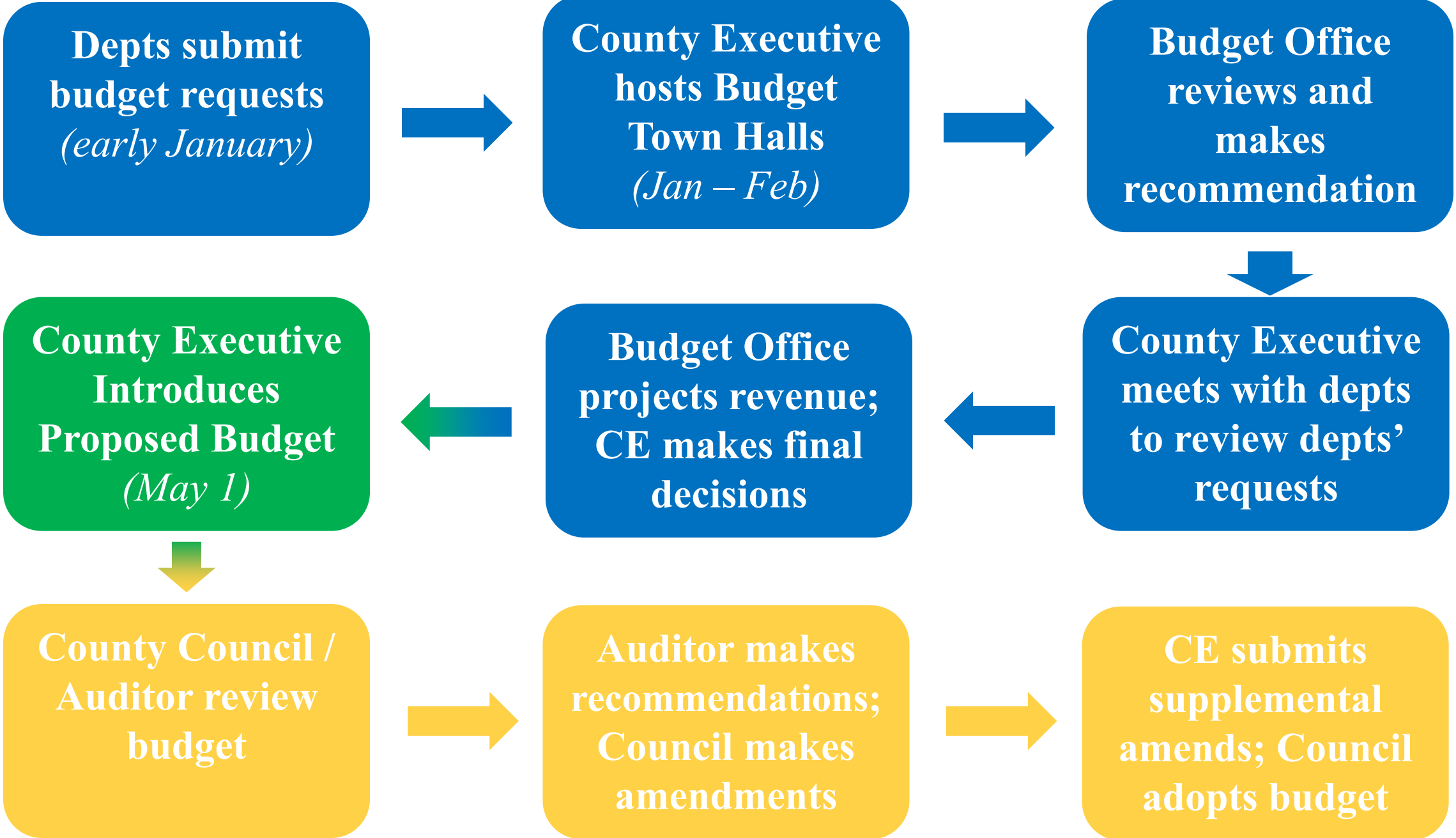




# EngageArundel Budget Presentation

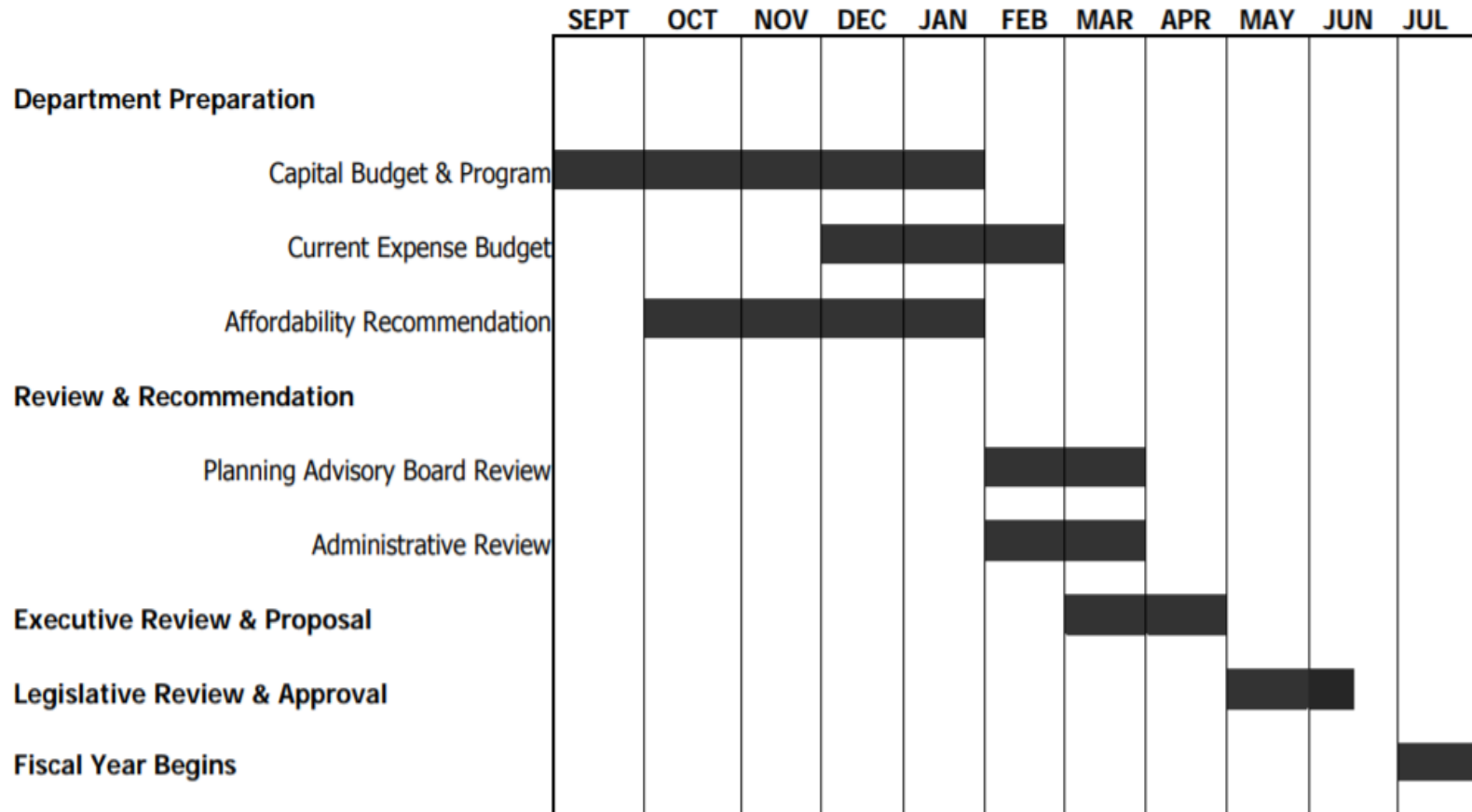
**Chris Trumbauer**  
Budget Officer

*December 18, 2024*



# FY2025

## Budget Development Process

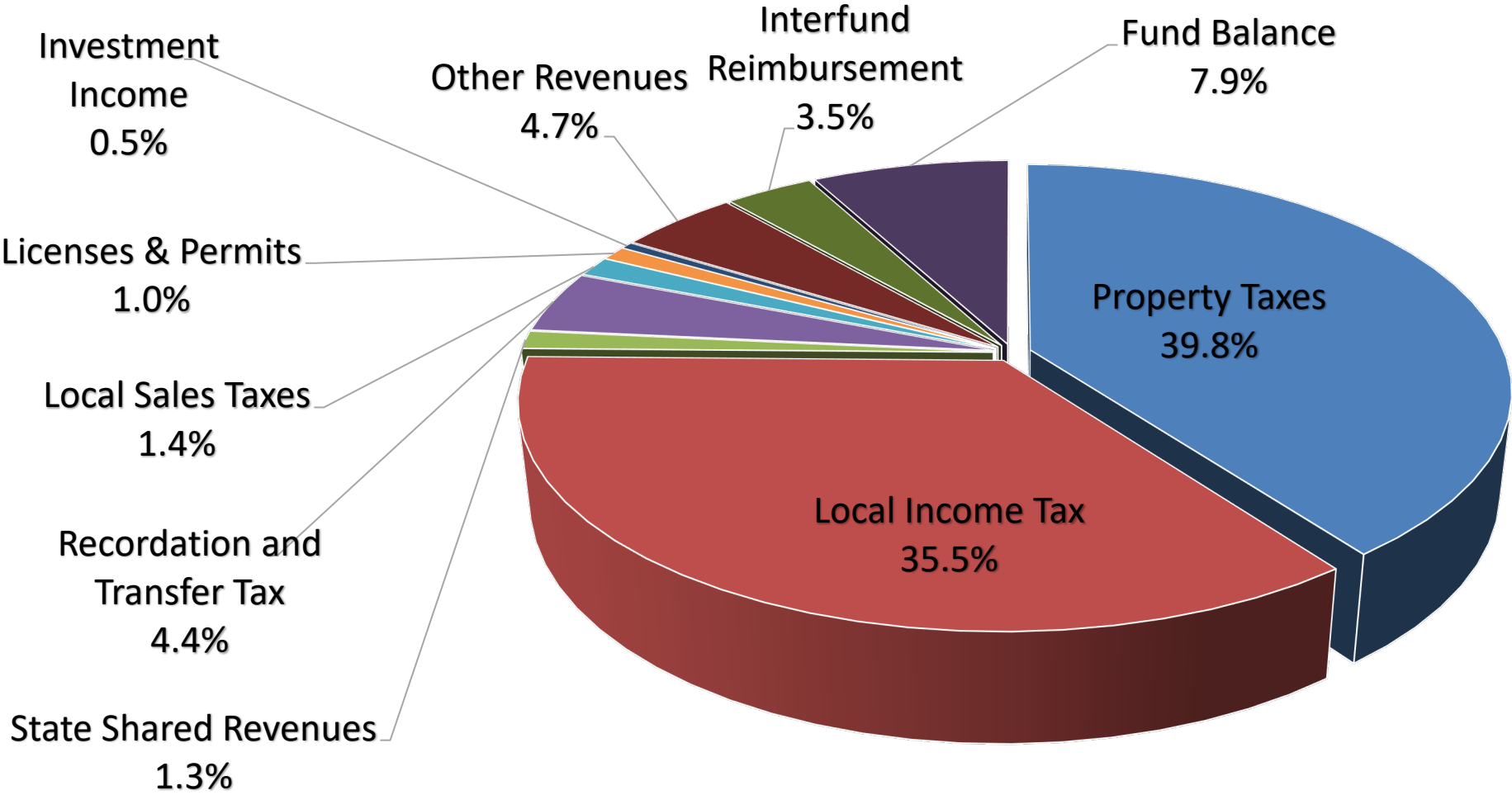


