

Anne Arundel County, Maryland

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2022

County Executive

Steuart Pittman

County Council

Lisa Brannigan Rodvien – Chairperson

Andrew C. Pruski – Vice Chairperson

Amanda Fiedler

Jessica Haire

Sarah Lacey

Allison Pickard

Nathan Volke

Prepared by: Office of Finance – Billie Penley, Acting Controller

**Anne Arundel County, Maryland
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022**

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>Report of Independent Public Accountants</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 Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Grants Special Revenue Fund	39
Statement of Net Position - Proprietary Funds	41
Reconciliation of Enterprise Funds Net Position to Business-type Net Position	42
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	43
Statement of Cash Flows - Proprietary Funds	44
Statement of Fiduciary Net Position	46
Statement of Changes in Fiduciary Net Position	47

<i>Notes to the Financial Statements</i>	48
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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	115
Schedule of Changes in Anne Arundel County's Retirement and Pension System Net Pension Liability and Related Ratios - Police Service Retirement Plan	116
Schedule of Changes in Anne Arundel County's Retirement and Pension System Net Pension Liability and Related Ratios - Fire Service Retirement Plan	117
Schedule of Changes in Anne Arundel County's Retirement and Pension System Net Pension Liability and Related Ratios - Detention Officers and Deputy Sheriffs' Plan	118
Schedule of Investment Returns	119
Schedule of Employer's Contributions - Employees' Retirement Plan	120
Schedule of Employer's Contributions - Police Service Retirement Plan	121
Schedule of Employer's Contributions - Fire Service Retirement Plan	122
Schedule of Employer's Contributions - Detention Officers' and Duputy Sheriffs' Retirement Plan	123
Schedule of County's Proportionate Share for Withdrawn Personnel of the Net Pension Liability Maryland State Retirement and Pension System	124
Schedule of County's Proportionate Share for Officials of the Net Pension Liability Maryland State Retirement and Pension System	125
Schedule of County's Proportionate Share for Judges Plan of the Net Pension Liability Maryland State Retirement and Pension System	126
Schedule of County Contributions to State Municipal Pool Withdrawn Personnel	127
Schedule of County Contributions to State Municipal Pool Officials	128
Schedule of County Contributions to State Municipal Pool Judges	129

**Anne Arundel County, Maryland
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022**

Table of Contents (continued)

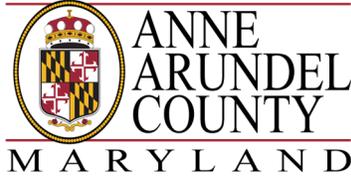
Retiree Health Benefits Trust Schedule of Changes in Net OPEB Liability and Related Ratios - County Plan	130
Retiree Health Benefits Trust Schedule of Changes in Net OPEB Liability and Related Ratios - College Plan	131
Retiree Health Benefits Trust Schedule of Changes in Net OPEB Liability and Related Ratios - Library Plan	132
Retiree Health Benefits Trust Schedule of Contributions - County Plan	133
Retiree Health Benefits Trust Schedule of Contributions - College Plan	134
Retiree Health Benefits Trust Schedule of Contributions - Library Plan	135
Retiree Health Benefits Trust Schedule of Investment Returns by Plan	136
Schedule of Changes in Anne Arundel County's Length of Service Award Program (LOSAP) Net Pension Liability and Related Ratios	137
<i>Combining Fund Statements, Budgetary Statements, and Other Supporting Schedules</i>	
Detail Schedule of Revenues - Estimated and Actual - General Fund	140
Detail Schedule of Appropriations, Expenditures, and Encumbrances - General Fund	142
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund - Separately Budgeted Components	144
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Impact Fees Capital Projects Fund	145
<i>Combining Fund Statements and Individual Fund Schedules</i>	
Combining Balance Sheet - Non-major Governmental Funds	148
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-major Governmental Funds	154
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Special Revenue Funds	159
Schedule of Revenues and Expenditures - Budget and Actual - Erosion Districts Fund	165
Schedule of Revenues and Expenditures - Budget and Actual - Roads and Special Benefit Districts Fund	166
Schedule of Funding Sources Authorized and Realized - General County Capital Projects Fund	168
Schedule of Appropriations, Expenditures, and Encumbrances - General County Capital Projects Fund	170
Schedule of Revenues and Expenditures - Budget and Actual - Non-major Capital Project Funds	172
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Debt Service Funds	173
Schedule of Revenues and Expenditures - Budget and Actual - Special Taxing Districts Fund	176
Combining Schedule of Net Position - Water and Wastewater Fund	178
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position - Water and Wastewater Fund	179
Combining Schedule of Cash Flows - Water and Wastewater Fund	180
Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual - Enterprise Funds	182
Schedule of Funding Sources Authorized and Realized - Enterprise Capital Projects Funds	184
Schedule of Appropriations, Expenditures, and Encumbrances - Enterprise Capital Projects Funds	186
Combining Statement of Net Position - Internal Service Funds	188
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds	189
Combining Statement of Cash Flows - Internal Service Funds	190
Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual - Internal Service Funds	191
Combining Statement of Fiduciary Net Position	195
Combining Statement of Changes in Fiduciary Net Position	196
Combining Statement of Plan Net Position - Pension Trust Funds	197
Combining Statement of Changes in Net Position - Pension Trust Funds	198
Combining Statement of Fiduciary Net Position - Retiree Health Benefits Trust	199
Combining Statement of Changes in Fiduciary Net Position - Retiree Health Benefits Trust	200
Combining Balance Sheet - Custodial Funds	202
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Custodial Funds	204
<i>Non-major Component Unit Financial Statements</i>	
Combining Statements	
Combining Statement of Net Position - Non-major Component Units	206
Combining Statement of Activities - Non-major Component Units	208

**Anne Arundel County, Maryland
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022**

Table of Contents (continued)

Library Component Unit Financial Statements	
Balance Sheet	210
Statement of Revenues, Expenditures, and Changes in Fund Balances	211
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Operating Fund	212
Details of Long-term Debt and Interest	214
Schedule of Debt Service Requirements for Long-term Debt and Interest	218
Statistical Section	
<i>Net Position by Category</i>	223
<i>Changes in Net Position</i>	224
<i>Fund Balances, Governmental Funds</i>	226
<i>Changes in Fund Balances, Governmental Funds</i>	228
<i>Taxable Assessed Value and Estimated Actual Value of Property</i>	230
<i>Direct and Overlapping Property Tax Rates</i>	231
<i>Principal Property Tax Payers</i>	232
<i>Property Tax Levies and Collections</i>	233
<i>Ratios of Outstanding Debt by Type</i>	234
<i>Ratios of General Bonded Debt Outstanding</i>	235
<i>Direct and Overlapping Governmental Activities Debt</i>	236
<i>Legal Debt Margin</i>	237
<i>Pledged Revenue Bond Coverage</i>	238
<i>Demographic and Economic Statistics</i>	239
<i>Principal Employers</i>	240
<i>County Government Employees by Function</i>	241
<i>Operating Indicators by Function / Program</i>	242
<i>Capital Asset Statistics by Function</i>	243

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Steuart Pittman
County Executive

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Billie Penley
Acting Controller

January 26, 2023

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 Annual Comprehensive Financial Report (ACFR) of Anne Arundel County, Maryland (the County) for the fiscal year ended June 30, 2022, 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 2022.

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, SB & Company, LLC, 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 department level within each fund 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 9.9 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 27,682 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 22nd busiest U.S. airport providing 634 passenger flights per day and serving approximately 18.8 million visitors in 2021.

Fort Meade is a 5,067-acre federal facility that hosts 121 tenant organizations with an estimated total employment on base of over 60,000 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.

Arundel Mills is a major regional 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

ANNE ARUNDEL COUNTY

infrastructure. In addition to 17 anchor and over 225 specialty retail stores, there are ten hotels, two office buildings and the Live! Casino & Hotel. 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 – Luminis Health Anne Arundel Medical Center and the University of Maryland Baltimore Washington Medical Center, with affiliations to Johns Hopkins and University of Maryland respectively, 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 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, on-site industrial rail and deep-water berths. The facility has over nine million square feet of existing warehouse space with an additional seven million square feet for future development. Trade Point Atlantic generates over 12,000 permanent jobs with thousands more expected to be created at full buildout.

Workforce: Anne Arundel County's civilian workforce measuring approximately 318,000 workers serves businesses, government agencies and institutions throughout the Washington-Baltimore Region. Within the County, there are 258,684 "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 43.1% workers 25 years and older with a bachelor's or advanced graduate degree. The fiscal year 2022 average unemployment rate for Anne Arundel County is 4.0% as compared to the average for 2021 of 5.1%. This rate is favorable in contrast to the average State unemployment rate of 5.2% and the average national rate of 4.2%.

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 2011 include Trade/Transportation and Utilities, Government, Professional and Business Services, Leisure and Hospitality, Education and Health Services, Construction, and Financial Activities. In calendar year 2021, strong private sector gains were seen in both the Leisure and Hospitality and Information sectors, while other industries were slower in their recovery from the COVID-19 pandemic. The County continues to regain pandemic-related losses in payroll employment with an annual average of 258,684 jobs in the County in 2021.

Housing Market: The number of housing units sold in Anne Arundel County is down 10.5% from fiscal year 2021 at 12,167 units to 10,888 units in fiscal year 2022. In contrast, the median price for existing homes is up 6.6% from \$401,675 in fiscal year 2021 to \$428,144 in fiscal year 2022. Additionally, the number of housing units available continues to rise and has grown by 20,669 over the past ten years to keep pace with an increasing county population that was 590,336 according to the 2021 Census Bureau's American Community Survey 1-year estimates.

Commercial Real Estate: Currently there is 62.1 million square feet of office, flex, and industrial commercial real estate in Anne Arundel County representing 2,095 properties. The average vacancy rate for all commercial property (office, flex, industrial) in the County is 6.4%, down from the five-year average of 8.3%. Average rental rates are \$17.85 per square foot, up when compared to the five-year average cost at \$16.63 per square foot. Current average rental rates per square foot are \$27.76 for office, \$14.37 for flex and \$10.55 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. The median price for existing homes has risen sharply as the housing market has been strong, yet the number of housing units sold in the County has been hampered by a decreasing inventory of homes on the market. 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 \$21 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 fiscal year 2019.

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 \$107.8 million at the end of fiscal year 2022. 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 \$23.0 million will be transferred to the Fund during fiscal year 2023. Starting fiscal year 2023, the maximum budgetary fund balance may not exceed an amount equal to 7.0% of the estimated General Fund revenues for the upcoming fiscal year or \$132.6 million for fiscal year 2023.

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 \$0.933 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 2023 supported 80.0% of the County's budgeted recurring 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 Aaa ratings, respectively, with a stable outlook for the County's general obligation (GO) bonds.

Investment Policy: The County's investment policy provides for the safety and liquidity of public funds by minimizing credit and market risk. All deposits of the Primary Government at June 30, 2022 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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This was the forty-first 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 Annual Comprehensive 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 annual comprehensive 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 ACFR. 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 Kevin McMahon, Financial Reporting and Accounting Senior Manager. 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,



Billie Penley
Acting Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Anne Arundel County
Maryland**

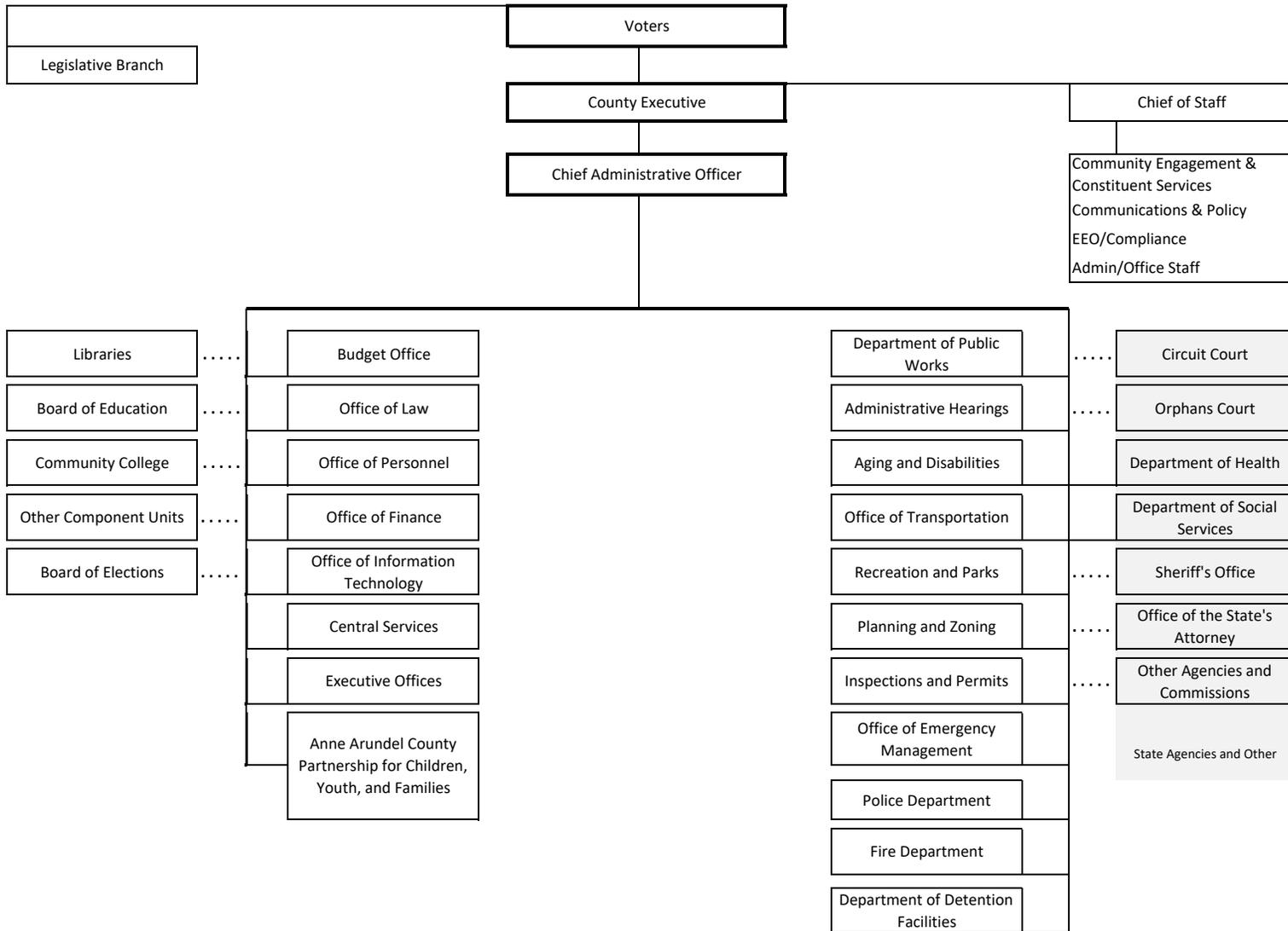
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

Anne Arundel County, Maryland



..... Not a direct report



**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS
 ON THE AUDIT OF THE FINANCIAL STATEMENTS**

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

Opinions

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements 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, and the aggregate remaining fund information of the County, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows and budget and actual for the general and grants special revenue funds thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Anne Arundel County Board of Education, Anne Arundel County Community College, Anne Arundel Economic Development Corporation, Tipton Airport Authority, Anne Arundel Workforce Development Corporation, and Anne Arundel County Retirement and Pension System. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it related to the amounts included for the County, is based solely on the report of the other auditors.

The financial statements that we did not audit, which are listed above, represent the percentages of the total assets, total net position, and total revenues of the accompanying financial statements as listed below.

	Percentage of Opinion Unit		
	Total Assets	Total Net Position	Total Operating Revenues
Component units			
Major			
Board of Education	87.3%	118.0%	87.9%
Community College	10.7%	-19.2%	9.4%
Non-Major			
Economic Development	0.3%	-0.4%	0.3%
Tipton Airport	0.5%	-1.3%	0.2%
Workforce Development	0.3%	-0.1%	0.6%
Total Percentage of Component Units	99.1%	97.0%	98.4%
Fiduciary Funds:			
Pension Trust Fund	85.9%	85.6%	87.3%

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. 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*.



We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The County’s management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit 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 County’s internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal controls-related matters that we identified during the audit.

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 employer’s contributions, schedules of proportionate shares of pension plans, schedules of County’s contributions, schedules of changes in net OPEB liabilities and related ratios, retiree health benefits trust schedules of contributions, and schedule of changes in length of service award program net pension liability and related ratios, as



identified in the accompanying table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 combining fund statements, budgetary statements and other supporting schedules, 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2023 on our consideration of the County's internal controls 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 controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal controls 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 controls over financial reporting and compliance.

Owings Mills, Maryland
January 26, 2023

A handwritten signature in cursive script that reads "SB & Company, LLC".

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Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2022

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, 2021 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 \$1.2 billion. The unrestricted portion was negative \$1.0 billion which was composed of a deficit in the governmental 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 was \$749.8 million and for college projects was \$74.2 million. The current net value of the Board of Education capital assets was \$1.7 billion and the community college net capital assets total \$186.4 million. In the current fiscal year, the governmental activities unrestricted deficit decreased by \$264.5 million and the business-type activities unrestricted deficit decreased by \$14.2 million.
- Total net position of the County has increased by \$251 million or 27.6% over the prior fiscal year.
 - In the governmental activities, total revenues increased \$87.9 million or 4.2% and expenses decreased \$40.8 million or 2.0% from the prior fiscal year, resulting in an increase of \$230.8 million in net position, which is \$129.8 million more than the prior fiscal year change. Increases in general property taxes, local income tax revenues, state shared taxes, local sales taxes, and recordation and transfer tax revenues of \$25.3 million, \$77.5 million, \$3.8 million, \$41.2 million, and \$5.1 million, respectively, were the primary drivers which increased revenues. These increases were offset by decreases in charges for services, operating grants and contributions, capital grants and contributions, investment income, and other revenue of \$13.7 million, \$15.8 million, \$4.4 million, \$12.2 million and \$18.8 million, respectively. Higher expenses were primarily due to increases in education (\$23.7 million), general government (\$24.3 million), and land use and development (\$8.6 million), offset by decreases in public safety (\$10.9 million), health and human services (\$8.1 million), public works (\$59.6 million), and interest expense on debt and leases (\$14.5 million). The increase in budgetary expenditures were in part from labor related the cost of living increase and pay for performance increase of 1.5% and 3.0%, respectively for represented positions. Further details are presented in the Management's Analysis section of the MD&A.
 - In the business-type activities, total revenues increased by \$32.0 million or 12.9% and total expenses increased by \$2.8 million or 1.1%, from the prior fiscal year, resulting in a \$20.3 million increase in net position, which is \$28.0 million more than the prior fiscal year change. Increases in revenue are attributable to increased charges for services, capital grants and developer contributions, and other revenues in the amount of \$18.6 million, \$11.1 million, and \$5.8 million respectively, offset by a decrease in investment income of \$3.5 million. The \$2.8 million increase in expenses resulted from an increase in spending in the Water and Wastewater Fund of \$18.7 million, and in the Child Care Fund of \$3.3 million, offset by a decrease in the Solid Waste Fund of \$19.1 million.

Fund Level:

- The County's governmental funds reported combined fund balances of \$868.7 million, an increase of \$152.9 million from the prior fiscal year. The greatest net change in fund balance was a \$161.4 million increase from the prior fiscal year in the General Fund mainly due to an increase in general property taxes, local income taxes, and recordation and transfer tax revenues of \$27.3 million, \$41.6 million and \$41.2 million, respectively. These increases in revenue were offset in part by increases in spending for education, public safety and general government expenses, of \$34.9 million, \$27.7 million, and \$10.7 million, respectively, and decreases in principal payments on debt, and other financing sources and uses of \$83.2 million and \$133.3 million respectively. For fiscal year 2022, the Impact Fees Capital Projects Fund balance increased \$8.1 million due to incoming revenues exceeding expenses and transfers out by \$8.1 million. The General County Capital Projects fund balance decreased by \$6.6 million as a result of incoming revenue and transfers in for capital project funding subceeding education and capital outlay spending by \$6.6 million.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2022

The Grants Fund balance decreased by \$7.9 million as a result of revenues subceeding expenses because of the normal lag in the grant reimbursements which occurs each year. Non-major governmental funds balance decreased \$2.1 million due to net operating income of \$41.8 million, offset by a net of \$43.9 million for other financing sources and uses.

- Approximately 67.4% of the total governmental fund balance or \$585.4 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 \$547.2 million or 99.2% of the total fund balance, which is 30.8% of the current year expenditures. Non-spendable fund balance of the General Fund was \$4.3 million or 0.8% of the total fund balance.
- The enterprise fund charges for service increased by \$18.6 million or 12.9%, and capital contributions increased \$11.1 million or 13.7%. This was primarily due an increase in charges for service in the Water and Wastewater Fund of \$3.3 million, in the Solid Waste Fund of \$7.6 million, and in the Child Care Fund of \$5.5 million. Non-operating revenues increased by \$2.3 million or 9.9%, primarily due to an increase in capital contributions of \$11.1 million. Operating expenses increased by \$2.8 million or 1.1%, and non-operating expenses increased by \$1.2 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 \$31.5 million for governmental activities and \$14.7 million for business-type activity in fiscal year 2022. The County issued additional general obligation debt in the amount of \$182.4 million for governmental activities which will be used for education, infrastructure improvements, community college, police and fire, library, watershed protection and restoration, parks and recreation, waterway improvements, and general government improvements. The County issued new bonds for business-type activity in the amount of \$83.8 million for utility improvements. The County had a net decrease for Maryland Water Quality loans of \$3.0 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

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2022

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 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 custodial 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. 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.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2022

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 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.

	Statement of Net Position					
	Governmental		Business-type		Totals	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Assets:						
Current	\$ 901,259,941	\$ 713,963,687	\$ 210,987,314	\$ 164,696,916	\$ 1,112,247,255	\$ 878,660,603
Restricted - Current	457,948,605	481,728,194	296,882,496	325,777,255	754,831,101	807,505,449
Restricted - Noncurrent	-	-	19,696,451	20,905,831	19,696,451	20,905,831
Capital	1,556,092,473	1,453,256,218	1,887,518,642	1,866,709,443	3,443,611,115	3,319,965,661
Total	2,915,301,019	2,648,948,099	2,415,084,903	2,378,089,445	5,330,385,922	5,027,037,544
Deferred outflow of resources	355,928,035	198,584,249	32,770,014	23,821,712	388,698,049	222,405,961
Liabilities:						
Current	303,388,069	315,562,884	87,122,065	86,516,817	390,510,134	402,079,701
Restricted - current	138,370,005	126,465,533	10,711,130	11,185,441	149,081,135	137,650,974
Noncurrent	2,843,150,824	2,800,979,122	982,475,556	972,313,145	3,825,626,380	3,773,292,267
Total	3,284,908,898	3,243,007,539	1,080,308,751	1,070,015,403	4,365,217,649	4,313,022,942
Deferred inflow of resources	174,281,577	23,255,769	17,510,583	2,124,033	191,792,160	25,379,802
Net Position:						
Net investment in capital assets	634,757,425	626,801,385	1,037,504,264	1,028,572,432	1,672,261,689	1,655,373,817
Restricted	211,341,812	253,003,875	311,887,638	314,786,793	523,229,450	567,790,668
Unrestricted	(1,034,060,658)	(1,298,536,220)	643,681	(13,587,504)	(1,033,416,977)	(1,312,123,724)
Total net position	\$ (187,961,421)	\$ (418,730,960)	\$ 1,350,035,583	\$ 1,329,771,721	\$ 1,162,074,162	\$ 911,040,761

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, 2022

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 \$187.3 million more in fiscal year 2022. This is due primarily to an increase in cash and temporary investments, taxes, and other state revenue receivables, and due from other governmental agencies, of \$109.7 million, \$34.4 million, \$52.8 million, respectively, which was offset by a decrease in amounts due from component units of \$2.4 million. The business-type activities current assets increased by \$46.3 million, primarily due to an increase in cash and temporary investments and other state revenue receivable of \$17.5 million and \$24.7 million, respectively, from the prior fiscal year.

Restricted current assets in governmental activities decreased by \$23.8 million or 4.9%. This was mainly from an increase in restricted cash and temporary investments of \$42.4 million, which was offset by a decrease in the amounts due from other governmental agencies of \$66.1 million. The restricted cash in the Grants Fund increased by \$8.4 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 \$7.9 million as a result of an increase in fund balance of \$8.1 million. This was primarily due to a decrease in transfers out of \$2.8 million. The General County Capital project fund had an increase in cash and investments of \$16.0 million. This increase is in part the result of decreases in accounts receivables of \$12.5 million offset by an increase in accounts payable and accrued liabilities of \$2.3 million. The Non-major Governmental Funds had a decrease in cash and investments of \$7.0 million. This was mainly due to the following changes in cash and investments; Reforestation increased by \$1.9 million; Arundel Community Development Services decreased by \$5.8 million; Odenton Town Center increased by \$4.6 million; Video Lottery Local Impact Aid decreased by \$1.7 million; Arundel Mills Tax Increment decreased by \$6 million; and a decrease of Installment Purchase Agreements of \$1.2 million. The decrease in current restricted assets in business-type activities of \$28.9 million or 8.9%, was primarily due to a decrease in other receivables of \$900 thousand.

The governmental capital assets balance increased by \$102.8 million from the prior fiscal year or 7.1%. These increases are mainly the result of the completion of certain capital projects.

Noncurrent assets in business-type activities increased by \$19.6 million from the prior fiscal year or 1.0%. This increase resulted in part from an increase in total capital assets of \$20.8 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 decreased by \$12.2 million or 3.9%, from the previous fiscal year. This occurred primarily due to a decrease in accounts payable and accrued liabilities of \$23.6 million, which were offset by an increase in the amount due to component units and unearned revenue of \$8.3 million and \$5.0 million, respectively. The current unrestricted liabilities in business-type activities increased by only \$.6 million or .7% from the prior fiscal year.

Restricted current liabilities for governmental activities increased by \$11.9 million or 9.4% from the prior fiscal year, mainly as a result of an increase in accrued liabilities of \$15.5 million which was offset by a decrease in unearned revenue. Restricted current liabilities for business-type activities decreased by \$.5 million or .7% from the previous fiscal year, mainly the result of a decrease in unearned revenue of \$.6 million.

Noncurrent liabilities consist of bonded debt, pension benefits, OPEB obligation, unpaid insurance claims, loans, capital leases, and other liabilities. These liabilities increased \$42.2 million or 1.5%, in governmental activities, and increased by \$10.2 million or 1.0%, in business-type activities. The increase in governmental activities was mainly due to an increase in pension benefits, lease liability and in long-term debt liability of \$6.8 million, \$34.4 million and \$43.5 million, respectively, offset by a decrease in OPEB obligation and a decrease in unpaid insurance claims of \$28.1 million and \$14.1 million, respectively. The increase in the noncurrent liabilities in business-type activities was mainly due to an increase in long-term debt liability of \$14.9 million, offset by a decrease in pension benefits and a decrease in OPEB

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2022

obligation of \$1 million and \$3.4 million, respectively.

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 \$1.0 billion reflects this treatment. The Board of Education and Community College investment in capital assets of approximately \$1.7 billion and \$186.4 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</u> <u>year</u>	<u>Balance</u> <u>(in millions)</u>	<u>Fiscal</u> <u>year</u>	<u>Balance</u> <u>(in millions)</u>
2019	\$ (1,345.0)	2021	\$ (1,298.5)
2020	(1,371.9)	2022	(1,115.8)

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, 2022

	Governmental		Business type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Program Revenues:						
Charges for services	\$ 148,410,210	\$ 162,101,290	\$ 162,427,398	\$ 143,807,507	\$ 310,837,608	\$ 305,908,797
Operating grants & contributions	134,967,857	150,802,000	-	-	134,967,857	150,802,000
Capital grants & contributions	89,331,031	93,752,059	92,279,830	81,182,485	181,610,861	174,934,544
	<u>372,709,098</u>	<u>406,655,349</u>	<u>254,707,228</u>	<u>224,989,992</u>	<u>627,416,326</u>	<u>631,645,341</u>
General Revenues:						
General property taxes	854,191,742	828,844,864	-	-	854,191,742	828,844,864
Local income taxes	745,469,114	668,002,091	-	-	745,469,114	668,002,091
State shared taxes	8,465,642	4,677,098	-	-	8,465,642	4,677,098
Recordation & transfer taxes	198,086,989	156,927,794	-	-	198,086,989	156,927,794
Local sales taxes	29,120,925	24,016,271	-	-	29,120,925	24,016,271
Investment income	(10,770,518)	1,449,674	(419,533)	3,092,408	(11,190,051)	4,542,082
Other revenue	-	18,829,827	25,467,783	19,695,504	25,467,783	38,525,331
	<u>1,824,563,894</u>	<u>1,702,747,619</u>	<u>25,048,250</u>	<u>22,787,912</u>	<u>1,849,612,144</u>	<u>1,725,535,531</u>
Total revenues	<u>2,197,272,992</u>	<u>2,109,402,968</u>	<u>279,755,478</u>	<u>247,777,904</u>	<u>2,477,028,470</u>	<u>2,357,180,872</u>
Expenses:						
Education	942,940,746	919,228,528	-	-	942,940,746	919,228,528
Public safety	383,475,342	394,346,520	-	-	383,475,342	394,346,520
General government	274,812,069	250,467,620	-	-	274,812,069	250,467,620
Health & human services	108,192,358	116,319,497	-	-	108,192,358	116,319,497
Public works	53,350,615	112,956,167	-	-	53,350,615	112,956,167
Recreation & community services	95,365,139	97,920,478	-	-	95,365,139	97,920,478
Judicial	33,446,760	34,243,612	-	-	33,446,760	34,243,612
Code enforcement	15,863,411	16,817,595	-	-	15,863,411	16,817,595
Land use & development	10,424,039	1,858,640	-	-	10,424,039	1,858,640
Interest expense on debt and leases	50,469,151	64,954,006	-	-	50,469,151	64,954,006
Water & wastewater	-	-	208,736,083	189,988,951	208,736,083	189,988,951
Waste collection	-	-	42,688,148	61,869,697	42,688,148	61,869,697
Child care	-	-	6,231,208	2,960,419	6,231,208	2,960,419
Total expenses	<u>1,968,339,630</u>	<u>2,009,112,663</u>	<u>257,655,439</u>	<u>254,819,067</u>	<u>2,225,995,069</u>	<u>2,263,931,730</u>
Increase(decrease) in net position	228,933,362	100,290,305	22,100,039	(7,041,163)	251,033,401	93,249,142
Non operating income and expense:						
County Transfer	1,836,177	663,000	(1,836,177)	(663,000)	-	-
Change in Net Position	<u>230,769,539</u>	<u>100,953,305</u>	<u>20,263,862</u>	<u>(7,704,163)</u>	<u>251,033,401</u>	<u>93,249,142</u>
Net Position, beg of year	(418,730,960)	(519,684,265)	1,329,771,721	1,337,475,884	911,040,761	817,791,619
Net Position, end of year	<u>\$ (187,961,421)</u>	<u>\$ (418,730,960)</u>	<u>\$ 1,350,035,583</u>	<u>\$ 1,329,771,721</u>	<u>\$ 1,162,074,162</u>	<u>\$ 911,040,761</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 \$87.9 million or 4.2%. This is mainly due to an increase in local income tax of \$77.5 million or 11.6%, an increase in recordation and transfer taxes of \$41.1 million or 26.2% from the activity in the real estate market, and an increase in general property taxes of \$25.3 million or 3.1% due to growth in real property assessable base. The change in program revenue was a decrease of \$33.9 million or 8.3% due to a decrease in charges for service of \$13.7 million, a decrease in operating grants and contributions of \$15.8 million, and a decrease in capital grants and contributions of \$4.4 million.

The governmental activities' expenses had a decrease of \$40.8 million or 2.0% from prior fiscal year. Certain functional categories of expenditures had significant fluctuations during fiscal year 2022. The most notable fluctuations were in public safety, health and human services, public works and interest expense, which decreased by \$10.9 million or 2.8%, \$8.1 million or 7.0%, \$59.6 million or 52.8% and \$14.5 million or 22.3%, respectively. These decreases were partially offset by increases in education of \$23.7 million or 2.6%, general government of \$24.3 million or 9.7%, and land use and development of \$8.6 million or 460.8%. In fiscal year 2022, most of the represented and Non-represented County Employee's received a 1.5% cost of living increase and a 3.0% pay for performance while fire fighter union's pay scale change resulted about 4.5% cost of living increase.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2022

Business-type activities total revenues increased by \$32.0 million or 12.9% from the prior fiscal year. The increase in program revenue of \$29.7 million or 13.2% is mainly due to an increase in charges for services of \$18.6 million or 12.9% from the previous fiscal year. In addition, there was an increase in capital contributions of \$11.1 million or 13.7% in the Water and Wastewater Debt Service Fund due to connection fees and an increase in environmental protection revenues of \$10.0 million.

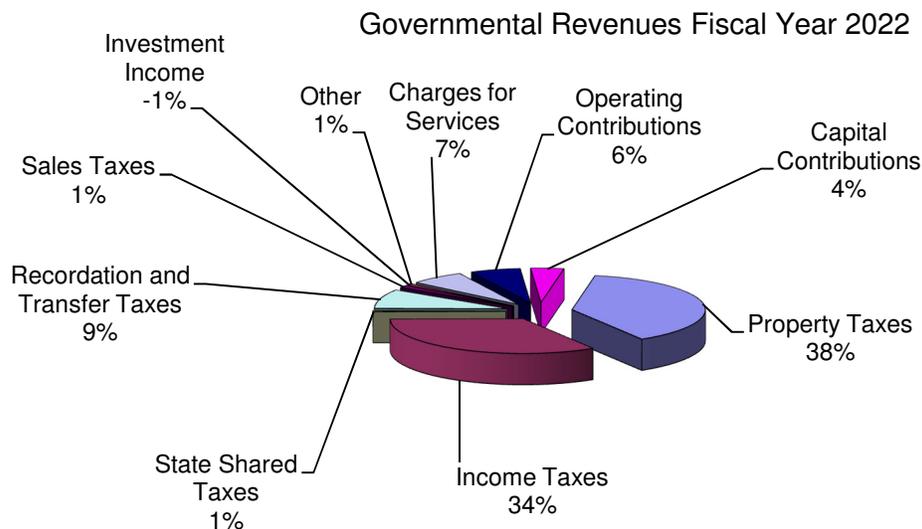
Business-type expenses had an overall increase of \$2.8 million or 1.1% from the previous fiscal year, which was primarily caused by an increase in water and wastewater fund and child care expenses of \$18.7 million and \$3.3 million, respectively. The increase in the Water and Wastewater Operating Fund was in part from a \$12.4 million increase in contractual services and an increase in depreciation expense of \$11.7 million. The increase in child care was in part from an increase in personal services expense of \$2.5 million and a \$.4 million increase in other expenses.

Distribution of Revenues and Expenses

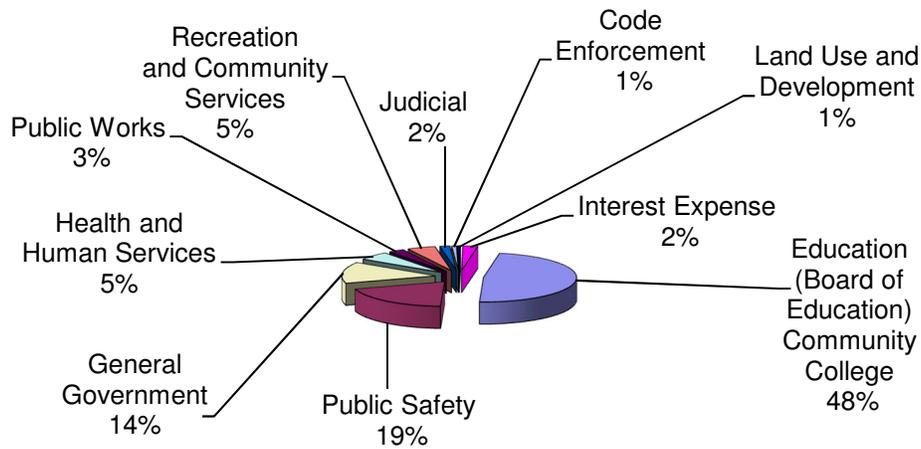
The next two charts show the percentage distribution of revenues from governmental activities and the percentage expended on each function. Discussion of the 2022 distribution and significant changes since 2021 follows.

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 83% of the revenue base, an increase of 3% from fiscal year 2021. Charges for services paid to the County by users were 7% for fiscal year 2022 which remained unchanged from fiscal year 2021.

An analysis of the percentage distribution of revenues revealed that there was an increase in Income Taxes from 32% to 34% and Recordation and Transfer Taxes from 7% to 9% while Property Taxes decreased from 39% to 38% and Investment Income decreased from 1% to -1%. An analysis of the percentage distribution of expenses by function revealed that Education and General Government increased slightly from 46% to 48% and 12% to 14%, respectively, while Health and Human Services, Public Works and Interest Expense decreased from 6% to 5%, 5% to 3% and 3% to 2%, respectively.



Governmental Expenses Fiscal Year 2022

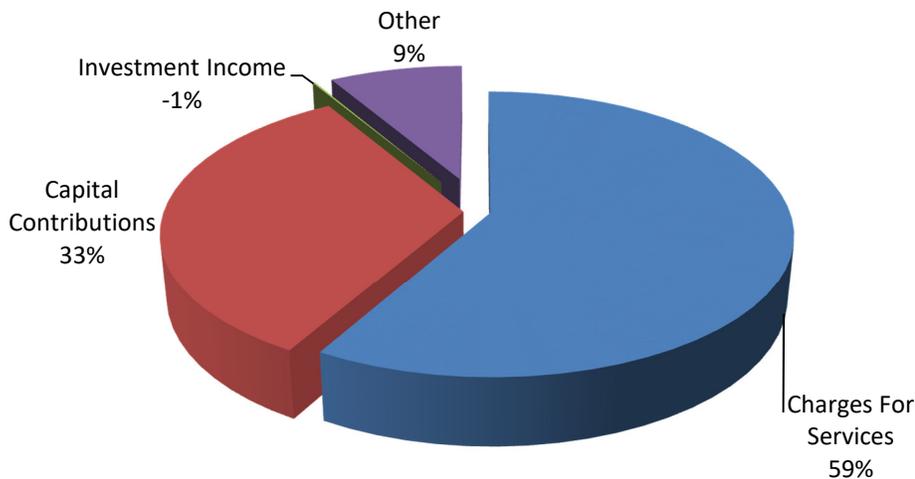


The next two charts show the percentage distribution of revenues from business-type activities and the percentage expended on each function. Discussion of the fiscal year 2022 distribution and significant changes since fiscal year 2021 follows.

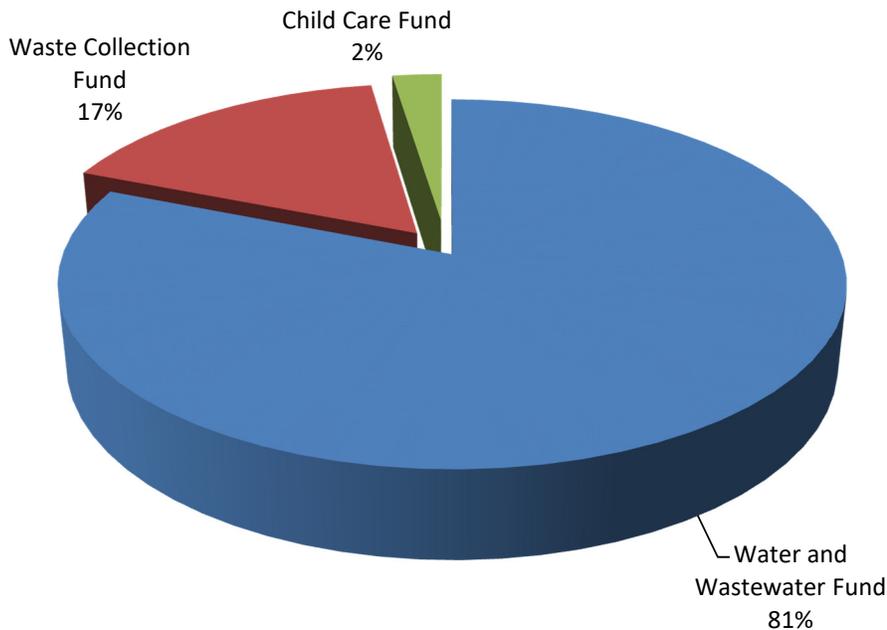
Charges for services and capital contributions continue to provide the vast majority of the County’s business-type activities revenue. Together these account for 92% of the revenue in fiscal year 2022, a slight increase from fiscal year 2021 which was 91%.

An analysis of the percentage distribution of expenses by function revealed that the Waste and Wastewater Fund increased from 75% to 81% and Child Care increased from 1% to 2%, while the Waste Collection Fund decreased from 24% to 17%.

**Business-Type Activities
 Revenues Fiscal Year 2022**



Business-Type Activities Expenses Fiscal Year 2022



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 \$574.3 million to \$742.3 million or \$168 million, from the prior fiscal year. The increase primarily occurred in cash and investments of \$156.5 million, and amounts due from other funds of \$11.6 million which was offset by a decrease in local income taxes of \$7.1 million. Total fund balance increased from \$390.1 million to \$551.5 million or \$161.4 million.

General Fund revenues increased from \$1,758.7 million to \$1,902.8 million or \$144.1 million and expenditures increased from \$1,762.9 million to \$1,774.5 million or \$11.6 million over the prior fiscal year. The main increases in revenue were in general property tax, local income tax, and recordation and transfer taxes of \$27.3 million, \$41.6 million, and \$41.2 million, respectively, offset by a decrease in investment income of \$6.5 million. The increase in General Property taxes was attributable to an increase in the taxable assessments for the County, while the increase in local income taxes was due to additional revenues collected by the State.

The County has put aside funds for permanent public infrastructure, in the amount of \$21.1 million, which is included in

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2022

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 \$98.3 million was in the reserve fund. This increase from the prior fiscal year is from the current year contribution of \$14.1 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 American Rescue Plan Act (ARPA) grants received from federal and state government sources. The total fund balance decreased by \$7.9 million, from a negative \$4.1 million in fiscal year 2021 to a negative \$12.0 million in fiscal year 2022. The overall fund balance is negative, as a result of unpaid grant reimbursements at year-end.

The Impact Fees Capital Project Fund retains developer impact fees until needed for the construction of capital assets. The total fund balance increased \$8.1 million, from \$104.1 million in fiscal year 2021 to \$112.2 million in fiscal year 2022. This was a result of impact fee revenues of \$29.2 million exceeding impact fee expenses of \$5.6 million and transfers out to capital projects of \$15.6 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 increased from \$190.6 million in fiscal year 2021 to \$194.2 million in fiscal year 2022, or \$3.6 million. This is primarily due to an increase in cash and investments of \$16.1 million at the end of current fiscal year, and a decrease in receivables of \$12.5 million. Amounts due from the Board of Education decreased by \$2.0 million. Liabilities increased by \$11.0 million compared to the prior fiscal year, primarily due to an increase in the amount due to the Board of Education and the Anne Arundel Community College of \$7.5 million and \$1.2 million, respectively. Deferred inflow of resources decreased \$0.9 million due to a decrease in unavailable grant and program revenue. The change in fund balance from the prior fiscal year decreased from \$127.4 million to \$120.8 million in fiscal year 2022, for a decrease of \$6.6 million in fund balance from the prior fiscal year.

Revenues in the General County Capital Projects Fund decreased from \$44.1 million in fiscal year 2021 to \$33.5 million in fiscal year 2022, or by \$10.6 million. Expenditures in this fund increased by \$21.0 million which is attributed to an increase of \$6.7 million for amounts paid to the Board of Education and Community College for capital projects and a \$14.3 million increase in capital outlay expense. The increase in Board of Education and Community College is primarily attributable to the increase in cost for school construction. Although, school construction costs fluctuated based on various projects Anne Arundel Community College's, Health, Science and Biology Building completed construction which decreased costs by \$30.7 million compared to the prior fiscal year. This was offset by an increase in funding for Old Mill West high school of \$30.1 million and Rippling Woods elementary school of \$19.7 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 \$2.3 billion at the end of fiscal year 2022, which was an increase of \$17.2 million over fiscal year 2021. The increase primarily occurred as a result of an increase in net capital assets of \$5.0 million and an increase in cash and investments of \$13.0 million. These increases were offset by a decrease in restricted receivables, and investments of \$3.5 million and \$14.1 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 \$18.9 million. As a result of the changes in assets and liabilities, the Water and Wastewater Fund's net position decreased by \$4.5 million or 0.34%.

The Statement of Revenues, Expenses, and Changes in Fund Net Position for Water and Wastewater Fund had an increase in operating revenues of \$5.9 million. Operating expenses increased by \$18.8 million or 12.1%, mainly from an increase in contractual services of \$12.4 million and an increase in depreciation expense of \$11.6 million, offset by a decrease in personnel services of \$4.6 million. Non-operating revenue and expenses decreased from the previous year by \$2.7 million, while capital contributions and grants increased by \$11.1 million.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2022

The Solid Waste Fund's assets increased by \$18.5 million. Liabilities decreased by \$5.0 million from the prior fiscal year in part from an decrease in the current portion of long-term debt of \$4.1 million and other obligation of \$15.5 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 \$10.2 million and decrease in operating expenses of \$18.5 million. This contributed to a increase in net position of \$23.2 million at the end of the current fiscal year.

Fiduciary Funds:

Fiduciary funds include the Pension Trust Funds, the OPEB Trust Fund, and Custodial Funds. The Pension Trust Funds are presented for the calendar year ended December 31, 2021. Total investments in the Pension Trust increased by \$261.9 million in calendar year 2021. The Pension Fund net position increased from \$2.1 billion to \$2.4 billion or 12.57%. Contributions increased from \$101.7 million in 2021 to \$115.1 million during 2022 and investment activity increased by \$148.6 million from prior year. The net position of the OPEB Trust at the end of the current fiscal year was \$401.3 million, an increase of \$8.1 million from the prior fiscal year. Custodial funds balance is \$40.3 million in fiscal year 2022. The annual property tax sale increased by \$15.3 million from the prior year.

Budgetary Variations:

The budgetary statements of the General Fund show actual revenues of \$2.0 billion compared to budgeted amounts of \$1.8 billion, resulting in \$200.0 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, ambulance fees, and fees for services and other revenues which exceeded budgetary expectation by \$16.1 million or 0.9%, \$87.5 million or 5.0%, and \$93.0 million or 5.3%, \$9.0 million or 0.5%, and \$11.5 million or 0.7%, respectively. The only negative variance was due to inter-fund recoveries for \$2.0 million or (0.1%). The small decrease in revenues were mainly the result of lower than expected inter-fund recoveries from the Enterprise Funds as well as the Capital Project Funds.

Total expenditures on a budgetary basis were \$1.9 billion which closely equaled appropriation authority of \$1.9 billion, resulting in \$24.3 million or 1.3%, less than planned. The most notable variances are in the public safety, general government, health and human services, recreation and community services, and judicial of \$7.1 million, \$10.7 million, and \$1.7 million, \$1.2 million, and \$1.4 million, respectively. This was in part due to under spending in the police department of \$3.4 million, the fire department of \$3.7 million, and the health department of \$2.0 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 ARPA grant funds which will be spent in the following fiscal year.

In reviewing the changes from the original budget to the final budget, total budgeted revenues did not change but budgeted expenses increased by \$11.6 million as plans for the uses of the US Treasury ARPA funding materialized. The expense increase was primarily in public safety, general government, and health and human service in the amount of \$7.1 million, \$2.0 million and \$2.0 million, respectively for Covid-19 expenditures. 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.

Governmental capital assets – The governmental activities capital assets increased by \$102.8 million or 7.1%, from fiscal year 2021. The following table shows an increase in land and easements, land improvements, buildings, roads and bridges, sidewalks, curbs and gutters, storm drains and culverts, furniture and equipment, right of use of \$16.4 million, \$17.3 million, \$1.5 million, \$13.0 million, \$4.8 million and \$13.6 million, \$5.5 million, \$37.2 million respectively. These increases were partially offset by a decrease in automobiles and rolling stock, software, and construction in progress of

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2022

\$2.7 million and \$1.0 million, and \$2.7 million respectively.

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

- \$31.5 million for Road Resurfacing and Reconstruction
- \$13.4 million for Information Technology Enhancement
- \$10.9 million for Advance Land Acquisition
- \$6.5 million for park renovations
- \$5.7 million for county facilities and system upgrades
- \$5.1 million for culvert and storm drain rehab

Business-type capital assets – The business-type activities capital assets increased by \$20.8 million or 1.1%, from fiscal year 2021. The following table shows increases in landfills, buildings, water and sewer plants and lines of \$17.6 million, \$.28 million, and \$153.0 million, respectively. These increases were offset by a decrease in automobiles and rolling stock, furniture and equipment, and construction in progress of \$2.8 million, \$.3 million, \$.25 million, and \$149.7 million, 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:

- \$16.7 million for general water and sewer main replacement and reconstruction
- \$6.6 million for upgrade and retrofit of sewer pumping station facilities
- \$5.0 million for Annapolis WRF upgrade
- \$4.0 million for Broad Creek WTP expansion
- \$3.7 million for Arnold lime system upgrade

Anne Arundel County, Maryland						
Capital Assets (net of depreciation)						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land and easements	\$ 280,022,449	\$ 263,583,903	\$ 18,373,610	\$ 18,373,610	\$ 298,396,059	\$ 281,957,513
Historical property						
and works of art	4,166,465	4,166,465	-	-	4,166,465	4,166,465
Land improvements	185,193,813	167,919,266	-	-	185,193,813	167,919,266
Landfills	-	-	52,174,304	34,566,707	52,174,304	34,566,707
Buildings	172,133,510	170,638,574	39,552,411	39,265,991	211,685,921	209,904,565
Roads, bridges and signals	181,457,176	168,494,052	-	-	181,457,176	168,494,052
Sidewalks, curbs and gutters	39,481,943	34,670,915	-	-	39,481,943	34,670,915
Storm drains and culverts	174,734,478	161,113,192	-	-	174,734,478	161,113,192
Water and sewer plants and lines	-	-	1,365,159,289	1,212,144,756	1,365,159,289	1,212,144,756
Automobiles and rolling stock	58,379,441	61,133,889	6,383,488	6,663,512	64,762,929	67,797,401
Furniture and equipment	41,409,978	35,940,286	11,654,899	11,909,892	53,064,877	47,850,178
Software	1,385,403	2,345,684	-	-	1,385,403	2,345,684
Right of use	37,225,794	-	121,310	-	37,347,104	-
Construction in progress	380,502,023	383,249,992	394,099,331	543,784,975	774,601,354	927,034,967
Total	<u>\$ 1,556,092,473</u>	<u>\$ 1,453,256,218</u>	<u>\$ 1,887,518,642</u>	<u>\$ 1,866,709,443</u>	<u>\$ 3,443,611,115</u>	<u>\$ 3,319,965,661</u>

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, 2022

	<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				
2022	\$ 1,950,704,897	\$ (1,059,303,361)	\$ 891,401,536	54%
2021	1,809,334,953	(1,007,079,095)	802,255,858	56%
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%
Business-type				
2022	\$ 2,624,509,146	\$ (1,149,463,445)	\$ 1,475,045,701	44%
2021	2,384,206,168	(1,079,655,308)	1,304,550,860	45%
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%

This analysis shows that the percent of depreciated governmental capital assets has decreased in the last year to 54.0% at fiscal year-end 2022. The business-type capital assets has decreased to 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. 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 2022 and 2021 is presented in the table below. The County issued general obligation bonds, of \$196.6 million in April 2022, including \$182.4 million for governmental activities, \$83.8 million for water and wastewater activities to fund improvements for general county capital projects of \$138.5 million and water and sewer projects of \$58.1 million. The County had a decrease in Maryland Water Quality loans for water and waste water improvements of \$4.7 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 \$241,513 were made on existing loans. There were no new equipment financing notes added during the current fiscal year and payments for leases totaling \$30,272 resulted in a decrease in the equipment financing notes to \$20,150. The County did not initiate new agricultural easements through installment purchase agreements during fiscal year 2022. Other changes to debt balances resulted from principal payments during fiscal year 2022. 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, 2022

Anne Arundel County, Maryland						
Outstanding Debt *						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 1,477,542,396	\$ 1,445,992,927	\$ 789,915,317	\$ 775,209,550	\$ 2,267,457,713	\$ 2,221,202,477
Tax incremental and other debt	61,015,000	64,945,000	-	-	61,015,000	64,945,000
State loans	1,896,672	2,138,181	-	-	1,896,672	2,138,181
Capital leases	20,150	50,422	-	-	20,150	50,422
Installment purchase agreements	13,445,000	13,465,000	-	-	13,445,000	13,465,000
Total	\$ 1,553,919,218	\$ 1,526,591,530	\$ 789,915,317	\$ 775,209,550	\$ 2,343,834,535	\$ 2,301,801,080

* Does not include unamortized premiums.

