

CARROLL COUNTY, MD

Credit Overview



November, 2020

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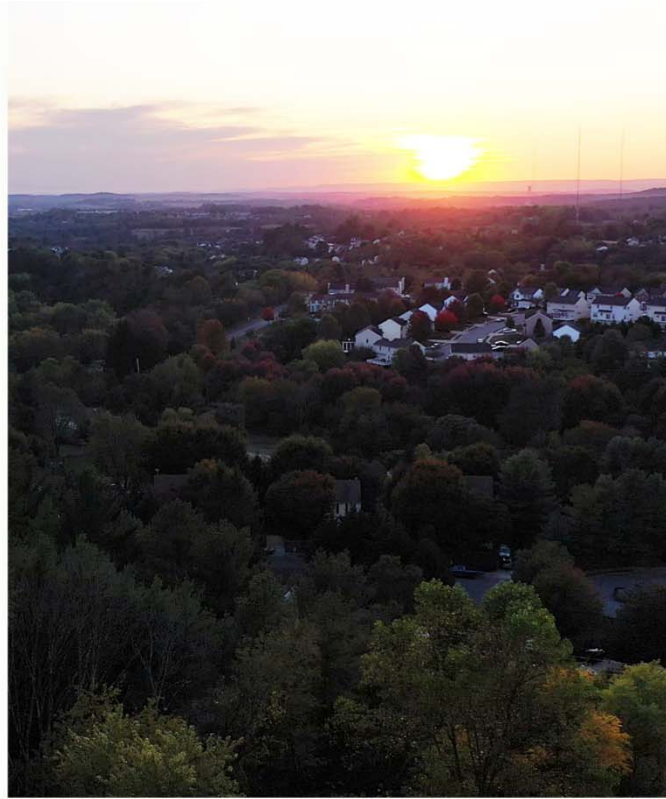
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Carroll County 2020 Themes

- ✓ COVID-19 Management
- ✓ Strong Fiscal Management
- ✓ Steady Property Tax Assessment
- ✓ Strong Positive Change in Long-Term Liability
- ✓ Robust Economic Development Growth/Employment Recovery



Carroll County Highlights





Carroll County Priorities

The Board of Commissioners is committed to:

Mitigating impacts of COVID-19 Pandemic

Economic Development

- Many economic development success stories
- Strong economy in a diverse Metropolitan Statistical Area
- Businesses continue to choose Carroll County

Conservative Approach to Fiscal Management

- We continue to support a conservative approach to fiscal management
- Ratios and financial indicators are positive



Carroll County Priorities

Education Funding for a Successful School System

- Ranks as one of the top performing school systems in Maryland
- Highest graduation rate and lowest dropout rate
- Students consistently score above state and national averages on standardized student assessments

Maintaining an Excellent Quality of Life

- One of the safest and healthiest counties in Maryland
- Carroll County ranked the 5th best US county at protecting and providing for its children, according to the 2020 US Childhood Report published by Save the Children
- Four nationally recognized towns for quality of life
- Sykesville, MD named Best Main Street of America



COVID-19 Response & Actions

Weathering the Storm





COVID-19 Response

- Declared local State of Emergency March 13, 2020
 - ✓ Press conference with all local partners uniting in preparations
- Immediate activation of a virtual Emergency Operations Center with community partners
- Created a COVID-19 Community Task Force comprised of Carroll Hospital, Carroll County Health Department and Carroll County Government
 - ✓ Actively managing pandemic
 - ✓ Coordinate and plan safe and prudent reopening of the county
- Communication campaigns (Press conferences, Town Hall, Website)
 - ✓ Supporting employees, residents and communities



COVID-19 Response (cont.)

- Strong Governor management and state leadership, weekly update meetings
 - ✓ Governor Hogan Chair of National Governors Association
 - ✓ State leadership: Maryland Strong – Roadmap to Recovery
 - ✓ Carroll County 3-Step Recovery Plan to Align with State of Maryland
- Developed policies and procedures related to government operations
 - ✓ Essential staff and services continued with modifications; implement teleworking
 - ✓ Economic Development, Development Review and Permit & Inspection activities continue to move economy forward



COVID-19 Actions

Actions mitigating the economic, fiscal and budgetary effects of the COVID-19 emergency:

FY2020 Actions

- Halted discretionary spending
- Hiring freeze
- Developed Coronavirus Relief Funding Plan

FY2021 Actions

- Adopted a budget \$1.7M less than FY20
- Kept Unassigned Fund Balance intact during the budget process and increased Unassigned Fund Balance by removing amounts previously assigned to future years
- Hazard pay covered by Coronavirus Relief Fund (CRF)
- Ongoing review of positions, expenditures and service offerings



COVID-19 Recovery CRF Plan

CARES Act – Coronavirus Relief Fund (CRF) invaluable funding resource

Two Initiatives

- 1) \$14.7M Carroll County Health Department reimbursement to local agencies, non-profits, long term care facilities, and businesses (including PPE and supplies).

- 2) \$14.7M Carroll County Government plan - multi-faceted, comprehensive strategy encompassing major essential services includes:
 - strategies address four key areas: Employee Safety, Continuity of Operations, Constituent Needs and Long-Term Resiliency
 - reimbursement of current expenditures and future costs
 - gradual county reopening ensuring safety and protection for all employees, businesses and residents



COVID-19 Recovery CRF Plan

CARES Act – Coronavirus Relief Fund (CRF) Implementation

Unexpected spending = Unexpected Funding

Over \$25.6M in COVID-19 Grants to CCG including:

- CRF/County \$14.7M
- CRF/Health Department \$ 2.2M
- Transit \$ 5.0M
- CDBG \$ 1.0M
- State Restaurant Assistance \$ 1.2M
- Misc. \$ 1.5M

Projects of Note:

Expanded facilities for 911 Centers

Modified Carroll County Government buildings for health and safety

Hazard pay for essential workers

Initiatives to mitigate the spread of the virus and protect the vulnerable

Business Assistance and Carroll Rebound



COVID-19 Business Response

Carroll County Small Business Grant

- Carroll County funded an "emergency relief grant" to small businesses as a result of the state-mandated business closures = \$835,000 in grants
- Baltimore Gas & Electric funded \$52,000 in grants
- Total of \$887,000 to over 700 businesses



COVID-19 Business Response

Carroll Rebound

- Carroll County earmarked \$7 million in CRF funds to assist small businesses, farms and nonprofits; including 14 volunteer fire departments (VFD)
- Grants ranged from \$2,000-\$16,000; \$2.5M to VFDs
- Total assistance \$8.2M (federal, state and local)



Positive Financial Trends





Strong Financial Position

- Ratios and financial indicators are positive
- Strong financial policies and practices
- Revenues increasing
- Declining debt and debt service
- Long-term obligations well-funded and improving
- Increasing fund balance reserves



FY20 General Fund Results

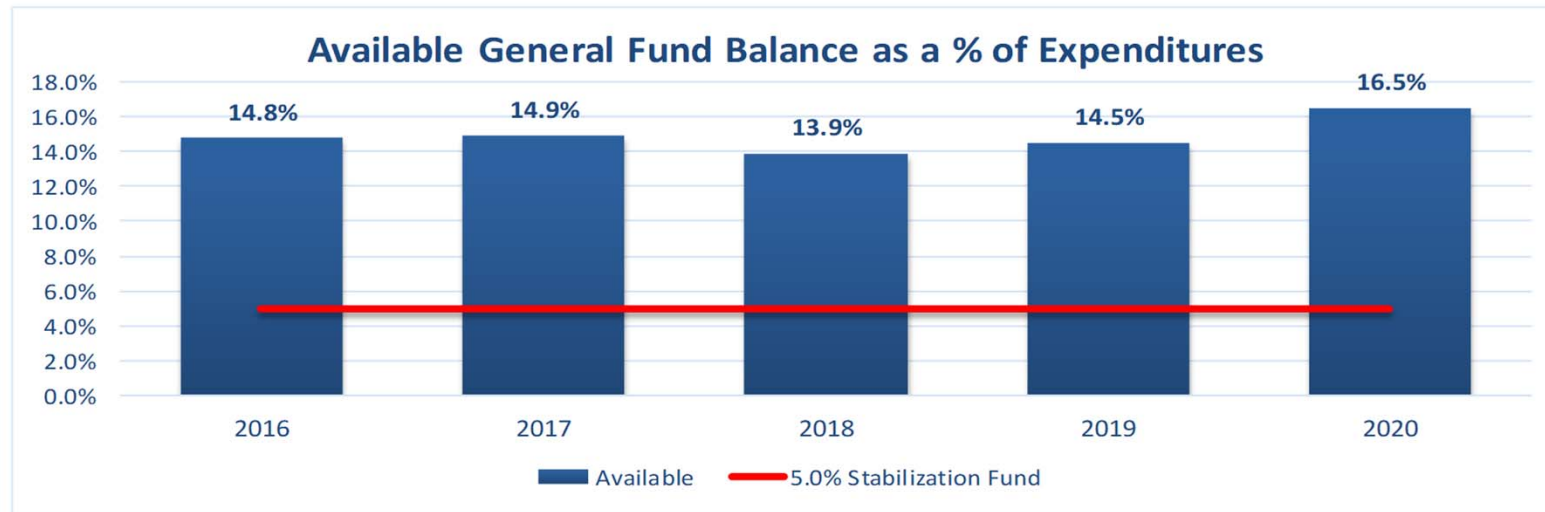
- Budget to Actual
 - Conservative budget approach
 - \$9.0M actual revenues over budget
 - \$10.3M actual expenditures under budget
- Net change in fund balance of \$11.0M surplus
 - Positive budget variance \$19.3M
 - Budgeted use of fund balance (\$9.3M)
 - IPA debt issued \$1.0M
- Moderate revenue growth of 3% over last 5 years

Millions	2016	2017	2018	2019	2020*
Property Tax ...	\$197.5	\$198.7	\$202.7	\$208.3	\$214.1
Income Tax	137.5	139.5	141.8	155.4	156.6

*Unaudited



Fund Balance



Fiscal Year	Non Spendable	Restricted	Committed	Assigned	Unassigned	Total General Fund Balances	Total Available General Fund Balance	General Fund Expenditures	Available General Fund Balance as a % of Expenditures
General Fund (\$ in 000)									
2016	\$ 26,669	\$ 30,926	\$ 20,820	\$ 22,581	\$ 10,840	\$ 111,836	\$ 54,241	\$ 367,547	14.8%
2017	27,549	29,656	21,402	20,383	14,530	113,520	56,315	378,037	14.9%
2018	23,911	27,610	20,563	29,274	3,955	105,313	53,792	387,561	13.9%
2019	29,252	30,362	20,940	23,445	13,551	117,550	57,936	399,423	14.5%
2020*	27,200	34,935 **	20,940	14,153	30,891	128,119	65,984	399,857	16.5%

* Unaudited

** \$33.5 M Ag preservation 20 year investments restricted for debt service (11.7% of outstanding debt).



Continued Achievements



35th consecutive GFOA Certificate of Achievement for Excellence in Financial Reporting (FY 19 Comprehensive Annual Financial Report)



GFOA's Distinguished Budget Presentation Award for the 13th consecutive year



Enterprise Fund Summary

- Rates reviewed and adjusted annually
- Rates are funding capital investments with cash
- Solid Waste fully accrued closure & post-closure liabilities
- Operating expense growth pressures continue
- Recommendations presented for additional revenue sources in solid waste and fiber network