# General Fund

**\$2,312,436,300**

# General Fund Revenue

**\$2,312,436,300**

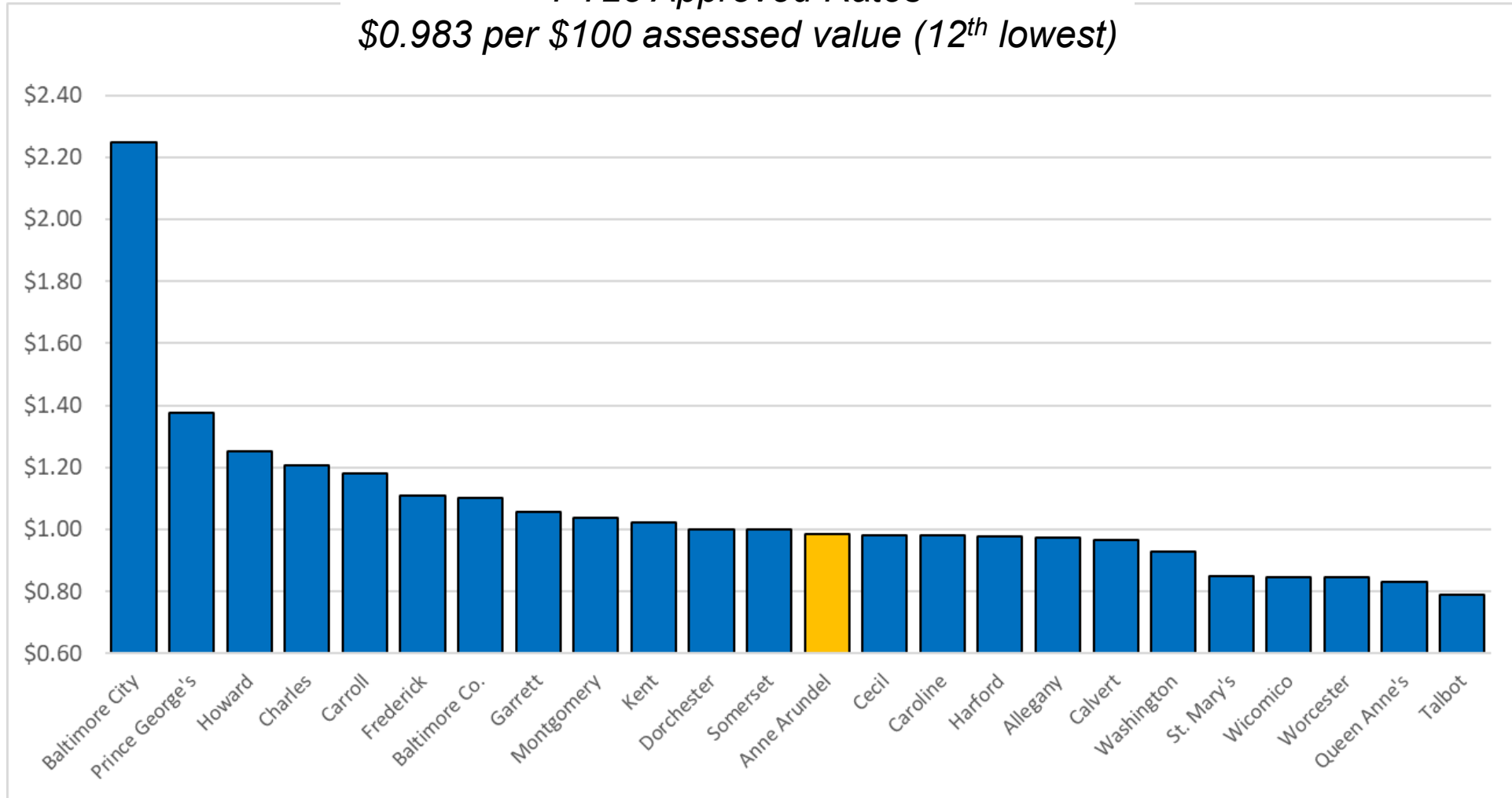


# Property Tax Revenue (page 40)

- **\$920,388,200** Projected FY25 Property Tax Revenue
- Current rate is 0.983 per \$100 of ASSESSED value
- Property Tax REVENUE cap
  - The amount of revenue from prop tax assessments (excluding new construction) can only increase by the LESSER of:  
**January Consumer Price Index (CPI)            OR            4.5%**
  - The “tax cap rate” is set to generate that amount of revenue
  - The County MAY exceed the tax cap rate to fund public education

