

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



HARFORD

COUNTY

Approved FY 19 Budget in Brief

Barry Glassman, County Executive



A Message from Harford County Executive Barry Glassman

In my final budget of this term, Harford County is back on higher ground with record-level funding for education, public safety, and libraries. In fact, without raising taxes we have been able to direct nearly \$38 million over the past four years to restoring salaries for our teachers, law enforcement, and dedicated county employees. We have also restored our unassigned fund balance and adopted the county's first property tax credit for qualifying seniors and military retirees. This progress comes from following our path to fiscal balance and efficiency in local government.

In FY 19, our \$571,655,000 general fund operating budget directs 100% of new, ongoing revenue to education and public safety; nearly \$1.2 million is committed to keeping our children safe in school. We also more than double county funds targeting the opioid epidemic, including the county's first 24-hour crisis center for mental health and addiction. As a sign of the recovering local real estate market, our local dedicated transfer tax will allow us to invest a record \$22 million for our local agricultural land preservation program, which protects land from future development.

The \$167,230,000 capital budget funds county roads and bridge projects, stormwater remediation, priority repairs and life safety equipment requested by our volunteer fire companies and ongoing projects to connect the Ma & Pa Trail and build the new Havre de Grace Middle/High School.

The total budget for FY 19 is \$901,837,025 Highlights appear below.

RESTORING BALANCE & EFFICIENCY

- No tax increases
- 100% of new, ongoing FY 19 revenue dedicated to education and public safety
- County government efficiencies help fund other operations
- Unassigned fund balance more than doubled over the last three years
- AAA bond rating lowers borrowing costs; rating maintained due to strong management and realistic Capital Improvement Program

REINVESTING IN OUR WORKFORCE

- 2% COLA for all county employees plus \$2,000 merit-based increase per qualifying employee
 - Equivalent increases for States' Attorney and Circuit Court employees
 - Merit increase will have greater impact on lower-salaried workers
- Funding equivalent to 3% salary increase for Library employees; sets record-level funding for Harford County Public Library
- \$2.8 million to fully fund the Sheriff's Office request for salary increases; totals \$5.3 million over the last two years
- \$122,472 for the new Sheriff's Office Cadet Program

INVESTING IN EDUCATION

- Record level funding continues for Harford County Public Schools:
 - \$245,815,645 in FY 19 operating funds for HCPS; total increase of \$7.1 million over FY 18
 - \$6.4 million of the total increase dedicated to raising instructional salaries, continuing our support for teachers
- \$400,000 to Harford Community College for the County's traditional 1/3 share of funding to support staff salary increases

STRENGTHENING COMMUNITIES

- Preventing and treating opioid addiction:
 - County funding **more than doubled** to \$610,000
 - Includes \$250,000 toward the County's first 24-Hour Crisis Center for mental health & addiction



- Historic level funding for our first responders:
 - \$6,964,084 Volunteer Fire Companies; represents a 3% increase over FY 18
 - \$3,546,668 EMS Foundation
 - \$1,589,118 County EMS Service
- Keeping our children safe in school:
 - \$773,000 to expand existing School Resource Officer Program to remaining middle schools
 - \$325,000 to fully fund requested school security camera upgrades
 - \$100,000 ongoing annual funding to improve radio communications in schools
- Agricultural preservation:
 - Record-level funding **\$22 million** from revenue dedicated to preserving agricultural land
- Support for Community Organizations
 - Harford County Humane Society
 - The Arc Northern Chesapeake
 - Harford Center

CAPITAL PROJECT HIGHLIGHTS

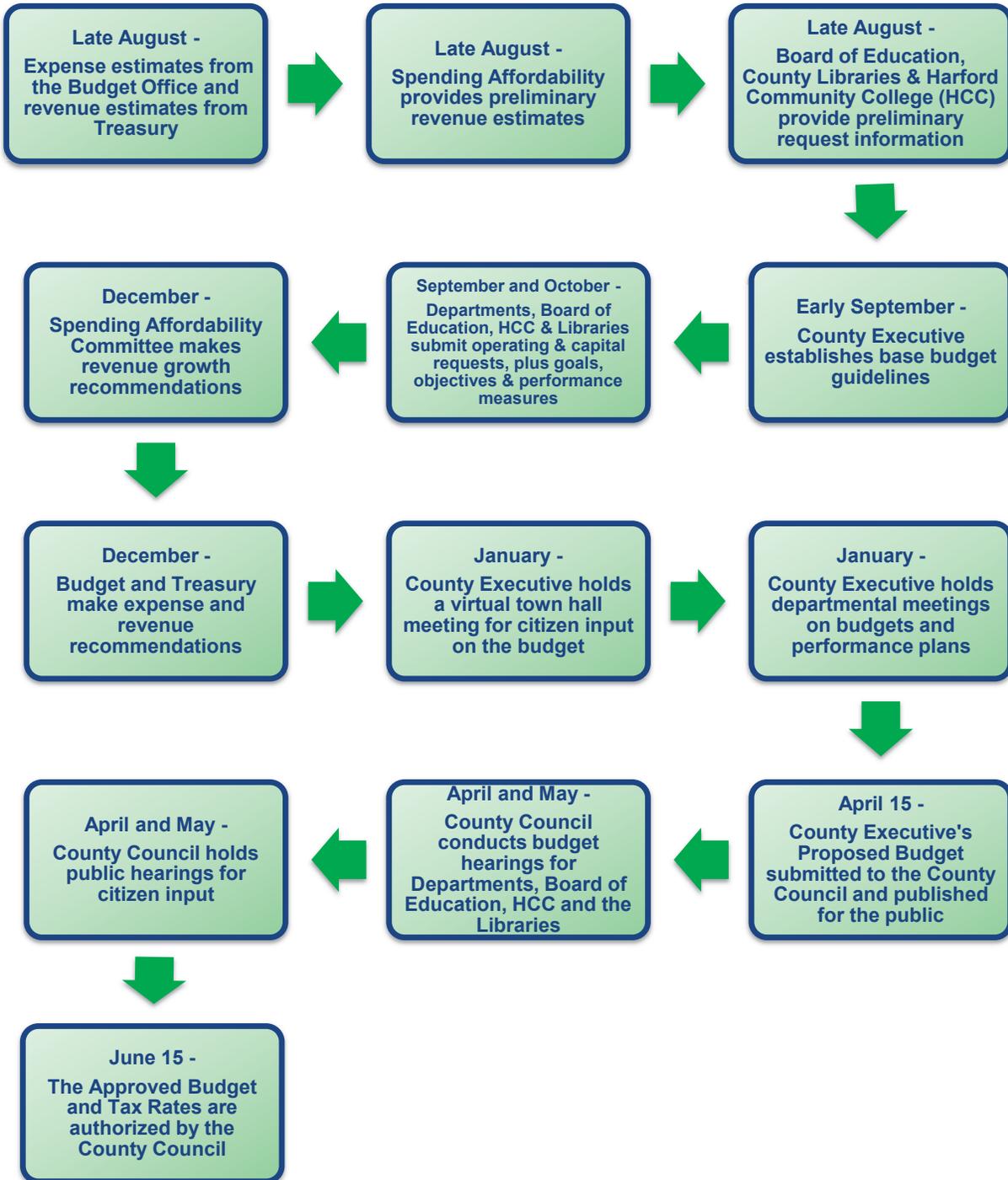
- \$16.2 million - County road and bridge projects
- \$11.4 million - Stormwater remediation projects
- \$24.5 million – Water & Sewer infrastructure reinvestments
- \$1.6 million – Volunteer Fire Company priority repairs and life safety equipment; includes Whiteford and Joppa/Magnolia VFC renovations
- \$1 million HCPS school technology
- Ma & Pa Trail connection – continued funding
- Havre de Grace Middle/High School – continue construction on \$100 million project
- Patterson Mill Middle/High School – begin funding for artificial turf field
- Fallston Middle School chiller replacement
- Aberdeen Middle School roof replacement
- HCPS swimming pool renovations – continued funding

In closing, I want to thank the many citizens who shared their budget priorities with me through our fourth annual virtual town hall meeting. Their priorities helped shape my budget priorities in the budget that follows. I also want to thank my Director of Administration Billy Boniface, our hardworking budget team, and our county employees who are dedicated each day to serving 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 virtual town hall meeting 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 budget 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

