

... leading us on a new path forward by restoring balance and fiscal responsibility for our citizens & employees



HARFORD

COUNTY

Approved FY17 Budget in Brief

Barry Glassman, County Executive



A Message from Harford County Executive Barry Glassman

My first budget as county executive put Harford County on a new path toward balance and fiscal responsibility for our citizens and employees. We began by eliminating annual increases in the county's debt burden, rightsizing the county workforce, and reinvesting in the people who provide valuable services for our citizens. In my budget for the upcoming year, we continue to lead the way forward on our chosen path.

My budget for Fiscal Year 2017 is sensibly balanced to provide record funding for public safety and education without raising taxes or increasing spending overall.

All new revenue in my approved \$524,570,000 general fund operating budget is directed to enhance instructional salaries in Harford County Public Schools and for employees in the Harford County Sheriff's Office, plus a supplemental increase for those employees classified as law enforcement deputy first class, law enforcement senior deputy or law enforcement corporal. Funding is also provided to enhance salaries for employees in the Harford County Public Library, State's Attorney's Office, EMS Foundation and Circuit Court systems. For qualifying county employees, merit-based salary increases are funded entirely by savings from efficiencies within county government, including positions eliminated thus far to rightsize the county workforce. Continuing to fight the heroin epidemic, my budget doubles county funding for addiction treatment and related recovery services.

On the capital side, my approved FY 17 budget is the lowest in 16 years at \$80,271,575, yet includes significant local funding toward \$16.2 million in essential road, bridge and highway repairs projects. Funding is planned to replace Havre de Grace Middle/High School beginning in the fiscal year 2018.

My combined total operating and capital budget of \$735,393,475 for FY 17 is level compared with FY 16, increasing by less than half of one percent, or \$1,803,378. Budget highlights appear below.

RESTORING BALANCE & EFFICIENCY

- No tax increases
- Lowest level of capital spending in 16 years, deferring large new capital projects and halting the trend of yearly increases in new debt
- Realistic six-year Capital Improvement Program, which helped Harford County retain the highest possible Triple-A bond rating and save money with the lowest borrowing cost in Harford County history
- Rightsizing the county workforce, eliminating 52 positions thus far in FY 16, and living within our means through ongoing efficiency measures
- County government efficiencies have allowed us to dedicate all new revenue to education and public safety, while at the same time reinvesting in our own workforce

REINVESTING IN OUR WORKFORCE

- Merit-based salary increases of 3% per qualifying county employee; no new money is needed to fund this increase, due to our efficiency measures
- Support for employees in the Sheriff's Office, Public Library, State's Attorney's Office, EMS Foundation and Circuit Court system, with increased funding equivalent to 3% per employee
- A supplemental merit increase to law enforcement personnel classified as follows: 6% for Deputy First Class (Law Enforcement) and Senior Deputy (Law Enforcement); 3% for Corporal (Law Enforcement). These supplemental merit increases are in addition to the 3% base merit increase.

INVESTING IN EDUCATION

- Funding for Harford County Public Schools at a record level
- Nearly all of the county's new revenue is directed to K-12 education
- Operating funding for HCPS at \$233,534,504 or \$5,988,637 above the Maintenance of Effort requirement
- Support for teachers, with \$3.5 million in increased funding for instructional salaries



- Additional funds for special education buses and general school transportation needs totaling \$2,745,533
- Restoration of \$300,000 in operating funds for Harford Community College

STRENGTHENING COMMUNITIES

- Doubling to \$200,000 the county funding for prevention of heroin addiction and related support services
- Increased funding of \$75,000 to our Health Department to support behavioral health and teen diversion programs
- Increased funding of \$87,186 for first responders with the Harford County EMS Foundation
- Contribution of \$125,000 to Susquehanna Hose Company for a fire/rescue boat
- Creation of a \$250,000 Self-Contained Breathing Apparatus (SCBA) replacement account for our volunteer firefighters' life safety equipment

CAPITAL PROJECT HIGHLIGHTS

- Highways, road and bridge repair projects: \$16.2 million of which 83% is locally funded
- Storm water remediation projects funded at \$6.1 million
- Full funding for Fallston High School's artificial turf field: \$1,550,000
- Priority repairs for Volunteer Fire Company facilities: \$400,000
- Upgrades to replace the county's antiquated and inefficient computer software and hardware: \$2,737,500
- Havre de Grace Middle/High School replacement project funds planned to begin in FY 2018
- Fully funded the local share of the Board of Education's state capital budget request at \$8,181,000

Underlying this budget are my administration's ongoing efforts to make local government smaller and faster with better service. We have consolidated county office space and saved money by outsourcing when equal or better services could be provided, for example with our more modern and user-friendly website. We have also improved customer service without increasing spending by using technology such as our "You CLICK We FIX" app, which allows citizens to report potholes and other issues 24/7 from the convenience of a computer or smartphone.

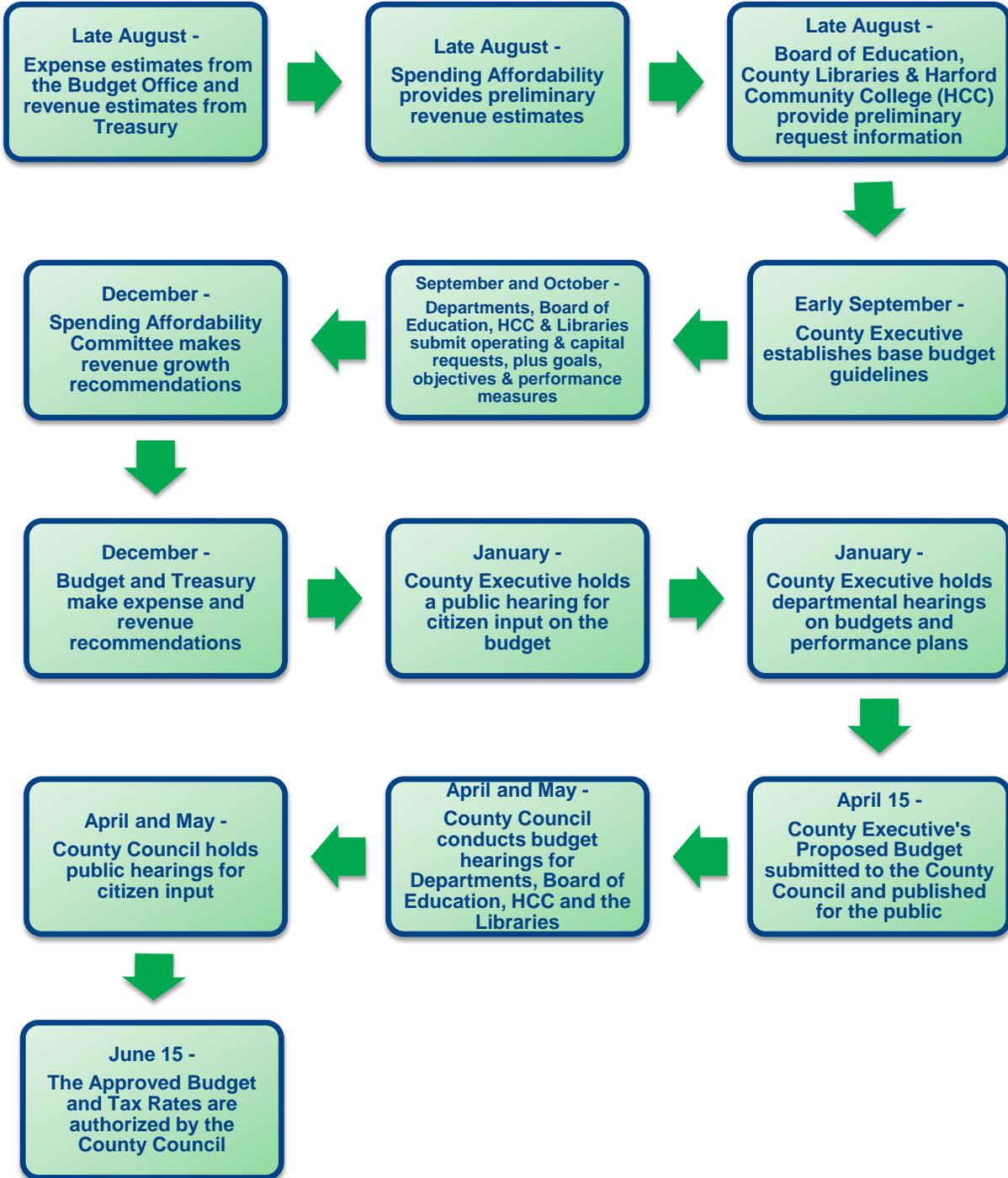
Promoting economic growth, our new Permit Center is streamlined to provide both online and in-person services for permits, licenses and inspections, and we have begun to roll back regulations that unnecessarily impede local business. Our annual tourism grant program spurs tourism and related activities in the county with funds collected from out-of-town visitors through the hotel tax implemented last year. Coming soon we will begin the next phase of our Harford Metropolitan Area Network (HMAN) project to bring gigabit broadband to commercial entities in Harford County.

