THE COUNTY COMMISSIONERS
OF KENT COUNTY, MARYLAND
BUDGET WORK SESSION
AGENDA

June 1, 2021

4:00 PM Call to Order/Pledge of Allegiance/Moment of Silence

Fiscal Year 2022 Budget Review

Patricia Merritt, Chief Finance Officer, Office of Finance
Draft Budget Hearing Presentation

AGENDA ITEM BRIEFING

Patricia Merritt, Chief Finance Officer, Office of Finance
6/1/2021
Budget Work Session

Item Summary:
Draft Budget Hearing Presentation

ATTACHMENTS:

Description

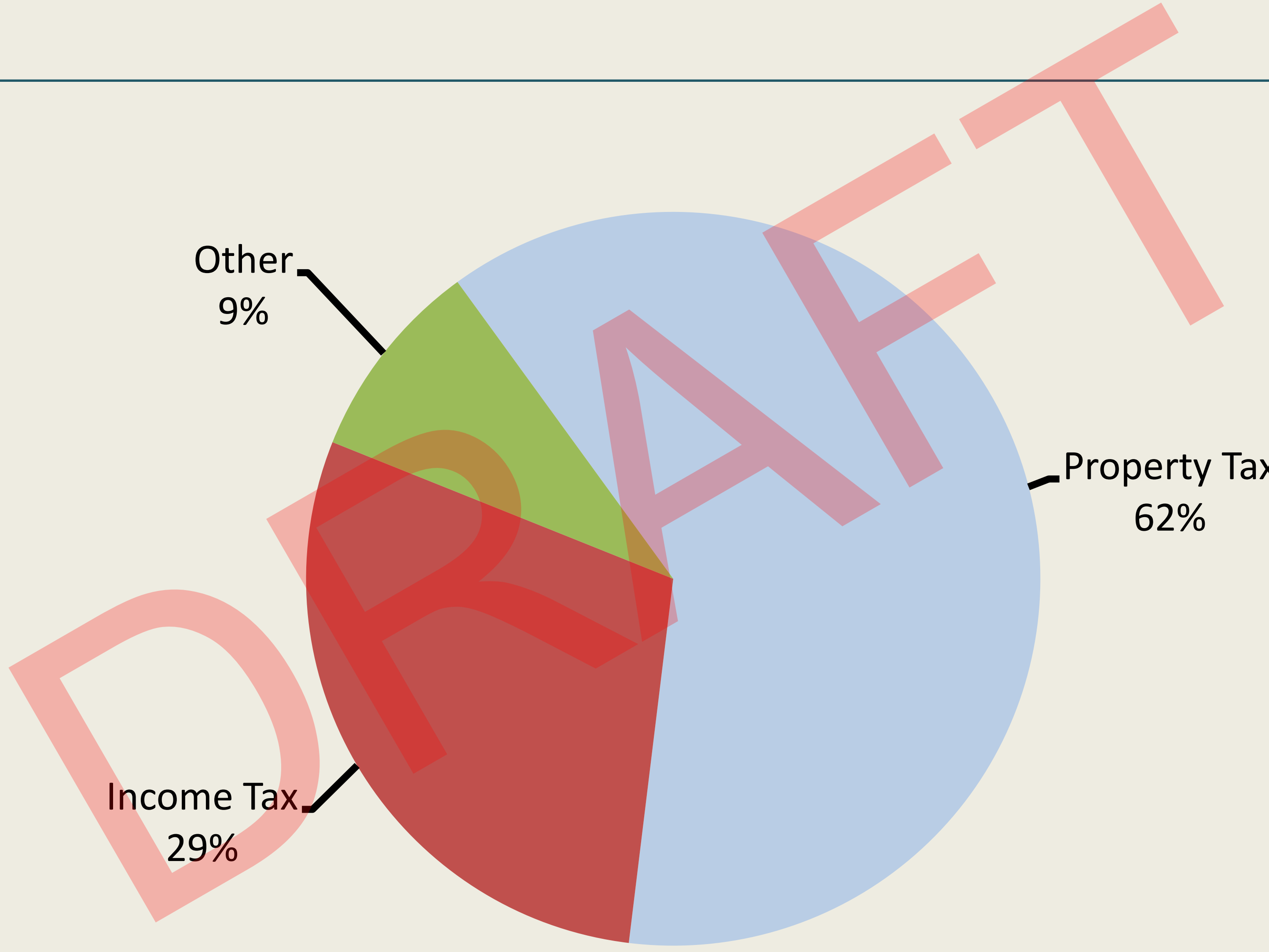
Public Hearing 2022

KENT COUNTY, MARYLAND

PROPOSED BUDGET FY2022

Public Hearing
June 8, 2021

Revenues



Taxes & Fees

Property Tax

- 1 cent decrease in the rate
- $1.012 per $100 of assessable base

Water & Sewer Rates

- Defer the planned 4% rate increase

County Property Tax Rates
2020-2021

1	Baltimore City	2.2480	13	Somerset	1.0000
2	Prince George's	1.3740	14	Montgomery	0.9912
3	Howard	1.2500	15	Caroline	0.9800
4	Charles	1.2050	16	Allegany	0.9750
5	Baltimore County	1.1000	17	Washington	0.9480
6	Fredrick	1.0600	18	Anne Arundel	0.9340
7	Garrett	1.0560	19	Calvert	0.9320
8	Harford	1.0420	20	Wicomico	0.9286
9	Cecil	1.0414	21	St. Mary's	0.8478
10	Kent	1.0220	22	Queen Anne's	0.8471
11	Carroll	1.0180	23	Worcester	0.8450
