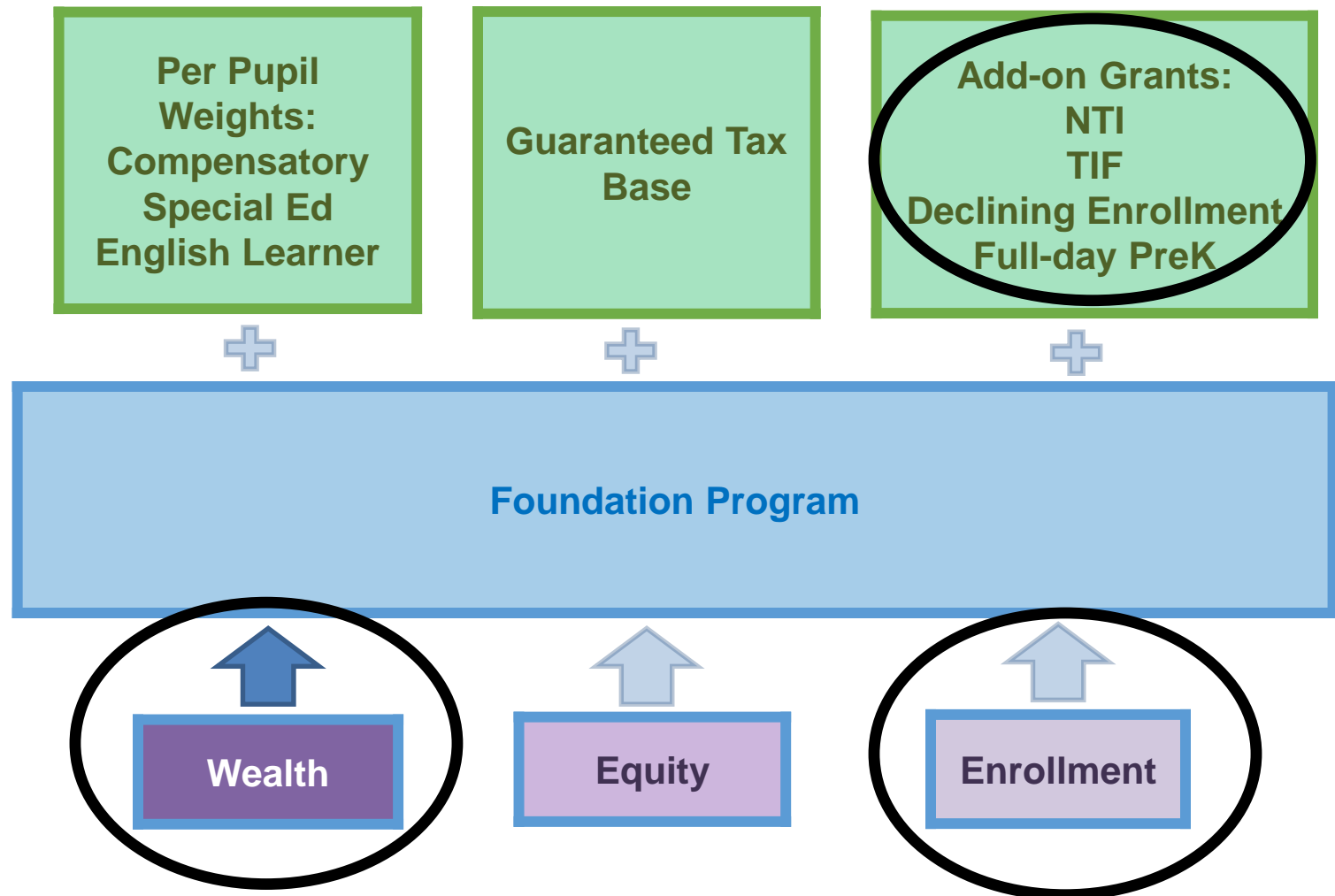

Local Wealth and Enrollment Issues and Overview of Maintenance of Effort

**Presentation to The Blueprint for Maryland's Future
Funding Formula Workgroup**

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

August 1, 2019

Layers of State Resources



Total Wealth Amount Used to Allocate State Education Aid

(\$ in Thousands)

<i>Property Wealth Amount</i>					<i>Income Wealth Amount</i>				<i>Total Wealth Amount</i>			
County	Fiscal 2019	Fiscal 2020	% Change	Rank	Fiscal 2019	Fiscal 2020	% Change	Rank	Fiscal 2019	Fiscal 2020	% Change	Rank
Allegany	\$1,608,482	\$1,620,185	0.7%	19	\$932,374	\$969,346	4.0%	24	\$2,540,856	\$2,589,530	1.9%	21
Anne Arundel	35,060,204	36,432,064	3.9%	5	18,207,901	18,973,763	4.2%	22	53,268,104	55,405,826	4.0%	9
Baltimore City	17,012,149	17,615,176	3.5%	6	9,683,998	10,172,567	5.0%	14	26,696,146	27,787,744	4.1%	7
Baltimore	34,305,562	35,342,189	3.0%	9	22,394,212	23,663,502	5.7%	9	56,699,775	59,005,691	4.1%	8
Calvert	5,271,011	4,935,960	-6.4%	24	2,575,352	2,712,741	5.3%	11	7,846,363	7,648,701	-2.5%	24
Caroline	1,058,106	1,077,713	1.9%	15	503,585	525,326	4.3%	21	1,561,690	1,603,040	2.6%	15
Carroll	7,872,902	8,084,933	2.7%	11	4,876,180	5,098,082	4.6%	19	12,749,082	13,183,015	3.4%	12
Cecil	4,050,625	4,244,025	4.8%	4	2,043,943	2,139,749	4.7%	16	6,094,568	6,383,774	4.7%	4
Charles	7,071,293	7,281,736	3.0%	10	3,713,180	3,926,758	5.8%	7	10,784,473	11,208,494	3.9%	10
Dorchester	1,164,894	1,165,818	0.1%	22	479,888	507,200	5.7%	8	1,644,782	1,673,019	1.7%	22
Frederick	11,825,056	12,421,373	5.0%	3	7,010,177	7,469,067	6.5%	5	18,835,232	19,890,439	5.6%	1
Garrett	1,880,338	1,867,289	-0.7%	23	453,658	491,259	8.3%	2	2,333,996	2,358,548	1.1%	23
Harford	11,541,965	11,811,599	2.3%	14	6,708,274	7,057,054	5.2%	12	18,250,239	18,868,653	3.4%	13
Howard	20,740,822	21,387,578	3.1%	7	12,442,098	13,317,277	7.0%	3	33,182,920	34,704,855	4.6%	5
Kent	1,185,960	1,194,253	0.7%	20	427,310	454,686	6.4%	6	1,613,270	1,648,939	2.2%	18
Montgomery	76,226,663	78,128,254	2.5%	12	43,080,199	46,071,485	6.9%	4	119,306,862	124,199,739	4.1%	6
Prince George's	36,545,361	38,554,164	5.5%	1	16,542,268	17,381,526	5.1%	13	53,087,628	55,935,690	5.4%	2
Queen Anne's	3,215,211	3,314,480	3.1%	8	1,470,190	1,551,375	5.5%	10	4,685,401	4,865,855	3.9%	11
St. Mary's	5,043,621	5,091,056	0.9%	17	2,777,140	2,908,849	4.7%	15	7,820,761	7,999,906	2.3%	17
Somerset	580,873	610,313	5.1%	2	228,214	238,084	4.3%	20	809,087	848,397	4.9%	3
Talbot	3,372,346	3,383,214	0.3%	21	1,135,528	1,235,619	8.8%	1	4,507,874	4,618,833	2.5%	16
Washington	5,217,034	5,265,161	0.9%	18	2,695,802	2,818,901	4.6%	18	7,912,836	8,084,062	2.2%	19
Wicomico	2,563,132	2,623,687	2.4%	13	1,597,205	1,671,203	4.6%	17	4,160,337	4,294,890	3.2%	14
Worcester	6,254,200	6,362,485	1.7%	16	1,217,967	1,268,557	4.2%	23	7,472,167	7,631,042	2.1%	20
Total	\$300,667,809	\$309,814,703	3.0%		\$163,196,644	\$172,623,978	5.8%		\$463,864,453	\$482,438,681	4.0%	

