

NEW ISSUES

Fitch Ratings: AAA
Moody's Ratings: Aaa
S&P Global Ratings: AAA

\$419,870,000

ANNE ARUNDEL COUNTY, MARYLAND

General Obligation Bonds

\$183,405,000 Consolidated General Improvements Series, 2025

\$84,235,000 Consolidated Water and Sewer Series, 2025

\$85,280,000 Consolidated General Improvements Series, 2025 Refunding Series

\$66,950,000 Consolidated Water and Sewer Series, 2025 Refunding Series

Dated: Date of Delivery

Due: As shown on the inside front cover

The Consolidated General Improvements Series, 2025 and the Consolidated Water and Sewer Series, 2025 (collectively, the "Construction Bonds"), and the Consolidated General Improvements Series, 2025 Refunding Series and the Consolidated Water and Sewer Series, 2025 Refunding Series (collectively, the "Refunding Bonds" and, together with the Construction Bonds, the "Bonds") are general obligations of Anne Arundel County, Maryland (the "County") for the payment of which the County's full faith and credit and taxing power are irrevocably pledged; however, the Bonds are subject to the limitation on the taxing power set forth in Section 710(d) of the County Charter (See "THE BONDS - Security for and Sources of Payment of the Bonds").

The Bonds will be issued in book-entry form. Purchases of the Bonds will be in the denomination of \$5,000 each or any integral multiple thereof. The Bonds will bear interest from the date of delivery, and interest on the Bonds will be payable on October 1 and April 1, commencing October 1, 2025. The Construction Bonds will mature on October 1 and the Refunding Bonds will mature on April 1 in the years and in the amounts set forth on the inside cover of this Official Statement.

The Construction Bonds and the Consolidated Water and Sewer Series, 2025 Refunding Series are subject to optional redemption. The Consolidated General Improvements Series, 2025 Refunding Series are not subject to optional redemption prior to maturity.

In the opinion of McKennon Shelton & Henn LLP, Bond Counsel, (i) under existing statutes, regulations and decisions, (a) the Construction Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale and exchange, shall be exempt from taxation of any kind by the State of Maryland, any of its political subdivisions, or any other public entity, and (b) interest on the Refunding Bonds and profit realized from the sale or exchange of the Refunding Bonds will be exempt from State of Maryland income taxation, no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon; and (ii) assuming compliance with certain covenants described herein, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statutes, regulations and decisions. As described herein under "THE BONDS - Tax Matters," interest earned on the Bonds for federal income tax purposes is not included in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment; however, interest on the Bonds will be part of the adjusted financial statement income in computing the alternative minimum tax on applicable corporations. Additionally, interest on the Bonds will be subject to the branch profits tax imposed on certain foreign corporations engaged in a trade or business in the United States of America.

The Bonds are offered when, as and if issued, subject to the delivery of the Bonds and the approving opinions of McKennon Shelton & Henn LLP, Bond Counsel, and other conditions specified in the applicable Official Notices of Sale, for each series of Bonds. The Bonds in definitive form will be available for delivery in New York, New York through the facilities of the Depository Trust Company and certain closing documents will be available for delivery in Baltimore, Maryland on or about April 30, 2025, or at such time or place as shall be mutually agreed upon by the County and the successful bidder for each series of the Bonds.

The date of this Official Statement is April 15, 2025.

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

\$183,405,000 Consolidated General Improvements Series, 2025

<u>Maturing October 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>	<u>Maturing October 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
2025	\$6,110,000	5.000%	3.10%	03588J HY1	2040	6,115,000	5.000	3.95%*	03588J JP8
2026	6,115,000	5.000	3.10	03588J HZ8	2041	6,115,000	5.000	4.06*	03588J JQ6
2027	6,115,000	5.000	3.11	03588J JA1	2042	6,115,000	5.000	4.15*	03588J JR4
2028	6,115,000	5.000	3.14	03588J JB9	2043	6,115,000	5.000	4.23*	03588J JS2
2029	6,115,000	5.000	3.20	03588J JC7	2044	6,115,000	5.000	4.31*	03588J JT0
2030	6,115,000	5.000	3.26	03588J JD5	2045	6,115,000	5.000	4.37*	03588J JU7
2031	6,115,000	5.000	3.30	03588J JE3	2046	6,115,000	5.000	4.42*	03588J JV5
2032	6,115,000	5.000	3.39	03588J JF0	2047	6,110,000	5.000	4.47*	03588J JW3
2033	6,115,000	5.000	3.43	03588J JG8	2048	6,110,000	5.000	4.53*	03588J JX1
2034	6,115,000	5.000	3.51	03588J JH6	2049	6,110,000	5.000	4.55*	03588J JY9
2035	6,115,000	5.000	3.58*	03588J JJ2	2050	6,110,000	5.000	4.57*	03588J JZ6
2036	6,115,000	5.000	3.65*	03588J JK9	2051	6,110,000	5.000	4.59*	03588J KA9
2037	6,115,000	5.000	3.71*	03588J JL7	2052	6,110,000	5.000	4.61*	03588J KB7
2038	6,115,000	5.000	3.76*	03588J JM5	2053	6,110,000	5.000	4.62*	03588J KC5
2039	6,115,000	5.000	3.84*	03588J JN3	2054	6,110,000	5.000	4.63*	03588J KD3

\$84,235,000 Consolidated Water and Sewer Series, 2025

<u>Maturing October 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>	<u>Maturing October 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
2025	\$2,805,000	5.000%	3.10%	03588J KE1	2040	2,810,000	5.000	3.95%*	03588J KV3
2026	2,810,000	5.000	3.10	03588J KF8	2041	2,810,000	5.000	4.06*	03588J KW1
2027	2,810,000	5.000	3.11	03588J KG6	2042	2,810,000	5.000	4.15*	03588J KX9
2028	2,810,000	5.000	3.14	03588J KH4	2043	2,805,000	5.000	4.23*	03588J KY7
2029	2,810,000	5.000	3.20	03588J KJ0	2044	2,805,000	5.000	4.31*	03588J KZ4
2030	2,810,000	5.000	3.26	03588J KK7	2045	2,805,000	5.000	4.37*	03588J LA8
2031	2,810,000	5.000	3.30	03588J KL5	2046	2,805,000	5.000	4.42*	03588J LB6
2032	2,810,000	5.000	3.39	03588J KM3	2047	2,805,000	5.000	4.47*	03588J LC4
2033	2,810,000	5.000	3.43	03588J KN1	2048	2,805,000	5.000	4.53*	03588J LD2
2034	2,810,000	5.000	3.51	03588J KP6	2049	2,805,000	5.000	4.55*	03588J LE0
2035	2,810,000	5.000	3.58*	03588J KQ4	2050	2,805,000	5.000	4.57*	03588J LF7
2036	2,810,000	5.000	3.65*	03588J KR2	2051	2,805,000	5.000	4.59*	03588J LG5
2037	2,810,000	5.000	3.71*	03588J KS0	2052	2,805,000	5.000	4.61*	03588J LH3
2038	2,810,000	5.000	3.76*	03588J KT8	2053	2,805,000	5.000	4.62*	03588J LJ9
2039	2,810,000	5.000	3.84*	03588J KU5	2054	2,805,000	5.000	4.63*	03588J LK6

\$85,280,000 Consolidated General Improvements Series, 2025 Refunding Series

<u>Maturing April 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>	<u>Maturing April 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
2026	\$15,290,000	5.000%	3.07%	03588J LL4	2031	\$7,105,000	5.000%	3.28%	03588J LR1
2027	11,730,000	5.000	3.09	03588J LM2	2032	7,080,000	5.000	3.32	03588J LS9
2028	8,720,000	5.000	3.11	03588J LN0	2033	7,050,000	5.000	3.39	03588J LT7
2029	7,160,000	5.000	3.17	03588J LP5	2034	7,020,000	5.000	3.46	03588J LU4
2030	7,135,000	5.000	3.23	03588J LQ3	2035	6,990,000	5.000	3.54	03588J LV2

\$66,950,000 Consolidated Water and Sewer Series, 2025 Refunding Series

<u>Maturing April 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>	<u>Maturing April 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
2026	\$4,520,000	5.000%	3.07%	03588J LW0	2036	\$3,375,000	5.000%	3.62%*	03588J MG4
2027	4,245,000	5.000	3.09	03588J LX8	2037	2,395,000	5.000	3.68*	03588J MH2
2028	4,235,000	5.000	3.11	03588J LY6	2038	2,385,000	5.000	3.75*	03588J MJ8
2029	4,230,000	5.000	3.17	03588J LZ3	2039	2,375,000	5.000	3.84*	03588J MK5
2030	4,225,000	5.000	3.23	03588J MA7	2040	2,365,000	5.000	3.95*	03588J ML3
2031	4,215,000	5.000	3.28	03588J MB5	2041	2,350,000	5.000	4.06*	03588J MM1
2032	4,205,000	5.000	3.32	03588J MC3	2042	2,340,000	5.000	4.15*	03588J MN9
2033	4,190,000	5.000	3.39	03588J MD1	2043	2,330,000	5.000	4.23*	03588J MP4
2034	4,185,000	5.000	3.46	03588J ME9	2044	2,315,000	5.000	4.31*	03588J MQ2
2035	4,170,000	5.000	3.54	03588J MF6	2045	2,300,000	5.000	4.37*	03588J MR0

The interest rates shown above are the interest rates payable by the County resulting from the successful bids for the Bonds on April 15, 2025. The yields shown above are furnished by the successful bidders for the Bonds. Other information concerning the terms of reoffering of the Bonds should be obtained from the successful bidders, and not from Anne Arundel County, Maryland. See “SALE AT COMPETITIVE BIDDING.”

*Priced to the first optional redemption date of April 1, 2035

**CUSIP (Committee on Uniform Securities Identification Procedures) herein are provided by CUSIP Global Services. The CUSIP numbers are included solely for the convenience of bondholders and no representation is made as to the correctness of such CUSIP numbers. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors including, but not limited to, the refunding or defeasance of such securities or the use of secondary market financial products. The County has not agreed to, and there is no duty or obligation to, update this Official Statement to reflect any change or correction in the assigned CUSIP numbers set forth above. The use of CUSIP numbers in this Official Statement is not intended to create a database and does not serve in any way as a substitute for the CUSIP Global Services.

ANNE ARUNDEL COUNTY, MARYLAND

Certain Elected Officials

COUNTY EXECUTIVE

Steuart Pittman

COUNTY COUNCIL

Julie K. Hummer, Chairman

Lisa D. B. Rodvien, Vice Chairman

Pete Smith

Nathan Volke

Allison Pickard

Amanda Fiedler

Shannon J. Leadbetter

Certain Appointed Officials

Chief Administrative Officer – Christine Anderson

Controller – Billie Penley

Budget Officer – Chris Trumbauer

County Attorney – Gregory Swain

County Auditor – Michelle Bohlayer (appointed by County Council)

BOND COUNSEL

McKennon Shelton & Henn LLP

Baltimore, Maryland

FINANCIAL ADVISOR

Public Resources Advisory Group

New York, New York

BOND REGISTRAR

AND PAYING AGENT

U.S. Bank Trust Company, National Association

Richmond, Virginia

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No dealer, broker, salesman or other person has been authorized by the County or the successful bidders for the Bonds to give any information or to make any representation other than those contained in this Official Statement, and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract or agreement between the County and the purchasers or holders of any of the Bonds.

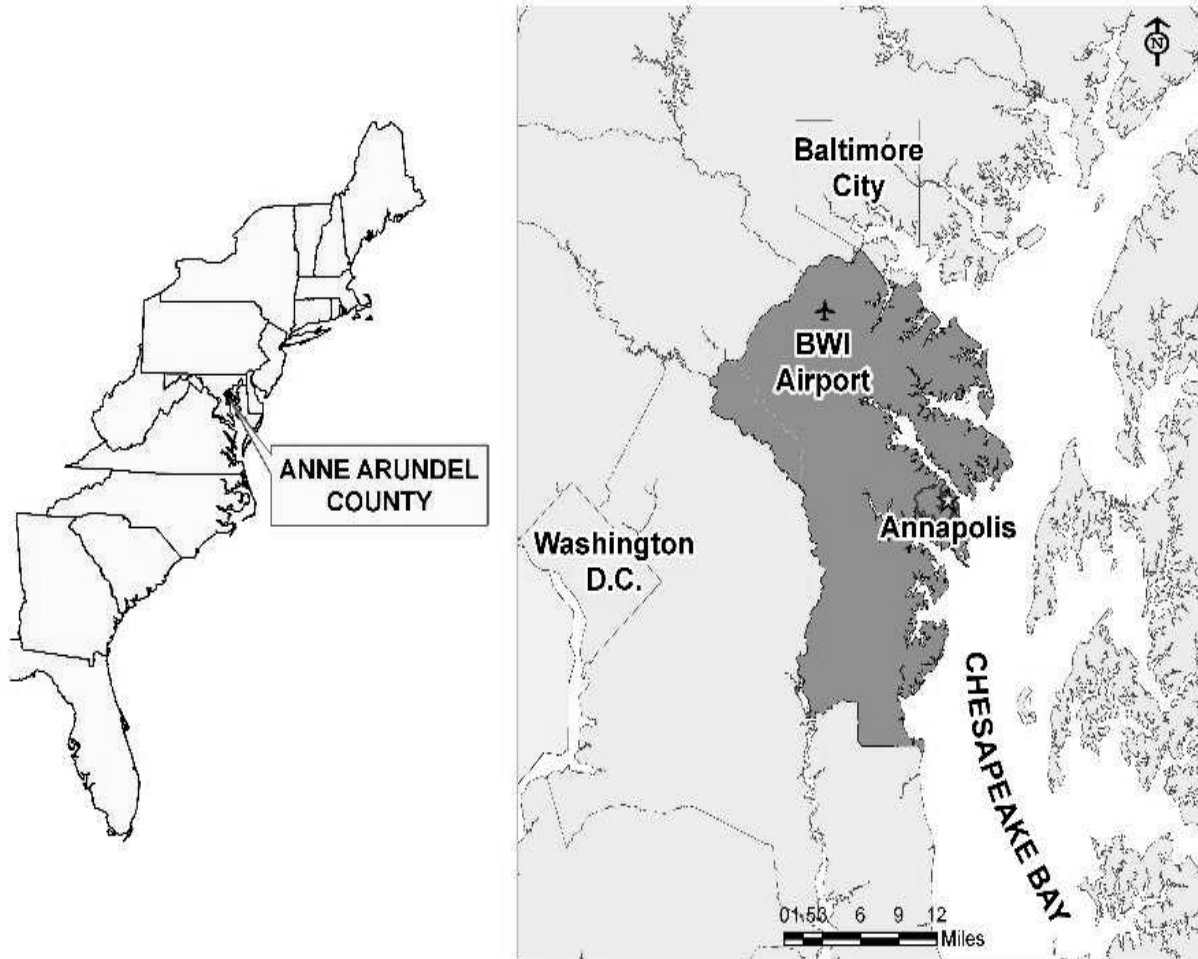
All quotations from and summaries and explanations of provisions of law and documents herein do not purport to be complete and reference is made to such laws and documents for full and complete statements of these provisions. Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implications that there has been no change in the affairs of the County since the respective dates as of which information is given herein. The information set forth herein has been obtained from the County and other sources that are deemed to be reliable but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the successful bidders for the Bonds.

