



***Howard County: The Recession and the Future?
Presentation to the Non-Profit Resource
Development Council***

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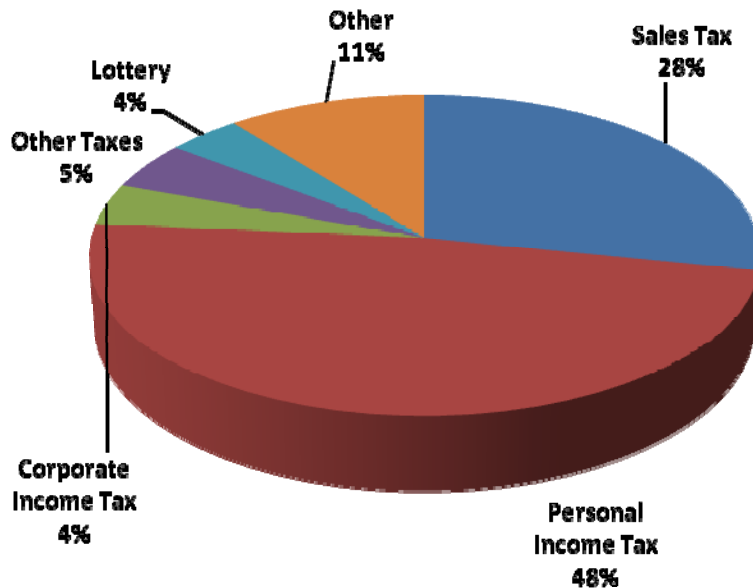


What Questions Do We Need To Answer?

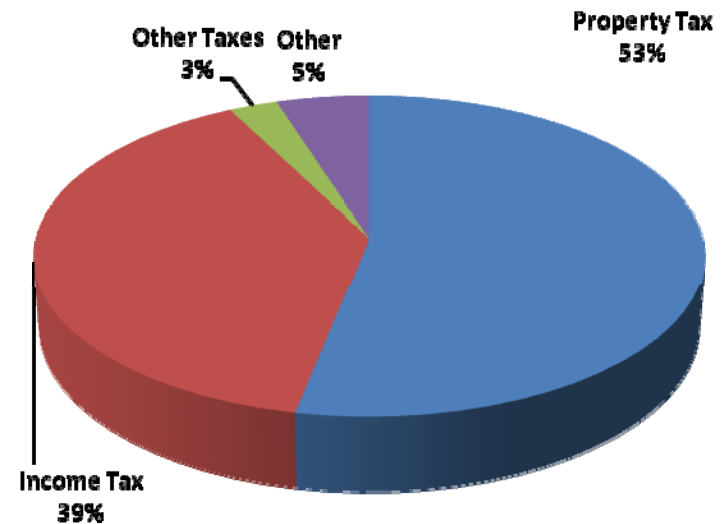
- What happened to our revenues in Howard County over the past two years?
- What did we do in reaction to the revenue shortfalls?
- How has this affected the budget and spending priorities?
- What is the outlook next year for Howard County's budget?

