MONTHLY REVENUE ESTIMATES

June 2012 - Preliminary

Prepared by:
Office of Budget
Howard County, Maryland
3430 Court House Drive
Ellicott City, Maryland 21043
410-313-2077

Revenue	FY11 Total	FY12 Budget	FY12 Plan	FY12 Actual	Difference From Budgeted
		Revenue Estimates--Summary June 2012 - Preliminary			
Property Taxes	$438,756,755	$441,546,112	$441,546,112	$444,228,657	$2,682,545
Income Tax	$315,353,674	$325,465,000	$325,465,000	$336,904,843	$11,439,843
Recordation Tax	$14,599,474	$17,000,000	$17,000,000	$15,944,953	($1,055,047)
Transfer Tax *	$21,319,656	$20,000,000	$20,000,000	$22,527,776	$2,527,776
Dev. Review Fees	$888,525	$975,000	$975,000	$898,914	($76,086)
Planning & Zoning Fees	$438,599	$500,000	$500,000	$480,885	($19,115)
Building Permits	$2,755,550	$2,520,000	$2,520,000	$2,755,286	$235,286
Highway Users Tax	$975,177	$753,596	$753,596	$726,927	($26,669)
Hotel/Motel Tax	$3,012,643	$4,200,000	$4,200,000	$4,221,636	$21,636
Admission & Amusement	$2,137,963	$2,200,000	$2,200,000	$1,781,308	($418,692)
Interest Income	$691,308	$700,000	$700,000	$707,951	$7,951
Total of Tracked Revenues	$779,609,668	$795,859,708	$795,859,708	$808,651,360	$12,791,652

Note: This Summary reflects the progress of the ten (10) revenues that are tracked on a monthly basis. These revenues represent 91.3% of the total General Fund revenues budgeted provide an indication of how well the overall revenue collection is advancing.

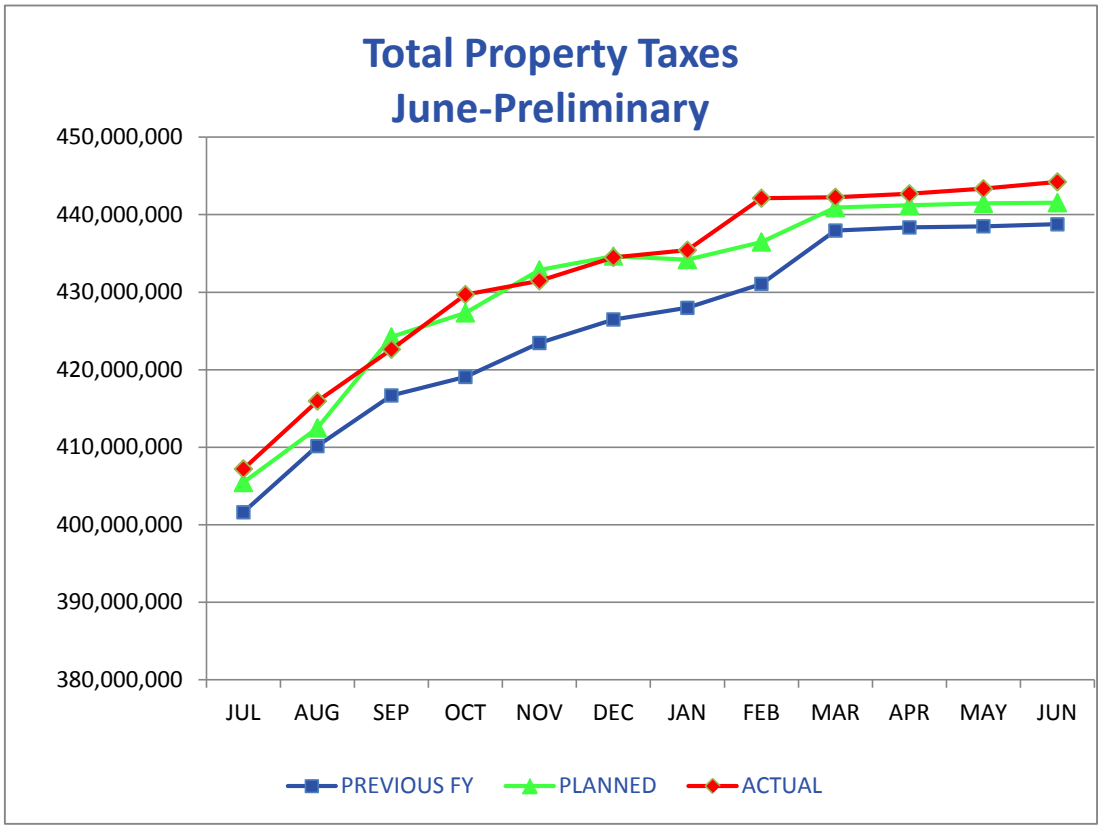
*****Transfer Tax is not a general fund revenue and is not included in the General Fund total. It is in this report because it is a revenue tracked by the Budget Office. .

TOTAL PROPERTY TAXES

This revenue represents the largest revenue source for the County.

FY11	Totals	438,756,755	FY12	Plan-to-Date	441,546,112
FY12	Budget	441,546,112	FY12	Actual-To-Date	444,228,657
% Change		0.64%	% Change		0.61%

Property taxes billed thru June 2012 are above the planned level to date and are 1% above the level collected thru June 2011. Despite lower assessed property values most taxpayers will see an increase in their tax bill due to the 5% cap.