Note: Uses fall of 2017 and 2018 full-time equivalent enrollment and November net taxable income

Per Pupil Wealth Amount Used to Allocate State Education Aid

County	Per Pupil Property Wealth					Per Pupil Income Wealth				
	Fiscal 2019	Fiscal 2020	% Change	Rank	Rank	Fiscal 2019	Fiscal 2020	% Change	Rank	Rank
Allegany	\$196,967	\$201,309	2.2%	12	22	\$114,174	\$120,442	5.5%	8	20
Anne Arundel	436,342	450,559	3.3%	8	6	226,607	234,650	3.5%	21	5
Baltimore City	227,274	239,401	5.3%	2	20	129,374	138,251	6.9%	4	16
Baltimore	313,744	322,263	2.7%	10	10	204,808	215,773	5.4%	11	6
Calvert	341,508	318,994	-6.6%	24	12	166,857	175,315	5.1%	15	12
Caroline	193,473	195,406	1.0%	19	23	92,080	95,250	3.4%	22	23
Carroll	315,740	325,707	3.2%	9	9	195,558	205,379	5.0%	17	8
Cecil	274,019	289,058	5.5%	1	16	138,270	145,737	5.4%	10	15
Charles	271,087	276,720	2.1%	14	17	142,349	149,224	4.8%	18	14
Dorchester	257,378	257,355	0.0%	22	18	106,029	111,965	5.6%	7	22
Frederick	290,171	300,549	3.6%	7	14	172,020	180,722	5.1%	16	11
Garrett	515,338	510,049	-1.0%	23	4	124,332	134,187	7.9%	3	18
Harford	312,990	320,364	2.4%	11	11	181,912	191,408	5.2%	12	10
Howard	374,574	379,180	1.2%	18	8	224,701	236,102	5.1%	14	4
Kent	635,563	665,693	4.7%	4	3	228,998	253,448	10.7%	1	3
Montgomery	485,536	494,642	1.9%	15	5	274,405	291,686	6.3%	5	1
Prince George's	287,730	302,679	5.2%	3	13	130,241	136,458	4.8%	19	17
Queen Anne's	426,647	442,034	3.6%	6	7	195,089	206,898	6.1%	6	7
St. Mary's	294,007	298,775	1.6%	16	15	161,888	170,710	5.4%	9	13
Somerset	215,377	223,968	4.0%	5	21	84,618	87,370	3.3%	23	24
Talbot	765,485	769,612	0.5%	21	2	257,752	281,078	9.0%	2	2
Washington	238,210	241,610	1.4%	17	19	123,090	129,355	5.1%	13	19
Wicomico	178,724	182,609	2.2%	13	24	111,371	116,316	4.4%	20	21
Worcester	992,100	998,193	0.6%	20	1	193,205	199,021	3.0%	24	9
Total	\$349,286	\$358,968	2.8%			\$189,586	\$200,011	5.5%		

Note: Uses fall of 2017 and 2018 full-time equivalent enrollment and November net taxable income.

Total Wealth Per Pupil for State Education Aid Programs

Fiscal 2019 and 2020

County	Fiscal 2019	Fiscal 2020	Percent Difference	Ranking by Per Pupil Wealth		Ranking by Percent Difference	
Allegany	\$311,141	\$321,751	3.4%	1. Worcester	\$1,197,214	1. Kent	6.3%
Anne Arundel	662,949	685,209	3.4%	2. Talbot	1,050,690	2. Baltimore City	5.9%
Baltimore City	356,648	377,652	5.9%	3. Kent	919,141	3. Cecil	5.5%
Baltimore	518,552	538,036	3.8%	4. Montgomery	786,328	4. Prince George's	5.1%
Calvert	508,365	494,310	-2.8%	5. Anne Arundel	685,209	5. Queen Anne's	4.4%
Caroline	285,553	290,656	1.8%	6. Queen Anne's	648,932	6. Frederick	4.1%
Carroll	511,298	531,086	3.9%	7. Garrett	644,236	7. Carroll	3.9%
Cecil	412,290	434,795	5.5%	8. Howard	615,282	8. Somerset	3.8%
Charles	413,436	425,944	3.0%	9. Baltimore	538,036	9. Baltimore	3.8%
Dorchester	363,407	369,320	1.6%	10. Carroll	531,086	10. Montgomery	3.5%
Frederick	462,192	481,271	4.1%	11. Harford	511,772	11. Allegany	3.4%
Garrett	639,670	644,236	0.7%	12. Calvert	494,310	12. Harford	3.4%
Harford	494,902	511,772	3.4%	13. Frederick	481,271	13. Anne Arundel	3.4%
Howard	599,275	615,282	2.7%	14. St. Mary's	469,485	14. Wicomico	3.0%
Kent	864,560	919,141	6.3%	15. Prince George's	439,138	15. Charles	3.0%
Montgomery	759,941	786,328	3.5%	16. Cecil	434,795	16. St. Mary's	3.0%
Prince George's	417,971	439,138	5.1%	17. Charles	425,944	17. Talbot	2.7%
Queen Anne's	621,736	648,932	4.4%	18. Baltimore City	377,652	18. Washington	2.7%
St. Mary's	455,895	469,485	3.0%	19. Washington	370,965	19. Howard	2.7%
Somerset	299,995	311,338	3.8%	20. Dorchester	369,320	20. Caroline	1.8%
Talbot	1,023,238	1,050,690	2.7%	21. Allegany	321,751	21. Dorchester	1.6%
Washington	361,300	370,965	2.7%	22. Somerset	311,338	22. Worcester	1.0%
Wicomico	290,096	298,926	3.0%	23. Wicomico	298,926	23. Garrett	0.7%
Worcester	1,185,306	1,197,214	1.0%	24. Caroline	290,656	24. Calvert	-2.8%
Total	\$538,872	\$558,979	3.7%	Statewide	\$558,979	Statewide	3.7%

Note: Uses fall of 2017 and 2018 full-time equivalent enrollment and November net taxable income.

Calculation of Income Wealth

- An add-on grant for net taxable income (NTI) was enacted in 2013 in reaction to the IRS altering the filing extension deadline from August 15 to October 15
 - After a phase-in period the grant now provides 100% of the *greater of* State education aid resulting from using either September 1 or November 1 NTI
- APA recommended eliminating the add-on grant and shifting permanently to using *only* November 1 NTI as it fully captures a jurisdiction's income wealth
- Department of Legislative Services (DLS) concurs

Income Wealth

Fiscal 2020 (\$ in Thousands)						
County	September NTI	November NTI	Difference	Diff. Rank	% Difference	% Diff. Rank
Allegany	\$936,375	\$969,346	\$32,971	20	3.5%	24
Anne Arundel	16,760,226	18,973,763	2,213,537	3	13.2%	7
Baltimore City	9,011,940	10,172,567	1,160,627	5	12.9%	8
Baltimore	20,202,688	23,663,502	3,460,814	2	17.1%	4
Calvert	2,529,429	2,712,741	183,313	13	7.2%	11
Caroline	499,283	525,326	26,043	22	5.2%	22
Carroll	4,770,919	5,098,082	327,163	9	6.9%	12
Cecil	2,027,658	2,139,749	112,091	17	5.5%	20
Charles	3,719,635	3,926,758	207,122	11	5.6%	19
Dorchester	478,223	507,200	28,978	21	6.1%	15
Frederick	6,947,146	7,469,067	521,921	7	7.5%	10
Garrett	466,405	491,259	24,854	23	5.3%	21
Harford	6,626,593	7,057,054	430,461	8	6.5%	13
Howard	11,678,887	13,317,277	1,638,390	4	14.0%	6
Kent	386,076	454,686	68,610	19	17.8%	3
Montgomery	36,061,122	46,071,485	10,010,363	1	27.8%	1
Prince George's	16,403,484	17,381,526	978,043	6	6.0%	16
Queen Anne's	1,349,208	1,551,375	202,167	12	15.0%	5
St. Mary's	2,751,891	2,908,849	156,958	14	5.7%	17
Somerset	226,923	238,084	11,161	24	4.9%	23
Talbot	993,245	1,235,619	242,374	10	24.4%	2
Washington	2,667,817	2,818,901	151,085	15	5.7%	18
Wicomico	1,572,926	1,671,203	98,277	18	6.2%	14
Worcester	1,127,629	1,268,557	140,928	16	12.5%	9
Statewide	\$150,195,726	\$172,623,978	\$22,428,252		14.9%	