Fiscal Year 2023 and Beyond

- The County Real Property Tax Rate for fiscal year 2023 is \$0.933 per \$100 of assessed valuation. This is the same with the previous year's property tax rate. Fiscal year 2023 property tax receipts are estimated to increase 0.8% over the fiscal year 2022 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 2023 County income tax rate of 2.7% for all Maryland income that is \$50,000 or less, and a County income tax rate of 2.81% for all Maryland income over \$50,000. As a result of the approved progressive income tax rates mentioned above, the effective County tax rate for all County taxpayers will be reduced from the current flat rate of 2.81%. Based on most recent estimate, Fiscal year 2023 income tax revenue is projected to increase 0.03% over the fiscal year 2022 actual revenue. The projected income tax revenue is about \$20.4 million more than the budgeted amount of \$714.7 million for fiscal year 2023.
- 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 2023, 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 \$25.6 million.
- For fiscal year 2023, the Anne Arundel County Public Schools are funded by the County at \$834.7 million, a \$50.0 million or 6.3% increase over the prior fiscal year. This funding level exceeds the required Maintenance of Effort level for fiscal 2023. Anne Arundel County Public Schools fiscal year 2023 capital budget contains 45 planned projects totaling \$191.5 million or 33.4% of the General County capital projects. Of the total FY2023 General Fund debt service budget, 54.8% is allocated for school debt.
- The County's support of the Anne Arundel Community College will increase \$3.0 million in fiscal year 2023 over fiscal year 2022 to a total of \$51.1 million, \$49.4 million from General Fund and \$1.7 million from Video Lottery Local Impact Aid Special Revenue Fund. The County has appropriated \$14.0 million for Anne Arundel County Community College's fiscal year 2023 capital projects, which will be financed by issuing general obligation bonds. The Community College's annual debt service of \$8.3 million is paid by the County.

FY2023 General Fund budget estimates total revenues at \$1.90 billion, an increase of \$132.0 million or 7.5% over fiscal year 2022 original budgeted amounts. As FY2022 revenues came in much higher than the budgeted amounts, the County most likely will revise its FY2023 revenue estimates upward during the FY2024 budget process. Expenditures for fiscal year 2023 will continue to be tightened and trimmed where possible with some strategic investments, particularly in public safety and technology. The County also anticipates issuing bonds during fiscal year 2023.

Anne Arundel County, Maryland
Management Discussion and Analysis
Year Ended June 30, 2022

As mentioned above, FY2023 budget also included a progressive income tax rate for all county income taxpayers by reducing the County income tax rate to 2.7% from 2.81% for the first \$50,000 of taxable income. This rate is the fourth lowest in the State. The FY2023 property tax rate is \$0.933 per \$100 of assessed valuation – the seventh 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). This is a special fund provided for in the County Charter. 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. FY2023 General Fund Budget met the required contribution toward the PPI Fund of \$21 million.

The Water and Wastewater Fund usage rates for water and wastewater fees for fiscal year 2023 are \$2.97/1,000gal and \$5.21/1,000gal, respectively. This is a 5% increase from prior fiscal year. Solid waste service charges per household is unchanged at \$341/year. Landfill tipping fees is also unchanged at \$85/ton. A 10% rate increase on Capital Facility Connection Charges and 8.3% rate increase in Environment Protection Fee (EPF) were placed 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, 2022

	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	\$ 598,280,782	\$ 156,698,020	\$ 754,978,802	\$ 209,695,196	\$ 35,260,568	\$ 9,116,984
Taxes and other revenue receivable	202,681,314	24,653,624	227,334,938	61,663,629	709,077	-
Service billings receivable	12,024,079	21,821,867	33,845,946	-	-	-
Prepaid and other assets	4,361,337	10,588	4,371,925	45,671,515	6,036,970	2,790,046
Lease receivable	4,750,430	4,411,618	9,162,048	136,088	-	-
Inventories	5,796,926	2,805,905	8,602,831	1,833,856	552,196	47,899
Due from other governmental agencies	52,804,798	585,692	53,390,490	-	-	377,025
Due from primary government	-	-	-	31,829,327	1,251,670	1,920,708
Due from component units	20,560,275	-	20,560,275	-	-	-
Restricted assets						
Cash and temporary investments	457,948,605	37,990,462	495,939,067	12,123,053	-	132,205
Investments	-	258,892,034	258,892,034	-	-	-
Total current assets	<u>1,359,208,546</u>	<u>507,869,810</u>	<u>1,867,078,356</u>	<u>362,952,664</u>	<u>43,810,481</u>	<u>14,384,867</u>
Non-current Assets						
Restricted assets						
Long term assessment and connection charges	-	19,696,451	19,696,451	-	-	-
Total non-current restricted assets	-	19,696,451	19,696,451	-	-	-
Loans receivable and other assets	-	-	-	-	18,152,168	1,156,844
Capital assets not being depreciated	664,690,937	412,472,941	1,077,163,878	282,981,237	6,274,798	-
Capital assets being depreciated	1,950,704,897	2,624,509,146	4,575,214,043	2,440,344,216	299,433,090	48,349,535
Less accumulated depreciation	(1,059,303,361)	(1,149,463,445)	(2,208,766,806)	(1,064,821,329)	(119,297,791)	(17,812,234)
Net capital assets being depreciated	<u>891,401,536</u>	<u>1,475,045,701</u>	<u>2,366,447,237</u>	<u>1,375,522,887</u>	<u>180,135,299</u>	<u>30,537,301</u>
Total capital assets	<u>1,556,092,473</u>	<u>1,887,518,642</u>	<u>3,443,611,115</u>	<u>1,658,504,124</u>	<u>186,410,097</u>	<u>30,537,301</u>
Total non-current assets	<u>1,556,092,473</u>	<u>1,907,215,093</u>	<u>3,463,307,566</u>	<u>1,658,504,124</u>	<u>204,562,265</u>	<u>31,694,145</u>
Total assets	<u>2,915,301,019</u>	<u>2,415,084,903</u>	<u>5,330,385,922</u>	<u>2,021,456,788</u>	<u>248,372,746</u>	<u>46,079,012</u>
DEFERRED OUTFLOW OF RESOURCES						
Pension benefits	217,545,518	15,572,340	233,117,858	38,488,917	1,975,497	1,750,917
OPEB benefits	133,493,334	16,260,955	149,754,289	257,525,854	48,027,891	20,858,509
LOSAP benefits	4,889,183	-	4,889,183	-	-	-
Unamortized deferred refunding loss	-	936,719	936,719	-	157,619	-
Total deferred outflow of resources	<u>355,928,035</u>	<u>32,770,014</u>	<u>388,698,049</u>	<u>296,014,771</u>	<u>50,161,007</u>	<u>22,609,426</u>

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

Anne Arundel County, Maryland

Statement of Net Position

June 30, 2022

	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	\$ 79,428,231	\$ 28,482,644	\$ 107,910,875	\$ 188,561,351	\$ 7,913,108	\$ 2,238,875
Current portion of non-current liabilities	181,231,210	56,117,703	237,348,913	34,765,977	1,253,859	2,214,281
Current portion of lease liability	3,285,858	49,352	3,335,210	-	-	-
Internal balances	(1,682,420)	1,682,420	-	-	-	-
Due to primary government	-	-	-	20,560,275	-	-
Due to component units	35,001,705	-	35,001,705	-	-	-
Escrow deposits	1,102,870	789,946	1,892,816	-	-	-
Unearned revenue	5,020,615	-	5,020,615	3,571,627	6,129,916	2,748,113
Rent abatement	-	-	-	-	-	2,793,652
Liabilities related to restricted assets						
Accounts payable and accrued liabilities	51,642,223	8,410,502	60,052,725	-	-	-
Escrow and other deposits	5,827,900	-	5,827,900	-	-	-
Unearned revenue	80,899,882	2,300,628	83,200,510	-	-	-
Total current liabilities	441,758,074	97,833,195	539,591,269	247,459,230	15,296,883	9,994,921
Non-current liabilities						
Compensated absences and other obligations	1,890,237	889,146	2,779,383	25,396,035	2,234,496	-
Net pension liability	598,719,740	53,865,340	652,585,080	59,724,128	3,073,238	6,429,918
Net other post-employment liability	488,611,321	64,035,729	552,647,050	2,234,317,354	88,543,526	51,459,350
Net LOSAP liability	20,530,076	-	20,530,076	-	-	-
Unpaid insurance claims	41,710,238	-	41,710,238	-	-	-
Estimated landfill closure and postclosure	-	21,270,104	21,270,104	-	-	-
Lease liability	34,401,384	71,298	34,472,682	-	-	-
Long-term debt	1,657,287,828	842,111,686	2,499,399,514	12,938,969	6,778,681	1,836,608
Unearned revenue	-	232,253	232,253	-	-	-
Total non-current liabilities	2,843,150,824	982,475,556	3,825,626,380	2,332,376,486	100,629,941	59,725,876
Total liabilities	3,284,908,898	1,080,308,751	4,365,217,649	2,579,835,716	115,926,824	69,720,797
DEFERRED INFLOW OF RESOURCES						
Pension benefits	126,118,794	8,984,192	135,102,986	34,583,930	1,819,050	906,303
OPEB benefits	34,545,349	4,202,343	38,747,692	638,777,075	28,179,403	7,710,723
LOSAP benefits	3,613,982	-	3,613,982	-	-	-
Unamortized deferred refunding gain	5,254,184	-	5,254,184	-	-	-
Lease related	4,724,236	4,324,048	9,048,284	132,440	-	-
Property tax revenue collected in advance	25,032	-	25,032	-	-	-
Total deferred inflow of resources	174,281,577	17,510,583	191,792,160	673,493,445	29,998,453	8,617,026
NET POSITION						
Net investment in capital assets	634,757,425	1,037,504,264	1,672,261,689	1,622,255,333	181,086,170	25,239,837
Restricted for:						
Debt service	27,255,939	310,845,460	338,101,399	-	-	-
Capital improvements	121,938,252	585,692	122,523,944	-	-	-
Permanent Public Infrastructure	21,114,377	-	21,114,377	-	-	-
Scholarships/endowments	-	-	-	-	9,987,597	-
Reforestation	5,207,436	-	5,207,436	-	-	-
Community Development	24,472,949	-	24,472,949	-	-	-
Other purposes	11,352,859	456,486	11,809,345	32,913,206	-	1,272,974
Unrestricted	(1,034,060,658)	643,681	(1,033,416,977)	(2,591,026,141)	(38,465,291)	(36,162,196)
Total net position (deficit)	\$ (187,961,421)	\$ 1,350,035,583	\$ 1,162,074,162	\$ (935,857,602)	\$ 152,608,476	\$ (9,649,385)

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

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	\$ 942,940,746	\$ -	\$ -	\$ 27,418,905	\$ (915,521,841)	\$ -	\$ (915,521,841)	\$ -	\$ -	\$ -	\$ -
Public safety	383,475,342	50,655,490	12,747,205	2,616,994	(317,455,653)	-	(317,455,653)	-	-	-	-
General government	274,812,069	17,784,793	32,295,969	4,193,776	(220,537,531)	-	(220,537,531)	-	-	-	-
Health and human services	108,192,358	18,622,762	42,090,767	-	(47,478,829)	-	(47,478,829)	-	-	-	-
Public works	53,350,615	23,230,662	11,292,909	15,306,476	(3,520,568)	-	(3,520,568)	-	-	-	-
Recreation and community services	95,365,139	20,474,174	34,591,666	39,794,880	(504,419)	-	(504,419)	-	-	-	-
Judicial	33,446,760	2,008,936	1,925,233	-	(29,512,591)	-	(29,512,591)	-	-	-	-
Code enforcement	15,863,411	14,951,155	-	-	(912,256)	-	(912,256)	-	-	-	-
Land use and development	10,424,039	682,238	24,108	-	(9,717,693)	-	(9,717,693)	-	-	-	-
Interest on debt and leases	50,469,151	-	-	-	(50,469,151)	-	(50,469,151)	-	-	-	-
	<u>1,968,339,630</u>	<u>148,410,210</u>	<u>134,967,857</u>	<u>89,331,031</u>	<u>(1,595,630,532)</u>	<u>-</u>	<u>(1,595,630,532)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities											
Water and wastewater	208,736,083	88,330,347	-	92,279,830	-	(28,125,906)	(28,125,906)	-	-	-	-
Waste collection	42,688,148	67,265,794	-	-	-	24,577,646	24,577,646	-	-	-	-
Child care	6,231,208	6,831,257	-	-	-	600,049	600,049	-	-	-	-
	<u>257,655,439</u>	<u>162,427,398</u>	<u>-</u>	<u>92,279,830</u>	<u>-</u>	<u>(2,948,211)</u>	<u>(2,948,211)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 2,225,995,069</u>	<u>\$ 310,837,608</u>	<u>\$ 134,967,857</u>	<u>\$ 181,610,861</u>	<u>(1,595,630,532)</u>	<u>(2,948,211)</u>	<u>(1,598,578,743)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Component units											
Board of Education	\$ 1,541,721,301	\$ 1,198,044	\$ 296,842,364	\$ 197,886,755	-	-	-	(1,045,794,138)	-	-	-
Community College	166,867,058	31,563,003	47,338,544	9,038,158	-	-	-	-	(78,927,353)	-	-
Library System	30,308,718	161,149	5,197,323	-	-	-	-	-	-	(24,950,246)	-
Economic Development Corp	3,972,499	2,311	1,724,887	-	-	-	-	-	-	(2,245,301)	-
Tipton Airport Authority	2,468,710	1,997,231	-	1,727,008	-	-	-	-	-	1,255,529	-
Workforce Development	11,757,588	193,065	11,111,664	-	-	-	-	-	-	(452,859)	-
Total component units	<u>\$ 1,757,095,874</u>	<u>\$ 35,114,803</u>	<u>\$ 362,214,782</u>	<u>\$ 208,651,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,045,794,138)</u>	<u>(78,927,353)</u>	<u>(26,392,877)</u>	<u>-</u>
General revenues											
General property taxes					854,191,742	-	854,191,742	-	-	-	-
Local income taxes					745,469,114	-	745,469,114	-	-	-	-
State shared taxes - unrestricted					8,465,642	-	8,465,642	-	-	-	1,000,000
Recordation and transfer taxes					198,086,989	-	198,086,989	-	-	-	-
Local sales taxes					29,120,925	-	29,120,925	-	-	-	-
Unrestricted contributions					-	-	-	1,159,951,966	90,001,038	26,351,644	-
Investment income					(10,770,518)	(419,533)	(11,190,051)	273,256	(3,013,459)	12,647	-
Other revenue					-	25,467,783	25,467,783	12,827,978	269,683	1,061,267	-
County transfer					1,836,177	(1,836,177)	-	-	-	-	-
Total general revenues					<u>1,826,400,071</u>	<u>23,212,073</u>	<u>1,849,612,144</u>	<u>1,173,053,200</u>	<u>87,257,262</u>	<u>28,425,558</u>	<u>-</u>
Changes in net position					230,769,539	20,263,862	251,033,401	127,259,062	8,329,909	2,032,681	-
Net position, July 1 (as restated)					(418,730,960)	1,329,771,721	911,040,761	(1,063,116,664)	144,278,567	(11,682,066)	-
Net position, June 30					<u>\$ (187,961,421)</u>	<u>\$ 1,350,035,583</u>	<u>\$ 1,162,074,162</u>	<u>\$ (935,857,602)</u>	<u>\$ 152,608,476</u>	<u>\$ (9,649,385)</u>	<u>-</u>

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, 2022

	Major Funds				Non-major	Totals
	General	Grants Special Revenue	Impact Fees Capital Projects	General County Capital Projects	Governmental Funds	
ASSETS						
Cash and investments	\$ 491,129,274	\$ 76,703,364	\$ 111,751,194	\$ 156,585,104	\$ 112,908,943	\$ 949,077,879
Receivables						
Property taxes						
(net of \$6,472,699 allowance)	1,716,007	-	-	-	-	1,716,007
Local sales taxes	5,485,488	-	-	-	-	5,485,488
State shared revenues	6,358,657	-	-	-	-	6,358,657
Due from other governmental agencies	3,251,409	28,591,199	-	16,797,482	4,164,708	52,804,798
Due from other funds	39,987,503	-	-	-	-	39,987,503
Due from Board of Education	22,349	-	-	20,537,926	-	20,560,275
Local income tax	166,155,624	-	-	-	-	166,155,624
Leases	4,750,430	-	-	-	-	4,750,430
Other, net	18,800,467	62,997	972,877	230,466	2,898,731	22,965,538
Inventories	4,297,591	-	-	-	-	4,297,591
Other assets	301,190	-	-	-	200	301,390
Total assets	\$ <u>742,255,989</u>	\$ <u>105,357,560</u>	\$ <u>112,724,071</u>	\$ <u>194,150,978</u>	\$ <u>119,972,582</u>	\$ <u>1,274,461,180</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 58,892,015	\$ 8,637,737	\$ -	\$ 30,604,930	\$ 12,399,556	\$ 110,534,238
Due to other funds	6,974,803	15,205,740	-	-	2,784,320	24,964,863
Due to component units	-	-	-	-	-	-
Board of Education	-	-	-	31,829,327	-	31,829,327
Community College	-	-	-	1,251,670	-	1,251,670
Library	1,920,708	-	-	-	-	1,920,708
Escrow and other deposits	1,102,870	-	574,040	44,608	5,209,252	6,930,770
Unearned revenue	5,020,615	80,071,447	-	-	828,435	85,920,497
Total liabilities	\$ <u>73,911,011</u>	\$ <u>103,914,924</u>	\$ <u>574,040</u>	\$ <u>63,730,535</u>	\$ <u>21,221,563</u>	\$ <u>263,352,073</u>
DEFERRED INFLOW OF RESOURCES						
Unavailable local income tax	112,026,018	-	-	-	-	112,026,018
Unavailable grant and program revenue	-	13,478,807	-	9,578,536	2,519,754	25,577,097
Unavailable 911 fees	32,200	-	-	-	-	32,200
Leases	4,724,236	-	-	-	-	4,724,236
Property tax revenue collected in subsequent year	25,032	-	-	-	-	25,032
Total deferred inflow of resources	\$ <u>116,807,486</u>	\$ <u>13,478,807</u>	\$ <u>-</u>	\$ <u>9,578,536</u>	\$ <u>2,519,754</u>	\$ <u>142,384,583</u>
FUND BALANCES						
Non-spendable	4,297,591	-	-	-	-	4,297,591
Restricted	21,114,377	5,532,728	112,150,031	31,258,827	109,002,481	279,058,444
Committed	-	-	-	-	13,496,780	13,496,780
Assigned	278,740,469	-	-	89,583,080	-	368,323,549
Unassigned	247,385,055	(17,568,899)	-	-	(26,267,996)	203,548,160
Total fund balances	\$ <u>551,537,492</u>	\$ <u>(12,036,171)</u>	\$ <u>112,150,031</u>	\$ <u>120,841,907</u>	\$ <u>96,231,265</u>	\$ <u>868,724,524</u>
Total liabilities, deferred inflows and fund balances	\$ <u>742,255,989</u>	\$ <u>105,357,560</u>	\$ <u>112,724,071</u>	\$ <u>194,150,978</u>	\$ <u>119,972,582</u>	\$ <u>1,274,461,180</u>

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, 2022

Total fund balance for governmental funds as shown on the Balance Sheet	\$ 868,724,524
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on governmental funds balance sheet:	
Capital assets	2,519,688,439
Accumulated depreciation /Amortization	(992,032,196)
Deferred outflows and inflows are recognized in the statement of net position, but are not reported in governmental funds:	
Deferred Outflows - Pensions	215,177,959
Deferred Outflows - OPEB	131,034,077
Deferred Outflows - LOSAP	4,889,183
Deferred Inflows - Pensions	(124,761,567)
Deferred Inflows - OPEB	(33,904,932)
Deferred Inflows - LOSAP	(3,613,982)
Deferred Inflows - Unamortized gain on refunding	(5,254,184)
Certain liabilities not due and payable in the current period and, therefore, not included on governmental funds balance sheet	
Short-term bond anticipation notes	
Long-term bonded debt	(1,767,887,402)
Federal and state loans	(1,896,672)
Wynne liability due to State of Maryland	(16,367,410)
Net pension liability	(589,914,253)
Net Other post-employment benefits (OPEB) liability	(479,105,113)
LOSAP total pension liability	(20,530,076)
Compensated absences	(35,226,517)
Lease liability	(37,683,060)
Notes for financed purchases	(20,150)
Accrued interest payable on debt recorded in governmental activities	(15,273,739)
Unavailable revenues	
Revenues that will be collected after year-end but are not available soon enough to pay for the current period's expenditures	137,635,315
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	53,329,447
Business-type activities allocation of Internal Service Funds net position	970,941
Certain expenditures paid with current resources deferred to future periods on the Statement of Net Position	<u>4,059,947</u>
Total net position (deficit) for governmental activities as shown on Statement of Net Position	<u>\$ (187,961,421)</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, 2022

	Major Funds				Non-major Governmental Funds	Totals
	General	Grants Special Revenue	Impact Fees Capital Projects	General County Capital Projects		
REVENUES						
General property taxes	\$ 805,926,561	\$ -	\$ -	\$ -	\$ 48,265,181	\$ 854,191,742
Local income taxes	734,914,210	-	-	-	-	734,914,210
State shared taxes	15,596,875	-	-	-	-	15,596,875
Grants and aid	-	89,121,602	-	31,181,752	38,715,022	159,018,376
Recordation and transfer taxes	198,086,989	-	-	-	-	198,086,989
Local sales taxes	29,120,925	-	-	-	-	29,120,925
License and permit fees	21,259,243	-	-	-	-	21,259,243
Ambulance fees	21,629,966	-	-	-	-	21,629,966
Cable fees	9,178,248	-	-	-	-	9,178,248
Impact fees	-	-	28,933,429	-	-	28,933,429
Special community benefit taxes	-	-	-	-	9,367,759	9,367,759
Video lottery local impact aid	10,779,241	-	-	-	18,436,609	29,215,850
Watershed protection and restoration	-	-	-	-	23,904,363	23,904,363
Investment income	(7,538,529)	-	302,584	239,112	(3,773,685)	(10,770,518)
Fees for services and other revenue	63,841,921	315,226	-	2,095,316	6,424,463	72,676,926
Total revenues	1,902,795,650	89,436,828	29,236,013	33,516,180	141,339,712	2,196,324,383
EXPENDITURES						
Current						
Education	831,168,800	-	2,116,033	126,291,251	1,700,000	961,276,084
Public safety	369,122,139	14,477,770	-	-	7,284,000	390,883,909
General government	162,707,619	31,934,055	-	-	6,715,675	201,357,349
Health and human services	60,732,590	43,172,936	-	-	5,754,631	109,660,157
Public works	33,414,346	4,414,632	3,436,209	-	13,110,056	54,375,243
Recreation and community services	49,079,659	2,573,701	-	-	45,554,190	97,207,550
Judicial	31,740,735	2,317,755	-	-	34,446	34,092,936
Code enforcement	14,961,004	-	-	-	1,208,881	16,169,885
Land use and development	9,925,720	792	-	-	404,293	10,330,805
Capital outlay	-	-	-	153,660,451	-	153,660,451
Debt service						
Interest payments on debt	60,850,449	-	-	-	8,409,215	69,259,664
Principal payments on debt	146,305,219	-	-	-	9,348,565	155,653,784
Interest payments on leases	372,094	4,057	-	659	86	376,896
Principal payments on leases	3,792,233	626,998	-	117,498	5,995	4,542,724
Debt issuance costs	289,037	-	-	-	-	289,037
Total expenditures	1,774,461,644	99,522,696	5,552,242	280,069,859	99,530,033	2,259,136,474
Revenues over (under) expenditures	128,334,006	(10,085,868)	23,683,771	(246,553,679)	41,809,679	(62,812,091)
OTHER FINANCING SOURCES (USES)						
Transfers in	43,660,514	2,162,604	-	238,674,355	1,045,639	285,543,112
Transfers out	(179,940,004)	-	(15,594,557)	(239,112)	(89,769,439)	(285,543,112)
General obligation bonds issued	114,176,000	-	-	-	24,319,000	138,495,000
Refunding bonds issued	43,909,150	-	-	-	-	43,909,150
Premium from sale of bonds	-	-	-	-	20,181,094	20,181,094
Premium on refunding of bonds	6,066,164	-	-	-	-	6,066,164
Proceeds from capital leases	5,210,477	-	-	-	-	5,210,477
Transfer from Water and Wastewater Fund	-	-	-	701,300	-	701,300
Transfers from Solid Waste Fund	-	-	-	815,500	319,377	1,134,877
Total other financing sources (uses)	33,082,301	2,162,604	(15,594,557)	239,952,043	(43,904,329)	215,698,062
Net change in fund balances	161,416,307	(7,923,264)	8,089,214	(6,601,636)	(2,094,650)	152,885,971
Fund balances, July 1	390,121,185	(4,112,907)	104,060,817	127,443,543	98,325,915	715,838,553
Fund balances, June 30	\$ 551,537,492	\$ (12,036,171)	\$ 112,150,031	\$ 120,841,907	\$ 96,231,265	\$ 868,724,524

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

Anne Arundel County, Maryland

Reconciliation of Changes in Fund Balances to Changes in Net Position

Governmental Funds

Year Ended June 30, 2022

Changes in fund balances as shown on Statement of Revenues, Expenditures, and Changes in Fund Balances, Governmental Funds	\$ 152,885,971
<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	130,046,422
Current year disposals of capital assets	(1,601,373)
Depreciation/Amortization expense recorded in the Statement of Activities	(58,816,503)
<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	(182,404,150)
Principal payments on debt	155,046,193
Additions of new leases	(5,210,477)
Lease payments	4,542,723
Change in accrued interest payable	196,824
Gain (Loss) on refunding	(8,293,686)
Amortization of prior year refunding gain/loss	(786,798)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds</p>	
Change in Wynne accrued liability due to the State of MD	884,724
Changes in pension liabilities and related deferred outflows and inflows of resources	1,354,631
Accrual of LOSAP liability	(564,401)
Accrual of other post-employment benefit liability (OPEB)	39,567,949
Accrual of compensated absences	207,800
Expense was deferred to future periods	4,059,947
Amortization of expenditures deferred in previous years	(3,291,088)
<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	1,996,490
<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>	
	10,554,904
<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>	
Net position of the Internal Service Funds	(8,680,671)
Business-type activities allocation of Internal Service Funds net position	(925,892)
Changes in net position as shown in governmental activities on the Statement of Activities	<u>\$ 230,769,539</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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
General property taxes	\$ 789,805,300	\$ 789,805,300	\$ 805,926,561	\$ 16,121,261
Local income taxes	647,400,000	647,400,000	734,914,210	87,514,210
State shared taxes	12,574,400	12,574,400	15,596,875	3,022,475
Recordation and transfer taxes	105,000,000	105,000,000	198,086,989	93,086,989
Local sales taxes	27,180,000	27,180,000	29,120,925	1,940,925
Licenses and permits	17,376,500	17,376,500	19,807,681	2,431,181
Ambulance fees	12,600,000	12,600,000	21,629,966	9,029,966
Cable fees	8,000,000	8,000,000	9,178,248	1,178,248
Video Lottery Impact Aid	8,640,000	8,640,000	10,779,241	2,139,241
Investment income	1,375,000	1,375,000	1,552,524	177,524
Interfund recoveries	79,939,700	79,939,700	77,958,523	(1,981,177)
Fees for services and other revenues	52,401,900	52,401,900	63,940,602	11,538,702
Total revenues	<u>1,762,292,800</u>	<u>1,762,292,800</u>	<u>1,988,492,345</u>	<u>226,199,545</u>
EXPENDITURES				
Current				
Education	784,741,000	784,741,000	784,741,000	-
Higher education	46,427,800	46,427,800	46,427,800	-
Public safety	378,949,200	378,974,200	371,831,655	7,142,545
General government	240,126,000	245,412,400	234,729,271	10,683,129
Health and human services	58,363,200	59,996,400	58,029,499	1,966,901
Public works	33,889,400	38,047,100	37,660,808	386,292
Recreation and community services	52,803,800	52,803,800	51,606,734	1,197,066
Judicial	33,343,200	33,343,200	31,974,690	1,368,510
Land use and development	10,278,900	10,496,900	10,238,866	258,034
Code enforcement	15,555,600	15,555,600	14,988,160	567,440
Debt service	157,177,200	156,272,200	155,570,668	701,532
Pay go funding - capital projects	61,427,000	62,592,000	62,592,000	-
Total expenditures	<u>1,873,082,300</u>	<u>1,884,662,600</u>	<u>1,860,391,151</u>	<u>24,271,449</u>
Revenues over (under) expenditures	\$ <u>(110,789,500)</u>	\$ <u>(122,369,800)</u>	128,101,194	\$ <u>250,470,994</u>
Fund balances, budgetary, July 1			<u>243,695,052</u>	
Fund balances, budgetary, June 30			<u>\$ 371,796,246</u>	
Fund balance - GAAP Basis			\$ 551,537,492	
Non-spendable			(4,297,591)	
Restricted			(21,114,377)	
Assigned			(278,740,469)	
Unassigned - Revenue reserve allocation			(98,319,477)	
Effects of:				
Fair market value adjustment			2,605,466	
LOSAP - current liability			763,250	
County Parking Garage Fund			(243,725)	
Inmate Benefits and Morale Fund			(962,301)	
Permanent Public Improvements			(27,757,613)	
Lease revenue			(26,194)	
Self Insurance Fund surplus allocation			(21,997,443)	
Central Garage Fund deficit allocation			6,974,803	
Unassigned - Non-GAAP basis			<u>108,421,821</u>	
Assigned for subsequent years			<u>263,374,425</u>	
Fund balance - budgetary basis			<u>\$ 371,796,246</u>	

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

Anne Arundel County, Maryland

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

Grants Special Revenue Fund

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Grants and aid	\$ 72,069,800	\$ 146,125,720	\$ 96,399,756	\$ (49,725,964)
Fees, General Fund contributions and other	3,035,400	3,035,400	3,206,872	171,472
	<u>75,105,200</u>	<u>149,161,120</u>	<u>99,606,628</u>	<u>(49,554,492)</u>
Expenditures				
Public safety	10,031,100	19,082,100	14,539,264	4,542,836
General government	14,604,100	43,265,300	32,429,544	10,835,756
Health and human services	43,513,800	71,725,220	46,035,089	25,690,131
Public works	251,000	5,095,000	4,799,965	295,035
Recreation and community services	2,186,800	5,078,700	3,741,197	1,337,503
Judicial	4,375,800	4,757,200	2,308,955	2,448,245
Land use and development	141,600	156,600	75,000	81,600
Code enforcement	1,000	1,000	-	1,000
	<u>75,105,200</u>	<u>149,161,120</u>	<u>103,929,014</u>	<u>45,232,106</u>
Revenues over (under) expenditures	\$ <u>-</u>	\$ <u>-</u>	(4,322,386)	\$ <u>(4,322,386)</u>
Fund balance, budgetary, July 1			<u>(5,250,219)</u>	
Fund balance, budgetary, June 30			\$ <u>(9,572,605)</u>	
Revenues over (under) expenditures - GAAP			\$ (7,923,264)	
Revenue deferred for GAAP purposes			7,278,154	
Effect of Encumbrances			(3,677,276)	
Revenues over (under) expenditures Budgetary Basis			\$ <u>(4,322,386)</u>	

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

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Statement of Net Position

Proprietary Funds

June 30, 2022

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Non-major Fund		Activities
	Water and Wastewater	Solid Waste	Child Care	Totals	Internal Service Funds
ASSETS					
Current assets					
Cash and temporary investments	\$ 126,829,984	\$ 28,285,767	\$ 1,582,269	\$ 156,698,020	\$ 30,109,334
Investments	-	-	-	-	77,042,174
Service billings receivable	20,541,502	1,268,707	11,658	21,821,867	9,202,388
Due from other funds	436,385	68,622	7,879	512,886	8,199,169
Inventories	2,574,130	231,775	-	2,805,905	1,499,335
Lease receivable	4,411,618	-	-	4,411,618	-
Other	10,588	-	4,059	14,647	2,821,691
Restricted assets					
Cash and temporary investments	18,314,481	19,675,981	-	37,990,462	-
Investments	258,892,034	-	-	258,892,034	-
Receivables	-	-	-	-	-
Due from other governmental agencies	585,692	-	-	585,692	-
Other, net	24,653,624	-	-	24,653,624	-
Total current assets	457,250,038	49,530,852	1,605,865	508,386,755	128,874,091
Noncurrent assets					
Restricted assets					
Deferred connection and assessment charges	19,696,451	-	-	19,696,451	-
Capital assets	2,871,547,086	165,428,986	-	3,036,976,072	95,707,395
Less accumulated depreciation	(1,068,270,006)	(81,191,482)	-	(1,149,461,488)	(67,271,165)
Total capital assets, net of depreciation	1,803,277,080	84,237,504	-	1,887,514,584	28,436,230
Total noncurrent assets	1,822,973,531	84,237,504	-	1,907,211,035	28,436,230
Total assets	2,280,223,569	133,768,356	1,605,865	2,415,597,790	157,310,321
DEFERRED OUTFLOW OF RESOURCES					
Pension benefits	12,636,801	2,657,544	277,995	15,572,340	2,367,559
OPEB benefits	12,791,833	2,976,871	492,251	16,260,955	2,459,257
Unamortized deferred refunding loss	1,824,340	-	-	1,824,340	-
Total deferred outflows	27,252,974	5,634,415	770,246	33,657,635	4,826,816
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	24,960,783	3,223,185	298,675	28,482,643	5,262,478
Current portion of long-term debt and obligations	50,272,566	5,779,305	65,832	56,117,703	18,945,621
Due to other funds	815,470	408,896	-	1,224,366	22,510,329
Lease payable	44,338	3,373	1,642	49,353	1,711
Escrow deposits	715,700	74,246	-	789,946	-
Liabilities related to restricted assets					
Accounts payable and accrued liabilities	8,410,502	-	-	8,410,502	-
Unearned revenue	2,300,628	-	-	2,300,628	-
Total current liabilities	87,519,987	9,489,005	366,149	97,375,141	46,720,139
Noncurrent liabilities					
Unpaid insurance claims	-	-	-	-	41,710,238
Accrued liability for compensated absences	685,898	179,232	24,016	889,146	65,503
Net pension liability	43,889,273	9,078,730	897,337	53,865,340	8,805,487
Net OPEB liability	50,506,869	12,369,073	1,159,787	64,035,729	9,506,208
Long-term leases payable	64,053	4,871	2,374	71,298	2,471
Estimated landfill closure and postclosure	-	21,270,104	-	21,270,104	-
Long-term debt	801,317,999	40,793,687	-	842,111,686	-
Unearned revenue	232,253	-	-	232,253	-
Total noncurrent liabilities	896,696,345	83,695,697	2,083,514	982,475,556	60,089,907
Total liabilities	984,216,332	93,184,702	2,449,663	1,079,850,697	106,810,046
DEFERRED INFLOW OF RESOURCES					
Pension benefits	7,271,783	1,550,128	162,281	8,984,192	1,357,227
OPEB benefits	3,313,396	773,449	115,498	4,202,343	640,417
Lease related	4,324,048	-	-	4,324,048	-
Unamortized deferred refunding gain	-	887,621	-	887,621	-
Total deferred inflows	14,909,227	3,211,198	277,779	18,398,204	1,997,644
NET POSITION					
Net investment in capital assets	995,945,075	41,559,189	-	1,037,504,264	28,432,048
Restricted for debt service	310,845,460	-	-	310,845,460	-
Restricted for capital improvements	585,692	-	-	585,692	-
Restricted for other purposes	-	456,486	-	456,486	-
Unrestricted	974,757	991,196	(351,331)	1,614,622	24,897,399
Total net position	\$ 1,308,350,984	\$ 43,006,871	\$ (351,331)	\$ 1,351,006,524	\$ 53,329,447

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, 2022

Net position as shown on Statement of Net Position - Proprietary Funds	\$ 1,351,006,524
The allocation of the net deficit in the Internal Service Funds to various activities, funds, etc. as it relates to business-type activities.	<u>(970,941)</u>
Net position shown on government wide Statement of Net Position	\$ <u>1,350,035,583</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, 2022

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Non-major Fund	Totals	Internal
	Water and Wastewater	Solid Waste	Child Care		Service Funds
OPERATING REVENUES					
Charges for services	\$ 88,330,347	\$ 57,447,015	\$ 6,831,257	\$ 152,608,619	\$ 40,643,676
Landfill charges	-	9,818,779	-	9,818,779	-
Medical premiums	-	-	-	-	94,361,076
Other revenues	10,674,455	815,387	89	11,489,931	10,186,611
Total operating revenues	99,004,802	68,081,181	6,831,346	173,917,329	145,191,363
OPERATING EXPENSES					
Personnel services	34,422,893	7,635,911	4,467,876	46,526,680	18,949,353
Contractual services	48,975,375	37,876,110	204,839	87,056,324	2,577,978
Supplies and materials	10,134,495	671,869	298,792	11,105,156	2,631,681
Business and travel	179,330	218,353	27,543	425,226	24,710
Cost of goods issued	-	-	-	-	9,786,354
Depreciation	65,502,882	4,594,611	1,957	70,099,450	10,165,076
Provision for claims and estimated losses	-	-	-	-	103,303,339
Landfill closure and postclosure costs	-	(15,353,740)	-	(15,353,740)	-
Other	15,423,795	4,926,609	1,230,200	21,580,604	1,729,500
Total operating expenses	174,638,770	40,569,723	6,231,207	221,439,700	149,167,991
Operating income (loss)	(75,633,968)	27,511,458	600,139	(47,522,371)	(3,976,628)
NONOPERATING REVENUES (EXPENSES)					
Investment income	994,209	(1,415,697)	1,955	(419,533)	(4,920,092)
Interest earned on long-term receivables	439,699	-	-	439,699	-
Other revenues	12,197,065	189,395	-	12,386,460	-
Other expenses	(1,304,285)	(381,751)	-	(1,686,036)	-
Interest expense	(32,793,028)	(2,056,051)	-	(34,849,079)	-
Gain (loss) on disposal of assets	49,800	176,000	-	225,800	216,049
Income (loss) before contributions and transfers	(96,050,508)	24,023,354	602,094	(71,425,060)	(8,680,671)
Capital contributions	92,279,830	-	-	92,279,830	-
Interfund transfers	(701,300)	(815,500)	-	(1,516,800)	-
Change in net position	(4,471,978)	23,207,854	602,094	19,337,970	(8,680,671)
Net position, July 1	1,312,822,962	19,799,017	(953,425)	1,331,668,554	62,010,118
Net position, June 30	\$ 1,308,350,984	\$ 43,006,871	\$ (351,331)	\$ 1,351,006,524	\$ 53,329,447

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

Change in net position shown above \$ 19,337,970

The portion of internal service funds' current year activity related to enterprise funds allocated to the business-type activities on the government-wide statement of activities. 925,892

Increase in net position as shown on the government-wide statement of activities \$ 20,263,862

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, 2022

	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	\$ 100,051,527	\$ 67,956,160	\$ 6,840,228	\$ 174,847,915	\$ 128,594,699
Cash received for expense reimbursement	-	-	-	-	12,717
Cash payments to suppliers for goods and services	(74,440,828)	(23,369,175)	(1,758,049)	(99,568,052)	(15,447,128)
Cash payments for insurance claims	-	-	-	-	(118,981,123)
Cash receipts for escrow deposits	-	500	-	500	-
Cash payments to employees for services	(37,650,624)	(8,473,240)	(4,304,686)	(50,428,550)	(7,278,607)
Other operating payments	-	(4,677,600)	-	(4,677,600)	(1,729,500)
Net cash provided (used) by operating activities	<u>(12,039,925)</u>	<u>31,436,645</u>	<u>777,493</u>	<u>20,174,213</u>	<u>(14,828,942)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfer to general county capital projects	(701,300)	(815,500)	-	(1,516,800)	-
Cash transfers between funds	<u>280,334</u>	<u>(70,368)</u>	<u>538</u>	<u>210,504</u>	<u>(3,688,090)</u>
Net cash used for noncapital financing activities	<u>(420,966)</u>	<u>(885,868)</u>	<u>538</u>	<u>(1,306,296)</u>	<u>(3,688,090)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of bonds	58,115,000	-	-	58,115,000	-
Proceeds from grant funds	4,045,408	-	-	4,045,408	-
Proceeds from developers' contributions	322,561	-	-	322,561	-
Refunds to developers	(619,810)	-	-	(619,810)	-
Assessments and connection charges	44,857,487	-	-	44,857,487	-
Environmental protection fees for capital assets	25,772,777	-	-	25,772,777	-
Payments of long-term debt	(38,283,081)	(3,484,289)	-	(41,767,370)	-
Interest payments	(32,223,540)	(2,223,185)	-	(34,446,725)	-
Rebates, interest income and reimbursements	1,644,116	-	-	1,644,116	-
Acquisition and construction of capital assets	(56,401,882)	(20,719,177)	-	(77,121,059)	(7,043,669)
Premium on sale of bonds	16,940,002	-	-	16,940,002	-
Proceeds from sale of equipment	-	-	-	-	750,420
Payment of capital related fees	(1,153,589)	-	-	(1,153,589)	-
Lease financing payments	<u>13,626</u>	<u>-</u>	<u>-</u>	<u>13,626</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>24,752,392</u>	<u>(26,426,651)</u>	<u>-</u>	<u>(1,674,259)</u>	<u>(6,293,249)</u>

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2022

	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	\$ (232,646,598)	\$ -	\$ -	\$ (232,646,598)	\$ (24,864,048)
Sale of investment securities	245,764,801	-	-	245,764,801	37,421,119
Investment income received	2,593,501	(1,415,697)	1,955	1,179,759	2,470,594
Net cash provided (used) by investing activities	15,711,704	(1,415,697)	1,955	14,297,962	15,027,665
Net increase (decrease) in cash and cash equivalents	28,003,205	2,708,429	779,986	31,491,620	(9,782,616)
Cash and temporary investments, July 1	117,141,260	45,253,319	802,283	163,196,862	39,891,950
Cash and temporary investments, June 30	\$ 145,144,465	\$ 47,961,748	\$ 1,582,269	\$ 194,688,482	\$ 30,109,334
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (75,633,968)	\$ 27,511,458	\$ 600,139	\$ (47,522,371)	\$ (3,976,628)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	65,502,882	4,594,611	1,957	70,099,450	10,165,076
Other	-	-	-	-	(19)
Effect of changes in operating assets, deferred outflows, liabilities and deferred inflows					
Accounts receivable	2,366,318	(125,021)	4,912	2,246,209	(4,561,791)
Loss on sale of capital assets write off	351,254	-	-	351,254	-
Prepaid expenses	21,977	-	-	21,977	(13,768)
Inventories	(53,676)	(30,193)	-	(83,869)	(512,040)
Accounts payable and accrued liabilities	172,342	13,777	133,280	319,399	(124,751)
Unpaid claims	-	-	-	-	(15,019,616)
Landfill closure and postclosure costs	-	332,241	-	332,241	-
Escrow deposits	29,153	500	-	29,653	-
Accrued liability for compensated absences	(89,144)	(24,929)	23,031	(91,042)	(43,155)
Accrued liability for pension	(847,968)	(180,906)	(19,273)	(1,048,147)	(160,819)
Deferred outflow of resources	(9,114,147)	(2,081,722)	(106,409)	(11,302,278)	(1,828,485)
Deferred inflow of resources	7,938,590	2,049,651	248,074	10,236,315	1,764,890
Accrued liability for OPEB benefits	(2,683,538)	(622,822)	(108,218)	(3,414,578)	(517,836)
Net cash provided (used) by operating activities	\$ (12,039,925)	\$ 31,436,645	\$ 777,493	\$ 20,174,213	\$ (14,828,942)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Contributions of capital assets from developers	\$ 23,599,807	\$ -	\$ -	\$ 23,599,807	\$ -
Trade in of capital assets	49,800	100,269	-	150,069	-
Change in capital contributions, fees and grants, accruals and deferrals	(6,102,970)	-	-	(6,102,970)	-
Increase (decrease) in fair value of investments	(2,960,529)	-	-	(2,960,529)	(7,391,158)
Amortization of refunding gains (losses)	(481,091)	24,214	-	(456,877)	-
Noncash investing, capital and financing activities	\$ 14,105,017	\$ 124,483	\$ -	\$ 14,229,500	\$ (7,391,158)

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, 2022

	Pension (December 31, 2021) and Other Post Employment Plan Trust Funds	Custodial Funds
ASSETS		
Investments, at fair value:		
Cash and temporary investments	\$ 91,154,685	\$ 45,042,251
U. S. government obligations	40,641,514	-
Bank Loans	8,021,356	-
Corporate obligations	178,759,894	-
Domestic fixed income mutual funds	294,658,360	-
International fixed income mutual funds	105,297,297	-
Domestic equity	872,412,223	-
International equity pools	642,565,894	-
Private markets	343,461,744	-
Real estate investment pools	179,728,686	-
Aetna insurance pooled fixed income	20,215,616	-
Total investments	<u>2,776,917,269</u>	<u>45,042,251</u>
Collateral from securities lending transactions	66,273,262	-
Receivables:		
Accounts receivable	3,672,124	5,209,383
Employer contributions	9,063,175	-
Participant contributions	1,814,259	-
Accrued interest and dividends	2,574,654	-
Investment sales proceeds	2,421,646	-
Total receivables	<u>19,545,858</u>	<u>5,209,383</u>
Deposits on hand	<u>262,008</u>	<u>-</u>
Total assets	<u>2,862,998,397</u>	<u>50,251,634</u>
LIABILITIES		
Accounts payable and accrued liability	5,673,107	375,305
Escrow and other deposits	-	9,479,665
Due to other governmental agencies	-	61,588
Investment commitments payable and unearned revenue	5,785,749	-
Obligation for collateral received under securities lending transactions	<u>66,273,262</u>	<u>-</u>
Total liabilities	<u>77,732,118</u>	<u>9,916,558</u>
NET POSITION		
Restricted for:		
Pension	2,383,959,879	-
OPEB	401,306,400	-
Custodial Funds	-	40,335,076
Total net position	<u>\$ 2,785,266,279</u>	<u>\$ 40,335,076</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, 2022

	Pension (December 31, 2021) and Other Post Employment Plan Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
Employer	\$ 195,228,897	\$ -
Participant	24,645,774	-
Insurance subsidies and rebates	13,391,268	-
Total contributions	<u>233,265,939</u>	<u>-</u>
Investment income:		
Net appreciation in fair value of investments	170,476,857	-
Interest income	37,684,360	-
Dividend income	41,932,562	-
Total investment income	<u>250,093,779</u>	<u>-</u>
Less investment expense	10,181,849	-
Net income from investing activities	<u>239,911,930</u>	<u>-</u>
Securities lending activities:		
Securities lending income	309,780	-
Securities lending expenses:		
Borrower rebates	43,081	-
Management fees	106,680	-
Securities lending expense	149,761	-
Securities lending net income	<u>160,019</u>	<u>-</u>
Total net investment income	240,071,949	-
Custodial revenues	-	31,512,465
Total additions	<u>473,337,888</u>	<u>31,512,465</u>
DEDUCTIONS		
Participant benefit payments and refunds	145,381,479	-
Insurance claims and premiums	50,697,088	-
Administrative expenses	2,900,502	-
Custodial expenditures	-	14,691,977
Total deductions	<u>198,979,069</u>	<u>14,691,977</u>
Net increase	274,358,819	16,820,488
Fiduciary net position, beginning of year	2,510,907,460	23,514,588
Fiduciary net position, end of year	<u>\$ 2,785,266,279</u>	<u>\$ 40,335,076</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	50
	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	58
	A. Excess Expenditures over Appropriation Limits	
	B. Fund Deficits	
	C. Reconciliation Between Fund Financial Statements and Budgetary Statements	
Note 3	Cash and Investments	59
	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	69
	A. Property Taxes Receivable	
	B. State Income Taxes Receivable	
	C. Long-Term Receivables	
Note 5	Capital Assets	69
Note 6	Restricted Assets and Liabilities	73
Note 7	Interfund and Intra-Entity Balances and Transfers	73
Note 8	Bonded Debt and Other Obligations	74
	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	Leases A. County as Lessee B. County as Lessor	79
Note 10	Governmental Fund Balance	82
Note 11	Deferred Outflows and Inflows of Resources and Unearned Revenue	84
Note 12	Conduit Debt	86
Note 13	Pension Plans 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, 2021 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. 401(a) Employee Retirement Savings Plan L. Fireman's Length of Service Award Program (LOSAP)	86
Note 14	Other Post-employment Benefits 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	101
Note 15	Risk Management	109
Note 16	Landfill Closure, Post-Closure, and Remediation	110
Note 17	Tax Abatements 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	111
Note 18	Contingent Liabilities A. Impact Fees B. Lawsuits C. Federal Financial Assistance D. Payroll	112

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 Annual Comprehensive Financial Report (ACFR).

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 custodial 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.
- **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** – This fund accounts for 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** – This fund consists of 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.

- **Custodial Funds** – Custodial 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 both 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 revenues 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/fy2021/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 such as money market funds and certificates of deposits.

Investment income 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, custodial 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 value. 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 on a first-in, first-out method. 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 assets that applies to a future period that will not be recognized as an outflow of the resources (expenditure) until that 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 (DIR) represents an acquisition of net assets 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 (DIR) is reported when resources are received before time requirements are met and revenue unavailable. The governmental funds had deferred inflows of resources (DIR) 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. Additionally, deferred inflows are recorded at both the fund and entity-wide levels related to lessor activity under GASB 87. 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 (DIR) related to pensions and OPEB actuarial estimates which are amortized according to the actuarial valuation report. The DIR can occur from changes in investment, actuarial assumptions and actuarial 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 revenues 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 revenues. 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 and in the internal service 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, 2022 totaled \$176,067,555 in the governmental fund types, of which \$129,356,592 is for construction activity. The proprietary funds utilize encumbrance accounting for budgetary

purposes. As of June 30, 2022, the proprietary funds had encumbrances totaling \$121,279,013, of which \$105,896,203 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. See Footnote 10 for additional information on Governmental Fund Balance. 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):** \$21,114,377 of the general fund 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 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, 2022. The annual leave accrual is calculated using unused annual leave hours as of June 30, 2022 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 plus the estimated FICA that would be paid on the amount. 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, 2022, the County adopted GASB Statement No. 87, *Leases*. This GASB Statement improves guidance regarding the accounting and financial reporting of leases by governments. The statement requires all leases to be accounted for in a similar manner. This has resulted in reporting the entire liability of the lease over its term and the related asset in both the governmental activities and proprietary fund statements. Additionally, for leases where the County is lessor, the government is required to record a receivable and deferred inflow for the value of the lease.

The following pronouncements will be evaluated for future implementation:

As of the year ended June 30, 2021, Statement No. 90, *Majority Equity Interests*; Statement No. 91, *Conduit Debt Obligations*; Statement No. 96, *Subscription-Based Information Technology Arrangements*, Statement 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*; Implementation Guide No. 2019-3; Statement No. 99, *Omnibus 2022*; Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*; and Statement No. 101, *Compensated Absences*. Some of these statements will have a material effect on the County's financial statements once implemented.

Certain provisions of GASB Statement No. 99 were effective upon issuance; however, they had no effect on the County's financial statements. 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 at the department level 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 Custodial 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* – Expenditures for Arundel Community Development Services exceeded budgeted appropriations by \$9,416,315 in FY22.

B *Fund Deficits* - The Grants Special Revenue Fund, Arundel Community Development Services, and Child Care have deficit fund balances in the amount of (\$12,036,171, \$2,065,880, and \$351,331), 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 (\$935,857,602) and (\$23,801,884), respectively, as a result of unfunded liabilities for other postemployment and pension benefits. In addition, Governmental Activities has a deficit net position of (\$187,961,421) 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	\$ 128,101,194
Net effect of encumbrances	4,069,513
FMV Interest Adj - GAAP	(1,913,600)
Beer, wine, liquor	1,451,562
Revenue Reserve Fund Balance	13,911,757
Bond Refunding Premium	222,385
Bond Refunding COI	(222,385)
Payroll Overtime Liability	106,297
Transfer for Permanent Public Improvements	19,957,669
Conference and Visitor Center - transfer to GAAP Only	331,170
Arts Council - transfer to GAAP Only	58,442
Self Insurance Fund Deficit	(3,223,405)
Lease Revenue	26,194
Garage Fund Deficit	(1,990,975)
Effects of Inmate Benefit Fund & Parking Garage Fund	67,309
Net inventory change	463,180
Change in fund balance - modified accrual basis	<u>\$ 161,416,307</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. As of June 30, 2022, there were no 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 markets, 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, 2021 was \$69,131,061. There were no securities held as collateral. The market value of securities on loan for the Retirement System as of December 31, 2021 was \$67,593,597.

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, 2021 had a weighted average final maturity of 1.0 day. 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, small capitalized domestic equities, international equities, emerging international equities, core fixed income, diversified fixed income, and real estate. 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, 2022, the carrying amount of the primary government's bank deposits was \$530,337 and bank balances were \$3,685,546. All bank balances were fully secured by Federal Deposit insurance or fully collateralized. The total money market fund balance was \$280,220,004.

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, 2021 and OPEB Trust as of fiscal year ended June 30, 2022, were \$60,038,419 and \$31,116,266 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 Secured Overnight Financing 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 \$123,064,325 of callable issues and there are no issues that have both callable and variable-rate features as of June 30, 2022. The component units’ issues have no variable rate securities. Equity mutual fund investments with a market value of \$5,712,328 are not included in this table.

