

Garrett County Commissioners

County Update

January 6, 2020

- Economic Development Update
- Broadband Update
- Budget
 - Year-to-Date Update
 - Upcoming Challenges
 - Kirwan Commission
 - BOE Facilities
 - Increased County Operational Costs
- Questions



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Economic Development Update

January 2020

Economic Development Update

- KRBP Water Storage Tank
- KRBP Wastewater Treatment Plant
- KRBP Access Road
- MEDCO Building in McHenry Business Park
- Virtual Job Shadow Initiative
- Grantsville Workforce Housing
- Grantsville Springs Road Water/Sewer
- I-68 Regional Alliance
- Airport Expansion Project
- 219 North
- Emergency Operations Center
- Performing Arts Center



Economic Development Update

- 65 business licenses issued in 2018
- 80 new business licenses issued in 2019
- Unemployment :

	<u>Garrett County</u>	<u>Maryland</u>	<u>United States</u>
October 2019	3.70%	3.20%	3.30%
October 2018	3.70%	3.60%	3.50%
YTD 2019	4.70%	3.70%	3.70%
YTD 2018	4.90%	4.00%	4.00%



Local Capital Funding After Fiscal Year 2017 For Public Schools Safety & Security Projects

\$3.8 million





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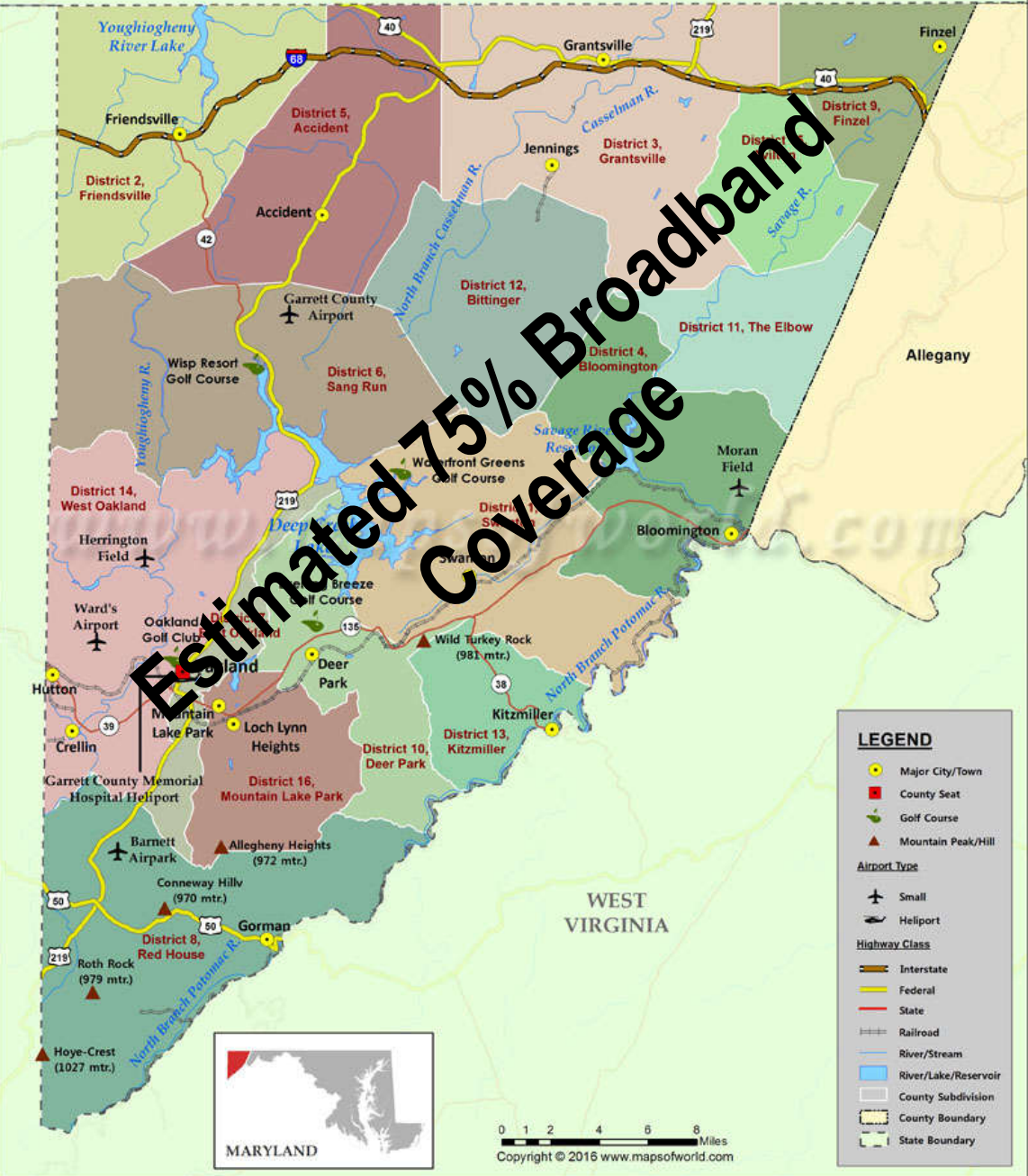
Broadband Update

