

Recommended FY 16 Budget and FY 16-21 Plans

Core Ideas

- Revenue growth remains modest and uncertain.
- Reduced flexibility is a concern.
- Pressure on services and infrastructure is growing.

FY 15 Year-End Projection

Revenues	(\$0.2M)
Reserve for Contingency	3.0
Other Expenditure Savings	0.4
Year-End Balance	\$3.2

Operating Budget

In Millions	FY 15 Budget	FY 16 Recommended	Change
Revenue	\$368.5	\$367.5	(\$1.0)

In Millions	FY 15 Budget without Surplus	FY 16 Recommended without Surplus	Change
Revenue	\$354.2	\$362.5	\$8.3

FY 16-21 Revenue

FY 16-21 Recommended Revenue

	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
In Millions						
Annual	\$348.9	\$361.6	\$374.5	\$387.4	\$400.9	\$415.5
Below the Line	18.6	17.7	16.1	17.1	15.7	16.1
Total	\$367.5	\$379.3	\$390.6	\$404.5	\$416.6	\$431.6

FY 16-20 What Changed?

	FY 16	FY 17	FY 18	FY 19	FY 20
Property	\$0.2	\$0.0	\$0.0	\$0.1	\$0.3
Income	0.0	(0.6)	(1.0)	(1.1)	(1.1)
Record	0.0	0.5	0.0	0.0	0.0
Interest	(0.5)	(0.6)	(0.2)	(0.2)	(0.2)
All Others	(0.6)	(0.8)	(1.2)	(1.8)	(1.4)
Surplus	0.0	0.0	0.0	1.2	0.0
Total	(\$0.9)	(\$1.5)	(\$2.4)	(\$1.8)	(\$2.4)

The FY 16-21 Operating Plan

Op Plan Balances

In millions		FY 16	FY 17	FY 18	FY 19	FY 20
Adopted Op Plan		\$0.0	\$0.0	\$0.4	\$3.1	\$4.2
%		0.0%	0.0%	0.1%	0.8%	1.0%

In millions		FY 15	FY 16	FY 17	FY 18	FY 19
Recomm Op Plan		\$0.1	\$0.4	\$0.1	\$2.6	\$4.2
%		0.0%	0.1%	0.0%	0.7%	1.0%

Positions Included in the Op Plan

- FY 17 0.5 Transportation Planner in FY 17
 - ½ in the Grant Fund FY 15-16
- FY 16 1.0 grant contingent position for BEREC in the Grant Fund

Changes From Adopted Plan

- Increases
 - Transportation Contract
 - Detention Center bed rental
 - State's Attorney Rent
 - New voting system
- Decreases
 - Debt Service
 - Medical

FY 16 Recommended Operating Budget

A Few Notes

- FY 14 Actuals include allocation of medical benefits to individual budgets.
- FY 15 and FY 16 do not have medical benefits allocated to individual budgets.
- The budget book includes other benefit allocations, but the slides don't.
- We haven't dealt with organization changes yet.

Carroll County Public Schools

FY 16

Public Schools

- \$161.95M – decrease of \$50,000 from FY 15
- Total Budget Request – \$332.5M
 - Local Funding \$175.8M increase of \$13.8M or 7.8%
 - State decrease of \$4.3M or 3.2%
 - Federal decrease of \$0.3M or 2.3%
- Teacher Pension \$6.7M – an increase of \$1.0M

School Debt Service

- \$12.6M – decrease of \$0.9M or 6.9%
 - Paid with the dedicated income tax

Carroll Community College and Carroll County Public Library

FY 16

Community College

- \$7.6M – increase of \$36,460 or 0.5%
 - Base funding increases 2.5%
 - FY 15 one-time funding of \$150,000
- \$0.4M State decrease or 5.0% decrease
- Total Budget - \$31.0M

Library

- \$8.3M – increase of \$201,520 or 2.5%
- State Funding increases \$27,000
- Total Budget - \$9.6M

Education Other

- Cable Regulatory Commission \$0.1M – increase of \$6,140 or 5.0%
- Community Media Center \$0.6M – increase of \$13,760 or 2.3%
- Education Opportunity Fund \$0.0 – decrease of \$0.4M or 100.0%

Public Safety

FY 16

Sheriff Services

- \$8.3M – increase of \$0.3M or 4.1%
 - Pay plan
 - Replacement guns
 - Professional development

Detention Center

- \$7.2M – increase of \$0.3M or 4.6%
 - Pay plan
 - New cameras

Courts and State's Attorney

- Courts
 - \$2.3M, increase of \$0.1M or 7.0%
 - Bailiff hours for new courtroom
- State's Attorney
 - \$2.7M increase of \$0.3M or 12.1%
 - Reorganization
 - One-time overtime for new judicial dialogue case file management system
 - Professional development

VESA/EMS

- VESA
 - \$7.3M – decrease of \$0.4M or 5.0%
 - 2.5% increase in base
 - One-time funding of \$313,000 for Self Contained Breathing Apparatus in FY 15
 - One-time funding of \$250,000 for LOSAP in FY 15
- EMS
 - \$4.1M – increase of \$0.1M or 2.5%

Animal Control

- \$0.8M – decrease of \$17,250 or 2.1%
 - 2.5% increase in base
 - Van replacement in FY 15

