

OVERVIEW OF MARYLAND LOCAL GOVERNMENTS

FINANCES AND DEMOGRAPHIC INFORMATION



DEPARTMENT OF LEGISLATIVE SERVICES 2018

Overview of Maryland Local Governments

Finances and Demographic Information

**Department of Legislative Services
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Victoria L. Gruber
Executive Director

DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Ryan Bishop
Director

January 2018

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, Rebecca Greenwell, Trevor Owen, Gail Renborg, Michael Sanelli, and Stanford Ward, and was reviewed by Hiram Burch, Jodie Chilson, Amy Devadas, and Scott Kennedy. The manuscript was prepared by Mary Alice Gehrdes. The Department of Legislative Services trusts that this report will be useful to individuals interested in local government fiscal issues.

Sincerely,


Victoria L. Gruber
Executive Director


Ryan Bishop
Director

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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 48.5% of the State's population compared to 38.7% nationally. From 2000 to 2016, the State's population has increased by about 13.6%. This increase in

population has been entirely due to growth in racial minority groups. During this period, the State's minority population increased by 46.1%, whereas the White population decreased by 6.1%. The Hispanic and Asian communities are the two fastest growing ethnic groups in Maryland. The Hispanic population increased by 157.5%, the Asian population increased by 81.8%, and African Americans increased by 20.8% during this 16-year period.

Maryland is also one of the most affluent states in the nation as evidenced by it having the highest median household income. Marylanders are highly educated with a high concentration of college-educated residents. Maryland regularly has an unemployment rate below the national average and a large concentration of high-tech jobs. An indicator that is consistently negative, however, is the State's high violent crime rate. Yet Maryland continues to see some recent growth in other positive indicators, such as a 1.9% annual increase in median home price and a 5.7% increase in available jobs across the State over the previous five years.

Local Government Finances

County and municipal governments in Maryland spend approximately \$30.7 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 2015, expenditures at the county government level totaled \$29.3 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 2015. 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

More jurisdictions chose to decrease local tax rates in fiscal 2018 than chose to increase them. Six counties chose to decrease their property tax rates in fiscal 2018 compared with only two counties in fiscal 2017. Only two counties chose to raise their property tax rates this year, down from four in fiscal 2017. Local income tax rates remained relatively constant for tax year 2018, with only one county altering (increasing) its tax rate. No county altered its transfer, admissions and amusement, or recordation tax rates, and only one 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 \$107.1 million in fiscal 2017, through either a tax rate differential or tax rebate. This represents a 4.3% increase in tax differentials and rebates compared to the year prior.

Fourteen counties impose either a development impact fee or excise tax, which are expected to generate approximately \$166.1 million in revenues in fiscal 2018, 23.5% more than the prior fiscal year. 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 continues to be reflected in property assessments across Maryland. County assessable base will increase by 3.5% in fiscal 2018 and is projected to increase by 2.7% in fiscal 2019. Growth in net taxable income has slowed, increasing by 1.4% in tax year 2016 after increasing by 3.9% in tax year 2015. Local recordation tax revenues have been increasing since fiscal 2012, but transfer tax revenues have been declining since fiscal 2016. However, combined local recordation and transfer tax revenues have been increasing overall, as county governments collected \$903.9 million in fiscal 2017 and are expected to collect \$909.3 million in fiscal 2018.

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 2019, assessment caps are projected to reduce the amount of the county assessable base that is taxable by 2.8% compared to 8.0% in fiscal 2012 and 17.6% in fiscal 2010.

County Salary Actions

All 23 counties and Baltimore City are providing some type of salary enhancements in fiscal 2018, either in the form of cost-of-living adjustment, general salary increase, step/merit increase, or a combination of enhancements. Growth in local government salaries has trailed the other sectors of the Maryland economy. Over the last 10 years, the average weekly wage for local government employees increased by 2.1% annually compared to 2.3% for State government and private-sector employees, and 2.6% for federal employees.

Public School Funding

Public schools are funded from federal, State, and local sources. Local sources account for 47.9% of public school funding in Maryland and 47.8% comes from the State. The federal government provides only 4.3% of public school funding. Public schools in Maryland received about \$15,467 in total funding for each pupil in fiscal 2018. Worcester County

has the highest per pupil revenues at \$18,312, while Somerset County has the second highest at \$17,945. Baltimore City, which had the second highest per pupil funding last fiscal year, has the third highest in fiscal 2018 at \$17,211. Talbot County has the lowest per pupil revenues at \$13,414.

Local General Fund Balances

Local governments ended fiscal 2017 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 2017, 23 counties reported rainy day funds of approximately \$1.0 billion or 7.0% of total general fund revenues.

Local Debt Measures

As of June 30, 2016, Maryland counties and Baltimore City had \$21.4 billion in outstanding debt, including general obligation bonds, revenue and enterprise debt, federal loans, State loans, capital leases, and short-term debt. Between fiscal 2012 and 2016, local debt for counties and Baltimore City increased by \$3.6 billion or 20.0%. This represents a 4.7% average annual increase over the four-year period. The Washington Suburban Sanitary Commission accounted for 11.7% of the total debt in fiscal 2016.

Balance of State Payments

In fiscal 2015, State revenue collections allocated in the *Balance Sheet* totaled over \$17.0 billion, while State aid payments to local governments totaled \$7.0 billion. The individual income tax accounted for 49.1% of the State revenues allocated in the report, while sales taxes accounted for 26.0% of revenues. On average, local governments received \$0.41 in State aid for each \$1.00 in taxes paid by county residents and businesses. This illustrates that local governments received 41% 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 2006, ranging from a low of 37% in fiscal 2006 to a high of 47% in fiscal 2010. From 2006 to 2016, the “balance sheet index” as a percent of the statewide average increased in 6 jurisdictions, decreased in 9 jurisdictions, and remained relatively constant in 9 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 70,060 residents, is the largest municipality in Maryland followed by Gaithersburg and Rockville. Port Tobacco in Charles County, with 13 residents, is the State's smallest municipality. The 10 largest municipalities are listed in **Table 1.5**, and the number of municipalities by size is shown in **Table 1.6**. **Appendix 2** lists each municipality by county.

The number of municipalities in each county and the percentage of residents in each county who reside within a municipality vary considerably. Prince George's County, with

27 municipalities, has the greatest number among the 23 counties. Although Prince George's County has the highest number of residents who reside within a municipality (247,829), municipal residents account for only 27.3% of the county population. Talbot County has the highest percentage of residents who reside within a municipality (51.8%). 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	70,060
Gaithersburg	Montgomery	67,776
Rockville	Montgomery	66,940
Bowie	Prince George's	58,393
Hagerstown	Washington	40,452
Annapolis	Anne Arundel	39,418
Salisbury	Wicomico	33,114
College Park	Prince George's	32,275
Laurel	Prince George's	25,853
Greenbelt	Prince George's	23,909

Source: *July 2016 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>
25,000-70,999	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 2016 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

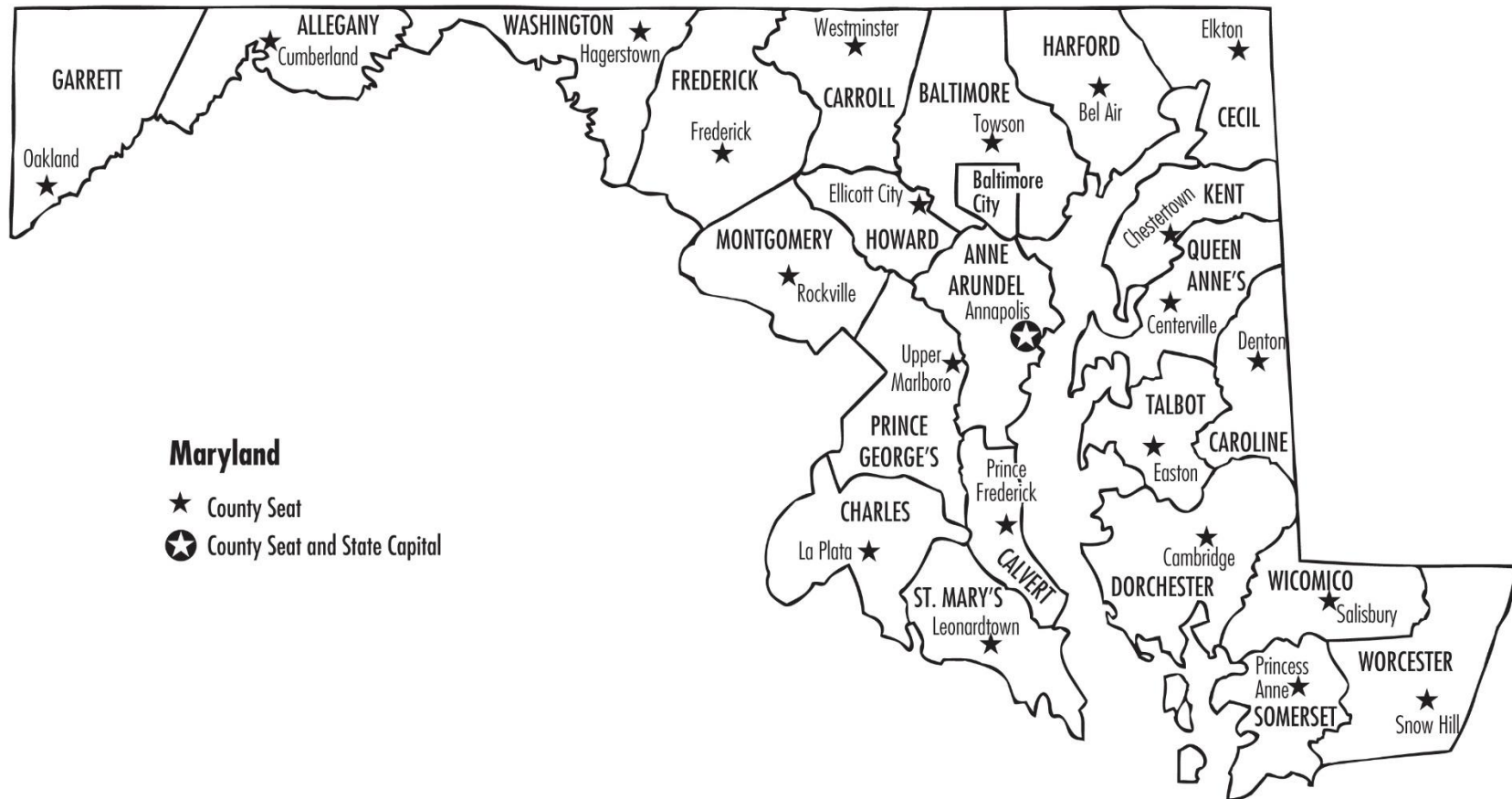
special taxing districts have been created by State or local law to address specific goals or needs within a small geographic area, or to deal with issues and problems that cross county boundaries. Despite sharing some features similar to counties and municipalities, these entities lack home rule authority 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 19,700 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 48.5% of the State's population compared to 38.7% nationally, as shown in **Table 2.1**. African Americans are the largest racial minority in Maryland, comprising 29.6% of the State's population, whereas Hispanics account for 9.8%, followed by Asians at 6.5%. 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 – 2016

	Maryland	United States
White	51.5%	61.3%
African American	29.6%	12.4%
Hispanic/Latino	9.8%	17.8%
Asian	6.5%	5.5%
American Indian	0.2%	0.7%
Native Hawaiian	0.0%	0.2%
Multiracial	2.3%	2.1%

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 46.1%, whereas the White population decreased by 6.1%. The State's Hispanic population increased by 157.5% during this period, with the Asian population increasing by 81.8% and African Americans increasing by 20.8%. **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 2016, the State population increased by 719,900 people, representing a 13.6% increase over the 16-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 2016 with a growth rate of 30.8%. 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 831,000 residents; Baltimore City is the second most populous jurisdiction with 614,700 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 2017, the average weekly wage was \$1,171 statewide, ranging from \$632 in Garrett County to \$1,499 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 5.1% in calendar 2015, 4.3% in calendar 2016, and 4.1% in calendar 2017. Howard and Montgomery counties had the lowest unemployment rates at 3.1% and 3.2% in calendar 2017, while Worcester County had the highest at 8.4%; Somerset County had the second highest rate at 6.7%. The unemployment rate in Maryland continues to be below the national average. The national unemployment rate averaged 5.3% in calendar 2015, 4.9% in calendar 2016, and 4.4% in calendar 2017.

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 2012 through 2016. 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 2012-2016)

<u>Top 10 States</u>		<u>Bottom 10 States</u>	
1. Maryland	\$76,067	41. Oklahoma	\$48,038
2. Alaska	74,444	42. South Carolina	46,898
3. New Jersey	73,702	43. Tennessee	46,574
4. Hawaii	71,977	44. New Mexico	45,674
5. Connecticut	71,755	45. Louisiana	45,652
6. Massachusetts	70,954	46. Kentucky	44,811
7. New Hampshire	68,485	47. Alabama	44,758
8. Virginia	66,149	48. West Virginia	42,644
9. California	63,783	49. Arkansas	42,336
10. Minnesota	63,217	50. Mississippi	40,528
District of Columbia	\$72,935	National Average	\$55,322

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

Based on a five-year average for 2012 through 2016, the median household income for Maryland jurisdictions ranged from \$35,886 in Somerset County to \$113,800 in Howard County. Montgomery County had the second highest median income at \$100,352, and Calvert County had the third highest at \$96,808. Five counties (Allegany, Caroline, 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 1.9% in fiscal 2017. Nineteen counties and Baltimore City realized increases in the median sale price during this period, while four counties experienced decreases. The median sale price ranged from \$116,750 in Allegany County to \$449,080 in Montgomery County. Median sale price statistics are from the State Department of Assessments and Taxation.

Employment

The private sector accounts for over 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 43.6% 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 3.7% of total employment in Maryland, while local governments account for 9.6%. 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. Approximately one-third of federal positions are located in Montgomery County with an additional 18.4% located in Prince George's County. Of the State's jurisdictions, St. Mary's and Harford counties have the highest reliance on federal employment, due to the location of federal military installations. **Exhibit 2.10** shows employment in Maryland counties by sector, and **Exhibit 2.11** shows the county share of total employment by sector.

Employment growth is one indicator of an economy's overall health. The total number and the percent change in new jobs created are widely used performance measures. Total employment in Maryland from 2012 to 2017 increased by 5.7%, resulting in a gain of 141,100 jobs. The highest employment growth, on a percentage basis, occurred in Calvert and Anne Arundel counties. **Exhibit 2.12** shows the change in employment for each county from the first quarter in 2012 to the first quarter in 2017. **Exhibit 2.13** shows the changes in employment from the first quarter in 2012 to the first quarter in 2017 on an annual basis.

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

Exhibit 2.1 Maryland Population and Density

County	Population July 2016	Land Area Sq. Miles	Population Density	Ranking by Population		Ranking by Density			
Allegany	72,130	424.2	170.0	1.	Montgomery	1,043,863	1.	Baltimore City	7,597.8
Anne Arundel	568,346	414.9	1,369.8	2.	Prince George's	908,049	2.	Montgomery	2,124.7
Baltimore City	614,664	80.9	7,597.8	3.	Baltimore	831,026	3.	Prince George's	1,881.2
Baltimore	831,026	598.3	1,389.0	4.	Baltimore City	614,664	4.	Baltimore	1,389.0
Calvert	91,251	213.2	428.0	5.	Anne Arundel	568,346	5.	Anne Arundel	1,369.8
Caroline	32,850	319.4	102.8	6.	Howard	317,233	6.	Howard	1,265.4
Carroll	167,656	447.6	374.6	7.	Harford	251,032	7.	Harford	574.3
Cecil	102,603	346.3	296.3	8.	Frederick	247,591	8.	Calvert	428.0
Charles	157,705	457.8	344.5	9.	Carroll	167,656	9.	Frederick	375.0
Dorchester	32,258	540.8	59.6	10.	Charles	157,705	10.	Carroll	374.6
Frederick	247,591	660.2	375.0	11.	Washington	150,292	11.	Charles	344.5
Garrett	29,425	647.1	45.5	12.	St. Mary's	112,587	12.	Washington	328.3
Harford	251,032	437.1	574.3	13.	Cecil	102,603	13.	St. Mary's	315.2
Howard	317,233	250.7	1,265.4	14.	Wicomico	102,577	14.	Cecil	296.3
Kent	19,730	277.0	71.2	15.	Calvert	91,251	15.	Wicomico	274.0
Montgomery	1,043,863	491.3	2,124.7	16.	Allegany	72,130	16.	Allegany	170.0
Prince George's	908,049	482.7	1,881.2	17.	Worcester	51,444	17.	Talbot	138.8
Queen Anne's	48,929	371.9	131.6	18.	Queen Anne's	48,929	18.	Queen Anne's	131.6
St. Mary's	112,587	357.2	315.2	19.	Talbot	37,278	19.	Worcester	109.9
Somerset	25,928	319.7	81.1	20.	Caroline	32,850	20.	Caroline	102.8
Talbot	37,278	268.5	138.8	21.	Dorchester	32,258	21.	Somerset	81.1
Washington	150,292	457.8	328.3	22.	Garrett	29,425	22.	Kent	71.2
Wicomico	102,577	374.4	274.0	23.	Somerset	25,928	23.	Dorchester	59.6
Worcester	51,444	468.3	109.9	24.	Kent	19,730	24.	Garrett	45.5
Maryland	6,016,447	9,707.3	619.8						

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

Exhibit 2.2
Racial Composition of Maryland Counties – July 2016

County	White	African American	Hispanic/ Latino	Asian	American Indian	Native Hawaiian	Multiracial
Allegany	87.2%	8.0%	1.7%	1.1%	0.2%	0.0%	1.8%
Anne Arundel	69.1%	16.5%	7.5%	3.9%	0.3%	0.1%	2.7%
Baltimore City	27.7%	62.4%	5.1%	2.7%	0.3%	0.0%	1.8%
Baltimore	58.1%	28.1%	5.3%	6.1%	0.3%	0.0%	2.2%
Calvert	78.7%	12.7%	3.7%	1.7%	0.4%	0.1%	2.7%
Caroline	76.1%	13.6%	7.2%	0.8%	0.3%	0.0%	2.0%
Carroll	89.6%	3.4%	3.4%	1.8%	0.2%	0.0%	1.6%
Cecil	85.4%	6.6%	4.3%	1.3%	0.3%	0.1%	2.1%
Charles	41.7%	45.3%	5.5%	3.2%	0.6%	0.1%	3.5%
Dorchester	63.4%	27.9%	5.3%	1.2%	0.3%	0.0%	2.0%
Frederick	74.4%	9.0%	9.1%	4.6%	0.2%	0.1%	2.5%
Garrett	96.4%	1.0%	1.2%	0.4%	0.2%	0.0%	0.8%
Harford	76.7%	13.3%	4.4%	3.0%	0.2%	0.1%	2.4%
Howard	53.3%	18.4%	6.6%	18.2%	0.2%	0.1%	3.2%
Kent	77.8%	14.7%	4.5%	1.1%	0.1%	0.0%	1.7%
Montgomery	44.7%	18.1%	19.1%	15.2%	0.2%	0.0%	2.7%
Prince George's	13.1%	62.5%	17.8%	4.4%	0.2%	0.0%	2.0%
Queen Anne's	86.7%	6.4%	3.6%	1.1%	0.3%	0.0%	1.8%
St. Mary's	74.9%	14.0%	5.0%	2.8%	0.3%	0.1%	3.0%
Somerset	51.4%	41.7%	3.6%	0.8%	0.4%	0.0%	2.1%
Talbot	78.0%	12.4%	6.6%	1.3%	0.2%	0.1%	1.4%
Washington	79.8%	10.9%	4.7%	1.8%	0.2%	0.1%	2.5%
Wicomico	63.4%	25.7%	5.1%	3.2%	0.2%	0.0%	2.4%
Worcester	80.2%	13.1%	3.4%	1.4%	0.3%	0.0%	1.6%
Maryland	51.5%	29.6%	9.8%	6.5%	0.2%	0.0%	2.3%
United States	61.3%	12.4%	17.8%	5.5%	0.7%	0.2%	2.1%

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

Exhibit 2.3
Population Growth by Racial Composition
April 2000 to July 2016

County	White	African American	Hispanic/Latino	Asian	American Indian	Native Hawaiian	Multiracial
Allegany	-9.4%	44.9%	118.9%	101.3%	10.7%	78.9%	178.9%
Anne Arundel	0.3%	42.1%	231.7%	93.9%	7.3%	64.9%	148.2%
Baltimore City	-16.2%	-8.3%	181.6%	64.2%	-12.5%	6.1%	78.7%
Baltimore	-13.2%	54.0%	219.4%	109.2%	20.3%	47.8%	151.7%
Calvert	15.9%	18.9%	200.8%	138.3%	54.0%	238.1%	200.1%
Caroline	3.8%	0.9%	198.4%	63.2%	34.1%	1100.0%	173.4%
Carroll	4.5%	67.9%	280.3%	164.2%	-10.8%	146.9%	219.9%
Cecil	9.9%	101.9%	238.7%	120.3%	8.8%	160.9%	193.8%
Charles	-19.2%	128.2%	220.0%	133.3%	13.0%	95.5%	173.4%
Dorchester	-3.3%	3.5%	341.8%	80.4%	51.4%	1000.0%	236.2%
Frederick	6.9%	81.3%	384.5%	247.5%	48.9%	163.2%	185.8%
Garrett	-3.5%	128.3%	170.2%	114.0%	95.7%	-85.7%	144.4%
Harford	2.5%	65.4%	164.0%	124.8%	20.5%	45.2%	141.0%
Howard	-6.4%	63.4%	179.7%	199.8%	10.6%	103.5%	160.7%
Kent	1.8%	-12.6%	63.7%	101.9%	8.0%	-12.5%	189.5%
Montgomery	-11.1%	42.5%	98.2%	59.0%	-4.9%	19.6%	105.7%
Prince George's	-39.5%	13.0%	182.7%	25.8%	-4.5%	4.7%	58.7%
Queen Anne's	18.1%	-11.6%	298.0%	133.9%	48.3%	40.0%	188.6%
St. Mary's	21.3%	31.8%	227.4%	98.2%	31.5%	18.5%	185.9%
Somerset	-3.7%	6.5%	177.5%	76.2%	15.5%	40.0%	147.7%
Talbot	5.8%	-10.3%	298.4%	78.1%	16.7%	185.7%	165.8%
Washington	1.9%	60.4%	349.2%	162.0%	21.9%	94.2%	240.5%
Wicomico	7.1%	34.0%	186.3%	115.7%	38.5%	100.0%	220.3%
Worcester	10.1%	-13.1%	195.1%	145.4%	46.2%	112.5%	149.3%
Maryland	-6.1%	20.8%	157.5%	81.8%	7.1%	46.5%	125.2%

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

Exhibit 2.4
Growth in Minority Population by County

County	April 2000	July 2016	Change	% Change	Highest to Lowest Population Change		Highest to Lowest Percent Change			
Allegany	5,528	9,245	3,717	67.2%	1.	Montgomery	228,461	1.	Frederick	176.5%
Anne Arundel	98,113	175,815	77,702	79.2%	2.	Prince George's	184,088	2.	Carroll	141.4%
Baltimore City	447,821	444,198	-3,623	-0.8%	3.	Baltimore	149,825	3.	Cecil	139.3%
Baltimore	198,666	348,491	149,825	75.4%	4.	Howard	81,010	4.	Garrett	137.4%
Calvert	12,587	19,415	6,828	54.2%	5.	Anne Arundel	77,702	5.	Charles	134.6%
Caroline	5,693	7,851	2,158	37.9%	6.	Charles	52,746	6.	Howard	120.8%
Carroll	7,243	17,487	10,244	141.4%	7.	Frederick	40,476	7.	Washington	113.4%
Cecil	6,265	14,995	8,730	139.3%	8.	Harford	27,776	8.	Harford	90.6%
Charles	39,192	91,938	52,746	134.6%	9.	Washington	16,134	9.	Anne Arundel	79.2%
Dorchester	9,545	11,820	2,275	23.8%	10.	Wicomico	13,610	10.	Baltimore	75.4%
Frederick	22,935	63,411	40,476	176.5%	11.	St. Mary's	11,536	11.	St. Mary's	68.9%
Garrett	444	1,054	610	137.4%	12.	Carroll	10,244	12.	Allegany	67.2%
Harford	30,663	58,439	27,776	90.6%	13.	Cecil	8,730	13.	Montgomery	65.4%
Howard	67,042	148,052	81,010	120.8%	14.	Calvert	6,828	14.	Wicomico	56.8%
Kent	4,127	4,383	256	6.2%	15.	Allegany	3,717	15.	Calvert	54.2%
Montgomery	349,090	577,551	228,461	65.4%	16.	Dorchester	2,275	16.	Queen Anne's	39.9%
Prince George's	605,102	789,190	184,088	30.4%	17.	Caroline	2,158	17.	Caroline	37.9%
Queen Anne's	4,637	6,488	1,851	39.9%	18.	Talbot	1,875	18.	Prince George's	30.4%
St. Mary's	16,739	28,275	11,536	68.9%	19.	Queen Anne's	1,851	19.	Talbot	29.7%
Somerset	10,906	12,596	1,690	15.5%	20.	Somerset	1,690	20.	Dorchester	23.8%
Talbot	6,323	8,198	1,875	29.7%	21.	Worcester	1,128	21.	Somerset	15.5%
Washington	14,227	30,361	16,134	113.4%	22.	Garrett	610	22.	Worcester	12.5%
Wicomico	23,981	37,591	13,610	56.8%	23.	Kent	256	23.	Kent	6.2%
Worcester	9,056	10,184	1,128	12.5%	24.	Baltimore City	-3,623	24.	Baltimore City	-0.8%
Maryland	1,995,925	2,917,028	921,103	46.1%						

Source: U.S. Census Bureau

Exhibit 2.5
Growth in Minority Share of Population by County

County	April 2000	July 2016	Percentage	Highest to Lowest		Highest to Lowest			
			Point Change	Minority Share of Population	Percentage Point Change				
Allegany	7.4%	12.8%	5.4%	1.	Prince George’s	86.9%	1.	Charles	25.8%
Anne Arundel	20.0%	30.9%	10.9%	2.	Baltimore City	72.3%	2.	Howard	19.6%
Baltimore City	68.8%	72.3%	3.5%	3.	Charles	58.3%	3.	Baltimore	15.6%
Baltimore	26.3%	41.9%	15.6%	4.	Montgomery	55.3%	4.	Montgomery	15.4%
Calvert	16.9%	21.3%	4.4%	5.	Somerset	48.6%	5.	Frederick	13.9%
Caroline	19.1%	23.9%	4.8%	6.	Howard	46.7%	6.	Prince George’s	11.4%
Carroll	4.8%	10.4%	5.6%	7.	Baltimore	41.9%	7.	Anne Arundel	10.9%
Cecil	7.3%	14.6%	7.3%	8.	Wicomico	36.6%	8.	Washington	9.4%
Charles	32.5%	58.3%	25.8%	9.	Dorchester	36.6%	9.	Harford	9.3%
Dorchester	31.1%	36.6%	5.5%	10.	Anne Arundel	30.9%	10.	Wicomico	8.3%
Frederick	11.7%	25.6%	13.9%	11.	Frederick	25.6%	11.	Cecil	7.3%
Garrett	1.5%	3.6%	2.1%	12.	St. Mary’s	25.1%	12.	St. Mary’s	5.7%
Harford	14.0%	23.3%	9.3%	13.	Caroline	23.9%	13.	Carroll	5.6%
Howard	27.1%	46.7%	19.6%	14.	Harford	23.3%	14.	Dorchester	5.5%
Kent	21.5%	22.2%	0.7%	15.	Kent	22.2%	15.	Allegany	5.4%
Montgomery	40.0%	55.3%	15.4%	16.	Talbot	22.0%	16.	Caroline	4.8%
Prince George’s	75.5%	86.9%	11.4%	17.	Calvert	21.3%	17.	Somerset	4.5%
Queen Anne’s	11.4%	13.3%	1.8%	18.	Washington	20.2%	18.	Calvert	4.4%
St. Mary’s	19.4%	25.1%	5.7%	19.	Worcester	19.8%	19.	Baltimore City	3.5%
Somerset	44.1%	48.6%	4.5%	20.	Cecil	14.6%	20.	Talbot	3.3%
Talbot	18.7%	22.0%	3.3%	21.	Queen Anne’s	13.3%	21.	Garrett	2.1%
Washington	10.8%	20.2%	9.4%	22.	Allegany	12.8%	22.	Queen Anne’s	1.8%
Wicomico	28.3%	36.6%	8.3%	23.	Carroll	10.4%	23.	Kent	0.7%
Worcester	19.5%	19.8%	0.3%	24.	Garrett	3.6%	24.	Worcester	0.3%
Maryland	37.7%	48.5%	10.8%						

Source: U.S. Census Bureau

Exhibit 2.6
Population Growth in Maryland by County

County	April 2000	July 2016	Change	% Change	Highest to Lowest Change 2000 to 2016			Highest to Lowest % Change 2000 to 2016		
Allegany	74,930	72,130	-2,800	-3.7%	1.	Montgomery	170,522	1.	Charles	30.8%
Anne Arundel	489,664	568,346	78,682	16.1%	2.	Prince George's	106,534	2.	St. Mary's	30.6%
Baltimore City	651,154	614,664	-36,490	-5.6%	3.	Anne Arundel	78,682	3.	Howard	28.0%
Baltimore	754,292	831,026	76,734	10.2%	4.	Baltimore	76,734	4.	Frederick	26.8%
Calvert	74,563	91,251	16,688	22.4%	5.	Howard	69,390	5.	Calvert	22.4%
Caroline	29,772	32,850	3,078	10.3%	6.	Frederick	52,315	6.	Wicomico	21.2%
Carroll	150,897	167,656	16,759	11.1%	7.	Charles	37,159	7.	Queen Anne's	20.6%
Cecil	85,951	102,603	16,652	19.4%	8.	Harford	32,442	8.	Montgomery	19.5%
Charles	120,546	157,705	37,159	30.8%	9.	St. Mary's	26,355	9.	Cecil	19.4%
Dorchester	30,675	32,258	1,583	5.2%	10.	Washington	18,369	10.	Anne Arundel	16.1%
Frederick	195,276	247,591	52,315	26.8%	11.	Wicomico	17,933	11.	Harford	14.8%
Garrett	29,846	29,425	-421	-1.4%	12.	Carroll	16,759	12.	Washington	13.9%
Harford	218,590	251,032	32,442	14.8%	13.	Calvert	16,688	13.	Prince George's	13.3%
Howard	247,843	317,233	69,390	28.0%	14.	Cecil	16,652	14.	Carroll	11.1%
Kent	19,200	19,730	530	2.8%	15.	Queen Anne's	8,369	15.	Worcester	10.5%
Montgomery	873,341	1,043,863	170,522	19.5%	16.	Worcester	4,901	16.	Caroline	10.3%
Prince George's	801,515	908,049	106,534	13.3%	17.	Talbot	3,466	17.	Talbot	10.3%
Queen Anne's	40,560	48,929	8,369	20.6%	18.	Caroline	3,078	18.	Baltimore	10.2%
St. Mary's	86,232	112,587	26,355	30.6%	19.	Dorchester	1,583	19.	Dorchester	5.2%
Somerset	24,747	25,928	1,181	4.8%	20.	Somerset	1,181	20.	Somerset	4.8%
Talbot	33,812	37,278	3,466	10.3%	21.	Kent	530	21.	Kent	2.8%
Washington	131,923	150,292	18,369	13.9%	22.	Garrett	-421	22.	Garrett	-1.4%
Wicomico	84,644	102,577	17,933	21.2%	23.	Allegany	-2,800	23.	Allegany	-3.7%
Worcester	46,543	51,444	4,901	10.5%	24.	Baltimore City	-36,490	24.	Baltimore City	-5.6%
Maryland	5,296,516	6,016,447	719,931	13.6%						

