

Anne Arundel County, Maryland

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

County Executive

Steuart Pittman

County Council

Allison Pickard - Chairperson
Sarah Lacey – Vice Chairperson
Amanda Fiedler
Jessica Haire
Andrew C. Pruski
Lisa Brannigan Rodvien
Nathan Volke

Prepared by: Office of Finance – Karin McQuade, Controller

**Anne Arundel County, Maryland
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

Table of Contents

Introductory Section

<i>Transmittal Letter</i>	1
<i>GFOA Certificate of Achievement</i>	7
<i>Organizational Chart</i>	8

Financial Section

<i>Independent Auditors' Report</i>	9
<i>Management's Discussion and Analysis</i>	13

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Position	30
Statement of Activities	32

Fund Financial Statements

Balance Sheet - Governmental Funds	34
Reconciliation of Governmental Fund Balance to Governmental Net Position - Governmental Funds	35
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	36
Reconciliation of Changes in Fund Balances to Changes in Net Position - Governmental Funds	37
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	38
Statement of Net Position - Proprietary Funds	39
Reconciliation of Enterprise Funds Net Position to Business-type Net Position	40
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	41
Statement of Cash Flows - Proprietary Funds	42
Statement of Fiduciary Net Position	44
Statement of Changes in Fiduciary Net Position	45

<i>Notes to the Financial Statements</i>	46
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Required Supplementary Information

Schedule of Changes in Anne Arundel County's Retirement and Pension System Net Pension Liability and Related Ratios - Employees' Retirement Plan	108
Schedule of Changes in Anne Arundel County's Retirement and Pension System Net Pension Liability and Related Ratios - Police Service Retirement Plan	109
Schedule of Changes in Anne Arundel County's Retirement and Pension System Net Pension Liability and Related Ratios - Fire Service Retirement Plan	110
Schedule of Changes in Anne Arundel County's Retirement and Pension System Net Pension Liability and Related Ratios - Detention Officers and Deputy Sheriffs' Plan	111
Schedule of Investment Returns	112
Schedule of Employer's Contributions - Employees' Retirement Plan	113
Schedule of Employer's Contributions - Police Service Retirement Plan	114
Schedule of Employer's Contributions - Fire Service Retirement Plan	115
Schedule of Employer's Contributions - Detention Officers' and Duputy Sheriffs' Retirement Plan	116
Schedule of County's Proportionate Share for Withdrawn Personnel of the Net Pension Liability Maryland State Retirement and Pension System	117
Schedule of County's Proportionate Share for Officials of the Net Pension Liability Maryland State Retirement and Pension System	118
Schedule of County's Proportionate Share for Judges Plan of the Net Pension Liability Maryland State Retirement and Pension System	119
Schedule of County Contributions to State Municipal Pool Withdrawn Personnel	120
Schedule of County Contributions to State Municipal Pool Officials	121
Schedule of County Contributions to State Municipal Pool Judges	122

**Anne Arundel County, Maryland
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

Table of Contents (continued)

Retiree Health Benefits Trust Schedule of Changes in Net OPEB Liability and Related Ratios - County Plan	123
Retiree Health Benefits Trust Schedule of Changes in Net OPEB Liability and Related Ratios - College Plan	124
Retiree Health Benefits Trust Schedule of Changes in Net OPEB Liability and Related Ratios - Library Plan	125
Retiree Health Benefits Trust Schedule of Contributions - County Plan	126
Retiree Health Benefits Trust Schedule of Contributions - College Plan	127
Retiree Health Benefits Trust Schedule of Contributions - Library Plan	128
Retiree Health Benefits Trust Schedule of Investment Returns by Plan	129
Schedule of Changes in Anne Arundel County's Length of Service Award Program (LOSAP) Net Pension Liability and Related Ratios	130
<i>Combining Fund Statements, Budgetary Statements, and Other Supporting Schedules</i>	
Detail Schedule of Revenues - Estimated and Actual - General Fund	132
Detail Schedule of Appropriations, Expenditures, and Encumbrances - General Fund	134
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund - Separately Budgeted Components	136
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Impact Fees Capital Projects Fund	137
<i>Combining Fund Statements and Individual Fund Schedules</i>	
Combining Balance Sheet - Non-major Governmental Funds	140
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-major Governmental Funds	146
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Special Revenue Funds	151
Schedule of Revenues and Expenditures - Budget and Actual - Erosion Districts Fund	156
Schedule of Revenues and Expenditures - Budget and Actual - Roads and Special Benefit Districts Fund	158
Schedule of Funding Sources Authorized and Realized - General County Capital Projects Fund	160
Schedule of Appropriations, Expenditures, and Encumbrances - General County Capital Projects Fund	162
Schedule of Revenues and Expenditures - Budget and Actual - Non-major Capital Project Funds	164
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Debt Service Funds	165
Schedule of Revenues and Expenditures- Budget and Actual - Special Taxing Districts Fund	168
Combining Schedule of Net Position - Water and Wastewater Fund	170
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position - Water and Wastewater Fund	171
Combining Schedule of Cash Flows - Water and Wastewater Fund	172
Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual - Enterprise Funds	174
Schedule of Funding Sources Authorized and Realized - Enterprise Capital Projects Funds	176
Schedule of Appropriations, Expenditures, and Encumbrances - Enterprise Capital Projects Funds	178
Combining Statement of Net Position - Internal Service Funds	180
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds	181
Combining Statement of Cash Flows - Internal Service Funds	182
Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual - Internal Service Funds	183
Combining Statement of Plan Net Position - Pension Trust Funds	187
Combining Statement of Changes in Net Position - Pension Trust Funds	188
Combining Statement of Fiduciary Net Position - Retiree Health Benefits Trust	189
Combining Statement of Changes in Fiduciary Net Position - Retiree Health Benefits Trust	190
Combining Statement of Changes in Assets and Liabilities - Agency Funds	192
<i>Non-major Component Unit Financial Statements</i>	
Combining Statements	
Combining Statement of Net Position - Non-major Component Units	194
Combining Statement of Activities - Non-major Component Units	196

**Anne Arundel County, Maryland
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

Table of Contents (continued)

Library Component Unit Financial Statements	
Balance Sheet	198
Statement of Revenues, Expenditures, and Changes in Fund Balances	199
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Operating Fund	200
Details of Long-term Debt and Interest	202
Schedule of Debt Service Requirements for Long-term Debt and Interest	206
Statistical Section	
<i>Net Position by Category</i>	211
<i>Changes in Net Position</i>	212
<i>Fund Balances, Governmental Funds</i>	214
<i>Changes in Fund Balances, Governmental Funds</i>	216
<i>Taxable Assessed Value and Estimated Actual Value of Property</i>	218
<i>Direct and Overlapping Property Tax Rates</i>	219
<i>Principal Property Tax Payers</i>	220
<i>Property Tax Levies and Collections</i>	221
<i>Ratios of Outstanding Debt by Type</i>	222
<i>Ratios of General Bonded Debt Outstanding</i>	223
<i>Direct and Overlapping Governmental Activities Debt</i>	224
<i>Legal Debt Margin</i>	225
<i>Pledged Revenue Bond Coverage</i>	226
<i>Demographic and Economic Statistics</i>	227
<i>Principal Employers</i>	228
<i>County Government Employees by Function</i>	229
<i>Operating Indicators by Function / Program</i>	230
<i>Capital Asset Statistics by Function</i>	231

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Steuart Pittman
County Executive

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Karin McQuade
Controller

December 17, 2020

The Honorable County Executive,
The Members of the County Council,
Chief Administrative Officer and
Citizens of Anne Arundel County, Maryland

I am pleased to submit to you, the Comprehensive Annual Financial Report (CAFR) of Anne Arundel County, Maryland (the County) for the fiscal year ended June 30, 2020, in compliance with the Anne Arundel County Charter Section 513. The purpose of this report is to comply with the County Charter and to provide you and the taxpayers of Anne Arundel County with sufficient information to evaluate the County's financial performance during fiscal year 2020.

This report was prepared by the Office of Finance of Anne Arundel County. The basic financial statements have been audited by the County's independent public accountants, CliftonLarsonAllen LLP, and their unmodified ("clean") opinion is included in this report.

The responsibility for the accuracy and fairness of the presentation, including all disclosures, rests with the County. We believe the data as presented to be accurate in all material respects and to reflect fairly the financial position and results of operations for the various funds. Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the auditors' reports.

About Anne Arundel County

Anne Arundel County was named for England's Lady Anne of Arundell, beloved wife of Cecil Calvert, second Baron Baltimore. Married at 13 and the mother of many, her intellect was legend, and her love of the arts strong. The expedition to St. Mary's in Maryland was planned in her sitting room in Tisbury, England. History records indicate that both she and Cecil Calvert longed to voyage to the New World, although neither made it. Her son Charles, the third Lord Baltimore, and Cecil's younger brother Leonard Calvert, who later became Maryland's first proprietary governor, were the first family members to step on Maryland soil. Anne of Arundell died at the age of 34. Her husband had engraved on her tombstone, "Farewell, you most lovely of earthly beauties". The following year, in 1650, the General Assembly of the Maryland Colony named this County in her honor.

Profile of the Government

Under a home rule charter, the County's executive functions are vested in the elected County Executive, who is the chief executive officer of the County. The County Executive is generally responsible for the proper and efficient operation and management of the Executive Branch and administration of the affairs of the County. The County Executive is elected at-large to serve a four-year term. The County's elected legislative body, the County Council, consisting of seven members, is vested with law making power. The Council selects a Chairman and Vice Chairman of the County Council annually. The Council members are elected by district and hold office for a term of four years. Both the County Council members and the County Executive are limited to two consecutive four-year terms.

The County is located thirteen miles east of Washington, D.C. with Baltimore City and Baltimore County as its northern boundary and the Chesapeake Bay as its entire eastern boundary. The State of Maryland's (State) capital, Annapolis, is an incorporated municipality located within the County.

Budgetary Controls

The annual budget serves as the foundation for the County's financial and budgetary controls to ensure compliance with legal provisions embodied in the annual appropriation ordinance approved by the County Council. The County budget is comprised of the budget message, current expense budget and the capital budget and capital program. Activities of the general fund and impact fee fund (annually appropriated major governmental funds) and certain special revenue funds and debt service funds (annually appropriated non-major governmental funds) are included in the current expense budget.

The current operating expense budget includes appropriations for the full range of basic services as articulated in its Charter. These services include public safety, education, public works, community services, general government, legislative and judicial, and capital, debt and reserves. The capital budget includes funds to construct major governmental facilities such as roads, bridges, schools, libraries, water and sewer infrastructure and fire stations. Capital projects usually take more than a year to complete, unlike the operating budget which covers only a year.

The budget process begins each fall when the County departments receive budget preparation instructions for the capital budget. The capital budget preparation is directed by the Chief Administrative Officer and the Budget Office. For the current expense budget, the County departments receive budget preparation guidance from the Chief Administrative Officer in December. A Spending Affordability Committee is appointed by the County Executive and confirmed by the County Council and makes advisory recommendations relating to County spending levels to reflect the ability of the taxpayer to finance County services and long-term debt. A Planning Advisory Board, appointed by the County Executive, reviews the itemized list of capital projects which agencies propose to undertake in the ensuing fiscal year and the succeeding five fiscal years and makes recommendations.

After a thorough review of the departmental requests, the comprehensive budget document is submitted to the County Council on May 1st. The County Council then conducts a series of public hearings and work sessions to review the proposed budget. The County Council cannot alter revenue estimates or increase any expenditure for current or capital purposes, unless expressly provided in State law and to correct mathematical errors. The County Council can reduce the County Executive's budget, but not increase it, except in the case of the Board of Education's budget. After its review, the County Council finalizes the budget and sets tax rates, fees and charges needed to generate enough revenue to balance the budget. The budget must be adopted by the County Council on or before the fifteenth day of the last month of the fiscal year currently ending. The Office of Finance is responsible for budgetary control. Expenditure authority for the operating budget is at the fund and department level in major categories including personnel costs, operating expenses, and capital costs. Appropriations in the capital budget are at the project level on an annual basis. Expenses and encumbrances cannot exceed legally adopted appropriation. The County maintains an encumbrance system for budgetary control. All unencumbered appropriations of the operating budget lapse at year end. Unencumbered capital appropriations continue until the specific capital project is closed.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy: Anne Arundel has one of the strongest economies in Maryland and continues to be a leader for job growth in the State. Anne Arundel County benefits from its corridor location between two large metropolitan areas. The result of this geography is Anne Arundel's placement in the "Washington-Baltimore-Arlington, DC-MD-VA-WV-PA Combined Statistical Area," the fourth largest United States market, as defined by the U.S. Census Bureau. This combined region contains a population of more than 9.8 million and its jurisdictions have household incomes at the highest levels in the country.

The County has six drivers of regional economic and employment activity located within its boundary:

- 1) The City of Annapolis
- 2) Baltimore-Washington International Thurgood Marshall Airport (BWI-TM airport)
- 3) Fort George G. Meade and its tenants
- 4) Arundel Mills & Live Casino/Hotel
- 5) Two Regional Hospitals
- 6) Northern Industrial Belt

The City of Annapolis is an independent municipality that supports some 30,086 jobs generated by the combined attributes of it being a major federal, state and county government center, a national historic tourist destination and a maritime recreational center with a reputation of being "America's Sailing Capital". It is also host to the U.S. Naval Academy.

According to the Economic Impact of BWI Marshall Airport, in fiscal year 2017, the airport supported 12,753 direct jobs and contributed \$9.3 billion to the Maryland economy. It is the 24th busiest U.S. airport providing 688 flights per day and serving nearly 27 million visitors in 2019.

Fort Meade is a 5,067-acre federal facility that hosts 119 tenant organizations with an estimated total employment on base of 57,327 military and civilians, which translates into \$9.0 billion in annual compensation and overall economic impact of \$21.6 billion. Major tenants on the base include National Security Agency, Defense Information Systems Agency and the expanding U.S. Cyber Command.

ANNE ARUNDEL COUNTY

Arundel Mills is a major retail, entertainment, office and hospitality center in western Anne Arundel County. Its development history began 20 years ago with support from County Tax Increment Financing investment for infrastructure. In addition to regional retail, there are ten hotels, two office buildings and the Live Casino. To complement its entertainment venue, Live opened a 310-room hotel at the casino. In 2019, Live opened a new 75,000 square foot, three-story multi-use concert and event venue with VIP boxes, balcony views, and 4,000 seats.

Two regional hospitals – Anne Arundel Medical Center and the University of Maryland Baltimore Washington Medical Center, with affiliations to Johns Hopkins and University of Maryland, provide healthcare services to the County residents and the extended area. Related medical offices and service providers help build a vibrant medical services industry for the region.

The northern tier of Anne Arundel is home to BWI Thurgood Marshall Airport and Northrop Grumman’s Mission Systems division, a significant product logistics company which is also the largest private employer in the County. Northern Anne Arundel County also benefits from its proximity to other assets within the Greater Baltimore region such as the Port of Baltimore, major rail and highway routes, and Trade Point Atlantic, a 3,300 acre development that includes manufacturing, warehouses and deep-water berths. The facility has over eight million square feet of existing warehouse space with an additional eight million square feet for future development. Trade Point Atlantic is projected to generate 11,000 permanent jobs.

Workforce: Anne Arundel County’s civilian workforce measuring more than 312,000 workers serves businesses, government agencies and institutions throughout the Washington-Baltimore Region. Within the County, there are approximately 274,465 “in-place” jobs (the County’s largest employer, the National Security Agency, does not report its employee numbers to any of the State or County statistical reporting agencies). The County’s workforce is highly skilled with an educational attainment that reports 41.7% workers 25 years and older with a bachelor’s or advanced graduate degree. The fiscal year 2020 average unemployment rate for Anne Arundel County is 4.4% as compared to the average for 2019 of 3.2 %. This rate is favorable in contrast to the average State unemployment rate of 5.0% and the average national rate of 6.0%.

Industry Sectors: Anne Arundel County is fortunate to have a diverse range of industries that provide employment. Sectors that have seen continuously expanded employment since 2010 include Trade/Transportation and Utilities, Government, Professional and Business Services, Leisure and Hospitality, and Education and Health Services. In calendar year 2019, strong gains were also seen in the Manufacturing, Construction, Education and Health Services, and Professional and Business Services sectors. The County continues to experience all-time highs in payroll employment with 274,465 jobs currently in the County.

Housing Market: The number of housing units sold in Anne Arundel County is up 10.1% from fiscal year 2019 at 8,461 units to 9,313 units in fiscal year 2020. In addition, the median price for existing homes is up 4.2% from \$345,078 in fiscal year 2019 to \$359,613 in fiscal year 2020. Additionally, the number of housing units available continues to rise and has grown by 15,185 over the past nine years to keep pace with an increasing population that was estimated at 579,234 at the end of 2019.

Commercial Real Estate: Currently there is 61,675,316 square feet of commercial real estate in Anne Arundel County representing 1,964 properties. The average vacancy rate for all commercial property (office, flex, industrial) in the County is 9.8%, down slightly from the five-year average of 10.2%. Average rental rates are \$16.32 per square foot, up when compared to the five-year average cost at \$15.66 per square foot. Current average rental rates per square foot are \$26.72 for office, \$13.18 for flex and \$8.36 for industrial space.

Summary: The steady growth and expansion of Anne Arundel’s economic drivers, along with its highly skilled workforce and proximity to other regional assets, continues to provide endurance and strength for the County’s economy. Although, the number of housing units sold in the County has declined, the median price for existing homes has risen, and the number of available units is increasing year over year. Altogether, these factors position Anne Arundel County to continue to be a leader for job growth in the State.

Long Term Financial Planning

Permanent Public Infrastructure Fund: The County has restricted \$9.4 million in funds for permanent public infrastructure to be used as a funding source for permanent public improvements in the capital budget as a result of bill number 42-19 which passed at the end of the previous fiscal year.

Rainy Day Fund: The County maintains a Revenue Reserve Fund (rainy day fund) and the Fund has increased from a low of about \$9.0 million at the end of fiscal year 2009 to approximately \$82.4 million at the end of fiscal year 2020. This increase is the result of revenues exceeding expenditures for fiscal years subsequent to 2009 and transfers to this Fund as part of the budget process. Another \$1.0 million will be transferred to the Fund during fiscal year 2021. Effective September 10, 2016, the maximum fund balance may not exceed an amount equal to 5.0% of the estimated General Fund revenues for the upcoming fiscal year or \$84.1 million for fiscal year 2020.

Spending Affordability Committee: The Spending Affordability Committee was established by Resolution No. 31-90 to provide recommendations and projections for the upcoming budget year. Specifically, the Committee is charged to review in detail the status and projections of revenues and expenditures for the County for the next budget year and subsequent five years; to evaluate future County revenue levels and consider the impact of economic indicators such as changes in personal income, assessable base growth; and to evaluate expenditure levels with consideration of the long-term obligations facing the County and the best way to pay for them.

The Committee recommends revenue projections and the amount of new County debt authorization for the upcoming fiscal year. The Committee report includes the effect its recommendations will have on future budgets. It is also the task of this Committee to assess the County's ability to repay bond debt and the Committee issues an annual report defining debt capacity of the County.

Economic Outlook: The economic outlook for the County is very favorable and will continue to grow. In addition, years of conservative budgeting and prudent financial management have created a solid foundation for economic stability for the future. Anne Arundel County's low property and income tax rates make the County attractive for both businesses and families. At \$0.934 per \$100 assessed value, the property tax is the lowest among the State's seven largest metropolitan jurisdictions and its local income tax rate at 2.81% is the 4th lowest in the State of Maryland. Revenues from property and income taxes for fiscal year 2020 supported 79.0% of the County's budgeted expenditures, and growth in both sources should continue in the future. With a strong defense and technology industry base, a business community with global reach, a highly educated and skilled workforce, key transportation assets and a strategic location in the Baltimore/Washington DC corridor and favorable property and income tax rates, Anne Arundel County will continue to be a formidable competitor in the State with many businesses making the County their first choice as a location to do business.

Financial Policies

Debt Management Policy: The County has established a local debt policy to manage its debt as required by State law. The policy sets the parameters for issuing debt and managing the outstanding debt. It provides guidance to decision makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt, method of sale that may be used and structural features that may be incorporated. The policy ensures that the County maintains a sound debt position and that credit quality is protected. As a result of the above, the County's financial strength has been attested to by S&P Global Ratings and Moody's Investors Service as these rating agencies have assigned AAA and Aa1 ratings, respectively, with a stable outlook for the County's general obligation (GO) bonds.

ANNE ARUNDEL COUNTY

Investment Policy: The County's investment policy provides for the safety and liquidity of public funds by minimizing credit and market risk while maintaining a competitive yield on the investment portfolio. All deposits of the Primary Government at June 30, 2020 were either insured by federal depository insurance or collateralized with the collateral held by an independent third party in the County's name. Investment activities are governed by State laws and, accordingly, the County invests in accordance with these laws.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement in Financial Reporting to Anne Arundel County, Maryland for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. This was the thirty-ninth consecutive year that the County has received this prestigious award.

In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. This report satisfies both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

I want to give a very special thank you to the entire accounting staff in the Office of Finance for their dedication and hard work in preparing and publishing the Anne Arundel County CAFR. The preparation of this report could not be accomplished without their dedicated and efficient service and I extend my sincere appreciation to each member of the department. Of special note is Laureen Toney, Assistant Controller. I would also like to thank the County Executive, the Chief Administrative Officer, the Chief of Staff and the County Council for their leadership and unwavering support in attaining the highest standards of professionalism in the management of Anne Arundel County's finances.

Sincerely,



Karin McQuade
Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Anne Arundel County
Maryland**

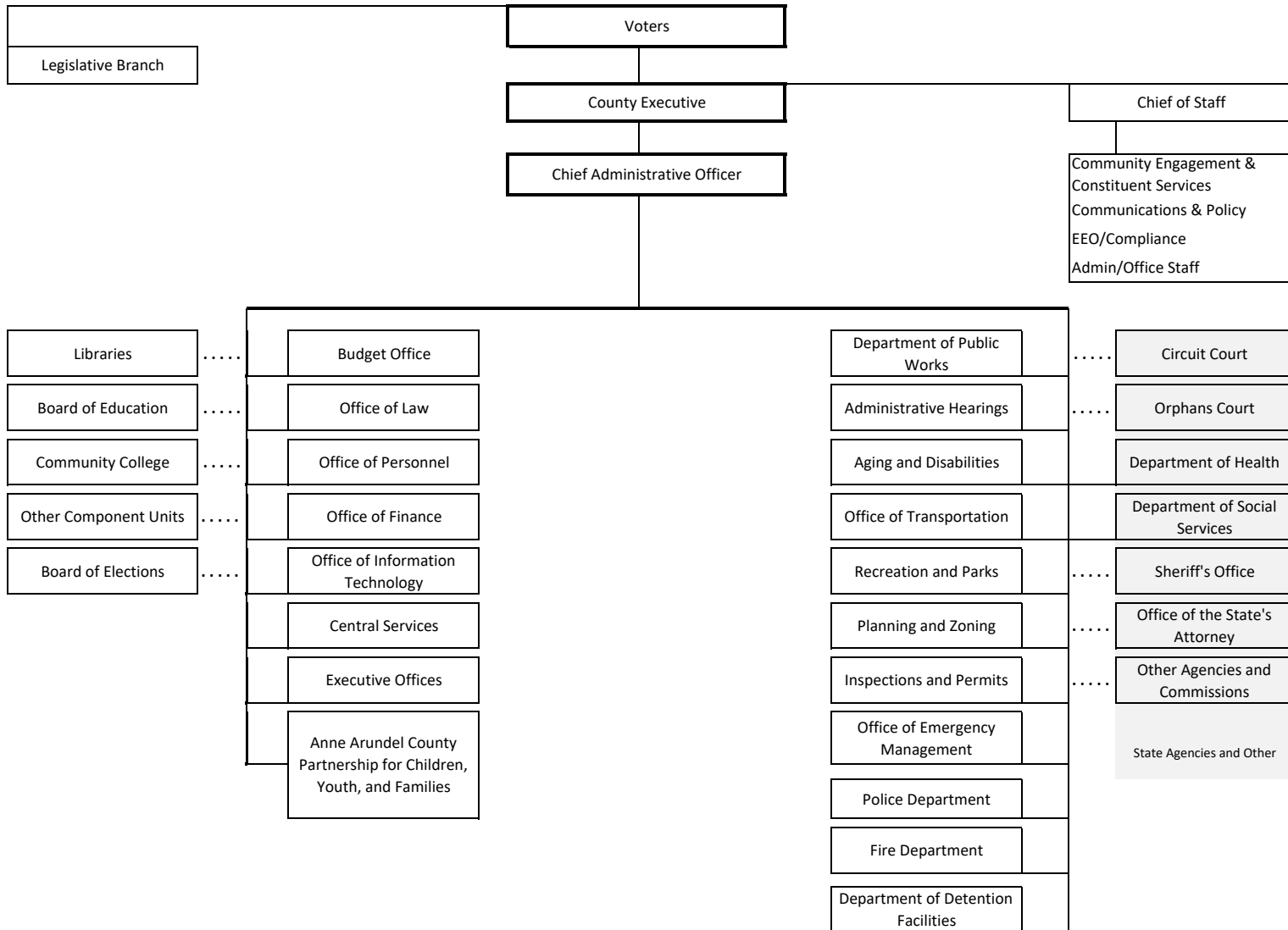
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

Anne Arundel County, Maryland



..... Not a direct report



INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anne Arundel County, Maryland (the County), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Tipton Airport Authority, which represent less than 1 percent of each of the assets and deferred outflows of resources and revenues of the discretely presented component units. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amount included for the Tipton Airport Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Anne Arundel Community College Foundation, which is included in the financial statements of the Anne Arundel County Community College, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the budgetary comparison for the General Fund, and the aggregate remaining fund information of the County as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in net pension liabilities and related ratios, schedules of investment returns, schedules of employers' contributions, schedules of proportionate shares of pension plans, schedules of County's contributions, and schedules of changes in net OPEB liabilities and related ratios, as identified in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining fund statements, budgetary statements and other supporting schedules, and statistical section, as referenced in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fund statements, budgetary statements and other supporting schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund statements, budgetary statements, and other supporting schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

The introductory section and statistical section, as referenced in the accompanying table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2020, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Baltimore, Maryland
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Anne Arundel County, Maryland

Management Discussion and Analysis

Year Ended June 30, 2020

As Management of Anne Arundel County, Maryland (the County), we have prepared the following discussion and analysis to inform readers of the County's annual financial report about the financial information that the enclosed statements present. We encourage readers to consider the discussion and analysis along with the other information in this report, including the transmittal letter and notes to the basic financial statements. In this section we have provided an overview of the basic financial statements, selected condensed financial data and highlights, and analysis of the County's financial position and changes in financial position. Comparable amounts from the fiscal year ended June 30, 2019 have been provided.

Financial Highlights

Government-wide:

- The County wide assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources at the close of the fiscal year by \$817.8 million. The unrestricted portion is a negative \$1.4 billion which is composed of a deficit in the governmental activities of \$1.4 billion and a surplus of \$8.9 million in the business-type activities. The unrestricted deficit occurred in the governmental activities due to Board of Education and Anne Arundel Community College debt being recorded on the County's statement of net position, but not the corresponding capital assets. Debt outstanding for education projects is \$741.1 million and for college projects is \$70.1 million. The current net value of the Board of Education capital assets is \$1.5 billion and the community college net capital assets total \$130.2 million. In the current fiscal year, the governmental activities unrestricted deficit increased by \$26.5 million and the business-type activities unrestricted net position increased by \$9.5 million.
- Total net position of the County has increased by \$46.0 million or 6.0% over the prior fiscal year.
 - In the governmental activities, total revenues increased \$142.6 million or 7.9% and expenses increased \$45.8 or 2.5% from the prior fiscal year, resulting in an increase of \$38.2 million in net position, which is \$95.3 million more than the prior fiscal year change. Increases in operating grants and contributions, capital grants and contributions, general property tax, and local income tax revenues of \$41.0 million, \$18.6 million, \$58.8 million, and \$45.8 million, respectively, were the primary drivers which increased revenues. These increase were offset by decreases in charges for services, local sales tax and investment income of \$9.8 million, \$5.4 million and \$5.6 million, respectively. Higher expenses were primarily due to increases in general government of \$21.4 million, and in health and human services of \$20.0 million related in part to an increase in Covid-19 expenses. The increase in budgetary expenditures were in part from labor related the cost of living and pay for performance increase of 2.0% and 3.0%, respectively, compared to the prior fiscal year. Further details are presented in the Management's Analysis section of the MD&A.
 - In the business-type activities, total revenues increased by \$15.7 million or 6.6% and total expenses increased by \$7.3 million or 3.1%, from the prior fiscal year, resulting in a \$7.8 million increase in net position which is \$10.0 million more than the prior fiscal year change. The increase in revenues were driven mainly by an increase in charges for service, and capital grants and developer contributions in the amount of \$4.4 million and \$10.0 million, respectively. This was primarily from an increase in charges for service, connections fees, and environmental protection fees in the Utility Fund of \$ 5.1 million, \$6.2 million, and \$2.9, respectably. The \$7.3 million increase in expenses was mainly from an increase in spending for contractual service in the Water and Wastewater Fund of \$4.6 million and in the Solid Waste Fund \$1.9 million.

Fund Level:

- The County's governmental funds reported combined fund balances of \$506.8 million, an increase of \$58.8 million from the prior fiscal year. The greatest net change in fund balance was a \$53.3 million increase from the prior fiscal year in the General Fund mainly due to an increase general property taxes and local income taxes of \$54.5 million and \$84.1 million, respectively. These increases in revenue were offset in part by increases in spending for education, public safety and interest expense of \$48.5 million, \$16.4 million and \$4.8 million, respectively, and a decrease in general government and public works spending of \$5.2 and \$8.1 million, respectively. For fiscal year 2020, the Impact Fees Capital Projects Fund balance increased \$7.3 million due to incoming revenues exceeding expenses and transfers out by \$7.3 million. The General County Capital Projects fund balance decreased by \$5.2 million as a result education and capital outlay spending exceeding incoming revenue and transfers in for capital project funding by \$5.2 million. The Grants Fund balance decreased by \$3.0 million as a result of expenses exceeding revenues because of the normal lag in the grant reimbursements which occurs each year. Non-major governmental funds balance increased \$6.4 million due to an increase in net operating income of \$47.9 million, offset by a net of \$41.5 million

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

for other financing sources and uses.

- Approximately 56.5% of the total governmental fund balance or \$286.6 million, is available to meet the County's current and future needs as mandated by the appropriate level of authority within the County and are properly designated as committed, assigned and unassigned.
- Available fund balance for the General Fund was \$215.1 million or 94.4% of the total fund balance, which is 13.8% of the current year expenditures. Non-spendable fund balance of the General Fund was \$3.5 million or 1.5% of the total fund balance.
- The enterprise fund charges for service increased by \$4.4 million or 3.0%, and capital contributions increased \$10.0 million or 14.4%. As discussed previously, this was primarily due an increase in charges for service, connections fees, and environmental protection fees in the Utility Fund. Non-operating revenues increased by \$1.2 million or 5.3%, in part due to an increase in other income of \$1.0 million from prior year. Operating expenses increased by \$7.3 million or 3.1%, and non-operating expenses increased by \$1.6 million, from the prior fiscal year. Further details are presented in the Management's Analysis section of the MD&A.

Changes to debt:

- The County's general obligation bonded debt increased by \$117.8 million for governmental activities and \$45.5 million for business-type activity in fiscal year 2020. The County issued additional general obligation debt in the amount of \$214.5 million for governmental activities which will be used for education, public safety, infrastructure improvements, community college, library, watershed protection and restoration, parks and recreation, and general government improvements. The County issued new bonds for business-type activity in the amount of \$82.1 million for waste management and utility improvements. The County had a net decrease for Maryland Water Quality loans of \$4.5 million for water and waste water improvements.

Overview of Basic Financial Statements

The basic financial statements consist of the government-wide financial statements, fund financial statements, budgetary statements, and notes to the basic financial statements. Each component intends to provide a different perspective of the County's financial results. These components are discussed below.

Government-wide Financial Statements – These statements are designed to provide a broad, entity-wide perspective of the County's financial position and changes in financial position. These statements are prepared using a full-accrual accounting method that measures changes when the underlying economic activity occurs regardless of the timing of the related cash flows. This method is consistent with that used in the private sector.

The government-wide statements have consolidated the Primary government's operations into two columns, governmental activities and business-type activities. In addition, the component units' entity-wide statements are presented. The governmental activities are those functions of the Primary government principally supported by taxes and other general revenue sources. Such activities include education, public safety, general government, health and human services, public works, recreation and community services, judicial, code enforcement, and land use and development. The business-type activities include the Primary government's functions which are primarily supported by user-fees and charges, such as utility services, waste collection, and child care services.

Statement of Net Position – The Statement of Net Position presents the components of the County's assets and deferred outflows of resources, liabilities and deferred inflow of resources, and the net position at end of the fiscal year. This statement includes long-term capital assets and long-term liabilities. In addition, capital assets are shown at their depreciated value. Over time, increases or decreases in net position may indicate an improvement in, or deterioration of the County's financial condition.

Statement of Activities – The Statement of Activities presents information showing how the government's net position changed during this fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods (e.g., uncollected taxes, revenues and earned but

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

unused vacation leave).

Both statements include the Primary government's component units, including the Board of Education, Community College, Library, Economic Development Corporation, Tipton Airport, and Workforce Development. These entities are included because the County provides a substantial amount of their funding or the County Executive appoints a majority of the Board members, implying a substantial degree of control over their management. In addition, the County approves the budgets of these entities.

Fund Financial Statements – The Primary government segregates its financial operations into several funds to account separately for funding sources and activities that the government undertakes. This provides better control over resources designated for specific activities or objectives. These funds are grouped into three different types: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – The governmental funds of the Primary government include the General Fund, Grants Fund, Capital Project Funds, which are used to accumulate and spend resources to construct capital assets; the special revenue funds, which segregate revenue sources to ensure these funds are spent on the intended purpose; and the debt service funds, which accumulate resources to pay certain long-term debt issued by the County or separate districts.

The perspective of these statements is narrower than the government-wide statements discussed previously. These statements present the financial position and changes in financial position resulting from currently available resources and currently due liabilities. Therefore, revenues are not recorded until available, and expenses are recorded primarily when the underlying economic activity occurs. In addition, because these statements focus on current resources, long-term assets and liabilities are not included.

The statements focus on the Primary government's major funds. Major governmental funds include the General Fund, the Impact Fees Capital Projects Fund and the General County Capital Projects Fund. Separate columns are presented for those funds considered major either by size or by importance. The other funds are aggregated into one column called "other non-major funds."

Proprietary Funds – The County maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government wide financial statements. Internal service funds are used to accumulate and allocate costs internally among the County's various functions. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Transactions for these funds are recorded using the full-accrual basis of accounting whereby transactions are recorded when the underlying economic event takes place, regardless of the timing of cash flows. Moreover, long-term assets and liabilities are recorded on the statements.

The enterprise funds include the Water and Wastewater Fund, the Solid Waste Fund, and the Child Care Fund. Internal service funds include the Self Insurance, Health Insurance, Central Garage and Transportation, and Garage Replacement Funds. These statements also focus on major funds so the County includes separate columns for the Water and Wastewater and Solid Waste Funds.

Fiduciary Funds – The fiduciary funds accumulate assets that are managed, but not owned, by the Primary government and therefore are not recorded in the government-wide statements and are not available to support County services. The County's four defined benefit pension plans that form the Retirement System Pension Trust Funds are included in this category. The Retiree Health Benefits Trust Fund (OPEB Trust Fund) administers single employer defined benefit plans for the purpose of providing retiree health benefits. In addition, this category includes agency funds used to accumulate temporary deposits and other funds collected from outside parties in order to be returned to the payer or passed on to a third party. The Pension and OPEB Trust Funds follow the full-accrual method of accounting. The agency funds are presented as balances only and do not record revenues or expenses. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs.

Budgetary Statements – A budgetary statement of revenue and expenditures for the General Fund has been presented in the basic financial statements. This statement provides the results of the County's General Fund operations compared to the legally adopted budget. The statement uses the budgetary method when accounting for transactions. Revenues are

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

generally recognized when available, and expenditures are recognized when a commitment, in the form of a purchase order or contract, has been issued to a vendor.

Notes to the Basic Financial Statements - The notes follow the basic financial statements and provide additional information essential to a full understanding of the data in the government-wide and fund financial statements.

Required Supplementary Information - The required supplementary schedules provide trend data about the Pension Trust Funds and Other Post-Employment Benefits.

Financial Data and Management’s Analysis - Government-wide Statements

Below is a condensed Statement of Net Position with comparative amounts from the previous fiscal year. An analysis of the contents and fluctuations noted in the schedule has been provided.

Anne Arundel County, Maryland						
Statement of Net Position						
	Governmental		Business-type		Totals	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
Assets:						
Current	\$ 747,215,502	\$ 703,625,232	\$ 158,625,640	\$ 149,430,248	\$ 905,841,142	\$ 853,055,480
Restricted - Current	274,267,516	188,868,947	333,245,552	317,314,132	607,513,068	506,183,079
Restricted - Noncurrent	-	-	23,000,923	19,689,000	23,000,923	19,689,000
Capital	1,399,569,819	1,315,564,718	1,832,622,489	1,791,377,657	3,232,192,308	3,106,942,375
Total	2,421,052,837	2,208,058,897	2,347,494,604	2,277,811,037	4,768,547,441	4,485,869,934
Deferred outflow of resources	200,830,156	232,414,608	27,604,655	24,851,594	228,434,811	257,266,202
Liabilities:						
Current	348,576,921	338,480,945	85,569,435	78,466,140	434,146,356	416,947,085
Restricted - current	74,738,010	14,253,570	14,832,103	9,070,170	89,570,113	23,323,740
Noncurrent	2,676,999,865	2,622,368,789	933,847,669	883,038,952	3,610,847,534	3,505,407,741
Total	3,100,314,796	2,975,103,304	1,034,249,207	970,575,262	4,134,564,003	3,945,678,566
Deferred inflow of resources	41,251,292	23,214,258	3,374,168	2,433,279	44,625,460	25,647,537
Net Position:						
Net investment in capital assets	635,565,747	604,084,265	1,008,501,766	1,019,533,158	1,644,067,513	1,623,617,423
Restricted	216,024,232	182,879,525	320,079,113	310,716,958	536,103,345	493,596,483
Unrestricted	(1,371,274,244)	(1,344,807,847)	8,895,005	(596,026)	(1,362,379,239)	(1,345,403,873)
Total net position (restated)	\$ (519,684,265)	\$ (557,844,057)	\$ 1,337,475,884	\$ 1,329,654,090	\$ 817,791,619	\$ 771,810,033

Discussion of components – This statement condenses the Statement of Net Position into broad categories. Current assets are unrestricted assets that are readily convertible to cash and available to pay the liabilities of the County. Current restricted assets are those readily convertible to cash, but legally restricted for a specific use. Noncurrent restricted assets are also limited as to use, but are due to the County over several years. Restrictions can originate from Federal or State governments, grant agreements, or other contracts. Capital assets are those with an extended useful life that are not readily convertible to cash. These assets depreciate in value over the respective useful lives of the assets.

Deferred outflow of resources represent the consumption of net position that applies to a future period that will not be recognized as an outflow of resources until a future fiscal year.

Current liabilities are those obligations that will be paid with currently available resources within one year, while the current restricted liabilities will be paid with restricted assets. Noncurrent liabilities are those not expected to be paid within one year, including long-term debt balances, OPEB, accrued liabilities for annual and sick leave, estimates for long-term insurance claims, long-term escrow deposits, and revenue recorded but not yet earned.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

Deferred inflows of resources represent the acquisition of net position that applies to a future period that will not be recognized as an inflow of resources until a future fiscal year.

Net position represents equity remaining once amounts due from liabilities and deferred inflows of resources are subtracted from assets available and deferred outflows of resources. There are three categories: net investment in capital assets are amounts related to assets purchased or constructed net of the related debt; restricted funds are the amounts remaining after restricted liabilities are covered by restricted assets; and unrestricted funds.

Management's Analysis – Unrestricted current assets of governmental activities are \$43.6 million more in fiscal year 2020. This is due primarily to an increase in cash and temporary investments, and taxes and other state revenue receivables of \$39.0 million and \$7.8 million, respectively, which was offset by a decrease in pre-paid expenses and other receivables of \$6.6 million. The business-type activities current assets increased by \$9.2 million, primarily due to an increase in cash and temporary investments of \$7.8 million from the prior fiscal year.

Restricted current assets in governmental activities increased by \$85.4 million or 45.2%. This was mainly from an increase in restricted cash and temporary investments of \$69.7 million. The restricted cash in the Grants Fund increased by \$58.7 million as a result of Covid-19 funding which was unspent as of the end of the current fiscal year. The restricted cash in the Impact Fee Capital Projects Fund increased by \$7.1 million as a result of an increase in fund balance of \$7.3 million. This was in part due to an increase in fees recognized of \$4.0 million. The General County Capital project fund had a decrease in cash and investments of \$23.0 million. This decrease is in part the result of increases in accounts receivables of \$12.5 million and a decrease in the fund balance of \$5.2 million as a result of expenses receding revenues and transfer in amounts. The Non-major Governmental Funds had an increase in cash and investments of \$5.6 million. This was mainly due to the following changes in cash and investments; Watershed Protection and Restoration Fund increased \$4.9 million; Video Lottery Local Impact Aid decreased \$5.3 million; and Odenton Town Center increased by \$4.4 million. The increase in current non-restricted assets in business-type activities of \$9.2 million or 6.2% was primarily due to an increase in cash and temporary investments of \$7.8 million. The increase in current restricted assets in business-type activities of \$15.9 million or 5.0%, was primarily due to an increase in investments and in other receivables of \$12.1 million and \$8.5 million, respectively, offset by a decrease in cash and temporary investments of \$4.6 million. The increase in investments was due mainly to the annual reallocation of cash and the increase in other receivables was related to an increase in receivables from project developer allocations in the Water and Wastewater Debt Service Fund.

The governmental capital assets balance increased by \$84.0 million from the prior fiscal year or 6.4%. These increases are mainly the result of the completion of certain capital projects.

Restricted noncurrent assets in business-type activities increased by \$44.6 million from the prior fiscal year or 2.5%. This increase resulted in part from an increase in total capital assets of \$41.2 million mainly as a result of the capitalization of water and waste water capital projects being completed and set up as capital assets in the current fiscal year.

Current unrestricted liabilities for governmental activities increased by \$10.1 million or 3.0%, from the previous fiscal year. This occurred primarily due to increases in accounts payable and accrued liabilities, and current portion of non-current liabilities \$13.2 million, and \$8.5 million, respectively, offset by a decrease in escrow deposits, amounts due to component units, and internal balances of \$4.6 million, \$3.8 million and \$3.2 million, respectively. The accounts payable and accrued liabilities increase was mainly from the General Fund in the amount of \$19.2 million, which was offset by a decrease in the General County Capital Projects Fund of \$3.7 million. The current unrestricted liabilities in business-type activities increased by \$7.1 million or 9.1% from the prior fiscal, mainly the result of an increase in current portion of non-current liabilities, and internal balances of \$4.0 million and \$3.2 million, respectively.

Restricted current liabilities for governmental activities increased by \$60.5 million or 424.4% from the prior fiscal year, mainly as a result of an increase in unearned revenue of \$60.9 million due to unearned Covid-19 grant revenue. Restricted current liabilities for business-type activities increased by \$5.8 million or 6.4% from the previous fiscal year, mainly the result of an increase in unearned revenue of \$5.8 million.

Noncurrent liabilities consist of bonded debt, pension benefits, OPEB obligation, unpaid insurance claims, loans, capital leases, and other liabilities. These liabilities increased \$54.6 million or 2.1%, in governmental activities, and increased

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

by \$50.8 million or 5.8%, in business-type activities. The increase in governmental activities was mainly due to an increase in long-term debt liability of \$120.6, which was offset by a decrease in pension liability of \$63.5 million. The change in pension is related to updated actuary calculations, which includes changes in current contributions and updated market conditions. The increase in the noncurrent liabilities in business-type activities was caused primarily by an increase in the long-term bonded debt of \$52.9 million.

The components of governmental and business-type net position were discussed in the financial highlights above. It is important to note that although counties in the State of Maryland issue debt for the construction of schools, the schools are owned by the local Board of Education. Ownership reverts to the County if the building is no longer needed. The County also funds projects for the Community College and others that do not result in County assets. While the County’s statements include this outstanding debt, there are no capital assets recorded on the Primary Government’s statements. The negative unrestricted governmental activities fund balance of \$1.4 billion reflects this treatment. The Board of Education and Community College net investment in capital assets of approximately \$1.5 billion and \$123.5 million, respectively, are evidence of the significant level of capital assets constructed primarily from County incurred debt.

The following table shows the fluctuations in the unrestricted net position in the governmental activities over the past four years. The reduction in net position is the result of assets used for capital improvements classified in the Net Investment in Capital Assets and the recording of the pension benefits and OPEB obligation.

<u>Fiscal year</u>	<u>Balance (in millions)</u>	<u>Fiscal year</u>	<u>Balance (in millions)</u>
2017	\$ (1,221.6)	2019	\$ (1,345.0)
2018	(1,256.7)	2020	(1,371.9)

The following schedule is a condensed version of the Statement of Activities. The revenues are listed first, with the functional expenses presented last. The schedule includes comparative amounts from the previous fiscal year.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

	Governmental Activities		Business type Activities		Total	
	2020	2019	2020	2019	2020	2019
Program Revenues:						
Charges for services	\$ 169,170,478	\$ 178,996,473	\$ 149,241,309	\$ 144,843,945	\$ 318,411,787	\$ 323,840,418
Operating grants & contributions	123,052,168	82,053,761	-	-	123,052,168	82,053,761
Capital grants & contributions	77,415,187	58,853,573	79,720,811	69,671,474	157,135,998	128,525,047
	<u>369,637,833</u>	<u>319,903,807</u>	<u>228,962,120</u>	<u>214,515,419</u>	<u>598,599,953</u>	<u>534,419,226</u>
General Revenues:						
General property taxes	798,537,966.00	739,776,117	-	-	798,537,966	739,776,117
Local income taxes	606,312,333.00	560,494,249	-	-	606,312,333	560,494,249
State shared taxes	5,447,870.00	6,154,459	-	-	5,447,870	6,154,459
Recordation & transfer taxes	114,907,649.00	115,519,643	-	-	114,907,649	115,519,643
Local sales taxes	26,699,642.00	32,110,766	-	-	26,699,642	32,110,766
Investment income	8,931,334.00	14,550,314	7,193,478	6,939,480	16,124,812	21,489,794
Other revenue	19,666,825.00	19,015,315	17,403,654	16,421,468	37,070,479	35,436,783
	<u>1,580,503,619</u>	<u>1,487,620,863</u>	<u>24,597,132</u>	<u>23,360,948</u>	<u>1,605,100,751</u>	<u>1,510,981,811</u>
Total revenues	<u>1,950,141,452</u>	<u>1,807,524,670</u>	<u>253,559,252</u>	<u>237,876,367</u>	<u>2,203,700,704</u>	<u>2,045,401,037</u>
Expenses:						
Education	939,581,972.00	946,223,055	-	-	939,581,972	946,223,055
Public safety	344,881,511.00	342,374,123	-	-	344,881,511	342,374,123
General government	232,233,118.00	210,851,479	-	-	232,233,118	210,851,479
Health & human services	105,098,924.00	85,068,516	-	-	105,098,924	85,068,516
Public works	83,066,338.00	81,238,843	-	-	83,066,338	81,238,843
Recreation & community services	78,697,946.00	74,089,522	-	-	78,697,946	74,089,522
Judicial	30,780,314.00	31,366,461	-	-	30,780,314	31,366,461
Code enforcement	14,872,974.00	14,625,668	-	-	14,872,974	14,625,668
Land use & development	19,195,078.00	22,299,113	-	-	19,195,078	22,299,113
Interest expense on debt	64,360,485	58,859,063	-	-	64,360,485	58,859,063
Water & wastewater	-	-	182,683,237	175,378,762	182,683,237	175,378,762
Waste collection	-	-	56,777,155	56,606,522	56,777,155	56,606,522
Child care	-	-	5,490,066	5,650,435	5,490,066	5,650,435
Total expenses	<u>1,912,768,660</u>	<u>1,866,995,843</u>	<u>244,950,458</u>	<u>237,635,719</u>	<u>2,157,719,118</u>	<u>2,104,631,562</u>
Increase(decrease) in net position	37,372,792	(59,471,173)	8,608,794	240,648	45,981,586	(59,230,525)
Non operating income and expense:						
County Transfer	787,000	2,380,000	(787,000)	(2,380,000)	-	-
Change in Net Position	<u>38,159,792</u>	<u>(57,091,173)</u>	<u>7,821,794</u>	<u>(2,139,352)</u>	<u>45,981,586</u>	<u>(59,230,525)</u>
Net Position, beg of year	(557,844,057)	(500,752,884)	1,329,654,090	1,331,793,442	771,810,033	831,040,558
Adjustment to restate net position	-	-	-	-	-	-
Net Position, end of year	<u>\$ (519,684,265)</u>	<u>\$ (557,844,057)</u>	<u>\$ 1,337,475,884</u>	<u>\$ 1,329,654,090</u>	<u>\$ 817,791,619</u>	<u>\$ 771,810,033</u>

The Statement of Activities presents some significant changes in revenues. These fluctuations were explained in the financial highlights section. Governmental activities' overall revenue has increased from the prior fiscal year by \$142.6 million or 7.9%. This is mainly due to an increase in General Property Taxes of \$58.8 million or 7.9% from the growth in real property assessable base, an increase in program revenues of \$49.7 million or 15.5%, and an increase in local income tax of \$45.8 million or 8.2%. The change in program revenue was from an increase in operating grants and contributions of \$41.0 million, a decrease in charges for service of \$9.8 Million, and an increase in capital grants and contributions of \$18.6 million.

The governmental activities' expenses had an increase of \$45.8 million or 2.5% from prior fiscal year. Certain functional categories of expenditures had significant fluctuations during fiscal year 2020. The most notable fluctuations were in general government, and health and human services which increased by \$21.4 million or 10.1%, and \$20.2 million or 23.8%, respectively. These increases were partially offset by a decrease in both education of \$6.6 million or 0.7%, and land use and development of \$3.1 million or 13.9%. The spending increase in general government was driven in part by an increase in the Grant Fund of \$15.4 million on grants for general government. The spending increase in health and human services was in part the result of an increase in the Covid-19 grants received in the second half of the current fiscal year. The spending decrease in education was as a result of the Board of Education spending less for the County's funds for capital improvements. The decrease in land use and development spending was mainly driven by a reduction in payments to Chesapeake Bay Trust in the amount of \$1.7 million and a reduction in inter fund transfers to capital projects of \$2.0 million, both for reforestation as compared to the prior year. In fiscal year 2020, the County Employee's received a 2.0% cost of living increase and a 2.5% pay for performance increase which effect all funds.

Business-type activities total revenues increased by \$15.7 million or 6.6% from prior fiscal year. The increase in program revenue of \$8.5 million is mainly due to an increase in capital grants and contributions of \$10.0 million or 14.4% from the previous fiscal year. This was from an increase in both environmental protection revenues of \$2.9 million and an in

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

capital contributions in of \$7.2 million in the Utility Debt Service Fund. General revenues increased by \$1.2 million or 5.3% which was mainly from an increase in other revenue of \$1.0 million from the prior fiscal year.

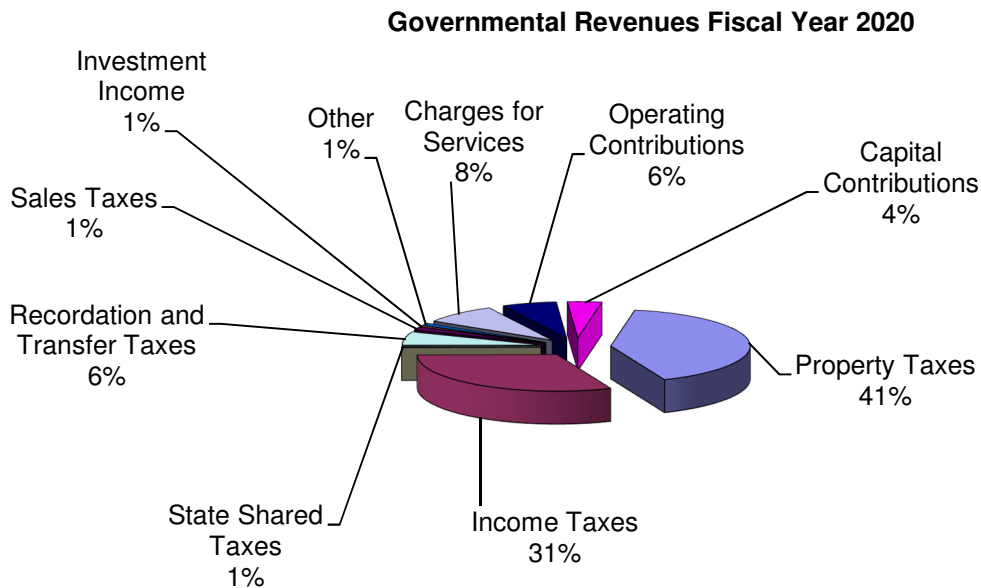
Business-type expenses had an overall increase of \$7.3 million or 3.1% from the previous fiscal year, which was primarily caused by an increase water and wastewater fund of \$7.3 million. The increase in the Water and Wastewater Operating Fund was in part from a \$4.6 million increase in contractual services and an increase in depreciation expense of \$1.2 million. There was also an increase in the Utility Debt Service fund of \$1.8 million for interest expense.

Distribution of Revenues and Expenses

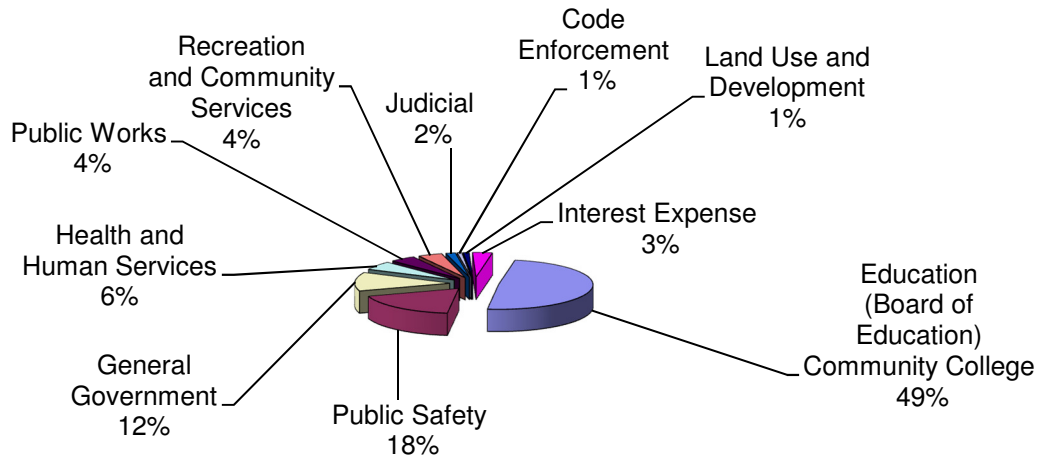
The next two charts show the percentage distribution of revenues from governmental activities and the percentage expended on each function. Discussion of the 2020 distribution and significant changes since 2019 follows.

General revenue sources continue to provide the vast majority of the County’s revenue. Tax revenues from property assessments, income, State shared sources, recordation and transfer, and sales provided 80% of the revenue base, which decreased 1% from fiscal year 2019. Charges for services paid to the County by users were 8% for fiscal year 2020, a decrease from fiscal year 2019 which was 10%.

An analysis of the percentage distribution of revenues revealed that there was an increase in Operating Contributions and Capital Contributions from 4% to 6% and 3% to 4%, respectively, while Sales Tax and Charges for Services decreased from 2% to 1% and 10% to 8%, respectively. An analysis of the percentage distribution of expenses by function revealed that General County and Health and Human Services increased slightly from 11% to 12% and 5% to 6%, respectively, while Education (Board of Education and Community College) decreased from 51% to 49%.



Governmental Expenses Fiscal Year 2020

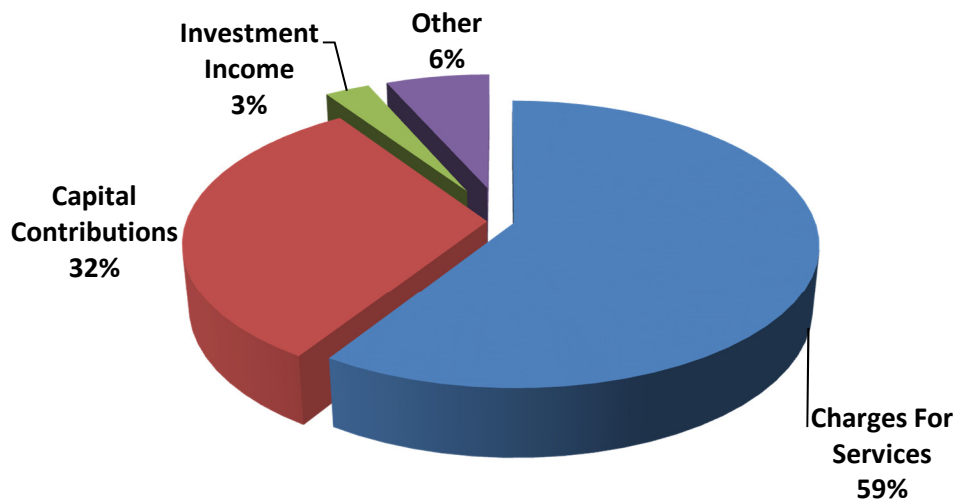


The next two charts show the percentage distribution of revenues from business-type activities and the percentage expended on each function. Discussion of the fiscal year 2020 distribution and significant changes since fiscal year 2019 follows.

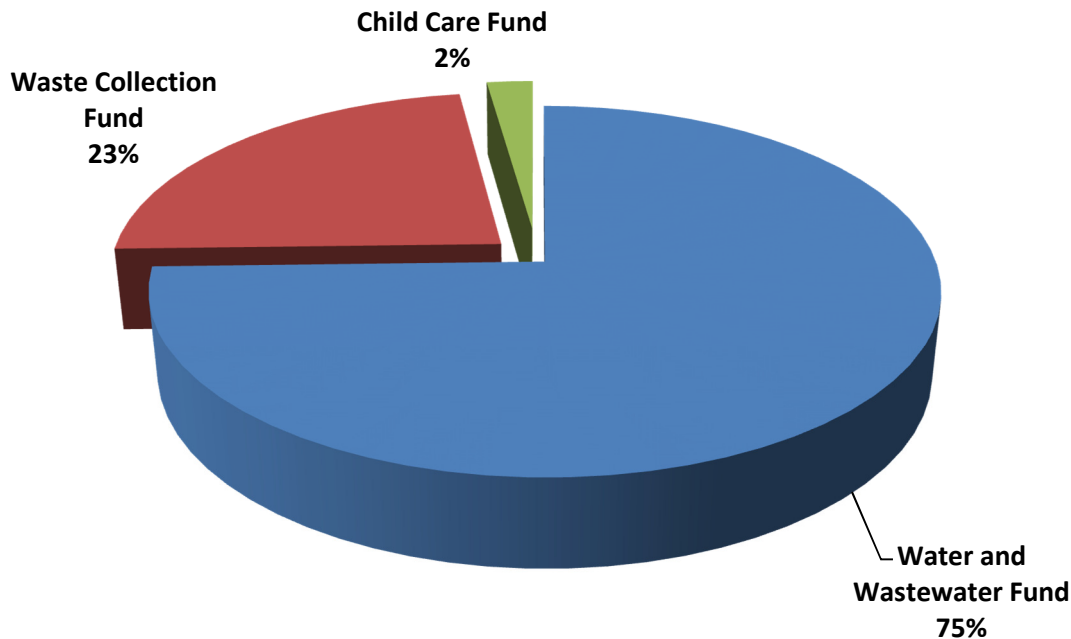
Charges for services and capital contributions continue to provide the vast majority of the County’s business-type activities revenue. Together these account for 91% of the revenue in fiscal year 2020, no change from fiscal year 2019 which was also 91%.

An analysis of the percentage distribution of expenses by function revealed that the Water and Wastewater Fund increased from 74% to 75%, while the Waste Collection Fund decreased from 24% to 23%.

Business-Type Activities Revenues Fiscal Year 2020



Business-Type Activities Expenses Fiscal Year 2020



Fund Statements

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Although tables have not been included herein, certain elements of the major fund statements presented in the basic financial statements are discussed below.

Governmental Funds:

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, committed, assigned, and unassigned fund balances can serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Total assets in the General Fund increased from \$368.0 million to \$439.5 million or \$71.6 million, from the prior fiscal year. The increase primarily occurred in cash and investments of \$57.0 million, local income tax receivables of \$6.8 million and amounts due from other funds of \$16.1 million which was offset by a decrease in other, net receivables of \$10.7 million. Total fund balance increased from \$174.7 million to \$228.0 million or \$53.3 million.

General Fund revenues increased from \$1,499.8 million to \$1,608.5 million or \$108.8 million and expenditures increased from \$1,502.9 million to \$1,561.8 million or \$58.9 million over the prior fiscal year. The main increases in revenue were in general property tax, and local income tax of \$54.5 million and \$84.1 million, respectively, offset by a decrease in fees for services and other revenue of \$12.0 million. In part as a result of decreases in federal prison housing reimbursements, ambulance fees, recreation and park fees, and other miscellaneous revenues of \$2.9 million, \$1.5 million, \$2.9 million, and \$3.7 million respectively. Many of these decreases can be attributed to Covid-19, especially the reduction in park fees as the County stopped charging fees for park entrances and closed other facilities.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

The County has put aside funds for permanent public infrastructure, in the amount of \$9.4 million, which is included in the restricted fund balance of the General Fund. The County has a Revenue Reserve Fund which is included in the unassigned category of General Fund balance. At the end of the current fiscal year, a balance of \$82.4 million was in the reserve fund. This increase from the prior fiscal year is from the current year contribution of \$5.5 million and investment earnings of \$3.5 million. This reserve may only be used when revenues fall below budget expectations and would require legislative action. This fund has been in existence since fiscal year 1994 and has been drawn on by Management in fiscal year 2009 and fiscal year 2010 in the amounts of \$16.8 million and \$16.0 million, respectively, as a result of underperforming revenues during the recession of 2008 and 2009.

The Grants Fund is being presented as a major fund in the current fiscal year as a result of the inflow and outflow of COVID-19 grants received from state and federal sources. The total fund balance decreased by \$3.0 million, from a negative \$5.3 million in fiscal year 2019 to a negative \$8.4 million in fiscal year 2020. This was a result of an increase in deferred inflows of resources which was not received by September 30, 2020.

The Impact Fees Capital Project Fund retains developer impact fees until needed for the construction of capital assets. The total fund balance increased \$7.3 million, from \$87.5 million in fiscal year 2019 to \$94.8 million in fiscal year 2020. This was a result of impact fee revenues of \$36.7 million exceeding impact fee expenses of \$6.3 million and transfers out to capital projects of \$24.2 million. The amounts transferred are used for the construction of capital assets and to pay off debt, both of which are related to impact fee eligible projects.

The General County Capital Projects Fund's total assets decreased from \$187.7 million in fiscal year 2019 to \$177.2 million in fiscal year 2020, or \$10.4 million. This is primarily due to a decrease in cash and investments of \$23.0 million at the end of current fiscal year, and an increase in receivables of \$12.5 million. The receivable increase was in part due to the grants receivable increase in recreation and parks of \$5.0 million for Greenways and Quite Waters Park, and Anne Arundel Community College for the Health Building of \$3.3 million. Amounts due from the Board of Education increased by \$3.3 million. Liabilities decreased by \$9.9 million compared to the prior fiscal year, primarily due to a decrease in the amount due to the Board of Education of \$9.1 million. Deferred inflow of resources increased \$4.6 million due to an increase in unavailable grant and program revenue. The change in fund balance from the prior fiscal year decreased from \$104.7 million to \$99.6 million in fiscal year 2020, for a decrease of \$5.1 million in fund balance from the prior fiscal year.

Revenues in the General County Capital Projects Fund increased from \$23.5 million in fiscal year 2019 to \$25.0 million in fiscal year 2020, or by \$1.6 million. Expenditures in this fund decreased by \$50.8 million which is attributed to a decrease of \$56.0 million for amounts paid to the Board of Education and Community College for capital projects and a \$4.3 million increase in capital outlay expense. The decrease in Board of Education and Community College is primarily attributable to the decrease in cost for school construction. Although, school construction costs fluctuated based on various projects, Crofton Area High School, Jessup Elementary School and Arnold Elementary School completed construction which decreased costs by \$68.1 million compared to the prior fiscal year. This was offset by an increased in funding for Anne Arundel Community College's, Health, Science and Biology Building of \$22.8 million.

Proprietary Funds:

The County's proprietary fund's statements provide the same information found in the government-wide financial statements, but in more detail.

The Water and Wastewater Fund's assets totaled \$2.2 billion at the end of fiscal year 2020, which was an increase of \$66.8 million over fiscal year 2019. The increase primarily occurred as a result of an increase in net capital assets of \$38.6 million and an increase in investments, restricted receivables and deferred connection and assessment charges of \$12.1 million, \$8.5 million and \$3.3 million, respectively. Capital assets increase each year as capital projects are completed and developer donated water and sewer facilities are added. The main increase in liabilities was an increase in long term debt of \$51.3 million. As a result of the changes in assets and liabilities, the Water and Wastewater Fund's net position increased \$10.4 million or 0.8%.

The Statement of Revenues, Expenses, and Changes in Fund Net Position for Water and Wastewater Fund had an increase in operating revenues of \$5.6 million. Operating expenses increased by \$3.4 million or 2.4%, mainly from an increase in

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

contractual services of \$4.9 million, and an increase in personnel services expense of \$2.8 million. Non-operating revenue and expenses decreased from the previous year by \$0.765 million. Capital contributions and grants increased by \$7.2 million. These contributions represent the capital assets built by developers and fees collected from properties connecting to the County's water and wastewater systems.

The Solid Waste Fund's assets increased by \$0.374 million. Liabilities increased by \$4.4 million from the prior fiscal year in part from an increase in long-term debt of \$4.7 million compared to prior fiscal year.

The Statement of Revenues, Expenses, and Changes in Fund Net Position for Solid Waste had an increase in operating revenue of \$0.549 million and a decrease in operating expenses of \$0.533 million. This contributed to an increase in net position of \$0.347 million at the end of the current fiscal year.

Fiduciary Funds:

Fiduciary funds include the Pension Trust Funds, the OPEB Trust Fund, and the Agency Funds. The Pension Trust Funds are presented for the calendar year ended December 31, 2019. Total investments in the Pension Trust increased by \$223.0 million in calendar year 2019. The Pension Fund net position increased from \$1.8 billion to \$2.0 billion or 12.6%. Contributions increased from \$85.8 million in 2018 to \$92.2 million during 2019 and investment activity increased by \$354.0 million from prior year. The net position of the OPEB Trust at the end of the current fiscal year was \$262.4 million, an increase of \$69.1 million from the prior fiscal year. Agency funds decreased from \$33.3 million in fiscal year 2019 to \$21.0 million in fiscal year 2020 as a result of not having a property tax sale in fiscal year 2020. The annual property tax sale was postponed because of the Covid-19 pandemic.

Budgetary Variations:

The budgetary statements of the General Fund show actual revenues of \$1.7 billion compared to budgeted amounts of \$1.6 billion, resulting in \$40.1 million more revenue than anticipated. The most significant budgetary variations within components of revenue were the increases in general property taxes, local income tax, and recordation and transfer taxes which exceeded budgetary expectation by \$3.1 million or 0.4%, \$42.0 million or 7.4%, and \$12.9 million or 12.7%, respectively. The remaining negative variances were mainly due to decreases in state shared taxes, local sales taxes, licensed and permits, Video Lottery Impact Aid, inter-fund recoveries, and fees for service and other revenues of \$2.1 million, \$5.5 million, \$2.3 million, \$2.5 million and \$6.6 million, respectively. The decrease in revenues were mainly the result of the effects of Covid-19 related to County closures, the temporary reduction of fees charged by the County and the delay of the Video Lottery Impact Aid revenue which was received after September 30, 2020.

Total expenditures on a budgetary basis were \$1.7 billion compared to appropriation authority of \$1.7 billion, resulting in \$55.1 million or 3.2%, less than planned. The most notable variances are in the public safety and health and human services of \$7.2 million and \$38.8 million, respectively. This was in part due to under spending in the Police Department of \$5.2 million and in the Health Department of \$37.3 million. The Police Department under spent mainly in personnel services partly as a result of position vacancies and the Health Department did not spend all of their Covid-19 grant funds which will be spent in the following fiscal year. Also, certain expenses were applied to grants for Covid-19 related activities.

In reviewing the changes from the original budget to the final budget, total budgeted revenues did not change but budgeted expenses increased by \$27.0 million mainly as a result of increase spending requests for Covid-19 grant funds received during the second half of the current fiscal year. The expense increase was primarily in health and human service in the amount of \$33.5 million for Covid-19 expenditures. There was a decrease in general government original expense budget, compared the final budget in the amount of \$11.0 million. Management is not aware of any reasons why these and other budgetary variations would have a significant effect on future liquidity or services.

Capital Assets

The next table presents the asset values of the capital asset categories in governmental and business-type activities, net of accumulated depreciation. A discussion of the fluctuations follows.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

Governmental capital assets – The governmental activities capital assets increased by \$84.0 million or 6.4%, from fiscal year 2019. The following table shows an increase in land and easements, land improvements, storm drains and culverts, automobiles and rolling stock, furniture and equipment and construction in progress of \$15.5 million, \$2.2 million, \$4.8 million, \$4.9 million, \$1.5 million and \$66.9 million, respectively. These increases were partially offset by a decrease in buildings, and roads and bridges of \$4.3 million and \$7.1 million, respectively.

Some major capital asset events during the current fiscal year included the following:

- \$26.2 million for Road Resurfacing and Reconstruction
- \$10.2 million for Information Technology Enhancement
- \$14.5 million for land for parks, schools, land preservation, and fire station
- \$8.7 million for Annapolis Regional Library
- 69 new vehicles were purchased including fire trucks, ambulances, and various autos

Business-type capital assets – The business-type activities capital assets increased by \$41.2 million or 2.3%, from fiscal year 2019. The following table shows increases in land and easements, landfills, water and sewer plants and lines, and construction in progress of \$5.5 million, \$2.1 million, \$31.2 million and \$3.2 million, respectively. These increases were partially offset by decreases in buildings and furniture and equipment of \$338.6 thousand and \$294.0 thousand, respectively. The remaining categories of assets show modest variations because new additions are negated by the continued depreciation of existing assets.