Income Wealth

Wealth-adjusted Direct Education Aid

Fiscal 2020

County	Wealth-adjusted Direct Aid		Difference	Current Law NTI Grants
	September NTI	November NTI		
Allegany	\$72,832,158	\$74,898,117	\$2,065,959	\$2,065,959
Anne Arundel	318,741,754	319,206,338	464,584	464,584
Baltimore City	734,695,138	733,013,759	-1,681,379	0
Baltimore	615,864,785	607,016,879	-8,847,906	0
Calvert	69,641,627	71,110,061	1,468,434	1,468,434
Caroline	50,204,729	51,116,369	911,640	911,640
Carroll	113,314,110	115,683,546	2,369,436	2,369,436
Cecil	95,371,833	98,342,824	2,970,991	2,970,991
Charles	160,090,289	165,702,394	5,612,105	5,612,105
Dorchester	37,391,581	38,267,028	875,447	875,447
Frederick	219,902,260	222,860,133	2,957,873	2,957,873
Garrett	15,221,150	15,774,895	553,745	553,745
Harford	187,249,952	190,860,677	3,610,725	3,610,725
Howard	226,394,415	226,837,701	443,286	443,286
Kent	5,933,991	6,030,133	96,142	96,142
Montgomery	607,287,680	582,608,325	-24,679,355	0
Prince George's	979,659,361	1,008,947,846	29,288,485	29,288,485
Queen Anne's	29,950,487	30,124,315	173,828	173,828
St. Mary's	93,169,179	94,814,855	1,645,676	1,645,676
Somerset	27,816,766	28,419,864	603,098	603,098
Talbot	11,954,100	11,954,100	0	0
Washington	164,566,028	168,637,681	4,071,653	4,071,653
Wicomico	138,305,132	140,645,843	2,340,711	2,340,711
Worcester	15,991,113	15,991,113	0	0
Total	\$4,991,549,618	\$5,018,864,796	\$27,315,178	\$62,523,818

NTI: net taxable income

Using November Net Taxable Income Alone Will Not Require Increased Local Appropriations

Foundation Local Share vs. Required Maintenance of Effort (MOE) – Fiscal 2019

County	Foundation Local Share		Required MOE	MOE over Nov. Local Share	% Diff.
	September NTI	November NTI			
Allegany	\$17,219,812	\$16,656,330	\$30,362,959	\$13,706,629	82.3%
Anne Arundel	349,658,315	349,193,731	670,593,776	\$321,400,045	92.0%
Baltimore City	175,376,937	175,003,918	273,065,389	\$98,061,471	56.0%
Baltimore	367,169,122	371,689,704	786,901,647	\$415,211,943	111.7%
Calvert	52,695,974	51,436,051	120,663,565	\$69,227,514	134.6%
Caroline	10,508,312	10,237,505	14,435,367	\$4,197,862	41.0%
Carroll	85,593,246	83,575,331	187,295,122	\$103,719,791	124.1%
Cecil	41,088,073	39,952,331	80,443,364	\$40,491,033	101.3%
Charles	72,590,245	70,696,536	179,385,956	\$108,689,420	153.7%
Dorchester	11,075,167	10,782,203	19,252,162	\$8,469,959	78.6%
Frederick	125,815,763	123,472,481	265,180,206	\$141,707,725	114.8%
Garrett	15,853,766	15,300,280	27,449,975	\$12,149,695	79.4%
Harford	122,503,847	119,637,619	240,586,434	\$120,948,815	101.1%
Howard	218,057,204	217,527,315	575,920,560	\$358,393,245	164.8%
Kent	10,671,771	10,575,629	16,891,515	\$6,315,886	59.7%
Montgomery	757,424,850	782,104,205	1,690,043,057	\$907,938,852	116.1%
Prince George's	357,725,806	348,010,638	681,187,984	\$333,177,346	95.7%
Queen Anne's	30,888,302	30,714,679	56,884,381	\$26,169,702	85.2%
St. Mary's	52,529,873	51,268,220	102,352,525	\$51,084,305	99.6%
Somerset	5,449,312	5,303,889	9,651,555	\$4,347,666	82.0%
Talbot	29,388,459	29,550,917	37,613,485	\$8,062,568	27.3%
Washington	53,279,502	51,871,805	98,300,752	\$46,428,947	89.5%
Wicomico	27,914,732	27,272,674	43,664,012	\$16,391,338	60.1%
Worcester	50,326,836	48,983,046	85,122,472	\$36,139,426	73.8%
Total	\$3,040,805,226	\$3,040,817,037	\$6,293,248,220	\$3,252,431,183	107.0%

NTI: net taxable income

Property Wealth

- An add-on grant was enacted in 2016 and made permanent in 2018 – disparity grant counties are held harmless from the wealth impacts of tax increment financing (TIF) districts created after May 1, 2016, on State education aid
- APA made no specific recommendation
- DLS recommends adjusting for TIF districts in the wealth calculation and eliminating the add-on grant

Current Law Local Property Wealth Calculation for Education Aid

Fiscal 2020
(\$ in Thousands)

<u>County</u>	<u>Personal Property (County Base)</u>		<u>Real Property (State Base)</u>			<u>Total</u>
	<u>Subtotal</u>	<u>50% of Subtotal</u>	<u>Subtotal</u>	<u>40% of Subtotal</u>	<u>100% of Utility Operating</u>	
Allegany	\$343,488	\$171,744	\$3,601,357	\$1,440,543	\$7,898	\$1,620,185
Anne Arundel	2,540,536	1,270,268	87,767,579	35,107,032	54,764	36,432,064
Baltimore City	2,271,014	1,135,507	40,794,616	16,317,846	161,823	17,615,176
Baltimore	3,129,226	1,564,613	84,136,420	33,654,568	123,008	35,342,189
Calvert	290,919	145,460	11,946,819	4,778,728	11,773	4,935,960
Caroline	121,466	60,733	2,528,361	1,011,344	5,636	1,077,713
Carroll	581,828	290,914	19,452,970	7,781,188	12,831	8,084,933
Cecil	566,604	283,302	9,857,336	3,942,934	17,789	4,244,025
Charles	489,770	244,885	17,507,392	7,002,957	33,894	7,281,736
Dorchester	130,171	65,086	2,746,559	1,098,624	2,109	1,165,818
Frederick	383,386	191,693	30,499,577	12,199,831	29,849	12,421,373
Garrett	183,355	91,678	4,347,393	1,738,957	36,654	1,867,289
Harford	1,344,584	672,292	27,717,419	11,086,968	52,339	11,811,599
Howard	1,447,038	723,519	51,558,232	20,623,293	40,766	21,387,578
Kent	45,655	22,828	2,923,383	1,169,353	2,072	1,194,253
Montgomery	3,561,112	1,780,556	190,572,919	76,229,168	118,530	78,128,254
Prince George's	3,002,243	1,501,122	92,463,703	36,985,481	67,561	38,554,164
Queen Anne's	80,586	40,293	8,173,238	3,269,295	4,892	3,314,480
St. Mary's	284,746	142,373	12,355,103	4,942,041	6,642	5,091,056
Somerset	137,510	68,755	1,349,644	539,858	1,700	610,313
Talbot	65,957	32,979	8,367,870	3,347,148	3,087	3,383,214
Washington	532,447	266,224	12,464,993	4,985,997	12,940	5,265,161
Wicomico	347,594	173,797	6,083,960	2,433,584	16,306	2,623,687
Worcester	306,400	153,200	15,501,990	6,200,796	5,917	6,359,913
Total	\$22,187,635	\$11,093,817	\$744,718,833	\$297,887,533	\$830,780	\$309,812,131

