



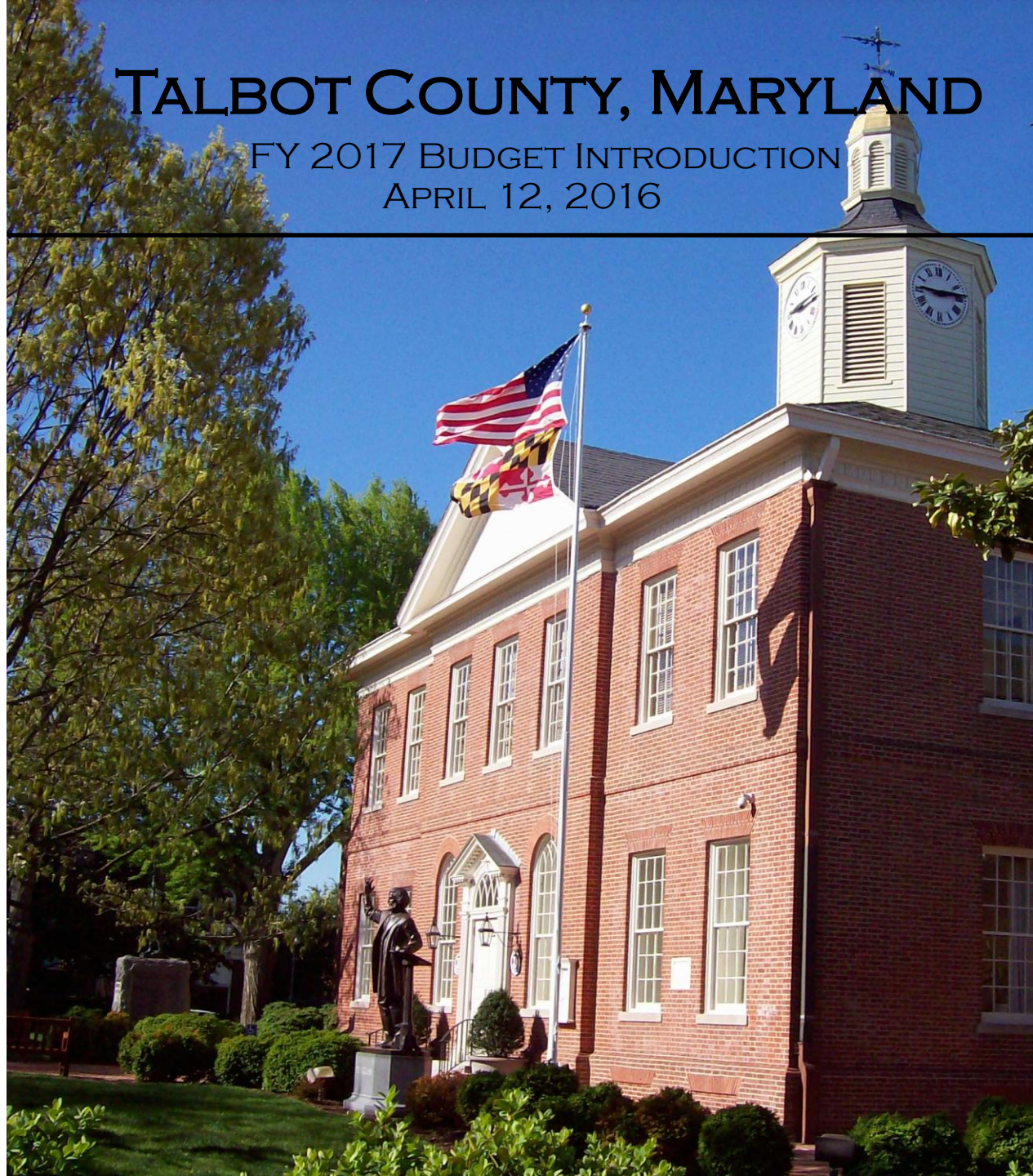
FY 2017
Proposed
General Fund Budget

\$79,165,000

Current FY 2016
General Fund Budget
\$78,640,000

TALBOT COUNTY, MARYLAND

FY 2017 BUDGET INTRODUCTION
APRIL 12, 2016





TALBOT COUNTY, MARYLAND

FY 2017 PROPOSED BUDGET

Budget Overview

The County Council received funding requests for Operating and Capital Outlay of \$81,378,683, which is \$2.7 million dollars more than the current FY2016 budget, or an approximate increase of 3.5%.

