

Part A

Budget and State Aid

Operating Budget

Overview

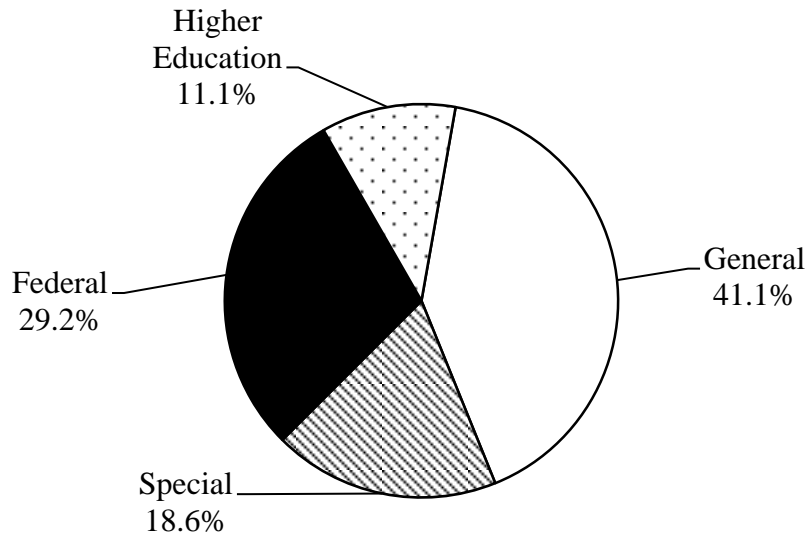
The projected general fund deficit was one of the major issues at the 2010 legislative session. General fund revenues have declined substantially due in large part to a downturn in the economy that began in late 2007 and continued to lag in fiscal 2010. Shortfalls ranging from \$2.0 billion to \$2.6 billion for the period encompassing fiscal 2011 to 2015 were estimated by the Department of Legislative Services in December 2009. The Governor and General Assembly closed the fiscal 2011 gap through a combination of constraining the growth in the budget and one-time fund transfers. In subsequent years, legislative action reduced the projected shortfalls to about \$1.6 billion. In the long term, some combination of revenue increases and spending reductions will be necessary to place the State back on the path of fiscal sustainability. Nominal downward revenue revisions since December 2009 suggest that finances are stabilizing; however, economic forecasts suggest that a slow recovery is in the offing.

The General Assembly enacted a \$32.0 billion budget for fiscal 2011 – a decrease of \$0.3 billion, or -1.0%, below fiscal 2010 spending levels. Federal stimulus funding from the American Recovery and Reinvestment Act of 2009 (ARRA) continues to play a central role in the fiscal 2010 and 2011 budgets, providing \$1.1 billion and \$1.3 billion to support State operations, respectively. The enacted budget is \$626.9 million, or -3.00% below the zero percent level recommended by the Spending Affordability Committee (SAC). The general fund cash balance is estimated at \$204.5 million at the end of fiscal 2011, in addition to 5.0% reserves of \$633.5 million in the Rainy Day Fund.

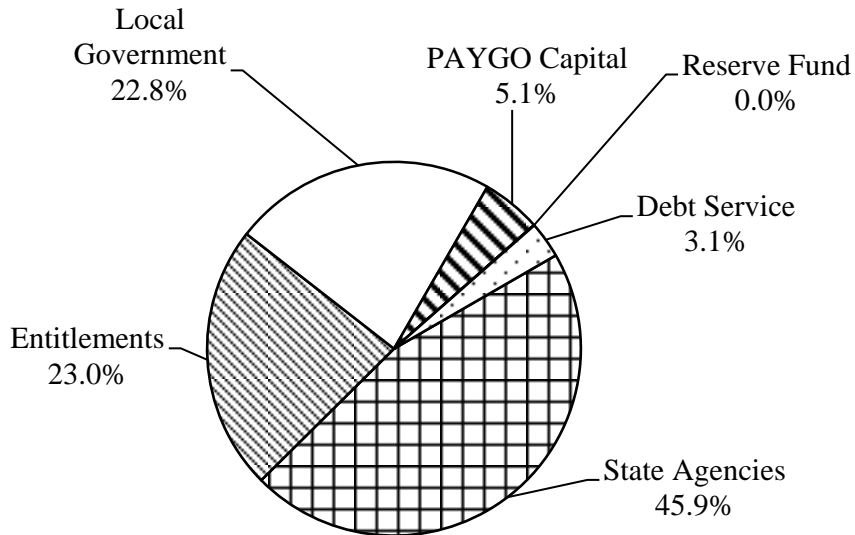
Budget in Brief

The Fiscal Year 2011 Budget Bill, *Senate Bill 140 (enacted)*, provides \$32.0 billion in appropriations for fiscal 2011 – a decrease of \$0.3 billion (-1.0%) below fiscal 2010. **Exhibit A-1.1** illustrates funding by type of revenue. Due to the continued provision of federal stimulus dollars, the proportion of the budget supported by federal funds remains close to 30% of total spending. Prior to fiscal 2010 federal dollars typically supported about 22% of total spending.

Exhibit A-1.1
Maryland's \$32.0 Billion Budget
Where It Comes From: Budget by Fund Source



Where It Goes: Budget by Purpose



PAYGO: pay-as-you-go capital

General funds constitute about 41% of the total budget, while federal dollars remain at about 29% of spending. Special funds provide approximately 19% of the budget, and higher education revenue provides the remaining 11%. State agency operations constitute the largest area of spending, representing 46% of the total budget. Aid to local governments accounts for 23% of the budget, and 23% supports entitlement programs. Remaining appropriations fund PAYGO capital spending, debt service on State general obligation bonds, and transfers to the State Reserve Fund.

General fund appropriations decrease by \$286.3 million, or -2.1%, below fiscal 2010. Medicaid spending increases by \$155.3 million to reflect trends in inflation, utilization, and enrollment. Both the 2010 and 2011 budgets contain lower levels of general funds based on an enhanced level of federal stimulus matching funds. Increases for personnel costs also are included for retirement contributions (\$44.0 million) and health insurance (\$25.0 million). These increases are entirely offset by a decrease of nearly \$400.0 million in local education aid, although nearly all of that amount represents the use of special funds in lieu of general funds. Appropriations to the State Reserve Fund also decrease by \$99.9 million because there was no required appropriation from the closeout of fiscal 2009. Across-the-board reductions adopted by the legislature include \$12.0 million from the abolition of 500 regular positions and \$2.8 million due to electricity conservation efforts. This was in addition to across-the-board actions included in the allowance for hiring freeze savings, cutbacks in overtime, streamlining State operations, and savings in injured worker's expenses.

Special funds grow by \$317.8 million, or 5.6%, compared to the fiscal 2010 working appropriation. Decreases occur in highway and transit capital spending, Medicaid based on smaller special fund availability, Program Open Space, reduced spending at the Maryland Port Administration related to a public-private partnership, and special fund cashflow for the Comptroller's new Modernized Integrated Tax System. Approximately \$436.6 million in general fund reductions will be restored from special fund sources, including \$350.0 million from the Local Income Tax Reserve Account, and \$42.1 million from the Higher Education Investment Fund (HEIF), *Senate Bill 283/House Bill 470 (both passed)*. With the expected opening of the first two video lottery facilities in fiscal 2011, additional spending in the budget provides funding for the operator's share of revenue, funds for K-12 education, higher horse racing purses, racetrack redevelopment spending, and local impact aid. Additional transportation funds are also provided to the Washington Metropolitan Area Transit Authority to match federal dollars to be used toward the system's capital program needs.

Federal fund spending decreases by \$457.4 million, or 4.7%, mostly due to the expiration of one-time federal stimulus funds received in fiscal 2010. Local education and library aid decreases by \$237.2 million, or 16.9%, due to one-time stimulus monies that were distributed based on the Title 1 and special education aid formulas. PAYGO capital similarly decreases \$383.5 million, or 32.8%, due to a decline in federal stimulus funds for low income weatherization, rental housing programs, and transportation capital funding. Increases in federal aid are also received for Medicaid (\$143.3 million, or 3.9%) and assistance payments (\$244.5 million, or 42.8%), mostly for food stamps.

The budgets for public higher education institutions increase by \$117.5 million in total funds, or 3.4%, in fiscal 2011. This growth is in non-State funds derived from tuition and fees, grants and contracts, and auxiliary sources which support operations of higher education institutions, including the University System of Maryland (USM), Morgan State University (MSU), St. Mary's College of Maryland (SMCM), and Baltimore City Community College (BCCC). Aid to community colleges is essentially level funded in fiscal 2011, though BCCC receives a nominal 1.7% increase. Aid to non-public colleges and universities is also funded at the fiscal 2010 level of \$38.4 million.

With respect to personnel the budget assumes another 10 furlough days and temporary salary reductions in fiscal 2011 and does not provide for a general salary increase, merit pay, or a deferred compensation match. Legislative action abolished 568 regular positions, made the deferred compensation match discretionary instead of mandatory, and called for study of pension and post-retirement benefits. For a more detailed discussion of personnel issues, see the subpart "Personnel" within this part.

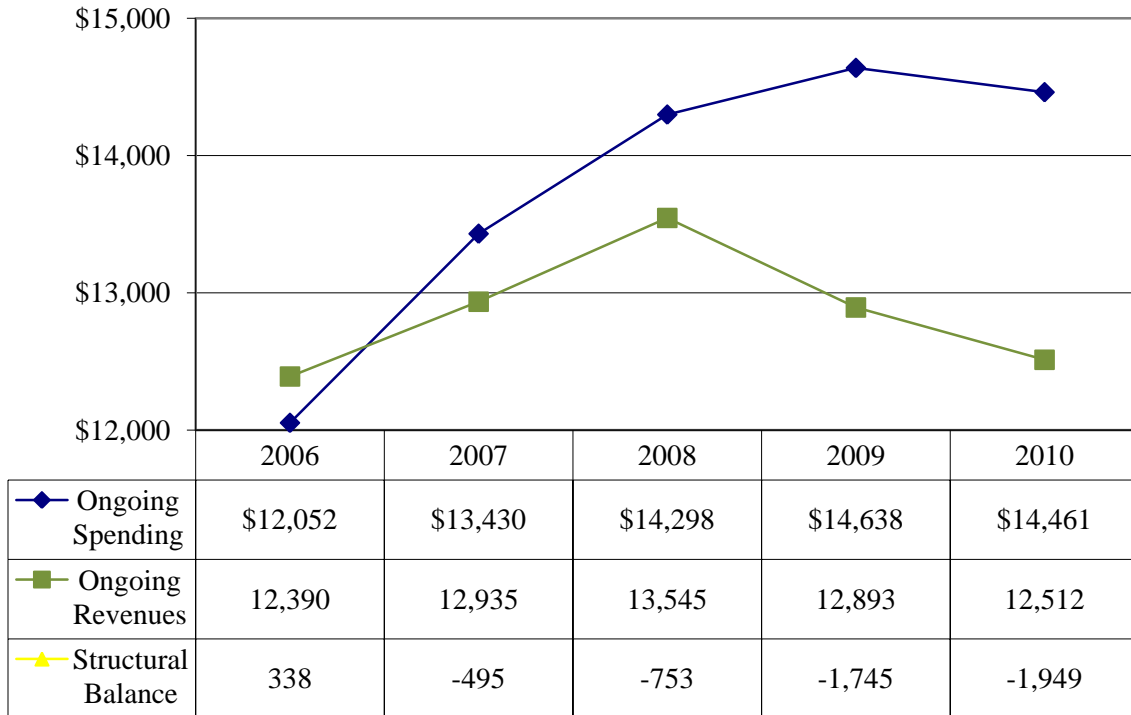
Framing the Session: 2009 Interim Activity

A continued economic downturn since 2007 has affected both revenues and spending needs. High unemployment, home foreclosures, and restrictive credit, are among the factors which have dampened income and sales tax revenue collections in Maryland. Between December 2008 and March 2010, the Board of Revenue Estimates (BRE) revised the fiscal 2010 general fund revenue estimates downward five times for a combined loss of more than \$2.4 billion below the December 2008 estimate. Nearly \$1 billion in fiscal 2010 spending was cut from agency budgets through the Board of Public Works (BPW), with more than one-half coming from general fund expenditures. The Spending Affordability Committee recommended a zero rate of budgetary growth for the 2010 session, which was the lowest level ever recommended. SAC also offered recommendations pertaining to use of the Rainy Day Fund and position growth.

BRE Revenue Revisions

As shown in **Exhibit A-1.2**, ongoing revenue fell by nearly 5% in fiscal 2009 followed by a 3% loss in fiscal 2010 to date. In September 2008, general fund revenue for fiscal 2010 was projected at \$14.7 billion. After a number of revisions, that figure was estimated at \$12.2 billion in March 2010, a decline of 17%. The structural revenue estimate in Exhibit A-1.2 is increased by approximately \$300 million with the adoption of a permanent revenue distribution of highway user revenues to the general fund in *Senate Bill 141 (passed)*.

Exhibit A-1.2
Ongoing General Fund Revenue and Spending Trends
Fiscal 2006-2010
(\$ in Millions)



Source: Board of Public Works

BPW Withdrawn Appropriations

As shown in **Exhibit A-1.3**, the Governor withdrew nearly one billion in spending from the fiscal 2010 budget through BPW at meetings held in July, August, and November 2009. There were budgetary savings from abolishing 533 positions and employee furloughs. Cutbacks were made to agency spending, local aid, PAYGO, and entitlement programs. In some cases, reductions were offset by the availability of special fund balances or federal funds.

Exhibit A-1.3
Fiscal 2010 Spending Withdrawn through the Board of Public Works
(\$ in Millions)

<u>Date of BPW Action</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>	<u>Filled Positions</u>	<u>Vacant Positions</u>
July 2009	\$205.3	\$8.0	\$54.3	\$267.6	39.0	18.5
August 2009	222.3	197.1	68.0	488.4	202.0	161.5
November 2009	102.8	40.4	57.3	200.5	68.5	43.5
Total	\$531.4	\$245.5	\$179.6	\$956.5	309.5	223.5

Source: Board of Public Works

SAC Recommendations

SAC prepared its final report to the Governor in December 2009 which included the following recommendations pertaining to the operating budget:

Spending Limit: The committee recommended limiting growth on a spending affordability basis to zero percent relative to the spending approved at the 2009 session. This was the lowest level recommended in the history of SAC.

Personnel: The committee opined that the current complement of 79,700 regular positions was appropriate for the delivery of State services. It was recommended that any new position needs be accommodated within the current overall level.

State Reserve Fund: SAC continued to recommend prudent use of the Rainy Day Fund. Use of the balance below 5.0% was recommended only as a last resort and in combination with a multi-year plan to achieve structural balance.

Governor's Spending Plan as Introduced

For the current fiscal year, the Governor proposed \$763.0 million of fiscal 2010 deficiencies. These included additional funding mostly for Medicaid, federal aid for students with disabilities, low income energy assistance, public safety, juvenile services, and tax credits. The fiscal plan submitted by the Administration provided for \$32.5 billion in total spending for fiscal 2011, balanced in part by across-the-board reductions, additional revenue assumptions, transfers and contingent reductions proposed in budget reconciliation legislation, and the expectation that additional federal aid would be provided to all states through the extension of the enhanced Medicaid match begun in fiscal 2009 in federal stimulus legislation. The budget was nearly \$600.0 million below the zero percent limit recommended by SAC, and did not use

any funds from the State Reserve Fund. The Governor's proposed spending plan proposed an estimated fiscal 2011 general fund balance of \$273.7 million

Across-the-board reductions of \$117.1 million assumed savings of \$76.7 million from another 10 days of combined furloughs and temporary salary reductions, \$3.0 million in overtime savings based on accident leave management; \$2.0 million from streamlining of State operations; \$10.0 million in hiring freeze and attrition savings; a change in the injured workers' settlement policy (\$5.0 million) and administrative costs (\$0.5 million); and a \$20.0 million savings in health insurance to reflect a balance in that account.

Nearly \$52.0 million in additional revenue was assumed, including telecommunications recoveries, proposed interest income transfers from special funds to the general fund, and offsetting revenues from a proposed job creation tax credit. The Administration also assumed \$389.0 million from an additional six months of enhanced federal stimulus funds through a reduction of general funds in the Medicaid budget.

As shown in **Exhibit A-1.4**, the Governor's plan for balancing the fiscal 2010 and 2011 budgets relied heavily on a combination of fund transfers and reductions contingent upon budget reconciliation legislation. Over \$1.7 billion was proposed to be transferred from a variety of accounts, with the largest amounts coming from Highway User Revenues (\$321.4 million in fiscal 2010 and \$340.3 million in fiscal 2011), and various PAYGO programs (\$330.1 million in fiscal 2010 and \$111.7 million in fiscal 2011). Other significant transfers from fund balances were proposed to come from higher education, the Heritage Structure Rehabilitation Tax Credit Reserve Fund, the Injured Workers' Insurance Fund, and the Land Records Fund. The Governor also proposed nearly \$700.0 million in general fund contingent reductions, with most tied to **Senate Bill 141 (passed)**, the Budget Reconciliation and Financing Act of 2010 (BRFA). Of this, \$350.0 million involved a proposed transfer from the Local Income Tax Reserve Account to the Education Trust Fund which would replace general fund local education aid, and over \$50.0 million would reduce or level fund certain local aid programs.

Other contingent reductions that were part of the Governor's spending plan relied on separate legislation. They included:

Senate Bill 279 (Ch. 4) prohibits a person from making a false or fraudulent claim for payment or approval by the State or the Department of Health and Mental Hygiene (DHMH) under a State health plan or program. Enactment of this legislation effects a \$9.0 million general fund reduction.

Senate Bill 283/House Bill 470 (both passed) permanently dedicate 6% of the corporate income tax to the HEIF. A contingent general fund reduction of \$42.1 million is offset by a corresponding loss of general fund revenue, thus there is no impact on the fund balance.

Exhibit A-1.4
Governor's Original Budget Plan
Fiscal 2010-2011
(\$ in Millions)

	<u>2010</u>	<u>2011</u>
Opening Balance	\$87.2	\$258.4
Revenues	\$12,299.5	\$12,671.7
Additional Revenues	168.0	0.8
Transfers	1,144.7	519.2
Subtotal	\$13,612.2	\$13,191.8
Appropriations and Deficiencies	\$14,036.1	\$13,978.1
BPW Withdrawn Appropriations	-531.4	0.0
Across-the-board Reductions	0.0	-87.8
Contingent Reductions	0.0	-676.9
Reversions	-63.7	-37.1
Subtotal	\$13,441.0	\$13,176.5
Closing Balance	\$258.4	\$273.7

BPW: Board of Public Works

Source: Maryland Budget Highlights, Fiscal 2011

Legislative Consideration of the Budget

As the legislature considered the budget, BRE revised general fund revenues downward by \$66.0 million for fiscal 2010, and the Governor submitted one supplemental budget which added \$12.8 million in spending. The General Assembly reduced the budget and positions as detailed below.

Revenue and Spending Changes

BRE Revenue Revisions: In March 2010, BRE revised the estimate of general fund revenue for fiscal 2010 downward by \$66.0 million. The estimate for fiscal 2011 was unchanged. Income and sales tax revenues continue to be negatively affected by the recession, as well as severe snow storms.

Supplemental Budget No. 1: The Governor introduced one supplemental budget that increased spending by a total of \$12.8 million. Additional funding of \$24.4 million was provided for Disparity Grants, another \$22.4 million corrected student enrollment undercounts

for a variety of formula-based education programs, and \$10.3 million was needed primarily to ensure sufficient funding in the State Board of Elections for 2010 election costs. Higher spending in the supplemental budget was offset by an expected \$65.9 million in general fund Medicaid savings based on the application of a higher federal matching rate for determining the Medicare clawback – State payments required to offset federal Medicare prescription drug costs for State residents eligible for both Medicare and Medicaid.

Reductions: The legislature reduced the fiscal 2010 budget by \$13.9 million based mostly on a \$12.3 million reduction in general funds for Medicaid, which will be replaced with special funds from the Senior Prescription Drug Assistance Program. Another \$1.5 million in general funds was reduced based on lower caseloads in the Temporary Disability Assistance Program. Changes adopted in the fiscal 2011 budget eliminated 568 regular positions and reduced \$968.0 million in all funds. Just under one-half of the total cuts are intended to be replaced from special fund sources.

Notable reductions included:

- \$350.0 million in education aid that will be replaced with special funds;
- \$244.5 million from local highway user revenues;
- \$54.0 million in Program Open Space related spending in the Departments of Agriculture and Natural Resources. Nearly all of this amount will be bond funded in fiscal 2011 and 2012;
- \$40.1 million from the Maryland Port Administration budget in cost savings related to the transfer of the Seagirt Marine Terminal to the private sector as part of a public-private partnership agreement;
- \$23.1 million to fund community college aid at the fiscal 2010 level;
- \$22.1 million from activities funded by the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund. A corresponding amount of revenue is also transferred to the general fund through budget reconciliation legislation;
- \$19.0 million to fund police aid at the fiscal 2010 level; and
- \$12.0 million in conjunction with the abolition of 500 regular positions by June 30, 2011.

The budget does not reflect special funds that are intended to replace general funded items, which were reduced at the 2010 session but which have yet to be appropriated. **Exhibit A-1.5** summarizes the items that will be restored with special funds. The largest item is a \$350.0 million general fund reduction in the Maryland State Department of Education (MSDE) Foundation Program that will be replaced by funds from the Local Income Tax Reserve Account that are being transferred to the Education Trust Fund.

Exhibit A-1.5
General Fund Reductions to Be Replaced with Special Funds
(\$ in Millions)

	FY 2010		FY 2011	
	<u>General Funds</u>	<u>Special Funds</u>	<u>General Funds</u>	<u>Special Funds</u>
Education			-\$350.0	\$350.0
Higher Education			-42.1	42.1
Medicaid	-\$2.0	\$2.0	-25.2	25.2
Judiciary			-11.9	11.9
Department of Information Technology			-5.0	5.0
Maryland School for the Deaf			-2.0	2.0
Department of Health and Mental Hygiene			-0.3	0.3
Attorney General			-0.2	0.2
Total	-\$2.0	\$2.0	-\$436.6	\$436.6

Final Actions Related to SAC

Limiting Spending Growth: As shown in **Exhibit A-1.6**, final action by the legislature reduced the budget to a -3.00% rate of growth as measured on a spending affordability basis. The SAC calculation typically does not include federal funds, but an adjustment has been included since the 2009 session to account for the significant influx of federal stimulus aid which was used in part to offset general fund appropriations. With this adjustment, final action on the budget is \$626.9 million below the zero percent rate recommended by the committee. The budget assumes \$389.0 million in general fund Medicaid savings from a six-month extension of the enhanced Medicaid match associated with the federal stimulus aid. These additional federal funds are not included in the SAC calculation; however, if they were included, spending would remain below the limit.

Exhibit A-1.6
Operating Budget Affordability Limit
(\$ in Millions)

<u>Funds</u>	<u>2009</u> <u>Session</u>	<u>2010</u> <u>Session</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
General	\$13,150.2	\$13,313.1	\$162.9	1.24%
Special	4,150.7	3,768.7	-381.9	-9.20%
Higher Education	2,100.0	2,160.4	60.4	2.88%
ARRA Funds	1,464.0	995.7	-468.3	-31.98%
Estimated Budget Growth	\$20,864.8	\$20,238.0	-\$626.9	-3.00%
SAC Limit	\$20,864.8	\$20,864.8	\$0.0	0.00%
Over (Under) Limit			-626.9	-3.00%
If Medicaid Extension Funding Is Included				
ARRA Funds		389.0	389.0	
Estimated Budget Growth	\$20,864.8	\$20,627.0	-\$237.9	-1.14%

ARRA: American Recovery and Reinvestment Act of 2009

SAC: Spending Affordability Committee

Personnel: Although the budget as introduced was 155 positions below the fiscal 2010 level, the legislature abolished another 568 positions. Of this, 500 positions are to be abolished by the Governor by June 30, 2011. At 79,016 positions, the fiscal 2011 complement is below the 79,700 cap recommended by SAC for this session. Thus, the final action for State employment is consistent with SAC recommendation.

State Reserve Fund Balance: No funds are transferred to support fiscal 2011 spending, maintaining a \$633.5 million balance in the Rainy Day Fund. This constitutes a 5% balance. Final action on the budget complied with the SAC recommendation to maintain at least a 5% balance and to use the fund only as a last resort.

Summary of Fiscal 2010 Legislative Activity

Exhibit A-1.7 summarizes final legislative action on the general fund budget. In addressing the write down of revenues and additional spending in the one supplemental budget, the General Assembly adopted \$1.6 billion in transfers. Of this, \$263.8 million was implemented through Chapter 487 of 2009. Approximately \$449.4 million of the \$968.0 million in reductions are contingent upon the BRFA of 2010. Based upon these actions, the closing fiscal 2010 balance is estimated at \$153.7 million, and fiscal 2011 would end with a projected \$204.5 million balance.

Exhibit A-1.7
Final Legislative Budget Action
Fiscal 2010-2011
(\$ in Millions)

	<u>FY 2010</u>	<u>FY 2011</u>
Opening Balance	\$87.2	\$153.7
Revenues	\$12,420.8	\$12,733.3
Legislation	0.0	-60.0
Transfers	1,073.8	519.2
Subtotal	\$13,494.6	\$13,192.5
Appropriations/Supplementals/Deficiencies/BPW	\$13,505.5	\$13,734.8
Reductions	-1.5	-104.5
Contingent Reductions	-12.3	-457.5
Reversions	-63.7	-31.1
Subtotal	\$13,428.0	\$13,141.7
Closing Balance	\$153.7	\$204.5

BPW: Board of Public Works

Exhibit A-1.8 illustrates the actions of the Governor and the legislature relative to current services spending forecasted in the Department of Legislative Services fiscal 2011 baseline budget estimate. As shown, the Governor constrained the growth in fiscal 2011 spending by \$1.1 billion mostly by assuming additional federal Medicaid aid at the higher match level, constraining employee compensation, Medicaid cost containment, and higher assumptions of video lottery terminal revenue.

Exhibit A-1.8
Reductions from General Fund Baseline Spending Estimate
Fiscal 2011
(\$ in Millions)

	<u>Governor's</u> <u>Proposal</u>	<u>Final</u>
General Fund Baseline Spending Estimate (December 2009)	\$14,805	\$14,805
Changes Incorporated in Governor's Allowance Not Requiring Legislative Approval		
Net Changes to Statutory Formula Calculations	\$63	\$63
Additional VLT Revenues for Education	-101	-101
Enhanced Medicaid Match Assumed for Six Months/Medicare Clawback	-416	-416
Medicaid – Cost Containment	-152	-152
Public Assistance – Higher Costs and More Federal Monies	-39	-39
Property Tax Credits	7	7
Higher Education	-34	-34
Corrections	-51	-51
Health and Human Resources	-67	-67
State Personnel – Salaries and Benefits	-269	-269
Other Agency Reductions	-43	-43
Subtotal	-\$1,101	-\$1,101
Reductions Proposed by the Governor Requiring Legislative Approval		
Police Aid Formula/Local Health Grants	-\$23	-\$23
Bond Fund Aging Schools/Transportation Inflation	-10	-10
Local Income Tax Reserve for Education Fund Swap	-350	-350
Community College Formula	-23	-23
Sellinger Formula for Private Higher Education	-22	-14
Medicaid – Nursing Home Assessment/CRF Swap	-25	-25
Higher Education Investment Fund (SB 283/HB 470)	-42	-42

	<u>Governor's Proposal</u>	<u>Final</u>
False Claims Act (SB 279/HB 525)	-9	-9
Judicial/Legislative Personnel – Furlough and Salary Reduction	-6	-4
Other	-16	-8
Subtotal	-\$527	-\$508
Reductions Initiated by Legislature		
Baltimore City Grant		-\$3
Use Special Funds for Judiciary Information Technology Projects		-12
Judiciary Operating Expenditures		-8
Temporary Disability Assistance Payments		-6
Reduce State Positions by 500		-12
Electricity Savings		-3
Other Reductions		-11
Subtotal		-\$54
Total General Fund Expenditures	\$13,177	\$13,142
ARRA Used to Replace General Funds	\$1,279	\$1,279
Income Tax Reserve Fund Swap	350	350
Adjusted Expenditures	\$14,806	\$14,771

ARRA: American Recovery and Reinvestment Act of 2009

CRF: Cigarette Restitution Fund

VLT: video lottery terminal

The Governor also proposed over \$500 million in reductions contingent upon legislation. The largest item was the \$350 million fund swap of general funds from the Local Income Tax Reserve Account, through the Education Trust Fund. Final legislative action adopted nearly all of the Administration's proposals. The legislature also adopted over \$50 million in additional general fund reductions.

Outlook for Future Budgets

As shown in **Exhibit A-1.9**, there is a cash balance of \$205 million projected at the end of fiscal 2011, while ongoing spending exceeds ongoing revenues by \$1,892 million. The fiscal 2011 structural deficit is closed by federal stimulus grants totaling \$1,279 million, a local income tax reserve account transfer to support local education totaling \$350 million, other transfers totaling \$179 million, and one-time revenues totaling \$25 million.

Exhibit A-1.9
General Fund Budget Outlook
Fiscal 2009-2015
(\$ in Millions)

	2009	2010	2011	2012	2013	2014	2015	2011-15
Revenues	Actual	Working	Allowance	Est.	Est.	Est.	Est.	Avg Annual Change
Opening Fund Balance	\$487	\$87	\$154	\$205	\$0	\$0	\$0	
Transfers	189	791	175	61	60	57	61	
One-time Revenues/Legislation	871	192	25	0	0	0	0	
Subtotal One-time Revenue	\$1,548	\$1,070	\$353	\$266	\$60	\$57	\$61	-35.6%
Ongoing Revenues	\$12,893	\$12,512	\$13,033	\$13,601	\$14,363	\$15,063	\$15,762	
Revenue Adjustments – Legislation	0	0	-40	-46	-47	-45	-46	
Subtotal Ongoing Revenue	\$12,893	\$12,512	\$12,993	\$13,555	\$14,316	\$15,018	\$15,716	4.9%
Total Revenues and Fund Balance	\$14,440	\$13,582	\$13,346	\$13,821	\$14,376	\$15,076	\$15,776	4.3%
Ongoing Spending								
Operating Spending*	\$14,638	\$14,465	\$15,025	\$15,476	\$16,333	\$17,011	\$17,796	
VLT Revenues Supporting Education	0	-11	-114	-145	-372	-479	-523	
Multi-year Commitments	0	7	25	15	15	65	65	
Ongoing Spending – Legislation	0	0	-51	-34	-37	-39	-56	
Subtotal Ongoing Spending	\$14,638	\$14,461	\$14,885	\$15,312	\$15,939	\$16,558	\$17,282	3.8%
One-time Spending								
PAYGO Capital	\$14	\$0	\$1	\$1	\$1	\$1	\$1	
One-time Reductions	0	-4	-464	0	0	0	0	
Federal Stimulus Funds	-445	-1,144	-1,279	0	0	0	0	
Appropriation to Rainy Day Fund	147	115	0	50	50	50	50	
Subtotal One-time Spending	-\$285	-\$1,033	-\$1,743	\$51	\$51	\$51	\$51	n/a
Total Spending	\$14,353	\$13,428	\$13,142	\$15,363	\$15,990	\$16,609	\$17,333	7.2%
Ending Balance	\$87	\$154	\$205	-\$1,542	-\$1,614	-\$1,534	-\$1,557	
Rainy Day Fund Balance	\$692	\$614	\$632	\$661	\$699	\$734	\$767	
Balance Over 5% of GF Revenues	47	-12	-1	-19	-19	-20	-21	
As % of GF Revenues	5.37%	4.91%	4.99%	4.86%	4.87%	4.87%	4.87%	
Structural Balance	-\$1,745	-\$1,949	-\$1,892	-\$1,757	-\$1,623	-\$1,540	-\$1,566	

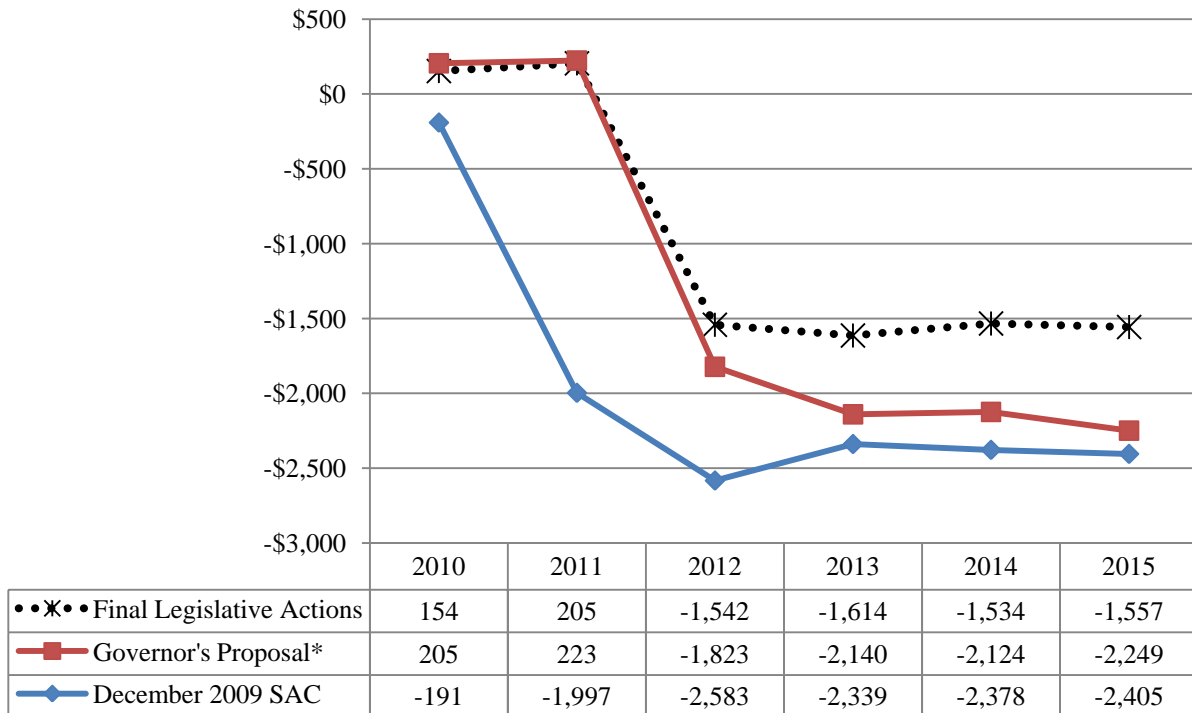
GF: general fund
 PAYGO: pay-as-you-go
 VLT: video lottery terminal

* Includes \$199 million in fiscal 2010 deficiency appropriations.