This Official Statement contains statements which, to the extent they are not recitations of historical fact, constitute “forward-looking statements.” In this respect, the words “estimate,” “project,” “anticipate,” “expect,” “intend,” “believe” and similar expressions are intended to identify forward-looking statements. A number of important factors affecting the County and financial results could cause actual results to differ materially from those stated in the forward-looking statements. The County does not plan to issue any updates or revisions to the forward-looking statements.

The order and placement of materials in this Official Statement, including the appendices hereto and the information incorporated herein by reference, are not to be deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the appendices and the information incorporated herein by reference, must be considered in its entirety. The offering of Bonds is made only by means of this entire Official Statement.

MAP

Anne Arundel County and surrounding area



**ANNE ARUNDEL COUNTY, MARYLAND
OFFICIAL STATEMENT**

**\$419,870,000
GENERAL OBLIGATION BONDS**

**\$183,405,000 Consolidated General Improvements Series, 2025
\$84,235,000 Consolidated Water and Sewer Series, 2025
\$85,280,000 Consolidated General Improvements Series, 2025 Refunding Series
\$66,950,000 Consolidated Water and Sewer Series, 2025 Refunding Series**

SECTION ONE: INTRODUCTION

The purpose of this Official Statement, which includes the cover page and appendices hereto, is to provide certain information with respect to the issuance by Anne Arundel County, Maryland (the “County” or “Anne Arundel County”) of its \$419,870,000 aggregate principal amount of General Obligation Bonds, consisting of \$183,405,000 Consolidated General Improvements Series, 2025 (the “Consolidated General Improvements Construction Bonds”), \$85,280,000 Consolidated General Improvements Series, 2025 Refunding Series (the “Consolidated General Improvements Refunding Bonds” and, together with the Consolidated General Improvements Construction Bonds, the “Consolidated General Improvements Bonds”), \$84,235,000 Consolidated Water and Sewer Series, 2025 (the “Consolidated Water and Sewer Construction Bonds”) and \$66,950,000 Consolidated Water and Sewer Series, 2025 Refunding Series (the “Consolidated Water and Sewer Refunding Construction Bonds” and, together with the Consolidated Water and Sewer Construction Bonds, the “Consolidated Water and Sewer Bonds”). The Consolidated General Improvements Bonds and the Consolidated Water and Sewer Bonds are together referred to herein as the “Bonds.” The Consolidated General Improvements Construction Bonds and the Consolidated Water and Sewer Construction Bonds are together referred to herein as the “Construction Bonds.” The Consolidated General Improvements Refunding Bonds and the Consolidated Water and Sewer Refunding Bonds are together referred to herein as the “Refunding Bonds.”

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, this Official Statement, and is qualified by, more complete and detailed information contained in this entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of this entire Official Statement. The offering of Bonds to potential investors is made only by means of this entire Official Statement.

The County

The County is a political subdivision of the State of Maryland (also referred to herein as the “State”), 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 County has been under home rule charter since 1965. For more complete information, see “ECONOMIC AND DEMOGRAPHIC INFORMATION - Description and Government” herein.

Sources of Payment of the Bonds

The Bonds are general obligations of the County for the payment of which the County's full faith and credit and taxing power are irrevocably pledged, subject to the limitation on the taxing power set forth in Section 710(d) of the County Charter (the "Charter" or the "County Charter"). See "THE BONDS - Security for and Sources of Payment of the Bonds" herein.

The maturing principal of and interest on the Consolidated General Improvements Bonds will be paid from time to time, as and when due, from the funds in the hands of the County realized from the collection of ad valorem taxes on real estate, tangible personal property and intangible property as may be subject to taxation by the County. The County has covenanted that, to the extent that the required appropriation for debt service on the Consolidated General Improvements Bonds is not offset by funds from other sources, it will, subject to the limitation on the taxing power set forth in Section 710(d) of the County Charter, fund any such appropriation by the levy of ad valorem taxes on real estate, tangible personal property and intangible property as may be subject to taxation by the County.

The maturing principal of and interest on the Consolidated Water and Sewer Bonds will be paid from time to time, as and when due, from the funds in the hands of the County realized from the net revenues of the projects for which such bonds are issued, or the utilities for which these improvements are a part. The County has covenanted to fix and collect rates, charges and assessments sufficient to pay the cost of operations, maintenance, and debt service. In the event of a deficiency of such funds, the County has further covenanted that it will, subject to the limitation on the tax levy set out in Section 710(d) of the County Charter, fund any required appropriation by the levy of ad valorem taxes on real estate, tangible personal property and intangible property as may be subject to taxation by the County.

Such taxing power is subject, however, to the limitation set forth in Section 710(d) of the County Charter which provides, in part that "[f]rom and after July 1, 1993, revenues derived from taxes on properties existing on the County property tax rolls at the commencement of the County fiscal year shall not increase, compared with the previous year, more than the Consumer Price Index percentage of change, or 4.5 percent, whichever is the lesser."

Purpose of the Bonds

Construction Program

The proceeds of the Construction Bonds, together with the original issue premium, will be used to provide new funding for general improvement projects in the amount of \$195,300,000 and water and wastewater improvement projects in the amount of \$89,700,000. The proceeds of the Consolidated General Improvements Construction Bonds will be used to pay for general county, education, police and fire, roads and bridges, community college, library, recreation and parks, waterway improvements, and watershed protection and restoration improvement projects. For more complete information, see "THE BONDS - Application of Proceeds of the Construction Bonds" herein.

Refunding Program

The Refunding Bonds are being issued for the purpose of refunding certain outstanding bonds of the County. For more complete information regarding the refunding of such bonds, see "THE BONDS - Refunding Program" herein.

Denominations

The Bonds will be issued in denominations of \$5,000 each or any integral multiple thereof.

Book-Entry Only System

The Depository Trust Company (“DTC”) will act as the securities depository for the Bonds. The Bonds will be issued on a book-entry only basis (See “THE BONDS - Book-Entry Only System - General”). Beneficial Owners (defined herein) will not receive certificates representing their ownership interest in the Bonds except in the vent of termination of the book-entry only system (See “THE BONDS – Termination of Book-Entry Only System”).

Payments

Principal and interest payments on the Bonds will be made to DTC or its nominee, Cede & Co., as registered owner of the Bonds. Payments by Direct Participants and Indirect Participants (each as defined herein) to Beneficial Owners will be governed by standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers in bearer form or registered in “street name.”

For a more complete description of the Bonds, see “THE BONDS,” herein.

Tax Matters

In the opinion of McKennon Shelton & Henn LLP, Bond Counsel, (i) under existing statutes, regulations and decisions, the Construction Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale or exchange, shall be exempt from taxation of any kind by the State of Maryland, any of its political subdivisions, or any other public entity; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Construction Bonds or interest thereon; (ii) under existing statutes, regulations and decisions, interest on the Refunding Bonds and profit realized from the sale or exchange of the Refunding Bonds will be exempt from State of Maryland income taxation; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Refunding Bonds or the interest thereon; and (iii) assuming compliance with certain covenants described herein, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statutes, regulations and decisions. As described herein under “THE BONDS - Tax Matters” interest earned on the Bonds, for federal income tax purposes, is not included in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment; however, interest on the Bonds will be part of the adjusted financial statement income in computing the alternative minimum tax on applicable corporations. Additionally, interest on the Bonds will be subject to the branch profits tax imposed on certain foreign corporations engaged in a trade or business in the United States of America.

Professionals Involved in the Offering

U.S. Bank Trust Company, National Association, Richmond, Virginia, will act as Paying Agent and Bond Registrar (the “Paying Agent” and the “Bond Registrar,” respectively), and Public Resources Advisory Group, New York, New York, will act as the County’s Financial Advisor with respect to the Bonds. All proceedings in connection with the issuance of the Bonds are subject to the approval of McKennon Shelton & Henn LLP, Bond Counsel (“Bond Counsel”). The County’s financial statements, included in Appendix A attached hereto, have been audited by SB & Company, LLC, independent public accountants, Owings Mills, Maryland. The mathematical accuracy of certain computations relating to the Refunded Bonds (as defined herein) will be verified by Samuel Klein and Company, Certified Public Accountants. For more information concerning the above-mentioned professionals, see “THE BONDS - Approval of Legal Matters,” “THE BONDS - Financial Advisor,” “THE BONDS - Independent Public Accountants” and “THE BONDS – Verification of Mathematical Computations” herein.

Authorization

The Construction Bonds are issued pursuant to the authority of Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement) and the Refunding Bonds are issued pursuant to the authority of Sections 10-203 and 19-207 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement). The Bonds are also issued pursuant to the County Charter and in accordance with the Authorizing Ordinance (each as defined herein). For more complete information, see “THE BONDS - Authorization and Purpose” herein.

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued, subject to approval as to their legality by Bond Counsel and the satisfaction of certain other conditions. It is anticipated that the Bonds in definitive form will be available for delivery to DTC on or about April 30, 2025.

Continuing Disclosure

In order to assist the successful bidders in complying with SEC Rule 15c2-12(b)(5), the County will execute and deliver a continuing disclosure agreement on or before the date of issuance of the Bonds pursuant to which it will undertake to provide certain information annually and notices of certain events. See “THE BONDS - Continuing Disclosure” herein.

Miscellaneous

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

Except where otherwise indicated, all information contained in this Official Statement has been provided by the County. No dealer, broker, salesperson or other person has been authorized by the County or the successful bidders for each series of the Bonds to give any information or to make any representations, other than those contained herein, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. The information set forth herein has been obtained from sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of any party described herein subsequent to the date as of which such information is presented.

Questions related to this Official Statement, requests for the County's Annual Comprehensive Financial Report or any written notice described in the section entitled “Continuing Disclosure” should be directed to the Office of Finance, Arundel Center, P.O. Box 2700, Annapolis, Maryland 21404. The telephone number of the Office of Finance is (410) 222-1781.

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SECTION TWO: THE BONDS

General

The Bonds will be issued by the County in book-entry form as fully registered bonds without coupons in the denominations of \$5,000 each or any integral multiple thereof. The Bonds will be dated the date of delivery, and will bear interest, as hereinafter set forth, payable on October 1 and April 1 of each year, commencing October 1, 2025, at the rates set forth on the inside front cover page of this Official Statement. Each Bond shall bear interest from the most recent date to which interest has been paid or, if no interest has been paid, from the date of delivery. U.S. Bank Trust Company, National Association has been appointed Paying Agent and Bond Registrar for the Bonds.

Authorization and Purpose

The Construction Bonds are issued pursuant to the authority of Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement) and the Refunding Bonds are issued pursuant to the authority of Sections 10-203 and 19-207 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement). The Bonds are also issued pursuant to the County Charter (as defined here) and in accordance with Bill No. 58-24, passed by the County Council of Anne Arundel County (the “County Council”) on July 15, 2024, effective the tenth day after its presentation to the County Executive of the County on July 17, 2024 in accordance with the Anne Arundel County Charter, and effective on September 10, 2024, as amended (the “Authorizing Ordinance”).

The proceeds from the sale of the \$267,640,000 aggregate principal amount of the Construction Bonds, together with the original issue premium, will be used to provide funding of \$195,300,000 for general improvement projects and \$89,700,000 for water and sewer improvement projects. See “Application of Proceeds of the Construction Bonds” below.

The proceeds from the sale of the \$152,230,000 aggregate principal amount of the Refunding Bonds, together with the original issue premium, will be used to refund certain bonds of (i) Anne Arundel County Consolidated General Improvements Series; (ii) Anne Arundel County Consolidated Water and Sewer Series; and (iii) Anne Arundel County Consolidated Golf Course Projects Series. See “Refunding Program” below.