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 2017	Percent of State Average	CY 2015	CY 2016	CY 2017	CY 2012-2016	Percent of State Average	FY 2016	FY 2017	Percent Change
Allegany	\$710	60.6%	7.0%	6.1%	5.7%	\$41,559	54.6%	\$114,900	\$116,750	1.6%
Anne Arundel	1,120	95.6%	4.4%	3.7%	3.5%	91,918	120.8%	337,950	342,400	1.3%
Baltimore City	1,253	107.0%	7.5%	6.3%	5.9%	44,262	58.2%	195,000	215,000	10.3%
Baltimore	1,075	91.8%	5.3%	4.5%	4.3%	68,989	90.7%	240,000	250,000	4.2%
Calvert	1,125	96.1%	4.6%	3.8%	3.6%	96,808	127.3%	333,683	320,000	-4.1%
Caroline	786	67.1%	5.5%	4.7%	4.3%	50,830	66.8%	189,000	192,000	1.6%
Carroll	817	69.8%	4.2%	3.5%	3.3%	87,060	114.5%	318,000	320,000	0.6%
Cecil	918	78.4%	6.0%	5.1%	4.7%	67,938	89.3%	230,000	229,900	0.0%
Charles	859	73.4%	5.0%	4.2%	4.0%	91,373	120.1%	313,000	313,475	0.2%
Dorchester	759	64.8%	7.2%	6.0%	5.6%	47,907	63.0%	162,500	169,000	4.0%
Frederick	985	84.1%	4.5%	3.7%	3.5%	85,715	112.7%	310,000	319,900	3.2%
Garrett	632	54.0%	6.3%	5.5%	5.2%	46,277	60.8%	147,900	149,450	1.0%
Harford	1,008	86.1%	4.9%	4.1%	3.8%	81,052	106.6%	275,000	280,000	1.8%
Howard	1,309	111.8%	3.8%	3.2%	3.1%	113,800	149.6%	437,900	435,000	-0.7%
Kent	747	63.8%	5.4%	4.7%	4.4%	55,028	72.3%	238,750	216,500	-9.3%
Montgomery	1,499	128.0%	3.9%	3.3%	3.2%	100,352	131.9%	433,000	449,080	3.7%
Prince George's	1,086	92.7%	5.3%	4.4%	4.1%	75,925	99.8%	288,000	302,313	5.0%
Queen Anne's	744	63.5%	4.5%	3.8%	3.6%	85,891	112.9%	328,000	330,000	0.6%
St. Mary's	1,247	106.5%	4.9%	4.1%	3.9%	86,810	114.1%	293,300	299,900	2.3%
Somerset	787	67.2%	8.3%	7.0%	6.7%	35,886	47.2%	129,900	130,000	0.1%
Talbot	779	66.5%	4.9%	4.1%	3.9%	61,395	80.7%	295,900	300,000	1.4%
Washington	801	68.4%	5.6%	4.9%	4.5%	56,316	74.0%	200,500	215,000	7.2%
Wicomico	784	67.0%	6.9%	6.0%	5.6%	53,508	70.3%	165,000	169,200	2.5%
Worcester	656	56.0%	10.7%	9.0%	8.4%	57,227	75.2%	215,000	235,000	9.3%
Maryland	\$1,171	100.0%	5.1%	4.3%	4.1%	\$76,067	100.0%	\$309,123	\$315,000	1.9%

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 2017

County	Private Sector	Government Sector	Federal	<i>Government Sector</i> State	Local
Allegany	78.6%	21.4%	1.7%	9.3%	10.4%
Anne Arundel	82.4%	17.6%	5.0%	4.4%	8.2%
Baltimore City	79.3%	20.7%	3.2%	10.1%	7.4%
Baltimore	84.7%	15.3%	4.0%	2.8%	8.5%
Calvert	83.3%	16.7%	0.5%	1.1%	15.1%
Caroline	80.1%	19.9%	0.8%	2.1%	17.0%
Carroll	85.9%	14.1%	0.5%	2.0%	11.5%
Cecil	79.4%	20.6%	6.0%	1.7%	12.8%
Charles	76.6%	23.4%	5.4%	1.4%	16.6%
Dorchester	78.0%	22.0%	1.7%	7.2%	13.2%
Frederick	83.8%	16.2%	3.7%	1.2%	11.3%
Garrett	85.1%	14.9%	0.6%	2.3%	12.1%
Harford	77.1%	22.9%	12.1%	0.6%	10.2%
Howard	89.8%	10.2%	0.4%	1.0%	8.8%
Kent	86.3%	13.7%	0.8%	3.3%	9.7%
Montgomery	79.8%	20.2%	10.5%	0.3%	9.4%
Prince George's	71.4%	28.6%	8.6%	6.8%	13.2%
Queen Anne's	81.0%	19.0%	0.7%	1.6%	16.7%
St. Mary's	66.9%	33.1%	22.1%	2.1%	8.9%
Somerset	56.4%	43.6%	0.7%	28.0%	14.9%
Talbot	90.3%	9.7%	1.1%	1.2%	7.5%
Washington	86.8%	13.2%	0.9%	3.1%	9.2%
Wicomico	81.7%	18.3%	0.6%	5.9%	11.7%
Worcester	83.6%	16.4%	0.8%	0.8%	14.8%
Maryland	81.1%	18.9%	5.6%	3.7%	9.6%

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 2017

County	Population	Private Sector	Government Sector	Federal	<i>Government Sector</i>	Local
					State	
Allegany	1.2%	1.1%	1.2%	0.3%	2.8%	1.2%
Anne Arundel	9.4%	10.3%	9.5%	9.0%	12.2%	8.7%
Baltimore City	10.2%	12.5%	14.0%	7.3%	34.9%	9.8%
Baltimore	13.8%	14.8%	11.5%	10.1%	10.8%	12.6%
Calvert	1.5%	1.0%	0.8%	0.1%	0.3%	1.5%
Caroline	0.5%	0.3%	0.4%	0.0%	0.2%	0.6%
Carroll	2.8%	2.3%	1.6%	0.2%	1.2%	2.6%
Cecil	1.7%	1.2%	1.3%	1.3%	0.6%	1.6%
Charles	2.6%	1.5%	2.0%	1.5%	0.6%	2.7%
Dorchester	0.5%	0.4%	0.5%	0.1%	0.8%	0.6%
Frederick	4.1%	3.9%	3.3%	2.5%	1.3%	4.5%
Garrett	0.5%	0.5%	0.3%	0.0%	0.3%	0.6%
Harford	4.2%	3.3%	4.2%	7.5%	0.6%	3.7%
Howard	5.3%	7.1%	3.5%	0.4%	1.8%	5.9%
Kent	0.3%	0.3%	0.2%	0.0%	0.3%	0.3%
Montgomery	17.4%	17.5%	19.0%	33.3%	1.2%	17.4%
Prince George's	15.1%	10.6%	18.2%	18.4%	21.9%	16.6%
Queen Anne's	0.8%	0.5%	0.5%	0.1%	0.2%	0.9%
St. Mary's	1.9%	1.4%	2.9%	6.5%	0.9%	1.5%
Somerset	0.4%	0.2%	0.6%	0.0%	1.9%	0.4%
Talbot	0.6%	0.8%	0.4%	0.1%	0.2%	0.6%
Washington	2.5%	2.7%	1.8%	0.4%	2.1%	2.4%
Wicomico	1.7%	1.7%	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%	0.4%	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 2012 and 2017

County	<u>Average Employment Within Jurisdiction</u>					<u>Jobs Per 1,000 Residents</u>		
	1st Q 2012	1st Q 2017	Difference	% Difference	Rank	1st Q 2017	Percent of State Average	Rank
Allegany	28,860	28,773	-87	-0.3%	24	398.9	91.9%	10
Anne Arundel	233,304	265,843	32,539	13.9%	2	467.7	107.8%	4
Baltimore City	325,928	333,857	7,929	2.4%	18	543.2	125.1%	1
Baltimore	357,781	370,552	12,771	3.6%	16	445.9	102.7%	5
Calvert	21,157	25,140	3,983	18.8%	1	275.5	63.5%	22
Caroline	8,418	9,164	746	8.9%	6	279.0	64.3%	21
Carroll	54,652	57,364	2,712	5.0%	12	342.2	78.8%	17
Cecil	27,995	30,979	2,984	10.7%	3	301.9	69.6%	19
Charles	40,021	41,517	1,496	3.7%	15	263.3	60.7%	23
Dorchester	10,597	10,596	-1	0.0%	23	328.5	75.7%	18
Frederick	90,781	99,208	8,427	9.3%	4	400.7	92.3%	9
Garrett	11,171	11,438	267	2.4%	20	388.7	89.6%	12
Harford	85,380	90,849	5,469	6.4%	11	361.9	83.4%	15
Howard	154,503	167,701	13,198	8.5%	7	528.6	121.8%	2
Kent	7,380	7,542	162	2.2%	21	382.3	88.1%	14
Montgomery	444,104	464,407	20,303	4.6%	13	444.9	102.5%	6
Prince George's	294,717	314,393	19,676	6.7%	10	346.2	79.8%	16
Queen Anne's	13,010	14,023	1,013	7.8%	9	286.6	66.0%	20
St. Mary's	41,580	43,211	1,631	3.9%	14	383.8	88.4%	13
Somerset	6,411	6,626	215	3.4%	17	255.6	58.9%	24
Talbot	17,213	18,752	1,539	8.9%	5	503.0	115.9%	3
Washington	65,536	66,165	629	1.0%	22	440.2	101.4%	7
Wicomico	43,807	44,863	1,056	2.4%	19	437.4	100.8%	8
Worcester	18,959	20,516	1,557	8.2%	8	398.8	91.9%	11
Unallocated	67,055	67,927	872	1.3%				
Maryland	2,470,320	2,611,491	141,086	5.7%		434.1	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 2012 through 2017

County	<u>Average Employment Within Jurisdiction</u>						<u>Job Growth - Annual Change</u>				
	1st Q 2012	1st Q 2013	1st Q 2014	1st Q 2015	1st Q 2016	1st Q 2017	2012-2013 % Difference	2013-2014 % Difference	2014-2015 % Difference	2015-2016 % Difference	2016-2017 % Difference
Allegany	28,860	28,750	28,537	28,598	28,748	28,773	-0.4%	-0.7%	0.2%	0.5%	0.1%
Anne Arundel	233,304	245,774	248,897	254,400	259,896	265,843	5.3%	1.3%	2.2%	2.2%	2.3%
Baltimore City	325,928	327,999	324,817	327,162	333,810	333,857	0.6%	-1.0%	0.7%	2.0%	0.0%
Baltimore	357,781	357,265	358,415	362,695	367,024	370,552	-0.1%	0.3%	1.2%	1.2%	1.0%
Calvert	21,157	21,260	21,071	21,678	23,276	25,140	0.5%	-0.9%	2.9%	7.4%	8.0%
Caroline	8,418	9,185	9,163	8,879	9,083	9,164	9.1%	-0.2%	-3.1%	2.3%	0.9%
Carroll	54,652	54,868	54,983	55,506	56,459	57,364	0.4%	0.2%	1.0%	1.7%	1.6%
Cecil	27,995	29,243	29,766	29,484	29,817	30,979	4.5%	1.8%	-0.9%	1.1%	3.9%
Charles	40,021	40,006	40,514	40,762	42,123	41,517	0.0%	1.3%	0.6%	3.3%	-1.4%
Dorchester	10,597	10,465	10,755	10,542	10,901	10,596	-1.2%	2.8%	-2.0%	3.4%	-2.8%
Frederick	90,781	93,483	93,556	96,011	97,944	99,208	3.0%	0.1%	2.6%	2.0%	1.3%
Garrett	11,171	11,301	11,336	11,399	11,479	11,438	1.2%	0.3%	0.6%	0.7%	-0.4%
Harford	85,380	87,161	85,828	88,102	88,906	90,849	2.1%	-1.5%	2.6%	0.9%	2.2%
Howard	154,503	156,400	155,952	159,531	165,038	167,701	1.2%	-0.3%	2.3%	3.5%	1.6%
Kent	7,380	7,253	7,225	7,668	7,567	7,542	-1.7%	-0.4%	6.1%	-1.3%	-0.3%
Montgomery	444,104	446,510	448,595	452,359	457,221	464,407	0.5%	0.5%	0.8%	1.1%	1.6%
Prince George's	294,717	296,397	296,891	298,817	303,536	314,393	0.6%	0.2%	0.6%	1.6%	3.6%
Queen Anne's	13,010	13,194	13,038	13,661	14,141	14,023	1.4%	-1.2%	4.8%	3.5%	-0.8%
St. Mary's	41,580	42,206	41,959	42,357	42,913	43,211	1.5%	-0.6%	0.9%	1.3%	0.7%
Somerset	6,411	6,477	6,488	6,505	6,548	6,626	1.0%	0.2%	0.3%	0.7%	1.2%
Talbot	17,213	17,692	18,051	18,035	18,784	18,752	2.8%	2.0%	-0.1%	4.2%	-0.2%
Washington	65,536	65,665	65,878	65,972	66,316	66,165	0.2%	0.3%	0.1%	0.5%	-0.2%
Wicomico	43,807	43,803	43,552	43,836	44,702	44,863	0.0%	-0.6%	0.7%	2.0%	0.4%
Worcester	18,959	19,218	19,271	19,053	19,694	20,516	1.4%	0.3%	-1.1%	3.4%	4.2%
Unallocated	67,055	59,999	62,678	64,803	67,250	67,927	-10.5%	4.5%	3.4%	3.8%	1.0%
Maryland	2,470,320	2,491,576	2,497,216	2,527,815	2,573,176	2,611,491	0.9%	0.2%	1.2%	1.8%	1.5%

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 \$30.7 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 2015, expenditures at the county government level totaled \$29.3 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 66.5% of municipal expenditures in fiscal 2015. In addition, municipalities do not fund local school systems and community colleges, which account for 50.1% of local government expenditures. In fiscal 2015, 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 2015 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 2015
(\$ in Millions)

	<u>Expenditures</u>	<u>Percent of Total</u>
County Level	\$29,275.6	95.5%
Municipal Level	1,393.6	4.5%
Total	\$30,669.2	100.0%

Source: Department of Legislative Services

County Level

In fiscal 2015, county governments and Baltimore City spent \$29.3 billion on public services. Local boards of education accounted for 50.2% of county expenditures (excluding debt service), with \$14.0 billion going to the public school systems. County government agencies accounted for 42.0% of expenditures or \$11.7 billion. Libraries, community colleges, and local health departments accounted for the remaining 7.8% of county expenditures. In addition, approximately \$1.5 billion was spent on debt service for the various units of county government. **Table 3.2** shows the distribution of county expenditures in fiscal 2015 by unit of county government.

Table 3.2
County Government Expenditures
Fiscal 2015
(\$ in Millions)

	<u>Expenditures</u>	<u>Percent of Total</u>
Public Schools	\$13,967.0	50.2%
Libraries	329.3	1.2%
Community Colleges	1,369.4	4.9%
Health Departments	467.9	1.7%
County Government	11,677.5	42.0%
Subtotal	\$27,811.2	100.0%
Debt Service	1,464.4	
Total	\$29,275.6	

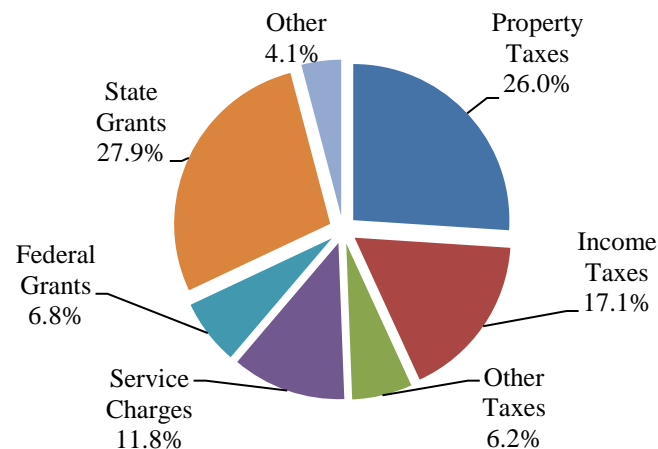
Source: Department of Legislative Services

County governments and Baltimore City collected \$28.0 billion in revenues in fiscal 2015, 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 65.0% of county revenues, and intergovernmental revenues account for 35.0% (**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 34.1% of its revenue from local sources, 51.2% from the State, 14.4% from the federal government, and 0.3% from other intergovernmental sources. In comparison, Howard County, one of the more affluent counties in the State, receives 74.9% of its revenue from local sources, 21.1% from the State, 3.8% from the federal government, and 0.2% from other intergovernmental sources.

Table 3.3
Sources of Revenue – Counties and Baltimore City
Fiscal 2015



Source: Department of Legislative Services

Exhibit 3.3 shows the allocation of county revenues by source for fiscal 2015, 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 own-source revenue source for county governments, accounting for 26.0% of total revenues in fiscal 2015, excluding debt proceeds. The reliance on property tax revenues ranges from 16.3% in Allegany County to 48.9% 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 2018 at \$302,186, which is nearly 2.5 times the statewide average. Somerset County has the second lowest per capita assessable base at \$55,204 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 17.1% of total revenues in fiscal 2015, excluding debt proceeds. The reliance on income tax revenues ranges from 5.7% in Worcester County to 22.4% 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 \$27,125 in tax year 2016. Montgomery County had the highest per capita net taxable income at \$41,270, followed by Howard County at \$39,221

and Anne Arundel at \$32,037. Somerset County had the lowest per capita net taxable income at \$8,802; Allegany County had the second lowest at \$12,926.

State Grants

State aid is the largest revenue source for many county governments in Maryland, accounting for 27.9% of total revenues in fiscal 2015. In the 11 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, Kent, Queen Anne's, Talbot, and Worcester counties, State aid was the second largest revenue source after property taxes, whereas in Howard and Montgomery counties, State aid was the third largest revenue source after both property and income taxes.

State aid includes direct assistance to county governments, local school systems, libraries, community colleges, and local health departments. In fiscal 2015, local school systems received approximately 86.7% of total State aid. County and municipal governments received 7.6%, 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%. Approximately 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 6.8% of total county revenues in fiscal 2015, excluding debt proceeds. The reliance on federal grants ranged from 3.8% in Howard County to 14.4% 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 \$29.3 billion on public services in fiscal 2015. On a per capita basis, county expenditures averaged \$4,899. Howard County led the State with per capita expenditures totaling \$6,213, followed by Montgomery County with per capita expenditures totaling \$6,149. Talbot County had the lowest per capita expenditures at \$3,440. **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 53.5% of total county spending in fiscal 2015. Education spending ranged from 40.0% of total spending in Baltimore City to 71.6% in Caroline 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 18.1% of Baltimore City's spending, the highest percentage in the State. In addition, public works functions accounted for 17.6% of total spending in the city, the second highest percentage in the State. Also, Baltimore City is not responsible for funding the local community college since the Baltimore City Community College is a State agency.

Public works is the second largest function of county governments, accounting for 12.0% 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 (19.9%), followed by Baltimore City (17.6%).

Public safety is the third largest function of county governments, accounting for 11.4% of total spending. As noted above, Baltimore City led the State in the percentage expended on public safety with 18.1%. Baltimore City was followed by Talbot (15.2%) and Charles (14.5%) counties.

The composition of county expenditures has changed slightly since fiscal 2001. Funding for public works and public safety functions are now accounting for a higher percentage of county spending, whereas expenditures for 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 2001</u>	<u>FY 2008</u>	<u>FY 2015</u>
Education	53.5%	54.1%	53.5%
Public Works	11.7%	10.9%	12.0%
Public Safety	10.7%	10.7%	11.4%
Health/Social Services	4.7%	3.8%	3.7%
General Government	6.1%	6.2%	5.9%
Debt Service	5.5%	4.4%	5.0%

Source: Department of Legislative Services

Municipal Level

Municipalities in Maryland, excluding Baltimore City, collected \$1.4 billion in revenues in fiscal 2015. **Exhibit 3.9** shows the allocation of municipal revenues by source for fiscal 2015, excluding debt proceeds.

Property Taxes

Property taxes are the largest revenue source for municipalities overall, accounting for 36.1% of total revenues, excluding debt proceeds (**Table 3.5**). The dependence on property taxes ranges from 10.0% for the municipality in St. Mary's County to 55.0% for municipalities in Prince George's County.

Service Charges

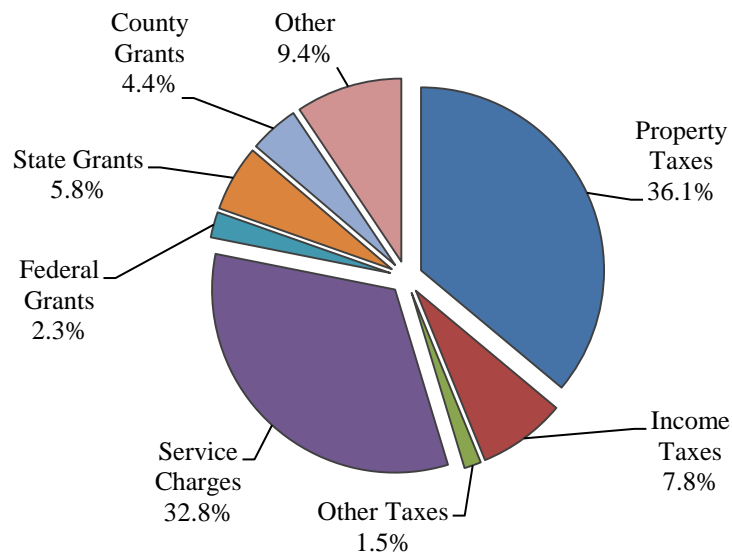
Service charges are the second largest revenue source for municipalities overall, accounting for 32.8% of total revenues in fiscal 2015. In 11 counties (Allegany, Carroll, Cecil, Charles, Dorchester, Garrett, Kent, St. Mary's, Talbot, Washington, and Worcester), service charges are the largest overall 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 7.6% for municipalities in Prince George's County to 72.8% 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 7.8% of total revenues in fiscal 2015, excluding debt proceeds. The reliance on income taxes ranges from 1.1% for municipalities in Worcester County to 17.5% 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
Fiscal 2015



Source: Department of Legislative Services

State Grants

State aid is the fourth largest revenue source for municipalities, accounting for 5.8% 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 1.4% of total revenues for municipalities in Talbot County to 22.1% for the municipality in St. Mary's County.

County Grants

County grants account for 4.4% of total revenues in fiscal 2015. Reliance on county grants is highest in Harford, Montgomery, 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 2015. The two largest expenditures for municipalities are public works and public safety. Public works accounted for 42.9% of municipal spending in fiscal 2015, and public safety accounted for 23.6%. **Exhibit 3.10** shows the allocation of municipal expenditures by category for fiscal 2015.

The composition of municipal expenditures has changed since fiscal 2001 (**Table 3.6**). Funding for general government services, parks and recreation services, public works services, and debt service now accounts for a lower percentage of municipal spending, whereas public safety services account for a higher percentage.

Table 3.6
Municipal Expenditure Trends

<u>Category</u>	<u>FY 2001</u>	<u>FY 2008</u>	<u>FY 2015</u>
Public Works	43.9%	42.8%	42.9%
Public Safety	20.4%	22.8%	23.6%
General Government	13.4%	12.9%	12.7%
Parks and Recreation	8.8%	8.2%	8.0%
Debt Service	6.5%	5.9%	5.9%

Source: Department of Legislative Services

Exhibit 3.1
Local Government Expenditures
Fiscal 2015

County	County (\$ in Millions)	Municipal (\$ in Millions)	Total (\$ in Millions)	Percent County	Percent Municipal
Allegany	\$257.9	\$60.8	\$318.7	80.9%	19.1%
Anne Arundel	2,423.7	95.8	2,519.5	96.2%	3.8%
Baltimore City	3,680.7	0.0	3,680.7	100.0%	0.0%
Baltimore	3,480.9	0.0	3,480.9	100.0%	0.0%
Calvert	416.1	11.5	427.6	97.3%	2.7%
Caroline	132.0	16.0	147.9	89.2%	10.8%
Carroll	668.9	54.5	723.4	92.5%	7.5%
Cecil	397.8	41.0	438.8	90.7%	9.3%
Charles	748.6	15.5	764.1	98.0%	2.0%
Dorchester	121.0	25.8	146.8	82.4%	17.6%
Frederick	1,022.5	162.6	1,185.1	86.3%	13.7%
Garrett	140.7	7.3	148.0	95.1%	4.9%
Harford	1,041.0	62.3	1,103.3	94.4%	5.6%
Howard	1,918.1	0.0	1,918.1	100.0%	0.0%
Kent	75.3	12.7	88.0	85.5%	14.5%
Montgomery	6,336.6	218.6	6,555.1	96.7%	3.3%
Prince George's	4,338.6	192.0	4,530.5	95.8%	4.2%
Queen Anne's	219.8	9.0	228.8	96.1%	3.9%
St. Mary's	439.4	4.1	443.4	99.1%	0.9%
Somerset	90.1	9.2	99.3	90.8%	9.2%
Talbot	129.2	78.8	208.0	62.1%	37.9%
Washington	542.7	112.5	655.2	82.8%	17.2%
Wicomico	380.2	64.0	444.2	85.6%	14.4%
Worcester	273.8	139.7	413.6	66.2%	33.8%
Statewide	\$29,275.6	\$1,393.6	\$30,669.2	95.5%	4.5%

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Exhibit 3.2
Local Government Expenditures by Category
Fiscal 2015

Category	Total Local Expenditures	Percent of Total	County Expenditures	Municipal Expenditures	Percent County	Percent Municipal
General Government	\$1,901,356,773	6.2%	\$1,724,990,404	\$176,366,369	90.7%	9.3%
Public Safety						
Police	1,879,005,612	6.1%	1,644,419,300	234,586,312	87.5%	12.5%
Fire	1,052,443,658	3.4%	999,871,477	52,572,181	95.0%	5.0%
Corrections	391,052,138	1.3%	391,052,138	-	100.0%	0.0%
Other	358,067,080	1.2%	316,586,019	41,481,061	88.4%	11.6%
Public Works						
Transportation	1,631,291,138	5.3%	1,440,512,023	190,779,115	88.3%	11.7%
Sewer/Solid Waste/Water	2,404,452,737	7.8%	2,083,982,784	320,469,953	86.7%	13.3%
Other	86,343,751	0.3%	117,333	86,226,418	0.1%	99.9%
Education						
Public Schools	13,977,826,024	45.6%	13,977,826,024	-	100.0%	0.0%
Community Colleges	1,369,846,994	4.5%	1,369,846,994	-	100.0%	0.0%
Libraries	329,280,632	1.1%	329,280,632	-	100.0%	0.0%
Health/Social Services	1,096,219,895	3.6%	1,096,219,895	-	100.0%	0.0%
Parks and Recreation	799,060,199	2.6%	688,080,655	110,979,544	86.1%	13.9%
Community/Economic Development	841,888,408	2.7%	794,628,423	47,259,985	94.4%	5.6%
Miscellaneous	1,004,336,305	3.3%	953,742,819	50,593,486	95.0%	5.0%
Debt Service	1,546,766,811	5.0%	1,464,445,430	82,321,381	94.7%	5.3%
Total	\$30,669,238,155	100.0%	\$29,275,602,350	\$1,393,635,805	95.5%	4.5%

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Exhibit 3.3
County Revenues by Source
Fiscal 2015

County	Property Taxes	Income Taxes	Other Taxes	Service Charges	Federal Grants	State Grants	Other
Allegany	16.3%	9.9%	1.4%	9.4%	12.1%	46.1%	4.7%
Anne Arundel	27.6%	18.6%	6.5%	14.9%	4.3%	22.9%	5.2%
Baltimore City	21.0%	8.1%	6.7%	14.5%	9.1%	36.3%	4.3%
Baltimore	26.8%	21.4%	5.0%	9.5%	8.0%	26.4%	2.9%
Calvert	34.3%	17.7%	2.1%	9.1%	4.3%	27.6%	4.8%
Caroline	18.7%	9.2%	2.0%	3.5%	8.0%	55.6%	3.1%
Carroll	30.7%	22.2%	2.9%	5.3%	5.1%	30.0%	3.8%
Cecil	27.3%	14.4%	1.8%	6.1%	7.5%	40.4%	2.6%
Charles	28.5%	14.7%	4.6%	11.3%	6.0%	29.7%	5.1%
Dorchester	24.0%	9.5%	2.2%	5.1%	9.7%	46.1%	3.3%
Frederick	26.4%	19.0%	2.8%	12.0%	4.8%	31.8%	3.1%
Garrett	35.8%	8.7%	5.1%	9.6%	8.6%	27.7%	4.5%
Harford	29.1%	19.6%	3.3%	6.8%	6.2%	29.6%	5.4%
Howard	31.7%	22.4%	6.4%	9.0%	3.8%	21.1%	5.7%
Kent	38.7%	16.8%	2.7%	3.9%	6.7%	29.0%	2.2%
Montgomery	26.6%	22.3%	9.4%	13.7%	6.1%	18.2%	3.7%
Prince George's	23.3%	12.6%	7.0%	13.4%	7.4%	31.5%	4.8%
Queen Anne's	30.7%	20.4%	3.6%	7.3%	5.0%	28.5%	4.5%
St. Mary's	24.1%	18.7%	3.6%	9.9%	7.5%	34.1%	2.2%
Somerset	16.7%	8.0%	0.6%	6.9%	14.4%	51.2%	2.3%
Talbot	26.9%	22.1%	8.3%	8.1%	8.6%	23.0%	3.0%
Washington	22.4%	13.9%	2.3%	7.5%	8.3%	42.6%	3.0%
Wicomico	17.6%	12.9%	1.4%	8.9%	9.3%	48.1%	1.7%
Worcester	48.9%	5.7%	10.5%	9.6%	7.2%	16.1%	2.0%
Statewide	26.0%	17.1%	6.2%	11.8%	6.8%	27.9%	4.1%

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Exhibit 3.4
Per Capita County Revenues by Source
Fiscal 2015

County	Property Taxes	Income Taxes	Other Taxes	Service Charges	Federal Grants	State Grants	Other	Debt Proceeds	Total
Allegany	\$585	\$355	\$49	\$338	\$433	\$1,653	\$170	\$133	\$3,716
Anne Arundel	1,178	793	277	638	183	976	223	442	4,710
Baltimore City	1,251	481	401	860	544	2,159	254	127	6,077
Baltimore	1,057	841	197	375	315	1,041	114	182	4,121
Calvert	1,526	787	95	403	191	1,228	215	0	4,446
Caroline	765	378	81	142	326	2,274	128	281	4,375
Carroll	1,151	831	110	201	190	1,124	144	125	3,875
Cecil	1,001	528	65	223	273	1,480	97	2	3,669
Charles	1,376	709	223	547	291	1,431	247	63	4,886
Dorchester	919	364	83	196	372	1,760	127	2	3,823
Frederick	1,115	802	118	508	203	1,343	130	140	4,358
Garrett	1,654	402	234	443	398	1,278	209	0	4,618
Harford	1,150	775	129	269	247	1,171	212	196	4,149
Howard	1,807	1,279	364	515	215	1,201	324	375	6,081
Kent	1,510	655	104	150	263	1,133	86	0	3,902
Montgomery	1,515	1,272	537	784	347	1,036	213	625	6,329
Prince George's	1,066	580	322	615	340	1,443	220	324	4,909
Queen Anne's	1,327	880	155	314	218	1,232	196	255	4,577
St. Mary's	947	734	143	388	296	1,340	85	19	3,953
Somerset	564	268	20	232	486	1,728	76	40	3,414
Talbot	925	760	285	279	296	792	101	180	3,618
Washington	793	493	82	267	294	1,510	107	85	3,633
Wicomico	616	453	50	310	326	1,685	61	116	3,617
Worcester	2,288	266	493	449	339	753	93	188	4,867
Statewide	\$1,221	\$803	\$293	\$555	\$318	\$1,309	\$193	\$288	\$4,979

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Exhibit 3.5
Per Capita County Rankings by Selected Revenue Sources
Fiscal 2015

