

# Fiscal Briefing

## Overview of the Proposed FY 2016 Operating and Capital Budgets

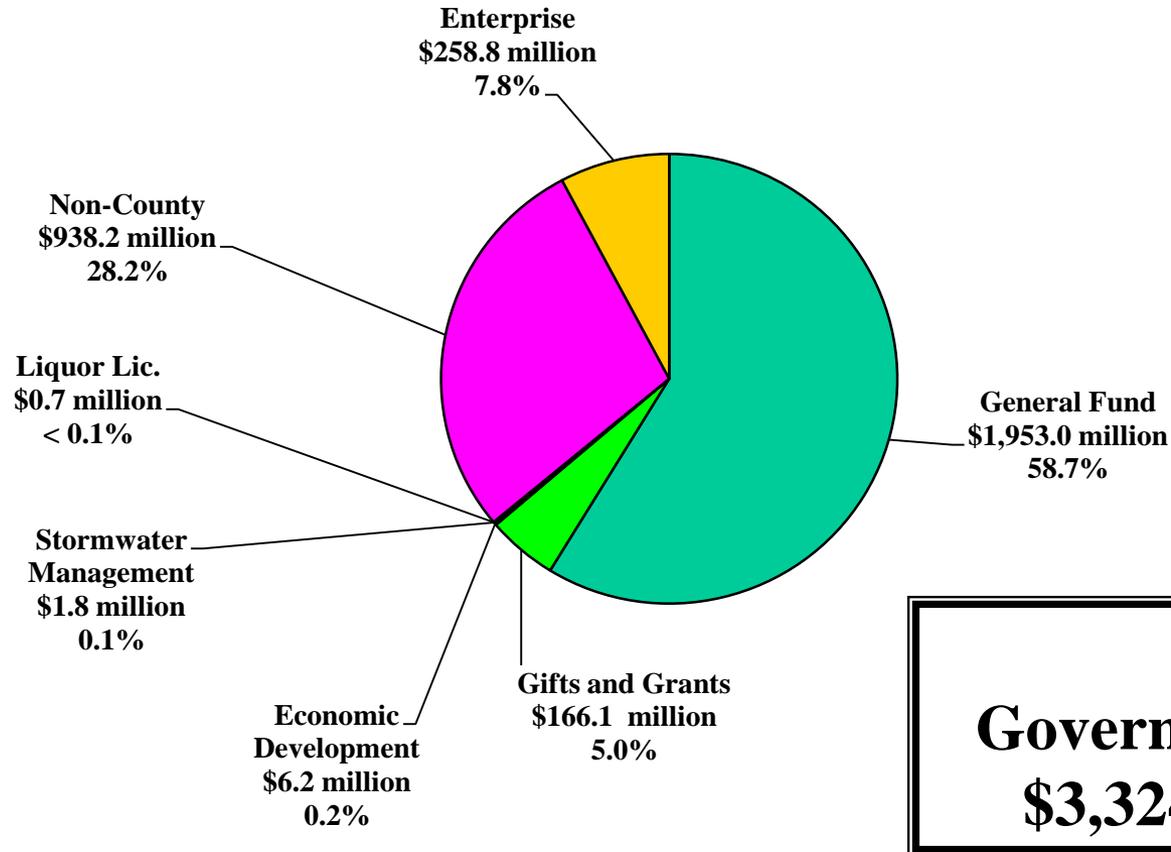


Office of the County Auditor

Baltimore County, Maryland

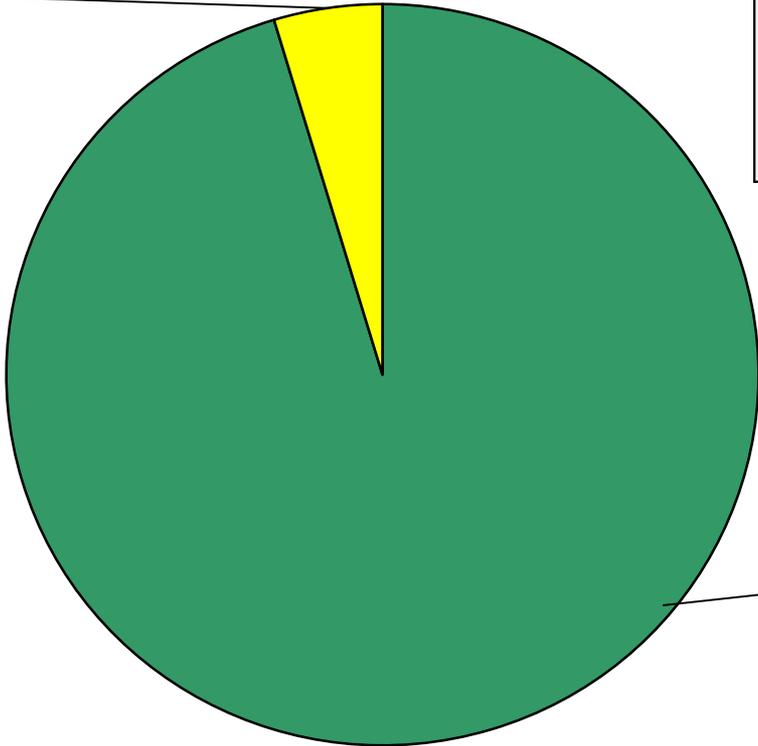
April 28, 2015

# FY 2016 Operating Budget



# FY 2016 Budget

**Assigned Surplus**  
**\$90.9 million**  
**4.7%**

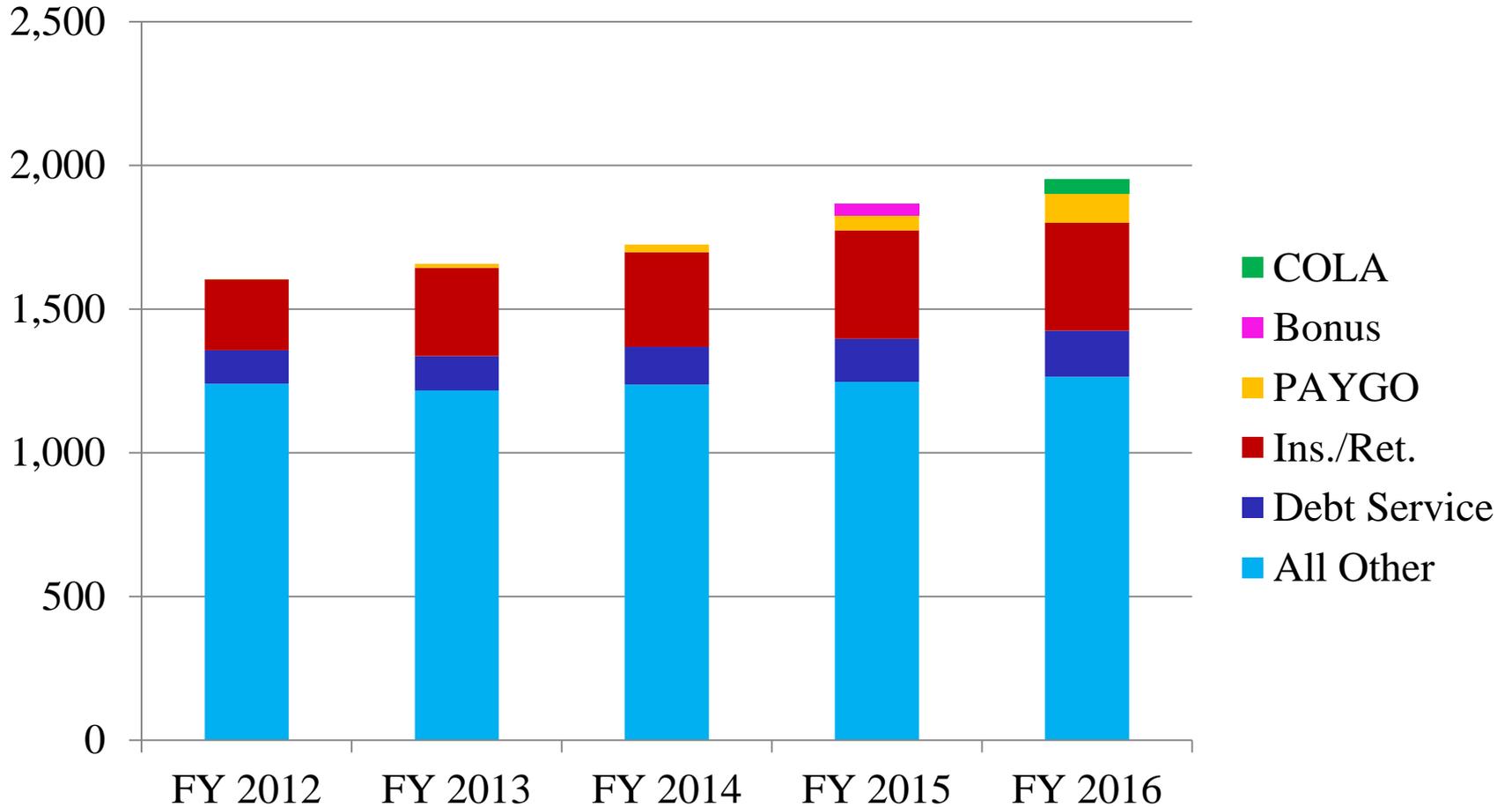


**General Fund:**  
**\$1,953.0 Million**

**Budgeted Revenue**  
**\$1,862.1 million**  
**95.3%**

# General Fund Budget History

(\$ in millions)

