
State's Attorney	8,420,265	8,534,900	8,534,900	8,856,800	321,900	3.8%
Sheriff	7,222,363	7,010,500	7,235,500	7,384,200	373,700	5.3%
License Commissioners	643,827	624,200	671,200	637,400	13,200	2.1%
Supervisors of Elections	2,788,384	2,976,300	2,976,300	2,102,700	(873,600)	-29.4%
Cooperative Extension Service	161,319	242,700	242,700	223,800	(18,900)	-7.8%
Other						
Ethics Commission	159,218	185,900	185,900	179,500	(6,400)	-3.4%
	<u>1,197,785,245</u>	<u>1,216,297,600</u>	<u>1,216,297,600</u>	<u>1,180,889,400</u>	<u>(35,408,200)</u>	<u>-2.9%</u>

Comparative Statement of Revenues

	FY2008 Actual	FY2009 Original	FY2009 Revised	FY2010 Estimate	Inc (Dec) from Orig.
Enterprise Funds					
Water & Wstwtr Operating	77,859,070	83,702,400	83,430,600	87,576,300	3,873,900
Water & Wstwtr Sinking Fund	44,449,945	41,297,700	33,493,200	37,411,400	(3,886,300)
Maryland City AMT Fund	375,189	1,676,500	1,676,500	0	(1,676,500)
Waste Collection Fund	48,271,177	47,909,900	44,942,000	46,480,900	(1,429,000)
Solid Waste Assurance Fund	1,447,225	565,400	565,400	673,400	108,000
Rec & Parks Child Care Fund	3,089,088	3,877,200	3,864,300	4,259,300	382,100
Internal Service Funds					
Self Insurance Fund	18,438,291	16,576,100	16,576,100	19,045,400	2,469,300
Health Insurance Fund	79,235,908	80,722,100	89,800,000	78,477,300	(2,244,800)
Garage Working Capital Fund	14,622,340	14,090,600	14,042,900	13,714,700	(375,900)
Garage Vehicle Replacement	7,856,810	8,083,000	7,954,400	4,992,000	(3,091,000)
Fiduciary & Special Debt Service Funds					
Ag & Wldnd Prsrvtn Sinking	613,647	50,000	15,000	776,000	726,000
Special Revenue Funds					
Parking Garage Spec Rev Fund	420,771	565,200	382,500	459,700	(105,500)
Developer Street Light Fund	427,773	1,000,000	1,000,000	1,000,000	0
Forfeit & Asset Seizure Fnd	302,629	400,000	400,000	375,000	(25,000)
Conference & Visitors Fund	953,426	0	0	0	0
Economic Development Fund	953,426	0	0	0	0
Incentive Loan Program Fund	13	0	0	0	0
Piney Orchard WWS Fund	754,508	1,000,000	900,000	1,000,000	0
Partnership Children Yt	2,427,852	3,120,800	2,929,600	3,100,200	(20,600)
Laurel Race Track Comm Ben	449,584	350,000	350,000	380,000	30,000
Inmate Benefit Fund	1,198,914	1,270,000	1,270,000	1,314,000	44,000
Reforestation Fund	1,778,287	1,200,000	1,200,000	1,200,000	0
AA Workforce Dev Corp Fund	984,004	950,000	878,000	1,670,000	720,000
Community Development Fund	7,832,733	7,022,800	7,022,800	13,883,000	6,860,200
Circuit Court Special Fund	160,616	154,800	154,800	181,000	26,200
Grants Fund	0	35,762,200	31,680,500	38,174,300	2,412,100
Tax Increment Financing and Special Tax District Funds					
Tax Increment Financing Districts	18,099,669	22,258,000	21,795,000	24,481,000	2,223,000
Special Tax Districts	1,681,189	1,868,700	1,851,300	1,810,400	(58,300)
	334,684,084	375,473,400	368,174,900	382,435,300	6,961,900

Comparative Statement of Expenditures

	FY2008 Actual	FY2009 Original	FY2009 Adjusted	FY2010 Approved	Inc (Dec) from Orig.
Enterprise Funds					
Water & Wstwtr Operating	82,234,438	89,280,000	89,280,000	88,465,600	(814,400)
Water & Wstwtr Sinking Fund	31,018,131	34,459,300	34,459,300	36,399,900	1,940,600
Maryland City AMT Fund	1,789,728	1,809,700	1,809,700	0	(1,809,700)
Waste Collection Fund	47,311,355	49,857,800	49,857,800	51,739,100	1,881,300
Solid Waste Assurance Fund	0	0	0	0	0
Rec & Parks Child Care Fund	3,283,013	4,186,600	4,186,600	4,367,200	180,600
Internal Service Funds					
Self Insurance Fund	16,772,226	18,097,100	18,097,100	19,031,600	934,500
Health Insurance Fund	66,069,140	80,722,100	80,722,100	103,518,700	22,796,600
Garage Working Capital Fund	13,902,691	14,042,400	14,042,400	14,938,600	896,200
Garage Vehicle Replacement	8,471,836	6,275,900	6,275,900	11,930,200	5,654,300
Fiduciary & Special Debt Service Funds					
Ag & Wldnd Prsrvtn Sinking	1,527,282	985,000	985,000	860,000	(125,000)
Special Revenue Funds					
Parking Garage Spec Rev Fund	423,617	438,700	438,700	459,700	21,000
Developer Street Light Fund	970,311	1,000,000	1,000,000	1,000,000	0
Forfeit & Asset Seizure Fnd	375,249	402,400	402,400	313,200	(89,200)
Conference & Visitors Fund	980,000	0	0	0	0
Economic Development Fund	980,000	0	0	0	0
Incentive Loan Program Fund	0	0	0	0	0
Piney Orchard WWS Fund	754,508	1,000,000	1,000,000	1,000,000	0
Partnership Children Yt	2,616,417	3,120,800	3,120,800	3,100,200	(20,600)
Laurel Race Track Comm Ben	393,000	350,000	350,000	380,000	30,000
Inmate Benefit Fund	1,177,697	1,585,000	1,585,000	1,718,000	133,000
Reforestation Fund	1,267,678	2,510,900	2,510,900	3,604,900	1,094,000
AA Workforce Dev Corp Fund	984,004	950,000	950,000	1,670,000	720,000
Community Development Fund	6,836,009	7,022,800	7,022,800	13,883,000	6,860,200
Circuit Court Special Fund	83,523	154,800	229,800	251,000	96,200
Grants Fund	0	35,762,200	39,150,100	38,374,300	2,612,100
Tax Increment Financing and Special Tax District Funds					
Tax Increment Financing Districts	18,046,174	22,258,000	23,073,800	24,481,000	2,223,000
Special Tax Districts	1,594,815	1,868,700	1,868,700	1,810,400	(58,300)
	309,862,840	378,140,200	382,418,900	423,296,600	45,156,400