# Property Tax Revenue

*FY25 Approved Rates*  
*\$0.983 per \$100 assessed value (12<sup>th</sup> lowest)*



# Income Tax Revenue (page 50)

- **\$820,294,000** Projected FY25 Income Tax Revenue
- County has three tiers of income tax rate, based on taxable income
- Income tax is distributed to the County by the State and each TAX year comes in over three FISCAL years (42% /48% /10%)
- Main source is withholdings and estimated payments, but other components are penalties, fiduciary, and reconciling payments.

## Single Tax Return Filers

Net Taxable Income Bracket		Tax Rate
\$ 1	\$ 49,999	2.70%
\$ 50,000	\$ 400,000	2.94%
\$ 400,001		3.20%

## Joint Tax Return Filers

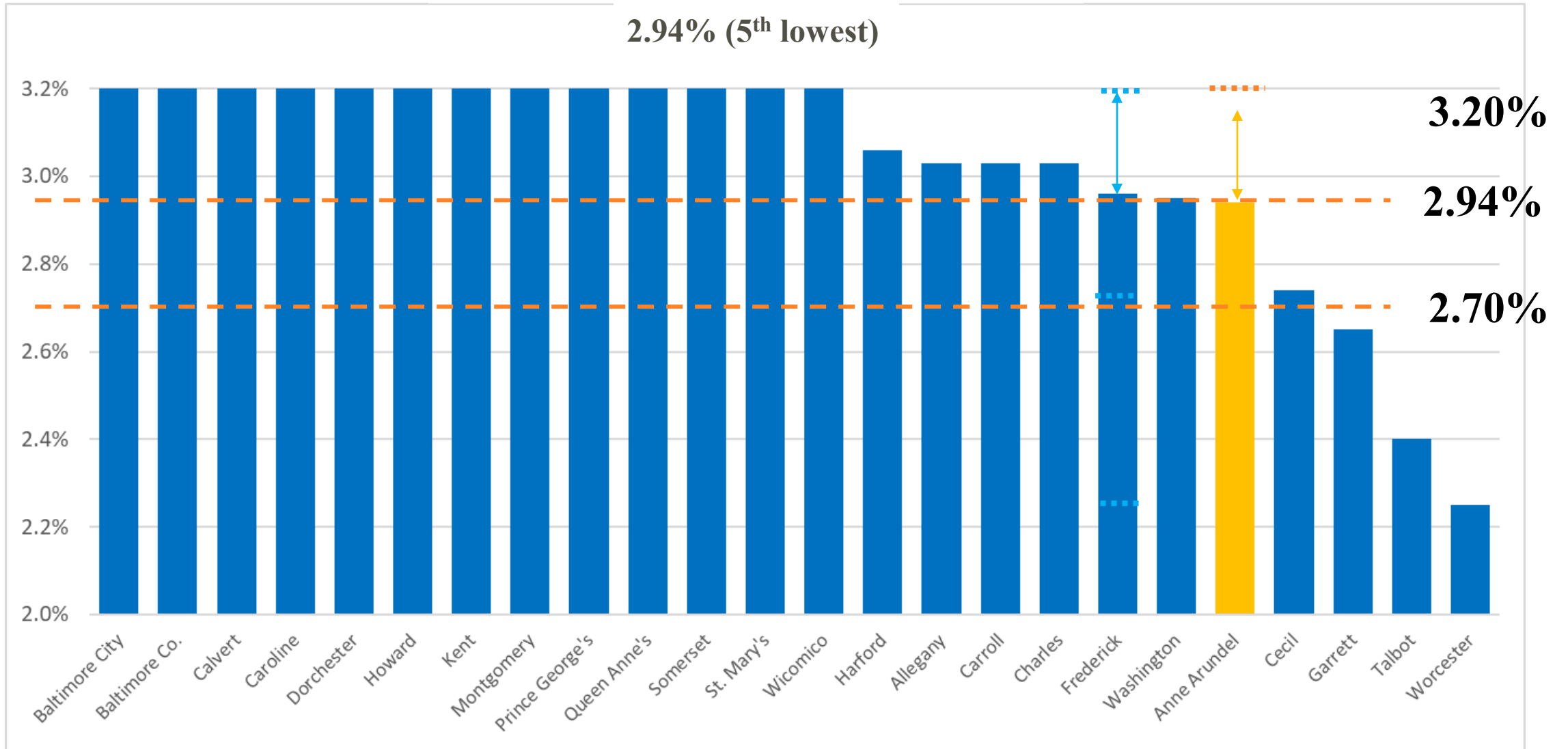
Net Taxable Income Bracket		Tax Rate
\$ 1	\$ 74,999	2.70%
\$ 75,000	\$ 480,000	2.94%
\$ 480,001		3.20%