Commissioner Agencies

Public Works

- \$27.1M – increase of \$0.5M or 1.8%
 - Addition of Deputy Director
 - Increase in salt price
 - Decrease in utilities due to Johnson Controls Phase III
 - Decrease in fuel price

Citizen Services

- Citizen Services Admin/Aging
 - \$1.1M – increase of \$51,400 or 4.7%
- Recovery Support Services
 - \$0.8M – decrease of \$145,000 or 14.9%

Recreation and Parks

- Recreation and Parks
 - \$1.9M – decrease of \$84,840 or 4.3%
 - One-time funding in FY 15 for Hydrilla and mowing
- Culture and Recreation
 - \$80,000 or flat

Administrative Services

- Human Resources
 - \$0.6M – increase of \$9,000 or 1.6%
- Public Safety
 - \$3.8M – a decrease of \$79,750 or 2.1%
- Technology Services
 - \$4.1M – an increase of \$295,620 or 7.7%

Other Commissioner Budgets

- Comptroller
 - \$2.8M – increase of \$83,800 or 3.1%
 - OpenGov
 - SDAT charge
 - Increase in rating agency fees
- Management and Budget
 - \$2.9M – an increase of \$48,770 or 1.7%

Other Commissioner Budgets

- County Attorney
 - \$0.8M – increase of \$21,110 or 2.8%
- Land Use, Planning and Development
 - \$2.3M – increase of \$28,894 or 1.3%
 - Transfer of position to Watershed Restoration and Protection Fund

Other Commissioner Budgets

- Economic Development
 - \$4.0M – decrease of \$43,669 or 1.1%
 - Administration decreases due to elimination of Enterprise Carroll
 - Redirecting funding to Carroll Business Path
 - Farm Museum turnover
 - Postage decrease in Tourism
 - Grant-funded BEREC position

Citizen Services

Non-Profit Service Providers

- \$2.5M – decrease of \$0.1M or 5.0%
 - One-time funding of \$60,000 for Domestic Violence Safe House
 - Access Carroll flat
 - Other non-profits decreasing 7.3%

Citizen Services - State

- Health Department \$3.2M – increase of \$62,960 or 2.0%
- Social Services \$45,000 – decrease of \$10,000
 - One-time funding in FY 15 for shuttle vouchers

Other Budgets

Conservation and Natural Resources

- Soil Conservation \$0.3M – decrease of \$11,350 or 3.4%
- Weed Control \$40,000 - increase of \$4,260 or 11.9%
- Extension Office \$0.5M – increase of \$8,050 or 1.7%
- Gypsy Moth flat at \$30,000

General Government Other

- Election Board \$1.0M – increase of \$0.2M or 29.8% due to new voting system
- County Commissioners \$0.8M – decrease of \$31,800 or 3.6% due to turnover
- Audio Video Production \$0.1M – increase of \$14,000 or 12.3%
 - Increase in hours for part-time position
 - Camera and computer replacement
 - Funded with Cable Franchise revenue

Interfund Transfers

- Transfer to Capital \$2.1M – decrease of \$3.6M
- Transfer to Grant Fund/Transportation \$1.0M – increase of \$0.5M
- Transfer to Solid Waste \$2.4M – increase of \$2.0M

Debt Service

- County \$27.2M – increase of \$0.4M or 1.4%
- Debt Service begins to decrease in FY 20
- IPA debt service \$1.9M – increase of \$94,900 or 5.2%

Pensions

- \$3.4M – an increase of \$18,000 or 0.5%
 - \$2.5M for Civilian Pension Plan
 - \$0.9M for Certified Law Officers Pension Plan

OPEB

- \$10.3M – an increase of \$0.6M or 6.4%
 - Another planned \$150,000 increase toward the unfunded future liability

