

County Council Of Howard County, Maryland

2017 Legislative Session

Legislative Day No. 2

Bill No. 10 -2017

Introduced by: The Chairperson at the request of the County Executive

AN ACT amending the Annual Budget and Appropriation Ordinance for Fiscal Year 2017 in order to correct certain Department of Housing and Community Development funds that were mistakenly appropriated to the Grants Fund instead of the Program Revenue Fund; to correct certain Department of Planning and Zoning debt service appropriation in the Agricultural Land Preservation Fund mistakenly reduced by certain revenue sources; ~~to increase the Water and Sewer Grants Fund appropriation in the Department of Public Works in order to have sufficient spending authority for an unanticipated grant received by the County;~~ to reduce the Grants Fund for the Department of Housing and Community Development by \$550,000 and amend the total Grants Fund accordingly; to add a total of \$550,000 to the Program Revenue Fund of the Department of Housing and Community Development and amend the total Program Revenue Fund accordingly; to add a total of \$6,608,200 to the Agricultural Land Preservation Fund for the Department of Planning and Zoning and amend the total Agricultural Land Preservation Fund accordingly; and ~~generally relating to the Annual Budget and Appropriation Ordinance for Fiscal Year 2017.~~ declaring this Act to be an emergency measure.

Introduced and read first time _____, 2017. Ordered posted and hearing scheduled.

By order _____
Jessica Feldmark, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2017.

By order _____
Jessica Feldmark, Administrator

This Bill was read the third time on _____, 2017 and Passed ____, Passed with amendments _____, Failed _____.

By order _____
Jessica Feldmark, Administrator

Sealed with the County Seal and presented to the County Executive for approval this ___ day of _____, 2017 at ___ a.m./p.m.

By order _____
Jessica Feldmark, Administrator

Approved by the County Executive _____, 2017

Allan H. Kittleman, County Executive

1 **WHEREAS**, Council Bill No. 28-2016 (the “Bill”) is known as the Annual Budget and
2 Appropriation Ordinance of Howard County, Fiscal Year 2017 and contains the capital and
3 operating budget for the fiscal year beginning July 1, 2016 and ending June 30, 2017; and
4

5 **WHEREAS**, the Bill was adopted on May 26, 2016; and
6

7 **WHEREAS**, it has come to the attention of the Department of Housing and Community
8 Development, that funds from the Community Development Block Grant that were returned to
9 the Department should have been appropriated as Program Revenue Fund instead of Grants
10 Fund; and
11

12 **WHEREAS**, this amendment will reduce the Department of Housing and Community
13 Development’s total FY17 grant funding from \$2,576,625 to \$2,026,625; and
14

15 **WHEREAS**, this amendment will increase the Department of Housing and Community
16 Development’s total FY17 program revenue funding from \$0 to \$550,000; and
17

18 **WHEREAS**, this amendment will reduce the County’s total FY17 grant funding from
19 \$26,541,786 to \$25,991,786; and
20

21 **WHEREAS**, this amendment will increase the County’s total FY17 program revenue
22 funding from \$9,454,405 to \$10,004,405; and
23

24 **WHEREAS**, it has come to the attention of the Department of Planning and Zoning that
25 sufficient funds were not appropriated in the Agricultural Land Preservation Fund to cover debt
26 service payments; and
27

28 **WHEREAS**, the spending authority for debt service payments was mistakenly budgeted
29 net of anticipated proceeds from a maturing Treasury Note purchased for a property in the

1 program instead of the gross amount of the debt service requirements and the treasury note
2 proceeds will fund the additional debt service appropriation; and

3
4 **WHEREAS**, this amendment will increase the Department of Planning and Zoning’s
5 total FY17 Agricultural Land Preservation Fund from \$10,331,379 to \$16,939,579; and

6
7 **WHEREAS**, this amendment will increase the County’s total FY17 Agricultural Land
8 Preservation Fund from \$10,331,379 to \$16,939,579; and

9
10 **WHEREAS**, pursuant to Section 610(b) of the Howard County Charter, this matter is an
11 emergency affecting the public health, safety, or welfare because, without the budget amendment
12 authorized by this Act, the County may not have adequate spending authority to meet the
13 County’s obligations under certain Installment Purchase Agreements entered into as part of the
14 Agricultural Land Preservation Program.