January 2020



PENNSYLVANIA

GARRETT COUNTY MAP
MARYLAND, USA



Estimated 75% Broadband Coverage

LEGEND

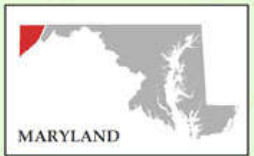
- Major City/Town
- County Seat
- ⊕ Golf Course
- ▲ Mountain Peak/Hill

Airport Type

- ✈ Small
- ✈ Heliport

Highway Class

- Interstate
- Federal
- State
- Railroad
- River/Stream
- River/Lake/Reservoir
- County Subdivision
- County Boundary
- State Boundary



0 1 2 4 6 8 Miles
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COMCAST

2019 Expansion Efforts

3

Areas with
Recently
Completed
Expansions

9

Additional
Expansions
Underway

1

Installing
Service at
McHenry
Business Park



2019 Expansion

9

Miles of New
Fiber in Highly
Rural Areas

10 Gbps

Upload/Download
High Speed to
Service Areas



Update

870

Current
Customers

2,000

Planned
Expansion to
Unserved Areas



2019 New Offerings

1 Gbps

Faster Service
Offered to
Customers

0

No Data Cap
Add-On Option
for Broadband
Customers



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New Opportunities

3+

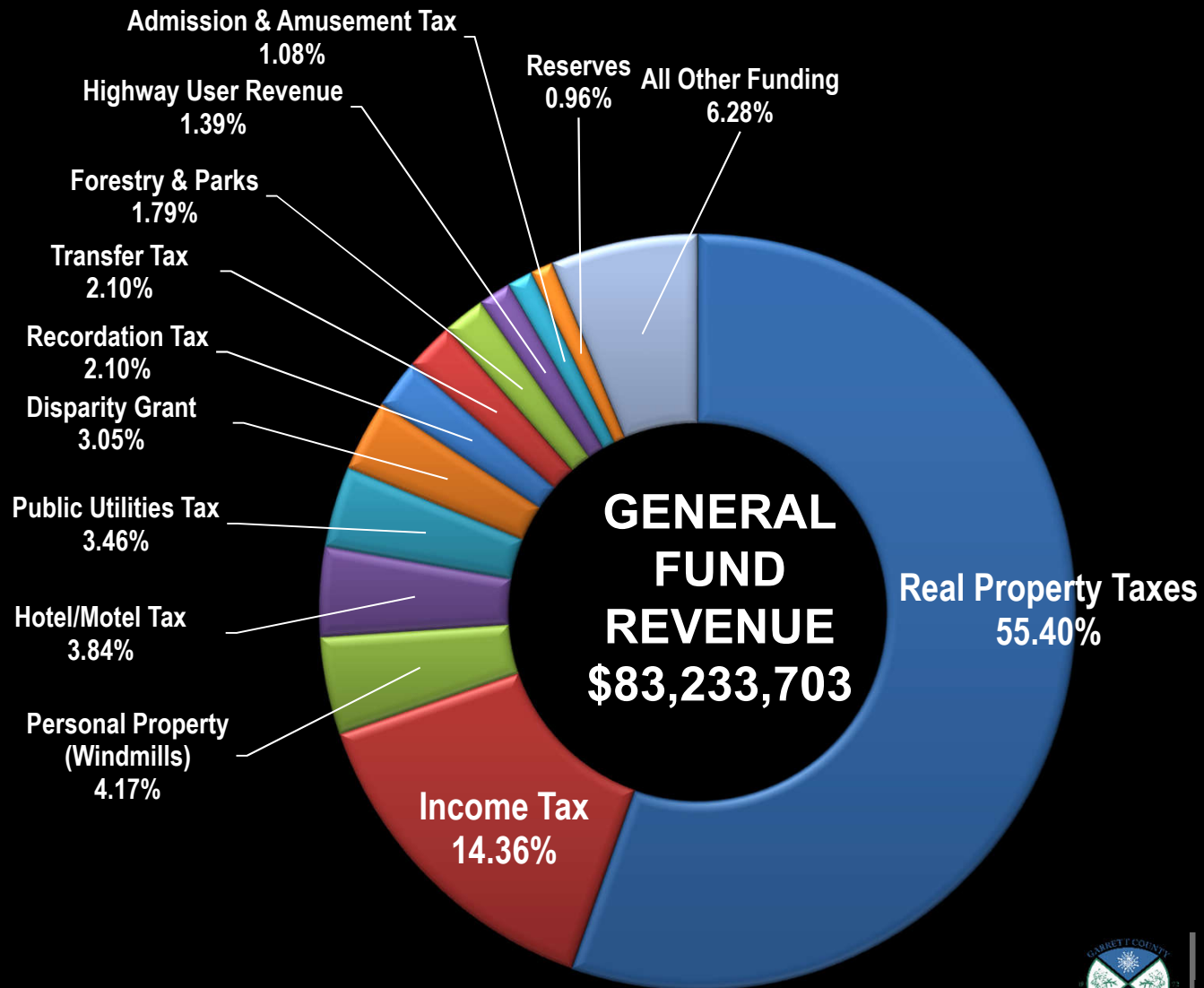
Potential ISP Partnerships for
new Maryland Pilot Rural
Broadband Expansion Grants

