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**CECIL COUNTY MARYLAND GOVERNMENT**

Department of Finance

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From: Winston L. Robinson, Director of Finance  
Rebecca L. Anderson, Budget Manager

To: Alan McCarthy, County Executive  
Alfred C. Wein, Jr., Director of Administration  
Cecil County Council Members

Date: May 5, 2017

Re: FY2017 Third Quarter Fiscal Projections

The Department of Finance is pleased to present its FY2017 Third Quarter Fiscal Projection. This projection includes by necessity certain broad assumptions in addition to detailed reviews of various areas. This Third Quarter Fiscal Projection has analyzed revenues and expenditures to determine if patterns indicate variance from budgeted amounts. Where we have obtained new information or see a change in patterns, we have considered that information in our projection. The schedules have attached notes that indicate significant assumptions. A cautionary note that projections are just that and actual results will vary based on the economy and operational challenges.

**2017 General Fund – Comparison to Budget**

Overall, the third quarter projection finds the County’s General Fund expecting a deficit of \$3,384,779. This is \$527,725 better than the revised budget deficit of \$3,912,504; although this is \$910,256 greater than the original budget deficit of \$2,474,523 (principally reflecting healthcare costs).

Revenue projections reflect the actual receipts received through March and projections through yearend versus estimates at the time of budget formation. The projected net of all revenue streams is \$652,450 less than budgeted. Real and personal property taxes are expected to be \$380,454 less than budget reflecting reduced taxable real property assessments versus the state’s (SDAT’s) original estimate. The projection of other governmental revenues has been lowered by \$639,932; the County’s FY2017 budget used the Governor’s estimate of Highway User Revenues, an amount that was not translated into revenues to the County. The County’s income tax budget reflects a 2% increase compared to the FY2016 revised budget (and 1% higher than actual FY2016); this projection is holding true as the local economy is still weak and the publicized \$661,779 true-up from prior years is considered as an offset to the revenue weakness.

Projected expenditures as usual are expected to approach but not equal the budget. A total of \$1,180,175 less than budget is projected to be spent. The year-to-date expenditure patterns have been mostly positive.

- Salary & Fringe is over revised budget by \$1,028,791, but this is primarily caused by lower attrition than expected; although the Detention Center is still experiencing high attrition, recent hires in law enforcement and local economic weakness have produced overall attrition savings.

- In Professional & Related Services, the Sheriff's Office looks to save almost \$400,000 primarily due to contract savings at the Detention Center. Roads expects savings of approximately \$250,000 through lower snow removal and vehicle repair costs.
- In Supplies & Materials, the Sheriff's Office expects savings of almost \$450,000 in food, uniforms, and gasoline. Roads expects savings of approximately \$100,000 due to lower gasoline costs.

Healthcare costs in this quarter have flattened. The Health Insurance Fund is experiencing normal costs for most employees, but this year has seen a higher than normal number of high-dollar cases. After a poor first six months, the Fund had no large cases (i.e., those over \$100,000) in the quarter ended March 31.

### **Enterprise Funds**

The Landfill Fund is projecting a \$214,795 increase in operating revenues compared to budget and \$536,194 lower in expenditures. If this continues, the fund Change in Net Position will be \$618,994 to the positive compared to a budgeted deficit of \$137,400. The FY2017 budget reflected a significant downturn in single stream recyclables, the County was able to address the issues and has already realized increased revenues for single stream and has seen higher market prices for recycled metals and textiles.

The Wastewater Fund is projected to minor changes to net operating gain/loss now standing at (\$24,968). Connection fees are expected to decline by \$331,450 compared to budget. If the sales, expenditure, and connection projections hold up, the result will be \$223,334 Change in Net Position to the worse compared to budgeted.

### **General Fund – Comparison to Prior Year**

Revenues compared to the same period last year are up \$1,324,798. The majority of the increase is made up of \$745,489 of income taxes. Most other areas show small increases to prior year except for investment earning which had positive news in interest rates and some timing differences.

Expenditures increased by \$6,341,347 compared to FY2016, largely due to increased transfers to component units (\$2,194,443), increased debt service (\$2,188,745) due to the February 2016 bond issuance, and increased law enforcement costs of \$1,648,874 due in part to higher salary costs due to a new FOP contract and higher healthcare costs.