Tax Increment Financing Grants

Fiscal 2019 (\$ in Thousands)								
County	Nov. NTI Wealth	TIF Value* at 40%	TIF-Adjusted Wealth	Major Direct Aid w/ Nov. NTI Wealth	Would Be Difference in State Aid	Would Be % Diff.	Disparity Grant Elig.	TIF Grant
Allegany	\$2,540,856	\$0	\$2,540,856	\$74,898	-\$7	0.0%	Yes	\$0
Anne Arundel	53,268,104	0	53,268,104	319,206	-16	0.0%		0
Baltimore City	26,696,146	23,699	26,672,448	733,014	535	0.1%	Yes	535
Baltimore	56,699,775	0	56,699,775	607,017	-54	0.0%		0
Calvert	7,846,363	0	7,846,363	71,110	-5	0.0%		0
Caroline	1,561,690	0	1,561,690	51,116	-5	0.0%	Yes	0
Carroll	12,749,082	0	12,749,082	115,684	-8	0.0%		0
Cecil	6,094,568	0	6,094,568	98,343	-10	0.0%	Yes	0
Charles	10,784,473	0	10,784,473	165,702	-18	0.0%		0
Dorchester	1,644,782	0	1,644,782	38,267	-4	0.0%	Yes	0
Frederick	18,835,232	0	18,835,232	222,860	-15	0.0%		0
Garrett	2,333,996	0	2,333,996	15,775	-1	0.0%	Yes	0
Harford	18,250,239	0	18,250,239	190,861	-15	0.0%		0
Howard	33,182,920	0	33,182,920	226,838	-12	0.0%		0
Kent	1,613,270	0	1,613,270	6,030	0	0.0%		0
Montgomery	119,306,862	0	119,306,862	582,608	-36	0.0%		0
Prince George's	53,087,628	0	53,087,628	1,008,948	-111	0.0%	Yes	0
Queen Anne's	4,685,401	0	4,685,401	30,124	-1	0.0%		0
St. Mary's	7,820,761	0	7,820,761	94,815	-7	0.0%		0
Somerset	809,087	0	809,087	28,420	-3	0.0%	Yes	0
Talbot	4,507,874	0	4,507,874	11,954	0	0.0%		0
Washington	7,912,836	-13	7,912,849	168,638	-17	0.0%	Yes	0
Wicomico	4,160,337	0	4,160,337	140,646	-14	0.0%	Yes	0
Worcester	7,472,167	0	7,472,167	15,991	0	0.0%		0
Statewide	\$463,864,453	\$23,686	\$463,840,767	\$5,018,865	\$177	0.0%		\$535

NTI: net taxable income

TIF: tax increment financing

*\$59,246,406 for Baltimore City; -\$32,267 for Washington County

Combining Income and Property Wealth

- Current law – NTI plus property wealth (additive)
- APA recommended a multiplicative approach – property wealth multiplied by an NTI ratio
- DLS recommends – if there is interest in modifying the wealth calculation – to use the current additive method and reweight the proportion of income and property wealth to weight property wealth *less* than current law

Putting Income and Property Wealth Together

Fiscal 2020
(\$ in Thousands)

County	Property Based Wealth	Income Based Wealth ¹	Total	Percent Property	Percent Income	Percent Property	
Allegany	\$1,620,185	\$969,346	\$2,589,530	62.6%	37.4%	1. Worcester	83.4%
Anne Arundel	36,432,064	18,973,763	55,405,826	65.8%	34.2%	2. Garrett	79.2%
Baltimore City	17,615,176	10,172,567	27,787,744	63.4%	36.6%	3. Talbot	73.2%
Baltimore	35,342,189	23,663,502	59,005,691	59.9%	40.1%	4. Kent	72.4%
Calvert	4,935,960	2,712,741	7,648,701	64.5%	35.5%	5. Somerset	71.9%
Caroline	1,077,713	525,326	1,603,040	67.2%	32.8%	6. Dorchester	69.7%
Carroll	8,084,933	5,098,082	13,183,015	61.3%	38.7%	7. Prince George's	68.9%
Cecil	4,244,025	2,139,749	6,383,774	66.5%	33.5%	8. Queen Anne's	68.1%
Charles	7,281,736	3,926,758	11,208,494	65.0%	35.0%	9. Caroline	67.2%
Dorchester	1,165,818	507,200	1,673,019	69.7%	30.3%	10. Cecil	66.5%
Frederick	12,421,373	7,469,067	19,890,439	62.4%	37.6%	11. Anne Arundel	65.8%
Garrett	1,867,289	491,259	2,358,548	79.2%	20.8%	12. Washington	65.1%
Harford	11,811,599	7,057,054	18,868,653	62.6%	37.4%	13. Charles	65.0%
Howard	21,387,578	13,317,277	34,704,855	61.6%	38.4%	14. Calvert	64.5%
Kent	1,194,253	454,686	1,648,939	72.4%	27.6%	15. St. Mary's	63.6%
Montgomery	78,128,254	46,071,485	124,199,739	62.9%	37.1%	16. Baltimore City	63.4%
Prince George's	38,554,164	17,381,526	55,935,690	68.9%	31.1%	17. Montgomery	62.9%
Queen Anne's	3,314,480	1,551,375	4,865,855	68.1%	31.9%	18. Harford	62.6%
St. Mary's	5,091,056	2,908,849	7,999,906	63.6%	36.4%	19. Allegany	62.6%
Somerset	610,313	238,084	848,397	71.9%	28.1%	20. Frederick	62.4%
Talbot	3,383,214	1,235,619	4,618,833	73.2%	26.8%	21. Howard	61.6%
Washington	5,265,161	2,818,901	8,084,062	65.1%	34.9%	22. Carroll	61.3%
Wicomico	2,623,687	1,671,203	4,294,890	61.1%	38.9%	23. Wicomico	61.1%
Worcester	6,362,485	1,268,557	7,631,042	83.4%	16.6%	24. Baltimore	59.9%
Statewide	\$309,814,703	\$172,623,978	\$482,438,681	64.2%	35.8%		

¹November net taxable income

Major County Government Tax Revenue Sources in Fiscal 2018

(\$ in Thousands)