Comparison of the Maryland and Howard County Revenue Pies

Maryland FY 2011 General Fund Budget



Howard County FY 2011 General Fund Budget

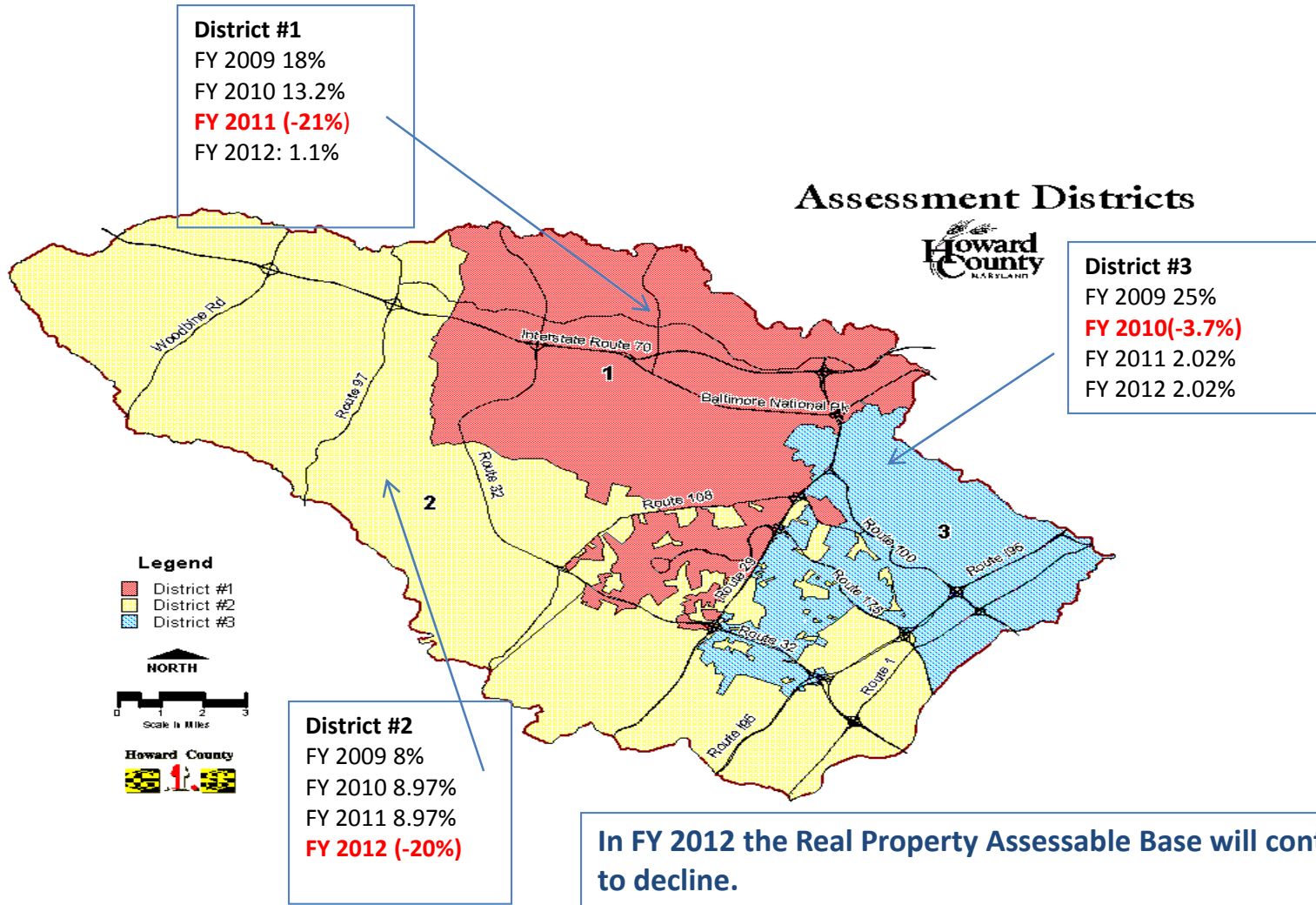


The State has two very economically sensitive revenues that make up the largest portion of the General Fund, while Howard County only has one. Thus, the revenues of the two jurisdictions act differently in an economic slowdown.