This budget reflects an increase of 0.668% over the current General Fund Budget. \$2.156 million of Prior Year Fund Balance is being used to address a substantial reduction in anticipated Income Tax revenues. Great effort was taken in the development of this budget which maintains current services to our citizens while continuing to maintain two of the lowest tax rates (Property Tax and Income Tax) in the state.



PROPERTY TAX CAP

FY 2017 PROPOSED BUDGET

In order to fund State imposed expenses for the public school system, the Talbot County Council has proposed to override the voter imposed Property Tax Cap. This is authorized by State law in order to fund Education expenses only. This budget proposes to override the tax cap by \$470,000, the amount over last year's funding, or an increase of .66¢ to the Real Property Tax rate.



PROPERTY TAX RATES

FY 2017 PROPOSED BUDGET

County Property Tax Rates – 2016

<u>County</u>	<u>Rate</u>	<u>County</u>	<u>Rate</u>
Baltimore City	\$2.248	Montgomery	\$0.987
Charles	\$1.141	Caroline	\$0.980
Baltimore	\$1.100	Allegany	\$0.978
Frederick	\$1.060	Dorchester	\$0.976
Harford	\$1.042	Wicomico	\$0.9516
Kent	\$1.022	Washington	\$0.948
Carroll	\$1.018	Anne Arundel	\$0.923
Howard	\$1.014	Calvert	\$0.892
Prince George's	\$1.000	St. Mary's	\$0.8523
Somerset	\$1.000	Queen Anne's	\$0.8471
Cecil	\$0.9907	Worcester	\$0.835
Garrett	\$0.990	Talbot *	\$0.5451 <i>(up from</i>
			<i>.536. Includes Educational Supplement of \$0.0066)</i>

**FY 2017 Proposed*



INCOME TAX RATES

FY 2017 PROPOSED BUDGET

County Income Tax Rates – 2016 *(3.20% Max)*

<u>County</u>	<u>Rate</u>	<u>County</u>	<u>Rate</u>
Baltimore City	3.20 %	Frederick	2.96 %
Howard	3.20 %	Kent	2.85 %
Montgomery	3.20 %	Baltimore	2.83 %
Prince George's	3.20 %	Calvert	2.80 %
Queen Anne's	3.20 %	Cecil	2.80 %
Wicomico	3.20 %	Washington	2.80 %
Somerset	3.15 %	Caroline	2.73 %
Harford	3.06 %	Garrett	2.65 %
Allegany	3.05 %	Dorchester	2.62 %
Carroll	3.03 %	Anne Arundel	2.50 %
Charles	3.03 %	Talbot *	2.40 %
St. Mary's	3.00 %	Worcester	1.25 %

***NO CHANGE**



TALBOT COUNTY, MARYLAND

FY 2017 PROPOSED BUDGET

Budget Overview

The following priorities were used in the budget prioritization process to provide funding to address “Real Needs” with the limited resources available:

- Public Safety and Health (Personnel, Equipment, Buildings)
- Infrastructure (Roads, Buildings, and Emergency Communications)
- Public School Education (Above Maintenance of Effort)



TALBOT COUNTY, MARYLAND

FY 2017 PROPOSED BUDGET

Budget Highlights

- Incorporates merger of the County and Town of Easton's 911 Centers for more efficient services to all citizens of the County
- 1 part time position added to the Sheriff's Department and 1 full time position to the Roads Department.
- Provide \$5,000 toward closing costs of a new home purchase in Talbot County for Public Safety employees, specifically Department of Corrections, Emergency Services, and Sheriff's Department personnel
- Establish a Supplemental Retirement program for Public Safety employees, specifically Department of Corrections, Emergency Services, and Sheriff's Department personnel
- Continued funding for County Roads maintenance (approximately 43.1 miles to be resurfaced)