### **Enterprise Funds – Comparison to Prior Year**

The Landfill Fund year-to-date operating revenues are up \$293,104 compared to last year and operating expenditures are down \$243,726. Landfill currently has non-contract vehicle maintenance savings and there are timing differences on Professional and Related Services.

The Wastewater Fund year-to-date operating revenues are down \$359,647 compared to last year while operating expenditures are up \$326,112. Revenues are variable and but expected to remain below budget while expenditures reflect higher depreciation.

### **Attached Schedules**

Attached are the following schedules:

- FY2017 Third Quarter Projection vs Revised Budget
  - General Fund
  - Landfill Fund
  - Wastewater Fund
- FY2017 Third Quarter Projection Significant Assumptions
- Income Tax Collections Schedule
- Hollywood Casino – Perryville Revenues

**Cecil County MD**  
**General Fund**  
**Revenues & Expenditures by Major Department**  
**as of Nine Months Through 03/31/17**

See Note (a) as to limitations  
(Unaudited)

	Current Year vs Prior Year Actual			Current Year Budget (b) vs Projection		
	FY 2016 Actual thru Mar	FY 2017 Actual thru Mar	Favorable / (Unfavorable) thru Mar 2017 vs 2016	FY 2017 Rev Budget Fiscal Year	FY 2017 Projected thru June 30	Favorable / (Unfavorable) thru June 30 Annual Budget
<b>Revenues</b>						
Real Property Tax	92,578,987.29	92,695,164.06	116,176.77	93,402,462.00	92,807,386.22	(595,075.78)
Personal Property Tax	9,617,036.80	9,503,994.76	(113,042.04)	9,754,134.00	9,968,756.11	214,622.11
Payment in Lieu of Tax	3,698,582.98	3,698,612.32	29.34	3,704,109.00	3,704,109.00	-
Interest & Penalties	321,337.23	336,625.33	15,288.10	671,647.00	671,881.08	234.08
Income Tax	30,619,472.26	31,364,960.84	745,488.58	56,439,257.00	56,439,257.00	-
License & Permits	1,155,599.26	1,277,343.95	121,744.69	2,121,645.00	2,158,127.59	36,482.59
State Grants	772,498.61	868,651.38	96,152.77	1,433,257.00	1,485,283.74	52,026.74
Other Intergovernmental	801,820.56	864,581.95	62,761.39	1,851,136.00	1,211,203.68	(639,932.32)
Charges for Services	2,322,551.12	2,336,765.01	14,213.89	3,851,488.00	3,785,614.45	(65,873.55)
Recordation	3,229,143.18	3,374,897.84	145,754.66	5,000,000.00	5,000,000.00	-
Investment Earnings	54,212.89	203,691.46	149,478.57	125,000.00	214,606.42	89,606.42
Contributions & Other	450,649.32	421,400.34	(29,248.98)	215,800.00	471,259.59	255,459.59
Transfers	-	-	-	1,938,000.00	1,938,000.00	-
<b>Total Revenues</b>	<b>145,621,891.50</b>	<b>146,946,689.24</b>	<b>1,324,797.74</b>	<b>180,507,935.00</b>	<b>179,855,484.88</b>	<b>(652,450.12)</b>
<b>Expenditures</b>						
COUNTY EXECUTIVE	132,367.49	163,305.21	(30,937.72)	252,810.00	251,959.60	850.40
COUNTY COUNCIL	226,196.68	244,997.50	(18,800.82)	399,544.00	369,035.93	30,508.07
ADMINISTRATOR	231,575.08	216,506.45	15,068.63	346,821.00	313,440.12	33,380.88
HUMAN RESOURCES	833,563.10	932,353.53	(98,790.43)	1,262,930.00	1,234,169.98	28,760.02
CIRCUIT COURT	1,506,607.86	1,455,774.19	50,833.67	2,175,833.00	2,174,370.42	1,462.58