Major capital asset events during the current fiscal year included the following:

- \$15.1 million for general water and sewer main replacement and reconstruction
- \$10.1 million for Dewatering Facilities
- \$10.1 million for upgrade and retrofit of sewer pumping station facilities
- \$7.6 million for Cox Creek Water Reclamation Facility
- \$7.6 million for generator replacement at sewer pumping station facilities

Anne Arundel County, Maryland Capital Assets (net of depreciation)							
	Governmental Activities		Business-type Activities		Total		
	2020	2019	2020	2019	2020	2019	
Land and easements	\$ 276,633,421	\$ 261,179,615	\$ 18,228,804	\$ 12,705,712	\$ 294,862,225	\$ 273,885,327	
Historical property and works of art	4,166,465	4,166,465	-	-	4,166,465	4,166,465	
Land improvements	161,639,869	159,444,505	-	-	161,639,869	159,444,505	
Landfills			30,552,852	28,470,072	30,552,852	28,470,072	
Buildings	177,001,103	181,276,855	36,657,711	36,996,280	213,658,814	218,273,135	
Roads, bridges and signals	162,320,253	169,435,715	-	-	162,320,253	169,435,715	
Sidewalks, curbs and gutters	34,004,235	34,125,115	-	-	34,004,235	34,125,115	
Storm drains and culverts	153,015,537	148,186,034	-	-	153,015,537	148,186,034	
Water and sewer plants and lines	-	-	1,193,577,319	1,162,358,649	1,193,577,319	1,162,358,649	
Automobiles and rolling stock	56,403,767	51,492,644	6,350,343	6,468,706	62,754,110	57,961,350	
Furniture and equipment	24,625,670	23,147,819	13,277,922	13,571,937	37,903,592	36,719,756	
Software	3,419,551	3,667,382	-	-	3,419,551	3,667,382	
Construction in progress	346,339,948	279,442,569	533,977,538	530,806,301	880,317,486	810,248,870	
Total	\$ 1,399,569,819	\$ 1,315,564,718	\$ 1,832,622,489	\$ 1,791,377,657	\$ 3,232,192,308	\$ 3,106,942,375	

The Statement of Net Position presents the gross asset balances and total accumulated depreciation. The following table summarizes this information for depreciable assets and presents accumulated depreciation as a percentage of the gross depreciable assets.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

	<u>Total Depreciable Capital Assets</u>	<u>Less Accumulated Depreciation</u>	<u>Net Depreciable Capital Assets</u>	<u>Accumulated Depreciation as a Percent of Total</u>
Governmental				
2020	\$ 1,752,416,903	\$ (979,986,918)	\$ 772,429,985	56%
2019	1,705,463,427	(934,687,358)	770,776,069	55%
2018	1,666,353,729	(898,876,045)	767,477,684	54%
2017	1,640,033,012	(875,632,813)	764,400,199	53%
2016	1,593,203,922	(833,231,751)	759,972,171	52%
2015	1,489,865,377	(793,436,125)	696,429,252	53%
Business-type				
2020	\$ 2,303,599,166	\$ (1,023,183,019)	\$ 1,280,416,147	44%
2019	2,214,565,724	(966,700,080)	1,247,865,644	44%
2018	2,109,864,062	(915,143,615)	1,194,720,447	43%
2017	2,008,724,137	(870,291,027)	1,138,433,110	43%
2016	1,899,149,892	(817,010,887)	1,082,139,005	43%
2015	1,673,358,479	(769,169,392)	904,189,087	46%

This analysis shows that the percent of depreciated governmental capital assets has increased in the last year to 56.0% at fiscal year-end 2020. The business-type capital assets has stayed steady at 44.0% for the total depreciation as a percent of the asset values at fiscal year-end.

The comparison of these fiscal years does not provide any definitive conclusion about the County's replacement of aging assets, however, an upward trend in accumulated depreciation as a percent of gross assets over several years might indicate that the asset base is aging. Management will continue to monitor these trends. Additional information about the County's capital assets and changes therein is provided in the Note 5 to the basic financial statements.

Debt Administration

The County's outstanding debt at the end of fiscal years 2020 and 2019 is presented in the table below. The County issued general obligation bonds, of \$296.6 million in April 2020, including \$214.5 million for governmental activities, \$82.1 million for water and wastewater activities to fund improvements for general county capital projects of \$214.5 million, waste management projects of \$8.0 million, and water and sewer projects of \$74.1 million. The County had a decrease in Maryland Water Quality loans for water and waste water improvements of \$4.5 million in the Water and Wastewater Fund.

The changes to the state loans were not significant as there was no new loans in the current fiscal year. Principal payments of \$221,263 were made on existing loans. There were no new leases in the current fiscal year and payments for leases totaling \$10,122 resulted in a decrease in the capital lease balance to \$20,245. The County did not initiate new agricultural easements through installment purchase agreements during fiscal year 2020. Other changes to debt balances resulted from principal payments during fiscal year 2020. Additional information about the County's debt and changes therein is provided in Note 8 to the basic financial statements.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

Anne Arundel County, Maryland Outstanding Debt *						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 1,384,648,193	\$ 1,263,666,978	\$ 750,633,378	\$ 705,176,018	\$ 2,135,281,571	\$ 1,968,842,996
Special assessment debt	68,445,000	71,610,000	-	-	68,445,000	71,610,000
State loans	2,362,394	2,583,657	-	-	2,362,394	2,583,657
Capital leases	20,245	30,367	-	-	20,245	30,367
Installment purchase agreements	13,485,000	13,505,000	-	-	13,485,000	13,505,000
Total	<u>\$ 1,468,960,832</u>	<u>\$ 1,351,396,002</u>	<u>\$ 750,633,378</u>	<u>\$ 705,176,018</u>	<u>\$ 2,219,594,210</u>	<u>\$ 2,056,572,020</u>

* Does not include unamortized premiums.

Fiscal Year 2020 and Beyond

- The County Real Property Tax Rate for fiscal year 2021 is \$0.934 per \$100 of assessed valuation. This is a \$0.001 decrease over previous year's property tax rate. Fiscal year 2021 property tax receipts are estimated to increase 3.2% over the fiscal year 2020 actual receipts. Any future decline in real property assessments would not significantly impact the property tax revenue yield because of the wide gap between assessable values and "taxable" assessable values, the growth of which was limited by the Homestead Property Credit Program to 2% per year during the housing boom years.
- The County Council set the calendar year 2021 County income tax rate at 2.81%, which is unchanged from calendar year 2020. Based on most recent estimate, Fiscal year 2021 income tax revenue is projected to increase 2.3% over the fiscal year 2020 actual revenue. The projected income tax revenue is about \$32 million more than the budgeted amount of \$589.2 million for fiscal year 2021.
- State law allows the County to collect a stormwater fee from taxpayers to fund the implementation of a local watershed protection and restoration program. These fees are maintained in a dedicated fund, the Watershed Protection and Restoration Fund. For fiscal year 2021, stormwater fee remains unchanged at \$89.25 per ERU (equivalent run off unit) and the Watershed Protection and Restoration Fund had an approved budgeted revenue of \$24.3 million.
- For fiscal year 2021, the Anne Arundel County Public Schools are funded by the County at \$749.6 million, a \$16.3 million or 2.2% increase over the prior fiscal year. This funding level meets the required Maintenance of Effort level for fiscal 2021. Anne Arundel County Public Schools fiscal year 2021 capital budget contains 50 planned projects totaling \$158.3 million or 44.2% of the General County capital projects. Of the total General Fund debt service budget, 55.2% is allocated for school debt.
- The County's support of the Anne Arundel Community College increased \$1.3 million in fiscal year 2021 over fiscal year 2020 to a total of \$48.4 million, \$46.64 million from General Fund and \$1.7 million from Video Lottery Local Impact Aid Special Revenue Fund. The County has appropriated \$35.6 million for Anne Arundel County Community College's fiscal year 2021 capital projects, which will be financed by issuing general obligation bonds. The Community College's annual debt service of \$8.4 million is paid by the County.

The fiscal year 2021 General Fund budget was crafted at the same time that the COVID-19 pandemic was accelerating and producing an acute economic impact on the nation, state and county economies. Mindful of the economic struggles the County has faced during the COVID-19 pandemic and national economic uncertainties, cuts in revenue funding streams and the status of the State of Maryland's budget, the County will continue to carefully monitor expenditures and apply cost containment efforts. Nevertheless, the FY21 General Fund budget estimates total revenues at \$1.72 billion, an increase of \$23.0 million or 1.4% over fiscal year 2020 original budgeted amounts. Expenditures for fiscal year 2021 will continue to be tightened and trimmed where possible with some strategic investments, particularly in technology. The County also anticipates issuing bonds during fiscal year 2021.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2020

As mentioned above, FY2021 income tax rate stayed at 2.81%. This rate is the fourth lowest in the State. The FY2021 property tax rate is \$0.934 per \$100 of assessed valuation – the fifth lowest in the State. The Homestead Tax Credit rate for County real property tax is at 2.0% which remains unchanged from the past fiscal year.

Legislation was passed to restore the admissions and amusement tax for the gross receipts derived from any admissions and amusement charge for admission to any moving picture theater effective January 1 2019.

Bill 42-19 has been passed to establish the Reserve Fund for Permanent Public Improvements (PPI Fund). These funds are currently restricted in the general fund. The revenue for the Fund is based off of 1/10th of a percentage point by which the income tax rate exceeds 2.50% and capped at \$21 million a year to pay for the debt service of a one-time capital infusion totals \$250 million. FY2021 General Fund Budget met the required contribution toward the PPI Fund.

The Water and Wastewater Fund usage rates for water and wastewater fees for fiscal year 2021 are \$2.83/1,000gal and \$4.97/1,000gal, respectively. This is same with the prior fiscal year. No changes were made to the annual refuse and recycling fees. A 10% rate increase was placed on Capital Facility Connection Charges and Environment Protection Fee (EPF) consistent with the five year plan.

Requests for Information

This financial report is designed to provide a general overview of the County’s finances for all those interested. Questions concerning any information provided in this report or requests for additional finance information should be addressed to the Office of Finance, 44 Calvert Street, Annapolis, Maryland 21401. Complete financial reports are also available on our website www.aacounty.org.

The County’s component units, except for the Library, issue their own separately audited financial statements. These statements may be obtained by directly contacting the component unit. Contact information can be found on Note 1A of this report.

**Basic
Financial
Statements**

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Anne Arundel County, Maryland

Statement of Net Position

June 30, 2020

	Primary Government			Discretely Presented Component Units		
	Governmental Activities	Business-type Activities	Total	Board of Education	Community College	Other Non-major
ASSETS						
Current Assets						
Cash and temporary investments	\$ 501,349,775	\$ 130,546,852	\$ 631,896,627	\$ 217,790,911	\$ 19,726,515	\$ 6,418,461
Taxes and other revenue receivable	205,543,332	-	205,543,332	15,378,153	595,257	-
Service billings receivable	-	25,028,463	25,028,463	-	-	10,065
Prepaid and other assets	26,393,630	32,522	26,426,152	31,407,125	5,092,897	2,047,708
Inventories	4,194,047	3,017,803	7,211,850	2,730,969	1,060,953	15,112
Receivables	-	-	-	-	-	12,754
Due from primary government	-	-	-	31,068,934	6,696,947	3,705,380
Due from component units	9,734,718	-	9,734,718	-	-	-
Restricted assets						
Cash and temporary investments	235,048,624	19,407,882	254,456,506	6,066,548	-	3,556,089
Investments	-	288,089,742	288,089,742	-	-	-
Receivables	-	-	-	-	-	-
Due from other governmental agencies	32,066,419	4,029,579	36,095,998	-	-	-
Other, net	7,152,473	21,718,349	28,870,822	-	-	-
Total current assets	<u>1,021,483,018</u>	<u>491,871,192</u>	<u>1,513,354,210</u>	<u>304,442,640</u>	<u>33,172,569</u>	<u>15,765,569</u>
Non-current Assets						
Restricted assets						
Long term assessment and connection charges	-	23,000,923	23,000,923	-	-	-
Total non-current restricted assets	-	23,000,923	23,000,923	-	-	-
Loans receivable and other assets	-	-	-	-	16,484,502	9,118,403
Capital assets not being depreciated	627,139,834	552,206,342	1,179,346,176	314,787,875	52,226,934	-
Capital assets being depreciated	1,752,416,903	2,303,599,166	4,056,016,069	2,111,304,467	183,515,147	38,371,088
Less accumulated depreciation	(979,986,918)	(1,023,183,019)	(2,003,169,937)	(951,502,931)	(105,535,374)	(15,361,798)
	<u>772,429,985</u>	<u>1,280,416,147</u>	<u>2,052,846,132</u>	<u>1,159,801,536</u>	<u>77,979,773</u>	<u>23,009,290</u>
Total capital assets	<u>1,399,569,819</u>	<u>1,832,622,489</u>	<u>3,232,192,308</u>	<u>1,474,589,411</u>	<u>130,206,707</u>	<u>23,009,290</u>
Total non-current assets	<u>1,399,569,819</u>	<u>1,855,623,412</u>	<u>3,255,193,231</u>	<u>1,474,589,411</u>	<u>146,691,209</u>	<u>32,127,693</u>
Total assets	<u>2,421,052,837</u>	<u>2,347,494,604</u>	<u>4,768,547,441</u>	<u>1,779,032,051</u>	<u>179,863,778</u>	<u>47,893,262</u>
DEFERRED OUTFLOW OF RESOURCES						
Pension benefits	93,688,067	11,465,397	105,153,464	17,152,951	561,273	1,335,904
OPEB benefits	99,269,344	12,280,390	111,549,734	135,159,000	27,705,656	16,005,691
LOSAP benefits	3,378,647	-	3,378,647	-	-	-
Unamortized deferred refunding loss	4,494,098	3,858,868	8,352,966	-	208,057	-
Total deferred outflow of resources	<u>200,830,156</u>	<u>27,604,655</u>	<u>228,434,811</u>	<u>152,311,951</u>	<u>28,474,986</u>	<u>17,341,595</u>

Anne Arundel County, Maryland

Statement of Net Position

June 30, 2020

	Primary Government			Discretely Presented Component Units		
	Governmental Activities	Business-type Activities	Total	Board of Education	Community College	Other Non-major
LIABILITIES						
Current liabilities						
Accounts payable and accrued liabilities	132,887,260	32,895,786	165,783,046	182,524,653	14,303,226	3,040,034
Current portion of non-current liabilities	172,972,675	50,974,156	223,946,831	26,478,443	-	1,458,473
Notes payable	-	-	-	-	833,714	493,848
Internal balances	(1,086,652)	1,086,652	-	-	-	-
Due to primary government	-	-	-	9,734,718	-	-
Due to component units	41,471,261	-	41,471,261	-	-	-
Escrow deposits	2,332,377	612,841	2,945,218	-	-	-
Unearned revenue	-	-	-	3,713,796	8,203,079	3,781,911
Liabilities related to restricted assets						
Accounts payable and accrued liabilities	7,009,260	7,766,139	14,775,399	-	-	-
Escrow and other deposits	5,023,896	-	5,023,896	-	-	203,627
Unearned revenue	62,706,024	7,065,964	69,771,988	-	-	-
Total current liabilities	423,316,101	100,401,538	523,717,639	222,451,610	23,340,019	8,977,893
Non-current liabilities						
Compensated absences and other obligations	317,878	245,363	563,241	25,581,932	1,316,159	118,470
Net pension liability	573,436,627	55,582,588	629,019,215	64,243,619	3,169,414	6,548,253
Net other post-employment liability	497,454,853	64,998,621	562,453,474	1,859,904,000	66,548,628	44,392,561
Net LOSAP liability	18,168,036	-	18,168,036	-	-	-
Unpaid insurance claims	57,442,302	-	57,442,302	-	-	-
Estimated landfill closure and postclosure	-	20,898,188	20,898,188	-	-	-
Long-term debt	1,530,180,169	790,866,805	2,321,046,974	10,770,158	8,564,182	1,103,584
Due to other governments	-	-	-	-	-	4,978,715
Unearned revenue	-	1,256,104	1,256,104	-	-	-
Total non-current liabilities	2,676,999,865	933,847,669	3,610,847,534	1,960,499,709	79,598,383	57,141,583
Total liabilities	3,100,315,966	1,034,249,207	4,134,565,173	2,182,951,319	102,938,402	66,119,476
DEFERRED INFLOW OF RESOURCES						
Pension benefits	27,425,875	2,080,028	29,505,903	9,540,993	644,689	392,154
OPEB benefits	10,222,067	1,294,140	11,516,207	859,685,000	21,734,377	9,085,871
LOSAP benefits	3,228,264	-	3,228,264	-	-	-
Property tax revenue collected in subsequent year	375,086	-	375,086	-	-	-
Total deferred inflow of resources	41,251,292	3,374,168	44,625,460	869,225,993	22,379,066	9,478,025
NET POSITION						
Net investment in capital assets	635,565,747	1,008,501,766	1,644,067,513	1,460,435,607	123,478,295	21,829,411
Restricted for:						
Debt service	6,819,795	316,010,654	322,830,449	-	-	-
Capital improvements	151,354,034	4,029,579	155,383,613	-	-	-
Permanent Public Infrastructure	9,371,621	-	9,371,621	-	-	-
Scholarships/endowments	-	-	-	-	8,936,985	-
Reforestation	3,828,285	-	3,828,285	-	-	-
Other purposes	44,650,497	38,880	44,689,377	19,746,474	-	992,529
Unrestricted	(1,371,274,244)	8,895,005	(1,362,379,239)	(2,601,015,391)	(49,393,984)	(33,184,584)
Total net position (deficit)	\$ (519,684,265)	\$ 1,337,475,884	\$ 817,791,619	\$ (1,120,833,310)	\$ 83,021,296	\$ (10,362,644)

Accompanying notes to the financial statements are an integral part of this statement.

Anne Arundel County, Maryland

Statement of Activities

Year Ended June 30, 2020

Functions / Programs	Program Revenues				Net (Expense) Revenues and Changes in Net Position						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Discretely Presented Component Units			
					Governmental Activities	Business-type Activities	Total	Board of Education	Community College	Other Non-major	
Primary government											
Governmental activities											
Education	\$ 939,581,972	\$ -	\$ -	\$ 25,910,946	\$ (913,671,026)	\$ -	\$ (913,671,026)	\$ -	\$ -	\$ -	
Public safety	344,881,511	33,820,957	8,195,926	3,674,421	(299,190,207)	-	(299,190,207)	-	-	-	
General government	232,233,118	66,824,546	17,875,694	6,796,330	(140,736,548)	-	(140,736,548)	-	-	-	
Health and human services	105,098,924	12,197,636	52,772,836	-	(40,128,452)	-	(40,128,452)	-	-	-	
Public works	83,066,338	24,568,712	7,066,601	31,862,751	(19,568,274)	-	(19,568,274)	-	-	-	
Recreation and community services	78,697,946	15,799,278	32,516,796	9,150,756	(21,231,116)	-	(21,231,116)	-	-	-	
Judicial	30,780,314	2,459,224	2,170,994	-	(26,150,096)	-	(26,150,096)	-	-	-	
Code enforcement	14,872,974	11,600,567	-	-	(3,272,407)	-	(3,272,407)	-	-	-	
Land use and development	19,195,078	1,899,558	1,889,678	19,983	(15,385,859)	-	(15,385,859)	-	-	-	
Interest on debt and leases	64,360,485	-	563,643	-	(63,796,842)	-	(63,796,842)	-	-	-	
	<u>1,912,768,660</u>	<u>169,170,478</u>	<u>123,052,168</u>	<u>77,415,187</u>	<u>(1,543,130,827)</u>	<u>-</u>	<u>(1,543,130,827)</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Business-type activities											
Water and wastewater	182,683,237	89,318,940	-	79,720,811	-	(13,643,486)	(13,643,486)	-	-	-	
Waste collection	56,777,155	55,136,664	-	-	-	(1,640,491)	(1,640,491)	-	-	-	
Child care	5,490,066	4,785,705	-	-	-	(704,361)	(704,361)	-	-	-	
	<u>244,950,458</u>	<u>149,241,309</u>	<u>-</u>	<u>79,720,811</u>	<u>-</u>	<u>(15,988,338)</u>	<u>(15,988,338)</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total primary government	\$ 2,157,719,118	\$ 318,411,787	\$ 123,052,168	\$ 157,135,998	(1,543,130,827)	(15,988,338)	(1,559,119,165)	-	-	-	
Component units											
Board of Education	\$ 1,405,044,746	\$ 9,800,091	\$ 192,752,578	\$ 183,266,366	-	-	-	(1,019,225,711)	-	-	
Community College	145,244,720	37,565,264	17,683,003	35,308,714	-	-	-	-	(54,687,739)	-	
Library System	27,771,421	445,792	4,788,109	-	-	-	-	-	-	(22,537,520)	
Economic Development Corp	5,423,180	243,963	36,368	-	-	-	-	-	-	(5,142,849)	
Tipton Airport Authority	2,159,714	1,801,773	-	326,434	-	-	-	-	-	(31,507)	
Workforce Development	6,869,976	314,766	6,274,387	-	-	-	-	-	-	(280,823)	
	<u>1,592,513,757</u>	<u>50,171,649</u>	<u>221,534,445</u>	<u>218,901,514</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,019,225,711)</u>	<u>(54,687,739)</u>	<u>(27,992,699)</u>	
General revenues											
General property taxes					798,537,966	-	798,537,966	-	-	-	
Local income taxes					606,312,333	-	606,312,333	-	-	-	
State shared taxes - unrestricted					5,447,870	-	5,447,870	-	-	1,000,000	
Recordation and transfer taxes					114,907,649	-	114,907,649	-	-	-	
Local sales taxes					26,699,642	-	26,699,642	-	-	-	
Unrestricted contributions					-	-	-	1,088,878,399	84,484,186	27,315,862	
Investment income					8,931,334	7,193,478	16,124,812	2,861,907	338,734	20,142	
Other revenue					19,666,825	17,403,654	37,070,479	4,035,221	349,045	2,666,050	
County transfer					787,000	(787,000)	-	-	-	-	
					<u>1,581,290,619</u>	<u>23,810,132</u>	<u>1,605,100,751</u>	<u>1,095,775,527</u>	<u>85,171,965</u>	<u>31,002,054</u>	
Changes in net position					38,159,792	7,821,794	45,981,586	76,549,816	30,484,226	3,009,355	
Net position, July 1					(557,844,057)	1,329,654,090	771,810,033	(1,197,383,126)	52,537,070	(13,371,999)	
Net position, June 30					\$ (519,684,265)	\$ 1,337,475,884	\$ 817,791,619	\$ (1,120,833,310)	\$ 83,021,296	\$ (10,362,644)	

Accompanying notes to the financial statements are an integral part of this statement.

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Anne Arundel County, Maryland

Balance Sheet

Governmental Funds

June 30, 2020

	Major Funds				Non-major Governmental Funds	Totals
	General	Grants Special Revenue	Impact Fees Capital Projects	General County Capital Projects		
ASSETS						
Cash and investments	\$ 198,765,332	\$ 60,588,250	\$ 94,765,660	\$ 149,416,210	\$ 97,442,646	\$ 600,978,098
Receivables						
Property taxes						
(net of \$5,493,338 allowance)	1,646,809	-	-	-	-	1,646,809
Local sales taxes	6,144,138	-	-	-	-	6,144,138
State shared revenues	1,890,109	-	-	-	-	1,890,109
Due from other governmental agencies	1,133,620	12,350,132	-	17,673,600	2,781,741	33,939,093
Due from other funds	21,780,572	-	-	-	-	21,780,572
Due from Board of Education	29,794	-	-	9,704,924	-	9,734,718
Local income tax	193,989,602	-	-	-	-	193,989,602
Other, net	9,498,438	25,284	609,121	413,851	6,518,068	17,064,762
Inventories	3,487,261	-	-	-	-	3,487,261
Other assets	1,165,620	-	-	-	-	1,165,620
Total assets	\$ 439,531,295	\$ 72,963,666	\$ 95,374,781	\$ 177,208,585	\$ 106,742,455	\$ 891,820,782
LIABILITIES						
Accounts payable and accrued liabilities	\$ 62,053,669	\$ 3,536,201	\$ -	\$ 32,264,063	\$ 3,473,059	\$ 101,326,992
Due to other funds	5,915,014	5,411,991	-	-	864,699	12,191,704
Due to component units	-	-	-	-	-	-
Board of Education	6,956	-	-	31,061,978	-	31,068,934
Community College	-	-	-	6,696,947	-	6,696,947
Library	3,705,380	-	-	-	-	3,705,380
Escrow and other deposits	2,287,769	-	574,040	44,608	4,449,856	7,356,273
Unearned revenue	-	62,209,446	-	-	496,578	62,706,024
Total liabilities	73,968,788	71,157,638	574,040	70,067,596	9,284,192	225,052,254
DEFERRED INFLOW OF RESOURCES						
Unavailable local income tax	132,310,536	-	-	-	-	132,310,536
Unavailable E-Rate Federal Reimbursement	3,217,920	-	-	-	-	3,217,920
Unavailable grant and program revenue	-	10,170,961	-	7,554,386	4,668,335	22,393,682
Unavailable 911 fees	1,656,158	-	-	-	-	1,656,158
Property tax revenue collected in subsequent year	375,086	-	-	-	-	375,086
Total deferred inflow of resources	137,559,700	10,170,961	-	7,554,386	4,668,335	159,953,382
FUND BALANCES						
Non-spendable	3,487,261	-	-	-	-	3,487,261
Restricted	9,371,621	3,780,530	94,800,741	22,781,125	85,994,342	216,728,359
Committed	-	-	-	-	17,747,932	17,747,932
Assigned	53,147,669	-	-	76,805,478	-	129,953,147
Unassigned	161,996,256	(12,145,463)	-	-	(10,952,346)	138,898,447
Total fund balances	228,002,807	(8,364,933)	94,800,741	99,586,603	92,789,928	506,815,146
Total liabilities, deferred inflows and fund balances	\$ 439,531,295	\$ 72,963,666	\$ 95,374,781	\$ 177,208,585	\$ 106,742,455	\$ 891,820,782

Accompanying notes to financial statements are an integral part of this statement.

Anne Arundel County, Maryland

Reconciliation of Governmental Fund Balance to Governmental Net Position

Governmental Funds

June 30, 2020

Total fund balance for governmental funds as shown on the Balance Sheet	\$	506,815,146
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on governmental funds balance sheet		
Capital assets		2,292,816,100
Accumulated depreciation		(923,969,055)
Deferred Outflows of Resources		
Unamortized loss on refunding		4,494,098
Certain liabilities not due and payable in the current period and, therefore, not included on governmental funds balance sheet		
Long-term bonded debt		(1,649,632,856)
Federal and state loans		(2,362,394)
Wynne liability due to State of Maryland		(17,694,496)
Pension benefits		(499,479,070)
Other post-employment benefits		(400,296,562)
LOSAP		(18,017,653)
Compensated absences		(30,832,281)
Long-term leases		(20,245)
Accrued interest payable on debt recorded in governmental activities		(14,371,544)
Deferred revenues		
Revenues not available for use in the current fiscal year deferred until future periods on the governmental funds balance sheet		159,578,296
The assets and liabilities recorded in the internal service funds have been added to governmental net position because these funds are used to provide services to other funds		
Net position of the Internal Service Funds		70,784,062
Business-type activities allocation of Internal Service Funds net position		(1,150,435)
Certain expenditures paid with current resources deferred to future periods on the Statement of Net Position		<u>3,654,624</u>
Total net position (deficit) for governmental activities as shown on Statement of Net Position	\$	<u><u>(519,684,265)</u></u>

Accompanying notes to financial statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2020

	Major Funds				Non-major Governmental Funds	Totals
	General	Grants Special Revenue	Impact Fees Capital Projects	General County Capital Projects		
REVENUES						
General property taxes	\$ 750,383,091	\$ -	\$ -	\$ -	\$ 50,301,117	\$ 800,684,208
Local income taxes	606,998,155	-	-	-	-	606,998,155
State shared taxes	11,704,256	-	-	-	-	11,704,256
Grants and aid	-	70,848,208	-	20,123,448	10,424,509	101,396,165
Recordation and transfer taxes	114,907,649	-	-	-	-	114,907,649
Local sales taxes	26,699,642	-	-	-	-	26,699,642
License and permit fees	15,441,085	-	-	-	-	15,441,085
Ambulance fees	12,112,507	-	-	-	-	12,112,507
Cable fees	10,415,690	-	-	-	-	10,415,690
Impact fees	-	-	36,710,846	-	-	36,710,846
Special community benefit taxes	-	-	-	-	8,793,500	8,793,500
Video lottery local impact aid	6,686,423	-	-	-	15,744,920	22,431,343
Watershed protection and restoration	-	-	-	-	23,326,588	23,326,588
Investment income	6,551,874	-	1,505,594	391,444	3,483,139	11,932,051
Fees for services and other revenue	46,638,488	1,946,561	-	4,494,126	2,179,172	55,258,347
Total revenues	<u>1,608,538,860</u>	<u>72,794,769</u>	<u>38,216,440</u>	<u>25,009,018</u>	<u>114,252,945</u>	<u>1,858,812,032</u>
EXPENDITURES						
Current						
Education	778,703,500	-	420,492	158,757,980	1,700,000	939,581,972
Public safety	318,548,379	8,052,207	-	-	9,193,826	335,794,412
General government	136,194,157	17,684,068	-	-	7,813,030	161,691,255
Health and human services	48,912,109	47,754,482	-	-	5,184,089	101,850,680
Public works	31,666,979	-	6,307,203	-	11,002,478	48,976,660
Recreation and community services	49,503,382	595,977	-	-	15,385,958	65,485,317
Judicial	28,813,697	2,378,390	-	-	18,412	31,210,499
Code enforcement	13,901,473	-	-	-	1,279,562	15,181,035
Land use and development	8,355,930	50,834	-	-	991,912	9,398,676
Capital outlay	-	-	-	173,058,009	-	173,058,009
Debt service						
Interest payments on debt	57,022,145	-	-	-	7,011,128	64,033,273
Principal payments on debt	90,126,367	-	-	-	6,793,681	96,920,048
Interest payments on leases	373	-	-	-	-	373
Principal payments on leases	10,122	-	-	-	-	10,122
Total expenditures	<u>1,561,758,613</u>	<u>76,515,958</u>	<u>6,727,695</u>	<u>331,815,989</u>	<u>66,374,076</u>	<u>2,043,192,331</u>
Revenues over (under) expenditures	<u>46,780,247</u>	<u>(3,721,189)</u>	<u>31,488,745</u>	<u>(306,806,971)</u>	<u>47,878,869</u>	<u>(184,380,299)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	43,241,434	705,183	-	301,249,592	1,052,791	346,249,000
Transfers out	(221,911,883)	-	(24,164,161)	(391,444)	(99,781,512)	(346,249,000)
General obligation bonds issued	185,195,000	-	-	-	29,300,000	214,495,000
Premium from sale of bonds	-	-	-	-	27,938,190	27,938,190
Transfer from Water and Wastewater Fund	-	-	-	628,000	-	628,000
Transfers from Solid Waste Fund	-	-	-	159,000	-	159,000
Total other financing sources (uses)	<u>6,524,551</u>	<u>705,183</u>	<u>(24,164,161)</u>	<u>301,645,148</u>	<u>(41,490,531)</u>	<u>243,220,190</u>
Net change in fund balances	<u>53,304,798</u>	<u>(3,016,006)</u>	<u>7,324,584</u>	<u>(5,161,823)</u>	<u>6,388,338</u>	<u>58,839,891</u>
Fund balances, July 1	174,698,009	(5,348,927)	87,476,157	104,748,426	86,401,590	447,975,255
Fund balances, June 30	<u>\$ 228,002,807</u>	<u>\$ (8,364,933)</u>	<u>\$ 94,800,741</u>	<u>\$ 99,586,603</u>	<u>\$ 92,789,928</u>	<u>\$ 506,815,146</u>

Accompanying notes to financial statements are an integral part of this statement.

Reconciliation of Changes in Fund Balances to Changes in Net Position

Governmental Funds

Year Ended June 30, 2020

Changes in fund balances as shown on Statement of Revenues, Expenditures, and Changes in Fund Balances, Governmental Funds	\$ 58,839,891
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of capital assets is allocated over the estimated useful lives of those assets through an annual depreciation charge. The differences are as follows:</p>	
Current year additions of capital assets	127,282,321
Current year donations of capital assets	8,299,607
Current year disposals of capital assets	(1,067,094)
Depreciation expense recorded in the Statement of Activities	(51,700,220)
Change in Wynne accrued liability due to the State of MD	(224,324)
<p>Governmental funds report the additions and payments of long term liabilities in the period that current resources are provided or used. In the Statement of Activities, new debt is recorded as a liability and payments of principal are charged against that liability. Interest payable must be accrued from the date of the last interest payment to the end of the fiscal year. Debt related differences are as follows:</p>	
New debt issued in current year	(214,495,000)
Principal payments on debt	96,920,048
LOSAP	(309,480)
Lease payments	10,122
Change in accrued interest payable	(327,212)
Amortization of prior year refunding gain/loss	(1,207,633)
Accrual of compensated absences	(4,617,439)
Accrual of pension benefits	(25,195,649)
Accrual of other post-employment benefit liability	33,825,119
<p>Certain charges paid with current financial resources are deferred and amortized over one or more periods on the Statement of Activities. The differences are as follows:</p>	
Expense was deferred to future periods	3,654,625
Amortization of expenditures deferred in previous years	(2,145,591)
<p>Premiums received on bond issues have been deferred in the government-wide statements. The revenue will be recognized over the life of the related bonds.</p>	
Amortization of premiums	(27,938,190) 19,589,942
<p>Certain revenue was deferred on the governmental fund statements because it was not available to pay expenditures of the current period. These deferred amounts are recognized as revenue in the Statement of Activities.</p>	
	14,848,221
<p>The current year activity in the internal service funds has been combined and eliminated against the governmental activities in the Statement of Activities. The net activity in the internal service funds that resulted from provision of services to business-type activities, component units, and outside agencies must be recognized in the Statement of Activities.</p>	
	<u>4,117,728</u>
Changes in net position as shown in governmental activities on the Statement of Activities	<u>\$ 38,159,792</u>

Accompanying notes to financial statements are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

General Fund

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
General property taxes	\$ 747,069,000	\$ 747,069,000	\$ 750,383,091	\$ 3,314,091
Local income taxes	564,999,600	564,999,600	606,998,155	41,998,555
State shared taxes	13,822,300	13,822,300	11,704,256	(2,118,044)
Recordation and transfer taxes	102,000,000	102,000,000	114,907,649	12,907,649
Local sales taxes	32,176,000	32,176,000	26,699,642	(5,476,358)
Licenses and permits	17,722,300	17,722,300	15,441,085	(2,281,215)
Ambulance fees	12,200,000	12,200,000	12,112,507	(87,493)
Cable fees	9,800,000	9,800,000	10,415,690	615,690
Video Lottery Impact Aid	9,200,000	9,200,000	6,686,423	(2,513,577)
Investment income	3,200,000	3,200,000	3,837,481	637,481
Interfund recoveries	77,610,100	77,610,100	77,348,408	(261,692)
Fees for services and other revenues	53,472,500	53,472,500	46,838,188	(6,634,312)
Total revenues	<u>1,643,271,800</u>	<u>1,643,271,800</u>	<u>1,683,372,575</u>	<u>40,100,775</u>
EXPENDITURES				
Current				
Education	733,315,800	733,315,800	733,315,800	-
Higher education	45,387,700	45,387,700	45,387,700	-
Public safety	325,614,700	328,939,700	321,728,687	7,211,013
General government	212,753,800	201,757,000	200,380,168	1,376,832
Health and human services	54,068,200	87,589,000	48,800,579	38,788,421
Public works	34,786,000	34,786,000	33,105,688	1,680,312
Recreation and community services	52,753,500	52,753,500	51,193,306	1,560,194
Judicial	30,174,800	30,174,800	29,077,702	1,097,098
Land use and development	8,750,900	8,758,900	8,340,346	418,554
Code enforcement	14,420,700	14,420,700	13,908,007	512,693
Debt service	149,105,400	150,248,400	147,827,303	2,421,097
Pay go funding - capital projects	35,000,000	35,000,000	35,000,000	-
Total expenditures	<u>1,696,131,500</u>	<u>1,723,131,500</u>	<u>1,668,065,286</u>	<u>55,066,214</u>
Revenues over (under) expenditures	\$ <u>(52,859,700)</u>	<u>(79,859,700)</u>	15,307,289	\$ <u>95,166,989</u>
Fund balances, budgetary, July 1			<u>97,919,543</u>	
Fund balances, budgetary, June 30			<u>\$ 113,226,832</u>	
Fund balance - GAAP Basis			\$ 228,002,807	
Non-spendable			(3,487,261)	
Assigned			(53,147,669)	
Unassigned - Revenue reserve allocation			(82,400,437)	
Effects of:				
Health Department encumbrance adjustment			321,272	
Fair market value adjustment			(704,232)	
LOSAP - current liability			799,800	
Payroll overtime liability			3,000,000	
County Parking Garage Fund			(149,214)	
Inmate Benefits and Morale Fund			(801,926)	
Permanent Public Improvements			(9,371,621)	
Self Insurance Fund deficit allocation			(13,537,626)	
Central Garage Fund deficit allocation			<u>5,915,014</u>	
Unassigned - Non-GAAP basis			<u>74,438,907</u>	
Assigned for subsequent years			<u>38,787,925</u>	
Fund balance - budgetary basis			<u>\$ 113,226,832</u>	

Accompanying notes to financial statements are an integral part of this statement.

Statement of Net Position

Proprietary Funds

June 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Non-major Fund	Totals	Internal
	Water and Wastewater	Solid Waste	Child Care		Service Funds
ASSETS					
Current assets					
Cash and temporary investments	\$ 97,578,669	\$ 30,253,548	\$ 2,714,635	\$ 130,546,852	\$ 47,304,666
Investments	-	-	-	-	88,115,635
Service billings receivable, net	24,043,887	983,491	1,085	25,028,463	8,894,305
Due from other funds	573,331	101,797	3,890	679,018	6,864,862
Inventories	2,841,446	176,357	-	3,017,803	706,786
Other	32,522	-	-	32,522	2,766,791
Restricted assets					
Cash and temporary investments	-	19,407,882	-	19,407,882	-
Investments	288,089,742	-	-	288,089,742	-
Receivables					
Current portion of note receivable	-	-	-	-	-
Due from other governmental agencies	4,029,579	-	-	4,029,579	-
Other, net	21,718,349	-	-	21,718,349	-
Total current assets	438,907,525	50,923,075	2,719,610	492,550,210	154,653,045
Noncurrent assets					
Restricted assets					
Deferred connection and assessment charges	23,000,923	-	-	23,000,923	-
Capital assets					
	2,719,696,004	136,109,504	-	2,855,805,508	86,740,637
Less accumulated depreciation	(951,495,281)	(71,687,738)	-	(1,023,183,019)	(56,017,863)
Total capital assets, net of depreciation	1,768,200,723	64,421,766	-	1,832,622,489	30,722,774
Total noncurrent assets	1,791,201,646	64,421,766	-	1,855,623,412	30,722,774
Total assets	2,230,109,171	115,344,841	2,719,610	2,348,173,622	185,375,819
DEFERRED OUTFLOW OF RESOURCES					
Pension benefits	9,388,450	1,888,394	188,553	11,465,397	1,710,544
OPEB benefits	9,767,821	2,344,202	168,367	12,280,390	1,746,956
Unamortized deferred refunding loss	3,765,472	93,396	-	3,858,868	-
Total deferred outflows	22,921,743	4,325,992	356,920	27,604,655	3,457,500
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	27,588,211	5,009,557	298,018	32,895,786	7,303,287
Current portion of long-term debt and obligations	45,703,143	5,222,711	48,302	50,974,156	19,789,797
Due to other funds	2,625,307	290,798	-	2,916,105	14,216,643
Escrow deposits	539,095	73,746	-	612,841	-
Liabilities related to restricted assets					
Accounts payable and accrued liabilities	7,766,139	-	-	7,766,139	-
Unearned revenue	7,065,964	-	-	7,065,964	-
Total current liabilities	91,287,859	10,596,812	346,320	102,230,991	41,309,727
Noncurrent liabilities					
Unpaid insurance claims	-	-	-	-	57,442,302
Accrued liability for compensated absences	203,851	38,776	2,736	245,363	33,349
Net pension liability	45,281,443	9,373,469	927,676	55,582,588	9,066,607
Net OPEB liability	51,292,517	12,557,177	1,148,927	64,998,621	9,672,601
Estimated landfill closure and postclosure	-	20,898,188	-	20,898,188	-
Long-term debt	748,291,940	42,574,865	-	790,866,805	-
Unearned revenue	1,256,104	-	-	1,256,104	-
Total noncurrent liabilities	846,325,855	85,442,475	2,079,339	933,847,669	76,214,859
Total liabilities	937,613,714	96,039,287	2,425,659	1,036,078,660	117,524,586
DEFERRED INFLOW OF RESOURCES					
Pension benefits	1,681,463	363,686	34,879	2,080,028	339,302
OPEB benefits	1,026,748	248,513	18,879	1,294,140	185,369
Total deferred inflows	2,708,211	612,199	53,758	3,374,168	524,671
NET POSITION					
Net investment in capital assets	983,637,180	24,864,586	-	1,008,501,766	30,722,774
Restricted for debt service	316,010,654	-	-	316,010,654	-
Restricted for capital improvements	4,029,579	-	-	4,029,579	-
Restricted for other purposes	-	38,880	-	38,880	-
Unrestricted	9,031,576	(1,884,119)	597,113	7,744,570	40,061,288
Total net position	\$ 1,312,708,989	\$ 23,019,347	\$ 597,113	\$ 1,336,325,449	\$ 70,784,062

Accompanying notes to financial statements are an integral part of this statement.

Anne Arundel County, Maryland

Reconciliation of Enterprise Funds Net Position to Business-type Net Position

Proprietary Funds

June 30, 2020

Net position as shown on Statement of Net Position - Proprietary Funds	\$ 1,336,325,449
The allocation of the net deficit in the Internal Service Funds to various activities, funds, etc. as it relates to business-type activities.	<u>1,150,435</u>
Net position shown on government wide Statement of Net Position	\$ <u>1,337,475,884</u>

Accompanying notes to financial statements are an integral part of this statement.

Anne Arundel County, Maryland

Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds

Year Ended June 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Non-major Fund		Activities
	Water and Wastewater	Solid Waste	Child Care	Totals	Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 89,318,940	\$ 49,236,095	\$ 4,785,705	\$ 143,340,740	\$ 30,585,428
Landfill charges	-	5,900,569	-	5,900,569	-
Medical premiums	-	-	-	-	90,329,898
Other revenues	6,717,090	252,742	-	6,969,832	8,003,612
Total operating revenues	96,036,030	55,389,406	4,785,705	156,211,141	128,918,938
OPERATING EXPENSES					
Personnel services	33,239,212	7,845,721	3,896,441	44,981,374	21,359,208
Contractual services	39,522,591	37,404,104	258,951	77,185,646	2,311,723
Supplies and materials	9,093,116	785,750	326,020	10,204,886	1,004,829
Business and travel	229,117	193,867	36,019	459,003	37,892
Cost of goods issued	-	-	-	-	6,407,730
Depreciation	51,676,312	6,697,726	-	58,374,038	9,228,604
Provision for claims and estimated losses	-	-	-	-	88,502,633
Landfill closure and postclosure costs	-	(2,063,225)	-	(2,063,225)	-
Other	15,500,701	3,384,334	919,600	19,804,635	1,626,100
Total operating expenses	149,261,049	54,248,277	5,437,031	208,946,357	130,478,719
Operating income (loss)	(53,225,019)	1,141,129	(651,326)	(52,735,216)	(1,559,781)
NONOPERATING REVENUES (EXPENSES)					
Investment income	5,989,912	1,144,678	58,888	7,193,478	2,732,304
Interest earned on long-term receivables	539,920	-	-	539,920	-
Other revenues	9,666,290	227,612	-	9,893,902	-
Other expenses	(1,230,568)	(22,075)	-	(1,252,643)	-
Interest expense	(30,418,337)	(1,927,808)	-	(32,346,145)	-
Gain (loss) on disposal of assets	(8,524)	(30,515)	-	(39,039)	578,932
Income (loss) before contributions and transfers	(68,686,326)	533,021	(592,438)	(68,745,743)	1,751,455
Capital contributions	79,720,811	-	-	79,720,811	-
Interfund transfers	(628,000)	(159,000)	-	(787,000)	-
Change in net position	10,406,485	374,021	(592,438)	10,188,068	1,751,455
Net position, July 1	1,302,302,504	22,645,326	1,189,551	1,326,137,381	69,032,607
Net position, June 30	\$ 1,312,708,989	\$ 23,019,347	\$ 597,113	\$ 1,336,325,449	\$ 70,784,062

Reconciliation of changes in net position per statement above to
change in net position business-type activities:

Change in net position shown above \$ 10,188,068

The portion of internal service funds' current year activity
related to enterprise funds has been allocated to the
business-type activities on the government-wide
statement of activities.

(2,366,274)

Increase in net position as shown on the government-wide
statement of activities

\$ 7,821,794

Accompanying notes to financial statements are an integral part of this statement.

Anne Arundel County, Maryland

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Non-major Fund	Totals	Internal
	Water and Wastewater	Solid Waste	Child Care		Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received for services	\$ 94,662,118	\$ 55,107,327	\$ 4,669,868	\$ 154,439,313	\$ 137,473,723
Cash received for expense reimbursement	-	-	-	-	7,226,170
Cash payments to suppliers for goods and services	(57,542,535)	(37,646,286)	(1,430,389)	(96,619,210)	(9,913,985)
Cash payments for insurance claims	-	-	-	-	(116,435,322)
Cash payments to employees for services	(33,868,506)	(8,080,198)	(3,863,901)	(45,812,605)	(6,443,472)
Escrow deposits received	-	500	-	500	-
Other operating payments	-	(3,602,500)	-	(3,602,500)	(1,626,100)
Net cash provided (used) by operating activities	<u>3,251,077</u>	<u>5,778,843</u>	<u>(624,422)</u>	<u>8,405,498</u>	<u>10,281,014</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Cash transfers between funds	-	-	-	-	-
Net cash used for noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of bonds	74,095,000	8,000,000	-	82,095,000	-
Proceeds from grant funds	80,991	-	-	80,991	-
Proceeds from developers' contributions	184,962	-	-	184,962	-
Refunds to developers	(128,815)	-	-	(128,815)	-
Assessments and connection charges	40,281,865	-	-	40,281,865	-
Environmental protection fees for capital assets	21,395,793	-	-	21,395,793	-
Payments of long-term debt	(34,136,425)	(2,501,215)	-	(36,637,640)	-
Interest payments	(29,522,139)	(1,870,859)	-	(31,392,998)	-
Rebates, interest income and reimbursements	2,242,764	-	-	2,242,764	-
Acquisition and construction of capital assets	(88,340,347)	(9,280,746)	-	(97,621,093)	(10,716,266)
Premium on sale of bonds	35,668,564	-	-	35,668,564	-
Proceeds from sale of equipment	-	178,500	-	178,500	698,494
Payment of capital related fees	(1,230,568)	-	-	(1,230,568)	-
Due to the General Fund	1,966,257	-	-	1,966,257	-
Transfer to capital projects	(17,834,282)	-	-	(17,834,282)	-
Transfer to general county capital projects	<u>(628,000)</u>	<u>(159,000)</u>	<u>-</u>	<u>(787,000)</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>4,095,620</u>	<u>(5,633,320)</u>	<u>-</u>	<u>(1,537,700)</u>	<u>(10,017,772)</u>

Anne Arundel County, Maryland

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Non-major Fund	Totals	Internal
	Water and Wastewater	Solid Waste	Child Care		Service Funds
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of investment securities	(251,568,026)	-	-	(251,568,026)	(71,672,245)
Sale of investment securities	246,443,873	-	-	246,443,873	67,689,464
Interest on investments	192,341	1,144,678	58,888	1,395,907	2,995,721
Net cash provided (used) by investing activities	(4,931,812)	1,144,678	58,888	(3,728,246)	(987,060)
Net increase (decrease) in cash and cash equivalents	2,414,885	1,290,201	(565,534)	3,139,552	(723,818)
Cash and temporary investments, July 1	95,163,784	48,371,229	3,280,169	146,815,182	48,028,484
Cash and temporary investments, June 30	\$ 97,578,669	\$ 49,661,430	\$ 2,714,635	\$ 149,954,734	\$ 47,304,666
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (53,225,019)	\$ 1,141,129	\$ (651,326)	\$ (52,735,216)	\$ (1,559,781)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	51,676,312	6,697,726	-	58,374,038	9,228,604
Noncapital construction costs	7,804,076	-	-	7,804,076	-
Effect of changes in operating assets, deferred outflows, liabilities and deferred inflows					
Accounts receivable	(1,379,101)	(282,079)	131,795	(1,529,385)	1,622,027
Loss on sale of capital assets write off	(573,331)	-	-	(573,331)	-
Prepaid expenses	(9,389)	-	-	(9,389)	4,884
Inventories	111,149	12,798	-	123,947	6,487
Accounts payable and accrued liabilities	102,828	781,267	145,623	1,029,718	(2,576,857)
Unearned revenue	-	-	(247,632)	(247,632)	-
Unpaid claims	-	-	-	-	(10,506,862)
Landfill closure and postclosure costs	-	(2,063,225)	-	(2,063,225)	-
Due to other funds	(315,568)	(116,369)	(3,890)	(435,827)	14,216,643
Due from other funds	-	(101,797)	-	(101,797)	-
Escrow deposits	5,189	500	-	5,689	-
Accrued liability for compensated absences	279,046	58,780	19,031	356,857	108,504
Accrued liability for pension	295,173	59,344	5,918	360,435	53,286
Deferred outflow of resources	2,086,590	(686,016)	(44,174)	1,356,400	(527,597)
Deferred inflow of resources	(4,008,157)	180,481	13,316	(3,814,360)	139,908
Accrued liability for OPEB benefits	401,279	96,304	6,917	504,500	71,768
Net cash provided (used) by operating activities	\$ 3,251,077	\$ 5,778,843	\$ (624,422)	\$ 8,405,498	\$ 10,281,014
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Contributions of capital assets from developers	\$ 12,156,332	\$ -	\$ -	\$ 12,156,332	\$ -
Trade in of capital assets	-	30,515	-	30,515	-
Change in capital contributions, fees and grants, accruals and deferrals	5,721,414	-	-	5,721,414	-
Increase (decrease) in fair value of investments	(571,426)	-	-	(571,426)	(162,128)
Amortization of refunding gains (losses)	(618,079)	27,709	-	(590,370)	-
Noncash investing, capital and financing activities	\$ 16,688,241	\$ 58,224	\$ -	\$ 16,746,465	\$ (162,128)

Accompanying notes to financial statements are an integral part of this statement.

Anne Arundel County, Maryland

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2020

	Pension (December 31, 2019) and Other Post Employment Plan Trust Fund	Agency Funds
ASSETS		
Investments, at fair value:		
Cash and temporary investments	\$ 93,827,963	\$ 21,011,267
Short-term investments	15,281,969	-
U. S. government obligations	18,655,100	-
Corporate obligations	159,756,640	-
Domestic fixed income mutual funds	236,346,780	-
International fixed income mutual funds	106,398,148	-
Global asset pools	177,437,631	-
Domestic equity	496,477,515	-
International equity pools	561,152,625	-
Private markets	153,278,341	-
Real estate investment pools	138,815,261	-
Absolute return fixed income	82,264,552	-
Aetna insurance pooled fixed income	21,384,915	-
Total investments	<u>2,261,077,440</u>	<u>21,011,267</u>
Collateral from securities lending transactions	61,701,926	-
Receivables:		
Accounts receivable	12,987,768	-
Employer contributions	6,803,534	-
Participant contributions	1,098,001	-
Accrued interest and dividends	2,129,611	-
Investment sales proceeds	16,074,103	-
Total receivables	39,093,017	-
Deposits on hand	156,464	-
Total assets	<u>2,362,028,847</u>	<u>\$ 21,011,267</u>
LIABILITIES		
Accounts payable and accrued liability	5,137,136	-
Escrow and other deposits	-	\$ 21,011,267
Due to Anne Arundel County Government	199	-
Investment commitments payable and unearned revenue	27,290,746	-
Obligation for collateral received under securities lending transactions	61,701,926	-
Total liabilities	<u>94,130,007</u>	<u>\$ 21,011,267</u>
NET POSITION		
Restricted for:		
Pension	2,005,470,854	
OPEB	262,427,986	
Total net position	<u>\$ 2,267,898,840</u>	

Accompanying notes to the financial statements are an integral part of this statement.

Anne Arundel County, Maryland

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

Year Ended June 30, 2020

	Pension (December 31, 2019) and Other Post Employment Plan Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 173,387,833
Participant	23,555,560
Insurance subsidies and rebates	10,136,864
Total contributions	<u>207,080,257</u>
Investment income:	
Net appreciation in fair value of investments	223,011,346
Interest income	26,808,951
Dividend income	30,763,521
Total investment income	<u>280,583,818</u>
Less investment expense	<u>11,968,267</u>
Net income from investing activities	<u>268,615,551</u>
Securities lending activities:	
Securities lending income	<u>1,542,983</u>
Securities lending expenses:	
Borrower rebates	1,178,129
Management fees	145,941
Securities lending expense	<u>1,324,070</u>
Securities lending net income	<u>218,913</u>
Total net investment income	<u>268,834,464</u>
Total additions	<u>475,914,721</u>
DEDUCTIONS	
Participant benefit payments and refunds	130,551,105
Insurance claims and premiums	48,828,449
Administrative expenses	2,918,578
Total deductions	<u>182,298,132</u>
Net increase	<u>293,616,589</u>
Fiduciary net position, beginning of year	1,974,282,251
Fiduciary net position, end of year	<u>\$ 2,267,898,840</u>

Accompanying notes to the financial statements are an integral part of this statement.

Anne Arundel County, Maryland
Notes to Basic Financial Statements
Index

Note 1	Summary of Significant Accounting Policies	48
	A. Reporting Entity	
	B. Financial Statement Presentation, Measurement Focus, and Basis of Accounting	
	C. Cash, Investments, and Related Income	
	D. Inventories and Prepaid Expenses	
	E. Program Revenues	
	F. Capital Assets	
	G. Deferred Outflows/Inflows of Resources	
	H. Operating and Nonoperating Revenues and Expenses and Capital Contributions	
	I. Bond Premiums and Refunding Gain or Loss	
	J. Indirect Costs	
	K. Encumbrances	
	L. Fund Balance Classification	
	M. Compensated Absences	
	N. New GASB Pronouncements	
	O. Use of Estimates	
Note 2	Budgetary Information	56
	A. Excess Expenditures over Appropriation Limits	
	B. Fund Deficits	
	C. Reconciliation Between Fund Financial Statements and Budgetary Statements	
Note 3	Cash and Investments	57
	A. Policies	
	B. Balances and Custodial Credit Risk	
	C. Interest Rate Risk	
	D. Credit Risk	
	E. Concentration Risk	
	F. Foreign Currency Risk	
	G. Fair Value Measurement	
Note 4	Receivables	67
	A. Property Taxes Receivable	
	B. State Income Taxes Receivable	
	C. Long-Term Receivables	
Note 5	Capital Assets	67
Note 6	Restricted Assets and Liabilities	70
Note 7	Interfund and Intra-Entity Balances and Transfers	71
Note 8	Bonded Debt and Other Obligations	72
	A. Bond Anticipation Notes	
	B. General County Debt	
	C. Tax Increment and Other Debt	
	D. State Loans	
	E. Leases	
	F. Installment Purchase Agreements	
	G. Year-end Balances, Debt Limitations, and Authorized Debt	
	H. Loans Payable	
	I. Payables to State of Maryland	
	J. Changes in Debt and Obligations	
	K. Refundings	

Anne Arundel County, Maryland
Notes to Basic Financial Statements
Index (continued)

Note 9	Governmental Fund Balance	77
Note 10	Deferred Outflows and Inflows of Resources and Unearned Revenue	79
Note 11	Conduit Debt	80
Note 12	Pension Plans	80
	A. Summary of Significant Accounting Policies for Pensions	
	B. Single-Employer Defined Benefit Pension Plans	
	C. Multiple-Employer Pension Plans	
	D. Funding Policy and Annual Pension Costs	
	E. Net Pension Liability of the System by Plan	
	F. Changes in the Net Pension Liability by Plan for the Measurement Period December 31, 2019	
	G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the County Pension Plans	
	H. Payable to the County Pension System	
	I. Commitments	
	J. Teacher Pension Funding Shift	
	K. Fireman's Length of Service Award Program (LOSAP)	
Note 13	Other Post-employment Benefits	96
	A. Plan Description, Eligibility, Authorization, and Funding Policy	
	B. Membership by Plan	
	C. Funding Policy	
	D. Actuarial Methods and Assumptions	
	E. Net OPEB Liability of the Trust	
	F. Long Term Expected Real Rate of Return	
	G. Discount Rate	
	H. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate	
	I. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate	
Note 14	Risk Management	104
Note 15	Landfill Closure, Post-Closure, and Remediation	105
Note 16	Tax Abatements	106
	A. Payment in Lieu of Taxes (PILOT)	
	B. Brownsfields Site Tax Credit	
	C. Agricultural Land Tax Credit	
	D. Enterprise Zone Tax Credit	
	E. The State of Maryland	
Note 17	Contingent Liabilities	106
	A. Impact Fees	
	B. Lawsuits	
	C. Federal Financial Assistance	
	D. Payroll	

1 Summary of Significant Accounting Policies

The basic financial statements are prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental units as prescribed by the Governmental Accounting Standards Board (GASB). This note summarizes the significant accounting policies.

A Reporting Entity – The County’s basic financial statements include various departments, agencies, and other organizational units governed directly by the County Executive and the County Council, herein referred to as the primary government. These statements also include other entities, which by the entities’ relationships with the primary government are considered component units of the County. Accounting principles dictate that those entities that are financially accountable to the primary government or where exclusion would cause the financial statements to be misleading or incomplete should be included in the County’s basic financial statements. The County’s component units and the reasons for the entities’ inclusion are as follows:

- **Anne Arundel County Board of Education** (Board of Education) - The Board of Education and the Anne Arundel County Public School System provide public education for the County’s students in grades kindergarten through twelve.
- **Anne Arundel Community College** (Community College) – The Community College and its Foundation operate an institution of higher education within the County.
- **Public Library Association of Annapolis and Anne Arundel County, Inc.** (A.A. County Public Library or Library) – The Library operates the public library system within the County.
- **Anne Arundel Economic Development Corporation** (Economic Development) – Economic Development provides services and programs that promote economic development within the County.
- **Tipton Airport Authority** (Tipton Airport) – Tipton Airport operates a general aviation airport in the western area of the County.
- **Anne Arundel Workforce Development Corporation** (Workforce Development) – Workforce Development provides job training and placement services to County citizens.

All of these entities are component units because the primary government approves the entities’ respective budgets and/or provides a substantial amount of funding. In addition, the County Executive appoints a majority of the members of the governing bodies for Economic Development, Tipton Airport, and Workforce Development.

All of these entities are discretely presented in the government-wide statements. The Board of Education and the Community College are considered major component units and have been presented in separate columns on the face of the government-wide statements.

Separately issued financial statements for the Board of Education, the Community College, Economic Development, Tipton Airport, and Workforce Development may be obtained from the respective administrative offices. The addresses are provided below. The Library does not issue separate financial statements, and all of its required financial statements have been included in the County’s comprehensive annual financial report (CAFR).

Anne Arundel County Board of Education
2644 Riva Road
Annapolis, MD 21401

Anne Arundel Community College
101 College Parkway
Arnold, MD 21012

Anne Arundel Economic Development Corp.
2660 Riva Road, Suite 200
Annapolis, MD 21401

Tipton Airport Authority
P. O. Box 155
Odenton, MD 21113-0155

Anne Arundel Workforce Development Corp.
1131 Benfield Boulevard, Suite N
Millersville, MD 21108

B Financial Statement Presentation, Measurement Focus, and Basis of Accounting – The basic financial statements are divided into three categories: government-wide financial statements, fund financial statements, and budgetary statements.

Government-Wide Financial Statements

The government-wide financial statements, consisting of the Statement of Net Position and the Statement of Activities, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year levied, and grants and similar revenues are recognized when all eligibility requirements imposed by the provider have been met.

The government-wide statements present governmental activities, which are supported primarily by taxes and intergovernmental revenues, separately from business-type activities, which are funded primarily by user fees. In addition, the primary government's activity is presented separately from its discretely presented component units. The government-wide statements do not include the net position or activities of the fiduciary funds, which include the pension trust funds, other post-employment trust funds and the agency funds, because these funds account for assets that are not owned by the County.

Interfund activity within the primary government's governmental activities and business-type activities has been eliminated from the government-wide statements. Residual balances between the governmental and business-type categories are presented on the Statement of Net Position as "Internal balances." In addition, transactions between these activities and the internal service funds, which primarily serve the primary government, have been eliminated. Certain residual assets, liabilities, and net positions of the internal service funds have been added to governmental activities. In addition, transactions between the internal service funds and component units or other non-County agencies have been included in governmental activities.

Fund Financial Statements

The fund financial statements include statements for the governmental funds, the proprietary funds, and the fiduciary funds. Major funds within each category have been presented in separate columns, while all non-major funds are combined in one column.

Governmental fund financial statements - The governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. Revenues are considered available if those revenues are collectible within the current period or shortly thereafter to pay liabilities of the current period. Expenditures are generally recorded when incurred; however, expenditures for debt service, compensated absences, claims, and judgments are recorded when payments are due.

The County considers revenue collected within ninety days of the end of the year as available, except for property taxes, which must be collected within sixty days. Property taxes, income taxes, certain shared taxes, and grants that have not been received within the availability period have been deferred to future periods and recorded as deferred inflow of resources.

The governmental fund financial statements separately present the following major funds:

- **General Fund** – This fund is the primary operating fund. It accounts for all financial resources of the primary government except those accounted for in another fund.
- **Grants Special Revenue Fund** – The grants fund accounts for grant monies collected by the County through the following departments: Chief Administrative Office, Circuit Court, Fire, Health, Police, Planning and Zoning, Recreation and Parks, Sheriff's Office, Social Services, State's Attorney's Office, Aging and Disability, and Detention Facilities. This fund moved from a minor fund to a major fund in the current fiscal year as a result of increases in revenues and expenses related to Covid-19.
- **Impact Fee Capital Projects Fund** – This capital projects fund accounts for impact fees collected from developers to pay a share of the cost of additional school capacity, road improvements, and public safety facilities necessitated by the development.

- **General County Capital Projects Fund** – This fund accounts for all financial resources that are received and used for the acquisition or development of major capital improvements. Resources received are applied such that the most restrictive resources are used first. This generally results in the following order: restricted revenues such as developer contributions, bonds, pay-as-you-go, and grants.

Proprietary fund financial statements - The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when a liability is incurred, regardless of the timing of cash flows. These funds account for County services that operate as self-supporting activities. Those who benefit from these services bear the cost through the payment of user fees. The proprietary fund financial statements separately present the following major enterprise funds:

- **Water and Wastewater** – This fund accounts for the operating, debt service, and capital improvement activities of the water and wastewater utility services provided to County residents and businesses.
- **Solid Waste** – This fund accounts for the costs associated with the collection and disposal of refuse for County residents and businesses. This includes the cost of operations, debt service, capital improvements, and landfill restoration.

The proprietary fund statements also include a column that presents totals for internal service funds. These funds operate as self-supporting activities that primarily serve the primary government and its component units. The internal service funds of the County are:

- **Self Insurance** – The County is self-insured for workers' compensation, auto liability, and general liability insurance. This fund accounts for the self-insured activity and the purchase of policies from commercial insurers for certain specific exposures. These services, provided to the primary government and certain component units, are funded through charges to the users.
- **Health Insurance** – The County is self-insured for employee and retiree medical benefits. This fund accounts for this health insurance activity and the payment to outside administrators and medical service providers. These services are provided to the primary government and certain component units and other agencies and are funded through premiums charged to the users.
- **Central Garage and Transportation** – This fund accounts for activity in the County's central garage, which provides the primary government and certain component units with vehicle maintenance, fuel usage, and motor pool vehicles. Costs are recovered through fees to users for maintenance, fuel use, and vehicle lease charges.
- **Garage Vehicle Replacement** – This fund accounts for the collection of replacement fees from participating funds within the primary government and certain component units. The fees are used to replace motor pool vehicles as needed.

Fiduciary fund financial statements - The fiduciary fund statements include the following:

- **Pension Trust Fund** – The activities of the Anne Arundel County Retirement and Pension System (Retirement System). The Retirement System accounts for the activity in the primary government's four defined-benefit pension plans and reports on a calendar-year basis. The Pension Trust Fund is reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. These plans accumulate employer and employee contributions and invest these funds to provide guaranteed pension benefits after retirement. Employer contributions are based on actuarial recommendations.

Pension expenses are liquidated within the following governmental funds: the General Fund, Reforestation Fund and grant funds. They are also liquidated in the following internal service and enterprise funds: Self Insurance, Central Garage and Transportation, Water and Wastewater, Solid Waste and Child Care.

- **Anne Arundel Retiree Health Benefits Trust Fund** – The activities of the Anne Arundel Retiree Health Benefits Trust (OPEB Trust Fund). The OPEB Trust Fund has fiduciary responsibility to administer the agent multi-employer defined benefit plans for the purpose of providing retiree health benefits as "other

post-employment benefit” for following three entities; the Anne Arundel County Plan (County Plan), the Anne Arundel Community College Plan (College Plan), and the Public Library Association of Annapolis and Anne Arundel County, Inc. (Library Plan).

Anne Arundel County Retiree Health Benefits are liquidated within the following governmental funds: the General Fund, Reforestation Fund and grant funds. They are also liquidated in the following internal service and enterprise funds: Self Insurance, Central Garage and Transportation, Water and Wastewater, Solid Waste and Child Care.

- **Agency Funds** – The balances of assets and liabilities maintained in the primary government’s agency funds. Since agency funds report only assets and liabilities, these funds do not have a measurement focus. Transactions in these funds are recorded using the accrual basis of accounting. Agency funds account for deposits that are collected and held on behalf of individuals, organizations, or other governments. These monies include the following: escrow deposits for developer subdivisions, sediment control, tax sale, special taxing districts, and other miscellaneous purposes; monies held in trust on behalf of the Special Tax and Assessment Districts; and taxes collected for other governments.

Budgetary Statements

The basic financial statements include a Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual for the General Fund. This statement is prepared using the budgetary basis of accounting in which revenues are recognized when earned and available. This non-GAAP basis of accounting recognizes that the County’s budget is adopted in accordance with legal requirements regarding appropriation authority and the certification of the availability of funds to support those appropriations. Pursuant to the County Charter, the capital and operating budgets are presented by the County Executive to the County Council by May 1st. The County Council holds public hearings regarding the budget. The Annual Budget and Appropriation Ordinance must be approved by June 15th (prior to the start of the next fiscal year on July 1st) and provides the spending authority at the department level for the operations of the County. Unexpended or unencumbered appropriations in the operating budget expire at year end. The County also recognizes revenue collected within ninety days of the end of the fiscal year as available for the prior year’s appropriation, except for property taxes, which must be collected within sixty days and grant revenue when the County Controller has determined that sufficient documentation exists to support that revenues not yet collected within ninety days of the end of the year are available to support appropriations in that fiscal year. Budgetary expenditures are recognized when encumbered or when goods or services are received. All major capital project funds have legally adopted budgets and unspent appropriations at year end carry forward to the subsequent year, except for the Impact Fee Fund. All non-major governmental funds have legally adopted budgets, except the Storm Drain Fees Fund, Recreation Land Fees Fund, Street Light Fund, and Energy Revolving Loan Fund, which are expended through the Capital Projects Fund. Additional Budgetary information can be found at www.aacounty.org/departments/budget-office/previous-budgets/fy2020/index.html.

Combining and Other Supplementary Schedules

For all columns in the basic financial statements that accumulate the data for non-major funds or component units, the County has provided combining statements that present the individual funds included in these non-major categories. In addition, budgetary statements of revenue and expenditures for all primary government funds for which budgets are adopted have been provided. Separate financial statements for the Library, a non-major component unit, are also presented because the Library does not issue separate financial statements.

C Cash, Investments, and Related Income – Cash includes bank deposits in checking and savings accounts. Investments include external pools and fixed income issues which generally mature within one year. Investments may extend longer than one year to facilitate the specific purpose of a fund. Details on investment types and terms are displayed in Note 3, “Cash and Investments.”

Investments are recorded at fair value. Available cash from the primary government and Library is pooled in the General Fund and invested in money market or other investments. To facilitate the pooling, cash belonging to other funds is transferred to and from the General Fund. On the Statement of Cash Flows for the proprietary funds, cash and cash equivalents include bank deposits and liquid investments readily convertible to cash.

Investment income earned on investments is generally allocated to each fund based on its proportionate share of the average daily cash balance each month. Investment income earned on the balances in certain special revenue funds, certain internal service funds, agency funds, and the Library Fund is retained in the General Fund. In addition, investment earnings recognized in the General County Capital Projects Fund are transferred to the General Fund.

Investments of the Retirement System are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on periodic independent appraisals. Investments that do not have an established market, such as Private Markets, are reported at estimated fair values. The fair value of private equities are based on management's valuation of estimates and assumptions from information and representations provided by the respective general partners, in the absence of readily ascertainable market values. There are no investments with parties or in entities related to the County.

D Inventories and Prepaid Expenses – Inventories of parts and supplies recorded in the General Fund and certain proprietary funds are valued at cost assuming a first-in, first-out consumption pattern. The government-wide and the fund statements record the cost of inventory as it is consumed, while the budgetary statements record the cost when the inventory is purchased. For the government-wide and proprietary statements, prepaid expenses are recognized as the services are consumed. For the budgetary statements, prepaid items are recognized when either encumbered or paid.

E Program Revenues – The government-wide Statement of Activities is presented using a net-cost format. Total costs are presented on a functional basis. Some of these functional activities are financed in whole or in part by program revenues received from parties outside the County government. These program revenues are subtracted from the functional costs to arrive at net costs. General County revenues are then applied against the net costs to arrive at changes in net position for the fiscal year.

Program revenues include amounts received from those who purchase, use, or directly benefit from a program; amounts received from outside parties that are restricted to one or more specific programs; and earnings on investments that are legally restricted for a specific purpose. Program revenues include user fees and charges, impact fees, fines, license and permit fees, special community benefit assessments, grants and contributions, and restricted investment income.