12	Dorchester	1.0000	24	Talbot	0.6372

2nd on the Shore
One cent increase in the tax rate generates $315,000 in revenue

County Income Tax Rates
2020-2021

1	Baltimore City	3.20%	13	St. Mary's	3.17%
2	Baltimore County	3.20%	14	Harford	3.06%
3	Caroline	3.20%	15	Allegany	3.05%
4	Dorchester	3.20%	16	Carroll	3.03%
5	Howard	3.20%	17	Charles	3.03%
6	Montgomery	3.20%	18	Calvert	3.00%
7	Prince George's	3.20%	19	Cecil	3.00%
8	Queen Anne's	3.20%	20	Fredrick	2.96%
9	Somerset	3.20%	21	Anne Arundel	2.81%
10	Washington	3.20%	22	Garrett	2.65%
11	Wicomico	3.20%	23	Talbot	2.40%
12	Kent	3.20%	24	Worcester	2.25%

The income tax rate was increased in FY20 from 2.85% to 3.2%, generating $1.6M over 3 years

Source: Department of Legislative Services

Revenue

Source	Budget FY2021	Budget FY2022	Inc/(Dec)
Property Tax	31,878,046	31,877,575	(471)
Income Tax	15,000,000	15,000,000	0
Other	5,411,983	4,594,523	(817,460)
Total	52,290,029	51,472,098	(817,931)

Other Revenue Changes

($480,000) – Recordation Tax

- FY21 up 55% from FY20

($334,000) – Property Transfer Tax

- FY21 up 63% from FY20

Fund Balance

	2021	2022
Beginning Balance	7,981,000	6,425,000
Surplus/(Deficit)	(1,556,000)	(2,225,000)
Ending Balance	6,425,000	4,200,000
% - Target 7.5%	12.4%	7.8%

