



April 10, 2025

MEMORANDUM

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

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

FROM: Alex Hirtle *WA*
Legislative Budget Policy Analyst

RE: Soil Conservation District
Fiscal Year 2026 Budget Review

Budget Overview

The FY 2026 Proposed Budget for the Soil Conservation District (the “District”) before recoveries is \$2,337,500. This is an increase of \$172,600, or 8.0%, over the FY 2025 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 Soil Conservation District General Fund costs are 100% recovered from non-General Fund sources.

Budget Comparison – General Fund**Approved Fiscal Year 2024 to Proposed Fiscal Year 2026**

Category	FY 2024 Actual	FY 2025 Approved	FY 2025 Estimated	% Change - Est vs App	FY 2025 Proposed	\$ Change	% Change
Compensation	\$1,485,788	\$1,535,400	\$1,567,200	2.1%	\$1,646,400	\$111,000	7.2%
Fringe Benefits	452,604	503,600	487,500	-3.2%	549,000	45,400	9.0%
Operating Expenses	120,198	125,900	125,900	0.0%	142,100	16,200	12.9%
Sub-Total	\$2,058,590	\$2,164,900	\$2,180,600	0.7%	\$2,337,500	\$172,600	8.0%
Recoveries	(2,058,590)	(2,164,900)	(2,180,600)	0.7%	(2,337,500)	(172,600)	8.0%
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 2026 Proposed Budget includes funding for 16 full-time positions and remains unchanged from the FY 2025 approved staffing level.
- FY 2026 proposed compensation is \$1,646,400, an increase of \$111,000, or 7.2%, over the FY 2025 approved level. The increase is due to the annualization of FY 2025 salary adjustments and FY 2026 planned salary adjustments.

Fringe Benefits

- In FY 2025, Fringe Benefit expenditures are proposed at \$549,000, an increase of \$45,400, or 9%, above the FY 2025 Approved Budget, to reflect an increase in the fringe benefit rate from 31.1% to 33.3%
- A five-year trend analysis of fringe benefits is included in the table below.

Fringe Benefits Historical Trend					
	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Approved	FY 2026 Proposed
Compensation	\$ 1,018,421	\$ 1,006,198	\$ 1,485,788	\$ 1,567,200	\$ 1,646,400
Fringe Benefits Expenditures	\$ 382,645	\$ 437,700	\$ 452,604	\$ 487,500	\$ 549,000
As a % of Compensation	29.8%	32.6%	30.5%	31.1%	33.3%
Annual % Change		14.4%	3.4%	7.7%	12.6%

Operating Expense

- In FY 2026, operating expenses are proposed at \$142,100, which represents an increase of \$16,200, or 12.9%, over the FY 2025 Approved Budget, due to an increase in the technology allocation cost, and remains unchanged for Other Operating Equipment and Printing.

Operating Objects	FY 2024 Actual	FY 2025 Budget	FY 2026 Proposed	FY 2025 - FY 2026	
				\$ Change	% Change
Office Automation	\$ 115,000	\$ 121,100	\$ 137,300	\$ 16,200	13.4%
Printing	\$ 400	\$ 400	\$ 400	\$ -	0.0%
Other Operating Equipment	\$ 4,798	\$ 4,400	\$ 4,400	\$ -	0.0%
TOTAL	\$ 120,198	\$ 125,900	\$ 142,100	\$ 16,200	12.9%

Recoveries

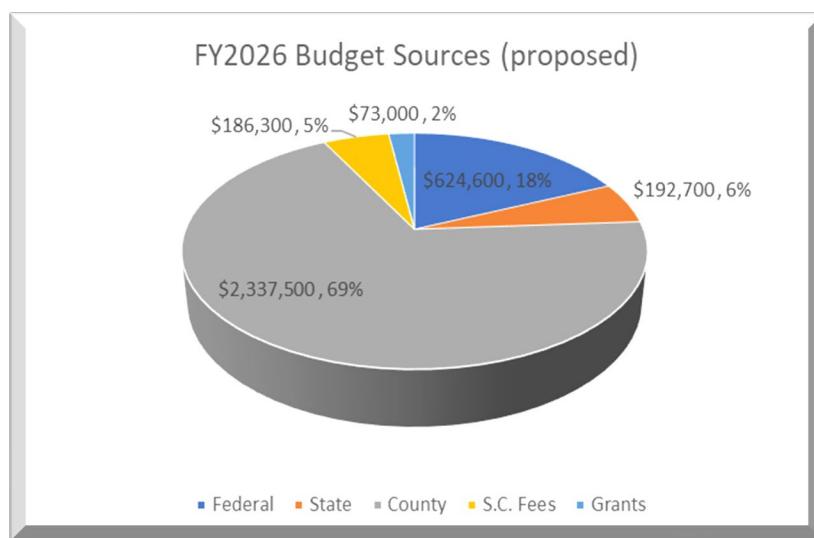
- In FY 2026, Proposed Recoveries total \$2,337,500, an increase of \$172,600, or 8.0%, over the FY 2025 Approved Budget to reflect increases in compensation and operating expenditures. General Fund costs in FY 2026 of \$2,337,500 will be recovered from the Stormwater Management Enterprise Fund.
- In FY 2026, the County will also recover \$30,000 from the Maryland Agricultural Tax.