# Income Tax Revenue

*FY25 Approved Budget*

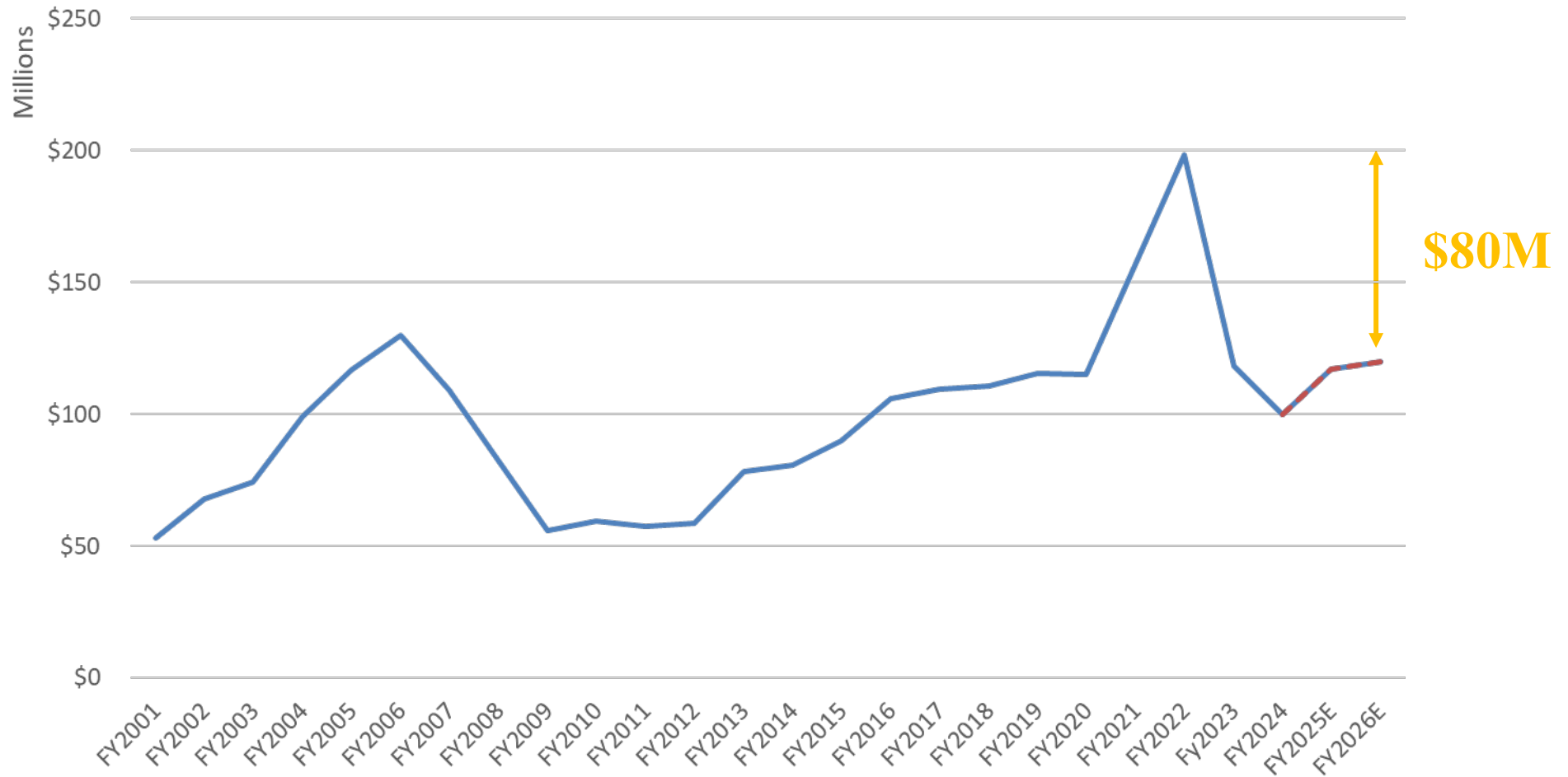
**2.94% (5<sup>th</sup> lowest)**



# **Recordation & Transfer Tax** (page 54)

- **\$102,000,000 FY25 Recordation & Transfer Taxes**
- R&T comes from real estate transactions and is very dependent on the amount of real estate activity
- Current levels are depressed due to high mortgage interest rates
- However, home prices have held steady
- County will capture more revenue once real estate market heats up (when mortgage rates go down...)

