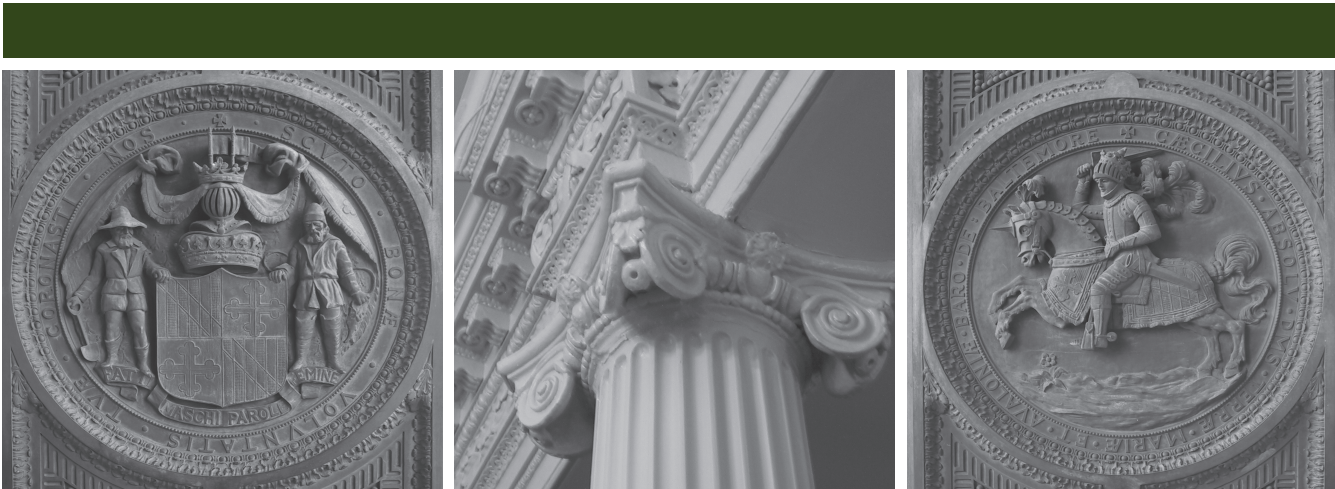


OVERVIEW OF MARYLAND LOCAL GOVERNMENTS

FINANCES AND DEMOGRAPHIC INFORMATION



DEPARTMENT OF LEGISLATIVE SERVICES 2017

Overview of Maryland Local Governments

Finances and Demographic Information

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

January 2017

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DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Warren G. Deschenaux
Executive Director

January 25, 2017

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 Michelle Davis, Scott Gates, Trevor Owen, Gail Renborg, Michael Sanelli, Charity Scott, Kathy Selle, Benford Techie, and Stanford Ward, and was reviewed by Hiram Burch, Scott Kennedy, and Michael Sanelli. The manuscript was prepared by Karen Belton. 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 48% of the State's population compared to 38.4% 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 44.3%, whereas the White population decreased by 5.3%. The State's Hispanic population increased by 151.1%, with the Asian population increasing by 80.0% and African Americans increasing by 19.8%.

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 \$29.9 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 2014, expenditures at the county government level totaled \$28.5 billion, which accounted for 95.5% of total local government expenditures.

Municipal governments spent \$1.4 billion, which accounted for 4.5% of total local government expenditures in fiscal 2014. 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

Six counties changed their local property tax rates in fiscal 2017, with four counties increasing their rates and two counties decreasing their rates. Local income tax rates remained relatively constant for tax year 2017, with only two counties altering (increasing) their tax rate. No county altered its transfer or admissions and amusement tax rates, but one county increased its recordation tax rate and another county increased its hotel rental tax rate.

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 \$102.7 million in fiscal 2016, through either a tax rate differential or tax rebate.

Fourteen counties impose either a development impact fee or excise tax, which are expected to generate approximately \$133.4 million in revenues in fiscal 2017. 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 3.9% in fiscal 2017 and is projected to increase by 2.5% in fiscal 2018. Net taxable income increased by 3.9% in tax year 2015 after increasing by 5.9% in tax year 2014. Local recordation and transfer tax revenues have been increasing overall since fiscal 2012. County governments collected \$819.5 million in local recordation and transfer taxes in fiscal 2016 and are expected to collect \$877.2 million in fiscal 2017.

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. Despite property tax assessments beginning to increase again, the amount of property tax relief provided by the Homestead Tax Credit Program is less than it has been in previous years. In fiscal 2018, assessment caps are projected to reduce the amount of the county assessable base that is taxable by 2.7% 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 2017. Moreover, no jurisdiction planned to implement furloughs, service reduction days, or layoffs in fiscal 2017, with the exception of layoffs of nonteaching positions by Baltimore City Public Schools.

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% comes from the State. The federal government provides only 4.5% of public school funding. Public schools in Maryland received about \$15,268 in total funding for each pupil in fiscal 2017. Worcester County has the highest per pupil revenues at \$17,971, while Baltimore City has the second highest at \$16,942 and Somerset County has the third highest at \$16,603. Talbot and Frederick counties have the lowest per pupil revenues at \$13,474 and \$13,409, respectively.

Local General Fund Balances

Local governments ended fiscal 2016 with total unrestricted general fund balances, including “rainy day” accounts, totaling \$2.5 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 2016, these funds totaled approximately \$963.1 million or 6.7% of total general fund revenues.

Local Debt Measures

As of June 30, 2015, Maryland counties and Baltimore City had \$20.9 billion in outstanding debt, including general obligation bonds, revenue and enterprise debt, federal loans, State loans, capital leases, and short-term debt. Between fiscal 2011 and 2015, local debt for counties and Baltimore City increased by \$3.7 billion or 21.2%. This represents a 4.9% average annual increase over the four-year period. The Washington Suburban Sanitary Commission accounted for 10.5% of the total debt in fiscal 2015.

Balance of State Payments

In fiscal 2014, State revenue collections allocated in the *Balance Sheet* totaled over \$16 billion, while State aid payments to local governments totaled \$6.8 billion. The individual income tax accounted for 48.5% of the State revenues allocated in the report, while sales taxes accounted for 26.3% 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 2005, ranging from a low of 37% in fiscal 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 6 jurisdictions, decreased in 8 jurisdictions, and remained relatively constant in 10 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: *2012 Census of Governments*, U.S. Census Bureau

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 69,479 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 (248,635), municipal residents account for only 27.3% 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, 3.3% 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	69,479
Gaithersburg	Montgomery	67,456
Rockville	Montgomery	66,980
Bowie	Prince George's	58,025
Hagerstown	Washington	40,432
Annapolis	Anne Arundel	39,474
Salisbury	Wicomico	32,899
College Park	Prince George's	32,301
Laurel	Prince George's	26,215
Greenbelt	Prince George's	24,272

Source: *July 2015 Population Estimates*, Maryland Department of Planning; 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: *July 2015 Population Estimates*, Maryland Department of Planning; 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

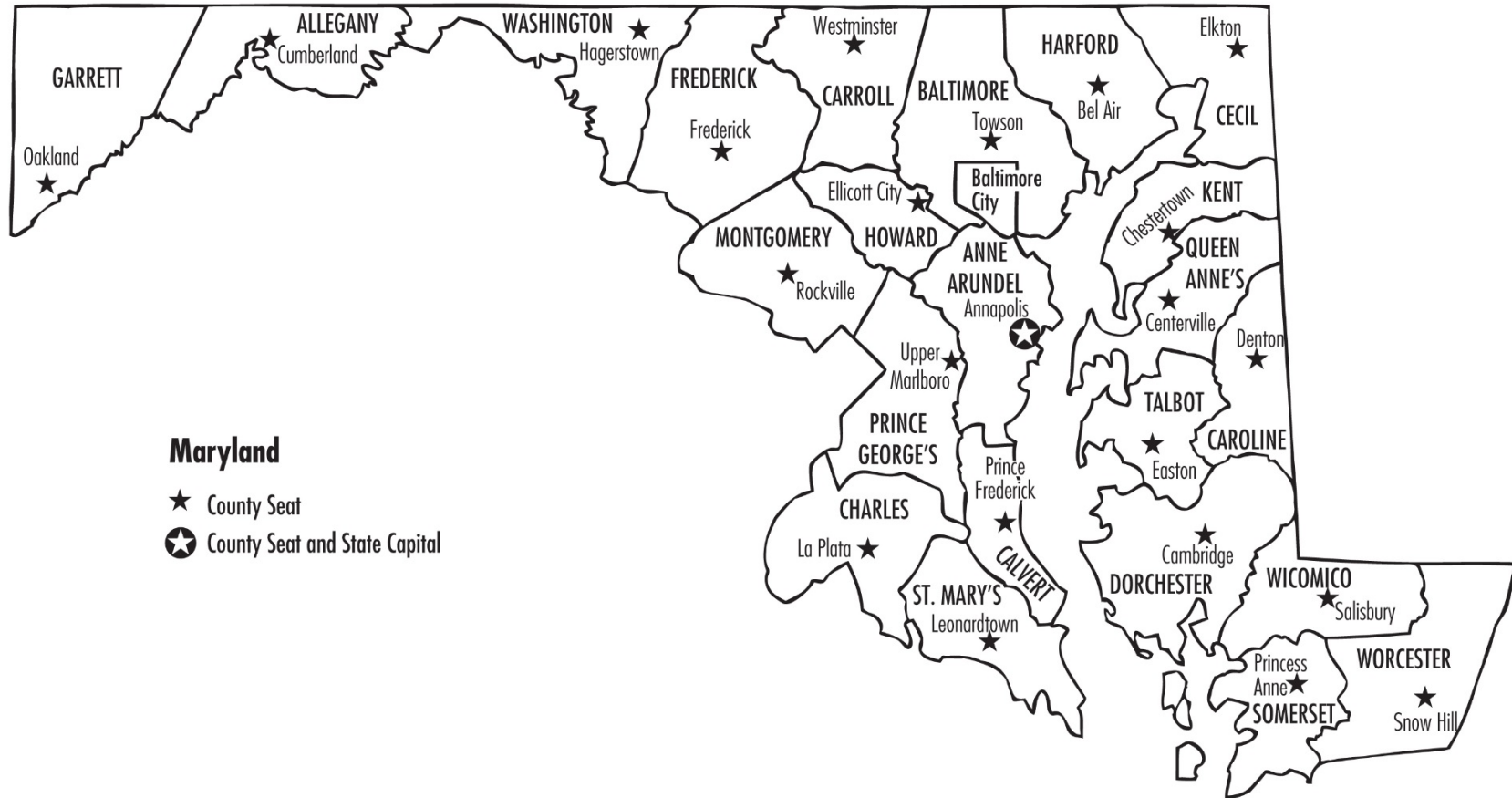
special taxing districts have been created by State or local law to address specific goals or needs within a small geographic area, or to deal with issues and problems that cross county boundaries. Despite sharing some features similar to counties and municipalities, these entities lack home rule authority and must come to the legislative body that created them 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 48.0% of the State's population compared to 38.4% nationally, as shown in **Table 2.1**. African Americans are the largest racial minority in Maryland, comprising 29.4% of the State's population, whereas Hispanics account for 9.5%, followed by Asians at 6.4%. 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 – 2015

	Maryland	United States
White	52.0%	61.6%
African American	29.4%	12.4%
Hispanic/Latino	9.5%	17.6%
Asian	6.4%	5.4%
American Indian	0.2%	0.7%
Native Hawaiian	0.1%	0.2%
Multiracial	2.3%	2.0%

Source: U.S. Census Bureau

Since the 2000 census, gains in the State's population have been due entirely to growth in minority groups. During this period, the State's minority population increased by 44.3%, whereas the White population decreased by 5.3%. The State's Hispanic population increased by 151.1% during this period, with the Asian population increasing by 80.0% and African Americans increasing by 19.8%. **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 2015, the State population increased by 709,900 people, representing a 13.4% increase over the 15-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 2015 with a growth rate of 29.5%. Nine other counties, Anne Arundel, 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 sixth with approximately 6.1 million residents, while the Baltimore metropolitan statistical area ranks twenty-first with approximately 2.8 million residents. Combined, these two metropolitan statistical areas hold approximately 8.9 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 831,100 residents; Baltimore City is the second most populous jurisdiction with 621,800 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 2015, Maryland had the thirteenth highest violent crime rate, the fourth highest murder rate, and the third highest robbery rate. The FBI recorded 516 murders in Maryland compared to 383 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 and Hawaii had the lowest. **Table 2.2** compares the crime rates in Maryland with neighboring Virginia for calendar 2015.

Table 2.2
Comparison of Crime Rates in 2015¹

	Maryland		Virginia	
Violent Crime	457.2	13 th	195.6	49 th
Murder	8.6	4 th	4.6	25 th
Rape	27.7	47 th	27.9	46 th
Robbery	164.2	3 rd	53.0	38 th
Assault ²	256.7	20 th	110.2	48 th
Burglary	427.5	30 th	254.6	50 th
Vehicle Theft	218.9	19 th	96.8	46 th

¹Rate is per 100,000 inhabitants.

²Aggravated assaults.

Source: FBI *Uniform Crime Report*, 2015

Among the State's 24 subdivisions, Baltimore City had the highest crime rate in 2015, followed by Dorchester, Worcester, Wicomico, and Allegany counties. Carroll, Harford, Queen Anne's, and Calvert counties had the lowest crime rates. Crime rate statistics are from the *Uniform Crime Report* for 2015 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 16% of the total crime index for 2015. Violent crime statewide increased by 7% when compared to 2014. Property crimes, which include breaking or entering, larceny-theft, and motor vehicle theft, accounted for 84% of the total crime index for 2015. Property crime statewide decreased by 4% when compared to 2014.

Baltimore City and Prince George's County continue to be plagued with a high murder rate, with the two jurisdictions accounting for 76.3% of the State's murders in 2015. Baltimore City experienced a 63.0% increase in the number of murders reported in 2015, while Prince George's County had a 39.3% increase.

Baltimore City and Prince George's County also continue to be troubled by a high volume of robbery offenses. In 2015, 4,378 robberies were reported in Baltimore City and 1,704 robberies were reported in Prince George's County. In comparison, only 641 robberies were reported in Montgomery County. Despite a decrease of 7.7% in the number of robberies in Prince George's County, 59.9% 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, the number of incidences has increased significantly in Baltimore City, with approximately 66.1% of motor vehicle thefts in the State occurring in the two jurisdictions. In 2015, 3,431 vehicles were reported stolen in Prince George's County compared to 768 in Montgomery County. Baltimore City had an even higher number of vehicle thefts at 5,541, a 23% increase over the number of incidences reported in the city in 2014.

As illustrated in **Exhibit 2.8**, several municipalities have crime rates that exceed those in Baltimore City. In 2015, the City of Elkton had the State's highest crime rate, followed by Cambridge and Cumberland. Of the State's 20 largest municipalities, Bowie had the lowest crime rate in 2015, followed by Rockville, both with less than 70% of the statewide average.

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 2016, the average weekly wage was \$1,104 statewide, ranging from \$607 in Garrett County to \$1,408 in Montgomery County. Howard County had the second highest average weekly wage, followed by Baltimore City and St. Mary's County. 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 5.8% in calendar 2014, 5.2% in calendar 2015, and 4.4% in calendar 2016. Howard and Montgomery counties had the lowest unemployment rates at 3.3% and 3.4% in calendar 2016, while Worcester County had the highest at 8.7%; Somerset County had the second highest rate at 7.0%. The unemployment rate in Maryland continues to be below the national average. The national unemployment rate averaged 6.2% in calendar 2014, 5.3% in calendar 2015, and 4.9% in calendar 2016.

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 five-year average for 2011 through 2015. 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
(Five-year Average Median for 2011-2015)

<u>Top 10 States</u>		<u>Bottom 10 States</u>	
1. Maryland	\$74,551	41. North Carolina	\$46,868
2. Alaska	72,515	42. South Carolina	45,483
3. New Jersey	72,093	43. Tennessee	45,219
4. Connecticut	70,331	44. Louisiana	45,047
5. Hawaii	69,515	45. New Mexico	44,963
6. Massachusetts	68,563	46. Kentucky	43,740
7. New Hampshire	66,779	47. Alabama	43,623
8. Virginia	65,015	48. West Virginia	41,751
9. California	61,818	49. Arkansas	41,371
10. Minnesota	61,492	50. Mississippi	39,665
	District of Columbia \$70,848		National Average \$53,889

Source: *American Community Survey*, U.S. Census Bureau

Based on a five-year average for 2011 through 2015, the median household income for Maryland jurisdictions ranged from \$35,154 in Somerset County to \$110,238 in Howard County. Montgomery County had the second highest median income at \$99,435, and Calvert County had the third highest at \$95,828. Four counties (Allegany, Dorchester, Garrett, and Somerset) 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 increased by 3.0% in fiscal 2016. Sixteen counties and Baltimore City realized increases in the median sale price during this period, while only three counties experienced decreases. The median sale price ranged from \$114,900 in Allegany County to \$437,900 in Howard County. The overall annual increase in fiscal 2016 reversed the losses experienced during fiscal 2015, when the median sale price for homes decreased statewide by 1.3%. Median sale price statistics are from the State Department of Assessments and Taxation.

Employment

The private sector accounts for almost 81% of employment in Maryland with the government sector accounting for approximately 19%. The reliance on government employment ranges from 9.7% in Talbot County to 45.5% 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 3.8% of total employment in Maryland, while local governments account for 9.7%. Due to the State's proximity to the nation's capital, Maryland has a high concentration of federal employment, which accounts for 5.6% of total employment in the State. Nearly one-third of federal positions are located in Montgomery County with an additional 18.1% 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 2011 to 2016 increased by 5.8%, resulting in a gain of 140,751 jobs. The highest employment growth, on a percentage basis, occurred in Anne Arundel and Howard counties. **Exhibit 2.12** shows the change in employment for each county from the first quarter in 2011 to the first quarter in 2016. **Exhibit 2.13** shows the changes in employment from the first quarter in 2011 to the first quarter in 2016 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

<u>County</u>	<u>Population July 2015</u>	<u>Land Area Sq. Miles</u>	<u>Population Density</u>	<u>Ranking by Population</u>		<u>Ranking by Density</u>			
Allegany	72,528	424.2	171.0	1.	Montgomery	1,040,116	1.	Baltimore City	7,686.6
Anne Arundel	564,195	414.9	1,359.8	2.	Prince George's	909,535	2.	Montgomery	2,117.1
Baltimore City	621,849	80.9	7,686.6	3.	Baltimore	831,128	3.	Prince George's	1,884.3
Baltimore	831,128	598.3	1,389.1	4.	Baltimore City	621,849	4.	Baltimore	1,389.1
Calvert	90,595	213.2	424.9	5.	Anne Arundel	564,195	5.	Anne Arundel	1,359.8
Caroline	32,579	319.4	102.0	6.	Howard	313,414	6.	Howard	1,250.2
Carroll	167,627	447.6	374.5	7.	Harford	250,290	7.	Harford	572.6
Cecil	102,382	346.3	295.6	8.	Frederick	245,322	8.	Calvert	424.9
Charles	156,118	457.8	341.0	9.	Carroll	167,627	9.	Carroll	374.5
Dorchester	32,384	540.8	59.9	10.	Charles	156,118	10.	Frederick	371.6
Frederick	245,322	660.2	371.6	11.	Washington	149,585	11.	Charles	341.0
Garrett	29,460	647.1	45.5	12.	St. Mary's	111,413	12.	Washington	326.7
Harford	250,290	437.1	572.6	13.	Cecil	102,382	13.	St. Mary's	311.9
Howard	313,414	250.7	1,250.2	14.	Wicomico	102,370	14.	Cecil	295.6
Kent	19,787	277.0	71.4	15.	Calvert	90,595	15.	Wicomico	273.4
Montgomery	1,040,116	491.3	2,117.1	16.	Allegany	72,528	16.	Allegany	171.0
Prince George's	909,535	482.7	1,884.3	17.	Worcester	51,540	17.	Talbot	139.7
Queen Anne's	48,904	371.9	131.5	18.	Queen Anne's	48,904	18.	Queen Anne's	131.5
St. Mary's	111,413	357.2	311.9	19.	Talbot	37,512	19.	Worcester	110.1
Somerset	25,768	319.7	80.6	20.	Caroline	32,579	20.	Caroline	102.0
Talbot	37,512	268.5	139.7	21.	Dorchester	32,384	21.	Somerset	80.6
Washington	149,585	457.8	326.7	22.	Garrett	29,460	22.	Kent	71.4
Wicomico	102,370	374.4	273.4	23.	Somerset	25,768	23.	Dorchester	59.9
Worcester	51,540	468.3	110.1	24.	Kent	19,787	24.	Garrett	45.5
Maryland	6,006,401	9,707.3	618.8						

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

Exhibit 2.2
Racial Composition of Maryland Counties – July 2015

County	White	African American	Hispanic/Latino	Asian	American Indian	Native Hawaiian	Multiracial
Allegany	87.3%	8.0%	1.7%	1.0%	0.2%	0.0%	1.7%
Anne Arundel	69.5%	16.3%	7.3%	3.9%	0.3%	0.1%	2.6%
Baltimore City	28.3%	62.1%	4.8%	2.7%	0.3%	0.0%	1.8%
Baltimore	58.8%	27.5%	5.2%	6.0%	0.3%	0.0%	2.1%
Calvert	78.8%	12.9%	3.7%	1.6%	0.3%	0.1%	2.6%
Caroline	76.5%	14.0%	6.6%	0.8%	0.3%	0.0%	1.7%
Carroll	89.9%	3.5%	3.2%	1.8%	0.2%	0.0%	1.5%
Cecil	85.5%	6.7%	4.2%	1.2%	0.3%	0.1%	2.0%
Charles	43.2%	43.9%	5.5%	3.3%	0.6%	0.1%	3.4%
Dorchester	64.0%	27.7%	4.9%	1.2%	0.3%	0.0%	1.8%
Frederick	75.0%	9.0%	8.7%	4.5%	0.2%	0.1%	2.5%
Garrett	96.4%	1.1%	1.1%	0.5%	0.1%	0.0%	0.8%
Harford	77.0%	13.1%	4.3%	3.1%	0.2%	0.1%	2.3%
Howard	54.2%	18.3%	6.5%	17.5%	0.2%	0.1%	3.2%
Kent	78.2%	14.8%	4.3%	1.0%	0.1%	0.0%	1.5%
Montgomery	45.2%	17.8%	19.0%	15.2%	0.2%	0.0%	2.6%
Prince George's	13.9%	62.1%	17.2%	4.5%	0.2%	0.0%	2.0%
Queen Anne's	86.5%	6.8%	3.6%	1.1%	0.3%	0.0%	1.8%
St. Mary's	74.9%	14.1%	4.9%	2.8%	0.3%	0.1%	2.9%
Somerset	51.5%	41.7%	3.5%	0.9%	0.4%	0.0%	2.0%
Talbot	78.2%	12.7%	6.3%	1.3%	0.2%	0.0%	1.4%
Washington	80.4%	10.7%	4.5%	1.8%	0.2%	0.1%	2.4%
Wicomico	64.1%	25.0%	5.2%	3.2%	0.2%	0.0%	2.3%
Worcester	79.9%	13.4%	3.4%	1.4%	0.2%	0.0%	1.6%
Maryland	52.0%	29.4%	9.5%	6.4%	0.2%	0.1%	2.3%
United States	61.6%	12.4%	17.6%	5.4%	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 2015

County	White	African American	Hispanic/Latino	Asian	American Indian	Native Hawaiian	Multiracial
Allegany	-8.7%	46.7%	113.1%	89.6%	10.7%	68.4%	165.9%
Anne Arundel	0.2%	39.3%	219.7%	91.7%	8.3%	69.9%	142.5%
Baltimore City	-13.6%	-7.7%	170.8%	67.2%	-11.8%	19.7%	81.1%
Baltimore	-12.0%	51.1%	214.1%	105.0%	20.0%	71.7%	149.6%
Calvert	15.2%	20.0%	192.1%	127.3%	40.5%	181.0%	185.4%
Caroline	3.6%	3.0%	174.1%	68.7%	21.2%	900.0%	128.3%
Carroll	4.9%	70.7%	255.2%	159.1%	-6.7%	62.5%	204.0%
Cecil	9.9%	103.9%	230.9%	113.4%	10.0%	130.4%	182.4%
Charles	-17.0%	118.8%	214.0%	132.7%	10.5%	119.7%	164.1%
Dorchester	-1.9%	3.3%	313.8%	81.8%	50.0%	1000.0%	209.6%
Frederick	6.8%	78.3%	358.4%	236.8%	36.2%	173.7%	177.7%
Garrett	-3.5%	152.8%	145.8%	150.9%	87.0%	-85.7%	146.5%
Harford	2.5%	63.0%	157.6%	130.7%	24.0%	55.7%	131.2%
Howard	-6.0%	60.2%	172.6%	186.1%	12.9%	98.8%	153.1%
Kent	2.7%	-12.1%	54.2%	83.2%	12.0%	-12.5%	168.4%
Montgomery	-10.3%	39.3%	96.2%	58.1%	-2.6%	21.7%	100.8%
Prince George's	-35.5%	12.5%	173.6%	29.5%	-5.8%	17.6%	56.9%
Queen Anne's	17.7%	-7.0%	295.7%	125.0%	47.2%	40.0%	185.0%
St. Mary's	20.1%	31.7%	217.5%	96.9%	26.5%	36.9%	174.3%
Somerset	-4.2%	6.0%	172.8%	100.0%	8.3%	60.0%	127.0%
Talbot	6.7%	-8.1%	281.6%	75.2%	5.6%	157.1%	155.4%
Washington	2.2%	57.0%	325.5%	150.0%	32.1%	63.5%	224.8%
Wicomico	8.1%	29.7%	190.9%	116.7%	46.0%	130.8%	209.4%
Worcester	9.8%	-10.7%	194.8%	152.6%	39.6%	100.0%	149.6%
Maryland	-5.3%	19.8%	151.1%	80.0%	6.9%	52.7%	120.1%

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

Exhibit 2.4
Growth in Minority Population by County

County	April 2000	July 2015	Change	% Change	Highest to Lowest Population Change		Highest to Lowest Percent Change	
Allegany	5,528	9,178	3,650	66.0%	1. Montgomery	220,850	1. Frederick	167.1%
Anne Arundel	98,113	171,851	73,738	75.2%	2. Prince George's	177,689	2. Garrett	141.9%
Baltimore City	447,821	446,126	-1,695	-0.4%	3. Baltimore	143,636	3. Cecil	136.7%
Baltimore	198,666	342,302	143,636	72.3%	4. Howard	76,425	4. Carroll	134.7%
Calvert	12,587	19,184	6,597	52.4%	5. Anne Arundel	73,738	5. Charles	126.1%
Caroline	5,693	7,642	1,949	34.2%	6. Charles	49,431	6. Howard	114.0%
Carroll	7,243	17,002	9,759	134.7%	7. Frederick	38,318	7. Washington	106.3%
Cecil	6,265	14,832	8,567	136.7%	8. Harford	27,012	8. Harford	88.1%
Charles	39,192	88,623	49,431	126.1%	9. Washington	15,119	9. Anne Arundel	75.2%
Dorchester	9,545	11,649	2,104	22.0%	10. Wicomico	12,807	10. Baltimore	72.3%
Frederick	22,935	61,253	38,318	167.1%	11. St. Mary's	11,195	11. St. Mary's	66.9%
Garrett	444	1,074	630	141.9%	12. Carroll	9,759	12. Allegany	66.0%
Harford	30,663	57,675	27,012	88.1%	13. Cecil	8,567	13. Montgomery	63.3%
Howard	67,042	143,467	76,425	114.0%	14. Calvert	6,597	14. Wicomico	53.4%
Kent	4,127	4,305	178	4.3%	15. Allegany	3,650	15. Calvert	52.4%
Montgomery	349,090	569,940	220,850	63.3%	16. Dorchester	2,104	16. Queen Anne's	42.5%
Prince George's	605,102	782,791	177,689	29.4%	17. Queen Anne's	1,972	17. Caroline	34.2%
Queen Anne's	4,637	6,609	1,972	42.5%	18. Caroline	1,949	18. Prince George's	29.4%
St. Mary's	16,739	27,934	11,195	66.9%	19. Talbot	1,849	19. Talbot	29.2%
Somerset	10,906	12,510	1,604	14.7%	20. Somerset	1,604	20. Dorchester	22.0%
Talbot	6,323	8,172	1,849	29.2%	21. Worcester	1,329	21. Somerset	14.7%
Washington	14,227	29,346	15,119	106.3%	22. Garrett	630	22. Worcester	14.7%
Wicomico	23,981	36,788	12,807	53.4%	23. Kent	178	23. Kent	4.3%
Worcester	9,056	10,385	1,329	14.7%	24. Baltimore City	-1,695	24. Baltimore City	-0.4%
Maryland	1,995,925	2,880,638	884,713	44.3%				

Source: U.S. Census Bureau

Exhibit 2.5
Growth in Minority Share of Population by County

<u>County</u>	<u>April 2000</u>	<u>July 2015</u>	<u>Percentage</u>	<u>Highest to Lowest</u>		<u>Highest to Lowest</u>			
			<u>Point</u>	<u>Minority Share of Population</u>		<u>Percentage Point Change</u>			
			<u>Change</u>						
Allegany	7.4%	12.7%	5.3%	1.	Prince George's	86.1%	1.	Charles	24.3%
Anne Arundel	20.0%	30.5%	10.4%	2.	Baltimore City	71.7%	2.	Howard	18.7%
Baltimore City	68.8%	71.7%	3.0%	3.	Charles	56.8%	3.	Baltimore	14.8%
Baltimore	26.3%	41.2%	14.8%	4.	Montgomery	54.8%	4.	Montgomery	14.8%
Calvert	16.9%	21.2%	4.3%	5.	Somerset	48.5%	5.	Frederick	13.2%
Caroline	19.1%	23.5%	4.3%	6.	Howard	45.8%	6.	Prince George's	10.6%
Carroll	4.8%	10.1%	5.3%	7.	Baltimore	41.2%	7.	Anne Arundel	10.4%
Cecil	7.3%	14.5%	7.2%	8.	Dorchester	36.0%	8.	Harford	9.0%
Charles	32.5%	56.8%	24.3%	9.	Wicomico	35.9%	9.	Washington	8.8%
Dorchester	31.1%	36.0%	4.9%	10.	Anne Arundel	30.5%	10.	Wicomico	7.6%
Frederick	11.7%	25.0%	13.2%	11.	St. Mary's	25.1%	11.	Cecil	7.2%
Garrett	1.5%	3.6%	2.2%	12.	Frederick	25.0%	12.	St. Mary's	5.7%
Harford	14.0%	23.0%	9.0%	13.	Caroline	23.5%	13.	Carroll	5.3%
Howard	27.1%	45.8%	18.7%	14.	Harford	23.0%	14.	Allegany	5.3%
Kent	21.5%	21.8%	0.3%	15.	Talbot	21.8%	15.	Dorchester	4.9%
Montgomery	40.0%	54.8%	14.8%	16.	Kent	21.8%	16.	Somerset	4.5%
Prince George's	75.5%	86.1%	10.6%	17.	Calvert	21.2%	17.	Caroline	4.3%
Queen Anne's	11.4%	13.5%	2.1%	18.	Worcester	20.1%	18.	Calvert	4.3%
St. Mary's	19.4%	25.1%	5.7%	19.	Washington	19.6%	19.	Talbot	3.1%
Somerset	44.1%	48.5%	4.5%	20.	Cecil	14.5%	20.	Baltimore City	3.0%
Talbot	18.7%	21.8%	3.1%	21.	Queen Anne's	13.5%	21.	Garrett	2.2%
Washington	10.8%	19.6%	8.8%	22.	Allegany	12.7%	22.	Queen Anne's	2.1%
Wicomico	28.3%	35.9%	7.6%	23.	Carroll	10.1%	23.	Worcester	0.7%
Worcester	19.5%	20.1%	0.7%	24.	Garrett	3.6%	24.	Kent	0.3%
Maryland	37.7%	48.0%	10.3%						