Actions taken by the General Assembly reduce the deficit in the out-years. **Exhibit A-1.10** shows that actions taken by the General Assembly are projected to reduce the out-year deficits to less than \$1.6 billion in fiscal 2012, compared to \$2.6 billion projected in December 2009 and \$1.8 billion projected in the spending plan introduced by the Governor. The out-year deficit remains near \$1.6 billion through fiscal 2015. This is also less than the deficits assumed by the Administration, which were projected to increase to \$2.2 billion in fiscal 2015. The deficit is reduced by limiting spending and by increasing revenues. Most of the changes are attributable to ongoing actions taken in *Senate Bill 141 (passed)*, such as:

- increasing revenues by permanently transferring 19.3% of Gasoline and Motor Vehicle Revenue Account revenues into the general fund beginning in fiscal 2013, which is projected to provide \$339 million in fiscal 2013 and increase to \$361 million in fiscal 2015;

Exhibit A-1.10
Projected General Fund Balances
Fiscal 2010-015
(\$ in Millions)



* Governor's Proposal adjusted to reflect Supplemental Budget No. 1.

- constraining spending by limiting K-12 education formula increases to 1%, which is expected to reduce spending by \$4 million in fiscal 2012 and increase to \$117 million in fiscal 2015; and
- constraining community college spending by freezing fiscal 2012 spending and slowing out-year growth, reducing spending by \$48 million in fiscal 2012 and \$67 million in fiscal 2015.

The budget bill and budget committee intent language would also reduce the out-year deficit, through the following:

- limiting fiscal 2012 personnel costs to fiscal 2011 levels, which is projected to constrain fiscal 2012 spending by \$139 million and fiscal 2015 spending by \$91 million;
- delete 500 positions, which is expected to reduce spending by \$12 million in fiscal 2012 and \$21 million in fiscal 2015; and
- freeze the State per student grant to the University System of Maryland and Morgan State University in fiscal 2012, constraining spending by \$47 million in fiscal 2012 and \$53 million by fiscal 2015.

Other legislation also reduced the out-year deficit, including:

- ***Senate Bill 279 (Ch. 4)*** (Maryland False Claims Act of 2010) reduces general fund expenditures by \$9.0 million in fiscal 2011;
- ***House Bill 1505 (passed)*** (Central Collection Unit – Collection of Debts Owed by the State) is projected to provide \$2.0 million in revenues annually beginning in fiscal 2011; and
- ***House Bill 1389 (passed)*** (Traffic Cases – State Police Helicopters and Ambulance, Fire, and Rescue Companies) is projected to provide \$3.5 million in general fund revenues beginning in fiscal 2013 and \$8.5 million by fiscal 2015.

Legislation also resulted in additional costs, including:

- ***House Bill 475 (passed)*** (Smart, Green, and Growing – The Sustainable Communities Act of 2010) is expected to increase State expenditures by \$15 million in fiscal 2012 to 2014;
- ***Senate Bill 887 (passed)*** (State Correctional Officers Bill of Rights) is projected to increase costs by \$3 million annually beginning in fiscal 2011; and
- ***Senate Bill 280 (passed)*** (Sexual Offenders Lifetime Supervision) is projected to increase costs by approximately \$318,000 in fiscal 2011 and \$1,380,000 in fiscal 2015.

Budget-related Legislation

Budget Reconciliation and Financing Legislation

Senate Bill 141 (passed), the Budget Reconciliation and Financing Act (BRFA) of 2010, implements \$1.6 billion in actions that were of immediate benefit (fiscal 2010 and 2011) to the general fund. These actions are summarized in **Exhibit A-1.11**.

Actions within the BRFA of 2010 can be categorized into five major types: fund balance transfers; expanded use of special funds; changes in grants and formulas; revenue actions; and miscellaneous other provisions. Many of these actions provide ongoing structural relief by constraining growth in mandated formulas and allowing the use of special funds in lieu of general funds.

Exhibit A-1.11

Summary of Actions in the Budget Reconciliation and Financing Act of 2010

Fund Transfers	\$1,042.4 million
Contingent Reductions	418.6 million
Revenues	94.3 million
Total Budgetary Action	\$1,555.3 million

Fund Balance Transfers

As shown in **Exhibit A-1.12**, the BRFA of 2010 transfers \$600.6 million from various operating program fund balances to the general fund. The largest component from the operating funds is \$397.7 million from the Highway User Revenue account over the course of fiscal 2010 and 2011; the amounts noted here are in addition to the transfers enacted in Chapter 487 of 2009 (the BRFA of 2009) which affect fiscal 2010 and 2011. The fiscal 2010 transfer (\$136.2 million) implements the reduction to special fund spending made by BPW; the general fund transfer is adjusted downward to allow the local jurisdictions to retain the payments they have already received in fiscal 2010. To compensate for the reduction in the fiscal 2010 transfer to the general fund, the fiscal 2011 transfer was increased by the same amount, to a total of \$261.5 million. The long-term outlook for the general fund is improved by a permanent distribution of 19.3% of the Gasoline and Motor Vehicle Revenue Account to the general fund, which is estimated at \$339.4 million for fiscal 2013.

Exhibit A-1.12
Transfers to the General Fund
Budget Reconciliation and Financing Act of 2010
(\$ in Millions)

	<u>FY 2010</u>	<u>FY 2011</u>
Highway User Revenues	\$136.2	\$261.5
Vehicle Theft Prevention Fund – BPW Cut Special Funds	1.8	
Horse Racing Local Impact Grants	0.6	0.5
University System of Maryland Fund Balance	133.3	11.7
Morgan State University Fund Balance	2.1	0.8
St. Mary’s College of Maryland Fund Balance	0.2	0.2
Baltimore City Community College	1.4	0.8
Oil Disaster Containment Cleanup and Contingency Fund	1.0	
Oil Reserve Fund	1.2	
Tidal Wetlands Compensation Fund	1.0	
Oil Contaminated Site Environmental Cleanup Fund	3.0	
Used Tire Cleanup and Recycling Fund	1.1	
Clean Air Fund	0.3	
Radiation Control Fund	0.5	
Program Open Space – Replace with Bonds Per 2009 BRFA	4.5	
Land Trust Grant Fund – Maryland Environmental Trust	1.5	
Waterway Improvement Fund – BPW Cut Special Fund Expenditures	1.0	
Shore Erosion Control Construction Loan Fund	0.3	
Chesapeake and Atlantic Coastal Bays 2010 Trust Fund	2.5	
State Chemist Reserve Account – Agriculture	0.2	
Health Boards and Commissions	1.2	1.3
Spinal Cord Injury Research Trust Fund	1.6	0.5
Community Health Resources Commission Fund	1.8	
Maryland Health Care Commission Fund	0.5	
Various Special Funds – Housing and Community Development	0.4	
Occupational and Professional Licensing Design Board Fund	0.3	
Insurance Regulation Fund – Maryland Insurance Administration	2.0	
State Insurance Trust Fund	5.2	
Cash Management Improvement Fund – Treasurer’s Office	0.7	
Injured Workers’ Insurance Fund – Reserve for Future State Liabilities	6.0	
Charter Unit – State Department of Assessments and Taxation	3.0	
Central Collection Unit – Department of Budget and Management	0.5	-0.6
Correctional Enterprises Fund	0.5	
Central Business Licensing System – Various Special Fund Transfers		0.5
Furlough and Temporary Salary Reduction – Special Fund Savings		6.0
Total	\$317.4	\$283.2

BPW: Board of Public Works

BRFA: Budget Reconciliation and Financing Act

Other sizeable transfers were made from the fund balances of the University System of Maryland (\$145.0 million over fiscal 2010 and 2011, of which \$35.2 million represents a portion of furlough savings transferred from fund balance) and other segments of higher education (\$5.5 million); a variety of environmental and health funds totaling \$17.9 million and \$6.0 million, respectively; and savings from furloughs and salary reductions in special-funded agencies which provide another \$7.6 million. Of the transfers proposed by the Governor in the BRFA as introduced, the General Assembly declined to make those from the Heritage Structure Rehabilitation Tax Credit Reserve account, from certain accounts of the Injured Workers' Insurance Fund, and from the Land Records Improvement Fund.

Exhibit A-1.13 shows that over fiscal 2010 and 2011, an additional \$441.8 million is transferred from capital programs under Program Open Space (\$207.1 million), environmental improvement funds (\$219.8 million), and housing development funds (\$14.8 million). The capital budget bill of 2010 provides \$176.9 million to replace the transfer of unexpended balances; an additional \$102.3 million replaces fiscal 2011 revenues being diverted to the general fund. Pre-authorizations for fiscal 2012 and 2013, alternative fund sources, and legislative intent language address the remaining amounts in subsequent fiscal years. For a more detailed discussion, see the subpart "Capital Budget" within this part.

Expanded Use of Special Funds

The BRFA of 2010 modifies the authorized uses of a number of special funds, in the short- or long-term, to provide general fund relief. The largest of these is the one-time use of \$350 million from balances within Local Income Tax Reserve Account, to support education aid formulas. These funds will be transferred to the Education Trust Fund. An additional \$200 million may be borrowed from the Local Income Tax Reserve Account if the enhanced federal Medicaid match is not extended beyond December 31, 2010.

In the health area, reductions to programs supported by the Cigarette Restitution Fund, namely tobacco cessation and prevention programs and academic health center grants, provide an additional \$8.2 million in lieu of general funds for the Medicaid program in fiscal 2011 and \$13.4 million on an ongoing basis. A permanent increase in the assessment on nursing homes to 4% similarly provides \$17.0 million for Medicaid. Finally, the use of fund balances in the Senior Prescription Drug Assistance Program and the Community Health Resources Commission provide \$17.5 million for the Kidney Disease and Medicaid programs on a one-time basis.

Exhibit A-1.13
Capital Program Transfers to the General Fund
Budget Reconciliation and Financing Act of 2010
(\$ in Millions)

	<u>Amount</u>
<u>Fiscal 2010 (Unexpended Capital Balances)</u>	
Local Share Program Open Space	\$103.1
Capital Development – Program Open Space	22.7
Rural Legacy Program	10.6
Agricultural Land Preservation	10.0
State Land Acquisition – Program Open Space	4.6
Ocean City Beach Replenishment – Program Open Space	2.1
Ocean City Beach Replenishment – Other	3.4
Waterway Improvement Fund	12.5
Bay Restoration Fund	155.0
Neighborhood Business Development Fund	3.6
Community Legacy Financial Assistance Fund	0.4
Special Loan Programs Fund	2.1
Total	\$330.1
<u>Fiscal 2011 (Special Fund Transfers)</u>	
Program Open Space/Agricultural Land Preservation	\$54.0
Bay Restoration Fund	45.0
Waterway Improvement Fund	3.9
Neighborhood Business Development Fund	3.2
Homeownership Programs Fund	3.0
Special Loan Programs Fund	2.5
Total	\$111.7

Permanent authorization is provided for the Judiciary to use the Land Records Improvement Fund for information technology projects; for the Department of the Environment to use the Oil Disaster Containment, Clean-up, and Contingency Fund for oil-related activities in water pollution control programs; and for the Department of Natural Resources to use certain hunting license revenues. On a one-time basis, \$2.0 million from the Universal Service Trust Fund will support the budget of the Maryland School for the Deaf; \$5.0 million from the 9-1-1 Fund will be used for the development of the computer aided dispatch/records management system for the Department of State Police; and \$650,000 from the Fair Campaign Financing Fund will support consultants to evaluate a variety of voting system issues and to develop a web-based campaign finance reporting system. The use of up to 50% of the Strategic Energy Investment Fund for low income energy assistance programs is extended through fiscal 2012.

For fiscal 2011 only, \$500,000 of the revenues generated by the admissions and amusement tax on electronic bingo and electronic tip jars is distributed as local impact aid to the jurisdictions which have these machines. An additional \$500,000 is directed, consistent with current law, to the Special Fund for the Preservation of Cultural Arts in Maryland. The uses of this fund were expanded slightly, and the fiscal 2011 funds are expressly allocated to the Baltimore Symphony Orchestra and the National Philharmonic.

Formulas and Mandated Spending

In the area of public education, long-term savings are realized by implementation of a 1% cap through fiscal 2015 on the inflationary adjustment that is applied to the per-pupil foundation amount (which affects the foundation aid program and the special needs formulas) and to student transportation grants. The Aging Schools program is held at the fiscal 2011 level of \$6.1 million, and library grants are frozen at the fiscal 2012 per capita amounts. Savings in fiscal 2012 and 2013 will result from the legislative directive that the Maryland State Department of Education renegotiate its contract with the SEED School to reduce enrollment. The Share the State Fair! program is repealed.

The growth in mandated formulas in higher education is constrained by holding appropriations level through fiscal 2012 and then slowly increasing the applicable percentage of selected public university per-student funding. The Cade formula for community college aid, the Sellinger formula for private colleges and universities, and the formula for Baltimore City Community College all reach their prior mandated percentages of 29.0%, 15.5%, and 68.5%, respectively, in fiscal 2021.

State Aid for Police Protection is frozen at the fiscal 2010 level through fiscal 2012, and local health department grants are re-based at the fiscal 2010 amount. State support for Community Adult Rehabilitation Centers will end after fiscal 2011, and an omission in Chapter 487 of 2009 regarding the repeal of State payments for the retirement costs of certain local officials is corrected, resulting in ongoing savings. The formula for disparity grants is modified to use November 1 taxable income amount in the calculation, rather than August 15.

The inflationary adjustment in the formula for the Maryland State Arts Council is suspended for fiscal 2011 and 2012; the budget for the Maryland Tourism Board is reduced to \$5.0 million for each of those years; and reimbursement rates for group homes and nonpublic special education placements are frozen at the fiscal 2010 level for fiscal 2011. The general fund mandate requiring a specified level of support to the Women, Infants, and Children program is repealed, as is the required employer match for employee deferred compensation contributions. With limited exceptions, no funds are provided in the fiscal 2011 budget for employee raises, bonuses, and incentive payments.

The BRFA of 2010 continues a provision that relieves the Governor of the need to comply with the Rainy Day Fund “automatic sweeper” if doing so would jeopardize federal funding. Similarly, with certain exceptions, notably education aid and statutory provisions elsewhere in the BRFA, the Governor is given discretion to not provide increases in the fiscal 2012 budget over the level appropriated in fiscal 2011.

Revenue Actions

The BRFA of 2010 implements several short-term revenue adjustments, as shown in **Exhibit A-1.14**. The actions listed here do not benefit the general fund beyond fiscal 2011. The BRFA contains a provision that directs revenue from settlements of litigation over telecommunications agreements to the general fund (instead of the Major Information Technology Development Fund) through fiscal 2012, but the timing and magnitude of the revenue attainment from these sources is uncertain. The “automatic sweeper” of the balance from the Central Collection Fund to the general fund was modified to allow the fund to retain 15% of expenditures.

Exhibit A-1.14
General Fund Revenues
Budget Reconciliation and Financing Act of 2010
(\$ in Millions)

	<u>FY 2010</u>	<u>FY 2011</u>
Special Fund Interest – Accrue to General Fund	\$11.9	\$11.0
Moving Violations Revenue from Fire and Helicopter Funds	1.5	0.0
Cultural Arts Share of Admissions and Amusement Tax	3.4	2.4
HEIF Share of Constellation Corporate Income Tax	7.7	0.0
TTF Share of Constellation Corporate Income Tax	26.3	0.0
Chesapeake and Atlantic Coastal Bays 2010 Trust Fund Revenue	8.0	22.1
Total	\$58.8	\$35.5

HEIF: Higher Education Investment Fund

TTF: Transportation Trust Fund

Miscellaneous Provisions

As a first step to addressing the monumental and growing expenses associated with employee and teacher retirement payments and post-retirement benefits, the BRFA of 2010 creates the Public Employees’ and Retirees’ Benefit Sustainability Commission. The commission is charged with reviewing and evaluating the recruitment practices, retention incentives, actuarial liabilities, actuarial funding method, cost drivers, employee contribution rates, and the comparability and affordability of the benefit systems. The commission is to report specific and actionable recommendations in advance of the 2011 legislative session, and its recommendations are to be implemented no later than fiscal 2013.

The BRFA of 2010 contains a provision requiring the budget bill to include information on the allocation of across-the-board reductions, except those involving the abolition of positions or items covered under collective bargaining agreements.

The statute governing the periodic meetings of the Judicial Compensation Commission was modified, and a three-year limit has been imposed on application for public safety death benefits. Carry-forward funds from other scholarship programs are to be applied to those on the waiting list for funds under the Charles W. Riley Fire and Emergency Medical Services Tuition Reimbursement Program. The BRFA of 2010 repeals authorization provided in Chapter 487 of 2009 to use funds derived from the Fair Campaign Financing Fund for any election modernization purpose if not used to purchase a new optical scan voting system; rather, the funds revert to the Fair Campaign Financing Fund. The BRFA of 2010 also repeals the income tax add-on that allowed contributions to that fund. The required payment for the InterCounty Connector, which is being satisfied with general obligation bond funding, is reduced in fiscal 2011 with the remaining balance to be paid in fiscal 2012.

Federal Stimulus Funding

In February 2009, President Barack H. Obama signed the ARRA into law. ARRA's provisions support State programs by funding infrastructure, education programs, and human services programs, as well as providing discretionary funds. **Exhibit A-1.15** shows that ARRA appropriations total \$4.5 billion over the fiscal 2009 to 2011 period including \$1.6 billion in fiscal 2011.

Funds Supporting State General Fund Commitments

With respect to the State budget, ARRA's most significant impact relates to the funds that can support State general fund commitments. The fiscal 2011 budget includes \$1.3 billion to support Medicaid, education, and discretionary State spending. The funds are used in the place of general funds to sustain State funding from fiscal 2009 to 2011. When the funds are no longer available, the State will need to replace the funds or reduce spending.

Medicaid funds total \$778 million in fiscal 2011. Of this, \$389 million has been authorized by the ARRA through December 31, 2010. These funds are available because the legislation increased the federal share of Medicaid funding by increasing the Federal Medical Assistance Percentage. The budget assumes an additional \$389 million will be authorized to support the last half of the fiscal year.

Exhibit A-1.15
Federal Stimulus
Fiscal 2009-2011
(\$ in Millions)

Federal Stimulus Funds Appropriated in the State Budget

<u>Code</u>	<u>Agency Title</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
ARRA Funds Supplanting General Funds					
M00	Department of Health and Mental Hygiene	\$443.5	\$767.6	\$778.0	\$1,989.1
N00	Department of Human Resources	1.5	1.5	1.5	4.5
Q00	Department of Public Safety and Correctional Services	0.0	53.7	53.2	106.9
R00	Maryland State Department of Education	0.0	297.3	422.3	719.7
R62	Maryland Higher Education Commission	0.0	0.0	0.0	0.0
V10	Department of Juvenile Services	0.0	4.5	4.5	9.0
W10	Department of State Police	0.0	19.9	19.9	39.7
Subtotal		\$445.0	\$1,144.5	\$1,279.4	\$2,868.9
ARRA Funds Not Supplanting General Funds					
C90	Public Service Commission	\$0.0	\$0.0	\$0.4	\$0.4
D13	Maryland Energy Administration	0.0	44.8	23.6	68.3
D15	Executive Boards, Commissions, and Offices	0.1	13.2	11.4	24.7
D26	Department of Aging	0.0	2.0	0.0	2.0
J00	Maryland Department of Transportation	15.0	304.0	211.7	530.7
M00	Department of Health and Mental Hygiene	2.7	0.0	2.8	5.5
N00	Department of Human Resources	66.9	88.1	48.1	203.2
P00	Department of Labor, Licensing, and Regulation	1.8	34.9	0.0	36.8
R00	Maryland State Department of Education	6.8	403.3	9.4	419.5
S00	Department of Housing and Community Development	6.5	183.0	2.8	192.2
T00	Department of Business and Economic Development	0.3	0.0	0.0	0.3
U00	Maryland Department of the Environment	0.0	132.4	2.5	134.9
W00	Department of State Police	0.0	2.4	0.4	2.8
X00	Public Debt	0.0	0.9	7.6	8.5
Subtotal		\$100.1	\$1,208.8	\$320.7	\$1,629.6
Total		\$545.1	\$2,353.3	\$1,600.1	\$4,498.5

The ARRA provides \$879.8 million in Fiscal Stabilization funds. The legislation requires that 81.8%, which totals \$719.7 million, support education programs. The education funds must first be used to restore elementary and secondary school reductions to fiscal 2008 spending levels. Since Maryland has increased spending, this does not apply. Remaining funds must be used to support State formula increases in fiscal 2010 and 2011 for elementary and secondary education or to restore reductions made to State higher education funding below fiscal 2008 or 2009 levels. The Administration has applied these funds to support elementary and secondary education increases, the largest of which support the geographic cost of education index and supplemental grants (\$108.6 million), compensatory education (\$66.3 million), and local employee fringe benefits (\$228.1 million).

The ARRA allows that 18.2% of the Fiscal Stabilization funds can support general government services. These discretionary funds total \$82.4 million in fiscal 2011. The funds support State agency operations, including employee salaries at the Departments of Public Safety and Correctional Services, Juvenile Services, and State Police.

Other Federal Fiscal Stimulus Funds

The remaining ARRA appropriations total \$320.7 million. These funds provide additional support for State agencies but do not supplant any general funds. The largest share provides \$211.7 million for transportation capital programs, including the State Highway Administration (\$144.4 million) and the Maryland Transit Administration (\$66.7 million). Other uses of these funds include the Supplemental Nutrition Assistance Program at the Department of Human Resources (\$21.7 million) and energy efficiency programs at the Maryland Energy Administration (\$19.7 million).

The legislation also provides federal grants for which State and local governments must compete. For example, this includes grants to support law enforcement officers, habitat conservation, and the arts. At this point, it is unclear how much of these funds the State will receive and they are not included in the ARRA estimates for Maryland. Additional funds may be appropriated by budget amendment if the State is awarded these grants.

To promote accountability, State and federal governments have web sites that track the ARRA spending. Maryland's web site is <http://statestat.maryland.gov/recovery.asp>, and the federal government's web site is <http://www.recovery.gov/>

Higher Education

The fiscal 2011 State budget includes new general funds and HEIF totaling \$1.2 million or a 0.1% increase over fiscal 2010 for higher education institutions.

Higher Education Investment Fund: Language in the fiscal 2011 budget bill reduces the general fund appropriation for higher education by \$42.1 million contingent upon the reauthorization of HEIF, replacing those general funds with HEIF special funds. [*Senate Bill 283/ House Bill 470 \(both passed\)*](#) continues the allocation of 6% of the corporate income tax to the HEIF.

Tuition Freeze Lifted: After freezing resident undergraduate tuition for four years for students at USM institutions and MSU, institutions are allowed to increase tuition rates by 3.0%. Furthermore, funds are provided to USM and MSU equivalent to an additional 2.0% increase in tuition rates. SMCM, which is formula funded and is not included in the tuition limit agreement, will also increase tuition by 3.0% in fall 2010.

Community Colleges: Overall funding for community colleges declines by \$0.1 million in fiscal 2011, which includes the Senator John A. Cade Funding Formula, State-paid retirement, and miscellaneous grant programs. The Cade formula appropriation represents 21.8% of the per-student funding that the selected public four-year institutions are receiving in fiscal 2011. BCCC, as the State's only State-operated community college, has its own formula, which for fiscal 2011 sets State support at 66.6% of the current year State appropriation per student at selected four-year public institutions. BCCC receives an increase of 1.7%, or \$0.6 million, in fiscal 2011.

Independent Institutions: Independent institutions receive \$38.4 million through the Joseph A. Sellinger Formula in fiscal 2011, the same amount received in fiscal 2010. The fiscal 2011 funding equates to 9.8% of the fiscal 2011 State support per student at selected four-year public institutions.

Transportation

Transportation Trust Fund

Net special fund revenue to the Transportation Trust Fund is expected to total \$2.4 billion in fiscal 2011, including \$215.0 million in estimated Consolidated Transportation Bonds (CTBs). Operating expenses for all modes totals \$1.5 billion; a decrease of \$19.6 million, or -1.3%, compared to the fiscal 2010 working appropriation.

Operating Budget

Overall, budgeted spending declines in fiscal 2011 due to \$40.6 million in reductions at the Maryland Port Administration (MPA) related to the long-term lease of the Seagirt Marine Terminal to a private entity. The savings in MPA helped to offset other increases in spending. Specific increases include \$13.1 million at the Motor Vehicle Administration due to accounting changes in the Vehicle Emissions Inspection Program, \$8.7 million in increased operating subsidy payments to the Washington Metropolitan Area Transit Authority, and \$5.0 million for budgeted snow removal expenditures at the State Highway Administration.

Capital Budget

The capital budget totals \$1,515.6 million a decrease of \$119.2 million, or -7.3%, compared to the fiscal 2010 working appropriation. Most of the decrease can be attributed to a decline in federal stimulus funds.

Transportation Debt Limits

The budget establishes a ceiling for maximum debt outstanding for CTBs as of June 30, 2011, at \$1.8 billion. A ceiling for non-traditional debt issued is set at \$628.3 million.

Highway User Revenues Changes

During the 2009 interim, BPW reduced Highway User Revenues (HUR) by \$159.5 million. This reduction coupled with downward transportation revenue revisions resulted in a working appropriation of \$140.5 million and a total general fund transfer of \$321.4 million in fiscal 2010. The Administration proposed to maintain the local distribution at \$140.5 million in fiscal 2011 and 2012 with general fund transfers of \$340.3 million in each fiscal year. Baltimore City was proposed to receive approximately 93% of the local funding with the balance distributed between the counties and municipalities.

The General Assembly maintained the total level of general fund transfers from fiscal 2010 to 2012; however, the funding levels in each fiscal year differ compared to the Administration's plan. Local jurisdictions received a fiscal 2010 payment based upon the fiscal 2010 legislative appropriation which resulted in the counties and municipalities having received more funding than was provided for in the working appropriation. To address this, the General Assembly decreased the planned fiscal 2010 general fund transfer by \$23.2 million to reflect the funding already received by the jurisdictions. In fiscal 2011 and 2012, the total local distribution was maintained at the levels provided for in the Administration's proposal. The general fund transfer was increased in fiscal 2011 by \$23.1 million to \$363.4 million, and the Maryland Department of Transportation's (MDOT) share was reduced by \$23.7 million to allow for the increased general fund transfer. **Exhibit A-1.16** provides the funding percentages for MDOT, the general fund, and local jurisdictions from fiscal 2010 to 2013.

Due to the continued fiscal difficulties confronting the general fund, a permanent 19.3% general fund share of HUR, or \$339.4 million, was adopted beginning in fiscal 2013. After 71.5% is provided to MDOT, 9.2% is available for distribution to the local jurisdictions, with 7.5% available for Baltimore City, 1.4% for the counties, and 0.3% for the municipalities. The BRFA provides that a group would look at the local distributions to determine if changes in the allocations should be made in the future.

Finally, the HUR distribution methodology for local jurisdictions was changed. The distribution for the general fund, Baltimore City, counties, and municipalities are specified as a percentage of total revenues. The county and municipal distributions are still based upon road miles and registrations; however, the county share is based upon total statewide county only road miles and registrations, and the municipal share is based upon total statewide municipal only road miles and registrations.

Exhibit A-1.16
Highway User Revenue Distribution
Fiscal 2010-2013

	Fiscal 2010		Fiscal 2011		Fiscal 2012		Fiscal 2013	
	<u>Percent</u>	<u>Dollars</u>	<u>Percent</u>	<u>Dollars</u>	<u>Percent</u>	<u>Dollars</u>	<u>Percent</u>	<u>Dollars</u>
MDOT	70.0%	\$1,070.2	68.5%	\$1,082.3	71.5%	\$1,185.9	71.5%	\$1,257.5
General Fund	19.5%	298.1	23.0%	363.4	20.4%	338.4	19.3%	339.4
Baltimore City	8.6%	131.5	7.9%	124.8	7.5%	124.4	7.5%	140.4
Counties	1.5%	22.9	0.5%	7.9	0.5%	8.3	1.4%	26.2
Municipalities	0.4%	6.1	0.1%	1.6	0.1%	1.7	0.3%	5.6
Total	100.0%	\$1,528.9	100.0%	\$1,580.0	100.0%	\$1,658.6	100.0%	\$1,769.2

MDOT: Maryland Department of Transportation

State Reserve Fund

The Rainy Day Fund, Dedicated Purpose Account (DPA), and Catastrophic Event Account are projected to have a combined \$634.5 million fund balance at the end of fiscal 2011. Activity in fiscal 2010 and 2011 is shown in **Exhibit A-1.17**. The fiscal 2011 budget includes an appropriation of \$15.0 million in the DPA for the Prince George's County Health System.

The end-of-year Rainy Day Fund balance is projected to be 5.0% of general fund revenues in fiscal 2011. State law provides that a \$50.0 million appropriation is required if the Rainy Day Fund Balance is less than 7.5% of general fund revenues and a \$100.0 million appropriation if the fund balance is less than 3.0% of general fund revenues. The out-year forecast assumes \$50.0 million appropriations from fiscal 2013 to 2015. *Senate Bill 141 (passed)* suspends this requirement if the Governor determines that the appropriation could result in a loss of federal ARRA funds.

Personnel

State expenditures for employee compensation, estimated to be \$6.5 billion in fiscal 2011, constitute a major component of the budget. Regular employee expenditures increase by \$5.1 million, or 0.1%, over fiscal 2010 levels while contractual employee expenditures for fiscal 2011 total \$213.1 million.

Exhibit A-1.17
State Reserve Fund Activity
Fiscal 2010-2011
(\$ in Millions)

	<u>Rainy Day Fund</u>	<u>Dedicated Purpose Acct.</u>	<u>Catastrophic Event Acct.</u>
Estimated Balances 6/30/09	\$691.8	\$0.6	\$8.4
Fiscal 2010 Appropriations	139.9	0.0	0.0
Withdrawn Appropriation ¹	-25.0		
Expenditures			
Prince George's County Health System		-0.6	
Transfers to General Fund			
Fiscal 2010 Budget Bill	-210.0		
2009 BRFA			-7.4
Estimated Interest	18.1		
Estimated Balances 6/30/10	\$614.8	\$0.0	\$1.0
Fiscal 2011 Appropriations	0.0	171.9	0.0
Contingent Reduction		-156.9	
Expenditures			
Prince George's County Health System		-15.0	
Transfers to General Fund	0.0		0.0
Estimated Interest	18.7		
Estimated Balances 6/30/11	\$633.5	\$0.0	\$1.0
Balance in Excess of 5% GF Revenues	-\$0.1		

BRFA: Budget Reconciliation and Financing Act
GF: general funds

¹ November 18, 2009 Board of Public Works Action.

Source: Department of Budget and Management

Employee Compensation

Constraints on employee compensation in fiscal 2010 were continued in fiscal 2011 as benefits such as salary increments for employees performing at or above established standards, cost-of-living increases, and the State match of \$600 for employees participating in deferred compensation plans were not funded. Moreover, a furlough and temporary salary reduction plan mirroring that instituted during fiscal 2010 was built into the fiscal 2011 budget. State employee salaries will fall by an average of 2.6% to satisfy the 5 to 10 day furlough and service reduction requirements that comprise the Administration's plan.

Health Insurance

State subsidies for employee and retiree health insurance total \$897.5 million in fiscal 2011. This amount is \$13.2 million more than the fiscal 2010 level, despite cost increases of nearly 8.0%. State expenditures were tempered by a one-time payment lag related to changes to plan providers and savings from alterations to the prescription drug program. Employee and retiree premiums will remain constant for fiscal 2011 as a consequence of these savings. The State will end fiscal 2011 with no reserve above the level required to pay claims incurred in one year but not paid for until the next. Future growth in costs will henceforth be reflected in increased State and member contributions.

Workforce Changes

In fiscal 2011, the size of the regular State workforce decreases by 0.9%, or 719.3 positions. The General Assembly deleted 568.0 of these positions, as shown in **Exhibit A-1.18**. In accordance with a provision designed to encourage voluntary separation from State service, 500 of the legislative abolitions will be carried out over the course of fiscal 2011, instead of at the end of fiscal 2010.

The Public Employees' and Retirees' Benefit Sustainability Commission was established to provide an external review of State funded pensions and post retirement benefits provided to State and public education employees. Its findings and recommendations will be utilized in the 2011 session to make alterations to these programs that ensure their continued sustainability. Also, the mandate requiring the State matching employee contributions to deferred compensation accounts was removed, making it discretionary according to the amount of funding provided in the budget. In committee narrative, intent was expressed to maintain employee compensation levels for fiscal 2012 at the fiscal 2011 levels.

By the Numbers

A number of exhibits summarize the legislative budget action. These exhibits are described below.