Investment Type	Primary Government				
	Fair Value	Investment Maturities			
		Less than 1 year	1 to 5 years	6 to 10 years	Greater than 10 years
U.S. Government securities	\$ 497,139,067	483,227,536	\$ 3,441,550	\$ 8,785,720	\$ 1,684,261
Agencies / instrumentalities	429,953,225	295,683,650	95,518,675	38,750,900	-
Supranationals	17,872,100	14,982,000	2,890,100	-	-
Money market pools	280,220,004	280,220,004	-	-	-
Commercial paper	99,035,000	99,035,000	-	-	-
Corporate bonds	25,275,874	3,748,275	21,527,599	-	-
Municipals bonds	192,441,394	92,709,444	99,731,950	-	-
Bond mutual funds	5,837,477	5,837,477	-	-	-
	<u>\$ 1,547,774,141</u>	<u>\$ 1,275,443,386</u>	<u>\$ 223,109,874</u>	<u>\$ 47,536,620</u>	<u>\$ 1,684,261</u>
Component units					
Board of Education					
Investment Type					
Money market pools	\$ 183,515,624	\$ 183,515,624	\$ -	\$ -	\$ -
	<u>\$ 183,515,624</u>	<u>\$ 183,515,624</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Community College					
Investment Type					
Money market pools	\$ 24,543,060	\$ 24,543,060	\$ -	\$ -	\$ -
	<u>\$ 24,543,060</u>	<u>\$ 24,543,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other non-major component units					
Investment Type					
Money market pools	\$ 330	\$ 330	\$ -	\$ -	\$ -
	<u>\$ 330</u>	<u>\$ 330</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, 2021. 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 the securities with variable rate features was \$9,141,388 as of December 31, 2021.

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 \$123,347,125 with call dates ranging from January 27, 2022 for continuously callable issues to August 5, 2069. Stated call prices are generally at par. The callable holdings include issues with floating interest rates, which have a market value of \$11,505,402. Non-debt investments, guaranteed contracts, and un-invested cash with a combined fair value of \$1,771,808,152, do not have maturity dates and therefore are not included in this table.

		Retirement System				
		Investment Maturities (in Years)				
Investment Type	Fair Value	Less than				
		1 year	1 to 5	6 to 10	over 10	
Money market pools	\$ 60,038,419	\$ 60,038,419	\$ -	\$ -	\$ -	
Agency/instrumentalities	19,585,415	-	3,748	667,772	18,913,895	
Bank loans	8,021,356	-	4,063,863	3,957,493	-	
Bond mutual funds	296,902,801	296,902,801	-	-	-	
Collateralized mrtg obligations	6,393,597	-	405,273	531,411	5,456,913	
Corporate bonds	126,432,858	1,423,135	33,954,570	71,365,874	19,689,279	
Foreign and yankee bonds	23,600,233	1,504,111	9,177,050	7,407,718	5,511,354	
Other asset-backed securities	2,747,790	-	-	216,298	2,531,492	
U.S. treasuries	40,641,514	-	9,750,259	17,975,423	12,915,832	
Totals	<u>\$ 584,363,983</u>	<u>\$ 359,868,466</u>	<u>\$ 57,354,763</u>	<u>\$ 102,121,989</u>	<u>\$ 65,018,765</u>	

Not included above is the AETNA pool of \$20,215,616

The OPEB Trust owned one debt mutual fund exposed to interest rate risk as of June 30, 2022. As of June 30, 2022 the trust owned one fixed income mutual fund with an effective maturity of 5.3 years with a fair value of \$103,052,856.

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 \$5,712,328 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							
Investment Type	Total Market Value	A-1	AAA	AA	A	BBB	Not Rated
Agencies/instrumentalities	\$ 429,953,225	\$ -	\$ -	\$ 174,778,675	\$ -	\$ -	\$ 255,174,550
Supranationals	17,872,100	-	2,890,100	-	-	-	14,982,000
Commercial paper	99,035,000	99,035,000	-	-	-	-	-
Corporate bonds	25,275,874	-	-	6,255,525	10,243,906	7,301,500	1,474,943
Municipal securities *	192,441,394	-	74,513,090	69,740,902	2,058,404	14,434,993	31,694,005
Bond mutual funds	5,837,477	-	-	-	-	-	5,837,477
Money market pools	280,220,004	-	266,705,929	-	-	-	13,514,075
Total Credit Risk-Debt Securities	1,050,635,074	\$ 99,035,000	\$ 344,109,119	\$ 250,775,102	\$ 12,302,310	\$ 21,736,493	\$ 322,677,050
U.S. Gov't & Agencies **	497,139,067						
Total Debt Securities	\$ 1,547,774,141						
Component Units							
Board of Education							
Investment Type							
Money market pools	\$ 183,515,624	\$ -	\$ 171,392,571	\$ -	\$ -	\$ -	\$ 12,123,053
	\$ 183,515,624	\$ -	\$ 171,392,571	\$ -	\$ -	\$ -	\$ 12,123,053
Community College							
Investment Type							
Money market pools	\$ 24,543,060	\$ -	\$ 24,543,060	\$ -	\$ -	\$ -	\$ -
	\$ 24,543,060	\$ -	\$ 24,543,060	\$ -	\$ -	\$ -	\$ -
Non-major component units							
Investment Type							
Money market pools	\$ 330	\$ -	\$ 330	\$ -	\$ -	\$ -	\$ -
	\$ 330	\$ -	\$ 330	\$ -	\$ -	\$ -	\$ -

* Two issuers not rated by Standard and Poor's are rated Aaa by Moody's.

** 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, 2021, excluding equities and un-invested cash with a total fair value of \$1,771,808,152, are displayed next.

Retirement System					
	Total Fair Value	Standard & Poor's Credit Ratings			NR
		AAA - A	BBB - B	CCC - C	
Aetna insurance pool fixed income	\$ 20,215,616	\$ -	\$ -	\$ -	\$ 20,215,616
Agency/instrumentalities	19,585,415	-	892,022	-	18,693,393
Bank loans	8,021,356	-	-	-	8,021,356
Collateralized mort. obligations	6,393,597	1,386,516	51,522	-	4,955,559
Corporate bonds	126,432,858	15,931,605	108,502,063	820,913	1,178,277
Mutual funds	296,902,802	-	-	-	296,902,802
Other asset-backed obligations	2,747,790	661,366	1,098,660	126,921	860,843
Money market pools	60,038,419	-	-	-	60,038,419
Yankee & foreign gov. issued	23,600,233	5,266,579	17,397,345	150,677	785,632
Total credit risk of debt securities	563,938,086	\$ 23,246,066	\$ 127,941,612	\$ 1,098,511	\$ 411,651,897
US gov't & agencies *	40,641,514				
Total debt securities	\$ 604,579,600				

*The fair value of U.S. government agency securities is listed here. Due to the explicitly 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, 2022:

Retiree Health Benefits Trust					
	Total	Standard & Poor's Credit Ratings			NR
		AAA-A	BBB-B	CCC-C	
Fixed Income Mutual Funds	\$ 103,052,856	\$ -	\$ -	\$ -	\$ 103,052,856
Short Term Investment Pool	31,116,266	-	-	-	31,116,266
Total Debt Securities	\$ 134,169,122	\$ -	\$ -	\$ -	\$ 134,169,122

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, 2022, Federal Home Loan Bank was 7.67% of the primary government’s investments, Federal Farm Credit Bank represented 7.68%, Federal National Mortgage Association was 5.73%, Federal Agricultural Mortgage Corporation was 4.14%, Federal Home Loan Mortgage Corporation was 1.47%, and Tennessee Valley Authority was 1.59%. 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, 2021, 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, 2022. 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, 2021, 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 \$644,108,357 as of December 31, 2021.

As of June 30, 2022, the OPEB Trust had no direct exposure to fixed income foreign currency. The fair market value of one international mutual fund totaled \$103,754,835.

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, 2022 is displayed below. As of June 30, 2022, short-term investments of \$280,220,004 were in money market mutual funds, which are not subject to the fair value measurement requirements.

Assets at Fair Value June 30, 2022

Primary Government Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
		Level 1	Level 2	Level 3
U.S. Treasuries	\$ 497,139,067	\$ 497,139,067	\$ -	\$ -
Agencies/instrumentalities	429,953,225	429,953,225	-	-
Supranationals	17,872,100	-	17,872,100	-
Commercial paper	99,035,000	99,035,000	-	-
Corporate bonds	25,275,874	25,275,874	-	-
Municipals bonds	192,441,394	-	192,441,394	-
Bond mutual funds	5,837,477	5,837,477	-	-
Equity mutual funds	5,712,328	5,712,328	-	-
	<u>\$ 1,273,266,465</u>	<u>\$ 1,062,952,971</u>	<u>\$ 210,313,494</u>	<u>\$ -</u>

As of June 30, 2022, 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, 2021. As of December 31, 2021, 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, 2021

Assets at Fair Value December 31, 2021 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	\$ 40,641,514	\$ -	\$ 40,641,514	\$ -
Agency/Instrumentalities	19,585,415	-	19,585,415	-
Collateralized Mort. obligations	6,393,597	-	6,393,597	-
Other asset-backed obligations	2,747,790	-	2,747,790	-
Corporate bonds	126,432,858	-	126,432,858	-
Bank Loans	8,021,355	-	8,021,355	-
Yankee & Foreign Gov. Issued	23,600,233	-	23,600,233	-
Fixed income mutual funds	201,148,169	111,483,413	89,664,756	-
Total fixed income investments	428,570,931	111,483,413	317,087,518	-
Equity Investments				
Domestic equity	472,587,562	472,587,562	-	-
International equity pools	238,366,246	238,366,246	-	-
Total equity investments	710,953,808	710,953,808	-	-
Total investments by fair value level	\$ 1,139,524,739	\$ 822,437,221	\$ 317,087,518	\$ -

Pension System Net Asset Value December 31, 2021

Investment Types at net asset value	Net Asset Value	Unfunded Commitments as of 12/31/21	Redemption	Redemption Notice
			Frequency (If Currently Eligible)	Period
Commingled funds-debt	\$ 95,754,632	\$ -	Twice monthly	15 days
Commingled funds-equities	458,277,414	-	Daily, Monthly	Daily, 5 Business days
International equity pool	111,696,913	-	Daily	Daily
Real estate (REIT) fund	147,418,274	-	Quarterly	90 days
Opportunistic	2,309,978	2,414,753	Quarterly	95 days
Private markets buyouts	119,177,208	66,285,870	Not eligible	Not eligible
Private markets distressed	104,362,477	14,945,000	Not eligible	Not eligible
Private markets energy	15,150,778	7,494,335	Not eligible	Not eligible
Private markets fund of funds	3,483,716	1,718,570	Not eligible	Not eligible
Private markets growth equity	59,369,492	4,672,200	Not eligible	Not eligible
Private markets mezzanine	3,064,044	1,425,848	Not eligible	Not eligible
Private markets secondaries	36,544,052	16,868,673	Not eligible	Not eligible
Total at net asset value	1,156,608,978	\$ 115,825,249		
Investments measured at amortized cost				
Money market pools	60,038,419			
Aetna insurance pooled fixed income	20,215,616			
Total Investments	\$ 2,376,387,752			

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, 2021 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 (publicly 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, 2022				
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	\$ 5,551,424	\$ 5,551,424	\$ -	\$ -
International equity	3,845,147	3,845,147	-	-
Mid cap broad equity	2,151,026	2,151,026	-	-
Small cap broad equity	1,326,839	1,326,839	-	-
Real assets equity	958,157	958,157	-	-
	<u>\$ 13,832,593</u>	<u>\$ 13,832,593</u>	<u>\$ -</u>	<u>\$ -</u>
Bond funds	3,457,284	3,457,284	-	-
Equity securities	37,968	37,968	-	-
	<u>\$ 17,327,845</u>	<u>\$ 17,327,845</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, 2022				
Assets at Fair Value June 30, 2022	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	\$ 103,052,856	\$ 103,052,856	\$ -	\$ -
Domestic Equity	130,295,148	130,295,148	-	-
International Equity	103,754,835	103,754,835	-	-
Total Mutual Funds	<u>\$ 337,102,839</u>	<u>\$ 337,102,839</u>	<u>\$ -</u>	<u>\$ -</u>
Assets at Net Asset Value June 30, 2022				
Investment Type	Net Asset Value			
Real estate (REIT) fund	\$ 32,310,412			
Total at net asset value	32,310,412			
Investments measured at amortized cost				
Money Market pool	31,116,265			
Total Investments	<u>\$ 400,529,516</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 was 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, 2022 was \$112,026,018. 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, 2022 was \$19,696,451.

5 **Capital Assets**

The components of capital assets, changes in asset categories, and accumulated depreciation for the fiscal year ended June 30, 2022 are presented as follows:

Anne Arundel County, Maryland
Notes to the Financial Statements

Category	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022
Governmental activities:				
<i>Capital assets not being depreciated:</i>				
Land and easements	\$ 263,583,903	\$ 16,438,546	\$ -	\$ 280,022,449
Historical property/works of art	4,166,465	-	-	4,166,465
Construction in progress	383,249,992	110,555,372	(113,303,341)	380,502,023
Total assets not depreciated	<u>651,000,360</u>	<u>126,993,918</u>	<u>(113,303,341)</u>	<u>664,690,937</u>
<i>Capital assets being depreciated:</i>				
Land improvements	320,539,883	25,669,235	-	346,209,118
Buildings	327,397,907	8,583,579	-	335,981,486
Roads and bridges	408,268,916	25,630,177	(7,881,633)	426,017,460
Sidewalks, curbs, and gutters	56,110,305	5,977,288	(713,688)	61,373,905
Storm drains and culverts	405,298,727	21,820,110	(111,896)	427,006,941
Automobiles and rolling stock	148,952,517	13,491,562	(5,220,334)	157,223,745
Furniture, fixtures, and equipment	128,498,079	16,836,716	(3,410,744)	141,924,051
Software	14,268,619	67,951	(1,020,391)	13,316,179
Right of use	-	41,652,012	-	41,652,012
Total assets depreciated	<u>1,809,334,953</u>	<u>159,728,630</u>	<u>(18,358,686)</u>	<u>1,950,704,897</u>
<i>Less accumulated depreciation for:</i>				
Land improvements	(152,620,617)	(8,394,688)	-	(161,015,305)
Buildings	(156,759,333)	(7,088,643)	-	(163,847,976)
Roads and bridges	(239,774,864)	(12,667,054)	7,881,634	(244,560,284)
Sidewalks, curbs, and gutters	(21,439,390)	(1,166,260)	713,688	(21,891,962)
Storm drains and culverts	(244,185,535)	(8,171,909)	84,981	(252,272,463)
Automobiles and rolling stock	(87,818,628)	(15,681,575)	4,655,899	(98,844,304)
Furniture, fixtures, and equipment	(92,557,793)	(10,659,096)	2,702,816	(100,514,073)
Software	(11,922,935)	(726,136)	718,295	(11,930,776)
Right of use	-	(4,426,218)	-	(4,426,218)
Total accumulated depreciation	<u>(1,007,079,095)</u>	<u>(68,981,579)</u>	<u>16,757,313</u>	<u>(1,059,303,361)</u>
Total capital assets being depreciated, net	<u>802,255,858</u>	<u>90,747,051</u>	<u>(1,601,373)</u>	<u>891,401,536</u>
Total governmental activities, net	<u>\$ 1,453,256,218</u>	<u>\$ 217,740,969</u>	<u>\$ (114,904,714)</u>	<u>\$ 1,556,092,473</u>
Business-type activities:				
<i>Capital assets not being depreciated:</i>				
Land and easements	\$ 18,373,610	\$ -	\$ -	\$ 18,373,610
Construction in progress	543,784,975	81,434,633	(231,120,277)	394,099,331
Total assets not depreciated	<u>562,158,585</u>	<u>81,434,633</u>	<u>(231,120,277)</u>	<u>412,472,941</u>
<i>Capital assets being depreciated:</i>				
Buildings	56,305,291	1,487,164	-	57,792,455
Landfills	88,071,981	19,325,793	-	107,397,774
Water and sewer plants and lines	2,193,989,930	216,027,693	-	2,410,017,623
Automobiles and rolling stock	15,936,624	1,096,231	(267,618)	16,765,237
Furniture, fixtures, and equipment	29,902,340	2,487,247	(23,695)	32,365,892
Right of use	-	170,165	-	170,165
Total assets depreciated	<u>2,384,206,166</u>	<u>240,594,293</u>	<u>(291,313)</u>	<u>2,624,509,146</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(17,039,300)	(1,200,744)	-	(18,240,044)
Landfills	(53,505,274)	(1,718,196)	-	(55,223,470)
Water and sewer plants and lines	(981,845,174)	(63,013,160)	-	(1,044,858,334)
Automobiles and rolling stock	(9,273,112)	(1,376,255)	267,618	(10,381,749)
Furniture, fixtures, and equipment	(17,992,448)	(2,742,240)	23,695	(20,710,993)
Right of use	-	(48,855)	-	(48,855)
Total accumulated depreciation	<u>(1,079,655,308)</u>	<u>(70,099,450)</u>	<u>291,313</u>	<u>(1,149,463,445)</u>
Total capital assets being depreciated, net	<u>1,304,550,858</u>	<u>170,494,843</u>	<u>-</u>	<u>1,475,045,701</u>
Total business-type activities, net	<u>\$ 1,866,709,443</u>	<u>\$ 251,929,476</u>	<u>\$ (231,120,277)</u>	<u>\$ 1,887,518,642</u>

Anne Arundel County, Maryland
Notes to the Financial Statements

Category	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022
Board of Education:				
<i>Capital assets not being depreciated:</i>				
Land and improvements	\$ 77,065,744	\$ 254,589	\$ -	\$ 77,320,333
Intangibles work in progress	-	-	-	-
Construction in progress	148,811,790	156,625,081	(99,775,967)	205,660,904
Total assets not depreciated	<u>225,877,534</u>	<u>156,879,670</u>	<u>(99,775,967)</u>	<u>282,981,237</u>
<i>Capital assets being depreciated:</i>				
Buildings	2,196,931,399	113,483,631	(1,163)	2,310,413,867
Intangibles	14,577,681	-	-	14,577,681
Furniture, fixtures, and equipment	68,524,878	4,602,169	(424,716)	72,702,331
Intangible leased assets	-	42,650,337	-	42,650,337
Total assets depreciated	<u>2,280,033,958</u>	<u>160,736,137</u>	<u>(425,879)</u>	<u>2,440,344,216</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(951,154,732)	(47,089,599)	-	(998,244,331)
Intangibles	(8,270,255)	(1,101,146)	-	(9,371,401)
Furniture, fixtures, and equipment	(42,399,835)	(4,716,383)	387,319	(46,728,899)
Intangible leased assets	-	(10,476,698)	-	(10,476,698)
Total accumulated depreciation	<u>(1,001,824,822)</u>	<u>(63,383,826)</u>	<u>387,319</u>	<u>(1,064,821,329)</u>
Total capital assets being depreciated, net	<u>1,278,209,136</u>	<u>97,352,311</u>	<u>(38,560)</u>	<u>1,375,522,887</u>
Total Board of Education, net	<u>\$ 1,504,086,670</u>	<u>\$ 254,231,981</u>	<u>\$ (99,814,527)</u>	<u>\$ 1,658,504,124</u>
Community College:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 4,092,203	\$ -	\$ -	\$ 4,092,203
Construction in progress	4,323,411	12,710,383	(14,851,199)	2,182,595
Total assets not depreciated	<u>8,415,614</u>	<u>12,710,383</u>	<u>(14,851,199)</u>	<u>6,274,798</u>
<i>Capital assets being depreciated (as restated):</i>				
Land improvements	8,852,779	855,569	(1,155,073)	8,553,275
Buildings and improvements	247,177,937	7,536,785	-	254,714,722
Furniture, fixtures, and equipment	30,651,723	5,220,687	(840,790)	35,031,620
Leasehold improvements	7,880	-	-	7,880
Leased furniture and equipment	290,819	-	-	290,819
Leased building	163,925	-	-	163,925
Intangible assets	670,849	-	-	670,849
Total assets depreciated	<u>287,815,912</u>	<u>13,613,041</u>	<u>(1,995,863)</u>	<u>299,433,090</u>
<i>Less accumulated depreciation for (as restated):</i>				
Land improvements	(5,402,411)	(364,799)	1,147,064	(4,620,146)
Buildings and improvements	(84,198,303)	(8,072,693)	-	(92,270,996)
Furniture, fixtures, and equipment	(20,329,369)	(2,058,480)	834,702	(21,553,147)
Leasehold improvements	(6,501)	(788)	-	(7,289)
Leased furniture and equipment	(53,425)	(75,103)	-	(128,528)
Leased building	(23,418)	(23,418)	-	(46,836)
Intangible assets	(670,849)	-	-	(670,849)
Total accumulated depreciation	<u>(110,684,276)</u>	<u>(10,595,281)</u>	<u>1,981,766</u>	<u>(119,297,791)</u>
Total capital assets being depreciated, net	<u>177,131,636</u>	<u>3,017,760</u>	<u>(14,097)</u>	<u>180,135,299</u>
Total Community College, net	<u>\$ 185,547,250</u>	<u>\$ 15,728,143</u>	<u>\$ (14,865,296)</u>	<u>\$ 186,410,097</u>

Anne Arundel County, Maryland
Notes to the Financial Statements

Category	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022
Other non-major:				
<i>Capital assets not being depreciated:</i>				
Construction in progress	\$ -	\$ -	\$ -	-
<i>Capital assets being depreciated:</i>				
Airport improvements	17,896,892	1,781,183	-	19,678,075
Library collection	21,444,851	4,828,119	(4,614,282)	21,658,688
Automobiles and rolling stock	26,632	-	-	26,632
Furniture, fixtures, and equipment	1,914,404	61,765	(120,360)	1,855,809
Right of use	23,392	5,106,939	-	5,130,331
Total assets depreciated	<u>41,306,171</u>	<u>11,778,006</u>	<u>(4,734,642)</u>	<u>48,349,535</u>
<i>Less accumulated depreciated for:</i>				
Airport improvements	(8,835,365)	(790,847)	-	(9,626,212)
Library collection	(5,673,017)	(1,972,995)	1,942,045	(5,703,967)
Automobiles and rolling stock	(21,543)	(3,105)	-	(24,648)
Furniture, fixtures, and equipment	(1,534,669)	(115,809)	120,360	(1,530,118)
Right of use	(10,315)	(916,974)	-	(927,289)
Total accumulated depreciation	<u>(16,074,909)</u>	<u>(3,799,730)</u>	<u>2,062,405</u>	<u>(17,812,234)</u>
Total capital assets, being depreciated, net	<u>25,231,262</u>	<u>7,978,276</u>	<u>(2,672,237)</u>	<u>30,537,301</u>
Total other non-major, net	<u>\$ 25,231,262</u>	<u>\$ 7,978,276</u>	<u>\$ (2,672,237)</u>	<u>\$ 30,537,301</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	\$ 12,505,302	Water and wastewater	\$ 65,502,882
General government	20,252,263	Solid Waste	4,594,611
Health and human services	1,742,185	Child Care	1,957
Public works	26,137,918		<u>\$ 70,099,450</u>
Recreation and community services	6,842,743	<i>Component units:</i>	
Judicial	1,414,189	Board of Education	\$ 63,383,827
Code enforcement	23,789	Community College	10,595,281
Land use and development	63,190	Library System	2,327,171
	<u>\$ 68,981,579</u>	Economic Development Corp	54,208
		Tipton Airport Authority	790,847
		Workforce Development	627,504
			<u>\$ 77,778,838</u>

6 Restricted Assets and Liabilities

The following funds are shown as restricted on the government-wide financial statements, Statement of Net Position: General, Grants, Impact Fees Capital Project, General County Capital Projects, 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, Arundel Community Development Services, Circuit Court, Erosion Districts, Watershed Protection and Restoration, 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, 2022:

<u>Fund With Receivable</u>	<u>Fund With Payable</u>	<u>Amount</u>	<u>Represents</u>
General Fund	Non-major Governmental Funds	\$ 2,784,320	Temporary borrowing from the General Fund
General Fund	Grants Special Revenue Fund	15,205,740	Temporary borrowing from the General Fund
General Fund	Internal Service Funds	21,997,443	Self Insurance Fund surplus allocation
Non-major Enterprise Funds	Internal Service Funds	7,879	Self Insurance Fund surplus allocation
Water and Wastewater Fund	Internal Service Funds	436,385	Self Insurance Fund surplus allocation
Solid Waste Fund	Internal Service Funds	68,622	Self Insurance Fund surplus allocation
Internal Service Funds	Water and Wastewater Fund	815,470	Central Garage Fund deficit allocation
Internal Service Funds	Solid Waste Fund	408,896	Central Garage Fund deficit allocation
Internal Service Funds	General Fund	6,974,803	Central Garage Fund deficit allocation
		<u>\$ 48,699,558</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 \$285,543,112 for fiscal year 2022. 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	114,176,000	Bond proceeds transferred for capital projects
General Fund	General County Capital Projects	62,592,000	Pay-as-you-go transfers for capital projects
Impact Fees Capital Projects	General County Capital Projects	13,997,423	Impact fee funding for capital projects
Odenton Town Center Tax Increment	General County Capital Projects	380,435	Transfers for capital projects
Watershed Protection and Restoration	General County Capital Projects	24,319,000	Transfers for capital projects
Bond Premium	General County Capital Projects	20,181,094	Transfers for capital projects
Video Lottery Local Impact Aid	General County Capital Projects	2,779,750	Transfers for capital projects
Street Light Capital Projects	General County Capital Projects	248,653	Transfers for capital projects
General County Capital Projects	Watershed Protection and Restoration	36,239	Investment income allocation retained
General County Capital Projects	General Fund	202,873	Investment income allocation retained
Impact Fees Capital Projects	General Fund	1,597,134	Impact fees transferred for debt service
Nursery Road Tax Increment	General Fund	6,564,185	Transfers legally appropriated
West County Tax Increment	General Fund	7,618,203	Transfers legally appropriated
Arundel Mills Tax Increment	General Fund	8,894,320	Transfers legally appropriated
Parole Tax Increment	General Fund	17,105,708	Transfers legally appropriated
National Business Park North TIF	General Fund	146,826	Transfers legally appropriated
Village South at Waugh Chapel TIF	General Fund	1,531,265	Transfers legally appropriated
General Fund	Grants	2,162,604	Transfers for grants
General Fund	Installment Purchase Agreements	739,400	Transfers for land preservation
		<u>\$ 285,543,112</u>	

Transfer Out	Transfers In				
	General Fund	Grants Special Revenue	General County Capital Projects	Non-Major Governmental	Total
General Fund	\$ -	\$ 2,162,604	\$ 176,768,000	\$ 1,009,400	\$ 179,940,004
Non-Major Governmental	41,860,507	-	47,908,932	-	89,769,439
Impact Fees Capital Projects	1,597,134	-	13,997,423	-	15,594,557
General County Capital Projects	202,873	-	-	36,239	239,112
Total Transfers In	\$ 43,660,514	\$ 2,162,604	\$ 238,674,355	\$ 1,045,639	\$ 285,543,112

Transfers between the primary government's proprietary funds and governmental funds presented as follows, totaled \$1,516,800 for fiscal year 2022. 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.

Originating Fund	Recipient Fund	Amount
Water and Wastewater Fund	General County Capital Projects	\$ 701,300
Solid Waste Fund	General County Capital Projects	815,500
		<u>\$ 1,516,800</u>

As of June 30, 2022, 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

Entity with Receivable	Entity with Payable	Amount
Board of Education	Primary Government	\$ 31,829,327
Community College	Primary Government	1,251,670
Other Non-major	Primary Government	1,920,708
Primary Government	Board of Education	20,560,275
		<u>\$ 55,561,980</u>

Primary Government Expenditures

Originating Entity	Recipient Entity	Amount
Primary Government	Board of Education	\$ 890,648,265
Primary Government	Community College	70,627,819
Primary Government	Other Non-major	29,473,207
		<u>\$ 990,749,291</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 2022 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 based on the weekly SOFR Index plus thirty 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, 2024. The County has a credit amount available of up to \$90 million, of which none is outstanding as of June 30, 2022.

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, 2022 are presented as follows:

General County Debt					
Year Ending June 30,	Governmental		Business-type		
	Principal	Interest	Principal	Interest	
2023	\$ 99,575,021	\$ 67,196,244	\$ 42,868,057	\$ 35,069,814	
2024	94,019,701	62,312,423	41,827,484	33,149,695	
2025	91,642,729	57,611,578	40,472,123	31,229,262	
2026	82,844,328	53,076,230	39,923,793	29,307,038	
2027	79,667,370	48,949,203	39,446,998	27,470,622	
2028-2032	337,695,949	191,228,473	186,986,318	112,203,964	
2033-2037	222,714,753	120,675,056	150,718,672	73,546,132	
2038-2042	189,478,821	76,190,556	125,425,596	41,954,203	
2043-2047	189,073,806	36,211,740	88,676,194	16,479,935	
2048-2052	90,829,918	5,669,848	33,570,082	2,382,350	
	<u>\$ 1,477,542,396</u>	<u>\$ 719,121,351</u>	<u>\$ 789,915,317</u>	<u>\$ 402,793,015</u>	

C Tax Increment and Other Debt - As of June 30, 2022, there was \$61,015,000 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, 2022, 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, 2022, \$48,265,181 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, \$1,104,280 is related to Park Place which is not considered part of the County's debt and \$4,987,884 is related to Odenton Town Center TIF which does not have debt outstanding as of June 30, 2022. The table that follows outlines the debt service requirements for these bonds.

Year Ending June 30,	Principal	Interest	Year Ending June 30,	Principal	Interest
2023	\$ 4,235,000	\$ 2,208,344	2028-2032	\$ 18,235,000	\$ 4,226,320
2024	4,600,000	1,992,519	2033-2037	14,575,000	1,849,906
2025	4,965,000	1,758,644	2038-2042	3,475,000	247,721
2026	5,310,000	1,543,218			
2027	5,620,000	1,349,519		<u>\$ 61,015,000</u>	<u>\$ 15,176,191</u>

In addition, there were \$1,770,000, \$10,365,000, \$29,475,000, and \$22,390,000 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, 2022, 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 \$1,896,672 as of June 30, 2022. These loans were received from the State for waterway improvements. During fiscal year 2022, the County paid \$235,813 for principal. The table that follows outlines the debt service requirements:

Year Ending		Year Ending	
June 30,	Principal	June 30,	Principal
2023	\$ 214,911	2028-2032	731,026
2024	202,260	2033-2037	\$ 104,609
2025	202,261	2038-2042	43,650
2026	202,260		
2027	195,695		\$ <u>1,896,672</u>

E Leases – The County has one outstanding lease agreement that qualifies as equipment financing for accounting purposes. The agreement has resulted in a capital asset in the amount of \$60,650 for a Konica Pro 1100 copier. The total principal payments due as of fiscal year-end are \$20,150. The net present value of these minimum lease payments as of June 30, 2022 and the future minimum lease obligations were as follows:

Year ending	Principal	Interest	Total
June 30,	Lease Payments	Lease Payments	Lease Payments
2023	\$ 20,150	\$ 8,339	\$ 28,489
	\$ <u>20,150</u>	\$ <u>8,339</u>	\$ <u>28,489</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, 2022 are presented as follows:

Year Ending			Year Ending		
June 30,	Principal	Interest	June 30,	Principal	Interest
2023	\$ 20,000	\$ 718,261	2028-2032	\$ 10,414,000	\$ 1,427,625
2024	20,000	717,146	2033-2037	1,444,000	668,313
2025	20,000	716,030	2038-2042	<u>1,487,000</u>	<u>270,634</u>
2026	20,000	714,914			
2027	20,000	713,799		\$ <u>13,445,000</u>	\$ <u>5,946,722</u>

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

Anne Arundel County, Maryland
Notes to the Financial Statements

	<u>Dates</u>	<u>Rates</u>	<u>Original Issue</u>	<u>Outstanding</u>
Governmental activities:				
General obligation bonds	2023-2052	2.00% to 5.00%	\$ 2,035,198,549	\$ 1,477,542,396
Tax increment district bonds	2023-2041	1.50% to 5.00%	79,240,000	61,015,000
Installment purchase agreements	2023-2041	4.55% to 6.00%	13,819,916	13,445,000
Loans payable	2023-2040	0%	4,813,912	1,896,672
Total governmental activities			<u>2,133,072,377</u>	<u>1,553,899,068</u>
Business-type activities:				
Water and wastewater serial bonds	2023-2052	1.00% to 5.00%	977,348,309	746,462,713
Solid waste serial bonds	2023-2051	2.00% to 5.00%	57,426,451	43,452,604
Total business-type activities			<u>1,034,774,760</u>	<u>789,915,317</u>
			<u>\$ 3,167,847,137</u>	<u>\$ 2,343,814,385</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, 2022, the legal debt limitations and margins are as follows:

	<u>General Bonds</u> <u>(5.2%/13.0% Limitations)</u>	<u>Water and Wastewater</u> <u>(5.6%/14.0% Limitations)</u>
Charter imposed limitation	\$ 5,423,619,621	\$ 5,394,259,911
Bonded debt outstanding		
Installment purchase agreements	13,445,000	-
General obligation-serial bonds	1,337,927,843	746,462,713
General obligation-serial bonds, WPRF	139,614,553	-
General obligation-serial bonds, Solid Waste	43,452,604	-
Tax increment bonds	61,015,000	-
	<u>1,595,455,000</u>	<u>746,462,713</u>
Legal debt margin	<u>\$ 3,828,164,621</u>	<u>\$ 4,647,797,198</u>

As of June 30, 2022, the County had the total authority to issue bonds in the amount of \$2,441,056,023 of which \$806,101,111 has not been issued. Included in the amounts available to issue to date are \$370,901,627 for general obligation water and wastewater series bonds, and \$10,870,760 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, 2022 was \$6,675,000. 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>
2023	\$ 875,000	2025	\$ 925,000	2027	\$ 975,000
2024	895,000	2026	950,000	2028-2032	2,055,000
					<u>\$ 6,675,000</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 were entitled to a credit against the county portion of the Maryland income tax owed. The ruling meant that each county in Maryland would experience a reduction in income tax revenue, including Anne Arundel County. The Comptroller’s Office calculated the fiscal impact of the ruling on the County to be \$17,694,496 of refunds for prior years’ taxes, and an estimated reduction of \$4,000,000 each year going forward. The calculated 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 County began reimbursing the State of Maryland in May 2021 in the amount of \$221,181 quarterly. These reimbursements will continue for 80 installments over twenty years. During fiscal year 2022, total payments of \$884,724 were made and \$16,367,410 remains outstanding at June 30, 2022.

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

	<u>Balance June 30, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 1,445,992,927	\$ 182,404,149	\$ 150,854,680	\$ 1,477,542,396	\$ 99,575,021
Unamortized premium	217,881,495	26,247,259	28,243,748	215,885,006	23,934,000
Tax incremental and other debt	64,945,000	-	3,930,000	61,015,000	4,235,000
Total bonds payable	<u>1,728,819,422</u>	<u>208,651,408</u>	<u>183,028,428</u>	<u>1,754,442,402</u>	<u>127,744,021</u>
State loans	2,138,181	4	241,513	1,896,672	214,911
Equipment financing	50,422	-	30,272	20,150	20,150
Installment purchase agreements	13,465,000	-	20,000	13,445,000	20,000
Unpaid insurance claims	75,379,890	115,213,591	130,233,207	60,360,274	18,650,036
Compensated absences	35,838,560	33,696,498	33,947,453	35,587,605	33,697,368
Total long-term	<u>1,855,691,475</u>	<u>357,561,501</u>	<u>347,500,873</u>	<u>1,865,752,103</u>	<u>180,346,486</u>
Total governmental activities	<u>\$ 1,855,691,475</u>	<u>\$ 357,561,501</u>	<u>\$ 347,500,873</u>	<u>\$ 1,865,752,103</u>	<u>\$ 180,346,486</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 775,209,550	\$ 83,814,168	\$ 69,108,401	\$ 789,915,317	\$ 42,868,057
Unamortized premium	102,956,555	11,647,744	10,216,412	104,387,887	9,303,964
Total bonds payable	<u>878,166,105</u>	<u>95,461,912</u>	<u>79,324,813</u>	<u>894,303,204</u>	<u>52,172,021</u>
Compensated absences	3,126,365	3,896,236	2,214,319	4,808,282	2,146,157
Total long-term	<u>881,292,470</u>	<u>99,358,148</u>	<u>81,539,132</u>	<u>899,111,486</u>	<u>54,318,178</u>
Total business-type activities	<u>\$ 881,292,470</u>	<u>\$ 99,358,148</u>	<u>\$ 81,539,132</u>	<u>\$ 899,111,486</u>	<u>\$ 54,318,178</u>

K Refundings – In fiscal year 2022, the County defeased certain General Obligation and Water Wastewater Bonds by placing the proceeds of the refunding bonds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. The funds are held in escrow by a third-party custodian invested in U.S. Government issued securities. On April 5, 2022 the County issued \$67,885,000 in non-taxable refunding bonds for the following: \$44,850,000 to refund \$40,500,000 of General Obligation Bonds Series 2012, \$9,945,000 of General Obligation Series 2012R, \$23,035,000 to refund \$18,000,000 of Water and Wastewater Series 2012, and \$7,975,000 to refund Water Wastewater Series 20112R. The true interest cost for both the refunded bonds was 1.17%. The current refunding net proceeds were deposited in an irrevocable trust account with an escrow agent to provide for all future debt service payments on the refunding bonds. As a result, the refunding bonds are considered to be defeased and have been removed from the primary government statement of net position. The savings or aggregate difference in debt service from refunding General Obligation Series 2012, 2012R, was \$3,420,601 and from refunding Water Wastewater Series 2012, and 2012R was \$1,719,197. The net effect of the total refunding gain for General Obligation Series 2012, and 2012R, and 2011R was \$9,002,695, and the net effect of the total refunding gain for Water Wastewater Series 2012,

2012R was \$985,264. The refunding gain is being amortized over the shorter life of either the old refunded bonds or new the new refunding bonds. There was a net present value savings of \$5.1 million in debt service.

9 Leases

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

A County as Lessee

The County has entered into various lease agreements as lessee primarily for office space and office equipment. Leases have initial terms from 2 to 31 years with an average length of 10 years, and contain one or more renewals at the County's option, most commonly for five-year periods and others at one or three years. The County has generally included these renewal periods in the lease term when it is reasonably certain that the County will exercise the renewal option. The County's leases generally do not include termination options for either party to the lease or restrictive financial or other covenants. Certain real estate leases require additional payments for common area maintenance, real estate taxes, and insurance, which are expensed as incurred as variable lease payments. For office space leases that include variable payments, those include payments for the County's proportionate share of the building's property taxes, insurance, and common area maintenance. The County's lease arrangements do not contain any material residual value guarantees. As the interest rate implicit in the County's leases is not readily determinable, the County utilizes its incremental borrowing rate to discount the lease payments.

The County entered into a 186-month lease with three 60-month extensions as lessee for the use of office space in FY22. An initial lease liability was recorded in the amount of \$4,939,393. As of June 30, 2022, the value of the lease liability is \$4,894,138. The County is required to make monthly payments of \$13,012 (increasing annually at 2.000%) which includes base rent and a proportionate share of operating expenses with an implicit interest rate of 1.209%. The value of the right-of-use leased asset as of June 30, 2022 was \$4,826,088 with accumulated amortization of \$113,305 is included with governmental activities for buildings on the lease class activities table found below.

As of June 30, 2022, the statement of net position included the following amounts relating to leases:

	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>	<u>Component Unit Library</u>
Right of Use Asset				
Equipment	\$ 1,400,968	\$ 170,165	\$ 1,571,133	\$ 116,348
Buildings	36,626,599	-	36,626,599	1,699,848
Land and Improvements	<u>3,624,445</u>	<u>-</u>	<u>3,624,445</u>	<u>-</u>
	41,652,012	170,165	41,822,177	1,816,196
Accumulated Amortization				
Equipment	(499,790)	(48,855)	(548,645)	(45,449)
Buildings	(3,691,809)	-	(3,691,809)	(297,376)
Land and Improvements	<u>(234,619)</u>	<u>-</u>	<u>(234,619)</u>	<u>-</u>
	<u>(4,426,218)</u>	<u>(48,855)</u>	<u>(4,475,073)</u>	<u>(342,825)</u>
	<u>\$ 37,225,794</u>	<u>\$ 121,310</u>	<u>\$ 37,347,104</u>	<u>\$ 1,473,371</u>

The future principal and interest lease payments as of June 30, 2022, were as follows:

Governmental Activities			
Fiscal Year	Principal	Interest	Total Payment
2023	\$ 3,285,858	\$ 413,837	\$ 3,699,696
2024	2,758,352	385,213	3,143,565
2025	2,644,811	356,199	3,001,010
2026	2,662,873	326,524	2,989,396
2027	2,647,479	296,268	2,943,747
2028-2032	13,560,907	1,010,845	14,571,752
2033-2037	9,952,569	251,187	10,203,756
2038-2039	174,393	631	175,024
	<u>\$ 37,687,242</u>	<u>\$ 3,040,705</u>	<u>\$ 40,727,947</u>
Business-Type Activities			
Fiscal Year	Principal	Interest	Total Payment
2023	\$ 49,352	\$ 659	\$ 50,011
2024	15,257	529	15,786
2025	10,436	440	10,876
2026	10,044	355	10,399
2027	10,127	268	10,395
2028-2032	25,435	280	25,715
	<u>\$ 120,650</u>	<u>\$ 2,532</u>	<u>\$ 123,182</u>
Component Unit - Library			
Fiscal Year	Principal	Interest	Total Payment
2023	\$ 612,729	\$ 8,185	\$ 620,914
2024	189,419	6,568	195,987
2025	129,570	5,467	135,036
2026	124,701	4,411	129,112
2027	125,731	3,331	129,063
2028-2032	315,785	3,480	319,265
	<u>\$ 1,497,936</u>	<u>\$ 31,442</u>	<u>\$ 1,529,378</u>

B County as Lessor

The County leases out some of its buildings and land. Most leases have initial terms from 2 to 77 years with an average length of 10 years and contain one or three more renewals at the County's option for five-year periods. The County has included these renewal periods in the lease terms when they are both non-cancellable and reasonably certain to be exercised. The County's lease arrangements do not contain any material residual value guarantees. As the interest rate implicit in the County's leases is not readily determinable, the County utilizes its incremental borrowing rate to discount the lease payments. Although the County is exposed to changes in the residual value at the end of the current leases, the County typically enters into new operating leases and therefore will not immediately realize any reduction in residual value at the end of these leases.

The County entered into a 60 month lease as lessor for the use of antenna mounting space on the Shipley Water Tank. An initial lease receivable was recorded in the amount of \$323,927. As of June 30, 2022, the value of the lease receivable is \$269,672. The lessee is required to make monthly payments of \$5,051 (increasing annually at 4.000%) with an implicit interest rate of 0.527%. The value of the deferred inflow of resources as of June 30, 2022 was \$264,540 and the County recognized lease revenue of \$59,387 during the fiscal year.

The total amount of inflows of resources relating to leases recognized in the current fiscal year are as follows:

	Activity		Total
	Governmental	Business-Type	
Lease Revenue	\$ 974,775	\$ 1,655,765	\$ 2,630,540
Interest Revenue	14,661	12,691	27,352
Total Revenue	\$ 989,436	\$ 1,668,456	\$ 2,657,892

As of June 30, 2022, the principal and interest requirements to maturity for the lease receivable are as follows:

Fiscal Year	Governmental Activities Payments		
	Principal	Interest	Total Payment
2023	\$ 819,129	\$ 49,099	\$ 868,228
2024	573,865	45,654	619,519
2025	400,653	42,685	443,338
2026	294,580	39,992	334,572
2027	173,767	37,945	211,712
2028-2032	660,349	161,963	822,312
2033-2037	743,403	111,929	855,332
2038-2042	610,617	61,244	671,861
2043-2047	474,067	17,934	492,001
	\$ 4,750,430	\$ 568,445	\$ 5,318,875

Fiscal Year	Business-Type Activities Payments		
	Principal	Interest	Total Payment
2023	\$ 1,567,453	\$ 11,033	\$ 1,578,486
2024	1,287,040	6,597	1,293,637
2025	768,952	3,149	772,101
2026	510,580	1,168	511,748
2027	277,593	209	277,802
	\$ 4,411,618	\$ 22,156	\$ 4,433,774

10 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				Non-major	Totals
	General	Grants Special Revenue	Impact Fees Capital Projects	General County Capital Projects	Governmental Funds	
FUND BALANCES						
Non-spendable						
Inventories	\$ 4,297,591	\$ -	\$ -	\$ -	\$ -	\$ 4,297,591
Total non-spendable	4,297,591	-	-	-	-	4,297,591
Restricted						
Reserve for Permanent Public Improvements (PPI)	21,114,377	-	-	-	-	21,114,377
Impact fees capital projects	-	-	112,150,031	-	-	112,150,031
Forfeiture and asset seizure team	-	-	-	-	158,111	158,111
Roads and special benefits	-	-	-	-	938,311	938,311
Reforestation	-	-	-	-	5,207,436	5,207,436
Laurel racetrack community benefit	-	-	-	-	143,695	143,695
Grants	-	5,532,728	-	7,218,946	24,472,949	37,224,623
Circuit court	-	-	-	-	401,908	401,908
Odenton Town Center Tax Increment	-	-	-	-	26,009,893	26,009,893
Erosion districts	-	-	-	-	2,043,819	2,043,819
Video lottery local impact aid	-	-	-	5,036,930	2,134,287	7,171,217
Watershed protection and restoration	-	-	-	19,002,951	46,246,026	65,248,977
Debt service	-	-	-	-	1,246,046	1,246,046
Total restricted	21,114,377	5,532,728	112,150,031	31,258,827	109,002,481	279,058,444
Committed						
Street lights capital projects	-	-	-	-	4,898,944	4,898,944
Recreation and land fees	-	-	-	-	323,092	323,092
Energy revolving loan	-	-	-	-	359,749	359,749
Bike, Pedestrian, Trans & Infrastructure	-	-	-	-	305,471	305,471
Installment purchase agreements	-	-	-	-	7,609,524	7,609,524
Total committed	-	-	-	-	13,496,780	13,496,780
Assigned						
General County capital projects	-	-	-	89,583,080	-	89,583,080
General County	278,740,469	-	-	-	-	278,740,469
Total assigned	278,740,469	-	-	89,583,080	-	368,323,549
Unassigned						
	247,385,055	(17,568,899)	-	-	(26,267,996)	203,548,160
Total fund balances	\$ 551,537,492	\$ (12,036,171)	\$ 112,150,031	\$ 120,841,907	\$ 96,231,265	\$ 868,724,524

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>Balances</u>
General Fund	
Police	\$ 1,887,583
Fire	1,525,201
Office of Emergency Management	74,575
Detention Facilities	438,294
Office of Budget	18
Office of Finance	118,535
Central Services	2,049,131
Personnel	283,999
Information Technology	2,693,348
Legislative Branch	166,162
Transportation	266,680
Health	1,458,465
Social Services	1,912
Services for the Aging	198,360
Public Works	2,392,574
Recreation & Parks	576,839
Circuit Court	29,501
Planning & Zoning	358,155
Inspection & Permits	29,629
Board of License Commissioners	817,083
Grants Fund	5,532,728
Partnership for Children Youth and Families	3,012
Arundel Community Development Services	24,469,938
Watershed Protection and Restoration	1,325,573
General County Capital Projects Fund	111,098,753
Watershed Protection and Restoration Capital Projects Fund	18,257,839
Tax Increment Funds	<u>13,668</u>
Total	<u>\$ 176,067,555</u>

11 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	\$ 50,239,025	\$ 3,013,948	\$ 643,000	\$ 68,500	\$ 3,725,448	\$ 53,964,473
Change in experience	34,683,331	1,064,103	215,126	21,411	1,300,640	35,983,971
Change in assumptions	132,623,162	8,558,750	1,799,418	188,084	10,546,252	143,169,414
Total pension benefits	<u>217,545,518</u>	<u>12,636,801</u>	<u>2,657,544</u>	<u>277,995</u>	<u>15,572,340</u>	<u>233,117,858</u>
OPEB benefits						
Contributions subsequent to measurement date	78,531,427	7,488,208	1,737,938	301,975	9,528,121	88,059,548
Change in experience	14,009,824	1,378,128	327,865	31,973	1,737,966	15,747,790
Change in assumptions	40,952,083	3,925,497	911,068	158,303	4,994,868	45,946,951
Total OPEB benefits	<u>133,493,334</u>	<u>12,791,833</u>	<u>2,976,871</u>	<u>492,251</u>	<u>16,260,955</u>	<u>149,754,289</u>
Length of Service Awards Program (LOSAP)			-			
Contributions subsequent to measurement date	391,325	-	-	-	-	391,325
Change in assumptions	4,497,858	-	-	-	-	4,497,858
Total LOSAP benefits	<u>4,889,183</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,889,183</u>
Unamortized deferred refunding loss	-	936,718	-	-	936,718	936,718
Total deferred outflows	<u>\$ 355,928,035</u>	<u>\$ 26,365,352</u>	<u>\$ 5,634,415</u>	<u>\$ 770,246</u>	<u>\$ 32,770,013</u>	<u>\$ 388,698,048</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	\$ 130,900	\$ 440,700	\$ 571,600	\$ 9,114,191	\$ 446,926	\$ 203,150	\$ 211,426
Change in experience	40,582	152,914	193,496	-	-	83,423	71,173
Change in assumptions	358,410	1,244,055	1,602,465	11,490,909	591,516	600,527	581,218
Change in proportion	-	-	-	17,883,817	937,013	-	-
Changes proportion share of contribution	-	-	-	-	42	-	-
Total pension benefits	<u>529,892</u>	<u>1,837,669</u>	<u>2,367,561</u>	<u>38,488,917</u>	<u>1,975,497</u>	<u>887,100</u>	<u>863,817</u>
OPEB benefits							
Contributions subsequent to measurement date	346,908	1,098,074	1,444,982	25,054,681	4,864,023	5,000,985	-
Change in experience	55,484	201,297	256,781	100,180,790	983,514	232,514	80,780
Change in assumptions	181,857	575,637	757,494	132,290,383	42,180,354	15,308,524	235,706
Total OPEB benefits	<u>584,249</u>	<u>1,875,008</u>	<u>2,459,257</u>	<u>257,525,854</u>	<u>48,027,891</u>	<u>20,542,023</u>	<u>316,486</u>
Unamortized deferred refunding loss	-	-	-	-	157,619	-	-
Total deferred outflows	<u>\$ 1,114,141</u>	<u>\$ 3,712,677</u>	<u>\$ 4,826,818</u>	<u>\$ 296,014,771</u>	<u>\$ 50,161,007</u>	<u>\$ 21,429,123</u>	<u>\$ 1,180,303</u>

* Included in Governmental Activities column above.

Anne Arundel County, Maryland
Notes to the Financial Statements

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	\$ 3,931,897	\$ 397,847	\$ 83,219	\$ 8,090	\$ 489,156	\$ 4,421,053
Change in assumptions	65,611	-	-	-	-	65,611
Change in investments	122,121,286	6,873,936	1,466,909	154,191	8,495,036	130,616,322
Total pension benefits	126,118,794	7,271,783	1,550,128	162,281	8,984,192	135,102,986
OPEB benefits						
Change in experience	1,924,539	26,490	6,495	437	33,422	1,957,961
Change in assumptions	56,810	112,842	26,084	6,068	144,994	201,804
Change in investments	32,564,000	3,174,064	740,870	108,993	4,023,927	36,587,927
Total OPEB benefits	34,545,349	3,313,396	773,449	115,498	4,202,343	38,747,692
Length of Service Awards Program						
Change in experience	3,025,937	-	-	-	-	3,025,937
Change in assumptions	588,045	-	-	-	-	588,045
Total LOSAP benefits	3,613,982	-	-	-	-	3,613,982
Property tax revenue collected in advance	25,032	-	-	-	-	25,032
Leases	4,724,236	4,324,048	-	-	4,324,048	9,048,284
Unamortized deferred refunding gain	5,254,184	-	-	-	-	5,254,184
Total deferred inflows	\$ 174,281,577	\$ 14,909,227	\$ 2,323,577	\$ 277,779	\$ 17,510,583	\$ 191,792,160

	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	\$ 15,073	\$ 58,256	\$ 73,329	\$ 4,035,365	\$ 208,843	\$ 29,393	\$ 26,868
Change in assumptions	-	-	-	1,001,548	49,411	-	-
Change in investments	292,416	991,482	1,283,898	28,138,083	1,468,219	439,212	410,830
Change in proportion	-	-	-	1,406,801	92,471	-	-
Changes proportion share of contribution	-	-	-	2,133	106	-	-
Total pension benefits	307,489	1,049,738	1,357,227	34,583,930	1,819,050	468,605	437,698
OPEB benefits							
Change in experience	890	3,549	4,439	-	11,189,253	2,991,587	1,585
Change in assumptions	4,666	16,274	20,940	638,777,075	15,176,277	4,221,436	6,942
Change in investments	146,516	468,522	615,038	-	1,813,873	288,426	200,747
Total OPEB benefits	152,072	488,345	640,417	638,777,075	28,179,403	7,501,449	209,274
Total deferred inflows	\$ 459,561	\$ 1,538,083	\$ 1,997,644	\$ 673,361,005	\$ 29,998,453	\$ 7,970,054	\$ 646,972

* Included in Governmental Activities column above.

12 **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, 2022, 154 Industrial Revenue Bonds series have been issued. The aggregate principal amounts payable for the three series issued after July 1, 1996 that are still outstanding was \$20,310,000. 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.

