



FREDERICK COUNTY GOVERNMENT OFFICE OF THE COUNTY EXECUTIVE

Jessica Fitzwater
County Executive

April 2023

To the People of Frederick County:

Thank you for the privilege of serving as your County Executive. One of my most important responsibilities is developing a budget that invests in our community's priorities. My first budget is anchored in my administration's core values of accountability, inclusion, and sustainability, and I am proud that it reflects unprecedented community input, makes smart investments in our people, and is fiscally sound.

More than 1,500 residents helped develop our budget. We held seven budget town halls – two at Winchester Hall and one in each County Council district – where I was joined by members of the Council. Over 350 people attended one of these events, and many came to the microphone to share their hopes and concerns. More than 1,100 people tried their hand at investing in their priorities while balancing the budget using our Balancing Act survey. We also received 84 comments through the budget portal and countless emails. This process was transparent and inclusive, and I am grateful that so many of you helped us craft the Proposed Fiscal Year 2024 Operating and Capital Budgets.

Throughout the process, I heard loudly and clearly that you expect us to invest in our people. That's exactly what this proposed budget does.

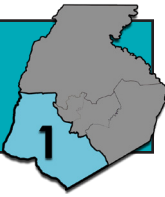
INVESTING IN OUR STUDENTS

Our incredible public schools are a leading reason people want to live here. Over the past five years, 18 of Maryland's 24 jurisdictions saw student enrollment decline, according to the Maryland State Department of Education. Frederick County Public Schools saw enrollment grow nearly 10% during the same time, four times faster than the next fastest growing system. This growth puts tremendous strain on educators, administrators, support staff, and – most importantly – students.

As introduced, the budget includes \$405 million for Frederick County Public Schools, which is \$35 million more than the legally required maintenance of effort, and an additional \$2.9 million in in-kind support. While this is record funding for our schools, it does not meet the Board of Education's full request. I look forward to working with Superintendent Dyson, the Board of Education, and stakeholders – including the Frederick County Teachers, Support Staff, and Administrative Associations – to develop a sustainable approach to implementing the Blueprint for Maryland's Future, making salaries and working conditions competitive with our neighboring jurisdictions, and ensuring every student can succeed in our schools.



Listening Session Requests



District 1



Brunswick Senior Center Feasibility Study



Bikeways and Trails Investment

Enrollment growth also puts unprecedented pressure on our school facilities. We face the dual challenge of building new schools to accommodate growth and renovating existing facilities so all students have modern and safe classrooms. The proposed capital budget addresses both challenges by funding numerous projects in the next two years. We will open a new Brunswick Elementary School this August. We will begin work on an addition to Crestwood Middle School, a new, larger Green Valley Elementary School, and a replacement Valley Elementary School. We will also begin the design phase to replace Middletown Elementary and Middle Schools on a co-located campus. This summer, we will begin limited renovations at Ballenger Creek, Monocacy, and Spring Ridge Elementary Schools, and we will deliver on a new Liberty Elementary School a year sooner than promised, with design funding in FY2025.



Our community college serves a broad cross section of our community, including degree seekers, workers who need to learn new skills, life-long learners, and non-native English speakers. Frederick Community College is committed to remaining an affordable educational option for our residents, and the proposed budget will help them meet that goal with over \$1.8 million in additional operating funds over previous years. This will allow FCC to freeze tuition and fees for the second consecutive year. It will also provide FCC the funding equivalent to a 5% cost of living adjustment for its employees, which will help retain and attract highly qualified faculty and staff. I am excited to work with President Cheek and the FCC Board of Trustees to strengthen our partnership and find innovative ways to meet our workforce needs.



Like FCC, Frederick County Public Libraries provide lifelong learning opportunities. The proposed operating budget includes the addition of key staff members to improve customer service and support Spanish-speaking residents and allows FCPL to remain fine-free. A new Middletown Branch Library, which will showcase the Middletown Valley's rich history, opens this fall. The Capital Improvement Plan provides for new libraries in two communities which are not currently served, one in the eastern part of the County and one in the west end of the City of Frederick.

