

FY2011 Budget Message by County Executive John R. Leopold

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

I would like to first take a moment to recognize the men and women from Anne Arundel County who are deployed around the world fighting for our freedom. Hundreds of County citizens have placed themselves in harm's way, and we owe them our sincerest gratitude.

We also have a responsibility to take care of them when they return from the battlefields in Iraq and Afghanistan. This budget continues to support a County mental health program created two years ago that provides counseling and treatment for our veterans who suffer from post-traumatic stress disorder or substance abuse problems. I am pleased that legislation we co-sponsored with Councilman Benoit has resulted in the hiring of 70 veterans in County government. Our service men and women are doing their part for their Country, and we want to return the favor. Please join me in giving a round of applause for the members of our Armed Forces.

Mr. Chairman, I am proud to present a budget that, despite acute fiscal challenges, maintains County services and honors my promise not to raise taxes on income or property during my term. Anne Arundel County remains the jurisdiction with the lowest tax burden of all the metropolitan counties and also one of the most competitive jurisdictions in terms of economic opportunity and potential. We are working harder and we are working smarter. We are proving that the important thing is not how much you spend, but how you spend it.

This document is the product of hard work by this Administration every day to plan conservatively and reduce government spending. The Operating Budget I am submitting is \$1.18 billion and the Capital Budget is \$331 million. Over the past two years, while the County has

faced the most severe recession in 70 years, this Administration has succeeded in cutting government spending by \$38 million.

After a review of our fiscal planning by the three Wall Street bond rating firms, Standard & Poor's has awarded Anne Arundel County a AAA bond rating for the fourth consecutive year. This is an incredible distinction, because it marks the first period of time in our history when the County has received the highest possible bond rating available. We are committed to maintaining our high ratings by continuing a policy of prudent, targeted investments in the County's future.

School Construction

One of the most important areas of investment in a struggling economy is in our educational facilities. Our Capital plan includes funding for several important school construction projects: \$10 million for expansion of elementary schools to accommodate all-day Kindergarten and pre-Kindergarten programs, and \$8 million to eliminate open space classrooms.

The plan also recommends funding to complete the renovation of Overlook Elementary School and the replacement of Pershing Hill Elementary School. Other projects include the renovation and expansions of Belle Grove Elementary and Folger McKinsey Elementary, as well as the replacement of Germantown Elementary and improvements to Northeast High School. To the parents, students and teachers in the Severna Park feeder system, this Capital Budget program includes funding for the design and construction of Severna Park High School. I have walked the halls of this school with students, parents and staff, and I agree that it is time to improve this facility.

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Last week I addressed the Maryland Charter School Conference, and I am pleased to report that the state of charter schools is strong. It is a concept that I supported long before these innovative facilities became commonplace. Our own Chesapeake Science Point charter school is thriving because of the cutting-edge learning structure in place there and support from the school community. For the second consecutive year, this budget contains \$250,000 for renovations at this model school.

I want to thank our General Assembly Delegation and Speaker Mike Busch for their hard work to secure \$26.2 million for school construction this year for Anne Arundel County. They were also strong partners in addressing gangs in schools this year, as well as with our efforts during this term to ban panhandling, address the dangers of fly ash and increase the statute of limitations for environmental violations.

Our employees have shown an incredible willingness to provide the same level of excellent service our citizens expect despite economic challenges. They are determined to serve the public interest and overcome the same obstacles that families across this Nation are facing.

When I say we provided excellent service despite challenges, I am not merely speaking in generalities. This past winter, we experienced record storms that provided a true test of our capabilities. Everyone was frustrated by the enormity of the storms, but they also brought us closer together to achieve a common goal. I want to thank our Public Works crews, managers and customer service representatives, and our residents, for being patient as we worked to get the County moving again.

I want to thank Ron Bowen, our Director of Public Works, not only for managing our response to the storms, but also for responding quickly and professionally to citizen requests for service for repairing sidewalks, potholes and traffic markings. In addition, you have carried out this Administration's environmental vision of repairing damaged streams and forging strong partnerships with groups such as the Riverkeepers.

It was gratifying to see how everyone responded to the recent snowstorms. Neighbors came out to help their fellow citizens by shoveling, or taking a senior citizen to the store for essentials. One neighborhood even formed a brigade to get a man in need of medical assistance to the hospital, literally carrying him to the ambulance and clearing a path for the vehicle. Our own Public Works crews escorted fire engines and ambulances responding to emergency calls through treacherous roads. We created the Snow Angel program to recognize neighbors helping neighbors and hope this will provide the foundation for a larger organized volunteer force for future weather events.

This community spirit is a phenomenon that has carried our County through some trying times. Due to the sagging housing market, the income derived from our recordation fees and transfer taxes has plummeted—thus undercutting a revenue source that has helped us fund County services. This revenue alone has declined by more than \$70 million over the last four years. But we have not backed down.

We have continued to work hard with a focus on the future. We have laid the groundwork for economic recovery.

Over the last four years, we have utilized every tool available to avert layoffs of County employees, and this budget is no different in that regard. We have implemented hiring freezes, purchasing freezes and spending reduction plans. We have significantly cut the use of County

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vehicles, renegotiated health plans and demanded efficiencies in Capital projects. These measures have saved significant amounts of taxpayer dollars without closing schools or laying off employees.

Employee pay and property tax rate

Eighty percent of the County's Operating Budget is made up of personnel costs. As part of our proposal to address our revenue shortfalls, we will close County offices for five days in conjunction with closings of State government offices. Most County employees will select an additional seven days of leave without pay. These actions amount to nearly a five-percent reduction in salaries achieved through a combination of furlough days, pension contribution increases and/or the suspension of special pay allowances.

I would like to thank all of our unions for their partnership in achieving these savings. Each union worked tirelessly to ensure that their fellow workers continued to have a job in this challenging environment. I thank you all for your shared sacrifice.

I believe in leadership by example. Department Heads have had their wages frozen for the past two years and will receive a five-percent reduction this year. Every County employee will shoulder this burden, and that must include me. Although the law requires a salary increase of \$5,000 for the County Executive, I am returning that money. In addition, I will repay an amount equal to five percent of my salary in the coming year. County employees are dedicated and hardworking, but all of us must share the responsibility to reduce spending in a fiscally responsible manner.

This Administration wants our citizens to make their own decisions with their own money in order to restore the economy to its

traditionally strong position. That is why we are focusing on reducing spending rather than asking our citizens to pay more for services. This budget maximizes the funds available under the voter-imposed tax cap as I have always pledged to do, but over the last four years our property tax rate has been reduced from 93 cents per \$100 of assessed value to 88 cents per \$100 of assessed value. We are making do with what the citizens have agreed to pay. We will not ask them to solve our problems for us.

Investments in education and natural resources

While our focus has always been to reduce government spending and improve efficiencies in the delivery of services, this Administration has also made important investments that will benefit our quality of life for years to come. These investments will play an important role in building a better and stronger community.

One key aspect of these investments is the human infrastructure necessary to tap the enormous potential of West County, with its rich supply of jobs in the defense and technology sector. For the fourth straight year, the budget contains funding for the Science, Technology, Engineering and Math program at Anne Arundel Community College. We must ensure that our young people are able to secure high-paying jobs with the National Security Agency, with defense contracting firms such as Northrop Grumman and with future employers such as the cyber command headquarters proposed for Fort Meade.

Today, more than 2,000 students are enrolled in the STEM degree program, and they will be able compete in the global economy. More than 3,400 students are enrolled in STEM classes. This is a great achievement given the program did not exist four years ago. I would like to thank Dr. Smith and her staff for implementing this model

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program and the County council for supporting our budgetary requests for the STEM program.

We have funded not only the teachers, but also state-of-the-art laboratories for our future workforce to have all of the best equipment and facilities they need to be competitive. This investment will pay off for years to come. This budget includes \$1.1 million for Cyber Center Security labs at the college, and \$848,000 for the Math Lab. Our existing facilities, which include the Engineering Technologies Lab, the Renewable Resources Lab, the Fabrications Area, the Interdisciplinary Student Projects Area and the interactive video network classroom, rival that of any community college in the Country.

Our students are being selected for sought-after internships that position them to enter the workplace with security clearances other new hires do not have. This is an exciting improvement that makes our community college among the best our Nation has to offer. Past investments have been recommended by this Administration and approved by the County Council. I urge you to continue to support building for our future.

We have also invested in land preservation, because there is no calculable dollar amount that can be assigned to the incredible farmland, forests and streams that we are protecting for future generations. The crown jewel of these acquisitions is the South River Greenway, which we hope to complete in this budget. By leveraging state funds with targeted use of County funds, we are on track to preserve the largest tract of forested land in the County. The Greenway features more than 10,000 acres of unspoiled plants, wildlife and cultural history in Crownsville, an area under intense development pressure.

I would like to thank Frank Marzucco, our Director of Recreation and Parks, for his hard work leveraging grants that help pay for land preservation, and his focus on using small, targeted programs to upgrade local parks and make neighborhoods safer. This Department has done so much to improve so many of our amenities in a tough economy. Employees Charles Roeder and Bob Short just recently won a statewide award for their creative efforts to save money. They designed and completed a reception counter constructed in the shape of a skipjack at Jonas Green Park, saving the County the cost of hiring a contractor. This is how we make the extra effort our citizens expect to maximize their tax dollars. Please join me in thanking these gentlemen for their great work.

As I said before, education is our most important investment. This budget provides \$621.1 million to support Anne Arundel County public schools, and \$109 million for Capital projects in Fiscal 2011. Our schools have had many successes this year. Annapolis High School Principal Don Lilley was named High School Principal of the Year by the National Association of Secondary School Principals.

Just three short years ago, due to low school performance, Superintendent Maxwell had all Annapolis High employees re-apply for their jobs. Don Lilley was retained as principal and his leadership has helped dramatically raise test scores and achievement at Annapolis High School over the last two years. Please join me in recognizing Principal Don Lilley.

School construction projects such as Nantucket Elementary School in Crofton have set a new standard for technology. Our teachers have benefited from competitive salaries over the last four years and our students are performing better in Reading and Math. Despite these accomplishments, I still urge the school system to focus spending on

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the classroom. It is imperative in this budget climate to avoid spending in administrative categories at the expense of our classrooms.

Public Safety

Our Police Department has used new management methods to maximize resources. Chief James Teare has completely reorganized his department to target law enforcement in areas with the highest criminal activity. He created our Community Relations Division using the model of constituent service to fight crime. With citizen participation, we installed hundreds of streetlights in areas identified by neighbors, because well-lit, well-maintained communities are safer communities.

We can certainly credit the Department for three consecutive years of overall crime reduction, because it has operated more efficiently and effectively by forming a strong bond with the community. Our officers have responded admirably to neighborhood nuisances such as crack houses and drug dealers by working with citizens, and helped the community of Crofton come together in the goal of fighting youth violence through communication. Our police officers went a step further in taking their expertise to the Maryland General Assembly to enact tougher legislation on gangs and other public safety issues supported by this Administration. I want to thank our Police Department, our Fire Department and our Department of Detention Facilities personnel for their dedication to maintaining a safer community.

Our Department of Detention Facilities, under Director Terry Kokolis, and our Fire Department, under Chief Bob Ray, have through innovative ideas improved public safety while also saving taxpayer dollars. We maintained a streamlined pre-trial program to keep our

inmate count at manageable levels while also providing effective screening for immigration status. The Fire Department has initiated a fitness program that has significantly reduced injuries and liability for the County and also reduced participation at special events in favor of staffing by volunteers to cut costs.

We have built a foundation of trust with our constituents to keep our promises and deliver the services they expect. This foundation is something we can build on, with more opportunities on the horizon such as cyber command, other businesses locating around Fort Meade, and of course the realization of the Odenton Town Center.

Signs of economic recovery

In just the past year, 1,643 new jobs were created in Anne Arundel County, with \$32.4 million in Capital investments, over 803,000 square feet of new construction, 51 new companies and 28 relocations to our jurisdiction. This is just the tip of the iceberg for the next few years. Our future holds great things.

Unemployment figures have shown some signs of improvement recently, and we expect this trend to continue. In the meantime, our workforce development corporation has played a vital role in assisting displaced employees and expanding job training. I recently helped open the seventh one-stop career center in the County, which helps unemployed and underemployed workers secure needed training.