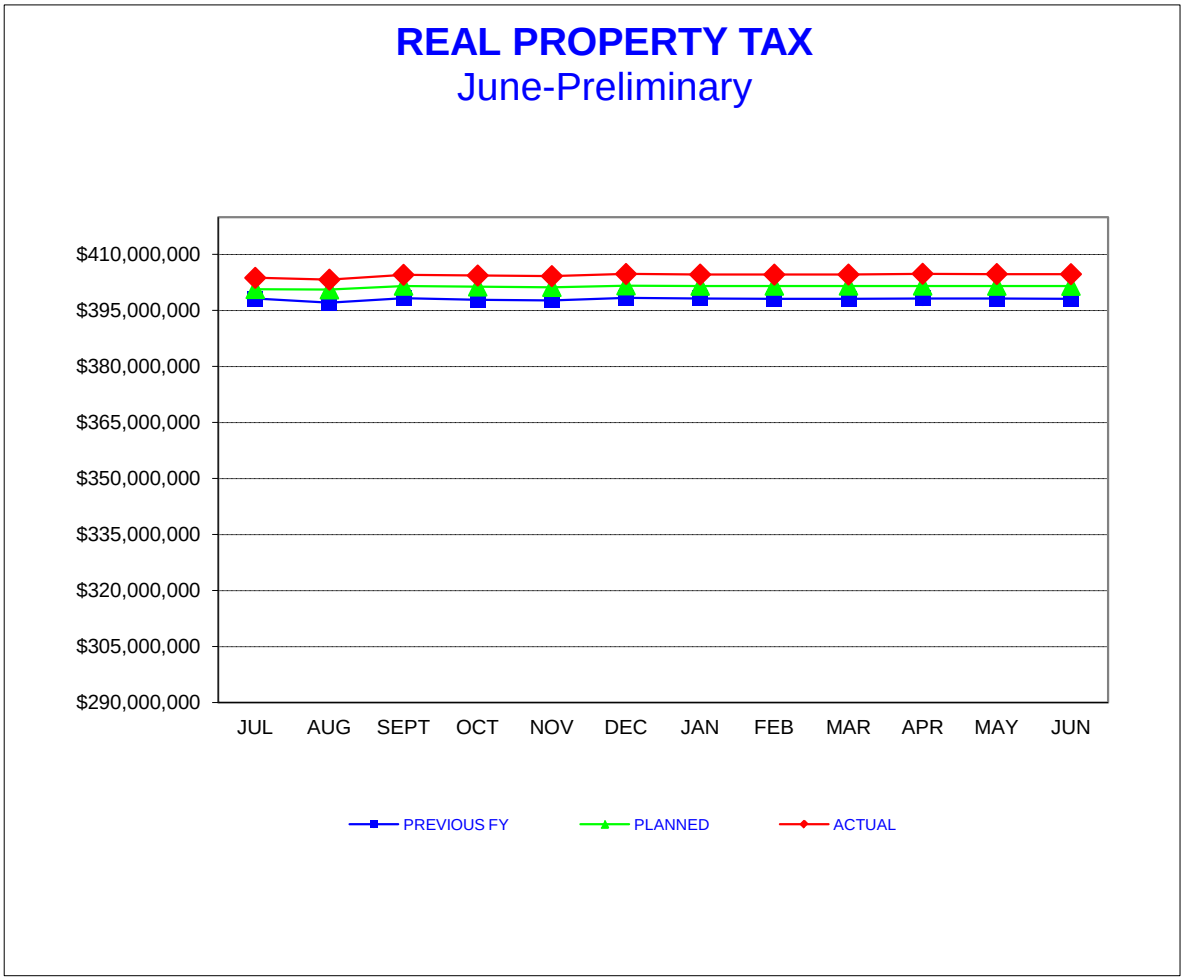


REAL PROPERTY TAX

This group of revenues represents property taxes received for the full year, 3/4 year, 1/2 year and 1/4 year. This data is reflected in the Real Property Tax Report as a part of the total property tax revenue.

FY11	Totals	398,103,232	FY12	Plan-to-Date	401,536,911
FY12	Budget	401,536,911	FY12	Actual-To-Date	404,729,554
% Change		0.86%	% Change		0.80%

Real property tax billings were greater than the budgeted level for FY12. Many property owners will continue to see increases in property taxes although assessments have declined.

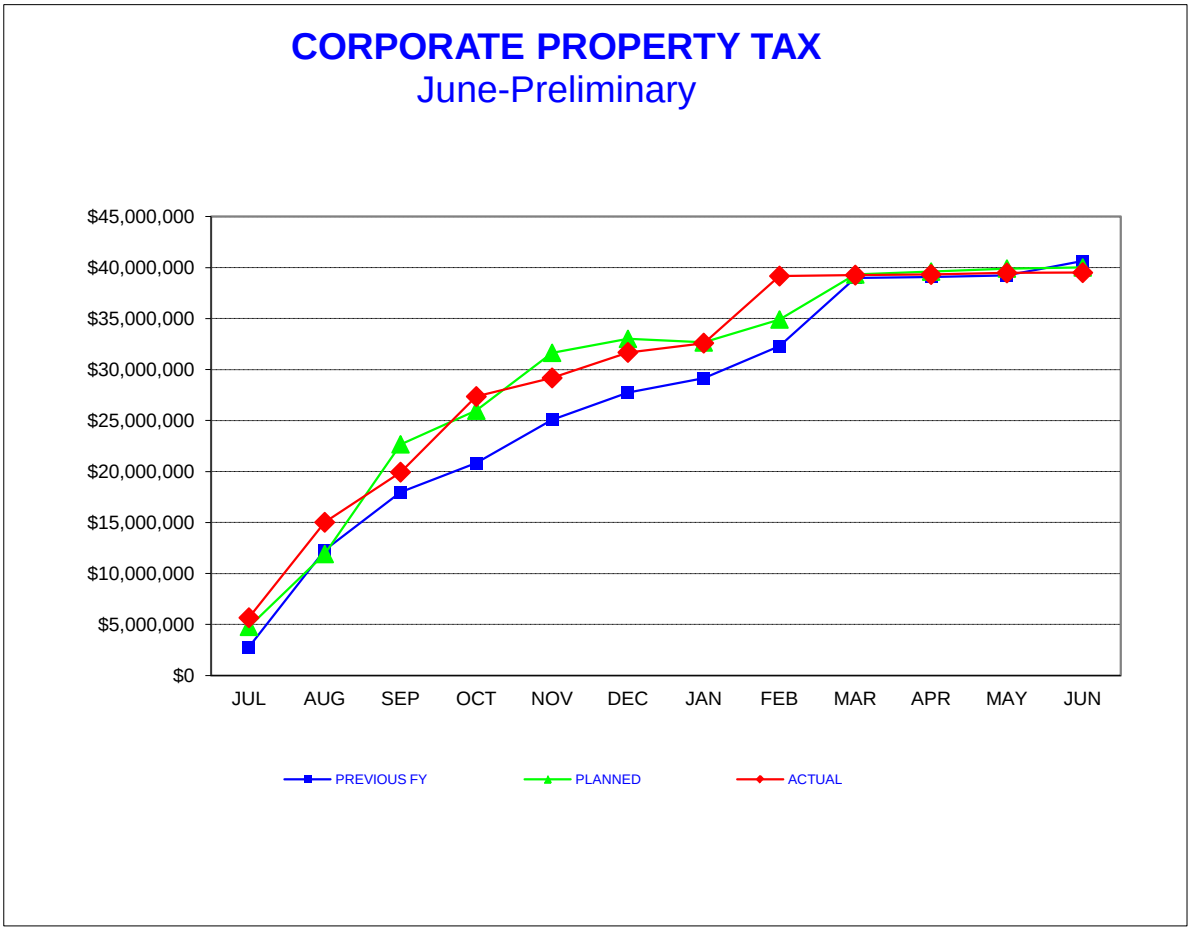


CORPORATE PROPERTY TAX

This group of revenues represents property taxes received from corporate sources only. This data is reflected in the Real Property Tax report as a part of the total property tax revenue.