13 **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, 2021.

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, 2021 based on the January 1, 2022, 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	2,150	791	661	330	3,932
Terminated Plan members entitled to but not yet receiving payments	304	-	-	4	308
Deferred Retirement Option (DROP)	-	89	87	43	219
Active Plan members	2,137	680	799	316	3,932
Total	4,591	1,560	1,547	693	8,391

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 2021 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, 2022 was \$95,446. Of this amount, \$27,265 was for County Officials Retirement System and \$68,181 was for Master Judges Retirement System. The final payment for the State withdrawal payoff of unfunded liability was made in 2020. The rates varied from 0.0% for the actuarially determined contractual liability to 40.3% of covered payroll for the participant in the Judges Retirement System and 20.7% for the County Officials Retirement System. The County made its share of the required contributions.

As of June 30, 2022, the County reported a liability of \$633,460 for its proportionate share of the net pension liability of the State System. The net pension liability was measured as of June 30, 2021 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, 2021. The contributions were increased to adjust for differences between actuarial determined contributions and actual contributions by the State of Maryland. As of June 30, 2021, the County's proportionate share was 0.0042%.

Actuarial assumption: The total pension liability for the State System in the June 30, 2021 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	6.80%

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, 2021 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, 2019 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, 2020. As a result, an investment return assumption of 6.80% and an inflation assumption of 2.25% were used in the June 30, 2021 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%	4.7%
Private Equity	13%	6.5%
Rate Sensitive	19%	-0.4%
Credit Opportunity	9%	2.6%
Real Assets	14%	4.2%
Absolute Return	8%	2.0%
Total	<u>100%</u>	

Source- Maryland State Retirement and Pension System Comprehensive Annual
Financial Report For the Years Ended June 30, 2021 and 2020

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, 2021.

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of the pension plan expense was 26.69%. 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 6.80%. This single discount rate was based on the expected rate of return on pension plan investments of 6.80%. 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 8.0% 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, 2022, 2021,

and 2020 equal the required contributions and are summarized as follows along with the State's contribution on behalf on the employees discussed previously.

	Fiscal Year Ending June 30,	
	2022	2021
County contributions:		
County	\$ 95,446	\$ 93,042
Board of Education	9,114,191	8,772,222
Community College	218,537	246,824
State contributions on behalf of:		
Board of Education	67,416,052	62,919,672
Community College	4,934,036	4,865,034
Library	1,672,314	1,569,933
	<u>\$ 83,450,576</u>	<u>\$ 80,175,906</u>

E Net Pension Liability of the System by Plan - The components of the net pension liability and assumptions for each Plan as of December 31, 2021 as calculated by the actuary are displayed as follows:

	Employees'		Police Service		Fire Service		Detention Officers' and Deputy Sheriffs'		Total
	Retirement Plan		Retirement Plan		Retirement Plan		Retirement Plan		
Total pension liability	\$ 1,077,190,517	\$	898,694,627	\$	818,854,297	\$	247,529,692	\$	3,042,269,133
Plan fiduciary net position	(803,075,985)		(696,773,180)		(692,932,130)		(191,178,583)		(2,383,959,878)
Plan net pension liability	<u>\$ 274,114,532</u>	<u>\$</u>	<u>201,921,447</u>	<u>\$</u>	<u>125,922,167</u>	<u>\$</u>	<u>56,351,109</u>	<u>\$</u>	<u>658,309,255</u>
Plan fiduciary net position as a percentage of the total pension liability	74.55%		77.53%		84.62%		77.23%		78.36%

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, 2020 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, 2021 valuation reports. The most recent Experience and Assumption Study was conducted in 2018 for the period 2012 to 2016.			
Inflation	2.60%	2.60%	2.60%	2.60%
Salary increases	Rates vary by participant age for each Plan.			
Investment rate of return	7.00%, 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, 2021 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 2.66%.

**30-Year Return Assumption by Asset Class
As of December 31, 2020**

Asset Class	30-Year Geometric Forecast	
	(Nominal Returns)	(Real Returns)
Cash	5.39%	0.07%
U.S. Treasuries	3.19%	0.51%
IG Corp Credit	4.99%	2.27%
Mortgage Backed Securities	3.50%	0.82%
Core Fixed Income	3.78%	1.10%
* High-Yield Bonds	6.55%	3.79%
Emerging Market Debt (External)	6.44%	3.69%
Emerging Market Debt (Local Current)	6.26%	3.50%
Large Cap Equity	7.72%	4.93%
Small/Mid Cap Equity	8.94%	6.12%
International Equities (Unhedged)	8.27%	5.46%
Emerging Int'l Equities	12.20%	9.30%
Private Equity	12.67%	9.75%
Private Debt	8.98%	6.16%
Real Estate	6.51%	3.75%

Note: NEPC's 30-year geometric CPI inflation assumption is 2.66%. 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).*

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, 2021:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Employees' Plan			
Balances as of 12/31/20	\$ 998,524,396	\$ 718,989,813	\$ 279,534,583
Changes for the year:			
Service cost	18,885,715	-	18,885,715
Interest	67,771,708	-	67,771,708
Changes of benefit terms	-	-	-
Differences between expected and actual	1,093,035	-	1,093,035
Changes of assumptions	51,629,954	-	51,629,954
Contributions - employer	-	36,178,170	(36,178,170)
Contributions - member	-	5,527,603	(5,527,603)
Net investment income	-	103,655,704	(103,655,704)
Benefit payments, including refunds of member contributions	(60,714,291)	(60,714,291)	-
Administrative expense	-	(561,014)	561,014
Net Changes	<u>78,666,121</u>	<u>84,086,172</u>	<u>(5,420,051)</u>
Balances at 12/31/21	<u>\$ 1,077,190,517</u>	<u>\$ 803,075,985</u>	<u>\$ 274,114,532</u>

Note: The source is actuarial date based on preliminary financials. The differences between this schedule and the final combining statement of changes in the 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 12/31/20	\$ 810,929,345	\$ 613,858,749	\$ 197,070,596
Changes for the year:			
Service cost	17,595,554	-	17,595,554
Interest	55,380,629	-	55,380,629
Differences between expected and actual experience	5,788,746	-	5,788,746
Changes of assumptions	48,555,347	-	48,555,347
Contributions - employer	-	29,598,702	(29,598,702)
Contributions - member	-	4,255,390	(4,255,390)
Net investment income	-	89,124,692	(89,124,692)
Benefit payments, including refunds of member contributions	(39,554,994)	(39,554,994)	-
Administrative expense	-	(509,359)	509,359
Net Changes	<u>87,765,282</u>	<u>82,914,431</u>	<u>4,850,851</u>
Balances at 12/31/21	<u>\$ 898,694,627</u>	<u>\$ 696,773,180</u>	<u>\$ 201,921,447</u>

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

Fire Service Plan	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 12/31/20	\$ 728,904,028	\$ 609,695,729	\$ 119,208,299
Changes for the year:			
Service cost	17,011,774	-	17,011,774
Interest	49,831,575	-	49,831,575
Differences between expected and actual experience	14,680,330	-	14,680,330
Changes of assumptions	42,475,362	-	42,475,362
Contributions - employer	-	24,642,756	(24,642,756)
Contributions - member	-	4,203,216	(4,203,216)
Net investment income	-	88,951,763	(88,951,763)
Benefit payments, including refunds of member contributions	(34,048,772)	(34,048,772)	-
Administrative expense	-	(512,562)	512,562
Other	-	-	-
Net Changes	<u>89,950,269</u>	<u>83,236,401</u>	<u>6,713,868</u>
Balances at 12/31/21	<u>\$ 818,854,297</u>	<u>\$ 692,932,130</u>	<u>\$ 125,922,167</u>

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

Detention Officers and Deputy Sheriffs' Plan	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 12/31/20	\$ 223,880,890	\$ 167,430,551	\$ 56,450,339
Changes for the year:			
Service cost	4,982,213	-	4,982,213
Interest	15,283,248	-	15,283,248
Differences between expected and actual experience	2,519,617	-	2,519,617
Changes of assumptions	11,961,270	-	11,961,270
Contributions - employer	-	9,276,240	(9,276,240)
Contributions - member	-	1,494,147	(1,494,147)
Net investment income	-	24,208,223	(24,208,223)
Benefit payments, including refunds of member contributions	(11,097,546)	(11,097,546)	-
Administrative expense	-	(133,032)	133,032
Net Changes	<u>23,648,802</u>	<u>23,748,032</u>	<u>(99,230)</u>
Balances at 12/31/21	<u>\$ 247,529,692</u>	<u>\$ 191,178,583</u>	<u>\$ 56,351,109</u>

Note: The source is actuarial date based on preliminary financials. The differences between this schedule and the final combining statement of changes in the 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 7.00%, 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 (6.00%) or 1.0 percentage point higher (8.00%) than the current rate.

Anne Arundel County, Maryland
Notes to the Financial Statements

	Employees'	Police Service	Fire Service	Detention Officers'
	Retirement Plan	Retirement Plan	Retirement Plan	and Deputy Sheriffs'
				Retirement Plan
1% Decrease to 6.00%	\$ 398,926,717	\$ 325,179,553	\$ 239,103,866	\$ 86,557,993
Current Discount Rate 7.00%	274,114,532	201,921,447	125,922,167	56,351,109
1% Increase to 8.00%	169,309,986	102,372,585	34,238,061	31,410,707

Sensitivity of groups within the State System:

	Withdrawn Group*	Officials	Judges
Proportional Share of State System	n/a	0.00125000%	0.00297240%
1% Decrease to 5.80%	n/a	\$ 319,388	\$ 759,479
Current Discount Rate 6.80%	n/a	187,528	445,932
1% Increase to 7.80%	n/a	78,153	185,841

* 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, 2021, are displayed by Plan in the following table.

	Employees'	Police	Fire Service	Detention Officers'	Total Pension
	Retirement	Service	Retirement	and Deputy Sheriffs'	System
	Plan	Plan	Plan	Retirement Plan	
PENSION EXPENSE:	\$ 40,040,161	\$ 34,842,507	\$ 23,445,867	\$ 9,462,204	\$ 107,790,739
DEFERRED OUTFLOWS OF RESOURCES:					
Differences between expected and actual experience	\$ 6,658,169	\$ 14,514,449	\$ 13,286,202	\$ 1,679,745	\$ 36,138,565
Changes of assumptions	54,372,273	38,940,471	42,937,539	7,974,180	144,224,463
Contributions subsequent to measurement date	19,268,406	16,535,508	13,571,370	5,003,766	54,379,050
Total Deferred Outflow of Resources	\$ 80,298,848	\$ 69,990,428	\$ 69,795,111	\$ 14,657,691	\$ 234,742,078
DEFERRED INFLOWS OF RESOURCES:					
Differences between expected and actual experience	\$ (2,513,431)	\$ (504,149)	\$ (834,531)	\$ (249,883)	\$ (4,101,994)
Differences between projected and actual plan investments	(43,749,016)	(38,302,069)	(38,978,651)	(10,493,453)	(131,523,189)
Total Deferred Inflow of Resources	\$ (46,262,447)	\$ (38,806,218)	\$ (39,813,182)	\$ (10,743,336)	\$ (135,625,183)
Total Deferred Activity	\$ 34,036,401	\$ 31,184,210	\$ 29,981,929	\$ 3,914,355	\$ 99,116,895

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, 2022. 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 ending December 31:					
2022	\$ 16,307,272	\$ 17,430,210	\$ 11,459,532	\$ 3,581,276	\$ 48,778,290
2023	(606,018)	2,019,700	(2,074,742)	342,818	(318,242)
2024	(675,586)	4,473,179	4,889,249	(2,512,666)	6,174,176
2025	(257,673)	(9,274,387)	2,136,520	(2,500,839)	(9,896,379)
Total	<u>\$ 14,767,995</u>	<u>\$ 14,648,702</u>	<u>\$ 16,410,559</u>	<u>\$ (1,089,411)</u>	<u>\$ 44,737,845</u>

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, 2021 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

	Master Judges	Officials	Total Portion
PENSION EXPENSE:	\$ (1,691)	\$ 6,520	\$ 4,829
DEFERRED OUTFLOWS OF RESOURCES:			
Changes of assumptions	\$ 84,412	\$ 35,498	\$ 119,910
Net difference between projected and actual earnings	-	-	-
Contributions subsequent to measurement date	-	6,785	6,785
Subtotal of outflows	<u>84,412</u>	<u>42,283</u>	<u>126,695</u>
DEFERRED INFLOWS OF RESOURCES:			
Differences between expected and actual experience	(264,212)	(111,109)	(375,321)
Changes of assumptions	(61,558)	(4,053)	(65,611)
Subtotal of inflows	<u>(325,770)</u>	<u>(115,162)</u>	<u>(440,932)</u>
Total Deferred Activity	<u>\$ (241,358)</u>	<u>\$ (72,879)</u>	<u>\$ (314,237)</u>
Net pension liability	<u>\$ 445,932</u>	<u>\$ 187,528</u>	<u>\$ 633,460</u>

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 ending June 30:	<u>Master Judges</u>	<u>Officials</u>	<u>Total</u>
2023	\$ (63,551)	\$ (22,203)	\$ (85,754)
2024	(56,679)	(19,313)	(75,992)
2025	(56,339)	(19,172)	(75,511)
2026	(65,263)	(22,923)	(88,186)
2027	474	3,947	4,421
Total	\$ <u>(241,358)</u>	\$ <u>(79,664)</u>	\$ <u>(321,022)</u>

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	\$ 34,683,331	\$ 1,300,640	\$ 83,421	\$ 71,173	\$ 36,138,565	\$ 36,138,565
Changes of assumptions	132,616,377	10,546,252	600,526	581,218	144,344,373	144,344,373
Net difference between projected and actual earnings on pension plan investments	-	-	-	-	-	-
Contributions subsequent to measurement date	50,245,810	3,725,448	203,151	211,426	54,385,835	54,385,835
Total Deferred Outflow of Resources	\$ <u>217,545,518</u>	\$ <u>15,572,340</u>	\$ <u>887,098</u>	\$ <u>863,817</u>	\$ <u>234,868,773</u>	\$ <u>234,868,773</u>
DEFERRED INFLOWS OF RESOURCES:						
Differences between expected and actual experience	\$ (3,931,897)	\$ (489,156)	\$ (29,394)	\$ (26,868)	\$ (4,477,315)	\$ (4,477,315)
Changes of assumptions	(65,611)	-	-	-	(65,611)	(65,611)
Net difference between projected and actual earnings on pension plan investments	(122,121,286)	(8,495,036)	(439,208)	(467,659)	(131,523,189)	(131,523,189)
Total Deferred Inflow of Resources	\$ <u>(126,118,794)</u>	\$ <u>(8,984,192)</u>	\$ <u>(468,602)</u>	\$ <u>(494,527)</u>	\$ <u>(136,066,115)</u>	\$ <u>(136,066,115)</u>
PENSION LIABILITY:	\$ <u>591,898,820</u>	\$ <u>54,913,487</u>	\$ <u>3,857,524</u>	\$ <u>2,615,206</u>	\$ <u>653,285,037</u>	\$ <u>653,285,037</u>

The aggregate totals for pension plans are presented below:

	<u>Total Pension Liability</u>	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
Employees' Plan	\$ 1,077,190,517	\$ 274,114,532	\$ 61,030,442	\$ (46,262,447)	\$ 40,040,161
Police Service Plan	898,694,627	201,921,447	53,454,920	(38,806,218)	34,842,507
Fire Service Plan	818,854,297	125,922,167	56,223,741	(39,813,182)	23,445,867
Detention Service Plan	247,529,692	56,351,109	9,653,925	(10,743,336)	9,462,204
Master Judges (State Plan)	N/A	445,932	129,723	(290,793)	(1,691)
Officials (State Plan)	N/A	187,528	54,553	(122,289)	6,520
LOSAP Plan	21,312,726	21,312,726	4,497,858	(3,613,982)	1,377,201
Total Pension Plans	\$ <u>3,063,581,859</u>	\$ <u>680,255,441</u>	\$ <u>185,045,162</u>	\$ <u>(139,652,246)</u>	\$ <u>109,172,769</u>

H Payable to the County Pension System – At December 31, 2021, the System reported \$8.6 million in payables.

I Commitments – The System has committed to fund various private markets investments totaling \$416.0 million at December 31, 2021, of which approximately \$115.8 million remains unfunded. The expected funding dates for these commitments extend through 2027.

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. Since that time, the annual appropriations for the Teachers' Pension System have been as follows:

<u>Fiscal Year</u>	<u>Appropriation</u>
Fiscal Year 2018	\$ 23,665,760
Fiscal Year 2019	\$ 23,665,760
Fiscal Year 2020	\$ 23,980,202
Fiscal Year 2021	\$ 24,701,353
Fiscal Year 2022	\$ 25,713,345

K 401(a) Employee Retirement Savings Plan – Anne Arundel County Bill No. 95-17 created the new 401(a) Employee Retirement Savings Plan. Effective July 1, 2018, any employee hired in any position eligible to participate in the Employees' Retirement System shall have the election to choose the Employee Retirement Savings Plan. Employee contribution for the Savings Plan is 4% and there is an 8% employer contribution. An employee vests in the new plan in 5 years. The amount not vested as of June 30, 2022 was \$967,871.12.

L 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 LOSAP liability was determined by an actuarial valuation as of December 31, 2021 using the following actuarial assumptions:

Actuarial Assumptions:

Inflation Rate	3.00 %
Discount rate	1.84 %
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:

Changes in the Net LOSAP Liability	Increase (Decrease)		
	Total LOSAP Liability (a)	Plan Fiduciary Net Position (b)	Net LOSAP Liability (a-b)
Balances at 1/1/21	\$ 21,427,213	\$ -	\$ 21,427,213
Changes for the year:			
Service cost	771,159	-	771,159
Interest	436,130	-	436,130
Differences between expected and actual experience	(1,070,141)	-	(1,070,141)
Change in assumptions	532,065	-	532,065
Employer contributions	-	783,700	(783,700)
Benefit payments, including refunds of member contributions	(783,700)	(783,700)	-
Net Changes	(114,487)	-	(114,487)
Balances at 12/31/21	\$ 21,312,726	\$ -	\$ 21,312,726

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, 2021 are displayed in the table below.

LOSAP EXPENSE:	\$ <u>(1,377,201)</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Changes of assumptions	\$ 4,497,858
Contributions subsequent to measurement date	<u>391,325</u>
Subtotal of deferred outflows	<u>4,889,183</u>
DEFERRED INFLOWS OF RESOURCES:	
Differences between expected and actual experience	(3,025,937)
Changes of assumptions	<u>(588,045)</u>
Subtotal of deferred inflows	<u>(3,613,982)</u>
Total Deferred Activity	\$ <u>1,275,201</u>
LOSAP liability	\$ <u>21,312,726</u>

* Current liability included in accounts payable in the government wide Statement of Net Assets is \$782,650.

The contributions subsequent to measurement date as listed above will be recorded in accounts payable and accrued expenses in fiscal year ended June 30, 2023. 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 ending December 31:	<u>LOSAP</u>
2022	\$ 169,912
2023	169,912
2024	169,912
2025	169,912
2026	169,912
Thereafter	34,316

Sensitivity of the net LOSAP liability to changes in the discount rate: The following presents the net LOSAP liability of the County LOSAP, calculated using the discount rate of 1.84%, 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 (0.84%) or 1.0% percentage-point higher (2.84%) than the current rate:

	<u>1% Decrease 0.84%</u>	<u>Current Discount Rate 1.84%</u>	<u>1% Increase 2.84%</u>
County's Net LOSAP Liability	\$ 25,187,414	\$ 21,312,726	\$ 18,307,567

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, 2021:

<u>LOSAP Participant Summary at December 31, 2021</u>			
	<u>Active Participants</u>	<u>Volunteers Receiving Payment</u>	<u>Survivors Receiving Payment</u>
Number	448	186	74
Average Age	41.95	70.56	78.94
Total Annual Benefits		\$ 663,000	\$ 136,500
Average Service	8.06		

14 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, 2021 valuation data for the County, College, and Library Plans with a roll forward of data to June 30, 2021. The Plan's liability was rolled forward to the measurement date June 30, 2022. The methods, assumptions, plan provisions, and participant data used are detailed in the actuarial valuation report dated April 29, 2021 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, 2022 is contained in the actuarial valuation report dated September 1, 2022.

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 Inflows of Resources</u>
\$ 2,234,317,354	\$ 257,525,854	\$ 638,777,075

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, 2021 follows. Data is based on actuarial valuations dated April 20, 2021.

	County Plan	College Plan	Library Plan	Total
Employees with medical coverage	4,083	695	204	4,982
Deferred vested termination	302	-	-	302
Retirees	2,861	247	148	3,256
Total	7,246	942	352	8,540

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

	<u>County Plan</u>	<u>College Plan</u>	<u>Library Plan</u>
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	6.30%	5.05%	1.92%
	Long-term expected return based on trust assets	Blended 6/30/2022 government bond rate and long term expected rate of return	6/30/2022 government bond rate
Payroll Increase	Pension Plan Assumptions	Pension Plan Assumptions	Pension Plan Assumptions
Ultimate Healthcare Cost Trend Rate	3.90%	3.90%	3.90%

Notes:

- 1) The health cost trend rate in 2022 is 5.20%, in 2021 is 5.30%, in 2019 and 2020 is 5.40%. 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 September 1, 2022 which used census valuation data as of January 1, 2021.

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, 2021. 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, 2020 for FYE 2021	\$ 826,140,840	\$ 239,325,867	\$ 586,814,973
Changes for the Year	-	-	-
Service Cost	22,188,371	-	22,188,371
Interest	54,646,529	-	54,646,529
Experience Losses/(Gains)	4,323,676	-	4,323,676
Change in Assumptions	55,395,501	-	55,395,501
Employer Trust Contribution	-	101,749,126	(101,749,126)
Net Investment Income	-	66,519,702	(66,519,702)
Administrative Expense	-	(159,995)	159,995
Benefit Payments	(39,870,670)	(39,870,670)	-
Net Changes	96,683,407	128,241,163	31,557,756
Balance as of June 30, 2021 for FYE 2022	\$ 922,824,247	\$ 367,567,030	\$ 555,257,217

For the fiscal year ended June 30, 2022 Anne Arundel County General Employees, including Anne Arundel Economic Development (AAEDC) recognized an OPEB expense of \$62,089,419 and income of \$62,327, 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	\$ 15,820,771	\$ (294,771)
Changes of assumptions	46,162,916	(1,291,384)
Net difference between projected and actual earnings on OPEB plan investments	-	(37,343,273)
Employer contribution subsequent to measurement date	88,059,548	-
Total	\$ 150,043,235	\$ (38,929,428)

The contributions subsequent to measurement date as listed above will be recognized as a reduction in net OPEB liability in fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended June 30:

2023	\$ 3,535,887
2024	3,973,746
2025	5,724,247
2026	(132,812)
2027	9,953,191
Thereafter	-

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, 2020 for FYE 2021	\$ 105,130,214	\$ 12,121,425	\$ 93,008,789
Service Cost	4,983,627	-	4,983,627
Interest	3,569,951	-	3,569,951
Experience Losses/(Gains)	(12,587,909)	-	(12,587,909)
Change in Assumptions	7,893,914	-	7,893,914
Employer Trust Contribution	-	4,765,152	(4,765,152)
Net Investment Income	-	3,566,507	(3,566,507)
Administrative Expense	-	(6,813)	6,813
Benefit Payments	(2,083,151)	(2,083,151)	-
Net Changes	<u>1,776,432</u>	<u>6,241,695</u>	<u>(4,465,263)</u>
Balance as of June 30, 2021 for FYE 2022	<u>\$ 106,906,646</u>	<u>\$ 18,363,120</u>	<u>\$ 88,543,526</u>

For the fiscal year ended June 30, 2022 Anne Arundel Community College recognized an OPEB expense of \$9,109,142. 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	\$ 983,514	\$ (11,189,253)
Changes of assumptions	42,180,354	(15,176,277)
Net difference between projected and actual earnings on OPEB plan investments	-	(1,813,873)
Employer contribution subsequent to measurement date	4,864,023	-
Total	\$ 48,027,891	\$ (28,179,403)

The contributions subsequent to measurement date as listed above will be recognized as a reduction in net OPEB liability in fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended June 30:

2023	\$ 1,489,427
2024	1,493,000
2025	1,488,389
2026	1,369,940
2027	2,688,165
Thereafter	6,455,544

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, 2020 for FYE 2021	\$ 49,983,907	\$ 1,217,416	\$ 48,766,491
Changes for the Year	-	-	-
Service Cost	2,031,637	-	2,031,637
Interest	1,207,637	-	1,207,637
Experience Losses/(Gains)	(3,589,905)	-	(3,589,905)
Change in Assumptions	4,422,977	-	4,422,977
Employer Trust Contribution	-	3,433,519	(3,433,519)
Net Investment Income	-	536,365	(536,365)
Administrative Expense	-	(675)	675
Benefit Payments	1,383,519	(1,383,579)	2,767,098
Other (Insurance Subsidies and Rebates)	-	-	-
Net Changes	2,688,382	2,605,690	82,692
Balance as of June 30, 2021 for FYE 2022	\$ 52,672,289	\$ 3,823,106	\$ 48,849,183

For the fiscal year ended June 30, 2022, Anne Arundel Public Library recognized an OPEB expense of \$4,432,266. 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	\$ 232,514	\$ (2,991,587)
Changes of assumptions	15,308,524	(4,221,436)
Net difference between projected and actual earnings on OPEB plan investments	-	(288,426)
Employer contribution subsequent to measurement date	5,000,985	-
Total	\$ 20,542,023	\$ (7,501,449)

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:

2023	\$ 1,339,372
2024	1,928,218
2025	3,717,138
2026	916,014
2027	138,847
Thereafter	-

E Net OPEB Liability of the Trust – The components of the net OPEB liability of the Plan, measured at June 30, 2021, for June 30, 2022 fiscal year-end are displayed on the following schedule.

Net OPEB Liability of the Trust
As of June 30, 2022
(in thousands)

	County Plan	College Plan	Library Plan	TOTAL
Total OPEB liability	\$ 922,824	\$ 106,907	\$ 52,672	\$ 1,082,403
Plan fiduciary net position	(367,567)	(18,363)	(3,823)	(389,753)
Net OPEB liability	<u>\$ 555,257</u>	<u>\$ 88,544</u>	<u>\$ 48,849</u>	<u>\$ 692,650</u>

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

39.06%	23.06%	11.14%
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Net OPEB liability:

Anne Arundel County Gov.	\$ 552,647	\$ -	\$ -	\$ 552,647
Economic Development	2,610	-	-	2,610
College Plan	-	88,544	-	88,544
Library Plan	-	-	48,849	48,849
Net OPEB liability	<u>\$ 555,257</u>	<u>\$ 88,544</u>	<u>\$ 48,849</u>	<u>\$ 692,650</u>

Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

	County Plan	College Plan	Library Plan
Inflation	2.40%	2.40%	2.40%
Discount rate	6.30%	5.05%	1.92%
Initial healthcare cost trend	3.90%	3.90%	3.90%

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 25 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, 2022 are summarized in the following table:

2022 30-Year Return Assumptions by Asset Class		
<u>Asset Class</u>	30-Year Geometric Forecast (Nominal Returns)	30-Year Geometric Forecast (Real Returns)
Inflation (CPI)	2.66%	2.66%
Cash	2.90%	0.23%
Core Fixed Income ⁽¹⁾	4.02%	1.32%
Diversified Fixed Income ⁽²⁾	5.32%	2.59%
Large Cap Equity	6.94%	4.17%
Small/Mid Cap Equity	7.53%	4.74%
International Equities (Unhedged)	7.03%	4.26%
Emerging Int'l Equities	9.47%	6.64%
Real Estate (Core)	5.25%	2.52%

Notes

NEPC's 30-year geometric CPI inflation assumption is 2.66%.

(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

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	26%	21%	31%
Small/Mid Cap U.S. Equities	7%	2%	12%
International Equities- Developed Markets	21%	16%	26%
Emerging International Equities	6%	1%	11%
Total Equity	60%	50%	70%
Core Fixed Income	11%	6%	16%
Diversified Fixed Income	14%	9%	19%
Total Fixed Income	25%	15%	35%
Real Estate (Core)	5%	0%	10%
Total Real Estate	5%	0%	10%
Cash	10%	0%	20%
Total Cash	10%	0%	20%

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 6.30 percent as the discount rate. The College's liability uses the expected rate of return on assets of 5.05%. The Library's liability uses the expected rate of return on assets of 3.69%.

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, 2022			
	Net OPEB liability		
	1.00% Decrease	Discount Rate	1.00% Increase
County Plan	5.30%	6.30%	7.30%
	\$ 744,672,954	\$ 590,300,448	\$ 471,708,143
College Plan	4.05%	5.05%	6.05%
	\$ 74,608,830	\$ 61,288,647	\$ 50,658,322
Library Plan	2.69%	3.69%	4.69%
	\$ 43,460,526	\$ 36,623,270	\$ 31,200,425

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, 2022			
	Net OPEB liability		
	1.00% Decrease	Trend Rates	1.00% Increase
	2.90%	3.90%	4.90%
County Plan	\$ 449,907,547	\$ 590,300,448	\$ 775,174,426
College Plan	\$ 48,094,237	\$ 61,288,647	\$ 78,587,554
Library Plan	\$ 30,286,256	\$ 36,623,270	\$ 44,817,037

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.

15 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, 2022, the Self Insurance Fund liability of \$53,440,291 is discounted,

since discounting is more reflective of the nature of the claims. The Health Insurance Fund liability of \$6,919,983 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 2022 and 2021 were as follows:

	<u>2022</u>	<u>2021</u>
Liability balance, July 1	\$ 75,379,890	\$ 76,874,765
Current year claims and changes in estimates:		
Changes in estimates - prior periods	(7,890,629)	(10,175,423)
Changes in estimates - current year	115,213,591	106,615,199
Claims payments	<u>(122,342,578)</u>	<u>(97,934,651)</u>
Liability balance, June 30	<u>\$ 60,360,274</u>	<u>\$ 75,379,890</u>

16 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 8 are closed. Closure for cell 8 was completed in 2022. Cell 9 has opened and is 18.0% full. Cell 9 has a useful life to at least 2049. 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	\$ 63,700,083	\$ 18,163,719	\$ 81,863,802
Post closure	<u>29,855,492</u>	<u>1,947,132</u>	<u>31,802,624</u>
	93,555,575	20,110,851	113,666,426
Less:			
Amount recognized thru June 30, 2021	<u>57,927,643</u>	<u>20,110,851</u>	<u>78,038,494</u>
Costs remaining to be recognized	<u>\$ 35,627,932</u>	<u>\$ -</u>	<u>\$ 35,627,932</u>
Liability recorded as of June 30, 2022			
Current portion post closure	\$ 1,581,441	\$ 269,256	\$ 1,850,697
Closure Cell 9 Long Term	<u>4,850,300</u>	<u>-</u>	<u>4,850,300</u>
Post closure Long Term	<u>14,741,928</u>	<u>1,677,876</u>	<u>16,419,804</u>
Total Long Term Liability	<u>19,592,228</u>	<u>1,677,876</u>	<u>21,270,104</u>
Total Liability	<u>\$ 21,173,669</u>	<u>\$ 1,947,132</u>	<u>\$ 23,120,801</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 \$1,396,597, primarily as a result of Cell 9 closure costs through June 30, 2022 and post closure reserves decreased by \$993,647 in fiscal year 2022. These amounts include changes to the estimates in the reserves, payments, and other adjustments.

The Solid Waste Fund has restricted assets of \$19,675,981 for closure and post closure care as of June 30, 2022.

17 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 2022, the net amount of taxes abated after receipt of the PILOT payments was \$643,821. 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 2022, 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 2022, the total amount of taxes abated for brownfields sites was \$256,057.

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 2022, the total amount of agricultural taxes abated was \$624,671.

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 2022, 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 2022, there were 1,541 accounts totaling 46,465 acres receiving a preferential land value of \$12,267,157. 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 2022, the difference between the preferred use value and the market value reduced the assessments by \$26,254,505 resulting in an abatement of \$244,955 in County real property taxes.

18 **Contingent Liabilities**

A ***Impact Fees*** – At June 30, 2022, 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 \$21,135,482 as of June 30, 2022.

B ***Lawsuits*** – A taxpayer 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 \$1,637,427 for a total amount claimed of \$4,488,427 as of November 30, 2021, 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. On November 2, 2021, the Court of Special Appeals issued an opinion in favor of the taxpayer. The County made payment to the taxpayer in fiscal year 2022.

The claimants' son was a disabled 17-year old special education student in Anne Arundel County Public Schools. On November 5, 2019, it is alleged that he ingested and choked on a latex glove while at school. He died on November 10, 2019. Suit was filed against the Board of Education for Anne Arundel County on January 25, 2021. After protracted litigation, the case was settled with the County's Self-Insurance Fund paying \$2.5 million to the claimants in June 2022.

An action for declaratory judgment and breach of contract was filed by a contractor for curbside trash, recycling, and yard waste against the County in October 2021. Plaintiff claimed that contractual provisions characterized as performance deductions were invalid contractual penalties. Plaintiff further claimed that more than \$600,000 was withheld owed to it and that the County breached its contract by refusing to pay the Plaintiff in full for the work that it performed. The case was settled in June 2022 for \$800,000.

A developer appealed the decision of the County Planning and Zoning Officer denying its request for transportation impact fee credits of approximately \$554,000 in connection with its development project. The County contended that the developer was not entitled to impact fee credits. The case was appealed to the Board of Appeals, the Circuit Court for Anne Arundel County, the Court of Special Appeals, and finally the Court of Appeals, the highest court in Maryland. The Court of Appeals found in favor of the developer on July 7, 2022. The County made payment to the developer in December 2022.

The claimant contractor was the successful bidder on a public works contract for a road resurfacing project in the County. Pursuant to the contract, the contractor asserted claims for additional compensation above its contract price. The County considered the claims and approved compensation for change orders and the retainage release. In October 2022, the County denied the contractor's claim for delay damages of \$1,400,000 which the contractor claims was caused by the County's construction manager. The contractor may appeal the denial of its claim pursuant to the terms of the contract.

The claimant contractor was the successful bidder of a public works contract for construction of a County fire station. During performance, the contractor asserted claims for additional compensation for change orders related to rolling doors, ceramic tiles, and gas heater relocation totaling approximately \$750,000. The fire station opened in October 2022. The parties have resolved some of the change orders, but the contractor is seeking additional review of the denials under the terms of the contract.

The County is an interested party in various legal proceedings that normally occur in governmental operations, including various tort and contract suits, suits alleging violations of individual rights, and matters involving claims relating to land development, property damage, personal injury, employee liability, and workers' compensation. With respect to such claims or matters for which reserves have not yet been funded, excluding the matters set forth immediately above, in the judgment of the County Attorney, the aggregate expected liability of the County will not exceed \$2,000,000, not including workers' compensation claims.

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, 2022, 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 engaged financial professionals to determine the amount of those miscalculations. The original estimated liability of \$3.0 million was accrued in fiscal year 2020. Payments were issued against this liability throughout the fiscal year, leaving a balance of \$106,297 which was paid in full on September 30, 2021.

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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

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability (Dollar amounts in thousands)								
Service cost	\$ 18,886	\$ 16,774	\$ 16,344	\$ 16,687	\$ 15,497	\$ 15,144	\$ 15,115	\$ 14,159
Interest	67,772	70,362	65,128	63,246	60,502	59,292	58,329	53,353
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	1,093	(4,189)	12,546	3,826	9,562	(12,599)	(17,971)	16,408
Changes of assumptions	51,630	-	32,671	-	-	-	-	22,567
Benefit payments, including refunds of member contributions	(60,714)	(57,779)	(55,081)	(50,575)	(47,380)	(44,024)	(41,253)	(39,012)
Net change in total pension liability	78,666	25,168	71,608	33,184	38,181	17,813	14,221	67,475
Total pension liability - beginning	998,524	973,356	901,748	868,564	830,383	812,570	798,349	730,874
Total pension liability - ending (a)	\$ <u>1,077,191</u>	\$ <u>998,524</u>	\$ <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	36,178	32,567	29,637	27,033	25,654	25,810	25,630	24,451
Contributions - member	5,528	5,764	5,512	5,612	5,472	5,182	4,847	4,662
Net investment income	103,656	48,589	90,338	(31,166)	94,908	41,345	(8,374)	28,451
Benefit payments, including refunds of member contributions	(60,714)	(57,779)	(55,081)	(50,575)	(47,380)	(44,024)	(41,253)	(39,012)
Administrative expense	(561)	(535)	(609)	(543)	(526)	(497)	(504)	(519)
Net change in plan fiduciary net position	84,086	28,606	69,797	(49,640)	78,127	27,816	(19,654)	18,034
Plan fiduciary net position - beginning	718,990	690,383	620,587	670,226	592,099	564,283	583,936	565,902
Plan fiduciary net position - ending (b)	\$ <u>803,076</u>	\$ <u>718,990</u>	\$ <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>274,115</u>	\$ <u>279,535</u>	\$ <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	74.6%	72.0%	70.9%	68.8%	77.2%	71.3%	69.4%	73.1%
Covered payroll	\$ 139,975	\$ 138,428	\$ 134,892	\$ 138,239	\$ 130,313	\$ 127,827	\$ 127,091	\$ 126,343
County's net pension liability as a percentage of covered payroll	192.7%	199.7%	204.4%	208.4%	152.2%	182.9%	194.2%	168.7%
Expected average remaining service years of all participants	5	5	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 2021, the discount rate / investment rate of return was lowered from 7.45% to 7.00%.
- 5 Full descriptions of the actuarial assumptions are available in the January 1, 2021 actuarial valuation report.

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

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability (Dollar amounts in thousands)								
Service cost	\$ 17,596	\$ 14,504	\$ 13,064	\$ 12,826	\$ 12,689	\$ 12,057	\$ 12,258	\$ 10,951
Interest	55,381	55,148	52,474	50,963	48,563	47,032	45,473	41,480
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	5,789	20,346	(2,017)	(2,591)	6,202	(4,527)	(4,693)	12,801
Changes of assumptions	48,555	-	10,096	-	-	-	-	18,331
Benefit payments, including refunds of member contributions	(39,555)	(38,637)	(36,791)	(35,938)	(34,950)	(33,357)	(31,134)	(29,507)
Net change in total pension liability	87,765	51,361	36,826	25,261	32,504	21,205	21,903	54,055
Total pension liability - beginning	810,929	759,569	722,742	697,482	664,978	643,773	621,870	567,815
Total pension liability - ending (a)	\$ <u>898,695</u>	\$ <u>810,929</u>	\$ <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	29,599	24,900	23,094	21,934	20,931	20,411	19,560	18,870
Contributions - member	4,255	4,181	3,669	3,372	3,250	3,158	3,104	2,950
Net investment income	89,125	42,157	75,786	(25,860)	78,155	33,500	(7,869)	21,813
Benefit payments, including refunds of member contributions	(39,555)	(38,637)	(36,791)	(35,938)	(34,950)	(33,357)	(31,134)	(29,507)
Administrative expense	(509)	(476)	(530)	(464)	(445)	(417)	(423)	(418)
Net change in plan fiduciary net position	82,914	32,125	65,228	(36,956)	66,941	23,295	(16,762)	13,707
Plan fiduciary net position - beginning	613,859	581,734	516,505	553,461	486,520	463,225	479,988	466,281
Plan fiduciary net position - ending (b)	\$ <u>696,773</u>	\$ <u>613,859</u>	\$ <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>201,921</u>	\$ <u>197,071</u>	\$ <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	77.5%	75.7%	76.6%	71.5%	79.4%	73.2%	72.0%	77.2%
Covered payroll	\$ 57,129	\$ 58,777	\$ 53,035	\$ 48,322	\$ 45,989	\$ 44,894	\$ 43,879	\$ 42,960
County's net pension liability as a percentage of covered payroll	353.4%	335.3%	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	4	4

Notes to Schedule:

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- 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 2021, the discount rate / investment rate of return was lowered from 7.45% to 7.00%.
- 5 Full descriptions of the actuarial assumptions are available in the January 1, 2021 actuarial valuation report.
- 6 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

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability (Dollar amounts in thousands)								
Service cost	\$ 17,012	\$ 14,146	\$ 12,612	\$ 11,785	\$ 11,556	\$ 11,102	\$ 10,339	\$ 9,184
Interest	49,832	50,304	47,454	45,537	43,670	42,294	41,924	38,949
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	14,680	(913)	(573)	3,521	2,210	(1,552)	(14,630)	3,679
Changes of assumptions	42,475	6,468	10,153	-	-	-	-	18,028
Benefit payments, including refunds of member contributions	(34,049)	(32,663)	(30,098)	(31,973)	(33,129)	(33,868)	(31,520)	(28,823)
Net change in total pension liability	89,950	37,342	39,548	28,869	24,309	17,976	6,112	41,016
Total pension liability - beginning	728,904	691,562	652,014	623,144	598,836	580,860	574,748	533,731
Total pension liability - ending (a)	\$ <u>818,854</u>	\$ <u>728,904</u>	\$ <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	24,643	20,506	17,637	15,704	14,664	14,591	15,122	15,899
Contributions - member	4,203	4,093	3,652	3,524	3,441	3,257	3,050	2,778
Net investment income	88,952	42,359	75,388	(25,208)	77,992	33,899	(7,744)	22,688
Benefit payments, including refunds of member contributions	(34,049)	(32,663)	(30,098)	(31,973)	(33,129)	(33,868)	(31,520)	(28,823)
Administrative expense	(513)	(486)	(522)	(430)	(448)	(428)	(436)	(423)
Net change in plan fiduciary net position	83,236	33,809	66,058	(38,382)	62,520	17,451	(21,528)	12,119
Plan fiduciary net position - beginning	609,696	575,887	509,828	548,211	485,690	468,239	489,767	477,648
Plan fiduciary net position - ending (b)	\$ <u>692,932</u>	\$ <u>609,696</u>	\$ <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>125,922</u>	\$ <u>119,208</u>	\$ <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	84.6%	83.6%	83.3%	78.2%	88.0%	81.1%	80.6%	85.2%
Covered payroll	\$ 58,237	\$ 55,428	\$ 51,011	\$ 48,728	\$ 46,954	\$ 46,228	\$ 43,838	\$ 40,476
County's net pension liability as a percentage of covered payroll	216.2%	215.1%	226.8%	291.8%	159.6%	244.8%	256.9%	210.0%
Expected average remaining service years of all participants	5	5	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 2020, the salary scale and retirement rates were updated to reflect the new County pay scale. For 2021, the discount rate / investment rate of return was lowered from 7.45% to 7.00%.
- 5 Full descriptions of the actuarial assumptions are available in the January 1, 2021 actuarial valuation report.
- 6 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

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability (Dollar amounts in thousands)								
Service cost	\$ 4,982	\$ 4,704	\$ 4,147	\$ 4,533	\$ 4,658	\$ 4,461	\$ 4,634	\$ 4,602
Interest	15,283	15,556	14,632	13,836	12,912	12,281	11,401	10,301
Changes of benefit terms	-	-	-	-	-	-	4,635	-
Differences between expected and actual experience	2,520	(750)	1,010	1,938	2,244	(1,678)	(2,558)	2,322
Changes of assumptions	11,961	-	1,348	-	-	-	-	3,494
Benefit payments, including refunds of member contributions	(11,098)	(8,863)	(8,610)	(8,162)	(6,821)	(6,485)	(6,279)	(5,819)
Net change in total pension liability	23,649	10,647	12,528	12,145	12,993	8,579	11,833	14,900
Total pension liability - beginning	223,881	213,234	200,706	188,562	175,569	166,990	155,156	140,256
Total pension liability - ending (a)	\$ 247,530	\$ 223,881	\$ 213,234	\$ 200,706	\$ 188,562	\$ 175,569	\$ 166,990	\$ 155,156
Plan fiduciary net position								
Contributions - employer	9,276	8,165	7,600	7,282	7,000	6,689	6,371	6,111
Contributions - member	1,494	1,530	1,402	1,352	1,354	1,316	1,317	1,298
Net investment income	24,208	11,639	19,918	(6,825)	19,607	8,159	(1,919)	4,944
Benefit payments, including refunds of member contributions	(11,098)	(8,863)	(8,610)	(8,162)	(6,821)	(6,485)	(6,279)	(5,819)
Administrative expense	(133)	(123)	(135)	(108)	(109)	(100)	(98)	(96)
Net change in plan fiduciary net position	23,748	12,348	20,174	(6,461)	21,030	9,579	(608)	6,438
Plan fiduciary net position - beginning	167,431	155,083	134,908	141,369	120,339	110,760	111,368	104,930
Plan fiduciary net position - ending (b)	\$ 191,179	\$ 167,431	\$ 155,083	\$ 134,908	\$ 141,369	\$ 120,339	\$ 110,760	\$ 111,368
County's net pension liability - ending (a)-(b)	\$ 56,351	\$ 56,450	\$ 58,151	\$ 65,798	\$ 47,193	\$ 55,230	\$ 56,230	\$ 43,788
Plan fiduciary net position as a percentage of the total pension liability	77.2%	74.8%	72.7%	67.2%	75.0%	68.5%	66.3%	71.8%
Covered payroll	\$ 20,422	\$ 21,401	\$ 22,057	\$ 19,573	\$ 19,790	\$ 19,801	\$ 19,386	\$ 19,776
County's net pension liability as a percentage of covered payroll	275.9%	263.8%	263.6%	336.2%	238.5%	278.9%	290.1%	221.4%
Expected average remaining service years of all participants	3	3	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 There are no benefit changes reflected in the schedule for the current year.
- 4 For 2021, the discount rate / investment rate of return was lowered from 7.45% to 7.00%.
- 5 Full descriptions of the actuarial assumptions are available in the January 1, 2021 actuarial valuation report.
- 6 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

2021	14.5 %
2020	7.1 %
2019	14.5 %
2018	(4.9) %
2017	15.7 %
2016	6.2 %
2015	(1.8) %
2014	4.5 %

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

2021	26.7 %
2020	3.5 %
2019	6.4 %
2018	8.1 %
2017	10.0 %
2016	1.2 %
2015	2.7 %
2014	14.4 %

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

Source: Annual Comprehensive 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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 38,537	\$ 33,820	\$ 31,314	\$ 27,961	\$ 26,104	\$ 25,204	\$ 26,416	\$ 24,894	\$ 23,958	\$ 20,765
Contributions in relation to the actuarially determined contribution	38,537	33,820	31,314	27,961	26,104	25,204	26,416	24,894	23,958	20,765
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll (See note)	\$ 142,222	\$ 139,975	\$ 138,428	\$ 134,892	\$ 138,239	\$ 130,313	\$ 127,827	\$ 127,091	\$ 115,809	\$ 116,025
Contributions as a percentage of Covered payroll	27.10%	24.16%	22.62%	20.73%	18.88%	19.34%	20.67%	19.59%	20.69%	17.90%
Valuation date	1/1/2022	1/1/2021	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016	1/1/2015	1/1/2014	1/1/2013

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 13 to 22 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

7.00% 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, 2021.

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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 33,071	\$ 26,126	\$ 23,675	\$ 22,513	\$ 21,355	\$ 20,507	\$ 20,315	\$ 18,805	\$ 18,934	\$ 16,558
Contributions in relation to the actuarially determined contribution	33,071	26,126	23,675	22,513	21,355	20,507	20,315	18,805	18,934	16,558
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 68,149	\$ 67,888	\$ 61,345	\$ 55,102	\$ 51,759	\$ 50,560	\$ 48,117	\$ 48,262	\$ 41,714	\$ 40,522
Contributions as a percentage of Covered payroll	48.53%	38.48%	38.59%	40.86%	41.26%	40.56%	42.22%	38.97%	45.39%	40.86%
Valuation date	1/1/2022	1/1/2021	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016	1/1/2015	1/1/2014	1/1/2013

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 13 to 22 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	7.00% 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.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2021.

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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 27,143	\$ 22,143	\$ 18,868	\$ 16,406	\$ 15,001	\$ 14,328	\$ 14,855	\$ 15,389	\$ 16,409	\$ 15,896
Contributions in relation to the actuarially determined contribution	<u>27,143</u>	<u>22,143</u>	<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>
Contribution deficiency	\$ <u>-</u>									
Covered payroll	\$ <u>67,851</u>	\$ <u>63,461</u>	\$ <u>58,710</u>	\$ <u>54,769</u>	\$ <u>51,767</u>	\$ <u>50,412</u>	\$ <u>49,182</u>	\$ <u>48,550</u>	\$ <u>44,951</u>	\$ <u>43,362</u>
Contributions as a percentage of Covered payroll	40.00%	34.89%	32.14%	29.95%	28.98%	28.42%	30.20%	31.70%	36.50%	36.66%
Valuation date	1/1/2022	1/1/2021	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016	1/1/2015	1/1/2014	1/1/2013

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 13 to 22 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	7.00% 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.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2021.

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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 10,008	\$ 8,545	\$ 7,785	\$ 7,416	\$ 7,149	\$ 6,851	\$ 6,526	\$ 6,215	\$ 6,007	\$ 5,194
Contributions in relation to the actuarially determined contribution	10,008	8,545	7,785	7,416	7,149	6,851	6,526	6,215	6,007	5,194
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 24,679	\$ 24,702	\$ 24,504	\$ 21,445	\$ 21,269	\$ 21,001	\$ 19,975	\$ 19,776	\$ 18,133	\$ 17,897
Contributions as a percentage of Covered payroll	40.55%	34.59%	31.77%	34.58%	33.61%	32.62%	32.67%	31.43%	33.13%	29.02%
Valuation date	1/1/2022	1/1/2021	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016	1/1/2015	1/1/2014	1/1/2013

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 2 to 22 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	7.00% 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.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2021.

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	2021	2020	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	n/a	n/a
County's proportionate 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	5,973	5,799	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%	0.00%	0.00%	0.24%	0.12%	0.09%	0.07%	0.06%
Plan fiduciary net position as a percentage of the total pension liability	81.84%	70.72%	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	2021	2020	2019	2018	2017	2016	2015	2014
County's portion of the net pension liability	0.00125000%	0.0012133%	0.0012034%	0.0012379%	0.0011945%	0.00111830%	0.00094790%	0.00077211%
County's proportionate share of the net pension liability	\$ 187,528	\$ 274,230	\$ 248,200	\$ 259,731	\$ 258,295	\$ 263,850	\$ 196,990	\$ 137,025
County's covered payroll	132,999	133,001	133,001	133,001	132,999	132,999	128,624	128,624
County's proportionate share of the net pension liability as a percentage of its covered payroll	70.92%	48.50%	53.59%	51.21%	51.49%	50.41%	65.29%	93.87%
Plan fiduciary net position as a percentage of the total pension liability	81.84%	70.72%	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%

Notes:

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 June 2014 valuation.

--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	2.60% general, 3.10% wage
Salary Increases	3.10% to 11.60% 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 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.

**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	2021	2020	2019	2018	2017	2016	2015	2014
County's portion of the net pension liability	0.0029724%	0.0033051%	0.0033248%	0.0033694%	0.0033089%	0.0029627%	0.0043607%	0.00586823%
County's proportionate share of the net pension liability	\$ 445,932	\$ 746,990	\$ 685,763	\$ 706,946	\$ 715,507	\$ 699,020	\$ 906,228	\$ 1,041,419
County's covered payroll	162,647	159,458	147,796	144,646	141,808	134,289	133,379	132,179
County's proportionate share of the net pension liability as a percentage of its covered payroll	36.47%	21.35%	21.55%	20.46%	19.82%	19.21%	14.72%	12.69%
Plan fiduciary net position as a percentage of the total pension liability	81.84%	70.72%	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%

Notes:

- 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, updated 8/23/22
 Adjustments to the roll-forward liabilities were made to reflect the following assumptions in June 2014 valuation.
 --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	2.60% general, 3.10% wage
Salary Increases	3.10% to 11.60% 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 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.

Anne Arundel County

Required Supplementary Information

Schedule of County Contributions to State Municipal Pool Withdrawn Personnel

For the Last Ten Years Ended June 30

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
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
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
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 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 2.6% general, 3.1% wage
 - Salary increases Projected salary increases of 3.1% 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, 2021 and 2020.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 27,265	\$ 27,544	\$ 26,015	\$ 24,711	\$ 24,685	\$ 24,312	\$ 21,785	\$ 19,980	\$ 17,993	\$ 15,739
Contributions in relation to the actuarially determined contribution	27,265	27,544	26,015	24,711	24,685	24,312	21,785	19,980	17,993	15,739
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 133,000	\$ 132,999	\$ 133,001	\$ 133,001	\$ 133,001	\$ 132,999	\$ 132,999	\$ 132,999	\$ 128,624	\$ 128,064
Contributions as a percentage of covered payroll	20.50%	20.71%	19.56%	18.58%	18.56%	18.28%	16.38%	15.02%	13.99%	12.29%

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 2.6% general, 3.1% wage
 - Salary increases Projected salary increases of 3.1% 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, 2021 and 2020.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 68,181	\$ 65,498	\$ 70,863	\$ 68,275	\$ 67,188	\$ 67,347	\$ 57,716	\$ 57,395	\$ 65,724	\$ 78,968
Contributions in relation to the actuarially determined contribution	68,181	65,498	70,863	68,275	67,188	67,347	57,716	57,395	65,724	78,968
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 162,646	\$ 162,647	\$ 159,458	\$ 153,324	\$ 147,796	\$ 144,646	\$ 141,808	\$ 134,289	\$ 133,379	\$ 129,074
Contributions as a percentage of covered payroll	41.92%	40.27%	44.44%	44.53%	45.46%	46.56%	40.70%	42.74%	49.28%	61.18%

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	2.6% general, 3.1% 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, 2021 and 2020.