STATE'S ATTORNEY'S OFFICE	1,547,974.36	1,569,498.74	(21,524.38)	2,292,234.00	2,338,059.94	(45,825.94)
YOUTH PANEL	142.25	-	142.25	-	-	-
ORPHAN'S COURT	26,350.35	29,300.91	(2,950.56)	41,352.00	39,700.21	1,651.79
BOARD OF ELECTIONS	400,469.40	541,253.12	(140,783.72)	830,238.00	756,797.24	73,440.76
FINANCE	1,879,530.44	1,848,200.61	31,329.83	2,793,586.00	2,687,783.04	105,802.96
LIQUOR BOARD	145,110.94	147,509.42	(2,398.48)	190,654.00	190,567.85	86.15
PLANNING & ZONING	694,762.80	695,127.02	(364.22)	1,064,393.00	1,006,297.66	58,095.34
MAINTENANCE	2,678,022.31	2,690,149.13	(12,126.82)	4,010,761.00	3,879,908.41	130,852.59
LEGAL SERVICES	109,693.91	131,792.43	(22,098.52)	183,871.00	183,800.83	70.17
LAW ENFORCEMENT	14,325,903.24	15,974,776.97	(1,648,873.73)	22,004,115.00	22,304,968.45	(300,853.45)
EMERGENCY SERVICES	8,645,631.75	9,087,583.42	(441,951.67)	12,624,882.00	12,062,864.56	562,017.44
PERMITS & INSPECTIONS	655,777.21	703,063.70	(47,286.49)	1,052,783.00	1,048,709.89	4,073.11
ANIMAL CONTROL	506,404.10	431,909.34	74,494.76	738,043.00	684,862.45	53,180.55
PUBLIC WORKS	7,471,020.87	6,660,817.81	810,203.06	9,729,643.00	9,469,608.25	260,034.75
PUBLIC HEALTH	3,110,948.98	3,415,872.20	(304,923.22)	3,420,383.00	3,419,765.55	617.45
MD SCHOOL BLIND/ADULT DAYCARE	41,075.00	19,660.00	21,415.00	47,917.00	53,897.00	(5,980.00)
SOCIAL SERVICES	962,245.60	729,664.70	232,580.90	1,526,937.00	1,340,850.52	186,086.48
BOARD OF EDUCATION	60,013,083.50	61,043,911.08	(1,030,827.58)	81,634,351.00	81,634,351.00	-
CECIL COLLEGE	8,177,844.85	9,341,460.00	(1,163,615.15)	10,406,267.00	10,406,267.00	-
NON-PROFIT AGENCIES	88,447.00	88,447.00	-	88,447.00	88,447.00	-
PARKS & RECREATION	581,431.30	672,280.90	(90,849.60)	969,833.00	968,305.93	1,527.07
LIBRARIES	3,555,660.49	3,849,378.13	(293,717.64)	5,255,817.00	5,255,817.00	-
AGRICULTURE	494,929.08	502,925.78	(7,996.70)	632,281.00	638,237.58	(5,956.58)
ECONOMIC DEVELOPMENT	681,492.34	684,292.36	(2,800.02)	1,129,227.00	1,120,457.66	8,769.34
JUDGEMENT & LOSSES	470.00	-	470.00	10,000.00	10,000.00	-
GRANTS TO MUNICIPALITIES	671,362.84	674,408.98	(3,046.14)	674,409.00	674,409.00	-
DEBT SERVICE - PRINCIPAL	7,523,350.93	9,081,926.46	(1,558,575.53)	9,470,803.00	9,470,803.00	-
DEBT SERVICE - INTEREST	3,170,868.42	3,801,037.52	(630,169.10)	5,659,139.00	5,659,139.00	-
OPERATING TRANSFER	-	2,477.00	(2,477.00)	1,500,135.00	1,502,612.00	(2,477.00)
<b>Total Expenditures</b>	<b>131,090,314.47</b>	<b>137,431,661.61</b>	<b>(6,341,347.14)</b>	<b>184,420,439.00</b>	<b>183,240,264.06</b>	<b>1,180,174.94</b>
<b>Revenues over Expenditures</b>	<b>14,531,577.03</b>	<b>9,515,027.63</b>	<b>(5,016,549.40)</b>	<b>(3,912,504.00)</b>	<b>(3,384,779.18)</b>	<b>527,724.82</b>
				(b)		

**Notes:**

- (a) March includes pro-rata estimates and accrual calculations which may be revised after 2017 Yearend Adjustments.
- (b) For FY 2017 Budget, the difference between revenue over expenditures is equal to the budgeted use of Fund Balance.
- (c) Budget numbers are presented as full year budget.

