

OVERVIEW OF MARYLAND LOCAL GOVERNMENTS

FINANCES AND DEMOGRAPHIC INFORMATION



DEPARTMENT OF LEGISLATIVE SERVICES 2016

Overview of Maryland Local Governments

Finances and Demographic Information

**Department of Legislative Services
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DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Warren G. Deschenaux
Executive Director

January 25, 2016

The Honorable Thomas V. Mike Miller, Jr., President of the Senate
The Honorable Michael E. Busch, Speaker of the House of Delegates
Honorable Members of the Maryland General Assembly

Ladies and Gentlemen:

The Department of Legislative Services has prepared this overview document to provide legislators and the public with a better understanding of the fiscal and social issues confronting local governments in Maryland. Topics discussed in this report include the following:

- Structure of Local Governments
- Demographic Indicators
- Local Government Finances
- Tax Rates for Local Governments
- Local Revenue Growth
- County Salary Actions
- Public School Funding and Student Enrollment
- Local General Fund Balances
- Local Debt Measures
- Balance of State Payments

This report was prepared by Scott Gates, Trevor Owen, Gail Renborg, Charity Scott, and Stanford Ward, and was reviewed by Hiram Burch, Scott Kennedy, and Michael Sanelli. The manuscript was prepared by Karen Belton and Mya Dempsey. The Department of Legislative Services trusts that this report will be useful to individuals interested in local government fiscal issues.

Sincerely,

A handwritten signature in blue ink, appearing to read "Warren G. Deschenaux".

Warren G. Deschenaux
Executive Director

WGD/kmb

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Executive Summary

Whether it is considering public local laws or altering State aid formulas, the General Assembly deliberates on numerous issues affecting local governments and their finances each legislative session. Understanding the existing political and financial structure of local governments enables thorough consideration of the impact of such legislation.

Structure of Local Governments

In terms of types and number of local governments, Maryland's structure is relatively simple. The U.S. Census Bureau identifies 347 local governments in Maryland, including 23 counties, Baltimore City, 156 municipalities, and 167 special taxing districts. Counties are the principal unit of local government in Maryland, responsible for most basic services. Municipalities typically provide a limited array of public services that in many instances complement county government services. Municipalities in rural counties on the Eastern Shore and in Western Maryland provide services that may not be offered by the respective county government.

Demographic Indicators

Maryland is among the most diverse states in the nation. Racial minorities comprise 47.4% of the State's population compared to 37.9% nationally. Racial minorities accounted for the entire growth in the State's population since 2000.

The Hispanic and Asian communities are the two fastest growing ethnic groups. During this period, the State's minority population increased by 41.9%, whereas the White population decreased by 4.7%. The State's Hispanic population increased by 144.6%, with the Asian population increasing by 74.6% and African Americans increasing by 18.5%.

Maryland is also one of the most affluent states in the nation with the highest median household income. Marylanders are highly educated with a high concentration of college-educated residents. Maryland enjoys a below-average unemployment rate and a large concentration of high-tech jobs. An indicator that is consistently negative, however, is the State's high violent crime rate.

Local Government Finances

County and municipal governments in Maryland spend approximately \$28.9 billion annually on public services. Counties are the principal unit of local government responsible for most basic services such as police, fire, local corrections, sanitation, local highways, health, and parks and recreation. Counties also are responsible for funding public schools, libraries, local community colleges, and the circuit courts. In fiscal 2013, expenditures at the county government level totaled \$27.6 billion, which accounted for 95.5% of total local government expenditures.

Municipal governments spent \$1.3 billion, which accounted for 4.5% of total local government expenditures in fiscal 2013. The services delivered by municipalities are less uniform than those provided by the counties. The most comprehensive array of services is provided by Annapolis, Cumberland, Frederick, Gaithersburg, and Rockville.

Tax Rates for Local Governments

Nine counties changed their local property tax rates in fiscal 2016, with five counties increasing their rates and four counties decreasing their rates. Local income tax rates remained relatively constant for tax year 2016, with only two counties altering their tax rate. No county altered its recordation tax rate, but a few counties increased their transfer, admissions and amusement, and hotel rental tax rates.

Individuals and businesses residing in incorporated areas are subject to municipal property taxes in addition to county property taxes. To compensate municipalities for providing services in lieu of similar county services or programs and to address the effect of double taxation in municipalities (when residents pay both county and municipal property taxes), 18 counties provided property tax set-offs totaling \$101.6 million in fiscal 2015, through either a tax rate differential or tax rebate.

Fourteen counties impose either a development impact fee or excise tax, which generated approximately \$131.5 million in revenues in fiscal 2016. The primary services funded by these charges include public school construction, libraries,

community colleges, transportation, public safety, parks and recreation, and water/sewer utilities.

Local Revenue Growth

The up-turn in the housing market is slowly being reflected in property assessments across Maryland. County assessable base will increase by 2.9% in fiscal 2016 and is projected to increase by 3.3% in fiscal 2017 and by 3.1% in fiscal 2018. Net taxable income will increase by 5.9% in tax year 2014 after decreasing by 0.3% in tax year 2013. Local recordation and transfer tax revenues have stabilized compared to the past few years. County governments collected \$743.3 million in local recordation and transfer taxes in fiscal 2015 and are expected to collect \$748.1 million in fiscal 2016.

The Homestead Tax Credit Program (assessment caps) provides tax credits against State, county, and municipal real property taxes for owner-occupied residential properties for the amount of real property taxes resulting from an annual assessment increase that exceeds a certain percentage or “cap” in any given year. However, as property tax assessments have declined over the past couple of years, the amount of property tax relief provided by the Homestead Tax Credit Program has declined accordingly. In fiscal 2017, assessment caps are projected to reduce the amount of the county assessable base that is taxable by almost 2.5% compared to 8.0% in fiscal 2012 and 17.6% in fiscal 2010.

County Salary Actions

The majority of county governments and boards of education provided salary enhancements to their employees in fiscal 2016. Moreover, no jurisdiction planned to implement furloughs or broad salary reduction plans.

Public School Funding

Public schools are funded from federal, State, and local sources. Approximately 47% of public school funding in Maryland comes from local sources, and 48.5% comes from the State. The federal government provides only 4.5% of public school funding. Public schools in Maryland receive about \$14,917 in total funding for each pupil in fiscal 2016. Worcester County has the highest per pupil revenues at \$17,606, while Baltimore City has the second highest at \$16,713. Somerset County has the third highest at \$16,304. Harford and Talbot counties have the lowest per pupil revenues at \$13,236 and \$12,847, respectively.

Local General Fund Balances

Local governments ended fiscal 2015 with total unrestricted general fund balances, including “rainy day” accounts, totaling \$2.3 billion. A county’s unrestricted general fund balance as a percent of general fund revenues is one indicator of a county’s fiscal health and the county’s ability to withstand an economic downturn. In addition, many counties have designated “rainy day” funds set aside in the

event of an economic downturn. In fiscal 2015, these funds total approximately \$897.8 million or 6.5% of total general fund revenues.

Local Debt Measures

As of June 30, 2014, Maryland counties and Baltimore City had \$19.8 billion in outstanding debt, including general obligation bonds, revenue and enterprise debt, federal loans, State loans, capital leases, and short-term debt. Between fiscal 2010 and 2014, local debt for counties and Baltimore City increased by \$3.7 billion or 22.8%. This represents a 5.3% average annual increase over the four-year period. The Washington Suburban Sanitary Commission accounted for 10.0% of the total debt in fiscal 2014.

Balance of State Payments

In fiscal 2013, State revenue collections allocated in the *Balance Sheet* totaled \$15.6 billion, while State aid payments to local governments totaled \$6.6 billion. The individual income tax accounted for 47.7% of the State revenues allocated in the report, while sales taxes accounted for 26.5% of revenues. On average, local governments received \$0.42 in State aid for each \$1.00 in taxes paid by county residents and businesses. This illustrates that local governments received 42% of the State revenues that were allocated on a county-by-county basis in the report. The remaining revenues funded State programs such as higher education, medical

assistance, health, social services, corrections, and the judiciary.

The share of State revenues provided to local governments has fluctuated since 2004, ranging from a low of 37% in fiscal 2004, 2005, and 2006 to a high of 47% in fiscal 2010. During this 10-year period, the “balance sheet index” as a percent of the statewide average increased in 3 jurisdictions, decreased in 4 jurisdictions, and remained relatively constant in 17 jurisdictions.

Chapter 1. Structure of Local Governments

When Lord Calvert and his group of English settlers landed on St. Clement's Island in 1634, they brought with them the familiar forms of English government, which included governance on the local level in counties and villages. The settlers immediately set about establishing civil boundaries as they had known them in England with the establishment of St. Mary's City. Just three years later, in 1637, the settlers established St. Mary's County. Since that time, local government has evolved, changing as the times and needs of local communities have changed. Likewise, the law governing local government has developed to address such change. The differences among local governments and the relationship among different levels of government may be best understood in this historical context.

There is no mention of local government in the U.S. Constitution, and local governments are generally considered creatures of the state. Yet often it is with their local government that citizens most closely identify. Local government units in the United States take on different forms to include counties, municipalities, townships, and special taxing districts. Nationwide there are over 90,000 units of local governments, with 347 being located in Maryland. Local government units in Maryland include 23 counties, Baltimore City, 156 municipalities, and 167 special taxing districts. Based on the types and number of local governments, Maryland's structure is relatively simple. Maryland ranks forty-fifth among the states in terms of the number of local governments, and, unlike many states, Maryland does not have townships or

independent school districts. In comparison, Pennsylvania has almost 5,000 local government units, the third highest in the nation. **Table 1.1** compares the number of local government units in Maryland with surrounding states. **Appendix 1** shows the number and type of local governments in the United States. A map of Maryland showing each county and county seat is depicted in **Exhibit 1.1**.

Table 1.1
Number of Local Government Units in Maryland and Surrounding States

	Delaware	Maryland	Pennsylvania	Virginia	West Virginia
Counties	3	24	66	95	55
Municipalities	57	156	1,015	229	232
Townships	0	0	1,546	0	0
School Districts	19	0	514	0	55
Special Districts	260	167	1,756	194	317
Total	339	347	4,897	518	659
Rank	46th	45th	3rd	44th	39th

Note: School districts in Maryland and Virginia are dependent on another unit of local government for funding and are not classified as a separate unit of local government. Baltimore City is classified as a county government since the city functions as a "county" for most purposes of State law.

Source: U.S. Census Bureau

The small number of local governments in Maryland has resulted in a more consolidated approach to delivering local government services, particularly in relation to northeastern states. In Maryland, most local services are provided by county governments, with one local school system operating in each county. However, in many states, including neighboring Pennsylvania, local services are provided by sub-county units with multiple local school systems operating in each county. **Table 1.2** compares the number of local government units in selected counties in both Maryland and Pennsylvania. **Table 1.3** shows the multiple units of local government within York County, Pennsylvania, which include 35 townships and 15 independent school districts.

Table 1.2
Comparison of Number of Local Government Units in Selected Jurisdictions in Maryland and Pennsylvania

County	Maryland		Pennsylvania	
	Baltimore	Frederick	York	Adams
Population	826,925	243,675	440,755	101,714
<i>Sub-county Units</i>				
Municipalities	0	12	37	13
Townships	0	0	35	21
School Districts	0	0	15	6
Special Districts	1	3	42	21
Total	2	16	130	62

Source: U.S. Census Bureau

Table 1.3
Local Government Units
York County, Pennsylvania

York County School Districts



York County Townships



Source: Department of Legislative Services

A brief summary of the various forms and authority of local governments follows. A more detailed explanation of the structure and powers of each type of local government is provided in a companion publication, *Maryland Local Government – Volume VI* of the Legislative Handbook Series.

County Governments

Counties are the principal unit of local government in Maryland, responsible for most basic services such as police, fire, local corrections, sanitation, highways, health, and parks

and recreation. In addition, counties are responsible for funding public schools, libraries, local community colleges, and the circuit courts. This arrangement is similar to other states south of the Mason-Dixon Line. Northern states traditionally rely more on townships to provide local services; counties, where they exist, play a secondary role. In addition, unlike most states, the local school districts in Maryland are fiscally dependent on the county government for funding.

Unlike Maryland’s municipalities, which were established exclusively to meet local needs, counties have traditionally served two roles simultaneously – a provider of local services and an administrative arm of the State. In the first role, the form and extent of county government throughout the State developed based on local needs and on economic, geographic, and population differences. When these differences are considered collectively, they contribute to Maryland’s reputation as “America in Miniature.” In the second role, counties have served as a mechanism to provide services of statewide concern throughout each region of the State.

Maryland counties operate under three forms of government: commission, charter home rule, and code home rule. Until the mid-twentieth century, every county in Maryland had a commission form of government. Although Article XI-A of the Maryland Constitution was ratified in 1915 granting Baltimore City and any county the authority to adopt charter home rule, the first time a county exercised this option was in 1948 when Montgomery County became the first charter home rule county. Until the mid-1960s, only three more counties had adopted charter home rule. Article XI-F of the Maryland Constitution was ratified in 1966 giving counties the option to adopt code home rule. Over the next few decades, several more counties

adopted some form of home rule authority. To date, only 6 counties continue to operate under the commission, or nonhome rule, form of government, while 11 counties operate under charter home rule, and 6 counties operate under code home rule. **Table 1.4** shows the form of government for each Maryland county.

Table 1.4
Form of County Government

<u>Charter</u>	<u>Commission</u>	<u>Code</u>
Anne Arundel	Calvert	Allegany
Baltimore	Carroll	Caroline
Cecil	Garrett	Charles
Dorchester	St. Mary’s	Kent
Frederick	Somerset	Queen Anne’s
Harford	Washington	Worcester
Howard		
Montgomery		
Prince George’s		
Talbot		
Wicomico		

Source: Department of Legislative Services

Baltimore City

Baltimore City is unique among Maryland’s local governments. Although designated as a municipality, Baltimore

City is generally treated as a county for purposes of State law. Originally, Baltimore City was established as a municipality within the confines of Baltimore County, and the city government performed exclusively municipal functions. However, in 1851, Baltimore City was separated from Baltimore County and has since functioned as an independent unit. Today, Baltimore City operates under the charter home rule form of government.

Municipalities

Maryland has 156 municipalities with home rule powers under Article XI-E of the Maryland Constitution. The dimensions of the municipalities vary widely, as does the number of county residents who live in them. Public works and public safety are the two largest functions for most municipalities in Maryland. Common public services performed by municipalities include street lighting, trash/refuse collection, snow removal, and street maintenance. Police protection, planning/zoning, leaf collection, and water services are provided by at least one-half of municipalities.

Municipalities in Maryland are relatively small, with 59 having fewer than 1,000 residents, while only 9 have more than 25,000 residents. Frederick, with 68,400 residents, is the largest municipality in Maryland followed by Gaithersburg and Rockville. Port Tobacco in Charles County, with 13 residents, is the State's smallest municipality. The 10 largest municipalities are listed in **Table 1.5**, and the number of municipalities by size is shown in **Table 1.6**. **Appendix 2** lists each municipality by county.

The number of municipalities in each county and the percentage of residents in each county who reside within a municipality vary considerably. Prince George's County, with 27 municipalities, has the greatest number among the 23 counties. Although Prince George's County has the highest number of residents who reside within a municipality (247,601), municipal residents account for only 27.4% of the county population. Talbot County has the highest percentage of residents who reside within a municipality (51.7%). In contrast, in St. Mary's County, 3.2% of residents reside within a municipality. Baltimore and Howard counties have no municipality located entirely within their boundaries, although a small portion of the Town of Hampstead does extend into Baltimore County. The number of residents in each county who reside within a municipality is provided in **Appendix 3**.

Table 1.5
10 Largest Municipalities in Maryland

<u>Municipality</u>	<u>County</u>	<u>Population</u>
Frederick	Frederick	68,400
Gaithersburg	Montgomery	66,816
Rockville	Montgomery	65,937
Bowie	Prince George's	57,646
Hagerstown	Washington	40,364
Annapolis	Anne Arundel	38,856
Salisbury	Wicomico	32,563
College Park	Prince George's	32,256
Laurel	Prince George's	26,160
Greenbelt	Prince George's	24,125

Source: U.S. Census Bureau

Table 1.6
Maryland Municipalities by Size

<u>Population Range</u>	<u>Number</u>	<u>Percent of Total</u>
25,000-70,000	9	5.8%
10,000-24,999	12	7.7%
5,000-9,999	19	12.2%
2,500-4,999	26	16.7%
1,000-2,499	31	19.9%
Less than 1,000	59	37.8%
Total	156	100.0%

Source: U.S. Census Bureau

Municipalities in Maryland operate under home rule authority. With limited exceptions, the authority granted to municipalities under the State constitution and public general laws is uniform throughout the State. The express grant of authority to the municipalities is found in Title 5, Subtitle 2 of the Local Government Article of the Annotated Code of Maryland. One noteworthy exception is the right to exercise urban renewal powers. Under Article III, Section 61 of the Maryland Constitution, the General Assembly may grant urban renewal powers for slum clearance to a county or municipality only by public local law.

Special Taxing Districts

While the term local government usually refers to counties and municipalities, other local government entities known as

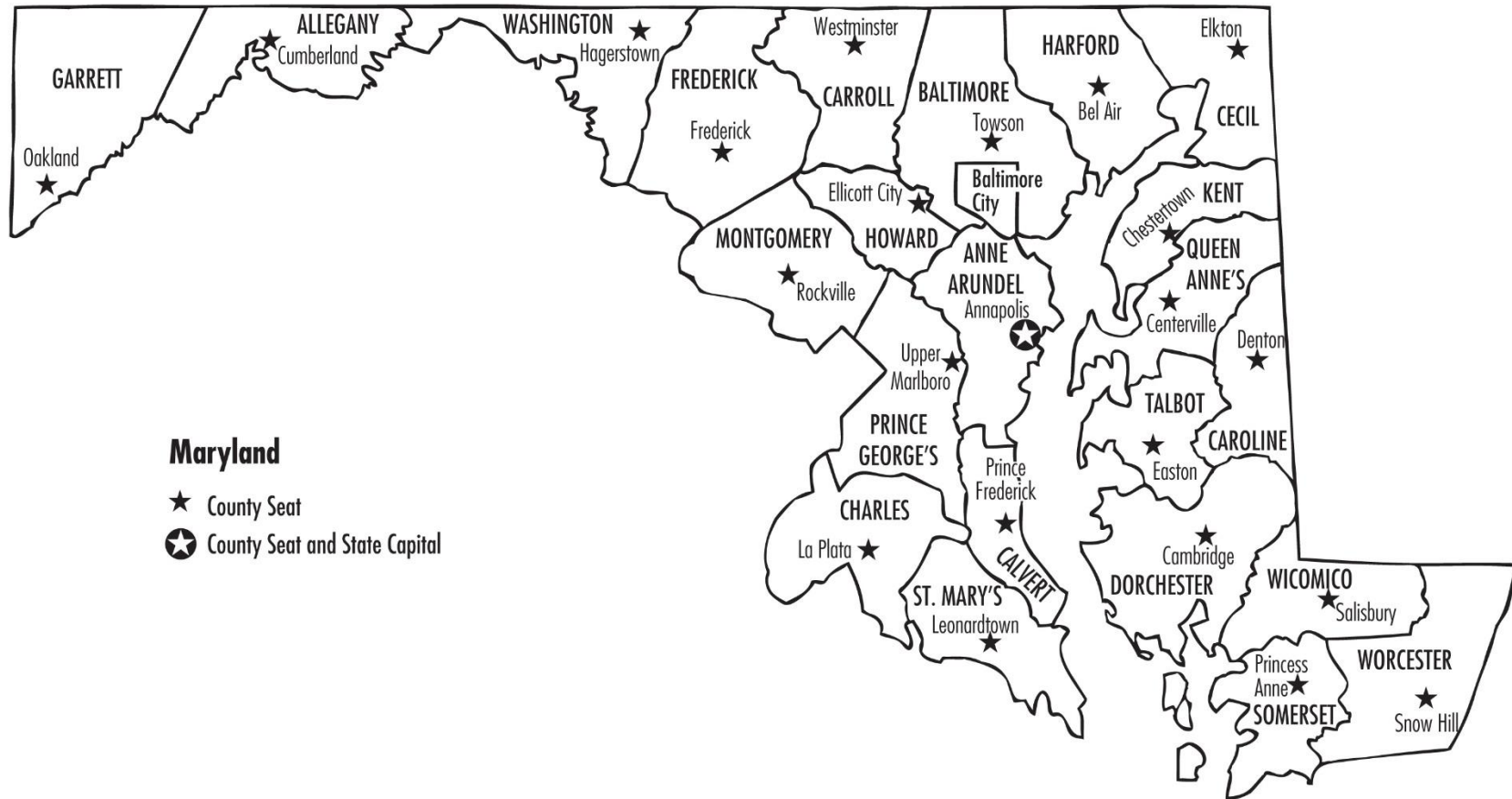
special taxing districts have been created by State or local law to address specific goals or needs within a small geographic area, or to deal with issues and problems that cross county boundaries. Despite sharing some features similar to counties and municipalities, these entities lack home rule authority and must come to the legislative body that created them in order to change the scope of their powers.

Townships and Independent School Districts

Unlike many states, Maryland does not have townships or independent school districts. Townships are geographic and political subdivisions of a county. Townships are located in 20 states, primarily in the Northeast and Midwest. In 11 states, townships may overlap with municipalities. The responsibilities and form of government of townships are specified by the state legislature. The most common responsibilities of townships include highway maintenance, trash collection, and land use planning. In some states, including Pennsylvania, responsibilities include police and fire protection.

Independent school districts are separate units of local government that possess taxing authority. Around 90% of public school systems in the United States are classified as independent school districts. Independent school districts exist in Delaware, Pennsylvania, and West Virginia. School districts in Maryland and Virginia are classified as dependent school districts since they rely on another unit of local government for local funding.

Exhibit 1.1
State of Maryland



Chapter 2. Demographic Indicators

Maryland is a diverse State encompassing the mountainous regions of Western Maryland, waterfront communities along the Chesapeake Bay, historic towns, rolling hills and horse farms in the north-central region of the State, and the urban center along the Baltimore-Washington corridor. This diversity is also reflected in the State's people and families. Maryland is today a dynamic and culturally enriched State comprising people from approximately 160 different countries speaking over 100 languages.

Land Area and Population

Maryland, consisting of 9,707 square miles, ranks as the forty-second state in terms of land mass. Maryland's counties range in size from Calvert County with 213 square miles to Frederick County with 660 square miles. Baltimore City comprises 81 square miles.

Approximately 6.0 million people live in Maryland. Montgomery County is the State's largest jurisdiction with over 1 million residents, and Kent County is the smallest with 19,800 residents. Baltimore City, although fourth in total population, has the highest population density in the State. Montgomery County is second in terms of population density, while Garrett County has the lowest population density. **Exhibit 2.1** shows the land area, population, and population density for all Maryland jurisdictions.

Racial Composition

Maryland is among the most diverse states in the nation. Racial minorities comprise 47.4% of the State's population compared to 37.9% nationally as shown in **Table 2.1**. African Americans are the largest racial minority in Maryland comprising 29.3% of the State's population; whereas Hispanics account for 9.3%, followed by Asians at 6.3%. Montgomery County is one of the most affluent and diverse jurisdictions in Maryland, with Hispanics, African Americans, and Asians each comprising between 15% and 19% of the county's population. **Exhibit 2.2** shows the racial composition for each jurisdiction in Maryland. **Appendix 4** shows the racial composition for each U.S. state.

Table 2.1
Maryland Racial Composition – 2014

	Maryland	United States
White	52.6%	62.1%
African American	29.3%	12.4%
Hispanic/Latino	9.3%	17.4%
Asian	6.3%	5.3%
American Indian	0.2%	0.7%
Native Hawaiian	0.1%	0.2%
Multiracial	2.2%	2.0%

Source: U.S. Census Bureau

Since the 2000 census, gains in the State's population have been comprised entirely from growth in minority groups. During this period, the State's minority population increased by 41.9%; whereas, the White population decreased by 4.7%. The State's Hispanic population increased by 144.6% during this period, with the Asian population increasing by 74.6% and African Americans increasing by 18.5%. **Exhibit 2.3** shows population growth by racial composition. **Exhibit 2.4** shows the change in minority population by county and **Exhibit 2.5** shows the growth in the minority share of a county's population.

Population Growth

Managing growth remains a key issue as Maryland's population continues to expand. From 2000 to 2014, the State population increased by 679,900 people, representing a 12.8% increase over the 14-year period. **Exhibit 2.6** shows the growth in population for each jurisdiction since 2000.

Population growth throughout Maryland has not been uniform. The largest growth occurred in Southern Maryland, the Eastern Shore, and the north-central region of the State. Baltimore City and many economically distressed rural counties realized either marginal growth or continued reductions in population.

Charles County led the State in the pace of population growth between 2000 and 2014 with a growth rate of 28.4%. Eight other counties, Calvert, Cecil, Frederick, Howard, Montgomery, Queen Anne's, St. Mary's, and Wicomico, had growth rates of at least 15.0%. Baltimore City and Allegany and Garrett counties were the only jurisdictions that lost population since 2000.

Washington and Baltimore Metropolitan Areas

A metropolitan area is defined by the U.S. Census Bureau as an area with a large population nucleus and adjacent communities that have a high degree of social and economic integration between them. In some instances, two large metropolitan areas adjacent to each other have strong economic and social links between them. In these instances, the two metropolitan areas may be designated a consolidated metropolitan statistical area, as is the case with the Washington-Baltimore consolidated metropolitan statistical area.

When compared to metropolitan areas nationwide, the Washington metropolitan statistical area ranks seventh with approximately 6.0 million residents, while the Baltimore metropolitan statistical area ranks twentieth with approximately 2.8 million residents. Combined, these two metropolitan statistical areas hold approximately 8.8 million residents.

Approximately 87% of the State's population resides in a county within one of these metropolitan areas. The Washington metropolitan statistical area stretches from the Chesapeake Bay in the east to the Appalachians in the west, consisting of the District of Columbia; 5 Maryland counties (Calvert, Charles, Frederick, Montgomery, and Prince George's); in Virginia, 11 counties and 6 independent cities; and 1 county in West Virginia. The most populous county in the Washington metropolitan statistical area is Fairfax County, Virginia, with a population of over 1.1 million; Montgomery County, Maryland is the second most populous with 1.0 million residents.

The Baltimore metropolitan statistical area is composed of Baltimore City and six Maryland counties – Anne Arundel, Baltimore, Carroll, Harford, Howard, and Queen Anne’s. Baltimore County is the most populous jurisdiction within the Baltimore metropolitan statistical area with a population of 826,900 residents; Baltimore City is the second most populous jurisdiction with 622,800 residents.

Since the 1960s, in both the Washington and Baltimore metropolitan statistical areas, the population of the central city has been declining while the population of the surrounding counties has increased dramatically. However, recently the population of the District of Columbia has been increasing. **Appendix 5** compares the population of each jurisdiction within the Washington and Baltimore metropolitan statistical areas.

Social and Economic Indicators

Maryland continues to be one of the most affluent states in the nation with a high median household income. Maryland enjoys a below-average unemployment rate and a large concentration of high-tech jobs. A continuing negative indicator is the State’s high violent crime rate. Crime rate statistics for counties and the 20 largest municipalities in the State are provided in **Exhibits 2.7** and **2.8**. Information on average weekly wage, unemployment rate, median household income, and median home prices is provided in **Exhibit 2.9**. **Exhibits 2.10** through **2.13** provide information on county employment by sector and employment growth.

Crime Rates

Maryland’s crime rates are among the highest in the nation. According to the FBI’s *Uniform Crime Report*, when the District of Columbia is included in the rankings, in 2014, Maryland had the eleventh highest violent crime rate, the sixth highest murder rate, and the third highest robbery rate. The FBI recorded 365 murders in Maryland compared to 338 in Virginia, even though Virginia has over 2.3 million more residents. The District of Columbia and Louisiana had the nation’s highest murder rates while New Hampshire had the lowest. **Table 2.2** compares the crime rates in Maryland with neighboring Virginia for calendar 2014.

Table 2.2
Comparison of Crimes Rates in 2014¹

	Maryland		Virginia	
Violent Crime	446.1	11 th	196.2	47 th
Murder	6.1	6 th	4.1	25 th
Rape	27.1	47 th	27.7	44 th
Robbery	159.7	3 rd	51.5	38 th
Assault ²	253.2	16 th	112.9	47 th
Burglary	468.7	26 th	277.7	50 th
Vehicle Theft	219.2	19 th	92.1	47 th

¹Rate is per 100,000 inhabitants.

²Aggravated assaults.

Source: FBI *Uniform Crime Report*, 2014

Among the State's 24 subdivisions, Baltimore City had the highest crime rate in 2014, followed by Worcester, Wicomico, Dorchester, and Allegany counties. Carroll, Harford, Garrett, and Queen Anne's counties had the lowest crime rates. Crime rate statistics are from the *Uniform Crime Report* for 2014 and include both violent crimes and property crimes. Violent crimes, which include murder, forcible rape, robbery, and aggravated assault, involve the element of personal confrontation between the perpetrator and the victim and therefore are considered more serious than property crimes. These offenses accounted for 15% of the total crime index for 2014. Violent crime statewide decreased by 5% when compared to 2013. Property crimes, which include breaking or entering, larceny-theft, and motor vehicle theft, accounted for 85% of the total crime index for 2014. Property crime statewide decreased by 5% when compared to 2013.

Baltimore City and Prince George's County continue to be plagued with a high murder rate, with the two jurisdictions accounting for 73.6% of the State's murders in 2014.

Baltimore City and Prince George's County also continue to be troubled by a high volume of robbery offenses. In 2014, 3,740 robberies were reported in Baltimore City and 1,846 robberies were reported in Prince George's County. In comparison, only 661 robberies were reported in Montgomery County. Despite a decrease of 8.3% in the number of robberies in Prince George's County, 57.9% of the robberies reported in the State occurred in the two jurisdictions.

In addition, both jurisdictions continue to be inundated with motor vehicle thefts. Even though the number of incidences has decreased considerably in Prince George's County in recent

years, approximately 66.8% of motor vehicle thefts in the State occur in Baltimore City and Prince George's County. In 2014, 4,278 vehicles were reported stolen in Prince George's County compared to 753 in Montgomery County. Baltimore City had an even higher number of vehicle thefts at 4,504.

As illustrated in **Exhibit 2.8**, several municipalities have crime rates that exceed those in Baltimore City. In 2014, the City of Elkton had the State's highest crime rate, followed by Hyattsville, Cumberland, Cambridge, and Salisbury. Of the State's 20 largest municipalities, Rockville had the lowest crime rate, followed by Bowie, Gaithersburg, and Havre de Grace.

Average Weekly Wage

The average weekly wage calculation is based on an individual's place of employment rather than residence. In the first quarter of 2015, the average weekly wage was \$1,113 statewide, ranging from \$602 in Garrett County to \$1,408 in Montgomery County. Baltimore City had the second highest average weekly wage, followed by Howard and St. Mary's counties. The Department of Labor, Licensing, and Regulation calculates the average weekly wage statistic.

Unemployment Rate

The unemployment rate measures the percent of a county's total civilian labor force that is out of work. The statewide unemployment rate averaged 6.6% in calendar 2013, 5.8% in calendar 2014, and 5.4% in calendar 2015. Howard and Montgomery counties had the lowest unemployment rates at 4.1% in 2015, while Worcester County had the highest at 10.8%; Somerset County had the second highest rate at 8.6%. The

unemployment rate in Maryland continues to be below the national average. The national unemployment rate averaged 7.4% in calendar 2013, 6.2% in calendar 2014, and 5.5% in calendar 2015.

Median Household Income

Maryland continues to be one of the most affluent states in the nation. Maryland had the highest median household income in the nation based on a three-year average for 2011 through 2013. Like Maryland, a majority of the high-income states are located in the Northeast and Mid-Atlantic regions. In contrast, states with the lowest income levels continue to be concentrated in the Southeastern region of the country. **Table 2.3** lists the 10 states with the highest and lowest median household income.

Table 2.3
Median Household Income in the United States
(Three-year Average Median for 2011-2013)

<u>Top 10 States</u>		<u>Bottom 10 States</u>	
1. Maryland	\$72,345	41. Oklahoma	\$45,171
2. Alaska	70,477	42. South Carolina	43,973
3. New Jersey	70,324	43. Louisiana	43,856
4. Connecticut	68,130	44. New Mexico	43,747
5. Hawaii	66,308	45. Tennessee	43,697
6. Massachusetts	66,135	46. Alabama	42,757
7. New Hampshire	64,689	47. Kentucky	42,576
8. Virginia	63,056	48. West Virginia	40,830
9. Minnesota	59,791	49. Arkansas	40,457
10. California	59,645	50. Mississippi	38,087
	District of Columbia \$66,950		National Average \$52,176

Source: U.S. Census Bureau

Based on a three-year average for 2011 through 2013, the median household income for Maryland jurisdictions ranged from \$32,997 in Somerset County to \$107,452 in Howard County. Montgomery County had the second highest median income at \$97,181, and Calvert County had the third highest at \$92,601. Five counties (Allegany, Dorchester, Garrett, Somerset, and Wicomico) and Baltimore City had income levels below 70% of the statewide average. **Exhibit 2.9** shows the median household income for each county and the percentage of the statewide average that each county's income level represents.

Median Sale Price for Homes

The median sale price for owner-occupied real property decreased by 1.3% in fiscal 2015. However, 12 counties realized increases in the median sale price during this period. The median sale price ranged from \$106,000 in Allegany County to \$435,100 in Howard County. The overall annual decrease in fiscal 2015 reversed the gains made during fiscal 2014, when the median sale price for homes increased statewide by 6.3%. Median sale price statistics are from the Maryland State Department of Assessments and Taxation.

Employment

The private sector accounts for 80% of employment in Maryland with the government sector accounting for 20%. The reliance on government employment ranges from 10.2% in Talbot County to 46.7% in Somerset County. The high reliance on government employment in Somerset County is due primarily to the location of correctional facilities in the county as well as a major State institution of higher education. The State government accounts for 3.9% of total employment in Maryland, while local governments account for 9.8%. Due to the State's proximity to the nation's capital, Maryland has a high concentration of federal employment, which accounts for 5.7% of total employment in the State. Nearly one-third of federal positions are located in Montgomery County with an additional 18.4% located in Prince George's County. Of the State's jurisdictions, St. Mary's and Harford counties have the highest reliance on federal employment, due to the location of federal military installations. **Exhibit 2.10** shows employment in Maryland counties by sector and **Exhibit 2.11** shows the county share of total employment by sector.

Employment growth is one indicator of an economy's overall health. The total number and the percent change in new jobs created are widely used performance measures. Total employment in Maryland from 2010 to 2015 increased by 5.7%, resulting in a gain of 136,500 jobs. The highest employment growth, on a percentage basis, occurred in Anne Arundel and Howard counties. However, two counties, Allegany and Dorchester, experienced net decreases in employment during this period. **Exhibit 2.12** shows the change in employment for each county from the first quarter in 2010 to the first quarter in 2015. **Exhibit 2.13** shows the changes in employment from the first quarter in 2010 to the first quarter in 2015 on an annual basis.

The employment growth rate was calculated by using average quarterly employment data as reported by the Department of Labor, Licensing, and Regulation. Employment growth statistics represent the available jobs within a jurisdiction but not the employment status for residents of the jurisdiction. The employment status of residents within a jurisdiction is indicated by the unemployment rate.

Exhibit 2.1
Maryland Population and Density

County	Population July 2014	Land Area Sq. Miles	Population Density	Ranking by Population		Ranking by Density			
Allegany	72,952	424.2	172.0	1.	Montgomery	1,030,447	1.	Baltimore City	7,698.3
Anne Arundel	560,133	414.9	1,350.0	2.	Prince George's	904,430	2.	Montgomery	2,097.4
Baltimore City	622,793	80.9	7,698.3	3.	Baltimore	826,925	3.	Prince George's	1,873.7
Baltimore	826,925	598.3	1,382.1	4.	Baltimore City	622,793	4.	Baltimore	1,382.1
Calvert	90,613	213.2	425.0	5.	Anne Arundel	560,133	5.	Anne Arundel	1,350.0
Caroline	32,538	319.4	101.9	6.	Howard	309,284	6.	Howard	1,233.7
Carroll	167,830	447.6	375.0	7.	Harford	250,105	7.	Harford	572.2
Cecil	102,383	346.3	295.6	8.	Frederick	243,675	8.	Calvert	425.0
Charles	154,747	457.8	338.0	9.	Carroll	167,830	9.	Carroll	375.0
Dorchester	32,578	540.8	60.2	10.	Charles	154,747	10.	Frederick	369.1
Frederick	243,675	660.2	369.1	11.	Washington	149,573	11.	Charles	338.0
Garrett	29,679	647.1	45.9	12.	St. Mary's	110,382	12.	Washington	326.7
Harford	250,105	437.1	572.2	13.	Cecil	102,383	13.	St. Mary's	309.0
Howard	309,284	250.7	1,233.7	14.	Wicomico	101,539	14.	Cecil	295.6
Kent	19,820	277.0	71.6	15.	Calvert	90,613	15.	Wicomico	271.2
Montgomery	1,030,447	491.3	2,097.4	16.	Allegany	72,952	16.	Allegany	172.0
Prince George's	904,430	482.7	1,873.7	17.	Worcester	51,675	17.	Talbot	140.2
Queen Anne's	48,804	371.9	131.2	18.	Queen Anne's	48,804	18.	Queen Anne's	131.2
St. Mary's	110,382	357.2	309.0	19.	Talbot	37,643	19.	Worcester	110.3
Somerset	25,859	319.7	80.9	20.	Dorchester	32,578	20.	Caroline	101.9
Talbot	37,643	268.5	140.2	21.	Caroline	32,538	21.	Somerset	80.9
Washington	149,573	457.8	326.7	22.	Garrett	29,679	22.	Kent	71.6
Wicomico	101,539	374.4	271.2	23.	Somerset	25,859	23.	Dorchester	60.2
Worcester	51,675	468.3	110.3	24.	Kent	19,820	24.	Garrett	45.9
Maryland	5,976,407	9,707.3	615.7						

Source: U.S. Census Bureau; Maryland Department of Planning

Exhibit 2.2
Racial Composition of Maryland Counties – July 2014

County	White	African American	Hispanic/Latino	Asian	American Indian	Native Hawaiian	Multiracial
Allegany	87.4%	8.1%	1.6%	1.0%	0.2%	0.0%	1.7%
Anne Arundel	70.2%	15.9%	7.2%	3.8%	0.3%	0.1%	2.5%
Baltimore City	28.2%	62.3%	4.7%	2.6%	0.3%	0.0%	1.8%
Baltimore	59.6%	27.2%	5.0%	5.8%	0.3%	0.0%	2.1%
Calvert	79.0%	12.9%	3.5%	1.6%	0.3%	0.1%	2.5%
Caroline	77.0%	13.9%	6.4%	0.8%	0.3%	0.0%	1.7%
Carroll	90.2%	3.4%	3.0%	1.7%	0.2%	0.0%	1.5%
Cecil	85.9%	6.4%	4.1%	1.2%	0.3%	0.0%	2.0%
Charles	44.5%	42.9%	5.3%	3.2%	0.6%	0.1%	3.4%
Dorchester	64.5%	27.6%	4.6%	1.1%	0.3%	0.0%	1.7%
Frederick	75.7%	8.8%	8.4%	4.4%	0.2%	0.1%	2.4%
Garrett	96.6%	1.1%	1.0%	0.5%	0.1%	0.0%	0.7%
Harford	77.4%	12.8%	4.2%	3.0%	0.2%	0.1%	2.2%
Howard	55.4%	18.0%	6.4%	16.8%	0.2%	0.1%	3.1%
Kent	78.5%	14.6%	4.3%	0.9%	0.1%	0.0%	1.5%
Montgomery	46.0%	17.5%	18.7%	15.0%	0.2%	0.0%	2.6%
Prince George's	14.2%	62.3%	16.9%	4.5%	0.2%	0.0%	2.0%
Queen Anne's	86.9%	6.7%	3.4%	1.0%	0.3%	0.0%	1.6%
St. Mary's	75.3%	14.1%	4.7%	2.7%	0.3%	0.1%	2.8%
Somerset	51.0%	42.2%	3.7%	0.9%	0.4%	0.0%	1.9%
Talbot	78.1%	12.7%	6.3%	1.4%	0.1%	0.0%	1.3%
Washington	81.0%	10.4%	4.3%	1.7%	0.2%	0.1%	2.3%
Wicomico	64.8%	24.6%	5.2%	3.0%	0.2%	0.0%	2.2%
Worcester	79.8%	13.5%	3.5%	1.4%	0.2%	0.0%	1.6%
Maryland	52.6%	29.3%	9.3%	6.3%	0.2%	0.1%	2.2%
United States	62.1%	12.4%	17.4%	5.3%	0.7%	0.2%	2.0%