County	Property Taxes	Income Taxes	Total	Property	Income	Percent Property	
Allegany	\$41,160	\$26,649	\$67,809	60.7%	39.3%	1. Worcester	85.5%
Anne Arundel	726,068	504,465	1,230,533	59.0%	41.0%	2. Garrett	80.3%
Baltimore City	874,479	340,948	1,215,426	71.9%	28.1%	3. Baltimore City	71.9%
Baltimore	946,572	697,228	1,643,801	57.6%	42.4%	4. Dorchester	71.0%
Calvert	174,027	87,500	261,527	66.5%	33.5%	5. Kent	70.3%
Caroline	25,387	12,900	38,287	66.3%	33.7%	6. Somerset	69.0%
Carroll	207,068	158,510	365,578	56.6%	43.4%	7. Prince George's	67.4%
Cecil	113,046	60,364	173,409	65.2%	34.8%	8. Calvert	66.5%
Charles	230,990	124,210	355,200	65.0%	35.0%	9. Caroline	66.3%
Dorchester	29,642	12,100	41,742	71.0%	29.0%	10. Cecil	65.2%
Frederick	301,849	206,896	508,745	59.3%	40.7%	11. Charles	65.0%
Garrett	48,727	11,950	60,677	80.3%	19.7%	12. Allegany	60.7%
Harford	300,517	219,000	519,517	57.8%	42.2%	13. Howard	60.5%
Howard	679,608	444,292	1,123,900	60.5%	39.5%	14. Talbot	60.1%
Kent	30,241	12,778	43,019	70.3%	29.7%	15. Washington	60.1%
Montgomery	1,766,771	1,481,983	3,248,754	54.4%	45.6%	16. Frederick	59.3%
Prince George's	1,185,245	572,309	1,757,554	67.4%	32.6%	17. Anne Arundel	59.0%
Queen Anne's	65,829	49,437	115,266	57.1%	42.9%	18. Harford	57.8%
St. Mary's	108,280	92,107	200,387	54.0%	46.0%	19. Baltimore	57.6%
Somerset	15,559	6,980	22,539	69.0%	31.0%	20. Queen Anne's	57.1%
Talbot	38,620	25,600	64,220	60.1%	39.9%	21. Carroll	56.6%
Washington	123,602	82,000	205,602	60.1%	39.9%	22. Wicomico	56.0%
Wicomico	62,876	49,350	112,226	56.0%	44.0%	23. Montgomery	54.4%
Worcester	132,940	22,500	155,440	85.5%	14.5%	24. St. Mary's	54.0%
Statewide	\$8,229,104	\$5,302,057	\$13,531,161	60.8%	39.2%		

APA Recommended a Multiplicative Calculation of Local Wealth

Fiscal 2020
(\$ in Thousands)

County	Property Based Wealth	Income Based Wealth ¹	Sept of 18 FTE	Per Pupil Inc. Wealth	Inc. Ratio vs. Statewide	Local Wealth = Inc. Ratio x Prop. Wealth	Per Pupil Wealth (PPW)	PPW Ratio
Allegany	\$1,620,185	\$969,346	8,048	\$120	0.60	\$975,635	\$121	0.32
Anne Arundel	36,432,064	18,973,763	80,860	235	1.17	42,741,560	529	1.38
Baltimore City	17,615,176	10,172,567	73,580	138	0.69	12,175,922	165	0.43
Baltimore	35,342,189	23,663,502	109,669	216	1.08	38,127,217	348	0.91
Calvert	4,935,960	2,712,741	15,474	175	0.88	4,326,503	280	0.73
Caroline	1,077,713	525,326	5,515	95	0.48	513,231	93	0.24
Carroll	8,084,933	5,098,082	24,823	205	1.03	8,301,927	334	0.87
Cecil	4,244,025	2,139,749	14,682	146	0.73	3,092,385	211	0.55
Charles	7,281,736	3,926,758	26,315	149	0.75	5,432,747	206	0.54
Dorchester	1,165,818	507,200	4,530	112	0.56	652,616	144	0.38
Frederick	12,421,373	7,469,067	41,329	181	0.90	11,223,455	272	0.71
Garrett	1,867,289	491,259	3,661	134	0.67	1,252,759	342	0.89
Harford	11,811,599	7,057,054	36,869	191	0.96	11,303,511	307	0.80
Howard	21,387,578	13,317,277	56,405	236	1.18	25,246,832	448	1.17
Kent	1,194,253	454,686	1,794	253	1.27	1,513,321	844	2.20
Montgomery	78,128,254	46,071,485	157,949	292	1.46	113,938,102	721	1.88
Prince George's	38,554,164	17,381,526	127,376	136	0.68	26,303,665	207	0.54
Queen Anne's	3,314,480	1,551,375	7,498	207	1.03	3,428,607	457	1.19
St. Mary's	5,091,056	2,908,849	17,040	171	0.85	4,345,217	255	0.66
Somerset	610,313	238,084	2,725	87	0.44	266,601	98	0.25
Talbot	3,383,214	1,235,619	4,396	281	1.41	4,754,468	1,082	2.82
Washington	5,265,161	2,818,901	21,792	129	0.65	3,405,179	156	0.41
Wicomico	2,623,687	1,671,203	14,368	116	0.58	1,525,801	106	0.28
Worcester	6,362,485	1,268,557	6,374	199	1.00	6,330,969	993	2.59
Statewide	\$309,814,703	\$172,623,978	863,071	\$200	1.00	\$331,178,229	\$384	1.00

¹November net taxable income

Comparing Current Law to Multiplicative Wealth

Fiscal 2020
(\$ in Thousands)

County	Curr Law Total	Multiplic Total	Curr Law PPW	Multiplic. PPW
Allegany	\$2,589,530	\$975,635	\$322	\$121
Anne Arundel	55,405,826	42,741,560	685	529
Baltimore City	27,787,744	12,175,922	378	165
Baltimore	59,005,691	38,127,217	538	348
Calvert	7,648,701	4,326,503	494	280
Caroline	1,603,040	513,231	291	93
Carroll	13,183,015	8,301,927	531	334
Cecil	6,383,774	3,092,385	435	211
Charles	11,208,494	5,432,747	426	206
Dorchester	1,673,019	652,616	369	144
Frederick	19,890,439	11,223,455	481	272
Garrett	2,358,548	1,252,759	644	342
Harford	18,868,653	11,303,511	512	307
Howard	34,704,855	25,246,832	615	448
Kent	1,648,939	1,513,321	919	844
Montgomery	124,199,739	113,938,102	786	721
Prince George's	55,935,690	26,303,665	439	207
Queen Anne's	4,865,855	3,428,607	649	457
St. Mary's	7,999,906	4,345,217	469	255
Somerset	848,397	266,601	311	98
Talbot	4,618,833	4,754,468	1,051	1,082
Washington	8,084,062	3,405,179	371	156
Wicomico	4,294,890	1,525,801	299	106
Worcester	7,631,042	6,330,969	1,197	993
Statewide	\$482,438,681	\$331,178,229	\$559	\$384

Per Pupil Wealth (PPW)

	<u>Curr.</u>	<u>Mult.</u>
Min.	\$291	\$93
Max.	1,197	1,082
Diff.	907	988
% Diff	312%	1062%
State	\$559	\$384

Note: Uses November net taxable income.

Impact of Multiplicative Wealth on Foundation Program

Fiscal 2020

County	Current	Multiplic.	Diff.	% Diff.	<u>Ranking by Percent Diff.</u>	
Allegany	\$41,522,143	\$49,092,312	\$7,570,169	18.2%	1. Garrett	30.8%
Anne Arundel	226,734,898	182,301,898	-44,433,000	-19.6%	2. Dorchester	21.3%
Baltimore City	352,959,088	418,084,372	65,125,284	18.5%	3. Somerset	20.9%
Baltimore	412,101,247	434,550,000	22,448,753	5.4%	4. Prince George's	20.4%
Calvert	62,528,743	71,251,308	8,722,565	13.9%	5. Washington	19.2%
Caroline	29,565,256	35,107,984	5,542,728	18.7%	6. Caroline	18.7%
Carroll	94,394,016	101,452,451	7,058,435	7.5%	7. Cecil	18.7%
Cecil	64,993,279	77,168,574	12,175,295	18.7%	8. Baltimore City	18.5%
Charles	117,994,562	139,341,457	21,346,895	18.1%	9. Allegany	18.2%
Dorchester	21,974,661	26,655,146	4,680,485	21.3%	10. Charles	18.1%
Frederick	170,503,195	193,446,841	22,943,646	13.5%	11. Wicomico	17.6%
Garrett	11,237,603	14,695,238	3,457,635	30.8%	12. St. Mary's	15.1%
Harford	144,817,638	160,384,748	15,567,110	10.7%	13. Calvert	13.9%
Howard	183,718,959	170,286,109	-13,432,850	-7.3%	14. Frederick	13.5%
Kent	2,311,107	1,949,360	-361,747	-15.7%	15. Harford	10.7%
Montgomery	339,405,508	171,627,383	-167,778,125	-49.4%	16. Carroll	7.5%
Prince George's	560,267,065	674,428,000	114,160,935	20.4%	17. Baltimore	5.4%
Queen Anne's	22,788,043	21,954,012	-834,031	-3.7%	18. Talbot	0.0%
St. Mary's	71,598,960	82,420,579	10,821,619	15.1%	19. Worcester	0.0%
Somerset	14,242,543	17,223,399	2,980,856	20.9%	20. Queen Anne's	-3.7%
Talbot	4,776,694	4,776,694	0	0.0%	21. Howard	-7.3%
Washington	105,478,951	125,719,082	20,240,131	19.2%	22. Kent	-15.7%
Wicomico	76,250,382	89,677,637	13,427,255	17.6%	23. Anne Arundel	-19.6%
Worcester	6,925,988	6,925,988	0	0.0%	24. Montgomery	-49.4%
Statewide	\$3,139,090,529	\$3,270,520,572	\$131,430,043	4.2%	State	4.2%

Note: Results from using November net taxable income-based wealth.