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						
Plan fiscal year end	2022	2021	2020	2019	2018	2017
Total OPEB liability						
Service cost	\$ 26,785	\$ 22,188	\$ 19,895	\$ 18,452	\$ 17,759	\$ 17,092
Interest	56,944	54,646	49,423	43,578	41,434	39,648
Changes of benefit terms	-	-	40,100	-	-	-
Differences between expected and actual experience	1,506	4,323	440	23,849	(884)	-
Changes of assumptions	-	55,396	(1,558)	(505)	-	-
Benefit payments	(39,414)	(39,870)	(28,258)	(35,593)	(23,539)	(33,075)
Net change in total OPEB liability	45,821	96,683	80,042	49,781	34,770	23,665
Total OPEB liability - beginning	922,824	826,141	746,099	696,318	661,548	637,883
Total OPEB liability - ending (a)	\$ 968,645	\$ 922,824	\$ 826,141	\$ 746,099	\$ 696,318	\$ 661,548
Plan fiduciary net position						
Contributions - employer	\$ 88,060	\$ 82,787	\$ 91,811	\$ 63,586	\$ 57,335	\$ 44,908
Contributions - retiree	7,716	8,035	7,772	7,477	-	6,246
Other	13,391	11,534	10,136	8,458	-	4,398
Investment income	(54,570)	66,906	3,950	10,312	9,193	11,582
Benefit payments	(46,078)	(46,270)	(43,782)	(44,008)	(23,539)	(33,075)
Administrative expense	(1,143)	(1,129)	(1,084)	(1,057)	(39)	(894)
Net change in plan fiduciary net position	7,376	121,863	68,803	44,768	42,950	33,166
Plan fiduciary net position - beginning	370,969	249,106	180,303	135,837	92,887	59,720
Plan fiduciary net position - ending (b)	\$ 378,345	\$ 370,969	\$ 249,106	\$ 180,303	\$ 135,837	\$ 92,887
County's net OPEB liability - ending (a)-(b)	\$ 590,300	\$ 551,855	\$ 577,035	\$ 565,796	\$ 560,481	\$ 568,661
Fiduciary net position as a percentage of the						
Total OPEB liability	39.06%	40.20%	28.97%	24.16%	19.51%	14.04%
Expected average remaining service years of all participants	6	6	6	6	6	6
Covered payroll	\$ 305,970	\$ 294,514	\$ 276,058	\$ 263,129	\$ 258,490	\$ 253,990
County's net OPEB liability as a percentage of						
covered-employee payroll	192.93%	187.38%	209.03%	215.03%	216.83%	223.89%
Discount Rate	6.30%	6.30%	6.75%	6.75%	6.38%	6.38%

Notes :

- 1 Source is actuarial data based on preliminary financials and actual financial data. Any difference between this schedule and the final combined statement of changes in fiduciary net position is considered immaterial.
- 2 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.
- 3 There are no benefit changes reflected in the current schedule.
- 4 For the FY 2020 measurement, the medical trend was updated to exclude the impact of the Cadillac Tax.
- 5 Bill 24-19 was effective on July 5, 2019. Under Bill the pre-age 65 subsidy is based on the plan selected instead of the lowest cost plan.
- 6 The discount rate was reduced from 6.75% to 6.30%.

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	2022	2021	2020	2019	2018	2017
Plan fiscal year end						
Total OPEB liability						
Service cost	\$ 5,506	\$ 4,984	\$ 3,257	\$ 1,618	\$ 3,083	\$ 3,590
Interest	2,996	3,570	3,743	2,962	2,390	2,022
Changes of benefit terms	-	-	-	-	-	-
Changes of assumptions	(33,682)	7,894	21,568	27,583	(21,741)	(6,971)
Benefit payments	(2,003)	(2,083)	(2,096)	(2,006)	(1,685)	(2,111)
Net change in total OPEB liability	(27,250)	1,777	26,663	31,239	(17,749)	(3,470)
Total OPEB liability - beginning	106,907	105,130	78,467	47,228	64,977	68,447
Total OPEB liability - ending (a)	\$ 79,657	\$ 106,907	\$ 105,130	\$ 78,467	\$ 47,228	\$ 64,977
Plan fiduciary net position						
Contributions - employer	\$ 4,887	\$ 4,769	\$ 2,096	\$ 4,006	\$ 3,720	\$ 1,946
Contributions - retiree	1,130	1,203	1,195	1,136	-	790
Other	-	-	-	-	-	-
Benefit payments	(3,133)	(3,286)	(3,291)	(3,141)	(1,685)	(2,111)
Administrative expense	(5)	(7)	(9)	(8)	(5)	(7)
Net change in plan fiduciary net position	(12)	6,274	190	2,666	2,540	1,438
Plan fiduciary net position - beginning	18,380	12,106	11,916	9,250	6,710	5,272
Plan fiduciary net position - ending (b)	\$ 18,368	\$ 18,380	\$ 12,106	\$ 11,916	\$ 9,250	\$ 6,710
College's net OPEB liability - ending (a)-(b)	\$ 61,289	\$ 88,527	\$ 93,024	\$ 66,551	\$ 37,978	\$ 58,267
Fiduciary net position as a percentage of the						
Total OPEB liability	23.06%	17.19%	11.53%	15.18%	19.59%	10.33%
Expected average remaining service years of all participants	9	9	9	9	9	8
Covered payroll	\$ 65,554	\$ 64,137	\$ 61,817	\$ 61,103	\$ 61,257	\$ 61,107
College Plan's net OPEB liability as a percentage of covered-employee payroll	93.49%	138.03%	150.48%	108.92%	62.00%	95.35%
Discount Rate	5.05%	2.83%	3.43%	4.83%	6.38%	3.72%

Notes:

- 1 Source is actuarial data based on preliminary financials and actual financial data. Any difference between this schedule and the final combined statement of changes in fiduciary net position is considered immaterial.
- 2 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.
- 3 There are no benefit changes reflected in the current schedule.
- 4 For the FY 2020 measurement, the medical trend was updated to exclude the impact of the Cadillac Tax.
- 5 The mortality assumption was updated to the latest SOA experience study results for public sector teacher headcount-weighted employees, retirees and disabled retirees with a MP 2020 mortality improvement scale.
- 6 The discount rate was increased from 2.83% to 5.05%.

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

Plan fiscal year end	2022	2021	2020	2019	2018	2017
Amounts in thousands						
Total OPEB liability						
Service cost	\$ 2,241	\$ 2,032	\$ 1,595	\$ 651	\$ 1,233	\$ 1,437
Interest	998	1,207	1,322	1,542	1,212	1,033
Changes of benefit terms	-	-	441	-	-	-
Differences between expected and actual experience	(263)	(3,590)	113	223	136	-
Changes of assumptions	(13,264)	4,423	5,048	16,515	(10,896)	(3,536)
Benefit payments	(1,168)	(1,384)	(1,402)	(902)	(1,286)	(1,462)
Net change in total OPEB liability	(11,456)	2,688	7,117	18,029	(9,601)	(2,528)
Total OPEB liability - beginning	52,672	49,984	42,867	24,838	34,439	36,967
Total OPEB liability - ending (a)	\$ 41,216	\$ 52,672	\$ 49,984	\$ 42,867	\$ 24,838	\$ 34,439
Plan fiduciary net position						
Contributions - employer	\$ 2,587	\$ 3,433	\$ 1,512	\$ 1,622	\$ 1,699	\$ 299
Contributions - retiree	319	350	-	348	-	292
Other	-	-	-	-	-	871
Investment income	(650)	561	20	41	34	47
Benefit payments	(1,487)	(1,734)	(1,402)	(1,730)	(1,286)	(1,462)
Administrative expense	(1)	(1)	(1)	(1)	(1)	-
Net change in plan fiduciary net position	768	2,609	129	280	446	47
Plan fiduciary net position - beginning	3,825	1,216	1,087	807	361	314
Plan fiduciary net position - ending (b)	\$ 4,593	\$ 3,825	\$ 1,216	\$ 1,087	\$ 807	\$ 361
Library's net OPEB liability - ending (a)-(b)	\$ 36,623	\$ 48,847	\$ 48,768	\$ 41,780	\$ 24,031	\$ 34,078
Library fiduciary net position as a percentage of the						
Total OPEB liability	11.14%	7.26%	2.44%	2.54%	3.25%	1.05%
Expected average remaining service years of all participants	6	6	6	6	6	6
Covered payroll	\$ 15,459	\$ 14,421	\$ 13,785	\$ 13,203	\$ 12,691	\$ 12,141
The Library Plan's net OPEB liability as a percentage						
of covered-employee payroll	236.90%	338.72%	353.78%	316.44%	189.35%	280.69%
Discount Rate	3.69%	1.92%	2.45%	3.13%	6.37%	3.58%

Notes:

- 1 Source is actuarial data based on preliminary financials and actual financial data. Any difference between this schedule and the final combined statement of changes in fiduciary net position is considered immaterial.
- 2 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.
- 3 There are no benefit changes reflected in the current schedule.
- 4 For the FY 2020 measurement, the medical trend was updated to exclude the impact of the Cadillac Tax.
- 5 The discount rate increased from 1.92% to 3.69%.

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

Amounts in thousands

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 62,982	\$ 54,509	\$ 54,509	\$ 53,264	\$ 48,734	\$ 77,516	\$ 73,689	\$ 75,695	\$ 71,324	\$ 109,939
Contributions in relation to the actuarially determined contribution	88,060	82,787	91,811	63,586	57,334	44,908	44,097	40,795	34,683	-
Contribution deficiency (excess)	\$ (25,078)	\$ (28,278)	\$ (37,302)	\$ (10,322)	\$ (8,600)	\$ 32,608	\$ 29,592	\$ 34,900	\$ 36,641	\$ 109,939
Covered-employee payroll	\$ 318,044	\$ 305,970	\$ 294,514	\$ 276,058	\$ 263,129	\$ 258,490	\$ 255,191	\$ 247,008	\$ 239,173	\$ 213,899
Contributions as a percentage of covered-employee payroll	27.69%	27.06%	31.17%	23.03%	21.79%	17.37%	17.28%	16.52%	14.50%	0.00%

Notes:

Valuation date:

Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Open group Projected Unit Credit: Prorated to assumed benefit commencement/retirement date.
ADC determination methodology	20-year target period to reach the goal level (90% Funding Target).
Asset valuation method	Market value of assets.
Inflation	2.40%
Healthcare cost trend rates	The trend is 5.20% for 2022 and 5.30% for 2021. The ultimate trend is 3.90%. The rates vary significantly throughout the projections.
Payroll increases	3.00%
Investment rate of return	6.30% The long-term expected return on assets is based on trust assets.
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 Mortality 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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 4,810	\$ 4,604	\$ 4,604	\$ 4,398	\$ 3,881	\$ 5,568	\$ 5,542	\$ 5,188	\$ 4,870	\$ 5,857
Contributions in relation to the actuarially determined contribution	4,887	4,769	2,096	4,006	3,720	2,088	4,850	-	-	-
Contribution deficiency (excess)	\$ (77)	\$ (165)	\$ 2,508	\$ 392	\$ 161	\$ 3,480	\$ 692	\$ 5,188	\$ 4,870	\$ 5,857
Covered-employee payroll	\$ 65,329	\$ 65,554	\$ 64,137	\$ 61,817	\$ 61,103	\$ 94,667	\$ 95,101	\$ 93,550	\$ 90,338	\$ 89,089
Contributions as a percentage of covered-employee payroll	7.48%	7.27%	3.27%	6.48%	6.09%	2.21%	5.10%	0.00%	0.00%	0.00%

Notes:

Valuation date

Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Open group Projected Unit Credit: Prorated to assumed benefit commencement/retirement date.
ADC determination methodology	20-year target period to reach the goal level (90% Funding Target).
Asset valuation method	Market value of assets.
Inflation	2.40%
Healthcare cost trend rates	The trend is 5.20% for 2022 and 5.30% for 2021. The ultimate trend is 3.90%. The rates vary significantly throughout the projections.
Payroll increases	3.00%
Investment rate of return	6.30% The long-term expected return on assets is based on trust assets.
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 – 2020. (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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 2,333	\$ 2,299	\$ 2,299	\$ 2,168	\$ 2,008	\$ 2,548	\$ 2,692	\$ 2,712	\$ 2,568	\$ 3,669
Contributions in relation to the actuarially determined contribution	2,587	3,433	1,512	1,142	1,699	1,170	291	-	-	-
Contribution deficiency (excess)	\$ (254)	\$ (1,134)	\$ 787	\$ 1,026	\$ 309	\$ 1,378	\$ 2,401	\$ 2,712	\$ 2,568	\$ 3,669
Covered-employee payroll	\$ 15,696	\$ 15,459	\$ 14,421	\$ 13,785	\$ 13,203	\$ 12,691	\$ 12,494	\$ 12,015	\$ 11,109	\$ 10,100
Contributions as a percentage of covered-employee payroll	16.48%	22.21%	10.48%	8.28%	12.87%	9.22%	2.33%	0.00%	0.00%	0.00%

Notes:

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.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit: Prorated to assumed benefit commencement/retirement date.
ADC determination methodology	20-year target period to reach the goal level (90% Funding Target)
Asset valuation method	Market value of assets.
Inflation	2.40%
Healthcare cost trend rates	The trend is 5.20% for 2022 and 5.30% for 2021. The ultimate trend is 3.90%. The rates vary significantly throughout the projections.
Payroll increases	3.00%
Investment rate of return	6.30% The long-term expected return on assets is based on trust assets.
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

2022	(12.42%)
2021	17.56%
2020	1.65%
2019	5.70%
2018	6.62%*
2017	12.94%*

* Percentage has changed due to calculation method.

Notes:

- 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)

	2021	2020	2019	2018	2017	2016	2015 (1)
Total pension liability							
Service cost	\$ 771	\$ 658	\$ 494	\$ 507	\$ 689	\$ 522	
Interest	436	529	619	631	699	559	
Changes of benefit terms	-	-	-	-	-	2,666	
Differences between expected and actual experience	(1,070)	(232)	(275)	(1,784)	(1,057)	-	
Change in assumptions	532	2,302	2,340	(924)	1,236	-	
Benefit payments, including refunds of member contributions	(783)	(798)	(803)	(790)	(808)	(707)	
Net Change in total pension liability	(114)	2,459	2,375	(2,360)	759	3,040	
Total pension liability - beginning	21,427	18,968	16,593	18,953	18,194	15,154	
Total pension liability - ending	21,313	21,427	18,968	16,593	18,953	18,194	
County's net pension liability	\$ 21,313	\$ 21,427	\$ 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%	0.0%	0.0%	
Covered payroll	n/a	n/a	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	n/a	n/a	
Expected average remaining service years of all participants	9	9	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 2.00% to 1.84% in 2021, from 2.75% to 2.00% in 2020, 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.

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**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.

Permanent Public Improvements – This revenue reserve fund is used solely as a funding source for permanent public improvements in the Capital Budget, including the payment/reimbursement of debt service on bonds and notes.

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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
GENERAL PROPERTY TAXES				
Real and personal taxes	\$ 788,244,600	\$ 788,244,600	\$ 803,858,763	\$ 15,614,163
Interest and penalties	1,560,700	1,560,700	2,067,798	507,098
	<u>789,805,300</u>	<u>789,805,300</u>	<u>805,926,561</u>	<u>16,121,261</u>
LOCAL INCOME TAXES	<u>647,400,000</u>	<u>647,400,000</u>	<u>734,914,210</u>	<u>87,514,210</u>
STATE SHARED TAXES				
Highway user	6,374,400	6,374,400	7,131,234	756,834
Admissions	6,200,000	6,200,000	8,461,976	2,261,976
Auto-boat	-	-	3,665	3,665
	<u>12,574,400</u>	<u>12,574,400</u>	<u>15,596,875</u>	<u>3,022,475</u>
RECORDATION AND TRANSFER TAXES				
Recordation	51,000,000	51,000,000	91,457,299	40,457,299
Transfer	54,000,000	54,000,000	106,629,690	52,629,690
	<u>105,000,000</u>	<u>105,000,000</u>	<u>198,086,989</u>	<u>93,086,989</u>
LOCAL SALES TAXES				
Electricity	4,600,000	4,600,000	4,755,208	155,208
Gas	740,000	740,000	805,494	65,494
Telephone	4,700,000	4,700,000	4,264,473	(435,527)
Fuel	40,000	40,000	45,367	5,367
Hotel-motel	12,200,000	12,200,000	14,235,530	2,035,530
Parking	4,500,000	4,500,000	4,688,233	188,233
Gross receipt tax - heavy equipment	400,000	400,000	326,620	(73,380)
	<u>27,180,000</u>	<u>27,180,000</u>	<u>29,120,925</u>	<u>1,940,925</u>

Anne Arundel County, Maryland

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

General Fund

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
LICENSES AND PERMITS				
Amusements	\$ 222,000	\$ 222,000	\$ 143,510	\$ (78,490)
Special events	5,000	5,000	8,850	3,850
Beer, wine, liquor	1,100,000	1,100,000	1,911,766	811,766
Trade licenses	261,500	261,500	234,870	(26,630)
Traders	830,000	830,000	819,826	(10,174)
Permits	10,029,500	10,029,500	12,515,576	2,486,076
Fines	62,500	62,500	33,907	(28,593)
Mobile home parks	31,600	31,600	21,995	(9,605)
Taxicabs	68,500	68,500	24,256	(44,244)
Animal control	226,000	226,000	184,518	(41,482)
Other	2,542,400	2,542,400	2,352,941	(189,459)
Health department	1,029,500	1,029,500	981,665	(47,835)
Public space	968,000	968,000	574,001	(393,999)
	<u>17,376,500</u>	<u>17,376,500</u>	<u>19,807,681</u>	<u>2,431,181</u>
AMBULANCE FEES	<u>12,600,000</u>	<u>12,600,000</u>	<u>21,629,966</u>	<u>9,029,966</u>
CABLE FEES	<u>8,000,000</u>	<u>8,000,000</u>	<u>9,178,248</u>	<u>1,178,248</u>
VIDEO LOTTERY IMPACT AID	<u>8,640,000</u>	<u>8,640,000</u>	<u>10,779,241</u>	<u>2,139,241</u>
INVESTMENT INCOME	<u>1,375,000</u>	<u>1,375,000</u>	<u>1,552,524</u>	<u>177,524</u>
INTER-FUND RECOVERIES	<u>79,939,700</u>	<u>79,939,700</u>	<u>77,958,523</u>	<u>(1,981,177)</u>
OTHER REVENUES				
Sale of surplus property	-	-	30,000	30,000
Health department fees	3,866,800	3,866,800	4,779,054	912,254
Certification of liens	115,000	115,000	121,460	6,460
Recreation and parks	9,895,900	9,895,900	12,413,940	2,518,040
Developers fees - street lighting	35,000	35,000	12,961	(22,039)
Sheriff	65,000	65,000	60,658	(4,342)
Subdivision	875,000	875,000	869,720	(5,280)
Administrative fees	376,000	376,000	315,106	(60,894)
Rental income	1,774,100	1,774,100	1,798,151	24,051
Reimbursements	27,066,800	27,066,800	25,992,986	(1,073,814)
Fines and fees	354,500	354,500	244,021	(110,479)
Miscellaneous	7,977,800	7,977,800	17,302,545	9,324,745
	<u>52,401,900</u>	<u>52,401,900</u>	<u>63,940,602</u>	<u>11,538,702</u>
Total revenues	<u>\$ 1,762,292,800</u>	<u>\$ 1,762,292,800</u>	<u>\$ 1,988,492,345</u>	<u>\$ 226,199,545</u>

Anne Arundel County, Maryland

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

General Fund

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EDUCATION				
Board of Education	\$ 784,741,000	\$ 784,741,000	\$ 784,741,000	\$ -
Community College	46,427,800	46,427,800	46,427,800	-
	<u>831,168,800</u>	<u>831,168,800</u>	<u>831,168,800</u>	<u>-</u>
PUBLIC SAFETY				
Police	172,846,600	172,846,600	170,553,836	2,292,764
Fire	150,066,600	150,066,600	146,272,548	3,794,052
Office of Emergency Management	1,221,700	1,246,700	1,089,398	157,302
Detention Facilities	54,814,300	54,814,300	53,915,873	898,427
	<u>378,949,200</u>	<u>378,974,200</u>	<u>371,831,655</u>	<u>7,142,545</u>
GENERAL GOVERNMENT				
County Executive	5,620,300	5,620,300	5,609,217	11,083
Chief Administrative Officer	17,770,200	9,907,900	5,670,407	4,237,493
Office of Budget	1,682,700	1,682,700	1,628,567	54,133
Office of Finance	10,200,400	10,863,400	10,444,215	419,185
Office of Finance (non-departmental)	117,536,400	128,440,400	127,480,711	959,689 *
Mandated Transfers	2,985,100	3,020,400	2,779,684	240,716 *
Office of Central Services	25,779,200	26,790,500	26,453,851	336,649
Office of Personnel	7,472,800	7,672,800	7,222,327	450,473
Information Technology	29,136,200	29,427,300	28,662,209	765,091
Office of Law	4,818,400	4,862,400	4,681,420	180,980
Legislative Branch	4,746,000	4,746,000	4,334,910	411,090
Ethics Commission	260,600	260,600	251,863	8,737
Board of Election Supervisors	5,751,600	5,751,600	4,813,498	938,102
Transportation	6,366,100	6,366,100	4,696,392	1,669,708
	<u>240,126,000</u>	<u>245,412,400</u>	<u>234,729,271</u>	<u>10,683,129</u>
HEALTH AND HUMAN SERVICES				
Health	43,025,400	43,025,400	42,740,978	284,422
Social Services	6,599,200	8,232,400	6,800,702	1,431,698
Partnership for Children Youth and Family	370,200	370,200	370,200	-
Services for Aging and Disability	8,368,400	8,368,400	8,117,619	250,781
	<u>58,363,200</u>	<u>59,996,400</u>	<u>58,029,499</u>	<u>1,966,901</u>
PUBLIC WORKS				
	<u>33,889,400</u>	<u>38,047,100</u>	<u>37,660,808</u>	<u>386,292</u>
RECREATION AND COMMUNITY SERVICES				
Recreation and Parks	27,993,100	27,993,100	26,796,034	1,197,066
Public Library System	24,810,700	24,810,700	24,810,700	-
	<u>52,803,800</u>	<u>52,803,800</u>	<u>51,606,734</u>	<u>1,197,066</u>

Anne Arundel County, Maryland

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

General Fund

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
JUDICIAL				
States Attorney	\$ 14,112,300	14,112,300	13,643,756	\$ 468,544
Sheriffs Office	12,702,300	12,702,300	11,848,716	853,584
Circuit Court	6,377,800	6,377,800	6,337,148	40,652
Orphans Court	150,800	150,800	145,070	5,730
	<u>33,343,200</u>	<u>33,343,200</u>	<u>31,974,690</u>	<u>1,368,510</u>
LAND USE AND DEVELOPMENT				
Planning and Zoning	9,627,300	9,845,300	9,726,464	118,836
Office of Administrative Hearings	411,000	411,000	395,495	15,505
Cooperative Extension Service	240,600	240,600	116,907	123,693
	<u>10,278,900</u>	<u>10,496,900</u>	<u>10,238,866</u>	<u>258,034</u>
CODE ENFORCEMENT				
Inspections and Permits	14,455,700	14,455,700	14,003,607	452,093
Board of License Commissioners	1,099,900	1,099,900	984,553	115,347
	<u>15,555,600</u>	<u>15,555,600</u>	<u>14,988,160</u>	<u>567,440</u>
DEBT SERVICE	<u>157,177,200</u>	<u>156,272,200</u>	<u>155,570,668</u>	<u>701,532</u> *
PAY GO FUNDING - CAPITAL PROJECTS	<u>61,427,000</u>	<u>62,592,000</u>	<u>62,592,000</u>	<u>-</u>
Total expenditures and encumbrances	\$ <u><u>1,873,082,300</u></u>	\$ <u><u>1,884,662,600</u></u>	\$ <u><u>1,860,391,151</u></u>	\$ <u><u>24,271,449</u></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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
COUNTY PARKING GARAGE				
Revenues				
Parking fees	\$ 402,800	\$ 402,800	\$ 422,875	\$ 20,075
Other	-	-	3,517	3,517
	<u>402,800</u>	<u>402,800</u>	<u>426,392</u>	<u>23,592</u>
Expenditures				
General government	422,700	422,700	201,503	221,197
Interfund reimbursement	-	-	197,774	(197,774)
	<u>422,700</u>	<u>422,700</u>	<u>399,277</u>	<u>23,423</u>
Revenues over (under) expenditures	<u>\$ (19,900)</u>	<u>\$ (19,900)</u>	<u>\$ 27,115</u>	<u>\$ 47,015</u>
PERMANENT PUBLIC IMPROVEMENTS				
Revenues				
Investment income	\$ 100,000	\$ 100,000	\$ 114,377	\$ 14,377
Other	21,000,000	21,000,000	21,000,000	-
	<u>21,100,000</u>	<u>21,100,000</u>	<u>21,114,377</u>	<u>14,377</u>
Expenditures				
Education	-	-	1,156,708	(1,156,708)
	<u>-</u>	<u>-</u>	<u>1,156,708</u>	<u>(1,156,708)</u>
Revenues over (under) expenditures	<u>\$ 21,100,000</u>	<u>\$ 21,100,000</u>	<u>\$ 19,957,669</u>	<u>\$ (1,142,331)</u>
INMATE BENEFIT AND MORALE				
Revenues				
Commissary sales	\$ 650,000	\$ 650,000	\$ 719,515	\$ 69,515
Commissions and fees	760,000	760,000	831,048	71,048
Investment income	20,000	20,000	3,287	(16,713)
Other	-	-	26,285	26,285
	<u>1,430,000</u>	<u>1,430,000</u>	<u>1,580,135</u>	<u>150,135</u>
Expenditures				
Commissary purchases	650,000	650,000	706,366	(56,366)
Inmate benefits/morale	866,100	866,100	859,141	6,959
	<u>1,516,100</u>	<u>1,516,100</u>	<u>1,565,507</u>	<u>(49,407)</u>
Revenues over (under) expenditures	<u>\$ (86,100)</u>	<u>\$ (86,100)</u>	<u>\$ 14,628</u>	<u>\$ 100,728</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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
IMPACT FEES				
Revenues				
Impact fees	\$ 23,900,000	\$ 23,900,000	\$ 28,933,429	\$ 5,033,429
Investment income	420,000	420,000	302,584	(117,416)
	<u>24,320,000</u>	<u>24,320,000</u>	<u>29,236,013</u>	<u>4,916,013</u>
Expenditures				
Education	-	-	2,116,033	(2,116,033)
Public works	-	-	3,436,209	(3,436,209)
Other inter-fund reimbursements	1,588,400	1,588,400	1,597,134	(8,734)
Pay-as-you-go	61,855,000	61,855,000	13,997,423	47,857,577
	<u>63,443,400</u>	<u>63,443,400</u>	<u>21,146,799</u>	<u>42,296,601</u>
Revenues over (under) expenditures	\$ <u>(39,123,400)</u>	\$ <u>(39,123,400)</u>	8,089,214	\$ <u>47,212,614</u>
Fund balance, budgetary, July 1			<u>104,060,817</u>	
Fund balance, budgetary, June 30			<u>112,150,031</u>	
Change in fund balance on a budgetary basis			<u>\$ 8,089,214</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.

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.

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.

Non-major Governmental Funds (continued)

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.

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, 2022

	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	\$ 58,111	\$ 930,056	\$ 122,274	\$ 10,341,055	\$ -
Receivables					
Due from other governmental agencies (net of allowances)	-	-	1,631,499	-	-
Other, net	100,000	12,826	-	-	357,143
Other assets	-	-	-	-	-
Total assets	<u>\$ 158,111</u>	<u>\$ 942,882</u>	<u>\$ 1,753,773</u>	<u>\$ 10,341,055</u>	<u>\$ 357,143</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ 4,571	\$ 200,631	\$ 20,712	\$ -
Due to General Fund	-	-	-	-	213,448
Escrow and other deposits	-	-	-	5,112,907	-
Unearned revenue	-	-	828,435	-	-
Total liabilities	<u>-</u>	<u>4,571</u>	<u>1,029,066</u>	<u>5,133,619</u>	<u>213,448</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue	-	-	453,874	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>453,874</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	158,111	938,311	3,012	5,207,436	143,695
Committed	-	-	-	-	-
Unassigned	-	-	267,821	-	-
Total fund balances (deficit)	<u>158,111</u>	<u>938,311</u>	<u>270,833</u>	<u>5,207,436</u>	<u>143,695</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 158,111</u>	<u>\$ 942,882</u>	<u>\$ 1,753,773</u>	<u>\$ 10,341,055</u>	<u>\$ 357,143</u>

Special Revenue Funds

Workforce Development (Grants)	Arundel Community Development Services (Grants)	Circuit Court	Conference & Visitor's Center	Arts Council	Park Place Tax Increment	Odenton Town Center Tax Increment
\$ -	\$ 8,399,793	\$ 488,430	\$ -	\$ -	\$ -	\$ 26,009,893
670,839	1,862,370	-	-	-	-	-
-	-	9,823	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 670,839</u>	<u>\$ 10,262,163</u>	<u>\$ 498,253</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,009,893</u>
\$ 670,839	\$ 10,262,163	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	96,345	-	-	-	-
-	-	-	-	-	-	-
<u>670,839</u>	<u>10,262,163</u>	<u>96,345</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	2,065,880	-	-	-	-	-
-	<u>2,065,880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	24,469,937	401,908	-	-	-	26,009,893
-	-	-	-	-	-	-
-	<u>(26,535,817)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	<u>(2,065,880)</u>	<u>401,908</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,009,893</u>
<u>\$ 670,839</u>	<u>\$ 10,262,163</u>	<u>\$ 498,253</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,009,893</u>

(continued)

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2022

	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	\$ 2,042,991	\$ -	\$ 46,908,825	\$ 323,092	\$ -
Receivables					
Due from other governmental agencies (net of allowances)	-	-	-	-	-
Other, net	828	4,705,159	567,516	-	-
Other assets	-	-	200	-	-
Total assets	<u>\$ 2,043,819</u>	<u>\$ 4,705,159</u>	<u>\$ 47,476,541</u>	<u>\$ 323,092</u>	<u>\$ -</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 1,230,515	\$ -	\$ -
Due to General Fund	-	2,570,872	-	-	-
Escrow and other deposits	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>2,570,872</u>	<u>1,230,515</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	2,043,819	2,134,287	46,246,026	-	-
Committed	-	-	-	323,092	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>2,043,819</u>	<u>2,134,287</u>	<u>46,246,026</u>	<u>323,092</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,043,819</u>	<u>\$ 4,705,159</u>	<u>\$ 47,476,541</u>	<u>\$ 323,092</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
\$ 4,843,519	\$ 359,749	\$ 305,471	\$ -	\$ 5,256	\$ 4,869	\$ -
-	-	-	-	-	-	-
55,425	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 4,898,944</u>	<u>\$ 359,749</u>	<u>\$ 305,471</u>	<u>\$ -</u>	<u>\$ 5,256</u>	<u>\$ 4,869</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ 5,256	\$ 4,869	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	5,256	4,869	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,898,944	359,749	305,471	-	-	-	-
-	-	-	-	-	-	-
<u>4,898,944</u>	<u>359,749</u>	<u>305,471</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 4,898,944</u>	<u>\$ 359,749</u>	<u>\$ 305,471</u>	<u>\$ -</u>	<u>\$ 5,256</u>	<u>\$ 4,869</u>	<u>\$ -</u>

(continued)

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2022

	Debt Service Funds					Totals
	National Business Park North Tax Increment	Village South at Waugh Chapel Tax Increment	Special Taxing Districts	Installment Purchase Agreements		
ASSETS						
Cash and investments	\$ 28,312	\$ 14,855	\$ 1,202,224	\$ 10,520,168		\$ 112,908,943
Receivables						
Due from other governmental agencies (net of allowances)	-	-	-	-		4,164,708
Other, net	-	-	655	(2,910,644)		2,898,731
Other assets	-	-	-	-		200
Total assets	<u>\$ 28,312</u>	<u>\$ 14,855</u>	<u>\$ 1,202,879</u>	<u>\$ 7,609,524</u>		<u>\$ 119,972,582</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -		\$ 12,399,556
Due to General Fund	-	-	-	-		2,784,320
Escrow and other deposits	-	-	-	-		5,209,252
Unearned revenue	-	-	-	-		828,435
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>21,221,563</u>
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue	-	-	-	-		2,519,754
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>2,519,754</u>
FUND BALANCES						
Restricted	28,312	14,855	1,202,879	-		109,002,481
Committed	-	-	-	7,609,524		13,496,780
Unassigned	-	-	-	-		(26,267,996)
Total fund balances (deficit)	<u>28,312</u>	<u>14,855</u>	<u>1,202,879</u>	<u>7,609,524</u>		<u>96,231,265</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 28,312</u>	<u>\$ 14,855</u>	<u>\$ 1,202,879</u>	<u>\$ 7,609,524</u>		<u>\$ 119,972,582</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, 2022

	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	-	-	4,554,887	-	-
Seized / forfeited funds	146,622	-	-	-	-
Special community benefit taxes	-	8,543,512	-	-	-
Video lottery local impact aid	-	-	-	-	-
Watershed protection and restoration	-	-	-	-	-
Hotel/Motel sales	-	-	-	-	-
Fees and commissions	-	-	-	1,937,165	357,143
Investment income	-	-	-	25,717	-
Other	244	-	1,363	-	-
Total revenues	<u>146,866</u>	<u>8,543,512</u>	<u>4,556,250</u>	<u>1,962,882</u>	<u>357,143</u>
EXPENDITURES					
Current					
Education	-	-	-	-	-
Public safety	-	-	-	-	-
General government	-	-	-	-	-
Health and human services	-	-	3,908,689	-	-
Public works	-	-	-	-	-
Recreation and community services	-	8,355,690	-	-	290,000
Judicial	-	-	-	-	-
Code enforcement	-	-	-	-	-
Land use and development	-	-	-	404,293	-
Debt service					
Interest payments on debt	-	-	-	-	-
Principal payments on debt	-	-	-	-	-
Interest payments on leases	-	-	-	-	-
Principal payments on leases	-	-	-	-	-
Total expenditures	<u>-</u>	<u>8,355,690</u>	<u>3,908,689</u>	<u>404,293</u>	<u>290,000</u>
Revenues over (under) expenditures	<u>146,866</u>	<u>187,822</u>	<u>647,561</u>	<u>1,558,589</u>	<u>67,143</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	-	-	-
Transfers out					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-
Premiums from sale of bonds	-	-	-	-	-
Transfers from Solid Waste Fund	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>146,866</u>	<u>187,822</u>	<u>647,561</u>	<u>1,558,589</u>	<u>67,143</u>
Fund balances, July 1	<u>11,245</u>	<u>750,489</u>	<u>(376,728)</u>	<u>3,648,847</u>	<u>76,552</u>
Fund balances, June 30	<u>\$ 158,111</u>	<u>\$ 938,311</u>	<u>\$ 270,833</u>	<u>\$ 5,207,436</u>	<u>\$ 143,695</u>

Special Revenue Funds

Workforce Development (Grants)	Arundel Community Development Services (Grants)	Circuit Court	Conference & Visitor's Center	Arts Council	Park Place Tax Increment	Odenton Town Center Tax Increment
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,104,280	\$ 4,987,884
1,845,942	32,314,193	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	2,933,644	517,702	-	-
-	-	-	-	-	555	68,731
-	-	102,455	-	-	-	-
<u>1,845,942</u>	<u>32,314,193</u>	<u>102,455</u>	<u>2,933,644</u>	<u>517,702</u>	<u>1,104,835</u>	<u>5,056,615</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,845,942	-	-	-	-	1,104,835	-
-	32,662,783	-	2,933,644	517,702	-	-
-	-	34,446	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,845,942</u>	<u>32,662,783</u>	<u>34,446</u>	<u>2,933,644</u>	<u>517,702</u>	<u>1,104,835</u>	<u>-</u>
-	(348,590)	68,009	-	-	-	5,056,615
-	270,000	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	(380,435)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	270,000	-	-	-	-	(380,435)
-	(78,590)	68,009	-	-	-	4,676,180
-	(1,987,290)	333,899	-	-	-	21,333,713
<u>\$ -</u>	<u>\$ (2,065,880)</u>	<u>\$ 401,908</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,009,893</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, 2022

	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	445,178	-	-	-	-
Video lottery local impact aid	-	18,436,609	-	-	-
Watershed protection and restoration	-	-	23,904,363	-	-
Hotel/Motel sales	-	-	-	-	-
Fees and commissions	-	-	-	18,000	-
Investment income	-	-	121,472	854	-
Other	-	-	18	-	-
Total revenues	445,178	18,436,609	24,025,853	18,854	-
EXPENDITURES					
Current					
Education	-	1,700,000	-	-	-
Public safety	-	7,284,000	-	-	-
General government	-	5,562,628	-	-	-
Health and human services	-	-	-	-	-
Public works	262,606	-	12,847,450	-	-
Recreation and community services	-	730,000	-	-	-
Judicial	-	-	-	-	-
Code enforcement	-	-	1,208,881	-	-
Land use and development	-	-	-	-	-
Debt service					
Interest payments on debt	-	-	5,282,220	-	-
Principal payments on debt	-	-	5,162,752	-	-
Interest payments on leases	-	-	86	-	-
Principal payments on leases	-	-	5,995	-	-
Total expenditures	262,606	15,276,628	24,507,384	-	-
Revenues over (under) expenditures	182,572	3,159,981	(481,531)	18,854	-
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	36,239	-	-
Transfers out					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	(2,779,750)	(24,319,000)	-	(20,181,094)
General obligation bonds issued	-	-	24,319,000	-	-
Premiums from sale of bonds	-	-	-	-	20,181,094
Transfers from Solid Waste Fund	-	-	-	-	-
Total other financing sources (uses)	-	(2,779,750)	36,239	-	-
Net change in fund balances	182,572	380,231	(445,292)	18,854	-
Fund balances, July 1	1,861,247	1,754,056	46,691,318	304,238	-
Fund balances, June 30	\$ 2,043,819	\$ 2,134,287	\$ 46,246,026	\$ 323,092	\$ -

Anne Arundel County, Maryland

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

Non-major Governmental Funds

Year Ended June 30, 2022

	Debt Service Funds					Totals
	National Business Park North Tax Increment	Village South at Vaugh Chapel Tax Increment	Special Taxing Districts	Installment Purchase Agreements		
REVENUES						
General property taxes	\$ 1,917,808	\$ 2,503,025	\$ -	\$ -	\$	48,265,181
Grants and aid	-	-	-	-	-	38,715,022
Seized / forfeited funds	-	-	-	-	-	146,622
Special community benefit taxes	-	-	379,069	-	-	9,367,759
Video lottery local impact aid	-	-	-	-	-	18,436,609
Watershed protection and restoration	-	-	-	-	-	23,904,363
Hotel/Motel sales	-	-	-	-	-	3,451,346
Fees and commissions	-	-	-	-	-	2,568,573
Investment income	488	3,780	-	(4,091,484)	-	(3,773,685)
Other	-	-	-	-	-	257,922
Total revenues	1,918,296	2,506,805	379,069	(4,091,484)		141,339,712
EXPENDITURES						
Current						
Education	-	-	-	-	-	1,700,000
Public safety	-	-	-	-	-	7,284,000
General government	17,260	14,246	-	-	-	6,715,675
Health and human services	-	-	-	-	-	5,754,631
Public works	-	-	-	-	-	13,110,056
Recreation and community services	-	-	64,371	-	-	45,554,190
Judicial	-	-	-	-	-	34,446
Code enforcement	-	-	-	-	-	1,208,881
Land use and development	-	-	-	-	-	404,293
Debt service						
Interest payments on debt	962,938	475,531	-	719,376	-	8,409,215
Principal payments on debt	775,000	475,000	235,813	20,000	-	9,348,565
Interest payments on leases	-	-	-	-	-	86
Principal payments on leases	-	-	-	-	-	5,995
Total expenditures	1,755,198	964,777	300,184	739,376		99,530,033
Revenues over (under) expenditures	163,098	1,542,028	78,885	(4,830,860)		41,809,679
OTHER FINANCING SOURCES (USES)						
Transfers in						
General Fund	-	-	-	739,400	-	1,009,400
General County Capital Projects Fund	-	-	-	-	-	36,239
Transfers out						
General Fund	(146,826)	(1,531,265)	-	-	-	(41,860,507)
General County Capital Projects Fund	-	-	-	-	-	(47,908,932)
General obligation bonds issued	-	-	-	-	-	24,319,000
Premiums from sale of bonds	-	-	-	-	-	20,181,094
Transfers from Solid Waste Fund	-	-	-	-	-	319,377
Total other financing sources (uses)	(146,826)	(1,531,265)	-	739,400		(43,904,329)
Net change in fund balances	16,272	10,763	78,885	(4,091,460)		(2,094,650)
Fund balances, July 1	12,040	4,092	1,123,994	11,700,984		98,325,915
Fund balances, June 30	\$ 28,312	\$ 14,855	\$ 1,202,879	\$ 7,609,524	\$	\$ 96,231,265

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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
FORFEITURE AND ASSET SEIZURE TEAM				
Revenues				
Seized and forfeited funds	\$ 316,200	\$ 316,200	\$ 146,622	\$ (169,578)
Investment income	-	-	-	-
Other	-	-	244	244
	<u>316,200</u>	<u>316,200</u>	<u>146,866</u>	<u>(169,334)</u>
Expenditures				
Public safety	<u>156,200</u>	<u>156,200</u>	-	156,200
Revenues over (under) expenditures	<u>\$ 160,000</u>	<u>\$ 160,000</u>	146,866	<u>\$ (13,134)</u>
Fund balance, budgetary, July 1			<u>11,245</u>	
Fund balance, budgetary, June 30			<u>\$ 158,111</u>	
ROADS AND SPECIAL BENEFITS				
Revenues				
Special community benefit taxes	<u>\$ 8,478,716</u>	<u>\$ 8,478,716</u>	<u>\$ 8,543,512</u>	<u>\$ 64,796</u>
Expenditures				
Recreation and community services	<u>14,727,751</u>	<u>14,734,851</u>	8,355,690	6,379,161
Revenues over (under) expenditures	<u>\$ (6,249,035)</u>	<u>\$ (6,256,135)</u>	187,822	<u>\$ 6,443,957</u>
Fund balance, budgetary, July 1			<u>750,489</u>	
Fund balance, budgetary, June 30			<u>\$ 938,311</u>	
ANNE ARUNDEL COUNTY PARTNERSHIP FOR CHILDREN, YOUTH & FAMILIES				
Revenues				
Grants and aid	\$ 3,687,400	\$ 4,327,400	\$ 4,025,170	\$ (302,230)
Other	-	-	1,363	1,363
	<u>3,687,400</u>	<u>4,327,400</u>	<u>4,026,533</u>	<u>(300,867)</u>
Expenditures				
Health and human services	<u>3,687,400</u>	<u>4,327,400</u>	3,911,701	415,699
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	114,832	<u>\$ 114,832</u>
Fund balance, budgetary, July 1			<u>77,146</u>	
Fund balance, budgetary, June 30			<u>\$ 191,978</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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REFORESTATION				
Revenues				
Commissions and fees	\$ 245,000	\$ 245,000	\$ 1,945,574	\$ 1,700,574
Investment income	-	-	25,718	25,718
	<u>245,000</u>	<u>245,000</u>	<u>1,971,292</u>	<u>1,726,292</u>
Expenditures				
Land use and development	686,700	686,700	404,293	282,407
Revenues over (under) expenditures	\$ <u>(441,700)</u>	\$ <u>(441,700)</u>	1,566,999	\$ <u>2,008,699</u>
Fund balance, budgetary, July 1			<u>3,640,437</u>	
Fund balance, budgetary, June 30			\$ <u>5,207,436</u>	
LAUREL RACETRACK COMMUNITY BENEFIT				
Revenues				
Fees and commissions	\$ 350,000	\$ 350,000	\$ 357,143	\$ 7,143
Expenditures				
Recreation and community services	350,000	350,000	290,000	60,000
Revenues over (under) expenditures	\$ <u>-</u>	\$ <u>-</u>	67,143	\$ <u>67,143</u>
Fund balance, budgetary, July 1			<u>76,552</u>	
Fund balance, budgetary, June 30			\$ <u>143,695</u>	
WORKFORCE DEVELOPMENT				
Revenues				
Grants and aid	\$ 2,400,000	\$ 2,400,000	\$ 1,845,942	\$ (554,058)
Expenditures				
Health and human services	2,400,000	2,400,000	1,845,942	554,058
Revenues over (under) expenditures	\$ <u>-</u>	\$ <u>-</u>	-	\$ <u>-</u>
Fund balance, budgetary, July 1			-	
Fund balance, budgetary, June 30			\$ <u>-</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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
ARUNDEL COMMUNITY DEVELOPMENT SERVICES				
Revenues				
Grants and aid	\$ 24,035,800	\$ 24,835,800	\$ 34,252,115	\$ 9,416,315
	<u>24,035,800</u>	<u>24,835,800</u>	<u>34,252,115</u>	<u>9,416,315</u>
Expenditures				
Recreation and community services	24,035,800	24,835,800	34,252,115	(9,416,315)
Revenues over (under) expenditures	\$ <u>-</u>	\$ <u>-</u>	-	\$ <u>-</u>
Fund balance, budgetary, July 1			-	
Fund balance, budgetary, June 30			<u>\$ -</u>	
CIRCUIT COURT				
Revenues				
Bond Forfeited Funds	\$ 165,000	\$ 165,000	\$ 102,455	\$ (62,545)
Expenditures				
Circuit Court	165,000	165,000	34,446	130,554
Revenues over (under) expenditures	\$ <u>-</u>	\$ <u>-</u>	68,009	\$ <u>68,009</u>
Fund balance, budgetary, July 1			333,899	
Fund balance, budgetary, June 30			<u>\$ 401,908</u>	
CONFERENCE & VISITOR'S CENTER				
Revenues				
Fees and commissions	\$ 2,592,500	\$ 2,592,500	\$ 2,933,644	\$ 341,144
Expenditures				
Recreation and community services	2,592,500	2,592,500	2,933,644	(341,144)
Revenues over (under) expenditures	\$ <u>-</u>	\$ <u>-</u>	-	\$ <u>-</u>
Fund balance, budgetary, July 1			-	
Fund balance, budgetary, June 30			<u>\$ -</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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
ARTS COUNCIL				
Revenues				
Fees and commissions	\$ 457,500	\$ 457,500	\$ 517,702	\$ 60,202
Expenditures				
Recreation and community services	457,500	572,500	517,702	54,798
Revenues over (under) expenditures	\$ -	\$ (115,000)	-	\$ 115,000
Fund balance, budgetary, July 1			-	
Fund balance, budgetary, June 30			\$ -	
PARK PLACE TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 1,080,000	\$ 1,080,000	\$ 1,104,280	\$ 24,280
Investment income	2,000	2,000	555	(1,445)
	<u>1,082,000</u>	<u>1,082,000</u>	<u>1,104,835</u>	<u>22,835</u>
Expenditures				
General government	1,082,000	1,107,000	1,104,835	2,165
Revenues over (under) expenditures	\$ -	\$ (25,000)	-	\$ 25,000
Fund balance, budgetary, July 1			-	
Fund balance, budgetary, June 30			\$ -	

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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
ODENTON TOWN CENTER				
Revenues				
General property taxes	\$ 4,671,000	\$ 4,671,000	\$ 4,987,884	\$ 316,884
Investment income	95,000	95,000	68,731	(26,269)
	<u>4,766,000</u>	<u>4,766,000</u>	<u>5,056,615</u>	<u>290,615</u>
Expenditures				
Other	1,907,000	2,657,000	2,657,000	-
	<u>1,907,000</u>	<u>2,657,000</u>	<u>2,657,000</u>	<u>-</u>
Revenues over (under) expenditures	\$ <u>2,859,000</u>	\$ <u>2,109,000</u>	<u>2,399,615</u>	\$ <u>290,615</u>
Fund balance, budgetary, July 1			<u>18,750,419</u>	
Fund balance, budgetary, June 30			\$ <u>21,150,034</u>	
EROSION DISTRICTS				
Revenues				
Special community benefit taxes	\$ 439,557	\$ 439,557	\$ 445,178	\$ 5,621
Expenditures				
Public works	1,964,405	1,964,405	262,606	1,701,799
Revenues over (under) expenditures	\$ <u>(1,524,848)</u>	\$ <u>(1,524,848)</u>	182,572	\$ <u>1,707,420</u>
Fund balance, budgetary, July 1			<u>1,861,247</u>	
Fund balance, budgetary, June 30			\$ <u>2,043,819</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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
VIDEO LOTTERY LOCAL IMPACT AID				
Revenues				
Video lottery impact aid	\$ 18,368,100	\$ 18,368,100	\$ 18,436,609	\$ 68,509
	<u>18,368,100</u>	<u>18,368,100</u>	<u>18,436,609</u>	<u>68,509</u>
Expenditures				
Education	1,700,000	1,700,000	1,700,000	-
Public safety	7,284,000	7,284,000	7,284,000	-
General government	5,562,700	5,562,700	5,562,628	72
Recreation and community service	730,000	730,000	730,000	-
Pay-go funding - capital projects	2,779,800	2,779,800	2,779,750	50
	<u>18,056,500</u>	<u>18,056,500</u>	<u>18,056,378</u>	<u>122</u>
Revenues over (under) expenditures	\$ <u>311,600</u>	\$ <u>311,600</u>	380,231	\$ <u>68,631</u>
Fund balance, budgetary, July 1			<u>1,754,056</u>	
Fund balance, budgetary, June 30			\$ <u>2,134,287</u>	
WATERSHED PROTECTION AND RESTORATION				
Revenues				
Stormwater fees	\$ 23,979,100	\$ 23,979,100	\$ 23,904,363	\$ (74,737)
Interfund reimbursements	990,000	990,000	795,981	(194,019)
Investment Income	838,400	838,400	157,711	(680,689)
Other	-	-	136,137	136,137
	<u>25,807,500</u>	<u>25,807,500</u>	<u>24,994,192</u>	<u>(813,308)</u>
Expenditures				
Public works	14,433,900	14,433,900	12,272,986	2,160,914
Code enforcement	1,385,500	1,385,500	1,208,881	176,619
Debt service	10,445,000	10,445,000	10,444,972	28
	<u>26,264,400</u>	<u>26,264,400</u>	<u>23,926,839</u>	<u>2,337,561</u>
Revenues over (under) expenditures	\$ <u>(456,900)</u>	\$ <u>(456,900)</u>	1,067,353	\$ <u>1,524,253</u>
Fund balance, budgetary, July 1			<u>43,852,900</u>	
Fund balance, budgetary, June 30			\$ <u>44,920,253</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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Browns Pond	\$ 11,316	\$ 11,316	\$ 11,316	\$ -
Cedarhurst	78,240	78,240	79,489	1,249
Franklin Manor	73,400	73,400	74,849	1,449
Idlewilde	2,105	2,105	2,173	68
Masons Beach	40,460	40,460	41,413	953
Riviera Beach	154,000	154,000	155,902	1,902
Snug Harbor - Waterway	73,436	73,436	73,436	-
Spriggs Pond	6,600	6,600	6,600	-
Total revenues	<u>\$ 439,557</u>	<u>\$ 439,557</u>	<u>\$ 445,178</u>	<u>\$ 5,621</u>
EXPENDITURES				
Browns Pond	\$ 32,967	\$ 32,967	\$ 24,566	\$ 8,401
Cedarhurst	111,340	111,340	72,606	38,734
Franklin Manor	414,264	414,264	21,510	392,754
Idlewilde	102,311	102,311	109	102,202
Masons Beach	208,319	208,319	78,500	129,819
Riviera Beach	895,168	895,168	18,900	876,268
Snug Harbor - Waterway	193,436	193,436	46,085	147,351
Spriggs Pond	6,600	6,600	330	6,270
Total expenditures	<u>\$ 1,964,405</u>	<u>\$ 1,964,405</u>	<u>\$ 262,606</u>	<u>\$ 1,701,799</u>