Medical Costs

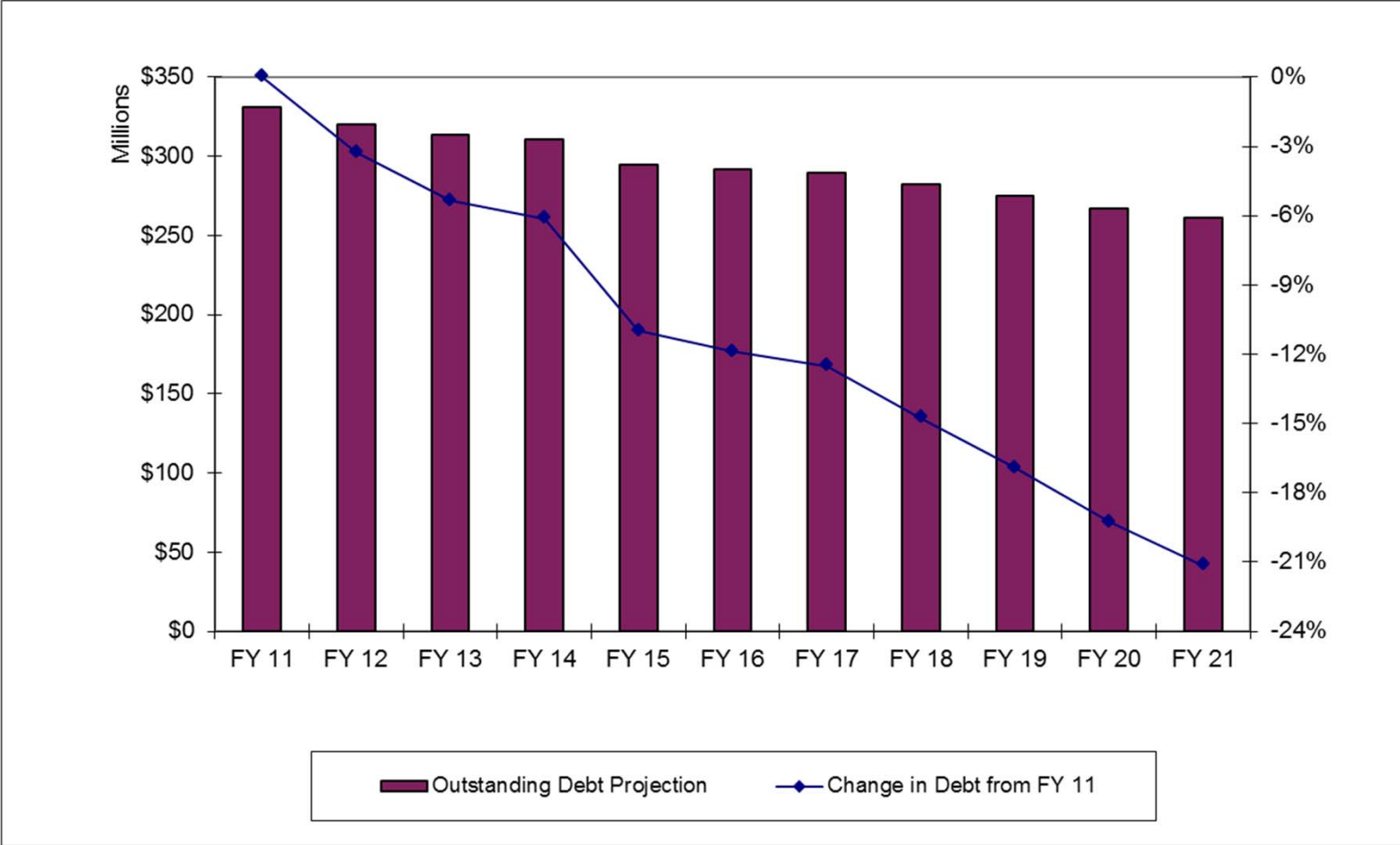
- \$15.7M – flat
- New medical contract
- Remainder of plan increasing 9% annually

Long-Term Liabilities

Long-Term Liabilities

- Bonded debt
- IPAs
- Other debt
- Pensions
- LOSAP
- OPEB

Debt Reduction



Outstanding Bonded Debt

in Millions	New Debt Issued	Principal Paid Down	Outstanding Debt	% Debt Reduction Since FY 11
FY 11	\$22.0	\$24.5	\$331.1	
FY 12	18.3	29.1	320.3	3.3%
FY 13	20.7	27.6	313.4	5.3%
FY 14	26.3	28.9	310.8	6.1%
FY 15	15.0	31.1	294.7	11.0%
Total	\$102.3	\$141.2		

Projected Outstanding Bonds

in Millions	New Debt to be Issued	Principal to be Paid Down	Projected Outstanding Debt	% Debt Reduction Since FY 11
FY 16	27.0	30.0	291.7	11.9%
FY 17	28.3	30.3	289.7	12.5%
FY 18	22.7	30.1	282.3	14.8%
FY 19	22.4	29.6	275.1	16.9%
FY 20	21.1	28.9	267.3	19.3%
FY 21	20.4	26.6	261.1	21.1%
Total	\$141.9	\$175.5		

IPA Commitments and Plans

- Known IPA interest
 - Program started in FY 09
 - \$22.2M in interest payments from FY 15-35
- FY 16 Planned purchases
 - Potential IPA transactions could add \$4.0M interest payments from FY 16-36

Pension Funds

- Carroll County Employee Pension Plan
 - Unfunded liability \$1.1M
 - Funded ratio of 97.9%
- Certified Law Officers
 - Unfunded Liability \$2.0M
 - Funded ratio of 77.9%

LOSAP

- Unfunded liability \$1.3M
- Funded ratio of 84.1%

OPEB

- Unfunded liability \$96.9M
- Funding ratio of 33.1%
- ARC \$10.5M
- FY 16 funding \$10.3M
- Percentage contributed 97.9%

Non-Debt Long-Term Liabilities

OPEB Unfunded Liability	\$96.9M
Pension Unfunded Liability	3.1M
LOSAP Unfunded Liability	1.3M
Total Existing Long-Term Liabilities	\$101.3M

FY 16-21 CIP

FY 16 Capital

Fund	FY 15	FY 16 Rec	Change
Capital	\$48.3	\$49.3	\$1.0
Airport	48.0	0.0	(48.0)
Solid Waste	0.8	0.1	(0.7)
Utilities	6.6	18.4	11.8
Septage	1.3	0.0	(1.3)
Fiber	0.8	0.0	(0.8)
Total	\$105.8	\$67.8	(\$38.0)

FY 16 Capital Fund

Fund	FY 15 Budget	FY 16 Recomm	Change
Local	\$41.7M	\$42.5M	\$0.7M
State	6.5M	6.2M	(0.3M)
Federal	0.0M	0.2M	0.2M
Other	0.1M	0.5M	0.4M
Total	\$48.3M	\$49.3M	\$1.0M