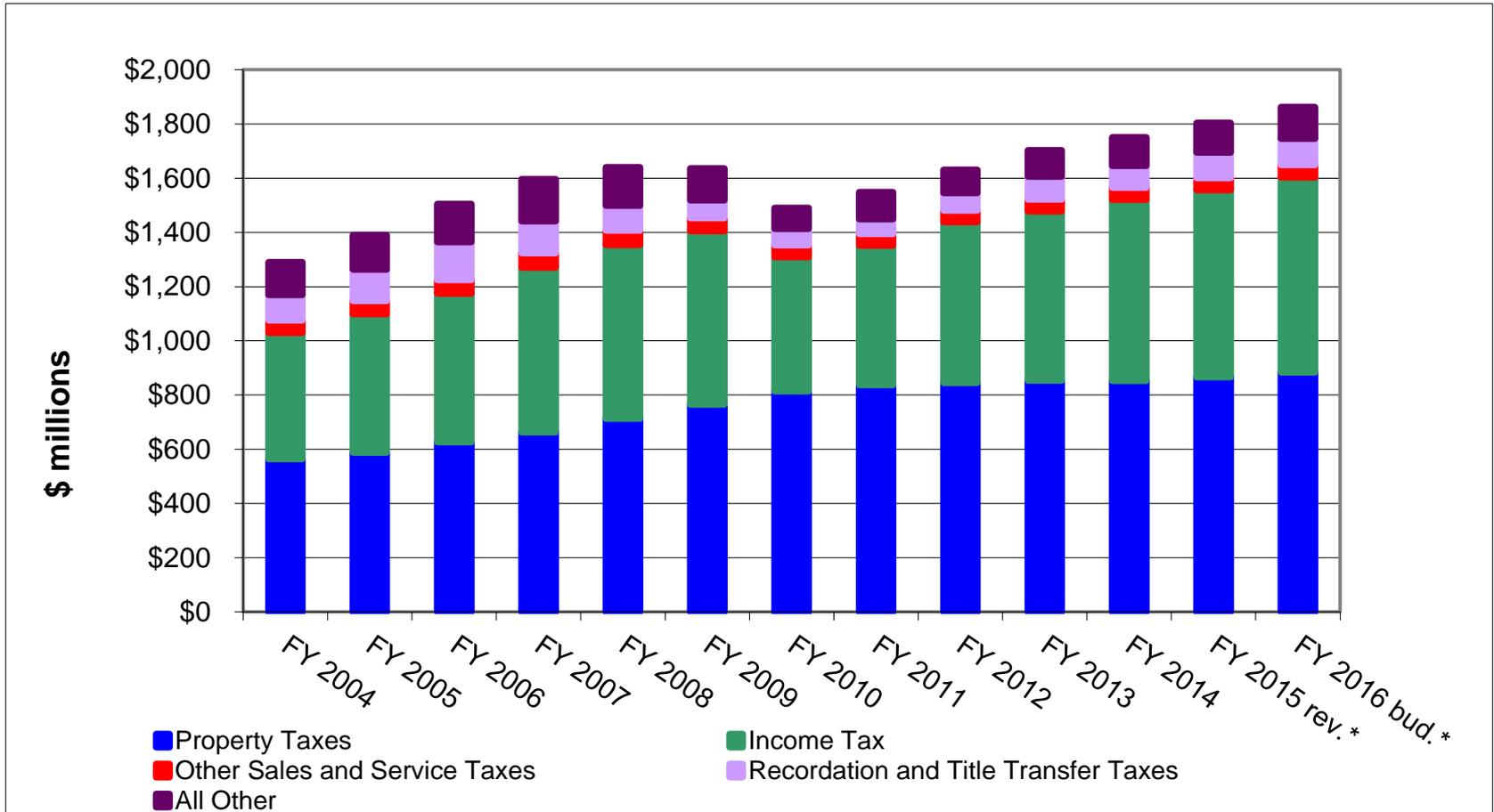


# FY 2016 General Fund Revenues

	<u>Budget</u>	<u>Legislative</u>
Property Taxes	\$ 884.3	\$ 878.8
Income Tax	718.9	708.0
Recordation & Transfer Taxes	97.0	101.6
Sales and Service Taxes	46.3	44.4
State, Federal Aid	45.2	44.2
Other	<u>70.3</u>	<u>67.9</u>
<b>Total</b>	<b>\$ 1,862.1*</b>	<b>\$ 1,844.9</b>

\*Total does not add due to rounding.

# General Fund Revenues History



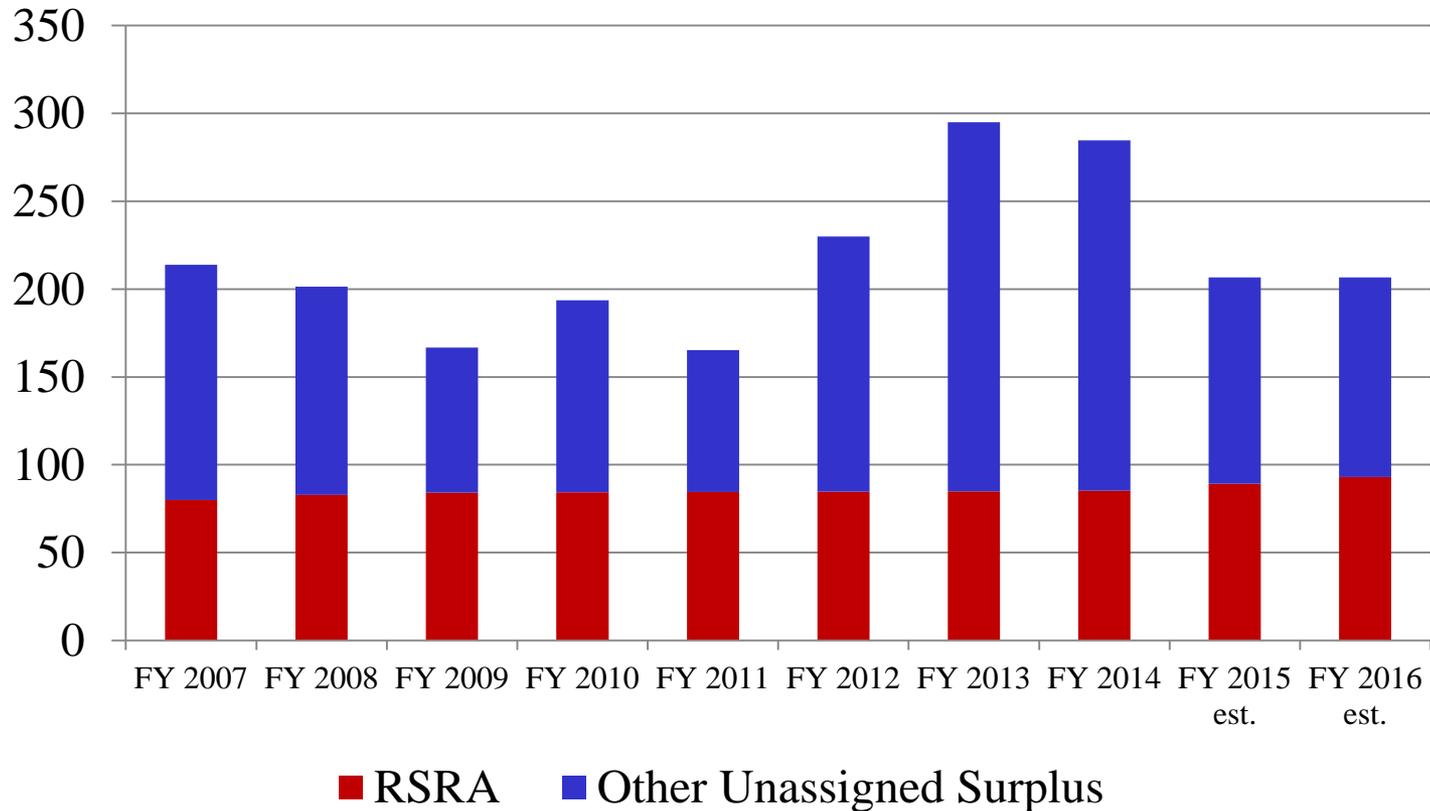
\*Estimates from the Executive's FY 2016 Budget Message.