INVESTING IN OUR WORKFORCE

Our economy is diverse and strong. We have a high concentration of educated workers, a world-class bioscience and technology sector, a growing manufacturing sector, and a rapidly diversifying agricultural sector. We are home to more than 7,700 businesses which employ more than 100,000 workers, and our unemployment rate is lower than the state and national rates.

Because of these strengths, we can help our lowest income residents in ways other jurisdictions cannot. The proposed budget reduces the personal income tax for people earning less than \$25,000 a year to 2.25%. This is the lowest rate allowed by State law, and – if the budget is adopted – Frederick County will be the first jurisdiction in Maryland to have a 2.25% bracket for working families and seniors on a fixed income. We are able to provide targeted tax relief by raising the tax rate of our higher wage earners to 3.2%, the same rate as nearly two-thirds of all Marylanders. This is in line with jurisdictions across the state. The proposed budget makes no changes to the property tax rate.



We have all the elements required to build one of the most vibrant creative economies in the nation. The Livable Frederick Master Plan called for supporting the creative economy, and my Transition Team echoed that call. The proposed budget reinstates the County's Admissions and Amusement Tax to fund grant programs which will harness the energy in the arts community and grow our creative economy.

This budget builds on our successes. Our award-winning Agriculture Innovation Grants program remains a critical tool to support Frederick County farmers. This budget enables the Office of Economic Development to continue its focus on implementing the Growth Opportu-

nities (GO) Strategy, which has made Frederick County a hub for the bio-pharma and technology industries.

While recognizing that our economy is diverse and strong, we must remember that it does not include everyone. During the Transition, we heard from minority- and women-owned businesses that they want better access to our procurement and contracting processes. We launched a disparity study which will be completed in the upcoming fiscal year. We will use the results of this study to develop the County's first Minority Business Enterprise (MBE) program. We also heard from small businesses that they want the same level of service in the permitting process we provide large companies that want to locate here. The proposed budget funds an Ombudsman position and a Small Business Navigator position to provide local businesses get the best possible service.

Listening Session Requests



District 2



Education Funding Above Maintenance of Effort



Focus on School Capacity (ex: Green Valley Elementary)

INVESTING IN OUR GROWING COMMUNITY

Listening Session Requests



District 3



*Library on West
Side of City of
Frederick*



*Immigrant Needs
Assessment*

According to the United States Census Bureau, Maryland lost population from July 1, 2021, to July 1, 2022. Frederick County grew by more than 2% over this same period. Our growth was driven primarily by domestic migration, which means more people chose to move here than to leave. This is a good problem because it means people recognize all Frederick County has to offer, but increasing pressure on our housing market, social safety net, and amenities also presents challenges. We will continue to utilize the Livable Frederick Master Plan as we recognize these challenges.

We need housing policies and programs designed to meet the needs of all Frederick County residents, which is why I am elevating the Housing Department, previously located within our Citizen Services Division, to a stand-alone Housing Division. We will conduct a national search to find a leader for this Division who understands our challenges and can create innovative solutions to help current residents stay in their homes and new residents afford to live in this growing and vibrant community. The proposed budget increases the Housing Initiative Fund by \$600,000, which will help us meet the County's affordable housing goals. The proposed budget also includes funding for an updated housing needs assessment, so we can truly understand the scope of our challenge.



Our County was recently ranked among the healthiest in Maryland by the University of Wisconsin Population Health Institute. We should celebrate this ranking, but we should not use it to ignore the disparities people experience because of their race, income, or geography. Our Health Department convened a Maternal and Child Health Collaborative in 2019 to conduct a community planning process to initiate a community-based maternal health system of care. That Collaborative led to a maternal and child health disparity study, which is currently underway. We will use the results to develop strategies to strengthen services and improve outcomes for underserved women and children.

In addition, the proposed budget includes funding for our new Crisis Stabilization Center. We will renovate the Montevue Lane facility this year, and we will provide funding for day-to-day operations thanks in part to legal settlements with opioid manufacturers and distributors, support from our federal partners, and county funds. This budget also includes funding for six new school health nurses to assist schools with larger populations or with a large number of health room visits.

Our quality of life, enhanced by our beautiful landscapes and outdoor recreational opportunities, is another leading reason people want to live here. The proposed budget includes a record investment of more than \$4.5 million in Frederick County's bikeways and trails system. We will update the Bikeways and Trails Plan and advance projects like the



Frederick and Pennsylvania Line rail trail, the New Design Road side path, and the H&F Trail. We will also begin designing a new trail to connect Middletown and Myersville, with studies to connect Emmitsburg to Thurmont and Urbana to Frederick continuing as planned. Bikeways and trails provide a safe, sustainable, and equitable way for everyone to access jobs, health care, exercise, and more.

We continue to emphasize serving our aging population. Within the first three years of the capital improvement plan, we will make significant investments in our senior centers, including a feasibility study and future funding for a new and improved Brunswick Senior Center, a brand-new facility in east county, and renovations to our Frederick Senior Center on Taney Avenue. We will also develop a service coordination model to help our most vulnerable seniors age in place.

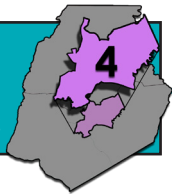
As we invest in our community, we also must consider the impacts of climate change on our environment and our people. This budget allows for the implementation of our Hazard Mitigation and Climate Adaptation Plan and our internal Climate and Energy Action Plan and prioritizes the critical work of responding to climate risks and building resilience as a community.

INVESTING IN OUR PUBLIC SERVANTS

Our employees are Frederick County Government's greatest asset. People work here because they want to serve others, and I am committed to investing in our workforce and making Frederick County Government a place where people are excited to come to work each day. The proposed budget includes a 5% cost of living adjustment for non-union employees and honors the contracts with our public safety unions. I am proud to have signed a two-year contract with our career firefighters and to provide funding for existing commitments to our deputies and correctional officers. It also invests in our talent by making inclusion and



Listening Session Requests



District 4



Focus on Affordable Housing



Senior Services Staffing

Listening Session Requests



District 5



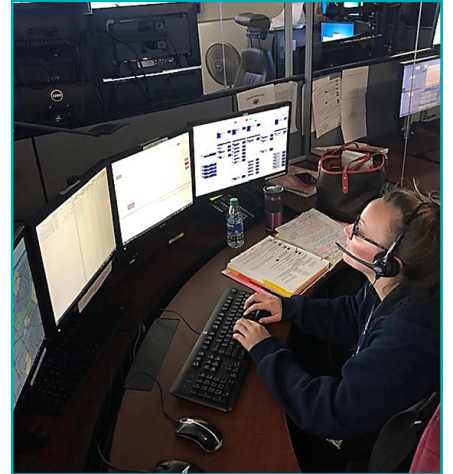
Agriculture Innovation Grants



Preservation of Agricultural Land

belonging a priority, providing enhanced training opportunities, and modernizing our Division of Human Resources.

Our 911 emergency communications specialists are on the front lines of responding to crises, and the proposed budget provides additional staff and supports the operations of a new state-of-the-art Next Gen 911 Center, funded through an increase to the 911 fee on cell phone bills. The proposed budget also reflects key changes in classifications, shift differentials, and salaries to recognize the sacrifices our emergency communications specialists make every day.



INVESTING IN THE FUTURE OF FREDERICK COUNTY

The proposed budget is fiscally responsible. It has healthy reserve funds, meets our long-term pension obligations, and makes tactical investments to protect our coveted AAA bond rating from all three rating agencies. This bond rating gives the County the opportunity to borrow funds at a much lower interest rate, saving taxpayer dollars as we invest in essential services and capital projects.

I want to thank our incredible team in the Budget Office and our entire FCG workforce for their diligence and expertise as we crafted this year's operating and capital budgets. I am proud to work with you every day and grateful for the service you provide to our residents.

Thank you for the privilege of serving as your County Executive. I am pleased to submit to the County Council a proposed budget that reflects community input and makes smart investments in our people. I look forward to their review of the budget and – after the budget is finalized – to communicating with you regularly about our progress. Together, we are making investments that will move Frederick County forward and build a future where everyone has the opportunity to thrive.

A handwritten signature in blue ink that reads "Jessica Fitzwater".

Jessica Fitzwater
Frederick County Executive