Schools

- High School Science Renovations
- Systemics
 - Roofs
 - HVAC
 - Paving
- Relocatable Classroom Removal
- Charles Carroll Elementary School
- LIT balances and flexibility

Conservation

- Agricultural Land Preservation
 - Reduction of new funding FY 16-17
 - Local Program - \$1.3M
 - State Matching Program - \$0.5M
- Water Quality - \$5.3M
 - Environmental Compliance
 - NPDES
 - Stormwater Facility Maintenance

Public Works

- Roads – \$12.2M
 - Pavement Management - \$10.7M
 - Pavement Preservation - \$1.1M
 - Small Drainage Structures - \$0.1M
- Bridges – \$0.7M
 - Bridge Maintenance and Structural Repairs
 - Cape Horn and Stone Chapel construction
 - Cleaning and Painting
 - Inspections, Repairs, and Cleaning/Painting of Structural Steel

Culture and Recreation

- Westminster Veterans Park Construction
- Tot Lot Replacement
- Union Mills on-going restoration
- Funding
 - Concerns about POS
 - Impact fees
 - Limited General Fund dollars

General Government

- County Systemics
- County Technology
- Courthouse renovation

Six-Year CIP - Major Drivers

- Maintaining Infrastructure
 - Roads and Bridges
 - Roofs and HVACs
 - Technology
- Complying with Environmental Regulation
 - NPDES and Storm water Management

Not Included

- Sheriff space
- State's Attorney space
- Detention Center space
- Gravel roads
- And lots more

Enterprise Funds

Firearms Facility EF

- Operating
 - \$155,500 – a decrease from FY 15 of \$12,640 or 5.4%
- Capital
 - No projects

Fiber Network EF

- Operating
 - \$270,000 – an increase of \$12,600 or 4.9%
- Capital
 - Replacement of Equipment

Septage Enterprise Fund

- Operating
 - \$0.9M – an increase of \$135,800 or 17.5%
- Capital
 - No projects

Airport Enterprise Fund

- Operating
 - \$0.9M- an increase of \$29,180 or 3.3%
- Capital
 - Grounds and Maintenance Equipment of \$25K per year.

Solid Waste Enterprise Fund

- Operating
 - \$9.4M – an increase of \$0.3M or 2.9%
 - Tip Fee recommended to remain at \$62/ton
 - Transfer rate projected to increase 3% to \$57.30/ton
- Capital
 - Remediation of closed landfills \$0.1M

Utilities Enterprise Fund

- Operating
 - \$10.5M – flat from FY 15
- Capital
 - Hampstead ENR
 - Freedom WWTP Sludge Press
 - Relief Sewers
 - Pump Station Rehabs
 - System Maintenance

Now What?

In Your Hands

- Recommended Budget Books (2)
- Comparison of FY 15 Budget to FY 16 requests
- Electronic Op Plan
- List of requested positions
- List of likely issues (probably not complete)

Now What?

- Agency hearings
 - March 26
 - March 31
 - April 2
 - April 7
 - April 9

Now What?

- Proposed work sessions
 - April 14
 - April 16
 - April 21
 - April 22
 - April 23
- Release Commissioners' Proposed Budget
April 28

Now What?

- Community Budget presentations
 - April 28 North Carroll Library
 - April 29 Taneytown Library
 - April 30 Eldersburg Library
 - May 4 Mt Airy Library
 - May 5 Westminster Library

Now What?

- Public Hearing on the Budget May 7
- Adopted work sessions
 - May 12
 - May 14
 - May 19
 - May 21
- Budget adoption May 26

Garage

Various HR Related Numbers

- 2.5% increase - \$0.9M (excluding Sheriff and Detention Center)
- 1% increment – with payroll taxes and pension increase is approximately *\$530,000* (includes sheriff and Detention Center)

Projected Bond Interest Rates

	FY 16 Recommended
FY 16	3.75%
FY 17	4.0%
FY 18	4.5%
FY 19	5.0%
FY 20	5.0%
FY 21	5.0%

Declining Federal Role

FY 2006	\$14.0M	5.3%
FY 2007	\$12.8M	4.5%
FY 2008	\$12.6M	4.1%
FY 2009	\$12.0M	3.7%
FY 2010	\$19.2M	5.8%
FY 2011	\$18.7M	5.7%
FY 2012	\$20.0M	6.0%
FY 2013	\$13.3M	4.1%
FY 2014	\$13.4M	4.1%
FY 2015	\$13.1M	4.0%
FY 2016	\$12.8M	3.9%

Declining State Role

FY 2006	\$112.1M	42.5%
FY 2007	\$126.3M	44.1%
FY 2008	\$142.1M	46.1%
FY 2009	\$145.5M	45.0%
FY 2010	\$140.2M	42.1%
FY 2011	\$138.7M	42.3%
FY 2012	\$142.5M	43.0%
FY 2013	\$141.0M	42.5%
FY 2014	\$137.5M	41.7%
FY 2015	\$134.7M	40.9%
FY 2016	\$130.4M	39.2%

MOE

In Millions	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
\$161.95M in FY16	\$161.95	\$167.0	\$172.0	\$175.0	\$180.3	\$185.7
MOE	\$159.1	\$159.5	\$164.2	\$170.4	\$172.9	\$179.3

