



**Steuart Pittman, County Executive**

# **FY2023 Budget in Brief**

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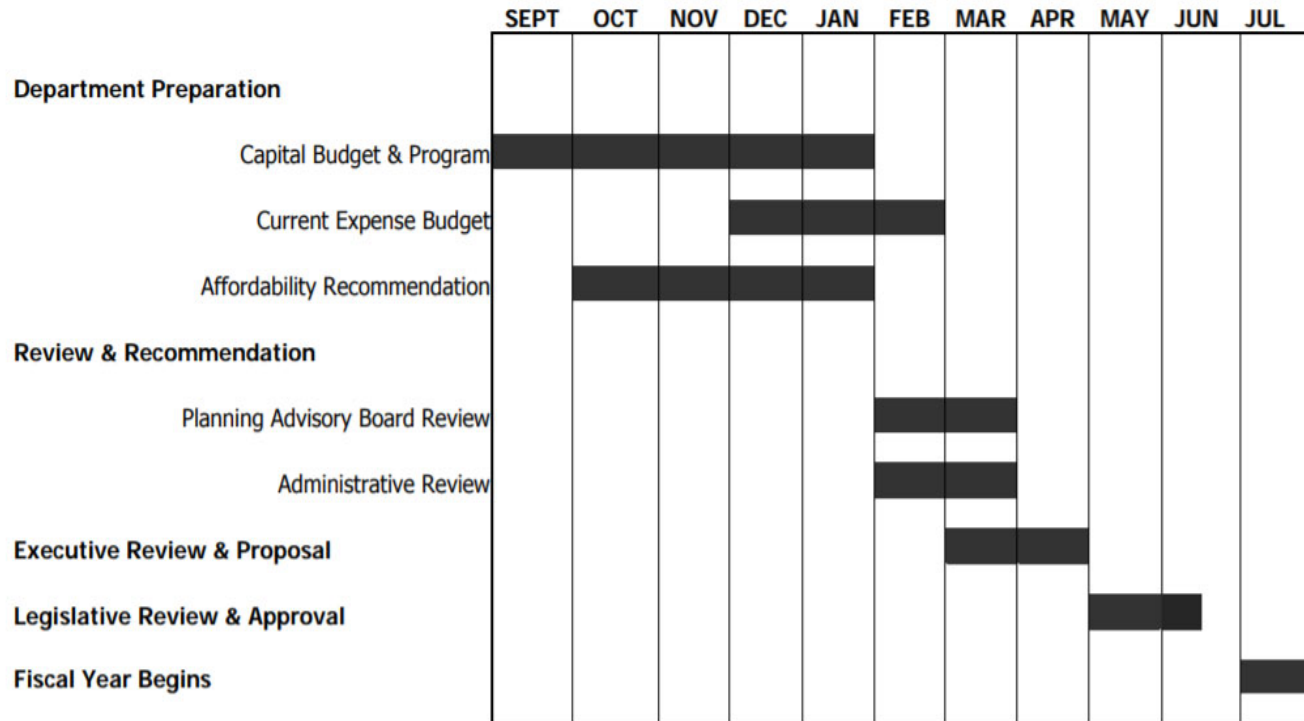
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Budget Management Assistant I

April 29, 2022

# FY2023

## Budget Development Process



# Year-to-Year Growth

(Millions)