APPROPRIATION AND REVENUE SUMMARY

District	Original FY2009 Appropriation	Assessable Base, Lots/Tax Accts.	Tax Rate	Tax Amount FY2010	County Funds Aval	FY2010 Funds	Fund Balance	Appropriation FY2010
SPECIAL COMMUNITY BENEFIT DISTRICTS								
Amberley	37,615	182 t.a.	0.00	0	0	0	45,680	45,680
Annapolis Roads	484,528	121,700,000	0.273	332,241	22,300	354,541	242,960	597,501
Arundel on the Bay	153,085	131,200,000	0.10	131,200	8,000	139,200	56,178	195,378
Avalon Shores	34,097	587 t.a.	50.94	29,902	0	29,902	11,361	41,263
Bay Highlands	173,400	31,800,000	0.20	63,600	4,400	68,000	95,000	163,000
Bay Ridge	215,801	467 t.a.	472.71	220,756	14,000	234,756	0	234,756
Beverly Beach	29,440	372 t.a.	82.50	30,690	0	30,690	0	30,690
Bittersweet	10,216	11 t.a.	800.00	8,800	0	8,800	2,175	10,975
Cape Anne	25,186	152 t.a.	50.00	7,600	0	7,600	16,754	24,354
Capetowne	0	98 t.a.	469.34	45,995	0	45,995	0	45,995
Cape St. Claire	282,030	2,297 t.a.	89.00	204,433	0	204,433	68,771	273,204
Carrollton Manor	80,446	533 t.a.	150.00	79,950	900	80,850	11,447	92,297
Cedarhurst on the Bay	128,830	67,100,000	0.19	127,490	8,200	135,690	3,000	138,690
Chartwell	85,000	671 t.a.	66.00	44,286	100	44,386	41,134	85,520
Columbia Beach	66,831	56,400,000	0.0558	31,447	3,400	34,847	32,305	67,152
Crofton	1,219,511	754,100,000	0.09	678,690	29,000	707,690	541,618	1,249,308
Deale Beach	6,120	184	34.00	6,256	0	6,256	152	6,408
Eden Wood	9,148	12 t.a.	400.00	4,800	0	4,800	5,984	10,784
Epping Forest	597,547	100,600,000	0.24	241,440	17,400	258,840	404,792	663,632
Fairhaven Cliffs	7,998	29 t.a.	125.00	3,625	6,499	10,124	0	10,124
Felicity Cove	50,000	34 t.a.	727.56	24,737	0	24,737	9,500	34,237
Franklin Manor	98,977	125,100,000	0.04	50,040	8,200	58,240	42,594	100,834
Gibson Island	318,819	280,200,000	0.10	280,200	23,900	304,100	66,920	371,020
Greenbriar Gardens	9,730	48 t.a.	189.47	9,095	0	9,095	10,162	19,257
Greenbriar II	21,000	35 t.a.	600.00	21,000	0	21,000	0	21,000
Heritage	40,684	102 lots	380.00	38,760	300	39,060	10,292	49,352
Hillsmere	231,869	1,227 lots	120.09	147,349	2,600	149,949	71,715	221,664
Hunters Harbor	29,283	108 t.a.	150.00	16,200	100	16,300	9,950	26,250
Idlewilde	0	115 t.a.	85.00	9,775	0	9,775	170	9,945
Indian Hills	119,950	44,100,000	0.21	90,815	4,000	94,815	25,673	120,488
Landhaven	8,951	60 t.a.	48.48	2,909	0	2,909	7,825	10,734
Little Magothy River	59,750	101 t.a.	350.00	35,350	0	35,350	59,783	95,133
Long Point on the Severn	14,071	53 t.a.	250.00	13,250	0	13,250	1,032	14,282
Magothy Beach	4,443	160 t.a.	25.00	4,000	100	4,100	585	4,685
Magothy Forge	3,799	146 t.a.	35.70	5,212	0	5,212	0	5,212
Manhattan Beach	23,116	599 t.a.	100.00	59,900	100	60,000	1,380	61,380
North Beach Park	18,183	89,300,000	0.0016	1,443	1,600	3,043	17,891	20,934
Owings Beach	52,398	19,200,000	0.055	10,526	2,000	12,526	32,964	45,490
Oyster Harbor	1,074,920	102,100,000	0.32	326,720	25,700	352,420	537,487	889,907
Parke West	69,993	421 t.a.	105.00	44,205	0	44,205	27,813	72,018
Pine Grove Village	27,381	138 t.a.	80.00	11,040	0	11,040	9,754	20,794
Pines on the Severn	35,569	236 t.a.	178.71	42,175	0	42,175	8,479	50,654
Provinces	25,309	881 t.a.	12.00	10,572	0	10,572	17,130	27,702
Queens Park	41,272	447 t.a.	33.03	14,763	0	14,763	6,000	20,763
Rockview Beach/Riviera Is	4,784	230 t.a.	21.25	4,887	0	4,887	2,655	7,542
Selby on the Bay	185,133	866 t.a.	90.00	77,940	3,400	81,340	64,976	146,316
Severndale	25,987	131 lots	34.62	4,535	0	4,535	25,042	29,577

