

Fiscal Year 2019 Adopted Budget Summary

The Great Recession – gone, but STILL not forgotten

It seems as if the recession would be old news by now, but we are still feeling its impact through what seems to be a fundamentally changed fiscal situation. Thoughts of returning to ‘normal’ have long since been abandoned. Property Tax, the County’s largest revenue, is growing, but modestly. Based on FY 17 – 19 reassessments and projected new construction, revenue is projected to grow 2.6% in FY 19, followed by five years of approximately 3% annual growth. Income Tax distributions have been volatile in recent years, in part due to taxpayer behavior associated with anticipated and actual Federal tax changes, adding uncertainty to near-term growth levels. Unemployment is low, but wage growth has been modest. Carroll’s Operating Budget has averaged just 1.5% annual growth since FY 09, though it has been 2.6% over the last 3 years.

The Total Budget

The General Fund, or what people often think of as the Operating Budget, gets most of the attention, but the County Budget includes thirteen funds. The All Funds budget is \$569.0M, a decrease of \$8.4M, or 1.4%, from FY 18. While there are changes to every fund, the decrease is driven by a one-time FY 18 Runway Extension capital project of \$38.0M in the Airport Enterprise Fund. The Capital Fund increases \$22.6M from FY 18 primarily due to an expansion and renovation of Carroll County Public School’s Career and Technology facility and a new building for the State’s Attorney’s Office.

The Operating Budget

The FY 19 Operating Budget is \$411.3M, an \$11.2M, or 2.8%, increase over FY 18. The increase in ongoing revenue is driven by growth in the County’s two largest revenues, Property Tax and Income Tax.

Limited revenue growth and the absorption of unfunded State mandates limits the opportunity to improve services, and sometimes to maintain services. Adopting a budget requires a series of choices between competing needs and priorities. Commissioner decisions in the FY 19 Budget and FY 19 – 24 Operating Plan include:

- \$2.0M additional funding in FY 19 to Carroll County Public Schools (CCPS)
- \$2.0M in ongoing and \$1.5M one-time funding for twenty School Resource Officers, ten each in FY 19 and FY 20
- \$1.0M additional funding for salary increases for the Sheriff’s Office
- \$0.5M of one-time funding to the Volunteer Emergency Services Association for replacement Self-Contained Breathing Apparatus at three volunteer fire companies
- \$0.4M additional ongoing funding to help fund salary increases at Carroll Community College, and \$20,000 ongoing for home and private school student dual-enrollment tuition discounts

- \$0.4M of one-time funding to Carroll County Public Library for technology improvements and \$25,000 ongoing to offset the impact of State minimum wage legislation
- \$0.3M ongoing funding for Not in Carroll, a comprehensive initiative to combat drug abuse and provide additional resources for drug prevention, treatment, prosecution, and enforcement (additional information is provided below for Not in Carroll)
- \$0.1M ongoing funding for the addition of a Drug Court Prosecutor position in the State’s Attorney’s Office
- \$64,850 one-time funding for Boys and Girls Club of Westminster for phone, paging, and security equipment for their new building
- \$24,670 one-time funding to The Arc Carroll County for matching funds for two vehicle purchases
- \$15,500 ongoing funding to change a planned increase of 1% in FY 19 to 3% for The Arc Carroll County, CHANGE, Inc., and Target Community and Educational Services
- \$12,500 one-time funding to Rape Crisis Intervention Service for server replacement
- \$5,000 one-time funding to Union Mills Homestead for a mobile tannery exhibit
- \$5,000 one-time funding to the Historical Society for traveling trunk and interpretive garden projects

In addition to decisions made in the Operating Budget, the Commissioners included \$5.0M in the FY 19 – 24 Community Investment Plan for a new Southern Precinct for Sheriff Services to be located in Eldersburg. Also included is \$17.0M for a new State’s Attorney’s Office building. The project is comprised of reappropriated funds from the North Carroll High School Renovation project (\$6.0M) and from the Army Reserve Building project (\$1.0M), elimination of the planned Winchester Building Renovation project (\$6.0M), and Carroll County Public School’s purchase of the Winchester Building from the County (\$4.0M).