# General Fund Surplus

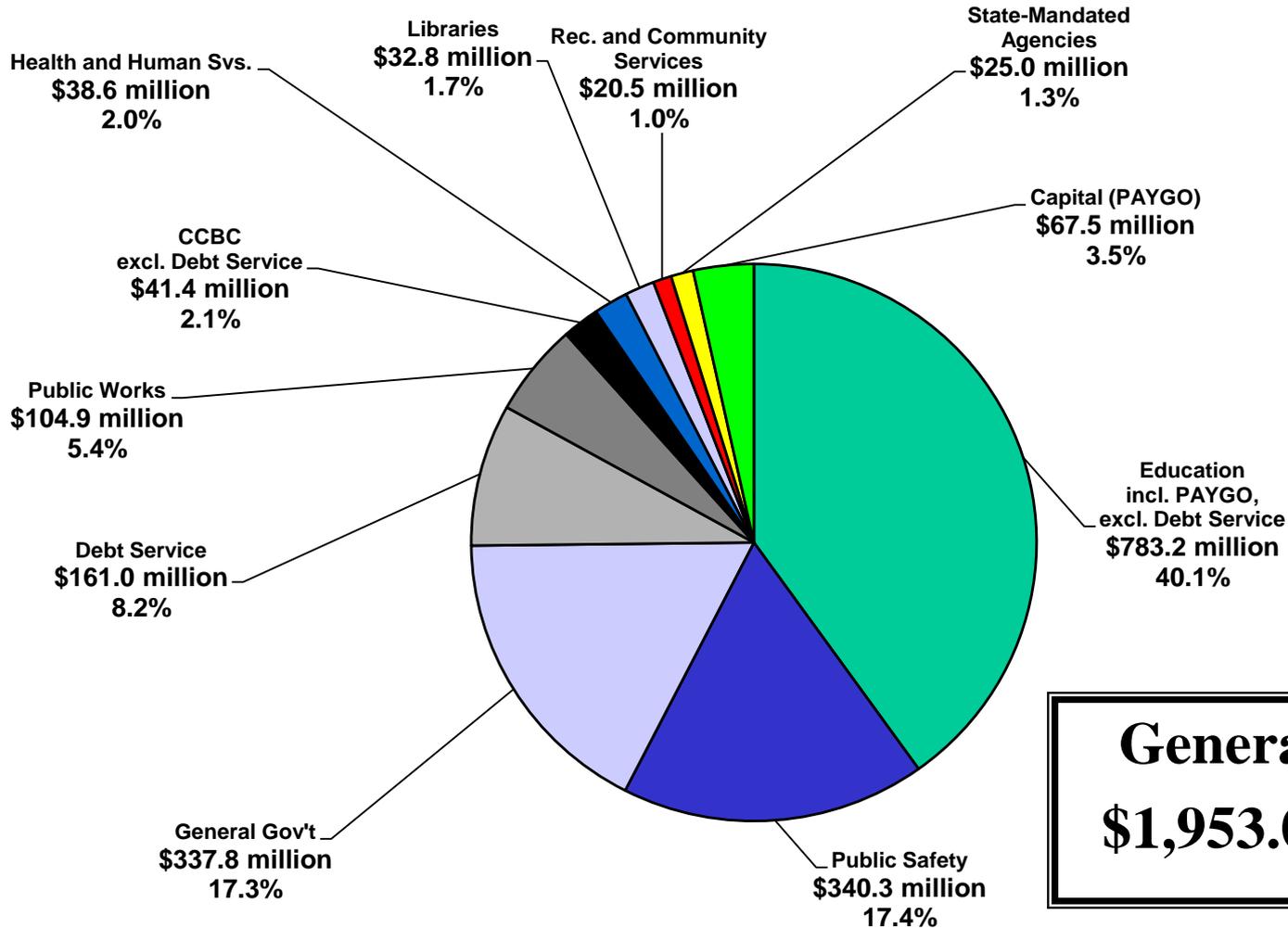
- Projected General Fund surplus is lower than in recent years (as planned) and stays within recommended levels
- Starting FY 16 with \$208 million available balance, plus \$89 million in RSRA
  - Using \$91 million for primarily one-time purposes
  - Ending FY 16 with \$114 million available balance, plus \$93 million in RSRA

# Surplus History, FY 2007 – FY 2016

(\$ in millions)