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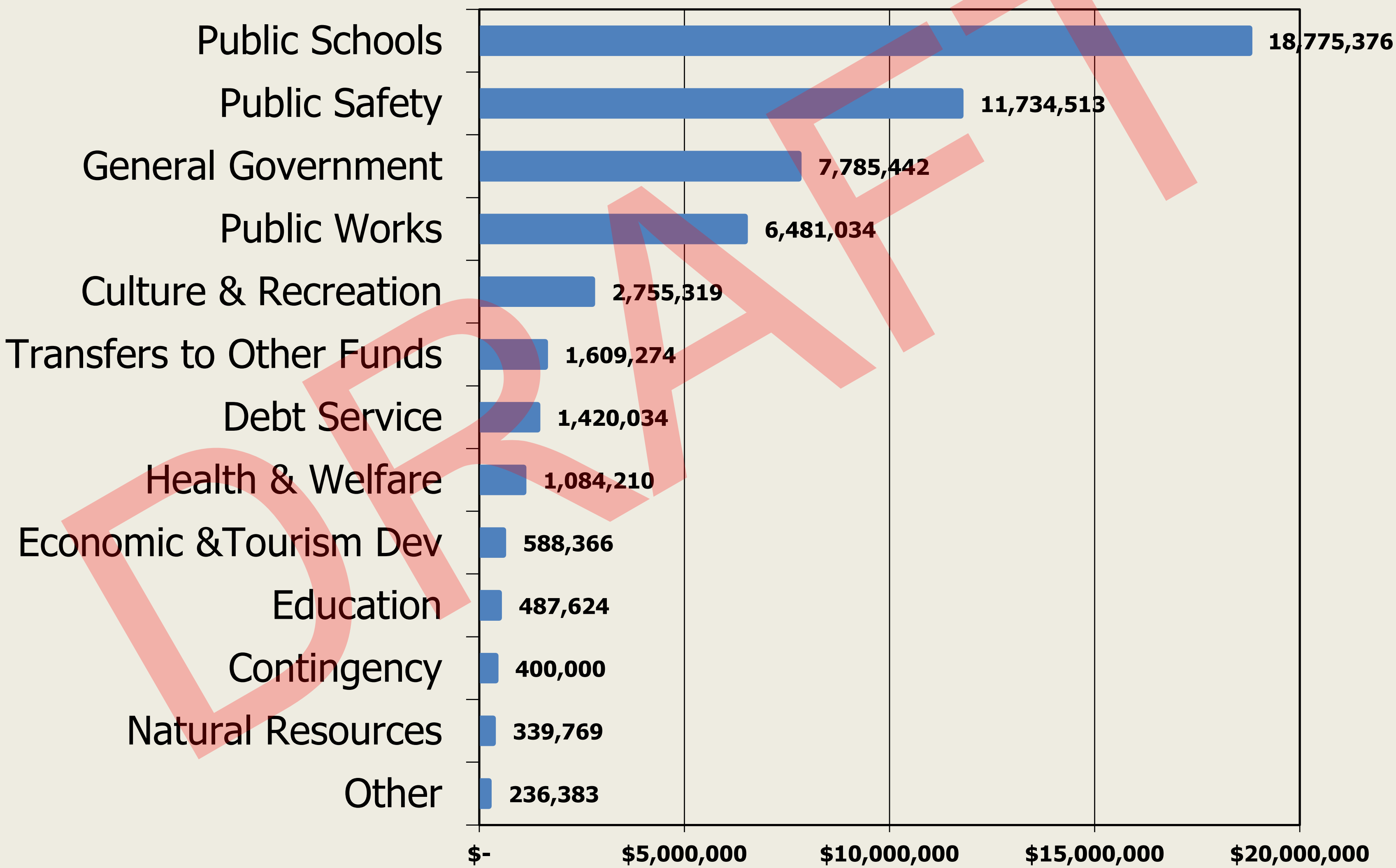