FY 15 Year-End Projection

(remove slides 4-5)

FY 15 Revenue Forecast

- FY 15 Budget - \$368.5M
- FY 15 Projection - \$368.3M
- Change – (\$0.2M)

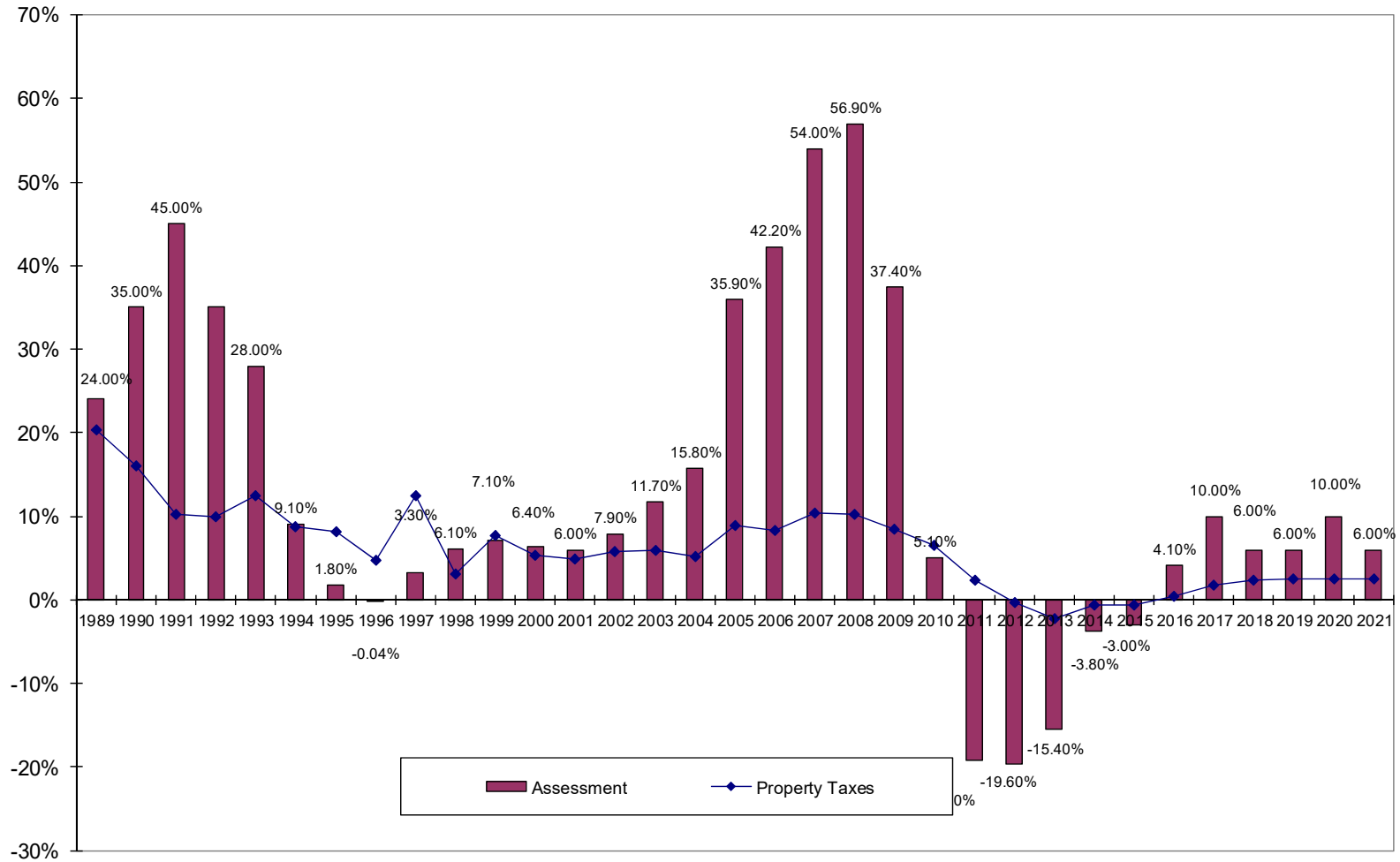
FY 15 Revenue Forecast

Property Tax	\$0.5M
Income Tax	\$0.0
Recordation	(\$0.3)
Other	(\$0.4)
Total	(\$0.2)

Total Property Tax

55% of Budget

Assessment History and Forecast



Reassessments

	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
Group 1 – South Carroll	0.00%	3.33%	3.33%	3.33%	3.33%	3.33%
Group 2 – North Carroll	0.00%	0.00%	2.00%	2.00%	2.00%	2.00%
Group 3 – Westminster Taneytown	1.38%	1.38%	1.38%	2.00%	2.00%	2.00%
Annual Growth	0.41%	1.76%	2.40%	2.56%	2.56%	2.56%

Assessments

	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
Annual growth from reassessments	0.41%	1.76%	2.40%	2.56%	2.56%	2.56%
Annual growth including new construction	1.78%	2.09%	2.86%	2.99%	3.09%	3.09%

Housing Market

	2012	2013	2014	% Change from 2013
Sold Dollar Volume	\$437.9M	\$512.2M	\$548.0	5.6%
Average Sold Price	\$284,900	\$300,600	\$298,000	(1.1%)
Units Sold	1,534	1,704	1,836	6.7%
Average Days on Market	125	91	84	(7.7%)

