


The background is a collage of blue-toned images. On the left, a close-up of a calculator's keypad is visible. In the center, a pencil is shown writing on a document. On the right, there is a blurred image of a document with numerical data, possibly a budget or financial report. The overall theme is financial planning and administration.

County of Frederick

FY 2010 Fiscal Plan






Budget Challenges

- National Economic Downturn
 - Declining real estate & personal property values.
 - System-wide credit crisis.
 - Rising unemployment rates.
 - Rising health care costs.
 - Unstable energy prices.
- Interest rates remain low.
- Sluggish residential/commercial building and related services.
- Uncertainty of the severity of State & Federal budget cuts which result in decreased funding to locality.



Impacts of National Economic Downturn

- Limits the resources available to the County to provide expected services while increasing the demand and need for those same services.
- Financial uncertainty affects consumer spending and business activity.



FY 10 Budget Goal and Objectives

- **GOAL**

- To operate with a decrease in local tax funded expenditures and prioritize limited resources to meet citizen need for services, programs and facilities.

- **OBJECTIVES**

- No real estate or personal property tax increases to the citizens.
- Maintain adequate levels of fund balance.
- Continue effective delivery of core services.



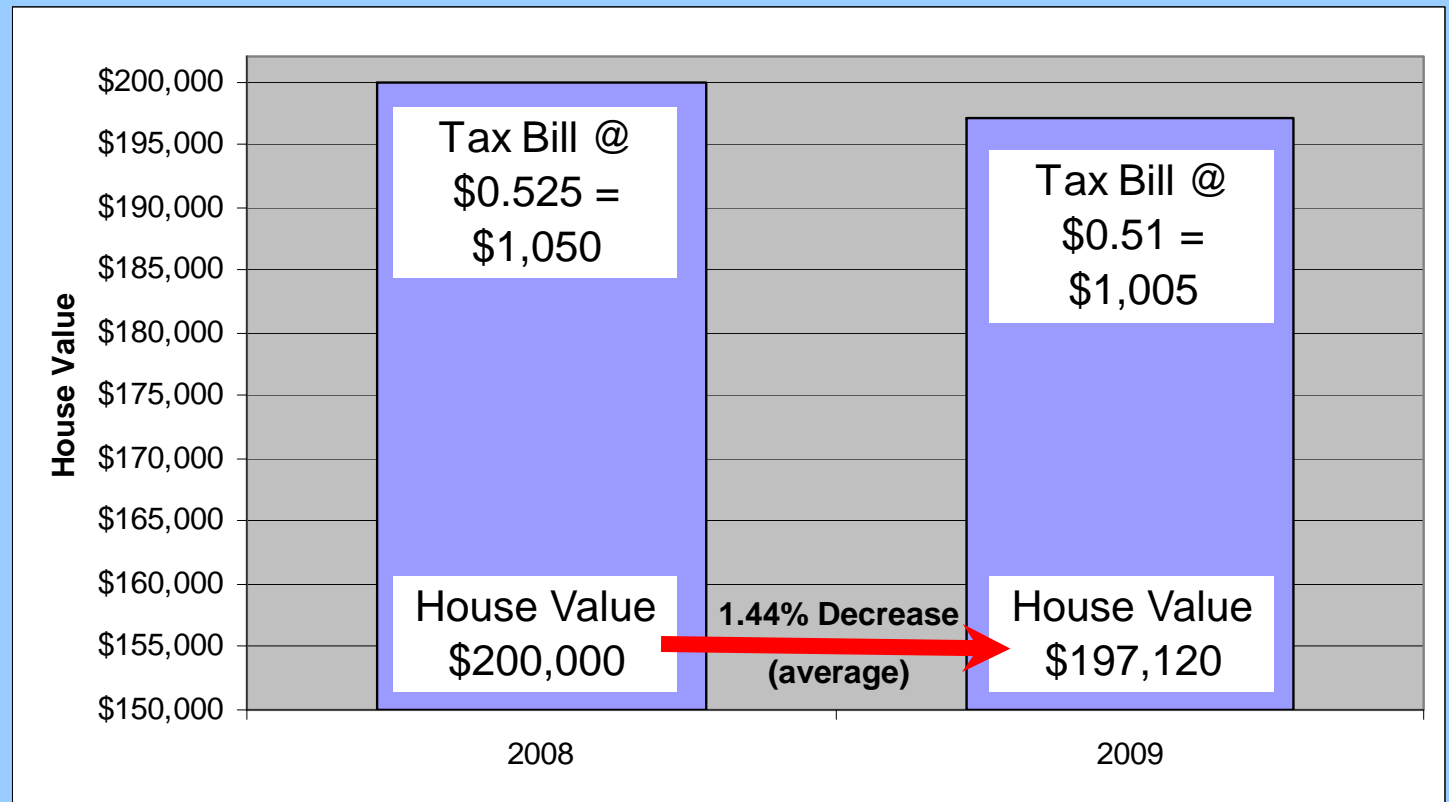
Board Direction for FY 10

- Adjust real estate & personal property tax rates to a revenue neutral amount.
- Reduce the use of fund balance to balance the budget.