F Capital Assets – Capital assets of the primary government are recorded in the applicable governmental or business-type activities columns on the government-wide Statements of Net Position. These asset balances include all constructed, purchased, or developer-donated public domain infrastructure (roads, bridges, and similar items). Infrastructure with an individual value of \$50,000 or more, intangible assets and software with an individual value of \$50,000 or more, library books are recorded at cost, and other assets with an individual value of \$5,000 or more are capitalized. Capital assets are valued at historical cost or estimated historical cost. Donated assets are recorded at acquisition value on the date donated. Land and easements, historical property, and works of art are assets that are not depreciated. Depreciable assets are depreciated on a straight-line basis over the respective useful lives. The estimated useful lives of the capital assets are determined by the category. They are listed as follows:

<u>Category</u>	<u>Years</u>	<u>Category</u>	<u>Years</u>
Buildings, structures, sidewalks, curbs, gutters and water / sewer lines	50	Heavy machinery and other equipment	5 – 10
Water / sewer structures	35	Library collection	10
Land improvements	30	Furniture and fixtures	5 – 10
Culverts and storm drains	25 – 50	Office equipment, intangible assets, software, and telecommunications	
Roads and bridges	17 – 30	systems	5 – 7
Landfills	15 – 20	Automobiles and small rolling stock	5

G *Deferred Outflows/Inflows of Resources* – A deferred outflow of resources represents the consumption of net position that applies to a future period that will not be recognized as an outflow of the resources (expenditure) until the future period. At the end of the current fiscal year, the County Primary Government had deferred outflows of resources for pension benefits, Other Post-Employment Benefits (OPEB), Length of Service Awards Program (LOSAP), and unamortized deferred refunding losses. The Board of the Maryland State Retirement, Anne Arundel County Pension and Retirement System, and Anne Arundel Retiree Health Benefits Trust (OPEB) recognizes deferred outflows of resources (DOR) which are amortized according to the actuarial valuation report. The DOR can occur from contributions after measurement date, changes in investment, changes in assumptions and changes in experience, as determined from the actuarial valuation report. Deferred inflow of resources represents an acquisition of net position that applies to a future reporting period that will not be recognized as an inflow of resources (revenue) until that time. For government-mandated and voluntary non-exchange transactions on the governmental funds, a deferred inflow is reported when resources are received before time requirements are met and revenue unavailable. The governmental funds had deferred inflows of resources representing unavailable tax revenues, E-Rate Federal reimbursements, 911 fees, and unavailable grant and program revenues. On the government wide statements, the primary government had deferred inflows of resources (DIR) representing pension, OPEB, LOSAP and advances in property tax revenue. The Board of the Maryland State Retirement, Anne Arundel County Pension and Retirement System, and Anne Arundel Retiree Health Benefits Trust (OPEB) recognizes deferred inflows of resources related to pensions and OPEB actuarial estimates which are amortized according to the actuarial valuation report. The DIR can occur from changes in investment, changes in assumptions and changes in experience, as determined from the actuarial valuation report.

Deferred outflows of resources are presented below the total assets on the government-wide, proprietary, and governmental statements. Deferred inflows of resources are presented below the total liabilities on the government-wide, proprietary, and governmental statements.

H *Operating and Non-operating Revenues and Expenses and Capital Contributions* – The Statement of Revenues, Expenses, and Changes in Fund Net Position for proprietary funds categorize revenue sources into operating, non-operating, and capital contributions. Operating revenues include charges for water, wastewater, landfill usage, child care and other revenue used to fund the ongoing provision of water and wastewater, waste collection, and child care services to citizens. The statement also presents combined totals for the internal service funds. These funds collect charges from other funds and component units for insurance and the primary government's motor pool maintenance and replacement. Non-operating revenues include all other sources, such as interest earned and other revenue. Capital contributions include developer-contributed assets and grants, capital connection fees, capital facility assessments, and front foot benefit fees restricted for the construction of capital assets or the payment of debt issued for capital construction.

Operating expenses in the proprietary funds include the costs of operating the County's water and wastewater system, waste collection activities, and school-based child care services. Expenses consist of personnel and non-personnel services, cost of goods issued, depreciation, landfill closure and post-closure costs, indirect costs, and other miscellaneous allocated expenses. Non-operating expenses include interest on debt and other miscellaneous expenses.

I *Bond premiums and refunding gain or loss* – The primary government typically receives premiums as a result of the sale of general obligation bonds. The treatment of the premiums differs depending on the basis of accounting used on the related statements. Premiums earned on debt in governmental activities are recognized as revenue in the year of the bond sale on the fund statement, amortized over the life of the bonds on the government-wide presentation, and applied against the purchase of capital assets in the subsequent fiscal years on the budgetary statement. Premiums earned on the bonds in business-type activities are amortized over the life of the bonds on the fund level and government-wide presentations, recorded as premium revenue on budgetary statements and then applied against the purchase of capital assets in the subsequent fiscal years. The refunding gain or loss is applied against the shorter life of the old debt or the new debt.

J *Indirect costs* – Administrative costs of the primary government are generally included in the general government functional expenses on the government-wide Statement of Activities and the fund financial statements. However, some allocations of administrative costs are made through an indirect cost allocation plan, resulting in charges to the proprietary funds, Pension Trust Fund, and General County Capital Projects Fund. These allocated costs are included in the functional expenses of these other funds.

K Encumbrances – The governmental funds utilize encumbrance accounting under which purchase orders, contracts, and other commitments are recorded in order to reserve budget appropriations for that purpose. Open encumbrances at fiscal year-end are shown as part of the restricted, committed or assigned fund balance, depending on the nature of the fund, in the governmental fund statements and are recorded as expenditures on the budgetary statements. Encumbrances as of June 30, 2020 totaled \$130,039,493 in the governmental fund types, of which \$99,996,185 is for construction activity. The proprietary funds utilize encumbrance accounting for budgetary purposes. As of June 30, 2020, the proprietary funds had encumbrances totaling \$87,077,254, of which \$73,704,145 is for construction activity.

L Fund Balance Classification – The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Non-spendable:** This classification includes amounts that cannot be spent because they either (a) are not in spendable form or (b) are legally or contractually required to be maintained intact. The County has classified inventories, and prepaid items as non-spendable.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The following fund balances are classified as restricted:
 - **Permanent Public Infrastructure (PPI):** \$9,971,621 of the general fund balance is restricted through enabling legislation from County bill 42-19 which established the reserve fund for permanent public improvement (PPI).
 - **Base realignment and closure (BRAC):** restricted by the Annotated Code of Maryland, Economic Development Article, Section 5-1306 for the revitalization and incentive programs in the BRAC area.
 - **Impact fees:** restricted by the Annotated Code of Maryland, Local Government Article, Section 20-701 for expanded infrastructure required to accommodate new development.
 - **Forfeiture and asset seizure team:** restricted by federal regulations for law enforcement activities.
 - **Roads and special benefits:** restricted by the Annotated Code of Maryland, Local Government Article, Section 10-314 for the improvements and benefits within designated districts.
 - **Reforestation:** restricted by the Annotated Code of Maryland, Natural Resources Article, Section 5-1610 for the reforestation of properties in the County.
 - **Laurel racetrack community benefit:** restricted by the Annotated Code of Maryland, Business Regulation Article, Section 11-404 for certain services and facilities in the vicinity of the Laurel racetrack.
 - **Grants:** restricted by various state and federal laws, regulations and grant agreements that specify how funds may be spent.
 - **Circuit court:** restricted by the Annotated Code of Maryland, Court and Judicial Proceeding Article, Section 7-204 for Circuit Court operations.
 - **Odenton Town Center Tax Increment:** restricted by State Enabling Legislation and the creation of the special taxing district as defined in Anne Arundel County Resolution 42-14, for the creation of Odenton Town Center Development District.

- **Erosion districts:** restricted by the Annotated Code of Maryland, Local Government Article, Section 21-306 for erosion control projects and related loans in designated districts.
 - **Video lottery local impact aid:** restricted by the Annotated Code of Maryland, State Government Article, Section 9-1A-31(b) for improvements and facilities in the vicinity of the video lottery facility.
 - **Watershed protection and restoration:** restricted by the Annotated Code of Maryland, Environment Article, Section 4-202.1(h) (4) for stormwater management and projects.
 - **Bond premium:** restricted by the County Charter, Section 720(b) for capital improvements financed with the proceeds of the bonds that generated the premiums.
 - **Debt Service:** is restricted through debt covenants.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the County's highest level of decision making authority through the passing of ordinances. These amounts cannot be used for any other purpose unless the County Council removes or changes the ordinance that was employed when the funds were initially committed. The following funds are committed based on legislation in the County code: Bike, Pedestrian, Transportation and Infrastructure Fund; Street Lights Capital Project Fund; Recreation Land Fees Fund; and Energy Revolving Loan Fund. The Installment Purchase Agreement Fund is committed for the purchase of agricultural and woodland preservation programs.
 - **Assigned:** This classification includes amounts that are constrained by the County's intent to be used for a specific purpose, but are neither restricted nor committed. The policy to assign funds is established through the Annual Budget and Appropriation Ordinance each year which is approved by both the County Council and the County Executive. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. General County Capital Projects are assigned for the repair and replacement of equipment.
 - **Unassigned:** The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund. This classification includes the residual fund balance for the General Fund. The A.A. County Partnership for Children Youth and Family Fund, Arundel Community Development Service Fund and the Grants Fund have negative unassigned fund balance which represents the timing difference between the grant expenditures and payments received for the reimbursable grants.

The County typically uses restricted resources first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

M **Compensated absences** - The primary government's Statements of Net Position include an accrual for compensated absences. This accrual is an estimate of unused annual leave as of June 30, 2020. The annual leave accrual is calculated using unused annual leave hours as of June 30, 2020 and pay rates in place for each employee at the end of the fiscal year.

The compensated absences accrual also includes an estimate of sick leave payouts earned as of fiscal year-end. Certain employees are paid \$25 per day for unused sick leave upon retirement. The estimate uses unused sick days at year end multiplied by \$25 per day. The accrual is then adjusted to reflect an estimate of the current employees that will ultimately retire with the primary government.

Compensated absences are liquidated within the following governmental funds: the General Fund and Reforestation Fund. They are also liquidated in the following internal service and enterprise funds: Self Insurance, Central Garage and Transportation, Water and Wastewater, Solid Waste and Child Care.

N *New GASB Pronouncements* - In fiscal year ended June 30, 2020, the County did not implement any new Governmental Accounting Standard Board (GASB) pronouncements.

The following pronouncements will be evaluated for future implementation:

As of the year ended June 30, 2020, GASB issued Statement No. 84, *Fiduciary Activity*; Statement No. 87, *Leases*; Statement No. 90, *Majority Equity Interests*; Statement No. 91, *Conduit Debt Obligations*; Implementation Guide No. 2019-2 and Implementation Guide No. 2019-3. Some of these statements will have a material effect on the County's financial statements once implemented.

The County will be analyzing the effects of these pronouncements and plans to adopt them as applicable by their effective date.

O *Use of Estimates* - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the related notes. Actual results could differ from those estimates.

2 **Budgetary Information**

Expenditures and encumbrances of funds may not exceed legally adopted appropriations. The appropriations are established by the County Council in the Annual Budget and Appropriation Ordinance. During the fiscal year, the County Council may adopt supplemental budgetary appropriation ordinances that increase appropriations from revenue not anticipated in the budget or in excess of that anticipated in the budget. The County Executive has the authority to approve intra-department transfers within a fund. Transfers of appropriations from one department to another or from one capital project to another require the County Council's approval by ordinance. The legal level of budgetary control is by fund and agency for the operating funds, at the project level for capital projects, and at the district level for Roads and Special Community Benefit Districts, Shore Erosion Control Districts, and Waterway Improvement Special Taxing Districts. All unexpended, unencumbered appropriations lapse at year end, except appropriations for capital projects. The County adopts budgets for all funds except the Agency and Fiduciary Funds, Library Dedicated Revenue Fund and the capital project funds for the Bike, Pedestrian, Transportation and Infrastructure Fund, Recreation Land Fees Fund, Street Light Fund, and Energy Revolving Loan Fund, which are expended through the General County Capital Projects Fund. Appropriations in the grant funds may be increased without a separate ordinance if the conditions in the code are met.

A *Excess Expenditures over Appropriation Limits* – The County did not exceeded their budget appropriations in the current fiscal year.

B *Fund Deficits* - The Partnership for Children, Youth and Family, Grants Fund and Arundel Community Development Services have deficit fund balances in the amount of (\$515,159, \$8,364,933 and \$1,379,114), respectively, as a result of funds expended in the current fiscal year that were not reimbursed by the grantor within 90 days of the fiscal year end. The Board of Education and Anne Arundel County Public Library, discretely presented component units, have deficit net positions of (\$1,120,833,310) and (\$23,400,353), respectively, as a result of unfunded liabilities for other postemployment and pension benefits. In addition, Governmental Activities has a deficit net position of (\$520,422,149) on the full accrual statements as a result of unfunded liabilities for other postemployment and pension benefits.

C *Reconciliation Between Fund Financial Statements and Budgetary Statements* - The General Fund's Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual use different revenue and expenditure recognition policies, a reconciliation of these two statements is provided as follows:

	<u>General Fund</u>
Revenue (under) over expenditures - budgetary basis	\$ 15,307,289
Net effect of encumbrances	2,757,715
Change in due to Central Garage and Transportation Fund	2,173,626
Transfer for Permanent Public Improvements	9,371,621
Change in from to Self Insurance Fund	13,911,487
Change in revenue reserve allocation	8,974,967
FMV interest adjustment	(578,933)
Health Department encumbrance adjustment	193,667
LOSAP - Current Liability	(50)
Effects of Inmate Benefit Fund & Parking Garage Fund	231,424
Net inventory change	961,985
Change in fund balance - modified accrual basis	\$ <u>53,304,798</u>

3 Cash and Investments

The primary government pools available cash and centrally invests these funds to maximize earnings. The component units also pool available cash in this manner. Assets of the Anne Arundel County Pension and Retirement System (Retirement System) and the Anne Arundel County Retiree Health Benefits Trust, which covers Other Post-Employment Benefits (OPEB), are held separately. Significant accounting policies related to cash and investments are included in Note 1C.

A Policies – The primary government is authorized to invest available public money in obligations of the U.S. Government, its agencies and instrumentalities; repurchase agreements that are fully collateralized by direct U.S. Government obligations and U.S. Government agency and instrumentality obligations, including fixed rate Mortgage-Backed Securities; Bankers' Acceptances; mutual funds that are registered with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1940 (the Act), are operating in accordance with Rule 2A-7 of the Act, and have received the highest possible rating from at least one Nationally Recognized Statistical Rating Organization as designated by the SEC; Certificates of Deposit; and Commercial Paper. In addition, the primary government can participate in the local government investment pool authorized and maintained by the State of Maryland. The fair value of the position in the pool is the same as the value of the shares. Finally, the primary government is authorized to invest bond proceeds that are subject to arbitrage rebate requirements in State and local government obligations.

The primary government, Board of Education, Community College, and Library all participate in the Maryland Local Government Investment Pool (MLGIP), which provides all local government units of the State a relatively safe investment vehicle for the short-term investment of funds. The State Legislature created MLGIP with the passage of Article 95 22G, of the Annotated Code of Maryland. The MLGIP, under the administrative control of the State Treasurer, is managed by PNC Capital Advisors, LLC. The pool is a 2a7 like pool, which is not registered with the Security and Exchange Commission (SEC), but generally operates in a manner consistent with the SEC's rule 2a7 of the Investment Company Act of 1940 (Rule 2a7). MLGIP has a credit rating of AAAM and seeks to maintain a \$1 per share value, is designed to give local government units of the State an investment vehicle for short-term investment of funds.

Legislation became effective during fiscal year 2015 that expanded the authorized investments for Self-Insurance funds. In addition to the vehicles available for public money, the non-current portion of Self Insurance fund reserves may be invested in investment grade domestic corporate bonds, mutual funds, exchange traded funds, and taxable or tax-exempt municipal securities.

Pooled cash is primarily used to purchase short-term investments. Policy requires that for repurchase agreement investments made by the County, the initial collateral securities underlying repurchase agreement investments have a market value of at least 102.0% of the cost of the repurchase agreement. The collateral is in the County's name and held by an independent third party or at the Federal Reserve. When the collateral falls under 101.0% or is \$100,000 less than the 102.0%, additional collateral is required to bring the total to the required level. At June 30, 2020, there were not any repurchase agreements to collateralize at 102.0%

The Retirement System is authorized to invest in U.S. Government securities, insurance company general accounts, commercial paper, money market mutual funds, corporate bonds, common and international stocks, limited partnerships, absolute return funds, private equity, mortgage participations, and real estate. The Retirement System lends its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. Effective December 1, 2016, the Retirement System's Lending Agent was Deutsche Bank AG. Deutsche Bank AG lends securities for collateral in the form of cash or other securities of 102.0% for domestic securities and 105.0% for international. Cash collateral received by the Retirement System with respect to these transactions is invested in a separate, un-pooled account basis at the direction of the Board of Trustees in fully collateralized repurchase agreements.

At year end, the Retirement System had no credit risk exposure to borrowers, because the amount of collateral held by the Retirement System was greater than the value of securities on loan. The market value of invested collateral held as of December 31, 2019 was \$69,917,128. There were no securities held as collateral. The market value of securities on loan for the Retirement System as of December 31, 2019 was \$68,264,610.

The Retirement System did not impose any restrictions during the year on the amount of the loans that the agent made on its behalf. Moreover, there were no losses during the year resulting from a default of the borrowers or agent. All security loans can be terminated on demand by either the Retirement System or the borrower. Cash collateral received was invested in Repurchase Agreements, which as of December 31, 2019 had a weighted average final maturity of 19.0 days. The interest rate risk is zero days, as assets and liabilities can be rate changed on a daily basis.

The Anne Arundel Retiree Health Benefits Trust (OPEB Trust) is authorized to invest in large capitalized domestic equities, international equities, emerging international equities, core fixed income, and diversified fixed income. The OPEB Trust's Board of Trustees has established an Investment Policy Statement (IPS) to set forth investment objectives, policies, guidelines, monitoring and review procedures relating to the management and safekeeping of all assets of the OPEB Trusts. Policy allows the use of mutual/commingled funds as investment vehicles under certain guidelines.

B Balances and Custodial Credit Risk – As of June 30, 2020, the carrying amount of the primary government's bank deposits was \$810,825 and bank balances were \$2,469,916. All bank balances were fully secured by Federal Deposit insurance or fully collateralized. The total money market fund balance was \$318,103,649.

Cash balances of the Board of Education are fully secured by Federal Deposit insurance and collateral held in the Board's name at the Federal Reserve Bank of Richmond. Deposits for Anne Arundel Community College are secured and properly protected. The cash balances of the other non-major component units were insured.

Money market fund balances for the Retirement System as of calendar year-end December 31, 2019 and OPEB Trust as of fiscal year ended June 30, 2020, were \$93,827,963 and \$15,281,969 respectively.

Custodial credit risk is the risk that the primary government will not be able to recover deposits in the event of the failure of a depository financial institution or will not be able to recover collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the primary government, and are held by either a counterparty or the counterparty's trust department or agent, but not in the primary government's name. The primary government's Investment Policy requires that the Controller maintain a list of financial institutions authorized to provide investment services, including custodial services and collateral requirements. Internal procedures establish the methods for evaluating eligible institutions. Custodial credit risk for deposits is not addressed in the policy.

C Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The fair value of fixed income (debt) securities is affected by increases and declines in interest rates. These investments may also have embedded call features allowing the issuer to redeem part or all of the issue prior to maturity at a pre-determined price. In addition, debt issues may have interest rates that vary according to a pre-determined external index (such as the London Inter-Bank Offered Rate) or a pre-determined step-up in the interest rate at a pre-determined date(s). The primary government’s Investment Policy does not specifically address interest rate risk. However, term limits are established for certain investments to minimize interest rate risk. The Retirement System’s Investment Policy Statement (IPS) sets limits on floating rates for mortgage-backed securities and establishes limits on the average duration of some investment types.

The table that follows uses the *Segmented Time Distribution* method to display debt investments by maturity for the primary government and the component units by term and investment type. Market values for issues within the primary government’s agency/instrumentalities category include \$84,848,939.59 of callable issues and there are no issues that have both callable and variable-rate features as of June 30, 2020. The component units’ issues have no variable rate securities. Equity mutual fund investments with a market value of \$8,011,545 are not included in this table.

Primary Government					
Investment Type	Fair Value	Investment Maturities			
		Less than 1 year	1 to 5 years	6 to 10 years	Greater than 10 years
U.S. Government securities	\$ 304,342,451	292,078,992	\$ -	\$ 9,940,145	\$ 2,323,314
Agencies / instrumentalities	266,724,570	184,671,350	53,627,550	28,425,670	-
Supranationals	15,686,200	6,074,400	9,611,800	-	-
Money market pools	318,103,649	318,103,649	-	-	-
Commercial paper	-	-	-	-	-
Repurchase agreements	-	-	-	-	-
Corporate bonds	35,387,457	14,145,600	12,436,927	8,804,930	-
Municipals bonds	234,875,669	36,409,384	198,466,285	-	-
Bond mutual funds	12,576,838	12,576,838	-	-	-
	<u>\$ 1,187,696,834</u>	<u>\$ 864,060,213</u>	<u>\$ 274,142,562</u>	<u>\$ 47,170,745</u>	<u>\$ 2,323,314</u>
Component units					
Board of Education					
Investment Type					
Money market pools	\$ 188,326,798	\$ 188,326,798	\$ -	\$ -	\$ -
	<u>\$ 188,326,798</u>	<u>\$ 188,326,798</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Community College					
Investment Type					
Money market pools	\$ 12,381,584	\$ 12,381,584	\$ -	\$ -	\$ -
	<u>\$ 12,381,584</u>	<u>\$ 12,381,584</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other non-major component units					
Investment Type					
Money market pools	\$ 329	\$ 329	\$ -	\$ -	\$ -
	<u>\$ 329</u>	<u>\$ 329</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The following table uses *Segmented Time Distribution* to display the Retirement System’s debt holdings by maturity term and investment type as of December 31, 2019. Some issues within the categories agencies/instrumentalities, corporate bonds, collateralized mortgage obligations, and other asset-backed securities have variable-rate features. The total fair value of these securities with variable rate features was \$8,595,005 as of December 31, 2019.

The table also includes issues with call features and assumes that these issues will be held to maturity. The total fair market value of callable securities totals \$69,402,684 with call dates ranging from January 15, 2020 for continuously callable issues to February 20, 2059. Stated call prices are generally at par. The callable holdings

include issues with floating interest rates, which have a market value of \$13,030,714. Non-debt investments, guaranteed contracts, and un-invested cash with a combined fair value of \$1,454,323,195, do not have maturity dates and therefore are not included in this table.

Investment Type	Retirement System				
	Fair Value	Investment Maturities			
		Less than 1 year	1 to 5	6 to 10	over 10
Money market pools	\$ 93,827,963	\$ 93,827,963	\$ -	\$ -	\$ -
U.S. Treasuries	18,655,100	-	3,935,638	942,831	13,776,631
Agency/Instrumentalities	45,096,150	819,487	89,031	103,210	44,084,422
Corporate Bonds	79,222,697	519,648	27,697,676	37,002,242	14,003,131
Bank Loans	8,556,799	-	3,811,208	4,745,591	-
Bond Mutual Funds	260,741,903	260,741,903	-	-	-
Collateralized Mrtg Obligations	8,595,005	33,120	120,288	-	8,441,597
Other Asset-Backed Securities	1,616,620	-	-	39,982	1,576,638
Foreign and Yankee Bonds	16,669,430	472,109	4,404,050	7,978,062	3,815,209
Totals	\$ 532,981,667	\$ 356,414,230	\$ 40,057,891	\$ 50,811,918	\$ 85,697,628

The OPEB Trust owned two debt mutual funds exposed to interest rate risk as of June 30, 2020. As of June 30, 2020, the trust owned two fixed income mutual fund with an effective maturity of 7.1 years and 9.5 years with a fair value of \$95,320,631.

D Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Debt securities are rated by Nationally Recognized Statistical Rating Organizations to provide purchasers with an opinion of the capability and willingness of a borrower to repay its debt. The primary government’s Investment Policy does not address credit risk. The following table displays the County’s debt holdings and quality ratings from Standard & Poor’s. Ratings for the component units and Retirement System are listed separately. Equity mutual fund investments with a market value of \$8,011,545 are not included in this table.

Credit ratings of U.S. government agency securities that are only implicitly guaranteed by the U.S. government are categorized accordingly in the main body of this table. Implicitly guaranteed agency securities include government mortgage backed, government agencies, and short-term U.S. treasury bills and notes. Other categories issued are Federal National Mortgage Association, Federal Deposit Insurance Corporation, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Financing Corporation, Small Business Association, Farmer Mac, and Federal Farm Credit.

Anne Arundel County, Maryland
Notes to the Financial Statements

Standard & Poor's Credit Ratings

Primary Government	Value	AAA	AA	A	BBB	Not Rated
Investment Type						
Agencies/instrumentalities	\$ 266,724,570	\$ -	\$ 54,151,750	\$ -	\$ -	\$ 212,572,820
Supranationals	15,686,200	9,611,800	-	-	-	6,074,400
Commercial paper	-	-	-	-	-	-
Repurchase agreement	-	-	-	-	-	-
Corporate bonds	35,387,457	4,026,000	14,034,825	10,420,608	6,906,024	-
Municipal securities *	234,875,669	85,700,716	125,142,436	16,451,628	-	7,580,889
Bond mutual funds	12,576,838	-	-	-	-	12,576,838
Money market pools	318,103,649	246,708,637	-	-	-	71,395,012
Total Credit Risk-Debt Securities	883,354,382	346,047,153	193,329,011	26,872,236	6,906,024	318,234,269
U.S. Gov't & Agencies **	304,342,451	-	-	-	-	-
Total Debt Securities	\$ 1,187,696,834					
Component Units						
Board of Education						
Investment Type						
Money market pools	\$ 188,326,798	\$ 182,260,250	\$ -	\$ -	\$ -	\$ 6,066,548
	\$ 188,326,798	\$ 182,260,250	\$ -	\$ -	\$ -	\$ 6,066,548
Community College						
Investment Type						
Money market pools	\$ 12,381,584	\$ 12,381,584	\$ -	\$ -	\$ -	\$ -
	\$ 12,381,584	\$ 12,381,584	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
Non-major component units						
Investment Type						
Money market pools	\$ 329	\$ 329	\$ -	\$ -	\$ -	\$ -
	\$ 329	\$ 329	\$ -	\$ -	\$ -	\$ -

**The fair value of U.S. government agency securities is listed here. Due to the explicit guarantee from the U.S. government, they are considered to have no credit risk for reporting purposes.

The Retirement System's Investment Policy Statement provides guidelines to all fixed income managers related to allowable quality ratings. Holdings displayed by rating as of December 31, 2019, excluding equities and un-invested cash with a total fair value of \$1,454,323,134, are displayed next.

Retirement System						
	Total Fair Value	Standard & Poor's Credit Ratings				NR
		AAA - A	BBB - B	CCC - C	D	
Agency/Instrumentalities	\$ 45,096,150	\$ -	\$ -	\$ -	\$ -	\$ 45,096,150
Collateralized Mort.Obligations	8,595,005	2,740,635	344,565	898,660	-	4,611,145
Other Asset-backed Obligations	1,616,620	699,777	23,321	234,276	-	659,246
Corporate Bonds	79,222,697	12,949,452	63,826,069	954,367	-	1,492,809
Yankee & Foreign Gov.Issued	8,556,799	-	-	-	-	8,556,799
Bank Loans	16,669,430	3,549,552	12,460,832	218,614	-	440,432
Guaranteed Invest Contracts	21,384,914	-	-	-	-	21,384,914
Mutual Funds	260,741,903	-	-	-	-	260,741,903
Short Term Investment Pools	93,827,963	-	-	-	-	93,827,963
Total Credit Risk of Debt Securitie:	\$ 535,711,481	\$ 19,939,416	\$ 76,654,787	\$ 2,305,917	\$ -	\$ 436,811,361
US Gov't & Agencies *	18,655,100					
Total Debt Securities	\$ 554,366,581					

* The fair value of U.S. government agency securities is listed here. Due to the explicit guarantee from the U.S. government, they are considered to have no credit risk for reporting purposes.

The following table displays fair value and ratings for debt issues owned by the OPEB Trust as of June 30, 2020:

Retiree Health Benefits Trust					
	Total Fair Value	Standard & Poor's Credit Ratings			NR
		AAA-A	BBB-B	CCC-C	
Mutual Funds	\$ 95,320,631	\$ -	\$ -	\$ -	\$ 95,320,631
Short Term Investment Pool	15,281,969	-	-	-	15,281,969
Total Debt Securities	\$ 110,602,600	\$ -	\$ -	\$ -	\$ 110,602,600

E Concentration Risk – Concentration risk is the risk of loss attributed to the magnitude of the government’s investment in a single issuer. As of June 30, 2020, Federal Home Loan Bank was 10.52% of the primary government’s investments, Federal Agricultural Mortgage Corporation represented 4.02%, Federal Farm Credit Bank was 3.23%, Federal Home Loan Mortgage Corporation was 2.84%, and Federal National Mortgage Association was 1.78%. The primary government’s Investment Policy requires diversification of investments by security type and institution. Issuer limits are not addressed. There was no investment greater than 5.0% for the Board of Education or the Community College, excluding pools. The Retirement System’s IPS sets maximum concentration limits by asset type and manager style. As of December 31, 2019, there was no exposure to a single issuer greater than 5.0% of the Retirement System’s plan net position, excluding investment pools.

F Foreign Currency Risk – This risk relates to the potential, unfavorable fluctuation of exchange rates compared with the U.S. Dollar. Neither the primary government nor its component units had exposure to foreign currency risk as of June 30, 2020. The Retirement System recognizes the value of global diversification and retains six managers for global and international equity and fixed income investments. Global and international managers may also purchase or sell currency on a spot basis and may enter into forward exchange contracts on currency, provided that the use of such contracts is designed to dampen portfolio volatility or to facilitate the settlement of securities transactions.

As of December 31, 2019, the Retirement System had no direct exposure to fixed income foreign currency. The fair market value of international/global equities and fixed income assets, which are managed in pooled funds, totaled \$784,570,200 as of December 31, 2019.

As of June 30, 2020, the OPEB Trust had no direct exposure to fixed income foreign currency. The fair market value of one international mutual fund totaled \$60,418,204.

G Fair Value Measurement – The Primary Government, Retirement System and Retiree Health Benefits Trusts have categorized the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Level 1	Unadjusted quoted prices in active markets for identical instruments.
Level 2	Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuation in which all significant inputs are observable.
Level 3	Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share, or its equivalent, as a practical expedient are not classified in the fair value hierarchy.

The schedule of investments by type and hierarchy level as of June 30, 2020 is displayed below. As of June 30, 2020, short-term investments of \$318,103,649 were in money market mutual funds, which are not subject to the fair value measurement requirements.

Assets at Fair Value June 30, 2020

Primary Government Investment Type	Fair Value	Quoted Prices in Active Markets for		
		Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
U.S. Treasuries	\$ 304,342,451	\$ 304,342,451	\$ -	\$ -
Agencies/instrumentalities	266,724,570	266,724,570	-	-
Supranationals	15,686,200	-	15,686,200	-
Commercial paper	-	-	-	-
Repurchase agreements	-	-	-	-
Corporate bonds	35,387,457	35,387,457	-	-
Municipals bonds	234,875,669	-	234,875,669	-
Bond mutual funds	12,576,838	12,576,838	-	-
Equity mutual funds	8,011,545	8,011,545	-	-
	<u>\$ 877,604,730</u>	<u>\$ 627,042,861</u>	<u>\$ 250,561,869</u>	<u>\$ -</u>

As of June 30, 2020, all investments and deposits for the Board of Education and the non-major component units were in money market mutual funds, which are not subject to the fair value measurement requirements.

The following table shows the fair market measurements for the Retirement System as of December 31, 2019. As of December 31, 2019, all short-term investments were in money market mutual funds, which are not subject to the fair value measurement requirements.

Pension System Assets at Fair Value December 31, 2019

Assets at Fair Value December 31, 2019 Investment Type	Fair Value	Quoted Prices		
		in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed Income Investments				
U.S. Government obligations	\$ 18,655,100	\$ -	\$ 18,655,100	\$ -
Agency/Instrumentalities	45,096,150	-	45,096,150	-
Collateralized Mort. obligations	8,595,005	-	7,792,450	802,555
Other asset-backed obligations	1,616,620	-	1,087,763	528,857
Corporate bonds	79,222,697	-	79,222,697	-
Bank Loans	8,556,799	-	8,556,799	-
Yankee & Foreign Gov. Issued	16,669,430	-	16,669,430	-
Fixed income mutual funds	84,774,824	1,094,883	83,679,941	-
Total fixed income investments	263,186,625	1,094,883	260,760,330	1,331,412
Equity Investments				
Domestic equity	428,280,460	372,759,638	55,520,822	-
International equity pools	273,650,975	273,650,975	-	-
Total equity investments	701,931,435	646,410,613	55,520,822	-
Total investments by fair value level	\$ 965,118,060	\$ 647,505,496	\$ 316,281,152	\$ 1,331,412

Pension System Net Asset Value December 31, 2019

Investment Types at net asset value	Net Asset Value	Unfunded Commitments as of 12/31/19	Redemption	Redemption
			Frequency (If Currently Eligible)	Notice Period
Absolute return fixed income	\$ 68,946,948	\$ -	Daily	Daily
Commingled funds-debt	69,568,930	-	Twice monthly	15 days
Commingled funds-equities	137,463,716	-	Monthly	5 Business days
International equity pool	89,619,731	-	Daily	Daily
International fixed income mutual funds	106,398,148	-	Daily	Daily
Real estate (REIT) fund	125,645,333	-	Quarterly	90 days
Global asset pools	177,437,631	-	Monthly	5 Business days
Private markets buyouts	78,438,909	82,160,678	Not eligible	Not eligible
Private markets mezzanine	6,230,408	1,715,981	Not eligible	Not eligible
Private markets secondaries	17,689,547	28,943,871	Not eligible	Not eligible
Private markets distressed	25,823,368	35,005,000	Not eligible	Not eligible
Private markets fund of funds	5,455,577	1,728,845	Not eligible	Not eligible
Private markets energy	19,640,532	7,715,620	Not eligible	Not eligible
Total at net asset value	928,358,778	\$ 157,269,995		
Investments measured at amortized cost				
Money market pools	93,827,963			
Aetna insurance pooled fixed income	21,384,914			
Total Investments	\$ 2,008,689,715			

Securities classified in Level 1 are valued using quoted prices in active markets for those securities. Securities classified in Level 2 and Level 3 are valued using methodologies such as various bid evaluations, market averages and other matrix pricing techniques as well as values derived from associated traded securities or last trade data. In instances where inputs used to measure fair value fall into different levels, the fair value is categorized based on the lowest level input that is significant to the valuation.

Investments valued at the net asset value (NAV) per share, or its equivalent, have been classified separately in the table above and include investments considered to be Alternative Investments as defined by the American Institute of Certified Public Accountants. The definition includes investments for which a readily determinable fair value does not exist (that is, investments not listed on national exchanges or over-the-counter markets, or for which quoted market prices are not available from sources such as financial publications, the exchanges, or NASDAQ). These types of investments can be held within any of the asset classes used by the System based on underlying portfolio holdings and analysis of risk and return relations. These investments can be structured in different ways, including limited partnerships, limited liability companies, common trusts, and mutual funds. Some are closed-ended with a specific life and capital commitments while others are open-ended with opportunity for ad hoc contributions or withdrawals and termination with proper notice.

Exposure to Derivatives – Derivative instruments are securities that derive value from another asset and are in the form of a contract between two or more parties. Common derivatives are futures contracts, forwards contracts, options, and swaps. The System has no direct exposure to derivative securities. There are however, mutual funds, commingled funds, and other investment vehicles in which the System has a percentage ownership that have exposure to futures, currency forward contracts, commodity forward contracts, and total return swap contracts. These funds enter into derivative contracts as part of their investment strategies to mitigate risk and volatility.

A derivative policy statement is included in the Investment Policy Statement (IPS). Prohibited instruments include options, commodities, uncovered options or futures, uncovered short positions, short selling, and use of financial leverage. The derivative exposure as of December 31, 2018 within the mutual funds is comprised of allowable instruments based on the IPS.

Commingled/Mutual Funds – These types of funds are open-ended funds and may be utilized in equity or fixed income asset classes. They are funds made up of underlying securities that have readily available fair values (publically traded stocks or bonds). The Retirement System owns units of these funds rather than the individual securities. Contributions or withdrawals from the funds can be made as needed, generally with daily or monthly liquidity, with a notice period of one to thirty days. There are no unfunded commitments for these types of investments, because they are liquid funds.

Private Markets – Private Market investments are typically private interests in corporations across different areas of the capital structure and in different stages of the corporations' development via limited partnership vehicles. Private Market investments are illiquid and long-term in nature (10-12 years), typically held until maturity. These portfolios generally have a "J-Curve Effect" whereby there are low to negative returns in the initial years due to the payment of investment management fees and initial funding of investments made by the General Partner during a period when investments are typically carried at cost and returns have not been realized. To diversify the program, investments are made across business cycles, vintage years, and different strategies. The Retirement Systems' Investment Policy Statement has a dedicated asset class for Private Markets. There is no option to request redemptions from the Private Market funds.

The schedule of fair market measurements for the Community College follows:

Community College Assets at Fair Value June 30, 2020				
Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Community College				
Equity mutual funds				
Domestic broad equity	\$ 4,498,616	\$ 4,498,616	\$ -	\$ -
International equity	3,121,321	3,121,321	-	-
Mid cap broad equity	1,194,061	1,194,061	-	-
Small cap broad equity	1,327,439	1,327,439	-	-
Real assets equity	752,908	752,908	-	-
	<u>\$ 10,894,345</u>	<u>\$ 10,894,345</u>	<u>\$ -</u>	<u>\$ -</u>
Bond funds	4,638,630	4,638,630	-	-
Equity securities	29,496	29,496	-	-
	<u>\$ 15,562,471</u>	<u>\$ 15,562,471</u>	<u>\$ -</u>	<u>\$ -</u>

The schedule of fair market measurements for the Retiree Health Benefits Trusts follows:

Retiree Health Benefits Trust Assets at Fair Value June 30, 2020				
Assets at Fair Value June 30, 2020	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual Funds				
Fixed Income	\$ 82,003,026	\$ 82,003,026	\$ -	\$ -
Domestic Equity	68,196,994	68,196,994	-	-
International Equity	60,418,204	60,418,204	-	-
Total Mutual Funds	<u>\$ 210,618,224</u>	<u>\$ 210,618,224</u>	<u>\$ -</u>	<u>\$ -</u>
Assets at Net Asset Value June 30, 2020				
Investment Type	Net Asset Value			
Absolute return fixed income	\$ 13,317,605			
Real estate (REIT) fund	13,169,927			
Total at net asset value	<u>26,487,532</u>			
Investments measured at amortized cost				
Money Market pool	15,281,969			
Total Investments	<u>\$ 252,387,725</u>			

4 **Receivables**

A ***Property Taxes Receivable*** - The County's property tax is levied each July 1st based on values assessed and certified by the Maryland State Department of Assessments as of that date. Liens are placed on property at that time. A revaluation of each property is required to be completed every three years. For owner-occupied residential property, owners can choose to pay one payment due September 30th or two installments due on September 30th and December 31st. Property taxes are due from all other taxpayers on September 30th. Once the due date has passed, interest and penalties are charged each month on the unpaid balance. Property with delinquent taxes, are included in the tax sale each May or June.

B ***State Income Taxes Receivable*** – Revenue from the income tax is derived from personal income from County residents like salaries and social security payments as well as income from capital gains, interest and some business income. Local income tax revenue is collected by The State and distributed to local governments throughout the year. The State's distribution of the County's share of income taxes lags behind the County's fiscal year. Management estimates the amount of receivables for taxes earned in the fiscal year by analyzing the historical trends of distribution patterns and current year income tax activity. The estimated unavailable local income tax balance as of June 30, 2020 is \$132,772,034. The local income tax rate for the reporting fiscal year is 2.81%.

C ***Long-Term Receivables*** – The primary government has long-term receivables recorded in the Water and Wastewater Fund consisting of front foot benefit assessments, capital facility connection fees, and interest charges that vary from 1.6% to 8.0%. These receivables are collected over five to thirty years. The balance as of June 30, 2020 is \$23,000,923.

5 **Capital Assets**

The components of capital assets, changes in asset categories, and accumulated depreciation for the fiscal year ended June 30, 2020 are presented as follows:

Anne Arundel County, Maryland
Notes to the Financial Statements

Category	Balance June 30, 2019	Increases	Decreases	Balance June 30, 2020
Governmental activities:				
<i>Capital assets not being depreciated:</i>				
Land and easements	\$ 261,179,615	\$ 15,453,806	\$ -	\$ 276,633,421
Historical property/works of art	4,166,465	-	-	4,166,465
Construction in progress	279,442,569	127,577,190	(60,679,811)	346,339,948
Total assets not depreciated	<u>544,788,649</u>	<u>143,030,996</u>	<u>(60,679,811)</u>	<u>627,139,834</u>
<i>Capital assets being depreciated:</i>				
Land improvements	291,213,241	11,414,592	-	302,627,833
Buildings	324,947,360	2,288,933	-	327,236,293
Roads and bridges	400,916,033	4,567,986	(5,395,275)	400,088,744
Sidewalks, curbs, and gutters	53,784,669	988,696	(122,416)	54,650,949
Storm drains and culverts	378,384,326	12,099,489	(306,269)	390,177,546
Automobiles and rolling stock	126,709,069	18,952,062	(7,739,157)	137,921,974
Furniture, fixtures, and equipment	104,942,939	12,179,708	(2,783,413)	114,339,234
Software	24,565,790	1,279,350	(470,810)	25,374,330
Total assets depreciated	<u>1,705,463,427</u>	<u>63,770,816</u>	<u>(16,817,340)</u>	<u>1,752,416,903</u>
<i>Less accumulated depreciation for:</i>				
Land improvements	(131,768,736)	(9,219,228)	-	(140,987,964)
Buildings	(143,670,505)	(6,564,685)	-	(150,235,190)
Roads and bridges	(231,480,318)	(11,683,448)	5,395,275	(237,768,491)
Sidewalks, curbs, and gutters	(19,659,554)	(1,107,127)	119,967	(20,646,714)
Storm drains and culverts	(230,198,292)	(7,220,568)	256,851	(237,162,009)
Automobiles and rolling stock	(75,216,425)	(13,850,715)	7,548,933	(81,518,207)
Furniture, fixtures, and equipment	(81,795,120)	(9,766,610)	1,848,166	(89,713,564)
Software	(20,898,408)	(1,516,443)	460,072	(21,954,779)
Total accumulated depreciation	<u>(934,687,358)</u>	<u>(60,928,824)</u>	<u>15,629,264</u>	<u>(979,986,918)</u>
Total capital assets being depreciated, net	<u>770,776,069</u>	<u>2,841,992</u>	<u>(1,188,076)</u>	<u>772,429,985</u>
Total governmental activities, net	<u>\$ 1,315,564,718</u>	<u>\$ 145,872,988</u>	<u>\$ (61,867,887)</u>	<u>\$ 1,399,569,819</u>
Business-type activities:				
<i>Capital assets not being depreciated:</i>				
Land and easements	\$ 12,705,712	\$ 5,523,092	\$ -	\$ 18,228,804
Construction in progress	530,806,301	87,798,318	(84,627,081)	533,977,538
Total assets not depreciated	<u>543,512,013</u>	<u>93,321,410</u>	<u>(84,627,081)</u>	<u>552,206,342</u>
<i>Capital assets being depreciated:</i>				
Buildings	51,713,068	700,233	-	52,413,301
Landfills	75,232,154	6,127,118	-	81,359,272
Water and sewer plants and lines	2,043,324,997	80,682,041	-	2,124,007,038
Automobiles and rolling stock	14,425,180	1,160,123	(576,629)	15,008,674
Furniture, fixtures, and equipment	29,870,325	2,481,065	(1,540,509)	30,810,881
Total assets depreciated	<u>2,214,565,724</u>	<u>91,150,580</u>	<u>(2,117,138)</u>	<u>2,303,599,166</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(14,716,788)	(1,038,802)	-	(15,755,590)
Landfills	(46,762,082)	(4,044,338)	-	(50,806,420)
Water and sewer plants and lines	(880,966,348)	(49,463,371)	-	(930,429,719)
Automobiles and rolling stock	(7,956,474)	(1,278,486)	576,629	(8,658,331)
Furniture, fixtures, and equipment	(16,298,388)	(2,549,041)	1,314,470	(17,532,959)
Total accumulated depreciation	<u>(966,700,080)</u>	<u>(58,374,038)</u>	<u>1,891,099</u>	<u>(1,023,183,019)</u>
Total capital assets being depreciated, net	<u>1,247,865,644</u>	<u>32,776,542</u>	<u>(226,039)</u>	<u>1,280,416,147</u>
Total business-type activities, net	<u>\$ 1,791,377,657</u>	<u>\$ 126,097,952</u>	<u>\$ (84,853,120)</u>	<u>\$ 1,832,622,489</u>

Anne Arundel County, Maryland
Notes to the Financial Statements

Category	Balance June 30, 2019	Increases	Decreases	Balance June 30, 2020
Board of Education:				
<i>Capital assets not being depreciated:</i>				
Land and improvements	\$ 68,346,260	\$ -	\$ -	\$ 68,346,260
Computer software in progress	3,191,113	590,535	(3,781,648)	-
Construction in progress	309,186,361	137,276,464	(200,021,210)	246,441,615
Total assets not depreciated	<u>380,723,734</u>	<u>137,866,999</u>	<u>(203,802,858)</u>	<u>314,787,875</u>
<i>Capital assets being depreciated:</i>				
Buildings	1,835,640,637	202,612,797	(4,404,988)	2,033,848,446
Computer software	10,796,033	3,781,648	-	14,577,681
Furniture, fixtures, and equipment	59,118,801	6,430,695	(2,671,156)	62,878,340
Total assets depreciated	<u>1,905,555,471</u>	<u>212,825,140</u>	<u>(7,076,144)</u>	<u>2,111,304,467</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(861,556,731)	(48,288,761)	4,404,988	(905,440,504)
Computer software	(5,354,721)	(1,457,767)	-	(6,812,488)
Furniture, fixtures, and equipment	(37,484,096)	(4,335,399)	2,569,556	(39,249,939)
Total accumulated depreciation	<u>(904,395,548)</u>	<u>(54,081,927)</u>	<u>6,974,544</u>	<u>(951,502,931)</u>
Total capital assets being depreciated, net	<u>1,001,159,923</u>	<u>158,743,213</u>	<u>(101,600)</u>	<u>1,159,801,536</u>
Total Board of Education, net	<u>\$ 1,381,883,657</u>	<u>\$ 296,610,212</u>	<u>\$ (203,904,458)</u>	<u>\$ 1,474,589,411</u>
Community College:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 4,092,203	\$ -	\$ -	\$ 4,092,203
Construction in progress	14,661,848	36,206,687	(2,733,804)	48,134,731
Total assets not depreciated	<u>18,754,051</u>	<u>36,206,687</u>	<u>(2,733,804)</u>	<u>52,226,934</u>
<i>Capital assets being depreciated:</i>				
Land improvements	7,512,216	472,170	-	7,984,386
Buildings and improvements	143,567,665	1,553,589	-	145,121,254
Furniture, fixtures, and equipment	27,402,508	1,330,142	(598,713)	28,133,937
Leasehold improvements	1,604,721	-	-	1,604,721
Intangible assets	670,849	-	-	670,849
Total assets depreciated	<u>180,757,959</u>	<u>3,355,901</u>	<u>(598,713)</u>	<u>183,515,147</u>
<i>Less accumulated depreciation for:</i>				
Land improvements	(4,565,909)	(458,633)	-	(5,024,542)
Buildings and improvements	(74,630,183)	(4,448,232)	-	(79,078,415)
Furniture, fixtures, and equipment	(18,735,121)	(1,376,399)	584,877	(19,526,643)
Leasehold improvements	(1,091,599)	(159,874)	-	(1,251,473)
Intangible assets	(564,391)	(89,910)	-	(654,301)
Total accumulated depreciation	<u>(99,587,203)</u>	<u>(6,533,048)</u>	<u>584,877</u>	<u>(105,535,374)</u>
Total capital assets being depreciated, net	<u>81,170,756</u>	<u>(3,177,147)</u>	<u>(13,836)</u>	<u>77,979,773</u>
Total Community College, net	<u>\$ 99,924,807</u>	<u>\$ 33,029,540</u>	<u>\$ (2,747,640)</u>	<u>\$ 130,206,707</u>

Anne Arundel County, Maryland
Notes to the Financial Statements

Category	Balance June 30, 2019	Increases	Decreases	Balance June 30, 2020
Other non-major:				
<i>Capital assets not being depreciated:</i>				
Construction in progress	\$ -	\$ -	\$ -	\$ -
<i>Capital assets being depreciated:</i>				
Airport improvements (as restated)	15,560,119	940,564	-	16,500,683
Library collection	17,013,965	5,897,706	(3,094,149)	19,817,522
Automobiles and rolling stock	26,632	-	-	26,632
Furniture, fixtures, and equipment	2,028,643	208,683	(211,075)	2,026,251
Total assets depreciated	<u>34,629,359</u>	<u>7,046,953</u>	<u>(3,305,224)</u>	<u>38,371,088</u>
<i>Less accumulated depreciation for:</i>				
Airport improvements	(7,448,114)	(672,790)	-	(8,120,904)
Library collection	(5,555,991)	(1,491,185)	1,370,957	(5,676,219)
Automobiles and rolling stock	(10,889)	(5,327)	-	(16,216)
Furniture, fixtures, and equipment	(1,580,706)	(178,828)	211,075	(1,548,459)
Total accumulated depreciation	<u>(14,595,700)</u>	<u>(2,348,130)</u>	<u>1,582,032</u>	<u>(15,361,798)</u>
Total capital assets being depreciated, net	<u>20,033,659</u>	<u>4,698,823</u>	<u>(1,723,192)</u>	<u>23,009,290</u>
Total other non-major, net	<u>\$ 20,033,659</u>	<u>\$ 4,698,823</u>	<u>\$ (1,723,192)</u>	<u>\$ 23,009,290</u>

The County has established tax increment and special taxing districts to aid in development efforts within certain geographical areas. The proceeds of debt issued on behalf of the districts are primarily used for capital improvements. Expenditures related to the improvements are recorded in the County's capital projects and are included as construction in progress until the projects are completed. The related assets are capitalized when developer construction agreements are finalized and the assets inspected. The assets are depreciated over their estimated useful lives.

Certain items in construction in progress may be expensed once the projects close based on the final analysis of the capital projects closing. As a result, the amounts closed in construction in progress may be greater than the additions to capital assets.

Depreciation expense has been included in the functional categories on the Statement of Activities based on the governmental department, business-type activity, or component unit responsible for the asset. The table that follows shows the depreciation expense for each functional category.

<i>Governmental activities:</i>		<i>Business-type activities:</i>	
Public safety	\$ 12,278,512	Water and wastewater	\$ 51,676,312
General government	14,645,045	Waste collection	<u>6,697,726</u>
Health and human services	477,462		<u>\$ 58,374,038</u>
Public works	24,101,510	<i>Component units:</i>	
Recreation and community services	7,900,172	Board of Education	\$ 54,081,927
Judicial	1,418,512	Community College	6,533,048
Code enforcement	10,208	Library System	1,568,925
Land use and development	97,403	Economic Development Corp	50,998
	<u>\$ 60,928,824</u>	Tipton Airport Authority	672,790
		Workforce Development	<u>55,417</u>
			<u>\$ 62,963,105</u>

6 Restricted Assets and Liabilities

The following funds are shown as restricted on the government-wide financial statements, Statement of Net Position: Impact Fees Capital Project, Forfeiture and Asset Seizure Team, Roads and Special Benefits District, Anne Arundel County Partnership for Children, Youth and Family, Reforestation, Laurel Racetrack, Video Lottery Local Impact Aid, Workforce Development, Arundel Community Development Services, Grants, Circuit Court, Erosion Districts, Watershed Protection and Restoration, Bond Premium, Park Place, Tax Increment Funds and Special Taxing Districts. In addition, fees collected by the Water and Wastewater Fund, including capital connections, front foot benefit assessments, and environmental protection fees are restricted for the payment of debt service incurred for the construction of capital facilities. Water and Wastewater Fund capital grants are restricted and the Solid Waste Fund includes restricted funds for the payment of closure and post-closure costs.

7 Interfund and Intra-Entity Balances and Transfers

The interfund balances of the primary government consist of the following as of June 30, 2020:

Interfund Balances of the Primary Government

<u>Fund With Receivable</u>	<u>Fund With Payable</u>	<u>Amount</u>	<u>Represents</u>
General Fund	Non-major Governmental Funds	\$ 864,699	Implicit borrowing from the General Fund
General Fund	Grants Special Revenue Fund	5,411,991	Implicit borrowing from the General Fund
General Fund	Water and Wastewater Fund	1,966,257	Implicit borrowing from the General Fund
General Fund	Internal Service Funds	13,537,625	Self Insurance Fund surplus allocation
Non-major Enterprise Funds	Internal Service Funds	3,890	Self Insurance Fund surplus allocation
Water and Wastewater Fund	Internal Service Funds	573,331	Self Insurance Fund surplus allocation
Solid Waste Fund	Internal Service Funds	101,797	Self Insurance Fund surplus allocation
Internal Service Funds	Water and Wastewater Fund	659,050	Central Garage Fund deficit allocation
Internal Service Funds	Solid Waste Fund	290,798	Central Garage Fund deficit allocation
Internal Service Funds	General Fund	5,915,014	Central Garage Fund deficit allocation
		<u>\$ 29,324,452</u>	

Interfund balances between the General Fund and internal service funds have been eliminated on the government-wide Statement of Net Position.

Transfers between the primary government's governmental funds totaled \$346,249,000 for fiscal year 2020. The transfers are for the following:

<u>Originating Fund</u>	<u>Recipient Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Arundel Community Development Services	\$ 270,000	Transfers for grants
General Fund	General County Capital Projects	185,195,000	Bond proceeds transferred for capital projects
General Fund	General County Capital Projects	35,000,000	Pay-as-you-go transfers for capital projects
Impact Fees Capital Projects	General County Capital Projects	22,190,894	Impact fee funding for capital projects
Odenton Town Center Tax Increment	General County Capital Projects	1,212	Transfers for capital projects
Watershed Protection and Restoration	General County Capital Projects	29,300,000	Transfers for capital projects
Bond Premium	General County Capital Projects	27,938,190	Transfers for capital projects
Video Lottery Local Impact Aid	General County Capital Projects	1,200,800	Transfers for capital projects
Street Light Capital Projects	General County Capital Projects	423,496	Transfers for capital projects
General County Capital Projects	Watershed Protection and Restoration	38,600	Investment income allocation retained
General County Capital Projects	General Fund	352,844	Investment income allocation retained
Impact Fees Capital Projects	General Fund	1,973,267	Impact fees transferred for debt service
Nursery Road Tax Increment	General Fund	5,382,639	Transfers legally appropriated
West County Tax Increment	General Fund	6,786,598	Transfers legally appropriated
Arundel Mills Tax Increment	General Fund	8,227,351	Transfers legally appropriated
Parole Tax Increment	General Fund	17,230,891	Transfers legally appropriated
National Business Park North TIF	General Fund	1,641,180	Transfers legally appropriated
Village South at Waugh Chapel TIF	General Fund	1,646,664	Transfers legally appropriated
General Fund	Grants	705,183	Transfers for grants
General Fund	Installment Purchase Agreements	741,700	Transfers for land preservation
Special Taxing Districts	Erosion Districts	2,491	Transfers for project maintenance
		<u>\$ 346,249,000</u>	

Transfers In

<u>Transfer Out</u>	<u>General Fund</u>	<u>Grants Special Revenue</u>	<u>General County Capital Projects</u>	<u>Non-Major Governmental</u>	<u>Total</u>
General Fund	\$ -	\$ 705,183	\$ 220,195,000	\$ 1,011,700	\$ 221,911,883
Non-Major Governmental	40,915,323	-	58,863,698	2,491	99,781,512
Impact Fees Capital Projects	1,973,267	-	22,190,894	-	24,164,161
General County Capital Projects	352,844	-	-	38,600	391,444
Total Transfers In	<u>\$ 43,241,434</u>	<u>\$ 705,183</u>	<u>\$ 301,249,592</u>	<u>\$ 1,052,791</u>	<u>\$ 346,249,000</u>

Transfers between the primary government's proprietary funds and governmental funds presented as follows, totaled \$787,000 for fiscal year 2020. The transfers from the Water and Wastewater Fund and the Solid Waste Fund to the General County Capital Projects Fund are for an information technology project.

Interfund Transfers of the Primary Government

<u>Originating Fund</u>	<u>Recipient Fund</u>	<u>Amount</u>
Water and Wastewater Fund	General County Capital Projects	\$ 628,000
Solid Waste Fund	General County Capital Projects	159,000
		<u>\$ 787,000</u>

As of June 30, 2020, receivable and payable balances remained between the primary government and the discretely presented component units. These balances and transactions are a result of the primary government's ongoing funding of the component units' capital and operating costs and a return of funding. Those balances and the payments from the primary government to or on behalf of these parties are presented as follows:

Receivables/Payables

<u>Entity with Receivable</u>	<u>Entity with Payable</u>	<u>Amount</u>
Board of Education	Primary Government	\$ 31,068,934
Community College	Primary Government	6,696,947
Other Non-major	Primary Government	3,705,380
Primary Government	Board of Education	9,734,718
		<u>\$ 51,205,979</u>

Primary Government Expenditures

<u>Originating Entity</u>	<u>Recipient Entity</u>	<u>Amount</u>
Primary Government	Board of Education	\$ 857,185,558
Primary Government	Community College	82,396,414
Primary Government	Other Non-major	27,088,800
		<u>\$ 966,670,772</u>

8 Bonded Debt and Other Obligations

The primary government's Statement of Net Position includes short and long-term debt and obligations comprised of bond anticipation notes, general obligation bonds, special assessment debt, installment purchase agreements, and liabilities related to State loans, unpaid insurance claims and claims and judgments. Descriptions of certain of these obligations and the respective balances, debt service requirements, and changes during fiscal year 2020 are provided as follows.

A Bond Anticipation Notes – The County periodically incurs short-term debt by issuing bond anticipation notes for the purchase of capital related assets. Upon refinancing, at the notes' maturities, they will be marketed at then-current interest rates which is calculated at 80% of the one month LIBOR plus 40 basis points. This remarketing is backed for liquidity purposes by a letter of credit, the terms of which provide that no principal repayments are due if there is a call on the letter of credit, until the termination of the agreement. The maturity date of the current liquidity arrangement is December 14, 2020. The County has a credit amount available of up to \$90 million, of which none is outstanding at June 30, 2020. The County is in the process of renewing the agreement with Bank of America effective December 14, 2020.

B General County Debt – Substantially all long-term bonded debt is issued as general obligation bonds for the purchase of capital assets and guaranteed by the full faith and credit of the County, subject to guidelines set forth in Title 10, Subtitle 1, Section 4-10-104 of the County Charter, which addresses bonds and notes for capital improvements. The following table includes general obligation bonds which include amounts issued for the Watershed Protection and Restoration Fund, but excludes the tax increment bonds, installment purchase agreements, and state loans. These are listed separately. Business-type debt includes general obligation bonds issued for the

Solid Waste Fund and Water and Wastewater Fund. The debt service requirements for the bonds outstanding as of June 30, 2020 are presented as follows:

General County Debt					
Year Ending June 30,	Governmental		Business-type		
	Principal	Interest	Principal	Interest	
2021	\$ 98,468,540	\$ 63,791,933	\$ 39,630,554	\$ 33,562,464	
2022	98,465,854	59,821,881	39,662,228	32,186,974	
2023	92,850,524	55,004,629	39,087,888	30,380,186	
2024	86,860,403	50,426,693	38,262,115	28,630,531	
2025	82,455,108	46,100,767	36,865,076	26,910,568	
2026-2030	340,060,733	175,941,221	174,828,580	110,602,173	
2031-2035	217,077,019	106,765,480	146,389,567	74,962,667	
2036-2040	134,967,632	66,125,043	115,898,628	44,222,174	
2041-2045	138,218,870	35,528,445	85,157,252	19,158,144	
2046-2050	95,223,510	7,530,414	34,851,490	3,283,960	
	<u>\$ 1,384,648,193</u>	<u>\$ 667,036,506</u>	<u>\$ 750,633,378</u>	<u>\$ 403,899,841</u>	

C Tax Increment and Other Debt - As of June 30, 2020, there was \$68,445,000 of Special Obligation Tax Increment Bonds payable from property tax revenue generated from assessment increases occurring since the formation of the tax increment districts. This debt is included in the primary government's long-term debt on the Statements of Net Position. The County has pledged its full faith and credit for the following Special Obligation Tax Increment Bonds: Arundel Mills Refunding 2004, National Business Park Refunding 2004, West Nursery Road 2004, Arundel Mills Refunding 2014, National Business Park Refunding 2014, and West Nursery Road Refunding 2014. As of the June 30, 2020, the County has also pledged its full faith and credit for National Business Park North 2018 Refunding bonds and Village South at Waugh Chapel 2018 Refunding bonds.

During the fiscal year ended June 30, 2020, \$50,301,117 of incremental property tax revenue was collected and available for debt service purposes as reported on the Combining Statement of Revenues, Expenditures and Changes in Fund Balances for the Non-major Governmental Funds. Of this amount, \$1,036,414 is related to Park Place which is not considered part of the County's debt and \$4,159,408 is related to Odenton Town Center TIF which does not have debt outstanding as of June 30, 2020. The table that follows outlines the debt service requirements for these bonds.

Year Ending June 30,	Principal	Interest	Year Ending June 30,	Principal	Interest
2021	\$ 3,500,000	\$ 2,588,194	2026-2030	\$ 24,270,000	\$ 5,780,494
2022	3,930,000	2,407,618	2031-2035	13,210,000	2,735,213
2023	4,235,000	2,208,344	2036-2040	8,825,000	685,053
2024	4,600,000	1,992,518	2041	910,000	15,925
2025	4,965,000	1,758,644		<u>\$ 68,445,000</u>	<u>\$ 20,172,003</u>

In addition, there were \$2,530,000, \$11,485,000, \$30,000,000, and \$22,500,000 of special tax district bonds related to the Farmington Village Project, the Villages of Dorchester, Two Rivers, and Arundel Gateway outstanding as of June 30, 2020, respectively. The proceeds of these bonds were used to finance infrastructure improvements within the special districts. These bonds are payable solely from the proceeds of a special tax levied on parcels within the districts and are not backed by the County's full faith and credit. This debt does not appear on the Statement of Net Position. The County acts only as a fiduciary in collecting the taxes and servicing the debt.

D State Loans – The County has interest free loans outstanding in the amount of \$2,362,394 as of June 30, 2020. These loans were received from the State for waterway improvements. During fiscal year 2020, the County paid \$221,263 for principal. The table that follows outlines the debt service requirements:

Year Ending		Year Ending	
June 30,	Principal	June 30,	Principal
2021	\$ 221,263	2026-2030	944,576
2022	235,229	2031-2035	\$ 254,114
2023	220,032	2036-2040	69,850
2024	201,680	2041	13,970
2025	201,680		\$ <u>2,362,394</u>

E Leases – The County has one outstanding lease agreement that qualifies as capital leases for accounting purposes. The agreement has resulted in a capital asset in the amount of \$40,490 for an Avatar III robot for the Office of Emergency Management. The total principal payments due as of fiscal year-end are \$20,245. The net present value of these minimum lease payments as of June 30, 2020 and the future minimum lease obligations were as follows:

Year ending	Principle	Interest	Total
June 30,	Lease Payments	Lease Payments	Lease Payments
2021	\$ 10,123	\$ 372	\$ 10,494
2022	10,122	373	10,496
	\$ <u>20,245</u>	\$ <u>745</u>	\$ <u>20,990</u>

The County has also entered into several operating lease arrangements for office space and equipment. All leases are cancelable at the option of the County. Many of the agreements contain renewal options, and some have rent escalation clauses. Minimum annual rental costs required by the leases are summarized as follows:

Year ending	Annual	Year ending	Annual
June 30,	Rentals	June 30,	Rentals
2021	\$ 5,242,392	2026-2030	\$ 16,299,364
2022	4,332,422	2031-2035	12,918,791
2023	3,731,121	2036-2040	2,107,712
2024	3,247,207	2041-2045	1,033,588
2025	2,971,595	2046-2050	222,594
			\$ <u>52,106,787</u>

F Installment Purchase Agreements – The County has instituted an Installment Purchase Program to facilitate County purchases of real property easements to maintain farmland and other open space. Under this program, the County signs long-term debt agreements with property holders with a minimal down payment, typically \$1,000. Interest and nominal principal payments are made over the life of the agreement, and a balloon payment is due at the end of the term to pay off the remaining principal balance. To pay the balloon payment, the County purchases and reserves a zero coupon U.S. Treasury Strip. This investment matures when the agreement expires and effectively earns the same interest rate that the County pays on the debt. The debt requirements as of June 30, 2020 are presented as follows:

Year Ending			Year Ending		
June 30,	Principal	Interest	June 30,	Principal	Interest
2021	\$ 20,000	\$ 720,492	2026-2030	\$ 10,454,000	\$ 2,589,014
2022	20,000	719,376	2031-2035	-	668,313
2023	20,000	718,261	2036-2040	1,444,000	470,299
2024	20,000	717,146	2041-2045	1,487,000	67,659
2025	20,000	716,030			
				<u>\$ 13,485,000</u>	<u>\$ 7,386,590</u>

G Year-end Balances, Debt Limitations, and Authorized Debt - A summary of the debt issues currently outstanding is provided as follows:

	Dates	Rates	Original Issue	Outstanding
Governmental activities:				
General obligation bonds	2021-2050	1.50% to 5.55%	\$ 1,854,578,300	\$ 1,384,648,193
Tax increment district bonds	2021-2041	1.50% to 5.00%	79,240,000	68,445,000
Installment purchase agreements	2021-2041	4.55% to 6.00%	13,819,916	13,485,000
Loans payable	2021-2041	0%	5,033,912	2,362,394
Total governmental activities			<u>1,952,672,128</u>	<u>1,468,940,587</u>
Business-type activities:				
Water and wastewater serial bonds	2021-2050	1.00% to 5.55%	875,038,309	706,161,571
Solid waste serial bonds	2021-2050	2.00% to 5.55%	56,131,700	44,471,807
Total business-type activities			<u>931,170,009</u>	<u>750,633,378</u>
			<u>\$ 2,883,842,137</u>	<u>\$ 2,219,573,965</u>

The County Charter authorizes the County Council to approve the issuance of general obligation bonds and to set limits on bonds issued through ordinance. Based on the effective ordinance, bonds (other than water and sewer) are limited at 5.2% of the assessable base of real property and 13.0% of the assessable base of personal property and certain operating real property of the County. In addition, general obligation water and water and wastewater bonds are limited at 5.6% of the assessable base of real property and 14.0% of the assessable base of personal property and certain operating real property within the County's sanitary district. As of June 30, 2020, the legal debt limitations and margins are as follows:

	General Bonds (5.2%/13.0% Limitations)	Water and Wastewater (5.6%/14.0% Limitations)
Charter imposed limitation	\$ 5,110,326,945	\$ 5,080,470,234
Bonded debt outstanding		
Installment purchase agreements	13,485,000	-
General obligation-serial bonds	1,289,037,403	706,161,571
General obligation-serial bonds, WPRF	95,610,790	-
General obligation-serial bonds, Solid Waste	44,471,807	-
Tax increment bonds	68,445,000	-
	<u>1,511,050,000</u>	<u>706,161,571</u>
Legal debt margin	<u>\$ 3,599,276,945</u>	<u>\$ 4,374,308,663</u>

As of June 30, 2020, the County had the total authority to issue bonds in the amount of \$2,119,859,621 of which \$767,620,300 has not been issued. Included in the amounts available to issue to date are \$339,456,799 for general obligation water and wastewater series bonds, and \$14,128,254 of general obligation bonds for the Solid Waste Fund. This unused authority will be used to fund existing capital projects and those appropriated through the budgetary process.

H Loans Payable - On July 25, 2012, the Anne Arundel Community College Foundation finalized an agreement between Anne Arundel County, Maryland (the issuer) and The Bank of New York (the Trustee) whereby

the Foundation refinanced \$12,180,000 of the economic development revenue bonds. The proceeds of the loan were used to finance the cost of the construction of educational facilities. Principal payments began September 1, 2014, with the final principal payment being due on September 1, 2028. Interest on the bonds varies from 2.00% to 4.00%. The loan balance as of June 30, 2020 was \$8,330,000. Scheduled principal payments due on the bonds payable for future years ending June 30 are shown as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Year Ending June 30,</u>	<u>Principal Payments</u>
2021	\$ 810,000	2023	\$ 875,000	2025	\$ 925,000
2022	845,000	2024	895,000	2025-2029	3,980,000
					<u>\$ 8,330,000</u>

I Payables to State of Maryland – In the case of *Comptroller v. Wynne*, 135 S.Ct. 1787 (2015), the United States Supreme Court ruled in May 2015 that Maryland residents who paid income taxes to another state on income earned in the other state are entitled to a credit against the county portion of the Maryland income tax owed. The ruling means that each county in Maryland will experience a reduction in income tax revenue, including Anne Arundel County. The Comptroller’s Office estimates that the fiscal impact of the ruling on the County will be approximately \$17,694,496 of refunds for prior years’ taxes, and an estimated reduction of \$4,000,000 each year going forward. The estimated amount of refunds to be paid has been recorded as a non-current liability on the Statement of Net Position and an accrued liability in the General Fund. The refunds are initially paid to the taxpayer by the State of Maryland, with the County scheduled to begin reimbursing the State in May 2021 in the amount of \$221,181 every quarter for the following twenty years.