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

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

Roads and Special Benefit Districts Fund

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Amberly	\$ 22,121	\$ 22,121	\$ 21,879	\$ (242)
Annapolis Roads	320,561	320,561	330,626	10,065
Arundel on the Bay	234,875	234,875	249,266	14,391
Avalon Shores	67,735	67,735	67,160	(575)
Bay Highlands	71,962	71,962	74,751	2,789
Bay Ridge	320,067	320,067	318,694	(1,373)
Bayside Beach	26,105	26,105	27,386	1,281
Beverly Beach	18,550	18,550	18,450	(100)
Birchwood	9,081	9,081	9,081	-
Bittersweet	1,650	1,650	1,650	-
Broadwater Creek	8,400	8,400	8,400	-
Cape Anne	36,000	36,000	36,000	-
Cape St. Claire	452,400	452,400	448,695	(3,705)
Capetown	42,428	42,428	42,428	-
Carrollton Manor	82,500	82,500	82,200	(300)
Cedarhurst	141,136	141,136	143,080	1,944
Chartwell	26,920	26,920	26,760	(160)
Columbia Beach	156,542	156,542	161,809	5,267
Crofton	1,191,609	1,191,609	1,173,935	(17,674)
Deale Beach	9,050	9,050	9,050	-
Eden Woods	9,000	9,000	9,000	-
Epping Forest	319,563	319,563	335,310	15,747
Fairhaven Cliffs	4,900	4,900	4,900	-
Felicity Cove	11,984	11,984	11,632	(352)
Franklin Manor	73,400	73,400	74,850	1,450
Gibson Island	1,020,974	1,020,974	1,046,936	25,962
Greenbriar Gardens	18,144	18,144	18,144	-
Greenbriar II	26,526	26,526	26,526	-
Heritage Pool	50,500	50,500	50,500	-
Hillmere Shores	298,551	298,551	308,511	9,960
Homewood	8,068	8,068	8,068	-
Hunters Harbor	24,300	24,300	23,850	(450)
Idlewilde	9,690	9,690	9,690	-
Indian Hills(Winchester)	126,234	126,234	128,946	2,712
Kensington	9,328	9,328	9,328	-
Little Magothy River	35,700	35,700	35,700	-
Loch Haven	41,040	41,040	40,850	(190)
Long Point on the Severn	-	-	-	-
Magothy Beach	6,520	6,520	6,520	-
Magothy Forge	14,591	14,591	14,492	(99)
Manhattan Beach	77,625	77,625	77,375	(250)
Mason's Beach	10,500	10,500	10,200	(300)
Mil-Bur	75,837	75,837	74,877	(960)
Owings Beach	12,632	12,632	13,311	679
Owings Cliffs	2,775	2,775	2,775	-
Oyster Harbor	412,830	412,830	411,983	(847)
Parke West	44,205	44,205	43,476	(729)
Pine Grove Village	22,080	22,080	22,080	-
Pines on the Severn	64,435	64,435	64,162	(273)
Provinces	16,308	16,308	15,534	(774)
Queen's Park	51,395	51,395	51,280	(115)
Rockview Beach/Riviera Isles	13,226	13,226	13,284	58
Scheides Cove	9,000	9,000	9,000	-
Selby on the Bay	119,980	119,980	119,420	(560)
Severn Grove	26,723	26,723	25,959	(764)
Severna Forest	22,228	22,228	22,358	130
Severndale	16,375	16,375	16,375	-
Sherwood Forest	1,246,014	1,246,014	1,246,014	-
Shoreham Beach	74,025	74,025	72,975	(1,050)
Snug Harbor	22,316	22,316	22,548	232
South River Manor	13,140	13,140	13,140	-
South River Park	34,200	34,200	34,200	-
Steedman Point	4,000	4,000	4,000	-
Sylvan Shores	126,585	126,585	126,108	(477)
Sylvan View on the Magothy	24,850	24,850	24,850	-
Timbers	4,732	4,732	4,731	(1)
Upper Magothy Beach	14,500	14,500	14,400	(100)
Venice Beach	15,300	15,300	15,473	173
Venice on the Bay	7,175	7,175	7,175	-
Warthen Knolls	-	-	-	-
Wilelnor	33,600	33,600	33,600	-
Woodland Beach/Londontowne	505,120	505,120	509,496	4,376
Woodland Beach/Pasadena	6,300	6,300	6,300	-
Total revenues	\$ 8,478,716	\$ 8,478,716	\$ 8,543,512	\$ 64,796

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

Roads and Special Benefit Districts Fund

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
Amberly	\$ 53,023	\$ 53,023	\$ 21,995	\$ 31,028
Annapolis Roads	442,464	442,464	329,914	112,550
Arundel on the Bay	430,197	430,197	250,579	179,618
Avalon Shores	186,749	186,749	110,303	76,446
Bay Highlands	285,068	285,068	116,241	168,827
Bay Ridge	340,902	340,902	312,777	28,125
Bayside Beach	26,830	26,830	26,898	(68)
Beverly Beach	104,625	104,625	104,625	-
Birchwood	14,405	14,405	9,018	5,387
Bittersweet	4,400	4,400	1,640	2,760
Broadwater Creek	41,700	41,700	425	41,275
Cape Anne	86,550	86,550	36,168	50,382
Cape St. Claire	510,728	510,728	454,347	56,381
Capetown	93,420	93,420	29,860	63,560
Carrollton Manor	228,705	228,705	82,170	146,535
Cedarhurst	356,300	356,300	73,875	282,425
Chartwell	69,721	69,721	26,814	42,907
Columbia Beach	350,974	350,974	2,000	348,974
Crofton	1,848,722	1,848,722	1,132,994	715,728
Deale Beach	15,691	15,691	9,101	6,590
Eden Woods	80,323	80,323	8,995	71,328
Epping Forest	678,084	678,084	360,365	317,719
Fairhaven Cliffs	31,500	31,500	983	30,517
Felicity Cove	49,139	49,139	8,491	40,648
Franklin Manor	187,707	187,707	2,000	185,707
Gibson Island	1,715,294	1,715,294	1,040,695	674,599
Greenbriar Gardens	28,984	28,984	18,129	10,855
Greenbriar II	36,870	36,870	26,511	10,359
Heritage Pool	119,259	119,259	66,774	52,485
Hillsmere Shores	726,103	726,103	307,729	418,374
Holland Point	23,573	23,573	172	23,401
Homewood	10,204	10,204	8,064	2,140
Hunters Harbor	24,300	24,300	24,004	296
Idlewilde	33,719	33,719	490	33,229
Indian Hills(Winchester)	145,257	145,257	129,529	15,728
Kensington	13,333	13,333	9,231	4,102
Little Magothy River	134,223	134,223	35,655	98,568
Loch Haven	51,540	51,540	40,857	10,683
Long Point on the Severn	100,369	100,369	100	100,269
Magothy Beach	13,299	13,299	6,795	6,504
Magothy Forge	36,131	36,131	24,266	11,865
Manhattan Beach	165,452	165,452	77,324	88,128
Mason's Beach	10,500	10,500	4,638	5,862
Mil-Bur	75,837	75,837	47,377	28,460
Owings Beach	90,677	90,677	13,295	77,382
Owings Cliffs	7,043	7,043	2,776	4,267
Oyster Harbor	1,023,258	1,023,258	395,488	627,770
Parke West	84,034	84,034	43,526	40,508
Pine Grove Village	76,300	76,300	22,935	53,365
Pines on the Severn	153,340	153,340	62,654	90,686
Provinces	48,636	48,636	11,050	37,586
Queen's Park	151,115	151,115	98,888	52,227
Rockview Beach/ Riviera Isles	26,278	26,278	13,039	13,239
Scheides Cove	23,200	23,200	450	22,750
Selby on the Bay	160,047	160,047	117,128	42,919
Severn Grove	50,904	50,904	25,930	24,974
Severna Forest	37,240	44,340	37,188	7,152
Severndale	55,865	55,865	21,812	34,053
Sherwood Forest	1,246,014	1,246,014	1,246,014	-
Shoreham Beach	165,889	165,889	72,760	93,129
Snug Harbor	72,944	72,944	21,362	51,582
South River Manor	21,023	21,023	12,210	8,813
South River Park	74,572	74,572	34,446	40,126
Steedman Point	46,792	46,792	200	46,592
Sylvan Shores	201,307	201,307	125,095	76,212
Sylvan View on the Magothy	55,367	55,367	1,244	54,123
Timbers	4,732	4,732	4,682	50
Upper Magothy Beach	26,768	26,768	14,139	12,629
Venice Beach	120,765	120,765	15,120	105,645
Venice on the Bay	10,298	10,298	7,068	3,230
Warthen Knolls	12,250	12,250	-	12,250
Wilenor	40,633	40,633	33,410	7,223
Woodland Beach/Londontowne	628,225	628,225	509,645	118,580
Woodland Beach/Pasadena	30,061	30,061	11,218	18,843
Total expenditures	\$ 14,727,751	\$ 14,734,851	\$ 8,355,690	\$ 6,379,161

Anne Arundel County, Maryland

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

General County Capital Projects Fund

Year Ended June 30, 2022

	<u>Total</u>	<u>School Construction</u>	<u>Higher Education</u>	<u>Storm Drains</u>	<u>Recreation</u>
AUTHORIZED PER ORIGINAL BUDGET					
County bonds	\$ 1,715,984,049	\$ 810,102,185	83,970,000	974,984	127,530,407
Contributions from other funds	232,216,015	105,891,261	10,640,000	8,599	17,277,017
Impact fees	178,653,896	105,962,000	-	-	-
Grants and aid	686,658,570	515,353,954	59,103,000	82,000	53,517,805
Special fees	11,881,414	-	-	-	440,000
Other sources	257,689,118	124,870,930	7,335,000	24,444	15,531,111
Total	<u>\$ 3,083,083,062</u>	<u>\$ 1,662,180,330</u>	<u>\$ 161,048,000</u>	<u>\$ 1,090,027</u>	<u>\$ 214,296,340</u>
AUTHORIZED PER FINAL BUDGET					
County bonds	\$ 1,644,529,748	\$ 793,692,185	\$ 83,970,000	\$ -	\$ 117,221,612
Contributions from other funds	218,321,821	106,391,261	10,640,000	8,599	18,525,863
Impact fees	178,014,419	105,462,000	-	-	-
Grants and aid	680,328,482	511,982,954	59,103,000	-	52,877,222
Special fees	10,467,232	-	-	-	440,000
Other sources	234,009,855	113,870,930	7,335,000	-	15,199,855
Total	2,965,671,557	1,631,399,330	161,048,000	8,599	204,264,552
Less: Completed projects	306,915,834	142,771,810	1,746,000	-	18,352,604
	<u>2,658,755,723</u>	<u>1,488,627,520</u>	<u>159,302,000</u>	<u>8,599</u>	<u>185,911,948</u>
REALIZED					
Current year:					
Bonds and bond anticipation notes	138,495,000	29,100,000	3,400,000	-	13,000,000
Contributions from other funds	64,108,800	37,315,000	1,400,000	-	7,704,000
Impact fees	13,997,423	10,464,681	-	-	-
Grants and aid	30,232,698	-	16,988,099	-	5,829,660
Special fees	1,973,410	-	-	-	-
Other sources	23,711,838	1,100,000	-	-	698,984
Total	272,519,169	77,979,681	21,788,099	-	27,232,644
Prior years:	1,565,331,693	892,466,407	128,763,562	8,599	87,487,101
Total realized funding sources	1,837,850,862	970,446,088	150,551,661	8,599	114,719,745
Less: Completed projects and adjustments	271,232,173	107,845,865	1,691,213	-	18,302,650
	<u>1,566,618,689</u>	<u>862,600,223</u>	<u>148,860,448</u>	<u>8,599</u>	<u>96,417,095</u>
Funding sources authorized - June 30, 2022	<u>\$ 1,092,137,034</u>	<u>\$ 626,027,297</u>	<u>\$ 10,441,552</u>	<u>\$ -</u>	<u>\$ 89,494,853</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>
31,272,990	139,565,117	132,792,221	23,067,287	119,459,568	247,249,290
3,387,564	57,859,818	1,244,701	947,900	34,959,155	-
-	67,070,096	5,621,800	-	-	-
5,059,364	7,580,151	5,550,000	8,851,826	24,670,470	6,890,000
-	728	-	-	11,440,686	-
<u>925,000</u>	<u>52,984,730</u>	<u>14,143,000</u>	<u>855,700</u>	<u>35,019,203</u>	<u>6,000,000</u>
\$ <u>40,644,918</u>	\$ <u>325,060,640</u>	\$ <u>159,351,722</u>	\$ <u>33,722,713</u>	\$ <u>225,549,082</u>	\$ <u>260,139,290</u>
\$ 31,272,990	\$ 125,314,463	\$ 124,400,860	\$ 18,691,385	\$ 110,339,890	\$ 239,626,363
3,387,564	45,320,808	1,125,015	382,620	32,540,091	-
-	66,930,619	5,621,800	-	-	-
5,059,364	7,580,151	5,550,000	6,615,321	24,670,470	6,890,000
-	728	-	-	10,026,504	-
<u>925,000</u>	<u>46,504,166</u>	<u>8,300,000</u>	<u>855,700</u>	<u>35,019,204</u>	<u>6,000,000</u>
<u>40,644,918</u>	<u>291,650,935</u>	<u>144,997,675</u>	<u>26,545,026</u>	<u>212,596,159</u>	<u>252,516,363</u>
<u>1,727,348</u>	<u>57,069,033</u>	<u>13,608,281</u>	<u>4,580,718</u>	<u>36,689,814</u>	<u>30,370,226</u>
<u>38,917,570</u>	<u>234,581,902</u>	<u>131,389,394</u>	<u>21,964,308</u>	<u>175,906,345</u>	<u>222,146,137</u>
6,200,000	23,800,000	5,700,000	1,200,000	31,776,000	24,319,000
-	5,500,000	(850,000)	200,000	12,839,800	-
-	3,473,374	59,368	-	-	-
1,367,954	643,692	162,372	733,830	3,621,335	885,756
-	-	-	-	1,973,410	-
<u>-</u>	<u>6,685,627</u>	<u>499,900</u>	<u>-</u>	<u>9,046,327</u>	<u>5,681,000</u>
<u>7,567,954</u>	<u>40,102,693</u>	<u>5,571,640</u>	<u>2,133,830</u>	<u>59,256,872</u>	<u>30,885,756</u>
<u>26,791,400</u>	<u>132,755,874</u>	<u>82,258,214</u>	<u>16,711,668</u>	<u>88,663,559</u>	<u>109,425,309</u>
34,359,354	172,858,567	87,829,854	18,845,498	147,920,431	140,311,065
<u>1,727,349</u>	<u>56,891,589</u>	<u>13,578,451</u>	<u>4,239,592</u>	<u>36,623,032</u>	<u>30,332,432</u>
<u>32,632,005</u>	<u>115,966,978</u>	<u>74,251,403</u>	<u>14,605,906</u>	<u>111,297,399</u>	<u>109,978,633</u>
\$ <u>6,285,565</u>	\$ <u>118,614,924</u>	\$ <u>57,137,991</u>	\$ <u>7,358,402</u>	\$ <u>64,608,946</u>	\$ <u>112,167,504</u>

Anne Arundel County, Maryland

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

General County Capital Projects Fund

Year Ended June 30, 2022

APPROPRIATIONS	Total	School Construction	Higher Education	Storm Drains
Original Budget	\$ <u>3,083,083,062</u>	\$ <u>1,662,180,330</u>	\$ <u>161,048,000</u>	\$ <u>1,090,027</u>
Final Budget				
Prior years	\$ 2,561,845,597	\$ 1,424,268,300	\$ 154,848,000	\$ 8,599
Current year	<u>403,825,960</u>	<u>207,131,030</u>	<u>6,200,000</u>	<u>-</u>
	2,965,671,557	1,631,399,330	161,048,000	8,599
Less: Completed projects	<u>306,915,834</u>	<u>142,771,810</u>	<u>1,746,000</u>	<u>-</u>
Total appropriations	<u>2,658,755,723</u>	<u>1,488,627,520</u>	<u>159,302,000</u>	<u>8,599</u>
EXPENDITURES AND ENCUMBRANCES				
Prior years expenditures and transfers	1,427,784,759	817,514,812	128,554,528	7,144
Current year expenditures	153,778,608	-	-	-
Operating transfers	<u>126,291,251</u>	<u>103,791,232</u>	<u>22,500,019</u>	<u>-</u>
	1,707,854,618	921,306,044	151,054,547	7,144
Less: Completed projects	<u>271,276,909</u>	<u>107,845,865</u>	<u>1,691,213</u>	<u>-</u>
Total	1,436,577,709	813,460,179	149,363,334	7,144
Encumbrances outstanding	<u>129,356,592</u>	<u>-</u>	<u>-</u>	<u>1,455</u>
Total expenditures and encumbrances	<u>1,565,934,301</u>	<u>813,460,179</u>	<u>149,363,334</u>	<u>8,599</u>
Unencumbered appropriations - June 30, 2022	\$ <u>1,092,821,422</u>	\$ <u>675,167,341</u>	\$ <u>9,938,666</u>	\$ <u>-</u>

	Recreation	Libraries	Roads and Bridges	Police and Fire	Waterway Improvements	Other	Watershed Protection and Restoration
\$	<u>214,296,340</u>	<u>40,644,918</u>	<u>325,060,640</u>	<u>159,351,722</u>	<u>33,722,713</u>	<u>225,549,082</u>	<u>260,139,290</u>
\$	156,407,502	41,916,918	244,955,935	108,062,675	25,401,026	170,980,159	234,996,483
	<u>47,857,050</u>	<u>(1,272,000)</u>	<u>46,695,000</u>	<u>36,935,000</u>	<u>1,144,000</u>	<u>41,616,000</u>	<u>17,519,880</u>
	204,264,552	40,644,918	291,650,935	144,997,675	26,545,026	212,596,159	252,516,363
	<u>18,352,604</u>	<u>1,727,348</u>	<u>57,069,033</u>	<u>13,608,281</u>	<u>4,580,718</u>	<u>36,689,814</u>	<u>30,370,226</u>
	<u>185,911,948</u>	<u>38,917,570</u>	<u>234,581,902</u>	<u>131,389,394</u>	<u>21,964,308</u>	<u>175,906,345</u>	<u>222,146,137</u>
	76,723,840	26,114,873	112,133,708	69,492,032	15,304,558	83,532,197	98,407,067
	<u>26,861,121</u>	<u>5,595,975</u>	<u>45,264,859</u>	<u>7,211,897</u>	<u>1,760,636</u>	<u>44,241,829</u>	<u>22,842,291</u>
	-	-	-	-	-	-	-
	103,584,961	31,710,848	157,398,567	76,703,929	17,065,194	127,774,026	121,249,358
	<u>18,347,389</u>	<u>1,727,348</u>	<u>56,891,588</u>	<u>13,578,452</u>	<u>4,239,591</u>	<u>36,623,031</u>	<u>30,332,432</u>
	85,237,572	29,983,500	100,506,979	63,125,477	12,825,603	91,150,995	90,916,926
	<u>32,123,728</u>	<u>4,969,339</u>	<u>41,065,556</u>	<u>4,547,348</u>	<u>1,799,598</u>	<u>26,591,729</u>	<u>18,257,839</u>
	<u>117,361,300</u>	<u>34,952,839</u>	<u>141,572,535</u>	<u>67,672,825</u>	<u>14,625,201</u>	<u>117,742,724</u>	<u>109,174,765</u>
\$	<u>68,550,648</u>	<u>3,964,731</u>	<u>93,009,367</u>	<u>63,716,569</u>	<u>7,339,107</u>	<u>58,163,621</u>	<u>112,971,372</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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
ENERGY REVOLVING LOAN				
Revenues				
Investment income	\$ -	\$ -	\$ 114	\$ 114
Other	-	-	319,377	319,377
	<u>-</u>	<u>-</u>	<u>319,491</u>	<u>319,491</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>319,491</u>	\$ <u>358,191</u>
Fund balance, budgetary, July 1			<u>40,258</u>	
Fund balance, budgetary, June 30			\$ <u>359,749</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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
NURSERY ROAD TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 7,112,000	\$ 7,112,000	\$ 6,701,223	\$ (410,777)
Investment income	10,000	10,000	14,862	4,862
	<u>7,122,000</u>	<u>7,122,000</u>	<u>6,716,085</u>	<u>(405,915)</u>
Expenditures				
General government	4,000	4,000	-	4,000
Interest payments on debt	41,900	41,900	41,900	-
Principal payments on debt	110,000	110,000	110,000	-
Other	6,966,100	6,966,100	6,564,185	401,915
	<u>7,122,000</u>	<u>7,122,000</u>	<u>6,716,085</u>	<u>405,915</u>
Revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -
Fund balance, budgetary, July 1			-	
Fund balance, budgetary, June 30			<u>\$ -</u>	
WEST COUNTY TAX INCREMENT DISTRICT (NBP)				
Revenues				
General property taxes	\$ 8,849,000	\$ 8,849,000	\$ 8,813,323	\$ (35,677)
Investment income	10,000	10,000	15,149	5,149
	<u>8,859,000</u>	<u>8,859,000</u>	<u>8,828,472</u>	<u>(30,528)</u>
Expenditures				
General government	28,500	28,500	15,000	13,500
Interest payments on debt	298,100	298,100	298,075	25
Principal payments on debt	905,000	905,000	905,000	-
Other	7,627,400	7,636,300	7,618,203	18,097
	<u>8,859,000</u>	<u>8,867,900</u>	<u>8,836,278</u>	<u>31,622</u>
Revenues over (under) expenditures	\$ -	\$ (8,900)	(7,806)	\$ 1,094
Fund balance, budgetary, July 1			(6,623)	
Fund balance, budgetary, June 30			<u>\$ (14,429)</u>	
ARUNDEL MILLS TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 11,308,000	\$ 11,308,000	\$ 5,169,083	\$ (6,138,917)
Investment income	40,000	40,000	28,924	(11,076)
	<u>11,348,000</u>	<u>11,348,000</u>	<u>5,198,007</u>	<u>(6,149,993)</u>
Expenditures				
General government	70,200	70,200	15,000	55,200
Interest payments on debt	629,200	629,200	629,175	25
Principal payments on debt	1,665,000	1,665,000	1,665,000	-
Other	8,983,600	8,983,600	8,894,320	89,280
	<u>11,348,000</u>	<u>11,348,000</u>	<u>11,203,495</u>	<u>144,505</u>
Revenues (under) expenditures	\$ -	\$ -	(6,005,488)	\$ (6,005,488)
Fund balance, budgetary, July 1			5,992,744	
Fund balance, budgetary, June 30			<u>\$ (12,744)</u>	

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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
PAROLE TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 17,418,000	\$ 17,418,000	\$ 17,068,555	\$ (349,445)
Investment income	50,000	50,000	37,153	(12,847)
	<u>17,468,000</u>	<u>17,468,000</u>	<u>17,105,708</u>	<u>(362,292)</u>
Expenditures				
General government	-	-	-	-
Other	17,468,000	17,468,000	17,105,708	362,292
	<u>17,468,000</u>	<u>17,468,000</u>	<u>17,105,708</u>	<u>362,292</u>
Revenues over (under) expenditures	\$ -	\$ -	-	\$ -
Fund balance, budgetary, July 1			-	
Fund balance, budgetary, June 30			<u>\$ -</u>	
NATIONAL BUSINESS PARK NORTH TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 1,918,000	\$ 1,918,000	\$ 1,917,808	\$ (192)
Investment income	7,500	7,500	488	(7,012)
	<u>1,925,500</u>	<u>1,925,500</u>	<u>1,918,296</u>	<u>(7,204)</u>
Expenditures				
General government	32,000	32,000	17,260	14,740
Interest payments on debt	963,000	963,000	962,938	62
Principal payments on debt	775,000	775,000	775,000	-
Other	200,200	200,200	146,826	53,374
	<u>1,970,200</u>	<u>1,970,200</u>	<u>1,902,024</u>	<u>68,176</u>
Revenues over (under) expenditures	\$ (44,700)	\$ (44,700)	16,272	\$ 60,972
Fund balance, budgetary, July 1			12,040	
Fund balance, budgetary, June 30			<u>\$ 28,312</u>	
VILLAGE SOUTH AT WAUGH CHAPEL TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 2,567,000	\$ 2,567,000	\$ 2,503,025	\$ (63,975)
Investment income	7,500	7,500	3,780	(3,720)
	<u>2,574,500</u>	<u>2,574,500</u>	<u>2,506,805</u>	<u>(67,695)</u>
Expenditures				
General government	50,000	50,000	14,246	35,754
Interest payments on debt	475,500	475,500	475,531	(31)
Principal payments on debt	475,000	475,000	475,000	-
Other	1,574,000	1,583,300	1,531,265	52,035
	<u>2,574,500</u>	<u>2,583,800</u>	<u>2,496,042</u>	<u>87,758</u>
Revenues (under) expenditures	\$ -	\$ (9,300)	10,763	\$ 20,063
Fund balance, budgetary, July 1			4,092	
Fund balance, budgetary, June 30			<u>\$ 14,855</u>	

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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
SPECIAL TAXING DISTRICTS				
Revenues				
Special assessments	\$ 367,050	\$ 367,050	\$ 379,069	\$ 12,019
Expenditures				
Principal payments on debt	235,813	235,813	235,813	-
Other	1,132,657	1,132,657	64,371	1,068,286
	<u>1,368,470</u>	<u>1,368,470</u>	<u>300,184</u>	<u>1,068,286</u>
Revenues over (under) expenditures	\$ (1,001,420)	\$ (1,001,420)	78,885	\$ 1,080,305
Fund balance, budgetary, July 1 (as restated)			<u>1,123,994</u>	
Fund balance, budgetary, June 30			\$ <u>1,202,879</u>	
INSTALLMENT PURCHASE AGREEMENTS				
Revenues				
Investment income	\$ -	\$ -	\$ 181,780	\$ 181,780
Other	739,400	739,400	739,400	-
	<u>739,400</u>	<u>739,400</u>	<u>921,180</u>	<u>181,780</u>
Expenditures				
Interest payments on debt	719,400	719,400	719,376	24
Principal payments on debt	20,000	20,000	20,000	-
	<u>739,400</u>	<u>739,400</u>	<u>739,376</u>	<u>24</u>
Revenues over (under) expenditures	\$ -	\$ -	181,804	\$ 181,804
Fund balance, budgetary, July 1 (as restated)			<u>11,480,568</u>	
Fund balance, budgetary, June 30			\$ <u>11,662,372</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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Amberly- Waterway	\$ 5,700	\$ 5,700	\$ 5,713	\$ 13
Annapolis Cove - Erosion	15,255	15,255	14,822	(433)
Arundel on the Bay - Erosion	37,580	37,580	39,882	2,302
Bay Ridge - Erosion	84,420	84,420	90,169	5,749
Buckingham Cove - Waterway	9,161	9,161	9,161	-
Camp Wabanna - Erosion	9,687	9,687	9,687	-
Cape Anne - Erosion	8,106	8,106	9,139	1,033
Cattail Creek - Waterway	5,400	5,400	4,428	(972)
Columbia Beach - Erosion	60,664	60,664	62,708	2,044
Elizabeths Landing - Erosion	6,941	6,941	6,371	(570)
Holland Point - Erosion	89,566	89,566	91,767	2,201
Lake Hillsmere II - Waterway	8,062	8,062	8,062	-
Romar Estates - Waterway	13,052	13,052	13,052	-
Snug Harbor - Erosion	8,229	8,229	8,228	(1)
Whitehall - Waterway	5,227	5,227	5,880	653
Total revenues	<u>\$ 367,050</u>	<u>\$ 367,050</u>	<u>\$ 379,069</u>	<u>\$ 12,019</u>
EXPENDITURES				
Amberly- Waterway	\$ 6,000	\$ 6,000	\$ 5,686	\$ 314
Annapolis Cove - Erosion	12,555	12,555	12,534	21
Arundel on the Bay - Erosion	351,170	351,170	16,550	334,620
Bay Ridge - Erosion	579,974	579,974	41,566	538,408
Buckingham Cove - Waterway	9,161	9,161	9,161	-
Camp Wabanna - Erosion	9,687	9,687	9,684	3
Cape Anne - Erosion	8,506	8,506	8,458	48
Cattail Creek - Waterway	12,683	12,683	5,361	7,322
Columbia Beach - Erosion	226,761	226,761	55,664	171,097
Elizabeths Landing - Erosion	15,141	15,141	6,450	8,691
Holland Point - Erosion	95,266	95,266	95,169	97
Lake Hillsmere II - Waterway	7,958	7,958	7,949	9
Romar Estates - Waterway	12,852	12,852	12,852	-
Snug Harbor - Erosion	13,929	13,929	6,241	7,688
Whitehall - Waterway	6,827	6,827	6,859	(32)
Total expenditures	<u>\$ 1,368,470</u>	<u>\$ 1,368,470</u>	<u>\$ 300,184</u>	<u>\$ 1,068,286</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, 2022

	Operating	Debt Service	Capital Projects	Total
ASSETS				
Current assets				
Cash and investments	\$ 33,116,858	\$ -	\$ 93,713,126	\$ 126,829,984
Service billings receivable	20,541,502	-	-	20,541,502
Receivables				
Due from other funds	436,385	-	-	436,385
Inventories	2,574,130	-	-	2,574,130
Lease receivable	4,411,618	-	-	4,411,618
Other	10,588	-	-	10,588
Restricted for debt service and capital projects				
Cash and temporary investments	-	18,314,481	-	18,314,481
Investments	-	258,892,034	-	258,892,034
Receivables				
Due from other governmental agencies	-	-	585,692	585,692
Other, net	-	24,653,624	-	24,653,624
Total current assets	<u>61,091,081</u>	<u>301,860,139</u>	<u>94,298,818</u>	<u>457,250,038</u>
Noncurrent assets				
Restricted assets				
Deferred connection and assessment charges	-	19,696,451	-	19,696,451
Capital assets				
Land and buildings	49,260,230	-	-	49,260,230
Water and sewer plants	1,145,600,274	-	-	1,145,600,274
Water and sewer lines	1,264,417,348	-	-	1,264,417,348
Machinery and equipment	20,296,518	-	-	20,296,518
	<u>2,479,574,370</u>	<u>-</u>	<u>-</u>	<u>2,479,574,370</u>
Less accumulated depreciation	<u>(1,068,270,006)</u>	<u>-</u>	<u>-</u>	<u>(1,068,270,006)</u>
	1,411,304,364	-	-	1,411,304,364
Construction work in progress	88,094	-	391,884,622	391,972,716
Total capital assets, net of depreciation	<u>1,411,392,458</u>	<u>-</u>	<u>391,884,622</u>	<u>1,803,277,080</u>
Total noncurrent assets	<u>1,411,392,458</u>	<u>19,696,451</u>	<u>391,884,622</u>	<u>1,822,973,531</u>
Total assets	<u>1,472,483,539</u>	<u>321,556,590</u>	<u>486,183,440</u>	<u>2,280,223,569</u>
DEFERRED OUTFLOW OF RESOURCES				
Pension benefits	12,636,801	-	-	12,636,801
OPEB benefits	12,791,833	-	-	12,791,833
Unamortized deferred refunding loss	-	1,824,340	-	1,824,340
Total deferred outflow of resources	<u>25,428,634</u>	<u>1,824,340</u>	<u>-</u>	<u>27,252,974</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	8,661,490	-	16,299,293	24,960,783
Current portion of long-term debt and obligations	41,138,499	9,134,067	-	50,272,566
Due to other funds	815,470	-	-	815,470
Lease payable	44,338	-	-	44,338
Escrow deposits	276,473	-	439,227	715,700
Liabilities related to restricted assets				
Accounts payable and accrued liabilities	-	8,410,502	-	8,410,502
Unearned revenue	-	2,300,628	-	2,300,628
Total current liabilities	<u>50,936,270</u>	<u>19,845,197</u>	<u>16,738,520</u>	<u>87,519,987</u>
Noncurrent liabilities				
Accrued liability for compensated absences	685,898	-	-	685,898
Net pension liability	43,889,273	-	-	43,889,273
Net OPEB liability	50,506,869	-	-	50,506,869
Long-term leases payable	64,053	-	-	64,053
Long-term debt	333,127,387	94,263,698	373,926,914	801,317,999
Unearned revenue	232,253	-	-	232,253
Total noncurrent liabilities	<u>428,505,733</u>	<u>94,263,698</u>	<u>373,926,914</u>	<u>896,696,345</u>
Total liabilities	<u>479,442,003</u>	<u>114,108,895</u>	<u>390,665,434</u>	<u>984,216,332</u>
DEFERRED INFLOW OF RESOURCES				
Pension benefits	7,271,783	-	-	7,271,783
OPEB benefits	3,313,396	-	-	3,313,396
Lease related	4,324,048	-	-	4,324,048
Total deferred inflow of resources	<u>14,909,227</u>	<u>-</u>	<u>-</u>	<u>14,909,227</u>
NET POSITION				
Net investment in capital assets	1,038,748,268	(101,573,425)	58,770,232	995,945,075
Restricted for debt service	-	310,845,460	-	310,845,460
Restricted for capital improvements	-	-	585,692	585,692
Unrestricted	<u>(35,187,325)</u>	<u>-</u>	<u>36,162,082</u>	<u>974,757</u>
Total net position	<u>\$ 1,003,560,943</u>	<u>\$ 209,272,035</u>	<u>\$ 95,518,006</u>	<u>\$ 1,308,350,984</u>

Anne Arundel County, Maryland

Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position

Water and Wastewater Fund

Year Ended June 30, 2022

	Operating	Debt Service	Capital Projects	Total
OPERATING REVENUES				
Charges for services	\$ 88,330,347	\$ -	\$ -	\$ 88,330,347
Other revenues	10,674,455	-	-	10,674,455
Total operating revenues	<u>99,004,802</u>	<u>-</u>	<u>-</u>	<u>99,004,802</u>
OPERATING EXPENSES				
Personnel services	34,422,893	-	-	34,422,893
Contractual services	48,975,375	-	-	48,975,375
Supplies and materials	10,134,495	-	-	10,134,495
Business and travel	179,330	-	-	179,330
Depreciation	65,502,882	-	-	65,502,882
Other	15,423,795	-	-	15,423,795
Total operating expenses	<u>174,638,770</u>	<u>-</u>	<u>-</u>	<u>174,638,770</u>
Operating loss	(75,633,968)	-	-	(75,633,968)
NONOPERATING REVENUES (EXPENSES)				
Investment income	78,068	916,141	-	994,209
Interest on long-term receivables	-	439,699	-	439,699
Other revenues	-	12,197,065	-	12,197,065
Other expenses	-	(1,304,285)	-	(1,304,285)
Interest expense	-	(32,793,028)	-	(32,793,028)
Gain on the disposal of assets	49,800	-	-	49,800
Loss before contributions and transfers	<u>(75,506,100)</u>	<u>(20,544,408)</u>	<u>-</u>	<u>(96,050,508)</u>
Capital contributions and grants	24,326,317	40,617,485	1,563,251	66,507,053
Environmental protection fees	-	25,772,777	-	25,772,777
Interfund transfers (General County Capital Projects)	(701,300)	-	-	(701,300)
Intrafund transfers	<u>152,064,368</u>	<u>(49,693,082)</u>	<u>(102,371,286)</u>	<u>-</u>
Change in net position	100,183,285	(3,847,228)	(100,808,035)	(4,471,978)
Net position, July 1	<u>903,377,658</u>	<u>213,119,263</u>	<u>196,326,041</u>	<u>1,312,822,962</u>
Net position, June 30	<u>\$ 1,003,560,943</u>	<u>\$ 209,272,035</u>	<u>\$ 95,518,006</u>	<u>\$ 1,308,350,984</u>

Anne Arundel County, Maryland

Combining Schedule of Cash Flows

Water and Wastewater Fund

Year Ended June 30, 2022

	<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	\$ 100,051,527	\$ -	\$ -	\$ 100,051,527
Cash payments to suppliers for goods and services	(74,440,828)	-	-	(74,440,828)
Cash payments to employees for services	(37,650,624)	-	-	(37,650,624)
Net cash provided by operating activities	<u>(12,039,925)</u>	<u>-</u>	<u>-</u>	<u>(12,039,925)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfer to General County Capital Projects	(701,300)	-	-	(701,300)
Cash transfers between funds	280,334	-	-	280,334
Net cash used for noncapital financing activities	<u>(420,966)</u>	<u>-</u>	<u>-</u>	<u>(420,966)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of County bonds	-	-	58,115,000	58,115,000
Proceeds from grant funds	-	-	4,045,408	4,045,408
Proceeds from loan	-	-	1,723,317	1,723,317
Proceeds from developers' contributions	-	-	322,561	322,561
Refunds to developers	-	(513,914)	(105,896)	(619,810)
Assessment and connection charges	726,510	44,130,977	-	44,857,487
Environmental protection fees for capital assets	-	25,772,777	-	25,772,777
Payments of long-term debt	-	(38,283,081)	-	(38,283,081)
Interest payments	-	(32,223,540)	-	(32,223,540)
Rebates, interest income and reimbursements	-	1,644,116	-	1,644,116
Operating funds used in construction	(1,360,000)	-	1,360,000	-
Acquisition and construction of capital assets	15,981,016	(8,470,001)	(63,912,897)	(56,401,882)
Premium on sale of bonds	-	8,470,001	8,470,001	16,940,002
Payment of capital related fees	-	(1,153,589)	-	(1,153,589)
Lease financing payments	13,626	-	-	13,626
Net cash provided (used) by capital and related financing activities	<u>15,361,152</u>	<u>(626,254)</u>	<u>10,017,494</u>	<u>24,752,392</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of investment securities	-	(232,646,598)	-	(232,646,598)
Sale of investment securities	-	245,764,801	-	245,764,801
Investment income received	78,068	2,515,433	-	2,593,501
Net cash provided (used) by investing activities	<u>78,068</u>	<u>15,633,636</u>	<u>-</u>	<u>15,711,704</u>
Net decrease in cash and cash equivalents	2,978,329	15,007,382	10,017,494	28,003,205
Cash and temporary investments, July 1	30,138,529	3,307,099	83,695,632	117,141,260
Cash and temporary investments, June 30	<u>\$ 33,116,858</u>	<u>\$ 18,314,481</u>	<u>\$ 93,713,126</u>	<u>\$ 145,144,465</u>

Anne Arundel County, Maryland
Combining Schedule of Cash Flows
Water and Wastewater Fund
Year Ended June 30, 2022

	<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	\$ (75,633,968)	\$ -	\$ -	\$ (75,633,968)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation	65,502,882	-	-	65,502,882
Effect of changes in operating assets, deferred outflows, liabilities and deferred inflows				
Accounts receivable	2,366,318	-	-	2,366,318
Due from other funds	351,254	-	-	351,254
Inventories	(53,676)	-	-	(53,676)
Prepaid expenses	21,977	-	-	21,977
Deferred outflow of resources	(9,114,147)	-	-	(9,114,147)
Deferred inflow of resources	7,938,590	-	-	7,938,590
Accounts payable and accrued liabilities	172,342	-	-	172,342
Escrow deposits	29,153	-	-	29,153
Accrued liability for compensated absences	(89,144)	-	-	(89,144)
Accrued liability for pension	(847,968)	-	-	(847,968)
Accrued liability for OPEB benefits	(2,683,538)	-	-	(2,683,538)
Net cash provided by operating activities	<u>\$ (12,039,925)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,039,925)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Contributions of capital assets from developers	\$ 23,599,807	\$ -	\$ -	\$ 23,599,807
Trade in of capital assets	49,800	-	-	49,800
Change in capital contributions, fees and grants; accruals and deferrals	-	(3,513,492)	(2,589,478)	(6,102,970)
Decrease in fair value of investments	-	(2,960,529)	-	(2,960,529)
Amortization of refunding losses	-	(481,091)	-	(481,091)
Total Noncash investing, capital, and financing activities	<u>\$ 23,649,607</u>	<u>\$ (6,955,112)</u>	<u>\$ (2,589,478)</u>	<u>\$ 14,105,017</u>

Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual (Non-GAAP Basis)

Enterprise Funds

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
WATER AND WASTEWATER OPERATIONS				
Revenues				
Charges for services	\$ 90,035,200	\$ 90,035,200	\$ 89,056,857	\$ (978,343)
Investment income	500,000	500,000	78,068	(421,932)
Other	15,160,100	15,160,100	13,632,967	(1,527,133)
	<u>105,695,300</u>	<u>105,695,300</u>	<u>102,767,892</u>	<u>(2,927,408)</u>
Expenses				
Personal services	41,224,800	41,100,800	39,716,292	1,384,508
Contractual services	35,646,100	34,841,100	32,018,167	2,822,933
Supplies and materials	9,652,400	11,071,400	10,943,746	127,654
Business and travel	249,300	227,100	201,810	25,290
Capital outlay	1,437,400	1,484,600	1,266,475	218,125
Administrative costs	15,306,700	18,594,700	14,791,700	3,803,000
Pay-as-you-go	5,864,300	2,061,300	2,061,300	-
	<u>109,381,000</u>	<u>109,381,000</u>	<u>100,999,490</u>	<u>8,381,510</u>
Revenues over (under) expenditures	<u>\$ (3,685,700)</u>	<u>\$ (3,685,700)</u>	<u>\$ 1,768,402</u>	<u>\$ 5,454,102</u>
WATER AND WASTEWATER DEBT SERVICE				
Revenues				
Water and sewer assessments	\$ 2,189,800	\$ 2,189,800	\$ 2,176,524	\$ (13,276)
Capital connection charges	36,775,000	36,775,000	44,738,044	7,963,044
Environmental protection fees	26,283,000	26,283,000	25,772,777	(510,223)
Investment income	2,520,000	2,520,000	3,556,904	1,036,904
Other	2,524,000	2,524,000	3,180,872	656,872
	<u>70,291,800</u>	<u>70,291,800</u>	<u>79,425,121</u>	<u>9,133,321</u>
Expenses				
Principal payments on debt	38,783,100	38,783,100	38,283,081	500,019
Interest expense	32,289,800	32,289,800	32,223,507	66,293
Other	1,388,000	1,388,000	1,190,067	197,933
	<u>72,460,900</u>	<u>72,460,900</u>	<u>71,696,655</u>	<u>764,245</u>
Revenues over (under) expenditures	<u>\$ (2,169,100)</u>	<u>\$ (2,169,100)</u>	<u>\$ 7,728,466</u>	<u>\$ 9,897,566</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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
SOLID WASTE				
Revenues				
Charges for services	\$ 57,493,600	\$ 57,493,600	\$ 57,447,015	\$ (46,585)
Landfill charges	7,614,800	7,614,800	9,499,402	1,884,602
Other	236,700	236,700	1,408,961	1,172,261
	<u>65,345,100</u>	<u>65,345,100</u>	<u>68,355,378</u>	<u>3,010,278</u>
Expenses				
Personal services	8,960,300	8,960,300	8,471,712	488,588
Contractual services	40,621,600	40,621,600	38,684,588	1,937,012
Supplies and materials	802,800	802,800	635,806	166,994
Business and travel	21,500	36,500	28,183	8,317
Capital outlay	1,655,800	1,655,800	1,640,125	15,675
Principal payments on debt	3,478,300	3,478,400	3,478,306	94
Interest expense	2,223,100	2,223,200	2,223,129	71
Administrative costs	4,650,600	4,650,600	4,650,600	-
Contributions to other funds	1,018,300	1,018,300	1,018,300	-
Other	492,000	476,800	190,170	286,630
Capital improvements	1,805,000	1,805,000	1,804,500	500
	<u>65,729,300</u>	<u>65,729,300</u>	<u>62,825,419</u>	<u>2,903,881</u>
Revenues over (under) expenditures	<u>\$ (384,200)</u>	<u>\$ (384,200)</u>	<u>\$ 5,529,959</u>	<u>\$ 5,914,159</u>
CHILD CARE				
Revenues				
Child care fees	\$ 9,479,500	\$ 9,479,500	\$ 6,831,257	\$ (2,648,243)
Other	-	-	4,188	4,188
	<u>9,479,500</u>	<u>9,479,500</u>	<u>6,835,445</u>	<u>(2,644,055)</u>
Expenses				
Personal services	6,634,600	6,634,600	4,453,702	2,180,898
Contractual services	379,300	379,300	241,955	137,345
Supplies and materials	631,400	631,400	298,052	333,348
Business and travel	42,800	42,800	27,543	15,257
Capital outlay	28,400	28,400	2,697	25,703
Other	1,556,000	1,556,000	1,230,200	325,800
	<u>9,272,500</u>	<u>9,272,500</u>	<u>6,254,149</u>	<u>3,018,351</u>
Revenues over (under) expenditures	<u>\$ 207,000</u>	<u>\$ 207,000</u>	<u>\$ 581,296</u>	<u>\$ 374,296</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, 2022

	Water and			
	Total Water and Wastewater	Capital Projects	Water Normal Extensions	Total
AUTHORIZED PER ORIGINAL BUDGET				
County bonds	\$ 814,907,418	\$ 256,443,865	\$ 1,085,770	\$ 257,529,635
Maryland Water Quality Loan	25,295,806	-	-	-
Grants and aid	115,919,618	4,026,000	-	4,026,000
Pay-as-you-go	72,818,712	9,354,602	-	9,354,602
Contributions by developers	3,146,551	430,000	-	430,000
Other sources	80,577,997	11,704,000	-	11,704,000
Total	<u>\$ 1,112,666,102</u>	<u>\$ 281,958,467</u>	<u>\$ 1,085,770</u>	<u>\$ 283,044,237</u>
AUTHORIZED PER FINAL BUDGET				
County bonds	\$ 771,183,861	\$ 245,641,308	\$ 1,085,770	\$ 246,727,078
Maryland Water Quality Loan	25,295,806	-	-	-
Grants and aid	116,575,721	4,265,000	-	4,265,000
Pay-as-you-go	71,424,829	8,701,923	-	8,701,923
Contributions by developers	3,146,551	430,000	-	430,000
Other sources	73,782,997	10,104,000	-	10,104,000
Total	1,061,409,765	269,142,231	1,085,770	270,228,001
Less: Completed projects	<u>195,285,853</u>	<u>8,516,322</u>	<u>2,158</u>	<u>8,518,480</u>
	866,123,912	260,625,909	1,083,612	261,709,521
REALIZED				
Current year:				
Bonds and bond anticipation notes	58,115,000	21,276,995	31,950	21,308,945
Proceeds from State loan	(3,198,267)	-	-	-
Grants and aid	1,455,930	(33,565)	-	(33,565)
Pay-as-you-go	1,360,000	1,550,264	-	1,550,264
Developer contributions	107,321	-	-	-
Other source	8,470,001	(2,600,000)	-	(2,600,000)
Total	66,309,985	20,193,694	31,950	20,225,644
Prior years	<u>659,014,247</u>	<u>77,148,556</u>	<u>265,796</u>	<u>77,414,352</u>
Total realized funding sources	725,324,232	97,342,250	297,746	97,639,996
Less: Completed projects	<u>194,904,194</u>	<u>8,225,434</u>	<u>2,158</u>	<u>8,227,592</u>
	530,420,038	89,116,816	295,588	89,412,404
Funding sources authorized - June 30, 2022	<u>\$ 335,703,874</u>	<u>\$ 171,509,093</u>	<u>\$ 788,024</u>	<u>\$ 172,297,117</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	
\$ 435,925,383	\$ 1,248,386	\$ 437,173,769	\$ 120,204,014	\$ 31,342,054	
25,295,806	-	25,295,806	-	-	
111,746,618	-	111,746,618	147,000	-	
16,328,333	-	16,328,333	47,135,777	21,373,896	
-	-	-	2,716,551	-	
62,301,000	-	62,301,000	6,572,997	750,000	
<u>\$ 651,597,140</u>	<u>\$ 1,248,386</u>	<u>\$ 652,845,526</u>	<u>\$ 176,776,339</u>	<u>\$ 53,465,950</u>	
\$ 414,766,531	\$ 1,231,910	\$ 415,998,441	\$ 108,458,342	\$ 24,171,297	
25,295,806	-	25,295,806	-	-	
112,163,721	-	112,163,721	147,000	-	
16,153,718	-	16,153,718	46,569,188	21,315,586	
-	-	-	2,716,551	-	
57,106,000	-	57,106,000	6,572,997	750,000	
625,485,776	1,231,910	626,717,686	164,464,078	46,236,883	
169,255,971	9,153	169,265,124	17,502,249	20,107,867	
456,229,805	1,222,757	457,452,562	146,961,829	26,129,016	
25,106,089	7,030	25,113,119	11,692,936	-	
(3,198,267)	-	(3,198,267)	-	-	
1,489,495	-	1,489,495	-	-	
(2,506,875)	-	(2,506,875)	2,316,611	1,489,000	
20,000	-	20,000	87,321	-	
5,070,001	-	5,070,001	6,000,000	-	
25,980,443	7,030	25,987,473	20,096,868	1,489,000	
507,728,382	112,191	507,840,573	73,759,322	36,937,122	
533,708,825	119,221	533,828,046	93,856,190	38,426,122	
169,165,200	9,153	169,174,353	17,502,249	20,101,848	
364,543,625	110,068	364,653,693	76,353,941	18,324,274	
<u>\$ 91,686,180</u>	<u>\$ 1,112,689</u>	<u>\$ 92,798,869</u>	<u>\$ 70,607,888</u>	<u>\$ 7,804,742</u>	

Anne Arundel County, Maryland

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

Enterprise Capital Projects Funds

Year Ended June 30, 2022

	Water and			
	Total Water and Wastewater	Capital Projects	Water Normal Extensions	Total
APPROPRIATIONS				
Original Budget	\$ <u>1,112,666,102</u>	\$ <u>281,958,467</u>	\$ <u>1,085,770</u>	\$ <u>283,044,237</u>
Final Budget:				
Prior years	\$ 970,840,765	\$ 257,745,231	\$ 885,770	\$ 258,631,001
Current year	<u>90,569,000</u>	<u>11,397,000</u>	<u>200,000</u>	<u>11,597,000</u>
	1,061,409,765	269,142,231	1,085,770	270,228,001
Less: Completed projects	<u>195,285,853</u>	<u>8,516,322</u>	<u>2,158</u>	<u>8,518,480</u>
Total appropriations	<u>866,123,912</u>	<u>260,625,909</u>	<u>1,083,612</u>	<u>261,709,521</u>
EXPENDITURES AND ENCUMBRANCES				
Prior years expenditures	586,830,823	53,276,521	265,810	53,542,331
Current year expenditures	<u>63,749,507</u>	<u>17,772,065</u>	<u>31,936</u>	<u>17,804,001</u>
	650,580,330	71,048,586	297,746	71,346,332
Less: Completed projects	<u>194,904,194</u>	<u>8,225,434</u>	<u>2,158</u>	<u>8,227,592</u>
Total	455,676,136	62,823,152	295,588	63,118,740
Encumbrances outstanding	<u>104,340,498</u>	<u>20,171,186</u>	<u>173,579</u>	<u>20,344,765</u>
Total expenditures and encumbrances	<u>560,016,634</u>	<u>82,994,338</u>	<u>469,167</u>	<u>83,463,505</u>
Unencumbered appropriations - June 30, 2022	\$ <u>306,107,278</u>	\$ <u>177,631,571</u>	\$ <u>614,445</u>	\$ <u>178,246,016</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>651,597,140</u>	\$ <u>1,248,386</u>	\$ <u>652,845,526</u>	\$ <u>176,776,339</u>	\$ <u>53,465,950</u>	
\$ <u>577,960,776</u>	\$ <u>981,910</u>	\$ <u>578,942,686</u>	\$ <u>133,267,078</u>	\$ <u>47,702,883</u>	
<u>47,525,000</u>	<u>250,000</u>	<u>47,775,000</u>	<u>31,197,000</u>	<u>(1,466,000)</u>	
<u>625,485,776</u>	<u>1,231,910</u>	<u>626,717,686</u>	<u>164,464,078</u>	<u>46,236,883</u>	
<u>169,255,971</u>	<u>9,153</u>	<u>169,265,124</u>	<u>17,502,249</u>	<u>20,107,867</u>	
<u>456,229,805</u>	<u>1,222,757</u>	<u>457,452,562</u>	<u>146,961,829</u>	<u>26,129,016</u>	
<u>459,701,441</u>	<u>112,223</u>	<u>459,813,664</u>	<u>73,474,828</u>	<u>32,981,455</u>	
<u>26,165,228</u>	<u>7,011</u>	<u>26,172,239</u>	<u>19,773,267</u>	<u>2,710,252</u>	
<u>485,866,669</u>	<u>119,234</u>	<u>485,985,903</u>	<u>93,248,095</u>	<u>35,691,707</u>	
<u>169,165,200</u>	<u>9,153</u>	<u>169,174,353</u>	<u>17,502,249</u>	<u>20,101,848</u>	
<u>316,701,469</u>	<u>110,081</u>	<u>316,811,550</u>	<u>75,745,846</u>	<u>15,589,859</u>	
<u>41,254,876</u>	<u>9,350</u>	<u>41,264,226</u>	<u>42,731,507</u>	<u>1,555,705</u>	
<u>357,956,345</u>	<u>119,431</u>	<u>358,075,776</u>	<u>118,477,353</u>	<u>17,145,564</u>	
\$ <u>98,273,460</u>	\$ <u>1,103,326</u>	\$ <u>99,376,786</u>	\$ <u>28,484,476</u>	\$ <u>8,983,452</u>	

Anne Arundel County, Maryland
 Combining Statement of Net Position
 Internal Service Funds
 June 30, 2022