Source: U.S. Census Bureau; Maryland Department of Planning

Exhibit 2.3
Population Growth by Racial Composition
April 2000 to July 2014

County	White	African American	Hispanic/Latino	Asian	American Indian	Native Hawaiian	Multiracial
Allegany	-8.1%	48.7%	109.3%	82.6%	-0.9%	63.2%	161.6%
Anne Arundel	0.5%	35.1%	210.8%	85.9%	8.1%	80.3%	133.7%
Baltimore City	-13.5%	-7.2%	166.2%	62.5%	-9.0%	16.4%	78.6%
Baltimore	-11.2%	48.4%	200.6%	97.4%	19.3%	58.5%	141.3%
Calvert	15.5%	20.4%	180.0%	123.7%	29.8%	176.2%	181.0%
Caroline	4.0%	2.0%	164.8%	53.4%	7.1%	900.0%	127.8%
Carroll	5.4%	67.9%	238.3%	146.4%	-4.8%	43.8%	196.6%
Cecil	10.4%	97.2%	224.1%	109.7%	4.2%	121.7%	174.3%
Charles	-15.3%	111.8%	200.7%	128.7%	10.6%	103.0%	157.9%
Dorchester	-0.5%	3.6%	290.4%	73.2%	52.8%	900.0%	201.1%
Frederick	7.1%	73.5%	339.7%	224.2%	36.8%	159.6%	168.8%
Garrett	-2.5%	151.2%	126.7%	150.9%	78.3%	-85.7%	121.2%
Harford	3.1%	59.6%	152.4%	123.6%	23.1%	60.0%	126.6%
Howard	-5.2%	55.3%	163.6%	171.2%	10.0%	104.7%	145.5%
Kent	3.2%	-12.8%	55.1%	71.0%	16.0%	-37.5%	166.7%
Montgomery	-9.6%	35.8%	91.7%	54.6%	-4.0%	20.1%	94.7%
Prince George's	-34.7%	12.1%	167.4%	27.5%	-8.0%	15.9%	54.9%
Queen Anne's	18.1%	-7.6%	276.4%	116.9%	49.4%	30.0%	151.6%
St. Mary's	19.6%	30.1%	199.1%	92.8%	28.5%	30.8%	165.3%
Somerset	-4.7%	7.5%	183.5%	91.0%	11.9%	60.0%	120.7%
Talbot	7.0%	-7.9%	287.6%	91.6%	0.0%	142.9%	146.0%
Washington	3.0%	53.0%	306.0%	133.0%	28.6%	61.5%	217.4%
Wicomico	8.5%	26.6%	188.1%	100.9%	49.7%	115.4%	190.6%
Worcester	10.0%	-9.8%	204.2%	141.2%	35.2%	87.5%	142.1%
Maryland	-4.7%	18.5%	144.6%	74.6%	6.1%	50.2%	114.0%

Source: U.S. Census Bureau; Maryland Department of Planning

Exhibit 2.4
Growth in Minority Population by County

County	April 2000	July 2014	Change	% Change	Highest to Lowest Population Change		Highest to Lowest Percent Change	
Allegany	5,528	9,173	3,645	65.9%	1. Montgomery	207,231	1. Frederick	158.0%
Anne Arundel	98,113	166,748	68,635	70.0%	2. Prince George's	171,094	2. Cecil	130.2%
Baltimore City	447,821	446,914	-907	-0.2%	3. Baltimore	135,074	3. Garrett	129.7%
Baltimore	198,666	333,740	135,074	68.0%	4. Howard	70,836	4. Carroll	127.1%
Calvert	12,587	19,004	6,417	51.0%	5. Anne Arundel	68,635	5. Charles	119.0%
Caroline	5,693	7,488	1,795	31.5%	6. Charles	46,651	6. Howard	105.7%
Carroll	7,243	16,446	9,203	127.1%	7. Frederick	36,243	7. Washington	99.3%
Cecil	6,265	14,422	8,157	130.2%	8. Harford	25,754	8. Harford	84.0%
Charles	39,192	85,843	46,651	119.0%	9. Washington	14,127	9. Anne Arundel	70.0%
Dorchester	9,545	11,552	2,007	21.0%	10. Wicomico	11,757	10. Baltimore	68.0%
Frederick	22,935	59,178	36,243	158.0%	11. St. Mary's	10,524	11. Allegany	65.9%
Garrett	444	1,020	576	129.7%	12. Carroll	9,203	12. St. Mary's	62.9%
Harford	30,663	56,417	25,754	84.0%	13. Cecil	8,157	13. Montgomery	59.4%
Howard	67,042	137,878	70,836	105.7%	14. Calvert	6,417	14. Calvert	51.0%
Kent	4,127	4,270	143	3.5%	15. Allegany	3,645	15. Wicomico	49.0%
Montgomery	349,090	556,321	207,231	59.4%	16. Dorchester	2,007	16. Queen Anne's	37.6%
Prince George's	605,102	776,196	171,094	28.3%	17. Talbot	1,916	17. Caroline	31.5%
Queen Anne's	4,637	6,381	1,744	37.6%	18. Caroline	1,795	18. Talbot	30.3%
St. Mary's	16,739	27,263	10,524	62.9%	19. Somerset	1,768	19. Prince George's	28.3%
Somerset	10,906	12,674	1,768	16.2%	20. Queen Anne's	1,744	20. Dorchester	21.0%
Talbot	6,323	8,239	1,916	30.3%	21. Worcester	1,388	21. Somerset	16.2%
Washington	14,227	28,354	14,127	99.3%	22. Garrett	576	22. Worcester	15.3%
Wicomico	23,981	35,738	11,757	49.0%	23. Kent	143	23. Kent	3.5%
Worcester	9,056	10,444	1,388	15.3%	24. Baltimore City	-907	24. Baltimore City	-0.2%
Maryland	1,995,925	2,831,703	835,778	41.9%				

Source: U.S. Census Bureau

Exhibit 2.5
Growth in Minority Share of Population by County

County	Percentage Point Change			Highest to Lowest Minority Share of Population		Highest to Lowest Percentage Point Change			
	April 2000	July 2014							
Allegany	7.4%	12.6%	5.2%	1.	Prince George's	85.8%	1.	Charles	23.0%
Anne Arundel	20.0%	29.8%	9.7%	2.	Baltimore City	71.8%	2.	Howard	17.5%
Baltimore City	68.8%	71.8%	3.0%	3.	Charles	55.5%	3.	Baltimore	14.0%
Baltimore	26.3%	40.4%	14.0%	4.	Montgomery	54.0%	4.	Montgomery	14.0%
Calvert	16.9%	21.0%	4.1%	5.	Somerset	49.0%	5.	Frederick	12.5%
Caroline	19.1%	23.0%	3.9%	6.	Howard	44.6%	6.	Prince George's	10.3%
Carroll	4.8%	9.8%	5.0%	7.	Baltimore	40.4%	7.	Anne Arundel	9.7%
Cecil	7.3%	14.1%	6.8%	8.	Dorchester	35.5%	8.	Harford	8.5%
Charles	32.5%	55.5%	23.0%	9.	Wicomico	35.2%	9.	Washington	8.2%
Dorchester	31.1%	35.5%	4.3%	10.	Anne Arundel	29.8%	10.	Wicomico	6.9%
Frederick	11.7%	24.3%	12.5%	11.	St. Mary's	24.7%	11.	Cecil	6.8%
Garrett	1.5%	3.4%	1.9%	12.	Frederick	24.3%	12.	St. Mary's	5.3%
Harford	14.0%	22.6%	8.5%	13.	Caroline	23.0%	13.	Allegany	5.2%
Howard	27.1%	44.6%	17.5%	14.	Harford	22.6%	14.	Carroll	5.0%
Kent	21.5%	21.5%	0.0%	15.	Talbot	21.9%	15.	Somerset	4.9%
Montgomery	40.0%	54.0%	14.0%	16.	Kent	21.5%	16.	Dorchester	4.3%
Prince George's	75.5%	85.8%	10.3%	17.	Calvert	21.0%	17.	Calvert	4.1%
Queen Anne's	11.4%	13.1%	1.6%	18.	Worcester	20.2%	18.	Caroline	3.9%
St. Mary's	19.4%	24.7%	5.3%	19.	Washington	19.0%	19.	Talbot	3.2%
Somerset	44.1%	49.0%	4.9%	20.	Cecil	14.1%	20.	Baltimore City	3.0%
Talbot	18.7%	21.9%	3.2%	21.	Queen Anne's	13.1%	21.	Garrett	1.9%
Washington	10.8%	19.0%	8.2%	22.	Allegany	12.6%	22.	Queen Anne's	1.6%
Wicomico	28.3%	35.2%	6.9%	23.	Carroll	9.8%	23.	Worcester	0.8%
Worcester	19.5%	20.2%	0.8%	24.	Garrett	3.4%	24.	Kent	0.0%
Maryland	37.7%	47.4%	9.7%						

Source: U.S. Census Bureau

Exhibit 2.6
Population Growth in Maryland by County

County	April 2000	July 2014	Change	% Change	Highest to Lowest Change 2000 to 2014	Highest to Lowest % Change 2000 to 2014		
Allegany	74,930	72,952	-1,978	-2.6%	1. Montgomery	157,106	1. Charles	28.4%
Anne Arundel	489,664	560,133	70,469	14.4%	2. Prince George's	102,915	2. St. Mary's	28.0%
Baltimore City	651,154	622,793	-28,361	-4.4%	3. Baltimore	72,633	3. Howard	24.8%
Baltimore	754,292	826,925	72,633	9.6%	4. Anne Arundel	70,469	4. Frederick	24.8%
Calvert	74,563	90,613	16,050	21.5%	5. Howard	61,441	5. Calvert	21.5%
Caroline	29,772	32,538	2,766	9.3%	6. Frederick	48,399	6. Queen Anne's	20.3%
Carroll	150,897	167,830	16,933	11.2%	7. Charles	34,201	7. Wicomico	20.0%
Cecil	85,951	102,383	16,432	19.1%	8. Harford	31,515	8. Cecil	19.1%
Charles	120,546	154,747	34,201	28.4%	9. St. Mary's	24,150	9. Montgomery	18.0%
Dorchester	30,675	32,578	1,903	6.2%	10. Washington	17,650	10. Harford	14.4%
Frederick	195,276	243,675	48,399	24.8%	11. Carroll	16,933	11. Anne Arundel	14.4%
Garrett	29,846	29,679	-167	-0.6%	12. Wicomico	16,895	12. Washington	13.4%
Harford	218,590	250,105	31,515	14.4%	13. Cecil	16,432	13. Prince George's	12.8%
Howard	247,843	309,284	61,441	24.8%	14. Calvert	16,050	14. Talbot	11.3%
Kent	19,200	19,820	620	3.2%	15. Queen Anne's	8,244	15. Carroll	11.2%
Montgomery	873,341	1,030,447	157,106	18.0%	16. Worcester	5,132	16. Worcester	11.0%
Prince George's	801,515	904,430	102,915	12.8%	17. Talbot	3,831	17. Baltimore	9.6%
Queen Anne's	40,560	48,804	8,244	20.3%	18. Caroline	2,766	18. Caroline	9.3%
St. Mary's	86,232	110,382	24,150	28.0%	19. Dorchester	1,903	19. Dorchester	6.2%
Somerset	24,747	25,859	1,112	4.5%	20. Somerset	1,112	20. Somerset	4.5%
Talbot	33,812	37,643	3,831	11.3%	21. Kent	620	21. Kent	3.2%
Washington	131,923	149,573	17,650	13.4%	22. Garrett	-167	22. Garrett	-0.6%
Wicomico	84,644	101,539	16,895	20.0%	23. Allegany	-1,978	23. Allegany	-2.6%
Worcester	46,543	51,675	5,132	11.0%	24. Baltimore City	-28,361	24. Baltimore City	-4.4%
Maryland	5,296,516	5,976,407	679,891	12.8%				

Source: U.S. Census Bureau

Exhibit 2.7
Crime Rates for Maryland Counties

County	Crime Rates Per 100,000 Residents			Crime Rates Percent of State Average			Murder Count		Robbery Count		Vehicle Theft Count	
	CY 2013	CY 2014	% Change	CY 2013	CY 2014	Rank	CY 2013	CY 2014	CY 2013	CY 2014	CY 2013	CY 2014
Allegany	3,571.5	3,519.8	-1.4%	114.2%	118.9%	5	4	2	63	31	54	42
Anne Arundel	3,023.4	2,805.0	-7.2%	96.7%	94.8%	9	15	14	630	634	677	702
Baltimore City	6,422.0	6,146.0	-4.3%	205.3%	207.6%	1	233	211	3,755	3,740	4,462	4,504
Baltimore	3,392.4	3,211.4	-5.3%	108.5%	108.5%	8	20	25	1,511	1,512	1,463	1,499
Calvert	1,934.9	1,828.7	-5.5%	61.9%	61.8%	18	4	0	27	30	64	43
Caroline	3,101.2	2,718.8	-12.3%	99.2%	91.8%	10	0	2	15	11	22	24
Carroll	1,602.1	1,543.8	-3.6%	51.2%	52.2%	24	4	2	33	42	65	49
Cecil	3,243.9	3,312.0	2.1%	103.7%	111.9%	7	5	4	86	90	111	92
Charles	2,706.0	2,326.2	-14.0%	86.5%	78.6%	13	3	2	147	148	192	157
Dorchester	3,437.9	3,762.6	9.4%	109.9%	127.1%	4	0	3	36	22	19	42
Frederick	1,959.7	1,780.3	-9.2%	62.7%	60.1%	20	5	4	141	113	150	83
Garrett	2,345.9	1,749.3	-25.4%	75.0%	59.1%	22	0	0	5	1	23	15
Harford	1,888.2	1,701.6	-9.9%	60.4%	57.5%	23	5	6	178	165	131	106
Howard	2,222.7	2,050.5	-7.7%	71.1%	69.3%	15	5	5	204	201	254	231
Kent	1,982.0	1,938.2	-2.2%	63.4%	65.5%	17	0	0	22	6	10	5
Montgomery	1,774.6	1,795.1	1.2%	56.7%	60.6%	19	9	18	812	661	913	753
Prince George's	3,722.5	3,415.4	-8.2%	119.0%	115.4%	6	56	56	2,012	1,846	4,293	4,278
Queen Anne's	1,963.9	1,769.4	-9.9%	62.8%	59.8%	21	2	0	22	21	22	18
St. Mary's	2,487.9	2,232.0	-10.3%	79.5%	75.4%	14	3	0	62	58	119	73
Somerset	2,230.6	2,036.5	-8.7%	71.3%	68.8%	16	2	0	14	14	17	10
Talbot	1,926.6	2,367.2	22.9%	61.6%	80.0%	12	1	0	15	16	11	21
Washington	2,329.0	2,470.4	6.1%	74.5%	83.5%	11	6	6	121	153	166	231
Wicomico	3,817.4	3,823.1	0.1%	122.1%	129.2%	3	3	2	142	101	111	96
Worcester	4,511.0	4,689.3	4.0%	144.2%	158.4%	2	2	1	28	35	55	38
Maryland	3,127.5	2,960.2	-5.3%	100.0%	100.0%		387	363	10,082	9,651	13,429	13,146

Source: *Uniform Crime Report*, Maryland State Police

Exhibit 2.8
Crime Rates for Maryland's Largest Municipalities

Rank	Municipality	Crime Rates Per 100,000 Residents			Crime Rates % of State Average		Murder Count		Robbery Count		Vehicle Theft Count	
		CY 2013	CY 2014	% Change	CY 2013	CY 2014	CY 2013	CY 2014	CY 2013	CY 2014	CY 2013	CY 2014
1.	Elkton	8,311.5	8,998.1	8.3%	265.8%	304.0%	0	0	52	57	30	29
2.	Hyattsville	6,844.9	7,252.6	6.0%	218.9%	245.0%	0	2	58	60	65	81
3.	Cumberland	7,328.6	7,145.0	-2.5%	234.3%	241.4%	1	0	44	23	27	17
4.	Cambridge	5,826.0	7,119.7	22.2%	186.3%	240.5%	0	2	31	21	6	24
5.	Salisbury	6,894.7	6,872.5	-0.3%	220.5%	232.2%	0	0	100	71	53	46
6.	Westminster	5,286.6	4,503.1	-14.8%	169.0%	152.1%	2	0	15	16	10	14
7.	Hagerstown	4,306.8	4,298.6	-0.2%	137.7%	145.2%	5	1	101	106	73	114
8.	Laurel	3,867.6	4,149.6	7.3%	123.7%	140.2%	0	1	68	57	82	87
9.	College Park	4,014.4	3,824.5	-4.7%	128.4%	129.2%	1	1	23	28	92	138
10.	Greenbelt	4,092.1	3,779.6	-7.6%	130.8%	127.7%	0	1	67	55	108	86
11.	Aberdeen	3,697.1	3,740.8	1.2%	118.2%	126.4%	0	0	20	27	16	9
12.	Takoma Park	3,049.2	3,639.9	19.4%	97.5%	123.0%	1	1	37	33	42	48
13.	Easton	2,206.8	3,561.0	61.4%	70.6%	120.3%	0	0	15	11	2	8
14.	New Carrollton	2,745.7	3,324.6	21.1%	87.8%	112.3%	2	2	25	20	43	37
15.	Annapolis	3,216.1	2,966.3	-7.8%	102.8%	100.2%	4	1	63	66	66	58
16.	Frederick	3,185.5	2,768.7	-13.1%	101.9%	93.5%	1	1	98	82	61	39
17.	Havre de Grace	3,155.9	2,510.1	-20.5%	100.9%	84.8%	0	0	11	11	17	7
18.	Gaithersburg	2,105.1	1,841.8	-12.5%	67.3%	62.2%	1	1	50	36	63	42
19.	Bowie	1,763.4	1,694.4	-3.9%	56.4%	57.2%	0	1	31	32	67	71
20.	Rockville	1,790.6	1,643.6	-8.2%	57.3%	55.5%	0	1	45	43	53	48
	Baltimore City	6,422.0	6,146.0	-4.3%	205.3%	207.6%	233	211	3,755	3,740	4,462	4,504
	State Total	3,127.5	2,960.2	-5.3%	100.0%	100.0%	387	363	10,082	9,651	13,429	13,146

Source: *Uniform Crime Report*, Maryland State Police

Exhibit 2.9
Economic Indicators for Maryland Counties

County	<u>Average Weekly Wage</u>		<u>Unemployment Rate</u>			<u>Median Household Income</u>		<u>Median Home Price</u>		
	1st Q 2015	Percent of State Average	CY 2013	CY 2014	CY 2015	CY 2011-2013	Percent of State Average	FY 2014	FY 2015	Percent Change
Allegany	\$664	59.7%	7.8%	7.3%	6.9%	\$39,846	55.1%	\$102,000	\$106,000	3.9%
Anne Arundel	1,075	96.6%	5.9%	5.2%	4.7%	87,460	120.9%	335,000	336,600	0.5%
Baltimore City	1,241	111.5%	9.6%	8.7%	8.0%	40,798	56.4%	192,500	180,000	-6.5%
Baltimore	1,000	89.8%	6.9%	6.2%	5.7%	64,700	89.4%	245,000	240,000	-2.0%
Calvert	906	81.4%	5.7%	5.3%	4.7%	92,601	128.0%	336,500	340,000	1.0%
Caroline	747	67.1%	7.5%	6.3%	5.8%	52,967	73.2%	187,000	178,500	-4.5%
Carroll	753	67.7%	5.7%	4.9%	4.5%	81,600	112.8%	307,000	302,000	-1.6%
Cecil	838	75.3%	7.7%	6.6%	6.1%	66,575	92.0%	239,000	229,000	-4.2%
Charles	809	72.7%	6.2%	5.6%	5.1%	90,789	125.5%	299,000	301,525	0.8%
Dorchester	726	65.2%	9.7%	8.5%	7.8%	45,508	62.9%	154,000	162,500	5.5%
Frederick	953	85.6%	5.7%	5.1%	4.7%	82,061	113.4%	310,000	307,000	-1.0%
Garrett	602	54.1%	7.3%	6.9%	6.5%	41,728	57.7%	157,500	136,250	-13.5%
Harford	936	84.1%	6.6%	5.8%	5.3%	79,091	109.3%	268,250	275,000	2.5%
Howard	1,238	111.2%	4.9%	4.4%	4.1%	107,452	148.5%	425,000	435,100	2.4%
Kent	714	64.2%	7.1%	6.5%	6.0%	58,157	80.4%	213,000	207,500	-2.6%
Montgomery	1,408	126.5%	5.1%	4.4%	4.1%	97,181	134.3%	430,000	425,000	-1.2%
Prince George's	1,043	93.7%	6.8%	5.9%	5.3%	72,098	99.7%	255,000	279,200	9.5%
Queen Anne's	675	60.6%	5.9%	5.1%	4.8%	84,309	116.5%	323,000	325,000	0.6%
St. Mary's	1,223	109.9%	5.8%	5.4%	5.1%	85,174	117.7%	285,000	279,900	-1.8%
Somerset	805	72.3%	9.9%	9.5%	8.6%	32,997	45.6%	135,000	132,900	-1.6%
Talbot	744	66.8%	6.8%	5.7%	5.4%	58,618	81.0%	280,000	285,000	1.8%
Washington	756	67.9%	8.0%	6.5%	6.0%	55,700	77.0%	198,000	189,000	-4.5%
Wicomico	730	65.6%	8.1%	7.7%	7.0%	50,473	69.8%	164,000	165,000	0.6%
Worcester	628	56.4%	11.5%	11.3%	10.8%	56,279	77.8%	210,000	225,000	7.1%
Maryland	\$1,113	100.0%	6.6%	5.8%	5.4%	\$72,345	100.0%	\$304,000	\$300,000	-1.3%

Source: Department of Labor, Licensing, and Regulation; Maryland Department of Planning; State Department of Assessments and Taxation

Exhibit 2.10
Employment in Maryland Counties by Sector
First Quarter 2015

County	Private Sector	Government Sector	<i>Government Sector</i>		
			Federal	State	Local
Allegany	78.0%	22.0%	1.8%	9.6%	10.6%
Anne Arundel	81.6%	18.4%	5.2%	5.0%	8.2%
Baltimore City	78.6%	21.4%	3.0%	10.7%	7.7%
Baltimore	84.2%	15.8%	4.3%	3.0%	8.4%
Calvert	80.9%	19.1%	0.5%	1.2%	17.4%
Caroline	80.9%	19.1%	0.8%	2.2%	16.1%
Carroll	85.0%	15.0%	0.5%	2.4%	12.1%
Cecil	79.1%	20.9%	5.8%	1.9%	13.2%
Charles	76.9%	23.1%	5.4%	1.4%	16.3%
Dorchester	78.0%	22.0%	1.7%	7.5%	12.9%
Frederick	83.4%	16.6%	3.8%	1.2%	11.5%
Garrett	85.4%	14.6%	0.6%	2.2%	11.8%
Harford	75.7%	24.3%	13.0%	0.6%	10.7%
Howard	89.2%	10.8%	0.4%	1.2%	9.2%
Kent	86.7%	13.3%	0.8%	3.0%	9.6%
Montgomery	79.9%	20.1%	10.4%	0.3%	9.5%
Prince George's	70.4%	29.6%	8.8%	6.7%	14.0%
Queen Anne's	81.4%	18.6%	0.6%	1.6%	16.4%
St. Mary's	67.1%	32.9%	21.5%	2.2%	9.2%
Somerset	53.3%	46.7%	0.7%	31.4%	14.6%
Talbot	89.8%	10.2%	1.2%	1.2%	7.8%
Washington	86.4%	13.6%	0.8%	3.6%	9.1%
Wicomico	81.5%	18.5%	0.6%	6.2%	11.6%
Worcester	82.5%	17.5%	0.9%	0.8%	15.8%
Unallocated	99.3%	0.7%	0.6%	0.0%	0.1%
Maryland	80.6%	19.4%	5.7%	3.9%	9.8%

Source: *Employment and Payroll Annual Report*, Department of Labor, Licensing, and Regulation

Exhibit 2.11
County Share of Total Employment by Sector
First Quarter 2015

County	Population	Private Sector	Government Sector		Government Sector	
			Federal	State	Local	
Allegany	1.2%	1.1%	1.3%	0.3%	2.8%	1.2%
Anne Arundel	9.4%	10.2%	9.5%	9.1%	12.8%	8.4%
Baltimore City	10.4%	12.6%	14.3%	6.9%	35.3%	10.2%
Baltimore	13.8%	15.0%	11.6%	10.9%	11.0%	12.3%
Calvert	1.5%	0.9%	0.8%	0.1%	0.3%	1.5%
Caroline	0.5%	0.4%	0.3%	0.0%	0.2%	0.6%
Carroll	2.8%	2.3%	1.7%	0.2%	1.3%	2.7%
Cecil	1.7%	1.1%	1.3%	1.2%	0.6%	1.6%
Charles	2.6%	1.5%	1.9%	1.5%	0.6%	2.7%
Dorchester	0.5%	0.4%	0.5%	0.1%	0.8%	0.5%
Frederick	4.1%	3.9%	3.2%	2.6%	1.2%	4.4%
Garrett	0.5%	0.5%	0.3%	0.0%	0.3%	0.5%
Harford	4.2%	3.3%	4.4%	8.0%	0.6%	3.8%
Howard	5.2%	7.0%	3.5%	0.4%	1.9%	5.9%
Kent	0.3%	0.3%	0.2%	0.0%	0.2%	0.3%
Montgomery	17.2%	17.7%	18.5%	32.7%	1.2%	17.3%
Prince George's	15.1%	10.3%	18.0%	18.4%	20.3%	16.9%
Queen Anne's	0.8%	0.5%	0.5%	0.1%	0.2%	0.9%
St. Mary's	1.8%	1.4%	2.8%	6.3%	0.9%	1.6%
Somerset	0.4%	0.2%	0.6%	0.0%	2.1%	0.4%
Talbot	0.6%	0.8%	0.4%	0.1%	0.2%	0.6%
Washington	2.5%	2.8%	1.8%	0.4%	2.4%	2.4%
Wicomico	1.7%	1.8%	1.6%	0.2%	2.7%	2.1%
Worcester	0.9%	0.8%	0.7%	0.1%	0.2%	1.2%
Unallocated		3.2%	0.1%	0.3%	0.0%	0.0%
Maryland	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: *Employment and Payroll Annual Report*, Department of Labor, Licensing, and Regulation

Exhibit 2.12
Employment Growth in Maryland Counties – Over a Five-year Period
First Quarter 2010 and 2015

County	Average Employment Within Jurisdiction					Jobs Per 1,000 Residents		
	1st Q 2010	1st Q 2015	Difference	% Difference	Rank	1st Q 2015	Percent of State Average	Rank
Allegany	28,747	28,598	-149	-0.5%	24	392.0	92.7%	10
Anne Arundel	220,228	254,400	34,172	15.5%	1	454.2	107.4%	4
Baltimore City	320,403	327,162	6,759	2.1%	21	525.3	124.2%	1
Baltimore	355,189	362,695	7,506	2.1%	20	438.6	103.7%	7
Calvert	20,420	21,678	1,258	6.2%	10	239.2	56.6%	24
Caroline	8,192	8,879	687	8.4%	6	272.9	64.5%	21
Carroll	52,772	55,506	2,734	5.2%	12	330.7	78.2%	16
Cecil	26,916	29,484	2,568	9.5%	5	288.0	68.1%	19
Charles	38,924	40,762	1,838	4.7%	13	263.4	62.3%	22
Dorchester	10,591	10,542	-49	-0.5%	23	323.6	76.5%	18
Frederick	89,106	96,011	6,905	7.7%	7	394.0	93.2%	9
Garrett	11,069	11,399	330	3.0%	17	384.1	90.8%	12
Harford	78,828	88,102	9,274	11.8%	3	352.3	83.3%	15
Howard	141,169	159,531	18,362	13.0%	2	515.8	122.0%	2
Kent	7,179	7,668	489	6.8%	8	386.9	91.5%	11
Montgomery	433,226	452,359	19,133	4.4%	15	439.0	103.8%	6
Prince George's	292,271	298,817	6,546	2.2%	18	330.4	78.1%	17
Queen Anne's	12,292	13,661	1,369	11.1%	4	279.9	66.2%	20
St. Mary's	39,850	42,357	2,507	6.3%	9	383.7	90.7%	13
Somerset	6,417	6,505	88	1.4%	22	251.6	59.5%	23
Talbot	17,291	18,035	744	4.3%	16	479.1	113.3%	3
Washington	62,279	65,972	3,693	5.9%	11	441.1	104.3%	5
Wicomico	42,924	43,836	912	2.1%	19	431.7	102.1%	8
Worcester	18,216	19,053	837	4.6%	14	368.7	87.2%	14
Unallocated	56,817	64,803	7,986	14.1%				
Maryland	2,391,316	2,527,815	136,499	5.7%		423.0	100.0%	

Note: The employment growth rate was calculated by using average quarterly employment data. Employment growth statistics represent the available jobs within a jurisdiction, not the employment status for residents of the jurisdiction.

Source: *Employment and Payroll Annual Report*, Department of Labor, Licensing, and Regulation

Exhibit 2.13
Employment Growth in Maryland Counties – Multiple Year Comparison
First Quarter 2010 through 2015

County	<u>Average Employment Within Jurisdiction</u>						<u>Job Growth – Annual Change</u>				
	1st Q 2010	1st Q 2011	1st Q 2012	1st Q 2013	1st Q 2014	1st Q 2015	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Allegany	28,747	28,671	28,860	28,750	28,537	28,598	-0.3%	0.7%	-0.4%	-0.7%	0.2%
Anne Arundel	220,228	223,062	233,304	245,774	248,897	254,400	1.3%	4.6%	5.3%	1.3%	2.2%
Baltimore City	320,403	325,617	325,928	327,999	324,817	327,162	1.6%	0.1%	0.6%	-1.0%	0.7%
Baltimore	355,189	354,669	357,781	357,265	358,415	362,695	-0.1%	0.9%	-0.1%	0.3%	1.2%
Calvert	20,420	21,027	21,157	21,260	21,071	21,678	3.0%	0.6%	0.5%	-0.9%	2.9%
Caroline	8,192	8,292	8,418	9,185	9,163	8,879	1.2%	1.5%	9.1%	-0.2%	-3.1%
Carroll	52,772	53,100	54,652	54,868	54,983	55,506	0.6%	2.9%	0.4%	0.2%	1.0%
Cecil	26,916	27,129	27,995	29,243	29,766	29,484	0.8%	3.2%	4.5%	1.8%	-0.9%
Charles	38,924	39,804	40,021	40,006	40,514	40,762	2.3%	0.5%	0.0%	1.3%	0.6%
Dorchester	10,591	10,547	10,597	10,465	10,755	10,542	-0.4%	0.5%	-1.2%	2.8%	-2.0%
Frederick	89,106	89,789	90,781	93,483	93,556	96,011	0.8%	1.1%	3.0%	0.1%	2.6%
Garrett	11,069	11,093	11,171	11,301	11,336	11,399	0.2%	0.7%	1.2%	0.3%	0.6%
Harford	78,828	80,588	85,380	87,161	85,828	88,102	2.2%	5.9%	2.1%	-1.5%	2.6%
Howard	141,169	147,357	154,503	156,400	155,952	159,531	4.4%	4.8%	1.2%	-0.3%	2.3%
Kent	7,179	7,297	7,380	7,253	7,225	7,668	1.6%	1.1%	-1.7%	-0.4%	6.1%
Montgomery	433,226	443,159	444,104	446,510	448,595	452,359	2.3%	0.2%	0.5%	0.5%	0.8%
Prince George's	292,271	294,584	294,717	296,397	296,891	298,817	0.8%	0.0%	0.6%	0.2%	0.6%
Queen Anne's	12,292	12,699	13,010	13,194	13,038	13,661	3.3%	2.4%	1.4%	-1.2%	4.8%
St. Mary's	39,850	41,292	41,580	42,206	41,959	42,357	3.6%	0.7%	1.5%	-0.6%	0.9%
Somerset	6,417	6,424	6,411	6,477	6,488	6,505	0.1%	-0.2%	1.0%	0.2%	0.3%
Talbot	17,291	17,298	17,213	17,692	18,051	18,035	0.0%	-0.5%	2.8%	2.0%	-0.1%
Washington	62,279	63,034	65,536	65,665	65,878	65,972	1.2%	4.0%	0.2%	0.3%	0.1%
Wicomico	42,924	43,198	43,807	43,803	43,552	43,836	0.6%	1.4%	0.0%	-0.6%	0.7%
Worcester	18,216	18,548	18,959	19,218	19,271	19,053	1.8%	2.2%	1.4%	0.3%	-1.1%
Unallocated	56,817	64,147	67,055	59,999	62,678	64,803	12.9%	4.5%	-10.5%	4.5%	3.4%
Maryland	2,391,316	2,432,425	2,470,320	2,491,576	2,497,216	2,527,815	1.7%	1.6%	0.9%	0.2%	1.2%

Note: The employment growth rate was calculated by using average quarterly employment data. Employment growth statistics represent the available jobs within a jurisdiction, not the employment status for residents of the jurisdiction.

Source: *Employment and Payroll Annual Report*, Department of Labor, Licensing, and Regulation

Chapter 3. Local Government Finances

County and municipal governments in Maryland spend approximately \$28.9 billion annually on public services. Counties are the principal unit of local government responsible for most basic services such as police, fire, local corrections, sanitation, local highways, health, and parks and recreation. Counties also are responsible for funding public schools, libraries, local community colleges, and the circuit courts. In fiscal 2013, expenditures at the county government level totaled \$27.6 billion, which accounted for 95.5% of total local government expenditures.

Compared to counties, municipalities in Maryland provide a more limited array of public services. Public works and public safety are the two largest functions of municipal governments, comprising 67.1% of municipal expenditures in fiscal 2013. In addition, municipalities do not fund local school systems and community colleges, which account for 50.4% of local government expenditures. In fiscal 2013, expenditures at the municipal government level totaled \$1.3 billion, which accounted for only 4.5% of total local government expenditures. However, in five counties, municipal governments account for over 15% of local government expenditures.

Table 3.1 shows the amount of local government expenditures in fiscal 2013 by level of government. **Exhibit 3.1** shows local expenditures by county. **Exhibit 3.2** shows local government expenditures for counties and municipalities by category.

Table 3.1
Local Government Expenditures
Fiscal 2013
(\$ in Millions)

	<u>Expenditures</u>	<u>Percent of Total</u>
County Level	\$27,597.4	95.5%
Municipal Level	1,290.2	4.5%
Total	\$28,887.7	100.0%

Source: Department of Legislative Services

County Level

In fiscal 2013, county governments and Baltimore City spent \$27.6 billion on public services. Local boards of education accounted for 50.5% of county expenditures, with \$13.3 billion going to the public school systems. County government agencies accounted for 41.8% of expenditures or \$11.0 billion. Libraries, community colleges, and local health departments accounted for the remaining 7.7% of county expenditures. In addition, approximately \$1.3 billion was spent on debt service for the various units of county government. **Table 3.2** shows the distribution of county expenditures in fiscal 2013 by unit of county government.

Table 3.2
County Government Expenditures
Fiscal 2013
(\$ in Millions)

	<u>Expenditures</u>	<u>Percent of Total</u>
Public Schools	\$13,260.9	50.5%
Libraries	299.9	1.1%
Community Colleges	1,286.6	4.9%
Health Departments	433.8	1.7%
County Government	10,967.2	41.8%
Subtotal	\$26,248.4	100.0%
Debt Service	1,349.0	
Total	\$27,597.4	

Source: Department of Legislative Services

County governments and Baltimore City collected \$26.8 billion in revenues in fiscal 2013, excluding debt proceeds. County governments receive revenue from two basic sources: own-source revenues, which include locally generated revenues such as property taxes and income taxes; and intergovernmental revenues, which include federal and State funding. Statewide, own-source revenues account for 64.5% of county revenues, and intergovernmental revenues account for 35.5% (**Table 3.3**).

Many of the State’s less affluent jurisdictions receive a lower percentage of their funding from local sources and a higher percentage from the State and federal government. For example, Somerset County, one of the least affluent counties

in the State, receives 38.5% of its revenue from local sources, 49.8% from the State, and 11.6% from the federal government. In comparison, Howard County, one of the more affluent counties in the State, receives 72.5% of its revenue from local sources, 22.1% from the State, 4.9% from the federal government, and 0.4% from other intergovernmental sources.

Table 3.3
Sources of Revenue – Counties and Baltimore City
Fiscal 2013

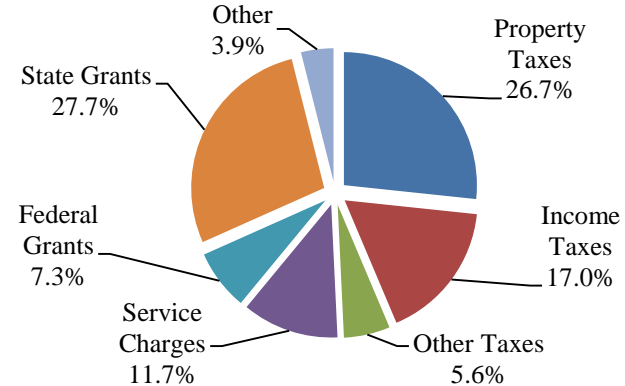


Exhibit 3.3 shows the allocation of county revenues by source for fiscal 2013, excluding debt proceeds. **Exhibit 3.4** shows county revenues on a per capita basis, and **Exhibit 3.5** ranks the counties according to per capita property tax revenues, income tax revenues, State grants, and total revenues.

Property Tax Revenues

The property tax is the primary local revenue source for county governments, accounting for 26.7% of total revenues in fiscal 2013, excluding debt proceeds. The reliance on property tax revenues ranges from 16.4% in Allegany County to 49.3% in Worcester County. Property tax collections are affected by each county's property tax base and tax rate. Counties with a larger assessable base can collect relatively more tax revenues than jurisdictions with a smaller tax base. For example, Worcester County, with its ocean resort property, has the highest per capita assessable base in fiscal 2015 at \$287,809 which is nearly 2.5 times the statewide average. Somerset County has the second lowest per capita assessable base at \$54,459 or roughly half the statewide average. Due to its larger tax base, Worcester County is able to collect around four times more revenue per capita than neighboring Somerset County, even though Somerset County has a higher property tax rate.

Income Tax Revenues

The income tax is the third largest revenue source for county governments, accounting for 17.0% of total revenues in fiscal 2013, excluding debt proceeds. The reliance on income tax revenues ranges from 5.1% in Worcester County to 23.1% in Montgomery County.

Local income tax revenues are a function of a county's income tax rate and net taxable income. Per capita net taxable income in Maryland totaled \$24,666 in tax year 2013. Montgomery County had the highest per capita net taxable income at \$37,586, followed by Howard County at \$36,165, and Talbot County at \$29,876. Somerset County had the lowest per

capita net taxable income at \$7,970; Allegany County had the second lowest at \$12,120.

State Grants

State aid is the largest revenue source for most county governments in Maryland, accounting for 27.7% of total revenues in fiscal 2013. In 11 counties, however, State aid was either the second or third leading revenue source. In Anne Arundel, Baltimore, Calvert, Carroll, Garrett, Kent, Queen Anne's, Talbot, and Worcester counties, State aid was the second largest revenue source after property taxes; whereas in Howard and Montgomery counties, State aid was the third largest revenue source after both property and income taxes.

State aid includes direct assistance to county governments, local school systems, libraries, community colleges, and local health departments. In fiscal 2013, local school systems received about 87.6% of total State aid. County and municipal governments received 6.7%, with most of the funds targeted for transportation, public safety, and park land acquisition and development. Community colleges, libraries, and local health departments accounted for the remaining 5.7%. About 70% of State aid is distributed inversely to local wealth. Utilizing local wealth measures to distribute State aid attempts to offset the inequalities in the revenue capacity among local jurisdictions.

Federal Grants

Federal grants accounted for 7.3% of total county revenues in fiscal 2013, excluding debt proceeds. The reliance on federal grants ranged from 4.1% in Calvert County to 11.8% in Baltimore City. The major areas in which local governments receive federal funds include primary and secondary education, community colleges, health and human services, housing and community development, public safety, and transportation.

Expenditure Categories

County governments and Baltimore City spent \$27.6 billion on public services in fiscal 2013. On a per capita basis, county expenditures averaged \$4,690. Montgomery County led the State with per capita expenditures totaling \$5,874, followed by Baltimore City with per capita expenditures totaling \$5,862. Somerset County had the lowest per capita expenditures at \$2,959. **Exhibit 3.6** shows the allocation of county expenditures by category. **Exhibit 3.7** shows county expenditures on a per capita basis. **Exhibit 3.8** ranks the counties according to per capita expenditures for education/libraries, public works, public safety, and total expenditures.

Educational services (public schools, libraries, and community colleges) continue to be the largest function of county government, accounting for 53.8% of total county spending in fiscal 2013. Education spending ranged from 40.7% of total spending in Baltimore City to 70.6% in Washington County. Baltimore City is the only jurisdiction which devoted less than 50% of its expenditures to education. The smaller percentage of spending targeted to education in Baltimore City was, in part, a result of the greater need for public

safety and public works services. Public safety accounted for 17.1% of Baltimore City's spending, the highest percentage in the State. In addition, public works functions accounted for 17.3% of total spending in the city, the second highest percentage in the State. Also, Baltimore City is not responsible for funding the local community college since the Baltimore City Community College is a State agency.

Public works is the second largest function of county governments, accounting for 11.6% of total spending. Garrett County, which spends a considerable amount for snow removal, led the State in the percentage of expenditures targeted to public works (21.2%); followed by Baltimore City (17.3%).

Public safety is the third largest function of county governments, accounting for 11.4% of total spending. As noted earlier, Baltimore City led the State in the percentage expended on public safety with 17.1%. Baltimore City was followed by Charles (13.8%) and Worcester (13.1%) counties.

The composition of county expenditures has changed slightly since fiscal 1999. Funding for educational services and public safety are now accounting for a higher percentage of county spending, whereas public works functions, health/social services, general government, and debt service are accounting for a lower percentage. **Table 3.4** shows the change in the composition of county expenditures over a 15-year period.

Table 3.4
County Expenditure Trends

<u>Category</u>	<u>FY 1999</u>	<u>FY 2006</u>	<u>FY 2013</u>
Education	51.2%	51.7%	53.8%
Public Works	12.6%	11.4%	11.6%
Public Safety	10.7%	10.6%	11.4%
Health/Social Services	4.9%	4.2%	3.6%
General Government	6.2%	7.7%	5.4%
Debt Service	6.0%	5.5%	4.9%

Source: Department of Legislative Services

Municipal Level

Municipalities in Maryland, excluding Baltimore City, collected \$1.4 billion in revenues in fiscal 2013. **Exhibit 3.9** shows the allocation of municipal revenues by source for fiscal 2013, excluding debt proceeds.

Property Taxes

Property taxes are the largest revenue source for most municipalities, accounting for 37.0% of total revenues, excluding debt proceeds (**Table 3.5**). The dependence on property taxes ranges from 12.1% for the municipality in St. Mary's County to 57.9% for municipalities in Prince George's County. For municipalities in 11 counties (Allegany, Carroll, Cecil, Charles, Dorchester, Garrett, Kent, St. Mary's, Talbot, Washington, and Worcester), service

charges generate a larger share of municipal revenues than the property tax.