APPROPRIATION AND REVENUE SUMMARY

District	Original FY2009 Appropriation	Assessable Base, Lots/Tax Accts.	Tax Rate	Tax Amount FY2010	County Funds Aval	FY2010 Funds	Fund Balance	Appropriation FY2010
Sherwood Forest	998,789	341 lots	2929.00	998,789	0	998,789	0	998,789
Shoreham Beach	27,706	140 t.a.	192.00	26,880	0	26,880	982	27,862
Snug Harbor	82,126	96 t.a.	123.28	11,835	0	11,835	71,888	83,723
South River Heights	8,684	85 t.a.	105.88	9,000	100	9,100	3,579	12,679
South River Manor	10,283	30 t.a.	150.00	4,500	0	4,500	9,275	13,775
South River Park	35,467	111 t.a.	300.00	33,300	0	33,300	6,641	39,941
Steedman Point	33,387	15 t.a.	250.00	3,750	0	3,750	33,200	36,950
Stone Haven	2,400	114 t.a.	6.35	724	0	724	1,676	2,400
Sylvan View on the Magott	17,613	142 t.a.	85.42	12,130	0	12,130	16,976	29,106
Upper Magothy Beach	14,750	296 t.a.	50.00	14,800	0	14,800	9,027	23,827
Venice Beach	101,874	18,200,000	0.14	25,480	6,500	31,980	51,918	83,898
Venice on the Bay	15,114	203 t.a.	30.00	6,090	0	6,090	7,847	13,937
Warthen Knolls	25,391	11	2812.11	30,933	0	30,933	1,870	32,803
Wilelinor	35,921	57 t.a.	400.00	22,800	0	22,800	29,862	52,662
Woodland Beach	398,150	6240 lots	50.00	312,000	3,000	315,000	85,000	400,000
Woodland Bch, Pasadena	24,663	21 t.a.	300.00	6,300	1000	7,300	17,000	24,300
Totals	8,074,519			5,169,909	196,799	5,366,708	2,993,824	8,360,532
SHORE EROSION CONTROL DISTRICTS								
Annapolis Cove	5,460	211 lots	26.00	5,486			400	5,886
Annapolis Landing	8,317	249 t.a.	33.00	8,217			200	8,417
Arundel on the Bay	35,500	128,700,000	0.025	32,800			3,400	36,200
Bay Ridge	461,822	298,500,000	varies	127,897			73,935	201,832
Cape Anne	34,086	30,700,000	0.0329	10,113			9,300	19,413
Cedarhurst on the Bay	60,960	65,700,000	0.08	52,560			12,700	65,260
Columbia Beach	180,100	56,400,000	0.0745	42,000			178,000	220,000
Elizabeths Landing	22,701	101,100,000	0.0163	16,424			6,300	22,724
Franklin Manor	148,460	125,100,000	0.04	50,040			163,931	213,971
Idlewilde	15,000	30,900,000	0.00	0			15,000	15,000
Mason's Beach	47,200	16,500,000	0.24	39,600			110,800	150,400
North Beach Park	70,128	87,600,000	0.048	42,048			147,178	189,226
Pine Grove Village	2,645	138 t.a.	19.17	2,645			0	2,645
Riviera Beach	112,560	227,600,000	0.04	91,040			66,700	157,740
Snug Harbor	11,568	96 t.a.	46.36	4,451			1,700	6,151
Totals	1,216,507			525,321			789,544	1,314,865
WATERWAY IMPROVEMENT DISTRICTS								
Amberley	5,789	182 t.a. varies		5,789			0	5,789
Browns Pond	35,079	10 shrs	1,047.84	10,478			24,900	35,378
Buckingham Cove	9,225	15 t.a.	505.50	7,582			1,500	9,082
Cattail Creek	5,400	Varies cu.y	1.19	5,400			0	5,400
Johns Creek	7,650	9 t.a.	850.00	7,650			1,400	9,050
Lake Hillsmere II	8,450	14 t.a.	575.00	8,050			0	8,050
Romar Estates	12,975	25 t.a.	515.00	12,875			100	12,975
Snug Harbor	77,800	44 t.a.	1,300.00	57,200			21,000	78,200
Spriggs Pond	19,296	33 t.a.	450.00	14,850			6,618	21,468
Whitehall	8,188	13.5 shrs	525.00	7,088			300	7,388
Totals	189,852			136,962			55,818	192,780

Position Summary

FY2010 Approved Budget

	FY2008 Approved	FY2009 Request	FY2009 Approved	FY2009 Adjusted	FY2010 Approved	Variance
General Fund						
Legislative Branch	40	40	40	40	39	-1
County Executive	20	20	20	20	19	-1
Law	33	33	33	33	32	-1
Administrative Hearings	2	2	2	2	2	0
Chief Administrative Officer	5	5	5	5	4	-1
Central Services	131	130	130	130	129	-1
Finance	81	79	79	79	75	-4
Budget	8	7	7	7	6	-1
Personnel	44	44	44	44	43	-1
Information Technology	86	84	84	84	84	0
Planning and Zoning	85	83	83	83	78	-5
Inspections and Permits	151	150	150	150	139	-11
Public Works	308	309	309	309	289	-20
Aging and Disabilities	89	81	81	81	80	-1
Recreation and Parks	113	112	112	112	104	-8
Health	76	83	83	83	83	0
Social Services	13	13	13	13	13	0
Police	933	938	938	938	894	-44
Fire	860	861	861	861	859	-2
Detention Facilities	415	412	412	412	408	-4
Orphans Court	3	3	3	3	3	0
Sheriff	101	101	101	101	99	-2
License Commissioners	27	27	27	27	27	0
Supervisors of Elections	4	4	4	4	4	0
Ethics Commission	2	2	2	2	2	0
General Fund	3,630	3,623	3,623	3,623	3,515	-108