Source: U.S. Census Bureau

Exhibit 2.6
Population Growth in Maryland by County

County	April 2000	July 2015	Change	% Change	Highest to Lowest Change 2000 to 2015	Highest to Lowest % Change 2000 to 2015		
Allegany	74,930	72,528	-2,402	-3.2%	1. Montgomery	166,775	1. Charles	29.5%
Anne Arundel	489,664	564,195	74,531	15.2%	2. Prince George's	108,020	2. St. Mary's	29.2%
Baltimore City	651,154	621,849	-29,305	-4.5%	3. Baltimore	76,836	3. Howard	26.5%
Baltimore	754,292	831,128	76,836	10.2%	4. Anne Arundel	74,531	4. Frederick	25.6%
Calvert	74,563	90,595	16,032	21.5%	5. Howard	65,571	5. Calvert	21.5%
Caroline	29,772	32,579	2,807	9.4%	6. Frederick	50,046	6. Wicomico	20.9%
Carroll	150,897	167,627	16,730	11.1%	7. Charles	35,572	7. Queen Anne's	20.6%
Cecil	85,951	102,382	16,431	19.1%	8. Harford	31,700	8. Cecil	19.1%
Charles	120,546	156,118	35,572	29.5%	9. St. Mary's	25,181	9. Montgomery	19.1%
Dorchester	30,675	32,384	1,709	5.6%	10. Wicomico	17,726	10. Anne Arundel	15.2%
Frederick	195,276	245,322	50,046	25.6%	11. Washington	17,662	11. Harford	14.5%
Garrett	29,846	29,460	-386	-1.3%	12. Carroll	16,730	12. Prince George's	13.5%
Harford	218,590	250,290	31,700	14.5%	13. Cecil	16,431	13. Washington	13.4%
Howard	247,843	313,414	65,571	26.5%	14. Calvert	16,032	14. Carroll	11.1%
Kent	19,200	19,787	587	3.1%	15. Queen Anne's	8,344	15. Talbot	10.9%
Montgomery	873,341	1,040,116	166,775	19.1%	16. Worcester	4,997	16. Worcester	10.7%
Prince George's	801,515	909,535	108,020	13.5%	17. Talbot	3,700	17. Baltimore	10.2%
Queen Anne's	40,560	48,904	8,344	20.6%	18. Caroline	2,807	18. Caroline	9.4%
St. Mary's	86,232	111,413	25,181	29.2%	19. Dorchester	1,709	19. Dorchester	5.6%
Somerset	24,747	25,768	1,021	4.1%	20. Somerset	1,021	20. Somerset	4.1%
Talbot	33,812	37,512	3,700	10.9%	21. Kent	587	21. Kent	3.1%
Washington	131,923	149,585	17,662	13.4%	22. Garrett	-386	22. Garrett	-1.3%
Wicomico	84,644	102,370	17,726	20.9%	23. Allegany	-2,402	23. Allegany	-3.2%
Worcester	46,543	51,540	4,997	10.7%	24. Baltimore City	-29,305	24. Baltimore City	-4.5%
Maryland	5,296,516	6,006,401	709,885	13.4%				

Source: U.S. Census Bureau

Exhibit 2.7
Crime Rates or Counts for Maryland Counties

County	Crime Rates Per 100,000 Residents			Crime Rates Percent of State Average			Murder Count		Robbery Count		Vehicle Theft Count	
	CY 2014	CY 2015	% Change	CY 2014	CY 2015	Rank	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Allegany	3,519.8	3,447.3	-2.1%	118.9%	120.3%	5	2	3	31	58	42	49
Anne Arundel	2,805.0	2,680.0	-4.5%	94.8%	93.5%	9	14	17	634	613	702	629
Baltimore City	6,146.0	6,619.5	7.7%	207.6%	230.9%	1	211	344	3,740	4,378	4,504	5,541
Baltimore	3,211.4	3,242.7	1.0%	108.5%	113.1%	6	25	32	1,512	1,525	1,499	1,770
Calvert	1,828.7	1,641.7	-10.2%	61.8%	57.3%	21	0	2	30	31	43	37
Caroline	2,718.8	2,250.2	-17.2%	91.8%	78.5%	13	2	0	11	15	24	18
Carroll	1,543.8	1,358.5	-12.0%	52.2%	47.4%	24	2	0	42	48	49	52
Cecil	3,312.0	2,956.7	-10.7%	111.9%	103.1%	7	4	9	90	77	92	123
Charles	2,326.2	2,257.5	-3.0%	78.6%	78.8%	12	2	3	148	120	157	207
Dorchester	3,762.6	4,209.2	11.9%	127.1%	146.8%	2	3	1	22	39	42	51
Frederick	1,780.3	1,669.8	-6.2%	60.1%	58.3%	20	4	7	113	107	83	110
Garrett	1,749.3	1,766.9	1.0%	59.1%	61.6%	18	0	0	1	4	15	9
Harford	1,701.6	1,495.4	-12.1%	57.5%	52.2%	23	6	7	165	165	106	108
Howard	2,050.5	1,925.0	-6.1%	69.3%	67.2%	16	5	2	201	226	231	208
Kent	1,938.2	1,942.6	0.2%	65.5%	67.8%	15	0	0	6	22	5	3
Montgomery	1,795.1	1,782.9	-0.7%	60.6%	62.2%	17	18	29	661	641	753	768
Prince George's	3,415.4	2,894.7	-15.2%	115.4%	101.0%	8	56	78	1,846	1,704	4,278	3,431
Queen Anne's	1,769.4	1,624.1	-8.2%	59.8%	56.7%	22	0	0	21	17	18	21
St. Mary's	2,232.0	2,323.0	4.1%	75.4%	81.0%	10	0	2	58	51	73	69
Somerset	2,036.5	1,748.2	-14.2%	68.8%	61.0%	19	0	0	14	10	10	11
Talbot	2,367.2	2,062.8	-12.9%	80.0%	72.0%	14	0	0	16	25	21	14
Washington	2,470.4	2,280.5	-7.7%	83.5%	79.6%	11	6	9	153	121	231	175
Wicomico	3,823.1	3,724.3	-2.6%	129.2%	129.9%	4	2	7	101	126	96	96
Worcester	4,689.3	3,894.0	-17.0%	158.4%	135.8%	3	1	1	35	27	38	28
Maryland	2,960.2	2,866.6	-3.2%	100.0%	100.0%		363	553	9,651	10,150	13,146	13,564

CY = calendar year

Source: *Uniform Crime Report*, Maryland State Police

Exhibit 2.8
Crime Rates or Counts for Maryland's Largest Municipalities

Rank	Municipality	Crime Rates Per 100,000 Residents			Crime Rates Percent of State Average		Murder Count		Robbery Count		Vehicle Theft Count	
		CY 2014	CY 2015	% Change	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
1.	Elkton	8,998.1	8,732.7	-2.9%	304.0%	304.6%	0	6	57	46	29	48
2.	Cambridge	7,119.7	7,615.4	7.0%	240.5%	265.7%	2	0	21	38	24	19
3.	Cumberland	7,145.0	7,335.2	2.7%	241.4%	255.9%	0	1	23	40	17	25
4.	Salisbury	6,872.5	6,587.2	-4.2%	232.2%	229.8%	0	3	71	105	46	47
5.	Hyattsville	7,252.6	6,224.1	-14.2%	245.0%	217.1%	2	0	60	50	81	70
6.	Westminster	4,503.1	4,239.1	-5.9%	152.1%	147.9%	0	0	16	15	14	7
7.	Laurel	4,149.6	3,756.7	-9.5%	140.2%	131.1%	1	0	57	43	87	76
8.	Greenbelt	3,779.6	3,617.0	-4.3%	127.7%	126.2%	1	1	55	53	86	66
9.	Takoma Park	3,639.8	3,402.2	-6.5%	123.0%	118.7%	1	1	33	27	48	30
10.	Hagerstown	4,298.6	3,360.5	-21.8%	145.2%	117.2%	1	5	106	97	114	90
11.	Easton	3,576.3	3,045.1	-14.9%	120.8%	106.2%	0	0	11	20	8	4
12.	Annapolis	2,966.3	3,003.6	1.3%	100.2%	104.8%	1	1	66	64	58	41
13.	College Park	3,824.5	2,982.8	-22.0%	129.2%	104.1%	1	0	28	27	138	105
14.	Gaithersburg	1,841.8	2,663.5	44.6%	62.2%	92.9%	1	1	36	56	42	68
15.	Aberdeen	3,740.8	2,642.9	-29.3%	126.4%	92.2%	0	1	27	28	9	14
16.	Frederick	2,746.2	2,599.0	-5.4%	92.8%	90.7%	1	4	82	66	39	52
17.	Havre de Grace	2,510.1	2,346.2	-6.5%	84.8%	81.8%	0	0	11	15	7	4
18.	New Carrollton	3,324.6	2,335.2	-29.8%	112.3%	81.5%	2	1	20	19	37	39
19.	Rockville	1,642.1	1,794.5	9.3%	55.5%	62.6%	0	2	43	43	48	35
20.	Bowie	1,694.4	1,353.3	-20.1%	57.2%	47.2%	1	3	32	21	71	47
	Baltimore City	6,146.0	6,619.5	7.7%	207.6%	230.9%	211	344	3,740	4,378	4,504	5,541
	State Total	2,960.2	2,866.6	-3.2%	100.0%	100.0%	363	553	9,651	10,150	13,146	13,564

CY = calendar year

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 2016	Percent of State Average	CY 2014	CY 2015	CY 2016	CY 2011-2015	Percent of State Average	FY 2015	FY 2016	Percent Change
Allegany	\$676	61.2%	7.6%	7.0%	6.3%	\$40,551	54.4%	\$106,000	\$114,900	8.4%
Anne Arundel	1,068	96.7%	5.1%	4.5%	3.8%	89,860	120.5%	336,600	337,950	0.4%
Baltimore City	1,210	109.6%	8.6%	7.7%	6.5%	42,241	56.7%	180,000	195,000	8.3%
Baltimore	995	90.1%	6.1%	5.5%	4.7%	67,095	90.0%	240,000	240,000	0.0%
Calvert	981	88.9%	5.3%	4.7%	3.9%	95,828	128.5%	340,000	333,683	-1.9%
Caroline	745	67.5%	6.2%	5.6%	4.9%	52,465	70.4%	178,500	189,000	5.9%
Carroll	760	68.8%	4.8%	4.3%	3.7%	85,385	114.5%	302,000	318,000	5.3%
Cecil	824	74.6%	6.6%	6.0%	5.1%	66,396	89.1%	229,000	230,000	0.4%
Charles	798	72.3%	5.7%	5.1%	4.4%	90,607	121.5%	301,525	313,000	3.8%
Dorchester	723	65.5%	8.4%	7.4%	6.3%	47,093	63.2%	162,500	162,500	0.0%
Frederick	940	85.1%	5.0%	4.5%	3.9%	83,700	112.3%	307,000	310,000	1.0%
Garrett	607	55.0%	7.1%	6.5%	5.7%	45,432	60.9%	136,250	147,900	8.6%
Harford	961	87.0%	5.7%	5.0%	4.2%	80,465	107.9%	275,000	275,000	0.0%
Howard	1,232	111.6%	4.3%	3.9%	3.3%	110,238	147.9%	435,090	437,900	0.6%
Kent	714	64.7%	6.4%	5.5%	4.8%	58,147	78.0%	207,500	238,750	15.1%
Montgomery	1,408	127.5%	4.4%	4.0%	3.4%	99,435	133.4%	425,000	433,000	1.9%
Prince George's	1,022	92.6%	6.0%	5.3%	4.5%	74,260	99.6%	279,189	288,000	3.2%
Queen Anne's	678	61.4%	5.1%	4.6%	3.9%	85,963	115.3%	325,000	328,000	0.9%
St. Mary's	1,183	107.2%	5.4%	5.0%	4.3%	86,987	116.7%	279,900	293,300	4.8%
Somerset	769	69.7%	9.5%	8.3%	7.0%	35,154	47.2%	132,900	129,900	-2.3%
Talbot	729	66.0%	5.5%	5.1%	4.3%	58,228	78.1%	285,000	295,900	3.8%
Washington	751	68.0%	6.5%	5.8%	5.1%	56,228	75.4%	189,000	200,500	6.1%
Wicomico	736	66.7%	7.7%	6.9%	6.0%	52,278	70.1%	165,000	165,000	0.0%
Worcester	617	55.9%	11.5%	10.6%	8.7%	56,773	76.2%	225,000	215,000	-4.4%
Maryland	\$1,104	100.0%	5.8%	5.2%	4.4%	\$74,551	100.0%	\$300,000	\$309,123	3.0%

CY = calendar year; FY = fiscal year

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 2016

County	Private	Government	Government Sector		
	Sector	Sector	Federal	State	Local
Allegany	78.4%	21.6%	1.7%	9.4%	10.5%
Anne Arundel	82.4%	17.6%	5.0%	4.5%	8.1%
Baltimore City	79.0%	21.0%	3.2%	10.2%	7.6%
Baltimore	84.7%	15.3%	4.1%	2.9%	8.3%
Calvert	82.2%	17.8%	0.6%	1.2%	16.0%
Caroline	80.6%	19.4%	0.8%	2.0%	16.5%
Carroll	85.4%	14.6%	0.5%	2.3%	11.8%
Cecil	78.3%	21.7%	6.3%	1.9%	13.5%
Charles	76.9%	23.1%	5.4%	1.4%	16.4%
Dorchester	78.3%	21.7%	1.6%	7.3%	12.8%
Frederick	83.8%	16.2%	3.7%	1.2%	11.3%
Garrett	85.5%	14.5%	0.5%	2.2%	11.7%
Harford	76.6%	23.4%	12.4%	0.6%	10.4%
Howard	89.5%	10.5%	0.4%	1.1%	9.1%
Kent	86.3%	13.7%	0.8%	3.2%	9.7%
Montgomery	80.0%	20.0%	10.4%	0.3%	9.3%
Prince George's	70.9%	29.1%	8.6%	6.8%	13.8%
Queen Anne's	81.6%	18.4%	0.6%	1.6%	16.2%
St. Mary's	66.3%	33.7%	22.4%	2.1%	9.2%
Somerset	54.5%	45.5%	0.7%	30.1%	14.7%
Talbot	90.3%	9.7%	1.1%	1.2%	7.4%
Washington	86.5%	13.5%	0.9%	3.5%	9.1%
Wicomico	81.8%	18.2%	0.6%	6.0%	11.6%
Worcester	83.2%	16.8%	0.9%	0.8%	15.1%
Unallocated	99.2%	0.8%	0.7%	0.0%	0.1%
Maryland	80.9%	19.1%	5.6%	3.8%	9.7%

Source: *Quarterly Census of Employment and Wages*, Department of Labor, Licensing, and Regulation

Exhibit 2.11
County Share of Total Employment by Sector
First Quarter 2016

County	Population	Private	Government	Government Sector		
		Sector	Sector	Federal	State	Local
Allegany	1.2%	1.1%	1.3%	0.3%	2.8%	1.2%
Anne Arundel	9.4%	10.3%	9.3%	9.0%	12.0%	8.5%
Baltimore City	10.4%	12.7%	14.3%	7.3%	35.2%	10.2%
Baltimore	13.8%	14.9%	11.5%	10.4%	11.0%	12.3%
Calvert	1.5%	0.9%	0.8%	0.1%	0.3%	1.5%
Caroline	0.5%	0.4%	0.4%	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%	1.3%	0.6%	1.6%
Charles	2.6%	1.6%	2.0%	1.6%	0.6%	2.8%
Dorchester	0.5%	0.4%	0.5%	0.1%	0.8%	0.6%
Frederick	4.1%	3.9%	3.2%	2.5%	1.2%	4.5%
Garrett	0.5%	0.5%	0.3%	0.0%	0.3%	0.5%
Harford	4.2%	3.3%	4.2%	7.6%	0.6%	3.7%
Howard	5.2%	7.1%	3.5%	0.4%	1.9%	6.0%
Kent	0.3%	0.3%	0.2%	0.0%	0.2%	0.3%
Montgomery	17.3%	17.6%	18.6%	32.9%	1.3%	17.1%
Prince George's	15.1%	10.3%	18.0%	18.1%	21.1%	16.8%
Queen Anne's	0.8%	0.6%	0.5%	0.1%	0.2%	0.9%
St. Mary's	1.9%	1.4%	2.9%	6.7%	0.9%	1.6%
Somerset	0.4%	0.2%	0.6%	0.0%	2.0%	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%	1.7%	0.2%	2.8%	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: *Quarterly Census of Employment and Wages*, Department of Labor, Licensing, and Regulation

Exhibit 2.12
Employment Growth in Maryland Counties – Over a Five-year Period
First Quarter 2011 and 2016

County	<u>Average Employment Within Jurisdiction</u>					<u>Jobs Per 1,000 Residents</u>		
	1st Q 2011	1st Q 2016	Difference	% Difference	Rank	1st Q 2016	Percent of State Average	Rank
Allegany	28,671	28,748	77	0.3%	24	396.4	92.5%	10
Anne Arundel	223,062	259,896	36,834	16.5%	1	460.6	107.5%	4
Baltimore City	325,617	333,810	8,193	2.5%	22	536.8	125.3%	1
Baltimore	354,669	367,024	12,355	3.5%	16	441.6	103.1%	6
Calvert	21,027	23,276	2,249	10.7%	4	256.9	60.0%	23
Caroline	8,292	9,083	791	9.5%	7	278.8	65.1%	21
Carroll	53,100	56,459	3,359	6.3%	10	336.8	78.6%	16
Cecil	27,129	29,817	2,688	9.9%	6	291.2	68.0%	19
Charles	39,804	42,123	2,319	5.8%	12	269.8	63.0%	22
Dorchester	10,547	10,901	354	3.4%	19	336.6	78.6%	17
Frederick	89,789	97,944	8,155	9.1%	8	399.2	93.2%	9
Garrett	11,093	11,479	386	3.5%	18	389.6	91.0%	11
Harford	80,588	88,906	8,318	10.3%	5	355.2	82.9%	15
Howard	147,357	165,038	17,681	12.0%	2	526.6	122.9%	2
Kent	7,297	7,567	270	3.7%	15	382.4	89.3%	13
Montgomery	443,159	457,221	14,062	3.2%	20	439.6	102.6%	7
Prince George's	294,584	303,536	8,952	3.0%	21	333.7	77.9%	18
Queen Anne's	12,699	14,141	1,442	11.4%	3	289.2	67.5%	20
St. Mary's	41,292	42,913	1,621	3.9%	14	385.2	89.9%	12
Somerset	6,424	6,548	124	1.9%	23	254.1	59.3%	24
Talbot	17,298	18,784	1,486	8.6%	9	500.7	116.9%	3
Washington	63,034	66,316	3,282	5.2%	13	443.3	103.5%	5
Wicomico	43,198	44,702	1,504	3.5%	17	436.7	101.9%	8
Worcester	18,548	19,694	1,146	6.2%	11	382.1	89.2%	14
Unallocated	64,147	67,250	3,103	4.8%				
Maryland	2,432,425	2,573,176	140,751	5.8%		428.4	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: *Quarterly Census of Employment and Wages*, Department of Labor, Licensing, and Regulation

Exhibit 2.13
Employment Growth in Maryland Counties – Multiple Year Comparison
First Quarter 2011 through 2016

County	<u>Average Employment Within Jurisdiction</u>						<u>Job Growth – Annual Change</u>				
	1st Q 2011	1st Q 2012	1st Q 2013	1st Q 2014	1st Q 2015	1st Q 2016	2011-2012 % Difference	2012-2013 % Difference	2013-2014 % Difference	2014-2015 % Difference	2015-2016 % Difference
Allegany	28,671	28,860	28,750	28,537	28,598	28,748	0.7%	-0.4%	-0.7%	0.2%	0.5%
Anne Arundel	223,062	233,304	245,774	248,897	254,400	259,896	4.6%	5.3%	1.3%	2.2%	2.2%
Baltimore City	325,617	325,928	327,999	324,817	327,162	333,810	0.1%	0.6%	-1.0%	0.7%	2.0%
Baltimore	354,669	357,781	357,265	358,415	362,695	367,024	0.9%	-0.1%	0.3%	1.2%	1.2%
Calvert	21,027	21,157	21,260	21,071	21,678	23,276	0.6%	0.5%	-0.9%	2.9%	7.4%
Caroline	8,292	8,418	9,185	9,163	8,879	9,083	1.5%	9.1%	-0.2%	-3.1%	2.3%
Carroll	53,100	54,652	54,868	54,983	55,506	56,459	2.9%	0.4%	0.2%	1.0%	1.7%
Cecil	27,129	27,995	29,243	29,766	29,484	29,817	3.2%	4.5%	1.8%	-0.9%	1.1%
Charles	39,804	40,021	40,006	40,514	40,762	42,123	0.5%	0.0%	1.3%	0.6%	3.3%
Dorchester	10,547	10,597	10,465	10,755	10,542	10,901	0.5%	-1.2%	2.8%	-2.0%	3.4%
Frederick	89,789	90,781	93,483	93,556	96,011	97,944	1.1%	3.0%	0.1%	2.6%	2.0%
Garrett	11,093	11,171	11,301	11,336	11,399	11,479	0.7%	1.2%	0.3%	0.6%	0.7%
Harford	80,588	85,380	87,161	85,828	88,102	88,906	5.9%	2.1%	-1.5%	2.6%	0.9%
Howard	147,357	154,503	156,400	155,952	159,531	165,038	4.8%	1.2%	-0.3%	2.3%	3.5%
Kent	7,297	7,380	7,253	7,225	7,668	7,567	1.1%	-1.7%	-0.4%	6.1%	-1.3%
Montgomery	443,159	444,104	446,510	448,595	452,359	457,221	0.2%	0.5%	0.5%	0.8%	1.1%
Prince George's	294,584	294,717	296,397	296,891	298,817	303,536	0.0%	0.6%	0.2%	0.6%	1.6%
Queen Anne's	12,699	13,010	13,194	13,038	13,661	14,141	2.4%	1.4%	-1.2%	4.8%	3.5%
St. Mary's	41,292	41,580	42,206	41,959	42,357	42,913	0.7%	1.5%	-0.6%	0.9%	1.3%
Somerset	6,424	6,411	6,477	6,488	6,505	6,548	-0.2%	1.0%	0.2%	0.3%	0.7%
Talbot	17,298	17,213	17,692	18,051	18,035	18,784	-0.5%	2.8%	2.0%	-0.1%	4.2%
Washington	63,034	65,536	65,665	65,878	65,972	66,316	4.0%	0.2%	0.3%	0.1%	0.5%
Wicomico	43,198	43,807	43,803	43,552	43,836	44,702	1.4%	0.0%	-0.6%	0.7%	2.0%
Worcester	18,548	18,959	19,218	19,271	19,053	19,694	2.2%	1.4%	0.3%	-1.1%	3.4%
Unallocated	64,147	67,055	59,999	62,678	64,803	67,250	4.5%	-10.5%	4.5%	3.4%	3.8%
Maryland	2,432,425	2,470,320	2,491,576	2,497,216	2,527,815	2,573,176	1.6%	0.9%	0.2%	1.2%	1.8%

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: *Quarterly Census of Employment and Wages*, Department of Labor, Licensing, and Regulation

Chapter 3. Local Government Finances

County and municipal governments in Maryland spend approximately \$29.9 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 2014, expenditures at the county government level totaled \$28.5 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 66.9% of municipal expenditures in fiscal 2014. In addition, municipalities do not fund local school systems and community colleges, which account for 50.3% of local government expenditures. In fiscal 2014, expenditures at the municipal government level totaled \$1.4 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 2014 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 2014
(\$ in Millions)

	<u>Expenditures</u>	<u>Percent of Total</u>
County Level	\$28,521.5	95.5%
Municipal Level	1,355.2	4.5%
Total	\$29,876.6	100.0%

Source: Department of Legislative Services

County Level

In fiscal 2014, county governments and Baltimore City spent \$28.5 billion on public services. Local boards of education accounted for 50.3% of county expenditures (excluding debt service), with \$13.7 billion going to the public school systems. County government agencies accounted for 41.9% of expenditures or \$11.4 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 2014 by unit of county government.

Table 3.2
County Government Expenditures
Fiscal 2014
(\$ in Millions)

	<u>Expenditures</u>	<u>Percent of Total</u>
Public Schools	\$13,673.6	50.3%
Libraries	324.8	1.2%
Community Colleges	1,336.0	4.9%
Health Departments	444.2	1.6%
County Government	11,396.9	41.9%
Subtotal	\$27,175.5	100.0%
Debt Service	1,346.0	
Total	\$28,521.5	

Source: Department of Legislative Services

County governments and Baltimore City collected \$27.4 billion in revenues in fiscal 2014, 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 64.8% of county revenues, and intergovernmental revenues account for 35.2% (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 34.7% of its revenue from local sources, 50.0% from the State, 14.3% from the federal government, and 1.1% from other intergovernmental sources. In comparison, Howard County, one of the more affluent counties in the State, receives 74.7% of its revenue from local sources, 21.2% from the State, 3.9% from the federal government, and 0.2% from other intergovernmental sources.

Table 3.3
Sources of Revenue – Counties and Baltimore City
Fiscal 2014

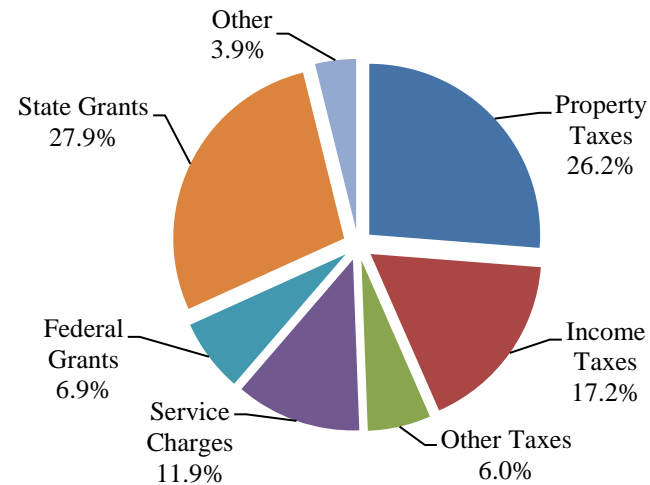


Exhibit 3.3 shows the allocation of county revenues by source for fiscal 2014, excluding debt proceeds. **Exhibit 3.4** shows county revenues on a per capita basis, and **Exhibit 3.5** ranks the counties according to per capita property tax revenues, income tax revenues, State grants, and total revenues.

Property Tax Revenues

The property tax is the primary local revenue source for county governments, accounting for 26.2% of total revenues in fiscal 2014, excluding debt proceeds. The reliance on property tax revenues ranges from 16.5% in Wicomico County to 48.5% 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 2017 at \$294,267, which is nearly 2.5 times the statewide average. Somerset County has the second lowest per capita assessable base at \$55,664 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 17.2% of total revenues in fiscal 2014, excluding debt proceeds. The reliance on income tax revenues ranges from 5.7% in Worcester County to 23.4% in Howard 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 \$25,345 in fiscal 2014. Montgomery County had the highest per capita net taxable income at \$38,886, followed by Howard County at \$37,516

and Talbot County at \$30,097. Somerset County had the lowest per capita net taxable income at \$8,207; Allegany County had the second lowest at \$12,374.

State Grants

State aid is the largest revenue source for many county governments in Maryland, accounting for 27.9% of total revenues in fiscal 2014. In the 12 counties in which State aid was not the largest revenue source, it was either the second or third leading revenue source. In Anne Arundel, Baltimore, Calvert, Carroll, Garrett, Harford, Kent, Queen Anne's, and Worcester counties, State aid was the second largest revenue source after property taxes, whereas in Howard, Montgomery, and Talbot 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 2014, local school systems received about 86.5% of total State aid. County and municipal governments received 7.8%, 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 6.9% of total county revenues in fiscal 2014, excluding debt proceeds. The reliance on federal grants ranged from 3.9% in Howard County to 14.3% in Somerset County. 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 \$28.5 billion on public services in fiscal 2014. On a per capita basis, county expenditures averaged \$4,803. Montgomery County led the State with per capita expenditures totaling \$6,116, followed by Howard County with per capita expenditures totaling \$5,985. Talbot County had the lowest per capita expenditures at \$3,202. **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 2014. Education spending ranged from 40.9% of total spending in Baltimore City to 70.1% in Washington County. 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 18.0% of Baltimore City's spending, the highest percentage in the State. In addition, public works functions accounted for 15.9% 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 safety is the second largest function of county governments, accounting for 11.9% of total spending. As noted above, Baltimore City led the State in the percentage expended on public safety with 18.0%. Baltimore City was followed by Charles (14.2%) and Anne Arundel (12.4%) counties.

Public works is the third 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 (21.7%), followed by Baltimore City (15.9%).

The composition of county expenditures has changed slightly since fiscal 2000. 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 2000</u>	<u>FY 2007</u>	<u>FY 2014</u>
Education	53.1%	52.8%	53.8%
Public Works	12.2%	11.2%	11.6%
Public Safety	10.6%	10.8%	11.9%
Health/Social Services	4.6%	4.0%	3.8%
General Government	6.0%	5.9%	5.6%
Debt Service	5.6%	5.7%	4.7%

Source: Department of Legislative Services

Municipal Level

Municipalities in Maryland, excluding Baltimore City, collected \$1.4 billion in revenues in fiscal 2014. **Exhibit 3.9** shows the allocation of municipal revenues by source for fiscal 2014, excluding debt proceeds.

Property Taxes

Property taxes are the largest revenue source for municipalities overall, accounting for 36.3% of total revenues, excluding debt proceeds (**Table 3.5**). The dependence on property taxes ranges from 11.6% for the municipality in St. Mary's County to 55.8% for municipalities in Prince George's County.

Service Charges

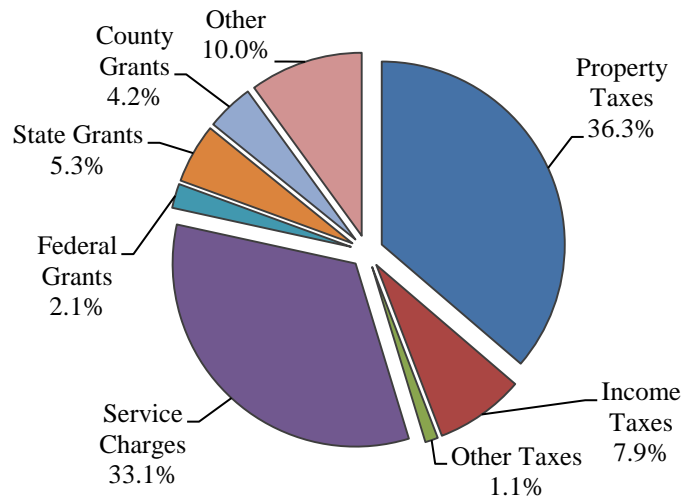
Service charges are the second largest revenue source for municipalities overall, accounting for 33.1% of total revenues in fiscal 2014. In many counties (Allegany, Carroll, Cecil, Charles, Dorchester, Garrett, Kent, Queen Anne's, St. Mary's, Talbot, Washington, and Worcester), service charges are the largest overall revenue source for municipalities.

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 7.2% for municipalities in Prince George's County to 71.9% 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 7.9% of total revenues in fiscal 2014, excluding debt proceeds. The reliance on income taxes ranges from 1.0% for municipalities in Worcester County to 18.3% 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 5.3% 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 2.0% of total revenues for municipalities in Talbot County to 30.9% for municipalities in Somerset County.

County Grants

County grants account for 4.2% of total revenues in fiscal 2014. Reliance on county grants is highest in Carroll, 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 \$1.4 billion in fiscal 2014. The two largest expenditures for municipalities are public works and public safety. Public works accounted for 43.2% of municipal spending in fiscal 2014, and public safety accounted for 23.7%. **Exhibit 3.10** shows the allocation of municipal expenditures by category for fiscal 2014.

The composition of municipal expenditures has changed since fiscal 2000 (**Table 3.6**). Funding for general government services, parks and recreation services, and debt service now accounts for a lower percentage of municipal spending, whereas public safety and public works services account for a higher percentage.