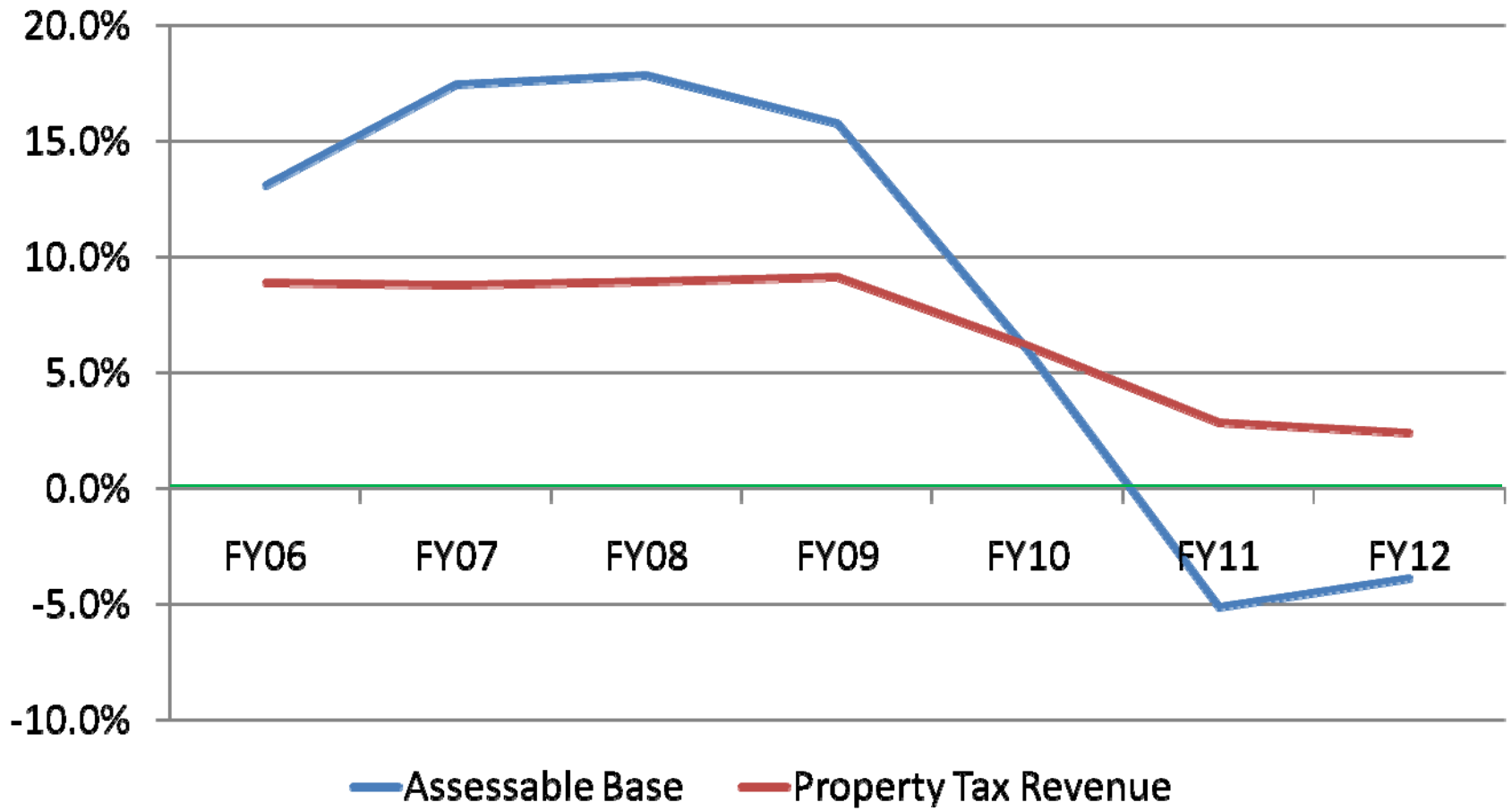


The County Property Tax: The Supertanker of Revenues