Over the past four years, the 60th Board of County Commissioners prioritized additional resources toward education and public safety. Below is a chart that shows the dollar and percentage increase from FY 15:

	4 Year \$ Increase	4 Year % Increase
Carroll County Public Schools	\$21.4M	13%
Sheriff Services	6.0M	32%
Carroll Community College	2.5M	33%
Public Safety 911	1.8M	41%
Non-Profit Service Providers	1.0M	38%
State’s Attorney’s Office	0.8M	27%
Total General Fund	\$42.8M	12%

The 60th Board of County Commissioners also established the Not in Carroll effort, a comprehensive approach to address the drug epidemic through education, treatment, law enforcement, and prosecution. Not in Carroll provides resources to the Sheriff’s Office, State’s Attorney’s Office, and Youth Services Bureau. Below is a chart showing the resources dedicated to the effort.

Not in Carroll

In Millions

Description	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24
1 Corporal and 4 Deputies	\$0.7	\$0.4	\$0.5	\$0.5	\$0.5	\$0.5	\$0.7	\$0.6	\$0.6
Drug Prosecutor	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Drug Investigator	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Drug Education/Treatment Liaison	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Drug Addiction Counseling Services		0.1	0.2	0.3	0.4	0.4	0.5	0.5	0.5
Drug Education/Treatment Liaison			0.1	0.1	0.1	0.1	0.1	0.1	0.1
Drug Court Prosecutor				0.1	0.1	0.1	0.1	0.1	0.1
Comprehensive Drug Initiative				0.3	0.3	0.3	0.3	0.3	0.4
Total Planned	\$1.0	\$0.8	\$1.0	\$1.5	\$1.7	\$1.8	\$2.1	\$2.0	\$2.1

Totals may not add due to rounding.

Balancing the Plan

Although some one-time and short-term funding was used to balance FY 19 – 22, it is important to note that it was done within context of our balanced Operating Plan. Few jurisdictions build multi-year budget plans that are balanced for all years. Carroll County uses a six-year operating plan to capture future year impacts and the sustainability of current year budget actions. The Board of County Commissioners made the decisions necessary to balance all years in the FY 19 – 24 Plan. Below are the bottom lines of the FY 19 – 24 Operating Plan.

Millions	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24
Revenues	\$411.3	\$421.9	\$432.6	\$450.4	\$465.7	\$483.5
Expenditures	411.3	421.9	432.6	450.1	465.4	482.6
Balance	\$0.0	\$0.0	\$0.0	\$0.3	\$0.3	\$0.9
Balance as a % of Budget	0.0%	0.0%	0.0%	0.1%	0.1%	0.2%

County Highlights

Even after numerous years of troubled economic conditions and modest revenue growth, the County has many good things to talk about:

- Carroll County Public Schools continues to be among the most highly ranked systems in the highly ranked State of Maryland
- Carroll County Public Library continues to have one of the highest circulation rates per capita in the State
- Significant business and employment developments are progressing, creating the potential for high-quality job opportunities
- More than 70,300 acres are under permanent easement in our Agricultural Land Preservation programs, supporting agribusiness and maintaining our rural heritage while avoiding the costs of services and infrastructure to serve residential development

- Carroll continues to be highly rated by the credit rating agencies with two AAA and one AA+ rating. We continue to see strong demand for our bonds

Stay Informed

The Commissioners continue to make their actions available for review and participation by the public. You can follow the budget, and other actions and discussions, through:

- Cable Channel 24 broadcasts
- A video archive of public meetings on the website
- A website with details of the Budget
- Automatic emails to provide updates on website changes
- Regular community meetings
- A Commissioner radio report broadcast live on WTTR on Sunday mornings and available on the County website

All of the FY 19 budget sessions, from the first Budget Overview to the Budget Adoption, were open to the public and appeared on the local government channel. These videos are available on the County website. Thank you for your interest in the Commissioners' budget.

Ted Zaleski, Director
Management and Budget