Table 3.6
Municipal Expenditure Trends

<u>Category</u>	<u>FY 2000</u>	<u>FY 2007</u>	<u>FY 2014</u>
Public Works	42.5%	43.1%	43.2%
Public Safety	20.4%	21.7%	23.7%
General Government	14.6%	12.3%	12.3%
Parks and Recreation	8.9%	8.3%	7.2%
Debt Service	6.9%	5.8%	6.2%

Source: Department of Legislative Services

Exhibit 3.1
Local Government Expenditures
Fiscal 2014

County	County (\$ in Millions)	Municipal (\$ in Millions)	Total (\$ in Millions)	Percent County	Percent Municipal
Allegany	\$253.3	\$60.2	\$313.5	80.8%	19.2%
Anne Arundel	2,284.7	97.9	2,382.6	95.9%	4.1%
Baltimore City	3,668.2	0.0	3,668.2	100.0%	0.0%
Baltimore	3,277.6	0.0	3,277.6	100.0%	0.0%
Calvert	416.5	11.3	427.8	97.3%	2.7%
Caroline	119.9	15.5	135.4	88.6%	11.4%
Carroll	664.6	51.3	715.9	92.8%	7.2%
Cecil	369.5	39.1	408.5	90.4%	9.6%
Charles	744.4	15.7	760.1	97.9%	2.1%
Dorchester	121.6	23.3	144.8	83.9%	16.1%
Frederick	1,011.2	149.3	1,160.5	87.1%	12.9%
Garrett	136.5	6.6	143.2	95.4%	4.6%
Harford	1,031.6	62.1	1,093.7	94.3%	5.7%
Howard	1,824.9	0.0	1,824.9	100.0%	0.0%
Kent	73.6	10.8	84.4	87.2%	12.8%
Montgomery	6,236.4	206.5	6,442.9	96.8%	3.2%
Prince George's	4,275.3	189.3	4,464.5	95.8%	4.2%
Queen Anne's	207.1	10.5	217.6	95.2%	4.8%
St. Mary's	415.7	4.0	419.7	99.1%	0.9%
Somerset	90.6	10.3	100.9	89.8%	10.2%
Talbot	121.5	81.4	203.0	59.9%	40.1%
Washington	538.1	105.4	643.5	83.6%	16.4%
Wicomico	385.4	62.4	447.8	86.1%	13.9%
Worcester	253.1	142.3	395.4	64.0%	36.0%
Statewide	\$28,521.5	\$1,355.2	\$29,876.6	95.5%	4.5%

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Exhibit 3.2
Local Government Expenditures by Category
Fiscal 2014

Category	Total Local Expenditures	Percent of Total	County Expenditures	Municipal Expenditures	Percent County	Percent Municipal
General Government	\$1,764,828,988	5.9%	\$1,598,788,062	\$166,040,926	90.6%	9.4%
Public Safety						
Police	1,926,103,676	6.4%	1,693,991,258	232,112,418	87.9%	12.1%
Fire	1,031,541,447	3.5%	979,341,083	52,200,364	94.9%	5.1%
Corrections	382,790,095	1.3%	382,790,095	0	100.0%	0.0%
Other	379,590,687	1.3%	342,416,168	37,174,519	90.2%	9.8%
Public Works						
Transportation	1,447,806,015	4.8%	1,256,376,870	191,429,145	86.8%	13.2%
Sewer/Solid Waste/Water	2,345,118,218	7.8%	2,038,229,836	306,888,382	86.9%	13.1%
Other	95,665,131	0.3%	8,933,057	86,732,074	9.3%	90.7%
Education						
Public Schools	13,676,948,491	45.8%	13,676,948,491	0	100.0%	0.0%
Community Colleges	1,336,323,938	4.5%	1,336,323,938	0	100.0%	0.0%
Libraries	324,815,834	1.1%	324,815,834	0	100.0%	0.0%
Health/Social Services	1,078,261,205	3.6%	1,078,261,205	0	100.0%	0.0%
Parks and Recreation	753,874,162	2.5%	656,351,230	97,522,932	87.1%	12.9%
Community/Economic Development	883,367,397	3.0%	834,750,240	48,617,157	94.5%	5.5%
Miscellaneous	1,020,077,590	3.4%	967,156,167	52,921,423	94.8%	5.2%
Debt Service	1,429,536,780	4.8%	1,346,015,853	83,520,927	94.2%	5.8%
Total	\$29,876,649,654	100.0%	\$28,521,489,387	\$1,355,160,267	95.5%	4.5%

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Exhibit 3.3
County Revenues by Source
Fiscal 2014

County	Property Taxes	Income Taxes	Other Taxes	Service Charges	Federal Grants	State Grants	Other
Allegany	17.3%	9.3%	1.6%	9.2%	12.2%	45.6%	4.8%
Anne Arundel	28.2%	19.3%	6.1%	14.4%	4.6%	24.3%	3.2%
Baltimore City	20.5%	7.7%	6.6%	13.9%	10.2%	36.4%	4.7%
Baltimore	27.3%	21.2%	4.8%	10.2%	8.1%	25.8%	2.7%
Calvert	34.8%	16.8%	2.2%	8.2%	4.8%	29.4%	3.8%
Caroline	20.3%	9.5%	1.5%	4.0%	9.4%	51.9%	3.4%
Carroll	31.1%	21.0%	2.6%	5.2%	5.2%	30.8%	4.1%
Cecil	28.5%	14.1%	1.7%	6.0%	6.7%	39.9%	3.2%
Charles	30.0%	14.1%	3.3%	11.9%	6.2%	31.3%	3.1%
Dorchester	25.3%	10.3%	2.2%	5.9%	8.9%	43.8%	3.5%
Frederick	26.6%	17.3%	2.7%	13.4%	4.5%	32.3%	3.2%
Garrett	38.5%	8.1%	4.9%	8.9%	8.2%	27.1%	4.4%
Harford	29.5%	19.7%	2.7%	6.8%	6.0%	29.5%	6.0%
Howard	32.1%	23.4%	5.5%	9.5%	3.9%	21.2%	4.5%
Kent	38.5%	17.5%	2.3%	4.1%	11.4%	23.7%	2.5%
Montgomery	26.2%	23.3%	9.2%	13.7%	5.9%	18.0%	3.7%
Prince George's	23.8%	12.4%	6.8%	13.4%	7.8%	31.0%	4.9%
Queen Anne's	32.7%	20.4%	3.3%	8.1%	5.1%	26.6%	3.8%
St. Mary's	25.0%	18.8%	3.7%	10.5%	6.4%	33.5%	2.2%
Somerset	17.3%	7.4%	0.7%	7.1%	14.3%	50.0%	3.2%
Talbot	27.9%	22.5%	7.9%	8.8%	7.7%	20.6%	4.6%
Washington	23.8%	13.6%	1.9%	8.0%	7.8%	42.2%	2.7%
Wicomico	16.5%	11.8%	1.3%	8.7%	8.2%	51.5%	2.1%
Worcester	48.5%	5.7%	10.1%	10.2%	5.5%	18.2%	1.8%
Statewide	26.2%	17.2%	6.0%	11.9%	6.9%	27.9%	3.9%

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Exhibit 3.4
Per Capita County Revenues by Source
Fiscal 2014

County	Property Taxes	Income Taxes	Other Taxes	Service Charges	Federal Grants	State Grants	Other	Debt Proceeds	Total
Allegany	\$612	\$328	\$56	\$326	\$432	\$1,613	\$169	\$0	\$3,537
Anne Arundel	1,146	783	248	588	187	988	129	262	4,331
Baltimore City	1,225	461	395	831	608	2,170	277	9	5,975
Baltimore	1,041	811	182	388	308	985	102	182	3,999
Calvert	1,534	738	97	363	211	1,295	167	67	4,472
Caroline	752	351	55	150	347	1,924	126	47	3,751
Carroll	1,167	785	99	194	194	1,153	155	191	3,939
Cecil	1,008	498	58	212	239	1,411	115	333	3,874
Charles	1,391	651	154	552	286	1,451	146	46	4,677
Dorchester	921	376	80	213	325	1,594	128	47	3,684
Frederick	1,109	721	114	557	187	1,345	133	5	4,171
Garrett	1,740	367	222	402	369	1,223	197	0	4,521
Harford	1,142	762	103	262	232	1,141	231	143	4,016
Howard	1,765	1,288	305	520	213	1,168	247	383	5,889
Kent	1,526	692	93	161	450	938	100	0	3,959
Montgomery	1,520	1,350	534	798	342	1,047	214	444	6,251
Prince George's	1,059	551	303	596	345	1,380	218	151	4,604
Queen Anne's	1,332	830	135	330	208	1,085	156	484	4,560
St. Mary's	941	707	140	394	240	1,264	83	50	3,819
Somerset	560	241	21	230	462	1,615	104	301	3,535
Talbot	887	714	251	280	244	655	146	54	3,231
Washington	808	461	66	272	265	1,433	91	101	3,499
Wicomico	604	431	48	317	300	1,885	77	151	3,813
Worcester	2,274	265	471	478	258	851	86	934	5,618
Statewide	\$1,211	\$794	\$276	\$550	\$319	\$1,289	\$179	\$209	\$4,827

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Exhibit 3.5
Per Capita County Rankings by Selected Revenue Sources
Fiscal 2014

Property Taxes		Income Taxes		State Grants		Total Revenues Excluding Debt Proceeds	
1. Worcester	\$2,274	1. Montgomery	\$1,350	1. Baltimore City	\$2,170	1. Baltimore City	\$5,966
2. Howard	1,765	2. Howard	1,288	2. Caroline	1,924	2. Montgomery	5,807
3. Garrett	1,740	3. Queen Anne's	830	3. Wicomico	1,885	3. Howard	5,506
4. Calvert	1,534	4. Baltimore	811	4. Somerset	1,615	4. Worcester	4,683
5. Kent	1,526	5. Carroll	785	5. Allegany	1,613	5. Charles	4,631
6. Montgomery	1,520	6. Anne Arundel	783	6. Dorchester	1,594	6. Garrett	4,521
7. Charles	1,391	7. Harford	762	7. Charles	1,451	7. Prince George's	4,453
8. Queen Anne's	1,332	8. Calvert	738	8. Washington	1,433	8. Calvert	4,405
9. Baltimore City	1,225	9. Frederick	721	9. Cecil	1,411	9. Frederick	4,166
10. Carroll	1,167	10. Talbot	714	10. Prince George's	1,380	10. Queen Anne's	4,076
11. Anne Arundel	1,146	11. St. Mary's	707	11. Frederick	1,345	11. Anne Arundel	4,069
12. Harford	1,142	12. Kent	692	12. Calvert	1,295	12. Kent	3,959
13. Frederick	1,109	13. Charles	651	13. St. Mary's	1,264	13. Harford	3,873
14. Prince George's	1,059	14. Prince George's	551	14. Garrett	1,223	14. Baltimore	3,817
15. Baltimore	1,041	15. Cecil	498	15. Howard	1,168	15. St. Mary's	3,769
16. Cecil	1,008	16. Washington	461	16. Carroll	1,153	16. Carroll	3,748
17. St. Mary's	941	17. Baltimore City	461	17. Harford	1,141	17. Caroline	3,705
18. Dorchester	921	18. Wicomico	431	18. Queen Anne's	1,085	18. Wicomico	3,663
19. Talbot	887	19. Dorchester	376	19. Montgomery	1,047	19. Dorchester	3,637
20. Washington	808	20. Garrett	367	20. Anne Arundel	988	20. Cecil	3,541
21. Caroline	752	21. Caroline	351	21. Baltimore	985	21. Allegany	3,537
22. Allegany	612	22. Allegany	328	22. Kent	938	22. Washington	3,397
23. Wicomico	604	23. Worcester	265	23. Worcester	851	23. Somerset	3,234
24. Somerset	560	24. Somerset	241	24. Talbot	655	24. Talbot	3,176
Statewide	\$1,211	Statewide	\$794	Statewide	\$1,289	Statewide	\$4,618

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Exhibit 3.6
County Expenditures by Category
Fiscal 2014

County	General Government	Public Safety	Public Works	Health/ Social Serv.	Education/ Libraries	Parks and Recreation	Debt Service	Other
Allegany	3.6%	6.6%	12.1%	5.9%	67.4%	0.2%	2.1%	1.9%
Anne Arundel	5.3%	12.4%	11.5%	3.3%	59.8%	1.2%	5.6%	1.0%
Baltimore City	7.7%	18.0%	15.9%	6.4%	40.9%	1.6%	3.4%	6.2%
Baltimore	4.2%	11.1%	12.3%	2.3%	56.5%	0.9%	3.9%	8.8%
Calvert	5.9%	8.1%	7.6%	2.6%	61.9%	3.3%	4.1%	6.5%
Caroline	3.1%	9.9%	4.0%	4.2%	70.0%	1.4%	2.8%	4.7%
Carroll	5.9%	8.0%	6.6%	3.5%	63.4%	0.9%	6.3%	5.3%
Cecil	4.1%	9.5%	7.4%	4.1%	67.5%	0.6%	4.3%	2.4%
Charles	4.1%	14.2%	8.5%	2.5%	60.9%	1.3%	5.6%	2.9%
Dorchester	3.4%	10.4%	9.1%	5.1%	61.7%	0.5%	3.4%	6.3%
Frederick	4.9%	10.0%	7.5%	4.3%	64.2%	0.7%	5.8%	2.5%
Garrett	4.3%	7.3%	21.7%	5.4%	55.2%	1.2%	1.0%	3.8%
Harford	5.6%	12.3%	10.3%	2.5%	58.9%	1.9%	5.9%	2.7%
Howard	6.4%	11.0%	10.9%	2.5%	56.9%	3.0%	6.5%	2.7%
Kent	10.7%	12.2%	9.8%	10.2%	49.4%	1.9%	4.3%	1.6%
Montgomery	5.9%	11.8%	12.4%	4.6%	49.6%	2.9%	5.5%	7.2%
Prince George's	5.5%	10.7%	11.0%	2.2%	50.0%	4.9%	4.1%	11.7%
Queen Anne's	5.1%	10.8%	9.2%	4.5%	53.4%	1.7%	5.4%	9.8%
St. Mary's	5.9%	10.6%	8.5%	3.3%	64.0%	2.1%	3.2%	2.5%
Somerset	7.5%	8.3%	11.3%	6.8%	49.7%	1.5%	11.8%	3.1%
Talbot	5.1%	10.8%	10.6%	6.8%	57.1%	2.7%	0.2%	6.5%
Washington	3.0%	7.2%	10.7%	2.6%	70.1%	0.8%	2.9%	2.6%
Wicomico	2.8%	7.0%	5.5%	6.2%	68.8%	3.0%	3.1%	3.8%
Worcester	5.5%	11.4%	9.0%	6.0%	52.4%	1.1%	4.4%	10.2%
Statewide	5.6%	11.9%	11.6%	3.8%	53.8%	2.3%	4.7%	6.3%

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Exhibit 3.7
Per Capita County Expenditures by Category
Fiscal 2014

County	General Government	Public Safety	Public Works	Health/ Social Serv.	Education/ Libraries	Parks and Recreation	Debt Service	Other	Total
Allegany	\$125	\$229	\$417	\$205	\$2,323	\$8	\$73	\$65	\$3,445
Anne Arundel	219	508	474	134	2,456	48	229	39	4,107
Baltimore City	451	1,056	934	376	2,407	96	200	364	5,884
Baltimore	167	441	490	90	2,248	35	156	351	3,978
Calvert	271	373	349	120	2,849	152	190	299	4,603
Caroline	114	363	146	154	2,572	50	104	171	3,674
Carroll	236	319	260	140	2,517	35	249	211	3,968
Cecil	147	346	270	148	2,447	21	157	87	3,622
Charles	199	689	414	121	2,966	65	273	139	4,869
Dorchester	126	388	340	191	2,299	20	127	235	3,727
Frederick	204	421	315	181	2,690	29	243	106	4,189
Garrett	197	334	988	248	2,518	56	45	174	4,559
Harford	232	508	426	101	2,436	77	245	111	4,136
Howard	385	660	651	149	3,405	182	389	164	5,985
Kent	399	452	363	378	1,839	71	160	59	3,719
Montgomery	364	724	758	283	3,036	175	338	438	6,116
Prince George's	261	510	528	104	2,391	232	194	560	4,781
Queen Anne's	219	459	392	194	2,279	73	231	419	4,265
St. Mary's	222	403	322	123	2,429	78	122	96	3,797
Somerset	259	288	392	235	1,725	53	409	108	3,468
Talbot	165	347	339	218	1,830	88	8	208	3,202
Washington	110	261	386	93	2,526	29	106	95	3,605
Wicomico	107	266	208	236	2,624	114	117	143	3,817
Worcester	268	559	443	294	2,570	54	216	502	4,905
Statewide	\$269	\$572	\$556	\$182	\$2,583	\$111	\$227	\$303	\$4,803

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Exhibit 3.8
Per Capita County Rankings by Expenditure Categories
Fiscal 2014

Education/Libraries		Public Works		Public Safety		Total Expenditures	
1. Howard	\$3,405	1. Garrett	\$988	1. Baltimore City	\$1,056	1. Montgomery	\$6,116
2. Montgomery	3,036	2. Baltimore City	934	2. Montgomery	724	2. Howard	5,985
3. Charles	2,966	3. Montgomery	758	3. Charles	689	3. Baltimore City	5,884
4. Calvert	2,849	4. Howard	651	4. Howard	660	4. Worcester	4,905
5. Frederick	2,690	5. Prince George's	528	5. Worcester	559	5. Charles	4,869
6. Wicomico	2,624	6. Baltimore	490	6. Prince George's	510	6. Prince George's	4,781
7. Caroline	2,572	7. Anne Arundel	474	7. Anne Arundel	508	7. Calvert	4,603
8. Worcester	2,570	8. Worcester	443	8. Harford	508	8. Garrett	4,559
9. Washington	2,526	9. Harford	426	9. Queen Anne's	459	9. Queen Anne's	4,265
10. Garrett	2,518	10. Allegany	417	10. Kent	452	10. Frederick	4,189
11. Carroll	2,517	11. Charles	414	11. Baltimore	441	11. Harford	4,136
12. Anne Arundel	2,456	12. Somerset	392	12. Frederick	421	12. Anne Arundel	4,107
13. Cecil	2,447	13. Queen Anne's	392	13. St. Mary's	403	13. Baltimore	3,978
14. Harford	2,436	14. Washington	386	14. Dorchester	388	14. Carroll	3,968
15. St. Mary's	2,429	15. Kent	363	15. Calvert	373	15. Wicomico	3,817
16. Baltimore City	2,407	16. Calvert	349	16. Caroline	363	16. St. Mary's	3,797
17. Prince George's	2,391	17. Dorchester	340	17. Talbot	347	17. Dorchester	3,727
18. Allegany	2,323	18. Talbot	339	18. Cecil	346	18. Kent	3,719
19. Dorchester	2,299	19. St. Mary's	322	19. Garrett	334	19. Caroline	3,674
20. Queen Anne's	2,279	20. Frederick	315	20. Carroll	319	20. Cecil	3,622
21. Baltimore	2,248	21. Cecil	270	21. Somerset	288	21. Washington	3,605
22. Kent	1,839	22. Carroll	260	22. Wicomico	266	22. Somerset	3,468
23. Talbot	1,830	23. Wicomico	208	23. Washington	261	23. Allegany	3,445
24. Somerset	1,725	24. Caroline	146	24. Allegany	229	24. Talbot	3,202
Statewide	\$2,583	Statewide	\$556	Statewide	\$572	Statewide	\$4,803

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Exhibit 3.9
Municipal Revenues by Source
Fiscal 2014

County	Property Taxes	Income Taxes	Other Taxes	Service Charges	Federal Grants	State Grants	County Grants	Other
Allegany	24.1%	4.6%	0.1%	47.1%	11.8%	8.3%	1.4%	2.6%
Anne Arundel	43.4%	6.5%	1.5%	34.3%	2.0%	4.2%	2.3%	5.8%
Calvert	30.0%	6.7%	10.7%	25.4%	4.8%	15.5%	1.4%	5.5%
Caroline	37.9%	3.8%	1.1%	31.0%	3.2%	18.2%	0.3%	4.5%
Carroll	31.0%	10.4%	0.6%	36.4%	4.1%	3.9%	5.9%	7.7%
Cecil	33.2%	5.6%	0.1%	44.6%	1.7%	4.5%	5.3%	5.0%
Charles	31.5%	10.0%	0.0%	46.4%	4.1%	3.6%	0.1%	4.3%
Dorchester	38.4%	2.7%	0.4%	42.0%	1.2%	7.8%	3.3%	4.2%
Frederick	34.5%	6.5%	0.5%	31.7%	1.2%	7.8%	2.6%	15.2%
Garrett	27.0%	5.5%	1.3%	35.8%	6.1%	15.5%	4.0%	4.8%
Harford	41.1%	7.0%	0.5%	33.2%	0.2%	6.0%	6.3%	5.6%
Kent	35.6%	9.0%	1.1%	36.8%	0.0%	9.6%	2.2%	5.7%
Montgomery	35.4%	18.3%	1.6%	20.0%	1.0%	3.2%	5.8%	14.8%
Prince George's	55.8%	11.7%	0.9%	7.2%	1.2%	5.5%	1.7%	16.0%
Queen Anne's	33.1%	7.2%	0.0%	37.3%	2.7%	9.4%	2.7%	7.7%
St. Mary's	11.6%	9.2%	0.1%	44.3%	0.0%	10.3%	1.3%	23.2%
Somerset	38.4%	2.1%	0.7%	20.6%	0.0%	30.9%	2.1%	5.2%
Talbot	16.2%	2.4%	0.1%	71.9%	1.5%	2.0%	1.0%	4.9%
Washington	24.5%	3.2%	2.8%	54.7%	1.4%	2.2%	0.6%	10.5%
Wicomico	41.5%	3.5%	1.6%	34.8%	3.6%	5.5%	1.5%	8.0%
Worcester	35.0%	1.0%	1.1%	36.2%	2.3%	3.7%	14.9%	5.8%
Statewide	36.3%	7.9%	1.1%	33.1%	2.1%	5.3%	4.2%	10.0%

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Exhibit 3.10
Municipal Expenditures by Category
Fiscal 2014

County	General Government	Public Safety	Public Works	Parks and Recreation	Community Develop.	Economic Develop.	Debt Service	Other
Allegany	4.9%	21.8%	51.7%	2.3%	5.8%	2.8%	8.1%	2.6%
Anne Arundel	8.4%	39.8%	38.2%	5.6%	0.9%	0.0%	7.0%	0.0%
Calvert	11.6%	11.3%	39.4%	16.9%	0.0%	1.7%	15.7%	3.5%
Caroline	10.6%	22.1%	48.1%	2.8%	8.4%	0.1%	5.8%	2.1%
Carroll	9.2%	15.5%	53.6%	3.9%	5.0%	0.3%	3.4%	9.1%
Cecil	10.5%	23.5%	55.8%	4.3%	1.3%	0.0%	3.2%	1.4%
Charles	20.9%	10.0%	54.9%	5.4%	0.0%	0.0%	3.0%	5.8%
Dorchester	10.6%	20.0%	46.5%	0.9%	0.7%	1.2%	6.6%	13.5%
Frederick	9.9%	22.5%	46.2%	7.1%	0.2%	3.1%	9.9%	1.1%
Garrett	15.0%	3.2%	65.2%	7.6%	0.0%	1.4%	5.6%	1.9%
Harford	13.1%	21.8%	47.9%	3.4%	0.1%	1.1%	3.8%	8.8%
Kent	12.9%	12.9%	57.7%	3.7%	0.8%	0.9%	3.5%	7.7%
Montgomery	24.1%	17.2%	28.7%	14.9%	1.8%	0.2%	7.6%	5.5%
Prince George's	19.4%	30.2%	26.5%	9.1%	1.8%	0.9%	5.7%	6.3%
Queen Anne's	12.4%	9.5%	62.0%	1.0%	0.0%	0.0%	6.6%	8.5%
St. Mary's	11.0%	1.6%	65.2%	10.8%	6.7%	1.4%	3.3%	0.0%
Somerset	8.0%	25.0%	27.8%	13.3%	1.7%	3.3%	11.9%	8.9%
Talbot	3.5%	11.2%	76.5%	1.0%	1.8%	0.8%	2.3%	2.9%
Washington	7.5%	21.1%	58.2%	3.7%	0.6%	3.3%	3.1%	2.4%
Wicomico	6.6%	35.6%	38.8%	7.0%	1.2%	0.0%	7.1%	3.8%
Worcester	5.6%	29.9%	40.4%	7.6%	0.1%	10.0%	5.7%	0.7%
Statewide	12.3%	23.7%	43.2%	7.2%	1.5%	2.1%	6.2%	3.9%

Source: *Local Government Finances Fiscal 2014*, Department of Legislative Services

Chapter 4. Tax Rates for Local Governments

County Taxes

More jurisdictions chose to increase local tax rates in fiscal 2017 than chose to decrease them. As shown in **Table 4.1**, six counties changed their local property tax rates, with four counties increasing their rates and two counties decreasing them. The rate increases in Montgomery and Talbot counties exceeded those counties' charter limits. In addition, Calvert and Somerset counties increased their income tax rate. Montgomery County increased its recordation tax rate, and Frederick County increased its hotel rental tax rate. No county altered its transfer or admissions and amusement tax rate.

Property Tax Rates

For fiscal 2017, four counties – Calvert, Cecil, Montgomery, and Talbot – increased their real property tax rates. Allegany and Anne Arundel counties decreased their real property tax rates. Real property tax rates range from \$0.547 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 2012, property tax rates are currently higher in 12 jurisdictions and lower in 5 jurisdictions. Property tax rates in 7 counties have remained the same during this period. **Table 4.2** lists the counties referenced in this paragraph.

Table 4.1
Number of Counties Changing Tax Rates
Fiscal 2013-2017

	FY 2013		FY 2014		FY 2015		FY 2016		FY 2017	
	▲	▼	▲	▼	▲	▼	▲	▼	▲	▼
Real Property	9	2	7	2	3	4	5	4	4	2
Local Income	3	0	2	1	0	1	1	1	2	0
Recordation	1	0	0	0	0	0	0	0	1	0
Transfer	0	0	0	0	0	0	2	0	0	0
A&A	0	1	0	0	0	0	1	0	0	0
Hotel Rental	1	0	0	0	1	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; Maryland Association of Counties

Exhibit 4.1 shows the real property tax rates for each county since fiscal 2009. 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 2017.

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, Carroll, Frederick, St. Mary's

Decreased Multiple Times: Allegany

No Change: Baltimore, Dorchester, Garrett, Harford, Kent, Queen Anne's, Washington

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

Increased One Time: Calvert, Cecil, Howard, Prince George's

Increased Multiple Times: Caroline, 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 2017, 16 jurisdictions (Anne Arundel, Baltimore City, Baltimore, Calvert, Carroll, Charles, Frederick, Garrett, Harford, Howard, Montgomery, Prince George's, Queen Anne's, St. Mary's, 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 \$220.6 million in fiscal 2017. In the 7 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 \$1.0 million. The property tax rate in one county, Cecil, 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 2017. **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%. Calvert and Somerset counties were the only jurisdictions to change their local income tax rate for calendar 2017. Calvert County increased the rate from 2.80% to 3.00%, while Somerset County increased the rate from 3.15% to 3.20%. 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, Somerset, and Wicomico counties. **Exhibit 4.5** shows the rates for income taxes for calendar 2009 through 2017.

Recordation Tax Rates

Montgomery County was the only jurisdiction to change its recordation tax rate for fiscal 2017, increasing the rate from \$3.45 to \$4.45 per \$500 of transaction. 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 2016 and 2017.

Transfer Tax Rates

No county altered its transfer tax rate for fiscal 2017. 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

No county altered its admissions and amusement tax rate for fiscal 2017. 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, Frederick, increased its hotel rental tax rate in fiscal 2017, from 3% to 5%. No other county altered its hotel rental tax rate. Hotel rental tax rates range from 3.0% in Cecil County 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. In fiscal 2017, Talbot County again exceeded its charter limit by establishing a 0.86 cent supplemental property tax rate for public education. Montgomery County exceeded the charter limit through a unanimous vote by the county council.

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 \$0.01 in Chevy Chase (Montgomery County) to \$1.223 in Colmar Manor (Prince George's County). Only Chevy Chase, Section 5 (Montgomery County) did not impose a local property tax in fiscal 2017. 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 2016, 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 2016, municipal tax differentials and rebates totaled approximately \$102.7 million, a 1.1% increase compared to the prior year. **Exhibit 4.8** shows the amount of tax set-offs provided in fiscal 2016 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 \$2.051 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 2017.

Table 4.3
Municipalities with the Highest Combined Local
Property Tax Rates in Maryland
Fiscal 2017

<u>Municipality</u>	<u>County</u>	<u>Combined Tax Rate</u>
Colmar Manor	Prince George's	\$2.5027
Baltimore City		2.2480
Mt. Rainier	Prince George's	2.1000
Princess Anne	Somerset	2.0509
Morningside	Prince George's	2.0390
Bladensburg	Prince George's	2.0040
District Heights	Prince George's	1.9756
Luke	Allegany	1.9269
New Carrollton	Prince George's	1.9212
Cottage City	Prince George's	1.9180
Fruitland	Wicomico	1.9116

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 has enacted an excise tax but has temporarily suspended collection of the charge. Wicomico County permanently repealed its development impact fee effective January 2, 2017. As shown in **Table 4.4**, after reaching a peak of \$129.1 million in fiscal 2007, impact fee and excise tax revenues declined to \$62.4 million in fiscal 2009. Revenues have since returned to higher levels and are estimated to be \$142.8 million and \$133.4 million, in fiscal 2016 and 2017, 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.

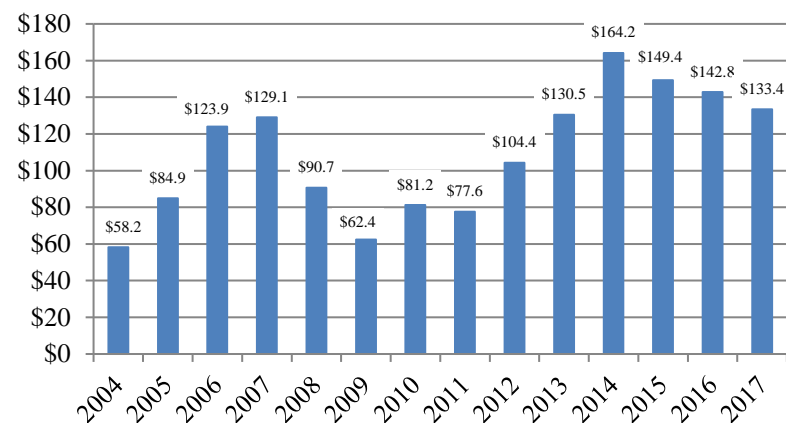
A development impact fee is a regulatory measure designed to fund facilities specifically required by new development projects in order to mitigate the impact of such development on infrastructure or public facilities. However, there must be a reasonable connection between the amount of the impact fee 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 2015 through 2017. **Exhibit 4.10** shows the revenue collections for fiscal 2015 through 2017.

