

**A RESOLUTION FOR THE PURPOSE OF ADOPTING THE OPERATING BUDGET
FOR FISCAL YEAR 2026, LEVYING TAXES, AND SETTING APPROPRIATIONS**

Budget Authority

WHEREAS, the 1985 Laws of Maryland, Chapter 715, 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, 2015 Laws of Maryland Chapter 162, 2018 Laws of Maryland Chapter 114, 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 and in accordance with the Code of Public Local Laws of Maryland, Article 5, (Calvert County), Section 5-102(a), a public hearing on the Staff Recommended Budget was duly advertised and conducted on March 11, 2025;

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' Proposed Budget was duly advertised and conducted on May 6, 2025;

WHEREAS, the Board of County Commissioners of Calvert County received and has considered a County Budget for Fiscal Year 2026 consisting of the current expense (operating) budget, this Resolution, and the capital program and capital improvement budget (Resolution 29-25), 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 One and Two Thousand Three Hundred Seventy-Five Ten-Thousandths Percent (1.2375%) 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 One and Two Thousand Three Hundred Seventy-Five Ten-Thousandths Percent (1.2375%), rounded to One and Twenty-Four Hundredths Percent, (1.24%), of the amount of tax due at the second installment;

Income Tax Levy Authority

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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 Three-Tenth Percent (3.3%) of an individual's Maryland taxable income for the taxable year beginning after December 31, 2001¹;

Findings

WHEREAS, the revenue required for the implementation of the operating and capital improvements budgets for Fiscal Year 2026 necessitates a County Income Tax Rate at Three and Two-Tenth Percent (3.2%) of an individual's Maryland taxable income;

WHEREAS, the revenue required for the implementation of the operating and capital improvements budgets for Fiscal Year 2026 necessitates a real property tax rate of Nine Hundred Sixty-Seven Thousandths Dollars (\$0.967) per One Hundred Dollars (\$100.00) on the full cash assessed valuation of real property, excluding the operating real property of a public utility, located outside the municipal limits of North Beach and Chesapeake Beach;

WHEREAS, the required revenue for the implementation of the said operating and capital improvements budgets for Fiscal Year 2026 necessitates an operating real and operating personal property of a public utility and a personal property tax rate of Two and 23/100 Dollars (\$2.23) per One Hundred Dollars (\$100.00) of 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 in open session on March 18, 2025, as required by *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 Six Hundred Thirty-One Thousandths Dollars (\$0.631) per One Hundred Dollars (\$100.00) of the full cash assessed valuation of real property, excluding operating real property of a public utility, located inside the municipal limits of North Beach or Chesapeake Beach;

WHEREAS, the revenue required for the implementation of the said operating and capital improvements budgets necessitates an operating real and operating personal property of a public utility and a personal property tax rate of One and 39/100 Dollars (\$1.39) per One Hundred Dollars (\$100.00) of the assessed valuation of property located inside the municipal limits of North Beach and Chesapeake Beach;

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 adopt appropriations, set certain rates and fees, and fix, for Fiscal Year 2026, the County Income and Property Tax rates as set forth herein.

¹ Calvert is not changing its local income tax rate; this Recital simply notes that the State has increased the authorized local maximum rate to 3.30% is by operation of Section 3 of 2025 Laws of Maryland Ch. 604, which Section becomes effective July 1, 2025, and is applicable to all taxable years beginning after December 31, 2024.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of Calvert County, Maryland that there is hereby levied a County Income Tax Rate at Three and Two Tenths Percent, (3.2%), of an individual's Maryland taxable income;

BE IT FURTHER RESOLVED by the Board of County Commissioners of Calvert County, Maryland that there is hereby levied a real property tax rate of Nine Hundred Sixty-Seven Thousandths Dollars (\$0.967) per One Hundred Dollars (\$100.00) on the full cash assessed valuation of real property, excluding operating real property of a public utility, located outside either municipal limit of North Beach or Chesapeake Beach in the estimated amount of Thirteen Billion Five Hundred Sixty Four Million Five Hundred Seven Thousand Eight Hundred Fifty Dollars (\$13,564,507,850);

BE IT FURTHER RESOLVED by the Board of County Commissioners of Calvert County, Maryland that there is hereby levied a real property tax of Six Hundred Thirty-One Thousandths Dollars (\$0.631) per One Hundred Dollars (\$100.00) of the full cash assessed valuation of real property, except operating real property of a public utility, within the municipal limits of either North Beach or Chesapeake Beach, in the estimated amount of Three Hundred Thirty Million Four Hundred Thirty-Eight Thousand Thirteen Dollars (\$330,438,013), plus Two Million Six Hundred Ninety-Four Thousand Three Hundred Dollars (\$2,694,300), reflecting ½ year construction assessment, in the Town of North Beach, and One Billion Forty Nine Million Five Hundred Fifty Thousand Four Hundred Twenty Three Dollars (\$1,049,550,423) 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 and 23/100 Dollars (\$2.23) per One Hundred Dollars (\$100.00) of the assessed valuation is hereby levied on 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 Two Hundred Ninety Six Million Dollars (\$296,000,000);

