



Steven R. Schuh, County Executive

# FY2019 Budget Overview

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## Highlights

- **\$67.1 Million Increase in Recurring Revenue (+4.6%)**
- **Property Tax Rate Decreased 0.5 Cents, Reduction of 0.54%**
- **Tax Rate \$0.902 (Annapolis \$0.541, Highland Beach \$0.872)**
- **BOE Maintenance of Effort Funded - \$8,346 Per Student**
- **BOE County Funding Increase \$25.2 Million 3.8% (Recurring)**
- **48 New Positions – Including 20 Police Officers, 10 Firefighters, 3 Assistant States' Attorney's**
- **\$6.5 Million Contribution to Revenue Reserve Fund – \$73.3 million Projected Fund Balance at the end of 2019**
- **Minimum 3% Pay Increase for Employee Groups**
- **Retiree Health Insurance Funding Plan continued**
- **Retiree Savings Plan employer contributions funded**
- **No user rate increases for Enterprise Funds**

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## **Efficiencies & Enhancements**

- **Police Department**
  - 20 Additional Police Officers (10 for School Resource Officers)
  - Forensic Chemist
  - Starting Salary Pay Scale Enhancement
- **Fire Department**
  - 10 Additional Firefighters
  - 2 Communication Operators
- **State's Attorney**
  - 3 Assistant State's Attorneys
- **Health Department**
  - Enhanced focus on opioid crisis

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## **Efficiencies & Enhancements**

- **Recreation & Parks**
  - 2 Additional Park Rangers
  - 2 Sports Complex Supervisors
  - 1 Maintenance Worker
- **Legislative Branch**
  - Additional Auditor Position
- **State Pension Liability Paid Off**
  - Frees up \$2.2 million for recurring purposes
- **Transportation & Emergency Management Departments**
  - Formal departmental status

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## Year-to-Year Growth

(Millions)

	<u>Budget</u>		
<b>FY2019</b>	<b>\$1,589.9</b>		
<b>FY2018</b>	<b><u>\$1,518.8</u></b>		
<b>Increase</b>	<b>\$ 71.1</b>	<b>+4.7%</b>	
Recurring Revenue	\$67.1	4.4%	
One-Time Revenue	\$-0.5		
Fund Balance	\$4.4	0.2%	5

## Positions

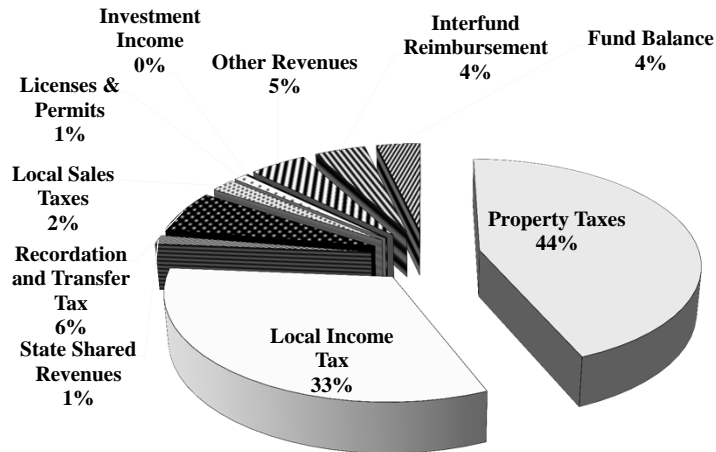
### 48 New General Fund Positions

- Police +22
- Fire +12
- Sheriff +1
- Circuit Court +1
- State's Attorney +3
- Recreation & Parks +5
- Planning and Zoning +2
- Information Technology +1
- Legislative Branch +1

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## General Fund Revenue

**\$1,589,938,000**



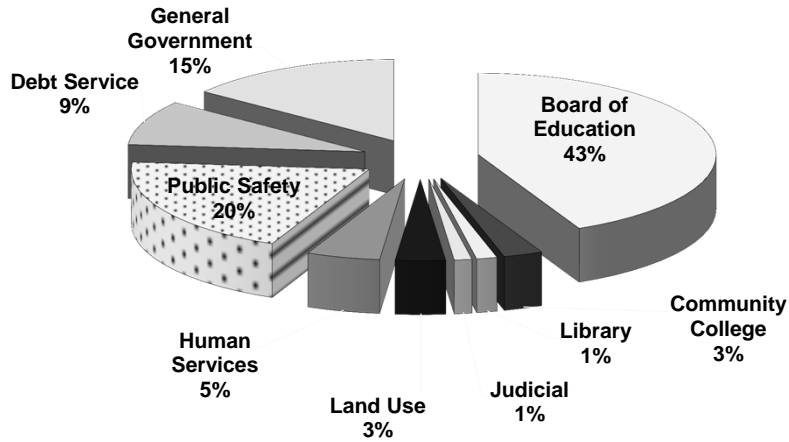
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## Revenue