Exhibit A-1.18
Regular Full-time Equivalent Positions
Fiscal 2010- 2011

<u>Department/Service Area</u>	<u>FY 2010</u> <u>Work.</u> <u>Approp.</u>	<u>FY 2011</u> <u>Allowance</u>	<u>Legis.</u> <u>Reductions</u>	<u>FY 2011</u> <u>Legis.</u> <u>Approp.</u>
Health and Human Services				
Health and Mental Hygiene	6,583.9	6,570.7	-1.0	6,569.7
Human Resources	6,741.9	6,691.9	0.0	6,691.9
Juvenile Services	2,254.1	2,240.1	0.0	2,240.1
<i>Subtotal</i>	<i>15,579.8</i>	<i>15,502.6</i>	<i>-1.0</i>	<i>15,501.6</i>
Public Safety				
Public Safety and Correctional Services	11,307.6	11,307.6	-4.0	11,303.6
Police and Fire Marshal	2,415.5	2,425.5	-5.0	2,420.5
<i>Subtotal</i>	<i>13,723.1</i>	<i>13,733.1</i>	<i>-9.0</i>	<i>13,724.1</i>
Transportation	9,012.0	9,012.0	-49.0	8,963.0
Other Executive				
Legal (Excluding Judiciary)	1,504.1	1,489.5	-1.0	1,488.5
Executive and Administrative Control	1,633.4	1,623.5	-7.0	1,616.5
Financial and Revenue Administration	1,991.0	1,966.0	0.0	1,966.0
Budget and Management	450.3	451.3	0.0	451.3
Retirement	204.0	208.0	-1.0	207.0
General Services	593.0	593.0	0.0	593.0
Natural Resources	1,287.0	1,284.0	0.0	1,284.0
Agriculture	405.5	412.5	0.0	412.5
Labor, Licensing, and Regulation	1,680.2	1,668.6	0.0	1,668.6
MSDE and Other Education	1,960.7	1,948.7	0.0	1,948.7
Housing and Community Development	311.0	311.0	0.0	311.0
Business and Economic Development	238.0	235.0	0.0	235.0
Environment	970.0	970.0	0.0	970.0
<i>Subtotal</i>	<i>13,228.2</i>	<i>13,161.1</i>	<i>-9.0</i>	<i>13,152.1</i>
Executive Branch Subtotal	51,543.1	51,408.8	-68.0	51,340.8
Higher Education	23,863.8	23,846.8	0.0	23,846.8
Judiciary	3,581.3	3,581.3	0.0	3,581.3
Legislature	747.0	747.0	0.0	747.0
<i>Section 45 Executive Branch Reduction</i>			<i>-500.0</i>	<i>-500.0</i>
Grand Total	79,735.1	79,583.8	-568.0	79,015.8

MSDE: Maryland State Department of Education

Source: Department of Budget and Management; Department of Legislative Services

Exhibit A-1.19 shows the impact of the legislative budget on the general fund balance for fiscal 2010 and 2011. The fiscal 2010 balance is estimated to be \$153.7 million. At the end of fiscal 2011, the closing balance is estimated to be \$204.5 million.

Exhibit A-1.19
Final Budget Status
Status as of April 12, 2010

	<u>FY 2010</u>	<u>FY 2011</u>
Starting General Fund Balance	\$87,172,364	\$153,740,762
Revenues		
BRE Estimated Revenues – December 2009	\$12,299,470,284	\$12,671,714,715
BRE Revenue Revision – March 2010	-65,973,967	0
Ch. 487 of 2009 Budget Reconciliation Legislation	216,288,248	124,357,649
Budget Reconciliation Legislation – Revenues	58,809,560	35,501,428
Budget Reconciliation Legislation – Transfers	647,489,809	394,861,585
Other Legislation	0	-60,030,620
Additional Revenues	128,484,971	26,094,993
Subtotal Revenues	\$13,284,568,905	\$13,192,499,750
Net Transfer to the GF from the Rainy Day Fund	95,052,421	0
Subtotal Available Revenues	\$13,466,793,690	\$13,346,240,512
Appropriations		
General Fund Appropriations Net of Rainy Day Fund	\$13,712,407,444	\$13,733,452,157
Deficiencies	219,017,987	0
Supplemental Budget No. 1	-9,482,946	1,345,453
Board of Public Works Withdrawn Appropriations	-531,426,769	0
Legislative Reductions/Contingent Legislation	-13,783,053	-562,045,054
Estimated Agency Reversions	-63,679,735	-31,058,000
Subtotal Appropriations	\$13,313,052,928	\$13,141,694,556
Closing General Fund Balance	\$153,740,762	\$204,545,956

BRE: Board of Revenue Estimates

GF: general fund

Exhibit A-1.20, the fiscal note on the budget bill, depicts the Governor's allowance, funding changes made through Supplemental Budget No. 1, legislative reductions, and final appropriations for fiscal 2010 and 2011 by fund source. The Governor's original request provided for \$32.5 billion (net of projected general fund reversions) in fiscal 2011 expenditures and \$763.0 million in fiscal 2010 deficiencies.

The Governor added a net \$12.7 million in fiscal 2010 and 2011 spending in one supplemental budget. The legislature made \$11.9 million in reductions to current year appropriations, resulting in a net appropriation of \$32.3 billion for fiscal 2010. Net reductions of \$531.3 million were adopted to the fiscal 2011 budget, consisting of \$968.0 million in total fund reductions offset by \$436.6 million in special funds that replaces general fund cuts. This resulted in a final appropriation of \$32.0 billion.

Exhibit A-1.21 illustrates budget changes by major expenditure category by fund. Total spending decreases by \$308.4 million, or -1.0%, after accounting for the special fund appropriations that replace general funds cut during the session. Debt service grows by 6.4%; aid to local government decreases by 2.1% largely due to the end of one-time pass-through federal stimulus funding for K-12 education. Entitlement spending grows by 5.8% due to additional federal assistance payments for food stamps and Medicaid expenditures, with each growing by about \$200 million. State agency spending (net of reversions and contingent reductions) declines -0.2%. PAYGO capital expenditures decrease by 22.7% driven largely by one-time federal stimulus funding for low income weatherization, transportation capital, and rental housing program.

Exhibit A-1.20
Fiscal Note
Summary of the Fiscal 2011 Budget Bill – Senate Bill 140

	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Education Funds</u>	<u>Total Funds</u>
Governors Allowance					
Fiscal 2010 Budget ⁽¹⁾	\$13,451,266,506	\$5,663,150,630	\$9,793,827,062	\$3,423,240,410	\$32,331,484,608
Fiscal 2011 Budget ⁽²⁾	13,702,394,157	5,871,053,267	9,342,490,453	3,540,741,546	32,456,679,423
Supplemental Budget No. 1					
Fiscal 2010 Deficiencies	-\$9,482,946	-\$28,500,000	\$1,434,690	\$0	-\$36,548,256
Fiscal 2011 Budget	1,345,453	29,008,053	18,938,121	0	49,291,627
Subtotal	-\$8,137,493	\$508,053	\$20,372,811	\$0	\$12,743,371
Budget Reconciliation and Financing Act of 2010					
Fiscal 2010 Deficiencies	-\$12,258,053	\$2,000,000 ⁽³⁾	\$0	\$0	-\$10,258,053
Fiscal 2011 Contingent Reductions	-406,414,854	363,744,812 ⁽⁴⁾	0	0	-42,670,042
Subtotal	-\$418,672,907	\$365,744,812	\$0	\$0	-\$52,928,095
Conference Committee Reductions					
Fiscal 2010 Deficiencies	-\$1,525,000	-\$76,008	\$0	\$0	-\$1,601,008
Fiscal 2011 Budget	-155,630,200	-309,436,272 ⁽⁵⁾	-23,602,376	0	-488,668,848
Total Reductions	-\$157,155,200	-\$309,512,280	-\$23,602,376	\$0	-\$490,269,856
Appropriations					
FY 2010 Budget	\$13,428,000,507	\$5,636,574,622	\$9,795,261,752	\$3,423,240,410	\$32,283,077,291
FY 2011 Budget	13,141,694,556	5,954,369,860	9,337,826,198	3,540,741,546	31,974,632,160
Change	-\$286,305,951	\$317,795,238	-\$457,435,554	\$117,501,136	-\$308,445,131

⁽¹⁾ Reflects \$763.0 million in proposed deficiencies, including \$219.0 million in general funds, \$114.0 million in special funds, \$427.5 million in federal funds, and \$2.5 million in current unrestricted funds. Reversion assumptions total \$63.7 million, including \$30.0 million in unspecified reversions and \$33.7 million in targeted reversions.

⁽²⁾ Reflects estimated general fund reversions of \$30.0 million and \$1.1 million in targeted reversions. In addition, there are \$117.1 million in across-the-board reductions in the budget bill, consisting of \$87.8 million in general funds, \$24.6 million in special funds, \$3.0 million in federal funds, and \$1.7 million in higher education funds.

⁽³⁾ \$2.0 million in special funds that will be added back to the budget by budget amendment to replace general fund reductions.

⁽⁴⁾ Includes \$394.5 million in special funds that will be added back to the budget by budget amendment to replace general fund reductions.

⁽⁵⁾ Includes \$42.1 million in special funds that will be added back to the budget by budget amendment to replace general fund reductions.

Exhibit A-1.21
State Expenditures – General Funds
(\$ in Millions)

<u>Category</u>	<u>Actual FY 2009</u>	<u>Adjusted Work. Appr. FY 2010</u>	<u>Legislative Approp. FY 2011</u>	<u>FY 2010 to FY 2011 \$ Change</u>	<u>% Change</u>
Debt Service	\$0.0	\$0.0	\$0.0	\$0.0	n/a
County/Municipal	213.5	189.6	178.5	-11.2	-5.9%
Community Colleges	254.7	256.2	256.1	-0.1	0.0%
Education/Libraries	5,442.7	5,258.5	4,890.5	-368.0	-7.0%
Health	57.4	37.3	37.3	0.0	0.0%
<i>Aid to Local Governments</i>	\$5,968.3	\$5,741.6	\$5,362.4	-379.3	-6.6%
Foster Care Payments	243.0	240.4	244.9	4.5	1.9%
Assistance Payments	38.2	95.5	53.3	-42.2	-44.2%
Medical Assistance	1,903.1	1,588.3	1,743.6	155.3	9.8%
Property Tax Credits	57.3	73.2	73.5	0.3	0.5%
<i>Entitlements</i>	\$2,241.6	\$1,997.4	\$2,115.2	117.9	5.9%
Health	1,402.2	1,355.3	1,376.0	20.7	1.5%
Human Resources	308.0	271.3	262.2	-9.1	-3.4%
Systems Reform Initiative	33.8	24.4	20.7	-3.8	-15.4%
Juvenile Services	266.9	260.6	257.0	-3.6	-1.4%
Public Safety/Police	1,255.5	1,171.8	1,192.1	20.4	1.7%
Higher Education	1,131.9	1,147.6	1,145.5	-2.1	-0.2%
Other Education	398.4	313.9	350.6	36.7	11.7%
Agric./Natl. Res./Environment	122.4	105.7	104.1	-1.6	-1.5%
Other Executive Agencies	547.7	521.8	549.9	28.1	5.4%
Legislative	73.6	75.4	75.6	0.2	0.3%
Judiciary	367.4	366.6	370.3	3.8	1.0%
Across-the-board Reductions	0.0	0.0	-35.3	-35.3	n/a
<i>State Agencies</i>	\$5,907.9	\$5,614.5	\$5,668.9	54.4	1.0%
Total Operating	\$14,117.7	\$13,353.5	\$13,146.5	-\$207.0	-1.6%
Capital/Heritage Reserve Fund	23.7	5.1	10.8	5.7	113.4%
Reserve Funds	146.5	114.9	15.0	-99.9	-87.0%
Appropriations	\$14,352.9	\$13,473.5	\$13,172.3	-\$301.2	-2.2%
Reversions	0.0	-45.5	-30.6	14.9	-32.7%
Grand Total	\$14,352.9	\$13,428.0	\$13,141.7	-\$286.3	-2.1%

Note: The fiscal 2010 working appropriation includes deficiencies, targeted reversions, and legislative reductions to the deficiencies.

Exhibit A-1.21 (Continued)
State Expenditures – Special and Higher Education Funds*
(\$ in Millions)

<u>Category</u>	<u>Actual FY 2009</u>	<u>Work. Appr. FY 2010</u>	<u>Legislative Approp. FY 2011</u>	<u>FY 2010 to FY 2011 \$ Change</u>	<u>% Change</u>
Debt Service	\$881.5	\$944.7	\$998.3	\$53.6	5.7%
County/Municipal	523.0	195.4	178.4	-17.1	-8.7%
Community Colleges	0.0	0.0	0.0	0.0	n/a
Education/Libraries	1.4	13.0	467.0	454.0	3492.4%
Health	0.0	0.0	0.0	0.0	n/a
<i>Aid to Local Governments</i>	<i>\$524.4</i>	<i>\$208.4</i>	<i>\$645.4</i>	<i>\$436.9</i>	<i>209.6%</i>
Foster Care Payments	0.1	0.1	0.1	0.0	-10.9%
Assistance Payments	17.1	13.4	16.4	3.0	22.4%
Medical Assistance	386.0	542.0	453.9	-88.1	-16.3%
Property Tax Credits	0.0	0.8	0.0	-0.8	-100.0%
<i>Entitlements</i>	<i>\$403.1</i>	<i>\$556.3</i>	<i>\$470.3</i>	<i>-\$86.0</i>	<i>-15.5%</i>
Health	260.2	297.0	297.2	0.2	0.1%
Human Resources	67.2	98.2	100.9	2.7	2.7%
Systems Reform Initiative	0.5	0.0	0.0	0.0	n/a
Juvenile Services	0.2	0.2	0.2	0.0	0.0%
Public Safety/Police	194.9	224.3	222.0	-2.4	-1.1%
Higher Education	3,312.0	3,471.8	3,590.0	118.3	3.4%
Other Education	34.4	52.9	45.1	-7.7	-14.6%
Transportation	1,422.1	1,434.8	1,413.4	-21.4	-1.5%
Agric./Natl. Res./Environment	165.9	204.7	217.4	12.7	6.2%
Other Executive Agencies	464.9	558.4	598.7	40.4	7.2%
Legislative	0.3	0.1	0.1	0.0	0.0%
Judiciary	41.9	53.0	48.6	-4.4	-8.2%
Across-the-board Reductions	0.0	0.0	-2.3	-2.3	n/a
<i>State Agencies</i>	<i>\$5,964.6</i>	<i>\$6,395.3</i>	<i>\$6,531.4</i>	<i>\$136.0</i>	<i>2.1%</i>
Total Operating	\$7,773.7	\$8,104.8	\$8,645.4	\$540.6	6.7%
Capital	985.0	955.0	849.7	-105.4	-11.0%
Grand Total	\$8,758.7	\$9,059.8	\$9,495.1	\$435.3	4.8%

* Includes higher education fund (current unrestricted and current restricted) net of general and special funds.

Note: Fiscal 2010 working appropriation includes deficiencies, targeted reversions, and legislative reductions to the deficiencies. The fiscal 2011 legislative appropriation includes \$436.6 million in special fund spending that will be added by budget amendment to replace general fund reductions.

Exhibit A-1.21 (Continued)
State Expenditures – Federal Funds
(\$ in Millions)

<u>Category</u>	<u>Actual FY 2009</u>	<u>Work. Appr. FY 2010</u>	<u>Legislative Approp. FY 2011</u>	<u>FY 2010 to FY 2011 \$ Change</u>	<u>% Change</u>
Debt Service	\$0.0	\$0.9	\$7.6	\$6.8	791.4%
County/Municipal	41.3	82.0	108.6	26.6	32.4%
Community Colleges	0.0	0.0	0.0	0.0	n/a
Education/Libraries	701.1	1,406.1	1,168.9	-237.2	-16.9%
Health	4.5	4.5	4.5	0.0	0.0%
<i>Aid to Local Governments</i>	<i>\$746.9</i>	<i>\$1,492.6</i>	<i>\$1,282.0</i>	<i>-\$210.6</i>	<i>-14.1%</i>
Foster Care Payments	108.2	125.4	107.0	-18.5	-14.7%
Assistance Payments	703.4	571.8	816.2	244.5	42.8%
Medical Assistance	3,161.5	3,686.8	3,830.4	143.6	3.9%
Property Tax Credits	0.0	0.0	0.0	0.0	n/a
<i>Entitlements</i>	<i>\$3,973.1</i>	<i>\$4,384.0</i>	<i>\$4,753.6</i>	<i>\$369.6</i>	<i>8.4%</i>
Health	883.6	913.3	960.1	46.7	5.1%
Human Resources	570.8	565.6	525.0	-40.6	-7.2%
Systems Reform Initiative	7.3	7.3	7.7	0.4	5.1%
Juvenile Services	7.4	16.2	16.0	-0.2	-1.3%
Public Safety/Police	21.6	107.4	96.8	-10.6	-9.9%
Higher Education	0.0	0.0	0.0	0.0	n/a
Other Education	212.5	301.0	227.2	-73.8	-24.5%
Transportation	93.7	88.4	90.2	1.8	2.0%
Agric./Natl. Res./Environment	58.5	81.0	69.1	-11.9	-14.7%
Other Executive Agencies	459.5	665.1	524.4	-140.6	-21.1%
Judiciary	3.8	4.2	4.0	-0.2	-4.8%
Across-the-board Reductions	0.0	0.0	-10.6	-10.6	n/a
<i>State Agencies</i>	<i>\$2,318.8</i>	<i>\$2,749.5</i>	<i>\$2,509.8</i>	<i>-\$239.8</i>	<i>-8.7%</i>
Total Operating	\$7,038.7	\$8,627.0	\$8,553.0	-\$74.0	-0.9%
Capital	720.2	1,168.3	784.8	-383.5	-32.8%
Grand Total	\$7,758.9	\$9,795.3	\$9,337.8	-\$457.4	-4.7%

Note: Fiscal 2010 includes \$428.9 million in deficiencies.

Exhibit A-1.21 (Continued)
State Expenditures – State Funds
(\$ in Millions)

<u>Category</u>	<u>Actual FY 2009</u>	<u>Adjusted Work. Appr. FY 2010</u>	<u>Legislative Approp. FY 2011</u>	<u>FY 2010 to FY 2011</u>	
				<u>\$ Change</u>	<u>% Change</u>
Debt Service	\$881.5	\$944.7	\$998.3	\$53.6	5.7%
County/Municipal	736.5	385.1	356.8	-28.3	-7.3%
Community Colleges	254.7	256.2	256.1	-0.1	0.0%
Education/Libraries	5,444.1	5,271.5	5,357.5	86.0	1.6%
Health	57.4	37.3	37.3	0.0	0.0%
<i>Aid to Local Governments</i>	<i>\$6,492.7</i>	<i>\$5,950.1</i>	<i>\$6,007.8</i>	<i>\$57.7</i>	<i>1.0%</i>
Foster Care Payments	243.0	240.5	245.0	4.5	1.9%
Assistance Payments	55.3	108.9	69.7	-39.3	-36.0%
Medical Assistance	2,289.2	2,130.3	2,197.4	67.1	3.2%
Property Tax Credits	57.3	74.0	73.5	-0.5	-0.6%
<i>Entitlements</i>	<i>\$2,644.7</i>	<i>\$2,553.7</i>	<i>\$2,585.6</i>	<i>\$31.9</i>	<i>1.2%</i>
Health	1,662.5	1,652.4	1,673.2	20.9	1.3%
Human Resources	375.2	369.6	363.1	-6.4	-1.7%
Systems Reform Initiative	34.3	24.4	20.7	-3.8	-15.4%
Juvenile Services	267.1	260.8	257.2	-3.6	-1.4%
Public Safety/Police	1,450.5	1,396.1	1,414.1	18.0	1.3%
Higher Education	4,443.9	4,619.4	4,735.5	116.2	2.5%
Other Education	432.8	366.8	395.8	29.0	7.9%
Transportation	1,422.1	1,434.8	1,413.4	-21.4	-1.5%
Agric./Natl. Res./Environment	288.3	310.4	321.5	11.1	3.6%
Other Executive Agencies	1,012.6	1,080.1	1,148.6	68.5	6.3%
Legislative	74.0	75.5	75.7	0.2	0.3%
Judiciary	409.2	419.5	419.0	-0.6	-0.1%
Across-the-board Reductions	0.0	0.0	-37.7	-37.7	n/a
<i>State Agencies</i>	<i>\$11,872.4</i>	<i>\$12,009.8</i>	<i>\$12,200.2</i>	<i>\$190.4</i>	<i>1.6%</i>
Total Operating	\$21,891.4	\$21,458.3	\$21,791.9	\$333.6	1.6%
Capital/Heritage Reserve Fund	1,008.7	960.1	860.5	-99.6	-10.4%
Reserve Funds	146.5	114.9	15.0	-99.9	-87.0%
Appropriations	\$23,111.6	\$22,533.3	\$22,667.4	\$134.1	0.6%
Reversions	0.0	-45.5	-30.6	14.9	-32.7%
Grand Total	\$23,111.6	\$22,487.8	\$22,636.8	\$149.0	0.7%

Note: The fiscal 2010 working appropriation includes deficiencies, targeted reversions, and legislative reductions to the deficiencies. The fiscal 2011 legislative appropriation includes \$436.6 million in special fund spending that will be added by budget amendment to replace general fund reductions.

Exhibit A-1.21 Continued)
State Expenditures – All Funds
(\$ in Millions)

<u>Category</u>	<u>Actual FY 2009</u>	<u>Adjusted Work. Appr. FY 2010</u>	<u>Legislative Approp. FY 2011</u>	<u>FY 2010 to FY 2011</u>	
				<u>\$ Change</u>	<u>% Change</u>
Debt Service	\$881.5	\$945.5	\$1,006.0	\$60.4	6.4%
County/Municipal	777.8	467.1	465.4	-1.6	-0.4%
Community Colleges	254.7	256.2	256.1	-0.1	0.0%
Education/Libraries	6,145.2	6,677.6	6,526.4	-151.2	-2.3%
Health	61.9	41.8	41.8	0.0	0.0%
<i>Aid to Local Governments</i>	<i>\$7,239.5</i>	<i>\$7,442.7</i>	<i>\$7,289.8</i>	<i>-\$152.9</i>	<i>-2.1%</i>
Foster Care Payments	351.3	365.9	351.9	-14.0	-3.8%
Assistance Payments	758.7	680.7	885.9	205.2	30.1%
Medical Assistance	5,450.6	5,817.1	6,027.8	210.8	3.6%
Property Tax Credits	57.3	74.0	73.5	-0.5	-0.6%
<i>Entitlements</i>	<i>\$6,617.8</i>	<i>\$6,937.7</i>	<i>\$7,339.2</i>	<i>\$401.5</i>	<i>5.8%</i>
Health	2,546.1	2,565.7	2,633.3	67.6	2.6%
Human Resources	946.0	935.2	888.1	-47.1	-5.0%
Systems Reform Initiative	41.5	31.8	28.4	-3.4	-10.7%
Juvenile Services	274.5	277.0	273.2	-3.8	-1.4%
Public Safety/Police	1,472.0	1,503.5	1,510.9	7.4	0.5%
Higher Education	4,443.9	4,619.4	4,735.5	116.2	2.5%
Other Education	645.4	667.8	622.9	-44.9	-6.7%
Transportation	1,515.9	1,523.2	1,503.6	-19.6	-1.3%
Agric./Natl. Res./Environment	346.8	391.4	390.6	-0.8	-0.2%
Other Executive Agencies	1,472.1	1,745.2	1,673.1	-72.1	-4.1%
Legislative	74.0	75.5	75.7	0.2	0.3%
Judiciary	413.0	423.7	423.0	-0.8	-0.2%
Across-the-board Reductions	0.0	0.0	-48.2	-48.2	n/a
<i>State Agencies</i>	<i>\$14,191.2</i>	<i>\$14,759.4</i>	<i>\$14,710.0</i>	<i>-\$49.4</i>	<i>-0.3%</i>
Total Operating	\$28,930.1	\$30,085.2	\$30,344.9	\$259.7	0.9%
Capital/Heritage Reserve Fund	1,728.9	2,128.4	1,645.3	-483.1	-22.7%
Reserve Funds	146.5	114.9	15.0	-99.9	-87.0%
Appropriations	\$30,870.5	\$32,328.6	\$32,005.2	-\$323.3	-1.0%
Reversions	0.0	-45.5	-30.6	14.9	-32.7%
Grand Total	\$30,870.5	\$32,283.1	\$31,974.6	-\$308.4	-1.0%

Note: The fiscal 2010 working appropriation includes deficiencies, targeted reversions, and legislative reductions to the deficiencies. The fiscal 2011 legislative appropriation includes \$436.6 million in special fund spending that will be added by budget amendment to replace general fund reductions.

Capital Budget

The 2010 General Assembly passed a capital budget program totaling \$3.062 billion, including \$1.516 billion for the transportation program. Apart from transportation, the program totals \$1.546 billion: \$1.140 billion is funded with general obligation (GO) bonds authorized in the Maryland Consolidated Capital Bond Loan of 2010 (MCCBL), the 2010 capital budget bill *Senate Bill 142 (passed)*; \$4.543 million is funded with Qualified Zone Academy Bonds (QZAB) authorized in *Senate Bill 202 (passed)*; \$224.6 million is funded on a pay-as-you-go (PAYGO) basis in the operating budget; \$150.0 million is funded with revenue bonds to be issued by the Maryland Department of the Environment to support State and local efforts to upgrade wastewater treatment plants; and \$27.0 million is funded with academic revenue bonds for University System of Maryland facilities authorized in *Senate Bill 897 (passed)*.

Exhibit A-2.1 presents an overview of the State’s capital program for fiscal 2011, **Exhibit A-2.2** lists capital projects and programs by function and fund source, and **Exhibit A-2.3** provides the individual legislative initiative projects funded in the 2010 MCCBL. The 2010 MCCBL includes funding for:

- State facilities, including colleges and universities, hospitals, Department of Disabilities accessibility modifications, correctional facilities, and the public safety communication system;
- grants to local governments for public school construction, community college facilities, and local detention centers;
- health and social services facilities, such as senior citizen centers, juvenile services facilities, community health and addiction facilities, and low-income housing;
- environmental programs, such as the Chesapeake Bay Water Quality programs, Community Parks and Playgrounds, Agricultural Cost-Share and Tobacco Transition programs, and Drinking and Stormwater programs; and
- local projects and legislative initiatives.

Exhibit A-2.1
Capital Program Summary for the 2011 Session
(\$ in Millions)

Function	Bonds		Current Funds (PAYGO)			Total
	General Obligation	Revenue	General	Special	Federal	
State Facilities						\$26.2
Facilities Renewal	\$10.4	\$0.0	\$0.0	\$0.0	\$0.0	
State Facilities Other	15.8	0.0	0.0	0.0	0.0	
Health/Social						43.7
Health Other	20.9	0.0	0.0	0.0	0.0	
Health State Facilities	5.8	0.0	0.0	0.0	0.0	
Private Hospitals	17.0	0.0	0.0	0.0	0.0	
Environment						643.5
Agriculture	29.8	0.0	0.0	14.3	2.0	
Energy	0.0	0.0	0.0	3.3	4.0	
Environment	172.3	150.0	0.8	105.3	24.7	
Natural Resources	118.2	0.0	0.0	3.6	15.3	
Public Safety						25.9
Local Jails	5.5	0.0	0.0	0.0	0.0	
State Corrections	17.8	0.0	0.0	0.0	0.0	
State Police	2.5	0.0	0.0	0.0	0.0	
Education						268.8
Education Other	9.1	0.0	0.0	0.0	0.0	
School Construction	259.7	0.0	0.0	0.0	0.0	
Higher Education						352.0
Community Colleges	78.7	0.0	0.0	0.0	0.0	
Morgan State University	30.5	0.0	0.0	0.0	0.0	
Private Colleges/Universities	8.0	0.0	0.0	0.0	0.0	
University System	207.8	27.0	0.0	0.0	0.0	
Housing/Community Development						79.0
Housing	37.4	0.0	0.0	23.4	17.9	
Housing Other	0.2	0.0	0.0	0.1	0.0	
Economic Development						14.3
Economic Development	4.3	0.0	0.0	0.0	0.0	
Historic Tax Credit	0.0	0.0	10.0	0.0	0.0	
Local Projects						43.3
Local Project Administration	25.8	0.0	0.0	0.0	0.0	
Local Project Legislative	17.6	0.0	0.0	0.0	0.0	

Function	Bonds		Current Funds (PAYGO)			Total
	General Obligation	Revenue	General	Special	Federal	
Transportation						89.3
Highways	89.3	0.0	0.0	0.0	0.0	
De-authorizations						-39.7
De-authorizations	-39.7	0.0	0.0	0.0	0.0	
Total Fiscal 2011	\$1,144.5	\$177.0	\$10.8	\$150.0	\$63.8	\$1,546.1
Transportation	\$0.0	\$205.0	\$0.0	\$484.4	\$826.2	\$1,515.6
Grand Total Fiscal 2010	\$1,144.5	\$382.0	\$10.8	\$634.4	\$890.0	\$3,061.7

Exhibit A-2.2
Capital Program for the 2010 Session

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
State Facilities							
DA0201A	MDOD: Accessibility Modifications	\$1,600,000	\$0	\$0	\$0	\$0	\$1,600,000
DE0201A	BPW: Saratoga State Center Garage	350,000	0	0	0	0	350,000
DE0201B	BPW: Facilities Renewal Fund	10,000,000	0	0	0	0	10,000,000
FB01A	DoIT: Public Safety Communications System	14,200,000	0	0	0	0	14,200,000
Subject Category Subtotal:		\$26,150,000	\$0	\$0	\$0	\$0	\$26,150,000
Health/Social							
DA07A	MDOA: Senior Citizens Activities Centers	\$250,000	\$0	\$0	\$0	\$0	\$250,000
MA01A	DHMH: Community Health Facilities	7,423,000	0	0	0	0	7,423,000
MA01B	DHMH: Federally Qualified Health Centers	3,218,000	0	0	0	0	3,218,000
MM06	DHMH: New Secure Evaluation and Therapeutic Treatment Center	1,150,000	0	0	0	0	1,150,000
RQ00A	UMMS: Trauma, Critical Care, and Emergency Medicine Services Expansion Project	10,000,000	0	0	0	0	10,000,000
VE01A	DJS: Southern Maryland Regional Detention Center	4,650,000	0	0	0	0	4,650,000
ZA00E	MISC: Johns Hopkins Medicine – Cardiovascular and Critical Care Tower	2,500,000	0	0	0	0	2,500,000
ZA00F	MISC: Johns Hopkins Medicine – Pediatric Trauma Center	5,000,000	0	0	0	0	5,000,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
ZA00G	MISC: Kennedy Krieger Institute – Inpatient Clinical Research Center	2,000,000	0	0	0	0	2,000,000
ZA01A	MHA: Sinai Hospital of Baltimore, Inc.	425,000	0	0	0	0	425,000
ZA01B	MHA: University Specialty Hospital	455,000	0	0	0	0	455,000
ZA01C	MHA: Carroll Hospital Center	700,000	0	0	0	0	700,000
ZA01D	MHA: Union Hospital of Cecil County	2,000,000	0	0	0	0	2,000,000
ZA01E	MHA: Civista Medical Center	165,000	0	0	0	0	165,000
ZA01F	MHA: Harford Memorial Hospital	1,015,000	0	0	0	0	1,015,000
ZA01G	MHA: Peninsula Regional Medical Center	240,000	0	0	0	0	240,000
Section 17	MISC: Sinai Hospital – Samuelson Children’s Hospital at Sinai	2,500,000	0	0	0	0	2,500,000
Subject Category Subtotal:		\$43,691,000	\$0	\$0	\$0	\$0	\$43,691,000
Environment							
DA1302	MEA: Jane E. Lawton Loan Program	\$0	\$0	\$0	\$2,187,925	\$2,562,075	\$4,750,000
DA1303	MEA: State Agency Loan Program	0	0	0	1,100,000	1,400,000	2,500,000
KA05A	DNR: Community Parks and Playgrounds	2,500,000	0	0	0	0	2,500,000
KA05B	DNR: Rural Legacy Program	16,953,500	0	0	0	0	16,953,500
KA05C	DNR: Natural Resources Development Fund	10,126,000	0	0	0	0	10,126,000
KA05D	DNR: Program Open Space	65,183,500	0	0	1,500,000	14,262,274	80,945,774
KA05E	DNR: Critical Maintenance Program	6,586,000	0	0	0	0	6,586,000
KA05F	DNR: Dam Rehabilitation Program	150,000	0	0	0	0	150,000
KA05G	DNR: Ocean City Beach Replenishment Fund	6,459,000	0	0	1,000,000	0	7,459,000
KA05H	DNR: Waterway Improvement Fund	10,192,000	0	0	1,066,000	1,000,000	12,258,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
LA11A	MDA: Maryland Agricultural Land Preservation	17,814,000	0	0	12,060,000	2,000,000	31,874,000 ¹⁰
LA12A	MDA: Tobacco Transition Program	2,000,000	0	0	2,256,000	0	4,256,000
LA15A	MDA: Maryland Agricultural Cost Share	10,000,000	0	0	0	0	10,000,000
UA010304	MDE: Hazardous Substance Cleanup Program	0	0	800,000	0	0	800,000
UA010312	MDE: Bay Restoration Fund – Septic Systems	0	0	0	9,000,000	0	9,000,000
UA01A	MDE: Enhanced Nutrient Removal	125,000,000	150,000,000	0	0	0	275,000,000 ¹¹
UA01B	MDE: Maryland Water Quality Revolving Loan Fund	3,292,000	0	0	90,208,000	16,500,000	110,000,000
UA01C	MDE: Maryland Drinking Water Revolving Loan Fund	2,242,000	0	0	6,075,000	8,183,000	16,500,000
UA04A1	MDE: Biological Nutrient Removal Program	33,300,000	0	0	0	0	33,300,000
UA04A2	MDE: Supplemental Assistance Program	5,000,000	0	0	0	0	5,000,000
UA04B	MDE: Water Supply Financial Assistance Program	3,500,000	0	0	0	0	3,500,000
Subject Category Subtotal:		\$320,298,000	\$150,000,000	\$800,000	\$126,452,925	\$45,907,349	\$643,458,274
Public Safety							
QB0801A	DPSCS: Vocational Education Building	\$321,000	\$0	\$0	\$0	\$0	\$321,000
QP00A	DPSCS: New Youth Detention Facility	17,520,000	0	0	0	0	17,520,000 ¹²
Section 2	DSP: New Hagerstown Barrack and Garage	2,525,000	0	0	0	0	2,525,000
Section 2	DPSCS: St. Mary's County Detention Center	5,513,000	0	0	0	0	5,513,000
Subject Category Subtotal:		\$25,879,000	\$0	\$0	\$0	\$0	\$25,879,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
Education							
DE0202A	BPW: Public School Construction Program	\$250,000,000	\$0	\$0	\$0	\$0	\$250,000,000 ¹³
DE0202B	BPW: Aging Schools Program	5,109,000	0	0	0	0	5,109,000 ¹⁴
DE0202BQ	BPW: Aging Schools Program – Qualified Zone Academy Bonds	4,543,000	0	0	0	0	4,543,000 ¹⁴
RA01A	MSDE: Public Library Grant Program	5,000,000	0	0	0	0	5,000,000
RE01A	MSD: Bus Loop and Parking Lot – Frederick Campus	1,606,000	0	0	0	0	1,606,000
Section 2	MSDE: Western Regional Library	2,500,000	0	0	0	0	2,500,000 ¹⁵
Subject Category Subtotal:		\$268,758,000	\$0	\$0	\$0	\$0	\$268,758,000
Higher Education							
RB21A	UMB: School of Pharmacy Addition and Renovation	\$2,606,000	\$0	\$0	\$0	\$0	\$2,606,000
RB22A	UMCP: Physical Sciences Complex	41,100,000	0	0	0	0	41,100,000 ¹⁶
RB22B	UMCP: Maryland Fire and Rescue Institute – North East Regional Training Center	331,000	0	0	0	0	331,000
RB22C	UMCP: Shipley Field Improvements	100,000	0	0	0	0	100,000
RB22D	UMCP: East Campus Redevelopment	5,000,000	0	0	0	0	5,000,000
RB23A	BSU: Campuswide Site Improvements	200,000	0	0	0	0	200,000
RB23B	BSU: Turf Field	1,000,000	0	0	0	0	1,000,000
RB25A	UMES: New Engineering and Aviation Science Building	3,000,000	0	0	0	0	3,000,000
RB26A	FSU: New Center for Communications and Information Technology	2,681,000	0	0	0	0	2,681,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
RB27A	CSU: New Science and Technology Center	6,497,000	0	0	0	0	6,497,000
RB28A	UB: New Law School Building	37,300,000	0	0	0	0	37,300,000 ¹⁷
RB31A	UMBC: New Performing Arts and Humanities Facility	37,400,000	0	0	0	0	37,400,000 ¹⁸
RB36RB	USMO: Facility Renewal	0	17,000,000	0	0	0	17,000,000
RI00A	MHEC: Community College Facilities Grant Program	43,359,000	0	0	0	0	43,359,000 ¹⁹
RM00A	MSU: Bancker Hall Renovation	3,265,000	0	0	0	0	3,265,000
RM00B	MSU: New School of Business Complex	250,000	0	0	0	0	250,000
ZA00I	MICUA: Goucher College	3,000,000	0	0	0	0	3,000,000
ZA00J	MICUA: Hood College	2,000,000	0	0	0	0	2,000,000
ZA00K	MICUA: Stevenson University	3,000,000	0	0	0	0	3,000,000
Section 2	MSU: Morgan State University: New Center for the Built Environment	26,935,000	0	0	0	0	26,935,000 ²⁰
Section 2	BSU: Bowie State University: New Fine and Performing Arts Building	32,053,000	0	0	0	0	32,053,000 ²¹
Section 2	TU: Towson University: New College of Liberal Arts Complex Phase II	28,650,000	10,000,000	0	0	0	38,650,000 ²²
Section 2	SU: Salisbury University: New Perdue School of Business	9,869,000	0	0	0	0	9,869,000 ²³
Section 2	MHEC: Community College Facilities Grant Program	35,386,000	0	0	0	0	35,386,000 ²⁴
Subject Category Subtotal:		\$324,982,000	\$27,000,000	\$0	\$0	\$0	\$351,982,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
Housing/Community Development							
DW0110A	MDOP: Maryland Historical Preservation Loan Program	\$200,000	\$0	\$0	\$100,000	\$0	\$300,000
S00A2402	DHCD: Community Development Block Grant Program	0	0	0	0	10,000,000	10,000,000
S00A2507	DHCD: Rental Housing Programs	0	0	0	21,500,000	5,200,000	26,700,000 ²⁵
SA24A	DHCD: Community Legacy Program	4,646,000	0	0	0	0	4,646,000 ²⁶
SA24B	DHCD: Neighborhood Business Development Program	6,666,000	0	0	0	0	6,666,000 ²⁷
SA25A	DHCD: Partnership Rental Housing Program	4,100,000	0	0	1,900,000	0	6,000,000
SA25B	DHCD: Homeownership Programs	8,500,000	0	0	0	0	8,500,000 ²⁸
SA25C	DHCD: Shelter and Transitional Housing Facilities Grant Program	2,000,000	0	0	0	0	2,000,000
SA25D	DHCD: Special Loan Programs	9,520,000	0	0	0	2,700,000	12,220,000 ²⁹
SA25E	DHCD: Maryland Affordable Housing Trust	2,000,000	0	0	0	0	2,000,000
Subject Category Subtotal:		\$37,632,000	\$0	\$0	\$23,500,000	\$17,900,000	\$79,032,000
Economic Development							
DA03A	MSA: Ocean City Convention Center Expansion	\$4,300,000	\$0	\$0	\$0	\$0	\$4,300,000
D40W1112	MDOP: Maryland Heritage Structure Rehabilitation Tax Credit Program	0	0	10,000,000	0	0	10,000,000
Subject Category Subtotal:		\$4,300,000	\$0	\$10,000,000	\$0	\$0	\$14,300,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
Local Projects							
ZA00A	MISC: Baltimore Museum of Art	2,500,000	0	0	0	0	2,500,000
ZA00B	MISC: East Baltimore Biotechnology Park	5,000,000	0	0	0	0	5,000,000
ZA00C	MISC: Forbush School	2,500,000	0	0	0	0	2,500,000
ZA00H	MISC: Lyric Opera House – Stage House Expansion	1,500,000	0	0	0	0	1,500,000
ZA00L	MISC: Maryland Zoo in Baltimore – Infrastructure Improvements	5,000,000	0	0	0	0	5,000,000
ZA00M	MISC: National Aquarium in Baltimore – Capital Infrastructure Projects	3,500,000	0	0	0	0	3,500,000
ZA00N	MISC: National Children’s Museum	5,000,000	0	0	0	0	5,000,000
ZA00O	MISC: St. Ann’s Infant and Maternity Home	750,000	0	0	0	0	750,000
ZA00P	MISC: Devil’s Backbone Dam	550,000	0	0	0	0	550,000
ZA00Q	MISC: Wicomico Youth and Civic Center	1,500,000	0	0	0	0	1,500,000
ZA00R	MISC: South River High School Athletic Field Lights	200,000	0	0	0	0	200,000
ZA00S	MISC: Bates Middle School Track	100,000	0	0	0	0	100,000
ZA00T	MISC: Old Mill High School Athletic Field Lights	200,000	0	0	0	0	200,000
ZA02	Local Senate Initiatives	7,500,000	0	0	0	0	7,500,000
ZA02	Local House Initiatives	7,500,000	0	0	0	0	7,500,000
	Subject Category Subtotal:	\$43,300,000	\$0	\$0	\$0	\$0	\$43,300,000
Transportation							
ZA00D	MDTA: InterCounty Connector	\$89,278,441	\$0	\$0	\$0	\$0	\$89,278,441
	Subject Category Subtotal:	\$89,278,441	\$0	\$0	\$0	\$0	\$89,278,441