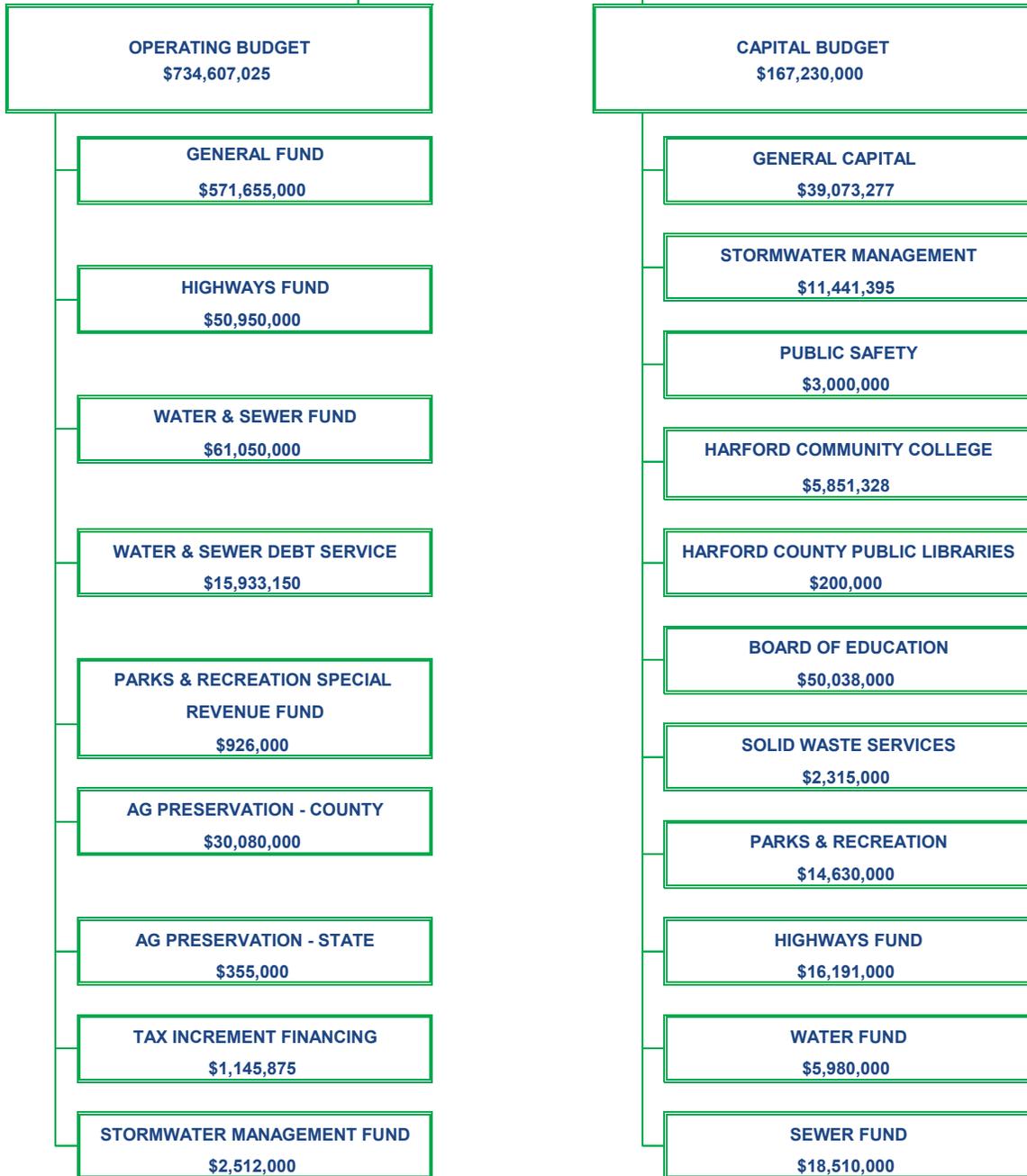
Major Tax Credits Available:

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 January 23, 2018 for a \$50,000,000 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.