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Application of Proceeds of the Construction Bonds

The sources of funds for the capital projects expected to be financed from the Consolidated General Improvements Construction Bonds and the Consolidated Water and Sewer Construction Bonds are summarized in the following tables:

GENERAL COUNTY IMPROVEMENT PROJECTS

	Sources of Funds				
	Estimated Costs of Designated Projects	Federal and State Grants, Pay-As-You-Go Funds, and Funds From Completed or Abandoned Projects	Prior Bond Issues	Proposed Bond Issue To Cover Additional Project Expenditures	Subsequent Bond Issues
General County	\$459,694,479	\$281,266,925	\$46,253,062	\$18,100,000	\$114,074,492
Education	1,842,730,691	1,241,757,788	513,940,438	37,400,000	49,632,465
Education PPI	125,000,000	-	117,800,000	5,900,000	1,300,000
Police and Fire	198,239,353	68,331,995	64,102,817	8,900,000	56,904,541
Police and Fire PPI	60,843,000	-	3,000,000	14,200,000	43,643,000
Roads and Bridges	475,801,122	303,214,579	51,525,158	34,800,000	86,261,385
Roads and Bridges Impact Fees	206,000	-	205,317	-	683
Roads and Bridges PPI	50,891,000	-	7,600,000	-	43,291,000
Community College	197,575,875	98,651,875	85,084,261	7,000,000	6,839,739
County Libraries	54,688,274	10,909,128	11,663,707	1,800,000	30,315,439
Recreation and Parks	437,956,422	205,873,116	78,073,504	27,900,000	126,109,802
Waterway Improvements	25,898,532	10,260,805	11,012,776	1,300,000	3,324,951
Solid Waste	56,771,813	6,797,902	27,425,150	7,600,000	14,948,761
Watershed Protection & Restor.	276,121,161	23,854,300	112,877,980	30,400,000	108,988,881
	\$ 4,262,417,722	\$ 2,250,918,413	\$ 1,130,564,170	\$ 195,300,000 (1)	\$ 685,635,139

WATER AND WASTEWATER IMPROVEMENT PROJECTS

	Sources of Funds				
	Estimated Costs of Designated Projects	Federal and State Grants, Pay-As-You-Go Funds, and Funds From Completed or Abandoned Projects	Prior Bond Issues	Proposed Bond Issue To Cover Additional Project Expenditures	Subsequent Bond Issues
Wastewater	\$681,778,759	\$126,595,628	\$278,881,194	\$52,000,000	\$224,301,937
Water	562,490,559	58,449,960	138,683,552	37,700,000	327,657,047
	\$ 1,244,269,318	\$ 185,045,588	\$ 417,564,746	\$ 89,700,000 (1)	\$ 551,958,984

(1) - Proposed bond issue to cover additional project expenditures equals par plus the original issue premium.

Source: Office of Finance.

Refunding Program

The County is issuing the Refunding Bonds to refund certain bonds in order to realize savings on debt service costs. The bonds to be refunded are set out below with the redemption date and redemption price.

The Refunding Bonds are being issued for the purpose of currently refunding all of the outstanding maturities of the following outstanding bonds of the County (collectively, the "Refunded Bonds").

<u>Issue Name</u>	<u>Maturities to be Refunded</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
Consolidated General Improvements Series, 2015	2026-2035	\$76,550,000	5/30/2025	100%
Consolidated General Improvements Series, 2015 Refunding Series	2026-2027	\$9,580,000	5/30/2025	100%
Consolidated Water and Sewer Series, 2015	2026-2045	\$51,700,000	5/30/2025	100%
Consolidated Water and Sewer Series, 2015 Refunding Series	2026-2036	\$20,160,000	5/30/2025	100%
Consolidated Golf Course Projects Series, 2015	2026-2028	\$4,550,000	5/30/2025	100%

Sources and Uses of Funds

The following table outlines the estimated sources and uses of funds with respect to the General Improvements Bonds:

Sources of Funds:	
Par amount of Bonds	\$268,685,000
Plus net original issue premium	<u>18,114,385</u>
Total	<u>\$286,799,385</u>
Uses of Funds:	
Construction Program Funds	\$195,300,000
Deposit to Escrow Fund	91,130,804
Underwriters' Discount	239,012
Costs of Issuance*	<u>129,569</u>
Total	<u>\$286,799,385</u>

* Estimate includes legal, rating agency, financial advisor and printer costs on the Consolidated General Improvement Refunding Bonds.

The following table outlines the estimated sources and uses of funds with respect to the Water and Sewer Bonds:

Sources of Funds:	
Par amount of Bonds	\$151,185,000
Plus net original issue premium	<u>10,952,788</u>
Total	<u>\$162,137,788</u>
Uses of Funds:	
Construction Program Funds	\$ 89,700,000
Deposit to Escrow Fund	72,217,145
Underwriters' Discount	123,110
Costs of Issuance*	<u>97,533</u>
Total	<u>\$162,137,788</u>

* Estimate includes legal, rating agency, financial advisor and printer costs on the Consolidated Water and Sewer Refunding Bonds.

Security for and Sources of Payment of the Bonds

The Bonds are general obligations of the County for the payment of which the County's full faith and credit and taxing power are irrevocably pledged, subject to the limitation on the taxing power set forth in Section 710(d) of the County Charter.

Section 710(d) of the County Charter provides that from and after July 1, 1993, revenues derived from taxes on properties existing on the County property tax rolls at the commencement of the County fiscal year shall not increase, compared with the previous year, more than the Consumer Price Index percentage of change, or 4.5 percent, whichever is the lesser (see "FINANCES - Charter Property Tax Revenue Limitation" and "INDEBTEDNESS - Charter Property Tax Revenue Limitation").

The maturing principal of and interest on the Consolidated General Improvements Bonds will be paid from time to time, as and when due, from the funds in the hands of the County realized from the collection of ad valorem taxes on real estate, tangible personal property and intangible property as may be subject to taxation by the County. The County has covenanted that, to the extent that the required appropriation for debt service on the Consolidated General Improvements Bonds is not offset by funds from other sources, it will, subject to the limitation on the tax levy set out in Section 710(d) of the County Charter, fund any such appropriation by the levy of ad valorem taxes on real estate, tangible personal property and intangible property as may be subject to taxation by the County.

In each and every fiscal year that any of the Consolidated Water and Sewer Bonds are outstanding, the County shall impose and levy, or cause to be imposed and levied, charges, levies and assessments against all real property in the County that is or will be connected with, or that is benefited by, the water and wastewater facilities of the County, in accordance with the authority and in the manner prescribed by the Anne Arundel County Code (the "County Code").

The maturing principal of and interest on the Consolidated Water and Sewer Bonds will be paid from time to time, as and when due, from the funds in the hands of the County realized from the net revenues of the projects for which such bonds are issued, or the utilities of which these improvements are a part, for the use and benefit of which the County has covenanted to fix and collect rates, charges and assessments sufficient to pay the cost of operation, maintenance and debt service. In the event of a deficiency of such funds from the net revenues and receipts from such revenue producing projects, for the purpose of meeting the principal maturities and interest of the Bonds, the County has further covenanted that it will, subject to the limitation on the tax levy set out in Section 710(d) of the County Charter, fund any such deficiency by the levy of ad valorem taxes on real estate, tangible personal property and intangible property as may be subject to taxation by the County.

Bondholders' Remedies

In the event that it fails to perform its obligations under the Bonds to the registered owners thereof, the County may be sued, and any judgments resulting from such suits would be enforceable against the County. Nevertheless, a registered owner of a Bond who has obtained any such judgment may be required to seek additional relief to compel the County to levy and collect such taxes as may be necessary to provide the funds from which such judgment may be paid. Although there is no Maryland law on this point, the appropriate courts of Maryland have jurisdiction to entertain proceedings and power to grant additional relief, such as a mandatory injunction, if necessary, to enforce the levy and collection of such taxes within the limitation on the tax levy set out in Section 710(d) of the County Charter and payment of the proceeds thereof to the holders of general obligation bonds, subject to the inherent constitutional limitations referred to below.

While remedies would be available to bondholders and while the general obligation bonds of the County are entitled to constitutional protection against the impairment of the obligation of contracts, such constitutional protection and the enforcement of such remedies would not be absolute. Enforcement of a claim for payment of the principal of or the interest on the Bonds could be made subject to the provisions of Chapter 9 of the Federal Bankruptcy Code or of any statutes that may hereafter be constitutionally enacted by the United States Congress or the Maryland General Assembly extending the time of payment or imposing other constraints upon enforcement.

Redemption

Optional Redemption

Construction Bonds. The Construction Bonds of each series maturing on or after October 1, 2035, are subject to redemption, at the option of the County, on or after April 1, 2035, as a whole or in part at any time, in any order of maturities, after at least 20 days' notice, at par (100% of principal), plus accrued and unpaid interest to the date fixed for redemption.

Consolidated Water and Sewer Refunding Bonds. The Consolidated Water and Sewer Refunding Bonds maturing on or after April 1, 2036, are subject to redemption, at the option of the County, on or after April 1, 2035, as a whole or in part at any time, in any order of maturities, after at least 20 days' notice, at par (100% of principal), plus accrued and unpaid interest to the date fixed for redemption.

Consolidated General Improvements Refunding Bonds. The Consolidated General Improvements Refunding Bonds are not subject to optional redemption prior to their respective maturities.

If less than all of the Bonds of a series shall be called for redemption pursuant to the redemption provisions of such Bonds, the principal amount of Bonds so called for redemption shall be in denominations of \$5,000 or any integral multiple thereof and the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar, except that so long as DTC or its nominee is the sole registered owner of the Bonds, the particular Bond or portion thereof to be redeemed shall be selected by lot by DTC, in accordance with its normal and customary procedures (so long as the Bonds are in book-entry form). When less than all of a Bond in a denomination in excess of \$5,000 shall be so redeemed, then, upon the surrender thereof there shall be issued to the registered owner thereof, without charge, for the unredeemed balance of the principal amount of such Bond, at the option of such owner, Bonds in any of the authorized denomination the aggregate face amount of such Bonds not to exceed the unredeemed balance of the Bond so surrendered, and to bear the same interest rate and to mature on the same date as said unredeemed balance.

If the County elects to redeem all outstanding Bonds of a series, or less than all, it will give a redemption notice by letter mailed first class, postage prepaid, to the holders of such Bonds at least 20 days prior to the redemption date at the addresses of such holders appearing on the registration books kept by the Bond Registrar, provided, however, that the failure to mail such notice to any holder of such Bonds or any defect in the notice mailed or in the mailing thereof shall not affect the validity of the redemption proceedings relating to any other Bonds. Said notice shall state whether such Bonds are redeemed in whole or in part and, if in part, the maturities and numbers of the Bonds called, shall state that the interest on the Bonds called shall cease on the date fixed for redemption, shall state the redemption date and the redemption price, and shall require that the Bonds redeemed be then presented for redemption and payment at the principal corporate trust office of the Paying Agent. From and after the date fixed for redemption, if notice has been given as herein provided, and the funds sufficient for payment of the redemption price and accrued interest shall be available therefore on such date, the Bonds designated for redemption shall cease to bear interest. Upon presentation and surrender in compliance with such notices, the Bonds called for redemption shall be paid by the Paying Agent at the redemption price. If not paid on presentation thereof, said Bonds called shall continue to bear interest at the rates expressed therein until paid.

Book-Entry Only System — General

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of each series of the Bonds, each in the aggregate principal amount of the Bond of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and

money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent and Bond Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent and Bond Registrar or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC), is the responsibility of the County or the Paying Agent and Bond Registrar; disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such

payments to Direct Participants will be the responsibility of DTC, and disbursements of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the County or the Paying Agent and Bond Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

Book-Entry Only System — Miscellaneous

The information in the section “THE BONDS - Book-Entry Only System - General” has been obtained by the County from DTC. The County takes no responsibility for the accuracy or completeness thereof. Neither the County nor the Bond Registrar and Paying Agent (defined herein) will have any responsibility or obligations to Direct or Indirect Participants or the persons for whom they act as nominees with respect to the payments to or the providing of notice to the Direct Participants, or the Indirect Participants, or Beneficial Owners. The County cannot and does not give any assurance that Direct Participants, Indirect Participants or others will distribute principal and interest payments to DTC or its nominees, as the registered owner, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis or that DTC will serve and act in the manner described in this Official Statement.

Termination of Book-Entry Only System

In the event that the Book-Entry Only System is discontinued, the Bonds will be delivered by DTC to the Bond Registrar and such Bonds will be exchanged for Bonds registered in the names of the DTC Participants or the Beneficial Owners identified to the Bond Registrar. In such event, certain provisions of the Bonds pertaining to ownership of the Bonds will be applicable to the registered owners of the Bonds as described below.

Interest on the Bonds will be payable by check mailed by the Paying Agent and Bond Registrar to the persons in whose names the Bonds are registered as of the close of business on the Regular Record Date (being the fifteenth day of the month next preceding each interest payment date) at the addresses shown on the registration books of the County maintained by the Bond Registrar; provided, however, that any such interest not punctually paid or duly provided for shall cease to be payable to the registered owner on such Regular Record Date, and may be paid to the persons in whose names such Bonds are registered as of the close of business on a date to be fixed by the Paying Agent for the payment of such defaulted interest (the “Special Record Date”), notice of which will be given by letter mailed first class, postage prepaid, to such persons, not less than 30 days prior to such Special Record Date, at the addresses of such persons appearing on the registration books of the County maintained by the Bond Registrar, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Bonds may be listed and upon such notice as may be required by such exchange. The principal of and premium, if any, on the Bonds will be payable at the designated corporate trust office of the Paying Agent in Richmond, Virginia. The County may designate another entity as Bond Registrar and Paying Agent upon twenty days prior written notice to the registered owners of the Bonds.