Our responsibility as a government is to grow the economy while also stepping in to provide a safety net for our citizens who have been hit by this difficult economy. I believe that a job is the best social program. This budget contains a \$70,000 increase to the Anne

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Arundel County workforce development corporation to fund additional training and outreach for our citizens.

Part of our \$1 million recommendation for our community grants program is a first-time grant of \$10,000 for the boys and girls club of Annapolis. A proposal from Reggie Broddie of that organization caught my attention because it focuses on providing job training for at-risk youth. Thank you, Reggie, for your efforts to educate our young people.

Nationally, the gross domestic product measurements began a positive trend, increasing 2.2 percent in the third quarter of 2009, and 5.6 percent in the fourth quarter of 2009. Commercial and residential permits in Anne Arundel County showed a positive trend for January and February of 2010.

While our County has by no means been immune from job losses and other effects of the economy, we have added more than 14,000 jobs since I took office. Businesses have invested almost \$1 billion in construction of more than 7.4 million square feet of new space over the same period, and more than 400 businesses have located or relocated in Anne Arundel County.

This trend will continue more rapidly as the construction of the three BRAC organizations at Fort Meade are completed next year and contractors begin to relocate or expand in order to do business with them. During the fourth quarter of 2009, 16 Anne Arundel County defense related companies expanded their cyber security divisions in anticipation of the Cyber Security Command at NSA.

Our Economic Development Corporation under Bob Hannon is doing a great job of overseeing multiple complex and business endeavors in our County. Bob Hannon is not here today because he is in Nashville meeting with 40 businesses, recruiting them because they are contractors with the defense information systems agency. His visit is just one example of the real promise our future holds.

Mr. Chairman, this budget is a modest document that maintains fiscal discipline while improving on our strengths through common sense governing. With commitment and leadership, we will steer our way out of this recessionary storm.

Thank you for listening.

Long Term Goals

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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 extended into the winter of 2009. A Draft GDP was made available for public review in January of 2009, and the plan was approved by the County Council under Bill No. 64-09 on October 19, 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.

Long Term Goals

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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				✓			✓	✓

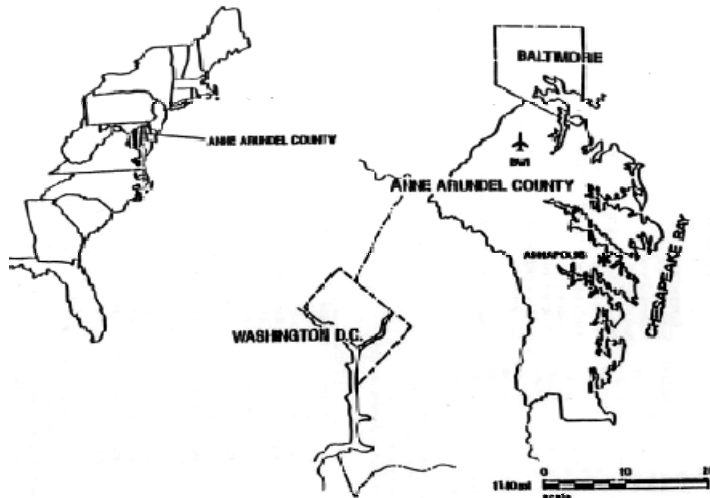
Numeric Key to Goals

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 Overview

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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			
2008			
	Estimate	%	U.S.
Total Housing Units	202,862		
Occupied Housing Units	189,313	93.3%	88.0%
Owner-occupied	144,401	76.3%	67.0%
Renter-occupied	44,912	23.7%	32.9%
Vacant Housing Units	13,549	6.7%	12.1%
Median Value	\$379,000	N.A.	\$192,400

Source: U.S. Census Bureau, 2008 American Community Survey

Population Characteristics			
2008			
	Estimate	%	U.S.
Total Population	512,154		
Male	253,481	49.6%	49.3%
Female	257,297	50.4%	50.7%
Median Age (years)	37.6	N.A.	36.4
Under 5 years	33,859	6.6%	6.9%
18 yrs and over	387,383	75.6%	75.5%
65 years and over	56,709	10.9%	12.3%

Source: U.S. Census Bureau, 2008 American Community Survey 3-Year Estimates

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 School 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	74,663	3.20%
2000	491,347	\$36,464	\$34,256	\$29,843	74,495	2.90%
2001	496,937	\$38,438	\$35,625	\$30,562	75,094	2.80%
2002	502,081	\$39,313	\$36,539	\$30,795	74,798	3.10%
2003	505,205	\$40,440	\$37,361	\$31,466	74,519	3.60%
2004	508,572	\$43,230	\$39,725	\$33,090	74,000	3.40%
2005	510,878	\$45,648	\$41,972	\$34,741	73,633	3.50%
2006	509,300	48,580	43,788	36,714	73,111	3.30%
2007	512,154	53,660	46,763	38,611	73,495	3.00%
2008	512,790	54,608	48,091	39,751	73,658	3.90%
2009	521,209	N.A.	48,285	39,138	74,235	6.40%

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:

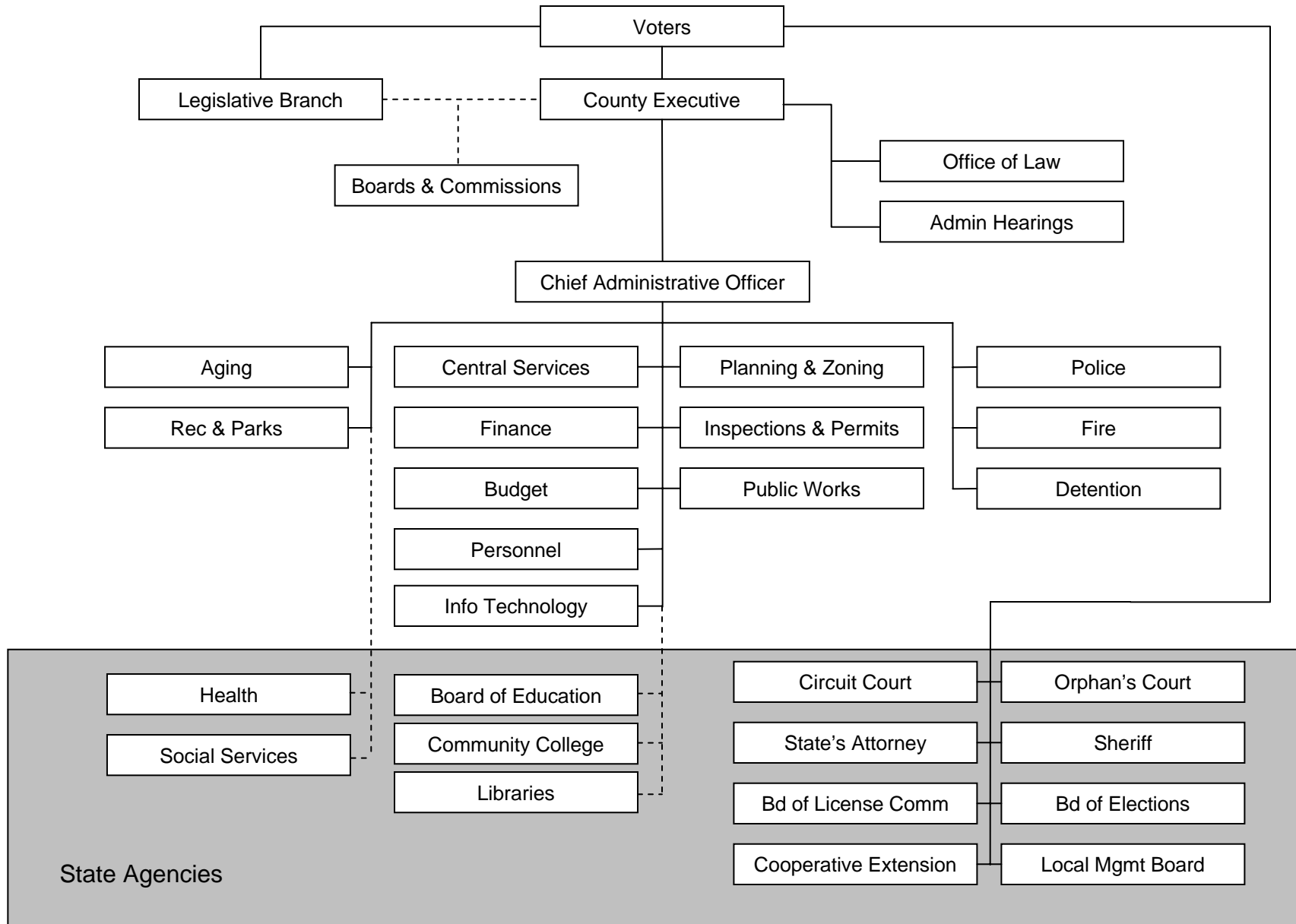
http://www.aedc.org/top_employers.html

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



The “form” of the comprehensive budget for FY2011 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 FY2011, 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 FY2011 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 FY2011, 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 FY2011, 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.

(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.

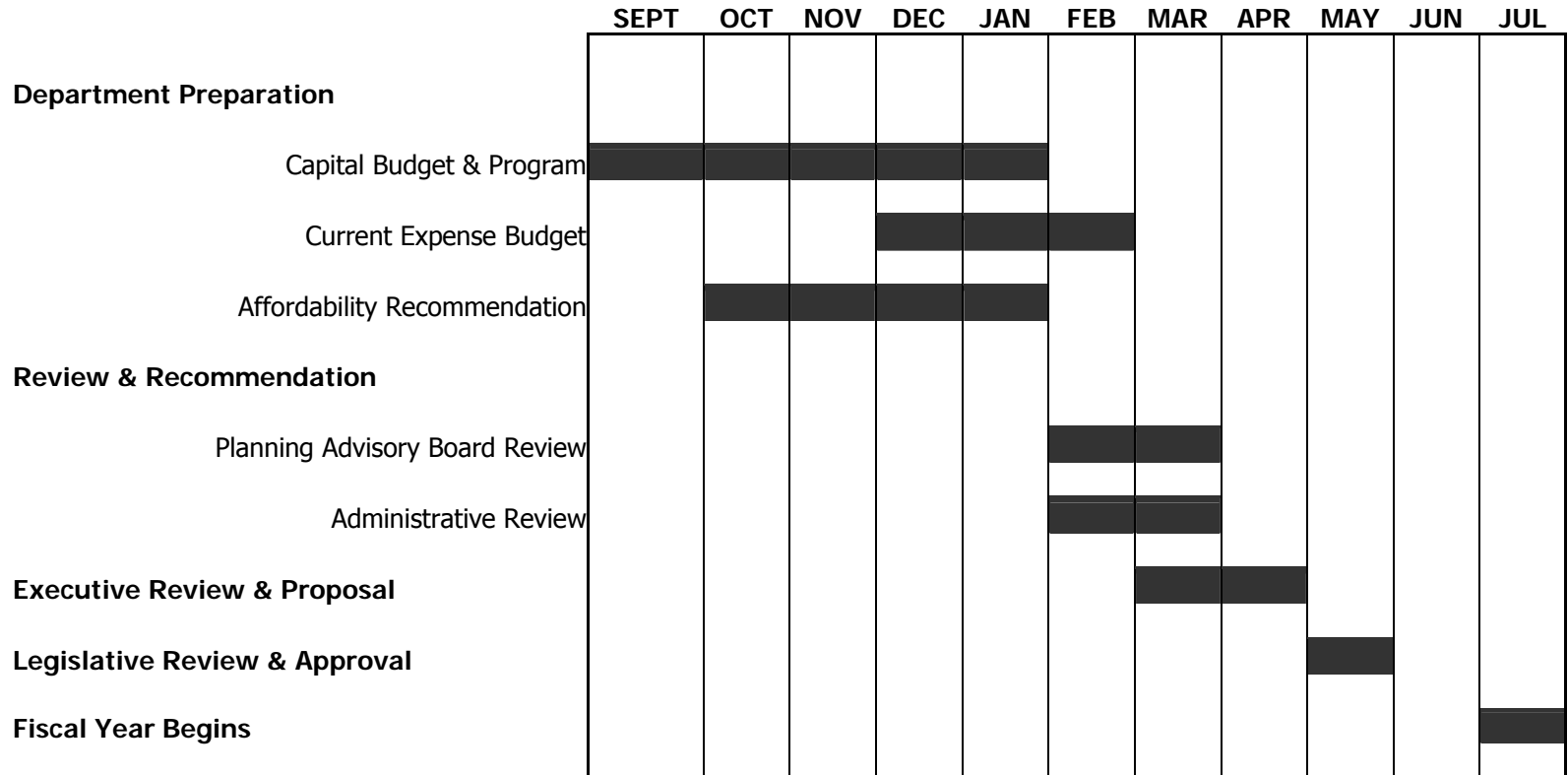
Phase 3: Executive Review and Proposal

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 Overview

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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)

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.