J Changes in Debt and Obligations – The changes in the primary government’s long-term liabilities are presented as follows:

	<u>Balance June 30, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2020</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 1,263,666,978	\$ 214,495,000	\$ 93,513,785	\$ 1,384,648,193	\$ 98,468,540
Unamortized premium	174,706,415	27,938,190	19,589,942	183,054,663	19,605,278
Tax incremental and other debt	71,610,000	-	3,165,000	68,445,000	3,500,000
Total bonds payable	<u>1,509,983,393</u>	<u>242,433,190</u>	<u>116,268,727</u>	<u>1,636,147,856</u>	<u>121,573,818</u>
State loans	2,583,657	-	221,263	2,362,394	221,263
Capital leases	30,367	-	10,122	20,245	10,123
Installment purchase agreements	13,505,000	-	20,000	13,485,000	20,000
Unpaid insurance claims	87,381,627	103,261,358	113,768,220	76,874,765	19,432,463
Compensated absences	26,497,021	30,988,136	26,262,193	31,222,964	30,915,208
Total long-term	<u>1,639,981,065</u>	<u>376,682,684</u>	<u>256,550,525</u>	<u>1,760,113,224</u>	<u>172,172,875</u>
Total governmental activities	<u>\$ 1,639,981,065</u>	<u>\$ 376,682,684</u>	<u>\$ 256,550,525</u>	<u>\$ 1,760,113,224</u>	<u>\$ 172,172,875</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 705,176,018	\$ 82,095,000	\$ 36,637,640	\$ 750,633,378	\$ 39,630,554
Unamortized premium	76,180,880	17,834,292	6,749,135	87,266,037	7,402,046
Total bonds payable	<u>781,356,898</u>	<u>99,929,292</u>	<u>43,386,775</u>	<u>837,899,415</u>	<u>47,032,600</u>
Compensated absences	2,328,238	2,460,948	2,140,091	2,649,095	2,439,732
Total long-term	<u>783,685,136</u>	<u>102,390,240</u>	<u>45,526,866</u>	<u>840,548,510</u>	<u>49,472,332</u>
Total business-type activities	<u>\$ 783,685,136</u>	<u>\$ 102,390,240</u>	<u>\$ 45,526,866</u>	<u>\$ 840,548,510</u>	<u>\$ 49,472,332</u>

K Refundings – In fiscal year 2020, the County did not defease any General Obligation or Water Wastewater Bonds.

9 Governmental Fund Balance

The County typically uses restricted balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

	Major Funds		Major Funds		Non-major Governmental Funds	Totals
	General	Grants Special Revenue	Impact Fees Capital Projects	General County Capital Projects		
FUND BALANCES						
Non-spendable						
Inventories	\$ 3,487,261	\$ -	\$ -	\$ -	\$ -	\$ 3,487,261
Total non-spendable	3,487,261	-	-	-	-	3,487,261
Restricted						
Reserve for public infrastructure improvements	9,371,621	-	-	-	-	9,371,621
Impact fees capital projects	-	-	94,800,741	-	-	94,800,741
Forfeiture and asset seizure team	-	-	-	-	632	632
Roads and special benefits	-	-	-	-	658,581	658,581
Reforestation	-	-	-	-	3,828,285	3,828,285
Laurel racetrack community benefit	-	-	-	-	169,409	169,409
Grants	-	3,780,530	-	10,119,214	9,058,073	22,957,817
Circuit court	-	-	-	-	284,609	284,609
Odenton Town Center Tax Increment	-	-	-	-	16,918,703	16,918,703
Erosion districts	-	-	-	-	2,084,556	2,084,556
Video lottery local impact aid	-	-	-	7,401,739	2,280,317	9,682,056
Watershed protection and restoration	-	-	-	5,260,172	43,891,382	49,151,554
Debt service	-	-	-	-	6,819,795	6,819,795
Total restricted	9,371,621	3,780,530	94,800,741	22,781,125	85,994,342	216,728,359
Committed						
Street lights capital projects	-	-	-	-	5,082,441	5,082,441
Recreation and land fees	-	-	-	-	286,522	286,522
Energy revolving loan	-	-	-	-	40,158	40,158
Bike, Pedestrian, Trans & Infrastructure	-	-	-	-	26,958	26,958
Installment purchase agreements	-	-	-	-	12,311,853	12,311,853
Total committed	-	-	-	-	17,747,932	17,747,932
Assigned						
General County capital projects	-	-	-	76,805,478	-	76,805,478
General County	53,147,669	-	-	-	-	53,147,669
Total assigned	53,147,669	-	-	76,805,478	-	129,953,147
Unassigned						
	161,996,256	(12,145,463)	-	-	(10,952,346)	138,898,447
Total fund balances	\$ 228,002,807	\$ (8,364,933)	\$ 94,800,741	\$ 99,586,603	\$ 92,789,928	\$ 506,815,146

Encumbrances Encumbrance accounting is employed as part of the budgetary presentation for the General Fund, special revenue funds, and capital projects funds. Encumbrances included in governmental fund balances are as follows:

	<u>Encumbrance Balances</u>
General Fund	
Police	\$ 6,362,629
Fire	644,528
Detention Facilities	586,538
Chief Administrative Officer	54,366
Office of Budget	18
Office of Finance	135,895
Central Services	1,251,792
Personnel	207,377
Information Technology	1,556,494
Legislative Branch	61,667
Board of Election Supervisors	112,702
Transportation	185,563
Health	628,510
Services for the Aging	14,738
Public Works	2,464,010
Recreation & Parks	16,517
States Attorney	2,070
Sheriffs Office	64,731
Planning & Zoning	3,065
Inspection & Permits	6,534
Grants Fund	3,780,530
Arundel Community Development Services	9,058,073
Reforestation Fund	12,870
Watershed Protection and Restoration	2,831,766
General County Capital Projects Fund	68,964,060
Watershed Protection and Restoration Capital Projects Fund	31,032,125
Tax Increment Funds	<u>325</u>
Total	<u>\$ 130,039,493</u>

10 Deferred Outflows and Inflows of Resources and Unearned Revenue

Governmental funds and proprietary funds report deferred outflows of resources which are related to net assets that are applicable to future reporting periods. The components of deferred outflows were reported as follows:

	<u>Business-Type Activities - Enterprise Funds</u>					
	<u>Governmental Activities</u>	<u>Water and Wastewater</u>	<u>Solid Waste</u>	<u>Child Care</u>	<u>Business-Type Totals</u>	<u>Grand Totals</u>
Deferred outflow of resources						
Pension benefits						
Contributions subsequent to measurement date	\$ 37,444,660	\$ 2,551,109	\$ 512,896	\$ 51,146	\$ 3,115,151	\$ 40,559,811
Change in experience	18,936,837	2,589,163	521,652	52,509	3,163,324	22,100,161
Change in assumptions	37,298,399	4,248,178	853,846	84,898	5,186,922	42,485,321
Change in investments	8,171	-	-	-	-	8,171
Total pension benefits	<u>93,688,067</u>	<u>9,388,450</u>	<u>1,888,394</u>	<u>188,553</u>	<u>11,465,397</u>	<u>105,153,464</u>
OPEB benefits						
Contributions subsequent to measurement date	81,672,995	8,028,954	1,926,888	138,395	10,094,237	91,767,232
Change in experience	17,596,349	1,738,867	417,314	29,972	2,186,153	19,782,502
Total OPEB benefits	<u>99,269,344</u>	<u>9,767,821</u>	<u>2,344,202</u>	<u>168,367</u>	<u>12,280,390</u>	<u>111,549,734</u>
Length of Service Awards Program (LOSAP)						
Contributions subsequent to measurement date	399,900	-	-	-	-	399,900
Change in assumptions	2,978,747	-	-	-	-	2,978,747
Total LOSAP benefits	<u>3,378,647</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,378,647</u>
Unamortized deferred refunding loss	<u>4,494,098</u>	<u>3,765,472</u>	<u>93,396</u>	<u>-</u>	<u>3,858,868</u>	<u>8,352,966</u>
Total deferred outflows	<u>\$ 200,830,156</u>	<u>\$ 22,921,743</u>	<u>\$ 4,325,992</u>	<u>\$ 356,920</u>	<u>\$ 27,604,655</u>	<u>\$ 228,434,811</u>

	<u>Governmental Activities - Internal Service Funds *</u>			<u>Component Units</u>			
	<u>Self Insurance</u>	<u>Central Garage & Transportation</u>	<u>Totals</u>	<u>BOE</u>	<u>Community College</u>	<u>Library</u>	<u>Economic Development</u>
Deferred outflow of resources							
Pension benefits							
Contributions subsequent to measurement date	\$ 94,861	\$ 365,677	\$ 460,538	\$ 7,277,321	\$ 341,931	\$ 197,750	\$ 160,520
Change in experience	99,149	384,478	483,627	-	-	213,920	165,649
Change in assumptions	157,898	608,481	766,379	1,022,474	58,283	330,107	267,958
Change in investments	-	-	-	1,360,331	78,250	-	-
Change in proportion	-	-	-	7,318,521	71,906	-	-
Changes proportion share of contribution	-	-	-	174,304	10,903	-	-
Total pension benefits	<u>351,908</u>	<u>1,358,636</u>	<u>1,710,544</u>	<u>17,152,951</u>	<u>561,273</u>	<u>741,777</u>	<u>594,127</u>
OPEB benefits							
Contributions subsequent to measurement date	308,701	1,127,262	1,435,963	25,487,000	2,066,000	1,866,053	-
Change in experience	66,857	244,136	310,993	109,672,000	1,121,268	276,598	91,920
Change in assumptions	-	-	-	-	24,518,388	13,762,607	-
Change in investments	-	-	-	-	-	8,513	-
Total OPEB benefits	<u>375,558</u>	<u>1,371,398</u>	<u>1,746,956</u>	<u>135,159,000</u>	<u>27,705,656</u>	<u>15,913,771</u>	<u>91,920</u>
Unamortized deferred refunding loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208,057</u>	<u>-</u>	<u>-</u>
Total deferred outflows	<u>\$ 727,466</u>	<u>\$ 2,730,034</u>	<u>\$ 3,457,500</u>	<u>\$ 152,311,951</u>	<u>\$ 28,474,986</u>	<u>\$ 16,655,548</u>	<u>\$ 686,047</u>

* Included in Governmental Activities column above.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. In addition, governmental funds and governmental activities defer revenue recognition in connection with resources that have been received, but unearned. At the end of the current fiscal year, the components of deferred inflows and unearned revenue were reported as follows:

	Business-Type Activities - Enterprise Funds					
	Governmental Activities	Water and Wastewater	Solid Waste	Child Care	Business-Type Totals	Grand Totals
Deferred inflow of resources						
Pension benefits						
Change in experience	\$ 5,837,897	\$ 392,260	\$ 81,807	\$ 7,694	\$ 481,761	\$ 6,319,658
Change in assumptions	20,334	-	-	-	-	20,334
Change in investments	21,567,644	1,289,203	281,879	27,185	1,598,267	23,165,911
Total pension benefits	27,425,875	1,681,463	363,686	34,879	2,080,028	29,505,903
OPEB benefits						
Change in experience	519,865	52,984	12,991	873	66,848	586,713
Change in assumptions	372,797	36,874	8,848	635	46,357	419,154
Change in investments	9,329,405	936,890	226,674	17,371	1,180,935	10,510,340
Total OPEB benefits	10,222,067	1,026,748	248,513	18,879	1,294,140	11,516,207
Length of Service Awards Program						
Change in experience	2,472,205	-	-	-	-	2,472,205
Change in assumptions	756,059	-	-	-	-	756,059
Total LOSAP benefits	3,228,264	-	-	-	-	3,228,264
Unearned Revenue	375,086	-	-	-	-	375,086
Total deferred inflows	\$ 41,251,292	\$ 2,708,211	\$ 612,199	\$ 53,758	\$ 3,374,168	\$ 44,625,460

	Governmental Activities - Internal Service Funds *			Component Units			
	Self Insurance	Central Garage and Transportation	Totals	BOE	Community College	Library	Economic Development
Deferred inflow of resources							
Pension benefits							
Change in experience	\$ 15,477	\$ 63,709	\$ 79,186	\$ 4,097,073	\$ 223,245	\$ 37,500	\$ 25,834
Change in investments	44,535	215,581	260,116	3,369	-	59,518	269,302
Total pension benefits	60,012	279,290	339,302	9,540,993	644,689	97,018	295,136
OPEB benefits							
Change in experience	1,778	7,097	8,875	-	-	-	2,830
Change in assumptions	1,418	5,238	6,656	859,685,000	21,556,591	9,032,210	1,948
Change in investments	35,931	133,907	169,838	-	177,786	-	48,883
Total OPEB benefits	39,127	146,242	185,369	859,685,000	21,734,377	9,032,210	53,661
Total deferred inflows	\$ 99,139	\$ 425,532	\$ 524,671	\$ 869,225,993	\$ 22,379,066	\$ 9,129,228	\$ 348,797

* Included in Governmental Activities column above.

11 Conduit Debt

The County has issued Industrial Revenue Bonds to provide financial assistance to third parties for the acquisition or construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on underlying mortgage loans. Upon repayment of the bonds, ownership of the facilities transfers to the private entity served by the bond issuance.

As of June 30, 2020, 154 Industrial Revenue Bonds series had been issued. The aggregate principal amounts payable for the four series issued after July 1, 1996 that are still outstanding was \$22,025,000. The aggregate principal amounts payable for the 150 issued prior to July 1, 1996, could not be determined; however, the original issues totaled \$582,700,000. The County is not obligated in any manner for payment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

12 Pension Plans

County employees participate in one of four single-employer defined benefit pension plans, which are in separate trust funds and administered by the Anne Arundel County Retirement and Pension System (Retirement System). The Retirement System issues a separate financial report for these plans. A copy of this report can be obtained from Anne Arundel County on the Office of Personnel page of the County website at www.aacounty.org. Some County employees participate in two multi-employer cost sharing pension plans administered by the State of

Maryland. The County plans were established under authority created by County Charter and legislation, while the State plans were created by State legislation. The County's actuarial valuation measurement date is December 31, 2018.

A Summary of Significant Accounting Policies for Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County System and the Maryland State Retirement and Pension System and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the respective Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

B Single Employer Defined Benefit Pension Plans – The Retirement System administers the Anne Arundel County Employees' Retirement Plan (Employees Plan), Anne Arundel County Police Service Retirement Plan (Police Plan), Anne Arundel County Fire Service Retirement Plan (Fire Plan), and Anne Arundel County Detention Officers' and Deputy Sheriffs' Pension Plan (Detention Plan). Although the assets of the plans are commingled for investment purposes, each plan's assets must be used for the payment of benefits to the participants within that plan, in accordance with the terms of the plan. All benefit provisions are established by County legislation. Each of the plans provides for cost of living adjustments to annual benefit payments.

Membership in each plan consisted of the following as of December 31, 2019 based on the January 1, 2020, actuarial valuation:

	Employees' Retirement Plan	Police Service Retirement Plan	Fire Service Retirement Plan	Detention Officers' and Deputy Sheriffs' Plan	Total
Retirees and beneficiaries receiving payments	2,051	758	626	295	3,730
Terminated Plan members entitled to but not yet receiving payments	301	-	-	6	307
Deferred Retirement Option (DROP)	-	73	73	26	172
Active Plan members	<u>2,170</u>	<u>713</u>	<u>779</u>	<u>354</u>	<u>4,016</u>
Total	<u><u>4,522</u></u>	<u><u>1,544</u></u>	<u><u>1,478</u></u>	<u><u>681</u></u>	<u><u>8,225</u></u>

Employees Plan - Plan Description – The Employees' Retirement Plan is a single-employer defined benefit pension plan that covers all full-time general employees of the County who are not included in any other pension plan, as well as employees of Anne Arundel Economic Development Corporation. The Plan provides retirement, disability, and death benefits to Plan members and their beneficiaries pursuant to two separate benefit structures, Tier I and Tier II. Cost-of-living adjustments (COLAs) are also provided pursuant to County legislation.

Contributions – Contribution rates for participants are established through County legislation. Employees who elect to be in Tier I are required to contribute 4.0% of their annual covered salary. Tier II employees are not required nor permitted to make contributions.

Cliff Vesting – Participants hired on or before June 30, 2015 will be fully vested after their fifth year of service. Termination prior to the fifth year will result in the return of all employee contributions, if applicable, plus 4.25% interest per annum with no additional benefits available. Participants hired on or after July 1, 2015 will be fully vested after their tenth year of service. Termination prior to the tenth year will result in the return of all employee contributions, if applicable, plus 4.25% interest per annum with no additional benefits available.

Police Plan - Plan Description – The Police Service Retirement Plan is a single-employer defined benefit pension plan that covers the following classes of workers: Police Officer, Police Officer First Class, Police Corporal, Police Sergeant, Police Lieutenant, Police Captain, Police Major, Deputy Police Chief (classified

position), and (by election) the Chief of Police and Deputy Police Chief (by election if exempt). The Plan provides retirement, disability, and death benefits to Plan members and their beneficiaries. COLAs are also provided pursuant to County legislation.

Contributions – Contribution rates for participants are established through County legislation. Plan participants are required to contribute 7.25% of their basic rate of pay as a participant. The basic rate of pay is the rate of annual basic compensation (including longevity) with the County on the day specified, excluding overtime payments and other forms of additional compensation.

Normal Retirement – Participants hired on or after February 25, 2002 will be fully vested on the earlier of their attainment of age 50 and completion of their fifth year of service, or their completion of 20 years of service. Participants hired before February 25, 2002 will be fully vested on the earlier of their attainment of age 50 or completion of 20 years of service. Termination prior to attainment of Normal Retirement will result in the return of all employee contributions, if applicable, plus 3.0% interest per annum with no additional benefits available.

Fire Plan - Plan Description – The Fire Service Retirement Plan is a single-employer defined benefit pension plan that covers the following classes of workers: Fire Fighter II, Fire Fighter III, Fire Fighter Cardiac Rescue Technician, Fire Fighter/Emergency Medical Technician-Paramedic, Fire Lieutenant, Fire Captain, Fire Battalion Chief, Fire Division Chief, Fire Deputy Chief, and (by election) the Assistant Fire Chief and Fire Chief. The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. COLAs are also provided pursuant to County legislation.

Contributions – Contribution rates for participants are established through County legislation. Plan participants are required to contribute 7.25% of their annual covered salary.

Normal Retirement – Participants who retire on or after July 1, 2002 will be fully vested on the earlier of their attainment of age 50 and completion of their fifth year of service, or their completion of 20 years of service. Participants who retired prior to July 1, 2002 will be fully vested on the earlier of their attainment of age 50 and completion of 5 years of service. Termination prior to attainment of Normal Retirement will result in the return of all employee contributions, if applicable, plus 3.0% interest per annum with no additional benefits available.

Detention Plan - Plan Description – The Detention Officers' and Deputy Sheriffs' Retirement Plan is a single-employer defined benefit pension plan that covers the following classes of workers: Detention Officer, Detention Corporal, Detention Sergeant, Detention Lieutenant Detention Captain, Correctional Program Specialist I, Correctional Program Specialist II, Criminal Justice Program Supervisor, Correctional Facility Administrator, Assistant Correctional Facility Administrator, Deputy Sheriff I, Deputy Sheriff II, Deputy Sheriff III, Deputy Sheriff IV, and (by election) the Superintendent of Detention Facilities. The plan provides retirement, disability, and death benefits to Plan members and their beneficiaries. COLAs are also provided pursuant to County legislation.

Contributions – Contribution rates for participants are established through County legislation. Plan participants are required to contribute 6.75% of their annual covered salary.

Cliff Vesting – Participants will be fully vested on the attainment of age 50 and completion of their fifth year of service. Termination prior to attainment of Normal Retirement will result in the return of all employee contributions, if applicable, plus 4.25% interest per annum, with no additional benefits available.

Additional detail for determining benefit payments and eligibility for retirement can be found on the County Connect Personnel Benefits web site under Pension System Information for all four plan.

C Multiple-Employer Pension Plans - Primary government employees hired prior to July 1, 1969 who elected not to transfer to the Employees Plan and substantially all employees of the Board of Education, Library and Community College participate in plans of the Maryland State Retirement and Pension System (the State System), which are multi-employer cost sharing defined benefit pension plans. The system plans provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The State System issues a financial report that includes financial statements and required supplementary information that can be obtained at <http://www.sra.state.md.us> or by writing to State Retirement Agency of Maryland, 120 East Baltimore Street, Baltimore, MD 21202.

The County is liable through fiscal year 2020 for employees who were participants in the State System when the County withdrew from the State System. In addition there are two active employees allowed to participate in the State System. Information on the State System follows:

Plan description: Retirees and employees of the County are covered by the Maryland State Retirement and Pension System (the System), which is a cost sharing employer public employee retirement system. The State System is made up of two cost-sharing pools: the “State Pool” and the “Municipal Pool”. The Municipal Pool consists of the participating governmental units that elected to join the System. Neither pool shares in each other’s actuarial liabilities, thus participant governmental units that elect to join the State System share in the liabilities of the Municipal Pool only. The State System is comprised of the Teachers’ Retirement and Pension Systems, Employees’ Retirement and Pension System, State Police Retirement System, Judges’ Retirement System, and Law Enforcement Officers’ Pension System. Most of the County retirees and employees participate in the Employees’ System. The State System was established by the State Personnel and Pensions Article of the Annotated Code of Maryland to provide retirement allowances and other benefits to State employees, teachers, police, judges, legislators, and employees of participating governmental units. The Plans are administered by the State Retirement Agency. Responsibility for the System’s administration and operation is vested in a 15-member Board of Trustees.

Benefits provided: The State System provides retirement allowances and other benefits to State employees of participating governmental units, among others. For individuals who become members of the Employees’ Retirement and Pension Systems on or before June 30, 2011, retirement/pension allowances are computed using both the highest three years Average Final Compensation (AFC) and the actual number of years of accumulated creditable service. For individuals who become members of the Employees’ Pension System on or after July 1, 2011, pension allowances are computed using both the highest five years AFC and the actual number of years of accumulated creditable service. Various retirement options are available under each system which ultimately determines how a retiree’s benefits allowance will be computed. Some of these options require actuarial reductions based on the retiree’s and/or designated beneficiary’s attained age and similar actuarial factors.

A member of the Employees’ Retirement System is generally eligible for full retirement benefits upon the earlier of attaining age 60 or accumulating 30 years of creditable service regardless of age. The annual retirement allowance equals 1/55 (1.81%) of the member’s average final compensation (AFC) multiplied by the number of years of accumulated creditable service.

A member of the Employees’ Pension System on or before June 30, 2011 is eligible for full retirement benefits upon the earlier of attaining age 62, with specified years of eligibility service, or accumulating 30 years of eligibility service regardless of age. An individual who becomes a member of the Employees’ Pension System on or after July 1, 2011, is eligible for full retirement benefits if the members’ combined age and eligibility service equals at least 90 years or if the member is at least age 65 and has accrued at least 10 years of eligibility service.

For most individuals who retired from the Employees’ Pension System on or before June 30, 2006, the annual pension allowance equals 1.2% of the members AFC, multiplied by the number of years of credible service accumulated prior to July 1, 1998, plus 1.4% of the members AFC, multiplied by the number of years of credible service accumulated subsequent to June 30, 1998. With certain exceptions, for individuals who are members of the Employees’ Pension System on or after July 1, 2006, the annual pension allowance equals 1.2% of the member’s AFC, multiplied by the number of years of credible service accumulated prior to July 1, 1998 plus 1.8% of the members AFC, multiplied by the number of years of credible service accumulated subsequent to June 30, 1998. Beginning in July 1, 2011, any new member of the Employees’ Pension System shall earn an annual pension allowance equal to 1.5% of the member’s AFC multiplied by the number of years of creditable service accumulated as a member of the Employees’ Pension System.

Contributions: The County and covered members are required by State statute to contribute to the State System. Members of the Employees’ Pension System are required to contribute 7.0% annually. Members of the Employees’ Retirement System are required to contribute 5.0% to 7.0% annually, depending on the retirement option selected. The contribution requirements of the members, as well as the State and participating governmental employers are established and may be amended by the Board of Trustees for the State System.

The County’s total required contribution during the year ended June 30, 2020 was \$2,463,599. Of this amount, \$2,366,721 was a final payment for the State withdrawal payoff, \$26,015 was for County Officials

Retirement System and \$70,863 was for Master Judges Retirement System. The rates varied from 0.0% for the actuarially determined contractual liability to 44.5% of covered payroll for the participant in the Judges Retirement System and 19.56% for the County Officials Retirement System. The County made its share of the required contributions.

At June 30, 2020, the County reported a liability of \$933,963 for its proportionate share of the net pension liability of the State System. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on actual employer contributions billed to participating government units for the year ending June 30, 2019. The contributions were increased to adjust for differences between actuarial determined contributions and actual contributions by the State of Maryland. As of June 30, 2019, the County's proportionate share was 0.0045%, a decrease of .0001%.

Actuarial assumption: The total pension liability for the State System in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.10%
Investment rate of return	7.40%

Mortality rates were based on PUB-2010 Mortality Tables with projected generational improvements based on the MP-2018 fully generational mortality improvement scale.

The economic and demographic actuarial assumptions used in the June 30, 2019 valuation were adopted by the System's Board of Trustees based upon review of the State System's experience study for the period 2014-2018, after the completion of the June 30, 2018 valuations. Assumptions from the experience study including investment return, inflation, COLA increases, mortality rates, retirement rates, withdrawal rates, disability rates and rates of salary increase were adopted by the Board for the first use in the actuarial valuation as of June 30, 2019. As a result, an investment return assumption of 7.40% and an inflation assumption of 2.60% were used in the June 30, 2019 valuation.

The long term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-range expected rate of return by weighting the expected future real rates by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return were adopted by the Board after considering input from the State System's investment consultant(s) and actuary(s). For each major asset class that is included in the System's target asset allocation, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Public Equity	37%	6.30%
Private Equity	13%	7.50%
Rate Sensitive	19%	1.30%
Credit Opportunity	9%	3.90%
Real Assets	14%	4.50%
Absolute Return	8%	3.00%
Total	100%	

Source- Maryland State Retirement and Pension System Comprehensive Annual
Financial Report For the Years Ended June 30, 2019 and 2018

The above was the System's Board of Trustees adopted asset allocation policy and best estimate of geometric real rates for each major asset class as of June 30, 2019.

For the year ended June 30, 2019, the annual money-weighted rate of return on pension plan investments, net of the pension plan expense was 6.46%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate: The single discount rate used to measure the total pension liability was 7.40%. This single discount rate was based on the expected rate of return on pension plan investments of 7.40%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plans fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

D Funding Policy and Annual Pension Costs – The employee contribution requirements for each defined benefit plan in the Retirement System are set by County legislation. The County’s annual contribution is based on annual actuarial valuations. The Required Supplementary Information following these notes presents changes in net pension liability and related ratios by Plan.

Certain participants in the State Retirement and Pension Systems (State plans) are required to contribute 2.0% to 7.0% of compensation to the plans. The County is required to contribute the remaining amounts necessary to fund the plans, except that the State pays the employer’s share of retirement costs on behalf of certain teachers, professional librarians, and related positions for the Board of Education, Library, and Community College, in accordance with State law. These amounts are shown as grant revenue and current expenses in the financial statements of these component units. County expenditures for those employees in the State plans for the years ended June 30, 2020, 2019, and 2018 equal the required contributions and are summarized as follows along with the State’s contribution on behalf on the employees discussed previously.

	<u>Fiscal Year Ending June 30,</u>	
	<u>2020</u>	<u>2019</u>
County contributions:		
County	\$ 2,463,599	\$ 2,347,006
Board of Education	7,277,312	6,396,136
Community College	281,859	297,703
State contributions on behalf of:		
Board of Education	63,629,739	62,094,648
Community College	4,895,148	4,826,816
Library	1,628,249	1,565,477
	<u>\$ 80,175,906</u>	<u>\$ 77,527,786</u>

E Net Pension Liability of the System by Plan - The components of the net pension liability and assumptions for each Plan at December 31, 2019 as calculated by the actuary are displayed as follows:

	Employees' Retirement Plan	Police Service Retirement Plan	Fire Service Retirement Plan	Detention Officers' and Deputy Sheriffs' Retirement Plan
Total pension liability	\$ 973,355,989	\$ 759,568,512	\$ 691,561,715	\$ 213,233,864
Plan fiduciary net position	<u>(690,383,355)</u>	<u>(581,733,565)</u>	<u>(575,886,891)</u>	<u>(155,082,765)</u>
Plan net pension liability	<u>\$ 282,972,634</u>	<u>\$ 177,834,947</u>	<u>\$ 115,674,824</u>	<u>\$ 58,151,099</u>
Plan fiduciary net position as a percentage of the total pension liability	70.93%	76.59%	83.27%	72.73%

Note to schedule	Source is actuarial data based on preliminary financials. The difference between this schedule and the final combining statement of changes in fiduciary net position on Page 14, are considered immaterial.			
Actuarial assumptions	The total pension liability was determined by an actuarial valuation as of December 31, 2019 using the following summarized actuarial assumptions, applied to all periods in the measurement. Full descriptions of the actuarial assumptions are available in the January 1, 2019 valuation reports. The most recent Experience and Assumption Study was conducted in 2018 for the period 2012 to 2016.			
Inflation	3.00%	3.00%	3.00%	3.00%
Salary increases	Rates vary by participant age for each Plan.			
Investment rate of return	7.45%, net of pension plan investment expense, including inflation for each Plan.			
Mortality Scale	RP-2014 Blue Collar Mortality Table for males and females projected generationally using scale MP-2018.			
Set forward for post-disability mortality.	9 years	5 years	5 years	5 years

The above is a summary of key actuarial assumptions. Full descriptions of the actuarial assumptions are available in the Actuarial Statement Section included in this Comprehensive Annual Financial Report.

Long-Term Expected Returns - For investment purposes, the four County Plans which comprise the System are managed on a co-mingled basis. The long-term expected rates of investment return are the same for each Plan. The long-term (30 year) expected rate of return on pension System investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by using an optimizer program that relies on the arithmetic return inputs, the standard deviation forecast (risk) for each asset class, and the correlations among them. The result is a 30-year nominal, geometric, net-of-fee return forecast for the pension assets. The 30-year real rate of return is calculated by netting the inflation assumption out of the nominal forecast. The nominal and real rates of return forecasts for each major asset class included in the pension System's target asset allocation, as of December 31, 2019 are summarized in the following table. Data is provided by the System's Investment Advisor, New England Pension Consultants, which uses a 30-year geometric inflation assumption of 2.75%.

**30-Year Return Assumption by Asset Class
As of December 31, 2019**

Asset Class	30-Year Geometric Forecast	
	(Nominal Returns)	(Real Returns)
Cash	3.00%	0.24%
U.S. Treasuries	3.75%	0.97%
IG Corp Credit	5.75%	2.92%
Mortgage Backed Securities	3.75%	0.97%
Bank Loans	5.50%	2.68%
* Core Fixed Income	4.37%	1.57%
High-Yield Bonds	6.50%	3.65%
Absolute Return Fixed Income	4.75%	1.95%
Emerging Market Debt (External)	6.25%	3.41%
Emerging Market Debt (Local Currency)	6.75%	3.89%
Large Cap Equity	7.50%	4.62%
Small/Mid Cap Equity	7.75%	4.87%
International Equities (Unhedged)	7.75%	4.87%
Emerging Int'l Equities	9.25%	6.33%
Private Equity	11.15%	8.18%
Private Debt	8.11%	5.22%
Real Estate	6.25%	3.41%
Hedge Funds	6.76%	3.90%
Hedge Funds (Macro)	6.50%	3.65%
** Risk Parity	6.78%	3.92%

Note: NEPC's 30-year geometric CPI inflation assumption is 2.75%. NEPC's 5-7 year geometric CPI inflation assumption is 2.25%.

** Core Bonds assumption based on market weighted blend of components of Aggregate Index (Treasuries, IG Corp Credit, and MBS).*

*** Risk Parity Allocation Modeled as 2.25% Global Macro Hedge Funds and the balance Bridgewater All Weather (using NEPC manager specific assumptions for Bridgewater).*

Discount Rate: The calculation of actuarial liabilities for valuation purposes is based on a current estimate of future benefit payments. The calculation includes a computation of the “present value” of those estimated future benefit payments using an assumed discount rate; the higher the discount rate assumption, the lower the estimated liability will be. For purposes of estimating the liabilities (future and accrued) in this report, an assumption was selected based on the expected long-term rate of return on plan investments. Using a lower discount rate assumption, such as a rate based on long-term bond yields, could substantially increase the estimated present value of future and accrued liabilities. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plans fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

F Changes in the Net Pension Liability by Plan for the Measurement Period December 31, 2019:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Employees' Plan			
Balances at 12/31/18	\$ 901,747,616	\$ 620,586,567	\$ 281,161,049
Changes for the year:			
Service cost	16,343,802	-	16,343,802
Interest	65,128,435	-	65,128,435
Differences between expected and actual	12,546,231	-	12,546,231
Changes of assumptions	32,670,772	-	32,670,772
Contributions - employer	-	29,637,342	(29,637,342)
Contributions - member	-	5,511,825	(5,511,825)
Net investment income	-	90,337,714	(90,337,714)
Benefit payments, including refunds of member contributions	(55,080,867)	(55,080,867)	-
Administrative expense	-	(609,226)	609,226
Net Changes	<u>71,608,373</u>	<u>69,796,788</u>	<u>1,811,585</u>
Balances at 12/31/19	<u>\$ 973,355,989</u>	<u>\$ 690,383,355</u>	<u>\$ 282,972,634</u>

Note: The source is actuarial data Based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position are considered immaterial.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Police Service Plan			
Balances at 12/31/18	\$ 722,742,281	\$ 516,505,185	\$ 206,237,096
Changes for the year:			
Service cost	13,063,652	-	13,063,652
Interest	52,473,853	-	52,473,853
Differences between expected and actual experience	(2,016,599)	-	(2,016,599)
Changes of assumptions	10,095,844	-	10,095,844
Contributions - employer	-	23,093,892	(23,093,892)
Contributions - member	-	3,669,199	(3,669,199)
Net investment income	-	75,785,996	(75,785,996)
Benefit payments, including refunds of member contributions	(36,790,519)	(36,790,519)	-
Administrative expense	-	(530,188)	530,188
Net Changes	<u>36,826,231</u>	<u>65,228,380</u>	<u>(28,402,149)</u>
Balances at 12/31/19	<u>\$ 759,568,512</u>	<u>\$ 581,733,565</u>	<u>\$ 177,834,947</u>

Note: The source is actuarial data Based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position are considered immaterial.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
<u>Fire Service Plan</u>			
Balances at 12/31/18	\$ 652,013,902	\$ 509,828,407	\$ 142,185,495
Changes for the year:			
Service cost	12,611,840	-	12,611,840
Interest	47,453,896	-	47,453,896
Differences between expected and actual experience	(573,196)	-	(573,196)
Changes of assumptions	10,152,984	-	10,152,984
Contributions - employer	-	17,637,120	(17,637,120)
Contributions - member	-	3,652,415	(3,652,415)
Net investment income	-	75,388,446	(75,388,446)
Benefit payments, including refunds of member contributions	(30,097,711)	(30,097,711)	-
Administrative expense	-	(521,786)	521,786
Net Changes	<u>39,547,813</u>	<u>66,058,484</u>	<u>(26,510,671)</u>
Balances at 12/31/19	<u>\$ 691,561,715</u>	<u>\$ 575,886,891</u>	<u>\$ 115,674,824</u>

Note: The source is actuarial data Based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position are considered immaterial.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
<u>Detention Officers and Deputy Sheriffs' Plan</u>			
Balances at 12/31/18	\$ 200,706,206	\$ 134,908,267	\$ 65,797,939
Changes for the year:			
Service cost	4,146,785	-	4,146,785
Interest	14,631,903	-	14,631,903
Differences between expected and actual experience	1,010,457	-	1,010,457
Changes of assumptions	1,348,161	-	1,348,161
Contributions - employer	-	7,600,380	(7,600,380)
Contributions - member	-	1,401,642	(1,401,642)
Net investment income	-	19,917,617	(19,917,617)
Benefit payments, including refunds of member contributions	(8,609,648)	(8,609,648)	-
Administrative expense	-	(135,493)	135,493
Net Changes	<u>12,527,658</u>	<u>20,174,498</u>	<u>(7,646,840)</u>
Balances at 12/31/19	<u>\$ 213,233,864</u>	<u>\$ 155,082,765</u>	<u>\$ 58,151,099</u>

Note: The source is actuarial data Based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position are considered immaterial.

Sensitivity of the net pension liability to changes in the discount rate: The following schedule presents the net pension liability, calculated using the discount rate of 7.45%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1.0 percentage point lower (6.45%) or 1.0 percentage point higher (8.45%) than the current rate.

	Employees' Retirement Plan	Police Service Retirement Plan	Fire Service Retirement Plan	Detention Officers' and Deputy Sheriffs' Retirement Plan
1% Decrease to 6.45%	\$ 393,442,913	\$ 273,046,374	\$ 202,779,637	\$ 82,608,048
Current Discount Rate 7.45%	282,972,634	177,834,947	115,674,824	58,151,099
1% Increase to 8.45%	189,930,038	100,037,960	44,249,266	37,832,961

Sensitivity of groups within the State System:

	Withdrawn Group *	Officials	Judges
Proportional Share of State System	n/a	0.00120340%	0.00332480%
1% Decrease to 6.40%	n/a	\$ 359,245	\$ 992,573
Current Discount Rate 7.40%	n/a	248,200	685,763
1% Increase to 8.40%	n/a	155,714	430,229

* Note: The liability is a contractually fixed amount which will not change for the County's change in proportion or for investment rate changes.

G Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the County Pension Plans – Recognized pension expenses and deferred outflows of resources, including amounts for the Anne Arundel County Public Library and Anne Arundel County Economic Development Corp., for the measurement date of December 31, 2019, are displayed by Plan in the following table.

	Employees' Retirement Plan	Police Service Retirement Plan	Fire Service Retirement Plan	Detention Officers' and Deputy Sheriffs' Retirement Plan	Total Pension System
PENSION EXPENSE:	\$ 44,099,340	\$ 32,415,155	\$ 24,765,990	\$ 11,148,009	\$ 112,428,494
DEFERRED OUTFLOWS OF RESOURCES:					
Differences between expected and actual experience	\$ 16,157,371	\$ 1,550,535	\$ 3,452,280	\$ 1,319,544	\$ 22,479,730
Changes of assumptions	26,136,618	7,571,883	8,460,820	898,774	43,068,095
Contributions subsequent to measurement date	15,657,075	11,837,384	9,434,123	3,892,621	40,821,203
Total Deferred Outflow of Resources	\$ 57,951,064	\$ 20,959,802	\$ 21,347,223	\$ 6,110,939	\$ 106,369,028
DEFERRED INFLOWS OF RESOURCES:					
Differences between expected and actual experience	\$ (2,519,813)	\$ (2,807,862)	\$ (995,003)	\$ -	\$ (6,322,678)
Net difference between projected and actual earnings on pension plan investments	(7,809,306)	(6,650,517)	(7,443,027)	(1,591,881)	(23,494,731)
Total Deferred Inflow of Resources	\$ (10,329,119)	\$ (9,458,379)	\$ (8,438,030)	\$ (1,591,881)	\$ (29,817,409)

The contributions subsequent to measurement date as listed above, will be recognized as a reduction in net pension liability in fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense and amortized over an additional four to five years as provided by the actuary as follows:

	Employees' Retirement Plan	Police Service Retirement Plan	Fire Service Retirement Plan	Detention Officers' and Deputy Sheriffs' Retirement Plan	Total Pension System
Year ended December 31:					
2020	\$ 6,243,171	\$ 527,905	\$ (400,337)	\$ 883,573	7,254,312
2021	8,669,269	(1,194,520)	(520,782)	197,478	7,151,445
2022	16,982,860	7,870,582	8,166,915	1,516,864	34,537,221
2023	69,570	(7,539,928)	(5,367,359)	(1,971,478)	(14,809,195)
2024	-	-	1,596,633	-	1,596,633

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the County portion of the Maryland State Retirement and Pension System – Recognized pension expenses and deferred outflows of resources for the measurement date of June 30, 2019 are displayed by Plan in the table below. Details for the entire State System can be obtained at <http://www.sra.state.md.us>.

County Portions of Maryland State Retirement and Pension System

	Withdrawn Participants	Master Judges	Officials	Total Portion
PENSION EXPENSE:	\$ 2,287,995	\$ 549	\$ (7,060)	\$ 2,281,484
DEFERRED OUTFLOWS OF RESOURCES:				
Changes of assumptions	\$ -	\$ 11,932	\$ 3,359	\$ 15,291
Net difference between projected and actual earnings	-	6,229	1,942	8,171
Contributions subsequent to measurement date	-	70,863	26,015	96,878
Subtotal of outflows	-	89,024	31,316	120,340
DEFERRED INFLOWS OF RESOURCES:				
Differences between expected and actual experience	-	(44,509)	(15,805)	(60,314)
Changes of assumptions	-	(14,930)	(5,404)	(20,334)
Subtotal of inflows	-	(59,439)	(21,209)	(80,648)
Total Deferred Activity	\$ -	\$ 29,585	\$ 10,107	\$ 39,692
Net pension liability	-	\$ 685,763	\$ 248,200	\$ 933,963

The contributions subsequent to measurement date as listed above will be recognized as a reduction in net pension liability in fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Anne Arundel County, Maryland
Notes to the Financial Statements

Year ended June 30:	<u>Master Judges</u>	<u>Officials</u>	<u>Total</u>
2021	\$ (3,697)	\$ (1,973)	\$ (5,670)
2022	(21,235)	(7,998)	(29,233)
2023	(11,236)	(4,086)	(15,322)
2024	(5,111)	(1,850)	(6,961)

The County and State pension plans reconciles to the Statement of Net position, as presented in the following table:

	<u>Governmental Activities *</u>	<u>Business-Type Totals</u>	<u>Library</u>	<u>Economic Development</u>	<u>Pension Totals</u>	<u>County & State Pension Totals</u>
DEFERRED OUTFLOWS OF RESOURCES:						
Differences between expected and actual experience	\$ 18,936,837	\$ 3,163,324	\$ 213,920	\$ 165,649	\$ 22,479,730	\$ 22,479,730
Changes of assumptions	37,298,399	5,186,922	330,107	267,958	43,083,386	43,083,386
Net difference between projected and actual earnings on pension plan investments	8,171	-	-	-	8,171	8,171
Contributions subsequent to measurement date	<u>37,444,660</u>	<u>3,115,151</u>	<u>197,750</u>	<u>160,520</u>	<u>40,918,081</u>	<u>40,918,081</u>
Total Deferred Outflow of Resources	<u>\$ 93,688,067</u>	<u>\$ 11,465,397</u>	<u>\$ 741,777</u>	<u>\$ 594,127</u>	<u>\$ 106,489,368</u>	<u>\$ 106,489,368</u>
DEFERRED INFLOWS OF RESOURCES:						
Differences between expected and actual experience	\$ (5,837,897)	\$ (481,761)	\$ (37,500)	\$ (25,834.00)	\$ (6,382,992)	\$ (6,382,992)
Changes of assumptions	(20,334)	-	-	-	(20,334)	(20,334)
Net difference between projected and actual earnings on pension plan investments	<u>(21,567,644)</u>	<u>(1,598,267)</u>	<u>(59,518)</u>	<u>(269,302)</u>	<u>(23,494,731)</u>	<u>(23,494,731)</u>
Total Deferred Inflow of Resources	<u>\$ (27,425,875)</u>	<u>\$ (2,080,028)</u>	<u>\$ (97,018)</u>	<u>\$ (295,136)</u>	<u>\$ (29,898,057)</u>	<u>\$ (29,898,057)</u>
PENSION LIABILITY:	<u>\$ (573,436,627)</u>	<u>\$ (55,582,588)</u>	<u>\$ (3,897,731)</u>	<u>\$ (2,650,522)</u>	<u>\$ (635,567,468)</u>	<u>\$ (635,567,468)</u>

* Includes the ISF's pension information.

The aggregate totals for pension plans are presented below:

	Total Pension Liability	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Employees' Plan	\$ 973,355,989	\$ 282,972,634	\$ 57,951,064	\$ 10,329,119	\$ 44,099,340
Police Service Plan	759,568,512	177,834,947	20,959,802	9,458,379	32,415,155
Fire Service Plan	691,561,715	115,674,824	21,347,223	8,438,030	24,765,990
Detention Service Plan	213,233,864	58,151,099	6,110,939	1,591,881	11,148,009
Withdrawn Participants	N/A	N/A	N/A	N/A	2,287,995
Master Judges (State Plan)	N/A	685,763	89,024	59,439	549
Officials (State Plan)	N/A	248,201	31,316	21,209	(7,060)
Total Pension Plans	<u>\$ 2,637,720,080</u>	<u>\$ 635,567,468</u>	<u>\$ 106,489,368</u>	<u>\$ 29,898,057</u>	<u>\$ 114,709,978</u>

H Payable to the County Pension System – At December 31, 2019, the System reported no payables.

I Commitments – The System has committed to fund various private markets investments totaling \$390.2 million at December 31, 2019, of which approximately \$157.3 million remains unfunded. The expected funding dates for these commitments extend through 2024.

J Teacher pension funding shift - Legislation enacted by the Maryland General Assembly during 2012 requires County Boards of Education to pay a portion of employer contributions for members of the Teachers' Retirement System or the Teachers' Pension System beginning in fiscal year 2013. Beginning in fiscal year 2017, each local Board pays the normal cost for their teachers in the Teachers' Retirement System and the Teachers' Pension System, which was \$23,665,760. In fiscal year 2018, the Teachers' Pension System appropriation was \$23,665,762. In fiscal year 2019, the Teachers' Pension System appropriation was \$23,980,202.

K Firemen's Length of Service Award Program (LOSAP): The County instituted and began administering a single employer defined benefit length of service award program (LOSAP or the Plan), for volunteer firemen and ambulance personnel on May 1, 1975. Anne Arundel County Bill No 90-16 modified the methods and terms of the awards program.

Summary of Significant Accounting Policies for LOSAP Pension Plan - LOSAP is included in the Fire Departments departmental financial statements and full accrual Governmental Activities section of the County financial statements. For purposes of measuring the pension liability related to pension and pension expense, benefit payments are recognized when due and payable in accordance with the benefit terms. This is an unfunded program, so there are no assets accumulated for this program. The County does not issue a separate financial statement for the LOSAP.

General Information about the LOSAP Pension Plan:

Plan description: The Anne Arundel County Length of Service Award Program is a single-employer defined benefit retirement plan administered by Anne Arundel County, Maryland, which provides retirement and death benefits to volunteer fire and ambulance personnel serving the various independent volunteer fire companies in the County.

Benefits provided: Under the LOSAP, participants become vested after 25 years of eligible service beginning at age 50. No benefit is paid if service is less than 25 years.

Employees covered by benefit terms: A person who has served as an active member of a County or Annapolis City volunteer fire company is entitled to receive benefits under LOSAP if the person has satisfied the following requirements:

Persons who are at least 50 years old and who have completed at least 25 years of active volunteer service with a County volunteer fire company or an Annapolis City volunteer fire company; or volunteer firefighters who have been determined by the Maryland Workmen's Compensation Commission to have been permanently and totally disabled in the performance of duties as a volunteer firefighter.

Volunteer personnel who have qualified for benefits under the above provisions shall receive a monthly benefit payment according to the following payment schedule:

1. For members receiving benefits as of January 1, 2017, eligibility for an increase in benefits shall be determined based on earning active service credit in seven of the previous ten years (January 1, 2007 to December 31, 2016). If the member has not met this service requirement, the benefit will remain at \$250 per month for life.
2. For members receiving benefits as of January 1, 2017 and have met the requirement for continued active service in seven of the previous ten years, benefits will be increased to the following:
 - 25 to 34 years of active service, receive \$300 per month for life;
 - 35 to 44 years of active service, receive \$350 per month for life;
 - 45 or more years of active service, receive \$400 per month for life.
3. Current beneficiaries who continue to earn active service credit shall be eligible for benefit increases as they obtain the next service milestone on the benefit scale.
4. Any new beneficiaries that become eligible for benefits shall receive a benefit payment in accordance with the above scale and shall be eligible for benefit increases as they obtain the next service milestone on the benefit scale.

The surviving spouse of a volunteer firefighter who, at the time of death, was receiving benefits under LOSAP is entitled to receive a surviving spouse benefit. The benefits shall be paid to the surviving spouse monthly until the death or remarriage of that spouse. As of January 1, 2017, all current spouse beneficiaries shall continue to receive the benefit as a rate of \$150 per month. After January 1, 2017, any new spouse beneficiaries shall receive a benefit equal to 50.0% of the member benefit at the time of the member's death.

The total pension liability was determined by an actuarial valuation as of December 31, 2019 using the following actuarial assumptions:

Actuarial Assumptions:

Inflation Rate	3.00 %
Discount rate	2.75 %
Salary increases	Not applicable
Mortality	SOA RP-2014 Adjusted to 2006 Blue Collar Mortality with Scale MP-2018
Retirement	First eligible
Turnover	Rates varying based on age and service
Disability	Rates varying based on age

Source: Index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The following table details the changes in the net pension liability:

<u>Changes in the Net Pension Liability</u>	<u>Increase (Decrease)</u> <u>Total Pension</u> <u>Liability (a)</u>
Balances at 1/1/19	\$ 16,593,168
Changes for the year:	
Service cost	493,546
Interest	619,030
Changes of benefit terms	-
Differences between expected and actual experience	(274,865)
Change in assumptions	2,339,557
Employer contributions	-
Benefit payments, including refunds of member contributions	<u>(802,600)</u>
Net Changes	<u>2,374,668</u>
Balances at 12/31/19	<u>\$ 18,967,836</u>

LOSAP Deferred Outflows of Resources and Deferred Inflows of Resources – Recognized LOSAP expenses and deferred outflows of resources for the measurement date of December 31, 2019 are displayed in the table below.

	<u>Volunteer</u> <u>Fire</u> <u>Personnel</u>
LOSAP EXPENSE:	\$ <u>(1,112,155)</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Changes of assumptions	\$ 2,978,747
Contributions subsequent to measurement date	<u>399,900</u>
Subtotal of deferred outflows	<u>3,378,647</u>
DEFERRED INFLOWS OF RESOURCES:	
Differences between expected and actual experience	(2,472,205)
Changes of assumptions	<u>(756,059)</u>
Subtotal of deferred inflows	<u>(3,228,264)</u>
Total Deferred Activity	<u>\$ 150,383</u>
LOSAP liability *	<u>\$ 18,967,836</u>

* Current liability in the governmental fund is \$799,780.

The contributions subsequent to measurement date as listed above will be recognized as a reduction in net LOSAP liability in fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to LOSAP will be recognized in pension expense as follows:

Year ended June 30:	<u>LOSAP</u>
2021	\$ (421)
2022	(421)
2023	(421)
2024	(421)
2025	(421)
Thereafter	(247,412)

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the County LOSAP, calculated using the discount rate of 2.75%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (1.75%) or 1.0% percentage-point higher (3.75%) than the current rate:

	1% Decrease <u>1.75%</u>	Current Discount Rate <u>2.75%</u>	1% Increase <u>3.75%</u>
County's Net Pension Liability	\$ 22,082,924	\$ 18,967,836	\$ 16,508,330

Source: Yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

The following schedule presents the LOSAP participants at December 31, 2019:

<u>LOSAP Participant Summary at December 31, 2019</u>			
	<u>Active Participants</u>	<u>Volunteers Receiving Payment</u>	<u>Survivors Receiving Payment</u>
Number	481	199	71
Average Age	43.47	71.00	77.94
Total Annual Benefits		\$ 702,600	\$ 128,400
Average Service	8.58		

13 Other Post-employment Benefits

The County (which includes the County and Anne Arundel Economic Development Corporation), the Community College, and the Library participate in a single employer defined benefit healthcare plan for retirees. The assets of each participant (the County, Community College, and Library) are commingled for investment and payment of benefits, however each participant's activity is tracked separately, and each participant receives a separate actuarial valuation. The following provides a summary of the plans' descriptions and eligibility, funding policies and sources of authorization, annual cost and net obligations, and the actuarial methods and assumptions used in determining costs and liabilities. In addition, required supplementary information includes trend data about these plans. The Supplementary Information following these notes presents multi-year trend information about whether the actuarial value of each plan's assets is increasing or decreasing relative to the actuarial accrued liability for benefits year to year over a four-year period.

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revisions as

actual results are compared with past expectations and new estimates are made about the future. The total OPEB liability is based on January 1, 2019 valuation data for the County, College, and Library Plans with a roll forward of data to June 30, 2019. The Plan's liability was rolled forward to the measurement date June 30, 2019. The methods, assumptions, plan provisions, and participant data used are detailed in the actuarial valuation report dated August 25, 2017 with the exception of the actuarial cost method. These calculations are based on the Entry Age Normal (EAN) cost method as required by GASB 74 and GASB 75. The EAN actuarial cost method requires a salary scale assumption. The Actuary used the salary scale assumption used to value Anne Arundel County's pension plans. The calculation of the Actuarially Determined Contribution for the fiscal year ended June 30, 2020 is contained in the actuarial valuation report dated August 25, 2017.

A Plan Description, Eligibility, Authorization, and Funding Policy - The primary government provides a group health plan for employees and retirees under the authority of § 6-1-308 of the County Code. This health plan may be extended to other component units under § 6-1-309 of the County Code. The Community College and the Library provide retiree health insurance through participation in the County's health plans. Anne Arundel Economic Development, a component unit of the County, is a participant in the County plan. The County collects premiums from these entities to offset the related costs. The County Code requires the County to pay 80.0% of the health coverage cost for current County retirees and terminated vested employees that retired before July 1, 2014. Employees not eligible for normal or early retirement by January 1, 2017 will receive a subsidy based on years of service. The Library currently pays 80.0% for Library retirees. The primary government plan provides the same health plans to active employees and pre-age sixty-five retirees. The County offers a Medicare Advantage Plan to post age sixty-five retirees. The County offers the same prescription benefit for active employees and pre-age sixty-five retirees. Post age sixty-five retirees are eligible to participate in an Employer Group Waiver Plan (EGWP) plus WRAP for prescription benefits. County and Library retirees have the option of retaining dental and vision coverage, but must pay the full premium for these benefits.

The Anne Arundel County Public school system offers a separate single employer defined OPEB plan, which is disclosed in its separately issued financial statements. Anne Arundel County Public Schools (AACPS) employees eligible to retire and receive Maryland State Retirement Agency (MSRA) benefits may be eligible for retiree healthcare benefits based on date of hire and service criteria. This is not part of the County plan. Employees hired prior to September 15, 2002 receive Board funding of 75.0% for Medical/Rx and dental benefits. For employees hired after September 15, 2002, ten years of AACPS service is required to be eligible for retiree health benefits. The Board funds a portion of the medical premium ranging from 25.0% with ten years of service to 75.0% with twenty or more years of service. No Board funding is provided for dental benefits. No Board funding is provided for vision coverage regardless of service date. Active employees and retirees have the same medical, dental, and vision plans while retirees over sixty-five have three Medicare Supplemental Plans available. The retiree and active prescription plan co-payments differ. The retiree plan is evaluated separately based on claims experience; however, a blended percentage increase has been applied to the retiree rates.

A Summary of the key elements of the AACPS Plan are disclosed below:

<u>Net OPEB Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Outflows of Resources</u>
\$ 1,859,904,000	\$ 135,159,000	\$ 859,685,000

The Community College (the College) provides medical, dental, and vision benefits to eligible retirees who are enrolled in medical coverage at the time of retirement. The benefit levels, employee contributions, and employer contributions are governed by and may be amended by the College Board of Trustees. Retirees are eligible for these benefits if they have a minimum of ten years of service and meet the eligibility requirement of their retirement plan, (Maryland State Retirement System or Optional plan). The College contributes to the cost of retirees' benefits at a rate of 2.5% for each year of service, and employees must have at least ten years of service to qualify. The maximum paid by the College is 75.0%. Retirees have no vested rights to these benefits.

A copy of the Anne Arundel Retiree Health Benefits Trust (OPEB Trust) financial statements may be obtained by contacting Anne Arundel County Office of Personnel, 2660 Riva Road, Annapolis, MD 21401.

B Membership by Plan – Anne Arundel County retirees meeting certain criteria are eligible for medical insurance and prescription coverage in retirement. The College provides certain health care benefits to eligible retirees. The benefits provided, benefit levels, retiree contributions and employer contributions are governed by the College’s Board of Trustees and during the budgetary process. The Board of Trustees may amend or change the plan periodically. The Library, through its Health Benefits Pooling Agreement with the County, has agreed that its benefits and costs to the retirees will match the County Plan. The number of participants in the OPEB Trust as of January 1, 2019 follows. Data is based on actuarial valuations dated June 13, 2019.

	County Plan	College Plan	Library Plan	Total
Employees with medical coverage	3,823	700	195	4,718
Deferred vested termination	307	-	-	307
Retirees	2,713	238	145	3,096
Total	6,843	938	340	8,121

C Funding Policy – Effective July 1, 2015, the County Council under Bill 13-15 established the Retiree Health Benefits Trust to include the primary government, the College and the Library. The Bill requires that the balance of Reserve Funds for Retiree Health Benefits on July 1, 2015 be transferred to the Trust. The Bill established a Board of Trustees to manage the Trust and designated the County Personnel Officer to administer the Trust. The County Executive will recommend annual appropriations to the Trust. The County Council will approve this request as is or may increase it during the County Annual Budget process. Previously, the County established under its Charter, a Reserve Fund for Retiree Health Benefits into which funds were appropriated for the sole purpose of funding retiree health benefits. This Reserve Fund has been closed and the funds transferred to the Trust Fund.

D Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive OPEB Trust (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits costs between employers and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The actuarial assumptions used in the latest valuation are as follows.

Schedule of Actuarial Methods and Assumptions

	County Plan	College Plan	Library Plan
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset valuation Method	Market value of Assets	Market value of Assets	Market value of Assets
Actuarial Assumptions			
Discount Rate	6.75%	4.83%	3.13%
	Long-term expected return based on trust assets	Blended 6/30/2020 government bond rate and long term expected rate of return	6/30/2020 government bond rate
Payroll Increase	Pension Plan Assumptions	Pension Plan Assumptions	Pension Plan Assumptions
Initial Healthcare Cost Trend Rate	4.10%	4.10%	4.10%

- Notes:
- 1) The health cost trend rate in 2019 is 54.1%. The rate in 2030 is 5.20%. The rate in 2050 is 4.90%. The rate in 2070 is 4.30%. The ultimate rate is 3.90%
 - 2) The Plan's actual benefit payments may be greater or lesser than the amounts shown, depending on the Plan's actual demographic experience, and claims experience.
 - 3) The information above is from the actuarial valuation reports dated June 13, 2019 which used census valuation data as of January 1, 2019.

Mortality rates: Healthy uses SOA RPH-2014 adjusted to 2006 Blue Collar Headcount-Weighted Mortality; MP-2018 base year 2006 fully generational. Disabled - General County employees uses SOA RP-2014 adjusted to 2006

Blue Collar Mortality with Scale MP-2018 (set forward 9 years). Disabled - Uniformed services employees (Police, Firefighters, and Correctional facilities) uses SOA RP-2014 adjusted to 2006 Blue Collar Mortality with Scale MP-2018 (set forward 5 years).

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Anne Arundel Retiree Health Benefits Trust (the Trust) and additions to/deductions from the Trust's fiduciary net position have been determined on the same basis as they are reported by the County. The measurement date for the current fiscal year-end was June 30, 2019. For this purpose, the Trust recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

The following table details the changes in the net OPEB liability for the County Plan:

Change in Net OPEB Liability			
County Employees			
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance as of June 30, 2018 for FYE 2019	\$ 696,317,777	\$ 135,837,275	\$ 560,480,502
Changes for the Year			
Service Cost	18,451,855	-	18,451,855
Interest	43,578,638	-	43,578,638
Experience Losses/(Gains)	23,849,306	-	23,849,306
Change in Assumptions	(505,323)	-	(505,323)
Employer Trust Contribution	-	63,585,954	(63,585,954)
Member Trust Contribution	-	-	-
Net Investment Income	-	18,099,058	(18,099,058)
Administrative Expense	-	(896,964)	896,964
Benefit Payments	(35,592,899)	(35,592,899)	-
Other (Insurance Subsidies and Rebates)	-	-	-
Net Changes	<u>49,781,577</u>	<u>45,195,149</u>	<u>4,586,428</u>
Balance as of June 30, 2019 for FYE 2020	\$ <u>746,099,354</u>	\$ <u>181,032,424</u>	\$ <u>565,066,930</u>

For the fiscal year ended June 30, 2020 Anne Arundel County General Employees, including Anne Arundel Economic Development (AAEDC) recognized an OPEB expense of \$53,002,650 and \$127,002, respectively. Anne Arundel County General Employees and AAEDC, reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 19,874,422	\$ (589,543)
Changes of assumptions	-	(421,102)
Net difference between projected and actual earnings on OPEB plan investments	-	(10,559,223)
Employer contribution subsequent to measurement date	<u>91,767,232</u>	<u>-</u>
Total	<u>\$ 111,641,654</u>	<u>\$ (11,569,868)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in the expense as follows:

Fiscal Year ended June 30:

2021	\$	285,704
2022		285,703
2023		1,702,310
2024		2,140,169
2025		3,890,668

The following table details the changes in the net OPEB liability for the College Plan:

Change in Net OPEB Liability College Plan			
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance as of June 30, 2018 for FYE 2019	\$ 47,227,928	\$ 9,249,806	\$ 37,978,122
Changes for the Year			
Service Cost	1,617,764	-	1,617,764
Interest	2,961,505	-	2,961,505
Experience Losses/(Gains)	1,082,397	-	1,082,397
Change in Assumptions	27,583,187	-	27,583,187
Employer Trust Contribution	-	4,005,555	(4,005,555)
Member Trust Contribution	-	-	-
Net Investment Income	-	668,792	(668,792)
Administrative Expense	-	-	-
Benefit Payments	(2,005,556)	(2,005,556)	-
Other (Insurance Subsidies and Rebates)	-	-	-
Net Changes	<u>31,239,297</u>	<u>2,668,791</u>	<u>28,570,506</u>
Balance as of June 30, 2019 for FYE 2020	\$ <u>78,467,225</u>	\$ <u>11,918,597</u>	\$ <u>66,548,628</u>

For the fiscal year ended June 30, 2020 Anne Arundel Community College recognized an OPEB expense of \$3,787,755. Anne Arundel Community College reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,121,268	\$ -
Changes of assumptions	24,518,388	(21,556,590)
Net difference between projected and actual earnings on OPEB plan investments	-	(177,786)
Employer contribution subsequent to measurement date	2,066,000	-
Total	<u>\$ 27,705,656</u>	<u>\$ (21,734,376)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in the expense as follows:

Fiscal Year ended June 30:

2021	\$	(74,078)
2022		(74,076)
2023		18,681
2024		22,255
2025		17,642
Thereafter		3,994,856

The following table details the changes in the net OPEB liability for the Library Plan:

Change in Net OPEB Liability			
Library Plan			
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance as of June 30, 2018 for FYE 2019	\$ 24,837,684	\$ 807,115	\$ 24,030,569
Changes for the Year			
Service Cost	651,160	-	651,160
Interest	1,542,030	-	1,542,030
Experience Losses/(Gains)	222,985	-	222,985
Change in Assumptions	16,515,128	-	16,515,128
Employer Trust Contribution	-	1,142,411	(1,142,411)
Member Trust Contribution	-	-	-
Net Investment Income	-	40,356	(40,356)
Administrative Expense	-	-	-
Benefit Payments	(902,411)	(902,411)	-
Other (Insurance Subsidies and Rebates)	-	-	-
Net Changes	<u>18,028,892</u>	<u>280,356</u>	<u>17,748,536</u>
Balance as of June 30, 2019 for FYE 2020	<u>\$ 42,866,576</u>	<u>\$ 1,087,471</u>	<u>\$ 41,779,105</u>

For the fiscal year ended June 30, 2020 Anne Arundel Public Library recognized an OPEB expense of \$2,537,174. Anne Arundel County Public Library reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 276,598	\$ -
Changes of assumptions	13,762,607	(9,032,210)
Net difference between projected and actual earnings on OPEB plan investments	8,513	-
Employer contribution subsequent to measurement date	1,866,053	-
Total	<u>\$ 15,913,771</u>	<u>\$ (9,032,210)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in the expense as follows:

Fiscal Year ended June 30:	
2021	\$ 406,564
2022	406,564
2023	411,923
2024	1,000,769
2025	2,789,688
Thereafter	-

E Net OPEB Liability of the Trust – The components of the net OPEB liability of the Plan, measured at June 30, 2019, for June 30, 2020 fiscal year-end are displayed on the following schedule.

Net OPEB Liability of the Trust
As of June 30, 2020
(in thousands)

	<u>County Plan</u>	<u>College Plan</u>	<u>Library Plan</u>	<u>TOTAL</u>
Total OPEB liability	\$ 746,099	\$ 78,467	\$ 42,867	\$ 867,433
Plan fiduciary net position	(181,032)	(11,918)	(1,088)	(194,038)
Net OPEB liability	<u>\$ 565,067</u>	<u>\$ 66,549</u>	<u>\$ 41,779</u>	<u>\$ 673,395</u>

Plan fiduciary net position as a percentage of the total OPEB liability

24.26% 15.19% 2.54%

Net OPEB liability:

Anne Arundel County Gov.	\$ 562,453	\$ -	\$ -	\$ 562,453
Economic Development	2,614	-	-	2,614
College Plan	-	66,549	-	66,549
Library Plan	-	-	41,779	41,779
Net OPEB liability	<u>\$ 565,067</u>	<u>\$ 66,549</u>	<u>\$ 41,779</u>	<u>\$ 673,395</u>

Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

	<u>County Plan</u>	<u>College Plan</u>	<u>Library Plan</u>
Inflation	2.40%	2.40%	2.40%
Payroll increases	3.00%	3.00%	3.00%
Discount rate	6.75%	4.83%	3.13%
Initial healthcare cost trend	4.10%	4.10%	4.10%

F Long-term expected real rate of return – The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation of 40 percent for fixed income and 60 percent for equity investments, and including the expected rate of inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020 are summarized in the following table:

2019 30-Year Return Assumptions by Asset Class

Asset Class	(Nominal Returns)	(Real Returns)
Inflation (CPI)	2.40%	--
Cash	1.79%	-0.60%
Core Fixed Income ⁽¹⁾	2.62%	0.22%
Diversified Fixed Income ⁽²⁾	4.53%	2.08%
Absolute Return Fixed Income ⁽³⁾	3.52%	1.10%
Large Cap Equity	7.40%	4.88%
Small/Mid Cap Equity	7.60%	5.08%
International Equities (Unhedged)	7.60%	5.08%
Emerging Int'l Equities	9.50%	6.93%
Real Estate (Core)	5.70%	3.22%

Notes

NEPC's 30-year geometric CPI inflation assumption is 2.40%.

(1) Core Bonds assumption based on market weighted blend of Bloomberg Barclays US Aggregate Bond Index (Treasuries, IG Credit, MBS)

(2) Diversified Fixed Income assumption based on market weighted blend of Treasuries, Investment Grade Corporate Credit, High Yield, Bank Loans, Emerging Market Debt, and Non-US Bonds

(3) Absolute Return Fixed Income assumption based on market weighted blend of US Leverage Cost, High Yield, Emerging Market Debt, Non-US Bonds, Short Credit Fixed Income, and Hedge Funds - Macro

Policy allows use of mutual/commingled funds as investment vehicles. The following schedule displays the asset allocation targets in the IPS.

Asset Allocations by Investment Policy

	Target Allocation	Minimum Allocation	Maximum Allocation
Large Cap U.S. Equities	22%	17%	27%
Small/Mid Cap U.S. Equities	6%	0%	11%
International Equities - Developed	21%	16%	26%
Emerging International Equities	6%	0%	11%
Total Equity	55%	45%	65%
Core Fixed Income	15%	10%	20%
Diversified Fixed Income	20%	15%	25%
Absolute Return Fixed Income	5%	0%	10%
Total Fixed Income	40%	30%	50%
Real Estate (Core)	5%	0%	10%
Total Real Estate	5%	0%	10%

G Discount rate – The discount rate used to determine the actuarial net liability varied by Plan. Based on assumptions of increasing contribution levels and normal costs for future hires, the County Plan is expected to never become insolvent. Consequently, the actuary determined the County's liability using the expected rate of return on assets of 6.75 percent as the discount rate. The College's liability uses the expected rate of return on assets of 4.83%. The Library's liability uses the expected rate of return on assets of 3.13%.

H Sensitivity of the net OPEB liability to changes in the discount rate – The following presents the net OPEB liability of each Plan based on the current discount rate, as well as what the liability would be if it were calculated using a rate that is 1.0% lower or 1.0% higher than the current discount rate as follows:

Discount Rate Sensitivity as of June 30, 2019			
Net OPEB liability			
	1.00% Decrease	Current Rate	1.00% Increase
County Plan	5.75%	6.75%	7.75%
	\$ 688,281,051	\$ 565,066,930	\$ 467,027,807
College Plan	3.83%	4.83%	5.83%
	\$ 80,513,111	\$ 66,548,628	\$ 55,312,613
Library Plan	2.13%	3.13%	4.13%
	\$ 49,263,588	\$ 41,779,105	\$ 35,819,903

I Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate – The trend rate selected is based on an economic model developed by a health care economist for the Society of Actuaries. Future medical trend increases could vary significantly from the model. Model inputs will be updated periodically based on the best estimate of the economy at the time. Small changes in the model inputs can result in actuarial losses or gains of 5 to 15 percent of liabilities. The same trend rate is used for each Plan. The following presents the net OPEB liability for each Plan, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

Healthcare Trend Cost Sensitivity as of June 30, 2019			
Net OPEB liability			
	1.00% Decrease	Trend Rates	1.00% Increase
	3.10%	4.10%	5.10%
County Plan	\$ 456,879,028	\$ 565,066,930	\$ 702,706,367
College Plan	53,426,433	66,548,628	83,582,623
Library Plan	35,195,731	41,779,105	50,227,496

The schedules of funding progress, included as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

14 Risk Management

The County retains the risk of loss for workers' compensation and Directors and Officers coverage for the primary government, the Library, the Board of Education, and the Community College; general liability and vehicle liability coverage for the primary government, Library and the Board of Education; and health coverage for the primary government. The County purchases insurance coverage for real and personal property and money and security coverage, as well as school bus insurance for the bus contractors of the Board of Education. All insurance activities are recorded in the Self Insurance Fund, except for health activity, which is recorded in the Health Insurance Fund.

The Self Insurance Fund has recognized a liability at fiscal year-end for those claims where a loss has occurred and the amount of loss can be reasonably estimated. This estimate includes reserves for non-incremental claims adjustment expense. An actuarial review of all claims is used as the basis for determining the liability at the end of the year. Management, with the assistance of claims administrators, estimates the liabilities for the Health Insurance Fund. Both funds include estimated liabilities for claims that have been incurred but not reported. Claims are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other

economic and social factors. As of June 30, 2020, the Self Insurance Fund liability of \$71,126,333 is discounted, since discounting is more reflective of the nature of the claims. The Health Insurance Fund liability of \$5,748,432 is undiscounted since claims will be paid within one year of the date incurred. Settlements have not exceeded coverage for each of the past three years. Changes in the balances of claims liabilities during fiscal years 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Liability balance, July 1	\$ 87,381,627	\$ 83,182,953
Current year claims and changes in estimates:		
Changes in estimates - prior periods	6,104,902	3,730,217
Changes in estimates - current year	97,156,456	99,419,571
Claims payments	(113,768,220)	(98,951,114)
Liability balance, June 30	<u>\$ 76,874,765</u>	<u>\$ 87,381,627</u>

15 Landfill Closure, Postclosure, and Remediation

The primary government has utilized three landfill sites, however, only one site, the Millersville Landfill, is still accepting trash. The others, Glen Burnie and Sudley, ceased accepting solid waste in 1983 and 1993, respectively. The Millersville site consists of nine individual cells. Cells 1 through 7 are closed, cell 8 has stopped collecting solid waste and is 100.0% full. Closure for cell 8 will be completed in 2020. Cell 9 has opened and is 10.4% full. Cell 9 has a useful life to at least 2052. The table that follows presents the costs and liabilities related to all sites. The costs for cells 8 and 9 at the Millersville Landfill are determined by applying the percent of capacity used to the total estimated closure and post closure costs.