# FY 2016 Budget Use of Funds



**General Fund:  
\$1,953.0 Million**

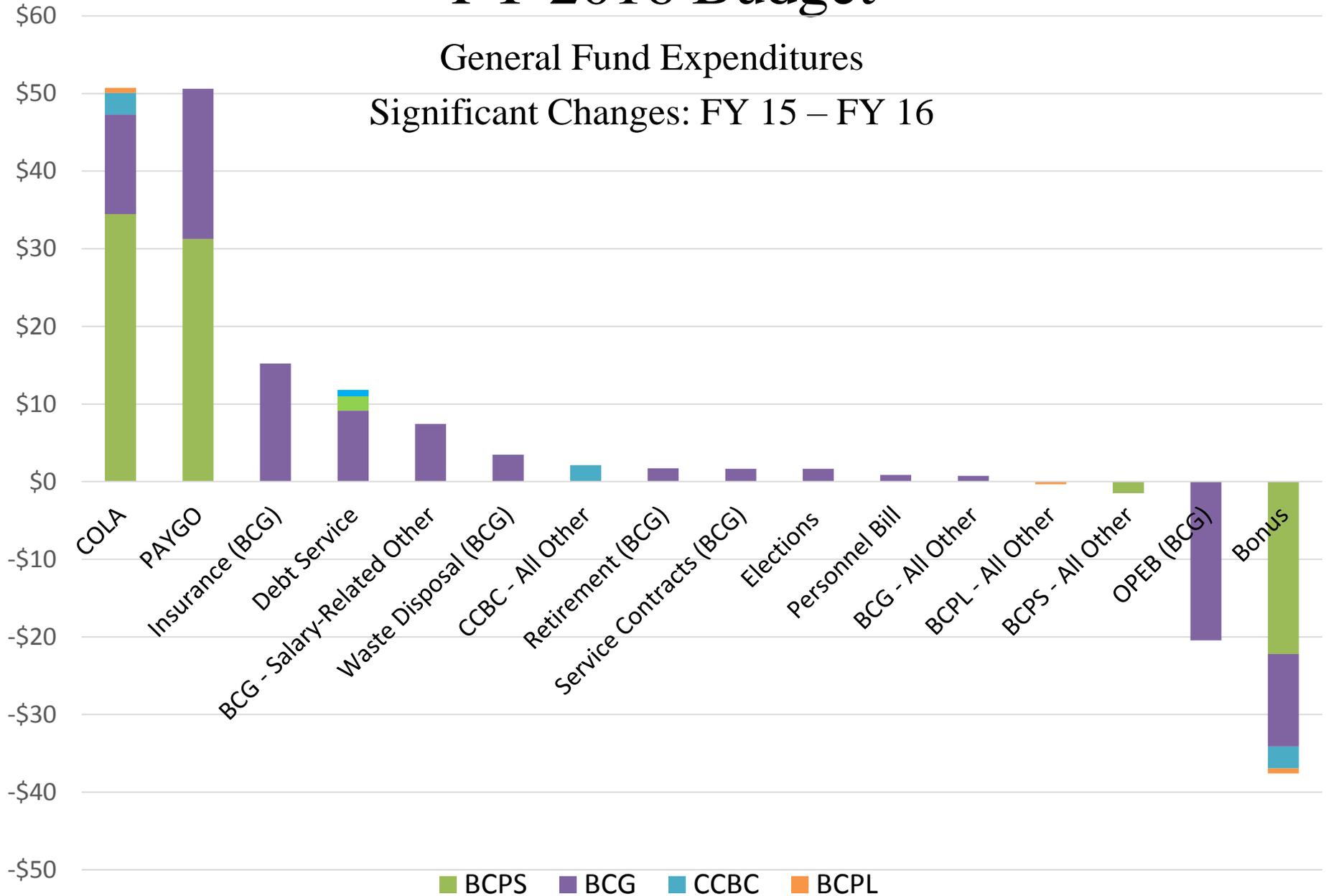
# FY 2015 to FY 2016 Agency Changes

<u>Agency</u>	<u>FY 2015</u> <u>Approp.</u>	<u>FY 2016</u> <u>Approp.</u>	<u>\$ Increase/</u> <u>(Decrease)</u>	<u>%</u> <u>Of Total Change</u>
BCPS	\$ 780,108,619	\$ 824,029,701	\$ 43,921,082	49.86%
Capital Expenditures - PAYGO	48,104,665	67,452,800	19,348,135	21.96%
Debt Service	102,844,663	111,991,467	9,146,804	10.38%
Public Works	100,399,928	104,873,066	4,473,138	5.08%
College	46,734,048	49,593,018	2,858,970	3.25%
Police	195,854,818	198,513,945	2,659,127	3.02%
Retirement	108,149,698	110,432,120	2,282,422	2.59%
OIT	23,791,813	25,963,418	2,171,605	2.47%
Board of Elections	4,226,393	6,049,706	1,823,313	2.07%
Property Management	32,775,992	33,928,558	1,152,566	1.31%
Health	20,501,621	21,550,611	1,048,990	1.19%
Other Agencies (Inc./Dec. < \$300K)	117,220,077	118,148,274	928,197	1.05%
Fire	92,725,260	93,647,357	922,097	1.05%
Social Services	7,292,651	7,795,975	503,324	0.57%
Human Resources	3,281,435	3,716,722	435,287	0.49%
Rec & Parks	10,485,829	10,884,361	398,532	0.45%
Library	33,079,623	32,764,153	(315,470)	-0.36%