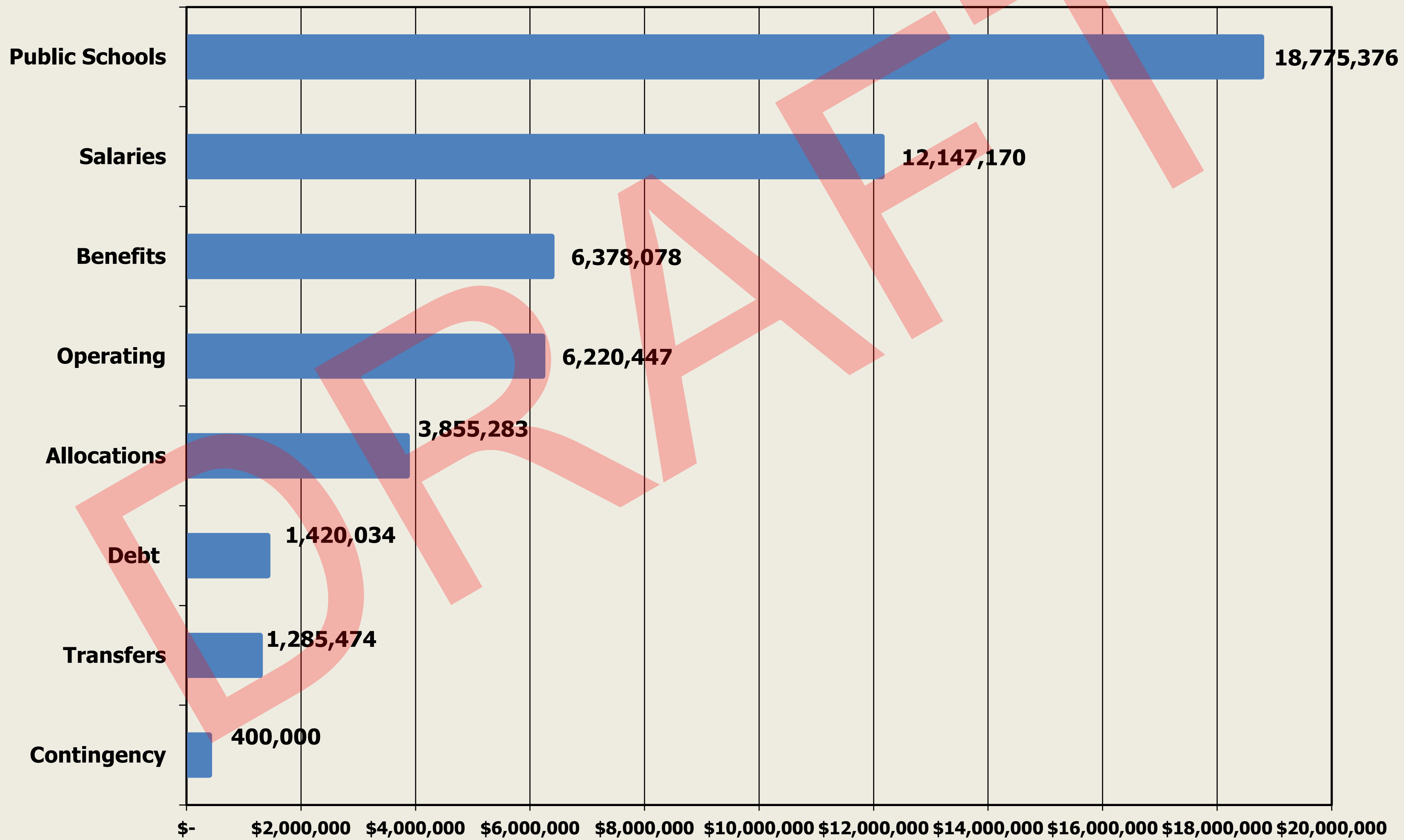
Expenditures