Pension & OPEB Summary

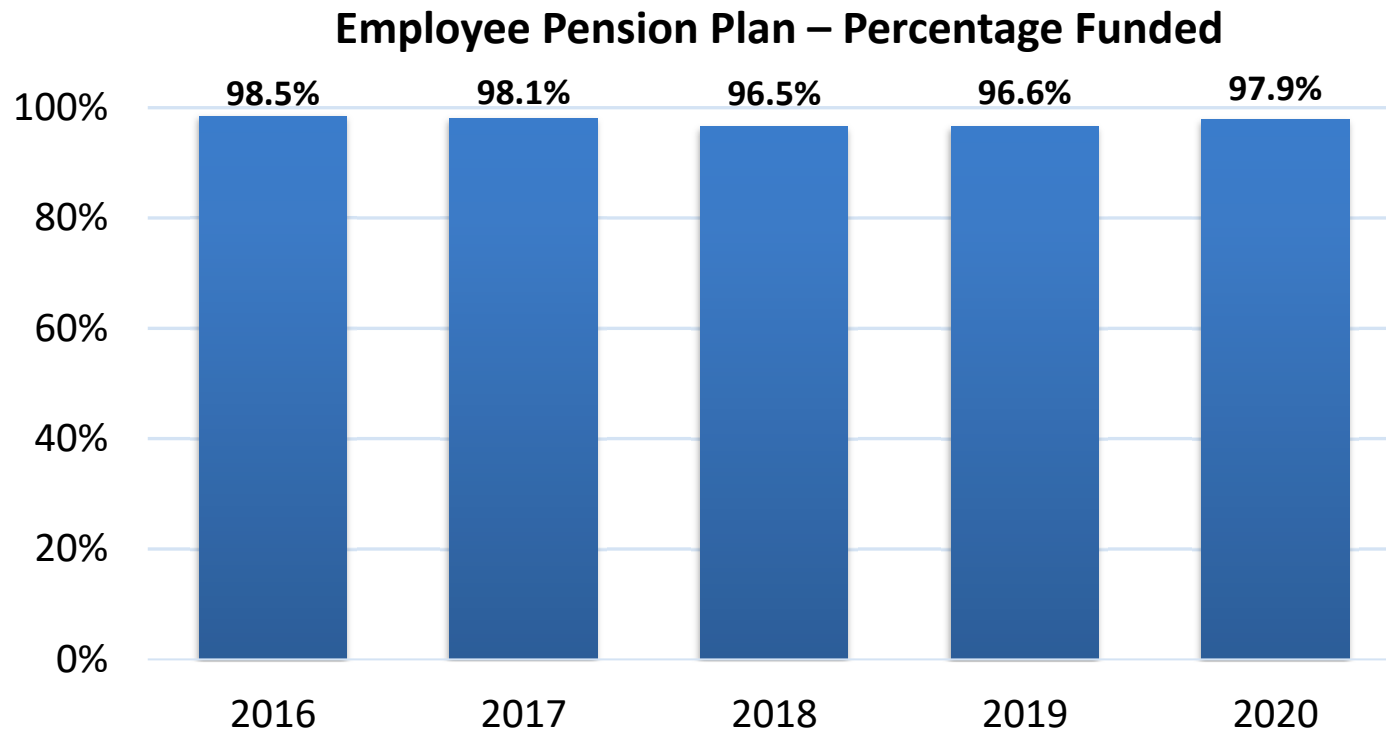
All Plans

- Maintained 7% rate of return assumed
- Actual Investment Returns
 - 2.3% FY20
 - 6.5% 5-year average return
- Combined Net Pension Liability \$17.4M
- Net OPEB Liability \$117.1M



Pension - Employee

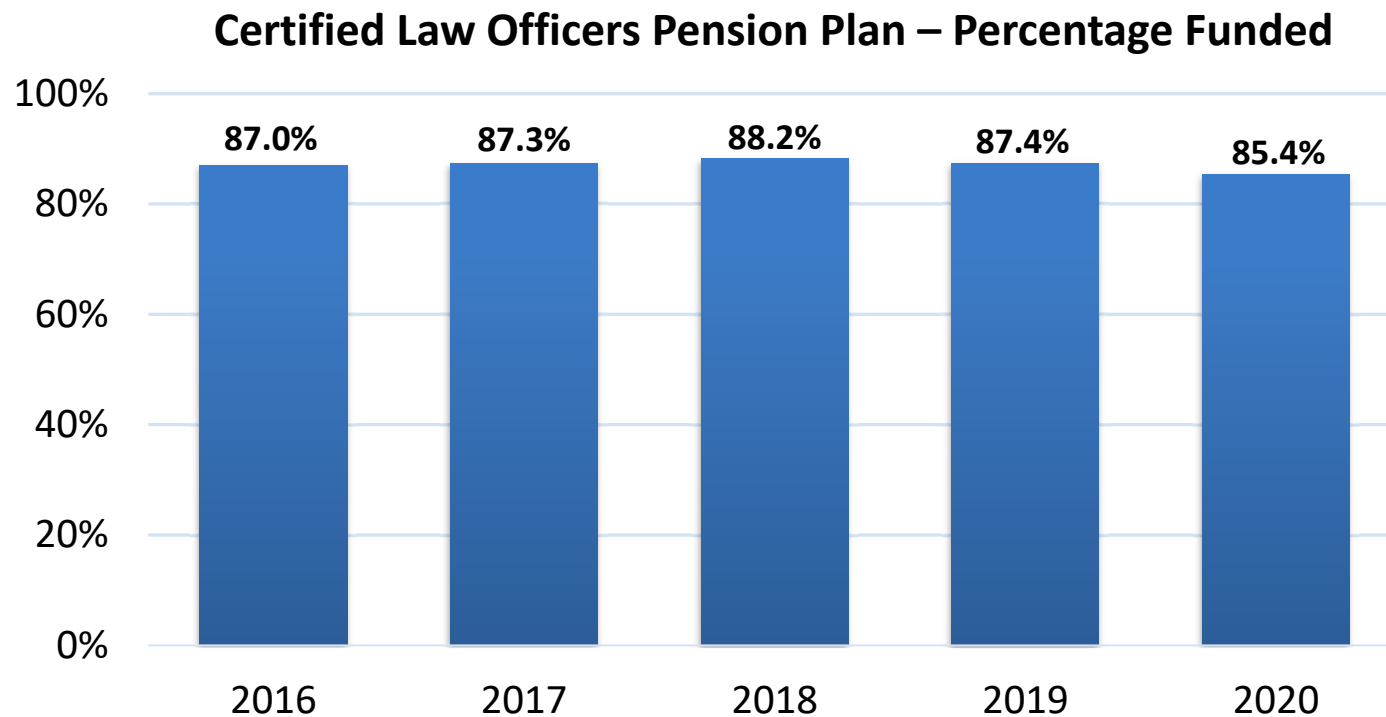
- Actuarial Valuation, as of July 2019, 97.9% funded.
- Net pension liability as of June 30, 2020 was \$12M.
- The Actuarially Determined Contribution in FY20 was \$3.1M; County contribution was \$3.2M.





Pension – Law Officers

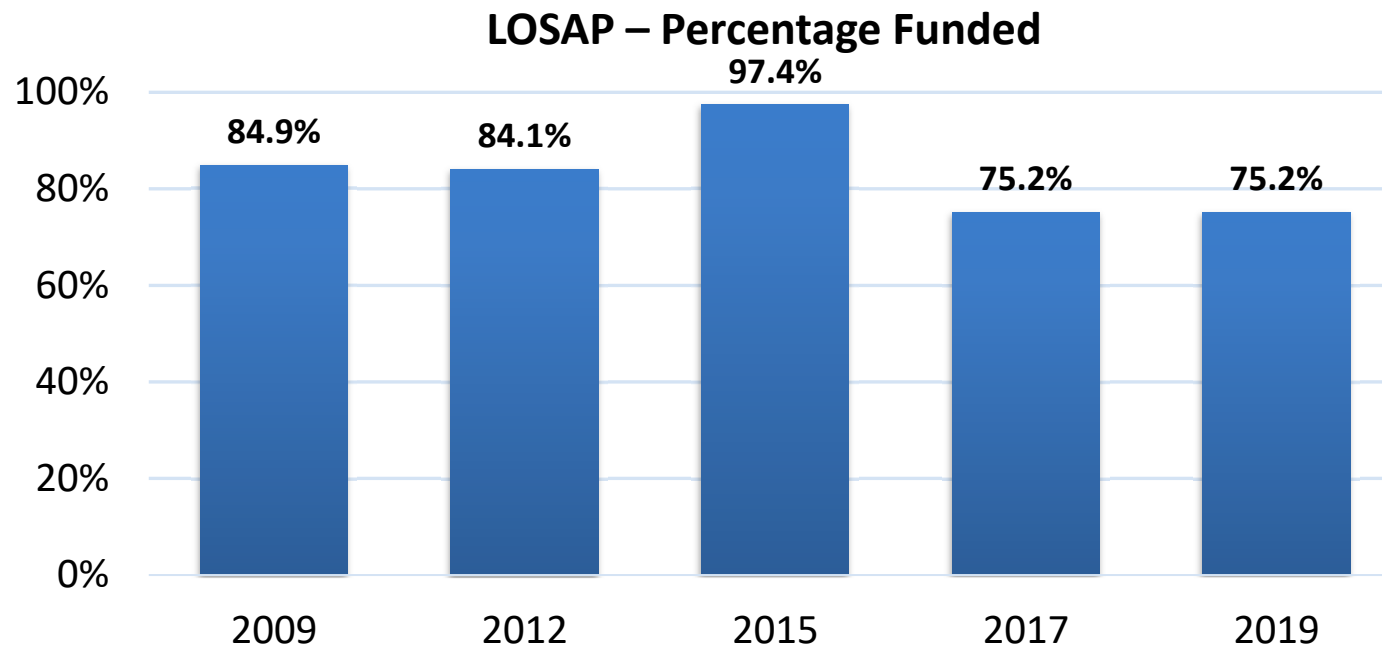
- Actuarial Valuation, as of July 2019, 85.4% funded.
- Net pension liability as of June 30, 2020 was \$3.6M.
- The Actuarially Determined Contribution in FY20 was \$842K; County contribution was \$1.3M.





Pension – LOSAP

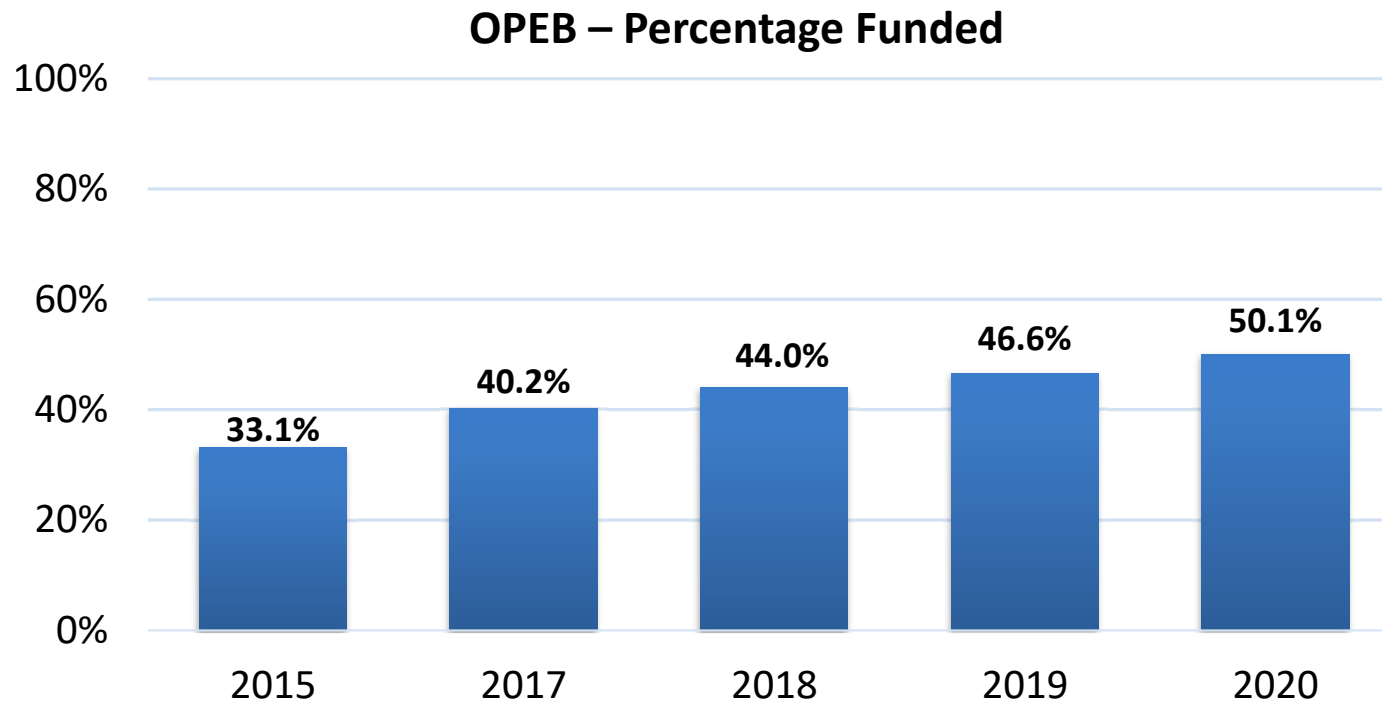
- Actuarial Valuation, as of January 2019, 75.2% funded for the Volunteer Firemen's Length of Service Award Program (LOSAP).
- Net pension liability as of June 30, 2020 was \$1.8M.
- The Actuarially Determined Contribution in FY20 was \$736K; County contribution was \$398K.