The Bonds in fully certificated form will be fully registered Bonds without coupons in the denomination of \$5,000 each or any integral multiple thereof. Such Bonds will be transferable only upon the registration books kept at the principal corporate trust office of the Bond Registrar, by the registered owner thereof in person, or by an attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer in the form attached thereto and satisfactory to the Bond Registrar and duly executed by the registered owner or a duly authorized attorney. The County may deem and treat the person in whose name a Bond is registered as the absolute owner thereof for the purpose of receiving payment of or on account of the principal or redemption price thereof and interest due thereon and for all other purposes.

The Bonds may be transferred or exchanged at the principal corporate trust office of the Bond Registrar. Upon any such transfer or exchange, the County shall execute and the Bond Registrar shall authenticate and deliver a new registered Bond or Bonds without coupons, of any of the authorized denominations in an aggregate principal

amount equal to the principal amount of the Bond exchanged or transferred, and maturing on the same date and bearing interest at the same rate. In each case, the Bond Registrar may require payment by any holder of Bonds requesting exchange or transfer of Bonds of any tax, fee, or other governmental charge, shipping charges, and insurance that may be required to be paid with respect to such exchange or transfer, but otherwise no charge shall be made to the holder of Bonds for such exchange or transfer. The Bond Registrar shall not be required to transfer or exchange any Bond after the mailing of notice calling such Bond or portion thereof for redemption as hereinabove described; provided, however, that the foregoing limitation shall not apply to that portion of a Bond in excess of \$5,000 which is not being called for redemption.

Tax Matters

In rendering its opinion with respect to the Bonds, Bond Counsel will rely without investigation on certifications provided by the County with respect to certain material facts within the knowledge of the County relevant to the tax-exempt status of interest on the Bonds.

Maryland Income Taxation-Construction Bonds

In the opinion of Bond Counsel, under existing statutes, regulations and decisions, the Construction Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale and exchange, shall be exempt from taxation of any kind by the State of Maryland, any of its political subdivisions, or any other public entity. No opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Construction Bonds or the interest thereon.

Maryland Income Taxation-Refunding Bonds

In the opinion of Bond Counsel, under existing statutes, regulations and decisions, interest on the Refunding Bonds and profit realized from the sale or exchange of the Refunding Bonds will be exempt from State of Maryland income taxation. No opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Refunding Bonds or the interest thereon.

Federal Income Taxation

In the opinion of Bond Counsel, assuming compliance with certain covenants described herein, the interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statutes, regulations, and decisions.

Under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the Bonds in order that the interest thereon be excludable from gross income. These include the following: (i) a requirement that certain earnings received from the investment of the proceeds of the Bonds be rebated to the United States of America under certain circumstances (or that certain payments in lieu of rebate be made); (ii) other requirements applicable to the investment of the proceeds of the Bonds; and (iii) other requirements applicable to the use of the proceeds of the Bonds and the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the investment of the proceeds of the Bonds and to take such other actions as may be required to maintain the excludability from gross income for federal income tax purposes of interest on the Bonds.

Further, under existing statutes, regulations and decisions, Bond Counsel is of the opinion that interest on the Bonds is not included in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment, however, interest on the Bonds will be part of the adjusted financial statement income in computing the alternative minimum tax on applicable corporations, 15% of which is included in the computation of the corporate alternative minimum tax imposed on applicable corporations. For this purpose, in general, applicable corporations are corporations with more than \$1.0 billion in average annual adjusted financial statement income determined over a 3-year period. In addition, interest on the Bonds will be subject to the branch

profits tax imposed by the Code on certain foreign corporations engaged in a trade or business in the United States of America.

Certain Other Federal Tax Consequences

There are other federal tax consequences of ownership of obligations such as the Bonds under certain circumstances, including the following: (i) deductions are disallowed for certain expenses of taxpayers allocable to interest on tax-exempt obligations, as well as interest on indebtedness incurred or continued to purchase or carry tax-exempt obligations and interest expense of financial institutions allocable to tax-exempt interest; (ii) for property and casualty insurance companies, the amount of the deduction for losses incurred must be reduced by 25% of the sum of tax-exempt interest income and the deductible portion of dividends received by such companies; (iii) interest income that is exempt from tax must be taken into account for the purpose of determining whether, and what amount of, social security or railroad retirement benefits are includable in gross income for federal income tax purposes; (iv) for S corporations having Subchapter C earnings and profits, the receipt of certain levels of passive investment income, which includes interest on tax-exempt obligations such as the Bonds, can result in the imposition of tax on such passive investment income and, in some cases, loss of S corporation status; (v) net gain realized upon the sale or the other disposition of the Bonds must be taken into account when computing the 3.8% Medicare tax with respect to the investment income or undistributed net income, as applicable, imposed on certain higher income individuals and specified trusts and estates; and (vi) receipt of certain investment income, including interest on the Bonds, is considered when determining qualification limits for obtaining the earned income credit provided by Section 32(a) of the Code.

Purchase, Sale and Retirement of Bonds

Except as noted below in the case of market discount, the sale or other disposition of a Bond will normally result in capital gain or loss to its holder. A holder's initial tax basis in a Bond will be its cost. Upon the sale or retirement of a Bond, for federal income tax purposes, a holder will recognize capital gain or loss upon the disposition of such security (including sale, early redemption or payment at maturity) in an amount equal to the difference between (a) the amount received upon such disposition; and (b) the tax basis in such Bond, determined by adding to the original cost basis in such Bond the amount of original issue discount that is treated as having accrued as described below under "THE BONDS - Tax Accounting Treatment of Discount Bonds." Such gain or loss will be a long-term capital gain or loss if at the time of the sale or retirement the Bond has been held for more than one year. Present law taxes both long and short-term capital gains of corporations at the rates applicable to ordinary income. For non-corporate taxpayers, however, short-term capital gains are taxed at the rates applicable to ordinary income, while net capital gains are taxed at lower rates. Net capital gains are the excess of net long-term capital gains (gains on capital assets held for more than one year) over net short-term capital losses.

Market Discount

If a holder acquires a Bond after its original issuance at a discount below its principal amount (or in the case of a Bond issued at an original issue discount, at a price that produces a yield to maturity higher than the yield to maturity at which such bond was first issued), the holder will be deemed to have acquired the Bond at "market discount," unless the amount of market discount is *de minimis*, as described in the following paragraph. If a holder that acquires a Bond with market discount subsequently realizes a gain upon the disposition of the Bond, such gain shall be treated as taxable interest income to the extent such gain does not exceed the accrued market discount attributable to the period during which the holder held such Bond, and any gain realized in excess of such market discount will be treated as capital gain. Potential purchasers should consult their tax advisors as to the proper method of accruing market discount.

In the case of a Bond not issued at an original issue discount, market discount will be *de minimis* if the excess of the Bond's stated redemption price at maturity over the holder's cost of acquiring the Bond is less than 0.25% of the stated redemption price at maturity multiplied by the number of complete years between the date the holder acquires the Bond and its stated maturity date. In the case of a Bond issued with original issue discount, market discount will be *de minimis* if the excess of the Bond's revised issue price over the holder's cost of acquiring the Bond is less than 0.25% of the revised issue price multiplied by the number of complete years between the date the holder acquires the Bond and its stated maturity date. For this purpose, a Bond's "revised issue price" is the sum of (i) its original issue

price; and (ii) the aggregate amount of original issue discount that is treated as having accrued with respect to the Bond during the period between its original issue date and the date of acquisition by the holder.

Amortizable Bond Premium

A Bond will be considered to have been acquired at a premium if, and to the extent that, immediately after the acquisition of such Bond, the holder's tax basis in the Bond exceeds the amount payable at maturity (or, in the case of a Bond callable prior to maturity, an amount payable on an earlier call date, as described). Under tax regulations applicable to the Bonds, the amount of the premium would be determined with reference to the amount payable on that call date (including for this purpose the maturity date) that produces the lowest yield to maturity on the Bonds. The holder will be required to reduce his tax basis in the Bond for purposes of determining gain or loss upon disposition of the Bond by the amount of amortizable bond premium that accrues, determined in the manner prescribed in the regulations. Generally, no deduction (or other tax benefit) is allocable in respect of any amount of amortizable bond premium on the Bonds.

Tax Accounting Treatment of Discount Bonds

Certain maturities of the Bonds may be issued at an initial public offering price which is less than the amount payable on such Bonds at maturity (the "Discount Bonds"). The difference between the initial offering price (including accrued interest, if any), at which a substantial amount of the Discount Bonds of each maturity was first sold, and the principal amount of such Discount Bonds payable at maturity constitutes original issue discount. The amount of such original issue discount which is treated as having accrued with respect to such Discount Bonds, is added to the original cost basis of the holder in determining, for federal income tax purposes, gain or loss upon disposition (including sale, early redemption or payment at maturity). For federal income tax purposes (a) any holder of a Discount Bond will recognize gain or loss upon the disposition of such Discount Bond (including sale, early redemption or payment at maturity) in an amount equal to the difference between (i) the amount received upon such disposition; and (ii) the sum of (1) the holder's original cost basis in such Discount Bond, and (2) the amount of original issue discount attributable to the period during which the holder held such Discount Bond; and (b) the amount of the basis adjustment described in clause (a)(ii)(2) will not be included in the gross income of the holder.

Original issue discount on Discount Bonds will be attributed to permissible compounding periods during the life of any Discount Bonds in accordance with a constant rate of interest accrual method. The yield to maturity of the Discount Bonds of each maturity is determined using permissible compounding periods. In general, the length of a permissible compounding period cannot exceed the length of the interval between debt service payments on the Discount Bonds and must begin or end on the date of such payments. Such yield then is used to determine an amount of accrued interest for each permissible compounding period. For this purpose, interest is treated as compounding periodically at the end of each applicable compounding period. The amount of original issue discount which is treated as having accrued in respect of a Discount Bond for any particular compounding period is equal to the excess of (a) the product of (i) the yield for such Discount Bond (adjusted as necessary for an initial short period) divided by the number of compounding periods in a year multiplied by (ii) the amount that would be the tax basis of such Discount Bond at the beginning of such period if held by an original purchaser who purchased at the initial public offering price, over (b) the amount actually payable as interest on such Discount Bond during such period. For purposes of the preceding sentence the tax basis of a Discount Bond, if held by an original purchaser, can be determined by adding to the initial public offering price of such Discount Bond, the original issue discount that is treated as having accrued during all prior compounding periods. If a Discount Bond is sold or otherwise disposed of between compounding dates, then interest which would have accrued for that compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Holders of Discount Bonds should note that, under applicable tax regulations, the yield and maturity of a Discount Bond is determined without regard to commercially reasonable sinking fund payments, and any original issue discount remaining unaccrued at the time that a Discount Bond is redeemed in advance of stated maturity will be treated as taxable gain. Moreover, tax regulations prescribe special conventions for determining the yield and maturity of certain debt instruments that provide for alternative payment schedules applicable upon the occurrence of certain contingencies.

The yields (and related prices) furnished by the successful bidder for each series of the Bonds as shown on the inside cover of this Official Statement may not reflect the initial issue prices for the purpose of determining the original issues discount for federal income tax purposes.

The foregoing summarizes certain federal income tax consequences of original issue discount with respect to the Discount Bonds but does not purport to deal with all aspects of federal income taxation that may be relevant to particular investors or circumstances, including those set out above. Prospective purchasers of Discount Bonds should consider possible state and local income, excise or franchise tax consequences arising from original issue discount on Discount Bonds. In addition, prospective corporate purchasers should consider possible federal tax consequences arising from original issue discount on such Discount Bonds under the branch profits tax. The amount of original issue discount considered to have accrued may be reportable in the year of accrual for state and local tax purposes or for purposes of the branch profits tax without a corresponding receipt of cash with which to pay any tax liability attributable to such discount. Purchasers with questions concerning the detailed tax consequences of transactions in the Discount Bonds should consult their tax advisors.

The foregoing is only a general summary of certain provisions of the Code as enacted and in effect on the date hereof and does not purport to be complete; holders of the Bonds should consult their own tax advisors as to the effects, if any, of the Code (and any proposed or subsequently enacted amendments to the Code) in their particular circumstances.

Legislative Developments

Legislative proposals could adversely affect the market value of the Bonds. Further, if enacted into law, any such legislation could cause the interest on the Bonds to be subject, directly or indirectly, to federal income taxation and could otherwise alter or amend one or more of the provisions of federal tax law described above or their consequences. Prospective purchasers of the Bonds should consult with their tax advisors as to the status and potential effect of any pending or future legislation, as to which Bond Counsel expresses no opinion.

Ratings

The Bonds have been assigned the following ratings by the agencies indicated: Fitch Ratings AAA, Moody's Ratings Aaa and S&P Global Ratings AAA. An explanation of the significance of such ratings may be obtained from the rating agencies. The County furnished to the rating agencies the information contained in a preliminary form of this Official Statement and other materials and information. Generally, rating agencies base ratings on such materials and information, as well as their own investigations, studies and assumptions. It should be noted that such ratings may be changed at any time and that no assurance can be given that the ratings will not be revised downward or withdrawn by the rating agencies, if in their judgment, circumstances should warrant such actions. Such circumstances may include, without limitation, changes in or unavailability of information relating to the County. Any such downward revision or withdrawal of such ratings could have an adverse effect on the market price of the Bonds.

Sale at Competitive Bidding

The Construction Bonds and the Refunding Bonds were offered for sale by the County at competitive bidding on April 15, 2025, in accordance with the respective Official Notice of Sale (the forms of which are attached hereto as Appendix B), as supplemented. The rates shown on the inside cover page of this Official Statement are the rates to the County resulting from the awards of the Bonds at the respective competitive bidding therefore. The yields shown on the inside cover page of this Official Statement are based on information supplied to the County by the successful bidders respecting the resale price (not including concessions) of the Bonds established on the date hereof. Any other information concerning the terms of reoffering of the Bonds, if any, including yields or prices, should be obtained from the successful bidders therefore and not from the County.

