





April 8, 2024

MEMORANDUM

TO: Eric C. Olson, Chair
Transportation, Infrastructure, Energy and Environment Committee (TIEE)

THRU: Joseph R. Hamlin 
Director of Budget and Policy Analysis

FROM: Alex Hirtle 
Legislative Budget & Policy Analyst

RE: Soil Conservation District
Fiscal Year 2025 Budget Review

Budget Overview

The FY 2025 Proposed Budget for the Soil Conservation District (the “District”) before recoveries is \$2,164,900. This is an increase of \$40,200, or 1.9%, over the FY 2024 Approved Budget. The budget change is attributed to increases in operating costs related to technology charges based on anticipated County-wide costs, and compensation increases due to FY 2024 mandated salary adjustments.

The General Fund cost of the District is recovered from the Stormwater Management Enterprise Fund, which includes District and State reimbursement for sediment control fees. In addition, the District will recover \$30,000 from the Agricultural Land Transfer Tax, for the expenditures associated with the Agricultural Land Preservation Program. The Soil Conservation District General Fund costs are 100% recovered from non-General Fund sources.

Budget Comparison – General Fund

Approved Fiscal Year 2023 to Proposed Fiscal Year 2025
(see table, next page)

Category	FY 2023 Actual	FY 2024 Approved	FY 2024 Estimated	% Change - Est vs App	FY 2025 Proposed	\$ Change	% Change
Compensation	\$ 1,371,440	\$ 1,482,200	\$ 1,483,400	0.1%	\$ 1,535,400	\$ 53,200	3.6%
Fringe Benefits	400,906	522,700	469,900	-10.1%	503,600	(19,100)	-3.7%
Operating Expenses	104,446	119,800	119,800	0.0%	125,900	6,100	5.1%
Sub-Total	\$ 1,876,792	\$ 2,124,700	\$ 2,073,100	-2.4%	\$ 2,164,900	\$ 40,200	1.9%
Recoveries	(1,876,792)	(2,124,700)	(2,073,100)	-2.4%	(2,164,900)	(40,200)	1.9%
Total	\$ -	\$ -	\$ -	-	\$ -	\$ -	-

Authorized Staffing Count - General Fund

	FY 2024 Approved	FY 2025 Proposed	Change Amount	Percentage Change
Full-Time	16	16	0	0.0%
Part-Time	0	0	0	0.0%
Limited Term	0	0	0	0.0%
Total	16	16	0	0.0%

Staffing Changes and Compensation

- The FY 2025 Proposed Budget includes funding for 16 full-time positions and remains unchanged from the FY 2024 approved staff level.
- There have been no resignations in FY 2024. This is an attrition rate of 0.0%.
- FY 2025 proposed compensation is \$1,535,400, an increase of \$53,200, or 3.6%, over the FY 2024 approved level. The increase is due to annualization of FY 2024 salary adjustments.

Fringe Benefits

- In FY 2025, Fringe Benefit expenditures are proposed at \$503,600, a decrease of \$19,100, or 3.7%, below the FY 2024 Approved Budget, to reflect a change in the fringe benefit rate to align with projected costs.
- A five-year trend analysis of fringe benefits is included in the table below.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Proposed
Fringe Benefits Expenditures	\$ 384,048	\$ 382,645	\$ 437,700	\$ 469,900	\$ 503,600
As a % of Compensation	31.7%	29.8%	32.6%	31.7%	32.8%
Annual % Change		17.1%	14.4%	7.4%	7.2%

Operating Expenses

- In FY 2025, operating expenses are proposed at \$125,900, which represents an increase of \$6,100 or 5.1%, over the FY 2024 Approved Budget, due to an increase in the technology cost of allocation charge.
- The accompanying table compares the FY 2025 Proposed Budget operating expenditures with the FY 2024 Approved Budget operating expenditures. The FY 2025 Proposed Budget level increases for Office Automation by \$6,100 and remains unchanged for Other Operating Equipment and Printing.