Post-Employment Medical Benefits (OPEB)

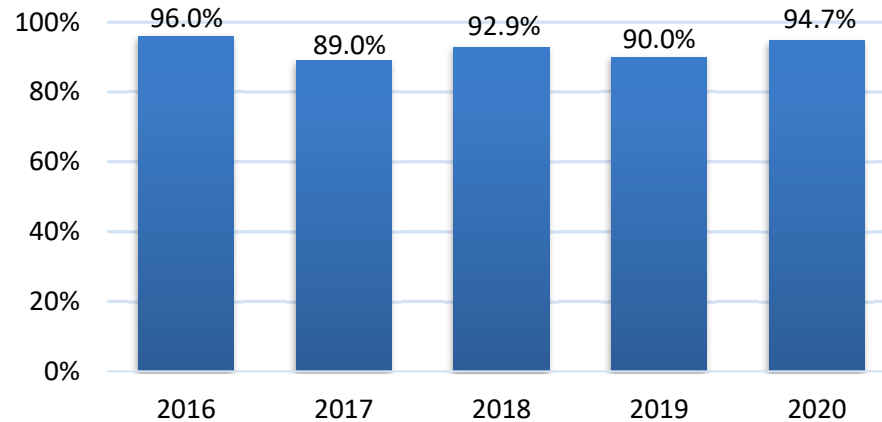
- Actuarial Valuation, as of July 2018, 41.2% funded.
- Net OPEB liability as of June 30, 2020 was \$117.1M.
- The Actuarially Determined Contribution in FY20 was \$13.2M; County contribution was \$12.5M.



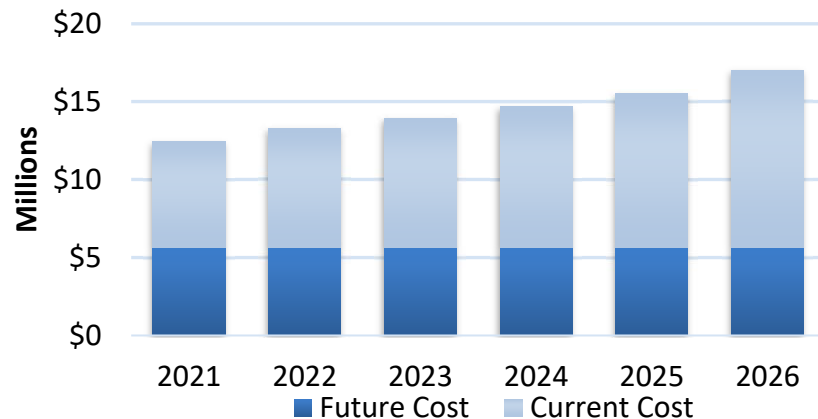


Other Post-Employment Benefits

Actuarially Determined Contribution - Percentage



Planned Retiree Health Funding



- The county has consistently contributed in excess of 90% of the Actuarially Determined Contribution.
- The FY21 – FY26 budget and operating plan includes \$5.6M per year long-term funding for the OPEB Trust in addition to pay-go costs.



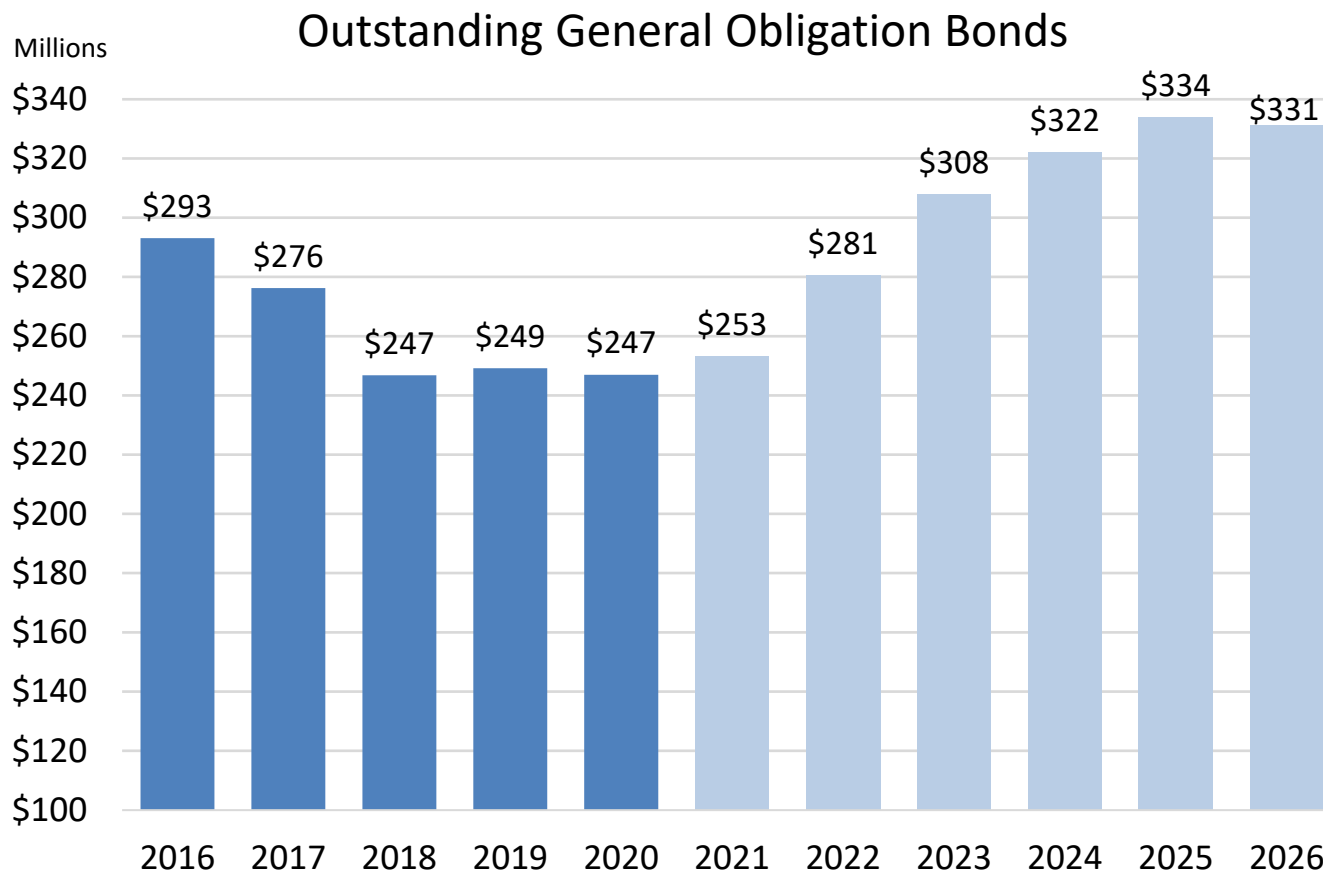
Outstanding Debt

- Continued conservative approach
- Debt Policy – fixed rate; non-operating
- Aggressive debt repayment
 - 73.3% repaid in 10 years
- No plans to borrow for external liquidity
- Compliance with continuing disclosure obligations (Digital Assurance Corporation)



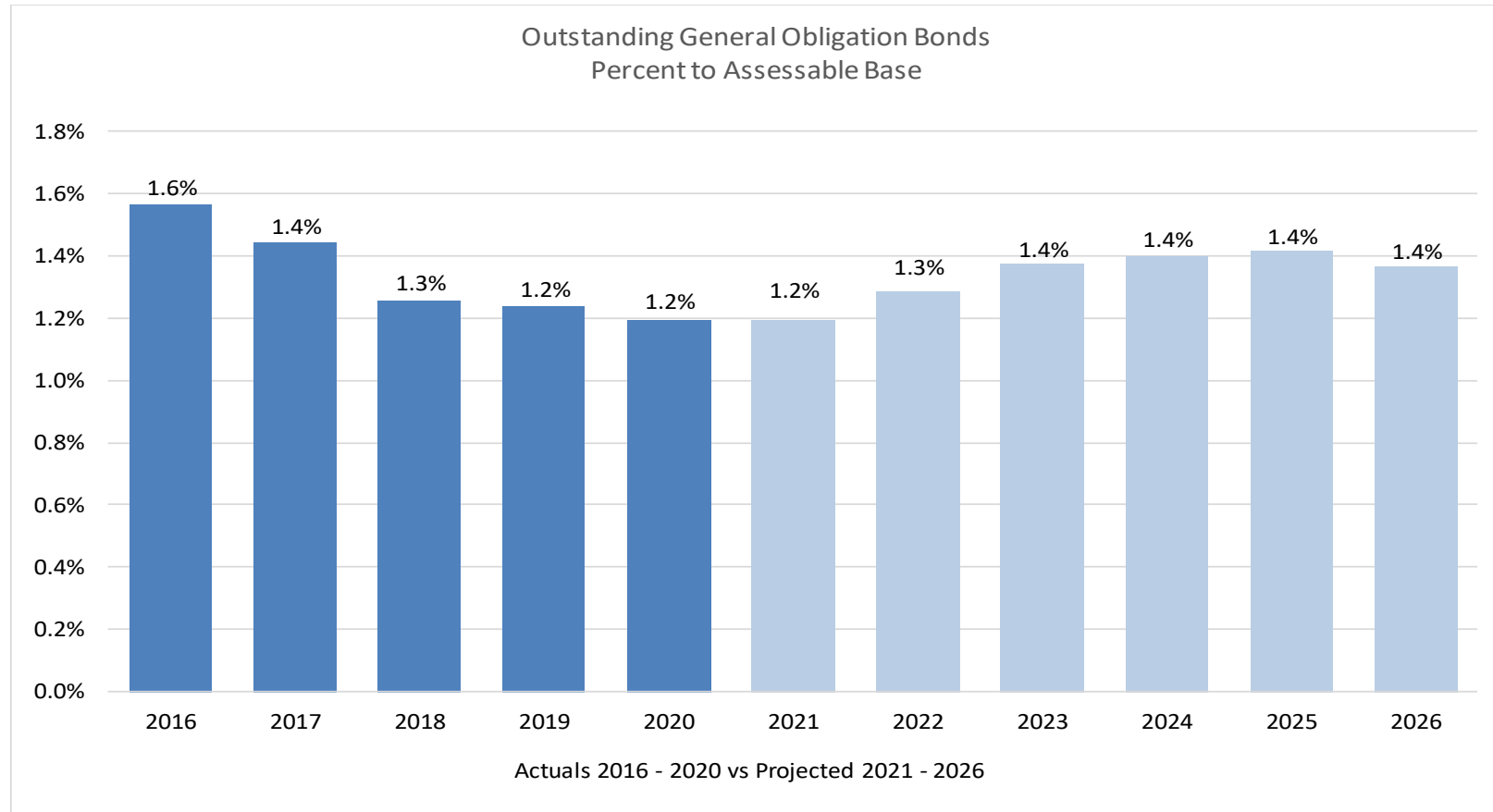
Outstanding Bonded Debt

- Reduced by \$46 million, or 15.7%, from FY16
- Reduced by \$92 million from \$339 million, or 27.1% from FY11





