

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



HARFORD

COUNTY

Approved FY18 Budget in Brief

Barry Glassman, County Executive



A Message from Harford County Executive Barry Glassman

My third budget as county executive leads the way forward on our path to restore fiscal responsibility and balance in local government and gathers momentum for Harford County citizens and employees. Once again in fiscal year 2018 my budget proposes no increase in tax rates yet provides record level funding for public safety, education and libraries. In fact, since taking office, my administration has eliminated 122 county government positions and implemented efficiencies in every county department. This has allowed us to direct more than \$24 million over the past three years toward restoring salaries for teachers, law enforcement and other employees who deliver vital public services.

In the \$543,100,000 general fund operating budget for FY18 we direct 83% of new revenue to public safety and education. This budget includes full funding for the first year phase-in of a pay plan for law enforcement and corrections personnel in the Harford County Sheriff's Office. Full funding is also provided for Harford Community College. Harford County Public Schools are funded at more than \$5 million above the required Maintenance of Effort. Funding is also increased for agricultural land preservation, heroin prevention and support services, and historic preservation. Lastly, and at no increased cost to the county, the operating budget includes paramedic positions and a medical director to support public safety in a new Emergency Medical Services Division under the Department of Emergency Services.

The approved \$125,799,500 capital budget for FY18 includes significant investments in roads, bridges, water and sewer infrastructure, and storm water remediation projects to improve our environment and promote economic development and job growth. This budget also follows through on our plans to begin construction of the new Havre de Grace Middle/High School while maintaining the county's highest possible Triple-A bond rating. Technology funding is provided for public schools along with requested projects for Bel Air Elementary School, North Harford High and HCPS swimming pool renovations. I am especially proud to include funding to begin work on connecting the Ma & Pa Heritage Trail.

Overall, the total combined operating and capital budget for FY18 is \$818,487,100. Budget highlights appear below.

RESTORING BALANCE & EFFICIENCY

- No tax increases
- Realistic six-year Capital Improvement Program; maintaining Harford County's Triple-A bond rating
- Rightsizing the county workforce, eliminating 122 positions since December 2014, and operating within our means
- County government efficiencies have allowed us to dedicate **83%** of new FY 18 revenue to education and public safety

REINVESTING IN OUR WORKFORCE

- Merit-based salary increases of 4% per qualifying county employee
- Increased funding equivalent to 4% for employees in the Harford County Public Library, State's Attorney's Office, EMS Foundation, Sheriff's Office civilian personnel and Circuit Court system
- \$2.2 million to fully fund the first year phase-in of Sheriff's Office Pay Study for Law Enforcement and Corrections Personnel

INVESTING IN EDUCATION

- Record level funding continues for Harford County Public Schools:
- Operating funding for Harford County Public Schools at \$238,715,645 or \$5,447,307 above the Maintenance of Effort requirement
- Support for teachers, with \$5 million in increased funding dedicated for instructional salaries
- **Fully funded** Harford Community College at \$850,000

STRENGTHENING COMMUNITIES

- Increased county funding for prevention of heroin addiction and related support services
- \$4.6 million for Agricultural Land Preservation



- Record level funding for Harford County Public Library
- New EMS division under the Department of Emergency Services consisting of 16 paramedic positions and a medical director at no increased cost to the County
- New VFC Ladies Auxiliary Service Program
- Contributions to historically preserve the Hosanna School Museum and McComas Institute

CAPITAL PROJECT HIGHLIGHTS

- \$15.5 million investment in county road and bridge projects
- Stormwater remediation projects funded at \$6.25 million
- Full funding to replace North Harford High School's artificial turf field
- \$650,000 towards priority repairs for Volunteer Fire Company facilities and life safety equipment
- Funding to renovate/expand Whiteford Volunteer Fire Company's main station
- Reinvesting in water & sewer infrastructure: \$10.9 million
- Funding to connect the Ma and Pa Heritage Trail
- Construction to begin in 2018 for the \$99.2 million Havre de Grace Middle/High School replacement project
- Funding to complete the \$7.6 million Bel Air Elementary School HVAC System and Open Classroom Conversion project
- \$1 million in funding for school technology in HCPS
- North Harford High School Aquaculture Lab and Greenhouse project funded at \$830,000
- Fully funded FY 18 and FY 19 request from HCPS for Swimming Pool Renovations

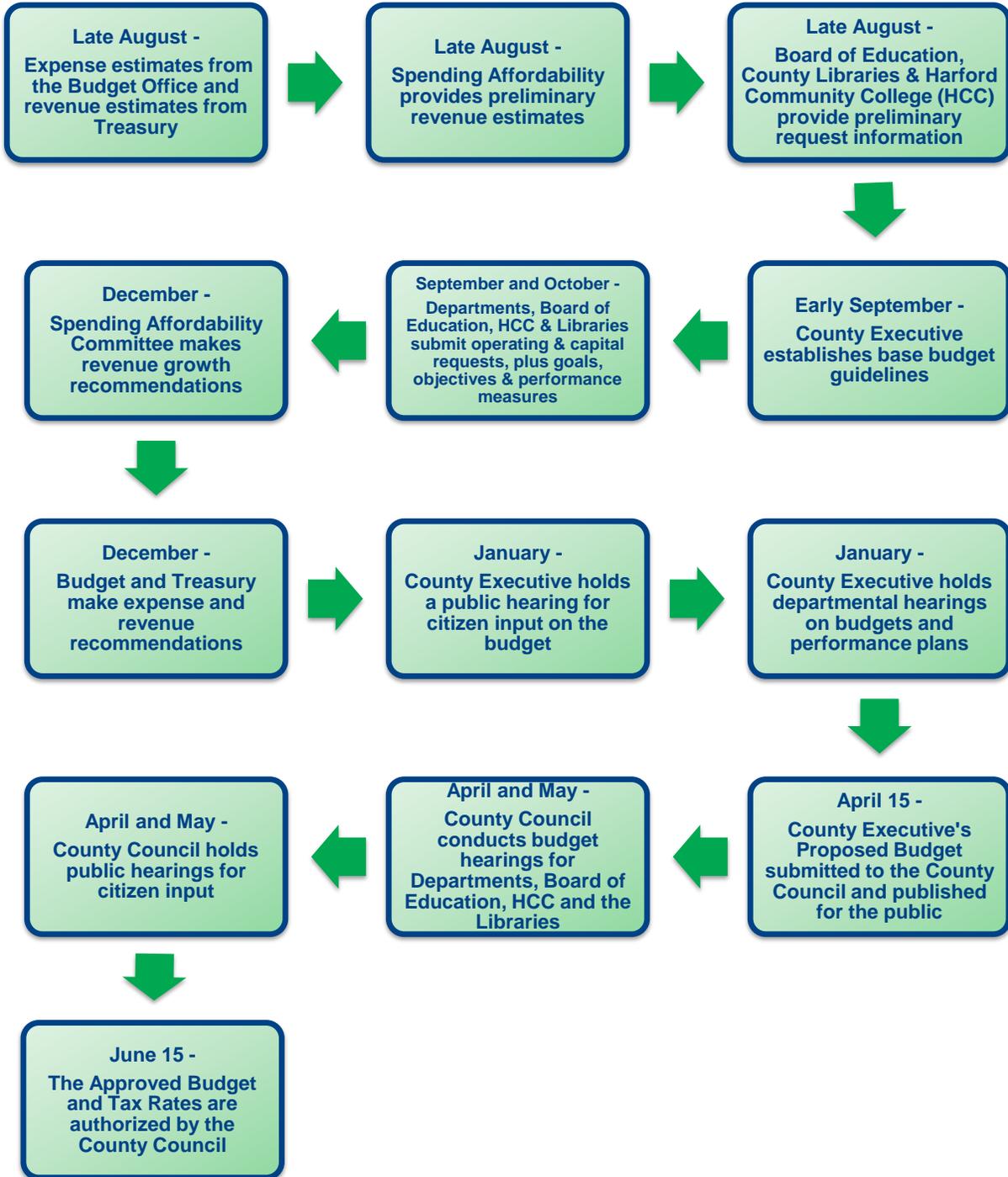
The driving force behind this budget is my administration's dedication to serving our citizens with "smartphone" efficiency, transparency and accountability. I am proud of our award-winning achievements over the past year for our new online services and comprehensive heroin prevention campaign. In addition, we have implemented customer service training for all county employees, achieved the second highest job growth in the state, expanded service hours at the county landfill, completed a successful update of the countywide master plan known as HarfordNEXT, preserved historic Harford County structures and raised volunteerism among county employees. In all we do, we seek to enhance the quality of life in Harford County for today and for our next generation.