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
De-authorizations							
Section 2	Additional De-authorizations	-\$10,239,441	\$0	\$0	\$0	\$0	-\$10,239,441
Section 2	De-authorizations as Introduced and Amended	-29,486,000	0	0	0	0	-29,486,000
Subject Category Subtotal:		-\$39,725,441	\$0	\$0	\$0	\$0	-\$39,725,441
Non-Transportation Total		\$1,144,543,000	\$177,000,000	\$10,800,000	\$149,952,925	\$63,807,349	\$1,546,103,274
Transportation Total		\$0	\$205,000,000	\$0	\$484,442,000	\$826,247,000	\$1,515,689,000
Grand Total		\$1,144,543,000	\$382,000,000	\$10,800,000	\$634,394,925	\$890,054,349	\$3,061,792,274

BPW: Board of Public Works
 BSU: Bowie State University
 CSU: Coppin State University
 DHCD: Department of Housing and Community Development
 DHMH: Department of Health and Mental Hygiene
 DoIT: Department of Information Technology
 DJS: Department of Juvenile Services
 DNR: Department of Natural Resources
 DPSCS: Department of Public Safety and Correctional Services
 DSP: Department of State Police
 FSU: Frostburg State University
 MDA: Maryland Department of Agriculture

MDE: Maryland Department of the Environment
 MDOA: Maryland Department of Aging
 MDOD: Maryland Department of Disabilities
 MDOP: Maryland Department of Planning
 MDTA: Maryland Transportation Authority
 MEA: Maryland Energy Administration
 MHA: Maryland Hospital Administration
 MHEC: Maryland Higher Education Commission
 MICUA: Maryland Independent College and University Association
 MSA: Maryland Stadium Authority
 MSD: Maryland School for the Deaf

MSDE: Maryland State Department of Education
 MSU: Morgan State University
 SU: Salisbury University
 TU: Towson University
 UB: University of Baltimore
 UMB: University of Maryland, Baltimore
 UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park
 UMES: University of Maryland Eastern Shore
 UMMS: University of Maryland Medical System
 USMO: University System of Maryland Office

¹ This reflects funds pre-authorized in the 2009 Maryland Consolidated Capital Bond Loan (MCCBL) for fiscal 2011.

² Language restricts the \$2.0 million special fund appropriation for the Jane E. Lawton Program to be used only to fund loans through the State Agency Loan Program.

³ The \$10.6 million general obligation (GO) bond authorization fully replaces unexpended available fund balance transferred to the general fund in the Budget Reconciliation and Financing Act of 2010 (BRFA). The authorization also provides \$6.3 million to partially replace the \$12.6 million of special funds allocated through the transfer tax formula also transferred to the general fund in the BRFA of 2010. A separate provision provides a pre-authorization in the amount of \$6.3 million for the 2011 session to provide the remainder of the replacement funding.

⁴ This reflects the full replacement of available unexpended fund balance transferred to the general fund in the BRFA of 2010.

⁵ The GO bond authorization includes \$5.0 million to partially replace the fiscal 2011 allocation of \$10.0 million of transfer tax for Program Open Space Stateside transferred to the general fund in the BRFA of 2010. A separate provision provides a pre-authorization in the amount of \$5.0 million for the 2011 session to provide the remainder of the replacement funding.

⁶ This reflects GO bond replacement for \$3.3 million of unexpended fund balance and \$3.2 million of fiscal 2011 transfer tax allocation transferred to the general fund in the BRFA of 2010.

⁷ This reflects the partial replacement of \$0.7 million of fund balance transferred to the general fund in the BRFA of 2010 – \$0.2 million is replaced in fiscal 2011 with the remaining \$0.5 million programmed in the 2010 *Capital Improvement Program* (CIP) for fiscal 2012.

⁸ This reflects the full replacement of local and stateside transfer tax allocations and local participation funds available in the Ocean City Beach Replenishment Fund transferred to the general fund in the BRFA of 2010.

⁹ The GO bond funds reflect the partial replacement of available unexpended fund balance transferred to the general fund in the BRFA of 2010. A total of \$16.4 million is transferred to the general fund with \$10.2 million of GO bond fund replacement in fiscal 2011 and another \$6.3 million of GO bond replacement programmed for fiscal 2012 in the 2010 CIP.

¹⁰ The authorization reflects the full replacement of \$10.0 million of unexpended fund balance transferred to the general fund in the BRFA of 2010. The authorization also provides \$7.8 million to replace the fiscal 2011 allocation of transfer tax revenues for this program transferred to the general fund in the BRFA of 2010; the remaining \$4.0 million to fully fund the program is derived from an appropriation to the Maryland Agricultural and Resource-Based Industry Development Corporation which cannot be used for the installment purchase program and instead will be used to support Maryland Agricultural Land Preservation Foundation easements.

¹¹ The BRFA of 2010 transfers \$155.0 million of unexpended fund balance and another \$45.0 million of fiscal 2011 revenues from the Bay Restoration Fund of which \$125.0 million is replaced with GO bond funds in fiscal 2011, and another \$75.0 million of GO bond replacement is programmed for fiscal 2012 in the 2010 CIP.

¹² An additional \$38.0 million is included as a pre-authorization for fiscal 2012 and \$26.5 million included as a pre-authorization for fiscal 2013 to complete the construction funding for this project and allow the project to be bid for construction during fiscal 2011.

¹³ An additional \$12.2 million is available from Interagency Committee on School Construction contingency funds bringing the total amount available in fiscal 2011 to \$262.2 million.

¹⁴ Language authorizes the use of \$1.0 million of Qualified Zone Academy Bonds for the Aging Schools Program to be distributed in accordance with Section 5-206 of the Education Article.

¹⁵ An additional \$2.5 million is included as a pre-authorization for fiscal 2012.

¹⁶ An additional \$44.1 million is included as a pre-authorization for fiscal 2012 and \$10.6 million included as a pre-authorization for fiscal 2013 to complete the construction funding for this project and allow the project to be bid for construction during fiscal 2011.

¹⁷ An additional \$38.5 million is included as a pre-authorization for fiscal 2012 to complete the construction funding for this project and allow the project to be bid for construction during fiscal 2011.

¹⁸ An additional \$38.4 million is included as a pre-authorization for fiscal 2012 to complete the construction funding for this project and allow the project to be bid for construction during fiscal 2011.

¹⁹ There is an additional \$35.4 million pre-authorized for fiscal 2011 in the 2009 MCCBL bringing the total amount of new funds authorized in fiscal 2011 to \$78.8 million.

²⁰ This reflects the GO bond funds pre-authorized in the 2009 MCCBL for fiscal 2011.

²¹ This reflects the GO bond funds pre-authorized in the 2009 MCCBL for fiscal 2011. The amount authorized is \$2.0 million lower than the pre-authorized amount and also allows the funds to be used for equipment as amended which reflects savings based on the construction contract bid and award.

²² This reflects the GO bond funds pre-authorized in the 2009 MCCBL for fiscal 2011. The amount authorized is \$7.1 million lower than the pre-authorized amount and also allows the funds to be used for equipment as amended which reflects savings based on the construction contract bid and award.

²³ This reflects the GO bond funds pre-authorized in the 2009 MCCBL for fiscal 2011. The amount authorized is \$4.5 million lower than the pre-authorized amount and also allows the funds to be used for equipment as amended which reflects savings based on the construction contract bid and award.

²⁴ This reflects the GO bond funds pre-authorized in the 2009 MCCBL for fiscal 2011. The amount authorized is \$4.2 million lower than the pre-authorized amount which reflects savings based on the construction contract bid and award for the Hagerstown Community College Arts and Science Complex and Prince George's Community College Center for Health Studies.

²⁵ The special fund appropriation consists of special fund revenues available and to accrue in the Rental Housing Program as well as special funds to be transferred from the Homeownership and Special Loan programs. All transferred funds are replaced with GO bond funds in the fiscal 2011 capital budget.

²⁶ This includes \$0.4 million of GO bond funds to replace fund balance transferred to the general fund in the BRFA of 2010.

²⁷ This includes GO bond funds to replace \$3.6 million of available fund balance and \$3.2 million of fiscal 2011 special fund revenues transferred to the general fund in the BRFA of 2010.

²⁸ This includes GO bond funds to replace \$3.0 million of fiscal 2011 special fund revenues transferred to the general fund in the BRFA of 2010.

²⁹ This includes GO bond funds to replace \$2.1 million of available fund balance and \$2.5 million of fiscal 2011 special fund revenues transferred to the general fund in the BRFA of 2010.

Exhibit A-2.3
Legislative Projects/Initiatives – 2010 Session

<u>Project Title</u>	<u>Senate Initiative</u>	<u>House Initiative</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Statewide				
Capital Area Food Bank	\$0	\$125,000	\$125,000	Soft (1)
Linwood Center	0	500,000	500,000	Soft (1)
Little Sisters of the Poor	500,000	0	500,000	Soft (all)
Maryland Food Bank	0	125,000	125,000	Grant
Museum of Industry	250,000	0	250,000	Soft (all)
Museum of the Maryland Historical Society	150,000	0	150,000	Grant
National Center for Children and Families Youth Activities Center	0	250,000	250,000	Soft (all)
Subtotal:	\$900,000	\$1,000,000	\$1,900,000	
Allegany				
Allegany Museum	\$75,000	\$75,000	\$150,000	Soft (all)
Subtotal:	\$75,000	\$75,000	\$150,000	
Anne Arundel				
Annapolis High School Booster Club Concession Stand	\$0	\$75,000	\$75,000	Soft (2, 3)
Coordinating Center for Home and Community Care Building Facilities	200,000	0	200,000	Hard
Reece Road Community Health Center	250,000	0	250,000	Soft (1)
Southern and Broadneck High School Field Lights	0	375,000	375,000	Soft (all)
William Paca House	0	200,000	200,000	Soft (3)
Subtotal:	\$450,000	\$650,000	\$1,100,000	
Baltimore City				
2101-2111 Pennsylvania Avenue Development Project	\$35,000	\$0	\$35,000	Hard
Academy of Success Community Empowerment Center	0	100,000	100,000	Soft (2, 3)
Baltimore Leadership School for Young Women	135,000	0	135,000	Soft (3)
Collington Square Community Kitchen	100,000	0	100,000	Hard
Creative Alliance	0	50,000	50,000	Soft (1, 2)
Dayspring Square	0	200,000	200,000	Soft (1, 3)

<u>Project Title</u>	<u>Senate Initiative</u>	<u>House Initiative</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Baltimore City (Cont.)				
Druid Hill Family Center Y Revitalization	65,000	0	65,000	Hard
Fine Arts Center for Archbishop Curley High School	100,000	0	100,000	Hard
Franklin Entrepreneurial and Apprenticeship Center	45,000	75,000	120,000	Hard
Glen Avenue Firehouse	0	75,000	75,000	Soft (all)
Greenmount West Community Resource Center	0	100,000	100,000	Soft (1, 2)
Maryland SPCA Adoption Center Expansion	50,000	50,000	100,000	Hard
Port Discovery	75,000	25,000	100,000	Hard
Sandi's Learning Center	100,000	0	100,000	Hard
Southeast Neighborhood Development Center	150,000	150,000	300,000	Hard
Stadium Place	200,000	100,000	300,000	Soft (2, 3)
Swann Avenue Firehouse	0	75,000	75,000	Soft (all)
The Women's Veteran's Center	20,000	30,000	50,000	Soft (2)
Subtotal:	\$1,075,000	\$1,030,000	\$2,105,000	
Baltimore				
Arbutus Volunteer Fire Department Hall	\$0	\$100,000	\$100,000	Grant
Augsburg Lutheran Home of Maryland	150,000	150,000	300,000	Hard
Automotive Vocational Training Center	0	100,000	100,000	Soft (2, 3)
Baltimore County Humane Society	75,000	75,000	150,000	Soft (all)
HopeWell Cancer Support Facility	75,000	100,000	175,000	Hard
Milford Mill Academy Sign	0	40,000	40,000	Grant
North County Park	0	100,000	100,000	Grant
Owings Mills High School Stadium	50,000	50,000	100,000	Soft (2)
Randallstown High School	0	40,000	40,000	Grant
Woodlawn High School	0	40,000	40,000	Grant
Subtotal:	\$350,000	\$795,000	\$1,145,000	
Calvert				
Kellam's Field	\$125,000	\$125,000	\$250,000	Soft (all)
Subtotal:	\$125,000	\$125,000	\$250,000	
Carroll				
Carroll County Agriculture Center	\$150,000	\$0	\$150,000	Soft (2, 3)
Subtotal:	\$150,000	\$0	\$150,000	

<u>Project Title</u>	<u>Senate Initiative</u>	<u>House Initiative</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Cecil				
Lower Susquehanna Heritage Greenway	\$0	\$150,000	\$150,000	Soft (1, 2)
Subtotal:	\$0	\$150,000	\$150,000	
Charles				
Hospice House	\$45,000	\$150,000	\$195,000	Soft (all)
Kamp A-Kom-Plish Facility	80,000	0	80,000	Hard
Potomac Heights Housing Complex	75,000	0	75,000	Soft (all)
Subtotal:	\$200,000	\$150,000	\$350,000	
Dorchester				
Dorchester Center for the Arts Performance Hall	\$10,000	\$0	\$10,000	Soft (2)
Dorchester County Family YMCA	70,000	0	70,000	Soft (all)
Richardson Maritime Heritage Center	50,000	0	50,000	Soft (1)
Subtotal:	\$130,000	\$0	\$130,000	
Frederick				
Way Station	\$200,000	\$100,000	\$300,000	Soft (1, 3)
Subtotal:	\$200,000	\$100,000	\$300,000	
Garrett				
Oakland B&O Museum	\$100,000	\$100,000	\$200,000	Soft (all)
Subtotal:	\$100,000	\$100,000	\$200,000	
Harford				
Nuttal Avenue Park	\$0	\$100,000	\$100,000	Hard
The Citizens Care and Rehabilitation Center	0	100,000	100,000	Hard
Subtotal:	\$0	\$200,000	\$200,000	
Howard				
Alpha Ridge Park	\$0	\$75,000	\$75,000	Hard
Carroll Baldwin Hall	50,000	0	50,000	Soft (all)
Living Farm Heritage Museum	0	35,000	35,000	Soft (2, 3)
Symphony Woods Park	190,000	60,000	250,000	Hard
Troy Regional Park	225,000	230,000	455,000	Hard
Watson Telescope Observatory	25,000	0	25,000	Soft (all)
Subtotal:	\$490,000	\$400,000	\$890,000	

<u>Project Title</u>	<u>Senate Initiative</u>	<u>House Initiative</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Montgomery				
Cabin John Park Tai Chi Court	\$0	\$40,000	\$40,000	Soft (2, 3)
Camp Brighton Woods	40,000	100,000	140,000	Soft (3)
Cinnamon Woods Environmental and Safety Lighting Upgrade	100,000	0	100,000	Hard
Garrett Park Community Center	100,000	0	100,000	Soft (1, 2)
Identity House	30,000	100,000	130,000	Soft (1, 2)
Ivymount School Annex Building	125,000	50,000	175,000	Soft (3)
JFGH Activity Center	150,000	0	150,000	Soft (all)
Lake Whetstone Hillside Stabilization	20,000	0	20,000	Hard
Maydale Nature Center	20,000	35,000	55,000	Grant
Miracle League Baseball Field	125,000	125,000	250,000	Hard
Montgomery Village Martin Roy Park Pavilion	30,000	0	30,000	Hard
National Labor College Academic Services Building	150,000	0	150,000	Soft (3)
RCI Group Home Renovations	75,000	25,000	100,000	Hard
Rockville Fitness Center and Exercise Room Expansion	20,000	100,000	120,000	Soft (all)
Sandy Spring Museum	65,000	35,000	100,000	Soft (2, 3)
Threshold Services Group Home Renovations	0	50,000	50,000	Soft (all)
Warner Manor	275,000	0	275,000	Hard
Subtotal:	\$1,325,000	\$660,000	\$1,985,000	
Prince George's				
Allen Pond Park	\$80,000	\$0	\$80,000	Hard
Bladensburg Market Square II	100,000	0	100,000	Soft (all)
CASA Multi-Cultural Service Center	0	200,000	200,000	Soft (2)
Community Forklift Facility	100,000	100,000	200,000	Hard
Daughter for the Day	65,000	0	65,000	Soft (2)
Evangel Assembly Family Life Center	65,000	0	65,000	Soft (2)
Forestville Military Academy Track	180,000	0	180,000	Soft (all)
Glenarden Senior Center	0	50,000	50,000	Grant
Henson Valley Montessori School	0	100,000	100,000	Hard
John E. Feggans Center Renovation	150,000	55,000	205,000	Hard
La Vida Sana (Healthy Living Farm)	50,000	25,000	75,000	Soft (all)
Largo High School PTSA Track Renovation	180,000	0	180,000	Soft (all)
LARS Facility Renovation	0	100,000	100,000	Hard

<u>Project Title</u>	<u>Senate Initiative</u>	<u>House Initiative</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Prince George's (Cont.)				
Laurel Police Department Facility – Community Space	150,000	0	150,000	Soft (3)
Marlboro Meadows Senior Center	50,000	0	50,000	Soft (1, 2)
Marleigh Community Safety and Surveillance System	20,000	0	20,000	Hard (U)
Prince George's Volunteer Fire Department	0	250,000	250,000	Soft (all)
SEED Recreation Center	0	50,000	50,000	Hard
Sheriff Road Village Center	0	100,000	100,000	Soft (all)
South County Community Center	125,000	175,000	300,000	Soft (1, 3)
St. Mary's School Gymnasium and Multi-Purpose Room	25,000	0	25,000	Hard
Thomas Johnson Middle School Sign Board	25,000	0	25,000	Soft (2)
Walker Mill Daycare and Training Center	0	100,000	100,000	Soft (2)
Youth Fitness Facility	20,000	0	20,000	Hard
Subtotal:	\$1,385,000	\$1,305,000	\$2,690,000	
Queen Anne's				
Hospice of Queen Anne's	\$25,000	\$0	\$25,000	Hard
Kennard High School Restoration	75,000	0	75,000	Soft (2)
Queen Anne's County YMCA	50,000	0	50,000	Soft (1)
Subtotal:	\$150,000	\$0	\$150,000	
St. Mary's				
St. Mary's County Fairgrounds	\$0	\$60,000	\$60,000	Soft (all)
United States Colored Troops Memorial Monument	0	150,000	150,000	Soft (all)
Subtotal:	\$0	\$210,000	\$210,000	
Talbot				
Family Support Center	\$10,000	\$0	\$10,000	Soft (1, 2)
Subtotal:	\$10,000	\$0	\$10,000	
Washington				
Deafnet Building	\$50,000	\$50,000	\$100,000	Soft (3)
Museum of Fine Arts	50,000	50,000	100,000	Hard
Rural Heritage Transportation Museum	75,000	0	75,000	Hard
Subtotal:	\$175,000	\$100,000	\$275,000	

<u>Project Title</u>	<u>Senate Initiative</u>	<u>House Initiative</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Wicomico				
Parsonsborg Volunteer Fire Company Community Center	\$100,000	\$150,000	\$250,000	Soft (all)
Salisbury Zoological Park Animal Health Clinic	10,000	150,000	160,000	Soft (3)
Subtotal:	\$110,000	\$300,000	\$410,000	
Worcester				
Pocomoke City Volunteer Fire Company Community Center	\$100,000	\$150,000	\$250,000	Soft (all)
Subtotal:	\$100,000	\$150,000	\$250,000	
Total Senate and House Initiatives	\$7,500,000	\$7,500,000	\$15,000,000	

Match Key: 1 = Real Property; 2 = In Kind Contributions; 3 = Prior Expended Funds; U = Unequal Match

In addition to GO debt, the State's capital program is funded with general, special, and federal funds appropriated in the operating budget referred to as PAYGO funds which are used primarily to support housing and environmental programs. The use of PAYGO funds is generally restricted to capital grant and loan programs for which the use of tax-exempt debt is limited under federal tax guidelines, programs that are administered through the use of special non-lapsing funds for which revenue from principal and interest payments are used to support additional appropriations, and in instances where federal funds assist in the capitalization of State revolving grant and loan fund programs.

Operating Budget Relief and Fund Transfers

As shown in **Exhibit A-2.4**, the GO bond program was used to reduce operating budget appropriations and to replace funds transferred from various capital accounts to the general fund. The fiscal situation has limited the use of PAYGO funds to support the capital program and resulted in the shift of funding for certain grant and loan programs to the bond program. In addition, GO bond funds have been used to fund the State's commitment to the InterCounty Connector (ICC) in lieu of using general funds. Moreover, the use of fund transfers, including fund balance and estimated fiscal 2011 fund revenues, from various capital program special fund accounts is a major component of the fiscal 2011 budget plan, impacting both the operating and capital budgets. In total, the budget includes transfers amounting to \$443.8 million, comprised of \$330.1 million of fund balance and another \$113.7 million of fiscal 2011 revenues that would otherwise be appropriated as special funds in the fiscal 2011 budget. The budget plan replaces most of the fiscal 2011 transferred revenues with GO bonds in fiscal 2011; \$11.3 million of Stateside Program Open Space (POS) and Rural Legacy Program fiscal 2011 transfers are pre-authorized for the 2011 session. The planned replacement of fund balance transfers is to be spread out over three fiscal years with \$176.9 million replaced in fiscal 2011, \$127.9 million in fiscal 2012, and \$33.7 million in fiscal 2013. **Exhibit A-2.5** illustrates the proposed fund transfers and multi-year general obligation bond replacement plan.

Exhibit A-2.4 Operating Budget Relief

(\$ in Millions)

- | | |
|---|----------------|
| <ul style="list-style-type: none"> ● InterCounty Connector Funding: Budgeted at \$126.9 million in the capital budget as introduced, the amount was reduced to \$89.3 million in the capital budget as passed to reflect a more fiscally prudent Transportation Trust Fund cash flow projection and the anticipated fiscal 2011 expenditures for the project. The required statutory changes are included in the Budget Reconciliation and Financing Act of 2010 (BRFA) that would require budgeting the remaining \$67.6 million in fiscal 2012 to complete the State’s \$264.9 million support of the project from either general funds or general obligation (GO) bonds. | \$89.3 |
| <ul style="list-style-type: none"> ● Fund Balance Replacement: The budget and the BRFA of 2010 provide for the transfer of \$330.1 million of unexpended fund balance from multiple capital program accounts. A multi-year GO bond replacement plan includes \$176.9 million in the fiscal 2011 capital budget. Another \$116.6 million is programmed in the 2010 <i>Capital Improvement Program</i> for fiscal 2012 and \$33.8 million in fiscal 2013. | 176.9 |
| <ul style="list-style-type: none"> ● Special Fund Revenue Replacement: The budget and the BRFA of 2010 provide for the transfer of \$113.7 million of estimated fiscal 2011 revenues from multiple capital program accounts. The 2010 MCCBL provides \$102.4 million to partially replace the transferred funds and pre-authorizes \$11.3 million to provide the remaining funds necessary to fully replace with transfers. | 113.7 |
| <ul style="list-style-type: none"> ● Use of GO Bond Funds to Fund Capital Programs Traditionally Funded with General Funds: This includes \$14.2 million for the Public Safety Communication System; \$15.9 million for the Department of Housing and Community Development revolving loan program; \$5.5 million for the Department of the Environment water quality and drinking water loan programs; \$6.1 million to bond fund the Aging Schools Program; and \$2.0 million to replace cigarette restitution special funds for Tri-County Council of Southern Maryland programs. | 43.7 |
| Total | \$423.6 |

Source: Fiscal 2011 Operating and Capital Budgets; Budget Reconciliation and Financing Act of 2010

Exhibit A-2.5
Fund Transfers and Multi-year General Obligation Bond Replacement Plan
(\$ in Millions)

<u>Program</u>	<u>Transfers</u>			<u>Fund Replacement</u>				<u>Total Amount of Fund Transfers to Be Replaced in the CIP</u>
	<u>Prior Special Fund Balance</u>	<u>FY 2011 Special Funds</u>	<u>Total Transfers</u>	<u>FY 2011 Special Funds – Replaced in FY 2011</u>	<u>Prior Funds – Replaced in FY 2011</u>	<u>Funds – Replaced in FY 2012</u>	<u>Funds – Replaced in FY 2013</u>	
Waterway Improvement Program	\$12.5	\$3.9	\$16.4	\$3.9	\$6.3	\$6.3	\$0.0	\$16.4
Program Open Space (POS) – Stateside	4.6	13.1	17.6	8.1	3.0	6.6	0.0	17.6
POS – Local	103.1	12.4	115.5	12.4	41.8	29.0	32.3	115.5
Rural Legacy	10.6	12.6	23.3	6.3	10.6	6.3	0.0	23.3
Ocean City Beach Replenishment – POS	2.1	1.0	3.1	1.0	2.1	0.0	0.0	3.1
Ocean City Beach Replenishment – Local	3.4	0.0	3.4	0.0	3.4	0.0	0.0	3.4
Natural Resources Development Fund	17.7	0.0	17.7	0.0	10.1	3.8	1.4	15.3
Critical Maintenance Program	3.2	3.2	6.3	3.2	3.2	0.0	0.0	6.3
Dam Rehabilitation Program	0.7	0.0	0.7	0.0	0.2	0.5	0.0	0.7
House Assessment Program	0.9	0.0	0.9	0.0	0.3	0.4	0.1	0.7
Hurricane Isabel Funds	0.2	0.0	0.2	0.0	0.0	0.0	0.0	0.0
Neighborhood Business Development	3.6	3.2	6.8	3.2	3.6	0.0	0.0	6.8
Community Legacy Program	0.4	0.0	0.4	0.0	0.4	0.0	0.0	0.4
Homeownership Programs	0.0	3.0	3.0	3.0	0.0	0.0	0.0	3.0
Special Loan Programs	2.1	2.5	4.6	2.5	2.1	0.0	0.0	4.6
Tobacco Transition Program	0.0	2.0	2.0	2.0	0.0	0.0	0.0	2.0
Agricultural Land Preservation Program	10.0	11.8	21.8	11.8	10.0	0.0	0.0	21.8
Bay Restoration Fund	155.0	45.0	200.0	45.0	80.0	75.0	0.0	200.0
Total	\$330.1	\$113.7	\$443.7	\$102.3	\$176.9	\$127.9	\$33.7	\$440.9

CIP: *Capital Improvement Program*

Debt Affordability

As shown in **Exhibit A-2.6**, the long range plan adopted by the Capital Debt Affordability Committee (CDAC) in December 2009 provides for a total of over \$4.85 billion in debt authorizations from 2010 to 2014. While the committee increased its recommended GO bond authorization for the 2010 session by \$150 million, total proposed authorizations decline by \$400 million from fiscal 2011 to 2015. The reduction to out-year authorizations is intended to keep State debt within the limits set by CDAC. The Board of Revenue Estimates' December 2009 and subsequent March 2010 reductions in projected revenues have made the level of debt proposed by CDAC in the committee's 2008 report unaffordable, resulting in the out-year authorization reductions.

Exhibit A-2.6
Capital Debt Affordability Committee Recommended Levels of
General Obligation Bond Authorizations
2010-2014 Legislative Sessions
(\$ in Millions)

<u>Session</u>	<u>2008 Report Recommended Authorizations</u>	<u>2009 Report Recommended Authorizations</u>	<u>Authorization Change</u>
2010	\$990	\$1,140	\$150
2011	1,020	925	-95
2012	1,050	925	-125
2013	1,080	925	-155
2014	1,110	935	-175
Total	\$5,250	\$4,850	-\$400

Source: *Report of the Capital Debt Affordability Committee on Recommended Debt Authorizations*, October 2007 and November 2008

The 2010 MCCBL passed by the General Assembly is consistent with the \$1.14 billion level of new GO debt authorizations recommended by CDAC. An additional \$39.7 million in GO bonds from prior years is de-authorized in the capital budget of 2010, thereby increasing the amount of new GO debt included in the capital program to \$1.184 billion. Included in the \$1.18 billion of new debt is \$143.3 million authorized in the 2009 MCCBL to complete the funding for various projects that were split-funded over fiscal 2010 and 2011 as a mechanism to allow the projects to be bid and construction to commence during fiscal 2010.

The State's capital program for fiscal 2011 also includes other actions that affect debt affordability, debt issuance, and future capital budgets.