	FY19 Amt. <u>(Millions \$)</u>	Increase <u>2018 Bud</u>	Increase <u>2018 Adj</u>
Property Tax	694.8	3.9%	2.8%
Income Tax	518.0	6.6%	2.7%
State Shared Revenue	21.6	2.1%	2.7%
Recordation & Transfer	102.0	2.0%	-2.9%
Local Sales Tax	31.9	-2.9%	-1.1%
Licenses & Permits	17.3	-0.6%	0.4%
Investment Income	1.2	100.0%	0.0%
Other	74.9	6.0%	4.1%
Interfund Reimbursements	<u>67.6</u>	<u>3.9%</u>	<u>10.5%</u>
Total Recurring Revenue	1,529.4	4.6%	2.6%
One-time Revenues	1.9		
Fund Balance	<u>58.5</u>		8
Total	1,589.9	4.7%	4.7%

# Appropriations

**\$1,589,938,300**



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# Appropriations

(Millions)

<b>Board of Education</b>	<b>\$ 684.2</b>
<b>Police</b>	<b>\$ 141.6</b>
<b>Fire</b>	<b>\$ 114.2</b>
<b>Detention</b>	<b>\$ 46.6</b>
<b>Community College</b>	<b>\$ 42.4</b>
<b>Public Works</b>	<b>\$ 34.4</b>
<b>Recreation &amp; Parks</b>	<b>\$ 25.9</b>
<b>Health</b>	<b>\$ 39.5</b>
<b>Library</b>	<b>\$ 22.2</b>
<b>Aging</b>	<b>\$ 8.2</b>
<b>All Other</b>	<b><u>\$ 430.8</u></b>
<b>Total</b>	<b>\$ 1,589.9</b>

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## Board of Education County Funding

(Millions)

<b>County Direct</b>	<b>\$684.2</b>
<b>Other County Funding:</b>	
<b>Debt Service</b>	<b>81.3</b>
<b>School Health</b>	<b>13.7</b>
<b>School Safety (Police)</b>	<b><u>5.4</u></b>
<b>Total</b>	<b>\$784.6</b>

*Amount 51.3% of County Budget*

*(Recurring Revenue)*

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## Board of Education Funding

### Unrestricted Funds

(Millions)

	<u>Amount</u>	<u>% Total</u>
<b>County</b>	<b>\$684.2</b>	<b>64.2%</b>
<b>State</b>	<b>363.1</b>	<b>34.0%</b>
<b>Federal</b>	<b>2.2</b>	<b>0.2%</b>
<b>Local</b>	<b>4.0</b>	<b>0.4%</b>
<b>BOE Fund Balance</b>	<b><u>13.0</u></b>	<b><u>1.2%</u></b>
<b>Total</b>	<b>\$1,066.5</b>	<b>100%</b>

*Year-over-Year Increase \$35.2 Million or 3.4%*

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## Board of Education Funding

(Millions)

### FY2019 Proposed Enhancements

<b>MOE</b>	<b>\$12.8</b>
<b>Teacher Pay Package (\$21.2m Total)</b>	<b>8.4</b>
<b>Health Insurance Fund Rescue</b>	<b>3.0</b>
<b>EEE</b>	<b>1.2</b>
<b>Monarch Academy</b>	<b>3.0</b>
<b>Pre -K</b>	<b>1.8</b>
<b>2 School Psychologists</b>	<b>0.2</b>
<b>50 Teachers</b>	<b>3.8</b>
<b>E-Rate</b>	<b><u>1.0</u></b>
	<b>\$35.2</b>

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## Community College Funding

(Millions)