**Cecil County MD**  
**General Fund**  
**Revenues & Expenditures by Category**  
**as of Nine Months Through 03/31/17**

See Note (a) as to limitations  
(Unaudited)

	Current Year vs Prior Year Actual			Current Year Budget vs Projection		
	FY 2016 Actual thru Mar	FY 2017 Actual thru Mar	Favorable / (Unfavorable) thru Mar 2017 vs 2016	FY 2017 Rev Budget Fiscal Year	FY 2017 Projected thru June 30	Favorable / (Unfavorable) thru June 30 Annual Budget
<b>Revenues</b>						
Real Property Tax	92,578,987.29	92,695,164.06	116,176.77	93,402,462.00	92,807,386.22	(595,075.78)
Personal Property Tax	9,617,036.80	9,503,994.76	(113,042.04)	9,754,134.00	9,968,756.11	214,622.11
Payment in lieu of Tax	3,698,582.98	3,698,612.32	29.34	3,704,109.00	3,704,109.00	-
Interest & Penalties	321,337.23	336,625.33	15,288.10	671,647.00	671,881.08	234.08
Income Tax	30,619,472.26	31,364,960.84	745,488.58	56,439,257.00	56,439,257.00	-
License & Permits	1,155,599.26	1,277,343.95	121,744.69	2,121,645.00	2,158,127.59	36,482.59
State Grants	772,498.61	868,651.38	96,152.77	1,433,257.00	1,485,283.74	52,026.74
Other Intergovernmental	801,820.56	864,581.95	62,761.39	1,851,136.00	1,211,203.68	(639,932.32)
Charges for Services	2,322,551.12	2,336,765.01	14,213.89	3,851,488.00	3,785,614.45	(65,873.55)
Recordation	3,229,143.18	3,374,897.84	145,754.66	5,000,000.00	5,000,000.00	-
Investment Earnings	54,212.89	203,691.46	149,478.57	125,000.00	214,606.42	89,606.42
Contributions & Other Transfers	450,649.32	421,400.34	(29,248.98)	215,800.00	471,259.59	255,459.59
	-	-	-	1,938,000.00	1,938,000.00	-
<b>Total Revenues</b>	<b>145,621,891.50</b>	<b>146,946,689.24</b>	<b>1,324,797.74</b>	<b>180,507,935.00</b>	<b>179,855,484.88</b>	<b>(652,450.12)</b>
<b>Expenditures</b>						
Salary & Fringe	28,281,119.58	30,547,444.80	(2,266,325.22)	42,302,083.00	43,330,874.42	(1,028,791.42)
Professional & Related Services	7,520,252.68	6,354,265.74	1,165,986.94	10,308,320.00	9,216,387.03	1,091,932.97
Supplies & Materials	6,798,355.47	7,474,801.00	(676,445.53)	11,159,356.00	10,358,885.85	800,470.15
Utilities	849,337.51	883,540.15	(34,202.64)	1,469,178.00	1,295,696.94	173,481.06
Training & Related	291,570.48	308,464.12	(16,893.64)	559,524.00	461,538.82	97,985.18
Capital Outlay	528,730.81	770,473.06	(241,742.25)	1,389,299.00	1,375,699.00	13,600.00
Special Purpose	322,318.74	349,287.54	(26,968.80)	728,349.00	706,874.00	21,475.00
Debt Service - Principal	7,528,450.93	9,081,926.46	(1,553,475.53)	9,470,803.00	9,470,803.00	-
Debt Service - Interest	3,170,868.42	3,801,037.52	(630,169.10)	5,659,139.00	5,659,139.00	-
Transfers & Intergovernment	75,799,309.85	77,860,421.22	(2,061,111.37)	101,374,388.00	101,364,366.00	10,022.00
<b>Total Expenditures</b>	<b>131,090,314.47</b>	<b>137,431,661.61</b>	<b>(6,341,347.14)</b>	<b>184,420,439.00</b>	<b>183,240,264.06</b>	<b>1,180,174.94</b>
<b>Revenues over Expenditures</b>	<b>14,531,577.03</b>	<b>9,515,027.63</b>	<b>(5,016,549.40)</b>	<b>(3,912,504.00)</b>	<b>(3,384,779.18)</b>	<b>527,724.82</b>