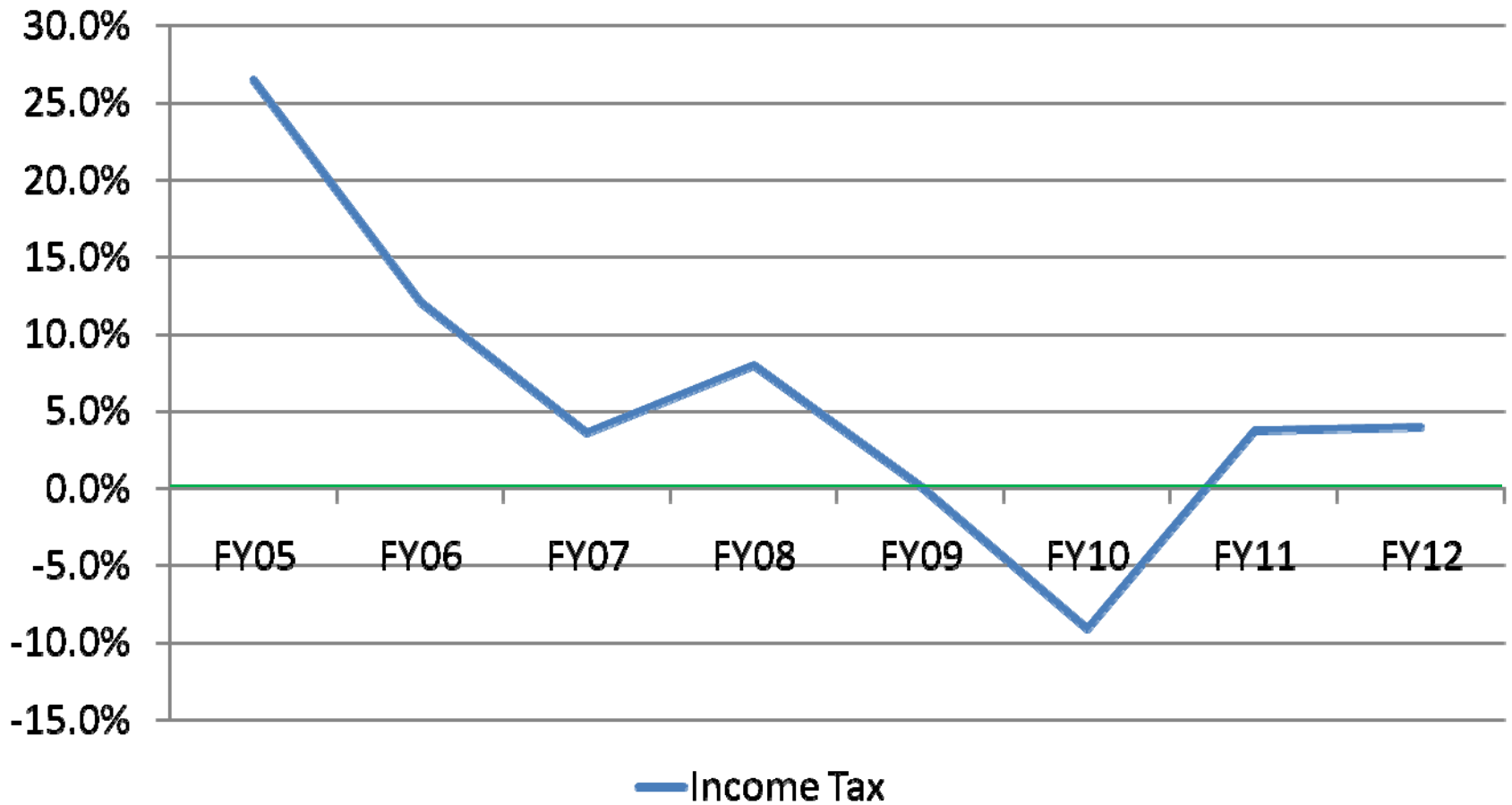
Past and Projected Assessment changes



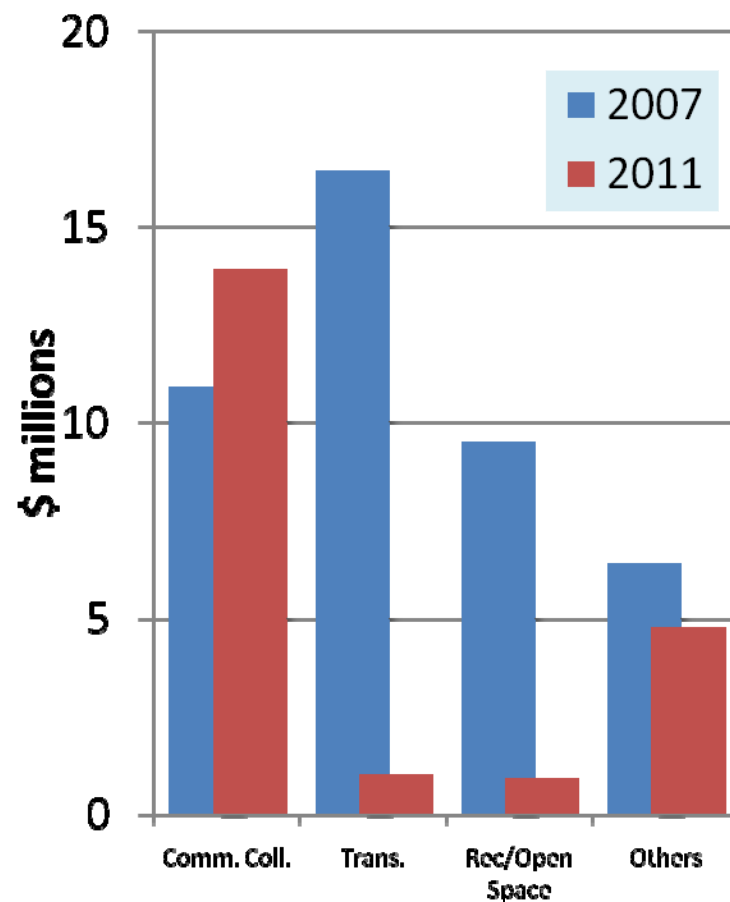
