



FY 2017 Public Hearing

Proposed FY 2017 Budget Overview

Michael D. Mallinoff, ICMA-CM

County Administrator

David M. Eicholtz,

Director of Fiscal and Administrative Services

Jenifer M. Ellin,

Chief of Budget

Public Hearing Agenda:

April 19, 2016

- Reading of the Public Notice
- **Opening Remarks**
- Budget Process
- **General Fund**
- Enterprise Funds
- **Capital Improvement Program (CIP)**
- Fees & Charges
- **Public Comments**
- Adjournment

County Administrator
Michael Mallinoff

Opening Remarks

The Budget Process and Adoption is the single most important part of policy making.

County Government as a giant symphony.
The lead being the Commissioners like the
Composer.



County Administrator as the Conductor.



Departments as the Symphonic Orchestra.

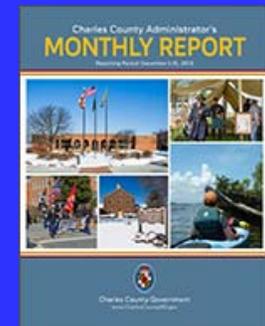


Goal: Provide transparent,
data driven high performing
government.

- Monthly reports

www.charlescountymd.gov/coadmin/county-administrators-monthly-report

- International County Management Association (ICMA)



- National Citizen Survey (NCS)



Fiscal Reputation

- Bond Ratings
 - Fitch: AAA
 - Standard and Poor's: AAA
 - Moody's: Aa1

The Budget Process

- Begins in the Fall with the Fiscal & Administrative Services Department Budget Division making expenditure recommendations
- Department/Agencies requests are formally submitted to the Budget Division

The Budget Process

- The Budget Division meets with Departments/Agencies in January
- County Administrator & Budget Division meets with Departments/Agencies in February

The Budget Process

- Commissioner Work Sessions:
 - March 8th : Review of Water & Sewer Fund – Operating & CIP
 - March 15th : General Fund CIP Budget Work Session
 - March 22nd : Review of Other Enterprise Fund – Operating & CIP

The Budget Process

- Commissioner Work Sessions (cont.):
 - April 5th: General Fund Work Session
 - April 12th: General Fund Work Session
 - April 19th: General Fund Work Session
 - April 19th: Required Public Hearing
 - April 26th: Recap and Final Review
 - May 3rd: Budget Adoption

General Fund

Fiscal Year 2017 Overview

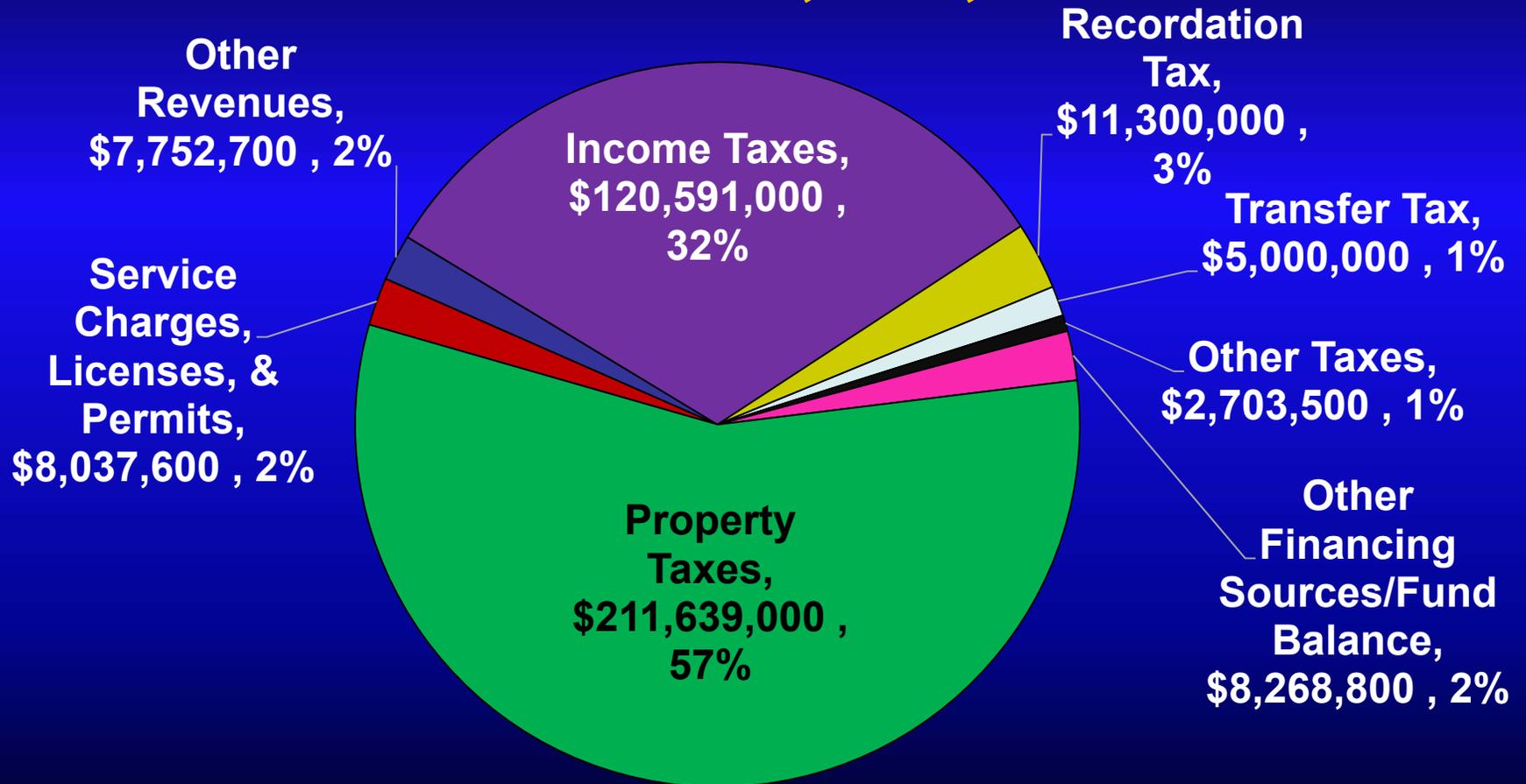
	FY16 Budget	FY 17 Requested	\$ Chg from FY 2016	% Chg	FY17 Proposed
Revenues	\$350,785,200	\$366,843,200	\$16,058,000	4.6%	\$367,023,800
Other Sources	14,897,600	8,465,700	(6,431,900)	-43.0%	8,268,800
Total	\$365,682,800	\$375,308,900	\$9,626,100	2.6%	\$375,292,600
<u>Expenditures:</u>					
Board of Ed.	166,121,100	178,425,400	12,304,300	7.4%	170,474,500
Sheriff	79,926,900	88,231,200	8,304,300	10.4%	82,858,600
County Dept.	55,416,000	60,327,800	4,911,800	8.9%	56,761,400
Debt Service	23,871,100	27,175,100	3,304,000	13.8%	27,223,400
Other	40,347,700	42,183,400	1,835,700	4.6%	37,974,700
Total	\$365,682,800	\$396,342,900	\$30,660,100	8.4%	\$375,292,600
Deficit	\$0	(\$21,034,000)			\$0