In closing, I want to thank the many citizens who shared their budget priorities with me through our third annual virtual town hall meeting. Their priorities helped shape this budget proposal. 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	Percent
2015	93,358	250,025		Under 18	23.0%
2020*	97,892	258,670		18-64	62.0%
2025*	101,689	265,100		Over 64	15.0%
*Projected					<u>100.0%</u>

Major Employers

Employer	Product/Service	Employment
Aberdeen Proving Ground	Military Installation/R&D	20,900
Upper Chesapeake Health	Medical Services	3,129
Rite Aid Mid-Atlantic Customer Support Ctr.	Pharmaceuticals/Consumer Goods	1,200
Kohl's	Consumer Goods Distribution/Retail	1,140
Harford Community College	Higher Education	1,011
Klein's ShopRite of Maryland	Groceries	1,000
Jacobs Technology	Laboratory Analyses	874
Jones Junction Auto Group	Car Dealers	669

Income

Distribution	Harford County	Maryland	U.S.
Under \$25,000	13.4%	15.3%	23.1%
\$25,000 - \$49,999	15.7%	17.9%	23.5%
\$50,000 - \$74,999	17.6%	17.1%	17.8%
\$75,000 - \$99,999	15.2%	13.4%	12.1%
\$100,000 - \$149,999	21.0%	18.2%	13.1%
\$150,000 - \$199,999	9.5%	9.0%	5.1%
\$200,000 and over	7.6%	9.2%	5.3%
Median Household Income	\$80,465	\$74,551	\$53,889
Avg. Household Income	\$95,283	\$97,801	\$75,558
Per Capita Income	\$35,746	\$36,897	\$28,930
Total Income (millions)	\$8,740	\$211,875	\$8,834,718

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	0.112
Business Personal Property Tax (2015)	\$2.60	None

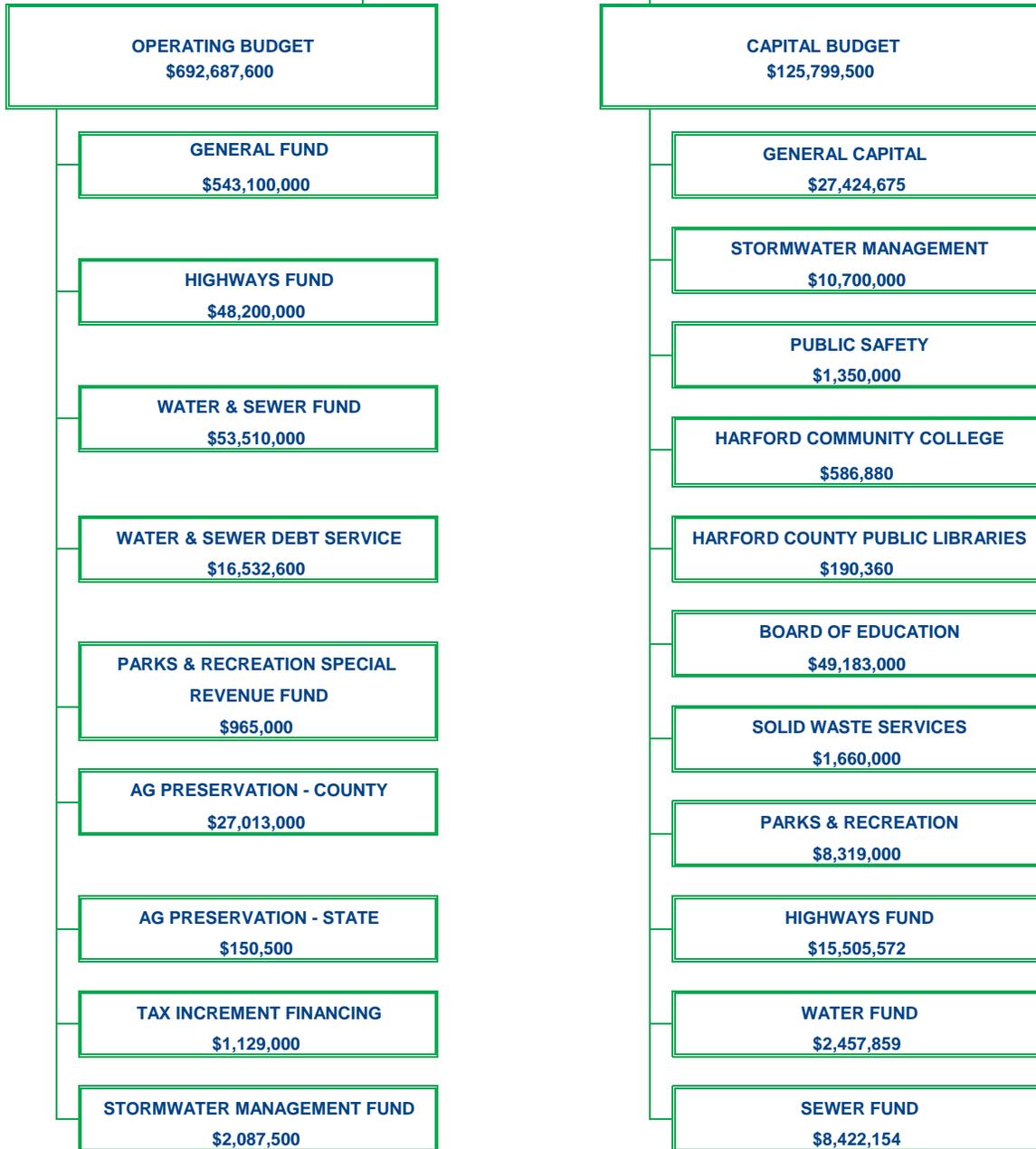
Major Tax Credits Available:

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

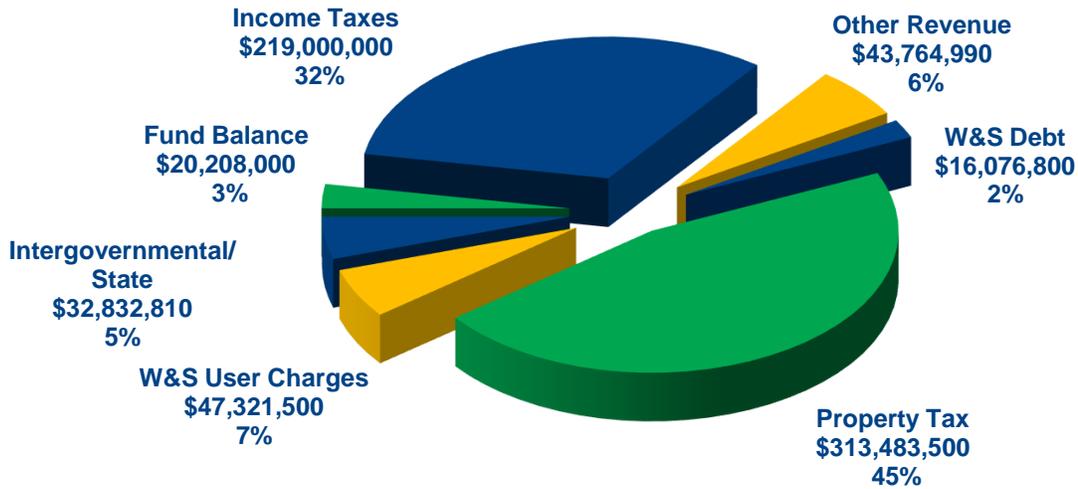
Harford County's Bond Rating

Harford County went to the bond market on February 14, 2017 for a \$55,000,000 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.

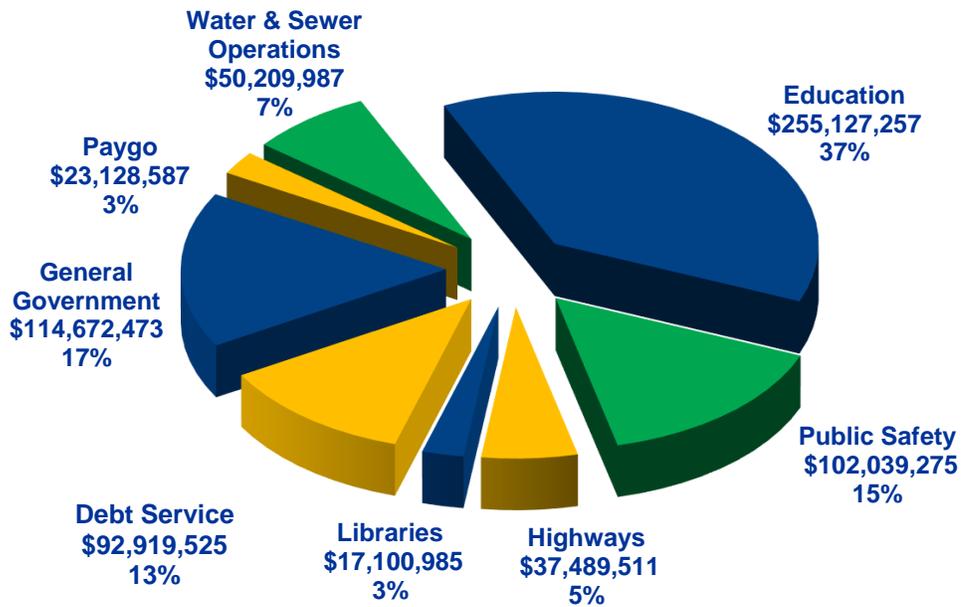
**HARFORD COUNTY
TOTAL FY 18 APPROVED BUDGET ALL FUNDS
\$818,487,100**



ALL FUNDS
Fiscal Year 2017-2018
TOTAL APPROVED REVENUES \$692,687,600



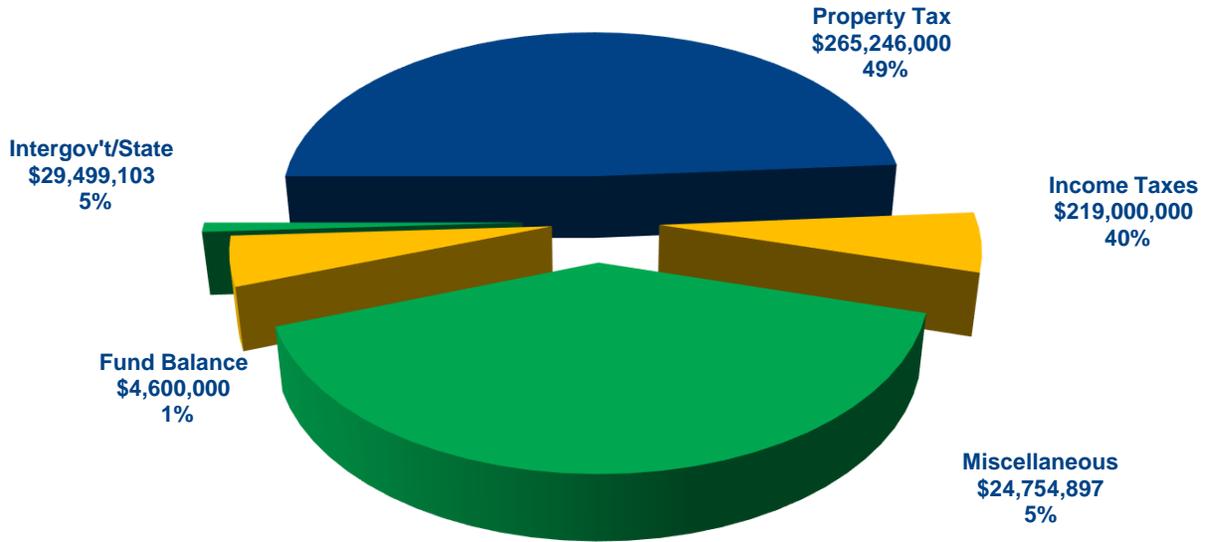
TOTAL APPROVED APPROPRIATIONS \$692,687,600



GENERAL FUND REVENUES

Fiscal Year 2017 - 2018

TOTAL APPROVED BUDGET \$543,100,000



FY 2018 APPROVED GENERAL FUND REVENUE BREAKDOWN

PROPERTY TAXES:	49%	265,246,000	INCOME TAX	40%	219,000,000
Real & Personal	270,119,000				
Deductions	(4,873,000)				
MISCELLANEOUS:	5%	24,754,897	INTERGOVT/STATE:	5%	29,499,103
Investment Income	592,100		Intergovernmental	3,688,200	
License & Permits	4,374,300		Intra-County	2,633,944	
Other Taxes	7,285,000		Pro Rata	5,176,959	
Service Charges	11,428,550		Recordation	9,500,000	
Fines & Forfeitures	69,200		Transfer	8,500,000	
Miscellaneous Revenues	1,005,747		FUND BALANCE	1%	4,600,000

TOTAL GENERAL FUND REVENUES

543,100,000

GENERAL FUND

FY 17 APPROVED BUDGET \$524,570,000 FY 18 APPROVED BUDGET \$543,100,000 CHANGE \$18,530,000

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 (89%) of our projected General Fund Revenues come from Property Taxes and Income Taxes.

<u>PROPERTY TAXES</u>	FY 18 Approved	\$265,246,000	49%	of the General Fund
	FY 17 Approved	\$256,000,000	49%	of the General Fund
	\$ growth	\$9,246,000		
	% growth	3.61%		

In FY 18, the percent of overall increase in property tax is 3.61% or \$9,246,000. The increase is due to the properties being reassessed, known as "Group 2" having the largest increase in real property value since 2008 statewide. In Harford County, residential assessments increased by 5.4% and commercial assessments increased by 8.8% since their last assessment in December of 2013. This is the fifth year of positive assessment growth in Harford County.