In closing, I want to thank the many citizens who shared their budget priorities with us through our second annual virtual town hall meeting. Your input was instrumental in putting together this budget. I also want to thank my Director of Administration Billy Boniface, our budget team, and our valued county employees who work hard each day to serve our customers, the citizens of Harford County.

Barry Glassman
County Executive

BUDGET PROCESS

With advice from a Spending Affordability Committee (comprised of local citizen volunteers) and departmental staff; after meetings with all County departments, the Board of Education, the County Libraries and Harford Community College; and after conducting a public hearing to secure citizen input; the County Executive proposes an annual budget which by law, must be presented to the County Council by April 15th. The Council then holds its own hearings. By June 15th, the Council is required by law to adopt an Operating and Capital Budget and set tax rates.



HARFORD COUNTY FISCAL POLICY

Harford County's Fiscal Policies and Budget Process were framed by the County Charter, Article V, Budget and Finance and the County Code; expanded by our Business Plan; enhanced by recommendations of the Government Finance Officers Association; and conform to Federal, State and local regulations as well as requirements of the Governmental Accounting Standards Board. At the core of these policies is the County's determination to remain fiscally conservative, yet recognize fluctuations in the economy, changing trends, the adoption of new laws, and the concerns of our citizens. The County constantly reviews and adapts where necessary, our ways of conducting business. Harford County's Five Year Business Plan assures our citizens that funding for public services, programs and facilities is sufficient to assure effectiveness, appropriate as to source; and fair and equitable throughout the County. The cornerstones of the Plan are:

A Six Point Financial Plan

Expenditures will be based on a real versus a perceived need
Expenses, functions, services and projects will be affordable
An affordable ten year capital program will be planned and implemented in accordance with the County's debt policies
Conservative operating budgets will be planned and prepared
New sources of revenue will be identified and advanced
A fund balance equal to 5% of the General Fund Operating Budget will be preserved to maintain our credit rating & provide for emergencies

Strategic Planning Incorporating Ten Principles of Sound Financial Management

The County's Land Use Plan shall not become static and will be synchronized with the Operating & Capital Budgets and the Capital Improvement Program;
The retention and expansion of local businesses will be encouraged, while attracting new companies to the County in order to expand our assessable base, diversify our economy, and increase employment opportunities for our citizens;
Budgets will be conservative; a surplus in the General Fund at the end of each fiscal year shall be imperative; and a 5% Reserve of the General Fund will be maintained;
Net Bonded Debt will be maintained at a level of no more than 2.3% of the full cash value of assessable property in the County. As we hold conservative, yet fluid and responsive debt management to be fiscally prudent, bonded debt and its resulting Debt Service is to be kept to as small a portion of the General Fund Budget as is realistically possible, while not tied to a set ratio;
Debt will be issued only after a careful analysis ensures that revenue to pay that debt will be available;
If a deficit is forthcoming, the County Executive will impose a freeze on hiring and spending;
Accounting practices will conform to Generally Accepted Accounting Principles;
All efforts will be made to improve program and employee productivity;
Duplicative functions within government will be reduced;
County Agencies will fully support the cost management system.

Debt Management

Pay-As-You-Go (Paygo) will be used for minor renovation and repair projects with an asset life of less than ten years; new buildings, major renovations and repairs to existing facilities, which contribute to the asset's life can be financed with General Obligation bonds.

Cash Management

100% of idle cash will be pooled for investment based on an analysis used to determine the best possible return while ensuring maximum cash availability.

Revenue Policies

An annual review of revenue projections for the next three fiscal years; setting user charges and fees at a level related to the cost of providing the service; assuring that property appraisal and assessment procedures (through a State function) are fair and accurate, checking that property classifications ensure land zoned carries the proper appraisal; and following an aggressive policy of collecting property taxes.

Operating Budget Policies

Assure that all current expenses will be paid for with current revenues; capital plant and equipment will be maintained & scheduled for orderly replacement; three year expenditure projections will be updated annually; enacted budgets will be adhered to; monthly reports will be prepared comparing actual revenues to expenses; fiscal impact statements will be prepared for all legislative proposals, new administrative policies, procedures/programs, & will be used to determine the revenue & expense impact of subdivision approvals.

Capital Improvement Budget Policies

Require the County to use the least costly method of financing all new projects, & to coordinate the capital budget with the operating budget; projected debt service must follow the County's debt policies & be included in the operating budget.

HARFORD COUNTY BUDGET ORGANIZATION

Harford County's comprehensive financial and operating plan for the fiscal year is comprised of the Annual Operating and Capital Budgets and our Six Year Capital Improvement Program.

The Operating Budget

The Annual Operating Budget details fiscal information for all County departments and agencies along with information on services, programs, goals, objectives, performance measures, and staffing requirements. Also defined are the County's contributions to independent sectors such as the Board of Education, Harford Community College & the County's Libraries. The budget consists of the following separate established funds to record the receipt and application of resources which by law or generally accepted accounting principles, must be kept distinct:

The General Fund

- The General Fund is the principal operating fund for Harford County Government and is used to account for all financial resources except those required by law, County policy, and/or generally accepted accounting principles to be accounted for in another fund.

The Highways Fund

- The Highways Fund is used to account for dedicated revenues derived from specific taxes and other earmarked revenue sources restricted to expenditures for the operation and support of the Department of Public Works - Divisions of Highways and Construction Management, County fleet maintenance, traffic safety and transportation services.

The Water and Sewer Debt Service Fund

- The Water and Sewer Debt Service Fund accounts for principal and interest payments on water and sewer bonds and loans, financed by dedicated revenues derived from user fees and surtaxes.

Stormwater Management Fund

- The Stormwater Management Fund is a special account for deposit of a certain portion of the recordation tax, \$0.55 for each \$500 of the sale price for each property deed recorded. To be used for watershed protection and restoration.

The Water and Sewer Fund

- The Water and Sewer fund is an enterprise fund, accounting for operations financed and conducted similar to private enterprise. It is the County Government's intent to finance these services primarily through charges to water and sewer service customers.

Special Revenue Funds

- The Special Revenue Funds were established to comply with the Governmental Accounting Standards Board's (GASB) Statement No. 34, which requires maintaining individual accounts for programs of a self supporting nature (Parks and Recreation Special Revenue Fund) or which do not provide basic governmental services (County and State Agricultural Preservation Funds).

The Tax Increment Financing Fund

- The Tax Increment Financing Fund is a special fund for the deposit of a certain portion of the real property tax collected in a development district and used to finance or reimburse the cost of special obligation bonds for certain public improvements relating to the district without constituting a general obligation of the County.

The Capital Budget and Capital Improvement Program

Harford County Government officials, with input from all departments and agencies, identify the long-range need to construct new or improve existing public facilities, and formulate a capital plan, consisting of a one year Capital Budget and a six year Capital Improvement Program. Such a program provides appropriation authority and planning for projects of long-term usefulness, size and cost, and/or which require large expenditures of funds usually programmed over more than one year and which result in a durable capital asset.

HARFORD COUNTY BRIEF ECONOMIC FACTS

Population

	Households	Population	Population Distribution	Age	Number	Percent
2000	79,667	218,590		Under 5	13,856	5.5%
2010	90,218	244,826		5-19	49,555	19.8%
2020*	97,775	258,650		20-44	76,924	30.8%
*Projected				45-64	73,327	29.3%
				65 and over	36,443	14.6%
					250,105	100.0%

Major Employers

Employer	Product/Service	Employment
Aberdeen Proving Ground	Military Installation/R&D	16,797
Upper Chesapeake Health	Medical Services	3,129
Rite Aid Mid-Atlantic Customer Support Ctr.	Pharmaceuticals/Consumer Goods	1,300
Kohl's	Consumer Goods Distribution/Retail	1,255
Harford Community College	Higher Education	1,029
Klein's ShopRite of Maryland	Groceries	1,000
Walmart	Consumer Goods Distribution/Retail	900
Jacobs Technology	Laboratory Analyses	874
Jones Junction Auto Group	Car Dealers	563
Target	Consumer Goods	500

Income

Distribution	Harford County	Maryland	U.S.
Under \$25,000	12.9%	15.4%	23.2%
\$25,000 - \$49,999	15.8%	17.9%	23.7%
\$50,000 - \$74,999	17.7%	17.2%	17.8%
\$75,000 - \$99,999	15.2%	13.4%	12.2%
\$100,000 - \$149,999	21.1%	18.1%	13.0%
\$150,000 - \$199,999	9.4%	8.9%	5.1%
\$200,000 and over	7.9%	9.1%	5.0%
Median Household Income	\$81,016	\$74,149	\$53,482
Avg. Household Income	\$95,858	\$97,135	\$74,596
Per Capita Income	\$35,763	\$36,670	\$28,555
Total Income (millions)	\$8,727	\$209,422	\$8,668,940

Tax Rates

	Harford County	Maryland
Corporate Income Tax (2015)	None	8.25%
Personal Income Tax (2015)	3.06%	2.0%-5.75%
Sales & Use Tax (2015)	None	6.0%
Real Property Tax (2015)	\$1.04	\$0.11
Business Personal Property Tax (2015)	\$2.60	None