Outstanding Bonded Debt to Assessable Base

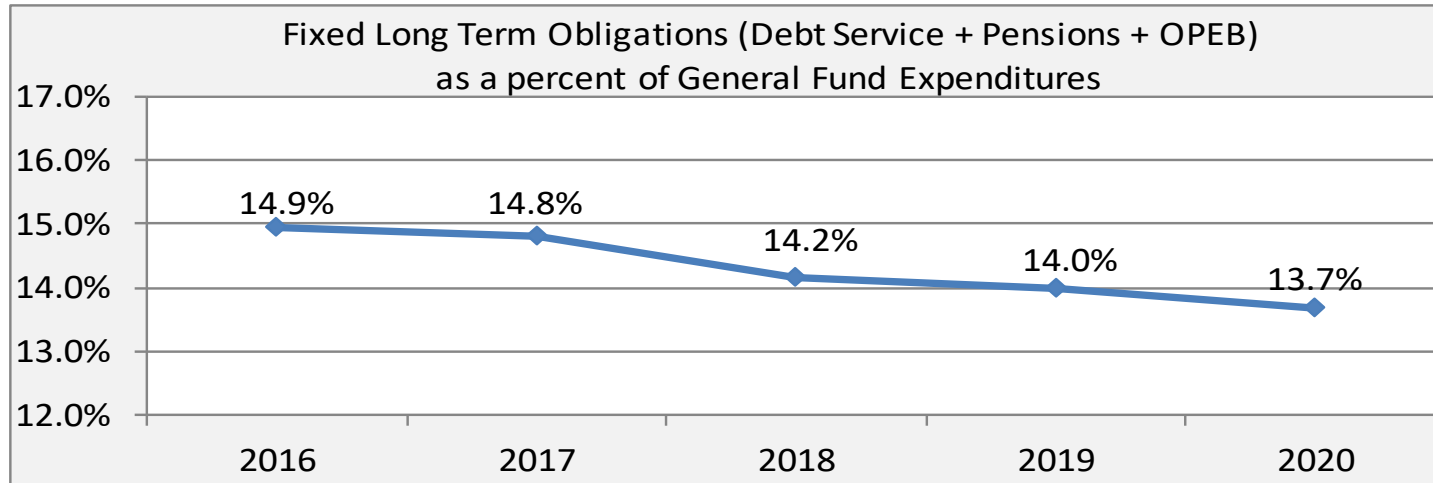


Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
G.O. Bonds	\$293	\$276	\$247	\$249	\$247	\$253	\$281	\$308	\$322	\$334	\$331
Assessable Base	\$18,733	19,099	19,595	20,125	20,681	21,253	21,843	22,422	23,010	23,611	24,226
Percent	1.6%	1.4%	1.3%	1.2%	1.2%	1.2%	1.3%	1.4%	1.4%	1.4%	1.4%

(\$ in 000,000)



Combined Fixed L/T Obligations



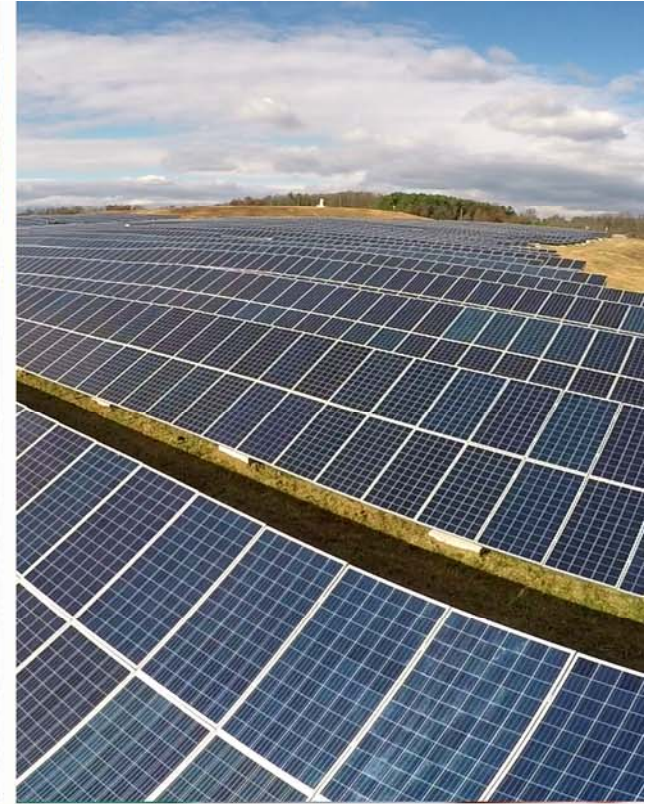
(\$ in 000)	2016	2017	2018	2019	2020
Debt service:					
Principal	\$28,172	\$29,139	\$27,831	\$27,167	\$26,841
Interest	13,339	13,208	12,432	11,844	10,439
Pension and OPEB Contributions:					
Employee Pension	2,542	2,636	3,067	3,157	3,169
Law Officer Pension	681	799	798	933	1,318
LOSAP	50	100	166	1,282	398
OPEB	10,104	10,104	10,550	11,430	12,493
Total	54,887	55,985	54,844	55,813	54,659
 General Fund Expenditures	 \$367,547	 \$378,037	 \$387,561	 \$399,423	 \$399,857
 Fixed Long Term Obligations as a percent of General Fund Expenditures	 14.9%	 14.8%	 14.2%	 14.0%	 13.7%

Approximately \$10.2M of debt service is covered by dedicated revenues transferred in from the capital fund.



Current Bond Issue

- Bond Sale Date 11/19/20
- \$20M New Money Issue
- Use of proceeds: Public Schools, Public Works, Conservation & Water Resources
- Bonds are 20-year term with level principal payments



Strong and Consistent Management Continues





Management Approach

- Keep it Simple
- Be Consistent and Careful
- Make the Choices That Need to be Made
- Build Fiscal Resiliency
- Plan for the Long-Term



Management Tool Checklist

Financial Planning	Operational Planning	Debt Management	Capital Planning
✓ Fund Balance	✓ Six-Year Operating Plan	✓ Debt Affordability Review	✓ Six-Year CIP
✓ Contingency Planning	✓ Budget Process	✓ Rapid Debt Retirement	✓ Dedicated Pay-go Capital Funding
✓ Multiple Levels of Reserves	✓ On-Going Multi-Fund Monitoring	✓ Plan for the Operating Impact of Debt	✓ Plan for the Operating Impact of Capital Projects

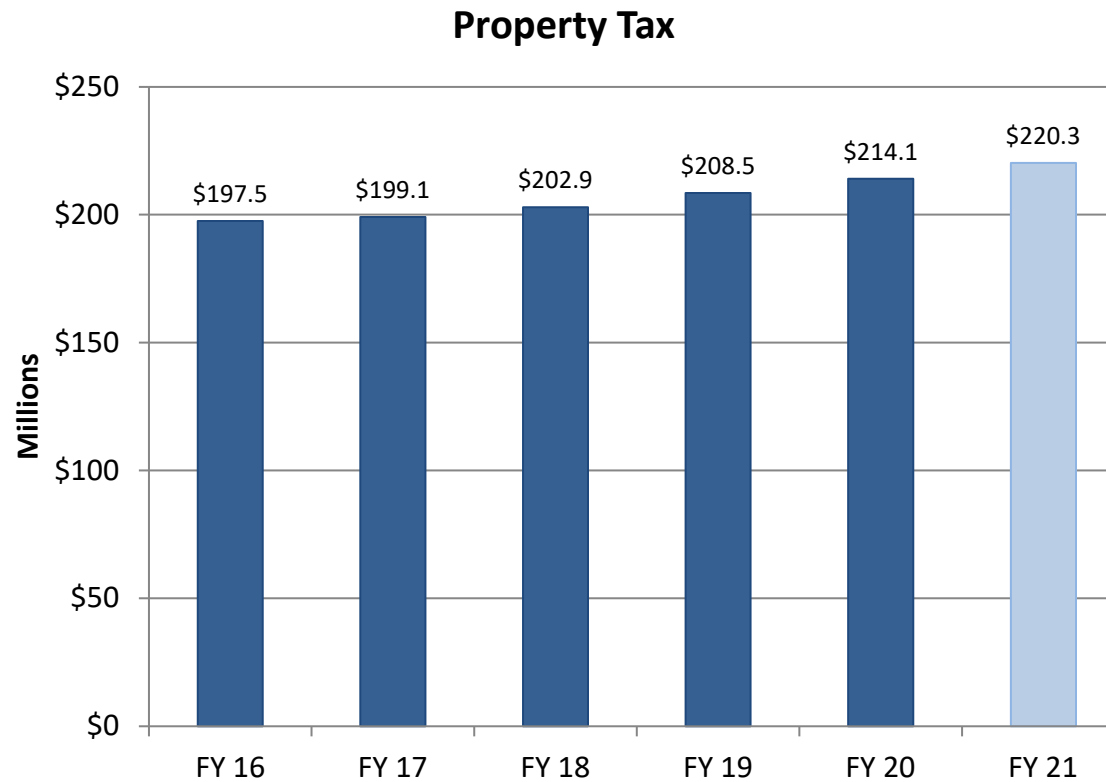


FY21 Budget Highlights

- \$1.7M or 0.4% decrease in the General Fund
 - Held most budgets flat or reduced from FY20
 - Schools at MOE, or \$1.2M increase
 - Salaries held flat
- \$24.0M or 4.4% increase in all funds
 - Capital Fund \$15.3M
 - Enterprise Funds \$9.1M



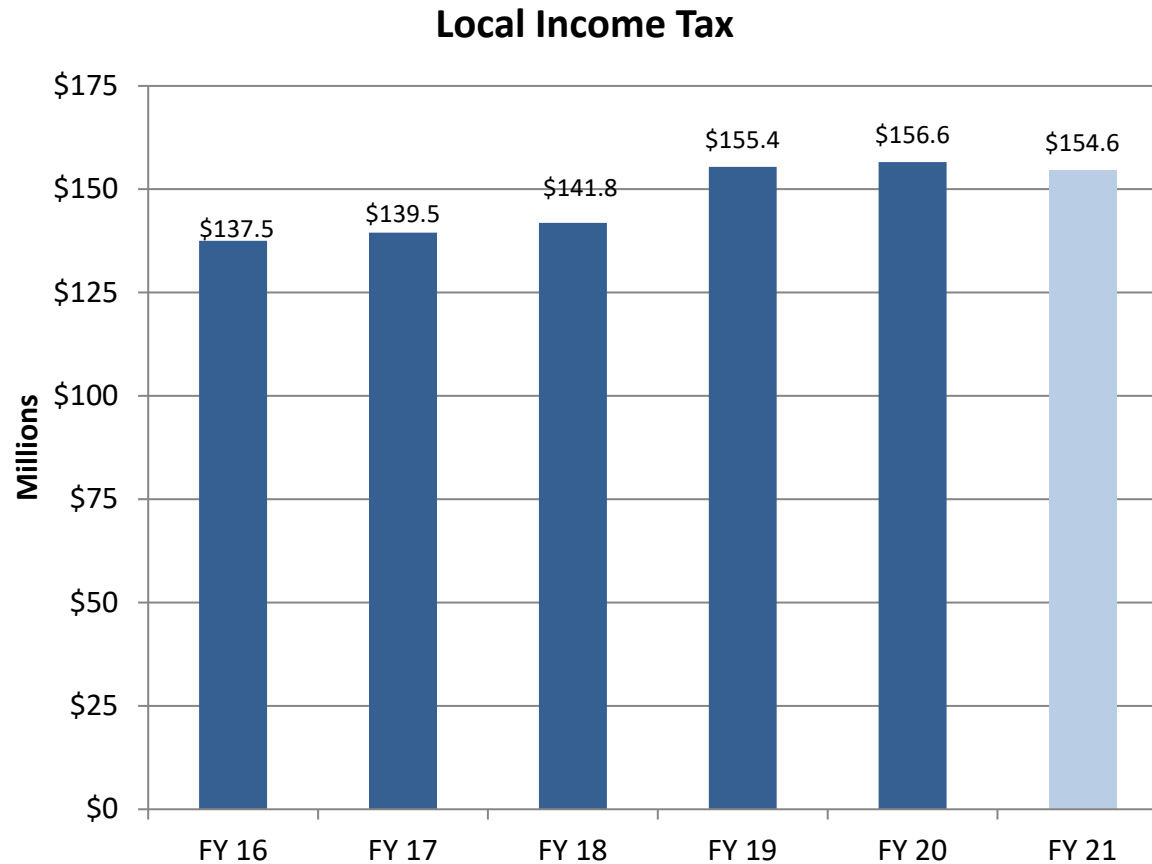
Operating Revenues



Sources: Carroll County Comptroller FY20 Unaudited Financial Statements. FY21 reflects budgeted revenues. Excludes Property Tax and Local Income Tax dedicated to the Capital Fund and the Watershed Protection and Restoration Fund.