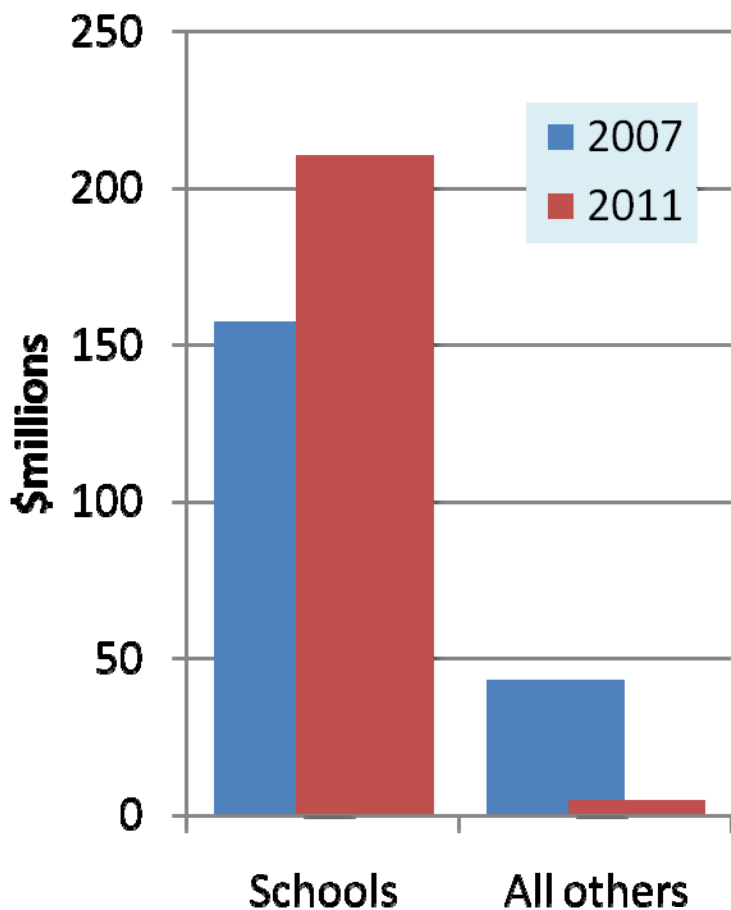
Percentage Change in Assessable Base and Property Tax Revenues



