

Carroll County Government – Responses to CEC Suggestions

| Suggestion | Comments | Recommend | Already Considered | Requires Analysis |
|--|--|--------------------------|--------------------------|--------------------------|
| Efficiency audit/review of expenses for CCG | <p>Carroll County Government welcomes all opportunities to improve its processes and procedures and considers its organization to be a leader in process improvement. Due to the prohibitive cost of outside efficiency studies and the difficulty to implement them, CCG prefers to initiate process improvement strategies from within. For example, in June 2014, we contracted with EA Engineering to do a performance audit of just one county department - the Department of Public Works. The study cost \$99,870.00. CCG is committed to ongoing leadership development, developing an organizational environment which has consistently examined its internal efficiencies to identify savings, reduce costs and eliminate duplication and waste. Additionally, CCG engages in identifying and executing continuous technology improvements that drive costs down and improve effectiveness. Examples include ACCELA, Financial Management System and HR/Payroll System.</p> <p>The Board of County Commissioners will utilize local, knowledgeable resources which have expertise and an internal command of the challenges facing Carroll County. The county has over 35 Boards and Commissions filled with citizens who have the ability to study Carroll County issues to advise and make recommendations regarding process analysis of our systems.</p> <p>The BCC will hold meetings with advisory boards, councils and committees and task the groups with answering specific questions regarding efficiencies, processes and process improvement in their area of expertise. Commissioners serve as liaisons to these groups and will provide guidance and commitment to stay in alignment with the BCC's Goals and Objectives.</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| County representatives encourage their boards or colleagues to develop a plan to each fund \$3 million/year over the next five years | <p>The BCC is committed to keeping Carroll County Public schools one of the best school systems in the state. Due to a continuously changing environment where funding is dependent on a variety of factors, the BCC will make budget decisions each year based on proper justification and funding availability (tax increases unlikely). Funding will be a dollar amount of the BCC's choosing, not based on an</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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| | arbitrary statistic or pre-determined formula. The BCC will decide funding levels based on revenues that the county receives and the recognized needs of CCPS. Keep in mind there is a fundamental difference between CCG and CCPS in that one is a revenue collector and the other is a fund receiver. The BCC fundamentally believes that it is reasonable to ask a recipient for an accounting of how money is spent. | | | |
| Commission an efficiency audit using an independent consultant for Carroll County Government offices/Have an outside organization conduct an efficiency study of CCG | <p>Carroll County Government welcomes all opportunities to improve its processes and procedures and considers its organization to be a leader in process improvement. Due to the prohibitive cost of outside efficiency studies and the difficulty to implement them, CCG prefers to initiate process improvement strategies from within. For example, in June 2014, we contracted with EA Engineering to do a performance audit of just one county department - the Department of Public Works. The study cost \$99,870.00. CCG is committed to ongoing leadership development, developing an organizational environment which has consistently examined its internal efficiencies to identify savings, reduce costs and eliminate duplication and waste. Additionally, CCG engages in identifying and executing continuous technology improvements that drive costs down and improve effectiveness. Examples include ACCELA, Financial Management System and HR/Payroll System.</p> <p>The Board of County Commissioners will utilize local, knowledgeable resources which have expertise and an internal command of the challenges facing Carroll County. The county has over 35 Boards and Commissions filled with citizens who have the ability to study Carroll County issues to advise and make recommendations regarding process analysis of our systems.</p> <p>The BCC will hold meetings with advisory boards, councils and committees and task the groups with answering specific questions regarding efficiencies, processes and process improvement in their area of expertise. Commissioners serve as liaisons to these groups and will provide guidance and commitment to stay in alignment with the BCC's Goals and Objectives.</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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| Compare efficiencies that have already been done for CCG | CCG eliminated 12% of our workforce (over 100 positions) and eliminated salary increases for several years. Other reductions included savings within categories and reductions to programs. CCG also avoids cost increases in major categories and controls certain key inflationary increases. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Examine the county health insurance | <p>CCG continually reviews our health insurance program and other benefit programs offered to our staff. We regularly examine our plans to ensure we are spending county tax dollars judiciously. We redesign plans to streamline administrative costs while maintaining, or, when possible, improving offerings, bid the programs on a regular cycle and work with employee groups to contain costs. We also conduct audits of claims and eligible dependents. The newest contract was effective January 1, 2015.</p> <p>The new contract added a “Medical Necessity” review to the plans and added prescription costs towards the Individual Stop Loss limit of \$300,000.</p> <p>The county will research the opt-out option for employees and will identify if opportunities exist to incentivize the opt-out program to reduce county insurance costs.</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| CCG scale expenses with other entities in the county (hospital/nonprofits) | <p>CCG and CCPS periodically review opportunities for efficiencies and economies of scale and changes are made where applicable. CCG participates in Baltimore Metropolitan Council cooperative buying program with significant savings every year.</p> <p>Examples:</p> <ul style="list-style-type: none"> • Electric (BMC BRCPC Energy Committee)- we saved \$402,921 in FY16 and \$3,918,754 since FY07 • Gas/Diesel/#2 Heating Oil- (BMC BRCPC Committee)- we save approximately \$230,000 annually over bidding ourselves and have saved approximately \$1,200,000 since FY09 • HGAC Cooperative (heavy equipment)- we saved approximately \$210,000 since FY09 • BMC BRCPC Public Works Committee (we cooperatively purchase items | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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| | <p>like road salt, traffic paint, paving services, wastewater treatment chemicals and utilities services)- we save approximately \$450,000 annually and close to \$4,000,000 since FY09.</p> <p>Very conservatively we save at least \$1,200,000 annually in cooperative purchasing.</p> | | | |