# Recordation and Transfer Taxes



# New Revenue Summary

## *FY25 Projections*

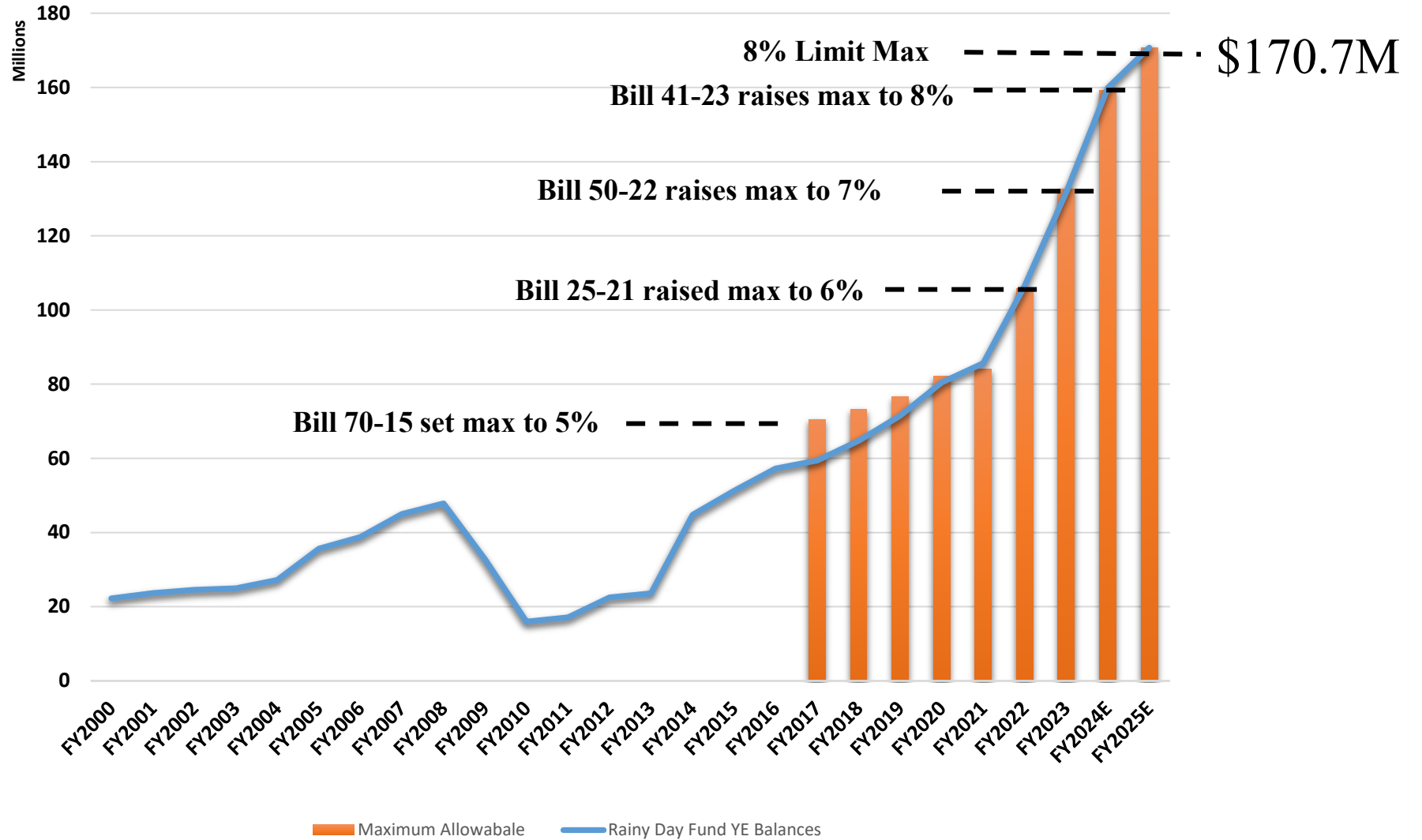
### General Fund

Income Tax:	\$ 6.0 M
Inspections and Permits	\$ 5.9 M
911 Fee:	<u>\$ 1.7 M</u>
TOTAL	\$13.6 M