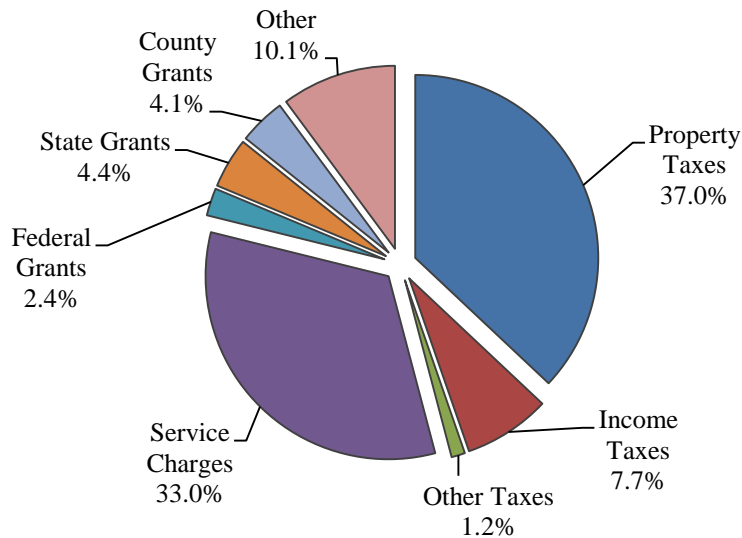
Service Charges

Service charges are the second largest revenue source for most municipalities, accounting for 33.0% of total revenues in fiscal 2013. Sewer, water, and solid waste charges accounted for the majority of the service charges. The remaining amount comprised general government, public safety, highways, and recreation charges. The reliance on service charges ranges from 7.4% for municipalities in Prince George's County to 70.0% for municipalities in Talbot County. The lower reliance on service charges in Prince George's County is due to water and sewer services being provided by the Washington Suburban Sanitary Commission, a bi-county agency serving Montgomery and Prince George's counties. The higher reliance in Talbot County is due to the public-owned electric utility in Easton.

Income Taxes

Income taxes are the third largest revenue source for municipalities, accounting for 7.7% of total revenues in fiscal 2013, excluding debt proceeds. The reliance on income taxes ranges from 1.0% for municipalities in Worcester County to 17.7% for municipalities in Montgomery County. Municipal income taxes are calculated as 0.37% of Maryland taxable income of the municipality's residents or 17% of the county income taxes paid by the municipality's residents (with an adjustment to county income tax rates below 2.6%), whichever is higher.

Table 3.5
Sources of Revenue – Municipalities



State Grants

State aid is the fourth largest revenue source for municipalities, accounting for 4.4% of revenues. Most State aid is targeted to transportation, police protection, parks and recreation services, and community development projects. The reliance on State aid varies across the State, ranging from less than 1.0% of total revenues for municipalities in St. Mary’s and Talbot counties to 22.5% for municipalities in Somerset County.

County Grants

County grants account for 4.1% of total revenues in fiscal 2013. Reliance on county grants is highest in Carroll, Cecil, Harford, and Worcester counties. County funding results primarily from the sharing of county hotel/motel taxes and tax rebates. Tax rebates enable county governments to compensate municipalities for governmental services or programs that municipalities provide in lieu of similar county services or programs.

Expenditure Categories

Municipal expenditures totaled \$1.3 billion in fiscal 2013. The two largest expenditures for municipalities are public works and public safety. Public works accounted for 43.4% of municipal spending in fiscal 2013 and public safety accounted for 23.7%. **Exhibit 3.10** shows the allocation of municipal expenditures by category for fiscal 2013.

The composition of municipal expenditures has changed since fiscal 1999 (**Table 3.6**). Funding for general government services, parks and recreation services, and debt service now account for a lower percentage of municipal spending, whereas public safety services account for a higher percentage. There has been relatively little change in the overall funding percentage for public works services.

Table 3.6
Municipal Expenditure Trends

<u>Category</u>	<u>FY 1999</u>	<u>FY 2006</u>	<u>FY 2013</u>
Public Works	43.5%	42.8%	43.4%
Public Safety	20.7%	22.0%	23.7%
General Government	13.0%	11.6%	12.0%
Parks and Recreation	8.7%	8.8%	7.5%
Debt Service	7.2%	6.4%	6.5%

Source: Department of Legislative Services

Exhibit 3.1
Local Government Expenditures
Fiscal 2013

County	County (\$ in Millions)	Municipal (\$ in Millions)	Total (\$ in Millions)	Percent County	Percent Municipal
Allegany	\$261.7	\$56.4	\$318.1	82.3%	17.7%
Anne Arundel	2,187.5	91.7	2,279.2	96.0%	4.0%
Baltimore City	3,642.0	0.0	3,642.0	100.0%	0.0%
Baltimore	3,405.4	0.0	3,405.4	100.0%	0.0%
Calvert	400.8	14.2	415.0	96.6%	3.4%
Caroline	115.1	13.9	129.0	89.3%	10.7%
Carroll	643.5	50.6	694.1	92.7%	7.3%
Cecil	355.4	37.8	393.2	90.4%	9.6%
Charles	706.8	13.4	720.2	98.1%	1.9%
Dorchester	117.2	23.0	140.1	83.6%	16.4%
Frederick	979.4	145.3	1,124.7	87.1%	12.9%
Garrett	137.5	7.1	144.7	95.1%	4.9%
Harford	1,027.6	57.8	1,085.4	94.7%	5.3%
Howard	1,721.2	0.0	1,721.2	100.0%	0.0%
Kent	71.5	10.6	82.1	87.1%	12.9%
Montgomery	5,902.2	196.9	6,099.0	96.8%	3.2%
Prince George's	4,042.8	171.5	4,214.3	95.9%	4.1%
Queen Anne's	189.2	7.9	197.2	96.0%	4.0%
St. Mary's	403.7	3.5	407.1	99.1%	0.9%
Somerset	77.7	8.6	86.3	90.1%	9.9%
Talbot	116.4	74.1	190.4	61.1%	38.9%
Washington	514.8	106.3	621.1	82.9%	17.1%
Wicomico	339.3	57.5	396.9	85.5%	14.5%
Worcester	238.8	142.3	381.1	62.7%	37.3%
Statewide	\$27,597.4	\$1,290.2	\$28,887.7	95.5%	4.5%

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Exhibit 3.2
Local Government Expenditures by Category
Fiscal 2013

Category	Total Local Expenditures	Percent of Total	County Expenditures	Municipal Expenditures	Percent County	Percent Municipal
General Government	\$1,652,185,618	5.7%	\$1,496,765,416	\$155,420,202	90.6%	9.4%
Public Safety						
Police	1,738,566,097	6.0%	1,516,298,930	222,267,167	87.2%	12.8%
Fire	981,795,441	3.4%	932,832,951	48,962,490	95.0%	5.0%
Corrections	378,538,748	1.3%	378,538,748	-	100.0%	0.0%
Other	350,046,051	1.2%	315,973,475	34,072,576	90.3%	9.7%
Public Works						
Transportation	1,404,737,259	4.9%	1,227,673,209	177,064,050	87.4%	12.6%
Sewer/Solid Waste/Water	2,268,248,731	7.9%	1,969,766,230	298,482,501	86.8%	13.2%
Other	92,004,356	0.3%	8,208,466	83,795,890	8.9%	91.1%
Education						
Public Schools	13,271,569,895	45.9%	13,271,569,895	-	100.0%	0.0%
Community Colleges	1,287,011,027	4.5%	1,287,011,027	-	100.0%	0.0%
Libraries	299,875,509	1.0%	299,875,509	-	100.0%	0.0%
Health/Social Services	992,164,834	3.4%	992,164,834	-	100.0%	0.0%
Parks and Recreation	680,321,684	2.4%	584,135,066	96,186,618	85.9%	14.1%
Community/Economic Development	807,440,724	2.8%	764,116,151	43,324,573	94.6%	5.4%
Miscellaneous	1,250,309,290	4.3%	1,203,486,984	46,822,306	96.3%	3.7%
Debt Service	1,432,835,677	5.0%	1,349,024,937	83,810,740	94.2%	5.8%
Total	\$28,887,650,941	100.0%	\$27,597,441,828	\$1,290,209,113	95.5%	4.5%

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Exhibit 3.3
County Revenues by Source
Fiscal 2013

County	Property Taxes	Income Taxes	Other Taxes	Service Charges	Federal Grants	State Grants	Other
Allegany	16.4%	9.6%	1.7%	9.7%	11.6%	45.5%	5.6%
Anne Arundel	29.0%	19.0%	6.0%	14.0%	4.7%	23.8%	3.5%
Baltimore City	20.9%	7.6%	5.2%	13.4%	11.8%	36.6%	4.6%
Baltimore	28.0%	20.4%	4.2%	10.4%	8.5%	25.8%	2.7%
Calvert	36.0%	16.3%	2.5%	8.2%	4.1%	30.3%	2.7%
Caroline	20.5%	9.4%	1.7%	4.1%	9.1%	51.3%	3.8%
Carroll	31.8%	20.5%	2.5%	5.3%	5.6%	31.6%	2.8%
Cecil	29.3%	14.2%	1.9%	6.4%	7.1%	38.1%	3.0%
Charles	29.0%	14.3%	3.2%	12.0%	6.5%	31.5%	3.5%
Dorchester	27.3%	8.5%	2.4%	5.9%	10.3%	41.9%	3.8%
Frederick	26.4%	17.9%	2.8%	14.8%	4.7%	30.6%	2.7%
Garrett	37.2%	8.0%	5.1%	8.6%	10.1%	26.1%	4.8%
Harford	29.1%	18.5%	2.4%	6.3%	6.6%	29.9%	7.2%
Howard	31.6%	22.5%	5.6%	8.4%	4.9%	22.1%	4.7%
Kent	41.4%	15.2%	2.3%	4.6%	10.0%	24.2%	2.3%
Montgomery	26.3%	23.1%	9.3%	13.7%	6.0%	17.6%	3.9%
Prince George's	25.0%	12.7%	6.0%	12.9%	7.7%	31.3%	4.5%
Queen Anne's	33.0%	19.8%	3.3%	7.6%	8.2%	23.3%	4.7%
St. Mary's	25.5%	19.4%	3.7%	10.1%	6.2%	31.9%	3.2%
Somerset	19.6%	8.1%	0.7%	7.4%	11.6%	49.8%	2.8%
Talbot	28.6%	20.2%	8.5%	9.2%	8.0%	20.7%	4.7%
Washington	23.9%	12.8%	1.9%	8.1%	7.7%	42.2%	3.4%
Wicomico	18.0%	12.1%	1.4%	9.9%	9.8%	45.7%	3.1%
Worcester	49.3%	5.1%	10.2%	11.9%	6.3%	15.4%	1.8%
Statewide	26.7%	17.0%	5.6%	11.7%	7.3%	27.7%	3.9%

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Exhibit 3.4
Per Capita County Revenues by Source
Fiscal 2013

County	Property Taxes	Income Taxes	Other Taxes	Service Charges	Federal Grants	State Grants	Other	Debt Proceeds	Total
Allegany	\$558	\$328	\$57	\$329	\$395	\$1,548	\$189	\$199	\$3,603
Anne Arundel	1,131	740	234	546	183	930	135	264	4,163
Baltimore City	1,215	444	304	778	685	2,131	268	168	5,993
Baltimore	1,049	763	158	390	318	964	100	619	4,360
Calvert	1,576	715	109	357	178	1,327	120	65	4,449
Caroline	736	339	62	149	328	1,845	136	0	3,595
Carroll	1,182	763	95	196	207	1,175	104	143	3,865
Cecil	1,020	496	67	222	248	1,326	103	2	3,484
Charles	1,339	660	146	556	302	1,458	160	178	4,799
Dorchester	981	305	85	210	369	1,503	136	0	3,589
Frederick	1,083	735	116	607	193	1,255	111	132	4,231
Garrett	1,745	375	238	404	474	1,222	226	0	4,686
Harford	1,158	737	96	250	262	1,189	286	142	4,120
Howard	1,753	1,250	312	468	274	1,227	263	336	5,882
Kent	1,494	547	84	165	360	875	84	12	3,621
Montgomery	1,492	1,311	530	779	338	1,001	221	398	6,068
Prince George's	1,123	573	269	580	345	1,407	202	412	4,911
Queen Anne's	1,349	812	137	312	333	954	193	12	4,101
St. Mary's	925	704	134	365	225	1,155	117	103	3,728
Somerset	565	233	20	213	334	1,430	79	16	2,891
Talbot	859	607	255	277	240	622	141	0	3,002
Washington	821	441	65	278	265	1,449	117	85	3,521
Wicomico	606	408	47	334	332	1,544	105	147	3,521
Worcester	2,357	246	486	571	302	734	85	88	4,868
Statewide	\$1,213	\$771	\$256	\$534	\$334	\$1,261	\$179	\$306	\$4,854

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Exhibit 3.5
Per Capita County Rankings by Selected Revenue Sources – Fiscal 2013

Property Taxes		Income Taxes		State Grants		Total Revenues Excluding Debt Proceeds	
1. Worcester	\$2,357	1. Montgomery	\$1,311	1. Baltimore City	\$2,131	1. Baltimore City	\$5,824
2. Howard	1,753	2. Howard	1,250	2. Caroline	1,845	2. Montgomery	5,671
3. Garrett	1,745	3. Queen Anne's	812	3. Allegany	1,548	3. Howard	5,546
4. Calvert	1,576	4. Baltimore	763	4. Wicomico	1,544	4. Worcester	4,781
5. Kent	1,494	5. Carroll	763	5. Dorchester	1,503	5. Garrett	4,686
6. Montgomery	1,492	6. Anne Arundel	740	6. Charles	1,458	6. Charles	4,621
7. Queen Anne's	1,349	7. Harford	737	7. Washington	1,449	7. Prince George's	4,499
8. Charles	1,339	8. Frederick	735	8. Somerset	1,430	8. Calvert	4,383
9. Baltimore City	1,215	9. Calvert	715	9. Prince George's	1,407	9. Frederick	4,100
10. Carroll	1,182	10. St. Mary's	704	10. Calvert	1,327	10. Queen Anne's	4,089
11. Harford	1,158	11. Charles	660	11. Cecil	1,326	11. Harford	3,978
12. Anne Arundel	1,131	12. Talbot	607	12. Frederick	1,255	12. Anne Arundel	3,899
13. Prince George's	1,123	13. Prince George's	573	13. Howard	1,227	13. Baltimore	3,742
14. Frederick	1,083	14. Kent	547	14. Garrett	1,222	14. Carroll	3,722
15. Baltimore	1,049	15. Cecil	496	15. Harford	1,189	15. St. Mary's	3,625
16. Cecil	1,020	16. Baltimore City	444	16. Carroll	1,175	16. Kent	3,608
17. Dorchester	981	17. Washington	441	17. St. Mary's	1,155	17. Caroline	3,595
18. St. Mary's	925	18. Wicomico	408	18. Montgomery	1,001	18. Dorchester	3,589
19. Talbot	859	19. Garrett	375	19. Baltimore	964	19. Cecil	3,481
20. Washington	821	20. Caroline	339	20. Queen Anne's	954	20. Washington	3,437
21. Caroline	736	21. Allegany	328	21. Anne Arundel	930	21. Allegany	3,404
22. Wicomico	606	22. Dorchester	305	22. Kent	875	22. Wicomico	3,374
23. Somerset	565	23. Worcester	246	23. Worcester	734	23. Talbot	3,002
24. Allegany	558	24. Somerset	233	24. Talbot	622	24. Somerset	2,874
Statewide	\$1,213	Statewide	\$771	Statewide	\$1,261	Statewide	\$4,548

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Exhibit 3.6
County Expenditures by Category
Fiscal 2013

County	General Government	Public Safety	Public Works	Health/ Social Serv.	Education/ Libraries	Parks and Recreation	Debt Service	Other
Allegany	3.6%	6.2%	11.1%	5.4%	64.8%	0.3%	7.0%	1.5%
Anne Arundel	5.2%	11.8%	11.8%	3.4%	60.1%	1.1%	5.6%	1.0%
Baltimore City	7.3%	17.1%	17.3%	4.9%	40.7%	1.6%	3.8%	7.5%
Baltimore	3.9%	10.4%	11.3%	2.2%	52.5%	0.6%	3.3%	15.8%
Calvert	4.8%	8.4%	7.3%	2.9%	62.3%	3.5%	4.3%	6.5%
Caroline	3.1%	9.7%	3.3%	4.4%	68.9%	1.2%	3.1%	6.3%
Carroll	6.0%	6.4%	6.7%	3.5%	65.6%	0.8%	6.3%	4.7%
Cecil	4.1%	10.3%	6.9%	4.0%	67.5%	0.3%	4.5%	2.3%
Charles	4.2%	13.8%	7.6%	2.6%	62.4%	1.3%	5.5%	2.6%
Dorchester	3.6%	9.9%	7.8%	5.5%	61.7%	0.4%	3.5%	7.5%
Frederick	5.5%	10.2%	7.4%	4.6%	63.0%	0.6%	6.0%	2.7%
Garrett	4.6%	7.0%	21.2%	4.9%	56.8%	1.0%	0.9%	3.6%
Harford	5.8%	10.2%	10.9%	2.4%	60.2%	1.7%	6.0%	2.9%
Howard	6.7%	11.6%	10.1%	2.2%	58.4%	2.4%	6.4%	2.2%
Kent	7.6%	12.2%	8.6%	10.5%	50.2%	1.6%	7.2%	2.1%
Montgomery	5.6%	10.9%	12.6%	4.4%	50.5%	2.9%	6.2%	6.9%
Prince George's	5.3%	10.2%	11.0%	2.3%	51.5%	4.5%	4.3%	11.0%
Queen Anne's	4.9%	11.2%	9.8%	5.2%	55.4%	1.8%	5.9%	5.8%
St. Mary's	5.4%	12.5%	7.7%	3.3%	62.0%	2.0%	3.1%	4.0%
Somerset	8.0%	9.2%	12.2%	8.1%	55.1%	1.7%	3.2%	2.4%
Talbot	5.1%	10.0%	10.8%	7.1%	59.0%	3.2%	0.3%	4.5%
Washington	3.2%	7.3%	9.5%	3.0%	70.6%	0.9%	3.1%	2.5%
Wicomico	2.7%	7.5%	5.3%	7.1%	67.2%	2.7%	3.9%	3.7%
Worcester	5.6%	13.1%	9.0%	6.1%	51.0%	0.7%	4.5%	10.2%
Statewide	5.4%	11.4%	11.6%	3.6%	53.8%	2.1%	4.9%	7.1%

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Exhibit 3.7
Per Capita County Expenditures by Category
Fiscal 2013

County	General Government	Public Safety	Public Works	Health/ Social Serv.	Education/ Libraries	Parks and Recreation	Debt Service	Other	Total
Allegany	\$128	\$219	\$393	\$192	\$2,291	\$10	\$248	\$55	\$3,535
Anne Arundel	208	469	467	137	2,386	45	221	39	3,974
Baltimore City	426	1,000	1,012	287	2,386	91	221	439	5,862
Baltimore	163	435	470	90	2,186	26	139	657	4,166
Calvert	214	374	328	130	2,788	157	190	290	4,472
Caroline	108	341	116	155	2,423	41	110	222	3,518
Carroll	232	246	259	135	2,524	30	242	181	3,848
Cecil	145	362	243	139	2,359	9	159	81	3,495
Charles	199	648	355	124	2,928	62	257	121	4,693
Dorchester	130	358	282	199	2,220	15	128	269	3,599
Frederick	224	418	303	190	2,576	26	244	108	4,088
Garrett	210	321	978	225	2,616	48	42	167	4,607
Harford	239	420	449	99	2,489	69	247	120	4,133
Howard	384	667	583	129	3,359	136	365	124	5,748
Kent	269	432	306	370	1,778	56	256	76	3,542
Montgomery	328	640	740	261	2,968	169	362	405	5,874
Prince George's	241	466	505	107	2,365	206	195	503	4,588
Queen Anne's	191	438	383	201	2,156	70	229	226	3,894
St. Mary's	199	461	286	123	2,295	74	115	149	3,704
Somerset	237	274	362	240	1,630	51	95	70	2,959
Talbot	157	306	329	217	1,803	97	8	137	3,054
Washington	111	250	328	104	2,435	29	108	85	3,451
Wicomico	90	252	177	239	2,266	91	131	124	3,371
Worcester	258	604	415	283	2,362	32	206	470	4,629
Statewide	\$254	\$534	\$545	\$169	\$2,525	\$99	\$229	\$334	\$4,690

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Exhibit 3.8
Per Capita County Rankings by Expenditure Categories
Fiscal 2013

Education/Libraries		Public Works		Public Safety		Total Expenditures	
1. Howard	\$3,359	1. Baltimore City	\$1,012	1. Baltimore City	\$1,000	1. Montgomery	\$5,874
2. Montgomery	2,968	2. Garrett	978	2. Howard	667	2. Baltimore City	5,862
3. Charles	2,928	3. Montgomery	740	3. Charles	648	3. Howard	5,748
4. Calvert	2,788	4. Howard	583	4. Montgomery	640	4. Charles	4,693
5. Garrett	2,616	5. Prince George's	505	5. Worcester	604	5. Worcester	4,629
6. Frederick	2,576	6. Baltimore	470	6. Anne Arundel	469	6. Garrett	4,607
7. Carroll	2,524	7. Anne Arundel	467	7. Prince George's	466	7. Prince George's	4,588
8. Harford	2,489	8. Harford	449	8. St. Mary's	461	8. Calvert	4,472
9. Washington	2,435	9. Worcester	415	9. Queen Anne's	438	9. Baltimore	4,166
10. Caroline	2,423	10. Allegany	393	10. Baltimore	435	10. Harford	4,133
11. Anne Arundel	2,386	11. Queen Anne's	383	11. Kent	432	11. Frederick	4,088
12. Baltimore City	2,386	12. Somerset	362	12. Harford	420	12. Anne Arundel	3,974
13. Prince George's	2,365	13. Charles	355	13. Frederick	418	13. Queen Anne's	3,894
14. Worcester	2,362	14. Talbot	329	14. Calvert	374	14. Carroll	3,848
15. Cecil	2,359	15. Washington	328	15. Cecil	362	15. St. Mary's	3,704
16. St. Mary's	2,295	16. Calvert	328	16. Dorchester	358	16. Dorchester	3,599
17. Allegany	2,291	17. Kent	306	17. Caroline	341	17. Kent	3,542
18. Wicomico	2,266	18. Frederick	303	18. Garrett	321	18. Allegany	3,535
19. Dorchester	2,220	19. St. Mary's	286	19. Talbot	306	19. Caroline	3,518
20. Baltimore	2,186	20. Dorchester	282	20. Somerset	274	20. Cecil	3,495
21. Queen Anne's	2,156	21. Carroll	259	21. Wicomico	252	21. Washington	3,451
22. Talbot	1,803	22. Cecil	243	22. Washington	250	22. Wicomico	3,371
23. Kent	1,778	23. Wicomico	177	23. Carroll	246	23. Talbot	3,054
24. Somerset	1,630	24. Caroline	116	24. Allegany	219	24. Somerset	2,959
Statewide	\$2,525	Statewide	\$545	Statewide	\$534	Statewide	\$4,690

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Exhibit 3.9
Municipal Revenues by Source
Fiscal 2013

County	Property Taxes	Income Taxes	Other Taxes	Service Charges	Federal Grants	State Grants	County Grants	Other
Allegany	24.8%	4.7%	0.6%	50.0%	7.0%	8.6%	0.6%	3.6%
Anne Arundel	44.1%	6.0%	1.5%	33.3%	2.4%	3.5%	2.2%	6.9%
Calvert	36.1%	7.8%	8.0%	34.8%	0.6%	5.1%	3.3%	4.2%
Caroline	37.1%	3.7%	0.5%	32.4%	6.4%	13.9%	0.2%	5.9%
Carroll	31.4%	10.0%	0.5%	36.6%	3.4%	5.9%	5.5%	6.6%
Cecil	33.6%	5.6%	0.2%	42.3%	0.8%	6.4%	5.8%	5.3%
Charles	27.8%	7.8%	0.0%	39.8%	0.6%	15.7%	0.1%	8.2%
Dorchester	37.6%	3.0%	0.3%	37.8%	2.0%	11.3%	3.1%	5.0%
Frederick	37.1%	6.7%	0.5%	32.8%	1.3%	5.2%	2.4%	14.1%
Garrett	16.6%	3.5%	0.7%	21.6%	34.6%	16.4%	2.4%	4.1%
Harford	42.9%	7.1%	0.4%	31.2%	0.5%	6.5%	6.2%	5.2%
Kent	31.0%	6.4%	0.9%	32.0%	0.8%	2.9%	2.4%	23.6%
Montgomery	36.0%	17.7%	2.2%	19.5%	1.1%	1.9%	5.4%	16.2%
Prince George's	57.9%	11.8%	0.9%	7.4%	2.3%	3.2%	2.6%	14.1%
Queen Anne's	32.8%	5.7%	0.0%	28.9%	0.6%	6.4%	2.7%	23.0%
St. Mary's	12.1%	9.2%	0.3%	45.7%	0.0%	0.6%	1.5%	30.6%
Somerset	39.7%	2.1%	0.7%	21.7%	0.2%	22.5%	2.6%	10.5%
Talbot	18.8%	2.4%	0.1%	70.0%	0.6%	0.9%	1.0%	6.1%
Washington	24.3%	3.1%	2.9%	56.1%	1.7%	2.6%	0.4%	9.0%
Wicomico	40.7%	3.3%	1.6%	37.3%	2.0%	3.8%	1.5%	9.9%
Worcester	34.9%	1.0%	1.1%	35.4%	4.7%	4.0%	14.2%	4.8%
Statewide	37.0%	7.7%	1.2%	33.0%	2.4%	4.4%	4.1%	10.1%

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Services

Exhibit 3.10
Municipal Expenditures by Category
Fiscal 2013

County	General Government	Public Safety	Public Works	Parks and Recreation	Community Develop.	Economic Develop.	Debt Service	Other
Allegany	4.6%	21.9%	54.3%	2.2%	6.2%	0.2%	6.4%	4.3%
Anne Arundel	8.9%	39.5%	36.3%	6.0%	0.9%	0.0%	8.5%	0.0%
Calvert	9.0%	9.3%	38.5%	28.8%	0.0%	1.6%	10.8%	2.1%
Caroline	13.9%	23.9%	48.0%	2.0%	3.6%	0.1%	6.4%	2.1%
Carroll	8.6%	16.0%	55.4%	3.6%	4.8%	0.3%	3.9%	7.4%
Cecil	11.1%	25.0%	56.3%	4.1%	0.0%	0.0%	3.5%	0.0%
Charles	13.9%	11.0%	58.0%	5.9%	0.0%	0.6%	4.0%	6.6%
Dorchester	9.6%	20.4%	45.0%	4.0%	0.7%	0.7%	6.5%	13.2%
Frederick	10.0%	22.7%	44.1%	6.6%	0.2%	2.5%	13.1%	0.8%
Garrett	16.7%	2.4%	62.0%	6.5%	0.3%	6.3%	4.4%	1.4%
Harford	12.5%	22.2%	48.0%	3.2%	0.2%	1.3%	4.0%	8.6%
Kent	11.8%	13.2%	59.4%	3.7%	1.0%	0.7%	3.0%	7.2%
Montgomery	24.1%	17.3%	27.8%	15.4%	1.8%	0.5%	8.0%	5.1%
Prince George's	18.9%	30.6%	27.0%	10.4%	2.0%	0.9%	3.9%	6.3%
Queen Anne's	13.0%	10.8%	49.1%	2.6%	0.0%	0.3%	19.2%	5.1%
St. Mary's	12.8%	1.9%	74.8%	5.1%	0.0%	1.3%	4.0%	0.0%
Somerset	7.8%	29.3%	32.6%	7.1%	1.9%	4.2%	7.8%	9.3%
Talbot	3.9%	13.2%	76.2%	2.0%	0.1%	0.6%	2.4%	1.6%
Washington	7.4%	20.1%	59.1%	3.3%	0.7%	4.1%	3.3%	2.0%
Wicomico	6.5%	37.7%	39.1%	3.3%	1.3%	0.0%	7.7%	4.4%
Worcester	5.6%	26.8%	43.2%	8.2%	0.1%	9.3%	5.9%	0.8%
Statewide	12.0%	23.7%	43.4%	7.5%	1.3%	2.1%	6.5%	3.6%

Source: *Local Government Finances Fiscal 2013*, Department of Legislative Service

Chapter 4. Tax Rates for Local Governments

County Taxes

More jurisdictions chose to increase local tax rates in fiscal 2016 than chose to decrease them. As shown in **Table 4.1**, nine counties changed their local property tax rates, with five counties increasing their rates and four counties decreasing them. The rate increase in Prince George’s County exceeded the county’s charter limit. In addition, Anne Arundel County lowered its local income tax rate, while Worcester County increased its income tax rate. No county altered its recordation tax rate, but a few counties increased their transfer, admissions and amusement, and hotel rental tax rates.

Table 4.1
Number of Counties Changing Tax Rates
Fiscal 2012-2016

	FY 2012		FY 2013		FY 2014		FY 2015		FY 2016	
	▲	▼	▲	▼	▲	▼	▲	▼	▲	▼
Real Property	8	2	9	2	7	2	3	4	5	4
Local Income	1	1	3	0	2	1	0	1	1	1
Recordation	2	0	1	0	0	0	0	0	0	0
Transfer	0	0	0	0	0	0	0	0	2	0
A&A	0	0	0	1	0	0	0	0	1	0
Hotel Rental	1	0	1	0	0	0	1	0	1	0

Notes: ▲ represents tax rate increase; ▼ represents tax rate decrease.

Income tax changes are based on calendar years.

Source: Department of Legislative Services

Property Tax Rates

For fiscal 2016, five counties – Caroline, Prince George’s, Somerset, Talbot, and Worcester – increased their real property tax rates. Allegany, Anne Arundel, Montgomery, and St. Mary’s counties decreased their real property tax rates. Real property tax rates range from \$0.536 per \$100 of assessed value in Talbot County to \$2.248 in Baltimore City.

Over the last five years, the majority of counties in Maryland have altered their local property tax rates. Compared to fiscal 2011, property tax rates are currently higher in 13 jurisdictions and lower in 5 jurisdictions. Property tax rates in 6 counties have remained the same during this period. **Table 4.2** lists the counties referenced in this paragraph.

Exhibit 4.1 shows the real property tax rates for each county since fiscal 2008. These rates are based on property assessments at 100% of market valuation. **Appendix 6** shows the countywide special property tax rates for certain counties in fiscal 2016.

Table 4.2
Property Tax Actions Over Last Five Years

Lower Tax Rate: Allegany, Baltimore City, Carroll, Frederick, St. Mary's

Decreased One Time: Baltimore City, Frederick, St. Mary's

Decreased Multiple Times: Allegany, Carroll

No Change: Baltimore, Calvert, Garrett, Harford, Kent, Washington

Higher Tax Rate: Anne Arundel, Caroline, Cecil, Charles, Dorchester, Howard, Montgomery, Prince George's, Queen Anne's, Somerset, Talbot, Wicomico, Worcester

Increased One Time: Dorchester, Howard, Prince George's, Queen Anne's

Increased Multiple Times: Caroline, Cecil, Charles, Somerset, Talbot, Wicomico, Worcester

Fluctuated: Anne Arundel, Montgomery

Constant Yield Property Tax Rates

In 1977, the General Assembly passed legislation that requires county governments to hold public hearings regarding proposals to enact a tax rate that exceeds the constant yield rate. The constant yield rate is the rate that, when applied to the current assessable base, yields the same amount of property tax revenues as in the prior year. New construction and annexed land are not included in the calculation of the constant yield rate.

When there is growth in the assessable base, localities may still be able to generate additional property tax revenues while

reducing their property tax rates. This may result in an overall property tax increase for homeowners even though the property tax rate has been reduced. In past years when the assessable base was increasing, the constant yield rate was generally below the current tax rate. In fiscal 2016, 12 jurisdictions (Allegany, Baltimore City, Baltimore, Caroline, Carroll, Frederick, Howard, Montgomery, Prince George's, Somerset, Talbot, and Worcester) had a property tax rate set above the constant yield rate. The revenue yield from property tax rates above the constant yield rate is estimated at \$136.7 million in fiscal 2016. In the 11 jurisdictions where the property tax rate was set below the constant yield rate, the potential revenue amount that was foregone due to the lower rate is estimated at \$5.9 million. The property tax rate in one county, St. Mary's, was set at exactly the constant yield rate. **Exhibit 4.2** shows the property tax rate in excess of the constant yield rate for each county in fiscal 2016. **Exhibit 4.3** shows the estimated revenue yield from property tax rates above the constant yield, while **Exhibit 4.4** shows the potential revenue amount that was foregone due to property tax rates being set below the constant yield.

Local Income Tax Rates

Pursuant to legislation enacted in 1999, county income tax rates may range between 1.0% and 3.2%. Anne Arundel County was the only jurisdiction to lower its local income tax rate for calendar 2016, decreasing the rate from 2.56% to 2.50%. Worcester County increased its local income tax rate from 1.25% to 1.75%. Local income tax rates range from 1.75% in Worcester County to 3.2% in Baltimore City and Howard, Montgomery, Prince George's, Queen Anne's, and Wicomico counties. **Exhibit 4.5** shows the rates for income taxes for calendar 2008 through 2016.

Recordation Tax Rates

No county changed its recordation tax rate for fiscal 2016. Recordation tax rates range from \$2.50 per \$500 of transaction in Baltimore and Howard counties to \$6.00 per \$500 of transaction in Frederick and Talbot counties. **Exhibit 4.6** shows the recordation, transfer, admissions and amusement, and hotel rental tax rates by county for fiscal 2015 and 2016.

Transfer Tax Rates

Two counties, Cecil and Charles, began imposing a transfer tax at a 0.5% rate in fiscal 2016. No other county altered its transfer tax rate. Local transfer tax rates range from 0.5% in eight counties (Allegany, Caroline, Cecil, Charles, Kent, Queen Anne's, Washington, and Worcester) to 1.5% in Baltimore City and Baltimore County. Five counties (Calvert, Carroll, Frederick, Somerset, and Wicomico) do not impose a tax on property transfers.

Admissions and Amusement Tax Rates

One county, Garrett, increased its admissions and amusement tax rate in fiscal 2016, from 4.5% to 6.0%. No other county altered its admissions and amusement tax rate. Caroline and Frederick counties are the only jurisdictions that do not impose an admissions and amusement tax. Currently, admissions and amusement tax rates range from 0.5% in Dorchester County to 10.0% in six jurisdictions – Baltimore City and Anne Arundel, Baltimore, Carroll, Charles, and Prince George's counties.

Hotel Rental Tax Rates

One county, Prince George's, increased its hotel rental tax rate in fiscal 2016, from 5% to 7%. No other county altered its hotel rental tax rate. Hotel rental tax rates range from 3.0% in Cecil and Frederick counties to 9.5% in Baltimore City.

Property Tax Limitation Measures

Five charter counties (Anne Arundel, Montgomery, Prince George's, Talbot, and Wicomico) have amended their charters to limit property tax rates or revenues. In Anne Arundel County, the total annual increase in property tax revenues is limited to the lesser of 4.5% or the increase in the Consumer Price Index (CPI). In Montgomery County, the growth in property tax revenues is limited to the increase in CPI; however, this limitation does not apply to new construction. In addition, the limitation may be overridden by a unanimous vote of all nine county council members. In Prince George's County, the general property tax rate is capped at \$0.96 per \$100 of assessed value. Special taxing districts, such as the Maryland-National Capital Park and Planning Commission, are not included under the tax cap. In Talbot and Wicomico counties, the total annual increase in property tax revenues is limited to the lesser of 2% or the increase in CPI.

The counties may exceed the charter limitations on local property taxes for the purpose of funding the approved budget of the local board of education. If a local property tax rate is set above the charter limit, the county governing body may not reduce funding provided to the local board of education from any other local source and must appropriate to the local board of education all of the revenues generated from any increase

beyond the existing charter limit. Any use of this authority must be reported annually to the Governor and the General Assembly. This authority was adopted at the 2012 session in order to ensure that counties have the fiscal ability to meet new maintenance of effort requirements. In fiscal 2013, Talbot County became the first jurisdiction to exercise this new authority by establishing a 2.6 cent supplemental property tax rate for the local board of education. No jurisdiction exercised this authority in fiscal 2014 or 2015. In fiscal 2016, Prince George's County became the second county to exercise this authority by enacting a 4 cent supplemental property tax rate to fund its schools.

Municipal Property Tax Rates

Individuals and businesses residing in incorporated areas are subject to municipal property taxes in addition to county property taxes. Municipal real property tax rates range from \$0.02 in Chevy Chase, Section 3 (Montgomery County) to \$1.31 in Colmar Manor (Prince George's County). Only Chevy Chase and Chevy Chase, Section 5 (Montgomery County) did not impose a local property tax in fiscal 2016. While only 15.5% of the State's population resides in incorporated areas (excluding Baltimore City), there are nine counties where over 30% of residents live in municipalities. **Exhibit 4.7** shows the municipal property tax rates for the 20 largest municipalities and Baltimore City, ranked by the combined county and municipal property tax rates. **Appendix 7** shows the real property tax rates for each municipality.

Property Tax Differentials and Rebates

To compensate municipalities for providing services in lieu of similar county services or programs and to address the effect of double taxation in municipalities (when residents pay both county and municipal property taxes), 18 counties provided property tax set-offs in fiscal 2015, through either a tax rate differential or tax rebate. A municipal tax rate differential takes the form of a reduced county property tax rate within the boundaries of a municipality. A tax rebate is a direct grant to municipalities for providing services that are similar to county services. These services include police protection, highway and street maintenance, sanitation and waste collection, planning and zoning, and recreation and parks. In fiscal 2015, municipal tax differentials and rebates totaled approximately \$101.6 million, a 0.05% increase compared to the prior year. **Exhibit 4.8** shows the amount of tax set-offs provided in fiscal 2014 by county.

Even with such tax set-off programs, many municipal residents face relatively high property tax rates. For example, residents in Princess Anne are subject to a \$2.10 combined county/municipal property tax rate, which is more than twice the amount of the Somerset County rate. **Table 4.3** lists the municipalities with the highest combined county/municipal property tax rates for fiscal 2016.

Table 4.3
Municipalities with the Highest Combined Local
Property Tax Rates in Maryland
Fiscal 2016

<u>Municipality</u>	<u>County</u>	<u>Combined Tax Rate</u>
Colmar Manor	Prince George's	\$2.5910
Baltimore City		2.2480
Mt. Rainier	Prince George's	2.1020
Princess Anne	Somerset	2.1009
Morningside	Prince George's	2.0430
District Heights	Prince George's	2.0424
Bladensburg	Prince George's	2.0070
Edmonston	Prince George's	1.9320
Luke	Allegany	1.9287
New Carrollton	Prince George's	1.9232
Cottage City	Prince George's	1.9220

Source: State Department of Assessments and Taxation; Department of Legislative Services

Development Impact Fees and Excise Taxes

Development impact fees and building excise taxes enable local governments to collect revenue from builders for public facilities necessitated by new residential or commercial development. As a result of these development charges, local governments are able to shift the costs of financing new public

facilities from existing taxpayers to individuals responsible for the development. In many situations, the use of such development charges may eliminate the need for jurisdiction-wide tax increases. Another benefit of development charges is that local officials can collect the needed revenue for the expansion or construction of new public facilities prior to the construction of any new residential development. In this manner, payment of an impact fee or excise tax may be required by local officials before the issuance of a building permit or approval of a subdivision plat.

Local governments in Maryland must have authority from the General Assembly in order to impose a development impact fee or excise tax. Code home rule counties are authorized as a group to impose specified impact fees and excise taxes, and a number of other counties have specific authorizations from the General Assembly.

Development impact fees and building excise taxes are imposed in 14 counties in Maryland. In addition, Dorchester County and Wicomico County have enacted an excise tax or impact fee, respectively, but have temporarily suspended collection of those charges. Local revenues from development impact fees and building excise taxes increased from \$55.5 million in fiscal 2002 to \$129.1 million in fiscal 2007 (**Table 4.4**). Impact fee and excise tax revenues subsequently declined to \$62.4 million in fiscal 2009 but increased in subsequent years. Revenues for fiscal 2015 and 2016 are estimated to be \$136.1 million and \$131.5 million, respectively. Public services funded by these charges include public school construction, libraries, community colleges, transportation, public safety, parks and recreation, and water/sewer utilities.

In a given county, other charges imposed on new development (while not accounted for here as development impact fees or excise taxes) may also be directed partially or wholly toward new or expanded facilities (e.g., water/sewer system development charges or connection charges). In addition, a number of municipalities impose impact fees or similar charges on new development.

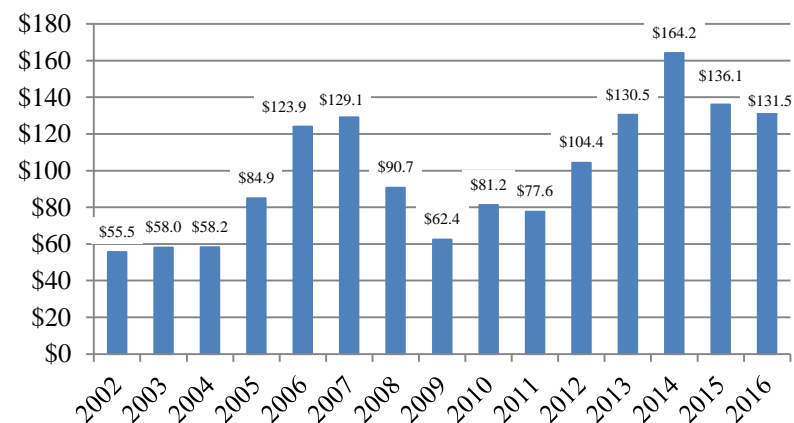
A development impact fee is a regulatory measure designed to fund facilities specifically required by new development projects in order to mitigate the impact of such development on infrastructure or public facilities. However, there must be a reasonable connection between the amount of the impact fee imposed and the actual cost of providing facilities to the properties assessed. In order to justify the imposition of an impact fee, a jurisdiction must conduct a study that measures the effects that new development will have on public facilities. The amount of an impact fee is subject to judicial review. Moreover, the revenue from the fee must be dedicated to substantially benefit the assessed properties. Thus, a county cannot collect an impact fee in one geographic area and spend the funds in another area.