| Restore tax cuts | <p>Reversing the tax cuts would add approximately \$7M/year.</p> <p>Reversing tax cuts or increasing tax rates requires a super majority vote from the Board of County Commissioners as written in Resolution 815-2011.</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Increase taxes | <p>Impact of rate changes:</p> <ul style="list-style-type: none"> Property tax - \$0.01 = \$1.9M/year Income tax – 0.1% = \$500,000/year Recordation tax - \$0.10 = \$290,000 <p>Increasing tax rates requires a super majority vote from the Board of County Commissioners as written in Resolution 815-2011.</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Restoring CCPS funding to historical rates | <p>The 30-year average percent of the budget that has supported public schools is 47.2%. The FY17 budget allocation was at 46.8%, even though enrollment has declined nearly 20%.</p> <p>The BCC is committed to keeping Carroll County Public schools one of the best school systems in the state. Due to a continuously changing environment where funding is dependent on a variety of factors, the BCC will make budget decisions each year based on actual dollars, not statistics or a calculation. The BCC will decide funding levels based on revenues that the county receives and the recognized needs of CCPS. Keep in mind there is a fundamental difference between CCG and CCPS in that one is a revenue collector and the other is a fund receiver. The BCC fundamentally believes that is it reasonable to ask a recipient for an accounting of how money is spent.</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Game plan to increase economic development | <ul style="list-style-type: none"> Make the right capital investments in the required infrastructure and programs to support business growth and expansion. Develop high quality business parks complete with necessary | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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| | <p>infrastructure; facilitate development and redevelopment of business parks.</p> <ul style="list-style-type: none"> • Work to provide solutions to address development-related infrastructure deficits, providing they are consistent with our Master Planning documents. • Identify additional land attractive to developers for industrial and commercial growth. • Deliver and sustain a predictable and reasonable business-friendly development review and permitting process. • Continue business retention and expansion outreach. • Coordinate and manage industry sector development and business outreach activities with partner organizations. • Facilitate business to business transactions among local and regional corporations. • Sustain and grow target business sectors • Support business research & development and growth • Facilitate the development review process, coordinating with municipalities and other government agencies at local and state levels for business owners and developers. • Maintain financial policies and procedures for the economic Development Infrastructure Fund. • Market Carroll County as a tourist destination. | | | |
| Dedicate a set percentage of county growth in revenue to CCPS | <p>The historical average funding level for BOE as a percentage of county total revenue has remained fairly consistent over the years, even though student enrollment has dropped nearly 20%. The 30-year average percent of the budget that has supported public schools is 47.2%. The FY17 budget allocation was at 46.8%.</p> <p>Changes beyond that would require a policy decision made by the Board of Commissioners.</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Lower county health insurance costs to that of CCPS | <p>This presupposes that CCG health insurance costs are higher and that employee costs are lower. Employee premiums have increased in 6 of the last 9 years. The</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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| | coverage generally available to CCG employees is not as broad as coverage provided to CCPS employees. A simple comparison of how much one employee group pays versus another doesn't tell the entire story. The only proper comparison would entail a review of employee total compensation - salary and all benefits. Such comparisons are difficult as the work performed and the service provided by each organization is very different. | | | |
| County 3rd party efficiency review of funded programs that can be reduced/consolidated back to schools | <p>Carroll County Government welcomes all opportunities to improve its processes and procedures and considers its organization to be a leader in process improvement. Due to the prohibitive cost of outside efficiency studies and the difficulty to implement them, CCG prefers to initiate process improvement strategies from within. For example, in June 2014, we contracted with EA Engineering to do a performance audit of just one county department - the Department of Public Works. The study cost \$99,870.00. CCG is committed to ongoing leadership development, developing an organizational environment which has consistently examined its internal efficiencies to identify savings, reduce costs and eliminate duplication and waste. Additionally, CCG engages in identifying and executing continuous technology improvements that drive costs down and improve effectiveness. Examples include ACCELA, Financial Management System and HR/Payroll System.</p> <p>The Board of County Commissioners will utilize local, knowledgeable resources which have expertise and an internal command of the challenges facing Carroll County. The county has over 35 Boards and Commissions filled with citizens who have the ability to study Carroll County issues to advise and make recommendations regarding process analysis of our systems.