

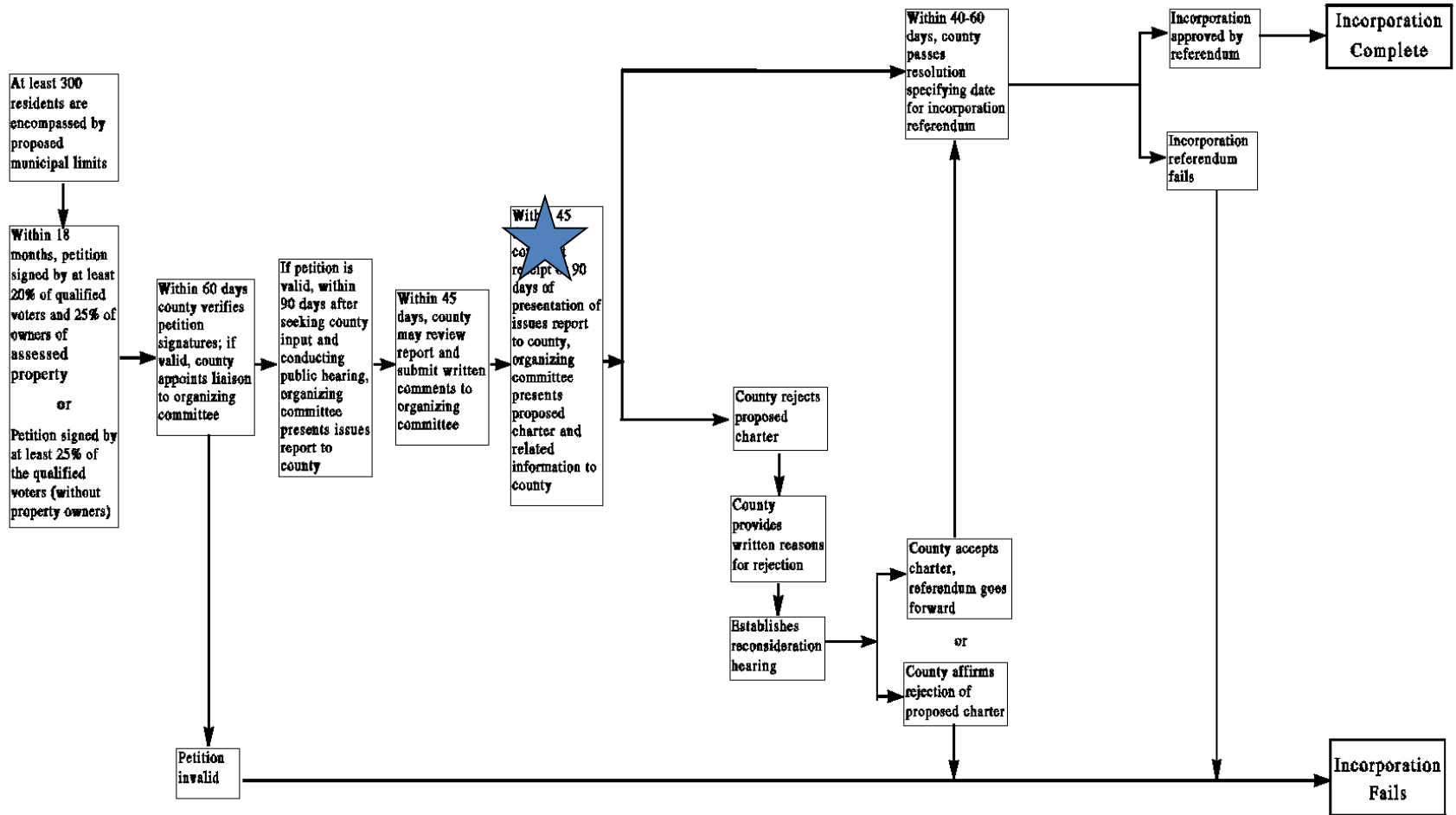
Calvert Shores

Calvert Shores Organizing Committee

Status Report

- **“Proposed Charter And Financial-Impact Analysis For The City Of Calvert Shores”**
- **Submitted 4/26/16 to BOCC**
- **2nd and final report due under Muni law**

Maryland Municipal Incorporation Procedures



Report Summary

- Vol. I Charter
 - ❖ Draft from December
 - ❖ Revised based on Jan. meeting feedback, e-mails and public meeting on 2/3
 - ❖ See Issues Report section on Charter revisions for reasons why or why not changes were made

Report Summary

- Vol. II Fiscal Impact Report - **required**
 - on residents within boundaries
 - on residents in the vicinity
 - on the County
 - on property-tax rates and
 - description of proposed services
- *Additional information included by committee:*
 - *fiscal impact on businesses*

Methodology

Data collected and reviewed from:

- County government
- Chesapeake Beach
- North Beach
- Belair
- Cambridge
- Frederick
- La Plata

Services Review

- MML Survey
- 6 Comp towns (prior slide)
- Committee's Survey

Impact on Residents – Positive

<u>Current</u> : POACRE Roads Fee + STD ¹	\$442
<u>After Incorporation</u> : Municipality Property Tax ²	\$78
Net ³	(\$364)

Notes:

1. Assumes CRE membership approves ballot in July to turn Roads over to Muni and eliminates associated fees and future STDs.

