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**Department of Finance**

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**CECIL COUNTY MARYLAND GOVERNMENT**

Department of Finance

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From: Lisa A. Saxton, 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: December 18, 2018

Re: FY2019 First Quarter Fiscal Projections

The Department of Finance is pleased to present its FY2019 First Quarter Fiscal Projection. This projection includes by necessity certain broad assumptions in addition to detailed reviews of various areas. As the fiscal year has just started, the First Quarter Fiscal Projections assume that revenues primarily will agree to the budget projection and expenditures will be made at or close to 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.

**2019 General Fund – Comparison to Budget**

Overall, the first quarter projection finds the County's General Fund expecting a favorable variance from budget of \$163,165.

Revenue projections reflect the actual receipts received through September and projections through yearend versus estimates at the time of budget formation. The projected net of all revenue streams is \$1,421,703 less than budget. Real property taxes are expected to be \$1,179,173 less than budget reflecting an overly aggressive growth component and the timing of new construction built into the current revenue estimates. The County's half-year construction assessments will go out in January and should improve real property revenue receipts. The projection for personal property tax is already exceeding budget by \$800,090, due in large part to Amazon's first personal property tax billing that exceeds \$1,000,000.

The County's income tax budget reflects a 3% increase compared to the FY2018's original budget. The budget for FY2019 was based on additional revenue expected due to the increase in rate and new growth. The actual results for FY2018 proved to be over a million dollars less when compared to budget. The projection for FY2019 is taking into account the shortfall of last fiscal year and will be closely monitored by Budget to determine if the County will again have an unfavorable income tax result when compared to budget. As of September 30, only one tax distribution for FY2019 has been received from the State. The September distribution is comprised of a reconciliation of prior distributions, which is volatile and depends in part on tax filing patterns and should be in no way reflective of the distribution trends for the current fiscal year.

Projected expenditures as usual are expected to approach but not equal the budget. A total of \$163,166 less than budget is projected to be spent. The year-to-date expenditure patterns have not been impacted by any significant unfavorable occurrences that would have an impact on the annual expenditures. The projection is based on departments spending 95% of their current operating budget with little to no change in personnel. The projections for the second and third quarter will begin to reflect where the County will see

budget savings or deficiencies. Attrition is calculated on a County-wide basis. The current trends show less vacancies within the Sheriff's Office budget but more in Emergency Services. The likelihood of sustaining such an attrition variance is dependent on hiring and retaining staff, as well as the use of overtime.

### **Enterprise Funds**

The Landfill Fund is projecting a \$272,618 increase in operating revenues compared to budget and \$2,963 lower in expenditures. If this continues, the fund Change in Net Position will be \$374,386 to the positive and will result in an increase in fund balance of \$1,722,303 compared to a budgeted increase in fund balance of \$1,347,917. The County continues to be able to mitigate the volatile recyclable market and currently is expected to meet the budget for FY2019. Landfill sales and user fees outpaced budget in FY2018 by approximately \$700,000 and the trend is continuing into FY2019. The projection is anticipating a moderate increase over budget of 279,459.

The Landfill Fund continues to benefit from the long term investment strategy of the reserve funds set aside for Closure/Post Closure of the Landfill. The investment funds recognized investment gains of over \$250,000 for the First Quarter of FY2019. Due to the long term nature of the investments, it is expected that recognition of gains and losses will be dependent on the market conditions at quarter end.

The Wastewater Fund budget was based on a rate increase beginning on July 1, 2018. However, the rate increase was not passed until September 2018. The unfavorable operating revenue projection will continue for the remainder of the fiscal year as the fund will not be able to compensate for the budget. The fund is projected to save \$152,872 in operating expenses to net an operating loss of \$401,182 for the year. The revenue projections for capital contributions are showing improvement and have already outpaced the actual receipts for FY2018. The Administration's long term plan supports the increase to the user base in order to generate the revenue necessary to support the system.