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 FY2011 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 FY2011 Budget includes \$6.1 million in this reserve account, or 0.52% 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 FY2010. No replenishment of the reserve fund is proposed in FY2011.

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 Overview

FY2011 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 2009 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.

	<u>Employees Plan</u>	<u>Police Plan</u>	<u>Fire Plan</u>	<u>Detention Plan</u>
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 FY2009

For FY2011, the County is again funding the actuarially recommended amounts for the four plans:

Employees' Plan	\$17,490,119
Police Plan	\$14,523,321
Fire Plan	\$15,080,151
Detention and Sheriffs Plan	\$5,135,831

Budget Overview

FY2011 Approved Budget

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	4,043	2,152	6,195
Board of Education	8,505	3,525	12,030
College	219	226	445
Library	<u>228</u>	<u>94</u>	<u>322</u>
Total	<u>12,995</u>	<u>5,997</u>	<u>18,992</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 FY2011, 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 Overview

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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 6/30/2009:

	General Bonds	Water and Wastewater
Relevant Limitation percentages	5.2%/13%	5.6%/14%
Charter imposed limitation	\$4,498,280,563	\$4,430,336,008
Bonded debt outstanding		
Bond anticipation notes	39,600,000	31,800,000
Installment Purchase Agreements	12,218,000	0
Long-term serial bonds	677,990,000	321,005,551
Tax increment bonds	52,170,000	0
	<u>781,978,000</u>	<u>352,805,551</u>
Legal debt margin	\$3,716,302,563	\$4,077,530,457

Statement of Long-Term Outstanding Debt

As of March 16, 2010

(per 6/30/09 CAFR plus March 2010 Bond Issue)

General Improvements Bonds	799,293,588
Solid Waste Bonds	22,821,412
Water and Wastewater Utility Bonds	362,605,551
Installment Purchase Agreements	12,218,000
State & Federal Loans	3,721,684
Tax Increment Bonds	52,170,000
Total Debt Outstanding	<u>1,252,830,235</u>

(Source: Preliminary Official Statement dated March 16, 2010)

Statement of Debt Service Requirements

Funding Source	FY2009 Actual	FY2010 Estimate	FY2011		
			Total	Principal	Interest
General Fund					
- General County	39,970,986	38,496,300	42,199,200	27,463,300	14,735,900
- Board of Education	32,944,703	38,058,400	41,481,100	23,777,500	17,703,600
- Community College	3,785,834	4,110,800	4,003,800	2,568,300	1,435,500
- Golf Course	1,570,177	1,622,800	1,696,000	1,696,000	0
General Fund Total	78,271,700	82,288,300	89,380,100	55,505,100	33,875,000
Enterprise Funds					
Water Debt Service	12,578,129	14,659,700	15,626,000	8,382,100	7,243,900
Wastewater Debt Service	18,579,738	18,979,700	19,437,100	11,935,400	7,501,700
Maryland City Alt. Min. Tax	1,787,845	0	0	0	0
Solid Waste	3,155,752	2,467,800	2,750,800	1,455,900	1,294,900
Fiduciary and Special Debt Service Funds					
IPA Debt Service	680,975	686,400	685,300	0	685,300
Tax Increment Financing and Special Tax District Funds					
Nursery Rd Tax Increment	174,035	172,000	176,000	80,000	96,000
West Cnty Dev Dist Tax Inc	757,425	945,000	1,127,000	380,000	747,000
Farmingtn Vlg Spc Tax Dist	485,813	495,800	503,500	164,000	339,500
Rte 100 Dev Dist Tax Inc	1,501,956	1,502,000	1,797,500	300,000	1,497,500
Parole TC Dev Dist Tax Inc	1,051,750	1,054,000	1,053,000	930,000	123,000
Natl Bus Pk Spcl Tax Dist	0	0	0	0	0
Dorchester Spcl Tax Dist	1,113,686	1,152,100	1,174,200	0	1,174,200
	120,138,804	124,402,800	133,710,500	79,132,500	54,578,000

Anne Arundel County's financial policies and guidelines provide the basic framework for the development of the FY2011 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 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	10.0%	1.0%
Debt to Personal Income	3.0%	0.5%
Debt to Full Value Assess.	1.5%	0.25%
Debt per Capita	\$2,000	\$200
Percentage of Tax-Supported Debt	-----	15%

7. 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.
8. All County debt shall have a component of annual repayment.

Major Changes in Financial Policies and Guidelines

- The Debt to Operating Income guideline is changed from 9.0% to 10.0%, and the Debt per Capita guideline has been adjusted for inflation and increased to \$2,000.

4. Commercial paper issued to finance the construction of capital projects shall be limited to a two-year maturity.
5. Tax supported debt issued to finance General County projects shall generally be limited to a twenty-year maturity, and have an average life of less than ten years.
6. Capital projects which have an overall estimated useful life of 10 or more years are considered eligible for bond funding.

Statement of Unduplicated Expenditures - All Funds

Funding Source	FY2010 Original	FY2010 Estimate	FY2011 Budget	Inc (Dec) from Orig.
General Fund	\$1,180,889,400	\$1,171,803,800	\$1,174,333,500	-\$6,555,900
Other Funds	\$422,954,100	\$414,879,700	\$419,062,500	-\$3,891,600
BOE Component Unit	\$897,424,500	\$912,814,600	\$931,269,700	\$33,845,200
AACC Component Unit	\$130,528,300	\$130,528,300	\$152,338,200	\$21,809,900
AACPL Component Unit	\$15,889,300	\$15,539,400	\$15,341,700	-\$547,600
Special Benefit Districts	\$9,868,600	\$9,868,600	\$10,207,300	\$338,700
Total Operating Budget (with duplication)	\$2,657,554,200	\$2,655,434,400	\$2,702,552,900	\$44,998,700
(see pages 23 and 25)				
Less Duplicate Appropriations				
GF Contr to BOE	\$554,026,500	\$554,026,500	\$562,360,000	\$8,333,500
GF Contr to AACC	33,822,700	33,822,700	33,822,700	\$0
GF Contr to Library	\$12,621,000	\$12,621,000	\$11,459,100	-\$1,161,900
GF Contr to Whitmore	\$126,000	\$126,000	\$170,000	\$44,000
GF Contr to IPA Debt Service	\$761,000	\$761,000	\$961,000	\$200,000
GF Contr to Community Devel	\$270,000	\$270,000	\$270,000	\$0
GF Contr to Grants Fund - Matches	\$0	\$0	\$0	\$0
Internal Service Funds				
- Self Insurance Fund	\$19,031,600	\$19,045,400	\$19,234,100	\$202,500
- Health Fund	\$103,518,700	\$100,900,000	\$96,118,000	-\$7,400,700
- Garage Working Capital Fund	\$14,938,600	\$14,788,500	\$14,548,800	-\$389,800
- Garage Vehicle Replacement	\$11,930,200	\$7,408,300	\$15,666,900	\$3,736,700
Pro Rata Share Charges				
- Whitmore Garage	\$30,000	\$30,000	\$30,000	\$0
- Child Care Fund	\$313,300	\$313,300	\$340,600	\$27,300
- Utility Opns Fund	\$8,450,000	\$8,450,000	\$8,174,000	-\$276,000
- Utility Debt Serv Funds	\$505,000	\$505,000	\$505,000	\$0
- Solid Waste Fund	\$2,834,000	\$2,834,000	\$2,829,900	-\$4,100
- SIF Fund	\$260,000	\$260,000	\$275,000	\$15,000
- Health Ins Fund	\$23,475,000	\$23,475,000	\$8,510,000	-\$14,965,000
- Central Garage Fund - Operating	\$2,164,200	\$2,164,200	\$1,907,600	-\$256,600
- Central Garage Fund - Replacement	\$6,043,100	\$6,043,100	\$10,262,900	\$4,219,800
- Capital Projects Funds	\$45,669,000	\$45,625,000	\$7,810,000	-\$37,859,000
TIF Districts Contrib to GF	\$20,680,800	\$21,251,000	\$23,646,500	\$2,965,700
Total "Unduplicated" Operating Budget	\$1,796,083,500	\$1,800,714,400	\$1,883,650,800	\$87,567,300

Add FY2011 Capital Budget: \$319,767,700
 Less FY2011 PayGo contrib.: \$13,677,000
 Total Unduplicated Comprehensive Budget: \$2,189,741,500

Summary of Changes in Budgetary Fund Balance - All Funds

	Fund Balance as of 6/30/09	FY2010 Estimate		Fund Balance as of 6/30/10	FY2011 Budget		Fund Balance as of 6/30/11
		Revenues	Expenditures		Revenues	Expenditures	
General Fund							
General Fund	5,821,026	1,170,953,800	1,171,803,800	4,971,000	1,169,362,500	1,174,333,500	0
Revenue Reserve Fund	32,778,154	462,000	16,000,000	17,240,154	85,000	0	17,325,154
Enterprise Funds							
Water & Wstwtr Operating	9,891,178	80,793,000	84,855,900	5,828,278	84,341,000	85,925,100	4,244,178
Water & Wstwtr Sinking Fund	91,129,191	31,630,300	34,406,400	88,353,091	34,764,300	35,830,100	87,287,291
Waste Collection Fund	12,112,897	44,811,300	47,937,400	8,986,797	46,003,200	51,177,900	3,812,097
Solid Waste Assurance Fund	0	860,900	0	860,900	988,300	0	1,849,200
Rec & Parks Child Care Fund	658,068	3,672,300	3,737,000	593,368	4,108,000	4,211,500	489,868
Internal Service Funds							
Self Insurance Fund	0	19,579,000	19,045,400	533,600	19,387,600	19,234,100	687,100
Health Insurance Fund	37,208,435	78,500,000	100,900,000	14,808,435	88,118,000	96,118,000	6,808,435
Garage Working Capital Fund	3,058,800	13,580,100	14,788,500	1,850,400	13,650,500	14,548,800	952,100
Garage Vehicle Replacement	9,641,847	5,109,500	7,408,300	7,343,047	10,105,000	15,666,900	1,781,147
Special Debt Service / Fiduciary Funds							
Ag & WdlnD PrsrvtN Sinking Fund	4,961,978	776,000	696,400	5,041,578	1,176,000	1,299,300	4,918,278
Special Revenue Funds							
Parking Garage Spec Rev Fund	0	432,900	445,300	(12,400)	536,500	458,200	65,900
Developer Street Light Fund	740,893	1,000,000	1,000,000	740,893	1,000,000	1,400,000	340,893
Bond Premium Revenue Fund	0	0	0	0	11,769,000	11,769,000	0
Forfeit & Asset Seizure Fnd	295,160	200,000	294,100	201,060	191,000	191,000	201,060
Piney Orchard WWS Fund	0	850,000	850,000	0	1,000,000	1,000,000	0
Partnership Children Yth & Fam	402,402	2,164,300	2,164,300	402,402	3,257,300	3,257,300	402,402
Laurel Race Track Comm Ben	1,414,179	380,000	380,000	1,414,179	250,000	1,573,100	91,079
Inmate Benefit Fund	752,199	1,125,500	1,500,000	377,699	1,178,500	1,534,500	21,699
Reforestation Fund	4,910,397	2,030,000	3,599,600	3,340,797	1,350,000	3,661,300	1,029,497
AA Workforce Dev Corp Fund	0	1,670,000	1,670,000	0	906,000	906,000	0
Community Development Fund	0	13,837,200	13,837,200	0	6,140,800	6,140,800	0
Circuit Court Special Fund	17,881	181,000	181,000	17,881	181,000	181,000	17,881
Grants Fund	(826,115)	31,414,700	32,326,500	N.A.	33,188,700	33,236,300	N.A.
Tax Increment Financing and Special Tax District Funds							
Tax Increment Financing Districts	255,953	25,046,000	25,046,000	N.A.	27,927,000	27,927,000	N.A.
Special Tax Districts	356,410	1,810,400	1,810,400	N.A.	1,815,300	1,815,300	N.A.
Special Community Benefit/Waterway Improvement/Erosion Control Districts							
aggregate	67,200	5,832,200	9,868,600	3,969,200	6,238,100	10,207,300	0