DLS Option A for Property and Income Wealth Balance

(\$ in Thousands)

	Actual Wealth Used for FY 2020 State Aid				Illustrative Shift in Wealth Balance			
	Property Wealth	Nov. NTI	Total	% Property	Property Wealth	Nov. NTI	Total	% Property
Allegany	\$1,620,185	\$969,346	\$2,589,530	62.6%	\$1,354,113	\$969,346	\$2,323,459	58.3%
Anne Arundel	36,432,064	18,973,763	55,405,826	65.8%	30,449,077	18,973,763	49,422,839	61.6%
Baltimore City	17,615,176	10,172,567	27,787,744	63.4%	14,722,357	10,172,567	24,894,925	59.1%
Baltimore	35,342,189	23,663,502	59,005,691	59.9%	29,538,185	23,663,502	53,201,687	55.5%
Calvert	4,935,960	2,712,741	7,648,701	64.5%	4,125,361	2,712,741	6,838,103	60.3%
Caroline	1,077,713	525,326	1,603,040	67.2%	900,728	525,326	1,426,054	63.2%
Carroll	8,084,933	5,098,082	13,183,015	61.3%	6,757,200	5,098,082	11,855,282	57.0%
Cecil	4,244,025	2,139,749	6,383,774	66.5%	3,547,058	2,139,749	5,686,807	62.4%
Charles	7,281,736	3,926,758	11,208,494	65.0%	6,085,906	3,926,758	10,012,664	60.8%
Dorchester	1,165,818	507,200	1,673,019	69.7%	974,364	507,200	1,481,564	65.8%
Frederick	12,421,373	7,469,067	19,890,439	62.4%	10,381,496	7,469,067	17,850,563	58.2%
Garrett	1,867,289	491,259	2,358,548	79.2%	1,560,637	491,259	2,051,896	76.1%
Harford	11,811,599	7,057,054	18,868,653	62.6%	9,871,861	7,057,054	16,928,915	58.3%
Howard	21,387,578	13,317,277	34,704,855	61.6%	17,875,243	13,317,277	31,192,520	57.3%
Kent	1,194,253	454,686	1,648,939	72.4%	998,129	454,686	1,452,815	68.7%
Montgomery	78,128,254	46,071,485	124,199,739	62.9%	65,297,788	46,071,485	111,369,274	58.6%
Prince George's	38,554,164	17,381,526	55,935,690	68.9%	32,222,679	17,381,526	49,604,205	65.0%
Queen Anne's	3,314,480	1,551,375	4,865,855	68.1%	2,770,166	1,551,375	4,321,541	64.1%
St. Mary's	5,091,056	2,908,849	7,999,906	63.6%	4,254,987	2,908,849	7,163,837	59.4%
Somerset	610,313	238,084	848,397	71.9%	510,085	238,084	748,169	68.2%
Talbot	3,383,214	1,235,619	4,618,833	73.2%	2,827,612	1,235,619	4,063,231	69.6%
Washington	5,265,161	2,818,901	8,084,062	65.1%	4,400,500	2,818,901	7,219,401	61.0%
Wicomico	2,623,687	1,671,203	4,294,890	61.1%	2,192,817	1,671,203	3,864,020	56.7%
Worcester	6,362,485	1,268,557	7,631,042	83.4%	5,317,618	1,268,557	6,586,175	80.7%
Total	\$309,814,703	\$172,623,978	\$482,438,681	64.2%	\$258,935,967	\$172,623,978	\$431,559,945	60.0%
% of Total	64.2%	35.8%	100.0%		60.0%	40.0%	100.0%	

Impact of Option A on Foundation Program

Fiscal 2020

County	Current	Rebalanced	Diff.	% Diff.	Ranking by Percent Diff.
Allegany	\$41,522,143	\$41,471,319	-\$50,824	-0.1%	1. Kent 7.0%
Anne Arundel	226,734,898	227,748,752	1,013,854	0.4%	2. Garrett 3.7%
Baltimore City	352,959,088	352,686,455	-272,633	-0.1%	3. Queen Anne's 1.0%
Baltimore	412,101,247	409,068,686	-3,032,561	-0.7%	4. Prince George's 0.6%
Calvert	62,528,743	62,557,553	28,810	0.0%	5. Somerset 0.5%
Caroline	29,565,256	29,622,705	57,449	0.2%	6. Dorchester 0.5%
Carroll	94,394,016	93,941,077	-452,939	-0.5%	7. Anne Arundel 0.4%
Cecil	64,993,279	65,165,265	171,986	0.3%	8. Cecil 0.3%
Charles	117,994,562	118,094,503	99,941	0.1%	9. Caroline 0.2%
Dorchester	21,974,661	22,083,461	108,800	0.5%	10. Charles 0.1%
Frederick	170,503,195	170,084,938	-418,257	-0.2%	11. Washington 0.1%
Garrett	11,237,603	11,657,173	419,570	3.7%	12. Calvert 0.0%
Harford	144,817,638	144,454,557	-363,081	-0.3%	13. Talbot 0.0%
Howard	183,718,959	182,649,868	-1,069,091	-0.6%	14. Worcester 0.0%
Kent	2,311,107	2,472,125	161,018	7.0%	15. St. Mary's -0.1%
Montgomery	339,405,508	337,468,085	-1,937,423	-0.6%	16. Baltimore City -0.1%
Prince George's	560,267,065	563,400,535	3,133,470	0.6%	17. Allegany -0.1%
Queen Anne's	22,788,043	23,013,811	225,768	1.0%	18. Wicomico -0.2%
St. Mary's	71,598,960	71,543,983	-54,977	-0.1%	19. Frederick -0.2%
Somerset	14,242,543	14,320,461	77,918	0.5%	20. Harford -0.3%
Talbot	4,776,694	4,776,694	0	0.0%	21. Carroll -0.5%
Washington	105,478,951	105,566,795	87,844	0.1%	22. Montgomery -0.6%
Wicomico	76,250,382	76,090,566	-159,816	-0.2%	23. Howard -0.6%
Worcester	6,925,988	6,925,988	0	0.0%	24. Baltimore -0.7%
Statewide	\$3,139,090,529	\$3,136,865,355	-\$2,225,174	-0.1%	State -0.1%

Note: Results from using November net taxable income-based wealth.

