

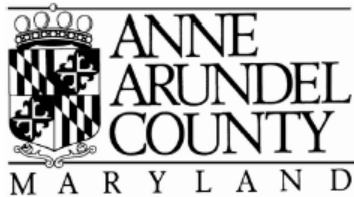
John R. Leopold, County Executive

Information about your Anne Arundel County Property Tax Bill

Tax Period:
July 1, 2011 to June 30, 2012

Real Property Tax Rates:
(Per \$100 Taxable Assessment)

State Of Maryland	\$0.112
Anne Arundel County	\$0.543
City of Annapolis	\$0.560



Your tax bill is a function of the tax rate and your assessment. For Anne Arundel County tax purposes, the assessment for your principal residence is limited to an annual increase of 2% under the Homestead Credit Program. For State and City of Annapolis tax purposes, the limit has been set at 10%.

www.dat.state.md.us/sdatweb/homestead.html

For Questions and Inquiries, Contact Us by Phoning:

410-222-1144
TDD 1-800-735-2258

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Dear Fellow County Taxpayers,

Our County's Fiscal Year 2012 Budget reflects the challenges we face in this difficult economy. We made the sacrifices necessary to maintain fiscal discipline and preserve core services. Here are some highlights of our plan:

- The property tax rate meets the requirements of our voter-approved revenue cap. Our property and income tax rates remain the lowest in the Baltimore-Washington region and lower than when I took office in 2006.
- We eliminated 52 positions and instituted a second year of furloughs amounting to a 5 percent pay reduction for all County employees. To lead by example, I returned an equivalent portion of my own salary.

Highlights of the \$1.186 billion General Fund Budget and \$1.0 billion Capital Budget and Program include:

- Funding for the Board of Education meets the State's Maintenance of Effort requirement and funds public schools to avoid any furloughs or layoffs of teachers.
- Anne Arundel Community College received support for the landmark Science, Technology, Engineering, and Math program, which will give our students the tools they need to compete in the global economy.
- We continued to support safety net programs that address job training, hunger, domestic violence and homelessness.
- School Resource Officers were added at Corkran and Bates Middle Schools. We now have officers in all of our high schools and 11 of our 19 middle schools to ensure a safe and secure learning environment.
- More than \$16 million is allocated to road resurfacing and reconstruction projects throughout the County.

No matter what challenges we face, it is government's job to ensure that Anne Arundel County continues to be a place in which we are all proud to live and work. We will continue to provide excellent services to our citizens.

Sincerely,

John R. Leopold, County Executive



Dear Fellow Taxpayers:

The County Council recently adopted the operating and capital budgets for fiscal year 2012. The economic recession continues to adversely impact County revenue, requiring the Council to again make difficult budget decisions on allocating our limited resources.

We were able to approve funding for all essential services while reducing income taxes and remaining within the revenue limitations imposed by the property tax cap. The property tax rate is \$0.91.

The operating budget is \$1.186 billion, a reduction of \$6 million below the County Executive's request.

Included in the budget is \$5 million to start restoring the County's Rainy Day Fund and \$3.8 million to the County's contingency account – both very necessary improvements in our cash reserves.

The \$1.177 billion approved for expenditures is \$5 million above the amount approved for FY2011. While the Board of Education and the library system are receiving additional operating funds in FY2012 as compared to FY2011, the majority of County agencies will be operating with a smaller budget in FY 2012 than they had in FY 2011.

This is enabled by continued furloughs and salary reductions of about 5% to our County employees and those who serve and protect us -- our Police, Fire, Detention and Sheriff's departments.

This virtual spending freeze means that County services will generally continue at current levels.

The County Council also approved capital funding to initiate the planning of several elementary schools. Additionally, we provided funds for new science labs for Broadneck High School as well as design funds for Severna Park High School, and constructions funds for the Phoenix Center, Point Pleasant Elementary School, Northeast High School and Folger McKinsey Elementary School.

We also funded other capital projects that will enhance quality of life, including road resurfacing and reconstruction, park renovations, land preservation, dredging and waterway improvement projects, and projects to improve our water and sewer infrastructure.

Thank you for your active participation in the budget process. It is an honor to serve and represent you.

Richard B. Ladd, Chairman, 5th District

Constant Yield Tax Rate Anne Arundel County in the City of Annapolis

1. In the last taxable year the County real property tax rate was \$0.525 and the certified assessment of the net assessable real property was \$5,328,414,672. The assessment multiplied by the rate produced real property tax revenues of \$27,974,177.

2. For this taxable year the certified assessment of the net assessable real property is \$5,398,904,652. To produce the same real property tax revenues as last year the real property tax rate would be \$0.5181. This rate is called the constant yield tax rate.