Property Taxes		Income Taxes		State Grants		Total Revenues Excluding Debt Proceeds	
1. Worcester	\$2,288	1. Howard	\$1,279	1. Caroline	\$2,274	1. Baltimore City	\$5,950
2. Howard	1,807	2. Montgomery	1,272	2. Baltimore City	2,159	2. Howard	5,706
3. Garrett	1,654	3. Queen Anne's	880	3. Dorchester	1,760	3. Montgomery	5,704
4. Calvert	1,526	4. Baltimore	841	4. Somerset	1,728	4. Charles	4,823
5. Montgomery	1,515	5. Carroll	831	5. Wicomico	1,685	5. Worcester	4,680
6. Kent	1,510	6. Frederick	802	6. Allegany	1,653	6. Garrett	4,618
7. Charles	1,376	7. Anne Arundel	793	7. Washington	1,510	7. Prince George's	4,585
8. Queen Anne's	1,327	8. Calvert	787	8. Cecil	1,480	8. Calvert	4,446
9. Baltimore City	1,251	9. Harford	775	9. Prince George's	1,443	9. Queen Anne's	4,322
10. Anne Arundel	1,178	10. Talbot	760	10. Charles	1,431	10. Anne Arundel	4,268
11. Carroll	1,151	11. St. Mary's	734	11. Frederick	1,343	11. Frederick	4,218
12. Harford	1,150	12. Charles	709	12. St. Mary's	1,340	12. Caroline	4,094
13. Frederick	1,115	13. Kent	655	13. Garrett	1,278	13. Harford	3,953
14. Prince George's	1,066	14. Prince George's	580	14. Queen Anne's	1,232	14. Baltimore	3,939
15. Baltimore	1,057	15. Cecil	528	15. Calvert	1,228	15. St. Mary's	3,934
16. Cecil	1,001	16. Washington	493	16. Howard	1,201	16. Kent	3,902
17. St. Mary's	947	17. Baltimore City	481	17. Harford	1,171	17. Dorchester	3,821
18. Talbot	925	18. Wicomico	453	18. Kent	1,133	18. Carroll	3,751
19. Dorchester	919	19. Garrett	402	19. Carroll	1,124	19. Cecil	3,667
20. Washington	793	20. Caroline	378	20. Baltimore	1,041	20. Allegany	3,582
21. Caroline	765	21. Dorchester	364	21. Montgomery	1,036	21. Washington	3,547
22. Wicomico	616	22. Allegany	355	22. Anne Arundel	976	22. Wicomico	3,501
23. Allegany	585	23. Somerset	268	23. Talbot	792	23. Talbot	3,438
24. Somerset	564	24. Worcester	266	24. Worcester	753	24. Somerset	3,374
Statewide	\$1,221	Statewide	\$803	Statewide	\$1,309	Statewide	\$4,691

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Exhibit 3.6
County Expenditures by Category
Fiscal 2015

County	General Government	Public Safety	Public Works	Health/ Social Serv.	Education/ Libraries	Parks and Recreation	Debt Service	Other
Allegany	3.7%	7.0%	12.1%	5.9%	67.2%	0.2%	2.2%	1.7%
Anne Arundel	4.9%	12.3%	12.8%	3.1%	58.1%	1.2%	6.4%	1.2%
Baltimore City	8.7%	18.1%	17.6%	5.9%	40.0%	1.7%	3.1%	4.8%
Baltimore	4.2%	10.9%	12.6%	2.2%	55.2%	1.0%	5.1%	8.9%
Calvert	4.8%	7.9%	7.9%	2.6%	62.0%	2.9%	4.3%	7.6%
Caroline	3.2%	9.0%	3.7%	4.1%	71.6%	1.2%	2.7%	4.5%
Carroll	6.3%	8.1%	7.4%	3.6%	62.7%	0.9%	6.4%	4.6%
Cecil	3.4%	9.1%	8.4%	4.1%	68.3%	0.4%	4.4%	1.9%
Charles	4.8%	14.5%	7.9%	2.5%	59.3%	1.7%	6.0%	3.4%
Dorchester	3.7%	10.1%	6.3%	6.1%	62.9%	0.4%	2.8%	7.5%
Frederick	5.0%	10.9%	8.5%	2.7%	63.4%	0.8%	5.8%	2.8%
Garrett	4.5%	7.2%	19.9%	5.7%	55.1%	2.3%	1.0%	4.3%
Harford	5.9%	11.0%	11.2%	2.5%	59.0%	1.5%	5.8%	3.1%
Howard	8.4%	11.2%	10.5%	2.4%	55.8%	2.7%	6.1%	3.0%
Kent	7.8%	12.6%	10.9%	10.4%	48.5%	2.3%	6.1%	1.4%
Montgomery	6.0%	10.2%	12.6%	5.1%	49.8%	2.9%	5.9%	7.5%
Prince George's	5.6%	9.9%	11.1%	2.1%	51.6%	5.2%	4.4%	10.0%
Queen Anne's	5.4%	12.3%	9.8%	4.3%	58.1%	2.0%	5.5%	2.6%
St. Mary's	6.0%	10.0%	8.1%	3.2%	62.9%	3.0%	3.0%	3.7%
Somerset	7.3%	8.0%	11.3%	7.8%	56.1%	1.5%	3.4%	4.7%
Talbot	5.0%	15.2%	10.3%	6.7%	54.8%	2.7%	0.3%	5.0%
Washington	4.1%	7.8%	11.1%	2.6%	68.4%	0.8%	3.0%	2.2%
Wicomico	3.9%	7.5%	6.0%	6.7%	66.1%	2.7%	3.4%	3.8%
Worcester	5.0%	10.7%	8.4%	6.0%	53.9%	0.9%	5.3%	9.6%
Statewide	5.9%	11.4%	12.0%	3.7%	53.5%	2.4%	5.0%	6.0%

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Exhibit 3.7
Per Capita County Expenditures by Category
Fiscal 2015

County	General Government	Public Safety	Public Works	Health/ Social Serv.	Education/ Libraries	Parks and Recreation	Debt Service	Other	Total
Allegany	\$131	\$248	\$426	\$207	\$2,372	\$9	\$78	\$61	\$3,532
Anne Arundel	212	532	554	134	2,513	52	279	50	4,326
Baltimore City	514	1,070	1,041	349	2,360	100	182	285	5,901
Baltimore	177	458	528	94	2,320	42	214	372	4,205
Calvert	219	362	364	121	2,848	134	198	348	4,594
Caroline	131	367	150	166	2,905	47	109	183	4,057
Carroll	252	323	294	144	2,503	37	254	183	3,989
Cecil	132	356	327	158	2,659	17	170	76	3,895
Charles	233	700	380	120	2,868	80	292	165	4,840
Dorchester	139	377	235	229	2,341	16	105	278	3,720
Frederick	210	456	357	115	2,665	35	244	119	4,200
Garrett	212	341	945	270	2,614	107	49	206	4,745
Harford	244	459	467	105	2,456	64	241	129	4,165
Howard	523	696	654	150	3,465	165	376	185	6,213
Kent	295	480	416	397	1,843	89	231	52	3,803
Montgomery	367	626	776	314	3,064	177	364	461	6,149
Prince George's	270	476	533	103	2,479	248	213	480	4,803
Queen Anne's	243	554	444	194	2,623	92	247	115	4,512
St. Mary's	239	397	324	129	2,506	119	121	147	3,982
Somerset	255	281	399	273	1,974	53	118	164	3,517
Talbot	172	521	355	231	1,884	93	12	171	3,440
Washington	149	283	402	95	2,486	30	108	79	3,632
Wicomico	144	280	223	250	2,469	101	125	143	3,736
Worcester	268	570	448	321	2,861	50	283	509	5,311
Statewide	\$289	\$561	\$590	\$183	\$2,624	\$115	\$245	\$293	\$4,899

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Exhibit 3.8
Per Capita County Rankings by Expenditure Categories
Fiscal 2015

Education/Libraries		Public Works		Public Safety		Total Expenditures	
1. Howard	\$3,465	1. Baltimore City	\$1,041	1. Baltimore City	\$1,070	1. Howard	\$6,213
2. Montgomery	3,064	2. Garrett	945	2. Charles	700	2. Montgomery	6,149
3. Caroline	2,905	3. Montgomery	776	3. Howard	696	3. Baltimore City	5,901
4. Charles	2,868	4. Howard	654	4. Montgomery	626	4. Worcester	5,311
5. Worcester	2,861	5. Anne Arundel	554	5. Worcester	570	5. Charles	4,840
6. Calvert	2,848	6. Prince George's	533	6. Queen Anne's	554	6. Prince George's	4,803
7. Frederick	2,665	7. Baltimore	528	7. Anne Arundel	532	7. Garrett	4,745
8. Cecil	2,659	8. Harford	467	8. Talbot	521	8. Calvert	4,594
9. Queen Anne's	2,623	9. Worcester	448	9. Kent	480	9. Queen Anne's	4,512
10. Garrett	2,614	10. Queen Anne's	444	10. Prince George's	476	10. Anne Arundel	4,326
11. Anne Arundel	2,513	11. Allegany	426	11. Harford	459	11. Baltimore	4,205
12. St. Mary's	2,506	12. Kent	416	12. Baltimore	458	12. Frederick	4,200
13. Carroll	2,503	13. Washington	402	13. Frederick	456	13. Harford	4,165
14. Washington	2,486	14. Somerset	399	14. St. Mary's	397	14. Caroline	4,057
15. Prince George's	2,479	15. Charles	380	15. Dorchester	377	15. Carroll	3,989
16. Wicomico	2,469	16. Calvert	364	16. Caroline	367	16. St. Mary's	3,982
17. Harford	2,456	17. Frederick	357	17. Calvert	362	17. Cecil	3,895
18. Allegany	2,372	18. Talbot	355	18. Cecil	356	18. Kent	3,803
19. Baltimore City	2,360	19. Cecil	327	19. Garrett	341	19. Wicomico	3,736
20. Dorchester	2,341	20. St. Mary's	324	20. Carroll	323	20. Dorchester	3,720
21. Baltimore	2,320	21. Carroll	294	21. Washington	283	21. Washington	3,632
22. Somerset	1,974	22. Dorchester	235	22. Somerset	281	22. Allegany	3,532
23. Talbot	1,884	23. Wicomico	223	23. Wicomico	280	23. Somerset	3,517
24. Kent	1,843	24. Caroline	150	24. Allegany	248	24. Talbot	3,440
Statewide	\$2,624	Statewide	\$590	Statewide	\$561	Statewide	\$4,899

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Exhibit 3.9
Municipal Revenues by Source
Fiscal 2015

County	Property Taxes	Income Taxes	Other Taxes	Service Charges	Federal Grants	State Grants	County Grants	Other
Allegany	24.0%	4.6%	0.3%	48.6%	7.0%	9.2%	1.4%	5.0%
Anne Arundel	43.2%	5.9%	1.5%	35.0%	2.1%	4.9%	2.1%	5.2%
Calvert	30.9%	6.5%	11.7%	29.8%	1.1%	16.3%	0.7%	2.8%
Caroline	40.2%	4.1%	1.2%	33.4%	2.2%	13.2%	0.2%	5.6%
Carroll	29.3%	9.9%	0.5%	33.3%	4.0%	8.3%	5.2%	9.4%
Cecil	30.5%	6.1%	0.1%	41.8%	1.6%	9.3%	5.3%	5.3%
Charles	30.9%	11.0%	2.5%	46.9%	0.1%	3.6%	0.1%	4.9%
Dorchester	34.2%	2.7%	0.4%	40.3%	0.3%	15.5%	3.1%	3.5%
Frederick	35.9%	6.8%	0.4%	31.0%	5.7%	6.6%	2.7%	10.9%
Garrett	27.7%	5.8%	1.5%	35.5%	0.7%	18.4%	5.6%	4.9%
Harford	41.5%	7.3%	0.4%	33.4%	0.3%	4.9%	6.4%	5.7%
Kent	28.6%	8.6%	0.8%	32.8%	0.0%	13.6%	5.8%	9.7%
Montgomery	35.3%	17.5%	3.7%	19.2%	0.5%	3.8%	6.0%	13.9%
Prince George's	55.0%	11.8%	0.9%	7.6%	1.2%	5.4%	2.6%	15.5%
Queen Anne's	22.3%	5.5%	0.0%	25.2%	28.1%	12.5%	1.0%	5.5%
St. Mary's	10.0%	8.5%	0.1%	34.5%	0.0%	22.1%	1.2%	23.6%
Somerset	46.4%	2.7%	0.8%	24.7%	7.0%	13.1%	2.4%	2.9%
Talbot	16.4%	2.0%	0.2%	72.8%	0.5%	1.4%	1.2%	5.5%
Washington	25.1%	3.2%	2.7%	53.6%	1.3%	3.2%	0.6%	10.3%
Wicomico	41.1%	3.6%	1.4%	34.1%	1.7%	8.9%	1.4%	7.9%
Worcester	35.0%	1.1%	1.2%	37.2%	1.6%	3.5%	15.4%	5.1%
Statewide	36.1%	7.8%	1.5%	32.8%	2.3%	5.8%	4.4%	9.4%

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Services

Exhibit 3.10
Municipal Expenditures by Category
Fiscal 2015

County	General Government	Public Safety	Public Works	Parks and Recreation	Community Develop.	Economic Develop.	Debt Service	Other
Allegany	7.4%	22.8%	53.1%	2.1%	6.2%	0.6%	6.2%	1.7%
Anne Arundel	8.6%	39.7%	37.9%	5.4%	0.5%	0.3%	7.5%	0.2%
Calvert	12.4%	11.9%	39.5%	21.9%	0.0%	1.6%	10.0%	2.7%
Caroline	11.9%	21.9%	48.2%	1.7%	7.5%	0.0%	6.8%	1.9%
Carroll	13.2%	15.7%	49.6%	5.0%	5.1%	0.3%	3.3%	7.7%
Cecil	10.3%	22.6%	59.8%	2.7%	0.0%	0.1%	3.5%	1.0%
Charles	12.1%	12.8%	61.0%	5.3%	0.0%	0.0%	2.9%	6.0%
Dorchester	10.3%	21.7%	42.6%	0.9%	0.6%	9.0%	5.3%	9.7%
Frederick	9.6%	20.9%	44.3%	11.0%	0.4%	3.3%	9.6%	0.9%
Garrett	15.8%	4.4%	62.6%	8.2%	0.0%	2.5%	5.0%	1.6%
Harford	14.3%	21.7%	47.0%	2.8%	0.1%	1.0%	4.0%	9.1%
Kent	9.3%	15.7%	55.8%	7.1%	0.2%	0.9%	2.5%	8.6%
Montgomery	23.2%	17.6%	29.0%	15.6%	1.7%	0.3%	7.7%	4.9%
Prince George's	19.6%	30.2%	26.1%	11.2%	1.4%	0.9%	3.5%	7.1%
Queen Anne's	8.6%	10.8%	64.2%	1.1%	0.0%	0.2%	9.2%	5.8%
St. Mary's	11.2%	1.7%	64.0%	5.4%	13.1%	1.4%	3.2%	0.1%
Somerset	7.9%	27.0%	32.3%	2.6%	2.1%	4.4%	17.8%	5.9%
Talbot	3.9%	11.3%	79.4%	1.0%	0.1%	0.4%	2.0%	1.9%
Washington	10.0%	21.7%	55.3%	3.9%	0.9%	2.5%	3.0%	2.6%
Wicomico	7.0%	37.2%	38.6%	3.5%	1.0%	0.0%	10.2%	2.4%
Worcester	5.9%	28.3%	41.0%	8.7%	0.1%	9.8%	5.5%	0.8%
Statewide	12.7%	23.6%	42.9%	8.0%	1.3%	2.1%	5.9%	3.6%

Source: *Local Government Finances Fiscal 2015*, Department of Legislative Service

Chapter 4. Tax Rates for Local Governments

County Taxes

More jurisdictions chose to decrease local tax rates in fiscal 2018 than chose to increase them. As shown in **Table 4.1**, eight counties changed their local property tax rates, with six counties decreasing their rates and two counties increasing them. The rate increase in Talbot County exceeded the county's charter limit. In addition, Cecil County increased both its income tax rate and its hotel rental tax rate. No county altered its recordation, transfer, or admissions and amusement tax rate.

Table 4.1
Number of Counties Changing Tax Rates
Fiscal 2014-2018

	FY 2014		FY 2015		FY 2016		FY 2017		FY 2018	
	▲	▼	▲	▼	▲	▼	▲	▼	▲	▼
Real Property	7	2	3	4	5	4	4	2	2	6
Local Income	2	1	0	1	1	1	2	0	1	0
Recordation	0	0	0	0	0	0	1	0	0	0
Transfer	0	0	0	0	2	0	0	0	0	0
A&A	0	0	0	0	1	0	0	0	0	0
Hotel Rental	0	0	1	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

Property Tax Rates

For fiscal 2018, six counties – Allegany, Anne Arundel, Dorchester, Montgomery, St. Mary's, and Wicomico – decreased their real property tax rates. Cecil and Talbot counties increased their real property tax rates. Real property tax rates range from \$0.571 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 2013, property tax rates are currently higher in 10 jurisdictions and lower in 6 jurisdictions. Property tax rates in 8 counties have remained the same during this period. **Table 4.2** lists the counties referenced in this paragraph.

Exhibit 4.1 shows the real property tax rates for each county since fiscal 2010. 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 2018.

Table 4.2
Property Tax Actions Over Last Five Years

Lower Tax Rate: Allegany, Anne Arundel, Baltimore City, Dorchester, Frederick, St. Mary's

Decreased One Time: Baltimore City, Dorchester, Frederick

Decreased Multiple Times: Allegany, St. Mary's

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

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

Increased One Time: Calvert, Charles, Prince George's, Worcester

Increased Multiple Times: Caroline, Cecil, Somerset, Talbot

Fluctuated: Anne Arundel, Montgomery, Wicomico

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 2018, 16 jurisdictions (Baltimore City, and Anne Arundel, Baltimore, Calvert, Carroll, Cecil, Charles, Frederick, Harford, Howard, Montgomery, Prince George's, Queen Anne's, Talbot, Washington, and Worcester counties) 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 \$98.6 million in fiscal 2018. In the 6 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 \$0.8 million. The property tax rates in Dorchester and St. Mary's counties were 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 2018. **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%. Cecil County was the only jurisdiction to change its local income tax rate for calendar 2018, increasing the rate from 2.8% to 3.0%. 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 2010 through 2018.

Recordation Tax Rates

No county altered its recordation tax rate for fiscal 2018. 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 2017 and 2018.

Transfer Tax Rates

No county altered its transfer tax rate for fiscal 2018. 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 2018. 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, Cecil, increased its hotel rental tax rate in fiscal 2018, from 3.0% to 6.0%. No other county altered its hotel rental tax rate. Hotel rental tax rates range from 4% in Talbot 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 regular session 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. In fiscal 2018, Talbot County exceeded its charter limit again by approving a 1.59 cent supplemental property tax rate for the board of education.

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 \$1.154 in Colmar Manor (Prince George's County). Only Chevy Chase, Section 5 (Montgomery County) did not impose a local property tax in fiscal 2018. 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 2017, 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 2017, municipal tax differentials and rebates totaled approximately \$107.1 million, a 4.3% increase compared to the prior year. **Exhibit 4.8** shows the amount of tax set-offs provided in fiscal 2017 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 \$2.0209 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 2018.

Table 4.3
Municipalities with the Highest Combined Local
Property Tax Rates in Maryland
Fiscal 2018

<u>Municipality</u>	<u>County</u>	<u>Combined Tax Rate</u>
Colmar Manor	Prince George's	\$2.4353
Baltimore City		2.2480
Mt. Rainier	Prince George's	2.0780
Morningside	Prince George's	2.0540
Princess Anne	Somerset	2.0209
Bladensburg	Prince George's	1.9960
New Carrollton	Prince George's	1.9272
Cottage City	Prince George's	1.9260
Salisbury	Wicomico	1.9230
Luke	Allegany	1.9155
District Heights	Prince George's	1.9071

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 \$134.5 million and \$166.1 million, in fiscal 2017 and 2018, 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.

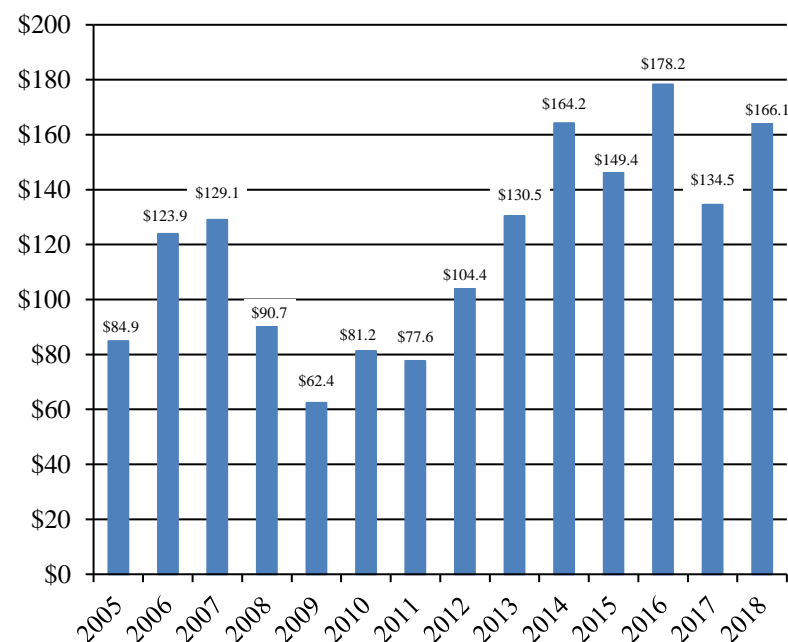
A development impact fee is a regulatory measure designed to fund facilities specifically required by new development projects in order to mitigate the impact of such development on infrastructure or public facilities. However, there must be a reasonable connection between the amount of the impact fee 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 2016 through 2018. **Exhibit 4.10** shows the revenue collections for fiscal 2016 through 2018.

Table 4.4
Development Impact Fees and Excise Taxes
Maryland Counties
Fiscal 2005-2018
(\$ in Millions)



Source: Department of Legislative Services; Maryland Association of Counties

Exhibit 4.1
County Real Property Tax Rates in Fiscal 2010-2018
(per \$100 of assessed value)

County	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Allegany	\$0.983	\$0.983	\$0.982	\$0.981	\$0.980	\$0.979	\$0.978	\$0.977	\$0.976
Anne Arundel	0.876	0.880	0.910	0.941	0.950	0.943	0.923	0.915	0.907
Baltimore City	2.268	2.268	2.268	2.268	2.248	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	0.952	0.952
Caroline	0.870	0.870	0.870	0.890	0.940	0.960	0.980	0.980	0.980
Carroll	1.048	1.048	1.028	1.018	1.018	1.018	1.018	1.018	1.018
Cecil	0.940	0.915	0.940	0.991	0.991	0.991	0.991	0.991	1.041
Charles	1.026	1.026	1.067	1.121	1.205	1.205	1.205	1.205	1.205
Dorchester	0.896	0.896	0.976	0.976	0.976	0.976	0.976	0.976	0.974
Frederick	1.064	1.064	1.064	1.064	1.064	1.060	1.060	1.060	1.060
Garrett	0.990	0.990	0.990	0.990	0.990	0.990	0.990	0.990	0.990
Harford	1.064	1.042	1.042	1.042	1.042	1.042	1.042	1.042	1.042
Howard	1.150	1.150	1.150	1.190	1.190	1.190	1.190	1.190	1.190
Kent	0.972	1.022	1.022	1.022	1.022	1.022	1.022	1.022	1.022
Montgomery	0.916	0.915	0.959	1.003	1.021	1.008	0.999	1.038	1.013
Prince George's	1.319	1.319	1.319	1.319	1.319	1.319	1.374	1.374	1.374
Queen Anne's	0.770	0.767	0.847	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	0.852	0.852	0.848
Somerset	0.900	0.884	0.884	0.884	0.915	0.915	1.000	1.000	1.000
Talbot	0.432	0.432	0.448	0.491	0.512	0.527	0.536	0.547	0.571
Washington	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948	0.948
Wicomico	0.759	0.759	0.769	0.840	0.909	0.952	0.952	0.952	0.940
Worcester	0.700	0.700	0.700	0.770	0.770	0.770	0.835	0.835	0.835

Note: The rates 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 2018

County	Actual FY 2017	Actual FY 2018	Difference	Constant Yield Rate	Difference	Amount in Excess of Constant Yield Ranking by Highest to Lowest	
Allegany	\$0.977	\$0.976	-\$0.001	\$0.981	-\$0.005	1.	Cecil \$0.059
Anne Arundel	0.915	0.907	-0.008	0.895	0.012	2.	Prince George's 0.030
Baltimore City	2.248	2.248	0.000	2.231	0.017	3.	Talbot 0.028
Baltimore	1.100	1.100	0.000	1.078	0.023	4.	Charles 0.028
Calvert	0.952	0.952	0.000	0.945	0.007	5.	Howard 0.027
Caroline	0.980	0.980	0.000	0.983	-0.003	6.	Frederick 0.024
Carroll	1.018	1.018	0.000	1.003	0.015	7.	Baltimore 0.023
Cecil	0.991	1.041	0.050	0.983	0.059	8.	Baltimore City 0.017
Charles*	1.205	1.205	0.000	1.177	0.028	9.	Carroll 0.015
Dorchester	0.976	0.974	-0.002	0.974	0.000	10.	Harford 0.013
Frederick	1.060	1.060	0.000	1.036	0.024	11.	Worcester 0.013
Garrett	0.990	0.990	0.000	0.994	-0.004	12.	Anne Arundel 0.012
Harford	1.042	1.042	0.000	1.029	0.013	13.	Queen Anne's 0.008
Howard*	1.190	1.190	0.000	1.163	0.027	14.	Calvert 0.007
Kent	1.022	1.022	0.000	1.025	-0.003	15.	Washington 0.004
Montgomery*	1.038	1.013	-0.025	1.012	0.001	16.	Montgomery 0.001
Prince George's*	1.374	1.374	0.000	1.344	0.030	17.	Dorchester 0.000
Queen Anne's	0.847	0.847	0.000	0.839	0.008	18.	St. Mary's 0.000
St. Mary's	0.852	0.848	-0.004	0.848	0.000	19.	Wicomico -0.001
Somerset	1.000	1.000	0.000	1.015	-0.015	20.	Kent -0.003
Talbot	0.547	0.571	0.024	0.542	0.028	21.	Caroline -0.003
Washington	0.948	0.948	0.000	0.944	0.004	22.	Garrett -0.004
Wicomico	0.952	0.940	-0.012	0.941	-0.001	23.	Allegany -0.005
Worcester	0.835	0.835	0.000	0.822	0.013	24.	Somerset -0.015

*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 2018

County	Assessable Base	Actual Rate	Constant Yield Rate	Difference	Estimated Revenue Yield	Per Capita Yield
Allegany	\$3,519,873,569	\$0.976	\$0.981	-\$0.005	\$0	\$0.00
Anne Arundel	68,526,851,249	0.907	0.895	0.012	8,429,000	14.83
Baltimore City	35,347,762,338	2.248	2.231	0.017	5,974,000	9.72
Baltimore	78,994,732,999	1.100	1.078	0.023	17,774,000	21.39
Calvert	11,570,164,332	0.952	0.945	0.007	775,000	8.49
Caroline	2,456,948,735	0.980	0.983	-0.003	0	0.00
Carroll	18,714,503,204	1.018	1.003	0.015	2,882,000	17.19
Cecil	9,417,958,079	1.041	0.983	0.059	5,519,000	53.79
Charles*	16,650,313,796	1.205	1.177	0.028	4,662,000	29.56
Dorchester	2,733,477,366	0.974	0.974	0.000	0	0.00
Frederick	28,248,723,546	1.060	1.036	0.024	6,808,000	27.50
Garrett	4,259,121,738	0.990	0.994	-0.004	0	0.00
Harford	26,666,673,764	1.042	1.029	0.013	3,467,000	13.81
Howard*	48,222,498,544	1.190	1.163	0.027	13,034,000	41.09
Kent	2,844,609,060	1.022	1.025	-0.003	0	0.00
Montgomery*	183,072,300,417	1.013	1.012	0.001	1,000,000	0.96
Prince George's*	76,538,965,533	1.374	1.344	0.030	23,138,000	25.48
Queen Anne's	8,344,247,270	0.847	0.839	0.008	693,000	14.16
St. Mary's	11,988,628,664	0.848	0.848	0.000	0	0.00
Somerset	1,334,869,841	1.000	1.015	-0.015	0	0.00
Talbot	7,169,309,062	0.571	0.542	0.028	2,036,000	54.62
Washington	11,981,641,800	0.948	0.944	0.004	455,000	3.03
Wicomico	5,818,088,111	0.940	0.941	-0.001	0	0.00
Worcester	14,889,919,428	0.835	0.822	0.013	1,936,000	37.63
Total	\$679,312,182,445				\$98,582,000	\$16.39

*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 2018

County	Assessable Base	Actual Rate	Constant Yield Rate	Difference	Estimated Revenue Loss	Per Capita Loss
Allegany	\$3,519,873,569	\$0.976	\$0.981	-\$0.005	-\$172,000	-\$2.38
Anne Arundel	68,526,851,249	0.907	0.895	0.012	0	0.00
Baltimore City	35,347,762,338	2.248	2.231	0.017	0	0.00
Baltimore	78,994,732,999	1.100	1.078	0.023	0	0.00
Calvert	11,570,164,332	0.952	0.945	0.007	0	0.00
Caroline	2,456,948,735	0.980	0.983	-0.003	-66,000	-2.01
Carroll	18,714,503,204	1.018	1.003	0.015	0	0.00
Cecil	9,417,958,079	1.041	0.983	0.059	0	0.00
Charles*	16,650,313,796	1.205	1.177	0.028	0	0.00
Dorchester	2,733,477,366	0.974	0.974	0.000	0	0.00
Frederick	28,248,723,546	1.060	1.036	0.024	0	0.00
Garrett	4,259,121,738	0.990	0.994	-0.004	-175,000	-5.95
Harford	26,666,673,764	1.042	1.029	0.013	0	0.00
Howard*	48,222,498,544	1.190	1.163	0.027	0	0.00
Kent	2,844,609,060	1.022	1.025	-0.003	-77,000	-3.90
Montgomery*	183,072,300,417	1.013	1.012	0.001	0	0.00
Prince George's*	76,538,965,533	1.374	1.344	0.030	0	0.00
Queen Anne's	8,344,247,270	0.847	0.839	0.008	0	0.00
St. Mary's	11,988,628,664	0.848	0.848	0.000	0	0.00
Somerset	1,334,869,841	1.000	1.015	-0.015	-195,000	-7.52
Talbot	7,169,309,062	0.571	0.542	0.028	0	0.00
Washington	11,981,641,800	0.948	0.944	0.004	0	0.00
Wicomico	5,818,088,111	0.940	0.941	-0.001	-81,000	-0.79
Worcester	14,889,919,428	0.835	0.822	0.013	0	0.00
Total	\$679,312,182,445				-\$766,000	-\$0.13

*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 2010-2018

County	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018
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%	2.49%	2.56%	2.56%	2.56%	2.50%	2.50%	2.50%
Baltimore City	3.05%	3.20%	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%	3.00%	3.00%
Caroline	2.63%	2.63%	2.63%	2.63%	2.73%	2.73%	2.73%	2.73%	2.73%
Carroll	3.05%	3.05%	3.05%	3.05%	3.04%	3.03%	3.03%	3.03%	3.03%
Cecil	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	3.00%
Charles	2.90%	2.90%	2.90%	2.90%	3.03%	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%	3.20%	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%	3.20%	3.20%
Talbot	2.25%	2.25%	2.25%	2.40%	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%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%
Worcester	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.75%	1.75%	1.75%

Source: Office of the Comptroller

Exhibit 4.6
Other Local Tax Rates in Fiscal 2017 and 2018

County	Recordation		Transfer		Admissions & Amusement		Hotel Rental	
	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018
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%	6.0%
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%	5.0%	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	4.45	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: 2017 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 2018
20 Largest Municipalities – Ranked by Total Tax Rate

Rank	Municipality	County	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
1.	New Carrollton	Prince George's	12,868	\$0.8880	\$0.6652	\$0.3740	\$1.9272
2.	Salisbury	Wicomico	33,114	0.9398	0.9832	-	1.9230
3.	Cumberland	Allegany	19,978	0.8324	1.0595	-	1.8919
4.	Greenbelt	Prince George's	23,909	0.8540	0.8125	0.2146	1.8811
5.	Hyattsville	Prince George's	18,449	0.8610	0.6300	0.3740	1.8650
6.	Cambridge	Dorchester	12,468	0.9267	0.8179	-	1.7446
7.	Hagerstown	Washington	40,452	0.8230	0.9130	-	1.7360
8.	Laurel	Prince George's	25,853	0.8240	0.7100	0.1580	1.6920
9.	College Park	Prince George's	32,275	0.9680	0.3350	0.3740	1.6770
10.	Elkton	Cecil	15,744	1.0414	0.6356	-	1.6770
11.	Frederick	Frederick	70,060	0.9399	0.7305	-	1.6704
12.	Bowie	Prince George's	58,393	0.8600	0.4000	0.3200	1.5800
13.	Westminster	Carroll	18,671	1.0180	0.5600	-	1.5780
14.	Takoma Park	Montgomery	17,765	0.7484	0.5348	0.2645	1.5477
15.	Aberdeen	Harford	15,612	0.8937	0.6502	-	1.5439
16.	Rockville	Montgomery	66,940	0.7484	0.6220	0.1679	1.5383
17.	Havre de Grace	Harford	13,527	0.8937	0.5650	-	1.4587
18.	Annapolis	Anne Arundel	39,418	0.5440	0.6449	-	1.1889
19.	Gaithersburg	Montgomery	67,776	0.7484	0.2620	0.1679	1.1783
20.	Easton	Talbot	16,550	0.4378	0.5200	-	0.9578
	Baltimore City		614,664	2.2480			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 2017

County	Tax Differential	Tax Rebate	Total
Allegany	\$2,091,733	\$0	\$2,091,733
Anne Arundel	25,267,074	0	25,267,074
Baltimore City	N/A	N/A	N/A
Baltimore	N/A	N/A	N/A
Calvert	3,389,413	0	3,389,413
Caroline	507,368	0	507,368
Carroll	0	2,149,647	2,149,647
Cecil	0	732,155	732,155
Charles	1,688,360	0	1,688,360
Dorchester	418,426	6,050	424,476
Frederick	9,066,995	4,232,919	13,299,914
Garrett	74,823	297,000	371,823
Harford	7,096,207	3,368,380	10,464,587
Howard	N/A	N/A	N/A
Kent	0	0	0
Montgomery	0	8,168,433	8,168,433
Prince George's	28,687,887	623,470	29,311,357
Queen Anne's	527,414	148,439	675,853
St. Mary's	0	43,943	43,943
Somerset	0	360,000	360,000
Talbot	3,908,381	0	3,908,381
Washington	4,268,337	0	4,268,337
Wicomico	0	0	0
Worcester	0	0	0
Total	\$86,992,415	\$20,130,436	\$107,122,851

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 2016-2018

<u>County</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Anne Arundel ²	\$12,275	\$12,473	\$12,963
Calvert	12,950	12,950	12,950
Caroline ³	5,000	5,000	5,000
Carroll	533	533	533
Charles	14,095	16,206	15,229
Dorchester ⁴	0	0	0
Frederick ⁵	14,208	14,881	15,515
Harford	6,000	6,000	6,000
Howard ⁶	\$2.40/sq. ft.	\$2.43/sq. ft.	\$2.44/sq. ft.
Montgomery ⁷	40,793	40,793	45,159
Prince George's ⁸	22,757	23,007	23,513
Queen Anne's	\$4.84/sq. ft.	\$4.96/sq. ft.	\$5.29/sq. ft.
St. Mary's	4,500	4,500	5,500
Talbot ⁹	6,967	7,176	7,427
Washington	\$1.00/sq. ft.	\$1.00/sq. ft.	\$1.00/sq. ft.
Wicomico ¹⁰	0	0	0

Source: Department of Legislative Services

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 sq. ft. 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 sq. ft. not taxed, was reduced to \$0.00 effective in November 2011.

