
BARRY GLASSMAN
HARFORD COUNTY EXECUTIVE



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Harford County Executive Glassman Proposes Fiscally Responsible FY2016 Budget

No Increase in Taxes, Record Funding for Education

BEL AIR, Md., (April 13, 2015) - Harford County Executive Barry Glassman has proposed a fiscally responsible budget for fiscal year 2016 that is nearly \$3 million smaller overall than last year with no tax increases, yet provides record funding for school system operations and merit-based pay increases for qualifying county employees. In his first budget as county executive, Mr. Glassman proposes the smallest capital budget in ten years to halt the trend of yearly increases in new debt and to allow the county to retain the highest-possible Triple-A bond rating. In addition to proposing salary enhancements for county employees, made possible through ongoing efficiency measures, the county executive's budget also provides additional funding to raise salaries for employees of outside agencies, including the Board of Education and the Sheriff's Office. Half of the county's new revenue is directed toward K-12 education. The FY2016 budget, which totals \$732 million overall, also includes county funding earmarked for treatment of heroin addiction for the first time ever.

County Executive Glassman's proposed budget will be formally presented on Tuesday to the Harford County Council and posted on the county website www.harfordcountymd.gov. The text of his budget message appears below.

A Message from Harford County Executive Barry Glassman:

My first budget proposal as county executive charts a new path forward by restoring balance and fiscal responsibility for our citizens and employees.

For fiscal year 2016, revenue projections show only modest growth overall, with new money for general operations increasing by 1.6%, or \$7.7 million. In addition, prior spending has drained our unassigned fund balance from \$30 million to \$6 million, and more than doubled taxpayer-supported debt to \$500 million over the past ten years. Rising debt is not sustainable with low revenue growth. We must begin to change course.

At my inauguration in December, I said that changes would not happen overnight, and the economy would not turn on a dime, but my administration would seize the chance to make a difference. This budget begins to restore fiscal balance, strengthen families and communities, and reinvest in our workforce, even as we improve services. This is the path I have chosen to move Harford County forward as Maryland's new center of opportunity.

My total proposed budget for the fiscal year 2016 including all funds is \$731,898,044, a decrease of .4% or \$2,861,350 from the current year. The total budget includes a General Fund Operating Budget of \$502,604,595 and a Capital Budget of \$89,641,500. Highlights appear below.

RESTORING BALANCE & EFFICIENCY

- No tax increases
- Lowest level of capital spending in 10 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 on financing costs
- Rightsizing of the county workforce, eliminating 67 positions thus far, and living within our means through ongoing efficiency measures

REINVESTING IN OUR WORKFORCE

- Merit-based salary increases of \$1,000 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 and Circuit Court system, with increased funding equivalent to \$500 per employee, and encouragement for their leaders to provide matching funds for salary enhancements

INVESTING IN EDUCATION

- Funding for Harford County Public Schools at a record level
- Half of the county's new revenue directed to K-12 education
- Operating funding for HCPS at \$228,208,971, or \$5,062,039 above the Maintenance of Effort requirement
- Support for teachers, with \$3.1 million in increased funding for salaries and encouragement for the Board of Education to provide matching funds for salary enhancements
- Classroom technology upgrades of \$250,000 in capital funding for HCPS
- Restoration of \$300,000 in operating funds for Harford Community College that had been cut under the prior county administration

STRENGTHENING COMMUNITIES

- First-ever county funding for treatment of heroin addiction, with an initial \$100,000
- Creation of a \$50,000 EMS Community Service Training Scholarship, offering training in exchange for public service
- Increased funding of \$150,000 for ambulance services provided by the Harford County EMS Foundation

CAPITAL PROJECT HIGHLIGHTS

- Storm water remediation projects funded at \$6 million; despite our repeal of the rain tax, this amount is more county funding than in the past 8 years combined; projects are funded by redirecting and leveraging a portion of the existing recordation tax
- Road and bridge repairs: \$5,640,000
- Parks and recreation facility repairs and construction: \$1,935,000
- Priority repairs for Volunteer Fire Company facilities: \$600,000
- Upgrades to replace the county's antiquated and inefficient computer software and hardware: \$3,112,500

- Support for higher education with FY2017 funding planned for Harford Community College's Edgewood Hall renovation
- Havre de Grace Middle/High School replacement project retained in the six-year Capital Improvement Program, contingent upon revenues

Relevant to this budget proposal are the actions my administration has taken in our first four months in office to revive job growth and business activity. With the help of our County Council, we repealed the rain tax, removing an unfair burden on businesses and other taxpayers. My administration also created a one-stop-shop for businesses to launch, relocate and grow in Harford County. Consolidating our Office of Economic Development at a modern facility on the Route 40 Corridor locates these vital services near Aberdeen Proving Ground and our growing knowledge-based economic sector. And we finally succeeded in implementing a hotel tax, using the proceeds for grants to spur tourism and the other businesses that flourish when visitors come to town. With these early actions we have laid the groundwork to capitalize on an improving economy.

In the near term, my administration is streamlining county operations to live within our means and better serve our customers. Actions include outsourcing, consolidating office space and using technology to improve services. In response to fiscal pressures, we are also rightsizing our workforce with a successful early retirement incentive, backfilling only essential roles and offering those opportunities to existing employees whenever possible.

Fiscal pressures are also the reason I announced in January that we would temporarily defer large new capital projects. No matter how worthy these projects may be, borrowing tens of millions of dollars must be done at the right pace to ensure our financial stability. This realistic and sustainable approach to future borrowing was recognized by the major bond rating agencies in granting us their highest possible Triple-A rating.

In closing, I want to thank the many citizens who shared their input at Harford County's first-ever virtual town hall meeting on the budget. Along with your emails, phone calls and letters, I appreciate your help in putting together a budget that reflects our shared priorities and this new path forward.

I also want to thank my budget team, and all of our county workers who work with integrity and diligence each day in service of our customers, the citizens of Harford County.

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