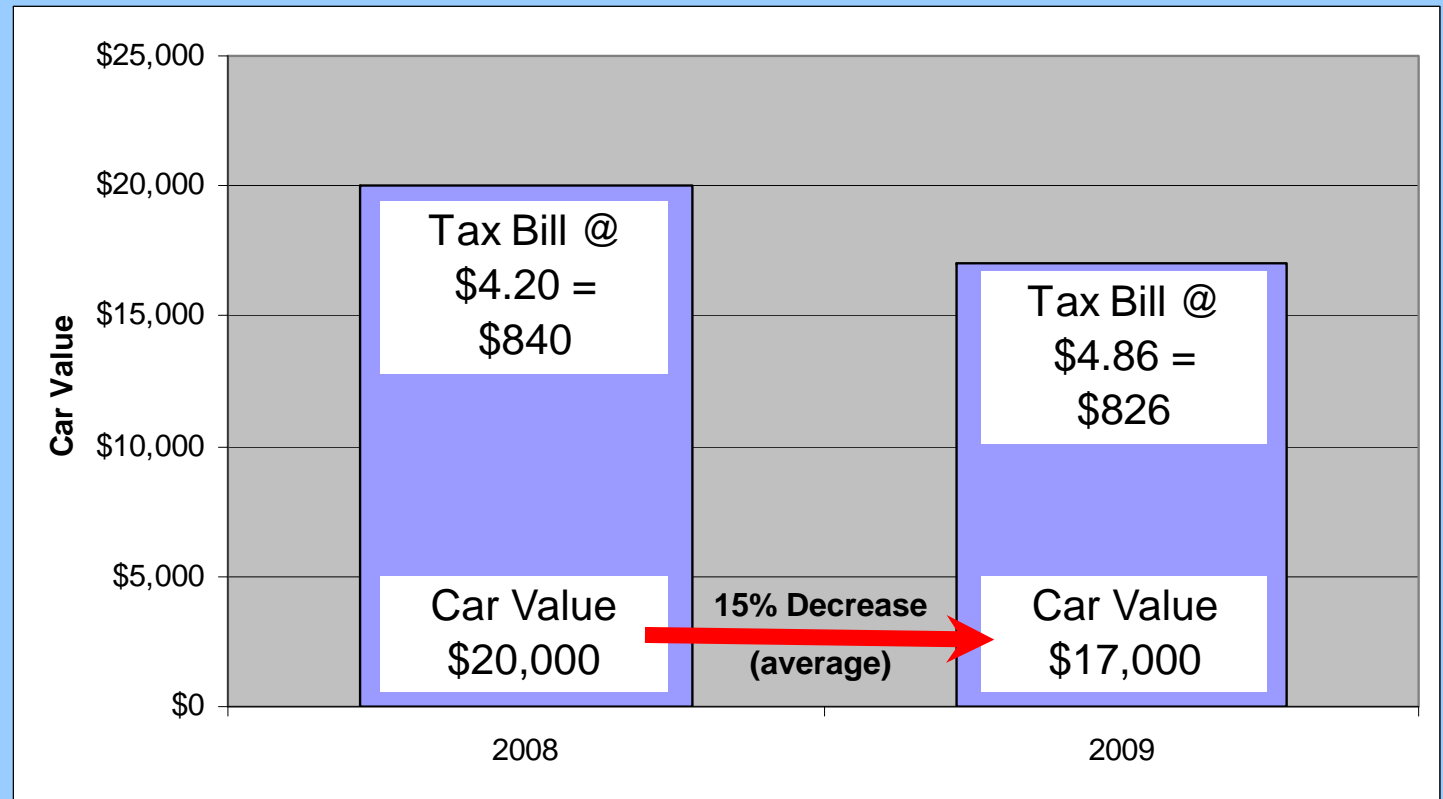
Results

- Combined with projected revenue shortfall – equals a reduction of over \$9 million in the General Fund.

Real Estate Taxes



Personal Property Taxes



NOTE: Does NOT include state car tax relief (PPTRA).



What is fund balance and why is it important?

- Fund balance = assets less liabilities
- Critical factor in financial planning and budgeting.
- Provides funds for unforeseen expenses and emergencies.
- Reduces the need for short term borrowing.
- Demonstrates financial stability.



Unreserved Fund Balance

FY	Budgeted Fund Balance Funding	Total General Fund Budget	Unreserved Fund Balance @ July 1
2005	5,054,387	100,124,213	18,932,251
2006	6,367,443	109,397,506	22,689,111
2007	5,851,964	121,394,503	32,429,542
2008	6,500,000	132,311,207	32,685,256
2009	8,699,000	135,106,340	23,837,516
2010 projected	4,300,000	126,078,819	18,116,000

NOTE: figures are budgeted amounts as adopted per the budget resolution

FY 10 Proposed Fiscal Plan

- Meets the goal, objectives and board direction.




**School
Reductions of
\$4.6 million**

**Reduced
Operating
Costs**

+

**Hiring
Freeze**

**General Fund
Reductions of
\$4.4 million**



FY 10
Proposed General
Fund Budget

\$126,078,819

FY 10 Proposed General Fund Budget

	<i>Requested</i>	<i>Proposed</i>	<i>Difference</i>
General Admn	8,040,534	7,780,658	-259,876
Judicial Svcs	2,370,639	2,219,558	-151,081
Public Safety	24,052,474	23,136,939	-915,535
Public Works	4,926,537	4,259,937	-666,600
Health/Welfare	7,499,941	7,316,381	-183,560
Parks/Culture	5,696,867	5,417,408	-279,459
Comm Develop.	2,647,948	1,986,077	-661,871
School Transfer	76,063,819	71,263,819	-4,800,000