Operating Revenues



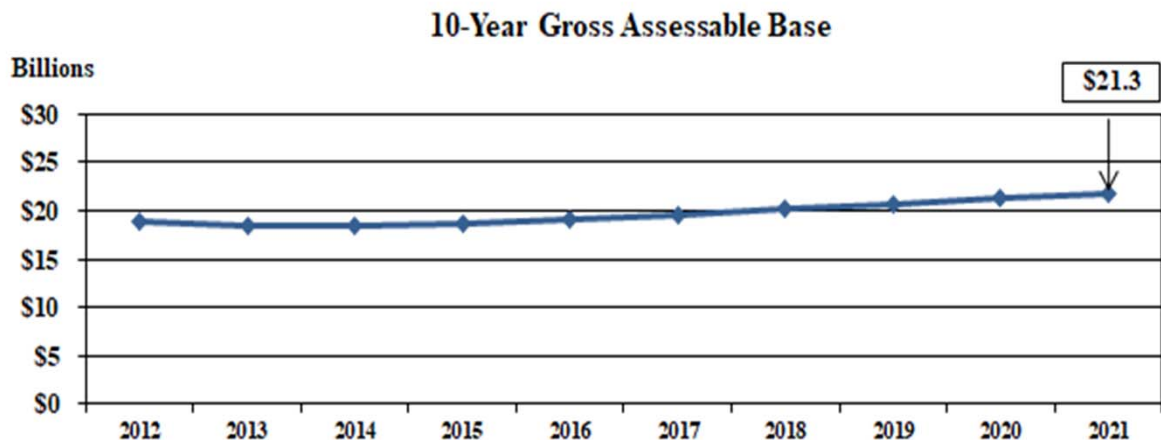
Sources: Carroll County Comptroller FY20 Unaudited Financial Statements. FY21 reflects budgeted revenues. Excludes Property Tax and Local Income Tax dedicated to the Capital Fund and the Watershed Protection and Restoration Fund.



Assessable Base

Fiscal Year	Gross Assessable Base	% Change
2012	19,829,611,572	-5.15%
2013	18,808,823,173	-5.15%
2014	18,549,381,425	-1.38%
2015	18,495,548,665	-0.29%
2016	18,733,020,866	1.28%
2017	19,098,609,701	1.95%
2018	19,595,053,827	2.60%
2019	20,125,090,540	2.70%
2020	20,681,485,860	2.76%
2021	21,252,982,140	2.76%
2022	21,843,257,883	2.78%
2023	22,421,929,091	2.65%
2024	23,010,088,530	2.62%
2025	23,610,583,432	2.61%
2026	24,225,548,859	2.60%

- Carroll's tax base continues to be highly diverse with the top ten taxpayers making up only 2.6% of the assessable base. Top taxpayer contributes 1.1% and the next highest contributes 0.2%
- Assessable base grew 2.8% in FY21

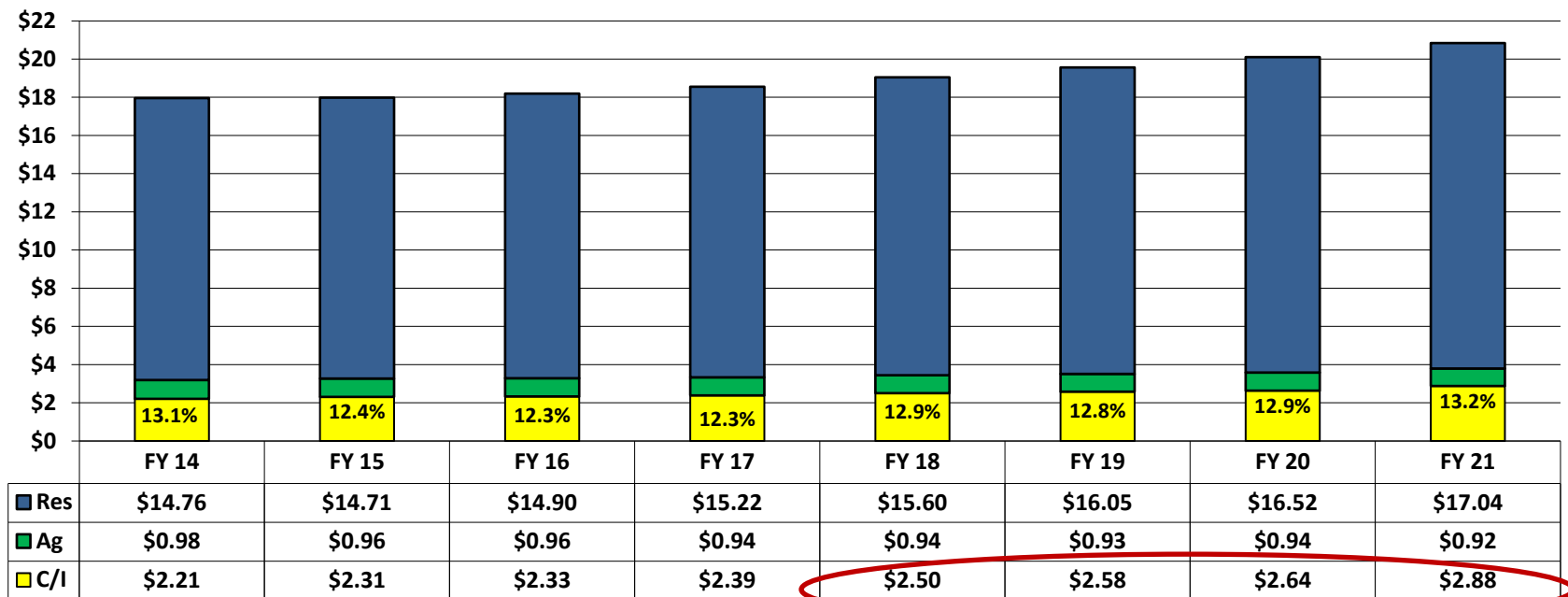


Source: FY12-19 Carroll County CAFR [Table 6]; FY20 Unaudited Financial Statements; FY21 Maryland State Department of Assessments and Taxation
 FY22-26 is projected by the Department of Management and Budget



Commercial/Industrial

Residential, Commercial/Industrial
and Agriculture Assessable Base (Billions)

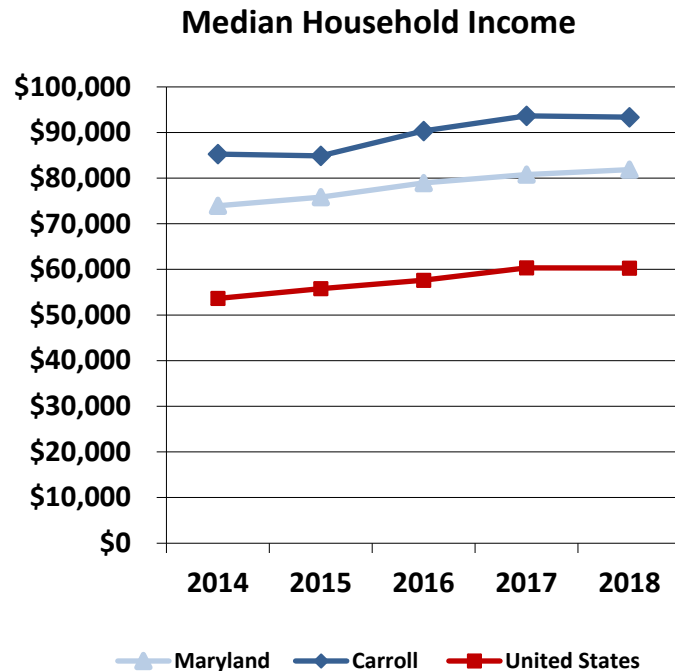


Source: State of MD Aims 2 report



Median Household Income

- In CY18, Maryland was ranked as the highest state in the nation for median household income at \$81,868, with Carroll among the highest in Maryland at \$93,363
- Carroll's 2018 median household income is 14% above the State of Maryland's



Jurisdiction	CY 14	CY 15	CY 16	CY 17	CY 18
Anne Arundel	\$87,217	\$91,230	\$96,483	\$97,085	\$97,810
Baltimore City	42,665	44,165	47,350	47,131	48,840
Baltimore County	68,257	68,775	72,764	73,805	74,127
Carroll	85,274	84,887	90,343	93,676	93,363
Harford	79,649	78,050	84,175	80,476	85,942
Howard	107,490	110,892	120,941	111,473	117,730
Washington	55,471	55,979	54,250	60,385	59,719
Maryland	73,971	75,847	78,945	80,776	81,868
United States	53,657	55,775	57,617	60,336	60,293



Multi-Year Operating Plan

- Six years
- Projected debt service based on known and projected new debt
- Projected operating impacts of capital projects
- Everything we know or think we know, no matter the size



Flexibility

- Reserve for Contingencies
- Unassigned Fund Balance
- Maintenance of Effort (MOE)
- Stabilization Fund
- Well-funded Long-term Liabilities
- Dedicated Revenues



Flexibility

- Tax rates
 - Income tax: 3.03% currently (State allows up to 3.2%)
 - Property tax: \$0.01 yields approximately \$2M
- Conservative Operating Plan growth assumptions
- Conservative new construction revenue projections



Revenue Dedicated to the CIP and Debt Service

- Direct appropriations of cash to the Capital Fund
- Dedicated local income tax to support school construction
- Dedicated property tax to support Ag Pres



Economic Development Success





Strategic Economic Development Assets

- Proximity to major transportation hubs
- Outstanding workforce over 94,000; highly educated; proven work ethic
- Variety of industrial sites from 1-129 acres
- Properties located in or near incorporated towns with infrastructure in place
- Variety of industrial and commercial parks across the county
- Major employers include several long-standing pillars in sectors including publishing, healthcare, higher education and light manufacturing



Carroll County Pillars

1867



1983



SPRINGFIELD
HOSPITAL CENTER

Established 1896

1896

NORTHROP GRUMMAN

1967



1994



1991

1896



1965

Penguin
Random
House



1961



Fairlawn Tool Inc.