<u>INCOME TAXES</u>	FY 18 Approved	\$219,000,000	40%	of the General Fund
	FY 17 Approved	\$213,000,000	41%	of the General Fund
	\$ growth	\$6,000,000		
	% growth	2.82%		

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 to an improving economy and lower unemployment. We estimate the FY 17 actual amount to be what we have originally budgeted \$213,000,000. FY 18 will be our seventh year of positive growth in income tax for Harford County.

<u>OTHER REVENUES</u>	FY 18 Approved	\$58,854,000	11%	of the General Fund
	FY 17 Approved	\$55,570,000	11%	of the General Fund
	\$ growth	\$3,284,000		
	% growth	5.91%		

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

	<u>FY 17</u>	<u>FY 18</u>	<u>Change</u>
	Funding	Funding	
<u>Recordation Tax</u>	\$9,800,000	\$9,500,000	(\$300,000)
In FY 18, we are anticipating to transfer \$1,200,000 of accumulated recordation tax and \$8,300,000 of current year recordation tax to the General Fund for school debt.			
<u>Transfer Tax</u>	\$8,000,000	\$8,500,000	\$500,000
In FY 18, we are anticipating to transfer \$500,000 of accumulated transfer tax and \$8,000,000 of new transfer tax to the General Fund to pay school debt.			
<u>Fund Balance Appropriated</u>	\$3,000,000	\$4,600,000	\$1,600,000
Governmental funds report the difference between their assets and liabilities as fund balance. In FY 17, we appropriated \$3,000,000 of assigned fund balance. In FY 18 we have appropriated \$4,600,000 of unassigned fund balance.			
<u>All "Other" Revenues combined</u>	\$34,770,000	\$36,254,000	\$1,484,000

These include: Other taxes, charges for current services, revenues from other agencies, fines and forfeitures, licenses and permits and investment income.

GENERAL FUND EXPENDITURES

	ORIGINAL BUDGET FY 17	APPROVED BUDGET FY 18	CHANGE FY 18 VS. FY 17
<u>GENERAL FUND SUMMARY BY DEPARTMENT:</u>			
COUNTY EXECUTIVE	661,235	739,045	77,810
ADMINISTRATION	6,593,133	10,398,735	3,805,602
PROCUREMENT	4,533,677	778,209	(3,755,468)
TREASURY	3,309,122	3,511,997	202,875
LAW	2,095,648	2,073,035	(22,613)
PLANNING AND ZONING	3,654,919	3,625,800	(29,119)
HUMAN RESOURCES	1,865,638	1,907,235	41,597
COMMUNITY SERVICES	4,730,851	4,859,507	128,656
HANDICAPPED CARE CENTERS	2,298,730	2,298,730	0
HEALTH	3,703,318	3,728,318	25,000
OFFICE OF GOV'T & COMMUNITY RELATIONS	1,201,932	1,155,448	(46,484)
HOUSING AGENCY	1,364,487	1,404,853	40,366
INFORMATION & COMMUNICATION TECHNOLOGY	7,274,004	8,320,490	1,046,486
SHERIFF'S OFFICE	74,550,553	76,529,635	1,979,082
EMERGENCY SERVICES	20,536,186	21,674,393	1,138,207
INSPECTIONS, LICENSES AND PERMITS	2,923,044	3,035,247	112,203
PUBLIC WORKS (includes Solid Waste)	15,676,594	17,114,715	1,438,121
COUNTY COUNCIL	2,881,204	2,979,531	98,327
JUDICIAL	3,061,019	3,378,138	317,119
STATE'S ATTORNEY	6,005,062	6,237,188	232,126
ELECTIONS	2,386,903	2,401,235	14,332
BOARD OF EDUCATION	233,534,504	238,715,645	5,181,141
HARFORD COMMUNITY COLLEGE	15,561,612	16,411,612	850,000
LIBRARIES	16,644,574	17,100,985	456,411
PARKS AND RECREATION	9,312,063	9,339,147	27,084
CONSERVATION OF NATURAL RESOURCES	698,633	728,455	29,822
ECONOMIC DEVELOPMENT	6,509,876	5,993,358	(516,518)
DEBT SERVICE	51,879,380	53,510,675	1,631,295
INSURANCE	471,846	748,098	276,252
BENEFITS	7,419,610	7,462,391	42,781
MISCELLANEOUS	11,130,643	14,838,150	3,707,507
RESERVE FOR CONTINGENCIES	100,000	100,000	0
TOTALS:	<u>524,570,000</u>	<u>543,100,000</u>	<u>18,530,000</u>

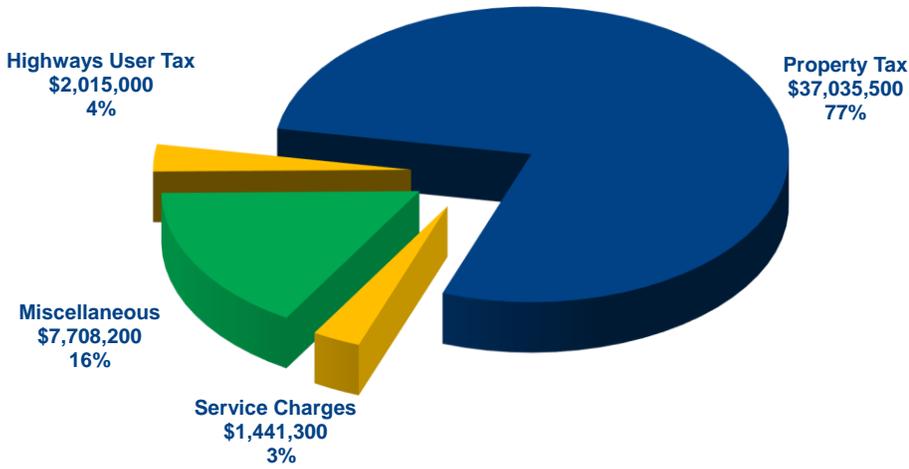
EXPLANATION OF SIGNIFICANT CHANGES:

The General Fund (including Solid Waste) realizes an increase of \$18,530,000 over FY 17.

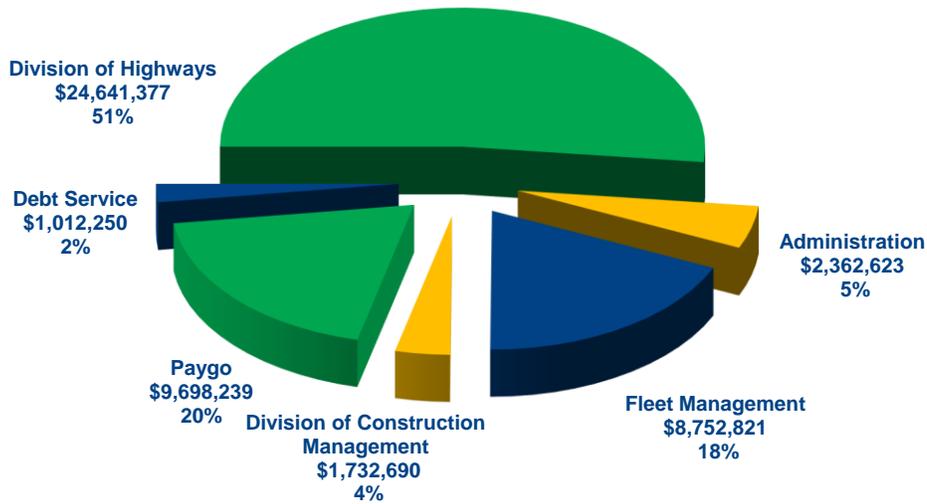
- o Includes merit salary increase of 4% for all General Government employees to include the Sheriff's Office civilian personnel, State's Attorney's Office, EMS Foundation, and Circuit Court system.
- o Increase in funding for the Libraries provides for wage parity with County employees @ \$455,204
- o First year phase-in of Sheriff's Office Pay Study for Law Enforcement and Corrections Personnel at a cost of \$2.2 million
- o Paygo funding in support of the FY 18 Approved Capital Budget increases \$3,653,760
- o Debt Service costs increase for FY 18 @ \$1,631,295
- o Increase in funding for Board of Education @ \$5,181,141 - instructional salaries increase of \$5,000,000; and additional funds for student transportation bus contracts per vehicle allotment @ \$181,141
- o Fully funded the request of Harford Community College @ \$850,000 in additional funds
- o Established new EMS division under the Department of Emergency Services at no increased cost to the County