Type	Budget FY2021	Budget FY2022	Inc/(Dec)
Recurring	50,468,000	50,482,000	14,000
Non-Recurring	4,858,000	3,215,000	(1,642,000)
Total	55,326,000	53,697,000	(1,628,000)

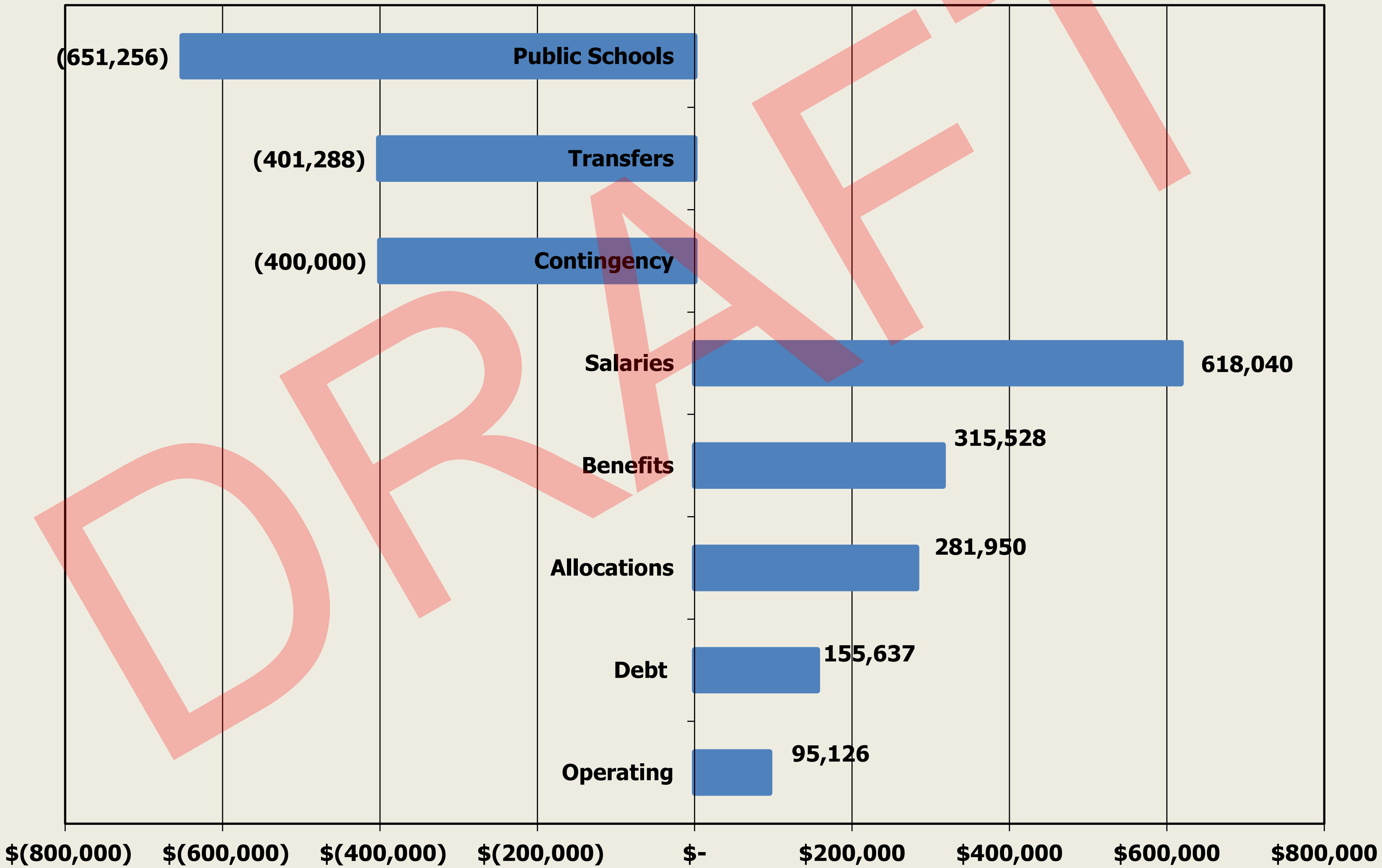
Recurring Expenditures By Function



Recurring Expenditures By Category



Recurring Expenditures Changes By Category



Public Schools ($651,000)

Appropriation – Level Funding

- Funded at Maintenance of Effort
- Commission on Innovation & Excellence in Education (Kirwan Commission) will begin in FY2023
- Anticipate Significant Mandated Funding Increases

Debt Service – ($651,000)

- FY06 High School Renovation Project Paid Off - $7.1M

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Transfers to Other Funds ($401,000)

Water Wastewater Services

- Maintenance projects financed and/or American Rescue Plan Act (ARPA) funding

Grant Funds

- FY2021 grants not recurring

Contingency ($400,000)

Contingency

- Reduced from $800,000 in FY2021 to the pre-pandemic level of $400,000.

Salaries $618,000

Salary Increases

- $2,000 per employee

New Positions

5 Full Time

- Water Wastewater Division Chief
- Grants Manager
- Procurement & Grant Specialist
- Pretrial Correctional Officer
- 911 Specialist

3 Part Time

- Seasonal Maintenance Worker
- Reserve Deputy-Courthouse
- Summer Intern

Benefits $315,000

Heath Insurance

1.3% increase

Pension

State Retirement – 3% increase
Law Enforcement – 2% decrease

Allocations $281,950

Most agencies restored to pre-pandemic funding levels.

Municipal Funding - $70,000

Debt Service $156,000

Vehicle Leases

- 18 New Vehicle Leases

Operating $95,126

1.6% increase over FY21

- Education & Travel
- Recreation Programs
- Data Processing & Software Subscription
- Jury Trials
- Voting Machine Rental
- Comprehensive Re-Zoning Plan Update

Non-Recurring Expenditures

Total $3,215,000

- $2,337,000 – Capital Expenditures
- 539,000 – Leased Capital Expenditures
- 339,000 – Capital Projects

Capital
$2,337,000

Public Works - $1,945,000

- Road Infrastructure
- Bridge Repairs
- Asphalt Distributor
- Landfill Equipment
- Building Projects
- Park Maintenance Equipment

General Government - $148,000

- Election Office Pollbooks
- Circuit Court Software Upgrade
- Technology Backup & Recovery System
- Postage & Mailing Equipment

Capital $2,337,000

Public Safety - $119,000

- Detention Center Kitchen Equipment
- Heart Monitors & AED's
- 911 Communication Equipment

Parks & Recreation - $85,000

- Re-Plaster 2 pools
- Pool Storage

Social Services - $40,000

- Rehabilitation of Kent Center Residences

Leased Capital

Leased Vehicle Program

- Program suspended during FY2021
- Includes 18 vehicles in FY2022

Vehicle Distribution

- 12 - Public Works
- 4 - Public Safety
- 1 - Parks & Recreation
- 1 - General Government