## Budget

FY2023

\$2,157.5

FY2022

\$1,873.1

Increase

\$ 284.4 + 15.2%

(subtracting incremental fund balance) \$ 151.6

(subtracting one-time revenue) \$ 3.0

**\$ 129.8 + 7.4%**

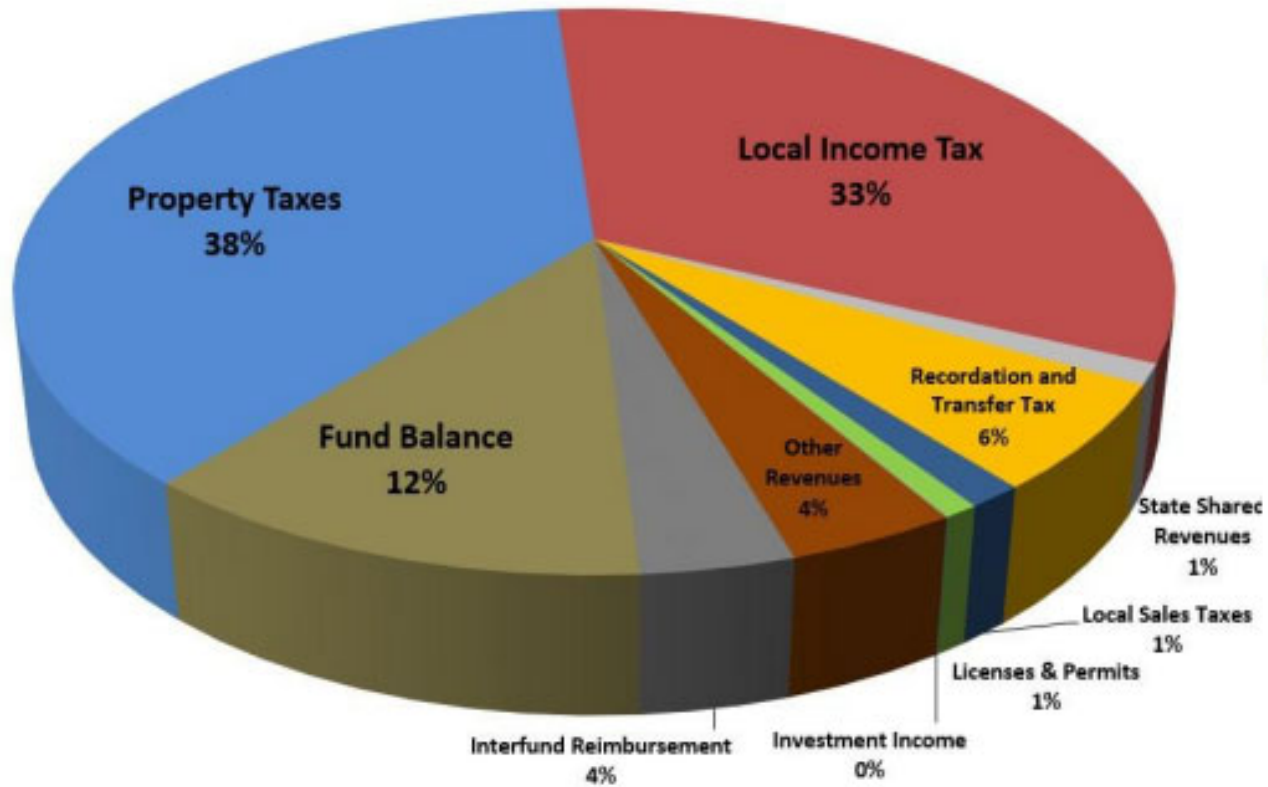
(recurring revenue)

# Highlights

- \$129.8 million Increase in Recurring Revenue (+7.4% over FY22)
- Property Tax Rate unchanged, even though Tax Cap allows \$0.03 increase  
Tax Rate \$0.933 (Annapolis \$0.559, Highland Beach \$0.903)
- Income Tax Rate reduced to 2.70% for income up to \$50k;  
remains 2.81% for income above \$50k
- Fully eliminate the structural deficit; \$100k budget surplus
- Reduces new debt authority by \$10M/yr from \$170M to \$160M
- \$50 million new county BOE funding (most in county history)
- \$23.5 million Contribution to Revenue Reserve Fund –  
\$132.7 million Projected Balance at the end of FY2023 (7% max)
- \$10 million to start a new Affordable Housing Trust Fund
- \$16.5 million one-time contribution to Pension Fund
- 59 New Positions in the General Fund
- 0% Change in Stormwater Remediation Fee, Solid Waste Fee
- 5% Change Water/Sewer User Rate