⁶ Fiscal 2016, 2017, and 2018 amounts represent the total of the roads tax amount (\$1.15/sq. ft., \$1.17/sq. ft., and \$1.18/sq. ft., respectively) and the school surcharge amount (\$1.25/sq. ft., \$1.26/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 2018 amount represents \$23,062 for schools and \$22,097 for transportation in the "yellow" and "green" zones in the county. (The transportation rate is \$17,677 in the "orange" zone and \$7,072 in the "red" zone.)

⁸ Fiscal 2018 amount represents \$15,972 for school facilities and \$7,541 for public safety. A lower school facilities rate (\$9,317 in fiscal 2018) applies inside the beltway and to certain development near mass transit and a lower public safety rate (\$2,515 in fiscal 2018) 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 (\$6,416 in fiscal 2018) 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.

Exhibit 4.10
County Development Impact Fee and Excise Tax Revenues

County	FY 2016	FY 2017	FY 2018	FY 2016-2017		FY 2017-2018	
				Difference	% Difference	Difference	% Difference
Anne Arundel	\$33,651,126	\$14,850,000	\$16,300,000	-\$18,801,126	-55.9%	\$1,450,000	9.8%
Calvert	2,569,153	2,682,011	3,333,586	112,858	4.4%	651,575	24.3%
Caroline	146,958	140,458	75,000	-6,500	-4.4%	-65,458	-46.6%
Carroll	140,765	160,671	80,466	19,906	14.1%	-80,205	-49.9%
Charles	11,233,531	9,268,006	9,427,178	-1,965,525	-17.5%	159,172	1.7%
Dorchester ¹	0	0	0	0	0.0%	0	0.0%
Frederick	14,312,888	11,395,086	13,393,656	-2,917,802	-20.4%	1,998,570	17.5%
Harford	2,444,400	2,500,000	2,500,000	55,600	2.3%	0	0.0%
Howard	15,736,868	14,988,001	15,251,380	-748,867	-4.8%	263,379	1.8%
Montgomery	54,474,000	41,569,000	65,800,000	-12,905,000	-23.7%	24,231,000	58.3%
Prince George's	38,690,956	32,264,200	35,760,700	-6,426,756	-16.6%	3,496,500	10.8%
Queen Anne's	1,619,147	1,770,000	1,770,000	150,853	9.3%	0	0.0%
St. Mary's	1,610,325	1,470,000	1,470,000	-140,325	-8.7%	0	0.0%
Talbot	449,689	850,559	318,000	400,870	89.1%	-532,559	-62.6%
Washington	1,160,485	600,000	600,000	-560,485	-48.3%	0	0.0%
Wicomico ²	0	0	0	0	0.0%	0	0.0%
Total	\$178,240,291	\$134,507,992	\$166,079,966	-\$43,732,299	-24.5%	\$31,571,974	23.5%

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 2015.

County assessable base will increase by 3.5% in fiscal 2018 and is projected to increase by 2.7% in fiscal 2019. Net taxable income increased by 1.4% in tax year 2016 after increasing by 3.9% in tax year 2015. **Table 5.1** compares the relative growth in county assessable base and net taxable income.

County governments collected \$891.6 million in local recordation and transfer taxes in fiscal 2016; collections are estimated at \$903.9 million and \$909.3 million in fiscal 2017 and 2018, respectively. These amounts remain 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 2014.

Table 5.1
Comparison of Local Revenue Measures
Annual Percent Growth

<u>County Assessable Base</u>		<u>Net Taxable Income</u>	
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	1.4%
FY 2018	3.5%	TY 2017	N/A
FY 2019	2.7%	TY 2018	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 2014	\$348.7	\$350.7	\$699.4
FY 2015	376.9	388.1	765.0
FY 2016	428.6	463.0	891.6
FY 2017	442.4	461.5	903.9
FY 2018	455.6	453.7	909.3

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 26.0% of total revenues, excluding debt proceeds, and the largest revenue source for municipal governments, accounting for 36.1% of total revenues, excluding debt proceeds. In fiscal 2018, county governments are projected to collect \$8.2 billion in property taxes. The property tax is a relatively stable and predictable revenue source for local governments.

County assessable base in fiscal 2018 totaled \$743.8 billion or \$123,630 per State resident. Per capita assessable base ranges from \$54,042 in Allegany County to \$302,186 in Worcester County. Statewide, real property accounts for 96.7% of the assessable base and personal property accounts for 3.3%. **Exhibit 5.1** shows the per capita assessable base and assessable base growth for each jurisdiction for fiscal 2018.

Exhibit 5.2 shows the real, personal, and total county assessable base for each county for fiscal 2018. **Exhibit 5.3** shows the percentage change in total county assessable base (real and personal property) since fiscal 2010. **Exhibit 5.4** shows total county assessable base (real and personal property) since fiscal 2012.

Assessable Base Growth

County assessable base increased by 3.5% in fiscal 2018. Real property increased by 3.5% statewide, and personal property increased by 5.9%. 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 2019.

Table 5.3
County Assessable Base Growth Forecast

<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
2.9%	3.9%	3.5%	2.7%

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 five years, due to improvements in the national economy, property assessments have increased. Properties reassessed for 2014, 2015, 2016, 2017, and 2018 realized net increases in value of 4.7%, 10.8%, 10.9%, 8.2%,

and 7.7% 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 2017 for each jurisdiction. Property reassessments that occurred during calendar 2017 will affect the county's assessable base starting in fiscal 2019. **Exhibit 5.6** shows the full cash value assessment changes from January 2010 through January 2018.

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 2018 generates approximately \$721,400 in revenues, whereas it generates only \$135,300 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 2015 through 2019 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 2017, 2018, and 2019. **Table 5.4** lists county assessment caps for fiscal 2017 through 2019.

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 2017	FY 2018	FY 2019
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	4%	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	0%	1%	2%
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.

Net Taxable Income

Income tax revenue is the third largest revenue source for county governments, accounting for 17.1% of total revenue in fiscal 2015, excluding debt proceeds. The reliance on income tax revenue ranges from 5.7% of total revenues in Worcester County to 22.4% 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 \$163.2 billion in tax year 2016, ranging from \$228.2 million in Somerset County to \$43.1 billion in Montgomery County. Statewide, net taxable income increased by 1.4% in tax year 2016, with Queen Anne's County experiencing the greatest increase at 6.6%.

Montgomery County has the highest per capita net taxable income at \$41,270 followed by Howard County at \$39,221 and

Anne Arundel County at \$32,037. Somerset County has the lowest per capita net taxable income at \$8,802. **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 2010, while **Exhibit 5.12** shows the net taxable income by county for the last seven years.

Exhibit 5.1
County Assessable Base Measures for Fiscal 2018

County	Population July 1, 2016	Assessable Base (\$ in Thousands)	Per Capita Assessable Base	Assessable Base Growth		County	Per Capita Assessable Base		County	Assessable Base Growth
Allegany	72,130	\$3,898,049	\$54,042	0.4%	1.	Worcester	\$302,186	1.	Prince George's	6.8%
Anne Arundel	568,346	86,772,292	152,675	3.7%	2.	Talbot	225,630	2.	Howard	4.2%
Baltimore City	614,664	41,209,840	67,044	1.9%	3.	Montgomery	181,566	3.	Frederick	4.2%
Baltimore	831,026	84,683,073	101,902	3.4%	4.	Queen Anne's	163,722	4.	Anne Arundel	3.7%
Calvert	91,251	12,773,365	139,981	1.8%	5.	Howard	162,036	5.	Montgomery	3.6%
Caroline	32,850	2,608,678	79,412	0.4%	6.	Garrett	155,830	6.	Baltimore	3.4%
Carroll	167,656	19,514,216	116,394	2.4%	7.	Anne Arundel	152,675	7.	Harford	2.6%
Cecil	102,603	9,992,274	97,388	2.2%	8.	Kent	149,545	8.	Worcester	2.5%
Charles	157,705	17,532,024	111,170	2.1%	9.	Calvert	139,981	9.	Carroll	2.4%
Dorchester	32,258	2,879,772	89,273	0.0%	10.	Frederick	118,826	10.	Wicomico	2.3%
Frederick	247,591	29,420,275	118,826	4.2%	11.	Carroll	116,394	11.	Queen Anne's	2.2%
Garrett	29,425	4,585,290	155,830	1.0%	12.	Harford	113,190	12.	Cecil	2.2%
Harford	251,032	28,414,432	113,190	2.6%	13.	St. Mary's	111,181	13.	Charles	2.1%
Howard	317,233	51,403,275	162,036	4.2%	14.	Charles	111,170	14.	Baltimore City	1.9%
Kent	19,730	2,950,517	149,545	0.3%	15.	Baltimore	101,902	15.	Calvert	1.8%
Montgomery	1,043,863	189,529,990	181,566	3.6%	16.	Prince George's	99,805	16.	St. Mary's	1.7%
Prince George's	908,049	90,628,096	99,805	6.8%	17.	Cecil	97,388	17.	Washington	1.4%
Queen Anne's	48,929	8,010,735	163,722	2.2%	18.	Dorchester	89,273	18.	Garrett	1.0%
St. Mary's	112,587	12,517,484	111,181	1.7%	19.	Washington	85,286	19.	Caroline	0.4%
Somerset	25,928	1,431,319	55,204	-0.2%	20.	Caroline	79,412	20.	Allegany	0.4%
Talbot	37,278	8,411,019	225,630	-0.2%	21.	Baltimore City	67,044	21.	Kent	0.3%
Washington	150,292	12,817,817	85,286	1.4%	22.	Wicomico	61,264	22.	Dorchester	0.0%
Wicomico	102,577	6,284,266	61,264	2.3%	23.	Somerset	55,204	23.	Talbot	-0.2%
Worcester	51,444	15,545,646	302,186	2.5%	24.	Allegany	54,042	24.	Somerset	-0.2%
Statewide	6,016,447	\$743,813,744	\$123,630	3.5%						

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

Exhibit 5.2
County Assessable Base for Fiscal 2018 and Percent Change from Fiscal 2017
(\$ in Thousands)

County	Subject to Real Property	Percent Change	Subject to Personal Property	Percent Change	Total Property	Percent Change
Allegany	\$3,558,631	0.2%	\$339,418	2.4%	\$3,898,049	0.4%
Anne Arundel	84,154,099	3.8%	2,618,193	3.3%	86,772,292	3.7%
Baltimore City	38,724,557	1.6%	2,485,282	7.9%	41,209,840	1.9%
Baltimore	81,283,323	3.2%	3,399,750	8.8%	84,683,073	3.4%
Calvert	11,708,309	1.8%	1,065,055	1.6%	12,773,365	1.8%
Caroline	2,488,874	0.2%	119,804	6.0%	2,608,678	0.4%
Carroll	18,909,210	2.3%	605,006	6.4%	19,514,216	2.4%
Cecil	9,560,918	2.2%	431,357	1.8%	9,992,274	2.2%
Charles	16,973,060	3.7%	558,964	-30.1%	17,532,024	2.1%
Dorchester	2,761,007	0.0%	118,765	-0.6%	2,879,772	0.0%
Frederick	29,029,169	4.2%	391,106	4.6%	29,420,275	4.2%
Garrett	4,317,380	0.4%	267,910	12.1%	4,585,290	1.0%
Harford	27,095,643	2.3%	1,318,789	9.0%	28,414,432	2.6%
Howard	49,737,544	4.2%	1,665,731	5.0%	51,403,275	4.2%
Kent	2,903,700	0.2%	46,817	7.2%	2,950,517	0.3%
Montgomery	185,363,013	3.5%	4,166,976	8.4%	189,529,990	3.6%
Prince George's	87,376,740	6.6%	3,251,356	12.6%	90,628,096	6.8%
Queen Anne's	7,933,920	2.3%	76,815	-1.1%	8,010,735	2.2%
St. Mary's	12,223,037	1.6%	294,447	6.0%	12,517,484	1.7%
Somerset	1,353,119	-0.7%	78,200	10.0%	1,431,319	-0.2%
Talbot	8,346,640	-0.2%	64,379	-0.6%	8,411,019	-0.2%
Washington	12,218,357	1.3%	599,460	3.5%	12,817,817	1.4%
Wicomico	5,906,609	2.2%	377,658	4.2%	6,284,266	2.3%
Worcester	15,178,059	2.5%	367,587	3.6%	15,545,646	2.5%
Statewide	\$719,104,918	3.5%	\$24,708,826	5.9%	\$743,813,744	3.5%

Source: State Department of Assessments and Taxation

Exhibit 5.3
Growth in County Assessable Base – Real and Personal Property
Fiscal 2010-2019

County	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019 E
Allegany	11.9%	5.1%	0.1%	-1.3%	-1.3%	-0.5%	-0.4%	0.2%	0.4%	2.5%
Anne Arundel	6.0%	-2.1%	-6.4%	-4.1%	0.1%	1.8%	3.0%	4.4%	3.7%	3.4%
Baltimore City	13.8%	2.5%	-4.2%	-6.4%	-1.5%	3.8%	5.3%	7.0%	1.9%	0.2%
Baltimore	8.9%	0.5%	-5.7%	-4.2%	-2.8%	-0.6%	2.0%	2.9%	3.4%	2.8%
Calvert	8.0%	1.9%	-6.2%	-5.8%	-2.2%	-0.4%	0.5%	2.0%	1.8%	1.9%
Caroline	11.5%	-0.5%	-7.3%	-4.7%	-5.7%	-1.4%	-0.4%	-0.2%	0.4%	1.2%
Carroll	8.7%	-5.3%	-5.9%	-4.2%	-1.4%	-0.6%	1.1%	2.0%	2.4%	2.7%
Cecil	6.8%	-1.1%	-4.6%	-5.6%	-3.1%	0.1%	0.5%	0.6%	2.2%	2.3%
Charles	7.0%	-5.5%	-6.8%	-4.7%	-1.9%	-0.4%	1.3%	3.8%	2.1%	2.7%
Dorchester	9.1%	0.5%	-8.9%	-3.4%	-4.4%	-3.0%	-0.2%	-0.2%	0.0%	-0.7%
Frederick	6.1%	-6.9%	-8.8%	-4.6%	-0.6%	1.6%	3.5%	4.3%	4.2%	2.5%
Garrett	7.7%	6.1%	0.0%	-2.9%	-0.3%	-7.5%	0.9%	0.9%	1.0%	0.5%
Harford	8.8%	0.4%	-3.9%	-2.4%	-0.8%	0.6%	1.2%	2.3%	2.6%	1.5%
Howard	5.0%	-4.0%	-6.4%	-2.2%	0.6%	2.5%	4.5%	4.0%	4.2%	2.2%
Kent	10.3%	2.0%	-3.9%	-3.1%	-1.5%	-2.1%	-0.1%	-0.2%	0.3%	0.5%
Montgomery	0.4%	-4.5%	-6.4%	-2.7%	0.9%	2.5%	4.2%	4.0%	3.6%	2.7%
Prince George's	11.6%	0.2%	-13.1%	-7.9%	-3.9%	0.6%	3.7%	6.7%	6.8%	5.6%
Queen Anne's	7.5%	-3.3%	-2.3%	-6.0%	-4.1%	-0.6%	0.2%	2.2%	2.2%	2.3%
St. Mary's	11.0%	2.4%	-4.7%	-3.0%	-1.1%	0.3%	0.8%	1.0%	1.7%	0.6%
Somerset	7.7%	0.7%	-4.7%	-12.1%	0.0%	-3.5%	1.1%	-0.8%	-0.2%	-0.5%
Talbot	10.8%	-0.1%	-4.0%	-4.2%	-5.1%	-3.5%	-1.5%	0.3%	-0.2%	0.0%
Washington	8.1%	-4.4%	-6.7%	-3.3%	-3.1%	-0.7%	1.0%	1.6%	1.4%	2.3%
Wicomico	7.8%	-1.0%	-7.5%	-6.3%	-5.4%	-3.6%	0.5%	0.4%	2.3%	2.4%
Worcester	-5.5%	-5.8%	-3.6%	-10.0%	-5.9%	0.1%	-0.1%	2.2%	2.5%	1.4%
Statewide	6.1%	-2.1%	-6.8%	-4.4%	-1.3%	1.1%	2.9%	3.9%	3.5%	2.7%

Source: State Department of Assessments and Taxation

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

County	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019 E
Allegany	\$4,014,571	\$3,962,462	\$3,910,750	\$3,889,963	\$3,874,679	\$3,882,931	\$3,898,049	\$3,996,282
Anne Arundel	79,589,954	76,293,860	76,405,438	77,806,973	80,112,958	83,641,155	86,772,292	89,698,247
Baltimore City	37,515,837	35,123,385	34,582,451	35,895,146	37,800,252	40,435,301	41,209,840	41,284,994
Baltimore	84,302,273	80,753,433	78,477,913	78,005,881	79,563,230	81,877,601	84,683,073	87,043,187
Calvert	13,333,624	12,553,694	12,277,912	12,232,236	12,296,389	12,548,113	12,773,365	13,022,332
Caroline	2,949,842	2,810,316	2,651,005	2,612,656	2,601,199	2,597,219	2,608,678	2,640,383
Carroll	19,678,687	18,861,958	18,588,705	18,484,249	18,688,384	19,057,823	19,514,216	20,034,438
Cecil	10,558,891	9,967,470	9,657,230	9,668,778	9,720,779	9,774,630	9,992,274	10,218,092
Charles	17,521,348	16,693,575	16,383,332	16,323,388	16,538,794	17,170,805	17,532,024	18,013,810
Dorchester	3,229,486	3,119,674	2,981,840	2,891,447	2,886,226	2,880,050	2,879,772	2,860,494
Frederick	27,154,307	25,893,046	25,734,580	26,158,043	27,060,531	28,236,199	29,420,275	30,166,472
Garrett	4,978,214	4,834,793	4,822,283	4,461,940	4,501,172	4,541,238	4,585,290	4,608,244
Harford	27,471,469	26,819,052	26,605,582	26,756,070	27,078,899	27,690,358	28,414,432	28,832,288
Howard	44,986,079	44,000,081	44,280,928	45,370,329	47,415,855	49,321,435	51,403,275	52,551,167
Kent	3,154,783	3,058,279	3,013,117	2,950,128	2,947,502	2,942,793	2,950,517	2,964,227
Montgomery	167,750,575	163,276,868	164,696,351	168,852,446	175,943,575	182,985,419	189,529,990	194,652,167
Prince George's	86,036,875	79,257,050	76,137,876	76,630,154	79,490,201	84,825,809	90,628,096	95,674,799
Queen Anne's	8,543,876	8,031,355	7,699,153	7,653,576	7,667,625	7,835,818	8,010,735	8,191,969
St. Mary's	12,567,335	12,191,008	12,060,567	12,097,535	12,188,442	12,312,258	12,517,484	12,595,153
Somerset	1,686,855	1,483,073	1,483,405	1,430,802	1,446,319	1,434,346	1,431,319	1,424,651
Talbot	9,730,598	9,322,352	8,846,903	8,532,943	8,401,891	8,426,309	8,411,019	8,411,911
Washington	13,266,687	12,823,001	12,420,699	12,327,772	12,451,149	12,645,339	12,817,817	13,146,250
Wicomico	7,116,997	6,668,152	6,310,794	6,084,640	6,113,566	6,140,140	6,284,266	6,433,715
Worcester	17,531,447	15,773,058	14,838,405	14,856,691	14,838,026	15,166,496	15,545,646	15,765,849
Statewide	\$704,670,610	\$673,570,993	\$664,867,219	\$671,973,785	\$691,627,642	\$718,369,585	\$743,813,744	\$764,231,119

Source: State Department of Assessments and Taxation

Exhibit 5.5
Full Cash Value Change in Group 3
January 1, 2015 Base Compared to January 1, 2018 Reassessments

County	Average for All Properties	Commercial Properties	Residential Properties	County Assessment Cap
Allegany	0.4%	3.2%	-1.0%	4%
Anne Arundel	8.9%	14.1%	7.9%	2%
Baltimore City	3.6%	8.5%	0.1%	4%
Baltimore	6.6%	11.7%	5.0%	4%
Calvert	4.0%	2.6%	4.2%	10%
Caroline	7.0%	-5.8%	11.0%	5%
Carroll	7.1%	9.7%	6.3%	5%
Cecil	6.0%	7.7%	5.5%	4%
Charles	5.6%	3.8%	5.8%	7%
Dorchester	-5.1%	0.7%	-6.1%	5%
Frederick	6.2%	14.2%	3.7%	5%
Garrett	0.2%	1.5%	0.0%	5%
Harford	4.5%	6.5%	3.6%	5%
Howard	5.9%	15.5%	2.7%	5%
Kent	2.2%	2.4%	2.1%	5%
Montgomery	8.4%	17.4%	3.9%	10%
Prince George's	17.5%	10.6%	21.4%	2%
Queen Anne's	8.6%	7.3%	8.8%	5%
St. Mary's	2.2%	8.5%	0.0%	5%
Somerset	0.5%	3.3%	-0.3%	10%
Talbot	-1.6%	4.3%	-1.8%	0%
Washington	4.0%	5.7%	2.9%	5%
Wicomico	6.0%	15.0%	3.7%	5%
Worcester	4.3%	18.3%	2.7%	3%
Statewide	7.7%	12.7%	5.8%	

Source: State Department of Assessments and Taxation

Exhibit 5.6
Triennial Change in Full Cash Value
January 2010-January 2018

County	2010 Group 1	2011 Group 2	2012 Group 3	2013 Group 1	2014 Group 2	2015 Group 3	2016 Group 1	2017 Group 2	2018 Group 3
Allegany	0.4%	-4.5%	-5.3%	-2.4%	-2.8%	-0.4%	1.3%	-0.2%	0.4%
Anne Arundel	-17.9%	-16.6%	-12.6%	-1.9%	9.9%	10.8%	11.5%	12.4%	8.9%
Baltimore City	-2.6%	-8.7%	-6.8%	-3.1%	7.0%	9.6%	10.9%	6.2%	3.6%
Baltimore	-13.2%	-13.6%	-14.5%	-8.1%	1.2%	6.4%	12.4%	8.5%	6.6%
Calvert	-15.1%	-20.7%	-16.1%	-11.4%	-2.9%	0.8%	3.9%	3.8%	4.0%
Caroline	-15.6%	-18.8%	-18.9%	-15.7%	-3.6%	-2.8%	0.5%	-0.8%	7.0%
Carroll	-19.2%	-19.6%	-15.4%	-3.8%	-3.0%	4.1%	6.0%	5.3%	7.1%
Cecil	-11.0%	-20.0%	-15.4%	-10.4%	-2.3%	3.9%	1.1%	6.1%	6.0%
Charles	-19.8%	-26.6%	-15.2%	-6.8%	-4.2%	3.3%	12.4%	8.3%	5.6%
Dorchester	-9.9%	-21.4%	-10.8%	-11.7%	-7.9%	-0.8%	-1.4%	2.1%	-5.1%
Frederick	-22.0%	-24.1%	-18.8%	-2.2%	4.0%	11.2%	9.3%	6.3%	6.2%
Garrett	0.0%	-2.4%	-14.7%	-3.6%	-14.0%	-2.8%	1.5%	0.1%	0.2%
Harford	-14.3%	-15.3%	-5.8%	-6.5%	1.6%	3.1%	3.2%	6.0%	4.5%
Howard	-19.8%	-18.8%	-8.7%	2.5%	8.1%	10.5%	9.0%	6.1%	5.9%
Kent	-10.3%	-12.5%	-9.0%	-6.0%	-5.5%	-0.7%	-1.6%	-0.2%	2.2%
Montgomery	-17.0%	-14.5%	-8.6%	4.1%	11.0%	18.7%	11.1%	7.8%	8.4%
Prince George's	-18.4%	-28.7%	-24.8%	-10.6%	5.3%	19.5%	24.7%	13.5%	17.5%
Queen Anne's	-12.4%	-18.6%	-13.7%	-9.0%	-10.3%	1.2%	7.7%	3.6%	8.6%
St. Mary's	-15.5%	-16.0%	-9.6%	-7.9%	-2.2%	1.5%	0.8%	0.5%	2.2%
Somerset	-10.6%	-18.5%	-20.6%	-11.5%	-13.3%	3.1%	-5.2%	-6.4%	0.5%
Talbot	-9.0%	-15.0%	-15.3%	-11.5%	-11.4%	-7.1%	1.7%	-0.5%	-1.6%
Washington	-18.4%	-18.3%	-9.0%	-6.9%	-3.0%	5.5%	4.3%	2.2%	4.0%
Wicomico	-15.6%	-20.1%	-20.2%	-17.4%	-6.2%	2.6%	3.5%	6.4%	6.0%
Worcester	-20.0%	-14.9%	-17.4%	-14.3%	-7.8%	2.2%	9.4%	4.1%	4.3%
Statewide	-16.1%	-17.9%	-13.0%	-3.6%	4.7%	10.8%	10.9%	8.2%	7.7%

Source: State Department of Assessments and Taxation

Exhibit 5.7
One-cent Yield in County Real Property Tax Rates
Fiscal 2015-2019

County	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Allegany	\$354,100	\$352,900	\$354,800	\$355,500	\$361,200
Anne Arundel	6,675,500	6,911,200	7,246,100	7,540,900	7,801,300
Baltimore City	3,190,700	3,395,600	3,654,400	3,728,500	3,762,500
Baltimore	7,347,700	7,529,400	7,766,700	8,017,200	8,260,100
Calvert	1,127,300	1,133,300	1,149,900	1,170,800	1,194,200
Caroline	248,200	247,300	247,500	248,200	251,200
Carroll	1,794,600	1,811,200	1,846,700	1,887,900	1,937,700
Cecil	925,100	930,100	934,700	954,900	977,500
Charles	1,545,900	1,571,300	1,636,300	1,696,100	1,744,800
Dorchester	275,400	275,500	274,800	275,100	273,300
Frederick	2,581,300	2,669,000	2,780,200	2,895,200	2,969,400
Garrett	422,500	423,200	428,300	430,300	432,800
Harford	2,568,600	2,595,700	2,647,200	2,708,300	2,753,600
Howard	4,324,800	4,530,100	4,734,100	4,943,100	5,061,700
Kent	283,000	284,500	285,500	287,100	289,100
Montgomery	16,498,200	17,203,200	17,905,500	18,527,600	19,065,600
Prince George's	7,186,100	7,421,100	7,806,600	8,199,400	8,527,400
Queen Anne's	748,000	753,900	771,000	789,000	806,800
St. Mary's	1,160,700	1,177,800	1,194,900	1,216,700	1,225,700
Somerset	135,700	136,900	136,300	135,300	134,900
Talbot	705,200	706,200	715,600	721,400	723,200
Washington	1,177,500	1,187,000	1,205,400	1,220,700	1,253,100
Wicomico	568,800	573,300	576,800	588,900	603,300
Worcester	1,435,400	1,434,100	1,466,600	1,502,600	1,523,700

Source: Department of Legislative Services

Exhibit 5.8
Estimated Assessable Base Loss Due to Homestead Property Tax Credit
Fiscal 2018
(\$ 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	\$3,558,631	\$1,003	\$3,557,628	0.0%	\$4,099	\$3,554,532	0.1%
Anne Arundel	84,154,099	91,806	84,062,293	0.1%	8,745,272	75,408,827	10.4%
Baltimore City	38,724,557	196,544	38,528,013	0.5%	1,439,453	37,285,104	3.7%
Baltimore	81,283,323	58,358	81,224,965	0.1%	1,111,480	80,171,843	1.4%
Calvert	11,708,309	379	11,707,930	0.0%	379	11,707,930	0.0%
Caroline	2,488,874	349	2,488,525	0.0%	7,335	2,481,539	0.3%
Carroll	18,909,210	1,836	18,907,374	0.0%	30,017	18,879,193	0.2%
Cecil	9,560,918	898	9,560,020	0.0%	11,634	9,549,284	0.1%
Charles	16,973,060	3,564	16,969,496	0.0%	11,719	16,961,341	0.1%
Dorchester	2,761,007	1,189	2,759,818	0.0%	9,927	2,751,080	0.4%
Frederick	29,029,169	7,878	29,021,291	0.0%	76,752	28,952,417	0.3%
Garrett	4,317,380	1,558	4,315,822	0.0%	13,893	4,303,487	0.3%
Harford	27,095,643	1,717	27,093,926	0.0%	12,168	27,083,475	0.0%
Howard	49,737,544	13,894	49,723,650	0.0%	306,430	49,431,114	0.6%
Kent	2,903,700	1,455	2,902,245	0.1%	32,426	2,871,274	1.1%
Montgomery	185,363,013	86,962	185,276,051	0.0%	86,962	185,276,051	0.0%
Prince George's	87,376,740	493,610	86,883,130	0.6%	5,382,376	81,994,364	6.2%
Queen Anne's	7,933,920	2,804	7,931,116	0.0%	43,512	7,890,408	0.5%
St. Mary's	12,223,037	1,521	12,221,516	0.0%	56,381	12,166,656	0.5%
Somerset	1,353,119	348	1,352,771	0.0%	348	1,352,771	0.0%
Talbot	8,346,640	597	8,346,043	0.0%	1,132,143	7,214,497	13.6%
Washington	12,218,357	1,826	12,216,531	0.0%	11,744	12,206,614	0.1%
Wicomico	5,906,609	3,048	5,903,561	0.1%	17,385	5,889,224	0.3%
Worcester	15,178,059	5,623	15,172,436	0.0%	151,780	15,026,279	1.0%
Total	\$719,104,918	\$978,767	\$718,126,151	0.1%	\$18,695,615	\$700,409,304	2.6%

