

Public Hearing for Citizen Input



January 12, 2010

Reason for Hearing

- To provide a forum for the exchange of meaningful information between the public and the County Commissioners in the early stages of the budget development process. The goal is to provide preliminary budget information to the public and to receive feedback regarding critical issues facing all citizens of Cecil County.
- Success of first meeting in 2009

Key Dates – March 2010

- March 16, 2010 Budget Work Session – General Fund – General Government – Commissioners, Administrator, Budget, Purchasing, Human Resources, Treasurer, IT, Board of Elections, Liquor Board, Planning, Board of Appeals, Planning Commission, Critical Area, Facilities Management (Elk Room) – 1:00 PM
- March 23, 2010 Budget Work Session – Public Works – Administration, Engineering and Construction, Development Services, Weed Control, Water, Wastewater, Solid Waste, Roads, Central Garage (Elk Room) – 1:00 PM
- March 30, 2010 Budget Work Session – Public Safety – States’ Attorney, Law Enforcement, Detention Center, Work Release, Community Work Service, CARC, DES/EMS, Volunteer Fire Companies, Permits and Inspections, Cecil SPCA, Circuit Court, Orphan’s Court (Elk Room) – 1:00 PM

Key Dates – April 2010

- April 6, 2010 Budget Work Session – Board of Education, Cecil College, Cecil College Scholarships, Cecil Libraries (Elk Room) – 1:00 PM
- April 13, 2010 Budget Work Session – Health Department, Social Services, Domestic Violence, Healthy Marriage Initiative, Neighborhood Youth Panel, Senior Services and Community Transit, Housing (Elk Room) – 1:00 PM
- April 16, 2010 Budget Work Session – Non-Profit Agencies (Elk Room) – 9:00 AM
- April 20, 2010 Budget Work Session – Economic Development, Agricultural Extension, Soil Conservation, Parks and Recreation (Elk Room) – 1:00 PM
- April 28, 2010 Advertise for Constant Yield in Newspaper and Website
- April 30, 2010 Advertise Proposed Budget and Budget Hearing Notice in Newspaper and Website

Key Dates – May 2010

- May 11, 2010 Public Hearing on Constant Yield and 2011 Budget
(Elk Room) 2:00 PM
- May 11, 2010 Public Hearing on Constant Yield and 2011 Budget
(Elk Room) 7:00 PM
- May 25, 2010 Formal Adoption of Tax Rates and 2011 Budget
(Elk Room) 7:00 PM

Issues Facing Maryland

- Continued decline of National Economy
- Continued decline in home sales and construction
- State of Maryland budget – estimated \$2.2 B shortfall for 2011
- 2009 Governor/Legislature/BPW actions to reduce estimated funding - \$4B since 2007, \$1.1B since 2010 budget was enacted – almost all projected budget growth is in Medicaid and teachers' retirement
- Expectation for government to provide services
- Above actions cause increasing County reliance on property tax revenues – most predictable source

County feels same “Pinch” as Consumers

- Rising utility costs – electricity, water & sewer, natural gas
- Rising healthcare costs – scheduled to increase 10 %
- Rising costs of insurance – workers’ compensation, property, liability insurance
- Rising burden of pension and pension-related expense
- Governments must be prepared to do “less with less”
- Zero wage growth expected
- Rising Unemployment – all job classifications

Cost Containment

- Enacted ASHRAE Standard 55 for indoor temperature control in County buildings
- Initiated Cost Containment Audit for telecommunication expenses – through NaCo
- Analyzing potential reduction of hours at transfer stations – Solid Waste
- Enrolled in a Demand Response program for Seneca Point WWTP – energy curtailment
- Automatic shutdown of computer equipment after period of inactivity.
- Promoting use of network printing – through attrition
- Promote use of tar and chip in place of pavement overlay until funding source can be identified – Highway User Revenue

Budget Assumptions for 2011

- Requests must be submitted at the MINIMUM level that will allow for the operation of the department. Essentially, a ZERO based budget.
- No proposed Cost of Living wage increase (COLA), nor steps are anticipated.
- No new positions will be considered.
- Machinery & Equipment – no new/additional equipment will be considered; replacement equipment will be considered on an individual basis, although it is expected that the County will severely restrict these potential purchases.
- Adapting fleet to vehicles with improved fuel mileage, GPS tracking units.
- Pay as you go Capital Expenditures will be severely reduced.
- Capital projects that are not currently under construction will be deferred.

Budget Assumptions for 2011

- “There is no reason to think that the County will escape the impact of State budget balancing.”
- Any thinking that we can just “wait it out and things will get better in a year or two” will not lead us to productive and proactive budgetary decisions.
- Departments or agencies must develop alternatives and provide the Board with service priorities.
- If you offer two services and only one can be funded, which is the most important?
- If service levels need to be reduced, which should be most protected?
- If you can't continue to do what you do today, what choices do you believe should be made?
- If we can't maintain everything at the level you think we should, what choices do you believe should be made?

Budget Mission 2011

To develop a fair and equitable budget that adequately utilizes projected resources to units and agencies that provide critical services to our citizens.