**FY 2017 - 2018
HIGHWAYS FUND**

**REVENUES
TOTAL APPROVED BUDGET \$48,200,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$48,200,000**

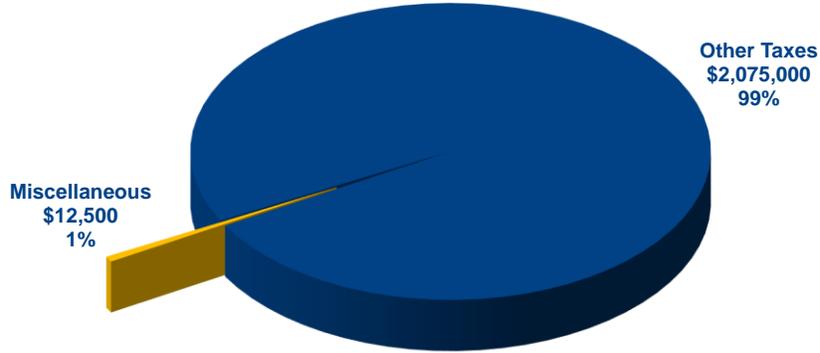


FY 17 APPROVED	\$47,510,000	FY 18 APPROVED	\$48,200,000	CHANGE	\$690,000
-----------------------	---------------------	-----------------------	---------------------	---------------	------------------

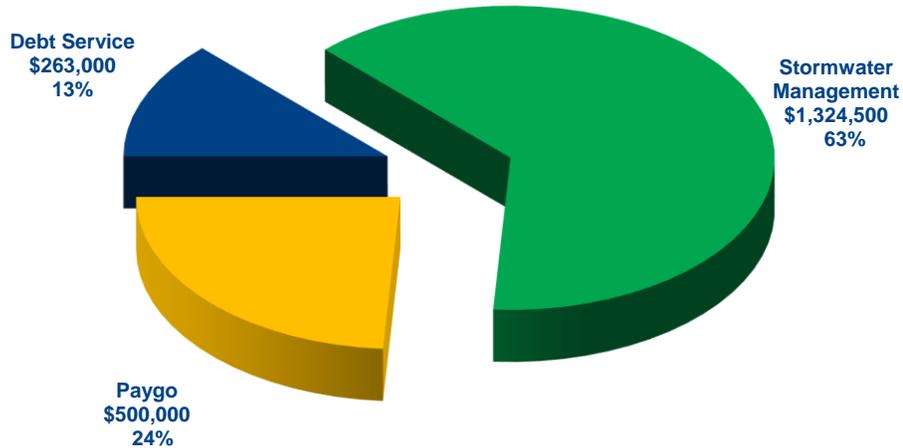
Explanation of Significant Changes: 4% merit increase @ \$437,663; additional funds for contractual assistance for road repairs and grounds maintenance @ \$243,296; new cooperative agreement with Harford County Public Schools for fuel purchase @ \$750,000; additional funds for road repair supplies to stabilize earth roads; and elimination of Highways Fund support for Board of Education Transportation and Traffic Safety reduces the Highways Fund expenditures by \$2,000,000.

**FY 2017 - 2018
STORMWATER MANAGEMENT FUND**

**REVENUES
TOTAL APPROVED BUDGET \$2,087,500**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$2,087,500**

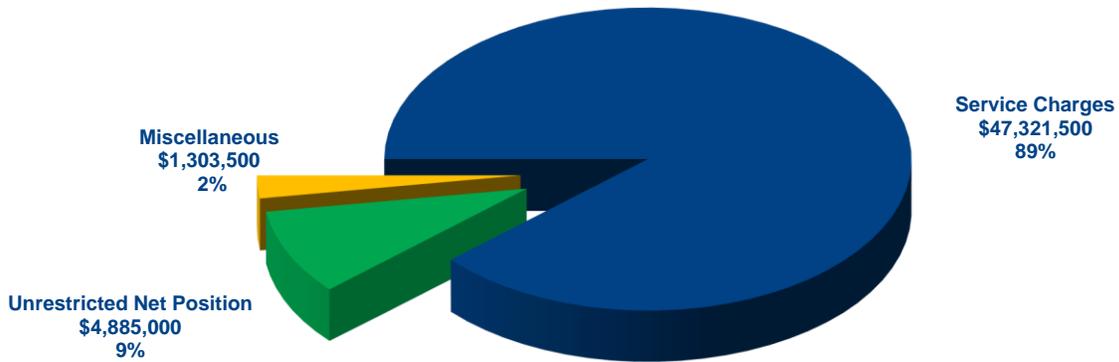


FY 17 APPROVED	\$2,080,400	FY 18 APPROVED	\$2,087,500	CHANGE	\$7,100
----------------	-------------	----------------	-------------	--------	---------

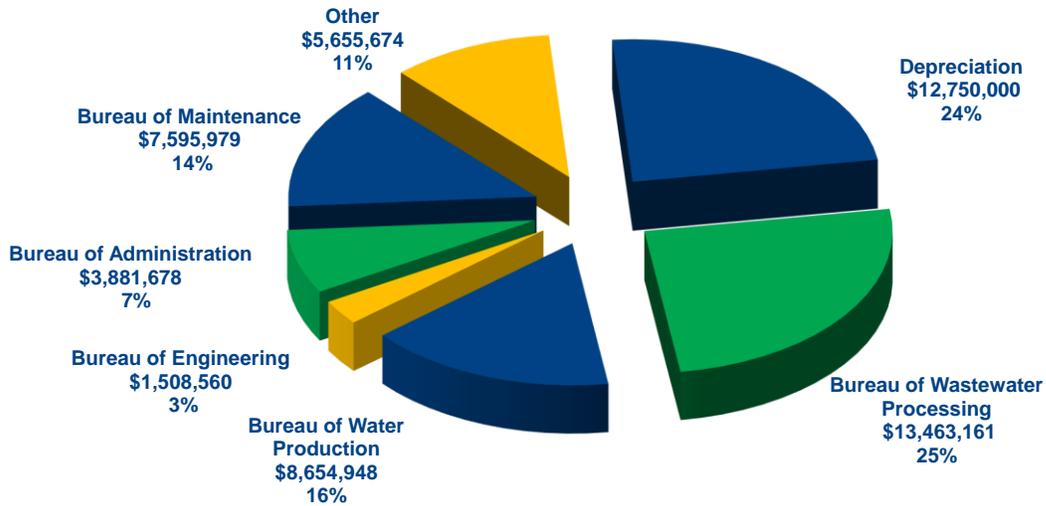
This fund is a special account for deposit of a certain portion of the recordation tax, \$0.55 for each \$500 of the sale price (or lien amount) for each property deed recorded. The proceeds of this fund are used for the County's watershed protection and restoration program as mandated under State of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