Implement Red-light Speed Camera (net):	<u>\$ 2.0 M</u>
TOTAL	\$15.6 M

# Revenue Reserve Fund

\$ in Millions

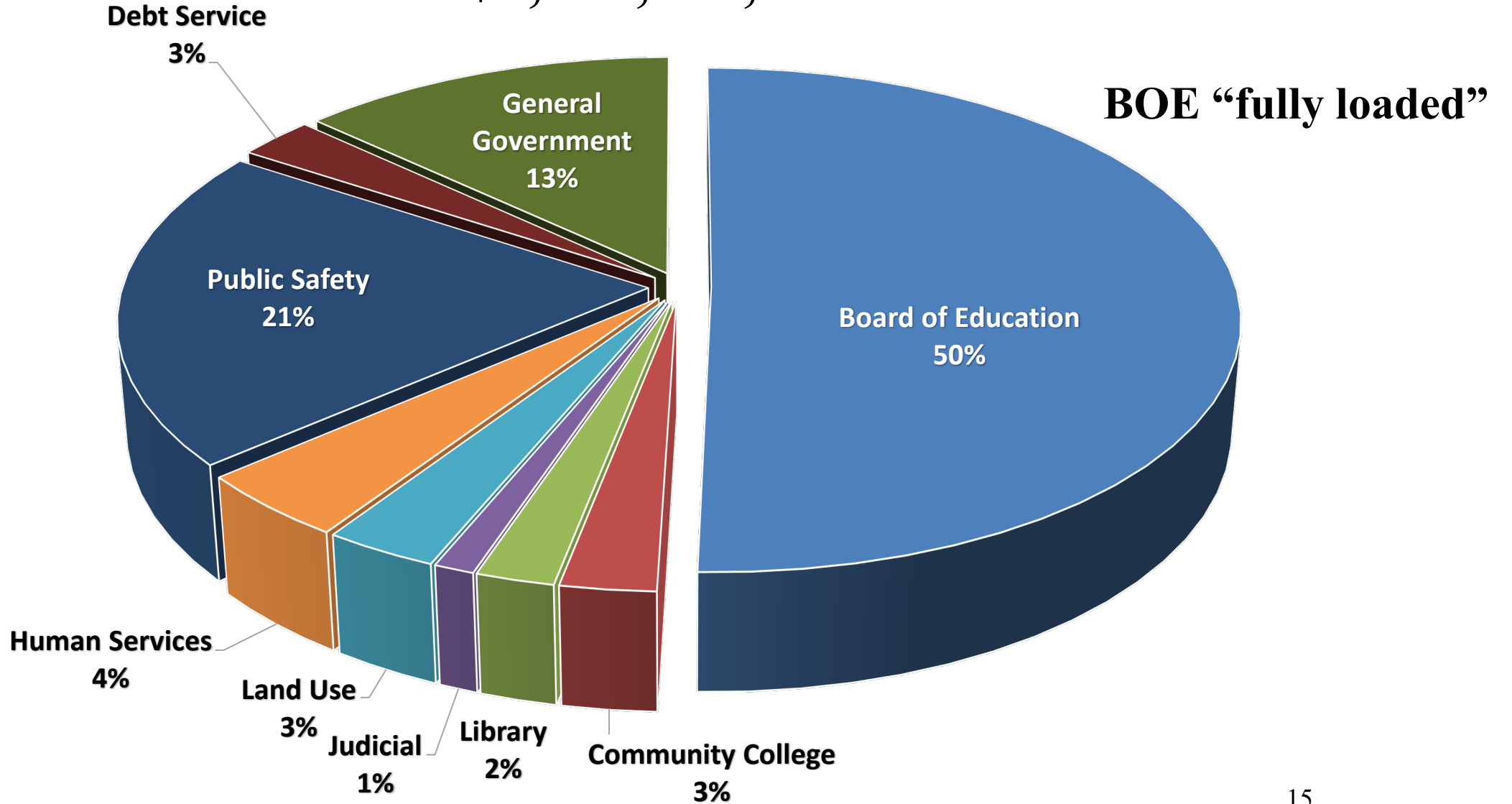


**FY2025**

**Expenditures**

# Appropriations

**\$2,312,436,300**



# Board of Education

## County Funding

(Millions)

<b>County Direct</b>	<b>\$929.3</b>
<u>Other County Funding:</u>	
Debt Service	77.6
OPEB	25.0
PAYGO	103.6* (one time)
School Health	22.9
School Safety (SROs and Xing guards)	<u>9.2</u>
<b>Total</b>	<b>\$1,167.5</b>

*Amounts to 50.5% of County Budget*

*50.3% of County Recurring Budget*



# Board of Education Funding

## Unrestricted Funds

(Millions)

	<u>Amount</u>	<u>% Total</u>
County	\$ 929.3	61.4%
State	548.2	36.2%
Federal	3.3	0.2%
BOE Revenue	<u>33.3</u>	<u>2.2%</u>
Total	\$1,514.1	100%

*Year-over-Year Increase of \$73.6 Million*

*County Contribution Increase of \$47.8 Million (64.9%)*

# Board of Education Funding (unrestricted)

- Incremental state unrestricted funding decreased dramatically in FY25
- County funding needed to make up that gap

	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>
State funding:	\$467,731,452	\$527,871,800	\$548,237,456
Incremental:	\$ 62,916.152	\$ 60,140,348	\$ 20,365,656

# **CAPITAL BUDGET**

# Debt Affordability Model

	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
New Authority, Normal	\$160,000,000	\$160,000,000	\$160,000,000	\$160,000,000	\$165,000,000	\$170,000,000
Not used (over used) in prior year	139,464,978					
New Authority, IPA's	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total New Authority Affordable</b>	<b>\$299,464,978</b>	<b>\$160,000,000</b>	<b>\$160,000,000</b>	<b>\$160,000,000</b>	<b>\$165,000,000</b>	<b>\$170,000,000</b>