	Self Insurance	Health Insurance	Central Garage and Transportation	Garage Vehicle Replacement	Totals
ASSETS					
Current assets					
Cash and temporary investments	\$ 2,433,373	\$ 14,927,421	\$ 3,311,526	\$ 9,437,014	\$ 30,109,334
Investments	77,042,174	-	-	-	77,042,174
Service billings receivable	18,637	9,124,868	58,883	-	9,202,388
Due from other funds	-	-	8,199,169	-	8,199,169
Inventories	-	-	1,499,335	-	1,499,335
Other assets	65,408	2,742,255	14,028	-	2,821,691
Total current assets	<u>79,559,592</u>	<u>26,794,544</u>	<u>13,082,941</u>	<u>9,437,014</u>	<u>128,874,091</u>
Noncurrent assets					
Due from other funds	-	-	-	-	-
Capital assets					
Land and buildings	-	-	2,073,990	-	2,073,990
Machinery and equipment	6,181	-	509,950	93,117,274	93,633,405
	6,181	-	2,583,940	93,117,274	95,707,395
Less accumulated depreciation	(1,980)	-	(2,089,922)	(65,179,263)	(67,271,165)
Total capital assets, net of depreciation	<u>4,201</u>	<u>-</u>	<u>494,018</u>	<u>27,938,011</u>	<u>28,436,230</u>
Total noncurrent assets	<u>4,201</u>	<u>-</u>	<u>494,018</u>	<u>27,938,011</u>	<u>28,436,230</u>
Total assets	<u>79,563,793</u>	<u>26,794,544</u>	<u>13,576,959</u>	<u>37,375,025</u>	<u>157,310,321</u>
DEFERRED OUTFLOW OF RESOURCES					
Pension benefits	529,892	-	1,837,667	-	2,367,559
OPEB benefits	584,249	-	1,875,008	-	2,459,257
Total deferred outflows	<u>1,114,141</u>	<u>-</u>	<u>3,712,675</u>	<u>-</u>	<u>4,826,816</u>
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	469,663	3,769,722	863,468	159,625	5,262,478
Current portion of long-term obligations	11,810,494	6,919,983	215,144	-	18,945,621
Due to other funds	22,510,329	-	-	-	22,510,329
Lease payable	1,711	-	-	-	1,711
Total current liabilities	<u>34,792,197</u>	<u>10,689,705</u>	<u>1,078,612</u>	<u>159,625</u>	<u>46,720,139</u>
Noncurrent liabilities					
Unpaid claims	41,710,238	-	-	-	41,710,238
Accrued liability for compensated absences	-	-	65,503	-	65,503
Accrued liability for pension benefits	1,674,936	-	7,130,551	-	8,805,487
Accrued liability for OPEB	2,029,323	-	7,476,885	-	9,506,208
Lease payable	2,471	-	-	-	2,471
Total noncurrent liabilities	<u>45,416,968</u>	<u>-</u>	<u>14,672,939</u>	<u>-</u>	<u>60,089,907</u>
Total liabilities	<u>80,209,165</u>	<u>10,689,705</u>	<u>15,751,551</u>	<u>159,625</u>	<u>106,810,046</u>
DEFERRED INFLOW OF RESOURCES					
Pension benefits	307,489	-	1,049,738	-	1,357,227
OPEB benefits	152,072	-	488,345	-	640,417
Total deferred inflows	<u>459,561</u>	<u>-</u>	<u>1,538,083</u>	<u>-</u>	<u>1,997,644</u>
NET POSITION					
Net investment in capital assets	19	-	494,018	27,938,011	28,432,048
Unrestricted	9,189	16,104,839	(494,018)	9,277,389	24,897,399
Total net position	<u>\$ 9,208</u>	<u>\$ 16,104,839</u>	<u>\$ -</u>	<u>\$ 37,215,400</u>	<u>\$ 53,329,447</u>

Anne Arundel County, Maryland

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

Internal Service Funds

Year Ended June 30, 2022

	Self Insurance	Health Insurance	Central Garage and Transportation	Garage Vehicle Replacement	Totals
OPERATING REVENUES					
Charges for services	\$ 12,494,390	\$ -	\$ 16,915,617	\$ 11,233,669	\$ 40,643,676
Medical premiums	-	94,361,076	-	-	94,361,076
Other	-	10,186,460	151	-	10,186,611
Total operating revenues	<u>12,494,390</u>	<u>104,547,536</u>	<u>16,915,768</u>	<u>11,233,669</u>	<u>145,191,363</u>
OPERATING EXPENSES					
Personnel services	1,425,254	12,500,000	5,024,099	-	18,949,353
Contractual services	349,632	810,595	1,387,407	30,344	2,577,978
Supplies and materials	67,036	31,290	152,552	2,380,803	2,631,681
Business and travel	15,298	-	9,412	-	24,710
Cost of goods issued	-	-	9,786,354	-	9,786,354
Depreciation	-	-	100,144	10,064,932	10,165,076
Provision for claims and estimated losses	5,397,459	97,905,880	-	-	103,303,339
Other	278,000	953,400	455,800	42,300	1,729,500
Total operating expenses	<u>7,532,679</u>	<u>112,201,165</u>	<u>16,915,768</u>	<u>12,518,379</u>	<u>149,167,991</u>
Operating income (loss)	<u>4,961,711</u>	<u>(7,653,629)</u>	<u>-</u>	<u>(1,284,710)</u>	<u>(3,976,628)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment income	(4,952,503)	32,411	-	-	(4,920,092)
Gain on disposal of assets	-	-	-	216,049	216,049
Loss before transfers	<u>9,208</u>	<u>(7,621,218)</u>	<u>-</u>	<u>(1,068,661)</u>	<u>(8,680,671)</u>
Change in net position	9,208	(7,621,218)	-	(1,068,661)	(8,680,671)
Net position, July 1	-	23,726,057	-	38,284,061	62,010,118
Net position, June 30	<u>\$ 9,208</u>	<u>\$ 16,104,839</u>	<u>\$ -</u>	<u>\$ 37,215,400</u>	<u>\$ 53,329,447</u>

Anne Arundel County, Maryland

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2022

	Self Insurance	Health Insurance	Central Garage and Transportation	Garage Vehicle Replacement	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 8,806,300	\$ 94,045,178	\$ 14,509,552	\$ 11,233,669	\$ 128,594,699
Cash received for expense reimbursement	12,717	-	-	-	12,717
Cash payments to suppliers for goods and services	(447,313)	(788,051)	(11,800,617)	(2,411,147)	(15,447,128)
Cash payments for insurance claims	(16,910,465)	(102,070,658)	-	-	(118,981,123)
Cash payments to employees for services	(1,699,639)	-	(5,578,968)	-	(7,278,607)
Other operating payments	(278,000)	(953,400)	(455,800)	(42,300)	(1,729,500)
Net cash provided (used) by operating activities	<u>(10,516,400)</u>	<u>(9,766,931)</u>	<u>(3,325,833)</u>	<u>8,780,222</u>	<u>(14,828,942)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Cash transfers between funds	(3,688,090)	-	-	-	(3,688,090)
Net cash provided (used) by non-capital financing activities	<u>(3,688,090)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,688,090)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	-	-	(60,231)	(6,983,438)	(7,043,669)
Proceeds from sale of equipment	-	-	-	750,420	750,420
Net cash used for capital and related financing activities	<u>-</u>	<u>-</u>	<u>(60,231)</u>	<u>(6,233,018)</u>	<u>(6,293,249)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment securities	(24,864,048)	-	-	-	(24,864,048)
Sale of investment securities	37,421,119	-	-	-	37,421,119
Investment income received	2,438,183	32,411	-	-	2,470,594
Net cash provided (used) by investing activities	<u>14,995,254</u>	<u>32,411</u>	<u>-</u>	<u>-</u>	<u>15,027,665</u>
Net increase (decrease) in cash and cash equivalents	790,764	(9,734,520)	(3,386,064)	2,547,204	(9,782,616)
Cash and temporary investments, July 1	1,642,609	24,661,941	6,697,590	6,889,810	39,891,950
Cash and temporary investments, June 30	<u>\$ 2,433,373</u>	<u>\$ 14,927,421</u>	<u>\$ 3,311,526</u>	<u>\$ 9,437,014</u>	<u>\$ 30,109,334</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES					
Operating income (loss)	\$ 4,961,711	\$ (7,653,629)	\$ -	\$ (1,284,710)	\$ (3,976,628)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	-	-	100,144	10,064,932	10,165,076
Other	(19)	-	-	-	(19)
Effect of changes in operating assets, deferred outflows, liabilities and deferred inflows					
Accounts receivable	-	(2,155,726)	(2,406,065)	-	(4,561,791)
Prepaid expenses	260	-	(14,028)	-	(13,768)
Inventories	-	-	(512,040)	-	(512,040)
Accounts payable and accrued expenses	(89,278)	(126,339)	90,866	-	(124,751)
Deferred outflow of resources	(464,444)	-	(1,364,041)	-	(1,828,485)
Deferred inflow of resources	416,534	-	1,348,356	-	1,764,890
Unpaid claims	(15,188,379)	168,763	-	-	(15,019,616)
Accrued liability for compensated absences	8,365	-	(51,520)	-	(43,155)
Accrued liability for OPEB benefits	(124,321)	-	(393,515)	-	(517,836)
Accrued liability for pension benefits	(36,829)	-	(123,990)	-	(160,819)
Net cash provided (used) by operating activities	<u>\$ (10,516,400)</u>	<u>\$ (9,766,931)</u>	<u>\$ (3,325,833)</u>	<u>\$ 8,780,222</u>	<u>\$ (14,828,942)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Increase (decrease) in fair value of investments	\$ (7,391,158)	\$ -	\$ -	\$ -	\$ (7,391,158)
Total Noncash investing, capital, and financing activities	<u>\$ (7,391,158)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,391,158)</u>

Anne Arundel County, Maryland

Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual (Non-GAAP Basis)

Internal Service Funds

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
SELF INSURANCE				
Revenues				
Charges for services	\$ 8,806,300	\$ 8,806,300	\$ 8,806,300	\$ -
Investment income	1,466,600	1,466,600	2,438,655	972,055
Reimbursements	200,000	200,000	12,717	(187,283)
Other	-	-	322,251	322,251
	<u>10,472,900</u>	<u>10,472,900</u>	<u>11,579,923</u>	<u>1,107,023</u>
Expenses				
Personal services	1,687,800	1,638,300	1,636,881	1,419
Contractual services	22,680,600	22,721,100	13,938,225	8,782,875
Supplies and materials	72,400	80,400	66,158	14,242
Business and travel	16,700	17,700	15,037	2,663
Capital outlay	2,000	2,000	878	1,122
Administrative costs	278,000	278,000	278,000	-
	<u>24,737,500</u>	<u>24,737,500</u>	<u>15,935,179</u>	<u>8,802,321</u>
Revenues over (under) expenditures	<u>\$ (14,264,600)</u>	<u>\$ (14,264,600)</u>	<u>\$ (4,355,256)</u>	<u>\$ 9,909,344</u>
HEALTH INSURANCE				
Revenues				
Charges for services	\$ 99,283,900	\$ 99,283,900	\$ 94,361,076	\$ (4,922,824)
Investment income	-	-	32,411	32,411
Other	3,300,000	3,300,000	10,193,331	6,893,331
	<u>102,583,900</u>	<u>102,583,900</u>	<u>104,586,818</u>	<u>2,002,918</u>
Expenses				
Medical claim costs	94,160,700	98,460,700	97,737,130	723,570
Contractual services	912,300	912,300	865,686	46,614
Supplies and materials	46,900	46,900	31,290	15,610
Business and travel	4,100	4,100	-	4,100
Other	13,453,400	13,453,400	13,453,400	-
	<u>108,577,400</u>	<u>112,877,400</u>	<u>112,087,506</u>	<u>789,894</u>
Revenues over expenditures	<u>\$ (5,993,500)</u>	<u>\$ (10,293,500)</u>	<u>\$ (7,500,688)</u>	<u>\$ 2,792,812</u>

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

Schedule of Revenues, Expenses, and Encumbrances - Budget and Actual (Non-GAAP Basis)

Internal Service Funds

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
CENTRAL GARAGE AND TRANSPORTATION				
Revenues				
Charges for services	\$ 13,859,500	\$ 13,859,500	\$ 14,508,193	\$ 648,693
Other	-	-	151	151
	<u>13,859,500</u>	<u>13,859,500</u>	<u>14,508,344</u>	<u>648,844</u>
Expenses				
Personal services	5,642,600	5,642,600	5,557,289	85,311
Contractual services	1,795,300	1,445,300	1,401,435	43,865
Supplies and materials	8,553,600	10,610,300	10,446,799	163,501
Business and travel	16,700	16,700	9,412	7,288
Capital outlay	87,500	87,500	64,378	23,122
Other	455,800	455,800	455,800	-
	<u>16,551,500</u>	<u>18,258,200</u>	<u>17,935,113</u>	<u>323,087</u>
Revenues over (under) expenditures	<u>\$ (2,692,000)</u>	<u>\$ (4,398,700)</u>	<u>\$ (3,426,769)</u>	<u>\$ 971,931</u>
GARAGE VEHICLE REPLACEMENT				
Revenues				
Charges for services	\$ 11,449,100	\$ 11,449,100	\$ 11,233,669	\$ (215,431)
Other	200,000	200,000	750,563	550,563
	<u>11,649,100</u>	<u>11,649,100</u>	<u>11,984,232</u>	<u>335,132</u>
Expenses				
Contractual services	37,000	37,000	30,344	6,656
Capital outlay	12,530,500	12,530,500	12,485,357	45,143
Other	42,300	42,300	42,300	-
	<u>12,609,800</u>	<u>12,609,800</u>	<u>12,558,001</u>	<u>51,799</u>
Revenues (under) expenditures	<u>\$ (960,700)</u>	<u>\$ (960,700)</u>	<u>\$ (573,769)</u>	<u>\$ 386,931</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.

Custodial 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.

Fiduciary Funds (continued)

PACE - There is a Clean Energy Loan Program to finance energy efficiency projects and renewable energy projects. A property owner participating in the Clean Energy Loan Program shall repay the loan through a surcharge on their real property tax bill. Clean Energy Loans may be provided by any private lender and a Clean Energy Financing Agreement may contain any terms agreed to by the Clean Energy Lender and the property owner, as permitted by law, for the financing of Clean Energy Loans. The County may not finance or fund any loan under the program, shall serve only as a program sponsor to facilitate loan repayment by including the surcharge on the annual County real property tax bill for the property, and shall incur no liability for the loan.

Bids & Contracts – Bids and Contracts Fund is a holding place for Bid Deposits submitted by potential bidders as a guarantee that if awarded a contract, they will follow through on contract execution or forfeit the bid deposit.

Home Builders Guarantee - The State of Maryland has established a Home Builder Guaranty Fund that is overseen by the Consumer Protection Division. This fund allows consumers to seek compensation for losses resulting from an act or omission by a registered builder who constructs a new home for a consumer. When a home builder applies for a building permit, \$50 of the cost of that permit is used to fund the Home Builder Guaranty Fund. The Department of Inspections and Permits collects and transfers this fee to the State of Maryland's Attorney General's office on a monthly basis.

Victim Restitution Fund - The Victim's Fund is money raised by the State's Attorney's Office and the Anne Arundel County Bar Association Foundation to reimburse crime victims who have no other means of replacing what has been damaged or stolen.

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 custodial 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 Fiduciary Net Position

Fiduciary Funds

June 30, 2022

	Pension Trust Funds (December 31, 2021)	Other Post Employment Plan Trust Funds	Total Pension (December 31, 2021) and Other Post Employment Plan Trust Funds
ASSETS			
Investments, at fair value:			
Cash and temporary investments	\$ 60,038,419	\$ 31,116,266	\$ 91,154,685
U. S. government obligations	40,641,514	-	40,641,514
Bank Loans	8,021,356	-	8,021,356
Corporate obligations	178,759,894	-	178,759,894
Domestic fixed income mutual funds	191,605,504	103,052,856	294,658,360
International fixed income mutual funds	105,297,297	-	105,297,297
Domestic equity	742,117,075	130,295,148	872,412,223
International equity pools	538,811,059	103,754,835	642,565,894
Private markets	343,461,744	-	343,461,744
Real estate investment pools	147,418,274	32,310,412	179,728,686
Aetna insurance pooled fixed income	20,215,616	-	20,215,616
Total investments	<u>2,376,387,752</u>	<u>400,529,517</u>	<u>2,776,917,269</u>
Collateral from securities lending transactions	66,273,262	-	66,273,262
Receivables:			
Accounts receivable	-	3,672,124	3,672,124
Employer contributions	9,063,175	-	9,063,175
Participant contributions	1,814,259	-	1,814,259
Accrued interest and dividends	2,574,654	-	2,574,654
Investment sales proceeds	2,421,646	-	2,421,646
Total receivables	<u>15,873,734</u>	<u>3,672,124</u>	<u>19,545,858</u>
Deposits on hand	262,008	-	262,008
Total assets	<u>2,458,796,756</u>	<u>404,201,641</u>	<u>2,862,998,397</u>
LIABILITIES			
Accounts payable and accrued liability	2,777,866	2,895,241	5,673,107
Investment commitments and unearned revenue	5,785,749	-	5,785,749
Obligation for collateral received under securities lending transactions	66,273,262	-	66,273,262
Total liabilities	<u>74,836,877</u>	<u>2,895,241</u>	<u>77,732,118</u>
NET POSITION			
Restricted for:			
Pension	2,383,959,879	-	2,383,959,879
OPEB	-	401,306,400	401,306,400
Total net position	<u>\$ 2,383,959,879</u>	<u>\$ 401,306,400</u>	<u>\$ 2,785,266,279</u>

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

Anne Arundel County, Maryland

Combining Statement of Changes in Fiduciary Net Position

Fiduciary Funds

Year Ended June 30, 2022

	Pension Trust Funds (December 31, 2021)	Other Post Employment Plan Trust Funds	Total Pension (December 31, 2021) and Other Post Employment Plan Trust Funds
ADDITIONS			
Contributions:			
Employer	\$ 99,695,868	\$ 95,533,029	\$ 195,228,897
Participant	15,480,356	9,165,418	24,645,774
Insurance subsidies and rebates	-	13,391,268	13,391,268
Total contributions	<u>115,176,224</u>	<u>118,089,715</u>	<u>233,265,939</u>
Investment income:			
Net appreciation in fair value of investments	239,264,772	(68,787,915)	170,476,857
Interest income	37,593,033	91,327	37,684,360
Dividend income	31,069,071	10,863,491	41,932,562
Total investment income	<u>307,926,876</u>	<u>(57,833,097)</u>	<u>250,093,779</u>
Less investment expense	9,904,539	277,310	10,181,849
Net income from investing activities	<u>298,022,337</u>	<u>(58,110,407)</u>	<u>239,911,930</u>
Securities lending activities:			
Securities lending income	309,780	-	309,780
Securities lending expenses:			
Borrower rebates	43,081	-	43,081
Management fees	106,680	-	106,680
Securities lending expense	149,761	-	149,761
Securities lending net income	<u>160,019</u>	<u>-</u>	<u>160,019</u>
Total net investment income	<u>298,182,356</u>	<u>(58,110,407)</u>	<u>240,071,949</u>
Total additions	<u>413,358,580</u>	<u>59,979,308</u>	<u>473,337,888</u>
DEDUCTIONS			
Participant benefit payments and refunds	145,381,479	-	145,381,479
Insurance claims and premiums	-	50,697,088	50,697,088
Administrative expenses	1,751,028	1,149,474	2,900,502
Total deductions	<u>147,132,507</u>	<u>51,846,562</u>	<u>198,979,069</u>
Net increase	266,226,073	8,132,746	274,358,819
Fiduciary net position, beginning of year	2,117,733,806	393,173,654	2,510,907,460
Fiduciary net position, end of year	<u>\$ 2,383,959,879</u>	<u>\$ 401,306,400</u>	<u>\$ 2,785,266,279</u>

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

Anne Arundel County, Maryland

Combining Statement of Plan Net Position

Pension Trust Funds

June 30, 2022

	Defined Benefit Pension Plans (December 31, 2021)				
	Employees' Retirement	Police Service Retirement	Fire Service Retirement	Detention Officers' & Deputy Sheriffs' Retirement	Totals
ASSETS					
Investments, at fair value:					
Cash and temporary investments	\$ 20,208,345	\$ 17,546,235	\$ 17,471,035	\$ 4,812,804	\$ 60,038,419
U. S. Government obligations	13,689,689	11,875,904	11,819,864	3,256,057	40,641,514
Bank Loans	2,701,914	2,343,930	2,332,869	642,643	8,021,356
Corporate obligations	60,213,487	52,235,637	51,989,147	14,321,623	178,759,894
Domestic fixed income mutual funds	64,540,402	55,989,267	55,725,066	15,350,769	191,605,504
International fixed income mutual funds	35,468,344	30,769,046	30,623,853	8,436,054	105,297,297
Domestic equity	249,974,733	216,854,894	215,831,601	59,455,847	742,117,075
International equity pools	181,493,129	157,446,607	156,703,649	43,167,674	538,811,059
Private markets	115,691,662	100,363,356	99,889,762	27,516,964	343,461,744
Real estate investment pools	49,656,375	43,077,265	42,873,993	11,810,641	147,418,274
Aetna insurance pooled fixed income	6,809,428	5,907,229	5,879,354	1,619,605	20,215,616
Total investments	800,447,508	694,409,370	691,140,193	190,390,681	2,376,387,752
Collateral from securities lending transactions	22,323,487	19,365,787	19,274,404	5,309,584	66,273,262
Receivables:					
Employer contributions	3,211,401	2,755,918	2,261,895	833,961	9,063,175
Participant contributions	601,409	480,691	492,513	239,646	1,814,259
Accrued interest and dividends	867,216	752,353	748,806	206,279	2,574,654
Investment sales proceeds	815,707	707,632	704,293	194,014	2,421,646
Total receivables	5,495,733	4,696,594	4,207,507	1,473,900	15,873,734
Deposits on hand	16,942	169,829	75,237	-	262,008
Total assets	828,283,670	718,641,580	714,697,341	197,174,165	2,458,796,756
LIABILITIES					
Accounts payable	935,326	811,952	808,123	222,465	2,777,866
Investment commitments payable	1,948,872	1,690,660	1,682,683	463,534	5,785,749
Obligation for collateral received under securities lending transactions	22,323,487	19,365,787	19,274,404	5,309,584	66,273,262
Total liabilities	25,207,685	21,868,399	21,765,210	5,995,583	74,836,877
NET POSITION					
Net position restricted for pension	\$ 803,075,985	\$ 696,773,181	\$ 692,932,131	\$ 191,178,582	\$ 2,383,959,879

	Defined Benefit Pension Trust (December 31, 2021)				
	Employees' Retirement	Police Service Retirement	Fire Service Retirement	Detention Officers' & Deputy Sheriffs' Retirement	Totals
ADDITIONS					
Contributions:					
Employer	\$ 36,178,170	\$ 29,598,702	\$ 24,642,756	\$ 9,276,240	\$ 99,695,868
Participant	5,527,603	4,255,390	4,203,216	1,494,147	15,480,356
Total contributions	41,705,773	33,854,092	28,845,972	10,770,387	115,176,224
Investment income:					
Net appreciation/(depreciation) in fair value of investments	81,113,677	69,794,348	69,376,174	18,980,573	239,264,772
Interest income	12,651,382	10,872,901	11,169,325	2,899,425	37,593,033
Dividend income	10,499,925	9,064,457	9,022,269	2,482,420	31,069,071
Total investment income/(loss)	104,264,984	89,731,706	89,567,768	24,362,418	307,926,876
Less investment expense	3,314,116	2,915,051	2,899,451	775,921	9,904,539
Net income/(loss) from investing activities	100,950,868	86,816,655	86,668,317	23,586,497	298,022,337
Securities lending activities:					
Securities lending income	104,805	90,320	89,926	24,729	309,780
Securities lending expenses:					
Borrower rebates	14,575	12,561	12,506	3,439	43,081
Management fees	36,092	31,104	30,968	8,516	106,680
Securities lending expense	50,667	43,665	43,474	11,955	149,761
Securities lending net income	54,138	46,655	46,452	12,774	160,019
Total net investment income/(loss)	101,005,006	86,863,310	86,714,769	23,599,271	298,182,356
Total additions	142,710,779	120,717,402	115,560,741	34,369,658	413,358,580
DEDUCTIONS					
Participant benefit payments and refunds	60,687,800	39,547,361	34,048,772	11,097,546	145,381,479
Administrative expenses	570,998	521,901	522,403	135,726	1,751,028
Total deductions	61,258,798	40,069,262	34,571,175	11,233,272	147,132,507
Net increases	81,451,981	80,648,140	80,989,566	23,136,386	266,226,073
Net position, beginning of year	721,624,004	616,125,041	611,942,565	168,042,196	2,117,733,806
Net position, end of year	\$ 803,075,985	\$ 696,773,181	\$ 692,932,131	\$ 191,178,582	\$ 2,383,959,879

Anne Arundel Retiree Health Benefits Trust
Combining Statement of Fiduciary Net Position
June 30, 2022

	Anne Arundel County Government Plan	Anne Arundel Community College Plan	Anne Arundel County Public Library Plan	Total
ASSETS				
Investments:				
Short-term investments	\$ 30,590,581	\$ 21,606	\$ 504,079	\$ 31,116,266
Mutual Funds	316,630,461	16,740,693	3,731,685	337,102,839
Real estate investment pool	30,348,325	1,604,432	357,655	32,310,412
Total investments	<u>377,569,367</u>	<u>18,366,731</u>	<u>4,593,419</u>	<u>400,529,517</u>
Accounts receivable	<u>3,668,789</u>	<u>3,335</u>	<u>-</u>	<u>3,672,124</u>
Total assets	<u>\$ 381,238,156</u>	<u>\$ 18,370,066</u>	<u>\$ 4,593,419</u>	<u>\$ 404,201,641</u>
LIABILITIES				
Accrued liabilities and accounts payables	<u>\$ 2,892,838</u>	<u>\$ 1,964</u>	<u>\$ 439</u>	<u>\$ 2,895,241</u>
Total liabilities	<u>2,892,838</u>	<u>1,964</u>	<u>439</u>	<u>2,895,241</u>
NET POSITION				
Net position restricted for OPEB	<u>\$ 378,345,318</u>	<u>\$ 18,368,102</u>	<u>\$ 4,592,980</u>	<u>\$ 401,306,400</u>

Anne Arundel Retiree Health Benefits Trust
Combining Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2022

	Anne Arundel County Government Plan	Anne Arundel Community College Plan	Anne Arundel County Public Library Plan	Total
Additions:				
Contributions:				
Employer	\$ 88,059,547	\$ 4,886,737	\$ 2,586,745	\$ 95,533,029
Member	7,716,317	1,130,318	318,783	9,165,418
Insurance subsidies and rebates	13,391,268	-	-	13,391,268
Total contributions	<u>109,167,132</u>	<u>6,017,055</u>	<u>2,905,528</u>	<u>118,089,715</u>
Investment income:				
Net appreciation in fair value of investments	(64,603,051)	(3,417,346)	(767,518)	(68,787,915)
Dividends	10,203,928	539,754	119,809	10,863,491
Interest	89,586	576	1,165	91,327
Total investment income	<u>(54,309,537)</u>	<u>(2,877,016)</u>	<u>(646,544)</u>	<u>(57,833,097)</u>
Less investment expense	260,714	13,601	2,995	277,310
Net investment income	<u>(54,570,251)</u>	<u>(2,890,617)</u>	<u>(649,539)</u>	<u>(58,110,407)</u>
Total additions	<u>54,596,881</u>	<u>3,126,438</u>	<u>2,255,989</u>	<u>59,979,308</u>
Deductions:				
Insurance claims	39,058,912	-	-	39,058,912
Insurance premiums	7,018,576	3,133,031	1,486,569	11,638,176
General and administrative expense	1,143,192	5,198	1,084	1,149,474
Total deductions	<u>47,220,680</u>	<u>3,138,229</u>	<u>1,487,653</u>	<u>51,846,562</u>
Net increase in plan net position	7,376,201	(11,791)	768,336	8,132,746
Net position held in trust for other postemployment benefits, beginning of year	<u>370,969,117</u>	<u>18,379,893</u>	<u>3,824,644</u>	<u>393,173,654</u>
Net position held in trust for other postemployment benefits, end of year	<u>\$ 378,345,318</u>	<u>\$ 18,368,102</u>	<u>\$ 4,592,980</u>	<u>\$ 401,306,400</u>

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Anne Arundel County, Maryland

Combining Statement of Fiduciary Net Position - Custodial Funds

Custodial Funds

June 30, 2022

	Subdivision Deposits	Sediment Control	City and State Tax Collections	Tax Sale Escrow Deposits	National Business Park STD	Two Rivers STD	Arundel Gateway STD	Farmington STD	Dorchester STD
ASSETS									
Cash and investments	\$ 1,944,007	\$ 5,580,504	\$ 4,681,122	\$ 24,188,192	\$ 1,502	\$ 3,890,026	\$ 875,488	\$ 1,009,585	\$ 2,655,995
Receivables									
Due from other governmental agencies (net of allowances)	-	-	5,126,977	-	-	-	-	-	-
Other (net)	-	-	-	-	-	(588)	-	-	37
Total assets	<u>\$ 1,944,007</u>	<u>\$ 5,580,504</u>	<u>\$ 9,808,099</u>	<u>\$ 24,188,192</u>	<u>\$ 1,502</u>	<u>\$ 3,889,438</u>	<u>\$ 875,488</u>	<u>\$ 1,009,585</u>	<u>\$ 2,656,032</u>
LIABILITIES									
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 370,218	\$ -	\$ -	\$ 4,174	\$ -	\$ -	\$ -
Due to other governmental agencies	-	-	-	-	-	-	-	-	-
Escrow and other deposits	-	-	9,437,881	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>9,808,099</u>	<u>-</u>	<u>-</u>	<u>4,174</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES									
Restricted for:									
Individuals, organizations and other governments	\$ 1,944,007	\$ 5,580,504	-	\$ 24,188,192	\$ 1,502	\$ 3,885,264	\$ 875,488	\$ 1,009,585	\$ 2,656,032
Total fund balances (deficit)	<u>1,944,007</u>	<u>5,580,504</u>	<u>-</u>	<u>24,188,192</u>	<u>1,502</u>	<u>3,885,264</u>	<u>875,488</u>	<u>1,009,585</u>	<u>2,656,032</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 1,944,007</u>	<u>\$ 5,580,504</u>	<u>\$ 9,808,099</u>	<u>\$ 24,188,192</u>	<u>\$ 1,502</u>	<u>\$ 3,889,438</u>	<u>\$ 875,488</u>	<u>\$ 1,009,585</u>	<u>\$ 2,656,032</u>

(continued)

Anne Arundel County, Maryland

Combining Statement of Fiduciary Net Position - Custodial Funds

Custodial Funds

June 30, 2022

	PACE Clean Energy Loan Program	Bid's & Contracts	Home Builders Guarantee	Victim Restitution Fund	Miscellaneous Escrow	Totals
ASSETS						
Cash and investments	\$ 361	\$ 177,154	\$ -	\$ 1,843	\$ 36,472	\$ 45,042,251
Receivables						
Due from other governmental agencies (net of allowances)	-	-	-	-	-	5,126,977
Other, net	-	-	82,957	-	-	82,406
Total assets	\$ <u>361</u>	\$ <u>177,154</u>	\$ <u>82,957</u>	\$ <u>1,843</u>	\$ <u>36,472</u>	\$ <u>50,251,634</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 913	\$ -	\$ -	\$ 375,305
Due to other funds	-	-	61,588	-	-	61,588
Escrow and other deposits	-	-	-	-	41,784	9,479,665
Total liabilities	\$ <u>-</u>	\$ <u>-</u>	\$ <u>62,501</u>	\$ <u>-</u>	\$ <u>41,784</u>	\$ <u>9,916,558</u>
FUND BALANCES						
Restricted for:						
Individuals, organizations and other governments	<u>361</u>	\$ <u>177,154</u>	\$ <u>20,456</u>	\$ <u>1,843</u>	\$ <u>(5,312)</u>	\$ <u>40,335,076</u>
Total fund balances (deficit)	<u>361</u>	<u>177,154</u>	<u>20,456</u>	<u>1,843</u>	<u>(5,312)</u>	<u>40,335,076</u>
Total liabilities, deferred inflows and fund balances	\$ <u>361</u>	\$ <u>177,154</u>	\$ <u>82,957</u>	\$ <u>1,843</u>	\$ <u>36,472</u>	\$ <u>50,251,634</u>

Anne Arundel County, Maryland

Combining Statement of Changes in Fiduciary Net Position - Custodial Funds

Custodial Funds

Year Ended June 30, 2022

	Subdivision Deposits	Sediment Control	City and State Tax Collections	Tax Sale Escrow Deposits	National Business Park STD	Two Rivers STD	Arundel Gateway STD	Farmington STD	Dorchester STD
ADDITIONS									
Subdivision deposits	\$ 1,045,477	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sediment control collections	-	2,237,132	-	-	-	-	-	-	-
Tax sale collections	-	-	-	23,051,446	-	-	-	-	-
Special taxing district tax collections	-	-	-	-	-	1,909,524	1,471,866	525,079	1,180,437
Home builder guarantee collections	-	-	-	-	-	-	-	-	-
Victim restitution collections	-	-	-	-	-	-	-	-	-
Misc. revenue	-	-	-	-	4	3,234	1,367	505	2,268
Investment income	-	-	-	-	-	-	-	-	26
Misc. escrow collections	-	-	-	-	-	-	-	-	-
Total revenues	<u>1,045,477</u>	<u>2,237,132</u>	<u>-</u>	<u>23,051,446</u>	<u>4</u>	<u>1,912,758</u>	<u>1,473,233</u>	<u>525,584</u>	<u>1,182,731</u>
DEDUCTIONS									
Subdivision deposits	1,353,685	-	-	-	-	-	-	-	-
Sediment control	-	895,371	-	-	-	-	-	-	-
Tax sale escrow deposits	-	-	-	7,496,389	-	-	-	-	-
Special tax districts	-	-	-	-	-	1,802,418	1,414,600	493,204	1,122,933
Escrow deposits	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	16,590	12,032	7,996	13,604
Total expenditures	<u>1,353,685</u>	<u>895,371</u>	<u>-</u>	<u>7,496,389</u>	<u>-</u>	<u>1,819,008</u>	<u>1,426,632</u>	<u>501,200</u>	<u>1,136,537</u>
Revenues over (under) expenditures	<u>(308,208)</u>	<u>1,341,761</u>	<u>-</u>	<u>15,555,057</u>	<u>4</u>	<u>93,750</u>	<u>46,601</u>	<u>24,384</u>	<u>46,194</u>
Net Position, July 1	2,252,215	4,238,743	-	8,633,135	1,498	3,791,514	828,887	985,201	2,609,838
Net Position, June 30	<u>\$ 1,944,007</u>	<u>\$ 5,580,504</u>	<u>\$ -</u>	<u>\$ 24,188,192</u>	<u>\$ 1,502</u>	<u>\$ 3,885,264</u>	<u>\$ 875,488</u>	<u>\$ 1,009,585</u>	<u>\$ 2,656,032</u>

(continued)

Anne Arundel County, Maryland

Combining Statement of Changes in Fiduciary Net Position - Custodial Funds

Custodial Funds

Year Ended June 30, 2022

	PACE Clean Energy Loan Program	Bid's & Contracts	Home Builders Guarantee	Victim Restitution Fund	Miscellaneous Escrow	Totals
ADDITIONS						
Subdivision deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,045,477
Sediment control collections	-	-	-	-	-	2,237,132
Tax sale collections	-	-	-	-	-	23,051,446
Special taxing district tax collections	-	-	-	-	-	5,086,906
Home builder guarantee collections	-	-	74,175	-	-	74,175
Victim restitution collections	-	-	-	(75)	-	(75)
Misc. revenue	-	-	-	-	-	7,378
Investment income	-	-	-	-	-	26
Other	-	-	-	-	10,000	10,000
Total revenues	<u>-</u>	<u>-</u>	<u>74,175</u>	<u>(75)</u>	<u>10,000</u>	<u>31,512,465</u>
DEDUCTIONS						
Subdivision deposits	-	-	-	-	-	1,353,685
Sediment control	-	-	-	-	-	895,371
Tax sale escrow deposits	-	-	-	-	-	7,496,389
Special tax districts	-	-	-	-	-	4,833,155
Escrow deposits	-	-	58,663	-	4,492	63,155
Consultants	-	-	-	-	-	50,222
Total expenditures	<u>-</u>	<u>-</u>	<u>58,663</u>	<u>-</u>	<u>4,492</u>	<u>14,691,977</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>15,512</u>	<u>(75)</u>	<u>5,508</u>	<u>16,820,488</u>
Net Position, July 1	<u>361</u>	<u>177,154</u>	<u>4,944</u>	<u>1,918</u>	<u>(10,820)</u>	<u>23,514,588</u>
Net Position, June 30	\$ <u><u>361</u></u>	\$ <u><u>177,154</u></u>	\$ <u><u>20,456</u></u>	\$ <u><u>1,843</u></u>	\$ <u><u>(5,312)</u></u>	\$ <u><u>40,335,076</u></u>

Anne Arundel County, Maryland

Combining Statement of Net Position

Non-major Component Units

June 30, 2022

	AA County Public Library	Economic Development	Tipton Airport	Workforce Development	Totals
ASSETS					
Current Assets					
Cash and investments	\$ 11,718	\$ 6,044,675	\$ 1,090,584	\$ 1,970,007	\$ 9,116,984
Prepays and other assets	89,899	606,758	66,589	2,141,255	2,904,501
Inventories	-	-	47,899	-	47,899
Receivables	-	-	377,025	-	377,025
Due from primary government	1,806,253	-	-	-	1,806,253
Restricted assets					
Cash and temporary investments	-	132,205	-	-	132,205
Total current assets	<u>1,907,870</u>	<u>6,783,638</u>	<u>1,582,097</u>	<u>4,111,262</u>	<u>14,384,867</u>
Non-current Assets					
Loans receivable and other assets	-	1,033,856	-	122,988	1,156,844
Capital assets being depreciated	23,976,925	924,260	19,771,165	3,677,185	48,349,535
Less accumulated depreciation	<u>(6,517,313)</u>	<u>(694,869)</u>	<u>(9,719,302)</u>	<u>(880,750)</u>	<u>(17,812,234)</u>
Total capital assets	<u>17,459,612</u>	<u>229,391</u>	<u>10,051,863</u>	<u>2,796,435</u>	<u>30,537,301</u>
Total assets	<u>19,367,482</u>	<u>8,046,885</u>	<u>11,633,960</u>	<u>7,030,685</u>	<u>46,079,012</u>
DEFERRED OUTFLOW OF RESOURCES					
Pension benefits	887,099	863,817	-	-	1,750,916
OPEB benefits	20,542,023	316,486	-	-	20,858,509
Total deferred outflows	<u>21,429,122</u>	<u>1,180,303</u>	<u>-</u>	<u>-</u>	<u>22,609,425</u>
LIABILITIES					
Current Liabilities					
Accrued liabilities	1,124,276	404,606	306,878	403,117	2,238,877
Current portion on non-current liabilities	1,356,674	-	56,752	165,838	1,579,264
Unearned revenue	-	27,077	67,116	2,653,920	2,748,113
Lease liability	612,729	22,288	-	-	635,017
Rent Abatement	-	-	-	2,793,652	2,793,652
Total current liabilities	<u>3,093,679</u>	<u>453,971</u>	<u>430,746</u>	<u>6,016,527</u>	<u>9,994,923</u>
Non-current liabilities					
Accrued liability for pension benefits	3,800,368	2,629,550	-	-	6,429,918
Accrued liability for OPEB benefits	48,849,183	2,610,167	-	-	51,459,350
Long-term debt, net of deferred refunding gain/loss	-	-	949,642	-	949,642
Lease liability	885,207	1,759	-	-	886,966
Total non-current liabilities	<u>53,534,758</u>	<u>5,241,476</u>	<u>949,642</u>	<u>-</u>	<u>59,725,876</u>
Total liabilities	<u>56,628,437</u>	<u>5,695,447</u>	<u>1,380,388</u>	<u>6,016,527</u>	<u>69,720,799</u>
DEFERRED INFLOW OF RESOURCES					
Pension benefits	468,602	437,698	-	-	906,300
OPEB benefits	7,501,449	209,274	-	-	7,710,723
Total deferred outflows	<u>7,970,051</u>	<u>646,972</u>	<u>-</u>	<u>-</u>	<u>8,617,023</u>
NET POSITION					
Capital assets, net of related debt	15,986,241	205,344	9,045,469	2,783	25,239,837
Restricted for:					
Other purposes	-	250,000	1,022,974	-	1,272,974
Unrestricted	<u>(39,788,125)</u>	<u>2,429,425</u>	<u>185,129</u>	<u>1,011,375</u>	<u>(36,162,196)</u>
Total net position (deficit)	<u>\$ (23,801,884)</u>	<u>\$ 2,884,769</u>	<u>\$ 10,253,572</u>	<u>\$ 1,014,158</u>	<u>\$ (9,649,385)</u>

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Anne Arundel County, Maryland

Combining Statement of Activities

Non-major Component Units

Year Ended June 30, 2022

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<i>AA County Public Library</i>				
Community services	\$ 30,308,718	\$ 161,149	\$ 5,197,323	\$ -
<i>Economic Development</i>				
Arundel Business Loan Program	996,464	2,311	-	-
Chesapeake Innovation Center	-	-	-	-
Administrative	2,574,702	-	1,686,633	-
Anne Arundel Agricultural Marketing, LLC	346,179	-	38,254	-
Anne Arundel Community Development, LLC	946	-	-	-
Video Lottery Terminal	-	-	-	-
Unallocated depreciation	54,208	-	-	-
	<u>3,972,499</u>	<u>2,311</u>	<u>1,724,887</u>	<u>-</u>
<i>Tipton Airport Authority</i>				
Airport operations	<u>2,468,710</u>	<u>1,997,231</u>	<u>-</u>	<u>1,727,008</u>
<i>Workforce Development</i>				
Workforce development programs				
Other WIA programs	9,792,942	-	10,002,042	-
Administration	627,504	-	-	-
Other grants, projects, initiatives	1,337,142	193,065	1,109,622	-
	<u>\$ 11,757,588</u>	<u>\$ 193,065</u>	<u>\$ 11,111,664</u>	<u>\$ -</u>

General revenues:

Hotel tax
 Unrestricted contributions
 Interest earnings
 Miscellaneous
 Total general revenues

Changes in net position

Net position, July 1 (as restated)

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>(24,950,246)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(24,950,246)</u>
-	(994,153)	-	-	(994,153)
-	-	-	-	-
-	(888,069)	-	-	(888,069)
-	(307,925)	-	-	(307,925)
-	(946)	-	-	(946)
-	-	-	-	-
-	(54,208)	-	-	(54,208)
<u>-</u>	<u>(2,245,301)</u>	<u>-</u>	<u>-</u>	<u>(2,245,301)</u>
<u>-</u>	<u>-</u>	<u>1,255,529</u>	<u>-</u>	<u>1,255,529</u>
-	-	-	209,100	209,100
-	-	-	(627,504)	(627,504)
-	-	-	(34,455)	(34,455)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(452,859)</u>	<u>(452,859)</u>
-	1,000,000	-	-	1,000,000
24,810,700	1,479,209	-	61,735	26,351,644
-	1,916	413	10,318	12,647
55,494	992,943	-	12,830	1,061,267
<u>24,866,194</u>	<u>3,474,068</u>	<u>413</u>	<u>84,883</u>	<u>28,425,558</u>
(84,052)	1,228,767	1,255,942	(367,976)	2,032,681
<u>(23,717,832)</u>	<u>1,656,002</u>	<u>8,997,630</u>	<u>1,382,134</u>	<u>(11,682,066)</u>
\$ <u>(23,801,884)</u>	\$ <u>2,884,769</u>	\$ <u>10,253,572</u>	\$ <u>1,014,158</u>	\$ <u>(9,649,385)</u>

Anne Arundel County, Maryland

Balance Sheet

AA County Public Library Component Unit

June 30, 2022

	Governmental Funds		
	Operating Fund	Dedicated Revenue Fund	Total
ASSETS			
Cash and investments	\$ 11,388	\$ 330	\$ 11,718
Due from primary government	1,800,517	5,736	1,806,253
Receivables			
Other, net	89,899	-	89,899
Total assets	<u>\$ 1,901,804</u>	<u>\$ 6,066</u>	<u>\$ 1,907,870</u>
LIABILITIES			
Accrued liabilities	\$ 1,124,274	\$ -	\$ 1,124,274
Total liabilities	<u>1,124,274</u>	<u>-</u>	<u>1,124,274</u>
FUND BALANCES			
Assigned	979,860	9,781	989,641
Unassigned	(202,330)	(3,715)	(206,045)
Total fund balances (deficit)	<u>777,530</u>	<u>6,066</u>	<u>783,596</u>
Total liabilities and fund balances	<u>\$ 1,901,804</u>	<u>\$ 6,066</u>	<u>\$ 1,907,870</u>

Anne Arundel County, Maryland

Statement of Revenues, Expenditures, and Changes in Fund Balances

AA County Public Library Component Unit

Year Ended June 30, 2022

	Governmental Funds		
	Operating Fund	Dedicated Revenue Fund	Total
REVENUES			
Grants and aid	\$ 29,979,928	\$ 28,095	\$ 30,008,023
Fines and fees	161,149	-	161,149
Other	45,625	9,869	55,494
Total revenues	<u>30,186,702</u>	<u>37,964</u>	<u>30,224,666</u>
EXPENDITURES			
Recreation and community services	30,916,831	8,575	30,925,406
Total expenditures	<u>30,916,831</u>	<u>8,575</u>	<u>30,925,406</u>
Revenues over (under) expenditures	<u>(730,129)</u>	<u>29,389</u>	<u>(700,740)</u>
Net change in fund balances	<u>(730,129)</u>	<u>29,389</u>	<u>(700,740)</u>
Fund balances, July 1	1,507,659	(23,323)	1,484,336
Fund balances, June 30	<u>\$ 777,530</u>	<u>\$ 6,066</u>	<u>\$ 783,596</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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Grants and aid	\$ 2,552,000	\$ 2,552,000	\$ 2,641,677	\$ 89,677
Primary government contribution	24,810,700	24,810,700	24,810,700	-
Fines and fees	309,000	309,000	163,367	(145,633)
Other	802,600	802,600	825,625	23,025
Total revenues	<u>28,474,300</u>	<u>28,474,300</u>	<u>28,441,369</u>	<u>(32,931)</u>
EXPENDITURES				
Current				
Recreation and community services	28,469,800	28,469,800	28,611,396	(141,596)
Other	433,000	433,000	433,000	-
Capital outlay	399,000	399,000	376,138	22,862
Total expenditures	<u>29,301,800</u>	<u>29,301,800</u>	<u>29,420,534</u>	<u>(118,734)</u>
Revenues over expenditures	<u>\$ (827,500)</u>	<u>\$ (827,500)</u>	<u>(979,165)</u>	<u>\$ (151,665)</u>
Fund balances, budgetary, July 1			<u>1,434,035</u>	
Fund balances, budgetary, June 30			<u>\$ 454,870</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, 2022

	<u>Issued Date</u>	<u>Maturing Serially</u>	<u>Rate of Interest</u>	<u>Amount Issued</u>	<u>Redeemed F/Y 22</u>	<u>06/30/22 Outstanding</u>	<u>Total Due to Maturity</u>
Water and Wastewater Bonds							
MDWQE Rosehaven	03/28/01	2003-31	1.50 to 1.50	\$ 3,033,715	\$ 111,826	\$ 1,085,018	\$ 1,168,006
MDWQE Annapolis WRF Expn	06/27/03	2005-24	1.00 to 1.00	19,362,500	1,041,423	2,114,193	2,145,959
MDWQE Marley Jumpers	04/07/07	2008-27	1.00 to 1.00	5,854,341	373,720	611,098	619,546
MDWQE Woodholme Circle	06/17/08	2009-28	1.10 to 1.10	1,200,475	68,203	368,473	381,247
MDWQE Deale Rd Sewer	12/01/09	2011-30	0.00 to 0.00	1,749,147	98,324	569,263	569,263
MDWQE Annap/Bneck/Cox	06/16/11	2013-32	2.20 to 2.20	15,975,016	881,779	9,614,205	10,783,754
MDWQE Bwater/MDCity/Patxnt	05/31/12	2014-33	1.80 to 1.80	12,430,208	646,241	7,880,489	8,753,063
Series 12	06/14/12	2013-42	2.00 to 4.00	27,020,000	900,000	-	-
Series 12 Refunding	06/14/12	2013-32	2.00 to 5.00	15,810,000	1,205,000	-	-
MDWQE Sylvan Shores Water	12/21/12	2014-42	0.80 to 0.80	3,783,000	130,498	2,671,968	2,890,957
MDWQE Sylvan Shores Sewer	12/21/12	2014-33	0.80 to 0.80	1,944,000	98,203	1,133,496	1,188,626
Series 13	06/20/13	2014-43	4.00 to 5.00	38,080,000	1,270,000	26,670,000	39,327,137
MDWQE Cox Creek Ph II	10/31/13	2014-34	2.10 to 2.10	17,475,907	1,232,864	13,779,510	15,414,561
Series 14	04/03/14	2015-44	3.00 to 5.00	79,200,000	2,640,000	58,080,000	85,819,800
Series 15	04/08/15	2016-45	2.00 to 5.00	77,600,000	2,590,000	59,470,000	95,144,500
Series 15 Refunding	04/08/15	2016-36	5.00 to 5.00	34,875,000	1,880,000	25,820,000	35,282,250
Series 16	04/13/16	2017-46	3.00 to 5.00	43,585,000	1,455,000	34,865,000	55,766,125
Series 16 Refunding	04/13/16	2017-36	3.00 to 5.00	75,300,000	4,715,000	43,385,000	51,601,025
Series 17	04/12/17	2018-47	5.00 to 5.00	63,175,000	2,125,000	53,125,000	86,328,125
Series 17 Refunding	04/12/17	2018-29	3.00 to 5.00	20,515,000	970,000	16,425,000	21,105,700
Series 18	03/29/18	2019-48	5.00 to 5.00	67,805,000	2,260,000	58,760,000	96,954,000
Series 19	04/12/19	2020-49	5.00 to 5.00	71,090,000	2,370,000	63,985,000	107,171,625
Series 19 Refunding	04/12/19	2020-25	5.00 to 5.00	6,020,000	1,340,000	1,935,000	2,127,000
Series 20	05/06/20	2021-50	3.00 to 5.00	74,095,000	2,470,000	69,155,000	117,560,125
Series 21	03/23/21	2022-51	3.00 to 5.00	69,045,000	2,305,000	66,740,000	100,270,500
Series 21 Refunding	03/23/21	2022-31	5.00 to 5.00	50,175,000	3,105,000	47,070,000	67,176,400
Series 22	04/05/22	2023-52	4.00 to 5.00	58,115,000	-	58,115,000	95,732,709
Series 22 Refunding	04/05/22	2023-31	4.00 to 5.00	23,035,000	-	23,035,000	31,914,591
Total applicable to 5.6% and 14.0% debt limitations				<u>977,348,309</u>	<u>38,283,081</u>	<u>746,462,713</u>	<u>1,133,196,594</u>

(continued)

DETAILS OF GENERAL LONG-TERM DEBT AND INTEREST (continued)