**FY 2017 - 2018
WATER & SEWER OPERATING FUND**

**REVENUES
TOTAL APPROVED BUDGET \$53,510,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$53,510,000**

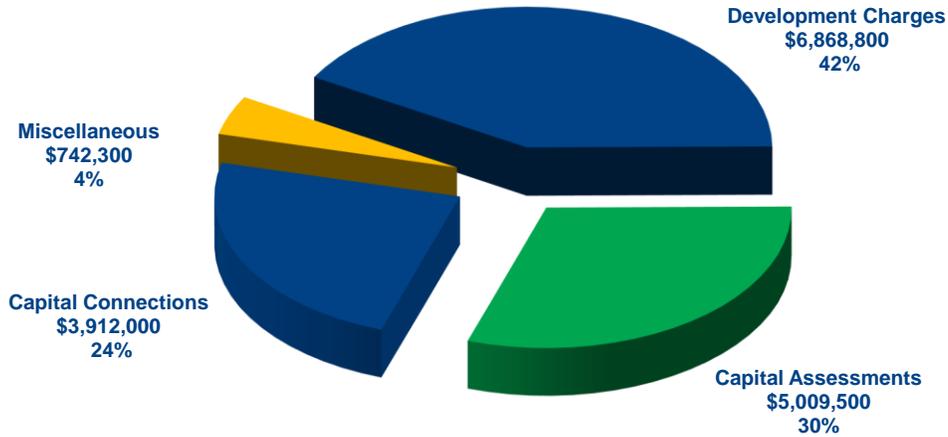


FY 17 APPROVED	FY 18 APPROVED	CHANGE
\$50,715,000	\$53,510,000	\$2,795,000

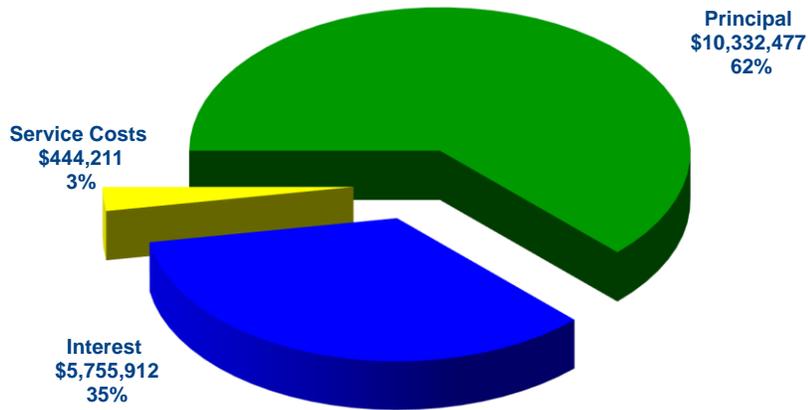
Explanation of Significant Changes: 4% merit increase @ \$417,909; additional funds for routine repairs to facilities @ \$256,113; increased contractual funds for lab analysis, preventive maintenance programs, emergency pump outs, engineering services, etc., @ \$477,200 based on actual expense history; funding for lab supplies, safety equipment and computer hardware/software also increases @ \$100,248; capital outlay increase @ \$138,814 and provides for annual replacement of pumps, saws, blowers, as well as storage facilities to store pumps, large generators and lab equipment; pro-rata shares to the General Fund increases \$269,405 offset by a decrease in the amount required for payment to Havre de Grace for Harford Countys share of the water plant @ (\$342,000).

**FY 2017 - 2018
WATER & SEWER DEBT SERVICE**

**REVENUES
TOTAL APPROVED BUDGET \$16,532,600**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$16,532,600**



FY 17 APPROVED	\$ 14,350,000	FY 18 APPROVED	\$ 16,532,600	CHANGE	\$ 2,182,600
-----------------------	----------------------	-----------------------	----------------------	---------------	---------------------

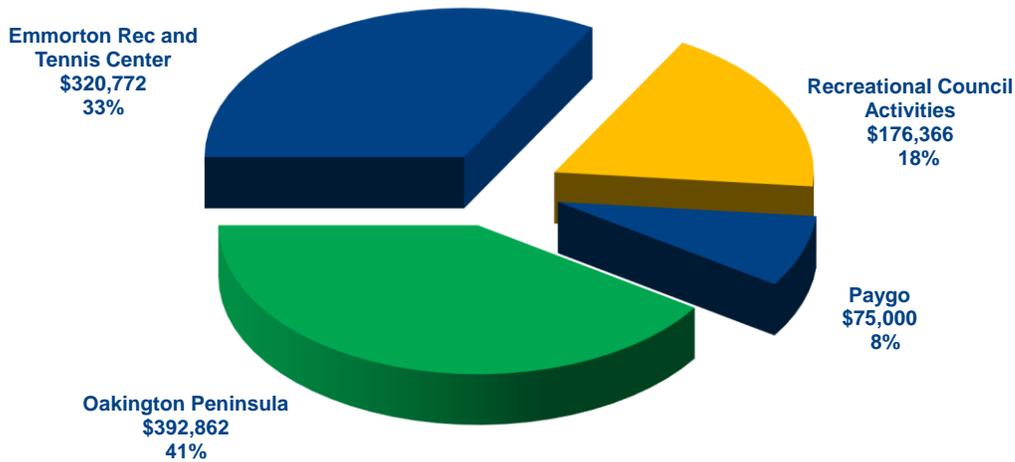
The Water & Sewer Debt Service Fund provides appropriation authority for the payment of principal and interest on long-term water and sewer bonds and loans used to finance the capital projects of the County-owned water & sewer system. The increase in funding for FY 18 is a result of the principal and interest payments adjusted to amounts due on outstanding debt.

**FY 2017 - 2018
PARKS AND RECREATION
SPECIAL REVENUE FUND**

**REVENUES
TOTAL APPROVED BUDGET \$965,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$965,000**

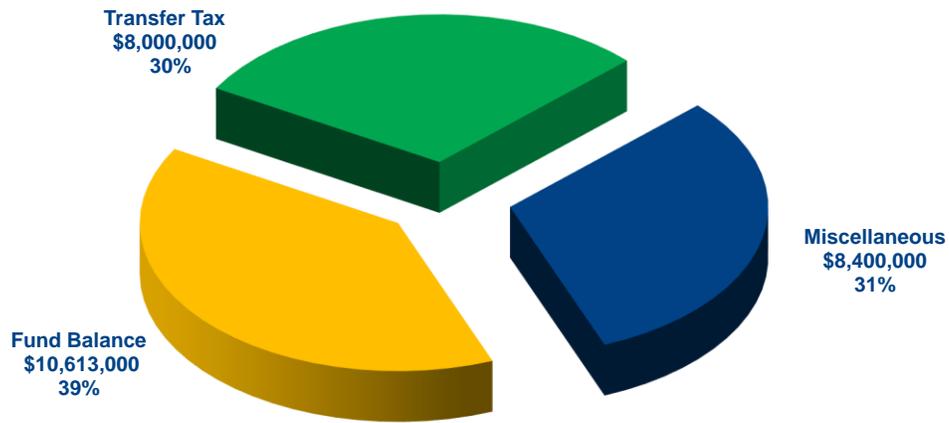


FY 17 APPROVED	FY 18 APPROVED	CHANGE
\$974,000	\$965,000	(\$9,000)