What would the Property Tax increase need to be to balance the FY17 Requested Budget?

- 11.3 cent increase on the County Property Tax Rate to cover the \$21,034,000 Requested Budget deficit.
- This would result in a 9% increase on the property tax bill.

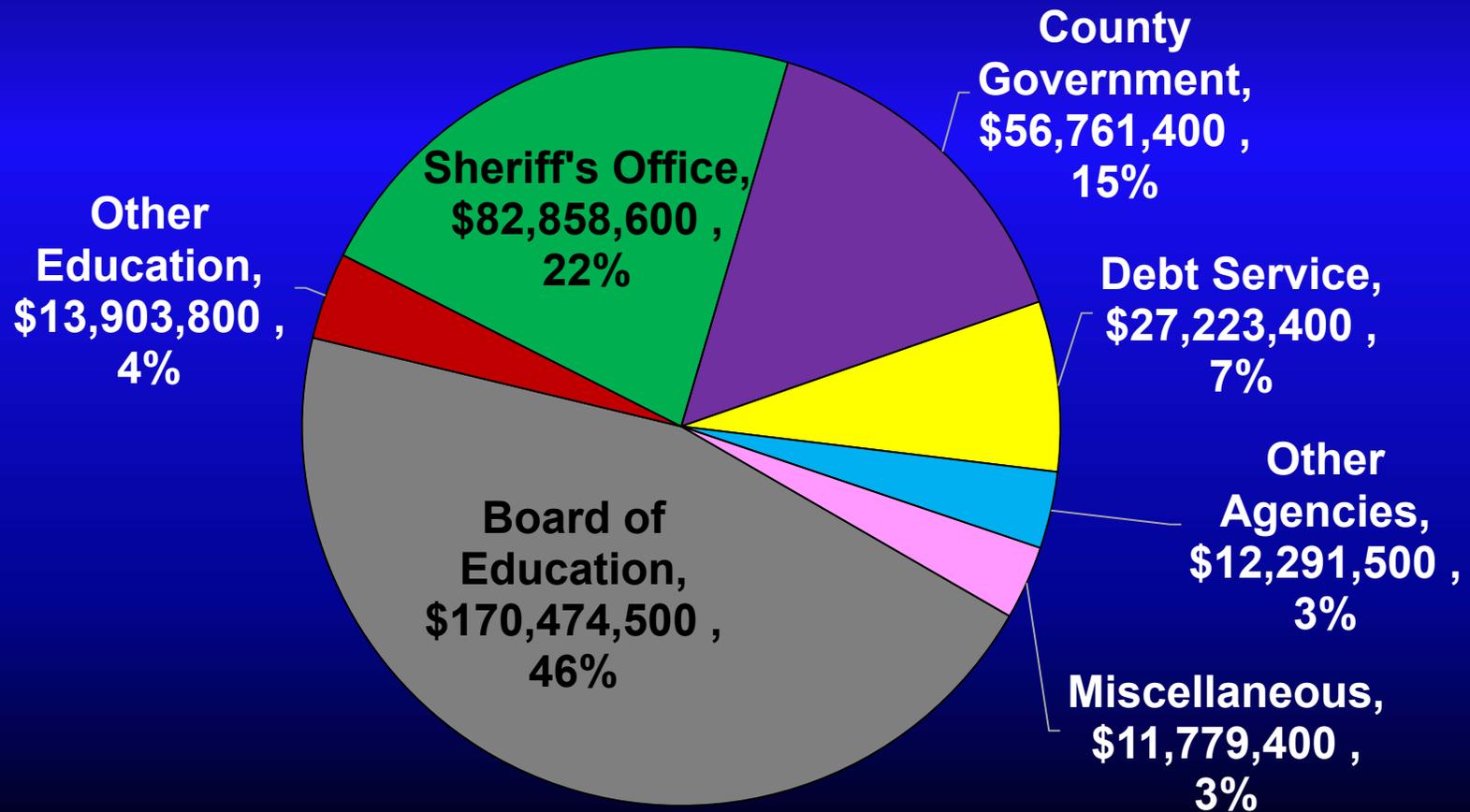
FY17 Revenue Overview

Total = \$375,292,600

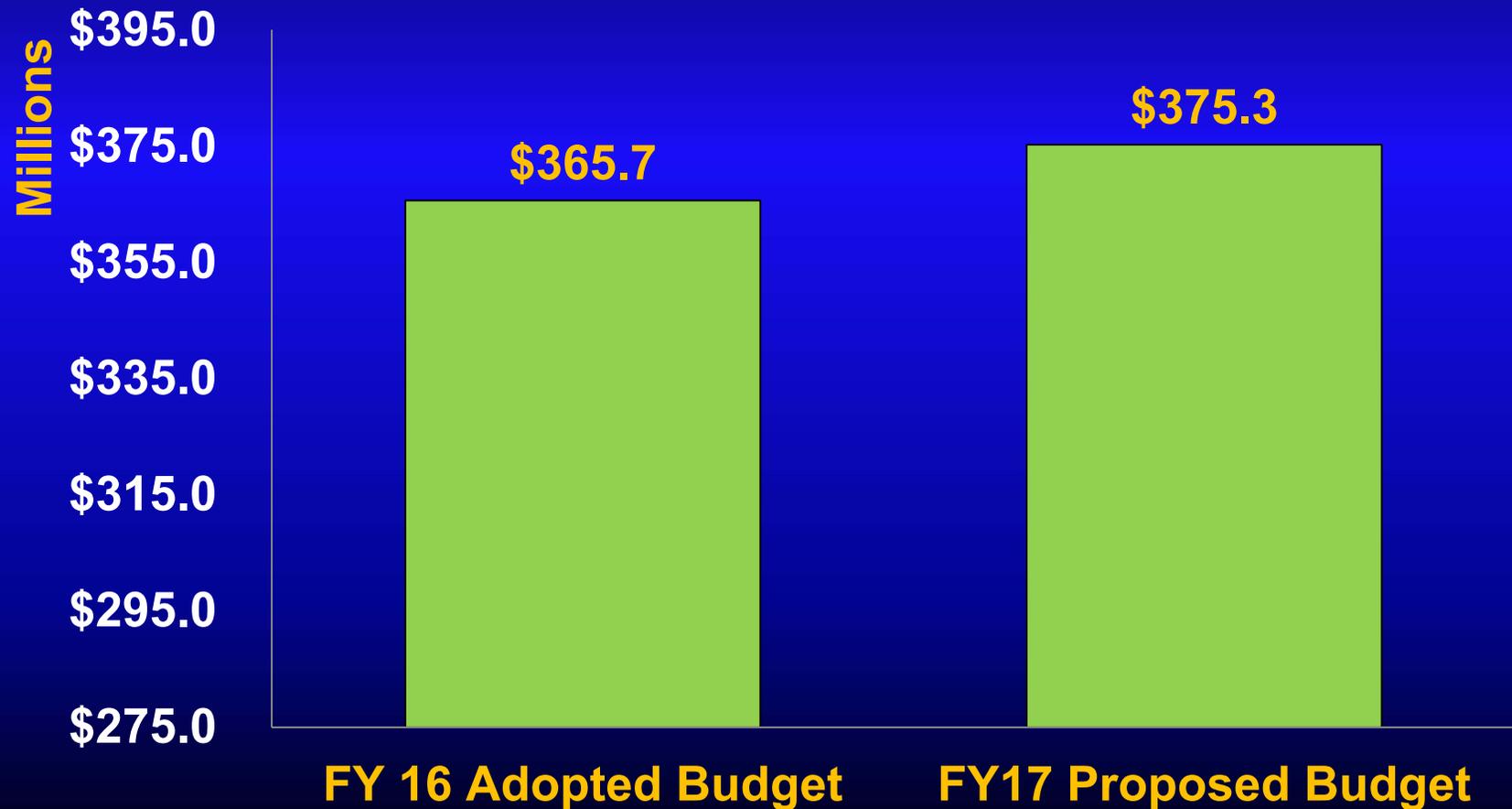


FY17 Proposed Expenditure Overview

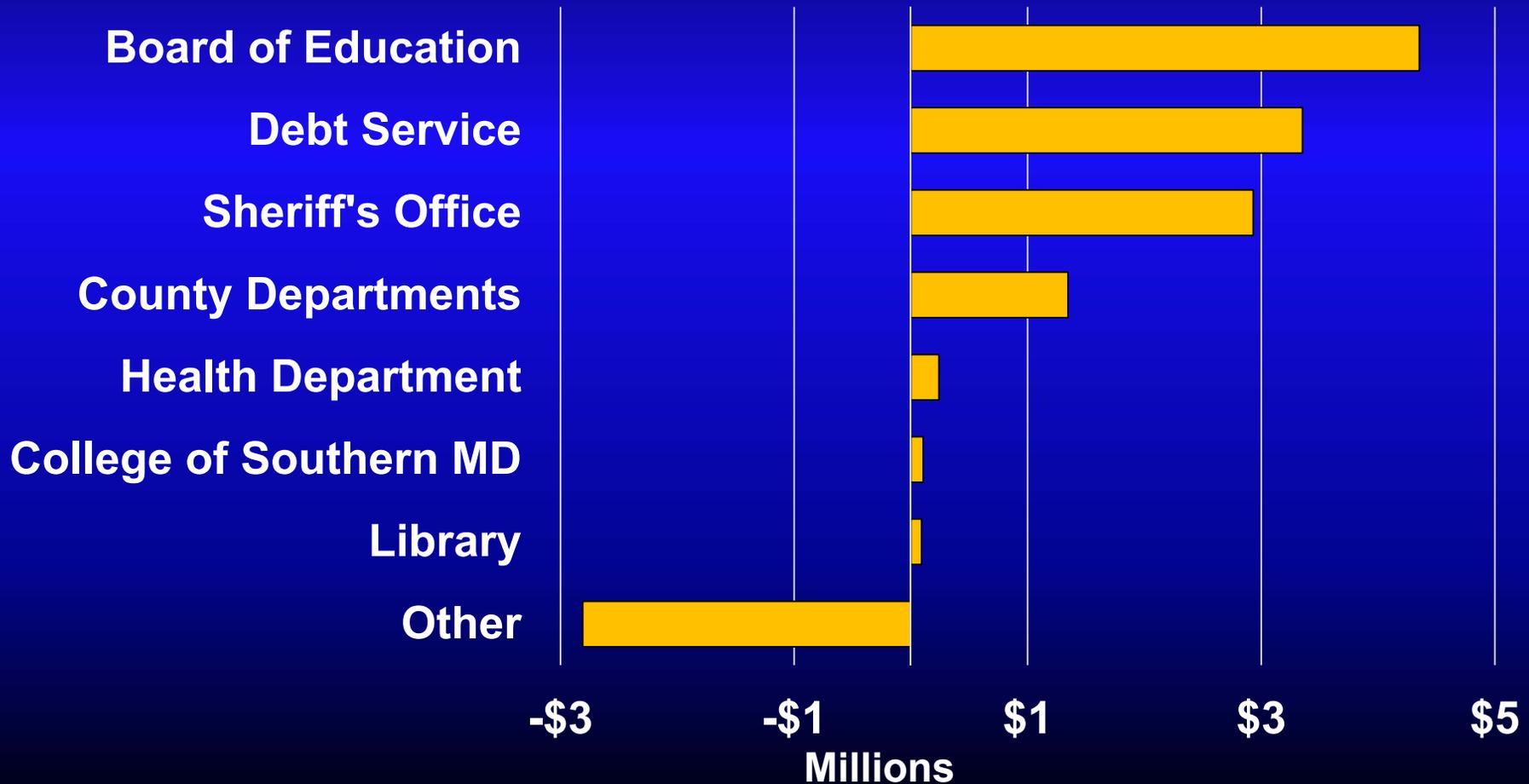
Total = \$375,292,600



FY16 Adopted Budget vs. FY17 Proposed Budget



FY17 Proposed Variance to FY16 Adopted



What's in the Proposed Budget?

- Public Education - \$4,549,700
 - Board of Education: \$4,353,400
 - Library: \$91,200
 - College of Southern MD: \$105,100

What's in the Proposed Budget?

- Public Safety - \$3,424,900
 - Sheriff: \$2,931,700
 - Department of Emergency Services: \$493,200
- Payment on Long-Term Debt - \$3,352,300

What's in the Proposed Budget?

- County Government - \$2,703,400
 - Election Board, Circuit Court, State's Attorney, Health Department, Other County Administrator Departments
- Less: Capital Purchases/Capital Project Pay-Go – (\$4,420,500)

Budget Balance Considerations

- Maintain Government service levels.
- Maintain property and income tax rates.
- Maintain highly rated financial position.
- Minimize use of cash reserves.