Source: State Department of Assessments and Taxation

Exhibit 5.9
County Tax Relief Due to Homestead Tax Credits

County	Fiscal 2017		Fiscal 2018		Fiscal 2019 Estimate	
	Revenue Foregone	Percent of Base	Revenue Foregone	Percent of Base	Revenue Foregone	Percent of Base
Allegany	\$36,510	0.1%	\$40,006	0.1%	\$46,546	0.1%
Anne Arundel	79,101,276	10.7%	79,319,617	10.4%	82,201,915	10.4%
Baltimore City	35,713,911	4.2%	32,358,917	3.7%	29,654,010	3.4%
Baltimore	11,943,995	1.4%	12,226,273	1.4%	12,447,342	1.4%
Calvert	7,523	0.0%	3,608	0.0%	9,277	0.0%
Caroline	89,776	0.4%	71,886	0.3%	90,439	0.4%
Carroll	225,315	0.1%	305,575	0.2%	380,810	0.2%
Cecil	39,140	0.0%	121,103	0.1%	234,374	0.2%
Charles	90,843	0.0%	141,218	0.1%	190,039	0.1%
Dorchester	122,991	0.5%	96,698	0.4%	66,324	0.2%
Frederick	645,321	0.2%	813,564	0.3%	783,748	0.2%
Garrett	189,171	0.4%	137,540	0.3%	113,071	0.3%
Harford	93,827	0.0%	126,794	0.0%	166,762	0.1%
Howard	4,682,624	0.8%	3,646,523	0.6%	2,589,283	0.4%
Kent	450,792	1.5%	331,393	1.1%	256,566	0.9%
Montgomery	887,405	0.0%	880,934	0.0%	774,436	0.0%
Prince George's	53,199,473	4.7%	73,953,845	6.2%	97,508,836	7.7%
Queen Anne's	404,897	0.6%	368,590	0.5%	387,244	0.6%
St. Mary's	724,808	0.7%	478,108	0.5%	348,368	0.3%
Somerset	5,470	0.0%	3,471	0.0%	2,240	0.0%
Talbot	6,593,966	14.4%	6,464,536	13.6%	6,359,645	13.3%
Washington	112,054	0.1%	111,327	0.1%	125,638	0.1%
Wicomico	94,697	0.2%	163,413	0.3%	214,840	0.4%
Worcester	1,218,873	1.0%	1,267,361	1.0%	1,352,561	1.1%
Statewide	\$196,674,657	2.5%	\$213,432,299	2.6%	\$236,304,314	2.8%

Source: State Department of Assessments and Taxation

Exhibit 5.10
Net Taxable Income Measures for Tax Year 2016

County	Population July 1, 2016	Net Taxable Income	Per Capita Net Taxable Income	Net Taxable Income Growth	County	Per Capita Net Taxable Income	County	Net Taxable Income Growth
Allegany	72,130	\$932,374,250	\$12,926	-0.8%	1. Montgomery	\$41,270	1. Queen Anne's	6.6%
Anne Arundel	568,346	18,207,900,683	32,037	4.4%	2. Howard	39,221	2. Anne Arundel	4.4%
Baltimore City	614,664	9,683,997,617	15,755	3.2%	3. Anne Arundel	32,037	3. Caroline	4.0%
Baltimore	831,026	22,394,212,484	26,948	-0.9%	4. Talbot	30,461	4. Frederick	3.5%
Calvert	91,251	2,575,352,298	28,223	2.1%	5. Queen Anne's	30,047	5. Baltimore City	3.2%
Caroline	32,850	503,584,588	15,330	4.0%	6. Carroll	29,084	6. Harford	2.8%
Carroll	167,656	4,876,179,793	29,084	2.6%	7. Frederick	28,314	7. Charles	2.8%
Cecil	102,603	2,043,943,283	19,921	2.0%	8. Calvert	28,223	8. Dorchester	2.6%
Charles	157,705	3,713,179,866	23,545	2.8%	9. Baltimore	26,948	9. Carroll	2.6%
Dorchester	32,258	479,888,016	14,877	2.6%	10. Harford	26,723	10. St. Mary's	2.1%
Frederick	247,591	7,010,176,569	28,314	3.5%	11. St. Mary's	24,667	11. Calvert	2.1%
Garrett	29,425	453,658,047	15,417	-2.1%	12. Worcester	23,676	12. Cecil	2.0%
Harford	251,032	6,708,274,038	26,723	2.8%	13. Charles	23,545	13. Wicomico	1.8%
Howard	317,233	12,442,098,451	39,221	0.7%	14. Kent	21,658	14. Somerset	1.7%
Kent	19,730	427,309,989	21,658	-2.5%	15. Cecil	19,921	15. Prince George's	0.9%
Montgomery	1,043,863	43,080,199,164	41,270	0.8%	16. Prince George's	18,217	16. Montgomery	0.8%
Prince George's	908,049	16,542,267,505	18,217	0.9%	17. Washington	17,937	17. Howard	0.7%
Queen Anne's	48,929	1,470,190,122	30,047	6.6%	18. Baltimore City	15,755	18. Washington	0.7%
St. Mary's	112,587	2,777,140,482	24,667	2.1%	19. Wicomico	15,571	19. Allegany	-0.8%
Somerset	25,928	228,214,303	8,802	1.7%	20. Garrett	15,417	20. Baltimore	-0.9%
Talbot	37,278	1,135,527,950	30,461	-3.5%	21. Caroline	15,330	21. Garrett	-2.1%
Washington	150,292	2,695,802,330	17,937	0.7%	22. Dorchester	14,877	22. Kent	-2.5%
Wicomico	102,577	1,597,204,733	15,571	1.8%	23. Allegany	12,926	23. Worcester	-3.4%
Worcester	51,444	1,217,967,336	23,676	-3.4%	24. Somerset	8,802	24. Talbot	-3.5%
Statewide	6,016,447	\$163,196,643,897	\$27,125	1.4%				

Source: Comptroller's Office; Department of Legislative Services

Exhibit 5.11
Growth in Net Taxable Income

County	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014	TY 2015	TY 2016
Allegany	-0.3%	0.5%	2.2%	1.7%	4.2%	1.2%	-0.8%
Anne Arundel	5.6%	4.5%	10.6%	-0.3%	4.8%	6.0%	4.4%
Baltimore City	3.9%	4.5%	6.3%	1.0%	10.2%	1.6%	3.2%
Baltimore	5.1%	4.9%	12.6%	1.2%	3.5%	2.1%	-0.9%
Calvert	2.1%	4.1%	6.8%	0.8%	4.3%	4.9%	2.1%
Caroline	2.1%	2.9%	4.7%	1.7%	3.4%	4.9%	4.0%
Carroll	3.3%	6.5%	7.5%	1.3%	5.6%	4.8%	2.6%
Cecil	3.0%	3.6%	5.6%	1.4%	5.4%	3.7%	2.0%
Charles	5.3%	3.8%	4.5%	2.1%	9.5%	0.6%	2.8%
Dorchester	4.1%	1.4%	7.2%	4.3%	0.9%	2.8%	2.6%
Frederick	6.0%	3.7%	7.1%	3.4%	4.8%	4.6%	3.5%
Garrett	2.9%	6.9%	0.7%	4.7%	3.6%	3.1%	-2.1%
Harford	4.0%	6.1%	7.4%	0.3%	4.7%	4.7%	2.8%
Howard	7.7%	6.4%	10.8%	-1.1%	7.7%	4.1%	0.7%
Kent	7.4%	0.5%	29.5%	-3.7%	5.4%	-1.3%	-2.5%
Montgomery	9.3%	5.6%	10.5%	-3.8%	7.5%	4.0%	0.8%
Prince George's	4.4%	4.9%	4.4%	1.9%	3.9%	4.3%	0.9%
Queen Anne's	6.2%	4.7%	7.9%	1.3%	6.8%	5.6%	6.6%
St. Mary's	5.8%	5.8%	5.2%	1.2%	4.2%	4.9%	2.1%
Somerset	-0.9%	-0.5%	3.0%	2.5%	4.9%	2.2%	1.7%
Talbot	7.9%	5.2%	10.9%	0.4%	1.6%	2.3%	-3.5%
Washington	3.0%	3.8%	6.0%	2.8%	3.7%	3.6%	0.7%
Wicomico	1.8%	1.0%	4.7%	2.9%	4.6%	6.2%	1.8%
Worcester	9.2%	2.1%	8.7%	-0.4%	8.6%	16.4%	-3.4%
Total	6.1%	5.0%	9.0%	-0.3%	5.9%	3.9%	1.4%

Source: Comptroller's Office

Exhibit 5.12
Net Taxable Income for Maryland Counties

County	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014	TY 2015	TY 2016
Allegany	\$853,305,437	\$857,812,508	\$876,505,845	\$891,109,512	\$928,616,390	\$940,141,300	\$932,374,250
Anne Arundel	13,625,411,460	14,232,799,973	15,740,435,663	15,696,336,209	16,451,849,355	17,444,336,535	18,207,900,683
Baltimore City	7,467,933,579	7,805,962,442	8,296,655,508	8,375,515,816	9,231,171,234	9,379,626,381	9,683,997,617
Baltimore	17,881,894,299	18,766,745,469	21,125,266,456	21,372,787,672	22,125,142,395	22,599,794,544	22,394,212,484
Calvert	2,058,133,830	2,143,482,881	2,288,416,921	2,307,497,701	2,406,425,478	2,523,319,234	2,575,352,298
Caroline	407,328,571	419,287,309	438,993,378	446,333,721	461,687,442	484,103,002	503,584,588
Carroll	3,699,705,615	3,941,789,478	4,237,465,943	4,293,658,378	4,535,399,339	4,752,945,013	4,876,179,793
Cecil	1,652,071,679	1,712,130,208	1,807,773,925	1,833,823,071	1,932,542,476	2,003,556,983	2,043,943,283
Charles	2,960,443,829	3,072,873,161	3,210,666,929	3,277,819,250	3,589,817,939	3,611,524,673	3,713,179,866
Dorchester	397,945,007	403,332,432	432,224,951	450,789,391	455,064,594	467,681,617	479,888,016
Frederick	5,379,266,522	5,577,033,442	5,974,849,768	6,176,435,177	6,475,311,953	6,770,946,260	7,010,176,569
Garrett	384,686,741	411,162,452	413,844,923	433,474,733	449,244,467	463,267,095	453,658,047
Harford	5,211,316,589	5,529,301,920	5,938,050,507	5,954,523,781	6,232,293,561	6,523,851,421	6,708,274,038
Howard	9,442,191,637	10,050,688,156	11,134,155,005	11,015,274,943	11,864,668,375	12,352,694,999	12,442,098,451
Kent	336,217,548	337,990,710	437,703,684	421,322,846	443,918,710	438,063,147	427,309,989
Montgomery	34,040,992,827	35,956,418,354	39,729,557,135	38,213,261,147	41,095,504,921	42,750,818,026	43,080,199,164
Prince George's	13,543,857,382	14,214,003,873	14,841,280,221	15,121,789,629	15,708,106,692	16,386,604,534	16,542,267,505
Queen Anne's	1,069,568,975	1,119,545,841	1,208,010,438	1,223,462,564	1,306,380,667	1,379,753,858	1,470,190,122
St. Mary's	2,207,425,070	2,336,158,485	2,458,269,122	2,488,155,058	2,591,883,765	2,719,488,669	2,777,140,482
Somerset	199,285,818	198,285,964	204,216,654	209,408,778	219,632,957	224,477,995	228,214,303
Talbot	966,801,287	1,017,356,687	1,128,275,661	1,133,210,002	1,151,073,582	1,177,320,320	1,135,527,950
Washington	2,203,921,097	2,288,356,006	2,425,819,499	2,493,403,161	2,585,637,896	2,677,765,481	2,695,802,330
Wicomico	1,296,763,909	1,309,400,322	1,371,238,083	1,411,553,179	1,476,530,845	1,568,792,197	1,597,204,733
Worcester	902,488,197	921,398,110	1,001,765,477	997,677,273	1,083,279,962	1,260,903,779	1,217,967,336
Total	\$128,188,956,905	\$134,623,316,183	\$146,721,441,696	\$146,238,622,992	\$154,801,184,995	\$160,901,777,063	\$163,196,643,897

Source: Comptroller's Office

Chapter 6. County Salary Actions

All county governments and boards of education provided salary enhancements to their employees in fiscal 2018, with 17 counties and 15 boards of education providing cost-of-living adjustments (COLAs) and 16 counties and 22 boards providing step/merit increases. For comparison purposes, the State awarded no salary enhancements of any kind to its employees in fiscal 2018, and only merit increases were awarded in fiscal 2017 with no general salary increase.

County Government Salary Actions

All 23 counties and Baltimore City are providing some type of salary enhancements in fiscal 2018, either in the form of a cost-of-living adjustment, general salary increase (GSI), step/merit increase, or combination of enhancements. This compares with 23 jurisdictions providing salary enhancements in the prior year. In a few instances, the salary enhancements are limited to certain groups of local employees. More specifically, 17 counties have indicated that they provided their employees with a COLA or GSI in fiscal 2018, compared to 14 in fiscal 2017. Sixteen counties are providing step or merit increases in fiscal 2018, compared to 17 in fiscal 2017.

Local Board of Education Salary Actions

Similarly, all local boards of education are providing salary enhancements to their employees. Fifteen boards of education are providing COLAs or GSIs for their employees in fiscal 2018, compared to 16 boards that did so in fiscal 2017. Additionally,

22 boards of education are providing step or merit increases in fiscal 2018, compared to 21 in the prior fiscal year.

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 2017 and 2018. **Exhibits 6.3** and **6.4** show local salary enhancements in fiscal 2018.

The annual growth in local government salaries trailed the other sectors of the Maryland economy. Over the last 10 years, the average weekly wage for local government employees increased by 2.1% annually compared to 2.3% for State government and private-sector 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>2006</u>	<u>2016</u>	<u>Annual Increase</u>
Federal Government	\$1,483	\$1,912	2.6%
State Government	879	1,099	2.3%
Local Government	848	1,046	2.1%
Private Sector	856	1,072	2.3%
Total – All Sectors	887	1,118	2.3%

Source: Department of Labor, Licensing, and Regulation

Exhibit 6.1
Number of Counties Providing Salary Increases
Fiscal 2009-2018

	<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>	<u>2018</u>
State Government										
COLAs	Yes	No	No	No	Yes	Yes	Yes	No	No	No
Step Increases	Yes	No	No	No	No	Yes	Yes	No	Yes	No
Local Government										
COLAs										
County Employees	20	6	1	2	8	18	16	14	14	17
Board of Education	22	10	4	2	8	7	12	14	16	15
Step Increases										
County Employees	20	8	4	4	7	13	16	12	17	16
Board of Education	24	14	10	9	19	21	18	21	21	22
Both COLA and Step										
County Employees	17	2	0	1	1	10	11	7	8	9
Board of Education	22	8	3	2	6	7	10	12	14	13

COLA: Cost-of-living adjustment

Source: Department of Legislative Services

Exhibit 6.2
Local Government Salary Actions
Fiscal 2017 and 2018

<u>Salary Action</u>	County Government		Public Schools	
	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2018</u>
COLA/GSI				
No COLA/GSI	10	7	7	8
COLA/GSI	14	17	16	15
Still Pending	0	0	1	1
Step/Merit Increases	17	16	21	22

	State Government		CPI-Urban Consumers ¹	
	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2018</u>
COLA Amount	0.0%	0.0%	1.9%	1.6%
Step/Merit Increases	Yes	No		

COLA: Cost-of-living adjustment
CPI: Consumer Price Index
GSI: General Salary Increase

¹ Forecast of the CPI for 2017 (actual) and 2018 (estimate) is an average forecast taken from Moody's Analytics and IHS, Inc.

Source: 2017 Local Government Salary Action Survey; Department of Legislative Services

Exhibit 6.3
County Government Salary Actions in Fiscal 2018

County	COLA/GSI	Step/Merit	Additional Comments
Allegany	2.0%	No	
Anne Arundel	Varies	Yes	Most county employees received a 2% COLA. Detention officers, police officers, and police management received a 3% COLA. Police sergeants and lieutenants received a 2% COLA. Firefighters and certain employees in the Sheriff's Office did not receive a COLA.
Baltimore City	Varies	No	Some employee groups awarded either a 1% or 2% COLA. Some union groups were also awarded a one-time \$500 bonus.
Baltimore	2.0%	Yes	
Calvert	1.0%	Yes	County employees continuously employed since July 2015 received a longevity step. This second step recognized service during the years when step increases were not granted due to budgetary and economic constraints.
Caroline	3.0%	No	New salary scale implemented for county employees, resulting in a 3% average salary increase. Sheriff's Office employees received a 2% COLA.
Carroll	1.5%	Yes	Sheriff's Office awarded 2.9% COLA for law enforcement officers, 2.5% COLA for detention center officers, and 1% to 4% COLAs for civilian personnel. Executive positions received a 3.29% COLA.
Cecil	0.0%	Yes	
Charles	0.0%	Yes	
Dorchester	0.0%	Yes	
Frederick	2.0%	No	
Garrett	1.0%	Yes	
Harford	0.0%	Yes	Merit-based salary increase of 4% per qualified county employee. AFSCME-covered employees eligible for 4% COLA.
Howard	2.0%	Yes	
Kent	3.0%	No	
Montgomery	2.0%	Yes	
Prince George's	1.0%	Yes	1% COLA awarded mid-year (January 2018). Firefighters awarded 4% COLA, deputy sheriffs awarded 1.5% COLA, while police officers did not receive a COLA. Correctional officers received a 3% COLA and a 3.5% merit. Civilian personnel in the police, fire, sheriff, and correctional departments received a 2% COLA and a 3.5% merit.
Queen Anne's	0.0%	Yes	
St. Mary's	0.0%	Yes	
Somerset	3.5%	No	Employees on executive pay scale awarded 1% COLA.
Talbot	0.0%	Yes	
Washington	5.0%	No	
Wicomico	2.0%	No	
Worcester	1.0%	Yes	
Total Jurisdictions Granting Increases	17	16	

Exhibit 6.4
Board of Education Salary Actions in Fiscal 2018

School System	COLA/GSI	Step/Merit	Additional Comments
Allegany	0.5%	Yes	
Anne Arundel	0.0%	Yes	Paraeducators, office assistants, and technicians represented by the Secretaries and Assistants Association of Anne Arundel County (SAAAAC) received a 1.1% COLA. In addition, employees at the top of the pay scale and not eligible for a step increase received a 1% COLA. Nonrepresented employees in a position without an applicable step structure received a 2% COLA.
Baltimore City	Pending	Yes	School system still in contract negotiations with various employee unions regarding the COLA amount for fiscal 2018. Merit increases for teachers and administrators based on evaluation ratings and professional development courses.
Baltimore	2.0%	Yes	
Calvert	0.0%	Yes	School employees received two step increases as outlined in their negotiated agreement.
Caroline	1.0%	Yes	Support services employees received a 2% COLA; teachers and administrators received a 1% COLA.
Carroll	2.0%	Yes	
Cecil	1.5%	Yes	
Charles	0.0%	Yes	Teachers and administrators did not receive a COLA; however, school support staff received a 2% COLA.
Dorchester	1.0%	Yes	
Frederick	5.75%	No	School system in the process of revising salary scales for all three bargaining units. Teachers are in year 2 of a 4-year transition.
Garrett	0.0%	Yes	
Harford	2.5%	Yes	
Howard	2.0%	Yes	
Kent	0.0%	Yes	Teachers at the top of the pay scale received a \$500 COLA in lieu of step increase.
Montgomery	1.0%	Yes	
Prince George's	No	Yes	Teachers hired prior to July 1, 2017, and school support staff hired prior to January 1, 2017, received one step increase; teachers in second-class certification status and staff with an unsatisfactory performance evaluation for the previous fiscal year not eligible. Teachers at the top of the pay scale received a 2% lump sum payment. School support staff at the top of the pay scale or in a "longevity" step received a lump sum payment of \$1,100. Association of School Based Administrators and Supervisors (ASBAS) are still in negotiations.
Queen Anne's	1.0%	No	
St. Mary's	0.0%	Yes	
Somerset	1.25%	Yes	
Talbot	1.0%	Yes	1% COLA effective May 1, 2018.
Washington	3.3%	Yes	Teacher salaries based on new pay scale, with an average increase of 3.3%. Support staff awarded a 1% COLA.
Wicomico	1.0%	Yes	
Worcester	0.0%	Yes	Teachers at the top of the pay scale received a 1% COLA in lieu of step increase.
Total Jurisdictions Granting Increases	15	22	

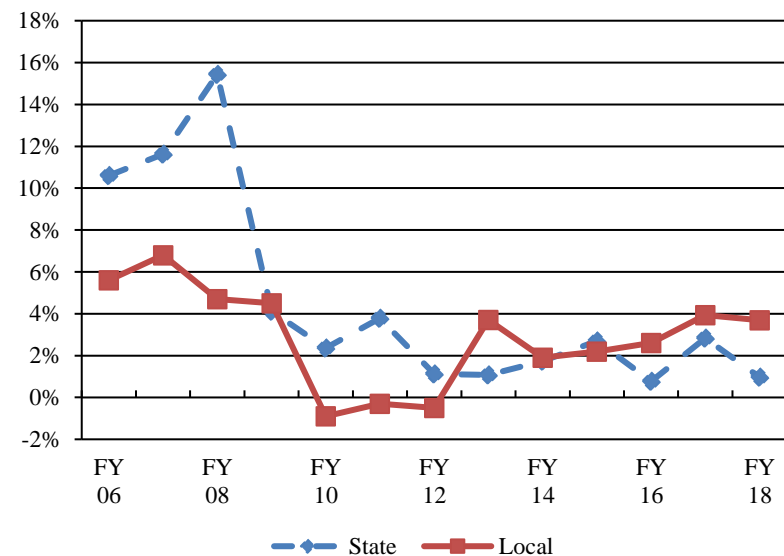
Chapter 7. Public School Funding and Student Enrollment

Public schools are funded from federal, State, and local sources. Local sources account for 47.9% of public school funding in Maryland, and 47.8% comes from the State. The federal government provides only 4.3% 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 18.6% in Caroline County to 72.6% in Worcester County. Conversely, State funding as a percent of public school revenues ranges from 22.9% 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 \$4.0 billion in fiscal 2006 to \$6.4 billion in fiscal 2018, a \$2.4 billion or 59.3% increase in State support for public education. This represents a 4.0% average annual increase over this period. **Table 7.1** compares the increases in State and local funding for public schools since fiscal 2006.

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 \$15,467 in total funding for each pupil in fiscal 2018. Worcester County has the

highest per pupil revenues at \$18,312, while Somerset County has the second highest at \$17,945. Baltimore City has the third highest at \$17,211. Talbot County has the lowest per pupil revenues at \$13,414. **Exhibit 7.2** shows the per pupil revenues for public schools in fiscal 2018 by revenue source.

Per pupil federal funding in fiscal 2018 averages \$671 statewide, ranging from \$366 in Howard County to \$1,374 in Baltimore City, as shown in **Exhibit 7.3**. Federal funding is targeted to disadvantaged students through Title 1 grants and students with disabilities through special education basic state grants.

Per pupil State funding in fiscal 2018 averages \$7,391 statewide, ranging from \$3,984 in Talbot County to \$12,954 in Somerset County, 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 2018 average \$7,323 statewide, ranging from \$2,596 in Caroline County to \$13,256 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 \$6.3 billion in fiscal 2018, representing a 3.7% increase from the prior year. **Exhibit 7.7** shows the local appropriations to the boards of education for fiscal 2013 through 2018, 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 2009 through 2018), 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 \$1.9 million in Talbot County to over \$400 million in Baltimore and Montgomery counties.

Student Enrollment and Local Wealth

Information on student enrollment counts and local wealth measures used to allocate State education aid in fiscal 2018 and 2019 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 2018

County	Federal	State	Local	Ranking by Percent State		Ranking by Percent Local			
Allegany	6.4%	69.4%	24.2%	1.	Caroline	74.5%	1.	Worcester	72.6%
Anne Arundel	3.7%	36.7%	59.5%	2.	Wicomico	72.8%	2.	Montgomery	64.6%
Baltimore City	8.0%	70.3%	21.7%	3.	Somerset	72.2%	3.	Talbot	64.4%
Baltimore	4.8%	46.0%	49.2%	4.	Baltimore City	70.3%	4.	Howard	64.2%
Calvert	3.3%	42.6%	54.1%	5.	Allegany	69.4%	5.	Anne Arundel	59.5%
Caroline	7.0%	74.5%	18.6%	6.	Dorchester	65.9%	6.	Kent	56.4%
Carroll	3.4%	42.8%	53.8%	7.	Washington	62.9%	7.	Queen Anne's	55.5%
Cecil	4.2%	57.0%	38.8%	8.	Prince George's	59.2%	8.	Calvert	54.1%
Charles	3.6%	50.4%	46.0%	9.	Cecil	57.0%	9.	Carroll	53.8%
Dorchester	5.7%	65.9%	28.4%	10.	Charles	50.4%	10.	Baltimore	49.2%
Frederick	3.3%	49.0%	47.7%	11.	St. Mary's	49.2%	11.	Garrett	49.2%
Garrett	5.4%	45.4%	49.2%	12.	Frederick	49.0%	12.	Harford	48.6%
Harford	4.0%	47.4%	48.6%	13.	Harford	47.4%	13.	Frederick	47.7%
Howard	2.3%	33.5%	64.2%	14.	Baltimore	46.0%	14.	Charles	46.0%
Kent	5.4%	38.2%	56.4%	15.	Garrett	45.4%	15.	St. Mary's	42.7%
Montgomery	2.9%	32.5%	64.6%	16.	Carroll	42.8%	16.	Cecil	38.8%
Prince George's	4.4%	59.2%	36.4%	17.	Calvert	42.6%	17.	Prince George's	36.4%
Queen Anne's	4.7%	39.8%	55.5%	18.	Queen Anne's	39.8%	18.	Washington	32.1%
St. Mary's	8.1%	49.2%	42.7%	19.	Kent	38.2%	19.	Dorchester	28.4%
Somerset	7.6%	72.2%	20.2%	20.	Anne Arundel	36.7%	20.	Allegany	24.2%
Talbot	5.9%	29.7%	64.4%	21.	Howard	33.5%	21.	Baltimore City	21.7%
Washington	5.0%	62.9%	32.1%	22.	Montgomery	32.5%	22.	Wicomico	21.1%
Wicomico	6.1%	72.8%	21.1%	23.	Talbot	29.7%	23.	Somerset	20.2%
Worcester	4.5%	22.9%	72.6%	24.	Worcester	22.9%	24.	Caroline	18.6%
Total	4.3%	47.8%	47.9%						

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.2
Per Pupil Revenues for Public Schools in Fiscal 2018

County	Federal	State	Local	Misc.	Total	Ranking by Total Per Pupil Funding		
Allegany	\$994	\$10,787	\$3,714	\$51	\$15,546	1.	Worcester	\$18,312
Anne Arundel	530	5,231	8,431	41	14,233	2.	Somerset	17,945
Baltimore City	1,374	12,104	3,645	88	17,211	3.	Baltimore City	17,211
Baltimore	713	6,801	7,208	77	14,798	4.	Kent	16,524
Calvert	483	6,171	7,808	32	14,493	5.	Montgomery	16,499
Caroline	1,014	10,812	2,596	99	14,521	6.	Prince George's	16,250
Carroll	481	6,099	7,492	179	14,251	7.	Howard	16,238
Cecil	605	8,170	5,525	31	14,331	8.	Dorchester	15,573
Charles	529	7,434	6,728	54	14,746	9.	Allegany	15,546
Dorchester	890	10,260	4,220	203	15,573	10.	Garrett	15,242
Frederick	456	6,703	6,384	148	13,690	11.	Baltimore	14,798
Garrett	824	6,920	7,483	15	15,242	12.	Charles	14,746
Harford	546	6,392	6,472	88	13,498	13.	Wicomico	14,543
Howard	366	5,447	10,321	104	16,238	14.	Caroline	14,521
Kent	885	6,318	9,236	86	16,524	15.	Calvert	14,493
Montgomery	476	5,360	10,599	64	16,499	16.	Cecil	14,331
Prince George's	708	9,626	5,812	103	16,250	17.	Carroll	14,251
Queen Anne's	639	5,404	7,364	184	13,590	18.	Anne Arundel	14,233
St. Mary's	1,139	6,915	5,957	45	14,055	19.	St. Mary's	14,055
Somerset	1,364	12,954	3,596	31	17,945	20.	Washington	13,930
Talbot	794	3,984	8,621	15	13,414	21.	Frederick	13,690
Washington	697	8,763	4,426	43	13,930	22.	Queen Anne's	13,590
Wicomico	881	10,591	2,925	147	14,543	23.	Harford	13,498
Worcester	826	4,195	13,256	36	18,312	24.	Talbot	13,414
Total	\$671	\$7,391	\$7,323	\$83	\$15,467			

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.3
Federal Funding for Public Schools in Fiscal 2018

County	2017 Total Enrollment	Total Federal Aid	Per Pupil	Ranking by Per Pupil Aid	
Allegany	8,191.0	\$8,143,674	\$994	1.	Baltimore City \$1,374
Anne Arundel	80,492.0	42,667,300	530	2.	Somerset 1,364
Baltimore City	76,382.0	104,944,116	1,374	3.	St. Mary's 1,139
Baltimore	109,613.5	78,148,044	713	4.	Caroline 1,014
Calvert	15,455.0	7,458,783	483	5.	Allegany 994
Caroline	5,472.0	5,546,620	1,014	6.	Dorchester 890
Carroll	24,942.0	12,001,258	481	7.	Kent 885
Cecil	14,784.0	8,938,077	605	8.	Wicomico 881
Charles	26,085.0	13,805,040	529	9.	Worcester 826
Dorchester	4,531.0	4,030,559	890	10.	Garrett 824
Frederick	40,857.0	18,624,254	456	11.	Talbot 794
Garrett	3,650.0	3,007,073	824	12.	Baltimore 713
Harford	36,885.0	20,136,739	546	13.	Prince George's 708
Howard	55,507.0	20,314,215	366	14.	Washington 697
Kent	1,866.0	1,651,821	885	15.	Queen Anne's 639
Montgomery	157,131.0	74,779,459	476	16.	Cecil 605
Prince George's	127,172.0	90,026,500	708	17.	Harford 546
Queen Anne's	7,536.0	4,813,740	639	18.	Anne Arundel 530
St. Mary's	17,155.0	19,541,352	1,139	19.	Charles 529
Somerset	2,709.0	3,695,973	1,364	20.	Calvert 483
Talbot	4,408.0	3,501,503	794	21.	Carroll 481
Washington	21,926.0	15,291,534	697	22.	Montgomery 476
Wicomico	14,908.0	13,132,953	881	23.	Frederick 456
Worcester	6,327.0	5,223,475	826	24.	Howard 366
Total	863,984.5	\$579,424,062	\$671		

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.4
State Funding for Public Schools in Fiscal 2018