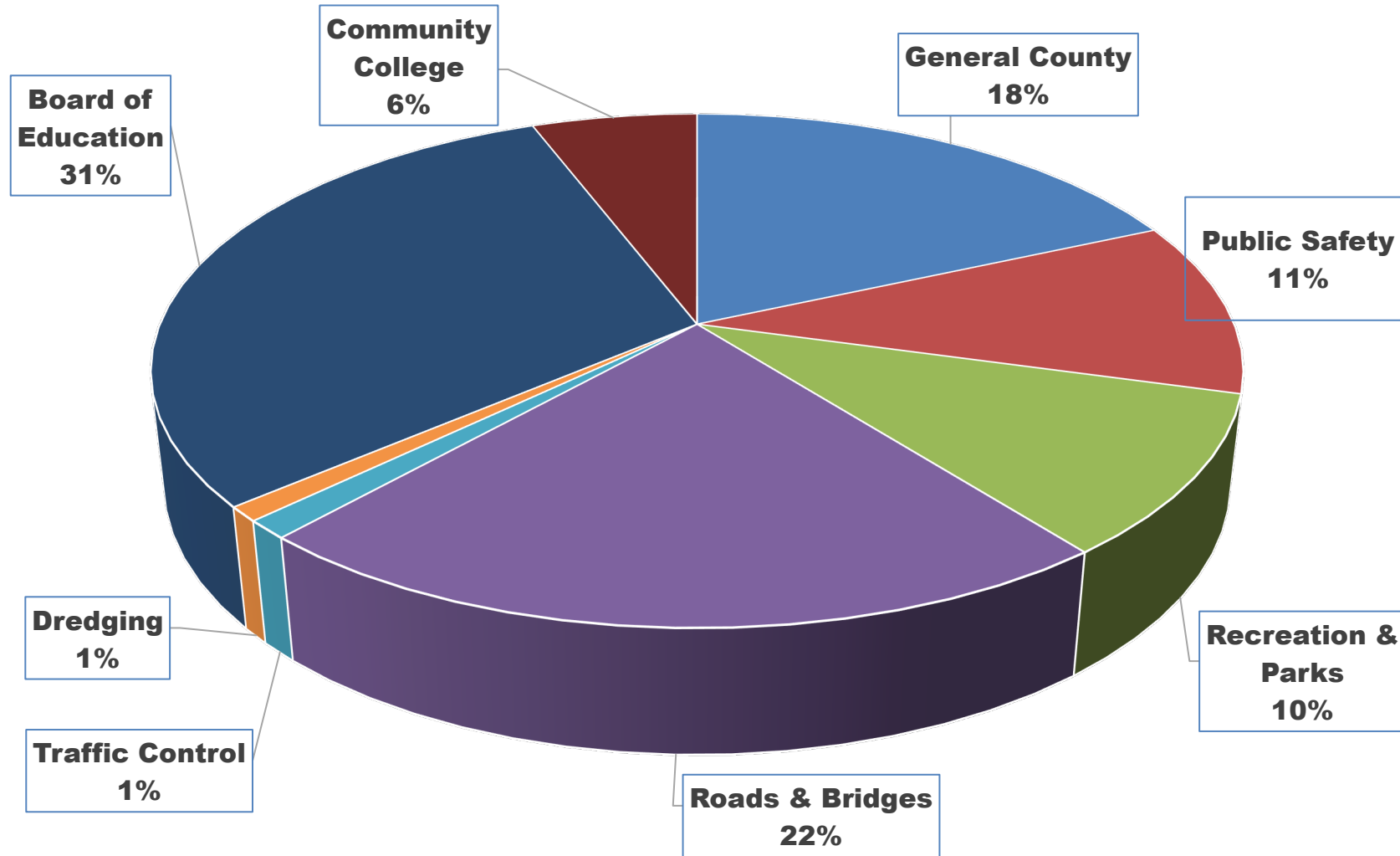
## Affordability Ratios and Guidelines

Debt Service as % of Revenue	11.5%	7.6%	8.1%	9.0%	8.6%	8.7%	8.7%
Debt as % of Full Value	2.0%	1.43%	1.57%	1.57%	1.57%	1.57%	1.57%
Debt as % of Personal Income	4.0%	3.1%	3.3%	3.3%	3.2%	3.2%	3.1%
Debt per Capita	\$3,839	\$2,633	\$2,956	\$3,020	\$3,094	\$3,162	\$3,238



Debt Service	\$161,282,603	\$175,919,698	\$199,825,300	\$196,811,620	\$203,466,520	\$207,712,872
Debt at end of fiscal year	\$1,582,255,897	\$1,787,995,347	\$1,838,661,177	\$1,896,223,283	\$1,950,459,857	\$2,010,064,456
General Fund Revenues	\$2,127,666,600	\$2,168,297,900	\$2,223,139,000	\$2,279,430,300	\$2,337,210,900	\$2,396,521,400
Estimated Full Value (000)	\$110,446,304	\$113,760,000	\$117,173,000	\$120,688,000	\$124,309,000	\$128,038,000
Total Personal Income (000)	\$51,779,000	\$54,117,000	\$56,566,000	\$59,153,000	\$61,864,000	\$64,659,000
Population	601,021	604,927	608,857	612,814	616,796	620,803

# Proposed Capital Budget & Program FY25-FY30 by Class



# Proposed Capital Budget & Program FY25 by Class\*

Class	FY25 Budget	%	Total FY25-FY30	Total %
General County	140,132,500	22.8%	331,275,500	17.7%
Public Safety	52,179,760	8.5%	197,834,600	10.6%
Recreation & Parks	96,626,972	15.7%	182,198,972	9.7%
Roads & Bridges	92,919,000	15.1%	402,135,000	21.5%
Traffic Control	3,628,500	0.6%	21,128,500	1.1%
Dredging	4,197,500	0.7%	16,628,500	0.9%
Board of Education	177,824,000	29.0%	549,136,000	29.3%
Community College	15,645,000	2.5%	105,234,000	5.6%
Library	30,894,000	5.0%	65,866,500	3.5%
<b>Total</b>	<b>\$614,047,232</b>	<b>100.0%</b>	<b>\$1,871,437,572</b>	<b>100.0%</b>

*\* General County Capital Projects Only*

# **Complete Budget Documents**

The approved Operating and Capital Budgets, as well as  
the Budget Message is available at:

**[www.aacounty.org/budget](http://www.aacounty.org/budget)**



**Anne Arundel County, Maryland**  
**Steuart Pittman, County Executive**

*“You can only spend it once!”*

**Chris Trumbauer, Budget Officer**

**Office of the Budget**  
**410-222-1222**