- The Maryland Department of the Environment plans to issue \$150.0 million in revenue bonds to fund the upgrade of wastewater treatment plants. Chapter 428 of 2004 established the Bay Restoration Fund and authorized the Administration to issue bonds to provide grants to upgrade the 67 largest wastewater treatment plants in the State. Security for the bonds is the revenues from a fee imposed on users of wastewater facilities, septic systems, and sewage holding tanks. The bonds are considered State tax supported debt and are, therefore, incorporated in the CDAC's annual debt affordability analysis.
- **Senate Bill 319 (passed)** establishes an African American Heritage Preservation Program to identify and preserve buildings, communities, and sites of historical and cultural importance to the African American experience in Maryland. The program must be developed and administered by the Maryland Historical Trust in partnership with the Commission on African American History and Culture. Beginning in fiscal 2012, the Governor must include \$1.0 million in the annual capital budget submission for program grant projects.
- **Senate Bill 1018 (passed)** amends prior authorization bond bills by extending matching fund deadlines, extending deadlines for expending or encumbering funds, altering the purposes for which funds may be used, modifying certification requirements, renaming grant recipients, or altering project locations which are consolidated into an omnibus bill. Prior to the 2008 session, individual prior authorization bills were passed by the General Assembly.
- The 2010 MCCBL includes \$260.4 million of general obligation bond authorizations that will not take effect until fiscal 2012 and another \$72.5 million that will not take effect until fiscal 2013. **Exhibit A-2.7** shows the pre-authorizations for the 2011 and 2012 sessions and the amounts funded in the fiscal 2011 budget for the respective projects.

Exhibit A-2.7
Pre-authorizations Included in the 2010 MCCBL for the
2011 and 2012 Sessions

<u>Project Title</u>	<u>2010 Session Authorization Amounts</u>	<u>2011 Session Pre-authorization Amounts</u>	<u>2012 Session Pre-authorization Amounts</u>
BPW: State Government Center – Annapolis Legislative Facilities Lowe House Office Building	\$0	\$4,250,000	\$4,000,000
MSDE: Western Maryland Regional Library	2,500,000	2,500,000	0
MHEC: Community College Facilities Grant Program	78,745,000	33,633,000	0
DNR: Natural Resources Development Fund – Harriet Tubman Underground Railroad State Park – Visitor Center	0	1,650,000	0
DPSCS: New Youth Detention Facility (BCDC)	17,520,000	38,000,000	25,600,000
UMCP: Physical Sciences Complex	41,100,000	44,100,000	10,600,000
UB: New Law School Building	37,300,000	38,500,000	0
UMBC: New Performing Arts and Humanities Facility	37,400,000	37,400,000	0
DNR: Local Program Open Space	54,141,000	40,366,000	32,283,000
DSP: State Police Helicopters	0	20,000,000	0
Totals	\$268,706,000	\$260,399,000	\$72,483,000

BCDC: Baltimore City Detention Center

BPW: Board of Public Works

DNR: Department of Natural Resources

DPSCS: Department of Public Safety and Correctional Services

DSP: Department of State Police

MCCBL: Maryland Consolidated Capital Bond Loan

MHEC: Maryland Higher Education Commission

MSDE: Maryland State Department of Education

UB: University of Baltimore

UMBC: University of Maryland Baltimore County

UMCP: University of Maryland, College Park

Note: The proposed pre-authorization for the Maryland Higher Education Commission Community College Grant Program would allow for the split funding of community college projects started last session by the legislature. This year's list includes \$9,466,000 for Howard Community College – Allied Health Building; \$6,064,000 for Hagerstown Community College – Arts and Sciences Complex; \$868,000 for Prince George's Community College – Center for Health Studies; \$2,586,000 for Prince George's Community College – Circulation/Roadway Modifications; \$3,500,000 for Anne Arundel Community College – Library Renovation and Addition; \$3,245,000 for College of Southern Maryland – Phase II Campus Development; and \$7,904,000 for Harford Community College – Susquehanna Center.

Higher Education

The fiscal 2011 capital program for all segments of higher education is \$352 million, including GO bonds and academic revenue bonds. Of the total funding, four-year public institutions receive \$266.2 million and independent colleges receive \$8.0 million. Community colleges, including Baltimore City Community College, receive \$78.7 million in fiscal 2011. The *Capital Improvement Program* (CIP), after legislative changes to the fiscal 2011 capital budget, shows \$1.674 billion in State capital spending for higher education projects from fiscal 2011 through 2015. **Exhibit A-2.8** shows the fiscal 2010 and 2011 legislative appropriation for higher education capital projects and the funds anticipated in the CIP for fiscal 2012 through 2015. **Exhibit A-2.9** shows the fiscal 2011 capital funding by institution.

Exhibit A-2.8
Higher Education Authorized and Planned Out-year Capital Funding
Fiscal 2010-2015
(\$ in Thousands)

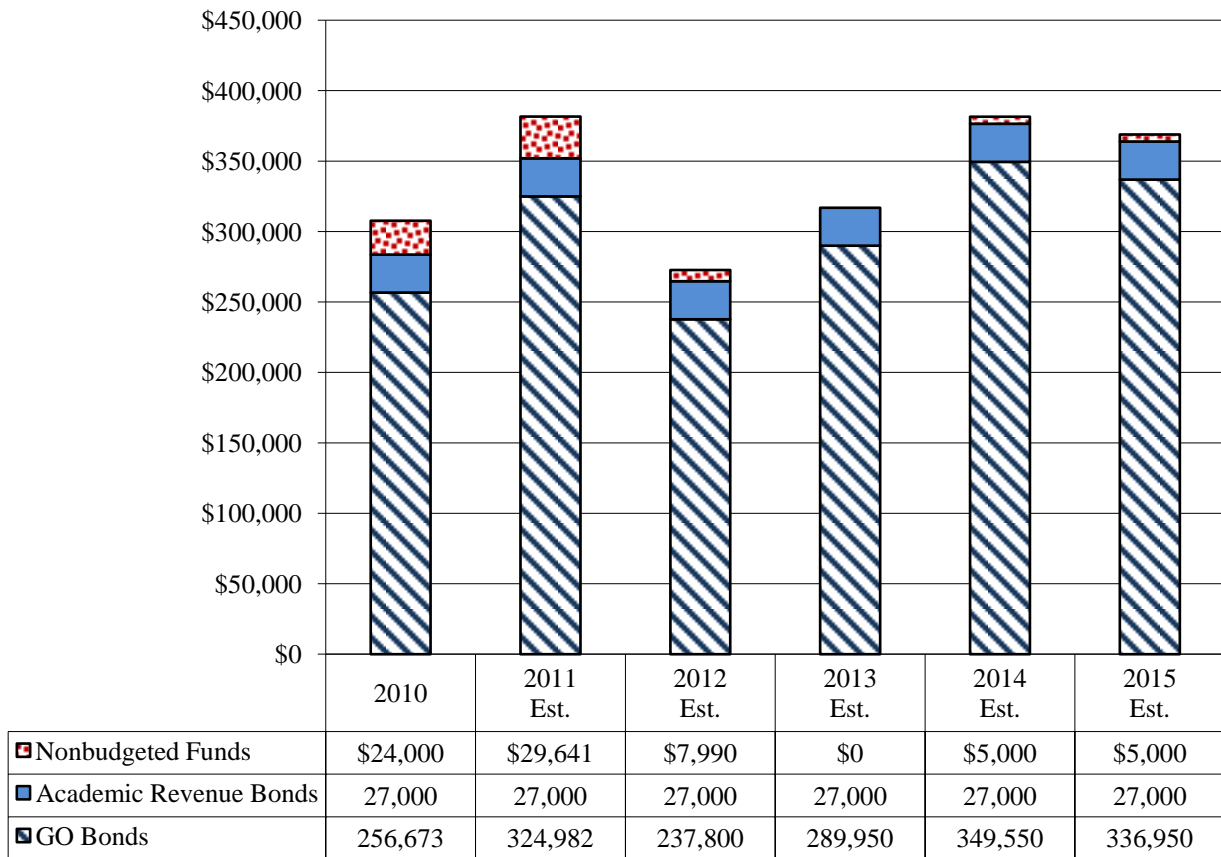


Exhibit A-2.9
Higher Education Capital Funding by Institution
Fiscal 2011
(\$ in Thousands)

<u>Institution</u>	<u>Capital Funding</u>
University of Maryland, Baltimore	\$2,606
University of Maryland, College Park	46,531
Towson University	38,650
Coppin State University	6,497
University of Baltimore	37,300
Bowie State University	33,253
Salisbury University	9,869
University System of Maryland – Facility Renewal	17,000
University of Maryland Eastern Shore	3,000
Frostburg State University	2,681
University of Maryland Baltimore County	37,400
Morgan State University	30,450
Independent Colleges	8,000
Community Colleges	78,745
Total	\$351,982¹

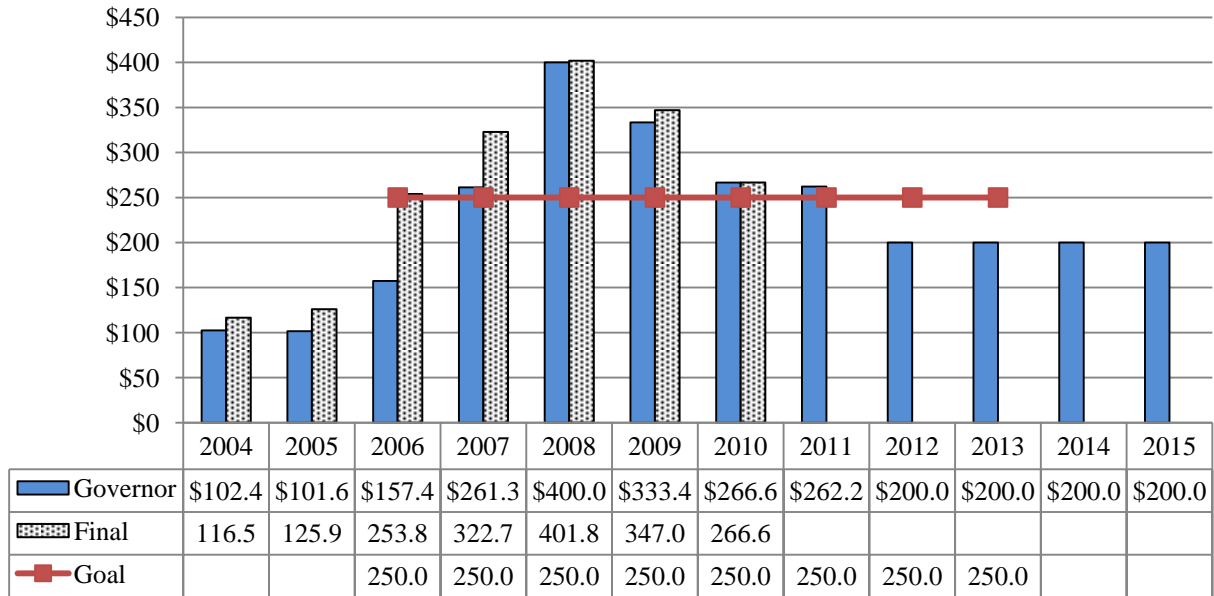
¹ This does not include \$10.0 million authorized for the University of Maryland Medical System. This also does not include \$29.6 million of nonbudgeted funds representing private donor contributions.

School Construction

Capital Funding

The fiscal 2011 capital budget includes \$250.0 million in general obligation bonds for public school construction. An additional \$12.2 million in unexpended funds from prior years is available from the Statewide Contingency Fund, of which \$4.9 million is reserved for specific local school systems. The local school systems requested approximately \$722.1 million for fiscal 2011, of which \$529.0 million is eligible for State funding. The Public School Facilities Act of 2004 (Chs. 306 and 307) established a State goal to provide \$2.0 billion in State funding over eight years to address school construction needs, or \$250.0 million per year from fiscal 2006 to 2013. Fiscal 2011 will be the sixth consecutive year that the goal has been met or exceeded, with the State providing a total of \$1.85 billion for school construction since fiscal 2006, as illustrated in **Exhibit A-2.10**.

**Exhibit A-2.10
Public School Construction Funding
(\$ in Millions)**



Aging Schools Program

The Aging Schools Program is funded through the capital budget rather than the operating budget in fiscal 2011. The capital budget as passed by the General Assembly includes \$5.1 million in general obligation bonds and \$1.0 million in Qualified Zone Academy Bonds to meet the statutory requirement of \$6.1 million for the program. Since 2001, the State has issued \$47.6 million in QZABs allocated by the federal government to Maryland; all but \$21.3 million has been expended. QZABs are an alternative bond program that the federal government authorizes with bond holders receiving federal tax credits in lieu of interest.

Transfer Tax

The property transfer tax is the primary funding source for State land conservation programs. In light of the fiscal condition of the State, a number of actions reduce the fiscal 2011 budget appropriations from the transfer tax and direct transfer tax revenue to the general fund. The transfer actions taken affect prior year transfer tax appropriations available as unexpended fund balance and fiscal 2011 revenues. In each instance, the amount of diverted transfer tax to the general fund is replaced with GO bond funds authorized in the 2010 MCCBL or through pre-authorization provisions included in the 2010 MCCBL for fiscal 2012 and 2013. **Exhibit A-2.11** shows how transfer tax revenue will be replaced with general obligation bonds in fiscal 2011, and **Exhibit A-2.12** shows how the fiscal 2011 transfer tax and GO bond replacement is distributed across all operating and capital programs.

Exhibit A-2.11
Programs Traditionally Funded with Transfer Tax Revenue
Fiscal 2011
(\$ in Millions)

	<u>Transfer Tax Special Funds</u>	<u>Other Special Funds</u>	<u>Federal</u>	<u>GO Bonds</u>	<u>Total</u>
Department of Natural Resources					
Program Open Space					
State ¹	\$2.7	\$0.0	\$11.1	\$9.4	\$23.2
Local ²	0.0	0.0	0.0	54.1	54.1
Capital Development ³	0.0	0.0	3.2	19.9	23.1
Rural Legacy Program ⁴	0.0	0.0	0.0	17.0	17.0
Heritage Conservation Fund	0.0	0.0	0.0	1.7	1.7
Department of Agriculture					
Agricultural Land Preservation ⁵	0.0	12.1	2.0	17.8	31.9
Total	\$2.7	\$12.1	\$16.3	\$119.9	\$151.0

¹ The Program Open Space – State funding reflects \$2.7 million in special funds for the Baltimore City Direct Grant (\$1.5 million) and operating expenses per the Budget Reconciliation and Financing Act of 2009 (\$1.2 million). The \$9.4 million in general obligation bond authorization reflects \$5.0 million for State land acquisition, \$3.0 million in prior year State funds replacement, and \$1.4 million in additional funding for the Baltimore City Direct Grant. In addition, \$5.0 million in general obligation debt is pre-authorized for the 2011 session in order to complete the replacement of fiscal 2011 transfer tax funding directed to the general fund.

² The Program Open Space – Local funding reflects \$41.8 million in general obligation bond authorization to replace prior year funds transferred to the general fund and \$12.4 million in general obligation bond authorization to replace fiscal 2011 transfer tax funds transferred to the general fund. In addition, there are general obligation bond pre-authorizations of \$29.0 million for fiscal 2012 and \$32.3 million for fiscal 2013 to replace fully the \$103.1 million in prior year funds transferred to the general fund.

³ The Capital Development funding reflects \$3.2 million in federal funds for the Harriet Tubman Underground Railroad State Park – Visitor Center. The general obligation bond authorization of \$19.9 million reflects the following:

- \$15.8 million to replace available fund balance transferred to the general fund in the BRFA of 2010 – Natural Resources Development Fund (\$10.1 million), Critical Maintenance Program (\$3.2 million), Ocean City Beach Replenishment (\$2.1 million), House Assessment Program (\$0.2 million), Dam Rehabilitation Program (\$0.2 million); and
- \$4.2 million to replace new fiscal 2011 funding transferred to the general fund – Critical Maintenance Program (\$3.2 million) and Ocean City Beach Replenishment (\$1.0 million).

⁴ The Rural Legacy Program funding reflects \$10.6 million in general obligation bond authorization to replace prior year fund balance transferred to the general fund and \$6.3 million to replace a portion of the fiscal 2011 transfer tax allocation transferred to the general fund. There is an additional \$6.3 million in general obligation debt pre-authorized for the 2011 session.

⁵ The Agricultural Land Preservation funding reflects \$10.0 million in general obligation bond authorization to replace prior year funds directed to the general fund and \$7.8 million in general obligation bond authorization to replace a portion of the fiscal 2011 transfer tax funding directed to the general fund. The overall funding does not reflect an additional \$4.0 million available due to the infeasibility of Maryland Agricultural and Resource-Based Industry Development Corporation's Installment Purchase Agreements Program.

Exhibit A-2.12

Distribution of Transfer Tax Revenues to Programs and GO Bond Replacement

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
Revenues				
Budgeted Revenue Estimate	\$188.58	\$166.30	\$114.74	\$149.89
Less Administrative Expenses	-5.66	-4.99	-4.66	-\$4.50
Attainment Adjustment	75.50	-51.96	-35.05	-52.64
Net Available for Allocation	\$258.43	\$109.35	\$75.03	\$92.76
Allocations				
Program Open Space (POS)				
POS Bonds Debt Service	\$0.00	\$0.00	\$0.00	\$6.80
POS Local	95.60	18.59	6.15	0.00
Forest and Park Service	0.00	21.00	21.00	21.00
Heritage Areas Authority	3.00	3.00	3.00	3.00
POS State Land Acquisition	61.76	20.87	10.57	0.00
POS State Rural Legacy	8.00	8.00	0.00	0.00
POS State Capital Development	24.64	9.52	0.00	0.00
POS State Park Operating	1.20	1.20	1.20	1.20
POS Subtotal	\$194.21	\$82.18	\$41.92	\$32.00
Other Allocations				
Additional State Land Acquisition	\$2.58	\$1.09	\$0.76	\$2.72
Agricultural Land Preservation	44.06	18.64	0.00	4.00
Rural Legacy Additional	12.92	5.47	0.00	0.00
Heritage Conservation Fund	4.65	1.97	1.37	0.00
Other Subtotal	\$64.22	\$27.17	\$2.13	\$6.72
Total Transfer Tax Allocations	\$258.43	\$109.35	\$44.06	\$38.72
GO Bond Replacement – Fiscal 2011 and 2011 Session Pre-authorizations				
POS State	\$0.00	\$0.00	\$0.00	\$11.41
POS Local	0.00	0.00	0.00	12.35
POS State Rural Legacy	0.00	0.00	8.00	8.00
POS State Capital Development	0.00	0.00	6.16	4.15
Agricultural Land Preservation	0.00	0.00	13.00	7.81
Rural Legacy Additional	0.00	0.00	3.81	4.64
Heritage Conservation Fund	0.00	0.00	0.00	1.67
Total GO Bond Replacement	0.00	0.00	30.97	50.04
Total Funding	\$258.43	\$109.35	\$75.03	\$88.75

State Aid to Local Government

Overview

State aid to local governments will total \$6.4 billion in fiscal 2011, representing a \$185.5 million increase from the prior year. Local school systems, as in prior years, will receive most of the increases, whereas funding to county and municipal governments will continue to decrease. Over the last four years, State aid to local school systems has increased by \$1.2 billion, while funding to county and municipal governments has decreased by \$582.9 million. The increase in education aid has been partially funded from monies received under the federal American Recovery and Reinvestment Act that was passed in 2009. State aid for public schools in fiscal 2010 includes \$297.3 million in federal ARRA funding. For fiscal 2011, the amount totals \$422.3 million. Under the ARRA, these funds do not continue after fiscal 2011. **Exhibit A-3.1** compares State aid by governmental entity in fiscal 2010 and 2011. **Exhibit A-3.2** shows the annual change in State aid over the last four years.

Exhibit A-3.1
State Aid to Local Governments
Fiscal 2010 and 2011
(\$ in Millions)

	<u>FY 2010</u>	<u>FY 2011</u>	<u>Difference</u>	<u>% Difference</u>
Public Schools	\$5,507.0	\$5,717.5	\$210.5	3.8%
Libraries	64.1	65.5	1.5	2.3%
Community Colleges	256.2	256.1	-0.1	0.0%
Health	37.3	37.3	0.0	0.0%
County/Municipal	396.9	370.6	-26.3	-6.6%
Total	\$6,261.5	\$6,447.0	\$185.5	3.0%

Exhibit A-3.2
Annual Change in State Aid
Fiscal 2008-2011
(\$ in Millions)

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>Total</u>
Public Schools	\$690.9	\$212.9	\$127.8	\$210.5	\$1,242.0
Libraries	8.6	-0.7	0.6	1.5	10.0
Community Colleges	35.8	13.0	1.5	-0.1	50.2
Health	3.3	-9.6	-20.1	0.0	-26.4
County/Municipal	-46.8	-168.5	-341.3	-26.3	-582.9
Total	\$691.9	\$47.1	-\$231.5	\$185.5	\$693.0

Support for Local Programs Impacted by Cost Containment

Due to declining general fund revenues, the Board of Public Works reduced fiscal 2010 appropriations for several local aid programs in August 2009. Aid for community colleges was reduced by \$10.5 million and local health department grants were reduced by \$20.1 million. Police aid grants for counties and municipalities were lowered by \$20.6 million. Finally, highway user revenues for county and municipal transportation purposes were reduced by an additional \$159.5 million beyond the \$161.9 million reduction that was enacted during the 2009 session.

For most of the aid programs reduced by BPW, the underlying statutes for the aid programs would have required higher funding levels in fiscal 2011. Through the Budget Reconciliation and Financing Act of 2010, the General Assembly approved \$390.8 million in reductions to these and other statutorily mandated local programs in fiscal 2011 (**Exhibit A-3.3**). A portion of the reductions was offset by an additional \$24.4 million in funding under the disparity grant program. As a result, local governments will realize a net reduction in statutorily mandated funding of \$366.4 million in fiscal 2011 (**Exhibit A-3.4**). State funding for local highways and transportation projects received the largest share of reductions, with funding being reduced by \$339.7 million. Local governments were scheduled to receive \$474.0 million¹ in funding under the local highway user revenues in fiscal 2011; however, this amount was reduced by 71.7%. As a result, local governments will only receive \$134.3 million in highway user revenues in fiscal 2011, with Baltimore City receiving \$124.8 million and the State's other jurisdictions receiving \$9.5 million (**Exhibit A-3.5**).

¹The Budget Reconciliation and Financing Act of 2009 reduced the formula allocation for local highway user revenues by \$101.9 million in fiscal 2011. As a result, State funding was reduced from \$474.0 million in fiscal 2011 to \$372.1 million. Provisions in the Budget Reconciliation and Financing Act of 2010 reduced the funding to \$134.3 million.

Exhibit A-3.3
Reductions in State Aid to Local Governments in Fiscal 2011
From Statutorily Mandated Amounts

County	Student Transportation	Community College Aid	Police Aid	Highway User Revenues	Local Health	Miscellaneous Grants	Total Effect
Allegany	-\$82,213	-\$558,350	-\$306,897	-\$6,081,719	\$156,258	\$0	-\$6,872,921
Anne Arundel	-371,049	-3,164,440	-2,126,688	-26,628,471	-37,864	-177,599	-32,506,111
Baltimore City	-301,203	0	-45,980	-66,028,713	-1,450,303	-625,625	-68,451,824
Baltimore	-466,615	-3,998,211	-3,304,917	-35,824,844	-1,205,542	-20,737	-44,820,866
Calvert	-101,385	-239,854	-261,934	-5,952,861	109,399	0	-6,446,635
Caroline	-47,013	-150,216	-121,630	-4,229,719	84,849	0	-4,463,729
Carroll	-173,532	-795,275	-571,085	-11,981,833	-28,829	-39,282	-13,589,836
Cecil	-91,009	-540,769	-349,805	-6,686,415	54,517	0	-7,613,481
Charles	-184,639	-765,563	-429,703	-8,647,391	35,839	0	-9,991,457
Dorchester	-42,867	-135,487	-137,047	-4,695,385	31,909	0	-4,978,877
Frederick	-208,637	-937,165	-761,412	-15,867,821	19,663	0	-17,755,372
Garrett	-54,597	-263,289	-82,805	-5,305,709	80,123	0	-5,626,277
Harford	-217,321	-1,154,111	-982,059	-13,933,097	-251,040	0	-16,537,628
Howard	-267,727	-1,459,396	-747,623	-13,247,130	-163,871	-35,770	-15,921,517
Kent	-28,513	-61,741	-72,569	-2,400,273	34,544	0	-2,528,552
Montgomery	-574,922	-4,154,023	-5,074,771	-37,632,104	-168,744	0	-47,604,564
Prince George's	-625,622	-2,551,167	-1,749,925	-32,406,074	-1,438,324	-70,484	-38,841,596
Queen Anne's	-60,335	-176,256	-152,327	-4,917,720	47,138	0	-5,259,500
St. Mary's	-114,970	-251,128	-318,260	-6,659,880	-70,358	0	-7,414,596
Somerset	-33,271	-87,314	-86,863	-2,823,011	-9,899	0	-3,040,358
Talbot	-28,901	-137,084	-146,101	-3,903,363	94,262	0	-4,121,187
Washington	-121,401	-808,898	-528,429	-10,182,255	71,308	0	-11,569,675
Wicomico	-91,561	-495,554	-368,770	-7,897,254	126,430	0	-8,726,709
Worcester	-54,369	-199,770	-228,372	-5,756,952	162,019	0	-6,077,444
Unallocated	0	0	-19,500	0	0	0	-19,500
Total	-\$4,343,672	-\$23,085,061	-\$18,975,472	-\$339,689,995	-\$3,716,516	-\$969,497	-\$390,780,213

Exhibit A-3.4
Net Reductions in State Aid in Fiscal 2011
From Statutorily Mandated Amounts

County	State Aid Reductions	Disparity Grants	Total Effect
Allegany	-\$6,872,921	\$1,266,756	-\$5,606,165
Anne Arundel	-32,506,111	0	-32,506,111
Baltimore City	-68,451,824	4,648,700	-63,803,124
Baltimore	-44,820,866	0	-44,820,866
Calvert	-6,446,635	0	-6,446,635
Caroline	-4,463,729	0	-4,463,729
Carroll	-13,589,836	0	-13,589,836
Cecil	-7,613,481	0	-7,613,481
Charles	-9,991,457	0	-9,991,457
Dorchester	-4,978,877	0	-4,978,877
Frederick	-17,755,372	0	-17,755,372
Garrett	-5,626,277	75,308	-5,550,969
Harford	-16,537,628	0	-16,537,628
Howard	-15,921,517	0	-15,921,517
Kent	-2,528,552	0	-2,528,552
Montgomery	-47,604,564	0	-47,604,564
Prince George's	-38,841,596	18,277,664	-20,563,932
Queen Anne's	-5,259,500	0	-5,259,500
St. Mary's	-7,414,596	0	-7,414,596
Somerset	-3,040,358	85,749	-2,954,609
Talbot	-4,121,187	0	-4,121,187
Washington	-11,569,675	0	-11,569,675
Wicomico	-8,726,709	0	-8,726,709
Worcester	-6,077,444	0	-6,077,444
Unallocated	-19,500	0	-19,500
Total	-\$390,780,213	\$24,354,177	-\$366,426,036

Exhibit A-3.5
Reductions to Highway User Revenues in Fiscal 2011
From Mandatory Funding Levels

County	Statutory Funding Level	Funding Reductions	Legislative Appropriation	Percent Reduction
Allegany	\$6,305,115	-\$6,081,719	\$223,396	-96.5%
Anne Arundel	27,535,520	-26,628,471	907,049	-96.7%
Baltimore City	190,845,000	-66,028,713	124,816,287	-34.6%
Baltimore	37,027,923	-35,824,844	1,203,079	-96.8%
Calvert	6,154,733	-5,952,861	201,872	-96.7%
Caroline	4,376,630	-4,229,719	146,911	-96.6%
Carroll	12,401,410	-11,981,833	419,577	-96.6%
Cecil	6,917,849	-6,686,415	231,434	-96.7%
Charles	8,941,446	-8,647,391	294,055	-96.7%
Dorchester	4,858,544	-4,695,385	163,159	-96.6%
Frederick	16,431,390	-15,867,821	563,569	-96.6%
Garrett	5,487,485	-5,305,709	181,776	-96.7%
Harford	14,415,302	-13,933,097	482,205	-96.7%
Howard	13,691,891	-13,247,130	444,761	-96.8%
Kent	2,483,340	-2,400,273	83,067	-96.7%
Montgomery	38,943,523	-37,632,104	1,311,419	-96.6%
Prince George's	33,557,199	-32,406,074	1,151,125	-96.6%
Queen Anne's	5,082,966	-4,917,720	165,246	-96.7%
St. Mary's	6,883,198	-6,659,880	223,318	-96.8%
Somerset	2,919,329	-2,823,011	96,318	-96.7%
Talbot	4,042,135	-3,903,363	138,772	-96.6%
Washington	10,545,203	-10,182,255	362,948	-96.6%
Wicomico	8,177,990	-7,897,254	280,736	-96.6%
Worcester	5,960,878	-5,756,952	203,926	-96.6%
Total	\$473,986,000	-\$339,689,995	\$134,296,005	-71.7%

Changes by Program

Twenty counties will receive an increase in State aid in fiscal 2011, while four counties will receive a decrease. **Exhibit A-3.6** summarizes the distribution of direct aid by governmental unit and shows the estimated State retirement payments for local government employees. **Exhibit A-3.7** shows total State aid in fiscal 2010 and 2011 by program.

Primary and Secondary Education

Foundation Program: The foundation program is the basic State education funding mechanism for public schools which ensures a minimum per pupil funding level and requires county governments to provide a local match. The formula is calculated based on a per pupil foundation amount and student enrollment. The per pupil foundation amount for fiscal 2011 is set at \$6,694, and the student enrollment count used for the program totals 817,610 students. Enrollment for the formula is based on the September 30, 2009, full-time equivalent student enrollment count. Less affluent local school systems, as measured by assessable base and net taxable income, receive relatively more aid per pupil than wealthier school systems. The State provides funding for roughly 50% of the program's cost.

State aid under the foundation program will total \$2.8 billion in fiscal 2011, a \$36.8 million, or 1.3%, increase from the prior year. In addition, \$46.5 million in supplemental grants will be provided to nine local school systems. The supplemental grants were established during the 2007 special session to guarantee increases of at least 1% in State education aid for all local school systems during the two years, fiscal 2009 and 2010, that inflationary increases for the per pupil foundation amount were eliminated. Supplemental grants will not be recalculated in future years but will continue at fiscal 2010 levels, less a \$4.7 million reduction in fiscal 2011 that will recapture overpayments to eight local school systems that are due to a miscalculation in school system wealth bases in fiscal 2009. Under the Budget Reconciliation and Financing Act of 2010 the inflationary increase in the foundation amount is capped at 1% through fiscal 2015.

Compensatory Education: The compensatory education program provides additional funding based on the number of economically disadvantaged students. The formula recognizes disparities in local wealth by adjusting the grants per eligible student by local wealth. The formula is calculated based on 97.0% of the annual per pupil amount used in the foundation program and the number of students eligible for free and reduced-price meals. The State provides funding for 50.0% of the program's cost. State aid under the compensatory education program will total \$1 billion in fiscal 2011, representing a \$100.9 million, or 10.7%, increase over the prior year due to a 11.6% increase in the student count. The per pupil State funding amount for fiscal 2011 is set at \$3,247, and the student enrollment count used for the program totals 306,606.