Table 4.4
Development Impact Fees and Excise Taxes
Maryland Counties
Fiscal 2004-2017
(\$ in Millions)



Source: Department of Legislative Services; Maryland Association of Counties

Exhibit 4.1
County Real Property Tax Rates in Fiscal 2009-2017
(per \$100 of assessed value)

County	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Allegany	\$0.983	\$0.983	\$0.983	\$0.982	\$0.981	\$0.980	\$0.979	\$0.978	\$0.977
Anne Arundel	0.888	0.876	0.880	0.910	0.941	0.950	0.943	0.923	0.915
Baltimore City	2.268	2.268	2.268	2.268	2.268	2.248	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	0.952
Caroline	0.870	0.870	0.870	0.870	0.890	0.940	0.960	0.980	0.980
Carroll	1.048	1.048	1.048	1.028	1.018	1.018	1.018	1.018	1.018
Cecil	0.960	0.940	0.915	0.940	0.991	0.991	0.991	0.991	0.991
Charles	1.026	1.026	1.026	1.067	1.121	1.205	1.205	1.205	1.205
Dorchester	0.896	0.896	0.896	0.976	0.976	0.976	0.976	0.976	0.976
Frederick	1.064	1.064	1.064	1.064	1.064	1.064	1.060	1.060	1.060
Garrett	1.000	0.990	0.990	0.990	0.990	0.990	0.990	0.990	0.990
Harford	1.082	1.064	1.042	1.042	1.042	1.042	1.042	1.042	1.042
Howard	1.150	1.150	1.150	1.150	1.190	1.190	1.190	1.190	1.190
Kent	0.972	0.972	1.022	1.022	1.022	1.022	1.022	1.022	1.022
Montgomery	0.915	0.916	0.915	0.959	1.003	1.021	1.008	0.999	1.038
Prince George's	1.319	1.319	1.319	1.319	1.319	1.319	1.319	1.374	1.374
Queen Anne's	0.770	0.770	0.767	0.847	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	0.852	0.852
Somerset	0.920	0.900	0.884	0.884	0.884	0.915	0.915	1.000	1.000
Talbot	0.449	0.432	0.432	0.448	0.491	0.512	0.527	0.536	0.547
Washington	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948
Wicomico	0.814	0.759	0.759	0.769	0.840	0.909	0.952	0.952	0.952
Worcester	0.700	0.700	0.700	0.700	0.770	0.770	0.770	0.835	0.835

Note: The rate in Charles, 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 2017

County	Actual	Actual	Difference	Constant	Difference	Amount in Excess of Constant Yield	
	FY 2016	FY 2017		Yield Rate		Ranking by Highest to Lowest	
Allegany	\$0.978	\$0.977	-\$0.001	\$0.983	-\$0.006	1.	Montgomery \$0.070
Anne Arundel	0.923	0.915	-0.008	0.906	0.009	2.	Calvert 0.064
Baltimore City	2.248	2.248	0.000	2.189	0.059	3.	Baltimore City 0.059
Baltimore	1.100	1.100	0.000	1.080	0.020	4.	Howard 0.032
Calvert	0.892	0.952	0.060	0.888	0.064	5.	Frederick 0.024
Caroline	0.980	0.980	0.000	0.987	-0.007	6.	Charles 0.024
Carroll	1.018	1.018	0.000	1.008	0.011	7.	Baltimore 0.020
Cecil	0.991	0.991	0.001	0.991	0.000	8.	Prince George's 0.020
Charles*	1.205	1.205	0.000	1.181	0.024	9.	Talbot 0.013
Dorchester	0.976	0.976	0.000	0.989	-0.013	10.	Queen Anne's 0.011
Frederick	1.060	1.060	0.000	1.036	0.024	11.	Carroll 0.011
Garrett	0.990	0.990	0.000	0.987	0.003	12.	Worcester 0.011
Harford	1.042	1.042	0.000	1.033	0.009	13.	Harford 0.009
Howard*	1.190	1.190	0.000	1.158	0.032	14.	Anne Arundel 0.009
Kent	1.022	1.022	0.000	1.023	-0.001	15.	St. Mary's 0.005
Montgomery*	0.999	1.038	0.039	0.968	0.070	16.	Garrett 0.003
Prince George's*	1.374	1.374	0.000	1.354	0.020	17.	Cecil 0.000
Queen Anne's	0.847	0.847	0.000	0.836	0.011	18.	Wicomico -0.0004
St. Mary's	0.852	0.852	0.000	0.847	0.005	19.	Washington -0.001
Somerset	1.000	1.000	0.000	1.013	-0.013	20.	Kent -0.001
Talbot	0.536	0.547	0.011	0.534	0.013	21.	Allegany -0.006
Washington	0.948	0.948	0.000	0.949	-0.001	22.	Caroline -0.007
Wicomico	0.952	0.952	0.000	0.952	-0.0004	23.	Dorchester -0.013
Worcester	0.835	0.835	0.000	0.825	0.011	24.	Somerset -0.013

*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 2017

County	Assessable Base	Actual Rate	Constant Yield Rate	Difference	Estimated Revenue Yield	Per Capita Yield
Allegany	\$3,508,433,938	\$0.977	\$0.983	-\$0.006	\$0	\$0.00
Anne Arundel	65,970,797,461	0.915	0.906	0.009	5,805,000	10.29
Baltimore City	34,515,338,600	2.248	2.189	0.059	20,261,000	32.58
Baltimore	76,580,923,813	1.100	1.080	0.020	15,163,000	18.24
Calvert	11,357,644,333	0.952	0.888	0.064	7,223,000	79.73
Caroline	2,449,935,288	0.980	0.987	-0.007	0	0.00
Carroll	18,272,323,197	1.018	1.008	0.011	1,919,000	11.45
Cecil	9,288,874,944	0.991	0.991	0.000	0	0.00
Charles*	16,027,358,277	1.205	1.181	0.024	3,798,000	24.33
Dorchester	2,734,741,189	0.976	0.989	-0.013	0	0.00
Frederick	27,154,608,959	1.060	1.036	0.024	6,463,000	26.34
Garrett	4,234,486,869	0.990	0.987	0.003	119,000	4.04
Harford	25,973,097,648	1.042	1.033	0.009	2,312,000	9.24
Howard*	46,293,009,409	1.190	1.158	0.032	14,906,000	47.56
Kent	2,840,554,466	1.022	1.023	-0.001	0	0.00
Montgomery*	176,760,733,520	1.038	0.968	0.070	124,090,000	119.30
Prince George's*	74,007,702,545	1.374	1.354	0.020	14,544,000	15.99
Queen Anne's	8,169,397,696	0.847	0.836	0.011	882,000	18.04
St. Mary's	11,837,685,758	0.852	0.847	0.005	651,000	5.84
Somerset	1,344,190,528	1.000	1.013	-0.013	0	0.00
Talbot	7,064,263,037	0.547	0.534	0.013	897,000	23.91
Washington	11,862,216,136	0.948	0.949	-0.001	0	0.00
Wicomico	5,709,198,923	0.9516	0.952	-0.0004	0	0.00
Worcester	14,545,486,183	0.835	0.825	0.011	1,527,000	29.63
Total	\$658,503,002,717				\$220,560,000	\$36.72

*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 2017

County	Assessable Base	Actual Rate	Constant Yield Rate	Difference	Estimated Revenue Loss	Per Capita Loss
Allegany	\$3,508,433,938	\$0.977	\$0.983	-\$0.006	-\$225,000	-\$3.10
Anne Arundel	65,970,797,461	0.915	0.906	0.009	0	0.00
Baltimore City	34,515,338,600	2.248	2.189	0.059	0	0.00
Baltimore	76,580,923,813	1.100	1.080	0.020	0	0.00
Calvert	11,357,644,333	0.952	0.888	0.064	0	0.00
Caroline	2,449,935,288	0.980	0.987	-0.007	-171,000	-5.25
Carroll	18,272,323,197	1.018	1.008	0.011	0	0.00
Cecil	9,288,874,944	0.991	0.991	0.000	0	0.00
Charles*	16,027,358,277	1.205	1.181	0.024	0	0.00
Dorchester	2,734,741,189	0.976	0.989	-0.013	-345,000	-10.65
Frederick	27,154,608,959	1.060	1.036	0.024	0	0.00
Garrett	4,234,486,869	0.990	0.987	0.003	0	0.00
Harford	25,973,097,648	1.042	1.033	0.009	0	0.00
Howard*	46,293,009,409	1.190	1.158	0.032	0	0.00
Kent	2,840,554,466	1.022	1.023	-0.001	-20,000	-1.01
Montgomery*	176,760,733,520	1.038	0.968	0.070	0	0.00
Prince George's*	74,007,702,545	1.374	1.354	0.020	0	0.00
Queen Anne's	8,169,397,696	0.847	0.836	0.011	0	0.00
St. Mary's	11,837,685,758	0.852	0.847	0.005	0	0.00
Somerset	1,344,190,528	1.000	1.013	-0.013	-173,000	-6.71
Talbot	7,064,263,037	0.547	0.534	0.013	0	0.00
Washington	11,862,216,136	0.948	0.949	-0.001	-59,000	-0.39
Wicomico	5,709,198,923	0.9516	0.952	-0.0004	-23,000	-0.22
Worcester	14,545,486,183	0.835	0.825	0.011	0	0.00
Total	\$658,503,002,717				-\$1,016,000	-\$0.17

*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 2009-2017

County	CY 2009	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017
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%	2.49%	2.56%	2.56%	2.56%	2.50%	2.50%
Baltimore City	3.05%	3.05%	3.20%	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%	3.00%
Caroline	2.63%	2.63%	2.63%	2.63%	2.63%	2.73%	2.73%	2.73%	2.73%
Carroll	3.05%	3.05%	3.05%	3.05%	3.05%	3.04%	3.03%	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%	3.03%	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	3.20%	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%	3.20%	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%	3.20%
Talbot	2.25%	2.25%	2.25%	2.25%	2.40%	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%	3.20%	3.20%	3.20%	3.20%	3.20%
Worcester	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.75%	1.75%

Source: Office of the Comptroller

Exhibit 4.6
Other Local Tax Rates in Fiscal 2016 and 2017

County	Recordation		Transfer		Admissions & Amusement		Hotel Rental	
	FY 2016	FY 2017	FY 2016	FY 2017	FY 2016	FY 2017	FY 2016	FY 2017
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	0.5%	0.5%	6.0%	6.0%	3.0%	3.0%
Charles	5.00	5.00	0.5%	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%	5.0%
Garrett	3.50	3.50	1.0%	1.0%	6.0%	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	4.45	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%	7.0%	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: 2016 Local Government Budget and Tax Rate Survey, Department of Legislative Services/Maryland Association of Counties

Exhibit 4.7
Combined County and Municipal Real Property Tax Rates in Fiscal 2017
20 Largest Municipalities – Ranked by Total Tax Rate

Rank	Municipality	County	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
1.	New Carrollton	Prince George's	12,786	\$0.8820	\$0.6652	\$0.3740	\$1.9212
2.	Salisbury	Wicomico	32,899	0.9516	0.9432	-	1.8948
3.	Greenbelt	Prince George's	24,272	0.8590	0.8125	0.2146	1.8861
4.	Hyattsville	Prince George's	18,501	0.8640	0.6300	0.3740	1.8680
5.	Cumberland	Allegany	20,130	0.8452	0.9654	-	1.8106
6.	Hagerstown	Washington	40,432	0.8230	0.9130	-	1.7360
7.	Cambridge	Dorchester	12,507	0.9267	0.7989	-	1.7256
8.	Laurel	Prince George's	26,215	0.8340	0.7100	0.1580	1.7020
9.	College Park	Prince George's	32,301	0.9700	0.3350	0.3740	1.6790
10.	Frederick	Frederick	69,479	0.9374	0.7305	-	1.6679
11.	Takoma Park	Montgomery	17,713	0.7734	0.5680	0.2618	1.6032
12.	Bowie	Prince George's	58,025	0.8680	0.4000	0.3200	1.5880
13.	Westminster	Carroll	18,670	1.0180	0.5600	-	1.5780
14.	Elkton	Cecil	15,782	0.9914	0.5856	-	1.5770
15.	Rockville	Montgomery	66,980	0.7734	0.6220	0.1670	1.5624
16.	Aberdeen	Harford	15,580	0.8937	0.6566	-	1.5503
17.	Havre de Grace	Harford	13,504	0.8937	0.5697	-	1.4634
18.	Gaithersburg	Montgomery	67,456	0.7734	0.2620	0.1670	1.2024
19.	Annapolis	Anne Arundel	39,474	0.5480	0.6490	-	1.1970
20.	Easton	Talbot	16,617	0.4142	0.5200	-	0.9342
	Baltimore City		621,849	2.2480	0.0000		2.2480

Source: State Department of Assessments and Taxation; U.S. Census Bureau; Department of Legislative Services

Exhibit 4.8
Tax Differentials and Tax Rebates
Fiscal 2016

County	Tax Differential	Tax Rebate	Total
Allegany	\$2,001,566	\$0	\$2,001,566
Anne Arundel	24,126,315	0	24,126,315
Baltimore City	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A
Calvert	3,361,114	0	3,361,114
Caroline	475,639	0	475,639
Carroll	0	2,143,653	2,143,653
Cecil	0	741,659	741,659
Charles	1,658,202	0	1,658,202
Dorchester	377,626	6,050	383,676
Frederick	8,976,456	4,172,702	13,149,158
Garrett	70,433	297,000	367,433
Harford	6,836,053	3,416,633	10,252,686
Howard	N/A	N/A	N/A
Kent	0	0	0
Montgomery	0	7,656,182	7,656,182
Prince George's	26,641,923	651,147	27,293,070
Queen Anne's	452,124	137,723	589,847
St. Mary's	0	42,973	42,973
Somerset	0	360,000	360,000
Talbot	3,911,402	0	3,911,402
Washington	4,205,045	0	4,205,045
Wicomico	0	0	0
Worcester	0	0	0
Total	\$83,093,897	\$19,625,722	\$102,719,619

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 2015-2017

<u>County</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Anne Arundel ²	\$11,896	\$12,275	\$12,473
Calvert	12,950	12,950	12,950
Caroline ³	5,000	5,000	5,000
Carroll	533	533	533
Charles	13,366	14,095	16,206
Dorchester ⁴	0	0	0
Frederick ⁵	14,208	14,208	14,881
Harford	6,000	6,000	6,000
Howard ⁶	\$2.37/sq. ft.	\$2.40/sq. ft.	\$2.43/sq. ft.
Montgomery ⁷	39,450	40,793	40,793
Prince George's ⁸	22,803	22,757	23,007
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	6,804	6,967	7,176
Washington	\$1.00/sq. ft.	\$1.00/sq. ft.	\$1.00/sq. ft.
Wicomico ¹⁰	5,231	5,231	0

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 four-year period ending on June 30, 2018.

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 2015, 2016, and 2017 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 \$1.26/sq. ft., respectively).

⁷ Fiscal 2016 and 2017 amounts represent \$13,966 for transportation and \$26,827 for schools. Fiscal 2015 amount represents \$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 2017 amount represents \$15,628 for school facilities and \$7,379 for public safety. A lower school facilities rate (\$9,116 in fiscal 2017) applies inside the beltway and to certain development near mass transit, and a lower public safety rate (\$2,461 in fiscal 2017) 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 (\$6,199 in fiscal 2017) 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. On November 1, 2016, the council passed legislation permanently repealing the county's impact fee effective January 2, 2017.

Source: Department of Legislative Services

Exhibit 4.10
County Development Impact Fee and Excise Tax Revenues

County	FY 2015-2016					FY 2016-2017	
	FY 2015	FY 2016	FY 2017	Difference	% Difference	Difference	% Difference
Anne Arundel	\$26,322,325	\$11,729,800	\$14,850,000	-\$14,592,525	-55.4%	\$3,120,200	26.6%
Calvert	3,409,067	2,727,844	2,461,841	-681,223	-20.0%	-266,003	-9.8%
Caroline	179,944	146,958	75,000	-32,986	-18.3%	-71,958	-49.0%
Carroll	190,346	450,000	160,670	259,654	136.4%	-289,330	-64.3%
Charles	13,294,219	11,233,531	9,166,017	-2,060,688	-15.5%	-2,067,515	-18.4%
Dorchester ¹	0	0	0	0	0.0%	0	0.0%
Frederick	10,879,277	10,820,416	11,395,086	-58,861	-0.5%	574,670	5.3%
Harford	2,560,800	2,500,000	2,500,000	-60,800	-2.4%	0	0.0%
Howard	14,253,284	14,400,000	14,936,084	146,716	1.0%	536,084	3.7%
Montgomery	45,580,000	54,474,000	41,569,000	8,894,000	19.5%	-12,905,000	-23.7%
Prince George's	26,909,196	30,400,000	32,264,200	3,490,804	13.0%	1,864,200	6.1%
Queen Anne's	1,709,401	1,640,900	1,770,900	-68,501	-4.0%	130,000	7.9%
St. Mary's	1,731,600	1,450,000	1,450,000	-281,600	-16.3%	0	0.0%
Talbot	602,052	244,000	244,000	-358,052	-59.5%	0	0.0%
Washington	976,762	600,000	600,000	-376,762	-38.6%	0	0.0%
Wicomico ²	771,142	0	0	-771,142	-100.0%	0	0.0%
Total	\$149,369,415	\$142,817,449	\$133,442,798	-\$6,551,966	-4.4%	-\$9,374,652	-6.6%

¹ Dorchester County's development excise tax is suspended for a four-year period ending on June 30, 2018.

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. On November 1, 2016, the council passed legislation permanently repealing the county's impact fee effective January 2, 2017.

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 in fiscal 2014.

The downturn in the housing market is having a diminishing impact on property assessments in Maryland. County assessable base will increase by 3.9% in fiscal 2017 and is projected to increase by 2.5% in fiscal 2018. Net taxable income increased by 3.9% in tax year 2015 after increasing by 5.9% in tax year 2014. **Table 5.1** compares the relative growth in county assessable base and net taxable income.

County governments collected \$765.0 million in local recordation and transfer taxes in fiscal 2015; collections are estimated at \$819.5 million and \$877.2 million in fiscal 2016 and 2017, 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 2013.

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	3.9%
FY 2017	3.9%	TY 2016	N/A
FY 2018	2.5%	TY 2017	N/A

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 2013	\$367.9	\$326.8	\$694.7
FY 2014	348.7	350.7	699.4
FY 2015	376.9	388.1	765.0
FY 2016	390.3	429.2	819.5
FY 2017	444.2	433.0	877.2

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 26.2% of total revenues, excluding debt proceeds, and the largest revenue source for municipal governments, accounting for 36.3% of total revenues, excluding debt proceeds. In fiscal 2017, county governments are projected to collect \$7.9 billion in property taxes. The property tax is a relatively stable and predictable revenue source for local governments.

County assessable base in fiscal 2017 totaled \$718.4 billion or \$119,601 per State resident. Per capita assessable base ranges from \$53,537 in Allegany County to \$294,267 in Worcester County. Statewide, real property accounts for 96.8% of the assessable base and personal property accounts for 3.2%. **Exhibit 5.1** shows the per capita assessable base and assessable base growth for each jurisdiction for fiscal 2017.

Exhibit 5.2 shows the real, personal, and total county assessable base for each county for fiscal 2017. **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 3.9% in fiscal 2017. Real property increased by 3.9% statewide, and personal property increased by 2.1%. 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 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%	3.9%	2.5%

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 four years, due to improvements in the national economy, property assessments have increased. Properties reassessed for 2014, 2015, 2016, and 2017 realized net increases in value of 4.7%, 10.8%, 10.9%, and 8.2%,

respectively. 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 2016 for each jurisdiction. Property reassessments that occurred during calendar 2016 will affect the county's assessable base starting in fiscal 2018. **Exhibit 5.6** shows the full cash value assessment changes from January 2009 through January 2017.

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 2017 generates approximately \$715,600 in revenues, whereas it generates only \$136,300 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 2016, 2017, and 2018. **Table 5.4** lists county assessment caps for fiscal 2016 through 2018.

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 second 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 2016	FY 2017	FY 2018
Allegany	7%	4%	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%	4%	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%	0%	1%
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 \$31,385. Somerset County has the lowest per capita net taxable income at \$8,712. **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 2009, 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 17.2% of total revenue in fiscal 2014, excluding debt proceeds. The reliance on income tax revenue ranges from 5.7% of total revenues in Worcester County to 23.4% in Howard 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 \$160.9 billion in tax year 2015, ranging from \$224.5 million in Somerset County to \$42.8 billion in Montgomery County. Statewide, net taxable income increased by 3.9% in tax year 2015, with Worcester County experiencing the greatest increase at 16.4%.

Montgomery County has the highest per capita net taxable income at \$41,102 followed by Howard County at \$39,413 and

Exhibit 5.1
County Assessable Base Measures for Fiscal 2017

<u>County</u>	<u>Population</u> <u>July 1, 2015</u>	<u>Assessable Base</u> <u>(\$ in Thousands)</u>	<u>Per Capita</u> <u>Assessable Base</u>	<u>Assessable</u> <u>Base Growth</u>	<u>County</u>	<u>Per Capita</u> <u>Assessable Base</u>	<u>County</u>	<u>Assessable</u> <u>Base Growth</u>
Allegany	72,528	\$3,882,931	\$53,537	0.2%	1. Worcester	\$294,267	1. Baltimore City	7.0%
Anne Arundel	564,195	83,641,155	148,249	4.4%	2. Talbot	224,630	2. Prince George's	6.7%
Baltimore City	621,849	40,435,301	65,024	7.0%	3. Montgomery	175,928	3. Anne Arundel	4.4%
Baltimore	831,128	81,877,601	98,514	2.9%	4. Queen Anne's	160,229	4. Frederick	4.3%
Calvert	90,595	12,548,113	138,508	2.0%	5. Howard	157,368	5. Howard	4.0%
Caroline	32,579	2,597,219	79,721	-0.2%	6. Garrett	154,149	6. Montgomery	4.0%
Carroll	167,627	19,057,823	113,692	2.0%	7. Kent	148,724	7. Charles	3.8%
Cecil	102,382	9,774,630	95,472	0.6%	8. Anne Arundel	148,249	8. Baltimore	2.9%
Charles	156,118	17,170,805	109,986	3.8%	9. Calvert	138,508	9. Harford	2.3%
Dorchester	32,384	2,880,050	88,934	-0.2%	10. Frederick	115,099	10. Worcester	2.2%
Frederick	245,322	28,236,199	115,099	4.3%	11. Carroll	113,692	11. Queen Anne's	2.2%
Garrett	29,460	4,541,238	154,149	0.9%	12. Harford	110,633	12. Calvert	2.0%
Harford	250,290	27,690,358	110,633	2.3%	13. St. Mary's	110,510	13. Carroll	2.0%
Howard	313,414	49,321,435	157,368	4.0%	14. Charles	109,986	14. Washington	1.6%
Kent	19,787	2,942,793	148,724	-0.2%	15. Baltimore	98,514	15. St. Mary's	1.0%
Montgomery	1,040,116	182,985,419	175,928	4.0%	16. Cecil	95,472	16. Garrett	0.9%
Prince George's	909,535	84,825,809	93,263	6.7%	17. Prince George's	93,263	17. Cecil	0.6%
Queen Anne's	48,904	7,835,818	160,229	2.2%	18. Dorchester	88,934	18. Wicomico	0.4%
St. Mary's	111,413	12,312,258	110,510	1.0%	19. Washington	84,536	19. Talbot	0.3%
Somerset	25,768	1,434,346	55,664	-0.8%	20. Caroline	79,721	20. Allegany	0.2%
Talbot	37,512	8,426,309	224,630	0.3%	21. Baltimore City	65,024	21. Caroline	-0.2%
Washington	149,585	12,645,339	84,536	1.6%	22. Wicomico	59,980	22. Kent	-0.2%
Wicomico	102,370	6,140,140	59,980	0.4%	23. Somerset	55,664	23. Dorchester	-0.2%
Worcester	51,540	15,166,496	294,267	2.2%	24. Allegany	53,537	24. Somerset	-0.8%
Statewide	6,006,401	\$718,369,585	\$119,601	3.9%				

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

Exhibit 5.2
County Assessable Base for Fiscal 2017 and Percent Change from Fiscal 2016
(\$ in Thousands)

County	Subject to Real Property	Percent Change	Subject to Personal Property	Percent Change	Total Property	Percent Change
Allegany	\$3,551,502	0.5%	\$331,429	-3.0%	\$3,882,931	0.2%
Anne Arundel	81,106,243	4.5%	2,534,912	1.2%	83,641,155	4.4%
Baltimore City	38,133,035	6.8%	2,302,266	9.7%	40,435,301	7.0%
Baltimore	78,752,954	3.0%	3,124,647	1.4%	81,877,601	2.9%
Calvert	11,499,919	1.5%	1,048,194	9.0%	12,548,113	2.0%
Caroline	2,484,170	0.0%	113,048	-3.0%	2,597,219	-0.2%
Carroll	18,489,411	2.0%	568,411	1.8%	19,057,823	2.0%
Cecil	9,350,770	0.5%	423,860	1.5%	9,774,630	0.6%
Charles	16,370,791	4.1%	800,014	-2.4%	17,170,805	3.8%
Dorchester	2,760,580	-0.5%	119,470	6.1%	2,880,050	-0.2%
Frederick	27,862,421	4.2%	373,778	16.6%	28,236,199	4.3%
Garrett	4,302,146	1.1%	239,092	-2.0%	4,541,238	0.9%
Harford	26,480,556	2.0%	1,209,802	8.5%	27,690,358	2.3%
Howard	47,734,585	4.3%	1,586,851	-3.7%	49,321,435	4.0%
Kent	2,899,135	-0.2%	43,658	4.8%	2,942,793	-0.2%
Montgomery	179,140,567	4.1%	3,844,852	0.2%	182,985,419	4.0%
Prince George's	81,938,105	7.0%	2,887,704	0.4%	84,825,809	6.7%
Queen Anne's	7,758,144	2.1%	77,674	6.9%	7,835,818	2.2%
St. Mary's	12,034,355	1.0%	277,903	-0.2%	12,312,258	1.0%
Somerset	1,363,237	-0.5%	71,108	-6.9%	1,434,346	-0.8%
Talbot	8,361,570	0.3%	64,739	4.4%	8,426,309	0.3%
Washington	12,066,290	1.5%	579,049	2.2%	12,645,339	1.6%
Wicomico	5,777,701	0.7%	362,438	-3.6%	6,140,140	0.4%
Worcester	14,811,576	2.2%	354,920	4.5%	15,166,496	2.2%
Statewide	\$695,029,765	3.9%	\$23,339,820	2.1%	\$718,369,585	3.9%

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	FY 2018 E
Allegany	6.7%	11.9%	5.1%	0.1%	-1.3%	-1.3%	-0.5%	-0.4%	0.2%	0.1%
Anne Arundel	14.2%	6.0%	-2.1%	-6.4%	-4.1%	0.1%	1.8%	3.0%	4.4%	3.2%
Baltimore City	15.6%	13.8%	2.5%	-4.2%	-6.4%	-1.5%	3.8%	5.3%	7.0%	-2.2%
Baltimore	13.3%	8.9%	0.5%	-5.7%	-4.2%	-2.8%	-0.6%	2.0%	2.9%	2.9%
Calvert	10.7%	8.0%	1.9%	-6.2%	-5.8%	-2.2%	-0.4%	0.5%	2.0%	1.1%
Caroline	16.4%	11.5%	-0.5%	-7.3%	-4.7%	-5.7%	-1.4%	-0.4%	-0.2%	0.1%
Carroll	13.3%	8.7%	-5.3%	-5.9%	-4.2%	-1.4%	-0.6%	1.1%	2.0%	2.3%
Cecil	13.7%	6.8%	-1.1%	-4.6%	-5.6%	-3.1%	0.1%	0.5%	0.6%	1.3%
Charles	16.0%	7.0%	-5.5%	-6.8%	-4.7%	-1.9%	-0.4%	1.3%	3.8%	1.2%
Dorchester	14.4%	9.1%	0.5%	-8.9%	-3.4%	-4.4%	-3.0%	-0.2%	-0.2%	0.2%
Frederick	13.4%	6.1%	-6.9%	-8.8%	-4.6%	-0.6%	1.6%	3.5%	4.3%	2.8%
Garrett	12.7%	7.7%	6.1%	0.0%	-2.9%	-0.3%	-7.5%	0.9%	0.9%	0.1%
Harford	13.9%	8.8%	0.4%	-3.9%	-2.4%	-0.8%	0.6%	1.2%	2.3%	2.4%
Howard	13.3%	5.0%	-4.0%	-6.4%	-2.2%	0.6%	2.5%	4.5%	4.0%	2.5%
Kent	15.0%	10.3%	2.0%	-3.9%	-3.1%	-1.5%	-2.1%	-0.1%	-0.2%	0.0%
Montgomery	11.0%	0.4%	-4.5%	-6.4%	-2.7%	0.9%	2.5%	4.2%	4.0%	3.0%
Prince George's	19.0%	11.6%	0.2%	-13.1%	-7.9%	-3.9%	0.6%	3.7%	6.7%	4.8%
Queen Anne'	14.4%	7.5%	-3.3%	-2.3%	-6.0%	-4.1%	-0.6%	0.2%	2.2%	1.7%
St. Mary's	18.4%	11.0%	2.4%	-4.7%	-3.0%	-1.1%	0.3%	0.8%	1.0%	0.7%
Somerset	16.7%	7.7%	0.7%	-4.7%	-12.1%	0.0%	-3.5%	1.1%	-0.8%	-1.0%
Talbot	15.5%	10.8%	-0.1%	-4.0%	-4.2%	-5.1%	-3.5%	-1.5%	0.3%	-0.1%
Washington	15.3%	8.1%	-4.4%	-6.7%	-3.3%	-3.1%	-0.7%	1.0%	1.6%	1.4%
Wicomico	12.9%	7.8%	-1.0%	-7.5%	-6.3%	-5.4%	-3.6%	0.5%	0.4%	1.9%
Worcester	17.8%	-5.5%	-5.8%	-3.6%	-10.0%	-5.9%	0.1%	-0.1%	2.2%	1.8%
Statewide	13.9%	6.1%	-2.1%	-6.8%	-4.4%	-1.3%	1.1%	2.9%	3.9%	2.5%

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	FY 2018 E
Allegany	\$4,010,110	\$4,014,571	\$3,962,462	\$3,910,750	\$3,889,963	\$3,874,679	\$3,882,931	\$3,886,330
Anne Arundel	84,987,819	79,589,954	76,293,860	76,405,438	77,806,973	80,112,958	83,641,155	86,295,531
Baltimore City	39,149,240	37,515,837	35,123,385	34,582,451	35,895,146	37,800,252	40,435,301	39,554,104
Baltimore	89,397,035	84,302,273	80,753,433	78,477,913	78,005,881	79,563,230	81,877,601	84,229,143
Calvert	14,209,661	13,333,624	12,553,694	12,277,912	12,232,236	12,296,389	12,548,113	12,683,416
Caroline	3,182,687	2,949,842	2,810,316	2,651,005	2,612,656	2,601,199	2,597,219	2,598,896
Carroll	20,915,009	19,678,687	18,861,958	18,588,705	18,484,249	18,688,384	19,057,823	19,493,125
Cecil	11,067,074	10,558,891	9,967,470	9,657,230	9,668,778	9,720,779	9,774,630	9,905,219
Charles	18,794,704	17,521,348	16,693,575	16,383,332	16,323,388	16,538,794	17,170,805	17,385,010
Dorchester	3,544,326	3,229,486	3,119,674	2,981,840	2,891,447	2,886,226	2,880,050	2,886,652
Frederick	29,761,665	27,154,307	25,893,046	25,734,580	26,158,043	27,060,531	28,236,199	29,016,052
Garrett	4,975,949	4,978,214	4,834,793	4,822,283	4,461,940	4,501,172	4,541,238	4,545,741
Harford	28,580,599	27,471,469	26,819,052	26,605,582	26,756,070	27,078,899	27,690,358	28,367,723
Howard	48,043,284	44,986,079	44,000,081	44,280,928	45,370,329	47,415,855	49,321,435	50,567,531
Kent	3,282,266	3,154,783	3,058,279	3,013,117	2,950,128	2,947,502	2,942,793	2,943,248
Montgomery	179,221,107	167,750,575	163,276,868	164,696,351	168,852,446	175,943,575	182,985,419	188,392,370
Prince George's	99,039,894	86,036,875	79,257,050	76,137,876	76,630,154	79,490,201	84,825,809	88,917,280
Queen Anne's	8,749,244	8,543,876	8,031,355	7,699,153	7,653,576	7,667,625	7,835,818	7,971,777
St. Mary's	13,182,756	12,567,335	12,191,008	12,060,567	12,097,535	12,188,442	12,312,258	12,396,656
Somerset	1,769,205	1,686,855	1,483,073	1,483,405	1,430,802	1,446,319	1,434,346	1,420,605
Talbot	10,134,945	9,730,598	9,322,352	8,846,903	8,532,943	8,401,891	8,426,309	8,418,963
Washington	14,221,239	13,266,687	12,823,001	12,420,699	12,327,772	12,451,149	12,645,339	12,820,683
Wicomico	7,695,967	7,116,997	6,668,152	6,310,794	6,084,640	6,113,566	6,140,140	6,258,662
Worcester	18,180,328	17,531,447	15,773,058	14,838,405	14,856,691	14,838,026	15,166,496	15,444,912
Statewide	\$756,096,113	\$704,670,610	\$673,570,993	\$664,867,219	\$671,973,785	\$691,627,642	\$718,369,585	\$736,399,630

Source: State Department of Assessments and Taxation

Exhibit 5.5
Full Cash Value Change in Group 2
January 1, 2014 Base Compared to January 1, 2017 Reassessments

County	Average for All Properties	Commercial Properties	Residential Properties	County Assessment Cap
Allegany	-0.2%	0.0%	-0.3%	4%
Anne Arundel	12.4%	21.1%	7.3%	2%
Baltimore City	6.2%	9.5%	3.5%	4%
Baltimore	8.5%	10.3%	7.8%	4%
Calvert	3.8%	4.5%	3.7%	10%
Caroline	-0.8%	-4.9%	0.1%	5%
Carroll	5.3%	9.4%	4.9%	5%
Cecil	6.1%	6.0%	6.1%	4%
Charles	8.3%	-0.5%	9.0%	7%
Dorchester	2.1%	4.3%	1.2%	5%
Frederick	6.3%	7.3%	6.1%	5%
Garrett	0.1%	2.0%	0.0%	5%
Harford	6.0%	8.8%	5.4%	5%
Howard	6.1%	14.0%	3.9%	5%
Kent	-0.2%	-5.9%	0.0%	5%
Montgomery	7.8%	17.8%	4.8%	10%
Prince George's	13.5%	11.5%	14.2%	1%
Queen Anne's	3.6%	8.3%	3.2%	5%
St. Mary's	0.5%	1.0%	0.4%	5%
Somerset	-6.4%	-6.4%	-6.4%	10%
Talbot	-0.5%	8.3%	-1.0%	0%
Washington	2.2%	4.0%	1.4%	5%
Wicomico	6.4%	6.4%	6.4%	5%
Worcester	4.1%	2.5%	4.6%	3%
Statewide	8.2%	13.6%	6.4%	

