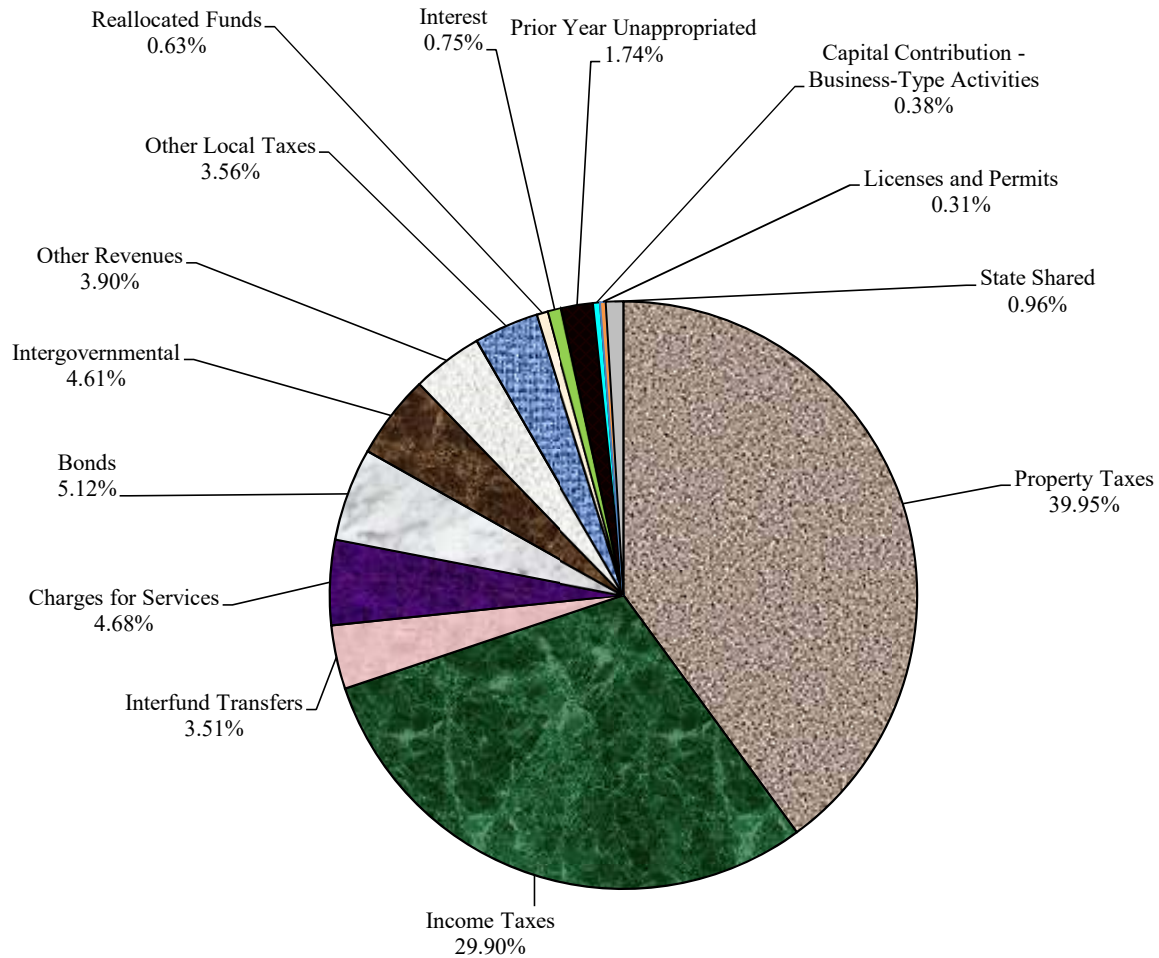


All Funds Sources - By Category

Fiscal Year 2020 Budget

\$548,069,185

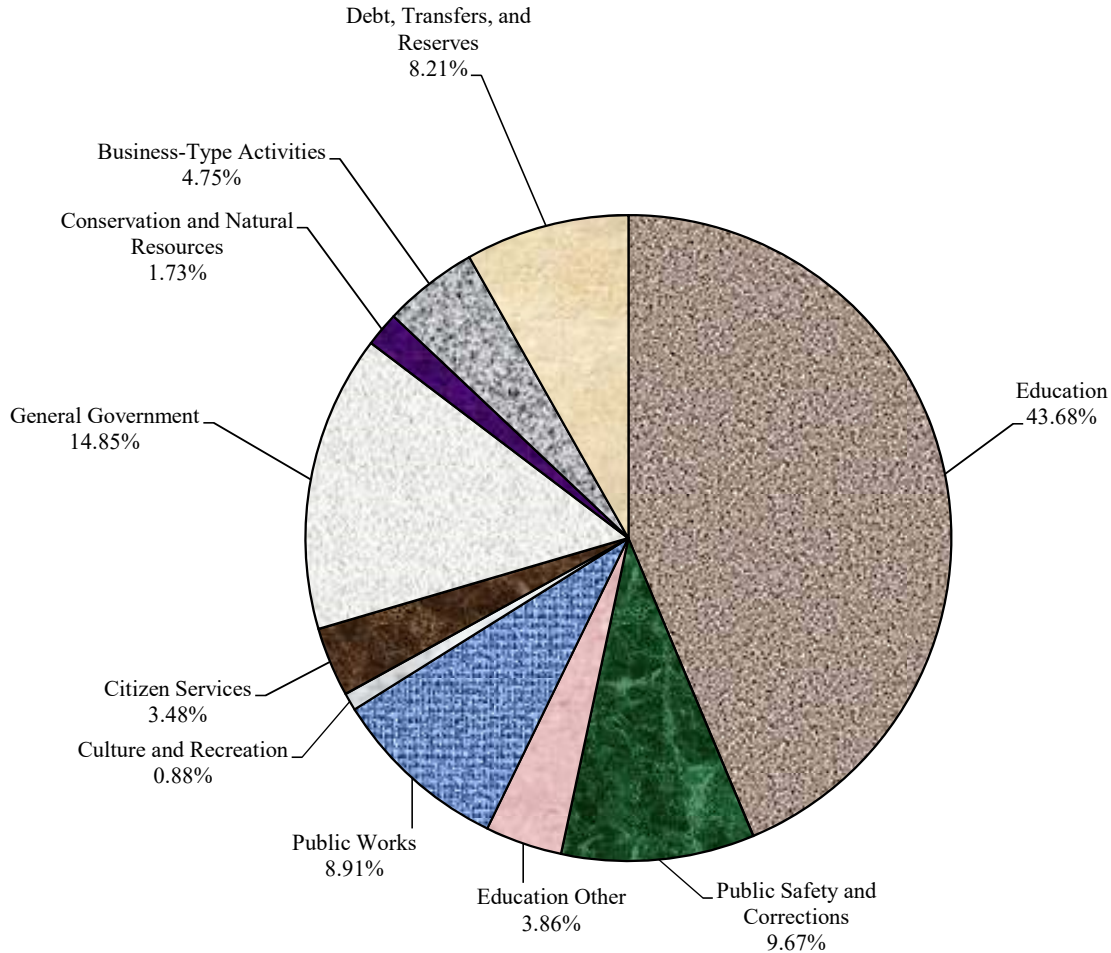


Category	FY 18 Actuals	FY 19 Budget	Change from FY 18	FY 20 Budget	Change from FY 19
Property Taxes	\$207,861,776	\$212,754,383	2.4%	\$218,949,100	2.9%
Income Taxes	153,469,703	161,002,901	4.9%	163,878,720	1.8%
Interfund Transfers	16,694,636	18,971,177	13.6%	19,213,960	1.3%
Charges for Services	24,639,329	25,769,961	4.6%	25,661,490	-0.4%
Bonds	0	29,079,243	100.0%	28,074,330	-3.5%
Intergovernmental	17,513,633	31,405,379	79.3%	25,282,700	-19.5%
Other Revenues	27,273,809	20,481,304	-24.9%	21,375,485	4.4%
Other Local Taxes	19,415,591	18,623,800	-4.1%	19,501,300	4.7%
Reallocated Funds	6,087,130	27,462,427	100.0%	3,434,650	-87.5%
Interest	17,900,589	3,721,958	-79.2%	4,136,663	11.1%
Prior Year Unappropriated	5,307,865	12,999,001	100.0%	9,518,657	-26.8%
Capital Contribution - Business-Type Activities	2,707,232	721,000	0.0%	2,095,000	190.6%
Licenses and Permits	1,417,374	1,600,150	12.9%	1,711,000	6.9%
State Shared	860,983	4,372,730	407.9%	5,236,130	19.7%
Total	\$501,149,650	\$568,965,414	13.5%	\$548,069,185	-3.7%

All Funds Uses - By Category

Fiscal Year 2020 Budget

\$548,069,185

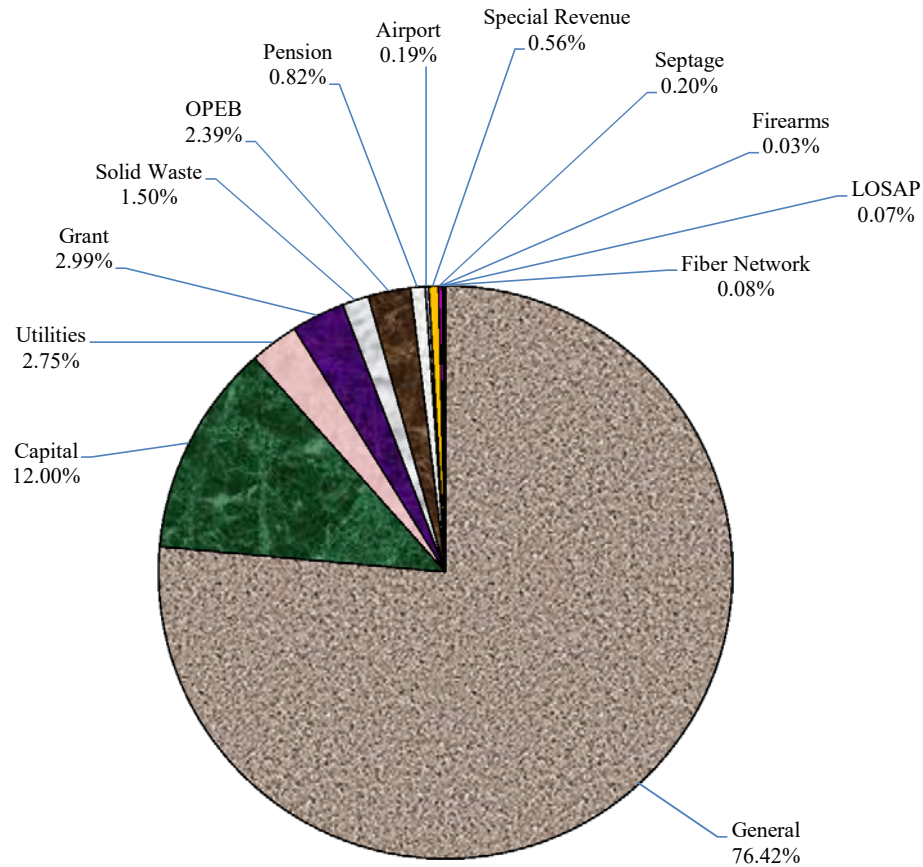


Category	FY 18 Actual	FY 19 Budget	Change from FY 18	FY 20 Budget	Change from FY 19
Education	\$220,183,374	\$241,532,069	9.7%	\$239,380,220	-0.9%
Public Safety and Corrections	59,997,598	56,081,189	-6.5%	52,984,217	-5.5%
Education Other	30,009,469	22,034,880	-26.6%	21,146,370	-4.0%
Public Works	47,718,300	53,200,724	11.5%	48,807,100	-8.3%
Culture and Recreation	4,526,209	4,712,190	4.1%	4,823,680	2.4%
Citizen Services	19,545,982	19,074,224	-2.4%	19,078,038	0.0%
General Government	38,148,714	90,905,149	138.3%	81,392,070	-10.5%
Conservation and Natural Resources	7,285,713	9,888,910	35.7%	9,465,430	-4.3%
Business-Type Activities	23,366,958	26,097,090	11.7%	26,010,730	-0.3%
Debt, Transfers, and Reserves	44,993,740	45,438,990	1.0%	44,981,330	-1.0%
Total	\$495,776,057	\$568,965,414	14.8%	\$548,069,185	-3.7%

All Funds Uses - By Fund

Fiscal Year 2020 Budget

\$548,069,185



<u>Fund</u>	FY 18 Actual	FY 19 Budget	Change from FY 18	FY 20 Budget	Change from FY 19
General	\$402,130,277	\$411,258,050	2.3%	\$418,809,330	1.8%
Capital	43,890,928	95,959,042	118.6%	65,792,709	-31.4%
Utilities	11,130,644	13,845,520	24.4%	15,077,020	8.9%
Grant	15,815,468	15,489,742	-2.1%	16,405,796	5.9%
Solid Waste	9,520,831	9,636,070	1.2%	8,224,770	-14.6%
OPEB	4,794,644	12,005,300	150.4%	13,093,310	9.1%
Pension	2,442,600	4,089,960	67.4%	4,487,350	9.7%
Airport	944,509	994,350	5.3%	1,030,990	3.7%
Special Revenue	2,525,148	2,784,230	10.3%	3,071,960	10.3%
Septage	1,195,583	985,000	-17.6%	1,073,750	9.0%
Firearms	159,251	214,450	34.7%	159,200	-25.8%
Fiber Network	416,140	421,700	1.3%	445,000	5.5%
LOSAP	810,034	1,282,000	58.3%	398,000	-69.0%
Total	\$495,776,057	\$568,965,414	14.8%	\$548,069,185	-3.7%

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 20, \$4.7M 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 \$4.7M and in the Capital Fund as revenue of \$4.7M. In order 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 20	\$548,069,185
Double-Counted Appropriations:	
Prior Year Unappropriated	\$9,279,947
Current Year Surplus	1,500
Transfer from Capital to General Fund for Board of Education Debt Service	10,225,720
Interfund Transfers from General Fund	7,642,860
Other Post-Employment Benefits	12,493,310
County and Certified Law Enforcement Pension	4,487,350
Reallocated Transfer from the General Fund	739,266
Reallocated Bonds	2,695,384
Reallocated Utilities User Fees	17,257
Special Revenue Fund – Hotel Tax	568,210
Length of Service Awards Program	398,000
Reallocated Watershed Protection and Restoration Fund Balance	237,210
Total Double-Counted Appropriations	48,786,014
Net All Funds Budget	\$499,283,171

All Funds Revenue Summary

All Funds revenue is projected to be \$548.1M in FY 20 with 69.9% of this amount coming from Property Taxes and Income Tax. Total revenue is \$20.9M, or 3.7%, below FY 19. This decrease is driven primarily by a reduction in the Capital Fund in FY 20.

Revenue In Millions	FY 18 Budget	Percent of Total	FY 19 Budget	Percent of Total	FY 20 Budget	Percent of Total
Property Taxes	\$207.1	35.9%	\$212.8	35.9%	\$218.9	39.9%
Income Taxes	158.5	27.5%	161.0	27.5%	163.9	29.9%
Bonds	29.0	5.0%	29.1	5.0%	28.1	5.1%
Charges for Services	25.0	4.3%	25.8	4.3%	25.7	4.7%
Intergovernmental	26.9	4.7%	31.4	4.7%	25.3	4.6%
Other Revenues	21.4	3.7%	20.5	3.7%	21.4	3.9%
Other Local Taxes	18.0	3.1%	18.6	3.1%	19.5	3.6%
Interfund Transfers	23.1	4.0%	19.0	4.0%	19.2	3.5%
Prior Year Unappropriated	11.6	2.0%	13.0	2.0%	9.5	1.7%
State Shared	3.1	0.5%	4.4	0.5%	5.2	1.0%
Interest	2.8	0.5%	3.7	0.5%	4.1	0.8%
Reallocated Funds	7.1	1.2%	27.5	1.2%	3.4	0.6%
Capital Contribution - Business-Type Activities	42.3	7.3%	0.7	7.3%	2.1	0.4%
Licenses and Permits	1.6	0.3%	1.6	0.3%	1.7	0.3%
Total Revenue	\$577.3	100%	\$569.0	100%	\$548.1	100%

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 39.9% 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 29.9% 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 Commissioners elected to reduce this amount to 7.09% in FY 16 and FY 17, to 7.59% in FY 18, and to 8.09% in FY 19, returning to 9.09% in FY 20.

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 5.1% 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. How much 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 20, the Commissioners are using a \$34.8M bond sale to fund capital projects.

Charges for Services

Fourth largest revenue at 4.7% of revenue. 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, Area Connection Charges, tipping fees, and airport fuel sales and 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.

Intergovernmental (State and Federal)

Fifth largest revenue at 4.6% 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 \$16.4M in various Federal and State funds, including County match of \$1.9M, to support programs such as housing, transit, meals and rental subsidies to the elderly, handicapped, disabled, and low-income families.

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

Other Revenues

3.9% 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

3.6% 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.

Interfund Transfers

3.5% 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.

Prior Year Unappropriated

1.7% of the total. This is the amount of revenue in excess of budget plus the amount of unspent appropriated dollars. Prior to FY 15, Carroll County law required that surplus funds be budgeted as revenue in the next fiscal year. During the FY 14 Legislative process, the law was changed for Carroll County effective October 1, 2013. \$8.1M of surplus is in the FY 20 Budget.

State Shared

1.0% of the total. The State provides Police Aid, Program Open Space, and Highway User Revenues. Budgets for these are based on State estimates, as well as our own economic and legislative analysis.

Interest & Gain/Loss

0.8% 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.

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 various 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 20 budget.

In FY 20, a total of \$3.4M 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.

Capital Contribution – Business-Type Activities

0.4% 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 20.

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.