TALBOT COUNTY, MARYLAND

FY 2017 PROPOSED BUDGET

Budget Highlights

- Continuation of Funding for Capital Projects, specifically:
 - Talbot County Courthouse – North Wing Elevator Design and Construction
 - Emergency Services Radio System Replacement
 - Security Enhancements in County facilities
 - Dredging Projects at Knapps Narrows and Tongers Basin
 - Extensive Countywide Culvert Replacement
 - Water Quality Management Projects
 - Oxford Conservation Park
 - White Marsh Elementary School Portable Classroom Canopy
 - Easton High School Stadium Bleachers



TALBOT COUNTY, MARYLAND

FY 2017 PROPOSED BUDGET









Budget Highlights

- Step increase for full time County employees
- Talbot County Public Schools operations funded above required level (MOE), an increase of \$443,791 from FY 2016, plus an additional \$125,000 in FY 2017 for programs not included in Maintenance of Effort
- County funds will provide for over 73% of the base operating budget for the Public Schools, as well as an additional \$3 million in debt service



REVENUES

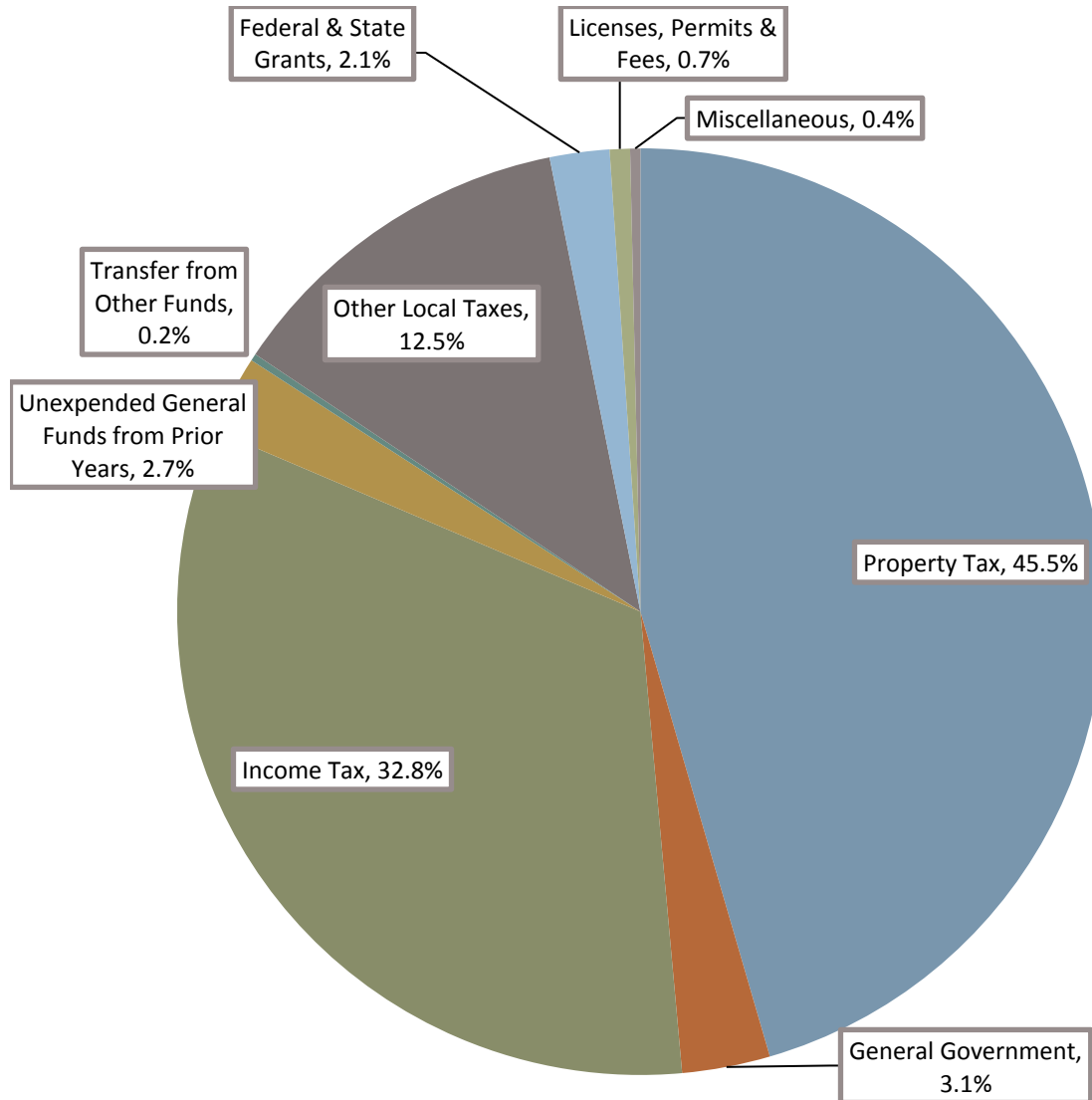
FY 2017 PROPOSED BUDGET

	<u>FY 2016 Budget</u>	<u>FY 2017 Proposed</u>	<u>Change</u>
Property Taxes	\$ 34,924,500	\$ 36,014,000	 3.1%
Income Taxes	\$ 28,000,000	\$ 26,000,000	 7.1%
Other Local Taxes	\$ 9,697,000	\$ 9,880,000	 1.9%
State/Federal Grants	\$ 1,596,010	\$ 1,648,040	 3.3%
Other Operating Revenues	\$ 2,920,240	\$ 3,271,960	 12.0%
Transfer from Other Funds	\$ 212,250	\$195,000	 8.1%
Prior Year's Fund Balance	\$ 1,290,000	\$ 2,156,000	 67.1%
Totals	\$ 78,640,000	\$ 79,165,000	 0.668%



