

**A RESOLUTION FOR THE PURPOSE OF ADOPTING  
THE OPERATING AND CAPITAL IMPROVEMENT  
BUDGETS FOR FISCAL YEAR 2015 AND LEVYING TAXES**

**Budget Authority**

**WHEREAS**, the 1985 Laws of Maryland, Chapter 725, the 1991 Laws of Maryland, Chapter 225, the 1992 Laws of Maryland, Chapter 22, the 1996 Laws of Maryland, Chapter 49, the 2001 Laws of Maryland, Chapter 237, together codified as the Code of Public Local Laws of Maryland, *Article 5*, (Calvert County), Title 5, authorizes and empowers the Board of County Commissioners of Calvert County to adopt a Budget and Appropriations each fiscal year;

**Compliance with Budget Procedures**

**WHEREAS**, the Staff Recommended Budget was received in the office of the Board of County Commissioners by March 18, 2014;

**WHEREAS**, in accordance with the Code of Public Local Laws of Maryland, *Article 5*, (Calvert County), Section 5-102(b), a public hearing on the County Commissioners' Recommended Budget was duly advertised and conducted on May 20, 2014;

**WHEREAS**, the Board of County Commissioners of Calvert County received and has considered a County Budget for Fiscal Year 2015 consisting of the current expense (operating) budget, the capital program and capital improvement budget, and the budget message;

**Property Tax Authority**

**WHEREAS**, *Tax-Property Article* of the Maryland Annotated Code, Sections 6-202, 6-204, 6-302, 6-306 and 6-308 authorizes and empowers the Board of County Commissioners of Calvert County to levy a property tax and set the property tax rate for each fiscal year;

**Authority for a Service Charge for the Semi-Annual Payment of Property Taxes**

**WHEREAS**, the Maryland Department of Assessments and Taxation has approved a service charge of fifteen-hundredths percent, (0.15%), of the amount of tax due at the second installment to cover lost interest income and administrative expenses associated with the semiannual payment for a property owner electing to pay real property taxes under a semiannual payment schedule pursuant to Section 10-204.3 of the *Tax-Property Article* of the Maryland Annotated Code. As a result, the service charge shall be effective at the rate of fifteen-hundredths percent, (0.15%), of the amount of tax due at the second installment;

**Income Tax Levy Authority**

**WHEREAS**, pursuant to Section 10-106(a) (iii) of the *Tax-General Article* of the Maryland Annotated Code the Board of County Commissioners of Calvert County shall set, by ordinance or

resolution, a County Income Tax equal to at least one percent, (1%), but not more than three and two-tenth percent (3.20%) of an individual's Maryland taxable income for the taxable year beginning after December 31, 2001;

**WHEREAS**, *Tax-General Article* of the Maryland Annotated Code, Section 10-106(a)(2) authorizes the County income tax to continue until the County changes the rate by ordinance or resolution;

**WHEREAS**, the Board of County Commissioners of Calvert County, by Resolution 33-03, adopted September 30, 2003, set the County Income Tax Rate at two point eight percent, (2.8%), of an individual's Maryland taxable income;

### Findings

**WHEREAS**, the revenue required for the implementation of the operating and capital improvements budgets for Fiscal Year 2015 necessitates a real property tax rate of Eighty-Nine and Two-Tenths of a cent (\$.892) per One Hundred Dollars (\$100.00) on the full cash assessed valuation of real property (with the exception of operating real property of a public utility) located outside the municipal limits of North Beach and Chesapeake Beach;

**WHEREAS**, the required revenue of the implementation of the said operating and capital improvements budgets for Fiscal Year 2015 necessitates an operating real and personal property of a public utility and a personal property tax rate of Two Dollars and Twenty-Three Cents (\$2.23) per One Hundred Dollars (\$100.00) on the assessed valuation of property located outside the municipal limits of North Beach and Chesapeake Beach;

**WHEREAS**, the Board of County Commissioners has considered a tax rate differential for the Towns of Chesapeake Beach and North Beach, pursuant to *Tax-Property Article*, Section 6-306 of the Maryland Annotated Code;

**WHEREAS**, the revenue required for the implementation of the said operating and capital improvements budgets necessitates a real property tax rate of Fifty-Five and Six-Tenths of a cent (\$.556) per One Hundred Dollars (\$100.00) on the full cash assessed valuation of real property (with the exception of operating real property of a public utility) located inside the municipal limits of North Beach and Chesapeake Beach;

**WHEREAS**, the required revenue of the implementation of the said operating and capital improvements budgets necessitates an operating real and personal property of a public utility and a personal property tax rate of One Dollar and Thirty-Nine Cents (\$1.39) per One Hundred Dollars (\$100.00) on the assessed valuation of property located inside the municipal limits of North Beach and Chesapeake Beach; and

**WHEREAS**, the Board of County Commissioners of Calvert County believes it to be in the best economic interest of the County and its citizens to maintain the current County Income and Property Tax rates.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of County Commissioners of Calvert County, Maryland that there is hereby levied a real property tax rate of Eighty-Nine and Two-Tenths of a cent (\$0.892) per One Hundred Dollars (\$100.00) on the full cash assessed valuation of real property (with the exception of operating real property of a public utility) located outside the municipal limits of both North Beach and Chesapeake Beach in the estimated amount of Ten Billion Three Hundred Million Dollars (\$10,300,000,000).