A building excise tax is another means of raising revenue from new development. Unlike a regulatory impact fee, the amount of an excise tax does not have to be closely related to the actual cost of providing public facilities to serve new development. In addition, excise tax revenues do not have to be spent to specifically benefit the properties that are taxed but can generally be spent throughout the county.

Exhibit 4.9 shows the development impact fees and building excise tax rates applicable to a single-family development for

each county in fiscal 2014 through 2016. **Exhibit 4.10** shows the revenue collections for fiscal 2014 through 2016.

Table 4.4
Development Impact Fees and Excise Taxes
Maryland Counties
Fiscal 2002-2016
(\$ in Millions)



Source: Maryland Association of Counties; Department of Legislative Services

Exhibit 4.1
County Real Property Tax Rates in Fiscal 2008-2016
(per \$100 of assessed value)

County	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Allegany	\$0.983	\$0.983	\$0.983	\$0.983	\$0.982	\$0.981	\$0.980	\$0.979	\$0.978
Anne Arundel	0.891	0.888	0.876	0.880	0.910	0.941	0.950	0.943	0.923
Baltimore City	2.268	2.268	2.268	2.268	2.268	2.268	2.248	2.248	2.248
Baltimore	1.100	1.100	1.100	1.100	1.100	1.100	1.100	1.100	1.100
Calvert	0.892	0.892	0.892	0.892	0.892	0.892	0.892	0.892	0.892
Caroline	0.870	0.870	0.870	0.870	0.870	0.890	0.940	0.960	0.980
Carroll	1.048	1.048	1.048	1.048	1.028	1.018	1.018	1.018	1.018
Cecil	0.960	0.960	0.940	0.915	0.940	0.991	0.991	0.991	0.991
Charles	1.026	1.026	1.026	1.026	1.067	1.121	1.205	1.205	1.205
Dorchester	0.896	0.896	0.896	0.896	0.976	0.976	0.976	0.976	0.976
Frederick	1.064	1.064	1.064	1.064	1.064	1.064	1.064	1.060	1.060
Garrett	1.000	1.000	0.990	0.990	0.990	0.990	0.990	0.990	0.990
Harford	1.082	1.082	1.064	1.042	1.042	1.042	1.042	1.042	1.042
Howard	1.150	1.150	1.150	1.150	1.150	1.190	1.190	1.190	1.190
Kent	0.972	0.972	0.972	1.022	1.022	1.022	1.022	1.022	1.022
Montgomery	0.916	0.915	0.916	0.915	0.959	1.003	1.021	1.008	0.999
Prince George's	1.319	1.319	1.319	1.319	1.319	1.319	1.319	1.319	1.374
Queen Anne's	0.770	0.770	0.770	0.767	0.847	0.847	0.847	0.847	0.847
St. Mary's	0.857	0.857	0.857	0.857	0.857	0.857	0.857	0.857	0.852
Somerset	0.940	0.920	0.900	0.884	0.884	0.884	0.915	0.915	1.000
Talbot	0.475	0.449	0.432	0.432	0.448	0.491	0.512	0.527	0.536
Washington	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948
Wicomico	0.881	0.814	0.759	0.759	0.769	0.840	0.909	0.952	0.952
Worcester	0.700	0.700	0.700	0.700	0.700	0.770	0.770	0.770	0.835

Note: The rate in Charles, Frederick, Howard, Montgomery, and Prince George's counties reflect special rates for services not funded from the general county property tax rate.

Source: Department of Legislative Services

Exhibit 4.2
Property Tax Rates Compared to Constant Yield Rate in Fiscal 2016

County	Actual	Actual	Difference	Constant	Difference	Amount in Excess of Constant Yield	
	FY 2015	FY 2016		Yield Rate		Ranking by Highest to Lowest	
Allegany	\$0.979	\$0.978	-\$0.001	\$0.974	\$0.004	1.	Somerset \$0.087
Anne Arundel	0.943	0.923	-0.020	0.927	-0.004	2.	Prince George's 0.070
Baltimore City	2.248	2.248	0.000	2.210	0.038	3.	Worcester 0.060
Baltimore	1.100	1.100	0.000	1.087	0.013	4.	Baltimore City 0.038
Calvert	0.892	0.892	0.000	0.898	-0.006	5.	Howard 0.028
Caroline	0.960	0.980	0.020	0.973	0.007	6.	Montgomery 0.022
Carroll	1.018	1.018	0.000	1.015	0.003	7.	Frederick 0.015
Cecil	0.991	0.991	0.000	0.993	-0.002	8.	Baltimore 0.013
Charles*	1.205	1.205	0.000	1.209	-0.004	9.	Caroline 0.007
Dorchester	0.976	0.976	0.000	0.983	-0.007	10.	Allegany 0.004
Frederick	1.060	1.060	0.000	1.045	0.015	11.	Carroll 0.003
Garrett	0.990	0.990	0.000	0.998	-0.008	12.	Talbot 0.002
Harford	1.042	1.042	0.000	1.043	-0.001	13.	St. Mary's 0.000
Howard*	1.190	1.190	0.000	1.162	0.028	14.	Harford -0.001
Kent	1.022	1.022	0.000	1.025	-0.003	15.	Cecil -0.002
Montgomery*	1.008	0.999	-0.009	0.977	0.022	16.	Kent -0.003
Prince George's*	1.319	1.374	0.055	1.304	0.070	17.	Wicomico -0.003
Queen Anne's	0.847	0.847	0.000	0.852	-0.005	18.	Anne Arundel -0.004
St. Mary's	0.857	0.852	-0.005	0.852	0.000	19.	Charles -0.004
Somerset	0.915	1.000	0.085	0.913	0.087	20.	Washington -0.004
Talbot	0.527	0.536	0.009	0.534	0.002	21.	Queen Anne's -0.005
Washington	0.948	0.948	0.000	0.952	-0.004	22.	Calvert -0.006
Wicomico	0.952	0.952	0.000	0.955	-0.003	23.	Dorchester -0.007
Worcester	0.770	0.835	0.065	0.775	0.060	24.	Garrett -0.008

*Includes Special Property Tax Rates

Source: State Department of Assessments and Taxation; Department of Legislative Services

Exhibit 4.3
Revenue Yield from Property Tax Rates above Constant Yield
Fiscal 2016

County	Assessable Base	Actual Rate	Constant Yield Rate	Difference	Estimated Revenue Yield	Per Capita Yield
Allegany	\$3,498,117,857	\$0.978	\$0.974	\$0.004	\$150,000	\$2.06
Anne Arundel	63,587,843,083	0.923	0.927	-0.004	0	0.00
Baltimore City	33,014,256,829	2.248	2.210	0.038	12,545,000	20.14
Baltimore	74,277,488,582	1.100	1.087	0.013	9,656,000	11.68
Calvert	11,206,489,351	0.892	0.898	-0.006	0	0.00
Caroline	2,426,924,733	0.980	0.973	0.007	170,000	5.22
Carroll	17,916,154,984	1.018	1.015	0.003	537,000	3.20
Cecil	9,228,208,141	0.991	0.993	-0.002	0	0.00
Charles*	15,375,799,400	1.205	1.209	-0.004	0	0.00
Dorchester	2,742,851,673	0.976	0.983	-0.007	0	0.00
Frederick	26,187,878,613	1.060	1.045	0.015	3,928,000	16.12
Garrett	4,196,596,920	0.990	0.998	-0.008	0	0.00
Harford	25,603,525,056	1.042	1.043	-0.001	0	0.00
Howard*	44,122,570,180	1.190	1.162	0.028	12,443,000	40.23
Kent	2,820,599,098	1.022	1.025	-0.003	0	0.00
Montgomery*	169,800,775,372	0.999	0.977	0.022	37,017,000	35.92
Prince George's*	71,878,290,205	1.374	1.304	0.070	50,387,000	55.71
Queen Anne's	7,427,934,141	0.847	0.852	-0.005	0	0.00
St. Mary's	11,649,914,444	0.852	0.852	0.000	0	0.00
Somerset	1,353,239,729	1.000	0.913	0.087	1,177,000	45.52
Talbot	6,934,427,647	0.536	0.534	0.002	139,000	3.69
Washington	11,705,904,003	0.948	0.952	-0.004	0	0.00
Wicomico	5,635,225,049	0.952	0.955	-0.003	0	0.00
Worcester	14,255,656,135	0.835	0.775	0.060	8,553,000	165.52
Total	\$636,846,671,225				\$136,702,000	\$22.87

*Includes Special Property Tax Rates

Source: State Department of Assessments and Taxation; Department of Legislative Services

Exhibit 4.4
Revenue Loss from Property Tax Rates below Constant Yield
Fiscal 2016

County	Assessable Base	Actual Rate	Constant Yield Rate	Difference	Estimated Revenue Loss	Per Capita Loss
Allegany	\$3,498,117,857	\$0.978	\$0.974	\$0.004	\$0	\$0.00
Anne Arundel	63,587,843,083	0.923	0.927	-0.004	-2,544,000	-4.54
Baltimore City	33,014,256,829	2.248	2.210	0.038	0	0.00
Baltimore	74,277,488,582	1.100	1.087	0.013	0	0.00
Calvert	11,206,489,351	0.892	0.898	-0.006	-672,000	-7.42
Caroline	2,426,924,733	0.980	0.973	0.007	0	0.00
Carroll	17,916,154,984	1.018	1.015	0.003	0	0.00
Cecil	9,228,208,141	0.991	0.993	-0.002	-212,000	-2.07
Charles*	15,375,799,400	1.205	1.209	-0.004	-615,000	-3.97
Dorchester	2,742,851,673	0.976	0.983	-0.007	-192,000	-5.89
Frederick	26,187,878,613	1.060	1.045	0.015	0	0.00
Garrett	4,196,596,920	0.990	0.998	-0.008	-336,000	-11.32
Harford	25,603,525,056	1.042	1.043	-0.001	-256,000	-1.02
Howard*	44,122,570,180	1.190	1.162	0.028	0	0.00
Kent	2,820,599,098	1.022	1.025	-0.003	-85,000	-4.29
Montgomery*	169,800,775,372	0.999	0.977	0.022	0	0.00
Prince George's*	71,878,290,205	1.374	1.304	0.070	0	0.00
Queen Anne's	7,427,934,141	0.847	0.852	-0.005	-364,000	-7.46
St. Mary's	11,649,914,444	0.852	0.852	0.000	0	0.00
Somerset	1,353,239,729	1.000	0.913	0.087	0	0.00
Talbot	6,934,427,647	0.536	0.534	0.002	0	0.00
Washington	11,705,904,003	0.948	0.952	-0.004	-468,000	-3.13
Wicomico	5,635,225,049	0.952	0.955	-0.003	-192,000	-1.89
Worcester	14,255,656,135	0.835	0.775	0.060	0	0.00
Total	\$636,846,671,225				-\$5,936,000	-\$0.99

*Includes Special Property Tax Rates

Source: State Department of Assessments and Taxation; Department of Legislative Services

Exhibit 4.5
County Income Tax Rates in Calendar 2008-2016

County	CY 2008	CY 2009	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016
Allegany	3.05%	3.05%	3.05%	3.05%	3.05%	3.05%	3.05%	3.05%	3.05%
Anne Arundel	2.56%	2.56%	2.56%	2.56%	2.49%	2.56%	2.56%	2.56%	2.50%
Baltimore City	3.05%	3.05%	3.05%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%
Baltimore	2.83%	2.83%	2.83%	2.83%	2.83%	2.83%	2.83%	2.83%	2.83%
Calvert	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%
Caroline	2.63%	2.63%	2.63%	2.63%	2.63%	2.63%	2.73%	2.73%	2.73%
Carroll	3.05%	3.05%	3.05%	3.05%	3.05%	3.05%	3.04%	3.03%	3.03%
Cecil	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%
Charles	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	3.03%	3.03%	3.03%
Dorchester	2.62%	2.62%	2.62%	2.62%	2.62%	2.62%	2.62%	2.62%	2.62%
Frederick	2.96%	2.96%	2.96%	2.96%	2.96%	2.96%	2.96%	2.96%	2.96%
Garrett	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%
Harford	3.06%	3.06%	3.06%	3.06%	3.06%	3.06%	3.06%	3.06%	3.06%
Howard	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%
Kent	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%
Montgomery	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%
Prince George's	3.10%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%
Queen Anne's	2.85%	2.85%	2.85%	2.85%	3.20%	3.20%	3.20%	3.20%	3.20%
St. Mary's	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Somerset	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%
Talbot	2.25%	2.25%	2.25%	2.25%	2.25%	2.40%	2.40%	2.40%	2.40%
Washington	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%
Wicomico	3.10%	3.10%	3.10%	3.10%	3.10%	3.20%	3.20%	3.20%	3.20%
Worcester	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.75%

Source: Office of the Comptroller

Exhibit 4.6
Other Local Tax Rates in Fiscal 2015 and 2016

County	Recordation		Transfer		Admissions & Amusement		Hotel Rental	
	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016
Allegany	\$3.50	\$3.50	0.5%	0.5%	7.5%	7.5%	8.0%	8.0%
Anne Arundel	3.50	3.50	1.0%	1.0%	10.0%	10.0%	7.0%	7.0%
Baltimore City	5.00	5.00	1.5%	1.5%	10.0%	10.0%	9.5%	9.5%
Baltimore	2.50	2.50	1.5%	1.5%	10.0%	10.0%	8.0%	8.0%
Calvert	5.00	5.00	0.0%	0.0%	1.0%	1.0%	5.0%	5.0%
Caroline	5.00	5.00	0.5%	0.5%	0.0%	0.0%	5.0%	5.0%
Carroll	5.00	5.00	0.0%	0.0%	10.0%	10.0%	5.0%	5.0%
Cecil	4.10	4.10	0.0%	0.5%	6.0%	6.0%	3.0%	3.0%
Charles	5.00	5.00	0.0%	0.5%	10.0%	10.0%	5.0%	5.0%
Dorchester	5.00	5.00	0.75%	0.75%	0.5%	0.5%	5.0%	5.0%
Frederick	6.00	6.00	0.0%	0.0%	0.0%	0.0%	3.0%	3.0%
Garrett	3.50	3.50	1.0%	1.0%	4.5%	6.0%	6.0%	6.0%
Harford	3.30	3.30	1.0%	1.0%	5.0%	5.0%	6.0%	6.0%
Howard	2.50	2.50	1.0%	1.0%	7.5%	7.5%	7.0%	7.0%
Kent	3.30	3.30	0.5%	0.5%	4.5%	4.5%	5.0%	5.0%
Montgomery	3.45	3.45	1.0%	1.0%	7.0%	7.0%	7.0%	7.0%
Prince George's	2.75	2.75	1.4%	1.4%	10.0%	10.0%	5.0%	7.0%
Queen Anne's	4.95	4.95	0.5%	0.5%	5.0%	5.0%	5.0%	5.0%
St. Mary's	4.00	4.00	1.0%	1.0%	2.0%	2.0%	5.0%	5.0%
Somerset	3.30	3.30	0.0%	0.0%	4.0%	4.0%	5.0%	5.0%
Talbot	6.00	6.00	1.0%	1.0%	5.0%	5.0%	4.0%	4.0%
Washington	3.80	3.80	0.5%	0.5%	5.0%	5.0%	6.0%	6.0%
Wicomico	3.50	3.50	0.0%	0.0%	6.0%	6.0%	6.0%	6.0%
Worcester	3.30	3.30	0.5%	0.5%	3.0%	3.0%	4.5%	4.5%

Source: Department of Legislative Services

Exhibit 4.7
Combined County and Municipal Real Property Tax Rates in Fiscal 2016
20 Largest Municipalities – Ranked by Total Tax Rate

Rank	Municipality	County	Population July 2014	County Rate	Municipal Rate	County Special Rate	Total Rate
1.	New Carrollton	Prince George's	12,708	\$0.8840	\$0.6652	\$0.3740	\$1.9232
2.	Salisbury	Wicomico	32,563	0.9516	0.9370	-	1.8886
3.	Greenbelt	Prince George's	24,125	0.8610	0.8125	0.2146	1.8881
4.	Hyattsville	Prince George's	18,420	0.8660	0.6300	0.3740	1.8700
5.	Cumberland	Allegany	20,235	0.8486	0.9654	-	1.8140
6.	Hagerstown	Washington	40,364	0.8230	0.9130	-	1.7360
7.	Cambridge	Dorchester	12,569	0.9319	0.7989	-	1.7308
8.	Laurel	Prince George's	26,160	0.8370	0.7100	0.1580	1.7050
9.	College Park	Prince George's	32,256	0.9690	0.3350	0.3740	1.6780
10.	Frederick	Frederick	68,400	0.9340	0.7305	-	1.6645
11.	Bowie	Prince George's	57,646	0.8720	0.4000	0.3200	1.5920
12.	Takoma Park	Montgomery	17,670	0.7230	0.5850	0.2730	1.5810
13.	Westminster	Carroll	18,724	1.0180	0.5600	-	1.5780
14.	Elkton	Cecil	15,852	0.9907	0.5856	-	1.5763
15.	Aberdeen	Harford	15,434	0.8937	0.6600	-	1.5537
16.	Rockville	Montgomery	65,937	0.7230	0.6220	0.1770	1.5220
17.	Havre de Grace	Harford	13,512	0.8937	0.5600	-	1.4537
18.	Annapolis	Anne Arundel	38,856	0.5520	0.6490	-	1.2010
19.	Gaithersburg	Montgomery	66,816	0.7230	0.2620	0.1770	1.1620
20.	Easton	Talbot	16,675	0.4030	0.5200	-	0.9230
	Baltimore City		622,793	2.2480	0.0000		2.2480

Source: State Department of Assessments and Taxation; Department of Legislative Services

Exhibit 4.8
Tax Differentials and Tax Rebates
Fiscal 2015

County	Tax Differential	Tax Rebate	Total
Allegany	\$2,027,856	\$0	\$2,027,856
Anne Arundel	24,003,518	0	24,003,518
Baltimore City	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A
Calvert	3,332,590	0	3,332,590
Caroline	461,691	0	461,691
Carroll	0	2,588,434	2,588,434
Cecil	0	750,330	750,330
Charles	1,169,333	0	1,169,333
Dorchester	373,354	6,050	379,404
Frederick	8,936,416	4,078,383	13,014,799
Garrett	79,569	267,000	346,569
Harford	6,663,225	3,482,861	10,146,086
Howard	N/A	N/A	N/A
Kent	0	0	0
Montgomery	0	7,776,718	7,776,718
Prince George's	26,192,372	651,147	26,843,519
Queen Anne's	294,960	87,903	382,863
St. Mary's	0	49,811	49,811
Somerset	0	315,000	315,000
Talbot	3,831,923	0	3,831,923
Washington	4,152,897	0	4,152,897
Wicomico	0	0	0
Worcester	0	0	0
Total	\$81,519,705	\$20,053,637	\$101,573,342

N/A: indicates the jurisdiction has no municipalities.

Source: Department of Legislative Services

Exhibit 4.9
County Development Impact Fees and Excise Tax Rates¹
Fiscal 2014-2016

<u>County</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Anne Arundel ²	\$11,616	\$11,896	\$12,275
Calvert	12,950	12,950	12,950
Caroline ³	5,000	5,000	5,000
Carroll	533	533	533
Charles	13,139	13,366	14,095
Dorchester ⁴	3,671	0	0
Frederick ⁵	15,185	14,208	14,208
Harford	6,000	6,000	6,000
Howard ⁶	\$2.37/sq. ft.	\$2.40/sq. ft.	\$2.42/sq. ft.
Montgomery ⁷	39,450	39,450	40,793
Prince George's ⁸	22,355	22,803	22,757
Queen Anne's	\$4.72/sq. ft.	\$4.84/sq. ft.	\$4.96/sq. ft.
St. Mary's	4,500	4,500	4,500
Talbot ⁹	6,625	6,804	6,967
Washington	\$1.00/sq. ft.	\$1.00/sq. ft.	\$1.00/sq. ft.
Wicomico ¹⁰	5,231	5,231	5,231

¹ Fees/rates listed are generally those applicable to single-family detached dwellings and are per dwelling unless otherwise indicated.

² Rates are for a 2,000-2,499 square foot residential unit. Residential rates vary by the square footage of a unit.

³ A \$750 development excise tax for agricultural land preservation is also imposed on new lots created by subdivision in a "rural district."

⁴ The county development excise tax is suspended for a two-year period ending on June 30, 2016. The tax rates that would otherwise apply are \$3,765 per dwelling outside of Cambridge and Hurlock and \$3,671 inside Cambridge and Hurlock.

⁵ The rates shown reflect the public school and library impact fee total. A roads tax of \$0.10/sq. ft. or \$0.25/sq. ft. (depending on the square footage), with the first 700 square feet not taxed, was reduced to \$0.00 effective in November 2011.

⁶ Fiscal 2014, 2015, and 2016 amounts represent the total of the roads tax amount (\$1.13/sq. ft., \$1.15/sq. ft., and \$1.17/sq. ft., respectively) and the school surcharge amount (\$1.24/sq. ft., \$1.25/sq. ft., and \$1.25/sq. ft., respectively).

⁷ Fiscal 2016 amount represents \$13,966 for transportation and \$26,827 for schools. Fiscal 2014 and 2015 amounts represent \$13,506 for transportation and \$25,944 for schools. The school excise tax is increased by \$2 for each square foot between 3,500 and 8,500 gross square feet. Different transportation rates apply in the Metro Station and Clarksburg impact tax districts.

⁸ Fiscal 2016 amount represents \$15,458 for school facilities and \$7,299 for public safety. A lower school facilities rate (\$9,017 in fiscal 2016) applies inside the beltway and to certain development near mass transit and a lower public safety rate (\$2,434 in fiscal 2016) applies inside the "developed tier" as defined in the 2002 Prince George's County Approved General Plan and to certain development near mass transit.

⁹ A lower rate (\$6,019 in fiscal 2016) applies to development inside municipalities.

¹⁰ The county council placed a moratorium on the imposition and collection of the Public School Impact Fee for all new residential dwelling units from April 23, 2015, to October 23, 2015. The council subsequently extended the moratorium from November 6, 2015, to December 31, 2016.

Source: Department of Legislative Services

Exhibit 4.10
County Development Impact Fee and Excise Tax Revenues

County	FY 2014	FY 2015	FY 2016	FY 2014-2015		FY 2015-2016	
				Difference	% Difference	Difference	% Difference
Anne Arundel	\$25,983,662	\$8,420,000	\$11,729,800	-\$17,563,662	-67.6%	\$3,309,800	39.3%
Calvert	2,999,574	4,586,211	2,687,844	1,586,637	52.9%	-1,898,367	-41.4%
Caroline	79,486	79,944	80,000	458	0.6%	56	0.1%
Carroll	206,711	318,000	450,000	111,289	53.8%	132,000	41.5%
Charles	8,066,016	10,380,384	10,559,499	2,314,368	28.7%	179,115	1.7%
Dorchester ¹	94,159	0	0	-94,159	-100.0%	0	0.0%
Frederick	10,612,837	10,522,932	10,792,000	-89,905	-0.8%	269,068	2.6%
Harford	2,612,400	2,500,000	2,500,000	-112,400	-4.3%	0	0.0%
Howard	15,155,365	14,414,904	14,400,000	-740,461	-4.9%	-14,904	-0.1%
Montgomery	66,112,055	58,407,000	45,580,000	-7,705,055	-11.7%	-12,827,000	-22.0%
Prince George's	26,277,962	21,197,600	28,856,800	-5,080,362	-19.3%	7,659,200	36.1%
Queen Anne's	2,231,081	1,555,900	1,555,900	-675,181	-30.3%	0	0.0%
St. Mary's	2,197,350	2,187,500	1,450,000	-9,850	-0.4%	-737,500	-33.7%
Talbot	481,545	200,000	244,000	-281,545	-58.5%	44,000	22.0%
Washington	550,903	543,000	600,000	-7,903	-1.4%	57,000	10.5%
Wicomico ²	557,396	771,142	0	213,746	38.3%	-771,142	-100.0%
Total	\$164,218,502	\$136,084,517	\$131,485,843	-\$28,133,985	-17.1%	-\$4,598,674	-3.4%

¹ Dorchester County's development excise tax is suspended for a two-year period ending on June 30, 2016.

² The Wicomico County Council suspended the county's development impact fee from April 23, 2015, to October 23, 2015, and from November 6, 2015, to December 31, 2016. The county anticipates no revenue from the fee in fiscal 2016.

Source: Department of Legislative Services

Chapter 5. Local Revenue Growth

Local government revenues are significantly affected by property assessments and personal income. Together, property and local income taxes account for over 40% of total county revenues. When intergovernmental grants are excluded, property and income taxes account for two-thirds of total county revenues, increasing to at least 80% of revenues in three counties in fiscal 2013.

The downturn in the housing market is having a diminishing impact on property assessments in Maryland. County assessable base will increase by 2.9% in fiscal 2016 and is projected to increase by 3.3% in fiscal 2017 and by 3.1% in fiscal 2018. Net taxable income increased by 5.9% in tax year 2014 after decreasing slightly in tax year 2013. **Table 5.1** compares the relative growth in county assessable base and net taxable income.

The downward slide in local recordation and transfer tax revenues appears to have ended by fiscal 2011. County governments collected \$699.4 million in local recordation and transfer taxes in fiscal 2014; collections are estimated at \$743.3 million and \$748.1 million in fiscal 2015 and 2016, respectively. These amounts are significantly lower than the amounts collected in fiscal 2006 when the soaring real estate market yielded recordation and transfer taxes totaling \$1.2 billion. **Table 5.2** shows local recordation and transfer tax collections since fiscal 2012.

Table 5.1
Comparison of Local Revenue Measures
Annual Percent Growth

<u>County Assessable Base</u>		<u>Net Taxable Income</u>	
FY 2013	-4.4%	TY 2012	9.0%
FY 2014	-1.3%	TY 2013	-0.3%
FY 2015	1.1%	TY 2014	5.9%
FY 2016	2.9%	TY 2015	N/A
FY 2017	3.3%	TY 2016	N/A
FY 2018	3.1%		

Source: State Department of Assessments and Taxation; Comptroller's Office

Table 5.2
Local Recordation and Transfer Tax Revenues
(\$ in Millions)

	<u>Recordation</u>	<u>Transfer</u>	<u>Total</u>
FY 2012	\$266.2	\$286.8	\$553.0
FY 2013	367.9	326.8	694.7
FY 2014	348.7	350.7	699.4
FY 2015	365.5	377.8	743.3
FY 2016	365.4	382.7	748.1

Source: Maryland Association of Counties; Department of Legislative Services

Property Taxation

The property tax is one of the three major revenue sources for county governments, accounting for 26.7% of total revenues, excluding debt proceeds, and the largest revenue source for municipal governments, accounting for 37% of total revenues, excluding debt proceeds. In fiscal 2016, county governments are projected to collect \$7.7 billion in property taxes. The property tax is a relatively stable and predictable revenue source for local governments, and due to the sizeable growth in property assessments in prior years and the effect of the Homestead Tax Credit Program, local property tax collections should remain relatively constant for the near future.

County assessable base in fiscal 2016 totaled \$691.6 billion or \$115,726 per State resident. Per capita assessable base ranges from \$53,113 in Allegany County to \$287,141 in Worcester County. Statewide, real property accounts for 96.7% of the assessable base and personal property accounts for 3.3%. **Exhibit 5.1** shows the per capita assessable base and assessable base growth for each jurisdiction for fiscal 2016.

Exhibit 5.2 shows the real, personal, and total county assessable base for each county for fiscal 2016. **Exhibit 5.3** shows the percentage change in total county assessable base (real and personal property) since fiscal 2009. **Exhibit 5.4** shows total county assessable base (real and personal property) since fiscal 2011.

Assessable Base Growth

County assessable base increased by 2.9% in fiscal 2016. Real property increased by 2.9% statewide, and personal property increased by 3.5%. As shown in **Table 5.3**, the State Department of Assessments and Taxation projects that total county assessable base will continue to increase on a statewide basis in fiscal 2017 and 2018.

Table 5.3
County Assessable Base Growth Forecast

<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
1.1%	2.9%	3.3%	3.1%

Source: State Department of Assessments and Taxation

Property assessments in Maryland increased significantly between fiscal 2000 and 2008. The average three-year increase in the full cash value of property undergoing reassessment totaled 5.7% in 2000 and 60.2% in 2006. Properties reassessed for 2007 realized an increase of 56.1% statewide, whereas, reassessments for 2008 realized an increase of 33.2%. However, the continual rapid increase in property assessments halted in 2009, as property valuation declined reflecting the national credit crisis and deteriorating economic conditions. Properties reassessed for 2011 realized a decrease of 17.9%; for 2012 reassessments declined by 13.0% and for 2013 reassessments declined by 3.6%. In the past two years, due to improvements in the national economy, property assessments began to increase. Properties reassessed for 2015 realized a net increase in value of 10.8%, and properties reassessed for 2016 realized a

net increase of 10.9%. Under the State's triennial assessment process, the increase in the full cash value of property is phased in over a three-year period; however, any decrease in value is reflected immediately. **Exhibit 5.5** shows the average change in the full cash value of property reassessed during calendar 2015 for each jurisdiction. Property reassessments that occurred during calendar 2015 will affect the county's assessable base starting in fiscal 2017. **Exhibit 5.6** shows the full cash value assessment changes from January 2008 through January 2016.

One-cent Yield on the Property Tax Rate

The larger the assessable property tax base in a county, the more revenues that can be derived with an increase in the property tax rate. For example, a one-cent increase in the real property tax rate in Talbot County for fiscal 2016 generates approximately \$706,200 in revenues, whereas it generates only \$136,900 in Somerset County, even though the jurisdictions have a roughly comparable number of residents. The fiscal impact of a one-cent increase in real property tax rates for fiscal 2014 through 2018 is depicted in **Exhibit 5.7**. These revenue amounts reflect deductions for the Homestead Tax Credit Program.

Property Tax Relief Measures

The increase in property assessments throughout Maryland, in prior years, has led the State, and in some instances the voters, to take action to curtail the rise in property taxes. Three primary approaches are used in Maryland to provide property tax relief to homeowners: (1) the Homestead Tax Credit Program that

limits annual assessment increases to all owner-occupied homeowners regardless of income; (2) the Homeowners' (circuit breaker) Tax Credit Program and the Renters' Tax Credit Program that provide credits for certain individuals who qualify based on a sliding scale of property tax liability and income; and (3) property tax limitation measures that either limit the property tax rate that can be imposed by the county council or the property tax revenue that can be collected. All three approaches have significantly impacted either State or local revenues, and members of the General Assembly have repeatedly introduced legislation addressing these property tax relief measures.

Homestead Tax Credit Program

The Homestead Tax Credit Program (assessment caps) provides tax credits against State, county, and municipal real property taxes for owner-occupied residential properties for the amount of real property taxes resulting from an annual assessment increase that exceeds a certain percentage or "cap" in any given year. The State requires the cap on assessment increases to be set at 10% for State property tax purposes; however, local governments have the authority to set their caps between 0% and 10%.

A majority of local subdivisions have assessment caps below 10%: 21 counties in fiscal 2015, 2016, and 2017. **Table 5.4** lists county assessment caps for fiscal 2015 through 2017.

The Homestead Tax Credit Program is administered as follows:

- Increases in property assessments are equally spread out over three years. For example, if a property's assessment increased by \$120,000, from \$300,000 to \$420,000, the increase would be phased in through increments of \$40,000 annually for the next three years.
- If the assessment cap was set at 10%, however, the amount of assessment subject to taxes would increase by only \$30,000 in the first year, \$33,000 in the following year, and \$36,300 in the third year.
- Since the assessment cap was set lower than the actual market increase, the homeowner does not have to pay taxes on the property's full assessed value.

**Table 5.4
County Assessment Caps**

County	FY 2015	FY 2016	FY 2017
Allegany	7%	7%	4%
Anne Arundel	2%	2%	2%
Baltimore City	4%	4%	4%
Baltimore	4%	4%	4%
Calvert	10%	10%	10%
Caroline	5%	5%	5%
Carroll	5%	5%	5%
Cecil	8%	8%	4%
Charles	7%	7%	7%
Dorchester	5%	5%	5%
Frederick	5%	5%	5%
Garrett	5%	5%	5%
Harford	5%	5%	5%
Howard	5%	5%	5%
Kent	5%	5%	5%
Montgomery	10%	10%	10%
Prince George's	2%	2%	0%
Queen Anne's	5%	5%	5%
St. Mary's	5%	5%	5%
Somerset	10%	10%	10%
Talbot	0%	0%	0%
Washington	5%	5%	5%
Wicomico	5%	5%	5%
Worcester	3%	3%	3%

Source: State Department of Assessments and Taxation; Department of Legislative Services

The extent to which the Homestead Tax Credit Program may actually restrict the ability of a county to raise property tax revenues depends on the county's need for revenues from the property tax and other legal and practical limitations. For example, a county impacted by a charter-imposed property tax limitation measure would presumably reduce tax rates to offset the impact of rising assessments in the absence of the homestead credit. **Exhibits 5.8** and **5.9** show the impact that assessment caps have had on the counties' assessable base and local property tax revenues.

Talbot County at \$30,579. Somerset County has the lowest per capita net taxable income at \$8,493. **Exhibit 5.10** ranks local jurisdictions according to per capita net taxable income and net taxable income growth. **Exhibit 5.11** shows the growth in net taxable income since tax year 2008, while **Exhibit 5.12** shows the net taxable income by county for the last seven years.

Net Taxable Income

Income tax revenue is the third largest revenue source for county governments, accounting for 17% of total revenue in fiscal 2013, excluding debt proceeds. The reliance on income tax revenue ranges from 5.1% of total revenues in Worcester County to 23.1% in Montgomery County. Local income tax revenues are a function of a county's income tax rate and the net taxable income base. Net taxable income represents taxable income after exemptions and deductions have been subtracted from gross salary and benefits.

Net taxable income for Maryland jurisdictions totaled \$154.8 billion in tax year 2014, ranging from \$219.6 million in Somerset County to \$41.1 billion in Montgomery County. Statewide, net taxable income increased by 5.9% in tax year 2014, with Baltimore City experiencing the greatest increase at 10.2%.

Montgomery County has the highest per capita net taxable income at \$39,881 followed by Howard County at \$38,362 and

Exhibit 5.1
County Assessable Base Measures for Fiscal 2016

<u>County</u>	<u>Population July 1, 2014</u>	<u>Assessable Base (\$ in Thousands)</u>	<u>Per Capita Assessable Base</u>	<u>Assessable Base Growth</u>	<u>County</u>	<u>Per Capita Assessable Base</u>	<u>County</u>	<u>Assessable Base Growth</u>
Allegany	72,952	\$3,874,679	\$53,113	-0.4%	1. Worcester	\$287,141	1. Baltimore City	5.3%
Anne Arundel	560,133	80,112,958	143,025	3.0%	2. Talbot	223,199	2. Howard	4.5%
Baltimore City	622,793	37,800,252	60,695	5.3%	3. Montgomery	170,745	3. Montgomery	4.2%
Baltimore	826,925	79,563,230	96,216	2.0%	4. Queen Anne's	157,111	4. Prince George's	3.7%
Calvert	90,613	12,296,389	135,702	0.5%	5. Howard	153,308	5. Frederick	3.5%
Caroline	32,538	2,601,199	79,943	-0.4%	6. Garrett	151,662	6. Anne Arundel	3.0%
Carroll	167,830	18,688,384	111,353	1.1%	7. Kent	148,714	7. Baltimore	2.0%
Cecil	102,383	9,720,779	94,945	0.5%	8. Anne Arundel	143,025	8. Charles	1.3%
Charles	154,747	16,538,794	106,876	1.3%	9. Calvert	135,702	9. Harford	1.2%
Dorchester	32,578	2,886,226	88,594	-0.2%	10. Carroll	111,353	10. Carroll	1.1%
Frederick	243,675	27,060,531	111,052	3.5%	11. Frederick	111,052	11. Somerset	1.1%
Garrett	29,679	4,501,172	151,662	0.9%	12. St. Mary's	110,421	12. Washington	1.0%
Harford	250,105	27,078,899	108,270	1.2%	13. Harford	108,270	13. Garrett	0.9%
Howard	309,284	47,415,855	153,308	4.5%	14. Charles	106,876	14. St. Mary's	0.8%
Kent	19,820	2,947,502	148,714	-0.1%	15. Baltimore	96,216	15. Cecil	0.5%
Montgomery	1,030,447	175,943,575	170,745	4.2%	16. Cecil	94,945	16. Calvert	0.5%
Prince George's	904,430	79,490,201	87,890	3.7%	17. Dorchester	88,594	17. Wicomico	0.5%
Queen Anne's	48,804	7,667,625	157,111	0.2%	18. Prince George's	87,890	18. Queen Anne's	0.2%
St. Mary's	110,382	12,188,442	110,421	0.8%	19. Washington	83,245	19. Kent	-0.1%
Somerset	25,859	1,446,319	55,931	1.1%	20. Caroline	79,943	20. Worcester	-0.1%
Talbot	37,643	8,401,891	223,199	-1.5%	21. Baltimore City	60,695	21. Dorchester	-0.2%
Washington	149,573	12,451,149	83,245	1.0%	22. Wicomico	60,209	22. Allegany	-0.4%
Wicomico	101,539	6,113,566	60,209	0.5%	23. Somerset	55,931	23. Caroline	-0.4%
Worcester	51,675	14,838,026	287,141	-0.1%	24. Allegany	53,113	24. Talbot	-1.5%
Statewide	5,976,407	\$691,627,642	\$115,726	2.9%				

Source: State Department of Assessments and Taxation; Department of Legislative Services

Exhibit 5.2
County Assessable Base for Fiscal 2016 and Percent Change from Fiscal 2015
(\$ in Thousands)

County	Subject to Real Property Tax	Percent Change	Subject to Personal Property Tax	Percent Change	Total Property	Percent Change
Allegany	\$3,532,916	-0.4%	\$341,764	-0.1%	\$3,874,679	-0.4%
Anne Arundel	77,607,370	3.0%	2,505,588	0.7%	80,112,958	3.0%
Baltimore City	35,701,626	5.4%	2,098,626	4.0%	37,800,252	5.3%
Baltimore	76,481,580	1.9%	3,081,650	5.5%	79,563,230	2.0%
Calvert	11,334,748	0.5%	961,640	0.4%	12,296,389	0.5%
Caroline	2,484,606	-0.6%	116,592	3.2%	2,601,199	-0.4%
Carroll	18,130,197	0.9%	558,187	8.0%	18,688,384	1.1%
Cecil	9,303,122	0.5%	417,657	0.4%	9,720,779	0.5%
Charles	15,718,928	1.6%	819,867	-4.4%	16,538,794	1.3%
Dorchester	2,773,657	-0.3%	112,569	3.4%	2,886,226	-0.2%
Frederick	26,739,905	3.4%	320,626	6.4%	27,060,531	3.5%
Garrett	4,257,322	-0.1%	243,851	20.9%	4,501,172	0.9%
Harford	25,964,093	1.0%	1,114,806	5.1%	27,078,899	1.2%
Howard	45,767,761	4.3%	1,648,094	10.2%	47,415,855	4.5%
Kent	2,905,825	-0.1%	41,677	2.1%	2,947,502	-0.1%
Montgomery	172,106,721	4.2%	3,836,854	2.2%	175,943,575	4.2%
Prince George's	76,612,580	3.7%	2,877,621	5.3%	79,490,201	3.7%
Queen Anne's	7,594,933	0.2%	72,692	2.6%	7,667,625	0.2%
St. Mary's	11,910,055	0.9%	278,387	-5.9%	12,188,442	0.8%
Somerset	1,369,900	0.9%	76,419	4.8%	1,446,319	1.1%
Talbot	8,339,903	-1.5%	61,988	-0.3%	8,401,891	-1.5%
Washington	11,884,566	0.8%	566,583	6.2%	12,451,149	1.0%
Wicomico	5,737,704	0.8%	375,862	-4.7%	6,113,566	0.5%
Worcester	14,498,234	-0.2%	339,792	3.3%	14,838,026	-0.1%
Statewide	\$668,758,250	2.9%	\$22,869,392	3.5%	\$691,627,642	2.9%

Source: State Department of Assessments and Taxation

Exhibit 5.3
Growth in County Assessable Base – Real and Personal Property
Fiscal 2009-2018

County	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 E	FY 2018 E
Allegany	6.7%	11.9%	5.1%	0.1%	-1.3%	-1.3%	-0.5%	-0.4%	0.0%	-1.5%
Anne Arundel	14.2%	6.0%	-2.1%	-6.4%	-4.1%	0.1%	1.8%	3.0%	3.4%	3.0%
Baltimore City	15.6%	13.8%	2.5%	-4.2%	-6.4%	-1.5%	3.8%	5.3%	1.2%	0.0%
Baltimore	13.3%	8.9%	0.5%	-5.7%	-4.2%	-2.8%	-0.6%	2.0%	2.6%	2.0%
Calvert	10.7%	8.0%	1.9%	-6.2%	-5.8%	-2.2%	-0.4%	0.5%	0.7%	0.8%
Caroline	16.4%	11.5%	-0.5%	-7.3%	-4.7%	-5.7%	-1.4%	-0.4%	-0.1%	2.0%
Carroll	13.3%	8.7%	-5.3%	-5.9%	-4.2%	-1.4%	-0.6%	1.1%	1.8%	1.9%
Cecil	13.7%	6.8%	-1.1%	-4.6%	-5.6%	-3.1%	0.1%	0.5%	0.3%	0.2%
Charles	16.0%	7.0%	-5.5%	-6.8%	-4.7%	-1.9%	-0.4%	1.3%	3.1%	7.2%
Dorchester	14.4%	9.1%	0.5%	-8.9%	-3.4%	-4.4%	-3.0%	-0.2%	-0.6%	-0.1%
Frederick	13.4%	6.1%	-6.9%	-8.8%	-4.6%	-0.6%	1.6%	3.5%	2.9%	0.5%
Garrett	12.7%	7.7%	6.1%	0.0%	-2.9%	-0.3%	-7.5%	0.9%	0.3%	0.1%
Harford	13.9%	8.8%	0.4%	-3.9%	-2.4%	-0.8%	0.6%	1.2%	0.3%	0.4%
Howard	13.3%	5.0%	-4.0%	-6.4%	-2.2%	0.6%	2.5%	4.5%	3.3%	2.3%
Kent	15.0%	10.3%	2.0%	-3.9%	-3.1%	-1.5%	-2.1%	-0.1%	-0.1%	1.5%
Montgomery	11.0%	0.4%	-4.5%	-6.4%	-2.7%	0.9%	2.5%	4.2%	4.9%	4.9%
Prince George's	19.0%	11.6%	0.2%	-13.1%	-7.9%	-3.9%	0.6%	3.7%	6.1%	6.4%
Queen Anne's	14.4%	7.5%	-3.3%	-2.3%	-6.0%	-4.1%	-0.6%	0.2%	1.5%	0.5%
St. Mary's	18.4%	11.0%	2.4%	-4.7%	-3.0%	-1.1%	0.3%	0.8%	0.3%	0.0%
Somerset	16.7%	7.7%	0.7%	-4.7%	-12.1%	0.0%	-3.5%	1.1%	-0.4%	-1.5%
Talbot	15.5%	10.8%	-0.1%	-4.0%	-4.2%	-5.1%	-3.5%	-1.5%	-0.2%	-3.0%
Washington	15.3%	8.1%	-4.4%	-6.7%	-3.3%	-3.1%	-0.7%	1.0%	1.0%	2.5%
Wicomico	12.9%	7.8%	-1.0%	-7.5%	-6.3%	-5.4%	-3.6%	0.5%	0.5%	1.4%
Worcester	17.8%	-5.5%	-5.8%	-3.6%	-10.0%	-5.9%	0.1%	-0.1%	1.6%	2.3%
Statewide	13.9%	6.1%	-2.1%	-6.8%	-4.4%	-1.3%	1.1%	2.9%	3.3%	3.1%