Litigation

Taxpayers, entities that own and operate two industrial properties with improvements thereon, sought refunds of real and personal property taxes previously paid to the County for fiscal years 2022, 2023, and 2024. First-level administrative appeals that were noted by the taxpayers to the State Department of Assessments and Taxation

asserted that the values of the real and personal property for the assessment dates were substantially below assessed values. The taxpayers' appeals, which appeals were consolidated in the Maryland Tax Court in early 2024, contend that the assessments should be reduced. Based upon appraisals conducted by the taxpayers' experts, taxpayers are asserting in the Maryland Tax Court that they are due a refund of over \$5 million total for all fiscal years in addition to 6% interest. A trial is scheduled in the Maryland Tax Court on September 17, 2025. The case is being vigorously defended. The State of Maryland is also a party to the case and is supporting the County's position.

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 matter 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.

Cybersecurity

The County was recently the victim of a security event, which disrupted its information technology systems. The County identified suspicious activity affecting its IT system on February 22, 2025 and was able to confirm it was the result of a cyber incident. The County took immediate action to contain the threat and is working diligently with its own experts and third-party experts to fully restore the IT system. Critical County services have remained available notwithstanding the cyber incident.

In the conduct of its daily business, the County employs technology and collects and stores sensitive data. The secure processing, maintenance, and transmission of this information is critical to many of the County's operations. Despite security controls and other technical measures currently in place and those which may be adopted in the future, information technology and infrastructure may be vulnerable to attacks by hackers, nation states or other breaches, including as a result of error, malfeasance or other disruptions or failures, such as the cyber incident described in the foregoing paragraph.

Any such breach, disruption or other failure or further breach, disruption or failure could further compromise County services, networks, facility operations and the information stored there could be accessed, disrupted, publicly disclosed, lost or stolen. Any such further access, disruption, disclosure, theft or other loss of information could result in disruptions to County operations and financial or other activities, or legal claims or proceedings, including pursuant to laws that protect the privacy of personal information, or regulatory penalties.

To prevent such disruptions to County operations, the County maintains a cybersecurity office within the Office of Information and Technology. The County uses the National Institute of Standards and Technology Cybersecurity Framework to measure the maturity of cybersecurity controls and exposure to cyber risks in County government. The current focus is on improving detection, response and recovery capabilities along with a continual review of critical controls for systems which process County data and providing cyber security education to County employees on an ongoing basis. In light of the cyber incident described above, the County will examine its controls and exposure to any further cyber risks and determine if any changes in cybersecurity controls are necessary.

While the County conducts periodic tests and reviews of its networks, no assurances can be given that such security and operational control measures will be successful in guarding against any further cyber threats and attacks. New technical cyber vulnerabilities are discovered in the United States daily. The techniques used to obtain unauthorized access to, or to disable or degrade, electronic networks, computers, systems and solutions are rapidly evolving and have become increasingly complex and sophisticated.

The County has enhanced its cybersecurity controls in recent years in response to increased teleworking. The County continuously optimizes controls, implements technical solutions, policies, and management practices to minimize risks and safeguards sensitive information. As cybersecurity threats continue to evolve, the County may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks. The results of any future attack on the County's computer and information technology systems could impact its operations and damage the County's digital networks and systems, and the costs of remedying any such damage could be substantial.

To reinforce the robustness of security measures and improve being successful in guarding against cyber threats and attacks, the County analyzes current trends and options and invests substantial resources. Recognizing the pressing need to make its workforce more resilient against potential threats is crucial for the County. A workforce that is skilled and proficient with cybersecurity issues is the most effective security methodology.

Approval of Legal Matters

McKennon Shelton & Henn LLP is acting as Bond Counsel in connection with the issuance of the Bonds. Delivery of the Bonds is conditioned upon delivery by Bond Counsel of opinions substantially in the forms set forth in Appendix C of this Official Statement.

Financial Advisor

Public Resources Advisory Group (“PRAG”), 39 Broadway, 12th Floor, New York, New York, 10006, serves as financial advisor to the County on debt management and capital financing matters. PRAG has not independently verified the information contained in this Official Statement and does not assume responsibility for the accuracy, completeness, or fairness of such information.

Independent Public Accountants

The basic financial statements of Anne Arundel County, Maryland included in Appendix A of this Official Statement have been audited by SB & Company, LLC, Independent Public Accountants, for the period indicated in their report thereon.

SB & Company, LLC, as independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. SB & Company, LLC also has not performed any procedures relating to this offering document.

Verification of Mathematical Computations

Samuel Klein and Company, Certified Public Accountants (the “Verification Agent”) will deliver to the County, on or before the date of issuance of the Bonds, its verification report indicating that it has examined, in accordance with standards established by the American Institute of Certified Public Accountants, certain information and assertions provided by Public Resources Advisory Group with respect to the Refunded Bonds. Included in the scope will be a verification of the mathematical accuracy of the mathematical computations of the proceeds of the Refunding Bonds deposited with the escrow agent for the Refunded Bonds to pay the principal of and interest on the Refunded Bonds upon their redemption on or about May 23, 2025. Such computations were based solely on assumptions and information supplied to the Verification Agent by Public Resources Advisory Group and the County.

Continuing Disclosure

In order to enable participating underwriters (as defined in SEC Rule 15c2-12) to comply with the requirements of paragraph (b)(5) of SEC Rule 15c2-12, the County will execute and deliver a continuing disclosure agreement (the “Continuing Disclosure Agreement”) on or before the date of issuance and delivery of the Bonds. The form of the Continuing Disclosure Agreement is attached hereto as Appendix D.

The County has timely filed complete information required by its continuing disclosure obligations for each of the past five years. When filing information with the Municipal Securities Rulemaking Board through Electronic Municipal Market Access (“EMMA”) system, the County submits the filings in a manner intended to display such information with each relevant outstanding debt issue. To the extent a filing is made by the County without all of the associated CUSIP numbers, the filing can be found on EMMA associated with another County debt issue or on the County’s issuer homepage on EMMA.

Official Statement

Any statements made in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any estimates will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of any of the Bonds.

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SECTION THREE: FINANCES

This section summarizes the finances of the various departments, agencies and other organizations governed directly by the County Executive and the County Council of Anne Arundel County, Maryland. No information is included related to the component units included in the County's basic financial statements. For more information, see "NOTES TO THE BASIC FINANCIAL STATEMENTS – Summary of Significant Accounting Policies," in Appendix A.

Accounting and Financial Operations

The County financial system is an integrated, centralized, and comprehensive base for all budgetary and accounting information. The system begins with the budget and progresses into the incurrence of all obligations and disbursement of all funds. An accounting is provided for all revenues, expenditures and expenses, regardless of source or charge.

Awards

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to Anne Arundel County for its annual comprehensive financial report ("ACFR") for the fiscal year ended June 30, 2023. This was the 43rd consecutive year that the County has received this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The County believes its ACFR continues to conform to the Certificate of Achievement program requirements and it has submitted its ACFR to GFOA for the year ended June 30, 2024.

Basis of Accounting

Modified Accrual Basis of Accounting

The modified accrual basis of accounting and current financial resources measurement focus is followed in the Governmental funds for the fund level statements. Under the modified accrual basis of accounting:

1. Expenditures are recorded when goods and services are received and the actual liabilities are incurred, except for principal and interest on general long-term debt obligations and compensated absences and other long term obligations.
2. Revenues are recorded when collected by the County or its collecting agencies, except for general property taxes, local income taxes, state shared tax revenues, intergovernmental revenues and investment income which are susceptible to accrual because these revenues are both measurable and available. Available means expected to be collected within 90 days after year-end in order to pay liabilities of the current period, except property taxes, which are deferred if not collected within 60 days.
3. Revenues not considered measurable or available are recorded as deferred revenues.

In applying the susceptible to accrual concept to intergovernmental revenues, the eligibility requirements of the programs are used as guidance. Revenues can be recognized as soon as all such requirements are met.

Accrual Basis of Accounting

A set of government-wide financial statements are included that use the full accrual basis of accounting. These statements consolidate the operations of all County activities into two categories, governmental and business-type and eliminate all interfund activity. All non-current assets and liabilities are also included on the Statement of Net Position. The accrual basis of accounting and flow of economic resources measurement focus is followed in the Proprietary and Pension Trust Funds in the fund-level statements and in the government-wide financial statements. Under the accrual basis, revenues are recognized when earned, and expenses are recognized when liabilities are incurred. Earned but unbilled Water and Wastewater Fund utility service charges are recorded as revenue at year-end.

Budget

The County Budget consists of the Current Expense Budget, the Capital Budget and Program, and the Budget Message. It represents a complete financial plan for the County including all revenues, all expenditures, encumbrances, and the fund balances of the General Fund and all other funds of the County government.

Current Expense Budget

The Current Expense Budget, developed by the Chief Administrative Officer and the Budget Officer, is based on annual work programs setting forth the nature, volume, and cost of work to be performed as submitted by the head of each office, department, institution, board, commission, and other agency of the County government. The estimates of the revenues and expenditures of operations for the ensuing fiscal year are also included; estimated revenues are detailed as to source, and estimated expenditures are detailed as to program or project. After the data so submitted is reviewed by the Chief Administrative Officer and the Budget Officer, the Current Expense Budget is compiled for presentation to the County Executive. No later than sixty days prior to the end of the fiscal year, the County Executive submits to the County Council the proposed Current Expense Budget for the ensuing fiscal year, which by the County Charter, must be balanced.

Capital Budget and Program

The Capital Budget is the County's plan to receive and expend funds during the ensuing fiscal year for physical public betterment or improvement and any related preliminary studies and surveys, the acquisition of property of a permanent nature for public use, and the purchase of equipment for any public betterment or improvement accompanying initial construction. The Capital Budget includes a statement of the receipts anticipated during the ensuing fiscal year from all borrowing and from other sources for capital projects. The Capital Program is the County's plan to receive and expend funds for capital projects during the fiscal year covered by the Capital Budget and the succeeding five fiscal years.

Budget Message

The Budget Message contains supporting summary tables and explains the proposed Current Expense Budget and Capital Program both in fiscal terms and in terms of work to be performed. It outlines the proposed financial policies of the County for the ensuing fiscal year and describes the important features of the Current Expense Budget. It indicates any major changes in financial policies and in expenditures, appropriations and revenues as compared with the fiscal year currently ending, and sets forth the reasons for such changes. The Budget Message includes an explanation of changes in the Capital Program made by the County Executive insofar as the Program differs from that presented by the Office of Planning and Zoning. The Budget Message may also include such other material as the County Executive deems desirable.

Budget Adoption

The County Council may decrease or delete any items in the budget except for those required by the public general laws of Maryland and except for any provision for debt service on obligations then outstanding or for estimated cash deficits. The County Council has no power to change the form of the budget as submitted by the County Executive, to alter the revenue estimates except to correct mathematical errors, or to increase total expenditures recommended by the County Executive for current or capital purposes, except as permitted by the public general laws

of Maryland. The adoption of the Budget is by the affirmative vote of not less than four members of the County Council in an ordinance to be known as the Annual Budget and Appropriation Ordinance of Anne Arundel County. The County Council may, at the same time or thereafter from time to time during the ensuing fiscal year, adopt bond issue authorization ordinances providing the means of financing such capital projects as are to be financed from borrowing in the ensuing fiscal year. All of such ordinances are exempt from the County Executive veto. The Annual Budget and Appropriation Ordinance is to be adopted by the County Council on or before the fifteenth day of the last month of the fiscal year currently ending, and if the County Council fails to do so, the proposed budget submitted by the County Executive stands adopted, and funds for the expenditures proposed in the current expense budget stand appropriated as fully and to the same extent as if favorable action thereon had been taken by the County Council.

Budget Control

Unless the Controller first certifies that the funds for the designated purposes are available, no office, department, institution, board, commission or other agency of the County government may during any fiscal year expend, or contract to expend, any money or incur any liability, or enter into any contract, which by its terms involves the expenditure of money, for any purpose in excess of the amounts appropriated or allotted for the same general classification of expenditure in the budget or in any supplemental appropriation for such fiscal year, and no such payment may be made nor any obligation or liability incurred, except for small purchases in an amount less than twenty five hundred dollars (\$2,500). The County Charter requires that this “general classification of expenditure” be classified by “agency, character and object,” and leaves the specifics of this classification to the discretion of the County Executive. For appropriation control purposes, the current budget classifies department (i.e., agency) expenditures by sub-departments (i.e., character) and seven expense objects including personal services, contractual services, supplies & materials, business & travel, capital outlay, debt service, and grants, contributions & other.

Nothing prevents the making of contracts of lease or for service providing for the payment of funds at a time beyond the fiscal year in which such contracts are made, provided the nature of such transactions reasonably requires the making of such contracts. But any contract, lease, or other obligation requiring the payment of funds from the appropriations of a later fiscal year must be made or approved by ordinance. No contract for the purchase of real or leasehold property may be made unless the funds therefore are included in the Capital Budget.

No obligations of the County may be authorized in any fiscal year for or on account of any capital project not included in the County Budget as finally adopted for such year; provided, however, that upon receipt of a recommendation in writing from the County Executive and the Planning Advisory Board, the County Council may, by the affirmative vote of five members, amend the County Budget in accordance with such recommendation.

Source: Office of the Budget.