County	2017 Total Enrollment	Total State Aid	Per Pupil	Ranking by Per Pupil Aid		
Allegany	8,191.0	\$88,354,804	\$10,787	1.	Somerset	\$12,954
Anne Arundel	80,492.0	421,018,148	5,231	2.	Baltimore City	12,104
Baltimore City	76,382.0	924,537,941	12,104	3.	Caroline	10,812
Baltimore	109,613.5	745,431,602	6,801	4.	Allegany	10,787
Calvert	15,455.0	95,372,118	6,171	5.	Wicomico	10,591
Caroline	5,472.0	59,164,544	10,812	6.	Dorchester	10,260
Carroll	24,942.0	152,117,435	6,099	7.	Prince George's	9,626
Cecil	14,784.0	120,783,561	8,170	8.	Washington	8,763
Charles	26,085.0	193,918,818	7,434	9.	Cecil	8,170
Dorchester	4,531.0	46,486,499	10,260	10.	Charles	7,434
Frederick	40,857.0	273,853,222	6,703	11.	Garrett	6,920
Garrett	3,650.0	25,259,531	6,920	12.	St. Mary's	6,915
Harford	36,885.0	235,780,518	6,392	13.	Baltimore	6,801
Howard	55,507.0	302,364,359	5,447	14.	Frederick	6,703
Kent	1,866.0	11,788,947	6,318	15.	Harford	6,392
Montgomery	157,131.0	842,156,872	5,360	16.	Kent	6,318
Prince George's	127,172.0	1,224,169,679	9,626	17.	Calvert	6,171
Queen Anne's	7,536.0	40,721,851	5,404	18.	Carroll	6,099
St. Mary's	17,155.0	118,621,353	6,915	19.	Howard	5,447
Somerset	2,709.0	35,092,477	12,954	20.	Queen Anne's	5,404
Talbot	4,408.0	17,559,734	3,984	21.	Montgomery	5,360
Washington	21,926.0	192,130,602	8,763	22.	Anne Arundel	5,231
Wicomico	14,908.0	157,886,655	10,591	23.	Worcester	4,195
Worcester	6,327.0	26,541,698	4,195	24.	Talbot	3,984
Unallocated		34,211,144	40			
Total	863,984.5	\$6,385,324,112	\$7,391			

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.5
Local Funding for Public Schools in Fiscal 2018

County	2017 Total Enrollment	Local Appropriation	Per Pupil	Ranking by Per Pupil Funding		
Allegany	8,191.0	\$30,424,308	\$3,714	1.	Worcester	\$13,256
Anne Arundel	80,492.0	678,639,500	8,431	2.	Montgomery	10,599
Baltimore City	76,382.0	278,412,181	3,645	3.	Howard	10,321
Baltimore	109,613.5	790,069,124	7,208	4.	Kent	9,236
Calvert	15,455.0	120,670,112	7,808	5.	Talbot	8,621
Caroline	5,472.0	14,207,361	2,596	6.	Anne Arundel	8,431
Carroll	24,942.0	186,864,400	7,492	7.	Calvert	7,808
Cecil	14,784.0	81,688,528	5,525	8.	Carroll	7,492
Charles	26,085.0	175,509,060	6,728	9.	Garrett	7,483
Dorchester	4,531.0	19,120,529	4,220	10.	Queen Anne's	7,364
Frederick	40,857.0	260,826,623	6,384	11.	Baltimore	7,208
Garrett	3,650.0	27,314,472	7,483	12.	Charles	6,728
Harford	36,885.0	238,715,645	6,472	13.	Harford	6,472
Howard	55,507.0	572,871,655	10,321	14.	Frederick	6,384
Kent	1,866.0	17,233,593	9,236	15.	St. Mary's	5,957
Montgomery	157,131.0	1,665,466,863	10,599	16.	Prince George's	5,812
Prince George's	127,172.0	739,181,200	5,812	17.	Cecil	5,525
Queen Anne's	7,536.0	55,495,261	7,364	18.	Washington	4,426
St. Mary's	17,155.0	102,189,940	5,957	19.	Dorchester	4,220
Somerset	2,709.0	9,741,620	3,596	20.	Allegany	3,714
Talbot	4,408.0	38,002,162	8,621	21.	Baltimore City	3,645
Washington	21,926.0	97,053,410	4,426	22.	Somerset	3,596
Wicomico	14,908.0	43,605,002	2,925	23.	Wicomico	2,925
Worcester	6,327.0	83,870,125	13,256	24.	Caroline	2,596
Total	863,984.5	\$6,327,172,674	\$7,323			

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

Exhibit 7.6
Miscellaneous Local Funding for Public Schools in Fiscal 2018

County	2017 Total Enrollment	Miscellaneous Local Funding	Per Pupil	<u>Ranking by Per Pupil Funding</u>	
Allegany	8,191.0	\$418,004	\$51	1.	Dorchester \$203
Anne Arundel	80,492.0	3,315,000	41	2.	Queen Anne's 184
Baltimore City	76,382.0	6,751,593	88	3.	Carroll 179
Baltimore	109,613.5	8,406,556	77	4.	Frederick 148
Calvert	15,455.0	495,000	32	5.	Wicomico 147
Caroline	5,472.0	540,000	99	6.	Howard 104
Carroll	24,942.0	4,473,046	179	7.	Prince George's 103
Cecil	14,784.0	465,000	31	8.	Caroline 99
Charles	26,085.0	1,419,080	54	9.	Baltimore City 88
Dorchester	4,531.0	921,545	203	10.	Harford 88
Frederick	40,857.0	6,028,500	148	11.	Kent 86
Garrett	3,650.0	54,000	15	12.	Baltimore 77
Harford	36,885.0	3,248,762	88	13.	Montgomery 64
Howard	55,507.0	5,750,669	104	14.	Charles 54
Kent	1,866.0	160,000	86	15.	Allegany 51
Montgomery	157,131.0	10,057,940	64	16.	St. Mary's 45
Prince George's	127,172.0	13,159,500	103	17.	Washington 43
Queen Anne's	7,536.0	1,384,302	184	18.	Anne Arundel 41
St. Mary's	17,155.0	767,500	45	19.	Worcester 36
Somerset	2,709.0	83,088	31	20.	Calvert 32
Talbot	4,408.0	66,000	15	21.	Cecil 31
Washington	21,926.0	945,465	43	22.	Somerset 31
Wicomico	14,908.0	2,186,634	147	23.	Talbot 15
Worcester	6,327.0	225,452	36	24.	Garrett 15
Total	863,984.5	\$71,322,636	\$83		

Source: Local School Budgets; Department of Legislative Services

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

County	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Allegany	\$29,392	\$29,770	\$29,418	\$29,838	\$30,170	\$30,424
Anne Arundel	584,580	596,455	603,483	620,576	643,225	678,640
Baltimore City	252,814	257,442	254,685	258,212	265,412	278,412
Baltimore	689,791	712,086	738,075	748,849	757,552	790,069
Calvert	110,284	113,394	115,808	114,876	114,694	120,670
Caroline	13,206	13,416	13,437	13,765	13,983	14,207
Carroll	168,900	168,578	171,037	176,202	181,852	186,864
Cecil	69,616	72,848	75,524	79,751	80,610	81,689
Charles	153,957	159,010	161,922	166,121	170,605	175,509
Dorchester	17,963	18,360	18,532	18,963	18,939	19,121
Frederick	227,548	233,354	233,494	239,238	247,066	260,827
Garrett	26,024	26,202	26,691	26,591	27,425	27,314
Harford	219,821	221,301	223,667	228,209	233,535	238,716
Howard	482,385	497,486	530,440	544,145	562,245	572,872
Kent	17,363	17,196	17,192	17,432	17,112	17,234
Montgomery	1,419,514	1,448,251	1,476,855	1,507,632	1,617,632	1,665,467
Prince George's	633,069	623,744	630,219	669,292	698,329	739,181
Queen Anne's	44,860	48,132	51,228	52,850	54,187	55,495
St. Mary's	85,698	89,911	93,911	98,015	102,690	102,190
Somerset	9,104	9,481	9,647	9,395	9,754	9,742
Talbot	34,960	35,158	35,339	36,217	36,830	38,002
Washington	92,952	94,454	94,845	94,844	94,844	97,053
Wicomico	39,174	40,520	40,396	41,307	41,933	43,605
Worcester	73,923	75,478	77,676	78,719	81,194	83,870
Total	\$5,496,898	\$5,602,026	\$5,723,521	\$5,871,038	\$6,101,818	\$6,327,173

Source: Local School Budgets; Department of Legislative Services

Exhibit 7.8
Local Appropriations to the Boards of Education
Annual Percent Change – Fiscal 2013-2018

County	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Allegany	4.1%	1.3%	-1.2%	1.4%	1.1%	0.8%
Anne Arundel	5.1%	2.0%	1.2%	2.8%	3.6%	5.5%
Baltimore City	4.4%	1.8%	-1.1%	1.4%	2.8%	4.9%
Baltimore	3.2%	3.2%	3.6%	1.5%	1.2%	4.3%
Calvert	1.1%	2.8%	2.1%	-0.8%	-0.2%	5.2%
Caroline	7.4%	1.6%	0.2%	2.4%	1.6%	1.6%
Carroll	3.3%	-0.2%	1.5%	3.0%	3.2%	2.8%
Cecil	3.7%	4.6%	3.7%	5.6%	1.1%	1.3%
Charles	5.7%	3.3%	1.8%	2.6%	2.7%	2.9%
Dorchester	9.0%	2.2%	0.9%	2.3%	-0.1%	1.0%
Frederick	3.1%	2.6%	0.1%	2.5%	3.3%	5.6%
Garrett	4.7%	0.7%	1.9%	-0.4%	3.1%	-0.4%
Harford	2.6%	0.7%	1.1%	2.0%	2.3%	2.2%
Howard	3.2%	3.1%	6.6%	2.6%	3.3%	1.9%
Kent	7.7%	-1.0%	0.0%	1.4%	-1.8%	0.7%
Montgomery	3.6%	2.0%	2.0%	2.1%	7.3%	3.0%
Prince George's	2.5%	-1.5%	1.0%	6.2%	4.3%	5.8%
Queen Anne's	3.1%	7.3%	6.4%	3.2%	2.5%	2.4%
St. Mary's	11.2%	4.9%	4.4%	4.4%	4.8%	-0.5%
Somerset	4.2%	4.1%	1.8%	-2.6%	3.8%	-0.1%
Talbot	7.9%	0.6%	0.5%	2.5%	1.7%	3.2%
Washington	3.8%	1.6%	0.4%	0.0%	0.0%	2.3%
Wicomico	8.2%	3.4%	-0.3%	2.3%	1.5%	4.0%
Worcester	2.8%	2.1%	2.9%	1.3%	3.1%	3.3%
Total	3.7%	1.9%	2.2%	2.6%	3.9%	3.7%

Source: Local School Budgets; Department of Legislative Services

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

County	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	10-Year Total
Allegany	\$0	\$0	\$842	\$727	\$1,999	\$2,496	\$6,597	\$10,837	\$24,242	\$12,873	\$60,613
Anne Arundel	27,420	25,020	26,200	32,400	33,349	34,870	36,200	39,419	42,598	36,829	334,305
Baltimore City	41,000	27,733	28,559	41,000	46,102	40,266	35,329	36,788	37,500	37,303	371,580
Baltimore	40,985	28,000	29,000	39,000	47,394	52,068	34,561	42,177	45,775	45,186	404,146
Calvert	7,824	8,181	8,450	7,317	7,129	5,577	2,653	1,500	9,964	14,575	73,170
Caroline	8,100	6,000	3,767	235	756	7,788	0	2,902	36	1,646	31,230
Carroll	11,741	10,520	8,444	9,079	15,211	4,874	3,915	6,415	3,418	3,853	77,470
Cecil	2,674	1,538	1,744	2,830	1,915	1,268	8,194	4,723	6,650	6,730	38,266
Charles	11,704	8,898	8,335	9,180	12,480	9,426	8,200	12,817	8,951	10,516	100,507
Dorchester	10,400	6,469	5,436	3,639	979	1,590	768	179	5,009	10,975	45,444
Frederick	14,759	16,226	14,000	16,532	19,254	20,163	15,901	21,000	21,295	19,564	178,694
Garrett	3,020	666	0	382	319	134	0	0	0	1,567	6,088
Harford	14,751	16,253	13,835	17,040	16,573	13,214	12,791	9,309	8,732	13,592	136,089
Howard	18,265	18,262	18,290	26,936	32,811	25,931	20,772	27,820	31,206	21,066	241,359
Kent	0	388	0	104	123	95	817	615	0	0	2,142
Montgomery	53,312	28,350	30,183	42,000	43,794	38,592	39,950	45,708	50,128	59,194	431,212
Prince George's	41,000	28,200	29,500	40,348	42,192	39,371	38,539	41,729	44,675	49,625	395,179
Queen Anne's	4,951	3,947	5,750	5,374	649	4,371	5,112	0	249	2,455	32,858
St. Mary's	7,266	4,028	6,600	3,354	3,172	7,472	11,876	7,015	1,273	815	52,871
Somerset	0	6,000	6,000	3,371	289	3,811	2,752	2,222	1,771	14,720	40,936
Talbot	0	436	344	135	35	634	0	308	0	0	1,892
Washington	9,368	7,965	7,970	8,571	9,117	8,494	7,467	8,404	4,847	2,592	74,795
Wicomico	12,960	13,170	9,975	1,864	11,290	13,327	10,991	7,440	10,373	11,847	103,237
Worcester	5,483	403	0	165	166	4,882	0	72	0	0	11,171
Statewide*	0	0	500	0	2,900	6,563	15,393	8,791	6,300	9,876	50,323
Total	\$346,983	\$266,653	\$263,724	\$311,583	\$349,997	\$347,277	\$318,778	\$338,190	\$364,992	\$387,399	\$3,295,576

* 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 2018 and 2019

				Percent						
County	Fiscal 2018	Fiscal 2019	Difference	Difference	Ranking by Per Pupil Wealth		Ranking by Percent Difference			
Allegany	\$311,055	\$311,141	\$86	0.0%	1.	Worcester	\$1,185,306	1.	Baltimore City	4.7%
Anne Arundel	650,047	662,949	12,902	2.0%	2.	Talbot	1,023,238	2.	Cecil	3.4%
Baltimore City	340,780	356,648	15,868	4.7%	3.	Kent	864,560	3.	Prince George's	3.1%
Baltimore	515,624	518,552	2,928	0.6%	4.	Montgomery	759,941	4.	Somerset	2.9%
Calvert	496,518	508,365	11,847	2.4%	5.	Anne Arundel	662,949	5.	Queen Anne's	2.5%
Caroline	285,245	285,553	308	0.1%	6.	Garrett	639,670	6.	Calvert	2.4%
Carroll	500,361	511,298	10,937	2.2%	7.	Queen Anne's	621,736	7.	Wicomico	2.2%
Cecil	398,741	412,290	13,549	3.4%	8.	Howard	599,275	8.	Carroll	2.2%
Charles	414,050	413,436	-614	-0.1%	9.	Baltimore	518,552	9.	Frederick	2.0%
Dorchester	359,296	363,407	4,111	1.1%	10.	Carroll	511,298	10.	Anne Arundel	2.0%
Frederick	453,109	462,192	9,083	2.0%	11.	Calvert	508,365	11.	Harford	2.0%
Garrett	638,598	639,670	1,072	0.2%	12.	Harford	494,902	12.	St. Mary's	1.6%
Harford	485,299	494,902	9,603	2.0%	13.	Frederick	462,192	13.	Worcester	1.3%
Howard	593,937	599,275	5,338	0.9%	14.	St. Mary's	455,895	14.	Washington	1.3%
Kent	856,102	864,560	8,458	1.0%	15.	Prince George's	417,971	15.	Dorchester	1.1%
Montgomery	752,454	759,941	7,487	1.0%	16.	Charles	413,436	16.	Montgomery	1.0%
Prince George's	405,426	417,971	12,545	3.1%	17.	Cecil	412,290	17.	Kent	1.0%
Queen Anne's	606,384	621,736	15,352	2.5%	18.	Dorchester	363,407	18.	Howard	0.9%
St. Mary's	448,575	455,895	7,320	1.6%	19.	Washington	361,300	19.	Baltimore	0.6%
Somerset	291,642	299,995	8,353	2.9%	20.	Baltimore City	356,648	20.	Garrett	0.2%
Talbot	1,054,710	1,023,238	-31,472	-3.0%	21.	Allegany	311,141	21.	Caroline	0.1%
Washington	356,801	361,300	4,499	1.3%	22.	Somerset	299,995	22.	Allegany	0.0%
Wicomico	283,779	290,096	6,317	2.2%	23.	Wicomico	290,096	23.	Charles	-0.1%
Worcester	1,169,718	1,185,306	15,588	1.3%	24.	Caroline	285,553	24.	Talbot	-3.0%
Total	\$529,345	\$538,872	\$9,527	1.8%		Statewide	\$538,872		Statewide	1.8%

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

Source: Department of Legislative Services

Exhibit 7.11
Change in Full-time Equivalent Student Enrollment
September 2016 (Fiscal 2018) and September 2017 (Fiscal 2019)

County	Fiscal 2018	Fiscal 2019	Percent Difference	Ranking by		Ranking by		
				FTE Enrollment Growth	Percent Difference			
Allegany	8,182.75	8,166.25	-0.2%	1.	Montgomery	2,408.75	1. Charles	2.2%
Anne Arundel	78,814.25	80,350.25	1.9%	2.	Prince George's	2,226.50	2. Howard	2.0%
Baltimore City	76,628.75	74,853.00	-2.3%	3.	Anne Arundel	1,536.00	3. Talbot	2.0%
Baltimore	108,130.50	109,342.50	1.1%	4.	Baltimore	1,212.00	4. Anne Arundel	1.9%
Calvert	15,511.75	15,434.50	-0.5%	5.	Howard	1,090.75	5. Frederick	1.9%
Caroline	5,388.00	5,469.00	1.5%	6.	Frederick	761.25	6. Prince George's	1.8%
Carroll	24,860.50	24,934.75	0.3%	7.	Charles	563.75	7. Montgomery	1.6%
Cecil	14,975.00	14,782.25	-1.3%	8.	Harford	286.75	8. Caroline	1.5%
Charles	25,521.25	26,085.00	2.2%	9.	Talbot	86.00	9. Baltimore	1.1%
Dorchester	4,544.50	4,526.00	-0.4%	10.	Caroline	81.00	10. Queen Anne's	1.0%
Frederick	39,990.75	40,752.00	1.9%	11.	Carroll	74.25	11. Harford	0.8%
Garrett	3,638.00	3,648.75	0.3%	12.	Queen Anne's	73.75	12. Carroll	0.3%
Harford	36,589.75	36,876.50	0.8%	13.	St. Mary's	27.25	13. Garrett	0.3%
Howard	54,281.00	55,371.75	2.0%	14.	Worcester	12.00	14. Worcester	0.2%
Kent	1,893.00	1,866.00	-1.4%	15.	Garrett	10.75	15. St. Mary's	0.2%
Montgomery	154,586.25	156,995.00	1.6%	16.	Washington	8.75	16. Washington	0.0%
Prince George's	124,786.25	127,012.75	1.8%	17.	Wicomico	0.50	17. Wicomico	0.0%
Queen Anne's	7,462.25	7,536.00	1.0%	18.	Allegany	-16.50	18. Allegany	-0.2%
St. Mary's	17,127.50	17,154.75	0.2%	19.	Dorchester	-18.50	19. Dorchester	-0.4%
Somerset	2,763.00	2,697.00	-2.4%	20.	Kent	-27.00	20. Calvert	-0.5%
Talbot	4,319.50	4,405.50	2.0%	21.	Somerset	-66.00	21. Cecil	-1.3%
Washington	21,892.25	21,901.00	0.0%	22.	Calvert	-77.25	22. Kent	-1.4%
Wicomico	14,340.75	14,341.25	0.0%	23.	Cecil	-192.75	23. Baltimore City	-2.3%
Worcester	6,292.00	6,304.00	0.2%	24.	Baltimore City	-1,775.75	24. Somerset	-2.4%
Total	852,519.50	860,805.75	1.0%		Statewide	8,286.25	Statewide	1.0%

Note: The September 2016 student enrollment count is used to allocate State funding in fiscal 2018. The September 2017 student enrollment count is used to allocate State funding in fiscal 2019.

Source: Maryland State Department of Education

Exhibit 7.12
Students Approved for Free and Reduced-price Meals
Fiscal 2018 and 2019

County	Fiscal 2018	Fiscal 2019	Percent Difference	FRPM Count as		Change in FRPM Count	
				Percent of FTE Enrollment			
Allegany	4,509	4,473	-0.8%	1. Baltimore City	86.6%	1. Talbot	5.0%
Anne Arundel	24,657	24,705	0.2%	2. Somerset	72.7%	2. Howard	4.3%
Baltimore City	66,280	64,831	-2.2%	3. Dorchester	66.3%	3. Kent	3.5%
Baltimore	48,534	47,897	-1.3%	4. Prince George's	60.9%	4. Charles	3.2%
Calvert	3,269	2,943	-10.0%	5. Wicomico	57.8%	5. Prince George's	1.2%
Caroline	2,887	2,823	-2.2%	6. Allegany	54.8%	6. Montgomery	0.3%
Carroll	4,789	4,698	-1.9%	7. Kent	52.8%	7. Anne Arundel	0.2%
Cecil	6,456	5,594	-13.4%	8. Caroline	51.6%	8. Frederick	0.1%
Charles	8,852	9,133	3.2%	9. Washington	46.8%	9. Dorchester	0.1%
Dorchester	3,000	3,002	0.1%	10. Garrett	44.6%	10. St. Mary's	-0.6%
Frederick	10,385	10,394	0.1%	11. Talbot	44.4%	11. Allegany	-0.8%
Garrett	1,692	1,626	-3.9%	12. Baltimore	43.8%	12. Wicomico	-1.1%
Harford	11,090	10,959	-1.2%	13. Worcester	42.0%	13. Worcester	-1.1%
Howard	11,166	11,645	4.3%	14. Cecil	37.8%	14. Harford	-1.2%
Kent	953	986	3.5%	15. Charles	35.0%	15. Baltimore	-1.3%
Montgomery	51,469	51,646	0.3%	16. Montgomery	32.9%	16. Carroll	-1.9%
Prince George's	76,375	77,325	1.2%	17. St. Mary's	31.3%	17. Queen Anne's	-2.2%
Queen Anne's	1,889	1,848	-2.2%	18. Anne Arundel	30.7%	18. Baltimore City	-2.2%
St. Mary's	5,396	5,361	-0.6%	19. Harford	29.7%	19. Caroline	-2.2%
Somerset	2,008	1,960	-2.4%	20. Frederick	25.5%	20. Somerset	-2.4%
Talbot	1,861	1,954	5.0%	21. Queen Anne's	24.5%	21. Washington	-3.7%
Washington	10,645	10,248	-3.7%	22. Howard	21.0%	22. Garrett	-3.9%
Wicomico	8,372	8,283	-1.1%	23. Calvert	19.1%	23. Calvert	-10.0%
Worcester	2,676	2,647	-1.1%	24. Carroll	18.8%	24. Cecil	-13.4%
Total	369,210	366,981	-0.6%	Statewide	42.6%	Statewide	-0.6%

FRPM: free and reduced-price meals

FTE: full-time equivalent

Source: Maryland State Department of Education

Exhibit 7.13
Students Identified as Limited English Proficient
Fiscal 2018 and 2019

County	Fiscal 2018	Fiscal 2019	Percent	LEP Students as					
			Difference	Percent of FTE Enrollment		Change in LEP Students			
Allegany	17	15	-11.8%	1.	Prince George's	20.0%	1.	Garrett	125.0%
Anne Arundel	4,586	5,310	15.8%	2.	Montgomery	16.7%	2.	Kent	31.9%
Baltimore City	4,280	4,951	15.7%	3.	Talbot	7.3%	3.	Charles	28.7%
Baltimore	5,521	6,840	23.9%	4.	Caroline	7.3%	4.	Dorchester	26.7%
Calvert	113	141	24.8%	5.	Wicomico	6.8%	5.	Harford	26.3%
Caroline	349	397	13.8%	6.	Baltimore City	6.6%	6.	Calvert	24.8%
Carroll	280	315	12.5%	7.	Anne Arundel	6.6%	7.	Washington	24.0%
Cecil	220	262	19.1%	8.	Frederick	6.3%	8.	Baltimore	23.9%
Charles	519	668	28.7%	9.	Baltimore	6.3%	9.	Wicomico	22.5%
Dorchester	146	185	26.7%	10.	Howard	5.6%	10.	Queen Anne's	19.2%
Frederick	2,193	2,569	17.1%	11.	Somerset	4.2%	11.	Cecil	19.1%
Garrett	4	9	125.0%	12.	Dorchester	4.1%	12.	Frederick	17.1%
Harford	494	624	26.3%	13.	Kent	3.3%	13.	Howard	16.5%
Howard	2,645	3,081	16.5%	14.	Queen Anne's	3.1%	14.	Anne Arundel	15.8%
Kent	47	62	31.9%	15.	Charles	2.6%	15.	Baltimore City	15.7%
Montgomery	23,308	26,289	12.8%	16.	Washington	2.3%	16.	Prince George's	14.3%
Prince George's	22,208	25,391	14.3%	17.	Worcester	2.2%	17.	Caroline	13.8%
Queen Anne's	198	236	19.2%	18.	Cecil	1.8%	18.	St. Mary's	13.6%
St. Mary's	235	267	13.6%	19.	Harford	1.7%	19.	Montgomery	12.8%
Somerset	108	113	4.6%	20.	St. Mary's	1.6%	20.	Talbot	12.7%
Talbot	284	320	12.7%	21.	Carroll	1.3%	21.	Carroll	12.5%
Washington	400	496	24.0%	22.	Calvert	0.9%	22.	Worcester	8.8%
Wicomico	799	979	22.5%	23.	Garrett	0.2%	23.	Somerset	4.6%
Worcester	125	136	8.8%	24.	Allegany	0.2%	24.	Allegany	-11.8%
Total	69,079	79,656	15.3%		Statewide	9.3%		Statewide	15.3%

FTE: full-time equivalent

LEP: limited English proficient

Source: Maryland State Department of Education

Exhibit 7.14
Students Receiving Special Education Services
Fiscal 2018 and 2019

County	Fiscal 2018	Fiscal 2019	Percent Difference	Special Education Students as Percent of FTE Enrollment		Change in Special Education Students	
Allegany	1,387	1,413	1.9%	1.	Allegany 17.3%	1.	Talbot 9.5%
Anne Arundel	8,407	8,674	3.2%	2.	Baltimore City 17.1%	2.	Howard 4.8%
Baltimore City	13,075	12,830	-1.9%	3.	Cecil 15.6%	3.	Frederick 3.9%
Baltimore	14,478	14,915	3.0%	4.	Somerset 15.2%	4.	Washington 3.3%
Calvert	1,539	1,541	0.1%	5.	Kent 14.0%	5.	Anne Arundel 3.2%
Caroline	584	580	-0.7%	6.	Baltimore 13.6%	6.	Kent 3.2%
Carroll	2,944	2,999	1.9%	7.	Harford 13.4%	7.	Baltimore 3.0%
Cecil	2,368	2,302	-2.8%	8.	Worcester 12.7%	8.	Montgomery 2.9%
Charles	3,115	3,199	2.7%	9.	Montgomery 12.3%	9.	Charles 2.7%
Dorchester	465	449	-3.4%	10.	Charles 12.3%	10.	Allegany 1.9%
Frederick	4,499	4,673	3.9%	11.	Wicomico 12.2%	11.	Carroll 1.9%
Garrett	400	389	-2.8%	12.	Carroll 12.0%	12.	St. Mary's 1.8%
Harford	5,033	4,949	-1.7%	13.	Prince George's 11.8%	13.	Prince George's 0.8%
Howard	5,341	5,598	4.8%	14.	Queen Anne's 11.7%	14.	Calvert 0.1%
Kent	253	261	3.2%	15.	Frederick 11.5%	15.	Queen Anne's -0.1%
Montgomery	18,768	19,321	2.9%	16.	Talbot 11.2%	16.	Caroline -0.7%
Prince George's	14,898	15,012	0.8%	17.	St. Mary's 11.0%	17.	Harford -1.7%
Queen Anne's	883	882	-0.1%	18.	Anne Arundel 10.8%	18.	Somerset -1.7%
St. Mary's	1,853	1,887	1.8%	19.	Washington 10.7%	19.	Baltimore City -1.9%
Somerset	418	411	-1.7%	20.	Garrett 10.7%	20.	Wicomico -2.7%
Talbot	451	494	9.5%	21.	Caroline 10.6%	21.	Garrett -2.8%
Washington	2,267	2,341	3.3%	22.	Howard 10.1%	22.	Cecil -2.8%
Wicomico	1,793	1,744	-2.7%	23.	Calvert 10.0%	23.	Dorchester -3.4%
Worcester	839	800	-4.6%	24.	Dorchester 9.9%	24.	Worcester -4.6%
Total	106,058	107,664	1.5%		Statewide 12.5%		Statewide 1.5%

FTE: full-time equivalent

Source: Maryland State Department of Education

Exhibit 7.15
Racial Composition in Maryland Public Schools
September 2017

County	White	African American	Hispanic/Latino	Asian	American Indian	Native Hawaiian	Two or More Races	Percent Minority
Allegany	88.0%	3.3%	1.4%	1.0%	0.2%	0.0%	6.2%	1. Prince George's 95.8%
Anne Arundel	53.9%	20.9%	14.8%	3.7%	0.3%	0.2%	6.1%	2. Baltimore City 92.0%
Baltimore City	8.0%	79.4%	10.4%	1.0%	0.2%	0.2%	0.9%	3. Charles 74.8%
Baltimore	38.7%	39.1%	9.7%	7.2%	0.4%	0.1%	4.8%	4. Montgomery 71.7%
Calvert	71.2%	12.8%	5.9%	1.6%	0.2%	0.1%	8.2%	5. Howard 62.7%
Caroline	62.7%	14.5%	13.7%	1.2%	0.2%	0.0%	7.6%	6. Baltimore 61.3%
Carroll	83.5%	3.9%	6.4%	2.8%	0.2%	0.2%	3.1%	7. Somerset 61.0%
Cecil	76.8%	9.2%	6.8%	0.7%	0.2%	0.1%	6.1%	8. Wicomico 57.4%
Charles	25.2%	55.3%	8.3%	3.1%	0.4%	0.1%	7.5%	9. Dorchester 56.8%
Dorchester	43.2%	39.8%	8.2%	1.6%	0.1%	0.1%	7.0%	10. Anne Arundel 46.1%
Frederick	60.4%	12.1%	16.5%	5.4%	0.3%	0.2%	5.0%	11. Talbot 41.6%
Garrett	96.4%	0.3%	1.3%	0.3%	0.0%	0.0%	1.7%	12. Frederick 39.6%
Harford	63.7%	19.1%	7.2%	3.3%	0.3%	0.2%	6.2%	13. Kent 39.1%
Howard	37.3%	23.6%	10.7%	21.9%	0.2%	0.1%	6.2%	14. Caroline 37.3%
Kent	60.9%	22.9%	8.5%	0.5%	0.2%	0.0%	7.0%	15. Harford 36.3%
Montgomery	28.3%	21.4%	30.8%	14.4%	0.2%	0.1%	4.9%	16. St. Mary's 35.9%
Prince George's	4.2%	58.1%	33.1%	2.8%	0.3%	0.2%	1.3%	17. Worcester 34.6%
Queen Anne's	79.6%	5.8%	7.8%	1.3%	0.1%	0.1%	5.3%	18. Washington 32.8%
St. Mary's	64.1%	18.4%	7.1%	2.5%	0.3%	0.2%	7.4%	19. Calvert 28.8%
Somerset	39.0%	45.0%	9.5%	1.0%	0.2%	0.1%	5.2%	20. Cecil 23.2%
Talbot	58.4%	16.2%	17.9%	1.9%	0.1%	0.0%	5.5%	21. Queen Anne's 20.4%
Washington	67.2%	13.2%	9.2%	2.1%	0.1%	0.1%	8.1%	22. Carroll 16.5%
Wicomico	42.6%	36.6%	9.9%	3.1%	0.6%	0.1%	7.2%	23. Allegany 12.0%
Worcester	65.4%	18.9%	7.3%	1.9%	0.3%	0.0%	6.2%	24. Garrett 3.6%
Maryland	37.3%	33.7%	17.4%	6.6%	0.3%	0.1%	4.6%	Statewide 62.7%

Note: American Indian includes Alaskan Native. Native Hawaiian includes Pacific Islander.

