

Quick Guide to FY 08 OPEB, Pension Trust and Special Revenue Funds

Other Post Employment Benefits Fund Summary

- Total appropriation of \$5 million includes current retiree health care benefits expense (\$2 million) and funding for future OPEB liabilities (\$3 million)
- First year to set aside assets to meet future liability under new GASB guidelines.

Pension Trust Fund

- Planned funding of \$1 million, a decrease of \$0.3 million or (17.52%) from FY 07, is based on an actuarial report.

Special Revenue Fund

- Cable Franchise Fee revenue of \$.7 million moves from the General Fund to the Special Revenue Fund and is used to fund the Cable Regulatory Commission, the Community Media Center, the Office of TV Production and a portion of TV production functions with the school system and the community college.
- Hotel Rental Tax of \$.3 million fully funds the Tourism budget.
- Impact Fees of \$9 million, an increase \$6.7 million from FY 07, is primarily due to funding for the Northern Area High School.

Other Post Employment Benefits

Postemployment benefits represent compensation to employees for the services they provide. Payment of those benefits is deferred until after retirement begins. Other Post Employment Benefits (OPEB) include such items as medical, dental, vision, and life insurance coverage. What is changing is how governments report OPEB. Instead of reporting only the amount paid out for benefits each year, governments must now also recognize and report the cost of benefits being earned by employees, which won't be paid until after they retire. While the new OPEB standards do not require governments to set aside assets in advance to pay for future benefits, Carroll County is setting aside funds in its operating plan to meet this future liability.

Sources of Funding	FY 06 Budget	FY 07 Budget	FY 08 Budget	Increase (Decrease)
Transfer from General Fund	\$0	\$0	\$3,000,000	\$3,000,000
Transfer from Internal Service Fund	0	1,963,100	1,966,200	3,100
Total Sources of Funding	\$0	\$1,963,100	\$4,966,200	\$3,003,100

Uses of Funding	FY 06 Budget	FY 07 Budget	FY 08 Budget	Increase (Decrease)
Post Employment Benefit Payments	\$0	\$0	\$3,000,000	\$3,000,000
Retiree Health Benefit Payments	0	1,963,100	1,966,200	3,100
Total Uses of Funding	\$0	\$1,963,100	\$4,966,200	\$3,003,100

Pension Trust Fund

The Carroll County Pension Trust Fund, a defined benefit pension plan, was implemented July 1, 2003. The Plan covers all regular non-contractual employees hired July 1, 1985 and after, and provides a monthly payment to retirees beginning at age 62 or after 30 years of service. Reduced payments are available to retirees at age 55 in cases where age plus years of County service equals or exceeds 80. Administrative and oversight functions of the Plan are the responsibility of the Retirement Plan Committee, consisting of four individuals set forth in the Plan document and two Plan participants selected by the County Commissioners. Additional funding beyond the Actuarial Recommendation is not included in FY 08.

Sources of Funding	FY 06 Budget	FY 07 Budget	FY 08 Budget	Increase (Decrease)
Transfer from General Fund	\$5,937,730	\$1,175,000	\$985,423	(\$189,577)
Enterprise Funds	52,313	60,050	0	(60,050)
Grant Funds	58,000	60,000	0	(60,000)
Total Sources of Funding	\$6,048,043	\$1,295,050	\$985,423	(\$309,627)

Uses of Funding	FY 06 Budget	FY 07 Budget	FY 08 Budget	Increase (Decrease)
Employee Pension Fund Payments	\$6,048,043	\$1,295,050	\$985,423	(\$309,627)
Total Uses of Funding	\$6,048,043	\$1,295,050	\$985,423	(\$309,627)

LOSAP (Length of Service Award Program)

The LOSAP Pension Trust Fund, a defined benefit pension plan, was implemented July 1, 2004. The Plan covers all volunteer firemen meeting eligibility requirements and provides a monthly payment to retirees beginning at age 62.

Sources of Funding	FY 06 Budget	FY 07 Budget	FY 08 Budget	Increase (Decrease)
Transfer from General Fund	\$0	\$0	\$1,000,000	\$1,000,000
Total Sources of Funding	\$0	\$0	\$1,000,000	\$1,000,000

Uses of Funding	FY 06 Budget	FY 07 Budget	FY 08 Budget	Increase (Decrease)
LOSAP Pension Fund Payments	\$0	\$0	\$1,000,000	\$1,000,000
Total Uses of Funding	\$0	\$0	\$1,000,000	\$1,000,000

Special Revenue Fund

A Special Revenue fund is a fund that captures dedicated revenues until they are appropriated for use in other funds in a given year. Agriculture Transfer Tax is collected on the sale of property located within an area zoned agriculture. The proceeds are used to help fund the Agricultural Land Preservation Program. Cable Franchise Fee is a 5% fee of gross cable television revenue. Proceeds of the fee are used for expenses related to public interest programming on cable TV. Hotel Rental Tax is a 5% tax applied to the hotel room rate and paid by the hotel guest. Proceeds of this tax are used for Tourism and Promotion of the County. Impact fees are collected at the time a permit is issued for the construction of a new home. There are two types of fees, schools and parks. The fiscal year appropriation is based on capital projects that are eligible and planned in the capital improvement program. A project is eligible for impact fee funding if the project is being created to alleviate pressures related to growth as described in the impact fee ordinance.

Sources of Funding	FY 06 Budget	FY 07 Budget	FY 08 Budget	Increase (Decrease)
Ag Transfer Tax	\$500,000	\$500,000	\$1,000,000	\$500,000
Cable Franchise Fee	0		702,800	702,800
Hotel Rental Tax	0	288,400	282,700	(5,700)
Impact Fees	366,000	2,274,500	9,000,000	6,725,500
Total Sources of Funding	\$866,000	\$3,062,900	\$10,985,500	\$7,922,600

Uses of Funding	FY 06 Budget	FY 07 Budget	FY 08 Budget	Increase (Decrease)
Transfer to Capital	\$866,000	\$2,774,500	\$10,000,000	\$7,225,500
Transfer to Operating	0	288,400	985,500	\$697,100
Total Uses of Funding	\$866,000	\$3,062,900	\$10,985,500	\$7,922,600