Source: State Department of Assessments and Taxation

Exhibit 5.6
Triennial Change in Full Cash Value
January 2009-January 2017

County	2009 Group 3	2010 Group 1	2011 Group 2	2012 Group 3	2013 Group 1	2014 Group 2	2015 Group 3	2016 Group 1	2017 Group 2
Allegany	16.8%	0.4%	-4.5%	-5.3%	-2.4%	-2.8%	-0.4%	1.3%	-0.2%
Anne Arundel	-0.3%	-17.9%	-16.6%	-12.6%	-1.9%	9.9%	10.8%	11.5%	12.4%
Baltimore City	20.9%	-2.6%	-8.7%	-6.8%	-3.1%	7.0%	9.6%	10.9%	6.2%
Baltimore	13.3%	-13.2%	-13.6%	-14.5%	-8.1%	1.2%	6.4%	12.4%	8.5%
Calvert	3.1%	-15.1%	-20.7%	-16.1%	-11.4%	-2.9%	0.8%	3.9%	3.8%
Caroline	13.4%	-15.6%	-18.8%	-18.9%	-15.7%	-3.6%	-2.8%	0.5%	-0.8%
Carroll	5.1%	-19.2%	-19.6%	-15.4%	-3.8%	-3.0%	4.1%	6.0%	5.3%
Cecil	2.5%	-11.0%	-20.0%	-15.4%	-10.4%	-2.3%	3.9%	1.1%	6.1%
Charles	-4.6%	-19.8%	-26.6%	-15.2%	-6.8%	-4.2%	3.3%	12.4%	8.3%
Dorchester	6.8%	-9.9%	-21.4%	-10.8%	-11.7%	-7.9%	-0.8%	-1.4%	2.1%
Frederick	-4.7%	-22.0%	-24.1%	-18.8%	-2.2%	4.0%	11.2%	9.3%	6.3%
Garrett	8.5%	0.0%	-2.4%	-14.7%	-3.6%	-14.0%	-2.8%	1.5%	0.1%
Harford	9.0%	-14.3%	-15.3%	-5.8%	-6.5%	1.6%	3.1%	3.2%	6.0%
Howard	-2.3%	-19.8%	-18.8%	-8.7%	2.5%	8.1%	10.5%	9.0%	6.1%
Kent	13.5%	-10.3%	-12.5%	-9.0%	-6.0%	-5.5%	-0.7%	-1.6%	-0.2%
Montgomery	-10.6%	-17.0%	-14.5%	-8.6%	4.1%	11.0%	18.7%	11.1%	7.8%
Prince George's	14.6%	-18.4%	-28.7%	-24.8%	-10.6%	5.3%	19.5%	24.7%	13.5%
Queen Anne's	7.2%	-12.4%	-18.6%	-13.7%	-9.0%	-10.3%	1.2%	7.7%	3.6%
St. Mary's	8.2%	-15.5%	-16.0%	-9.6%	-7.9%	-2.2%	1.5%	0.8%	0.5%
Somerset	4.4%	-10.6%	-18.5%	-20.6%	-11.5%	-13.3%	3.1%	-5.2%	-6.4%
Talbot	13.6%	-9.0%	-15.0%	-15.3%	-11.5%	-11.4%	-7.1%	1.7%	-0.5%
Washington	3.0%	-18.4%	-18.3%	-9.0%	-6.9%	-3.0%	5.5%	4.3%	2.2%
Wicomico	5.1%	-15.6%	-20.1%	-20.2%	-17.4%	-6.2%	2.6%	3.5%	6.4%
Worcester	-12.7%	-20.0%	-14.9%	-17.4%	-14.3%	-7.8%	2.2%	9.4%	4.1%
Statewide	0.8%	-16.1%	-17.9%	-13.0%	-3.6%	4.7%	10.8%	10.9%	8.2%

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	\$354,800	\$354,900
Anne Arundel	6,344,700	6,675,500	6,911,200	7,246,100	7,466,500
Baltimore City	2,959,400	3,190,700	3,395,600	3,654,400	3,570,900
Baltimore	7,231,500	7,347,700	7,529,400	7,766,700	7,994,300
Calvert	1,132,900	1,127,300	1,133,300	1,149,900	1,162,500
Caroline	251,300	248,200	247,300	247,500	247,800
Carroll	1,793,700	1,794,600	1,811,200	1,846,700	1,889,100
Cecil	927,500	925,100	930,100	934,700	946,800
Charles	1,539,200	1,545,900	1,571,300	1,636,300	1,685,000
Dorchester	280,700	275,400	275,500	274,800	275,600
Frederick	2,534,900	2,581,300	2,669,000	2,780,200	2,855,900
Garrett	453,500	422,500	423,200	428,300	429,100
Harford	2,555,200	2,568,600	2,595,700	2,647,200	2,714,000
Howard	4,163,000	4,324,800	4,530,100	4,734,100	4,865,600
Kent	283,400	283,000	284,500	285,500	286,500
Montgomery	16,089,200	16,498,200	17,203,200	17,905,500	18,443,700
Prince George's	7,023,800	7,186,100	7,421,100	7,806,600	8,044,300
Queen Anne's	743,000	748,000	753,900	771,000	784,800
St. Mary's	1,140,400	1,160,700	1,177,800	1,194,900	1,205,900
Somerset	141,400	135,700	136,900	136,300	134,900
Talbot	706,400	705,200	706,200	715,600	716,500
Washington	1,186,100	1,177,500	1,187,000	1,205,400	1,222,800
Wicomico	582,800	568,800	573,300	576,800	587,700
Worcester	1,422,800	1,435,400	1,434,100	1,466,600	1,493,000

Source: Department of Legislative Services

Exhibit 5.8
Estimated Assessable Base Loss Due to Homestead Property Tax Credit
Fiscal 2017
(\$ 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	\$3,551,502	\$1,127	\$3,550,375	0.0%	\$3,737	\$3,547,765	0.1%
Anne Arundel	81,106,243	77,852	81,028,391	0.1%	8,644,948	72,461,295	10.7%
Baltimore City	38,133,035	226,832	37,906,203	0.6%	1,588,697	36,544,338	4.2%
Baltimore	78,752,954	39,352	78,713,602	0.0%	1,085,818	77,667,136	1.4%
Calvert	11,499,919	790	11,499,129	0.0%	790	11,499,129	0.0%
Caroline	2,484,170	569	2,483,601	0.0%	9,160	2,475,010	0.4%
Carroll	18,489,411	1,382	18,488,029	0.0%	22,133	18,467,278	0.1%
Cecil	9,350,770	568	9,350,202	0.0%	3,948	9,346,822	0.0%
Charles	16,370,791	2,052	16,368,739	0.0%	7,538	16,363,253	0.0%
Dorchester	2,760,580	1,182	2,759,398	0.0%	12,602	2,747,978	0.5%
Frederick	27,862,421	5,646	27,856,775	0.0%	60,880	27,801,541	0.2%
Garrett	4,302,146	2,041	4,300,105	0.0%	19,108	4,283,038	0.4%
Harford	26,480,556	1,333	26,479,223	0.0%	9,005	26,471,551	0.0%
Howard	47,734,585	14,541	47,720,044	0.0%	393,498	47,341,087	0.8%
Kent	2,899,135	2,836	2,896,299	0.1%	44,108	2,855,027	1.5%
Montgomery	179,140,567	85,475	179,055,092	0.0%	85,475	179,055,092	0.0%
Prince George's	81,938,105	299,449	81,638,656	0.4%	3,871,869	78,066,236	4.7%
Queen Anne's	7,758,144	2,844	7,755,300	0.0%	47,798	7,710,346	0.6%
St. Mary's	12,034,355	2,722	12,031,633	0.0%	85,042	11,949,313	0.7%
Somerset	1,363,237	547	1,362,690	0.0%	547	1,362,690	0.0%
Talbot	8,361,570	459	8,361,111	0.0%	1,205,258	7,156,312	14.4%
Washington	12,066,290	1,723	12,064,567	0.0%	11,820	12,054,470	0.1%
Wicomico	5,777,701	1,776	5,775,925	0.0%	9,951	5,767,750	0.2%
Worcester	14,811,576	4,738	14,806,838	0.0%	145,973	14,665,603	1.0%
Total	\$695,029,765	\$777,836	\$694,251,927	0.1%	\$17,369,703	\$677,660,060	2.5%

Source: State Department of Assessments and Taxation

Exhibit 5.9
County Tax Relief Due to Homestead Tax Credits

County	Fiscal 2016		Fiscal 2017		Fiscal 2018 Estimate	
	Revenue Foregone	Percent of Base	Revenue Foregone	Percent of Base	Revenue Foregone	Percent of Base
Allegany	\$35,749	0.1%	\$36,510	0.1%	\$42,781	0.1%
Anne Arundel	78,415,506	10.9%	79,101,276	10.7%	83,133,926	10.8%
Baltimore City	39,243,462	4.9%	35,713,911	4.2%	34,469,110	4.1%
Baltimore	13,062,938	1.6%	11,943,995	1.4%	12,619,231	1.4%
Calvert	18,109	0.0%	7,523	0.0%	7,763	0.0%
Caroline	116,791	0.5%	89,776	0.4%	75,641	0.3%
Carroll	185,119	0.1%	225,315	0.1%	313,871	0.2%
Cecil	16,204	0.0%	39,140	0.0%	119,238	0.1%
Charles	69,435	0.0%	90,843	0.0%	145,412	0.1%
Dorchester	178,885	0.7%	122,991	0.5%	100,727	0.4%
Frederick	526,012	0.2%	645,321	0.2%	845,577	0.3%
Garrett	252,769	0.6%	189,171	0.4%	146,247	0.3%
Harford	73,103	0.0%	93,827	0.0%	131,137	0.0%
Howard	5,558,663	1.0%	4,682,624	0.8%	3,800,765	0.7%
Kent	622,206	2.1%	450,792	1.5%	352,384	1.2%
Montgomery	747,882	0.0%	887,405	0.0%	973,956	0.1%
Prince George's	33,002,452	3.1%	53,199,473	4.7%	76,553,620	6.5%
Queen Anne's	476,874	0.7%	404,897	0.6%	388,001	0.6%
St. Mary's	1,122,066	1.1%	724,808	0.7%	500,402	0.5%
Somerset	9,910	0.1%	5,470	0.0%	4,013	0.0%
Talbot	6,851,119	15.3%	6,593,966	14.4%	6,501,373	14.2%
Washington	135,436	0.1%	112,054	0.1%	117,102	0.1%
Wicomico	45,810	0.1%	94,697	0.2%	172,723	0.3%
Worcester	1,311,774	1.1%	1,218,873	1.0%	1,323,974	1.1%
Statewide	\$182,078,274	2.4%	\$196,674,657	2.5%	\$222,838,974	2.7%

Source: State Department of Assessments and Taxation

Exhibit 5.10
Net Taxable Income Measures for Tax Year 2015

<u>County</u>	<u>Population July 1, 2015</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	72,528	\$940,141,300	\$12,962	1.2%	1. Montgomery	\$41,102	1. Worcester	16.4%
Anne Arundel	564,195	17,444,336,535	30,919	6.0%	2. Howard	39,413	2. Wicomico	6.2%
Baltimore City	621,849	9,379,626,381	15,083	1.6%	3. Talbot	31,385	3. Anne Arundel	6.0%
Baltimore	831,128	22,599,794,544	27,192	2.1%	4. Anne Arundel	30,919	4. Queen Anne's	5.6%
Calvert	90,595	2,523,319,234	27,853	4.9%	5. Carroll	28,354	5. St. Mary's	4.9%
Caroline	32,579	484,103,002	14,859	4.9%	6. Queen Anne's	28,214	6. Calvert	4.9%
Carroll	167,627	4,752,945,013	28,354	4.8%	7. Calvert	27,853	7. Caroline	4.9%
Cecil	102,382	2,003,556,983	19,569	3.7%	8. Frederick	27,600	8. Carroll	4.8%
Charles	156,118	3,611,524,673	23,133	0.6%	9. Baltimore	27,192	9. Harford	4.7%
Dorchester	32,384	467,681,617	14,442	2.8%	10. Harford	26,065	10. Frederick	4.6%
Frederick	245,322	6,770,946,260	27,600	4.6%	11. Worcester	24,465	11. Prince George's	4.3%
Garrett	29,460	463,267,095	15,725	3.1%	12. St. Mary's	24,409	12. Howard	4.1%
Harford	250,290	6,523,851,421	26,065	4.7%	13. Charles	23,133	13. Montgomery	4.0%
Howard	313,414	12,352,694,999	39,413	4.1%	14. Kent	22,139	14. Cecil	3.7%
Kent	19,787	438,063,147	22,139	-1.3%	15. Cecil	19,569	15. Washington	3.6%
Montgomery	1,040,116	42,750,818,026	41,102	4.0%	16. Prince George's	18,016	16. Garrett	3.1%
Prince George's	909,535	16,386,604,534	18,016	4.3%	17. Washington	17,901	17. Dorchester	2.8%
Queen Anne's	48,904	1,379,753,858	28,214	5.6%	18. Garrett	15,725	18. Talbot	2.3%
St. Mary's	111,413	2,719,488,669	24,409	4.9%	19. Wicomico	15,325	19. Somerset	2.2%
Somerset	25,768	224,477,995	8,712	2.2%	20. Baltimore City	15,083	20. Baltimore	2.1%
Talbot	37,512	1,177,320,320	31,385	2.3%	21. Caroline	14,859	21. Baltimore City	1.6%
Washington	149,585	2,677,765,481	17,901	3.6%	22. Dorchester	14,442	22. Allegany	1.2%
Wicomico	102,370	1,568,792,197	15,325	6.2%	23. Allegany	12,962	23. Charles	0.6%
Worcester	51,540	1,260,903,779	24,465	16.4%	24. Somerset	8,712	24. Kent	-1.3%
Statewide	6,006,401	\$160,901,777,063	\$26,788	3.9%				

Source: Comptroller's Office; Department of Legislative Services

Exhibit 5.11
Growth in Net Taxable Income

County	TY 2009	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014	TY 2015
Allegany	-1.2%	-0.3%	0.5%	2.2%	1.7%	4.2%	1.2%
Anne Arundel	-4.0%	5.6%	4.5%	10.6%	-0.3%	4.8%	6.0%
Baltimore City	-2.7%	3.9%	4.5%	6.3%	1.0%	10.2%	1.6%
Baltimore	-6.1%	5.1%	4.9%	12.6%	1.2%	3.5%	2.1%
Calvert	1.7%	2.1%	4.1%	6.8%	0.8%	4.3%	4.9%
Caroline	-2.5%	2.1%	2.9%	4.7%	1.7%	3.4%	4.9%
Carroll	-1.0%	3.3%	6.5%	7.5%	1.3%	5.6%	4.8%
Cecil	-5.1%	3.0%	3.6%	5.6%	1.4%	5.4%	3.7%
Charles	1.1%	5.3%	3.8%	4.5%	2.1%	9.5%	0.6%
Dorchester	-4.8%	4.1%	1.4%	7.2%	4.3%	0.9%	2.8%
Frederick	-2.1%	6.0%	3.7%	7.1%	3.4%	4.8%	4.6%
Garrett	-5.7%	2.9%	6.9%	0.7%	4.7%	3.6%	3.1%
Harford	-1.8%	4.0%	6.1%	7.4%	0.3%	4.7%	4.7%
Howard	-0.5%	7.7%	6.4%	10.8%	-1.1%	7.7%	4.1%
Kent	-9.3%	7.4%	0.5%	29.5%	-3.7%	5.4%	-1.3%
Montgomery	-5.3%	9.3%	5.6%	10.5%	-3.8%	7.5%	4.0%
Prince George's	2.0%	4.4%	4.9%	4.4%	1.9%	3.9%	4.3%
Queen Anne's	-6.0%	6.2%	4.7%	7.9%	1.3%	6.8%	5.6%
St. Mary's	6.6%	5.8%	5.8%	5.2%	1.2%	4.2%	4.9%
Somerset	-4.2%	-0.9%	-0.5%	3.0%	2.5%	4.9%	2.2%
Talbot	-10.2%	7.9%	5.2%	10.9%	0.4%	1.6%	2.3%
Washington	-4.8%	3.0%	3.8%	6.0%	2.8%	3.7%	3.6%
Wicomico	-4.2%	1.8%	1.0%	4.7%	2.9%	4.6%	6.2%
Worcester	-9.2%	9.2%	2.1%	8.7%	-0.4%	8.6%	16.4%
Total	-3.2%	6.1%	5.0%	9.0%	-0.3%	5.9%	3.9%

Source: Comptroller's Office

Exhibit 5.12
Net Taxable Income for Maryland Counties

County	TY 2009	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014	TY 2015
Allegany	\$855,751,473	\$853,305,437	\$857,812,508	\$876,505,845	\$891,109,512	\$928,616,390	\$940,141,300
Anne Arundel	12,902,381,450	13,625,411,460	14,232,799,973	15,740,435,663	15,696,336,209	16,451,849,355	17,444,336,535
Baltimore City	7,185,368,520	7,467,933,579	7,805,962,442	8,296,655,508	8,375,515,816	9,231,171,234	9,379,626,381
Baltimore	17,021,144,273	17,881,894,299	18,766,745,469	21,125,266,456	21,372,787,672	22,125,142,395	22,599,794,544
Calvert	2,015,317,894	2,058,133,830	2,143,482,881	2,288,416,921	2,307,497,701	2,406,425,478	2,523,319,234
Caroline	399,084,718	407,328,571	419,287,309	438,993,378	446,333,721	461,687,442	484,103,002
Carroll	3,581,894,274	3,699,705,615	3,941,789,478	4,237,465,943	4,293,658,378	4,535,399,339	4,752,945,013
Cecil	1,603,420,273	1,652,071,679	1,712,130,208	1,807,773,925	1,833,823,071	1,932,542,476	2,003,556,983
Charles	2,810,271,460	2,960,443,829	3,072,873,161	3,210,666,929	3,277,819,250	3,589,817,939	3,611,524,673
Dorchester	382,454,135	397,945,007	403,332,432	432,224,951	450,789,391	455,064,594	467,681,617
Frederick	5,076,094,597	5,379,266,522	5,577,033,442	5,974,849,768	6,176,435,177	6,475,311,953	6,770,946,260
Garrett	373,758,487	384,686,741	411,162,452	413,844,923	433,474,733	449,244,467	463,267,095
Harford	5,009,343,531	5,211,316,589	5,529,301,920	5,938,050,507	5,954,523,781	6,232,293,561	6,523,851,421
Howard	8,767,276,060	9,442,191,637	10,050,688,156	11,134,155,005	11,015,274,943	11,864,668,375	12,352,694,999
Kent	313,113,309	336,217,548	337,990,710	437,703,684	421,322,846	443,918,710	438,063,147
Montgomery	31,148,293,840	34,040,992,827	35,956,418,354	39,729,557,135	38,213,261,147	41,095,504,921	42,750,818,026
Prince George's	12,979,204,501	13,543,857,382	14,214,003,873	14,841,280,221	15,121,789,629	15,708,106,692	16,386,604,534
Queen Anne's	1,006,842,399	1,069,568,975	1,119,545,841	1,208,010,438	1,223,462,564	1,306,380,667	1,379,753,858
St. Mary's	2,087,314,006	2,207,425,070	2,336,158,485	2,458,269,122	2,488,155,058	2,591,883,765	2,719,488,669
Somerset	201,071,081	199,285,818	198,285,964	204,216,654	209,408,778	219,632,957	224,477,995
Talbot	895,821,324	966,801,287	1,017,356,687	1,128,275,661	1,133,210,002	1,151,073,582	1,177,320,320
Washington	2,139,315,281	2,203,921,097	2,288,356,006	2,425,819,499	2,493,403,161	2,585,637,896	2,677,765,481
Wicomico	1,274,113,379	1,296,763,909	1,309,400,322	1,371,238,083	1,411,553,179	1,476,530,845	1,568,792,197
Worcester	826,289,705	902,488,197	921,398,110	1,001,765,477	997,677,273	1,083,279,962	1,260,903,779
Total	\$120,854,939,970	\$128,188,956,905	\$134,623,316,183	\$146,721,441,696	\$146,238,622,992	\$154,801,184,995	\$160,901,777,063

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 2017. With salary actions still pending in 2 counties, at least 21 counties are providing their employees a cost-of-living adjustment (COLA), general salary increase (GSI), step increase, or combination of enhancements in fiscal 2017, compared to 20 counties in fiscal 2016. More specifically, 13 counties have indicated that they are providing their employees with a COLA or GSI in fiscal 2017, compared to 14 counties in fiscal 2016. Sixteen counties are providing step or merit increases in fiscal 2017, compared to 13 in fiscal 2016.

Similarly, the number of boards of education providing salary enhancements remained relatively constant in fiscal 2017. With 1 pending salary action, at least 22 boards of education are providing a COLA, GSI, step increase, or combination of enhancements for their employees in fiscal 2017, compared to 23 boards that did so in fiscal 2016. Sixteen boards of education have indicated that they are providing COLAs or general salary increases for their employees in fiscal 2017, while 14 boards did so in fiscal 2016. Additionally, 19 boards of education provided step or merit increases for their employees in fiscal 2017, compared to 21 boards in fiscal 2016.

No county governments or boards of education designated service reduction days or implemented employee furloughs in fiscal 2016 or 2017. While no county government indicated plans to lay off its employees in fiscal 2017, 13 employees from one county government were laid off in fiscal 2016. One school board indicated plans to lay off 172 employees in fiscal 2017, compared to 245 positions at three local school systems in

fiscal 2016. Two boards of education also eliminated positions through attrition in fiscal 2016.

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 2016 and 2017. **Exhibits 6.3** and **6.4** show local salary enhancements in fiscal 2017. **Exhibit 6.5** describes the local government furlough, salary reduction, and layoff plans for fiscal 2017 and changes made during fiscal 2016.

The annual growth in local government and private-sector salaries trailed the other sectors of the Maryland economy. Over the last 10 years, the average weekly wage for local government and private-sector employees increased by 2.5% annually compared to 2.7% for State government employees, and 2.6% 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>2005</u>	<u>2015</u>	<u>Annual Increase</u>
Federal Government	\$1,437	\$1,864	2.6%
State Government	839	1,100	2.7%
Local Government	811	1,042	2.5%
Private Sector	823	1,054	2.5%

Source: Department of Labor, Licensing, and Regulation

Exhibit 6.1
Number of Counties Providing Salary Increases
Fiscal 2008-2017

	<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>	<u>2017</u>
State Government										
COLAs	Yes	Yes	No	No	No	Yes	Yes	Yes	No	No
Step Increases	Yes	Yes	No	No	No	No	Yes	Yes	No	Yes
Local Government										
COLAs										
County Employees	22	20	6	1	2	8	18	16	14	13
Board of Education	24	22	10	4	2	8	7	12	14	16
Step Increases										
County Employees	23	20	8	4	4	7	13	16	13	16
Board of Education	24	24	14	10	9	19	21	18	21	19
Both COLA and Step										
County Employees	21	17	2	0	1	1	10	11	7	8
Board of Education	24	22	8	3	2	6	7	10	12	13

Source: Department of Legislative Services

Exhibit 6.2
Local Government Salary Actions
Fiscal 2016 and 2017

<u>Salary Action</u>	County Government		Public Schools	
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2016</u>	<u>FY 2017</u>
COLA/GSI				
No COLA/GSI	10	9	10	5
COLA/GSI	14	13 ¹	14	16
Still Pending	0	2	0	1
Stipend/Bonus²	1	0	1	2
Step/Merit Increases³	13	16	21	19
Furlough/Salary Reductions	0	0	0	0
Layoffs	1	0	3	1
	State Government		CPI-Urban Consumers⁴	
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2016</u>	<u>FY 2017</u>
COLA Amount	0.0%	0.0%	0.7%	1.8%
Furloughs	No	No		
Step/Merit Increases	No	Yes		

COLA: Cost-of-living adjustment

CPI: Consumer Price Index

GSI: General Salary Increase

¹ Although included in the count as a GSI in fiscal 2017, Frederick County limited its GSI to law enforcement and corrections officers. While remaining county employees received no GSI, they did receive a step increase.

² For fiscal 2016, Charles County employees received a bonus, and Carroll County Public Schools employees received a bonus in addition to a COLA. For fiscal 2017, Garrett County Public Schools employees receive a \$500 bonus, and teachers and support staff in St. Mary's County, in addition to a COLA increase, receive a \$750 bonus.

³ Although included in the count as a general step increase in fiscal 2016 and 2017, Wicomico County limited its step increase in both fiscal years to its police officers.

⁴ Forecast of the CPI for 2016 (actual) and 2017 (estimate) is an average forecast taken from Moody's Analytics and IHS, Inc.

Source: 2016 Local Government Salary Action Survey, Department of Legislative Services

Exhibit 6.3
County Government Salary Actions in Fiscal 2017

County	COLA/GSI	Step/Merit	Additional Comments
Allegany	2.0%	No	Salary increases for correctional officers, patrol deputies, and paramedics not settled. Sheriff Deputies elected to forego salary increases in order to be enrolled in the State pension system (LEOPS).
Anne Arundel	0.0%	Yes	
Baltimore City	Pending	Pending	Some employee groups awarded 2% COLA, but salary increases for the majority of city employees not settled.
Baltimore	2.0%	Yes	
Calvert	0.0%	Yes	
Caroline	2.0%	No	
Carroll	1.5%	Yes	Majority of county employees receive 1.5% COLA, while sheriff employees and detention center staff receive 4% and detention center officers receive 3%.
Cecil	1.0%	Yes	
Charles	0.0%	Yes	
Dorchester	0.0%	Yes	
Frederick	Limited	Yes	Law enforcement and corrections receive 11% and 9% GSI, respectively (market adjustment); remaining employees received no COLA/GSI.
Garrett	0.0%	No	
Harford	0.0%	Yes	
Howard	2.0%	Yes	COLA increase delayed until 1/1/2017.
Kent	3.0%	No	
Montgomery	1.0%	Yes	
Prince George's	Pending	Pending	Police, deputy sheriffs, and firefighters received a 1% COLA in FY 2017 and a delayed step increase in FY 2016 to be paid in FY 2017; remaining employee groups not settled.
Queen Anne's	1.0%	Yes	
St. Mary's	0.0%	Yes	
Somerset	3.5%	No	
Talbot	0.0%	Yes	
Washington	5.0%	No	
Wicomico	3.0%	Limited	Step increases for police/Fraternal Order of Police only.
Worcester	0.0%	Yes	
Total Jurisdictions Granting Increases	13	16	

Exhibit 6.4
Board of Education Salary Actions in Fiscal 2017

School System	COLA/GSI	Step/Merit	Additional Comments
Allegany	0.5%	Yes	
Anne Arundel	0.0%	Yes	Salary increases for administrators and support staff not settled.
Baltimore City	Pending	Pending	Paraprofessionals receive 1.5% COLA; salary increases for all other employee groups not settled.
Baltimore	2.0%	Yes	
Calvert	0.0%	Yes	
Caroline	0.0%	Yes	Administrators receive 3% COLA in lieu of step increase.
Carroll	2.0%	Yes	
Cecil	1.0%	Yes	
Charles	0.0%	Yes	While most school employees did not receive a COLA in FY 2017, teachers at Step 2 received a 1.5% COLA and teachers at Step 20 received a 1% COLA. This affected approximately 525 employees, which represents around 15% of employees.
Dorchester	1.5%	Yes	Teachers and administrators receive 1.5% GSI, and support staff receive 1%.
Frederick	2.0%	No	
Garrett	0.0%	No	All employees receive a \$500 one-time bonus.
Harford	1.5%	Yes	
Howard	2.0%	Yes	
Kent	1.0%	Yes	1% COLA for teachers only.
Montgomery	1.0%	Yes	
Prince George's	2.0%	No	Teachers, school administrators, and custodial staff receive 2% COLA; support staff receive 3%.
Queen Anne's	0.0%	Yes	
St. Mary's	Varies	No	New salary scale implemented for teachers and support staff, effectively increasing salaries by 1.5% and 3.1%, respectively. Both employee groups also receive a \$750 one-time bonus. Administrators receive step increase.
Somerset	1.0%	Yes	All employees receive a delayed step increase effective 1/15/17.
Talbot	1.0%	Yes	
Washington	0.5%	Yes	
Wicomico	1.0%	Yes	
Worcester	0.0%	Yes	
Total Jurisdictions Granting Increases	16	19	

Exhibit 6.5
Local Government Furloughs, Salary Reductions, and Layoffs:
Plans for Fiscal 2017 and Changes Made During Fiscal 2016

County	Furlough/Reduction	Layoffs	
Allegany	No	Yes	School system indicated that 1 position was involuntarily eliminated, and an additional 28 positions were eliminated through attrition in fiscal 2016.
Baltimore City	No	Yes	City laid off 13 employees in fiscal 2016; school system laid off 217 employees (nonteaching positions) in fiscal 2016 and indicated plans to lay off 172 employees (nonteaching positions) in fiscal 2017.
Calvert	No	Yes	School system laid off 9 teachers and 18 support staff in fiscal 2016.
Carroll	No	Yes	School system eliminated 50 teacher positions through attrition in fiscal 2016.
Total Jurisdictions Implementing Plans	0	4	

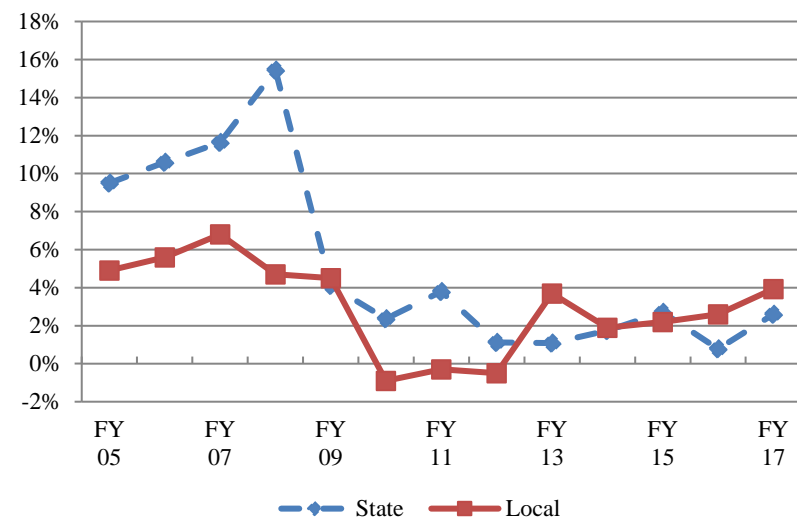
Chapter 7. Public School Funding and Student Enrollment

Public schools are funded from federal, State, and local sources. Local sources account for 47.2% of public school funding in Maryland, and 48.3% 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 19.1% in Caroline County to 71.8% in Worcester County. Conversely, State funding as a percent of public school revenues ranges from 23.5% in Worcester County to 74.5% 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 \$3.6 billion in fiscal 2005 to \$6.3 billion in fiscal 2017, a \$2.7 billion or 74.4% increase in State support for public education. This represents a 4.7% average annual increase over this period. **Table 7.1** compares the increases in State and local funding for public schools since fiscal 2005.

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 \$15,268 in total funding for each pupil in fiscal 2017. Worcester County has the highest per pupil revenues at \$17,971, while Baltimore City has

the second highest at \$16,942. Somerset County has the third highest at \$16,603. Talbot and Frederick counties have the lowest per pupil revenues at \$13,474 and \$13,409, respectively. **Exhibit 7.2** shows the per pupil revenues for public schools in fiscal 2017 by revenue source.