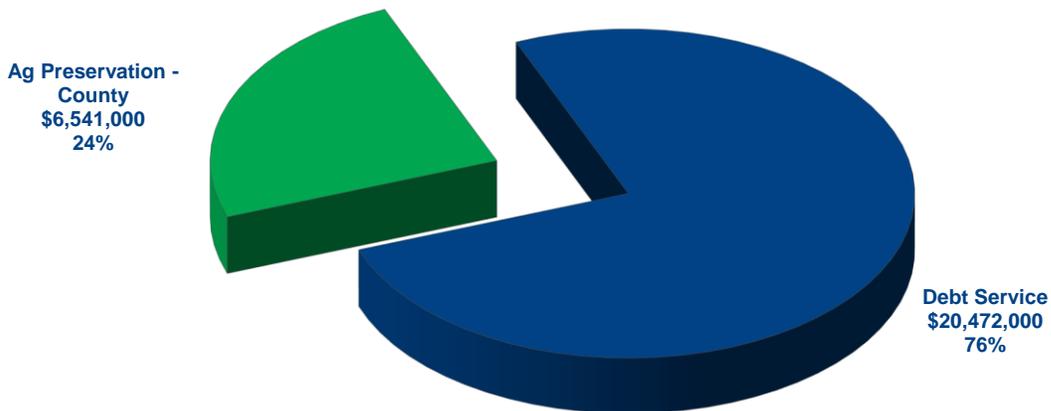
Explanation of Significant Changes: 4% merit increase @ \$7,936; increased funds for temporary event workers/attendants at Oakington Peninsula and Emmorton Recreation & Tennis Center @ \$14,355; additional funding for the repair/renovation to the main house at Oakington Peninsula; Pro Rata shares for reimbursement of General Fund administrative support @ \$8,904; and funding appropriated in the FY 18 Capital Improvement Program for improvements at Swan Harbor Farm decreased from FY 17 @ (\$75,000).

**FY 2017 - 2018
COUNTY - AG PRESERVATION**

**REVENUES
TOTAL APPROVED BUDGET \$27,013,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$27,013,000**

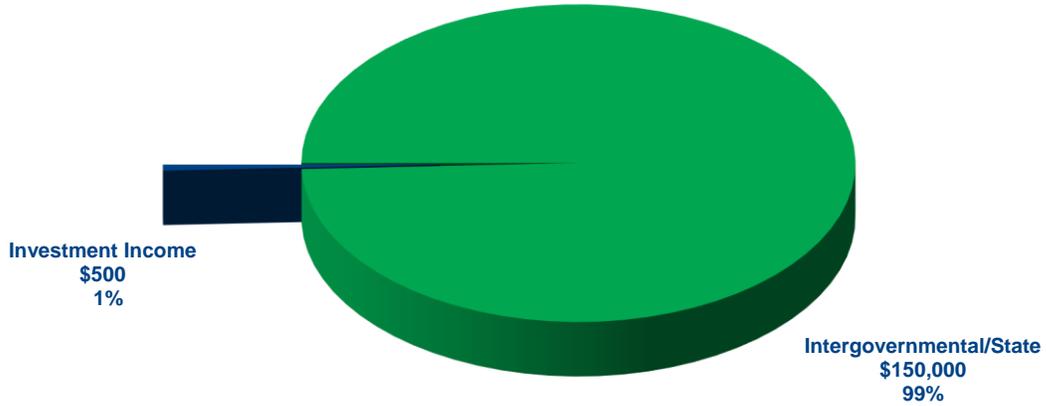


FY 17 APPROVED	\$13,672,000	FY 18 APPROVED	\$27,013,000	CHANGE	\$13,341,000
----------------	--------------	----------------	--------------	--------	--------------

Harford County is committed to Agricultural Land Preservation. An allocation of \$4,538,000 is provided for purchase of Ag Preservation intangibles in addition to \$400,000 for land purchases made under the State Program. Increase is primarily the result of interest payments on installment contracts for agricultural easements.

**FY 2017 - 2018
STATE - AG PRESERVATION**

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



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



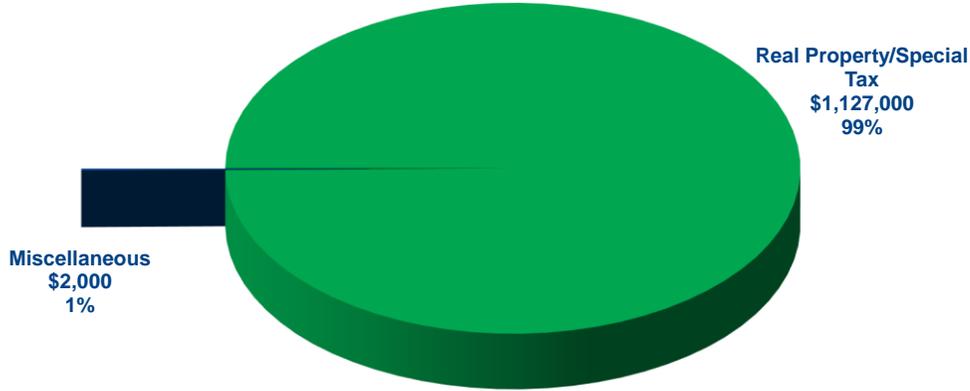
FY 17 APPROVED	\$150,500	FY 18 APPROVED	\$150,500	CHANGE	\$0
----------------	-----------	----------------	-----------	--------	-----

Harford County's Agricultural Program is Certified. Therefore, the Program can retain 75% of the Agricultural Transfer Tax collected. For FY 18, it is projected that the County's share of the State Agricultural Tax will be \$150,000.

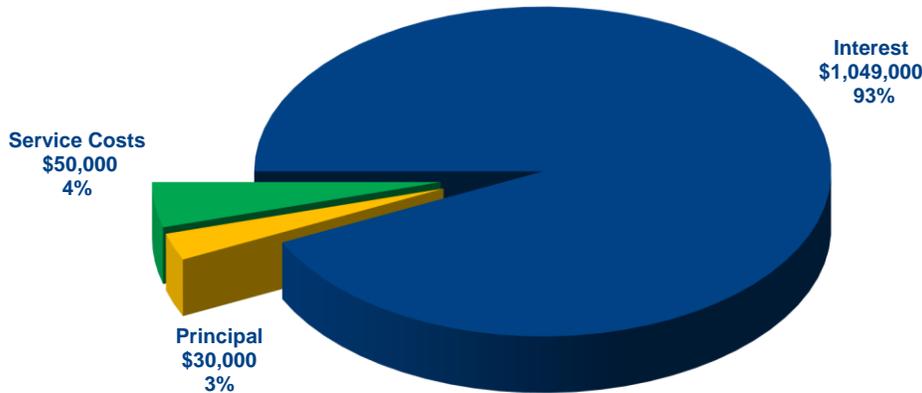
The County will use \$30,000 of this revenue to offset the salary and benefits of a Planner III, who serves as Harford County's Program Administrator. Harford County's match to MALPF for easement purchases the foundation makes on the County's behalf will be \$120,500.