A-3.6

State Assistance to Local Governments – Fiscal 2011 Legislative Appropriation
(\$ in Thousands)

County	County – Municipal	Community Colleges	<i>Direct State Aid</i>				Subtotal	Retirement	Total	Change Over FY 2010	% Change
			Public Schools	Libraries	Health						
Allegany	\$8,676	\$5,898	\$83,670	\$758	\$909	\$99,910	\$10,604	\$110,514	-\$1,610	-1.4%	
Anne Arundel	8,635	28,695	294,144	1,913	3,142	336,528	76,536	413,064	25,943	6.7%	
Baltimore City	220,240	0	872,075	6,461	6,675	1,105,452	83,503	1,188,955	30,333	2.6%	
Baltimore	10,786	36,335	525,841	5,249	4,302	582,514	99,745	682,258	20,468	3.1%	
Calvert	1,267	2,206	86,901	402	370	91,147	17,683	108,829	2,162	2.0%	
Caroline	2,936	1,434	42,617	273	538	47,799	5,249	53,048	372	0.7%	
Carroll	2,212	7,409	140,799	982	1,232	152,635	27,149	179,783	801	0.4%	
Cecil	1,379	5,252	100,188	717	806	108,342	15,666	124,009	4,210	3.5%	
Charles	1,954	7,042	150,492	791	995	161,274	25,698	186,972	3,482	1.9%	
Dorchester	2,881	1,293	31,843	244	429	36,690	4,560	41,250	1,712	4.3%	
Frederick	3,389	8,667	209,002	1,140	1,512	223,710	39,128	262,838	7,846	3.1%	
Garrett	2,857	3,343	24,376	155	437	31,168	4,658	35,826	-938	-2.6%	
Harford	3,350	10,240	209,609	1,548	1,737	226,485	37,165	263,650	3,988	1.5%	
Howard	4,617	13,901	210,196	770	1,215	230,699	63,068	293,766	20,533	7.5%	
Kent	580	589	10,012	96	336	11,613	2,448	14,061	-91	-0.6%	
Montgomery	15,058	40,821	526,108	2,662	3,015	587,663	181,460	769,123	70,685	10.1%	
Prince George's	42,216	22,412	884,253	5,648	5,007	959,537	133,491	1,093,028	-14,076	-1.3%	
Queen Anne's	844	1,682	31,133	132	418	34,209	6,945	41,154	1,025	2.6%	
St. Mary's	1,417	2,310	95,031	624	809	100,191	15,271	115,462	2,984	2.7%	
Somerset	5,636	808	23,726	263	429	30,863	3,216	34,079	214	0.6%	
Talbot	857	1,308	11,194	101	329	13,790	4,040	17,831	528	3.0%	
Washington	2,150	7,857	144,452	1,128	1,381	156,968	19,965	176,933	5,099	3.0%	
Wicomico	3,780	4,587	115,327	838	947	125,480	14,654	140,134	1,615	1.2%	
Worcester	1,434	1,849	17,967	138	313	21,701	8,502	30,203	1,208	4.2%	
Unallocated	21,439	6,463	26,656	15,658	0	70,216	0	70,216	-2,961	-4.0%	
Total	\$370,591	\$222,403	\$4,867,616	\$48,690	\$37,283	\$5,546,583	\$900,402	\$6,446,985	\$185,529	3.0%	

A-3.6 (Cont.)
State Assistance to Local Governments
Dollar Difference Between Fiscal 2011 Legislative Appropriation and Fiscal 2010 Working Appropriation
(\$ in Thousands)

County	County – Municipal	Community Colleges	<i>Direct State Aid</i>				Subtotal	Retirement	Total
			Public Schools	Libraries	Health				
Allegany	-\$440	-\$25	-\$2,350	-\$12	\$0	-\$2,826	\$1,216	-\$1,610	
Anne Arundel	-1,018	-734	18,007	78	0	16,333	9,609	25,943	
Baltimore City	-8,880	0	31,327	-86	0	22,361	7,971	30,333	
Baltimore	-1,442	-673	15,165	3	0	13,053	7,415	20,468	
Calvert	-329	12	519	4	0	206	1,956	2,162	
Caroline	-276	40	116	0	0	-120	492	372	
Carroll	-722	-177	-764	0	0	-1,663	2,464	801	
Cecil	-396	41	2,863	12	0	2,520	1,690	4,210	
Charles	-432	39	875	-4	0	478	3,004	3,482	
Dorchester	-316	36	1,591	2	0	1,313	399	1,712	
Frederick	-1,064	84	4,358	40	0	3,418	4,428	7,846	
Garrett	-337	-83	-988	-1	0	-1,409	471	-938	
Harford	-743	-286	1,939	-1	0	910	3,078	3,988	
Howard	-397	-28	12,389	4	0	11,968	8,565	20,533	
Kent	-153	16	-150	1	0	-285	195	-91	
Montgomery	-1,609	-1,534	52,540	56	0	49,452	21,233	70,685	
Prince George's	-1,581	-1,248	-25,292	-315	0	-28,436	14,360	-14,076	
Queen Anne's	-280	47	389	5	0	161	864	1,025	
St. Mary's	-345	13	1,604	-5	0	1,266	1,718	2,984	
Somerset	-176	1	47	2	0	-125	339	214	
Talbot	-258	37	260	0	0	39	489	528	
Washington	-663	-26	3,598	11	0	2,920	2,179	5,099	
Wicomico	-518	8	406	16	0	-87	1,702	1,615	
Worcester	-357	3	565	0	0	210	997	1,208	
Unallocated	-3,607	-96	692	49	0	-2,961	0	-2,961	
Total	-\$26,337	-\$4,531	\$119,704	-\$138	\$0	\$88,698	\$96,832	\$185,529	

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

A-3.6 (Cont.)
State Assistance to Local Governments
Percent Change: Fiscal 2011 Legislative Appropriation over Fiscal 2010 Working Appropriation

County	<i>Direct State Aid</i>						Subtotal	Retirement	Total
	County – Municipal	Community Colleges	Public Schools	Libraries	Health				
Allegany	-4.8%	-0.4%	-2.7%	-1.5%	0.0%	-2.8%	12.9%	-1.4%	
Anne Arundel	-10.5%	-2.5%	6.5%	4.3%	0.0%	5.1%	14.4%	6.7%	
Baltimore City	-3.9%	n/a	3.7%	-1.3%	0.0%	2.1%	10.6%	2.6%	
Baltimore	-11.8%	-1.8%	3.0%	0.1%	0.0%	2.3%	8.0%	3.1%	
Calvert	-20.6%	0.5%	0.6%	1.0%	0.0%	0.2%	12.4%	2.0%	
Caroline	-8.6%	2.9%	0.3%	0.1%	0.0%	-0.2%	10.3%	0.7%	
Carroll	-24.6%	-2.3%	-0.5%	0.0%	0.0%	-1.1%	10.0%	0.4%	
Cecil	-22.3%	0.8%	2.9%	1.8%	0.0%	2.4%	12.1%	3.5%	
Charles	-18.1%	0.5%	0.6%	-0.5%	0.0%	0.3%	13.2%	1.9%	
Dorchester	-9.9%	2.9%	5.3%	0.9%	0.0%	3.7%	9.6%	4.3%	
Frederick	-23.9%	1.0%	2.1%	3.7%	0.0%	1.6%	12.8%	3.1%	
Garrett	-10.6%	-2.4%	-3.9%	-0.4%	0.0%	-4.3%	11.3%	-2.6%	
Harford	-18.2%	-2.7%	0.9%	0.0%	0.0%	0.4%	9.0%	1.5%	
Howard	-7.9%	-0.2%	6.3%	0.5%	0.0%	5.5%	15.7%	7.5%	
Kent	-20.9%	2.9%	-1.5%	1.5%	0.0%	-2.4%	8.6%	-0.6%	
Montgomery	-9.7%	-3.6%	11.1%	2.1%	0.0%	9.2%	13.3%	10.1%	
Prince George's	-3.6%	-5.3%	-2.8%	-5.3%	0.0%	-2.9%	12.1%	-1.3%	
Queen Anne's	-24.9%	2.9%	1.3%	3.9%	0.0%	0.5%	14.2%	2.6%	
St. Mary's	-19.6%	0.5%	1.7%	-0.8%	0.0%	1.3%	12.7%	2.7%	
Somerset	-3.0%	0.2%	0.2%	0.8%	0.0%	-0.4%	11.8%	0.6%	
Talbot	-23.1%	2.9%	2.4%	0.1%	0.0%	0.3%	13.8%	3.0%	
Washington	-23.6%	-0.3%	2.6%	1.0%	0.0%	1.9%	12.2%	3.0%	
Wicomico	-12.0%	0.2%	0.4%	2.0%	0.0%	-0.1%	13.1%	1.2%	
Worcester	-19.9%	0.2%	3.2%	-0.2%	0.0%	1.0%	13.3%	4.2%	
Unallocated	-14.4%	-1.5%	2.7%	0.3%	n/a	-4.0%	n/a	-4.0%	
Total	-6.6%	-2.0%	2.5%	-0.3%	0.0%	1.6%	12.1%	3.0%	

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Exhibit A-3.7
Total State Assistance to Local Governments

<u>Program</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>Difference</u>
Foundation Aid	\$2,726,705,897	\$2,763,479,579	\$36,773,682
Supplemental Program	51,200,359	46,496,417	-4,703,942
Geographic Cost of Education Index	126,343,414	126,612,027	268,613
Compensatory Education	940,182,917	1,041,059,587	100,876,670
Student Transportation – Regular	217,183,583	220,692,402	3,508,819
Student Transportation – Special Education	24,363,000	23,726,000	-637,000
Special Education – Formula	267,403,814	264,001,563	-3,402,251
Special Education – Nonpublic Placements	112,770,182	112,770,182	0
Special Education – Infants and Toddlers	10,389,104	10,389,104	0
Limited English Proficiency Grants	148,627,048	151,196,206	2,569,158
Aging Schools	6,108,986	6,108,990	4
Teacher Quality Incentives	5,552,000	5,552,000	0
Adult Education	6,933,622	6,933,622	0
Food Service	7,156,664	7,156,664	0
Out-of-county Placements	6,000,001	6,120,000	119,999
Headstart	1,800,001	1,800,001	0
Judy Hoyer Centers	10,575,000	10,575,000	0
Guaranteed Tax Base	63,753,733	47,391,600	-16,362,133
Other Programs	14,862,927	15,554,854	691,927
Total Primary and Secondary Education	\$4,747,912,252	\$4,867,615,798	\$119,703,546
Library Formula	\$33,219,400	\$33,032,330	-\$187,070
Library Network	15,608,631	15,657,837	49,206
Total Libraries	\$48,828,031	\$48,690,167	-\$137,864
Community College Formula	\$199,802,448	\$194,407,433	-\$5,395,015
Grants for ESOL Programs	3,741,592	3,812,145	70,553
Optional Retirement	12,920,000	13,824,000	904,000
Small College Grant/Allegany and Garrett Grant	3,911,064	3,896,346	-14,718
Statewide Programs	6,558,772	6,462,776	-95,996
Total Community Colleges	\$226,933,876	\$222,402,700	-\$4,531,176

<u>Program</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>Difference</u>
Highway User Revenue	\$160,534,815	\$134,296,005	-\$26,238,810
Elderly and Handicapped Transportation Aid	4,305,938	4,305,938	0
Paratransit	2,926,702	2,926,702	0
Total Transportation	\$167,767,455	\$141,528,645	-\$26,238,810
Police Aid	\$45,420,982	\$45,420,982	\$0
Fire and Rescue Aid	10,000,001	10,000,001	0
Vehicle Theft Prevention	1,461,834	1,860,000	398,166
9-1-1 Grants	16,390,000	9,400,000	-6,990,000
Community Policing	1,974,000	1,974,000	0
Foot Patrol/Drug Enforcement Grants	4,275,980	4,228,210	-47,770
Law Enforcement Training Grants	50,000	100,000	50,000
Stop Gun Violence Grants	928,478	928,478	0
Violent Crime Grants	4,750,714	4,750,714	0
Baltimore City State's Attorney Grant	1,959,195	1,959,195	0
Domestic Violence Grants	196,354	196,354	0
War Room/Sex Offender Grant	1,495,313	1,445,313	-50,000
Annapolis Crime Grant	174,000	174,000	0
School Vehicle Safety Grant	550,000	550,000	0
Body Armor	49,088	49,088	0
Total Public Safety	\$89,675,939	\$83,036,335	-\$6,639,604
Program Open Space	\$9,224,477	\$15,252,842	\$6,028,365
Critical Area Grants	370,000	316,930	-53,070
Total Recreation/Environment	\$9,594,477	\$15,569,772	\$5,975,295
Local Health Formula	\$37,283,483	\$37,283,484	\$1
Disparity Grant	\$121,436,013	\$121,436,013	\$0
Horse Racing Impact Aid	\$602,800	\$705,600	\$102,800
Payments in Lieu of Taxes	1,005,837	1,005,837	0
Security Interest Filing Fees	2,575,000	0	-2,575,000
Video Lottery Terminal Impact Aid	0	6,809,000	6,809,000
Senior Citizens Activities Center	450,000	500,000	50,000
Statewide Voting Systems	3,820,659	0	-3,820,659
Total Other Direct Aid	\$8,454,296	\$9,020,437	\$566,141
Total Direct Aid	\$5,457,885,822	\$5,546,583,351	\$88,697,529

<u>Program</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>Difference</u>
Retirement – Teachers	\$759,076,574	\$849,836,103	\$90,759,529
Retirement – Libraries	15,253,934	16,853,392	1,599,458
Retirement – Community Colleges	29,239,820	33,712,536	4,472,716
Total Payments-in-behalf	\$803,570,328	\$900,402,031	\$96,831,703
Total State Assistance	\$6,261,456,150	\$6,446,985,382	\$185,529,232

ESOL: English for Speakers of Other Languages

Special Education: State aid for special education recognizes the additional costs associated with providing programs for students with disabilities. Most special education students receive services in the public schools; however, if an appropriate program is not available in the public schools, students may be placed in a private school offering more specialized services. The State and local school systems share the costs of these nonpublic placements.

The special education formula is calculated based on 74.0% of the annual per pupil foundation amount and the number of special education students from the prior fiscal year. The per pupil State funding amount for fiscal 2011 is set at \$2,477, and the student enrollment count used for the program totals 102,159. State funding for public special education programs will total \$264.0 million in fiscal 2011, representing a \$3.4 million, or 1.3% decrease over the prior year. Funding for nonpublic placements is estimated to remain unchanged in fiscal 2011 at \$112.8 million. Under current law, a local school system pays its respective local share of the basic cost of education for each nonpublic placement plus two times the total basic cost of education in the system, as well as 30.0% of any expense above that sum. The State pays 70.0% of the costs above the base local funding.

Student Transportation: The State provides grants to assist local school systems with the cost of transporting students to and from school. The grants consist of three components: regular student ridership funds; special education student ridership funds; and additional enrollment funds. The regular student ridership funds are based on the local school system's grant in the previous year increased by inflation; increases cannot exceed 8% or be less than 3%. Local school systems with enrollment increases receive additional funds. The special education student ridership funds are based on a \$1,000 per student grant for transporting disabled students.

The Budget Reconciliation and Financing Act of 2010 sets the inflation rate for student transportation grants at 1.0% for fiscal 2011 through fiscal 2015 and reduces the minimum annual inflation adjustment from 3.0 to 1.0%. This causes a \$4.3 million reduction in student transportation funding in fiscal 2011. As a result, the fiscal 2011 State budget includes

\$220.7 million for regular transportation services and \$23.7 million for special transportation services. This represents a \$2.9 million, or 1.2%, increase from the prior year.

Limited English Proficiency: The State provides grants based on non- and limited-English proficient (LEP) students using a definition consistent with federal guidelines. The LEP formula is based on 99.0% of the annual per pupil foundation amount, with the State providing funding for 50.0% of the program's cost. The fiscal 2011 grant per LEP student is \$3,314. State funding for the program will total \$151.2 million in fiscal 2011, representing a \$2.6 million, or 1.7%, increase over the prior year. The number of LEP students in Maryland totals 44,062 for the 2009-2010 school year.

Geographic Cost of Education Index: This is a discretionary formula that provides additional State funds to local school systems where costs for educational resources are higher than the State average. Funding for the formula was provided in fiscal 2009 for the first time, and fiscal 2011 funding totals \$126.6 million reflecting a 100% phase-in for the formula. Thirteen local school systems receive funding from the geographic cost of education index formula.

Guaranteed Tax Base Program: The Bridge to Excellence in Public Schools Act included an add-on grant for jurisdictions with less than 80% of statewide per pupil wealth that contributed more than the minimum required local share under the foundation program in the prior year. The grant is based on local support for education relative to local wealth. The grant cannot exceed 20% of the per pupil foundation amount. Nine local school systems will qualify for grants totaling \$47.4 million in fiscal 2011.

Aging Schools Program: The Aging Schools Program provides State funding to local school systems for improvements, repairs, and deferred maintenance of public school buildings. These repairs are generally not covered by the capital school construction program and are necessary to maintain older public schools. State funding for the Aging Schools Program will total \$6.1 million in fiscal 2011 with an additional \$4.6 million for school wiring. The Budget Reconciliation and Financing Act of 2010 authorizes general obligation (GO) bond funds to be used instead of general funds for the Aging Schools Program in fiscal 2011.

Judy Hoyer and Head Start Programs: These programs provide financial support for the establishment of centers that provide full-day, comprehensive, early education programs, and family support services that will assist in preparing children to enter school ready to learn. This program also provides funding to support childhood educators, and statewide implementation of an early childhood assessment system. The fiscal 2011 State budget includes \$7.6 million for Judy Center grants, \$3.0 million for school readiness and program accreditation, and \$1.8 million for head start programs.

Teacher Quality Incentives: The State provides salary enhancements for teachers obtaining national certification and a stipend for teachers and other nonadministrative certificated school employees working in low-performing schools. The fiscal 2011 State budget includes \$4.2 million for teacher quality incentives; \$96,000 for the Governor's Teacher

Excellence Award Program which distributes awards to teachers for outstanding performance; and \$1.4 million for teacher quality and national certification grants.

Food and Nutrition Services: In addition to federal funds provided under the School Lunch Act of 1946, the State provides matching funds to support food and nutrition programs for low-income children. The programs provide free and reduced price breakfasts, lunches, and snacks to public or private nonprofit school students. All public schools in the State are required to provide subsidized or free nutrition programs for eligible students. The fiscal 2011 State budget includes \$7.2 million for food and nutrition services.

Infants and Toddlers Program: This program involves a statewide community-based interagency system of comprehensive early intervention services for eligible children who are less than three years old. Eligible children include those who have developmental delays or disabilities. State funding for infants and toddlers programs will total \$10.4 million in fiscal 2011, the same amount that was provided in the prior year.

Adult Education: The State provides funding for adult education services through four programs: adult general education; external diploma program; literacy works grant; and adult education and literacy works. The State budget includes \$6.9 million for adult education programs in fiscal 2011, the same amount that was provided in the prior year.

School-based Health Centers: The fiscal 2011 State budget includes \$2.7 million for school-based health centers, which provide primary medical care as well as social, mental health, and health education services for students and their families. The funding for these centers was transferred from the Subcabinet Fund to the Maryland State Department of Education in fiscal 2007.

Science and Math Education Initiative: This program includes summer sessions for teachers and an equipment incentive fund to strengthen science and math education. The State budget includes \$1.3 million for this initiative in fiscal 2011.

Teachers' Retirement Payments: The State pays 100.0% of the employer's share of retirement costs for local school system employees in the Teachers' Retirement and Pension Systems maintained by the State. Rather than distributing the aid to the local boards of education and billing them for the retirement contributions, the State appropriates a lump-sum payment to the retirement system "on behalf of" the local boards. The appropriation is calculated by increasing the second prior year's salary base by 3.5% and applying the contribution rate certified by the retirement system. Teachers' retirement payments will total \$849.8 million in fiscal 2011, representing a \$90.8 million, or 12.0%, increase over the prior year.

Local Libraries

Minimum Per Capita Library Program: The State provides assistance to public libraries through a formula that determines the State and local shares of a minimum per capita library

program. The minimum library program is specified in statute. Overall, the State provides 40.0% of the minimum program, and the counties provide 60.0%. The State/local share of the minimum program varies by county depending on local wealth. Chapter 481 of 2005 started a phase-in of enhancements for the library aid formula, increasing the per resident allocation by \$1 per year from \$12 per resident in fiscal 2006 to \$16 per resident by fiscal 2010. However, Chapter 2 of the 2007 special session deferred the \$1 formula increase for fiscal 2009, and the Budget Reconciliation and Financing Act of 2009 froze the per resident amount used in the local library aid formula at \$14 for fiscal 2010 and 2011. The phase-in of formula enhancements restarts in fiscal 2012 at \$15 per resident; however, the Budget Reconciliation and Financing Act of 2010 freezes the per resident amount at that level for subsequent years. Due to these changes, State funding in fiscal 2011 will total \$33.0 million, which represents a \$0.2 million, or 0.6%, decrease over the prior year.

State Library Network: The network consists of the Central Library of the Enoch Pratt Free Library System in Baltimore City, three regional resource centers, and metropolitan cooperative service programs. The Enoch Pratt Free Library operates as the designated State Library Resource Center. In addition to the State center, regional resource centers serve Western Maryland (Hagerstown), Southern Maryland (Charlotte Hall), and the Eastern Shore (Salisbury). Funding for the State Library Resource Center has equaled \$1.85 per State resident since fiscal 2004. Chapter 481 of 2005 started a phase-in of enhancements for the regional resource centers, increasing the per resident allocation by \$1.00 per year to move from \$4.50 per resident in fiscal 2006 to \$8.50 per resident by fiscal 2010. However, Chapter 2 of the 2007 special session deferred the \$1.00 formula increase for fiscal 2009, and the Budget Reconciliation and Financing Act of 2009 decreased the per resident allocations to the State Library Resource Center and the State's three regional resource centers. Funding for the State Library Resource Center is reduced from \$1.85 per State resident to \$1.67 per resident for fiscal 2010 and 2011. Funding for regional resource centers decreases to \$6.75 per resident of the region in fiscal 2010 and 2011 and increases to \$7.50 per resident in fiscal 2012. The Budget Reconciliation and Financing Act of 2010 continues funding at this level in subsequent years. Due to these changes, State funding in fiscal 2011 will total \$9.4 million for the State Library Resource Center and \$6.2 million for the regional centers.

Retirement Payments: The State pays 100.0% of the employers' share of retirement costs for local library employees in the Teachers' Retirement and Pension Systems maintained by the State. State funding for library retirement payments will total \$16.9 million in fiscal 2011, a \$1.6 million, or 10.5%, increase from the prior year.

Community Colleges

Senator John A. Cade Funding Formula: The Budget Reconciliation and Financing Act of 2010 reduces funding under the Cade formula to \$194.4 million in fiscal 2011 and 2012 and resets the phase-in of scheduled formula enhancements. The formula enhancements will be fully phased in by fiscal 2021 at 29% of the per student funding provided to selected public

four-year institutions. This provision results in a \$23.1 million reduction in statutorily mandated funding and a \$5.4 million reduction in the amount of funding provided in the prior year.

Special Programs: State funding in fiscal 2011 will total \$3.3 million for the small college grants and \$0.6 million for the Allegany/Garrett counties unrestricted grants. Funding for statewide and regional programs will total \$6.5 million. The English as a Second Language program will receive \$3.8 million.

Retirement Payments: The State pays 100.0% of the employer's share of retirement costs for community college faculty in the Teachers' Retirement and Pension Systems maintained by the State. State funding for community college retirement payments will total \$33.7 million in fiscal 2011 – a \$4.5 million, or 15.3%, increase. In addition, State funding for the optional retirement program will total \$13.8 million in fiscal 2011, representing a \$0.9 million, or 7.0%, increase.

Local Health Departments

The State provides funds to support the delivery of public health services in each of Maryland's 24 jurisdictions. These services include child health, communicable disease prevention, maternal health, family planning, environmental health, and administration of the departments. Due to declining revenues, the fiscal 2010 appropriation for grants to local health departments was reduced from \$57.4 million to \$37.3 million by BPW in August 2009. Under the statute, funding would have increased to \$41.0 million in fiscal 2011; however, the Budget Reconciliation and Financing Act of 2010 reduces the base appropriation for the targeted local health formula for fiscal 2011 and 2012 to \$37.3 million and provides for inflationary increases to the program in fiscal 2013. As a result, State aid for local health departments will total \$37.3 million in fiscal 2011, the same amount as in the prior year.

County and Municipal Governments

Highway User Revenues: The State shares various transportation revenues, commonly referred to as highway user revenues, with the counties and municipalities. Due to declining revenues, BPW reduced fiscal 2010 highway user revenues by \$159.5 million in August 2009. This amount was in addition to the \$161.9 million reduction from the statutory funding level that resulted from the 2009 legislative session actions. These reductions coupled with downward revisions in transportation revenues would have resulted in highway user grants of \$140.5 million in fiscal 2010. The Budget Reconciliation and Financing Act of 2010, however, partially restores the fiscal 2010 funding to reflect payments received by the counties and municipalities before BPW reduced the appropriation. This results in an estimated \$160.5 million in highway user grants.

Prior to the fiscal 2010 reductions, Maryland local governments received 30.0% of highway user revenues. For fiscal 2011 and 2012, the Budget Reconciliation and Financing Act of 2010 lowers the local shares to 8.5 and 8.1%, respectively. Based on current revenue estimates this will result in grants totaling \$134.3 million each year. Of this amount, Baltimore

City will receive about \$124.5 million, the counties will receive about \$8.0 million, and municipalities will receive \$1.6 million. Beginning in fiscal 2013, the overall local share is 9.2% of highway user revenues: 7.5% for Baltimore City; 1.4% for counties; and 0.3% for municipalities.

Other Transportation Aid: State funding for elderly/disabled transportation grants will total \$4.3 million in fiscal 2011, while State funding for paratransit grants will total \$2.9 million.

Police Aid Formula: Maryland's counties and municipalities receive grants for police protection through the police aid formula. The police aid formula allocates funds on a per capita basis, and jurisdictions with a higher population density receive greater per capita grants. Municipalities receive additional grants based on the number of sworn officers. The Maryland State Police recovers 30% of the State crime laboratories costs relating to evidence-testing services from each county's formula allocation. Due to declining revenues, the fiscal 2010 appropriation for police aid was reduced from \$66.0 million to \$45.4 million by BPW in August 2009. Under the statute, the fiscal 2011 funding level would have totaled \$64.4 million; however, the Budget Reconciliation and Financing Act of 2010 limits the amount a local government may receive through the police aid formula in both fiscal 2011 and 2012 to the amount the jurisdiction receives in fiscal 2010. This limitation reduces police aid by \$19.0 million in fiscal 2011. Therefore, after the crime laboratory adjustment, police aid will total \$45.4 million in fiscal 2011.

Public Safety Grants: State funding for targeted public safety grants will total \$14.2 million in fiscal 2011. These grants include violent crime grants for Baltimore City and Prince George's County, police foot patrol and community policing grants for Baltimore City, a drug enforcement grant for Prince George's County, S.T.O.P. gun violence grants, school bus traffic enforcement grants, domestic violence grants, law enforcement and correctional officers training grants, Baltimore City war room, sex offender and compliance enforcement, and the body armor grants. In addition, \$2.0 million will be provided to the Baltimore City State's Attorney Office to assist in the prosecution of gun offenses and repeat violent offenders, and \$174,000 will be provided to the Capital City Safe Streets Program, an ongoing initiative to fight crime in the City of Annapolis.

Vehicle Theft Prevention Program: This program provides grants to law enforcement agencies, prosecutors' offices, local governments, and community organizations for vehicle theft prevention, deterrence, and educational programs. Funds are used to enhance the prosecution and adjudication of vehicle theft crimes. Funding for the program is provided through the Vehicle Theft Prevention Fund, a nonlapsing dedicated fund that receives up to \$2.0 million a year from penalties collected for lapsed or terminated insurance coverage. Additional funds are received from inspection fees collected for salvaged vehicle verification. State funding for this program will total \$1.9 million in fiscal 2011.

Fire, Rescue, and Ambulance Services: The State provides formula grants to the counties, Baltimore City, and qualifying municipalities for local and volunteer fire, rescue, and

ambulance services. The grants are for equipment and renovation projects, not operating costs. The program is funded through the Maryland Emergency Medical System Operations Fund. The grant level is set at \$10 million in fiscal 2011.

9-1-1 Emergency Systems Grant: The State imposes a 25-cent fee per month on telephone subscribers that is deposited into a trust fund that provides reimbursements to counties for improvements and enhancements to their 9-1-1 systems. Counties may only use the trust fund money to supplement their spending, not to supplant it. State funding to local 9-1-1 emergency systems will total \$9.4 million in fiscal 2011.

Program Open Space Grants: Under Program Open Space (POS), the State provides grants to local governments for land acquisition and the development of parks and recreation facilities. Local POS grants will total \$12.4 million in fiscal 2011, which represents a \$6.2 million increase from the prior year. In addition, Baltimore City will receive a \$2.9 million special POS grant.

Disparity Grants: Disparity grants address the differences in the abilities of counties to raise revenues from the local income tax, which is the third largest revenue source for counties after State aid and property taxes. Counties with per capita local income tax revenues less than 75.0% of the State's average receive grants, assuming all counties impose a 2.54% local income tax rate. Aid received by a county equals the dollar amount necessary to raise the county's per capita income tax revenues to 75.0% of the State average. The Budget Reconciliation and Financing Act of 2009 included a provision, beginning in fiscal 2011, that caps each county's funding under the program at the fiscal 2010 level. As a result, State funding for disparity grants was scheduled to total \$97.1 million in fiscal 2011, a \$24.4 million decrease from the prior year. The Budget Reconciliation and Financing Act of 2010, however, changes the statute to use more recent income tax data to determine the grants and maintains the cap on each county's funding. This change results in an additional \$24.4 million in funding and ensures that the counties will receive the same funding as in fiscal 2010. Baltimore City and seven counties (Allegany, Caroline, Dorchester, Garrett, Prince George's, Somerset, and Wicomico) qualify for disparity grants. The fiscal 2011 grant under the statute is based on population estimates for July 2008 and calendar 2008 local income tax revenues raised from a 2.54% local income tax rate.

State Aid

County Level Detail

This section includes information for each county on State aid, State funding of selected services, and capital projects in the county. The three parts included under each county are described below.

Direct Aid and Retirement Payments

Direct Aid: The State distributes aid or shares revenue with the counties, municipalities, and Baltimore City through over 40 different programs. The fiscal 2011 State budget includes

\$5.5 billion to fund these programs. Part A, section 1 of each county's statistical tables compares aid distributed to the county in fiscal 2010 and 2011.

Retirement Payments: County teachers, librarians, and community college faculty are members of either the teachers' retirement or pension systems maintained and operated by the State. The State pays the employer share of the retirement costs on behalf of the counties for these local employees. These payments total \$900.4 million in fiscal 2011. Although these funds are not paid to the local governments, each county's allocation is estimated from salary information collected by the State retirement systems. These estimates are presented in Part A, section 2 of each county.

Estimated State Spending on Health and Social Services

The State funds the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. Part B of each county shows fiscal 2011 allocation estimates of general and special fund appropriations for health services, social services, and senior citizen services.

Health Services: The Department of Health and Mental Hygiene, through its various administrations, funds in whole, or part, community health programs that are provided in the local subdivisions. These programs are described below. General fund spending totals \$943.5 million statewide for these programs in fiscal 2011. In addition, \$38.2 million from the Cigarette Restitution Fund will also be spent on these programs in fiscal 2011. This does not include spending at the State mental health hospitals, developmental disability facilities, or chronic disease centers.

- **Alcohol and Drug Abuse:** The Alcohol and Drug Abuse Administration funds community-based programs that include primary and emergency care, intermediate care facilities, halfway houses and long-term care programs, outpatient care, and prevention programs. The fiscal 2011 budget includes \$82.2 million in general funds and \$20.0 million in special funds for these programs. In addition, the budget includes \$32.1 million in federal funds for addiction treatment services.
- **Family Health and Primary Care Services:** The Family Health Administration funds community-based programs through the local health departments in each of the subdivisions. These programs include maternal health (family planning, pregnancy testing, prenatal and perinatal care, etc.) and infant and child health (disease prevention, child health clinics, specialty services, etc.). Primary care services are funded for those people who previously received State-only Medical Assistance. Fiscal 2011 funding for these family health programs totals \$15.8 million in general funds and \$35.8 million in federal funds.
- **Medical Care Services:** The Medical Care Programs Administration provides support for the local health departments and funding for community-based programs that serve

senior citizens. The geriatric services include operating grants to adult day care centers and an evaluation program administered by the local health departments to assess the physical and mental health needs of elderly individuals. This category also includes grants to local health departments related to eligibility determination for the Medicaid and Children's Health programs, transportation services for Medicaid recipients in nonemergency situations, and coordination and outreach services for Medicaid and special needs populations in the HealthChoice program. The fiscal 2011 funding for these programs totals \$30.5 million in general funds and \$29.8 million in federal funds.

- ***Mental Health:*** The Mental Hygiene Administration oversees a wide range of community mental health services that are developed and monitored at the local level by Core Service Agencies. The Core Service Agencies have the clinical, fiscal, and administrative responsibility to develop a coordinated network of services for all public mental health clients of any age within a given jurisdiction. These services include inpatient hospital and residential treatment facility stays, outpatient treatment, psychiatric rehabilitation services, counseling, and targeted case management services. The fiscal 2011 budget includes \$374.9 million in general funds and \$319.6 million in federal funds for mental health services.
- ***Prevention and Disease Control:*** The Family Health Administration and the Infectious Disease and Environmental Health Administration are responsible for chronic and hereditary disease prevention (cancer, heart disease, diabetes, etc.) and the prevention and control of infectious diseases. They also provide for the promotion of safe and effective immunization practices, the investigation of disease outbreaks, and continuous disease surveillance and monitoring with the support of local health departments and the medical community. The former AIDS Administration is now part of the Infectious Disease and Environmental Health Administration. General fund appropriations in fiscal 2011 total \$9.9 million along with \$33.9 million in federal funds. In addition, the budget includes \$18.2 million from the Cigarette Restitution Fund for tobacco use prevention and cessation and for cancer prevention and screening at the local level.
- ***Developmental Disabilities:*** The Developmental Disabilities Administration's community-based programs include residential services, day programs, transportation services, summer recreation for children, individual and family support services, including respite care, individual family care, behavioral support services, and community supported living arrangements. The fiscal 2011 budget includes \$430.3 million in general funds and \$312.5 million in federal funds for these programs.

Social Services: The Department of Human Resources provides funding for various social and community services in the subdivisions. Part B of each county's statistical tables shows fiscal 2011 estimates of funding for those programs that are available by subdivision. Note that fiscal 2011 funding for both homeless and women's services is allocated among the subdivisions on the basis of each jurisdiction's share of fiscal 2010 funding and may change.

- **Homeless Services:** The State funds programs which provide emergency and transitional housing, food, and transportation for homeless families and individuals. Funding is available by county for the housing counselor, service-linked housing, and emergency and transitional housing programs. The fiscal 2011 budget includes \$4.2 million in general funds for these programs.
- **Women’s Services:** The State provides funding for a variety of community-based programs for women. These include the battered spouse program, rape crisis centers, and crime victim’s services. Total fiscal 2011 funding for these programs equals \$3.5 million in general funds. In addition, the fiscal 2011 budget includes \$9.1 million in federal funds for women’s services.
- **Adult Services:** The State social services departments in each of the subdivisions provide a variety of services to disabled, elderly, neglected, and exploited adults. Services include information and referral, crisis intervention, case management, protective services, in-home aid, and respite care for families. The fiscal 2011 budget includes \$10.4 million in general funds and \$29.7 million in federal funds for adult services.
- **Child Welfare Services:** The State social services departments in each of the subdivisions offer programs to support the healthy development of families, assist families and children in need, and protect abused and neglected children. Services include adoptive services, foster care programs, family preservation programs, and child protective services. The fiscal 2011 budget includes \$85.4 million in general funds and \$115.3 million in federal funds.

Senior Citizen Services: The Department of Aging funds a variety of services for senior citizens mostly through local area agencies on aging. In Part B of each county, these programs have been combined into two broad categories: long-term care and community services. The total fiscal 2011 funding is \$13.3 million in general funds and \$25.6 million in federal funds. In this report, the fiscal 2011 general funds are allocated among the subdivisions on the basis of each jurisdiction’s share of fiscal 2010 funding and may change.

- **Long-term Care:** This category includes the following programs: frail and vulnerable elderly, senior care, senior guardianship, the ombudsman program, and the innovations in aging program. The total fiscal 2011 funding is \$9.9 million in general funds.
- **Community Services:** Included in this category are the senior information and assistance program and the senior nutrition program. Also included is a hold harmless grant for certain counties that received less federal funding under the Older Americans Act when 2000 census population figures were factored into the funding formula. Fiscal 2011 funding for these programs totals \$3.4 million in general funds.

Capital Grants and Capital Projects for State Facilities

Selected State Grants for Capital Projects: The State provides capital grants for public schools, community colleges, local jails, community health facilities, water quality projects, waterway improvements, homeless shelters, and other cultural, historical, and economic development projects. Projects are funded from either bond sales or current revenues. Part C lists projects in the counties authorized by the fiscal 2011 State operating and capital budgets. Projects at regional community colleges are shown for each county that the college serves. The projects listed for the various loan programs are those currently anticipated for fiscal 2011. The actual projects funded and/or the amount of funding for specific projects could change depending on which projects are ready to move forward and final costs.