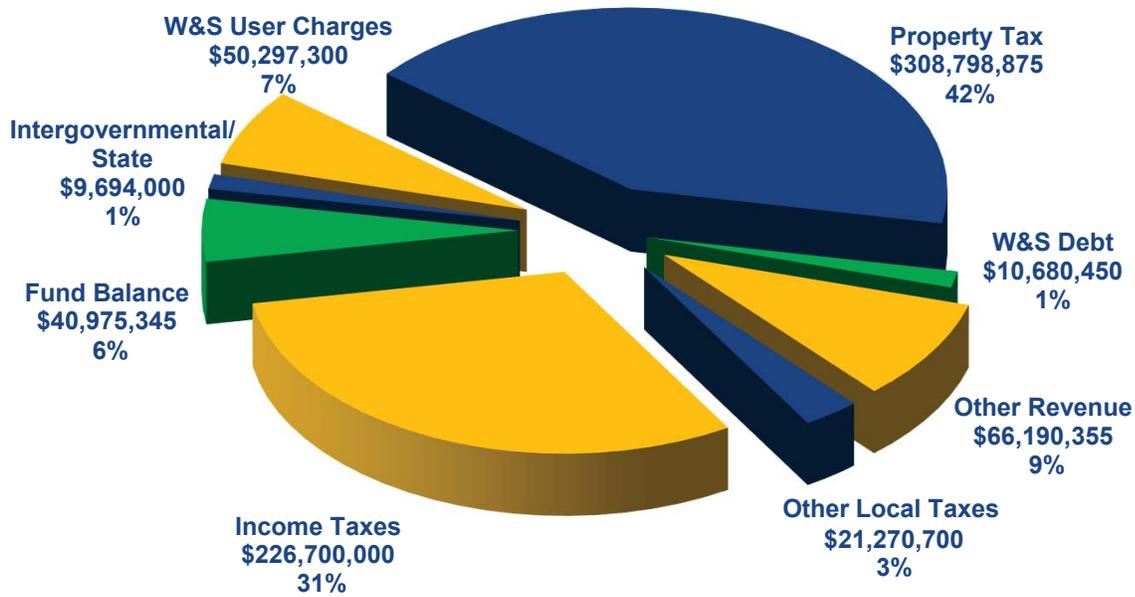
HARFORD COUNTY
TOTAL FY 19 APPROVED BUDGET ALL FUNDS
\$901,837,025



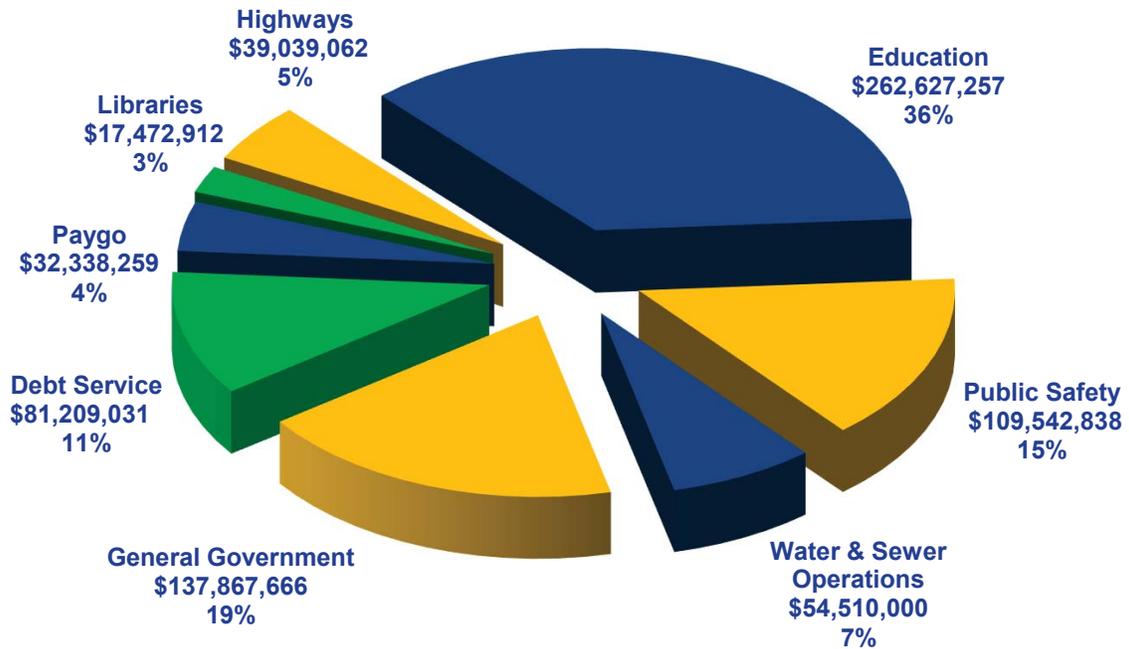
ALL FUNDS OPERATING BUDGETS

Fiscal Year 2018-2019

TOTAL APPROVED REVENUES \$734,607,025



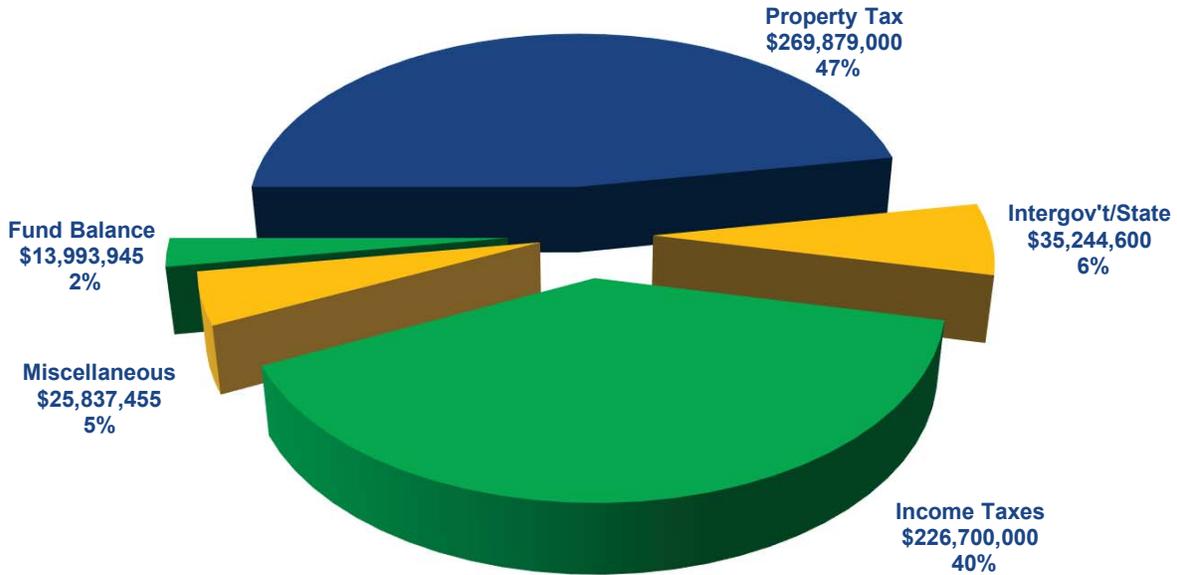
TOTAL APPROVED APPROPRIATIONS \$734,607,025



GENERAL FUND REVENUES

Fiscal Year 2018 - 2019

TOTAL APPROVED BUDGET \$571,655,000



FY 2019 APPROVED GENERAL FUND REVENUE BREAKDOWN

PROPERTY TAXES:	47%	269,879,000	INCOME TAX	40%	226,700,000
Real & Personal	276,290,000				
Deductions	(6,411,000)				
MISCELLANEOUS:	5%	25,837,455	INTERGOV'T/STATE:	6%	35,244,600
Investment Income	1,701,000		Intergovernmental	5,545,000	
License & Permits	4,554,400		Intra-County	2,135,986	
Other Taxes	6,110,000		Pro Rata	5,806,914	
Service Charges	12,703,850		Recordation	12,406,700	
Fines & Forfeitures	95,000		Transfer	9,350,000	
Miscellaneous Revenues	673,205		FUND BALANCE	2%	13,993,945

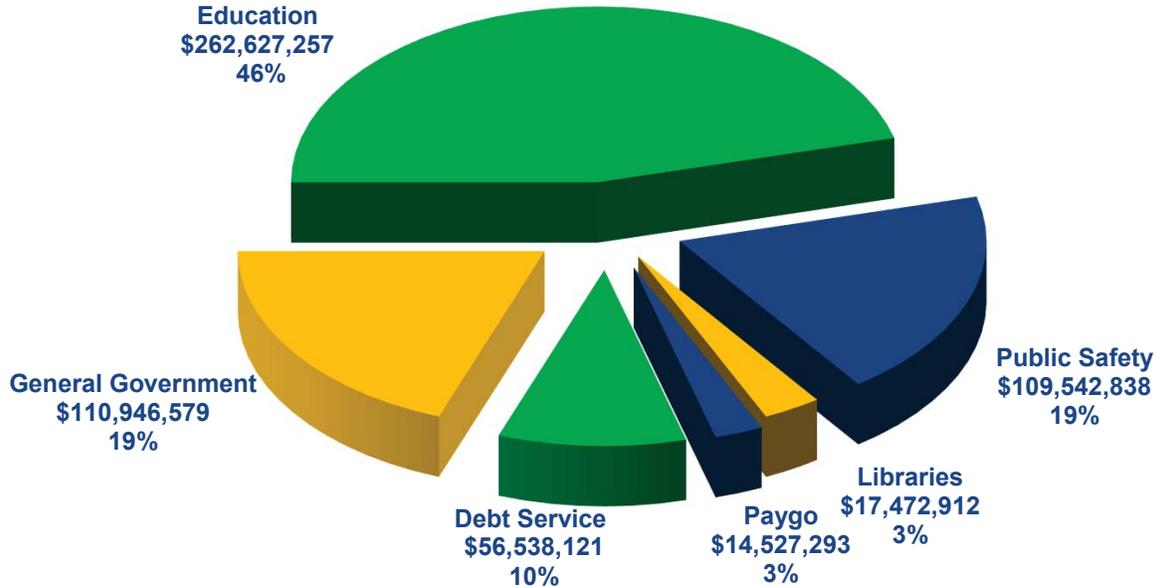
TOTAL GENERAL FUND REVENUES

571,655,000

GENERAL FUND APPROPRIATIONS

Fiscal Year 2018 - 2019

TOTAL APPROVED BUDGET \$571,655,000



FY 2019 APPROVED GENERAL FUND APPROPRIATION BREAKDOWN

GENERAL GOVERNMENT: 19%		110,946,579	EDUCATION (OPERATING): 46%		262,627,257
County Executive Administration	758,726		Board of Education	43%	245,815,645
Procurement	10,339,406		Harford Community College	3%	16,811,612
Treasury	911,221				
Law	3,665,712		PUBLIC SAFETY: 19%		109,542,838
Planning & Zoning	2,161,309		Sheriff		81,203,021
Human Resources	3,917,277		Emergency Services		13,681,356
Community Services	2,144,026		Volunteer Fire Companies		6,964,084
Handicapped Centers	5,139,637		EMS Foundation		3,546,668
Office of Gov't & Comm. Rel	2,408,730		Inspections, Licenses & Permits		3,247,709
Health	1,199,523		Humane Society		900,000
Info. & Comm. Technology	3,775,987				
Public Works	9,808,056		LIBRARIES 3%		17,472,912
Council	18,014,229				
Judicial	3,241,639		PAYGO: 3%		14,527,293
State's Attorney	3,545,253		Capital Improvements		11,715,972
Elections	6,075,073		Grant Matches		2,811,321
Parks & Recreation	2,359,305				
Natural Resources	9,682,090		DEBT SERVICE 10%		56,538,121
Community & Economic Dev.	9,682,090				
Insurance	734,800				
Benefits	6,423,849				
Appropriation to Towns	714,176				
Appropriation to State	9,071,042				
Rural Legacy Program	3,585,513				
Contingency Reserve	1,120,000				
	50,000				
	100,000				

TOTAL GENERAL FUND APPROPRIATIONS

571,655,000

GENERAL FUND

FY 18 APPROVED BUDGET \$543,100,000 FY 19 APPROVED BUDGET \$571,655,000 CHANGE \$28,555,000

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 (87%) of our projected General Fund Revenues come from Property Taxes and Income Taxes.

<u>PROPERTY TAXES</u>	FY 19 Approved	\$269,879,000	47%	of the General Fund
	FY 18 Approved	\$265,246,000	49%	of the General Fund
	\$ growth	\$4,633,000		
	% growth	1.75%		

In FY 19, the percent of overall increase in property tax revenue is 1.75% or \$4,633,000. The increase is due to the properties being reassessed, known as "Group 3" having property values increased on average by 7.7% statewide. In Harford County, residential assessments increased by 3.6% and commercial assessments increased by 6.5% since their last assessment. FY 19 is the fifth year of positive assessment growth in Harford County.

<u>INCOME TAXES</u>	FY 19 Approved	\$226,700,000	40%	of the General Fund
	FY 18 Approved	\$219,000,000	40%	of the General Fund
	\$ growth	\$7,700,000		
	% growth	3.52%		

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 18 actual amount to be what we have originally budgeted \$219,000,000. FY 19 will be our eighth year of positive growth in income tax for Harford County.