Position Summary

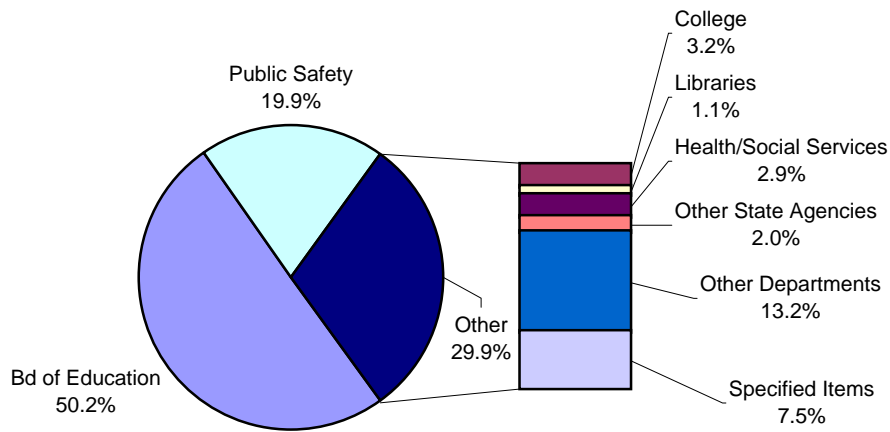
FY2010 Approved Budget

	FY2008 Approved	FY2009 Request	FY2009 Approved	FY2009 Adjusted	FY2010 Approved	Variance
General Fund	3,630	3,623	3,623	3,623	3,515	-108
Rec & Parks Child Care Fund	8	9	9	9	9	0
Water & Wstwtr Operating Fund	348	351	351	350	350	0
Waste Collection Fund	85	85	85	85	87	2
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	4	1
County Total	4,156	4,153	4,153	4,152	4,047	-105

Budget Highlights
Operating Budget

FY2010 Approved Budget

FY2010 Approved General Fund Appropriations
\$1,180,889,400



Category (% of whole)	FY2009 Approved	FY2010 Approved	Inc (Dec)
Bd of Education (50.2%)	584,642,800	592,879,500	1.4%
College (3.2%)	37,849,900	37,978,700	0.3%
Libraries (1.1%)	14,021,000	12,621,000	-10.0%
Public Safety (19.9%)	238,224,300	234,672,400	-1.5%
Health/Social Services (2.9%)	36,013,200	34,746,900	-3.5%
Other State Agencies (2.0%)	24,002,400	23,891,300	-0.5%
Other Departments (13.2%)	161,479,000	155,539,300	-3.7%
Specified Items (7.5%)	120,065,000	88,560,300	-26.2%
Total (100%)	1,216,297,600	1,180,889,400	-2.9%

Other Departments

Public Works (3.0%)	37,264,900	34,984,200	-6.1%
Planning & Zoning / Insp & Permits (1.7%)	20,520,400	19,771,500	-3.6%
Recreation & Parks (2.1%)	25,228,700	24,321,400	-3.6%
Central Services (1.7%)	21,132,600	19,749,200	-6.5%
Office of Information Technology (1.3%)	15,870,600	14,917,300	-6.0%
Other (3.5%)	41,461,800	41,795,700	0.8%
Sub-Total (13.2%)	161,479,000	155,539,300	-3.7%

Specified Items

CAO Contingency (1.7%)	6,900,000	20,639,300	199.1%
PayGo (0.0%)	32,913,000	0	-100.0%
Debt Service (3.6%)	43,382,000	42,084,000	-3.0%
Self Insurance (1.0%)	9,170,000	11,337,000	23.6%
Retiree Health (1.2%)	12,700,000	14,500,000	14.2%
OPEB Contribution (0.0%)	15,000,000	0	-100.0%
Sub-Total (7.5%)	120,065,000	88,560,300	-26.2%

Budget Highlights Operating Budget

FY2010 Approved Budget

Board of Education (BOE) Funding Trends

The Board of Education funding shown on the previous page does not include direct support to the Board of Education provided by County Departments as well as through the Capital budget. The share of the County budget supporting the Board of Education has been consistently at 50%.

Board of Education			
<i>Share of General Fund Operating Budget (excluding PayGo, Reserves, and Golf Courses)</i>			
	<i>(in millions)</i>		
	FY2008	FY2009	FY2010
General County Contribution	\$544.7	\$584.6	\$592.9
Textbooks	\$13.0	\$3.4	\$4.0
Charter Schools / other (in CAO)	\$2.3	0.0	0.0
Health Department	\$11.8	\$11.9	\$11.7
Police Department	\$3.2	\$3.7	\$4.4
Total County Support	\$575.0	\$603.6	\$613.0
FY2010 Textbooks funded by Capital Budget Fund Balance			\$4.0
Total General Fund Support	\$575.0	\$603.6	\$609.0
Total General Fund Budget	\$1,155.4	\$1,200.3	\$1,211.8
% Share of Budget	49.77%	50.29%	50.26%

In recent years, as well as over the past decade, the growth in County funding has significantly out-stripped the growth in school enrollment.

Anne Arundel County Public School Funding and Enrollment				
FY2008 to FY2010 and FY2000 to FY2010				
	Total County Funds	Debt Service	County Contribution	Enrollment Sept. 30th
FY2008-FY2010 % change	8%	19%	8%	1%
FY2010 Approved	592,879,500	38,853,000	554,026,500	73,653
FY2008 Adj Budget	546,974,900	32,627,500	514,347,400	73,066
Change	45,904,600	6,225,500	39,679,100	587
FY2000-FY2010 % change	77%	102%	75%	-1%
FY2010 Approved	592,879,500	38,853,000	554,026,500	73,653
FY2000 Adj Budget	335,300,000	19,215,000	316,085,000	74,097
Change	257,579,500	19,638,000	237,941,500	-444

State Funding Trends

Over the past three fiscal years unrestricted State aid to the Board of Education and Community College has increased significantly while County government has seen a dramatic decline.