1962



1918

Lehigh Hanson
HEIDELBERGCEMENT Group

1897



1976



1989



1964



1976

1980



1971

47



Workforce: Our Competitive Advantage

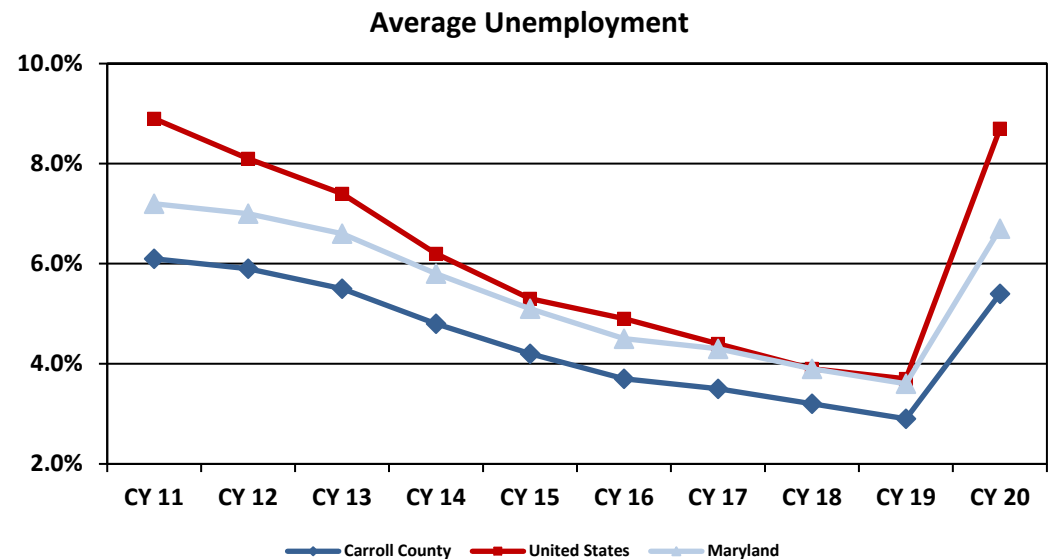
- Well-Educated Workforce
 - Business/Employment Resource Center
 - Total Customer Visits: 9,628
 - Total Number of Business Services: 2,103
 - Job Fairs/Recruitment Events: 14
 - Community College Business & Workforce Training
 - Career and Technology Center
- Small Business Development
 - Miller Center for Entrepreneurs
 - Small Business Development Center



Unemployment

- Carroll County – consistently has one of the lowest unemployment rates compared to other Maryland counties
- During COVID-19, last two months Carroll has lowest unemployment

	Carroll County	Maryland	United States
CY 11	6.1%	7.2%	8.9%
CY 12	5.9%	7.0%	8.1%
CY 13	5.5%	6.6%	7.4%
CY 14	4.8%	5.8%	6.2%
CY 15	4.2%	5.1%	5.3%
CY 16	3.7%	4.5%	4.9%
CY 17	3.5%	4.3%	4.4%
CY 18	3.2%	3.9%	3.9%
CY 19	2.9%	3.6%	3.7%
CY 20	5.4%	6.7%	8.7%



Sources: United States Department of Labor, Bureau of Labor Statistics

Maryland Department of Labor, Licensing and Regulation

Notes: 2020 figures are averaged through August 2020. Only the national unemployment rate is seasonally adjusted.

Businesses Talk Carroll



"We love Carroll County. We travel all over world, but Carroll County offers us kind of peace, kind of a family atmosphere. And, then school system, when my sons were growing up, was the best. And then business acumen is so good. It's not that far from Baltimore and then Washington, DC. So if you are thinking about any high-tech business or even retail business, this is the place" Ram Javia, President, WesPharma



Businesses Talk Carroll

"A lot of our competitors do have businesses in other counties - Howard and Arundel. My business partner and I chose to stay in Carroll County because the quality of life here is outstanding. I was actually raised in Carroll County. I went through the school system here in Carroll County. I was a graduate of Liberty High School. . . the degreed individuals, the technical capabilities that they could bring to the table. We found that a lot of those individuals reside in Carroll County."

- Jim Rainey, President, Applied Technology Group





Business Development Expansion Projects

2019 -2020





Penguin
Random
House



FRONT BUILDING ELEVATION
SCALE: 1/8"=1'-0"



RIGHT SIDE BUILDING ELEVATION
SCALE: 1/8"=1'-0"



REAR BUILDING ELEVATION
SCALE: 1/8"=1'-0"



LEFT SIDE BUILDING ELEVATION
SCALE: 1/8"=1'-0"

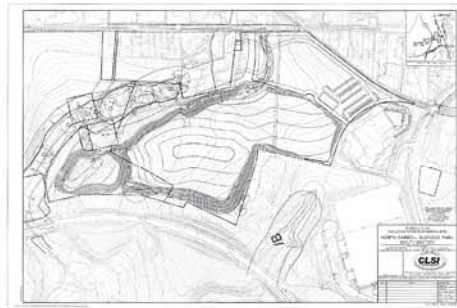


Penguin Random House

- Book distributor in Westminster
- Signed five-year lease for 1,035,000 square feet of space in Hampstead; PRH now occupies 2.4 million square feet of space
- *150 new employees expected*

Legacy School

- Special curriculum school for children with language-based learning disabilities
- 7,000 square foot expansion with plans to expand further
- \$1.5 million capital investment



Ridge Engineering

- 85,000 square foot expansion adjacent to existing facility
- \$20 million capital investment
- Retains 130 jobs and creates 50 new jobs

Liberty Exchange

- Last speculative flex building in St. John Properties Eldersburg development
- 25,000 square feet
- \$3 million capital investment



Business Development New Projects

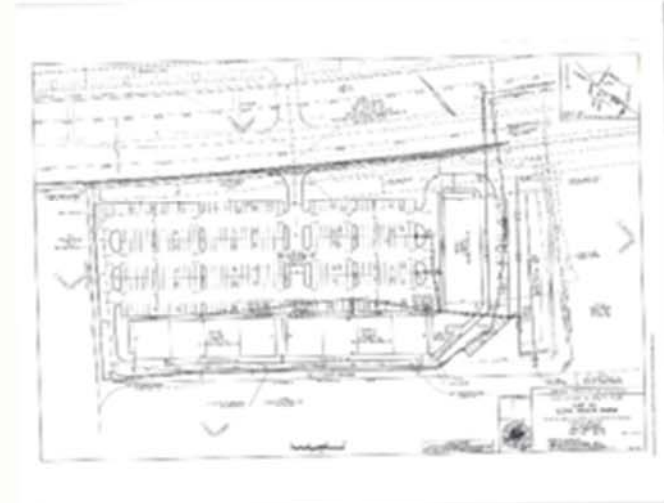
2019 -2020





Eldersburg Station

- 85 room Candlewood Suites with restaurant pad site
- 93,000 square feet at build out
- \$10 million capital investment



Long Reach Farm

- Planned 4-unit residential development with ground level retail
- 40,000 square feet of retail space
- \$10 million capital investment



Alderson Loop

- Purchased a historic building at Historic Warfield at Sykesville
- Expansion of a resident company into 5,500 square feet
- \$2 million capital investment

Near Communications

- Provider of used telecommunications equipment
- Purchased a 12,000 square foot building; submitted concept plans to add an additional 70,000 square feet
- \$5 million capital investment



Flight Fab

- Aerospace and defense manufacturer
- Purchased 8,000 square foot building at West Branch Trade Center with plans to expand by 12,000 square feet
- \$3 million capital investment

Conewago

- Speculative building in the Westminster Technology Park
- 85,000 square feet
- \$8.5 million capital investment



1623
BREWING CO.
maryland colorado



Flood Zone Marketplace & Brewery

- Renovation of former grocery store in Union Bridge into a community market & gathering place
- 5,000 square feet
- \$1.5 million capital investment

1623 Brewery

- Start up of a family-owned brewery and taproom
- Leasing 11,000 square feet in Liberty Exchange
- \$2 million capital investment



Stratosphere Social

- State-of-the-art entertainment venue in Eldersburg with bowling, arcade games and 7D theatre
- 23,000 square feet
- \$3 million capital investment

Westminster Station

- New retail center in Westminster featuring new national tenants
- 16,400 of in-line retail with a free-standing CVS
- \$30 million capital investment



Project Granite

- Prospect leasing former Black & Decker plant in Hampstead
- 106,000 square feet

Project Steamship

- Settled on 1234 Tech Court, an 85,000 square foot building in September 2020
- Expansion of manufacturing company headquartered in Kentucky
- Operational 1st quarter 2021
- *80 new jobs*



Project Highlight Summary

2019-2020

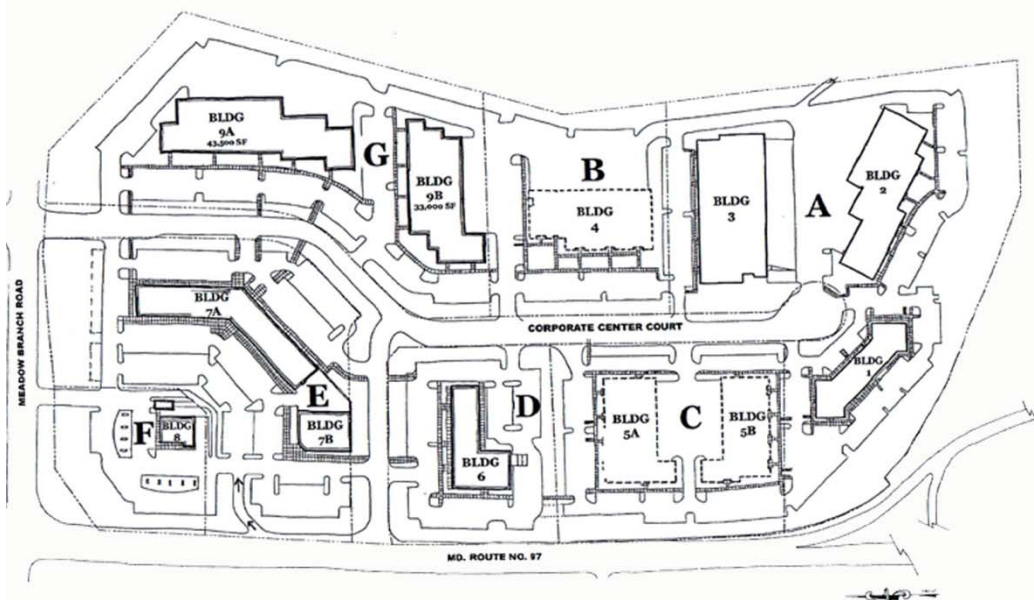
Company	Investment (millions)	Square Footage
Penguin Random House	leasing	1,035,000
Legacy School	1.5	7,000
Ridge Engineering	20	85,000
Liberty Exchange	3	25,000
Eldersburg Station	10	93,000
Long Reach Farm	10	40,000
Alderson Loop	2	5,500
Near Communications	5	92,000
Flight Fab	3	20,000
Conewago (spec)	8.5	85,000
Flood Zone Marketplace & Brewery	1.5	5,000
1623 Brewery	2	11,000
Stratosphere Social	3	23,000
Westminster Station	30	24,500
Project Granite	leasing	106,000
Project Steamship	8	85,000
TOTAL	\$107.5	1,742,000



Land Development

2019 -2020





Carroll County Commerce Center

- Mixed-use business park
- 396,000 square feet at build out
- \$60 million investment
- Royal Farms site plan submitted to Westminster City





Warfield at Historic Sykesville

- Settlement 6/27/2018
- Mixed-use/redevelopment of historic buildings in Sykesville
- 145 townhomes representing over 360,000 square feet of residential space and \$10 million capital investment; average price \$425,000
- 100,000 square feet of new development; 140,000 square feet of redevelopment
- \$113 million project at build out





Mt. Airy Business Park

- 129-acre high-end business park campus proposed on MD 27
- 650,000 square feet
- \$115 million capital investment at build out
- I-70 access – 2 miles
- Annexation petition to Mt. Airy submitted July 2020





North Carroll Business Park

- Approved concept plan on 30-acre development project in Hampstead
- 300,000 square feet
- \$70 million capital investment at build out
- Winter 2021 groundbreaking





Westminster Technology Park

- 11 acres of finished land available
- 250,000 square feet remaining
- \$25 million capital investment





West Branch Trade Center

- 50-acre business park
- \$15 million investment
- 150,000 square feet of development remaining





Land Development Project Summary

Project	Investment (millions)	Square Footage
Commerce Center	\$ 60	396,000
Warfield at Historic Sykesville	113	240,000
Mt. Airy Business Park	115	700,000
North Carroll Business Park	70	600,000
Westminster Technology Park	11	110,000
West Branch Trade Center	15	150,000
Total	\$386	2,216,000



Regional Factors





Regional Influencing Factors



- Carroll County – nestled between D.C. and Baltimore, located in the Washington-Baltimore-Arlington Combined Statistical Area.
- Carroll is part of the most highly educated, highest income and fourth largest combined statistical area in the U.S. with a population of nearly 10 million.
- Carroll benefits from the huge business, education, health and government opportunities of the area.