<u>OTHER REVENUES</u>	FY 19 Approved	\$75,076,000	13%	of the General Fund
	FY 18 Approved	\$58,854,000	11%	of the General Fund
	\$ growth	\$16,222,000		
	% growth	27.56%		

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

	<u>FY 18 Funding</u>	<u>FY 19 Funding</u>	<u>Change</u>
<u>Recordation Tax</u>	\$9,500,000	\$12,406,700	\$2,906,700
In FY 19, we are anticipating to transfer \$2,300,000 of accumulated recordation tax and \$10,106,700 of current year recordation tax to the General Fund for school debt.			
<u>Transfer Tax</u>	\$8,500,000	\$9,350,000	\$850,000
In FY 19, we are anticipating to transfer \$750,000 of accumulated transfer tax and \$8,600,000 of new transfer tax to the General Fund to pay school debt.			
<u>Fund Balance Appropriated</u>	\$4,600,000	\$13,993,945	\$9,393,945
Governmental funds report the difference between their assets and liabilities as fund balance. In FY 18, we appropriated \$4,600,000 of assigned fund balance. In FY 19 we have appropriated \$13,993,945 of unassigned fund balance.			
<u>All "Other" Revenues combined</u>	\$36,254,000	\$39,325,355	\$3,071,355

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 18	APPROVED BUDGET FY 19	CHANGE FY 19 VS. FY 18
<u>GENERAL FUND SUMMARY BY DEPARTMENT:</u>			
COUNTY EXECUTIVE	739,045	758,726	19,681
ADMINISTRATION	10,398,735	10,339,406	(59,329)
PROCUREMENT	778,209	911,221	133,012
TREASURY	3,511,997	3,665,712	153,715
LAW	2,073,035	2,161,309	88,274
PLANNING AND ZONING	3,625,800	3,917,277	291,477
HUMAN RESOURCES	1,907,235	2,144,026	236,791
COMMUNITY SERVICES	4,859,507	5,139,637	280,130
HANDICAPPED CARE CENTERS	2,298,730	2,408,730	110,000
HEALTH	3,728,318	3,775,987	47,669
OFFICE OF GOV'T & COMMUNITY RELATIONS	1,155,448	1,199,523	44,075
HOUSING AGENCY	1,404,853	0	(1,404,853)
INFORMATION & COMMUNICATION TECHNOLOGY	8,320,490	9,808,056	1,487,566
SHERIFF'S OFFICE	76,529,635	81,203,021	4,673,386
EMERGENCY SERVICES	21,674,393	24,192,108	2,517,715
INSPECTIONS, LICENSES AND PERMITS	3,035,247	3,247,709	212,462
PUBLIC WORKS (includes Solid Waste)	17,114,715	18,014,229	899,514
COUNTY COUNCIL	2,979,531	3,241,639	262,108
JUDICIAL	3,378,138	3,545,253	167,115
STATE'S ATTORNEY	6,237,188	6,075,073	(162,115)
ELECTIONS	2,401,235	2,359,305	(41,930)
BOARD OF EDUCATION	238,715,645	245,815,645	7,100,000
HARFORD COMMUNITY COLLEGE	16,411,612	16,811,612	400,000
LIBRARIES	17,100,985	17,472,912	371,927
PARKS AND RECREATION	9,339,147	9,682,090	342,943
CONSERVATION OF NATURAL RESOURCES	728,455	734,800	6,345
ECONOMIC DEVELOPMENT	5,993,358	6,423,849	430,491
DEBT SERVICE	53,510,675	56,538,121	3,027,446
INSURANCE	748,098	714,176	(33,922)
BENEFITS	7,462,391	9,071,042	1,608,651
MISCELLANEOUS	14,838,150	20,182,806	5,344,656
RESERVE FOR CONTINGENCIES	100,000	100,000	0
TOTALS:	<u>543,100,000</u>	<u>571,655,000</u>	<u>28,555,000</u>

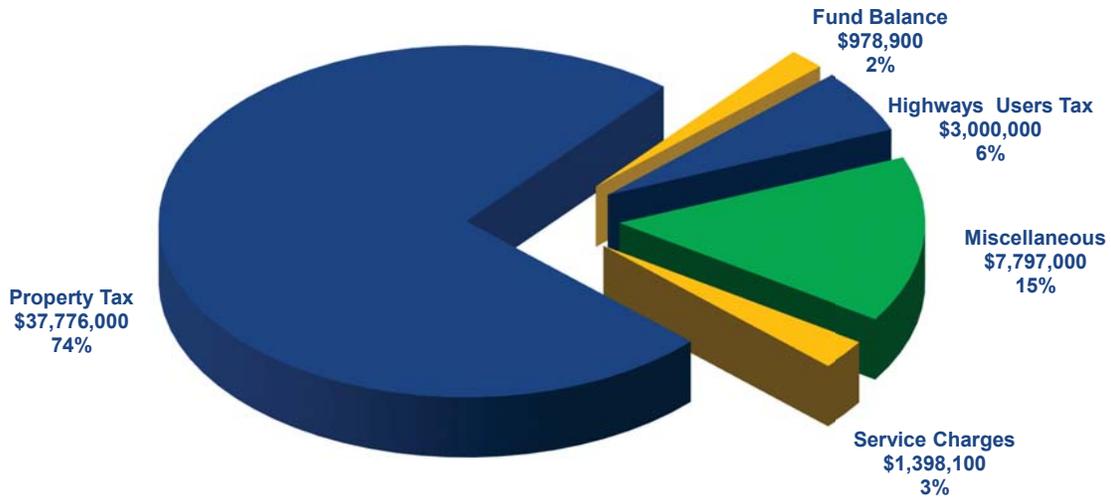
EXPLANATION OF SIGNIFICANT CHANGES:

The General Fund (including Solid Waste) realizes an increase of \$28,555,000 over FY 18.

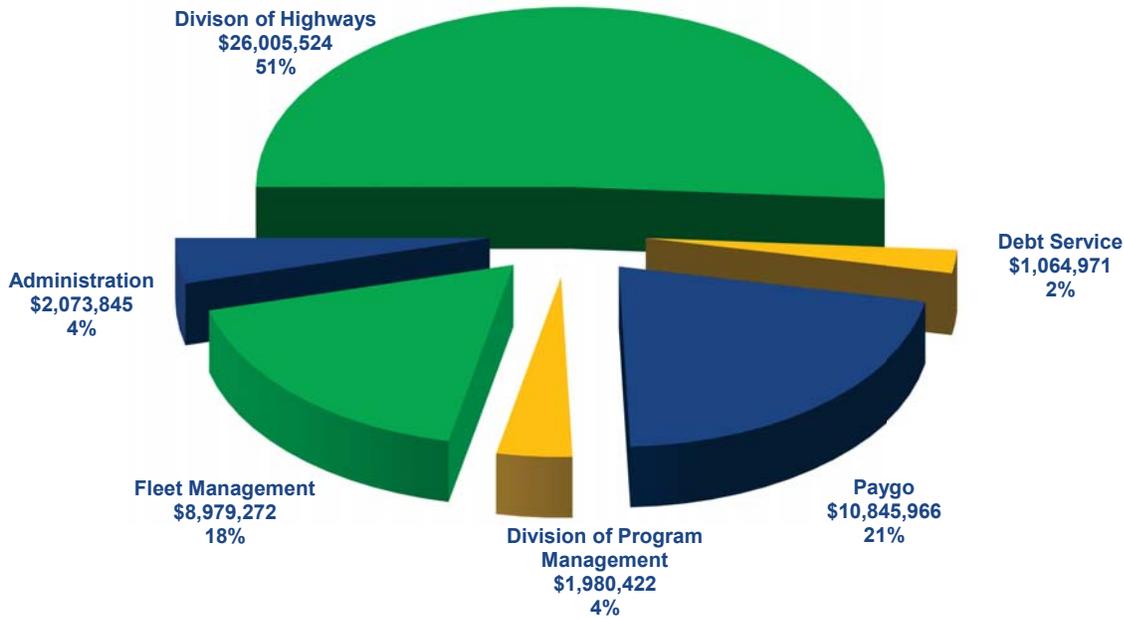
- o Includes cost of living increase of 2% and a merit increase of \$2,000 for all General Government employees, State's Attorney's Office, and Circuit Court system.
- o Increase in funding for the Libraries provides for staff salary increases @ \$371,927
- o Full funding for the Sheriff's Office request for salary increases @ \$2,791,099
- o Increase in funding for the EMS Foundation @ \$490,000 and for Volunteer Fire Companies @ \$189,442
- o Paygo funding in support of the FY 19 Approved Capital Budget increases \$2,535,637
- o Debt Service costs increase for FY 19 @ \$3,027,446
- o Increase in funding for Board of Education @ \$7,100,000 - Instructional salaries increase of \$6,406,452; and additional funds for student transportation bus contracts per vehicle allotment @ \$693,548
- o Increase in funding of \$400,000 for Harford Community College to assist with staff salary enhancements