(b)

**Notes:**

- (a) March includes pro-rata estimates and accrual calculations which may be revised after 2017 Yearend Adjustments.
- (b) For FY 2017 Budget, the difference between revenue over expenditures is equal to the budgeted use of Fund Balance.
- (c) Budget numbers are presented as full year budget.

**Cecil County MD**  
**Landfill Fund**  
**Revenues & Expenditures by Category**  
**as of Nine Months Through 03/31/17**  
Unaudited

	Current Year vs Prior Year Actual			Current Year Rev Budget vs Actual		
	FY 2016 Actual thru Mar	FY 2017 Actual thru Mar	Favorable / (Unfavorable) thru Mar 2017 vs 2016	FY 2017 Rev Budget Fiscal Year	FY 2017 Projected thru June	Favorable / (Unfavorable) thru June 30 Annual Budget
<b>Revenues</b>						
Sales & User Fees	5,114,170.36	5,467,341.23	353,170.87	7,362,331.00	7,362,331.00	-
Charges for Services	201,741.69	178,840.24	(22,901.45)	27,800.00	235,000.00	207,200.00
Discount	-	-	-	-	-	-
Interest & Penalties	3,969.53	4,646.48	676.95	5,175.00	5,225.00	50.00
Federal Grants	-	-	-	-	-	-
State Grants	48,797.90	12,600.00	(36,197.90)	12,600.00	12,600.00	-
Contributions & Other	9,189.22	7,545.16	(1,644.06)	-	7,545.16	7,545.16
<b>Total Revenues</b>	<b>5,377,868.70</b>	<b>5,670,973.11</b>	<b>293,104.41</b>	<b>7,407,906.00</b>	<b>7,622,701.16</b>	<b>214,795.16</b>
<b>Expenditures</b>						
Salary & Fringe	1,005,019.26	1,077,923.09	(72,903.83)	1,470,430.00	1,507,352.38	(36,922.38)
Professional & Related Services	1,306,939.28	723,844.21	583,095.07	2,459,435.00	1,910,620.96	548,814.04
Supplies & Materials	252,316.27	173,862.93	78,453.34	327,602.00	259,335.82	68,266.18
Utilities	199,707.84	198,605.43	1,102.41	219,100.00	269,186.38	(50,086.38)
Training & Related	5,101.17	3,820.18	1,280.99	16,950.00	10,827.50	6,122.50
Depreciation (b)	1,565,546.59	1,922,533.50	(356,986.91)	2,563,378.00	2,563,378.00	-
Transfers & Intergovernment	58,107.41	48,422.84	9,684.57	64,564.00	64,564.00	-
<b>Total Expenditures</b>	<b>4,392,737.82</b>	<b>4,149,012.18</b>	<b>243,725.64</b>	<b>7,121,459.00</b>	<b>6,585,265.05</b>	<b>536,193.95</b>
<b>Operating Gain/(Loss)</b>	<b>985,130.88</b>	<b>1,521,960.93</b>	<b>536,830.05</b>	<b>286,447.00</b>	<b>1,037,436.11</b>	<b>750,989.11</b>
<b>Non-Operating Revenues (Expenses)</b>						
Interest Expense	(171,034.04)	(195,385.82)	(24,351.78)	(443,847.00)	(443,847.00)	-
Bond Issue Expense	(1,137.92)	-	1,137.92	-	-	-
Investment Earnings	12,047.64	19,053.93	7,006.29	20,000.00	25,405.24	5,405.24
<b>Change in Net Position</b>	<b>825,006.56</b>	<b>1,345,629.04</b>	<b>519,484.56</b>	<b>(137,400.00)</b> (c)	<b>618,994.35</b>	<b>756,394.35</b>

**Notes:**

- (a) Budget numbers are presented as full year budget and are not prorated for year to date comparison
- (b) Depreciation, Depletion & Closure for FY2016 is shown as a percentage of yearend actual and FY2017 as a percentage of budget.
- (c) The FY 2017 budget includes Fund Balance and capital outlay in the change in net position.