State Aid to Anne Arundel County General Fund				
<i>Excludes Restricted "Grants" Passed through the Grants Fund</i>				
Revenue Sub-Item Title	Actual	Original	Change from FY07	
	FY07	FY10	Amount	Percent
Highway User Revenue	29,933,996	9,224,000	(20,709,996)	-69.2%
Prison Reimbursement	3,956,424	0	(3,956,424)	-100.0%
Fire State Aid (508 money)	1,920,558	800,000	(1,120,558)	-58.3%
911 Trust Fund Reimbursement	4,276,668	4,500,000	223,332	5.2%
Police State Aid	5,831,170	5,500,000	(331,170)	-5.7%
Core Public Health Grant	5,747,612	5,247,300	(500,312)	-8.7%
County General Fund	51,666,428	25,271,300	(26,395,128)	-51.1%
County Public Schools	232,623,009	271,365,000	38,741,991	16.7%
Community College	22,945,904	29,051,300	6,105,396	26.6%
County Public Libraries	1,843,817	1,835,300	(8,517)	-0.5%

Budget Highlights
Capital Budget and Program

FY2010 Approved Budget

<i>Project Class Summary</i>			<i>Council Approved</i>					
<i>Project Class</i>	<i>Total</i>	<i>Prior</i>	<i>FY2010</i>	<i>FY2011</i>	<i>FY2012</i>	<i>FY2013</i>	<i>FY2014</i>	<i>FY2015</i>
General County	\$219,753,313	\$142,024,313	\$2,254,000	\$15,295,000	\$15,045,000	\$15,045,000	\$15,045,000	\$15,045,000
School Off-Site	\$8,991,273	\$3,591,273	\$400,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Stormwater Runoff Controls	\$31,739,755	\$16,727,755	\$1,015,000	\$3,997,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Board of Education	1,311,706,363	\$594,198,363	120,529,000	130,071,000	121,410,000	100,215,000	128,474,000	116,809,000
Fire & Police	\$49,099,808	\$41,515,808	(\$8,592,000)	\$2,750,000	\$984,000	\$1,978,000	\$5,481,000	\$4,983,000
Roads & Bridges	\$306,124,290	\$167,135,290	\$31,119,000	\$26,673,000	\$26,596,000	\$17,953,000	\$18,748,000	\$17,900,000
Traffic Control	\$9,251,039	\$3,138,039	\$938,000	\$1,035,000	\$1,035,000	\$1,035,000	\$1,035,000	\$1,035,000
Community College	\$82,421,667	\$38,625,667	\$6,880,000	\$11,320,000	\$9,668,000	\$4,884,000	\$6,220,000	\$4,824,000
Library	\$26,748,571	\$7,948,571	\$2,050,000	\$3,350,000	\$3,350,000	\$3,350,000	\$3,350,000	\$3,350,000
Recreation & Parks	\$181,090,806	\$142,531,806	\$8,620,000	\$5,711,000	\$11,190,000	\$2,750,000	\$2,920,000	\$7,368,000
Water Quality Improvements	\$45,489,504	\$30,819,504	\$577,000	\$3,210,000	\$3,678,000	\$2,489,000	\$2,397,000	\$2,319,000
Dredging	\$31,578,562	\$26,394,562	(\$816,000)	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Special Benefit Districts	\$2,462,348	\$2,462,348	\$0	\$0	\$0	\$0	\$0	\$0
<i>Sub-Total General County</i>	1,230,645,299	1,217,113,299	164,974,000	205,612,000	197,656,000	154,399,000	188,370,000	178,333,000
Waste Management	\$71,747,255	\$28,330,255	\$4,994,000	\$1,403,000	\$18,637,000	\$2,305,000	\$14,778,000	\$1,300,000
<i>Sub-Total Solid Waste</i>	\$71,747,255	\$28,330,255	\$4,994,000	\$1,403,000	\$18,637,000	\$2,305,000	\$14,778,000	\$1,300,000
Wastewater	\$806,766,560	\$474,748,560	113,328,000	111,684,000	\$36,067,000	\$35,392,000	\$17,678,000	\$17,869,000
Water	\$543,495,450	\$266,211,950	\$48,555,000	\$59,578,500	\$66,209,000	\$62,513,000	\$20,978,000	\$19,450,000
<i>Sub-Total Utility</i>	1,350,262,010	\$740,960,510	161,883,000	171,262,500	102,276,000	\$97,905,000	\$38,656,000	\$37,319,000
<i>Grand-Total:</i>	\$3,728,466,564	\$1,986,404,064	331,851,000	378,277,500	318,569,000	254,609,000	241,804,000	216,952,000