**FY 2018 - 2019
HIGHWAYS FUND**

**REVENUES
TOTAL APPROVED BUDGET \$50,950,000**



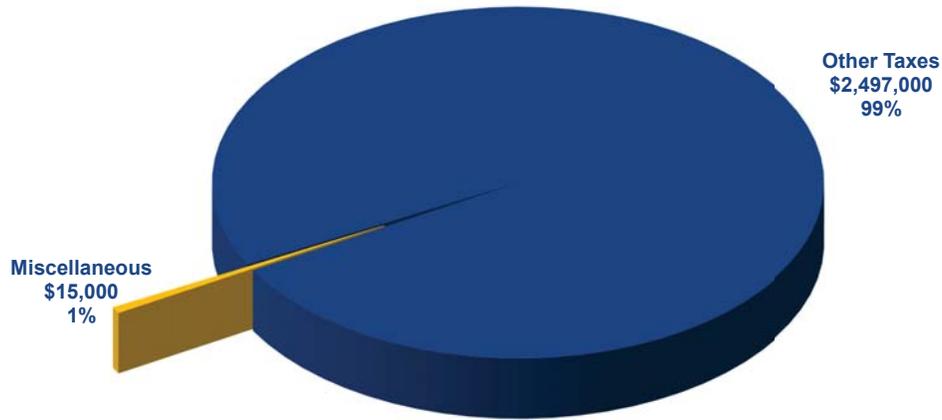
**APPROPRIATIONS
TOTAL APPROVED BUDGET \$50,950,000**



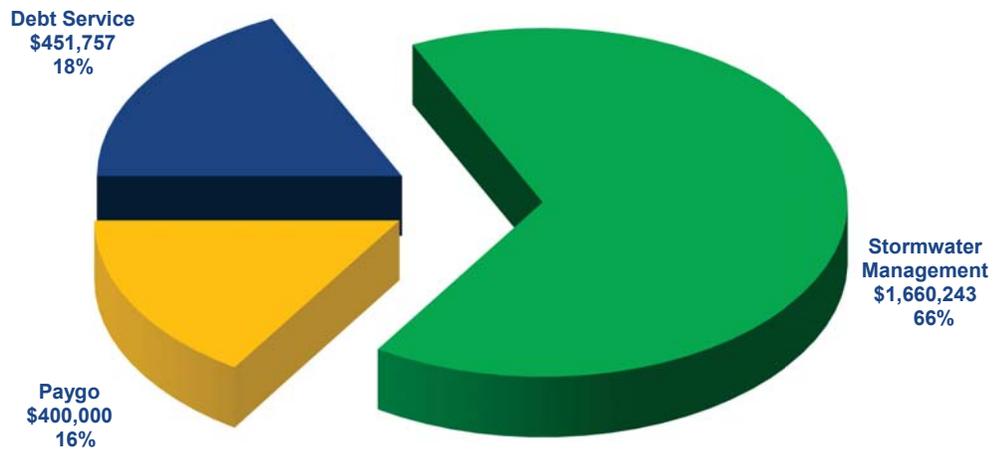
FY 18 APPROVED	FY 19 APPROVED	CHANGE
\$48,200,000	\$50,950,000	\$2,750,000

Explanation of Significant Changes: COLA and Merit increase @ \$662,344; additional funds for Fleet Management for new contract for vehicle maintenance @ \$210,678; additional funding for contractual services to supplemental inspectors for Program Management @ \$200,000; increase in Paygo @ \$1,147,727 provides for bridge and road projects.

FY 2018 - 2019
STORMWATER MANAGEMENT FUND
REVENUES
TOTAL APPROVED BUDGET \$2,512,000



APPROPRIATIONS
TOTAL APPROVED BUDGET \$2,512,000

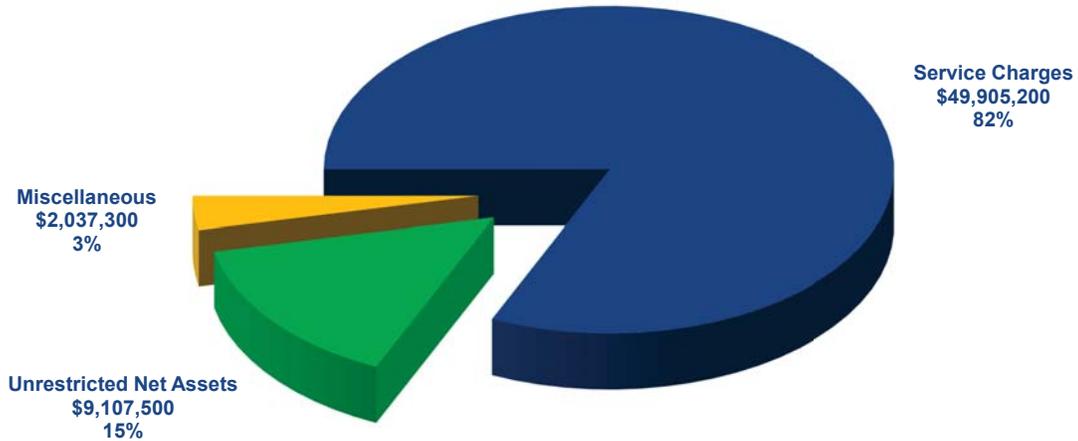


FY 18 APPROVED	\$2,087,500	FY 19 APPROVED	\$2,512,000	CHANGE	\$424,500
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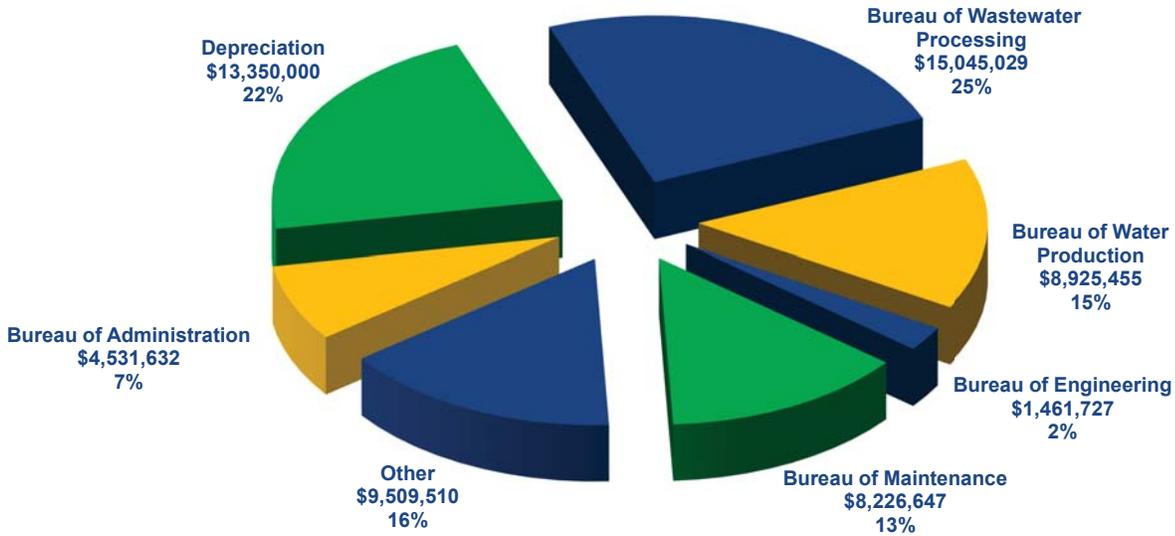
This fund is a special account for deposit of a certain portion of the recordation tax, \$0.55 for each \$500 of the sale price (or lien amount) for each property deed recorded. The proceeds of this fund are used for the County's watershed protection and restoration program as mandated under State of Maryland law. The State requires a separate fund be established for this purpose.