Per pupil federal funding in fiscal 2017 averages \$688 statewide, ranging from \$372 in Howard County to \$1,374 in Somerset County, 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 2017 averages \$7,372 statewide, ranging from \$4,091 in Talbot County to \$12,091 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 2017 average \$7,128 statewide, ranging from \$2,595 in Caroline County to \$12,861 in Worcester County, as shown in **Exhibit 7.5**. Montgomery, Howard, 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 \$6.1 billion in fiscal 2017, representing a 3.9% increase from the prior year. **Exhibit 7.7** shows the local appropriations to the boards of education for fiscal 2012 through 2017, 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 2008 through 2017), 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 \$3.5 million in Kent 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 2017 and 2018 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 2017

County	Federal	State	Local	Ranking by Percent State		Ranking by Percent Local	
Allegany	6.8%	68.9%	24.3%	1. Caroline	74.5%	1. Worcester	71.8%
Anne Arundel	3.6%	37.8%	58.6%	2. Wicomico	72.8%	2. Montgomery	64.4%
Baltimore City	8.1%	71.4%	20.6%	3. Baltimore City	71.4%	3. Howard	64.0%
Baltimore	4.9%	46.1%	49.0%	4. Somerset	70.4%	4. Talbot	63.4%
Calvert	3.7%	44.2%	52.1%	5. Allegany	68.9%	5. Anne Arundel	58.6%
Caroline	6.4%	74.5%	19.1%	6. Dorchester	65.0%	6. Kent	56.5%
Carroll	3.3%	44.3%	52.4%	7. Washington	62.8%	7. Queen Anne's	54.5%
Cecil	4.3%	57.1%	38.6%	8. Prince George's	59.8%	8. Carroll	52.4%
Charles	4.2%	50.3%	45.5%	9. Cecil	57.1%	9. Calvert	52.1%
Dorchester	5.9%	65.0%	29.2%	10. Charles	50.3%	10. Garrett	49.1%
Frederick	3.6%	49.6%	46.8%	11. Frederick	49.6%	11. Baltimore	49.0%
Garrett	5.6%	45.3%	49.1%	12. St. Mary's	48.3%	12. Harford	48.0%
Harford	4.4%	47.6%	48.0%	13. Harford	47.6%	13. Frederick	46.8%
Howard	2.3%	33.7%	64.0%	14. Baltimore	46.1%	14. Charles	45.5%
Kent	5.4%	38.1%	56.5%	15. Garrett	45.3%	15. St. Mary's	43.8%
Montgomery	3.0%	32.6%	64.4%	16. Carroll	44.3%	16. Cecil	38.6%
Prince George's	4.8%	59.8%	35.4%	17. Calvert	44.2%	17. Prince George's	35.4%
Queen Anne's	5.3%	40.2%	54.5%	18. Queen Anne's	40.2%	18. Washington	32.3%
St. Mary's	7.9%	48.3%	43.8%	19. Kent	38.1%	19. Dorchester	29.2%
Somerset	8.3%	70.4%	21.4%	20. Anne Arundel	37.8%	20. Allegany	24.3%
Talbot	6.3%	30.4%	63.4%	21. Howard	33.7%	21. Somerset	21.4%
Washington	4.9%	62.8%	32.3%	22. Montgomery	32.6%	22. Wicomico	20.8%
Wicomico	6.4%	72.8%	20.8%	23. Talbot	30.4%	23. Baltimore City	20.6%
Worcester	4.8%	23.5%	71.8%	24. Worcester	23.5%	24. Caroline	19.1%
Total	4.5%	48.3%	47.2%				

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.2
Per Pupil Revenues for Public Schools in Fiscal 2017

County	Federal	State	Local	Misc.	Total	Ranking by Total Per Pupil Funding	
Allegany	\$1,053	\$10,617	\$3,674	\$71	\$15,415	1.	Worcester \$17,971
Anne Arundel	502	5,277	8,128	40	13,947	2.	Baltimore City 16,942
Baltimore City	1,369	12,091	3,400	83	16,942	3.	Somerset 16,603
Baltimore	714	6,668	6,989	91	14,462	4.	Montgomery 16,344
Calvert	524	6,278	7,375	22	14,199	5.	Howard 16,313
Caroline	905	10,467	2,595	86	14,054	6.	Kent 16,149
Carroll	464	6,261	7,313	96	14,134	7.	Prince George's 16,078
Cecil	600	8,014	5,382	31	14,027	8.	Allegany 15,415
Charles	624	7,440	6,684	56	14,804	9.	Garrett 15,386
Dorchester	883	9,763	4,149	233	15,028	10.	Dorchester 15,028
Frederick	482	6,651	6,159	117	13,409	11.	Charles 14,804
Garrett	866	6,965	7,538	16	15,386	12.	Baltimore 14,462
Harford	594	6,415	6,382	98	13,489	13.	Calvert 14,199
Howard	372	5,499	10,338	104	16,313	14.	Wicomico 14,159
Kent	873	6,150	9,040	86	16,149	15.	Carroll 14,134
Montgomery	484	5,334	10,457	68	16,344	16.	Caroline 14,054
Prince George's	771	9,622	5,578	107	16,078	17.	Cecil 14,027
Queen Anne's	718	5,438	7,233	147	13,535	18.	Anne Arundel 13,947
St. Mary's	1,087	6,664	5,995	43	13,789	19.	St. Mary's 13,789
Somerset	1,374	11,683	3,516	30	16,603	20.	Queen Anne's 13,535
Talbot	845	4,091	8,522	15	13,474	21.	Washington 13,521
Washington	667	8,487	4,331	36	13,521	22.	Harford 13,489
Wicomico	903	10,306	2,816	134	14,159	23.	Talbot 13,474
Worcester	856	4,218	12,861	36	17,971	24.	Frederick 13,409
Total	\$688	\$7,372	\$7,128	\$81	\$15,268		

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.3
Federal Funding for Public Schools in Fiscal 2017

County	2016 Total Enrollment	Total Federal Aid	Per Pupil	Ranking by Per Pupil Aid	
Allegany	8,212	\$8,646,605	\$1,053	1.	Somerset \$1,374
Anne Arundel	79,141	39,735,300	502	2.	Baltimore City 1,369
Baltimore City	78,071	106,841,481	1,369	3.	St. Mary's 1,087
Baltimore	108,399	77,437,507	714	4.	Allegany 1,053
Calvert	15,552	8,148,399	524	5.	Caroline 905
Caroline	5,388	4,876,047	905	6.	Wicomico 903
Carroll	24,866	11,528,701	464	7.	Dorchester 883
Cecil	14,977	8,986,087	600	8.	Kent 873
Charles	25,523	15,929,100	624	9.	Garrett 866
Dorchester	4,565	4,030,559	883	10.	Worcester 856
Frederick	40,113	19,331,295	482	11.	Talbot 845
Garrett	3,638	3,151,481	866	12.	Prince George's 771
Harford	36,593	21,747,893	594	13.	Queen Anne's 718
Howard	54,384	20,225,404	372	14.	Baltimore 714
Kent	1,893	1,653,109	873	15.	Washington 667
Montgomery	154,696	74,902,923	484	16.	Charles 624
Prince George's	125,188	96,520,100	771	17.	Cecil 600
Queen Anne's	7,492	5,377,925	718	18.	Harford 594
St. Mary's	17,130	18,621,284	1,087	19.	Calvert 524
Somerset	2,774	3,812,138	1,374	20.	Anne Arundel 502
Talbot	4,322	3,653,667	845	21.	Montgomery 484
Washington	21,901	14,609,227	667	22.	Frederick 482
Wicomico	14,890	13,448,462	903	23.	Carroll 464
Worcester	6,313	5,403,000	856	24.	Howard 372
Total	856,021	\$588,617,694	\$688		

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.4
State Funding for Public Schools in Fiscal 2017

County	2016 Total Enrollment	Total State Aid	Per Pupil	Ranking by Per Pupil Aid	
Allegany	8,212	\$87,186,218	\$10,617	1.	Baltimore City \$12,091
Anne Arundel	79,141	417,662,740	5,277	2.	Somerset 11,683
Baltimore City	78,071	943,957,162	12,091	3.	Allegany 10,617
Baltimore	108,399	722,812,541	6,668	4.	Caroline 10,467
Calvert	15,552	97,631,166	6,278	5.	Wicomico 10,306
Caroline	5,388	56,397,233	10,467	6.	Dorchester 9,763
Carroll	24,866	155,696,934	6,261	7.	Prince George's 9,622
Cecil	14,977	120,025,820	8,014	8.	Washington 8,487
Charles	25,523	189,886,219	7,440	9.	Cecil 8,014
Dorchester	4,565	44,568,497	9,763	10.	Charles 7,440
Frederick	40,113	266,785,407	6,651	11.	Garrett 6,965
Garrett	3,638	25,336,997	6,965	12.	Baltimore 6,668
Harford	36,593	234,734,538	6,415	13.	St. Mary's 6,664
Howard	54,384	299,033,825	5,499	14.	Frederick 6,651
Kent	1,893	11,642,045	6,150	15.	Harford 6,415
Montgomery	154,696	825,183,563	5,334	16.	Calvert 6,278
Prince George's	125,188	1,204,497,141	9,622	17.	Carroll 6,261
Queen Anne's	7,492	40,737,752	5,438	18.	Kent 6,150
St. Mary's	17,130	114,160,037	6,664	19.	Howard 5,499
Somerset	2,774	32,408,829	11,683	20.	Queen Anne's 5,438
Talbot	4,322	17,682,790	4,091	21.	Montgomery 5,334
Washington	21,901	185,873,899	8,487	22.	Anne Arundel 5,277
Wicomico	14,890	153,456,371	10,306	23.	Worcester 4,218
Worcester	6,313	26,625,827	4,218	24.	Talbot 4,091
Unallocated		36,223,159	42		
Total	856,021	\$6,310,206,710	\$7,372		

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.5
Local Funding for Public Schools in Fiscal 2017

County	2016 Total Enrollment	Local Appropriation	Per Pupil	<u>Ranking by Per Pupil Funding</u>	
Allegany	8,212	\$30,169,985	\$3,674	1.	Worcester \$12,861
Anne Arundel	79,141	643,224,500	8,128	2.	Montgomery 10,457
Baltimore City	78,071	265,412,181	3,400	3.	Howard 10,338
Baltimore	108,399	757,551,887	6,989	4.	Kent 9,040
Calvert	15,552	114,693,838	7,375	5.	Talbot 8,522
Caroline	5,388	13,983,229	2,595	6.	Anne Arundel 8,128
Carroll	24,866	181,852,000	7,313	7.	Garrett 7,538
Cecil	14,977	80,610,438	5,382	8.	Calvert 7,375
Charles	25,523	170,604,500	6,684	9.	Carroll 7,313
Dorchester	4,565	18,938,559	4,149	10.	Queen Anne's 7,233
Frederick	40,113	247,066,477	6,159	11.	Baltimore 6,989
Garrett	3,638	27,424,903	7,538	12.	Charles 6,684
Harford	36,593	233,534,504	6,382	13.	Harford 6,382
Howard	54,384	562,244,625	10,338	14.	Frederick 6,159
Kent	1,893	17,112,378	9,040	15.	St. Mary's 5,995
Montgomery	154,696	1,617,631,597	10,457	16.	Prince George's 5,578
Prince George's	125,188	698,329,100	5,578	17.	Cecil 5,382
Queen Anne's	7,492	54,187,293	7,233	18.	Washington 4,331
St. Mary's	17,130	102,690,393	5,995	19.	Dorchester 4,149
Somerset	2,774	9,754,044	3,516	20.	Allegany 3,674
Talbot	4,322	36,830,230	8,522	21.	Somerset 3,516
Washington	21,901	94,844,030	4,331	22.	Baltimore City 3,400
Wicomico	14,890	41,933,313	2,816	23.	Wicomico 2,816
Worcester	6,313	81,193,802	12,861	24.	Caroline 2,595
Total	856,021	\$6,101,817,806	\$7,128		

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

Exhibit 7.6
Miscellaneous Local Funding for Public Schools in Fiscal 2017

County	2016 Total Enrollment	Miscellaneous Local Funding	Per Pupil	Ranking by Per Pupil Funding	
Allegany	8,212	\$582,649	\$71	1.	Dorchester \$233
Anne Arundel	79,141	3,169,300	40	2.	Queen Anne's 147
Baltimore City	78,071	6,441,497	83	3.	Wicomico 134
Baltimore	108,399	9,862,611	91	4.	Frederick 117
Calvert	15,552	344,000	22	5.	Prince George's 107
Caroline	5,388	465,000	86	6.	Howard 104
Carroll	24,866	2,387,996	96	7.	Harford 98
Cecil	14,977	460,000	31	8.	Carroll 96
Charles	25,523	1,419,080	56	9.	Baltimore 91
Dorchester	4,565	1,063,327	233	10.	Caroline 86
Frederick	40,113	4,686,625	117	11.	Kent 86
Garrett	3,638	60,000	16	12.	Baltimore City 83
Harford	36,593	3,593,695	98	13.	Allegany 71
Howard	54,384	5,682,769	104	14.	Montgomery 68
Kent	1,893	162,989	86	15.	Charles 56
Montgomery	154,696	10,571,804	68	16.	St. Mary's 43
Prince George's	125,188	13,383,900	107	17.	Anne Arundel 40
Queen Anne's	7,492	1,101,902	147	18.	Washington 36
St. Mary's	17,130	740,900	43	19.	Worcester 36
Somerset	2,774	83,088	30	20.	Cecil 31
Talbot	4,322	66,000	15	21.	Somerset 30
Washington	21,901	795,465	36	22.	Calvert 22
Wicomico	14,890	1,993,204	134	23.	Garrett 16
Worcester	6,313	225,452	36	24.	Talbot 15
Total	856,021	\$69,343,253	\$81		

Source: Local School Budgets; Department of Legislative Services

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

County	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Allegany	\$28,240	\$29,392	\$29,770	\$29,418	\$29,838	\$30,170
Anne Arundel	556,106	584,580	596,455	603,483	620,576	643,225
Baltimore City	242,110	252,814	257,442	254,685	258,212	265,412
Baltimore	668,495	689,791	712,086	738,075	748,849	757,552
Calvert	109,060	110,284	113,394	115,808	114,876	114,694
Caroline	12,299	13,206	13,416	13,437	13,765	13,983
Carroll	163,460	168,900	168,578	171,037	176,202	181,852
Cecil	67,156	69,616	72,848	75,524	79,751	80,610
Charles	145,621	153,957	159,010	161,922	166,121	170,605
Dorchester	16,482	17,963	18,360	18,532	18,963	18,939
Frederick	220,790	227,548	233,354	233,494	239,238	247,066
Garrett	24,859	26,024	26,202	26,691	26,591	27,425
Harford	214,292	219,821	221,301	223,667	228,209	233,535
Howard	467,617	482,385	497,486	530,440	544,145	562,245
Kent	16,128	17,363	17,196	17,192	17,432	17,112
Montgomery	1,370,101	1,419,514	1,448,251	1,476,855	1,507,632	1,617,632
Prince George's	617,515	633,069	623,744	630,219	669,292	698,329
Queen Anne's	43,528	44,860	48,132	51,228	52,850	54,187
St. Mary's	77,046	85,698	89,911	93,911	98,015	102,690
Somerset	8,734	9,104	9,481	9,647	9,395	9,754
Talbot	32,403	34,960	35,158	35,339	36,217	36,830
Washington	89,518	92,952	94,454	94,845	94,844	94,844
Wicomico	36,197	39,174	40,520	40,396	41,307	41,933
Worcester	71,940	73,623	75,478	77,676	78,719	81,194
Total	\$5,299,698	\$5,496,598	\$5,602,026	\$5,723,521	\$5,871,038	\$6,101,818

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.8
Local Appropriations to the Boards of Education
Annual Percent Change – Fiscal 2012-2017

County	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Allegany	0.0%	4.1%	1.3%	-1.2%	1.4%	1.1%
Anne Arundel	-1.1%	5.1%	2.0%	1.2%	2.8%	3.6%
Baltimore City	1.7%	4.4%	1.8%	-1.1%	1.4%	2.8%
Baltimore	0.8%	3.2%	3.2%	3.6%	1.5%	1.2%
Calvert	3.9%	1.1%	2.8%	2.1%	-0.8%	-0.2%
Caroline	-0.9%	7.4%	1.6%	0.2%	2.4%	1.6%
Carrroll	-0.9%	3.3%	-0.2%	1.5%	3.0%	3.2%
Cecil	-1.7%	3.7%	4.6%	3.7%	5.6%	1.1%
Charles	0.2%	5.7%	3.3%	1.8%	2.6%	2.7%
Dorchester	-5.2%	9.0%	2.2%	0.9%	2.3%	-0.1%
Frederick	0.4%	3.1%	2.6%	0.1%	2.5%	3.3%
Garrett	7.3%	4.7%	0.7%	1.9%	-0.4%	3.1%
Harford	0.1%	2.6%	0.7%	1.1%	2.0%	2.3%
Howard	0.6%	3.2%	3.1%	6.6%	2.6%	3.3%
Kent	-6.0%	7.7%	-1.0%	0.0%	1.4%	-1.8%
Montgomery	-3.2%	3.6%	2.0%	2.0%	2.1%	7.3%
Prince George's	3.1%	2.5%	-1.5%	1.0%	6.2%	4.3%
Queen Anne's	-9.2%	3.1%	7.3%	6.4%	3.2%	2.5%
St. Mary's	1.4%	11.2%	4.9%	4.4%	4.4%	4.8%
Somerset	-0.2%	4.2%	4.1%	1.8%	-2.6%	3.8%
Talbot	-5.6%	7.9%	0.6%	0.5%	2.5%	1.7%
Washington	0.8%	3.8%	1.6%	0.4%	0.0%	0.0%
Wicomico	-16.2%	8.2%	3.4%	-0.3%	2.3%	1.5%
Worcester	0.8%	2.3%	2.5%	2.9%	1.3%	3.1%
Total	-0.5%	3.7%	1.9%	2.2%	2.6%	3.9%

Source: Local School Budgets; Department of Legislative Services

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

County	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	Total
Allegany	\$412	\$0	\$0	\$842	\$727	\$1,999	\$2,496	\$6,597	\$10,837	\$24,242	\$48,152
Anne Arundel	27,827	27,420	25,020	26,200	32,400	33,349	34,870	36,200	39,419	42,598	325,303
Baltimore City	52,665	41,000	27,733	28,559	41,000	46,102	40,266	35,329	36,788	37,500	386,942
Baltimore	52,250	40,985	28,000	29,000	39,000	47,394	52,068	34,561	42,177	45,775	411,210
Calvert	12,644	7,824	8,181	8,450	7,317	7,129	5,577	2,653	1,500	9,964	71,239
Caroline	2,426	8,100	6,000	3,767	235	756	7,788	0	2,902	36	32,010
Carroll	8,219	11,741	10,520	8,444	9,079	15,211	4,874	3,915	6,415	3,418	81,836
Cecil	9,533	2,674	1,538	1,744	2,830	1,915	1,268	8,194	4,723	6,650	41,069
Charles	13,170	11,704	8,898	8,335	9,180	12,480	9,426	8,200	12,817	8,951	103,161
Dorchester	6,137	10,400	6,469	5,436	3,639	979	1,590	768	179	4,831	40,428
Frederick	18,728	14,759	16,226	14,000	16,532	19,254	20,163	15,901	21,000	21,295	177,858
Garrett	6,243	3,020	666	0	382	319	134	0	0	0	10,764
Harford	16,238	14,751	16,253	13,835	17,040	16,573	13,214	12,791	9,309	8,732	138,735
Howard	23,206	18,265	18,262	18,290	26,936	32,811	25,931	20,772	27,820	31,206	243,499
Kent	1,335	0	388	0	104	123	95	817	615	0	3,477
Montgomery	52,297	53,312	28,350	30,183	42,000	43,794	38,592	39,950	45,708	50,128	424,315
Prince George's	52,250	41,000	28,200	29,500	40,348	42,192	39,371	38,539	41,729	35,173	388,302
Queen Anne's	3,925	4,951	3,947	5,750	5,374	649	4,371	5,112	0	249	34,328
St. Mary's	9,806	7,266	4,028	6,600	3,354	3,172	7,472	11,876	7,015	1,273	61,862
Somerset	5,153	0	6,000	6,000	3,371	289	3,811	2,752	2,222	1,771	31,369
Talbot	2,038	0	436	344	135	35	634	0	308	0	3,930
Washington	8,970	9,368	7,965	7,970	8,571	9,117	8,494	7,467	8,404	4,847	81,173
Wicomico	8,143	12,960	13,170	9,975	1,864	11,290	13,327	10,991	7,440	10,373	99,533
Worcester	8,213	5,483	403	0	165	166	4,882	0	72	0	19,384
Statewide*	0	0	0	500	0	2,900	6,563	15,393	8,791	6,300	40,447
Total	\$401,828	\$346,983	\$266,653	\$263,724	\$311,583	\$349,997	\$347,277	\$318,778	\$338,190	\$355,312	\$3,300,325

* Includes funding for Maryland School for the Blind and for outsourcing of design reviews.

Source: Public School Construction Program; Department of Legislative Services

Exhibit 7.10
Wealth Per Pupil for State Education Aid Programs
Fiscal 2017 and 2018

County	Fiscal 2017	Fiscal 2018	Percent		<u>Ranking by Per Pupil Wealth</u>		<u>Ranking by Percent Difference</u>			
			Difference	Difference						
Allegany	\$304,595	\$311,055	\$6,460	2.1%	1.	Worcester	\$1,169,718	1.	Baltimore City	6.1%
Anne Arundel	625,504	650,047	24,543	3.9%	2.	Talbot	1,054,710	2.	Prince George's	4.3%
Baltimore City	321,288	340,780	19,492	6.1%	3.	Kent	856,102	3.	Carroll	4.3%
Baltimore	507,517	515,624	8,107	1.6%	4.	Montgomery	752,454	4.	Anne Arundel	3.9%
Calvert	479,660	496,518	16,858	3.5%	5.	Anne Arundel	650,047	5.	Worcester	3.8%
Caroline	286,009	285,245	-764	-0.3%	6.	Garrett	638,598	6.	Calvert	3.5%
Carroll	479,791	500,361	20,570	4.3%	7.	Queen Anne's	606,384	7.	Harford	3.3%
Cecil	389,322	398,741	9,419	2.4%	8.	Howard	593,937	8.	Queen Anne's	3.2%
Charles	404,164	414,050	9,886	2.4%	9.	Baltimore	515,624	9.	Frederick	2.9%
Dorchester	360,325	359,296	-1,029	-0.3%	10.	Carroll	500,361	10.	Talbot	2.7%
Frederick	440,342	453,109	12,767	2.9%	11.	Calvert	496,518	11.	Howard	2.7%
Garrett	622,833	638,598	15,765	2.5%	12.	Harford	485,299	12.	Wicomico	2.6%
Harford	469,741	485,299	15,558	3.3%	13.	Frederick	453,109	13.	Garrett	2.5%
Howard	578,584	593,937	15,353	2.7%	14.	St. Mary's	448,575	14.	Charles	2.4%
Kent	852,043	856,102	4,059	0.5%	15.	Charles	414,050	15.	Cecil	2.4%
Montgomery	735,768	752,454	16,686	2.3%	16.	Prince George's	405,426	16.	Montgomery	2.3%
Prince George's	388,709	405,426	16,717	4.3%	17.	Cecil	398,741	17.	Allegany	2.1%
Queen Anne's	587,536	606,384	18,848	3.2%	18.	Dorchester	359,296	18.	Baltimore	1.6%
St. Mary's	443,232	448,575	5,343	1.2%	19.	Washington	356,801	19.	Washington	1.4%
Somerset	297,340	291,642	-5,698	-1.9%	20.	Baltimore City	340,780	20.	St. Mary's	1.2%
Talbot	1,027,063	1,054,710	27,647	2.7%	21.	Allegany	311,055	21.	Kent	0.5%
Washington	351,976	356,801	4,825	1.4%	22.	Somerset	291,642	22.	Caroline	-0.3%
Wicomico	278,266	285,436	7,170	2.6%	23.	Wicomico	285,436	23.	Dorchester	-0.3%
Worcester	1,126,837	1,169,718	42,881	3.8%	24.	Caroline	285,245	24.	Somerset	-1.9%
Total	\$513,532	\$529,397	\$15,865	3.1%		Statewide	\$529,397		Statewide	3.1%

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 2015 (Fiscal 2017) and September 2016 (Fiscal 2018)

County	Fiscal 2017	Fiscal 2018	Percent Difference	Ranking by		Ranking by			
				FTE Enrollment	Growth	Percent Difference			
Allegany	8,284.75	8,182.75	-1.2%	1.	Montgomery	2,641.50	1.	Somerset	1.9%
Anne Arundel	78,051.50	78,814.25	1.0%	2.	Prince George's	1,880.50	2.	Montgomery	1.7%
Baltimore City	77,583.00	76,628.75	-1.2%	3.	Baltimore	1,026.50	3.	Caroline	1.6%
Baltimore	107,104.00	108,130.50	1.0%	4.	Anne Arundel	762.75	4.	Prince George's	1.5%
Calvert	15,569.25	15,511.75	-0.4%	5.	Howard	745.25	5.	Frederick	1.5%
Caroline	5,303.00	5,388.00	1.6%	6.	Frederick	599.50	6.	Howard	1.4%
Carroll	25,162.50	24,860.50	-1.2%	7.	St. Mary's	192.50	7.	St. Mary's	1.1%
Cecil	15,094.75	14,975.00	-0.8%	8.	Washington	187.00	8.	Anne Arundel	1.0%
Charles	25,470.75	25,521.25	0.2%	9.	Caroline	85.00	9.	Dorchester	1.0%
Dorchester	4,501.25	4,544.50	1.0%	10.	Somerset	51.50	10.	Baltimore	1.0%
Frederick	39,391.25	39,990.75	1.5%	11.	Charles	50.50	11.	Washington	0.9%
Garrett	3,682.00	3,638.00	-1.2%	12.	Dorchester	43.25	12.	Worcester	0.5%
Harford	36,634.50	36,589.75	-0.1%	13.	Worcester	33.00	13.	Charles	0.2%
Howard	53,535.75	54,281.00	1.4%	14.	Queen Anne's	1.00	14.	Queen Anne's	0.0%
Kent	1,911.00	1,893.00	-0.9%	15.	Wicomico	-1.50	15.	Wicomico	0.0%
Montgomery	151,944.75	154,586.25	1.7%	16.	Kent	-18.00	16.	Harford	-0.1%
Prince George's	122,905.75	124,786.25	1.5%	17.	Garrett	-44.00	17.	Calvert	-0.4%
Queen Anne's	7,461.25	7,462.25	0.0%	18.	Harford	-44.75	18.	Cecil	-0.8%
St. Mary's	16,935.00	17,127.50	1.1%	19.	Calvert	-57.50	19.	Kent	-0.9%
Somerset	2,711.50	2,763.00	1.9%	20.	Talbot	-81.00	20.	Garrett	-1.2%
Talbot	4,400.50	4,319.50	-1.8%	21.	Allegany	-102.00	21.	Carroll	-1.2%
Washington	21,705.25	21,892.25	0.9%	22.	Cecil	-119.75	22.	Baltimore City	-1.2%
Wicomico	14,259.00	14,257.50	0.0%	23.	Carroll	-302.00	23.	Allegany	-1.2%
Worcester	6,259.00	6,292.00	0.5%	24.	Baltimore City	-954.25	24.	Talbot	-1.8%
Total	845,861.25	852,436.25	0.8%		Statewide	6,575.00		Statewide	0.8%

FTE = full-time equivalent

Note: The September 2015 student enrollment count is used to allocate State funding in fiscal 2017. The September 2016 student enrollment count is used to allocate State funding in fiscal 2018.

Exhibit 7.12
Students Approved for Free and Reduced-price Meals
Fiscal 2017 and 2018

County	Fiscal 2017	Fiscal 2018	Percent Difference	FRPM Count as Percent of FTE Enrollment	Change in FRPM Count		
Allegany	4,639	4,509	-2.8%	1. Baltimore City	86.5%	1. Wicomico	3.8%
Anne Arundel	25,463	24,657	-3.2%	2. Somerset	72.7%	2. Somerset	2.1%
Baltimore City	67,193	66,280	-1.4%	3. Dorchester	66.0%	3. Frederick	1.8%
Baltimore	49,641	48,534	-2.2%	4. Prince George's	61.2%	4. St. Mary's	1.2%
Calvert	3,473	3,269	-5.9%	5. Wicomico	60.2%	5. Montgomery	1.1%
Caroline	2,909	2,887	-0.8%	6. Allegany	55.1%	6. Washington	0.9%
Carroll	4,832	4,789	-0.9%	7. Caroline	53.6%	7. Harford	0.0%
Cecil	6,612	6,456	-2.4%	8. Kent	50.3%	8. Garrett	-0.1%
Charles	8,899	8,852	-0.5%	9. Washington	48.6%	9. Howard	-0.2%
Dorchester	3,027	3,000	-0.9%	10. Garrett	46.5%	10. Queen Anne's	-0.4%
Frederick	10,206	10,385	1.8%	11. Baltimore	44.9%	11. Charles	-0.5%
Garrett	1,693	1,692	-0.1%	12. Cecil	43.1%	12. Prince George's	-0.6%
Harford	11,088	11,090	0.0%	13. Talbot	43.1%	13. Caroline	-0.8%
Howard	11,192	11,166	-0.2%	14. Worcester	42.5%	14. Carroll	-0.9%
Kent	996	953	-4.3%	15. Charles	34.7%	15. Dorchester	-0.9%
Montgomery	50,923	51,469	1.1%	16. Montgomery	33.3%	16. Worcester	-1.0%
Prince George's	76,798	76,375	-0.6%	17. St. Mary's	31.5%	17. Baltimore City	-1.4%
Queen Anne's	1,896	1,889	-0.4%	18. Anne Arundel	31.3%	18. Talbot	-1.9%
St. Mary's	5,332	5,396	1.2%	19. Harford	30.3%	19. Baltimore	-2.2%
Somerset	1,966	2,008	2.1%	20. Frederick	26.0%	20. Cecil	-2.4%
Talbot	1,898	1,861	-1.9%	21. Queen Anne's	25.3%	21. Allegany	-2.8%
Washington	10,546	10,645	0.9%	22. Calvert	21.1%	22. Anne Arundel	-3.2%
Wicomico	8,273	8,586	3.8%	23. Howard	20.6%	23. Kent	-4.3%
Worcester	2,702	2,676	-1.0%	24. Carroll	19.3%	24. Calvert	-5.9%
Total	372,197	369,424	-0.7%	Statewide	43.3%	Statewide	-0.7%

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

Exhibit 7.13
Students Identified as Limited English Proficient
Fiscal 2017 and 2018

County	Fiscal 2017	Fiscal 2018	Percent Difference	LEP Students as Percent of FTE Enrollment		Change in LEP Students	
Allegany	14	17	21.4%	1. Prince George's	17.8%	1. Garrett	100.0%
Anne Arundel	4,012	4,586	14.3%	2. Montgomery	15.1%	2. Baltimore	26.7%
Baltimore City	3,722	4,280	15.0%	3. Talbot	6.6%	3. Charles	25.6%
Baltimore	4,356	5,521	26.7%	4. Caroline	6.5%	4. Allegany	21.4%
Calvert	136	113	-16.9%	5. Anne Arundel	5.8%	5. Dorchester	16.8%
Caroline	365	349	-4.4%	6. Wicomico	5.6%	6. Baltimore City	15.0%
Carroll	261	280	7.3%	7. Baltimore City	5.6%	7. Frederick	14.6%
Cecil	207	220	6.3%	8. Frederick	5.5%	8. Anne Arundel	14.3%
Charles	414	520	25.6%	9. Baltimore	5.1%	9. Queen Anne's	13.8%
Dorchester	125	146	16.8%	10. Howard	4.9%	10. Wicomico	12.5%
Frederick	1,914	2,193	14.6%	11. Somerset	3.9%	11. Kent	11.9%
Garrett	2	4	100.0%	12. Dorchester	3.2%	12. Prince George's	9.0%
Harford	471	494	4.9%	13. Queen Anne's	2.7%	13. Carroll	7.3%
Howard	2,535	2,645	4.3%	14. Kent	2.5%	14. Cecil	6.3%
Kent	42	47	11.9%	15. Charles	2.0%	15. Somerset	5.9%
Montgomery	22,368	23,316	4.2%	16. Worcester	2.0%	16. Harford	4.9%
Prince George's	20,370	22,208	9.0%	17. Washington	1.8%	17. Howard	4.3%
Queen Anne's	174	198	13.8%	18. Cecil	1.5%	18. Montgomery	4.2%
St. Mary's	228	235	3.1%	19. St. Mary's	1.4%	19. St. Mary's	3.1%
Somerset	102	108	5.9%	20. Harford	1.4%	20. Washington	1.0%
Talbot	292	284	-2.7%	21. Carroll	1.1%	21. Talbot	-2.7%
Washington	396	400	1.0%	22. Calvert	0.7%	22. Caroline	-4.4%
Wicomico	710	799	12.5%	23. Allegany	0.2%	23. Worcester	-6.0%
Worcester	133	125	-6.0%	24. Garrett	0.1%	24. Calvert	-16.9%
Total	63,349	69,088	9.1%	Statewide	8.1%	Statewide	9.1%