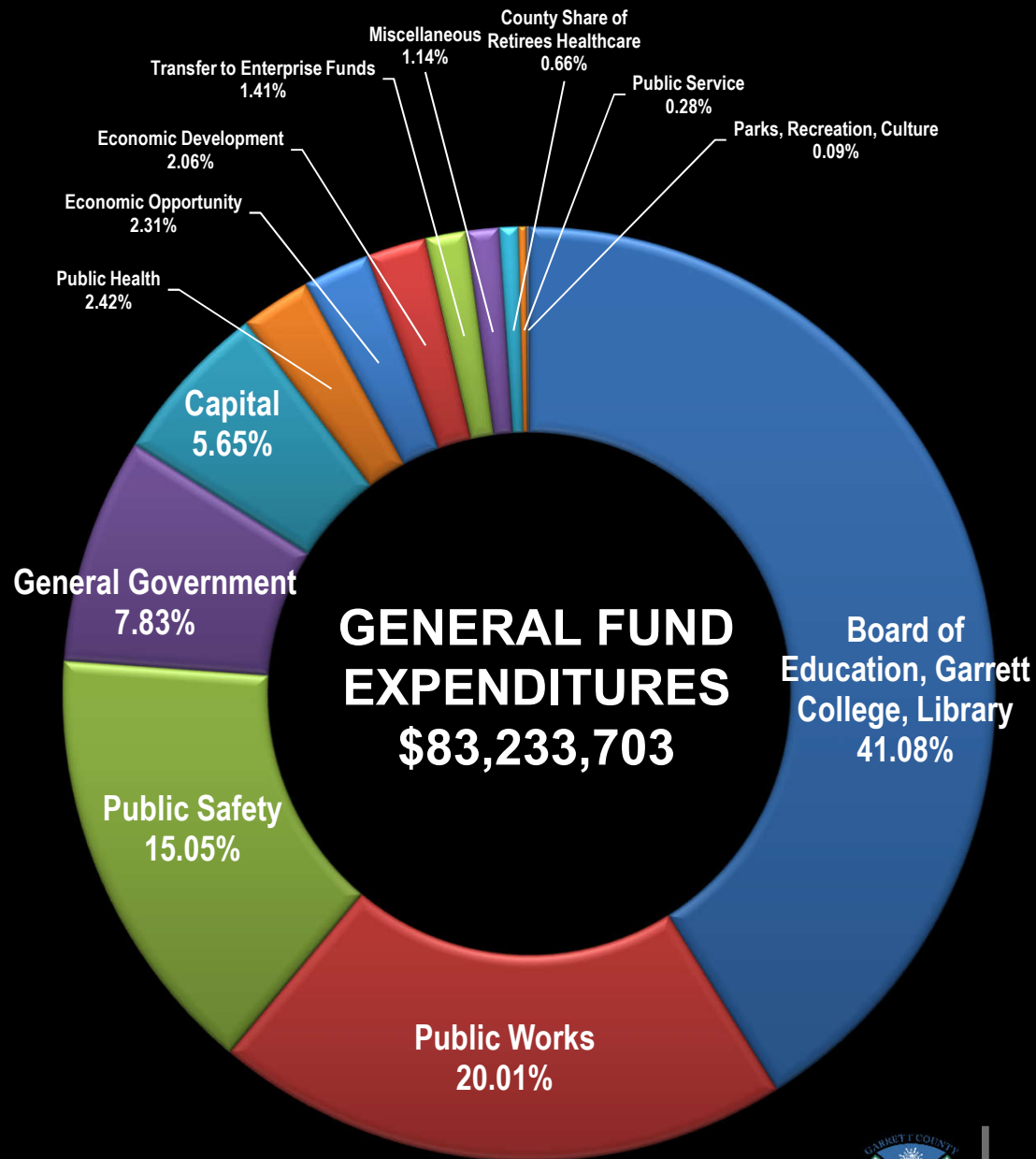


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Budget Update

January 2020







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Upcoming Challenges

January 2020

What is Kirwan?