2. The municipality property tax of \$78 is based on an average residential property assessment of \$155K. The owner of the highest-valued residential property in the municipality (estimated value of about \$800K) would still save \$42.

3. Non-CRE residents will have an increased quality of life and property values at an average cost of \$78/year. If allowed by law, the municipality will grant these residents a credit to eliminate even this minimal amount.

Impact on:

- Nearby Residents – positive
- Businesses
 - minimal - cost 25K total taxes for whole business district
 - increased business and development attention
- County – positive in the long term

Impact on the County

- a reduction in some services it delivers currently
- increase in the quality of life will attract new housing and business development, increasing the County's tax base.
- improved code enforcement and economic development
- eliminate the current inventory of 300-500 blighted and empty houses in the community
- revenues from income taxes and motor-vehicle taxes would increase as houses become occupied and as the wealth of the community increases.
- as housing values rise, the County should recoup, in the form of increased revenues from real-property taxes, a large portion of the funds reallocated to the municipality.

Table 2. Potential Benefits to the County

Increase in municipality real-property revenues. ^a	\$203,760
Increase in income-tax revenue with occupation of 300 currently abandoned houses. ^b	\$388,440
Savings from municipality assuming responsibility for local security and environmental issues. ^c	\$50,000
Savings from municipality performing code enforcement.	\$43,000 ^d
Savings from municipality assuming responsibility for the 62 miles of POACRE roads. ^e	\$1,800,000 ^f
Savings from municipality providing staffing for zoning control.	\$5,000 ^g
Savings from municipality adding 5 deputy sheriffs to patrol within its boundaries. ^h	\$850,000
Increase in highway-user revenues. ⁱ	\$115,000
Grants municipality brings to County.	\$250,000
Total	\$3,705,200

Proposed Services

1st Tier

- Roads Maintenance
- Security (Law Enforcement)
- Code Enforcement (Public Health And Local Code Enforcement)
- Local Zoning

2nd Tier

- Trash And Leaf Collection,
- Street Lighting
- Youth Programs
- Senior Services
- Enhanced Public Transportation

Budget Estimates

- Used real numbers when available (e.g. market rate for rent)
- Estimated expenses based on current costs
- Budget is a construct to enable report to be completed
- Actual budget TBD by elected officials after 11/16

Table 6 Budget Item	Fiscal Year			
	FY17 (1/2)	FY18	FY19	FY20
Personnel				
General Government	\$163,088	\$326,680	\$327,200	\$327,737
Public Works-Admin	\$80,043	\$161,792	\$163,433	\$165,126
Public Works-Roads+Grounds	\$219,604	\$395,597	\$399,514	\$403,584
Police & Code Enforce.	\$45,132	\$91,213	\$92,127	\$93,069
Subtotal	\$507,867	\$975,282	\$982,274	\$989,516
Operations				
General Government	\$195,571	\$395,326	\$399,695	\$404,251
Public Works-Admin	\$30,520	\$61,693	\$62,375	\$63,086
Public Works-Roads+Grounds	\$289,034	\$535,544	\$481,225	\$466,379
Police & Code Enforce.	\$434,513	\$1,052,164	\$1,052,626	\$1,748,935
Subtotal	\$949,638	\$2,044,727	\$1,995,921	\$2,682,651
Capital				
General Government	\$4,500	\$9,000	\$9,000	\$9,000
Public Works-Admin	\$20,050	\$5,100	\$5,100	\$5,100
Public Works-Roads+Grounds	\$233,334	\$904,264	\$991,123	\$911,627
Police & Code Enforcement	\$15,250	\$4,600	\$4,600	\$5,750
Subtotal	\$273,134	\$922,964	\$1,009,823	\$931,477
Other				
Debt Service	\$0	\$0	\$0	\$0
Judgments & Losses	\$50	\$405	\$400	\$400
Operating Reserves	\$0	\$0	\$475,000	\$428,000
Prior-Year Receipts	\$0	\$0	\$0	\$0
Scholarship Grants	\$1,000	\$2,000	\$2,000	\$2,000
Subtotal	\$1,050	\$2,405	\$477,400	\$430,400
Totals	\$1,731,689	\$3,945,378	\$4,465,418	\$5,034,044