**FY 2018 - 2019
WATER & SEWER OPERATING FUND**

**REVENUES
TOTAL APPROVED BUDGET \$61,050,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$61,050,000**

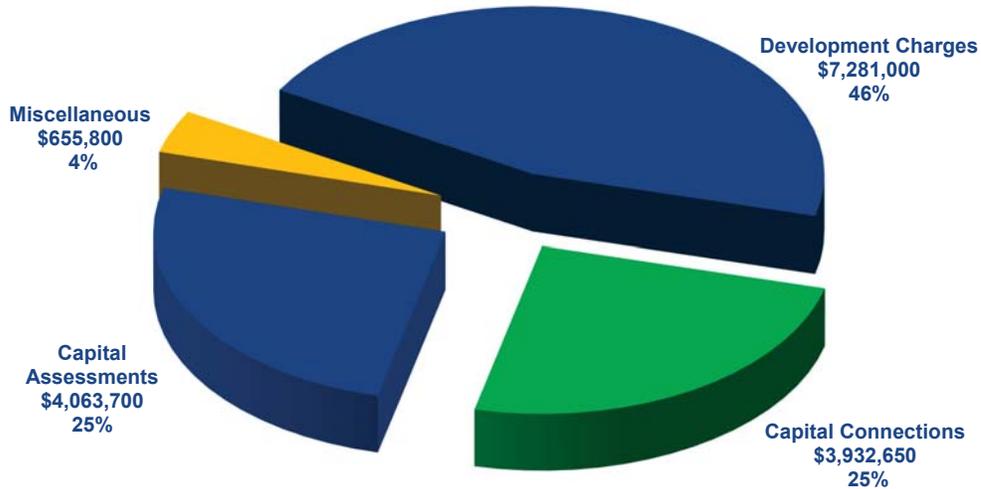


FY 18 APPROVED	FY 19 APPROVED	CHANGE
\$53,510,000	\$61,050,000	\$7,540,000

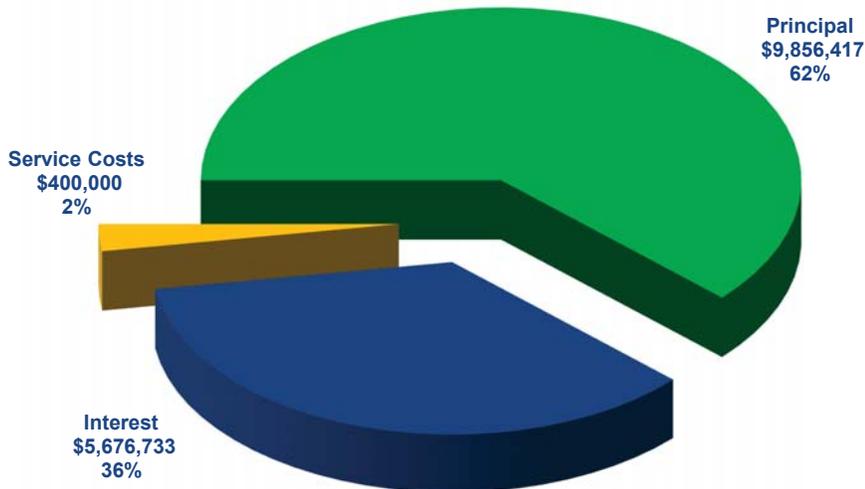
Explanation of Significant Changes: 2% cost of living increase and \$2,000 merit increase @ \$625,361; additional funds for routine repairs to facilities @ \$686,687; increased contractual funds for lab analysis, preventive maintenance programs, emergency pump outs, engineering services, etc., @ \$862,300 based on actual expense history; an increase of \$327,157 for equipment repair parts, laboratory supplies, chemicals and water meter purchases; a decrease of (\$342,029) for equipment due to a one time construction cost in FY 18 for a steel storage building; and a \$644,478 increase for Pro Rata shares and Depreciation.

**FY 2018 - 2019
WATER & SEWER DEBT SERVICE**

**REVENUES
TOTAL APPROVED BUDGET \$15,933,150**



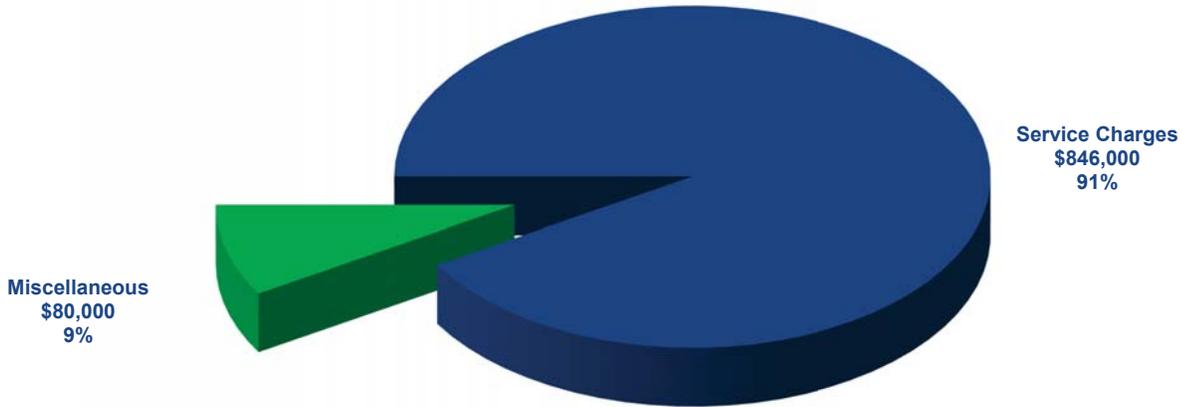
**APPROPRIATIONS
TOTAL APPROVED BUDGET \$15,933,150**



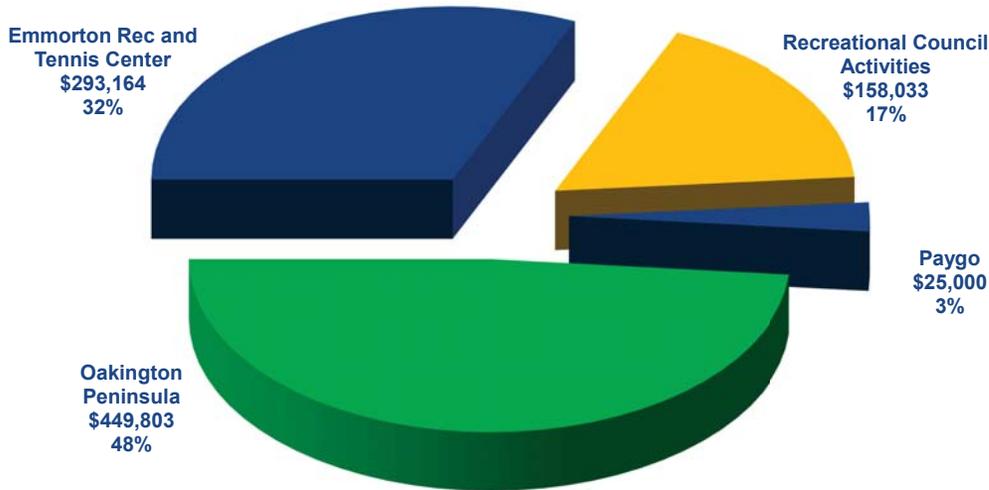
FY 18 APPROVED	\$16,532,600	FY 19 APPROVED	\$15,933,150	CHANGE	(\$599,450)
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The Water & Sewer Debt Service Fund provides appropriation authority for the payment of principal and interest on long-term water and sewer bonds and loans used to finance the capital projects of the County-owned water & sewer system. The decrease in funding for FY 19 is a result of the principal and interest payments adjusted to amounts due on outstanding debt.

**FY 2018 - 2019
PARKS AND RECREATION
SPECIAL REVENUE FUND
REVENUES
TOTAL APPROVED BUDGET \$926,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$926,000**

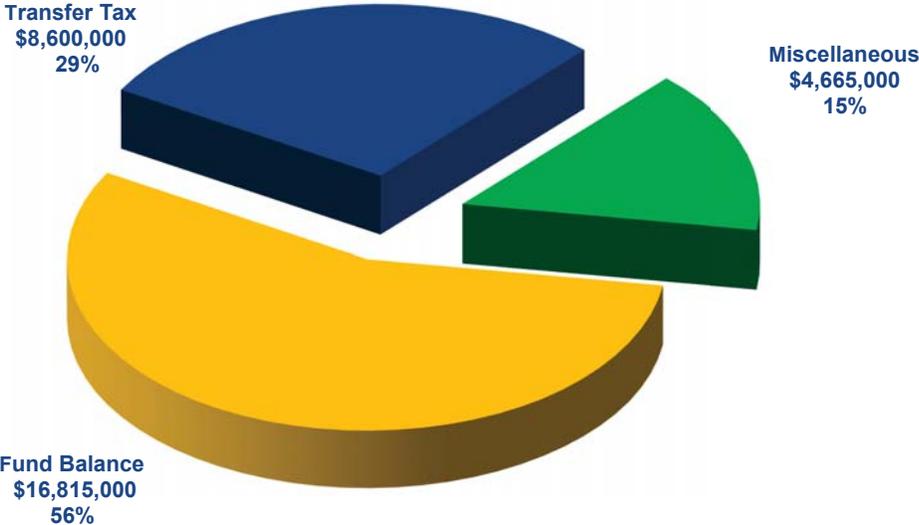


FY 18 APPROVED	FY 19 APPROVED	CHANGE
\$965,000	\$926,000	(\$39,000)