Enterprise Funds

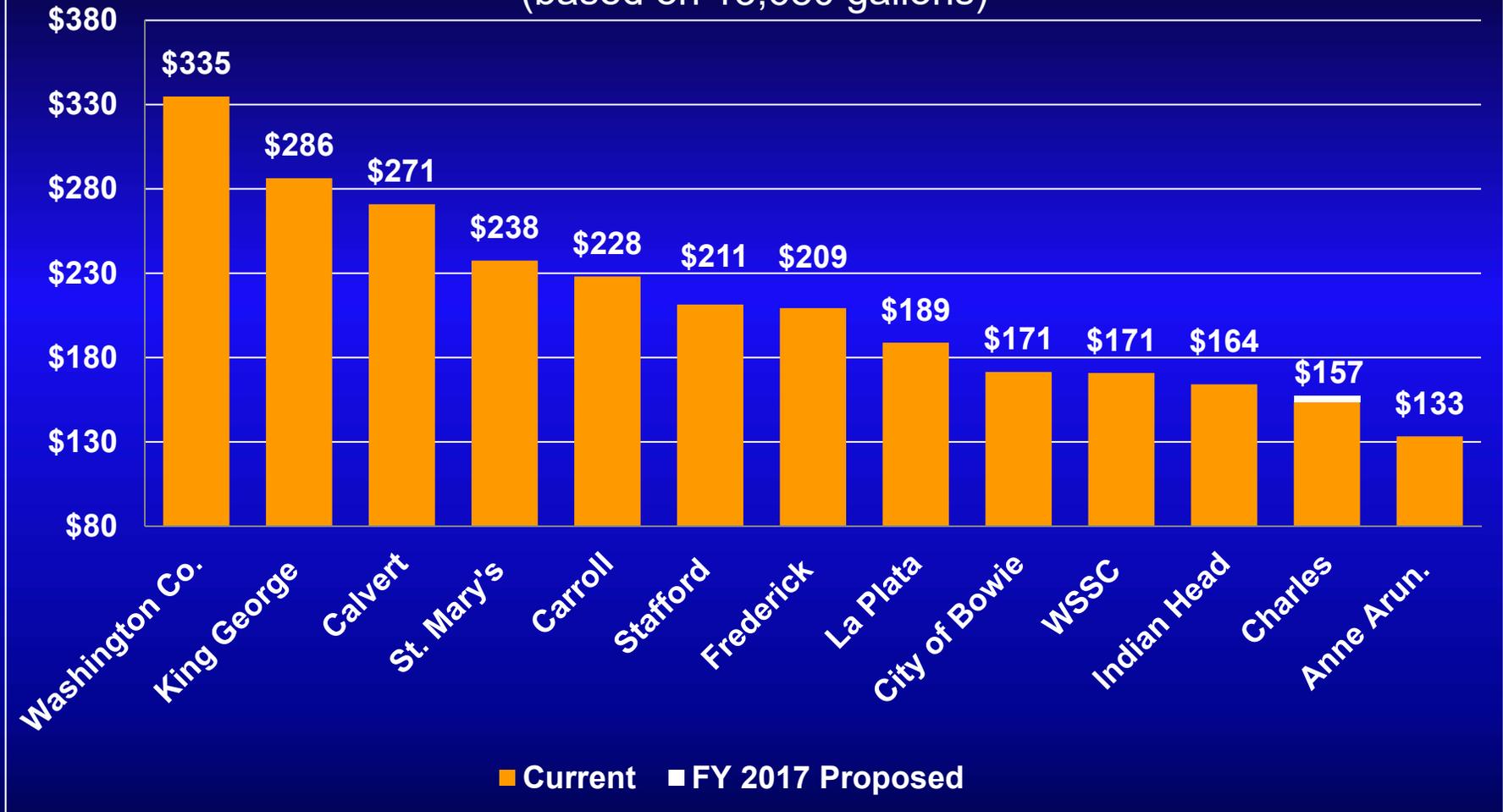
FY 17 Water & Sewer Operating Budget



Water & Sewer Fund

- A rate increase of approximately 2.6% is recommended to balance the budget
- What is causing the rate increase?
 - Debt Service for bonds issued for major capital project costs
 - Decrease in Water Consumption
 - New equipment and additional staff

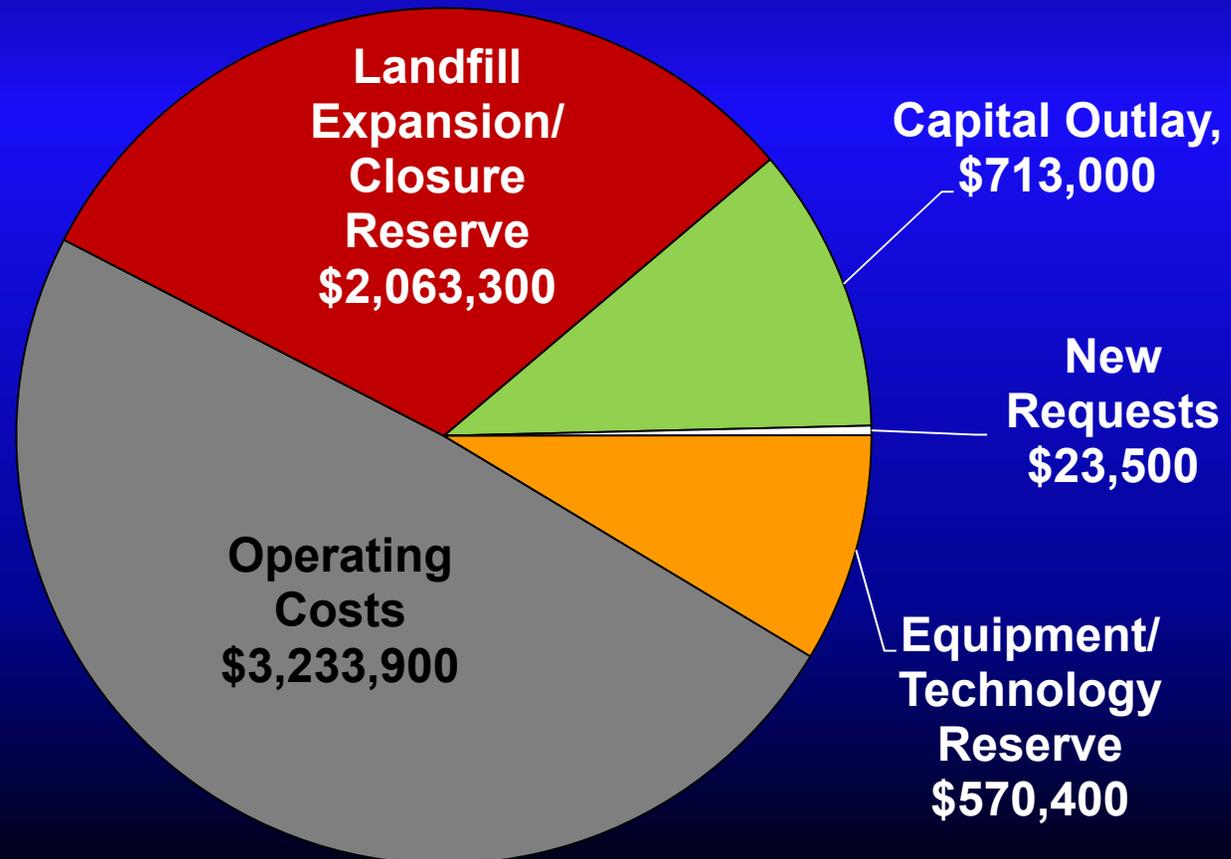
Average Residential Quarterly Bill (based on 13,680 gallons)



The Average Residential User Utility Bill is currently \$153.50 a quarter.