Total Property Tax

- FY 14 actual \$195.5M
- FY 15 forecast \$192.8M or (1.4%)
- FY 16 forecast \$195.1M or 1.1%

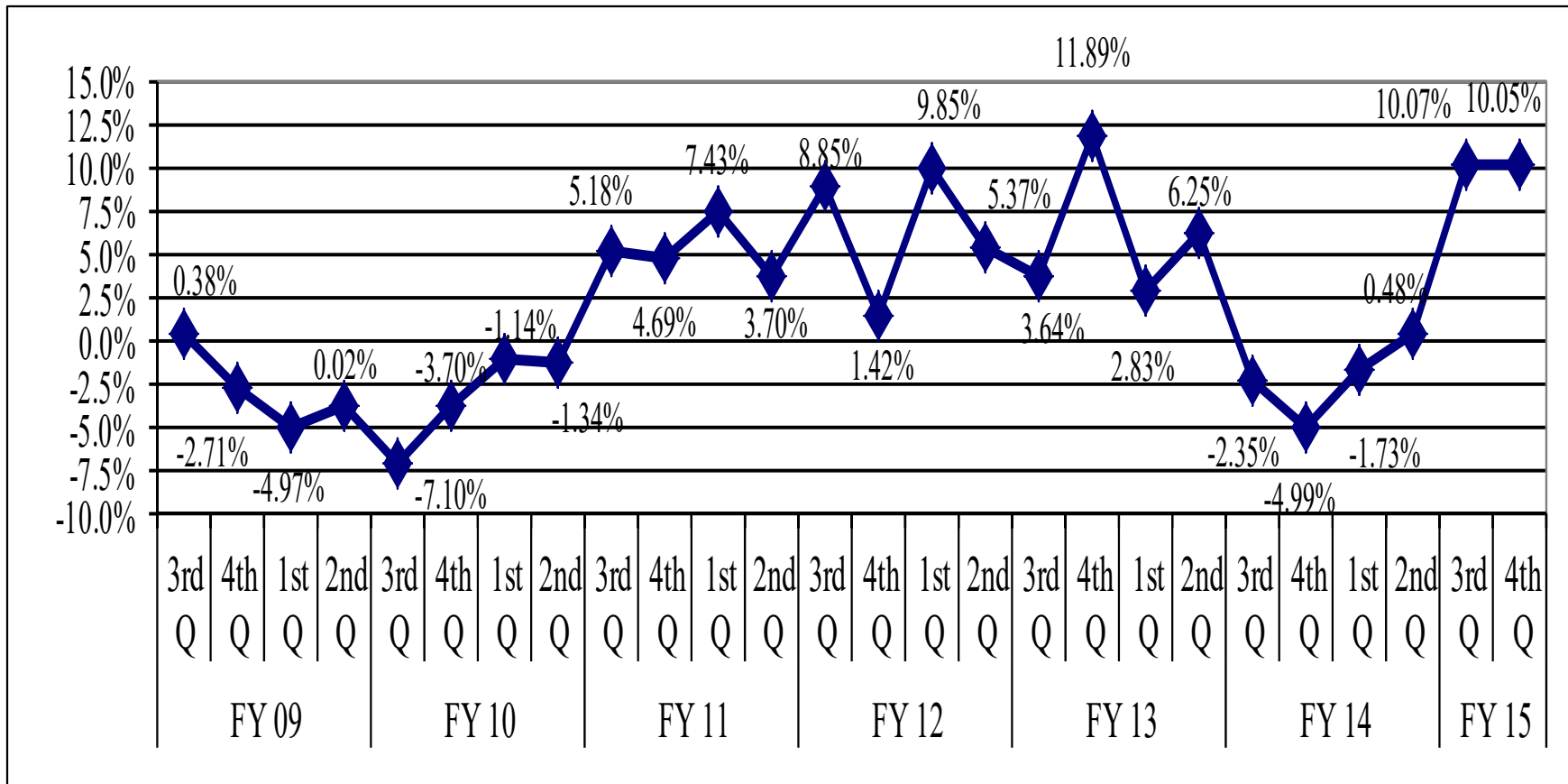
Total Property Tax

	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
FY 15-20 Op Plan	\$194.8	\$198.9	\$202.2	\$207.8	\$213.4	
FY 16-21 Op Plan	195.0	198.8	202.2	207.9	213.8	220.5
Change	\$0.2	(\$0.1)	\$0.0	\$0.1	\$0.4	

Income Tax

34% of Budget

Income Tax Distributions



Income Tax

- FY 14 actual \$119.6M
- FY 15 forecast \$122.4M or 2.3%
- FY 16 forecast \$128.0M or 4.5%

Income Tax

	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
FY 15-20 Op Plan	\$128.0	\$134.1	\$140.5	\$147.2	\$154.1	
FY 16-21 Op Plan	128.0	133.5	139.5	146.1	153.0	160.3
Change	\$0.0	(\$0.6)	(\$1.0)	(\$1.1)	(\$1.1)	