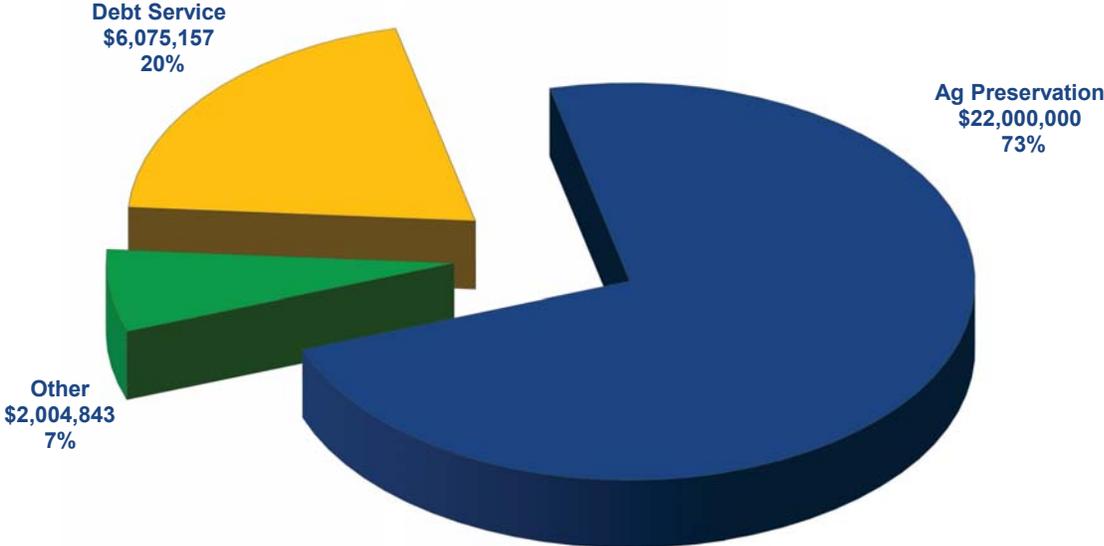
Explanation of Significant Changes: 2% COLA and \$2,000 increase for a total of \$10,718; funding for temporary employees decreased at (\$24,469); adjustments made to electricity, water and sewer, heating oil, telephone service, and additional funding provided for projected cost of new landscaping contract for a total of \$63,296. Pro Rata shares for reimbursement of General Fund administrative support for \$5,573; and funding appropriated in the FY 19 Capital Improvement Program for Swan Harbor farm at \$25,000.

**FY 2018 - 2019
COUNTY - AG PRESERVATION**

**REVENUES
TOTAL APPROVED BUDGET \$30,080,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$30,080,000**

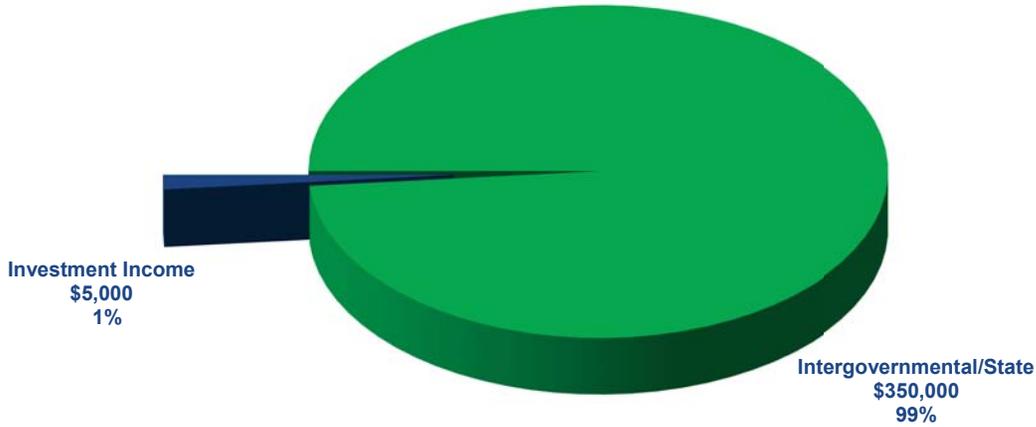


FY 18 APPROVED	\$27,013,000	FY 19 APPROVED	\$30,080,000	CHANGE	\$3,067,000
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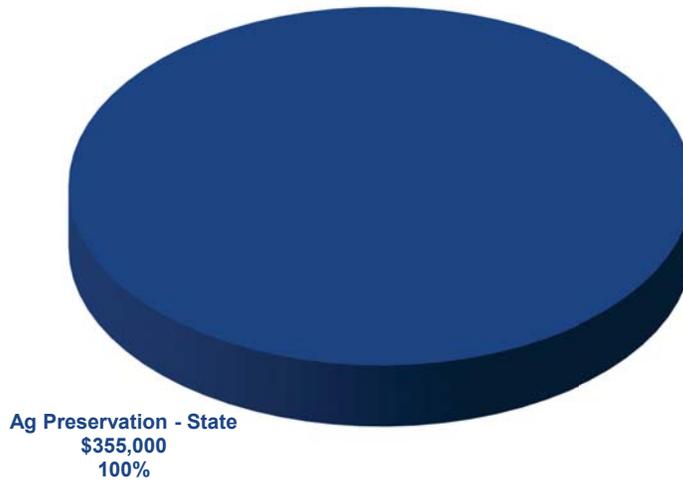
Harford County is committed to Agricultural Land Preservation. An allocation of \$22,000,000 is provided for purchase of Ag Preservation easements.

**FY 2018 - 2019
STATE - AG PRESERVATION**

**REVENUES
TOTAL APPROVED BUDGET \$355,000**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$355,000**



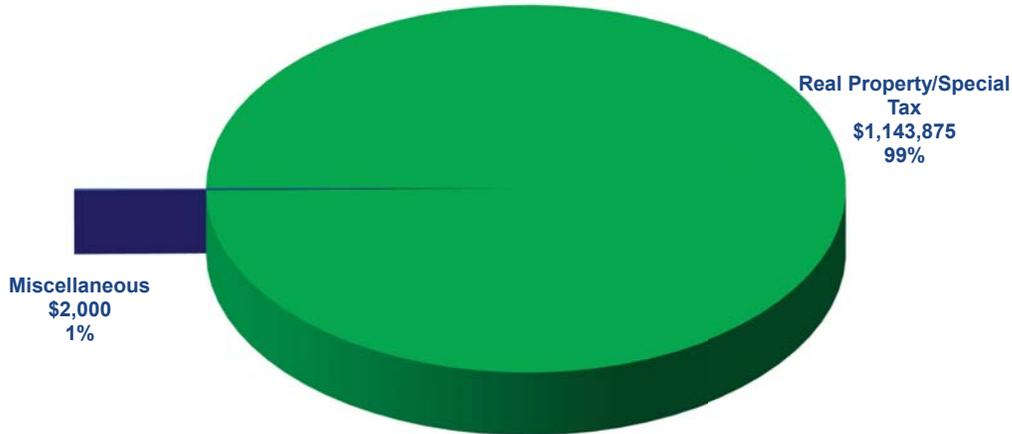
FY 18 APPROVED	FY 19 APPROVED	CHANGE
\$150,500	\$355,000	\$204,500

Harford County's Agricultural Program is Certified. Therefore, the Program can retain 75% of the Agricultural Transfer Tax collected. For FY 19, it is projected that the County's share of the State Agricultural Tax will be \$350,000.

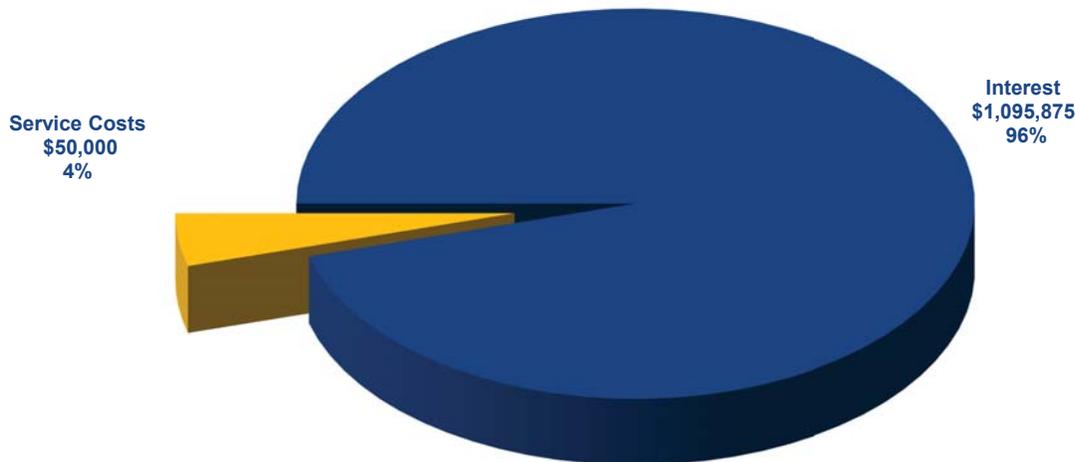
The County will use \$30,000 of this revenue to offset the salary and benefits of a Planner III, who serves as Harford County's Program Administrator. Harford County's match to MALPF for easement purchases the foundation makes on the County's behalf will be \$325,000.