**Cecil County MD**  
**Waste Water Fund**  
**Revenues & Expenditures by Category**  
**as of Nine Months Through 03/31/17**  
Unaudited

	Current Year vs Prior Year Actual			Current Year Rev Budget vs Actual		
	FY 2016 Actual thru Mar	FY 2017 Actual thru Mar	Favorable / (Unfavorable) thru Mar 2017 vs 2016	FY 2017 Rev Budget Fiscal Year	FY 2017 Projected thru June	Favorable / (Unfavorable) thru June 30 Annual Budget
<b>Revenues</b>						
Sales & User Fees	4,148,711.45	3,736,484.80	(412,226.65)	5,937,039.00	5,514,541.14	(422,497.86)
Interest & Penalties	29,208.98	34,664.07	5,455.09	55,200.00	34,664.07	(20,535.93)
Federal Grants	-	-	-	-	-	-
State Grants	-	-	-	1,300,000.00	1,300,000.00	-
Charges for Services	-	-	-	-	-	-
Contributions & Other	22,894.48	70,018.82	47,124.34	34,000.00	70,018.82	36,018.82
<b>Total Revenues</b>	<b>4,200,814.91</b>	<b>3,841,167.69</b>	<b>(359,647.22)</b>	<b>7,326,239.00</b>	<b>6,919,224.03</b>	<b>(407,014.97)</b>
<b>Expenditures</b>						
Salary & Fringe	862,757.02	916,221.55	(53,464.53)	1,308,550.00	1,304,205.73	4,344.27
Professional & Related Services	577,562.85	682,149.94	(104,587.09)	978,227.00	785,791.05	192,435.95
Supplies & Materials	296,553.31	214,642.69	81,910.62	408,321.00	333,061.08	75,259.92
Utilities	408,133.15	372,697.53	35,435.62	660,131.00	559,046.30	101,084.71
Training & Related	17,462.95	15,424.82	2,038.13	30,000.00	21,077.52	8,922.48
Depreciation (b)	1,758,065.33	2,045,510.25	(287,444.92)	2,727,347.00	2,727,347.00	-
Transfers & Intergovernment	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>3,920,534.61</b>	<b>4,246,646.78</b>	<b>(326,112.17)</b>	<b>6,112,576.00</b>	<b>5,730,528.68</b>	<b>382,047.32</b>
<b>Operating Gain/(Loss)</b>	<b>280,280.30</b>	<b>(405,479.09)</b>	<b>(685,759.39)</b>	<b>1,213,663.00</b>	<b>1,188,695.35</b>	<b>(24,967.65)</b>
<b>Non-Operating Revenues (Expenses)</b>						
Interest Expense	(649,418.80)	(742,483.59)	(93,064.79)	(1,647,489.00)	(1,647,489.00)	-
Bond Issue Expense	(126,909.64)	(122,591.36)	4,318.28	(122,591.00)	(122,591.00)	-
Investment Earnings	151.72	5,500.30	5,348.58	4,800.00	5,500.30	700.30
<b>Capital Contributions</b>						
Connection Fees	511,037.55	352,550.00	(158,487.55)	684,000.00	352,550.00	(331,450.00)
<b>Change in Net Position</b>	<b>15,141.13</b>	<b>(912,503.74)</b>	<b>(927,644.87)</b>	<b>132,383.00</b> (c)	<b>(223,334.35)</b>	<b>(355,717.35)</b>

**Notes:**

- (a) Budget numbers are presented as full year budget and are not prorated for year to date comparison
- (b) Depreciation for FY2016 is shown as a percentage of yearend actual and FY2017 as a percentage of budget.
- (c) The FY 2017 budget includes Fund Balance and capital outlay in the change in net position.

**Cecil County, Maryland**  
**Fiscal Year 2017 Third Quarter Projections**  
**Significant Assumptions**

**General Fund – Revenues**

**Major Assumptions**

- Real Property Tax collections tend to exceed budget by  $\frac{1}{2}$  to  $\frac{3}{4}$  % due to economic growth and conservative estimates – lagging initial estimates by  $\frac{1}{2}$ %.
- Personal Property Tax collections for the third quarter continued to trend greater than budget. The most notable areas are Foreign Corporations and Foreign Limited Liability Companies.
- Income Taxes –expect 2% withholding growth over prior year. The second distribution for FY2017 that includes a withholding component was received in February and for Cecil County was flat. It is anticipated even with this flat distribution the County will meet budget due to the additional revenue received in FY2017 for past distribution errors.
- The same decrease attributed to the Highway User Revenues not receiving an increase is the reason for the unfavorable projection for “Other Intergovernmental” revenue.
- The County investments have seen a favorable increase over budget due to better than anticipated rates that have improved the return on investment for FY2017.
- The County received \$180,650 from FEMA as a result of the January 2016 blizzard. The amount of the reimbursement could not be ascertained prior to closing 2016 fiscal year. The actual payment was received by the County in the 2<sup>nd</sup> quarter and is the explanation for the increase in “Contributions and Other”.

**General Fund – Expenses**

**Major Assumptions**

- Salary and Fringes are projected for 26 pay periods, using 18 periods as the base.
- The FY2017 calculation of attrition for the General Fund is unfavorably affecting the actual results for salary and fringe. The County’s turnover rate continues to create issues within certain departments, but overall, the County is showing better actual results than the budgeted calculation for the turnover of employees and the changes in fringe benefits.
- Overtime is projected at budget for most department for the third quarter. The few that have exceeded the budget are attributable to vacancies where savings in salary will make up for the additional overtime.
- Better than anticipated contract negotiations for services within the Detention Center accounts for favorable results within the Professional and Related expenses of the General Fund.
- Operating expenses are projected using different assumptions from current activity – results in a favorable projection of \$ 1,180,175 dollars.

**Cecil County MD**  
**INCOME TAX RECEIPTS as of**  
**March, 2017**  
**(Unaudited)**

	FISCAL YEAR - 2014		FISCAL YEAR - 2015		FISCAL YEAR - 2016		FISCAL YEAR - 2017	
	Actual	% of Act Total	Actual	% of Act Total	Actual	% of Act Total	Actual	% of Bud Total
SEPTEMBER	\$ 1,195,629	2.4%	\$ 770,924	1.4%	\$ 1,146,884	2.1%	\$ 629,143	1.1%
OCTOBER	1,253,262	2.5%	1,533,138	2.8%	1,619,757	2.9%	2,247,163	4.0%
NOVEMBER	12,126,445	23.9%	13,101,575	24.3%	12,840,866	23.0%	13,850,957	24.5%
DECEMBER	74,875	0.1%	132,580	0.2%	76,741	0.1%	80,580	0.1%
JANUARY	386,140	0.8%	543,243	1.0%	900,864	1.6%	683,669	1.2%
FEBRUARY	11,562,305	22.8%	12,275,431	22.8%	13,269,055	23.8%	13,025,713	23.1%
MARCH	540,449	1.1%	481,943	0.9%	765,307	1.4%	847,736	1.5%
APRIL	-	0.0%	-	0.0%	-	0.0%	-	0.0%
MAY	9,735,487	19.2%	10,019,867	18.6%	10,359,336	18.6%	-	0.0%
JUNE	9,114,121	17.9%	9,513,447	17.6%	9,751,406	17.5%	-	0.0%
JULY	3,243,221	6.4%	3,501,292	6.5%	3,669,815	6.6%	-	0.0%
AUGUST	1,568,445	3.1%	2,080,856	3.9%	1,406,589	2.5%	-	0.0%
<b>Year to Date</b>	<b>\$ 50,800,381</b>	<b>100.0%</b>	<b>\$ 53,954,296</b>	<b>100.0%</b>	<b>\$ 55,806,618</b>	<b>100.0%</b>	<b>\$ 31,364,961</b>	<b>55.6%</b>
<b>Budget</b>	<b>\$ 52,139,853</b>		<b>\$ 53,643,746</b>		<b>\$ 55,400,000</b>		<b>\$ 56,439,257</b>	
<b>Comparative Year to Year March 31</b>	<b>\$ 27,139,106</b>	<b>1.0%</b>	<b>\$ 28,838,834</b>	<b>6.3%</b>	<b>\$ 30,619,472</b>	<b>6.2%</b>	<b>\$ 31,364,961</b>	<b>2.4%</b>