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

Revenues compared to the same period last year are down by \$617,308. The decrease compared to FY2018 is due to the following: timing of personal property tax receipts from public utilities, the very low September 2017 income tax distribution and a large one time recordation receipt received in the prior year. Recordation and deed transfers experienced unusually large one time transactions in FY2018 that were not part of a budget projection. The County benefitted from the activity but cannot rely on the one time revenue streams to cover continuing operating expenditures.

Expenditures increased by \$1,902,818 compared to FY2018, largely due to increased payments to the component units and the additional of debt service principal and interest payments on the 2017 Public Improvement Bonds.

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

The Landfill Fund year-to-date operating revenues are down by \$84,493 compared to last year and operating expenditures are down by \$57,683. The most notable increases in expenditures are due to increased personnel costs, depreciation and interest expense that are being offset by savings in utility costs and professional services.

The Wastewater Fund year-to-date-operating revenues are down by \$76,901 compared to last year while operating expenditures are up by \$92,214. Revenues are variable and reflect no change in rate for the first quarter. Expenditures reflect higher depreciation and interest expense on new debt.

### **Attached Schedules**

Attached are the following schedules:

- FY2019 First Quarter Projection vs Revised Budget
  - General Fund
  - Landfill Fund
  - Wastewater Fund
- FY2019 First Quarter Projection Significant Assumptions
- Income Tax Collections Schedule
- Hollywood Casino ó Perryville Revenues

**Cecil County MD**  
**General Fund**  
**Revenues & Expenditures by Major Department**  
**as of Three Months Through 9/30/18**  
See Note (a) as to limitations  
(Unaudited)