Sheriff	5,516,864	5,095,976	(420,888)	-0.48%
Insurance	131,847,638	126,605,502	(5,242,136)	-5.95%
	<u>\$ 1,864,941,635</u>	<u>\$ 1,953,036,730</u>	<u>\$ 88,095,095</u>	

# FY 2016 Budget

## General Fund Expenditures

Significant Changes: FY 15 – FY 16



# FY 2016 Authorized Positions

<u>Agency</u>	<u>FY 2015 Budg.</u>	<u>Mid-Yr Adjust.</u>	<u>Current</u>	<u>FY 2016 Changes</u>			<u>FY 2016 Proposed</u>	<u>Net Change</u>
				<u>Transf.</u>	<u>Add</u>	<u>Delete</u>		
BCPS	14,626	0	14,626	0	128	0	14,753	128
Public Safety	4,234	8	4,242	0	2	0	4,244	2
CCBC	1,936	0	1,936	0	0	(7)	1,929	(7)
Health/Human Services	1,165	13	1,178	0	17	(6)	1,189	11
Public Works	865	0	865	0	0	0	865	-
General Government	1,063	16	1,079	(9)	1	(11)	1,060	(19)
BCPL	478	(2)	476	9	0	0	485	9
Recreation/Community	273	4	277	0	0	(15)	262	(15)
State-Mandated	<u>383</u>	<u>(1)</u>	<u>382</u>	<u>0</u>	<u>1</u>	<u>(5)</u>	<u>378</u>	<u>(4)</u>
Total	<u>25,023</u>	<u>38</u>	<u>25,061</u>	<u>0</u>	<u>149</u>	<u>(44)</u>	<u>25,165</u>	<u>104</u>

\*Totals may not add due to rounding.

# FY 2016: Spending Affordability

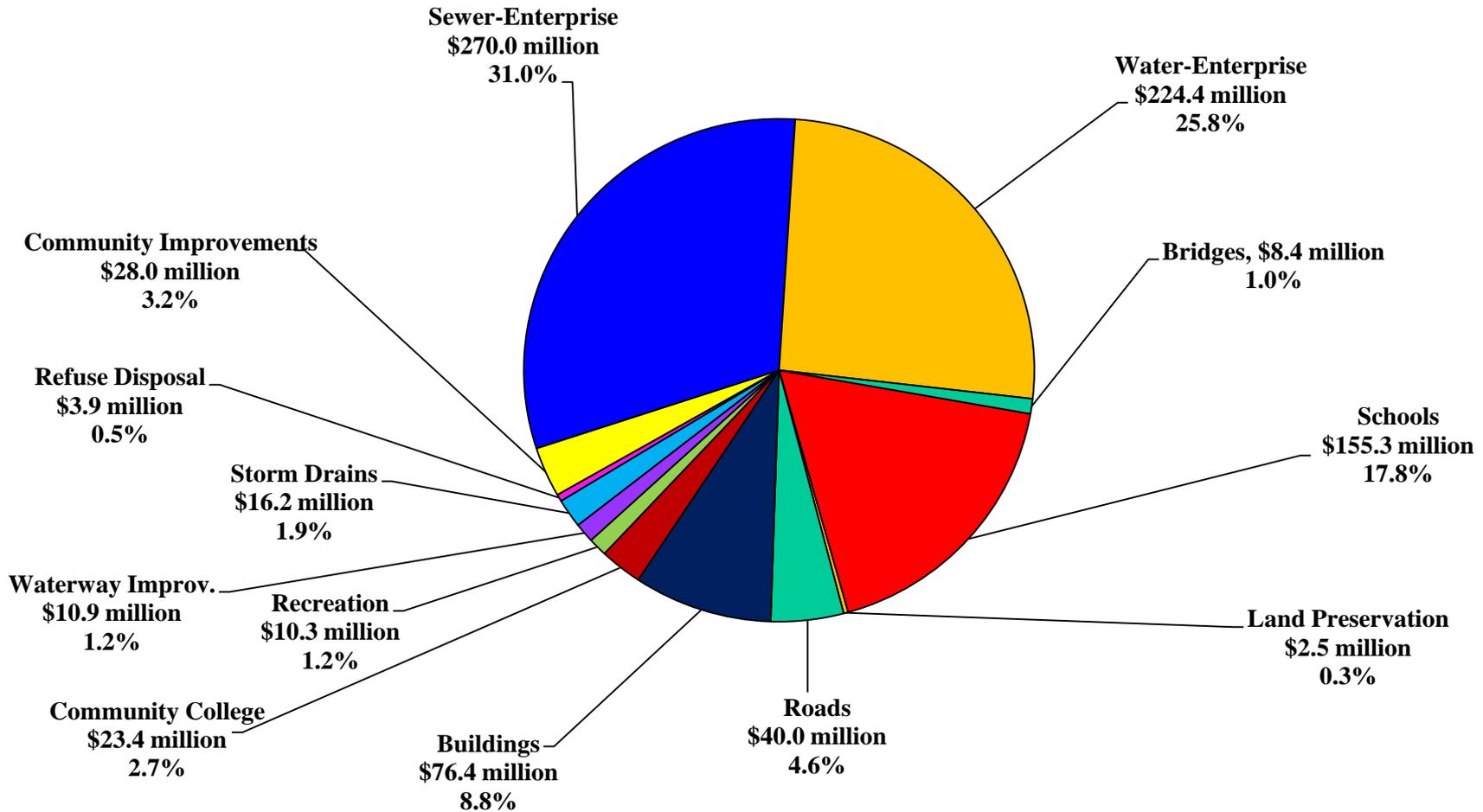
- After excluding one-time/non-recurring costs:

FY 16 SAC Guideline	\$1,810.3 million
<u>FY 16 Adjusted Budget</u>	<u>\$1,799.3 million</u>
Amount Under Guideline	\$ 11.0 million

# FY 2016 Capital Budget – Project Classifications

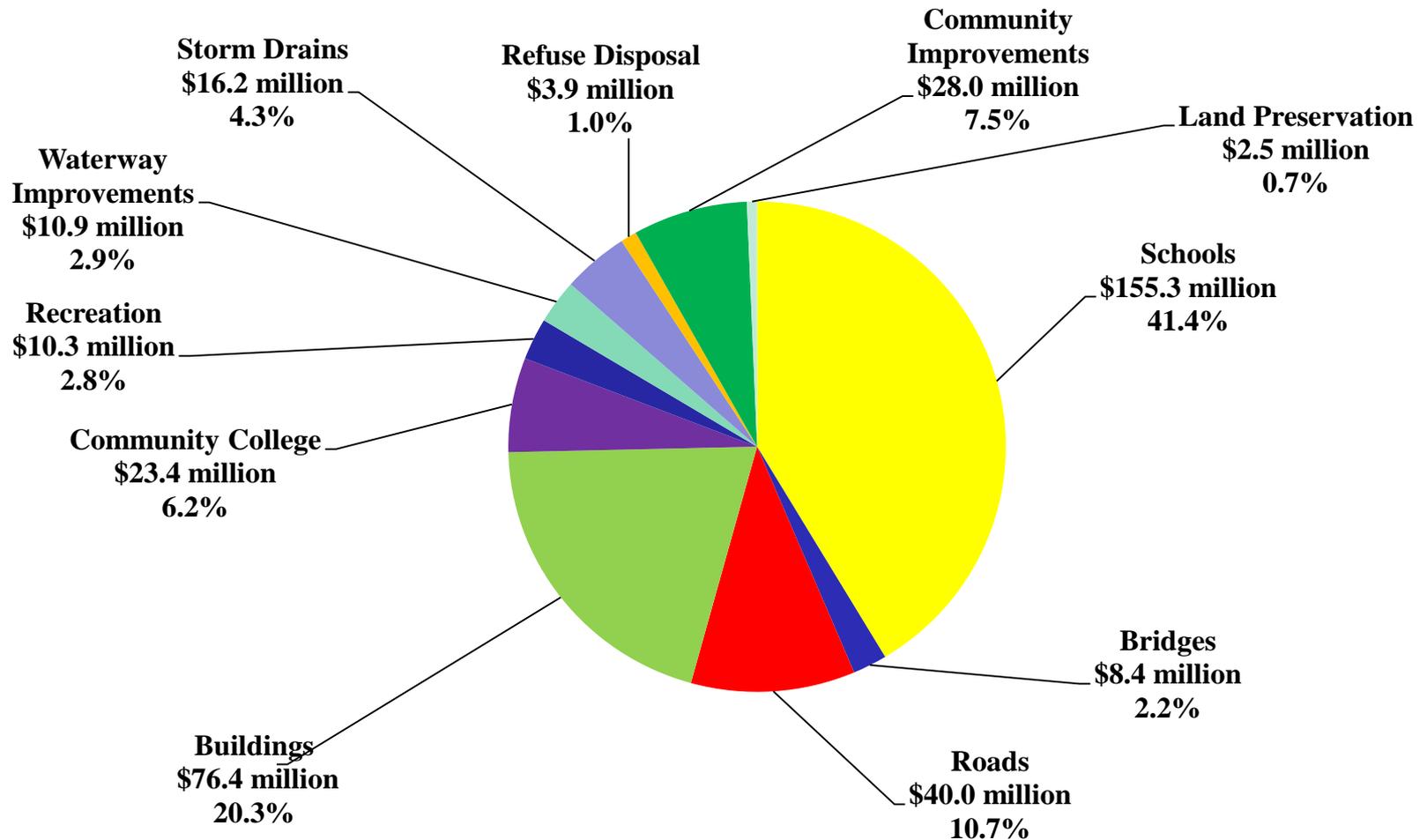
**Total Projects \$869.7 million**

CPI: \$375.3 million  
Metro: \$494.4 million



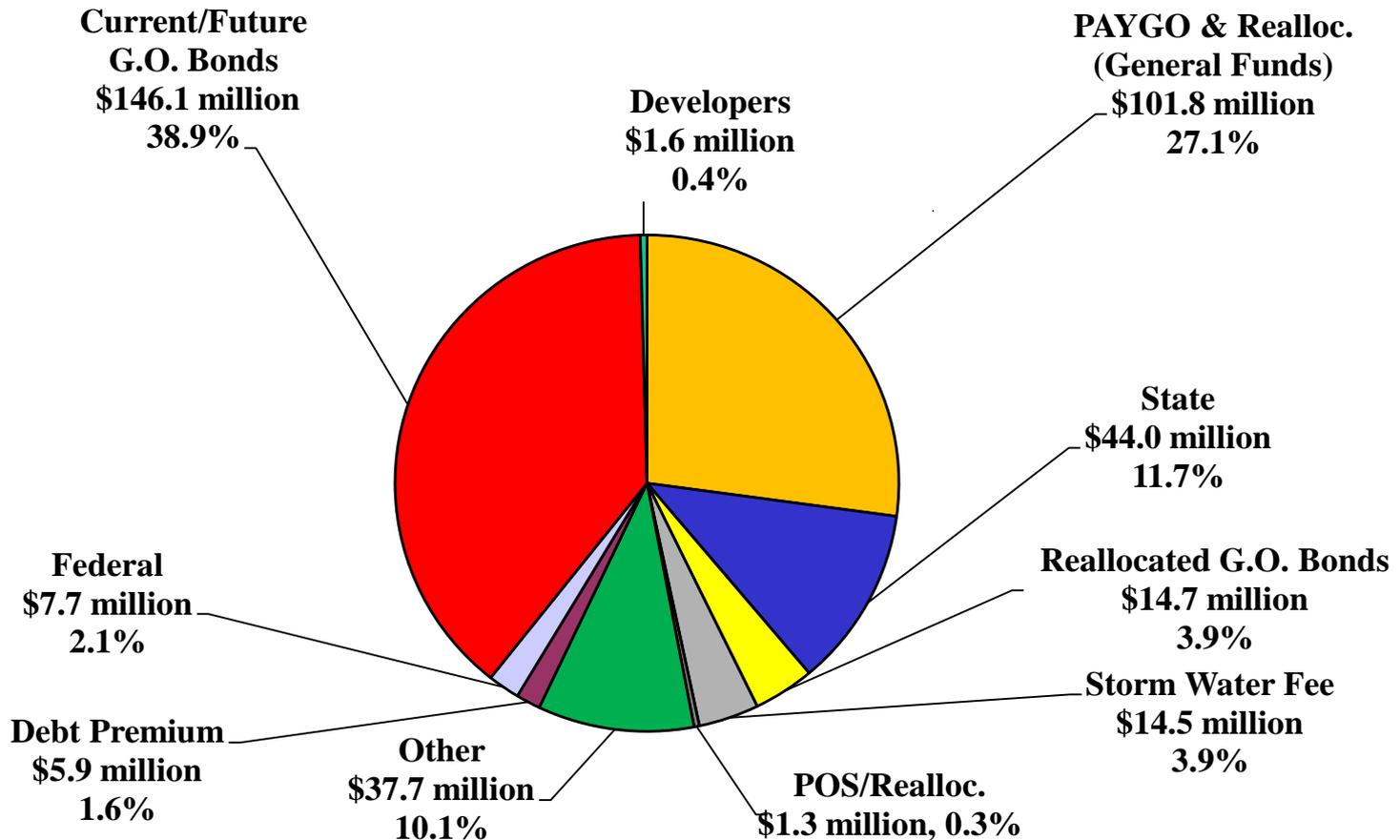
# FY 2016 Capital Budget – Project Classifications

**Total CPI Projects \$375.3 million**



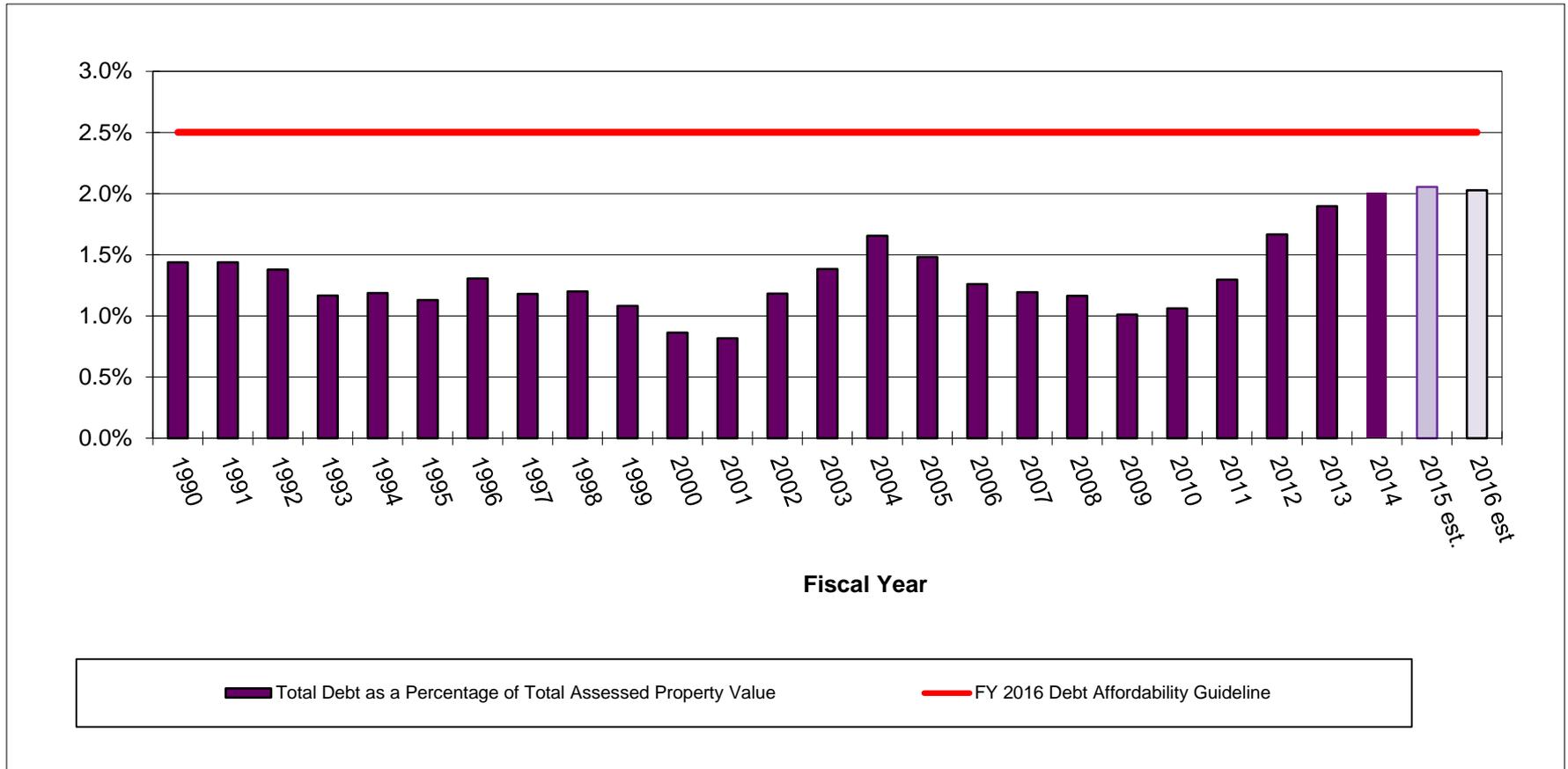
# FY 2016 Capital Budget - Funding Sources