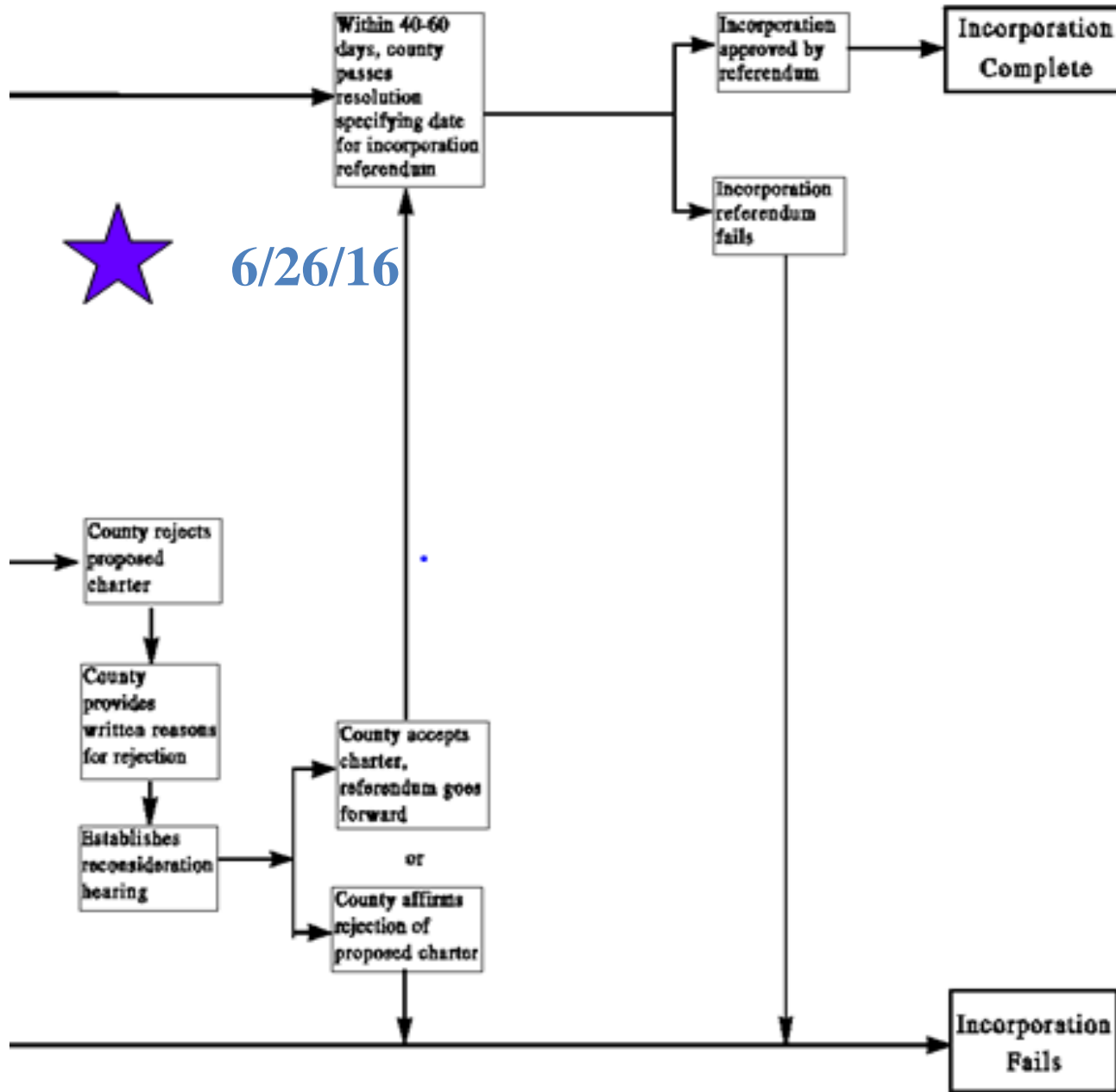
Table 5				
Revenue Source	FY17 (½)	FY18	FY19	FY20
Municipal real-property taxes	\$201,877	\$408,073	\$412,582	\$417,286
County tax differential	\$1,356,461	\$2,741,950	\$2,772,249	\$2,803,852
Personal-property tax businesses	\$2,500	\$5,054	\$5,109	\$5,168
Franchise fee	\$20,000	\$40,000	\$40,000	\$40,000
Income tax	\$0	\$447,728	\$930,344	\$1,452,789
Highway-user revenues	\$60,709	\$118,052	\$120,100	\$121,584
Admission +amusement taxes	\$0	\$300	\$300	\$300
Business-license and permits	\$4,406	\$8,906	\$9,005	\$9,107
State aid for police protection	\$52,360	\$106,669	\$106,669	\$114,469
Miscellaneous fees	\$33,375	\$68,646	\$69,059	\$69,490
Totals	\$1,731,688	\$3,945,378	\$4,465,417	\$5,034,045

Conclusion

- Both Calvert County and Calvert Shores benefits
- County services and expenses in the community are reduced
- When municipal growth and development occurs, the County shares in the bounty.
- An increase in State-shared revenues and alternate funding sources will reduce the overall cost of government for thousands of families.
- Raising the quality of life in Southern Calvert County while maintaining the lowest possible cost by accessing more State and Federal dollars for thousands of homes and families, will raise the quality of life for the County as a whole.

WHAT NEXT?

- BOCC Decides



Contact BOCC

- They need to hear from you!
- Call, e-mail or speak during the public comment period (around 11-11:30) each Tuesday.
- 410-535-1600 (Main)
- 410-535-2160 (Direct)
- Fx: 410-535-5594

BOCC E-Mail Addresses

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Any questions/coments?