	Current Year vs Prior Year Actual			Current Year Budget (b) vs Projection		
	FY 2018 Actual thru Sep	FY 2019 Actual thru Sep	Favorable / (Unfavorable) thru Sep 2019 vs 2018	FY 2019 Rev Budget Fiscal Year	FY 2019 Projected thru June 30	Favorable / (Unfavorable) thru June 30 Annual Budget
<b>Revenues</b>						
Real Property Tax	98,154,495.60	100,298,259.88	2,143,764.28	102,445,846.00	101,266,673.41	(1,179,172.59)
Personal Property Tax	7,137,558.49	5,111,396.90	(2,026,161.59)	9,803,364.00	10,603,453.76	800,089.76
Payment in Lieu of Tax	3,696,652.09	3,698,862.40	2,210.31	3,704,138.00	3,704,138.00	-
Discount	-	-	-	-	-	-
Interest & Penalties	17,851.23	10,606.32	(7,244.91)	643,500.00	643,500.00	-
Income Tax	441,632.53	1,354,484.02	912,851.49	62,572,542.00	61,169,422.00	(1,403,120.00)
License & Permits	201,324.00	340,991.95	139,667.95	2,163,754.00	2,286,054.00	122,300.00
Federal Grants	-	-	-	-	-	-
State Grants	131,030.00	144,540.02	13,510.02	1,375,907.00	1,343,720.00	(32,187.00)
Other Intergovernmental	98,694.99	151,622.82	52,927.83	1,196,223.00	1,336,444.01	140,221.01
Charges for Services	1,505,870.21	756,958.64	(748,911.57)	3,791,348.00	3,878,432.85	87,084.85
Recordation	2,662,276.89	1,347,926.79	(1,314,350.10)	5,424,200.00	5,424,200.00	-
Investment Earnings	97,263.38	376,906.76	279,643.38	790,739.00	826,943.16	36,204.16
Contributions & Other	92,189.34	26,974.67	(65,214.67)	223,300.00	230,176.92	6,876.92
Transfers	-	-	-	1,214,000.00	1,214,000.00	-
<b>Total Revenues</b>	<b>114,236,838.75</b>	<b>113,619,531.17</b>	<b>(617,307.58)</b>	<b>195,348,861.00</b>	<b>193,927,158.11</b>	<b>(1,421,702.89)</b>
<b>Expenditures</b>						
COUNTY EXECUTIVE	47,980.06	29,224.16	18,755.90	213,848.00	175,268.21	38,579.79
COUNTY COUNCIL	78,237.56	74,647.38	3,590.18	406,110.00	403,795.76	2,314.24
ADMINISTRATOR	100,983.39	134,089.74	(33,106.35)	417,580.00	417,139.73	440.27
HUMAN RESOURCES	563,438.87	561,057.36	2,381.51	1,206,129.00	1,184,076.10	22,052.90
CIRCUIT COURT	486,015.54	441,583.40	44,432.14	2,232,750.00	2,218,110.29	14,639.71
STATE'S ATTORNEY'S OFFICE	474,176.83	494,428.24	(20,251.41)	2,447,126.00	2,423,710.30	23,415.70
ORPHAN'S COURT	9,774.39	11,063.46	(1,289.07)	46,768.00	46,696.50	71.50
BOARD OF ELECTIONS	58,141.90	164,044.08	(105,902.18)	864,230.00	823,919.32	40,310.68
FINANCE	732,418.90	468,860.79	263,558.11	2,859,680.00	2,698,829.83	160,850.17
LIQUOR BOARD	39,467.68	43,860.56	(4,392.88)	199,925.00	199,551.95	373.05
LAND USE & DEVELOPMENT SERVICES	522,531.28	500,914.36	21,616.92	2,431,925.00	2,421,744.33	10,180.67
MAINTENANCE	791,728.93	765,574.33	26,154.60	4,127,740.00	3,750,702.73	377,037.27
LEGAL SERVICES	44,535.00	39,797.63	4,737.37	235,381.00	233,831.41	1,549.59
LAW ENFORCEMENT	5,068,546.98	5,142,667.97	(74,120.99)	23,631,997.00	23,956,542.77	(324,545.77)
EMERGENCY SERVICES	4,783,016.46	4,840,727.40	(57,710.94)	13,857,859.00	13,082,376.81	775,482.19
ANIMAL CONTROL	148,175.40	164,083.25	(15,907.85)	784,300.00	758,194.84	26,105.16
PUBLIC WORKS	1,787,501.90	1,913,180.56	(125,678.66)	10,788,316.00	10,587,786.38	200,529.62
PUBLIC HEALTH	955,381.35	942,833.02	12,548.33	3,521,976.00	3,519,103.90	2,872.10
MD SCHOOL BLIND/ADULT DAYCARE	-	-	-	55,741.00	55,741.00	-
SOCIAL SERVICES	288,333.03	287,198.08	1,134.95	1,533,524.00	1,531,086.91	2,437.09
BOARD OF EDUCATION	20,623,113.14	20,859,810.90	(236,697.76)	84,222,441.00	84,222,441.00	-
CECIL COLLEGE	3,993,356.00	4,200,806.00	(207,450.00)	11,308,128.00	11,308,128.00	-
PARKS & RECREATION	231,735.46	275,853.94	(44,118.48)	1,314,324.00	1,227,899.34	86,424.66
LIBRARIES	1,360,555.00	1,421,355.00	(60,800.00)	5,685,417.00	5,685,417.00	-
AGRICULTURE	323,617.70	112,600.06	211,017.64	664,506.00	663,748.65	757.35
ECONOMIC DEVELOPMENT	197,841.80	237,803.74	(39,961.94)	1,186,748.00	1,062,257.50	124,490.50
JUDGEMENT & LOSSES	5,311.08	12,500.00	(7,188.92)	11,000.00	12,500.00	(1,500.00)
GRANTS TO MUNICIPALITIES	677,397.70	688,350.00	(10,952.30)	695,530.00	695,530.00	-
DEBT SERVICE - PRINCIPAL	1,164,224.14	1,935,848.13	(771,623.99)	10,439,416.00	10,439,416.00	-
DEBT SERVICE - INTEREST	870,870.97	1,563,638.52	(692,767.55)	6,122,802.00	6,122,802.00	-
OPERATING TRANSFER	571.00	3,395.00	(2,824.00)	1,935,644.00	1,935,644.00	-
<b>Total Expenditures</b>	<b>46,428,979.44</b>	<b>48,331,797.06</b>	<b>(1,902,817.62)</b>	<b>195,448,861.00</b>	<b>193,863,992.56</b>	<b>1,584,868.44</b>
<b>Revenues over Expenditures</b>	<b>67,807,859.31</b>	<b>65,287,734.11</b>	<b>(2,520,125.20)</b>	<b>(100,000.00)</b>	<b>63,165.55</b>	<b>163,165.55</b>
				(a)		