</p> <p>The BCC will hold meetings with advisory boards, councils and committees and task the groups with answering specific questions regarding efficiencies, processes and process improvement in their area of expertise. Commissioners serve as liaisons to these groups and will provide guidance and commitment to stay in alignment with the BCC's Goals and Objectives.</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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| BOCC committed to working with BOE on funding gap with new available revenue | <p>CCG action has exhibited this commitment. County funding to CCPS has increased each year and the current 5-year operating plan calls for continued BOE funding increases.</p> <p>The BCC is committed to keeping Carroll County Public schools one of the best school systems in the state. Due to a continuously changing environment where funding is dependent on a variety of factors, the BCC will make budget decisions each year based on proper justification and funding availability (tax increases unlikely). Funding will be a dollar amount of the BCC's choosing, not based on an arbitrary statistic or pre-determined formula. The BCC will decide funding levels based on revenues that the county receives and the recognized needs of CCPS. Keep in mind there is a fundamental difference between CCG and CCPS in that one is a revenue collector and the other is a fund receiver. The BCC fundamentally believes that it is reasonable to ask a recipient for an accounting of how money is spent.</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Temporarily suspend the ag preservation program | This is the only suggestion which is directed at a specific county program without any consideration for the demand or benefits of the program. It would be extremely difficult from an administrative and programmatic point of view to stop and then hopefully restart such a successful program. Agriculture is a large contributor to the county's tax base and is the largest industry in Carroll County, bringing 5.08% of total tax base or \$.94 billion/ in FY17. Preserving this industry and way of life has been a priority in Carroll County for years. Staffing costs would remain the same as existing easements would need to be managed and maintained even if new land acquisitions were eliminated. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Examine and realign all agencies percentage of growth to match county growth rate | Although this question is a little vague, we believe the intent is to increase agency budget growth by the same percentage as the county revenue grows. For example, if county revenues increased 1%, then each agency funded by CCG would receive a 1% increase including CCPS. By the same token if CCG revenue decreased by 1% then each agency's funding would decrease by 1%. Such a change would require a commissioner policy decision and could lead to less funding historically for CCPS. Regardless, the BCC reserves flexibility to adjust | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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| | agency sizes and funding up or down based on changing needs of the county. | | | |
| Cut back county departments so they are similarly sized to that of CCPS | Discussions of comparing CCG to CCPS are difficult. Not only does CCG serve the entire county, with over 170,000 residents, but services are extremely broad and seemingly limitless. CCG and CCPS have totally different functions, constituencies and services and therefore require very different business structures which make comparisons tortured at best. It is important to keep roles in perspective when proposing comparisons. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Restructuring/shifting cost of benefits – Health/Pension/Find Ways to reduce health care costs | <p>CCG continually reviews our health insurance program and other benefit programs offered to our staff. We regularly examine our plans to ensure we are spending county tax dollars judiciously. We redesign plans to streamline administrative costs while maintaining, or, when possible, improving offerings, bid the programs on a regular cycle and work with employees groups to contain costs. We also conducted audits of claims and eligible dependents.</p> <p>Over the last 12 years, CCG has made several changes to health and pension benefits, reducing costs and benefits to both current employees and future retired employees.</p> <p>For Example:</p> <ul style="list-style-type: none"> • Number of years to qualify for retiree health insurance was increased from 10-15 • Premiums were changed to a percentage of the “premium equivalent” • Grant Contingent employees do not qualify for Retiree healthcare coverage | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Since Carroll has the best schools in Maryland, contact Maryland’s colleges and universities to see if they would be interested in using these vacant schools for off campus schools. Example: North Carroll | The BCC will investigate all potential avenues and uses for the closed schools. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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| could house University of Maryland or Johns Hopkins. A lot of Carroll students go out of state to attend college. This would give them a reason to stay in Carroll, get jobs while they are attending college, etc. | | | | |
| Campaign to bring young families into Carroll County and put policies into place that support this campaign | <p>The BCC is exploring all avenues to promote Carroll as the place to be. New relationships with the Baltimore Metropolitan Council, Fort Mead Alliance and BWI Partnership are examples of opportunities to promote the county in regional markets. Increasing utilization of the Carroll County Economic Development Commission will bring a stronger business voice to government activities and benefit our efforts in developing business growth opportunities. Also, the newly established Long Term Advisory Council could consider this issue. Slightly higher growth rates can improve the funding and revenue situation. However, the county is not solely focused on growth, but rather pursuing quality measured growth providing it is consistent with our Master Plan documents.</p> <p>The BCC voted unanimously to dedicate funding in FY18 for marketing initiatives and a redesign of the county website. Recent negative media releases from CCPS have been counterproductive to Commissioners' public relations initiatives.</p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |