

# POTENTIAL REVENUE

BRAINSTORMING WAYS TO ADDRESS A  
\$5.7 MILLION LOSS IN REVENUE FROM  
THE STATE OF MARYLAND FOR FY26

*options*

## PROPERTY TAX EXAMPLE

Based on an assessed property value of \$100,000

|              | RATE  | ANNUAL TAX | INCREASE OVER CURRENT ANNUAL AMOUNT OWED | PROJECTED COUNTY REVENUE |
|--------------|-------|------------|--|--------------------------|
| Current Rate | .975  | \$975      | \$0                                      | \$0                      |
| +1 cents     | .985  | \$985      | \$10                                     | \$540,000                |
| +2 cents     | .995  | \$995      | \$20                                     | \$1,080,000              |
| +3 cents     | 1.005 | \$1,005    | \$30                                     | \$1,620,000              |
| +4 cents     | 1.015 | \$1,015    | \$40                                     | \$2,160,000              |
| +5 cents     | 1.025 | \$1,025    | \$50                                     | \$2,700,000              |
| +6 cents     | 1.035 | \$1,035    | \$60                                     | \$3,240,000              |
| +7 cents     | 1.045 | \$1,045    | \$70                                     | \$3,780,000              |
| +8 cents     | 1.055 | \$1,055    | \$80                                     | \$4,320,000              |
| +9 cents     | 1.065 | \$1,065    | \$90                                     | \$4,860,000              |
| +10 cents    | 1.075 | \$1,075    | \$100                                    | \$5,400,000              |

## INCOME TAX EXAMPLE

Based on a taxable income of \$100,000

|              | RATE  | ANNUAL TAX | INCREASE OVER CURRENT ANNUAL AMOUNT OWED | PROJECTED COUNTY REVENUE |
|--------------|-------|------------|--|--------------------------|
| Current Rate | .0303 | \$3,030    | \$0                                      | \$0                      |
| .02%         | .0305 | \$3,050    | \$20                                     | \$200,000                |
| .04%         | .0307 | \$3,070    | \$40                                     | \$400,000                |
| .06%         | .0309 | \$3,090    | \$60                                     | \$600,000                |
| .08%         | .0311 | \$3,110    | \$80                                     | \$800,000                |
| .10%         | .0313 | \$3,130    | \$100                                    | \$1,000,000              |
| .12%         | .0315 | \$3,150    | \$120                                    | \$1,200,000              |
| .14%         | .0317 | \$3,170    | \$140                                    | \$1,400,000              |
| .17% (MAX)   | .0320 | \$3,200    | \$170                                    | \$1,700,000              |

## FUTURE PUBLIC SAFETY TAX

| PROPOSED TAX   | POTENTIAL REVENUE |
|----------------|-------------------|
| \$50/property  | \$2,000,000       |
| \$75/property  | \$3,000,000       |
| \$100/property | \$4,000,000       |

THIS TAX WOULD LIKELY REQUIRE LEGISLATION, AND  
WOULD REQUIRE SOME ADDITIONAL RESEARCH  
BEFORE MOVING FORWARD. IT WOULD EFFECT FY27  
BUDGET AND BEYOND, AT THE EARLIEST.

# EXPENSE CUTTING

BRAINSTORMING WAYS TO ADDRESS A \$5.7 MILLION LOSS IN REVENUE FROM THE STATE OF MARYLAND FOR FY26

*examples*

## STAFF REDUCTIONS

BASED ON AVERAGE SALARIES AND FRINGE BENEFITS, WE WOULD NEED TO CUT APPROXIMATELY 80 EMPLOYEES TO MAKE UP THE PREDICTED DEFICIT. HERE IS A SAMPLE OF HOW THOSE REDUCTIONS COULD IMPACT SOME OF OUR DEPARTMENTS, BASED ON PERCENTAGE OF CURRENT STAFFING NUMBERS:

- **General Government** - 16 employees
- **Public Safety** - 43 employees
- **Public Works** - 14 employees
- **Public Welfare** - 2 employees
- **Transit** - 4 employees
- **Other** - 1 employees

Other fees to consider here. We would have to pay unemployment for several months, potentially file a WARN notice. Savings would not begin until Jan 2026.

## OUTSIDE AGENCY CUTS

30% decrease in current budget allocations

AIRPORT - \$62,000  
ARTS COUNCIL - \$13,500  
CUMBERLAND THEATRE - \$3,600  
SCENIC RAILROAD - \$42,000  
FIRE - \$369,999  
UPRC - \$213,000  
ORPHAN'S COURT - \$19,035  
FAMILY CRISIS - \$27,000  
SOCIAL SERVICES - \$36,633  
LIBRARY - \$329,269  
HRDC - \$229,000

**TOTAL: \$1,372,036**

There are some outside agencies, like BOE and the Health Department, that we are not able to cut.

## THINGS TO REMEMBER

- County Government expenditures run pretty lean already. To continue operating at the same level, there are very minimal cuts available.
- Several of our highest expenditures are not negotiable, such as the BOE Detention Center costs.
- Drastic changes ultimately lead to bigger problems, such as more crime, less road maintenance, no snow plows, longer wait times for government response, longer response times for police and EMS, and so on.

## DEPARTMENT CLOSURES

HERE ARE EXAMPLES OF WHAT SAVINGS WOULD LOOK LIKE BY CLOSING OR DRASTICALLY REDUCING ENTIRE DEPARTMENTS:

- **50% Reduction of Roads** - \$2M
- **Eliminate Engineering Dept** - \$990,000
- **Eliminate Transit** - \$2.1M
- **Eliminate Maintenance** - \$1.9M
- **Reduce 2 EMS Stations and Reduce 911 Employees** - \$1.4M
- **Reduce HR by 50%** - \$280,000
- **Reduce Sheriff's Deputies by 4** - \$600,000

In most cases, a reduction of employees comes with a new cost of overtime in order to meet minimum performance standards.