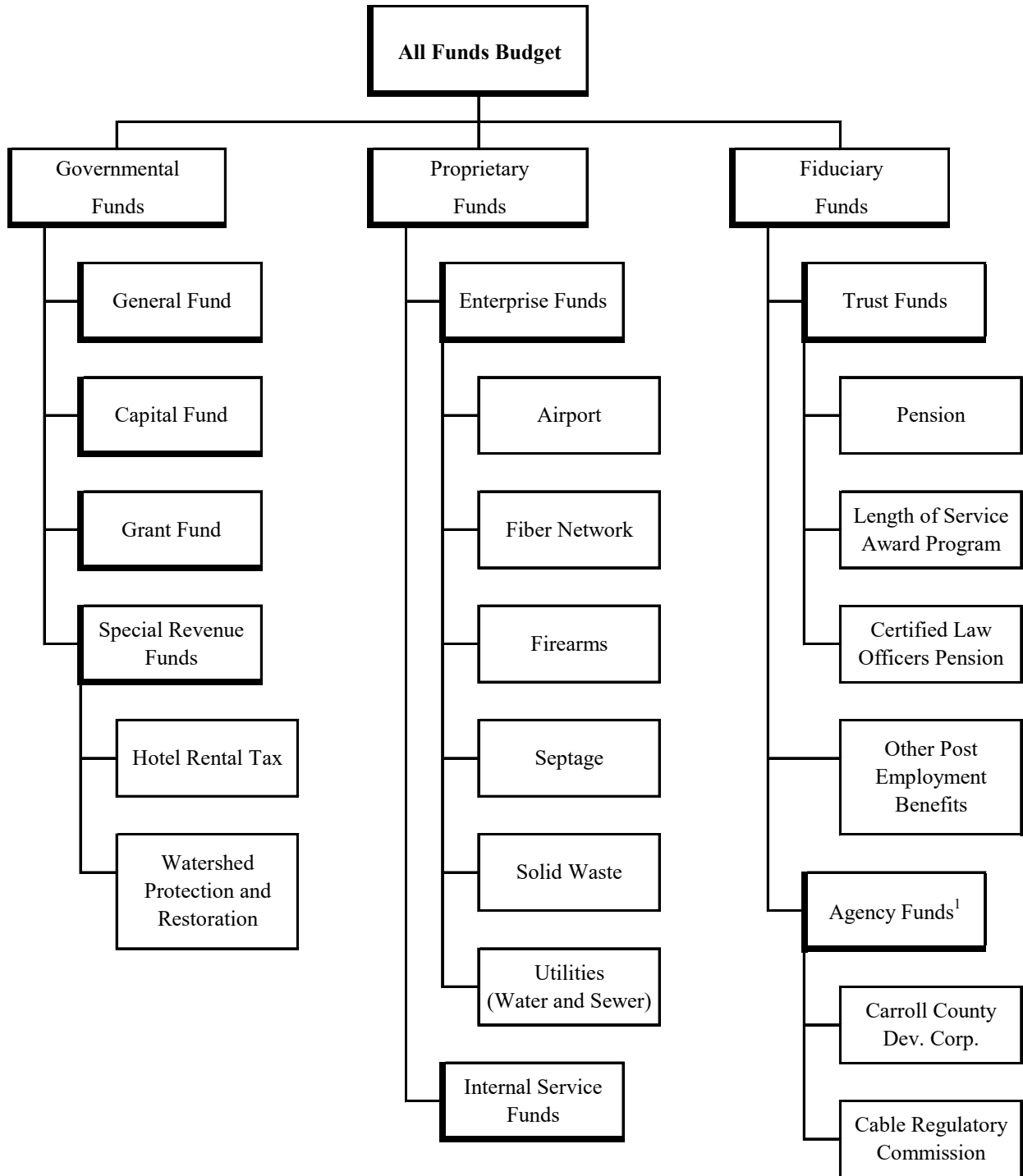


*Financial, Demographic and Economic
Information and Policies*

Description and Structure of Funds

Carroll County Fund Structure



¹All funds are appropriated except for Agency Fund, which is included in the audited financial statements.

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Carroll County's fund structure consists of Governmental, Proprietary, and Fiduciary Funds.

Carroll uses the following ***Governmental Funds***:

The ***General Fund*** is the primary operating fund of the County, used to account for all financial resources except those required to be accounted for in another fund.

Revenue for the General Fund is generated by taxes such as Property, Income, and Recordation, which account for most of the total revenue. Expenditures for Public Schools, General Government, Public Safety, Public Works, Recreation and Culture, Public Library, and Carroll Community College account for most of the annually appropriated budgets.

The ***Capital Fund*** is used to account for financial resources related to the acquisition or construction of major capital facilities of the County (other than those financed by proprietary funds). A capital project is generally non-recurring in nature and may include the purchase of land, site development, engineering and design fees, construction, and equipment. Capital projects produce assets with a useful life of more than one year.

Revenue sources for capital projects can include the issue of bonds (long-term debt), General Fund dollars, Federal or State funding, developer Impact Fees, contributions from other funds, and donations from other sources.

The ***Grant Fund*** accounts for revenues that are formally restricted by law for a particular purpose or have specific requirements associated with the eligible program costs. Sources of funding include program fees, endowments, donations, and State and Federal dollars.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes.

Special Revenue Funds include:

The ***Hotel Rental Tax***, a percentage of hotel room rates paid by hotel guests, is used for tourism and promotion of the County.

The ***Watershed Protection and Restoration Fund*** provides for expenses related to stormwater management and compliance with the County's National Pollutant Discharge Elimination System (NPDES) permit. A portion of Property Tax revenue is dedicated to the fund on an annual basis.

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the cost of providing goods or services on a continuing basis be financed or recovered primarily through user charges.

Carroll uses the following ***Proprietary Funds***:

Internal Service Funds are used to account for certain risk financing activities. These funds account for Workers Compensation, general liability, vehicle and property insurance, and health benefit costs. Other County funds make payments to the Internal Service Funds, and expenses are partially offset by employee contributions.

Enterprise Funds:

The ***Airport Enterprise Fund*** accounts for Carroll County Regional Airport operations and the corporate hangar facilities, as well as construction or acquisition of capital assets, and related debt service costs. Sources of funding include fuel sales, corporate hangar rental, and other rents.

The ***Fiber Network Enterprise Fund*** accounts for the operation and infrastructure development of the Carroll County Fiber Network. The primary source of funding is dark fiber leases.

The ***Firearms Enterprise Fund*** accounts for the operations, construction or acquisition of capital assets, and related debt service costs of the Hap Baker Firearms Facility, located at the Northern Landfill. Sources of funding include user fees, brass recycle fees, and interest income.

The ***Septage Enterprise Fund*** provides septage waste disposal services. This fund accounts for the operations, construction or acquisition of capital assets, and related debt service costs. The primary source of funding is septage processing fees.

The ***Solid Waste Enterprise Fund*** provides solid waste disposal facilities for residential and commercial use. This fund accounts for the operations, construction or acquisition of capital assets, and related debt service costs of the landfill facilities. Sources of funding include tipping fees, rents, and interest income.

The ***Utilities Enterprise Fund*** provides water and sewer services in several areas within the County. This fund accounts for the operations, construction or acquisition of capital assets, and related debt service costs of the water and sewer facilities. Sources of funding include fees for water and sewer usage, rents, and interest income.

Fiduciary Funds are used to account for resources held for the benefit of parties outside the government.

Carroll uses the following ***Fiduciary Funds***:

Trust Funds:

The ***Pension Trust Fund*** was established during FY 04 to account for the activities of the Carroll County Employee Retirement Plan, which accumulates resources for pension benefit payments to qualified employees. The plan accumulates funding from member contributions, County contributions, and the earnings and profits from investments; it makes disbursements for

employee retirements, withdrawals, disability and death benefits, as well as for administrative expenses.

The ***Length of Service Award Program (LOSAP) Fund*** was established during FY 04 to account for the benefit program for the volunteer fire personnel serving the various independent volunteer fire companies in the County. While treated as a trust fund, it is not a legally established trust.

The ***Certified Law Officers Pension Trust*** was established during FY 10 to hold assets of the Carroll County Certified Law Officers Pension Plan for eligible certified law officers of the Carroll County Sheriff's Office. The plan accumulates funding from member contributions, County contributions, and the earnings and profits from investments; it makes disbursements for employee retirements, withdrawals, disability and death benefits, as well as for administrative expenses.

The ***Other Post Employment Benefits (OPEB) Fund***, established in FY 07, accounts for retiree contributions and County contributions to provide health benefits for eligible retirees. The plan also accounts for the earnings from investments, as well as disbursements made for medical premiums, payment of medical claims, and administrative expenses.

The ***Agency Fund*** is used to account for assets that the County holds on behalf of others as their agent. The Agency Fund is custodial in nature and does not involve measurement of results of operations. The Carroll County Development Corporation Fund accounts for the transactions for economic development receivables collected by the County on behalf of a local nonprofit corporation, and the Carroll Regulatory Commission administers the Cable franchise agreement for the County and eight towns.

Long-Term Financial Policies

Carroll County Government uses a set of guidelines in the development of the annual budget. The goal of the Commissioners is to develop an annual budget that provides high-quality services and infrastructure to the citizens of Carroll County while maintaining financial stability. The financial guidelines are listed below:

Balanced Budget

The County will adopt a balanced budget on a fund basis. A balanced budget is achieved when revenues plus use of fund balance equals expenditures. All funds are balanced except for the pension fund. The pension fund states employee pension assets and liabilities and is reported in the County's Audited Financial Statements.

Basis of Budgeting

The basis of budgeting, as well as the basis of accounting, is tied directly to an entity's measurement focus of revenues and expenses (expenditures). Carroll County uses the same measurement focus when preparing budgets as accounting does when preparing its financial statements. Funds that focus on current financial resources, primarily governmental funds, use the modified accrual basis of accounting. Revenues are recognized when earned, but only to the extent they are available, and expenditures are recognized when due. Funds that focus on total economic resources, primarily proprietary, pension trust, and internal service funds, use the accrual basis of accounting. Revenues are recognized as soon as they are earned and expenses are recognized as soon as a liability is incurred, regardless of the timing of related cash inflows or outflows.

- The County budgets the following governmental funds using the modified accrual basis of accounting:
 - General Fund
 - Capital Fund
 - Grant Fund
 - Special Revenue Fund
 - Hotel Rental Tax
 - Watershed Protection and Restoration Fund
- The County budgets the following funds using the accrual basis of accounting:
 - Enterprise Funds
 - Airport
 - Fiber Network
 - Firearms
 - Septage
 - Solid Waste
 - Utilities
 - Internal Service Funds
 - Agency Funds

- Trust Funds
 - OPEB Fund
 - Employee Pension Trust Fund
 - Certified Law Officers Pension Trust Fund
 - Length of Service Award Program Fund

Multi-Year Financial Forecasting

- The County maintains a six-year Operating Plan and a Community Investment Plan (CIP) for expenditures built on projected revenues. The development of six-year plans allows the County to evaluate the impact of current decisions on the long-term financial position of the County.
- Six-year Operating Plans for all Enterprise Funds continue to be developed with expenditures built on projected revenues.
- Historically, 1% of budgeted revenues from the current year are considered as ongoing funding for the projected budget two years out. Any remaining fund balance will be considered as one-time funding.

Monthly Financial Reporting

County staff review all fund revenues and expenditures monthly, more frequently when conditions warrant, and report to the Commissioners on a quarterly basis. Staff review the current economic conditions and political environment and assess the impact on the current and/or future fiscal years.

Budget Appropriation Transfers

Once the Budget is adopted, transfers within a fund can be made with the appropriate approval. However, the total Budget cannot be increased or decreased without a public hearing.

Capital Budget

- Paygo funding includes Income Tax, Property Tax, Impact Fees, Agricultural Transfer Tax, and General Fund dollars.
- No capital project request is considered without an estimated operating impact. Operating impacts are integrated into the six-year Operating Plan after being developed and refined with the assistance of the Department of Management and Budget.

Investment Management

- The comprehensive Carroll County investment policy addresses the following areas:
 - Scope, prudence, and objectives
 - Delegation of authority
 - Ethics and conflicts of interest
 - Authorized financial dealers and institutions, and diversification in authorized and suitable investments
 - Collateralization
 - Safekeeping, custody, and internal controls
 - Performance standards, reporting requirements, and policy adoption

- It is the policy of Carroll County, Maryland to invest public funds in a manner which will conform to all State of Maryland and County statutes governing the investment of public funds while meeting its daily cash flow demands, and providing a return at least equal to the three-month Treasury bill yield.
- The investment policy applies to all financial assets of the County. These funds are accounted for in the County's Comprehensive Annual Financial Report and include:
 - General Fund
 - Special Revenue Fund
 - Capital Fund
 - Enterprise Funds
 - Internal Service Funds
 - Any new funds as provided by County ordinance
- The primary objectives, in priority order, of the County's investment activities shall be:
 - **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the County shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification, third-party collateralization and safekeeping, and delivery versus payment will be required.
 - **Liquidity:** The County's investment portfolio will remain sufficiently liquid to enable the County to meet all operating requirements which might be reasonably anticipated.
 - **Return on Investment:** The County's investment portfolio shall be designed with the objective of attaining a return at least equal to the three-month U.S. Treasury bill yield.

Stabilization Arrangement Policy Resolution

- **Purpose:** It is in the best interest of the citizens of Carroll County that a portion of the General Fund balance be set aside in a Stabilization Arrangement in order to provide a reserve against certain specified conditions. These conditions include a sudden and unexpected drop in revenues, and/or unforeseen emergencies including unanticipated expenditures of a nonrecurring nature. Also, a Stabilization Arrangement provides a financial cushion against unanticipated adverse financial or economic circumstances that could lead to budget deficits.
- **Authority to Establish a Stabilization Arrangement:** The Board of County Commissioners shall authorize the establishment of a Stabilization Arrangement by Resolution to adopt the Stabilization Arrangement Policy.

The Board of County Commissioners shall authorize the Comptroller and the Director of Management and Budget to establish the Stabilization Arrangement. The Stabilization Arrangement will be continuing and non-lapsing.

- **Stabilization Arrangement Size:** The Stabilization Arrangement must be a minimum of 5% of the upcoming fiscal year Adopted General Fund Budget.

The Stabilization Arrangement is in addition to the Surplus Funds as outlined in 3-601, 19 in the Code of Public Local Laws and Ordinances.

- **Contributions to the Stabilization Arrangement:** The Board of County Commissioners authorizes the Comptroller and the Director of Management and Budget to maintain a minimum balance of 5% of the upcoming fiscal year Adopted General Fund Budget.

The Comptroller must transfer the contributions from the General Fund to the Stabilization Arrangement after the Budget is adopted for the upcoming year, but before the end of the current fiscal year.

- **Conditions under which Stabilization Arrangement may be spent:** Appropriations from the Stabilization Arrangement require a Resolution from the Board of County Commissioners. No appropriation from the Arrangement will occur without prior presentation to the Board of County Commissioners by the Comptroller and Director of Management and Budget with a plan and timeline for replenishing the Arrangement to its minimum 5% level.

Requests for appropriations from the Stabilization Arrangement occur only after exhausting current year's budgetary flexibility and spending of the current year's appropriated contingency.

Circumstances where the Stabilization Arrangement can be spent are:

- 1.) Unanticipated General Fund revenues in total fall more than 1% below the original projected revenues, and actual revenues for two of the following major revenue sources are projected in the current year to fall below the actual amount from the prior year:
 - Property Taxes
 - Income Tax
 - Recordation Tax
 - State Shared Taxes
 - Investment Interest
- 2.) The following events create significant financial difficulty for the County and are in excess of the current year's appropriated contingency:
 - Declaration of a State of Emergency by the Governor of Maryland
 - Unanticipated expenditures as a result of legislative changes from State/Federal governments in the current fiscal year
 - Acts of Terrorism declared by the Governor of Maryland or the President of the United States
 - Acts of Nature which are infrequent in occurrence and unusual in nature.

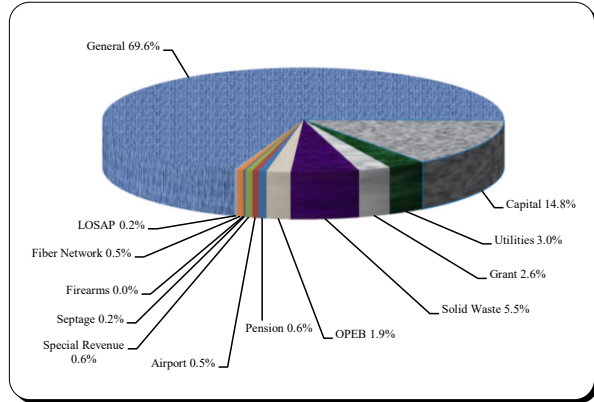
Revenue

- The County endeavors to have a diversified and stable revenue system to protect against short-term fluctuations in any one revenue source.
- The County estimates its annual revenues through a comprehensive, objective, and analytical process.
- Each existing and potential revenue source is budgeted on an annual basis.
- The County provides revenue estimates for its six-year Operating and Community Investment Plans.

Financial and Demographic Data

FY 22 Budget By Fund

Fund Type	FY 22	% of Total
General	\$474,184,330	69.6%
Capital	100,893,583	14.8%
Utilities	20,625,316	3.0%
Grant	17,732,519	2.6%
Solid Waste	37,266,570	5.5%
OPEB	13,159,840	1.9%
Pension	4,422,320	0.6%
Airport	3,291,840	0.5%
Special Revenue	3,846,350	0.6%
Septage	1,137,500	0.2%
Firearms	177,530	0.0%
Fiber Network	3,312,580	0.5%
LOSAP	1,585,000	0.2%
Total	\$681,635,278	100.0%

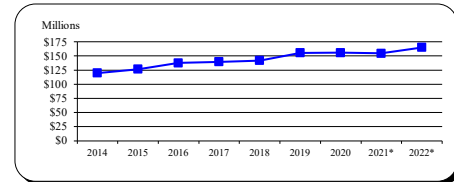


Income Tax Collected - Operating

Year	Taxes Collected	% Change
2014	119,575,545	0.7%
2015	126,688,154	5.9%
2016	137,512,883	8.5%
2017	139,476,252	1.4%
2018	141,825,805	1.7%
2019	155,375,151	9.6%
2020	155,716,070	0.2%
2021*	154,622,849	-0.7%
2022*	165,000,000	6.7%

Tax rate is currently 3.03%.

Typically, 9.09% of income tax revenue is directly appropriated to the CIP for school construction.
 For FY 16-17, the Commissioners temporarily reduced this amount to 7.09% with 2.0% going to Operating.
 For FY 18, the Commissioners temporarily reduced this amount to 7.59% with 1.5% going to Operating.
 For FY 19, the Commissioners temporarily reduced this amount to 8.09% with 1.0% going to Operating.
 Source: FY 20 Carroll County CAFR, Table 4: Local Tax Revenues by Source, Governmental Funds

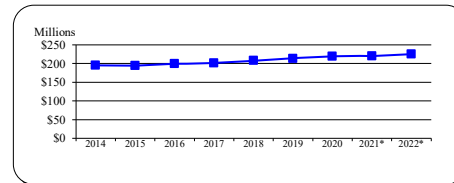


Total Local Property Tax Collected

Year	Taxes Collected	% Change
2014	195,528,915	-1.1%
2015	194,029,688	-0.8%
2016	199,281,166	2.7%
2017	201,438,220	1.1%
2018	207,878,588	3.2%
2019	213,573,818	2.7%
2020	218,894,050	2.5%
2021*	220,266,083	0.6%
2022*	225,213,820	2.2%

Tax rate is currently 1.018%.

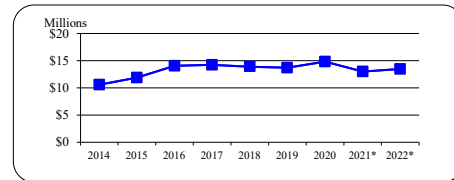
Source: FY 20 Carroll County CAFR, Table 4: Local Tax Revenues by Source, Governmental Funds



Recordation Tax Collected

Year	Base	% Change
2014	10,576,850	5.5%
2015	11,888,637	12.4%
2016	14,093,918	18.5%
2017	14,241,331	1.0%
2018	13,923,538	-2.2%
2019	13,703,195	-1.6%
2020	14,840,846	8.3%
2021*	13,000,000	-12.4%
2022*	13,500,000	3.8%

Source: FY 20 Carroll County CAFR, Table 4: Local Tax Revenues by Source, Governmental Funds



* Indicates budgeted amount

Financial and Demographic Data

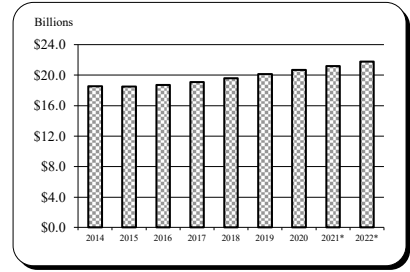
Assessable Base - Real and Personal Property

Year	Base	% Change
2014	18,549,381,425	-1.4%
2015	18,495,548,665	-0.3%
2016	18,733,020,866	1.3%
2017	19,098,609,701	2.0%
2018	19,595,053,827	2.6%
2019	20,125,090,540	2.7%
2020	20,681,485,860	2.8%
2021*	21,213,587,000	2.6%
2022*	21,773,057,000	2.6%

All years are expressed at 100% of assessed value.

Source: FY 20 Carroll County CAFR, Table 7

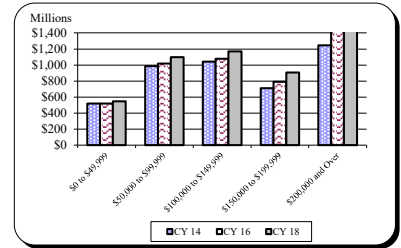
FY 20 - FY 21 Maryland State Department of Assessment and Taxation



Net Taxable Income

Income Range	CY 14	CY 16	CY 18
\$0 to \$49,999	522,162,169	520,423,055	548,403,893
\$50,000 to \$99,999	985,787,690	1,017,896,116	1,097,889,352
\$100,000 to \$149,999	1,042,452,581	1,079,249,194	1,169,815,594
\$150,000 to \$199,999	712,442,833	790,863,349	905,468,199
\$200,000 and Over	1,247,358,619	1,457,039,100	1,821,786,245

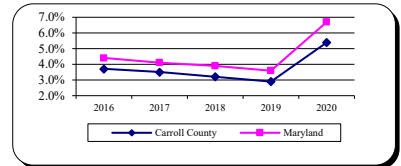
Source: Comptroller of Maryland Income Tax Summary Reports 2014-2018



Average Annual Unemployment Rates

Year	Carroll County	Maryland
2016	3.7%	4.4%
2017	3.5%	4.1%
2018	3.2%	3.9%
2019	2.9%	3.6%
2020	5.4%	6.7%

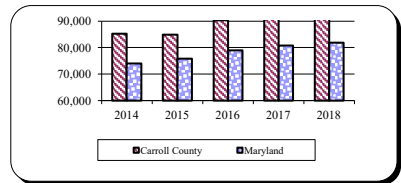
Source: MD Department of Labor, Licensing and Regulation



Median Household Income

Year	Carroll County	Maryland
2014	85,274	73,971
2015	84,887	75,847
2016	90,343	78,945
2017	93,676	80,776
2018	93,363	81,868

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



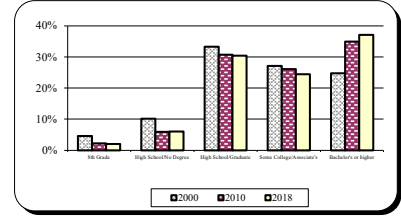
* Indicates budgeted amount

Financial and Demographic Data

Educational Attainment

Population 25+ years	2000	2010	2018
8th Grade	4.6%	2.2%	2.0%
High School/No Degree	10.1%	6.0%	6.0%
High School/Graduate	33.3%	30.8%	30.4%
Some College/Associate's	27.2%	26.1%	24.5%
Bachelor's or higher	24.8%	34.9%	37.1%

Sources: US Census Bureau - 2000, 2010 Census
US Census Bureau - 2018 American Community Survey

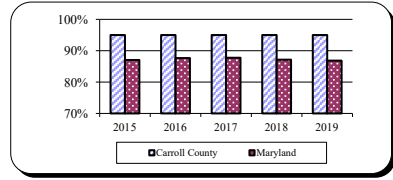


Graduation Rates

Year	Carroll County	Maryland
2015	95.0%	87.0%
2016	95.0%	87.6%
2017	95.0%	87.7%
2018	95.0%	87.1%
2019	95.0%	86.9%

Source: 2019 Maryland Report Card

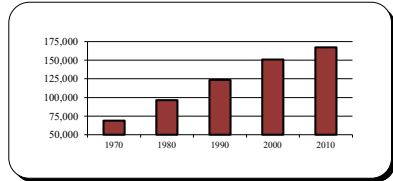
Note: 95% in a category indicates > 95 and corresponding counts have been suppressed.



Population

Year	Carroll County
April 1, 1970 Census	69,006
April 1, 1980 Census	96,356
April 1, 1990 Census	123,372
April 1, 2000 Census	150,897
April 1, 2010 Census	167,134

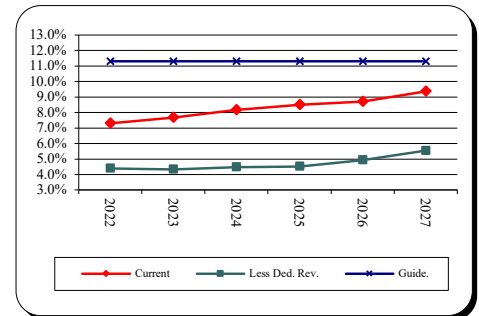
Source: US Census Bureau



Financial and Demographic Data

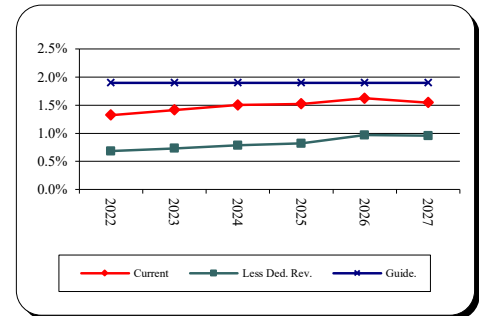
General Fund Debt Service/General Fund Revenue

<u>Fiscal Year</u>	<u>Current Position</u>	<u>Revenue and Supported D/S</u>	<u>County Guideline</u>
2022	7.3%	4.4%	11.3%
2023	7.7%	4.3%	11.3%
2024	8.2%	4.5%	11.3%
2025	8.5%	4.5%	11.3%
2026	8.7%	4.9%	11.3%
2027	9.4%	5.5%	11.3%



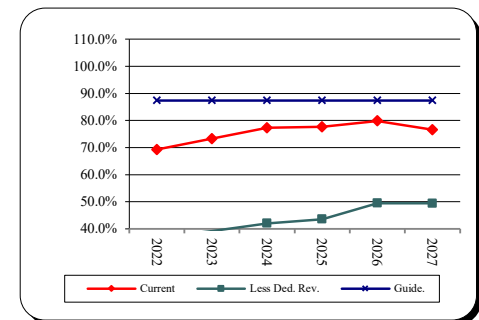
General Fund Debt/Assessable Base

<u>Fiscal Year</u>	<u>Current Position</u>	<u>Revenue and Supported Debt</u>	<u>County Guideline</u>
2022	1.32%	0.68%	1.90%
2023	1.42%	0.73%	1.90%
2024	1.50%	0.79%	1.90%
2025	1.52%	0.82%	1.90%
2026	1.62%	0.97%	1.90%
2027	1.54%	0.96%	1.90%



General Fund Debt/General Fund Revenue

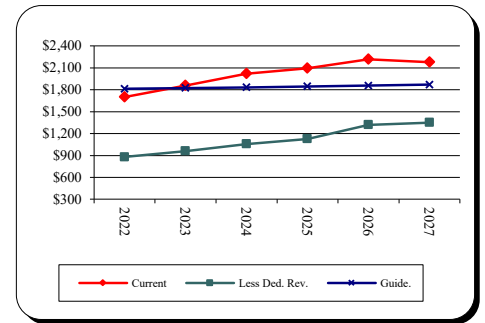
<u>Fiscal Year</u>	<u>Current Position</u>	<u>Revenue and Supported Debt</u>	<u>County Guideline</u>
2022	69.3%	36.9%	87.4%
2023	73.3%	39.2%	87.4%
2024	77.3%	42.1%	87.4%
2025	77.6%	43.6%	87.4%
2026	79.9%	49.5%	87.4%
2027	76.6%	49.5%	87.4%



Financial and Demographic Data

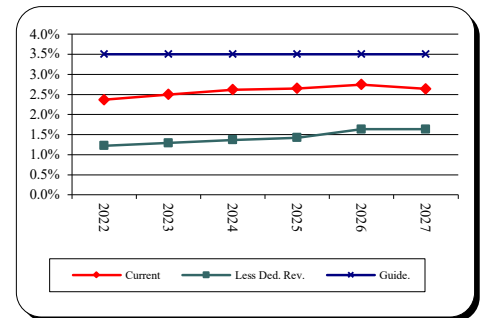
General Fund Debt/Capita

<u>Fiscal Year</u>	<u>Current Position</u>	<u>Revenue and Supported Debt</u>	<u>County Guideline</u>
2022	1,699	878	1,811
2023	1,859	961	1,822
2024	2,022	1,057	1,834
2025	2,094	1,127	1,845
2026	2,218	1,320	1,856
2027	2,179	1,349	1,868



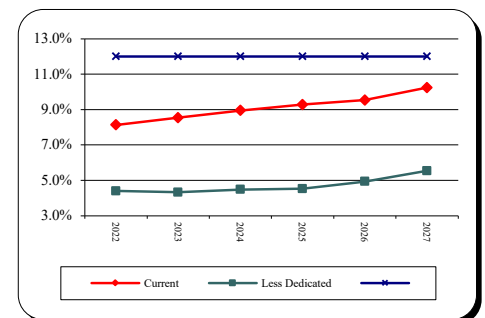
General Fund Debt/Personal Income

<u>Fiscal Year</u>	<u>Current Position</u>	<u>Revenue and Supported Debt</u>	<u>County Guideline</u>
2022	2.4%	1.2%	3.5%
2023	2.5%	1.3%	3.5%
2024	2.6%	1.4%	3.5%
2025	2.6%	1.4%	3.5%
2026	2.7%	1.6%	3.5%
2027	2.6%	1.6%	3.5%



Total Debt Service/General Fund Revenue

<u>Fiscal Year</u>	<u>Current Position</u>	<u>Less Dedicated Revenue and Supported DS</u>	<u>County Guideline</u>
2022	8.1%	4.4%	12.0%
2023	8.5%	4.3%	12.0%
2024	8.9%	4.5%	12.0%
2025	9.3%	4.5%	12.0%
2026	9.5%	4.9%	12.0%
2027	10.2%	5.5%	12.0%



Economic Factors

Related Industrial, Employment, and Labor Figures

The following table shows the distribution of employment by employer classification. These figures exclude railroad, domestic service, self-employed, agriculture, and unpaid family workers.

Business and Industry Composition Carroll County, Maryland 2019

<u>Classification</u>	<u>Number of Reporting Units</u>	<u>% of Total*</u>	<u>Annual Average Employment</u>	<u>% of Total*</u>
Natural Resources and Mining.....	48	1.0	521	0.9
Construction.....	836	18.2	6,071	10.4
Manufacturing.....	138	3.0	3,939	6.7
Trade, Transportation, and Utilities.....	845	18.4	11,955	20.4
Information.....	39	0.8	262	0.4
Financial Activities.....	369	8.0	1,558	2.7
Professional and Business Services.....	926	20.1	5,993	10.2
Education and Health Services.....	529	11.5	10,522	18.0
Leisure and Hospitality.....	347	7.5	7,315	12.5
Other Services.....	433	9.4	2,216	3.8
Local Government.....	62	1.3	6,564	11.2
State Government.....	11	0.2	1,255	2.1
Federal Government.....	<u>20</u>	<u>0.4</u>	<u>345</u>	<u>0.6</u>
Total.....	4,603	100.0%	58,516	100.0%

* Totals may not add due to rounding.

Source: Maryland Department of Labor, Licensing, and Regulation, Office of Workforce Information and Performance, "Workforce Information & Performance, 2019 Annual Average."

Listed below alphabetically are major employers in Carroll County in 2020:

<u>Firm</u>	<u>Product/Service</u>
Carroll Community College	Higher education (Public)
Carroll County Commissioners**	Local government central office
Carroll County Public Schools*	Elementary and secondary education
Carroll Hospital – Lifebridge Health Center	General hospital
Carroll Lutheran Village	Nursing care
English American Tailoring	Clothing
Evapco	Cooling equipment manufacturer
Integrace	Nursing care
McDaniel College	Higher education
Penguin Random House	Book warehousing and distribution

* Includes only contracted employees; does not include hourly employees such as substitutes, etc.

** Central offices under Commissioner Authority only, excludes Sheriff's Office, Courts, State's Attorney Office, and Soil Conservation.

Source: Carroll County Department of Economic Development

Unemployment

The following table sets forth Carroll County's average unemployment rates for the last five calendar years as compared to regional and national averages.

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Anne Arundel County.....	5.8%	3.0%	3.2%	3.5%	3.7%
Baltimore City.....	8.8	5.0	5.6	6.1	6.4
Baltimore County.....	6.8	3.6	3.9	4.3	4.5
Carroll County.....	5.1	2.8	3.1	3.3	3.5
Harford County.....	5.8	3.2	3.5	3.8	4.1
Howard County.....	5.2	2.7	2.9	3.1	3.2
Queen Anne's County.....	5.5	3.0	3.5	3.6	3.8
State of Maryland.....	6.8	3.5	3.8	4.1	4.3
United States.....	8.1	3.7	3.9	4.4	4.9

Sources: Maryland Department of Labor, Licensing, and Regulation, Office of Workforce Information and Performance, U.S. Dept. of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics.

Income

A comparison of the per capita personal income growth for Carroll County, the other jurisdictions in the Baltimore-Columbia-Towson Metropolitan Statistical Area (MSA), and the State of Maryland is shown in the table below:

	<u>2019</u>	<u>2018</u>	<u>% Increase</u>
Anne Arundel County.....	\$69,035	\$67,078	2.9%
Baltimore City.....	53,378	51,577	3.5
Baltimore County.....	62,976	61,139	3.0
Carroll County.....	64,288	62,200	3.4
Harford County.....	60,266	58,440	3.1
Howard County.....	79,253	77,039	2.9
Queen Anne's County.....	66,733	64,502	3.5
State of Maryland.....	64,640	62,708	3.1

Source: U.S. Bureau of Economic Analysis, Local Area Personal Income.

A comparison of the growth in Carroll County and State of Maryland personal income is presented in the following table:

<u>Calendar Year</u>	<u>Personal Income</u>		<u>% Change From Previous Year</u>	
	<u>Carroll</u>	<u>State</u>	<u>Carroll</u>	<u>State</u>
2019.....	\$10,829,120	\$390,792,492	3.5%	3.3%
2018.....	10,466,136	378,491,502	3.1	3.4
2017.....	10,151,134	365,997,521	3.6	3.3
2016.....	9,796,837	354,260,559	3.2	3.8
2015.....	9,493,169	341,389,885	4.1	4.8
2014.....	9,117,102	325,836,995	4.2	3.7
2013.....	8,745,743	314,267,299	1.0	-0.3
2012.....	8,662,080	315,230,873	2.5	3.0

Source: U.S. Bureau of Economic Analysis, Local Area Personal Income: Interactive Tables, Regional Data.

Commuting Patterns

The 2010 Census survey determined the work commuting patterns for workers 16 years and older for the labor forces of each of Maryland's counties and the City of Baltimore. Comparative figures for workers commuting outside of the County of residence for the subdivisions in the Baltimore MSA are presented below:

Anne Arundel County.....	43.7%
Baltimore City.....	38.1
Baltimore County.....	47.3
Carroll County.....	55.1
Harford County.....	48.1
Howard County.....	62.0
Queen Anne's County.....	59.8

Source: U.S. Bureau of the Census 2010, American Community Survey, American Fact Finder.

Education

The number of high school students in Baltimore MSA area and the State of Maryland, as a whole, who graduated in 2020 as a percentage of their ninth grade enrollment, four grades earlier, are:

Anne Arundel County.....	88.9%
Baltimore City.....	70.0
Baltimore County.....	88.5
Carroll County.....	95.0
Harford County.....	90.1
Howard County.....	93.4
Queen Anne's County.....	95.0
State of Maryland.....	86.8

Source: 2020 Maryland Report Card, Maryland State Department of Education
Percentages ≥ 95 have been suppressed.

ORDINANCE NO.- 2021-06

WHEREAS, the County Commissioners of Carroll County are required by law to provide for the health, safety and welfare of the citizens of Carroll County, and to provide certain services as required by law; and

WHEREAS, under the provisions of Resolution 32-75, the County Commissioners of Carroll County have provided for a proposed annual budget to be filed with the Clerk to the County Commissioners and distributed to the various news agencies in Carroll County, and to the Carroll County Public Library for reference by the public; and

WHEREAS, pursuant to the provisions of Resolution 32-75, the Clerk to the Board of County Commissioners of Carroll County advertised a public hearing on the Budget which was held on May 11, 2021, at which time the County Commissioners of Carroll County received comments concerning the Proposed Budget; and

WHEREAS, the County Commissioners of Carroll County have reviewed the requested budgets of the various departments of County Government and those agencies to whom the County is obligated to provide appropriations and have reviewed the comments made at the public hearing on the Budget; and

WHEREAS, the County Commissioners of Carroll County, in order to provide necessary services to the people of Carroll County at the lowest possible cost, DO HEREBY ORDAIN that the following amounts of money be appropriated for the following services of government from the revenues generated from taxes to be levied, fees, grants, fines, and other revenue sources available to County Government:

COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND

**THE ANNUAL BUDGET AND APPROPRIATION ORDINANCE
OF CARROLL COUNTY
FOR FISCAL YEAR 2021-2022**

SECTION I

GENERAL FUND

Whereas, General Fund revenues for the fiscal year beginning July 1, 2021, and ending June 30, 2022, have been estimated at \$474,184,326.57. In order to provide a balanced budget, as is required by law, funds are allocated to the departments, boards, agencies, commissions, programs, and projects as follows:

APPROPRIATIONS

PUBLIC SCHOOLS

Board of Education		205,617,860.00
Revenue Sources:		
Local:		
Direct Funding	\$205,617,860	
Fund Balance	7,621,651	
In-Kind	750,000	
Total Local	<u>213,989,511</u>	\$213,989,511
State		145,836,958
Federal		37,794,315
Other		<u>5,409,433</u>
Total Revenue Sources		\$403,030,217

Category Totals - Uses:		
Administration	\$6,439,813	
Instructional Salaries & Wages	150,140,691	
Student Personnel Services	2,059,761	
Student Health Services	4,859,187	
Student Transportation	25,959,123	
Operation of Plant	24,148,896	
Maintenance of Plant	6,647,289	
Fixed Charges	89,016,427	
Community Services	1,572,451	
Capital Outlay	855,303	
Mid-Level Administration	26,423,739	
Special Education	48,161,730	
Textbooks and Instructional Supplies	13,744,287	
Other Instructional Costs	3,001,520	
Total BOE Budget	<u>\$403,030,217</u>	
Board of Education Debt Service		\$9,963,700
Food Service		<u>9,210,000</u>
TOTAL PUBLIC SCHOOLS		215,581,560.00
EDUCATION OTHER		
Carroll County Cable Commission		172,830.00
Carroll Community College - Adult Basic Ed.		284,040.00
Carroll County Community College - Entrepreneurship Program		113,300.00
Carroll County Community College		<u>10,698,750.00</u>
Category Totals - Includes all revenue sources:		
Instruction	14,652,102	
Academic Support	4,539,803	
Student Services	3,491,913	
Institutional Support	7,569,257	
Operation and Maintenance of Plant	4,038,785	
Mandatory Transfers	75,000	
	<u>\$34,366,860</u>	
Community Media Center		<u>650,000.00</u>
TOTAL EDUCATION OTHER		11,918,920.00
CARROLL COUNTY PUBLIC LIBRARY		9,843,810.00
PUBLIC SAFETY AND CORRECTIONS		
Public Safety 911	6,348,930.00	
Administrative Services	3,440,320.00	
Advocacy and Investigation Center	20,370.00	
Corrections	9,117,240.00	
Law Enforcement	13,128,070.00	
Training Academy	71,710.00	
State's Attorney - Criminal Prosecution	4,188,870.00	
Animal Control	964,100.00	
EMS 24/7 Services	4,796,900.00	
Volunteer Emergency Services Association	7,387,360.00	
Fire/EMS Administration	3,877,130.00	
Length of Service Award Program	1,585,000.00	
TOTAL PUBLIC SAFETY AND CORRECTIONS		<u>54,926,000.00</u>
JUDICIAL SERVICES		
Circuit Court	2,337,880.00	
Circuit Court Magistrates	407,440.00	
Orphans Court	61,540.00	
Volunteer Community Service Program	194,510.00	
TOTAL JUDICIAL SERVICES		<u>3,001,370.00</u>

PUBLIC WORKS	
Public Works Administration	603,440.00
Building Construction	329,350.00
Engineering Administration	527,140.00
Engineering Construction Inspection	408,720.00
Engineering Design	334,410.00
Engineering Survey	250,850.00
Facilities	12,499,960.00
Fleet Management	7,885,910.00
Permits and Inspections	1,441,130.00
Roads Operations	7,569,090.00
Storm Emergencies	2,201,160.00
Traffic Control	350,320.00
Transit Administration	33,220.00
Veteran Transit Services	133,780.00
TOTAL PUBLIC WORKS	<u>34,568,480.00</u>

HEALTH AND HUMAN SERVICES

HEALTH	
The ARC Carroll County	276,220.00
Penn-Mar Human Services	270,850.00
Springboard Community Services	403,830.00
Flying Colors of Success	48,970.00
Rape Crisis Intervention Service	177,060.00
Target, Community and Educational Services	276,220.00
Health Department	<u>3,709,780.00</u>
	5,162,930.00

HUMAN SERVICES	
Citizen Services Administration	339,870.00
Aging	1,272,370.00
Recovery Support Services	115,280.00
Access Carroll	20,000.00
Human Services Program	1,241,660.00
Sheppard Pratt	111,960.00
Social Services	20,000.00
Youth Services Bureau	<u>1,166,800.00</u>
	4,287,940.00

TOTAL HEALTH AND HUMAN SERVICES 9,450,870.00

CULTURE AND RECREATION	
Recreation and Parks Administration	461,410.00
Farm Museum	953,720.00
Hashawha	833,530.00
Piney Run Park	690,550.00
Recreation	440,720.00
Sports Complex	211,270.00
Historical Society of Carroll County	80,000.00
Homestead Museum	<u>20,000.00</u>
CULTURE AND RECREATION	3,691,200.00

GENERAL GOVERNMENT	
Comprehensive Planning	831,390.00
Comptroller Administration	341,730.00
Accounting	1,144,260.00
Bond Issuance	271,330.00
Collections Office	1,202,460.00
Independent Post Audit	58,500.00
Office of Procurement	378,600.00
County Attorney	625,350.00
Economic Development Administration	878,060.00
Business and Employment Resource Center	192,410.00
Economic Development Infrastructure and Investment	850,000.00
Tourism	376,610.00
Human Resources Administration	1,046,370.00
Health and Fringe Benefits	29,357,050.00
Personnel Services	154,550.00
Land and Resource Management Administration	697,280.00
Development Review	469,720.00
Resource Management	806,850.00
Zoning Administration	239,000.00
Management and Budget Administration	249,830.00
Budget	609,320.00
Grants Management	155,210.00
Risk Management	2,409,400.00
Technology Services	5,105,770.00
Production and Distribution Services	416,430.00
Administrative Hearings	87,090.00
Audio Video Production	180,100.00
Board of Elections	1,763,500.00
Board of License Commissioners	88,110.00
Not in Carroll	300,000.00
County Commissioners	910,350.00
TOTAL GENERAL GOVERNMENT	52,196,630.00
CONSERVATION AND NATURAL RESOURCES	
Cooperative Extension	515,080.00
Gypsy Moth	30,000.00
Soil Conservation	404,600.00
Weed Control	73,580.00
TOTAL CONSERVATION AND NATURAL RESOURCES	1,023,260.00
MISCELLANEOUS	
Debt Service	20,882,660.00
Intergovernmental Transfers	3,247,150.00
Reserve for Contingencies	4,819,640.00
Interfund Transfers	35,574,090.00
Transfer to Capital	13,458,686.57
TOTAL MISCELLANEOUS	77,982,226.57
 TOTAL GENERAL FUND APPROPRIATIONS	 474,184,326.57

GENERAL FUND REVENUE AND FUND BALANCE APPROPRIATED

TAXES-LOCAL

Real Property Tax	210,131,180.00
Taxes-DiscOUNTS	(880,000.00)
Penalty and Interest	600,000.00
Homestead Tax Credit	(722,060.00)
Senior Tax Credit	(10,000.00)
Personal Property Tax-Unincorporated	350,000.00
RR & PU Tax-Current Year	8,000,000.00
Personal Property Tax-Incorporated	7,144,700.00
Taxes-Prior Years Deferred	400,000.00
Semi-Annual Service Charges	200,000.00
TOTAL LOCAL -TAXES	225,213,820.00

TAXES-LOCAL OTHER

Income Tax	165,000,000.00
911 Service Fee	3,400,000.00
Cable Franchise Fee	1,665,000.00
Recordation	13,500,000.00
Admissions	175,000.00
TOTAL LOCAL OTHER -TAXES	183,740,000.00

STATE SHARED

Police Aid	900,000.00
TOTAL STATE SHARED	900,000.00

LICENSES AND PERMITS

Beer, Wine and Liquor	160,000.00
Traders Licenses	68,000.00
Mobile Home Licenses	62,000.00
Animal Licenses	45,000.00
Kennel Licenses	18,000.00
Building Permits	799,600.00
Plumbing Licenses	26,000.00
Marriage Licenses	31,000.00
Electrical Licenses	31,000.00
Utility Construction Permits	34,000.00
Electrical Permits	223,000.00
Grading Permits	25,000.00
Use and Occupancy Certificates	28,000.00
Heavy Equipment Tax	80,000.00
Zoning Certificates/Ordinances	2,100.00
Plumbing Permits	188,000.00
Reinspection Fees	3,000.00
TOTAL LICENSES AND PERMITS	1,823,700.00

INTERGOVERNMENTAL REVENUES

State Aid - Fire Companies	388,600.00
Grand & Petit Jury reimbursement	20,000.00
Circuit Court Master reimbursement	190,000.00
TOTAL INTERGOVERNMENTAL REVENUES	598,600.00

GENERAL GOVERNMENT

Lien Certification	190,000.00
Data Processing Services	2,200.00
Hearing Fees - Board of Zoning appeals	15,000.00
Copy Fees	10,000.00
Health Dept. - BGE	44,000.00
Hearing Fees - Zoning Admin.	11,000.00
TOTAL GENERAL GOVERNMENT	<u>272,200.00</u>

PUBLIC SAFETY

Sheriff Salary Recovery	33,710.00
Sheriff Fees	107,620.00
Sheriff Training Academy	60,000.00
Sheriff Training Academy Recovery	22,000.00
Detention Center	185,140.00
Inspection Fees - Roads	50,000.00
Inspection Fees - Development Review	6,000.00
Inspection Fees - Fire Safety	72,000.00
Detention Center - Commissary	31,600.00
Detention Center - Home Detention	14,650.00
Detention Center - Juvenile Transport	11,700.00
Detention Center - Work Release	23,075.00
Citations	8,000.00
Circuit Court Annex- Rent/Heat	12,995.00
Sex Offender Registry	17,000.00
TOTAL PUBLIC SAFETY	<u>655,490.00</u>

PUBLIC WORKS

Vehicle Maintenance	275,000.00
Road Maintenance	59,000.00
Development Review Fees	492,000.00
Flood Plain Review Fees	2,000.00
Fuel Recovery	365,000.00
Stormwater/Environmental Review Fees	66,000.00
Engineering Review Fee	45,000.00
Forest Conservation Review Fees	12,000.00
Weed Control	71,580.00
TOTAL PUBLIC WORKS	<u>1,387,580.00</u>

CULTURE AND RECREATION

Hashawha General Public Programs	12,020.00
Hashawha Concessions	1,500.00
Hashawha Fees	125,000.00
Hashawha Outdoor School Meals	85,000.00
Hashawha School/Youth Programs	7,500.00
Bear Branch Programs	9,000.00
Farm Museum Admissions	9,800.00
Farm Museum Concessions	15,000.00
Farm Museum Sponsorship	30,000.00
Farm Museum Special Events	25,000.00
Farm Museum Weddings	34,000.00

Piney Run - Admissions	200,000.00
Piney Run School Groups	2,500.00
Piney Run Boat Rentals	100,000.00
Piney Run Concessions	9,200.00
Piney Run Programs	2,500.00
Piney Run Nature Center Concessions	800.00
Piney Run Nature Center Facility Rental	1,000.00
Piney Run Nature Center Programs	3,500.00
Piney Run Nature Center Nature Camp	50,000.00
Pavilion & Facility Rentals	60,000.00
Rec & Parks Program Fees	18,000.00
Sports Complex Advertisement	5,000.00
Sports Complex Concessions	1,600.00
Sports Complex Rent/Light/Cell	30,000.00
Sports Complex Tournament Fees	27,000.00
Park Facility Rental	5,600.00
Dog Park Memberships	11,500.00
TOTAL CULTURE AND RECREATION	882,020.00

AGING

Senior Center Bus Trips	12,000.00
TOTAL AGING	12,000.00

FINES AND FORFEITS

Circuit Court Fines	25,000.00
Liquor License Fines	7,200.00
Animal Violations Fines	8,000.00
Humane Society Impound Fees	19,500.00
TOTAL FINES AND FORFEITS	59,700.00

OTHER

Interest - Misc. Loans	10,000.00
Interest - Fire Company Loans	104,190.00
Investment Income	645,150.00
Rents And Royalties	339,050.00
Cell Tower Rent	44,000.00
Rent - Family Law	4,950.00
Advertising - Liquor Licenses	7,000.00
Postage	26,000.00
Equipment Sales	160,000.00
Purchasing Card Rebate	60,000.00
Miscellaneous	225,000.00
Land Sales	1,000,000.00
TOTAL OTHER	2,625,340.00

COST RECOVERIES

Health Department	5,000.00
Pension Recovery - Enterprise and Grants	295,000.00
OPEB Recovery - Enterprise and Grants	420,000.00
State Retirement Recovery - Enterprise and Grants	4,000.00
Westminster Motorola Revenue Recovery	<u>22,000.00</u>
TOTAL COST RECOVERIES	746,000.00

TRANSFER FROM OTHER FUNDS

Special Revenue Fund	
Capital Fund	9,963,700.00
Hotel Rental Tax	<u>410,020.00</u>
TOTAL TRANSFER FROM OTHER FUNDS	10,373,720.00

GENERAL FUND BALANCE APPROPRIATION

	<u>44,894,156.57</u>
APPROPRIATED	<u>474,184,326.57</u>

SECTION II

CAPITAL FUND

WHEREAS, Capital Funds revenues for fiscal year beginning July 1, 2021, and ending June 30, 2022 have been estimated at \$100,893,593. In order to provide a balanced budget, as required by law, funds are allocated to the various projects as follows:

APPROPRIATIONS

EDUCATION

Career and Technology Center	10,500,000.00
East Middle School Replacement	31,411,000.00
HVAC Replacement - Winfield Elementary	368,000.00
Paving	965,000.00
Roof Repairs	190,000.00
Roof Replacement - Winfield Elementary	897,106.00
Technology Improvements	1,000,000.00
Transfer to Operating Budget for BOE Debt Service	9,963,700.00
TOTAL EDUCATION	<u>55,294,806.00</u>

CONSERVATION AND OPEN SPACE

Agriculture Land Preservation	4,672,900.00
Land Bank	2,000,000.00
Stormwater Facility Renovation	300,000.00
Watershed Assessment and Improvement (NPDES)	3,406,527.00
TOTAL CONSERVATION AND OPEN SPACE	<u>10,379,427.00</u>

PUBLIC WORKS

Roads:

Brynwood Hill Drainage	650,000.00
Gravel Road Improvements	4,336,000.00
Highway Safety Improvements	33,000.00
Pavement Management Program	14,509,000.00
Pavement Preservation	1,180,000.00
Ramp and Sidewalk Upgrades	85,000.00
Ridenour Way Extension	290,000.00
Small Drainage Structures	253,000.00
State Road Projects	100,000.00
Storm Drain Rehabilitation	253,000.00
Storm Drain Video Inspection	146,000.00
TOTAL ROADS	<u>21,835,000.00</u>

Bridges:

Bridge Inspection and Inventory	31,000.00
Bridge Maintenance and Structural Repair	78,000.00
Cleaning and Painting of Existing Bridge Structural Steel	234,000.00
Gaither Road over South Branch Patapsco	2,096,850.00
Hawks Hill Road over Little Pipe Creek Tributary	255,000.00
TOTAL BRIDGES	<u>2,694,850.00</u>

TOTAL PUBLIC WORKS

24,529,850.00

CULTURE AND RECREATION

Bark Hill Park Trail	260,000.00
Bear Branch Nature Center Pavilion Replacement	197,000.00
Community Self-Help Projects	84,000.00
Deer Park Lighting Replacement	291,000.00
Hashawha and Bear Branch Paving	552,000.00
Land Acquisition	329,000.00
Leister Park Phase II	191,000.00
Park Restoration	180,000.00
Piney Run Pavilion Replacement	180,000.00
Piney Run Road Paving	213,000.00
Sports Complex Building Roof	301,000.00
Tot Lot Replacement	416,000.00
Town Fund	16,450.00
Westminster Veterans Memorial Park Phase I	163,900.00
TOTAL CULTURE AND RECREATION	3,374,350.00

GENERAL GOVERNMENT

Carroll Community College Technology	700,000.00
County Building Systemic Renovations	1,043,400.00
County Technology	1,733,750.00
Fleet Lift Replacements	212,000.00
Generator Replacement	139,000.00
Library Technology	100,000.00
Parking Lot Overlays	322,000.00
Public Safety Emergency Communications Radios	849,000.00
Public Safety Regional Water Supply	150,000.00
Public Safety Training Center	1,000,000.00
Westminster Library Basement Improvements	1,066,000.00
TOTAL GENERAL GOVERNMENT	7,315,150.00

TOTAL CAPITAL FUND APPROPRIATIONS

100,893,583.00

CAPITAL FUND REVENUES

LOCAL:

Transfer from General Fund	13,458,686.57
Reallocated GF Transfer	104,533.43
Local Income Tax	12,118,700.00
Property Tax	2,539,900.00
Bonds	48,448,990.00
Reallocated Bonds	3,870,210.00
Impact Fee - Parks	175,000.00
Reallocated Impact Fee - Parks	163,900.00
Transfer from Special Revenue - Watershed Protection and Restoration Fund	252,490.00
TOTAL LOCAL	81,132,410.00

STATE:		
	State Highway Administration	176,000.00
	Highway User Revenue	1,359,000.00
	Program Open Space	1,119,000.00
	Ag. Preservation (MALPF)	500,000.00
	Ag Transfer Tax	300,000.00
	State School Construction	11,397,106.00
	State	1,550,000.00
	State Miscellaneous Grants	<u>1,000,000.00</u>
	TOTAL STATE	17,401,106.00

FEDERAL:		
	Highway/Bridge	<u>1,872,150.00</u>
	TOTAL FEDERAL	1,872,150.00

OTHER:		
	Developer Contribution	172,407.00
	Municipal	<u>315,510.00</u>
	TOTAL OTHER	487,917.00

TOTAL CAPITAL FUND REVENUES	<u><u>100,893,583.00</u></u>
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SECTION III

PENSION TRUST FUND

WHEREAS, Pension Trust Fund revenues for the fiscal year beginning July 1, 2021, and ending June 30, 2022, have been estimated at \$4,422,320.00. In order to provide a balanced budget, as is required by law, funds are allocated as follows:

APPROPRIATIONS		
	County Pension Fund Trust	3,025,300.00
	Certified Law Officers Pension Fund	<u>1,397,020.00</u>
	TOTAL APPROPRIATIONS	<u>4,422,320.00</u>

REVENUES		
	General Fund Contribution	<u>4,422,320.00</u>
	TOTAL REVENUES	<u>4,422,320.00</u>

SECTION IV**OTHER POST EMPLOYMENT BENEFITS**

WHEREAS, OPEB Fund revenues for the fiscal year beginning July 1, 2021 and ending June 30, 2022, have been estimated at \$13,159,840. In order to provide a balanced budget, as is required by law, funds are allocated as follows:

APPROPRIATIONS

Other Post Employment Benefit Payments - County	5,686,840.00
Retiree Health Benefit Payments	7,473,000.00
TOTAL APPROPRIATIONS	13,159,840.00

REVENUES

General Fund Contribution	12,309,840.00
Retiree Contributions	850,000.00
TOTAL REVENUES	13,159,840.00

SECTION V**SPECIAL REVENUE FUND**

WHEREAS, Special Revenue Fund revenues for the fiscal year beginning July 1, 2021, and ending June 30, 2022 have been estimated at \$410,020. In order to provide a balanced budget, as is required by law, funds are allocated as follows:

APPROPRIATIONS

Transfer to Operating Budget	410,020.00
TOTAL APPROPRIATIONS	410,020.00

REVENUES

Hotel Rental Tax	410,020.00
TOTAL REVENUES	410,020.00

SECTION VI**WATERSHED PROTECTION AND RESTORATION FUND**

WHEREAS, Watershed Protection and Restoration Fund revenues for the fiscal year beginning July 1, 2021, and ending June 30, 2022 have been estimated at \$3,436,330. In order to provide a balanced budget, as is required by law, funds are allocated as follows:

APPROPRIATIONS

Personnel	1,203,710.00
Operating	418,590.00
Debt Service	1,814,030.00
TOTAL APPROPRIATIONS	3,436,330.00

REVENUES

Dedicated Property Tax	2,667,545.00
Fund Balance	630,855.00
Town Contributions	117,130.00
Interest Revenue	20,800.00
TOTAL APPROPRIATIONS	3,436,330.00

SECTION VII

LENGTH OF SERVICE AWARD PROGRAM

WHEREAS, Length of Service Award Program for the fiscal year beginning July 1, 2021, and ending June 30, 2022 have been estimated at \$1,585,000. In order to provide a balanced budget, as is required by law, funds are allocated as follows:

APPROPRIATIONS

Length of Service Award Payments	1,585,000.00
TOTAL APPROPRIATIONS	<u>1,585,000.00</u>

REVENUES

General Fund Contribution	1,585,000.00
TOTAL REVENUES	<u>1,585,000.00</u>

SECTION VIII

UTILITIES ENTERPRISE FUND

WHEREAS, Utilities Enterprise Fund revenues for the fiscal year beginning July 1, 2021, and ending June 30, 2022 have been estimated at \$12,617,345 in operating and \$10,987,971 in capital. In order to provide a balanced budget as is required by law, funds are allocated as follows:

APPROPRIATIONS

<u>Operating</u>	
Bureau of Utilities Administration	1,597,510.00
Board of Education Facilities	225,770.00
Freedom Sewer	2,830,490.00
Freedom Water	3,764,390.00
Hampstead Sewer	1,025,365.00
Other Water & Sewer	169,630.00
Revenue in Excess of Expenditures	24,190.00
Capital - Repair, Replace, Rehabilitate	2,980,000.00
TOTAL OPERATING APPROPRIATIONS	<u>12,617,345.00</u>

REVENUES

MES	18,000.00
Water Usage	5,740,000.00
Sewer Usage	6,324,225.00
Interest	20,500.00
Rents and Royalties	223,150.00
Miscellaneous	65,700.00
General Fund Transfer	225,770.00
TOTAL OPERATING REVENUES	<u>12,617,345.00</u>

APPROPRIATIONS

<u>Capital</u>	
County Sewer Line Rehabilitation/Replacement	481,000.00
County Water Line Rehabilitation/Replacement	798,000.00
Freedom Water Treatment Plant Equipment Replacement	103,490.00
Freedom Wells and Connections	975,000.00
Freedom WTP Membrane Replacement	206,000.00
Hampstead WWTP ENR Upgrade	400,000.00
Hampstead WWTP Sludge Press	300,000.00
Kabik Court Water Supply	100,000.00
Pump Station Equipment Replacement	214,681.00
Runnymede Wastewater Treatment Facility Rehabilitation	44,000.00
Sewer Manhole Rehabilitation	87,000.00
Standby Generator Replacement	37,000.00
Tank Rehabilitation and Replacement	565,000.00
Town of Sykesville Water and Sewer Upgrades	4,495,000.00

Water Main Loops	440,000.00
Water Main Valve Replacements	360,000.00
Water Meters	671,000.00
Water Service Line Replacement	310,800.00
Winfield Pump Station	400,000.00
TOTAL CAPITAL APPROPRIATIONS	10,987,971.00

REVENUES

<u>Capital</u>	
Transfer from General Fund	544,000.00
Utilities Maintenance Fee	5,669,000.00
Reallocated Utilities Maintenance Fees	62,000.00
Utilities Sewer User Fees	824,000.00
Reallocated Utilities Sewer User Fees	695,681.00
Utilities Water User Fees	3,193,290.00
TOTAL CAPITAL REVENUES	10,987,971.00

SECTION IX

SOLID WASTE ENTERPRISE FUND

WHEREAS, Solid Waste Enterprise Fund revenues for the fiscal year beginning July 1, 2021, and ending June 30, 2022, have been estimated at \$12,086,570 in operating and \$25,180,000 in capital. In order to provide a balanced budget as is required by law, funds are allocated as follows:

APPROPRIATIONS

<u>Operating</u>	
Solid Waste Management Supervision	477,130.00
Closed Landfills	283,600.00
Northern Landfill	2,537,110.00
Recycling Operations	2,509,650.00
Solid Waste Accounting Administration	563,380.00
Solid Waste Transfer Station	5,715,700.00
TOTAL OPERATING REVENUES	12,086,570.00

REVENUES

<u>Operating</u>	
Tipping Fee - Northern Landfills	8,144,500.00
County Hauling	6,080.00
Interest	30,000.00
Rent and Royalties	175,600.00
Recycling	160,000.00
Misc.	7,500.00
General Fund Transfer	3,562,890.00
TOTAL REVENUES	12,086,570.00

APPROPRIATIONS

<u>Capital</u>	
Northern Landfill Ccll 4	25,000,000.00
Northern Landfill Rain Flap Installation	180,000.00
TOTAL CAPITAL APPROPRIATIONS	25,180,000.00

REVENUES

<u>Capital</u>	
Transfer from General Fund	25,000,000.00
Enterprise Fund - Solid Waste	180,000.00
TOTAL CAPITAL REVENUES	25,180,000.00

SECTION X

AIRPORT ENTERPRISE FUND

WHEREAS, Airport Enterprise Fund revenues for the fiscal year beginning July 1, 2021, and ending June 30, 2022 have been estimated at \$3,255,840 in operating and \$36,000 in capital. In order to provide a balanced budget as is required by law, funds are allocated as follows:

APPROPRIATIONS

<u>Operating</u>	
Airport Operations	912,520.00
Revenue in Excess of Expenditures	2,343,320.00
TOTAL OPERATING APPROPRIATIONS	<u>3,255,840.00</u>

REVENUES

<u>Operating</u>	
Fuel	85,000.00
Rents	218,030.00
Corporate Hangar Rents	593,510.00
Pass - Through Utilities/Taxes	135,400.00
Miscellaneous	3,410.00
Transfer from the General Fund	2,220,490.00
TOTAL OPERATING REVENUES	<u>3,255,840.00</u>

APPROPRIATIONS

<u>Capital</u>	
Grounds Maintenance Equipment and Storage Facility	36,000.00
TOTAL CAPITAL APPROPRIATIONS	<u>36,000.00</u>

REVENUES

<u>Capital</u>	
Transfer from General Fund	16,000.00
Fed Aviation Admin	20,000.00
TOTAL CAPITAL REVENUES	<u>36,000.00</u>

SECTION XI

FIREARMS ENTERPRISE FUND

WHEREAS, Firearms Enterprise Fund revenues for the fiscal year beginning July 1, 2021, and ending June 30, 2022 have been estimated at \$177,530 in operating. In order to provide a balanced budget as is required by law, funds are allocated as follows:

APPROPRIATIONS

<u>Operating</u>	
Firearms	177,530.00
TOTAL OPERATING APPROPRIATIONS	<u>177,530.00</u>

REVENUES

<u>Operating</u>	
Firearms Facility Fees	163,530.00
Firearms Facility Concessions	6,000.00
Recycling	6,000.00
Interest	2,000.00
TOTAL OPERATING REVENUES	<u>177,530.00</u>

SECTION XIV

GRANT FUND

WHEREAS, Grant Fund revenues for the fiscal year beginning July 1, 2021, and ending June 30, 2022 have been estimated at \$17,732,519.00. In order to provide a balanced budget as is required by law, funds are allocated as follows:

APPROPRIATIONS

BUREAU OF AGING

Case Management and Support Planning	288,650.00
Federal Financial Participation	107,840.00
Money Follows Person	4,380.00
National Caregiver Support Program	35,000.00
Ombudsman	129,960.00
Senior Assisted Housing	101,500.00
Senior Citizens Center Operating Fund	12,500.00
Senior Coordinated Community Care	186,880.00
Senior Guardianship Program	91,470.00
Senior Health Insurance Program	74,720.00
Senior Inclusion Program	400,500.00
Senior Information and Assistance	114,810.00
Level One	15,000.00
Senior Medicare Patrol Program	4,000.00
Title III B (Supportive Services)	138,380.00
Title III C1 (Congregate Meals)	263,500.00
Title III C2 (Home Delivered Meals)	91,500.00
Title III D (Health Promotion)	10,550.00
Title III E (Caregiver Support)	67,000.00
Veterans Directed Home Services	21,000.00
Veterans Services	75,000.00
TOTAL BUREAU OF AGING GRANTS	2,234,140.00

BUSINESS AND EMPLOYMENT RESOURCE CENTER

DORS Pre-Employment Transition Services	83,792.00
Summer Youth Connections	21,393.00
WIOA Title I - Administration	97,540.00
WIOA Title I - Adult	192,043.00
WIOA Title I - Dislocated Worker	491,265.00
WIOA Title I - Youth	194,553.00
TOTAL BERC GRANTS	1,080,586.00

CIRCUIT COURT

Child Support Enforcement	44,580.00
Drug Treatment Court	339,750.00
Family Law Administration	632,570.00
TOTAL CIRCUIT COURT GRANTS	1,016,900.00

CITIZEN SERVICES STATE

Health Department - Emergency Funds	4,000.00
TOTAL CITIZEN SERVICES STATE GRANTS	4,000.00

COMPREHENSIVE PLANNING

Unified Planning Work Program (UPWP)	50,000.00
TOTAL COMPREHENSIVE PLANNING GRANTS	50,000.00

FARM MUSEUM ENDOWMENT

TOTAL FARM MUSEUM ENDOWMENT	30,000.00
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HOUSING AND COMMUNITY DEVELOPMENT

Continuum of Care	47,260.00
Eviction Prevention Program	0.00
Family Self Sufficiency	62,481.00
Homeless Solutions Program	69,800.00
HUD Housing Choice - Voucher	6,821,500.00
TOTAL HOUSING AND COMMUNITY DEV. GRANTS	7,001,041.00

LOCAL MANAGEMENT BOARD

CESF Virtual Access Project	100,700.00
Community Programs	432,432.00
Interagency Family Preservation	395,830.00
Local Care Team	21,132.00
MOU Administration	80,057.00
Safe and Stable Families	125,820.00
Youth and Family Engagement Program	80,000.00
TOTAL LOCAL MANAGEMENT BOARD GRANTS	1,235,971.00

PUBLIC SAFETY

Hazardous Material Emergency Planning	226,580.00
Homeland Security	466,370.00
TOTAL PUBLIC SAFETY GRANTS	692,950.00

RECREATION

Community Recreation Programs	108,100.00
Community Recreation Trips	10,000.00
TOTAL RECREATION GRANTS	118,100.00

SHERIFF'S OFFICE

Adequate Coverage	309,000.00
Body Armor for Local Law Enforcement	8,460.00
Child Advocacy Center Services	10,500.00
Child Exploitation & Human Trafficking Task Force	19,000.00
Child Support Unit	231,490.00
High Intensity Drug Trafficking Area	67,500.00
Highway Safety Enforcement Operations	25,000.00
Internet Crimes Against Children	25,000.00
Joint Law Enforcement Operations	18,000.00
Motor Carrier Safety Assistance Program	20,000.00
National Children's Alliance	10,600.00
School Bus Safety Enforcement	20,000.00
Sexual Offender & Compliance Enforcement in Maryland	16,000.00
State Criminal Alien Assistance Program	10,000.00
Tactical Diversion Task Force	18,000.00
Tobacco Sales Compliance	5,500.00
TOTAL SHERIFF SERVICES GRANTS	814,050.00

STATE'S ATTORNEY

Maryland Criminal Intelligence Network	272,020.00
Maryland Victims of Crime	66,480.00
Violence Against Women Act	139,080.00
TOTAL STATE'S ATTORNEY GRANTS	477,580.00

TOURISM

Maryland Tourism Development Board	84,400.00
TOTAL TOURISM GRANTS	84,400.00


FY 22 Budget Ordinance

Should any provision, section, paragraph or subparagraph of this Ordinance, including any code or text adopted hereby, be declared null and void, illegal, unconstitutional, or otherwise determined to be unenforceable by a court having jurisdiction; the same shall not affect the validity, legality, or enforceability of any other provision, section, paragraph or subparagraph hereof, including any code or text adopted hereby. Each such provision, section, paragraph or subparagraph is expressly declared to be and is deemed severable.

For additional descriptions and information see attached Operating and Capital Budget books which are incorporated herein.

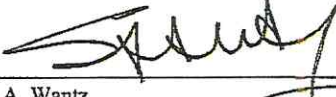
Adopted this 25th day of May, 2021.


COUNTY COMMISSIONERS OF CARROLL COUNTY


Edward C. Rothstein (COL Ret.), President

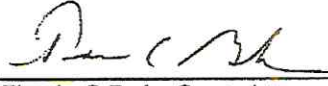

C. Richard Weaver, Vice President

Dennis E. Frazier


Stephen A. Wantz


C. Eric Bouchat

APPROVED AS TO FORM


Timothy C. Burke, County Attorney

ORDINANCE NO. 2021-05

WHEREAS, under the provisions of the Tax-Property Article, Section 6-302 of the Annotated Code of Maryland, in each year after the date of finality and before the following July 1, the County Commissioners of Carroll County are required to set the tax rate for the next taxable year on all assessments of property subject to the County's Property tax; and

WHEREAS, under the provisions of Tax-Property Article, 6-308 the County Commissioners of Carroll County are required to advertise their intent to increase the tax rate above the "constant yield tax rate" as that term is defined in Tax-Property Article, Section 2-205(d) and have conducted a public hearing pursuant to Tax-Property , Section 6-308 on May 11, 2021 and at that hearing announced that this Ordinance would be considered and approved on May 25, 2021 at 1:00 pm during the Commissioners' virtual meeting; and

WHEREAS, the County Commissioners of Carroll County have met at the place and time so indicated for the consideration and adoption of this Ordinance; and

WHEREAS, under the provisions of Resolution 32-75, the County Commissioners of Carroll County have adopted the annual budget and appropriation ordinance immediately prior hereto, and there remains a duty to levy a tax to balance the budget as provided by law.

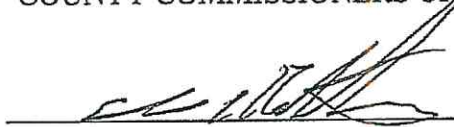
NOW, THEREFORE, BE IT ORDAINED THAT:

1. An ordinary tax at the rate of \$1.018 per \$100 of assessed value is hereby imposed upon all real property subject to taxation in Carroll County and an ordinary tax at the rate of \$2.515 per \$100 of assessed value is hereby imposed upon all personal property subject to taxation in Carroll County for the taxable year beginning July 1, 2021 ending June 30, 2022. A portion, \$0.01263, of the real property tax rate of \$1.018 per \$100 of assessed value is restricted for the Watershed Protection and Restoration Fund and may be used solely for operating expenditures of watershed improvement activities in accordance with Section 4-202.1 of the Environment Article of the Annotated Code of Maryland.
2. The Collector of Taxes for Carroll County is hereby directed to take whatever steps are legally permissible and necessary to collect the taxes imposed hereby, including but not limited to, rendering a bill for county taxes to each owner of property in Carroll County; giving a discount to persons who pay taxes promptly when due based upon a schedule for such discounts as previously established, and instituting legal proceedings for the recovery of taxes.


FY 22 Tax Ordinance

Adopted this 25th day of May, 2021

COUNTY COMMISSIONERS OF CARROLL COUNTY



Edward C. Rothstein (COL Ret.), President



C. Richard Weaver, Vice President



Stephen A. Wantz

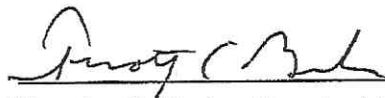


Dennis E. Frazier



C. Eric Bouchat

APPROVED AS TO FORM:



Timothy C. Burke, County Attorney

Debt Management

Debt Management

Capital Expenditures vs. Current Expenditures

Local government expenditures can be broadly categorized as either current or capital. Generally, current expenditures are related to ongoing operations or purchases that are relatively inexpensive or short lived. Capital expenditures tend to be for one-time, relatively high costs, or for long-lived assets. There is not a clear line separating current and capital expenditures, but current expenditures should be funded with current sources of revenue and it may be appropriate to fund capital expenditures with current revenue and/or debt financing. When debt financing is used, it is important that the useful life of the asset exceed the time necessary to pay for the asset. Carroll County's operating expenditures are entirely funded by current revenue. A mix of sources, such as bonds, grants, and paygo funding, is used to fund capital projects.

Paying for Capital Assets

There are two general approaches to paying for capital assets: paygo, or using current resources to pay as the expenditure occurs, and debt financing, paying over time as the asset is used. Paygo funding creates no long-term obligation, but may require years of saving, which delays addressing a need. Paygo funding places the entire burden on the existing taxpayer, even though a long-lived asset may benefit taxpayers in future years. Debt financing commits the County to a long-term obligation and increases the cost of the funding but allows timely filling of needs and spreads the cost of an asset over a larger number of taxpayers who will benefit from its use. To benefit from the advantages of each of these approaches, Carroll County uses a mix of paygo and debt funding in the Capital Budget.

Bonds

For local governments, financing with long-term debt usually means issuing bonds. A bond is like a mortgage; it is written evidence of the issuer's obligation to repay a specified principal amount on a certain date (maturity date), together with interest at a stated rate, or according to a formula for determining that rate.

General obligation bonds are used when the capital project is beneficial to the community. Examples would be expenditures for law enforcement, fire protection, education, community facilities, or roads and bridges. The payments are financed by the taxpayers of the issuing government because general obligation bonds are secured unconditionally by the full faith, credit, and taxing powers of the issuing government. These bonds typically carry high credit ratings with correspondingly low risk.

Serial bonds are a package of individual bonds with each bond potentially having a different maturity than the rest. Typically, a municipal serial bond issue has maturities ranging from one year to more than twenty years. General obligation bond issues are usually entirely in serial form.

Debt Retirement

As of June 30, 2020, 73.3% of long-term debt owed by the County will be retired within ten years and 49.7% will be retired within five years. New Public Improvement Bonds issued in November 2020 have an aggregate principal amount of \$20.0 million.

Rating Agencies

There are currently three credit rating agencies used by Carroll County: Moody's, Fitch, and Standard & Poor's. These agencies tackle the difficult task of evaluating municipal bond issues for demographic, economic, financial, and debt factors. The result of the evaluation process is a "rating" that is assigned to the bond issue. Ratings generally measure the probability of the timely repayment of principal and interest on municipal bonds. The higher the credit rating assigned to the issue, the lower the interest rate the County will need to attract investors.

The following table displays the various rating categories used by the rating agencies:

Moody's ¹	Standard & Poor's ²	Fitch	Description
Aaa	AAA	AAA	Highest quality, extremely strong capacity to pay
Aa	AA	AA	High quality, very strong capacity to pay
A	A	A	Upper medium quality, strong capacity to pay
Baa	BBB	BBB	Medium quality, adequate capacity to pay
Ba	BB	BB	Questionable quality, low capacity to pay

¹Relative ranking within a range may be designated by a 1, 2, or 3.

²Relative ranking within a range may be designated by a + or -.

Credit evaluation, to some extent, is subjective which may result in different analysts looking at different data or assigning different weight to the same data. The rating agencies do not necessarily give the same credit ratings to the same bond issues.

Ratings are initially made before issuance and are continuously reviewed and amended as necessary to reflect change in the issuer's credit position. According to the rating agencies, Carroll County demonstrates very strong credit worthiness. Moody's has assigned Carroll County a rating of **Aaa**, Standard & Poor's **AAA**, and Fitch **AAA**. These high ratings allow Carroll County to benefit from lower interest rates for capital projects financed with long-term debt issues. The County's goal is to maintain our current bond ratings to minimize borrowing costs.

Sale of Bonds

Bonds are sold to investors through the services of an underwriter. Underwriters buy the entire bond issue from the issuer and then resell the individual bonds to investors. Since they assume the responsibility of distributing the bonds, they risk having to sell the bonds at a price below the purchase price.

The financial advisor helps the issuer design the bond issue in terms of maturity dates, maturity amounts, and call provisions; prepares the official statement; selects an appropriate time to mark the issue; and complies with legal requirements.

Carroll County historically uses a competitive bid process to sell its bonds. This means that at a specified date and time, bids are accepted from various underwriters. The underwriter submitting the lowest bid (interest rate) is selected to purchase the bonds. Within a few days of the bond purchase, the underwriter sells the bonds to investors.

Debt Affordability

Carroll County does not have a legal debt limit. The County uses a debt affordability model to evaluate the County's ability to support debt. The model establishes guidelines for the amount of debt the County can initiate each year, and projects the effects of that financing through six years of the CIP.

Debt affordability measures a number of criteria, such as total debt to assessable base and debt service to General Fund revenue, and compares the projected ratios to guideline ratios. The model accounts for potential changes in revenue and interest. The model distinguishes between direct debt (i.e., debt to be paid with General Fund revenue) and indirect debt (i.e., debt that is backed by the government but with an associated revenue stream separate from the General Fund).

Schedule of Debt Service Requirements on Direct County Debt

The following table sets forth the schedule of debt service requirements for the County's direct general obligation bonded debt, State of Maryland Loans, Promissory Notes, Capital Leases, and Enterprise Fund bonded debt, projected as of the year ended June 30, 2021.

Schedule of Debt Service Requirements (1)

Fiscal Years Ending June 30	G.O. Bonds (2)		Watershed Bonds		Notes, Capital Leases, and Other Debt		General Obligation Debt		Total Governmental Funds		Enterprise Funds		Grand Total Debt Service (1)	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2022	19,751,617	7,423,541	1,113,627	583,793	344,966	91,064	246,000	1,971,653	10,070,051	31,526,261	1,417,467	301,796	1,719,263	33,245,524
2023	18,854,865	6,568,341	1,117,704	535,381	391,972	82,329	680,930	1,940,208	9,126,259	30,171,730	1,307,630	264,184	1,571,814	31,743,544
2024	18,077,892	5,747,538	1,119,594	484,600	401,975	73,025	1,006,624	1,919,894	8,225,057	28,831,142	5,483,270	221,085	5,704,355	34,535,497
2025	16,169,820	4,998,941	1,085,690	435,474	411,505	63,496	2,179,934	1,809,927	7,307,838	27,154,787	495,265	92,133	587,398	27,742,185
2026	16,517,141	4,349,425	1,086,498	391,432	421,261	53,740	1,346,000	1,741,702	6,536,299	25,907,199	520,347	71,031	591,378	26,498,577
2027	16,778,690	3,739,903	1,087,896	350,020	431,248	43,752	2,584,000	1,694,815	5,828,490	26,710,324	543,276	53,182	596,458	27,306,782
2028	17,106,198	3,124,408	1,088,356	309,156	441,472	33,528	-	1,557,835	5,024,927	23,660,953	566,215	34,540	600,755	24,261,708
2029	17,467,260	2,487,749	1,088,728	267,162	451,938	23,062	107,290	1,557,835	4,335,808	23,451,024	590,720	15,077	605,797	24,056,821
2030	13,654,539	1,897,031	1,089,882	225,040	462,653	12,347	4,662,430	1,476,707	3,611,125	23,480,629	113,262	2,504	115,766	23,596,395
2031	10,271,295	1,451,885	1,039,540	185,257	235,424	2,077	13,115,500	1,103,726	2,742,945	27,404,704	2,429	49	2,478	27,407,182
2032	9,070,532	1,159,139	1,029,468	152,562	-	-	-	520,766	1,832,467	11,932,467	-	-	-	11,932,467
2033	7,797,750	947,795	997,250	126,871	-	-	445,320	509,076	1,583,742	10,824,062	-	-	-	10,824,062
2034	6,788,474	761,693	946,526	103,633	-	-	3,475,344	497,387	1,362,713	12,573,057	-	-	-	12,573,057
2035	5,700,713	589,110	854,287	81,090	-	-	-	314,931	985,131	7,540,131	-	-	-	7,540,131
2036	5,057,678	432,374	747,322	60,495	-	-	473,924	302,490	6,278,924	7,074,283	-	-	-	7,074,283
2037	3,869,397	303,316	580,603	44,059	-	-	1,303,000	257,475	604,850	6,357,850	-	-	-	6,357,850
2038	3,247,818	202,346	502,182	31,403	-	-	-	224,900	458,649	4,208,649	-	-	-	4,208,649
2039	3,247,818	109,404	502,182	19,659	-	-	887,000	202,725	331,788	4,968,788	-	-	-	4,968,788
2040	2,075,300	37,602	424,700	9,273	-	-	1,024,000	180,550	227,425	3,751,425	-	-	-	3,751,425
2041	725,300	6,346	274,700	2,404	-	-	2,587,000	100,625	109,375	3,696,375	-	-	-	3,696,375
Total	\$ 212,230,097	\$ 46,337,887	\$ 17,776,735	\$ 4,398,764	\$ 3,994,414	\$ 478,420	\$ 36,124,296	\$ 19,885,227	\$ 71,100,298	\$ 341,225,840	\$ 11,039,881	\$ 1,055,581	\$ 12,095,462	\$ 353,321,302

(1) Totals may not add due to rounding.

(2) Loans paid from revenues or by repayments by others:

(a) Promissory Notes \$0

(b) Capital Lease Agreements of \$3,994,414

Source: Carroll County Department of the Comptroller.

**Projected Statement of Direct and Enterprise
Fund Bonded
Debt Issued and Outstanding
As of June 30, 2021 (1)(2)(3)**

<u>Direct Bonded Debt</u>	Principal Date of Issue	Issued	Outstanding (4)
Volunteer Fire Dept Project Bonds	12/01/05	2,900,000	-
Consolidated Public Improvement Refunding Bonds	11/13/07	6,670,000	-
Consolidated Public Improvement Series D Bonds	10/21/10	19,649,128	-
Consolidated Public Improvement Bonds	11/10/11	18,750,000	875,000
Consolidated Public Improvement Refunding Bonds	11/08/12	16,220,345	1,330,358
Consolidated Public Improvement Bonds	11/08/12	21,460,000	2,150,000
Consolidated Public Improvement Bonds	11/14/13	26,000,000	4,005,000
Consolidated Public Improvement Bonds	11/13/14	15,000,000	10,500,000
Consolidated Public Improvement Refunding Bonds	11/13/14	52,576,682	33,908,439
Consolidated Public Improvement Bonds	11/19/15	28,000,000	20,785,000
Consolidated Public Improvement Refunding Bonds	11/19/15	6,015,081	2,527,840
Consolidate Public Improvement Bonds	11/10/16	14,000,000	11,200,000
Consolidated Public Improvement Refunding Bonds	11/10/16	6,138,285	-
Consolidated Public Improvement Bonds	11/01/18	25,000,000	22,500,000
Consolidated Public Improvement Bonds	11/05/19	30,000,000	28,500,000
Consolidated Public Improvement Refunding Bonds	11/05/19	39,797,184	37,405,524
Consolidated Public Improvement Bonds	12/03/20	20,000,000	20,000,000
Consolidated Public Improvement Refunding Bonds	12/03/20	33,989,958	33,989,959
Installment Purchase Agreements:			
Installment Purchase Agreements	7/1/01-6/30/02	396,000	396,000
Installment Purchase Agreements	7/1/02-6/30/03	530,930	530,930
Installment Purchase Agreements	7/1/03-6/30/04	100,000	100,000
Installment Purchase Agreements	7/1/04-6/30/05	2,179,934	2,179,934
Installment Purchase Agreements	7/1/05-6/30/06	1,346,000	1,346,000
Installment Purchase Agreements	7/1/06-6/30/07	2,584,000	2,584,000
Installment Purchase Agreements	7/1/08-6/30/09	2,215,126	1,013,914
Installment Purchase Agreements	7/1/09-6/30/10	4,662,430	4,662,430
Installment Purchase Agreements	7/1/10-6/30/11	13,115,500	13,115,500
Installment Purchase Agreements	7/1/12-6/30/13	445,320	445,320
Installment Purchase Agreements	7/1/14-6/30/15	3,475,344	3,475,344
Installment Purchase Agreements	7/1/15-6/30/16	473,924	473,924
Installment Purchase Agreements	7/1/16-6/30/17	1,303,000	1,303,000
Installment Purchase Agreements	7/1/18-6/30/19	887,000	887,000
Installment Purchase Agreements	7/1/19-6/30/20	1,024,000	1,024,000

Installment Purchase Agreements	7/1/20-6/30/21	2,587,000	2,587,000
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Farmers Home Administration:

Watershed Bond — 1972	06/01/72	769,700	43,921
Watershed Bond — 1974	07/01/74	253,000	40,727
Watershed Bond — 1979	09/02/80	<u>678,800</u>	<u>245,064</u>
		<u>\$ 421,193,671</u>	<u>\$ 266,131,128</u>

Enterprise Fund Bonded Debt

Consolidated Public Improvement Bonds Series D	10/21/10	13,742	-
Consolidated Public Improvement Refunding Bonds	11/08/12	198,549	21,428
Consolidated Public Improvement Refunding Bonds	11/13/14	5,446,058	3,848,458
Consolidated Public Improvement Refunding Bonds	11/19/15	2,978,549	1,251,736
Consolidated Public Improvement Refunding Bonds	11/10/16	56,307	-
Consolidated Public Improvement Refunding Bonds	11/05/19	902,816	829,476
Consolidated Public Improvement Refunding Bonds	12/03/20	6,738	6,738
Water Quality Loan — MD Dept. of the Environment	03/22/00	532,680	-
Solid Waste	11/13/14	406,860	63,104
Solid Waste	11/19/15	191,370	80,423
Solid Waste	11/10/16	91,589	-
Septage	11/08/12	62,391	13,214
Airport	11/13/01	2,200,000	110,000
Airport	10/21/10	27,130	-
Airport	11/08/12	18,715	-
Airport	11/10/16	63,819	-
Airport - Draw Down Bond	05/01/19	4,802,001	4,802,001
Airport	12/03/20	13,303	13,303
		<u>\$ 18,012,617</u>	<u>\$ 11,039,881</u>
		<u>\$ 439,206,288</u>	<u>\$ 277,171,009</u>

(1) This table reflects indebtedness of the County exclusive of the following obligations:

(a) Capital Lease Agreements of \$3,994,414

(2) This subtotal reflects the direct bonded indebtedness of the County exclusive of those items in Note (1) of this table and Enterprise Fund Bonded Debt and is exclusive of any related bond premiums/discounts or other unamortized charges.

(3) Does not include Bonds offered herein and the refunding of the Refunded Bonds.

(4) Outstanding 2020 projected from beginning balance of principle payments in NTE-6-21 workbook

Source: Carroll County Department of the Comptroller.

**Projected County Debt
Exclusive of Enterprise Fund Debt
(1)**

	<u>Bonded Debt</u>	<u>Estimated Population</u>	<u>Assessed Value</u>	<u>Bonded Debt Per Capita</u>	<u>Bonded Debt to Assessed Value</u>
2021 (4)	\$266,131,128	168,104	\$21,203,694,000	1,583.13	1.26%
2020	267,977,820	168,063	20,578,536,000	1,594.51	1.30
2019	267,213,151	168,015	20,125,090,540	1,590.41	1.33
2018	268,176,804	167,997	19,595,053,827	1,596.32	1.37
2017	295,668,445	167,924	19,098,609,701	1,708.92	1.55
2016	309,180,614	167,887	18,733,020,866	1,790.24	1.65

**Projected County Debt
Inclusive of Enterprise Fund Debt
(1)**

	<u>Bonded Debt (2) (3)</u>	<u>Estimated Population</u>	<u>Assessed Value</u>	<u>Bonded Debt Per Capita</u>	<u>Bonded Debt to Assessed Value</u>
2021 (4)	\$277,171,009	168,104	\$21,203,694,000	1,648.81	1.31%
2020	280,497,954	168,063	20,578,536,000	1,669.00	1.36
2019	281,687,535	168,015	20,125,090,540	1,676.56	1.40
2018	279,595,362	167,997	19,595,053,827	1,664.29	1.43
2017	309,048,384	167,924	19,098,609,701	1,786.25	1.62
2016	324,624,173	167,887	18,733,020,866	1,879.67	1.73

(1) These tables reflect indebtedness of the County exclusive of the State's Industrial Land Act and the State's Industrial Commercial Redevelopment Fund Loans, Promissory Notes, Capital Lease Agreements, and any related bond premiums/discounts or other unamortized charges.

(2) Does not include Bonds offered herein or the refunding of the Refunded Bonds.

(3) This chart includes, among other things, the bonded indebtedness originally incurred by the Carroll County Sanitary Commission, which indebtedness is to be paid first from various charges which the County is authorized to levy together with State and federal monies received, but which indebtedness is ultimately secured by the full faith and credit of the County.

(4) Unaudited.

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY
Westminster, Maryland

Computation of the Projected Legal Debt Margin
As of June 30, 2021

Net assessed value- Real Property	\$ 20,545,594,000	
Debt limit - 6% of net total assessed value (1)		\$ 1,232,735,640
Assessed Value-Personal Property	658,100,000	
Debt limit- 15% of net assessed value (1)		98,715,000
Debt Limit- (6%/15%) of net assessed value		1,331,450,640
Amount of debt applicable to debt limit:		
Total Bonded Debt	\$ 277,171,009	
Less- Agricultural Preservation Program Self Supporting Debt	36,124,296	
Less- Fire Company Loans- Self Supporting Debt	0	
Less - Bureau of Utilities bonds	5,957,836	
Less - Septage bonds	13,214	
Total amount of debt applicable to debt limit		235,075,663
Legal debt margin		\$ 1,096,374,977

Note: (1) Recommended limit - Carroll County does not have a legal debt limit.
Source: Carroll County Department of the Comptroller.

Schedule of Legal Debt Margin
2012-2021

Fiscal Year	Assessed Value	Legal Debt Limitation	Legal Borrowing Limitation	Debt Subject to Limitation	Legal Debt Margin	Ratio of Debt Subject to Limitation To Legal Borrowing Limitation
2012	19,813,576,019	6%/15%	1,248,709,194	292,937,714	955,771,480	23.46%
2013	18,789,765,921	6%/15%	1,175,305,137	287,113,093	888,192,044	24.43%
2014	18,514,343,538	6%/15%	1,158,193,261	286,486,025	871,707,236	24.74%
2015	18,495,548,665	6%/15%	1,159,503,407	273,161,300	886,342,107	23.56%
2016	18,733,020,866	6%/15%	1,174,512,828	272,857,221	901,655,607	23.23%
2017	19,098,609,701	6%/15%	1,199,599,196	258,522,314	941,076,882	21.55%
2018	19,595,053,527	6%/15%	1,232,388,106	231,870,818	1,000,517,288	18.81%
2019	20,125,090,540	6%/15%	1,254,193,231	235,052,602	1,019,140,629	18.74%
2020	20,681,485,860	6%/15%	1,300,249,667	236,498,333	1,063,751,334	18.19%
2021	21,203,694,000	6%/15%	1,331,450,640	235,075,663	1,096,374,977	17.66%

Fund Balance

Explanation of Fund Balance

Governmental funds report the difference between their assets and liabilities as fund balance. In February 2009, The Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, requiring implementation by June 30, 2011. This GASB standard does not affect the calculation of fund balance, but fundamentally alters the various components used to report it. Fund balance is now divided as follows:

1. Nonspendable
2. Restricted
3. Committed
4. Assigned
5. Unassigned

Nonspendable funds are not in a spendable form or must be maintained intact. Examples are inventories, prepaid expenses, and loans to various agencies.

Restricted funds can be used only for the specific purposes as stipulated by external creditors, grantors, or laws of other governments; constitutionally; or through enabling legislation.

Committed funds are those constrained by limitations that the government imposes on itself at the highest level of decision-making authority. Commitments may be changed or lifted only by the same formal action that imposed the original constraint.

Assigned funds are intended to be used by the government for a specific purpose. This intention can be expressed by the governing body, an official, or a body to which the governing body delegates the authority.

Unassigned funds are technically available for any purpose. Carroll's consists of anticipated current year unassigned funds.

**Schedule of Changes in Net Assets
Proprietary Funds**

Business-type Activities - Enterprise Funds

	Solid Waste Fund	Utilities Fund	Airport Fund	Septage Fund	Firearms Fund	CCFN Fund	Total Enterprise Funds
Net Assets - beginning FY 21	\$5,231,341	\$103,156,414	\$9,628,911	\$4,021,717	\$798,958	\$13,754,653	\$136,591,994
FY 21 Projected Oper Rev, Non-Oper Rev, Capital Contributions & Transfers In	9,575,810	21,626,710	1,228,650	1,090,400	160,000	424,310	34,105,880
FY 21 Projected Oper Exp, Non-Oper Exp & Transfers Out	(9,575,810)	(21,626,710)	(1,120,280)	(1,090,400)	(314,140)	(424,310)	(34,151,650)
Net Assets - ending FY 21	\$5,231,341	\$103,156,414	\$9,737,281	\$4,021,717	\$644,818	\$13,754,653	\$136,546,224
FY 22 Projected Oper Rev, Non-Oper Rev, Capital Contributions & Transfers In	37,266,570	20,625,316	3,291,840	1,137,500	177,530	2,289,900	64,788,656
FY 22 Projected Oper Exp, Non-Oper Exp & Transfers Out	(37,266,570)	(20,625,316)	(948,520)	(1,137,500)	(177,530)	(1,449,080)	(61,604,516)
Net Assets - ending FY 22	\$5,231,341	\$103,156,414	\$12,080,601	\$4,021,717	\$644,818	\$14,595,473	\$139,730,364
Percent Change from FY 21 to FY 22	0.0%	0.0%	19.4%	0.0%	0.0%	5.8%	2.3%

Schedule of Changes in Fund Balance Governmental Fund Types

	General Fund	Capital Fund	Other Governmental Funds	Total Governmental Funds
FY 2021 Revenues/other sources	432,861,793	81,102,034	19,317,756	533,281,583
Bond proceeds, premium, and redemption	0	0	0	0
Non-Cash Notes	0	0	0	0
FY 2021 Expenditures/other uses	(403,940,000)	(81,102,034)	(19,317,756)	(504,359,790)
Fund Balance - FY 2021	\$149,082,257	\$39,280,121	\$3,127,359	\$191,489,737
FY 2022 Revenues/other sources	432,823,076	100,893,583	19,317,756	553,034,415
Bond proceeds, premium, and redemption	0	0	0	0
Non-Cash Notes	0	0	0	0
FY 2022 Expenditures/other uses	(474,184,330)	(100,893,583)	(19,317,756)	(594,395,669)
Fund Balance - FY 2022	\$107,721,003	\$39,280,121	\$3,127,359	\$150,128,483
Percent Change from FY 2021 to FY 2022	-38.4%	0.0%	0.0%	-27.6%

Schedule of Changes in Fund Balance General Fund

	Actual for 6/30/20 Audited - CAFR	Projected for 6/30/21 as of 5/26/21	Projected for 6/30/22
<u>Beginning Fund Balance</u>	\$117,550,515	\$127,588,310	\$156,510,103
Revenues	416,715,259	432,861,793	429,290,170
Expenditures	-407,992,339	-403,940,000	-474,184,330
GO Bond Proceeds, Premium, and Redemption	1,314,875	0	0
Projected Ending Fund Balance	\$127,588,310	\$156,510,103	\$111,615,943
<u>Nonspendable</u>			
Inventory	1,663,235	1,663,235	1,663,235
Prepaid Expenses	7,540,582	7,652,631	7,652,631
Loans for Economic Development	4,355,917	4,321,781	4,321,781
Loans to Volunteer Fire Companies	7,957,704	7,694,213	7,694,213
Loans to Municipalities	149,037	149,037	149,037
Loans to CCPL	0	500,000	500,000
Advances to Industrial Development Authority	612,910	612,910	612,910
Due from other Governmental Funds	4,921,289	4,704,624	2,483,718
Total Nonspendable	27,200,674	27,298,431	25,077,525
<u>Restricted</u>			
Weed Control Future Equipment Purchases	196,306	196,306	196,306
Agricultural Preservation Payables	33,459,133	32,839,854	32,839,854
Loans Collectible Within One Year	1,050,013	0	0
Farmers & Merchants - Collateral	230,000	230,000	230,000
Total Restricted	34,935,452	33,266,160	33,266,160
<u>Committed</u>			
Stabilization Fund	20,940,467	23,709,217	23,709,217
Total Committed	20,940,467	23,709,217	23,709,217
<u>Assigned</u>			
Appropriation of Prior Year Unassigned Fund Balance	9,239,647	61,118,640	23,946,552
Community Media Center/CCPL	2,203,308	1,703,308	637,308
Encumbrances	2,709,794	1,459,112	1,459,112
Total Assigned	14,152,749	64,281,059	26,042,971
<u>Unassigned</u>			
Unassigned	30,358,968	7,955,236	3,520,070
Total Unassigned	30,358,968	7,955,236	3,520,070
<u>Summary</u>			
Ending Fund Balance	127,588,310	156,510,103	111,615,943
Less: Nonspendable	(27,200,674)	(27,298,431)	(25,077,525)
Less: Restricted	(34,935,452)	(33,266,160)	(33,266,160)
Less: Committed	(20,940,467)	(23,709,217)	(23,709,217)
Less: Assigned	(14,152,749)	(64,281,059)	(26,042,971)
Current Year Unassigned	\$30,358,968	\$7,955,236	\$3,520,070

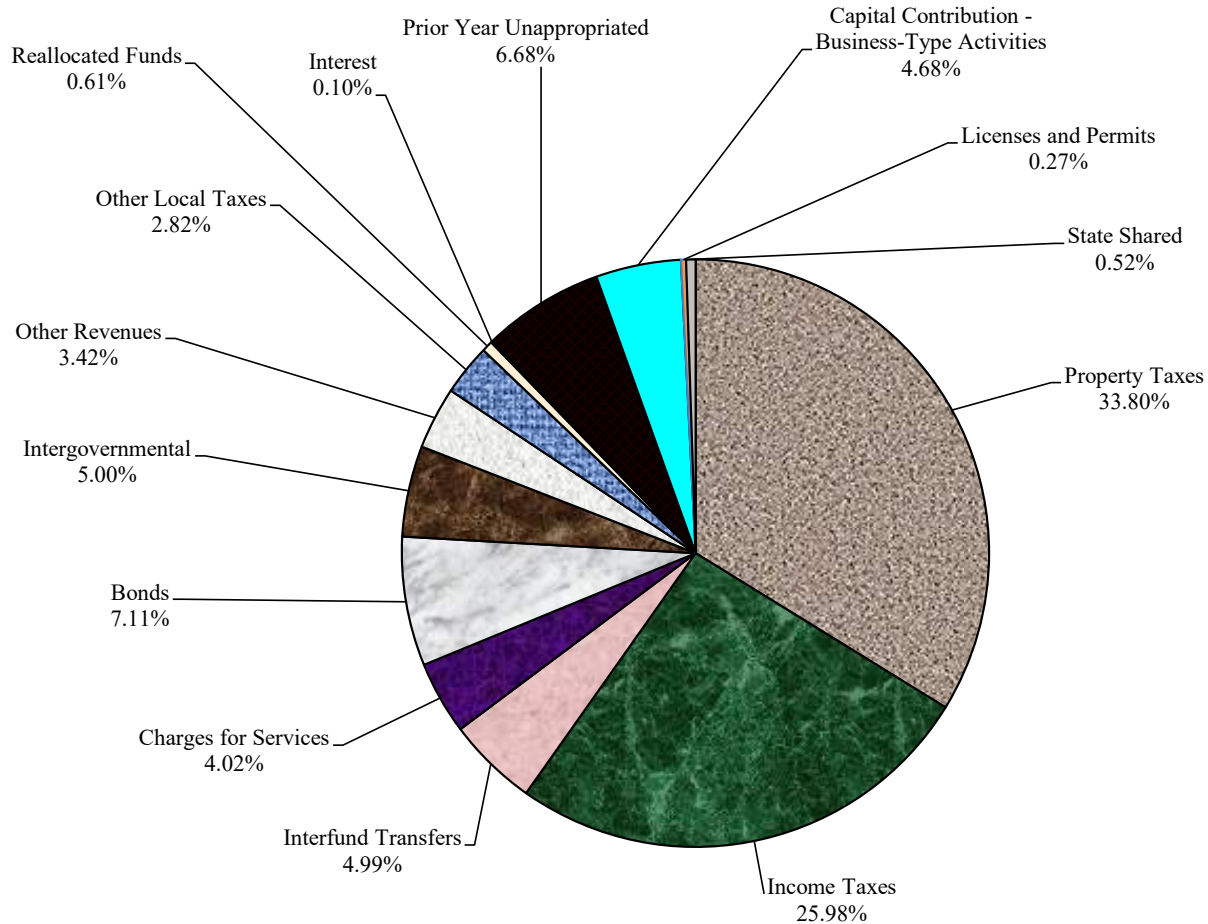
Fund Balance

Total Budget Summary

All Funds Sources - By Category

Fiscal Year 2022 Budget

\$681,635,278

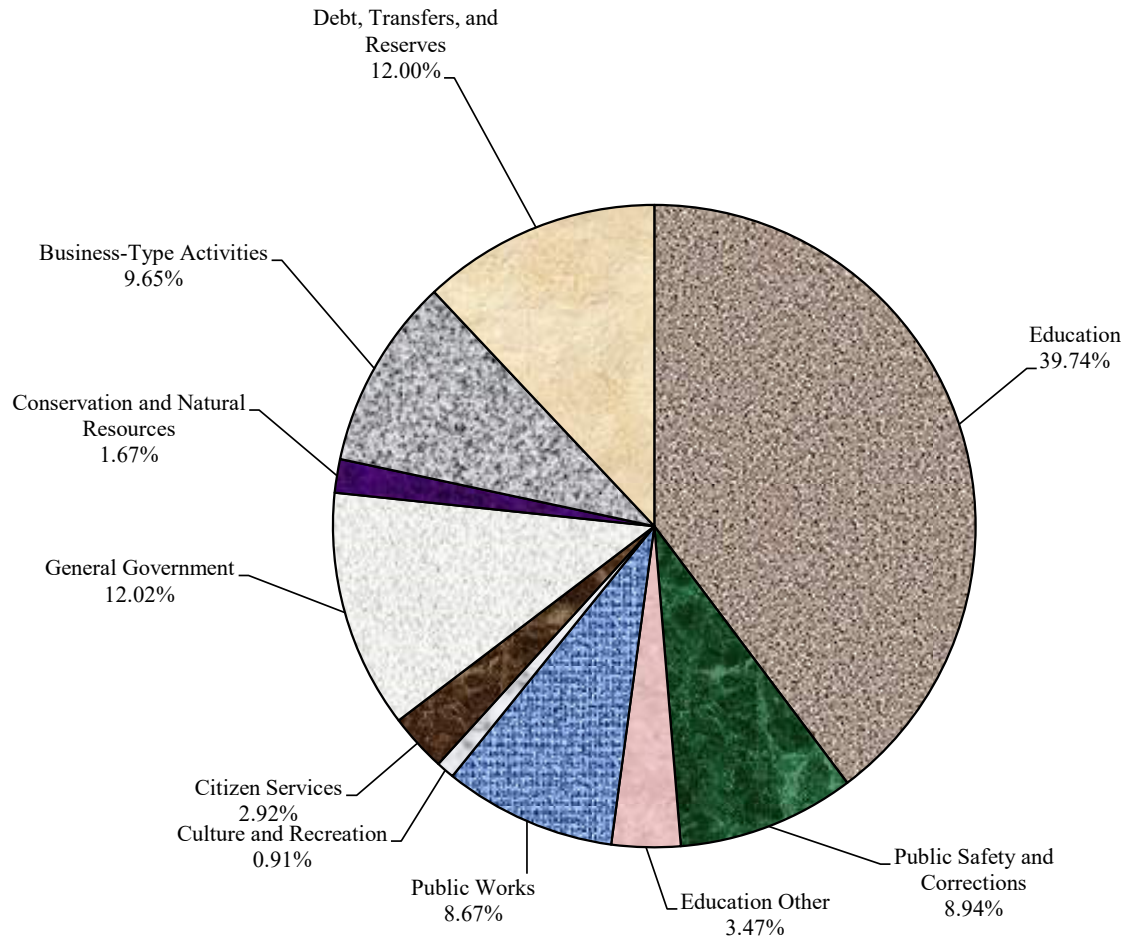


Category	FY 20 Actuals	FY 21 Budget	Change from FY 20	FY 22 Budget	Change from FY 21
Property Taxes	\$218,894,050	\$225,175,733	2.9%	\$230,421,265	2.3%
Income Taxes	172,211,973	166,994,009	-3.0%	177,118,700	6.1%
Interfund Transfers	47,020,910	19,973,215	-57.5%	34,030,287	70.4%
Charges for Services	24,422,759	29,565,010	21.1%	27,397,760	-7.3%
Bonds	0	43,525,891	100.0%	48,448,990	11.3%
Intergovernmental	24,354,074	28,501,666	17.0%	34,072,332	19.5%
Other Revenues	21,209,778	20,703,738	-2.4%	23,333,521	12.7%
Other Local Taxes	23,605,885	17,385,000	-26.4%	19,215,000	10.5%
Reallocated Funds	4,654,150	2,421,464	-48.0%	4,138,643	70.9%
Interest	9,184,518	872,210	-90.5%	648,390	-25.7%
Prior Year Unappropriated	11,198,439	4,211,947	-62.4%	45,525,010	980.9%
Capital Contribution - Business-Type Activities	6,693,643	4,796,000	-28.3%	31,907,680	565.3%
Licenses and Permits	5,055,365	1,986,650	-60.7%	1,823,700	-8.2%
State Shared	912,146	5,156,700	465.3%	3,554,000	-31.1%
Total	\$569,417,691	\$571,269,234	0.3%	\$681,635,278	19.3%

All Funds Uses - By Category

Fiscal Year 2022 Budget

\$681,635,278

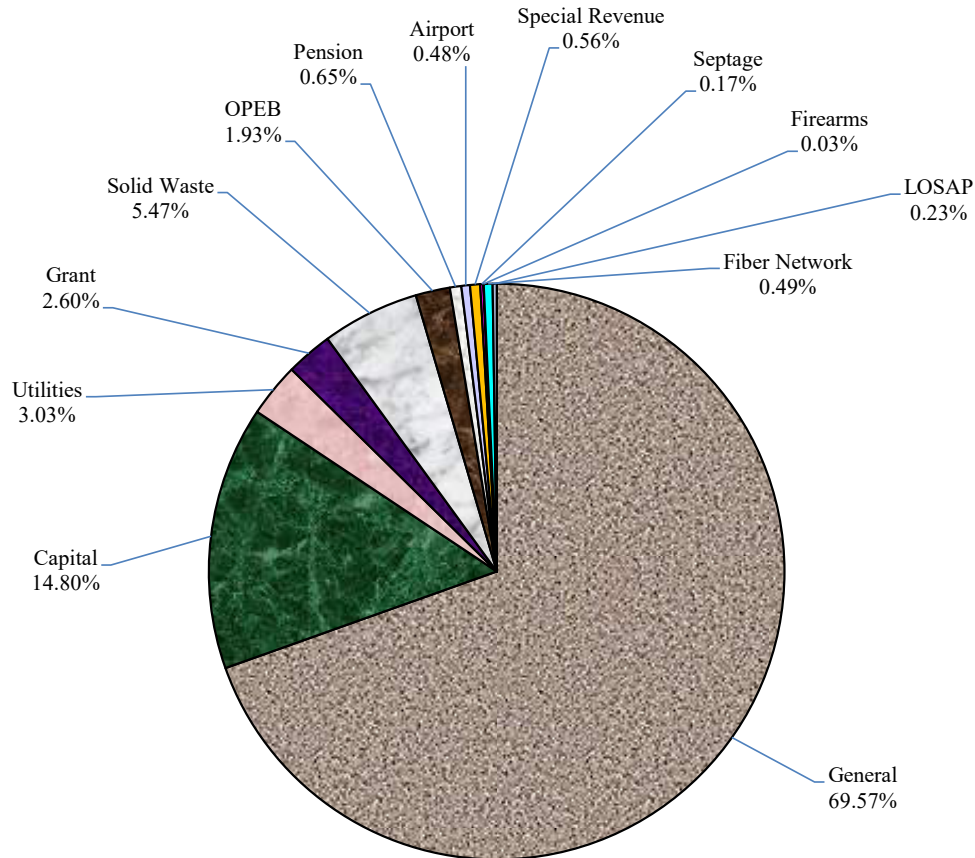


<u>Category</u>	FY 20 Actual	FY 21 Budget	Change from FY 20	FY 22 Budget	Change from FY 21
Education	\$225,084,567	\$257,218,592	14.3%	\$270,876,366	5.3%
Public Safety and Corrections	66,228,123	53,520,280	-19.2%	60,928,850	13.8%
Education Other	28,233,678	21,110,380	-25.2%	23,628,730	11.9%
Public Works	40,752,113	48,699,240	19.5%	59,098,330	21.4%
Culture and Recreation	6,666,257	5,030,270	-24.5%	6,229,930	23.8%
Citizen Services	20,911,337	19,599,680	-6.3%	19,922,022	1.6%
General Government	47,095,017	79,625,334	69.1%	81,908,447	2.9%
Conservation and Natural Resources	15,341,433	9,188,750	-40.1%	11,402,687	24.1%
Business-Type Activities	26,439,185	34,260,020	29.6%	65,811,336	92.1%
Debt, Transfers, and Reserves	40,570,849	43,016,688	6.0%	81,828,580	90.2%
Total	\$517,322,559	\$571,269,235	10.4%	\$681,635,278	19.3%

All Funds Uses - By Fund

Fiscal Year 2022 Budget

\$681,635,278



<u>Fund</u>	FY 20 Actual	FY 21 Budget	Change from FY 20	FY 22 Budget	Change from FY 21
General	\$405,289,255	\$417,140,000	2.9%	\$474,184,330	13.7%
Capital	52,169,777	81,102,035	55.5%	100,893,583	24.4%
Utilities	14,496,857	21,626,710	49.2%	20,625,316	-4.6%
Grant	19,785,251	17,654,760	-10.8%	17,732,519	0.4%
Solid Waste	9,260,302	9,575,810	3.4%	37,266,570	289.2%
OPEB	6,863,878	13,216,510	92.6%	13,159,840	-0.4%
Pension	3,106,305	4,313,550	38.9%	4,422,320	2.5%
Airport	951,760	1,228,650	29.1%	3,291,840	167.9%
Special Revenue	2,724,773	3,184,360	16.9%	3,846,350	20.8%
Septage	1,152,877	1,090,400	-5.4%	1,137,500	4.3%
Firearms	137,399	314,140	128.6%	177,530	-43.5%
Fiber Network	439,990	424,310	-3.6%	3,312,580	680.7%
LOSAP	944,135	398,000	-57.8%	1,585,000	298.2%
Total	\$517,322,559	\$571,269,235	10.4%	\$681,635,278	19.3%

All Funds Budget

The All Funds Budget consists of thirteen funds. When appropriations are transferred from one fund to another, the appropriation is recorded in both. This creates double counting of appropriations and artificially increases the All Funds Budget. For example, in FY 22, \$13.5M of General Fund dollars is transferred to the Capital Fund to provide paygo funding to the Community Investment Plan (CIP). This is reflected in the General Fund as an Interfund Transfer to Capital of \$13.5M and in the Capital Fund as revenue of \$13.5M. To capture the total budget without the double-counted appropriations, certain transfers and reappropriations of funds from prior years (listed below) need to be netted out of the All Funds Budget.

All Funds – FY 22	\$681,635,278
Double-Counted Appropriations:	
Prior Year Unappropriated	\$41,361,254
Current Year Surplus	3,532,906
Transfer from Capital to General Fund for Board of Education Debt Service	9,963,700
Interfund Transfers from General Fund	49,032,780
Other Post-Employment Benefits	13,159,840
County and Certified Law Enforcement Pension	4,422,320
Reallocated Transfer from the General Fund	104,533
Reallocated Bonds	3,502,210
Reallocated Utilities User Fees	757,681
Special Revenue Fund – Hotel Tax	410,020
Length of Service Awards Program	1,585,000
Reallocated Watershed Protection and Restoration Fund Balance	2,667,550
Total Double-Counted Appropriations	130,499,794
Net All Funds Budget	\$551,135,484

All Funds Revenue Summary

All Funds revenue is projected to be \$681.6M in FY 22 with 59.8% of this amount coming from Property Taxes and Income Tax. Total revenue is \$110.2M, or 19.3%, above FY 21. The total budget is increasing primarily due to the use of prior year unappropriated reserve for one-time capital improvements to County infrastructure.

Revenue In Millions	FY 20 Budget	Percent of Total	FY 21 Budget	Percent of Total	FY 22 Budget	Percent of Total
Property Taxes	\$218.9	39.9%	\$225.2	35.9%	\$230.4	33.8%
Income Taxes	163.9	29.9%	167.0	27.5%	177.1	26.0%
Bonds	28.1	5.1%	43.5	5.0%	48.4	7.1%
Charges for Services	25.7	4.7%	29.6	4.3%	27.4	4.0%
Intergovernmental	25.3	4.6%	28.5	4.7%	34.1	5.0%
Interfund Transfers	19.2	3.5%	20.0	4.0%	34.0	5.0%
Other Revenues	21.4	3.9%	20.7	3.7%	23.3	3.4%
Other Local Taxes	19.5	3.6%	17.4	3.1%	19.2	2.8%
Prior Year Unappropriated	9.5	1.7%	4.2	2.0%	45.5	6.7%
Capital Contribution - Business-Type Activities	2.1	0.4%	4.8	7.3%	31.9	4.7%
State Shared	5.2	1.0%	5.2	0.5%	3.6	0.5%
Reallocated Funds	3.4	0.6%	2.4	1.2%	4.1	0.6%
Licenses and Permits	1.7	0.3%	2.0	0.3%	1.8	0.3%
Interest	4.1	0.8%	0.9	0.5%	0.6	0.1%
Total Revenue	\$548.1	100.0%	\$571.4	100.0%	\$681.6	100.0%

Percentages may not add to 100% due to rounding

Following are explanations of each of these revenues. Additional details about the source of these revenues and the processes used to arrive at the budgeted amounts can be found in the various fund sections.

Top 5 All Fund Revenues

Property Taxes

Largest revenue at 33.8% of the total. Property Tax includes twelve separate taxes, credits, and charges; the most significant is Real Property Tax. The Board of County Commissioners reduced Real Property Tax in FY 12 from \$1.048 per one hundred dollars of assessed value to \$1.028, and then to \$1.018 in FY 13.

The Personal Property Tax rate was also lowered in FY 12 from \$2.62 per one hundred dollars of assessed value to \$2.57, and then to \$2.545 in FY 13. The Board of County Commissioners lowered the Personal Property Tax in FY 14 to \$2.515 per one hundred dollars, or a three-cent reduction from FY 13.

In FY 15, the Commissioners issued a Property Tax rebate of \$0.01 per \$100 of assessment, or approximately \$1.8M. The Homestead Tax Credit was significant in recent years, but due to five years of negative reassessments this credit is greatly reduced. This credit is set by the Board of County Commissioners and caps the amount that taxes can increase on a primary residence at 5.0% a year. Property Tax is primarily a General Fund revenue; however, a portion is dedicated to agricultural land preservation.

Property Taxes are estimated by several methods, including trend analysis, economic analysis, real estate analysis, and assessments provided by the Maryland Department of Assessment and Taxation. Full detail is provided on their website which can be accessed at: <http://dat.maryland.gov/Pages/default.aspx>.

Income Tax

Second largest revenue at 26.0% of the total. Income Tax is calculated as a percentage of net taxable State income. The State caps the rate at 3.20%. The Commissioners lowered the Income Tax rate from 3.05% to 3.04% in FY 14. In FY 15 the Commissioners again lowered the Income Tax rate by 0.01%, from 3.04% to 3.03%, effective on January 1st, 2015. The State Comptroller's Office administers, collects, and distributes this tax to the counties and municipalities. Income Tax is primarily a General Fund revenue; however, 9.09% of Income Tax is traditionally dedicated to the capital budget for school construction and debt service.

The budget for Income Tax is based on several factors, including a trend analysis of recent distributions, economic analysis of changes made at the State level, the local and national economies, and estimates provided by the State Comptroller's Office.

Bonds/Notes Proceeds

Third largest revenue at 7.1% of the total. The County issues general obligation bonds to provide funds for construction of major capital facilities such as libraries, senior centers, and schools. Bonds are obligations of the County for which its full faith and credit are pledged. Principal sources of repayment for the bonds are general revenues of the County including Property Taxes and Income Taxes. Bonds issued for enterprise funds, while still general obligation bonds, are expected to be paid from enterprise fund revenues, such as Area Connection Charges or rents.

Bonds are not budgeted in the same way as other revenues. Debt issued is based on several factors: debt affordability guidelines; our six-year Operating Plan; availability of paygo funds; as well as the need for and timing of capital projects. In FY 22, the Commissioners are using a \$43.6M bond sale to fund capital projects.

Prior and Current Year Surplus

Fourth largest revenue at 6.7% of the total. This is the amount of revenue in excess of budget, the amount of unspent appropriated dollars and use of prior year surplus. This figure is unusually high in FY 22 due to the use of one-time funding for capital improvements.

Intergovernmental (State and Federal)

Fifth largest revenue at 5.0% of the total. The County receives Federal and State funding for several purposes, including school and bridge construction, environmental projects, grants, and reimbursements. State and Federal funding is used primarily in the General, Capital, and Grant Funds. The Grant Fund includes more than \$17.7M in various Federal and State funds, including County match of \$0.9M, to support programs such as housing, transit, meals and rental subsidies to the elderly, handicapped, disabled, and low-income citizens.

The methods of budgeting State and Federal funds are varied. In some cases, particularly construction funding, there is a specific appropriation in the State budget. In cases where there is not a specific amount, such as Highway User Revenue which is formula based, estimates are provided by the government agency that oversees the revenue. Other revenues, such as grants, are usually subject to a combination of trend analysis and informed opinion.

Remaining All Fund Revenues

Interfund Transfers

5.0% of the total. Due to governmental accounting requirements, revenues that are transferred between funds are shown twice. For instance, Hotel Rental Tax originates in the Special Revenue Fund. When Hotel Rental Tax is used, it must be transferred from the Special Revenue Fund to the General Fund. This means that using \$0.1M of Hotel Rental Tax will actually add \$0.2M to the All Funds revenue total. Each fund, Special Revenue and General Fund, will show that \$0.1M. Other interfund revenues do not involve Special Revenues, and include General Fund transfers to Grants, Capital, and Enterprise Funds. The emphasis is on the General Fund as a whole.

Capital Contribution – Business-Type Activities

4.7% of the total. This category is based on specific and dedicated revenues that are budgeted to capital projects in the enterprise funds. These revenues are based on appropriations budgeted to fund capital projects and do not reflect revenues that are necessarily collected in FY 22.

Charges for Services

4.0% of the total. The intent, unless otherwise determined, is that certain activities and services pay for themselves through user fees, and are not supported through general tax dollars or other non-related revenue sources.

In the Enterprise Fund, the primary sources of revenue are water and sewer usage fees, septage user fees, tipping fees, and airport rental fees. Trend analysis is used in combination with rate modeling to more accurately determine future revenue streams.

For the General Fund and the Grant Fund, the primary sources of revenue are related to Public Safety and Corrections, Public Works, Recreation, and General Government. Fees come from various sources related to building inspections, permitting and review fees, as well as admission and concessions fees at County parks. Trend analysis is used to determine revenue projections based on the current rate and fee structure. Additionally, fee analysis is performed to determine if the current rate and fee structure needs to be adjusted in order to meet actual costs incurred. Rate studies are also performed for fees reimbursed by the State or Federal government to ensure accuracy.

Other Revenues

3.4% of the total. This group includes revenues from the General, Capital, Grant, Enterprise, and Trust Funds. These revenues are budgeted based on numerous methods, including trend analysis, economic analysis, and estimates provided by State and Federal agencies.

Other Local Taxes

2.8% of the total. This includes Recordation, 911 Fees, Impact Fees, and Admission Fees. Recordation makes up about 90.0% of these fees. Trend analysis, current housing market, and opinions from industry experts are the sources of this budget.

Reallocated Funds

0.6% of the total. These funds may consist of reallocated bonds, reallocated General Fund transfer, and reallocated Property Taxes. These funds were previously appropriated to projects that either came in under budget or the decision was made not to move forward with the projects. These sources of funding are being reallocated to projects included in the FY 22 budget.

In FY 22, a total of \$4.2M in bonds and current funding is being reallocated for various capital projects, such as road paving. The amount that we can reallocate depends on several factors, including projects that were completed under budget or projects that were eliminated. The very nature of these types of decisions prevents it from being predictable or consistent with previous years.

State Shared

0.5% of the total. The State provides Police Aid, Program Open Space, and Highway User Revenues. These are based on State estimates, as well as our own economic and legislative analysis.

Licenses & Permits

0.3% of the total. Fees charged for the various services requested by residents and contractors. These revenues are budgeted based on numerous methods, including trend analysis, economic analysis, and real estate market analysis.

Interest

0.1% of the total. The primary source of this revenue is interest earned on investments. The budget is based on economic and monetary analysis, as well as consultation with the County's Investment Officer.

Quick Guide to the FY 22 Budget

A Quick Guide to the FY 22 Budget

Department of Management and Budget

This Quick Guide is intended to serve as a summary of important information and changes, as well as a tool for understanding and locating information in the budget books.

The Recommended, Proposed, and Adopted Budgets are available online at <https://www.carrollcountymd.gov/government/directory/management-budget/bureau-of-budget/>

Revenues (87-93, 105-122, 127)

- The FY 22 Budget increases \$57.0M, or 13.7%, from the FY 21 Budget.
- Positive reassessments in FY 20 – 22, offset by reductions in Business Tax, result in Property Tax revenue growth of 2.2%, or \$5.0M, in FY 22.
- Income Tax increases \$10.4M, or 6.7%. Average growth in distributions is planned at 4.2% in FY 23 to FY 27.
- Prior and Current Year surplus increases \$40.9M.
- Recordation increases \$0.5M, or 3.9%. This revenue is driven by activity in the housing market.

Expenditures

- For comparison purposes, the changes and percentages listed below are presented without benefits for the General Fund.
- A 5.55% salary increase is included for County personnel in FY 22.

General Fund:

Carroll County Public Schools Summary (133-138)

- County funding to Carroll County Public Schools (CCPS) is up \$7.2M, or 3.63%, from FY 21. One-time funding of \$1M is included for bonuses.

Education Other Summary (139-147)

- Carroll Community College increases \$91,650, or 0.9%. One-time funding of \$0.2M was included in FY 21.
- Carroll County Public Library increases \$564,170, or 6.0%, for a 3.55% salary increase.
- Community Media Center decreases \$15,000, or 2.3%, to reflect actual revenue collection levels.

Public Safety and Corrections Summary (149-184)

- Public Safety 911 increases \$0.7M, or 12.6%, due to one-time costs for Motorola Software User Agreement and eight Emergency Communication Specialist positions.
- Total Sheriff's Office increases \$2.0M, or 10.0%, for an enhanced salary plan, prescription costs, and one-time positions costs associated with converting five positions to a Digital Records Unit. The Digital Records Unit is contingent upon receiving grant funding for cameras. These costs are partially offset by employee turnover and a

reduction in positions due to a mid-year conversion to a contractual food service provider at the Detention Center.

- State's Attorney's Office increases \$0.6M, or 18.6%, for seven additional positions associated with a Digital Evidence Unit. The Digital Evidence Unit is contingent upon receiving grant funding for cameras.
- VESA/EMS combined funding includes an ongoing increase of 3.0%.
- Net New Funding for Fire and EMS begins in FY 22 to fund the transition to County EMS services, previously provided by volunteer associations throughout the County.

Public Works Summary (185-201)

- Public Works increases \$1.5M, or 4.2%, due to the prepayment of 10-year lease for North Carroll High, partially offset by employee turnover and reduced building maintenance, and replacement vehicle purchases for Fire/EMS. A portion of Transit Administration will be paid using Transit CARES grant funding through FY 24.

Citizen Services Summary (203-231)

- Total Citizen Services decreases \$0.3M, or 14.3%, due to a Health Department grant covering Recovery Support Services expenses.
- Citizen Services – Non-Profits increases \$0.2M, or 4.2%, which includes additional funding for Youth Services Bureau's substance abuse treatment program.

Recreation and Culture Summary (209-223)

- Historical Society increases by \$20,000, or 33.3%, due to one-time funding for COVID relief.

General Government Summary (251-319)

- County Attorney decreases \$73,570, or 11.5%, due to a position transfer, employee turnover and a reduction in outside legal fees.
- Total Human Resources increases \$1.1M, or 6.6%, due to three additional positions associated with the Fire/EMS transition in Human Resources Administration, health benefit costs, and health benefits for additional positions.
- Technology Services increases \$0.5M, or 10.3%, due to new digital evidence management system for Sheriff's Office and State's Attorney's Office, virtual meeting software, and renewal of multi-year software maintenance, partially offset by lower backup system and virtual servers maintenance.
- Board of Elections increases \$0.3M, or 17.2%, due to employee turnover, an increase in state billing, and two additional state positions.
- Not in Carroll includes \$0.3M to combat drug abuse and provide additional resources for drug prevention, treatment, prosecution, and enforcement.
- County Commissioners decreases \$47,070, or 5.5%, due to the elimination of a position.

Debt, Transfers, and Reserves Summary (329-336)

- Debt Service decreases \$3.3M, or 14.9%, due to retiring more debt than new issuance, bond refunding, and lower interest rates.

- Agricultural Land Preservation Debt Service increases \$0.4M, or 23.7%, due to new Installment Purchase Agreement (IPA) easement purchased in FY 20 and a one-time principal payment of \$0.2M.
- Intergovernmental Transfers, or Town-County Agreements, increases \$36,560, or 1.1%, due to inflation, population, and State Aid for Fire.
- Interfund Transfers increases \$38.5M, or 90.8%, due to increases in the Transfer to Capital Fund for one-time projects and the Transfers to Airport, Fiber Network and Solid Waste. These are partially offset by a reduction in the Transfer to the Grant Fund due to CARES funding covering the Transit grants.
- The Reserve for Contingencies is generally set at 1% of General Fund revenues.

Enterprise Funds (361-406)

- Airport increases \$2.3M, or 233.4%, due to an increase in the General Fund transfer.
- Fiber Network increases \$1.9M, or 439.7%, due to an increase in the General Fund transfer to cover accumulated cash deficit.
- Firearms Facility decreases \$0.1M, or 44.5%, due to one-time projects in FY 21.
- Solid Waste increases \$2.4M, or 24.7%, due to an increase in recycling and waste transfer costs.
- Utilities increases \$0.5M, or 3.9%, due to an increase in the Transfer to Capital.

Other Funds:

Grant Fund Summary (407-427)

- Overall, every \$1.00 of County match/contribution brings in approximately \$18.40 of grant funding.

OPEB Fund Summary (429)

- The OPEB Fund decreases \$0.1M, or 0.4%, based on new actuarial information. This is partially offset by costs associated with additional positions.

Pension Fund Summary (432)

- The overall Pension Fund increases \$0.1M, or 2.5%, based on new actuarial information and the costs associated with additional positions.

LOSAP Fund Summary (434)

- LOSAP increases \$1.2M in FY 22 including \$1.0M in one-time funding to reduce the unfunded liability.

Special Revenue Fund (435)

- Hotel Rental Tax decreases \$4,590, or 1.1%.

Watershed Protection and Restoration Fund (436)

- The Watershed Protection and Restoration Fund increases \$0.6M, or 23.9%, due to debt service, additional cash funding for capital projects, and personnel costs.