**FY 2017 - 2018
TAX INCREMENT FINANCING**

**REVENUES
TOTAL APPROVED BUDGET \$1,129,000**



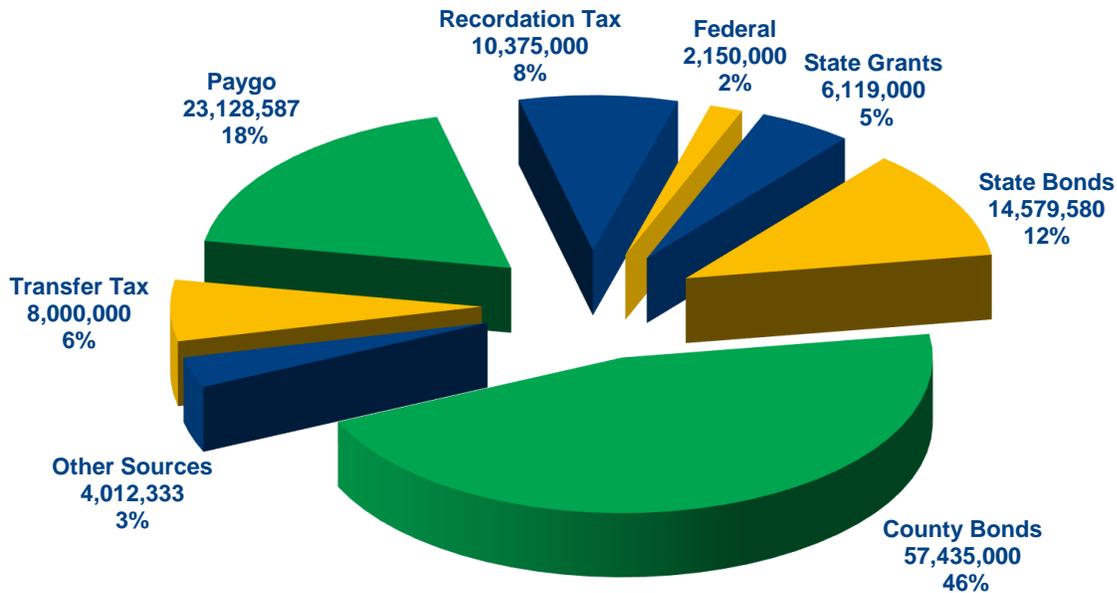
**APPROPRIATIONS
TOTAL APPROVED BUDGET \$1,129,000**



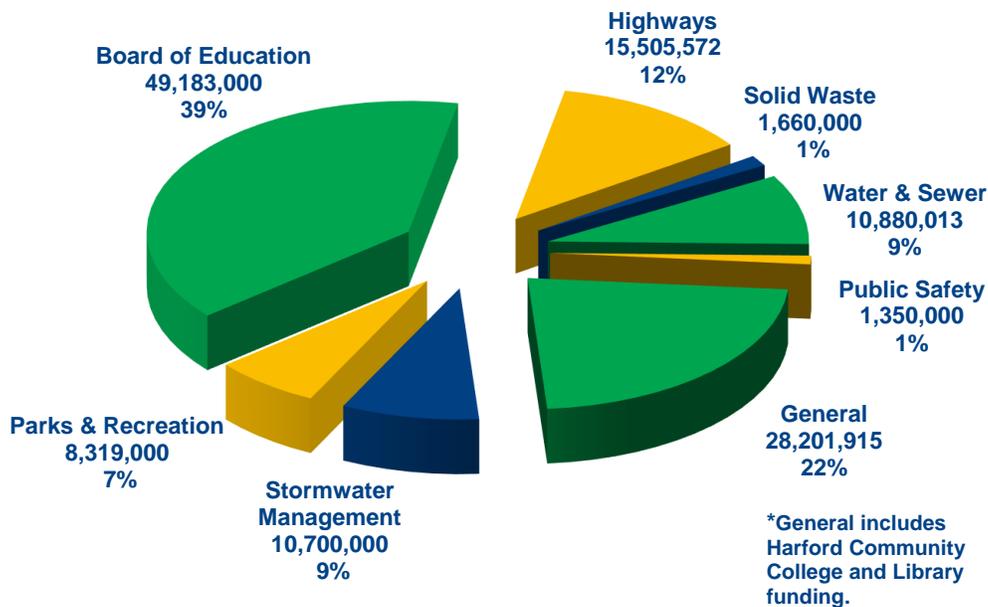
FY 17 APPROVED	\$1,100,000	FY 18 APPROVED	\$1,129,000	CHANGE	\$29,000
----------------	-------------	----------------	-------------	--------	----------

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 2017 - 2018
APPROVED CAPITAL BUDGET
REVENUES
TOTAL BUDGET \$125,799,500**



**APPROPRIATIONS
TOTAL BUDGET \$125,799,500**



**FY 2017 - FY 2018
APPROVED CAPITAL BUDGET PROGRAM**

The following is a list of highlighted projects within the FY 18 Approved Capital Budget:

<u>GENERAL</u>		<u>SOLID WASTE</u>	
Board of Education Debt Service 18	18,000,000	Waste-to-Energy Facility Closure	1,310,000
Courthouse Building Repairs	2,000,000		
Facilities Repair Program	3,250,000	<u>HIGHWAYS</u>	
Fleet Replacement	2,000,000		
Safeguarding Business Operations	1,000,000	<u>BRIDGES:</u>	
		Bridge Inspection Program	200,000
<u>BOARD OF EDUCATION</u>		Bridge Painting	200,000
Bel Air ES HVAC Systemic Renovation & Open Space Enclosure	7,561,000	Robinson Mill Road Bridge #154	300,000
Havre de Grace MS/HS Replacement	38,000,000	Snake Lane Bridge #31	900,000
North Harford HS Aquaculture Lab & Greenhouse	830,000		
Technology Infrastructure	1,000,000	<u>ROADS:</u>	
Swimming Pool Renovations	353,000	Intersection Improvements	450,000
		Moore's Mill Road	650,000
<u>PUBLIC SAFETY</u>		Tollgate Road (W. Ring Factory to Plumtree)	1,950,000
Public Safety Communication in School Buildings	100,000		
SCBA Replacement	250,000	<u>RESURFACING:</u>	
VFC Facility Repair	400,000	Resurfacing Roadways	5,705,017
<u>HARFORD COMMUNITY COLLEGE</u>		<u>OTHER:</u>	
Fallston Hall Renovations	586,880	Fleet Maintenance Facility	155,000
		Fleet Replacement	1,500,000
<u>LIBRARIES</u>		Sidewalks and Handicapped Ramps	150,000
Technology	200,000		
		<u>WATER</u>	
<u>PARKS AND RECREATION</u>		Fleet Replacement	800,000
Athletic Field Improvements	1,400,000	Perryman GAC Plant Improvements	500,000
Enlarged Gymnasiums & Joint Facilities	600,000	Perryman Wellfield Improvements	200,000
Gunpowder River Dredging	330,000	Replacement of Water Booster Station SCADA	1,200,000
Indoor Rec Facility Forest Hill/Hickory	250,000	US 40 and Rt. 159 SHA Water Relocation	1,200,000
Parkland Acquisition	1,050,000		
Trails & Linear Parks	1,550,000	<u>SEWER</u>	
		Bio Solids Facilities Enhancements	4,000,000
<u>STORMWATER MANAGEMENT</u>		Bynum Ridge Replacement Sewer	560,000
Bynum Run @ St. Andrews Way Stream Restoration	850,000	Lower Bynum Run Interceptor Phase 6&7	2,657,154
County Owned Watershed Restoration	1,850,000	Sod Run WWTP Ultraviolet Disinfection Program	200,000
Joppatowne Area Watershed Restoration	950,000		
Plumtree Run Watershed Restoration	1,800,000		
Riverside Area Watershed Restoration	1,300,000		
Sams Branch Watershed Restoration	1,100,000		
Watershed Restoration Assessment	800,000		

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 Sullivan