Summary of Changes in Budgetary Fund Balance - All Funds

Component Units	Fund Balance as of 6/30/09	FY2010 Estimate		Fund Balance as of 6/30/10	FY2011 Budget		Fund Balance as of 6/30/11
		Revenues	Expenditures		Revenues	Expenditures	
Board of Education (BOE)	15,223,515	906,814,600	912,814,600	9,223,515	925,269,700	931,269,700	3,223,515
Community College (AACC)	15,291,986	125,302,300	130,528,300	10,065,986	145,538,200	152,338,200	3,265,986
Public Libraries (AACPL)	940,094	15,448,000	15,539,400	848,694	14,891,700	15,341,700	398,694
Totals		2,586,267,300	2,655,434,400		2,654,718,200	2,702,552,900	
		(see p. 25)	(see pp. 21 & 25)		(see p. 25)	(see pp. 21 & 25)	

<p>Per the County Charter, the General Fund budget must appropriate all revenues and estimated fund balance, including an appropriation of contingency reserves not to exceed 3% of the General Fund. This explains why the estimated fund balance as of 6/30/11 is zero. It is estimated that \$16 million of the Revenue Reserve Fund will need to be used to cover the remaining deficit incurred in FY2010. No replenishment of this reserve fund is budgeted for in FY2011.</p> <p>In the Utility Operating Fund, the reduction in budgetary fund balance is mitigated by a 5% rate increase effective January 1, 2011. The estimated fund balance as of 6/30/11 falls short of a two-months operating expense target.</p> <p>The budget fully funds the actuarially determined Self Insurance Fund reserves. Following the actuarial valuation of claims in October of 2010, budgetary adjustments are typically recommended as appropriate in future budgets.</p> <p>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 FY2011 budget by a \$1.5 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.</p> <p>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 and continued through FY2010, 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</p>	<p>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.</p> <p>The Tax Increment/Special Tax Funds are managed with a goal of maintaining no budgetary fund balance.</p> <p>Similarly, the Grants Fund is managed with a goal of maintaining no budgetary fund balance. The negative balance shown in the Grants Fund as of 6/30/09 is expected and reflects receivables for outstanding grant reimbursements.</p> <p>The fund balance decline in the Health Fund is largely attributable to the return of funds recently contributed to this fund from General Fund in an effort to begin pre-funding the OPEB liability associated with retiree health benefits.</p> <p>A more detailed review of the change in budgetary fund balance available to the Board of Education and the Community College is shown on the next page.</p>
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Review of Changes in Budgetary Fund Balance

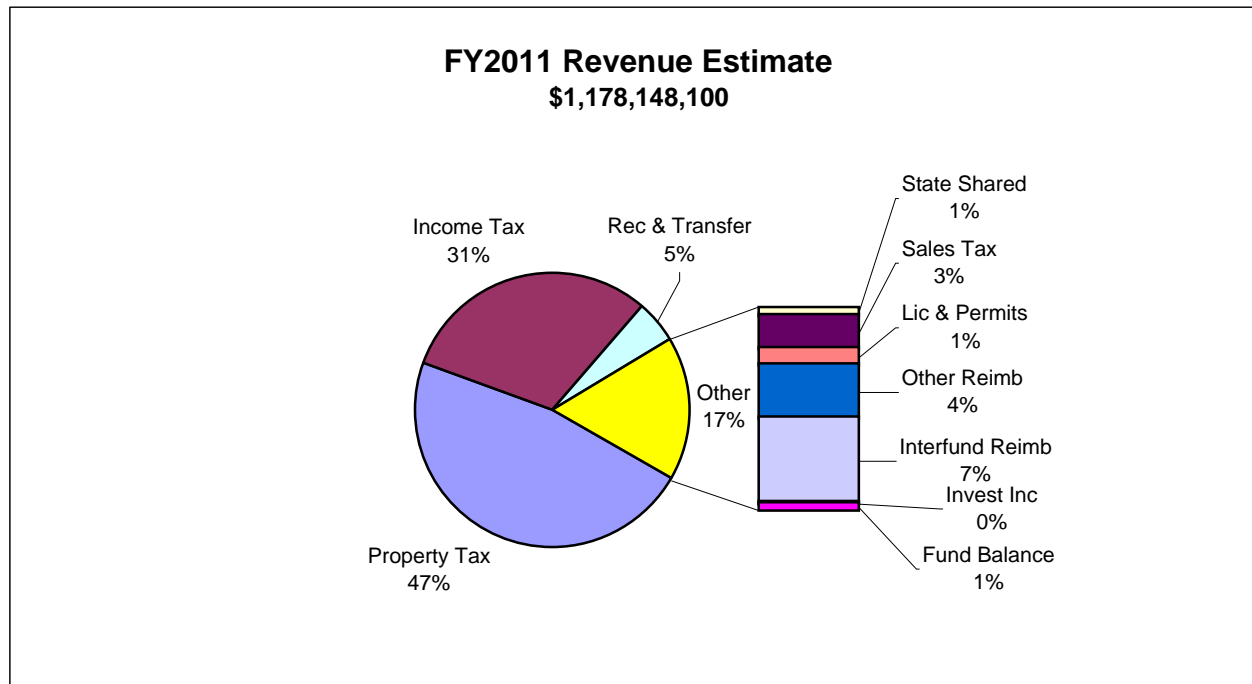
	Fund Balance as of 6/30/09	FY2010 Estimate		Fund Balance as of 6/30/10	FY2011 Budget		Fund Balance as of 6/30/11
		Revenues	Expenditures		Revenues	Expenditures	
Board of Education							
Budgetary Fund Balance	15,223,515	0	6,000,000	9,223,515	0	6,000,000	3,223,515
<u>Review of Details</u>							
Audited Financial Statements	15,223,515						
Used in Approved FY10 Operating Budget			6,000,000				
Used in Approved FY11 Operating Budget						6,000,000	
Community College							
Budgetary Fund Balance	15,291,986	1,000,000	6,226,000	10,065,986	5,426,000	12,226,000	3,265,986
<u>Review of Details</u>							
Audited Financial Statements	15,291,986						
Used in Approved FY10 Operating Budget			800,000				
Used in Approved FY10 Capital Budget			3,834,000				
Mid-Year FY10 Capital Appropriation			1,592,000				
Fund Balance from FY10 Operations (est)		1,000,000					
Used in Approved FY11 Operating Budget						1,800,000	
Contribution of College Fund Balance to County						5,000,000	
Switch of Bonds for College PayGo in FY11 Capital Budget (restores College Fund Balance)					5,426,000		
Additional Contribution of College Fund Balance to County						5,426,000	

Comparative Summary of Revenues and Expenditures - All Funds

Type/Object	FY2009 Actual	FY2010 Original	FY2010 Rev/Est	FY2011 Est/Bdgt	Inc (Dec) from Orig.
Revenue					
General Fund	1,138,408,755	1,180,889,400	1,170,953,800	1,169,362,500	(11,526,900)
Revenue Reserve Fund	1,709,725	0	462,000	85,000	85,000
Other Funds	365,955,309	382,092,800	361,454,400	393,333,000	11,240,200
BOE - County Contribution	584,285,503	554,026,500	554,026,500	562,360,000	8,333,500
BOE - Local Sources	21,376,054	19,257,000	19,257,000	17,588,200	(1,668,800)
BOE - State Grants	278,133,591	276,225,600	276,225,600	294,166,500	17,940,900
BOE - Federal Grants	44,809,964	41,915,400	57,305,500	51,155,000	9,239,600
AACC - County Contribution	37,849,900	33,822,700	33,822,700	33,822,700	0
AACC - State of Maryland	28,027,128	29,051,300	27,503,700	26,848,900	(2,202,400)
AACC - Tuition & Fees	33,003,782	33,246,800	34,794,400	39,689,800	6,443,000
AACC - Other College	1,079,581	1,511,200	(2,914,800)	6,752,600	5,241,400
AACC - Auxiliary & Other	27,740,555	32,096,300	32,096,300	38,424,200	6,327,900
Library - County Contribution	14,021,000	12,621,000	12,621,000	11,459,100	(1,161,900)
Library - State Aid	1,991,199	1,835,300	1,835,300	1,913,000	77,700
Library - Laurel Race Track	60,000	60,000	60,000	538,100	
Library - Fees, Fines, Collections	930,832	923,000	931,700	981,500	
Special Benefit Districts	5,361,674	5,832,200	5,832,200	6,238,100	405,900
Total Revenues	2,584,744,551	2,605,406,500	2,586,267,300	2,654,718,200	48,775,100
			(see p. 23)	(see p. 23)	
Expenditures					
Personal Services	466,023,789	488,238,800	481,697,300	489,964,900	1,726,100
Contractual Services	165,400,932	172,108,300	179,384,400	171,062,800	(1,045,500)
Supplies & Materials	29,537,408	31,526,000	31,784,100	31,553,800	27,800
Business & Travel	1,921,443	2,492,900	1,930,100	2,100,800	(392,100)
Capital Outlay	5,467,140	14,003,100	7,928,500	10,864,400	(3,138,700)
Debt Service	121,084,556	129,511,800	125,877,800	135,285,500	5,773,700
Grants, Contrib. & Other	763,557,278	765,962,600	758,081,300	752,563,800	(13,398,800)
BOE Categories	920,976,215	897,424,500	912,814,600	931,269,700	33,845,200
AACC Categories	126,072,785	130,528,300	130,528,300	152,338,200	21,809,900
AACPL Categories	16,491,473	15,889,300	15,539,400	15,341,700	(547,600)
Special Benefit Districts	5,125,422	9,868,600	9,868,600	10,207,300	338,700
Total Expenditures	2,621,658,442	2,657,554,200	2,655,434,400	2,702,552,900	44,998,700
			(see pp. 21 & 23)	(see pp. 21 & 23)	
Net use of (contribution to)					
Budgetary Fund balance:	36,913,891	52,147,700	69,167,100	47,834,700	
<i>General Fund</i>	48,626,156	5,821,026	21,821,026	4,971,000	
<i>All Others</i>	(11,712,265)	46,326,674	47,346,074	42,863,700	
<i>Net Use of Fund Balance</i>	36,913,891	52,147,700	69,167,100	47,834,700	

Comparative Statement of Revenues - General Fund

Funding Source	FY2009 Actual	FY2010 Original	FY2010 Revised	FY2011 Estimate	Inc (Dec) from Orig.
Property Taxes	521,131,638	531,002,000	536,125,000	553,800,000	22,798,000
Local Income Tax	372,441,155	356,850,000	350,000,000	363,000,000	6,150,000
State Shared Revenues	33,283,016	17,119,000	9,005,000	9,305,000	(7,814,000)
Recordation & Transfer Taxes	55,811,003	60,000,000	56,000,000	60,000,000	0
Local Sales Taxes	33,269,235	33,328,000	31,375,000	31,795,000	(1,533,000)
Licenses and Permits	15,034,858	15,549,600	14,772,100	16,071,900	522,300
Investment Income	3,726,585	3,891,000	850,000	850,000	(3,041,000)
Other Reimbursements	48,390,210	54,843,800	45,860,200	51,723,000	(3,120,800)
Interfund Reimbursements	38,571,054	108,306,000	110,966,500	81,724,700	(26,581,300)
Total County Revenue	1,121,658,755	1,180,889,400	1,154,953,800	1,168,269,600	(12,619,800)
Revenue Reserve	16,750,000	0	16,000,000	0	0
Golf Course Reserves	0	0	0	1,092,900	1,092,900
Fund Balance (Appropriated)	0	0	0	4,971,000	4,971,000
Total	1,138,408,755	1,180,889,400	1,170,953,800	1,174,333,500	(6,555,900)