# General Fund Revenue

**\$2,157,450,500**



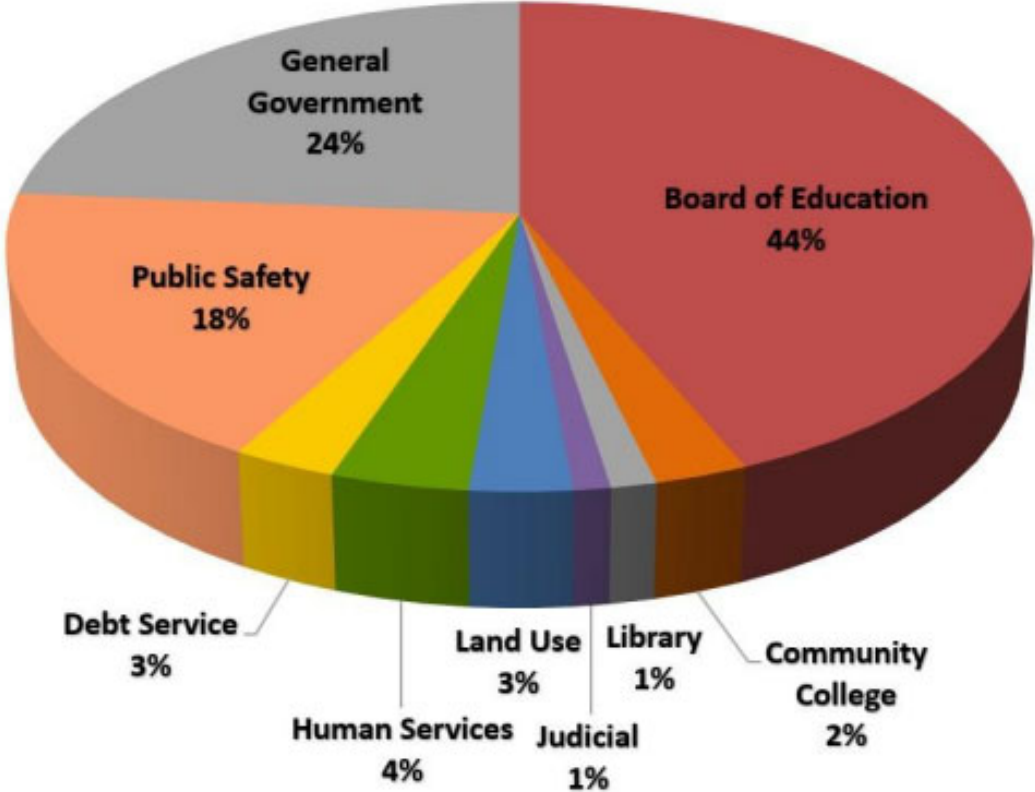
## FY23 Revenue

	<b>FY23 Amt. (Millions \$)</b>	<b>% Change FY22 Bud</b>	<b>% Change FY22 Rev</b>
<b>Property Tax</b>	<b>812.6</b>	<b>2.9%</b>	<b>1.6%</b>
<b>Income Tax</b>	<b>714.7</b>	<b>10.4%</b>	<b>2.6%</b>
<b>State Shared Revenue</b>	<b>25.1</b>	<b>18.3%</b>	<b>3.3%</b>
<b>Recordation &amp; Transfer</b>	<b>131.0</b>	<b>24.8%</b>	<b>-22.9%</b>
<b>Local Sales Tax</b>	<b>28.5</b>	<b>4.7%</b>	<b>1.1%</b>
<b>Licenses &amp; Permits</b>	<b>17.7</b>	<b>1.9%</b>	<b>0.0%</b>
<b>Investment Income</b>	<b>0.8</b>	<b>-39.6%</b>	<b>0.0%</b>
<b>Fees for Services and Other</b>	<b>83.8</b>	<b>14.8%</b>	<b>-5.1%</b>
<b>Interfund Reimbursements</b>	<b><u>77.8</u></b>	<b><u>-2.7%</u></b>	<b><u>5.6%</u></b>
<b>    Total Recurring Revenue</b>	<b>1,892.1</b>	<b>7.4%</b>	<b>-0.4%</b>
<b>One-time revenue</b>	<b>3.0</b>		
<b>Fund Balance</b>	<b><u>262.4</u></b>		
<b>        Total</b>	<b>2,157.5</b>	<b>15.2%</b>	<b>14.9%</b>

# Appropriations

\$2,157,450,500

BOE “fully loaded”



# **Appropriations**

**(Millions)**

<b>Board of Education (fully loaded)</b>	<b>\$ 942.0</b>
<b>Community College</b>	<b>\$ 55.8</b>
<b>Library</b>	<b>\$ 27.3</b>
<b>Judicial</b>	<b>\$ 22.3</b>
<b>Land Use</b>	<b>\$ 61.4</b>
<b>Human Services</b>	<b>\$ 82.4</b>
<b>Public Safety</b>	<b>\$ 394.0</b>
<b>Debt Service</b>	<b>\$ 62.1</b>
<b>General Government</b> <i>(includes fund bal)</i>	<b>\$ <u>510.2</u></b>
<b>Total</b>	<b>\$ 2,157.5</b>