Budget Highlights
Capital Budget and Program

FY2010 Approved Budget

<i>Funding Source Summary</i>		<i>Council Approved</i>							
<i>Project</i>	<i>Project Title</i>	<i>Total</i>	<i>Prior</i>	<i>FY2010</i>	<i>FY2011</i>	<i>FY2012</i>	<i>FY2013</i>	<i>FY2014</i>	<i>FY2015</i>
General County									
Bonds									
	General County Bonds	\$1,197,416,488	\$513,751,488	\$135,526,000	\$104,711,000	\$120,279,000	\$91,481,000	\$119,868,000	\$111,800,000
	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	\$4,640,000	\$1,524,000	\$2,052,000	\$1,064,000	\$0	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 2	\$2,400,000	\$0	\$1,000,000	\$0	\$1,400,000	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 3	\$4,327,000	\$1,953,000	\$2,374,000	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 4	\$7,777,000	\$810,000	\$6,967,000	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 5	\$1,994,000	\$900,000	\$1,094,000	\$0	\$0	\$0	\$0	\$0
	Public Safety Impact Fee Bonds	\$3,300,000	\$3,000,000	\$300,000	\$0	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 1	\$12,283,000	\$11,511,000	\$736,000	\$36,000	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 2	\$1,492,000	\$1,420,000	\$36,000	\$36,000	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 3	\$1,372,000	\$1,300,000	\$36,000	\$36,000	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 4	\$1,472,000	\$1,400,000	\$36,000	\$36,000	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 5	\$1,572,000	\$0	\$36,000	\$36,000	\$1,500,000	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 6	\$13,720,000	\$0	\$35,000	\$10,685,000	\$0	\$3,000,000	\$0	\$0
	ED Impact Fee Bonds Dist 7	\$1,350,000	\$1,280,000	\$35,000	\$35,000	\$0	\$0	\$0	\$0
	Bonds	\$1,309,252,488	\$577,986,488	\$150,263,000	\$119,675,000	\$126,179,000	\$97,481,000	\$122,868,000	\$114,800,000
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	\$366,900,878	\$270,593,878	(\$39,669,000)	\$27,890,000	\$27,024,000	\$27,018,000	\$27,021,000	\$27,023,000
	Bd of Ed PayGo	\$1,907,131	\$1,907,131	\$0	\$0	\$0	\$0	\$0	\$0
	Community College Pay Go	\$8,359,667	\$4,525,667	\$3,834,000	\$0	\$0	\$0	\$0	\$0
	PayGo	\$378,067,676	\$277,926,676	(\$35,835,000)	\$27,890,000	\$27,024,000	\$27,018,000	\$27,021,000	\$27,023,000
Impact Fees									
	Hwy Impact Fees Dist 1	\$13,035,500	\$13,062,500	(\$27,000)	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 2	\$4,723,000	\$4,494,000	\$229,000	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 3	\$6,059,750	\$6,059,750	\$0	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 4	\$13,913,000	\$14,512,900	(\$599,900)	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 5	\$4,284,000	\$4,284,100	(\$100)	\$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	\$20,963,500	\$20,963,500	\$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	\$4,291,300	\$4,291,300	\$0	\$0	\$0	\$0	\$0	\$0

Budget Highlights
Capital Budget and Program

FY2010 Approved Budget

<i>Funding Source Summary</i>			<i>Council Approved</i>						
<i>Project</i>	<i>Project Title</i>	<i>Total</i>	<i>Prior</i>	<i>FY2010</i>	<i>FY2011</i>	<i>FY2012</i>	<i>FY2013</i>	<i>FY2014</i>	<i>FY2015</i>
	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
	Ed Impact Fees Dist 6	\$6,869,000	\$6,869,000	\$0	\$0	\$0	\$0	\$0	\$0
	Ed Impact Fees Dist 7	\$2,091,500	\$2,091,500	\$0	\$0	\$0	\$0	\$0	\$0
	Public Safety Impact Fees	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0
	Impact Fees	\$85,598,650	\$84,496,650	(\$148,000)	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	Grants & Aid								
	Grants and Aid-CP Fed	\$2,646,000	\$2,646,000	\$0	\$0	\$0	\$0	\$0	\$0
	Federal Aviation Auth	\$1,033,369	\$1,033,369	\$0	\$0	\$0	\$0	\$0	\$0
	Fed Bridge Repair Prgm	\$8,231,000	\$2,484,000	\$567,000	\$4,345,000	\$835,000	\$0	\$0	\$0
	Other Fed Grants	\$25,574,158	\$18,767,158	\$6,252,000	\$555,000	\$0	\$0	\$0	\$0
	POS - Acquisition	\$26,711,995	\$23,084,995	\$1,262,000	\$473,000	\$473,000	\$473,000	\$473,000	\$473,000
	POS - Development	\$33,844,100	\$27,229,100	\$1,884,000	\$1,480,000	\$763,000	\$0	\$81,000	\$2,407,000
	MDE Erosion & Water Qlty	\$1,480,732	\$1,448,732	\$32,000	\$0	\$0	\$0	\$0	\$0
	MD Waterway Improvement	\$10,937,197	\$11,514,197	(\$577,000)	\$0	\$0	\$0	\$0	\$0
	Maryland Higher Education	\$27,080,000	\$12,265,000	\$781,000	\$4,935,000	\$3,634,000	\$1,566,000	\$2,538,000	\$1,361,000
	Inter-Agency Committee	\$301,098,431	\$118,311,431	\$27,486,000	\$41,714,000	\$31,703,000	\$23,316,000	\$30,844,000	\$27,724,000
	Other State Grants	\$37,652,089	\$19,584,089	\$3,618,000	\$2,390,000	\$4,890,000	\$2,390,000	\$2,390,000	\$2,390,000
	Grants & Aid	\$476,289,071	\$238,368,071	\$41,305,000	\$55,892,000	\$42,298,000	\$27,745,000	\$36,326,000	\$34,355,000
	Other								
	Developer Contribution	\$12,825,266	\$6,204,266	\$6,496,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
	Other Funding Sources	\$8,625,868	\$6,512,868	\$1,113,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
	Forfeiture	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Insurance Recoveries	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
	Miscellaneous	\$100,000	\$0	\$100,000	\$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	\$15,120,000	\$5,040,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000
	Other BOE Agreements	\$3,000,000	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0
	School Waiver Fees	\$387,000	\$387,000	\$0	\$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	\$728	\$728	\$0	\$0	\$0	\$0	\$0	\$0
	Other	\$57,249,414	\$38,335,414	\$9,389,000	\$1,905,000	\$1,905,000	\$1,905,000	\$1,905,000	\$1,905,000
	General County	\$2,306,457,299	\$1,217,113,299	\$164,974,000	\$205,612,000	\$197,656,000	\$154,399,000	\$188,370,000	\$178,333,000