**BE IT FURTHER RESOLVED** by the Board of County Commissioners of Calvert County, Maryland that there is hereby levied a real property tax of Fifty-Five and Six-Tenths of a cent (\$0.556) per One Hundred Dollars (\$100.00) of the full cash assessed valuation of real property (with the exception of operating real property of a public utility) within the municipal limits of North Beach and Chesapeake Beach, in the estimated amount of Two Hundred Thirty-One Million Dollars (\$231,000,000) in the Town of North Beach and Seven Hundred Thirty-Seven Million Dollars (\$737,000,000) in the Town of Chesapeake Beach.

**BE IT FURTHER RESOLVED** by the Board of County Commissioners of Calvert County, Maryland that a personal property rate of Two Dollars and Twenty-Three Cents (\$2.23) per One Hundred Dollars (\$100.00) is hereby levied on the assessed valuation of operating real and operating personal property of a public utility and personal property located outside the municipal limits of both North Beach and Chesapeake Beach in the estimated amount of Nine Hundred Sixty-Five Million Dollars (\$965,000,000).

**BE IT FURTHER RESOLVED** by the Board of County Commissioners of Calvert County, Maryland that a personal property tax rate of One Dollar and Thirty-Nine cents (\$1.39) per One Hundred Dollars (\$100.00) is hereby levied on the assessed valuation of operating real and operating personal property of a public utility and personal property located within the municipal limits of North Beach and Chesapeake Beach, in the estimated amount of Four Million Dollars (\$4,000,000) in the Town of North Beach and One Million Dollars (\$1,000,000) in the Town of Chesapeake Beach.

**BE IT FURTHER RESOLVED** by the Board of County Commissioners of Calvert County, Maryland that, notwithstanding the foregoing, every valid Tax Credit agreement and agreement for the Payment In Lieu of Taxes executed by the Board of County Commissioners of Calvert County, Maryland heretofore, shall supersede the tax rates set forth herein and taxes levied hereby for so long as that agreement shall remain valid and effective.

**BE IT FURTHER RESOLVED** by the Board of County Commissioners of Calvert County, Maryland that an interest rate of 0.15% annual percentage rate (APR) be established for the semi-annual real property tax payment option. This APR plus an administrative fee (10% of the APR) equates to a total semi-annual payment service charge rate of 0.17%. Therefore, for the three-month period, October 2014 to December 2014, this fee is 0.04%.

**BE IT FURTHER RESOLVED** by the Board of County Commissioners of Calvert County, Maryland that General Fund appropriations for FY 2015 in the amount of Two Hundred Forty-Two Million Nine Hundred Twenty Two Thousand Five Hundred Eighty-Two Dollars

(\$242,922,582), allocated as set forth in Exhibit 1 and incorporated herein by reference, is adopted and enacted for the County Fiscal Year beginning July 1, 2014 (FY 2015).

**BE IT FURTHER RESOLVED** by the Board of County Commissioners of Calvert County, Maryland that the Capital Improvement appropriations for FY 2015 in the amount of Twenty-Eight Million, Four Hundred and Six Thousand, Nine Hundred Seventy-Seven Dollars (\$28,406,977), allocated as set forth in Exhibit 1 attached hereto and incorporated herein by reference, is adopted and enacted for the County Fiscal Year beginning July 1, 2014 (FY 2015).

**BE IT FURTHER RESOLVED** by the Board of County Commissioners of Calvert County, Maryland that the capital program for the fiscal years ending June 30, 2016; June 30, 2017; June 30, 2018; June 30, 2019 and June 30, 2020; is hereby approved as set forth in the Calvert County Capital Improvement Plan, a copy of which is attached hereto as Exhibit 1 and incorporated herein by reference.

**BE IT FURTHER RESOLVED**, by the Board of County Commissioners of Calvert County, Maryland that this Resolution shall be effective as set forth below.

**DONE**, this 3<sup>rd</sup> day of June, 2014, by the Board of County Commissioners of Calvert County, Maryland, sitting in regular session.

Aye: 5  
Nay: 0  
Absent/Abstain: 0

Effective Date of Ordinance: July 1, 2014  
Effective Date of Property Tax & Service Charge: July 1, 2014  
Effective Date of Income Tax Rate: January 1, 2015

**ATTEST:**

**BOARD OF COUNTY COMMISSIONERS  
OF CALVERT COUNTY, MARYLAND**

Maureen Frederick  
Maureen Frederick, Clerk

Pat Nutter  
Pat Nutter, President

Steven R. Weems  
Steven R. Weems, Vice President

Approved for form and legal sufficiency  
on May 28, 2014 by:

Gerald W. Clark  
Gerald W. Clark

Susan Shaw  
Susan Shaw

Evan K. Slaughenhoupt Jr.  
Evan K. Slaughenhoupt Jr.

Received in Public Office of John B. Norris, County Attorney  
at 10:30 o'clock on 6/4/2014  
recorded in Liber KPS No. 44 A. M. Same day  
Folio 503  
COUNTY COMMISSIONERS  
ORDINANCES AND RESOLUTION.

Gary P. Smith