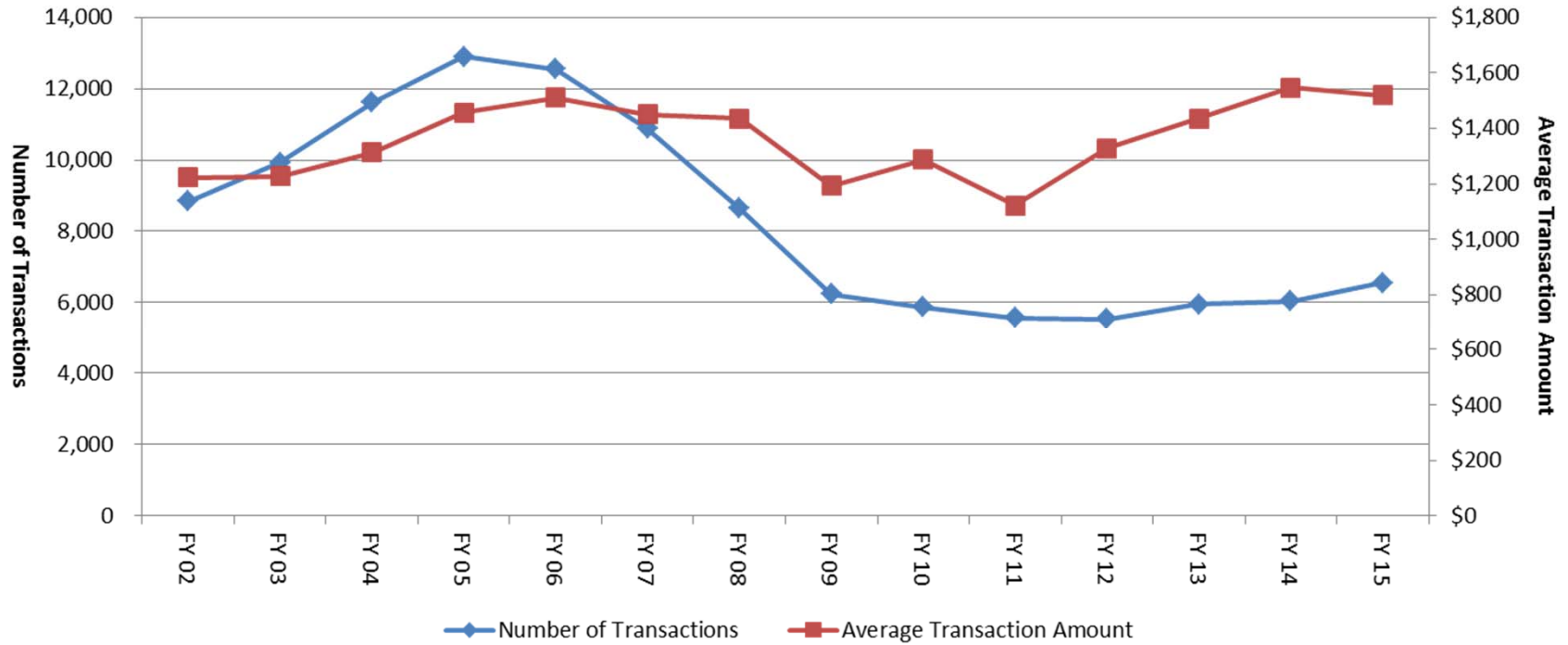
Recordation Tax

3% of Budget

Recordation

- FY 14 actual \$10.6M
- FY 15 forecast \$11.6M or 9.4%
- FY 16 forecast \$12.6M or 8.6%