Comparative Statement of Expenditures - General Fund

Department/Agency	FY2009 Actual	FY2010 Approved	FY2010 Estimate	FY2011 Budget	Inc (Dec) from Approved	
					\$	%
Legislative Branch						
Legislative Branch	3,373,708	3,664,400	3,664,400	3,470,700	(193,700)	-5.3%
Executive Branch						
County Executive	5,226,017	6,046,900	4,976,400	3,855,700	(2,191,200)	-36.2%
Office of Law	3,520,410	3,537,900	3,547,900	3,480,400	(57,500)	-1.6%
Office of Administrative Hearings	292,601	258,200	258,200	249,900	(8,300)	-3.2%
Administrative Core Group						
Chief Administrative Officer	3,799,811	23,992,700	4,317,000	8,793,600	(15,199,100)	-63.3%
Office of Central Services	19,856,138	19,749,200	19,747,200	18,269,300	(1,479,900)	-7.5%
Office of Finance	6,614,773	7,151,700	7,069,200	6,807,500	(344,200)	-4.8%
Office of Finance (Non-Departmental)	114,393,088	113,127,000	111,690,400	120,022,700	6,895,700	6.1%
Office of the Budget	844,813	874,200	869,600	867,900	(6,300)	-0.7%
Office of Personnel	6,060,424	5,820,300	5,809,600	5,754,900	(65,400)	-1.1%
Office of Information Technology	14,943,795	14,917,300	14,790,200	14,716,800	(200,500)	-1.3%
* Board of Education	584,283,578	554,026,500	554,026,500	562,360,000	8,333,500	1.5%
* Community College	37,608,534	33,822,700	33,822,700	33,822,700	0	0.0%
Libraries	14,021,000	12,621,000	12,621,000	11,459,100	(1,161,900)	-9.2%
Land Use and Environment Core Group						
Office of Planning and Zoning	7,923,487	8,266,200	7,957,100	7,948,200	(318,000)	-3.8%
Department of Inspections and Permits	11,697,624	11,505,300	11,509,200	10,864,000	(641,300)	-5.6%
Department of Public Works	37,264,441	34,984,200	49,397,700	33,605,800	(1,378,400)	-3.9%
Human Services Core Group						
Department of Aging and Disabilities	8,454,280	8,712,200	8,749,300	8,604,600	(107,600)	-1.2%
Department of Recreation and Parks	23,890,970	24,321,400	24,069,500	23,630,000	(691,400)	-2.8%
Health Department	28,080,082	29,699,400	29,861,900	30,289,100	589,700	2.0%
Department of Social Services	4,783,301	5,047,500	4,339,100	4,949,300	(98,200)	-1.9%
Public Safety Core Group						
Police Department	95,322,815	101,197,300	100,086,200	100,814,700	(382,600)	-0.4%
Fire Department	93,970,194	92,401,700	93,288,900	93,144,200	742,500	0.8%
Department of Detention Facilities	40,157,993	41,073,400	39,584,200	40,368,600	(704,800)	-1.7%
State Agencies						
Circuit Court	4,579,445	4,555,800	4,471,800	4,412,300	(143,500)	-3.1%
Orphans' Court	128,220	130,600	105,500	120,400	(10,200)	-7.8%
Office of the State's Attorney	8,318,559	8,856,800	8,912,500	8,516,000	(340,800)	-3.8%
Office of the Sheriff	7,057,653	7,384,200	7,161,400	7,321,400	(62,800)	-0.9%
Board of License Commissioners	623,704	637,400	637,700	643,100	5,700	0.9%
Board of Supervisors of Elections	2,413,349	2,102,700	2,174,100	4,779,200	2,676,500	127.3%
Cooperative Extension Service	179,805	223,800	223,800	223,800	0	0.0%
Other						
Ethics Commission	168,745	179,500	171,300	167,600	(11,900)	-6.6%
	<u>1,189,853,357</u>	<u>1,180,889,400</u>	<u>1,169,911,500</u>	<u>1,174,333,500</u>	<u>(6,555,900)</u>	<u>-0.6%</u>

* Beginning with the FY2011 budget, debt service is no longer shown as an appropriation to the Board of Education or the Community College, as it is an obligation paid by the County. For comparison purposes it has also been removed from the FY2010 figures.

Comparative Statement of Revenues - Other Funds

	FY2009 Actual	FY2010 Original	FY2010 Revised	FY2011 Estimate	Inc (Dec) from Orig.
Enterprise Funds					
Water & Wstwtr Operating Fund	76,273,467	87,576,300	80,793,000	84,341,000	(3,235,300)
Water & Wstwtr Sinking Fund	38,784,967	37,411,400	31,630,300	34,764,300	(2,647,100)
Maryland City AMT Fund	153,850	0	0	0	0
Waste Collection Fund	45,022,930	46,480,900	44,811,300	46,003,200	(477,700)
Solid Waste Assurance Fund	887,843	673,400	860,900	988,300	314,900
Rec & Parks Child Care Fund	3,492,940	4,259,300	3,672,300	4,108,000	(151,300)
Internal Service Funds					
Self Insurance Fund	17,454,218	19,045,400	19,579,000	19,387,600	342,200
Health Insurance Fund	90,720,640	78,477,300	78,500,000	88,118,000	9,640,700
Garage Working Capital Fund	13,693,717	13,714,700	13,580,100	13,650,500	(64,200)
Garage Vehicle Replacement Fnd	8,108,318	4,992,000	5,109,500	10,105,000	5,113,000
Fiduciary & Special Debt Service Funds					
Ag & Wldnd Prsrvtn Sinking Fnd	418,263	776,000	776,000	1,176,000	400,000
Special Revenue Funds					
Parking Garage Spec Rev Fund	434,402	459,700	432,900	536,500	76,800
Developer Street Light Fund	387,698	1,000,000	1,000,000	1,000,000	0
Bond Premium Revenue Fund	0	0	0	11,769,000	11,769,000
Forfeit & Asset Seizure Fnd	318,834	375,000	200,000	191,000	(184,000)
Piney Orchard WWS Fund	802,553	1,000,000	850,000	1,000,000	0
Partnership Children Yth & Fam	2,348,934	3,100,200	2,164,300	3,257,300	157,100
Laurel Race Track Comm Ben Fnd	375,544	380,000	380,000	250,000	(130,000)
Inmate Benefit Fund	1,280,859	1,314,000	1,125,500	1,178,500	(135,500)
Reforestation Fund	224,983	1,200,000	2,030,000	1,350,000	150,000
AA Workforce Dev Corp Fund	698,604	1,670,000	1,670,000	906,000	(764,000)
Community Development Fund	7,883,897	13,883,000	13,837,200	6,140,800	(7,742,200)
Circuit Court Special Fund	165,896	181,000	181,000	181,000	0
Grants Fund	32,300,817	37,831,800	31,414,700	33,188,700	(4,643,100)
Tax Increment Financing and Special Tax District Funds					
Tax Increment Financing Districts	22,086,956	24,481,000	25,046,000	27,927,000	3,446,000
Special Tax Districts	1,634,179	1,810,400	1,810,400	1,815,300	4,900
	365,955,309	382,092,800	361,454,400	393,333,000	11,240,200

Comparative Statement of Expenditures - Other Funds

	FY2009 Actual	FY2010 Original	FY2010 Estimate	FY2011 Budget	Inc (Dec) from Orig.
Enterprise Funds					
Water & Wstwtr Operating	87,262,149	88,465,600	84,855,900	85,925,100	(2,540,500)
Water & Wstwtr Sinking Fund	31,829,689	36,399,900	34,406,400	35,830,100	(569,800)
Maryland City AMT Fund	1,787,845	0	0	0	0
Waste Collection Fund	47,338,260	51,739,100	47,937,400	51,177,900	(561,200)
Solid Waste Assurance Fund	0	0	0	0	0
Rec & Parks Child Care Fund	3,699,664	4,367,200	3,737,000	4,211,500	(155,700)
Internal Service Funds					
Self Insurance Fund	16,625,376	19,031,600	19,045,400	19,234,100	202,500
Health Insurance Fund	73,255,970	103,518,700	100,900,000	96,118,000	(7,400,700)
Garage Working Capital Fund	12,808,015	14,938,600	14,788,500	14,548,800	(389,800)
Garage Vehicle Replacement	710,233	11,930,200	7,408,300	15,666,900	3,736,700
Fiduciary & Special Debt Service Funds					
Ag & Wldnd Prsrvtn Sinking	680,975	860,000	696,400	1,299,300	439,300
Special Revenue Funds					
Parking Garage Spec Rev Fund	434,402	459,700	445,300	458,200	(1,500)
Developer Street Light Fund	850,865	1,000,000	1,000,000	1,400,000	400,000
Bond Premium Revenue Fund	0	0	0	11,769,000	11,769,000
Forfeit & Asset Seizure Fnd	424,006	313,200	294,100	191,000	(122,200)
Piney Orchard WWS Fund	802,553	1,000,000	850,000	1,000,000	0
Partnership Children Yt	2,366,197	3,100,200	2,164,300	3,257,300	157,100
Laurel Race Track Comm Ben	350,000	380,000	380,000	1,573,100	1,193,100
Inmate Benefit Fund	1,439,366	1,718,000	1,500,000	1,534,500	(183,500)
Reforestation Fund	645,107	3,604,900	3,599,600	3,661,300	56,400
AA Workforce Dev Corp Fund	698,604	1,670,000	1,670,000	906,000	(764,000)
Community Development Fund	5,080,790	13,883,000	13,837,200	6,140,800	(7,742,200)
Circuit Court Special Fund	225,108	251,000	181,000	181,000	(70,000)
Grants Fund	33,126,932	38,031,800	32,326,500	33,236,300	(4,795,500)
Tax Increment Financing and Special Tax District Funds					
Tax Increment Financing Districts	22,307,022	24,481,000	25,046,000	27,927,000	3,446,000
Special Tax Districts	1,640,061	1,810,400	1,810,400	1,815,300	4,900
	346,389,189	422,954,100	398,879,700	419,062,500	(3,891,600)