Operating Objects	FY 2023 Actual	FY 2024 Budget	FY 2025 Proposed	FY 2024 - FY 2025	
				\$ Change	% Change
Office Automation	\$ 100,300	\$ 115,000	\$ 121,100	\$ 6,100	5.3%
Printing	400	400	400	-	0.0%
Other Operating Equipment	3,745	4,400	4,400	-	0.0%
TOTAL	\$ 104,445	\$ 119,800	\$ 125,900	\$ 6,100	5.1%

Recoveries

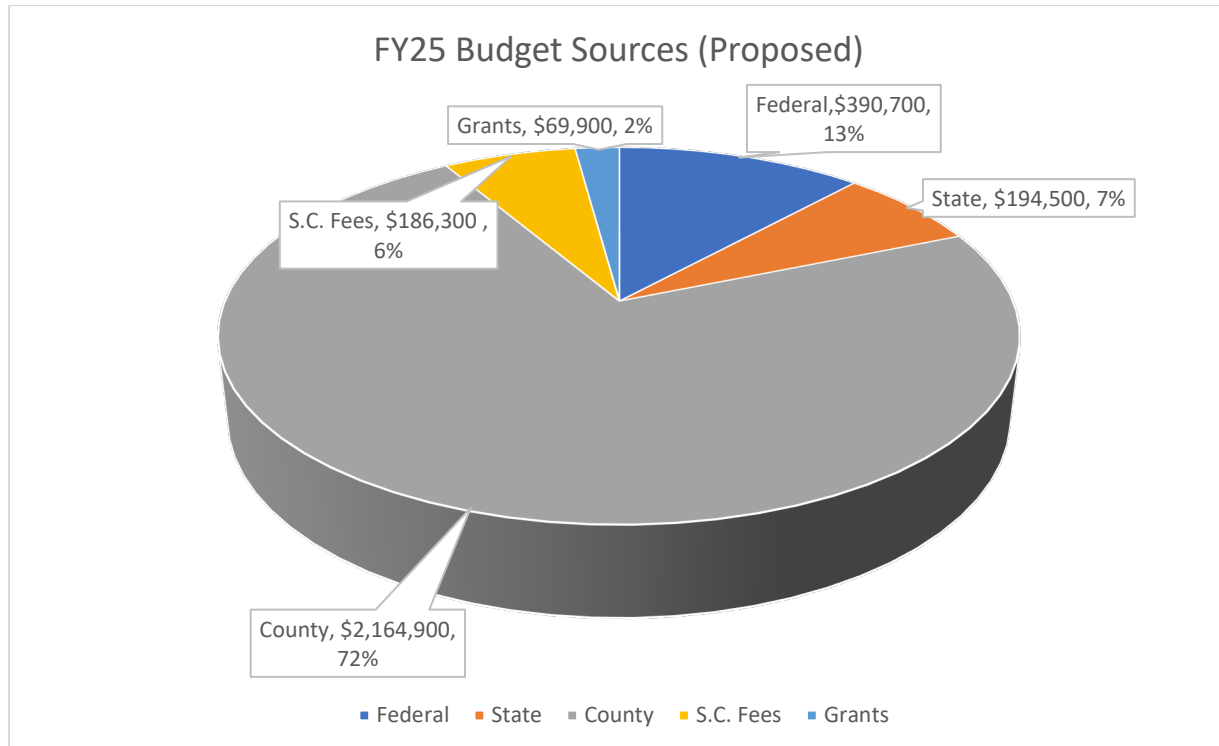
- In FY 2025 Proposed Recoveries total \$2,164,900, an increase of \$40,200, or 1.9%, over the FY 2024 Approved Budget to reflect increases in compensation and operating expenditures. General Fund costs in FY 2025 of \$2,134,900 will be recovered from the Stormwater Management Enterprise Fund.
- In FY 2025, the County will also recover \$30,000 from the Agricultural Land Transfer Tax for the expenditures associated with the Agricultural Land Preserve.

Recoveries, FY 2019 and FY 2020					
	Specific Project	FY 2024 Approved	FY 2024 Estimate	FY 2025 Proposed	Change (FY24 VS FY25)
1	Salaries - MD Ag Tax	\$ 9,500	\$ 9,500	\$ 22,100	\$ 12,600
2	Fringe - MD Ag Tax	\$ 3,000	\$ 3,000	\$ 7,900	\$ 4,900
	Sub-Total MD Ag Tax	\$ 12,500	\$ 12,500	\$ 30,000	\$ 17,500
3	Salaries - Storm Water Mgmt.	\$ 1,472,700	\$ 1,473,900	\$ 1,513,300	\$ 40,600
4	Fringe - Storm Water Mgmt.	\$ 519,700	\$ 466,900	\$ 495,700	\$ (24,000)
5	Operating - Storm Water Mgmt.	\$ 119,800	\$ 119,800	\$ 125,900	\$ 6,100
	Sub-Total Storm Water Mgmt.	\$ 2,112,200	\$ 2,060,600	\$ 2,134,900	\$ 22,700