FY 17 Landfill Operating Budget

Total Budget: \$6,604,100

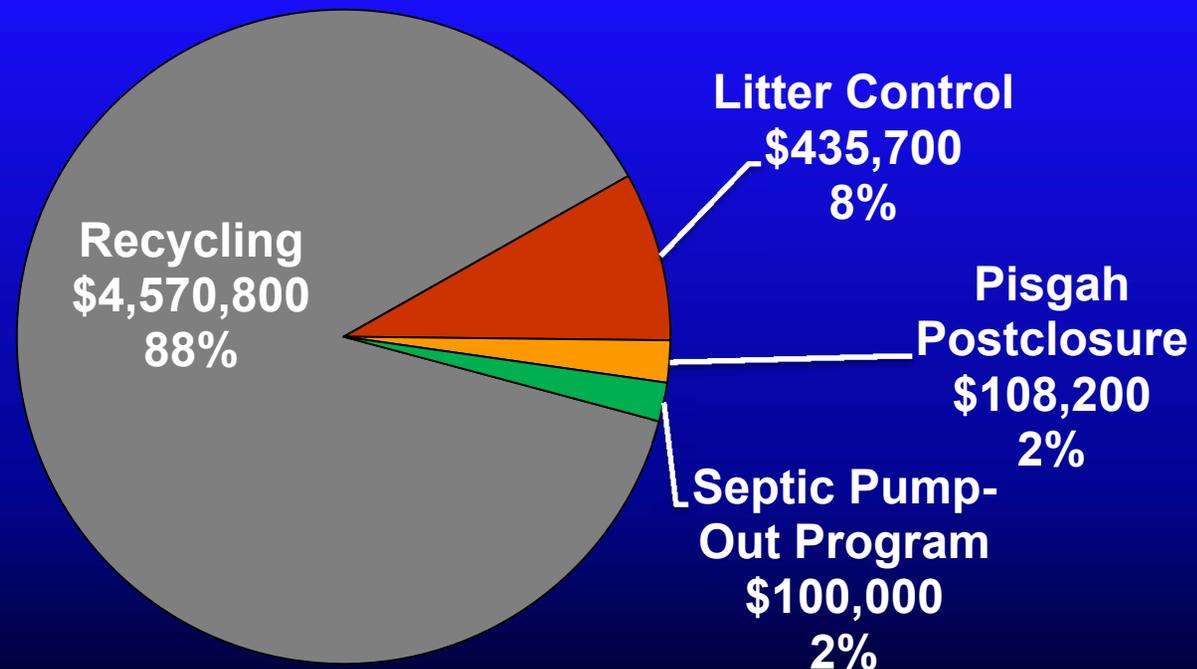


Landfill Fund

- **Recommending a \$5 increase to the current tipping fee of \$70 per ton**
 - **Tipping fee is comprised of:**
 - **Operating cost - \$41**
 - **Capital/Technology reserves - \$8**
 - **Landfill expansion/closure reserves - \$26**
- **Cost increase for landfill expansion**
- **Tag-a-bag fee from \$2.00 to \$2.25**

FY 17 Environmental Service Fund Operating Budget

Total Budget: \$5,214,700



Proposed ESF Changes:

• FY16 Rate per improved property account	\$88
• Increase in processing fee for recycling and in electronic recycling cost and participation	\$5
• Additional litter removal crew, private sector contract	\$3
• Funding for a Recycling Supervisor, additional Part Time, and to provide a merit for employees	\$2
• Full year of FY16 capital lease and FY17 lease for pick up trucks, roll off open top containers, recycling carts, wheel loader, and new entrance lighting	\$1
FY 17 Proposed Rate	\$99

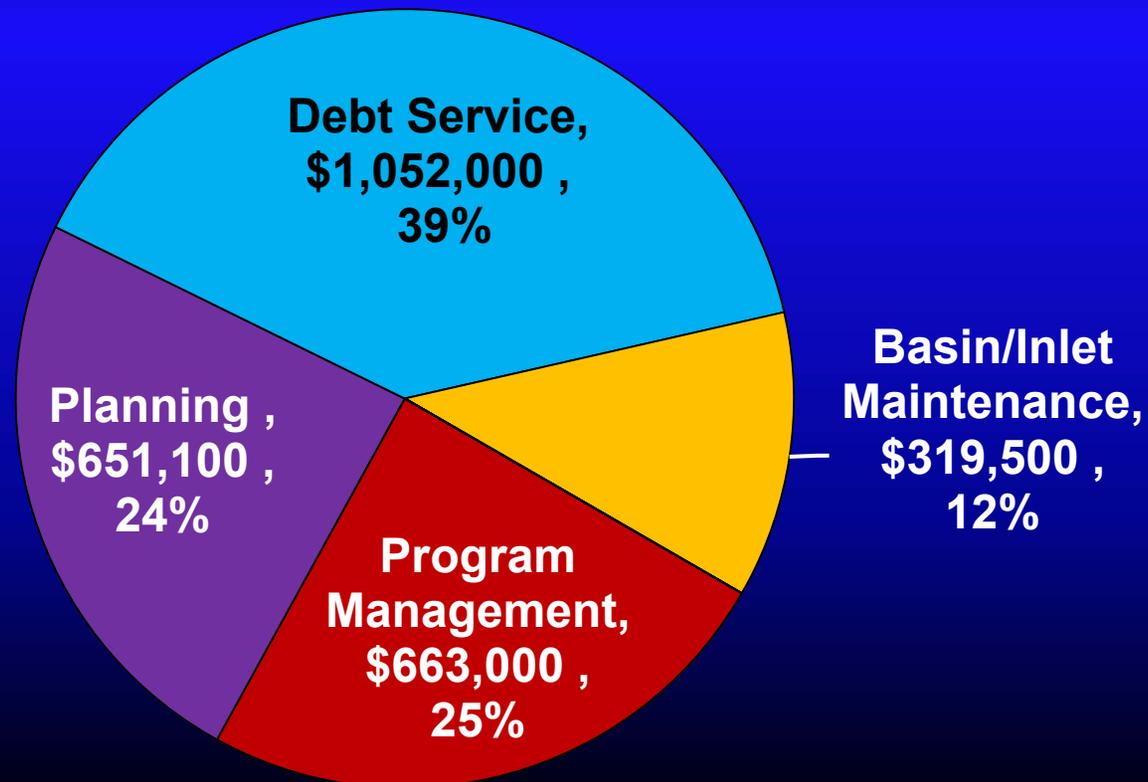
Environmental Service Fee History



In FY14, stormwater costs were moved to the Watershed Protection and Restoration Fund.

FY17 Watershed Protection and Restoration Fund Budget

Total Budget: \$2,685,600



Proposed WPRF Changes:

• FY 16 Rate per improved property account	\$35
• Debt Service for bonds issued for major capital project costs	\$3
• Dam monitoring and maintenance as well as an increase in GIS Infrastructure Mapping budget	\$1
FY 17 Proposed Rate	\$39

Capital Improvement Program (CIP)

County Infrastructure

- **Schools**
- **Buildings**
- **Roads**
- **Parks**
- **Water and Sewer**
- **Landfill**
- **Stormwater Management**

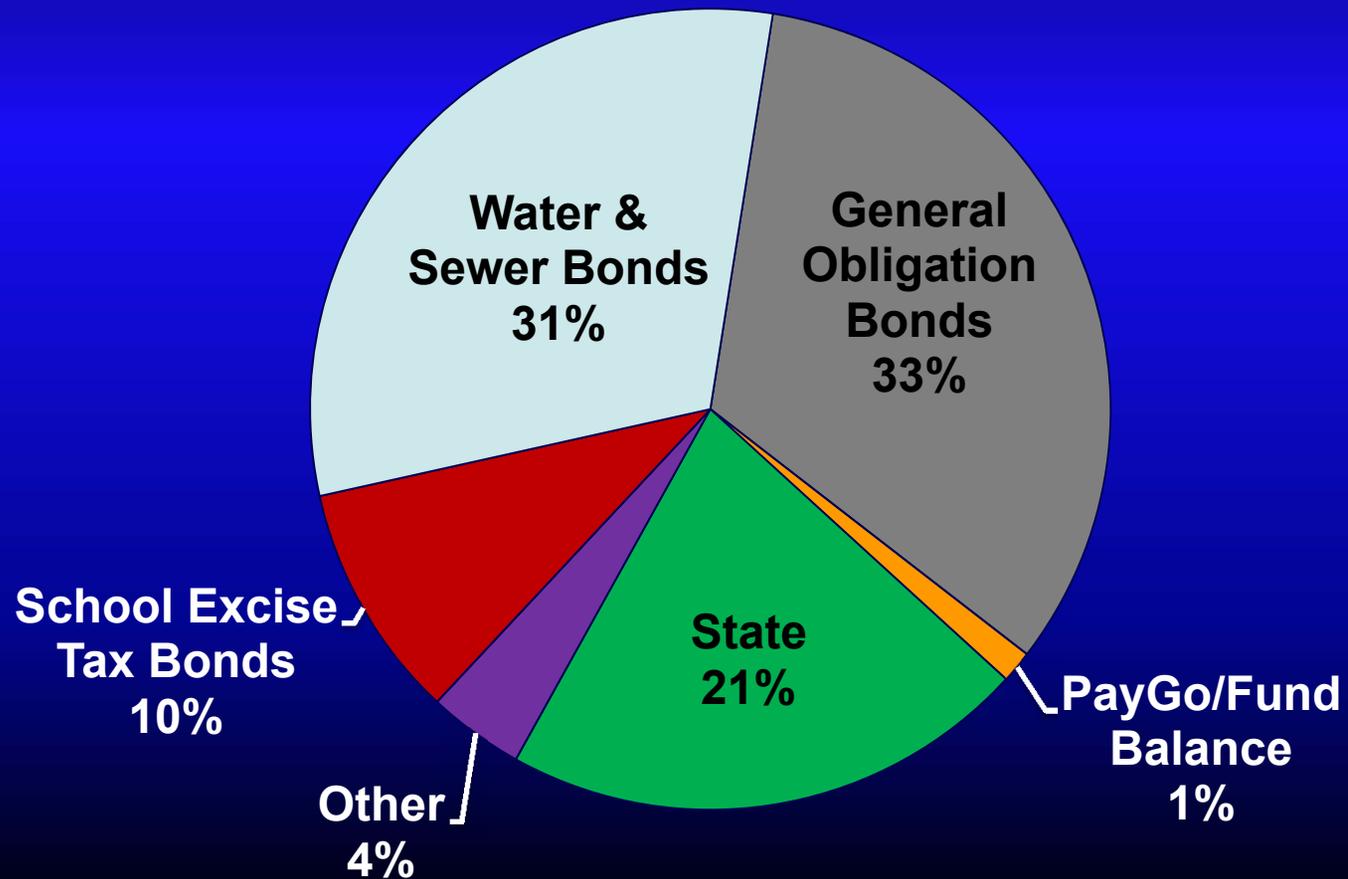
FY17-FY21 CIP – Governmental *(\$ in millions)*