APPROPRIATION AND REVENUE SUMMARY

District	Original FY2010 Appropriation	Assessable Base, Lots/Tax Accts.	Tax Rate	Tax Amount FY2011	County Funds Aval	FY2011 Funds	Fund Balance	Appropriation FY2011	
SPECIAL COMMUNITY BENEFIT DISTRICTS									
Amberley	900001	45,680	181 t.a.	55.25	10,000	0	10,000	39,972	49,972
Annapolis Roads	900002	597,501	120,200,000	0.273	328,146	0	328,146	98,111	426,257
Arundel on the Bay	900003	195,378	134,100,000	0.10	134,100	0	134,100	81,123	215,223
Avalon Shores	900004	41,263	587 t.a.	50.94	29,902	0	29,902	25,686	55,588
Bay Highlands	900005	163,000	31,100,000	0.20	62,200	0	62,200	48,200	110,400
Bay Ridge	900006	234,756	465 t.a.	498.37	231,743	0	231,743	0	231,743
Bittersweet	900057	10,975	11 t.a.	500.00	5,500	0	5,500	2,827	8,327
Cape Anne	900009	24,354	154 t.a.	50.00	7,700	0	7,700	4,650	12,350
Capetowne	900069	45,995	98 t.a.	449.02	44,004	0	44,004	0	44,004
Cape St. Claire	900010	273,204	2,297 t.a.	95.00	218,216	0	218,216	45,245	263,461
Carrollton Manor	900047	92,297	534 t.a.	150.00	80,100	100	80,200	5,195	85,395
Cedarhurst on the Bay	900011	138,690	66,800,000	0.19	126,920	0	126,920	3,000	129,920
Chartwell	900012	85,520	671 t.a.	66.00	44,286	0	44,286	40,325	84,611
Columbia Beach	900013	67,152	48,500,000	0.0813	39,446	0	39,446	23,252	62,698
Crofton	900014	1,249,308	781,500,000	0.098	765,870	9,300	775,170	533,483	1,308,653
Deale Beach	900066	6,408	184	34.36	6,322	0	6,322	839	7,161
Eden Wood	900048	10,784	12 t.a.	400.00	4,800	0	4,800	10,098	14,898
Epping Forest	900015	663,632	102,400,000	0.24	245,760	0	245,760	335,327	581,087
Fairhaven Cliffs	900016	10,124	28 t.a.	125.00	3,500	8,373	11,873	0	11,873
Felicity Cove	900062	34,237	34 t.a.	370.60	12,600	0	12,600	15,530	28,130
Franklin Manor	900017	100,834	123,000,000	0.04	49,200	0	49,200	60,000	109,200
Gibson Island	900018	371,020	311,600,000	0.10	311,600	25,300	336,900	94,782	431,682
Greenbriar Gardens	900058	19,257	48 t.a.	189.47	9,095	0	9,095	11,184	20,279
Greenbriar II	900054	21,000	35 t.a.	600.00	21,000	0	21,000	0	21,000
Heritage	900065	49,352	102 lots	380.00	38,760	0	38,760	10,096	48,856
Hillsmere	900019	221,664	1,227 lots	178.85	219,449	2,100	221,549	48,299	269,848
Hunters Harbor	900020	26,250	108 t.a.	150.00	16,200	0	16,200	1,625	17,825
Idlewilde	900070	9,945	115 t.a.	85.00	9,789	0	9,789	0	9,789
Indian Hills	900021	120,488	45,000,000	0.202	91,070	1,800	92,870	35,156	128,026
Landhaven	900022	10,734	60 t.a.	70.21	4,213	0	4,213	6,998	11,211
Little Magothy River	900060	95,133	101 t.a.	350.00	35,350	0	35,350	94,000	129,350
Long Point on the Severn	900023	14,282	55 t.a.	250.00	13,750	500	14,250	809	15,059
Magothy Beach	900055	4,685	160 t.a.	25.00	4,000	0	4,000	1,130	5,130
Magothy Forge	900068	5,212	146 t.a.	33.28	4,859	0	4,859	353	5,212
Manhattan Beach	900024	61,380	599 t.a.	125.00	74,875	0	74,875	15,023	89,898
North Beach Park	900025	20,934	89,300,000	0.0000	0	0	0	27,245	27,245
Owings Beach	900026	45,490	18,900,000	0.055	10,526	0	10,526	35,616	46,142
Oyster Harbor	900027	889,907	100,400,000	0.32	321,280	0	321,280	623,920	945,200
Parke West	900028	72,018	421 t.a.	105.00	44,205	0	44,205	31,656	75,861
Pine Grove Village	900050	20,794	138 t.a.	80.00	11,040	0	11,040	1,065	12,105
Pines on the Severn	900067	50,654	236 t.a.	180.44	42,585	0	42,585	12,347	54,932
Provinces	900049	27,702	880 t.a.	12.00	10,560	0	10,560	17,808	28,368
Queens Park	900029	20,763	447 t.a.	80.13	35,818	0	35,818	6,000	41,818
Rockview Beach/Riviera Is	900063	7,542	230 t.a.	39.00	8,970	0	8,970	2,209	11,179
Selby on the Bay	900030	146,316	861 t.a.	90.00	77,490	0	77,490	86,781	164,271
Severdale	900032	29,577	131 lots	49.99	6,549	0	6,549	24,808	31,357
Severn Grove	900071	0	122 t.a.	63.16	7,706	0	7,706	0	7,706

APPROPRIATION AND REVENUE SUMMARY

District		Original FY2010	Assessable Base,	Tax	Tax Amount	County	FY2011	Appropriation	
		Appropriation	Lots/Tax Accts.	Rate	FY2011	Funds Avail	Funds	Fund Balance	FY2011
Sherwood Forest	900033	998,789	341 lots	2,929.00	998,789	0	998,789	0	998,789
Shoreham Beach	900034	27,862	140 t.a.	230.00	32,200	0	32,200	210	32,410
Snug Harbor	900035	83,723	96 t.a.	126.32	12,127	0	12,127	68,732	80,859
South River Heights	900037	12,679	85 t.a.	130.33	11,078	0	11,078	4,776	15,854
South River Manor	900038	13,775	30 t.a.	150.00	4,500	0	4,500	10,032	14,532
South River Park	900039	39,941	113 t.a.	300.00	33,900	600	34,500	6,398	40,898
Steedman Point	900040	36,950	15 t.a.	250.00	3,750	0	3,750	1,705	5,455
Stone Haven	900052	2,400	114 t.a.	7.13	813	0	813	1,587	2,400
Sylvan View on the Magott	900044	29,106	142 t.a.	89.87	12,762	0	12,762	28,626	41,388
Upper Magothy Beach	900059	23,827	295 t.a.	50.00	14,750	0	14,750	13,142	27,892
Venice Beach	900042	83,898	18,200,000	0.14	25,480	0	25,480	75,379	100,859
Venice on the Bay	900053	13,937	203 t.a.	30.00	6,090	0	6,090	9,005	15,095
Warthen Knolls	900064	32,803	11	3,100.53	34,106	0	34,106	0	34,106
Wilelinor	900056	52,662	57 t.a.	400.00	22,800	0	22,800	44,571	67,371
Woodland Beach	900043	400,000	6241 lots	80.00	499,280	3,800	503,080	85,500	588,580
Woodland Bch, Pasadena	900046	24,300	21 t.a.	300.00	6,300	1000	7,300	0	7,300
Totals		8,329,842			5,599,777	52,873	5,652,650	2,911,436	8,564,087
SHORE EROSION CONTROL DISTRICTS									
Annapolis Cove	900371	5,886	210 lots	26.00	5,460			300	5,760
Annapolis Landing	900372	8,417	248 t.a.	33.00	8,184			200	8,384
Arundel on the Bay	900303	36,200	134,100,000	0.025	33,525			21,900	55,425
Bay Ridge	306,406,506	201,832	296,800,000	varies	125,384			119,547	244,931
Cape Anne	900309	19,413	30,400,000	0.0329	10,014			25,200	35,214
Cedarhurst on the Bay	900311	65,260	66,800,000	0.08	53,440			27,400	80,840
Columbia Beach	900313	220,000	48,500,000	0.087	42,000			204,837	246,837
Elizabeths Landing	900373	22,724	110,900,000	0.0049	5,423			6,500	11,923
Franklin Manor	900317	213,971	123,000,000	0.04	49,200			96,759	145,959
Idlewilde	900374	15,000	30,900,000	0.00	0			21,000	21,000
Mason's Beach	900375	150,400	16,500,000	0.00	0			153,800	153,800
North Beach Park	900325	189,226	87,600,000	0.08	70,080			181,000	251,080
Pine Grove Village	900376	2,645	138 t.a.	19.17	2,645			0	2,645
Riviera Beach	900377	157,740	250,400,000	0.036	90,000			86,500	176,500
Snug Harbor	900335	6,151	96 t.a.	43.07	4,135			2,000	6,135
Totals		1,314,865			499,490			946,943	1,446,433
WATERWAY IMPROVEMENT DISTRICTS									
Amberley	900690, 691	5,789	181 t.a. varies		5,789			0	5,789
Browns Pond	900680	35,378	10 shrs	1,047.84	10,478			27,400	37,878
Buckingham Cove	900685	9,082	15 t.a.	600.00	9,000			200	9,200
Cattail Creek	900687	5,400	Varies cu.y	1.19	5,400			0	5,400
Johns Creek	900681	9,050	9 t.a.	850.00	7,650			300	7,950
Lake Hillsmere II	900688	8,050	14 t.a.	575.00	8,050			0	8,050
Romar Estates	900686	12,975	25 t.a.	515.00	12,875			100	12,975
Snug Harbor	900635	78,200	44 t.a.	1,300.00	57,200			20,000	77,200
Spriggs Pond	900684	21,468	33 t.a.	450.00	14,850			8,790	23,640
Whitehall	900689	7,388	13.5 shrs	525.00	7,088			1,200	8,288
Totals		192,780			138,380			57,990	196,370

Position Summary

FY2011 Approved Budget

	FY2009 Approved	FY2010 Request	FY2010 Approved	FY2010 Adjusted	FY2011 Budget	Variance
General Fund						
Positions in the County Classified Service	3,496	3,389	3,389	3,389	3,341	-48
Positions Exempt from the County Classified Service	295	297	297	294	293	-1
General Fund Total	3,791	3,686	3,686	3,683	3,634	-49
Rec & Parks Child Care Fund	9	9	9	9	9	0
Water & Wstwtr Operating Fund	351	350	350	350	350	0
Waste Collection Fund	85	87	87	87	87	0
Self Insurance Fund	14	14	14	14	14	0
Garage Working Capital Fund	68	68	68	68	66	-2
Reforestation Fund	3	4	4	4	4	0
All Funds	4,321	4,218	4,218	4,215	4,164	-51

Position Summary

FY2011 Approved Budget

Positions in the County Classified Service

	FY2009 Approved	FY2010 Request	FY2010 Approved	FY2010 Adjusted	FY2011 Budget	Variance
General Fund						
Legislative Branch	13	12	12	12	12	0
Office of Law	31	30	30	30	30	0
Chief Administrative Officer	1	0	0	0	0	0
Office of Central Services	129	128	128	128	120	-8
Office of Finance	77	73	73	73	69	-4
Office of the Budget	6	5	5	5	5	0
Office of Personnel	42	41	41	41	39	-2
Office of Information Technology	82	82	82	82	81	-1
Office of Planning and Zoning	81	76	76	76	74	-2
Department of Inspections and Permits	139	128	128	128	124	-4
Department of Public Works	307	287	287	287	280	-7
Department of Aging and Disabilities	79	78	78	78	76	-2
Department of Recreation and Parks	110	102	102	102	96	-6
Health Department	83	83	83	83	83	0
Department of Social Services	13	13	13	13	13	0
Police Department	936	892	892	892	890	-2
Fire Department	859	857	857	857	853	-4
Department of Detention Facilities	410	406	406	406	400	-6
Office of the Sheriff	98	96	96	96	96	0
General Fund	3,496	3,389	3,389	3,389	3,341	-48

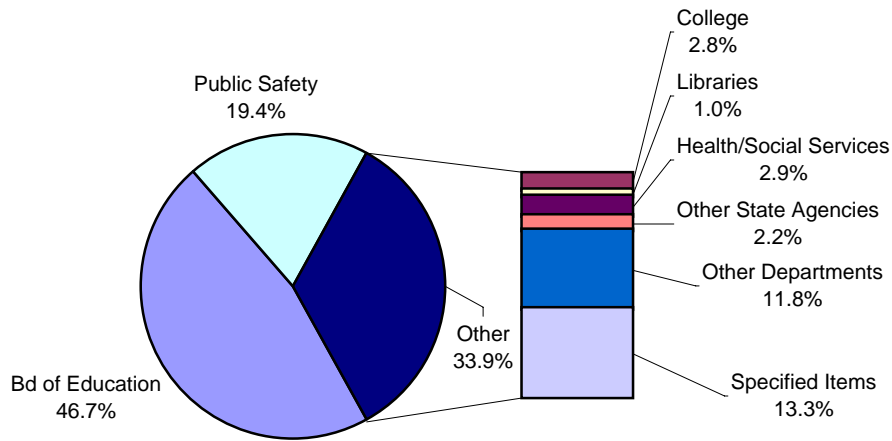
Position Summary

FY2011 Approved Budget

Positions Exempt from the County Classified Service

	FY2009 Approved	FY2010 Request	FY2010 Approved	FY2010 Adjusted	FY2011 Budget	Variance
General Fund						
Legislative Branch	27	27	27	27	27	0
County Executive	20	19	19	19	19	0
Office of Law	2	2	2	2	2	0
Office of Administrative Hearings	2	2	2	2	2	0
Chief Administrative Officer	4	4	4	4	3	-1
Office of Central Services	1	1	1	1	1	0
Office of Finance	2	2	2	2	2	0
Office of the Budget	1	1	1	1	1	0
Office of Personnel	2	2	2	2	2	0
Office of Information Technology	2	2	2	2	2	0
Office of Planning and Zoning	2	2	2	2	2	0
Department of Inspections and Permits	11	11	11	11	11	0
Department of Public Works	2	2	2	2	2	0
Department of Aging and Disabilities	2	2	2	2	2	0
Department of Recreation and Parks	2	2	2	2	2	0
Police Department	2	2	2	2	2	0
Fire Department	2	2	2	2	2	0
Department of Detention Facilities	2	2	2	2	2	0
Circuit Court	61	62	62	58	58	0
Orphans' Court	3	3	3	3	3	0
Office of the State's Attorney	107	109	109	110	110	0
Office of the Sheriff	3	3	3	3	3	0
Board of License Commissioners	27	27	27	27	27	0
Board of Supervisors of Elections	4	4	4	4	4	0
Ethics Commission	2	2	2	2	2	0
General Fund	295	297	297	294	293	-1

FY2011 Approved General Fund Appropriations
\$1,205,384,900
(Including Grants and excluding PayGo, Reserves, and Golf Courses)