Source: State Department of Assessments and Taxation

Exhibit 5.4
County Assessable Base – Real and Personal Property
(\$ in Thousands)

County	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 E	FY 2018 E
Allegany	\$4,010,110	\$4,014,571	\$3,962,462	\$3,910,750	\$3,889,963	\$3,874,679	\$3,876,323	\$3,819,951
Anne Arundel	84,987,819	79,589,954	76,293,860	76,405,438	77,806,973	80,112,958	82,842,365	85,329,826
Baltimore City	39,149,240	37,515,837	35,123,385	34,582,451	35,895,146	37,800,252	38,255,029	38,273,137
Baltimore	89,397,035	84,302,273	80,753,433	78,477,913	78,005,881	79,563,230	81,614,065	83,244,114
Calvert	14,209,661	13,333,624	12,553,694	12,277,912	12,232,236	12,296,389	12,382,992	12,488,077
Caroline	3,182,687	2,949,842	2,810,316	2,651,005	2,612,656	2,601,199	2,598,261	2,650,391
Carroll	20,915,009	19,678,687	18,861,958	18,588,705	18,484,249	18,688,384	19,016,100	19,377,096
Cecil	11,067,074	10,558,891	9,967,470	9,657,230	9,668,778	9,720,779	9,751,918	9,767,173
Charles	18,794,704	17,521,348	16,693,575	16,383,332	16,323,388	16,538,794	17,050,160	18,282,743
Dorchester	3,544,326	3,229,486	3,119,674	2,981,840	2,891,447	2,886,226	2,870,169	2,868,362
Frederick	29,761,665	27,154,307	25,893,046	25,734,580	26,158,043	27,060,531	27,842,403	27,994,226
Garrett	4,975,949	4,978,214	4,834,793	4,822,283	4,461,940	4,501,172	4,516,851	4,520,566
Harford	28,580,599	27,471,469	26,819,052	26,605,582	26,756,070	27,078,899	27,165,943	27,265,718
Howard	48,043,284	44,986,079	44,000,081	44,280,928	45,370,329	47,415,855	48,980,878	50,098,548
Kent	3,282,266	3,154,783	3,058,279	3,013,117	2,950,128	2,947,502	2,944,935	2,988,445
Montgomery	179,221,107	167,750,575	163,276,868	164,696,351	168,852,446	175,943,575	184,555,149	193,620,180
Prince George's	99,039,894	86,036,875	79,257,050	76,137,876	76,630,154	79,490,201	84,335,490	89,731,062
Queen Anne's	8,749,244	8,543,876	8,031,355	7,699,153	7,653,576	7,667,625	7,785,968	7,822,222
St. Mary's	13,182,756	12,567,335	12,191,008	12,060,567	12,097,535	12,188,442	12,227,877	12,231,014
Somerset	1,769,205	1,686,855	1,483,073	1,483,405	1,430,802	1,446,319	1,440,030	1,418,767
Talbot	10,134,945	9,730,598	9,322,352	8,846,903	8,532,943	8,401,891	8,387,198	8,137,296
Washington	14,221,239	13,266,687	12,823,001	12,420,699	12,327,772	12,451,149	12,571,776	12,892,178
Wicomico	7,695,967	7,116,997	6,668,152	6,310,794	6,084,640	6,113,566	6,146,520	6,232,269
Worcester	18,180,328	17,531,447	15,773,058	14,838,405	14,856,691	14,838,026	15,073,340	15,414,102
Statewide	\$756,096,113	\$704,670,610	\$673,570,993	\$664,867,219	\$671,973,785	\$691,627,642	\$714,231,737	\$736,467,464

Source: State Department of Assessments and Taxation

Exhibit 5.5
Full Cash Value Change in Group 1
January 1, 2013 Base Compared to January 1, 2016 Reassessments

County	Average for All Properties	Commercial Properties	Residential Properties	County Assessment Cap
Allegany	1.3%	10.5%	-1.9%	4%
Anne Arundel	11.5%	22.4%	10.1%	2%
Baltimore City	10.9%	21.4%	4.9%	4%
Baltimore	12.4%	16.1%	10.9%	4%
Calvert	3.9%	3.0%	4.1%	10%
Caroline	0.5%	-2.3%	0.9%	5%
Carroll	6.0%	10.8%	5.4%	5%
Cecil	1.1%	5.3%	-0.1%	4%
Charles	12.4%	12.3%	12.4%	7%
Dorchester	-1.4%	2.2%	-1.7%	5%
Frederick	9.3%	11.9%	8.7%	5%
Garrett	1.5%	2.6%	1.3%	5%
Harford	3.2%	9.3%	2.5%	5%
Howard	9.0%	16.5%	7.3%	5%
Kent	-1.6%	2.4%	-2.2%	5%
Montgomery	11.1%	20.9%	9.6%	10%
Prince George's	24.7%	15.7%	29.8%	0%
Queen Anne's	7.7%	15.3%	6.5%	5%
St. Mary's	0.8%	3.8%	0.6%	5%
Somerset	-5.2%	-6.1%	-5.1%	10%
Talbot	1.7%	4.4%	0.9%	0%
Washington	4.3%	13.4%	1.9%	5%
Wicomico	3.5%	3.2%	3.6%	5%
Worcester	9.4%	7.9%	9.9%	3%
Statewide	10.9%	16.1%	9.5%	

Source: State Department of Assessments and Taxation

Exhibit 5.6
Triennial Change in Full Cash Value
January 2008-January 2016

County	2008 Group 2	2009 Group 3	2010 Group 1	2011 Group 2	2012 Group 3	2013 Group 1	2014 Group 2	2015 Group 3	2016 Group 1
Allegany	34.5%	16.8%	0.4%	-4.5%	-5.3%	-2.4%	-2.8%	-0.4%	1.3%
Anne Arundel	34.9%	-0.3%	-17.9%	-16.6%	-12.6%	-1.9%	9.9%	10.8%	11.5%
Baltimore City	75.0%	20.9%	-2.6%	-8.7%	-6.8%	-3.1%	7.0%	9.6%	10.9%
Baltimore	32.6%	13.3%	-13.2%	-13.6%	-14.5%	-8.1%	1.2%	6.4%	12.4%
Calvert	38.3%	3.1%	-15.1%	-20.7%	-16.1%	-11.4%	-2.9%	0.8%	3.9%
Caroline	40.6%	13.4%	-15.6%	-18.8%	-18.9%	-15.7%	-3.6%	-2.8%	0.5%
Carroll	37.4%	5.1%	-19.2%	-19.6%	-15.4%	-3.8%	-3.0%	4.1%	6.0%
Cecil	33.3%	2.5%	-11.0%	-20.0%	-15.4%	-10.4%	-2.3%	3.9%	1.1%
Charles	41.4%	-4.6%	-19.8%	-26.6%	-15.2%	-6.8%	-4.2%	3.3%	12.4%
Dorchester	34.5%	6.8%	-9.9%	-21.4%	-10.8%	-11.7%	-7.9%	-0.8%	-1.4%
Frederick	27.4%	-4.7%	-22.0%	-24.1%	-18.8%	-2.2%	4.0%	11.2%	9.3%
Garrett	29.0%	8.5%	0.0%	-2.4%	-14.7%	-3.6%	-14.0%	-2.8%	1.5%
Harford	38.6%	9.0%	-14.3%	-15.3%	-5.8%	-6.5%	1.6%	3.1%	3.2%
Howard	24.2%	-2.3%	-19.8%	-18.8%	-8.7%	2.5%	8.1%	10.5%	9.0%
Kent	37.3%	13.5%	-10.3%	-12.5%	-9.0%	-6.0%	-5.5%	-0.7%	-1.6%
Montgomery	16.2%	-10.6%	-17.0%	-14.5%	-8.6%	4.1%	11.0%	18.7%	11.1%
Prince George's	51.6%	14.6%	-18.4%	-28.7%	-24.8%	-10.6%	5.3%	19.5%	24.7%
Queen Anne's	36.8%	7.2%	-12.4%	-18.6%	-13.7%	-9.0%	-10.3%	1.2%	7.7%
St. Mary's	49.0%	8.2%	-15.5%	-16.0%	-9.6%	-7.9%	-2.2%	1.5%	0.8%
Somerset	45.5%	4.4%	-10.6%	-18.5%	-20.6%	-11.5%	-13.3%	3.1%	-5.2%
Talbot	42.7%	13.6%	-9.0%	-15.0%	-15.3%	-11.5%	-11.4%	-7.1%	1.7%
Washington	40.2%	3.0%	-18.4%	-18.3%	-9.0%	-6.9%	-3.0%	5.5%	4.3%
Wicomico	40.6%	5.1%	-15.6%	-20.1%	-20.2%	-17.4%	-6.2%	2.6%	3.5%
Worcester	33.3%	-12.7%	-20.0%	-14.9%	-17.4%	-14.3%	-7.8%	2.2%	9.4%
Statewide	33.2%	0.8%	-16.1%	-17.9%	-13.0%	-3.6%	4.7%	10.8%	10.9%

Source: State Department of Assessments and Taxation

Exhibit 5.7
One-cent Yield in County Real Property Tax Rates
Fiscal 2014-2018

County	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Allegany	\$356,300	\$354,100	\$352,900	\$353,000	\$347,400
Anne Arundel	6,344,700	6,675,500	6,911,200	7,142,700	7,343,100
Baltimore City	2,959,400	3,190,700	3,395,600	3,449,000	3,452,300
Baltimore	7,231,500	7,347,700	7,529,400	7,741,300	7,909,600
Calvert	1,132,900	1,127,300	1,133,300	1,142,400	1,152,700
Caroline	251,300	248,200	247,300	247,100	252,400
Carroll	1,793,700	1,794,600	1,811,200	1,843,500	1,878,900
Cecil	927,500	925,100	930,100	932,500	933,700
Charles	1,539,200	1,545,900	1,571,300	1,622,000	1,743,600
Dorchester	280,700	275,400	275,500	274,500	274,600
Frederick	2,534,900	2,581,300	2,669,000	2,746,100	2,760,000
Garrett	453,500	422,500	423,200	425,900	427,200
Harford	2,555,200	2,568,600	2,595,700	2,604,300	2,614,000
Howard	4,163,000	4,324,800	4,530,100	4,689,400	4,805,300
Kent	283,400	283,000	284,500	285,800	291,100
Montgomery	16,089,200	16,498,200	17,203,200	18,066,000	18,972,300
Prince George's	7,023,800	7,186,100	7,421,100	7,795,900	8,171,000
Queen Anne's	743,000	748,000	753,900	766,500	770,000
St. Mary's	1,140,400	1,160,700	1,177,800	1,186,200	1,188,600
Somerset	141,400	135,700	136,900	136,300	134,100
Talbot	706,400	705,200	706,200	708,500	681,400
Washington	1,186,100	1,177,500	1,187,000	1,199,100	1,230,700
Wicomico	582,800	568,800	573,300	577,700	587,300
Worcester	1,422,800	1,435,400	1,434,100	1,458,000	1,490,500

Source: Department of Legislative Services

Exhibit 5.8
Estimated Assessable Base Loss Due to Homestead Property Tax Credit
Fiscal 2016
(\$ in Thousands)

County	Total County Assessable Base	Loss Due to 10% Homestead Cap	After 10% Homestead Cap	Percent Lost	Loss Due to Actual Homestead Cap	After Actual Homestead Cap	Percent Lost
Allegany	\$3,532,916	\$1,261	\$3,531,655	0.0%	3,656	\$3,529,260	0.1%
Anne Arundel	77,607,370	47,783	77,559,587	0.1%	8,495,721	69,111,649	10.9%
Baltimore City	35,701,626	233,712	35,467,914	0.7%	1,745,706	33,955,920	4.9%
Baltimore	76,481,580	26,911	76,454,669	0.0%	1,187,540	75,294,040	1.6%
Calvert	11,334,748	2,030	11,332,718	0.0%	2,030	11,332,718	0.0%
Caroline	2,484,606	1,003	2,483,603	0.0%	11,917	2,472,689	0.5%
Carroll	18,130,197	1,268	18,128,929	0.0%	18,185	18,112,012	0.1%
Cecil	9,303,122	673	9,302,449	0.0%	1,636	9,301,486	0.0%
Charles	15,718,928	1,150	15,717,778	0.0%	5,763	15,713,165	0.0%
Dorchester	2,773,657	1,569	2,772,088	0.1%	18,329	2,755,328	0.7%
Frederick	26,739,905	5,802	26,734,103	0.0%	49,624	26,690,281	0.2%
Garrett	4,257,322	2,461	4,254,861	0.1%	25,532	4,231,790	0.6%
Harford	25,964,093	1,088	25,963,005	0.0%	7,015	25,957,078	0.0%
Howard	45,767,761	12,545	45,755,216	0.0%	467,115	45,300,646	1.0%
Kent	2,905,825	4,703	2,901,122	0.2%	60,881	2,844,944	2.1%
Montgomery	172,106,721	74,848	172,031,873	0.0%	74,848	172,031,873	0.0%
Prince George's	76,612,580	71,857	76,540,723	0.1%	2,401,926	74,210,654	3.1%
Queen Anne's	7,594,933	3,130	7,591,803	0.0%	56,295	7,538,638	0.7%
St. Mary's	11,910,055	19,737	11,890,318	0.2%	131,651	11,778,404	1.1%
Somerset	1,369,900	991	1,368,909	0.1%	991	1,368,909	0.1%
Talbot	8,339,903	1,073	8,338,830	0.0%	1,278,194	7,061,709	15.3%
Washington	11,884,566	2,284	11,882,282	0.0%	14,287	11,870,279	0.1%
Wicomico	5,737,704	1,045	5,736,659	0.0%	4,814	5,732,890	0.1%
Worcester	14,498,234	4,106	14,494,128	0.0%	157,099	14,341,135	1.1%
Total	\$668,758,250	\$523,030	\$668,235,222	0.1%	\$16,220,751	\$652,537,498	2.4%

Source: State Department of Assessments and Taxation

Exhibit 5.9
County Tax Relief Due to Homestead Tax Credits

County	Fiscal 2015		Fiscal 2016		Fiscal 2017	
	Revenue Foregone	Percent of Base	Revenue Foregone	Percent of Base	Revenue Foregone	Percent of Base
Allegany	\$71,673	0.2%	\$35,749	0.1%	\$38,694	0.1%
Anne Arundel	80,759,727	11.4%	78,415,506	10.9%	82,370,031	11.1%
Baltimore City	44,287,781	5.8%	39,243,462	4.9%	37,133,479	4.6%
Baltimore	17,685,668	2.1%	13,062,938	1.6%	12,223,621	1.4%
Calvert	14,334	0.0%	18,109	0.0%	7,780	0.0%
Caroline	173,318	0.7%	116,791	0.5%	93,498	0.4%
Carroll	216,223	0.1%	185,119	0.1%	228,074	0.1%
Cecil	22,489	0.0%	16,204	0.0%	40,488	0.0%
Charles	86,965	0.0%	69,435	0.0%	89,746	0.0%
Dorchester	279,790	1.0%	178,885	0.7%	128,438	0.5%
Frederick	457,443	0.2%	526,012	0.2%	663,935	0.2%
Garrett	353,351	0.8%	252,769	0.6%	194,308	0.5%
Harford	96,448	0.0%	73,103	0.0%	95,577	0.0%
Howard	7,460,681	1.4%	5,558,663	1.0%	4,828,136	0.9%
Kent	805,929	2.7%	622,206	2.1%	463,669	1.6%
Montgomery	1,163,645	0.1%	747,882	0.0%	920,366	0.1%
Prince George's	26,856,502	2.8%	33,002,452	3.1%	47,907,888	4.3%
Queen Anne's	872,361	1.4%	476,874	0.7%	414,627	0.6%
St. Mary's	1,672,093	1.7%	1,122,066	1.1%	747,401	0.7%
Somerset	10,449	0.1%	9,910	0.1%	5,751	0.0%
Talbot	7,477,729	16.8%	6,851,119	15.3%	6,652,276	14.9%
Washington	181,371	0.2%	135,436	0.1%	108,298	0.1%
Wicomico	25,046	0.0%	45,810	0.1%	96,232	0.2%
Worcester	1,336,350	1.2%	1,311,774	1.1%	1,272,775	1.0%
Statewide	\$192,367,366	2.6%	\$182,078,274	2.4%	\$196,725,088	2.5%

Source: State Department of Assessments and Taxation

Exhibit 5.10
Net Taxable Income Measures for Tax Year 2014

<u>County</u>	<u>Population July 1, 2014</u>	<u>Net Taxable Income</u>	<u>Per Capita Net Taxable Income</u>	<u>Net Taxable Income Growth</u>	<u>County</u>	<u>Per Capita Net Taxable Income</u>	<u>County</u>	<u>Net Taxable Income Growth</u>
Allegany	72,952	\$928,616,390	\$12,729	4.2%	1. Montgomery	\$39,881	1. Baltimore City	10.2%
Anne Arundel	560,133	16,451,849,355	29,371	4.8%	2. Howard	38,362	2. Charles	9.5%
Baltimore City	622,793	9,231,171,234	14,822	10.2%	3. Talbot	30,579	3. Worcester	8.6%
Baltimore	826,925	22,125,142,395	26,756	3.5%	4. Anne Arundel	29,371	4. Howard	7.7%
Calvert	90,613	2,406,425,478	26,557	4.3%	5. Carroll	27,024	5. Montgomery	7.5%
Caroline	32,538	461,687,442	14,189	3.4%	6. Queen Anne's	26,768	6. Queen Anne's	6.8%
Carroll	167,830	4,535,399,339	27,024	5.6%	7. Baltimore	26,756	7. Carroll	5.6%
Cecil	102,383	1,932,542,476	18,876	5.4%	8. Frederick	26,574	8. Cecil	5.4%
Charles	154,747	3,589,817,939	23,198	9.5%	9. Calvert	26,557	9. Kent	5.4%
Dorchester	32,578	455,064,594	13,968	0.9%	10. Harford	24,919	10. Somerset	4.9%
Frederick	243,675	6,475,311,953	26,574	4.8%	11. St. Mary's	23,481	11. Frederick	4.8%
Garrett	29,679	449,244,467	15,137	3.6%	12. Charles	23,198	12. Anne Arundel	4.8%
Harford	250,105	6,232,293,561	24,919	4.7%	13. Kent	22,398	13. Harford	4.7%
Howard	309,284	11,864,668,375	38,362	7.7%	14. Worcester	20,963	14. Wicomico	4.6%
Kent	19,820	443,918,710	22,398	5.4%	15. Cecil	18,876	15. Calvert	4.3%
Montgomery	1,030,447	41,095,504,921	39,881	7.5%	16. Prince George's	17,368	16. Allegany	4.2%
Prince George's	904,430	15,708,106,692	17,368	3.9%	17. Washington	17,287	17. St. Mary's	4.2%
Queen Anne's	48,804	1,306,380,667	26,768	6.8%	18. Garrett	15,137	18. Prince George's	3.9%
St. Mary's	110,382	2,591,883,765	23,481	4.2%	19. Baltimore City	14,822	19. Washington	3.7%
Somerset	25,859	219,632,957	8,493	4.9%	20. Wicomico	14,542	20. Garrett	3.6%
Talbot	37,643	1,151,073,582	30,579	1.6%	21. Caroline	14,189	21. Baltimore	3.5%
Washington	149,573	2,585,637,896	17,287	3.7%	22. Dorchester	13,968	22. Caroline	3.4%
Wicomico	101,539	1,476,530,845	14,542	4.6%	23. Allegany	12,729	23. Talbot	1.6%
Worcester	51,675	1,083,279,962	20,963	8.6%	24. Somerset	8,493	24. Dorchester	0.9%
Statewide	5,976,407	\$154,801,184,995	\$25,902	5.9%				

Source: Comptroller's Office; Department of Legislative Services

**Exhibit 5.11
Growth in Net Taxable Income**

County	TY 2008	TY 2009	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014
Allegany	-6.5%	-1.2%	-0.3%	0.5%	2.2%	1.7%	4.2%
Anne Arundel	-3.7%	-4.0%	5.6%	4.5%	10.6%	-0.3%	4.8%
Baltimore City	-8.1%	-2.7%	3.9%	4.5%	6.3%	1.0%	10.2%
Baltimore	-12.2%	-6.1%	5.1%	4.9%	12.6%	1.2%	3.5%
Calvert	-4.1%	1.7%	2.1%	4.1%	6.8%	0.8%	4.3%
Caroline	-10.5%	-2.5%	2.1%	2.9%	4.7%	1.7%	3.4%
Carroll	-5.7%	-1.0%	3.3%	6.5%	7.5%	1.3%	5.6%
Cecil	-5.3%	-5.1%	3.0%	3.6%	5.6%	1.4%	5.4%
Charles	0.7%	1.1%	5.3%	3.8%	4.5%	2.1%	9.5%
Dorchester	-19.8%	-4.8%	4.1%	1.4%	7.2%	4.3%	0.9%
Frederick	-5.2%	-2.1%	6.0%	3.7%	7.1%	3.4%	4.8%
Garrett	-4.9%	-5.7%	2.9%	6.9%	0.7%	4.7%	3.6%
Harford	-3.9%	-1.8%	4.0%	6.1%	7.4%	0.3%	4.7%
Howard	-4.9%	-0.5%	7.7%	6.4%	10.8%	-1.1%	7.7%
Kent	-22.2%	-9.3%	7.4%	0.5%	29.5%	-3.7%	5.4%
Montgomery	-11.2%	-5.3%	9.3%	5.6%	10.5%	-3.8%	7.5%
Prince George's	-1.5%	2.0%	4.4%	4.9%	4.4%	1.9%	3.9%
Queen Anne's	-10.0%	-6.0%	6.2%	4.7%	7.9%	1.3%	6.8%
St. Mary's	-2.9%	6.6%	5.8%	5.8%	5.2%	1.2%	4.2%
Somerset	-10.8%	-4.2%	-0.9%	-0.5%	3.0%	2.5%	4.9%
Talbot	-25.0%	-10.2%	7.9%	5.2%	10.9%	0.4%	1.6%
Washington	-7.8%	-4.8%	3.0%	3.8%	6.0%	2.8%	3.7%
Wicomico	-10.8%	-4.2%	1.8%	1.0%	4.7%	2.9%	4.6%
Worcester	-11.9%	-9.2%	9.2%	2.1%	8.7%	-0.4%	8.6%
Total	-7.9%	-3.2%	6.1%	5.0%	9.0%	-0.3%	5.9%

Source: Comptroller's Office

Exhibit 5.12
Net Taxable Income for Maryland Counties

County	TY 2008	TY 2009	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014
Allegany	\$865,875,839	\$855,751,473	\$853,305,437	\$857,812,508	\$876,505,845	\$891,109,512	\$928,616,390
Anne Arundel	13,439,040,498	12,902,381,450	13,625,411,460	14,232,799,973	15,740,435,663	15,696,336,209	16,451,849,355
Baltimore City	7,381,747,368	7,185,368,520	7,467,933,579	7,805,962,442	8,296,655,508	8,375,515,816	9,231,171,234
Baltimore	18,135,334,970	17,021,144,273	17,881,894,299	18,766,745,469	21,125,266,456	21,372,787,672	22,125,142,395
Calvert	1,982,461,512	2,015,317,894	2,058,133,830	2,143,482,881	2,288,416,921	2,307,497,701	2,406,425,478
Caroline	409,206,703	399,084,718	407,328,571	419,287,309	438,993,378	446,333,721	461,687,442
Carroll	3,618,811,431	3,581,894,274	3,699,705,615	3,941,789,478	4,237,465,943	4,293,658,378	4,535,399,339
Cecil	1,690,134,777	1,603,420,273	1,652,071,679	1,712,130,208	1,807,773,925	1,833,823,071	1,932,542,476
Charles	2,780,008,615	2,810,271,460	2,960,443,829	3,072,873,161	3,210,666,929	3,277,819,250	3,589,817,939
Dorchester	401,656,825	382,454,135	397,945,007	403,332,432	432,224,951	450,789,391	455,064,594
Frederick	5,186,740,457	5,076,094,597	5,379,266,522	5,577,033,442	5,974,849,768	6,176,435,177	6,475,311,953
Garrett	396,319,123	373,758,487	384,686,741	411,162,452	413,844,923	433,474,733	449,244,467
Harford	5,102,341,898	5,009,343,531	5,211,316,589	5,529,301,920	5,938,050,507	5,954,523,781	6,232,293,561
Howard	8,813,104,613	8,767,276,060	9,442,191,637	10,050,688,156	11,134,155,005	11,015,274,943	11,864,668,375
Kent	345,378,009	313,113,309	336,217,548	337,990,710	437,703,684	421,322,846	443,918,710
Montgomery	32,876,469,466	31,148,293,840	34,040,992,827	35,956,418,354	39,729,557,135	38,213,261,147	41,095,504,921
Prince George's	12,724,069,846	12,979,204,501	13,543,857,382	14,214,003,873	14,841,280,221	15,121,789,629	15,708,106,692
Queen Anne's	1,070,637,968	1,006,842,399	1,069,568,975	1,119,545,841	1,208,010,438	1,223,462,564	1,306,380,667
St. Mary's	1,958,252,907	2,087,314,006	2,207,425,070	2,336,158,485	2,458,269,122	2,488,155,058	2,591,883,765
Somerset	209,885,636	201,071,081	199,285,818	198,285,964	204,216,654	209,408,778	219,632,957
Talbot	997,801,625	895,821,324	966,801,287	1,017,356,687	1,128,275,661	1,133,210,002	1,151,073,582
Washington	2,247,552,637	2,139,315,281	2,203,921,097	2,288,356,006	2,425,819,499	2,493,403,161	2,585,637,896
Wicomico	1,329,950,633	1,274,113,379	1,296,763,909	1,309,400,322	1,371,238,083	1,411,553,179	1,476,530,845
Worcester	910,200,259	826,289,705	902,488,197	921,398,110	1,001,765,477	997,677,273	1,083,279,962
Total	\$124,872,983,615	\$120,854,939,970	\$128,188,956,905	\$134,623,316,183	\$146,721,441,696	\$146,238,622,992	\$154,801,184,995

Source: Comptroller's Office

Chapter 6. County Salary Actions

The majority of county governments and boards of education provided salary enhancements to their employees in fiscal 2016. With salary actions still pending in 2 counties, at least 17 counties are providing their employees a cost-of-living adjustment (COLA), general salary increase (GSI), step increase, or combination of enhancements in fiscal 2016, compared to 21 counties in fiscal 2015. More specifically, 12 counties have indicated that they are providing their employees with a COLA or GSI in fiscal 2016, compared to 16 counties in fiscal 2015. Twelve counties are providing step or merit increases in fiscal 2016, compared to 16 in fiscal 2015.

Similarly, the number of boards of education providing salary enhancements increased slightly in fiscal 2016. Twenty-three boards of education are providing a COLA, GSI, step increase, or combination of enhancements for their employees in fiscal 2016, compared to 20 boards that did so in fiscal 2015. Fourteen boards of education have indicated that they are providing COLAs or general salary increases for their employees in fiscal 2016, while 12 boards did so in fiscal 2015. Additionally, 21 boards of education provided step or merit increases for their employees in fiscal 2016, compared to 18 boards in fiscal 2015.

No county governments designated service reduction days or implemented employee furloughs in fiscal 2015 or 2016. However, one board of education reduced the work year for 10-month clerical staff and instructional assistants by one day in fiscal 2015. While no county government indicated plans to lay off its employees in fiscal 2016, four boards of education eliminated 109 positions through employee layoffs, compared to 15 positions at two local school systems in fiscal 2015.

Two boards of education also eliminated positions through attrition in fiscal 2015 and 2016. Finally, one county government revised layoff plans during fiscal 2015, resulting in the elimination of 41 positions.

Exhibit 6.1 indicates the number of jurisdictions providing salary enhancements over the last 10 years. **Exhibit 6.2** compares the salary actions for county, public school, and State employees in fiscal 2015 and 2016. **Exhibit 6.3** shows local salary enhancements in fiscal 2016. **Exhibit 6.4** describes the local government furlough, salary reduction, and layoff plans for fiscal 2016 and changes made during fiscal 2015.

The annual growth in local government salaries trailed the other sectors of the Maryland economy. Over the last 10 years, the average weekly wage for local government employees increased by 2.5% annually compared to 2.6% for State government and private-sector employees, and 3.0% for federal employees. **Table 6.1** compares the annual growth in the average weekly wage for the three levels of government and the private sector in Maryland.

Table 6.1
Growth in Average Weekly Wages

	<u>2004</u>	<u>2014</u>	<u>Annual Increase</u>
Federal Government	\$1,356	\$1,818	3.0%
State Government	815	1,055	2.6%
Local Government	781	1,001	2.5%
Private Sector	788	1,023	2.6%

Source: Department of Labor, Licensing, and Regulation

Exhibit 6.1
Number of Counties Providing Salary Increases
Fiscal 2007-2016

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
State Government										
COLAs	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	No
Step Increases	Yes	Yes	Yes	No	No	No	No	Yes	Yes	No
Local Government										
COLAs										
County Employees	24	22	20	6	1	2	8	18	16	12
Board of Education	24	24	22	10	4	2	8	7	12	14
Step Increases										
County Employees	21	23	20	8	4	4	7	13	16	12
Board of Education	24	24	24	14	10	9	19	21	18	21
Both COLA and Step										
County Employees	21	21	17	2	0	1	1	10	11	7
Board of Education	24	24	22	8	3	2	6	7	10	12

Source: Department of Legislative Services

Exhibit 6.2
Local Government Salary Actions
Fiscal 2015 and 2016

<u>Salary Action</u>	<u>County Government</u>		<u>Public Schools</u>	
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2015</u>	<u>FY 2016</u>
COLA/GSI				
No COLA/GSI	8	10	12	10
COLA/GSI	16	12	12	14
Still Pending	0	2	0	0
Stipend/Bonus¹	2	1	3	2
Step/Merit Increases²	16	12	18	21
Furlough/Salary Reductions	0	0	1	0
Layoffs	1	0	2	4
	<u>State Government</u>		<u>CPI-Urban Consumers³</u>	
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2015</u>	<u>FY 2016</u>
COLA Amount	2.0% ⁴	0.0%	0.7%	0.8%
Furloughs	No	No		
Step/Merit Increases	Yes ⁵	No		

COLA: Cost-of-living adjustment

CPI: Consumer Price Index

GSI: General Salary Increase

¹ In fiscal 2015, Garrett County employees received a performance incentive in addition to a GSI; Frederick County Public Schools employees received a payment to offset insurance premium increases in addition to a COLA; Baltimore County and Baltimore County Public Schools employees received a bonus in addition to a step increase; and Carroll County Public Schools employees received a bonus. For fiscal 2016, Charles County employees receive a bonus; Carroll County Public Schools employees receive a bonus in addition to a COLA; and in Somerset County, teachers with national certification receive a bonus, as well as teachers and administrators with advanced degrees.

² Although included in the count as a general step increase in fiscal 2015 and 2016, Wicomico County limited its step increase in both fiscal years to its police officers.

³ Forecast of the CPI for 2015 (actual) and 2016 (estimate) comes from IHS, Inc.

⁴ Fiscal 2015 COLA effective January 1, 2015.

⁵ Fiscal 2015 increment effective July 1, 2014, or January 1, 2015, depending on date hired.

Source: 2015 Local Government Salary Action Survey, Department of Legislative Services

Exhibit 6.3
Local Government Salary Actions in Fiscal 2016

County	County Government Generally		Board of Education Teachers	
	COLA/GSI	Step/Merit	COLA/GSI	Step/Merit
Allegany	3.0%	No	1.0%	Yes
Anne Arundel	2.0%-3.0% ¹	No	2.0%	No
Baltimore City	Varies ²	Yes ³	1.0% ⁴	Yes ⁵
Baltimore	3.0%	Yes	5.0% ⁶	Yes
Calvert	0.0%	No	0.0%	No
Caroline	Varies ⁷	No	0.0%	Yes ⁸
Carroll	1.25% ⁹	Yes	2.5% ¹⁰	No
Cecil	Pending	Pending	1.3%	Yes
Charles	0.0% ¹¹	No	0.0%	Yes ¹²
Dorchester	0.5%	Yes	1.0% ¹³	Yes ¹⁴
Frederick	0.0%	No	0.0%	Yes ¹⁵
Garrett	0.0%	No	Limited ¹⁶	Yes ¹⁷
Harford	0.0%	Yes	1.0%	Yes ¹⁸
Howard	Limited ¹⁹	Yes	0.0%	Yes ²⁰
Kent	Varies ²¹	No	0.0%	Yes
Montgomery	2.0%	Yes ²²	2.0%	Yes
Prince George's	Pending	Pending	1.0% ²³	Limited ²⁴
Queen Anne's	1.5%	Yes ²⁵	1.0%	Yes
St. Mary's	0.0%	Yes	0.0%	Yes ²⁶
Somerset	2.5%	No	1.0%	Yes ²⁷
Talbot	0.0%	Yes ²⁸	0.0%	Yes
Washington	0.0%	Yes	0.0%	Yes ²⁹
Wicomico	0.0%	Limited ³⁰	0.8%	Yes
Worcester	0.0%	No	0.0%	Yes ³¹
Number Granting	12	12	14	21

COLA: cost-of-living adjustment

GSI: general salary increase

Comments

¹ In Anne Arundel County, nonunion employees, correctional program specialists, and park rangers receive 2% COLA; all others receive 3%.

² Baltimore City firefighters receive no salary increase, City Union of Baltimore employees receive 1%, and police officers 6%; all others receive 2%.

³ Eligible Baltimore City employees, with the exception of Managerial and Professional Society, receive built-in step increases.

⁴ Baltimore City teachers and administrators receive 1.0% COLA; paraprofessionals 1.5%. Contract negotiations are pending for other school employees.

⁵ Eligible Baltimore City teachers, administrators, and paraprofessionals receive step increases; contract negotiations are pending for other school employees.

⁶ Baltimore County teachers and administrators receive 5% COLA; other professional employees and support staff receive 3%.

⁷ Caroline County employees receive GSI ranging from \$250 to \$1,750.

⁸ In lieu of a step increase, Caroline County teachers and support personnel on longevity steps (step 15 or above) receive a 1.5% salary increase.

⁹ Carroll County employees in general receive a 1.25% COLA, with the exception of sheriff's office employees who are under a new salary plan.

¹⁰ In addition to a 2.5% COLA increase, Carroll County Public Schools employees receive a 1.0% bonus.

¹¹ Charles County employees awarded a one-time \$1,500 bonus.

¹² In lieu of a step increase, Charles County teachers and administrators at the highest step receive 2% COLA; support staff at step 17 or higher receive 1%.

¹³ Dorchester County teachers and administrators receive 1% GSI; support personnel receive 2%.

¹⁴ All eligible Dorchester County Public Schools employees receive a one-step increase, and longevity stipends are awarded, starting at 28 years of service for teachers and administrators and 30 years for support staff. Employees at the top of the scale receive a 1% salary increase in lieu of a step increase.

¹⁵ Eligible Frederick County Public Schools employees receive a delayed step increase (effective December 1, 2015), equal to an average of 3.5%.

¹⁶ With the exception of teachers, who receive a step increase, all Garrett County Public Schools employees receive a 1.5% COLA; administrators receive 2.0%.

¹⁷ Garrett County teachers receive a step increase; no step increases for administrators and support personnel (although those employees do receive a COLA increase).

¹⁸ All eligible Harford County Public Schools employees receive a 3% step increase, except for noncertificated supervisors and administrators, who receive 1%.

¹⁹ Howard County police officers, police sergeants, and fire and rescue receive a 4% GSI; all other county employees receive no increases.

²⁰ Howard County Public Schools employees will receive a delayed step increase on December 24, 2015.

²¹ Kent County employees transitioned to a new salary plan; increases awarded based on formula yielding one of three possible outcomes of at least a 1% increase for all.

²² With the exception of Management Leadership Service employees, all eligible employees of Montgomery County receive a 3.5% increment.

²³ Prince George's County teachers and custodial staff receive 1% COLA, support staff 2%, and no COLA increase for administrators.

²⁴ Prince George's County teachers and administrators receive a delayed step increase; no step increases for custodial and support staff.

²⁵ Queen Anne's County employees receive merit increases of 1%, 2%, or 3%.

²⁶ St. Mary's County teachers and support personnel receive three reclaimed steps; administrators receive two.

²⁷ In addition to step increases for eligible employees, Somerset County teachers with national certification receive a \$2,000 bonus; teachers and administrators receive bonuses of \$1,500 for Master's degree plus 30 credits or \$2,100 for a doctorate.

²⁸ Talbot County employees receive a delayed step increase ranging from 1% to 3%, effective January 1, 2016.

²⁹ Washington County Public Schools employees receive a step increase. One step added to the teachers' pay scale and, in lieu of a step increase, administrators at top of scale receive 1% GSI.

³⁰ Wicomico County police officers receive a 1-1/2 step increase; all other county employees received no increases.

³¹ In lieu of a step increase, Worcester County teachers and support personnel at the top of the scale receive a 1% salary increase.

Exhibit 6.4
Local Government Furloughs, Salary Reductions, and Layoffs:
Plans for Fiscal 2016 and Changes Made During Fiscal 2015

County	Furlough/Reduction	Layoffs	
Allegany	No	Yes	School system indicated that 1 position was involuntarily eliminated in fiscal 2016. Since the beginning of fiscal 2014, an additional 80.1 positions have been eliminated through attrition, including 28 positions in fiscal 2016.
Anne Arundel	No	No	
Baltimore City	No	Yes	City laid off 41 employees in fiscal 2015; school system indicated plans to lay off 78 administrative support positions in fiscal 2016.
Baltimore	No	No	
Calvert	No	Yes	School system indicated plans to lay off 9 teachers and 18 support staff in fiscal 2016.
Caroline	No	No	
Carroll	Yes	No	School system indicated that the work year for 10-month clerical and instructional assistants was reduced by one day each in fiscal 2013, 2014, and 2015.
Cecil	No	No	
Charles	No	No	
Dorchester	No	No	
Frederick	No	Yes	School system indicated that 13 employees were laid off in fiscal 2015, and 81.7 teacher positions were eliminated in fiscal 2016. All but 3 of the positions eliminated in fiscal 2016 were absorbed by attrition.
Garrett	No	No	
Harford	No	No	
Howard	No	No	
Kent	No	Yes	School system did not renew two teachers in fiscal 2015.

County	Furlough/Reduction	Layoffs
Montgomery	No	No
Prince George's	No	No
Queen Anne's	No	No
St. Mary's	No	No
Somerset	No	No
Talbot	No	No
Washington	No	No
Wicomico	No	No
Worcester	No	No
Total Jurisdictions Implementing Plans	1	5

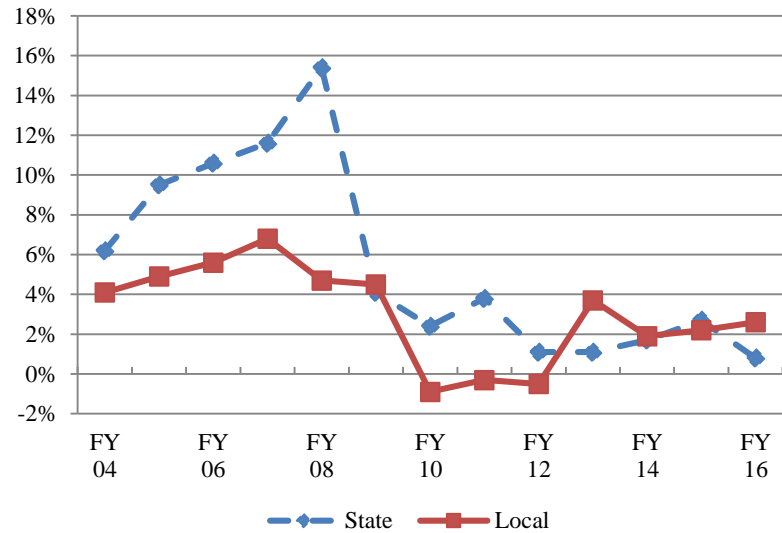
Chapter 7. Public School Funding and Student Enrollment

Public schools are funded from federal, State, and local sources. Approximately 47% of public school funding in Maryland comes from local sources, and 48.5% comes from the State. The federal government provides only 4.5% of public school funding. As shown in **Exhibit 7.1**, the reliance on local funding varies across the State. Local revenue as a percent of total public school funding ranges from 19.4% in Caroline County to 71.5% in Worcester County. State funding as a percent of public school revenues ranges from 23.8% in Worcester County to 74.3% in Caroline County. Seven local school systems (Baltimore City and Allegany, Caroline, Dorchester, Somerset, Washington, and Wicomico counties) receive over 60% of their revenue from the State.