**Notes:**

- (a) September includes pro-rata estimates and accrual calculations which may be revised after 2019 Yearend Adjustments.
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**Cecil County MD**  
**General Fund**  
**Revenues & Expenditures by Category**  
**as of Three Months Through 9/30/18**  
See Note (a) as to limitations  
(Unaudited)

	Current Year vs Prior Year Actual			Current Year Budget vs Projection		
	FY 2018 Actual thru Sep	FY 2019 Actual thru Sep	Favorable / (Unfavorable) thru Sep 2019 vs 2018	FY 2019 Rev Budget Fiscal Year	FY 2019 Projection thru June 30	Favorable / (Unfavorable) thru June 30 Annual Budget
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Real Property Tax	98,154,495.60	100,298,259.88	2,143,764.28	102,445,846.00	101,266,673.41	(1,179,172.59)
Personal Property Tax	7,137,558.49	5,111,396.90	(2,026,161.59)	9,803,364.00	10,603,453.76	800,089.76
Payment in lieu of Tax	3,696,652.09	3,698,862.40	2,210.31	3,704,138.00	3,704,138.00	-
Discount	-	-	-	-	-	-
Interest & Penalties	17,851.23	10,606.32	(7,244.91)	643,500.00	643,500.00	-
Special Assessments	-	-	-	-	-	-
Income Tax	441,632.53	1,354,484.02	912,851.49	62,572,542.00	61,169,422.00	(1,403,120.00)
License & Permits	201,324.00	340,991.95	139,667.95	2,163,754.00	2,286,054.00	122,300.00
Federal Grants	-	-	-	-	-	-
State Grants	131,030.00	144,540.02	13,510.02	1,375,907.00	1,343,720.00	(32,187.00)
Other Intergovernmental	98,694.99	151,622.82	52,927.83	1,196,223.00	1,336,444.01	140,221.01
Charges for Services	1,505,870.21	756,958.64	(748,911.57)	3,791,348.00	3,878,432.85	87,084.85
Recordation	2,662,276.89	1,347,926.79	(1,314,350.10)	5,424,200.00	5,424,200.00	-
Investment Earnings	97,263.38	376,906.76	279,643.38	790,739.00	826,943.16	36,204.16
Contributions & Other	92,189.34	26,974.67	(65,214.67)	223,300.00	230,176.92	6,876.92
Transfers	-	-	-	1,214,000.00	1,214,000.00	-
<b>Total Revenues</b>	<b>114,236,838.75</b>	<b>113,619,531.17</b>	<b>(617,307.58)</b>	<b>195,348,861.00</b>	<b>193,927,158.11</b>	<b>(1,421,702.89)</b>
<b>Expenditures</b>						
Salary & Fringe	9,466,415.00	9,504,577.74	(38,162.74)	44,503,547.00	43,770,734.40	732,812.60
Professional & Related Services	2,380,576.91	2,467,936.04	(87,359.13)	11,079,157.00	10,729,273.99	349,883.01
Supplies & Materials	1,475,610.76	1,574,378.79	(98,768.03)	8,557,331.00	8,353,665.14	203,665.86
Utilities	248,405.31	230,121.30	18,284.01	1,454,373.00	1,286,866.40	167,506.60
Training & Related	111,403.02	79,380.02	32,023.00	649,322.00	612,800.63	36,521.37
Capital Outlay	200,978.14	243,927.90	(42,949.76)	2,048,914.00	2,045,564.00	3,350.00
Debt Service	-	-	-	-	-	-
Special Purpose	85,805.00	219,435.26	(133,630.26)	655,753.00	639,588.00	16,165.00
Debt Service - Principal	1,164,224.14	1,935,848.13	(771,623.99)	10,439,416.00	10,439,416.00	-
Debt Service - Interest	870,870.97	1,563,638.52	(692,767.55)	6,122,802.00	6,122,802.00	-
Transfers & Intergovernment	30,424,690.19	30,512,553.36	(87,863.17)	109,938,246.00	109,863,282.00	74,964.00
<b>Total Expenditures</b>	<b>46,428,979.44</b>	<b>48,331,797.06</b>	<b>(1,902,817.62)</b>	<b>195,448,861.00</b>	<b>193,863,992.56</b>	<b>1,584,868.44</b>
<b>Revenues over Expenditures</b>	<b>67,807,859.31</b>	<b>65,287,734.11</b>	<b>(2,520,125.20)</b>	<b>(100,000.00)</b>	<b>63,165.55</b>	<b>163,165.55</b>