	<u>Millersville</u>	<u>Closed Sites</u>	<u>Total</u>
Total costs:			
Closure	\$ 60,140,819	\$ 18,163,719	\$ 78,304,538
Post closure	32,584,327	2,156,245	34,740,572
	<u>92,725,146</u>	<u>20,319,964</u>	<u>113,045,110</u>
Less:			
Amount recognized thru June 30, 2020	<u>56,844,496</u>	<u>20,319,964</u>	<u>77,164,460</u>
Costs remaining to be recognized	<u>\$ 35,880,650</u>	<u>\$ -</u>	<u>\$ 35,880,650</u>
Liability recorded at June 30, 2020			
Closure Cell 8 (current for FY21)	\$ 141,244	\$ -	\$ 141,244
Closure Cell 9 Long Term	2,433,480	-	2,433,480
Current portion post closure	1,124,115	236,464	1,360,579
Post closure Long Term	16,544,927	1,919,781	18,464,708
	<u>\$ 20,243,766</u>	<u>\$ 2,156,245</u>	<u>\$ 22,400,011</u>

The primary government accounts for landfill activities in the Solid Waste Fund. Management estimates the costs of closure, post closure, remediation, and monitoring the landfills based on federal and state regulations. These estimates are recorded at current costs and are management's best judgment of the minimum cost required to correct identified problems and close and remediate open cells. These estimates are subject to periodic reevaluation, and actual costs may differ due to inflation or deflation, changes in technology, or changes in applicable laws and regulations. The closure reserves increased in the amount of \$703,588, as a result of Cell 9 closure costs through June 30, 2020 and post closure reserves decreased by \$2,766,813 in fiscal year 2020. These amounts include changes to the estimates in the reserves, payments, and other adjustments.

The Solid Waste Fund has restricted assets of \$19,407,882 for closure and post closure care as of June 30, 2020.

16 **Tax Abatements**

Anne Arundel County provides tax abatements through the following programs - Payment in Lieu of Taxes (PILOT), Brownfields Site property tax credits, Agricultural Land tax credits and Enterprise Zone tax credits.

A ***PILOT*** - The purpose of the first type of County PILOT agreement is to provide quality multi-family housing communities for households of limited income in the County. Agreements are made with the County in negotiated amounts in lieu of County real property taxes per Tax Property Article § 7-506.1. For fiscal year 2020, the net amount of taxes abated after receipt of the PILOT payments was \$686,903. The second type of County PILOT agreement is for economic development projects that demonstrate to the satisfaction of the Anne Arundel County Executive and County Council of Anne Arundel County that the project is an economic development project that provides a public benefit. Agreements are made with the County in negotiated amounts in lieu of County real or personal property tax per Tax Property Article § 7-520. For fiscal year 2020, the County had one of this type of PILOT agreement and the amount of the abatement of real and personal property taxes was \$1,200,000.

B ***Brownfields Site Tax Credit*** – The County provides a Brownfields Site tax credit on real property taxes levied on qualified brownfields sites as authorized by Tax Property Article § 9-229. The brownfields tax credit is effective for each of the five taxable years following the issuance of the notice of revaluation by the State Department of Assessments and Taxation after completion of a voluntary cleanup or a corrective action plan for a qualified site. For fiscal year 2020, the total amount of taxes abated for brownfields sites was \$158,115.

C ***Agricultural Land Tax Credit*** – The County provides an agricultural land tax credit on real property taxes levied on agricultural land and woodland if the property is included in an agricultural preservation district as provided in the Agriculture Article § 2-509 of the State Code or a County agricultural district as provided in County Code and the landowner has agreed to remain in the district for at least ten years. For fiscal year 2020, the total amount of agricultural taxes abated was \$618,144.

D ***Enterprise Zone Tax Credit*** – The County provides enterprise zone tax incentives to businesses and property owners located in economically distressed communities. The Enterprise Zone tax credit from County real property taxes for eligible assessments of qualified properties is authorized per Tax Property Article § 9-103. For fiscal year 2020, there were no County participants in this program, therefore no taxes were abated.

E ***The State of Maryland*** – The State of Maryland has programs that result in tax abatements for Anne Arundel County real property taxes. Per Tax Property Article § 8-209, property owners of qualified agricultural land receive a preferential land value. Land is assessed according to its current use and not according to its market value, resulting in a reduced assessed value of the land and thereby reducing the taxes. Lower assessments are given for land that is devoted to farm or woodland uses. For fiscal year 2020, there were 1,540 accounts totaling 46,501 acres receiving a preferential land value of \$12,218,991. The exact amount of the tax abatement is unknown because the State Department of Assessments and Taxation is unable to provide the market value and can only provide the preferential land value.

Qualified country clubs and golf courses are assessed according to their preferred use value rather than their market value per Tax Property Article §§ 8-212 - 8-218. This lower assessment results in lower taxes. For fiscal year 2020, the difference between the preferred use value and the market value reduced the assessments by \$15,909,353 resulting in an abatement of \$148,752 in County real property taxes.

17 **Contingent Liabilities**

A ***Impact Fees*** – At June 30, 2020, the primary government held impact fees accumulated for construction of schools and roads in designated districts of the County. County legislation authorizes the collection of such fees. In addition, the County has entered into impact fee agreements with developers who provide offsite improvements designed to lessen the impact of development on the immediate community. Unredeemed impact fee credits totaled \$28,279,015 as of June 30, 2020.

B ***Lawsuits*** – A taxpayer that owns and operates a major gaming facility seeks refunds of real property taxes paid for fiscal years 2013 through 2017 due to claimed fair market values below the assessed values upon which

taxes were paid. The taxpayer claims it is entitled to tax refunds in the total amount of \$2,850,888 in addition to interest from the dates of the various years' payments totaling \$1,452,234 for a total amount claimed of \$4,303,122 as of October 31, 2020, with interest accruing at \$14,254 per month thereafter. On December 26, 2017, the Maryland Tax Court ruled in favor of the taxpayer. The County noted an appeal to the Circuit Court for Anne Arundel County on December 29, 2017. On August 9, 2019, the Circuit Court ruled in favor of the taxpayer. The County noted an appeal to the Court of Special Appeals on September 5, 2019. The appeal is pending.

The County is a party to other legal proceedings that normally occur in governmental operations. Such proceedings include developer's claims, property damage, employee liability, and workers compensation. These proceedings are not, in the opinion of the County Attorney, likely to have a material, adverse impact on the financial position of the County as a whole. Reserves for much of the losses alleged have been established in the Self-Insurance Fund.

C *Federal Financial Assistance* - The County receives significant financial assistance from the U.S. Government. Entitlement to the resources is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable Federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits. Any disallowances as a result of these audits become a liability of the fund that received the grants. As of June 30, 2020, the County estimates that no material liabilities will result from such audits.

D *Payroll* - In 2018, the Office of Personnel discovered that certain overtime wage calculations for certain County employees were performed incorrectly by the County's payroll contractor in past years. The County has engaged financial professionals who are currently determining the amount of those miscalculations. An estimated liability of \$3.0 million has been accrued and partial payments have been made.

Anne Arundel Retirement and Pension System
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios - Employees' Retirement Plan
For Years Ended December 31

	2019	2018	2017	2016	2015	2014
Total pension liability (Dollar amounts in thousands)						
Service cost	\$ 16,344	\$ 16,687	\$ 15,497	\$ 15,144	\$ 15,115	\$ 14,159
Interest	65,128	63,246	60,502	59,292	58,329	53,353
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	12,546	3,826	9,562	(12,599)	(17,971)	16,408
Changes of assumptions	32,671	-	-	-	-	22,567
Benefit payments, including refunds of member contributions	(55,081)	(50,575)	(47,380)	(44,024)	(41,253)	(39,012)
Net change in total pension liability	71,608	33,184	38,181	17,813	14,221	67,475
Total pension liability - beginning	901,748	868,564	830,383	812,570	798,349	730,874
Total pension liability - ending (a)	<u>\$ 973,356</u>	<u>\$ 901,748</u>	<u>\$ 868,564</u>	<u>\$ 830,383</u>	<u>\$ 812,570</u>	<u>\$ 798,349</u>
Plan fiduciary net position						
Contributions - employer	29,637	27,033	25,654	25,810	25,630	24,451
Contributions - member	5,512	5,612	5,472	5,182	4,847	4,662
Net investment income	90,338	(31,166)	94,908	41,345	(8,374)	28,451
Benefit payments, including refunds of member contributions	(55,081)	(50,575)	(47,380)	(44,024)	(41,253)	(39,012)
Administrative expense	(609)	(543)	(526)	(497)	(504)	(519)
Net change in plan fiduciary net position	69,797	(49,640)	78,127	27,816	(19,654)	18,034
Plan fiduciary net position - beginning	620,587	670,226	592,099	564,283	583,936	565,902
Plan fiduciary net position - ending (b)	<u>\$ 690,383</u>	<u>\$ 620,587</u>	<u>\$ 670,226</u>	<u>\$ 592,099</u>	<u>\$ 564,283</u>	<u>\$ 583,936</u>
County's net pension liability - ending (a)-(b)	<u>\$ 282,973</u>	<u>\$ 281,161</u>	<u>\$ 198,337</u>	<u>\$ 238,284</u>	<u>\$ 248,287</u>	<u>\$ 214,413</u>
Plan fiduciary net position as a percentage of the total pension liability	70.9%	68.8%	77.2%	71.3%	69.4%	73.1%
Covered payroll	\$ 138,428	\$ 134,892	\$ 138,239	\$ 130,313	\$ 127,827	\$ 127,091
County's net pension liability as a percentage of covered payroll	204.4%	208.4%	143.5%	182.9%	194.2%	168.7%
Expected average remaining service years of all participants	5	5	5	5	5	5

Notes to Schedule:

- 1 Source is actuarial data based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position on page 14 are considered immaterial.
- 2 This schedule is presented to illustrate the requirement to show information for 10 years. However, until 10-year trend is compiled, pension plans should present for those years for which data is available.
- 3 There are no benefit changes reflected in the current schedule.
- 4 For FY 2019, the expected rate of investment return was reduced from 7.5% to 7.45% and other assumptions were changed to reflect results of the 2018 experience study.
- 5 For FY 2014, the expected rate of investment return was reduced from 8.0% to 7.5%.
- 6 For FY 2019, Mortality tables were updated to the RP-2014 Blue Collar Mortality Table for males and females projected generationally using scale MP-2018.

Anne Arundel Retirement and Pension System

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios - Police Service Retirement Plan

For Years Ended December 31

	2019	2018	2017	2016	2015	2014
Total pension liability (Dollar amounts in thousands)						
Service cost	\$ 13,064	\$ 12,826	\$ 12,689	\$ 12,057	\$ 12,258	\$ 10,951
Interest	52,474	50,963	48,563	47,032	45,473	41,480
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(2,017)	(2,591)	6,202	(4,527)	(4,693)	12,801
Changes of assumptions	10,096	-	-	-	-	18,331
Benefit payments, including refunds of member contributions	(36,791)	(35,938)	(34,950)	(33,357)	(31,134)	(29,507)
Net change in total pension liability	36,826	25,261	32,504	21,205	21,903	54,055
Total pension liability - beginning	722,742	697,482	664,978	643,773	621,870	567,815
Total pension liability - ending (a)	<u>\$ 759,569</u>	<u>\$ 722,742</u>	<u>\$ 697,482</u>	<u>\$ 664,978</u>	<u>\$ 643,773</u>	<u>\$ 621,870</u>
Plan fiduciary net position						
Contributions - employer	23,094	21,934	20,931	20,411	19,560	18,870
Contributions - member	3,669	3,372	3,250	3,158	3,104	2,950
Net investment income	75,786	(25,860)	78,155	33,500	(7,869)	21,813
Benefit payments, including refunds of member contributions	(36,791)	(35,938)	(34,950)	(33,357)	(31,134)	(29,507)
Administrative expense	(530)	(464)	(445)	(417)	(423)	(418)
Net change in plan fiduciary net position	65,228	(36,956)	66,941	23,295	(16,762)	13,707
Plan fiduciary net position - beginning	516,505	553,461	486,520	463,225	479,988	466,281
Plan fiduciary net position - ending (b)	<u>\$ 581,734</u>	<u>\$ 516,505</u>	<u>\$ 553,461</u>	<u>\$ 486,520</u>	<u>\$ 463,225</u>	<u>\$ 479,988</u>
County's net pension liability - ending (a)-(b)	<u>\$ 177,835</u>	<u>\$ 206,237</u>	<u>\$ 144,020</u>	<u>\$ 178,458</u>	<u>\$ 180,547</u>	<u>\$ 141,882</u>
Plan fiduciary net position as a percentage of the total pension liability	76.6%	71.5%	79.4%	73.2%	72.0%	77.2%
Covered payroll	\$ 53,035	\$ 48,322	\$ 45,989	\$ 44,894	\$ 43,879	\$ 42,960
County's net pension liability as a percentage of covered payroll	335.3%	426.8%	313.2%	397.5%	411.5%	330.3%
Expected average remaining service years of all participants	4	4	4	4	4	4

Notes to Schedule:

- 1 Source is actuarial data based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position on page 14 are considered immaterial.
- 2 This schedule is presented to illustrate the requirement to show information for 10 years. However, until 10-year trend is compiled, pension plans should present information for those years for which data is available.
- 3 There are no benefit changes reflected in the current schedule.
- 4 For FY 2019, the expected rate of investment return was reduced from 7.5% to 7.45% and other assumptions were changed to reflect results of the 2018 experience study.
- 5 For FY 2014, the expected rate of investment return was reduced from 8.0% to 7.5%
- 6 For FY 2019, Mortality tables were updated to the RP-2014 Blue Collar Mortality Table for males and females projected generationally using scale MP-2018.
- 7 Covered payroll does not include pay for members in DROP.

Anne Arundel Retirement and Pension System
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios - Fire Service Retirement Plan
For Years Ended December 31

	2019	2018	2017	2016	2015	2014
Total pension liability (Dollar amounts in thousands)						
Service cost	\$ 12,612	\$ 11,785	\$ 11,556	\$ 11,102	\$ 10,339	\$ 9,184
Interest	47,454	45,537	43,670	42,294	41,924	38,949
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(573)	3,521	2,210	(1,552)	(14,630)	3,679
Changes of assumptions	10,153	-	-	-	-	18,028
Benefit payments, including refunds of member contributions	(30,098)	(31,973)	(33,129)	(33,868)	(31,520)	(28,823)
Net change in total pension liability	39,548	28,869	24,309	17,976	6,112	41,016
Total pension liability - beginning	652,014	623,144	598,836	580,860	574,748	533,731
Total pension liability - ending (a)	\$ <u>691,562</u>	\$ <u>652,014</u>	\$ <u>623,144</u>	\$ <u>598,836</u>	\$ <u>580,860</u>	\$ <u>574,748</u>
Plan fiduciary net position						
Contributions - employer	17,637	15,704	14,664	14,591	15,122	15,899
Contributions - member	3,652	3,524	3,441	3,257	3,050	2,778
Net investment income	75,388	(25,208)	77,992	33,899	(7,744)	22,688
Benefit payments, including refunds of member contributions	(30,098)	(31,973)	(33,129)	(33,868)	(31,520)	(28,823)
Administrative expense	(522)	(430)	(448)	(428)	(436)	(423)
Net change in plan fiduciary net position	66,058	(38,382)	62,520	17,451	(21,528)	12,119
Plan fiduciary net position - beginning	509,828	548,211	485,690	468,239	489,767	477,648
Plan fiduciary net position - ending (b)	\$ <u>575,887</u>	\$ <u>509,828</u>	\$ <u>548,211</u>	\$ <u>485,690</u>	\$ <u>468,239</u>	\$ <u>489,767</u>
County's net pension liability - ending (a)-(b)	\$ <u>115,675</u>	\$ <u>142,185</u>	\$ <u>74,933</u>	\$ <u>113,146</u>	\$ <u>112,621</u>	\$ <u>84,981</u>
Plan fiduciary net position as a percentage of the total pension liability	83.3%	78.2%	88.0%	81.1%	80.6%	85.2%
Covered payroll	\$ 51,011	\$ 48,728	\$ 46,954	\$ 46,228	\$ 43,838	\$ 40,476
County's net pension liability as a percentage of covered payroll	226.8%	291.8%	159.6%	244.8%	256.9%	210.0%
Expected average remaining service years of all participants	6	6	6	6	5	5

Notes to Schedule:

- 1 Source is actuarial data based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position on page 14 are considered immaterial.
- 2 This schedule is presented to illustrate the requirement to show information for 10 years. However, until 10-year trend is compiled, pension plans should present information for those years for which data is available.
- 3 There are no benefit changes reflected in the current schedule.
- 4 For FY 2019, the expected rate of investment return was reduced from 7.5% to 7.45% and other assumptions were changed to reflect results of the 2018 experience study.
- 5 For FY 2014, the expected rate of investment return was reduced from 8.0% to 7.5%
- 6 For FY 2019, Mortality tables were updated to the RP-2014 Blue Collar Mortality Table for males and females projected generationally using scale MP-2018.
- 7 Covered Payroll does not include pay for members in DROP.

Anne Arundel Retirement and Pension System
 Required Supplementary Information
 Schedule of Changes in Net Pension Liability and Related Ratios -Detention Officers and Deputy Sheriffs' Plan
 For Years Ended December 31

	2019	2018	2017	2016	2015	2014
Total pension liability (Dollar amounts in thousands)						
Service cost	\$ 4,147	\$ 4,533	\$ 4,658	\$ 4,461	\$ 4,634	\$ 4,602
Interest	14,632	13,836	12,912	12,281	11,401	10,301
Changes of benefit terms	-	-	-	-	4,635	-
Differences between expected and actual experience	1,010	1,938	2,244	(1,678)	(2,558)	2,322
Changes of assumptions	1,348	-	-	-	-	3,494
Benefit payments, including refunds of member contributions	(8,610)	(8,162)	(6,821)	(6,485)	(6,279)	(5,819)
Net change in total pension liability	12,528	12,145	12,993	8,579	11,833	14,900
Total pension liability - beginning	200,706	188,562	175,569	166,990	155,156	140,256
Total pension liability - ending (a)	\$ 213,234	\$ 200,706	\$ 188,562	\$ 175,569	\$ 166,990	\$ 155,156
Plan fiduciary net position						
Contributions - employer	7,600	7,282	7,000	6,689	6,371	6,111
Contributions - member	1,402	1,352	1,354	1,316	1,317	1,298
Net investment income	19,918	(6,825)	19,607	8,159	(1,919)	4,944
Benefit payments, including refunds of member contributions	(8,610)	(8,162)	(6,821)	(6,485)	(6,279)	(5,819)
Administrative expense	(135)	(108)	(109)	(100)	(98)	(96)
Net change in plan fiduciary net position	20,174	(6,461)	21,030	9,579	(608)	6,438
Plan fiduciary net position - beginning	134,908	141,369	120,339	110,760	111,368	104,930
Plan fiduciary net position - ending (b)	\$ 155,083	\$ 134,908	\$ 141,369	\$ 120,339	\$ 110,760	\$ 111,368
County's net pension liability - ending (a)-(b)	\$ 58,151	\$ 65,798	\$ 47,193	\$ 55,230	\$ 56,230	\$ 43,788
Plan fiduciary net position as a percentage of the total pension liability	72.7%	67.2%	75.0%	68.5%	66.3%	71.8%
Covered payroll	\$ 22,057	\$ 19,573	\$ 19,790	\$ 19,801	\$ 19,386	\$ 19,776
County's net pension liability as a percentage of covered payroll	263.6%	336.2%	238.5%	278.9%	290.1%	221.4%
Expected average remaining service years of all participants	3	3	3	3	4	4

Notes to Schedule:

- 1 Source is actuarial data based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position on page 14 are considered immaterial.
- 2 This schedule is presented to illustrate the requirement to show information for 10 years. However, until 10-year trend is compiled, pension plans should present for those years for which data is available.
- 3 For FY 2014, the expected rate of investment return was reduced from 8.0% to 7.5%.
- 4 For FY 2019, Mortality tables were updated to the RP-2014 Blue Collar Mortality Table for males and females projected generationally using scale MP-2018.
- 5 For FY 2014, the expected rate of investment return was reduced from 8.0% to 7.5%
- 6 FY2015 reflects the implementation of the DROP program, which was a change in benefit terms.
- 7 For FY 2019, Mortality tables were updated to the RP-2014 Blue Collar Mortality Table for males and females projected generationally using scale MP-2018.
- 8 Covered Payroll does not include pay for members in DROP.

Required Supplementary Information
Schedule of Investment Returns
Anne Arundel County Retirement and Pension System
For the Years Ended December 31

The investments for the Employees', Police Service, Fire Service and Detention Officers' and Deputy Sheriffs' Retirement Plans are commingled. The annual money-weighted rate of return for all plans are disclosed below:

Annual Money-Weighted Rate of Return
Net of Investment Expenses

2019	14.5 %
2018	(4.9) %
2017	15.7 %
2016	6.2 %
2015	(1.8) %

Note: Money-weighted results for the required ten year timeframe will be added as available.

Source: New England Pension Consultants, LLC

Schedule of Investment Returns
Maryland State Retirement and Pension System
For the Years Ended June 30

Annual Money-Weighted Rate of Return
Net of Investment Expenses

2019	6.4 %
2018	8.1 %
2017	10.0 %
2016	1.2 %
2015	2.7 %

Note: Money-weighted results for the required ten year timeframe will be added as available.

Source: Comprehensive Annual Financial Report of the Maryland State Retirement Pension System.

Anne Arundel County Retirement and Pension System
 Required Supplementary Information
 Schedule of Employer's Contributions - Employees' Retirement Plan
 For the Last Ten Years Ended June 30

(Dollars in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 31,314	\$ 27,961	\$ 26,104	\$ 25,204	\$ 26,416	\$ 24,894	\$ 23,958	\$ 20,765	\$ 18,883	\$ 17,490
Contributions in relation to the actuarially determined contribution	31,314	27,961	26,104	25,204	26,416	24,894	23,958	20,765	18,883	17,490
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll (See note)	\$ 138,428	\$ 134,892	\$ 138,239	\$ 130,313	\$ 127,827	\$ 127,091	\$ 115,809	\$ 116,025	\$ 120,416	\$ 123,498
Contributions as a percentage of										
Covered payroll	22.62%	20.73%	18.88%	19.34%	20.67%	19.59%	20.69%	17.90%	15.68%	14.16%
Valuation date	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016	1/1/2015	1/1/2014	1/1/2013	1/1/2012	1/1/2011

Notes:

- 1) Covered payroll for 2014 has been changed to reflect the new GASB language.
- 2) Methods and assumptions listed below are used by the actuary to determine contribution rates:

Actuarial cost method	Projected Unit Credit
Amortization method	Level percentage of payroll, closed, increasing 3.0% per year.
Remaining amortization	Periods range from 14 to 23 years. Starting with new bases in 2018, assumption changes and gains and losses are amortized over 20 years and Plan changes are amortized over the average future service of the active population at the time of the change.
Asset valuation method	5-year smoothed market.
Inflation	3.00%
Salary increases	Rates vary by participant age.
Investment rate of return	7.45% Net of pension plan investment expense, including inflation.
Retirement age	Rates vary by participant age and service.
Mortality	RP-2014 Blue Collar Mortality Table for males and females projected generationally using scale MP-2018. A nine-year set forward is used for post-disability mortality.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2019.

Anne Arundel County Retirement and Pension System
 Required Supplementary Information
 Schedule of Employer's Contributions - Police Service Retirement Plan
 For the Last Ten Years Ended June 30
 (Dollars in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 23,675	\$ 22,513	\$ 21,355	\$ 20,507	\$ 20,315	\$ 18,805	\$ 18,934	\$ 16,558	\$ 14,503	\$ 13,803
Contributions in relation to the actuarially determined contribution	<u>23,675</u>	<u>22,513</u>	<u>21,355</u>	<u>20,507</u>	<u>20,315</u>	<u>18,805</u>	<u>18,934</u>	<u>16,558</u>	<u>14,503</u>	<u>13,803</u>
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 61,345	\$ 55,102	\$ 51,759	\$ 50,560	\$ 48,117	\$ 48,262	\$ 41,714	\$ 40,522	\$ 41,335	\$ 42,449
Contributions as a percentage of Covered payroll	38.59%	40.86%	41.26%	40.56%	42.22%	38.97%	45.39%	40.86%	35.09%	32.52%
Valuation date	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016	1/1/2015	1/1/2014	1/1/2013	1/1/2012	1/1/2011

Notes:

- 1) Covered payroll for 2014 has been changed to reflect the new GASB language.
- 2) Methods and assumptions listed below are used by the actuary to determine contribution rates:

Actuarial cost method	Projected Unit Credit
Amortization method	Level percentage of payroll, closed, increasing 3.0% per year.
Remaining amortization	Periods range from 14 to 23 years. Starting with new bases in 2018, assumption changes and gains and losses are amortized over 20 years and Plan changes are amortized over the average future service of the active population at the time of the change.
Asset valuation method	5-year smoothed market.
Inflation	3.00%
Salary increases	Rates vary by participant age.
Investment rate of return	7.45% Net of pension plan investment expense, including inflation.
Retirement age	Rates vary by participant age and service.
Mortality	RP-2014 Blue Collar Mortality Table for males and females projected generationally using scale MP-2018. A five-year set forward is used for post-disability mortality.
Other	Employer contributions for calendar 2010 are greater than 100.0% of the Actuarially Determined Contribution due to 6/30 fiscal year revisions. Calendar 2011 was reduced for the revisions.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2019.

Anne Arundel County Retirement and Pension System
 Required Supplementary Information
 Schedule of Employer's Contributions - Fire Service Retirement Plan
 For the Last Ten Years Ended June 30

(Dollars in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 18,868	\$ 16,406	\$ 15,001	\$ 14,328	\$ 14,855	\$ 15,389	\$ 16,409	\$ 15,896	\$ 14,581	\$ 14,210
Contributions in relation to the actuarially determined contribution	<u>18,868</u>	<u>16,406</u>	<u>15,001</u>	<u>14,328</u>	<u>14,855</u>	<u>15,389</u>	<u>16,409</u>	<u>15,896</u>	<u>14,581</u>	<u>14,210</u>
Contribution deficiency	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	\$ 58,710	\$ 54,769	\$ 51,767	\$ 50,412	\$ 49,182	\$ 48,550	\$ 44,951	\$ 43,362	\$ 45,673	\$ 47,841
Contributions as a percentage of Covered payroll	32.14%	29.95%	28.98%	28.42%	30.20%	31.70%	36.50%	36.66%	31.92%	29.70%
Valuation date	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016	1/1/2015	1/1/2014	1/1/2013	1/1/2012	1/1/2011

Notes:

1) Covered payroll for 2014 has been changed to reflect the new GASB language.

2) Methods and assumptions listed below are used by the actuary to determine contribution rates:

Actuarial cost method Projected Unit Credit

Amortization method Level percentage of payroll, closed, increasing 3.0% per year.

Remaining amortization Periods range from 14 to 23 years. Starting with new bases in 2014, assumption changes and gains and losses are amortized over 20 years and Plan changes are amortized over the average future service of the active population at the time of the change.

Asset valuation method 5-year smoothed market.

Inflation 3.00%

Salary increases Rates vary by participant age.

Investment rate of return 7.45% Net of pension plan investment expense, including inflation.

Retirement age Rates vary by participant age and service.

Mortality RP-2014 Blue Collar Mortality Table for males and females projected generationally using scale MP-2018. A five-year set forward is used for post-disability mortality.

Other Employer contributions for calendar 2010 are greater than 100.0% of the Actuarially Determined Contribution due to 6/30 fiscal year revisions. Calendar 2011 was reduced for the revisions.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2018.

Anne Arundel County Retirement and Pension System
 Required Supplementary Information
 Schedule of Employer's Contributions - Detention Officers' and Deputy Sheriffs' Retirement Plan
 For the Last Ten Years Ended June 30
 (Dollars in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 7,785	\$ 7,416	\$ 7,149	\$ 6,851	\$ 6,526	\$ 6,215	\$ 6,007	\$ 5,194	\$ 5,089	\$ 4,900
Contributions in relation to the actuarially determined contribution	7,785	7,416	7,149	6,851	6,526	6,215	6,007	5,194	5,089	4,900
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 24,504	\$ 21,445	\$ 21,269	\$ 21,001	\$ 19,975	\$ 19,776	\$ 18,133	\$ 17,897	\$ 18,761	\$ 19,310
Contributions as a percentage of Covered payroll	31.77%	34.58%	33.61%	32.62%	32.67%	31.43%	33.13%	29.02%	27.13%	25.37%
Valuation date	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016	1/1/2015	1/1/2014	1/1/2013	1/1/2012	1/1/2011

Notes:

- Covered payroll for 2014 has been changed to reflect the new GASB language.
- Methods and assumptions listed below are used by the actuary to determine contribution rates:

Actuarial cost method	Projected Unit Credit
Amortization method	Level percentage of payroll, closed, increasing 3.0% per year.
Remaining amortization	Periods range from 3 to 23 years. Starting with new bases in 2014, assumption changes and gains and losses are amortized over 20 years and Plan changes are amortized over the average future service of the active population at the time of the change.
Asset valuation method	5-year smoothed market.
Inflation	3.00%
Salary increases	Rates vary by participant age.
Investment rate of return	7.45% Net of pension plan investment expense, including inflation.
Retirement age	Rates vary by participant age and service.
Mortality	RP-2014 Blue Collar Mortality Table for males and females projected generationally using scale MP-2018. A five-year set forward is used for post-disability mortality.
Other	Employer contributions for calendar 2010 are greater than 100.0% of the Actuarially Determined Contribution due to 6/30 fiscal year revisions. Calendar 2011 was reduced for the revisions.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2018.

**Anne Arundel County Maryland
Required Supplementary Information
Schedule of County's Proportionate Share for Withdrawn Personnel of the Net Pension Liability Maryland State Retirement and Pension System**

as of June 30	2019	2018	2017	2016	2015	2014
County's portion of the net pension liability	n/a	n/a	n/a	n/a	n/a	n/a
County's porportionate share of the net pension liability	\$ -	\$ 2,287,995	\$ 4,317,356	\$ 6,110,191	\$ 7,686,917	\$ 9,066,375
County's covered payroll	5,630	5,466	5,111	5,307	5,152	5,152
County's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.24%	0.12%	0.09%	0.07%	0.06%
Plan fiduciary net position as a percentage of the total pension liability	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%

Notes:

- 1 The liability is a contractually fixed amount which will not change for the proportional the group represents of the total.
- 2 This schedule is presented to illustrate the requirement to show information for ten years. Until ten-year trend is compiled, pension plans should present information for those years for which the data is available.
- 3 There are no benefit changes reflected in the current schedule.
- 4 The County's annual contribution is determined by actuarially calculated 40-year contract established in 1980 to fund the liability for withdrawn participants.

**Anne Arundel County Maryland
 Required Supplementary Information
 Schedule of County's Proportionate Share for Officials of the Net Pension Liability Maryland State Retirement and Pension System**

as of June 30	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's portion of the net pension liability	0.0012034%	0.0012379%	0.0011945%	0.00111830%	0.00094790%	0.00077211%
County's porportionate share of the net pension liability	\$ 248,200	\$ 259,731	\$ 258,295	\$ 263,850	\$ 196,990	\$ 137,025
County's covered payroll	133,001	133,001	133,001	132,999	132,999	128,624
County's proportionate share of the net pension liability as a percentage of its covered payroll	53.59%	51.21%	51.49%	50.41%	67.52%	93.87%
Plan fiduciary net position as a percentage of the total pension liability	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%

Notes to Schedule:

- 1 This schedule is presented to illustrate the requirement to show information for 10 years. However, until 10-year trend is compiled, pension plans should present information for those years for which the data is available.
- 2 There are no benefit changes reflected in the current schedule.
- 3 Changes in Assumptions to the Maryland State Retirement and Pension System:
 Adjustments to the roll-forward liabilities were made to reflect the following assumptions in the June 2014 valuation.
 -- Investment return assumption changed from 7.45% to 7.40%.
 -- Inflation assumption changed from 2.60% to 2.65%.
- 4 Methods and Assumptions Used in Calculation of Actuarially Determined Contributions:

Actuarial	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 years for State system
Asset Valuation Method	5-year smoothed market (max. 120% and min. 80% of the market value)
Inflation	2.65% general, 3.15% wage
Salary Increases	3.1% to 11.6% including inflation
Investment Rate of Return	7.40 %
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition. Last updated for 2018 valuation pursuant to an experience study of the 2014-2018 period.
Mortality	Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 (2-dimensional) mortality improvement scale.

**Anne Arundel County Maryland
 Required Supplementary Information
 Schedule of County's Proportionate Share for Judges Plan of the Net Pension Liability Maryland State Retirement and Pension System**

as of June 30	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's portion of the net pension liability	0.0033248%	0.0033694%	0.0033089%	0.0029627%	0.0043607%	0.00586823%
County's porportionate share of the net pension liability	\$ 685,763	\$ 706,946	\$ 715,507	\$ 699,020	\$ 906,228	\$ 1,041,419
County's covered payroll	159,458	147,796	144,646	141,808	134,289	133,379
County's proportionate share of the net pension liability as a percentage of its covered payroll	23.25%	20.91%	20.22%	20.29%	14.82%	12.81%
Plan fiduciary net position as a percentage of the total pension liability	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%

Notes to Schedule:

1 This schedule is presented to illustrate the requirement to show information for 10 years. However, until 10-year trend is compiled, pension plans should present information for those years for which the data is available.

2 There are no benefit changes reflected in the current schedule.

3 Changes in Assumptions to the Maryland State Retirement and Pension System:

Adjustments to the roll-forward liabilities were made to reflect the following assumptions in the June 2014 valuation.

-- Investment return assumption changed from 7.45% to 7.40%.

-- Inflation assumption changed from 2.60% to 2.65%.

4 Methods and Assumptions Used in Calculation sof Actuarially Determined Contributions:

Actuarial	Entry Age Normal
Amortizatoin Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 years for State system
Asset Valutaion Method	5-year smoothed market (max. 120% and min. 80% of the market value)
Inflation	2.65% general, 3.15% wage
Salary Increases	3.1% to 11.6% including inflation
Investment Rate of Return	7.40 %
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition. Last updated for 2018 valuation pursuant to an experience study of the 2014-2018 period.
Mortality	Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 (2-dimesional) mortality improvement scale.

Anne Arundel County

Required Supplementary Information

Schedule of County Contributions to State Municipal Pool Withdrawn Personnel

For the Last Ten Years Ended June 30

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 2,366,721	\$ 2,254,020	\$ 2,146,686	\$ 2,044,464	\$ 1,947,108	\$ 1,854,389	\$ 1,766,098	\$ 1,681,986	\$ 1,601,891	\$ 1,525,610
Contributions in relation to the actuarially determined contribution	2,366,721	2,254,020	2,146,686	2,044,464	1,947,108	1,854,389	1,766,098	1,681,986	1,601,891	1,525,610
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Contributions as a percentage of covered payroll	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF

Notes:

- 1) Not a meaningful figure (NMF). The contribution is based on a contract with the State of Maryland for actuarial liability as of 1986, not on active employees.
- 2) The County's annual contribution is determined by an actuarially calculation based on a 40-year contract established to fund the liability for withdrawn participants.
- 3) All participants, except one, are retired, making the relation between the covered payroll and the contribution meaningless.
- 4) Methods and assumptions used to determine contribution rates:
 - Actuarial cost method Entry Age Normal.
 - Amortization method Level percentage of payroll, closed.
 - Remaining amortization period 25 years for State System.
 - Asset valuation method Five-year smoothed market (max. 120% and min. 80% of the market value).
 - Inflation 2.65% general, 3.15% wage.
 - Salary increases Projected salary increases of 3.10% compounded annually, attributable to seniority and merit.
 - Investment rate of return: 7.4%
 - Retirement age Experience-based table of rates that are specific to the type of eligibility condition. Last updated for 2019 valuation pursuant to an experience study of the 2014-2018 period.
 - Mortality Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 (2-dimensional) mortality improvement scale.

Source: Comprehensive Annual Financial Report of the Maryland State Retirement and Pension System for the Years Ended June 30, 2019 and 2018.

Anne Arundel County
 Required Supplementary Information
 Schedule of County Contributions to State Municipal Pool Officials
 For the Last Ten Years Ended June 30

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 26,015	\$ 24,711	\$ 24,685	\$ 24,312	\$ 21,785	\$ 19,980	\$ 17,993	\$ 15,739	\$ 17,160	\$ 14,971
Contributions in relation to the actuarially determined contribution	26,015	24,711	24,685	24,312	21,785	19,980	17,993	15,739	17,160	14,971
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 133,001	\$ 133,001	\$ 133,001	\$ 132,999	\$ 132,999	\$ 132,999	\$ 128,624	\$ 128,064	\$ 128,064	\$ 128,064
Contributions as a percentage of covered payroll	19.56%	18.58%	18.56%	18.28%	16.38%	15.02%	13.99%	12.29%	13.40%	11.69%

Notes:
 1) Prior to fiscal year 2010, the contribution for Elected and Appointed Officials was made by the State. House Bill 101, effective fiscal 2010, transferred the liability from the State to the County.

- 2) Methods and assumptions used to determine contribution rates:
- Actuarial cost method Entry Age Normal.
 - Amortization method Level percentage of payroll, closed.
 - Remaining amortization period 25 years for State System.
 - Asset valuation method Five-year smoothed market (max. 120% and min. 80% of the market value).
 - Inflation 2.65% general, 3.15% wage.
 - Salary increases Projected salary increases of 3.10% compounded annually, attributable to seniority and merit.
 - Investment rate of return: 7.4%
 - Retirement age Experience-based table of rates that are specific to the type of eligibility condition. Last updated for 2019 valuation pursuant to an experience study of the 2014-2018 period.
 - Mortality Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 (2-dimensional) mortality improvement scale.

Source: Comprehensive Annual Financial Report of the Maryland State Retirement and Pension System for the Years Ended June 30, 2019 and 2018.

Anne Arundel County
 Required Supplementary Information
 Schedule of County Contributions to State Municipal Pool Judges
 For the Last Ten Years Ended June 30

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 70,863	\$ 68,275	\$ 67,188	\$ 67,347	\$ 57,716	\$ 57,395	\$ 65,724	\$ 78,968	\$ 77,922	\$ 69,733
Contributions in relation to the actuarially determined contribution	70,863	68,275	67,188	67,347	57,716	57,395	65,724	78,968	77,922	69,733
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 159,458	\$ 153,324	\$ 147,796	\$ 144,646	\$ 141,808	\$ 134,289	\$ 133,379	\$ 129,074	\$ 129,074	\$ 118,052
Contributions as a percentage of covered payroll	44.44%	44.53%	45.46%	46.56%	40.70%	42.74%	49.28%	61.18%	60.37%	59.07%

Notes:

1) The County's annual contribution is determined by an actuarially calculation of the County's liability.

2) Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal.
Amortization method	Level percentage of payroll, closed.
Remaining amortization period	25 years for State System.
Asset valuation method	Five-year smoothed market (max. 120% and min. 80% of the market value).
Inflation	2.65% general, 3.15% wage.
Salary increases	Projected salary increases of 3.10% compounded annually, attributable to seniority and merit.
Investment rate of return	7.4%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for 2019 valuation pursuant to an experience study of the 2014-2018 period.
Mortality	Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 (2-dimensional) mortality improvement scale.

Source: Comprehensive Annual Financial Report of the Maryland State Retirement and Pension System for the Years Ended June 30, 2019 and 2018.

Anne Arundel County Maryland
Retiree Health Benefits Trust
Required Supplementary Information
Schedule of Changes in Net OPEB Liability and Related Ratios - County Plan
For Years Ended June 30

Amounts in thousands

Measurement date	2021	2020	2019	2018
Plan fiscal year end	2020	2019	2018	2017
Total OPEB liability				
Service cost	\$ 19,895	\$ 18,452	\$ 17,759	\$ 17,092
Interest	49,423	43,578	41,434	39,648
Changes of benefit terms	40,100	-	-	-
Differences between expected and actual experience	440	23,849	(884)	-
Changes of assumptions	(1,558)	(505)	-	-
Benefit payments	(28,258)	(35,593)	(23,539)	(33,075)
Net change in total OPEB liability	\$ 80,042	\$ 49,781	\$ 34,770	\$ 23,665
Total OPEB liability - beginning	746,099	696,318	661,548	637,883
Total OPEB liability - ending (a)	\$ 826,141	\$ 746,099	\$ 696,318	\$ 661,548
Plan fiduciary net position				
Contributions - employer	\$ 91,811	\$ 63,586	\$ 57,335	\$ 44,908
Contributions - retiree	7,772	7,477	-	6,246
Other	10,136	8,458	-	4,398
Net investment income	3,950	10,312	9,193	11,582
Benefit payments	(43,782)	(44,008)	(23,539)	(33,075)
Administrative expense	(1,084)	(1,057)	(39)	(894)
Net change in plan fiduciary net position	\$ 68,803	\$ 44,768	\$ 42,950	\$ 33,166
Plan fiduciary net position - beginning	180,303	135,837	92,887	59,720
Plan fiduciary net position - ending (b)	\$ 249,106	\$ 180,303	\$ 135,837	\$ 92,887
County's net OPEB liability - ending (a)-(b)	\$ 577,035	\$ 565,796	\$ 560,481	\$ 568,661
Fiduciary net position as a percentage of the				
Total OPEB liability	28.97%	24.16%	19.51%	14.04%
Expected average remaining service years of all participants	6	6	6	6
Covered payroll	\$ 294,514	\$ 276,058	\$ 263,129	\$ 358,490
County's net OPEB liability as a percentage of				
covered payroll	195.93%	204.96%	213.01%	219.99%
Discount Rate	6.75%	6.75%	6.38%	6.38%

Notes to Schedule:

- Source is actuarial data based on preliminary financials. The difference between this schedule and the final combined statement of changes in fiduciary net position on page 7 is considered immaterial.
- This schedule is presented to illustrate the requirement to show information for 10-years. However, until 10-year trend is compiled, OPEB plans should present information for those years for which data is available.
- The change in benefits is a result of pre age 65 subsidy being based on the selected plan instead of the lowest cost plan which was used in the past.
- For the FY 2020 measurement, the medical trend was updated to exclude the impact of the Cadillac Tax.
- Bill 24-19 was effective on July 5, 2019. Under the Bill, the pre age 65 subsidy is based on the plan selected instead of the lowest cost plan.

Anne Arundel County Maryland

Retiree Health Benefits Trust

Required Supplementary Information

Schedule of Changes in Net OPEB Liability and Related Ratios - College Plan

For Years Ended June 30

Amounts in thousands

Measurement date	2021	2020	2019	2018
Plan fiscal year end	2020	2019	2018	2017
Total OPEB liability				
Service cost	\$ 3,257	\$ 1,618	\$ 3,083	\$ 3,590
Interest	3,743	2,962	2,390	2,022
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	191	(1,082)	(204)	-
Changes of assumptions	21,568	27,583	(21,741)	(6,971)
Benefit payments	(2,096)	(2,006)	(1,685)	(2,111)
Net change in total OPEB liability	\$ 26,663	\$ 31,239	\$ (17,749)	\$ (3,470)
Total OPEB liability - beginning	78,467	47,228	64,977	68,447
Total OPEB liability - ending (a)	\$ 105,130	\$ 78,467	\$ 47,228	\$ 64,977
Plan fiduciary net position				
Contributions - employer	\$ 2,096	\$ 4,006	\$ 3,720	\$ 1,946
Contributions - retiree	1,195	1,136	-	790
Other	-	-	-	-
Net investment income	199	673	510	820
Benefit payments	(3,291)	(3,141)	(1,685)	(2,111)
Administrative expense	(9)	(8)	(5)	(7)
Net change in plan fiduciary net position	\$ 190	\$ 2,666	\$ 2,540	\$ 1,438
Plan fiduciary net position - beginning	11,916	9,250	6,710	5,272
Plan fiduciary net position - ending (b)	\$ 12,106	\$ 11,916	\$ 9,250	\$ 6,710
College's net OPEB liability - ending (a)-(b)	\$ 93,024	\$ 66,551	\$ 37,978	\$ 58,267
Fiduciary net position as a percentage of the				
Total OPEB liability	11.53%	15.18%	19.59%	10.33%
Expected average remaining service years of all participants	9	9	9	8
Covered payroll	\$ 64,137	\$ 61,817	\$ 61,103	\$ 61,257
College Plan's net OPEB liability as a percentage of				
Covered payroll	145.04%	107.66%	62.15%	95.12%
Discount Rate	3.43%	4.83%	6.38%	3.72%

Notes to Schedule:

- Source is actuarial data based on preliminary financials. The difference between this schedule and the final combined statement of changes in fiduciary net position on page 7 is considered immaterial.
- This schedule is presented to illustrate the requirement to show information for 10-years. However, until 10-year trend is compiled, OPEB plans should present information for those years for which data is available.
- There are no benefit changes reflected in the current schedule.
- For the FY 2020 measurement, the medical trend was updated to exclude the impact of the Cadillac Tax.

Anne Arundel County Maryland

Retiree Health Benefits Trust

Required Supplementary Information

Schedule of Changes in Net OPEB Liability and Related Ratios - Library Plan

For Years Ended June 30

Amounts in thousands

Measurement date	2021	2020	2019	2018
Plan fiscal year end	2020	2019	2018	2017
Total OPEB liability				
Service cost	\$ 1,595	\$ 651	\$ 1,233	\$ 1,437
Interest	1,322	1,542	1,212	1,033
Changes of benefit terms	441	-	-	-
Differences between expected and actual experience	113	223	136	-
Changes of assumptions	5,048	16,515	(10,896)	(3,536)
Benefit payments	(1,402)	(902)	(1,286)	(1,462)
Net change in total OPEB liability	\$ 7,117	\$ 18,029	\$ (9,601)	\$ (2,528)
Total OPEB liability - beginning	42,867	24,838	34,439	36,967
Total OPEB liability - ending (a)	\$ 49,984	\$ 42,867	\$ 24,838	\$ 34,439
Plan fiduciary net position				
Contributions - employer	\$ 1,512	\$ 1,622	\$ 1,699	\$ 299
Contributions - retiree	-	348	-	292
Other	-	-	-	871
Net investment income	20	41	34	47
Benefit payments	(1,402)	(1,730)	(1,286)	(1,462)
Administrative expense	(1)	(1)	(1)	-
Net change in plan fiduciary net position	\$ 129	\$ 280	\$ 446	\$ 47
Plan fiduciary net position - beginning	1,087	807	361	314
Plan fiduciary net position - ending (b)	1,216	1,087	807	361
Library's net OPEB liability - ending (a)-(b)	\$ 48,768	\$ 41,780	\$ 24,031	\$ 34,078
Library fiduciary net position as a percentage of the				
Total OPEB liability	2.44%	2.54%	3.25%	1.05%
Expected average remaining service years of all participants	6	6	6	6
Covered payroll	\$ 14,421	\$ 13,785	\$ 13,203	\$ 12,691
The Library Plan's net OPEB liability as a percentage of Covered payroll	338.17%	303.08%	182.01%	268.51%
Discount Rate	2.45%	3.13%	6.37%	3.58%

Notes to Schedule:

- Source is actuarial data based on preliminary financials. The difference between this schedule and the final combined statement of changes in fiduciary net position on page 7 is considered immaterial.
- This schedule is presented to illustrate the requirement to show information for 10-years. However, until 10-year trend is compiled, OPEB plans should present information for those years for which data is available.
- The change in benefits is a result of pre age 65 subsidy being based on the selected plan instead of the lowest cost plan which was used in the past.
- For the FY 2020 measurement, the medical trend was updated to exclude the impact of the Cadillac Tax.

Anne Arundel County Maryland
Retiree Health Benefits Trust
Required Supplementary Information
Schedule of Contributions - County Plan
For Years Ended June 30

Amounts in thousands

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 54,509	\$ 53,264	\$ 48,734	\$ 77,516	\$ 73,689	\$ 75,695	\$ 71,324	\$ 109,939	\$ 102,777	\$ 90,626
Contributions in relation to the actuarially determined contribution	\$ 91,811	\$ 63,586	\$ 57,334	\$ 44,908	\$ 44,097	\$ 40,795	\$ 34,683	\$ -	\$ -	\$ -
Contribution deficiency (excess)	\$ (37,302)	\$ (10,322)	\$ (8,600)	\$ 32,608	\$ 29,592	\$ 34,900	\$ 36,641	\$ 109,939	\$ 102,777	\$ 90,626
Covered payroll	294,514	276,058	263,129	258,490	255,191	247,008	239,173	213,899	215,209	227,115
Contributions as a percentage of covered payroll	31.17%	23.03%	21.79%	17.37%	17.28%	16.52%	14.50%	0.00%	0.00%	0.00%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates were calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

The report is dated June 13, 2019 for fiscal years 2019 and 2020 based on July 1, 2019 census data.

The components of the OPEB liability of the Trust at June 30, 2020 based on actuarial valuations, are displayed on the following schedule.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit: Prorated to assumed benefit commencement/retirement date.
Amortization method	The level percentage of payroll.
Amortization period	21 years for FY 19.
Asset valuation method	Market value of assets.
Inflation	2.40%
Healthcare cost trend rates	The rate in 2019 is 5.4 percent. The rates vary significantly throughout the projections. The rate in 2050 is 5.6 percent pre-Medicare and 4.9 percent post-Medicare. The ultimate 2081 rate is 4.1 percent pre-Medicare and 3.9 percent post-Medicare.
Payroll increases	3.00%
Investment rate of return	6.75% The long-term expected return on assets id used to derive the blended discount rate of 6.75 percent.
Decrement assumptions	The retirement decrement is assumed to commence once a participant reaches earliest retirement eligibility.
Mortality	(1) Healthy uses SOA RPH-2014 adjusted to 2006 Blue Collar Headcount-weighted Mortality: MP-2018 Base Year 2006 Fully Generational. (2) Disabled - General County employees uses SOA RP-2014 adjusted to 2006 Blue Collar Martality with Scale MP-2018 (set forward 9 years). (3) Disabled - Uniformed services employees (Police, Firefighters, and Correctional facilities) uses SOA RP-2014 adjusted to 2006 Blue Collar Mortality with Scale MP-2018 (set forward 5 years).

Anne Arundel County Maryland
Retiree Health Benefits Trust
Required Supplementary Information
Schedule of Contributions - College Plan
For Years Ended June 30

Amounts in thousands

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 4,604	\$ 4,398	\$ 3,881	\$ 5,568	\$ 5,542	\$ 5,188	\$ 4,870	\$ 5,857	\$ 5,468	\$ 4,765
Contributions in relation to the actuarially determined contribution	\$ 2,096	\$ 4,006	\$ 3,720	\$ 2,088	\$ 4,850	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution deficiency (excess)	\$ 2,508	\$ 392	\$ 161	\$ 3,480	\$ 692	\$ 5,188	\$ 4,870	\$ 5,857	\$ 5,468	\$ 4,765
Covered payroll	64,137	61,817	61,103	94,667	95,101	93,550	90,338	89,089	89,955	87,780
Contributions as a percentage of covered payroll	3.27%	6.48%	6.09%	2.21%	5.10%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates were calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

The report is dated June 13, 2019 for fiscal years 2018 and 2019 based on July 1, 2019 census data.

The components of the OPEB liability of the Trust at June 30, 2020 based on actuarial valuations, are displayed on the following schedule.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit: Prorated to assumed benefit commencement/retirement date.
Amortization method	The level percentage of payroll.
Amortization period	21 years for FY 19.
Asset valuation method	Market value of assets.
Inflation	2.40%
Healthcare cost trend rates	The rate in 2019 is 5.4 percent. The rates vary significantly throughout the projections. The rate in 2050 is 5.6 percent pre-Medicare and 4.8 percent post-Medicare. The ultimate 2081 rate is 4.1 percent pre-Medicare and 3.9 percent post-Medicare.
Payroll increases	3.00%
Investment rate of return	n/a
Decrement assumptions	Decrement assumptions for retirement, termination, and disability were based on those used for the State Retirement and Pension System of Maryland because Community College employees participate in the Maryland State Pension System.
Mortality	(1) Healthy uses SOA Public Sector – Teachers based on headcount – with Scale MP – 2018. (2) Disabled uses RP 2014 Disabled Mortality Table (set forward 1 year for Males).

Anne Arundel County Maryland
Retiree Health Benefits Trust
Required Supplementary Information
Schedule of Contributions - Library Plan
For Years Ended June 30

Amounts in thousands

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 2,299	\$ 2,168	\$ 2,008	\$ 2,548	\$ 2,692	\$ 2,712	\$ 2,568	\$ 3,669	\$ 3,439	\$ 3,260
Contributions in relation to the actuarially determined contribution	\$ 1,512	\$ 1,142	\$ 1,699	\$ 1,170	\$ 291	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution deficiency (excess)	\$ 787	\$ 1,026	\$ 309	\$ 1,378	\$ 2,401	\$ 2,712	\$ 2,568	\$ 3,669	\$ 3,439	\$ 3,260
Covered payroll	14,421	13,785	13,203	12,691	12,494	12,015	11,109	10,100	9,920	9,977
Contributions as a percentage of covered payroll	10.48%	8.28%	12.87%	9.22%	2.33%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

Valuation date

Actuarially determined contribution rates were calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

The report is dated June 13, 2019 for fiscal years 2018 and 2019 based on November 1, 2018 census data.

The components of the OPEB liability of the Trust at June 30, 2020 based on actuarial valuations, are displayed on the following schedule.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit: Prorated to assumed benefit commencement/retirement date.
Amortization method	The level percentage of payroll.
Amortization period	21 years for FY 19.
Asset valuation method	Market value of assets.
Inflation	2.40%
Healthcare cost trend rates	The rate in 2019 is 5.4 percent. The rates vary significantly throughout the projections. The rate in 2050 is 5.6 percent pre-Medicare and 4.9 percent post-Medicare. The ultimate 2081 rate is 4.1 percent pre-Medicare and 3.9 percent post-Medicare.
Payroll increases	3.00%
Investment rate of return	n/a
Decrement assumptions.	The retirement decrement is assumed to commence once a participant reaches earliest retirement eligibility and vary by employee type.
Mortality	(1) Healthy uses SOA RPH-2014 adjusted to 2006 Blue Collar Headcount- weighted Mortality: MP-2018 Base Year 2006 Fully Generational. (2) Disabled uses SOA RP-2014 adjusted to 2006 Blue Collar Mortality with Scale MP-2018 (set forward 9 years).

Anne Arundel County Retiree Health Benefits Trust
Required Supplementary Information
Schedule of Investment Returns
For Year Ended June 30

Composite Money-Weighted Rate of Return, Net of Fees

2020	1.65%
2019	5.70%
2018	6.62%*
2017	12.94%*

* Percentage has changed due to calculation method.

Notes to this schedule

- 1 This schedule is presented to illustrate the requirement to show information for 10 years.
However, until the 10-year trend is compiled, OPEB plans should present information for those years.
- 2 Investments were initiated March 1, 2016.
- 3 Calculations are approximate.

Anne Arundel County Length of Service Award Program
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
For the Last Ten Years Ended December 31
(Dollars in thousands)

	2019	2018	2017	2016	2015 (1)
Total pension liability					
Service cost	\$ 494	\$ 507	\$ 689	\$ 522	
Interest	619	631	699	559	
Changes of benefit terms	-	-	-	2,666	
Differences between expected and actual experience	(275)	(1,784)	(1,057)	-	
Change in assumptions	2,340	(924)	1,236	-	
Benefit payments, including refunds of member contributions	(803)	(790)	(808)	(707)	
Net Change in total pension liability	2,375	(2,360)	759	3,040	
Total pension liability - beginning	16,593	18,953	18,194	15,154	
Total pension liability - ending	18,968	16,593	18,953	18,194	
County's net pension liability	\$ 18,968	\$ 16,593	\$ 18,953	\$ 18,194	
Plan fiduciary net position as a percentage of the total pension liability	0.0%	0.0%	0.0%	0.0%	
Covered payroll	n/a	n/a	n/a	n/a	
County's net pension liability as a percentage of covered payroll	n/a	n/a	n/a	n/a	
Expected average remaining service years of all participants	9	11	11	11	

Notes:

1) Information for fiscal year 2015 and earlier not available.

2) There are no assets accumulated in a trust to pay the related benefits. All benefits are paid on a pay-as-you-go basis.

3) Benefit changes: Effective 1/1/2017, the benefit changed from \$250/month to a tiered system based on service. The benefits for all future retirees (and some current retirees) will be \$300/month - \$400/month. This benefit change has been reflected as of the December 31, 2016 measurement date.

4) Changes of assumptions:

Discount rate changed from 3.71% to 2.75% in 2019, from 3.31% to 3.71% in 2018 and from 3.78% to 3.31% in 2017. Mortality changed to SOA RP-2014 Mortality Table Adjusted to 2006 Blue Collar Mortality with Scale MP-2018 from SOA RP-2014 Blue Collar Mortality Table projected from 2006 using scale MP-2015 and 1 year set forward.

**Combining Fund Statements,
Budgetary Schedules, and
Other Supporting Schedules**

General Fund Budget Detail

The General Fund includes the budgets to pay for police and fire protection, maintain roads and plow the snow, operate the detention centers, provide grants to community social service agencies and a host of other activities, including the County's contribution toward the operation of the County schools, community college and library system. The revenue to support the general fund comes primarily from local property and income taxes.

General Fund - Detail Schedule of Revenues

General Fund - Detail Schedule of Appropriations, Expenditures, and Encumbrances

Separately budgeted General Fund component funds

County Parking Garage – This fund accounts for the operation of the County's Whitmore Parking Garage located near the Arundel Center. It was established based on an agreement with the State of Maryland. The County owns the garage and the County and State pay for their respective spaces and share proportionately in any profit available at the end of each fiscal year.

Piney Orchard Wastewater Service – In accordance with the County's agreement with the operator of the Piney Orchard Wastewater plant, this fund segregates 80% of the wastewater usage fees collected from the Piney Orchard wastewater service area. These funds are then disbursed to the plant operator. The County maintains 20% of the fees to offset administrative costs.

Inmate Benefit and Morale – This fund accumulates revenues designated for the benefit and morale of inmates at the County's two detention centers.

Impact Fees Capital Projects Fund Budget Detail

The Impact Fees Capital Projects Fund accounts for impact fees collected from developers to pay a share of the cost of schools, road capacity improvements and public safety necessitated by development. Appropriations are budgeted in the Impact Fees Capital Projects Fund to allow for transfer of funds to General County Capital Projects as eligible expenditures are incurred and to reimburse the General Fund for debt service related to impact fee projects.

Anne Arundel County, Maryland

Detail Schedule of Revenues - Estimated and Actual (Non-GAAP Basis)

General Fund

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
GENERAL PROPERTY TAXES				
Real and personal taxes	\$ 744,774,000	\$ 744,774,000	\$ 748,240,849	\$ 3,466,849
Interest and penalties	2,295,000	2,295,000	2,142,242	(152,758)
	<u>747,069,000</u>	<u>747,069,000</u>	<u>750,383,091</u>	<u>3,314,091</u>
LOCAL INCOME TAXES	<u>564,999,600</u>	<u>564,999,600</u>	<u>606,998,155</u>	<u>41,998,555</u>
STATE SHARED TAXES				
Highway user	6,488,300	6,488,300	6,047,979	(440,321)
Admissions	7,330,000	7,330,000	5,653,147	(1,676,853)
Auto-boat	4,000	4,000	3,130	(870)
	<u>13,822,300</u>	<u>13,822,300</u>	<u>11,704,256</u>	<u>(2,118,044)</u>
RECORDATION AND TRANSFER TAXES				
Recordation	50,000,000	50,000,000	53,676,514	3,676,514
Transfer	52,000,000	52,000,000	61,231,135	9,231,135
	<u>102,000,000</u>	<u>102,000,000</u>	<u>114,907,649</u>	<u>12,907,649</u>
LOCAL SALES TAXES				
Electricity	5,100,000	5,100,000	4,664,518	(435,482)
Gas	820,000	820,000	762,839	(57,161)
Telephone	5,400,000	5,400,000	5,149,038	(250,962)
Fuel	50,000	50,000	48,384	(1,616)
Hotel-motel	14,264,000	14,264,000	11,111,242	(3,152,758)
Parking	6,192,000	6,192,000	4,475,314	(1,716,686)
Gross receipt tax - heavy equipment	350,000	350,000	488,307	138,307
	<u>32,176,000</u>	<u>32,176,000</u>	<u>26,699,642</u>	<u>(5,476,358)</u>

Anne Arundel County, Maryland

Detail Schedule of Revenues - Estimated and Actual (Non-GAAP Basis)

General Fund

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
LICENSES AND PERMITS				
Amusements	192,000	192,000	140,450	(51,550)
Special events	5,000	5,000	3,200	(1,800)
Beer, wine, liquor	1,100,000	1,100,000	347,438	(752,562)
Trade licenses	256,500	256,500	230,695	(25,805)
Traders	800,000	800,000	707,228	(92,772)
Permits	10,454,500	10,454,500	9,679,438	(775,062)
Fines	60,500	60,500	55,239	(5,261)
Mobile home parks	31,600	31,600	25,615	(5,985)
Taxicabs	68,500	68,500	58,302	(10,198)
Animal control	206,000	206,000	183,538	(22,462)
Other	2,409,000	2,409,000	2,167,429	(241,571)
Health department	1,024,700	1,024,700	940,747	(83,953)
Public space	1,114,000	1,114,000	901,766	(212,234)
	<u>17,722,300</u>	<u>17,722,300</u>	<u>15,441,085</u>	<u>(2,281,215)</u>
AMBULANCE FEES	<u>12,200,000</u>	<u>12,200,000</u>	<u>12,112,507</u>	<u>(87,493)</u>
CABLE FEES	<u>9,800,000</u>	<u>9,800,000</u>	<u>10,415,690</u>	<u>615,690</u>
VIDEO LOTTERY IMPACT AID	<u>9,200,000</u>	<u>9,200,000</u>	<u>6,686,423</u>	<u>(2,513,577)</u>
INVESTMENT INCOME	<u>3,200,000</u>	<u>3,200,000</u>	<u>3,837,481</u>	<u>637,481</u>
INTER-FUND RECOVERIES	<u>77,610,100</u>	<u>77,610,100</u>	<u>77,348,408</u>	<u>(261,692)</u>
OTHER REVENUES				
Sale of surplus property	-	-	15,000	15,000
Health department fees	3,637,300	3,637,300	3,988,419	351,119
Certification of liens	125,000	125,000	119,019	(5,981)
Recreation and parks	10,041,300	10,041,300	6,633,685	(3,407,615)
Developers fees - street lighting	60,000	60,000	17,735	(42,265)
Sheriff	65,000	65,000	57,435	(7,565)
Subdivision	1,500,000	1,500,000	976,016	(523,984)
Administrative fees	325,000	325,000	404,661	79,661
Rental income	1,634,700	1,634,700	1,664,127	29,427
Reimbursements	26,853,300	26,853,300	22,668,356	(4,184,944)
Fines and fees	306,500	306,500	110,921	(195,579)
Miscellaneous	8,924,400	8,924,400	10,182,814	1,258,414
	<u>53,472,500</u>	<u>53,472,500</u>	<u>46,838,188</u>	<u>(6,634,312)</u>
Total revenues	<u>\$ 1,643,271,800</u>	<u>\$ 1,643,271,800</u>	<u>\$ 1,683,372,575</u>	<u>\$ 40,100,775</u>

Anne Arundel County, Maryland

Detail Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Basis)

General Fund

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EDUCATION				
Board of Education	\$ 733,315,800	\$ 733,315,800	\$ 733,315,800	\$ -
Community College	45,387,700	45,387,700	45,387,700	-
	<u>778,703,500</u>	<u>778,703,500</u>	<u>778,703,500</u>	<u>-</u>
PUBLIC SAFETY				
Police	151,162,000	154,487,000	149,254,823	5,232,177
Fire	122,647,000	122,647,000	122,106,670	540,330
Office of Emergency Management	844,800	844,800	623,702	221,098
Detention Facilities	50,960,900	50,960,900	49,743,492	1,217,408
	<u>325,614,700</u>	<u>328,939,700</u>	<u>321,728,687</u>	<u>7,211,013</u>
GENERAL GOVERNMENT				
County Executive	5,367,300	5,367,300	5,307,737	59,563
Chief Administrative Officer	16,708,000	4,835,000	4,611,457	223,543
Office of Budget	1,488,900	1,488,900	1,309,590	179,310
Office of Finance	9,286,900	9,286,900	8,942,583	344,317
Office of Finance (non-departmental)	102,767,900	102,844,100	105,254,256	(2,410,156) *
Mandated Transfers	3,293,400	3,293,400	3,061,630	231,770 *
Office of Central Services	23,061,800	23,061,800	22,074,197	987,603
Office of Personnel	7,516,900	8,066,900	7,963,422	103,478
Information Technology	22,839,700	23,089,700	23,062,229	27,471
Office of Law	4,564,700	4,564,700	4,486,722	77,978
Legislative Branch	4,486,900	4,486,900	4,131,100	355,800
Ethics Commission	245,500	245,500	238,562	6,938
Board of Election Supervisors	5,021,900	5,021,900	4,042,874	979,026
Transportation	6,104,000	6,104,000	5,893,809	210,191
	<u>212,753,800</u>	<u>201,757,000</u>	<u>200,380,168</u>	<u>1,376,832</u>
HEALTH AND HUMAN SERVICES				
Health	39,808,700	73,254,500	35,987,924	37,266,576
Social Services	5,629,000	5,704,000	5,021,434	682,566
Services for Aging and Disability	8,630,500	8,630,500	7,791,221	839,279
	<u>54,068,200</u>	<u>87,589,000</u>	<u>48,800,579</u>	<u>38,788,421</u>
PUBLIC WORKS				
	<u>34,786,000</u>	<u>34,786,000</u>	<u>33,105,688</u>	<u>1,680,312</u>
RECREATION AND COMMUNITY SERVICES				
Recreation and Parks	28,371,700	28,371,700	26,811,506	1,560,194
Public Library System	24,381,800	24,381,800	24,381,800	-
	<u>52,753,500</u>	<u>52,753,500</u>	<u>51,193,306</u>	<u>1,560,194</u>

Anne Arundel County, Maryland

Detail Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Basis)

General Fund

Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
JUDICIAL				
States Attorney	12,623,000	12,623,000	12,324,988	298,012
Sheriffs Office	11,169,400	11,169,400	10,680,319	489,081
Circuit Court	6,231,900	6,231,900	5,938,988	292,912
Orphans Court	150,500	150,500	133,407	17,093
	<u>30,174,800</u>	<u>30,174,800</u>	<u>29,077,702</u>	<u>1,097,098</u>
LAND USE AND DEVELOPMENT				
Planning and Zoning	8,126,800	8,126,800	7,716,786	410,014
Office of Administrative Hearings	387,400	395,400	389,508	5,892
Cooperative Extension Service	236,700	236,700	234,052	2,648
	<u>8,750,900</u>	<u>8,758,900</u>	<u>8,340,346</u>	<u>418,554</u>
CODE ENFORCEMENT				
Inspections and Permits	13,672,200	13,672,200	13,207,016	465,184
Board of License Commissioners	748,500	748,500	700,991	47,509
	<u>14,420,700</u>	<u>14,420,700</u>	<u>13,908,007</u>	<u>512,693</u>
DEBT SERVICE	<u>149,105,400</u>	<u>150,248,400</u>	<u>147,827,303</u>	<u>2,421,097</u> *
PAY GO FUNDING - CAPITAL PROJECTS	<u>35,000,000</u>	<u>35,000,000</u>	<u>35,000,000</u>	<u>-</u>
Total expenditures and encumbrances	<u>\$ 1,696,131,500</u>	<u>\$ 1,723,131,500</u>	<u>\$ 1,668,065,286</u>	<u>\$ 55,066,214</u>

**Office of Finance (Non-departmental), Mandated Transfers and Debt Service are broken out on this statement but combined on the legally adopted budget.*

Anne Arundel County, Maryland

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

General Fund - Separately Budgeted Components

Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
COUNTY PARKING GARAGE				
Revenues				
Parking fees	\$ 538,600	\$ 538,600	\$ 577,764	\$ 39,164
Other	-	-	1,340	1,340
	<u>538,600</u>	<u>538,600</u>	<u>579,104</u>	<u>40,504</u>
Expenditures				
General government	527,300	527,300	415,500	111,800
Interfund reimbursement	-	-	63,649	(63,649)
	<u>527,300</u>	<u>527,300</u>	<u>479,149</u>	<u>48,151</u>
Revenues over (under) expenditures	<u>\$ 11,300</u>	<u>\$ 11,300</u>	<u>\$ 99,955</u>	<u>\$ 88,655</u>
PINEY ORCHARD WASTEWATER SERVICE				
Revenues				
Commissions and fees	\$ 1,100,000	\$ 1,100,000	\$ 19,699	\$ (1,080,301)
Expenditures				
Public works	1,100,000	1,100,000	19,699	1,080,301
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
INMATE BENEFIT AND MORALE				
Revenues				
Commissary sales	\$ 850,000	\$ 850,000	\$ 642,660	\$ (207,340)
Commissions and fees	853,100	853,100	830,897	(22,203)
Investment income	9,500	9,500	18,783	9,283
Other	-	-	133,740	133,740
	<u>1,712,600</u>	<u>1,712,600</u>	<u>1,626,080</u>	<u>(86,520)</u>
Expenditures				
Commissary purchases	850,000	850,000	816,751	33,249
Inmate benefits/morale	911,800	911,800	847,912	63,888
	<u>1,761,800</u>	<u>1,761,800</u>	<u>1,664,663</u>	<u>97,137</u>
Revenues over (under) expenditures	<u>\$ (49,200)</u>	<u>\$ (49,200)</u>	<u>\$ (38,583)</u>	<u>\$ 10,617</u>

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Anne Arundel County, Maryland

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

Impact Fees Capital Projects Fund

Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
IMPACT FEES				
Revenues				
Impact fees	\$ 19,050,000	\$ 19,050,000	\$ 36,710,846	\$ 17,660,846
Investment income	335,000	335,000	1,505,594	1,170,594
	<u>19,385,000</u>	<u>19,385,000</u>	<u>38,216,440</u>	<u>18,831,440</u>
Expenditures				
Education	-	-	420,492	(420,492)
Public works	-	-	6,307,203	(6,307,203)
Other inter-fund reimbursements	2,004,300	2,004,300	1,973,267	31,033
Pay-as-you-go	61,577,300	61,577,300	22,190,894	39,386,406
	<u>63,581,600</u>	<u>63,581,600</u>	<u>30,891,856</u>	<u>32,689,744</u>
Revenues over (under) expenditures	\$ <u>(44,196,600)</u>	\$ <u>(44,196,600)</u>	\$ 7,324,584	\$ <u>51,521,184</u>
Fund balance, budgetary, July 1			87,476,157	
Fund balance, budgetary, June 30			\$ <u>94,800,741</u>	
Change in fund balance on a budgetary basis			\$ <u>7,324,584</u>	

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Non-major Governmental Funds

The Primary Government has three major governmental funds, the General Fund, the Impact Fee Fund, and the General County Capital Projects Fund. All of these funds have been fully described in the footnotes to the basic financial statements. The combining statements in this section include several non-major funds. Descriptions for these non-major governmental funds are provided below.