Investment of Operating and Capital Funds

County funds held for operation and capital purposes are managed by the Office of Finance with strict guidelines as to investment vehicles. Investments are restricted by State of Maryland law, with which the County complies. The County does not invest in derivatives or in reverse repurchase agreements. It invests primarily in obligations of the United States Government, its agencies or instrumentalities, and the Maryland Local Government Investment Pool. For more detailed information, see “NOTES TO THE BASIC FINANCIAL STATEMENTS – Cash and Investments” in [Appendix A](#).

Fund Accounting

In accordance with generally accepted accounting principles in the United States (“GAAP”), the accounts of the County are organized on the basis of funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities or balances and changes thereon are recorded and segregated to carry on specific activities or obtain certain objectives. The various funds are summarized by type in the financial statements.

For more detailed information, see “NOTES TO THE BASIC FINANCIAL STATEMENTS – Summary of Significant Accounting Policies,” in [Appendix A](#).

General Fund

The County's principal source of General Fund revenues is taxes, which comprised approximately 90.8% of total General Fund revenues (on a GAAP basis) in fiscal year 2024. Property tax revenues comprised approximately 43.2% of total General Fund revenues, and income tax revenues comprised approximately 40.3% of total General Fund revenues. The schedules on the following pages reflect the results of operations for the last five fiscal years.

Status of Federal Funding Related to the Pandemic

The County received pandemic relief funds that offset increased expenses related to the pandemic and allowed it to maintain normal operations, including \$101.1 million in federal monies under the Coronavirus Aid Relief and Economic Security Act ("CARES Act") and \$112.5 million in State and Local Fiscal Recovery Funds ("SLFRF") provided through the American Recovery Plan Act ("ARPA"). The County has expended all of its CARES Act funds, filed all required reports with the U.S. Treasury and closed all CARES Act projects.

The County has obligated all of its \$112.5 million in ARPA funding in accordance with U.S. Treasury guidelines. As of December 31, 2024 the County's ARPA expenditures totaled \$109.2 million or 97.1% of the total SLFRF allocation. The County was required to obligate its ARPA funds to eligible costs by December 31, 2024, as required by the US Treasury for various projects that are permitted under the ARPA. The County has until December 31, 2026 to fulfil payments for the obligated projects that are permitted under the ARPA.

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ANNE ARUNDEL COUNTY, MARYLAND
SUMMARY OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND (GAAP BASIS)

Last Five Fiscal Years (Unaudited – Derived From Audited Financial Statements)

	2024	2023	2022	2021	2020
REVENUES					
General property taxes	\$891,264,245	\$821,649,599	\$805,926,561	\$778,653,674	\$750,383,091
Local income taxes	830,256,885	789,717,002	734,914,210	693,300,152	606,998,155
State shared taxes	17,677,360	16,215,423	15,596,875	11,414,898	11,704,256
Recordation and transfer taxes	99,883,607	118,352,717	198,086,989	156,927,794	114,907,649
Local sales taxes	33,579,384	31,227,504	29,120,925	24,016,271	26,699,642
License and permit fees	18,836,206	16,549,952	21,259,243	14,564,976	15,441,085
Ambulance fees	28,348,874	23,263,395	21,629,966	12,642,842	12,112,507
Cable fees	9,199,034	9,318,677	9,178,248	9,786,085	10,415,690
Video lottery local impact aid	10,307,746	10,507,575	10,779,241	9,492,404	6,686,423
Investment income	56,781,723	28,752,268	(7,538,529)	(1,061,989)	6,551,874
Fees for services and other revenue	66,428,501	63,984,162	63,841,921	48,950,058	46,638,488
Total revenues	<u>2,062,563,565</u>	<u>1,929,538,274</u>	<u>1,902,795,650</u>	<u>1,758,687,165</u>	<u>1,608,538,860</u>
EXPENDITURES					
Education	929,908,800	884,090,100	831,168,800	796,241,600	778,703,500
Public safety	451,775,193	402,191,075	369,122,139	341,436,849	318,548,379
General government	163,287,376	200,625,437	162,707,619	151,972,563	136,194,157
Health and human services	65,655,193	56,165,585	60,732,590	55,732,168	48,912,109
Public works	39,345,163	32,464,984	33,414,346	31,468,058	31,666,979
Recreation and community services	61,230,783	58,707,732	49,079,659	48,228,750	49,503,382
Judicial	38,405,142	33,887,976	31,740,735	29,690,930	28,813,697
Code enforcement	17,969,523	16,532,962	14,961,004	14,059,921	13,901,473
Land use and development	13,069,464	11,352,272	9,925,720	8,330,414	8,355,930
Debt service					
Interest payments on debt	61,201,771	61,063,357	60,850,449	56,237,716	57,022,145
Principal payments on debt	92,137,152	140,859,669	146,305,219	229,478,405	90,126,367
Interest payments on leases	686,275	509,527	372,094	8,712	373
Principal payments on leases	16,982,776	3,642,557	3,792,233	30,272	10,122
Debt issuance costs	184,087	114,533	289,037	-	-
Total Expenditures	<u>1,951,838,698</u>	<u>1,902,207,766</u>	<u>1,774,461,644</u>	<u>1,762,916,358</u>	<u>1,561,758,613</u>
Revenues over (under) expenditures	110,724,867	27,330,508	128,334,006	(4,229,193)	46,780,247
OTHER FINANCING SOURCES (USES)					
Operating transfers in	47,672,386	41,725,134	43,660,514	41,834,616	43,241,434
Operating transfers out	(256,321,201)	(322,877,064)	(179,940,004)	(163,820,395)	(221,911,883)
Proceeds of general obligation bonds	142,230,000	115,455,000	114,176,000	153,065,000	185,195,000
Proceeds of refunding bonds	43,953,357	40,730,000	43,909,150	110,511,100	-
Payments to escrow agent	(48,945,687)	-	-	-	-
Premium on refunding of bonds	5,176,417	5,973,165	6,066,164	24,941,314	-
COI on refunding bonds	-	-	-	(184,064)	-
Proceeds from Capital Leases	7,669,020	190,617	5,210,477	-	-
Proceeds from SBITA	9,869,944	7,571,797	-	-	-
Total other financing sources (uses)	<u>(48,695,764)</u>	<u>(111,231,351)</u>	<u>33,082,301</u>	<u>166,347,571</u>	<u>6,524,551</u>
Net increase (decrease) in fund balances	62,029,103	(83,900,843)	161,416,307	162,118,378	53,304,798
Fund balances (deficit), July 1	467,636,649	551,537,492	390,121,185	228,002,807	174,698,009
Fund balances (deficit), June 30	<u>\$529,665,752</u>	<u>\$467,636,649</u>	<u>\$551,537,492</u>	<u>\$390,121,185</u>	<u>\$228,002,807</u>
Fund balance as a % of revenues	<u>25.68%</u>	<u>24.24%</u>	<u>28.99%</u>	<u>22.18%</u>	<u>14.17%</u>

Source: Office of Finance.

ANNE ARUNDEL COUNTY, MARYLAND
SUMMARY OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND (BUDGET BASIS)

Last Five Fiscal Years (Unaudited – Derived From Audited Financial Statements)

	2024		2023	
	Budget	Actual	Budget	Actual
REVENUES				
General property taxes	\$889,872,700	\$891,264,245	\$812,632,900	\$821,649,599
Local income taxes	756,800,000	830,256,885	714,700,000	789,717,002
State shared taxes	16,553,800	17,677,360	14,842,900	16,215,423
Recordation and transfer taxes	100,000,000	99,883,607	131,000,000	118,352,717
Local sales taxes	29,993,000	33,579,384	28,468,000	31,227,504
Licenses and permits	17,278,600	18,836,206	17,708,000	16,549,952
Ambulance fees	21,600,000	28,348,873	19,100,000	23,263,395
Cable fees	8,000,000	9,199,034	8,000,000	9,318,677
Video Lottery Impact Aid	9,500,000	10,307,746	10,250,000	10,507,575
Investment income	1,650,000	50,750,786	830,000	28,940,153
Inter-fund recoveries	78,278,500	86,439,738	77,812,500	76,822,894
Fees for services and other revenue	60,984,800	67,250,276	59,734,200	65,222,624
Total revenues	<u>1,990,511,400</u>	<u>2,143,794,140</u>	<u>1,895,078,500</u>	<u>2,007,787,515</u>
EXPENDITURES				
Current				
Education	881,481,000	881,481,000	834,741,000	834,741,000
Higher education	48,427,800	48,427,800	49,427,800	49,349,100
Public safety	453,064,700	448,593,510	409,816,700	408,976,453
General government	258,662,000	252,930,099	267,927,800	260,562,936
Health and human services	67,181,600	63,124,827	61,125,600	58,710,025
Public works	40,699,500	39,613,587	35,860,300	35,808,149
Recreation and community services	63,146,900	63,125,250	58,943,300	57,823,064
Judicial	39,218,700	38,264,563	36,304,500	34,424,114
Land use and development	13,119,600	12,828,459	11,371,800	11,344,688
Code enforcement	18,379,700	18,027,534	16,807,700	16,532,962
Debt service	145,849,500	145,245,472	170,144,000	151,645,135
Pay Go Funding	113,000,000	113,000,000	204,980,000	204,795,000
Total expenditures	<u>2,142,231,000</u>	<u>2,124,662,101</u>	<u>2,157,450,500</u>	<u>2,124,712,626</u>
Revenues over (under) expenditures	(151,719,600)	19,132,039	(262,372,000)	(116,925,111)
Fund balances, budgetary, July 1	<u>254,871,135</u>	<u>254,871,135</u>	<u>371,796,246</u>	<u>371,796,246</u>
Fund balances, budgetary, June 30	<u>\$103,151,535</u>	<u>\$274,003,174</u>	<u>\$109,424,246</u>	<u>\$254,871,135</u>
Fund balances - Unassigned				
Unassigned - GAAP basis		\$303,188,385		\$272,386,442
Effects of:				
Fair Market Value Adjustment		979,066		1,398,508
County Parking Garage Fund		(705,774)		(562,708)
Health Encumbrance adjustment		-		-
Revenue reserve allocation		(153,112,522)		(121,506,380)
Self Insurance Fund allocation		(5,240,248)		(6,015,914)
Inmate Benefits and Morale Fund		(1,303,393)		(1,084,418)
Non-budgeted activity expense-Permanent Public Improvement		-		-
Non-budgeted activity expense-Lease/Right to use		(55,922)		19,218
Central Garage Fund allocation		6,506,100		7,564,116
Transfer for Permanent Public Improvements		(60,592,541)		(46,232,104)
LOSAP-Current Liability		763,250		763,250
Conference & Visitor Center Transfer		-		-
Arts Council Transfer		-		-
Beer, Wine, Liquor		-		-
Recreation and Parks Accrual GAAP		260,748		-
Unassigned - Non-GAAP basis		90,687,149		106,730,010
Assigned for subsequent years		183,316,025		148,141,125
Fund balance - Budgetary Basis		<u>\$274,003,174</u>		<u>\$254,871,135</u>

Source: Office of Finance.

2022		2021		2020	
Budget	Actual	Budget	Actual	Budget	Actual
\$789,805,300	\$805,926,561	\$774,515,600	\$778,653,674	\$747,069,000	\$750,383,091
647,400,000	734,914,210	589,200,000	693,300,152	564,999,600	606,998,155
12,574,400	15,596,875	12,537,800	11,414,898	13,822,300	11,704,256
105,000,000	198,086,989	95,000,000	156,927,794	102,000,000	114,907,649
27,180,000	29,120,925	28,725,000	21,836,540	32,176,000	26,699,642
17,376,500	19,807,681	18,114,000	16,016,538	17,722,300	15,441,085
12,600,000	21,629,966	12,500,000	12,642,842	12,200,000	12,112,507
8,000,000	9,178,248	10,250,000	9,786,085	9,800,000	10,415,690
8,640,000	10,779,241	6,000,000	9,492,404	9,200,000	6,686,423
1,375,000	1,552,524	2,700,000	515,608	3,200,000	3,837,481
79,939,700	77,958,523	79,583,400	76,158,518	77,610,100	77,348,408
52,401,900	63,940,602	52,351,700	49,648,028	53,472,500	46,838,188
1,762,292,800	1,988,492,345	1,681,477,500	1,836,393,081	1,643,271,800	1,683,372,575
784,741,000	784,741,000	749,579,900	749,579,900	733,315,800	733,315,800
46,427,800	46,427,800	46,661,700	46,661,700	45,387,700	45,387,700
378,974,200	371,831,655	342,064,100	337,716,139	328,939,700	321,728,687
245,412,400	234,729,271	226,180,800	219,315,259	201,757,000	200,380,168
59,996,400	58,029,499	60,583,200	57,397,838	87,589,000	48,800,579
38,047,100	37,660,808	35,209,000	34,611,448	34,786,000	33,105,688
52,803,800	51,606,734	52,141,800	50,177,974	52,753,500	51,193,306
33,343,200	31,974,690	30,997,500	29,964,428	30,174,800	29,077,702
10,496,900	10,238,866	8,997,500	8,380,117	8,758,900	8,340,346
15,555,600	14,988,160	14,947,700	14,060,183	14,420,700	13,908,007
156,272,200	155,570,668	150,215,900	149,471,875	150,248,400	147,827,303
62,592,000	62,592,000	8,588,000	8,588,000	35,000,000	35,000,000
1,884,662,600	1,860,391,151	1,726,167,100	1,705,924,861	1,723,131,500	1,668,065,286
(122,369,800)	128,101,194	(44,689,600)	130,468,220	(79,859,700)	15,307,289
243,695,052	243,695,052	113,226,832	113,226,832	97,919,543	97,919,543
\$121,325,252	\$371,796,246	\$68,537,232	\$243,695,052	\$18,059,843	\$113,226,832
	\$247,385,055		\$243,692,883		\$161,996,256
	2,605,466		691,866		(704,232)
	(243,725)		(216,610)		(149,214)
	-		-		321,272
	(98,319,477)		(84,407,720)		(82,400,437)
	(21,997,443)		(25,220,847)		(13,537,626)
	(962,301)		(947,673)		(801,926)
	1,156,711		-		-
	(26,194)		-		-
	6,974,803		4,983,828		5,915,014
	(28,914,324)		(9,371,621)		(9,371,621)
	763,250		763,250		799,800
	-		331,170		-
	-		58,442		-
	-		1,451,562		-
	-		106,297		3,000,000
	108,421,821		131,914,827		65,067,286
	263,374,425		111,780,225		38,787,925
	\$371,796,246		\$243,695,052		\$103,855,211

The County has historically used a planned approach in which the anticipated available fund balance in the current fiscal year is programmed for spending in the subsequent year's budget. Due to fiscal restraint and higher revenues in fiscal years 2020 through 2024 and revenues exceeding budgeted expectations, the GAAP fund balance increased from \$228,002,807 on June 30, 2019, to \$529,665,752 on June 30, 2024.

