



Howard County Council

George Howard Building
3430 Court House Drive
Ellicott City, Maryland 21043-4392

COUNCILMEMBERS

Deb Jung, Chair
District 4

Liz Walsh, Vice Chair
District 1

Opel Jones
District 2

Christiana Rigby
District 3

David Yungmann
District 5

Minutes - Approved

CIP and Operating Budget Work Session #1
Wednesday, May 1, 2024
Hybrid Meeting (In-Person and WebEx)
Video Streamed on <https://cc.howardcountymd.gov/watch-us>
10:00 a.m.

Chair Jung opened the meeting at 10:05 a.m.

Council members present: Liz Walsh, Christiana Rigby, Deb Jung, and David Yungmann.

Staff present: Michelle Harrod, Council Administrator; Theo Wimberly, Administrative Manager; Owen Kahn, Legislative Analyst; Lisa Geerman, Acting County Auditor; Lori Buchman, Auditor; Gary Kuc, County Solicitor; Amanda Mihill, Office of Law; Isaiah Anderson, administrative support; and Roz Hightower, administrative support.

Administration staff: Noted below.

Agenda

Revenue Overview

Dr. Sun thanked budget staff and gave a presentation on County revenue for FY2025, including updates to the revenue projections since the Council was last briefed in March; proposed tax rate shifts that will result in a net zero tax rate change for taxpayers; non-repeatable budget strategies employed in FY2025 to transition to a normalized budget outlook; proposed uses of the PAYGO fund balance; and projected growths in the County income tax and changes in other County revenue sources.

Dr. Sun responded to questions from the Council on the reason behind the \$100 million increase in one-time expenditures compared to previous years; why the County might be underestimating the amount of revenue and the scale and impacts of that estimation; the cause and uses of increasing prior year revenue use; the strategy for maintaining year to year revenue and expenditure changes; if the budget office creates estimates for future operating expenses of proposed capital projects such as a new indoor track facility; the status of the properties that are requesting alterations to their property tax and what the forgone revenue would be; how COVID and State budgeting issues impacts the County budget since 2020; how wealthier residents may impact revenue collection timelines; what would happen if the County included prior year

funding in future budgeting, in particular if there is a subsequent revenue decrease; how certain capital projects are modeled to be self-serving by generating revenue; if there is a cap on property tax assessment increases; why the State is writing down their revenue projections; if there is a model of where the County is going to be on property taxes throughout the year, including things like the homestead tax credit; what the projected revenues and fund balances will be for the end of FY2024; why the proposed operating budget increase is higher than the Spending Affordability Committee's recommended amount; and what the total operating expense increase will be when capital projects are completed.

Howard Community College

The Howard County Community College Administration gave an overview on their proposed FY2025 operating and capital budget. Dr. Willis and her team responded to questions from the Council on staff salary; details about the naming and cost of the Kahlert Foundation Complex; the status of the Middle College and Elevate; implementation of State College and Career Readiness standards; details of current and requested staffing; student enrollment trends; dual enrolled students; impact of Budget Reconciliation and Financing Act on funding; tuition rates; funding by the Department of Housing and Community Development and Economic Development Authority; details of the new workforce building; comparison to other community college budgets statewide; and collaboration with the public school system.

Howard County Library System

The Howard County Library System gave an overview of their FY2025 proposed operating and capital budget, including ongoing and proposed projects and services. Ms. Aikens and her team responded to questions from the Council on proposed staff salary increases; the efforts to find a location for the southwest branch library; status of the proposed library space in the Elkridge area; constituent feedback of the proposed central library relocation; outreach to daycare providers; and if the Library System is aware of the Police Department's search for similar space in downtown Columbia.

Howard County School System

The Acting Superintendent introduced school system staff and gave a presentation on the school system's proposed FY2025 operating and capital budget.

Mr. Barnes and his team responded to questions from the Council on the school system request, the County Executive proposed budget; details of proposed eliminated positions; funding needed to keep all the positions; comparison to other jurisdictions and the impact of Blueprint reform, State changes, and enrollment; Federal, State and local funding and reporting of various Pillars of the Blueprint; details of bus services and transportation needs; State wide teacher salaries; prioritizing needs versus wants based on the budget constraints; the importance of multiyear budget proposals to have as much information as necessary to make fiscal decisions; multiyear contracts with collective bargaining units; the MESA Program and how it serves students; why school employee are handled differently from other County salary increased; and communicating major changes in Blueprint initiatives and funding to the public.

There was additional discussion about various capital projects such as Faulkner Ridge project; ten year capital budget program. Council asked additional questions about the State allocation of funds based on school categories; details of the self-insured health and benefits fund; Howard County's allocation from the Built to learn Act; strategies to elevate the moral of County teachers and improve their experience in the classroom; budget impact on groundskeepers; and budget impact on special education.

Chair Jung closed the meeting at 4:16 p.m.

Council requested follow up:

- *Council Member Walsh requested a breakdown of how the \$100 million increase in PAYGO compares to previous fiscal years.*
- *Council Member Walsh requested an analysis of where revenues differed from prior year projections.*
- *Chair Jung and Council Member Rigby requested an estimate of the budget impact of all requested adjustments to property taxes and how many of those properties are multi-family properties. Additionally, if the property owners are misrepresenting the vacancy rates or property uses to acquire a tax adjustment.*
- *Council Member Yungmann requested a breakdown of what the final adopted budget was and what the actual final amounts were for the last ten years.*
- *Council Member Walsh requested the full story of what happened to the ElkrIDGE area library, why the funding was decreased, and who was present for those decisions.*
- *Council Member Walsh requested information on what the School Board plans to do with the money that the County Executive allocated, including if it matches with the County Executive's suggestions.*
- *Council Member Walsh requested a breakdown of why school bus costs are increasing even as services are being cut.*
- *Council Member Walsh requested data on if claims against the HCPSS employee self-insurance fund are seasonal (for example, are they higher for certain months out of the year?).*
- *Council Member Walsh requested the amount of Built to learn Act funds that may vanish before we have a chance to spend them.*

5/1/2024 CIP & Operating Work Session Attendee List:

Revenue Overview

Holly Sun
Brook Mamo
Yousuf Ahmad
Paul McIntyre

Howard Community College

Dr. Daria Willis
Lynn Coleman
Dr. Melissa Curtis
Dr. Carl Moore
Sung Lee
Mike Heinmuller
Tabitha Herry
Joe Whalen
Beth Homan
Zoe Irvin
Minah Woo
Stephanie Wall
Missy Matthey
Chuck Nightingale
Travis Hopkins
Shelly Bilello
Chris Heston
Sarah Angerer

Howard County Library System

Tonya Aikens
Angela Brade
Dorna Anderson

Howard County Public School System

Bill Barnes
Dr. Karalee Turner-Little
Jennifer Robinson
Dan Lubley
David Larner
Jahantab Siddiqui
Darin Conforti
Brian Nevin
Tim Guy
John Davis

Howard County Board of Education

Antonia Watts
Dr. Yun Lu
Dr. Linfeng Chen
Jackie McCoy
Jennifer Mallo
Jolene Mosley
Robyn Scates
Lamia Ayaz (Student)

Finance

Rafiu Ighile
Angie Price
John Vu

TIF (C0319)

Carl Delorenzo
Jeff Bronow
Emily Metzler

Visit the Council's website (<http://cc.howardcountymd.gov>) to view legislation, send written testimony, and sign-up electronically to testify at public hearings.

Persons needing accommodations to fully participate in the meeting, please contact the Council Office, 410-313-2001.