The “Kirwan Commission” is named after its chairman, William “Brit” Kirwan.

The Maryland General Assembly created the “Commission on Innovation and Excellence in Education” in 2016 with the charge of making recommendations on how to prepare students so they can “meet the challenges of a changing global economy” and be successful citizen in the 21st century”

The 26-member panel is comprised of several state lawmakers, the state school superintendent, the Budget Secretary, Chancellor of the University System, and representatives from state and local school boards, teacher’s unions, school administrators, parents, and others.



What did the Kirwan Commission Recommend?

1. Early Childhood Education

expanding pre-kindergarten to all 4-year-olds as well as 3-year-olds from poor families.

2. High-quality and Diverse Teachers and Leaders

increase the standards to become a teacher and raising teacher salaries.

3. College and Career Readiness Pathways (including Career and Technical Education)

revamping high schools to offer students training for well-paying jobs right after graduation.

4. More Resources to Ensure All Students are Successful

provide more support to special education and to schools with high concentrations of poor families.

5. Governance and Accountability

creating an accountability program to make sure money for education goes where it's supposed to.



What will Kirwan cost?

- The commission recommends phasing in the projected \$4 billion plan over ten years.
- The state and local governments would share cost, based upon the existing formula.
- Local governments are expected to share in the cost beginning in Fiscal Year 2022.



What is the potential financial impact of Kirwan to Garrett County?

- Increase in local share for school spending of \$12.5 million by 2030. (\$1.25 million each year for 10 years)
- May require a tax increase of 24% or \$0.25 cents (\$1.306) just to fund school spending
- This does not include any funding for school construction projects



Garrett County Commissioners

Projected Revenue Growth FY 2021-FY 2031

Revenue growth projections in the Big 11 are as follows:

		1	2	3	4	5	6	7	8	9	10	
	Projected Annual Increase	FY 2021 Projected	Additional FY 2022	Additional FY 2023	Additional FY 2024	Additional FY 2025	Additional FY 2026	Additional FY 2027	Additional FY 2028	Additional FY 2029	Additional FY 2030	Additional FY 2031
Real Property Tax	0.75%	46,460,213	\$ 348,452	\$ 351,065	\$ 353,698	\$ 356,351	\$ 359,023	\$ 361,716	\$ 364,429	\$ 367,162	\$ 369,916	\$ 372,690
Income Tax	1.00%	13,250,000	\$ 132,500	\$ 133,825	\$ 135,163	\$ 136,515	\$ 137,880	\$ 139,259	\$ 140,651	\$ 142,058	\$ 143,479	\$ 144,913
Personal Property (Windmills) Tax	-3.33%	3,356,351	\$ (111,766)	\$ (108,045)	\$ (104,447)	\$ (100,969)	\$ (97,606)	\$ (94,356)	\$ (91,214)	\$ (88,177)	\$ (85,240)	\$ (82,402)
Accommodations Tax	2.00%	3,600,000	\$ 72,000	\$ 73,440	\$ 74,909	\$ 76,407	\$ 77,935	\$ 79,494	\$ 81,084	\$ 82,705	\$ 84,359	\$ 86,047
Public Utilities Tax	0.25%	2,886,064	\$ 7,215	\$ 7,233	\$ 7,251	\$ 7,269	\$ 7,288	\$ 7,306	\$ 7,324	\$ 7,342	\$ 7,361	\$ 7,379
Disparity Grant	0.00%	2,537,671	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recordation Tax	0.00%	1,750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer Tax	0.00%	1,750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Forestry & Parks	0.00%	1,489,464	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highway User Revenue	0.00%	1,160,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Admission & Amusement Tax	1.00%	950,000	\$ 9,500	\$ 9,595	\$ 9,691	\$ 9,788	\$ 9,886	\$ 9,985	\$ 10,084	\$ 10,185	\$ 10,287	\$ 10,390
Total Revenue Increase		79,190,068	457,900	467,114	476,265	485,361	494,405	503,403	512,358	521,276	530,161	539,017

Total Projected Revenue Growth over 10 years - \$5.0 million



Garrett County Commissioners

Projected Expenditure Growth FY 2021-FY 2031

Expenditure growth projections:

	1	2	3	4	5	6	7	8	9	10
	Additional FY 2022	Additional FY 2023	Additional FY 2024	Additional FY 2025	Additional FY 2026	Additional FY 2027	Additional FY 2028	Additional FY 2029	Additional FY 2030	Additional FY 2031
Board of Education (Kirwan bill)	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000
Debt Service (\$30.96 million local share- BOE Strategic Facilities Plan)	\$2,600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Operating Increases -1.50% (Includes outside agency funding)	\$1,189,580	\$1,207,424	\$1,225,535	\$1,243,918	\$1,262,577	\$1,281,516	\$1,300,738	\$1,320,249	\$1,340,053	\$1,360,154
Total Expenditure Increase	5,039,580	2,457,424	2,475,535	2,493,918	2,512,577	2,531,516	2,550,738	2,570,249	2,590,053	2,610,154

Total Projected Expenditure Growth over 10 years - \$27.8 million



Garrett County Commissioners

Projected Budget Growth FY 2021-FY 2031

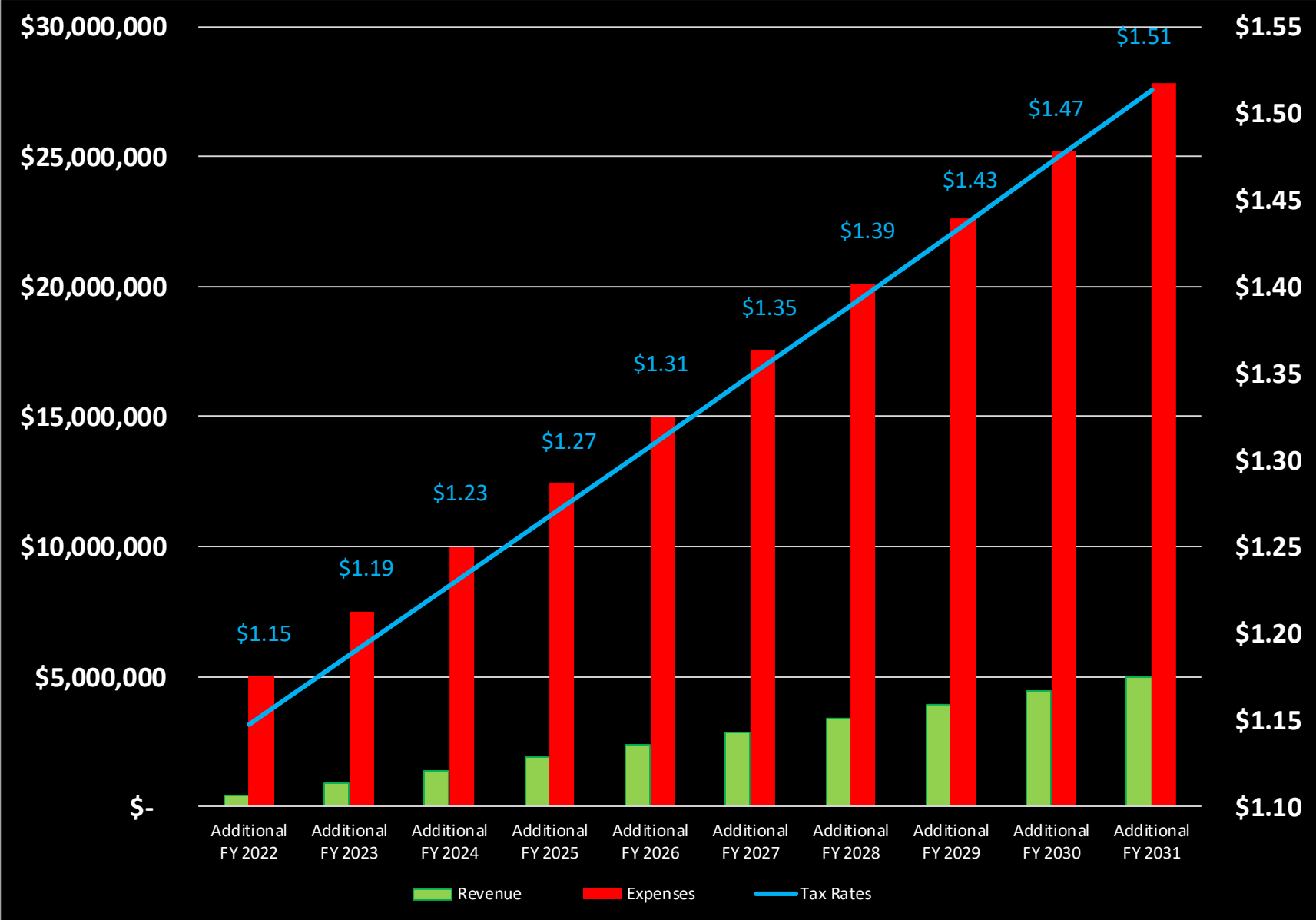
	Additional FY 2022	Additional FY 2023	Additional FY 2024	Additional FY 2025	Additional FY 2026	Additional FY 2027	Additional FY 2028	Additional FY 2029	Additional FY 2030	Additional FY 2031
Total Revenue Increase	457,900	467,114	476,265	485,361	494,405	503,403	512,358	521,276	530,161	539,017
Total Expenditure Increase	5,039,580	2,457,424	2,475,535	2,493,918	2,512,577	2,531,516	2,550,738	2,570,249	2,590,053	2,610,154
Excess / (shortfall)	(4,581,680)	(1,990,310)	(1,999,270)	(2,008,557)	(2,018,171)	(2,028,113)	(2,038,380)	(2,048,973)	(2,059,892)	(2,071,136)
Tax Increase	\$ (0.092)	\$ (0.040)	\$ (0.040)	\$ (0.040)	\$ (0.040)	\$ (0.041)	\$ (0.041)	\$ (0.041)	\$ (0.041)	\$ (0.041)
Tax Rate 1.056	\$ 1.1476	\$ 1.1874	\$ 1.2274	\$ 1.2676	\$ 1.3080	\$ 1.3485	\$ 1.3893	\$ 1.4303	\$ 1.4715	\$ 1.5129