	<u>Amount</u>	<u>% Total</u>
<b>County</b>	<b>\$44.1</b>	<b>38.1%</b>
<b>State</b>	<b>29.3</b>	<b>25.3%</b>
<b>Tuition</b>	<b>38.4</b>	<b>33.2%</b>
<b>Other</b>	<b><u>4.0</u></b>	<b><u>3.5%</u></b>
<b>Total</b>	<b>\$115.8</b>	<b>100%</b>

*Year-over -Year Increase of \$1.6 Million or 1.4%*  
*County Funding for FY2019 Increases \$2.1 Million*

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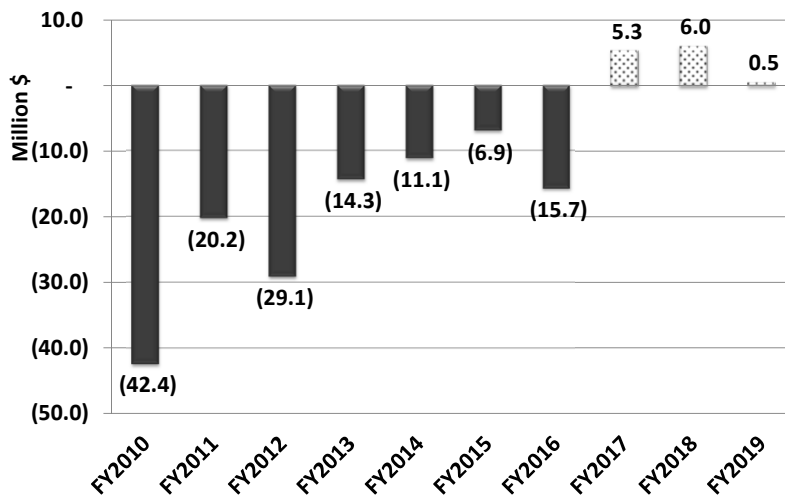
# Library Funding

	<u>Amount</u>	<u>% Total</u>
<b>County</b>	<b>\$22,806,400</b>	<b>87.0%</b>
<b>State</b>	<b>2,350,000</b>	<b>9.0%</b>
<b>Fees, Fines, Collections</b>	<b>813,500</b>	<b>3.1%</b>
<b>Fund Balance</b>	<b><u>233,100</u></b>	<b><u>0.9%</u></b>
<b>Total</b>	<b>\$26,202,900</b>	<b>100%</b>

*Year-over-Year Increase of \$1.9 Million, or 7.8%*

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## Structural (Deficit) Surplus in the Proposed Budget



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# Debt Affordability Model

## Fiscal Year 2019

(millions \$)

	<u>Guidelines</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>
New Authority, Normal		196.0	210.5	160.4	176.8	144.7	69.0
Not Used in Prior Years		0.0					
New Authority, IPA's		0.0	0.0	0.0	0.0	0.0	0.0
<b>Total New Authority Affordable</b>		<b>196.0</b>	<b>210.5</b>	<b>160.4</b>	<b>176.8</b>	<b>144.7</b>	<b>69.0</b>
<b>Debt Service as % of Revenue</b>	<b>11.5%</b>	<b>9.5%</b>	<b>9.9%</b>	<b>10.4%</b>	<b>10.9%</b>	<b>10.8%</b>	<b>10.6%</b>
<b>Debt as % of Full Value</b>	<b>2.0%</b>	<b>1.4%</b>	<b>1.5%</b>	<b>1.6%</b>	<b>1.6%</b>	<b>1.6%</b>	<b>1.6%</b>
<b>Debt as % of Personal Income</b>	<b>4.0%</b>	<b>3.2%</b>	<b>3.4%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>
<b>Debt per Capita</b>	<b>\$3,000</b>	<b>\$2,169</b>	<b>\$2,321</b>	<b>\$2,488</b>	<b>\$2,556</b>	<b>\$2,649</b>	<b>\$2,690</b>

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# Affordability Analysis

(millions)