Non-Dept.	3,807,581	2,698,042	-1,109,539
	\$135,106,340	\$126,078,819	-\$9,027,521



Cost Cutting Measures

- Personnel & Benefits
 - Staff compensation frozen.
 - Elimination of 36 vacant positions.
 - Reduce overtime and holiday pay by restructuring pay policies.
 - Suspension of career development programs and career incentives.



Cost Cutting Measures

- Operating
 - Reductions of 15% to County departments.
 - Suspend travel
 - Suspend tuition assistance
 - Reduce fuel commuting costs
 - Reduce repairs & maintenance to buildings & grounds
 - Contributions to outside agencies reduced by 15%.
 - Contributions to school system reduced by 6.3%



Cost Cutting Measures

- Capital
 - Projects delayed.
- Other
 - Reduced transportation funding.
 - Reduce gypsy moth spraying.
 - 50% reduction to F&R Company capital.
 - Delayed F&R VIP program.
 - Delayed F&R vaccination program.



Outcome of the Reductions

- Elimination of public safety support of Apple Blossom Festival, 4th of July at Sherando Park and other special events.
- Postponement of renovations to the old Gainesboro school.
- Reduced quality of athletic fields at Clearbrook & Sherando Parks.
- Elimination of vehicle replacements.



Outcome of the Reductions

- Elimination of printed tax receipts.
- Reduction in printed material available to the public.
- Significant reductions to postage & telephone expenses.
- Significant reductions to repairs & maintenance of vehicles & equipment.



FY 10 Proposed Fiscal Plan

- \$9 million decrease in total General Fund appropriations.
- Advertised real estate rate \$0.51.
- Average residential real estate tax bill would decrease by 4%.
- Per capita County government cost decreases by 6.6%.