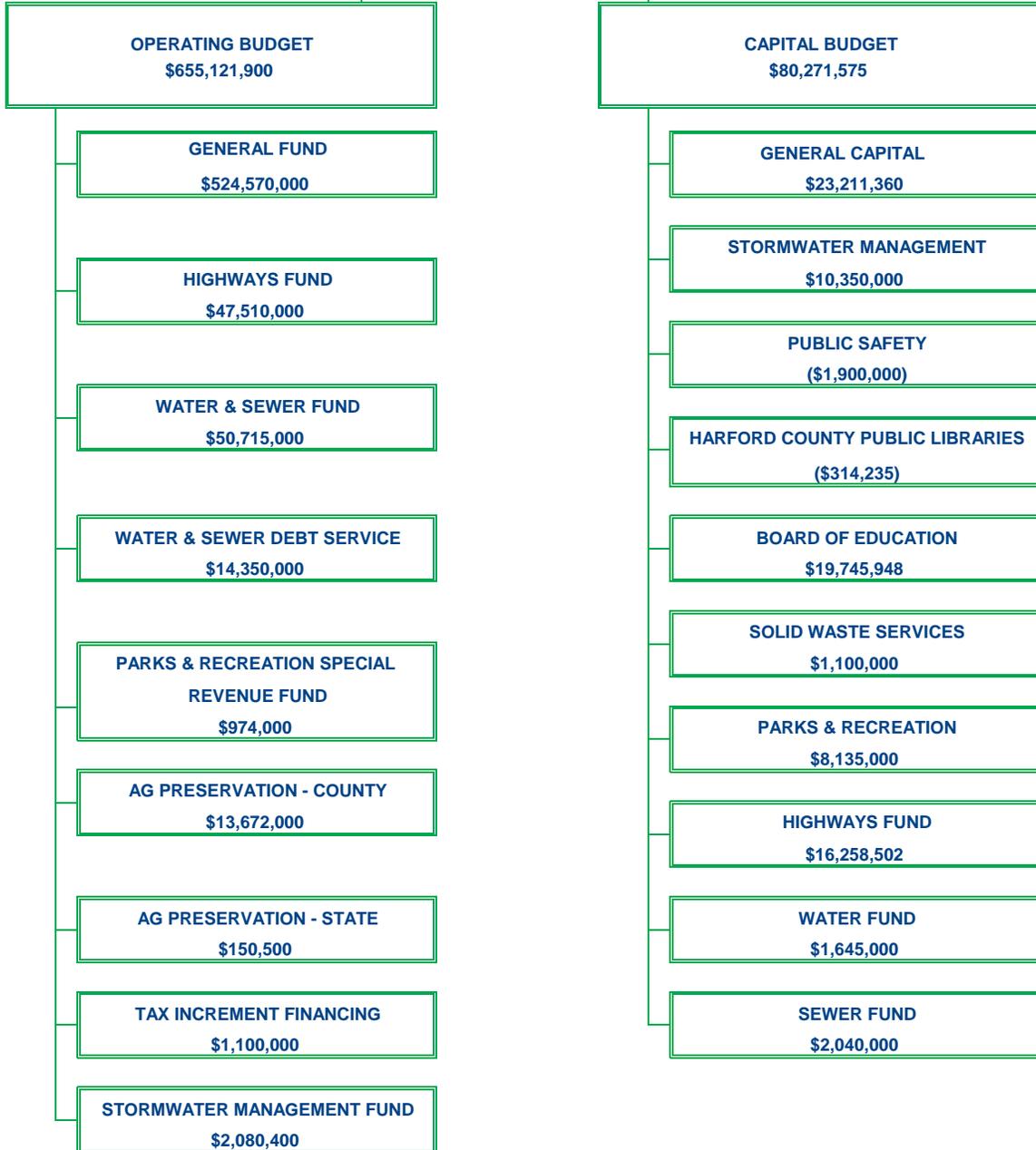
Major Tax Credits Available:

Enterprise Zone, Job Creation, R&D, Biotechnology and Cybersecurity Investment, A&E District

Harford County's Bond Rating

Harford County went to the bond market on February 9, 2016 for a \$40,000,000 bond sale. The County received the highest rating possible from all of the three investor services, resulting in Fitch Ratings of AAA, Standard and Poor's ratings of AAA, and Moody's Investor Service ratings of Aaa. Harford County received its ratings based on increasing business growth, favorable debt ratios, sound financial operating and reporting and conservative budgeting.