Budget Highlights
Capital Budget and Program

FY2010 Approved Budget

<i>Funding Source Summary</i>		<i>Council Approved</i>							
<i>Project</i>	<i>Project Title</i>	<i>Total</i>	<i>Prior</i>	<i>FY2010</i>	<i>FY2011</i>	<i>FY2012</i>	<i>FY2013</i>	<i>FY2014</i>	<i>FY2015</i>
Solid Waste									
Bonds									
	Solid Waste Bonds	\$61,701,000	\$21,630,000	\$4,701,000	\$903,000	\$18,137,000	\$1,252,000	\$14,278,000	\$800,000
	Bonds	\$61,701,000	\$21,630,000	\$4,701,000	\$903,000	\$18,137,000	\$1,252,000	\$14,278,000	\$800,000
PayGo									
	Solid Wst Mgmt PayGo	\$9,296,255	\$5,950,255	\$293,000	\$500,000	\$500,000	\$1,053,000	\$500,000	\$500,000
	PayGo	\$9,296,255	\$5,950,255	\$293,000	\$500,000	\$500,000	\$1,053,000	\$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	\$71,747,255	\$28,330,255	\$4,994,000	\$1,403,000	\$18,637,000	\$2,305,000	\$14,778,000	\$1,300,000
Utility									
Bonds									
	General County Bonds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Water Bonds	\$485,104,321	\$241,172,821	\$43,653,000	\$53,888,500	\$60,519,000	\$56,823,000	\$15,288,000	\$13,760,000
	WasteWater Bonds	\$461,246,340	\$287,358,340	\$47,861,000	\$60,998,000	\$24,442,000	\$24,520,000	\$7,938,000	\$8,129,000
	Bonds	\$946,350,661	\$528,531,161	\$91,514,000	\$114,886,500	\$84,961,000	\$81,343,000	\$23,226,000	\$21,889,000
PayGo									
	WasteWater PayGo	\$108,263,930	\$54,423,930	\$4,441,000	\$10,622,000	\$10,825,000	\$10,072,000	\$8,940,000	\$8,940,000
	Water PayGo	\$62,941,950	\$25,360,950	\$5,131,000	\$6,490,000	\$6,490,000	\$6,490,000	\$6,490,000	\$6,490,000
	PayGo	\$171,205,880	\$79,784,880	\$9,572,000	\$17,112,000	\$17,315,000	\$16,562,000	\$15,430,000	\$15,430,000
Grants & Aid									
	Other State Grants	\$218,104,500	\$124,776,500	\$54,064,000	\$39,264,000	\$0	\$0	\$0	\$0
	Grants & Aid	\$218,104,500	\$124,776,500	\$54,064,000	\$39,264,000	\$0	\$0	\$0	\$0
Other									
	Developer Contribution	\$443,000	\$443,000	\$0	\$0	\$0	\$0	\$0	\$0
	Developer Contribution	\$3,556,846	\$3,556,846	\$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	\$8,044,000	\$1,311,000	\$6,733,000	\$0	\$0	\$0	\$0	\$0
	Other	\$14,600,969	\$7,867,969	\$6,733,000	\$0	\$0	\$0	\$0	\$0
	Utility	\$1,350,262,010	\$740,960,510	\$161,883,000	\$171,262,500	\$102,276,000	\$97,905,000	\$38,656,000	\$37,319,000
	Grand-Total:	\$3,728,466,564	\$1,986,404,064	\$331,851,000	\$378,277,500	\$318,569,000	\$254,609,000	\$241,804,000	\$216,952,000

Budget Highlights
Capital Budget and Program

FY2010 Approved Budget

Significant Capital Projects

The presentation above shows that the FY2010 budget provides \$164,974,000 in appropriation authority for General County Capital Projects. This amount of appropriation authority is distributed among a total of 164 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 11 capital projects (6.7% of the 164 projects) account for \$130,294,000, or 78.98%, of the FY2010 Capital Budget appropriation.

The table in the opposite column lists these 11 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	FY2010 Amount
Rd Reconstruction	\$11,641,000
All Day K and Pre K	\$10,000,000
Open Space Classroom Enc	\$8,000,000
Building Systems Renov	\$7,909,000
Recurring Subtotal	\$37,550,000
Northeast HS	\$29,321,000
Pershing Hill ES	\$15,953,000
Odenton Town Center Blvd	\$13,380,000
Severna Park MS	\$12,393,000
Germantown ES	\$10,644,000
Overlook ES	\$5,983,000
Belle Grove ES	\$5,070,000
Non-Recurring Subtotal	\$92,744,000
Total	\$130,294,000

Budget Highlights

Capital Budget and Program

FY2010 Approved Budget

Northeast HS (total cost estimate: \$101 million)

This project consists of design and construction of the revitalization option set forth in the Northeast High School Feasibility Study prepared by the SHWGROUP. Although this renovates existing infrastructure, 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.

Odenton Town Center Blvd (total cost estimate: \$17.4 million) This project creates a roadway and sidewalk from MD 175 through MD 32 underpass to Town Center Blvd in Seven Oaks as set forth in the GDP and Odenton Town Center Plans. It is anticipated that the impact on the operating budget could be \$100,000 per year.

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.

Germantown ES (total cost estimate: \$33.2 million)

This project provides a replacement facility for Germantown ES. The existing building is not configured to support the current and future educational program. The facility was originally constructed in 1967. 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: \$17.7 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.

Belle Grove ES (total cost estimate: \$23 million)

This project provides a renovation of and addition to Belle Grove ES. The existing building is not configured to support the current and future educational program. The facility was originally constructed in 1952. Although this renovates existing infrastructure, it is anticipated that the impact on the operating budget could be \$100,000 to \$500,000 per year.