State Commitment to Public Schools

State education aid increased from \$3.3 billion in fiscal 2004 to \$6.1 billion in fiscal 2016, a \$2.8 billion or 85.5% increase in State support for public education. This represents a 5.3% average annual increase over this period. **Table 7.1** compares the increases in State and local funding for public schools since fiscal 2004.

Table 7.1
State and Local Funding for Public Schools
Annual Percent Growth



Source: Department of Legislative Services

Per Pupil Funding

Public schools in Maryland receive about \$14,917 in total funding for each pupil in fiscal 2016. Worcester County has the highest per pupil revenues at \$17,606, while Baltimore City has the second highest at \$16,713. Somerset County has the

third highest at \$16,304. Harford and Talbot counties have the lowest per pupil revenues at \$13,236 and \$12,847, respectively. **Exhibit 7.2** shows the per pupil revenues for public schools in fiscal 2016 by revenue source.

Per pupil federal funding in fiscal 2016 averages \$675 statewide, ranging from \$351 in Howard County to \$1,284 in Baltimore City, as shown in **Exhibit 7.3**. Federal funding is targeted to disadvantaged students through Title 1 grants and students with disabilities through special education basic state grants.

Per pupil State funding in fiscal 2016 averages \$7,233 statewide, ranging from \$3,871 in Talbot County to \$12,049 in Baltimore City, as shown in **Exhibit 7.4**. The majority of State aid to public schools is distributed inversely to local wealth, whereby the less affluent school systems receive relatively more State aid. In addition, State funding is targeted to local school systems based on enrollments of at-risk student groups, including students who receive free and reduced-price meals, students who are limited English proficient, and students receiving special education services.

Per pupil local appropriations in fiscal 2016 average \$6,914 statewide, ranging from \$2,595 in Caroline County to \$12,545 in Worcester County, as shown in **Exhibit 7.5**. Howard, Montgomery, Kent, Talbot, and Anne Arundel counties have the next highest per pupil local funding. **Exhibit 7.6** shows per pupil funding from miscellaneous local revenues.

Local Appropriations

Local appropriations to the boards of education total \$5.9 billion in fiscal 2016, representing a 2.6% increase from the prior year. **Exhibit 7.7** shows the local appropriations to the boards of education for fiscal 2011 through 2016, and **Exhibit 7.8** shows the annual percent change in the local appropriation.

Public School Construction

State funding for public school construction projects remains a high priority for elected officials. Over the last 10 years (fiscal 2007 through 2016), State officials have provided \$3.3 billion for local school construction projects. As shown in **Exhibit 7.9**, cumulative State funding for school construction projects over the last 10 years has ranged from \$6.3 million in Talbot County to over \$400 million in Baltimore and Montgomery counties.

Student Enrollment and Local Wealth

Information on student enrollment counts and local wealth measures used to allocate State education aid in fiscal 2016 and 2017 is provided in **Exhibits 7.10** through **7.14**. The racial composition in Maryland public schools is shown in **Exhibit 7.15**.

Exhibit 7.1
Revenue Sources for Public Schools in Fiscal 2016

County	Federal	State	Local	Ranking by Percent State		Ranking by Percent Local			
Allegany	7.0%	68.6%	24.4%	1.	Caroline	74.3%	1.	Worcester	71.5%
Anne Arundel	3.8%	37.7%	58.5%	2.	Wicomico	72.3%	2.	Howard	64.4%
Baltimore City	7.7%	72.1%	20.2%	3.	Baltimore City	72.1%	3.	Talbot	64.2%
Baltimore	4.7%	45.9%	49.4%	4.	Somerset	71.3%	4.	Montgomery	63.8%
Calvert	3.7%	43.2%	53.1%	5.	Allegany	68.6%	5.	Anne Arundel	58.5%
Caroline	6.3%	74.3%	19.4%	6.	Dorchester	65.2%	6.	Kent	57.6%
Carroll	3.3%	44.3%	52.5%	7.	Washington	62.1%	7.	Queen Anne's	54.2%
Cecil	4.2%	56.1%	39.7%	8.	Prince George's	59.1%	8.	Calvert	53.1%
Charles	4.2%	50.0%	45.7%	9.	Cecil	56.1%	9.	Carroll	52.5%
Dorchester	5.4%	65.2%	29.5%	10.	Frederick	50.1%	10.	Garrett	50.6%
Frederick	3.7%	50.1%	46.3%	11.	Charles	50.0%	11.	Baltimore	49.4%
Garrett	5.8%	43.6%	50.6%	12.	St. Mary's	49.9%	12.	Harford	47.8%
Harford	4.5%	47.7%	47.8%	13.	Harford	47.7%	13.	Frederick	46.3%
Howard	2.2%	33.4%	64.4%	14.	Baltimore	45.9%	14.	Charles	45.7%
Kent	5.3%	37.1%	57.6%	15.	Carroll	44.3%	15.	St. Mary's	43.7%
Montgomery	3.0%	33.2%	63.8%	16.	Garrett	43.6%	16.	Cecil	39.7%
Prince George's	5.3%	59.1%	35.6%	17.	Calvert	43.2%	17.	Prince George's	35.6%
Queen Anne's	5.0%	40.8%	54.2%	18.	Queen Anne's	40.8%	18.	Washington	32.6%
St. Mary's	6.3%	49.9%	43.7%	19.	Anne Arundel	37.7%	19.	Dorchester	29.5%
Somerset	7.2%	71.3%	21.5%	20.	Kent	37.1%	20.	Allegany	24.4%
Talbot	5.7%	30.1%	64.2%	21.	Howard	33.4%	21.	Wicomico	21.5%
Washington	5.3%	62.1%	32.6%	22.	Montgomery	33.2%	22.	Somerset	21.5%
Wicomico	6.2%	72.3%	21.5%	23.	Talbot	30.1%	23.	Baltimore City	20.2%
Worcester	4.7%	23.8%	71.5%	24.	Worcester	23.8%	24.	Caroline	19.4%
Total	4.5%	48.5%	47.0%						

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.2
Per Pupil Revenues for Public Schools in Fiscal 2016

County	Federal	State	Local	Misc.	Total	Ranking by Total Per Pupil Funding	
Allegany	\$1,038	\$10,246	\$3,588	\$54	\$14,926	1.	Worcester \$17,606
Anne Arundel	515	5,143	7,932	39	13,629	2.	Baltimore City 16,713
Baltimore City	1,284	12,049	3,262	118	16,713	3.	Somerset 16,304
Baltimore	677	6,564	6,974	97	14,312	4.	Kent 15,981
Calvert	508	6,011	7,361	25	13,905	5.	Howard 15,931
Caroline	868	10,282	2,595	88	13,833	6.	Prince George's 15,691
Carroll	441	6,005	6,998	121	13,566	7.	Montgomery 15,663
Cecil	567	7,505	5,281	30	13,383	8.	Allegany 14,926
Charles	610	7,211	6,521	67	14,409	9.	Dorchester 14,858
Dorchester	797	9,682	4,200	179	14,858	10.	Garrett 14,831
Frederick	490	6,695	6,060	124	13,369	11.	Charles 14,409
Garrett	859	6,465	7,222	285	14,831	12.	Baltimore 14,312
Harford	595	6,310	6,228	103	13,236	13.	Calvert 13,905
Howard	351	5,320	10,138	122	15,931	14.	Caroline 13,833
Kent	854	5,924	9,117	85	15,981	15.	Wicomico 13,667
Montgomery	473	5,203	9,916	71	15,663	16.	Anne Arundel 13,629
Prince George's	835	9,276	5,433	148	15,691	17.	Carroll 13,566
Queen Anne's	673	5,451	7,083	151	13,358	18.	Washington 13,535
St. Mary's	844	6,649	5,783	45	13,322	19.	Cecil 13,383
Somerset	1,175	11,631	3,459	38	16,304	20.	Frederick 13,369
Talbot	732	3,871	8,229	15	12,847	21.	Queen Anne's 13,358
Washington	713	8,409	4,366	48	13,535	22.	St. Mary's 13,322
Wicomico	842	9,883	2,798	144	13,667	23.	Harford 13,236
Worcester	829	4,197	12,545	36	17,606	24.	Talbot 12,847
Total	\$675	\$7,233	\$6,914	\$95	\$14,917		

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.3
Federal Funding for Public Schools in Fiscal 2016

County	2015 Total Enrollment	Total Federal Aid	Per Pupil	<u>Ranking by Per Pupil Aid</u>
Allegany	8,317	\$8,632,836	\$1,038	1. Baltimore City \$1,284
Anne Arundel	78,233	40,263,100	515	2. Somerset 1,175
Baltimore City	79,158	101,646,398	1,284	3. Allegany 1,038
Baltimore	107,378	72,664,206	677	4. Caroline 868
Calvert	15,607	7,933,954	508	5. Garrett 859
Caroline	5,305	4,605,665	868	6. Kent 854
Carroll	25,178	11,103,668	441	7. St. Mary's 844
Cecil	15,102	8,561,938	567	8. Wicomico 842
Charles	25,475	15,533,721	610	9. Prince George's 835
Dorchester	4,515	3,599,477	797	10. Worcester 829
Frederick	39,478	19,331,295	490	11. Dorchester 797
Garrett	3,682	3,161,474	859	12. Talbot 732
Harford	36,640	21,786,206	595	13. Washington 713
Howard	53,674	18,823,711	351	14. Baltimore 677
Kent	1,912	1,632,922	854	15. Queen Anne's 673
Montgomery	152,043	71,917,356	473	16. Charles 610
Prince George's	123,191	102,894,600	835	17. Harford 595
Queen Anne's	7,462	5,025,292	673	18. Cecil 567
St. Mary's	16,948	14,311,800	844	19. Anne Arundel 515
Somerset	2,716	3,192,528	1,175	20. Calvert 508
Talbot	4,401	3,219,335	732	21. Frederick 490
Washington	21,724	15,491,352	713	22. Montgomery 473
Wicomico	14,762	12,427,893	842	23. Carroll 441
Worcester	6,275	5,199,008	829	24. Howard 351
Total	849,176	\$572,959,735	\$675	

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.4
State Funding for Public Schools in Fiscal 2016

County	2015 Total Enrollment	Total State Aid	Per Pupil	Ranking by Per Pupil Aid	
Allegany	8,317	\$85,218,377	\$10,246	1.	Baltimore City \$12,049
Anne Arundel	78,233	402,347,318	5,143	2.	Somerset 11,631
Baltimore City	79,158	953,776,777	12,049	3.	Caroline 10,282
Baltimore	107,378	704,820,205	6,564	4.	Allegany 10,246
Calvert	15,607	93,818,536	6,011	5.	Wicomico 9,883
Caroline	5,305	54,547,650	10,282	6.	Dorchester 9,682
Carroll	25,178	151,198,839	6,005	7.	Prince George's 9,276
Cecil	15,102	113,334,394	7,505	8.	Washington 8,409
Charles	25,475	183,702,887	7,211	9.	Cecil 7,505
Dorchester	4,515	43,714,098	9,682	10.	Charles 7,211
Frederick	39,478	264,318,492	6,695	11.	Frederick 6,695
Garrett	3,682	23,805,951	6,465	12.	St. Mary's 6,649
Harford	36,640	231,200,363	6,310	13.	Baltimore 6,564
Howard	53,674	285,523,583	5,320	14.	Garrett 6,465
Kent	1,912	11,327,173	5,924	15.	Harford 6,310
Montgomery	152,043	791,128,749	5,203	16.	Calvert 6,011
Prince George's	123,191	1,142,666,818	9,276	17.	Carroll 6,005
Queen Anne's	7,462	40,674,142	5,451	18.	Kent 5,924
St. Mary's	16,948	112,690,291	6,649	19.	Queen Anne's 5,451
Somerset	2,716	31,589,908	11,631	20.	Howard 5,320
Talbot	4,401	17,037,890	3,871	21.	Montgomery 5,203
Washington	21,724	182,671,877	8,409	22.	Anne Arundel 5,143
Wicomico	14,762	145,894,822	9,883	23.	Worcester 4,197
Worcester	6,275	26,335,653	4,197	24.	Talbot 3,871
Unallocated		48,901,694	58		
Total	849,176	\$6,142,246,487	\$7,233		

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.5
Local Funding for Public Schools in Fiscal 2016

County	2015 Total Enrollment	Local Appropriation	Per Pupil	Ranking by Per Pupil Funding	
Allegany	8,317	\$29,837,545	\$3,588	1.	Worcester \$12,545
Anne Arundel	78,233	620,575,900	7,932	2.	Howard 10,138
Baltimore City	79,158	258,212,181	3,262	3.	Montgomery 9,916
Baltimore	107,378	748,849,077	6,974	4.	Kent 9,117
Calvert	15,607	114,876,122	7,361	5.	Talbot 8,229
Caroline	5,305	13,765,180	2,595	6.	Anne Arundel 7,932
Carroll	25,178	176,202,000	6,998	7.	Calvert 7,361
Cecil	15,102	79,750,778	5,281	8.	Garrett 7,222
Charles	25,475	166,121,100	6,521	9.	Queen Anne's 7,083
Dorchester	4,515	18,963,336	4,200	10.	Carroll 6,998
Frederick	39,478	239,238,105	6,060	11.	Baltimore 6,974
Garrett	3,682	26,590,600	7,222	12.	Charles 6,521
Harford	36,640	228,208,971	6,228	13.	Harford 6,228
Howard	53,674	544,144,625	10,138	14.	Frederick 6,060
Kent	1,912	17,432,020	9,117	15.	St. Mary's 5,783
Montgomery	152,043	1,507,631,597	9,916	16.	Prince George's 5,433
Prince George's	123,191	669,292,125	5,433	17.	Cecil 5,281
Queen Anne's	7,462	52,850,293	7,083	18.	Washington 4,366
St. Mary's	16,948	98,015,001	5,783	19.	Dorchester 4,200
Somerset	2,716	9,395,088	3,459	20.	Allegany 3,588
Talbot	4,401	36,216,540	8,229	21.	Somerset 3,459
Washington	21,724	94,844,030	4,366	22.	Baltimore City 3,262
Wicomico	14,762	41,306,646	2,798	23.	Wicomico 2,798
Worcester	6,275	78,718,960	12,545	24.	Caroline 2,595
Total	849,176	\$5,871,037,820	\$6,914		

Source: Maryland State Department of Education; Local School Budgets; Department of Legislative Services

Exhibit 7.6
Miscellaneous Local Funding for Public Schools in Fiscal 2016

County	2015 Total Enrollment	Miscellaneous Local Funding	Per Pupil	Ranking by Per Pupil Funding	
Allegany	8,317	\$453,123	\$54	1.	Garrett \$285
Anne Arundel	78,233	3,015,000	39	2.	Dorchester 179
Baltimore City	79,158	9,361,948	118	3.	Queen Anne's 151
Baltimore	107,378	10,428,447	97	4.	Prince George's 148
Calvert	15,607	385,000	25	5.	Wicomico 144
Caroline	5,305	465,000	88	6.	Frederick 124
Carroll	25,178	3,053,376	121	7.	Howard 122
Cecil	15,102	460,000	30	8.	Carroll 121
Charles	25,475	1,719,080	67	9.	Baltimore City 118
Dorchester	4,515	807,600	179	10.	Harford 103
Frederick	39,478	4,886,625	124	11.	Baltimore 97
Garrett	3,682	1,050,000	285	12.	Caroline 88
Harford	36,640	3,768,597	103	13.	Kent 85
Howard	53,674	6,563,293	122	14.	Montgomery 71
Kent	1,912	162,989	85	15.	Charles 67
Montgomery	152,043	10,836,959	71	16.	Allegany 54
Prince George's	123,191	18,192,600	148	17.	Washington 48
Queen Anne's	7,462	1,124,302	151	18.	St. Mary's 45
St. Mary's	16,948	756,815	45	19.	Anne Arundel 39
Somerset	2,716	104,000	38	20.	Somerset 38
Talbot	4,401	66,000	15	21.	Worcester 36
Washington	21,724	1,034,094	48	22.	Cecil 30
Wicomico	14,762	2,127,743	144	23.	Calvert 25
Worcester	6,275	225,452	36	24.	Talbot 15
Total	849,176	\$81,048,043	\$95		

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.7
Local Appropriations to the Boards of Education
(\$ in Thousands)

County	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Allegany	\$28,240	\$28,240	\$29,392	\$29,770	\$29,418	\$29,838
Anne Arundel	562,360	556,106	584,580	596,455	603,483	620,576
Baltimore City	238,073	242,110	252,814	257,442	254,685	258,212
Baltimore	663,193	668,495	689,791	712,086	738,075	748,849
Calvert	105,010	109,060	110,284	113,394	115,808	114,876
Caroline	12,416	12,299	13,206	13,416	13,437	13,765
Carroll	164,901	163,460	168,900	168,578	171,037	176,202
Cecil	68,351	67,156	69,616	72,848	75,524	79,751
Charles	145,297	145,621	153,957	159,010	161,922	166,121
Dorchester	17,390	16,482	17,963	18,360	18,532	18,963
Frederick	219,866	220,790	227,548	233,354	233,494	239,238
Garrett	23,159	24,859	26,024	26,202	26,691	26,591
Harford	214,062	214,292	219,821	221,301	223,667	228,209
Howard	464,709	467,617	482,385	497,486	530,440	544,145
Kent	17,155	16,128	17,363	17,196	17,192	17,432
Montgomery	1,415,085	1,370,101	1,419,514	1,448,251	1,476,855	1,507,632
Prince George's	599,014	617,515	633,069	623,744	630,219	669,292
Queen Anne's	47,957	43,528	44,860	48,132	51,228	52,850
St. Mary's	76,000	77,046	85,698	89,911	93,911	98,015
Somerset	8,751	8,734	9,104	9,481	9,647	9,395
Talbot	34,330	32,403	34,960	35,158	35,339	36,217
Washington	88,830	89,518	92,952	94,454	94,845	94,844
Wicomico	43,197	36,197	39,174	40,520	40,396	41,307
Worcester	71,339	71,940	73,623	75,478	77,676	78,719
Total	\$5,328,684	\$5,299,698	\$5,496,598	\$5,602,026	\$5,723,521	\$5,871,038

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.8
Local Appropriations to the Boards of Education
Annual Percent Change – Fiscal 2011-2016

County	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Allegany	0.1%	0.0%	4.1%	1.3%	-1.2%	1.4%
Anne Arundel	1.5%	-1.1%	5.1%	2.0%	1.2%	2.8%
Baltimore City	13.4%	1.7%	4.4%	1.8%	-1.1%	1.4%
Baltimore	-1.1%	0.8%	3.2%	3.2%	3.6%	1.5%
Calvert	1.3%	3.9%	1.1%	2.8%	2.1%	-0.8%
Caroline	2.2%	-0.9%	7.4%	1.6%	0.2%	2.4%
Carroll	-1.7%	-0.9%	3.3%	-0.2%	1.5%	3.0%
Cecil	-0.1%	-1.7%	3.7%	4.6%	3.7%	5.6%
Charles	-0.1%	0.2%	5.7%	3.3%	1.8%	2.6%
Dorchester	2.1%	-5.2%	9.0%	2.2%	0.9%	2.3%
Frederick	-4.0%	0.4%	3.1%	2.6%	0.1%	2.5%
Garrett	0.0%	7.3%	4.7%	0.7%	1.9%	-0.4%
Harford	1.5%	0.1%	2.6%	0.7%	1.1%	2.0%
Howard	1.6%	0.6%	3.2%	3.1%	6.6%	2.6%
Kent	-1.0%	-6.0%	7.7%	-1.0%	0.0%	1.4%
Montgomery	-2.4%	-3.2%	3.6%	2.0%	2.0%	2.1%
Prince George's	0.2%	3.1%	2.5%	-1.5%	1.0%	6.2%
Queen Anne's	-0.5%	-9.2%	3.1%	7.3%	6.4%	3.2%
St. Mary's	-4.9%	1.4%	11.2%	4.9%	4.4%	4.4%
Somerset	0.1%	-0.2%	4.2%	4.1%	1.8%	-2.6%
Talbot	0.3%	-5.6%	7.9%	0.6%	0.5%	2.5%
Washington	-0.8%	0.8%	3.8%	1.6%	0.4%	0.0%
Wicomico	-14.9%	-16.2%	8.2%	3.4%	-0.3%	2.3%
Worcester	-0.9%	0.8%	2.3%	2.5%	2.9%	1.3%
Total	-0.3%	-0.5%	3.7%	1.9%	2.2%	2.6%

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.9
State Funding for Public School Construction
(\$ in Thousands)

County	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	10-year Total
Allegany	\$18,650	\$412	\$0	\$0	\$842	\$727	\$1,999	\$2,496	\$6,597	\$10,837	\$42,560
Anne Arundel	22,675	27,827	27,420	25,020	26,200	32,400	33,349	34,870	36,200	39,419	305,380
Baltimore City	39,436	52,665	41,000	27,733	28,559	41,000	46,102	40,266	35,329	36,788	388,878
Baltimore	35,053	52,250	40,985	28,000	29,000	39,000	47,394	52,068	34,561	42,177	400,488
Calvert	2,723	12,644	7,824	8,181	8,450	7,317	7,129	5,577	2,653	1,500	63,998
Caroline	2,935	2,426	8,100	6,000	3,767	235	756	7,788	0	2,902	34,909
Carroll	8,282	8,219	11,741	10,520	8,444	9,079	15,211	4,874	3,915	6,415	86,700
Cecil	8,271	9,533	2,674	1,538	1,744	2,830	1,915	1,268	8,194	4,723	42,690
Charles	10,200	13,170	11,704	8,898	8,335	9,180	12,480	9,426	8,200	12,817	104,410
Dorchester	872	6,137	10,400	6,469	5,436	3,639	979	1,590	768	179	36,469
Frederick	17,942	18,728	14,759	16,226	14,000	16,532	19,254	20,163	15,901	21,000	174,505
Garrett	1,235	6,243	3,020	666	0	382	319	134	0	0	11,999
Harford	11,096	16,238	14,751	16,253	13,835	17,040	16,573	13,214	12,791	9,309	141,099
Howard	17,808	23,206	18,265	18,262	18,290	26,936	32,811	25,931	20,772	27,820	230,101
Kent	3,479	1,335	0	388	0	104	123	95	817	615	6,956
Montgomery	40,040	52,297	53,312	28,350	30,183	42,000	43,794	38,592	39,950	45,708	414,227
Prince George's	37,425	52,250	41,000	28,200	29,500	40,348	42,192	39,371	38,539	41,729	390,554
Queen Anne's	3,000	3,925	4,951	3,947	5,750	5,374	649	4,371	5,112	0	37,079
St. Mary's	5,495	9,806	7,266	4,028	6,600	3,354	3,172	7,472	11,876	7,015	66,084
Somerset	12,022	5,153	0	6,000	6,000	3,371	289	3,811	2,752	2,222	41,620
Talbot	2,405	2,038	0	436	344	135	35	634	0	308	6,335
Washington	4,478	8,970	9,368	7,965	7,970	8,571	9,117	8,494	7,467	8,404	80,804
Wicomico	4,178	8,143	12,960	13,170	9,975	1,864	11,290	13,327	10,991	7,440	93,338
Worcester	6,872	8,213	5,483	403	0	165	166	4,882	0	72	26,256
Statewide	6,100	0	0	0	500	0	2,900	6,563	15,393	8,791	40,247
Total	\$322,672	\$401,828	\$346,983	\$266,653	\$263,724	\$311,583	\$349,997	\$347,277	\$318,778	\$338,190	\$3,267,685

Source: Public School Construction Program; Department of Legislative Services

Exhibit 7.10
Wealth Per Pupil for State Education Aid Programs
Fiscal 2016 and 2017

<u>County</u>	<u>Fiscal 2016</u>	<u>Fiscal 2017</u>	<u>Percent Difference</u>	<u>Ranking by Per Pupil Wealth</u>		<u>Ranking by Percent Difference</u>			
Allegany	\$299,197	\$304,595	1.8%	1.	Worcester	\$1,126,837	1.	Baltimore City	9.7%
Anne Arundel	610,015	625,504	2.5%	2.	Talbot	1,027,063	2.	Frederick	4.7%
Baltimore City	292,864	321,288	9.7%	3.	Kent	852,043	3.	Kent	4.5%
Baltimore	500,086	507,517	1.5%	4.	Montgomery	735,768	4.	Carroll	4.2%
Calvert	470,644	479,660	1.9%	5.	Anne Arundel	625,504	5.	Montgomery	4.1%
Caroline	284,456	286,009	0.5%	6.	Garrett	622,833	6.	Charles	3.8%
Carroll	460,527	479,791	4.2%	7.	Queen Anne's	587,536	7.	Howard	3.6%
Cecil	385,432	389,322	1.0%	8.	Howard	578,584	8.	Harford	2.8%
Charles	389,280	404,164	3.8%	9.	Baltimore	507,517	9.	Somerset	2.7%
Dorchester	353,979	360,325	1.8%	10.	Carroll	479,791	10.	Prince George's	2.7%
Frederick	420,738	440,342	4.7%	11.	Calvert	479,660	11.	Anne Arundel	2.5%
Garrett	608,084	622,833	2.4%	12.	Harford	469,741	12.	Garrett	2.4%
Harford	457,132	469,741	2.8%	13.	St. Mary's	443,232	13.	Queen Anne's	2.3%
Howard	558,318	578,584	3.6%	14.	Frederick	440,342	14.	St. Mary's	2.0%
Kent	815,518	852,043	4.5%	15.	Charles	404,164	15.	Calvert	1.9%
Montgomery	706,889	735,768	4.1%	16.	Cecil	389,322	16.	Washington	1.8%
Prince George's	378,600	388,709	2.7%	17.	Prince George's	388,709	17.	Allegany	1.8%
Queen Anne's	574,248	587,536	2.3%	18.	Dorchester	360,325	18.	Dorchester	1.8%
St. Mary's	434,423	443,232	2.0%	19.	Washington	351,976	19.	Baltimore	1.5%
Somerset	289,596	297,340	2.7%	20.	Baltimore City	321,288	20.	Worcester	1.2%
Talbot	1,041,921	1,027,063	-1.4%	21.	Allegany	304,595	21.	Cecil	1.0%
Washington	345,731	351,976	1.8%	22.	Somerset	297,340	22.	Wicomico	0.6%
Wicomico	276,605	278,266	0.6%	23.	Caroline	286,009	23.	Caroline	0.5%
Worcester	1,113,630	1,126,837	1.2%	24.	Wicomico	278,266	24.	Talbot	-1.4%
Total	\$496,206	\$513,532	3.5%		Statewide	\$513,532		Statewide	3.5%

Note: Wealth measure includes net taxable income for the preceding November. Pupil count is full-time equivalent enrollment for the preceding September.

Exhibit 7.11
Change in Full-time Equivalent Student Enrollment
September 2014 (Fiscal 2016) and September 2015 (Fiscal 2017)

County	Fiscal 2016	Fiscal 2017	Percent Difference	Ranking by FTE Enrollment Growth		Ranking by Percent Difference			
Allegany	8,332.75	8,284.75	-0.6%	1.	Montgomery	1,847.75	1.	Howard	2.0%
Anne Arundel	77,280.00	78,051.50	1.0%	2.	Prince George's	1,286.50	2.	Wicomico	1.3%
Baltimore City	79,503.00	77,583.00	-2.4%	3.	Baltimore	1,199.75	3.	Montgomery	1.2%
Baltimore	105,904.25	107,104.00	1.1%	4.	Howard	1,061.25	4.	Baltimore	1.1%
Calvert	15,594.00	15,569.25	-0.2%	5.	Anne Arundel	771.50	5.	Cecil	1.1%
Caroline	5,293.00	5,303.00	0.2%	6.	Wicomico	185.00	6.	Prince George's	1.1%
Carroll	25,504.50	25,162.50	-1.3%	7.	Cecil	158.75	7.	Anne Arundel	1.0%
Cecil	14,936.00	15,094.75	1.1%	8.	Charles	57.75	8.	Talbot	0.7%
Charles	25,413.00	25,470.75	0.2%	9.	Talbot	29.50	9.	Charles	0.2%
Dorchester	4,574.75	4,501.25	-1.6%	10.	Caroline	10.00	10.	Caroline	0.2%
Frederick	39,654.50	39,391.25	-0.7%	11.	Worcester	-2.00	11.	Worcester	0.0%
Garrett	3,710.00	3,682.00	-0.8%	12.	Somerset	-14.50	12.	St. Mary's	-0.1%
Harford	36,740.25	36,634.50	-0.3%	13.	Queen Anne's	-16.50	13.	Calvert	-0.2%
Howard	52,474.50	53,535.75	2.0%	14.	St. Mary's	-24.00	14.	Queen Anne's	-0.2%
Kent	1,970.00	1,911.00	-3.0%	15.	Calvert	-24.75	15.	Washington	-0.2%
Montgomery	150,097.00	151,944.75	1.2%	16.	Garrett	-28.00	16.	Harford	-0.3%
Prince George's	121,619.25	122,905.75	1.1%	17.	Allegany	-48.00	17.	Somerset	-0.5%
Queen Anne's	7,477.75	7,461.25	-0.2%	18.	Washington	-54.25	18.	Allegany	-0.6%
St. Mary's	16,959.00	16,935.00	-0.1%	19.	Kent	-59.00	19.	Frederick	-0.7%
Somerset	2,726.00	2,711.50	-0.5%	20.	Dorchester	-73.50	20.	Garrett	-0.8%
Talbot	4,371.00	4,400.50	0.7%	21.	Harford	-105.75	21.	Carroll	-1.3%
Washington	21,759.50	21,705.25	-0.2%	22.	Frederick	-263.25	22.	Dorchester	-1.6%
Wicomico	14,074.00	14,259.00	1.3%	23.	Carroll	-342.00	23.	Baltimore City	-2.4%
Worcester	6,261.00	6,259.00	0.0%	24.	Baltimore City	-1,920.00	24.	Kent	-3.0%
Total	842,229.00	845,861.25	0.4%		Statewide	3,632.25		Statewide	0.4%

FTE = full-time equivalent

Note: The September 2014 student enrollment count is used to allocate State funding in fiscal 2016. The September 2015 student enrollment count is used to allocate State funding in fiscal 2017.

Exhibit 7.12
Students Approved for Free and Reduced-price Meals
Fiscal 2016 and 2017

County	Fiscal 2016	Fiscal 2017	Percent Difference	FRPM Count as Percent of FTE Enrollment		Change in FRPM Count			
Allegany	4,647	4,639	-0.2%	1.	Baltimore City	86.6%	1.	Howard	8.9%
Anne Arundel	25,218	25,463	1.0%	2.	Somerset	72.5%	2.	Cecil	6.9%
Baltimore City	67,299	67,193	-0.2%	3.	Dorchester	67.2%	3.	Somerset	5.1%
Baltimore	49,825	49,641	-0.4%	4.	Prince George's	62.5%	4.	Talbot	4.7%
Calvert	3,579	3,473	-3.0%	5.	Wicomico	58.0%	5.	Charles	3.7%
Caroline	2,927	2,909	-0.6%	6.	Allegany	56.0%	6.	Wicomico	2.6%
Carroll	4,879	4,832	-1.0%	7.	Caroline	54.9%	7.	Kent	2.4%
Cecil	6,186	6,612	6.9%	8.	Kent	52.1%	8.	Dorchester	2.3%
Charles	8,585	8,899	3.7%	9.	Washington	48.5%	9.	Anne Arundel	1.0%
Dorchester	2,958	3,027	2.3%	10.	Baltimore	46.3%	10.	Montgomery	0.5%
Frederick	10,164	10,206	0.4%	11.	Garrett	46.0%	11.	Frederick	0.4%
Garrett	1,743	1,693	-2.9%	12.	Cecil	43.8%	12.	Baltimore City	-0.2%
Harford	11,199	11,088	-1.0%	13.	Worcester	43.2%	13.	Allegany	-0.2%
Howard	10,278	11,192	8.9%	14.	Talbot	43.1%	14.	Baltimore	-0.4%
Kent	973	996	2.4%	15.	Charles	34.9%	15.	Queen Anne's	-0.5%
Montgomery	50,670	50,923	0.5%	16.	Montgomery	33.5%	16.	Caroline	-0.6%
Prince George's	77,483	76,798	-0.9%	17.	Anne Arundel	32.6%	17.	Prince George's	-0.9%
Queen Anne's	1,905	1,896	-0.5%	18.	St. Mary's	31.5%	18.	Carroll	-1.0%
St. Mary's	5,388	5,332	-1.0%	19.	Harford	30.3%	19.	Harford	-1.0%
Somerset	1,870	1,966	5.1%	20.	Frederick	25.9%	20.	St. Mary's	-1.0%
Talbot	1,813	1,898	4.7%	21.	Queen Anne's	25.4%	21.	Worcester	-1.2%
Washington	10,756	10,536	-2.0%	22.	Calvert	22.3%	22.	Washington	-2.0%
Wicomico	8,063	8,273	2.6%	23.	Howard	20.9%	23.	Garrett	-2.9%
Worcester	2,734	2,702	-1.2%	24.	Carroll	19.2%	24.	Calvert	-3.0%
Total	371,142	372,187	0.3%		Statewide	44.0%		Statewide	0.3%

FRPM = free and reduced-price meals; FTE = full-time equivalent

Exhibit 7.13
Students Identified as Limited English Proficient
Fiscal 2016 and 2017

County	Fiscal 2016	Fiscal 2017	Percent Difference	LEP Students as Percent of FTE Enrollment		Change in LEP Students			
Allegany	17	14	-17.6%	1.	Prince George's	16.6%	1.	Charles	30.6%
Anne Arundel	3,887	4,012	3.2%	2.	Montgomery	14.7%	2.	Cecil	21.1%
Baltimore City	3,460	3,722	7.6%	3.	Caroline	6.9%	3.	Harford	14.6%
Baltimore	4,236	4,356	2.8%	4.	Talbot	6.6%	4.	Caroline	13.0%
Calvert	131	136	3.8%	5.	Anne Arundel	5.1%	5.	Howard	10.9%
Caroline	323	365	13.0%	6.	Wicomico	5.0%	6.	Somerset	10.9%
Carroll	245	261	6.5%	7.	Frederick	4.9%	7.	Baltimore City	7.6%
Cecil	171	207	21.1%	8.	Howard	4.8%	8.	Carroll	6.5%
Charles	317	414	30.6%	9.	Baltimore City	4.8%	9.	Prince George's	6.0%
Dorchester	134	125	-6.7%	10.	Baltimore	4.1%	10.	Frederick	5.3%
Frederick	1,818	1,914	5.3%	11.	Somerset	3.8%	11.	Calvert	3.8%
Garrett	3	2	-33.3%	12.	Dorchester	2.8%	12.	Wicomico	3.3%
Harford	411	471	14.6%	13.	Queen Anne's	2.3%	13.	Anne Arundel	3.2%
Howard	2,335	2,590	10.9%	14.	Kent	2.2%	14.	Baltimore	2.8%
Kent	53	42	-20.8%	15.	Worcester	2.1%	15.	Montgomery	2.2%
Montgomery	21,894	22,368	2.2%	16.	Washington	1.8%	16.	St. Mary's	0.4%
Prince George's	19,226	20,370	6.0%	17.	Charles	1.6%	17.	Worcester	-1.5%
Queen Anne's	177	174	-1.7%	18.	Cecil	1.4%	18.	Queen Anne's	-1.7%
St. Mary's	227	228	0.4%	19.	St. Mary's	1.3%	19.	Talbot	-3.6%
Somerset	92	102	10.9%	20.	Harford	1.3%	20.	Washington	-6.2%
Talbot	303	292	-3.6%	21.	Carroll	1.0%	21.	Dorchester	-6.7%
Washington	422	396	-6.2%	22.	Calvert	0.9%	22.	Allegany	-17.6%
Wicomico	687	710	3.3%	23.	Allegany	0.2%	23.	Kent	-20.8%
Worcester	135	133	-1.5%	24.	Garrett	0.1%	24.	Garrett	-33.3%
Total	60,704	63,404	4.4%		Statewide	7.5%		Statewide	4.4%

LEP = limited English proficient; FTE = full-time equivalent

Exhibit 7.14
Students Receiving Special Education Services
Fiscal 2016 and 2017

<u>County</u>	<u>Fiscal 2016</u>	<u>Fiscal 2017</u>	<u>Percent Difference</u>	<u>Special Education Students as Percent of FTE Enrollment</u>	<u>Change in Special Education Students</u>		
Allegany	1,313	1,349	2.7%	1. Baltimore City	17.1%	1. Howard	6.1%
Anne Arundel	8,159	8,256	1.2%	2. Allegany	16.3%	2. Charles	4.3%
Baltimore City	13,627	13,270	-2.6%	3. Cecil	15.7%	3. Cecil	4.1%
Baltimore	14,000	14,125	0.9%	4. Somerset	15.6%	4. Calvert	4.0%
Calvert	1,472	1,531	4.0%	5. Harford	13.8%	5. Wicomico	3.4%
Caroline	591	595	0.7%	6. Worcester	13.5%	6. Allegany	2.7%
Carroll	3,027	3,002	-0.8%	7. Baltimore	13.2%	7. Montgomery	2.7%
Cecil	2,272	2,365	4.1%	8. Wicomico	13.0%	8. Talbot	2.7%
Charles	2,771	2,890	4.3%	9. Kent	12.9%	9. Frederick	2.3%
Dorchester	489	477	-2.5%	10. Queen Anne's	12.1%	10. Prince George's	2.2%
Frederick	4,326	4,424	2.3%	11. Montgomery	12.0%	11. Anne Arundel	1.2%
Garrett	420	415	-1.2%	12. Prince George's	11.9%	12. Baltimore	0.9%
Harford	5,059	5,073	0.3%	13. Carroll	11.9%	13. Caroline	0.7%
Howard	4,869	5,164	6.1%	14. Charles	11.3%	14. Harford	0.3%
Kent	253	247	-2.4%	15. Garrett	11.3%	15. Washington	0.2%
Montgomery	17,764	18,248	2.7%	16. Frederick	11.2%	16. Worcester	0.0%
Prince George's	14,361	14,678	2.2%	17. Caroline	11.2%	17. St. Mary's	-0.1%
Queen Anne's	931	905	-2.8%	18. St. Mary's	10.7%	18. Carroll	-0.8%
St. Mary's	1,814	1,812	-0.1%	19. Dorchester	10.6%	19. Garrett	-1.2%
Somerset	444	423	-4.7%	20. Anne Arundel	10.6%	20. Kent	-2.4%
Talbot	443	455	2.7%	21. Talbot	10.3%	21. Dorchester	-2.5%
Washington	2,216	2,221	0.2%	22. Washington	10.2%	22. Baltimore City	-2.6%
Wicomico	1,786	1,847	3.4%	23. Calvert	9.8%	23. Queen Anne's	-2.8%
Worcester	846	846	0.0%	24. Howard	9.6%	24. Somerset	-4.7%
Total	103,253	104,618	1.3%	Statewide	12.4%	Statewide	1.3%

FTE = full-time equivalent

Exhibit 7.15
Racial Composition in Maryland Public Schools
September 2015

County	White	African American	Hispanic/Latino	Asian	American Indian	Pacific Islander	Two or More Races	Percent Minority
Allegany	89.1%	3.0%	1.3%	0.9%	0.2%	0.1%	5.4%	1. Prince George's 95.8%
Anne Arundel	56.8%	20.4%	12.7%	3.6%	0.3%	0.2%	6.0%	2. Baltimore City 92.1%
Baltimore City	7.9%	81.8%	8.2%	1.0%	0.2%	0.2%	0.5%	3. Charles 71.8%
Baltimore	41.1%	38.9%	8.2%	6.8%	0.4%	0.1%	4.4%	4. Montgomery 69.8%
Calvert	72.0%	13.4%	5.5%	1.6%	0.2%	0.1%	7.3%	5. Howard 59.2%
Caroline	64.6%	14.8%	12.0%	0.9%	0.2%	0.0%	7.4%	6. Baltimore 58.9%
Carroll	85.2%	3.8%	5.5%	2.5%	0.2%	0.2%	2.7%	7. Somerset 58.8%
Cecil	78.0%	8.8%	6.3%	0.8%	0.2%	0.1%	5.7%	8. Wicomico 54.9%
Charles	28.2%	54.3%	6.9%	3.1%	0.5%	0.2%	6.8%	9. Dorchester 54.8%
Dorchester	45.2%	39.5%	7.5%	1.1%	0.1%	0.0%	6.5%	10. Anne Arundel 43.2%
Frederick	63.5%	11.4%	14.3%	5.2%	0.4%	0.2%	4.9%	11. Kent 37.6%
Garrett	96.4%	0.3%	0.9%	0.3%	0.0%	0.0%	2.0%	12. Talbot 37.6%
Harford	65.5%	18.4%	6.5%	3.2%	0.3%	0.2%	5.9%	13. Frederick 36.5%
Howard	40.8%	22.5%	9.9%	20.3%	0.2%	0.1%	6.2%	14. Caroline 35.4%
Kent	62.4%	22.2%	7.7%	0.7%	0.2%	0.0%	6.8%	15. Harford 34.5%
Montgomery	30.2%	21.4%	29.1%	14.2%	0.2%	0.0%	4.8%	16. St. Mary's 34.4%
Prince George's	4.2%	61.4%	29.6%	2.8%	0.3%	0.2%	1.5%	17. Worcester 34.2%
Queen Anne's	80.5%	6.9%	6.4%	1.4%	0.2%	0.0%	4.7%	18. Washington 30.1%
St. Mary's	65.6%	18.1%	6.7%	2.5%	0.3%	0.2%	6.5%	19. Calvert 28.0%
Somerset	41.2%	43.4%	8.6%	1.1%	0.3%	0.1%	5.3%	20. Cecil 22.0%
Talbot	62.4%	16.0%	14.5%	2.1%	0.1%	0.0%	4.8%	21. Queen Anne's 19.5%
Washington	69.9%	12.8%	7.4%	2.1%	0.2%	0.1%	7.6%	22. Carroll 14.8%
Wicomico	45.1%	35.8%	8.6%	3.1%	0.5%	0.0%	6.9%	23. Allegany 10.9%
Worcester	65.8%	19.5%	6.7%	2.0%	0.2%	0.0%	5.8%	24. Garrett 3.6%
Maryland	39.1%	34.4%	15.5%	6.3%	0.3%	0.1%	4.3%	Statewide 60.9%

Note: Native American includes American Indian and Alaskan Native. Pacific Islander includes Native Hawaiian.
Source: Maryland State Department of Education

Chapter 8. Local General Fund Balances

The Comprehensive Annual Financial Reports prepared by the counties show their general fund balances for a given fiscal year. These fund balances are currently divided into five categories based upon the requirements of GASB 54, which first took effect in fiscal 2011. **Exhibit 8.1** shows how county governments reported their general fund balances in fiscal 2015. Descriptions of the five fund balance categories are provided below.