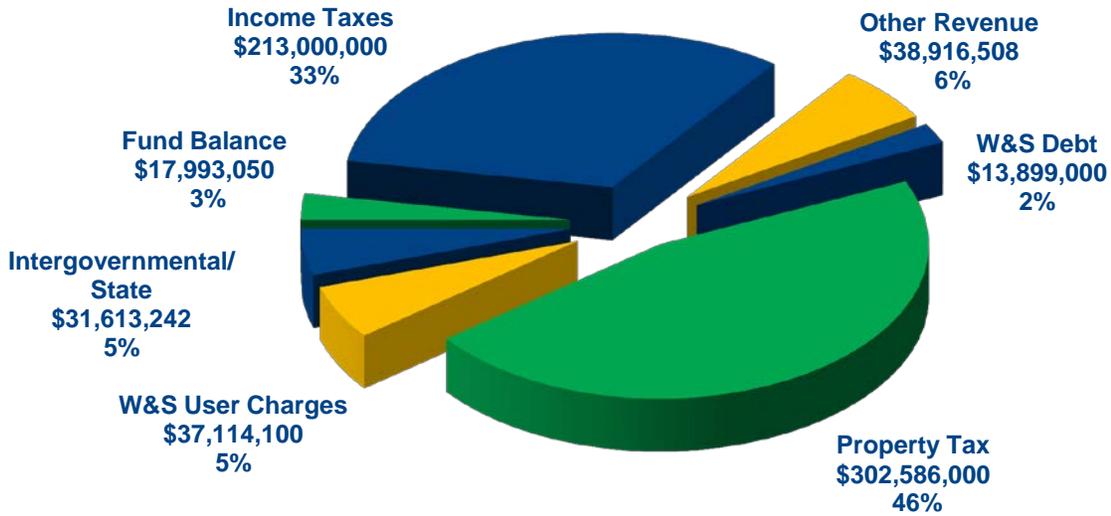
HARFORD COUNTY
TOTAL FY 17 APPROVED BUDGET ALL FUNDS
\$735,393,475



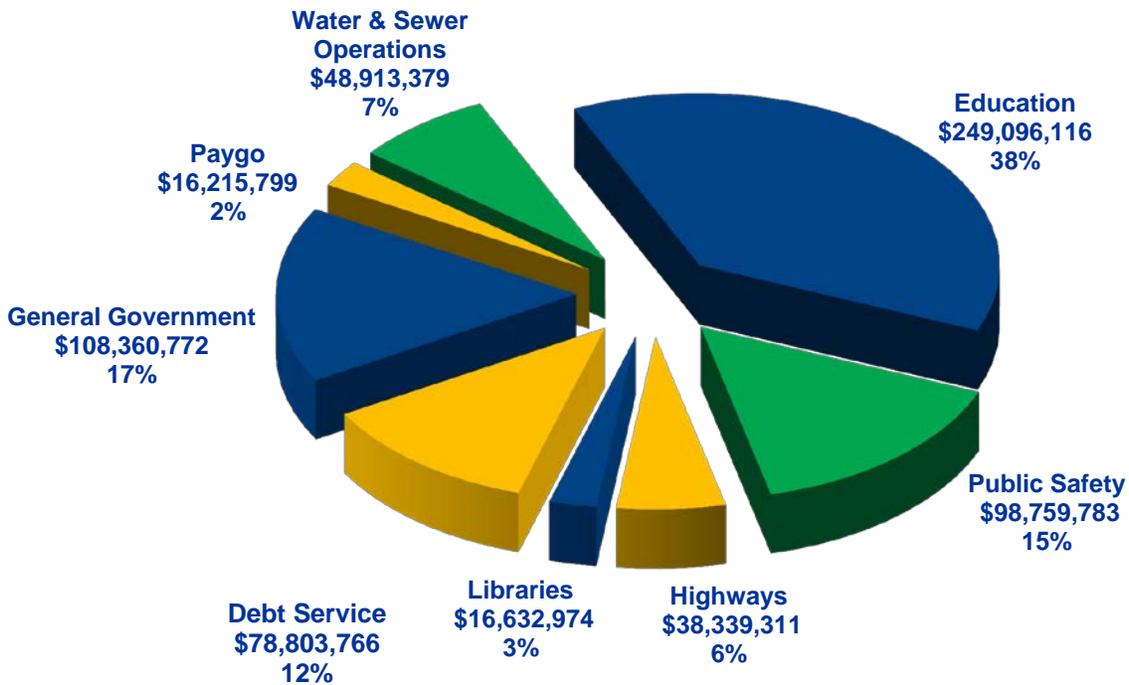
ALL FUNDS

Fiscal Year 2016 - 2017

TOTAL APPROVED REVENUES \$655,121,900



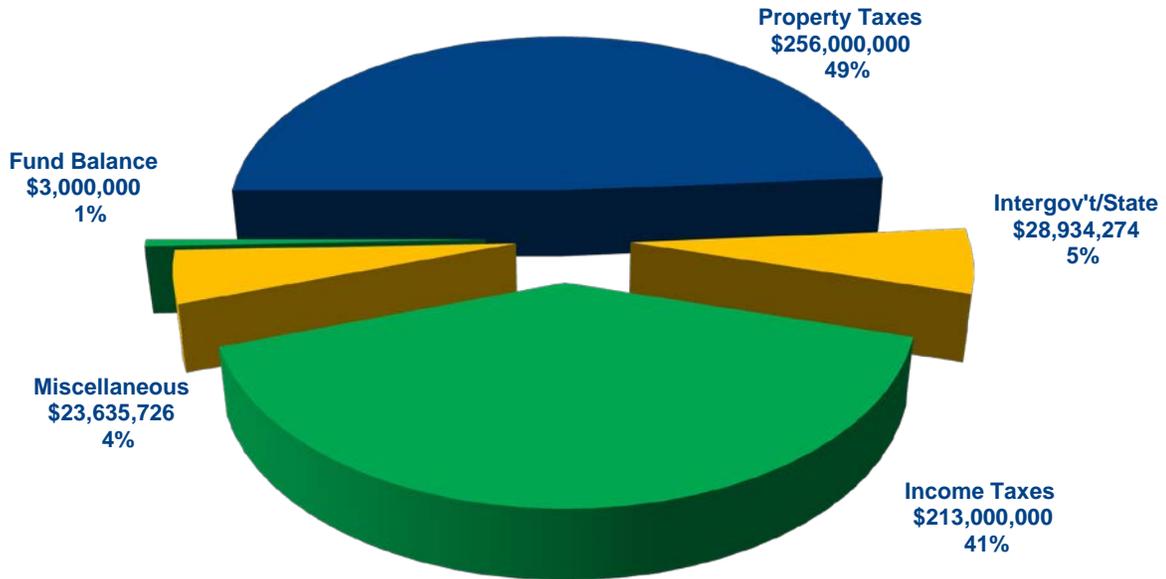
TOTAL APPROVED APPROPRIATIONS \$655,121,900



GENERAL FUND REVENUES

Fiscal Year 2016 - 2017

TOTAL APPROVED BUDGET \$524,570,000



FY 2017 APPROVED GENERAL FUND REVENUE BREAKDOWN

PROPERTY TAXES:	49%	256,000,000	INCOME TAX	41%	213,000,000
Real & Personal	261,220,000				
Deductions	(5,220,000)				
MISCELLANEOUS:	4%	23,635,726	INTERGOV'T/STATE:	5%	28,934,274
Investment Income	381,100		Intergovernmental	3,672,700	
License & Permits	4,650,500		Intra-County	2,776,546	
Other Taxes	6,865,500		Pro Rata	4,685,028	
Service Charges	10,936,730		Recordation	9,800,000	
Fines & Forfeitures	67,500		Transfer	8,000,000	
Miscellaneous Revenues	734,396		FUND BALANCE	1%	3,000,000

TOTAL GENERAL FUND REVENUES

524,570,000

GENERAL FUND
to include Solid Waste Services

FY 16 APPROVED BUDGET \$517,583,954 FY 17 APPROVED BUDGET \$524,570,000 CHANGE \$6,986,046

The General Fund accounts for the largest portion of the total financial operations of Harford County Government. General Fund appropriations are used primarily to finance the administrative activities of County Government and to provide programs and services to our citizens. The major portion of the Board of Education's funding comes from County General Fund dollars. County support for Harford Community College, the Health Department, and the Libraries also come from the General Fund. Other funding sources are comprised of revenues earmarked for specific expenses. It is solely General Fund revenues that are used for basic operations and government services.

REVENUES

The majority (90%) of our projected General Fund Revenues come from Property Taxes and Income Taxes.

<u>PROPERTY TAXES</u>	FY 17 Approved	\$256,000,000	49%	of the General Fund
	FY 16 Approved	\$252,404,922	50%	of the General Fund
	\$ growth	\$3,595,078		
	% growth	1.42%		

In FY 17, the percent of overall increase in property tax is 1.42% or \$3,595,078. This is primarily due to a modest recovery in property assessments. Property assessments have increased, albeit slightly, for the third year in a row after declining for the previous four years. Each year one-third of the County is reassessed by the State Department of Assessments and Taxation and the new assessments are phased in over the next three years.

<u>INCOME TAXES</u>	FY 17 Approved	\$213,000,000	41%	of the General Fund
	FY 16 Approved	\$203,407,621	40%	of the General Fund
	\$ growth	\$9,592,379		
	% growth	4.72%		

Income tax is calculated in Maryland as a percentage of net taxable income. While the State sets a tax rate cap of 3.2% for local governments, the Harford County Council set our income tax rate at 3.06%. The State Comptroller's Office administers and collects the tax and distributes the receipts to the counties and municipalities. We receive approximately 90% of income tax in quarterly distributions of the withholdings and estimated payments.

The increase in quarterly revenue is largely due, in part, to an improving economy and lower unemployment. We estimate the FY 16 actual amount to be \$207,000,000, an increase of \$3,592,379 over the FY 16 budgeted amount. FY 17 is expected to grow to \$213,000,000, approximately 3% over the FY 16 estimated amount of \$207,000,000.

<u>OTHER REVENUES</u>	FY 17 Approved	\$55,570,000	10%	of the General Fund
	FY 16 Approved	\$61,771,411	12%	of the General Fund
	\$ growth	(\$6,201,411)		
	% growth	(10.04%)		

The elements mainly responsible for the growth in "Other" revenues are:

	<u>FY 16</u>	<u>FY 17</u>	<u>Change</u>
	<u>Funding</u>	<u>Funding</u>	
<u>Recordation Tax</u>	\$8,100,000	\$9,800,000	\$1,700,000

In FY 17, we are anticipating to transfer \$1,500,000 of accumulated recordation tax and \$8,300,000 of current year recordation tax to the General Fund for school debt.

<u>Transfer Tax</u>	\$8,500,000	\$8,000,000	(\$500,000)
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In FY 17, we are anticipating to transfer \$500,000 of accumulated transfer tax and \$7,500,000 of new transfer tax to the General Fund to pay school debt.

<u>Fund Balance Appropriated</u>	\$6,775,125	\$3,000,000	(\$3,775,125)
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Governmental funds report the difference between their assets and liabilities as fund balance. In FY 16, we appropriated \$6,775,125 of assigned fund balance. In FY 17 we have appropriated \$3,000,000 of unassigned fund balance.

<u>All "Other" Revenues combined</u>	\$38,396,286	\$34,770,000	(\$3,626,286)
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These include: Other taxes, charges for current services, revenues from other agencies, fines and forfeitures, licenses and permits and investment income.

GENERAL FUND EXPENDITURES
to include Solid Waste Services

	ORIGINAL BUDGET FY 16	EXECUTIVE APPROVED FY 17	CHANGE FY 17 VS. FY 16
<u>GENERAL FUND SUMMARY BY DEPARTMENT:</u>			
COUNTY EXECUTIVE	635,085	661,235	26,150
ADMINISTRATION	6,695,869	6,593,133	(102,736)
PROCUREMENT	4,516,987	4,533,677	16,690
TREASURY	3,231,148	3,309,122	77,974
LAW	2,166,482	2,095,648	(70,834)
PLANNING AND ZONING	3,497,814	3,654,919	157,105
HUMAN RESOURCES	1,798,888	1,865,638	66,750
COMMUNITY SERVICES	4,572,507	4,730,851	158,344
HANDICAPPED CARE CENTERS	2,438,730	2,298,730	(140,000)
HEALTH	3,628,318	3,703,318	75,000
OFFICE OF GOV'T & COMMUNITY RELATIONS	579,256	1,201,932	622,676
HOUSING AGENCY	1,276,347	1,364,487	88,140
INFORMATION & COMMUNICATION TECHNOLOGY	6,802,677	7,274,004	471,327
SHERIFF'S OFFICE	70,889,678	74,550,553	3,660,875
EMERGENCY SERVICES	20,074,347	20,536,186	461,839
INSPECTIONS, LICENSES AND PERMITS	2,756,352	2,923,044	166,692
PUBLIC WORKS (includes Solid Waste)	18,586,510	15,676,594	(2,909,916)
COUNTY COUNCIL	2,852,778	2,881,204	28,426
JUDICIAL	3,050,216	3,061,019	10,803
STATE'S ATTORNEY	5,804,436	6,005,062	200,626
ELECTIONS	2,327,175	2,386,903	59,728
BOARD OF EDUCATION	228,208,971	233,534,504	5,325,533
HARFORD COMMUNITY COLLEGE	15,261,612	15,561,612	300,000
MARYLAND SCHOOL FOR THE BLIND	80,000	0	(80,000)
LIBRARIES	16,279,546	16,644,574	365,028
PARKS AND RECREATION	8,916,552	9,312,063	395,511
CONSERVATION OF NATURAL RESOURCES	686,897	698,633	11,736
ECONOMIC DEVELOPMENT	6,593,889	6,509,876	(84,013)
DEBT SERVICE	52,427,719	51,879,380	(548,339)
INSURANCE	0	471,846	471,846
BENEFITS	7,014,847	7,419,610	404,763
MISCELLANEOUS	13,832,321	11,130,643	(2,701,678)
RESERVE FOR CONTINGENCIES	100,000	100,000	0
TOTALS:	517,583,954	524,570,000	6,986,046