**Total CPI Sources \$375.3 million**



# FY 16: Debt Affordability

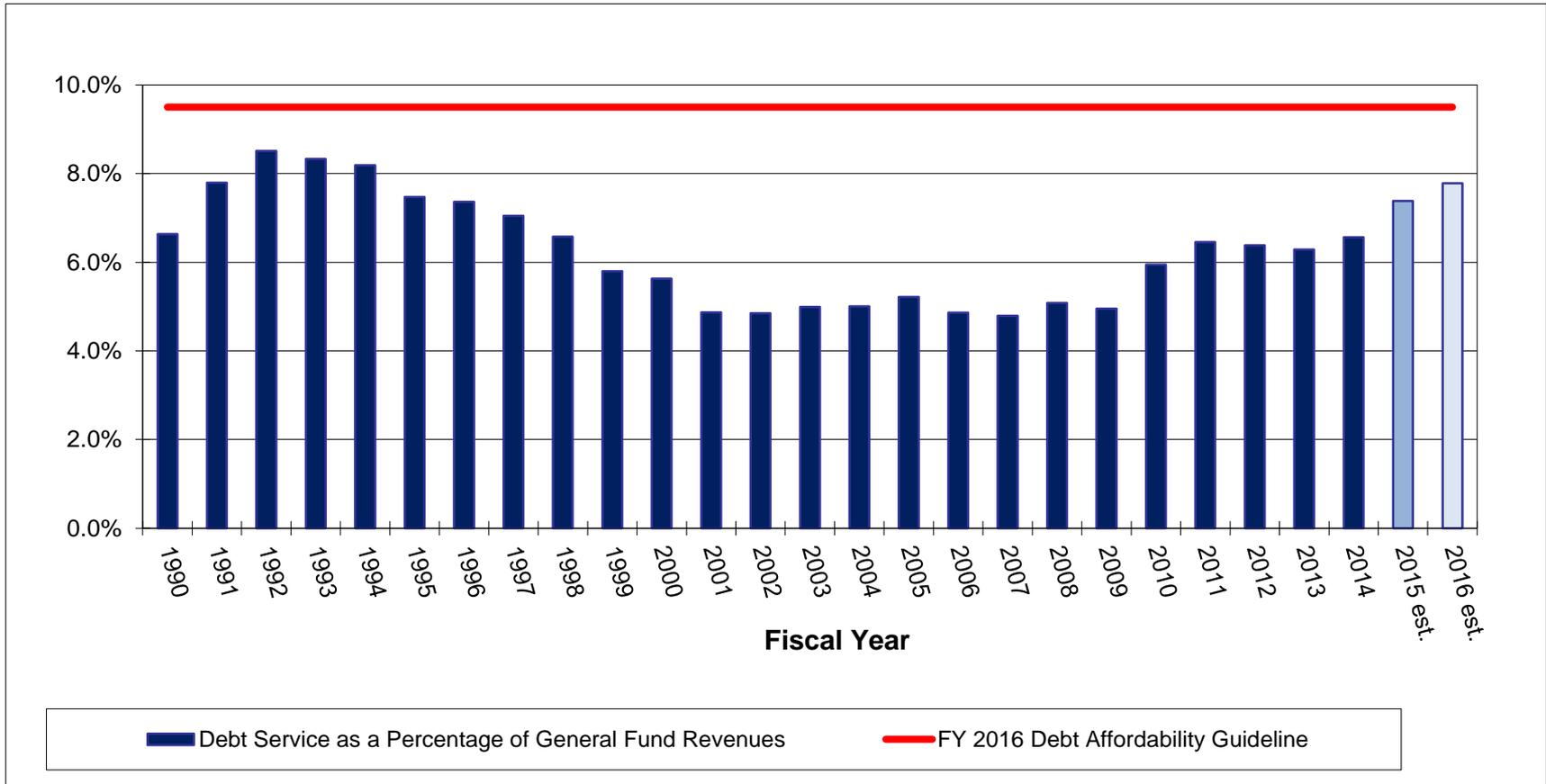
## Debt Outstanding Guideline



Notes: Excludes debt related to pension funding, metropolitan district bonds, and component unit capital leases not budgeted under Primary Government. FY 2015 and 2016 debt outstanding is estimated. FY 2016 guideline based on estimated total property value of \$79,425,383,000. All prior year figures are actual.

# FY 16: Debt Affordability

## Debt Service Guideline



Note: Excludes debt service related to pension funding, metropolitan district bonds, and component unit capital leases not budgeted under Primary Government. FY 2015 and FY 2016 revenues are estimated; FY 2015 debt service represents adjusted appropriation, and FY 2016 debt service represents budgeted amount. All prior-year figures are actual.

# Annapolis 2015

- Nearly 5% (or more than \$33 million) increase in State Aid from State operating budget
  - Largely driven by scaled-back application of existing formulas
  - Most of the increase goes to schools
  - General Assembly restored certain funding (\$10 million for Baltimore County)
  - Statutory increases would have been higher by \$7 million
- Some additional school construction funding from State capital budget
- Stormwater fee no longer mandated, but counties still required to fund their stormwater obligations under the MS4 permit and report on such funding
- Increased liability limits for local governments under the Local Government Tort Claims Act (from \$200,000 to \$400,000 for a single claim, and from \$500,000 to \$800,000 for all claims from a single incident)

# FY 2016 State Aid

Area	FY 2016 Approp.	\$ Change	% Change
<b>Total Direct</b>	<b>\$700.6 M</b>	<b>\$33.4 M</b>	<b>5.0%</b>
Schools	\$623.6 M	\$29.0 M	2.6%
Public Safety (Primarily Police Aid)	\$13.6 M	\$ 2.3 M	20.2%
Health	\$5.3 M	\$ 0.5 M	9.5%
Program Open Space	\$2.9 M	\$ 0.4 M	15.3%
College	\$41.5 M	\$ 0.3 M	0.7%
Library	\$5.5 M	\$ 0.2 M	4.1%
Highway User Revenue	\$4.0 M	\$ (0.4 M)	-0.4%
Teacher Retirement Grant	\$3.0 M	Flat	Flat

# What's Next

- Public Hearing Tonight
- Agency Hearings from April 30 to May 14
- Budget Adoption May 21