Nonspendable includes funds that cannot be spent either because they are in a nonspendable form (*e.g.*, prepaid items and inventories of supplies) or because they are legally or contractually required to be maintained intact (*e.g.*, the principal of an endowment or the capital of a revolving loan fund).

Restricted includes funds with limitations imposed by creditors, grantors, contributors, or laws or regulations of other governments, or limitations imposed by law through constitutional provisions or enabling legislation.

Committed includes unrestricted funds with limitations imposed at the highest level of county decision-making authority.

Assigned includes unrestricted funds that are constrained by the county government's intent to be used for specific purposes, but meet neither the restricted nor committed forms of constraint.

Unassigned includes all unrestricted funds that cannot be assigned to any of the other fund balance categories.

The five fund balance categories serve to distinguish the extent to which the county government is bound to honor constraints on the specific purposes for which amounts can be spent. The total of the last three fund balance categories (committed, assigned, and unassigned) are often grouped together with the term *unrestricted fund balance*. Unrestricted fund balances include only those resources without a constraint on spending or for which the constraint on spending is imposed by the government itself. Many counties have requirements to maintain a "rainy day" fund. "Rainy day" funds are those funds counties set aside for use in the event of an economic downturn, and these funds are frequently reported within a county's unrestricted fund balances.

As shown in **Exhibit 8.2**, county governments ended fiscal 2015 with total unrestricted general fund balances, including "rainy day" accounts, totaling \$2.3 billion. A county's unrestricted general fund balance as a percent of general fund revenues is one indicator of a county's fiscal health and a county's ability to withstand an economic downturn. Additionally, credit rating agencies will frequently monitor levels of general fund balance and unrestricted fund balance in their evaluation of a local government's creditworthiness. In fiscal 2015, unrestricted general fund balance, including "rainy day" funds, as a percent of general fund revenues averages 16.4% across county governments, ranging from 9.4% in Anne Arundel County to 37.3% in

Wicomico County. In fiscal 2015, 21 counties reported “rainy day” funds totaling approximately \$897.8 million or 6.5% of total general fund revenues.

Exhibit 8.3 shows the combined unrestricted general fund/“rainy day” balances over the last four fiscal years. Between fiscal 2014 and 2015, 12 counties reported an increase in their unrestricted general fund/“rainy day” balances, while 12 counties experienced decreases in their general fund balances over this period.

Exhibit 8.1
County General Fund Balances in Fiscal 2015
(\$ in Thousands)

County	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Allegany ¹	\$1,200.0	\$148.9	\$949.3	\$5,664.0	\$19,642.1	\$27,604.3
Anne Arundel	2,493.4	38,177.9	0.0	42,862.5	78,437.0	161,970.9
Baltimore City ¹	5,500.0	0.0	0.0	196,500.0	111,800.0	313,800.0
Baltimore	6,998.0	17,490.0	0.0	151,283.0	229,819.0	405,590.0
Calvert	7,288.4	0.0	22,100.8	6,218.6	16,622.1	52,229.9
Caroline	192.9	0.0	0.0	600.0	6,540.0	7,332.9
Carroll	29,004.1	27,423.6	20,398.1	18,459.0	7,383.7	102,668.5
Cecil	13,335.4	0.0	14,683.3	3,500.0	6,206.7	37,725.4
Charles	2,156.1	5,301.9	38,288.8	3,482.7	1,022.4	50,251.9
Dorchester	16.3	0.0	0.0	600.0	8,454.3	9,070.7
Frederick	2,106.1	2,284.4	70,701.3	5,105.8	300.0	80,497.5
Garrett	1,937.7	7,273.2	0.0	10,275.1	3,690.8	23,176.7
Harford	594.1	6,304.2	0.0	55,102.8	10,144.5	72,145.6
Howard	8,140.2	0.0	61,260.6	34,992.2	3,295.6	107,688.6
Kent	436.9	0.0	0.0	0.0	9,756.2	10,193.1
Montgomery	6,799.9	231,233.6	70,586.3	26,575.2	156,538.1	491,733.1
Prince George's ¹	2,000.0	170,800.0	57,800.0	42,600.0	25,000.0	298,200.0
Queen Anne's	687.8	8,681.1	2,000.0	2,034.9	7,793.1	21,196.8
St. Mary's	2,233.6	1,795.5	26,425.7	1,498.4	16,680.2	48,633.4
Somerset	0.0	205.9	9,300.0	500.0	1,173.5	11,179.4
Talbot	205.6	0.0	0.0	1,290.0	23,744.2	25,239.8
Washington	1,063.9	419.0	37,462.9	13.8	-632.2	38,327.4
Wicomico	929.7	1,552.0	12,634.6	2,072.8	33,745.7	50,934.9
Worcester	5.3	0.0	0.0	8,680.0	33,976.8	42,662.0
Total	\$95,325.6	\$519,091.0	\$444,591.6	\$619,910.7	\$811,133.8	\$2,490,052.7
State of Maryland	\$514,051.0	\$16,487.0	\$1,519,539.0	\$0.0	-\$766,124.0	\$1,283,953.0

¹Unaudited information. The audited financial statements were not available.
Source: County audit reports fiscal 2015; County finance offices

Exhibit 8.2
County Unrestricted General Fund Balances and Rainy Day Funds in Fiscal 2015
(\$ in Thousands)

County	General Fund Revenues	Unrestricted Funds²	Percent of General Fund	“Rainy Day” Fund	Percent of General Fund
Allegany ¹	\$85,164.0	\$26,255.5	30.8%	\$8,000.0	9.4%
Anne Arundel	1,292,186.4	121,299.5	9.4%	48,619.9	3.8%
Baltimore City ¹	1,690,300.0	308,300.0	18.2%	111,800.0	6.6%
Baltimore	1,811,859.0	381,102.0	21.0%	89,341.0	4.9%
Calvert	228,759.3	44,941.5	19.6%	19,400.0	8.5%
Caroline	44,521.5	7,140.0	16.0%	0.0	0.0%
Carroll	350,889.2	46,240.8	13.2%	18,998.1	5.4%
Cecil	171,460.4	24,390.0	14.2%	13,660.2	8.0%
Charles	345,000.9	42,793.8	12.4%	36,692.5	10.6%
Dorchester	50,043.2	9,054.3	18.1%	0.0	0.0%
Frederick	508,249.9	76,107.1	15.0%	0.0	0.0%
Garrett	75,447.1	13,965.8	18.5%	3,690.8	4.9%
Harford	477,174.4	65,247.3	13.7%	25,879.2	5.4%
Howard	950,382.0	99,548.4	10.5%	61,260.6	6.4%
Kent	46,392.2	9,756.2	21.0%	139.0	0.3%
Montgomery	2,967,448.8	484,347.3	16.3%	230,647.7	7.8%
Prince George’s ¹	1,700,000.0	270,400.0	15.9%	145,000.0	8.5%
Queen Anne’s	119,398.6	20,385.8	17.1%	8,557.8	7.2%
St. Mary’s	209,430.7	44,604.3	21.3%	1,625.0	0.8%
Somerset	33,206.3	10,973.5	33.0%	400.0	1.2%
Talbot	78,874.0	25,034.2	31.7%	11,200.0	14.2%
Washington	208,628.3	36,844.4	17.7%	37,433.5	17.9%
Wicomico	129,758.1	48,453.2	37.3%	6,450.0	5.0%
Worcester	170,890.6	42,656.8	25.0%	18,974.2	11.1%
Total	\$13,745,465.0	\$2,259,841.6	16.4%	\$897,769.5	6.5%

¹Unaudited Information. The audited financial statements were not available. ²Unrestricted funds include all committed, assigned, unassigned, and “rainy day” funds. Montgomery, Prince George’s, and Queen Anne’s counties report “rainy day” funds in the restricted category, and those “rainy day” amounts are included in the unrestricted funds balance above.

Although these reported fund balances represent available resources as of June 30, 2015, the county may have appropriated a portion of these amounts for the current fiscal year budget.

Source: County audit reports fiscal 2015; County finance offices

Exhibit 8.3
County Unrestricted General Fund Balances and Rainy Day Funds
Fiscal 2012 through 2015
(\$ in Thousands)

County	FY 2012 Balances	Percent of General Fund	FY 2013 Balances	Percent of General Fund	FY 2014 Balances	Percent of General Fund	FY 2015 Balances	Percent of General Fund
Allegany ¹	\$16,560.7	20.1%	\$18,349.7	22.2%	\$22,109.3	25.8%	\$26,255.5	30.8%
Anne Arundel	77,427.3	6.8%	113,545.9	9.3%	100,381.9	8.1%	121,299.5	9.4%
Baltimore City ¹	220,115.0	15.6%	293,495.0	18.6%	304,191.3	18.7%	308,300.0	18.2%
Baltimore	295,631.0	18.2%	386,221.2	22.8%	393,519.0	22.6%	381,102.0	21.0%
Calvert	56,970.5	24.0%	58,929.9	26.3%	51,874.3	23.2%	44,941.5	19.6%
Caroline	3,542.7	8.6%	4,676.9	11.1%	5,822.9	13.7%	7,140.0	16.0%
Carroll	55,551.1	16.3%	52,162.5	15.4%	48,782.9	14.1%	46,240.8	13.2%
Cecil	37,292.6	22.5%	38,920.3	22.9%	29,029.1	17.2%	24,390.0	14.2%
Charles	39,352.6	12.7%	39,703.1	12.6%	38,570.1	11.8%	42,793.8	12.4%
Dorchester	8,442.7	16.9%	9,236.5	18.5%	8,513.8	17.1%	9,054.3	18.1%
Frederick	77,420.1	17.4%	89,831.8	20.5%	74,836.4	15.6%	76,107.1	15.0%
Garrett	13,911.3	17.8%	21,001.1	26.5%	19,119.1	26.5%	13,965.8	18.5%
Harford	95,276.2	20.4%	84,884.4	18.3%	66,970.7	14.3%	65,247.3	13.7%
Howard	111,878.8	12.9%	133,659.9	14.9%	126,273.8	13.6%	99,548.4	10.5%
Kent	5,754.7	13.2%	5,263.1	11.8%	9,643.4	20.4%	9,756.2	21.0%
Montgomery	409,818.9	14.5%	502,866.2	17.3%	593,570.6	19.5%	484,347.3	16.3%
Prince George's ¹	351,326.1	22.9%	338,514.2	21.5%	277,299.3	17.8%	270,400.0	15.9%
Queen Anne's	11,903.2	10.6%	15,170.1	13.0%	17,801.7	15.3%	20,385.8	17.1%
St. Mary's	59,183.9	29.2%	52,060.5	25.9%	44,177.6	21.6%	44,604.3	21.3%
Somerset	14,299.4	45.4%	13,707.9	44.1%	12,696.5	37.8%	10,973.5	33.0%
Talbot	16,793.4	26.4%	19,379.6	27.6%	20,772.4	27.0%	25,034.2	31.7%
Washington	37,427.4	18.6%	37,503.4	18.3%	37,162.1	18.2%	36,844.4	17.7%
Wicomico	37,092.5	32.7%	41,721.9	35.6%	44,359.4	35.9%	48,453.2	37.3%
Worcester	49,676.6	28.8%	56,639.5	32.7%	49,495.9	29.4%	42,656.8	25.0%
Total	\$2,102,648.5	16.8%	\$2,427,444.4	18.6%	\$2,396,973.3	17.9%	\$2,259,841.6	16.4%

¹Fiscal 2015 information for these counties is unaudited.

Source: County audit reports, fiscal 2012 through 2015; County finance offices

Chapter 9. Local Debt Measures

County Debt

As of June 30, 2014, Maryland counties and Baltimore City had \$19.8 billion in outstanding debt, including general obligation bonds, revenue and enterprise debt, federal loans, State loans, capital leases, and short-term debt. Long-term debt generally serves as a funding source for capital projects such as highways, school facilities, sewer and water facilities, parking facilities, parks and recreation facilities, housing and urban development projects, and county buildings. Short-term debt usually serves as a cash management tool. **Exhibit 9.1** shows outstanding debt for each jurisdiction for fiscal 2010 through 2014.

Between fiscal 2010 and 2014, local debt for counties and Baltimore City increased by \$3.7 billion or 22.8%. This represents a 5.3% average annual increase over the four-year period. The Washington Suburban Sanitary Commission (WSSC) accounted for 10.0% of the total debt in fiscal 2014. In the exhibits, WSSC debt is apportioned equally between Montgomery and Prince George's counties. Montgomery County had \$5.0 billion in outstanding debt, while Prince George's County had \$2.6 billion in debt. In comparison, Dorchester and Kent counties were the smallest borrowers. Dorchester County had \$26.8 million in outstanding debt, while Kent County had \$30.5 million in debt.

As expected, a majority of the debt was attributable to areas having greater infrastructure needs and greater populations. With 71% of the State's population, Baltimore City and Anne Arundel, Baltimore, Howard, Montgomery, and Prince George's counties accounted for approximately 83% of the total debt. One reason certain counties have less debt than other larger counties is the interrelationship between a county and its municipalities. Some municipalities incur the burden of maintaining a large portion of the infrastructure needs such as water and sewer systems.

Municipalities and State-created special taxing districts had \$1.2 billion in outstanding debt as of June 30, 2014, while the State of Maryland had \$18.5 billion in debt. Municipal and special taxing district debt includes the same categories of debt as the counties and Baltimore City. State debt includes general obligation bonds, transportation bonds, Maryland Transportation Authority bonds, capital leases, and agency debt (Community Development Administration, and Higher Education Fund). Accrued workers' compensation and accrued annual leave costs are excluded from the figures.

Comparative Measures

Exhibits 9.2 and 9.3 present comparisons by jurisdiction through the utilization of common analytical measures: assessable base and population. Exhibit 9.2 compares county debt to real and personal property assessable base for fiscal 2004, 2009, and 2014. In fiscal 2014, the ratio of county debt to assessable base is the same as it was in fiscal 2004. The high ratio in Baltimore City (9.3%) reflects slower-than-average assessable base growth and debt for financing urban renewal and development projects, transportation projects, water projects, and wastewater facilities. Only four counties have remained below 1.5% in fiscal 2004, 2009, and 2014 (Garrett, Kent, Talbot, and Worcester). For comparative purposes, in fiscal 2014 the State had a debt-to-assessable-base ratio of 2.9% that increased from 2.8% in 2004. The municipalities/special taxing districts had a ratio of 1.2% in 2014.

Exhibit 9.3 shows debt per capita for the counties and Baltimore City. Based on U.S. Census Bureau population estimates, debt per capita increased from \$2,096 in fiscal 2004 to \$3,332 in fiscal 2014, a 59.0% increase over the decade. The largest increases in per capita debt were in Baltimore, Cecil, Somerset, and Worcester counties. Baltimore City and Howard and Montgomery counties had the highest debt per capita.

The high ratios in Montgomery and Prince George's counties were attributed to the inclusion of WSSC's debt. Howard County's high ratio resulted from debt for financing general county improvement projects, storm drain projects, housing projects, community renewal projects, and parks and

recreation projects. Allegany, Dorchester, and Wicomico counties had the lowest debt per capita. For comparative purposes, the State's debt in fiscal 2014 amounted to \$3,121 per capita, a 71.5% increase from the \$1,820 per capita amount in 2004. The municipalities/special taxing districts had a ratio of \$1,359 per capita in 2014.

Local Debt Limitations

State and local laws provide several limitations on county debt. These limitations depend, to an extent, on the form of county government: charter, code, or commission. Commission counties do not have statutory debt limitations. However, the necessity for General Assembly authorization to create debt serves as a limitation on commission county debt creation.

Under State law, charter county debt is limited to 6% of real property assessable base and 15% of personal property and operating real property assessable base of the county. Certain types of debt, however, are excluded from this limitation: tax anticipation bonds and notes having a maturity not in excess of 12 months; special taxing district debt; and self-liquidating debt. In addition, charter counties may adopt lower limitations, and five have done so:

- Anne Arundel – 5.6% of real property and 14.0% of personal property and certain operating real property for water and sewer bonds, and 5.2% of real property and 13.0% of personal property and certain operating real property for other debt;

- Baltimore – 4% of real property and 4% of personal property;
- Frederick – 5% of real property and 15% of personal property;
- Howard – 4.8% of real property and 4.8% of personal property; and
- Wicomico – 3.2% of real property and 8.0% of personal property.

Unlike charter counties, code counties do not have statutory debt limitations although the General Assembly may limit their property tax rates and regulate the maximum amount of indebtedness. To date, the General Assembly has not exercised these powers for any code county.

While Baltimore City does not have a statutory general obligation debt limitation, the General Assembly may fix a limit on the amount of debt the city has outstanding at any one time. To date, the General Assembly has not set a limitation on the city's debt.

Municipal debt limitations may be set under two provisions. The General Assembly may adopt, amend, or repeal a local law regulating the maximum amount of debt a municipality may create. The voters of the applicable municipality must subsequently approve this limitation. In addition, through its legislative powers, a municipality may establish a debt limitation in its charter, provided that the voters approve this limitation.

Bond Ratings

Nearly all local debt is given a credit rating by the major rating agencies. **Exhibit 9.4** shows the credit rating for each county for general obligation bonds by the three major rating agencies: Standard & Poor's, Moody's Investors Service, and Fitch Ratings, as of July 1, 2015. Bond ratings range from "AAA" for the best quality and smallest investment risk to "C" for the poorest quality and highest risk. Specific classifications are used by each of the rating agencies, but the letter grade systems generally follow these norms. The ratings are assigned based upon the overall creditworthiness of the issuer. For county government, measurements such as size and growth in tax bases are key factors in determining the bond rating.

The highest bond rating issued by Moody's to Maryland counties is Aaa while the lowest is A3. For Standard & Poor's, the highest rating among Maryland counties is AAA while the lowest is A+, and for Fitch, the highest rating is AAA and the lowest is AA.

Exhibit 9.1
Maryland County Debt
Fiscal 2010 to 2014
(\$ in Thousands)

County	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Average Annual Change
Allegany	\$63,503	\$58,823	\$55,290	\$55,278	\$50,572	-5.5%
Anne Arundel	967,065	1,087,477	1,097,541	1,153,218	1,244,625	6.5%
Baltimore City	2,934,647	3,105,401	2,999,483	3,017,928	3,227,145	2.4%
Baltimore	1,776,084	2,071,967	2,440,202	2,842,809	2,956,343	13.6%
Calvert	149,430	159,143	153,728	147,170	149,670	0.0%
Caroline	44,282	44,511	40,740	37,831	36,628	-4.6%
Carroll	360,607	368,781	356,006	348,618	348,535	-0.8%
Cecil	212,510	201,838	202,268	188,886	223,629	1.3%
Charles	338,198	344,109	349,647	345,678	320,179	-1.4%
Dorchester	36,863	35,181	31,705	28,499	26,766	-7.7%
Frederick	688,476	669,220	696,163	677,976	672,584	-0.6%
Garrett	35,036	35,606	38,500	45,300	43,525	5.6%
Harford	648,343	624,404	642,167	641,331	638,671	-0.4%
Howard	1,013,993	1,218,620	1,320,632	1,378,141	1,426,794	8.9%
Kent	41,890	41,378	39,761	33,075	30,470	-7.6%
Montgomery	4,091,007	4,370,141	4,612,432	4,856,695	5,028,474	5.3%
Prince George's	1,951,213	2,074,517	2,152,327	2,591,115	2,617,554	7.6%
Queen Anne's	106,879	119,380	109,265	101,645	117,833	2.5%
St. Mary's	156,782	147,278	138,945	132,368	129,224	-4.7%
Somerset	32,123	32,764	36,257	35,410	34,649	1.9%
Talbot	53,534	49,049	46,000	42,608	41,907	-5.9%
Washington	200,497	199,662	191,117	189,315	187,645	-1.6%
Wicomico	114,193	106,263	99,975	101,625	108,343	-1.3%
Worcester	103,761	96,014	91,299	86,003	127,558	5.3%
Total	\$16,120,917	\$17,261,525	\$17,941,452	\$19,078,521	\$19,789,325	5.3%

Note: The Washington Suburban Sanitary Commission's (WSSC) debt is allocated to both Montgomery and Prince George's counties on a 50/50 basis.
Source: Uniform Financial Reports and Audited Financial Statements, Department of Legislative Services

Exhibit 9.2
Maryland County Debt
Percent of Assessable Base
(\$ in Thousands)

County	County Assessable Base			Total County Debt			Percent of Assessable Base		
	FY 2004	FY 2009	FY 2014	FY 2004	FY 2009	FY 2014	FY 2004	FY 2009	FY 2014
Allegany	\$2,604,327	\$3,410,672	\$3,910,750	\$53,843	\$66,804	\$50,572	2.1%	2.0%	1.3%
Anne Arundel	41,297,966	81,956,083	76,405,438	744,837	863,576	1,244,625	1.8%	1.1%	1.6%
Baltimore City	20,218,975	33,550,206	34,582,451	1,708,014	2,915,142	3,227,145	8.4%	8.7%	9.3%
Baltimore	47,861,367	81,731,405	78,477,913	1,307,770	1,588,309	2,956,343	2.7%	1.9%	3.8%
Calvert	6,819,523	12,916,676	12,277,912	105,554	139,897	149,670	1.5%	1.1%	1.2%
Caroline	1,451,362	2,869,869	2,651,005	29,703	38,738	36,628	2.0%	1.3%	1.4%
Carroll	10,941,349	20,328,488	18,588,705	204,173	323,909	348,535	1.9%	1.6%	1.9%
Cecil	5,620,734	10,469,300	9,657,230	86,589	192,945	223,629	1.5%	1.8%	2.3%
Charles	9,310,426	18,586,284	16,383,332	199,902	340,675	320,179	2.1%	1.8%	2.0%
Dorchester	1,817,529	3,234,812	2,981,840	30,136	18,282	26,766	1.7%	0.6%	0.9%
Frederick	14,951,629	30,137,363	25,734,580	376,180	572,129	672,584	2.5%	1.9%	2.6%
Garrett	2,315,500	4,356,189	4,822,283	29,289	36,419	43,525	1.3%	0.8%	0.9%
Harford	14,428,277	26,162,068	26,605,582	285,534	491,050	638,671	2.0%	1.9%	2.4%
Howard	24,297,361	47,665,838	44,280,928	705,554	982,175	1,426,794	2.9%	2.1%	3.2%
Kent	1,555,850	2,917,378	3,013,117	19,052	30,788	30,470	1.2%	1.1%	1.0%
Montgomery	95,287,116	186,958,792	164,696,351	3,182,429	3,932,298	5,028,474	3.3%	2.1%	3.1%
Prince George's	45,736,798	88,580,752	76,137,876	1,894,509	2,065,944	2,617,554	4.1%	2.3%	3.4%
Queen Anne's	4,032,277	8,420,273	7,699,153	74,083	79,881	117,833	1.8%	0.9%	1.5%
St. Mary's	5,830,982	11,602,222	12,060,567	161,749	141,805	129,224	2.8%	1.2%	1.1%
Somerset	799,003	1,632,128	1,483,405	14,701	27,746	34,649	1.8%	1.7%	2.3%
Talbot	4,517,967	9,155,628	8,846,903	28,661	56,284	41,907	0.6%	0.6%	0.5%
Washington	7,673,262	13,766,981	12,420,699	147,505	194,662	187,645	1.9%	1.4%	1.5%
Wicomico	4,335,777	7,210,852	6,310,794	77,057	107,657	108,343	1.8%	1.5%	1.7%
Worcester	8,400,551	20,416,913	14,838,405	54,747	113,125	127,558	0.7%	0.6%	0.9%
Total	\$382,105,908	\$728,037,172	\$664,867,219	\$11,521,572	\$15,320,238	\$19,789,325	3.0%	2.1%	3.0%

Note: The Washington Suburban Sanitary Commission's (WSSC) debt is allocated to both Montgomery and Prince George's counties on a 50/50 basis.
Source: Uniform Financial Reports and Audited Financial Statements, Department of Legislative Services

Exhibit 9.3
Maryland County Debt Per Capita

County	County Population			Total County Debt (\$ in Thousands)			Debt Per Capita		
	July 2003	July 2008	July 2013	FY 2004	FY 2009	FY 2014	FY 2004	FY 2009	FY 2014
Allegany	74,076	74,638	73,531	\$53,843	\$66,804	\$50,572	\$727	\$895	\$688
Anne Arundel	507,769	525,304	556,348	744,837	863,576	1,244,625	1,467	1,644	2,237
Baltimore City	629,033	620,184	623,404	1,708,014	2,915,142	3,227,145	2,715	4,700	5,177
Baltimore	777,756	798,651	823,883	1,307,770	1,588,309	2,956,343	1,681	1,989	3,588
Calvert	83,007	87,788	90,480	105,554	139,897	149,670	1,272	1,594	1,654
Caroline	30,553	32,983	32,642	29,703	38,738	36,628	972	1,174	1,122
Carroll	161,389	167,433	167,494	204,173	323,909	348,535	1,265	1,935	2,081
Cecil	92,444	100,232	101,999	86,589	192,945	223,629	937	1,925	2,192
Charles	131,942	143,783	152,900	199,902	340,675	320,179	1,515	2,369	2,094
Dorchester	30,628	32,466	32,612	30,136	18,282	26,766	984	563	821
Frederick	213,827	229,286	241,414	376,180	572,129	672,584	1,759	2,495	2,786
Garrett	30,182	30,222	29,950	29,289	36,419	43,525	970	1,205	1,453
Harford	231,411	242,779	249,415	285,534	491,050	638,671	1,234	2,023	2,561
Howard	263,186	278,405	304,934	705,554	982,175	1,426,794	2,681	3,528	4,679
Kent	19,505	20,150	19,799	19,052	30,788	30,470	977	1,528	1,539
Montgomery	910,498	942,748	1,019,767	3,182,429	3,932,298	5,028,474	3,495	4,171	4,931
Prince George's	837,648	850,167	894,199	1,894,509	2,065,944	2,617,554	2,262	2,430	2,927
Queen Anne's	43,688	47,063	48,572	74,083	79,881	117,833	1,696	1,697	2,426
St. Mary's	92,333	101,921	109,484	161,749	141,805	129,224	1,752	1,391	1,180
Somerset	25,541	26,474	26,139	14,701	27,746	34,649	576	1,048	1,326
Talbot	34,994	37,307	37,949	28,661	56,284	41,907	819	1,509	1,104
Washington	136,872	146,674	149,266	147,505	194,662	187,645	1,078	1,327	1,257
Wicomico	88,463	97,111	100,961	77,057	107,657	108,343	871	1,109	1,073
Worcester	49,524	51,196	51,595	54,747	113,125	127,558	1,105	2,210	2,472
Total	5,496,269	5,684,965	5,938,737	\$11,521,572	\$15,320,238	\$19,789,325	\$2,096	\$2,695	\$3,332

Note: The Washington Suburban Sanitary Commission's (WSSC) debt is allocated to both Montgomery and Prince George's counties on a 50/50 basis.
Source: Uniform Financial Reports and Audited Financial Statements, Department of Legislative Services

Exhibit 9.4
Maryland County Debt
Bond Ratings – July 2015

County	Standard & Poor's	Moody's	Fitch
Allegany	AA-	Aa3	-
Anne Arundel	AAA	Aa1	AA+
Baltimore City	AA	Aa2	-
Baltimore	AAA	Aaa	AAA
Calvert	AAA	Aa1	AAA
Caroline	AA-	A3	-
Carroll	AAA	Aa1	AAA
Cecil	AA+	Aa2	-
Charles	AAA	Aa1	AAA
Dorchester	A+	A2	-
Frederick	AAA	Aa1	AAA
Garrett	-	-	-
Harford	AAA	Aaa	AAA
Howard	AAA	Aaa	AAA
Kent	-	-	-
Montgomery	AAA	Aaa	AAA
Prince George's	AAA	Aaa	AAA
Queen Anne's	-	Aa2	AA+
St. Mary's	AA+	Aa2	AA+
Somerset	-	-	-
Talbot	-	Aa2	AAA
Washington	AA+	Aa1	AA+
Wicomico	AA+	Aa2	AA
Worcester	AA+	Aa2	AA

Note: (-) means not rated.

Source: 2015 Local Government Budget and Tax Rate Survey; Department of Legislative Services; Maryland Association of Counties

Chapter 10. Balance of State Payments

The *Balance Sheet*, a report published annually by the Department of Legislative Services, provides a comparison of State revenues collected to State financial assistance received for each county. State financial assistance includes direct payments by the State to a local government as well as payments made by the State on behalf of a local government, such as teachers' retirement payments. State revenue collections represent most general fund tax revenues, certain special fund tax revenues, and lottery receipts allocated to counties, primarily by point of collection.

The *Balance Sheet* is not an analysis of the "fairness" of State aid distributions to local governments. Counties in which taxpayers contribute relatively more State revenues should not necessarily receive more State aid. In fact, several State aid formulas distribute aid inversely to local property and income wealth whereby jurisdictions with greater capacity to raise revenues from local sources receive less State aid (see **Table 10.1**). Such aid programs accounted for about 70% of the State aid to local governments included in the *Balance Sheet* analysis.

Calculating the Index

The *Balance Sheet* compares on a county-by-county basis State aid to State revenue collections as allocated among the counties. **Exhibits 10.1** and **10.2** show the two aid-to-revenue ratios over a 10-year period.

The first is the ratio of direct State aid to State revenues generated from a county, exclusive of State property tax receipts. For example, a ratio of 0.77 for Allegany County in 2013 indicates that for every dollar of State tax revenues allocated to Allegany County, the county received \$0.77 in direct State aid. The amount of direct grants received for each \$1.00 of taxes paid in fiscal 2013 ranged from \$0.12 in Talbot County to \$1.21 in Somerset County. Statewide, the weighted average for this measure was \$0.39, and the simple average (county mean) was \$0.50. The amount for Baltimore City includes State assumed functions.

Table 10.1
Counties with the Highest and Lowest
Per Capita State Aid Amounts

<u>Highest</u> <u>State Aid</u>	<u>Wealth</u> <u>Ranking</u>	<u>Lowest</u> <u>State Aid</u>	<u>Wealth</u> <u>Ranking</u>
1. Baltimore City	22 nd	24. Talbot	2 nd
2. Caroline	20 th	23. Worcester	1 st
3. Wicomico	21 st	22. Kent	9 th
4. Allegany	24 th	21. Anne Arundel	7 th
5. Somerset	23 rd	20. Montgomery	3 rd

Source: Department of Legislative Services

The second ratio compares direct State aid and payments-on-behalf to total revenue allocations. Payments-on-behalf include State paid retirement costs for public school teachers, librarians, and community college faculty that the State makes on behalf of the local government. Again, using Allegany County as the example, in 2013 the county received \$0.82 in State assistance for every \$1.00 of State tax revenues allocated to the county. On this measure, State assistance received for each \$1.00 of taxes paid in fiscal 2013 varied from \$0.13 for Talbot County to \$1.22 for Somerset County. Statewide, the weighted average was \$0.42, and the simple average was \$0.53.

Dividing each county's aid to revenue ratios by the statewide weighted averages indexes the county aid to revenue ratios to the statewide average. In fiscal 2013 for example, Allegany County's direct aid index is 1.97, indicating that Allegany County's ratio was 97% above the statewide average. Including payments-on-behalf lowers Allegany County's ratio to 1.94 or 94% above the statewide average. **Exhibits 10.3 and 10.4** show the State aid ratios as indexed to the statewide average over a 10-year period.

Findings

In fiscal 2013, State aid (direct grants and payments-on-behalf) represented approximately 42% of the State revenue collections (including property taxes) allocated on a county-by-county basis in the *Balance Sheet* report. The remaining revenues funded State programs. The ratios for 15 counties matched or exceeded the statewide average. State assistance to revenue allocation ratios for four of Maryland's

largest jurisdictions (Anne Arundel, Baltimore, Howard, and Montgomery counties) were considerably below the statewide average.

In terms of total State aid received for each \$1.00 in taxes paid, Montgomery, Talbot, and Worcester counties had the lowest ratios in fiscal 2013 (received the least amount of State aid in relation to the collection of allocated State tax revenues); while Baltimore City and Caroline and Somerset counties had the highest ratios (received the greatest amount of State aid in relation to the collection of allocated State tax revenues).

During this 10-year period, the "balance sheet index" increased in 3 counties and decreased in 4 counties. For the remaining 17 counties the index value in the most recent years is similar to the value in the earlier years, but for several counties there were upward and downward trends for the intervening years (see **Table 10.2**).

In fiscal 2013, Baltimore City received the greatest amount of State aid (allocated in the *Balance Sheet* report) at \$1.2 billion followed by Prince George's County at \$1.1 billion. On a per capita basis, these amounts translate into \$2,011 for Baltimore City (the greatest per capita amount for any jurisdiction) and \$1,265 for Prince George's County. Kent and Talbot counties, in contrast, received the least amount of State aid at \$14.1 million and \$18.8 million, respectively. On a per capita basis, Kent County received \$698 while Talbot County received \$494 – the least amount per capita for any jurisdiction.

Exhibit 10.5 compares the allocation of State tax revenues and State grants with each county's share of the State's population. Montgomery County is the most populous county

in Maryland and generates the greatest share of State tax revenues; however, it ranks third in the amount of State aid that it receives. Baltimore City, the fourth most populous jurisdiction, receives the largest percentage of State aid, followed by Prince George’s County, the second most populous jurisdiction.

Table 10.2
Change in “Balance Sheet Index”
During 10-year Period

<u>Higher Average</u>	<u>Lower Average</u>	<u>Relatively Constant</u>
Frederick	Baltimore City	Allegany
Washington	Calvert	Anne Arundel
Wicomico	Garrett	Baltimore
	Kent	Caroline
		Carroll
		Cecil
		Charles
		Dorchester
		Harford
		Howard
		Montgomery
		Prince George’s
		Queen Anne’s
		St. Mary’s
		Somerset
		Talbot
		Worcester

Exhibit 10.6 shows the allocation of State tax revenues and State grants on a per capita basis. As shown, the five counties that generated the most State tax revenues in fiscal 2013 as measured on a per capita basis include Anne Arundel, Howard, Montgomery, Talbot, and Worcester. The counties that generated the least per capita State tax revenues include Allegany, Caroline, Cecil, Dorchester, and Somerset counties. It is important to note that State residents are subject to the same State tax rates regardless of the locality in which they reside. Jurisdictions that generate more State tax revenue per capita typically have a greater proportion of residents with higher incomes, or a larger overall taxbase.

Jurisdictions that received the greatest amount of State aid in fiscal 2013 as measured on a per capita basis include Baltimore City and Allegany, Caroline, Somerset, and Wicomico counties. Jurisdictions receiving the least amount of State aid per capita include Anne Arundel, Kent, Montgomery, Talbot, and Worcester counties. As stated earlier, counties in which taxpayers contribute relatively more State revenues should not necessarily receive more State aid. In fact, several State aid formulas distribute aid inversely to local property and income wealth whereby jurisdictions with greater capacity to raise revenues from local sources receive less State aid. Such aid programs accounted for about 70% of State aid to local governments included in the *Balance Sheet*.

Exhibit 10.1
State Financial Assistance Received for Each \$1.00 of Taxes Paid
Direct Aid
10-year Summary

County	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Allegany	0.67	0.65	0.71	0.80	0.87	0.89	0.90	0.87	0.79	0.77
Anne Arundel	0.22	0.22	0.21	0.23	0.24	0.25	0.24	0.24	0.23	0.24
Baltimore City	0.98	0.94	0.95	1.02	1.07	1.11	1.10	1.08	1.05	1.00
Baltimore	0.23	0.24	0.24	0.27	0.29	0.30	0.31	0.30	0.29	0.28
Calvert	0.46	0.45	0.46	0.49	0.52	0.51	0.51	0.49	0.45	0.42
Caroline	0.97	0.90	0.90	1.05	1.12	1.20	1.18	1.16	1.11	1.06
Carroll	0.35	0.35	0.36	0.39	0.41	0.43	0.42	0.41	0.39	0.36
Cecil	0.62	0.62	0.65	0.69	0.74	0.76	0.75	0.77	0.72	0.68
Charles	0.39	0.40	0.43	0.48	0.50	0.51	0.50	0.47	0.47	0.45
Dorchester	0.61	0.57	0.60	0.62	0.69	0.75	0.73	0.65	0.71	0.71
Frederick	0.31	0.31	0.33	0.36	0.41	0.44	0.44	0.42	0.42	0.40
Garrett	0.67	0.59	0.58	0.62	0.62	0.63	0.64	0.61	0.56	0.53
Harford	0.38	0.37	0.39	0.43	0.45	0.47	0.46	0.45	0.41	0.39
Howard	0.22	0.22	0.22	0.24	0.26	0.28	0.28	0.28	0.27	0.26
Kent	0.30	0.28	0.28	0.27	0.24	0.28	0.30	0.27	0.26	0.25
Montgomery	0.15	0.15	0.14	0.15	0.17	0.19	0.20	0.21	0.20	0.20
Prince George's	0.49	0.50	0.54	0.59	0.64	0.64	0.62	0.58	0.54	0.55
Queen Anne's	0.29	0.27	0.28	0.30	0.32	0.35	0.33	0.33	0.32	0.32
St. Mary's	0.39	0.40	0.42	0.45	0.48	0.50	0.47	0.46	0.42	0.41
Somerset	1.05	0.96	1.04	1.12	1.24	1.19	1.28	1.36	1.28	1.21
Talbot	0.12	0.12	0.11	0.12	0.11	0.12	0.12	0.12	0.11	0.12
Washington	0.36	0.36	0.39	0.46	0.52	0.55	0.56	0.56	0.56	0.55
Wicomico	0.44	0.44	0.45	0.51	0.58	0.63	0.67	0.70	0.68	0.67
Worcester	0.11	0.12	0.12	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Total (Weighted Avg.)	0.35	0.34	0.35	0.38	0.41	0.43	0.43	0.42	0.40	0.39
County Mean (Simple Avg.)	0.45	0.43	0.45	0.49	0.53	0.55	0.55	0.54	0.52	0.50
Standard Deviation	0.26	0.24	0.25	0.28	0.30	0.31	0.31	0.32	0.30	0.29

Note: Amounts have been adjusted to reflect changes in State aid classifications and computations.
Source: Department of Legislative Services

Exhibit 10.2
State Financial Assistance Received for Each \$1.00 of Taxes Paid
Direct Aid and Payments-on-behalf
10-year Summary

County	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Allegany	0.69	0.67	0.73	0.83	0.91	0.93	0.95	0.92	0.84	0.82
Anne Arundel	0.24	0.23	0.23	0.25	0.26	0.27	0.27	0.28	0.27	0.27
Baltimore City	1.00	0.95	0.96	1.03	1.09	1.12	1.12	1.11	1.08	1.03
Baltimore	0.26	0.26	0.26	0.29	0.31	0.33	0.34	0.33	0.32	0.31
Calvert	0.48	0.47	0.48	0.51	0.55	0.54	0.55	0.55	0.50	0.47
Caroline	0.99	0.92	0.91	1.06	1.14	1.21	1.21	1.19	1.14	1.09
Carroll	0.37	0.37	0.38	0.41	0.44	0.46	0.46	0.46	0.43	0.40
Cecil	0.64	0.64	0.66	0.71	0.76	0.78	0.78	0.81	0.76	0.72
Charles	0.42	0.42	0.44	0.50	0.53	0.54	0.54	0.52	0.52	0.49
Dorchester	0.63	0.59	0.61	0.63	0.71	0.76	0.76	0.68	0.74	0.73
Frederick	0.33	0.33	0.35	0.38	0.44	0.47	0.48	0.47	0.46	0.44
Garrett	0.67	0.60	0.58	0.62	0.63	0.64	0.65	0.63	0.59	0.54
Harford	0.40	0.39	0.40	0.45	0.48	0.50	0.50	0.49	0.45	0.42
Howard	0.25	0.25	0.25	0.27	0.30	0.32	0.33	0.33	0.32	0.30
Kent	0.32	0.30	0.30	0.29	0.26	0.30	0.33	0.31	0.29	0.27
Montgomery	0.19	0.18	0.17	0.18	0.20	0.22	0.25	0.25	0.25	0.24
Prince George's	0.51	0.52	0.55	0.61	0.67	0.66	0.66	0.62	0.59	0.58
Queen Anne's	0.31	0.29	0.29	0.31	0.34	0.37	0.36	0.36	0.36	0.35
St. Mary's	0.41	0.42	0.43	0.47	0.50	0.52	0.50	0.50	0.46	0.45
Somerset	1.06	0.97	1.05	1.12	1.24	1.20	1.29	1.37	1.29	1.22
Talbot	0.14	0.14	0.12	0.13	0.12	0.13	0.13	0.14	0.13	0.13
Washington	0.34	0.38	0.40	0.48	0.54	0.57	0.59	0.60	0.60	0.58
Wicomico	0.47	0.46	0.47	0.54	0.61	0.67	0.71	0.74	0.73	0.71
Worcester	0.13	0.13	0.13	0.15	0.16	0.15	0.17	0.17	0.17	0.17
Total (Weighted Avg.)	0.37	0.37	0.37	0.40	0.43	0.46	0.47	0.46	0.44	0.42
County Mean (Simple Avg.)	0.47	0.45	0.47	0.51	0.55	0.57	0.58	0.58	0.55	0.53
Standard Deviation	0.26	0.24	0.25	0.28	0.30	0.30	0.31	0.31	0.30	0.28

Note: Amounts have been adjusted to reflect changes in State aid classifications and computations.