Capital Projects $339,000

Public Schools- $140,000

- Parking Lot Repairs
- High School Roof Architect

General Government - $30,000

- Technology Upgrades
- Pool Storage

Public Safety - $30,000

- Paramedic Office

Parks & Recreation - $58,000

- Program Open Space Projects

Capital Projects – Long Range Plan

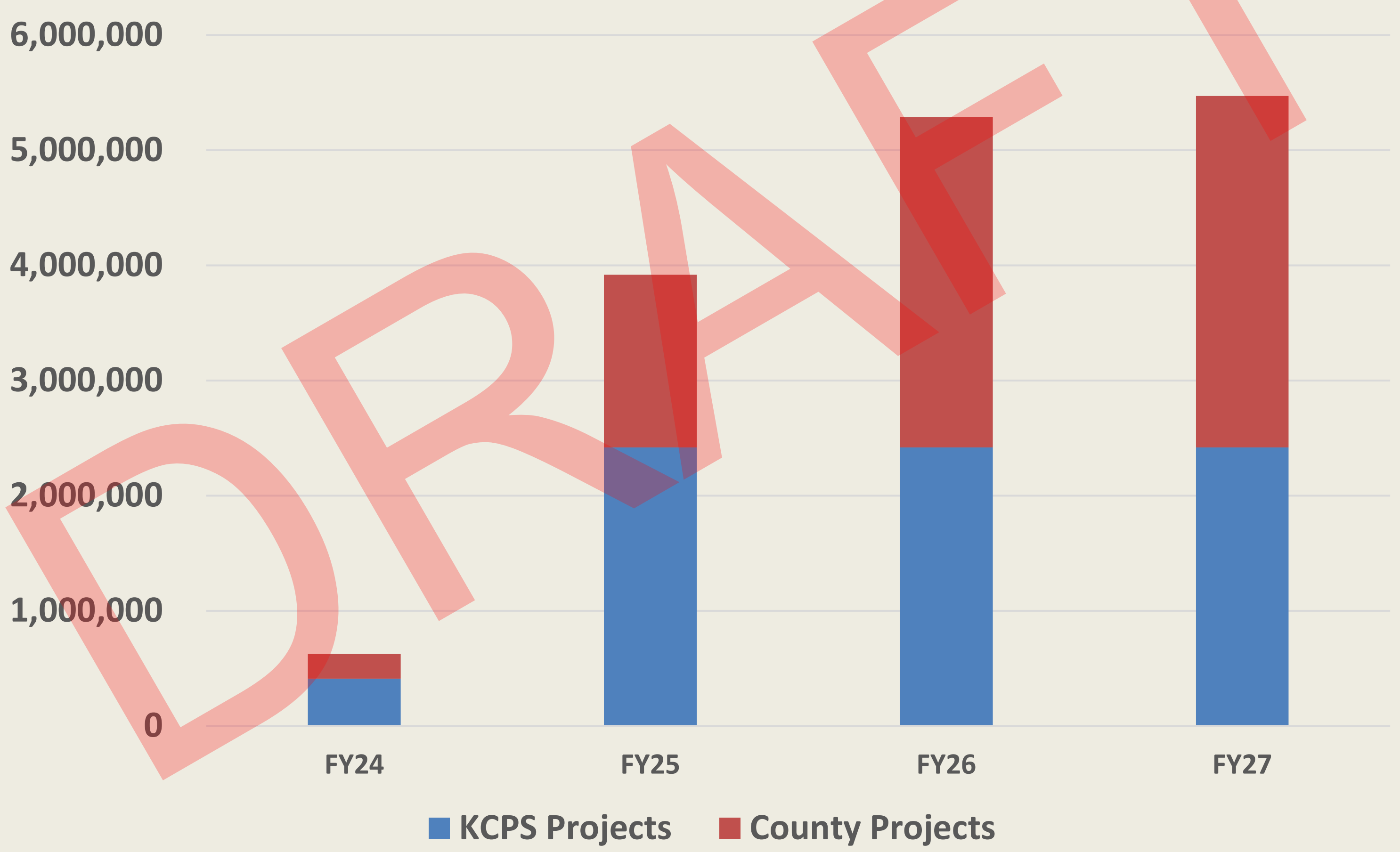
Public School Projects - $35,984,000

- Middle School Renovations
- High School Renovations

County Projects - $41,934,000

- Courthouse Renovation or Construction
- Public Safety Complex
- Still Pond Park Development
- Toal Park & Worton Park Enhancements

5 Year Capital Projects Debt Service



Collaborations -
Anchor Sites & Community at Large

Free High Speed Internet Access

Anchor Institutions

- Public Schools
- Municipalities
- Libraries
- Water Wastewater Facilities
- Fire Companies & Police Stations
- Humane Society

Community

- Homework Hot Spots (parks, beach, pools)
- Wi-Fi (downtown Chestertown, Main St Rock Hall)

Collaborations – Kent County Public Schools

Technology Services

- Network Engineering

School Resource Officers

- Middle School & High School

Grounds Maintenance

- Athletic Fields

Collaborations – Kent County Public Schools

- Community Center & County Park Use
- Access to Diesel Depot for School Buses
- Pothole Repairs