GENERAL FUND REVENUES









FY 2017 PROPOSED BUDGET





EXPENDITURES

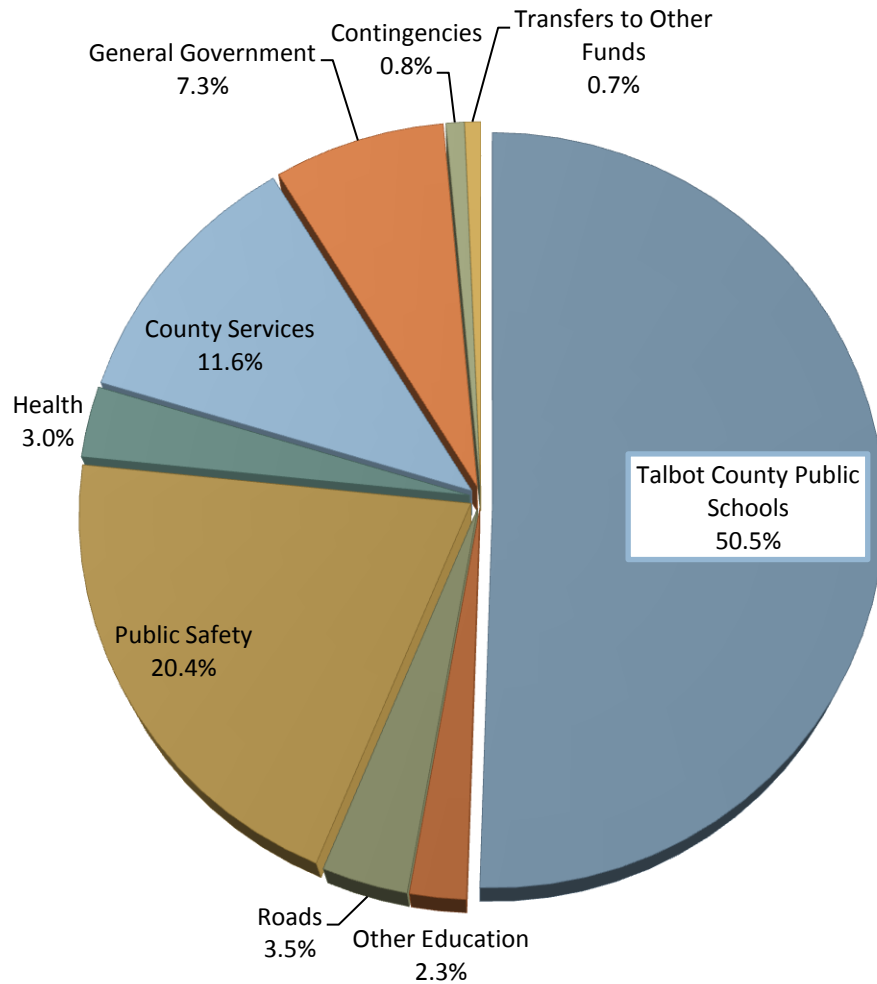
FY 2017 PROPOSED BUDGET

	<u>FY 2016 Budget</u>	<u>FY 2017 Proposed</u>	<u>Change</u>
Public Schools	\$ 39,588,019	\$ 39,997,356	 1.03%
Public Safety	\$ 15,131,552	\$ 16,146,624	 6.71%
County Roads Maintenance	\$ 2,667,114	\$ 2,737,200	 2.63%
Health Services (Includes School Health)	\$ 2,408,300	\$ 2,408,300	0.00%
Library	\$ 1,204,569	\$ 1,187,285	 -1.43%
Chesapeake College	\$ 1,748,983	\$ 1,789,534	 2.32%
Other County Operations	\$ 14,891,463	\$ 14,898,701	 0.05%
Transfer to OPEB Trust	\$ 1,000,000	\$ 0	 -100%
Totals	\$78,640,000	\$79,165,000	 0.668%



GENERAL FUND EXPENDITURES

FY 2017 PROPOSED BUDGET





FUND BALANCE

FY 2017 PROPOSED BUDGET

Discretionary Balance 06/30/2013	\$6.0 million
FY 2014 transfer to Emergency Reserve ("Rainy Day")	- .2 million
FY 2014 Surplus	+3.9 million
Discretionary Balance 06/30/2014	<u>\$9.7 million</u>
FY 2015 transfer to Emergency Reserve ("Rainy Day")	- .1 million
FY 2015 Surplus	+4.4 million
Projected Discretionary Balance 06/30/2015	<u>\$14.0 million</u>
Retiree Health Obligation (OPEB)	-1.0 million
Projected to Balance FY 2016 Budget	- .3 million
Projected Discretionary Balance 06/30/2016	<u>\$12.7 million</u>
Used to Balance FY 2017 Budget	-2.2 million
Remaining Balance for FY 2018 & Beyond	<u>\$10.5 million</u>



TALBOT COUNTY, MARYLAND

FY 2017 PROPOSED BUDGET

Capital Projects Fund Proposed Projects

County Facilities

Land Acquisition	\$ 100,000
North Wing Elevator	278,000
Emergency Radio System	350,000