FY11	Totals	40,633,523	FY12	Plan-to-Date	40,009,201
FY12	Budget	40,009,201	FY12	Actual-To-Date	39,499,103
% Change		-1.54%	% Change		-1.27%

Reported billings thru June are in line with the planned level. Corporate billings are based upon SDAT certifications which are historically slow. Collections for FY12 were slightly less than budgeted.

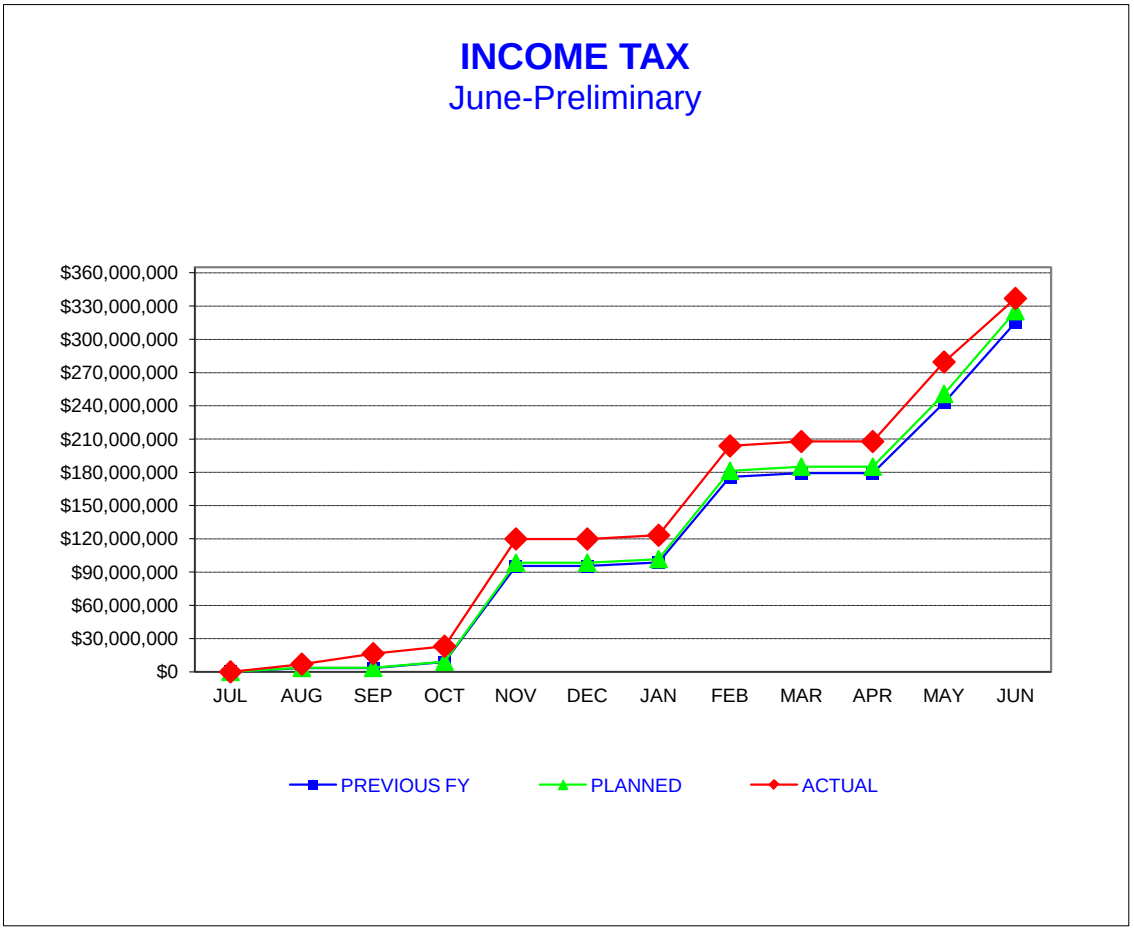


INCOME TAX

Local Income Tax Surcharge is the second largest revenue in the County.

FY11	Totals	315,353,674	FY12	Plan-to-Date	325,465,000
FY12	Budget	325,465,000	FY12	Actual-To-Date	336,904,843
% Change		3.21%	% Change		3.51%

Income tax distributions thru June have exceeded the budgeted level. The July 30 distribution is the last distribution of FY12 and it is expected to push the income tax total to over $350m for the year.