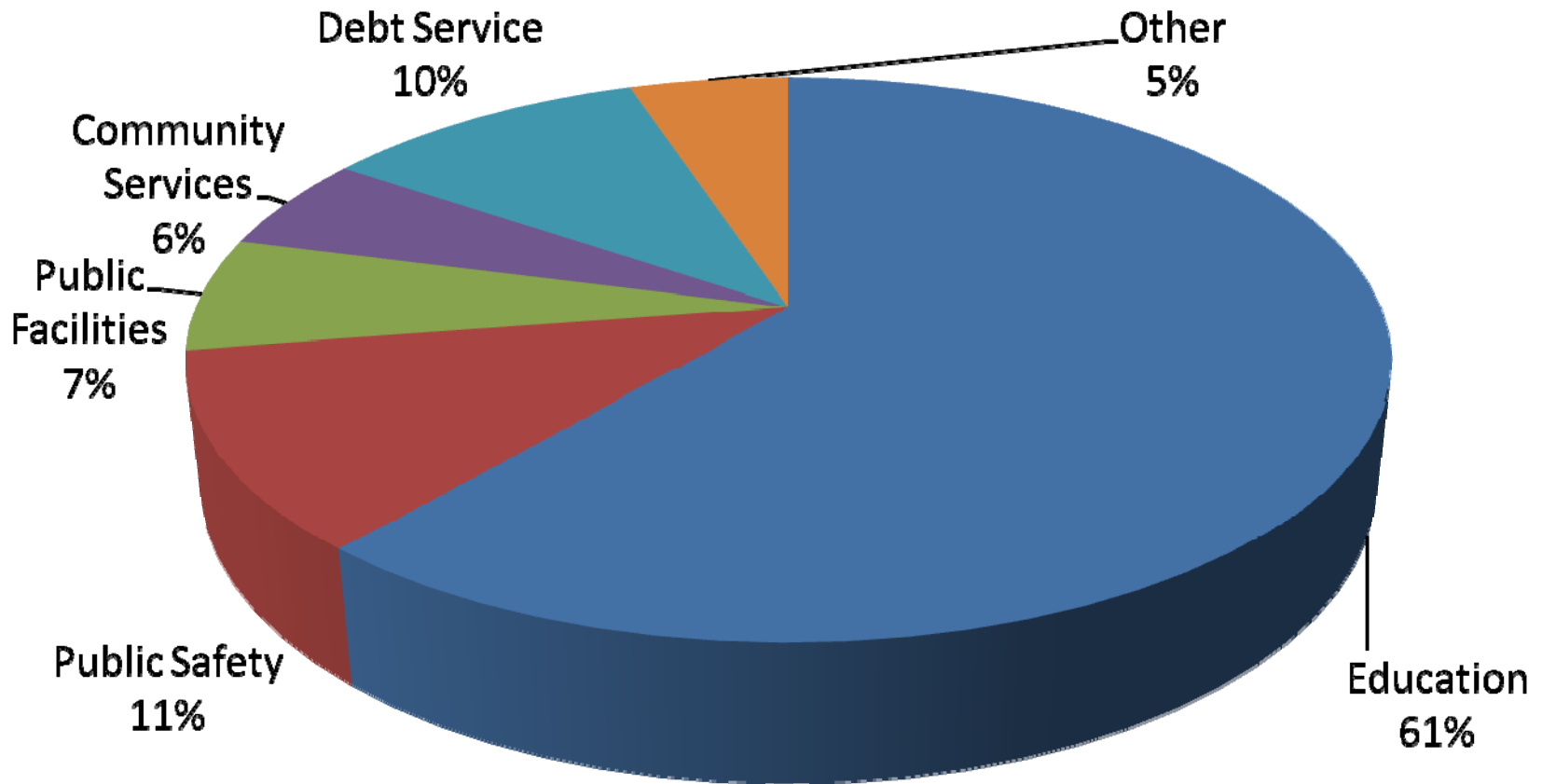
Percentage Change in Howard County Income Tax Revenues