# New Positions

## 59 - General Fund Positions

- Department of Aging and Disabilities +7
- Central Services +7
- Chief Administrative Officer +1
- Emergency Management +1
- Fire Department +4
- Health Department +2
- Legislative Branch +4
- Office of Personnel +3
- Planning and Zoning +3
- Police +7
- Recreation and Parks +8
- Sheriff +4
- Social Services +1
- Office of the State's Attorney +5
- Office of Transportation +2

# Board of Education County Funding (Millions)

County Direct	\$834.7
Other County Funding:	
Debt Service	82.6
School Health	16.3
School Safety (SROs and Xing guards)	<u>8.4</u>
Total	\$942.0

*Amount 43.7% of County Budget  
49.7% of County Recurring Budget*

# Board of Education Funding

## Unrestricted Funds

(Millions)

	<u>Amount</u>	<u>% Total</u>
County	\$ 834.7	62.8%
State	467.7	35.2%
Federal	3.3	0.2%
BOE Revenue	<u>23.4</u>	<u>1.8%</u>
Total	\$1,329.2	100%

*Year-over-Year Increase of \$113.7 Million*

*County Contribution Increase of \$50.0 Million (44%)*

# Board of Education Funding

## All Funding sources

(Millions)

	<u>Amount</u>	<u>% Total</u>
County	\$ 834.7	54.6%
State	470.8	30.8%
Federal	142.0	9.2%
Food Services	13.6	0.9%
BOE Revenue	<u>68.5</u>	<u>4.5%</u>
Total	\$1,529.6	100%

*Year-over-Year Increase of \$158.5 Million*

*County Contribution Increase of \$50.0 Million (31.5%)*

# Board of Education Funding Highlights

(Millions)

Full compensation package	<b>\$53.2</b>
– 4% COLA / Step, all units	
– Mid-Year Step, all units	
– “Catch-up” Step, units II – IV	
– NBC Salary Enhancement (Blueprint requirement)	
424 New Positions, including:	<b>\$38.0</b>
– 119 new special education positions	
– 29 new social/emotional learning positions	
– 48 new pre-k positions to convert half-day programs to full-day pre-k classrooms	
– 20 new English language development positions and 3 new bilingual facilitators	
– 140 new classroom teacher positions, including the final year of staffing required to fully open Crofton HS	

# **Board of Education Funding Highlights**

(Millions)

Per Pupil Increase for Contract/Chart Schools	<b>\$2.8</b>
\$5/day Increase for Substitute Teachers	<b>\$0.5</b>
Alternative Education – Teen Parenting Program	<b>\$0.35</b>
Outfitting Schools w/ Menstrual Hygiene Products	<b>\$2.2</b>
10% COLA for Contractual Bus Drivers	<b>\$3.4</b>
13 New Buses for Prismatic Calculated Shortage	<b>\$0.9</b>
8 New Assistant Principals	<b>\$1.1</b>

# Community College Funding

(Millions)

	<u>Amount</u>	<u>% Total</u>
County	\$49.1	39.4%
State	41.0	32.9%
Tuition	31.7	25.4%
Other	<u>2.8</u>	<u>2.2%</u>
<b>Total</b>	<b>\$124.6</b>	<b>100%</b>

*Year-over-Year Increase of \$4.4 Million*  
*County Contribution Increase of \$1.0 Million (22.8%)*