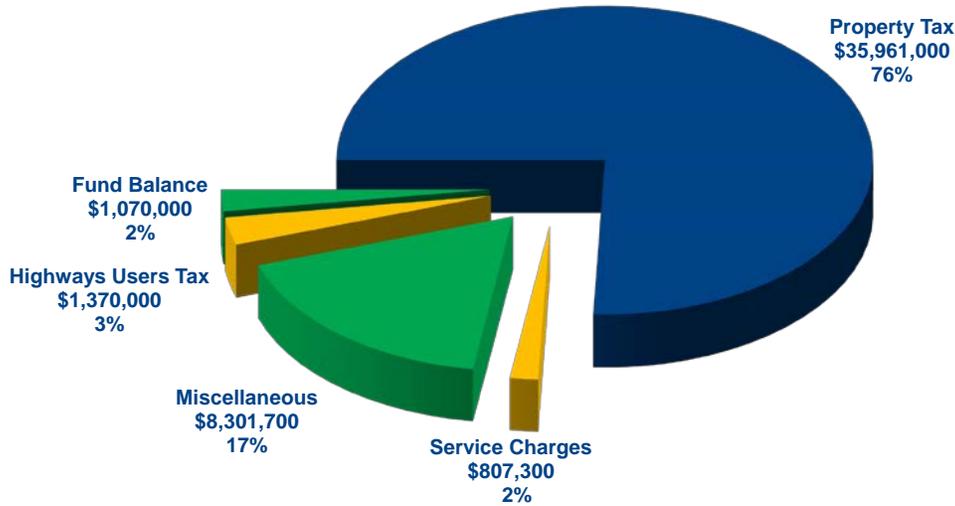
EXPLANATION OF SIGNIFICANT CHANGES:

The General Fund (including Solid Waste) realizes an increase of \$6,986,046 over FY 16.

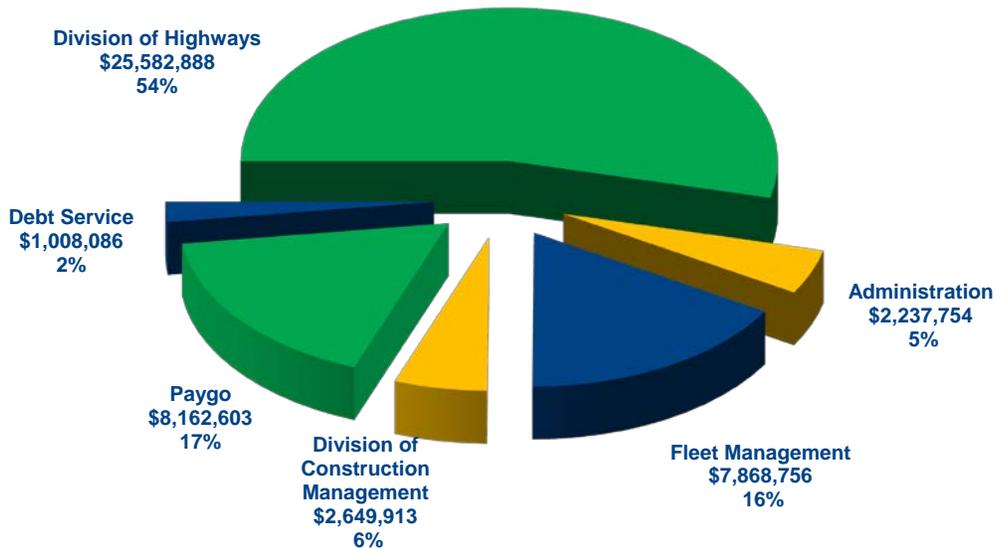
- o Includes merit salary increase of 3% for all General Government employees to include the Sheriff's Office, State's Attorney and Circuit Court @ \$2,500,000
- o Increase in funding for the Libraries provides for wage parity with County employees @ \$345,000 and \$11,600 for the Oral History Program
- o Supplemental merit increase above the merit 3% to all eligible employees for Law Enforcement personnel in the classifications of Deputy First Class and Sr. Deputy (Law Enforcement) @ 6% and Corporal (Law Enforcement) @ 3% for a total cost of \$965,000
- o Paygo funding in support of the FY 17 Approved Capital Budget decreases (\$2,653,245)
- o Debt Service costs are lower for FY 17 for a reduction of (\$548,339)
- o Increase funding for Board of Education @ \$5,325,533 - instructional salaries increase of \$3,500,000; additional funds for student transportation bus contracts \$1,745,533 and \$80,000 reallocated from County government to pay to the Maryland School for the Blind for Harford County students

**FY 2016 - 2017
HIGHWAYS FUND**

**REVENUES
TOTAL APPROVED BUDGET \$47,510,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$47,510,000**

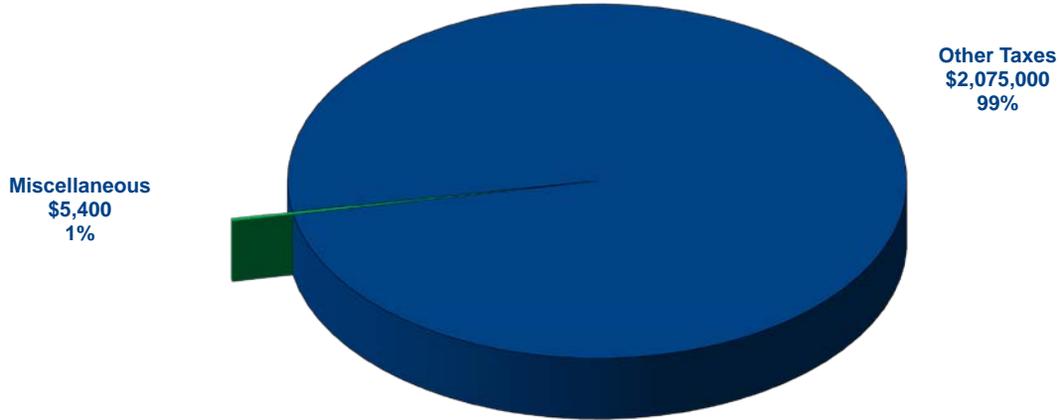


FY 16 APPROVED	FY 17 APPROVED	CHANGE
\$46,537,289	\$47,510,000	\$972,711

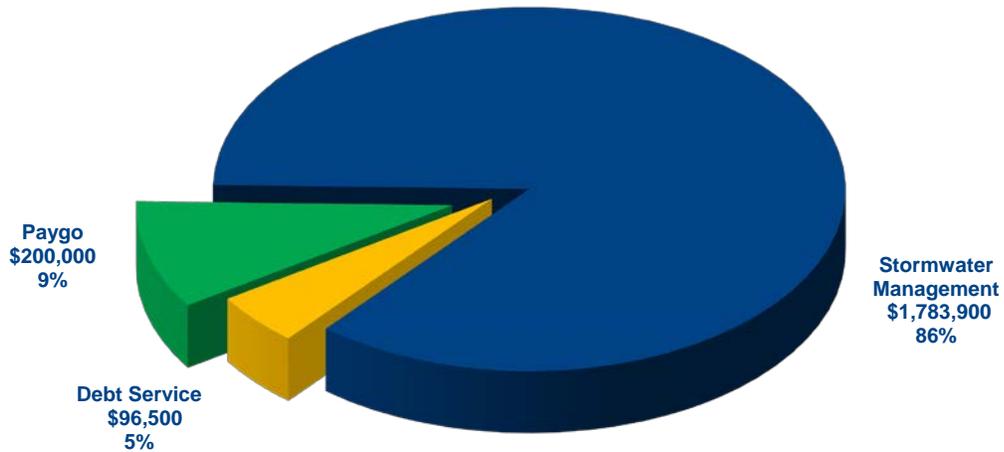
Personnel Services increase \$507,214 for the 3% Merit increase, changes in health insurance, workers' compensation & overtime funding; Contractual Services adjustment of \$24,382 for other professional services and grounds maintenance and a reduction in lease space; Supplies and Materials increase of \$649,700 for road material, sand/salt, aggregate, bituminous concrete and pipes, and culverts; Business and Travel increase of \$218,624 for fuel and non-targeted fleet charges; Miscellaneous adjustments to the Board of Education Transportation @ (\$1,000,000), Traffic Safety Unit of the Sheriff's Office @ (\$188,050) pro rata charges for the general fund @ \$78,755, and Paygo funding for the Highways Capital Budget @ \$1,356,353.

**FY 2016 - 2017
STORMWATER MANAGEMENT FUND**

**REVENUES
TOTAL APPROVED BUDGET \$2,080,400**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$2,080,400**

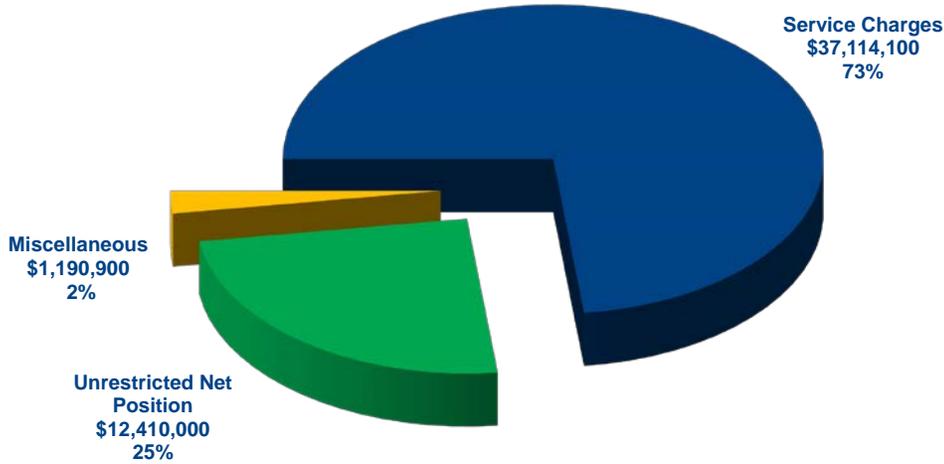


FY 16 APPROVED	\$0	FY 17 APPROVED	\$2,080,400	CHANGE	\$2,080,400
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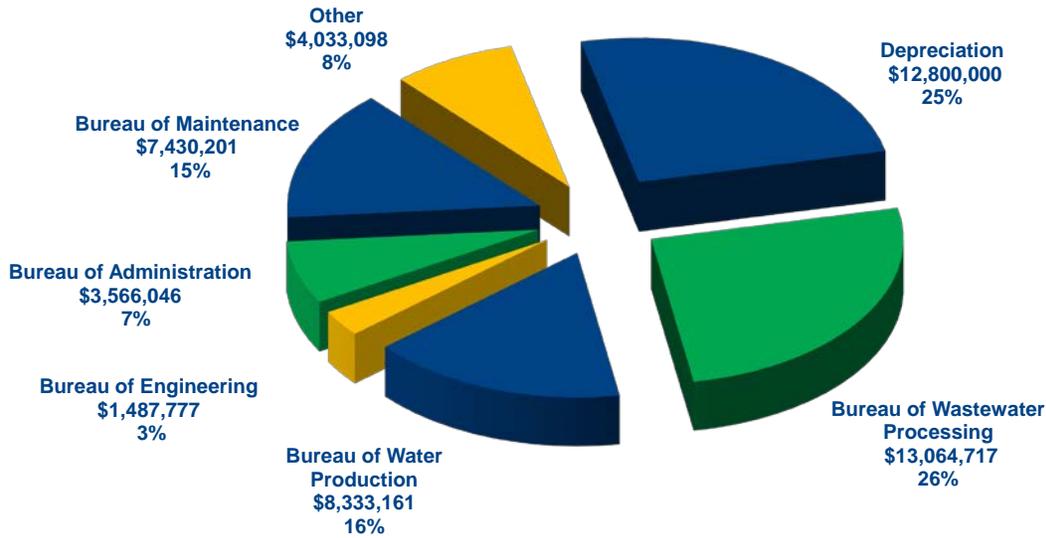
For FY 2017, this fund is a special account for deposit of a certain portion of the recordation tax, \$0.55 for each \$500 of the sale price (or lien amount) for each property deed recorded. The proceeds of this fund are used for the County's watershed protection and restoration program as mandated under State of Maryland law. The State requires a separate fund be established for this purpose.

**FY 2016 - 2017
WATER & SEWER OPERATING FUND**

**REVENUES
TOTAL APPROVED BUDGET \$50,715,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$50,715,000**

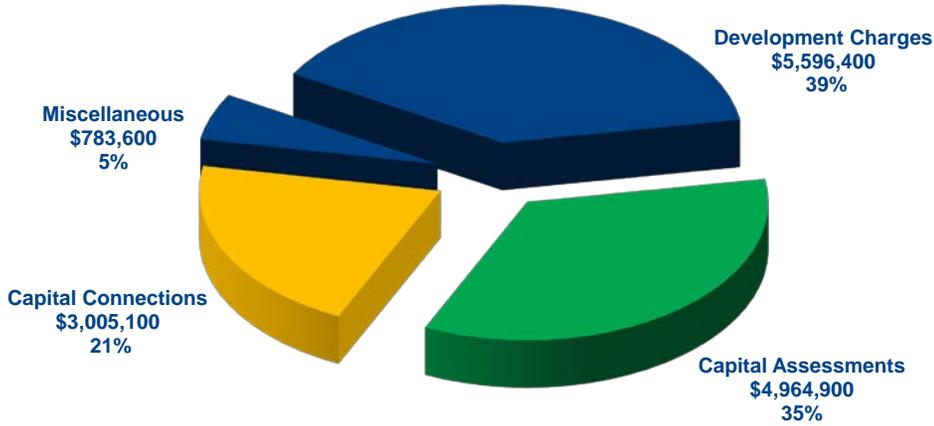


FY 16 APPROVED	\$48,690,026	FY 17 APPROVED	\$50,715,000	CHANGE	\$2,024,974
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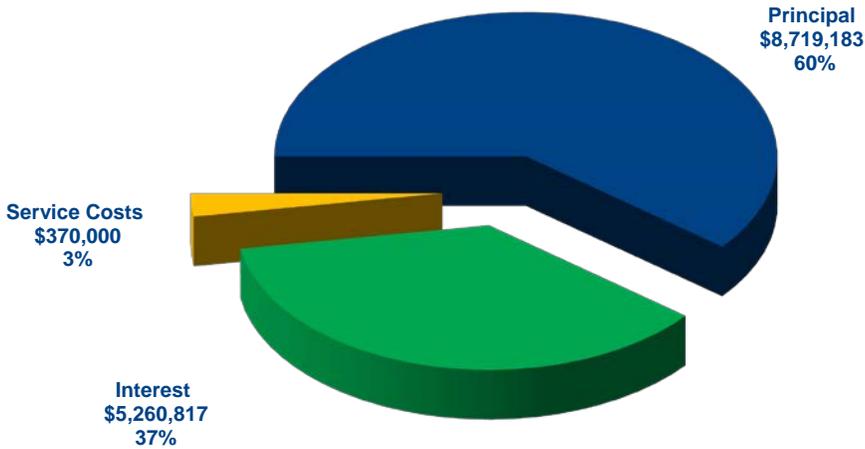
The Water & Sewer Operating Fund was established as a self-sustaining utility to account for water and sewer services provided by Harford County Government. Water & Sewer appropriations are proposed at \$2,024,974 over the FY 16 budget as a result of the following: Personnel Services increase is the net result of \$334,223 for the 3% Merit increase, staff turnover, adjustments in health benefits, workers' compensation and overtime; Contractual Services increase of \$321,920 is due to sewer line rehab, landfill tipping fees, and electricity costs; Materials and Supplies increase \$416,756 mainly due to chemical and equipment expense; and Business & Travel expenses decrease (\$1,760) based on actual expense history. Paygo funds to support the FY 17 Capital Budget @ \$1,801,621; Depreciation increase of \$386,644 and Pro Rata charges provided to the General Fund increase \$105,329.

**FY 2016 - 2017
WATER & SEWER DEBT SERVICE**

**REVENUES
TOTAL APPROVED BUDGET \$14,350,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$14,350,000**



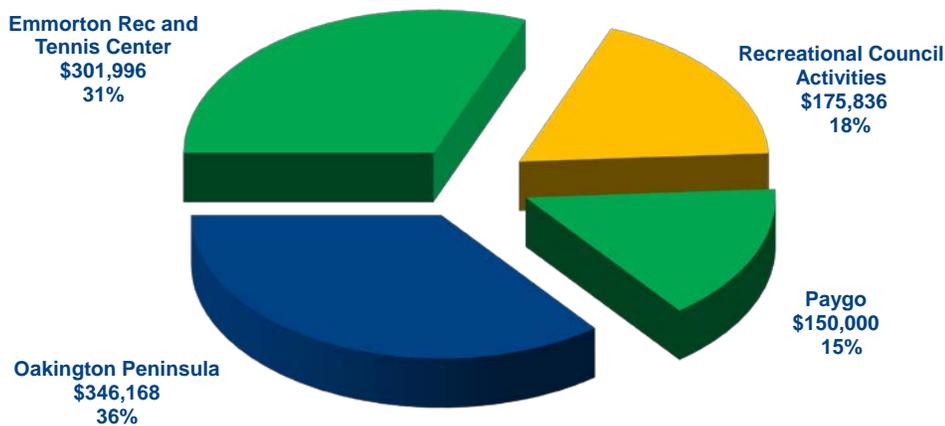
FY 16 APPROVED	\$ 13,846,891	FY 17 APPROVED	\$ 14,350,000	CHANGE	\$ 503,109
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The Water & Sewer Debt Service Fund provides appropriation authority for the payment of principal and interest on long-term water and sewer bonds and loans used to finance the capital projects of the County-owned water & sewer system. The increase in funding for FY 17 is a result of the principal and interest payments adjusted to amounts due on outstanding debt.