Budget for Fiscal Year 2025

To date, the County's fiscal year 2024 General Fund Current Expense Budget, which includes the County's funding for the Board of Education, Libraries, Social Services and the Community College, amounts to \$2,312,436,300 with the County property tax rate of \$0.983 per \$100 of assessed value outside of Annapolis and \$0.586 per \$100 of assessed value inside of Annapolis. (See "FINANCES – Property Taxes, Assessments and Collections").

To date, the 2024 Capital Budget and Five-Year Program total approximately \$3,321,453,000 including \$2,061,569,000 for general county improvements and \$1,259,884,000 for water and wastewater projects. Support for the Capital Budget and Program primarily consists of Federal and State grants, County bonds, certain fees, and Pay-As-You-Go financing. (See "INDEBTEDNESS – Capital Appropriations and Funding Sources").

Interim General Fund Revenues and Expenditures for Fiscal Years 2025 and 2024

The Controller has prepared summary unaudited data with respect to revenues and expenditures of the General Fund for the six months ended December 31, 2024 and December 31, 2023. The presentation of this data does not purport to be an interim statement of General Fund revenues, expenditures and fund balance as estimates for year-end accruals are not included. However, these statements have been prepared on a comparable basis and reflect the actual collection of revenues and actual expenditures and encumbrances for the two periods. The General Fund's Statement of Revenue, Expenditures, and Changes in Fund Balance in the annual basic financial statements (See Appendix A) are prepared on the modified accrual basis.

Operating results through December 2024 show an increase in revenues and expenditures compared to December 2023. Total revenues as of December 31, 2024 are approximately \$89,330,000 higher than December 31, 2023, an increase of 7.0%. Revenues from property taxes are approximately \$43,485,000 ahead of the prior year. Recordation and transfer taxes have increased by approximately \$8,420,000. Total expenditures as of December 2024 are approximately \$134,233,000 higher than December 2023, an increase of 11.3%, which is the result of an increase in PAYGO funding for Capital Projects of \$57,400,000, and an increase in appropriations for the Board of Education and Public Safety of \$47,800,000 and \$40,223,000, respectively. For General Government, OPEB Contributions increased \$26,112,000 due to the County's contribution of \$25,000,000 to the Board of Education.

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The following presents a summary of General Fund revenues, expenditures and encumbrances for the six months ended December 31, 2024 and December 31, 2023, as compared with the related total annual budgets as revised through these dates:

INTERIM GENERAL FUND STATEMENT

Budget and Actual For the Six Months Ended December 31 (Unaudited)

	2024			2023	
	Annual Budget	Six Month Actual	Actual As a % of Annual Budget	Six Month Actual	Actual As a % of Annual Budget
Revenues (1)					
General property taxes	\$920,388,200	\$924,008,411	100.4%	\$880,523,058	98.9%
Local income taxes	820,294,000	265,854,198	32.4%	243,995,773	32.2%
State shared taxes	29,247,200	9,084,758	31.1%	9,003,744	34.6%
Recordation and transfer taxes	102,000,000	57,737,096	56.6%	49,317,431	49.3%
Local sales taxes	32,687,800	14,216,292	43.5%	13,016,346	43.4%
Licenses and permit fees	23,202,600	7,441,367	32.1%	6,132,629	35.5%
Ambulance fees	23,420,000	5,194,362	22.2%	4,075,074	18.9%
Cable fees	8,800,000	2,078,199	23.6%	2,224,230	27.8%
Investment income	11,000,000	23,685,501	215.3%	24,543,705	1487.5%
Other revenues	77,569,200	39,411,656	50.8%	27,119,287	44.5%
Inter-Fund Recoveries	81,621,000	21,087,229	25.8%	20,516,882	26.2%
Total Revenues	<u>\$2,130,230,000</u>	<u>\$1,369,799,069</u>	<u>64.3%</u>	<u>\$1,280,468,159</u>	<u>64.3%</u>
Expenditures					
Education	\$929,281,000	\$472,635,290	50.9%	\$448,302,752	50.9%
Higher education	50,827,800	24,313,901	47.8%	23,363,901	48.2%
Public safety	485,086,700	256,548,111	52.9%	239,474,854	53.8%
General government	273,729,800	191,325,464	69.9%	170,884,355	63.8%
Health and human services	78,904,600	44,045,043	55.8%	35,807,175	54.2%
Public works	40,118,400	23,044,007	57.4%	23,351,084	62.5%
Recreation and community services	66,842,800	36,021,404	53.9%	34,402,883	54.5%
Judicial	40,284,600	19,938,144	49.5%	19,539,281	49.8%
Land use and development	14,071,900	7,027,338	49.9%	6,673,595	51.7%
Code enforcement	19,017,500	9,761,158	51.3%	9,376,200	51.6%
Debt service	144,871,200	72,527,751	50.1%	69,178,066	47.4%
Pay go funding - capital projects	169,400,000	169,400,000	100.0%	112,000,000	100.0%
Total Expenditures	<u>\$2,312,436,300</u>	<u>\$1,326,587,611</u>	<u>57.4%</u>	<u>\$1,192,354,146</u>	<u>55.8%</u>

(1) General Fund revenues do not include appropriated surplus which is dedicated as a source for each subsequent year's budget.

Source: Office of Finance

Revenue Reserve Fund

The Revenue Reserve Fund is intended as a revenue reserve and may only be used upon request of the County Executive with the approval of the County Council, to cover existing appropriations when revenues fall below budget expectations. In accordance with Bill No. 41-23, passed by the County Council on June 14, 2023 and effective on July 1, 2023, the amount of annual appropriation to this fund may not cause the sum of the balance of the Revenue Reserve Fund plus the appropriation to exceed an amount equal to 8% of the estimated general fund revenues for the upcoming fiscal year. As a result of budgeted transfers to the fund and interest income, the fund balance has increased to approximately \$171,078,700 as of December 31, 2024.

Permanent Public Improvements

During the fiscal year 2019 budget process, Bill 42-19 was passed to establish the Reserve Fund for Permanent Public Improvements (PPI Fund). It is a special fund provided for in the County Charter. The revenue for the Revenue Reserve Fund for Permanent Public Improvements is based off of 1/10th of a percentage point by which the income tax rate exceeds 2.50% and capped at \$21.0 million a year to pay for the debt service of a one-time capital infusion totaling \$250.0 million. As a result of budgeted transfers to the fund and interest income, the fund balance has increased to approximately \$95,910,000 as of December 31, 2024.

General Fund Revenues

The County's principal General Fund revenues are property taxes, income taxes, recordation & transfer taxes, local share of state taxes, and fees for services which consists primarily of ambulance fees, cable fees, recreation and park fees, and police aid. These are detailed in the following paragraphs.

Property Taxes, Assessments and Collections

The assessment of all real and business tangible personal property for purposes of property taxation by the County is the sole responsibility of the State Department of Assessments and Taxation, an independent State agency. All real property is assessed once every three years and any increase in market value ("full cash value") arising from such inspection is to be phased in over the ensuing three taxable years in equal annual installments.

Tangible personal property of business entities is assessed at its full cash value. Personal property is assessed annually. The County does not currently levy any tax on commercial and manufacturing inventory and manufacturing machinery and equipment.

The following table sets forth the assessed value of all taxable property in the County for each of its five most recent fiscal years and fiscal year 2025 as of December 31, 2024, the County and State tax rates applicable in each of those years, and the tax levy in each of those years. Tax exempt properties are not included in the following table:

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ANNE ARUNDEL COUNTY
ASSESSED VALUES, TAX RATES, AND TAX LEVIES
(\$000's)
(Unaudited)

	As of December 31, 2024	(As of June 30)				
	2024	2024	2023	2022	2021	2020
Assessed Value						
Real Property	\$ 107,878,628	\$ 102,593,321	\$ 98,993,735	\$ 96,882,618	\$ 94,640,003	\$ 91,496,994
Personal Property	22,259	19,915	26,801	27,887	30,225	35,740
Railroads and Public Utilities	1,590,428	1,483,338	1,409,233	1,308,485	1,251,058	1,164,769
Business Corporations	1,184,089	1,394,762	1,664,892	1,630,732	1,472,933	1,510,901
Total Base	<u>\$ 110,675,404</u>	<u>\$ 105,491,336</u>	<u>\$ 102,094,661</u>	<u>\$ 99,849,722</u>	<u>\$ 97,394,219</u>	<u>\$ 94,208,404</u>
Total estimated actual value-taxable property	<u>\$ 110,675,404</u>	<u>\$ 105,491,336</u>	<u>\$ 102,094,661</u>	<u>\$ 99,849,722</u>	<u>\$ 97,394,219</u>	<u>\$ 94,208,404</u>
County Tax Rate (per \$100 of Assessed Value)	\$ 0.983	\$ 0.980	\$ 0.933	\$ 0.933	\$ 0.934	\$ 0.935
County Tax Rate within the City of Annapolis (per \$100 of Assessed Value)	\$ 0.587	\$ 0.586	\$ 0.559	\$ 0.559	\$ 0.560	\$ 0.561
County Tax Rate within the Town of Highland Beach (per \$100 of Assessed Value)	\$ 0.953	\$ 0.950	\$ 0.903	\$ 0.903	\$ 0.904	\$ 0.905
Total County Tax Levy (1)	\$ 1,094,007	\$ 1,042,275	\$ 963,989	\$ 941,549	\$ 916,435	\$ 887,869
State Tax Rate (Per \$100 of Assessed Value)	\$ 0.112	\$ 0.112	\$ 0.112	\$ 0.112	\$ 0.112	\$ 0.112
State Tax Levy in the County	\$ 121,046	\$ 114,935	\$ 110,892	\$ 108,479	\$ 105,878	\$ 102,300

(1) Property tax levies before tax credits and adjustments.

Source: Office of Finance.

County taxes are payable July 1 for the current year and become delinquent October 1. Penalty/Interest is charged for the non-payment of such taxes at the rate of 12% per annum beginning in October. Section 10-204.3 of the Tax-Property Article of the Annotated Code of Maryland provides a semiannual payment schedule for owner occupied residential property. The first installment under the semiannual schedule is due on July 1 of the tax year and may be paid without interest on or before September 30. The second installment is due on December 1 of the tax year, except for the service charge, and may be paid without interest on or before December 31. It is also provided that if an escrow account is established for the payment of property taxes, it must pay taxes in the semiannual installments unless a written request from the property owner is received requesting annual payments.

The County does not levy taxes in excess of actual requirements to provide a margin against delinquencies. Uncollectible taxes are charged against allowances established therefore, by an annual reduction of revenues.

Charter Property Tax Revenue Limitation

In connection with a voter petition initiative, County voters approved an amendment to the County Charter at the November 1992 general election. The amendment, which became effective in December 1992, added Section 710(d) to the County Charter ("Section 710(d)"). Section 710(d) provides that from and after July 1, 1993, revenues derived from taxes on properties existing on the County property tax rolls at the commencement of the County fiscal year shall not increase, compared with the previous year, more than the Consumer Price Index percentage of change or 4.5 percent, whichever is the lesser (See "THE BONDS – Security for and Sources of Payment of the Bonds" and "INDEBTEDNESS - Charter Property Tax Revenue Limitation").

The County Attorney has advised, among other things, that Section 710(d) applies to revenues from County taxes on both real property and personal property and that only revenues from property on the tax rolls at the close of business on June 30th of a fiscal year are capped for the purposes of determining the maximum amount of capped revenue for the next fiscal year. Revenues from new construction and other property which come onto the tax rolls on or after July 1 are "new" and are not subject to the cap, but only for the year that the properties come onto the tax rolls.

Municipal Tax Rate Differential

In establishing the County tax rate applicable to assessed property within the City of Annapolis, the costs of certain services provided by the County are allocated in order to implement provisions of current law, which preclude the owners of property located in Annapolis from being taxed for services already provided by this municipality. Hence, owners of property located outside the City of Annapolis are taxed by the County for all services that the County provides, while owners of property located inside the City of Annapolis are taxed by the County only for those services that the County, and not the City of Annapolis, directly provides. The tax differential for fiscal year 2025 is \$0.396 per \$100 of assessed value for real property and \$0.990 per \$100 of assessed value for personal property.