Recoveries, FY 2025 and FY 2026						
	Specific Project	FY 2025 Approved	FY 2025 Estimate	FY 2026 Proposed	Change (FY25 VS FY26)	Change %
1	Salaries - MD Ag Tax	\$ 22,100	\$ 22,100	\$ 22,100	\$ -	0%
2	Fringe - MD Ag Tax	\$ 7,900	\$ 7,900	\$ 7,900	\$ -	0%
	Sub-Total MD Ag Tax	\$ 30,000	\$ 30,000	\$ 30,000	\$ -	-
3	Salaries - Storm Water Mgmt.	\$1,513,300	\$1,545,100	\$1,624,300	\$ 111,000	7.18%
4	Fringe - Storm Water Mgmt.	\$ 495,700	\$ 479,600	\$ 541,100	\$ 45,400	9.47%
5	Operating - Storm Water Mgmt.	\$ 125,900	\$ 125,900	\$ 142,100	\$ 16,200	12.87%
	Sub-Total Storm Water Mgmt.	\$2,134,900	\$2,150,600	\$2,307,500	\$ 172,600	8.03%
	TOTAL RECOVERIES	\$2,164,900	\$2,180,600	\$2,337,500	\$ 172,600	7.92%

Source: Email from OMB on 4/1/2025 outlining confirmation of SCD Recoveries.

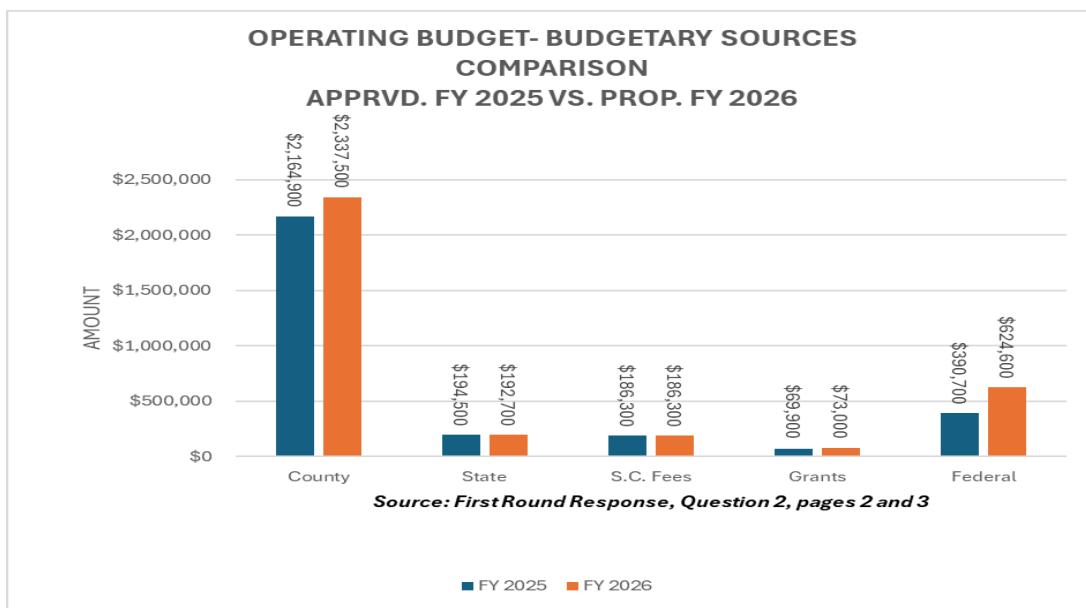
Revenues

- Please see the chart below for a detailed listing of the District's proposed FY 2026 combined funding sources. The County provides the majority of the District's operating funds (approximately \$2.3 million, or 69%), followed by Federal (\$624,600 or 18%), and the State (\$192,700, or 6%).