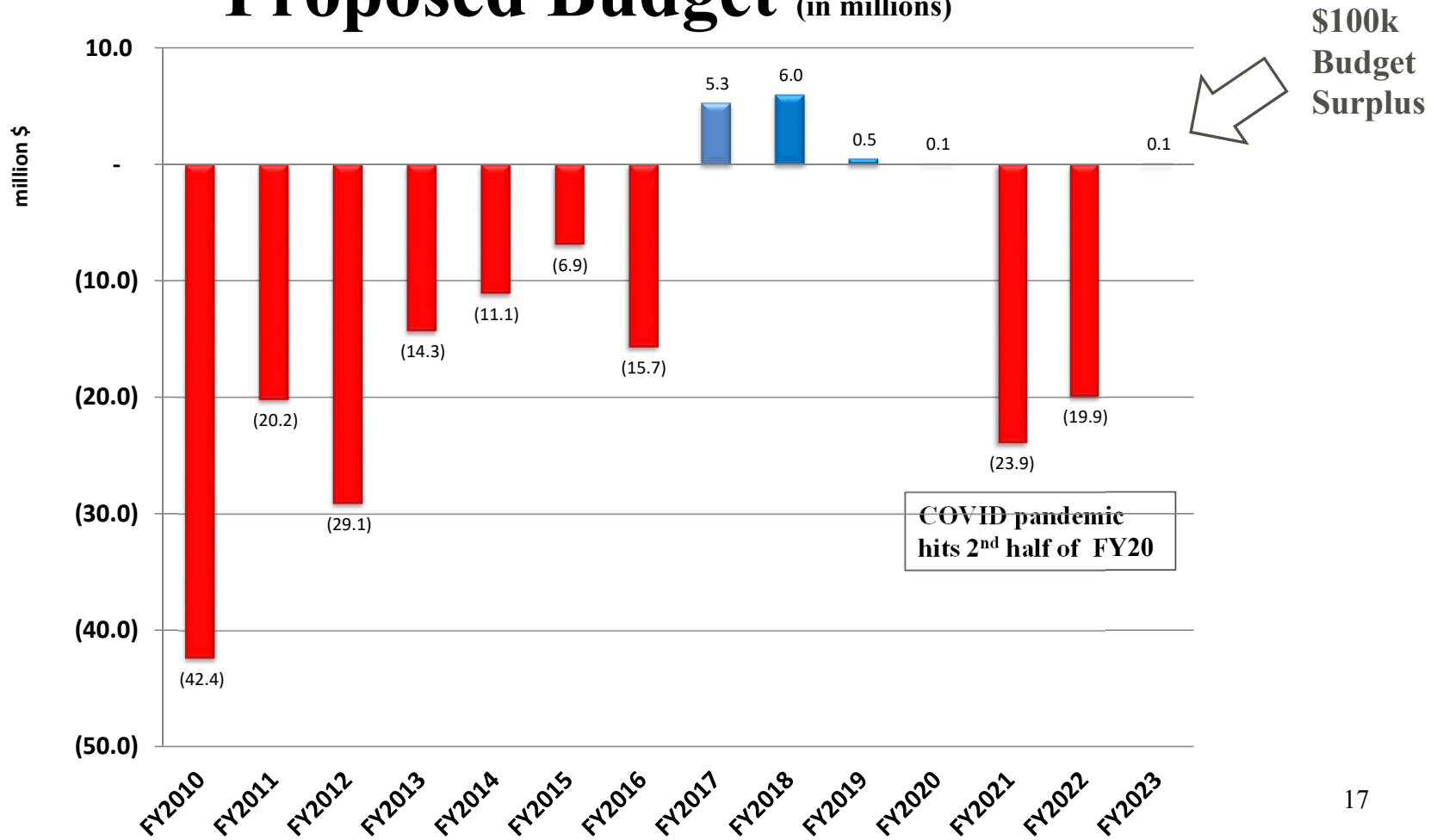
# Library Funding

	<u>Amount</u>	<u>% Total</u>
County	\$27.87	88.5%
State	2.73	8.7%
Fees, Fines, Collections	0.23	0.7%
Fund Balance	<u>0.66</u>	<u>2.1%</u>
<b>Total</b>	<b>\$31,484,600</b>	<b>100%</b>

*Year-over-Year Increase of \$2.2 Million*  
*County Contribution Increase of \$2.3 Million (104.5%)*



# Structural (Deficit) Surplus in the Proposed Budget (in millions)



# Debt Affordability Model

	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>
New Authority, Normal	\$160,000,000	\$160,000,000	\$160,000,000	\$160,000,000	\$160,000,000	\$160,000,000
Not used (over used) in prior year	18,902,600					
New Authority, IPA's	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total New Authority Affordable</b>	<b>\$178,902,600</b>	<b>\$160,000,000</b>	<b>\$160,000,000</b>	<b>\$160,000,000</b>	<b>\$160,000,000</b>	<b>\$160,000,000</b>

## Affordability Ratios and Guidelines

Debt Service as % of Revenue	11.5%	8.7%	9.5%	9.5%	9.3%	9.3%	9.3%
Debt as % of Full Value	2.0%	1.62%	1.64%	1.65%	1.65%	1.65%	1.65%
Debt as % of Personal Income	4.0%	3.6%	3.7%	3.6%	3.6%	3.5%	3.5%
Debt per Capita	\$3,500	\$2,742	\$2,848	\$2,919	\$2,992	\$3,060	\$3,124

Debt Service	\$165,222,780	\$184,491,297	\$190,891,961	\$192,622,678	\$198,776,310	\$205,215,169
Debt at end of fiscal year	\$1,642,387,399	\$1,719,159,468	\$1,775,321,510	\$1,833,728,049	\$1,889,978,214	\$1,944,196,219
General Fund Revenues	\$1,892,515,100	\$1,952,173,800	\$2,013,815,700	\$2,077,508,800	\$2,143,323,000	\$2,211,330,600
Estimated Full Value (000)	\$101,616,863	\$104,665,000	\$107,805,000	\$111,039,000	\$114,370,000	\$117,801,000
Total Personal Income (000)	\$45,350,000	\$47,051,000	\$49,051,000	\$51,136,000	\$53,309,000	\$55,575,000
Population	598,910	603,535	608,196	612,893	617,627	622,397

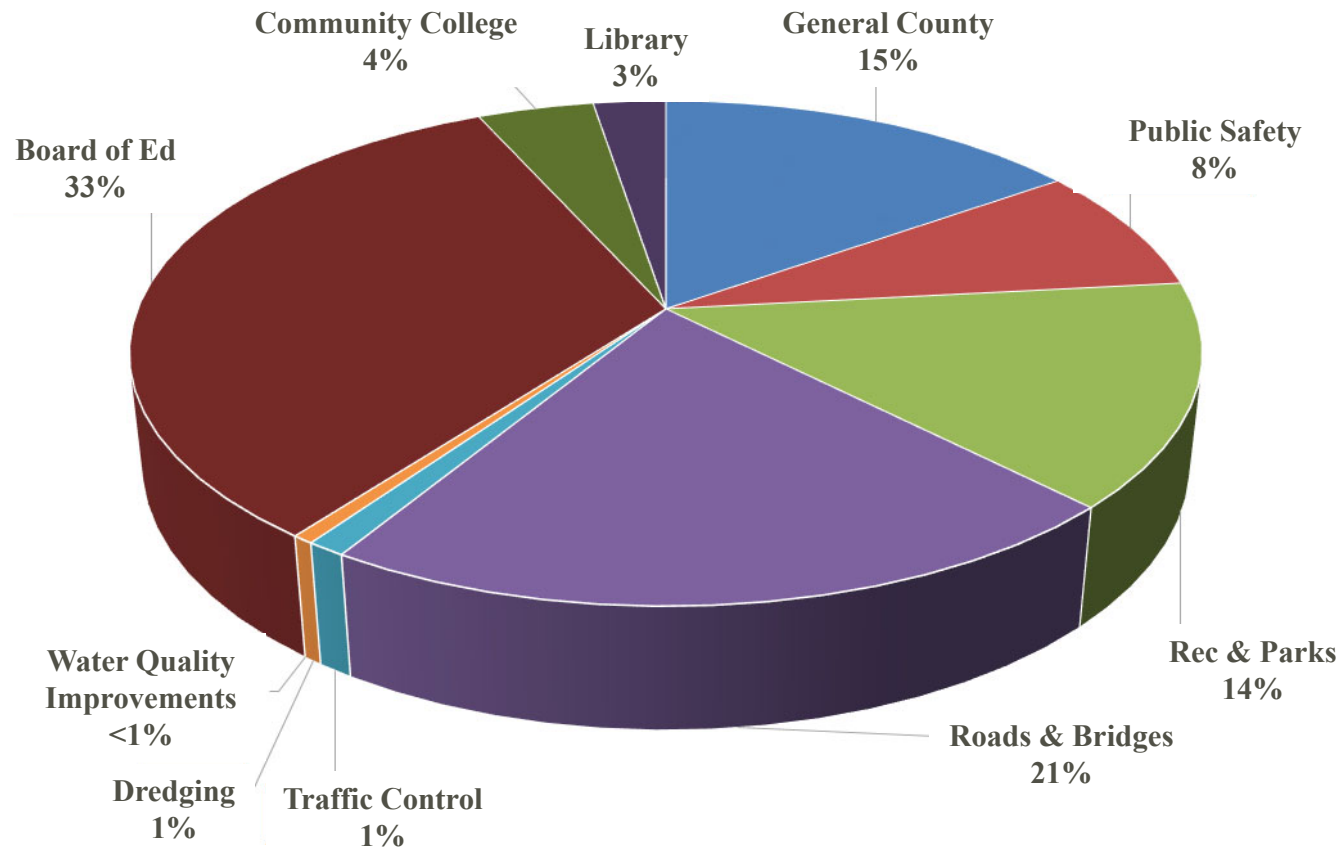
# Permanent Public Improvements - PPI

Project Code and Title		Prior	FY23	FY24	FY25	FY26	FY27	FY28	Total
E550400	Old Mill MS South	7,796,000	32,011,000	0	0	0	0	0	39,807,000
E569100	Old Mill West HS	74,193,000	0	0	0	0	0	0	74,193,000
E572700	Rippling Woods ES	10,000,000	0	0	0	0	0	0	10,000,000
E578000	CAT North	0	0	0	0	0	0	0	0
E809200	West County ES	1,000,000	0	0	0	0	0	0	1,000,000
F563100	Crownsville Fire Station	459,200	6,700,000	0	0	0	0	0	7,159,200
F575100	Evidence & Forensic Sci Unit	25,408,800	0	0	0	0	0	0	25,408,800
F580300	Cape St Claire FS Replacement	0	0	10,012,000	0	0	0	0	10,012,000
F580600	Police Special Ops Facility	7,420,000	0	0	0	0	0	0	7,420,000
F586400	Joint 911 Public Safety Ctr	0	0	20,000,000	0	0	0	0	20,000,000
H573100	Race Road - Jessup Village	0	9,577,000	0	0	0	0	0	9,577,000
H575700	MD 214 & Loch Haven Road	893,000	0	0	0	0	0	0	893,000
H578500	Transportation Placeholder	0	0	0	0	0	0	0	0
H581200	Parole Transportation Center	3,482,000	11,357,000	0	0	0	0	0	14,839,000
H581300	Waugh Chapel Road Improvements	1,061,000	1,248,000	12,732,000	0	0	0	0	15,041,000
H581400	Route 2 Improvements	413,000	0	1,998,000	0	0	0	0	2,411,000
H581600	Route 3 Improvements	1,269,000	-821,000	1,887,000	0	0	0	0	2,335,000
H583500	Oakwood/Old Mill Blvd Roundabo	370,000	0	0	0	0	0	0	370,000