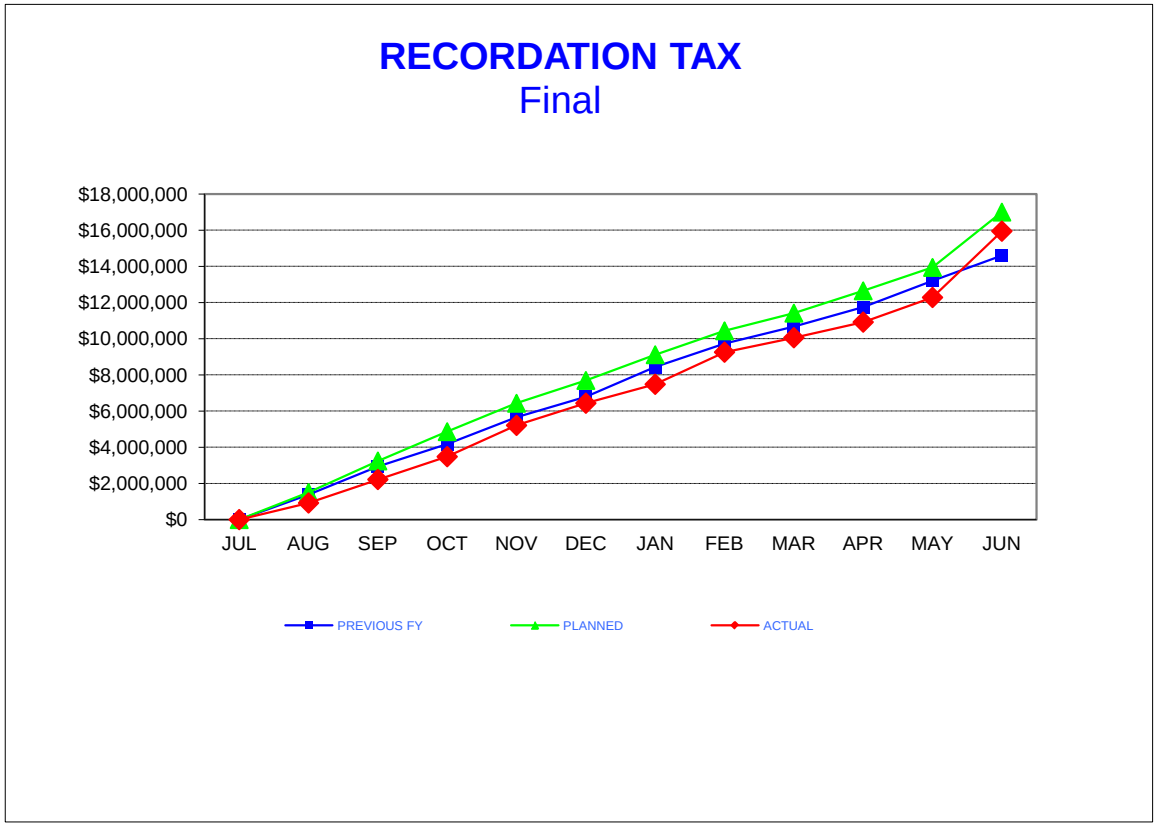


RECORDATION TAX

Recordation tax is imposed on every instrument conveying title to real or personal property recorded with the Clerk of the Court. The rate is currently $2.50 per $500 on the value of each recordation.

FY11	Total	14,599,474	FY12	Plan-to-Date	17,000,000
FY12	Budget	17,000,000	FY12	Actual-To-Date	15,944,953
% Change		16.44%	% Change		-6.21%

Recordation tax receipts thru July were strong but not enough to push the total to the budgeted level. The improving real estate market was evident in the performance of this revenue. The final amount may be adjusted to reflect IDOT reconciliations.

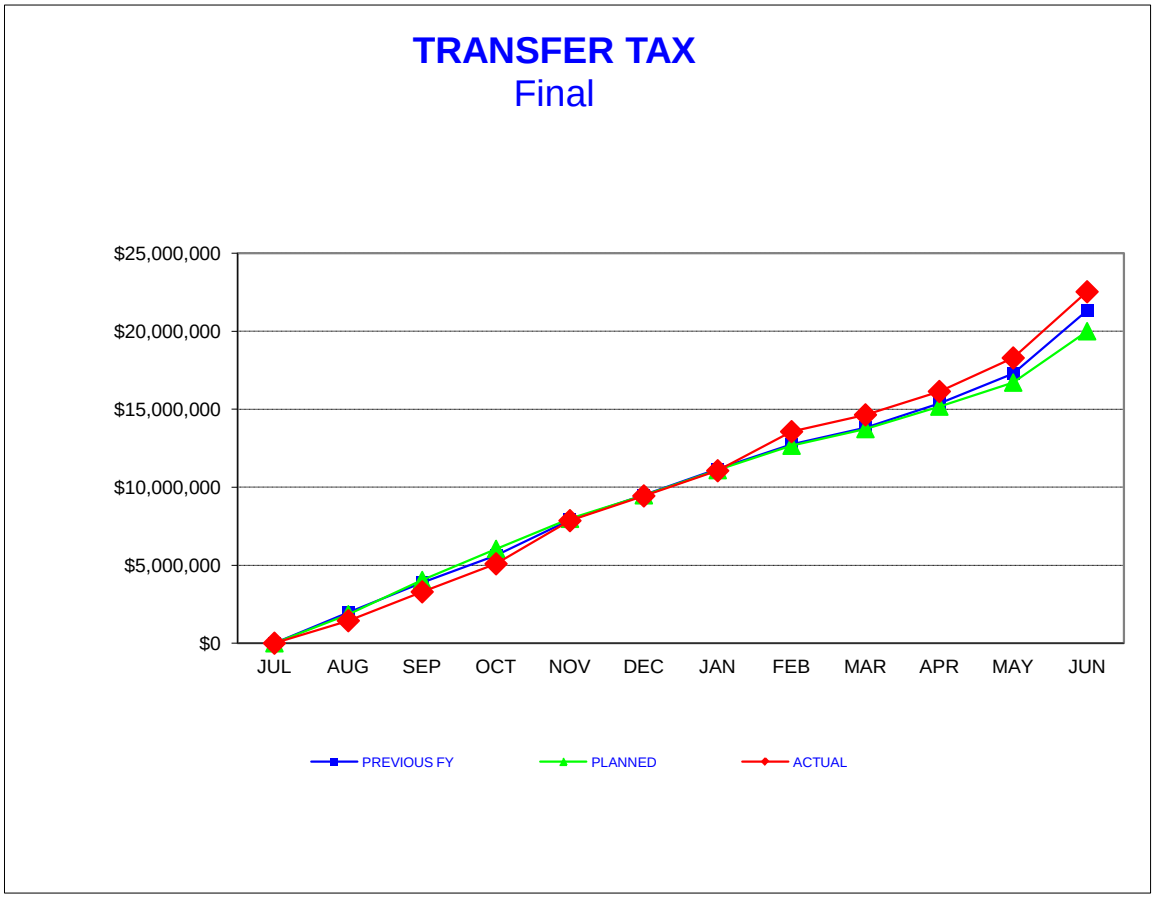


TRANSFER TAX

Transfer tax is levied on the sale of property or assets within a local jurisdiction. This revenue is divided as follows: Education 25%, Ag Preservation 25%, Recreation and Parks 25%, Community Renewal 12.5%, and Fire 12.5%.

FY11	Totals	21,319,656	FY12	Plan-to-Date	20,000,000
FY12	Budget	20,000,000	FY12	Actual-To-Date	22,527,776
% Change		-6.19%	% Change		12.64%

Transfer tax collections thru the month of July are 12.6% higher than the level reported thru July 2011.The budgeted revenue level has been met and exceeded. This revenue performed better than anticipated and reflects the continuing improvement in the local real estate market.