Source: FY 2025 First Round Response Page 5, q. 13, FY 2024 Committee Report, p. 3

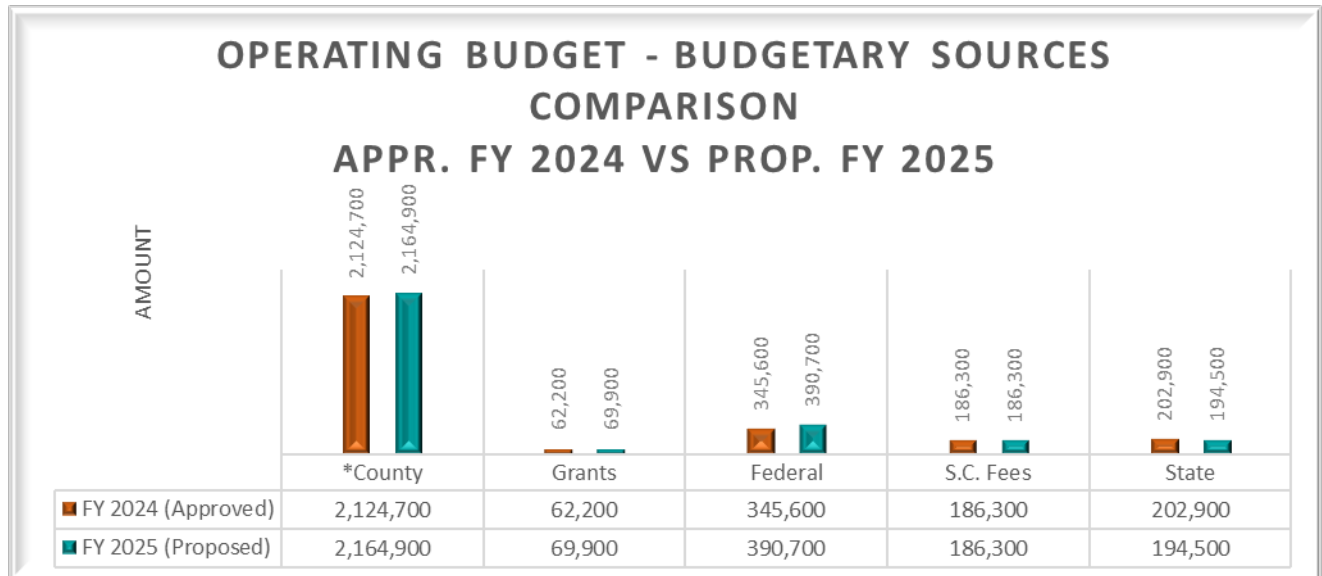
Revenues

- Please see the chart below for a detailed listing of the District's proposed FY 2025 combined funding sources. The County provides the majority of the District's operating funds (approximately \$2.2 million, or 72%), followed by Federal (\$390,700 or 13%), and District Sediment Control (S.C.) fees (\$186,300, or 6%).



Source: First Round Responses, Page 2, Q. 2.

- Please see the chart on the following page for a detailed listing of the District's approved FY 2024 and proposed FY 2025 combined funding sources which will result in a net increase of \$84,600 in FY 2025, over the approved FY 2024 amount. Increases are seen in County funding (\$40,200), Federal funding (\$45,100), and Grant funding (\$7,700); decreases are seen in State funding (\$8,400). There are no changes in S.C. Fees (\$186,300).



Source: First Round Response, Page 2, Q.2

Grants

- The total Grant Funding is proposed to be \$69,900 in FY 2025, which is a \$7,700 increase compared to the FY 2024 budget.
- The Soil Conservation District is pursuing a Healthy Soils Grant Initiative with the Maryland Department of Agriculture (MDA). Funding from this would focus on producers investigating the benefits of soil health practices and possible carbon trading markets.
- The District received a new power/water infrastructure grant and a small acreage cover crop program that will help with providing better service to the urban agriculture community.

Highlights

- The District's integral initiatives include the preservation of additional acres of agriculture land through the Rural Legacy Program, Maryland Agricultural Land Preservation Foundation (MALPF), and Historic Agricultural Resource Preservation Program (HARPP) programs totaling 7,356 acres countywide:
 - **Rural Legacy Program** – conservation of strategic natural resources and prevention of sprawl development:
 - ❖ Currently there are no updates or pending applications.