Salt Building - Roads Facility	200,000
Security Enhancements - County Buildings	150,000

Waterways & Wharves

Public Landings Maintenance Program	50,000
Tongers Basin Dredging	100,000
Knapps Narrows/Dogwood Harbor Dredging	175,000



TALBOT COUNTY, MARYLAND

FY 2017 PROPOSED BUDGET

Capital Projects Fund Proposed Projects

Highways & Streets

Goldsborough Neck/Airport Road	1,200,000
Culvert Replacement Program	1,000,000
Water Quality Improvement Project	50,000

Parks & Recreation

Oxford Road Park - Park Development	290,000
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Public Schools

Easton High School Bleachers	55,000
White Marsh – Awning for Portable Classrooms	17,000

Total Proposed FY 2017 Capital Projects	4,015,000
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TALBOT COUNTY, MARYLAND

FY 2017 PROPOSED BUDGET

Budget Recap

Public Safety is the highest priority in this Budget

- Additional Public Safety Staffing and Resources
- Continued investment in County Facilities and Infrastructure
- Increase in funding for public schools of +\$470K
- New funding for expenses not included in MOE of +125K
- Continued funding for environmental initiatives

The General Fund balance is available, but shrinking.

Long term sustainability must be preserved



Talbot County, Maryland

FY 2017 Proposed Budget

Talbot County Public Hearings on the FY 2017 Proposed Budget:

Tuesday, May 3, 2016

2:00 pm Bradley Meeting Room

7:00 pm Easton High School Cafeteria

For more information on the

FY 2017 Proposed Budget

(Bill No. 1327)

Visit Our Website:

www.talbotcountymd.gov