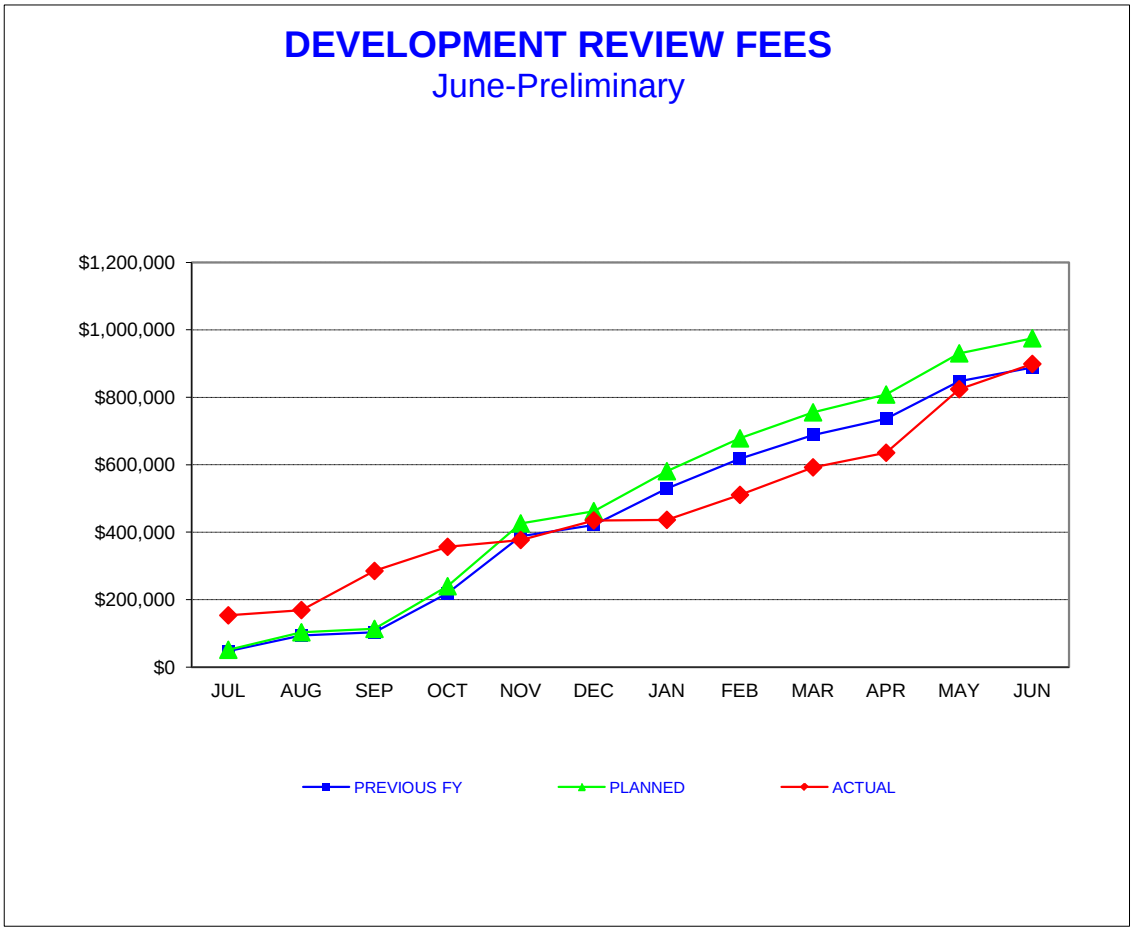


DEVELOPMENT REVIEW FEES

Development review fees are collected for Public Works' & Planning & Zoning review and approval of subdivision and site plans. Seasonal peaks are common.

FY11 Totals	888,525	FY12 Plan-to-Date	975,000
FY12 Budget	975,000	FY12 Actual-To-Date	898,914
% Change	9.73%	% Change	-7.80%

Development review fees failed to reach the budgeted level as the construction sector continued to be weak during the year. During the last quarter (April-June) collections were the highest since fiscal 2008.



PLANNING & ZONING FEES

This revenue includes fees from charges for plan review processing and petitions submitted to the Zoning, Appeals & Planning Boards. Interagency development review fees to cover labor costs have also been included.

FY11	Totals	438,599	FY12	Plan-to-Date	500,000
FY12	Budget	500,000	FY12	Actual-To-Date	480,885
% Change		14.00%	% Change		-3.82%

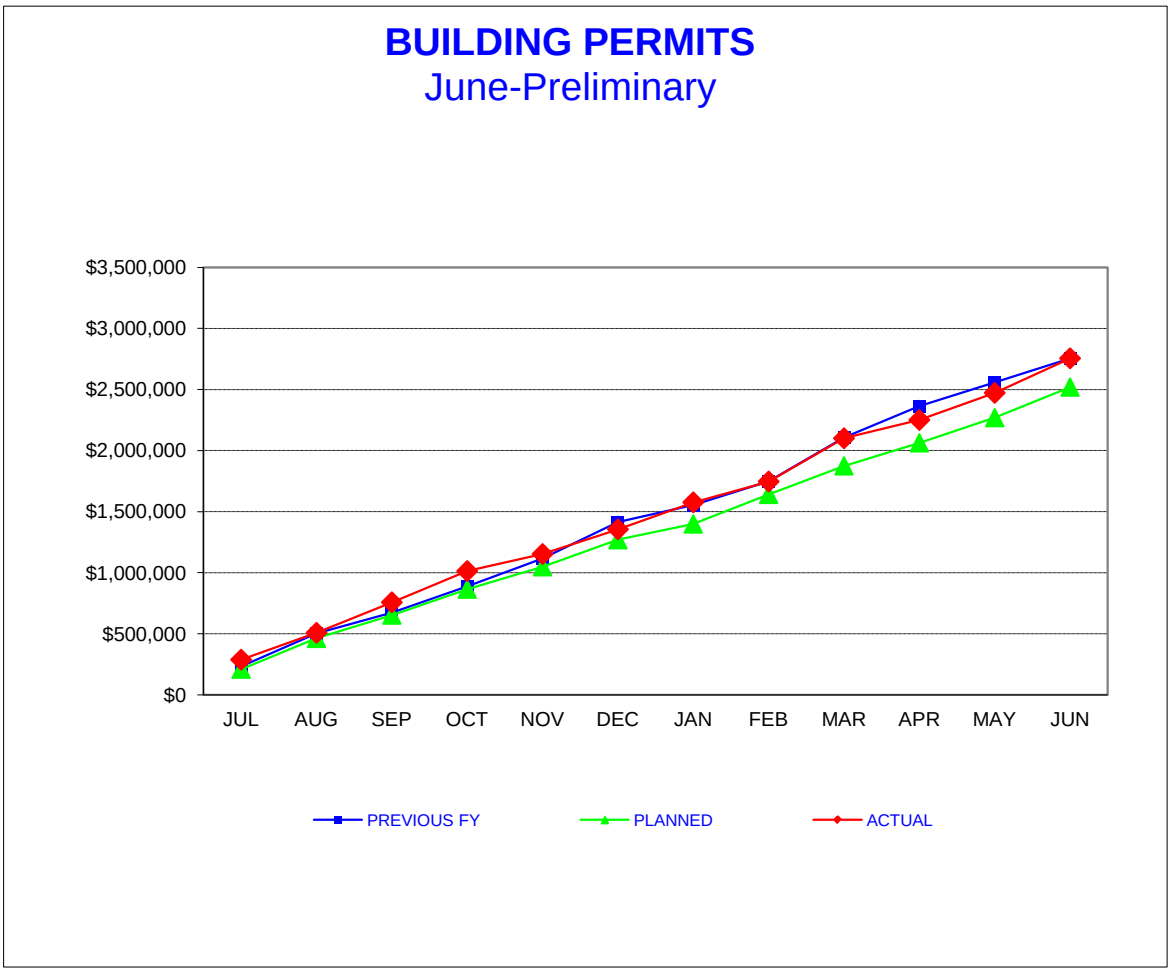
Planning & Zoning Fees fell just shy of the budgeted level for the year. The performance of this revenue and Developer Review Fees may be signs the construction sector is improving, albeit at a very slow pace.

