

**ANNE ARUNDEL COUNTY, MARYLAND**

**Report of Independent Public Accountants on Applying  
Agreed-Upon Procedures to Federal Register *Criteria For  
Municipal Solid Waste Landfills - Financial Assurance Criteria***

**For the Year Ended June 30, 2023**



**SB & COMPANY, LLC**  
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## **REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON APPLYING AGREED-UPON PROCEDURES**

The Honorable County Executive and  
The Honorable Members of the County Council  
Anne Arundel County, Maryland

We have performed the procedures enumerated below on Anne Arundel County, Maryland's (the County) compliance with the requirements of the Federal Register (40 CFR Part 258, Subpart G) *Criteria For Municipal Solid Waste Landfills - Financial Assurance Criteria* for the year ended June 30, 2023. The County's management is responsible for the compliance with those requirements.

The County's management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing the procedures enumerated below on the County's compliance with the requirements of the Federal Register (40 CFR Part 258, Subpart G) *Criteria For Municipal Solid Waste Landfills - Financial Assurance Criteria* for the year ended June 30, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the associated findings are as follows:

1. If there are outstanding, rated, general obligation bonds that are not secured by insurance, a letter of credit or other collateral or guarantee, obtain the current bond rating from Moody's or Standard and Poor's rating agencies and determined the ratings satisfy the following requirements.
  - a. Moody's – Aaa, Aa, A, or Baa; or
  - b. Standard and Poor's – AAA, AA, A, or BBB.

We obtained the Moody's rating report dated April 4, 2023 and observed that the bonds are currently rated Aaa by Moody's.

2. If the County's bond ratings have not met the requirements in step 1 above, recalculate the ratio of cash plus marketable securities to total expenditures as required and defined by the Federal Register (40 CFR Part 258, Subpart G) by tracing the amounts in the calculation to the audited June 30, 2023 financial statements. Paragraph (f)(1)(i)(B)(1) of the Federal Register (40 CFR Part 258, Subpart G, Sec. 258.74) requires the ratio of cash plus marketable securities to total expenditures to be greater than or equal to 0.05.

We observed that the County's Moody's ratings were met as required in step 1 above, thus the calculation was not required.



3. If the County's bond ratings have not met the requirements in step 1 above, recalculate the ratio of annual debt service to total expenditures as defined by the Federal Register (40 CFR Part 258, Subpart G) by tracing the amounts in the calculation to the audited June 30, 2023 financial statements. Paragraph (f)(1)(i)(B)(2) of the Federal Register (40 CFR Part 258, Subpart G, Sec. 258.74) requires the ratio of annual debt service to total expenditures to be less than or equal to 0.20.

We observed that the County's Moody's ratings were met as required in step 1 above, thus the calculation was not required.

4. Obtain a copy of the County's June 30, 2023 audited financial statements and note it was an unmodified opinion and was prepared in conformity with accounting principles generally accepted in the United States of America.

We obtained a copy of the June 30, 2023 audited financial statements and confirmed it was an unmodified opinion and was prepared in conformity with accounting principles generally accepted in the United States of America.

5. Recalculated the ratio of the surplus/deficit to total revenue for each of the past two fiscal years by agreeing to the amounts in the calculations to the June 30, 2023 and 2022, audited financial statements. Paragraph (f)(1)(iii)(C) of the Federal Register (40 CFR Part 258, Subpart G, Sec. 258.74) requires that the County not operate at a deficit equal to five percent or more of total annual revenue in each of the past two fiscal years.

We obtained and recalculated the County's operating surplus or deficit as defined above for the years ended June 30, 2023 and 2022, and observed that the County did not operate at a deficit for either of the years ended June 30, 2023 and 2022.

6. Obtain the County's Chief Financial Officer letter and agree the financial data included therein with the audited financial statements for the year ended June 30, 2023.

We obtained the County's Chief Financial Officer letter dated January 24, 2024 and agreed the financial data included therein with the audited financial statements for the year ended June 30, 2023.

We were engaged by the County's management and the County Council to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the County's compliance with Federal Register (40 CFR Part 258, Subpart G) *Criteria for Municipal Solid Waste Landfills – Financial Assurance Criteria* for the year ended June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.



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We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the County Executive and Council and management of the County and is not intended to be and should not be used by anyone other than these specified parties.

Owings Mills, Maryland  
February 22, 2024

*SB & Company, LLC*