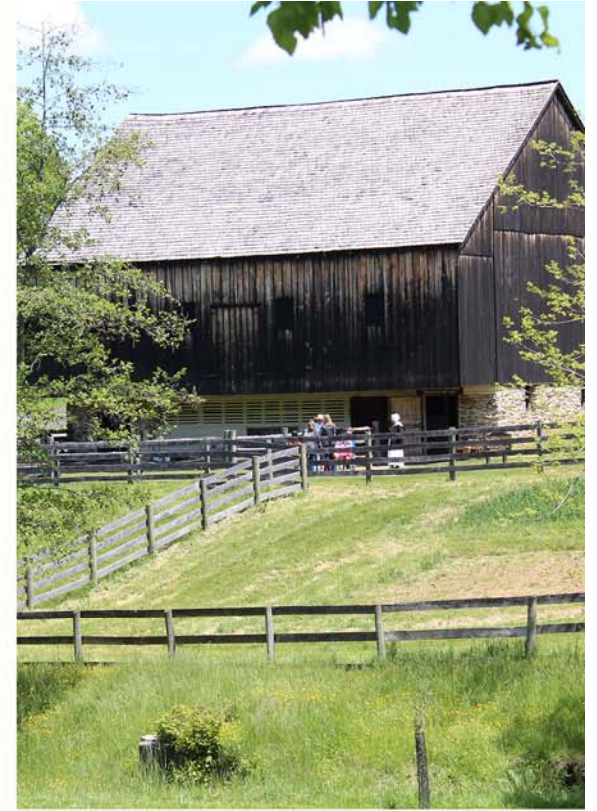
Maryland is Strong

- 2020 - Maryland maintains AAA ratings from the three major bond rating agencies (during COVID-19 pandemic)
- 2nd highest % of professional and technical workers in the nation
- Higher Education: 56 accredited institutions (40 four-year and 16 two-year) with total enrollment over 360,000
- Port of Baltimore: the nation's leading Roll On/Roll Off port
- Maryland businesses have an edge in federal funding and research
- Major federal facilities include Fort Meade, the National Security Agency (NSA), National Institutes of Health, as well as the Social Security Administration and the Centers for Medicare & Medicaid Services (CMS)



Carroll's Regional & Business Leadership

- Regional and business consortium leaders with the following:
 - ✓ Maryland Association of Counties (MACo)
 - ✓ National Association of Counties (NACo) representing region on national issues
 - ✓ Governor's Workforce Development Board
 - ✓ Baltimore Metropolitan Council (BMC)
 - ✓ Governor's Emergency Management Advisory Council (GEMAC)
 - ✓ Economic Alliance of Greater Baltimore (EAGB)
 - ✓ University of Maryland Shock Trauma Board of Visitors
 - ✓ Fort Meade Alliance
 - ✓ BWI Partnership
 - ✓ Baltimore Convention and Tourism Board (BCTB)
- #1 in Census in Maryland, 24th in the nation out of over 3200 counties



FINAL THOUGHTS

Carroll County's Continued Success





Carroll County Onward

- ✓ COVID-19 Management
- ✓ Strong Fiscal Management
- ✓ Steady Property Tax Assessment
- ✓ Strong Positive Change in Long-Term Liability
- ✓ Robust Economic Development Growth/Employment Recovery



Thank You!



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Supplemental Information



Cybersecurity

- Ongoing organizational commitment to cybersecurity
- Proactive management of cybersecurity initiatives
- In FY21, increased insurance coverage from \$1M to \$5M for cyber
- Staff and elected officials participate in mandatory ongoing cybersecurity training
- Participation in National Cybersecurity Month awareness activities
- Recent addition of cloud-based security to protect against attacks on devices operating outside networks (telecommuting)
- Network staff dedicated to cybersecurity



Emergency Management Planning Climate Change

- Elected official and staff participated in first state-led Maryland Climate Leadership Academy
 - ✓ Critical training on climate preparedness, economic impacts, energy and water management, entrepreneurship, governance and risk management.
 - ✓ The [Association of Climate Change Officers](#), a professional society and credentialing body, administers and develops the programming.
 - ✓ Supports locally-designed and led efforts and initiative by providing a forum for community leaders to build their own capacity, convene with their peers and partners, and share best practices and results.
- Commissioner Dennis Frazier is a member of the National Association of Counties Environment, Energy and Land-Use Steering Committee



Total Property Tax Revenue

	Property Tax Collected	% Change	Property Tax Rate
FY 12	203,601,066	-2.25%	1.028/2.57 ¹
FY 13	197,727,477	-2.88%	1.018/2.545 ²
FY 14	195,528,915	-1.11%	1.018/2.515 ³
FY 15	194,029,688	-0.77%	1.018/2.515
FY 16	199,281,166	2.71%	1.018/2.515
FY 17	201,438,220	1.08%	1.018/2.515
FY 18	207,878,588	3.20%	1.018/2.515
FY 19	213,573,818	2.74%	1.018/2.515
FY 20	218,894,050	2.49%	1.018/2.515
FY 21	225,175,736	2.87%	1.018/2.515
FY 22	231,001,058	2.59%	1.018/2.515
FY 23	236,708,410	2.47%	1.018/2.515
FY 24	242,512,517	2.45%	1.018/2.515
FY 25	248,442,365	2.45%	1.018/2.515
FY 26	254,519,690	2.45%	1.018/2.515

Source: FY12 - 19 Carroll County CAFR, FY20 Unaudited, FY21 – 26 projected by the Department of Management and Budget

Notes: ¹In FY12 the Real Property Tax rate was lowered from \$1.048 to \$1.028 and Personal Property Tax rate from \$2.62 to \$2.57.

²In FY13 the Real Property Tax rate was lowered from \$1.028 to \$1.018 and Personal Property Tax rate from \$2.57 to \$2.545.

³In FY14 the Personal Property Tax rate was lowered from \$2.545 to \$2.515.



Property Tax Revenue - Operating

	Property Tax Operating	% Change	Property Tax Rate
FY 12	201,531,547	-2.35%	1.028/2.57 ¹
FY 13	198,243,341	-1.63%	1.018/2.545 ²
FY 14	196,094,923	-1.08%	1.018/2.515 ³
FY 15	193,415,826	-1.37%	1.018/2.515
FY 16	197,519,840	2.12%	1.018/2.515
FY 17	199,092,098	0.80%	1.018/2.515
FY 18	202,905,656	1.92%	1.018/2.515
FY 19	208,456,796	2.74%	1.018/2.515
FY 20	214,064,710	2.69%	1.018/2.515
FY 21	220,266,083	2.90%	1.018/2.515
FY 22	225,427,644	2.34%	1.018/2.515
FY 23	230,698,123	2.34%	1.018/2.515
FY 24	236,079,738	2.33%	1.018/2.515
FY 25	241,628,124	2.35%	1.018/2.515
FY 26	247,291,042	2.34%	1.018/2.515

Source: FY12 - 19 Carroll County CAFR, FY20 Unaudited, FY21 – 26 projected by the Department of Management and Budget

Notes: ¹In FY12 the Real Property Tax rate was lowered from \$1.048 to \$1.028 and Personal Property Tax rate from \$2.62 to \$2.57.

²In FY13 the Real Property Tax rate was lowered from \$1.028 to \$1.018 and Personal Property Tax rate from \$2.57 to \$2.545.

³In FY14 the Personal Property Tax rate was lowered from \$2.545 to \$2.515.



Top Ten Taxpayers as a % of Total Assessable Base

Business	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Baltimore Gas & Electric	0.99%	1.00%	1.03%	1.06%	1.11%	1.10%
Penguin Random House, Inc.	0.20%	0.20%	0.20%	0.21%	0.24%	0.24%
Carroll Lutheran Village	0.31%	0.31%	0.22%	0.21%	0.21%	0.21%
Stag Hampstead LLC	--	0.17%	0.18%	0.18%	0.18%	0.18%
Lehigh Portland Cement	0.16%	0.19%	0.17%	0.16%	0.16%	0.18%
Eldersburg Sustainable	--	--	--	0.17%	0.17%	0.17%
Colonial Pipeline Co.	0.12%	0.14%	0.15%	0.16%	0.16%	0.16%
Comcast of Ca./Md./Pa.	0.09%	--	0.12%	0.12%	0.15%	0.15%
Verizon-Maryland	0.16%	0.14%	0.14%	0.13%	0.13%	0.12%
Potomac Edison Co.	0.09%	0.09%	0.09%	0.10%	0.10%	0.10%
Fairhaven Inc.	0.17%	0.17%	--	--	--	--
Eldersburg Business Center	--	--	--	--	--	--
Talles-Robbins Eldersburg Dev	--	--	--	--	--	--
Wal-Mart Real Estate	0.16%	0.17%	0.12%	--	--	--
% of Total Assessable Base	2.45%	2.58%	2.42%	2.50%	2.61%	2.61%

Source: FY15-FY 20 Carroll County CAFR, Table 8

Note: Taxpayers are sorted based on FY 20 percentages.



Reassessment History

	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
County	Group 3	Group 1	Group 2	Group 3	Group 1	Group 2	Group 3	Group 1	Group 2
Allegany	-5.3%	-2.4%	-2.8%	-0.4%	1.3%	-0.2%	0.4%	2.4%	3.2%
Anne Arundel	-12.6%	-1.9%	9.9%	10.8%	11.5%	12.4%	8.9%	7.9%	10.8%
Baltimore City	-6.8%	-3.1%	7.0%	9.6%	10.9%	6.2%	3.6%	8.4%	9.1%
Baltimore	-14.5%	-8.1%	1.2%	6.4%	12.4%	8.5%	6.6%	10.9%	8.1%
Calvert	-16.1%	-11.4%	-2.9%	0.8%	3.9%	3.8%	4.0%	7.0%	7.4%
Caroline	-18.9%	-15.7%	-3.6%	-2.8%	0.5%	-0.8%	7.0%	11.5%	6.8%
Carroll	-15.4%	-3.8%	-3.0%	4.1%	6.0%	5.3%	7.1%	8.0%	6.2%
Cecil	-15.4%	-10.4%	-2.3%	3.9%	1.1%	6.1%	6.0%	9.5%	9.2%
Charles	-15.2%	-6.8%	-4.2%	3.3%	12.4%	8.3%	5.6%	12.2%	7.3%
Dorchester	-10.8%	-11.7%	-7.9%	-0.8%	-1.4%	2.1%	-5.1%	7.6%	7.9%
Frederick	-18.8%	-2.2%	4.0%	11.2%	9.3%	6.3%	6.2%	10.0%	9.8%
Garrett	-14.7%	-3.6%	-14.0%	-2.8%	1.5%	0.1%	0.2%	3.7%	4.0%
Harford	-5.8%	-6.5%	1.6%	3.1%	3.2%	6.0%	4.5%	5.8%	5.6%
Howard	-8.7%	2.5%	8.1%	10.5%	9.0%	6.1%	5.9%	8.5%	8.3%
Kent	-9.0%	-6.0%	-5.5%	-0.7%	-1.6%	-0.2%	2.2%	2.3%	1.6%
Montgomery	-8.6%	4.1%	11.0%	18.7%	11.1%	7.8%	8.4%	6.9%	7.6%
Prince George's	-24.8%	-10.6%	5.3%	19.5%	24.7%	13.5%	17.5%	16.8%	13.3%
Queen Anne's	-13.7%	-9.0%	-10.3%	1.2%	7.7%	3.6%	8.6%	3.8%	6.9%
St. Mary's	-9.6%	-7.9%	-2.2%	1.5%	0.8%	0.5%	2.2%	6.2%	6.9%
Somerset	-20.6%	-11.5%	-13.3%	3.1%	-5.2%	-6.4%	0.5%	0.9%	1.2%
Talbot	-15.3%	-11.5%	-11.4%	-7.1%	1.7%	-0.5%	-1.6%	3.9%	5.6%
Washington	-9.0%	-6.9%	-3.0%	5.5%	4.3%	2.2%	4.0%	6.6%	6.2%
Wicomico	-20.2%	-17.4%	-6.2%	2.6%	3.5%	6.4%	6.0%	11.0%	11.2%
Worcester	-17.4%	-14.3%	-7.8%	2.2%	9.4%	4.1%	4.3%	9.4%	4.7%
State Average	-13.0%	-3.6%	4.7%	10.8%	10.9%	8.2%	7.7%	9.1%	8.9%

Source: Maryland State Department of Assessments and Taxation

Note: These figures represent the full-cash value increase or decrease before phase-in.