(a)

**Notes:**

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(c) Budget numbers are presented as full year budget.

**Cecil County MD**  
**Landfill Fund**  
**Revenues & Expenditures by Category**  
**as of Three Months Through 9/30/18**  
Unaudited

	Current Year vs Prior Year Actual			Current Year Rev Budget vs Projection		
	FY 2018 Actual thru Sep	FY 2019 Actual thru Sep	Favorable / (Unfavorable) thru Sep 2019 vs 2018	FY 2019 Rev Budget Fiscal Year	FY 2019 Actual thru June 30	Favorable / (Unfavorable) thru June 30 Annual Budget
<b>Revenues</b>						
Sales & User Fees	2,271,460.81	2,195,329.80	(76,131.01)	7,571,460.00	7,850,919.20	279,459.20
Charges for Services	65,629.89	60,674.05	(4,955.84)	168,171.00	168,171.00	-
Discount	-	-	-	-	-	-
Interest & Penalties	4,243.10	2,904.42	(1,338.68)	5,175.00	11,492.68	6,317.68
Federal Grants	-	-	-	-	-	-
State Grants	-	-	-	13,600.00	-	(13,600.00)
Contributions & Other	2,508.80	441.50	(2,067.30)	-	441.50	441.50
<b>Total Revenues</b>	<b>2,343,842.60</b>	<b>2,259,349.77</b>	<b>(84,492.83)</b>	<b>7,758,406.00</b>	<b>8,031,024.38</b>	<b>272,618.38</b>
<b>Expenditures</b>						
Salary & Fringe	353,548.08	364,425.07	(10,876.99)	1,553,782.00	1,634,794.51	(81,012.51)
Professional & Related Services	270,761.85	190,648.98	80,112.87	1,875,149.00	1,798,830.90	76,318.10
Supplies & Materials	66,569.26	77,200.61	(10,631.35)	314,482.00	310,357.00	4,125.00
Utilities	82,580.27	6,399.20	76,181.07	275,700.00	272,915.00	2,785.00
Training & Related	1,184.97	247.40	937.57	14,950.00	14,202.50	747.50
Depreciation	164,223.90	268,022.25	(103,798.35)	1,072,089.00	1,072,089.00	-
Depletion	325,757.86	300,000.00	25,757.86	1,200,000.00	1,200,000.00	-
Transfers & Intergovernment	12,912.76	12,912.76	-	51,651.00	51,651.00	-
<b>Total Expenditures</b>	<b>1,277,538.95</b>	<b>1,219,856.27</b>	<b>57,682.68</b>	<b>6,357,803.00</b>	<b>6,354,839.91</b>	<b>2,963.09</b>
<b>Operating Gain/(Loss)</b>	<b>1,066,303.65</b>	<b>1,039,493.50</b>	<b>(26,810.15)</b>	<b>1,400,603.00</b>	<b>1,676,184.47</b>	<b>275,581.47</b>
<b>Non-Operating Revenues (Expenses)</b>						
Interest Expense	23,159.00	(212,520.55)	(235,679.55)	(352,686.00)	(352,686.00)	-
Bond Issue Expense	-	-	-	-	-	-
Investment Earnings	289,109.46	261,491.07	(27,618.39)	300,000.00	398,804.49	98,804.49
<b>Change in Net Position</b>	<b>1,378,572.11</b>	<b>1,088,464.02</b>	<b>(290,108.09)</b>	<b>1,347,917.00</b> (a)	<b>1,722,302.96</b>	<b>374,385.96</b>

**Notes:**

- (a) Budget numbers are presented as full year budget and are not prorated for year to date comparison
- (b) Depreciation for FY2018 is shown as a percentage of yearend actual and FY2019 as a percentage of budget.
- (c) The FY 2019 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 Three Months Through 9/30/18**  
Unaudited

	Current Year vs Prior Year Actual			Current Year Rev Budget vs Actual		
	FY 2018 Actual thru Sep	FY 2019 Actual thru Sep	Favorable / (Unfavorable) thru Sep 2019 vs 2018	FY 2019 Rev Budget Fiscal Year	FY 2019 Projected thru June 30	Favorable / (Unfavorable) thru June 30 Annual Budget
<b>Revenues</b>						
Sales & User Fees	1,706,255.12	1,587,799.47	(118,455.65)	7,386,999.00	6,832,945.28	(554,053.72)
Interest & Penalties	8,859.10	5,414.27	(3,444.83)	55,200.00	55,200.00	-
Federal Grants	-	-	-	-	-	-
State Grants	15,000.00	60,000.00	45,000.00	60,000.00	60,000.00	-
Charges for Services	-	-	-	-	-	-
Contributions & Other	-	(0.36)	(0.36)	5,000.00	5,000.00	-
<b>Total Revenues</b>	<b>1,730,114.22</b>	<b>1,653,213.38</b>	<b>(76,900.84)</b>	<b>7,507,199.00</b>	<b>6,953,145.28</b>	<b>(554,053.72)</b>
<b>Expenditures</b>						
Salary & Fringe	296,715.12	264,928.03	31,787.09	1,173,909.00	1,209,470.92	(35,561.92)
Professional & Related Services	200,463.46	189,017.81	11,445.65	1,300,145.00	1,199,095.94	101,049.06
Supplies & Materials	69,933.03	78,189.47	(8,256.44)	501,435.00	480,300.00	21,135.00
Utilities	89,372.18	78,505.47	10,866.71	610,000.00	545,350.00	64,650.00
Training & Related	4,703.01	4,577.83	125.18	32,000.00	30,400.00	1,600.00
Depreciation	969,317.87	1,107,500.00	(138,182.13)	4,430,000.00	4,430,000.00	-
Transfers & Intergovernment	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,630,504.67</b>	<b>1,722,718.61</b>	<b>(92,213.94)</b>	<b>8,047,489.00</b>	<b>7,894,616.86</b>	<b>152,872.14</b>
<b>Operating Gain/(Loss)</b>	<b>99,609.55</b>	<b>(69,505.23)</b>	<b>(169,114.78)</b>	<b>(540,290.00)</b>	<b>(941,471.58)</b>	<b>(401,181.58)</b>
<b>Non-Operating Revenues (Expenses)</b>						
Interest Expense	(52,337.11)	(403,779.34)	(351,442.23)	(1,596,308.00)	(1,596,308.00)	-
Bond Issue Expense	(122,591.36)	(122,591.36)	-	(122,591.00)	(122,591.00)	-
Transfer in Casino Fund	-	-	-	945,000.00	945,000.00	-
Investment Earnings	16.19	6.60	(9.59)	8,000.00	8,000.00	-
<b>Capital Contributions</b>						
Developers Contributions	-	-	-	-	-	-
Connection Fees	19,652.19	273,339.25	253,687.06	1,098,000.00	616,864.00	(481,136.00)
<b>Change in Net Position</b>	<b>(55,650.54)</b>	<b>(322,530.08)</b>	<b>(266,879.54)</b>	<b>(208,189.00)</b> (a)	<b>(1,090,506.58)</b>	<b>(882,317.58)</b>

**Notes:**

- (a) Budget numbers are presented as full year budget and are not prorated for year to date comparison
- (b) Depreciation for FY2018 is shown as a percentage of yearend actual and FY2019 as a percentage of budget.
- (c) The FY 2019 budget includes Fund Balance and capital outlay in the change in net position.

## **Cecil County, Maryland Fiscal Year 2019 First 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 ó initial estimates are less than budget by approximately 1%. The budget for collections were increased in anticipation of half year construction assessments on new business.
- Personal Property Tax collections, due to inconsistent billing patterns, tend to show a decline using first quarter estimates, particularly in the largest segment, Public Utilities. 1Q19 saw the non-payment of those assessments prior to September 30.
- Income Taxes óexpect 2% withholding growth over prior year. Current collections are more than prior year by \$912,851 however, the September distribution is highly volatile as it includes adjusted final tax year distributions, as well as delinquent payments. Projection is following the FY2018 actual receipts as they were over \$1,000,000 under budget.
- Recordation Tax collections are more in line with budget at the end of the first quarter.
- Increase in building permits of \$100,000 due to purchase of permits in the first quarter by Smithfield.

### **General Fund – Expenses**

#### **Major Assumptions**

- Salary and Fringes are projected for 26 pay periods, using 5.5 periods as the base.
- Overtime is projected at or close to budget as not enough time has elapsed to establish a trend for the fiscal year. Vacancies are up in dispatch/911 and the strain on overtime will be dependent on how quickly the positions are filled.
- Operating expenses are projected using different assumptions from current activity. Departmental expenses are calculated for the 1<sup>st</sup> quarter assuming 95% or greater will be expended during FY2019. ó resulting in a favorable projection of \$1,584,868.

Prepared By: Becky Anderson  
12/17/2018

**Cecil County MD**  
**INCOME TAX RECEIPTS as of**  
**September 2018**  
(Unaudited)

	FISCAL YEAR - 2016		FISCAL YEAR - 2017		FISCAL YEAR - 2018		FISCAL YEAR - 2019	
	Actual	% of Act Total	Actual	% of Act Total	Actual	% of Act Total	Actual	% of Bud Total
SEPTEMBER	\$ 1,146,884	2.1%	\$ 629,143	1.1%	\$ 441,633	0.7%	\$ 1,354,484	2.2%
OCTOBER	1,619,757	2.9%	2,247,163	3.9%	1,736,164	2.9%		0.0%
NOVEMBER	12,840,866	23.0%	13,850,957	24.0%	13,478,378	22.9%		0.0%
DECEMBER	76,741	0.1%	80,580	0.1%	255,441	0.4%		0.0%
JANUARY	900,864	1.6%	683,669	1.2%	407,529	0.7%		0.0%
FEBRUARY	13,269,055	23.8%	13,025,713	22.6%	14,274,442	24.2%		0.0%
MARCH	765,307	1.4%	847,736	1.5%	197,921	0.3%		0.0%
APRIL	-	0.0%	-	0.0%	-	0.0%		0.0%
MAY	10,359,336	18.6%	10,835,445	18.8%	12,483,277	21.2%		0.0%
JUNE	9,751,406	17.5%	9,449,308	16.4%	9,939,451	16.9%		0.0%
JULY	3,669,815	6.6%	3,806,285	6.6%	4,563,783	7.7%		0.0%
AUGUST	1,406,589	2.5%	2,158,307	3.7%	1,131,716	1.9%	-	0.0%
<b>Year to Date</b>	<b>\$ 55,806,618</b>	<b>100.0%</b>	<b>\$ 57,614,306</b>	<b>100.0%</b>	<b>\$ 58,909,734</b>	<b>100.0%</b>	<b>\$ 1,354,484</b>	<b>2.2%</b>
<b>Budget</b>	<b>\$ 55,400,000</b>		<b>\$ 56,439,257</b>		<b>\$ 60,363,860</b>		<b>\$ 62,572,542</b>	
<b>Comparative Year to Year Sep 30</b>	<b>\$ 1,146,884</b>	<b>48.8%</b>	<b>\$ 629,143</b>	<b>-45.1%</b>	<b>\$ 441,633</b>	<b>-29.8%</b>	<b>\$ 1,354,484</b>	<b>206.7%</b>

**Notes:**

FY 2019 YTD Actual Receipts % change current year vs. prior year	<b>206.70%</b>
FY 2019 YTD Actual Receipts \$ change current year vs. prior year	<b>\$ 912,851</b>



**Cecil County MD**  
**PERRYVILLE CASINO REVENUES as of**  
**September 30, 2018**  
(Unaudited)

	FISCAL YEAR - 2018				FISCAL YEAR - 2019			
	Total From Gaming Commission	Town of Perryville's Portion	Cecil County's Portion	% of Act Total	Total From Gaming Commission	Town of Perryville's Portion	Cecil County's Portion	% of Budget Total
JULY	\$ 358,414	\$ 125,445	\$ 232,969	8.8%	\$ 335,473	\$ 117,416	\$ 218,058	7.8%
AUGUST	339,778	118,922	220,856	8.3%	357,760	125,216	232,544	8.3%
SEPTEMBER	322,334	112,817	209,517	7.9%	340,533	119,186	221,346	7.9%
OCTOBER	322,231	112,781	209,450	7.9%	-	-	-	0.0%
NOVEMBER	314,417	110,046	204,371	7.7%	-	-	-	0.0%
DECEMBER	312,258	109,290	202,968	7.6%	-	-	-	0.0%
JANUARY	309,451	108,308	201,143	7.6%	-	-	-	0.0%
FEBRUARY	319,636	111,873	207,763	7.8%	-	-	-	0.0%
MARCH	386,257	135,190	251,067	9.4%	-	-	-	0.0%
APRIL	375,658	131,480	244,178	9.2%	-	-	-	0.0%
MAY	368,908	129,118	239,790	9.0%	-	-	-	0.0%
JUNE	359,926	125,974	233,952	8.8%	-	-	-	0.0%
<b>Year to Date</b>	<b>\$ 4,089,268</b>	<b>\$ 1,431,244</b>	<b>\$ 2,658,024</b>	<b>100.0%</b>	<b>\$ 1,033,766</b>	<b>\$ 361,818</b>	<b>\$ 671,948</b>	<b>24.0%</b>
<b>Budget</b>			<b>\$ 2,622,963</b>				<b>\$ 2,795,000</b>	
<b>Comparative Year to Year Sep 30</b>	<b>\$ 1,020,526</b>	<b>\$ 357,184</b>	<b>\$ 663,342</b>	<b>17.5%</b>	<b>\$ 1,033,766</b>	<b>\$ 361,818</b>	<b>\$ 671,948</b>	<b>1.3%</b>

**Notes:**

- (1) 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.