DLS Option B: 50%/50% Option for Property and Income Wealth Balance

(\$ in Thousands)

	Actual Wealth Used for FY 2020 State Aid				Illustrative Shift in Wealth Balance			
	Property Wealth	Nov. NTI	Total	% Property	Property Wealth	Nov. NTI	Total	% Property
Allegany	\$1,620,185	\$969,346	\$2,589,530	62.6%	\$902,742	\$969,346	\$1,872,088	48.2%
Anne Arundel	36,432,064	18,973,763	55,405,826	65.8%	20,299,384	18,973,763	39,273,147	51.7%
Baltimore City	17,615,176	10,172,567	27,787,744	63.4%	9,814,905	10,172,567	19,987,472	49.1%
Baltimore	35,342,189	23,663,502	59,005,691	59.9%	19,692,123	23,663,502	43,355,625	45.4%
Calvert	4,935,960	2,712,741	7,648,701	64.5%	2,750,241	2,712,741	5,462,982	50.3%
Caroline	1,077,713	525,326	1,603,040	67.2%	600,485	525,326	1,125,811	53.3%
Carroll	8,084,933	5,098,082	13,183,015	61.3%	4,504,800	5,098,082	9,602,882	46.9%
Cecil	4,244,025	2,139,749	6,383,774	66.5%	2,364,706	2,139,749	4,504,454	52.5%
Charles	7,281,736	3,926,758	11,208,494	65.0%	4,057,271	3,926,758	7,984,029	50.8%
Dorchester	1,165,818	507,200	1,673,019	69.7%	649,576	507,200	1,156,776	56.2%
Frederick	12,421,373	7,469,067	19,890,439	62.4%	6,920,998	7,469,067	14,390,064	48.1%
Garrett	1,867,289	491,259	2,358,548	79.2%	1,040,424	491,259	1,531,683	67.9%
Harford	11,811,599	7,057,054	18,868,653	62.6%	6,581,241	7,057,054	13,638,295	48.3%
Howard	21,387,578	13,317,277	34,704,855	61.6%	11,916,829	13,317,277	25,234,106	47.2%
Kent	1,194,253	454,686	1,648,939	72.4%	665,419	454,686	1,120,105	59.4%
Montgomery	78,128,254	46,071,485	124,199,739	62.9%	43,531,859	46,071,485	89,603,344	48.6%
Prince George's	38,554,164	17,381,526	55,935,690	68.9%	21,481,786	17,381,526	38,863,312	55.3%
Queen Anne's	3,314,480	1,551,375	4,865,855	68.1%	1,846,777	1,551,375	3,398,152	54.3%
St. Mary's	5,091,056	2,908,849	7,999,906	63.6%	2,836,658	2,908,849	5,745,508	49.4%
Somerset	610,313	238,084	848,397	71.9%	340,057	238,084	578,141	58.8%
Talbot	3,383,214	1,235,619	4,618,833	73.2%	1,885,074	1,235,619	3,120,694	60.4%
Washington	5,265,161	2,818,901	8,084,062	65.1%	2,933,666	2,818,901	5,752,568	51.0%
Wicomico	2,623,687	1,671,203	4,294,890	61.1%	1,461,878	1,671,203	3,133,081	46.7%
Worcester	6,362,485	1,268,557	7,631,042	83.4%	3,545,079	1,268,557	4,813,635	73.6%
Total	\$309,814,703	\$172,623,978	\$482,438,681	64.2%	\$172,623,978	\$172,623,978	\$345,247,956	50.0%
% of Total	64.2%	35.8%	100.0%		50.0%	50.0%	100.0%	

Impact of Option B on Foundation Program

Fiscal 2020

County	Current	Rebalanced	Diff.	% Diff.	Ranking by Percent Diff.	
Allegany	\$41,522,143	\$41,350,707	-\$171,436	-0.4%	1. Kent	23.5%
Anne Arundel	226,734,898	230,149,320	3,414,422	1.5%	2. Garrett	12.6%
Baltimore City	352,959,088	352,038,764	-920,324	-0.3%	3. Queen Anne's	3.3%
Baltimore	412,101,247	401,876,915	-10,224,332	-2.5%	4. Prince George's	1.9%
Calvert	62,528,743	62,625,461	96,718	0.2%	5. Somerset	1.8%
Caroline	29,565,256	29,758,811	193,555	0.7%	6. Dorchester	1.7%
Carroll	94,394,016	92,866,702	-1,527,314	-1.6%	7. Anne Arundel	1.5%
Cecil	64,993,279	65,572,640	579,361	0.9%	8. Cecil	0.9%
Charles	117,994,562	118,330,849	336,287	0.3%	9. Caroline	0.7%
Dorchester	21,974,661	22,341,288	366,627	1.7%	10. Charles	0.3%
Frederick	170,503,195	169,092,440	-1,410,755	-0.8%	11. Washington	0.3%
Garrett	11,237,603	12,651,657	1,414,054	12.6%	12. Calvert	0.2%
Harford	144,817,638	143,592,907	-1,224,731	-0.8%	13. Talbot	0.0%
Howard	183,718,959	180,113,796	-3,605,163	-2.0%	14. Worcester	0.0%
Kent	2,311,107	2,853,742	542,635	23.5%	15. St. Mary's	-0.3%
Montgomery	339,405,508	332,869,076	-6,536,432	-1.9%	16. Baltimore City	-0.3%
Prince George's	560,267,065	570,825,696	10,558,631	1.9%	17. Allegany	-0.4%
Queen Anne's	22,788,043	23,548,756	760,713	3.3%	18. Wicomico	-0.7%
St. Mary's	71,598,960	71,413,251	-185,709	-0.3%	19. Frederick	-0.8%
Somerset	14,242,543	14,505,123	262,580	1.8%	20. Harford	-0.8%
Talbot	4,776,694	4,776,694	0	0.0%	21. Carroll	-1.6%
Washington	105,478,951	105,774,623	295,672	0.3%	22. Montgomery	-1.9%
Wicomico	76,250,382	75,711,500	-538,882	-0.7%	23. Howard	-2.0%
Worcester	6,925,988	6,925,988	0	0.0%	24. Baltimore	-2.5%
Statewide	\$3,139,090,529	\$3,131,566,706	-\$7,523,823	-0.2%	State	-0.2%

Note: Results from using November net taxable income-based wealth.

Full-time Equivalent Enrollment

- After multiple years of providing special grants for counties with declining enrollment, an add-on grant was established for fiscal 2018 through 2020 and was recently extended through fiscal 2021
- The *greater of* the prior year September full-time equivalent enrollment (FTE) or the average of the three prior years is used to calculate the grant
 - For a county that is experiencing a decline in enrollment, this smooths the decline over time
 - For a county that is growing, the prior year is used thus immediately recognizing the growth
- APA recommended using this “greater of” calculation in the Foundation program
- DLS concurs and recommends using the “greater of” FTE enrollment count as the enrollment input in major State aid formulas, and allowing the add-on grant to terminate

Enrollment Methodology Comparison

County	September FTE Counts		Three-year Average Enrollment	
	Fiscal 2019	Fiscal 2020	Fiscal 2019	Fiscal 2020
Allegany	8,166	8,048	8,211	8,132
Anne Arundel	80,350	80,860	79,072	80,008
Baltimore City	74,853	73,580	76,355	75,021
Baltimore	109,343	109,669	108,192	109,047
Calvert	15,435	15,474	15,505	15,473
Caroline	5,469	5,515	5,387	5,457
Carroll	24,935	24,823	24,986	24,873
Cecil	14,782	14,682	14,951	14,813
Charles	26,085	26,315	25,692	25,974
Dorchester	4,526	4,530	4,524	4,534
Frederick	40,752	41,329	40,045	40,691
Garrett	3,649	3,661	3,656	3,649
Harford	36,877	36,869	36,700	36,779
Howard	55,372	56,405	54,396	55,353
Kent	1,866	1,794	1,890	1,851
Montgomery	156,995	157,949	154,509	156,510
Prince George's	127,013	127,376	124,902	126,392
Queen Anne's	7,536	7,498	7,487	7,499
St. Mary's	17,155	17,040	17,072	17,107
Somerset	2,697	2,725	2,724	2,728
Talbot	4,406	4,396	4,375	4,374
Washington	21,901	21,792	21,833	21,862
Wicomico	14,341	14,368	14,314	14,350
Worcester	6,304	6,374	6,285	6,323
Total	860,806	863,071	853,062	858,799

FTE: full-time equivalent

Declining Enrollment Grants

Bridge to Kirwan

County	Three-year Average Greater Enrollment		Declining Enrollment Grants	
	Fiscal 2019	Fiscal 2020	Fiscal 2019	Fiscal 2020
Allegany	45	84	\$439,075	\$845,308
Anne Arundel				
Baltimore City	1,502	1,440	15,961,520	15,493,777
Baltimore				
Calvert	71		362,977	
Caroline				
Carroll	51	50	263,012	263,304
Cecil	168	131	1,181,310	930,679
Charles				
Dorchester		4		34,193
Frederick				
Garrett	8		41,124	
Harford				
Howard				
Kent	24	57	112,661	276,097
Montgomery				
Prince George's				
Queen Anne's		1		2,695
St. Mary's		68		430,444
Somerset	27	3	302,008	38,529
Talbot				
Washington		70		580,621
Wicomico				
Worcester				
Total	1,896	1,907	\$18,663,687	\$18,895,646

Note: The Declining Enrollment grants are the appropriation amounts.