**FY 2018 - 2019
TAX INCREMENT FINANCING**

**REVENUES
TOTAL APPROVED BUDGET \$1,145,875**



**APPROPRIATIONS
TOTAL APPROVED BUDGET \$1,145,875**

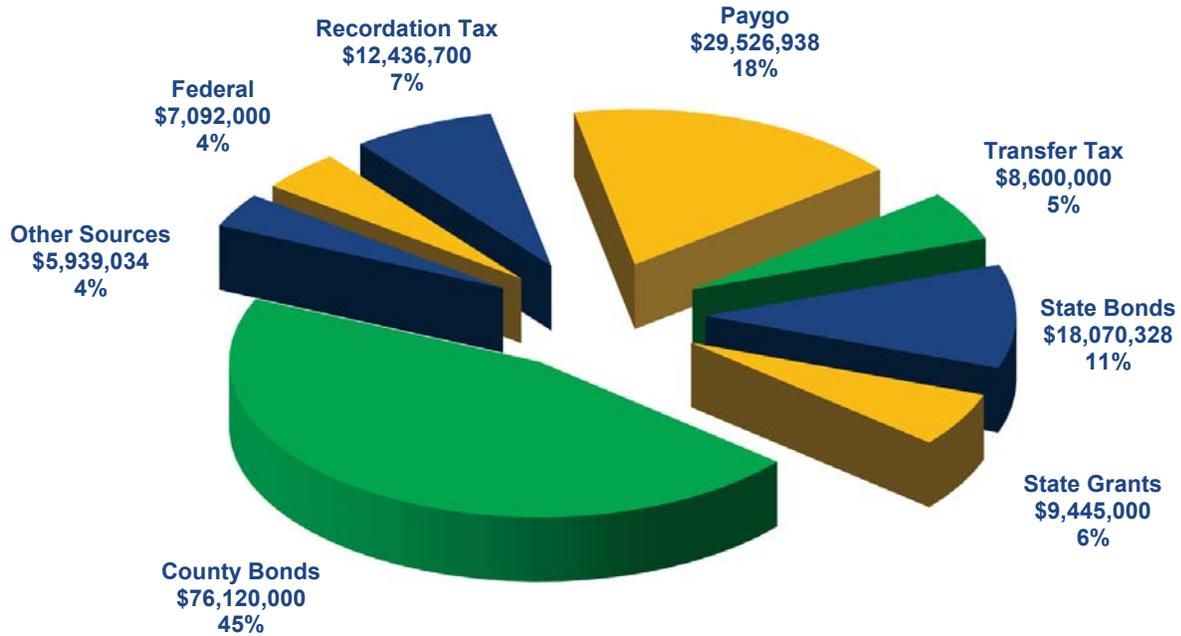


FY 18 APPROVED	\$1,129,000	FY 19 APPROVED	\$1,145,875	CHANGE	\$16,875
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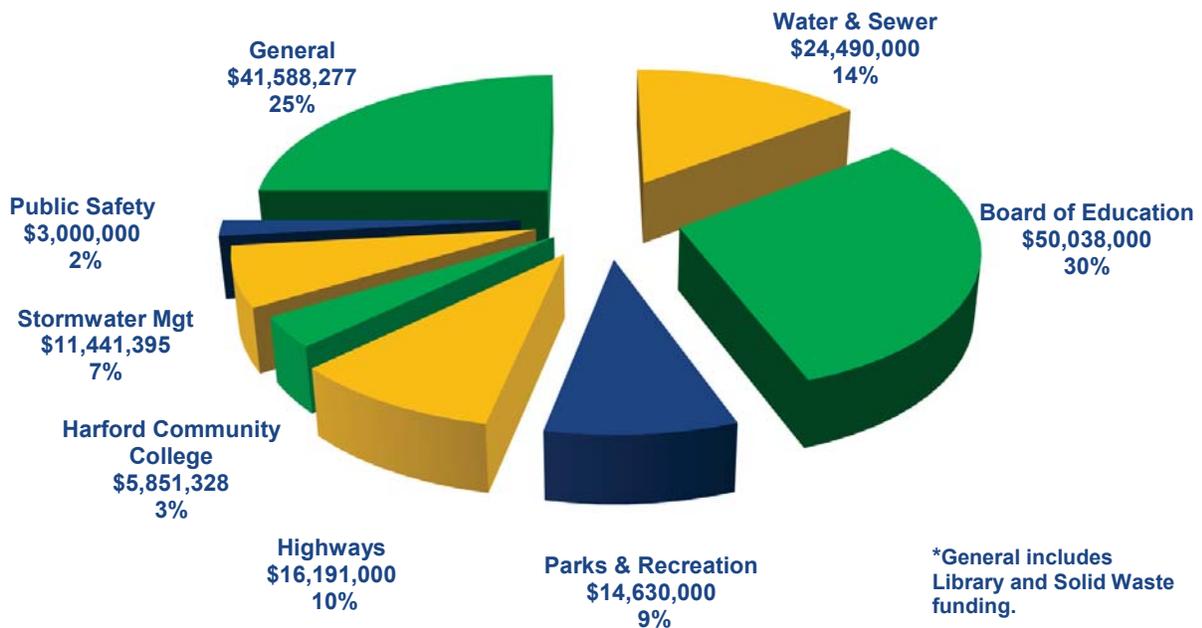
The Beechcreek Estates Tax Increment Fund is a special fund authorized by Bill 10-10. The Bill provided that the County could not issue more than \$14,000,000 for Beechcreek Estates in special obligation bonds to finance or reimburse the cost of the public improvements benefitting the district. The Bill 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 2018 - 2019 APPROVED CAPITAL BUDGET

REVENUES TOTAL BUDGET \$167,230,000



APPROPRIATIONS TOTAL BUDGET \$167,230,000



**FY 2018 - FY 2019
APPROVED CAPITAL BUDGET PROGRAM**

The following is a list of highlighted projects within the FY 19 Approved Capital Budget:

<u>GENERAL</u>		<u>SOLID WASTE</u>	
Abingdon Library Window Replacement	1,259,000	Waste-to-Energy Facility Closure	2,050,000
Board of Education Debt Service 19	21,756,700		
Courthouse Building Repairs	3,000,000	<u>HIGHWAYS</u>	
Facilities Repair Program	5,800,000		
Fleet Replacement	2,000,000	<u>BRIDGES:</u>	
Safeguarding Business Operations	1,700,000		
<u>BOARD OF EDUCATION</u>		Bridge Inspection Program	850,000
Bel Air ES HVAC Systemic Renovation & Open Space Enclosure	568,000	Bridge Rehabilitation	841,381
Fallston Chiller Replacement	1,000,000	Chestnut Hill Bridge #40	1,180,000
Havre de Grace MS/HS Replacement	43,831,000	Glen Cove Road Bridge #156	200,000
Roof Replacement - Aberdeen Middle	2,664,000	<u>ROADS:</u>	
Technology Infrastructure	1,000,000		
<u>PUBLIC SAFETY</u>		Guardrails	150,000
Joppa/Magnolia Fire Station Expansion	540,000	Intersection Improvements	400,000
Mobile/Portable Radio System Upgrade	1,000,000	Schucks Road Improvements	456,176
VFC Facility Repair	460,000	Spesutia Road Reconstruction/Upgrade	500,000
Whiteford VFC Reno of Main Station	350,000	<u>RESURFACING:</u>	
		Resurfacing Roadways	6,513,245
<u>HARFORD COMMUNITY COLLEGE</u>		<u>OTHER:</u>	
Fallston Hall Renovations	5,851,000		
		APG Gate Pilot	500,000
<u>LIBRARIES</u>		Fleet Maintenance Facility	561,000
Technology	200,000	Fleet Replacement	1,500,000
		Safeguarding Business Operations	400,000
<u>PARKS AND RECREATION</u>		<u>WATER</u>	
Bush River Dredging and DMP Site	890,000	Fleet Replacement	800,000
Emily Bayliss Graham Park	800,000	Perryman GAC Plant Improvements	500,000
Emmorton Rec & Tennis Center Improv	500,000	Renew & Replace Water Infrastructure	300,000
Forest Hill Recreation Complex Improv	600,000	Tank Painting	800,000
Parkland Acquisition	3,100,000	Water and Sewer Infrastructure Improvements	1,000,000
Trails & Linear Parks	5,500,000	<u>SEWER</u>	
<u>STORMWATER MANAGEMENT</u>		Bio Solids Facilities Enhancements	4,000,000
Bynum Run @ St. Andrews Way Stream Restoration	800,000	Brentwood Park Pumping Station Improv	1,250,000
County Owned Watershed Restoration	3,025,000	Fallston Area Sewer	3,800,000
Joppatowne Area Watershed Restoration	900,000	Hickory Sewer Infrastructure Improvements	3,000,000
Plumtree Run Watershed Restoration	900,000	Sod Run Facility Improvements	1,300,000
Upper Bynum Watershed Restoration	1,450,000	Sod Run WWTP Ultraviolet Disinfection	3,000,000
Watershed Restoration Assessment	1,600,000		

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