Total Projected Tax Increase over 10 years to fund shortfall - \$0.4569



Projected Budget Growth

FY 2022-2031



Projected Real Property Tax Rate Increase

FY 2020 to FY 2031

Assessment	FY 2020	FY 2031	Increase
\$100,000	\$1,056	\$1,513	\$457
\$150,000	\$1,584	\$2,269	\$685
\$200,000	\$2,112	\$3,026	\$914
\$250,000	\$2,640	\$3,782	\$1,142
\$300,000	\$3,168	\$4,539	\$1,371
\$350,000	\$3,696	\$5,295	\$1,599
\$500,000	\$5,280	\$7,565	\$2,285
\$750,000	\$7,920	\$11,347	\$3,427
\$1,000,000	\$10,560	\$15,129	\$4,569



FY 2020 Real Property Tax Rates

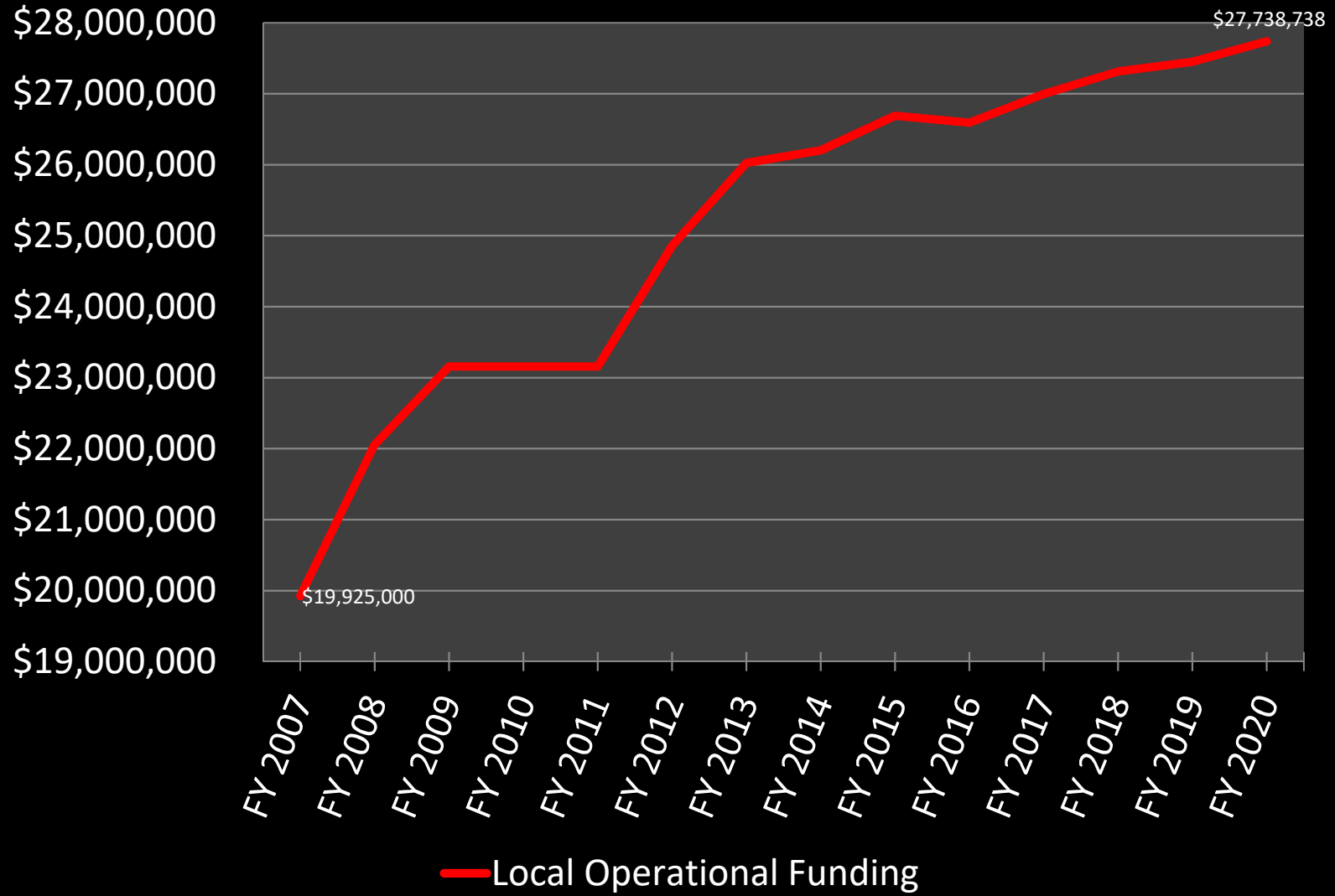
1	Baltimore City	\$ 2.2480	13	Somerset County	\$ 1.0000
2	Charles County	\$ 1.2050	14	Caroline County	\$ 0.9800
3	Baltimore County	\$ 1.1000	15	Allegany County	\$ 0.9750
4	Frederick County	\$ 1.0600	16	Washington County	\$ 0.9480
5	Garrett County	\$ 1.0560	17	Calvert County	\$ 0.9370
6	Harford County	\$ 1.0420	18	Anne Arundel County	\$ 0.9350
7	Cecil County	\$ 1.0414	19	Wicomico County	\$ 0.9346
8	Kent County	\$ 1.0220	20	St. Mary's County	\$ 0.8478
9	Carroll County	\$ 1.0180	21	Queen Anne's County	\$ 0.8471
10	Howard County	\$ 1.0140	22	Worcester County	\$ 0.8450
11	Dorchester County	\$ 1.0000	23	Montgomery County	\$ 0.7166
12	Prince George's County	\$ 1.0000	24	Talbot County	\$ 0.6372