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 2017. 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 2017 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 2017, unrestricted general fund balance, including rainy day funds, as a percent of general fund revenues averaged 17.0% across county governments, ranging from 12.2% in Anne Arundel and Howard counties to 42.6% in Wicomico County. In fiscal 2017, 23 counties reported rainy day funds totaling approximately \$1.0 billion or 7.0% 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 2016 and 2017, 16 counties reported an increase in their unrestricted general fund/rainy day balances, while 8 counties experienced decreases in their unrestricted general fund/rainy day balances over this period.

Exhibit 8.1
County General Fund Balances in Fiscal 2017
(\$ in Thousands)

County	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Allegany ¹	\$1,200.0	\$173.2	\$967.2	\$5,896.3	\$18,650.0	\$26,886.7
Anne Arundel	3,082.7	1,372.1	0.0	82,546.2	88,023.5	175,024.5
Baltimore City	2,260.0	380,996.0	0.0	197,220.0	134,327.0	714,803.0
Baltimore	9,251.0	61,062.0	0.0	53,984.0	205,391.0	329,688.0
Calvert	6,778.1	54.0	25,047.0	5,000.0	24,060.4	60,939.5
Caroline	275.9	0.0	0.0	0.0	8,886.8	9,162.7
Carroll	27,548.7	29,656.5	21,402.1	20,383.3	14,529.7	113,520.3
Cecil	10,215.1	0.0	0.0	15,327.6	10,247.5	35,790.2
Charles	2,612.6	1,571.1	63,196.7	5,713.0	4,772.2	77,865.6
Dorchester ¹	105.9	0.0	0.0	1,617.5	5,937.4	7,660.8
Frederick	2,289.6	1,144.7	85,447.4	6,101.3	300.0	95,283.0
Garrett	1,884.4	2,902.9	0.0	11,930.8	3,529.1	20,247.2
Harford	1,170.2	7,094.8	0.0	74,261.3	18,615.9	101,142.3
Howard	9,045.3	2,070.4	67,383.0	31,953.4	26,239.3	136,691.3
Kent	752.3	0.0	3,770.4	0.0	5,296.5	9,819.1
Montgomery	8,797.5	292,445.3	60,445.6	26,917.0	118,366.5	506,971.8
Prince George's ¹	2,010.0	185,338.4	62,987.0	48,288.6	167,450.8	466,074.8
Queen Anne's	754.9	10,626.4	4,000.0	1,998.4	8,830.5	26,210.3
St. Mary's	2,164.0	292.4	14,955.0	2,025.1	30,394.8	49,831.2
Somerset	0.0	190.0	9,300.0	705.9	3,499.7	13,695.6
Talbot ¹	55.5	0.0	0.0	2,526.0	26,834.5	29,416.0
Washington	1,455.4	577.9	38,263.4	16.5	0.0	40,313.2
Wicomico	718.9	1,785.3	16,727.7	2,116.1	39,316.5	60,664.5
Worcester	134.2	0.0	0.0	23,486.9	34,308.5	57,929.6
Total	\$94,562.4	\$979,353.5	\$473,892.3	\$620,015.2	\$997,807.8	\$3,165,631.2
State of Maryland	\$571,891.0	\$10,459.0	\$1,564,668.0	\$0.0	-\$788,832.0	\$1,358,186.0

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

Source: County audit reports, fiscal 2017; County finance offices; Comptroller of Maryland

Exhibit 8.2
County Unrestricted General Fund Balances and Rainy Day Funds in Fiscal 2017
(\$ in Thousands)

County	General Fund Revenues	Unrestricted Funds²	Percent of General Fund	Rainy Day Fund	Percent of General Fund
Allegany ¹	\$87,746.3	\$25,513.5	29.1%	\$8,000.0	9.1%
Anne Arundel	1,401,179.6	170,569.7	12.2%	59,500.0	4.2%
Baltimore City	1,788,788.0	331,547.0	18.5%	134,232.0	7.5%
Baltimore	1,939,636.0	259,375.0	13.4%	99,360.0	5.1%
Calvert	249,868.2	54,107.4	21.7%	19,742.0	7.9%
Caroline	46,314.6	8,886.8	19.2%	0.0	0.0%
Carroll	373,735.3	56,315.1	15.1%	20,002.1	5.4%
Cecil	177,860.8	25,575.1	14.4%	14,227.6	8.0%
Charles	372,974.2	73,681.9	19.8%	55,946.1	15.0%
Dorchester ¹	51,395.9	7,554.9	14.7%	2,700.0	5.3%
Frederick	547,901.3	91,848.7	16.8%	1,000.0	0.2%
Garrett	76,244.7	15,459.8	20.3%	3,500.0	4.6%
Harford	505,076.7	92,877.2	18.4%	27,155.0	5.4%
Howard	1,029,176.4	125,575.7	12.2%	67,383.0	6.5%
Kent	46,558.6	9,066.8	19.5%	185.2	0.4%
Montgomery	3,349,325.5	486,389.3	14.5%	280,660.3	8.4%
Prince George's ¹	1,902,703.7	436,193.8	22.9%	157,467.5	8.3%
Queen Anne's	131,398.6	25,353.0	19.3%	14,524.1	11.1%
St. Mary's	220,643.1	47,374.8	21.5%	1,625.0	0.7%
Somerset	34,907.9	13,505.6	38.7%	400.0	1.1%
Talbot ¹	84,198.8	29,360.5	34.9%	11,931.8	14.2%
Washington	220,120.6	38,279.9	17.4%	37,702.3	17.1%
Wicomico	136,678.9	58,160.3	42.6%	7,149.1	5.2%
Worcester	198,337.9	57,795.4	29.1%	18,974.2	9.6%
Total	\$14,972,771.7	\$2,540,367.1	17.0%	\$1,043,367.2	7.0%

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, 2017, the county may have appropriated a portion of these amounts for the current fiscal year budget.

Source: County audit reports, fiscal 2017; County finance offices

Exhibit 8.3
County Unrestricted General Fund Balances and Rainy Day Funds
Fiscal 2014-2017
(\$ in Thousands)

County	FY 2014 Balances	Percent of General Fund	FY 2015 Balances	Percent of General Fund	FY 2016 Balances	Percent of General Fund	FY 2017 Balances	Percent of General Fund
Allegany ¹	\$22,109.3	25.8%	\$26,255.5	30.8%	\$23,879.8	27.8%	\$25,513.5	29.1%
Anne Arundel	100,381.9	8.1%	121,299.5	9.4%	142,767.4	10.8%	170,569.7	12.2%
Baltimore City	294,968.0	18.2%	287,289.0	17.3%	378,557.0	20.9%	331,547.0	18.5%
Baltimore	393,519.0	22.6%	381,102.0	21.0%	322,689.0	17.2%	259,375.0	13.4%
Calvert	51,874.3	23.2%	44,941.5	19.6%	43,257.9	18.5%	54,107.4	21.7%
Caroline	5,822.9	13.7%	7,140.0	16.0%	8,320.6	17.7%	8,886.8	19.2%
Carroll	48,782.9	14.1%	46,240.8	13.2%	54,241.2	14.6%	56,315.1	15.1%
Cecil	29,029.1	17.2%	24,390.0	14.2%	27,251.5	15.4%	25,575.1	14.4%
Charles	38,570.1	11.8%	42,793.8	12.4%	59,630.7	16.0%	73,681.9	19.8%
Dorchester ¹	8,513.8	17.1%	9,054.3	18.1%	8,190.4	16.1%	7,554.9	14.7%
Frederick	74,836.4	15.6%	76,107.1	15.0%	91,929.8	17.2%	91,848.7	16.8%
Garrett	19,119.1	26.5%	13,965.8	18.5%	17,944.4	23.3%	15,459.8	20.3%
Harford	66,970.7	14.3%	65,247.3	13.7%	75,432.1	15.3%	92,877.2	18.4%
Howard	126,273.8	13.6%	99,548.4	10.5%	129,765.4	12.6%	125,575.7	12.2%
Kent	9,643.4	20.4%	9,756.2	21.0%	10,102.5	22.0%	9,066.8	19.5%
Montgomery	593,570.6	19.5%	484,347.3	16.3%	466,153.5	15.0%	486,389.3	14.5%
Prince George's ¹	277,299.3	17.8%	290,291.2	17.6%	373,093.4	21.0%	436,193.8	22.9%
Queen Anne's	17,801.7	15.3%	20,385.8	17.1%	22,277.5	17.9%	25,353.0	19.3%
St. Mary's	44,177.6	21.6%	44,604.3	21.3%	37,689.6	17.6%	47,374.8	21.5%
Somerset	12,696.5	37.8%	10,973.5	33.0%	12,055.4	33.6%	13,505.6	38.7%
Talbot ¹	20,772.4	27.0%	25,034.2	31.7%	25,479.0	32.2%	29,360.5	34.9%
Washington	37,162.1	18.2%	36,844.4	17.7%	38,122.5	17.5%	38,279.9	17.4%
Wicomico	44,359.4	35.9%	48,453.2	37.3%	53,967.9	40.9%	58,160.3	42.6%
Worcester	49,495.9	29.4%	42,656.8	25.0%	49,847.9	26.6%	57,795.4	29.1%
Total	\$2,387,750.0	17.9%	\$2,258,721.8	16.5%	\$2,472,646.3	17.2%	\$2,540,367.1	17.0%

¹ Fiscal 2017 information for these counties is unaudited.

Source: County audit reports, fiscal 2014 through 2017; County finance offices

Chapter 9. Local Debt Measures

County Debt

As of June 30, 2016, Maryland counties and Baltimore City had \$21.4 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 2012 through 2016.

Between fiscal 2012 and 2016, local debt for counties and Baltimore City increased by \$3.6 billion or 20.0%. This represents a 4.7% average annual increase over the four-year period. The Washington Suburban Sanitary Commission (WSSC) accounted for 11.7% of the total debt in fiscal 2016. In the exhibits, WSSC debt is apportioned equally between Montgomery and Prince George's counties. Montgomery County had \$5.9 billion in outstanding debt, while Prince George's County had \$3.0 billion in debt. As a result, Montgomery County was the largest borrower in the State, while Prince George's County was the third largest borrower in the State. In comparison, Dorchester and Kent counties were the smallest borrowers. Dorchester County had \$25.9 million in outstanding debt, while Kent County had \$24.7 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 \$1.3 billion in outstanding debt as of June 30, 2016, while the State of Maryland had \$19.9 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 2006, 2011, and 2016. The ratio of total county debt to assessable base has increased from fiscal 2006 to fiscal 2016.

In fiscal 2016, Baltimore City (8.8%) had the highest debt-to-assessable-base ratio in the State followed by Prince George's (3.8%) and Baltimore (3.6%) counties. Six counties have debt-to-assessable-base ratios that have remained below 1.5% in fiscal 2006, 2011, and 2016 (Calvert, Dorchester, Garrett, Kent, Talbot, and Worcester). For comparative purposes, in fiscal 2016 the State had a debt-to-assessable-base ratio of 3.0% which was an increase from 2.4% in 2006.

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 \$2,291 in fiscal 2006 to \$3,575 in fiscal 2016, a 56.0% increase over the decade. The largest increases in per capita debt were in Baltimore, Cecil, Harford, and Worcester counties. Baltimore City and Howard and Montgomery counties had the highest debt per capita. Allegany, Dorchester, and Talbot counties had the lowest debt per capita.

For comparative purposes, the State's debt in fiscal 2016 amounted to \$3,321 per capita, a 73.1% increase from the \$1,919 per capita amount in 2006. The municipalities/special taxing districts had a ratio of \$1,411 per capita in 2016.

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 six 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;
- Cecil – 5% of real property and 15% 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, 2017. 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 2012-2016
(\$ in Thousands)

County	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Average Annual Change
Allegany	\$55,290	\$55,278	\$50,572	\$55,853	\$52,187	-1.4%
Anne Arundel	1,097,541	1,153,218	1,244,625	1,353,264	1,392,102	6.1%
Baltimore City	2,916,538	2,916,243	3,128,115	3,331,139	3,317,270	3.3%
Baltimore	2,440,202	2,842,809	2,956,343	3,016,515	2,892,064	4.3%
Calvert	153,728	147,170	149,670	135,910	121,749	-5.7%
Caroline	40,740	37,831	36,628	42,725	43,285	1.5%
Carroll	356,006	348,618	348,535	339,951	338,671	-1.2%
Cecil	202,268	188,886	223,629	216,662	246,815	5.1%
Charles	349,647	345,678	320,179	331,915	334,196	-1.1%
Dorchester	31,705	28,499	26,766	24,090	25,872	-5.0%
Frederick	696,163	685,244	679,597	672,178	705,512	0.3%
Garrett	38,500	45,300	43,525	45,194	50,787	7.2%
Harford	642,167	641,331	638,671	645,128	635,366	-0.3%
Howard	1,320,632	1,378,141	1,426,794	1,439,255	1,543,509	4.0%
Kent	39,761	33,075	30,470	26,396	24,696	-11.2%
Montgomery	4,612,432	4,856,695	5,028,474	5,430,845	5,851,113	6.1%
Prince George's	2,152,327	2,591,115	2,647,293	2,881,151	3,049,091	9.1%
Queen Anne's	109,265	101,645	117,833	120,949	125,570	3.5%
St. Mary's	138,945	132,368	129,224	133,009	171,806	5.5%
Somerset	36,257	35,410	34,649	33,568	33,534	-1.9%
Talbot	46,000	42,608	41,907	45,396	40,633	-3.1%
Washington	191,117	189,315	187,645	189,209	200,691	1.2%
Wicomico	99,975	101,625	108,344	109,305	115,404	3.7%
Worcester	91,299	86,003	127,558	127,788	118,123	6.7%
Total	\$17,858,507	\$18,984,104	\$19,727,048	\$20,747,395	\$21,430,044	4.7%

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 2006	FY 2011	FY 2016	FY 2006	FY 2011	FY 2016	FY 2006	FY 2011	FY 2016
Allegany	\$2,808,112	\$4,010,110	\$3,874,679	\$50,556	\$58,823	\$52,187	1.8%	1.5%	1.3%
Anne Arundel	52,554,958	84,987,819	80,112,958	805,073	1,087,477	1,392,102	1.5%	1.3%	1.7%
Baltimore City	23,249,753	39,149,240	37,800,252	2,220,853	3,016,266	3,317,270	9.6%	7.7%	8.8%
Baltimore	55,476,797	89,397,035	79,563,230	1,220,143	2,071,967	2,892,064	2.2%	2.3%	3.6%
Calvert	8,408,145	14,209,661	12,296,389	105,874	159,143	121,749	1.3%	1.1%	1.0%
Caroline	1,786,819	3,182,687	2,601,199	25,383	44,511	43,285	1.4%	1.4%	1.7%
Carroll	13,438,532	20,915,009	18,688,384	249,218	368,781	338,671	1.9%	1.8%	1.8%
Cecil	6,945,277	11,067,074	9,720,779	120,395	201,838	246,815	1.7%	1.8%	2.5%
Charles	11,308,138	18,794,704	16,538,794	263,690	344,109	334,196	2.3%	1.8%	2.0%
Dorchester	2,154,025	3,544,326	2,886,226	23,848	35,181	25,872	1.1%	1.0%	0.9%
Frederick	18,975,905	29,761,665	27,060,531	441,805	669,220	705,512	2.3%	2.2%	2.6%
Garrett	2,873,593	4,975,949	4,501,172	38,590	35,606	50,787	1.3%	0.7%	1.1%
Harford	17,345,762	28,580,599	27,078,899	279,635	624,404	635,366	1.6%	2.2%	2.3%
Howard	30,847,706	48,043,284	47,415,855	873,013	1,218,620	1,543,509	2.8%	2.5%	3.3%
Kent	1,910,531	3,282,266	2,947,502	25,163	41,378	24,696	1.3%	1.3%	0.8%
Montgomery	123,784,098	179,221,107	175,943,575	3,460,330	4,370,141	5,851,113	2.8%	2.4%	3.3%
Prince George's	54,495,057	99,039,894	79,490,201	2,009,593	2,074,517	3,049,091	3.7%	2.1%	3.8%
Queen Anne's	5,221,808	8,749,244	7,667,625	74,879	119,380	125,570	1.4%	1.4%	1.6%
St. Mary's	6,877,275	13,182,756	12,188,442	164,283	147,278	171,806	2.4%	1.1%	1.4%
Somerset	959,352	1,769,205	1,446,319	20,132	32,764	33,534	2.1%	1.9%	2.3%
Talbot	5,882,773	10,134,945	8,401,891	30,302	49,049	40,633	0.5%	0.5%	0.5%
Washington	8,842,655	14,221,239	12,451,149	163,108	199,662	200,691	1.8%	1.4%	1.6%
Wicomico	5,008,492	7,695,967	6,113,566	79,358	106,263	115,404	1.6%	1.4%	1.9%
Worcester	11,777,360	18,180,328	14,838,026	67,099	96,014	118,123	0.6%	0.5%	0.8%
Total	\$472,932,923	\$756,096,113	\$691,627,642	\$12,812,322	\$17,172,390	\$21,430,044	2.7%	2.3%	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 2005	July 2010	July 2015	FY 2006	FY 2011	FY 2016	FY 2006	FY 2011	FY 2016
Allegany	73,979	75,021	72,531	\$50,556	\$58,823	\$52,187	\$683	\$784	\$720
Anne Arundel	516,171	539,310	563,837	805,073	1,087,477	1,392,102	1,560	2,016	2,469
Baltimore City	621,560	621,195	621,402	2,220,853	3,016,266	3,317,270	3,573	4,856	5,338
Baltimore	789,110	806,241	829,209	1,220,143	2,071,967	2,892,064	1,546	2,570	3,488
Calvert	86,294	88,945	90,620	105,874	159,143	121,749	1,227	1,789	1,344
Caroline	31,416	33,062	32,591	25,383	44,511	43,285	808	1,346	1,328
Carroll	165,519	167,210	167,651	249,218	368,781	338,671	1,506	2,205	2,020
Cecil	96,836	101,163	102,397	120,395	201,838	246,815	1,243	1,995	2,410
Charles	138,560	147,148	155,923	263,690	344,109	334,196	1,903	2,339	2,143
Dorchester	31,422	32,655	32,391	23,848	35,181	25,872	759	1,077	799
Frederick	221,201	234,202	245,377	441,805	669,220	705,512	1,997	2,857	2,875
Garrett	30,083	30,084	29,446	38,590	35,606	50,787	1,283	1,184	1,725
Harford	238,402	245,240	250,138	279,635	624,404	635,366	1,173	2,546	2,540
Howard	268,590	288,674	312,711	873,013	1,218,620	1,543,509	3,250	4,221	4,936
Kent	19,695	20,192	19,768	25,163	41,378	24,696	1,278	2,049	1,249
Montgomery	921,531	976,321	1,036,233	3,460,330	4,370,141	5,851,113	3,755	4,476	5,647
Prince George's	853,271	865,821	906,003	2,009,593	2,074,517	3,049,091	2,355	2,396	3,365
Queen Anne's	44,879	47,835	48,889	74,879	119,380	125,570	1,668	2,496	2,568
St. Mary's	96,871	105,752	111,628	164,283	147,278	171,806	1,696	1,393	1,539
Somerset	25,793	26,480	25,746	20,132	32,764	33,534	781	1,237	1,302
Talbot	36,423	37,884	37,523	30,302	49,049	40,633	832	1,295	1,083
Washington	142,084	147,735	149,570	163,108	199,662	200,691	1,148	1,351	1,342
Wicomico	92,508	98,937	102,019	79,358	106,263	115,404	858	1,074	1,131
Worcester	50,181	51,477	51,380	67,099	96,014	118,123	1,337	1,865	2,299
Total	5,592,379	5,788,584	5,994,983	\$12,812,322	\$17,172,390	\$21,430,044	\$2,291	\$2,967	\$3,575

Note: The Washington Suburban Sanitary Commission's debt is allocated to both Montgomery and Prince George's counties on a 50/50 basis.

Source: U.S. Census Bureau; Uniform Financial Reports and Audited Financial Statements, Department of Legislative Services

Exhibit 9.4
Maryland County Debt
Bond Ratings – July 2017

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	Aaa	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	AAA
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: 2017 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 0.71 for Allegany County in 2015 indicates that for every dollar of State tax revenues allocated to Allegany County, the county received \$0.71 in direct State aid. The amount of direct grants received for each \$1.00 of taxes paid in fiscal 2015 ranged from \$0.13 in Talbot County to \$1.31 in Somerset County. Statewide, the weighted average for this measure was \$0.38, and the simple average (county mean) was \$0.49. 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	7 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 2015 the county received \$0.75 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 2015 varied from \$0.15 for Talbot County to \$1.31 for Somerset County. Statewide, the weighted average was \$0.41, and the simple average was \$0.52.

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 2015, for example, Allegany County's direct aid index was 1.87, indicating that Allegany County's ratio was 87% above the statewide average. Including payments-on-behalf lowers Allegany County's ratio to 1.84 or 84% 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 2015, State aid (direct grants and payments-on-behalf) represented approximately 41% 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 2015 (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).

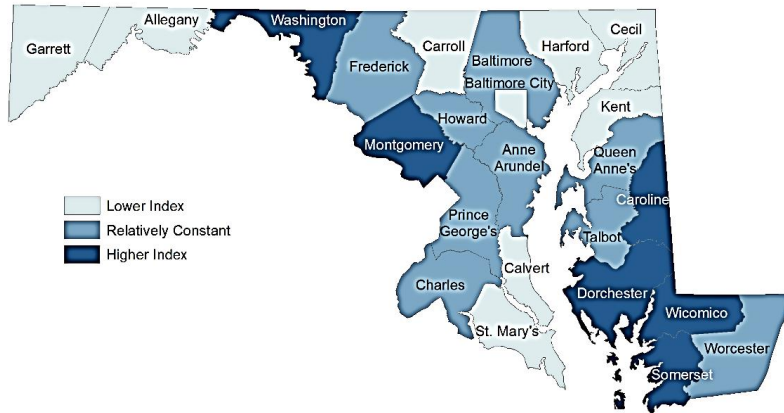
During this 10-year period, the "balance sheet index" increased in 6 counties and decreased in 8 counties and Baltimore City. For the remaining 9 counties, the index value in the most recent years is similar to the value in the earlier years, but for several counties there were upward and downward trends for the intervening years (see **Table 10.2**).

In fiscal 2015, 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 \$2,094 for Baltimore City (the greatest per capita amount for any jurisdiction) and \$1,344 for Prince George's County. Kent and Talbot counties, in contrast, received the least amount of State aid at \$13.8 million and \$21.1 million, respectively. On a per capita basis, Kent County received \$696 while Talbot County received \$561 – 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



Source: Department of Legislative Services

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 2015 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 2015 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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Allegany	0.71	0.80	0.87	0.89	0.90	0.87	0.79	0.77	0.77	0.71
Anne Arundel	0.21	0.23	0.24	0.25	0.24	0.24	0.23	0.24	0.24	0.23
Baltimore City	0.95	1.02	1.07	1.11	1.10	1.08	1.05	1.00	1.00	0.96
Baltimore	0.24	0.27	0.29	0.30	0.31	0.30	0.29	0.28	0.28	0.28
Calvert	0.46	0.49	0.52	0.51	0.51	0.49	0.45	0.42	0.41	0.39
Caroline	0.90	1.05	1.12	1.20	1.18	1.16	1.11	1.06	1.08	1.06
Carroll	0.36	0.39	0.41	0.43	0.42	0.41	0.39	0.36	0.35	0.32
Cecil	0.65	0.69	0.74	0.76	0.75	0.77	0.72	0.68	0.66	0.64
Charles	0.43	0.48	0.50	0.51	0.50	0.47	0.47	0.45	0.45	0.42
Dorchester	0.60	0.62	0.69	0.75	0.73	0.65	0.71	0.71	0.72	0.73
Frederick	0.33	0.36	0.41	0.44	0.44	0.42	0.42	0.40	0.40	0.38
Garrett	0.58	0.62	0.62	0.63	0.64	0.61	0.56	0.53	0.50	0.47
Harford	0.39	0.43	0.45	0.47	0.46	0.45	0.41	0.39	0.38	0.35
Howard	0.22	0.24	0.26	0.28	0.28	0.28	0.27	0.26	0.25	0.24
Kent	0.28	0.27	0.24	0.28	0.30	0.27	0.26	0.25	0.27	0.23
Montgomery	0.14	0.15	0.17	0.19	0.20	0.21	0.20	0.20	0.21	0.20
Prince George's	0.54	0.59	0.64	0.64	0.62	0.58	0.54	0.55	0.56	0.56
Queen Anne's	0.28	0.30	0.32	0.35	0.33	0.33	0.32	0.32	0.31	0.28
St. Mary's	0.42	0.45	0.48	0.50	0.47	0.46	0.42	0.41	0.40	0.39
Somerset	1.04	1.12	1.24	1.19	1.28	1.36	1.28	1.21	1.30	1.31
Talbot	0.11	0.12	0.11	0.12	0.12	0.12	0.11	0.12	0.12	0.13
Washington	0.39	0.46	0.52	0.55	0.56	0.56	0.56	0.55	0.56	0.54
Wicomico	0.45	0.51	0.58	0.63	0.67	0.70	0.68	0.67	0.71	0.68
Worcester	0.12	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.15	0.14
Total (Weighted Avg.)	0.35	0.38	0.41	0.43	0.43	0.42	0.40	0.39	0.39	0.38
County Mean (Simple Avg.)	0.45	0.49	0.53	0.55	0.55	0.54	0.52	0.50	0.50	0.49
Standard Deviation	0.25	0.28	0.30	0.31	0.31	0.32	0.30	0.29	0.30	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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Allegany	0.73	0.83	0.91	0.93	0.95	0.92	0.84	0.82	0.81	0.75
Anne Arundel	0.23	0.25	0.26	0.27	0.27	0.28	0.27	0.27	0.27	0.25
Baltimore City	0.96	1.03	1.09	1.12	1.12	1.11	1.08	1.03	1.02	0.98
Baltimore	0.26	0.29	0.31	0.33	0.34	0.33	0.32	0.31	0.31	0.30
Calvert	0.48	0.51	0.55	0.54	0.55	0.55	0.50	0.47	0.46	0.43
Caroline	0.91	1.06	1.14	1.21	1.21	1.19	1.14	1.09	1.11	1.09
Carroll	0.38	0.41	0.44	0.46	0.46	0.46	0.43	0.40	0.39	0.36
Cecil	0.66	0.71	0.76	0.78	0.78	0.81	0.76	0.72	0.69	0.68
Charles	0.44	0.50	0.53	0.54	0.54	0.52	0.52	0.49	0.49	0.46
Dorchester	0.61	0.63	0.71	0.76	0.76	0.68	0.74	0.73	0.74	0.75
Frederick	0.35	0.38	0.44	0.47	0.48	0.47	0.46	0.44	0.43	0.41
Garrett	0.58	0.62	0.63	0.64	0.65	0.63	0.59	0.54	0.52	0.49
Harford	0.40	0.45	0.48	0.50	0.50	0.49	0.45	0.42	0.41	0.39
Howard	0.25	0.27	0.30	0.32	0.33	0.33	0.32	0.30	0.30	0.28
Kent	0.30	0.29	0.26	0.30	0.33	0.31	0.29	0.27	0.29	0.25
Montgomery	0.17	0.18	0.20	0.22	0.25	0.25	0.25	0.24	0.24	0.24
Prince George's	0.55	0.61	0.67	0.66	0.66	0.62	0.59	0.58	0.59	0.59
Queen Anne's	0.29	0.31	0.34	0.37	0.36	0.36	0.36	0.35	0.34	0.31
St. Mary's	0.43	0.47	0.50	0.52	0.50	0.50	0.46	0.45	0.44	0.42
Somerset	1.05	1.12	1.24	1.20	1.29	1.37	1.29	1.22	1.30	1.31
Talbot	0.12	0.13	0.12	0.13	0.13	0.14	0.13	0.13	0.14	0.15
Washington	0.40	0.48	0.54	0.57	0.59	0.60	0.60	0.58	0.59	0.58
Wicomico	0.47	0.54	0.61	0.67	0.71	0.74	0.73	0.71	0.74	0.72
Worcester	0.13	0.15	0.16	0.15	0.17	0.17	0.17	0.17	0.17	0.16
Total (Weighted Avg.)	0.37	0.40	0.43	0.46	0.47	0.46	0.44	0.42	0.42	0.41
County Mean (Simple Avg.)	0.47	0.51	0.55	0.57	0.58	0.58	0.55	0.53	0.53	0.52
Standard Deviation	0.25	0.28	0.30	0.30	0.31	0.31	0.30	0.28	0.29	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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Allegany	2.02	2.09	2.11	2.08	2.09	2.08	1.98	1.97	1.96	1.87
Anne Arundel	0.60	0.61	0.59	0.57	0.56	0.57	0.58	0.61	0.61	0.60
Baltimore City	2.70	2.67	2.61	2.59	2.56	2.59	2.63	2.57	2.53	2.54
Baltimore	0.68	0.70	0.70	0.71	0.71	0.71	0.72	0.71	0.72	0.73
Calvert	1.30	1.27	1.27	1.18	1.18	1.19	1.12	1.09	1.05	1.03
Caroline	2.56	2.74	2.74	2.80	2.75	2.78	2.78	2.73	2.76	2.80
Carroll	1.02	1.03	1.00	0.99	0.98	0.98	0.97	0.93	0.90	0.85
Cecil	1.85	1.81	1.80	1.76	1.74	1.85	1.80	1.76	1.66	1.70
Charles	1.21	1.24	1.23	1.19	1.16	1.14	1.18	1.15	1.14	1.12
Dorchester	1.71	1.61	1.69	1.74	1.70	1.55	1.77	1.82	1.84	1.91
Frederick	0.94	0.95	1.00	1.03	1.02	1.01	1.04	1.03	1.01	1.00
Garrett	1.64	1.62	1.51	1.47	1.50	1.45	1.41	1.35	1.28	1.23
Harford	1.10	1.13	1.11	1.09	1.06	1.07	1.04	0.99	0.95	0.93
Howard	0.64	0.63	0.64	0.65	0.65	0.67	0.67	0.66	0.64	0.63
Kent	0.81	0.71	0.58	0.65	0.69	0.66	0.65	0.63	0.68	0.61
Montgomery	0.40	0.40	0.41	0.43	0.47	0.49	0.51	0.52	0.53	0.53
Prince George's	1.53	1.54	1.56	1.48	1.44	1.40	1.36	1.40	1.42	1.48
Queen Anne's	0.79	0.78	0.77	0.81	0.78	0.78	0.81	0.82	0.80	0.75
St. Mary's	1.18	1.17	1.16	1.15	1.09	1.10	1.06	1.05	1.03	1.02
Somerset	2.97	2.93	3.02	2.78	2.98	3.26	3.21	3.10	3.30	3.45
Talbot	0.31	0.31	0.27	0.27	0.27	0.29	0.29	0.30	0.32	0.34
Washington	1.10	1.20	1.27	1.29	1.30	1.34	1.41	1.40	1.42	1.43
Wicomico	1.27	1.33	1.41	1.47	1.55	1.67	1.70	1.73	1.79	1.80
Worcester	0.35	0.36	0.34	0.32	0.32	0.34	0.36	0.36	0.38	0.36
Total (Weighted Avg.)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
County Mean (Simple Avg.)	1.28	1.28	1.28	1.27	1.27	1.29	1.29	1.28	1.28	1.28
Standard Deviation	0.73	0.74	0.75	0.73	0.74	0.77	0.77	0.75	0.77	0.80