BUILDING PERMITS

Revenue includes grading, fire protection, and building permits for residential and commercial new construction and renovations.

FY11	Totals	2,755,550	FY12	Plan-to-Date	2,520,000
FY12	Budget	2,520,000	FY12	Actual-To-Date	2,755,286
% Change		-8.55%	% Change		9.34%

This revenue has performed better than expected during FY12. The budgeted level anticipated sluggish and recovering construction sector. The final revenue level showed that sector was better than expected, but not back to pre-recession levels.

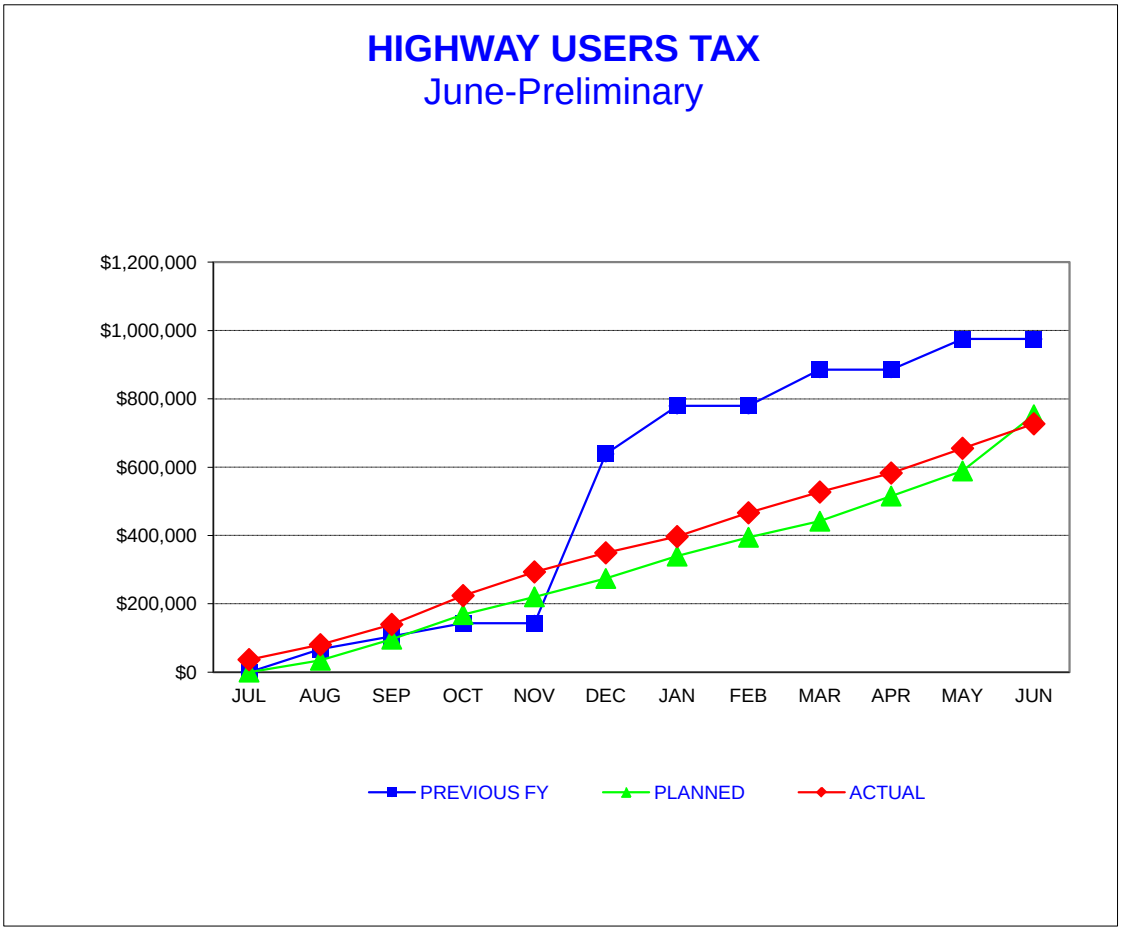


HIGHWAY USERS TAX

This revenue is based on a formula distribution of revenues received from a gasoline tax of 23.5 cents per gallon. The State provides 30% for distribution between all localities.

FY11	Totals	975,177	FY12	Plan-to-Date	753,596
FY12	Budget	753,596	FY12	Actual-To-Date	726,927
% Change		-22.72%	% Change		-3.54%

The revenue has been severely reduced by the State over the past several years. Distributions in FY11 exceeded the budgeted level by a significant level. The budgeted level in FY12 represents the allocation level assigned to the county by the state.