Table 2. State Rated Capacity, Student Enrollments and School Utilizations, 2018, 2023, 2028

School	SRC (revised 4/3/19)	Actual P3/PK-12 Enroll- ment 2018 (FTE)	Percent Utilization 2018	Projected P3/PK-12 Enroll- ment 2023 (FTE)	Percent Utilization 2023	Projected P3/PK-12 Enroll- ment 2028 (FTE)	Percent Utilization 2028
Northern Schools							
Accident Elementary	327	259	79.2%	274	83.8%	275	84.2%
Friendsville Elementary	294	147	50.0%	137	46.5%	141	47.8%
Grantsville Elementary	294	191	65.0%	227	77.3%	222	75.5%
Route 40 Elementary	190	129	67.9%	139	73.3%	140	73.6%
Elementary	1,105	726	65.7%	777	70.3%	778	70.4%
Northern Middle School	742	349	47.0%	337	45.4%	363	48.9%
Northern Garrett High School	903	439	48.6%	481	53.3%	476	52.7%
Northern Totals/Averages	2,750	1,514	55.1%	1,595	58.0%	1,616	58.8%
Southern Schools							
Broad Ford Elementary	506	566	111.9%	513	101.5%	514	101.6%
Crellin Elementary	137	143	104.4%	164	119.8%	158	115.4%
Swan Meadow School	91	50	54.9%	60	65.9%	60	65.9%
Yough Glades Elementary	334	323	96.7%	336	100.5%	328	98.1%
Elementary	1,068	1,082	101.3%	1,073	100.5%	1,060	99.2%
Southern Middle School	828	531	64.1%	469	56.7%	483	58.4%
Southern Garrett High School	1,450	715	49.3%	695	47.9%	668	46.1%
Southern Totals/Averages	3,346	2,328	69.6%	2,238	66.9%	2,211	66.1%
Totals	6,096	3,842	63.0%	3,833	62.9%	3,827	62.8%