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

Exhibit 7.14
Students Receiving Special Education Services
Fiscal 2017 and 2018

County	Fiscal 2017	Fiscal 2018	Percent Difference	Special Education Students as Percent of FTE Enrollment	Change in Special Education Students		
Allegany	1,349	1,387	2.8%	1. Baltimore City	17.1%	1. Charles	7.8%
Anne Arundel	8,256	8,407	1.8%	2. Allegany	17.0%	2. Howard	3.4%
Baltimore City	13,270	13,075	-1.5%	3. Cecil	15.8%	3. Montgomery	2.8%
Baltimore	14,125	14,478	2.5%	4. Somerset	15.1%	4. Allegany	2.8%
Calvert	1,531	1,539	0.5%	5. Harford	13.8%	5. Baltimore	2.5%
Caroline	595	584	-1.8%	6. Baltimore	13.4%	6. Kent	2.4%
Carroll	3,002	2,944	-1.9%	7. Kent	13.4%	7. St. Mary's	2.3%
Cecil	2,365	2,368	0.1%	8. Worcester	13.3%	8. Washington	2.1%
Charles	2,890	3,115	7.8%	9. Wicomico	12.6%	9. Anne Arundel	1.8%
Dorchester	477	465	-2.5%	10. Charles	12.2%	10. Frederick	1.7%
Frederick	4,424	4,499	1.7%	11. Montgomery	12.1%	11. Prince George's	1.5%
Garrett	415	400	-3.6%	12. Prince George's	11.9%	12. Calvert	0.5%
Harford	5,073	5,033	-0.8%	13. Carroll	11.8%	13. Cecil	0.1%
Howard	5,164	5,341	3.4%	14. Queen Anne's	11.8%	14. Harford	-0.8%
Kent	247	253	2.4%	15. Frederick	11.3%	15. Worcester	-0.8%
Montgomery	18,248	18,768	2.8%	16. Garrett	11.0%	16. Talbot	-0.9%
Prince George's	14,678	14,898	1.5%	17. Caroline	10.8%	17. Somerset	-1.2%
Queen Anne's	905	883	-2.4%	18. St. Mary's	10.8%	18. Baltimore City	-1.5%
St. Mary's	1,812	1,853	2.3%	19. Anne Arundel	10.7%	19. Caroline	-1.8%
Somerset	423	418	-1.2%	20. Talbot	10.4%	20. Carroll	-1.9%
Talbot	455	451	-0.9%	21. Washington	10.4%	21. Queen Anne's	-2.4%
Washington	2,221	2,267	2.1%	22. Dorchester	10.2%	22. Dorchester	-2.5%
Wicomico	1,847	1,793	-2.9%	23. Calvert	9.9%	23. Wicomico	-2.9%
Worcester	846	839	-0.8%	24. Howard	9.8%	24. Garrett	-3.6%
Total	104,618	106,058	1.4%	Statewide	12.4%	Statewide	1.4%

FTE = full-time equivalent

Exhibit 7.15
Racial Composition in Maryland Public Schools
September 2016

County	White	African American	Hispanic/Latino	Asian	American Indian	Pacific Islander	Two or More Races	Percent Minority
Allegany	88.5%	3.1%	1.4%	1.0%	0.2%	0.0%	5.8%	1. Prince George's 95.8%
Anne Arundel	55.4%	20.6%	13.7%	3.7%	0.3%	0.2%	6.1%	2. Baltimore City 92.1%
Baltimore City	7.9%	80.6%	9.4%	1.0%	0.2%	0.2%	0.7%	3. Charles 73.3%
Baltimore	40.0%	38.9%	8.9%	7.1%	0.4%	0.1%	4.6%	4. Montgomery 70.7%
Calvert	71.5%	13.1%	5.8%	1.5%	0.2%	0.1%	7.8%	5. Howard 60.9%
Caroline	63.8%	14.4%	12.8%	1.1%	0.2%	0.0%	7.6%	6. Somerset 60.2%
Carroll	84.3%	3.8%	6.1%	2.6%	0.2%	0.2%	2.8%	7. Baltimore 60.0%
Cecil	76.9%	9.3%	6.7%	0.7%	0.2%	0.1%	6.0%	8. Dorchester 55.9%
Charles	26.7%	54.8%	7.7%	3.2%	0.5%	0.1%	7.1%	9. Wicomico 55.8%
Dorchester	44.1%	39.8%	8.0%	1.2%	0.1%	0.1%	6.7%	10. Anne Arundel 44.6%
Frederick	61.8%	11.9%	15.4%	5.3%	0.4%	0.2%	4.9%	11. Talbot 39.7%
Garrett	96.3%	0.3%	1.0%	0.3%	0.0%	0.0%	2.1%	12. Kent 38.7%
Harford	64.6%	18.8%	6.8%	3.3%	0.3%	0.2%	6.1%	13. Frederick 38.2%
Howard	39.1%	22.8%	10.4%	21.2%	0.2%	0.1%	6.2%	14. Caroline 36.2%
Kent	61.3%	23.3%	7.5%	0.7%	0.2%	0.0%	7.0%	15. Harford 35.4%
Montgomery	29.3%	21.3%	30.1%	14.3%	0.2%	0.0%	4.8%	16. St. Mary's 35.1%
Prince George's	4.2%	59.8%	31.3%	2.7%	0.3%	0.2%	1.4%	17. Worcester 34.5%
Queen Anne's	80.2%	6.1%	6.9%	1.4%	0.2%	0.0%	5.2%	18. Washington 31.8%
St. Mary's	64.9%	18.3%	6.8%	2.6%	0.3%	0.2%	7.0%	19. Calvert 28.5%
Somerset	39.8%	44.0%	9.4%	1.1%	0.4%	0.1%	5.2%	20. Cecil 23.1%
Talbot	60.3%	15.6%	16.7%	2.1%	0.1%	0.0%	5.3%	21. Queen Anne's 19.8%
Washington	68.2%	13.1%	8.4%	2.1%	0.1%	0.1%	8.0%	22. Carroll 15.7%
Wicomico	44.2%	36.0%	9.3%	3.0%	0.6%	0.0%	7.0%	23. Allegany 11.5%
Worcester	65.5%	19.4%	7.0%	2.0%	0.3%	0.0%	5.8%	24. Garrett 3.7%
Maryland	38.2%	34.1%	16.5%	6.4%	0.3%	0.1%	4.4%	Statewide 61.8%

Note: American Indian includes Alaska 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 as established by the Governmental Accounting Standards Board. **Exhibit 8.1** shows how county governments reported their general fund balances in fiscal 2016. 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 2016 with total unrestricted general fund balances, including rainy day accounts, totaling \$2.5 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 2016, unrestricted general fund balance, including rainy day funds, as a percent of general fund revenues averaged 17.2% across county governments, ranging from 10.8% in Anne Arundel County to 40.9% in Wicomico County. In fiscal 2016, 21 counties reported rainy day funds totaling approximately \$963.1 million or 6.7% 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 2015 and 2016, 18 counties reported an increase in their unrestricted general fund/rainy day balances, while 6 counties experienced decreases in their general fund balances over this period.

Exhibit 8.1
County General Fund Balances in Fiscal 2016
(\$ in Thousands)

County	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Allegany ¹	\$1,200.0	\$1,796.5	\$150.0	\$4,014.0	\$18,092.4	\$25,252.9
Anne Arundel	2,678.0	1,372.1	0.0	65,989.1	76,778.3	146,817.6
Baltimore City ¹	5,519.0	0.0	96,206.0	0.0	282,526.0	384,251.0
Baltimore	7,489.0	5,194.0	0.0	83,161.0	239,528.0	335,372.0
Calvert	8,181.4	54.0	22,838.4	6,218.6	14,200.8	51,493.3
Caroline	257.5	0.0	0.0	100.0	8,220.6	8,578.1
Carroll	26,668.9	30,926.3	20,820.4	22,580.7	10,840.1	111,836.4
Cecil	10,603.0	0.0	16,196.5	2,300.0	8,755.0	37,854.5
Charles	4,365.4	5,256.6	55,610.0	4,020.6	0.0	69,252.7
Dorchester ¹	23.0	0.0	0.0	2,306.4	5,884.0	8,213.4
Frederick	2,460.7	1,811.1	85,472.7	6,157.1	300.0	96,201.5
Garrett ¹	1,878.2	4,078.1	0.0	14,430.0	3,514.4	23,900.7
Harford	175.9	6,313.5	0.0	62,737.6	12,694.5	81,921.5
Howard	7,632.1	1,972.3	64,172.6	53,577.0	12,015.7	139,369.8
Kent	517.6	0.0	5,134.9	0.0	4,967.6	10,620.1
Montgomery	7,275.1	261,313.9	71,684.1	27,035.0	113,028.3	480,336.4
Prince George's ¹	2,134.5	161,051.1	59,356.8	48,294.5	116,700.2	387,537.1
Queen Anne's	586.5	9,002.4	3,000.0	1,926.8	8,468.6	22,984.2
St. Mary's	2,182.9	1,744.7	14,955.0	1,207.9	21,526.6	41,617.2
Somerset	0.0	192.5	9,300.0	705.9	2,049.5	12,248.0
Talbot	83.7	0.0	0.0	2,156.0	23,323.0	25,562.7
Washington	1,090.7	529.0	38,104.8	17.6	0.0	39,742.1
Wicomico	797.8	3,186.8	12,896.6	1,604.5	39,466.8	57,952.4
Worcester	106.7	0.0	0.0	16,315.3	33,532.6	49,954.6
Total	\$93,907.6	\$495,794.9	\$575,898.9	\$426,855.7	\$1,056,413.3	\$2,648,870.4
State of Maryland	\$618,563.0	\$11,403.0	\$1,675,674.0	\$0.0	-\$509,187.0	\$1,796,453.0

¹ Unaudited information. The audited financial statements were not available.

Source: County audit reports, fiscal 2016; County finance offices

Exhibit 8.2
County Unrestricted General Fund Balances and Rainy Day Funds in Fiscal 2016
(\$ in Thousands)

County	General Fund Revenues	Unrestricted Funds²	Percent of General Fund	Rainy Day Fund	Percent of General Fund
Allegany ¹	\$85,885.5	\$22,256.4	25.9%	\$8,000.0	9.3%
Anne Arundel	1,323,309.5	142,767.4	10.8%	57,200.0	4.3%
Baltimore City ¹	1,782,307.0	378,732.0	21.2%	118,845.0	6.7%
Baltimore	1,875,817.0	322,689.0	17.2%	93,107.0	5.0%
Calvert	234,280.4	43,257.9	18.5%	19,107.8	8.2%
Caroline	47,016.7	8,320.6	17.7%	0.0	0.0%
Carroll	370,457.8	54,241.2	14.6%	19,420.4	5.2%
Cecil	177,245.3	27,251.5	15.4%	13,722.0	7.7%
Charles	371,580.1	59,630.7	16.0%	50,715.7	13.6%
Dorchester ¹	50,832.1	8,190.4	16.1%	0.0	0.0%
Frederick	534,211.6	91,929.8	17.2%	0.0	0.0%
Garrett ¹	77,161.2	17,944.4	23.3%	3,500.0	4.5%
Harford	493,688.2	75,432.1	15.3%	26,228.5	5.3%
Howard	1,028,754.9	129,765.4	12.6%	64,172.6	6.2%
Kent	45,830.8	10,102.5	22.0%	162.0	0.4%
Montgomery	3,117,601.2	466,153.5	15.0%	254,406.0	8.2%
Prince George's ¹	1,786,036.6	372,743.4	20.9%	148,392.0	8.3%
Queen Anne's	124,284.7	22,277.5	17.9%	8,882.1	7.1%
St. Mary's	214,163.3	37,689.6	17.6%	1,625.0	0.8%
Somerset	35,891.0	12,055.4	33.6%	400.0	1.1%
Talbot	79,198.6	25,479.0	32.2%	11,800.0	14.9%
Washington	217,265.8	38,122.5	17.5%	37,700.5	17.4%
Wicomico	131,979.6	53,967.9	40.9%	6,748.8	5.1%
Worcester	187,443.8	49,847.9	26.6%	18,974.2	10.1%
Total	\$14,392,242.8	\$2,470,848.0	17.2%	\$963,109.5	6.7%

¹ Unaudited information. The audited financial statements were not available.

² Unrestricted 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, 2016, the county may have appropriated a portion of these amounts for the current fiscal year budget.

Source: County audit reports, fiscal 2016; County finance offices

Exhibit 8.3
County Unrestricted General Fund Balances and Rainy Day Funds
Fiscal 2013-2016
(\$ in Thousands)

County	FY 2013 Balances	Percent of General Fund	FY 2014 Balances	Percent of General Fund	FY 2015 Balances	Percent of General Fund	FY 2016 Balances	Percent of General Fund
Allegany ¹	\$18,349.7	22.2%	\$22,109.3	25.8%	\$26,255.5	30.8%	\$22,256.4	25.9%
Anne Arundel	113,545.9	9.3%	100,381.9	8.1%	121,299.5	9.4%	142,767.4	10.8%
Baltimore City ¹	293,495.0	18.6%	294,968.0	18.2%	308,300.0	18.2%	378,732.0	21.2%
Baltimore	386,221.2	22.8%	393,519.0	22.6%	381,102.0	21.0%	322,689.0	17.2%
Calvert	58,929.9	26.3%	51,874.3	23.2%	44,941.5	19.6%	43,257.9	18.5%
Caroline	4,676.9	11.1%	5,822.9	13.7%	7,140.0	16.0%	8,320.6	17.7%
Carroll	52,162.5	15.4%	48,782.9	14.1%	46,240.8	13.2%	54,241.2	14.6%
Cecil	38,920.3	22.9%	29,029.1	17.2%	24,390.0	14.2%	27,251.5	15.4%
Charles	39,703.1	12.6%	38,570.1	11.8%	42,793.8	12.4%	59,630.7	16.0%
Dorchester ¹	9,236.5	18.5%	8,513.8	17.1%	9,054.3	18.1%	8,190.4	16.1%
Frederick	89,831.8	20.5%	74,836.4	15.6%	76,107.1	15.0%	91,929.8	17.2%
Garrett ¹	21,001.1	26.5%	19,119.1	26.5%	13,965.8	18.5%	17,944.4	23.3%
Harford	84,884.4	18.3%	66,970.7	14.3%	65,247.3	13.7%	75,432.1	15.3%
Howard	133,659.9	14.9%	126,273.8	13.6%	99,548.4	10.5%	129,765.4	12.6%
Kent	5,263.1	11.8%	9,643.4	20.4%	9,756.2	21.0%	10,102.5	22.0%
Montgomery	502,866.2	17.3%	593,570.6	19.5%	484,347.3	16.3%	466,153.5	15.0%
Prince George's ¹	338,514.2	21.5%	277,299.3	17.8%	290,291.2	17.6%	372,743.4	20.9%
Queen Anne's	15,170.1	13.0%	17,801.7	15.3%	20,385.8	17.1%	22,277.5	17.9%
St. Mary's	52,060.5	25.9%	44,177.6	21.6%	44,604.3	21.3%	37,689.6	17.6%
Somerset	13,707.9	44.1%	12,696.5	37.8%	10,973.5	33.0%	12,055.4	33.6%
Talbot	19,379.6	27.6%	20,772.4	27.0%	25,034.2	31.7%	25,479.0	32.2%
Washington	37,503.4	18.3%	37,162.1	18.2%	36,844.4	17.7%	38,122.5	17.5%
Wicomico	41,721.9	35.6%	44,359.4	35.9%	48,453.2	37.3%	53,967.9	40.9%
Worcester	56,639.5	32.7%	49,495.9	29.4%	42,656.8	25.0%	49,847.9	26.6%
Total	\$2,427,444.4	18.6%	\$2,387,750.0	17.9%	\$2,279,732.8	16.7%	\$2,470,848.0	17.2%

¹ Fiscal 2016 information for these counties is unaudited.

Source: County audit reports, fiscal 2013 through 2016; County finance offices

Chapter 9. Local Debt Measures

County Debt

As of June 30, 2015, Maryland counties and Baltimore City had \$20.9 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 2011 through 2015.

Between fiscal 2011 and 2015, local debt for counties and Baltimore City increased by \$3.7 billion or 21.2%. This represents a 4.9% average annual increase over the four-year period. The Washington Suburban Sanitary Commission (WSSC) accounted for 10.5% of the total debt in fiscal 2015. In the exhibits, WSSC debt is apportioned equally between Montgomery and Prince George's counties. Montgomery County had \$5.4 billion in outstanding debt, while Prince George's County had \$2.9 billion in debt. In comparison, Dorchester and Kent counties were the smallest borrowers. Dorchester County had \$24.1 million in outstanding debt, while Kent County had \$26.4 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 84% 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, 2015, while the State of Maryland had \$18.8 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 Debt 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 2005, 2010, and 2015. The ratio of total county debt to assessable base has increased from fiscal 2005 to fiscal 2015.

In fiscal 2015, Baltimore City (9.6%) had the highest debt-to-assessable-base ratio in the State followed by Baltimore (3.9%) and Prince George's (3.8%) counties. Six counties have debt-to-assessable-base ratios that have remained below 1.5% in fiscal 2005, 2010, and 2015 (Calvert, Dorchester, Garrett, Kent, Talbot, and Worcester). For comparative purposes, in fiscal 2015 the State had a debt-to-assessable-base ratio of 2.9% that increased from 2.6% in 2005. The State's municipalities/special taxing districts had a ratio of 1.2% in 2015.

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 \$2,143 in fiscal 2005 to \$3,500 in fiscal 2015, a 63.3% increase over the decade. The largest increases in per capita debt were in Baltimore, Cecil, Harford, and Somerset counties. Baltimore City and Howard and Montgomery counties had the highest debt per capita. Allegany, Dorchester, and Wicomico counties had the lowest debt per capita.

For comparative purposes, the State's debt in fiscal 2015 amounted to \$3,142 per capita, a 69.4% increase from the

\$1,855 per capita amount in 2005. The municipalities/special taxing districts had a ratio of \$1,347 per capita in 2015.

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, 2016. 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 2011-2015
(\$ in Thousands)

County	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Average Annual Change
Allegany	\$58,823	\$55,290	\$55,278	\$50,572	\$55,853	-1.3%
Anne Arundel	1,087,477	1,097,541	1,153,218	1,244,625	1,353,264	5.6%
Baltimore City	3,105,401	2,999,483	3,017,928	3,223,046	3,447,522	2.6%
Baltimore	2,071,967	2,440,202	2,842,809	2,956,343	3,016,515	9.8%
Calvert	159,143	153,728	147,170	149,670	135,910	-3.9%
Caroline	44,511	40,740	37,831	36,628	42,725	-1.0%
Carroll	368,781	356,006	348,618	348,535	335,951	-2.3%
Cecil	201,838	202,268	188,886	223,629	216,662	1.8%
Charles	344,109	349,647	345,678	320,179	331,915	-0.9%
Dorchester	35,181	31,705	28,499	26,766	24,090	-9.0%
Frederick	669,220	696,163	685,244	679,597	672,178	0.1%
Garrett	35,606	38,500	45,300	43,525	45,194	6.1%
Harford	624,404	642,167	641,331	638,671	645,128	0.8%
Howard	1,218,620	1,320,632	1,378,141	1,426,794	1,492,877	5.2%
Kent	41,378	39,761	33,075	30,470	26,396	-10.6%
Montgomery	4,370,141	4,612,432	4,856,695	5,028,474	5,430,845	5.6%
Prince George's	2,074,517	2,152,327	2,591,115	2,647,293	2,881,151	8.6%
Queen Anne's	119,380	109,265	101,645	117,833	120,949	0.3%
St. Mary's	147,278	138,945	132,368	129,224	133,009	-2.5%
Somerset	32,764	36,257	35,410	34,649	33,568	0.6%
Talbot	49,049	46,000	42,608	41,907	45,396	-1.9%
Washington	199,662	191,117	189,315	187,645	189,209	-1.3%
Wicomico	106,263	99,975	101,625	108,344	109,305	0.7%
Worcester	96,014	91,299	86,003	127,558	127,788	7.4%
Total	\$17,261,525	\$17,941,452	\$19,085,789	\$19,821,979	\$20,913,400	4.9%

Note: The Washington Suburban Sanitary Commission's 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 2005	FY 2010	FY 2015	FY 2005	FY 2010	FY 2015	FY 2005	FY 2010	FY 2015
Allegany	\$2,691,053	\$3,816,560	\$3,889,963	\$54,480	\$63,503	\$55,853	2.0%	1.7%	1.4%
Anne Arundel	46,036,555	86,849,623	77,806,973	798,865	967,065	1,353,264	1.7%	1.1%	1.7%
Baltimore City	21,597,384	38,190,377	35,895,146	1,864,149	2,934,647	3,447,522	8.6%	7.7%	9.6%
Baltimore	50,489,382	88,989,970	78,005,881	1,239,763	1,776,084	3,016,515	2.5%	2.0%	3.9%
Calvert	7,496,323	13,951,302	12,232,236	103,499	149,430	135,910	1.4%	1.1%	1.1%
Caroline	1,586,476	3,199,323	2,612,656	27,321	44,282	42,725	1.7%	1.4%	1.6%
Carroll	11,891,468	22,093,994	18,484,249	229,758	360,607	335,951	1.9%	1.6%	1.8%
Cecil	6,235,694	11,184,512	9,668,778	94,605	212,510	216,662	1.5%	1.9%	2.2%
Charles	10,075,543	19,882,783	16,323,388	240,755	338,198	331,915	2.4%	1.7%	2.0%
Dorchester	1,939,327	3,527,710	2,891,447	27,269	36,863	24,090	1.4%	1.0%	0.8%
Frederick	16,353,215	31,969,352	26,158,043	357,595	688,476	672,178	2.2%	2.2%	2.6%
Garrett	2,513,159	4,689,794	4,461,940	25,481	35,036	45,194	1.0%	0.7%	1.0%
Harford	15,597,527	28,453,136	26,756,070	313,580	648,343	645,128	2.0%	2.3%	2.4%
Howard	27,014,393	50,049,686	45,370,329	755,668	1,013,993	1,492,877	2.8%	2.0%	3.3%
Kent	1,690,504	3,219,073	2,950,128	19,288	41,890	26,396	1.1%	1.3%	0.9%
Montgomery	106,559,595	187,664,567	168,852,446	3,258,839	4,091,007	5,430,845	3.1%	2.2%	3.2%
Prince George's	49,033,034	98,867,718	76,630,154	1,895,713	1,951,213	2,881,151	3.9%	2.0%	3.8%
Queen Anne's	4,569,035	9,050,949	7,653,576	69,744	106,879	120,949	1.5%	1.2%	1.6%
St. Mary's	6,211,101	12,875,262	12,097,535	173,517	156,782	133,009	2.8%	1.2%	1.1%
Somerset	846,503	1,757,563	1,430,802	16,309	32,123	33,568	1.9%	1.8%	2.3%
Talbot	5,134,091	10,142,501	8,532,943	27,092	53,534	45,396	0.5%	0.5%	0.5%
Washington	7,922,077	14,877,217	12,327,772	147,885	200,497	189,209	1.9%	1.3%	1.5%
Wicomico	4,591,232	7,774,844	6,084,640	78,392	114,193	109,305	1.7%	1.5%	1.8%
Worcester	10,010,931	19,292,626	14,856,691	70,132	103,761	127,788	0.7%	0.5%	0.9%
Total	\$418,085,602	\$772,370,442	\$671,973,785	\$11,889,699	\$16,120,917	\$20,913,400	2.8%	2.1%	3.1%

Note: The Washington Suburban Sanitary Commission's 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 2004	July 2009	July 2014	FY 2005	FY 2010	FY 2015	FY 2005	FY 2010	FY 2015
Allegany	74,408	75,101	73,008	\$54,480	\$63,503	\$55,853	\$732	\$846	\$765
Anne Arundel	513,259	532,395	560,286	798,865	967,065	1,353,264	1,556	1,816	2,415
Baltimore City	624,222	620,509	623,711	1,864,149	2,934,647	3,447,522	2,986	4,729	5,527
Baltimore	784,371	801,808	827,794	1,239,763	1,776,084	3,016,515	1,581	2,215	3,644
Calvert	84,928	88,244	90,562	103,499	149,430	135,910	1,219	1,693	1,501
Caroline	30,653	33,013	32,525	27,321	44,282	42,725	891	1,341	1,314
Carroll	163,915	167,028	167,682	229,758	360,607	335,951	1,402	2,159	2,003
Cecil	94,809	100,816	102,135	94,605	212,510	216,662	998	2,108	2,121
Charles	135,601	144,804	154,687	240,755	338,198	331,915	1,775	2,336	2,146
Dorchester	31,086	32,470	32,527	27,269	36,863	24,090	877	1,135	741
Frederick	217,776	230,942	243,475	357,595	688,476	672,178	1,642	2,981	2,761
Garrett	30,147	30,145	29,652	25,481	35,036	45,194	845	1,162	1,524
Harford	234,849	243,685	249,949	313,580	648,343	645,128	1,335	2,661	2,581
Howard	265,919	283,061	308,705	755,668	1,013,993	1,492,877	2,842	3,582	4,836
Kent	19,513	20,132	19,793	19,288	41,890	26,396	988	2,081	1,334
Montgomery	914,991	959,013	1,030,476	3,258,839	4,091,007	5,430,845	3,562	4,266	5,270
Prince George's	845,950	856,161	903,357	1,895,713	1,951,213	2,881,151	2,241	2,279	3,189
Queen Anne's	44,411	47,532	48,726	69,744	106,879	120,949	1,570	2,249	2,482
St. Mary's	94,900	103,273	110,350	173,517	156,782	133,009	1,828	1,518	1,205
Somerset	25,807	26,425	25,632	16,309	32,123	33,568	632	1,216	1,310
Talbot	35,793	37,496	37,560	27,092	53,534	45,396	757	1,428	1,209
Washington	139,423	146,953	149,423	147,885	200,497	189,209	1,061	1,364	1,266
Wicomico	90,210	98,069	101,768	78,392	114,193	109,305	869	1,164	1,074
Worcester	49,994	51,313	51,563	70,132	103,761	127,788	1,403	2,022	2,478
Total	5,546,935	5,730,388	5,975,346	\$11,889,699	\$16,120,917	\$20,913,400	\$2,143	\$2,813	\$3,500

Note: The Washington Suburban Sanitary Commission's 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 2016

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	Aaa	AAA
Caroline	AA-	A3	-
Carroll	AAA	Aa1	AAA
Cecil	AA+	Aa2	-
Charles	AAA	Aa1	AAA
Dorchester	A+	Aa3	-
Frederick	AAA	Aaa	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: 2016 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 2014 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 2014 ranged from \$0.12 in Talbot County to \$1.30 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. Somerset	24 th	21. Anne Arundel	6 th
5. Allegany	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 2014 the county received \$0.81 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 2014 varied from \$0.14 for Talbot County to \$1.30 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 2014, for example, Allegany County's direct aid index was 1.96, indicating that Allegany County's ratio was 96% above the statewide average. Including payments-on-behalf lowers Allegany County's ratio to 1.92 or 92% 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 2014, 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 14 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 2014 (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 6 counties and decreased in 7 counties and Baltimore City. For the remaining 10 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 2014, Baltimore City received the greatest amount of State aid (allocated in the *Balance Sheet* report) at \$1.3 billion followed by Prince George's County at \$1.2 billion. On a per capita basis, these amounts translate into \$2,068 for Baltimore City (the greatest per capita amount for any jurisdiction) and \$1,289 for Prince George's County. Kent and Talbot counties, in contrast, received the least amount of State aid at \$15.0 million and \$19.8 million, respectively. On a per capita basis, Kent County received \$756 while Talbot County received \$521 – 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>
Caroline	Baltimore City	Allegany
Dorchester	Calvert	Anne Arundel
Frederick	Carroll	Baltimore
Somerset	Cecil	Charles
Washington	Garrett	Howard
Wicomico	Harford	Montgomery
	Kent	Prince George’s
	St. Mary’s	Queen Anne’s
		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 2014 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 tax base.

Jurisdictions that received the greatest amount of State aid in fiscal 2014 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 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Allegany	0.65	0.71	0.80	0.87	0.89	0.90	0.87	0.79	0.77	0.77
Anne Arundel	0.22	0.21	0.23	0.24	0.25	0.24	0.24	0.23	0.24	0.24
Baltimore City	0.94	0.95	1.02	1.07	1.11	1.10	1.08	1.05	1.00	1.00
Baltimore	0.24	0.24	0.27	0.29	0.30	0.31	0.30	0.29	0.28	0.28
Calvert	0.45	0.46	0.49	0.52	0.51	0.51	0.49	0.45	0.42	0.41
Caroline	0.90	0.90	1.05	1.12	1.20	1.18	1.16	1.11	1.06	1.08
Carroll	0.35	0.36	0.39	0.41	0.43	0.42	0.41	0.39	0.36	0.35
Cecil	0.62	0.65	0.69	0.74	0.76	0.75	0.77	0.72	0.68	0.66
Charles	0.40	0.43	0.48	0.50	0.51	0.50	0.47	0.47	0.45	0.45
Dorchester	0.57	0.60	0.62	0.69	0.75	0.73	0.65	0.71	0.71	0.72
Frederick	0.31	0.33	0.36	0.41	0.44	0.44	0.42	0.42	0.40	0.40
Garrett	0.59	0.58	0.62	0.62	0.63	0.64	0.61	0.56	0.53	0.50
Harford	0.37	0.39	0.43	0.45	0.47	0.46	0.45	0.41	0.39	0.38
Howard	0.22	0.22	0.24	0.26	0.28	0.28	0.28	0.27	0.26	0.25
Kent	0.28	0.28	0.27	0.24	0.28	0.30	0.27	0.26	0.25	0.27
Montgomery	0.15	0.14	0.15	0.17	0.19	0.20	0.21	0.20	0.20	0.21
Prince George's	0.50	0.54	0.59	0.64	0.64	0.62	0.58	0.54	0.55	0.56
Queen Anne's	0.27	0.28	0.30	0.32	0.35	0.33	0.33	0.32	0.32	0.31
St. Mary's	0.40	0.42	0.45	0.48	0.50	0.47	0.46	0.42	0.41	0.40
Somerset	0.96	1.04	1.12	1.24	1.19	1.28	1.36	1.28	1.21	1.30
Talbot	0.12	0.11	0.12	0.11	0.12	0.12	0.12	0.11	0.12	0.12
Washington	0.36	0.39	0.46	0.52	0.55	0.56	0.56	0.56	0.55	0.56
Wicomico	0.44	0.45	0.51	0.58	0.63	0.67	0.70	0.68	0.67	0.71
Worcester	0.12	0.12	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.15
Total (Weighted Avg.)	0.34	0.35	0.38	0.41	0.43	0.43	0.42	0.40	0.39	0.39
County Mean (Simple Avg.)	0.43	0.45	0.49	0.53	0.55	0.55	0.54	0.52	0.50	0.50
Standard Deviation	0.24	0.25	0.28	0.30	0.31	0.31	0.32	0.30	0.29	0.30

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 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Allegany	0.67	0.73	0.83	0.91	0.93	0.95	0.92	0.84	0.82	0.81
Anne Arundel	0.23	0.23	0.25	0.26	0.27	0.27	0.28	0.27	0.27	0.27
Baltimore City	0.95	0.96	1.03	1.09	1.12	1.12	1.11	1.08	1.03	1.02
Baltimore	0.26	0.26	0.29	0.31	0.33	0.34	0.33	0.32	0.31	0.31
Calvert	0.47	0.48	0.51	0.55	0.54	0.55	0.55	0.50	0.47	0.46
Caroline	0.92	0.91	1.06	1.14	1.21	1.21	1.19	1.14	1.09	1.11
Carroll	0.37	0.38	0.41	0.44	0.46	0.46	0.46	0.43	0.40	0.39
Cecil	0.64	0.66	0.71	0.76	0.78	0.78	0.81	0.76	0.72	0.69
Charles	0.42	0.44	0.50	0.53	0.54	0.54	0.52	0.52	0.49	0.49
Dorchester	0.59	0.61	0.63	0.71	0.76	0.76	0.68	0.74	0.73	0.74
Frederick	0.33	0.35	0.38	0.44	0.47	0.48	0.47	0.46	0.44	0.43
Garrett	0.60	0.58	0.62	0.63	0.64	0.65	0.63	0.59	0.54	0.52
Harford	0.39	0.40	0.45	0.48	0.50	0.50	0.49	0.45	0.42	0.41
Howard	0.25	0.25	0.27	0.30	0.32	0.33	0.33	0.32	0.30	0.30
Kent	0.30	0.30	0.29	0.26	0.30	0.33	0.31	0.29	0.27	0.29
Montgomery	0.18	0.17	0.18	0.20	0.22	0.25	0.25	0.25	0.24	0.24
Prince George's	0.52	0.55	0.61	0.67	0.66	0.66	0.62	0.59	0.58	0.59
Queen Anne's	0.29	0.29	0.31	0.34	0.37	0.36	0.36	0.36	0.35	0.34
St. Mary's	0.42	0.43	0.47	0.50	0.52	0.50	0.50	0.46	0.45	0.44
Somerset	0.97	1.05	1.12	1.24	1.20	1.29	1.37	1.29	1.22	1.30
Talbot	0.14	0.12	0.13	0.12	0.13	0.13	0.14	0.13	0.13	0.14
Washington	0.38	0.40	0.48	0.54	0.57	0.59	0.60	0.60	0.58	0.59
Wicomico	0.46	0.47	0.54	0.61	0.67	0.71	0.74	0.73	0.71	0.74
Worcester	0.13	0.13	0.15	0.16	0.15	0.17	0.17	0.17	0.17	0.17
Total (Weighted Avg.)	0.37	0.37	0.40	0.43	0.46	0.47	0.46	0.44	0.42	0.42
County Mean (Simple Avg.)	0.45	0.47	0.51	0.55	0.57	0.58	0.58	0.55	0.53	0.53
Standard Deviation	0.24	0.25	0.28	0.30	0.30	0.31	0.31	0.30	0.28	0.29