Direct state aid for Howard County ~ 2007-2011



Howard County FY 2011 General Fund Budget

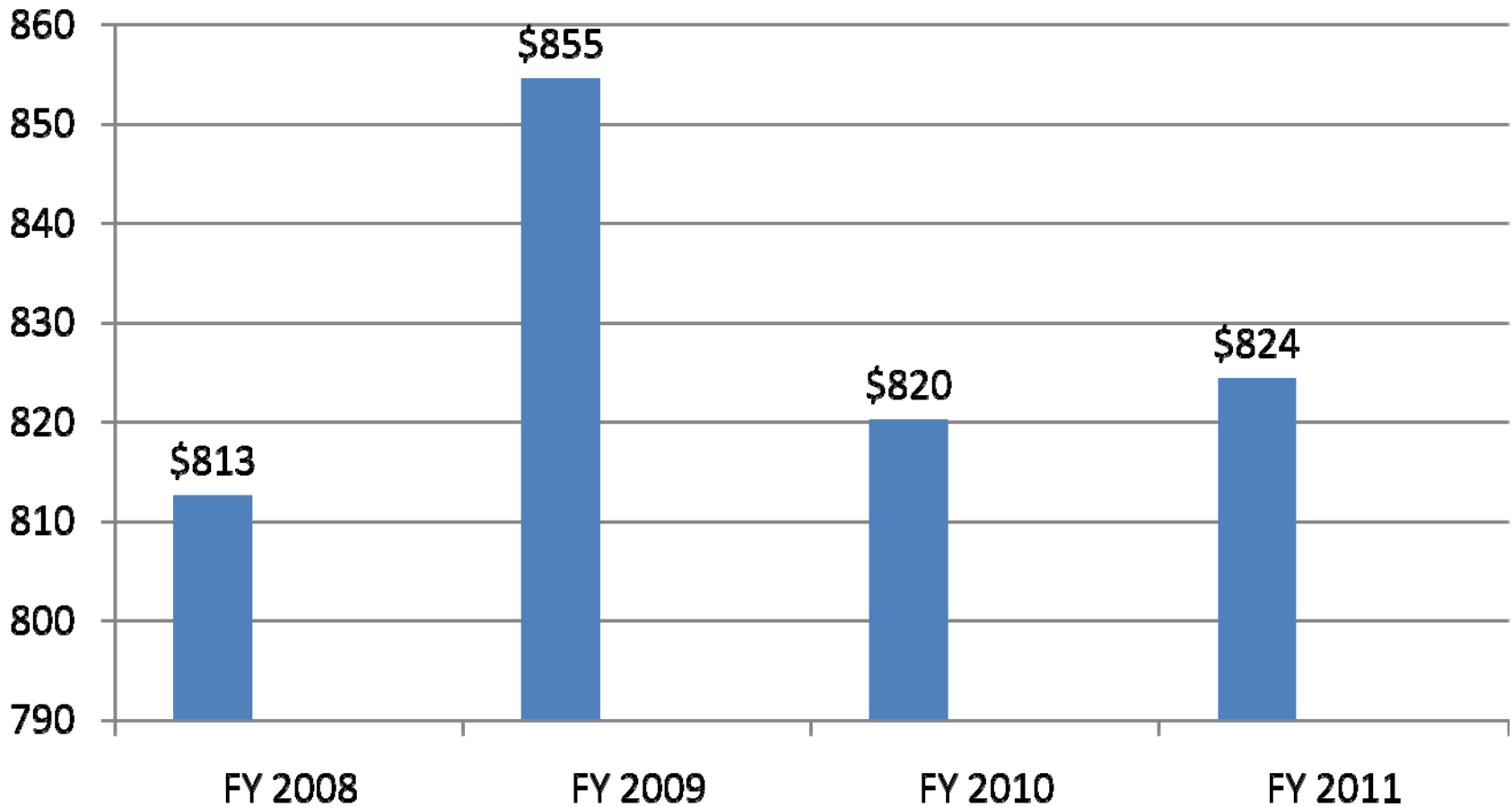




What has Howard County done to keep the Budget Balanced?