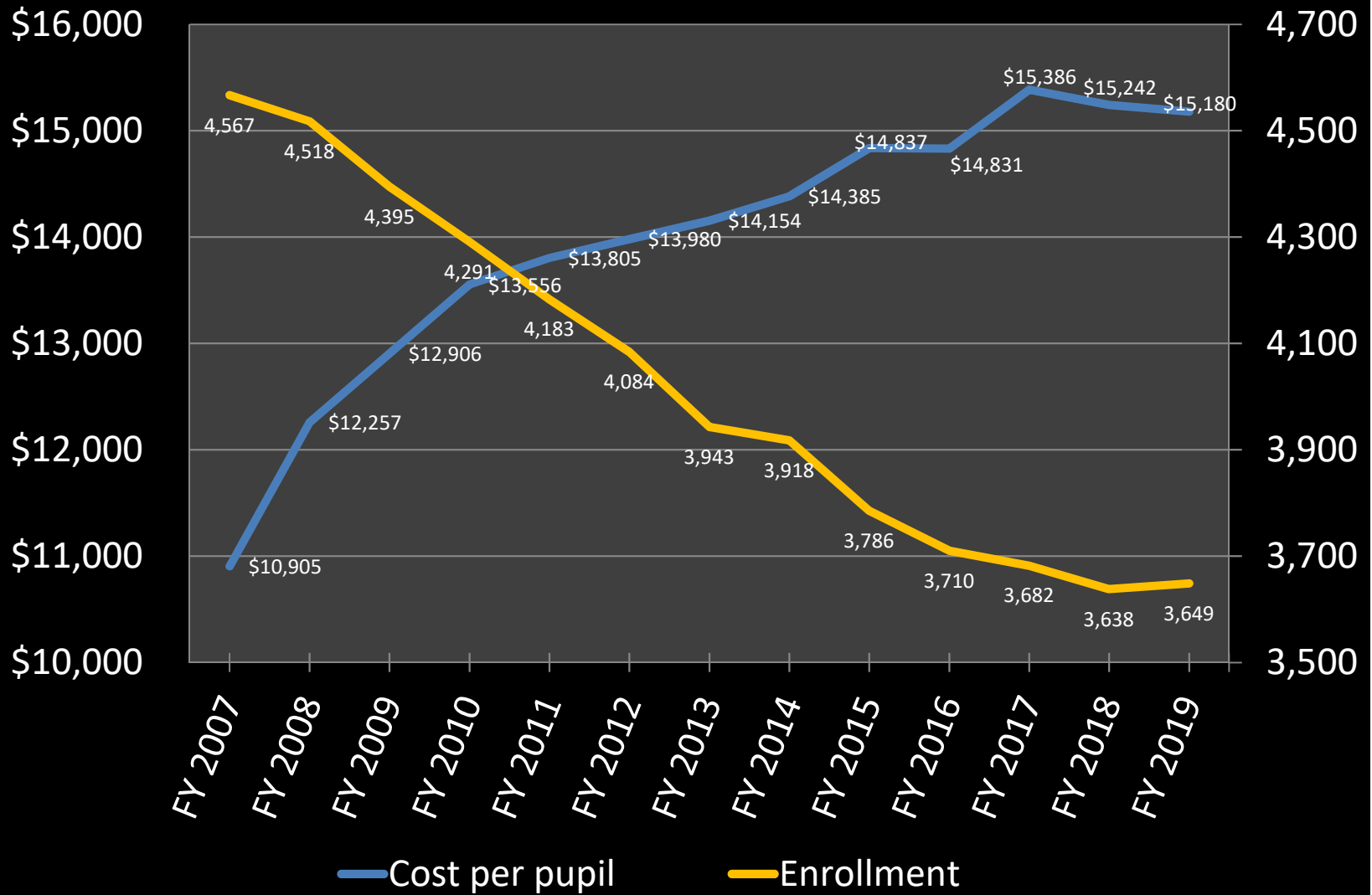
Garrett County Board of Education Local Funding

Fiscal Year 2007-2020



Garrett County Board of Education Pupil Cost

Fiscal Year 2007-2019



Cost per pupil taken from Department of Legislative Services *Overview of Maryland Local Governments*
 Enrollment figures are taken from the certified Maintenance of Effort calculation for the given fiscal year

Garrett County Public Schools Strategic Facilities Plan

OPTION #1

	TOTAL	STATE	LOCAL
Southern Middle/Broadford Elementary	\$30,780,000	\$12,037,000	\$18,743,000
Security Vestibules	\$1,071,000	\$408,000	\$663,000
Head Start	\$611,000	\$0	\$611,000
Building Systems	\$8,106,000	\$3,499,000	\$4,607,000
Open Space Conversion	\$6,420,000	\$2,438,000	\$3,982,000
Crellin Elementary Renovation	\$1,006,000	\$276,000	\$730,000
Crellin Elementary School Additions	\$2,552,000	\$1,033,000	\$1,519,000
Relocate Board Office	\$105,000	\$0	\$105,000
	\$50,651,000	\$19,691,000	\$30,960,000





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?? Questions ??