H583700	Pleasant Plains Rd Safety Im	0	1,477,000	2,109,000	0	0	0	0	3,586,000
H586800	Conway Road Improvements	0	0	2,802,000	0	0	0	0	2,802,000
H587000	USNA Bridge Area Bike Imp	0	182,000	0	2,964,000	0	0	0	3,146,000
<b>PPI Fund Bonds Total:</b>		133,765,000	61,731,000	51,540,000	2,964,000	0	0	0	250,000,000

# Capital Budget Highlights

- Fully funds BOE FY23 Capital request of \$189.2M
- Record funding for Dept of Rec and Parks (\$99.7 in FY23)
  - Two new parks (Tanyard Springs and South Shore)
- New Joint 911 Call Center
- New Police Firearms Training Center
- \$30.5M of State Funding for Crownsville Hosp Mem Park
- Eight new Transportation projects
- Increased funding for Road Resurfacing and Road Reconstruction

# Proposed Capital Budget & Program FY23-FY28 by Class



# Proposed Capital Budget & Program FY23 by Class\*

<b>Class</b>	<b>FY23 Budget</b>	<b>%</b>	<b>Total FY23-FY28</b>	<b>Total %</b>
General County	106,035,000	18.5%	318,226,500	15.2%
Public Safety	47,205,300	8.3%	168,606,000	8.1%
Recreation & Parks	99,655,450	17.4%	298,498,450	14.3%
Roads & Bridges	109,978,000	19.2%	442,190,000	21.2%
Traffic Control	3,342,000	0.6%	21,217,000	1.0%
Dredging	596,000	0.1%	11,596,000	0.6%
Water Quality Improvements	(100,000)	0.0%	(100,000)	0.0%
Board of Education	189,189,000	33.1%	688,603,000	33.0%
Community College	14,034,000	2.5%	86,786,000	4.2%
Library	2,250,000	0.4%	54,151,000	2.6%
<b>Total</b>	<b>\$572,184,750</b>	<b>100.0%</b>	<b>\$2,089,773,950</b>	<b>100.0%</b>

\* *General County Capital Projects Only*

# **Complete Budget Documents**

The entire Operating and Capital Budget, as well as the Budget Message is available as of April 29th, 2022 at:

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



**Anne Arundel County, Maryland  
Steuart Pittman, County Executive**

**Office of the Budget  
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