Category (% of whole)	FY2010 Approved	FY2011 Approved	Inc (Dec)
Bd of Education (46.7%)	554,026,500	562,360,000	1.5%
College (2.8%)	33,822,700	33,822,700	0.0%
Libraries (1.0%)	12,621,000	11,459,100	-9.2%
Public Safety (19.4%)	234,672,400	234,327,500	-0.1%
Health/Social Services (2.9%)	34,746,900	35,238,400	1.4%
Other State Agencies (2.2%)	23,891,300	26,016,200	8.9%
Other Departments (11.8%)	155,539,300	141,726,300	-8.9%
Specified Items (13.3%)	131,569,300	160,434,700	21.9%
Total (100%)	1,180,889,400	1,205,384,900	2.1%

Other Departments

Public Works (2.8%)	34,984,200	33,605,800	-3.9%
P&Z / I&P (1.6%)	19,771,500	18,812,200	-4.9%
Rec & Parks (1.5%)	24,321,400	18,013,400	-25.9%
Central Svcs (1.5%)	19,749,200	18,269,300	-7.5%
Info Tech (1.2%)	14,917,300	14,716,800	-1.3%
Other (3.2%)	41,795,700	38,308,800	-8.3%
Sub-Total (11.8%)	155,539,300	141,726,300	-8.9%

Specified Items

CAO Contingency (0.5%)	20,639,300	6,102,000	-70.4%
Debt Service (7.5%)	85,093,000	90,885,100	6.8%
Self Insurance (0.9%)	11,337,000	10,779,600	-4.9%
Retiree Health (1.3%)	14,500,000	16,000,000	10.3%
Less: - PayGo (\$0.0M) (0.0%)	0	0	0.0%
- OPEB/Reserves (\$0.0M) (0.0%)		0	0.0%
- Golf Courses (\$5.6M) (0.0%)		0	0.0%
Add: + Grants (\$36.7M) (3.0%)	0	36,668,000	0.0%
Sub-Total (13.3%)	131,569,300	160,434,700	21.9%

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 Share of County General Fund Operating Budget <i>(Including Grants and excluding PayGo, Reserves, and Golf Courses)</i>			
	<i>(in millions)</i>		
	FY2009	FY2010	FY2011
General County Contribution	\$551.4	\$554.0	\$562.4
Textbooks	\$3.4	\$4.0	\$1.5
Debt Service	\$32.9	\$38.9	\$42.6
Health Department	\$11.9	\$11.7	\$11.7
Police Department	\$3.7	\$4.4	\$4.4
Total County Support	\$603.3	\$613.0	\$622.6
Textbooks funded by Capital Budget Fund Balance	-	-\$4.0	-\$1.5
Total General Fund Support	\$603.3	\$609.0	\$621.1
Total General Fund Budget	\$1,200.3	\$1,211.8	\$1,205.4
% Share of Budget	50.26%	50.26%	51.52%

- The Budget fully funds the Board of Education's Operating Budget Request, with the exception of:
 - COLA increases totaling \$7,650,800
 - Merit (or "Step") increases totaling \$19,339,900
- Combined with County funding in compliance with "Maintenance of Effort" requirements, this budget allows for the provision of an additional \$14 million.
 - Reflecting the County Executive's priority on the classroom, these additional funds are placed in the "Instructional Salaries" category.
 - These additional funds may be used in whatever manner the Board of Education deems most appropriate.
- The Budget does not reduce the pay for any school personnel and provides the Board with an additional \$14 million which could be used for pay enhancements, at the same time that all County employees will see an average pay reduction in excess of 4.5%.
- The Full-time equivalent (FTE) enrollment is projected to be 72,915.
 - An increase of 1,080 students, or 1.5%, the largest single-year increase in a decade.
 - Total growth in FTE over the past ten years has been 2% while County funding to the BOE has increased 64%.
- The State "Maintenance of Effort" requirement is \$8.3 million. This means in order to receive the State's increase in school aid, the County must provide \$8.3 million more than it did in FY2010.
 - The increase in State aid is \$17.9 million.
- The unrestricted operating budget, that excludes restricted grant funding, increases 2.9%.
- Beginning with this budget presentation, debt service payments made on behalf of the school system are reported under the Office of Finance Non-departmental.

Significant Capital Projects

The presentation above shows that the FY2011 budget provides \$192,282,700 in appropriation authority for General County Capital Projects. This amount of appropriation authority is distributed among a total of 149 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 (7% of the 149 projects) account for \$153,215,000 or 99%, of the FY2011 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	FY2011 Amount
Rd Reconstruction	\$11,000,000
All Day K and Pre K	\$9,500,000
Building Systems Renov	\$8,500,000
Open Space Classroom Enclo	\$8,000,000
Recurring Subtotal	\$37,000,000
Northeast HS	\$32,320,000
Arundel Gateway Tax District	\$23,000,000
Cedar Hill Tax District	\$17,000,000
Germantown ES	\$14,798,000
Folger McKinsey ES	\$12,350,000
Library Renovations	\$9,870,000
Belle Grove ES	\$6,877,000
Non-Recurring Subtotal	\$116,215,000
Total	\$153,215,000

Budget Highlights

FY2011 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.

Arundel Gateway Tax District (total cost estimate: \$23 million)

This project provides for the public infrastructure improvements to service the Arundel Gateway Special Taxing District. Funding will come from special obligation bonds which will be amortized by special taxes applicable to the special taxing district.

Cedar Hill Tax District (total cost estimate: \$17 million) This project provides for the public infrastructure improvements to service the Cedar Hill Special Taxing District. Funding will come from special obligation bonds which will be amortized by special taxes applicable to the special taxing district.

Germantown ES (total cost estimate: \$29.5 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.

Folger McKinsey ES (total cost estimate: \$29.2 million)

This project provides for renovation and an addition to Folger McKinsey ES. The existing building is not configured to support the current and future educational program. 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.

Library Renovations (total cost estimate: \$21.3 million)

The project provides for the renovation and expansion of the Andrew G. Truxal library on the Arnold campus at Anne Arundel Community college. The existing building is in need of renewal to the HVAC, electrical, and life safety systems. The expansion is to meet the growth in both enrollment and technology. Although this renovates existing infrastructure, 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: \$22.3 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.

Life Long Learning

Board of Education

- Funds recurring projects totaling \$23.9 million in FY2011
 - Systemic Replacements
 - Student Safety
 - School Furniture Replacement
 - School Bus Replacement
 - Vehicle Replacement
 - Textbooks
- Provides funding of \$3.7 million in FY2011 for the completion of the following schools with total project costs in excess of \$46.4 million:
 - Overlook Elementary School (\$18,771,000)
 - Pershing Hill Elementary School (\$27,596,000)
- Provides construction funding of \$66.4 million for the following projects in FY2011 with total project costs of nearly \$182 million:
 - Belle Grove Elementary School (\$22,279,000)
 - Germantown Elementary School (\$29,433,000)
 - Northeast High School (\$101,011,933)
 - Folger Mckinsey Elementary School (\$29,207,000)
- Provides design funding of \$2.6 million in FY2011 for the following schools with total project costs in excess of \$46.6 million:
 - Phoenix Annapolis (\$21,967,937)
 - Annapolis Elementary School (\$24,644,208)
- FY2011 Budget provides funding (\$740k) for a feasibility study of Severna Park High School. Construction funding provided in the program. (total project cost \$105 million)
- 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 (\$9.5 million) and Open Space Classroom Enclosures (\$8 million).

- Provides funding in FY2011 for the Southern High School Science Lab Modernization.
- Funding in FY2013 for the next round of Feasibility Studies (\$800k) for the following schools: Lothian ES, Crofton ES, Mills-Parole ES, and West Annapolis ES.

Community College

- Provides construction funding of \$9.9 million in FY2011 for the renovation and expansion of 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 the program for the construction of the Lake Shore Fire Station.
- 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.
- Recognizes \$1.9 million of American Recovery and Reinvestment Act Assistance to Firefighters Station Construction grant funding towards the Marley Fire Station Replacement.

Police

- Funding provided in the program for the construction of the New Eastern District Police Station.

Detention Facilities

- Funding is providing to replace the fire alarm system at Jennifer Road Detention Center and to perform an assessment of the Ordnance Road Detention fire alarm system.

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 the efforts to improve roads in the County.
- Funding provided in the Agricultural Preservation Program and Conservation Trust Program to continue the preservation of land in Anne Arundel County.
- Preservation of ecologically sensitive land within the Bacon Ridge Natural Area of the South River Greenway in keeping with the goal of protecting 1,100 acres utilizing State Program Open Space grant funds.
- Preservation of ecologically sensitive land in keeping with County's Greenways Master Plan utilizing State and Federal grant funds. Properties of interest include the 54-acre Spriggs property and parcels within the Grays Bottom Bog Buffer located in the Magothy River Watershed.
- Installation of safety turf fields at Southern and South River High Schools utilizing State Program Open Space grant funds.
- Construction of Phase II of the Adaptive Recreation Complex at Lake Waterford Park, which calls for a 220-yard rubberized track for disabled athletes, utilizing State Program Open Space grant funds.

Project Class Summary

Council Approved

<i>Project Class</i>	<i>Total</i>	<i>Prior</i>	<i>FY2011</i>	<i>FY2012</i>	<i>FY2013</i>	<i>FY2014</i>	<i>FY2015</i>	<i>FY2016</i>
General County	\$309,349,516	\$184,033,516	\$50,091,000	\$15,045,000	\$15,045,000	\$15,045,000	\$15,045,000	\$15,045,000
School Off-Site	\$8,763,574	\$3,013,574	\$750,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Stormwater Runoff Controls	\$34,617,051	\$16,705,051	\$3,126,000	\$2,500,000	\$4,786,000	\$2,500,000	\$2,500,000	\$2,500,000
Board of Education	\$1,245,073,161	\$643,438,461	\$112,406,700	\$95,725,300	\$90,576,700	\$106,014,000	\$84,784,000	\$112,128,000
Fire & Police	\$60,589,519	\$32,739,519	(\$1,045,000)	\$1,668,000	\$9,977,000	\$5,750,000	\$5,750,000	\$5,750,000
Roads & Bridges	\$293,440,997	\$177,521,997	\$4,235,000	\$32,552,000	\$22,660,000	\$20,672,000	\$17,900,000	\$17,900,000
Traffic Control	\$9,179,727	\$3,729,727	\$400,000	\$1,010,000	\$1,010,000	\$1,010,000	\$1,010,000	\$1,010,000
Community College	\$86,418,667	\$47,097,667	\$11,070,000	\$9,758,000	\$5,782,000	\$6,314,000	\$5,132,000	\$1,265,000
Library	\$26,290,003	\$7,684,003	\$1,856,000	\$3,350,000	\$3,350,000	\$3,350,000	\$3,350,000	\$3,350,000
Recreation & Parks	\$142,823,420	\$108,875,420	\$8,191,000	\$4,804,000	\$8,822,000	\$2,865,000	\$2,500,000	\$6,766,000
Water Quality Improvements	\$45,164,706	\$30,619,706	\$1,352,000	\$3,678,000	\$2,475,000	\$2,400,000	\$2,320,000	\$2,320,000
Dredging	\$30,921,125	\$25,299,125	(\$378,000)	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Special Benefit Districts	\$3,600,310	\$3,372,310	\$228,000	\$0	\$0	\$0	\$0	\$0
<i>Sub-Total General County</i>	\$2,296,231,776	\$1,284,130,076	\$192,282,700	\$172,290,300	\$166,683,700	\$168,120,000	\$142,491,000	\$170,234,000
Waste Management	\$77,181,785	\$32,936,785	\$5,475,000	\$18,637,000	\$2,305,000	\$14,928,000	\$1,450,000	\$1,450,000
<i>Sub-Total Solid Waste</i>	\$77,181,785	\$32,936,785	\$5,475,000	\$18,637,000	\$2,305,000	\$14,928,000	\$1,450,000	\$1,450,000
Wastewater	\$827,665,058	\$571,186,058	\$76,090,000	\$83,792,000	\$43,115,000	\$17,678,000	\$17,869,000	\$17,935,000
Water	\$655,265,382	\$303,872,382	\$45,920,000	\$52,361,000	\$101,029,000	\$101,659,000	\$24,861,000	\$25,563,000
<i>Sub-Total Utility</i>	\$1,482,930,440	\$875,058,440	\$122,010,000	\$136,153,000	\$144,144,000	\$119,337,000	\$42,730,000	\$43,498,000
<i>Grand-Total:</i>	\$3,856,344,001	\$2,192,125,301	\$319,767,700	\$327,080,300	\$313,132,700	\$302,385,000	\$186,671,000	\$215,182,000