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 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Allegany	1.87	2.02	2.09	2.11	2.08	2.09	2.08	1.98	1.97	1.96
Anne Arundel	0.63	0.60	0.61	0.59	0.57	0.56	0.57	0.58	0.61	0.61
Baltimore City	2.74	2.70	2.67	2.61	2.59	2.56	2.59	2.63	2.57	2.53
Baltimore	0.68	0.68	0.70	0.70	0.71	0.71	0.71	0.72	0.71	0.72
Calvert	1.30	1.30	1.27	1.27	1.18	1.18	1.19	1.12	1.09	1.05
Caroline	2.60	2.56	2.74	2.74	2.80	2.75	2.78	2.78	2.73	2.76
Carroll	1.02	1.02	1.03	1.00	0.99	0.98	0.98	0.97	0.93	0.90
Cecil	1.79	1.85	1.81	1.80	1.76	1.74	1.85	1.80	1.76	1.66
Charles	1.17	1.21	1.24	1.23	1.19	1.16	1.14	1.18	1.15	1.14
Dorchester	1.66	1.71	1.61	1.69	1.74	1.70	1.55	1.77	1.82	1.84
Frederick	0.90	0.94	0.95	1.00	1.03	1.02	1.01	1.04	1.03	1.01
Garrett	1.72	1.64	1.62	1.51	1.47	1.50	1.45	1.41	1.35	1.28
Harford	1.08	1.10	1.13	1.11	1.09	1.06	1.07	1.04	0.99	0.95
Howard	0.64	0.64	0.63	0.64	0.65	0.65	0.67	0.67	0.66	0.64
Kent	0.82	0.81	0.71	0.58	0.65	0.69	0.66	0.65	0.63	0.68
Montgomery	0.43	0.40	0.40	0.41	0.43	0.47	0.49	0.51	0.52	0.53
Prince George's	1.45	1.53	1.54	1.56	1.48	1.44	1.40	1.36	1.40	1.42
Queen Anne's	0.78	0.79	0.78	0.77	0.81	0.78	0.78	0.81	0.82	0.80
St. Mary's	1.15	1.18	1.17	1.16	1.15	1.09	1.10	1.06	1.05	1.03
Somerset	2.77	2.97	2.93	3.02	2.78	2.98	3.26	3.21	3.10	3.30
Talbot	0.36	0.31	0.31	0.27	0.27	0.27	0.29	0.29	0.30	0.32
Washington	1.04	1.10	1.20	1.27	1.29	1.30	1.34	1.41	1.40	1.42
Wicomico	1.27	1.27	1.33	1.41	1.47	1.55	1.67	1.70	1.73	1.79
Worcester	0.34	0.35	0.36	0.34	0.32	0.32	0.34	0.36	0.36	0.38
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	1.28	1.28	1.28	1.27	1.27	1.29	1.29	1.28	1.28
Standard Deviation	0.71	0.73	0.74	0.75	0.73	0.74	0.77	0.77	0.75	0.77

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 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Allegany	1.84	1.99	2.06	2.09	2.05	2.04	2.02	1.93	1.94	1.92
Anne Arundel	0.64	0.62	0.63	0.61	0.59	0.59	0.60	0.61	0.63	0.63
Baltimore City	2.61	2.60	2.57	2.50	2.47	2.40	2.43	2.46	2.43	2.40
Baltimore	0.70	0.70	0.71	0.71	0.73	0.73	0.72	0.73	0.73	0.74
Calvert	1.29	1.30	1.27	1.26	1.19	1.19	1.19	1.14	1.12	1.08
Caroline	2.50	2.47	2.64	2.62	2.67	2.59	2.60	2.61	2.58	2.62
Carroll	1.02	1.02	1.03	1.01	1.00	0.99	1.00	0.98	0.95	0.91
Cecil	1.74	1.78	1.75	1.75	1.71	1.68	1.78	1.74	1.71	1.63
Charles	1.16	1.20	1.23	1.22	1.18	1.16	1.14	1.18	1.15	1.14
Dorchester	1.61	1.66	1.57	1.64	1.67	1.64	1.49	1.68	1.73	1.75
Frederick	0.91	0.94	0.95	1.00	1.03	1.03	1.02	1.05	1.03	1.02
Garrett	1.64	1.56	1.55	1.44	1.40	1.41	1.37	1.34	1.29	1.23
Harford	1.07	1.10	1.13	1.11	1.10	1.07	1.07	1.04	1.00	0.96
Howard	0.68	0.67	0.67	0.69	0.70	0.70	0.73	0.73	0.72	0.70
Kent	0.81	0.81	0.71	0.60	0.66	0.70	0.67	0.66	0.64	0.68
Montgomery	0.48	0.45	0.45	0.46	0.48	0.53	0.55	0.57	0.57	0.57
Prince George's	1.42	1.50	1.52	1.53	1.45	1.41	1.36	1.34	1.38	1.38
Queen Anne's	0.78	0.80	0.78	0.78	0.81	0.78	0.78	0.82	0.83	0.80
St. Mary's	1.15	1.17	1.16	1.16	1.14	1.08	1.09	1.05	1.05	1.02
Somerset	2.65	2.83	2.79	2.86	2.63	2.77	3.00	2.94	2.88	3.07
Talbot	0.37	0.33	0.32	0.28	0.29	0.29	0.32	0.31	0.32	0.33
Washington	1.04	1.09	1.18	1.25	1.26	1.27	1.31	1.38	1.37	1.39
Wicomico	1.26	1.27	1.33	1.40	1.46	1.52	1.63	1.66	1.68	1.75
Worcester	0.36	0.36	0.37	0.36	0.34	0.36	0.37	0.39	0.39	0.41
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.)	1.24	1.26	1.27	1.26	1.25	1.25	1.26	1.26	1.25	1.26
Standard Deviation	0.70	0.69	0.70	0.71	0.68	0.68	0.70	0.69	0.68	0.71

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 2014

County	<u>Share of Population</u>			<u>Share of State Tax Revenues</u>			<u>Share of State Grants to Local Governments</u>		
	Population	Percent of Total	Ranking	Total Revenues	Percent of Total	Ranking	Total Grants	Percent of Total	Ranking
Allegany	73,637	1.2%	16	\$131,196,540	0.8%	18	\$106,872,477	1.6%	15
Anne Arundel	556,134	9.4%	5	1,713,162,726	10.7%	4	460,889,188	6.8%	5
Baltimore City	623,215	10.5%	4	1,263,115,197	7.9%	5	1,288,830,975	19.0%	1
Baltimore	824,130	13.9%	3	2,370,447,686	14.8%	2	745,259,581	11.0%	4
Calvert	90,458	1.5%	15	225,944,107	1.4%	13	103,298,988	1.5%	16
Caroline	32,639	0.5%	20	52,007,153	0.3%	22	57,858,099	0.9%	17
Carroll	167,460	2.8%	9	448,359,206	2.8%	9	174,111,948	2.6%	11
Cecil	101,871	1.7%	13	180,058,218	1.1%	16	124,643,375	1.8%	13
Charles	152,904	2.6%	10	403,942,343	2.5%	10	196,081,883	2.9%	10
Dorchester	32,587	0.5%	21	60,653,027	0.4%	21	45,098,441	0.7%	18
Frederick	241,159	4.1%	8	654,832,897	4.1%	7	283,321,003	4.2%	7
Garrett	29,950	0.5%	22	64,908,952	0.4%	20	33,793,765	0.5%	22
Harford	249,240	4.2%	7	624,545,370	3.9%	8	255,864,228	3.8%	8
Howard	304,850	5.1%	6	1,023,160,482	6.4%	6	305,573,567	4.5%	6
Kent	19,814	0.3%	24	51,936,855	0.3%	23	14,974,316	0.2%	24
Montgomery	1,019,164	17.2%	1	3,486,899,568	21.8%	1	850,052,332	12.5%	3
Prince George's	892,941	15.0%	2	1,961,003,715	12.2%	3	1,150,625,789	16.9%	2
Queen Anne's	48,507	0.8%	18	128,509,050	0.8%	19	43,766,750	0.6%	19
St. Mary's	109,510	1.8%	12	263,249,823	1.6%	12	114,536,755	1.7%	14
Somerset	26,057	0.4%	23	29,448,327	0.2%	24	38,392,692	0.6%	20
Talbot	37,900	0.6%	19	139,113,533	0.9%	17	19,756,262	0.3%	23
Washington	149,321	2.5%	11	333,389,801	2.1%	11	197,135,826	2.9%	9
Wicomico	101,087	1.7%	14	208,833,880	1.3%	14	154,981,986	2.3%	12
Worcester	51,505	0.9%	17	196,466,556	1.2%	15	34,117,256	0.5%	21
Total	5,936,040	100.0%		\$16,015,185,012	100.0%		\$6,799,837,482	100.0%	

Source: Department of Legislative Services

Exhibit 10.6
Per Capita Allocation of State Tax Revenues and State Aid – Fiscal 2014

Share of State Tax Revenues

Share of State Grants to Local Governments

County	Population	Share of State Tax Revenues			Share of State Grants to Local Governments		
		Total Revenues	Per Capita Amount	Ranking	Total Grants	Per Capita Amount	Ranking
Allegany	73,637	\$131,196,540	\$1,782	21	\$106,872,477	\$1,451	5
Anne Arundel	556,134	1,713,162,726	3,080	5	460,889,188	829	21
Baltimore City	623,215	1,263,115,197	2,027	19	1,288,830,975	2,068	1
Baltimore	824,130	2,370,447,686	2,876	6	745,259,581	904	18
Calvert	90,458	225,944,107	2,498	13	103,298,988	1,142	12
Caroline	32,639	52,007,153	1,593	23	57,858,099	1,773	2
Carroll	167,460	448,359,206	2,677	8	174,111,948	1,040	15
Cecil	101,871	180,058,218	1,768	22	124,643,375	1,224	10
Charles	152,904	403,942,343	2,642	10	196,081,883	1,282	9
Dorchester	32,587	60,653,027	1,861	20	45,098,441	1,384	6
Frederick	241,159	654,832,897	2,715	7	283,321,003	1,175	11
Garrett	29,950	64,908,952	2,167	17	33,793,765	1,128	13
Harford	249,240	624,545,370	2,506	12	255,864,228	1,027	16
Howard	304,850	1,023,160,482	3,356	4	305,573,567	1,002	17
Kent	19,814	51,936,855	2,621	11	14,974,316	756	22
Montgomery	1,019,164	3,486,899,568	3,421	3	850,052,332	834	20
Prince George's	892,941	1,961,003,715	2,196	16	1,150,625,789	1,289	8
Queen Anne's	48,507	128,509,050	2,649	9	43,766,750	902	19
St. Mary's	109,510	263,249,823	2,404	14	114,536,755	1,046	14
Somerset	26,057	29,448,327	1,130	24	38,392,692	1,473	4
Talbot	37,900	139,113,533	3,671	2	19,756,262	521	24
Washington	149,321	333,389,801	2,233	15	197,135,826	1,320	7
Wicomico	101,087	208,833,880	2,066	18	154,981,986	1,533	3
Worcester	51,505	196,466,556	3,815	1	34,117,256	662	23
Total	5,936,040	\$16,015,185,012	\$2,698		\$6,799,837,482	\$1,146	

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 Governments*

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			
Eldorado	1947	Ch. 313	Howard		
Galestown	1951	Ch. 92	None		
Hurlock	1892	Ch. 249	Kent		
Secretary	1900	Ch. 555	Betterton	1906	Ch. 227
Vienna	1833	Ch. 216	Chestertown	1805	Ch. 101
			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
			Kensington	1894	Ch. 621
Garrett			Laytonsville	1892	Ch. 497
Accident	1916	Ch. 514	Martin's Additions	1985	Referendum
Deer Park	1884	Ch. 519	North Chevy Chase	1996	Referendum
Friendsville	1902	Ch. 477	Poolesville	1867	Ch. 174
Grantsville	1864	Ch. 99	Rockville	1860	Ch. 373
Kitzmilller	1906	Ch. 285	Somerseset	1906	Ch. 795
Loch Lynn Heights	1896	Ch. 450	Takoma Park	1890	Ch. 480
Mountain Lake Park	1931	Ch. 507	Washington Grove	1937	Ch. 372
Oakland	1862	Ch. 250			

<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 2015

County	County Population	Municipal Population	Percent of County	Rank
Allegany	72,528	32,678	45.1%	3
Anne Arundel	564,195	39,575	7.0%	20
Baltimore City	621,849	0	0.0%	24
Baltimore	831,128	0	0.0%	24
Calvert	90,595	7,887	8.7%	18
Caroline	32,579	11,902	36.5%	7
Carroll	167,627	48,898	29.2%	11
Cecil	102,382	30,020	29.3%	10
Charles	156,118	12,995	8.3%	19
Dorchester	32,384	16,123	49.8%	2
Frederick	245,322	103,453	42.2%	5
Garrett	29,460	6,770	23.0%	14
Harford	250,290	39,274	15.7%	16
Howard	313,414	0	0.0%	24
Kent	19,787	7,899	39.9%	6
Montgomery	1,040,116	172,646	16.6%	15
Prince George's	909,535	248,635	27.3%	12
Queen Anne's	48,904	6,877	14.1%	17
St. Mary's	111,413	3,633	3.3%	21
Somerset	25,768	5,958	23.1%	13
Talbot	37,512	19,398	51.7%	1
Washington	149,585	53,695	35.9%	8
Wicomico	102,370	45,674	44.6%	4
Worcester	51,540	17,803	34.5%	9
Total	6,006,401	931,793	15.5%	

Source: Maryland Department of Planning; Department of Legislative Services

Appendix 4
Racial Composition of the United States
July 2015

State	White	African American	Hispanic/Latino	Asian	Other
Alabama	66.0%	26.5%	4.2%	1.4%	2.1%
Alaska	61.5%	3.5%	7.0%	6.1%	21.9%
Arizona	55.8%	4.2%	30.7%	3.1%	6.2%
Arkansas	73.1%	15.4%	7.2%	1.5%	2.8%
California	38.0%	5.7%	38.8%	14.0%	3.5%
Colorado	68.7%	4.0%	21.3%	3.1%	2.9%
Connecticut	68.2%	10.0%	15.4%	4.5%	1.9%
Delaware	63.2%	21.4%	9.0%	3.8%	2.5%
District of Columbia	36.1%	46.7%	10.6%	4.1%	2.5%
Florida	55.3%	15.6%	24.5%	2.7%	1.9%
Georgia	53.9%	30.9%	9.4%	3.9%	2.0%
Hawaii	22.9%	2.4%	10.4%	36.1%	28.3%
Idaho	82.5%	0.7%	12.2%	1.4%	3.2%
Illinois	61.9%	14.1%	16.9%	5.4%	1.7%
Indiana	80.0%	9.3%	6.7%	2.1%	2.0%
Iowa	86.7%	3.4%	5.7%	2.3%	1.9%
Kansas	76.4%	5.9%	11.6%	2.8%	3.3%
Kentucky	85.1%	8.1%	3.4%	1.4%	1.9%
Louisiana	59.1%	32.0%	5.0%	1.8%	2.1%
Maine	93.6%	1.4%	1.6%	1.2%	2.2%
Maryland	52.0%	29.4%	9.5%	6.4%	2.6%
Massachusetts	73.5%	6.9%	11.2%	6.5%	1.9%
Michigan	75.6%	13.9%	4.9%	3.0%	2.7%
Minnesota	81.0%	5.8%	5.2%	4.8%	3.2%

State	White	African American	Hispanic/ Latino	Asian	Other
Mississippi	57.0%	37.3%	3.1%	1.0%	1.6%
Missouri	79.8%	11.6%	4.1%	2.0%	2.5%
Montana	86.5%	0.5%	3.6%	0.8%	8.5%
Nebraska	80.0%	4.7%	10.4%	2.3%	2.6%
Nevada	50.7%	8.4%	28.1%	8.1%	4.6%
New Hampshire	91.0%	1.3%	3.4%	2.6%	1.7%
New Jersey	56.2%	12.9%	19.7%	9.5%	1.6%
New Mexico	38.4%	1.9%	48.0%	1.5%	10.2%
New York	56.0%	14.6%	18.8%	8.6%	2.0%
North Carolina	63.8%	21.4%	9.1%	2.7%	3.0%
North Dakota	85.8%	2.3%	3.5%	1.4%	7.0%
Ohio	79.8%	12.4%	3.6%	2.1%	2.2%
Oklahoma	66.5%	7.4%	10.1%	2.1%	13.8%
Oregon	76.6%	1.8%	12.7%	4.3%	4.6%
Pennsylvania	77.4%	10.7%	6.8%	3.3%	1.7%
Rhode Island	73.9%	5.7%	14.4%	3.5%	2.5%
South Carolina	63.8%	27.1%	5.5%	1.5%	2.0%
South Dakota	82.9%	1.7%	3.6%	1.3%	10.4%
Tennessee	74.4%	16.8%	5.2%	1.7%	1.9%
Texas	43.0%	11.8%	38.8%	4.6%	1.8%
Utah	79.0%	1.0%	13.7%	2.4%	3.8%
Vermont	93.3%	1.2%	1.8%	1.6%	2.1%
Virginia	62.7%	19.0%	9.0%	6.4%	2.9%
Washington	69.8%	3.8%	12.4%	8.2%	5.9%
West Virginia	92.3%	3.5%	1.5%	0.8%	1.8%
Wisconsin	81.9%	6.3%	6.6%	2.7%	2.5%
Wyoming	84.0%	1.2%	9.9%	1.0%	3.9%
United States	61.6%	12.4%	17.6%	5.4%	3.0%

Source: U.S. Census Bureau

Appendix 5
Washington and Baltimore Metropolitan Statistical Areas

				<u>Population Change</u>		<u>Percent Change</u>	
	<u>1990</u>	<u>2000</u>	<u>2015</u>	<u>1990-2000</u>	<u>2000-2015</u>	<u>1990-2000</u>	<u>2000-2015</u>
Washington Metropolitan Area	4,156,612	4,837,428	6,097,684	680,816	1,260,256	16.4%	26.1%
District of Columbia	606,900	572,059	672,228	-34,841	100,169	-5.7%	17.5%
Maryland	1,788,314	2,065,242	2,441,686	276,928	376,444	15.5%	18.2%
Calvert	51,372	74,563	90,595	23,191	16,032	45.1%	21.5%
Charles	101,154	120,546	156,118	19,392	35,572	19.2%	29.5%
Frederick	150,208	195,277	245,322	45,069	50,045	30.0%	25.6%
Montgomery	762,875	873,341	1,040,116	110,466	166,775	14.5%	19.1%
Prince George's	722,705	801,515	909,535	78,810	108,020	10.9%	13.5%
Virginia	1,725,472	2,157,937	2,927,288	432,465	769,351	25.1%	35.7%
Alexandria City	111,183	128,283	153,511	17,100	25,228	15.4%	19.7%
Arlington	170,936	189,453	229,164	18,517	39,711	10.8%	21.0%
Clarke	12,101	12,652	14,363	551	1,711	4.6%	13.5%
Culpeper	27,791	34,262	49,432	6,471	15,170	23.3%	44.3%
Fairfax City	19,622	21,498	24,013	1,876	2,515	9.6%	11.7%
Fairfax	818,584	969,749	1,142,234	151,165	172,485	18.5%	17.8%
Falls Church City	9,578	10,377	13,892	799	3,515	8.3%	33.9%
Fauquier	48,741	55,139	68,782	6,398	13,643	13.1%	24.7%
Fredericksburg City	19,027	19,279	28,118	252	8,839	1.3%	45.8%
Loudoun	86,129	169,599	375,629	83,470	206,030	96.9%	121.5%
Manassas City	27,957	35,135	41,764	7,178	6,629	25.7%	18.9%
Manassas Park City	6,734	10,290	15,726	3,556	5,436	52.8%	52.8%
Prince William	215,686	280,813	451,721	65,127	170,908	30.2%	60.9%
Rappahannock	6,622	6,983	7,378	361	395	5.5%	5.7%
Spotsylvania	57,403	90,395	130,475	32,992	40,080	57.5%	44.3%
Stafford	61,236	92,446	142,003	31,210	49,557	51.0%	53.6%
Warren	26,142	31,584	39,083	5,442	7,499	20.8%	23.7%
West Virginia	35,926	42,190	56,482	6,264	14,292	17.4%	33.9%
Jefferson	35,926	42,190	56,482	6,264	14,292	17.4%	33.9%

	<u>1990</u>	<u>2000</u>	<u>2015</u>	<u>Population Change</u>		<u>Percent Change</u>	
				<u>1990-2000</u>	<u>2000-2015</u>	<u>1990-2000</u>	<u>2000-2015</u>
Baltimore Metropolitan Area	2,382,172	2,552,994	2,797,407	170,822	244,413	7.2%	9.6%
Baltimore City	736,014	651,154	621,849	-84,860	-29,305	-11.5%	-4.5%
Anne Arundel	427,239	489,656	564,195	62,417	74,539	14.6%	15.2%
Baltimore	692,134	754,292	831,128	62,158	76,836	9.0%	10.2%
Carroll	123,372	150,897	167,627	27,525	16,730	22.3%	11.1%
Harford	182,132	218,590	250,290	36,458	31,700	20.0%	14.5%
Howard	187,328	247,842	313,414	60,514	65,572	32.3%	26.5%
Queen Anne's	33,953	40,563	48,904	6,610	8,341	19.5%	20.6%

Source: U.S. Census Bureau

Appendix 6
Special County Property Tax Rates
Fiscal 2017

	<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	\$0.773	74.5%
Transit Tax	0.052	5.0%
Fire District Tax	0.114	11.0%
M-NCPPC	0.073	7.0%
Recreation Tax	0.023	2.2%
Storm Drainage Tax	0.003	0.3%
Total Rate	\$1.038	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 2017

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Allegany	72,528	\$0.977			\$0.977
Barton	435	0.894	0.173	-	1.066
Cumberland	20,130	0.845	0.965	-	1.811
Frostburg	8,667	0.853	0.640	-	1.493
Lonaconing	1,144	0.870	0.350	-	1.219
Luke	63	0.867	1.060	-	1.927
Midland	429	0.894	0.280	-	1.174
Westernport	1,810	0.894	0.600	-	1.494
Anne Arundel	564,195	\$0.915			\$0.915
Annapolis	39,474	0.548	0.649	-	1.197
Highland Beach	101	0.915	0.406	-	1.321
Baltimore City	621,849	\$2.248			\$2.248
Baltimore	831,128	\$1.100			\$1.100
Calvert	90,595	\$0.952			\$0.952
Chesapeake Beach	5,873	0.616	0.350	-	0.966
North Beach	2,014	0.616	0.633	-	1.249
Caroline	32,579	\$0.980			\$0.980
Denton	4,349	0.920	0.720	-	1.640
Federalsburg	2,661	0.890	0.830	-	1.720
Goldsboro	237	0.980	0.470	-	1.450
Greensboro	1,873	0.910	0.750	-	1.660

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Henderson	143	0.980	0.480	-	1.460
Hillsboro	158	0.980	0.160	-	1.140
Marydel	136	0.980	0.300	-	1.280
Preston	703	0.950	0.360	-	1.310
Ridgely	1,615	0.910	0.590	-	1.500
Templeville*	27	0.980	0.579	-	1.559
Carroll	167,627	\$1.018			\$1.018
Hampstead	6,359	1.018	0.220	-	1.238
Manchester	4,818	1.018	0.216	-	1.234
Mount Airy*	5,522	1.018	0.170	-	1.188
New Windsor	1,400	1.018	0.262	-	1.280
Sykesville	4,412	1.018	0.350	-	1.368
Taneytown	6,746	1.018	0.370	-	1.388
Union Bridge	971	1.018	0.350	-	1.368
Westminster	18,670	1.018	0.560	-	1.578
Cecil	102,382	\$0.991			\$0.991
Cecilton	671	0.991	0.237	-	1.229
Charlestown	1,198	0.991	0.333	-	1.325
Chesapeake City	691	0.991	0.449	-	1.440
Elkton	15,782	0.991	0.586	-	1.577
North East	3,723	0.991	0.480	-	1.471
Perryville	4,437	0.991	0.310	-	1.301
Port Deposit	659	0.991	0.551	-	1.542
Rising Sun	2,859	0.991	0.480	-	1.471
Charles	156,118	\$1.141		\$0.064	\$1.205
Indian Head	3,857	1.096	0.300	0.064	1.460
La Plata	9,125	1.006	0.320	0.064	1.390
Port Tobacco	13	1.141	0.040	0.064	1.245

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Dorchester	32,384	\$0.976			\$0.976
Brookview	59	0.976	0.300	-	1.276
Cambridge	12,507	0.927	0.799	-	1.726
Church Creek	123	0.976	0.170	-	1.146
East New Market	390	0.976	0.711	-	1.687
Eldorado	58	0.976	0.190	-	1.166
Galestown	136	0.976	0.310	-	1.286
Hurlock	2,045	0.926	0.834	-	1.760
Secretary	529	0.976	0.338	-	1.314
Vienna	276	0.976	0.480	-	1.456
Frederick	245,322	\$1.060		-	\$1.060
Brunswick	6,116	1.060	0.440	-	1.500
Burkittsville	155	1.060	0.190	-	1.250
Emmitsburg	3,021	1.060	0.360	-	1.420
Frederick	69,479	0.937	0.731	-	1.668
Middletown	4,469	1.060	0.232	-	1.292
Mount Airy*	3,858	1.060	0.170	-	1.230
Myersville	1,708	0.935	0.391	-	1.326
New Market	697	1.060	0.120	-	1.180
Rosemont	307	1.060	0.040	-	1.100
Thurmont	6,454	1.060	0.293	-	1.353
Walkersville	5,993	1.060	0.160	-	1.220
Woodsboro	1,196	1.060	0.125	-	1.185
Garrett	29,460	\$0.990			\$0.990
Accident	316	0.990	0.316	-	1.306
Deer Park	381	0.990	0.300	-	1.290
Friendsville	476	0.990	0.340	-	1.330
Grantsville	765	0.990	0.200	-	1.190

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Kitzmilller	310	0.990	0.360	-	1.350
Loch Lynn Heights	536	0.990	0.320	-	1.310
Mountain Lake Park	2,111	0.928	0.414	-	1.342
Oakland	1,875	0.990	0.472	-	1.462
Harford	250,290	\$1.042			\$1.042
Aberdeen	15,580	0.894	0.657	-	1.550
Bel Air	10,190	0.894	0.500	-	1.394
Havre de Grace	13,504	0.894	0.570	-	1.463
Howard	313,414	\$1.014		\$0.176	\$1.190
Kent	19,787	\$1.022			\$1.022
Betterton	325	1.022	0.320	-	1.342
Chestertown	5,093	1.022	0.370	-	1.392
Galena	598	1.022	0.240	-	1.262
Millington*	580	1.022	0.280	-	1.302
Rock Hall	1,303	1.022	0.320	-	1.342
Montgomery	1,040,116	\$0.773		\$0.265	\$1.038
Barnesville	178	0.773	0.051	0.190	1.015
Brookeville	139	0.773	0.200	0.190	1.163
Chevy Chase, Sec. 3	801	0.773	0.020	0.265	1.058
Chevy Chase, Sec. 5	693	0.773	0.000	0.265	1.038
Chevy Chase	2,985	0.773	0.010	0.265	1.048
Chevy Chase View	977	0.773	0.022	0.265	1.060
Chevy Chase Village	2,060	0.773	0.081	0.265	1.119
Gaithersburg	67,456	0.773	0.262	0.167	1.202
Garrett Park	1,044	0.773	0.210	0.262	1.245
Glen Echo	272	0.773	0.140	0.265	1.178
Kensington	2,330	0.773	0.136	0.262	1.171

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Laytonsville	374	0.773	0.090	0.190	1.053
Martin's Additions	989	0.773	0.047	0.265	1.085
North Chevy Chase	588	0.773	0.052	0.265	1.090
Poolesville	5,201	0.773	0.176	0.190	1.139
Rockville	66,980	0.773	0.622	0.167	1.562
Somerset	1,288	0.773	0.100	0.265	1.138
Takoma Park	17,713	0.773	0.568	0.262	1.603
Washington Grove	578	0.773	0.270	0.167	1.210
Prince George's	909,535	\$1.000		\$0.374	\$1.374
Berwyn Heights	3,280	0.873	0.530	0.374	1.777
Bladensburg	9,640	0.890	0.740	0.374	2.004
Bowie	58,025	0.868	0.400	0.320	1.588
Brentwood	3,191	0.928	0.411	0.374	1.713
Capitol Heights	4,574	0.882	0.446	0.374	1.702
Cheverly	6,485	0.881	0.560	0.374	1.815
College Park	32,301	0.970	0.335	0.374	1.679
Colmar Manor	1,469	0.906	1.223	0.374	2.503
Cottage City	1,370	0.894	0.650	0.374	1.918
District Heights	6,144	0.877	0.884	0.215	1.976
Eagle Harbor	66	0.993	0.473	0.374	1.840
Edmonston	1,518	0.897	0.638	0.374	1.909
Fairmount Heights	1,570	0.944	0.460	0.374	1.778
Forest Heights	2,573	0.912	0.625	0.374	1.911
Glenarden	6,326	0.880	0.331	0.374	1.585
Greenbelt	24,272	0.859	0.813	0.215	1.886
Hyattsville	18,501	0.864	0.630	0.374	1.868
Landover Hills	1,811	0.889	0.520	0.374	1.783
Laurel	26,215	0.834	0.710	0.158	1.702
Morningside	2,086	0.925	0.740	0.374	2.039
Mt. Rainier	8,475	0.866	0.860	0.374	2.100

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
New Carrollton	12,786	0.882	0.665	0.374	1.921
North Brentwood	540	0.996	0.440	0.374	1.810
Riverdale Park	7,305	0.864	0.654	0.374	1.892
Seat Pleasant	4,780	0.876	0.580	0.374	1.830
University Park	2,665	0.875	0.608	0.374	1.857
Upper Marlboro	667	0.921	0.240	0.374	1.535
Queen Anne's	48,904	\$0.847			\$0.847
Barclay	118	0.847	0.200	-	1.047
Centreville	4,627	0.752	0.410	-	1.162
Church Hill	747	0.847	0.340	-	1.187
Millington*	37	0.793	0.280	-	1.073
Queen Anne*	126	0.847	0.180	-	1.027
Queenstown	652	0.847	0.181	-	1.028
Sudlersville	485	0.793	0.167	-	0.960
Templeville*	85	0.847	0.579	-	1.426
St. Mary's	111,413	\$0.852			\$0.852
Leonardtown	3,633	0.852	0.127	-	0.979
Somerset	25,768	\$1.000			\$1.000
Crisfield	2,655	1.000	0.870	-	1.870
Princess Anne	3,303	1.000	1.051	-	2.051
Talbot	37,512	\$0.547			\$0.547
Easton	16,617	0.414	0.520	-	0.934
Oxford	621	0.430	0.295	-	0.725
Queen Anne*	90	0.486	0.180	-	0.666
St. Michaels	1,045	0.420	0.460	-	0.880
Trappe	1,025	0.449	0.310	-	0.759

Jurisdiction	Population July 2015	County Rate	Municipal Rate	County Special Rate	Total Rate
Washington	149,585	\$0.948			\$0.948
Boonsboro	3,455	0.823	0.359	-	1.182
Clear Spring	351	0.823	0.280	-	1.103
Funkstown	884	0.823	0.360	-	1.183
Hagerstown	40,432	0.823	0.913	-	1.736
Hancock	1,550	0.823	0.520	-	1.343
Keedysville	1,159	0.823	0.180	-	1.003
Sharpsburg	704	0.823	0.350	-	1.173
Smithsburg	2,998	0.823	0.350	-	1.173
Williamsport	2,162	0.823	0.485	-	1.308
Wicomico	102,370	\$0.952			\$0.952
Delmar	3,056	0.952	0.819	-	1.770
Fruitland	5,215	0.952	0.960	-	1.912
Hebron	1,092	0.952	0.445	-	1.397
Mardela Springs	350	0.952	0.230	-	1.182
Pittsville	1,428	0.952	0.280	-	1.232
Salisbury	32,899	0.952	0.943	-	1.895
Sharptown	645	0.952	0.600	-	1.552
Willards	989	0.952	0.510	-	1.462
Worcester	51,540	\$0.835			\$0.835
Berlin	4,529	0.835	0.680	-	1.515
Ocean City	7,055	0.835	0.473	-	1.308
Pocomoke City	4,133	0.835	0.938	-	1.773
Snow Hill	2,086	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