BE IT FURTHER RESOLVED by the Board of County Commissioners of Calvert County, Maryland that a personal property tax rate of One and 39/100 Dollars (\$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 Two Million Dollars (\$2,000,000) in the Town of North Beach, and Ten Million Dollars (\$10,000,000) 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, or with an effective date that includes Fiscal Year 2026, 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 for semi-annual payments, the three-month period from October 2026 to December 2026, is One and Two Thousand Three Hundred Seventy-Five Ten-Thousandths Percent (1.2375%), rounded to One and Twenty-Four Hundredths Percent, (1.24%), of the unpaid balance;

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SUBJECT: FY2026 Calvert County Operating Budget –
Tax Levy, Revenues and Appropriations

BE IT FURTHER RESOLVED by the Board of County Commissioners of Calvert County, Maryland that General Fund appropriations for FY 2026 in the amount of Three Hundred Eighty-Five Million Nine Hundred Seventy-Eight Thousand Eight Hundred Twelve Dollars (\$385,978,812), allocated as set forth in Exhibit 1, the “Board of County Commissioners Operating Budget Fiscal Year 2026”, incorporated herein by reference, and made a part hereof, is adopted and enacted for the County Fiscal Year 2026 beginning July 1, 2025;

BE IT FURTHER RESOLVED by the Board of County Commissioners of Calvert County, Maryland that the rates within the “Water and Sewer Fee Schedule set forth in the Appendix “Fee and Tax Rates” to Exhibit 1, incorporated herein by reference and made a part hereof, shall be effective beginning January 1, 2026: the quarterly water base rate (charged per equivalent dwelling unit); the quarterly sewer base rate (charged per equivalent dwelling unit); the variable rates (charged quarterly per 1,000 gallons) for water and for sewer;

BE IT FURTHER RESOLVED by the Board of County Commissioners of Calvert that the rates within the “Water and Sewer Fee Schedule” set forth in the Appendix “Fee and Tax Rates” to Exhibit 1, incorporated herein by reference and made a part hereof, for the following shall be per thousand (1,000) gallons, or fraction thereof: bulk water; holding tank treatment; septage and portable toilet waste; and grease trap waste treatment; and the flat quarterly grinder pump rate beginning July 1, 2025 shall be One Hundred Fifty Dollars (\$150), which shall only apply to those 182 customers identified by Ordinance 32-18;

BE IT FURTHER RESOLVED by the Board of County Commissioners of Calvert County, Maryland that the solid waste fee within the “Solid Waste Fee Schedule” set forth in the Appendix “Fee and Tax Rates” to Exhibit 1, incorporated herein by reference and made a part hereof, shall be billed to each owner of improved real property: (a) the fee will be levied upon each dwelling, commercial or industrial unit; (b) where more than one unit exists or is constructed upon a lot or parcel is under common ownership, the assessed fee will be based on the number of commercial, industrial or residential units, including, but not limited to individual stores, or multi-family units, including, without limitations, condominiums and apartments, provided that there shall not be overlapping fees;

BE IT FURTHER RESOLVED by the Board of County Commissioners of Calvert that the fees, fines, and rates set forth in the Appendix “Fee and Tax Rates” to Exhibit 1, incorporated herein by reference and made a part hereof, shall be effective for the County Fiscal Year 2026 beginning July 1, 2025, unless otherwise specifically set forth herein;

BE IT FURTHER RESOLVED by the Board of County Commissioners of Calvert County, Maryland that: this Resolution shall be effective July 1, 2025, except as may be set forth below differently; that the Clerk shall cause a Fair Summary to be published; and the Director of Finance & Budget shall give the Comptroller notice of any rate change and the effective date of any rate change on or before July 1, 2025, as prescribed by Section 10-106(b)(2) of the *Tax-General Article* of the Maryland Annotated Code.

DONE, this 10th day of June, 2025, by the Board of County Commissioners of Calvert County, Maryland, sitting in regular session.

Aye: 3 - Commissioners Hance, Ireland and Grasso

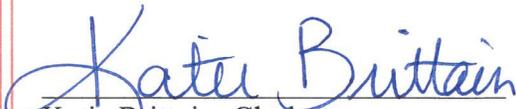
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Nay: 2 - Commissioners Cox and Hart
Absent/Abstain: 0

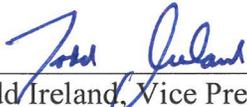
Effective Date of Ordinance, rates, fees, and charges not otherwise set: July 1, 2025
Effective Date of Property Tax & Service Charge: July 1, 2025
Effective Date of Income Tax Rate: January 1, 2026
Effective Date of Water and Sewer Base plus Variable Usage Rates: January 1, 2026

ATTEST:

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


Katie Brittain, Clerk


Earl F. Hance, President


Todd Ireland, Vice President

Approved for form and legal sufficiency
by:

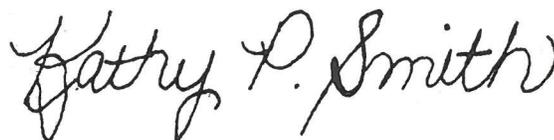

Mark C. Cox Sr


John B. Norris, III, County Attorney


Catherine M. Grasso


Mike Hart

Received for Record..... 6/10, 2025
at..... 2:03 o'clock..... PM. Same day
recorded in Liber KPS No. 710
Folio..... 457 COUNTY COMMISSIONERS
ORDINANCES AND RESOLUTION.



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Exhibit 1 may be reviewed during regular business hours within the Calvert County Department of Finance & Budget, or the Office of the County Commissioners of Calvert County