	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>
<b>BONDS</b>						
New Bond Authority	\$163.0	\$163.0	\$163.0	\$163.0	\$163.0	\$163.0
Not Used in Prior Year	(\$19.3)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Adjusted Affordability	\$143.7	\$163.0	\$163.0	\$163.0	\$163.0	\$163.0
<b>Use of New Bond Authority</b>	<b>\$196.0</b>	<b>\$210.5</b>	<b>\$160.4</b>	<b>\$176.8</b>	<b>\$144.7</b>	<b>\$69.0</b>
<b>PAYGO</b>						
Fund Balance	\$41.3	\$5.0	\$5.0	\$5.0	\$5.0	\$5.0
Operating Revenue -One-Time	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Adjusted Affordability	\$41.3	\$5.0	\$5.0	\$5.0	\$5.0	\$5.0
<b>Use of PayGo</b>	<b>\$41.3</b>	<b>\$5.0</b>	<b>\$5.0</b>	<b>\$5.0</b>	<b>\$5.0</b>	<b>\$5.0</b>
<b>Bonds &amp; PAYGO (Combined)</b>						
Bonds & PAYGO Affordability	\$185.0	\$168.0	\$168.0	\$168.0	\$168.0	\$168.0
Use of Bonds & PAYGO	\$237.3	\$215.5	\$165.4	\$181.8	\$149.7	\$74.0
Amount Over (Under)	\$52.3	\$47.5	(\$2.6)	\$13.8	(\$18.3)	(\$94.0)
Cumulative	\$52.3	\$99.8	\$97.2	\$111.0	\$92.6	(\$1.3)

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## Capital Budget Highlights

\$358.5 Million

- Information Technology Enhancement \$ 10.8 Million
- County Facility System Upgrades \$ 7.1 Million
- Police Training Academy \$ 2.7 Million
- Public Safety Radio System Upgrade \$ 15.0 Million
- Jacobsville Fire Station \$ 5.6 Million
- Police CID Facility \$ 3.3 Million
- Advance Land Acquisition \$ 28.0 Million
- Road Resurfacing/Reconstruction/Masonry \$ 29.7 Million
- Hanover Road Corridor Improvements \$ 4.2 Million
- Randazzo Athletic Fields \$ 3.3 Million
- Turf Fields – Chesapeake HS & Marley MS \$ 3.6 Million
- 10 Creek Dredging Proj & Dredge Placement \$ 6.6 Million
- Community College Health Sciences Bldg \$ 25.2 Million

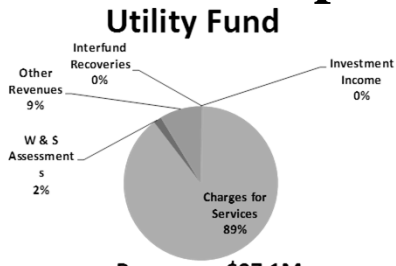
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## BOE Capital Budget Highlights

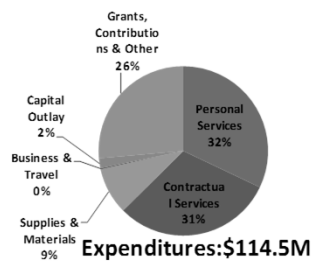
\$173.6 Million – 48.4% of Capital Budget

- Crofton Area High School \$47.4 Million
- High Point Elementary \$ 4.5 Million
- George Cromwell Elementary \$ 15.6 Million
- Manor View Elementary \$ 3.8 Million
- Jessup Elementary \$ 7.9 Million
- Arnold Elementary \$ 6.7 Million
- All Day K and Pre K \$ 7.5 Million
- Open Space Classroom Enclosure \$ 8.0 Million
- Building Systems Renovation \$ 20.0 Million
- Maintenance Backlog \$ 4.0 Million
- Additions \$ 8.6 Million
- Edgewater Elementary \$ 4.2 Million
- Tyler Heights Elementary \$ 4.4 Million
- Richard Henry Lee Elementary \$ 3.4 Million

# Enterprise Funds

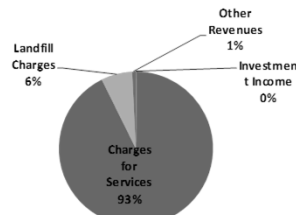


Revenues: \$97.1M

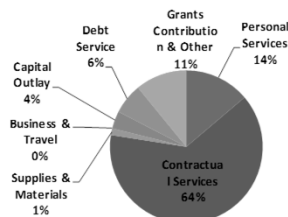


Expenditures: \$114.5M

### Solid Waste Fund



Revenues: \$53.0M



Expenditures: \$56.1M

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## Complete Budget Documents

The entire Operating and Capital Budget, as well as the Budget Message are available at:

[www.aacounty.org/budget/index.cfm](http://www.aacounty.org/budget/index.cfm)

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