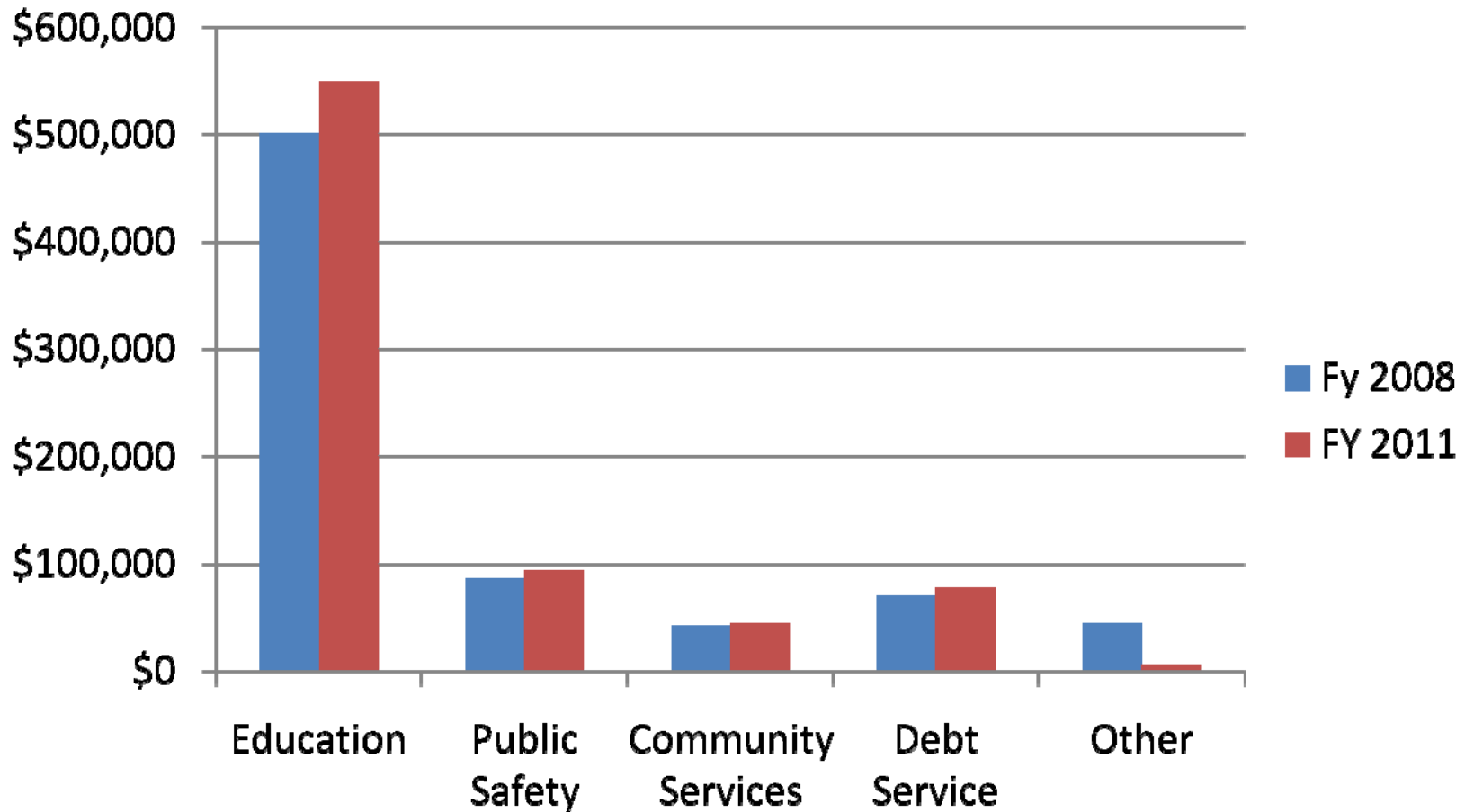
- Beginning in the Fall of 2008 the County imposed a conditional freeze on non-public safety employment. As a result we have avoided recession related layoffs, but have over 100 unfunded vacant positions.
- In FY 2010 the County reduced existing budgets by up to 5% during the year.
- In FY 2011 the County used these reduced budgets as a base for the upcoming year.
- In FY 2010 the County instituted up to five furlough days for non-essential employees and has continued the furloughs into FY 2011.
- The County is reviewing all expenditures and is concentrating on core missions activities and will concentrate on them.

How has Howard County used the resources it has?



Millions

Change in Howard County Spending



Millions