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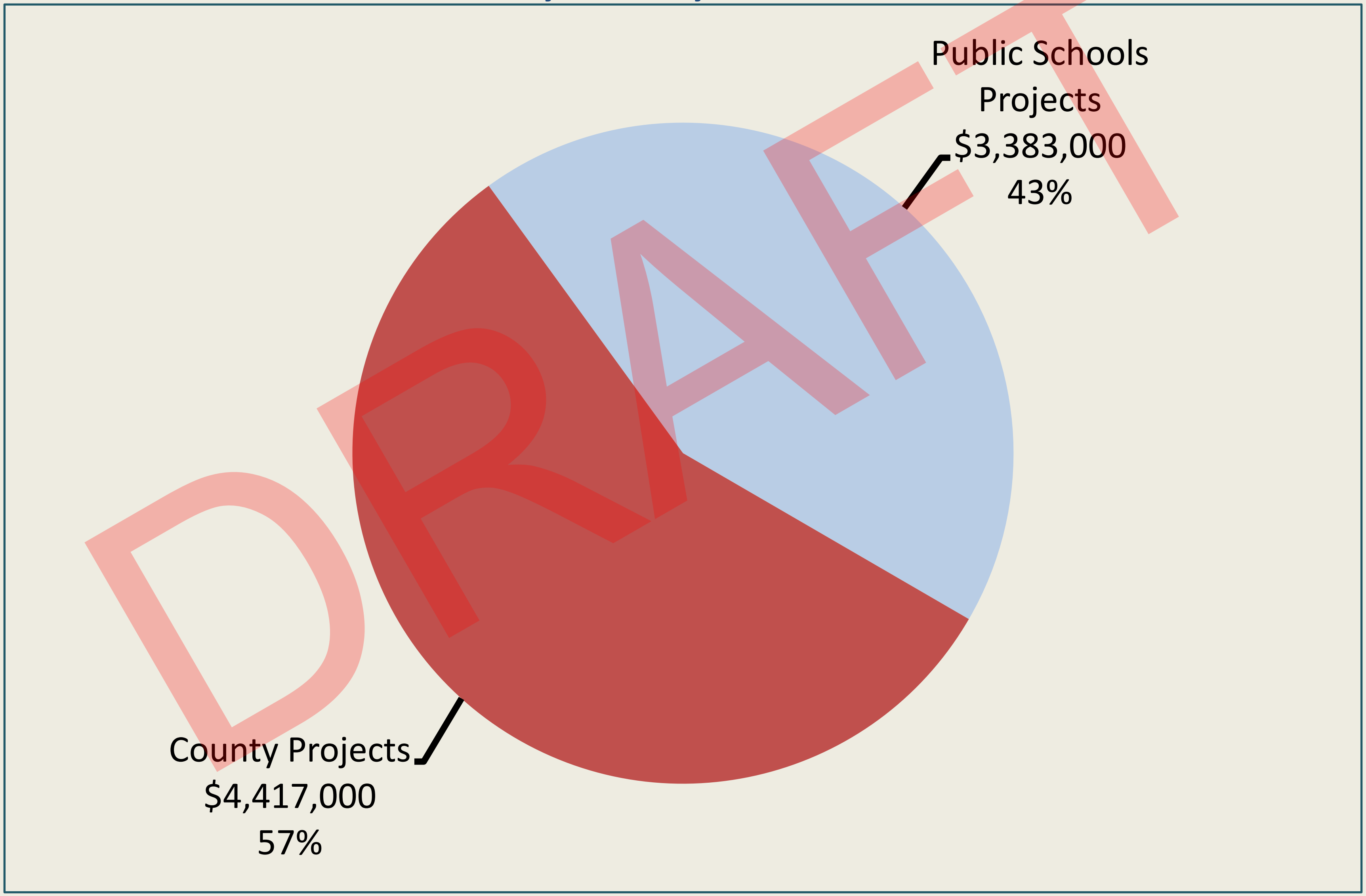
Collaborations – Kent County Public Schools

- Storage Space at Worton Elementary
- Provide Facilities for County Programs
- Advertise for County Wide Events
- Land for Solar Field & Community Center
- Fingerprinting for County Employees