Recordation Activity



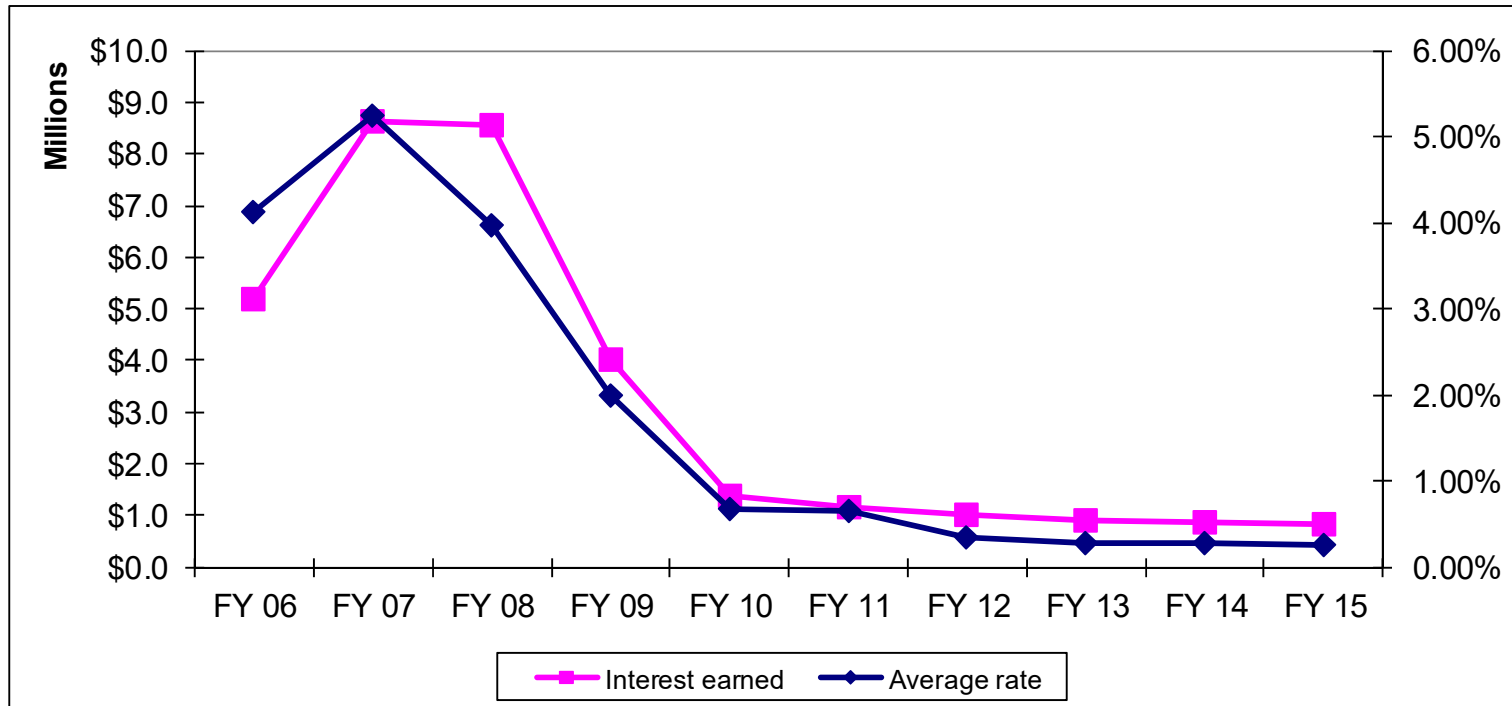
Recordation Tax

	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
FY 15-20 Op Plan	\$12.6	\$13.0	\$14.5	\$14.5	\$14.5	
FY 16-21 Op Plan	12.6	13.5	14.5	14.5	14.5	14.5
Change	\$0.0	\$0.5	\$0.0	\$0.0	\$0.0	

Interest Income

Less Than 1% of Budget

Interest



Interest Income

- FY 14 actual \$0.9M
- FY 15 forecast \$0.8M or (11.1%)
- FY 16 forecast \$1.7 or 112.5%

Interest Income

	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
FY 15-20 Op Plan	\$2.2	\$4.4	\$6.3	\$6.4	\$6.6	
FY 16-21 Op Plan	1.7	3.8	6.1	6.2	6.4	6.6
Change	(\$0.5)	(\$0.6)	(\$0.2)	(\$0.2)	(\$0.2)	

What Could Improve Projections?

- Increasing home sales
- Increasing sale prices
- Increasing new construction
- Rising employment
- Rising incomes
- Rising interest rates

What Could Make Things Worse?

- Slowdown in the recovery of the housing market
- Slowdown in employment
- No income growth
- Decisions to extend holding down interest rates

Not In

- \$194.3M – BOE
- \$79.9M – Sheriff/State's Attorney/Courts
- \$21.7M – Community College
- \$12.3M – Road Network Improvements
- \$4.6M – Public Safety Training Facility

Not In

- \$4.5M – Library
- \$3.2M – Westminster Senior Center Addition
- \$2.8M – Leister Park Phase II
- \$1.1M – Salt Barns
- \$1.1M – Animal Control

Not In - BOE

- New/Replacement Schools
 - K-8 Campus to replace:
 - Charles Carroll Elementary
 - Westminster East Middle School
 - William Winchester Elementary
 - Career and Technology Center
- Modernization
 - Westminster West Middle School

Not In - BOE

- Kindergarten Additions
 - Cranberry Station
 - Friendship Valley
 - Sandymount
 - Taneytown

Not In - BOE

- Career and Technology Center HVAC Replacement
- Electrical System Upgrades
- Fire Alarm System Replacements
- Technology Improvements
- Window Replacements
- Barrier Free Modifications

Not In – Sheriff/SAO/Courts

- Office space
 - Sheriff Services
 - State's Attorney
 - Combined
- Minimum Security Facility
- Basketball Court Enclosure
- Courthouse Annex Addition

Not In - Library

- Westminster Branch Basement Renovations
- Technology

What is in the Op Plan?

- BOE consistent with the FY 15-20 Op Plan
- General assumption of 2.5% growth in FY 16-17 and 3% in FY 18-21
- 2.5% salary increase in FY 16 for Commissioner budgets
- Medical cost flat in FY 16 and 9% FY 17-21
- OPEB unfunded liability plan continues
- Non-profits decreasing 7.3% in FY 16 then 3%/year

The Starting Point

In Millions	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
Rev	\$367.5	\$379.3	\$390.6	\$404.5	\$416.6	\$431.6
Exp	367.4	379.0	390.5	401.9	412.4	423.4
Balance	\$0.1	\$0.3	\$0.1	\$2.6	\$4.2	\$8.2
% of Budget	0.0%	0.1%	0.0%	0.7%	1.0%	1.9%

Op Plan Changes

FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
353.0	378.2	396.9	421.7	449.6	477.9						
	354.5	377.6	400.9	425.0	448.3	474.5					
		349.0	360.4	371.5	383.9	397.7	413.6				
			350.3	357.9	368.7	383.6	399.6	416.0			
				361.7	355.7	365.5	377.4	389.9	404.5		
					367.1	363.2	370.0	382.1	393.6	404.7	
						368.5	368.4	380.8	393.0	406.2	419.0
							367.4	379.3	390.6	401.5	416.6