LONG-TERM DEBT APPLICABLE TO 5.2% AND 13% DEBT LIMITATIONS

June 30, 2022

	<i>Issued</i>	<i>Maturing Serially</i>	<i>Rate of Interest</i>	<i>Issued</i>	<i>Redeemed F/Y 22</i>	<i>06/30/22 Outstanding</i>	<i>Total Due to Maturity</i>
Consolidated General Improvements							
Bonds							
Series 12	06/14/12	2013-32	3.00 to 4.00	98,900,000	5,937,290	-	-
Series 12 Refunding	06/14/12	2013-32	2.00 to 5.00	36,332,512	3,930,739	-	-
Series 13	06/20/13	2014-33	4.00 to 5.00	116,000,000	6,960,000	53,360,000	68,648,800
Series 14	04/03/14	2015-34	3.00 to 5.00	115,000,000	6,968,020	58,971,832	73,599,213
Series 15	04/08/15	2016-35	2.00 to 5.00	154,920,000	10,804,842	90,136,748	117,899,799
Series 15 Refunding	04/08/15	2016-27	5.00 to 5.00	58,504,968	6,103,328	27,565,687	31,391,208
Golf Course Refunding	04/08/15	2016-28	5.00 to 5.00	15,735,000	1,185,000	8,490,000	10,035,500
Series 16	04/13/16	2017-46	5.00 to 5.00	80,027,783	2,668,926	64,019,227	102,415,891
Series 16 Refunding	04/13/16	2017-27	3.00 to 5.00	69,384,271	6,167,193	13,919,024	15,600,533
Series 17	04/12/17	2018-47	5.00 to 5.00	104,008,000	3,538,389	86,316,055	140,391,746
Series 17 Refunding	04/12/17	2018-29	3.00 to 5.00	44,423,549	4,162,259	29,640,183	33,826,412
Series 18	03/29/18	2019-48	5.00 to 5.00	177,642,000	5,867,817	154,185,732	255,028,158
Series 19	04/12/19	2020-49	5.00 to 5.00	191,621,000	6,326,858	172,645,426	289,935,905
Series 19 Refunding	04/12/19	2020-25	5.00 to 5.00	4,445,000	750,000	2,160,000	2,374,500
Series 20	05/06/20	2021-50	3.00 to 5.00	188,363,000	6,152,039	176,058,922	259,956,431
Series 21	03/23/21	2022-51	3.00 to 5.00	152,937,000	5,010,342	147,926,658	222,844,801
Series 21 Refunding	03/23/21	2022-31	5.00 to 5.00	110,511,100	14,085,900	96,425,200	118,694,270
Series 22	04/05/22	2023-52	4.00 to 5.00	112,198,000	-	112,198,000	184,845,034
Series 22 Refunding	04/05/22	2023-52	5.00 to 5.00	43,909,149	-	43,909,149	54,343,340
				<u>1,874,862,332</u>	<u>96,618,942</u>	<u>1,337,927,843</u>	<u>1,981,831,541</u>
WPRF Bonds							
Series 14	04/03/14	2015-34	2.00 to 5.00	7,300,000	390,427	4,318,584	5,431,851
Series 15	04/08/15	2016-35	5.00 to 5.00	26,880,000	1,443,684	18,202,896	24,541,911
Series 16	04/13/16	2017-45	5.00 to 5.00	13,232,217	441,074	10,585,773	16,937,236
Series 18	03/29/18	2019-48	5.00 to 5.00	13,008,000	433,600	11,273,600	18,601,440
Series 19	04/12/19	2020-49	5.00 to 5.00	20,359,000	678,633	18,323,101	30,691,204
Series 20	05/06/20	2021-50	3.00 to 5.00	26,132,000	871,067	24,389,866	35,896,653
Series 21	03/23/21	2022-51	3.00 to 5.00	27,128,000	904,267	26,223,733	39,403,418
Series 22	04/05/22	2023-52	4.00 to 5.00	26,297,000	-	26,297,000	43,328,493
				<u>160,336,217</u>	<u>5,162,752</u>	<u>139,614,553</u>	<u>214,832,206</u>
Solid Waste Bonds							
Series 12	06/14/12	2013-32	3.00 to 4.00	2,200,000	122,710	-	-
Series 12 Refunding	06/14/12	2013-25	2.00 to 5.00	917,488	99,261	-	-
Series 14	04/03/14	2015-34	2.00 to 5.00	4,600,000	256,553	2,689,584	3,373,276
Series 15	04/08/15	2016-35	2.00 to 5.00	9,600,000	501,474	6,460,356	8,717,039
Series 15 Refunding	04/08/15	2016-27	5.00 to 5.50	2,700,032	281,672	1,254,313	1,427,292
Series 16 Refunding	04/13/16	2017-27	3.00 to 5.00	200,729	17,807	50,976	57,192
Series 17	04/12/17	2018-47	5.00 to 5.00	4,377,000	76,611	3,993,945	6,342,506
Series 17 Refunding	04/12/17	2018-29	3.00 to 5.00	936,451	87,741	624,817	713,063
Series 18	03/29/18	2019-48	5.00 to 5.00	5,200,000	228,583	4,285,668	6,433,027
Series 19	04/12/19	2020-49	5.00 to 5.00	4,100,000	199,509	3,501,473	5,087,398
Series 20	05/06/20	2021-50	3.00 to 5.00	8,000,000	396,894	7,206,212	9,760,190
Series 21	03/23/21	2022-51	3.00 to 5.00	6,600,000	310,391	6,289,609	8,866,282
Series 21 Refunding	03/23/21	2022-31	5.00 to 5.00	7,053,900	899,100	6,154,800	7,576,230
Series 22 Refunding	04/05/22	2023-32	4.00 to 5.00	940,851	-	940,851	1,158,243
Total Waste Collection Enterprise Fund				<u>57,426,451</u>	<u>3,478,306</u>	<u>43,452,604</u>	<u>59,511,738</u>
Total applicable to 5.2% and 13.0% debt limitations				<u>2,092,625,000</u>	<u>105,260,000</u>	<u>1,520,995,000</u>	<u>2,256,175,485</u>

(continued)

DETAILS OF GENERAL LONG-TERM DEBT AND INTEREST (continued)

NOT APPLICABLE TO DEBT LIMITATIONS

June 30, 2022

	<i>Issued</i>	<i>Maturing Serially</i>	<i>Rate of Interest</i>	<i>Issued</i>	<i>Redeemed F/Y 22</i>	<i>06/30/22 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	380,000	556,202
Ellen H. Shepard Trust	09/22/00	2002-30	5.85 to 5.85	161,000	1,000	140,000	203,881
Jean Touchette	09/19/00	2002-30	5.85 to 5.85	378,000	1,000	357,000	522,438
Farm of the Four Winds, LLC	11/13/00	2002-30	6.00 to 6.00	587,000	1,000	566,000	836,000
Kenneth P. Franklin, Trustee	12/28/00	2002-30	5.60 to 5.60	142,055	1,000	121,000	173,640
Richard F. Moreland	07/18/01	2003-28	5.90 to 5.90	274,000	1,000	254,000	343,031
Mary M. Smith	07/18/01	2003-28	5.90 to 5.90	831,000	1,000	811,000	1,097,209
Charlotte Windsor	07/26/01	2003-28	5.90 to 5.90	411,174	1,000	391,000	528,531
Anita Froe/Rian LLC	03/06/02	2003-28	5.90 to 5.90	657,000	1,000	637,000	861,613
Lauer & Company	09/28/02	2004-28	5.25 to 5.25	197,000	1,000	178,000	233,282
Weems Dodd Ltd	10/17/02	2004-28	5.45 to 5.45	1,521,000	1,000	1,502,000	1,992,336
Alice Hall	12/19/02	2004-28	5.55 to 5.55	180,000	1,000	161,000	213,780
Bristol Farms LLC	01/28/03	2004-28	5.50 to 5.50	700,000	1,000	681,000	902,870
Shearman Talbot	05/22/03	2005-28	4.95 to 4.95	263,948	1,000	246,000	318,319
Sally Brice O'Hara	06/23/04	2006-28	5.80 to 5.80	316,000	1,000	299,000	402,182
Thackray Sez nec	06/30/04	2006-28	5.80 to 5.80	1,405,000	1,000	1,388,000	1,870,154
James Parks	07/07/04	2006-28	5.60 to 5.60	295,000	1,000	278,000	370,568
Dorothy Horky	12/05/05	2006-28	4.90 to 4.90	368,814	1,000	353,000	456,048
Virginia Tucker	10/05/06	2007-28	4.90 to 4.90	926,000	1,000	911,000	1,178,099
Jennifer Wade	07/26/07	2008-28	5.30 to 5.30	873,925	1,000	860,000	1,124,966
Ford/Addis	12/20/07	2008-37	4.60 to 4.60	604,000		604,000	1,020,760
Francis Talbot III	07/16/08	2009-37	4.55 to 4.55	840,000		840,000	1,413,300
Thompson Lumber	06/21/11	2012-41	4.55 to 4.55	1,487,000		1,487,000	2,772,513
				<u>13,819,916</u>	<u>20,000</u>	<u>13,445,000</u>	<u>19,391,722</u>
Tax Increment Bonds							
Arundel Mills Refunding	05/14/14	2015-29	2.00 to 5.00	24,940,000	1,665,000	15,675,000	17,625,025
National Business Park Ref	05/14/14	2015-28	1.50 to 5.00	12,155,000	905,000	7,065,000	7,842,576
Nursery Road Refunding	05/14/14	2015-29	2.00 to 5.00	1,765,000	110,000	1,065,000	1,210,024
National Business Park N Ref	06/07/18	2020-37	3.00 to 5.00	25,855,000	775,000	24,055,000	31,625,381
Village South Waugh Chapel Ref	06/07/18	2020-41	3.00 to 4.00	14,525,000	475,000	13,155,000	17,888,185
				<u>79,240,000</u>	<u>3,930,000</u>	<u>61,015,000</u>	<u>76,191,191</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 22</i>	<i>06/30/22 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	59,400	59,400
Annapolis Cove	05/27/14	2015-30	0.00	173,425	11,793	82,549	82,549
Arundel on the Bay SECD	11/17/18	2020-40	0.00	279,400	14,550	261,900	261,900
Bay Ridge #2	07/01/08	2009-28	0.00	500,000	25,771	180,397	180,397
Buckingham Cove	04/07/97	1997-21	0.00	217,570	8,703	-	-
Camp Wabanna SECD	04/26/05	2011-31	0.00	174,857	9,203	73,625	73,625
Cape Anne SECD	11/30/06	2009-34	0.00	190,308	8,101	89,088	89,088
Cattail Creek	04/03/98	1998-22	0.00	127,628	5,105	5,105	5,105
Columbia Beach	06/12/08	2013-38	0.00	1,042,027	53,664	536,640	536,640
Elizabeth's Landing III	01/22/10	2012-37	0.00	153,262	6,130	79,679	79,679
Holland Point SECD	10/11/04	2011-31	0.00	1,050,054	55,266	442,128	442,128
Lake Hillsmere II	04/03/98	1998-22	0.00	188,660	7,546	7,546	7,546
Romar Estates	03/27/97	1997-21	0.00	304,987	12,199	-	-
Snug Harbor SECD	10/11/04	2012-31	0.00	112,600	5,817	52,353	52,353
Whitehall Cove	12/19/01	2001-25	0.00	164,134	6,565	26,262	26,262
Total not applicable to debt limitations				4,813,912	235,813	1,896,672	1,896,672
Total long-term debt				\$ 3,167,847,137	\$ 147,728,894	\$ 2,343,814,385	\$ 3,486,851,664

Schedule of Debt Service Requirements for Long-term Debt and Interest

June 30, 2022

FISCAL YEAR ENDING	General County Bonds (a)							
	General Government		Solid Waste		WPRF		Tax Increment	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 93,535,702	\$ 61,030,636	\$ 3,459,645	\$ 2,026,009	\$ 6,039,319	\$ 6,165,608	\$ 4,235,000	\$ 2,208,344
2024	87,927,702	56,435,438	3,304,966	1,853,539	6,091,999	5,876,985	4,600,000	1,992,519
2025	85,695,332	52,039,193	3,206,939	1,688,275	5,947,397	5,572,385	4,965,000	1,758,644
2026	76,896,931	47,801,215	3,113,671	1,527,915	5,947,397	5,275,015	5,310,000	1,543,219
2027	73,719,973	43,971,558	2,990,630	1,372,267	5,947,397	4,977,645	5,620,000	1,349,519
2028	70,425,365	40,458,006	2,935,238	1,225,943	5,947,397	4,687,245	5,955,000	1,143,819
2029	66,868,563	37,169,172	2,922,040	1,085,110	5,947,397	4,395,974	4,930,000	945,968
2030	62,708,770	34,046,495	2,831,833	945,688	5,947,397	4,104,268	2,455,000	797,969
2031	56,395,036	30,910,980	2,425,567	804,173	5,947,397	3,806,898	2,390,000	705,994
2032	51,561,230	28,136,422	2,114,373	685,090	5,947,397	3,513,013	2,505,000	632,569
2033	48,093,990	25,603,500	2,043,613	581,498	5,947,397	3,219,128	2,640,000	553,744
2034	43,453,990	23,274,690	2,043,613	483,412	5,947,397	2,929,599	2,765,000	467,562
2035	38,951,318	21,208,875	1,824,786	387,301	5,583,896	2,644,424	2,910,000	375,344
2036	33,165,674	19,353,560	1,334,118	301,969	4,205,208	2,378,296	3,050,000	278,494
2037	33,160,675	17,868,485	1,334,117	246,216	4,205,208	2,194,499	3,210,000	174,762
2038	33,255,479	16,431,246	1,239,313	195,909	4,205,208	2,019,745	825,000	106,672
2039	33,411,360	14,987,740	1,083,432	151,868	4,205,208	1,844,992	855,000	77,787
2040	33,585,419	13,554,677	904,373	116,202	4,205,208	1,674,621	885,000	47,337
2041	33,969,970	12,130,187	519,823	90,780	4,205,207	1,508,633	910,000	15,925
2042	34,230,556	10,696,070	254,238	75,110	4,205,206	1,342,645	-	-
2043	34,230,557	9,258,094	254,238	63,424	4,205,205	1,176,657	-	-
2044	34,230,557	7,820,118	254,238	51,738	4,205,205	1,010,669	-	-
2045	34,230,557	6,382,142	254,238	40,052	4,205,205	844,681	-	-
2046	34,230,560	4,944,166	254,238	28,366	4,205,202	678,693	-	-
2047	31,566,627	3,572,788	254,242	16,680	3,764,131	523,732	-	-
2048	28,076,095	2,355,272	134,774	7,980	3,764,131	379,798	-	-
2049	22,052,453	1,375,611	67,006	3,960	3,330,541	246,703	-	-
2050	15,546,812	709,181	51,290	2,030	2,651,898	141,414	-	-
2051	9,012,156	303,412	42,012	630	1,780,832	66,158	-	-
2052	3,738,434	74,769	-	-	876,566	17,530	-	-
	<u>\$ 1,337,927,843</u>	<u>\$ 643,903,698</u>	<u>\$ 43,452,604</u>	<u>\$ 16,059,134</u>	<u>\$ 139,614,553</u>	<u>\$ 75,217,653</u>	<u>\$ 61,015,000</u>	<u>\$ 15,176,191</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>Installment Purchase Agreements</i>		<i>State Advances</i>		<i>Water and Sewer Bonds (b)</i>		<i>Total</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	\$ 718,261	\$ 214,911	\$ -	\$ 39,408,412	\$ 33,043,805	\$ 146,912,989	\$ 105,192,663	\$ 252,105,652
20,000	717,146	202,260	-	38,522,518	31,296,156	140,669,445	98,171,783	238,841,228
20,000	716,030	202,261	-	37,265,184	29,540,987	137,302,113	91,315,514	228,617,627
20,000	714,914	202,260	-	36,810,122	27,779,123	128,300,381	84,641,401	212,941,782
20,000	713,799	195,695	-	36,456,368	26,098,355	124,950,063	78,483,143	203,433,206
8,880,000	712,684	195,694	-	35,866,470	24,495,754	130,205,164	72,723,451	202,928,615
5,000	223,954	195,695	-	34,730,921	22,986,945	115,599,616	66,807,123	182,406,739
1,529,000	223,662	158,132	-	34,745,432	21,487,458	110,375,564	61,605,540	171,981,104
-	133,663	93,662	-	34,731,353	19,986,841	101,983,015	56,348,549	158,331,564
-	133,662	87,843	-	33,683,091	18,500,962	95,898,934	51,601,718	147,500,652
-	133,663	34,159	-	30,397,127	17,034,350	89,156,286	47,125,883	136,282,169
-	133,663	20,680	-	29,503,592	15,643,001	83,734,272	42,931,927	126,666,199
-	133,662	20,670	-	28,684,741	14,276,489	77,975,411	39,026,095	117,001,506
-	133,663	14,550	-	27,845,899	12,930,188	69,615,449	35,376,170	104,991,619
1,444,000	133,662	14,550	-	25,707,066	11,661,708	69,075,616	32,279,332	101,354,948
-	67,659	14,550	-	25,653,243	10,513,038	65,192,793	29,334,269	94,527,062
-	67,658	14,550	-	25,549,428	9,364,164	65,118,978	26,494,209	91,613,187
-	67,659	14,550	-	24,590,624	8,240,819	64,185,174	23,701,315	87,886,489
1,487,000	67,658	-	-	23,396,122	7,132,864	64,488,122	20,946,047	85,434,169
-	-	-	-	22,235,000	6,073,449	60,925,000	18,187,274	79,112,274
-	-	-	-	21,405,000	5,053,675	60,095,000	15,551,850	75,646,850
-	-	-	-	20,135,000	4,068,325	58,825,000	12,950,850	71,775,850
-	-	-	-	17,495,000	3,140,125	56,185,000	10,407,000	66,592,000
-	-	-	-	14,910,000	2,330,725	53,600,000	7,981,950	61,581,950
-	-	-	-	13,460,000	1,686,825	49,045,000	5,800,025	54,845,025
-	-	-	-	11,335,000	1,132,300	43,310,000	3,875,350	47,185,350
-	-	-	-	9,070,000	687,525	34,520,000	2,313,799	36,833,799
-	-	-	-	6,700,000	358,625	24,950,000	1,211,250	26,161,250
-	-	-	-	4,235,000	150,600	15,070,000	520,800	15,590,800
-	-	-	-	1,935,000	38,700	6,550,000	130,999	6,680,999
<u>\$ 13,445,000</u>	<u>\$ 5,946,722</u>	<u>\$ 1,896,672</u>	<u>\$ -</u>	<u>\$ 746,462,713</u>	<u>\$ 386,733,881</u>	<u>\$ 2,343,814,385</u>	<u>\$ 1,143,037,279</u>	<u>\$ 3,486,851,664</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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
Net investment in capital assets	\$ 634,757,425	\$ 626,801,385	\$ 635,565,747	\$ 604,084,265	\$ 596,510,465	\$ 606,338,970	\$ 556,191,931	\$ 578,852,173	\$ 622,405,918	\$ 630,965,090
Restricted for:										
Debt service	27,255,939	7,140,126	6,819,795	8,009,868	7,168,724	6,641,452	6,684,460	8,962,428	6,541,144	3,999,512
Capital improvements	121,938,252	167,718,556	151,354,034	140,771,194	115,345,559	120,779,559	152,617,318	129,907,443	83,524,600	74,937,323
Permanent Public Infrastructure	21,114,377	19,542,703	9,371,621	-	-	-	-	-	-	-
Reforestation	5,207,436	3,648,847	3,828,285	3,740,710	6,878,019	7,296,496	7,653,451	8,139,821	7,746,804	7,662,442
Community Development	24,472,949	-	-	-	-	-	-	-	-	-
Other purposes	11,352,859	54,953,643	44,650,497	30,357,753	30,038,789	16,043,607	18,740,570	7,335,836	4,724,488	7,590,496
Unrestricted	(1,034,060,658)	(1,298,536,220)	(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)
Subtotal governmental activities net position	(187,961,421)	(418,730,960)	(519,684,265)	(557,844,057)	(500,752,884)	(497,001,970)	(493,646,644)	(417,756,980)	(29,603,407)	(950,442)
Business-type activities										
Net investment in capital assets	1,037,504,264	1,028,572,432	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
Restricted for:										
Debt service	310,845,460	311,605,604	316,010,654	306,535,034	303,151,272	300,551,883	317,747,290	331,288,133	279,611,526	260,752,727
Capital improvements	585,692	3,175,170	4,029,579	4,019,610	13,458,769	9,081,443	17,381,921	12,771,873	-	-
Other purposes	456,486	6,019	38,880	162,314	1,907,059	11,255,564	16,384,208	3,087,221	19,549,090	9,039,041
Unrestricted	643,681	(13,587,504)	8,895,005	(596,026)	(434,806)	10,038,368	5,484,501	(8,709,841)	12,846,117	16,700,393
Subtotal business-type activities net position	1,350,035,583	1,329,771,721	1,337,475,884	1,329,654,090	1,331,793,442	1,319,371,242	1,296,309,570	1,273,335,931	1,249,315,346	1,179,309,152
Primary government										
Net investment in capital assets	1,672,261,689	1,655,373,817	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
Restricted for:										
Debt service	338,101,399	318,745,730	322,830,449	314,544,902	310,319,996	307,193,335	324,431,750	340,250,561	286,152,670	264,752,239
Capital improvements	122,523,944	170,893,726	155,383,613	144,790,804	128,804,328	129,861,002	169,999,239	142,679,316	83,524,600	74,937,323
Permanent Public Infrastructure	21,114,377	19,542,703	9,371,621	-	-	-	-	-	-	-
Reforestation	5,207,436	3,648,847	3,828,285	3,740,710	6,878,019	7,296,496	7,653,451	8,139,821	7,746,804	7,662,442
Community Development	24,472,949	-	-	-	-	-	-	-	-	-
Other purposes	11,809,345	54,959,662	44,689,377	30,520,067	31,945,848	27,299,171	35,124,778	10,423,057	24,273,578	16,629,537
Unrestricted	(1,033,416,977)	(1,312,123,724)	(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)
Total primary governmental net position	\$ 1,162,074,162	\$ 911,040,761	\$ 817,791,619	\$ 771,810,033	\$ 831,040,558	\$ 822,369,272	\$ 802,662,926	\$ 855,578,951	\$ 1,219,711,939	\$ 1,178,358,710

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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
Governmental activities:										
Education	\$ 942,941	\$ 919,228	\$ 939,582	\$ 946,223	\$ 874,498	\$ 756,618	\$ 770,324	\$ 764,352	\$ 708,507	\$ 708,818
Public safety	383,476	394,347	344,882	342,374	307,333	352,253	313,525	325,971	294,436	304,563
General government	274,812	250,468	232,233	210,851	185,021	162,786	186,840	153,913	123,010	118,774
Health and human services	108,192	116,319	105,099	85,069	78,173	83,000	79,787	77,175	72,520	74,569
Public works	53,351	112,956	83,066	81,239	100,961	93,287	157,103	89,763	106,372	82,066
Recreation and community services	95,365	97,920	78,698	74,090	70,717	67,698	58,131	56,358	59,095	56,380
Judicial	33,447	34,244	30,781	31,366	30,734	31,648	28,588	30,582	28,950	29,058
Code enforcement	15,863	16,818	14,873	14,626	13,832	16,292	13,819	14,815	13,379	13,735
Land use and development	10,424	1,859	19,195	22,299	25,246	12,707	14,135	14,897	10,273	10,392
Interest on debt and leases	50,469	64,954	64,360	58,859	55,898	54,132	53,157	48,149	45,104	37,685
Subtotal governmental activities expenses	1,968,340	2,009,113	1,912,769	1,866,996	1,742,413	1,630,421	1,675,409	1,575,975	1,461,646	1,436,040
Business-type activities:										
Water and wastewater	208,736	189,989	182,683	175,379	166,442	146,011	153,026	129,450	124,341	118,049
Waste collection	42,688	61,870	56,777	56,607	48,257	54,943	46,297	51,226	50,732	47,767
Child care	6,231	2,960	5,490	5,650	5,532	5,363	4,767	4,835	4,589	4,020
Subtotal business-type activities expenses	257,655	254,819	244,950	237,636	220,231	206,317	204,090	185,511	179,662	169,836
Total primary government expenses	2,225,995	2,263,932	2,157,719	2,104,632	1,962,644	1,836,738	1,879,499	1,761,486	1,641,308	1,605,876
Program Revenues										
Governmental activities:										
Charges for services:										
Public safety	50,655	27,518	33,821	34,155	31,084	27,897	27,150	25,108	19,477	15,744
General government	17,785	68,814	66,824	68,950	61,345	57,073	51,850	53,146	47,741	51,240
Health and human services	18,623	8,851	12,198	12,413	9,955	12,487	8,938	10,535	9,648	7,139
Public works	23,231	24,491	24,569	24,678	24,548	24,939	23,805	19,187	15,737	4,193
Recreation and community services	20,474	17,474	15,799	19,011	19,545	19,560	18,664	17,275	16,962	17,995
Judicial	2,009	1,969	2,459	3,134	3,024	3,061	3,209	3,207	3,166	2,997
Code enforcement	14,951	11,462	11,601	13,675	14,361	13,316	14,380	13,587	12,181	13,215
Land use and development	682	1,522	1,900	2,981	2,297	2,298	2,461	1,881	2,216	2,184
Operating grants and contributions	134,968	150,802	123,052	82,054	77,267	67,906	66,729	63,651	61,177	42,874
Capital grants and contributions	89,331	93,752	77,415	58,854	63,963	59,231	63,915	96,381	45,969	41,689
Subtotal governmental activities revenues	372,709	406,655	369,638	319,905	307,389	287,768	281,101	303,958	234,274	199,270
Business-type activities:										
Charges for services:										
Water and wastewater	88,330	84,967	89,318	84,180	85,275	85,467	85,178	85,367	86,023	84,555
Waste collection	67,266	57,471	55,137	54,584	53,162	51,441	50,975	49,970	50,133	49,175
Child care	6,831	1,370	4,786	6,080	5,807	5,742	5,112	4,739	4,661	4,070
Capital grants and contributions	92,280	81,182	79,721	69,671	81,381	69,022	82,131	127,526	87,887	71,141
Subtotal business-type activities revenues	254,707	224,990	228,962	214,515	225,625	211,672	223,396	267,602	228,704	208,941
Total primary government program revenues	627,416	631,645	598,600	534,420	533,014	499,440	504,497	571,560	462,978	408,211
Net (Expense)/Revenue										
Governmental activities	(1,595,631)	(1,602,458)	(1,543,131)	(1,547,091)	(1,435,024)	(1,342,653)	(1,394,308)	(1,272,017)	(1,227,372)	(1,236,770)
Business-type activities	(2,948)	(29,829)	(15,988)	(23,121)	5,394	5,355	19,306	82,091	49,042	39,105
Total primary government net (expense)/revenue	(1,598,579)	(1,632,287)	(1,559,119)	(1,570,212)	(1,429,630)	(1,337,298)	(1,375,002)	(1,189,926)	(1,178,330)	(1,197,665)

Anne Arundel County, Maryland
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands of dollars)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Revenues and Other Changes in Net Position										
Governmental activities:										
General property taxes	\$ 854,192	\$ 828,845	\$ 798,538	\$ 739,776	\$ 718,910	\$ 697,495	\$ 666,491	\$ 657,850	\$ 637,623	\$ 620,348
Local income taxes	745,469	668,002	606,312	560,494	506,513	485,822	485,232	420,382	436,906	403,623
State shared taxes	8,466	4,677	5,448	6,154	7,339	8,361	8,703	8,405	8,683	27,868
Recordation and transfer taxes	198,087	156,928	114,908	115,520	110,643	109,396	105,669	89,698	77,535	81,036
Local sales taxes	29,121	24,016	26,700	32,111	32,744	32,938	33,070	32,831	31,517	32,690
Investment income	(10,771)	1,450	8,931	14,550	2,854	1,797	4,586	1,967	2,446	(1,206)
Other revenue	-	18,830	19,667	19,015	18,855	18,194	15,766	11,012	9,477	7,494
County transfer	1,836	663	787	2,380	946	448	(1,099)	28	275	-
Forgiveness of debt State of Maryland	-	-	-	-	-	-	-	-	-	-
Subtotal governmental activities	1,826,400	1,703,411	1,581,291	1,490,000	1,398,804	1,354,451	1,318,418	1,222,173	1,204,462	1,171,853
Business-type activities:										
Investment income	(420)	3,092	7,193	6,939	6,439	2,777	1,671	1,173	1,161	560
Other revenue	25,468	19,696	17,404	16,422	14,086	15,378	11,398	11,656	14,417	11,139
County transfer	(1,836)	(663)	(787)	(2,380)	(946)	(448)	1,099	(28)	(275)	-
Subtotal business-type activities	23,212	22,125	23,810	20,981	19,579	17,707	14,168	12,801	15,303	11,699
Total primary government	1,849,612	1,725,536	1,605,101	1,510,981	1,418,383	1,372,158	1,332,586	1,234,974	1,219,765	1,183,552
Change in Net Position										
Governmental activities	230,769	100,953	38,160	(57,091)	(36,220)	11,798	(75,890)	(49,844)	(22,910)	(64,917)
Business-type activities	20,264	(7,704)	7,822	(2,140)	24,973	23,062	33,474	94,892	64,345	50,804
Total primary government	\$ 251,033	\$ 93,249	\$ 45,982	\$ (59,231)	\$ (11,247)	\$ 34,860	\$ (42,416)	\$ 45,048	\$ 41,435	\$ (14,113)

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Non-spendable	\$ 4,297,591	\$ 3,834,411	\$ 3,487,261	\$ 2,525,276	\$ 2,738,022	\$ 3,082,745	\$ 2,678,031	\$ 2,493,448	\$ 2,116,996	\$ 1,891,254
Restricted	21,114,377	-	-	-	-	1,372,139	1,372,139	38,177,889	16,974,138	302,017
Committed	-	19,542,703	9,371,621	-	-	-	-	-	-	-
Assigned	278,740,469	123,051,188	53,147,669	81,811,048	89,215,268	82,546,189	65,989,087	42,862,522	42,657,510	69,233,918
Unassigned	247,385,055	243,692,883	161,996,256	90,361,685	82,924,322	88,023,466	76,778,332	78,436,997	57,724,388	44,312,026
Total general fund	\$ <u>551,537,492</u>	\$ <u>390,121,185</u>	\$ <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>
All other governmental funds										
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	257,944,067	246,647,183	207,356,738	184,873,975	153,223,193	159,426,040	188,477,300	174,183,847	109,341,127	87,949,331
Committed	13,496,780	17,088,441	17,747,932	16,111,319	15,228,305	15,353,968	16,822,454	15,237,161	13,512,623	1,932,505
Assigned	89,583,080	94,187,758	76,805,478	85,148,709	134,902,781	124,078,614	79,535,242	121,015,146	82,922,005	45,297,103
Unassigned	(43,836,895)	(32,206,014)	(23,097,809)	(12,856,757)	(9,414,394)	(8,264,460)	(11,898,316)	(6,108,739)	(3,530,106)	(3,325,628)
Total all other governmental funds	\$ <u>317,187,032</u>	\$ <u>325,717,368</u>	\$ <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>

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

	2022	2021	2020	2019	2018
REVENUES					
General property taxes	\$ 854,191,742	\$ 831,122,864	\$ 800,684,208	\$ 741,670,235	\$ 720,718,221
Local income taxes	734,914,210	693,300,152	606,998,155	522,923,960	508,267,424
State shared taxes	15,596,875	11,414,898	11,704,256	12,410,845	11,624,829
Grants and aid	159,018,376	160,478,932	101,396,165	61,249,684	48,773,143
Recordation and transfer taxes	198,086,989	156,927,794	114,907,649	115,519,643	110,642,661
Local sales taxes	29,120,925	24,016,271	26,699,642	32,110,766	32,744,465
License and permit fees	21,259,243	14,564,976	15,441,085	18,335,508	18,132,998
Ambulance fees	21,629,966	12,642,842	12,112,507	13,627,382	11,833,040
Cable fees	9,178,248	9,786,085	10,415,690	11,142,696	11,056,998
Impact fees	28,933,429	31,468,598	36,710,846	32,733,711	35,651,712
Special community benefit taxes	9,367,759	9,003,030	8,793,500	8,517,569	8,471,575
Video lottery local impact grants	29,215,850	30,620,703	22,431,343	27,316,533	27,942,514
Watershed protection and restoration	23,904,363	23,619,255	23,326,588	22,017,074	21,665,866
Contributed capital	-	-	-	-	-
Investment income	(10,770,518)	(1,105,079)	11,932,051	16,449,014	6,560,442
Fees for services and other revenue	72,676,926	52,757,169	55,258,347	64,437,432	61,563,037
Total revenues	<u>2,196,324,383</u>	<u>2,060,618,490</u>	<u>1,858,812,032</u>	<u>1,700,462,052</u>	<u>1,635,648,925</u>
EXPENDITURES					
Current					
Education	961,276,084	919,228,528	939,581,972	946,223,055	874,498,215
Public safety	390,883,909	366,176,442	335,794,412	314,231,025	297,679,594
General government	201,357,349	188,358,268	161,691,255	148,598,076	139,055,913
Health and human services	109,660,157	111,286,780	101,850,680	81,174,496	76,011,931
Public works	54,375,243	45,415,532	48,976,660	53,686,960	51,848,700
Recreation and community services	97,207,550	72,655,970	65,485,317	60,854,736	60,745,723
Judicial	34,092,936	31,906,744	31,210,499	30,215,792	29,148,559
Code enforcement	16,169,885	15,332,805	15,181,035	13,918,760	14,046,524
Land use and development	10,330,805	9,133,848	9,398,676	10,129,513	8,613,192
Capital outlay	153,660,451	139,447,415	173,058,009	168,807,350	151,503,207
Debt service					
Interest payments on debt	69,259,664	63,854,988	64,033,273	57,901,384	54,487,265
Principal payments on debt	155,653,784	237,481,103	96,920,048	98,981,692	97,311,937
Interest payments on leases	376,896	8,712	373	373	-
Principal payments on leases	4,542,724	30,272	10,122	34,138	54,869
Debt issuance costs	289,037	-	-	-	-
Total expenditures	<u>2,259,136,474</u>	<u>2,200,317,407</u>	<u>2,043,192,331</u>	<u>1,984,757,350</u>	<u>1,855,005,629</u>
Revenues over (under) expenditures	<u>(62,812,091)</u>	<u>(139,698,917)</u>	<u>(184,380,299)</u>	<u>(284,295,298)</u>	<u>(219,356,704)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	285,543,112	286,539,448	346,249,000	364,875,286	327,401,558
Transfers out	(285,543,112)	(286,539,448)	(346,249,000)	(364,875,286)	(327,401,558)
General obligation bonds issued	138,495,000	180,065,000	214,495,000	211,980,000	190,650,000
Bond anticipation notes issued	-	-	-	-	-
Payment of bond anticipation notes	-	-	-	-	-
Proceeds from Federal and State Loans	-	-	-	285,100	-
Proceeds from leases	5,210,477	-	-	41,980	-
Proceeds from refunding issue	43,909,150	110,511,100	-	4,445,000	40,380,000
Premiums from sale of bonds	20,181,094	32,725,974	27,938,190	43,830,943	30,959,363
Premiums from the refunding of bonds	6,066,164	24,757,250	-	490,033	1,263,919
Transfers from (to) proprietary funds	1,836,177	663,000	787,000	2,380,000	946,137
Transfers from (to) OPEB Trust	-	-	-	-	-
Payments to escrow agent	-	-	-	-	(41,643,919)
Total other financing sources (uses)	<u>215,698,062</u>	<u>348,722,324</u>	<u>243,220,190</u>	<u>263,453,056</u>	<u>222,555,500</u>
Net change in fund balances	<u>\$ 152,885,971</u>	<u>\$ 209,023,407</u>	<u>\$ 58,839,891</u>	<u>\$ (20,842,242)</u>	<u>\$ 3,198,796</u>
Debt service as a percentage of noncapital expenditures	<u>10.2%</u>	<u>14.4%</u>	<u>8.5%</u>	<u>8.5%</u>	<u>8.7%</u>

	2017	2016	2015	2014	2013
\$	698,622,818	\$ 668,195,251	\$ 659,894,834	\$ 637,345,360	\$ 622,059,854
	491,528,416	456,192,055	444,302,777	435,870,098	407,582,398
	11,694,607	12,092,354	11,270,543	12,163,216	30,436,273
	47,789,759	54,773,026	45,491,189	43,872,560	49,240,293
	109,395,916	105,668,592	89,697,633	77,535,100	81,036,685
	32,938,166	33,070,498	32,830,881	31,516,775	32,689,945
	17,148,374	18,617,749	17,333,180	16,536,662	15,306,284
	11,985,658	11,387,538	11,060,278	5,238,016	3,940,989
	11,560,846	11,329,610	11,088,708	10,663,480	10,229,615
	24,587,197	33,651,125	26,322,325	25,983,661	16,166,890
	8,429,687	8,202,160	7,451,077	6,884,379	6,869,374
	23,805,240	18,437,244	17,701,164	18,924,230	-
	21,821,801	21,058,386	16,925,138	13,168,354	-
	589,323	5,187,715	42,776,980	-	-
	1,983,519	4,933,509	2,261,163	1,735,894	(968,161)
	59,225,786	49,047,470	54,700,019	48,035,826	54,335,032
	<u>1,573,107,113</u>	<u>1,511,844,282</u>	<u>1,491,107,889</u>	<u>1,385,473,611</u>	<u>1,328,925,471</u>
	756,618,157	770,323,479	764,212,446	707,187,203	707,731,777
	291,177,796	283,055,202	281,406,166	264,937,499	244,784,672
	113,861,353	67,831,167	77,157,430	85,244,783	79,706,211
	78,503,626	76,012,320	72,578,279	69,650,709	69,646,503
	46,309,768	51,788,360	49,310,052	48,748,016	38,840,446
	57,791,422	55,341,217	53,354,539	49,866,606	48,337,232
	27,708,229	27,189,933	25,736,525	25,423,827	23,339,079
	14,206,639	13,149,060	13,096,270	12,287,022	11,583,462
	11,234,169	11,541,521	10,610,682	9,432,737	9,014,094
	112,762,608	100,566,378	105,072,340	65,054,648	73,051,659
	53,916,572	53,433,347	47,526,274	43,344,484	40,313,826
	90,755,667	129,372,483	99,693,700	75,614,400	73,778,953
	15,210	13,619	11,654	13,662	2,008
	39,658	22,347	12,304	16,211	3,907
	-	-	-	-	-
	<u>1,654,900,874</u>	<u>1,639,640,433</u>	<u>1,599,778,661</u>	<u>1,456,821,807</u>	<u>1,420,133,829</u>
	<u>(81,793,761)</u>	<u>(127,796,151)</u>	<u>(108,670,772)</u>	<u>(71,348,196)</u>	<u>(91,208,358)</u>
	244,889,130	199,828,955	261,225,566	185,144,585	122,899,386
	(244,889,130)	(199,828,955)	(261,225,566)	(185,144,585)	(122,899,386)
	103,285,000	93,260,000	181,800,000	122,300,000	116,000,000
	-	-	-	37,800,000	65,040,000
	-	-	-	(37,800,000)	(65,040,000)
	-	-	4,937	168,488	-
	94,513	60,038	-	119,790	-
	44,423,549	69,384,271	75,715,900	38,860,000	-
	18,037,398	18,664,020	13,642,515	14,815,121	16,130,659
	5,479,931	8,399,763	38,824,048	4,414,478	-
	1,170,804	(1,099,230)	8,782,112	5,274,617	1,545,790
	-	(70,877,624)	-	-	-
	(49,903,480)	(25,679,034)	(68,730,094)	(42,852,298)	-
	<u>122,587,715</u>	<u>92,112,204</u>	<u>250,039,418</u>	<u>143,100,196</u>	<u>133,676,449</u>
\$	<u>40,793,954</u>	<u>(35,683,947)</u>	<u>141,368,646</u>	<u>71,752,000</u>	<u>42,468,091</u>
	<u>9.2%</u>	<u>11.3%</u>	<u>9.5%</u>	<u>8.4%</u>	<u>8.4%</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				
2022	\$ 73,633,743	\$ 22,659,244	\$ 574,885	\$ 14,746	\$ 96,882,618	\$ 1,308,485	\$ 1,658,619	\$ 2,967,104	\$ 99,849,722	0.94	\$ 99,849,722	100.00%
2021	71,395,721	22,651,601	572,257	20,424	94,640,003	1,251,058	1,503,158	2,754,216	97,394,219	0.94	97,394,219	100.00%
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%

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				Weighted Average Tax Rate	Overlapping		Total	
	Other than City of Annapolis		Within City of Annapolis			City of Annapolis	State of Maryland	Other than City of Annapolis	Within City of Annapolis
	Real Property	Personal Prop.	Real Property	Personal Prop.		Real Property	Real Property	Real Property	Real Property
2022	\$ 0.933	\$ 2.332	\$ 0.559	\$ 1.397	\$ 0.940	\$ 0.738	\$ 0.112	\$ 1.045	\$ 1.409
2021	0.934	2.335	0.560	1.400	0.940	0.738	0.112	1.046	1.410
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

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

2022			2013		
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	\$ 1,142,579,790	1.14%	Baltimore Gas and Electric Company	\$ 655,160,290	0.85%
Annapolis Mall LTD Partnership (Annapolis Mall)	502,198,467	0.50%	Constellation Power Source Gen. Inc.	464,152,540	0.60%
Arundel Mills Limited Partnership (Arundel Mills Mall)	429,134,677	0.43%	Verizon	198,554,960	0.26%
Verizon	140,832,730	0.14%	Annapolis Mall LTD Partnership (Annapolis Mall)	420,722,734	0.55%
PPE Casino Resorts Maryland LLC	298,185,192	0.30%	Arundel Mills Limited Partnership (Arundel Mills Mall)	359,775,773	0.47%
Annapolis Towne Center at Parole LLC	202,295,934	0.20%	PPE Casino Resorts Maryland LLC	244,204,245	0.32%
Northrop Grumman Systems Corp.	247,965,727	0.25%	Raven FS Property Holdings LLC	222,258,200	0.29%
Raven FS Property Holdings LLC	184,735,400	0.19%	Northrop Grumman Corp.	114,801,167	0.15%
Comcast of Maryland, LLC	75,624,410	0.08%	Annapolis Towne Center at Parole LLC	152,957,782	0.20%
WCS Properties Business Trust	136,212,800	0.14%	Wal-mart Stores, Inc.	114,739,857	0.15%
	<u>\$ 3,359,765,127</u>	<u>3.36%</u>		<u>\$ 2,947,327,548</u>	<u>3.84%</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
2022	\$ 855,128,718	\$ 849,455,256	99.34%	\$ -	\$ 849,455,256	99.34%
2021	829,252,065	821,315,061	99.04%	6,711,668	828,026,729	99.85%
2020	802,387,875	796,488,765	99.26%	5,304,434	801,793,199	99.93%
2019	744,040,379	742,102,299	99.74%	1,681,274	743,783,573	99.97%
2018	719,780,692	718,630,145	99.84%	1,027,628	719,657,773	99.98%
2017	691,541,813	690,363,926	99.83%	1,107,739	691,471,665	99.99%
2016	664,554,243	662,752,803	99.73%	1,769,613	664,522,416	100.00%
2015	660,178,876	651,873,246	98.74%	8,281,380	660,154,626	100.00%
2014	638,043,608	628,011,846	98.43%	9,997,580	638,009,426	99.99%
2013	619,955,595	618,157,426	99.71%	1,643,069	619,800,495	99.97%

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			
2022	\$ 1,693,427	\$ -	\$ 61,015	\$ 1,897	\$ 20	\$ 13,445	\$ 1,769,804	\$ 894,303	\$ -	\$ 2,664,107	6.04%	\$ 4,513
2021	1,663,874	-	64,945	2,138	50	13,465	1,744,472	878,166	-	2,622,638	6.14%	4,454
2020	1,567,703	-	68,445	2,362	20	13,485	1,652,015	837,899	-	2,489,914	5.92%	4,272
2019	1,438,373	-	71,610	2,584	30	13,505	1,526,102	781,357	-	2,307,459	5.82%	3,984
2018	1,292,667	-	73,700	2,527	24	13,525	1,382,443	729,593	-	2,112,036	5.52%	3,670
2017	1,175,582	-	81,130	2,767	79	13,545	1,273,103	682,152	-	1,955,255	5.30%	3,422
2016	1,159,243	-	83,125	3,101	96	13,565	1,259,130	638,133	-	1,897,263	5.32%	3,342
2015	1,136,729	-	84,860	3,398	37	13,585	1,238,609	615,297	-	1,853,906	5.37%	3,290
2014	1,004,487	-	86,440	3,730	49	13,605	1,108,311	527,263	-	1,635,574	4.94%	2,922
2013	946,045	-	90,815	3,888	4	13,625	1,054,377	458,645	-	1,513,022	4.75%	2,724

(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)
2022	\$ 2,336,654	2.34%	\$ 3,958
2021	2,288,240	2.35%	3,886
2020	2,151,217	2.28%	3,691
2019	1,976,795	2.18%	3,413
2018	1,785,640	2.04%	3,103
2017	1,631,670	1.95%	2,856
2016	1,556,069	1.93%	2,741
2015	1,496,636	1.92%	2,656
2014	1,332,037	1.74%	2,380
2013	1,230,752	1.60%	2,216

(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, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
City of Annapolis	\$ 63,082,439	100.00%	\$ 63,082,439
Subtotal overlapping debt			63,082,439
Anne Arundel County direct debt			1,769,804,224
Total direct and overlapping debt			\$ 1,832,886,663

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Assessed value										
Real property	\$ 96,882,618	\$ 94,640,003	\$ 91,496,994	\$ 88,023,098	\$ 84,741,803	\$ 81,206,409	\$ 78,154,218	\$ 75,746,986	\$ 74,302,152	\$ 74,265,956
Personal and operating real property	2,967,104	2,754,216	2,711,410	2,733,898	2,676,602	2,597,018	2,278,129	2,184,577	2,191,220	2,582,018
Total assessed value	<u>99,849,722</u>	<u>97,394,219</u>	<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>
Legal debt margin										
Debt limit (5.2% of assessed value of real property, 13% for fiscal years 2001 and prior)	5,037,896	4,921,280	4,757,844	4,577,201	4,406,574	4,222,733	4,064,019	3,938,843	3,863,712	3,861,830
Debt limit (13% of assessed value of personal and operating real property)	385,724	358,048	352,483	355,407	347,958	337,613	296,157	283,995	284,859	335,662
Total debt limit	<u>5,423,620</u>	<u>5,279,328</u>	<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>
Debt applicable to limit:										
General obligation bonds (1)	1,337,928	1,327,513	1,289,037	1,190,801	1,088,656	997,364	982,412	984,949	916,204	875,042
Bonded debt for WPRF projects (1)	139,614	118,480	95,611	72,866	55,216	44,448	46,688	33,825	7,300	-
Bonded debt for solid waste projects (1)	43,453	47,362	44,472	38,973	37,228	33,888	32,920	33,881	28,491	26,028
Installment Purchase Agreements (1)	13,445	13,465	13,485	13,505	13,525	13,545	13,565	13,585	13,605	13,625
Tax Increment Bonds (1)	61,015	64,945	68,445	71,610	73,700	81,130	83,125	84,860	86,440	90,815
Bond anticipation notes (2)	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	<u>1,595,455</u>	<u>1,571,765</u>	<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>
Legal debt margin	<u>\$ 3,828,165</u>	<u>\$ 3,707,563</u>	<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>
Total debt applicable to the limit as a percentage of debt limit	<u>29.42%</u>	<u>29.77%</u>	<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>

(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	
2022	\$ 100,439	\$ 109,879	\$ -9,440	\$ 38,283	\$ 32,793	-0.13	\$ 66,665	\$ 36,791	\$ 29,875	\$ 3,478	\$ 2,056	5.40
2021	96,617	102,534	-5,917	36,554	30,690	-0.09	57,834	53,525	4,309	3,076	1,977	0.85
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

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	
2022	\$ 48,435	\$ 1,153	\$ 47,282	\$ 3,930	\$ 2,408	7.46	\$ -3,352	\$ 0	\$ -3,352	\$ 20	\$ 719	-4.54
2021	52,564	1,124	51,440	3,500	2,588	8.45	130	0	130	20	720	0.18
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

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>
2022	590,336	\$ 44,120,356	\$ 74,738	84,928	3.42
2021	588,769	42,733,937	72,582	83,165	5.05
2020	582,777	42,047,907	72,151	83,044	5.85
2019	579,234	39,614,835	68,392	84,984	2.97
2018	575,523	38,285,997	66,524	83,249	3.23
2017	571,339	36,900,611	64,586	82,777	3.64
2016	567,665	35,635,469	62,776	81,397	3.80
2015	563,502	34,494,808	61,215	80,387	4.42
2014	559,691	33,138,222	59,208	79,518	5.15
2013	555,438	31,842,560	57,329	78,500	5.78

Sources and notes:

(a) Mid-year (July 1) estimates obtained from the Maryland Department of Planning , U.S. Census Bureau, release date March 2022; These data supersede population estimates published in previous years.

(b) U.S. Bureau of Economic Analysis (BEA), release date November 2020 - revised estimated for 2013-2020. These data supersede personal income estimates published in previous years. The year 2021- 2022 have been forecast by Anne Arundel County Planning & Zoning.

(c) U. S Bureau of Economic Analysis, release date November 2021 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 2022; 2002-2021 actual enrollment. Enrollment for 2022 Projected by AACPS Planning Department release date July 2022. Revised to include evening high school enrollment.

(e) Maryland Department of Labor, Licensing and Regulation monthly reports Average per Calendar Year ; Year 2022 average for 6 months (Jan-June). Release date 8/01/2022. Previous data for 2019 and 2020 superseded by August 2022 report.

ANNE ARUNDEL COUNTY, MARYLAND
Principal Employers
Current Year and Nine Years Ago

2022			2013		
<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	62,680	15.94%	Ft. George G. Meade *	56,692	15.60%
Anne Arundel County Public Schools	14,852	3.78%	Anne Arundel County Public Schools	14,000	3.85%
State of Maryland	12,256	3.12%	BWI Thurgood Marshall Airport	9,717	2.67%
BWI Thurgood Marshall Airport	9,717	2.47%	State of Maryland	9,578	2.64%
Northrop Grumman Corp.	9,500	2.42%	Northrop Grumman Corp.	6,500	1.79%
Anne Arundel County Government	6,348	1.61%	Anne Arundel County Government	4,163	1.15%
Anne Arundel Health System	5,100	1.30%	Southwest Airlines	3,200	0.88%
Southwest Airlines	4,857	1.24%	Anne Arundel Health System	3,000	0.83%
Univ. of MD Baltimore Washington Medical Center	3,328	0.85%	Maryland Live! Casino	2,700	0.74%
Live! Casino and Hotel	3,000	0.76%	Baltimore Washington Medical Center	2,650	0.73%
	<u>131,638</u>	<u>33.47%</u>		<u>112,200</u>	<u>30.88%</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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government	544	534	529	519	521	511	502	500	500	489
Public safety										
Police	1,026	1,019	1,005	1,016	992	975	965	951	919	909
Fire	991	1,009	988	934	922	908	901	901	780	785
Detention center	434	434	434	397	395	397	398	398	398	398
Emergency Management	8	6	5	5	-	-	-	-	-	-
Health and human services	159	155	154	154	154	158	158	158	158	159
Public works	300	299	298	295	297	298	307	308	309	270
Recreation and community services	110	108	105	100	95	92	87	87	87	87
Judicial	313	306	296	290	286	281	277	270	272	269
Code enforcement	170	166	165	160	160	159	155	156	155	154
Land use and development	86	81	81	72	75	75	78	80	81	79
Water and wastewater	380	380	380	380	380	380	380	378	376	350
Solid waste	92	90	90	90	90	90	90	90	88	88
Child care	25	9	9	9	9	9	9	9	9	9
Total	<u>4,638</u>	<u>4,596</u>	<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>

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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police										
Physical arrests	10,908	9,205	10,304	13,145	12,946	14,126	14,375	13,788	14,725	14,477
Parking violations	2,021	1,932	2,058	3,298	2,906	2,429	1,545	1,715	3,338	3,828
Traffic violations	153,230	75,752 ¹	129,831	187,715	177,049	172,259	159,213	149,416	152,663	171,849
Fire										
Emergency responses	79,577	88,085	85,081	87,292	86,862	85,061	81,040	71,844	69,053	75,407
Inspections	6,160	7,446	9,866	12,544	10,829	12,656	9,062	10,268	10,729	10,584
Streets and highways										
Resurfacing (miles)	84.7	97.5	80.1	59.1	59.8	74.8	53.4	38.1	41.7	48.2
Recreation and community services										
Facility use applications	3,422	843 ¹	5,530	6,231	6,234	7,331	5,036	6,162	6,158	6,233
Water										
New water connections	1,302	1,670	1,811	2,633	1,000	1,671	1,972	1,229	1,126	694
Water main breaks	207	160	177	165	168	221	227	236	255	207
Average daily water consumption (thousands of gallons)	31,669	30,265	31,193	33,600	32,400	33,650	33,067	33,333	34,105	36,900
Number of customers	122,979	121,677	119,938	118,127	115,494	114,494	112,917	111,466	110,165	108,760
Wastewater										
Average daily sewage treatment (thousands of gallons)	32,606	28,336	29,192	33,183	30,386	28,859	31,442	31,568	32,468	31,086
Number of customers	131,246	129,882	128,157	126,287	123,653	122,603	120,981	119,499	118,154	116,801
Solid waste										
Trash collected (tons per year)	284,343	302,616	270,550	254,681	222,822	205,604	199,116	185,817	182,148	182,992
Recyclables collected (tons per year)	133,445	142,475	142,464	135,884	136,912	143,890	136,831	135,648	132,509	145,301
Child care										
Enrollment	2,682	470 ¹	3,141	3,097	3,134	3,087	2,903	2,842	2,417	2,175

1) Decreases primarily due to COVID-19.

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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Public Safety										
Police										
Stations	12	12	12	12	12	12	12	12	12	12
Patrol units (vehicles)	593	588	582	572	545	505	500	500	500	492
Fire										
County owned stations	22	22	22	21	20	20	20	20	20	19
Volunteer stations	9	9	9	10	11	11	11	11	11	12
Pumpers/tankers	68	67	69	70	65	63	60	58	66	59
Ladder trucks	16	25	25	24	22	23	23	23	23	22
Paramedic units	46	43	40	41	43	43	43	44	43	42
Streets and highways										
Streets (miles)	1,834	1,826	1,818	1,813	1,811	1,806	1,802	1,819	1,819	1,814
Streetlights	40,751	40,736	40,194	39,734	39,173	39,301	39,046	38,858	38,549	38,054
Traffic signals	249	238	238	234	222	219	216	207	205	195
Recreation and community services										
Open space acreage	5,828	4,989	4,984	4,930	4,722	4,991	4,991	4,990	4,982	4,976
Playgrounds and Parks acreage	6,923	7,789	7,706	7,536	7,542	7,329	7,329	7,319	7,318	7,242
Parks *										
Playgrounds	78	78	68	68	68	70	69	67	67	66
Baseball/softball fields	192	198	198	198	197	213	215	216	213	213
Football fields	98	100	99	99	97	104	99	97	98	98
Basketball courts	78	83	82	84	84	84	83	76	77	76
Tennis courts	50	53	52	54	53	53	54	54	54	54
Water										
Water mains (miles)	1,548	1,510	1,447	1,423	1,412	1,407	1,388	1,387	1,377	1,366
Water treatment plants	12	12	12	12	12	12	12	12	12	13
Wastewater										
Maximum daily treatment capacity (thousands of gallons)	52,530	52,530	52,530	52,530	46,830	46,640	46,640	46,615	46,615	46,615
Wastewater mains (miles)	1,612	1,523	1,469	1,469	1,472	1,472	1,446	1,445	1,442	1,432
Wastewater treatment plants	7	7	7	7	6	7	7	7	7	7
Wastewater pumping stations	267	265	265	262	262	259	258	257	257	253

Source: Data provided by the following Anne Arundel County departments: Police, Fire, Recreation & Parks, and Public Works.

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