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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Allegany	1.99	2.06	2.09	2.05	2.04	2.02	1.93	1.94	1.92	1.84
Anne Arundel	0.62	0.63	0.61	0.59	0.59	0.60	0.61	0.63	0.63	0.62
Baltimore City	2.60	2.57	2.50	2.47	2.40	2.43	2.46	2.43	2.40	2.40
Baltimore	0.70	0.71	0.71	0.73	0.73	0.72	0.73	0.73	0.74	0.74
Calvert	1.30	1.27	1.26	1.19	1.19	1.19	1.14	1.12	1.08	1.06
Caroline	2.47	2.64	2.62	2.67	2.59	2.60	2.61	2.58	2.62	2.67
Carroll	1.02	1.03	1.01	1.00	0.99	1.00	0.98	0.95	0.91	0.87
Cecil	1.78	1.75	1.75	1.71	1.68	1.78	1.74	1.71	1.63	1.67
Charles	1.20	1.23	1.22	1.18	1.16	1.14	1.18	1.15	1.14	1.13
Dorchester	1.66	1.57	1.64	1.67	1.64	1.49	1.68	1.73	1.75	1.83
Frederick	0.94	0.95	1.00	1.03	1.03	1.02	1.05	1.03	1.02	1.01
Garrett	1.56	1.55	1.44	1.40	1.41	1.37	1.34	1.29	1.23	1.19
Harford	1.10	1.13	1.11	1.10	1.07	1.07	1.04	1.00	0.96	0.95
Howard	0.67	0.67	0.69	0.70	0.70	0.73	0.73	0.72	0.70	0.69
Kent	0.81	0.71	0.60	0.66	0.70	0.67	0.66	0.64	0.68	0.62
Montgomery	0.45	0.45	0.46	0.48	0.53	0.55	0.57	0.57	0.57	0.57
Prince George's	1.50	1.52	1.53	1.45	1.41	1.36	1.34	1.38	1.38	1.43
Queen Anne's	0.80	0.78	0.78	0.81	0.78	0.78	0.82	0.83	0.80	0.76
St. Mary's	1.17	1.16	1.16	1.14	1.08	1.09	1.05	1.05	1.02	1.02
Somerset	2.83	2.79	2.86	2.63	2.77	3.00	2.94	2.88	3.07	3.21
Talbot	0.33	0.32	0.28	0.29	0.29	0.32	0.31	0.32	0.33	0.36
Washington	1.09	1.18	1.25	1.26	1.27	1.31	1.38	1.37	1.39	1.41
Wicomico	1.27	1.33	1.40	1.46	1.52	1.63	1.66	1.68	1.75	1.76
Worcester	0.36	0.37	0.36	0.34	0.36	0.37	0.39	0.39	0.41	0.39
Total (Weighted Avg.)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
County Mean (Simple Avg.)	1.26	1.27	1.26	1.25	1.25	1.26	1.26	1.25	1.26	1.26
Standard Deviation	0.69	0.70	0.71	0.68	0.68	0.70	0.69	0.68	0.71	0.73

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 2015

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	73,045	1.2%	16	\$142,477,882	0.8%	18	\$107,512,630	1.5%	15
Anne Arundel	559,966	9.4%	5	1,833,085,468	10.8%	4	467,084,806	6.7%	5
Baltimore City	623,353	10.4%	4	1,331,724,392	7.8%	5	1,305,490,034	18.8%	1
Baltimore	826,518	13.9%	3	2,500,617,342	14.7%	2	761,924,591	10.9%	4
Calvert	90,601	1.5%	15	239,253,321	1.4%	13	103,654,140	1.5%	16
Caroline	32,524	0.5%	21	54,943,799	0.3%	22	59,926,171	0.9%	17
Carroll	167,700	2.8%	9	479,004,692	2.8%	9	171,430,246	2.5%	11
Cecil	102,180	1.7%	13	189,389,536	1.1%	16	129,162,387	1.9%	13
Charles	154,567	2.6%	10	431,401,574	2.5%	10	199,162,937	2.9%	10
Dorchester	32,537	0.5%	20	63,253,693	0.4%	21	47,257,278	0.7%	18
Frederick	243,569	4.1%	8	693,334,162	4.1%	7	287,272,927	4.1%	7
Garrett	29,658	0.5%	22	67,875,350	0.4%	20	33,044,882	0.5%	22
Harford	249,839	4.2%	7	664,966,482	3.9%	8	257,930,584	3.7%	8
Howard	308,151	5.2%	6	1,097,704,942	6.5%	6	310,330,151	4.5%	6
Kent	19,793	0.3%	24	54,320,696	0.3%	23	13,767,747	0.2%	24
Montgomery	1,027,780	17.2%	1	3,716,891,401	21.9%	1	874,188,031	12.6%	3
Prince George's	900,647	15.1%	2	2,064,965,656	12.1%	3	1,210,707,269	17.4%	2
Queen Anne's	48,727	0.8%	18	140,567,072	0.8%	19	43,636,102	0.6%	19
St. Mary's	110,483	1.9%	12	281,012,008	1.7%	12	117,861,549	1.7%	14
Somerset	25,653	0.4%	23	30,081,095	0.2%	24	39,463,624	0.6%	20
Talbot	37,569	0.6%	19	142,663,492	0.8%	17	21,089,340	0.3%	23
Washington	149,459	2.5%	11	350,334,892	2.1%	11	202,267,993	2.9%	9
Wicomico	101,538	1.7%	14	222,757,771	1.3%	14	160,603,915	2.3%	12
Worcester	51,438	0.9%	17	212,178,820	1.2%	15	34,010,977	0.5%	21
Total	5,967,295	100.0%		\$17,004,805,539	100.0%		\$6,958,780,311	100.0%	

Source: Department of Legislative Services

Exhibit 10.6
Per Capita Allocation of State Tax Revenues and State Aid – Fiscal 2015

<u>Share of State Tax Revenues</u>					<u>Share of State Grants to Local Governments</u>		
County	Population	Total Revenues	Per Capita Amount	Ranking	Total Grants	Per Capita Amount	Ranking
Allegany	73,045	\$142,477,882	\$1,951	20	\$107,512,630	\$1,472	5
Anne Arundel	559,966	1,833,085,468	3,274	5	467,084,806	834	21
Baltimore City	623,353	1,331,724,392	2,136	19	1,305,490,034	2,094	1
Baltimore	826,518	2,500,617,342	3,025	6	761,924,591	922	18
Calvert	90,601	239,253,321	2,641	13	103,654,140	1,144	12
Caroline	32,524	54,943,799	1,689	23	59,926,171	1,843	2
Carroll	167,700	479,004,692	2,856	8	171,430,246	1,022	16
Cecil	102,180	189,389,536	1,853	22	129,162,387	1,264	10
Charles	154,567	431,401,574	2,791	10	199,162,937	1,289	9
Dorchester	32,537	63,253,693	1,944	21	47,257,278	1,452	6
Frederick	243,569	693,334,162	2,847	9	287,272,927	1,179	11
Garrett	29,658	67,875,350	2,289	17	33,044,882	1,114	13
Harford	249,839	664,966,482	2,662	12	257,930,584	1,032	15
Howard	308,151	1,097,704,942	3,562	4	310,330,151	1,007	17
Kent	19,793	54,320,696	2,744	11	13,767,747	696	22
Montgomery	1,027,780	3,716,891,401	3,616	3	874,188,031	851	20
Prince George's	900,647	2,064,965,656	2,293	16	1,210,707,269	1,344	8
Queen Anne's	48,727	140,567,072	2,885	7	43,636,102	896	19
St. Mary's	110,483	281,012,008	2,543	14	117,861,549	1,067	14
Somerset	25,653	30,081,095	1,173	24	39,463,624	1,538	4
Talbot	37,569	142,663,492	3,797	2	21,089,340	561	24
Washington	149,459	350,334,892	2,344	15	202,267,993	1,353	7
Wicomico	101,538	222,757,771	2,194	18	160,603,915	1,582	3
Worcester	51,438	212,178,820	4,125	1	34,010,977	661	23
Total	5,967,295	\$17,004,805,539	\$2,850		\$6,958,780,311	\$1,166	

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>
Dorchester		
Brookview	1953	Ch. 704
Cambridge	1793	Ch. 66
Church Creek	1867	Ch. 53
East New Market	1832	Ch. 167
Eldorado	1947	Ch. 313
Galestown	1951	Ch. 92
Hurlock	1892	Ch. 249
Secretary	1900	Ch. 555
Vienna	1833	Ch. 216
Frederick		
Brunswick	1890	Ch. 577
Burkittsville	1894	Ch. 652
Emmitsburg	1824	Ch. 29
Frederick	1816	Ch. 74
Middletown	1833	Ch. 143
Mount Airy (also in Carroll)	1894	Ch. 91
Myersville	1904	Ch. 94
New Market	1878	Ch. 90
Rosemont	1953	Ch. 262
Thurmont	1894	Ch. 16
Walkersville	1892	Ch. 351
Woodsboro	1836	Ch. 299
Garrett		
Accident	1916	Ch. 514
Deer Park	1884	Ch. 519
Friendsville	1902	Ch. 477
Grantsville	1864	Ch. 99
Kitzmiller	1906	Ch. 285
Loch Lynn Heights	1896	Ch. 450
Mountain Lake Park	1931	Ch. 507
Oakland	1862	Ch. 250

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Harford		
Aberdeen	1892	Ch. 136
Bel Air	1874	Ch. 273
Havre de Grace	1785	Ch. 55
Howard		
None		
Kent		
Betterton	1906	Ch. 227
Chestertown	1805	Ch. 101
Galena	1858	Ch. 373
Millington (also in Queen Anne's)	1890	Ch. 386
Rock Hall	1908	Ch. 171
Montgomery		
Barnesville	1888	Ch. 254
Brookeville	1808	Ch. 90
Chevy Chase	1918	Ch. 177
Chevy Chase, Sec. 3	1982	Referendum
Chevy Chase, Sec. 5	1982	Referendum
Chevy Chase View	1993	Referendum
Chevy Chase Village	1910	Ch. 382
Gaithersburg	1878	Ch. 397
Garrett Park	1898	Ch. 453
Glen Echo	1904	Ch. 436
Kensington	1894	Ch. 621
Laytonsville	1892	Ch. 497
Martin's Additions	1985	Referendum
North Chevy Chase	1996	Referendum
Poolesville	1867	Ch. 174
Rockville	1860	Ch. 373
Somerset	1906	Ch. 795
Takoma Park	1890	Ch. 480
Washington Grove	1937	Ch. 372

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Prince George's		
Berwyn Heights	1896	Ch. 267
Bladensburg	1854	Ch. 137
Bowie	1882	Ch. 488
Brentwood	1912	Ch. 401
Capitol Heights	1910	Ch. 513
Cheverly	1931	Ch. 200
College Park	1945	Ch. 1051
Colmar Manor	1927	Ch. 178
Cottage City	1924	Ch. 390
District Heights	1936	Ch. 61
Eagle Harbor	1929	Ch. 397
Edmonston	1924	Ch. 154
Fairmount Heights	1935	Ch. 199
Forest Heights	1949	Ch. 142
Glenarden	1939	Ch. 650
Greenbelt	1937	Ch. 532
Hyattsville	1886	Ch. 424
Landover Hills	1945	Ch. 465
Laurel	1870	Ch. 260
Morningside	1949	Ch. 589
Mount Rainier	1910	Ch. 514
New Carrollton	1953	Ch. 441
North Brentwood	1924	Ch. 508
Riverdale Park	1920	Ch. 731
Seat Pleasant	1931	Ch. 197
University Park	1936	Ch. 132
Upper Marlboro	1870	Ch. 363

<u>County</u>	<u>Year</u>	<u>Chapter/ Referendum</u>
Queen Anne's		
Barclay	1931	Ch. 483
Centreville	1794	Ch. 23
Church Hill	1876	Ch. 201
Millington (also in Kent)	1890	Ch. 386
Queen Anne (also in Talbot)	1953	Ch. 17
Queenstown	1892	Ch. 542
Sudlersville	1870	Ch. 313
Templeville (also in Caroline)	1865	Ch. 86
St. Mary's		
Leonardtown	1858	Ch. 73
Somerset		
Crisfield	1872	Ch. 151
Princess Anne	1867	Ch. 183
Talbot		
Easton	1790	Ch. 14
Oxford	1852	Ch. 367
Queen Anne (also in Queen Anne's)	1953	Ch. 17
St. Michaels	1804	Ch. 82
Trappe	1827	Ch. 103
Washington		
Boonsboro	1831	Ch. 139
Clear Spring	1836	Ch. 141
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 2016

County	County Population	Municipal Population	Percent of County	Rank
Allegany	72,130	32,503	45.1%	3
Anne Arundel	568,346	39,521	7.0%	20
Baltimore City	614,664	0	0.0%	24
Baltimore	831,026	0	0.0%	24
Calvert	91,251	7,930	8.7%	18
Caroline	32,850	11,984	36.5%	7
Carroll	167,656	48,427	28.9%	11
Cecil	102,603	29,950	29.2%	10
Charles	157,705	13,076	8.3%	19
Dorchester	32,258	16,046	49.7%	2
Frederick	247,591	104,328	42.1%	5
Garrett	29,425	6,762	23.0%	14
Harford	251,032	39,248	15.6%	16
Howard	317,233	0	0.0%	24
Kent	19,730	7,868	39.9%	6
Montgomery	1,043,863	173,017	16.6%	15
Prince George's	908,049	247,829	27.3%	12
Queen Anne's	48,929	6,927	14.2%	17
St. Mary's	112,587	3,769	3.3%	21
Somerset	25,928	6,223	24.0%	13
Talbot	37,278	19,309	51.8%	1
Washington	150,292	53,773	35.8%	8
Wicomico	102,577	46,091	44.9%	4
Worcester	51,444	17,779	34.6%	9
Total	6,016,447	932,360	15.5%	

Source: Maryland Department of Planning; Department of Legislative Services

Appendix 4
Racial Composition of the United States
July 2016

State	White	African American	Hispanic/ Latino	Asian	Other
Alabama	65.8%	26.5%	4.2%	1.4%	2.1%
Alaska	61.2%	3.4%	7.0%	6.2%	22.3%
Arizona	55.5%	4.2%	30.9%	3.1%	6.2%
Arkansas	72.9%	15.4%	7.3%	1.5%	2.8%
California	37.7%	5.7%	38.9%	14.2%	3.5%
Colorado	68.6%	4.0%	21.3%	3.1%	3.0%
Connecticut	67.7%	10.1%	15.7%	4.6%	2.0%
Delaware	62.9%	21.5%	9.2%	3.9%	2.6%
District of Columbia	36.4%	46.1%	10.9%	4.0%	2.5%
Florida	54.9%	15.6%	24.9%	2.7%	1.9%
Georgia	53.4%	31.1%	9.4%	4.0%	2.1%
Hawaii	22.1%	2.0%	10.4%	36.5%	29.0%
Idaho	82.4%	0.7%	12.3%	1.4%	3.2%
Illinois	61.7%	14.1%	17.0%	5.4%	1.7%
Indiana	79.6%	9.3%	6.8%	2.2%	2.0%
Iowa	86.2%	3.5%	5.8%	2.5%	2.0%
Kansas	76.3%	5.8%	11.6%	2.9%	3.4%
Kentucky	85.0%	8.1%	3.5%	1.5%	2.0%
Louisiana	59.0%	32.1%	5.0%	1.8%	2.1%
Maine	93.5%	1.4%	1.6%	1.2%	2.3%
Maryland	51.5%	29.6%	9.8%	6.5%	2.6%
Massachusetts	73.0%	7.0%	11.5%	6.6%	2.0%
Michigan	75.4%	13.8%	5.0%	3.0%	2.7%
Minnesota	80.6%	6.0%	5.2%	4.9%	3.3%

State	White	African American	Hispanic/ Latino	Asian	Other
Mississippi	56.9%	37.4%	3.1%	1.0%	1.6%
Missouri	79.7%	11.6%	4.1%	2.0%	2.6%
Montana	86.5%	0.5%	3.6%	0.8%	8.6%
Nebraska	79.6%	4.7%	10.7%	2.4%	2.7%
Nevada	49.9%	8.6%	28.5%	8.2%	4.7%
New Hampshire	90.8%	1.2%	3.5%	2.6%	1.7%
New Jersey	55.8%	12.9%	20.0%	9.6%	1.7%
New Mexico	38.1%	1.8%	48.5%	1.5%	10.1%
New York	55.8%	14.6%	19.0%	8.7%	2.0%
North Carolina	63.5%	21.4%	9.2%	2.8%	3.0%
North Dakota	85.0%	2.8%	3.6%	1.5%	7.1%
Ohio	79.5%	12.5%	3.7%	2.2%	2.2%
Oklahoma	66.2%	7.4%	10.3%	2.2%	13.9%
Oregon	76.4%	1.9%	12.8%	4.3%	4.7%
Pennsylvania	77.0%	10.8%	7.0%	3.4%	1.8%
Rhode Island	73.3%	5.8%	14.9%	3.4%	2.5%
South Carolina	63.9%	27.0%	5.5%	1.6%	2.0%
South Dakota	82.5%	1.9%	3.7%	1.4%	10.5%
Tennessee	74.2%	16.8%	5.2%	1.8%	2.0%
Texas	42.6%	11.8%	39.1%	4.7%	1.8%
Utah	78.8%	1.1%	13.8%	2.4%	3.9%
Vermont	93.1%	1.2%	1.9%	1.7%	2.1%
Virginia	62.4%	19.1%	9.1%	6.5%	2.9%
Washington	69.5%	3.8%	12.4%	8.4%	5.9%
West Virginia	92.3%	3.5%	1.5%	0.8%	1.8%
Wisconsin	81.7%	6.3%	6.7%	2.8%	2.5%
Wyoming	84.1%	1.1%	10.0%	0.9%	3.9%
United States	61.3%	12.4%	17.8%	5.5%	3.0%

Source: U.S. Census Bureau

Appendix 5

Washington and Baltimore Metropolitan Statistical Areas

	<u>1990</u>	<u>2000</u>	<u>2016</u>	<u>Population Change</u>		<u>Percent Change</u>	
				<u>1990-2000</u>	<u>2000-2016</u>	<u>1990-2000</u>	<u>2000-2016</u>
Washington Metropolitan Area	4,156,612	4,837,428	6,131,977	680,816	1,294,549	16.4%	26.8%
District of Columbia	606,900	572,059	681,170	-34,841	109,111	-5.7%	19.1%
Maryland	1,788,314	2,065,242	2,448,459	276,928	383,217	15.5%	18.6%
Calvert	51,372	74,563	91,251	23,191	16,688	45.1%	22.4%
Charles	101,154	120,546	157,705	19,392	37,159	19.2%	30.8%
Frederick	150,208	195,277	247,591	45,069	52,314	30.0%	26.8%
Montgomery	762,875	873,341	1,043,863	110,466	170,522	14.5%	19.5%
Prince George's	722,705	801,515	908,049	78,810	106,534	10.9%	13.3%
Virginia	1,725,472	2,157,937	2,945,980	432,465	788,043	25.1%	36.5%
Alexandria City	111,183	128,283	155,810	17,100	27,527	15.4%	21.5%
Arlington	170,936	189,453	230,050	18,517	40,597	10.8%	21.4%
Clarke	12,101	12,652	14,374	551	1,722	4.6%	13.6%
Culpeper	27,791	34,262	50,083	6,471	15,821	23.3%	46.2%
Fairfax City	19,622	21,498	24,164	1,876	2,666	9.6%	12.4%
Fairfax	818,584	969,749	1,138,652	151,165	168,903	18.5%	17.4%
Falls Church City	9,578	10,377	14,014	799	3,637	8.3%	35.0%
Fauquier	48,741	55,139	69,069	6,398	13,930	13.1%	25.3%
Fredericksburg City	19,027	19,279	28,297	252	9,018	1.3%	46.8%
Loudoun	86,129	169,599	385,945	83,470	216,346	96.9%	127.6%
Manassas City	27,957	35,135	41,483	7,178	6,348	25.7%	18.1%
Manassas Park City	6,734	10,290	15,915	3,556	5,625	52.8%	54.7%
Prince William	215,686	280,813	455,210	65,127	174,397	30.2%	62.1%
Rappahannock	6,622	6,983	7,388	361	405	5.5%	5.8%
Spotsylvania	57,403	90,395	132,010	32,992	41,615	57.5%	46.0%
Stafford	61,236	92,446	144,361	31,210	51,915	51.0%	56.2%
Warren	26,142	31,584	39,155	5,442	7,571	20.8%	24.0%
West Virginia	35,926	42,190	56,368	6,264	14,178	17.4%	33.6%
Jefferson	35,926	42,190	56,368	6,264	14,178	17.4%	33.6%

				Population Change		Percent Change	
	<u>1990</u>	<u>2000</u>	<u>2016</u>	<u>1990-2000</u>	<u>2000-2016</u>	<u>1990-2000</u>	<u>2000-2016</u>
Baltimore Metropolitan Area	2,382,172	2,552,994	2,798,886	170,822	245,892	7.2%	9.6%
Baltimore City	736,014	651,154	614,664	-84,860	-36,490	-11.5%	-5.6%
Anne Arundel	427,239	489,656	568,346	62,417	78,690	14.6%	16.1%
Baltimore	692,134	754,292	831,026	62,158	76,734	9.0%	10.2%
Carroll	123,372	150,897	167,656	27,525	16,759	22.3%	11.1%
Harford	182,132	218,590	251,032	36,458	32,442	20.0%	14.8%
Howard	187,328	247,842	317,233	60,514	69,391	32.3%	28.0%
Queen Anne's	33,953	40,563	48,929	6,610	8,366	19.5%	20.6%

Source: U.S. Census Bureau

Appendix 6
Special County Property Tax Rates
Fiscal 2018

	<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	\$0.748	73.9%
Transit Tax	0.058	5.7%
Fire District Tax	0.109	10.8%
M-NCPPC	0.074	7.3%
Recreation Tax	0.024	2.4%
Storm Drainage Tax	0.000	0.0%
Total Rate	\$1.013	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 2018

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Allegany	72,130	\$0.977			\$0.977
Barton	431	0.884	0.174	-	1.058
Cumberland	19,978	0.832	1.060	-	1.892
Frostburg	8,676	0.841	0.660	-	1.501
Lonaconing	1,134	0.857	0.351	-	1.209
Luke	63	0.855	1.060	-	1.916
Midland	425	0.884	0.280	-	1.164
Westernport	1,796	0.884	0.600	-	1.484
Anne Arundel	568,346	\$0.907			\$0.907
Annapolis	39,418	0.544	0.645	-	1.189
Highland Beach	103	0.877	0.203	-	1.080
Baltimore City	614,664	\$2.248			\$2.248
Baltimore	831,026	\$1.100			\$1.100
Calvert	91,251	\$0.952			\$0.952
Chesapeake Beach	5,911	0.616	0.350	-	0.966
North Beach	2,019	0.616	0.633	-	1.249
Caroline	32,850	\$0.980			\$0.980
Denton	4,388	0.910	0.750	-	1.660
Federalsburg	2,674	0.890	0.830	-	1.720
Goldsboro	238	0.980	0.470	-	1.450
Greensboro	1,882	0.910	0.750	-	1.660

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Henderson	145	0.980	0.480	-	1.460
Hillsboro	159	0.980	0.160	-	1.140
Marydel	141	0.980	0.300	-	1.280
Preston	706	0.940	0.360	-	1.300
Ridgely	1,624	0.910	0.579	-	1.489
Templeville*	27	0.980	0.360	-	1.340
Carroll	167,656	\$1.018			\$1.018
Hampstead	6,355	1.018	0.220	-	1.238
Manchester	4,818	1.018	0.216	-	1.234
Mount Airy*	5,512	1.018	0.166	-	1.184
New Windsor	1,400	1.018	0.262	-	1.280
Sykesville	3,941	1.018	0.350	-	1.368
Taneytown	6,760	1.018	0.370	-	1.388
Union Bridge	970	1.018	0.350	-	1.368
Westminster	18,671	1.018	0.560	-	1.578
Cecil	102,603	\$1.041			\$1.041
Cecilton	675	1.041	0.237	-	1.279
Charlestown	1,196	1.041	0.333	-	1.375
Chesapeake City	700	1.041	0.449	-	1.490
Elkton	15,744	1.041	0.636	-	1.677
North East	3,650	1.041	0.480	-	1.521
Perryville	4,419	1.041	0.310	-	1.351
Port Deposit	767	1.041	0.546	-	1.587
Rising Sun	2,799	1.041	0.480	-	1.521
Charles	157,705	\$1.141		\$0.064	\$1.205
Indian Head	3,824	1.100	0.300	0.064	1.464
La Plata	9,239	1.011	0.320	0.064	1.395
Port Tobacco	13	1.141	0.040	0.064	1.245

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Dorchester	32,258	\$0.974			\$0.974
Brookview	59	0.974	0.300	-	1.274
Cambridge	12,468	0.927	0.818	-	1.745
Church Creek	123	0.974	0.170	-	1.144
East New Market	381	0.974	0.711	-	1.685
Eldorado	58	0.974	0.170	-	1.144
Galestown	135	0.974	0.310	-	1.284
Hurlock	2,027	0.918	0.827	-	1.745
Secretary	520	0.974	0.336	-	1.310
Vienna	275	0.974	0.480	-	1.454
Frederick	247,591	\$1.060		-	\$1.060
Brunswick	6,171	1.060	0.430	-	1.490
Burkittsville	157	1.060	0.190	-	1.250
Emmitsburg	3,038	1.060	0.360	-	1.420
Frederick	70,060	0.940	0.731	-	1.670
Middletown	4,515	1.060	0.232	-	1.292
Mount Airy*	3,862	1.060	0.166	-	1.226
Myersville	1,723	0.939	0.391	-	1.330
New Market	704	1.060	0.120	-	1.180
Rosemont	308	1.060	0.040	-	1.100
Thurmont	6,528	1.060	0.285	-	1.345
Walkersville	6,054	1.060	0.160	-	1.220
Woodsboro	1,208	1.060	0.126	-	1.186
Garrett	29,425	\$0.990			\$0.990
Accident	316	0.990	0.313	-	1.303
Deer Park	380	0.990	0.300	-	1.290
Friendsville	474	0.990	0.360	-	1.350
Grantsville	764	0.990	0.200	-	1.190
Kitzmiller	309	0.990	0.360	-	1.350
Loch Lynn Heights	535	0.990	0.320	-	1.310

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Mountain Lake Park	2,111	0.928	0.414	-	1.342
Oakland	1,873	0.990	0.472	-	1.462
Harford	251,032	\$1.042			\$1.042
Aberdeen	15,612	0.894	0.650	-	1.544
Bel Air	10,109	0.894	0.500	-	1.394
Havre de Grace	13,527	0.894	0.565	-	1.459
Howard	317,233	\$1.014		\$0.176	\$1.190
Kent	19,730	\$1.022			\$1.022
Betterton	324	1.022	0.320	-	1.342
Chestertown	5,080	1.022	0.370	-	1.392
Galena	594	1.022	0.240	-	1.262
Millington*	572	1.022	0.280	-	1.302
Rock Hall	1,298	1.022	0.320	-	1.342
Montgomery	1,043,863	\$0.748		\$0.265	\$1.013
Barnesville	179	0.748	0.051	0.192	0.992
Brookeville	132	0.748	0.150	0.192	1.090
Chevy Chase, Sec. 3	793	0.748	0.020	0.265	1.033
Chevy Chase, Sec. 5	711	0.748	0.000	0.265	1.013
Chevy Chase	2,989	0.748	0.010	0.265	1.023
Chevy Chase View	987	0.748	0.200	0.265	1.213
Chevy Chase Village	2,062	0.748	0.082	0.265	1.095
Gaithersburg	67,776	0.748	0.262	0.168	1.178
Garrett Park	1,046	0.748	0.210	0.265	1.223
Glen Echo	269	0.748	0.140	0.265	1.153
Kensington	2,379	0.748	0.136	0.265	1.149
Laytonsville	374	0.748	0.090	0.192	1.030
Martin's Additions	997	0.748	0.047	0.265	1.060
North Chevy Chase	587	0.748	0.045	0.265	1.058

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Poolesville	5,190	0.748	0.176	0.192	1.116
Rockville	66,940	0.748	0.622	0.168	1.538
Somerset	1,277	0.748	0.100	0.265	1.113
Takoma Park	17,765	0.748	0.535	0.265	1.548
Washington Grove	564	0.748	0.255	0.168	1.171
Prince George's	908,049	\$1.000		\$0.374	\$1.374
Berwyn Heights	3,275	0.878	0.530	0.374	1.782
Bladensburg	9,608	0.882	0.740	0.374	1.996
Bowie	58,393	0.860	0.400	0.320	1.580
Brentwood	3,183	0.936	0.400	0.374	1.710
Capitol Heights	4,545	0.896	0.446	0.374	1.716
Cheverly	6,469	0.871	0.540	0.374	1.785
College Park	32,275	0.968	0.335	0.374	1.677
Colmar Manor	1,464	0.907	1.154	0.374	2.435
Cottage City	1,368	0.902	0.650	0.374	1.926
District Heights	6,017	0.875	0.818	0.215	1.907
Eagle Harbor	65	0.994	0.473	0.374	1.841
Edmonston	1,516	0.912	0.617	0.374	1.903
Fairmount Heights	1,567	0.940	0.460	0.374	1.774
Forest Heights	2,577	0.927	0.584	0.374	1.885
Glenarden	6,178	0.892	0.331	0.374	1.597
Greenbelt	23,909	0.854	0.813	0.215	1.881
Hyattsville	18,449	0.861	0.630	0.374	1.865
Landover Hills	1,808	0.899	0.520	0.374	1.793
Laurel	25,853	0.824	0.710	0.158	1.692
Morningside	2,046	0.940	0.740	0.374	2.054
Mt. Rainier	8,455	0.864	0.840	0.374	2.078
New Carrollton	12,868	0.888	0.665	0.374	1.927
North Brentwood	540	0.995	0.440	0.374	1.809
Riverdale Park	7,304	0.870	0.654	0.374	1.898
Seat Pleasant	4,769	0.878	0.580	0.374	1.832

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
University Park	2,659	0.873	0.572	0.374	1.819
Upper Marlboro	669	0.926	0.240	0.374	1.540
Queen Anne's	48,929	\$0.847			\$0.847
Barclay	118	0.847	0.200	-	1.047
Centreville	4,680	0.743	0.405	-	1.148
Church Hill	744	0.847	0.340	-	1.187
Millington*	41	0.787	0.280	-	1.067
Queen Anne*	126	0.847	0.180	-	1.027
Queenstown	659	0.847	0.177	-	1.024
Sudlersville	472	0.771	0.167	-	0.938
Templeville*	87	0.847	0.360	-	1.207
St. Mary's	112,587	\$0.848			\$0.848
Leonardtown	3,769	0.848	0.127	-	0.974
Somerset	25,928	\$1.000			\$1.000
Crisfield	2,630	1.000	0.870	-	1.870
Princess Anne	3,593	1.000	1.021	-	2.021
Talbot	37,278	\$0.571			\$0.571
Easton	16,550	0.438	0.520	-	0.958
Oxford	617	0.454	0.300	-	0.754
Queen Anne*	89	0.510	0.180	-	0.690
St. Michaels	1,038	0.444	0.524	-	0.968
Trappe	1,015	0.473	0.330	-	0.803
Washington	150,292	\$0.948			\$0.948
Boonsboro	3,510	0.823	0.359	-	1.182
Clear Spring	350	0.823	0.280	-	1.103
Funkstown	884	0.823	0.360	-	1.183

Jurisdiction	Population July 2016	County Rate	Municipal Rate	County Special Rate	Total Rate
Hagerstown	40,452	0.823	0.913	-	1.736
Hancock	1,553	0.823	0.520	-	1.343
Keedysville	1,161	0.823	0.180	-	1.003
Sharpsburg	703	0.823	0.350	-	1.173
Smithsburg	3,000	0.823	0.350	-	1.173
Williamsport	2,160	0.823	0.485	-	1.308
Wicomico	102,577	\$0.940			\$0.940
Delmar	3,203	0.940	0.797	-	1.737
Fruitland	5,234	0.940	0.947	-	1.886
Hebron	1,095	0.940	0.445	-	1.385
Mardela Springs	351	0.940	0.230	-	1.170
Pittsville	1,445	0.940	0.280	-	1.220
Salisbury	33,114	0.940	0.983	-	1.923
Sharptown	652	0.940	0.600	-	1.540
Willards	997	0.940	0.510	-	1.450
Worcester	51,444	\$0.835			\$0.835
Berlin	4,608	0.835	0.680	-	1.515
Ocean City	6,999	0.835	0.466	-	1.301
Pocomoke City	4,101	0.835	0.938	-	1.773
Snow Hill	2,071	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