

Office of the County Auditor
Auditor's Analysis

Council Bill No. 20-2025

Introduced: March 3, 2025

Auditor: Diane Zagorski-Kelly

Fiscal Impact:

The fiscal impact of this legislation cannot be determined because we are unable to estimate the amount of excess surplus funds available to the County. According to the County's Budget Administrator (the Administrator), estimated excess surplus funds from Fiscal Year 2025 cannot be forecasted at this time due to rapid economic changes at the federal level.

The Administrator advised that excess surplus funds for FY 2025 will be available when the FY 2025 Annual Comprehensive Financial Report is prepared following the close of the current fiscal year. Additionally, with the FY 2026 budget currently under development, anticipated excess surplus funds allocations for FY 2026 cannot be determined at this time.

Purpose:

Council Bill 20-2025 seeks to allow excess surplus County funds to be spent on deferred capital projects for Howard County Public School System (HCPSS).

Other Comments:

According to the Administrator, the FY 2025 approved budget's surplus funds from prior fiscal year's surplus funds were allocated as follows:

- \$15 million for HCPSS systemic renovations for deferred maintenance
- \$5 million for HCPSS one-time costs in its FY 2025 operating budget

Attachment A provides an overview of the budgeted use of County surplus funding between FY 2019 and FY 2025.

Attachment A

CB20-2025

Budgeted Use of County Surplus Funding

Budgeted PAYGO - CIP (Capital Projects)							
Project Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Bridge Improvements	\$ 300,000		\$ 300,000	\$ 500,000		\$ 500,000	\$ 500,000
Storm Drainage					\$ 3,200,000		
Road Resurfacing	6,000,000	\$ 5,500,000	2,600,000	10,000,000	12,500,000	12,800,000	15,080,000
Road Construction			380,000	100,000		600,000	
Sidewalk / Curb	345,000			1,447,000	3,900,000	2,000,000	2,500,000
Traffic Improvement	100,000		25,000	25,000	175,000	75,000	75,000
General County	50,000	203,000	200,000	11,255,000	12,575,000	44,160,000	40,250,000
Recreation & Parks	200,000						4,300,000
Land Acquisition			500,000	4,500,000			25,000,000
Board of Education	1,400,000			2,500,000	10,080,000	15,000,000	15,000,000
Community College						1,000,000	5,000,000
Library							4,000,000
TOTAL	\$ 8,395,000	\$ 5,703,000	\$ 4,005,000	\$ 30,327,000	\$ 42,430,000	\$ 76,135,000	\$ 111,705,000
Budgeted PAYGO - Operating One-Time Initiatives							
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
NonD (various one-time initiatives)	2,533,778	2,845,032	4,679,458	9,679,595	28,709,338	23,472,135	79,387,300
Health Department	890,000	749,000					
Community Renewal Fund (restricted)				6,560,000			
Mitigate Pandemic Impact			7,500,000				
Contingency (BOE non-recurring candidates proposed by County but rejected by MSDE)					15,621,114		
Board of Education	11,423,980			12,500,000	2,276,796	887,000	5,000,000
TOTAL	14,847,758	3,594,032	12,179,458	28,739,595	46,607,248	24,359,135	84,387,300