Funding Source Summary

Council Approved

Project	Project Title	Total	Prior	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
General County									
Bonds									
	General County Bonds	\$1,284,998,212	\$592,478,512	\$117,137,700	\$118,589,300	\$114,458,700	\$117,107,000	\$99,380,000	\$125,847,000
	Revenue Bonds	\$86,000,000	\$46,000,000	\$40,000,000	\$0	\$0	\$0	\$0	\$0
	IPA Bonds	\$32,607,000	\$14,607,000	\$3,000,000	\$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	\$5,920,000	\$3,576,000	\$844,000	\$0	\$1,500,000	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 2	\$2,569,000	\$1,000,000	\$169,000	\$1,400,000	\$0	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 3	\$2,927,000	\$2,927,000	\$0	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 4	\$4,346,000	\$7,777,000	(\$5,999,000)	\$282,000	\$1,102,000	\$1,184,000	\$0	\$0
	Hwy Impact Fee Bonds Dist 5	\$1,994,000	\$1,994,000	\$0	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fee Bonds Dist 6	\$1,052,000	\$0	\$90,000	\$117,000	\$105,000	\$740,000	\$0	\$0
	Public Safety Impact Fee Bonds	\$4,718,000	\$3,300,000	\$218,000	\$0	\$1,200,000	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 1	\$12,283,000	\$12,247,000	\$36,000	\$0	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 2	\$772,000	\$36,000	\$336,000	\$400,000	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 3	\$2,572,000	\$2,736,000	(\$164,000)	\$0	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 4	\$1,322,000	\$1,436,000	(\$314,000)	\$200,000	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 5	\$1,572,000	\$36,000	\$936,000	\$600,000	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 6	\$4,989,000	\$35,000	\$4,035,000	\$919,000	\$0	\$0	\$0	\$0
	ED Impact Fee Bonds Dist 7	\$1,350,000	\$1,315,000	\$35,000	\$0	\$0	\$0	\$0	\$0
	Bonds	\$1,451,991,212	\$691,500,512	\$160,359,700	\$125,507,300	\$121,365,700	\$122,031,000	\$102,380,000	\$128,847,000
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	\$282,303,975	\$215,043,975	(\$1,710,000)	\$13,794,000	\$13,794,000	\$13,794,000	\$13,794,000	\$13,794,000
	Bd of Ed PayGo	\$1,338,131	\$1,208,131	\$130,000	\$0	\$0	\$0	\$0	\$0
	Community College Pay Go	\$4,525,667	\$9,951,667	(\$5,426,000)	\$0	\$0	\$0	\$0	\$0
	PayGo	\$289,067,773	\$227,103,773	(\$7,006,000)	\$13,794,000	\$13,794,000	\$13,794,000	\$13,794,000	\$13,794,000
Impact Fees									
	Hwy Impact Fees Dist 1	\$10,314,000	\$10,314,000	\$0	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 2	\$4,723,000	\$4,723,000	\$0	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 3	\$5,764,750	\$5,764,750	\$0	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 4	\$5,625,000	\$8,142,000	(\$2,517,000)	\$0	\$0	\$0	\$0	\$0
	Hwy Impact Fees Dist 5	\$3,757,000	\$3,757,000	\$0	\$0	\$0	\$0	\$0	\$0
	Impact Fees - Ed	\$3,450,000	\$1,000,000	\$1,200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	Ed Impact Fees Dist 1	\$16,138,500	\$16,138,500	\$0	\$0	\$0	\$0	\$0	\$0
	Ed Impact Fees Dist 2	\$1,858,600	\$1,858,600	\$0	\$0	\$0	\$0	\$0	\$0

Funding Source Summary

Council Approved

<i>Project</i>	<i>Project Title</i>	<i>Total</i>	<i>Prior</i>	<i>FY2011</i>	<i>FY2012</i>	<i>FY2013</i>	<i>FY2014</i>	<i>FY2015</i>	<i>FY2016</i>
	Ed Impact Fees Dist 3	\$4,291,300	\$4,291,300	\$0	\$0	\$0	\$0	\$0	\$0
	Ed Impact Fees Dist 4	\$2,343,800	\$2,343,800	\$0	\$0	\$0	\$0	\$0	\$0
	Ed Impact Fees Dist 5	\$280,700	\$280,700	\$0	\$0	\$0	\$0	\$0	\$0
	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	\$68,257,150	\$68,324,150	(\$1,317,000)	\$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	\$133,369	\$133,369	\$0	\$0	\$0	\$0	\$0	\$0
	Fed Bridge Repair Prgm	\$8,178,000	\$3,051,000	\$1,865,000	\$3,262,000	\$0	\$0	\$0	\$0
	Other Fed Grants	\$25,216,158	\$24,779,158	(\$63,000)	\$500,000	\$0	\$0	\$0	\$0
	POS - Acquisition	\$26,948,995	\$21,108,995	\$4,665,000	\$235,000	\$235,000	\$235,000	\$235,000	\$235,000
	POS - Development	\$30,282,100	\$25,463,100	\$1,009,000	\$910,000	\$2,900,000	\$0	\$0	\$0
	MDE Erosion & Water Qlty	\$1,480,732	\$1,480,732	\$0	\$0	\$0	\$0	\$0	\$0
	MD Waterway Improvement	\$12,542,197	\$10,937,197	\$1,605,000	\$0	\$0	\$0	\$0	\$0
	Maryland Higher Education	\$28,095,000	\$13,046,000	\$4,935,000	\$3,679,000	\$2,015,000	\$2,538,000	\$1,882,000	\$0
	Inter-Agency Committee	\$261,894,431	\$127,030,431	\$25,732,000	\$19,858,000	\$21,829,000	\$24,977,000	\$19,655,000	\$22,813,000
	Other State Grants	\$37,024,983	\$22,443,983	\$2,631,000	\$2,390,000	\$2,390,000	\$2,390,000	\$2,390,000	\$2,390,000
	Grants & Aid	\$434,441,965	\$252,119,965	\$42,379,000	\$30,834,000	\$29,369,000	\$30,140,000	\$24,162,000	\$25,438,000
	Other								
	Developer Contribution	\$5,174,266	\$12,525,266	(\$7,476,000)	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
	Other Funding Sources	\$10,271,930	\$8,521,930	\$750,000	\$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	\$2,578,000	\$100,000	\$2,478,000	\$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	\$49,752	\$49,752	\$0	\$0	\$0	\$0	\$0	\$0
	City of Annapolis	\$268,000	\$268,000	\$0	\$0	\$0	\$0	\$0	\$0
	Special Fees	\$435,000	\$0	\$435,000	\$0	\$0	\$0	\$0	\$0
	Cable Fees	\$16,800,000	\$6,720,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000
	Other BOE Agreements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	School Waiver Fees	\$46,000	\$46,000	\$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	\$52,473,676	\$45,081,676	(\$2,133,000)	\$1,905,000	\$1,905,000	\$1,905,000	\$1,905,000	\$1,905,000

Funding Source Summary

Council Approved

<i>Project</i>	<i>Project Title</i>	<i>Total</i>	<i>Prior</i>	<i>FY2011</i>	<i>FY2012</i>	<i>FY2013</i>	<i>FY2014</i>	<i>FY2015</i>	<i>FY2016</i>
General County		\$2,296,231,776	\$1,284,130,076	\$192,282,700	\$172,290,300	\$166,683,700	\$168,120,000	\$142,491,000	\$170,234,000
Solid Waste									
Bonds									
	Solid Waste Bonds	\$68,473,000	\$26,331,000	\$6,590,000	\$18,137,000	\$1,252,000	\$14,373,000	\$895,000	\$895,000
	Bonds	\$68,473,000	\$26,331,000	\$6,590,000	\$18,137,000	\$1,252,000	\$14,373,000	\$895,000	\$895,000
PayGo									
	Solid Wst Mgmt PayGo	\$7,958,785	\$5,855,785	(\$1,115,000)	\$500,000	\$1,053,000	\$555,000	\$555,000	\$555,000
	PayGo	\$7,958,785	\$5,855,785	(\$1,115,000)	\$500,000	\$1,053,000	\$555,000	\$555,000	\$555,000
Grants & Aid									
	Other Fed Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Grants & Aid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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	\$77,181,785	\$32,936,785	\$5,475,000	\$18,637,000	\$2,305,000	\$14,928,000	\$1,450,000	\$1,450,000

Funding Source Summary

Council Approved

Project	Project Title	Total	Prior	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
<i>Utility</i>									
Bonds									
	General County Bonds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Water Bonds	\$598,059,314	\$280,306,314	\$40,980,000	\$46,621,000	\$95,289,000	\$95,919,000	\$19,121,000	\$19,823,000
	WasteWater Bonds	\$510,065,870	\$325,374,870	\$56,019,000	\$72,167,000	\$32,243,000	\$7,938,000	\$8,129,000	\$8,195,000
	Bonds	\$1,108,125,184	\$605,681,184	\$96,999,000	\$118,788,000	\$127,532,000	\$103,857,000	\$27,250,000	\$28,018,000
PayGo									
	WasteWater PayGo	\$108,335,567	\$52,011,567	\$8,607,000	\$10,825,000	\$10,072,000	\$8,940,000	\$8,940,000	\$8,940,000
	Water PayGo	\$61,769,889	\$24,129,889	\$4,940,000	\$6,540,000	\$6,540,000	\$6,540,000	\$6,540,000	\$6,540,000
	PayGo	\$170,105,456	\$76,141,456	\$13,547,000	\$17,365,000	\$16,612,000	\$15,480,000	\$15,480,000	\$15,480,000
Grants & Aid									
	Other State Grants	\$198,348,500	\$178,840,500	\$19,508,000	\$0	\$0	\$0	\$0	\$0
	Grants & Aid	\$198,348,500	\$178,840,500	\$19,508,000	\$0	\$0	\$0	\$0	\$0
Other									
	Developer Contribution	\$430,000	\$430,000	\$0	\$0	\$0	\$0	\$0	\$0
	Developer Contribution	\$3,364,177	\$3,364,177	\$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	\$0	\$8,044,000	(\$8,044,000)	\$0	\$0	\$0	\$0	\$0
	Other	\$6,351,300	\$14,395,300	(\$8,044,000)	\$0	\$0	\$0	\$0	\$0
	Utility	\$1,482,930,440	\$875,058,440	\$122,010,000	\$136,153,000	\$144,144,000	\$119,337,000	\$42,730,000	\$43,498,000
	Grand-Total:	\$3,856,344,001	\$2,192,125,301	\$319,767,700	\$327,080,300	\$313,132,700	\$302,385,000	\$186,671,000	\$215,182,000

FY2011 DEBT AFFORDABILITY

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</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	\$3,000,000
Total New Authority	\$118,000,000	\$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%
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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 APPROVED BUDGET**

Bonds Affordability

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
Affordable New Authority	118,000,000	118,000,000	118,000,000	118,000,000	118,000,000	118,000,000
Use of New Bond Authority	119,688,000	121,924,000	122,828,000	128,657,000	108,170,000	122,304,000
Amount Over (Under) Affordability	1,688,000	3,924,000	4,828,000	10,657,000	(9,830,000)	4,304,000

PayGo Affordability

Recurring Revenues for PayGo	-	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Pay Go back to General Fund	(1,650,000)					
"One-Time" Revenue	-					
Adjusted Affordability	(1,650,000)	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Use of PayGo	(1,650,000)	13,794,000	13,794,000	13,794,000	13,794,000	13,794,000
Amount Over (Under) Affordability	-	(206,000)	(206,000)	(206,000)	(206,000)	(206,000)

Bonds & PayGo Affordability (Combined)

Bonds & PayGo Affordability	116,350,000	132,000,000	132,000,000	132,000,000	132,000,000	132,000,000
Use of Bonds & PayGo	118,038,000	135,718,000	136,622,000	142,451,000	121,964,000	136,098,000
Amount Over (Under) Affordability	1,688,000	3,718,000	4,622,000	10,451,000	(10,036,000)	4,098,000