Source: Department of Legislative Services

Exhibit 10.3
State Financial Assistance Received as Indexed to the Statewide Average
Direct Aid
10-year Summary

County	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Allegany	1.90	1.87	2.02	2.09	2.11	2.08	2.09	2.08	1.98	1.97
Anne Arundel	0.63	0.63	0.60	0.61	0.59	0.57	0.56	0.57	0.58	0.61
Baltimore City	2.79	2.74	2.70	2.67	2.61	2.59	2.56	2.59	2.63	2.57
Baltimore	0.67	0.68	0.68	0.70	0.70	0.71	0.71	0.71	0.72	0.71
Calvert	1.30	1.30	1.30	1.27	1.27	1.18	1.18	1.19	1.12	1.09
Caroline	2.76	2.60	2.56	2.74	2.74	2.80	2.75	2.78	2.78	2.73
Carroll	0.99	1.02	1.02	1.03	1.00	0.99	0.98	0.98	0.97	0.93
Cecil	1.76	1.79	1.85	1.81	1.80	1.76	1.74	1.85	1.80	1.76
Charles	1.13	1.17	1.21	1.24	1.23	1.19	1.16	1.14	1.18	1.15
Dorchester	1.75	1.66	1.71	1.61	1.69	1.74	1.70	1.55	1.77	1.82
Frederick	0.88	0.90	0.94	0.95	1.00	1.03	1.02	1.01	1.04	1.03
Garrett	1.91	1.72	1.64	1.62	1.51	1.47	1.50	1.45	1.41	1.35
Harford	1.07	1.08	1.10	1.13	1.11	1.09	1.06	1.07	1.04	0.99
Howard	0.64	0.64	0.64	0.63	0.64	0.65	0.65	0.67	0.67	0.66
Kent	0.87	0.82	0.81	0.71	0.58	0.65	0.69	0.66	0.65	0.63
Montgomery	0.43	0.43	0.40	0.40	0.41	0.43	0.47	0.49	0.51	0.52
Prince George's	1.40	1.45	1.53	1.54	1.56	1.48	1.44	1.40	1.36	1.40
Queen Anne's	0.83	0.78	0.79	0.78	0.77	0.81	0.78	0.78	0.81	0.82
St. Mary's	1.11	1.15	1.18	1.17	1.16	1.15	1.09	1.10	1.06	1.05
Somerset	2.99	2.77	2.97	2.93	3.02	2.78	2.98	3.26	3.21	3.10
Talbot	0.36	0.36	0.31	0.31	0.27	0.27	0.27	0.29	0.29	0.30
Washington	1.02	1.04	1.10	1.20	1.27	1.29	1.30	1.34	1.41	1.40
Wicomico	1.25	1.27	1.27	1.33	1.41	1.47	1.55	1.67	1.70	1.73
Worcester	0.33	0.34	0.35	0.36	0.34	0.32	0.32	0.34	0.36	0.36
Total (Weighted Avg.)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
County Mean (Simple Avg.)	1.28	1.26	1.28	1.28	1.28	1.27	1.27	1.29	1.29	1.28
Standard Deviation	0.76	0.71	0.73	0.74	0.75	0.73	0.74	0.77	0.77	0.75

Note: Amounts have been adjusted to reflect changes in State aid classifications and computations.

Source: Department of Legislative Services

Exhibit 10.4
State Financial Assistance Received as Indexed to the Statewide Average
Direct Aid and Payments-on-behalf
10-year Summary

County	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Allegany	1.86	1.84	1.99	2.06	2.09	2.05	2.04	2.02	1.93	1.94
Anne Arundel	0.64	0.64	0.62	0.63	0.61	0.59	0.59	0.60	0.61	0.63
Baltimore City	2.67	2.61	2.60	2.57	2.50	2.47	2.40	2.43	2.46	2.43
Baltimore	0.69	0.70	0.70	0.71	0.71	0.73	0.73	0.72	0.73	0.73
Calvert	1.29	1.29	1.30	1.27	1.26	1.19	1.19	1.19	1.14	1.12
Caroline	2.64	2.50	2.47	2.64	2.62	2.67	2.59	2.60	2.61	2.58
Carroll	0.99	1.02	1.02	1.03	1.01	1.00	0.99	1.00	0.98	0.95
Cecil	1.71	1.74	1.78	1.75	1.75	1.71	1.68	1.78	1.74	1.71
Charles	1.12	1.16	1.20	1.23	1.22	1.18	1.16	1.14	1.18	1.15
Dorchester	1.69	1.61	1.66	1.57	1.64	1.67	1.64	1.49	1.68	1.73
Frederick	0.89	0.91	0.94	0.95	1.00	1.03	1.03	1.02	1.05	1.03
Garrett	1.80	1.64	1.56	1.55	1.44	1.40	1.41	1.37	1.34	1.29
Harford	1.07	1.07	1.10	1.13	1.11	1.10	1.07	1.07	1.04	1.00
Howard	0.68	0.68	0.67	0.67	0.69	0.70	0.70	0.73	0.73	0.72
Kent	0.87	0.81	0.81	0.71	0.60	0.66	0.70	0.67	0.66	0.64
Montgomery	0.50	0.48	0.45	0.45	0.46	0.48	0.53	0.55	0.57	0.57
Prince George's	1.38	1.42	1.50	1.52	1.53	1.45	1.41	1.36	1.34	1.38
Queen Anne's	0.83	0.78	0.80	0.78	0.78	0.81	0.78	0.78	0.82	0.83
St. Mary's	1.11	1.15	1.17	1.16	1.16	1.14	1.08	1.09	1.05	1.05
Somerset	2.84	2.65	2.83	2.79	2.86	2.63	2.77	3.00	2.94	2.88
Talbot	0.38	0.37	0.33	0.32	0.28	0.29	0.29	0.32	0.31	0.32
Washington	0.91	1.04	1.09	1.18	1.25	1.26	1.27	1.31	1.38	1.37
Wicomico	1.25	1.26	1.27	1.33	1.40	1.46	1.52	1.63	1.66	1.68
Worcester	0.35	0.36	0.36	0.37	0.36	0.34	0.36	0.37	0.39	0.39
Total (Weighted Avg.)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
County Mean (Simple Avg.)	1.26	1.24	1.26	1.27	1.26	1.25	1.25	1.26	1.26	1.25
Standard Deviation	0.70	0.70	0.69	0.70	0.71	0.68	0.68	0.70	0.69	0.68

Note: Amounts have been adjusted to reflect changes in State aid classifications and computations.

Source: Department of Legislative Services

Exhibit 10.5
Comparison of State Tax Revenues and State Aid – Fiscal 2013

County	<u>Share of Population</u>			<u>Share of State Tax Revenues</u>			<u>Share of State Grants</u>		
	Population	Percent of Total	Ranking	Total Revenues	Percent of Total	Ranking	Total Grants	Percent of Total	Ranking
Allegany	74,012	1.3%	16	\$126,406,005	0.8%	18	\$103,562,904	1.6%	15
Anne Arundel	550,488	9.4%	5	1,664,405,067	10.7%	4	441,583,697	6.7%	5
Baltimore City	621,342	10.6%	4	1,216,230,805	7.8%	5	1,249,454,667	18.9%	1
Baltimore	817,455	13.9%	3	2,321,075,200	14.9%	2	716,815,269	10.9%	4
Calvert	89,628	1.5%	15	219,527,869	1.4%	13	103,523,460	1.6%	16
Caroline	32,718	0.6%	20	51,307,499	0.3%	23	55,968,788	0.8%	17
Carroll	167,217	2.8%	9	436,317,980	2.8%	9	174,527,923	2.6%	11
Cecil	101,696	1.7%	13	174,050,885	1.1%	16	125,873,949	1.9%	13
Charles	150,592	2.6%	10	391,686,544	2.5%	10	190,930,221	2.9%	9
Dorchester	32,551	0.6%	21	58,805,667	0.4%	21	43,003,804	0.7%	19
Frederick	239,582	4.1%	8	629,560,110	4.0%	7	275,152,461	4.2%	7
Garrett	29,854	0.5%	22	61,658,655	0.4%	20	33,585,289	0.5%	21
Harford	248,622	4.2%	7	605,446,522	3.9%	8	256,500,882	3.9%	8
Howard	299,430	5.1%	6	988,098,396	6.3%	6	299,034,275	4.5%	6
Kent	20,191	0.3%	24	51,938,165	0.3%	22	14,092,020	0.2%	24
Montgomery	1,004,709	17.1%	1	3,421,527,732	21.9%	1	822,971,230	12.5%	3
Prince George's	881,138	15.0%	2	1,912,296,650	12.3%	3	1,114,322,801	16.9%	2
Queen Anne's	48,595	0.8%	18	124,898,594	0.8%	19	43,692,537	0.7%	18
St. Mary's	108,987	1.9%	12	254,971,642	1.6%	12	113,558,967	1.7%	14
Somerset	26,253	0.4%	23	28,617,972	0.2%	24	34,887,789	0.5%	20
Talbot	38,098	0.6%	19	140,894,652	0.9%	17	18,832,300	0.3%	23
Washington	149,180	2.5%	11	324,532,005	2.1%	11	188,501,505	2.9%	10
Wicomico	100,647	1.7%	14	203,498,715	1.3%	14	144,906,026	2.2%	12
Worcester	51,578	0.9%	17	192,859,315	1.2%	15	32,017,208	0.5%	22
Total	5,884,563	100.0%		\$15,600,612,645	100.0%		\$6,597,299,972	100.0%	

Source: Department of Legislative Services

Exhibit 10.6
Per Capita Allocation of State Tax Revenues and State Aid – Fiscal 2013

County	Population	Allocation of State Tax Revenues			State Grants to Local Governments		
		Total Revenues	Per Capita Amount	Ranking	Total Grants	Per Capita Amount	Ranking
Allegany	74,012	\$126,406,005	\$1,708	22	\$103,562,904	\$1,399	4
Anne Arundel	550,488	1,664,405,067	3,024	5	441,583,697	802	21
Baltimore City	621,342	1,216,230,805	1,957	19	1,249,454,667	2,011	1
Baltimore	817,455	2,321,075,200	2,839	6	716,815,269	877	19
Calvert	89,628	219,527,869	2,449	12	103,523,460	1,155	11
Caroline	32,718	51,307,499	1,568	23	55,968,788	1,711	2
Carroll	167,217	436,317,980	2,609	8	174,527,923	1,044	14
Cecil	101,696	174,050,885	1,711	21	125,873,949	1,238	10
Charles	150,592	391,686,544	2,601	9	190,930,221	1,268	7
Dorchester	32,551	58,805,667	1,807	20	43,003,804	1,321	6
Frederick	239,582	629,560,110	2,628	7	275,152,461	1,148	12
Garrett	29,854	61,658,655	2,065	17	33,585,289	1,125	13
Harford	248,622	605,446,522	2,435	13	256,500,882	1,032	16
Howard	299,430	988,098,396	3,300	4	299,034,275	999	17
Kent	20,191	51,938,165	2,572	10	14,092,020	698	22
Montgomery	1,004,709	3,421,527,732	3,405	3	822,971,230	819	20
Prince George's	881,138	1,912,296,650	2,170	16	1,114,322,801	1,265	8
Queen Anne's	48,595	124,898,594	2,570	11	43,692,537	899	18
St. Mary's	108,987	254,971,642	2,339	14	113,558,967	1,042	15
Somerset	26,253	28,617,972	1,090	24	34,887,789	1,329	5
Talbot	38,098	140,894,652	3,698	2	18,832,300	494	24
Washington	149,180	324,532,005	2,175	15	188,501,505	1,264	9
Wicomico	100,647	203,498,715	2,022	18	144,906,026	1,440	3
Worcester	51,578	192,859,315	3,739	1	32,017,208	621	23
Total	5,884,563	\$15,600,612,645	\$2,651		\$6,597,299,972	\$1,121	

Source: Department of Legislative Services

Appendices

Appendix 1
Number of Local Governments in the United States by Type

Rank	State	Total	County	Municipal	Townships	Special	Rank	State	Total	County	Municipal	Townships	Special
1	Illinois	6,963	102	1,298	1,431	4,132	26	Montana	1,265	54	129	-	1,082
2	Texas	5,147	254	1,214	-	3,679	27	Alabama	1,208	67	461	-	680
3	Pennsylvania	4,897	66	1,015	1,546	2,270	28	Idaho	1,168	44	200	-	924
4	California	4,425	57	482	-	3,886	29	Mississippi	983	82	298	-	603
5	Ohio	3,842	88	937	1,308	1,509	30	North Carolina	973	100	553	-	320
6	Kansas	3,826	103	626	1,268	1,829	31	Tennessee	916	92	345	-	479
7	Missouri	3,768	114	954	312	2,388	32	New Mexico	863	33	103	-	727
8	Minnesota	3,672	87	853	1,784	948	33	Massachusetts	857	5	53	298	501
9	New York	3,453	57	614	929	1,853	34	Maine	840	16	22	466	336
10	Wisconsin	3,128	72	596	1,255	1,205	35	Wyoming	805	23	99	-	683
11	Colorado	2,905	62	271	-	2,572	36	Vermont	738	14	43	237	444
12	Michigan	2,875	83	533	1,240	1,019	37	South Carolina	678	46	270	-	362
13	Indiana	2,709	91	569	1,006	1,043	38	Arizona	674	15	91	-	568
14	North Dakota	2,685	53	357	1,313	962	39	West Virginia	659	55	232	-	372
15	Nebraska	2,581	93	530	417	1,541	40	Connecticut	643	-	30	149	464
16	South Dakota	1,983	66	311	907	699	41	Utah	622	29	245	-	348
17	Iowa	1,947	99	947	-	901	42	New Hampshire	541	10	13	221	297
18	Washington	1,900	39	281	-	1,580	43	Louisiana	529	60	304	-	165
19	Oklahoma	1,852	77	590	-	1,185	44	Virginia	518	95	229	-	194
20	Florida	1,650	66	410	-	1,174	45	Maryland	347	24	156	-	167
21	Arkansas	1,556	75	502	-	979	46	Delaware	339	3	57	-	279
22	Oregon	1,542	36	241	-	1,265	47	Nevada	191	16	19	-	156
23	Georgia	1,378	153	535	-	690	48	Alaska	177	14	148	-	15
24	New Jersey	1,344	21	324	242	757	49	Rhode Island	133	-	8	31	94
25	Kentucky	1,338	118	418	-	802	50	Hawaii	21	3	1	-	17
	District of Columbia	2	-	1	-	1		United States	90,056	3,032	19,518	16,360	51,146

Source: U.S. Census Bureau, 2012 Census of Government

Appendix 2 Incorporated Cities and Towns in Maryland

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>	<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Allegany			Carroll		
Barton	1900	Ch. 729	Hampstead	1888	Ch. 295
Cumberland	1815	Ch. 136	Manchester	1833	Ch. 193
Frostburg	1839	Ch. 179	Mount Airy (also in Frederick)	1894	Ch. 91
Lonaconing	1890	Ch. 132	New Windsor	1843	Ch. 47
Luke	1922	Ch. 73	Sykesville	1904	Ch. 256
Midland	1900	Ch. 681	Taneytown	1836	Ch. 309
Westernport	1858	Ch. 54	Union Bridge	1872	Ch. 174
			Westminster	1818	Ch. 128
Anne Arundel			Cecil		
Annapolis	1708	Ch. 7	Cecilton	1864	Ch. 353
Highland Beach	1922	Ch. 213	Charlestown	1786	Ch. 32
Baltimore County			Chesapeake City	1849	Ch. 271
None			Elkton	1821	Ch. 143
Calvert			North East	1849	Ch. 339
Chesapeake Beach	1886	Ch. 203	Perryville	1882	Ch. 212
North Beach	1910	Ch. 395	Port Deposit	1824	Ch. 33
			Rising Sun	1860	Ch. 383
Caroline			Charles		
Denton	1802	Ch. 25	Indian Head	1920	Ch. 590
Federalburg	1823	Ch. 174	La Plata	1888	Ch. 325
Goldsboro	1906	Ch. 87	Port Tobacco	1888	Ch. 297
Greensboro	1826	Ch. 97			
Henderson	1949	Ch. 498			
Hillsboro	1853	Ch. 161			
Marydel	1929	Ch. 38			
Preston	1892	Ch. 689			
Ridgely	1896	Ch. 178			
Templeville (also in Queen Anne's)	1865	Ch. 86			

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>	<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Dorchester			Harford		
Brookview	1953	Ch. 704	Aberdeen	1892	Ch. 136
Cambridge	1793	Ch. 66	Bel Air	1874	Ch. 273
Church Creek	1867	Ch. 53	Havre de Grace	1785	Ch. 55
East New Market	1832	Ch. 167	Howard		
Eldorado	1947	Ch. 313	None		
Galestown	1951	Ch. 92	Kent		
Hurlock	1892	Ch. 249	Betterton	1906	Ch. 227
Secretary	1900	Ch. 555	Chestertown	1805	Ch. 101
Vienna	1833	Ch. 216	Galena	1858	Ch. 373
Frederick			Millington (also in Queen Anne's)	1890	Ch. 386
Brunswick	1890	Ch. 577	Rock Hall	1908	Ch. 171
Burkittsville	1894	Ch. 652	Montgomery		
Emmitsburg	1824	Ch. 29	Barnesville	1888	Ch. 254
Frederick	1816	Ch. 74	Brookeville	1808	Ch. 90
Middletown	1833	Ch. 143	Chevy Chase	1918	Ch. 177
Mount Airy (also in Carroll)	1894	Ch. 91	Chevy Chase, Sec. 3	1982	Referendum
Myersville	1904	Ch. 94	Chevy Chase, Sec. 5	1982	Referendum
New Market	1878	Ch. 90	Chevy Chase View	1993	Referendum
Rosemont	1953	Ch. 262	Chevy Chase Village	1910	Ch. 382
Thurmont	1894	Ch. 16	Gaithersburg	1878	Ch. 397
Walkersville	1892	Ch. 351	Garrett Park	1898	Ch. 453
Woodsboro	1836	Ch. 299	Glen Echo	1904	Ch. 436
Garrett			Kensington	1894	Ch. 621
Accident	1916	Ch. 514	Laytonsville	1892	Ch. 497
Deer Park	1884	Ch. 519	Martin's Additions	1985	Referendum
Friendsville	1902	Ch. 477	North Chevy Chase	1996	Referendum
Grantsville	1864	Ch. 99	Poolesville	1867	Ch. 174
Kitzmilller	1906	Ch. 285	Rockville	1860	Ch. 373
Loch Lynn Heights	1896	Ch. 450	Somerseset	1906	Ch. 795
Mountain Lake Park	1931	Ch. 507	Takoma Park	1890	Ch. 480
Oakland	1862	Ch. 250	Washington Grove	1937	Ch. 372

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>	<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Prince George's			Queen Anne's		
Berwyn Heights	1896	Ch. 267	Barclay	1931	Ch. 483
Bladensburg	1854	Ch. 137	Centreville	1794	Ch. 23
Bowie	1882	Ch. 488	Church Hill	1876	Ch. 201
Brentwood	1912	Ch. 401	Millington (also in Kent)	1890	Ch. 386
Capitol Heights	1910	Ch. 513	Queen Anne (also in Talbot)	1953	Ch. 17
Cheverly	1931	Ch. 200	Queenstown	1892	Ch. 542
College Park	1945	Ch. 1051	Sudlersville	1870	Ch. 313
Colmar Manor	1927	Ch. 178	Templeville (also in Caroline)	1865	Ch. 86
Cottage City	1924	Ch. 390			
District Heights	1936	Ch. 61	St. Mary's		
Eagle Harbor	1929	Ch. 397	Leonardtown	1858	Ch. 73
Edmonston	1924	Ch. 154			
Fairmount Heights	1935	Ch. 199	Somerset		
Forest Heights	1949	Ch. 142	Crisfield	1872	Ch. 151
Glenarden	1939	Ch. 650	Princess Anne	1867	Ch. 183
Greenbelt	1937	Ch. 532			
Hyattsville	1886	Ch. 424	Talbot		
Landover Hills	1945	Ch. 465	Easton	1790	Ch. 14
Laurel	1870	Ch. 260	Oxford	1852	Ch. 367
Morningside	1949	Ch. 589	Queen Anne (also in Queen Anne's)	1953	Ch. 17
Mount Rainier	1910	Ch. 514	St. Michaels	1804	Ch. 82
New Carrollton	1953	Ch. 441	Trappe	1827	Ch. 103
North Brentwood	1924	Ch. 508			
Riverdale Park	1920	Ch. 731	Washington		
Seat Pleasant	1931	Ch. 197	Boonsboro	1831	Ch. 139
University Park	1936	Ch. 132	Clear Spring	1836	Ch. 141
Upper Marlboro	1870	Ch. 363	Funkstown	1840	Ch. 78
			Hagerstown	1813	Ch. 121
			Hancock	1853	Ch. 319
			Keedysville	1872	Ch. 251
			Sharpsburg	1832	Ch. 28
			Smithsburg	1841	Ch. 284
			Williamsport	1823	Ch. 125

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Wicomico		
Delmar	1888	Ch. 167
Fruitland	1947	Ch. 662
Hebron	1931	Ch. 90
Mardela Springs	1906	Ch. 325
Pittsville	1906	Ch. 499
Salisbury	1854	Ch. 287
Sharptown	1874	Ch. 465
Willards	1906	Ch. 195

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Worcester		
Berlin	1868	Ch. 424
Ocean City	1880	Ch. 209
Pocomoke City	1878	Ch. 253
Snow Hill	1812	Ch. 72

Source: Maryland State Archives; Department of Legislative Services

Appendix 3
Residents Residing in Municipalities
July 2014

County	County Population	Municipal Population	Percent of County	Rank
Allegany	72,952	32,824	45.0%	3
Anne Arundel	560,133	38,956	7.0%	20
Baltimore City	622,793	0	0.0%	24
Baltimore	826,925	0	0.0%	24
Calvert	90,613	7,889	8.7%	18
Caroline	32,538	11,880	36.5%	7
Carroll	167,830	48,995	29.2%	11
Cecil	102,383	30,091	29.4%	10
Charles	154,747	12,874	8.3%	19
Dorchester	32,578	16,207	49.7%	2
Frederick	243,675	102,397	42.0%	5
Garrett	29,679	6,834	23.0%	14
Harford	250,105	39,210	15.7%	16
Howard	309,284	0	0.0%	24
Kent	19,820	7,958	40.2%	6
Montgomery	1,030,447	170,763	16.6%	15
Prince George's	904,430	247,601	27.4%	12
Queen Anne's	48,804	6,836	14.0%	17
St. Mary's	110,382	3,511	3.2%	21
Somerset	25,859	6,001	23.2%	13
Talbot	37,643	19,466	51.7%	1
Washington	149,573	53,645	35.9%	8
Wicomico	101,539	45,172	44.5%	4
Worcester	51,675	17,892	34.6%	9
Total	5,976,407	927,002	15.5%	

Source: Maryland Department of Planning; Department of Legislative Services

Appendix 4
Racial Composition of the United States
July 2014

State	White	African American	Hispanic/Latino	Asian	Other
Alabama	66.2%	26.4%	4.1%	1.3%	2.0%
Alaska	61.9%	3.6%	6.8%	5.9%	21.8%
Arizona	56.2%	4.1%	30.5%	3.0%	6.1%
Arkansas	73.4%	15.4%	7.0%	1.4%	2.7%
California	38.5%	5.7%	38.6%	13.8%	3.4%
Colorado	69.0%	3.9%	21.2%	3.0%	2.9%
Connecticut	68.8%	9.9%	15.0%	4.4%	1.9%
Delaware	63.7%	21.2%	8.9%	3.7%	2.5%
District of Columbia	35.8%	47.4%	10.4%	3.9%	2.5%
Florida	55.8%	15.6%	24.1%	2.7%	1.9%
Georgia	54.3%	30.7%	9.3%	3.8%	2.0%
Hawaii	23.0%	2.2%	10.1%	36.4%	28.4%
Idaho	82.8%	0.7%	12.0%	1.3%	3.2%
Illinois	62.3%	14.2%	16.7%	5.2%	1.6%
Indiana	80.3%	9.2%	6.6%	2.0%	1.9%
Iowa	87.1%	3.3%	5.6%	2.2%	1.9%
Kansas	76.8%	5.9%	11.4%	2.7%	3.3%
Kentucky	85.4%	8.0%	3.4%	1.3%	1.9%
Louisiana	59.3%	32.1%	4.8%	1.7%	2.0%
Maine	93.8%	1.4%	1.5%	1.2%	2.2%
Maryland	52.6%	29.3%	9.3%	6.3%	2.5%
Massachusetts	74.3%	6.8%	10.8%	6.2%	1.9%
Michigan	75.8%	13.9%	4.8%	2.8%	2.6%
Minnesota	81.4%	5.7%	5.1%	4.6%	3.2%
Mississippi	57.3%	37.2%	3.0%	1.0%	1.6%
Missouri	80.1%	11.6%	4.0%	1.9%	2.5%

State	White	African American	Hispanic/ Latino	Asian	Other
Montana	86.7%	0.5%	3.5%	0.8%	8.5%
Nebraska	80.5%	4.6%	10.2%	2.1%	2.6%
Nevada	51.5%	8.2%	27.8%	7.9%	4.5%
New Hampshire	91.3%	1.3%	3.3%	2.5%	1.7%
New Jersey	56.8%	12.9%	19.3%	9.3%	1.6%
New Mexico	38.9%	1.9%	47.7%	1.4%	10.1%
New York	56.5%	14.6%	18.6%	8.3%	2.0%
North Carolina	64.1%	21.4%	9.0%	2.6%	3.0%
North Dakota	86.6%	2.0%	3.2%	1.2%	7.0%
Ohio	80.1%	12.3%	3.5%	2.0%	2.1%
Oklahoma	67.0%	7.4%	9.8%	2.0%	13.7%
Oregon	77.0%	1.8%	12.5%	4.1%	4.5%
Pennsylvania	77.9%	10.7%	6.6%	3.2%	1.7%
Rhode Island	74.5%	5.6%	14.0%	3.4%	2.4%
South Carolina	63.9%	27.3%	5.4%	1.5%	1.9%
South Dakota	83.0%	1.8%	3.6%	1.2%	10.4%
Tennessee	74.6%	16.8%	5.0%	1.7%	1.9%
Texas	43.5%	11.7%	38.6%	4.4%	1.7%
Utah	79.3%	1.1%	13.5%	2.3%	3.8%
Vermont	93.5%	1.1%	1.8%	1.5%	2.0%
Virginia	63.1%	19.0%	8.9%	6.2%	2.8%
Washington	70.4%	3.7%	12.2%	8.0%	5.8%
West Virginia	92.5%	3.5%	1.5%	0.8%	1.7%
Wisconsin	82.2%	6.3%	6.5%	2.6%	2.4%
Wyoming	84.1%	1.4%	9.8%	0.9%	3.8%
United States	62.1%	12.4%	17.4%	5.3%	2.9%

Source: U.S. Census Bureau

Appendix 5
Washington and Baltimore Metropolitan Statistical Areas

	<u>1990</u>	<u>2000</u>	<u>2014</u>	<u>Population Change</u>		<u>Percent Change</u>	
				<u>1990-2000</u>	<u>2000-2014</u>	<u>1990-2000</u>	<u>2000-2014</u>
Washington Metropolitan Area	4,156,612	4,837,428	6,033,737	680,816	1,196,309	16.4%	24.7%
District of Columbia	606,900	572,059	658,893	-34,841	86,834	-5.7%	15.2%
Maryland	1,788,314	2,065,242	2,423,912	276,928	358,670	15.5%	17.4%
Calvert	51,372	74,563	90,613	23,191	16,050	45.1%	21.5%
Charles	101,154	120,546	154,747	19,392	34,201	19.2%	28.4%
Frederick	150,208	195,277	243,675	45,069	48,398	30.0%	24.8%
Montgomery	762,875	873,341	1,030,447	110,466	157,106	14.5%	18.0%
Prince George's	722,705	801,515	904,430	78,810	102,915	10.9%	12.8%
Virginia	1,725,472	2,157,937	2,895,219	432,465	737,282	25.1%	34.2%
Alexandria City	111,183	128,283	150,575	17,100	22,292	15.4%	17.4%
Arlington	170,936	189,453	226,908	18,517	37,455	10.8%	19.8%
Clarke	12,101	12,652	14,423	551	1,771	4.6%	14.0%
Culpeper	27,791	34,262	49,166	6,471	14,904	23.3%	43.5%
Fairfax City	19,622	21,498	24,483	1,876	2,985	9.6%	13.9%
Fairfax	818,584	969,749	1,137,538	151,165	167,789	18.5%	17.3%
Falls Church City	9,578	10,377	13,601	799	3,224	8.3%	31.1%
Fauquier	48,741	55,139	68,248	6,398	13,109	13.1%	23.8%
Fredericksburg City	19,027	19,279	28,350	252	9,071	1.3%	47.1%
Loudoun	86,129	169,599	363,050	83,470	193,451	96.9%	114.1%
Manassas City	27,957	35,135	42,081	7,178	6,946	25.7%	19.8%
Manassas Park City	6,734	10,290	15,174	3,556	4,884	52.8%	47.5%
Prince William	215,686	280,813	446,094	65,127	165,281	30.2%	58.9%
Rappahannock	6,622	6,983	7,361	361	378	5.5%	5.4%
Spotsylvania	57,403	90,395	129,188	32,992	38,793	57.5%	42.9%
Stafford	61,236	92,446	139,992	31,210	47,546	51.0%	51.4%
Warren	26,142	31,584	38,987	5,442	7,403	20.8%	23.4%
West Virginia	35,926	42,190	55,713	6,264	13,523	17.4%	32.1%
Jefferson	35,926	42,190	55,713	6,264	13,523	17.4%	32.1%

	<u>1990</u>	<u>2000</u>	<u>2014</u>	Population Change		Percent Change	
				<u>1990-2000</u>	<u>2000-2014</u>	<u>1990-2000</u>	<u>2000-2014</u>
Baltimore Metropolitan Area	2,382,172	2,552,994	2,785,874	170,822	232,880	7.2%	9.1%
Baltimore City	736,014	651,154	622,793	-84,860	-28,361	-11.5%	-4.4%
Anne Arundel	427,239	489,656	560,133	62,417	70,477	14.6%	14.4%
Baltimore	692,134	754,292	826,925	62,158	72,633	9.0%	9.6%
Carroll	123,372	150,897	167,830	27,525	16,933	22.3%	11.2%
Harford	182,132	218,590	250,105	36,458	31,515	20.0%	14.4%
Howard	187,328	247,842	309,284	60,514	61,442	32.3%	24.8%
Queen Anne's	33,953	40,563	48,804	6,610	8,241	19.5%	20.3%

Source: U.S. Census Bureau

Appendix 6
Special County Property Tax Rates
Fiscal 2016

	<u>Real Property Tax Rate</u>	<u>Percent of Total</u>
Charles County		
General Tax	\$1.141	94.7%
Fire District Tax	0.064	5.3%
Total Rate	\$1.205	100.0%
Howard County		
General Tax	\$1.014	85.2%
Fire District Tax	0.176	14.8%
Total Rate	\$1.190	100.0%
Montgomery County		
General Tax	\$0.723	72.4%
Transit Tax	0.060	6.0%
Fire District Tax	0.116	11.6%
M-NCPPC	0.074	7.4%
Recreation Tax	0.023	2.3%
Storm Drainage Tax	0.003	0.3%
Total Rate	\$0.999	100.0%
Prince George's County		
General Tax	\$1.000	72.8%
M-NCPPC	0.294	21.4%
WSTC	0.026	1.9%
Stormwater	0.054	3.9%
Total Rate	\$1.374	100.0%

Source: Department of Legislative Services

Appendix 7
County and Municipal Real Property Tax Rates
Fiscal 2016

Jurisdiction	Population July 2014	County Rate	Municipal Rate	County Special Rate	Total Rate
Allegany	72,952	\$0.978			\$0.978
Barton	437	0.894	0.172	-	1.066
Cumberland	20,235	0.849	0.965	-	1.814
Frostburg	8,684	0.856	0.620	-	1.476
Lonaconing	1,151	0.871	0.353	-	1.224
Luke	64	0.869	1.060	-	1.929
Midland	432	0.894	0.280	-	1.174
Westernport	1,821	0.894	0.600	-	1.494
Anne Arundel	560,133	0.923			0.923
Annapolis	38,856	0.552	0.649	-	1.201
Highland Beach	100	0.923	0.406	-	1.329
Baltimore City	622,793	2.248			2.248
Baltimore	826,925	1.100			1.100
Calvert	90,613	0.892			0.892
Chesapeake Beach	5,874	0.556	0.360	-	0.916
North Beach	2,015	0.556	0.634	-	1.190
Caroline	32,538	\$0.980			\$0.980
Denton	4,344	0.920	0.710	-	1.630
Federalsburg	2,667	0.900	0.820	-	1.720
Goldsboro	241	0.980	0.470	-	1.450
Greensboro	1,859	0.920	0.750	-	1.670

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Henderson	143	0.980	0.480	-	1.460
Hillsboro	158	0.980	0.160	-	1.140
Marydel	134	0.980	0.300	-	1.280
Preston	690	0.950	0.360	-	1.310
Ridgely	1,616	0.920	0.590	-	1.510
Templeville*	28	0.980	0.360	-	1.340
Carroll	167,830	1.018			1.018
Hampstead	6,363	1.018	0.220	-	1.238
Manchester	4,821	1.018	0.216	-	1.234
Mount Airy*	5,527	1.018	0.170	-	1.188
New Windsor	1,402	1.018	0.262	-	1.280
Sykesville	4,432	1.018	0.350	-	1.368
Taneytown	6,752	1.018	0.370	-	1.388
Union Bridge	974	1.018	0.300	-	1.318
Westminster	18,724	1.018	0.560	-	1.578
Cecil	102,383	0.991			0.991
Cecilton	672	0.991	0.220	-	1.210
Charlestown	1,197	0.991	0.333	-	1.324
Chesapeake City	690	0.991	0.449	-	1.440
Elkton	15,852	0.991	0.586	-	1.576
North East	3,715	0.991	0.480	-	1.471
Perryville	4,429	0.991	0.313	-	1.304
Port Deposit	659	0.991	0.551	-	1.542
Rising Sun	2,877	0.991	0.406	-	1.397
Charles	154,747	\$1.141		\$0.064	\$1.205
Indian Head	3,873	1.087	0.300	0.064	1.451
La Plata	8,988	1.007	0.320	0.064	1.391
Port Tobacco	13	1.141	0.040	0.064	1.245

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Dorchester	32,578	0.976			0.976
Brookview	59	0.976	0.300	-	1.276
Cambridge	12,569	0.932	0.799	-	1.731
Church Creek	124	0.976	0.170	-	1.146
East New Market	394	0.976	0.711	-	1.687
Eldorado	58	0.976	0.190	-	1.166
Galestown	137	0.976	0.310	-	1.286
Hurlock	2,057	0.927	0.835	-	1.762
Secretary	532	0.976	0.320	-	1.296
Vienna	277	0.976	0.480	-	1.456
Frederick	243,675	1.060		-	1.060
Brunswick	6,102	1.060	0.462	-	1.522
Burkittsville	156	1.060	0.190	-	1.250
Emmitsburg	3,026	1.060	0.360	-	1.420
Frederick	68,400	0.934	0.731	-	1.665
Middletown	4,460	1.060	0.232	-	1.292
Mount Airy*	3,861	1.060	0.170	-	1.230
Myersville	1,703	0.930	0.391	-	1.321
New Market	693	1.060	0.120	-	1.180
Rosemont	306	1.060	0.040	-	1.100
Thurmont	6,439	1.060	0.302	-	1.362
Walkersville	6,058	1.060	0.150	-	1.210
Woodsboro	1,193	1.060	0.126	-	1.186
Garrett	29,679	\$0.990			\$0.990
Accident	319	0.990	0.320	-	1.310
Deer Park	385	0.990	0.300	-	1.290
Friendsville	480	0.990	0.320	-	1.310
Grantsville	769	0.990	0.200	-	1.190

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Kitzmilller	313	0.990	0.360	-	1.350
Loch Lynn Heights	540	0.990	0.320	-	1.310
Mountain Lake Park	2,123	0.931	0.414	-	1.345
Oakland	1,905	0.990	0.472	-	1.462
Harford	250,105	1.042			1.042
Aberdeen	15,434	0.894	0.660	-	1.554
Bel Air	10,264	0.894	0.500	-	1.394
Havre de Grace	13,512	0.894	0.560	-	1.454
Howard	309,284	1.014		0.176	1.190
Kent	19,820	1.022			1.022
Betterton	334	1.022	0.320	-	1.342
Chestertown	5,125	1.022	0.370	-	1.392
Galena	601	1.022	0.240	-	1.262
Millington*	586	1.022	0.280	-	1.302
Rock Hall	1,312	1.022	0.320	-	1.342
Montgomery	1,030,447	\$0.723		\$0.276	\$0.999
Barnesville	178	0.723	0.051	0.200	0.974
Brookeville	138	0.723	0.200	0.200	1.123
Chevy Chase, Sec. 3	794	0.723	0.020	0.276	1.019
Chevy Chase, Sec. 5	689	0.723	0.000	0.276	0.999
Chevy Chase	2,959	0.723	0.000	0.276	0.999
Chevy Chase View	969	0.723	0.022	0.276	1.021
Chevy Chase Village	2,047	0.723	0.083	0.276	1.082
Gaithersburg	66,816	0.723	0.262	0.177	1.162
Garrett Park	1,036	0.723	0.210	0.273	1.206
Glen Echo	269	0.723	0.140	0.276	1.139
Kensington	2,313	0.723	0.136	0.273	1.132

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Laytonsville	370	0.723	0.090	0.200	1.013
Martin's Additions	982	0.723	0.047	0.276	1.046
North Chevy Chase	585	0.723	0.052	0.276	1.051
Poolesville	5,160	0.723	0.170	0.200	1.093
Rockville	65,937	0.723	0.622	0.177	1.522
Somerset	1,278	0.723	0.080	0.276	1.079
Takoma Park	17,670	0.723	0.585	0.273	1.581
Washington Grove	573	0.723	0.286	0.177	1.186
Prince George's	904,430	1.000		\$0.374	\$1.374
Berwyn Heights	3,262	0.876	0.530	0.374	1.780
Bladensburg	9,583	0.893	0.740	0.374	2.007
Bowie	57,646	0.872	0.400	0.320	1.592
Brentwood	3,174	0.927	0.411	0.374	1.712
Capitol Heights	4,546	0.885	0.462	0.374	1.721
Cheverly	6,449	0.880	0.580	0.374	1.834
College Park	32,256	0.969	0.335	0.374	1.678
Colmar Manor	1,460	0.907	1.310	0.374	2.591
Cottage City	1,363	0.898	0.650	0.374	1.922
District Heights	6,109	0.879	0.949	0.215	2.042
Eagle Harbor	66	0.994	0.480	0.374	1.848
Edmonston	1,509	0.898	0.660	0.374	1.932
Fairmount Heights	1,561	0.945	0.460	0.374	1.779
Forest Heights	2,559	0.909	0.625	0.374	1.908
Glenarden	6,290	0.889	0.331	0.374	1.594
Greenbelt	24,125	0.861	0.813	0.215	1.888
Hyattsville	18,420	0.866	0.630	0.374	1.870
Landover Hills	1,801	0.887	0.520	0.374	1.781
Laurel	26,160	0.837	0.710	0.158	1.705
Morningside	2,082	0.929	0.740	0.374	2.043
Mt. Rainier	8,430	0.868	0.860	0.374	2.102

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New Carrollton	12,708	0.884	0.665	0.374	1.923
North Brentwood	538	0.996	0.440	0.374	1.810
Riverdale Park	7,266	0.867	0.654	0.374	1.895
Seat Pleasant	4,752	0.876	0.580	0.374	1.830
University Park	2,653	0.877	0.653	0.374	1.904
Upper Marlboro	833	0.918	0.240	0.374	1.532
Queen Anne's	48,804	\$0.847			\$0.847
Barclay	119	0.847	0.200	-	1.047
Centreville	4,574	0.763	0.380	-	1.143
Church Hill	736	0.847	0.340	-	1.187
Millington*	37	0.808	0.280	-	1.088
Queen Anne*	127	0.847	0.180	-	1.027
Queenstown	656	0.847	0.185	-	1.032
Sudlersville	502	0.787	0.167	-	0.954
Templeville*	85	0.847	0.360	-	1.207
St. Mary's	110,382	0.852			0.852
Leonardtwn	3,511	0.852	0.127	-	0.979
Somerset	25,859	1.000			1.000
Crisfield	2,671	1.000	0.870	-	1.870
Princess Anne	3,330	1.000	1.101	-	2.101
Talbot	37,643	0.536			0.536
Easton	16,675	0.403	0.520	-	0.923
Oxford	624	0.419	0.295	-	0.714
Queen Anne*	91	0.475	0.180	-	0.655
St. Michaels	1,046	0.409	0.450	-	0.859
Trappe	1,030	0.438	0.290	-	0.728

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Washington	149,573	\$0.948			\$0.948
Boonsboro	3,449	0.823	0.350	-	1.173
Clear Spring	353	0.823	0.280	-	1.103
Funkstown	887	0.823	0.360	-	1.183
Hagerstown	40,364	0.823	0.913	-	1.736
Hancock	1,555	0.823	0.520	-	1.343
Keedysville	1,162	0.823	0.180	-	1.003
Sharpsburg	706	0.823	0.350	-	1.173
Smithsburg	3,002	0.823	0.350	-	1.173
Williamsport	2,167	0.823	0.485	-	1.308
Wicomico	101,539	0.952			0.952
Delmar	3,021	0.952	0.846	-	1.798
Fruitland	5,121	0.952	0.960	-	1.912
Hebron	1,085	0.952	0.445	-	1.397
Mardela Springs	348	0.952	0.230	-	1.182
Pittsville	1,421	0.952	0.280	-	1.232
Salisbury	32,563	0.952	0.937	-	1.889
Sharptown	643	0.952	0.600	-	1.552
Willards	970	0.952	0.460	-	1.412
Worcester	51,675	0.835			0.835
Berlin	4,552	0.835	0.680	-	1.515
Ocean City	7,089	0.835	0.478	-	1.313
Pocomoke City	4,160	0.835	0.938	-	1.773
Snow Hill	2,091	0.835	0.860	-	1.695

(-) county special rate is not imposed in the municipality.

* municipality is in two counties.

Source: State Department of Assessments and Taxation; Department of Legislative Services