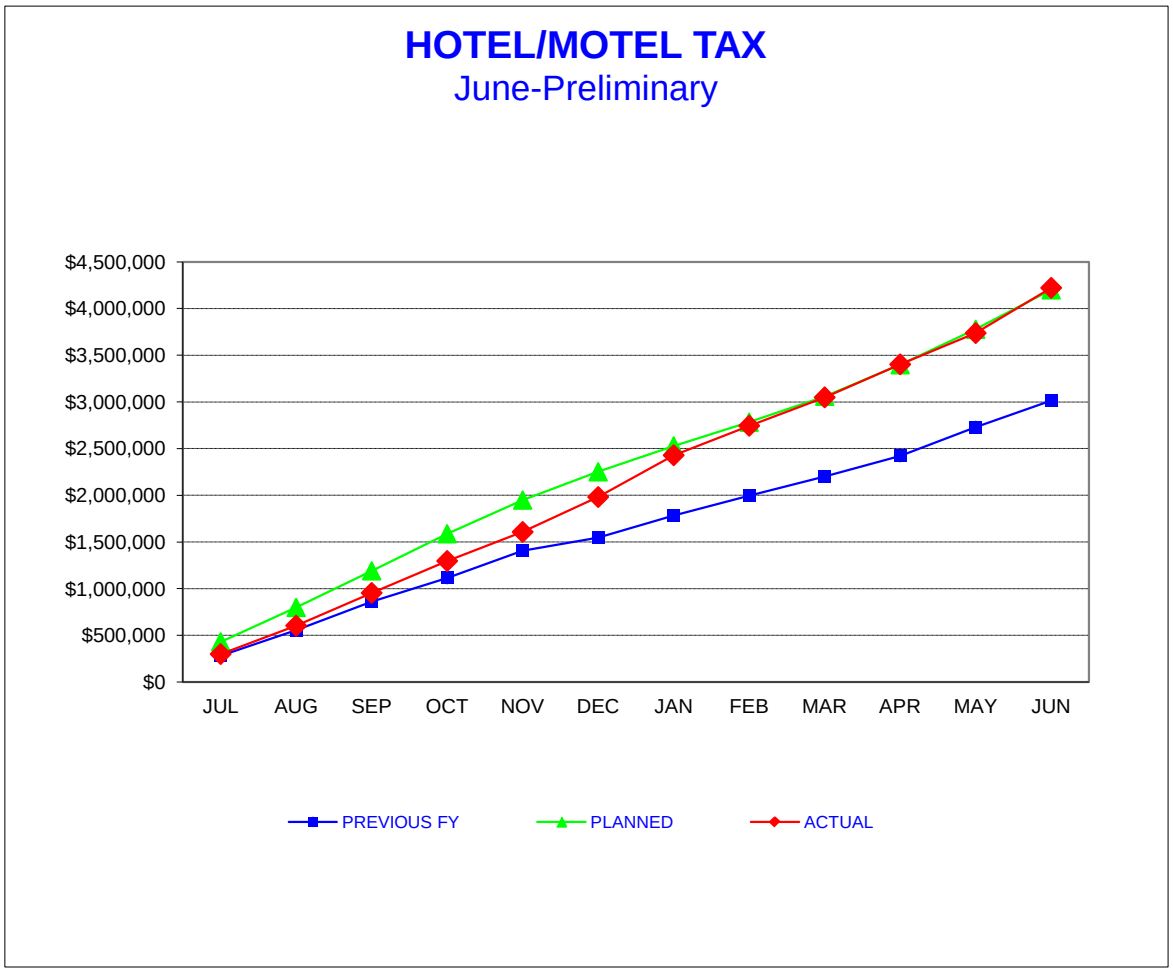


HOTEL/MOTEL TAX

This revenue is based on the tax collected by Hotel/Motel operators that is remitted to the County on a monthly basis. Effective August 1, 2011 the rate will increase from 5% to 7%. This tax only applies to short term rentals.

FY11	Totals	3,012,643	FY12	Plan-to-Date	4,200,000
FY12	Budget	4,200,000	FY12	Actual-To-Date	4,221,636
% Change		39.41%	% Change		0.52%

Effective August 1, 2011 the rate rises from 5% to 7%. The additional revenue will be used to fund Tourism and Economic Development Authority activities. Overall this revenue surpassed the budgeted level, but the Tourism/EDA portion fell short by $176,765. This shortfall is attributed to the August effective date.