The fiscal 2011 budget includes \$255.2 million in funding for local school construction: \$5.2 million from the program's contingency fund and \$250.0 million in general obligation bonds. As of the publication of this report, \$187.1 million of the total fiscal 2011 funding has been allocated to specific projects. These projects are listed in part C for each county.

Capital Projects for State Facilities Located in the County: Part D for each county shows capital projects, authorized by the fiscal 2011 operating and capital budgets, at State facilities and public colleges and universities by the county in which the facility is located. If a facility is located in more than one county, such as a State park, the total amount of the capital project is shown for all relevant counties. For each capital project, the total authorized amount is given, regardless of funding source, although federally funded projects are generally shown separately. For the universities, projects funded from both academic and auxiliary revenue bonds are included. The projects funded with auxiliary revenue bonds are those anticipated for fiscal 2011 but the actual projects funded could be different. This report does not include transportation projects.

Allegany County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$43,504	\$42,911	-\$593	-1.4
Compensatory Education	21,962	21,775	-187	-0.9
Student Transportation	4,310	4,374	64	1.5
Special Education	6,899	6,727	-173	-2.5
Limited English Proficiency Grants	147	160	13	8.8
Guaranteed Tax Base	8,227	6,753	-1,475	-17.9
Adult Education	188	188	0	0.0
Aging Schools	98	98	0	0.0
Other Education Aid	684	684	0	0.0
Primary & Secondary Education	\$86,019	\$83,670	-\$2,351	-2.7
Libraries	770	758	-12	-1.6
Community Colleges	5,923	5,898	-25	-0.4
Health Formula Grant	909	909	0	0.0
* Transportation	942	433	-509	-54.0
* Police and Public Safety	566	566	0	0.0
* Fire and Rescue Aid	240	240	0	0.0
Recreation and Natural Resources	69	138	69	100.0
Disparity Grant	7,299	7,299	0	0.0
Total Direct Aid	\$102,737	\$99,911	-\$2,826	-2.8
Aid Per Capita (\$)	1,422	1,377	-45	-3.2
Property Tax Equivalent (\$)	2.69	2.52	-0.17	-6.3

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Allegany County for teachers, librarians, and community college faculty are estimated to be \$10,604,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$4,120,000
Family Health and Primary Care	219,000
Medical Care Services	875,000
Mental Health	5,739,000
Prevention and Disease Control	367,000
Developmental Disabilities	5,517,000

Social Services

Homeless Services	77,000
Women's Services	84,000
Adult Services	196,000
Child Welfare Services	1,898,000

Senior Citizen Services

Long-term Care	274,000
Community Services	155,000

C. Selected State Grants for Capital Projects

Public Schools

South Penn Elementary School – construction \$586,000

Allegany Community College

Automotive Technology and Physical Plant Building – renovate 790,000

Community Parks and Playgrounds

Baker Memorial Park 114,000

Chesapeake Bay Water Quality Projects

Braddock Run – interceptor improvements 650,000

Cumberland Combined Sewer – overflow improvements 500,000

Frostburg Combined Sewer – overflow improvements 500,000

Westernport Combined Sewer – overflow improvements 400,000

Water Supply Financial Assistance Program

Frostburg – water main improvements 500,000

Lonaconing – water improvements 400,000

Waterway Improvement

Mason Recreation Complex – ADA parking 10,000

Other Projects

Allegany Museum 150,000

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

National Park Service – parkwide boating facilities maintenance \$99,000

Department of Public Safety and Correctional Services

Western Correctional Institution – vocational education building 321,000

University System of Maryland

Frostburg State – Center for Communications and Information Technology 2,681,000

Frostburg State – Lane Center renovation and addition 2,000,000

Anne Arundel County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$173,028	\$183,003	\$9,975	5.8
Compensatory Education	41,572	48,050	6,478	15.6
Student Transportation	20,213	20,628	415	2.1
Special Education	25,072	24,818	-254	-1.0
Limited English Proficiency Grants	5,363	6,615	1,251	23.3
Geographic Cost of Education Index	8,655	8,786	130	1.5
Adult Education	403	403	0	0.0
Aging Schools	506	506	0	0.0
Other Education Aid	1,324	1,335	11	0.8
Primary & Secondary Education	\$276,136	\$294,144	\$18,006	6.5
Libraries	1,835	1,913	78	4.3
Community Colleges	29,428	28,695	-734	-2.5
Health Formula Grant	3,142	3,142	0	0.0
* Transportation	3,361	1,569	-1,792	-53.3
* Police and Public Safety	4,497	4,497	0	0.0
* Fire and Rescue Aid	806	806	0	0.0
Recreation and Natural Resources	741	1,486	745	100.5
* Other Direct Aid	248	277	29	11.7
Total Direct Aid	\$320,194	\$336,529	\$16,335	5.1
Aid Per Capita (\$)	624	646	21	3.4
Property Tax Equivalent (\$)	0.37	0.40	0.03	8.6

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Anne Arundel County for teachers, librarians, and community college faculty are estimated to be \$76,536,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$3,063,000
Family Health and Primary Care	642,000
Medical Care Services	1,446,000
Mental Health	22,125,000
Prevention and Disease Control	832,000
Developmental Disabilities	39,163,000

Social Services

Homeless Services	174,000
Women's Services	184,000
Adult Services	180,000
Child Welfare Services	4,080,000

Senior Citizen Services

Long-term Care	674,000
Community Services	150,000

C. Selected State Grants for Capital Projects**Public Schools**

Brooklyn Park Elementary School – construction	\$1,387,000
Eastport Elementary School – renovations (HVAC/electrical)	616,000
Germantown Elementary School – construction	2,624,000
Linthicum Elementary School – construction	1,156,000
Northeast High School – construction	2,300,000
Odenton Elementary School – renovations (electrical)	66,000
Overlook Elementary School – construction	2,453,000
Pershing Hill Elementary School – construction	4,500,000
Ridgeway Elementary School – construction	1,442,000
Sunset Elementary School – construction	1,156,000

Anne Arundel Community College

Library – renovation and addition	4,935,000
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Community Health Facilities Grant Program

Main Street Housing, Inc.	588,000
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Community Parks and Playgrounds

Chambers Park	61,000
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Chesapeake Bay Restoration Fund

Annapolis Wastewater Treatment Plant (WWTP) – enhanced nutrient removal	6,000,000
Broadneck WWTP – enhanced nutrient removal	6,000,000
Broadwater WWTP – enhanced nutrient removal	4,600,000
Cox Creek WWTP – enhanced nutrient removal	20,000,000
Patuxent WWTP – enhanced nutrient removal	4,680,000

Waterway Improvement

Annapolis – public boating facilities improvements	99,000
Duvall Creek – dredging	500,000
Local dredge material placement sites – countywide	50,000
Rockhold Creek – federal navigation project	99,000

Other Projects

Annapolis High School Booster Club – concession stand	75,000
Bates Middle School – track	100,000
Coordinating Center for Home and Community Care	200,000
Old Mill High School – athletic field lights	200,000
Reece Road Community Health Center	250,000
South River High School – athletic field lights	200,000
Southern and Broadneck High School – field lights	375,000
William Paca House	200,000

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

Sandy Point State Park – stone jetty improvements	\$550,000
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Baltimore City

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$399,608	\$394,028	-\$5,581	-1.4
Compensatory Education	269,495	312,797	43,302	16.1
Student Transportation	18,335	18,251	-84	-0.5
Special Education	82,574	81,462	-1,111	-1.3
Limited English Proficiency	10,595	11,007	413	3.9
Grants				
Guaranteed Tax Base	33,281	27,659	-5,622	-16.9
Geographic Cost of Education	21,893	21,904	11	0.1
Index				
Adult Education	1,136	1,136	0	0.0
Aging Schools	1,388	1,388	0	0.0
Other Education Aid	2,443	2,443	0	0.0
Primary & Secondary Education	\$840,748	\$872,075	\$31,328	3.7
Libraries	6,548	6,461	-86	-1.3
Health Formula Grant	6,675	6,675	0	0.0
Transportation	131,865	125,196	-6,669	-5.1
Police and Public Safety	9,921	9,921	0	0.0
Fire and Rescue Aid	930	930	0	0.0
Recreation and Natural Resources	3,568	3,885	318	8.9
Disparity Grant	79,052	79,052	0	0.0
Other Direct Aid	3,783	1,255	-2,528	-66.8
Total Direct Aid	\$1,083,090	\$1,105,450	\$22,360	2.1
Aid Per Capita (\$)	1,701	1,734	34	2.0
Property Tax Equivalent (\$)	2.84	2.85	0.01	0.4

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Baltimore City for teachers, librarians, and community college faculty are estimated to be \$83,503,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$36,225,000
Family Health and Primary Care	4,661,000
Medical Care Services	7,739,000
Mental Health	127,540,000
Prevention and Disease Control	950,000
Developmental Disabilities	48,644,000

Social Services

Homeless Services	1,804,000
Women's Services	678,000
Adult Services	2,460,000
Child Welfare Services	30,895,000

Senior Citizen Services

Long-term Care	1,938,000
Community Services	940,000

C. Selected State Grants for Capital Projects**Public Schools**

Barclay Elementary/Middle School #54 – renovations (HVAC)	\$1,544,000
Dr. Rayner Browne Elementary/Middle School #25 – renovations (HVAC)	340,000
Dr. Roland N. Patterson, Sr. Building #82 – renovations (HVAC)	1,552,000
Franklin Square Elementary/Middle School #95 – renovations (boiler)	284,000
Grove Park Elementary/Middle School #224 – renovations (HVAC)	270,000
Hazelwood Elementary/Middle School #210 – renovations (HVAC)	1,640,000
Paul L. Dunbar Middle School #133 – renovations (HVAC/window)	6,208,000
Thomas Johnson Elementary/Middle School #84 – renovations (roof/chiller)	1,044,000
W.H. Lemmel Building #79 – renovations (roof/windows/fire safety)	4,890,000
Westside Elementary School #24 – renovations (boilers)	944,000
Windsor Hills Elementary/Middle School – renovations (chiller/AHU)	436,000

Community Health Facilities Grant Program

Community Housing Associates, Inc.	2,900,000
Project PLASE, Inc.	400,000
Tuerk House, Inc.	1,500,000

Federally Qualified Health Centers Grant Program

Total Health Care, Inc.	128,000
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Shelter and Transitional Facilities

Dayspring Programs	1,000,000
Project PLASE Vets Transitional	100,000

Partnership Rental Housing Program

Bailey Disability Units	2,580,619
Thompson 22	861,329

Community Parks and Playgrounds

Federal Hill Park	240,000
Northwestern High School	75,000
Woodbourne Park	200,000

Chesapeake Bay Water Quality Projects

Patapsco WWTP – nutrient removal	22,150,000
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Chesapeake Bay Restoration Fund

Patapsco WWTP – enhanced nutrient removal	30,000,000
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Waterway Improvement

City Fire Department – purchase dive team and fire boat marine equipment	25,000
Inner Harbor Marina – wind mill generators for boat slips	31,950

Other Projects

2101-2111 Pennsylvania Avenue Development Project	35,000
Academy of Success Community Empowerment Center	100,000
Archbishop Curley High School – Fine Arts Center	100,000
Baltimore Leadership School for Young Women	135,000
Baltimore Museum of Art	2,500,000
Baltimore Zoo – infrastructure improvements	5,000,000
Collington Square Community Kitchen	100,000
Creative Alliance	50,000
Dayspring Square	200,000
Druid Hill Family Center Y	65,000
East Baltimore Biotechnology Park	5,000,000
Franklin Entrepreneurial and Apprenticeship Center	120,000
Glen Avenue Firehouse	75,000
Greenmount West Community Resource Center	100,000
Johns Hopkins Health System – Cardiovascular and Critical Care Tower	2,500,000
Johns Hopkins Health System – Pediatric Trauma Center	5,000,000
Kennedy Krieger Institute	2,000,000
Lyric Opera House	1,500,000
Maryland SPCA Adoption Center	100,000
Museum of Industry	250,000

Aid to Local Government – Baltimore City

A-105

Museum of the Maryland Historical Society	150,000
National Aquarium in Baltimore	3,500,000
Port Discovery	100,000
Sandi's Learning Center	100,000
Sinai Hospital	425,000
Sinai Hospital – Samuelson Children's Hospital	2,500,000
Southeast Neighborhood Development Center	300,000
Stadium Place	300,000
Swann Avenue Firehouse	75,000
University Specialty Hospital	455,000
Women's Veteran's Center	50,000

D. Capital Projects for State Facilities in the City

General Government

Saratoga State Center – garage improvements	\$350,000
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Department of Public Safety and Correctional Services

Baltimore City Detention Center – youth facility	17,520,000
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Morgan State University

Banneker Hall – renovation and telecommunications infrastructure	3,265,000
Center for the Built Environment and Infrastructure Studies	26,935,000
School of Business and Management – new complex	250,000

University System of Maryland

Baltimore – Pharmacy Hall addition and renovation	2,606,000
Coppin State – Science and Technology Center	6,497,000
University of Baltimore – Law School	37,300,000

Other

University of Maryland Medical System – shock trauma center	10,000,000
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Baltimore County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$323,556	\$328,787	\$5,231	1.6
Compensatory Education	93,820	102,676	8,856	9.4
Student Transportation	26,278	26,649	371	1.4
Special Education	44,214	44,658	444	1.0
Limited English Proficiency Grants	11,026	11,204	179	1.6
Geographic Cost of Education Index	5,317	5,329	12	0.2
Adult Education	795	795	0	0.0
Aging Schools	874	874	0	0.0
Other Education Aid	4,796	4,868	72	1.5
Primary & Secondary Education	\$510,676	\$525,840	\$15,165	3.0
Libraries	5,246	5,249	3	0.1
Community Colleges	37,009	36,335	-673	-1.8
Health Formula Grant	4,302	4,302	0	0.0
Transportation	3,888	1,599	-2,290	-58.9
Police and Public Safety	6,317	6,317	0	0.0
Fire and Rescue Aid	1,161	1,161	0	0.0
Recreation and Natural Resources	836	1,680	844	101.0
Other Direct Aid	25	29	4	16.0
Total Direct Aid	\$569,460	\$582,512	\$13,052	2.3
Aid Per Capita (\$)	725	738	13	1.8
Property Tax Equivalent (\$)	0.64	0.65	0.01	1.6

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Baltimore County for teachers, librarians, and community college faculty are estimated to be \$99,745,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$4,779,000
Family Health and Primary Care	338,000
Medical Care Services	2,779,000
Mental Health	53,253,000
Prevention and Disease Control	1,378,000
Developmental Disabilities	60,000,000

Social Services

Homeless Services	189,000
Women's Services	351,000
Adult Services	705,000
Child Welfare Services	5,629,000

Senior Citizen Services

Long-term Care	1,417,000
Community Services	232,000

C. Selected State Grants for Capital Projects**Public Schools**

Catonsville Center for Alternative Studies – renovations (boilers)	\$256,000
Dundalk and Sollers Point High Schools – construction	1,700,000
G.W. Carver Center for Arts and Technology – construction	11,142,759
Norwood Elementary School – renovations (roof)	216,861
Randallstown High School – renovations (HVAC)	3,075,000
Riverview Elementary School – renovations (HVAC/chiller)	308,000
West Towson Elementary School – construction	3,031,380

Public Libraries

Sollers Point Library – construction	500,000
Towson Library – renovation	110,000

Baltimore Community College

Catonsville – F Building renovation and expansion	2,452,000
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Senior Centers Grant Program

Arbutus Senior Center	250,000
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Chesapeake Bay Restoration Fund

Back River WWTP – enhanced nutrient removal	19,790,000
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Waterway Improvement

Bowley's Quarter Volunteer Fire Department – purchase fire/rescue boat	50,000
Channel marker improvements – countywide	50,000
Cockeysville Volunteer Fire Department – purchase marine fire/rescue equipment	5,300
Submerged aquatic vegetation monitoring – countywide	10,000
White Marsh Volunteer Fire Department – purchase marine fire/rescue equipment	14,100

Other Projects

Arbutus Volunteer Fire Department	100,000
Augsburg Lutheran Home of Maryland	300,000
Automotive Vocational Training Center	100,000
Baltimore County Humane Society	150,000
Forbush School	2,500,000
Goucher College – Julia Rogers Library	3,000,000
HopeWell Cancer Support Facility	175,000
Little Sisters of the Poor	500,000
Milford Mill Academy	40,000
North County Park	100,000
Owings Mills High School – stadium	100,000
Randallstown High School – dark room	40,000
Stevenson University – School of Design	3,000,000
Woodlawn High School	40,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Gunpowder Falls State Park – shoreline stabilization/replace dock/dredging	\$50,000
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University System of Maryland

Baltimore County – parking improvements	1,000,000
Baltimore County – Performing Arts and Humanities Facility	37,400,000
Baltimore County – residence hall renovations	11,700,000
Towson University – College of Liberal Arts Complex	38,650,000
Towson University – residence halls renovations	14,000,000

Calvert County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$63,227	\$62,705	-\$522	-0.8
Compensatory Education	7,925	9,188	1,264	15.9
Student Transportation	5,384	5,441	57	1.1
Special Education	5,897	5,715	-182	-3.1
Limited English Proficiency Grants	761	668	-93	-12.2
Geographic Cost of Education Index	2,342	2,337	-5	-0.2
Adult Education	200	200	0	0.0
Aging Schools	38	38	0	0.0
Other Education Aid	609	609	0	0.0
Primary & Secondary Education	\$86,383	\$86,901	\$519	0.6
Libraries	398	402	4	1.0
Community Colleges	2,194	2,206	12	0.5
Health Formula Grant	370	370	0	0.0
* Transportation	808	405	-403	-49.9
* Police and Public Safety	514	514	0	0.0
* Fire and Rescue Aid	200	200	0	0.0
Recreation and Natural Resources	74	149	74	100.0
Total Direct Aid	\$90,941	\$91,147	\$206	0.2
Aid Per Capita (\$)	1,025	1,022	-4	-0.4
Property Tax Equivalent (\$)	0.65	0.65	-0.01	-0.9

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers’ retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Calvert County for teachers, librarians, and community college faculty are estimated to be \$17,683,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county’s share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$604,000
Family Health and Primary Care	134,000
Medical Care Services	361,000
Mental Health	2,764,000
Prevention and Disease Control	437,000
Developmental Disabilities	6,774,000

Social Services

Homeless Services	30,000
Women’s Services	136,000
Adult Services	86,000
Child Welfare Services	762,000

Senior Citizen Services

Long-term Care	129,000
Community Services	19,000

C. Selected State Grants for Capital Projects**Public Schools**

Calvert High School – construction \$5,450,000

College of Southern Maryland

La Plata – Business Classroom Building renovation and expansion 563,000
Prince Frederick – campus development 4,766,000

Community Health Facilities Grant Program

Calvert County Government 1,150,000

Chesapeake Bay Restoration Fund

Chesapeake Beach WWTP – enhanced nutrient removal 5,000,000

Waterway Improvement

North Beach – town pier maintenance dredging 99,000

Other Projects

Chesapeake Beach – Kellam’s Field 250,000

Caroline County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$25,508	\$25,003	-\$505	-2.0
Compensatory Education	10,454	11,204	750	7.2
Student Transportation	2,421	2,441	21	0.9
Special Education	2,237	2,233	-4	-0.2
Limited English Proficiency Grants	854	933	79	9.3
Guaranteed Tax Base	563	339	-225	-40.0
Aging Schools	50	50	0	0.0
Other Education Aid	415	415	0	0.0
Primary & Secondary Education	\$42,502	\$42,618	\$116	0.3
Libraries	273	273	0	0.0
Community Colleges	1,394	1,434	40	2.9
Health Formula Grant	538	538	0	0.0
* Transportation	615	307	-308	-50.1
* Police and Public Safety	223	223	0	0.0
* Fire and Rescue Aid	209	209	0	0.0
Recreation and Natural Resources	33	65	32	97.0
Disparity Grant	2,132	2,132	0	0.0
Total Direct Aid	\$47,919	\$47,799	-\$120	-0.3
Aid Per Capita (\$)	1,446	1,433	-14	-1.0
Property Tax Equivalent (\$)	1.50	1.52	0.02	1.3

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Caroline County for teachers, librarians, and community college faculty are estimated to be \$5,249,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$411,000
Family Health and Primary Care	265,000
Medical Care Services	474,000
Mental Health	3,089,000
Prevention and Disease Control	256,000
Developmental Disabilities	2,531,000

Social Services

Homeless Services	39,000
Women's Services	63,000
Adult Services	111,000
Child Welfare Services	659,000

Senior Citizen Services

Long-term Care	517,000
Community Services	106,000

Note: Senior citizen services funding supports services in Caroline, Kent, and Talbot counties.

C. Selected State Grants for Capital Projects

Public Schools

Colonel Richardson High School – construction \$3,767,061

Chesapeake College

Kent Humanities Building – renovation 268,000

Community Parks and Playgrounds

Chambers Park 90,000

Hillsboro Playground 70,000

Waterway Improvement

Public boating facilities – countywide maintenance 50,000

Carroll County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$105,445	\$103,313	-\$2,132	-2.0
Compensatory Education	10,359	11,680	1,322	12.8
Student Transportation	9,289	9,370	82	0.9
Special Education	12,391	12,412	21	0.2
Limited English Proficiency Grants	682	645	-37	-5.4
Geographic Cost of Education Index	2,589	2,570	-20	-0.8
Adult Education	50	50	0	0.0
Aging Schools	137	137	0	0.0
Other Education Aid	621	622	0	0.0
Primary & Secondary Education	\$141,563	\$140,799	-\$764	-0.5
Libraries	982	982	0	0.0
Community Colleges	7,587	7,409	-177	-2.3
Health Formula Grant	1,232	1,232	0	0.0
* Transportation	1,460	571	-889	-60.9
* Police and Public Safety	1,044	1,044	0	0.0
* Fire and Rescue Aid	264	264	0	0.0
Recreation and Natural Resources	166	333	167	100.6
Total Direct Aid	\$154,298	\$152,634	-\$1,664	-1.1
Aid Per Capita (\$)	911	897	-14	-1.5
Property Tax Equivalent (\$)	0.70	0.73	0.03	4.3

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers’ retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Carroll County for teachers, librarians, and community college faculty are estimated to be \$27,149,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county’s share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$2,349,000
Family Health and Primary Care	183,000
Medical Care Services	631,000
Mental Health	7,531,000
Prevention and Disease Control	455,000
Developmental Disabilities	12,934,000

Social Services

Homeless Services	68,000
Women’s Services	267,000
Adult Services	72,000
Child Welfare Services	1,354,000

Senior Citizen Services

Long-term Care	308,000
Community Services	54,000

C. Selected State Grants for Capital Projects**Public Schools**

Hampstead Elementary School – renovations (HVAC)	\$450,000
Robert Moton Elementary School – construction	500,000
Westminster High School – renovations (HVAC)	5,000,000

Public Libraries

Eldersburg Library – renovation	85,000
North Carroll Library – renovation	125,000

Community Parks and Playgrounds

Green’s Playground	140,000
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Chesapeake Bay Water Quality Projects

Hampstead WWTP – nutrient removal	50,000
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Chesapeake Bay Restoration Fund

Freedom District WWTP – enhanced nutrient removal	6,400,000
Hampstead WWTP – enhanced nutrient removal	150,000
Taneytown WWTP – enhanced nutrient removal	3,000,000
Westminster WWTP – enhanced nutrient removal	6,000,000

Other Projects

Carroll County Agriculture Center	150,000
Carroll Hospital Center	700,000

Cecil County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$64,888	\$65,163	\$275	0.4
Compensatory Education	16,505	19,252	2,746	16.6
Student Transportation	4,772	4,822	50	1.0
Special Education	7,718	7,756	38	0.5
Limited English Proficiency Grants	545	563	19	3.5
Guaranteed Tax Base	2,009	1,744	-265	-13.2
Adult Education	104	104	0	0.0
Aging Schools	96	96	0	0.0
Other Education Aid	688	688	0	0.0
Primary & Secondary Education	\$97,325	\$100,188	\$2,863	2.9
Libraries	704	717	12	1.7
Community Colleges	5,211	5,252	41	0.8
Health Formula Grant	806	806	0	0.0
* Transportation	848	366	-482	-56.8
* Police and Public Safety	635	635	0	0.0
* Fire and Rescue Aid	206	206	0	0.0
Recreation and Natural Resources	86	173	86	100.0
Total Direct Aid	\$105,821	\$108,343	\$2,522	2.4
Aid Per Capita (\$)	1,059	1,075	16	1.5
Property Tax Equivalent (\$)	0.95	0.98	0.03	3.2

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Cecil County for teachers, librarians, and community college faculty are estimated to be \$15,666,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$1,084,000
Family Health and Primary Care	182,000
Medical Care Services	564,000
Mental Health	6,779,000
Prevention and Disease Control	438,000
Developmental Disabilities	7,632,000

Social Services

Homeless Services	36,000
Women's Services	113,000
Adult Services	127,000
Child Welfare Services	1,514,000

Senior Citizen Services

Long-term Care	148,000
Community Services	39,000

C. Selected State Grants for Capital Projects

Public Schools

North East High School – renovations (windows/doors)	\$551,761
Thomson Estates Elementary School – renovations (HVAC/roof)	779,513

Community Parks and Playgrounds

Ferry Slip Park	91,000
Marina Park Playground	154,000

Waterway Improvement

Charlestown – public boating facilities	50,000
Chesapeake City – public boating facilities	5,800
Port Deposit Marina Park – relocate floating docks	50,000
Port Deposit – public boating facilities	50,000

Hazardous Substance Cleanup Program

Dwyer Site	800,000
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Other Projects

Lower Susquehanna Heritage Greenway	150,000
Union Hospital	2,000,000

Charles County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$103,232	\$104,218	\$986	1.0
Compensatory Education	21,116	22,849	1,733	8.2
Student Transportation	9,706	9,814	108	1.1
Special Education	7,714	7,829	114	1.5
Limited English Proficiency Grants	818	731	-87	-10.6
Guaranteed Tax Base	2,213	228	-1,985	-89.7
Geographic Cost of Education Index	3,462	3,467	5	0.1
Adult Education	335	335	0	0.0
Aging Schools	50	50	0	0.0
Other Education Aid	971	972	1	0.1
Primary & Secondary Education	\$149,617	\$150,493	\$875	0.6
Libraries	795	791	-4	-0.5
Community Colleges	7,003	7,042	39	0.6
Health Formula Grant	995	995	0	0.0
* Transportation	1,192	608	-584	-49.0
* Police and Public Safety	801	801	0	0.0
* Fire and Rescue Aid	242	242	0	0.0
Recreation and Natural Resources	152	305	153	100.7
Total Direct Aid	\$160,797	\$161,277	\$480	0.3
Aid Per Capita (\$)	1,142	1,134	-8	-0.7
Property Tax Equivalent (\$)	0.81	0.86	0.05	6.2

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers’ retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Charles County for teachers, librarians, and community college faculty are estimated to be \$25,698,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county’s share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$1,922,000
Family Health and Primary Care	337,000
Medical Care Services	527,000
Mental Health	5,072,000
Prevention and Disease Control	554,000
Developmental Disabilities	10,751,000

Social Services

Homeless Services	72,000
Women’s Services	71,000
Adult Services	125,000
Child Welfare Services	1,974,000

Senior Citizen Services

Long-term Care	202,000
Community Services	16,000

C. Selected State Grants for Capital Projects**Public Schools**

Arthur Middleton Elementary School – construction	\$644,000
Eva Turner Elementary School – construction	1,646,000
Indian Head Elementary School – construction	915,000
John Hanson Middle School – renovations (boiler)	1,436,000
Mary Burgess Neal Elementary School – construction	250,828

College of Southern Maryland

La Plata – Business Classroom Building renovation and expansion	563,000
Prince Frederick – campus development	4,766,000

Community Parks and Playgrounds

Tilghman Lake	100,000
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Chesapeake Bay Water Quality Projects

Benedict Central Sewer – collection and treatment system	400,000
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Chesapeake Bay Restoration Fund

La Plata WWTP – enhanced nutrient removal	5,000,000
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Water Supply Financial Assistance Program

Lower Patapsco Aquifer – well construction/development/testing	1,000,000
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Waterway Improvement

Marbury – replace fire/rescue boat and equipment	50,000
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Other Projects

Civista Medical Center	165,000
Hospice House	195,000
Melwood Recreation Center – Kamp A-Kom-Plish	80,000
Potomac Heights Housing Complex	75,000

Dorchester County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$18,699	\$19,104	\$405	2.2
Compensatory Education	6,963	8,094	1,131	16.2
Student Transportation	2,229	2,263	33	1.5
Special Education	1,422	1,362	-60	-4.2
Limited English Proficiency Grants	273	335	62	22.7
Guaranteed Tax Base	8	28	20	250.0
Adult Education	148	148	0	0.0
Aging Schools	38	38	0	0.0
Other Education Aid	472	472	0	0.0
Primary & Secondary Education	\$30,252	\$31,844	\$1,591	5.3
Libraries	242	244	2	0.8
Community Colleges	1,257	1,293	36	2.9
Health Formula Grant	429	429	0	0.0
* Transportation	680	336	-344	-50.6
* Police and Public Safety	249	249	0	0.0
* Fire and Rescue Aid	217	217	0	0.0
Recreation and Natural Resources	28	56	28	100.0
Disparity Grant	2,023	2,023	0	0.0
Total Direct Aid	\$35,377	\$36,691	\$1,314	3.7
Aid Per Capita (\$)	1,106	1,145	39	3.5
Property Tax Equivalent (\$)	1.00	1.03	0.03	2.8

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Dorchester County for teachers, librarians, and community college faculty are estimated to be \$4,560,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$1,632,000
Family Health and Primary Care	175,000
Medical Care Services	474,000
Mental Health	4,792,000
Prevention and Disease Control	314,000
Developmental Disabilities	2,444,000

Social Services

Homeless Services	35,000
Women's Services	22,000
Adult Services	129,000
Child Welfare Services	797,000

Senior Citizen Services

Long-term Care	569,000
Community Services	302,000

Note: Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects

Public Schools

Dorchester Career and Technology Center – construction \$5,000,000

Chesapeake College

Kent Humanities Building – renovation 268,000

Community Parks and Playgrounds

Meadow Avenue Park 84,000

Chesapeake Bay Water Quality Projects

Cambridge Combined Sewer – overflow improvements 650,000

Susquehanna Point/Madison/Woolford – sewer collection system installation 400,000

Chesapeake Bay Restoration Fund

Cambridge WWTP – enhanced nutrient removal 5,400,000

Water Supply Financial Assistance Program

East New Market – new wells 70,000

Waterway Improvement

Cambridge Municipal Marina – design and construct restroom 50,000

Public boating facilities – countywide maintenance 99,000

Other Projects

Dorchester Center for the Arts Performance Hall 10,000

Dorchester County Family YMCA 70,000

Richardson Maritime Heritage Center 50,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Harriet Tubman Underground Railroad State Park – improvements (federal funds) \$3,166,312

Frederick County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$145,613	\$146,856	\$1,244	0.9
Compensatory Education	20,776	23,999	3,223	15.5
Student Transportation	11,316	11,408	92	0.8
Special Education	14,270	14,233	-36	-0.3
Limited English Proficiency Grants	5,181	5,020	-161	-3.1
Geographic Cost of Education Index	6,280	6,276	-4	-0.1
Adult Education	310	310	0	0.0
Aging Schools	183	183	0	0.0
Other Education Aid	717	717	0	0.0
Primary & Secondary Education	\$204,646	\$209,002	\$4,358	2.1
Libraries	1,099	1,140	40	3.6
Community Colleges	8,583	8,667	84	1.0
Health Formula Grant	1,512	1,512	0	0.0
* Transportation	2,424	1,183	-1,241	-51.2
* Police and Public Safety	1,491	1,491	0	0.0
* Fire and Rescue Aid	363	363	0	0.0
Recreation and Natural Resources	175	352	177	101.1
Total Direct Aid	\$220,293	\$223,710	\$3,417	1.6
Aid Per Capita (\$)	976	981	5	0.5
Property Tax Equivalent (\$)	0.69	0.75	0.06	8.7

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Frederick County for teachers, librarians, and community college faculty are estimated to be \$39,128,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$1,741,000
Family Health and Primary Care	237,000
Medical Care Services	713,000
Mental Health	13,678,000
Prevention and Disease Control	492,000
Developmental Disabilities	17,239,000

Social Services

Homeless Services	145,000
Women's Services	139,000
Adult Services	156,000
Child Welfare Services	2,104,000

Senior Citizen Services

Long-term Care	236,000
Community Services	70,000

C. Selected State Grants for Capital Projects

Public Schools

Linganore High School – construction	\$3,950,482
West Frederick Middle School – construction	7,001,518

Public Libraries

Walkersville Library – construction	450,000
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Frederick Community College

Building F – vacant space conversion	131,000
Science/Technology Hall – renovation and addition	462,000

Community Parks and Playgrounds

Doub’s Meadow Park	12,000
Woodsboro Regional Park	84,000

Chesapeake Bay Water Quality Projects

Emmitsburg WWTP – nutrient removal	2,700,000
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Chesapeake Bay Restoration Fund

Emmitsburg WWTP – enhanced nutrient removal	5,210,000
Frederick WWTP – enhanced nutrient removal	10,000,000

Waterway Improvement

Brunswick – ADA access and other boat ramp improvements	99,000
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Other Projects

Hood College – heating infrastructure replacement	2,000,000
Way Station	300,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

National Park Service – parkwide boating facilities maintenance \$99,000

Other

School for the Deaf – bus loop and parking lot 1,606,000

Garrett County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$15,647	\$14,559	-\$1,088	-7.0
Compensatory Education	4,850	5,058	208	4.3
Student Transportation	2,776	2,803	27	1.0
Special Education	1,455	1,320	-135	-9.3
Limited English Proficiency Grants	10	10	0	0.0
Adult Education	39	39	0	0.0
Aging Schools	38	38	0	0.0
Other Education Aid	550	550	1	0.2
Primary & Secondary Education	\$25,365	\$24,377	-\$987	-3.9
Libraries	155	155	-1	-0.6
Community Colleges	3,426	3,343	-83	-2.4
Health Formula Grant	437	437	0	0.0
* Transportation	673	301	-372	-55.3
* Police and Public Safety	155	155	0	0.0
* Fire and Rescue Aid	200	200	0	0.0
Recreation and Natural Resources	35	70	35	100.0
Disparity Grant	2,131	2,131	0	0.0
Total Direct Aid	\$32,577	\$31,169	-\$1,408	-4.3
Aid Per Capita (\$)	1,097	1,055	-42	-3.8
Property Tax Equivalent (\$)	0.69	0.63	-0.06	-9.1