**FY 2016 - 2017
PARKS AND RECREATION
SPECIAL REVENUE FUND
REVENUES
TOTAL APPROVED BUDGET \$974,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$974,000**

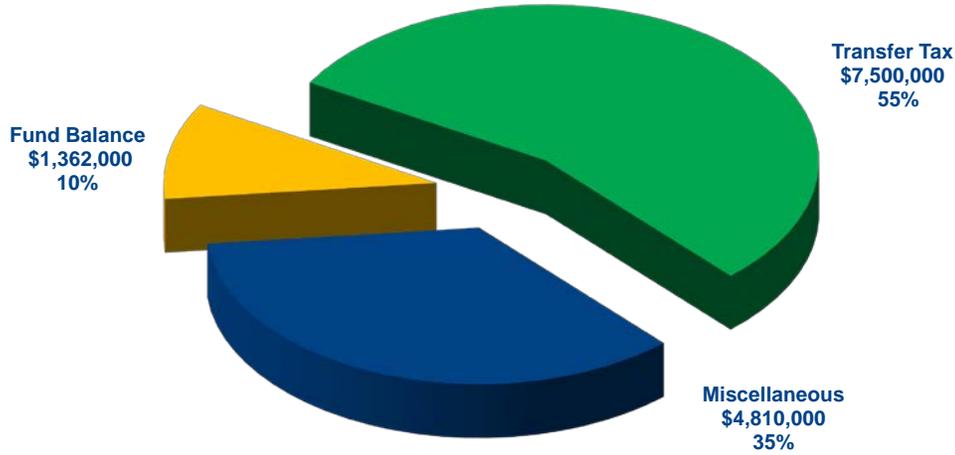


FY 16 APPROVED	\$1,004,413	FY 17 APPROVED	\$974,000	CHANGE	(\$30,413)
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In FY 17, operating expenses for the Parks and Recreation Special Revenue Fund realize a decrease of (\$30,413). Pro Rata Shares for reimbursement of General Fund administrative support is budgeted at \$59,997, a slight decrease of (\$3,363). Personal Services are reduced (\$35,129) due to a cost-sharing arrangement for a Recreation Specialist with Recreational Services which was previously fully-funded under Special Revenues. Contractual services decrease (\$11,918) due to a reduction in Building and custodial services for Recreation Councils based on actual expense history. Funding is appropriated at \$150,000 in the FY 17 Approved Capital Budget for improvements at Swan Harbor Farm, an increase of \$20,000 over FY 16.

**FY 2016 - 2017
COUNTY - AG PRESERVATION**

**REVENUES
TOTAL APPROVED BUDGET \$13,672,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$13,672,000**

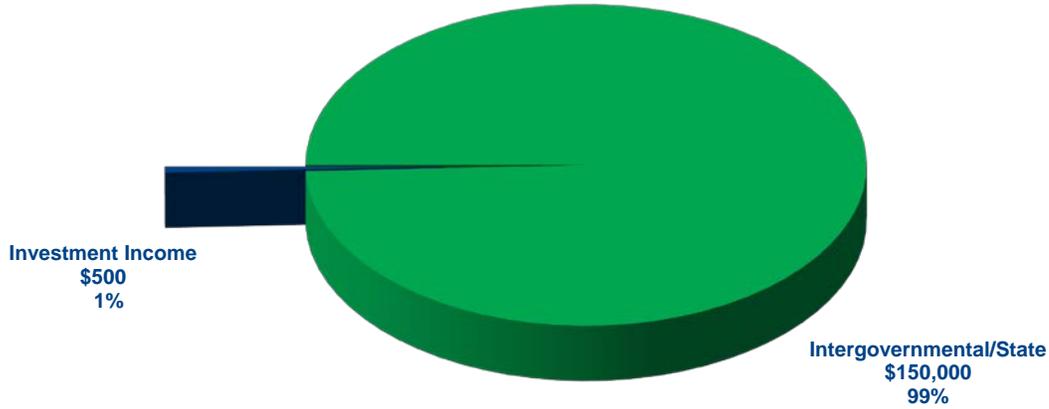


FY 16 APPROVED	\$13,411,471	FY 17 APPROVED	\$13,672,000	CHANGE	\$260,529
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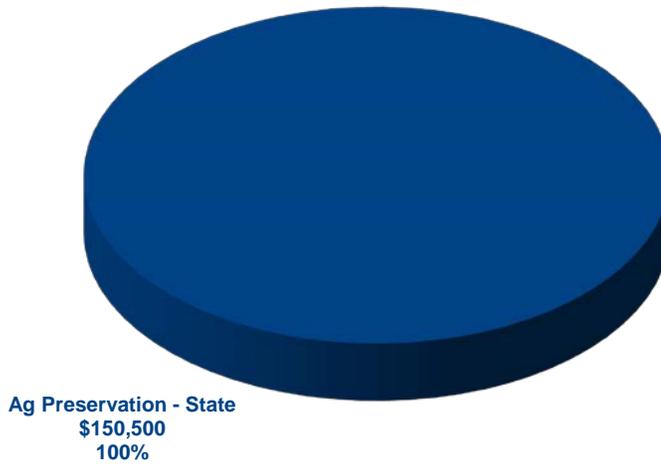
Harford County is committed to Agricultural Land Preservation. An allocation of \$3,000,000 is provided for purchase of Ag Preservation intangibles in addition to \$300,000 for land purchases made under the State Program. Increase is primarily the result of principal and interest payments on installment contracts for agricultural easements.

**FY 2016 - 2017
STATE - AG PRESERVATION**

**REVENUES
TOTAL APPROVED BUDGET \$150,500**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$150,500**



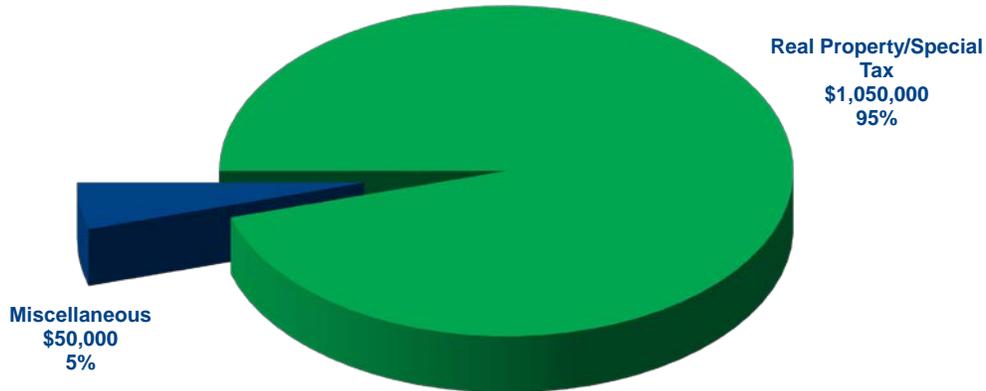
FY 16 APPROVED	FY 17 APPROVED	CHANGE
\$82,500	\$150,500	\$68,000

Harford County's Agricultural Program is Certified. Therefore, the Program can retain 75% of the Agricultural Transfer Tax collected. For FY 17, it is projected that the County's share of the State Agricultural Tax will be \$150,000.

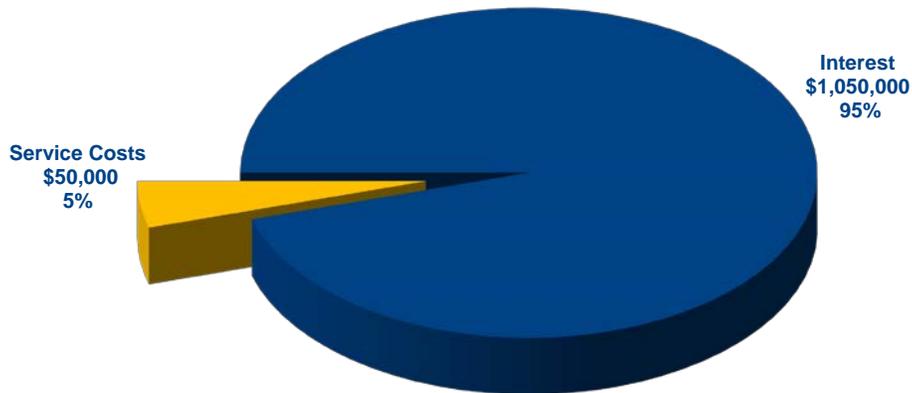
The County will use \$30,000 of this revenue to offset the salary and benefits of a Planner III, who serves as Harford County's Program Administrator. Harford County's match to MALPF for easement purchases the foundation makes on the County's behalf will be \$120,500, an increase of \$68,000.