Capital Projects Budget
$7,800,000



Kent County Public Schools Projects $3,383,000

Rock Hall Elementary Renovations - $448,400

Galena Elementary Renovation - $2,934,600

County Projects
$4,417,000

Nicholson Water Treatment Plant - $2,630,000

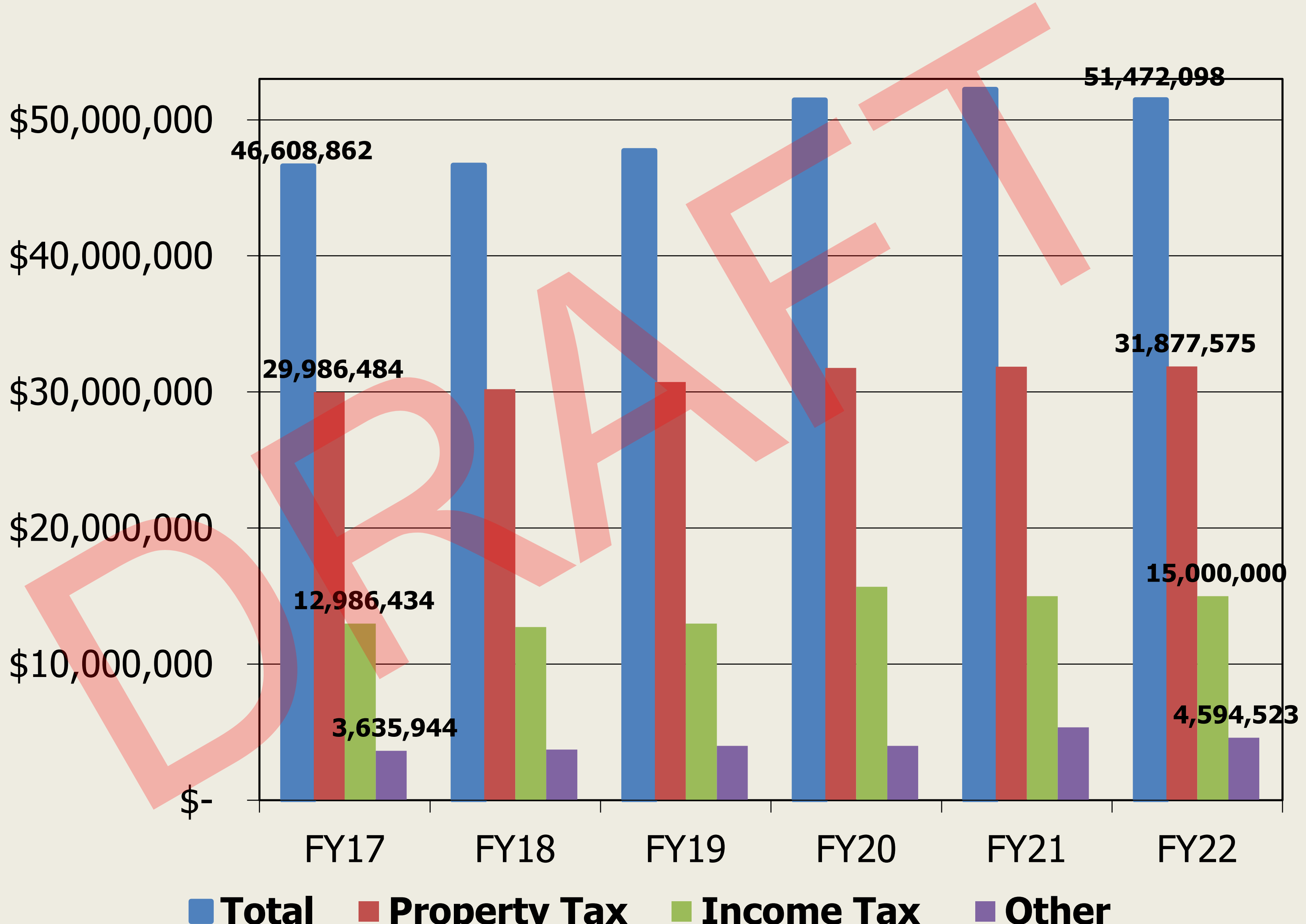
Broadband Expansion - $779,000

Public Landing Projects - $968,000

- Quaker Neck Landing Pier
- Turners Creek Bulkhead
- Turners Creek Boat Ramp
- Cliff's City Rip Rap

Worton Arena Demolition - $40,000

Revenue Growth



Recurring Expenditures

	Budget FY2021	Budget FY2022	$ Inc/(Dec)	% Inc/(Dec)
Public Schools	19,427,000	18,775,000	(651,000)	(3%)
County	35,899,000	34,922,000	(977,000)	(3%)
Total	55,326,000	53,697,000	(1,629,000)	(3%)