3. For this taxable year the actual real property tax rate is \$0.5430, which is different from the constant yield tax rate. The rate is \$0.0249 more than the constant rate yield tax rate and will produce in real property tax revenues \$1,344,327 more than would be produced by the constant yield tax.

Semiannual Tax Payment Option

Real property taxes on a homeowners "principal residence" can be paid on an optional semiannual payment basis. One half of your tax bill is due September 30 and the balance is due on December 31. The second payment includes a service charge that is 0.20% on the balance of the payment.

Taxpayers who escrow their tax payments may choose to pay annually, but must notify their lenders by May 1st of their intent to pay annually.

More information is available on the County's Internet site.

Attention Semi-Annual Taxpayers: Your June billing will contain two payment vouchers which should be used when making your two payments to the addresses on the vouchers if your mortgage company does not make your payment for you. There will be NO second mailing in December.

Homeowners' Property Tax Credit Program

The Maryland's Homeowners' Property Tax Credit Program, and its Anne Arundel County supplement, is administered by the State and is granted to eligible homeowners based on household income. Anyone whose combined gross household family income is below \$30,000 should consider filing an application. To obtain an application, contact the State Department of Assessments & Taxation, Taxpayers' Service Division, Room 900, 301 West Preston Street, Baltimore, MD 21201. (Phone 410-767-4433) Applications must be filed by September 1. More information at: www.dat.state.md.us/sdatweb/htc.html

Tax Bill Payments

All checks should be made payable to "Anne Arundel County" and may be sent in the enclosed remittance envelope. Credit card payments are accepted only through the County's web site at www.aacounty.org. (NOTE: there is an additional charge for payments made with a credit card.) Public access to the web site is available at the following cashier locations where payment by cash or check may also be made:

- A. The Arundel Center
44 Calvert Street, Annapolis
- B. Heritage Office Park
2664 Riva Road, Annapolis
- C. County Office Building
7320 Ritchie Highway,
Glen Burnie

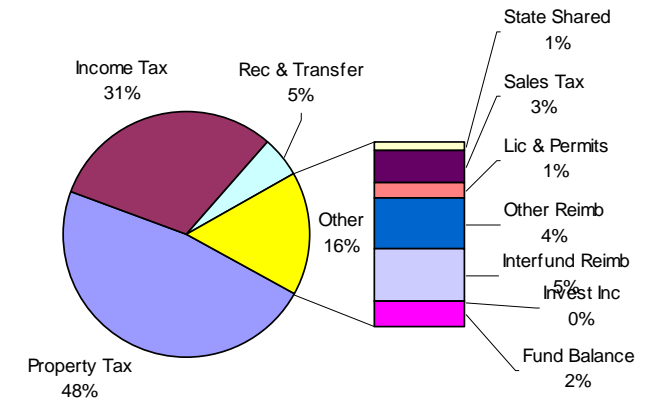
Cashiering locations are open from 8:00 a.m. to 4:30 p.m., Monday through Friday.

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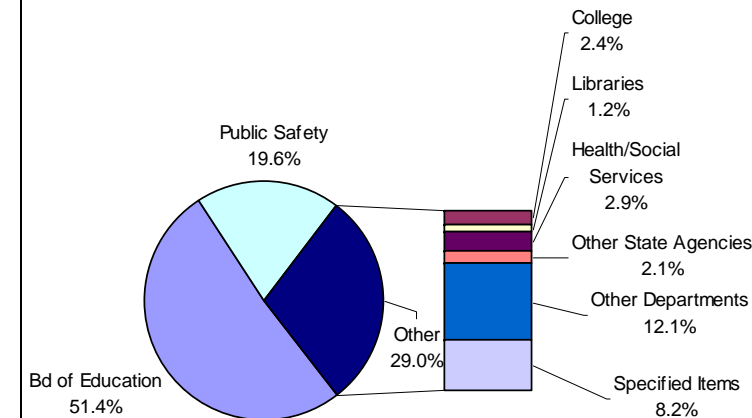
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Where the Money Comes From

FY2012 Revenue Estimate \$1,186,224,200



Where the Money Goes



Other Departments

Public Works (2.8%)
P&Z / I&P (1.6%)
Rec & Parks (1.9%)
Central Svcs (1.5%)
Info Tech (1.2%)
Other (3.2%)

Specified Items

CAO Contingency (0.7%)
PayGo (0.0%)
Debt Service (4.3%)
Self Insurance (1.1%)
Revenue Reserve (0.4%)
Retiree Health (1.5%)
OPEB Contribution (0.0%)
State Dept of Assess (0.3%)

Sub-Total (12.1%)

Sub-Total (8.2%)