15
16 ~~**WHEREAS**, the Department of Public Works has received a \$600,000 grant from the~~
17 ~~Maryland Department of the Environment for the operation and maintenance costs of enhanced~~
18 ~~nutrient removal technology at the Little Patuxent Water Reclamation plant; and~~

19
20 ~~**WHEREAS**, this amendment will increase the Department of Public Work’s total FY17~~
21 ~~Water and Sewer Grant Fund from \$0 to \$600,000; and~~

22
23 ~~—**WHEREAS**, this amendment will increase the County’s total FY17 Water and Sewer~~
24 ~~Grant Fund from \$0 to \$600,000.~~

25
26 **NOW, THEREFORE,**

27
28 *Section 1. Be It Enacted by the County Council of Howard County, Maryland, that Council Bill*
29 *No. 28-2016, the Annual Budget and Appropriation Ordinance of Howard County for Fiscal*
30 *Year 2017, as adopted, is amended as follows:*

1 In the Operating Budget, as attached to the Budget Ordinance as adopted:

2

3 In the Agricultural Land Preservation Fund:

4 Related to the Department of Planning and Zoning:

5 1. As shown in the attached “markup” page, on page 59:

6 a. In the line that reads “54 – Debt Service”, strike “7,826,374” and substitute
7 “14,434,574”.

8 b. In the line that reads “Total 3000000000 - Administration”, strike “10,331,379” and
9 substitute “16,939,579”.

10 c. In the line that reads “Total 2020000000 – Agric Land Preserv”, strike “10,331,379” and
11 substitute “16,939,579”.

12 d. In the line that reads “Total 3000 - Department of Planning and Zoning”, strike
13 “10,331,379” and substitute “16,939,579”.

14 e. In the line that reads “Total 04 - Agricultural Land Preservation”, strike “10,331,379” and
15 substitute “16,939,579”.

16 2. As shown in the attached “markup” page, on page 149:

17 a. In the column titled “Revenues”, after “County Development Tax”, insert
18 “Treasury Note Proceeds”.

19 b. In the column titled “FY 2017 Proposed” in the row titled “Treasury Note
20 Proceeds”, insert “6,608,200”.

21 c. In the column titled “FY2017 Proposed”, in the row titled “Total Revenues”,
22 strike “8,655,000” and substitute “15,263,200”.

23 d. In the column titled “FY2017 Proposed”, in the row titled “Principal Payments on
24 Debt”, strike “2,445,578” and substitute “9,053,778”.

25 e. In the column titled “FY2017 Proposed”, in the row titled “Total Expenses”,
26 strike “9,263,213” and substitute “15,871,413”.

27

28 In the Program Revenue Fund:

29 Related to the Department of Housing and Community Development:

30 1. Insert new page 76A after page 76.

- 1 2. As shown in the attached “markup” page, on page 78:
2 a. In the line that reads “Total 06 - Program Revenue Fund” strike “9,454,405” and
3 substitute “10,004,405”.

4
5 In the Grants Fund:

6 Related to the Department of Housing and Community Development:

- 7 1. As shown in the attached “markup” page, on page 107:
8 a. In the line that reads “51 - Contractual Services”, strike “2,084,767” and substitute
9 “1,534,767”.
10 b. In the line that reads “Total”, strike “2,084,767” and substitute “1,534,767”.
11 c. In the line that reads “Total 6100000000 - Housing & Community Development”, strike
12 “2,576,625” and substitute “2,026,625”.
13 d. In the line that reads “Total 2600000000 - Grants-External”, strike “2,576,625” and
14 substitute “2,026,625”.
15 e. In the line that reads “6100 - Dept. of Housing & Community Development”, strike
16 “2,576,625” and substitute “2,026,625”.
- 17 2. As shown in the attached “markup” page, on page 112:
18 a. In the line that reads “Total 14 - Grants Fund” strike “26,541,786” and substitute
19 “25,991,786”.

20
21 ~~In the Water and Sewer Grants Fund:~~

22 ~~Related to the Department of Public Works:~~

- 23 ~~1. As shown in the attached “markup” page, on page 125:~~
24 ~~a. In the line that reads “Total 3100 - Department of Public Works” strike “66,002,957” and~~
25 ~~substitute “66,602,957”.~~
26 ~~b. In the line that reads “Total 25 - Water & Sewer Operating Fund” strike “66,002,957”~~
27 ~~and substitute “66,602,957”.~~
28 ~~2. Insert new page 125A, after page 125~~

29
30 ***Section 2. And Be It Further Enacted by the County Council of Howard County, Maryland that***

1 ~~this Act shall be effective immediately upon its enactment.~~

2 **Section 2. And Be It Further Enacted** by the County Council of Howard County, Maryland,

3 that this Act is hereby declared to be an emergency measure and necessary to meet an immediate

4 emergency affecting the public health, safety, or welfare because, without the budget amendment

5 authorized by this Act, the County may not be able to meet its obligations under Agricultural

6 Land Preservation Installment Purchase Agreements and shall be effective upon its enactment.

**Howard County, MD
Fiscal Year 2017**

FY 2017 Proposed

Fund : 04 - Agricultural Land Preservation		
Department : 3000 - Department of Planning and Zoning		
Fund : 2020000000 - Agric Land Preserv		
Fund Center: 3000000000 - Administration		
99999999970000000002900 - Agricultural land Preservation (440-0601)		
54 - Debt Service	14,434,574	7,826,374
58 - Expense Other		1,153,041
52 - Supplies and Materials		2,200
51 - Contractual Services		113,973
50 - Personnel Costs		166,325
Total		9,261,913
99999999970000000003000 - Agri. Land Pres. & Prmotion Bd (440-0601)		
52 - Supplies and Materials		600
51 - Contractual Services		700
Total		1,300
99999999970000000003100 - Agri. Land Pres. & Prmotion Intfd Bd (440-01601)		
58 - Expense Other		1,068,166
Total		1,068,166
Total 3000000000 - Administration	16,939,579	40,331,379
Total 2020000000 - Agric Land Preserv	16,939,579	40,331,379
Total 3000 - Department of Planning and Zoning	16,939,579	40,331,379
Total 04 - Agricultural Land Preservation		10,331,379
		16,939,579

**Howard County, MD
Fiscal Year 2017**

FY 2017 Proposed

Fund : 06 - Program Revenue Fund	
Department : D000 - Economic Development Authority	
Fund : 2150000000 - Program Revenue Fund	
Fund Center: D000000000 - Economic Development Authority	
9999999997000000000300 - Economic Development Incentive (051-0205	
69 - Operating Transfers	1,082,116
Total	1,082,116
Total D000000000 - Economic Development Authority	1,082,116
Total 2150000000 - Program Revenue Fund	1,082,116
Fund : 2150001000 - Catalyst Loan Program	
Fund Center: D000000000 - Economic Development Authority	
99999999970000000066100 - CATALYST Loan	
51 - Contractual Services	1,000,000
Total	1,000,000
Total D000000000 - Economic Development Authority	1,000,000
Total 2150001000 - Catalyst Loan Program	1,000,000
Total D000 - Economic Development Authority	2,082,116
Total 06 - Program Revenue Fund	9,154,105

10,004,405

**Howard County, MD
Fiscal Year 2017**

FY 2017 Proposed

Fund : 14 - Grants Fund		
Department : 6100 - Dept. of Housing and Community Development		
Fund : 2600000000 - Grants-External		
<hr/>		
Fund Center: 6100000000 - Housing & Community Development		
99999999910000000066900 - CDBG FY16		
51 - Contractual Services	1,534,767	2,084,767
Total	1,534,767	2,084,767
99999999910000000067000 - HOME FY16		
51 - Contractual Services		392,504
Total		392,504
99999999920000000043600 - MHRP FY15		
51 - Contractual Services		50,000
Total		50,000
99999999920000000056600 - FY17 RAP		
51 - Contractual Services		49,354
Total		49,354
Total 6100000000 - Housing & Community Development	2,026,625	-2,576,625
Total 2600000000 - Grants-External	2,026,625	-2,576,625
Total 6100 - Dept. of Housing and Community Development	2,026,625	-2,576,625

Howard County, MD
Fiscal Year 2017

Fund: 25 - Water and Sewer Grant Fund

Department: 100 - Department of Public Works

Fund: 760000000 - Water and Sewer Grant Fund

Fund Center: 315500000 - Utilities - Water Reclamation

9999999992000000057400 ENR - Enhanced Nutrient Removal FY17

52 - Supplies and Materials 600,000

Total 600,000

Total 3155000000 - Utilities - Water Reclamation 600,000

Governmental Funds

Fund 2020000000

Agricultural Preservation and Promotion Fund

Description

The Agricultural Land Preservation & Promotion Fund supports the Agricultural Land Preservation and Promotion Program, which is designed to preserve the open character and agricultural use of land in Howard County. The Department of Planning & Zoning is charged by the Howard County Code to provide staff services and assist the agricultural land preservation & implementation of the program. Revenue from the fund comes from 25% of the local transfer tax, investment income, and the development transfer tax paid when land assessed for agriculture is converted to other uses.

	FY2015 Actual	FY2016 Estimated	FY2017 Proposed	
Revenues:				
Treasury Note Proceeds			6,608,200	
Transfer Tax	7,741,048	7,000,000	7,000,000	
County Development Tax	162,316	150,000	150,000	
Interest on Investments	1,833,899	1,500,000	1,500,000	
Miscellaneous	7,616	5,000	5,000	
Total Revenues	9,744,879	8,655,000	8,655,000	15,263,200
Expenses:				
Agricultural Land Preservation Program Administration	1,071,530	245,494	281,898	
Agricultural Land Preservation Board	258	1,450	1,900	
Support of EDA Ag Initiatives	0	122,000	122,000	
Tax Credits	0	25,000	25,000	
Principal Payments on Debt	2,450,577	2,782,673	2,445,578	9,053,778
Interest Payments on Debt	5,439,156	5,473,485	5,380,796	
Additional Debt Service	0	0	1,006,041	
Capital Improvements	4,112,201	0	0	
Total Expenses	13,073,722	8,650,102	9,263,213	15,871,413
Other Financing Sources/(Uses):				
Appropriation from Fund Balance	3,328,843	0	0	
Transfer to General Fund General	0	0	0	
Fund Chargeback	0	(945,162)	(1,068,166)	
Total Other Financing Sources/(Uses)	3,328,843	(945,162)	(1,068,166)	
Fund Balance:				
Beginning Fund Balance	68,367,767	65,038,924	64,098,660	
Net Change from Current Year Operations	0	(940,264)	(1,676,379)	
Less Appropriation from Fund Balance	(3,328,843)	0	0	
Fund Balance - Ending	65,038,924	64,098,660	62,422,281	
Reserved:				
Accreted Value Zero Coupon Bonds	(39,338,448)	(39,338,000)	(39,338,000)	
Unrealized Gain/Loss	(13,425,002)	(13,425,000)	(13,425,000)	
Unreserved Fund Balance	12,275,474	11,335,660	9,659,281	
Outstanding Agricultural Debt			(97,667,434)	
Add Maturity Value of Coupons			59,139,200	
Payments to be Funded from Future Revenues			(38,528,234)	