Budget Highlights

Capital Budget and Program

FY2010 Approved Budget

Life Long Learning

Board of Education

- Funds recurring projects totaling \$25.7 million in FY2010
 - Textbook Program
 - Systemic Replacements
 - Student Safety
 - School Furniture Replacement
 - School Bus Replacement
- Provides funding of \$14.3 million in FY2010 for the completion of the following schools with total project costs in excess of \$83.7 million:
 - Severna Park Middle School (\$56,192,000)
 - Southgate Elementary School (\$27,537,000)
- Provides construction funding of \$56.3 million for the following projects in FY2010 with total project costs of nearly \$176.3 million:
 - Pershing Elementary School (\$34,441,000)
 - Overlook Elementary School (\$17,771,000)
 - Northeast High School (\$101,011,933)
 - Belle Grove (\$23,070,000)
- FY2010 Budget funds \$10.6 million to design and begin construction of Germantown Elementary School (total project cost \$33.2 million)
- Provides funding for the completion of design for Folger Mckinsey and Point Pleasant. Construction funding for these schools provided in the program.
- Funding is included for the Chesapeake Charter School (\$250k) for renovation/addition work to a building in Hanover for instructional purposes.
- All Day K and Pre K (\$10 million) and Open Space Classroom Enclosures (\$8 million)

- Funding in FY2011 for the next round of Feasibility Studies (\$1.7 million) for the following schools: Benfield ES, Lothian ES, Crofton ES, Mills-Parole ES, Rolling Knolls ES, West Annapolis ES and Severna Park HS.

Community College

- Provides funding to upgrade existing space to outfit for Science, Technology, Engineering and Mathematics labs associated with the STEM program.
- Provides \$2.275 million for the Campus Improvements and Walkways, Roads & Parking Lots projects
- Design funding provided in FY2010 to renovate and expand the Andrew G. Truxall library (total cost of \$21.3 million)

Library

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

Public Safety

Fire

- Provides funding in FY2010 to purchase land for the replacement/relocation of the Lake Shore Fire Station from its current location to a location that will provide for better response coverage in the area. Construction funding provided in the program.
- Funding provided in the program for the replacement/relocation of the Galesville Fire Station from its current location to a location that provides better response coverage in the area.

Detention Facilities

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

Budget Highlights
Capital Budget and Program

FY2010 Approved Budget

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 provide funding for the Failed Sewage & Private Well program that provides for laboratory, outreach and other services required to assess public health issues related to private wells, septic systems, water treatment systems, and recreational water quality.
 - Continues to fund with the assistance of Federal Stimulus monies the efforts to improve roads in the County.
 - Preservation of 339 acres of ecologically sensitive land within the County Greenway Program utilizing State and Federal grant funds for acquisitions as follows:
 - Additional 139 acres within the South River Greenway utilizing State Program Open Space funds.
 - 140 acres along Galloway Creek to be part of the Jug Bay Wetlands Sanctuary.
 - 60 acres within the Marley River Stoney Creek Greenway, adjacent to Stoney Creek Park, utilizing Federal Coastal and Estuarine Land Conservation Program funds.
- Funding to install safety turf fields at Old Mill and Chesapeake High Schools and retire debt on the Broadneck safety turf field utilizing State Program Open Space funds.
 - Design of a two-lane boat ramp, entrance road and parking at Fort Smallwood Park, partially funded with a State Waterway Improvement Grant.
 - Acquisition of 15 acres of land surrounding Bay Head Park for trail connections, parking and additional recreation facilities utilizing State Program Open Space funds.
 - Funding for lighting the Deale Elementary Baseball Field utilizing a State Bond Bill grant and local matching funds.

FY2010 DEBT AFFORDABILITY

	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
New Authority, Normal	\$115,000,000	\$115,000,000	\$115,000,000	\$115,000,000	\$115,000,000	\$115,000,000
New Authority, IPA		\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Not used in FY09	\$19,300,000					
Total New Authority	\$134,300,000	\$118,000,000	\$118,000,000	\$118,000,000	\$118,000,000	\$118,000,000
Debt Service as % of Revenues (9%)	8.1%	8.5%	9.1%	9.5%	9.7%	9.8%
Debt as % of Estimate Full Value (1.5%)	0.90%	0.95%	0.98%	0.99%	1.01%	1.01%
Debt Per Capita (\$1,500)	\$1,479	\$1,610	\$1,692	\$1,761	\$1,824	\$1,880
Debt to Personal Income (3.0%)	2.7%	2.9%	2.9%	2.9%	2.9%	2.9%
<hr/>						
Debt Service	\$90,390,059	\$98,547,961	\$109,205,544	\$119,104,489	\$125,806,205	\$132,215,227
Debt, at end of fiscal year	\$771,005,842	\$844,340,768	\$892,330,197	\$934,638,426	\$973,669,456	\$1,009,487,175
General Fund Revenues	\$1,110,600,000	\$1,155,000,000	\$1,201,000,000	\$1,249,000,000	\$1,299,000,000	\$1,351,000,000
Est. Full Value (\$000)	\$86,018,000	\$88,599,000	\$91,257,000	\$93,995,000	\$96,815,000	\$99,719,000
Population	521,223	524,350	527,496	530,661	533,845	537,048
Total Personal Income (\$000)	\$28,314,000	\$29,588,000	\$30,919,000	\$32,310,000	\$33,764,000	\$35,283,000

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

Bonds Affordability

	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Affordable New Authority	134,300,000	118,000,000	118,000,000	118,000,000	118,000,000	118,000,000
Use of New Bond Authority	135,526,000	104,711,000	120,279,000	91,481,000	119,868,000	111,800,000
Amount Over (Under) Affordability	1,226,000	(13,289,000)	2,279,000	(26,519,000)	1,868,000	(6,200,000)

PayGo Affordability

Recurring Revenues for PayGo	-	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Pay Go back to General Fund	(39,669,000)					
"One-Time" Revenue	-					
Adjusted Affordability	(39,669,000)	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Use of PayGo	(39,669,000)	27,890,000	27,024,000	27,018,000	27,021,000	27,023,000
Amount Over (Under) Affordability	-	2,890,000	2,024,000	2,018,000	2,021,000	2,023,000

Bonds & PayGo Affordability (Combined)

Bonds & PayGo Affordability	94,631,000	143,000,000	143,000,000	143,000,000	143,000,000	143,000,000
Use of Bonds & PayGo	95,857,000	132,601,000	147,303,000	118,499,000	146,889,000	138,823,000
Amount Over (Under) Affordability	1,226,000	(10,399,000)	4,303,000	(24,501,000)	3,889,000	(4,177,000)