Source: First Round Responses, Page 3 Q. 2

- Please see the chart below for a detailed listing of the District's approved FY 2025 and proposed FY 2026 combined funding sources, which will result in a net increase of \$407,800 in FY 2026 over the approved FY 2025 amount. Increases are seen in County funding (\$172,600), Federal funding (\$233,900), and Grant funding (\$3,100); decreases are seen in State funding (\$1,800). There are no changes in S.C. Fees (\$186,300).



Grants

- The total Grant Funding is proposed to be \$73,000 in FY 2026, a \$3,100 increase from the FY 2025 budget.
- The district hired a full-time urban agriculture planner for one(1) year through a National Association of Conservation Districts technical grant. Efforts are underway to make this a permanent position. An approved NACD grant would have extended that time; however, this is currently on hold pending Federal funding availability.
- With a severe budget deficit at the State level and unknown cuts coming from the federal government, the District anticipates a very large reduction in grant opportunities.

Highlights

- The District's integral initiatives include the preservation of acres of agricultural land through various programs. Current programs total 7,356 preserved acres countywide. Two (2) properties settled for 64 acres and \$251,430. Five (5) other application rankings were approved for 289.66 acres. All five (5) properties have been appraised and one (1) property has been made an offer.
 - ***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 \$3.1 million.
 - ❖ There are seven (7) pending applications for 430 acres.
 - The dollar value of the pending applications is \$2.58 million.
 - If all the pending applications go through, there will be no anticipated shortfall in FY 2026.
- 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 had 17 teams compete from 11 schools. It is expected that in FY 2025, the same or slightly higher participation will occur.

❖ **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 two (2) students this summer for FY 2026.
- The District plans on hosting an intern in FY 2026, contingent on State and federal budgets. The District provides training and hands-on application of agricultural conservation and planning, erosion control, administrative work, and stormwater management.
- ***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 (2) farmers there.
- Public-private partnerships (P3) for streambank restoration, wetland creation, and shoreline erosion projects on farms are increasing. These projects provide needed improvements to neglected soil and water resources.
- 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 have 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):
 - ❖ 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.

- ❖ 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 was 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 2,351 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 2,050 linear feet of livestock stream exclusion fencing on equine operations within the County for historically underserved farmers.
- ***Agriculture and Food Security Innovation Center*** - Planning for this new County facility rests mainly on the Revenue Authority, which put out a Request for Proposal (RFP) for a consultant to develop a feasibility study. The RFP is currently in the Proposal Analysis Group Review phase. The District will assist with the study in terms of technical and institutional knowledge.
- ***Solar Panels*** - The District is part of the mandatory referral process and the pre-acceptance meetings for solar facilities on farmland and wooded parcels. This has added a workload on staff, especially responding to questions from the public concerning the loss of farmland and removal of forest for solar panel installation. Proper vegetative stabilization of some sites has also been a problem. Proposed State legislation, if approved, will take away local authority to make land-use decisions related siting of such projects. The District anticipates more agricultural and wooded land will be sacrificed if the Bill becomes law.
- ***Practice Keeper digital planning tool*** - Continued use of this web-based planning tool for developing Soil Conservation and Water Quality Plans (SCWQP) where it is applicable may prove helpful in the event of a federal government shutdown.
- ***Applications and Permitting*** - The District is seeking ways to make the application, review, and permitting process more efficient, streamlined, and user-friendly. Successful continuation of strategic active engagement with several industry leaders and shareholders has identified knowledge gaps, which can impact development timelines. Increased in-person work sessions with selected entities to test various strategies for reducing and aligning project application submissions has paid off in more large projects obtaining approvals on the second submission. Implementing an

electronic payment platform will improve program delivery and efficiencies for the development community.

- **Budget Challenges** - Reductions in County, State, and/or federal funding will result in decreased performance, reduction in personnel, and less efficient program delivery.
 - ❖ Uncertainty of funding for the Chesapeake Bay clean-up efforts, coupled with potential federal government shutdowns and possible State budget cuts, will impact local conservation programs.
 - ❖ The District's cover crop program and over 50 technical positions in the Maryland Department of Agriculture's Resource Conservation Office have been recommended for cuts; reducing or eliminating these resources could have devastating effects on the WIP goals and the district's overall soil and water conservation programs.