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Garrett County for teachers, librarians, and community college faculty are estimated to be \$4,658,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$553,000
Family Health and Primary Care	144,000
Medical Care Services	743,000
Mental Health	2,488,000
Prevention and Disease Control	341,000
Developmental Disabilities	2,268,000

Social Services

Homeless Services	47,000
Women's Services	102,000
Adult Services	37,000
Child Welfare Services	751,000

Senior Citizen Services

Long-term Care	171,000
Community Services	66,000

C. Selected State Grants for Capital Projects

Community Parks and Playgrounds

Deer Park	\$75,000
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Waterway Improvement

Broadford Lake – boat access dock replacement	15,000
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Other Projects

Oakland B&O Museum	200,000
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Harford County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$147,616	\$146,430	-\$1,186	-0.8
Compensatory Education	26,666	30,023	3,357	12.6
Student Transportation	11,607	11,734	127	1.1
Special Education	18,902	18,694	-208	-1.1
Limited English Proficiency Grants	1,942	1,788	-154	-7.9
Adult Education	172	172	0	0.0
Aging Schools	217	217	0	0.0
Other Education Aid	547	550	4	0.7
Primary & Secondary Education	\$207,669	\$209,608	\$1,940	0.9
Libraries	1,549	1,548	-1	-0.1
Community Colleges	10,525	10,240	-286	-2.7
Health Formula Grant	1,737	1,737	0	0.0
* Transportation	1,684	693	-991	-58.8
* Police and Public Safety	1,786	1,786	0	0.0
* Fire and Rescue Aid	376	376	0	0.0
Recreation and Natural Resources	247	495	248	100.4
Total Direct Aid	\$225,573	\$226,483	\$910	0.4
Aid Per Capita (\$)	939	934	-5	-0.5
Property Tax Equivalent (\$)	0.79	0.79	0.00	0.0

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers’ retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Harford County for teachers, librarians, and community college faculty are estimated to be \$37,165,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county’s share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$1,604,000
Family Health and Primary Care	237,000
Medical Care Services	885,000
Mental Health	11,285,000
Prevention and Disease Control	544,000
Developmental Disabilities	18,356,000

Social Services

Homeless Services	79,000
Women’s Services	188,000
Adult Services	150,000
Child Welfare Services	1,991,000

Senior Citizen Services

Long-term Care	372,000
Community Services	70,000

C. Selected State Grants for Capital Projects**Public Schools**

Bel Air High School – construction	\$8,800,000
Deerfield Elementary School – construction	2,150,000

Harford Community College

Susquehanna Center – renovation and expansion	7,904,000
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Community Health Facilities Grant Program

Harford Habitat for Humanity	230,000
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Chesapeake Bay Restoration Fund

Joppatowne WWTP – enhanced nutrient removal	2,632,000
Sod Run WWTP – enhanced nutrient removal	7,228,000

Water Supply Financial Assistance Program

Havre de Grace – water main improvements	750,000
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Waterway Improvement

Broad Creek Landing – boat ramp renovation	50,000
Havre de Grace – Green Street floating transient pier	50,000
Havre de Grace Marina – maintenance dredging	50,000
Havre de Grace Marina – renovate boat ramp/access piers to include ADA parking	25,000
Joppatowne – maintenance dredging	30,000

Other Projects

Citizens Care and Rehabilitation Center	100,000
Harford Memorial Hospital	1,015,000
Nuttall Avenue Park	100,000

D. Capital Projects for State Facilities in the County

University System of Maryland

College Park – Maryland Fire/Rescue Institute North East Regional Training Center \$331,000

Howard County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$141,811	\$150,701	\$8,890	6.3
Compensatory Education	16,186	18,570	2,385	14.7
Student Transportation	14,681	15,077	396	2.7
Special Education	12,713	12,635	-79	-0.6
Limited English Proficiency Grants	5,720	6,425	704	12.3
Geographic Cost of Education Index	4,903	4,984	81	1.7
Adult Education	438	438	0	0.0
Aging Schools	88	88	0	0.0
Other Education Aid	1,267	1,279	12	0.9
Primary & Secondary Education	\$197,807	\$210,197	\$12,389	6.3
Libraries	766	770	4	0.5
Community Colleges	13,928	13,901	-28	-0.2
Health Formula Grant	1,215	1,215	0	0.0
Transportation	1,884	1,037	-846	-44.9
Police and Public Safety	2,256	2,256	0	0.0
Fire and Rescue Aid	392	392	0	0.0
Recreation and Natural Resources	438	880	442	100.9
Other Direct Aid	43	50	7	16.3
Total Direct Aid	\$218,729	\$230,698	\$11,969	5.5
Aid Per Capita (\$)	795	818	23	2.9
Property Tax Equivalent (\$)	0.44	0.50	0.06	14.7

2. Retirement Payments

County teachers and librarians are members of either the teachers’ retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Howard County for teachers, librarians, and community college faculty are estimated to be \$63,068,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county’s share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$1,483,000
Family Health and Primary Care	160,000
Medical Care Services	621,000
Mental Health	8,191,000
Prevention and Disease Control	496,000
Developmental Disabilities	21,002,000

Social Services

Homeless Services	91,000
Women’s Services	121,000
Adult Services	51,000
Child Welfare Services	1,873,000

Senior Citizen Services

Long-term Care	294,000
Community Services	19,000

C. Selected State Grants for Capital Projects**Public Schools**

Atholton High School – renovations (roof)	\$709,000
Clarksville Middle School – construction	3,173,000
Hammond Elementary School – construction	1,756,223
Hammond Middle School – construction	1,350,000
Mt. Hebron High School – construction	2,485,497
Northfield Elementary School – construction	2,532,280
Swansfield Elementary School – renovations (roof)	340,000

Public Libraries

Miller Branch Library – new branch/historical center	500,000
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Howard Community College

Allied Health Building – construction	9,465,000
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Other Projects

Alpha Ridge Park	75,000
Carroll Baldwin Hall	50,000
Linwood Center	500,000
Living Farm Heritage Museum	35,000
Symphony Woods Park	250,000
Troy Regional Park	455,000
Watson Telescope Observatory	25,000

D. Capital Projects for State Facilities in the County**Department of Health and Mental Hygiene**

Secure Evaluation and Therapeutic Treatment Center	\$1,150,000
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Kent County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$4,738	\$4,378	-\$360	-7.6
Compensatory Education	2,179	2,382	203	9.3
Student Transportation	1,463	1,485	22	1.5
Special Education	911	913	2	0.2
Limited English Proficiency Grants	172	156	-16	-9.3
Geographic Cost of Education Index	139	138	-1	-0.7
Adult Education	79	79	0	0.0
Aging Schools	38	38	0	0.0
Other Education Aid	441	442	1	0.2
Primary & Secondary Education	\$10,160	\$10,011	-\$149	-1.5
Libraries	94	96	1	1.1
Community Colleges	573	589	16	2.8
Health Formula Grant	336	336	0	0.0
* Transportation	377	203	-174	-46.2
* Police and Public Safety	131	131	0	0.0
* Fire and Rescue Aid	204	204	0	0.0
Recreation and Natural Resources	21	42	21	100.0
Total Direct Aid	\$11,896	\$11,612	-\$284	-2.4
Aid Per Capita (\$)	590	574	-17	-2.9
Property Tax Equivalent (\$)	0.37	0.37	0.00	0.0

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Kent County for teachers, librarians, and community college faculty are estimated to be \$2,448,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$1,720,000
Family Health and Primary Care	128,000
Medical Care Services	409,000
Mental Health	1,322,000
Prevention and Disease Control	470,000
Developmental Disabilities	1,539,000

Social Services

Homeless Services	2,000
Women's Services	15,000
Adult Services	62,000
Child Welfare Services	401,000

Senior Citizen Services

Long-term Care	517,000
Community Services	106,000

Note: Senior citizen services funding supports services in Caroline, Kent, and Talbot counties.

C. Selected State Grants for Capital Projects

Chesapeake College

Kent Humanities Building – renovation \$268,000

Waterway Improvement

Turner’s Creek – construct boating access pier 99,000

Montgomery County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$223,604	\$264,653	\$41,050	18.4
Compensatory Education	90,997	100,688	9,692	10.7
Student Transportation	33,554	34,336	782	2.3
Special Education	46,749	47,565	816	1.7
Limited English Proficiency Grants	44,132	43,827	-305	-0.7
Geographic Cost of Education Index	30,946	31,440	494	1.6
Adult Education	465	465	0	0.0
Aging Schools	603	603	0	0.0
Other Education Aid	2,519	2,531	12	0.5
Primary & Secondary Education	\$473,569	\$526,108	\$52,541	11.1
Libraries	2,606	2,662	56	2.1
Community Colleges	42,355	40,821	-1,534	-3.6
Health Formula Grant	3,015	3,015	0	0.0
* Transportation	4,429	1,691	-2,738	-61.8
* Police and Public Safety	9,847	9,847	0	0.0
* Fire and Rescue Aid	1,283	1,283	0	0.0
Recreation and Natural Resources	1,109	2,238	1,129	101.8
Total Direct Aid	\$538,213	\$587,665	\$49,452	9.2
Aid Per Capita (\$)	566	605	39	6.9
Property Tax Equivalent (\$)	0.29	0.33	0.04	13.8

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers’ retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Montgomery County for teachers, librarians, and community college faculty are estimated to be \$181,460,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county’s share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$3,253,000
Family Health and Primary Care	559,000
Medical Care Services	3,002,000
Mental Health	33,049,000
Prevention and Disease Control	1,283,000
Developmental Disabilities	72,606,000

Social Services

Homeless Services	305,000
Women’s Services	189,000
Adult Services	757,000
Child Welfare Services	4,493,000

Senior Citizen Services

Long-term Care	914,000
Community Services	200,000

C. Selected State Grants for Capital Projects**Public Schools**

Bells Mill Elementary School – construction	\$7,460,000
Belmont Elementary School – renovations (HVAC)	735,000
Cashell Elementary School – construction	3,592,000
Colonel Z. Magruder High School – renovations (HVAC)	730,000
Cresthaven Elementary School – construction	5,856,595
Eastern Middle School – renovations (HVAC)	376,000
Francis Scott Key Middle School – construction	1,310,405

Public Libraries

Gaithersburg Library – addition and renovation	600,000
Silver Spring Library – construction	250,000

Montgomery College

Germantown – Bioscience Education Center	16,082,000
Rockville – Science Center	4,244,000

Community Parks and Playgrounds

Poolesville Tot Lot	60,000
Washington Woods Park Playground	76,000

Chesapeake Bay Water Quality Projects

Blue Plains WWTP – nutrient removal	6,000,000
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Chesapeake Bay Restoration Fund

Blue Plains WWTP – enhanced nutrient removal	20,000,000
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Other Projects

Cabin John Park Tai Chi Court	40,000
Camp Brighton Woods	140,000
Cinnamon Woods – environmental and safety lighting upgrade	100,000
Garrett Park Community Center	100,000
Identity House	130,000
Ivymount School – Annex Building	175,000
Jewish Foundation for Group Homes, Inc.	150,000
Lake Whetstone – hillside stabilization	20,000
Maydale Nature Center	55,000
Miracle League Baseball Field	250,000
Montgomery Village – Martin Roy Park Pavilion	30,000
National Labor College – Academic Services Building	150,000
National Center for Children and Families – Youth Activities Center	250,000
Residential Continuum, Inc. – group home renovations	100,000
Rockville Fitness Center and Exercise Room	120,000
Sandy Spring Museum	100,000
Threshold Services – group home renovations	50,000
Warner Manor	275,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

National Park Service – parkwide boating facilities maintenance	\$99,000
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Prince George's County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$515,894	\$488,759	-\$27,135	-5.3
Compensatory Education	186,308	196,457	10,149	5.4
Student Transportation	36,619	36,613	-6	0.0
Special Education	66,333	64,154	-2,179	-3.3
Limited English Proficiency Grants	54,098	55,203	1,106	2.0
Guaranteed Tax Base	6,796	0	-6,796	-100.0
Geographic Cost of Education Index	39,048	38,612	-435	-1.1
Adult Education	771	771	0	0.0
Aging Schools	1,209	1,209	0	0.0
Other Education Aid	2,470	2,474	5	0.2
Primary & Secondary Education	\$909,546	\$884,252	-\$25,291	-2.8
Libraries	5,962	5,648	-315	-5.3
Community Colleges	23,661	22,412	-1,248	-5.3
Health Formula Grant	5,007	5,007	0	0.0
* Transportation	4,436	1,931	-2,505	-56.5
* Police and Public Safety	15,504	15,456	-48	-0.3
* Fire and Rescue Aid	1,132	1,132	0	0.0
Recreation and Natural Resources	946	1,904	958	101.3
Disparity Grant	21,695	21,695	0	0.0
* Other Direct Aid	85	99	14	16.5
Total Direct Aid	\$987,974	\$959,536	-\$28,438	-2.9
Aid Per Capita (\$)	1,204	1,150	-54	-4.5
Property Tax Equivalent (\$)	1.00	0.96	-0.04	-3.5

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers’ retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Prince George’s County for teachers, librarians, and community college faculty are estimated to be \$133,491,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county’s share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$8,983,000
Family Health and Primary Care	1,622,000
Medical Care Services	4,050,000
Mental Health	35,866,000
Prevention and Disease Control	1,183,000
Developmental Disabilities	62,691,000

Social Services

Homeless Services	626,000
Women’s Services	326,000
Adult Services	627,000
Child Welfare Services	6,532,000

Senior Citizen Services

Long-term Care	833,000
Community Services	196,000

C. Selected State Grants for Capital Projects**Public Schools**

Avalon Elementary School – construction	\$1,000,000
Doswell E. Brooks Elementary School – construction	2,137,837
Fairwood Elementary School – construction	2,000,000
Friendly High School – science facilities	1,028,000
Greenbelt Middle School – construction	7,622,000
Henry Ferguson Elementary School – construction	1,000,000
Hyattsville Area Elementary School – construction	900,000
Indian Queen Elementary School – renovations (chiller)	491,000
Marlton Elementary School – construction	650,000
Parkdale High School – science facilities	861,000
Stephen Decatur Middle School – construction	675,000
William Beanes Elementary School – construction	850,000

Public Libraries

Spauldings Library – renovation	400,000
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Prince George’s Community College

Campuswide – circulation and roadway modifications	2,586,000
Center for Health Studies	6,511,000

Community Health Facilities Grant Program

Family Service Foundation, Inc.	654,000
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Federally Qualified Health Centers Grant Program

Greater Baden Medical Services, Inc.	1,700,000
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Community Parks and Playgrounds

Jericho Park	77,000
Snowden Park Playground	80,000

Chesapeake Bay Water Quality Projects

Blue Plains WWTP – nutrient removal	6,000,000
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Chesapeake Bay Restoration Fund

Blue Plains WWTP – enhanced nutrient removal	20,000,000
Parkway WWTP – enhanced nutrient removal	6,000,000

Waterway Improvement

Laurel Volunteer Fire Department – purchase marine fire/rescue equipment	3,800
Public boating facilities – countywide maintenance	50,000

Other Projects

Allen Pond Park	80,000
Bladensburg Market Square	100,000
CASA Multi-Cultural Service Center	200,000
Community Forklift Facility	200,000
Daughter for the Day	65,000
Evangel Assembly Family Life Center	65,000
Forestville Military Academy	180,000
Glenarden Senior Center	50,000
Henson Valley Montessori School	100,000
John E. Feggans Center	205,000
La Vida Sana – Healthy Living Farm	75,000
Largo High School – track renovation	180,000
Laurel Advocacy Referral Services – facility renovation	100,000
Laurel Police Department – community space facility	150,000
Marlboro Meadows Senior Center	50,000
Marleigh Community Safety and Surveillance System	20,000

National Children's Museum	5,000,000
Prince George's Volunteer Fire Department	250,000
SEED Recreation Center	50,000
Sheriff Road Village Center	100,000
South County Community Center	300,000
St. Ann's Infant and Maternity Home	750,000
St. Mary's School – gymnasium and multi-purpose room	25,000
Thomas Johnson Middle School – sign board	25,000
Walker Mill Daycare and Training Center	100,000
Youth Fitness Facility	20,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Fort Washington Marina – maintenance and improvements	\$50,000
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University System of Maryland

Bowie State – campuswide site improvements	200,000
Bowie State – Fine and Performing Arts Building	32,053,000
Bowie State – new student center	20,835,000
Bowie State – turf field	1,000,000
College Park – East Campus redevelopment	5,000,000
College Park – fraternity/sorority houses renovation	11,670,000
College Park – Physical Sciences Complex	41,100,000
College Park – Research and Education Center	1,650,000
College Park – Residence Hall air conditioning	8,870,000
College Park – Satellite Central Utility Building expansion	6,250,000
College Park – Shipley Field	100,000

Queen Anne’s County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$20,622	\$20,248	-\$374	-1.8
Compensatory Education	3,231	3,961	730	22.6
Student Transportation	3,094	3,134	40	1.3
Special Education	2,164	2,198	34	1.6
Limited English Proficiency Grants	398	360	-39	-9.8
Geographic Cost of Education Index	554	551	-3	-0.5
Adult Education	88	88	0	0.0
Aging Schools	50	50	0	0.0
Other Education Aid	543	543	1	0.2
Primary & Secondary Education	\$30,744	\$31,133	\$389	1.3
Libraries	127	132	5	3.9
Community Colleges	1,635	1,682	47	2.9
Health Formula Grant	418	418	0	0.0
* Transportation	612	287	-325	-53.1
* Police and Public Safety	266	266	0	0.0
* Fire and Rescue Aid	200	200	0	0.0
Recreation and Natural Resources	45	90	45	100.0
Total Direct Aid	\$34,047	\$34,208	\$161	0.5
Aid Per Capita (\$)	723	713	-10	-1.4
Property Tax Equivalent (\$)	0.38	0.39	0.01	2.6

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Queen Anne's County for teachers, librarians, and community college faculty are estimated to be \$6,945,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$537,000
Family Health and Primary Care	204,000
Medical Care Services	598,000
Mental Health	1,603,000
Prevention and Disease Control	282,000
Developmental Disabilities	3,596,000

Social Services

Homeless Services	13,000
Women's Services	19,000
Adult Services	43,000
Child Welfare Services	488,000

Senior Citizen Services

Long-term Care	114,000
Community Services	42,000

C. Selected State Grants for Capital Projects

Public Schools

Kennard Elementary School – construction	\$1,874,000
Sudlersville Middle School – construction	3,276,000

Chesapeake College

Kent Humanities Building – renovation	268,000
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Community Health Facilities Grant Program

Banjo Lane Apartments	250,000
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Shelter and Transitional Facilities

Queen Anne’s County Coalition Emergency Services	10,000
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Community Parks and Playgrounds

Queenstown Playground	99,000
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Waterway Improvement

Centreville Wharf – shoreline stabilization and boat slips	99,000
Corsica River – maintenance dredging	50,000
Grasonville – replace fire/rescue boat	50,000
Kent Island – purchase marine fire/rescue equipment	7,500

Other Projects

Hospice of Queen Anne’s, Inc.	25,000
Kennard High School – restoration	75,000
Queen Anne’s County YMCA	50,000

St. Mary's County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$66,595	\$67,156	\$ 562	0.8
Compensatory Education	12,317	13,521	1,204	9.8
Student Transportation	6,129	6,294	165	2.7
Special Education	6,581	6,189	-392	-6.0
Limited English Proficiency Grants	501	562	61	12.2
Geographic Cost of Education Index	214	219	5	2.3
Adult Education	181	181	0	0.0
Aging Schools	50	50	0	0.0
Other Education Aid	858	858	0	0.0
Primary & Secondary Education	\$93,426	\$95,030	\$1,605	1.7
Libraries	629	624	-5	-0.8
Community Colleges	2,297	2,310	13	0.6
Health Formula Grant	809	809	0	0.0
* Transportation	919	489	-430	-46.8
* Police and Public Safety	559	559	0	0.0
* Fire and Rescue Aid	200	200	0	0.0
Recreation and Natural Resources	84	169	85	101.2
Total Direct Aid	\$98,923	\$100,190	\$1,267	1.3
Aid Per Capita (\$)	974	973	-1	-0.1
Property Tax Equivalent (\$)	0.77	0.77	0.00	0.0

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers’ retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for St. Mary’s County for teachers, librarians, and community college faculty are estimated to be \$15,271,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county’s share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$2,677,000
Family Health and Primary Care	132,000
Medical Care Services	545,000
Mental Health	4,282,000
Prevention and Disease Control	324,000
Developmental Disabilities	1,995,000

Social Services

Homeless Services	63,000
Women’s Services	122,000
Adult Services	96,000
Child Welfare Services	1,228,000

Senior Citizen Services

Long-term Care	151,000
Community Services	58,000

C. Selected State Grants for Capital Projects**Public Schools**

Leonardtown Middle School – construction	\$5,550,000
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Public Libraries

Leonardtown Library – construction	765,000
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College of Southern Maryland

La Plata – Business Classroom Building renovation and expansion	563,000
Prince Frederick – campus development	4,766,000

Local Jail Loan

County Detention Center – minimum security addition	5,513,000
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Partnership Rental Housing Program

Greenview Village	1,703,052
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Chesapeake Bay Restoration Fund

Marlay-Taylor WWTP – enhanced nutrient removal	6,000,000
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Waterway Improvement

Public boating facilities – countywide maintenance	99,000
Ridge Volunteer Fire Department – purchase marine fire/rescue equipment	10,000
St. Jerome Creek – jetty feasibility study	100,000

Other Projects

St. Mary’s County Fairgrounds	60,000
United States Colored Troops Memorial Monument	150,000

Somerset County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$12,315	\$12,171	-\$144	-1.2
Compensatory Education	6,603	7,093	491	7.4
Student Transportation	1,741	1,743	3	0.2
Special Education	1,321	1,371	51	3.9
Limited English Proficiency Grants	640	417	-222	-34.7
Guaranteed Tax Base	760	629	-130	-17.1
Adult Education	132	132	0	0.0
Aging Schools	38	38	0	0.0
Other Education Aid	130	130	0	0.0
Primary & Secondary Education	\$23,680	\$23,724	\$49	0.2
Libraries	261	263	2	0.8
Community Colleges	807	808	1	0.1
Health Formula Grant	429	429	0	0.0
* Transportation	506	310	-196	-38.7
* Police and Public Safety	162	162	0	0.0
* Fire and Rescue Aid	216	216	0	0.0
Recreation and Natural Resources	20	40	20	100.0
Disparity Grant	4,908	4,908	0	0.0
Total Direct Aid	\$30,989	\$30,860	-\$129	-0.4
Aid Per Capita (\$)	1,186	1,189	3	0.3
Property Tax Equivalent (\$)	1.76	1.73	-0.04	-2.0

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Somerset County for teachers, librarians, and community college faculty are estimated to be \$3,216,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$918,000
Family Health and Primary Care	204,000
Medical Care Services	455,000
Mental Health	3,139,000
Prevention and Disease Control	328,000
Developmental Disabilities	7,758,000

Social Services

Homeless Services	8,000
Women's Services	27,000
Adult Services	70,000
Child Welfare Services	780,000

Senior Citizen Services

Long-term Care	569,000
Community Services	279,000

Note: A portion of women's services funding supports services in Somerset, Wicomico, and Worcester counties. Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects

Public Schools

Washington High School – construction \$6,000,000

Community Parks and Playgrounds

Crisfield Municipal Park 136,000

Waterway Improvement

Crisfield – public boating facilities maintenance 50,000

Public boating facilities – countywide maintenance 50,000

Smith Island – dredging for transient boat slips 40,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Somers Cove Marina – new fencing and replace transformers/electric wiring \$238,550

University System of Maryland

Eastern Shore – Engineering and Aviation Science Building 3,000,000

Talbot County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$4,277	\$4,291	\$14	0.3
Compensatory Education	3,372	3,673	301	8.9
Student Transportation	1,458	1,475	17	1.2
Special Education	801	811	10	1.2
Limited English Proficiency Grants	512	429	-82	-16.0
Aging Schools	38	38	0	0.0
Other Education Aid	477	477	0	0.0
Primary & Secondary Education	\$10,935	\$11,194	\$260	2.4
Libraries	101	101	0	0.0
Community Colleges	1,272	1,308	37	2.9
Health Formula Grant	329	329	0	0.0
* Transportation	564	259	-305	-54.1
* Police and Public Safety	264	264	0	0.0
* Fire and Rescue Aid	239	239	0	0.0
Recreation and Natural Resources	48	95	48	100.0
Total Direct Aid	\$13,752	\$13,789	\$37	0.3
Aid Per Capita (\$)	380	380	1	0.3
Property Tax Equivalent (\$)	0.14	0.14	0.00	0.0

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Talbot County for teachers, librarians, and community college faculty are estimated to be \$4,040,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$643,000
Family Health and Primary Care	142,000
Medical Care Services	312,000
Mental Health	2,695,000
Prevention and Disease Control	270,000
Developmental Disabilities	2,766,000

Social Services

Homeless Services	32,000
Women's Services	35,000
Adult Services	45,000
Child Welfare Services	767,000

Senior Citizen Services

Long-term Care	517,000
Community Services	108,000

Note: Senior citizen services funding supports services in Caroline, Kent, and Talbot counties.

C. Selected State Grants for Capital Projects**Public Schools**

Easton Elementary/Dobson Head Start – construction	\$344,000
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Public Libraries

Talbot County Free Library – renovation and expansion	765,000
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Chesapeake College

Kent Humanities Building – renovation	268,000
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Community Parks and Playgrounds

RTC Park	283,000
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Waterway Improvement

Oxford – public boating facilities maintenance	99,000
Public boating facilities – countywide maintenance	90,000
St. Michaels – West Harbor Road boat ramp replacement	99,000

Other Projects

Family Support Center	10,000
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Washington County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$88,158	\$90,285	\$2,126	2.4
Compensatory Education	30,613	32,520	1,907	6.2
Student Transportation	6,478	6,537	59	0.9
Special Education	9,106	8,815	-291	-3.2
Limited English Proficiency Grants	1,901	1,776	-125	-6.6
Guaranteed Tax Base	3,137	3,058	-79	-2.5
Adult Education	152	152	0	0.0
Aging Schools	135	135	0	0.0
Other Education Aid	1,174	1,174	0	0.0
Primary & Secondary Education	\$140,854	\$144,452	\$3,597	2.6
Libraries	1,117	1,128	11	1.0
Community Colleges	7,882	7,857	-26	-0.3
Health Formula Grant	1,381	1,381	0	0.0
* Transportation	1,493	698	-795	-53.2
* Police and Public Safety	960	960	0	0.0
* Fire and Rescue Aid	230	230	0	0.0
Recreation and Natural Resources	131	262	131	100.0
Total Direct Aid	\$154,048	\$156,968	\$2,920	1.9
Aid Per Capita (\$)	1,060	1,076	16	1.5
Property Tax Equivalent (\$)	1.04	1.11	0.08	7.3

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Washington County for teachers, librarians, and community college faculty are estimated to be \$19,965,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$2,328,000
Family Health and Primary Care	148,000
Medical Care Services	748,000
Mental Health	8,022,000
Prevention and Disease Control	382,000
Developmental Disabilities	11,103,000

Social Services

Homeless Services	176,000
Women's Services	94,000
Adult Services	288,000
Child Welfare Services	2,674,000

Senior Citizen Services

Long-term Care	374,000
Community Services	109,000

C. Selected State Grants for Capital Projects

Public Schools

Antietam Academy – construction	\$1,000,000
Eastern Elementary School – construction	5,000,000

Public Libraries

Washington County Free Library – renovation and expansion	500,000
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Hagerstown College

Arts and Sciences Complex	5,849,000
Performing and Visual Arts Education Center	5,276,000

Shelter and Transitional Facilities

Way Station Homeless Vets	890,000
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Community Parks and Playgrounds

Hancock Community Center Playground	24,000
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Chesapeake Bay Water Quality Projects

Winebrenner WWTP – nutrient removal	1,100,000
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Chesapeake Bay Restoration Fund

Conococheague WWTP – enhanced nutrient removal	5,000,000
Winebrenner WWTP – enhanced nutrient removal	3,180,000

Waterway Improvement

Williamsport – River Bottom Park renovate boat ramp and provide ADA parking	50,000
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Other Projects

Deafnet Building	100,000
Devil's Backbone Dam	550,000
Museum of Fine Arts	100,000
Rural Heritage Transportation Museum	75,000

D. Capital Projects for State Facilities in the County**Maryland State Police**

Hagerstown Barrack/Garage/Communications Building – construction	\$2,525,000
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Department of Natural Resources

National Park Service – parkwide boating facilities maintenance	99,000
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Department of Education

Western Maryland Regional Library – renovations and expansion	2,500,000
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Wicomico County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$63,977	\$64,967	\$990	1.5
Compensatory Education	30,097	29,107	-990	-3.3
Student Transportation	4,908	4,904	-4	-0.1
Special Education	6,279	6,362	82	1.3
Limited English Proficiency Grants	1,853	1,986	133	7.2
Guaranteed Tax Base	6,759	6,954	195	2.9
Adult Education	277	277	0	0.0
Aging Schools	107	107	0	0.0
Other Education Aid	664	664	0	0.0
Primary & Secondary Education	\$114,921	\$115,328	\$406	0.4
Libraries	822	838	16	1.9
Community Colleges	4,578	4,587	8	0.2
Health Formula Grant	947	947	0	0.0
* Transportation	1,118	512	-606	-54.2
* Police and Public Safety	665	665	0	0.0
* Fire and Rescue Aid	230	230	0	0.0
Recreation and Natural Resources	87	175	88	101.1
Disparity Grant	2,197	2,197	0	0.0
Total Direct Aid	\$125,565	\$125,479	-\$86	-0.1
Aid Per Capita (\$)	1,335	1,332	-3	-0.2
Property Tax Equivalent (\$)	1.62	1.65	0.03	1.9

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Wicomico County for teachers, librarians, and community college faculty are estimated to be \$14,654,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$1,504,000
Family Health and Primary Care	424,000
Medical Care Services	935,000
Mental Health	7,776,000
Prevention and Disease Control	390,000
Developmental Disabilities	7,183,000

Social Services

Homeless Services	30,000
Women's Services	94,000
Adult Services	37,000
Child Welfare Services	1,433,000

Senior Citizen Services

Long-term Care	569,000
Community Services	330,000

Note: A portion of women's services funding supports services in Somerset, Wicomico, and Worcester counties. Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects

Public Schools

J.M. Bennett High School – construction \$7,000,000

Wor-Wic Tech Community College

Allied Health Building 9,375,000

Partnership Rental Housing Program

County Housing Authority 855,000

Chesapeake Bay Restoration Fund

Fruitland WWTP – enhanced nutrient removal 2,800,000

Water Supply Financial Assistance Program

Salisbury – elevated water tower 630,000

Waterway Improvement

Public boating facilities – countywide maintenance 50,000

Salisbury – purchase marine fire/rescue boat and equipment 50,000

Salisbury – public marina maintenance 99,000

Other Projects

Parsonsborg Volunteer Fire Company Community Center 250,000

Peninsula Regional Medical Center 240,000

Salisbury Zoological Park – Animal Health Clinic 160,000

Wicomico Youth and Civic Center 1,500,000

D. Capital Projects for State Facilities in the County

University System of Maryland

Salisbury University – campuswide dormitory renovations	\$6,700,000
Salisbury University – Perdue School of Business	9,869,000

Worcester County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2010</u>	<u>FY 2011</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
	(\$ in Thousands)			
Foundation Aid	\$6,344	\$6,290	-\$54	-0.9
Compensatory Education	5,819	6,442	623	10.7
Student Transportation	2,785	2,822	36	1.3
Special Education	1,357	1,446	89	6.6
Limited English Proficiency Grants	504	374	-130	-25.8
Adult Education	90	90	0	0.0
Aging Schools	38	38	0	0.0
Other Education Aid	466	466	0	0.0
Primary & Secondary Education	\$17,403	\$17,968	\$564	3.2
Libraries	138	138	0	0.0
Community Colleges	1,846	1,849	3	0.2
Health Formula Grant	313	313	0	0.0
* Transportation	988	545	-443	-44.8
* Police and Public Safety	458	458	0	0.0
* Fire and Rescue Aid	261	261	0	0.0
Recreation and Natural Resources	85	170	85	100.0
Total Direct Aid	\$21,492	\$21,702	\$210	1.0
Aid Per Capita (\$)	436	442	6	1.4
Property Tax Equivalent (\$)	0.11	0.12	0.01	10.7

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees. Fiscal 2011 State payments for Worcester County for teachers, librarians, and community college faculty are estimated to be \$8,502,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2011 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2010) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

Alcohol and Drug Abuse	\$2,227,000
Family Health and Primary Care	236,000
Medical Care Services	599,000
Mental Health	2,785,000
Prevention and Disease Control	509,000
Developmental Disabilities	3,763,000

Social Services

Homeless Services	30,000
Women's Services	55,000
Adult Services	50,000
Child Welfare Services	819,000

Senior Citizen Services

Long-term Care	569,000
Community Services	284,000

Note: A portion of women's services funding supports services in Somerset, Wicomico, and Worcester counties. Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects

Wor-Wic Tech Community College

Allied Health Building \$9,375,000

Community Parks and Playgrounds

Robin Park 75,000

Chesapeake Bay Water Quality Projects

Snow Hill WWTP – nutrient removal 2,800,000

Chesapeake Bay Restoration Fund

Pocomoke City WWTP – enhanced nutrient removal 1,950,000

Snow Hill WWTP – enhanced nutrient removal 2,980,000

Water Supply Financial Assistance Program

Snow Hill – water main improvements 150,000

Waterway Improvement

Ocean City – acquire fire/rescue boat and equipment 50,000

Public boating facilities – countywide maintenance 50,000

Snow Hill – Byrd Park maintenance and improvements 50,000

Other Projects

Ocean City Convention Center – expansion 4,300,000

Pocomoke City Volunteer Fire Company – Community Center 250,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Ocean City – beach replenishment

\$2,000,000