Special Revenue Funds

Forfeiture and Asset Seizure Team – This fund accounts for assets seized in narcotics investigations. The funds are used for County police and the State’s Attorney’s activities related to narcotics investigation and enforcement.

Road and Special Benefits Districts – This fund accounts for special community benefit taxes collected on behalf of special districts via County property tax collection. The County disburses the money to the community agency or acts as disbursing agent for the community for the purposes established by the district.

Anne Arundel County Partnership for Children, Youth, and Families (CY&F) – This fund accounts for the grant funds received from the State to be used for various youth and family programs as established by the Anne Arundel County Partnership for Children, Youth and Families.

Reforestation – This fund segregates the funds collected from developers for reforestation of properties in the County. The fund collects fees in lieu of replanting and holds deposits until developer replanting is completed. Disbursements pay the costs of the program, including costs to replant, identification of properties for purchase and preservation, and administration of the program.

Laurel Racetrack Community Benefit - This fund accounts for special racing revenues received from the Maryland Racing Commission. The funds are used to help services and facilities within three miles of the Laurel Race Track.

Workforce Development – This fund accounts for grant monies collected by the County and passed through to the Workforce Development Corporation.

Arundel Community Development Services – This fund accounts for grant monies collected by the County and passed through to Arundel Community Development Services, Inc.

Circuit Court – This fund accounts for the proceeds of forfeitures and attorney appearance fees. State law dedicated these proceeds, funding a variety of court house operations.

Park Place Tax Increment – This fund accumulates the incremental property taxes related to the Park Place Tax Increment District, created in 2004. The funds are used to reimburse the City of Annapolis for its debt service related to capital improvements within the district.

Odenton Town Center Tax Increment – This fund accumulates the incremental property taxes related to the Odenton Town Center Tax Increment District. Any unused funds revert to the General Fund at the end of the fiscal year.

Erosion Districts - This fund accounts for collections of assessments on certain communities for ongoing erosion control. The taxes are levied at the request of the community, and disbursements are made based on invoices approved by the community’s representative.

Video Lottery Local Impact Aid – This fund is used to account for revenues from the local impact grant distributed to the County from the State. The funds can only be used for purposes as defined in State law which include infrastructure improvements, facilities, public safety, sanitation, economic and community development, including housing; and other public services and improvements, primarily in the communities in immediate proximity to the video lottery facility.

Watershed Protection and Restoration – This fund is used to account for revenues collected from property owners to fund stormwater management projects and any debt service related to such projects in accordance with State law.

Non-major Governmental Funds (continued)

Capital Projects Funds

Recreation Land Fees – This fund accounts for certain fees paid by developers in lieu of establishing recreation land in smaller subdivisions.

Bond Premium – This fund accounts for the bond premium restricted for Capital Projects.

Street Light Capital Projects – This fund accounts for revenues from developers to purchase, construct, and install street lighting associated with the development for which the fee was paid.

Energy Revolving Loan – This fund accounts for certain revenues from the Millersville Landfill Gas to Energy Project to be used for improving energy efficiency within the County.

Bike, Pedestrian, Transportation & Infrastructure Fee In Lieu – This fund accounts for certain fees paid by developers in lieu of construction of bike, pedestrian, and transportation infrastructure.

Debt Service Funds

Nursery Road Tax Increment – This fund accumulates the incremental property tax revenues related the Nursery Road Tax Increment District. The funds are being used to pay the debt service costs on debt issued to provide improvements within the district. Any unused funds revert to the General Fund at the end of the fiscal year.

West County Tax Increment (NBP) – This fund accumulates the incremental property tax revenues related to the West County Development District. The funds are being used to pay the debt service costs on debt issued to provide improvements within the district. Any unused funds revert to the General Fund at the end of the fiscal year.

Arundel Mills Tax Increment – This fund accumulates the incremental property taxes related to the Arundel Mills Tax District, created in 1999. The funds are being used to pay the debt service on debt issued to provide capital improvements within the district. Any unused funds revert to the General Fund at the end of the fiscal year.

Parole Tax Increment – This fund accumulates the incremental property taxes related to the Parole Tax Increment District. Any unused funds revert to the General Fund at the end of the fiscal year.

National Business Park North Tax Increment (NBP North) – This fund accumulates the incremental property tax revenues related to the National Business Park North Development District. The funds are being used to pay the debt service costs on debt issued to provide improvements within the district.

Village South at Waugh Chapel Tax Increment – This fund accumulates the incremental property tax revenues related to the Village South at Waugh Chapel Development District. The funds are being used to pay the debt service costs on debt issued to provide improvements within the district.

Special Taxing Districts – This fund accounts for the accumulation of resources and the payment of principal on non-interest bearing loans from the State Department of Natural Resources. These loan proceeds are used for district improvements to waterways.

Installment Purchase Agreements – This fund accumulates County funds dedicated to the purchase of easements for the Agricultural and Woodland Preservation Programs.

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2020

	Special Revenue Funds				
	Forfeiture and Asset Seizure Team	Road and Special Benefits Districts	AA County Partnership for CYF (Grants)	Reforestation	Laurel Racetrack Community Benefit
ASSETS					
Cash and investments	\$ -	\$ 626,359	\$ 509,166	\$ 8,216,559	\$ -
Receivables					
Due from other governmental agencies (net of allowances)	-	-	689,532	-	-
Other, net	100,000	50,832	-	746	357,143
Total assets	<u>\$ 100,000</u>	<u>\$ 677,191</u>	<u>\$ 1,198,698</u>	<u>\$ 8,217,305</u>	<u>\$ 357,143</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 33,125	\$ 18,610	\$ 620,785	\$ 40,503	\$ -
Due to General Fund	66,243	-	-	-	187,734
Escrow and other deposits	-	-	-	4,348,517	-
Unearned revenue	-	-	495,531	-	-
Total liabilities	<u>99,368</u>	<u>18,610</u>	<u>1,116,316</u>	<u>4,389,020</u>	<u>187,734</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue	-	-	597,541	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>597,541</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	632	658,581	-	3,828,285	169,409
Committed	-	-	-	-	-
Unassigned	-	-	(515,159)	-	-
Total fund balances (deficit)	<u>632</u>	<u>658,581</u>	<u>(515,159)</u>	<u>3,828,285</u>	<u>169,409</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 100,000</u>	<u>\$ 677,191</u>	<u>\$ 1,198,698</u>	<u>\$ 8,217,305</u>	<u>\$ 357,143</u>

Special Revenue Funds

Workforce Development (Grants)	Arundel Community Development Services (Grants)	Circuit Court	Park Place Tax Increment	Odenton Town Center Tax Increment
\$ 91,469	\$ -	\$ 378,411	\$ 3,709	\$ 16,918,703
207,694	1,884,515	-	-	-
<u>-</u>	<u>-</u>	<u>7,537</u>	<u>-</u>	<u>-</u>
<u>\$ 299,163</u>	<u>\$ 1,884,515</u>	<u>\$ 385,948</u>	<u>\$ 3,709</u>	<u>\$ 16,918,703</u>
\$ 299,163	\$ 1,742,939	\$ -	\$ 3,709	\$ -
-	140,529	-	-	-
-	-	101,339	-	-
<u>-</u>	<u>1,047</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>299,163</u>	<u>1,884,515</u>	<u>101,339</u>	<u>3,709</u>	<u>-</u>
<u>-</u>	<u>1,379,114</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>1,379,114</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	9,058,073	284,609	-	16,918,703
-	-	-	-	-
<u>-</u>	<u>(10,437,187)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(1,379,114)</u>	<u>284,609</u>	<u>-</u>	<u>16,918,703</u>
<u>\$ 299,163</u>	<u>\$ 1,884,515</u>	<u>\$ 385,948</u>	<u>\$ 3,709</u>	<u>\$ 16,918,703</u>

(continued)

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2020

	Special Revenue Funds			Capital Projects Funds	
	Erosion Districts	Video Lottery Local Impact Aid	Watershed Protection and Restoration	Recreational Land Fees	Bond Premium
ASSETS					
Cash and investments	\$ 2,105,393	\$ -	\$ 44,024,800	\$ 286,522	\$ -
Receivables					
Due from other governmental agencies (net of allowances)	-	-	-	-	-
Other, net	5,384	5,442,190	551,505	-	-
Total assets	<u>\$ 2,110,777</u>	<u>\$ 5,442,190</u>	<u>\$ 44,576,305</u>	<u>\$ 286,522</u>	<u>\$ -</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 26,221	\$ -	\$ 684,923	\$ -	\$ -
Due to General Fund	-	470,193	-	-	-
Escrow and other deposits	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>26,221</u>	<u>470,193</u>	<u>684,923</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue	-	2,691,680	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>2,691,680</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	2,084,556	2,280,317	43,891,382	-	-
Committed	-	-	-	286,522	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>2,084,556</u>	<u>2,280,317</u>	<u>43,891,382</u>	<u>286,522</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,110,777</u>	<u>\$ 5,442,190</u>	<u>\$ 44,576,305</u>	<u>\$ 286,522</u>	<u>\$ -</u>

Capital Projects Funds			Debt Service Funds			
Street Light Capital Project	Energy Revolving Loan	Bike, Pedestrian, Transportation & Infrastructure Fee In Lieu	Nursery Road Tax Increment	West County (NBP) Tax Increment	Arundel Mills Tax Increment	Parole Tax Increment
\$ 5,082,441	\$ 40,158	\$ 26,958	\$ -	\$ 869	\$ 6,000,794	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 5,082,441</u>	<u>\$ 40,158</u>	<u>\$ 26,958</u>	<u>\$ -</u>	<u>\$ 869</u>	<u>\$ 6,000,794</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ 869	\$ 794	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>869</u>	<u>794</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	6,000,000	-
5,082,441	40,158	26,958	-	-	-	-
-	-	-	-	-	-	-
<u>5,082,441</u>	<u>40,158</u>	<u>26,958</u>	<u>-</u>	<u>-</u>	<u>6,000,000</u>	<u>-</u>
<u>\$ 5,082,441</u>	<u>\$ 40,158</u>	<u>\$ 26,958</u>	<u>\$ -</u>	<u>\$ 869</u>	<u>\$ 6,000,794</u>	<u>\$ -</u>

(continued)

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2020

	Debt Service Funds				
	National Business Park North Tax Increment	Village South at Waugh Chapel Tax Increment	Special Taxing Districts	Installment Purchase Agreements	Totals
ASSETS					
Cash and investments	\$ 49,624	\$ 474	\$ 768,384	\$ 12,311,853	\$ 97,442,646
Receivables					
Due from other governmental agencies (net of allowances)	-	-	-	-	2,781,741
Other, net	-	-	2,731	-	6,518,068
Total assets	<u>\$ 49,624</u>	<u>\$ 474</u>	<u>\$ 771,115</u>	<u>\$ 12,311,853</u>	<u>\$ 106,742,455</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 1,418	\$ -	\$ 3,473,059
Due to General Fund	-	-	-	-	864,699
Escrow and other deposits	-	-	-	-	4,449,856
Unearned revenue	-	-	-	-	496,578
Total liabilities	<u>-</u>	<u>-</u>	<u>1,418</u>	<u>-</u>	<u>9,284,192</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue	-	-	-	-	4,668,335
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,668,335</u>
FUND BALANCES					
Restricted	49,624	474	769,697	-	85,994,342
Committed	-	-	-	12,311,853	17,747,932
Unassigned	-	-	-	-	(10,952,346)
Total fund balances (deficit)	<u>49,624</u>	<u>474</u>	<u>769,697</u>	<u>12,311,853</u>	<u>92,789,928</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 49,624</u>	<u>\$ 474</u>	<u>\$ 771,115</u>	<u>\$ 12,311,853</u>	<u>\$ 106,742,455</u>

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Anne Arundel County, Maryland

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Governmental Funds

Year Ended June 30, 2020

	Special Revenue Funds				
	Forfeiture and Asset Seizure Team	Road and Special Benefits Districts	AA County Partnership for CYF (Grants)	Reforestation	Laurel Racetrack Community Benefit
REVENUES					
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Grants and aid	-	-	2,856,548	-	-
Seized / forfeited funds	372,254	-	-	-	-
Special community benefit taxes	-	7,843,279	-	-	-
Video lottery local impact aid	-	-	-	-	-
Watershed protection and restoration	-	-	-	-	-
Fees and commissions	-	-	-	947,755	357,143
Investment income	600	-	4,192	131,732	-
Other	4,162	-	5,875	-	-
Total revenues	<u>377,016</u>	<u>7,843,279</u>	<u>2,866,615</u>	<u>1,079,487</u>	<u>357,143</u>
EXPENDITURES					
Current					
Education	-	-	-	-	-
Public safety	545,826	-	-	-	-
General government	-	-	-	-	-
Health and human services	-	-	3,051,928	-	-
Public works	-	-	-	-	-
Recreation and community services	-	7,744,950	-	-	246,500
Judicial	-	-	-	-	-
Code enforcement	-	-	-	-	-
Land use and development	-	-	-	991,912	-
Debt service					
Interest payments on debt	-	-	-	-	-
Principal payments on debt	-	-	-	-	-
Total expenditures	<u>545,826</u>	<u>7,744,950</u>	<u>3,051,928</u>	<u>991,912</u>	<u>246,500</u>
Revenues over (under) expenditures	<u>(168,810)</u>	<u>98,329</u>	<u>(185,313)</u>	<u>87,575</u>	<u>110,643</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	-	-	-
Special Taxing Districts Fund	-	-	-	-	-
Transfers out					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	-	-	-
Erosion Districts Fund	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-
Premiums from sale of bonds	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(168,810)	98,329	(185,313)	87,575	110,643
Fund balances, July 1	169,442	560,252	(329,846)	3,740,710	58,766
Fund balances, June 30	<u>\$ 632</u>	<u>\$ 658,581</u>	<u>\$ (515,159)</u>	<u>\$ 3,828,285</u>	<u>\$ 169,409</u>

Special Revenue Funds

	Workforce Development (Grants)	Arundel Community Development Services (Grants)	Circuit Court	Park Place Tax Increment	Odenton Town Center Tax Increment
\$	-	\$ -	\$ -	\$ 1,036,414	\$ 4,159,408
	2,132,161	5,435,800	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	787	254,270
	-	-	136,457	-	-
	<u>2,132,161</u>	<u>5,435,800</u>	<u>136,457</u>	<u>1,037,201</u>	<u>4,413,678</u>
	-	-	-	-	-
	-	-	-	-	-
	2,132,161	-	-	1,037,201	-
	-	6,768,354	-	-	-
	-	-	18,412	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>2,132,161</u>	<u>6,768,354</u>	<u>18,412</u>	<u>1,037,201</u>	<u>-</u>
	-	(1,332,554)	118,045	-	4,413,678
	-	270,000	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	(1,212)
	-	-	-	-	-
	-	-	-	-	-
	-	<u>270,000</u>	<u>-</u>	<u>-</u>	<u>(1,212)</u>
	-	(1,062,554)	118,045	-	4,412,466
	-	(316,560)	166,564	-	12,506,237
\$	<u>-</u>	<u>(1,379,114)</u>	<u>284,609</u>	<u>-</u>	<u>16,918,703</u>

(continued)

Anne Arundel County, Maryland

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Non-major Governmental Funds

Year Ended June 30, 2020

	Special Revenue Funds			Capital Projects Funds	
	Erosion Districts	Video Lottery Local Impact Aid	Watershed Protection and Restoration	Recreation Land Fees	Bond Premium
REVENUES					
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Grants and aid	-	-	-	-	-
Seized / forfeited funds	-	-	-	-	-
Special community benefit taxes	599,353	-	-	-	-
Video lottery local impact aid	-	15,744,920	-	-	-
Watershed protection and restoration	-	-	23,326,588	-	-
Fees and commissions	-	-	-	15,000	-
Investment income	-	11,405	804,190	4,555	-
Other	-	1,804	6,025	-	-
Total revenues	599,353	15,758,129	24,136,803	19,555	-
EXPENDITURES					
Current					
Education	-	1,700,000	-	-	-
Public safety	-	8,648,000	-	-	-
General government	-	6,695,000	-	-	-
Health and human services	-	-	-	-	-
Public works	172,151	-	10,830,327	-	-
Recreation and community services	-	550,000	-	-	-
Judicial	-	-	-	-	-
Code enforcement	-	-	1,279,562	-	-
Land use and development	-	-	-	-	-
Debt service					
Interest payments on debt	-	-	3,540,701	-	-
Principal payments on debt	-	-	3,387,418	-	-
Total expenditures	172,151	17,593,000	19,038,008	-	-
Revenues over (under) expenditures	427,202	(1,834,871)	5,098,795	19,555	-
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	38,600	-	-
Special Taxing Districts Fund	2,491	-	-	-	-
Transfers out					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	(1,200,800)	(29,300,000)	-	(27,938,190)
Erosion Districts Fund	-	-	-	-	-
General obligation bonds issued	-	-	29,300,000	-	-
Premiums from sale of bonds	-	-	-	-	27,938,190
Total other financing sources (uses)	2,491	(1,200,800)	38,600	-	-
Net change in fund balances	429,693	(3,035,671)	5,137,395	19,555	-
Fund balances, July 1	1,654,863	5,315,988	38,753,987	266,967	-
Fund balances, June 30	\$ <u>2,084,556</u>	\$ <u>2,280,317</u>	\$ <u>43,891,382</u>	\$ <u>286,522</u>	\$ <u>-</u>

Capital Projects Funds			Debt Service Funds			
Street Light Capital Projects	Energy Revolving Loan	Bike, Pedestrian, Transportation & Infrastructure Fee In Lieu	Nursery Road Tax Increment	West County (NBP) Tax Increment	Arundel Mills Tax Increment	Parole Tax Increment
\$ -	\$ -	\$ -	\$ 5,474,983	\$ 7,872,036	\$ 10,243,931	\$ 17,055,079
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
306,729	-	-	-	-	-	-
-	653	-	61,506	77,030	183,616	194,498
-	-	25,968	-	-	-	-
<u>306,729</u>	<u>653</u>	<u>25,968</u>	<u>5,536,489</u>	<u>7,949,066</u>	<u>10,427,547</u>	<u>17,249,577</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	3,500	10,768	12,771	18,686
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	50,350	381,700	782,425	-
-	-	-	100,000	770,000	1,405,000	-
-	-	-	153,850	1,162,468	2,200,196	18,686
<u>306,729</u>	<u>653</u>	<u>25,968</u>	<u>5,382,639</u>	<u>6,786,598</u>	<u>8,227,351</u>	<u>17,230,891</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(5,382,639)	(6,786,598)	(8,227,351)	(17,230,891)
(423,496)	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(423,496)</u>	<u>-</u>	<u>-</u>	<u>(5,382,639)</u>	<u>(6,786,598)</u>	<u>(8,227,351)</u>	<u>(17,230,891)</u>
(116,767)	653	25,968	-	-	-	-
5,199,208	39,505	990	-	-	6,000,000	-
\$ <u>5,082,441</u>	\$ <u>40,158</u>	\$ <u>26,958</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>6,000,000</u>	\$ <u>-</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Non-major Governmental Funds

Year Ended June 30, 2020

	Debt Service Funds					Totals
	National Business Park North Tax Increment	Village South at Waugh Chapel Tax Increment	Special Taxing Districts	Installment Purchase Agreements		
REVENUES						
General property taxes	\$ 1,890,712	\$ 2,568,554	\$ -	\$ -	\$	50,301,117
Grants and aid	-	-	-	-	-	10,424,509
Seized / forfeited funds	-	-	-	-	-	372,254
Special community benefit taxes	-	-	350,868	-	-	8,793,500
Video lottery local impact aid	-	-	-	-	-	15,744,920
Watershed protection and restoration	-	-	-	-	-	23,326,588
Fees and commissions	-	-	-	-	-	1,626,627
Investment income	22,766	24,227	-	1,707,112	-	3,483,139
Other	-	-	-	-	-	180,291
Total revenues	<u>1,913,478</u>	<u>2,592,781</u>	<u>350,868</u>	<u>1,707,112</u>		<u>114,252,945</u>
EXPENDITURES						
Current						
Education	-	-	-	-	-	1,700,000
Public safety	-	-	-	-	-	9,193,826
General government	17,607	17,497	-	-	-	7,813,030
Health and human services	-	-	-	-	-	5,184,089
Public works	-	-	-	-	-	11,002,478
Recreation and community services	-	-	76,154	-	-	15,385,958
Judicial	-	-	-	-	-	18,412
Code enforcement	-	-	-	-	-	1,279,562
Land use and development	-	-	-	-	-	991,912
Debt service						
Interest payments on debt	1,022,313	512,031	-	721,608	-	7,011,128
Principal payments on debt	<u>450,000</u>	<u>440,000</u>	<u>221,263</u>	<u>20,000</u>	-	<u>6,793,681</u>
Total expenditures	<u>1,489,920</u>	<u>969,528</u>	<u>297,417</u>	<u>741,608</u>		<u>66,374,076</u>
Revenues over (under) expenditures	<u>423,558</u>	<u>1,623,253</u>	<u>53,451</u>	<u>965,504</u>		<u>47,878,869</u>
OTHER FINANCING SOURCES (USES)						
Transfers in						
General Fund	-	-	-	741,700	-	1,011,700
General County Capital Projects Fund	-	-	-	-	-	38,600
Special Taxing Districts Fund	-	-	-	-	-	2,491
Transfers out						
General Fund	(1,641,180)	(1,646,664)	-	-	-	(40,915,323)
General County Capital Projects Fund	-	-	-	-	-	(58,863,698)
Erosion Districts Fund	-	-	(2,491)	-	-	(2,491)
General obligation bonds issued	-	-	-	-	-	29,300,000
Premiums from sale of bonds	-	-	-	-	-	27,938,190
Total other financing sources (uses)	<u>(1,641,180)</u>	<u>(1,646,664)</u>	<u>(2,491)</u>	<u>741,700</u>		<u>(41,490,531)</u>
Net change in fund balances	(1,217,622)	(23,411)	50,960	1,707,204		6,388,338
Fund balances, July 1	1,267,246	23,885	718,737	10,604,649		86,401,590
Fund balances, June 30	\$ <u>49,624</u>	\$ <u>474</u>	\$ <u>769,697</u>	\$ <u>12,311,853</u>	\$	\$ <u>92,789,928</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

Special Revenue Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
FORFEITURE AND ASSET SEIZURE TEAM				
Revenues				
Seized and forfeited funds	\$ 525,000	\$ 525,000	\$ 372,254	\$ (152,746)
Investment income	-	-	600	600
Other	-	-	5,037	5,037
	<u>525,000</u>	<u>525,000</u>	<u>377,891</u>	<u>(147,109)</u>
Expenditures				
Public safety	<u>575,000</u>	<u>575,000</u>	<u>507,460</u>	<u>67,540</u>
Revenues over (under) expenditures	(50,000)	(50,000)	(129,569)	<u>\$ (79,569)</u>
Fund balance, budgetary, July 1	<u>130,201</u>	<u>130,201</u>	<u>130,201</u>	
Fund balance, budgetary, June 30	<u>\$ 80,201</u>	<u>\$ 80,201</u>	<u>\$ 632</u>	
ROADS AND SPECIAL BENEFITS				
Revenues				
Special community benefit taxes	\$ <u>7,767,568</u>	\$ <u>7,767,568</u>	\$ <u>7,843,283</u>	\$ <u>75,715</u>
Expenditures				
Recreation and community services	<u>13,472,592</u>	<u>13,481,233</u>	<u>7,744,954</u>	<u>5,736,279</u>
Revenues over (under) expenditures	(5,705,024)	(5,713,665)	98,329	<u>\$ 5,811,994</u>
Fund balance, budgetary, July 1	<u>560,252</u>	<u>560,252</u>	<u>560,252</u>	
Fund balance, budgetary, June 30	<u>\$ (5,144,772)</u>	<u>\$ (5,153,413)</u>	<u>\$ 658,581</u>	
ANNE ARUNDEL COUNTY PARTNERSHIP FOR CHILDREN, YOUTH & FAMILIES				
Revenues				
Grants and aid	\$ 5,184,700	\$ 5,184,700	\$ 3,045,777	\$ (2,138,923)
Investment income	-	-	4,192	4,192
Other	-	-	5,875	5,875
	<u>5,184,700</u>	<u>5,184,700</u>	<u>3,055,844</u>	<u>(2,128,856)</u>
Expenditures				
Health and human services	<u>5,184,700</u>	<u>5,184,700</u>	<u>3,051,928</u>	<u>2,132,772</u>
Revenues over (under) expenditures	-	-	3,916	<u>\$ 3,916</u>
Fund balance, budgetary, July 1	<u>78,466</u>	<u>78,466</u>	<u>78,466</u>	
Fund balance, budgetary, June 30	<u>\$ 78,466</u>	<u>\$ 78,466</u>	<u>\$ 82,382</u>	

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Anne Arundel County, Maryland

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

Special Revenue Funds

Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REFORESTATION				
Revenues				
Commissions and fees	\$ 1,150,000	\$ 1,150,000	\$ 1,098,417	\$ (51,583)
Expenditures				
Land use and development	3,731,700	3,731,700	965,617	2,766,083
Revenues over (under) expenditures	(2,581,700)	(2,581,700)	132,800	\$ 2,714,500
Fund balance, budgetary, July 1	3,682,615	3,682,615	3,682,615	
Fund balance, budgetary, June 30	\$ 1,100,915	\$ 1,100,915	\$ 3,815,415	
LAUREL RACETRACK COMMUNITY BENEFIT				
Revenues				
Fees and commissions	\$ 352,000	\$ 352,000	\$ 357,143	\$ 5,143
Expenditures				
Recreation and community services	346,500	346,500	246,500	100,000
Revenues over (under) expenditures	5,500	5,500	110,643	\$ 105,143
Fund balance, budgetary, July 1	58,766	58,766	58,766	
Fund balance, budgetary, June 30	\$ 64,266	\$ 64,266	\$ 169,409	
WORKFORCE DEVELOPMENT				
Revenues				
Grants and aid	\$ 2,400,000	\$ 2,400,000	\$ 2,132,161	\$ (267,839)
Expenditures				
Health and human services	2,400,000	2,400,000	2,132,161	267,839
Revenues over (under) expenditures	-	-	-	\$ -
Fund balance, budgetary, July 1	-	-	-	
Fund balance, budgetary, June 30	\$ -	\$ -	\$ -	

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

Special Revenue Funds

Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
ARUNDEL COMMUNITY DEVELOPMENT SERVICES				
Revenues				
Grants and aid	\$ 9,070,400	\$ 11,299,900	\$ 11,277,730	\$ (22,170)
Other	-	-	-	-
	<u>9,070,400</u>	<u>11,299,900</u>	<u>11,277,730</u>	<u>(22,170)</u>
Expenditures				
Recreation and community services	<u>9,070,400</u>	<u>11,299,900</u>	<u>11,277,730</u>	<u>22,170</u>
Revenues over (under) expenditures	-	-	-	\$ <u>-</u>
Fund balance, budgetary, July 1	-	-	-	
Fund balance, budgetary, June 30	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	
GRANTS				
Revenues				
Grants and aid	\$ 40,416,500	\$ 102,567,989	\$ 73,801,998	\$ (28,765,991)
Fees, General Fund contributions and other	1,902,900	4,199,200	1,322,890	(2,876,310)
	<u>42,319,400</u>	<u>106,767,189</u>	<u>75,124,888</u>	<u>(31,642,301)</u>
Expenditures				
Public safety	6,657,300	13,584,800	9,186,373	4,398,427
General government	3,790,200	22,952,600	17,791,853	5,160,747
Health and human services	28,497,200	64,562,789	49,161,648	15,401,141
Recreation and community services	-	1,260,000	595,977	664,023
Judicial	3,314,800	4,347,100	2,382,930	1,964,170
Land use and development	59,900	59,900	54,000	5,900
	<u>42,319,400</u>	<u>106,767,189</u>	<u>79,172,781</u>	<u>27,594,408</u>
Revenues over (under) expenditures	-	-	(4,047,893)	\$ <u>(4,047,893)</u>
Fund balance, budgetary, July 1	<u>(1,611,649)</u>	<u>(1,611,649)</u>	<u>(1,611,649)</u>	
Fund balance, budgetary, June 30	\$ <u>(1,611,649)</u>	\$ <u>(1,611,649)</u>	\$ <u>(5,659,542)</u>	
CIRCUIT COURT				
Revenues				
Bond Forfeited Funds	\$ <u>165,000</u>	\$ <u>165,000</u>	\$ <u>136,457</u>	\$ <u>(28,543)</u>
Expenditures				
Circuit Court	<u>165,000</u>	<u>165,000</u>	<u>18,412</u>	<u>146,588</u>
Revenues over (under) expenditures	-	-	118,045	\$ <u>118,045</u>
Fund balance, budgetary, July 1	<u>166,564</u>	<u>166,564</u>	<u>166,564</u>	
Fund balance, budgetary, June 30	\$ <u>166,564</u>	\$ <u>166,564</u>	\$ <u>284,609</u>	

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

Special Revenue Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
PARK PLACE TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 1,076,000	\$ 1,076,000	\$ 1,036,414	\$ (39,586)
Investment income	2,000	2,000	787	(1,213)
	<u>1,078,000</u>	<u>1,078,000</u>	<u>1,037,201</u>	<u>(40,799)</u>
Expenditures				
General government	<u>1,078,000</u>	<u>1,078,000</u>	<u>1,037,201</u>	<u>40,799</u>
Revenues over (under) expenditures	-	-	-	\$ -
Fund balance, budgetary, July 1	-	-	-	
Fund balance, budgetary, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
ODENTON TOWN CENTER				
Revenues				
General property taxes	\$ 4,270,000	\$ 4,270,000	\$ 4,159,408	\$ (110,592)
Investment income	95,000	95,000	254,270	159,270
	<u>4,365,000</u>	<u>4,365,000</u>	<u>4,413,678</u>	<u>48,678</u>
Expenditures				
General government	<u>1,345,000</u>	<u>1,345,000</u>	<u>1,345,000</u>	-
	<u>1,345,000</u>	<u>1,345,000</u>	<u>1,345,000</u>	-
Revenues over (under) expenditures	<u>3,020,000</u>	<u>3,020,000</u>	<u>3,068,678</u>	<u>\$ 48,678</u>
Fund balance, budgetary, July 1	<u>12,506,237</u>	<u>12,506,237</u>	<u>12,506,237</u>	
Fund balance, budgetary, June 30	<u>\$ 15,526,237</u>	<u>\$ 15,526,237</u>	<u>\$ 15,574,915</u>	
EROSION DISTRICTS				
Revenues				
Special community benefit taxes	\$ 656,016	\$ 589,551	\$ 599,353	\$ 9,802
Expenditures				
Public works	<u>1,648,989</u>	<u>1,648,989</u>	<u>172,151</u>	<u>1,476,838</u>
Revenues over (under) expenditures	(992,973)	(1,059,438)	427,202	<u>\$ 1,486,640</u>
Fund balance, budgetary, July 1 (as restated)	<u>1,657,354</u>	<u>1,657,354</u>	<u>1,657,354</u>	
Fund balance, budgetary, June 30	<u>\$ 664,381</u>	<u>\$ 597,916</u>	<u>\$ 2,084,556</u>	

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

Special Revenue Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
VIDEO LOTTERY LOCAL IMPACT AID				
Revenues				
Video lottery impact aid	\$ 18,436,600	\$ 18,436,600	\$ 15,744,920	\$ (2,691,680)
Investment income	-	-	11,405	11,405
Other	-	-	1,804	1,804
	<u>18,436,600</u>	<u>18,436,600</u>	<u>15,758,129</u>	<u>(2,678,471)</u>
Expenditures				
Education	1,700,000	1,700,000	1,700,000	-
Public safety	8,648,000	8,648,000	8,648,000	-
General government	6,695,000	6,695,000	6,695,000	-
Recreation and community service	550,000	550,000	550,000	-
Pay-go funding - capital projects	1,200,800	1,200,800	1,200,800	-
	<u>18,793,800</u>	<u>18,793,800</u>	<u>18,793,800</u>	<u>-</u>
Revenues over (under) expenditures	(357,200)	(357,200)	(3,035,671)	\$ <u><u>(2,678,471)</u></u>
Fund balance, budgetary, July 1 (as restated)	<u>5,315,988</u>	<u>5,315,988</u>	<u>5,315,988</u>	
Fund balance, budgetary, June 30	\$ <u><u>4,958,788</u></u>	\$ <u><u>4,958,788</u></u>	\$ <u><u>2,280,317</u></u>	
WATERSHED PROTECTION AND RESTORATION				
Revenues				
Stormwater fees	\$ 22,395,100	\$ 22,395,100	\$ 23,326,588	\$ 931,488
Interfund reimbursements	770,000	770,000	1,090,932	320,932
Investment Income	400,000	400,000	842,790	442,790
Other	-	-	180,009	180,009
	<u>23,565,100</u>	<u>23,565,100</u>	<u>25,440,319</u>	<u>1,875,219</u>
Expenditures				
Public works	14,048,000	14,048,000	13,136,442	911,558
Code enforcement	1,286,300	1,286,300	1,279,562	6,738
Debt service	6,928,200	6,928,200	6,928,119	81
	<u>22,262,500</u>	<u>22,262,500</u>	<u>21,344,123</u>	<u>918,377</u>
Revenues over (under) expenditures	1,302,600	1,302,600	4,096,196	\$ <u><u>2,793,596</u></u>
Fund balance, budgetary, July 1	<u>36,963,419</u>	<u>36,963,419</u>	<u>36,963,419</u>	
Fund balance, budgetary, June 30	\$ <u><u>38,266,019</u></u>	\$ <u><u>38,266,019</u></u>	\$ <u><u>41,059,615</u></u>	

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Anne Arundel County, Maryland

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP Basis)

Erosion Districts Fund

Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Arundel on the Bay	\$ 36,720	\$ 36,720	\$ 37,111	\$ 391
Browns Pond	11,316	11,316	11,585	269
Cedarhurst	96,690	96,690	102,132	5,442
Franklin Manor	165,800	165,800	174,433	41,793
Idlewilde	73,850	7,385	7,694	309
Johns Creek	7,284	7,284	7,284	-
Masons Beach	44,800	44,800	45,901	1,101
Riviera Beach	146,120	146,120	139,777	(6,343)
Snug Harbor - Waterway	73,436	73,436	73,436	-
Total revenues	<u>\$ 656,016</u>	<u>\$ 589,551</u>	<u>\$ 599,353</u>	<u>\$ 42,962</u>
EXPENDITURES				
Arundel on the Bay	\$ 287,137	\$ 287,137	\$ 3,230	\$ 283,907
Browns Pond	31,423	31,423	16,579	14,844
Cedarhurst	96,690	96,690	71,150	25,540
Franklin Manor	496,900	496,900	20,000	476,900
Idlewilde	98,574	98,574	415	98,159
Johns Creek	7,284	7,284	364	6,920
Masons Beach	208,801	208,801	35,715	173,086
Riviera Beach	288,744	288,744	15,430	273,314
Snug Harbor - Waterway	133,436	133,436	9,268	124,168
Total expenditures	<u>\$ 1,648,989</u>	<u>\$ 1,648,989</u>	<u>\$ 172,151</u>	<u>\$ 1,476,838</u>

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

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Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP Basis)

Roads and Special Benefit Districts Fund

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Amberly	\$ 21,598	\$ 21,598	\$ 21,598	\$ -
Annapolis Roads	329,020	329,020	331,425	2,405
Arundel on the Bay	229,500	229,500	231,942	2,442
Avalon Shores	67,275	67,275	67,174	(101)
Bay Highlands	24,950	24,950	24,957	7
Bay Ridge	294,038	294,038	294,038	-
Bayside Beach	18,060	18,060	18,655	595
Beverly Beach	37,100	37,100	37,200	100
Birchwood	3,840	3,840	3,840	-
Bittersweet	1,650	1,650	1,650	-
Broadwater Creek	8,505	8,505	8,400	(105)
Cape Anne	26,250	26,250	26,250	-
Cape St. Claire	439,090	439,090	438,588	(502)
Capetown	35,064	35,064	35,064	-
Carrollton Manor	82,050	82,050	82,350	300
Cedarhurst	123,060	123,060	129,987	6,927
Chartwell	26,760	26,760	26,800	40
Columbia Beach	153,532	153,532	156,144	2,612
Crofton	836,970	836,970	852,676	15,706
Deale Beach	9,100	9,100	9,050	(50)
Eden Woods	9,000	9,000	9,000	-
Epping Forest	354,146	354,146	358,890	4,744
Fairhaven Cliffs	4,900	4,900	4,900	-
Felicity Cove	18,530	18,530	18,530	-
Franklin Manor	66,320	66,320	69,773	3,453
Gibson Island	974,219	974,219	993,874	19,655
Greenbriar Gardens	18,144	18,144	18,144	-
Greenbriar II	21,000	21,000	21,000	-
Heritage Pool	50,500	50,500	51,000	500
Hillsmere Shores	305,025	305,025	309,382	4,357
Holland Point	8,424	8,424	9,086	662
Homewood	6,382	6,382	6,382	-
Hunters Harbor	15,900	15,900	15,900	-
Idlewilde	9,690	9,690	9,690	-
Indian Hills(Winchester)	110,448	110,448	111,115	667
Kensington	8,426	8,426	8,348	(78)
Little Magothy River	35,700	35,700	35,700	-
Long Point on the Severn	22,000	22,000	22,000	-
Magothy Beach	6,520	6,520	6,520	-
Magothy Forge	14,591	14,591	14,591	-
Manhattan Beach	62,000	62,000	61,900	(100)
Mason's Beach	4,375	4,375	4,313	(62)
Owings Beach	18,880	18,880	19,469	589
Owings Cliffs	2,775	2,775	2,775	-
Oyster Harbor	395,010	395,010	403,050	8,040
Parke West	44,205	44,205	43,995	(210)
Pine Grove Village	22,080	22,080	22,080	-
Pines on the Severn	56,816	56,816	56,097	(719)
Provinces	15,786	15,786	15,714	(72)
Queen's Park	51,332	51,332	51,332	-
Rockview Beach/Riviera Isles	10,110	10,110	10,067	(43)
Scheides Cove	9,000	9,000	9,000	-
Selby on the Bay	119,980	119,980	119,560	(420)
Severn Grove	26,977	26,977	26,723	(254)
Severna Forest	22,227	22,227	22,357	130
Severndale	6,549	6,549	6,549	-
Sherwood Forest	1,232,374	1,232,374	1,232,374	-
Shoreham Beach	73,500	73,500	73,500	-
Snug Harbor	8,421	8,421	8,334	(87)
South River Heights	11,737	11,737	11,765	28
South River Manor	-	-	-	-
South River Park	34,200	34,200	34,200	-
Steedman Point	4,000	4,000	4,000	-
Stone Haven	6,316	6,316	6,316	-
Sylvan Shores	91,756	91,756	91,756	-
Sylvan View on the Magothy	24,850	24,850	24,850	-
Upper Magothy Beach	14,450	14,450	14,450	-
Venice Beach	14,400	14,400	14,442	42
Venice on the Bay	7,140	7,140	7,175	35
Warthen Knolls	10,585	10,585	9,623	(962)
Wilelnor	28,000	28,000	28,000	-
Woodland Beach/Londontowne	504,160	504,160	509,604	5,444
Woodland Beach/Pasadena	6,300	6,300	6,300	-
	\$ 7,767,568	\$ 7,767,568	\$ 7,843,283	\$ 75,715

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP Basis)

Roads and Special Benefit Districts Fund

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
Amberly	\$ 65,330	\$ 65,330	\$ 21,667	\$ 43,663
Annapolis Roads	494,352	494,352	449,791	44,561
Arundel on the Bay	415,770	415,770	196,362	219,408
Avalon Shores	148,237	148,237	47,630	100,607
Bay Highlands	242,051	242,051	24,768	217,283
Bay Ridge	304,387	304,387	299,513	4,874
Bayside Beach	28,234	28,234	932	27,302
Beverly Beach	37,100	37,100	1,840	35,260
Birchwood	4,377	4,377	3,799	578
Bittersweet	3,117	3,117	1,645	1,472
Broadwater Creek	25,090	25,090	420	24,670
Cape Anne	73,641	73,641	25,811	47,830
Cape St. Claire	450,443	450,443	414,609	35,834
Capetown	35,064	35,064	35,053	11
Carrollton Manor	327,550	327,550	136,053	191,497
Cedarhurst	363,343	363,343	143,819	219,524
Chartwell	82,781	82,781	37,040	45,741
Columbia Beach	260,215	260,215	136,822	123,393
Crofton	1,552,797	1,552,797	851,753	701,044
Deale Beach	12,100	12,100	9,015	3,085
Eden Woods	64,924	64,924	8,999	55,925
Epping Forest	682,765	682,765	344,815	337,950
Fairhaven Cliffs	29,395	29,395	2,516	26,879
Felicity Cove	48,874	48,874	18,527	30,347
Franklin Manor	140,737	140,737	69,386	71,351
Gibson Island	1,441,315	1,441,315	990,539	450,776
Greenbriar Gardens	40,609	40,609	18,139	22,470
Greenbriar II	21,000	21,000	21,000	-
Heritage Pool	101,939	101,939	49,663	52,276
Hillsmere Shores	592,400	592,400	255,070	337,330
Holland Point	20,998	20,998	9,103	11,895
Homewood	9,230	9,230	6,386	2,844
Hunters Harbor	26,304	26,304	15,921	10,383
Idlewilde	32,657	32,657	9,713	22,944
Indian Hills(Winchester)	190,375	190,375	110,498	79,877
Kensington	8,426	8,426	8,347	79
Little Magothy River	234,441	234,441	35,663	198,778
Long Point on the Severn	99,053	99,053	22,000	77,053
Magothy Beach	9,295	9,295	6,521	2,774
Magothy Forge	25,848	25,848	12,167	13,681
Manhattan Beach	154,796	154,796	61,628	93,168
Mason's Beach	4,375	4,375	3,956	419
Owings Beach	89,874	89,874	968	88,906
Owings Cliffs	9,608	9,608	2,775	6,833
Oyster Harbor	975,263	975,263	398,015	577,248
Parke West	78,578	78,578	43,677	34,901
Pine Grove Village	59,210	59,210	12,671	46,539
Pines on the Severn	121,361	121,361	55,690	65,671
Provinces	41,690	41,690	14,172	27,518
Queen's Park	63,332	63,332	30,651	32,681
Rockview Beach/ Riviera Isles	32,907	32,907	9,891	23,016
Scheides Cove	30,111	30,111	20,450	9,661
Selby on the Bay	172,045	172,045	112,347	59,698
Severn Grove	39,793	39,793	26,671	13,122
Severna Forest	29,954	29,954	22,323	7,631
Severndale	48,880	48,880	6,552	42,328
Sherwood Forest	1,232,374	1,232,374	1,232,330	44
Shoreham Beach	106,294	106,294	73,501	32,793
Snug Harbor	66,986	66,986	8,253	58,733
South River Heights	11,737	11,737	581	11,156
South River Manor	-	8,641	4,879	3,762
South River Park	65,860	65,860	34,243	31,617
Steedman Point	39,192	39,192	200	38,992
Stone Haven	16,032	16,032	6,321	9,711
Sylvan Shores	156,231	156,231	90,594	65,637
Sylvan View on the Magothy	36,520	36,520	32,924	3,596
Upper Magothy Beach	30,692	30,692	13,869	16,823
Venice Beach	103,992	103,992	14,824	89,168
Venice on the Bay	10,786	10,786	7,071	3,715
Warthen Knolls	15,529	15,529	9,623	5,906
Wilenor	67,773	67,773	28,000	39,773
Woodland Beach/Londontowne	802,151	802,151	506,408	295,743
Woodland Beach/Pasadena	12,100	12,100	5,581	6,519
Total expenditures	\$ 13,472,592	\$ 13,481,233	\$ 7,744,954	\$ 5,736,279

Anne Arundel County, Maryland

Schedule of Funding Sources Authorized and Realized (Non-GAAP Basis)

General County Capital Projects Fund

Year Ended June 30, 2020

	<u>Total</u>	<u>School Construction</u>	<u>Higher Education</u>	<u>Storm Drains</u>	<u>Recreation</u>
AUTHORIZED PER ORIGINAL BUDGET					
County bonds	\$ 1,528,586,425	\$ 744,257,266	77,625,000	1,235,750	84,525,898
Contributions from other funds	188,843,425	90,825,093	9,390,000	8,599	12,320,831
Impact fees	163,506,550	98,901,800	-	-	-
Grants and aid	561,941,500	430,527,054	32,152,000	82,000	48,967,727
Special fees	8,281,414	-	-	-	440,000
Other sources	230,465,816	85,934,000	-	24,444	15,510,547
Total	<u>\$ 2,681,625,130</u>	<u>\$ 1,450,445,213</u>	<u>\$ 119,167,000</u>	<u>\$ 1,350,793</u>	<u>\$ 161,765,003</u>
AUTHORIZED PER FINAL BUDGET					
County bonds	\$ 1,408,053,376	\$ 697,888,854	\$ 77,625,000	\$ 1,129,983	\$ 75,635,701
Contributions from other funds	175,125,944	88,024,261	9,390,000	8,599	10,430,920
Impact fees	145,371,496	80,985,000	-	-	-
Grants and aid	549,921,118	430,527,054	32,152,000	82,000	40,655,998
Special fees	8,281,414	-	-	-	440,000
Other sources	223,472,020	85,434,000	-	24,444	14,799,592
Total	2,510,225,368	1,382,859,169	119,167,000	1,245,026	141,962,211
Less: Completed projects	184,391,966	84,937,769	-	-	9,615,121
	<u>2,325,833,402</u>	<u>1,297,921,400</u>	<u>119,167,000</u>	<u>1,245,026</u>	<u>132,347,090</u>
REALIZED					
Current year:					
Bonds and bond anticipation notes	214,495,000	91,795,000	25,900,000	-	13,400,000
Contributions from other funds	35,787,000	7,673,000	(2,025,000)	-	2,531,000
Impact fees	22,190,894	16,150,000	-	-	-
Grants and aid	24,757,571	-	7,948,359	-	6,862,737
Special fees	2,321,770	-	-	-	-
Other sources	31,736,055	24,938,190	3,000,000	-	2,720,571
Total	331,288,290	140,556,190	34,823,359	-	25,514,308
Prior years:	1,223,663,003	727,903,365	52,894,425	1,085,997	51,714,106
Total realized funding sources	1,554,951,293	868,459,555	87,717,784	1,085,997	77,228,414
Less: Completed projects and adjustments	164,351,898	65,527,000	-	-	9,614,345
	<u>1,390,599,395</u>	<u>802,932,555</u>	<u>87,717,784</u>	<u>1,085,997</u>	<u>67,614,069</u>
Funding sources authorized - June 30, 2020	<u>\$ 935,234,007</u>	<u>\$ 494,988,845</u>	<u>\$ 31,449,216</u>	<u>\$ 159,029</u>	<u>\$ 64,733,021</u>

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

<u>Libraries</u>	<u>Roads and Bridges</u>	<u>Police and Fire</u>	<u>Waterway Improvements</u>	<u>Other</u>	<u>Watershed Protection and Restoration</u>
37,835,720	105,101,724	82,910,708	24,563,483	106,546,210	263,984,666
4,139,564	28,608,143	3,603,847	1,000,364	38,946,984	-
-	61,034,750	3,570,000	-	-	-
1,459,364	7,325,151	5,550,000	8,467,691	22,844,513	4,566,000
-	728	-	-	7,840,686	-
<u>1,310,000</u>	<u>59,679,429</u>	<u>19,521,000</u>	<u>648,700</u>	<u>41,526,696</u>	<u>6,311,000</u>
\$ <u>44,744,648</u>	\$ <u>261,749,925</u>	\$ <u>115,155,555</u>	\$ <u>34,680,238</u>	\$ <u>217,705,089</u>	\$ <u>274,861,666</u>
\$ 37,785,182	\$ 91,411,220	\$ 76,964,590	\$ 23,025,884	\$ 72,985,906	\$ 253,601,056
4,139,564	27,792,457	3,358,709	950,520	31,030,914	-
-	60,816,496	3,570,000	-	-	-
1,459,364	6,594,151	5,550,000	7,420,691	20,913,860	4,566,000
-	728	-	-	7,840,686	-
<u>925,000</u>	<u>58,989,080</u>	<u>19,521,000</u>	<u>648,700</u>	<u>36,819,204</u>	<u>6,311,000</u>
44,309,110	245,604,132	108,964,299	32,045,795	169,590,570	264,478,056
190,192	24,808,492	8,713,577	1,143,082	35,351,487	19,632,246
<u>44,118,918</u>	<u>220,795,640</u>	<u>100,250,722</u>	<u>30,902,713</u>	<u>134,239,083</u>	<u>244,845,810</u>
1,200,000	9,400,000	13,900,000	5,000,000	24,600,000	29,300,000
765,000	20,760,000	(1,725,000)	200,000	7,608,000	-
-	5,662,835	378,059	-	-	-
4,997	-	2,449,959	1,979,748	4,016,792	1,494,979
-	-	-	-	2,321,770	-
<u>-</u>	<u>981,190</u>	<u>-</u>	<u>-</u>	<u>96,104</u>	<u>-</u>
1,969,997	36,804,025	15,003,018	7,179,748	38,642,666	30,794,979
<u>24,509,998</u>	<u>112,385,173</u>	<u>87,152,596</u>	<u>14,070,358</u>	<u>80,304,525</u>	<u>71,642,460</u>
26,479,995	149,189,198	102,155,614	21,250,106	118,947,191	102,437,439
190,192	24,628,393	8,707,284	1,082,304	35,351,487	19,250,893
<u>26,289,803</u>	<u>124,560,805</u>	<u>93,448,330</u>	<u>20,167,802</u>	<u>83,595,704</u>	<u>83,186,546</u>
\$ <u>17,829,115</u>	\$ <u>96,234,835</u>	\$ <u>6,802,392</u>	\$ <u>10,734,911</u>	\$ <u>50,643,379</u>	\$ <u>161,659,264</u>

Anne Arundel County, Maryland

Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Basis)

General County Capital Projects Fund

Year Ended June 30, 2020

APPROPRIATIONS	Total	School Construction	Higher Education	Storm Drains
Original Budget	\$ <u>2,681,625,130</u>	\$ <u>1,450,445,213</u>	\$ <u>119,167,000</u>	\$ <u>1,350,793</u>
Final Budget				
Prior years	\$ 2,166,699,911	\$ 1,220,926,169	\$ 69,973,000	\$ 1,245,026
Current year	<u>343,525,457</u>	<u>161,933,000</u>	<u>49,194,000</u>	<u>-</u>
	2,510,225,368	1,382,859,169	119,167,000	1,245,026
Less: Completed projects	<u>184,391,966</u>	<u>84,937,769</u>	<u>-</u>	<u>-</u>
Total appropriations	<u>2,325,833,402</u>	<u>1,297,921,400</u>	<u>119,167,000</u>	<u>1,245,026</u>
EXPENDITURES AND ENCUMBRANCES				
Prior years expenditures and transfers	1,116,415,093	718,998,049	41,640,661	1,075,913
Current year expenditures	173,058,009	-	-	4,164
Operating transfers	<u>158,757,980</u>	<u>123,449,266</u>	<u>35,308,714</u>	<u>-</u>
	1,448,231,082	842,447,315	76,949,375	1,080,077
Less: Completed projects	<u>164,351,898</u>	<u>65,527,000</u>	<u>-</u>	<u>-</u>
Total	1,283,879,184	776,920,315	76,949,375	1,080,077
Encumbrances outstanding	<u>99,996,185</u>	<u>-</u>	<u>-</u>	<u>5,383</u>
Total expenditures and encumbrances	<u>1,383,875,369</u>	<u>776,920,315</u>	<u>76,949,375</u>	<u>1,085,460</u>
Unencumbered appropriations - June 30, 2020	\$ <u>941,958,033</u>	\$ <u>521,001,085</u>	\$ <u>42,217,625</u>	\$ <u>159,566</u>

Recreation	Libraries	Roads and Bridges	Police and Fire	Waterway Improvements	Other	Watershed Protection and Restoration
\$ <u>161,765,003</u>	\$ <u>44,744,648</u>	\$ <u>261,749,925</u>	\$ <u>115,155,555</u>	\$ <u>34,680,238</u>	\$ <u>217,705,089</u>	\$ <u>274,861,666</u>
\$ 94,401,193	\$ 41,686,110	\$ 207,903,493	\$ 97,115,299	\$ 27,963,795	\$ 150,839,370	\$ 254,646,456
<u>47,561,018</u>	<u>2,623,000</u>	<u>37,700,639</u>	<u>11,849,000</u>	<u>4,082,000</u>	<u>18,751,200</u>	<u>9,831,600</u>
141,962,211	44,309,110	245,604,132	108,964,299	32,045,795	169,590,570	264,478,056
<u>9,615,121</u>	<u>190,192</u>	<u>24,808,492</u>	<u>8,713,577</u>	<u>1,143,082</u>	<u>35,351,487</u>	<u>19,632,246</u>
<u>132,347,090</u>	<u>44,118,918</u>	<u>220,795,640</u>	<u>100,250,722</u>	<u>30,902,713</u>	<u>134,239,083</u>	<u>244,845,810</u>
43,382,237	10,982,053	90,884,512	63,198,250	11,167,279	68,270,983	66,815,156
<u>27,916,134</u>	<u>10,203,636</u>	<u>39,545,528</u>	<u>17,123,125</u>	<u>8,773,464</u>	<u>39,650,053</u>	<u>29,841,905</u>
-	-	-	-	-	-	-
<u>71,298,371</u>	<u>21,185,689</u>	<u>130,430,040</u>	<u>80,321,375</u>	<u>19,940,743</u>	<u>107,921,036</u>	<u>96,657,061</u>
<u>9,614,345</u>	<u>190,192</u>	<u>24,628,393</u>	<u>8,707,284</u>	<u>1,082,304</u>	<u>35,351,487</u>	<u>19,250,893</u>
61,684,026	20,995,497	105,801,647	71,614,091	18,858,439	72,569,549	77,406,168
<u>6,069,318</u>	<u>10,464,763</u>	<u>30,396,336</u>	<u>6,920,498</u>	<u>3,618,878</u>	<u>11,488,884</u>	<u>31,032,125</u>
<u>67,753,344</u>	<u>31,460,260</u>	<u>136,197,983</u>	<u>78,534,589</u>	<u>22,477,317</u>	<u>84,058,433</u>	<u>108,438,293</u>
\$ <u>64,593,746</u>	\$ <u>12,658,658</u>	\$ <u>84,597,657</u>	\$ <u>21,716,133</u>	\$ <u>8,425,396</u>	\$ <u>50,180,650</u>	\$ <u>136,407,517</u>

Anne Arundel County, Maryland

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

Non Major Capital Project Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
ENERGY REVOLVING LOAN				
Revenues				
Other	\$ -	\$ -	\$ 653	\$ 653
	<u>-</u>	<u>-</u>	<u>653</u>	<u>653</u>
Expenditures				
Other	38,700	38,700	-	38,700
	<u>38,700</u>	<u>38,700</u>	<u>-</u>	<u>38,700</u>
Revenues over (under) expenditures	<u>(38,700)</u>	<u>(38,700)</u>	<u>653</u>	<u>\$ 39,353</u>
Fund balance, budgetary, July 1	<u>39,505</u>	<u>39,505</u>	<u>39,505</u>	
Fund balance, budgetary, June 30	\$ <u><u>805</u></u>	\$ <u><u>805</u></u>	\$ <u><u>40,158</u></u>	

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

Debt Service Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
NURSERY ROAD TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 5,704,000	\$ 5,704,000	\$ 5,474,983	\$ (229,017)
Investment income	40,400	40,400	61,506	21,106
	<u>5,744,400</u>	<u>5,744,400</u>	<u>5,536,489</u>	<u>(207,911)</u>
Expenditures				
General government	4,000	4,000	3,500	500
Interest payments on debt	50,400	50,400	50,350	50
Principal payments on debt	100,000	100,000	100,000	-
Other	5,590,000	5,590,000	5,382,639	207,361
	<u>5,744,400</u>	<u>5,744,400</u>	<u>5,536,489</u>	<u>207,911</u>
Revenues over (under) expenditures	-	-	-	\$ -
Fund balance, budgetary, July 1	-	-	-	-
Fund balance, budgetary, June 30	\$ -	\$ -	\$ -	-
WEST COUNTY TAX INCREMENT DISTRICT (NBP)				
Revenues				
General property taxes	\$ 7,872,000	\$ 7,872,000	\$ 7,872,036	\$ 36
Investment income	55,000	55,000	77,030	22,030
	<u>7,927,000</u>	<u>7,927,000</u>	<u>7,949,066</u>	<u>22,066</u>
Expenditures				
General government	35,000	35,000	10,931	24,069
Interest payments on debt	381,700	381,700	381,700	-
Principal payments on debt	770,000	770,000	770,000	-
Other	6,740,300	6,799,300	6,786,598	12,702
	<u>7,927,000</u>	<u>7,986,000</u>	<u>7,949,229</u>	<u>36,771</u>
Revenues over (under) expenditures	-	(59,000)	(163)	\$ 58,837
Fund balance, budgetary, July 1	-	-	-	-
Fund balance, budgetary, June 30	\$ -	\$ (59,000)	\$ (163)	-
ARUNDEL MILLS TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 10,400,000	\$ 10,400,000	\$ 10,243,931	\$ (156,069)
Investment income	75,000	75,000	183,616	108,616
	<u>10,475,000</u>	<u>10,475,000</u>	<u>10,427,547</u>	<u>(47,453)</u>
Expenditures				
General government	53,600	53,600	12,933	40,667
Interest payments on debt	782,400	782,400	782,425	(25)
Principal payments on debt	1,405,000	1,405,000	1,405,000	-
Other	8,234,000	8,256,000	8,227,351	28,649
	<u>10,475,000</u>	<u>10,497,000</u>	<u>10,427,709</u>	<u>69,291</u>
Revenues (under) expenditures	-	(22,000)	(162)	\$ 21,838
Fund balance, budgetary, July 1	6,000,000	6,000,000	6,000,000	-
Fund balance, budgetary, June 30	\$ 6,000,000	\$ 5,978,000	\$ 5,999,838	-

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Anne Arundel County, Maryland

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

Debt Service Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
PAROLE TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 17,262,700	\$ 17,262,700	\$ 17,055,079	\$ (207,621)
Investment income	130,000	130,000	194,498	64,498
	<u>17,392,700</u>	<u>17,392,700</u>	<u>17,249,577</u>	<u>(143,123)</u>
Expenditures				
General government	-	-	-	-
Other	17,392,700	17,392,700	17,249,577	143,123
	<u>17,392,700</u>	<u>17,392,700</u>	<u>17,249,577</u>	<u>143,123</u>
Revenues over (under) expenditures	-	-	-	\$ -
Fund balance, budgetary, July 1	-	-	-	
Fund balance, budgetary, June 30	\$ -	\$ -	\$ -	
NATIONAL BUSINESS PARK NORTH TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 1,891,000	\$ 1,891,000	\$ 1,890,712	\$ (288)
Investment income	13,400	13,400	22,766	9,366
	<u>1,904,400</u>	<u>1,904,400</u>	<u>1,913,478</u>	<u>9,078</u>
Expenditures				
General government	30,000	30,000	17,607	12,393
Interest payments on debt	1,022,400	1,022,400	1,022,313	87
Principal payments on debt	450,000	450,000	450,000	-
Other	516,700	1,628,700	1,641,180	(12,480)
	<u>2,019,100</u>	<u>3,131,100</u>	<u>3,131,100</u>	<u>-</u>
Revenues over (under) expenditures	(114,700)	(1,226,700)	(1,217,622)	\$ 9,078
Fund balance, budgetary, July 1	1,267,246	1,267,246	1,267,246	
Fund balance, budgetary, June 30	\$ 1,152,546	\$ 40,546	\$ 49,624	
VILLAGE SOUTH AT WAUGH CHAPEL TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 2,569,000	\$ 2,569,000	\$ 2,568,554	\$ (446)
Investment income	10,100	10,100	24,227	14,127
	<u>2,579,100</u>	<u>2,579,100</u>	<u>2,592,781</u>	<u>13,681</u>
Expenditures				
General government	50,000	50,000	17,497	32,503
Interest payments on debt	512,100	512,100	512,031	69
Principal payments on debt	440,000	440,000	440,000	-
Other	1,577,000	1,676,000	1,646,664	29,336
	<u>2,579,100</u>	<u>2,678,100</u>	<u>2,616,192</u>	<u>61,908</u>
Revenues (under) expenditures	-	(99,000)	(23,411)	\$ 75,589
Fund balance, budgetary, July 1	23,885	23,885	23,885	
Fund balance, budgetary, June 30	\$ 23,885	\$ (75,115)	\$ 474	

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

Debt Service Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
SPECIAL TAXING DISTRICTS				
Revenues				
Special assessments	\$ 332,217	\$ 332,217	\$ 350,868	\$ 18,651
Expenditures				
Principal payments on debt	221,263	221,263	221,263	-
Other	775,900	775,900	76,154	699,746
	<u>997,163</u>	<u>997,163</u>	<u>297,417</u>	<u>699,746</u>
Revenues over (under) expenditures	(664,946)	(664,946)	53,451	<u>\$ 718,397</u>
Fund balance, budgetary, July 1 (as restated)	<u>716,246</u>	<u>716,246</u>	<u>716,246</u>	
Fund balance, budgetary, June 30	\$ <u>51,300</u>	\$ <u>51,300</u>	\$ <u>769,697</u>	
INSTALLMENT PURCHASE AGREEMENTS				
Revenues				
Investment income	\$ -	\$ -	\$ 430,031	\$ 430,031
Other	741,700	741,700	741,700	-
	<u>741,700</u>	<u>741,700</u>	<u>1,171,731</u>	<u>430,031</u>
Expenditures				
Interest payments on debt	721,700	721,700	721,608	92
Principal payments on debt	20,000	20,000	20,000	-
	<u>741,700</u>	<u>741,700</u>	<u>741,608</u>	<u>92</u>
Revenues over (under) expenditures	-	-	430,123	<u>\$ 430,123</u>
Fund balance, budgetary, July 1 (as restated)	<u>10,441,520</u>	<u>10,441,520</u>	<u>10,441,520</u>	
Fund balance, budgetary, June 30	\$ <u>10,441,520</u>	\$ <u>10,441,520</u>	\$ <u>10,871,643</u>	

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Anne Arundel County, Maryland

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP Basis)

Special Taxing Districts Fund

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Amberly- Waterway	\$ 5,700	\$ 5,700	\$ 5,713	\$ 13
Annapolis Cove - Erosion	9,570	9,570	9,570	-
Bay Ridge - Erosion	95,781	95,781	96,704	923
Buckingham Cove - Waterway	9,161	9,161	9,161	-
Camp Wabanna - Erosion	9,663	9,663	9,663	-
Cape Anne - Erosion	8,734	8,734	9,030	296
Cattail Creek - Waterway	5,400	5,400	4,785	(615)
Columbia Beach - Erosion	55,020	55,020	55,956	936
Elizabeths Landing - Erosion	14,310	14,310	14,856	546
Holland Point - Erosion	91,263	91,263	98,808	7,545
Lake Hillsmere II - Waterway	7,868	7,868	7,868	-
Romar Estates - Waterway	12,836	12,836	12,836	-
Snug Harbor - Erosion	-	-	8,143	8,143
Whitehall - Waterway	6,911	6,911	7,775	864
Total revenues	<u>\$ 332,217</u>	<u>\$ 332,217</u>	<u>\$ 350,868</u>	<u>\$ 18,651</u>
EXPENDITURES				
Amberly- Waterway	\$ 5,700	\$ 5,700	\$ 5,686	\$ 14
Annapolis Cove - Erosion	12,270	12,270	12,270	-
Bay Ridge - Erosion	542,839	542,839	51,774	491,065
Buckingham Cove - Waterway	9,161	9,161	9,161	-
Camp Wabanna - Erosion	9,663	9,663	9,663	-
Cape Anne - Erosion	8,734	8,734	8,550	184
Cattail Creek - Waterway	13,611	13,611	5,361	8,250
Columbia Beach - Erosion	207,758	207,758	55,664	152,094
Elizabeths Landing - Erosion	15,510	15,510	6,872	8,638
Holland Point - Erosion	136,000	136,000	98,510	37,490
Lake Hillsmere II - Waterway	7,942	7,942	7,939	3
Romar Estates - Waterway	12,836	12,836	12,836	-
Snug Harbor - Erosion	8,228	8,228	6,220	2,008
Whitehall - Waterway	6,911	6,911	6,911	-
Total expenditures	<u>\$ 997,163</u>	<u>\$ 997,163</u>	<u>\$ 297,417</u>	<u>\$ 699,746</u>

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Proprietary Funds

The primary government has two major proprietary funds, the Water and Wastewater Fund and the Solid Waste Fund. Both of these funds have been fully described in the footnotes to the basic financial statements. The statements in this section include columns for components of the Water and Wastewater Fund, the Internal Service Funds, which are considered to be non-major, and the budgetary statements for all proprietary funds. Descriptions for all proprietary funds and related components are provided below.

Enterprise Funds

Water and Wastewater – This fund consists of three component funds: operating, debt service, and capital projects.

Operating – This fund accounts for the operation of public water supply systems and sewage collection and treatment systems in the County. Revenues consist mainly of user fees, and developer and grant contributions.

Debt Service – This fund accounts for the collection of front foot, user connections, and capital connection fees and the use of these funds to pay the principal and interest on water and wastewater debt.

Capital Projects – This fund accounts for the construction of water and wastewater plants and lines used to provide services to County residents. Funding sources and costs are accumulated by individual project and, when completed, the assets are capitalized in the Operating Fund.

Solid Waste – This fund accounts for the costs associated with the collection and disposal of refuse at the County landfills. Revenues originate primarily from annual service charges to customers and tipping fees from commercial trash haulers, that are intended to cover all operating expenses including interest on long-term debt. The Solid Waste Fund also includes capital project accounts for landfill construction and closure costs. Funding sources are primarily from the sale of general obligation bonds, federal and state grants, and pay-as-you-go.

Child Care – This fund accounts for the school age child care program provided by the County's Recreation and Parks Department. Revenues consist of child care fees collected from those participating in the program. Costs of the fund include operations at several child care sites as well as administrative expenses.

Internal Service Funds

Self Insurance – This fund accounts for insurance activity of the County, including self-insured workmen's compensation, auto liability, and general liability. The revenues are premiums paid by other County funds, the Library, Community College, and the Board of Education. The disbursements relate to payments of claims and the purchase of insurance policies for property insurance and bonding.

Health Insurance – This fund accounts for the health insurance activity of the County, which is primarily self-insured for medical benefits. Premiums are received from County funds and some component units and disbursements are made to claims administrators or insurers.

Central Garage and Transportation – This fund accounts for the operation of the County's garages and motor pool. Revenues consist of charges to County funds for lease charges, vehicle repair, and gasoline usage.

Garage Vehicle Replacement – This fund accounts for a replacement reserve for the County's motor pool. Revenues consist of charges to County funds for replacement of vehicles.