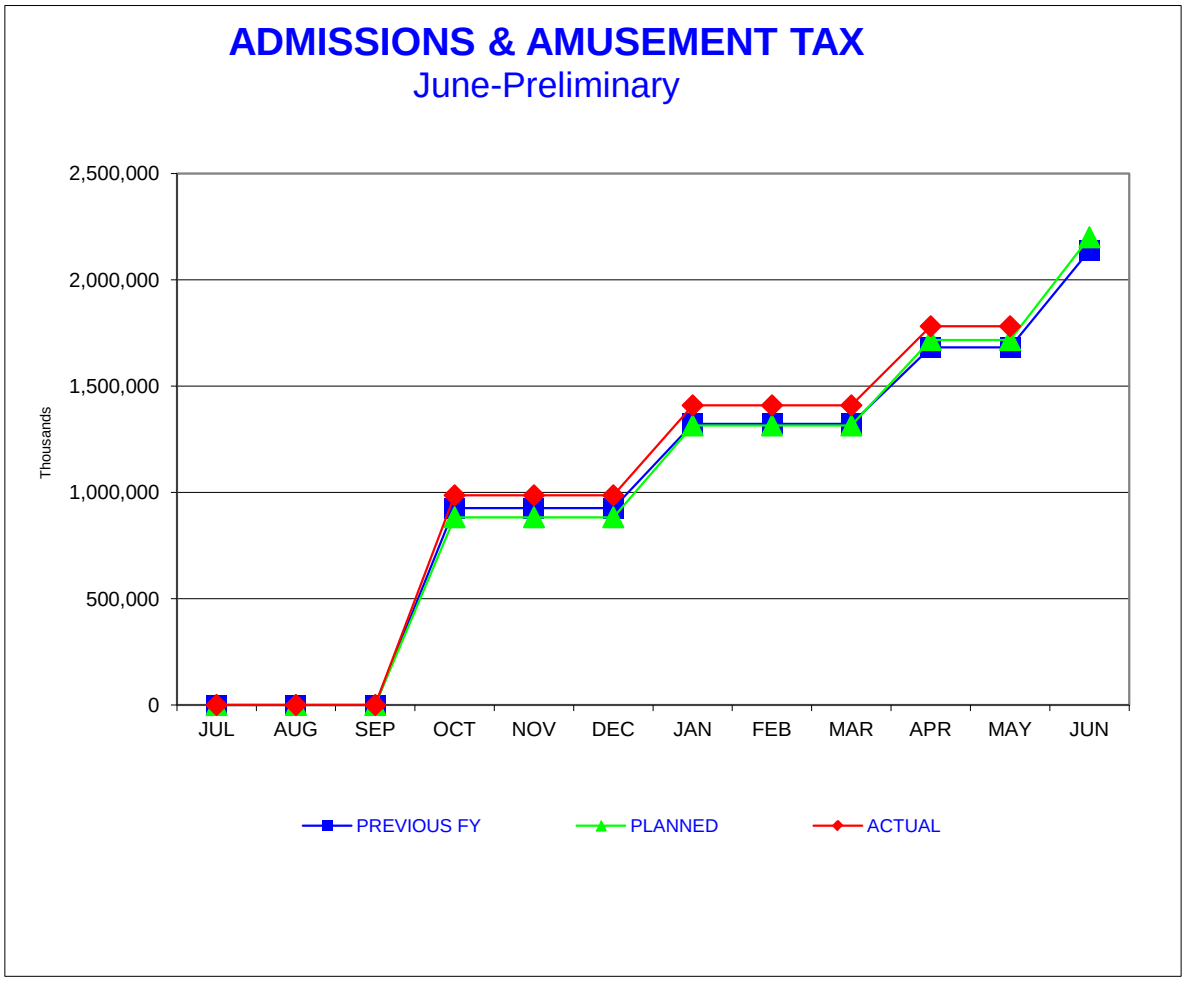


ADMISSIONS & AMUSEMENT TAX

This revenue is based on the tax collected by the State which is returned to local jurisdictions on a quarterly basis. Revenue for the first quarter is primarily from Merriweather Post concert receipts.

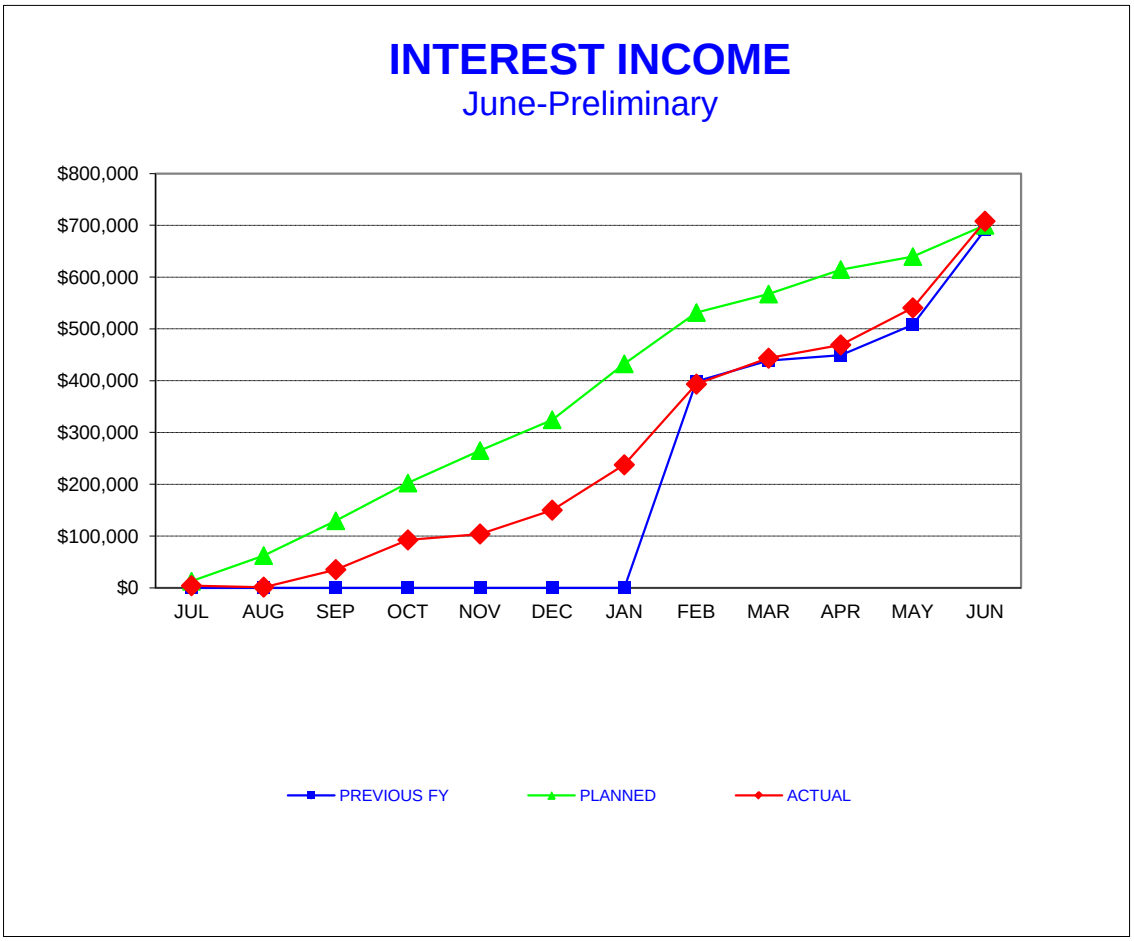
FY11	Totals	2,137,963	FY12	Plan-to-Date	2,200,000
FY12	Budget	2,200,000	FY12	Actual-To-Date	1,781,308
% Change		2.90%	% Change		-19.03%

This revenue is reported on a quarterly basis. Receipts for the fourth quarter have not been reported at this time. This revenue has been a steady performer and FY12 collections are expected to exceed the budgeted level.



INTEREST INCOME

This revenue represents the return of investing cash from taxes or bond proceeds. January, February & March usually have the highest receipts, with the lowest coming in June and August.

FY11	Totals	691,308	FY12	Plan-to-Date	700,000
FY12	Budget	700,000	FY12	Actual-To-Date	707,951
%Change		1.26%	%Change		1.14%

Interest income budgeted for FY12 was based upon the FY11 returns. This revenue was not expected to reach the budgeted level, but increased collections from income tax and other sources provided a bump in the final months.