Proposed Enrollment Methodology

Effect on State Funding

County	Foundation		Geographic Cost of Education Index		Guaranteed Tax Base	
	Fiscal 2019	Fiscal 2020	Fiscal 2019	Fiscal 2020	Fiscal 2019	Fiscal 2020
Allegany	\$317,925	\$609,727	\$0	\$0	\$29,250	\$55,632
Anne Arundel						
Baltimore City	10,611,065	10,434,402	445,664	438,245	433,124	354,487
Baltimore						
Calvert	499,283		10,485			
Caroline						
Carroll	361,516	361,620	5,061	5,063		
Cecil	1,189,888	948,384			21,692	10,441
Charles						
Dorchester		25,354				1,370
Frederick						
Garrett	52,987					
Harford						
Howard						
Kent	169,560	412,908	1,696	4,129		
Montgomery						
Prince George's						
Queen Anne's		4,202		46		
St. Mary's		489,550		979		
Somerset	189,554	24,123			19,293	2,338
Talbot						
Washington		505,269				30,348
Wicomico						
Worcester						
Total	\$13,391,778	\$13,815,539	\$462,906	\$448,462	\$503,359	\$454,616

Note: These calculations use November net taxable income, as well as September full-time enrollment for determining the local contribution rate for the foundation formula and wealth per pupil. This does not include the impact on student transportation funding.

Comparing Changing Enrollment Methodology With Declining Enrollment Grant

County	Total Funding Change Due to Using Three-Year Average Enrollment		Net Effect Compared to Current Declining Enrollment Grant	
	Fiscal 2019	Fiscal 2020	Fiscal 2019	Fiscal 2020
Allegany	\$347,175	\$665,359	-\$91,900	-\$179,949
Anne Arundel				
Baltimore City	11,489,853	11,227,134	-4,471,667	-4,266,643
Baltimore				
Calvert	509,768		146,791	
Caroline				
Carroll	366,577	366,683	103,565	103,379
Cecil	1,211,580	958,825	30,270	28,146
Charles				
Dorchester		26,724		-7,469
Frederick				
Garrett	52,987		11,863	
Harford				
Howard				
Kent	171,256	417,037	58,595	140,940
Montgomery				
Prince George's				
Queen Anne's		4,248		1,553
St. Mary's		490,529		60,085
Somerset	208,847	26,461	-93,161	-12,068
Talbot				
Washington		535,617		-45,004
Wicomico				
Worcester				
Total	\$14,358,043	\$14,718,617	-\$4,305,644	-\$4,177,029

Note: The three-year average calculations use November net taxable income, as well as September full-time enrollment for determining the local contribution rate for the foundation formula and wealth per pupil. This does not include the impact on student transportation funding.

Other Decisions If State Decides to Implement Three-year Average Enrollment

- Existing formulas use Statewide enrollment totals. How should statewide enrollment be determined if some counties are funded under September full-time enrollment counts, while others are under a three-year average count?
 - Becomes particularly relevant when trying to determine Statewide averages
- Should “greater of” count be used determine wealth per pupil? Currently, September enrollment is used.
 - Impacts relative wealth of each county and distribution of wealth-equalized aid
- Should maintenance of effort continue to use September full-time enrollment or the “greater of” count?
 - Affects local funding requirement
- State transportation formula already contains a hold-harmless provision. Should it also use “greater of” count?

Maintenance of Effort Requirement

- Under the Maintenance of Effort (MOE) requirement, each county government (including Baltimore City) must provide at least
 - (1) the local share of the foundation program; and
 - (2) on a per pupil basis, as much funding for the local school board as was provided in the most recent year that MOE was met by the county
- Each year, a county that is below the statewide five-year moving average education effort* level must increase its annual per pupil MOE amounts by the lesser of
 - (1) the increase in that county's wealth per pupil
 - (2) the statewide average increase in local wealth per pupil; or
 - (3) 2.5%

Maintenance of Effort (Cont.)

- A county governing body must apply to the State Board of Education for a waiver from the MOE requirement if the county is unable to fund the full MOE amount
- If a county does *not* receive a waiver from the State Board, it must fund the full MOE amount or the State will withhold the county's local income tax revenues in the amount by which the county is below MOE and forward the funds to the local school board
- Counties may exceed local tax limitations to fund education

MOE Results Since Fiscal 2008

Percent of Certified Net Appropriation Above MOE/MOE Escalator

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Allegany	5%	1%	2%	0%	2%	0%	0%	0%	0%	0%*	0%*	0%*
Anne Arundel	5%	7%	0%	0%	-2%	0%	0%	0%	1%	1%	2%	2%
Baltimore City	3%	4%	0%	0%	4%	1%	0%	1%	0%	4%*	4%*	2%*
Baltimore	2%	6%	5%	0%	0%	0%	0%	2%	0%	0%	3%	3%
Calvert	4%	6%	5%	2%	5%	0%	3%	2%	0%	0%	6%	5%
Caroline	3%	0%	0%	0%	0%	0%	0%	0%	0%	1%*	0%	0%*
Carroll	5%	9%	7%	0%	0%	2%	1%	1%	6%	5%	4%	3%
Cecil	1%	8%	0%	0%	0%	1%	5%	3%	6%	0%	2%	3%
Charles	8%	7%	0%	0%	0%	3%	2%	3%	2%	2%	3%	1%
Dorchester	1%	5%	0%	0%	-4%	0%	0%	0%	0%	0%*	0%	0%*
Frederick	2%	5%	0%	0%	0%	0%	0%	0%	2%	4%	4%	3%
Garrett	12%	8%	2%	3%	10%	6%	1%	6%	1%	0%*	0%*	0%*
Harford	7%	7%	1%	1%	0%	0%	1%	1%	2%	3%	2%	2%
Howard	7%	6%	0%	0%	0%	0%	2%	5%	1%	1%	0%	4%
Kent	11%	10%	4%	0%	-5%	0%	0%	0%	0%	1%*	0%*	2%*
Montgomery	6%	5%	-5%	-4%	-8%	0%	0%	0%	0%	6%	1%	1%
Prince George's	1%	3%	-2%	0%	0%	4%	0%	0%	2%	3%	5%	3%
Queen Anne's	9%	7%	1%	0%	-9%	0%	7%	7%	3%	3%	0%*	0%*
St. Mary's	5%	4%	0%	0%	1%	3%	4%	3%	5%	4%	1%	1%
Somerset	0%	1%	0%	0%	0%	1%	0%	0%	0%	0%*	0%	1%*
Talbot	7%	7%	0%	0%	-5%	0%	0%	0%	0%	1%	0%*	6%*
Washington	0%	2%	2%	0%	0%	0%	0%	0%	0%	0%	0%*	0%*
Wicomico	2%	1%	0%	-15%	-28%	2%	2%	0%	0%	0%*	0%*	1%*
Worcester	7%	11%	0%	0%	0%	2%	2%	3%	1%	2%*	0%*	2%*
Statewide	4%	5%	-1%	-1%	-3%	1%	1%	1%	1%	3%	2%	2%

MOE: maintenance of effort

Note: The MOE escalator took effect in fiscal 2015, but no county was required to increase its effort until fiscal 2017.

* Indicates that the county was subject to MOE escalator.