Anne Arundel County, Maryland
Combining Schedule of Net Position
Water and Wastewater Fund
June 30, 2020

	Operating	Debt Service	Capital Projects	Total
ASSETS				
Current assets				
Cash and investments	\$ 33,737,740	\$ -	\$ 63,840,929	\$ 97,578,669
Service billings receivable	24,043,887	-	-	24,043,887
Receivables	-	-	-	-
Due from other funds	573,331	-	-	573,331
Inventories	2,841,446	-	-	2,841,446
Other	32,522	-	-	32,522
Restricted for debt service and capital projects				
Investments	-	288,089,742	-	288,089,742
Receivables	-	-	-	-
Due from other governmental agencies	-	-	4,029,579	4,029,579
Other, net	-	21,718,349	-	21,718,349
Total current assets	<u>61,228,926</u>	<u>309,808,091</u>	<u>67,870,508</u>	<u>438,907,525</u>
Noncurrent assets				
Restricted assets				
Deferred connection and assessment charges	-	23,000,923	-	23,000,923
Capital assets				
Land and buildings	49,115,425	-	-	49,115,425
Water and sewer plants	924,155,800	-	-	924,155,800
Water and sewer lines	1,199,851,237	-	-	1,199,851,237
Machinery and equipment	19,158,748	-	-	19,158,748
	<u>2,192,281,210</u>	<u>-</u>	<u>-</u>	<u>2,192,281,210</u>
Less accumulated depreciation	<u>(951,495,281)</u>	<u>-</u>	<u>-</u>	<u>(951,495,281)</u>
	<u>1,240,785,929</u>	<u>-</u>	<u>-</u>	<u>1,240,785,929</u>
Construction work in progress	7,325,129	-	520,089,665	527,414,794
Total capital assets, net of depreciation	<u>1,248,111,058</u>	<u>-</u>	<u>520,089,665</u>	<u>1,768,200,723</u>
Total noncurrent assets	<u>1,248,111,058</u>	<u>23,000,923</u>	<u>520,089,665</u>	<u>1,791,201,646</u>
Total assets	<u>1,309,339,984</u>	<u>332,809,014</u>	<u>587,960,173</u>	<u>2,230,109,171</u>
DEFERRED OUTFLOW OF RESOURCES				
Pension benefits	9,388,450	-	-	9,388,450
OPEB benefits	9,767,821	-	-	9,767,821
Unamortized deferred refunding loss	-	3,765,472	-	3,765,472
Total deferred outflow of resources	<u>19,156,271</u>	<u>3,765,472</u>	<u>-</u>	<u>22,921,743</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	7,287,262	-	20,300,949	27,588,211
Current portion of long-term debt and obligations	38,509,682	7,193,461	-	45,703,143
Due to other funds	659,050	1,966,257	-	2,625,307
Escrow deposits	226,463	-	312,632	539,095
Liabilities related to restricted assets				
Accounts payable and accrued liabilities	-	7,766,139	-	7,766,139
Escrow deposits	-	-	-	-
Unearned revenue	-	7,065,964	-	7,065,964
Total current liabilities	<u>46,682,457</u>	<u>23,991,821</u>	<u>20,613,581</u>	<u>91,287,859</u>
Noncurrent liabilities				
Accrued liability for compensated absences	203,851	-	-	203,851
Net pension liability	45,281,443	-	-	45,281,443
Net OPEB liability	51,292,517	-	-	51,292,517
Long-term debt	284,058,398	78,684,463	385,549,079	748,291,940
Unearned revenue	1,256,104	-	-	1,256,104
Total noncurrent liabilities	<u>382,092,313</u>	<u>78,684,463</u>	<u>385,549,079</u>	<u>846,325,855</u>
Total liabilities	<u>428,774,770</u>	<u>102,676,284</u>	<u>406,162,660</u>	<u>937,613,714</u>
DEFERRED INFLOW OF RESOURCES				
Pension benefits	1,681,463	-	-	1,681,463
OPEB benefits	1,026,748	-	-	1,026,748
Total deferred inflow of resources	<u>2,708,211</u>	<u>-</u>	<u>-</u>	<u>2,708,211</u>
NET POSITION				
Net investment in capital assets	927,498,566	(82,112,452)	138,251,066	983,637,180
Restricted for debt service	-	316,010,654	-	316,010,654
Restricted for pension	-	-	-	-
Restricted for capital improvements	-	-	4,029,579	4,029,579
Unrestricted	(30,485,292)	-	39,516,868	9,031,576
Total net position	<u>\$ 897,013,274</u>	<u>\$ 233,898,202</u>	<u>\$ 181,797,513</u>	<u>\$ 1,312,708,989</u>

Anne Arundel County, Maryland

Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position

Water and Wastewater Fund

Year Ended June 30, 2020

	Operating	Debt Service	Capital Projects	Total
OPERATING REVENUES				
Charges for services	\$ 89,318,940	\$ -	\$ -	\$ 89,318,940
Other revenues	6,717,090	-	-	6,717,090
Total operating revenues	<u>96,036,030</u>	<u>-</u>	<u>-</u>	<u>96,036,030</u>
OPERATING EXPENSES				
Personnel services	33,239,212	-	-	33,239,212
Contractual services	39,522,591	-	-	39,522,591
Supplies and materials	9,093,116	-	-	9,093,116
Business and travel	229,117	-	-	229,117
Depreciation	51,676,312	-	-	51,676,312
Other	15,500,701	-	-	15,500,701
Total operating expenses	<u>149,261,049</u>	<u>-</u>	<u>-</u>	<u>149,261,049</u>
Operating loss	(53,225,019)	-	-	(53,225,019)
NONOPERATING REVENUES (EXPENSES)				
Investment income	612,484	5,377,428	-	5,989,912
Interest on long-term receivables	-	539,920	-	539,920
Other revenues	-	9,666,290	-	9,666,290
Other expenses	-	(1,230,568)	-	(1,230,568)
Interest expense	-	(30,418,337)	-	(30,418,337)
Loss on the disposal of assets	(8,524)	-	-	(8,524)
Loss before contributions and transfers	<u>(52,621,059)</u>	<u>(16,065,267)</u>	<u>-</u>	<u>(68,686,326)</u>
Capital contributions and grants	13,964,680	44,184,962	175,376	58,325,018
Environmental protection fees	-	21,395,793	-	21,395,793
Interfund transfers (General County Capital Projects)	(628,000)	-	-	(628,000)
Intrafund transfers	40,829,424	(51,970,707)	11,141,283	-
Change in net position	1,545,045	(2,455,219)	11,316,659	10,406,485
Net position, July 1	<u>895,468,229</u>	<u>236,353,421</u>	<u>170,480,854</u>	<u>1,302,302,504</u>
Net position, June 30	<u>\$ 897,013,274</u>	<u>\$ 233,898,202</u>	<u>\$ 181,797,513</u>	<u>\$ 1,312,708,989</u>

Anne Arundel County, Maryland

Combining Schedule of Cash Flows

Water and Wastewater Fund

Year Ended June 30, 2020

	<u>Operating</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Water and Wastewater</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 94,662,118	\$ -	\$ -	\$ 94,662,118
Cash payments to suppliers for goods and services	(57,542,535)	-	-	(57,542,535)
Cash payments to employees for services	(33,868,506)	-	-	(33,868,506)
Net cash provided by operating activities	<u>3,251,077</u>	<u>-</u>	<u>-</u>	<u>3,251,077</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of County bonds	-	-	74,095,000	74,095,000
Proceeds from grant funds	-	-	80,991	80,991
Proceeds from developers' contributions	-	-	184,962	184,962
Refunds to developers	-	(67,848)	(60,967)	(128,815)
Assessment and connection charges	1,808,348	38,473,517	-	40,281,865
Environmental protection fees for capital assets	-	21,395,793	-	21,395,793
Payments of long-term debt	-	(34,136,425)	-	(34,136,425)
Interest payments	-	(29,522,139)	-	(29,522,139)
Rebates, interest income and reimbursements	-	2,242,764	-	2,242,764
Operating funds used in construction	(14,303,000)	-	14,303,000	-
Acquisition and construction of capital assets	(599,859)	-	(87,740,488)	(88,340,347)
Premium on sale of bonds	-	17,834,282	17,834,282	35,668,564
Payment of capital related fees	-	(1,230,568)	-	(1,230,568)
Due to the General Fund	-	1,966,257	-	1,966,257
Transfer to Capital Projects	-	(17,834,282)	-	(17,834,282)
Transfer to General County Capital Projects	(628,000)	-	-	(628,000)
Net cash provided (used) by capital and related financing activities	<u>(13,722,511)</u>	<u>(878,649)</u>	<u>18,696,780</u>	<u>4,095,620</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of investment securities	-	(251,568,026)	-	(251,568,026)
Sale of investment securities	-	246,443,873	-	246,443,873
Interest on investments	612,484	(420,143)	-	192,341
Net cash provided (used) by investing activities	<u>612,484</u>	<u>(5,544,296)</u>	<u>-</u>	<u>(4,931,812)</u>
Net decrease in cash and cash equivalents	(9,858,950)	(6,422,945)	18,696,780	2,414,885
Cash and temporary investments, July 1	43,596,690	6,422,945	45,144,149	95,163,784
Cash and temporary investments, June 30	<u>\$ 33,737,740</u>	<u>\$ -</u>	<u>\$ 63,840,929</u>	<u>\$ 97,578,669</u>

Anne Arundel County, Maryland
Combining Schedule of Cash Flows
Water and Wastewater Fund
Year Ended June 30, 2020

	<u>Operating</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Water and Wastewater</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating loss	\$ (53,225,019)	\$ -	\$ -	\$ (53,225,019)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation	51,676,312	-	-	51,676,312
Noncapital construction costs	7,804,076	-	-	7,804,076
Effect of changes in operating assets, deferred outflows, liabilities and deferred inflows				
Accounts receivable	(1,379,101)	-	-	(1,379,101)
Due from other funds	(573,331)	-	-	(573,331)
Inventories	111,149	-	-	111,149
Prepaid expenses	(9,389)	-	-	(9,389)
Deferred outflow of resources	2,086,590	-	-	2,086,590
Deferred inflow of resources	(4,008,157)	-	-	(4,008,157)
Accounts payable and accrued liabilities	102,828	-	-	102,828
Due to other funds	(315,568)	-	-	(315,568)
Escrow deposits	5,189	-	-	5,189
Accrued liability for compensated absences	279,046	-	-	279,046
Accrued liability for pension	295,173	-	-	295,173
Accrued liability for OPEB benefits	401,279	-	-	401,279
Net cash provided by operating activities	<u>\$ 3,251,077</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,251,077</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Contributions of capital assets from developers	\$ 12,156,332	\$ -	\$ -	\$ 12,156,332
Change in capital contributions, fees and grants; accruals and deferrals	-	5,711,445	9,969	5,721,414
Increase in fair value of investments	-	(571,426)	-	(571,426)
Amortization of refunding losses	-	(618,079)	-	(618,079)
Total Noncash investing, capital, and financing activities	<u>\$ 12,156,332</u>	<u>\$ 4,521,940</u>	<u>\$ 9,969</u>	<u>\$ 16,688,241</u>

Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual (Non-GAAP Basis)

Enterprise Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
WATER AND WASTEWATER OPERATIONS				
Revenues				
Charges for services	\$ 93,530,700	\$ 93,530,700	\$ 91,127,288	\$ (2,403,412)
Investment income	725,000	725,000	612,484	(112,516)
Other	9,239,400	9,239,400	9,671,428	432,028
	<u>103,495,100</u>	<u>103,495,100</u>	<u>101,411,200</u>	<u>(2,083,900)</u>
Expenses				
Personal services	38,944,400	38,944,400	36,852,851	2,091,549
Contractual services	35,812,300	35,812,300	32,244,734	3,567,566
Supplies and materials	10,249,800	10,249,800	9,329,810	919,990
Business and travel	280,600	280,600	228,722	51,878
Capital outlay	1,621,200	1,621,200	1,283,555	337,645
Administrative costs	16,904,600	16,904,600	16,389,600	515,000
Pay-as-you-go	14,931,000	14,931,000	14,931,000	-
	<u>118,743,900</u>	<u>118,743,900</u>	<u>111,260,272</u>	<u>7,483,628</u>
Revenues over (under) expenditures	<u>\$ (15,248,800)</u>	<u>\$ (15,248,800)</u>	<u>\$ (9,849,072)</u>	<u>\$ 5,399,728</u>
WATER AND WASTEWATER DEBT SERVICE				
Revenues				
Water and sewer assessments	\$ 2,445,000	\$ 2,445,000	\$ 2,510,726	\$ 65,726
Capital connection charges	27,962,800	27,962,800	34,498,706	6,535,906
Environmental protection fees	21,565,100	21,565,100	21,395,793	(169,307)
Investment income	2,520,000	2,520,000	4,313,843	1,793,843
Other	2,872,500	2,872,500	3,171,839	299,339
	<u>57,365,400</u>	<u>57,365,400</u>	<u>65,890,907</u>	<u>8,525,507</u>
Expenses				
Principal payments on debt	34,511,500	34,511,500	34,136,425	375,075
Interest expense	29,641,200	29,641,200	29,522,140	119,060
Other	1,115,000	1,115,000	1,230,568	(115,568)
	<u>65,267,700</u>	<u>65,267,700</u>	<u>64,889,133</u>	<u>378,567</u>
Revenues over (under) expenditures	<u>\$ (7,902,300)</u>	<u>\$ (7,902,300)</u>	<u>\$ 1,001,774</u>	<u>\$ 8,904,074</u>

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Anne Arundel County, Maryland

Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual (Non-GAAP Basis)

Enterprise Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
SOLID WASTE				
Revenues				
Charges for services	\$ 49,031,100	\$ 49,031,100	\$ 49,236,095	\$ 204,995
Landfill charges	5,379,900	5,379,900	5,900,569	520,669
Other	393,500	393,500	930,925	537,425
	<u>54,804,500</u>	<u>54,804,500</u>	<u>56,067,589</u>	<u>1,263,089</u>
Expenses				
Personal services	8,219,700	8,219,700	8,195,608	24,092
Contractual services	37,604,500	38,039,500	37,794,998	244,502
Supplies and materials	758,600	758,600	663,723	94,877
Business and travel	24,000	24,000	7,425	16,575
Capital outlay	2,149,900	2,014,900	1,957,267	57,633
Principal payments on debt	2,501,200	2,501,200	2,501,215	(15)
Interest expense	1,870,900	1,870,900	1,870,859	41
Administrative costs	3,448,100	3,448,100	3,448,100	-
Contributions to other funds	1,670,700	1,670,700	1,670,700	-
Other	488,300	188,300	186,442	1,858
Capital improvements	1,400,000	1,400,000	1,400,000	-
	<u>60,135,900</u>	<u>60,135,900</u>	<u>59,696,337</u>	<u>439,563</u>
Revenues over (under) expenditures	<u>\$ (5,331,400)</u>	<u>\$ (5,331,400)</u>	<u>\$ (3,628,748)</u>	<u>\$ 1,702,652</u>
CHILD CARE				
Revenues				
Child care fees	\$ 6,465,000	\$ 6,465,000	\$ 4,538,073	\$ (1,926,927)
Other	-	-	58,888	58,888
	<u>6,465,000</u>	<u>6,465,000</u>	<u>4,596,961</u>	<u>(1,868,039)</u>
Expenses				
Personal services	4,818,800	4,818,800	3,914,465	904,335
Contractual services	351,000	351,000	270,272	80,728
Supplies and materials	514,500	514,500	314,880	199,620
Business and travel	42,500	42,500	36,019	6,481
Capital outlay	13,400	13,400	11,140	2,260
Other	1,014,800	1,014,800	919,600	95,200
	<u>6,755,000</u>	<u>6,755,000</u>	<u>5,466,376</u>	<u>1,288,624</u>
Revenues over (under) expenditures	<u>\$ (290,000)</u>	<u>\$ (290,000)</u>	<u>\$ (869,415)</u>	<u>\$ (579,415)</u>

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Anne Arundel County, Maryland

Schedule of Funding Sources Authorized and Realized (Non-GAAP Basis)

Enterprise Capital Projects Funds

Year Ended June 30, 2020

				Water and
	Total Water and Wastewater	Capital Projects	Water Normal Extensions	Total
AUTHORIZED PER ORIGINAL BUDGET				
County bonds	\$ 808,564,053	\$ 251,275,423	\$ 704,560	\$ 251,979,983
Maryland Water Quality Loan	33,196,206	2,714,250	-	2,714,250
Grants and aid	124,728,231	4,335,613	-	4,335,613
Pay-as-you-go	80,294,165	10,300,921	-	10,300,921
Contributions by developers	3,428,635	430,000	-	430,000
Other sources	53,304,997	8,343,000	-	8,343,000
Total	<u>\$ 1,103,516,287</u>	<u>\$ 277,399,207</u>	<u>\$ 704,560</u>	<u>\$ 278,103,767</u>
AUTHORIZED PER FINAL BUDGET				
County bonds	\$ 742,968,708	\$ 231,885,304	\$ 685,770	\$ 232,571,074
Maryland Water Quality Loan	33,196,206	2,714,250	-	2,714,250
Grants and aid	116,567,618	4,026,000	-	4,026,000
Pay-as-you-go	69,741,742	9,784,602	-	9,784,602
Contributions by developers	3,236,457	430,000	-	430,000
Other sources	50,639,997	8,200,000	-	8,200,000
Total	1,016,350,728	257,040,156	685,770	257,725,926
Less: Completed projects	64,984,127	9,702,690	-	9,702,690
	<u>951,366,601</u>	<u>247,337,466</u>	<u>685,770</u>	<u>248,023,236</u>
REALIZED				
Current year:				
Bonds and bond anticipation notes	74,095,000	6,509,621	17,398	6,527,019
Grants and aid	90,960	130,260	-	130,260
Pay-as-you-go	14,303,000	3,530,833	-	3,530,833
Developer contributions	84,416	-	-	-
Other source	17,834,282	-	-	-
Total	106,407,658	10,170,714	17,398	10,188,112
Prior years	580,159,545	60,939,177	235,165	61,174,342
Total realized funding sources	686,567,203	71,109,891	252,563	71,362,454
Less: Completed projects	64,661,633	9,673,077	-	9,673,077
	<u>621,905,570</u>	<u>61,436,814</u>	<u>252,563</u>	<u>61,689,377</u>
Funding sources authorized - June 30, 2020	<u>\$ 329,461,031</u>	<u>\$ 185,900,652</u>	<u>\$ 433,207</u>	<u>\$ 186,333,859</u>

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Wastewater					
		Wastewater			
Capital Projects	Normal Extension	Total	Oversize Connections	Solid Waste	
\$ 462,403,459	\$ 890,013	\$ 463,293,472	\$ 93,290,598	\$ 46,889,861	
30,481,956	-	30,481,956	-	-	
120,245,618	-	120,245,618	147,000	-	
23,583,704	-	23,583,704	46,409,540	19,364,894	
-	-	-	2,998,635	-	
44,962,000	-	44,962,000	(3)	2,696,000	
<u>\$ 681,676,737</u>	<u>\$ 890,013</u>	<u>\$ 682,566,750</u>	<u>\$ 142,845,770</u>	<u>\$ 68,950,755</u>	
\$ 428,442,702	\$ 759,236	\$ 429,201,938	\$ 81,195,696	\$ 32,488,280	
30,481,956	-	30,481,956	-	-	
112,394,618	-	112,394,618	147,000	-	
18,283,390	-	18,283,390	41,673,750	19,359,896	
-	-	-	2,806,457	-	
42,440,000	-	42,440,000	(3)	750,000	
632,042,666	759,236	632,801,902	125,822,900	52,598,176	
48,982,027	10,850	48,992,877	6,288,560	1,078,226	
583,060,639	748,386	583,809,025	119,534,340	51,519,950	
49,012,629	71,049	49,083,678	18,484,303	8,000,000	
(39,300)	-	(39,300)	-	-	
7,581,750	-	7,581,750	3,190,417	1,441,000	
22,366	-	22,366	62,050	-	
17,834,282	-	17,834,282	-	-	
74,411,727	71,049	74,482,776	21,736,770	9,441,000	
468,699,072	64,512	468,763,584	50,221,619	28,653,959	
543,110,799	135,561	543,246,360	71,958,389	38,094,959	
48,689,145	10,850	48,699,995	6,288,561	1,078,226	
494,421,654	124,711	494,546,365	65,669,828	37,016,733	
<u>\$ 88,638,985</u>	<u>\$ 623,675</u>	<u>\$ 89,262,660</u>	<u>\$ 53,864,512</u>	<u>\$ 14,503,217</u>	

Anne Arundel County, Maryland

Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Basis)

Enterprise Capital Projects Funds

Year Ended June 30, 2020

	Water and			
	Total Water and Wastewater	Capital Projects	Water Normal Extensions	Total
APPROPRIATIONS				
Original Budget	\$ <u>1,103,516,287</u>	\$ <u>277,399,207</u>	\$ <u>704,560</u>	\$ <u>278,103,767</u>
Final Budget:				
Prior years	\$ 888,429,282	\$ 214,247,436	\$ 685,770	\$ 214,933,206
Current year	<u>127,921,446</u>	<u>42,792,720</u>	<u>-</u>	<u>42,792,720</u>
	1,016,350,728	257,040,156	685,770	257,725,926
Less: Completed projects	<u>64,984,127</u>	<u>9,702,690</u>	<u>-</u>	<u>9,702,690</u>
Total appropriations	<u>951,366,601</u>	<u>247,337,466</u>	<u>685,770</u>	<u>248,023,236</u>
EXPENDITURES AND ENCUMBRANCES				
Prior years expenditures	550,954,804	48,953,681	188,496	49,142,177
Current year expenditures	<u>86,250,285</u>	<u>10,336,804</u>	<u>64,072</u>	<u>10,400,876</u>
	637,205,089	59,290,485	252,568	59,543,053
Less: Completed projects	<u>64,661,633</u>	<u>9,673,077</u>	<u>-</u>	<u>9,673,077</u>
Total	572,543,456	49,617,408	252,568	49,869,976
Encumbrances outstanding	<u>64,828,513</u>	<u>10,462,472</u>	<u>122,625</u>	<u>10,585,097</u>
Total expenditures and encumbrances	<u>637,371,969</u>	<u>60,079,880</u>	<u>375,193</u>	<u>60,455,073</u>
Unencumbered appropriations - June 30, 2020	\$ <u>313,994,632</u>	\$ <u>187,257,586</u>	\$ <u>310,577</u>	\$ <u>187,568,163</u>

<u>Wastewater</u>					
	<u>Wastewater</u>				
<u>Capital Projects</u>	<u>Normal Extension</u>	<u>Total</u>	<u>Oversize Connections</u>	<u>Solid Waste</u>	
\$ <u>681,676,737</u>	\$ <u>890,013</u>	\$ <u>682,566,750</u>	\$ <u>142,845,770</u>	\$ <u>69,950,755</u>	
\$ <u>579,650,940</u>	\$ <u>759,236</u>	\$ <u>580,410,176</u>	\$ <u>93,085,900</u>	\$ <u>31,762,175</u>	
<u>52,391,726</u>	<u>-</u>	<u>52,391,726</u>	<u>32,737,000</u>	<u>20,836,001</u>	
<u>632,042,666</u>	<u>759,236</u>	<u>632,801,902</u>	<u>125,822,900</u>	<u>52,598,176</u>	
<u>48,982,027</u>	<u>10,850</u>	<u>48,992,877</u>	<u>6,288,560</u>	<u>1,078,226</u>	
<u>583,060,639</u>	<u>748,386</u>	<u>583,809,025</u>	<u>119,534,340</u>	<u>51,519,950</u>	
<u>452,120,561</u>	<u>64,512</u>	<u>452,185,073</u>	<u>49,627,554</u>	<u>24,670,811</u>	
<u>54,108,994</u>	<u>71,049</u>	<u>54,180,043</u>	<u>21,669,366</u>	<u>7,697,226</u>	
<u>506,229,555</u>	<u>135,561</u>	<u>506,365,116</u>	<u>71,296,920</u>	<u>32,368,037</u>	
<u>48,689,145</u>	<u>10,850</u>	<u>48,699,995</u>	<u>6,288,561</u>	<u>1,078,226</u>	
<u>457,540,410</u>	<u>124,711</u>	<u>457,665,121</u>	<u>65,008,359</u>	<u>31,289,811</u>	
<u>34,558,211</u>	<u>17,839</u>	<u>34,576,050</u>	<u>19,667,366</u>	<u>8,875,632</u>	
<u>492,098,621</u>	<u>142,550</u>	<u>492,241,171</u>	<u>84,675,725</u>	<u>40,165,443</u>	
\$ <u>90,962,018</u>	\$ <u>605,836</u>	\$ <u>91,567,854</u>	\$ <u>34,858,615</u>	\$ <u>11,354,507</u>	

Combining Statement of Net Position

Internal Service Funds

June 30, 2020

	Self Insurance	Health Insurance	Central Garage and Transportation	Garage Vehicle Replacement	Totals
ASSETS					
Current assets					
Cash and temporary investments	\$ 561,135	\$ 31,903,634	\$ 5,313,824	\$ 9,526,073	\$ 47,304,666
Investments	88,115,635	-	-	-	88,115,635
Service billings receivable	52,013	8,813,552	27,320	1,420	8,894,305
Due from other funds	-	-	6,864,862	-	6,864,862
Inventories	-	-	706,786	-	706,786
Other assets	8,940	2,742,255	15,596	-	2,766,791
Total current assets	<u>88,737,723</u>	<u>43,459,441</u>	<u>12,928,388</u>	<u>9,527,493</u>	<u>154,653,045</u>
Noncurrent assets					
Due from other funds	-	-	-	-	-
Capital assets					
Land and buildings	-	-	2,073,990	-	2,073,990
Machinery and equipment	-	-	402,916	84,263,731	84,666,647
	-	-	2,476,906	84,263,731	86,740,637
Less accumulated depreciation	-	-	(1,957,201)	(54,060,662)	(56,017,863)
Total capital assets, net of depreciation	-	-	519,705	30,203,069	30,722,774
Total noncurrent assets	-	-	519,705	30,203,069	30,722,774
Total assets	<u>88,737,723</u>	<u>43,459,441</u>	<u>13,448,093</u>	<u>39,730,562</u>	<u>185,375,819</u>
DEFERRED OUTFLOW OF RESOURCES					
Pension benefits	351,908	-	1,358,636	-	1,710,544
OPEB benefits	375,558	-	1,371,398	-	1,746,956
Total deferred outflows	<u>727,466</u>	<u>-</u>	<u>2,730,034</u>	<u>-</u>	<u>3,457,500</u>
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	169,282	6,199,785	476,496	457,724	7,303,287
Current portion of long-term obligations	13,731,616	5,748,432	309,749	-	19,789,797
Due to other funds	14,216,643	-	-	-	14,216,643
Total current liabilities	<u>28,117,541</u>	<u>11,948,217</u>	<u>786,245</u>	<u>457,724</u>	<u>41,309,727</u>
Noncurrent liabilities					
Unpaid claims	57,442,302	-	-	-	57,442,302
Accrued liability for compensated absences	-	-	33,349	-	33,349
Accrued liability for pension benefits	1,732,381	-	7,334,226	-	9,066,607
Accrued liability for OPEB	2,073,826	-	7,598,775	-	9,672,601
Total noncurrent liabilities	<u>61,248,509</u>	<u>-</u>	<u>14,966,350</u>	<u>-</u>	<u>76,214,859</u>
Total liabilities	<u>89,366,050</u>	<u>11,948,217</u>	<u>15,752,595</u>	<u>457,724</u>	<u>117,524,586</u>
DEFERRED INFLOW OF RESOURCES					
Pension benefits	60,012	-	279,290	-	339,302
OPEB benefits	39,127	-	146,242	-	185,369
Total deferred inflows	<u>99,139</u>	<u>-</u>	<u>425,532</u>	<u>-</u>	<u>524,671</u>
NET POSITION					
Net investment in capital assets	-	-	519,705	30,203,069	30,722,774
Unrestricted	-	31,511,224	(519,705)	9,069,769	40,061,288
Total net position	<u>\$ -</u>	<u>\$ 31,511,224</u>	<u>\$ -</u>	<u>\$ 39,272,838</u>	<u>\$ 70,784,062</u>

Anne Arundel County, Maryland

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

Internal Service Funds

Year Ended June 30, 2020

	Self Insurance	Health Insurance	Central Garage and Transportation	Garage Vehicle Replacement	Totals
OPERATING REVENUES					
Charges for services	\$ 6,951,039	\$ -	\$ 12,945,328	\$ 10,689,061	\$ 30,585,428
Medical premiums	-	90,329,898	-	-	90,329,898
Other	-	8,001,032	2,580	-	8,003,612
Total operating revenues	<u>6,951,039</u>	<u>98,330,930</u>	<u>12,947,908</u>	<u>10,689,061</u>	<u>128,918,938</u>
OPERATING EXPENSES					
Personnel services	1,291,814	15,000,000	5,067,394	-	21,359,208
Contractual services	119,534	917,973	1,242,973	31,243	2,311,723
Supplies and materials	63,036	21,355	193,512	726,926	1,004,829
Business and travel	22,949	836	14,107	-	37,892
Cost of goods issued	-	-	6,407,730	-	6,407,730
Depreciation	-	-	66,392	9,162,212	9,228,604
Provision for claims and estimated losses	7,372,879	81,129,754	-	-	88,502,633
Other	278,000	850,000	455,800	42,300	1,626,100
Total operating expenses	<u>9,148,212</u>	<u>97,919,918</u>	<u>13,447,908</u>	<u>9,962,681</u>	<u>130,478,719</u>
Operating income (loss)	<u>(2,197,173)</u>	<u>411,012</u>	<u>(500,000)</u>	<u>726,380</u>	<u>(1,559,781)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment income	2,197,173	535,131	-	-	2,732,304
Inter fund transfers in (out)	-	-	500,000	(500,000)	-
Gain on disposal of assets	-	-	-	578,932	578,932
Gain (loss) before transfers	<u>-</u>	<u>946,143</u>	<u>-</u>	<u>805,312</u>	<u>1,751,455</u>
Change in net position	-	946,143	-	805,312	1,751,455
Net position, July 1	-	30,565,081	-	38,467,526	69,032,607
Net position, June 30	<u>\$ -</u>	<u>\$ 31,511,224</u>	<u>\$ -</u>	<u>\$ 39,272,838</u>	<u>\$ 70,784,062</u>

Anne Arundel County, Maryland

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2020

	Self Insurance	Health Insurance	Central Garage and Transportation	Garage Vehicle Replacement	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 21,563,100	\$ 89,677,991	\$ 15,543,571	\$ 10,689,061	\$ 137,473,723
Cash received for expense reimbursement	(55,681)	7,281,851	-	-	7,226,170
Cash payments to suppliers for goods and services	(235,718)	(649,952)	(8,270,146)	(758,169)	(9,913,985)
Cash payments for insurance claims	(19,411,670)	(97,023,652)	-	-	(116,435,322)
Cash payments to employees for services	(1,348,981)	-	(5,094,491)	-	(6,443,472)
Other operating payments	(278,000)	(850,000)	(455,800)	(42,300)	(1,626,100)
Net cash provided (used) by operating activities	<u>233,050</u>	<u>(1,563,762)</u>	<u>1,723,134</u>	<u>9,888,592</u>	<u>10,281,014</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Asset transfers between funds	-	-	500,000	(500,000)	-
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>(500,000)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	-	-	(129,782)	(10,586,484)	(10,716,266)
Proceeds from sale of equipment	-	-	-	698,494	698,494
Net cash used for capital and related financing activities	<u>-</u>	<u>-</u>	<u>(129,782)</u>	<u>(9,887,990)</u>	<u>(10,017,772)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment securities	(71,672,245)	-	-	-	(71,672,245)
Sale of investment securities	67,689,464	-	-	-	67,689,464
Investment income	2,460,590	535,131	-	-	2,995,721
Net cash provided (used) by investing activities	<u>(1,522,191)</u>	<u>535,131</u>	<u>-</u>	<u>-</u>	<u>(987,060)</u>
Net increase (decrease) in cash and cash equivalents	(1,289,141)	(1,028,631)	2,093,352	(499,398)	(723,818)
Cash and temporary investments, July 1	1,850,276	32,932,265	3,220,472	10,025,471	48,028,484
Cash and temporary investments, June 30	<u>\$ 561,135</u>	<u>\$ 31,903,634</u>	<u>\$ 5,313,824</u>	<u>\$ 9,526,073</u>	<u>\$ 47,304,666</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES					
Operating income (loss)	\$ (2,197,173)	\$ 411,012	\$ (500,000)	\$ 726,380	\$ (1,559,781)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	-	-	66,392	9,162,212	9,228,604
Effect of changes in operating assets, deferred outflows, liabilities and deferred inflows					
Accounts receivable	395,418	(1,371,634)	2,598,243	-	1,622,027
Prepaid expenses	825	-	4,059	-	4,884
Inventories	-	-	6,487	-	6,487
Accounts payable and accrued expenses	(19,064)	(2,190,750)	(367,043)	-	(2,576,857)
Deferred outflow of resources	(123,694)	-	(403,903)	-	(527,597)
Deferred inflow of resources	23,878	-	116,030	-	139,908
Unpaid claims	(12,094,472)	1,587,610	-	-	(10,506,862)
Due to other funds	14,216,643	-	-	-	14,216,643
Accrued liability for compensated absences	4,284	-	104,220	-	108,504
Accrued liability for OPEB benefits	15,429	-	56,339	-	71,768
Accrued liability for pension benefits	10,976	-	42,310	-	53,286
Net cash provided (used) by operating activities	<u>\$ 233,050</u>	<u>\$ (1,563,762)</u>	<u>\$ 1,723,134</u>	<u>\$ 9,888,592</u>	<u>\$ 10,281,014</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Decrease in fair value of investments	\$ (162,128)	\$ -	\$ -	\$ -	\$ (162,128)
Trade in of capital assets	-	-	-	-	-
Total Noncash investing, capital, and financing activities	<u>\$ (162,128)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (162,128)</u>

Anne Arundel County, Maryland

Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual (Non-GAAP Basis)

Internal Service Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
SELF INSURANCE				
Revenues				
Charges for services	\$ 21,563,100	\$ 21,563,100	\$ 21,563,100	\$ -
Investment income	2,183,800	2,183,800	2,158,106	(25,694)
Reimbursements	200,000	200,000	145,514	(54,486)
Other	-	-	3,266	3,266
	<u>23,946,900</u>	<u>23,946,900</u>	<u>23,869,986</u>	<u>(76,914)</u>
Expenses				
Personal services	1,484,100	1,484,100	1,429,002	55,098
Contractual services	22,096,700	22,096,700	10,838,998	11,257,702
Supplies and materials	72,400	72,400	59,797	12,603
Business and travel	33,700	33,700	22,949	10,751
Capital outlay	2,000	2,000	3,239	(1,239)
Administrative costs	278,000	278,000	278,000	-
	<u>23,966,900</u>	<u>23,966,900</u>	<u>12,631,985</u>	<u>11,334,915</u>
Revenues over (under) expenditures	<u>\$ (20,000)</u>	<u>\$ (20,000)</u>	<u>\$ 11,238,001</u>	<u>\$ 11,258,001</u>
HEALTH INSURANCE				
Revenues				
Charges for services	\$ 90,898,500	\$ 90,898,500	\$ 90,329,898	\$ (568,602)
Investment income	-	-	535,131	535,131
Other	-	-	8,089,513	8,089,513
	<u>90,898,500</u>	<u>90,898,500</u>	<u>98,954,542</u>	<u>8,056,042</u>
Expenses				
Medical claim costs	83,865,000	83,865,000	81,129,754	2,735,246
Contractual services	1,068,200	1,068,200	787,787	280,413
Supplies and materials	61,900	61,900	21,355	40,545
Business and travel	4,100	4,100	836	3,264
Other	5,850,000	15,850,000	15,850,000	-
	<u>90,849,200</u>	<u>100,849,200</u>	<u>97,789,732</u>	<u>3,059,468</u>
Revenues over expenditures	<u>\$ 49,300</u>	<u>\$ (9,950,700)</u>	<u>\$ 1,164,810</u>	<u>\$ 11,115,510</u>

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Anne Arundel County, Maryland

Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual (Non-GAAP Basis)

Internal Service Funds

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
CENTRAL GARAGE AND TRANSPORTATION				
Revenues				
Charges for services	\$ 15,721,700	\$ 15,721,700	\$ 15,593,118	\$ (128,582)
Other	500,000	500,000	502,580	2,580
	<u>16,221,700</u>	<u>16,221,700</u>	<u>16,095,698</u>	<u>(126,002)</u>
Expenses				
Personal services	5,211,900	5,211,900	5,256,618	(44,718)
Contractual services	1,815,300	1,815,300	1,375,743	439,557
Supplies and materials	8,188,700	8,188,700	6,688,544	1,500,156
Business and travel	16,700	16,700	14,107	2,593
Capital outlay	22,500	22,500	18,637	3,863
Other	455,800	455,800	455,800	-
	<u>15,710,900</u>	<u>15,710,900</u>	<u>13,809,449</u>	<u>1,901,451</u>
Revenues over (under) expenditures	<u>\$ 510,800</u>	<u>\$ 510,800</u>	<u>\$ 2,286,249</u>	<u>\$ 1,775,449</u>
GARAGE VEHICLE REPLACEMENT				
Revenues				
Charges for services	\$ 10,864,400	\$ 10,864,400	\$ 10,689,061	\$ (175,339)
Other	200,000	200,000	700,184	500,184
	<u>11,064,400</u>	<u>11,064,400</u>	<u>11,389,245</u>	<u>324,845</u>
Expenses				
Contractual services	37,000	37,000	31,243	5,757
Capital outlay	10,519,000	10,519,000	10,517,315	1,685
Other	542,300	542,300	542,300	-
	<u>11,098,300</u>	<u>11,098,300</u>	<u>11,090,858</u>	<u>7,442</u>
Revenues (under) expenditures	<u>\$ (33,900)</u>	<u>\$ (33,900)</u>	<u>\$ 298,387</u>	<u>\$ 332,287</u>

Budgeted revenues exclude fund balance appropriated to fund expenditures in the current fiscal year.

Fiduciary Funds

Post-employment Trust Funds

Defined Benefit Retirement and Pension System Plans – This fund accounts for pension investments for the four single employer plans for the County. The four plans are the Employees' Retirement Plan, Police Service Retirement Plan, Fire Service Retirement Plan, and Detention Officers' and Deputy Sheriffs' Retirement Plan. The nature and the respective terms are described in detail in the footnotes to the basic financial statements.

Anne Arundel Retiree Health Benefits Trust (the OPEB Trust) – The OPEB Trust has fiduciary responsibility to administer single employer defined benefit plans for the purpose of providing retiree health benefits for three entities. The entity plans are The Anne Arundel County Plan, the Anne Arundel Community College Plan, and the Public Library Association of Annapolis and Anne Arundel County, Inc. The nature and the respective terms are described in detail in the footnotes to the basic financial statements.

Agency Funds

Subdivision Deposits – This fund accounts for amounts placed on deposit from contractors and developers pertaining primarily to road maintenance.

Sediment Control – This fund accounts for amounts received from developers as deposits in lieu of performance bonds for construction site sediment control.

City and State Tax Collection – This fund accounts for taxes collected for the City of Annapolis and the State of Maryland. Taxes are collected by the County and are then remitted to the proper jurisdiction.

Tax Sale Escrow Deposits – This fund accounts for payments made during the annual tax sale process. High bid premium payments are collected and held by the County until returned to the tax sale lien holder upon tax sale void, redemption, or foreclosure.

National Business Park North – This fund accounts for the transactions of a special taxing district. Taxes are collected and used to pay the debt for the infrastructure improvements within the district.

Two Rivers – This fund accounts for the transactions of a special taxing district. Taxes are collected and used to pay the debt for the infrastructure improvements within the district.

Arundel Gateway – This fund accounts for the transactions of a special taxing district. Taxes are collected and used to pay the debt for the infrastructure improvements within the district.

Farmington Special Assessment – This fund accounts for the transactions of a special taxing district. Taxes are collected and used to pay the debt for the infrastructure improvements within the district.

Dorchester Special Tax District – This fund accounts for the transactions of a special taxing district. Taxes are collected and used to pay the debt for the infrastructure improvements within the district.

Conference and Visitors Bureau – The County dedicates 17% of its hotel / motel tax revenue to the promotion of tourism within the County. This fund accumulates the dedicated revenue and disburses the funds directly to the Annapolis and Anne Arundel County Conference and Visitors Center.

Arts Council of Anne Arundel County – The County dedicates 3% of its hotel / motel tax revenue to the promotion of the arts within the County. This fund accumulates the dedicated revenue and disburses the funds directly to the Arts Council of Anne Arundel County.

Fiduciary Funds (continued)

Miscellaneous Escrow Deposits – This fund accounts for any other escrow deposits collected by County departments or agencies that are not in one of the other agency funds. The deposits are held until the depositor meets certain requirements at which time the funds are returned.

Anne Arundel County, Maryland

Combining Statement of Plan Net Position

Pension Trust Funds

June 30, 2020

	Defined Benefit Pension Plans (December 31, 2019)				
	Employees' Retirement	Police Service Retirement	Fire Service Retirement	Detention Officers' & Deputy Sheriffs' Retirement	Totals
ASSETS					
Investments, at fair value:					
Cash and temporary investments	\$ 32,323,176	\$ 27,247,613	\$ 26,997,791	\$ 7,259,383	\$ 93,827,963
U. S. Government obligations	6,427,011	5,417,989	5,367,198	1,442,902	18,655,100
Corporate obligations	55,038,978	46,398,018	45,963,060	12,356,584	159,756,640
Domestic fixed income mutual funds	53,174,144	44,825,957	44,405,736	11,937,917	154,343,754
International fixed income mutual funds	36,656,038	30,901,146	30,611,462	8,229,502	106,398,148
Global asset pools	61,130,391	51,533,097	51,050,000	13,724,143	177,437,631
Domestic equity	147,550,189	124,385,236	123,219,186	33,125,911	428,280,522
International equity pools	172,511,834	145,427,976	144,064,660	38,729,951	500,734,421
Private markets	52,807,090	44,516,530	44,099,209	11,855,512	153,278,341
Real estate investment pools	43,287,032	36,491,093	36,149,007	9,718,201	125,645,333
Absolute return fixed income	23,753,439	20,024,217	19,836,500	5,332,791	68,946,947
Aetna insurance pooled fixed income	7,367,480	6,210,807	6,152,584	1,654,044	21,384,915
Total investments	692,026,802	583,379,679	577,916,393	155,366,841	2,008,689,715
Collateral from securities lending transactions	21,257,401	17,920,051	17,752,059	4,772,415	61,701,926
Receivables:					
Employer contributions	2,609,513	1,972,897	1,572,354	648,770	6,803,534
Participant contributions	397,429	300,358	286,385	113,828	1,098,001
Accrued interest and dividends	733,616	618,514	612,730	164,751	2,129,611
Investment sales proceeds	5,537,812	4,668,391	4,624,628	1,243,272	16,074,103
Total receivables	9,278,370	7,560,161	7,096,097	2,170,621	26,105,249
Deposits on hand	11,086	99,490	45,888	-	156,464
Total assets	722,573,659	608,959,381	602,810,437	162,309,877	2,096,653,354
LIABILITIES					
Accounts payable	754,300	636,725	629,582	169,221	2,189,828
Investment commitments payable	9,402,143	7,926,034	7,851,731	2,110,838	27,290,746
Obligation for collateral received under securities lending transactions	21,257,401	17,920,051	17,752,059	4,772,415	61,701,926
Total liabilities	31,413,844	26,482,810	26,233,372	7,052,474	91,182,500
NET POSITION					
Net position restricted for pension	\$ <u>691,159,815</u>	\$ <u>582,476,571</u>	\$ <u>576,577,065</u>	\$ <u>155,257,403</u>	\$ <u>2,005,470,854</u>

Combining Statement of Changes in Net Position

Pension Trust Funds

Year Ended June 30, 2020

	Defined Benefit Pension Trust (December 31, 2019)				
	Employees' Retirement	Police Service Retirement	Fire Service Retirement	Detention Officers' & Deputy Sheriffs' Retirement	Totals
ADDITIONS					
Contributions:					
Employer	\$ 29,637,342	\$ 23,093,892	\$ 17,637,120	\$ 7,600,380	\$ 77,968,734
Participant	5,511,825	3,669,199	3,652,415	1,401,641	14,235,080
Total contributions	<u>35,149,167</u>	<u>26,763,091</u>	<u>21,289,535</u>	<u>9,002,021</u>	<u>92,203,814</u>
Investment income:					
Net appreciation/(depreciation) in fair value of investments	78,435,591	65,786,919	64,824,326	17,299,722	226,346,558
Interest income	8,822,799	7,599,164	7,908,500	1,931,892	26,262,355
Dividend income	8,192,431	6,868,180	6,800,169	1,814,660	23,675,440
Total investment income/(loss)	<u>95,450,821</u>	<u>80,254,263</u>	<u>79,532,995</u>	<u>21,046,274</u>	<u>276,284,353</u>
Less investment expense	4,054,533	3,462,871	3,421,994	896,566	11,835,964
Net income/(loss) from investing activities	<u>91,396,288</u>	<u>76,791,392</u>	<u>76,111,001</u>	<u>20,149,708</u>	<u>264,448,389</u>
Securities lending activities:					
Securities lending income	534,010	447,442	443,274	118,257	1,542,983
Securities lending expenses:					
Borrower rebates	407,738	341,640	338,457	90,294	1,178,129
Management fees	50,509	42,321	41,926	11,185	145,941
Securities lending expense	<u>458,247</u>	<u>383,961</u>	<u>380,383</u>	<u>101,479</u>	<u>1,324,070</u>
Securities lending net income	<u>75,763</u>	<u>63,481</u>	<u>62,891</u>	<u>16,778</u>	<u>218,913</u>
Total net investment income/(loss)	<u>91,472,051</u>	<u>76,854,873</u>	<u>76,173,892</u>	<u>20,166,486</u>	<u>264,667,302</u>
Total additions	<u>126,621,218</u>	<u>103,617,964</u>	<u>97,463,427</u>	<u>29,168,507</u>	<u>356,871,116</u>
DEDUCTIONS					
Participant benefit payments and refunds	55,015,580	36,852,665	30,091,059	8,591,801	130,551,105
Administrative expenses	618,605	540,088	530,549	138,075	1,827,317
Total deductions	<u>55,634,185</u>	<u>37,392,753</u>	<u>30,621,608</u>	<u>8,729,876</u>	<u>132,378,422</u>
Net increases	70,987,033	66,225,211	66,841,819	20,438,631	224,492,694
Net position, beginning of year	<u>620,172,782</u>	<u>516,251,360</u>	<u>509,735,246</u>	<u>134,818,772</u>	<u>1,780,978,160</u>
Net position, end of year	<u>\$ 691,159,815</u>	<u>\$ 582,476,571</u>	<u>\$ 576,577,065</u>	<u>\$ 155,257,403</u>	<u>\$ 2,005,470,854</u>

Anne Arundel Retiree Health Benefits Trust
Combining Statement of Fiduciary Net Position
June 30, 2020

	Anne Arundel County Government Plan	Anne Arundel Community College Plan	Anne Arundel County Public Library Plan	Total
ASSETS				
Investments:				
Short-term investments	\$ 15,116,691	\$ 29,928	\$ 135,350	\$ 15,281,969
Mutual Funds	211,508,317	11,406,757	1,020,754	223,935,828
Real estate investment pool	12,439,051	670,845	60,032	13,169,928
Total investments	<u>239,064,059</u>	<u>12,107,530</u>	<u>1,216,136</u>	<u>252,387,725</u>
Accounts receivable	<u>12,987,688</u>	<u>41</u>	<u>39</u>	<u>12,987,768</u>
Total assets	<u>\$ 252,051,747</u>	<u>\$ 12,107,571</u>	<u>\$ 1,216,175</u>	<u>\$ 265,375,493</u>
LIABILITIES				
Accrued liabilities and accounts payables	\$ 2,945,628	\$ 1,540	\$ 140	\$ 2,947,308
Due to Anne Arundel County Government	<u>-</u>	<u>182</u>	<u>17</u>	<u>199</u>
Total liabilities	<u>2,945,628</u>	<u>1,722</u>	<u>157</u>	<u>2,947,507</u>
NET POSITION				
Net position restricted for OPEB	<u>\$ 249,106,119</u>	<u>\$ 12,105,849</u>	<u>\$ 1,216,018</u>	<u>\$ 262,427,986</u>

Anne Arundel Retiree Health Benefits Trust
Combining Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2020

	Anne Arundel County Government Plan	Anne Arundel Community College Plan	Anne Arundel County Public Library Plan	Total
Additions:				
Contributions:				
Employer	\$ 91,810,561	\$ 2,096,194	\$ 1,512,344	\$ 95,419,099
Member	7,771,694	1,195,077	353,709	9,320,480
Insurance subsidies and rebates	10,136,864	-	-	10,136,864
Total contributions	<u>109,719,119</u>	<u>3,291,271</u>	<u>1,866,053</u>	<u>114,876,443</u>
Investment income:				
Net appreciation in fair value of investments	(3,140,398)	(179,131)	(15,683)	(3,335,212)
Dividends	6,677,326	377,310	33,445	7,088,081
Interest	536,443	8,384	1,769	546,596
Total investment income	<u>4,073,371</u>	<u>206,563</u>	<u>19,531</u>	<u>4,299,465</u>
Less investment expense	<u>123,597</u>	<u>7,978</u>	<u>728</u>	<u>132,303</u>
Net investment income	<u>3,949,774</u>	<u>198,585</u>	<u>18,803</u>	<u>4,167,162</u>
Total additions	<u>\$ 113,668,893</u>	<u>\$ 3,489,856</u>	<u>\$ 1,884,856</u>	<u>\$ 119,043,605</u>
Deductions:				
Insurance claims	\$ 37,024,015	\$ -	\$ -	\$ 37,024,015
Insurance premiums	6,757,910	3,291,271	1,755,253	11,804,434
General and administrative expense	1,084,019	6,597	645	1,091,261
Total deductions	<u>44,865,944</u>	<u>3,297,868</u>	<u>1,755,898</u>	<u>49,919,710</u>
Net increase in plan net position	<u>68,802,949</u>	<u>191,988</u>	<u>128,958</u>	<u>69,123,895</u>
Net position held in trust for other postemployment benefits, beginning of year	<u>180,303,170</u>	<u>11,913,861</u>	<u>1,087,060</u>	<u>193,304,091</u>
Net position held in trust for other postemployment benefits, end of year	<u>\$ 249,106,119</u>	<u>\$ 12,105,849</u>	<u>\$ 1,216,018</u>	<u>\$ 262,427,986</u>

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Combining Statement of Changes in Assets and Liabilities

Agency Funds

Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
SUBDIVISION DEPOSITS				
Assets				
Cash	\$ 1,854,621	\$ 426,093	\$ 741,101	\$ 1,539,613
Total Assets	<u>\$ 1,854,621</u>	<u>\$ 426,093</u>	<u>\$ 741,101</u>	<u>\$ 1,539,613</u>
Liabilities				
Escrow Deposits	\$ 1,854,621	\$ 426,093	\$ 741,101	\$ 1,539,613
Total Liabilities	<u>\$ 1,854,621</u>	<u>\$ 426,093</u>	<u>\$ 741,101</u>	<u>\$ 1,539,613</u>
SEDIMENT CONTROL				
Assets				
Cash	\$ 5,896,591	\$ 2,292,786	\$ 2,879,429	\$ 5,309,948
Total Assets	<u>\$ 5,896,591</u>	<u>\$ 2,292,786</u>	<u>\$ 2,879,429</u>	<u>\$ 5,309,948</u>
Liabilities				
Escrow and other deposits	\$ 5,896,591	\$ 2,292,786	\$ 2,879,429	\$ 5,309,948
Total Liabilities	<u>\$ 5,896,591</u>	<u>\$ 2,292,786</u>	<u>\$ 2,879,429</u>	<u>\$ 5,309,948</u>
CITY AND STATE TAX COLLECTION				
Assets				
Cash	\$ 4,391,385	\$ 171,471,410	\$ 171,860,680	\$ 4,002,115
Total Assets	<u>\$ 4,391,385</u>	<u>\$ 171,471,410</u>	<u>\$ 171,860,680</u>	<u>\$ 4,002,115</u>
Liabilities				
Escrow Deposits	\$ 4,391,385	\$ 171,471,410	\$ 171,860,680	\$ 4,002,115
Total Liabilities	<u>\$ 4,391,385</u>	<u>\$ 171,471,410</u>	<u>\$ 171,860,680</u>	<u>\$ 4,002,115</u>
DEFINED CONTRIBUTION PLAN 401A				
Assets				
Cash	\$ -	\$ 674,743	\$ 645,660	\$ 29,083
Total Assets	<u>\$ -</u>	<u>\$ 674,743</u>	<u>\$ 645,660</u>	<u>\$ 29,083</u>
Liabilities				
Escrow Deposits	\$ -	\$ 674,743	\$ 645,660	\$ 29,083
Total Liabilities	<u>\$ -</u>	<u>\$ 674,743</u>	<u>\$ 645,660</u>	<u>\$ 29,083</u>
TAX SALE ESCROW DEPOSITS				
Assets				
Cash	\$ 11,783,568	\$ -	\$ 11,222,031	\$ 561,537
Total Assets	<u>\$ 11,783,568</u>	<u>\$ -</u>	<u>\$ 11,222,031</u>	<u>\$ 561,537</u>
Liabilities				
Escrow Deposits	\$ 11,783,568	\$ -	\$ 11,222,031	\$ 561,537
Total Liabilities	<u>\$ 11,783,568</u>	<u>\$ -</u>	<u>\$ 11,222,031</u>	<u>\$ 561,537</u>
NATIONAL BUSINESS PARK				
Assets				
Cash and investments	\$ 1,470	\$ 24	\$ -	\$ 1,494
Total Assets	<u>\$ 1,470</u>	<u>\$ 24</u>	<u>\$ -</u>	<u>\$ 1,494</u>
Liabilities				
Escrow Deposits	\$ 1,470	\$ 24	\$ -	\$ 1,494
Total Liabilities	<u>\$ 1,470</u>	<u>\$ 24</u>	<u>\$ -</u>	<u>\$ 1,494</u>
TWO RIVERS				
Assets				
Cash and investments	\$ 3,714,909	\$ 2,004,406	\$ 1,748,114	\$ 3,971,201
Total Assets	<u>\$ 3,714,909</u>	<u>\$ 2,004,406</u>	<u>\$ 1,748,114</u>	<u>\$ 3,971,201</u>
Liabilities				
Escrow Deposits	\$ 3,714,909	\$ 2,004,406	\$ 1,748,114	\$ 3,971,201
Total Liabilities	<u>\$ 3,714,909</u>	<u>\$ 2,004,406</u>	<u>\$ 1,748,114</u>	<u>\$ 3,971,201</u>

Combining Statement of Changes in Assets and Liabilities

Agency Funds

Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
ARUNDEL GATEWAY				
Assets				
Cash and investments	\$ 766,551	\$ 1,406,807	\$ 1,378,444	\$ 794,914
Total Assets	<u>\$ 766,551</u>	<u>\$ 1,406,807</u>	<u>\$ 1,378,444</u>	<u>\$ 794,914</u>
Liabilities				
Escrow Deposits	\$ 766,551	\$ 1,406,807	\$ 1,378,444	\$ 794,914
Total Liabilities	<u>\$ 766,551</u>	<u>\$ 1,406,807</u>	<u>\$ 1,378,444</u>	<u>\$ 794,914</u>
FARMINGTON SPECIAL ASSESSMENT				
Assets				
Cash and investments	\$ 951,925	\$ 700,810	\$ 486,162	\$ 1,166,573
Total Assets	<u>\$ 951,925</u>	<u>\$ 700,810</u>	<u>\$ 486,162</u>	<u>\$ 1,166,573</u>
Liabilities				
Escrow Deposits	\$ 951,925	\$ 700,810	\$ 486,162	\$ 1,166,573
Total Liabilities	<u>\$ 951,925</u>	<u>\$ 700,810</u>	<u>\$ 486,162</u>	<u>\$ 1,166,573</u>
DORCHESTER SPECIAL TAX DISTRICT				
Assets				
Cash and investments	\$ 2,616,655	\$ 1,471,164	\$ 1,105,549	\$ 2,982,270
Total Assets	<u>\$ 2,616,655</u>	<u>\$ 1,471,164</u>	<u>\$ 1,105,549</u>	<u>\$ 2,982,270</u>
Liabilities				
Escrow Deposits	\$ 2,616,655	\$ 1,471,164	\$ 1,105,549	\$ 2,982,270
Total Liabilities	<u>\$ 2,616,655</u>	<u>\$ 1,471,164</u>	<u>\$ 1,105,549</u>	<u>\$ 2,982,270</u>
CONFERENCE AND VISITOR'S BUREAU				
Assets				
Cash	\$ 914,066	\$ 2,349,441	\$ 2,894,916	\$ 368,591
Total Assets	<u>\$ 914,066</u>	<u>\$ 2,349,441</u>	<u>\$ 2,894,916</u>	<u>\$ 368,591</u>
Liabilities				
Escrow deposits	\$ 914,066	\$ 2,349,441	\$ 2,894,916	\$ 368,591
Total Liabilities	<u>\$ 914,066</u>	<u>\$ 2,349,441</u>	<u>\$ 2,894,916</u>	<u>\$ 368,591</u>
ART'S COUNCIL OF ANNE ARUNDEL COUNTY				
Assets				
Cash	\$ 161,306	\$ 259,905	\$ 356,166	\$ 65,045
Total Assets	<u>\$ 161,306</u>	<u>\$ 259,905</u>	<u>\$ 356,166</u>	<u>\$ 65,045</u>
Liabilities				
Escrow deposits	\$ 161,306	\$ 259,905	\$ 356,166	\$ 65,045
Total Liabilities	<u>\$ 161,306</u>	<u>\$ 259,905</u>	<u>\$ 356,166</u>	<u>\$ 65,045</u>
MISCELLANEOUS ESCROW DEPOSITS				
Assets				
Cash	\$ 270,067	\$ 101,445	\$ 152,629	\$ 218,883
Total Assets	<u>\$ 270,067</u>	<u>\$ 101,445</u>	<u>\$ 152,629</u>	<u>\$ 218,883</u>
Liabilities				
Escrow and other deposits	\$ 270,067	\$ 101,445	\$ 152,629	\$ 218,883
Total Liabilities	<u>\$ 270,067</u>	<u>\$ 101,445</u>	<u>\$ 152,629</u>	<u>\$ 218,883</u>
TOTALS - ALL FUNDS				
Assets				
Cash and investments	\$ 33,323,114	\$ 183,159,034	\$ 195,470,881	\$ 21,011,267
Total Assets	<u>\$ 33,323,114</u>	<u>\$ 183,159,034</u>	<u>\$ 195,470,881</u>	<u>\$ 21,011,267</u>
Liabilities				
Escrow and other deposits	\$ 33,323,114	\$ 183,159,034	\$ 195,470,881	\$ 21,011,267
Total Liabilities	<u>\$ 33,323,114</u>	<u>\$ 183,159,034</u>	<u>\$ 195,470,881</u>	<u>\$ 21,011,267</u>

Anne Arundel County, Maryland

Combining Statement of Net Position

Non-major Component Units

June 30, 2020

	AA County Public Library	Economic Development	Tipton Airport	Workforce Development	Totals
ASSETS					
Current Assets					
Cash and investments	\$ 11,824	\$ 4,352,682	\$ 1,000,642	\$ 1,053,313	\$ 6,418,461
Service billings receivable	-	-	10,065	-	10,065
Prepays and other assets	-	971,542	64,796	1,011,370	2,047,708
Inventories	-	-	15,112	-	15,112
Receivables	-	-	12,754	-	12,754
Due from primary government	3,705,380	-	-	-	3,705,380
Restricted assets					
Cash and temporary investments	-	3,556,089	-	-	3,556,089
Total current assets	<u>3,717,204</u>	<u>8,880,313</u>	<u>1,103,369</u>	<u>2,064,683</u>	<u>15,765,569</u>
Non-current Assets					
Loans receivable and other assets	-	9,004,452	-	113,951	9,118,403
Capital assets being depreciated	20,574,259	872,386	16,593,773	330,670	38,371,088
Less accumulated depreciation	(6,353,031)	(584,476)	(8,212,579)	(211,712)	(15,361,798)
Total capital assets	<u>14,221,228</u>	<u>287,910</u>	<u>8,381,194</u>	<u>118,958</u>	<u>23,009,290</u>
Total assets	<u>17,938,432</u>	<u>18,172,675</u>	<u>9,484,563</u>	<u>2,297,592</u>	<u>47,893,262</u>
DEFERRED OUTFLOW OF RESOURCES					
Pension benefits	741,777	594,127	-	-	1,335,904
OPEB benefits	15,913,771	91,920	-	-	16,005,691
Total deferred outflows	<u>16,655,548</u>	<u>686,047</u>	<u>-</u>	<u>-</u>	<u>17,341,595</u>
LIABILITIES					
Current Liabilities					
Accrued liabilities	1,909,260	605,693	226,552	298,529	3,040,034
Current portion on non-current liabilities	1,279,009	22,842	53,453	103,169	1,458,473
Notes payable	-	493,848	-	-	493,848
Unearned revenue	-	3,465,784	50,088	266,039	3,781,911
Rent Abatement	-	-	-	203,627	203,627
Total current liabilities	<u>3,188,269</u>	<u>4,588,167</u>	<u>330,093</u>	<u>871,364</u>	<u>8,977,893</u>
Non-current liabilities					
Compensated absences and other obligations	-	-	-	118,470	118,470
Accrued liability for OPEB benefits	41,779,105	2,613,456	-	-	44,392,561
Accrued liability for pension benefits	3,897,731	2,650,522	-	-	6,548,253
Long-term debt, net of deferred refunding gain/loss	-	49,073	1,054,511	-	1,103,584
Due to other governments	-	4,978,715	-	-	4,978,715
Total non-current liabilities	<u>45,676,836</u>	<u>10,291,766</u>	<u>1,054,511</u>	<u>118,470</u>	<u>57,141,583</u>
Total liabilities	<u>48,865,105</u>	<u>14,879,933</u>	<u>1,384,604</u>	<u>989,834</u>	<u>66,119,476</u>
DEFERRED INFLOW OF RESOURCES					
Pension benefits	97,018	295,136	-	-	392,154
OPEB benefits	9,032,210	53,661	-	-	9,085,871
Total deferred outflows	<u>9,129,228</u>	<u>348,797</u>	<u>-</u>	<u>-</u>	<u>9,478,025</u>
NET POSITION					
Capital assets, net of related debt	14,221,228	215,995	7,273,230	118,958	21,829,411
Restricted for:					
Other purposes	-	250,000	742,529	-	992,529
Unrestricted	(37,621,581)	3,163,997	84,200	1,188,800	(33,184,584)
Total net position (deficit)	<u>\$ (23,400,353)</u>	<u>\$ 3,629,992</u>	<u>\$ 8,099,959</u>	<u>\$ 1,307,758</u>	<u>\$ (10,362,644)</u>

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Anne Arundel County, Maryland

Combining Statement of Activities

Non-major Component Units

Year Ended June 30, 2020

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<i>AA County Public Library</i>				
Community services	\$ 27,771,421	\$ 445,792	\$ 4,788,109	\$ -
<i>Economic Development</i>				
Arundel Business Loan Program	845,109	2,830	-	-
Chesapeake Innovation Center	-	-	-	-
Administrative	4,164,528	-	-	-
Anne Arundel Agricultural Marketing, LLC	346,803	-	36,368	-
Anne Arundel Community Development, LLC	1,006	-	-	-
Video Lottery Terminal	14,736	241,133	-	-
Unallocated depreciation	50,998	-	-	-
	<u>5,423,180</u>	<u>243,963</u>	<u>36,368</u>	<u>-</u>
<i>Tipton Airport Authority</i>				
Airport operations	<u>2,159,714</u>	<u>1,801,773</u>	<u>-</u>	<u>326,434</u>
<i>Workforce Development</i>				
Workforce development programs				
Other WIA programs	4,733,840	-	4,617,406	-
Administration	55,417	-	-	-
Other grants, projects, initiatives	2,080,719	314,766	1,656,981	-
	<u>\$ 6,869,976</u>	<u>\$ 314,766</u>	<u>\$ 6,274,387</u>	<u>\$ -</u>

General revenues:
 Hotel tax
 Unrestricted contributions
 Interest earnings
 Miscellaneous
 Total general revenues

Changes in net position

Net position, July 1

Net position, June 30

Net (Expense) Revenues and Changes in Net Position

<u>AA County Public Library</u>	<u>Economic Development</u>	<u>Tipton Airport</u>	<u>Workforce Development</u>	<u>Total</u>
\$ <u>(22,537,520)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(22,537,520)</u>
-	(842,279)	-	-	(842,279)
-	-	-	-	-
-	(4,164,528)	-	-	(4,164,528)
-	(310,435)	-	-	(310,435)
-	(1,006)	-	-	(1,006)
-	226,397	-	-	226,397
-	(50,998)	-	-	(50,998)
<u>-</u>	<u>(5,142,849)</u>	<u>-</u>	<u>-</u>	<u>(5,142,849)</u>
<u>-</u>	<u>-</u>	<u>(31,507)</u>	<u>-</u>	<u>(31,507)</u>
-	-	-	(116,434)	(116,434)
-	-	-	(55,417)	(55,417)
-	-	-	(108,972)	(108,972)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(280,823)</u>	<u>(280,823)</u>
-	1,000,000	-	-	1,000,000
24,381,800	2,866,700	-	67,362	27,315,862
-	9,056	5,564	5,522	20,142
<u>400,833</u>	<u>2,265,217</u>	<u>-</u>	<u>-</u>	<u>2,666,050</u>
<u>24,782,633</u>	<u>6,140,973</u>	<u>5,564</u>	<u>72,884</u>	<u>31,002,054</u>
2,245,113	998,124	(25,943)	(207,939)	3,009,355
<u>(25,645,466)</u>	<u>2,631,868</u>	<u>8,125,902</u>	<u>1,515,697</u>	<u>(13,371,999)</u>
\$ <u>(23,400,353)</u>	\$ <u>3,629,992</u>	\$ <u>8,099,959</u>	\$ <u>1,307,758</u>	\$ <u>(10,362,644)</u>

Anne Arundel County, Maryland

Balance Sheet

AA County Public Library Component Unit

June 30, 2020

	Governmental Funds		
	Operating Fund	Dedicated Revenue Fund	Total
ASSETS			
Cash and investments	\$ 11,495	\$ 329	\$ 11,824
Due from primary government Receivables	3,700,528	4,852	3,705,380
Other, net	-	-	-
Total assets	<u>\$ 3,712,023</u>	<u>\$ 5,181</u>	<u>\$ 3,717,204</u>
LIABILITIES			
Accrued liabilities	\$ 1,903,050	\$ 6,210	\$ 1,909,260
Total liabilities	<u>1,903,050</u>	<u>6,210</u>	<u>1,909,260</u>
FUND BALANCES			
Assigned	585,120	9,616	594,736
Unassigned	1,223,853	(10,645)	1,213,208
Total fund balances (deficit)	<u>1,808,973</u>	<u>(1,029)</u>	<u>1,807,944</u>
Total liabilities and fund balances	<u>\$ 3,712,023</u>	<u>\$ 5,181</u>	<u>\$ 3,717,204</u>

Anne Arundel County, Maryland

Statement of Revenues, Expenditures, and Changes in Fund Balances

AA County Public Library Component Unit

Year Ended June 30, 2020

	Governmental Funds		
	Operating Fund	Dedicated Revenue Fund	Total
REVENUES			
Grants and aid	\$ 29,115,859	\$ 15,000	\$ 29,130,859
Fines and fees	445,792	-	445,792
Other	397,078	3,755	400,833
Total revenues	<u>29,958,729</u>	<u>18,755</u>	<u>29,977,484</u>
EXPENDITURES			
Recreation and community services	28,766,254	25,552	28,791,806
Total expenditures	<u>28,766,254</u>	<u>25,552</u>	<u>28,791,806</u>
Revenues over (under) expenditures	<u>1,192,475</u>	<u>(6,797)</u>	<u>1,185,678</u>
OTHER FINANCING SOURCES (USES)			
Contributions to Retiree Health Trust Fund	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>1,192,475</u>	<u>(6,797)</u>	<u>1,185,678</u>
Fund balances, July 1	616,498	5,768	622,266
Fund balances, June 30	<u>\$ 1,808,973</u>	<u>\$ (1,029)</u>	<u>\$ 1,807,944</u>

Anne Arundel County, Maryland

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

AA County Public Library Component Unit - Operating Fund

Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Grants and aid	\$ 2,431,600	\$ 2,431,600	\$ 2,431,657	\$ 57
Primary government contribution	24,381,800	24,381,800	24,381,800	-
Fines and fees	723,500	723,500	445,792	(277,708)
Other	602,000	602,000	997,078	395,078
Total revenues	<u>28,138,900</u>	<u>28,138,900</u>	<u>28,256,327</u>	<u>117,427</u>
EXPENDITURES				
Current				
Recreation and community services	27,841,900	27,691,900	26,616,989	1,074,911
Other	110,800	110,800	110,800	-
Capital outlay	238,800	388,800	311,174	77,626
Total expenditures	<u>28,191,500</u>	<u>28,191,500</u>	<u>27,038,963</u>	<u>1,152,537</u>
Revenues over expenditures	(52,600)	(52,600)	1,217,364	<u>\$ 1,269,964</u>
Fund balances, budgetary, July 1	485,989	485,989	485,989	
Fund balances, budgetary, June 30	<u>\$ 433,389</u>	<u>\$ 433,389</u>	<u>\$ 1,703,353</u>	

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Anne Arundel County, Maryland

Details of Long-term Debt and Interest

(Long-term Debt Applicable to 5.6% and 14% Debt Limitations)

June 30, 2020

	<i>Issued Date</i>	<i>Maturing Serially</i>	<i>Rate of Interest</i>	<i>Amount Issued</i>	<i>Redeemed F/Y 20</i>	<i>06/30/20 Outstanding</i>	<i>Total Due to Maturity</i>
Water and Wastewater Bonds							
MDWQE Rosehaven	03/28/01	2003-31	1.50 to 1.50	\$ 3,033,715	\$ 108,545	\$ 1,307,017	\$ 1,427,566
MDWQE Annapolis WRF Expn	06/27/03	2005-24	1.00 to 1.00	19,362,500	1,020,903	4,186,728	4,291,917
MDWQE Marley Jumpers	04/07/07	2008-27	1.00 to 1.00	5,854,341	366,356	1,354,838	1,386,682
MDWQE Woodholme Circle	06/17/08	2009-28	1.10 to 1.10	1,200,475	66,727	504,137	527,260
MDWQE Deale Rd Sewer	12/01/09	2011-30	0.00 to 0.00	1,749,147	98,324	765,911	765,911
Series 10	04/08/10	2011-20	2.00 to 5.00	13,900,000	1,390,000	-	-
BABs Series 10	04/08/10	2021-30	4.80 to 5.55	27,700,000	-	27,700,000	44,805,575
Series 11	04/20/11	2012-41	2.00 to 5.00	47,600,000	1,590,000	33,290,000	51,207,650
MDWQE Annap/Bneck/Cox	06/16/11	2013-32	2.20 to 2.20	15,975,016	844,225	11,358,782	13,009,136
Series 11 Refunding	09/01/11	2013-25	3.00 to 5.00	8,860,000	740,000	3,710,000	4,266,750
MDWQE Bwater/MDCity/Patxnt	05/31/12	2014-33	1.80 to 1.80	12,430,208	623,590	9,161,544	10,352,507
Series 12	06/14/12	2013-42	2.00 to 4.00	27,020,000	900,000	19,800,000	27,831,375
Series 12 Refunding	06/14/12	2013-32	2.00 to 5.00	15,810,000	1,190,000	10,380,000	12,612,675
MDWQE Sylvan Shores Water	12/21/12	2014-42	0.80 to 0.80	3,783,000	128,435	2,931,928	3,196,792
MDWQE Sylvan Shores Sewer	12/21/12	2014-33	0.80 to 0.80	1,944,000	96,650	1,329,123	1,404,740
Series 13	06/20/13	2014-43	4.00 to 5.00	38,080,000	1,270,000	29,210,000	44,324,587
MDWQE Cox Creek Ph II	10/31/13	2014-34	2.10 to 2.10	17,475,907	1,182,670	14,496,563	17,692,440
Series 14	04/03/14	2015-44	3.00 to 5.00	79,200,000	2,640,000	63,360,000	96,287,400
Series 15	04/08/15	2016-45	2.00 to 5.00	77,600,000	2,590,000	64,650,000	106,660,000
Series 15 Refunding	04/08/15	2016-36	5.00 to 5.00	34,875,000	1,880,000	29,580,000	41,906,250
Series 16	04/13/16	2017-46	3.00 to 5.00	43,585,000	1,455,000	37,775,000	62,308,125
Series 16 Refunding	04/13/16	2017-36	3.00 to 5.00	75,300,000	4,830,000	52,835,000	64,973,525
Series 17	04/12/17	2018-47	5.00 to 5.00	63,175,000	2,125,000	57,375,000	96,103,125
Series 17 Refunding	04/12/17	2018-29	3.00 to 5.00	20,515,000	985,000	18,370,000	24,389,075
Series 18	03/29/18	2019-48	5.00 to 5.00	67,805,000	2,260,000	63,280,000	107,576,000
Series 19	04/12/19	2020-49	5.00 to 5.00	71,090,000	2,365,000	68,725,000	118,547,125
Series 19 Refunding	04/12/19	2020-25	5.00 to 5.00	6,020,000	1,390,000	4,630,000	5,217,250
Series 20	05/06/20	2021-50	3.00 to 5.00	74,095,000	-	74,095,000	129,282,544
Total applicable to 5.6% and 14.0% debt limitations				<u>875,038,309</u>	<u>34,136,425</u>	<u>706,161,571</u>	<u>1,092,353,982</u>