- ***The Maryland Agricultural Land Preservation Foundation (MALPF)*** – productive farmland and woodland preservation:
 - ❖ Maintained MALPF certification resulting in continued higher percentage of Agricultural Transfer Tax retention for preservation programs.
- ***Historic Agricultural Resource Preservation Program (HARPP)*** funded by the Maryland-National Capital Park and Planning Commission (M-NCPPC) – Rural Tier preservation:
 - ❖ To date, the HARPP account balance is at \$3.8 million.
 - ❖ There are five (5) pending applications for 290 acres.
 - The dollar value of the pending applications is \$1.35 million.
 - If all the pending applications go through, there would be an estimated \$2.45 million surplus.
- Continued involvement with Prince George’s County Public Schools (PGCPS) on the curriculum in Agricultural Science Education and Environmental Science Academy, the Envirothon, and interacting with the Future Farmers of America (FFA), has yielded positive results for the District’s education and outreach programs.
 - ❖ ***Envirothon*** competition - annual high school environmental competition.
 - The FY 2023 Envirothon was held in-person in April, with 15 teams participating.
 - The FY 2024 Envirothon will also be held in-person, and participation is anticipated to be the same or slightly higher.
 - The District continues to provide higher education scholarships to high school students; total scholarships awarded: 30; total scholarship funds paid out to date is \$47,000.
 - ❖ ***SYEP Program and Internships***
 - The District has participated in the County’s Summer Youth Enrichment Program (SYEP) for the past several years and expects to accept 2 students this summer for FY 2025.
 - The District plans on hosting an intern in FY 2024. The District provides training and hands-on application of agricultural conservation and planning, erosion control, and stormwater management. They are also exposed to administrative work.

- ***Urban Agriculture Conservation*** – Increased participation in the growing Urban Agriculture movement has provided increased opportunities to work with a broader range of customers on Urban Agriculture Conservation soil and water resource concerns:
 - ❖ The Urban Farm Incubator at Watkins Regional Park currently has 10 farm businesses with working plots, and M-NCPPC is looking to open additional parcels.
 - ❖ The District also provided technical assistance with a pilot project at Clagett Landing Road to specialty farmers providing flowers, vegetables, and grains on those parcels. Currently, there are two farmers there.
- Public-Private partnerships for streambank restoration, wetland creation, and shoreline erosion projects on farms are increasing. These projects provide needed improvements to a neglected soil and water resource.
- The impact of climate change has created challenges in both the agricultural conservation and the urban conservation/development section of the District. Unprecedented amounts of rainfall coupled with the increased intensity of rainfall events has caused major erosion issues on both farms and in urban areas. The District continues to investigate these challenges and develop solutions.
- Continued current technical training program to include participation with the Cities of Bowie, Laurel, Greenbelt, the Department of Permitting, Inspections, and Enforcement (DPIE), the Department of Public Works and Transportation (DPW&T), and other Maryland Soil Conservation Districts.
- The District is reporting the following related to Maryland's Watershed Implementation Plan (WIP):
 - ❖ The District reports there are about 750 SCWQPs (Soil Conservation & Water Quality Plans) on file covering roughly 55,000 acres of agricultural land. These plans are part of Best Management Practices (BMPs) to help reduce nitrogen/phosphorus and sediment in meeting Total Maximum Daily Loads (TMDLs) requirements by the State.
 - ❖ The District reports the following BMP statistics helping to meet the WIP goals: forest buffer, 181%; barn yard runoff control, 86%; horse pasture management, 77%; land converted to open space, 134%.
 - ❖ The total WIP III planning goal is 18,450 acres by 2025, which includes expired plans and new plans needed to fill the gap and reach the goal. The current planning goal is 5,704 acres by the end of 2025.

- The District has maintained an average urban plan review time for all technical submissions of five (5) business days with a stated maximum of ten (10) business days per cycle.
- The District utilized its revolving Best Management Practices (BMP) Loan Program and the Maryland Department of Agriculture's Maryland Agricultural Water Quality Cost-Savings Program (MACS) to install watering facilities on a grass-fed cattle operation within the County for historically underserved farmers.
- ***County Food Distribution and Processing Center-*** Planning for the new County Food Distribution and Processing Center is slowly moving forward.
 - ❖ The feasibility study on this project has been assigned to the Revenue Authority. The District will assist them with the study in terms of technical and institutional knowledge.