

**PROPOSED
OPERATING BUDGET
WORK SESSION
March 21, 2002**

Present: Board of County Commissioners
 Elaine Kramer, Director of Finance
 Jeannett Cudmore, Deputy Director Finance
 Phil Rollins, Director Recreation and Parks
 Robin Finnacom, Director Lexington Park Plan
 Brad Clements, St. Mary's Public Schools
 Mr. Carney, Director of Budget and Finance, St. Mary's Public Schools
 Dr. Pat Richardson, Superintendent of Schools, St. Mary's Public Schools
 Lotti Bell, Fiscal Supervisor, Sheriff's Office
 John Savich, Director DECD
 Randall Schultz, Director Human Resources

Assumptions are as follows:

- Pay-go of \$2M from Operating to Capital
- Board of Ed - \$2M increase in funding
- Other agencies - 1% increase
- Non-County @ FY02 levels
- Compensation:
 - County @ 2% 7/1/02; step at normal dates or \$500,000 COLA and \$500,000 step
 - Sworn Officers - parity with MSP, COLA @2% and steps at normal times (Note: MSP based on 4 mo. Deferral of step)
- Board of Ed based on 4% COLA effective 7/1/02 with step increases

Incorporates:

- Defer filling positions - many are already vacant
- No new programs/initiatives, i.e. Affordable Housing, needs assessment
- No equipment - new or replacement
- Limited funds for contracts/services
- -0- for reserves
- Revenues estimated at 3% growth; less than expected or budgeted
- Of 35 job openings, 25 can be deferred or hired mid-year

Still a shortfall of \$1.8M! (down from \$3.7M)

Commissioner Guazzo asked how forfeiture money can be used. *Ms. Kramer will provide a listing of how forfeiture monies can be applied.*

Commissioner Raley recommended the following:

		<i>Reduce to:</i>	<i>Results to reduce shortfall:</i>
<i>Pay-go</i>	<i>\$2.0M</i>	<i>\$1.0M</i>	<i>\$1.0M</i>
<i>CIP Reserve</i>	<i>\$677,000</i>	<i>-0-</i>	<i>\$677,000</i>
<i>Rainy Day Fund</i>	<i>\$1.0M</i>	<i>\$500,000</i>	<i>\$500,000</i>
<i>Pay Sheriffs parity w/MSP</i>	<i>unknown</i>	<i>unknown</i>	<i>unknown</i>

Commissioner President Randall was in agreement with this.

Capital Projects to Consider (per EK)

- Rural Legacy, FY03 \$200,000
- Tudor Hall unknown
- Ag Preservation - unexp 03 \$666,000 (matching money to State contribution)
- Critical Farms - unexp 03 \$250,000
- CIP Reserve - 02 accum \$677,000
- Navy Museum - unexp \$617,000
- Navy Museum - 03 \$463,000

Board of Ed

Defer hiring new positions, defer hardware and equipment, bus replacement or purchase are a few possibilities.

The following was recommended by the Commissioners:

- *Look at the county contribution to Marcey House and take it down to bare bones or at least half.*
 - *Increase CMS by 5%.*
 - *Increase Lexington Park Library by 5%.*
 - *Do not reduce Navy Alliance funding due to BRAC coming in 05.*
 - *Do the housing needs assessment (\$35,000 if possible).*
 - *Wait for the Literacy Council to move into new facilities before taking another look.*
 - *Put Mosquito on supplemental status.*
 - *Critical Farms reduce by \$250,000*
 - *Ag Pres " \$250,000+*
 - *Rainy Day " \$250,000*
 - *Pay go " \$1.0M*
- Commissioner President Randall agrees with these cuts.

The Commissioners recommended George Jarboe respond to raising STS fares by \$.25 a ride.

Commissioners Guazzo and Mattingly do not agree with taking more than \$250,000 from Ag Preservation.

Ms. Kramer mentioned that debt service could increase to over 10%.