**Notes:**

FY 2017 YTD Actual Receipts % change current year vs. prior year 2.43%  
 FY 2017 YTD Actual Receipts \$ change current year vs. prior year \$ 745,489



**Cecil County MD**  
**PERRYVILLE CASINO REVENUES as of**  
**February 28, 2017**  
(Unaudited)

	FISCAL YEAR - 2016				FISCAL YEAR - 2017			
	Total From Gaming Commission	Town of Perryville's Portion	Cecil County's Portion	% of Actual Total	Total From Gaming Commission	Town of Perryville's Portion	Cecil County's Portion	% of Budget Total
JULY	\$ 326,878	\$ 114,407	\$ 212,470	9.1%	\$ 312,663	\$ 109,432	\$ 203,231	7.6%
AUGUST	305,993	107,098	198,896	8.5%	281,673	98,586	183,087	6.9%
SEPTEMBER	286,227	100,179	186,047	7.9%	274,172	95,960	178,212	6.7%
OCTOBER	289,279	101,248	188,031	8.0%	280,818	98,286	182,532	6.9%
NOVEMBER	275,568	96,449	179,119	7.6%	257,955	90,284	167,671	6.3%
DECEMBER	295,516	103,431	192,085	8.2%	319,555	111,844	207,711	7.8%
JANUARY	262,022	91,708	170,315	7.3%	312,874	109,506	203,368	7.7%
FEBRUARY	304,338	106,518	197,820	8.4%	336,902	117,916	218,986	8.2%
MARCH	327,627	114,669	212,957	9.1%	377,282	132,049	245,233	9.2%
APRIL	330,428	115,650	214,778	9.1%	-	-	-	0.0%
MAY	325,801	114,030	211,771	9.0%	-	-	-	0.0%
JUNE	281,586	98,555	183,031	7.8%	-	-	-	0.0%
<b>Year to Date</b>	<b>\$ 3,611,262</b>	<b>\$ 1,263,942</b>	<b>\$ 2,347,320</b>	<b>100.0%</b>	<b>\$ 2,753,894</b>	<b>\$ 963,863</b>	<b>\$ 1,790,031</b>	<b>67.3%</b>
<b>Budget</b>			<b>\$ 2,184,500</b>				<b>\$ 2,658,139</b>	
<b>Comparative Year to Year March 31</b>	<b>\$ 2,673,447</b>	<b>\$ 935,706</b>	<b>\$ 1,737,740</b>	<b>3.9%</b>	<b>\$ 2,753,894</b>	<b>\$ 963,863</b>	<b>\$ 1,790,031</b>	<b>3.0%</b>

**Notes:**

- (1) March 2017 is an estimate based on the Maryland lottery website.
- (2) The County sends 35% of the gaming commissions to Perryville when received from the State of Maryland.  
The County typically sends the money to Perryville within 2 days of receipt from the State.

**Cecil County MD**  
**Changes in Fund Balance**  
**as of Nine Months Through 03/31/17**

(Unaudited)

	<b>FY 2017</b>
	<b>Fiscal Year</b>
<b><u>General Fund - Fund Balance</u></b>	
Original Budget - Beginning of Year	2,474,523.00
<b>Carryover Elkton Library Parking Lot</b>	15,981.00
<b>Carryforward of Approved Karpel Project for States' Attorney's Office</b>	15,000.00
<b>Transition Costs to New County Executive</b>	157,000.00
<b>Health Insurance - Fund Additional Claims</b>	1,250,000.00
Revised Budget - As of 03/31/17	<u>3,912,504.00</u>
<b><u>Solid Waste - Fund Balance</u></b>	
Original Budget	No Change
<b><u>Wastewater - Fund Balance</u></b>	
Original Budget	No Change