FY17–FY21 CIP

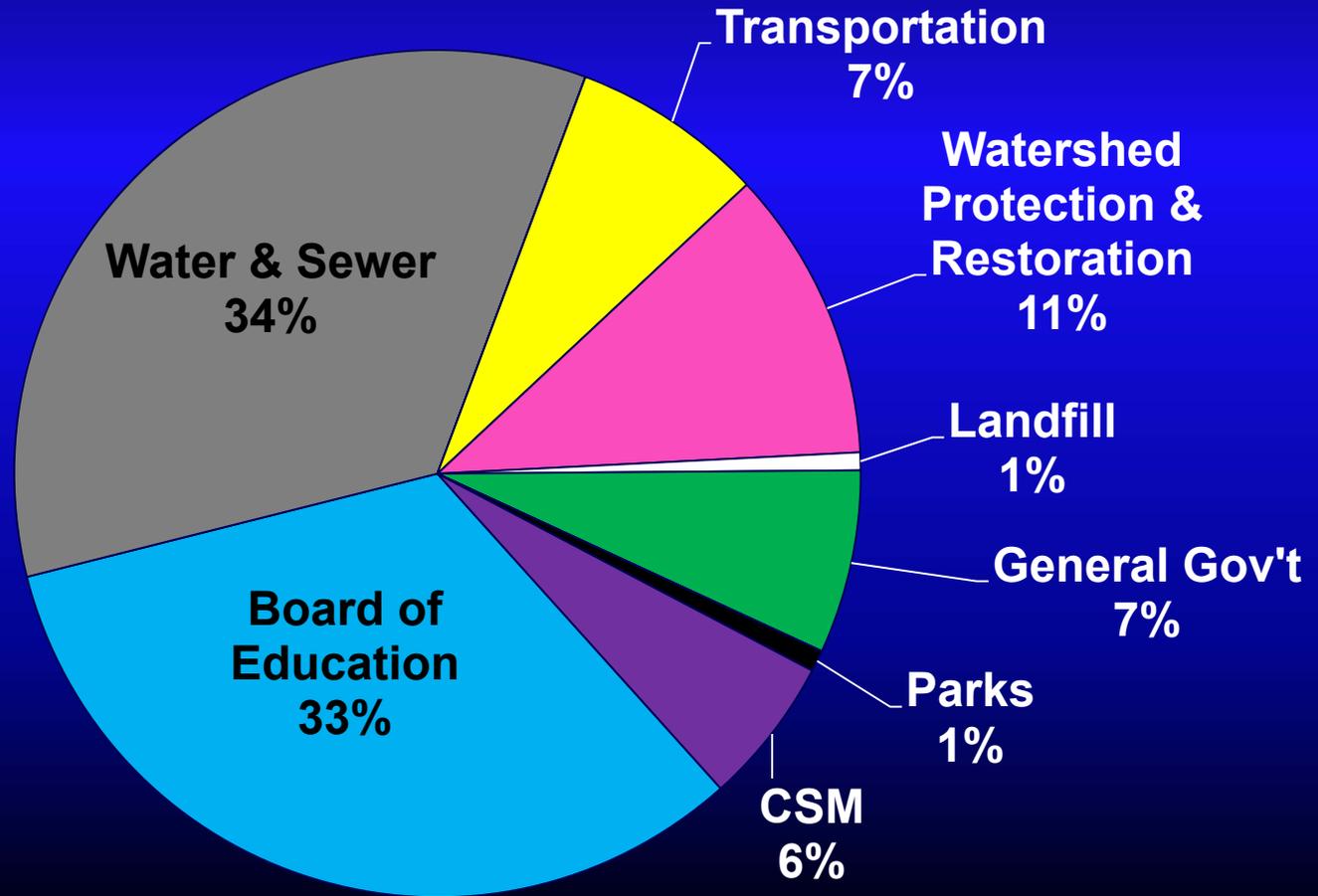
Financing Sources – All Funds

\$541,894,000



FY17-FY21 CIP Projects - All Funds

\$541,894,000



FY17-FY21 CIP Projects – All Funds

	Requested	Proposed
Water & Sewer Facilities	\$187,505,000	\$187,505,000
Board of Education	237,376,000	177,475,000
Stormwater	60,404,000	60,404,000
Transportation	49,999,000	39,881,000
General Government	96,826,000	37,988,000
College of Southern MD	30,538,000	30,538,000
Landfill	3,689,000	3,689,000
Parks	13,803,000	4,414,000
TOTAL	\$680,140,000	\$541,894,000

Fees & Charges

- **The County has a fees & charges schedule to recover the County's cost to provide a specific service to a customer**
- **Rates are reviewed annually and adjusted to reflect the cost of service delivery**

New Fees & Charges

PLANNING FEES

Public Hearing for Tier III Preliminary Plans

For public hearing, fiscal impact, and environmental inventory review and resolutions -
\$550

Rescheduled or Continued Public Hearings Re-notification and Production

At request of applicant, or required per Planning Commission, Board of Appeals, or County Commissioners - **\$335**

New Fees & Charges Cont.

Master Plan or General Development Plan Revision

- Less than 100 acres - \$1,737**
- Greater than 100 acres - \$4,550**

New Fees & Charges Cont.

Codes, Permits, & Inspections (Building)

Request to Void/Cancellation Fee - \$50

Permit Revision Application Fee

- Minor Revision (same day permits) - \$44**
- Major Revision (non same day permits) - \$88**

New Fees & Charges Cont.

Codes, Permits, & Inspections (Infrastructure)

Concept Stormwater Management Plan Review

- **Minimum Fee - \$140**
- **Additional Hourly Rate - \$122**

New Fees & Charges Cont.

WATER & SEWER FEES

Sewer only metered customers (meter purchase fee)

Equivalent Meter Size

5/8"	\$180.28
3/4"	\$182.70
1"	\$258.25
1.5"	\$438.55
2"	\$944.66

New Fees & Charges Cont.

LANDFILL FEES

- Tire Disposal Tractor and Off-Road Vehicle - **\$200 per ton**

New Fees & Charges Cont.

PORT TOBACCO HISTORIC VILLAGE FEES

- Small Meeting Fee (up to 3 hours) - **\$75 per hour**
- Special Event Fee (up to 4 hours) - **\$550**
 - Additional Hours - **\$75 per hour**
 - Storage Fee - **\$75 per day**
 - Refundable Security/Property Damage Deposit - **\$75**

A list of all fees & charges is available in the Fiscal & Administrative Services' Budget Division during normal business hours and on our website at:
<http://www.charlescountymd.gov/fas/budget/budget>



Public Statements and Comments



Prepared by:

**Charles County Government
Fiscal & Administrative Services**

**David Eicholtz,
Director of Fiscal & Administrative Services
Jenifer Ellin,
Chief of Budget**

**200 Baltimore Street P.O. Box 2150,
La Plata, MD 20646
www.charlescountymd.gov**

Mission Statement

The mission of Charles County Government is to provide our citizens the highest quality service possible in a timely, efficient, and courteous manner. To achieve this goal, our government must be operated in an open and accessible atmosphere, be based on comprehensive long- and short-term planning, and have an appropriate managerial organization tempered by fiscal responsibility. We support and encourage efforts to grow a diverse workplace.

Vision Statement

Charles County is a place where all people thrive and businesses grow and prosper; where the preservation of our heritage and environment is paramount, where government services to its citizens are provided at the highest level of excellence; and where the quality of life is the best in the nation.