**FY 2016 - 2017
TAX INCREMENT FINANCING**

**REVENUES
TOTAL APPROVED BUDGET \$1,100,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$1,100,000**

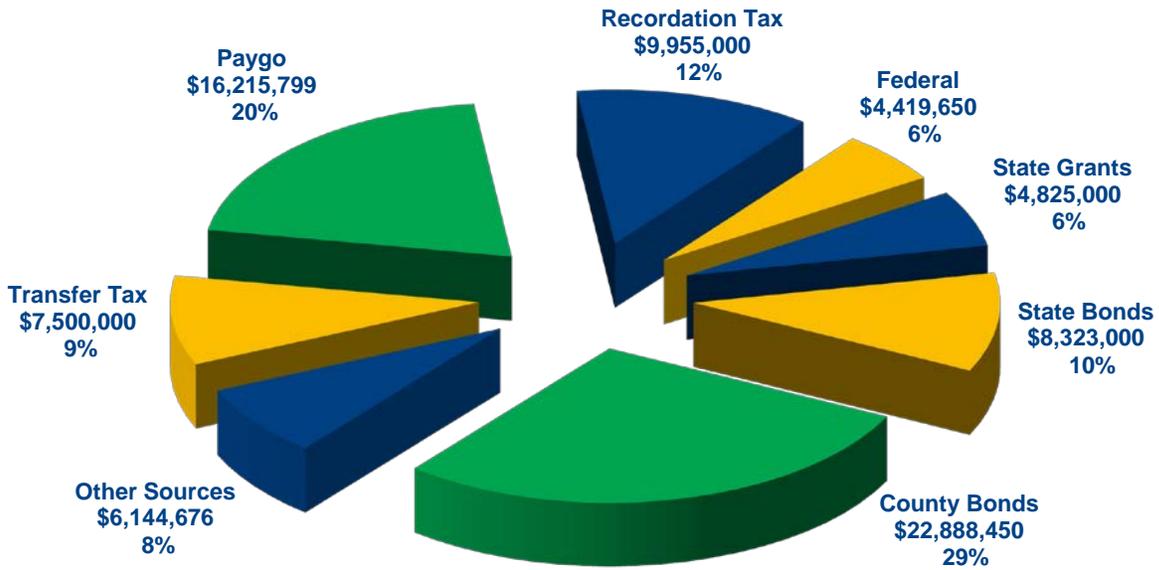


FY 16 APPROVED	\$1,100,000	FY 17 APPROVED	\$1,100,000	CHANGE	\$0
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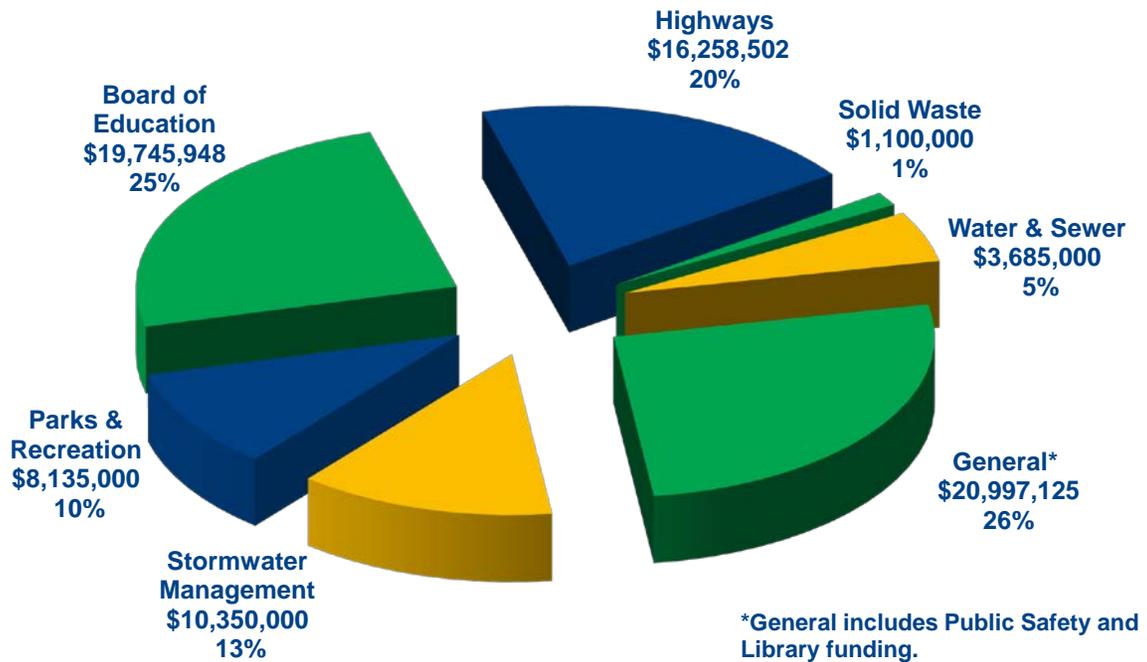
The Beechcreek Estates Tax Increment Fund is a special fund authorized by Bill 10-10. The Bill provided that the County could not issue more than \$14,000,000 for Beechcreek Estates in special obligation bonds to finance or reimburse the cost of the public improvements benefitting the district. The Bill also pledged the real property taxes collected with respect to the tax increment of properties in the district to payment of the bonds to be issued and also authorizes the imposition of a special tax on properties within the district to the extent the tax increment received is insufficient to pay debt service on the bonds and other allowable costs and expenses. The bonds are not an indebtedness of the County for which the County is obligated to levy or pledge, or had levied or pledged, ad valorem taxes or special taxes of the County other than the real property taxes representing the levy of the tax increment on properties located in the Development district or the Special Taxes. The bonds shall be a special obligation of the County and will not constitute a general obligation debt of the County or a pledge of the County's full faith and credit or taxing power.

FISCAL YEAR 2016 - 2017
APPROVED CAPITAL BUDGET

REVENUES
TOTAL BUDGET \$80,271,575



APPROPRIATIONS
TOTAL BUDGET \$80,271,575



**FY 2016 - FY 2017
APPROVED CAPITAL BUDGET PROGRAM**

The following is a list of highlighted projects within the FY 17 Approved Capital Budget:

<u>GENERAL</u>		<u>HIGHWAYS</u>	
Board of Education Debt Service 17	17,800,000	<u>BRIDGES:</u>	
Facilities Repair Program	3,467,396	Bridge and Road Scour Repair	200,000
Fleet Replacement	1,500,000	Bridge Inspection Program	650,000
Safeguarding Business Operations	2,000,000	Culvert Rehabilitation	225,000
Underground & Aboveground Tanks	310,000	Green Road Bridges #119 & #122	454,088
		New Park Road Bridge #125	400,000
<u>BOARD OF EDUCATION</u>		<u>ROADS:</u>	
Darlington ES HVAC Systemic Project	1,329,948	Guardrails	100,000
Riverside ES HVAC Systemic Renovation	8,780,000	Drainage Improvements	200,000
Roof Replacement - Joppatowne HS	2,400,000	Moores Mill Road	2,500,975
William Paca/Old Post ES Open Space	2,417,000	New Roads and Stormdrains	1,000,000
William S. James ES Open Space	1,400,000	Tollgate Road (W. Ring Factory to Plumtree)	2,330,000
Youth's Benefit ES Replacement	2,419,000		
Replacement Buses	1,000,000		
		<u>RESURFACING:</u>	
		Resurfacing Roadways	5,002,435
<u>PUBLIC SAFETY</u>			
Public Safety Communication in School Buildings	100,000	<u>OTHER:</u>	
SCBA Replacement	500,000	Fleet Replacement	1,700,000
VFC Facility Repair	400,000	Safeguarding Business Operations	250,000
		Sidewalks and Handicapped Ramps	219,300
<u>LIBRARIES</u>			
Technology	50,000		
		<u>WATER</u>	
<u>SOLID WASTE</u>		Fleet Replacement	800,000
Waste-to-Energy Facility Closure	1,403,753	Safeguarding Business Operations	250,000
		Site Acquisition 17	364,927
<u>PARKS AND RECREATION</u>		Tank Painting 17	800,000
Athletic Field Improvements	1,550,000	Water System Model Study	300,000
Canoe and Kayak Water Access	250,000		
Indoor Rec Facility Forest Hill/Hickory	250,000	<u>SEWER</u>	
Parkland Acquisition	1,050,000	Bio Solids Facilities Enhancements	900,000
Trails and Linear Parks	2,250,000	Bynum Run Interceptor Phase 6&7	400,000
Tydings Park Improvements	400,000	Fallston Sanitation Sewer Capacity Study	300,000
		Ring Factory & Fairwind Farm Abandonment	400,000
<u>STORMWATER MANAGEMENT</u>			
County Owned Watershed Restorations	3,125,000		
Plumtree Run Watershed Restoration	1,175,000		
Riverside Area Watershed Restoration	1,075,000		
Watershed Restoration Assessment	1,600,000		
Watershed Restoration Improvements	650,000		
Wheel Creek Watershed Restoration	550,000		

NOTE: Includes both County Funding and support from other sources such as State, Federal, etc.



COUNTY EXECUTIVE

BARRY GLASSMAN

COUNTY COUNCIL

Richard C. Slutzky, Council President

Mike Perrone, Jr., District A

Joseph M. Woods, District B

James V. "Capt'n Jim" McMahan, Jr., District C

Chad R. Shrodes, District D

Patrick S. Vincenti, District E

Curtis L. Beulah, District F

DIRECTOR OF ADMINISTRATION

Billy Boniface

CHIEF, BUDGET AND MANAGEMENT RESEARCH

Kimberly Spence

TREASURER

Robert Sandlass

SENIOR BUDGET ANALYSTS

William T. Watson, III

Ben Lloyd

Christen Callon