Group 1: Southern portion of the county.

Group 2: Northeastern portion of the county.

Group 3: Northwestern and Central portion of the county.



Local Income Tax

	Income Tax Collected	% Change
FY 12	112,881,085	6.88%
FY 13	118,759,789	5.21%
FY 14	119,575,545	0.69%
FY 15	126,688,154	5.95%
FY 16	137,512,883	8.54%
FY 17	139,476,252	1.43%
FY 18	141,825,805	1.68%
FY 19	155,378,135	9.56%
FY 20	156,556,339	0.76%
FY 21	154,622,849	-1.24%
FY 22	163,667,423	5.85%
FY 23	170,498,613	4.17%
FY 24	177,629,198	4.18%
FY 25	185,072,533	8.55%
FY 26	192,842,568	8.56%

Sources: FY12 - 19 Carroll County CAFR (Schedule 1-1); FY12 adjusted down by \$2.8M due to FY13 revenue received in final FY12 distribution. FY13 adjusted up by \$2.8M for FY13 revenue collected in the final FY12 distribution. FY20 Unaudited, FY21 - 26 Local Income Tax revenues projected by Department of Management and Budget

Notes: Local Income Tax represents General Fund dollars only.

A portion of Local Income Tax revenues are dedicated to the Capital Budget and are not included in this chart. The Income Tax rate changed in FY04 from 2.85% to 3.05%. The BCC adopted a rate reduction from 3.05% to 3.04% effective 1/1/14. The BCC adopted an additional reduction to 3.03% effective 1/1/15.



Recordation Tax

	Recordation Tax Collected	% Change
FY 12	8,520,674	11.92%
FY 13	10,021,395	17.61%
FY 14	10,576,850	5.54%
FY 15	11,888,637	12.40%
FY 16	14,093,918	18.55%
FY 17	14,241,331	1.05%
FY 18	13,923,538	-2.23%
FY 19	13,703,195	-1.58%
FY 20	14,840,846	8.30%
FY 21	13,000,000	-12.40%
FY 22	13,500,000	3.85%
FY 23	14,000,000	3.70%
FY 24	14,200,000	1.43%
FY 25	14,400,000	1.41%
FY 26	14,600,000	1.39%

Sources: FY09-FY17 Carroll County CAFR Schedule 1-1, FY18 Unaudited

FY19-FY24 Projected by the Department of Management and Budget

Note: The Recordation rate changed in FY04 from \$3.50 per \$500 to \$5.00 per \$500.



Building Permits - Residential

	Applications	Issued	U&O's
FY 09	165	160	222
FY 10	225	201	216
FY 11	186	188	165
FY 12	298	246	204
FY 13	343	333	302
FY 14	330	347	341
FY 15	292	298	294
FY 16	279	272	299
FY 17	333	324	287
FY 18	314	309	317
FY 19	386	355	288
FY 20	396	346	356



Capital Appropriations/Revenues

APPROPRIATIONS	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
General Government	\$6,478,474	\$5,207,080	\$7,759,976	\$10,677,500	\$4,040,000	\$4,187,000
Roads	15,320,000	15,336,000	13,350,000	17,696,000	18,168,000	19,063,000
Bridges	328,000	2,694,850	360,000	1,676,000	394,000	4,318,000
Enterprise Funds	12,175,900	11,027,126	12,911,102	7,958,300	6,400,000	3,031,642
Public Schools	38,145,700	55,463,106	23,020,000	11,075,000	6,819,000	2,260,000
Culture and Recreation	2,210,700	1,111,800	2,277,800	1,565,800	2,166,800	2,190,800
Conservation and Open Space	8,158,000	8,233,000	8,333,000	8,433,000	8,533,000	8,633,000
Total Appropriations	\$82,816,774	\$99,072,962	\$68,011,878	\$59,081,600	\$46,520,800	\$43,683,442

REVENUES	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
Paygo						
General Fund Transfer	\$4,395,400	\$3,516,280	\$3,191,000	\$3,468,800	\$4,554,600	\$4,780,000
Income Tax	1,910,000	2,155,000	2,020,000	2,075,000	2,205,000	2,260,000
Property Tax	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Impact Fees - Parks	770,000	90,000	325,000	0	750,000	250,000
Ag Transfer Tax	150,000	150,000	150,000	150,000	150,000	150,000
Enterprise Funds	12,175,900	11,027,126	12,911,102	7,958,300	6,400,000	3,031,642
Total Paygo	\$21,901,300	\$19,438,406	\$21,097,102	\$16,152,100	\$16,559,600	\$12,971,642
Bonds	\$45,176,880	\$50,435,200	\$19,280,206	\$28,509,500	\$21,644,000	\$23,528,000
State	15,019,594	26,759,206	26,841,570	12,956,000	7,443,200	3,278,800
Federal	178,000	1,872,150	197,000	838,000	217,000	3,215,000
Other	541,000	568,000	596,000	626,000	657,000	690,000
Total Revenues	\$82,816,774	\$99,072,962	\$68,011,878	\$59,081,600	\$46,520,800	\$43,683,442

Source: Carroll County, Maryland Adopted CIP

Note: Beginning in 1997, a portion of the Income Tax is dedicated to capital projects and BOE debt service.

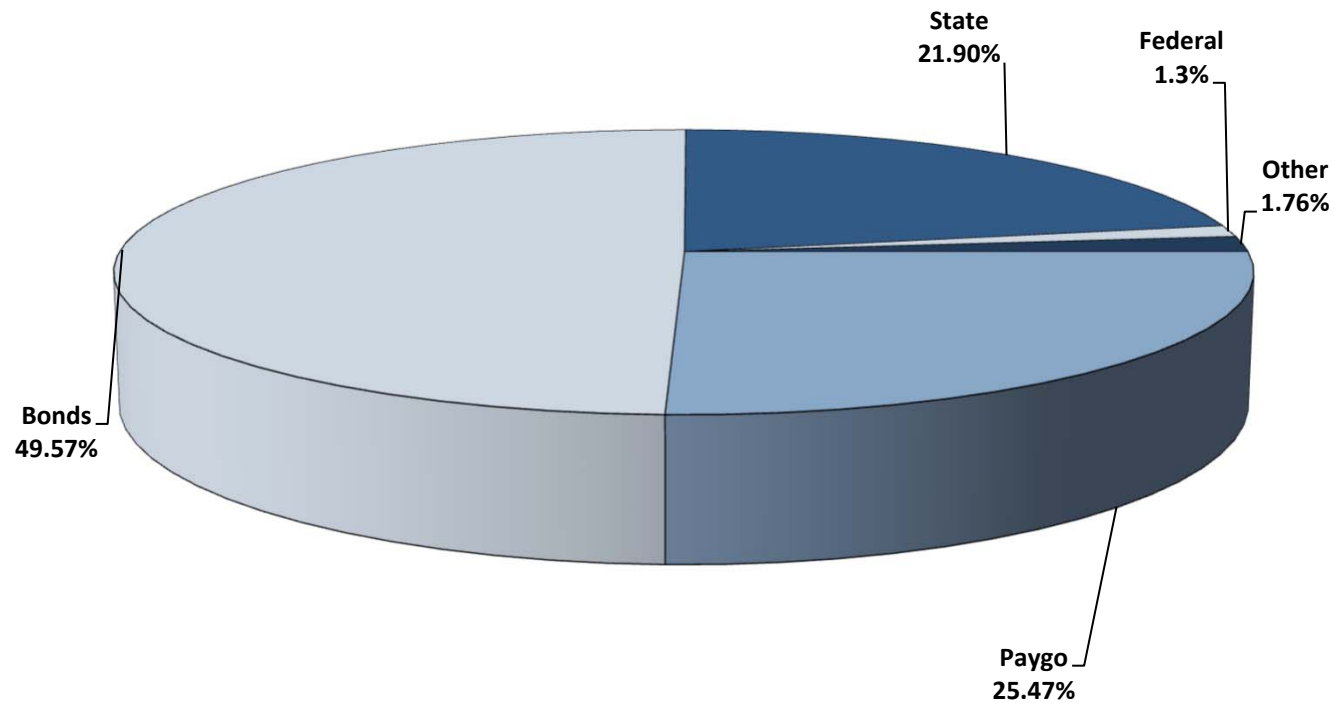
Does not include Income Taxes transferred to the operating budget for debt service.

Other Funding includes Grants, Federal and other contributions.



CIP Appropriations

FY21-26 Community Investment Plan Revenues



Source: Carroll County, Maryland FY21-26 Adopted CIP
Includes paygo transferred to General Fund for School Debt Service



Outstanding Bonded Debt Projection

	Projected Debt start of FY	New Debt projected to be issued	Principal Payments	Projected Debt end of FY	Cumulative \$ Debt Reduction	Cumulative % Debt Reduction
FY 11	\$333,666,864	\$21,955,000	(\$24,489,753)	\$331,132,111	(\$2,534,753)	-0.8%
FY 12	331,132,111	18,295,000	(29,104,906)	320,322,205	(13,344,659)	-4.0%
FY 13	320,322,205	20,685,000	(27,600,271)	313,406,934	(20,259,930)	-6.1%
FY 14	313,406,934	26,274,000	(28,855,858)	310,825,076	(22,841,788)	-6.8%
FY 15	310,825,076	15,000,000	(31,081,675)	294,743,401	(38,923,463)	-11.7%
FY 16	294,743,401	27,535,000	(29,949,733)	292,328,668	(41,338,196)	-12.4%
FY 17	292,328,668	20,400,000	(37,196,040)	275,532,628	(58,134,236)	-17.4%
FY 18	275,532,628	0	(29,367,609)	246,165,019	(87,501,845)	-26.2%
FY 19	246,165,019	25,000,000	(27,339,177)	243,825,842	(89,841,022)	-26.9%
FY 20	243,825,842	30,000,000	(27,288,841)	246,537,001	(87,129,863)	-26.1%
FY 21	246,537,001	31,410,264	(24,800,000)	253,147,265	(80,519,599)	-24.1%
FY 22	253,147,265	50,251,725	(22,835,513)	280,563,477	(53,103,387)	-15.9%
FY 23	280,563,477	51,526,909	(24,358,099)	307,732,287	(25,934,577)	-7.8%
FY 24	307,732,287	44,723,545	(30,336,446)	322,119,386	(11,547,478)	-3.5%
FY 25	322,119,386	37,492,534	(25,655,622)	333,956,298	289,434	0.1%
FY 26	333,956,298	25,210,000	(27,925,249)	331,241,049	(2,425,815)	-0.7%

Source: Department of Management and Budget

Note: Includes debt and debt service associated with County, Board of Education, Fire Companies, and Enterprise Funds. Based on the Adopted CIP.

FY21 - 26 Adopted CIP.



Cash, Investments & Liquidity Highlights

- Collateralized by 3rd party US Government Investments
- Policy more conservative than state allows
- No Commercial Paper/Derivatives/Swaps
- Liquidity: limit 30% beyond 1 year (max 2 year)
- Daily and monthly monitoring
- Quarterly summarized reporting to Board of Commissioners



Liquidity – Cash Balances

Five years of cash balances for Governmental Activities and Business-type Activities:

Fiscal Year	Governmental Activities	Business-Type Activities	Total \$ in 000
2016	140,839	25,035	165,874
2017	134,795	21,256	156,051
2018	99,885	20,635	120,520
2019	114,045	19,290	133,335
2020	149,670	12,462	162,132



Important Links

FY20 Budget

<https://www.carrollcountymd.gov/media/9852/carroll-county-md-fy-20-budget.pdf>

FY21 Budget

<https://www.carrollcountymd.gov/government/directory/management-budget/bureau-of-budget/budget-documents/fy-21-budget-process/adopted/adopted/>

FY19 Comprehensive Annual Financial Report

<https://www.carrollcountymd.gov/media/10659/fy19-cafr-112619-415p-final.pdf>