(continued)

DETAILS OF GENERAL LONG-TERM DEBT AND INTEREST (continued)

LONG-TERM DEBT APPLICABLE TO 5.2% AND 13% DEBT LIMITATIONS

June 30, 2020

	<u>Issued</u>	<u>Maturing Serially</u>	<u>Rate of Interest</u>	<u>Issued</u>	<u>Redeemed F/Y 20</u>	<u>06/30/20 Outstanding</u>	<u>Total Due to Maturity</u>
Consolidated General Improvements							
Bonds							
Series 10	04/08/10	2011-20	2.00 to 5.00	66,136,440	7,202,459	-	-
BABs Series 10	04/08/10	2021-30	4.80 to 5.55	72,888,560	-	72,888,560	94,288,644
Series 11	04/20/11	2012-31	3.00 to 5.00	117,500,000	5,958,999	63,747,613	81,323,162
Series 11 Refunding	09/01/11	2013-25	3.00 to 5.00	35,835,000	3,585,000	10,800,000	11,880,500
Series 12	06/14/12	2013-32	3.00 to 4.00	98,900,000	5,947,028	51,271,618	63,328,997
Series 12 Refunding	06/14/12	2013-32	2.00 to 5.00	36,332,512	3,886,847	17,527,657	19,464,159
Series 13	06/20/13	2014-33	4.00 to 5.00	116,000,000	6,960,000	67,280,000	88,856,000
Series 14	04/03/14	2015-34	3.00 to 5.00	115,000,000	6,968,020	72,907,872	93,631,282
Series 15	04/08/15	2016-35	2.00 to 5.00	154,920,000	10,804,842	111,746,432	150,143,885
Series 15 Refunding	04/08/15	2016-27	5.00 to 5.00	58,504,968	6,098,549	39,781,902	47,279,969
Golf Course Refunding	04/08/15	2016-28	5.00 to 5.00	15,735,000	1,080,000	10,810,000	13,379,750
Series 16	04/13/16	2017-46	5.00 to 5.00	80,027,783	2,668,926	69,357,079	114,422,558
Series 16 Refunding	04/13/16	2017-27	3.00 to 5.00	69,384,271	8,217,232	26,278,350	29,848,668
Series 17	04/12/17	2018-47	5.00 to 5.00	104,008,000	3,538,389	93,392,833	156,453,968
Series 17 Refunding	04/12/17	2018-29	3.00 to 5.00	44,423,549	4,250,401	37,998,979	45,122,465
Series 18	03/29/18	2019-48	5.00 to 5.00	177,642,000	5,862,817	165,916,366	282,764,021
Series 19	04/12/19	2020-49	5.00 to 5.00	191,621,000	6,321,858	185,299,142	320,486,849
Series 19 Refunding	04/12/19	2020-25	5.00 to 5.00	4,445,000	775,000	3,670,000	4,213,500
Series 20	05/06/20	2021-50	3.00 to 5.00	188,363,000	-	188,363,000	285,674,877
				<u>1,747,667,083</u>	<u>90,126,367</u>	<u>1,289,037,403</u>	<u>1,902,563,254</u>
WPRF Bonds							
Series 14	04/03/14	2015-34	2.00 to 5.00	7,300,000	390,427	5,099,438	6,637,783
Series 15	04/08/15	2016-35	5.00 to 5.00	26,880,000	1,443,684	21,090,264	29,466,121
Series 16	04/13/16	2017-45	5.00 to 5.00	13,232,217	441,074	11,467,921	18,922,069
Series 18	03/29/18	2019-48	5.00 to 5.00	13,008,000	433,600	12,140,800	20,639,360
Series 19	04/12/19	2020-49	5.00 to 5.00	20,359,000	678,633	19,680,367	33,948,644
Series 20	05/06/20	2021-50	3.00 to 5.00	26,132,000	-	26,132,000	39,507,468
				<u>106,911,217</u>	<u>3,387,418</u>	<u>95,610,790</u>	<u>149,121,445</u>
Solid Waste Bonds							
Series 10	04/08/10	2011-20	3.00 to 5.00	1,938,560	302,541	-	-
BABs Series 10	04/08/10	2011-30	4.80 to 5.55	3,161,440	-	3,161,440	4,089,636
Series 11	04/20/11	2012-31	3.00 to 5.00	8,200,000	331,001	5,342,387	6,811,339
Series 12	06/14/12	2013-32	3.00 to 4.00	2,200,000	112,972	1,348,382	1,681,752
Series 12 Refunding	06/14/12	2013-25	2.00 to 5.00	917,488	98,153	457,343	509,191
Series 14	04/03/14	2015-34	2.00 to 5.00	4,600,000	256,553	3,202,690	4,153,964
Series 15	04/08/15	2016-35	2.00 to 5.00	9,600,000	501,474	7,463,304	10,441,244
Series 15 Refunding	04/08/15	2016-27	5.00 to 5.50	2,700,032	281,451	1,818,098	2,158,781
Series 16 Refunding	04/13/16	2017-27	3.00 to 5.00	200,729	22,768	86,650	99,282
Series 17	04/12/17	2018-47	5.00 to 5.00	4,377,000	76,611	4,147,167	6,902,783
Series 17 Refunding	04/12/17	2018-29	3.00 to 5.00	936,451	89,599	801,021	951,185
Series 18	03/29/18	2019-48	5.00 to 5.00	5,200,000	228,583	4,742,834	7,341,619
Series 19	04/12/19	2020-49	5.00 to 5.00	4,100,000	199,509	3,900,491	5,856,516
Series 20	05/06/20	2021-50	3.00 to 5.00	8,000,000	-	8,000,000	11,181,945
Total Waste Collection Enterprise Fund				<u>56,131,700</u>	<u>2,501,215</u>	<u>44,471,807</u>	<u>62,179,237</u>
Total applicable to 5.2% and 13.0% debt limitations				<u>1,910,710,000</u>	<u>96,015,000</u>	<u>1,429,120,000</u>	<u>2,113,863,936</u>

(continued)

DETAILS OF GENERAL LONG-TERM DEBT AND INTEREST (continued)

NOT APPLICABLE TO DEBT LIMITATIONS

June 30, 2020

	<i>Issued</i>	<i>Maturing Serially</i>	<i>Rate of Interest</i>	<i>Issued</i>	<i>Redeemed F/Y 20</i>	<i>06/30/20 Outstanding</i>	<i>Total Due to Maturity</i>
Installment Purchase Agreements - Agricultural Easement Program							
Adelaide F. Colhoun Trust	09/19/00	2002-30	5.85 to 5.85	401,000	1,000	382,000	602,838
Ellen H. Shepard Trust	09/22/00	2002-30	5.85 to 5.85	161,000	1,000	142,000	222,437
Jean Touchette	09/19/00	2002-30	5.85 to 5.85	378,000	1,000	359,000	566,383
Farm of the Four Winds, LLC	11/13/00	2002-30	6.00 to 6.00	587,000	1,000	568,000	906,100
Kenneth P. Franklin, Trustee	12/28/00	2002-30	5.60 to 5.60	142,055	1,000	123,000	189,360
Richard F. Moreland	07/18/01	2003-28	5.90 to 5.90	274,000	1,000	256,000	375,180
Mary M. Smith	07/18/01	2003-28	5.90 to 5.90	831,000	1,000	813,000	1,195,084
Charlotte Windsor	07/26/01	2003-28	5.90 to 5.90	411,174	1,000	393,000	576,844
Anita Froe/Rian LLC	03/06/02	2003-28	5.90 to 5.90	657,000	1,000	639,000	938,956
Lauer & Company	09/20/02	2004-28	5.25 to 5.25	197,000	1,000	180,000	254,130
Weems Dodd Ltd	10/17/02	2004-28	5.45 to 5.45	1,521,000	1,000	1,504,000	2,158,218
Alice Hall	12/19/02	2004-28	5.55 to 5.55	180,000	1,000	163,000	233,818
Bristol Farms LLC	01/28/03	2004-28	5.50 to 5.50	700,000	1,000	683,000	979,263
Shearman Talbott	05/22/03	2005-28	4.95 to 4.95	263,948	1,000	248,000	344,822
Sally Brice O'Hara	06/23/04	2006-28	5.80 to 5.80	316,000	1,000	301,000	439,040
Thackray Seznec	06/30/04	2006-28	5.80 to 5.80	1,405,000	1,000	1,390,000	2,033,336
James Parks	07/07/04	2006-28	5.60 to 5.60	295,000	1,000	280,000	403,872
Dorothy Horky	12/05/05	2006-28	4.90 to 4.90	368,814	1,000	355,000	492,789
Virginia Tucker	10/05/06	2007-28	4.90 to 4.90	926,000	1,000	913,000	1,269,524
Jennifer Wade	07/26/07	2008-28	5.30 to 5.30	873,925	1,000	862,000	1,215,701
Ford/Addis	12/20/07	2008-37	4.60 to 4.60	604,000	-	604,000	1,076,328
Francis Talbott III	07/16/08	2009-37	4.55 to 4.55	840,000	-	840,000	1,489,740
Thompson Lumber	06/21/11	2012-41	4.55 to 4.55	1,487,000	-	1,487,000	2,907,827
				<u>13,819,916</u>	<u>20,000</u>	<u>13,485,000</u>	<u>20,871,590</u>
Tax Increment Bonds							
Arundel Mills Refunding	05/14/14	2015-29	2.00 to 5.00	24,940,000	1,405,000	18,870,000	22,158,250
National Business Park Ref	05/14/14	2015-28	1.50 to 5.00	12,155,000	770,000	8,805,000	10,222,226
Nursery Road Refunding	05/14/14	2015-29	2.00 to 5.00	1,765,000	100,000	1,280,000	1,513,674
National Business Park N Ref	06/07/18	2020-37	3.00 to 5.00	25,855,000	450,000	25,405,000	34,935,006
Ref	06/07/18	2020-41	3.00 to 4.00	14,525,000	440,000	14,085,000	19,787,847
				<u>79,240,000</u>	<u>3,165,000</u>	<u>68,445,000</u>	<u>88,617,003</u>

LONG TERM DEBT NOT APPLICABLE TO DEBT LIMITATIONS

	<i>Issued</i>	<i>Maturing Serially</i>	<i>Rate of Interest</i>	<i>Issued</i>	<i>Redeemed F/Y 20</i>	<i>06/30/20 Outstanding</i>	<i>Total Due to Maturity</i>
State Loans							
Department of Natural Resources							
Amberly	11/01/08	2008-33	0.00	135,000	5,400	70,200	70,200
Annapolis Cove	05/27/14	2015-30	0.00	173,425	11,793	106,134	106,134
Arundel on the Bay SECD	11/17/18	2020-40	0.00	279,400	-	279,400	279,400
Bay Ridge #2	07/01/08	2009-28	0.00	500,000	25,771	231,939	231,939
Buckingham Cove	04/07/97	1997-21	0.00	217,570	8,703	17,400	17,400
Camp Wabanna SECD	04/26/05	2011-31	0.00	174,857	9,203	92,030	92,030
Cape Anne SECD	11/30/06	2009-34	0.00	190,308	8,101	105,290	105,290
Cattail Creek	04/03/98	1998-22	0.00	127,628	5,105	15,316	15,316
Columbia Beach	06/12/08	2013-38	0.00	1,042,027	53,664	643,968	643,968
Elizabeth's Landing III	01/22/10	2012-37	0.00	153,262	6,130	91,939	91,939
Holland Point SECD	10/11/04	2011-31	0.00	1,050,054	55,266	552,660	552,660
Lake Hillsmere II	04/03/98	1998-22	0.00	188,660	7,546	22,638	22,638
Romar Estates	03/27/97	1997-21	0.00	304,987	12,199	24,400	24,400
Snug Harbor SECD	10/11/04	2012-31	0.00	112,600	5,817	63,987	63,987
Venice Beach SECD	09/15/17	2021-40	0.00	220,000	-	5,700	5,700
Whitehall Cove	12/19/01	2001-25	0.00	164,134	6,565	39,393	39,393
Total not applicable to debt limitations				5,033,912	221,263	2,362,394	2,362,394
Total long-term debt				\$ 2,883,842,137	\$ 133,557,688	\$ 2,219,573,965	\$ 3,318,068,905

Schedule of Debt Service Requirements for Long-term Debt and Interest

June 30, 2020

FISCAL YEAR ENDING	General County Bonds (a)							
	General Government		Solid Waste		WPRF		Tax Increment	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 94,210,055	\$ 59,483,347	\$ 3,076,460	\$ 2,064,153	\$ 4,258,485	\$ 4,308,586	\$ 3,500,000	\$ 2,588,194
2022	94,207,369	55,626,288	3,069,147	1,951,424	4,258,485	4,195,593	3,930,000	2,407,618
2023	88,592,039	51,021,961	3,104,477	1,796,946	4,258,485	3,982,668	4,235,000	2,208,344
2024	82,549,238	46,656,949	3,154,597	1,643,071	4,311,165	3,769,744	4,600,000	1,992,518
2025	78,288,545	42,546,581	3,019,892	1,485,358	4,166,563	3,554,186	4,965,000	1,758,644
2026	70,701,315	38,675,658	2,942,122	1,334,018	4,166,563	3,345,858	5,310,000	1,543,219
2027	67,449,156	35,199,163	2,814,281	1,191,157	4,166,563	3,137,530	5,620,000	1,349,518
2028	64,140,448	31,980,930	2,757,989	1,052,860	4,166,563	2,936,171	5,955,000	1,143,819
2029	60,574,246	29,059,605	2,744,191	922,009	4,166,563	2,733,942	4,930,000	945,969
2030	56,362,753	26,341,087	2,650,684	795,914	4,166,563	2,531,277	2,455,000	797,969
2031	49,076,963	23,600,104	2,331,472	667,435	4,166,563	2,322,949	2,390,000	705,994
2032	43,281,151	21,289,302	1,847,286	557,355	4,166,563	2,118,106	2,505,000	632,569
2033	39,342,421	19,234,388	1,736,016	468,925	4,166,563	1,913,263	2,640,000	553,744
2034	34,702,421	17,343,156	1,736,016	386,219	4,166,563	1,712,775	2,765,000	467,562
2035	30,204,749	15,714,794	1,517,189	305,488	3,803,062	1,516,643	2,910,000	375,344
2036	24,419,105	14,296,808	1,026,521	235,536	2,424,374	1,339,555	3,050,000	278,494
2037	24,414,106	13,198,980	1,026,520	192,087	2,424,374	1,235,758	3,210,000	174,762
2038	24,508,910	12,098,907	931,716	151,007	2,424,374	1,131,961	825,000	106,672
2039	24,664,791	10,992,567	775,835	116,195	2,424,374	1,028,163	855,000	77,788
2040	24,838,850	9,877,978	596,776	89,757	2,424,374	924,366	885,000	47,337
2041	25,223,401	8,753,269	212,226	73,563	2,424,373	820,569	910,000	15,925
2042	25,218,401	7,622,917	212,226	63,137	2,424,373	716,771	-	-
2043	25,218,401	6,492,690	212,226	52,711	2,424,373	612,974	-	-
2044	25,218,401	5,362,463	212,226	42,285	2,424,373	509,177	-	-
2045	25,218,401	4,232,236	212,226	31,860	2,424,373	405,379	-	-
2046	25,218,404	3,102,009	212,226	21,434	2,424,370	301,582	-	-
2047	22,554,471	2,038,380	212,230	11,008	1,983,299	208,811	-	-
2048	19,063,939	1,128,613	92,762	3,569	1,983,299	127,068	-	-
2049	13,040,297	456,701	24,994	810	1,549,709	56,164	-	-
2050	6,534,656	98,020	9,278	139	871,066	13,066	-	-
	<u>\$ 1,289,037,403</u>	<u>\$ 613,525,851</u>	<u>\$ 44,471,807</u>	<u>\$ 17,707,430</u>	<u>\$ 95,610,790</u>	<u>\$ 53,510,655</u>	<u>\$ 68,445,000</u>	<u>\$ 20,172,003</u>

Notes: (a) Bonded Debt subject to (1) 5.2% of the assessable basis of real property; (2) 13.0% of the County's assessable basis of personal property; and (3) 13% of the operating real property described in Section 8-109© of the Tax-Property Article of the Annotated Code of Maryland (1994 Replacement Volume and 2000 Supplement.)

(b) Bonded debt subject to (1) 5.6% of the assessable basis of real property in the Sanitary District of Anne Arundel County; (2) 14.0% of the assessable basis of personal property in the Sanitary District of Anne Arundel County; and (3) 14% of the operating real property described in section 8-109(c) of the Tax-Property Article of the Annotated Code of Maryland (1994 replacement Volume and 2000 Supplement).

(continued)

						<i>Total</i>		
<i>Installment Purchase Agreements</i>		<i>State Advances</i>		<i>Water and Sewer Bonds (b)</i>				<i>Debt Service</i>
<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Charge</i>
\$ 20,000	\$ 720,492	\$ 221,263	\$ -	\$ 36,554,094	\$ 31,498,311	\$ 141,840,357	\$ 100,663,083	\$ 242,503,440
20,000	719,376	235,229	-	36,593,081	30,235,550	142,313,311	95,135,849	237,449,160
20,000	718,261	220,032	-	35,983,411	28,583,240	136,413,444	88,311,420	224,724,864
20,000	717,146	201,680	-	35,107,518	26,987,460	129,944,198	81,766,888	211,711,086
20,000	716,030	201,680	-	33,845,184	25,425,210	124,506,864	75,486,009	199,992,873
20,000	714,915	201,680	-	33,305,122	23,863,034	116,646,802	69,476,702	186,123,504
20,000	713,799	195,115	-	32,941,368	22,383,173	113,206,483	63,974,340	177,180,823
8,880,000	712,683	195,115	-	32,326,470	20,990,953	118,421,585	58,817,416	177,239,001
5,000	223,954	195,115	-	31,170,921	19,687,733	103,786,036	53,573,212	157,359,248
1,529,000	223,663	157,551	-	31,175,432	18,381,322	98,496,983	49,071,232	147,568,215
-	133,663	93,082	-	30,894,011	17,070,267	88,952,091	44,500,412	133,452,503
-	133,662	87,265	-	28,657,117	15,768,226	80,544,382	40,499,220	121,043,602
-	133,663	33,578	-	26,757,127	14,483,351	74,675,705	36,787,334	111,463,039
-	133,662	20,100	-	25,863,592	13,238,199	69,253,692	33,281,573	102,535,265
-	133,663	20,089	-	25,049,741	12,017,202	63,504,830	30,063,134	93,567,964
-	133,662	13,970	-	24,230,899	10,840,963	55,164,869	27,125,018	82,289,887
1,444,000	133,662	13,970	-	22,102,066	9,720,408	54,635,036	24,655,657	79,290,693
-	67,658	13,970	-	22,088,243	8,671,963	50,792,213	22,228,168	73,020,381
-	67,659	13,970	-	22,019,428	7,620,589	50,753,398	19,902,961	70,656,359
-	67,658	13,970	-	21,100,624	6,583,669	49,859,594	17,590,765	67,450,359
1,487,000	67,659	13,970	-	19,696,122	5,552,864	49,967,092	15,283,849	65,250,941
-	-	-	-	18,070,000	4,605,799	45,925,000	13,008,624	58,933,624
-	-	-	-	17,170,000	3,731,875	45,025,000	10,890,250	55,915,250
-	-	-	-	15,900,000	2,892,925	43,755,000	8,806,850	52,561,850
-	-	-	-	13,260,000	2,111,125	41,115,000	6,780,600	47,895,600
-	-	-	-	10,675,000	1,448,125	38,530,000	4,873,150	43,403,150
-	-	-	-	9,225,000	950,625	33,975,000	3,208,824	37,183,824
-	-	-	-	7,100,000	542,500	28,240,000	1,801,750	30,041,750
-	-	-	-	4,835,000	244,125	19,450,000	757,800	20,207,800
-	-	-	-	2,465,000	61,625	9,880,000	172,850	10,052,850
<u>\$ 13,485,000</u>	<u>\$ 7,386,590</u>	<u>\$ 2,362,394</u>	<u>\$ -</u>	<u>\$ 706,161,571</u>	<u>\$ 386,192,411</u>	<u>\$ 2,219,573,965</u>	<u>\$ 1,098,494,940</u>	<u>\$ 3,318,068,905</u>

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Statistical Section

Statistical Section

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents

Financial Trends – The following schedules contain trend information that presents how the County's financial performance and strength have changed over time:

- Net Position by Category
- Changes in Net Position
- Fund Balances, Governmental Funds
- Changes in Fund Balances, Governmental Funds

Revenue Capacity – The following schedules contain information to assess the County's most significant local revenue source, property taxes:

- Taxable Assessed Value and Estimated Actual Value of Property
- Direct and Overlapping Property Tax Rates
- Principal Property Tax Payers
- Property Tax Levies and Collections

Debt Capacity – The following schedules present information to assess the affordability of the County's current levels of outstanding debt and its ability to issue additional debt:

- Ratios of Outstanding Debt by Type
- Ratios of General Bonded Debt Outstanding
- Direct and Overlapping Governmental Activities Debt
- Legal Debt Margin
- Pledged-Revenue Bond Coverage

Demographic and Economic Information – The following schedules offer demographic and economic indicators that present the environment within which the County's financial activities take place:

- Demographic and Economic Statistics
- Principal Employers

Operating Information – The following schedules contain service and infrastructure data that shows how the information in the County's financial report relates to the services the County provides and the activities it performs:

- County Government Employees by Function
- Operating Indicators by Function/Program
- Capital Asset Statistics by Function

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Anne Arundel County, Maryland
Net Position by Category
Last Ten Fiscal Years
(accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities										
Net investment in capital assets	\$ 635,565,747	\$ 604,084,265	\$ 596,510,465	\$ 606,338,970	\$ 556,191,931	\$ 578,852,173	\$ 622,405,918	\$ 630,965,090	\$ 633,818,542	\$ 622,238,204
Restricted for:										
Debt service	6,819,795	8,009,868	7,168,724	6,641,452	6,684,460	8,962,428	6,541,144	3,999,512	1,563,957	3,996,203
Capital improvements	151,354,034	140,771,194	115,345,559	120,779,559	152,617,318	129,907,443	83,524,600	74,937,323	76,820,358	61,469,121
Reforestation	3,828,285	3,740,710	6,878,019	7,296,496	7,653,451	8,139,821	7,746,804	7,662,442	6,823,655	7,766,138
Other purposes	44,650,497	30,357,753	30,038,789	16,043,607	18,740,570	7,335,836	4,724,488	7,590,496	2,702,597	3,408,549
Unrestricted	(1,371,274,244)	(1,344,807,847)	(1,256,694,440)	(1,254,102,054)	(1,235,534,374)	(1,150,954,681)	(754,546,361)	(726,105,305)	(657,762,577)	(594,418,963)
Subtotal governmental activities net position	<u>(529,055,886)</u>	<u>(557,844,057)</u>	<u>(500,752,884)</u>	<u>(497,001,970)</u>	<u>(493,646,644)</u>	<u>(417,756,980)</u>	<u>(29,603,407)</u>	<u>(950,442)</u>	<u>63,966,532</u>	<u>104,459,252</u>
Business-type activities										
Net investment in capital assets	1,008,501,766	1,019,533,158	1,013,711,148	988,443,984	939,311,650	934,898,545	937,308,613	892,816,991	853,676,904	822,218,634
Restricted for:										
Debt service	316,010,654	306,535,034	303,151,272	300,551,883	317,747,290	331,288,133	279,611,526	260,752,727	250,397,620	220,812,854
Capital improvements	4,029,579	4,019,610	13,458,769	9,081,443	17,381,921	12,771,873	-	-	-	-
Other purposes	38,880	162,314	1,907,059	11,255,564	16,384,208	3,087,221	19,549,090	9,039,041	4,578,740	3,925,738
Unrestricted	8,895,005	(596,026)	(434,806)	10,038,368	5,484,501	(8,709,841)	12,846,117	16,700,393	19,852,330	21,548,473
Subtotal business-type activities net position	<u>1,337,475,884</u>	<u>1,329,654,090</u>	<u>1,331,793,442</u>	<u>1,319,371,242</u>	<u>1,296,309,570</u>	<u>1,273,335,931</u>	<u>1,249,315,346</u>	<u>1,179,309,152</u>	<u>1,128,505,594</u>	<u>1,068,505,699</u>
Primary government										
Net investment in capital assets	1,644,067,513	1,623,617,423	1,610,221,613	1,594,782,954	1,495,503,581	1,513,750,718	1,559,714,531	1,523,782,081	1,487,495,446	1,444,456,838
Restricted for:										
Debt service	322,830,449	314,544,902	310,319,996	307,193,335	324,431,750	340,250,561	286,152,670	264,752,239	251,961,577	224,809,057
Capital improvements	155,383,613	144,790,804	128,804,328	129,861,002	169,999,239	142,679,316	83,524,600	74,937,323	76,820,358	61,469,121
Reforestation	3,828,285	3,740,710	6,878,019	7,296,496	7,653,451	8,139,821	7,746,804	7,662,442	6,823,655	7,766,138
Other purposes	44,689,377	30,520,067	31,945,848	27,299,171	35,124,778	10,423,057	24,273,578	16,629,537	7,281,337	7,334,287
Unrestricted	(1,362,379,239)	(1,345,403,873)	(1,257,129,246)	(1,244,063,686)	(1,230,049,873)	(1,159,664,522)	(741,700,244)	(709,404,912)	(637,910,247)	(572,870,490)
Total primary governmental net position	<u>\$ 808,419,998</u>	<u>\$ 771,810,033</u>	<u>\$ 831,040,558</u>	<u>\$ 822,369,272</u>	<u>\$ 802,662,926</u>	<u>\$ 855,578,951</u>	<u>\$ 1,219,711,939</u>	<u>\$ 1,178,358,710</u>	<u>\$ 1,192,472,126</u>	<u>\$ 1,172,964,951</u>

Note: Accounting standards require the net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the State or Federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the County.

Anne Arundel County, Maryland
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands of dollars)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses										
Governmental activities:										
Education	\$ 939,582	\$ 946,223	\$ 874,498	\$ 756,618	\$ 770,324	\$ 764,352	\$ 708,507	\$ 708,818	\$ 669,191	\$ 697,647
Public safety	344,882	342,374	307,333	352,253	313,525	325,971	294,436	304,563	290,833	282,484
General government	232,233	210,851	185,021	162,786	186,840	153,913	123,010	118,774	116,146	115,262
Health and human services	105,099	85,069	78,173	83,000	79,787	77,175	72,520	74,569	72,907	72,096
Public works	83,066	81,239	100,961	93,287	157,103	89,763	106,372	82,066	80,934	66,553
Recreation and community services	78,698	74,090	70,717	67,698	58,131	56,358	59,095	56,380	56,129	61,005
Judicial	30,781	31,366	30,734	31,648	28,588	30,582	28,950	29,058	28,011	27,103
Code enforcement	14,873	14,626	13,832	16,292	13,819	14,815	13,379	13,735	13,788	13,305
Land use and development	19,195	22,299	25,246	12,707	14,135	14,897	10,273	10,392	11,472	14,429
Interest on debt and leases	64,360	58,859	55,898	54,132	53,157	48,149	45,104	37,685	39,712	38,566
Subtotal governmental activities expenses	1,912,769	1,866,996	1,742,413	1,630,421	1,675,409	1,575,975	1,461,646	1,436,040	1,379,123	1,388,450
Business-type activities:										
Water and wastewater	182,683	175,379	166,442	146,011	153,026	129,450	124,341	118,049	121,553	112,709
Waste collection	56,777	56,607	48,257	54,943	46,297	51,226	50,732	47,767	47,933	49,078
Child care	5,490	5,650	5,532	5,363	4,767	4,835	4,589	4,020	3,777	3,772
Subtotal business-type activities expenses	244,950	237,636	220,231	206,317	204,090	185,511	179,662	169,836	173,263	165,559
Total primary government expenses	2,157,719	2,104,632	1,962,644	1,836,738	1,879,499	1,761,486	1,641,308	1,605,876	1,552,386	1,554,009
Program Revenues										
Governmental activities:										
Charges for services:										
Public safety	33,821	34,155	31,084	27,897	27,150	25,108	19,477	15,744	17,843	20,116
General government	66,824	68,950	61,345	57,073	51,850	53,146	47,741	51,240	44,487	44,867
Health and human services	12,198	12,413	9,955	12,487	8,938	10,535	9,648	7,139	7,778	4,207
Public works	24,569	24,678	24,548	24,939	23,805	19,187	15,737	4,193	2,992	4,352
Recreation and community services	15,799	19,011	19,545	19,560	18,664	17,275	16,962	17,995	17,053	16,095
Judicial	2,459	3,134	3,024	3,061	3,209	3,207	3,166	2,997	3,009	2,908
Code enforcement	11,601	13,675	14,361	13,316	14,380	13,587	12,181	13,215	11,414	13,605
Land use and development	1,900	2,981	2,297	2,298	2,461	1,881	2,216	2,184	1,769	5,132
Operating grants and contributions	123,052	82,054	77,267	67,906	66,729	63,651	61,177	42,874	47,165	45,357
Capital grants and contributions	77,415	58,854	63,963	59,231	63,915	96,381	45,969	41,689	42,656	43,293
Subtotal governmental activities revenues	369,638	319,905	307,389	287,768	281,101	303,958	234,274	199,270	196,166	199,932
Business-type activities:										
Charges for services:										
Water and wastewater	89,318	84,180	85,275	85,467	85,178	85,367	86,023	84,555	86,737	81,555
Waste collection	55,137	54,584	53,162	51,441	50,975	49,970	50,133	49,175	50,680	44,106
Child care	4,786	6,080	5,807	5,742	5,112	4,739	4,661	4,070	4,032	3,568
Capital grants and contributions	79,721	69,671	81,381	69,022	82,131	127,526	87,887	71,141	76,527	54,093
Subtotal business-type activities revenues	228,962	214,515	225,625	211,672	223,396	267,602	228,704	208,941	217,976	183,322
Total primary government program revenues	598,600	534,420	533,014	499,440	504,497	571,560	462,978	408,211	414,142	383,254
Net (Expense)/Revenue										
Governmental activities	(1,543,131)	(1,547,091)	(1,435,024)	(1,342,653)	(1,394,308)	(1,272,017)	(1,227,372)	(1,236,770)	(1,182,957)	(1,188,518)
Business-type activities	(15,988)	(23,121)	5,394	5,355	19,306	82,091	49,042	39,105	44,713	17,763
Total primary government net (expense)/revenue	(1,559,119)	(1,570,212)	(1,429,630)	(1,337,298)	(1,375,002)	(1,189,926)	(1,178,330)	(1,197,665)	(1,138,244)	(1,170,755)

Anne Arundel County, Maryland
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands of dollars)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Revenues and Other Changes in Net Position										
Governmental activities:										
General property taxes	798,538	739,776	718,910	697,495	666,491	657,850	637,623	620,348	593,914	577,937
Local income taxes	606,312	560,494	506,513	485,822	485,232	420,382	436,906	403,623	400,465	371,491
State shared taxes	5,448	6,154	7,339	8,361	8,703	8,405	8,683	27,868	10,334	8,665
Recordation and transfer taxes	114,908	115,520	110,643	109,396	105,669	89,698	77,535	81,036	59,089	58,000
Local sales taxes	26,700	32,111	32,744	32,938	33,070	32,831	31,517	32,690	32,258	32,406
Investment income	8,931	14,550	2,854	1,797	4,586	1,967	2,446	(1,206)	1,418	1,322
Other revenue	19,667	19,015	18,855	18,194	15,766	11,012	9,477	7,494	12,323	4,387
County transfer	787	2,380	946	448	(1,099)	28	275	-	-	10,426
Forgiveness of debt State of Maryland	-	-	-	-	-	-	-	-	32,663	-
Subtotal governmental activities	1,581,291	1,490,000	1,398,804	1,354,451	1,318,418	1,222,173	1,204,462	1,171,853	1,142,464	1,064,634
Business-type activities:										
In kind contributions of capital assets	-	-	-	-	-	-	-	-	2,000	-
Investment income	7,193	6,939	6,439	2,777	1,671	1,173	1,161	560	1,072	2,896
Other revenue	17,404	16,422	14,086	15,378	11,398	11,656	14,417	11,139	12,215	10,957
County transfer	(787)	(2,380)	(946)	(448)	1,099	(28)	(275)	-	-	-
Subtotal business-type activities	23,810	20,981	19,579	17,707	14,168	12,801	15,303	11,699	15,287	13,853
Total primary government	1,605,101	1,510,981	1,418,383	1,372,158	1,332,586	1,234,974	1,219,765	1,183,552	1,157,751	1,078,487
Change in Net Position										
Governmental activities	38,160	(57,091)	(36,220)	11,798	(75,890)	(49,844)	(22,910)	(64,917)	(40,493)	(123,884)
Business-type activities	7,822	(2,140)	24,973	23,062	33,474	94,892	64,345	50,804	60,000	31,616
Total primary government	\$ 45,982	\$ (59,231)	\$ (11,247)	\$ 34,860	\$ (42,416)	\$ 45,048	\$ 41,435	\$ (14,113)	\$ 19,507	\$ (92,268)

Note: Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore, general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

Anne Arundel County, Maryland
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund										
Non-spendable	\$ 3,487,261	\$ 2,525,276	\$ 2,738,022	\$ 3,082,745	\$ 2,678,031	\$ 2,493,448	\$ 2,116,996	\$ 1,891,254	\$ 2,081,977	\$ 1,952,362
Restricted	9,371,621	-	-	1,372,139	1,372,139	38,177,889	16,974,138	302,017	-	-
Assigned	53,147,669	81,811,048	89,215,268	82,546,189	65,989,087	42,862,522	42,657,510	69,233,918	31,391,329	31,313,766
Unassigned	161,996,256	90,361,685	82,924,322	88,023,466	76,778,332	78,436,997	57,724,388	44,312,026	46,035,927	27,775,608
Total general fund	\$ <u>228,002,807</u>	\$ <u>174,698,009</u>	\$ <u>174,877,612</u>	\$ <u>175,024,539</u>	\$ <u>146,817,589</u>	\$ <u>161,970,856</u>	\$ <u>119,473,032</u>	\$ <u>115,739,215</u>	\$ <u>79,509,233</u>	\$ <u>61,041,736</u>
All other governmental funds										
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	207,356,738	184,873,975	153,223,193	159,426,040	188,477,300	174,183,847	109,341,127	87,949,331	84,309,450	73,250,908
Committed	17,747,932	16,111,319	15,228,305	15,353,968	16,822,454	15,237,161	13,512,623	1,932,505	1,407,089	1,960,508
Assigned	76,805,478	85,148,709	134,902,781	124,078,614	79,535,242	121,015,146	82,922,005	45,297,103	43,019,813	62,694,509
Unassigned	(23,097,809)	(12,856,757)	(9,414,394)	(8,264,460)	(11,898,316)	(6,108,739)	(3,530,106)	(3,325,628)	(3,682,206)	-
Total all other governmental funds	\$ <u>278,812,339</u>	\$ <u>273,277,246</u>	\$ <u>293,939,885</u>	\$ <u>290,594,162</u>	\$ <u>272,936,680</u>	\$ <u>304,327,415</u>	\$ <u>202,245,649</u>	\$ <u>131,853,311</u>	\$ <u>125,054,146</u>	\$ <u>137,905,925</u>

Note: In fiscal year 2011 the primary government implemented GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions. This statement redefined how the fund balances of the governmental funds are presented in the financial statements.

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Anne Arundel County, Maryland
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years

	2020	2019	2018	2017	2016
REVENUES					
General property taxes	\$ 800,684,208	\$ 741,670,235	\$ 720,718,221	\$ 698,622,818	\$ 668,195,251
Local income taxes	606,998,155	522,923,960	508,267,424	491,528,416	456,192,055
State shared taxes	11,704,256	12,410,845	11,624,829	11,694,607	12,092,354
Grants and aid	101,396,165	61,249,684	48,773,143	47,789,759	54,773,026
Recordation and transfer taxes	114,907,649	115,519,643	110,642,661	109,395,916	105,668,592
Local sales taxes	26,699,642	32,110,766	32,744,465	32,938,166	33,070,498
License and permit fees	15,441,085	18,335,508	18,132,998	17,148,374	18,617,749
Ambulance fees	12,112,507	13,627,382	11,833,040	11,985,658	11,387,538
Cable fees	10,415,690	11,142,696	11,056,998	11,560,846	11,329,610
Impact fees	36,710,846	32,733,711	35,651,712	24,587,197	33,651,125
Special community benefit taxes	8,793,500	8,517,569	8,471,575	8,429,687	8,202,160
Video lottery local impact grants	22,431,343	27,316,533	27,942,514	23,805,240	18,437,244
Watershed protection and restoration	23,326,588	22,017,074	21,665,866	21,821,801	21,058,386
Contributed capital	-	-	-	589,323	5,187,715
Investment income	11,932,051	16,449,014	6,560,442	1,983,519	4,933,509
Fees for services and other revenue	55,258,347	64,437,432	61,563,037	59,225,786	49,047,470
Total revenues	<u>1,858,812,032</u>	<u>1,700,462,052</u>	<u>1,635,648,925</u>	<u>1,573,107,113</u>	<u>1,511,844,282</u>
EXPENDITURES					
Current					
Education	939,581,972	946,223,055	874,498,215	756,618,157	770,323,479
Public safety	335,794,412	314,231,025	297,679,594	291,177,796	283,055,202
General government	161,691,255	148,598,076	139,055,913	113,861,353	67,831,167
Health and human services	101,850,680	81,174,496	76,011,931	78,503,626	76,012,320
Public works	48,976,660	53,686,960	51,848,700	46,309,768	51,788,360
Recreation and community services	65,485,317	60,854,736	60,745,723	57,791,422	55,341,217
Judicial	31,210,499	30,215,792	29,148,559	27,708,229	27,189,933
Code enforcement	15,181,035	13,918,760	14,046,524	14,206,639	13,149,060
Land use and development	9,398,676	10,129,513	8,613,192	11,234,169	11,541,521
Capital outlay	173,058,009	168,807,350	151,503,207	112,762,608	100,566,378
Debt service					
Interest payments on debt	64,033,273	57,901,384	54,487,265	53,916,572	53,433,347
Principal payments on debt	96,920,048	98,981,692	97,311,937	90,755,667	129,372,483
Interest payments on leases	373	373	-	15,210	13,619
Principal payments on leases	10,122	34,138	54,869	39,658	22,347
Total expenditures	<u>2,043,192,331</u>	<u>1,984,757,350</u>	<u>1,855,005,629</u>	<u>1,654,900,874</u>	<u>1,639,640,433</u>
Revenues over (under) expenditures	<u>(184,380,299)</u>	<u>(284,295,298)</u>	<u>(219,356,704)</u>	<u>(81,793,761)</u>	<u>(127,796,151)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	346,249,000	364,875,286	327,401,558	244,889,130	199,828,955
Transfers out	(346,249,000)	(364,875,286)	(327,401,558)	(244,889,130)	(199,828,955)
General obligation bonds issued	214,495,000	211,980,000	190,650,000	103,285,000	93,260,000
Bond anticipation notes issued	-	-	-	-	-
Payment of bond anticipation notes	-	-	-	-	-
National Business Park North bonds issued	-	-	-	-	-
Village South Waugh Chapel bonds issued	-	-	-	-	-
Installment purchase contracts issued	-	-	-	-	-
Proceeds from Federal and State Loans	-	285,100	-	-	-
Proceeds from capital leases	-	41,980	-	94,513	60,038
Proceeds from refunding issue	-	4,445,000	40,380,000	44,423,549	69,384,271
Premiums from sale of bonds	27,938,190	43,830,943	30,959,363	18,037,398	18,664,020
Premiums from the refunding of bonds	-	490,033	1,263,919	5,479,931	8,399,763
Transfers from (to) proprietary funds	787,000	2,380,000	946,137	1,170,804	(1,099,230)
Transfers from (to) component units	-	-	-	-	-
Transfers from (to) OPEB Trust	-	-	-	-	(70,877,624)
Reduction (increase) in lawsuit liability	-	-	-	-	-
Payments to escrow agent	-	-	(41,643,919)	(49,903,480)	(25,679,034)
Total other financing sources (uses)	<u>243,220,190</u>	<u>263,453,056</u>	<u>222,555,500</u>	<u>122,587,715</u>	<u>92,112,204</u>
Net change in fund balances	<u>\$ 58,839,891</u>	<u>\$ (20,842,242)</u>	<u>\$ 3,198,796</u>	<u>\$ 40,793,954</u>	<u>\$ (35,683,947)</u>
Debt service as a percentage of noncapital expenditures	<u>8.4%</u>	<u>8.5%</u>	<u>8.7%</u>	<u>9.2%</u>	<u>11.3%</u>

	2015	2014	2013	2012	2011
\$	659,894,834	\$ 637,345,360	\$ 622,059,854	\$ 595,707,896	\$ 577,208,014
	444,302,777	435,870,098	407,582,398	394,480,856	369,341,731
	11,270,543	12,163,216	30,436,273	11,720,894	10,637,730
	45,491,189	43,872,560	49,240,293	52,827,290	52,762,415
	89,697,633	77,535,100	81,036,685	59,088,413	58,000,447
	32,830,881	31,516,775	32,689,945	32,258,227	32,405,559
	17,333,180	16,536,662	15,306,284	15,215,772	17,589,449
	11,060,278	5,238,016	3,940,989	6,044,441	7,155,171
	11,088,708	10,663,480	10,229,615	9,550,069	8,951,457
	26,322,325	25,983,661	16,166,890	20,113,165	9,469,099
	7,451,077	6,884,379	6,869,374	6,744,865	6,259,372
	17,701,164	18,924,230	-	-	-
	16,925,138	13,168,354	-	-	-
	42,776,980	-	-	-	-
	2,261,163	1,735,894	(968,161)	3,444,363	909,826
	54,700,019	48,035,826	54,335,032	45,507,123	49,302,325
	<u>1,491,107,889</u>	<u>1,385,473,611</u>	<u>1,328,925,471</u>	<u>1,252,703,374</u>	<u>1,199,992,595</u>
	764,212,446	707,187,203	707,731,777	667,863,748	697,648,532
	281,406,166	264,937,499	244,784,672	234,743,678	234,003,601
	77,157,430	85,244,783	79,706,211	78,732,889	81,803,707
	72,578,279	69,650,709	69,646,503	69,383,832	68,153,620
	49,310,052	48,748,016	38,840,446	38,088,334	38,773,730
	53,354,539	49,866,606	48,337,232	49,595,703	47,835,484
	25,736,525	25,423,827	23,339,079	22,399,505	22,388,457
	13,096,270	12,287,022	11,583,462	11,536,177	11,360,912
	10,610,682	9,432,737	9,014,094	9,320,020	9,500,229
	105,072,340	65,054,648	73,051,659	70,480,365	66,637,667
	47,526,274	43,344,484	40,313,826	39,736,712	37,380,700
	99,693,700	75,614,400	73,778,953	69,389,373	56,468,779
	11,654	13,662	2,008	3,526	4,950
	12,304	16,211	3,907	26,563	25,140
	<u>1,599,778,661</u>	<u>1,456,821,807</u>	<u>1,420,133,829</u>	<u>1,361,300,425</u>	<u>1,371,985,508</u>
	<u>(108,670,772)</u>	<u>(71,348,196)</u>	<u>(91,208,358)</u>	<u>(108,597,051)</u>	<u>(171,992,913)</u>
	261,225,566	185,144,585	122,899,386	76,229,704	94,470,013
	(261,225,566)	(185,144,585)	(122,899,386)	(76,229,704)	(94,470,013)
	181,800,000	122,300,000	116,000,000	98,900,000	117,500,000
	-	37,800,000	65,040,000	70,400,000	60,720,000
	-	(37,800,000)	(65,040,000)	(70,400,000)	(60,720,000)
	-	-	-	-	30,000,000
	-	-	-	-	16,000,000
	-	-	-	-	1,487,000
	4,937	168,488	-	91,035	1,022,164
	-	119,790	-	-	-
	75,715,900	38,860,000	-	73,085,000	-
	13,642,515	14,815,121	16,130,659	30,548,530	9,361,054
	38,824,048	4,414,478	-	-	-
	8,782,112	5,274,617	1,545,790	3,294,210	15,446,397
	-	-	-	-	10,426,000
	-	-	-	-	-
	-	-	-	(67,118)	5,386,644
	<u>(68,730,094)</u>	<u>(42,852,298)</u>	<u>-</u>	<u>(87,600,104)</u>	<u>-</u>
	<u>250,039,418</u>	<u>143,100,196</u>	<u>133,676,449</u>	<u>118,251,553</u>	<u>206,629,259</u>
\$	<u>141,368,646</u>	<u>71,752,000</u>	<u>42,468,091</u>	<u>9,654,502</u>	<u>34,636,346</u>
	<u>9.5%</u>	<u>8.4%</u>	<u>8.4%</u>	<u>8.4%</u>	<u>7.1%</u>

Anne Arundel County, Maryland
 Taxable Assessed Value and Estimated Actual Value of Property
 Last Ten Fiscal Years
 (in thousands of dollars)

Fiscal Year Ended June 30,	Real Property					Personal Property			Total Taxable Assessed Value	Weighted Average Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Agricultural Property	Use Value Property	Total Real Property	Railroad/Utility Property	Other Business Property	Total Personal Property				
2020	\$ 69,494,486	\$ 21,422,055	\$ 557,322	\$ 23,131	\$ 91,496,994	\$ 1,164,769	\$ 1,546,641	\$ 2,711,410	\$ 94,208,404	0.95	\$ 94,208,404	100.00%
2019	66,898,243	20,570,534	536,563	17,758	88,023,098	1,122,468	1,611,430	2,733,898	90,756,996	0.91	90,756,996	100.00%
2018	64,446,727	19,754,772	519,391	20,913	84,741,803	1,027,433	1,649,168	2,676,601	87,418,404	0.92	87,418,404	100.00%
2017	62,092,763	18,589,077	503,603	20,966	81,206,409	994,833	1,602,185	2,597,018	83,803,427	0.93	83,803,427	100.00%
2016	59,792,897	17,851,464	488,233	21,624	78,154,218	941,588	1,336,541	2,278,129	80,432,347	0.93	80,432,347	100.00%
2015	58,283,455	16,973,623	473,558	16,350	75,746,986	756,172	1,428,405	2,184,577	77,931,563	0.95	77,931,563	100.00%
2014	57,703,275	16,114,711	467,950	16,216	74,302,152	739,450	1,451,770	2,191,220	76,493,372	0.96	76,493,372	100.00%
2013	58,675,052	15,099,168	473,874	17,862	74,265,956	914,522	1,667,496	2,582,018	76,847,974	0.96	76,847,974	100.00%
2012	61,234,395	15,476,007	558,082	20,950	77,289,434	847,270	1,707,349	2,554,619	79,844,053	0.92	79,844,053	100.00%
2011	66,700,824	14,955,283	563,241	18,783	82,238,131	849,560	1,793,642	2,643,202	84,881,333	0.89	84,881,333	100.00%

Anne Arundel County, Maryland
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
 (Per \$100 of Assessed Value)

Fiscal Year Ended June 30,	Anne Arundel County					Overlapping		Total	
	Other than City of Annapolis		Within City of Annapolis		Weighted Average Tax Rate	City of Annapolis Real Property	State of Maryland Real Property	Other than City of Annapolis Real Property	Within City of Annapolis Real Property
	Real Property	Personal Prop.	Real Property	Personal Prop.					
2020	\$ 0.935	\$ 2.337	\$ 0.561	\$ 1.402	\$ 0.950	\$ 0.738	\$ 0.112	\$ 1.047	\$ 1.411
2019	0.902	2.255	0.541	1.352	0.910	0.738	0.112	1.014	1.391
2018	0.907	2.267	0.544	1.360	0.920	0.649	0.112	1.019	1.305
2017	0.915	2.287	0.548	1.370	0.930	0.649	0.112	1.027	1.309
2016	0.923	2.307	0.552	1.380	0.930	0.649	0.112	1.035	1.313
2015	0.943	2.357	0.564	1.410	0.950	0.649	0.112	1.055	1.325
2014	0.950	2.375	0.569	1.422	0.960	0.650	0.112	1.062	1.331
2013	0.941	2.352	0.564	1.410	0.960	0.640	0.112	1.053	1.316
2012	0.910	2.275	0.543	1.357	0.920	0.560	0.112	1.022	1.215
2011	0.880	2.200	0.525	1.312	0.890	0.530	0.112	0.992	1.167

Note: Section 710(d) of the County Charter provides that property taxes shall not increase, compared with the previous fiscal year, more than the Consumer Price Index percentage of change, or 4.5 percent, whichever is the lesser.

Anne Arundel County, Maryland
Principal Property Tax Payers
Current Year and Nine Years Ago

2020			2011		
Taxpayer	Taxable Assessed Value	Percentage of Total County Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percentage of Total County Taxable Assessed Value
Baltimore Gas & Electric Company	\$ 979,943,617	1.04%	Constellation Power Source Gen. Inc.	\$ 750,641,346	0.88%
Annapolis Mall LTD Partnership (Annapolis Mall)	510,348,800	0.54%	Baltimore Gas and Electric Company	607,702,990	0.72%
Arundel Mills Limited Partnership (Arundel Mills Mall)	474,506,500	0.50%	Annapolis Mall LTD Partnership (Annapolis Mall)	415,250,300	0.49%
Verizon	159,194,860	0.17%	Arundel Mills Limited Partnership (Arundel Mills Mall)	328,120,210	0.39%
PPE Casino Resorts Maryland LLC	262,535,912	0.28%	Verizon	226,940,870	0.27%
Annapolis Towne Center at Parole LLC	209,590,999	0.22%	Annapolis Towne Center at Parole LLC	129,848,536	0.15%
Raven FS Property Holdings LLC	199,328,933	0.21%	Wal-mart Stores, Inc.	121,016,102	0.14%
Comcast of Maryland, LLC	62,673,370	0.07%	Anne Arundel Medical Center	115,923,300	0.14%
WCS Properties Business Trust	137,700,400	0.15%	Northrop Grumman Corp.	107,291,393	0.13%
Walmart Stores, Inc.	115,768,880	0.12%	TKL East (Marley Station Mall)	99,588,480	0.12%
	<u>\$ 3,111,592,271</u>	<u>3.30%</u>		<u>\$ 2,902,323,527</u>	<u>3.42%</u>

Anne Arundel County, Maryland
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collection to Date		
	Taxes Levied for the Fiscal Year	Amount		Percentage of Levy	Amount	Percentage of Levy
2020	\$ 802,387,875	\$ 796,488,765	99.26%	\$ -	\$ 796,488,765	99.26%
2019	744,040,379	742,102,299	99.74%	1,373,327	743,475,626	99.92%
2018	719,780,692	718,630,145	99.84%	938,202	719,568,347	99.97%
2017	691,541,813	690,363,926	99.83%	1,059,509	691,423,435	99.98%
2016	664,554,243	662,752,803	99.73%	1,732,508	664,485,311	99.99%
2015	660,178,876	651,873,246	98.74%	8,256,120	660,129,366	99.99%
2014	638,043,608	628,011,846	98.43%	9,985,649	637,997,495	99.99%
2013	619,955,595	618,157,426	99.71%	1,778,027	619,935,453	100.00%
2012	595,530,678	593,210,480	99.61%	2,288,382	595,498,862	99.99%
2011	577,037,468	563,622,256	97.68%	13,286,164	576,908,420	99.98%

Anne Arundel County, Maryland
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(in thousands of dollars, except per capita)

Fiscal Year Ended June 30,	Governmental Activities							Business-Type Activities		Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Bond Anticipation Notes	Tax Increment Bonds	State and Federal Loans	Capital Leases	Installment Purchase Agreements	Total Governmental Activities	Water, Wastewater and Solid Waste Bonds (b)	Bond Anticipation Notes			
2020	\$ 1,567,703	\$ -	\$ 68,445	\$ 2,362	\$ 20	\$ 13,485	\$ 1,652,015	\$ 837,899	\$ -	\$ 2,489,914	6.07%	\$ 4,251
2019	1,438,373	-	71,610	2,584	30	13,505	1,526,102	781,357	-	2,307,459	5.77%	3,951
2018	1,292,667	-	73,700	2,527	24	13,525	1,382,443	729,593	-	2,112,036	5.44%	3,667
2017	1,175,582	-	81,130	2,767	79	13,545	1,273,103	682,152	-	1,955,255	5.28%	3,411
2016	1,159,243	-	83,125	3,101	96	13,565	1,259,130	638,133	-	1,897,263	5.33%	3,335
2015	1,136,729	-	84,860	3,398	37	13,585	1,238,609	615,297	-	1,853,906	5.36%	3,285
2014	1,004,487	-	86,440	3,730	49	13,605	1,108,311	527,263	-	1,635,574	4.97%	2,918
2013	946,045	-	90,815	3,888	4	13,625	1,054,377	458,645	-	1,513,022	4.77%	2,721
2012	892,512	-	93,155	4,215	8	13,645	1,003,535	424,450	-	1,427,985	4.54%	2,593
2011	842,456	-	95,330	4,804	34	13,665	956,289	409,566	2,200	1,368,055	4.51%	2,510

(a) See the Demographic and Economic Statistics schedule for personal income and population data. These ratios are calculated using personal income for the prior calendar year.

(b) Bonds have been adjusted for the unamortized premium.

Anne Arundel County, Maryland
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(in thousands of dollars, except per capita)

Fiscal Year Ended June 30,	Net General Obligation Bonds Outstanding (a)	Percentage of Estimated Actual Taxable Value of Property (b)	Per Capita (c)
2020	\$ 2,151,217	2.28%	\$ 3,673
2019	1,976,795	2.18%	3,385
2018	1,785,640	2.04%	3,100
2017	1,631,670	1.95%	2,846
2016	1,556,069	1.93%	2,735
2015	1,496,636	1.92%	2,652
2014	1,332,037	1.74%	2,377
2013	1,230,752	1.60%	2,214
2012	1,158,156	1.45%	2,103
2011	1,122,542	1.32%	2,060

(a) Bonds have been adjusted for the unamortized premium and net position restricted for debt service.

(b) See the Taxable Assessed Value and Estimated Actual Value of Property schedule for property value data.

(c) See the Demographic and Economic Statistics schedule for population data.

Anne Arundel County, Maryland
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2020

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
City of Annapolis	\$ 153,502,362	100.00%	\$ 153,502,362
Subtotal overlapping debt			<u>153,502,362</u>
Anne Arundel County direct debt			<u>1,652,015,495</u>
Total direct and overlapping debt			<u><u>\$ 1,805,517,857</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of the overlapping government that is borne by the residents and businesses of Anne Arundel County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Anne Arundel County, Maryland
Legal Debt Margin
 Last Ten Fiscal Years
(dollars in thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assessed value										
Real property	\$ 91,496,994	\$ 88,023,098	\$ 84,741,803	\$ 81,206,409	\$ 78,154,218	\$ 75,746,986	\$ 74,302,152	\$ 74,265,956	\$ 77,289,434	\$ 82,238,131
Personal and operating real property	2,711,410	2,733,898	2,676,602	2,597,018	2,278,129	2,184,577	2,191,220	2,582,018	2,554,619	2,643,202
Total assessed value	<u>94,208,404</u>	<u>90,756,996</u>	<u>87,418,405</u>	<u>83,803,427</u>	<u>80,432,347</u>	<u>77,931,563</u>	<u>76,493,372</u>	<u>76,847,974</u>	<u>79,844,053</u>	<u>84,881,333</u>
Legal debt margin										
Debt limit (5.2% of assessed value of real property, 13% for fiscal years 2001 and prior)	4,757,844	4,577,201	4,406,574	4,222,733	4,064,019	3,938,843	3,863,712	3,861,830	4,019,051	4,276,383
Debt limit (13% of assessed value of personal and operating real property)	352,483	355,407	347,958	337,613	296,157	283,995	284,859	335,662	332,101	343,616
Total debt limit	<u>5,110,327</u>	<u>4,932,608</u>	<u>4,754,532</u>	<u>4,560,346</u>	<u>4,360,176</u>	<u>4,222,838</u>	<u>4,148,571</u>	<u>4,197,492</u>	<u>4,351,151</u>	<u>4,619,999</u>
Debt applicable to limit:										
General obligation bonds (1)	1,289,037	1,190,801	1,088,656	997,364	982,412	984,949	916,204	875,042	830,134	805,528
Bonded debt for WPRF projects (1)	95,611	72,866	55,216	44,448	46,688	33,825	7,300	-	-	-
Bonded debt for solid waste projects (1)	44,472	38,973	37,228	33,888	32,920	33,881	28,491	26,028	28,111	27,907
Installment Purchase Agreements (1)	13,485	13,505	13,525	13,545	13,565	13,585	13,605	13,625	13,645	13,665
Tax Increment Bonds (1)	68,445	71,610	73,700	81,130	83,125	84,860	86,440	90,815	93,155	95,330
Bond anticipation notes (2)	-	-	-	-	-	-	-	-	-	2,200
Total debt applicable to limit	<u>1,511,050</u>	<u>1,387,755</u>	<u>1,268,325</u>	<u>1,170,375</u>	<u>1,158,710</u>	<u>1,151,100</u>	<u>1,052,040</u>	<u>1,005,510</u>	<u>965,045</u>	<u>944,630</u>
Legal debt margin	<u>\$ 3,599,277</u>	<u>\$ 3,544,853</u>	<u>\$ 3,486,207</u>	<u>\$ 3,389,971</u>	<u>\$ 3,201,466</u>	<u>\$ 3,071,738</u>	<u>\$ 3,096,531</u>	<u>\$ 3,191,982</u>	<u>\$ 3,386,106</u>	<u>\$ 3,675,369</u>
Total debt applicable to the limit as a percentage of debt limit	<u>29.57%</u>	<u>28.13%</u>	<u>26.68%</u>	<u>25.66%</u>	<u>26.57%</u>	<u>27.26%</u>	<u>25.36%</u>	<u>23.96%</u>	<u>22.18%</u>	<u>20.45%</u>

(1) See Note 8 of the General Purpose Financial Statements for explanations of the bonded debt limits.

(2) This presentation of debt for self-liquidating solid waste projects and bond anticipation notes is made to provide a conservative statement of indebtedness that evidences compliance with the 5.2% and 5.6% debt limitation.

Anne Arundel County, Maryland
Pledged-Revenue Bond Coverage
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Water and Wastewater Revenue Backed Bonds						Solid Waste Revenue Backed Bonds					
	Utility Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Service Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2020	\$ 102,566	\$ 98,213	\$ 4,353	\$ 34,136	\$ 30,418	0.07	\$ 56,534	\$ 47,710	\$ 8,825	\$ 2,501	\$ 1,928	1.99
2019	96,579	97,182	-603	32,450	28,579	-0.01	56,194	49,865	6,329	2,355	1,841	1.51
2018	96,827	92,229	4,598	30,655	26,527	0.08	54,339	48,073	6,267	1,860	1,799	1.71
2017	95,380	86,703	8,676	30,141	13,424	0.20	53,163	45,062	8,101	3,348	764	1.97
2016	94,645	96,453	-1,807	29,560	10,104	-0.05	51,560	41,660	9,900	2,434	1,000	2.88
2015	93,904	78,084	15,819	26,514	8,339	0.45	50,786	46,396	4,390	2,356	900	1.35
2014	97,087	80,622	16,465	24,779	7,691	0.51	51,246	46,294	4,952	2,138	861	1.65
2013	91,264	75,674	15,590	23,164	7,195	0.51	51,140	43,383	7,757	2,083	336	3.21
2012	95,633	74,888	20,745	21,789	7,440	0.71	53,224	45,731	7,493	2,000	206	3.40
2011	89,182	71,602	17,580	19,568	7,433	0.65	48,083	46,267	1,816	1,456	253	1.06

Fiscal Year	Tax Increment Bonds						Installment Purchase Agreements Bonds					
	Revenues and Transfers In	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Revenues and Transfers In	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2020	\$ 51,120	\$ 1,118	\$ 50,002	\$ 3,165	\$ 2,749	8.45	\$ 2,449	\$ 0	\$ 2,449	\$ 20	\$ 722	3.30
2019	47,294	1,435	45,859	2,090	2,202	10.68	1,849	0	1,849	20	723	2.49
2018	47,851	1,438	46,413	2,240	4,185	7.22	592	0	592	20	724	0.80
2017	47,908	1,678	46,230	1,995	4,233	7.42	-569	0	-569	20	725	-0.76
2016	39,206	957	38,249	1,735	4,271	6.37	2,443	0	2,443	20	726	3.27
2015	37,290	146	37,144	1,580	3,720	7.01	1,850	0	1,850	20	727	2.48
2014	33,562	639	32,923	1,430	3,105	7.26	1,262	0	1,262	20	728	1.69
2013	32,211	928	31,283	2,340	2,472	6.50	67	750	-683	20	729	-0.91
2012	27,929	1,073	26,856	2,175	2,382	5.89	3,991	0	3,991	20	724	5.36
2011	27,428	1,074	26,354	1,690	2,462	6.35	961	194	767	20	664	1.12

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
"Utility Charges and Other" includes investment earnings but not capital contributions and grants.
"Operating Expenses" do not include interest or depreciation.

Anne Arundel County, Maryland
 Demographic and Economic Statistics
 Last Ten Years

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b) (thousands of dollars)</u>	<u>Per Capita Personal Income (c)</u>	<u>Public School Enrollment (d)</u>	<u>Unemployment Rate % (e)</u>
2020	585,687	\$ 41,053,491	\$ 70,095	86,511	6.51
2019	583,967	39,996,757	68,491	84,984	3.10
2018	576,031	38,803,403	67,363	83,249	3.30
2017	573,235	37,058,496	64,648	82,777	3.64
2016	568,916	35,619,262	62,609	81,397	3.70
2015	564,390	34,590,334	61,288	80,387	4.40
2014	560,452	32,884,533	58,675	79,518	5.10
2013	556,007	31,689,181	56,994	78,500	5.80
2012	550,636	31,434,076	57,087	77,770	6.10
2011	544,973	30,349,938	55,691	76,303	6.40

Sources and notes:

(a) Mid-year (July 1) estimates obtained from the Maryland Department of Planning , U.S. Census Bureau, release date March 2019; These data supersede population estimates published in previous years. Year 2019 and 2020 mid-year estimated by Anne Arundel County Office of Planning & Zoning, Research/GIS Division

(b) U.S. Bureau of Economic Analysis (BEA), release date November 2018 - revised estimated for 2011-2017. These data supersede personal income estimates published in previous years. The 2019 and 2020 estimated by Anne Arundel County Planning & Zoning using simple linear regression (R2=.9828).

(c) U. S Bureau of Economic Analysis, release date November 2018 Per capita personal income is total personal income divided by total U.S. Census Bureau mid-year population.

(d) Anne Arundel County Board of Education, Educational Facilities Master Plan July 2020; 2002-2019 actual enrollment. Enrollment for 2020 Projected by AACPS Planning Department release date July 2020. Revised to include evening high school enrollment.

(e) Maryland Department of Labor, Licensing and Regulation monthly reports Average per Calendar Year ; Year 2020 average for 6 months (Jan-June). Release date 8/01/2020. Previous data for 2018 and 2019 superseded by August 2020 report.

ANNE ARUNDEL COUNTY, MARYLAND
Principal Employers
Current Year and Nine Years Ago

2020			2011		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>	<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>
Ft. George G. Meade	57,327	13.70%	Ft. George G. Meade	48,389	13.55%
Anne Arundel County Public Schools	14,000	3.35%	Anne Arundel County Public Schools	14,085	3.95%
State of Maryland	12,627	3.02%	BWI Thurgood Marshall Airport	9,717	2.72%
BWI Thurgood Marshall Airport	9,717	2.32%	State of Maryland	9,032	2.53%
Northrop Grumman Corp.	9,500	2.27%	Northrop Grumman Corp.	8,000	2.24%
Anne Arundel County Government	5,190	1.24%	Anne Arundel County Government	4,163	1.17%
Anne Arundel Health System	4,900	1.17%	Southwest Airlines	3,200	0.90%
Southwest Airlines	4,857	1.16%	Anne Arundel Health System	2,800	0.78%
Univ. of MD Baltimore Washington Medical Center	3,215	0.77%	Baltimore Washington Medical Center	2,650	0.74%
Live! Casino and Hotel	3,000	0.72%	U.S. Naval Academy	2,340	0.66%
	<u>124,333</u>	<u>29.71%</u>		<u>104,376</u>	<u>29.23%</u>

Sources: Anne Arundel Economic Development Corporation, the Maryland State Data Center, and the U.S. Department of Commerce - Bureau of Economic Analysis.

ANNE ARUNDEL COUNTY, MARYLAND
 County Government Employees by Function - Full Time Equivalent
 Last Ten Fiscal Years

Function	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General government	529	519	521	511	502	500	500	489	496	501
Public safety										
Police	1,005	1,016	992	975	965	951	919	909	895	892
Fire	988	934	922	908	901	901	780	785	855	855
Detention center	434	397	395	397	398	398	398	398	399	402
Emergency Management	5	5	-	-	-	-	-	-	-	-
Health and human services	154	154	154	158	158	158	158	159	161	174
Public works	298	295	297	298	307	308	309	270	270	282
Recreation and community services	105	100	95	92	87	87	87	87	90	98
Judicial	296	290	286	281	277	270	272	269	269	270
Code enforcement	165	160	160	159	155	156	155	154	154	162
Land use and development	81	72	75	75	78	80	81	79	81	82
Water and wastewater	380	380	380	380	380	378	376	350	350	350
Solid waste	90	90	90	90	90	90	88	88	87	87
Child care	9	9	9	9	9	9	9	9	9	9
Total	<u>4,539</u>	<u>4,421</u>	<u>4,376</u>	<u>4,333</u>	<u>4,307</u>	<u>4,286</u>	<u>4,132</u>	<u>4,046</u>	<u>4,116</u>	<u>4,164</u>

Source: Anne Arundel County Budget Office, Approved Current Expense Budgets

Anne Arundel County, Maryland
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

Function/program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Police										
Physical arrests	10,304	13,145	12,946	14,126	14,375	13,788	14,725	14,477	16,914	19,165
Parking violations	2,058	3,298	2,906	2,429	1,545	1,715	3,338	3,828	3,081	4,318
Traffic violations	129,831	187,715	177,049	172,259	159,213	149,416	152,663	171,849	102,374	152,484
Fire										
Emergency responses	85,081	87,292	86,862	85,061	81,040	71,844	69,053	75,407	72,075	73,071
Inspections	9,866	12,544	10,829	12,656	9,062	10,268	10,729	10,584	11,540	11,032
Streets and highways										
Resurfacing (miles)	79.6	60.0	60.5	75.9	54.9	38.1	41.7	48.2	59.9	51.9
Recreation and community services										
Facility use applications	5,530	6,231	6,234	7,331	5,036	6,162	6,158	6,233	6,451	6,451
Water										
New water connections	1,811	2,633	1,000	1,671	1,972	1,229	1,126	694	712	743
Water main breaks	177	165	168	221	227	236	255	207	196	178
Average daily water consumption (thousands of gallons)	30,750	33,600	32,400	33,650	33,067	33,333	34,105	36,900	35,503	33,478
Number of customers	119,938	118,127	115,494	114,494	112,917	111,466	110,165	108,760	107,721	107,004
Wastewater										
Average daily sewage treatment (thousands of gallons)	30,742	33,183	30,386	28,859	31,442	31,568	32,468	31,086	32,399	31,173
Number of customers	128,157	126,287	123,653	122,603	120,981	119,499	118,154	116,801	115,817	115,129
Solid waste										
Trash collected (tons per year)	270,550	254,681	222,822	205,604	199,116	185,817	182,148	182,992	191,842	191,481
Recyclables collected (tons per year)	142,464	135,884	136,912	143,890	136,831	135,648	132,509	145,301	140,174	143,861
Child care										
Enrollment	3,141	3,097	3,134	3,087	2,903	2,842	2,417	2,175	2,337	2,337

Source: Data provided by the following Anne Arundel County departments: Police, Fire, Recreation & Parks, and Public Works.

Anne Arundel County, Maryland
 Capital Asset Statistics by Function
 Last Ten Fiscal Years

Function/program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public Safety										
Police										
Stations	12	12	12	12	12	12	12	12	12	12
Patrol units (vehicles)	582	572	545	505	500	500	500	492	487	487
Fire										
County owned stations	22	21	20	20	20	20	20	19	19	19
Volunteer stations	9	10	11	11	11	11	11	12	12	12
Pumpers/tankers	69	70	65	63	60	58	66	59	59	65
Ladder trucks	25	24	22	23	23	23	23	22	22	23
Paramedic units	40	41	43	43	43	44	43	42	42	41
Streets and highways										
Streets (miles)	1,818	1,813	1,811	1,806	1,802	1,819	1,819	1,814	1,776	1,772
Streetlights	40,194	39,734	39,173	39,301	39,046	38,858	38,549	38,054	37,660	37,583
Traffic signals	238	234	222	219	216	207	205	195	193	187
Recreation and community services										
Open space acreage	4,984	4,930	4,722	4,991	4,991	4,990	4,982	4,976	5,053	4,579
Playgrounds and Parks acreage	7,706	7,536	7,542	7,329	7,329	7,319	7,318	7,242	7,158	6,952
Parks *										
Playgrounds	68	68	68	70	69	67	67	66	64	64
Baseball/softball fields	198	198	197	213	215	216	213	213	237	237
Football fields	99	99	97	104	99	97	98	98	118	118
Basketball courts	82	84	84	84	83	76	77	76	70	70
Tennis courts	52	54	53	53	54	54	54	54	64	64
Water										
Water mains (miles)	1,447	1,423	1,412	1,407	1,388	1,387	1,377	1,366	1,362	1,357
Water treatment plants	12	12	12	12	12	12	12	13	13	13
Wastewater										
Maximum daily treatment capacity (thousands of gallons)	52,530	52,530	46,830	46,640	46,640	46,615	46,615	46,615	46,615	46,615
Wastewater mains (miles)	1,469	1,469	1,472	1,472	1,446	1,445	1,442	1,432	1,418	1,401
Wastewater treatment plants	7	7	6	7	7	7	7	7	7	7
Wastewater pumping stations	265	262	262	259	258	257	257	253	251	249

Source: Data provided by the following Anne Arundel County departments: Police, Fire, Recreation & Parks, and Public Works.

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