Assessable Base Overview

- SDAT performs valuations of real property using their guidelines and procedures
- Assessments are good for three years – “tri-annual”
- Base estimates available to County 12/1/2009

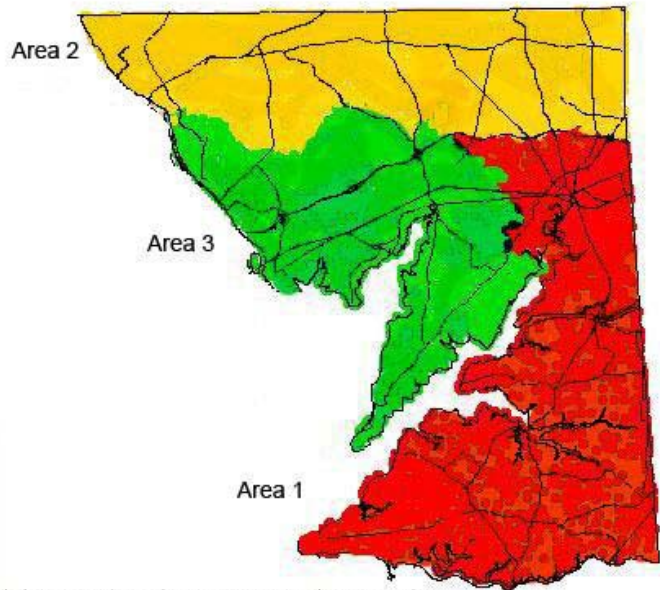
	<u>Assessment</u>	<u>Increase</u>
Gross Real Property 2010	10,800,442,000	
Gross Real Property 2011	10,726,777,000	-0.68%
Gross Real Property 2012	10,389,692,000	-3.14%

Assessment Map and Cycle

Cecil County

Legend

- **Area 1** Assessment Area 1 was reassessed for 1/1/2010
- **Area 2** Assessment Area 2 will be reassessed for 1/1/2011
- **Area 3** Assessment Area 3 will be reassessed for 1/1/2012



State Department of Assessments & Taxation
August 2005

2011 Estimated General Fund Revenues

	FY 10	FY 11	\$ Change from	% Chg.
	Estimated	Estimated	Prior Year	PY
SUMMARY				
REVENUES BY ACCOUNT CLASSIFICATION				
Property Taxes	101,201,481	100,985,045	(216,436)	-0.2%
Income Taxes	48,800,000	47,000,000	(1,800,000)	-3.7%
State Shared Taxes	4,985,000	4,728,000	(257,000)	-5.2%
Other Local Taxes	488,500	463,800	(24,700)	-5.1%
Licenses and Permits	1,443,260	1,415,197	(28,063)	-1.9%
Revenue from Other Agencies	3,998,257	3,285,093	(713,164)	-17.8%
Charges for Services	1,981,594	1,973,995	(7,599)	-0.4%
Fines and Forfeitures	157,500	88,000	(69,500)	-44.1%
Interest Earnings	1,150,000	750,000	(400,000)	-34.8%
Miscellaneous Revenue	836,434	647,191	(189,243)	-22.6%
Total Operating Revenues	165,042,026	161,336,321	(3,705,705)	-2.2%
Fund Balance Appropriation	1,555,996	2,500,000	944,004	60.7%
TOTAL REVENUES	166,598,022	163,836,321	(2,761,701)	-1.7%

Budget Initiatives – Public Safety

- Replace 14 patrol vehicles – have replaced 114 since 2002
- Support contractual continuation agreements for food service and medical service at Detention Center and CARC.
- Construction funds to renovate/expand Detention Center – to be bid in March 2010 – bid award late April 2010.
- Awarded Construction Manager/Commissioning Agent contract to Turner Construction Company to be owners representative as we progress towards bidding and construction for the Landing Lane facility. Expect to realize savings through the bidding process.
- Request will include additional positions due to expansion of facility – to be reviewed.

Budget Initiatives – Cecil County Public Schools

- Wage package is COLA capped at 1.8 %, which applies to all negotiating groups
- Support systemic renovation for Thomson Estates Elementary – Chiller replacement and Roof remediation
- Support systemic renovation for North East High – windows (339) and doors – energy efficient
- Tentatively support planning efforts for Perryville Elementary A/R
- CCPS has continued to enact cost containment initiatives

Maintenance of Effort - CCPS

- Established in 1984 to ensure that the cost of education was shared by the State and the counties and to ensure predictability and stability of funding for local boards of education.
- Requires a county to appropriate local funds for the school system in an amount that is not less than the per pupil amount provided in the prior year adjusted for enrollment.
- 2010 Maintenance of Effort = \$ 68.38 MM
- 2011 Maintenance of Effort = \$ 68.35 MM

Budget Initiatives – Cecil College

- Cecil College enacted a mid-year tuition increase for FY 2010.
- Cecil College has restricted discretionary spending, such as supplies, travel & training. Eliminated 4 full time positions and is reviewing unfilled positions as they occur. Eliminated 2 positions in non-credit division. Participates in energy consortium, as does the County and the CCPS.
- Continue to support the Engineering and Math facility design/construction (STEM) for the NE campus.

Budget Initiatives – Libraries

- Continue to look for a solution to relocating HQ facility from within Elkton Main Branch to temporary (10 year) off-site location to allow for reallocation of branch space.
- Pursue land acquisition for future North East Branch Library, construction likely to occur after 2014.
- Support installation of new security and self-checkout systems for Elkton and Rising Sun branches.

Budget Initiatives – Public Works

- Responsible for Roads, Water, Wastewater, Solid Waste, Engineering and Construction, Development Services, Weed Control
- Multiple initiatives – CIP initiatives to include expansion of Seneca Point WWTP, Central Landfill expansion, Landfill Gas-to-Energy Beneficial Use project.
- Budget anticipates closing of sale of water and identified wastewater assets to Artesian, as well as acquisition of Port Deposit Wastewater facility.

FY 2011 Public Hearing for Citizen Input

- Public Comment