In establishing the County tax rate applicable to assessed property within the Town of Highland Beach, the costs of certain services provided by the County are allocated in order to implement provisions of current law, which preclude the owners of property located in Highland Beach from being taxed for services already provided by this municipality. Hence, owners of property located outside the Town of Highland Beach are taxed by the County for all services that the County provides, while owners of property located inside the Town of Highland Beach are taxed by the County only for those services that the County, and not the Town of Highland Beach, directly provides. The tax differential for fiscal year 2025 is \$0.030 per \$100 of assessed value for real property and \$0.075 per \$100 of assessed value for personal property.

Property Tax Collections

The following table sets forth certain information with respect to the County's tax levies and tax collections:

TAX LEVIES AND COLLECTIONS ⁽¹⁾							
Fiscal Year Ended June 30	Total Tax Levy(1)	Current Year's Taxes Collected in Year of Levy		Total Taxes Collected (Current and Delinquent)		Accumulated Delinquent Taxes as a % of	Accumulated Delinquent Taxes as a % of
		Amount	%	Amount	%	Taxes	Current Year's Tax Levy
2024	\$947,885,588	\$944,575,132	99.7%	\$944,648,975	99.7%	\$7,105,555	0.7%
2023	879,415,526	876,416,575	99.7%	873,997,927	99.4%	6,535,791	0.7%
2022	855,128,718	849,455,256	99.3%	856,340,534	100.1%	6,016,870	0.7%
2021	829,252,065	821,315,061	99.0%	827,049,211	99.7%	9,626,855	1.2%
2020	802,387,875	796,488,765	99.3%	797,835,743	99.4%	7,388,125	0.9%

⁽¹⁾ "Total Tax Levy" represents original tax levy, less real property tax credits for civic associations, elderly and disabled taxpayers, and other adjustments.

Source: Office of Finance (Unaudited – Derived From Audited Financial Statements).

The following table indicates the ten largest taxpayers in the County and gives the assessed valuation of their property and taxes billed for the fiscal year 2023-2024:

Name of Taxpayer	Type of Business	Assessed Valuation	County Taxes	Percentage of County Assessable Base
Baltimore Gas & Electric	Utility	\$ 1,327,352,227	\$ 31,793,442	1.26%
Arundel Mills Limited Ptnshp	Retail	455,833,110	4,478,456	0.43%
GLP Capital LP	Casino	313,562,657	3,284,631	0.30%
Annapolis Mall Ltd Ptnshp	Retail	332,197,500	3,255,536	0.31%
Verizon	Utility	123,224,230	2,858,099	0.12%
Raven FS Property Holdings LLC	Real Estate	200,294,267	1,962,884	0.19%
Northrop Grumman Systems Corp	Defense Electronics	239,828,320	1,880,335	0.23%
Annapolis Towne Center at Parole LLC	Retail	162,526,300	1,592,758	0.15%
WCS Properties Business Trust	Real Estate	141,855,099	1,390,180	0.13%
Comcast of Maryland, LLC	Utility	57,339,040	1,348,132	0.05%
		\$ 3,354,012,750	\$ 53,844,453	3.17%

Property Tax Credit Programs

Section 9-105 of the Tax-Property Article of the Annotated Code of Maryland (2019 Replacement Volume and 2024 Supplement) provides a tax credit against local real property taxes on certain owner-occupied residential property. The tax credit equals the County's tax rate multiplied by the amount by which the current year's assessment on residential property exceeds 110% of the previous year's taxable assessment (or such lesser percentage, but not less than 100%, of the previous year's taxable assessment as shall be established by the County). The County has adopted 102% as the rate to be used in calculating the tax credit.

State law also provides that a tax credit be given based on the ability of homeowners to pay property taxes. This credit is calculated by use of a scale which indicates a maximum tax liability for various income levels. This is supplemented by a County credit which uses a different scale to provide a maximum tax liability based on income.

In fiscal year 2024, the County provided \$87,035,366 of tax credits based on assessments and \$1,206,075 of tax credits based on income. Through December in fiscal year 2025, the County has provided \$101,065,429 of tax credits based on assessment and \$1,400,437 of tax credits based on income.

Income Taxes

The State imposes an income tax on the adjusted gross income of individuals as determined for federal income tax purposes, subject to certain adjustments. Pursuant to Chapter 493 of the 1999 Maryland Laws ("Chapter 493"), each county and Baltimore City is authorized to levy a local income tax at the rate of at least 1%, but not more than 3.2% of a taxpayer's taxable income as calculated for State income tax purposes. Chapter 493 also made the personal exemption amounts for calculating both State and local income taxes equal. Under Chapter 493's provisions, the local income tax rate on an Anne Arundel County taxpayer's total taxable income was adjusted to 2.56% for calendar year 2002 and thereafter, which is below the maximum rate of 3.2% authorized under State law. The County Council increased the income tax rate from 2.50% to 2.81% effective January 1, 2020. Effective January 1, 2023, an annual income tax is levied on residents of the County at the following rates: 2.70% of an individual's Maryland taxable income of \$1 through \$50,000 and 2.81% of an individual's Maryland taxable income in excess of \$50,000.

Effective January 1, 2024, an annual income tax is levied on residents of the County at the following rates:

(1) For an individual other than an individual described in paragraph (2):			
(I) 2.70% of Maryland taxable income of \$1 through \$50,000			
(II) 2.81% of Maryland taxable income over \$50,000 through \$400,000; and			
(III) 3.20% of Maryland taxable income over \$400,000; and			
(2) For spouses filing a joint return or for a surviving spouse or head of household as defined in Section 2 of the Internal Service Revenue Code:			
(I) 2.70% of Maryland taxable income of \$1 through \$75,000			
(II) 2.81% of Maryland taxable income over \$75,000 through \$480,000; and			
(III) 3.20% of Maryland taxable income over \$480,000			

Effective January 1, 2025, an annual income tax is levied on residents of the County at the following rates:

- (1) For an individual other than an individual described in paragraph (2):
 - (I) 2.70% of Maryland taxable income of \$1 through \$50,000
 - (II) 2.94% of Maryland taxable income over \$50,000 through \$400,000; and
 - (III) 3.20% of Maryland taxable income over \$400,000; and
- (2) For spouses filing a joint return or for a surviving spouse or head of household as defined in Section 2 of the Internal Service Revenue Code:
 - (I) 2.70% of Maryland taxable income of \$1 through \$75,000
 - (II) 2.94% of Maryland taxable income over \$75,000 through \$480,000; and
 - (III) 3.20% of Maryland taxable income over \$480,000

The County is not permitted to levy a local income tax on corporations.

Local Taxes

In addition to general property taxes and income taxes, the County is authorized to levy and collect other miscellaneous taxes, the largest of which are the recordation and transfer taxes on instruments conveying title to property.

Refund Procedures and Claims

The County is in receipt of various claims for refund of taxes, which are evaluated under administrative procedures mandated by applicable law. The resolution of such claims will not have a material adverse effect on the financial statements of the County.

Watershed Protection and Restoration Fund

The Watershed Protection and Restoration Fund (the “WPRF”) was funded in fiscal year 2014 in order to implement a State mandated program of capital projects, operating maintenance, and other required efforts to reduce the County’s contribution of harmful pollutants associated with stormwater and poor water quality affecting local rivers and the Chesapeake Bay. The WPRF is a dedicated fund financed through a fee based upon a property’s impervious surface and was fully phased in by fiscal year 2016. The County debt policy specifies the debt will not exceed the fees generated to support the program.

The following tables set forth revenues, expenses and changes in fund balances of the WPRF for the County's most recent fiscal years:

ANNE ARUNDEL COUNTY, MARYLAND
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WATERSHED PROTECTION AND RESTORATION FUND

Last Five Fiscal Years
(Unaudited - Derived From Audited Financial Statements)

	Year Ended June 30,				
	2024	2023	2022	2021	2020
OPERATING REVENUES					
Watershed protection & restoration	\$25,586,486	\$24,198,415	\$23,904,363	\$23,619,255	\$23,326,588
Investment Income	694,105	830,144	121,472	128,462	804,190
Other revenues	-	-	18	225	6,025
Total revenues	<u>26,280,591</u>	<u>25,028,559</u>	<u>24,025,853</u>	<u>23,747,942</u>	<u>24,136,803</u>
OPERATING EXPENSES					
Public works	12,771,671	12,433,198	12,847,450	11,112,057	10,830,327
Code enforcement	1,425,942	1,249,270	1,208,881	1,272,884	1,279,562
Debt service					
Interest payments on debt	6,420,543	6,165,607	5,282,220	4,308,586	3,540,701
Principal payments on debt	6,503,699	6,039,319	5,162,752	4,258,485	3,387,418
Interest payments on leases	16	33	86	-	-
Principal payments on leases	6,025	6,008	5,995	-	-
Total expenditures	<u>27,127,896</u>	<u>25,893,435</u>	<u>24,507,384</u>	<u>20,952,012</u>	<u>19,038,008</u>
Operating income (loss)	<u>(847,305)</u>	<u>(864,876)</u>	<u>(481,531)</u>	<u>2,795,930</u>	<u>5,098,795</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	176,041	136,499	36,239	4,006	38,600
Transfers out	(12,400,000)	(14,100,000)	(24,319,000)	(27,000,000)	(29,300,000)
General obligation bonds issued	12,400,000	14,100,000	24,319,000	27,000,000	29,300,000
Total other financing sources (uses)	<u>176,041</u>	<u>136,499</u>	<u>36,239</u>	<u>4,006</u>	<u>38,600</u>
Change in fund balances	<u>(671,264)</u>	<u>(728,377)</u>	<u>(445,292)</u>	<u>2,799,936</u>	<u>5,137,395</u>
Fund balance, July 1	<u>45,517,649</u>	<u>46,246,026</u>	<u>46,691,318</u>	<u>43,891,382</u>	<u>38,753,987</u>
Fund balance, June 30	<u>\$44,846,385</u>	<u>\$45,517,649</u>	<u>\$46,246,026</u>	<u>\$46,691,318</u>	<u>\$43,891,382</u>

Source: Anne Arundel County, Maryland Annual Comprehensive Financial Reports.

The Controller has prepared the following summary unaudited data for the WPRF for the six months ended December 31, 2024 and December 31, 2023:

**WATERSHED PROTECTIONS AND RESTORATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(Unaudited)**

	<u>For the Six Months Ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Revenues		
Watershed protection & restoration	\$ 27,045,332	\$ 25,594,181
Miscellaneous	<u>1,154,960</u>	<u>1,006,161</u>
Total Revenues	28,200,292	26,600,342
Expenses		
Watershed protection & restoration operat	8,613,085	8,618,135
Debt service	<u>8,413,532</u>	<u>7,863,334</u>
Total Expenses	<u>17,026,617</u>	<u>16,481,469</u>
Net change in fund balance	11,173,675	10,118,873
Fund balance, July 1	<u>44,846,385</u>	<u>45,517,649</u>
Fund balance, December 31	<u>\$ 56,020,060</u>	<u>\$ 55,636,522</u>

Source: Office of Finance.

Water and Wastewater Funds

For financial reporting purposes, the County consolidates all funds related to water and wastewater activities into a single enterprise fund. However, underlying financial accounting records continue to be maintained on a non-GAAP basis for components for legal compliance purposes. Water and wastewater user charges and assessment charges are recorded as revenues on an accrual basis. Unpaid water and wastewater user charges and assessments are a lien on real property and are collectible in the same manner as real property taxes at tax sale.

The following tables set forth revenues, expenses and changes in net position of the Water and Wastewater Operating Fund and the Debt Service Fund for the County's most recent fiscal years:

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ANNE ARUNDEL COUNTY, MARYLAND
SUMMARY OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
WATER AND WASTEWATER OPERATING FUND

Last Five Fiscal Years
(Unaudited - Derived From Audited Financial Statements)

	Year Ended June 30,				
	2024	2023	2022	2021	2020
OPERATING REVENUES					
Charges for services	\$99,295,263	\$93,256,278	\$88,330,347	\$84,967,048	\$89,318,940
Other revenues	10,862,319	11,089,627	10,674,455	8,081,942	6,717,090
Total revenues	<u>110,157,582</u>	<u>104,345,905</u>	<u>99,004,802</u>	<u>93,048,990</u>	<u>96,036,030</u>
OPERATING EXPENSES					
Personal services	46,598,757	44,540,516	34,422,893	39,053,180	33,239,212
Contractual services	46,363,713	34,905,028	48,975,375	36,611,424	39,522,591
Supplies and materials	14,005,747	12,882,871	10,134,495	9,859,746	9,093,116
Business and travel	233,732	248,530	179,330	176,426	229,117
Depreciation	66,602,600	69,266,812	65,502,882	53,851,029	51,676,312
Other	15,273,610	14,874,190	15,423,795	16,302,978	15,500,701
Total operating expenses	<u>189,078,159</u>	<u>176,717,947</u>	<u>174,638,770</u>	<u>155,854,783</u>	<u>149,261,049</u>
Operating income (loss)	<u>(78,920,577)</u>	<u>(72,372,042)</u>	<u>(75,633,968)</u>	<u>(62,805,793)</u>	<u>(53,225,019)</u>
NONOPERATING REVENUES AND EXPENSES					
Investment income	322,257	278,364	78,068	74,600	612,484
Gain (loss) on the disposal of assets	(45,118)	43,332	49,800	(83,597)	(8,524)
Net loss before other revenues	<u>(78,643,438)</u>	<u>(72,050,346)</u>	<u>(75,506,100)</u>	<u>(62,814,790)</u>	<u>(52,621,059)</u>
OTHER					
Capital contributions and grants	10,495,793	12,961,006	24,326,317	24,315,334	13,964,680
Net equity transfers between funds	55,490,737	86,201,228	151,363,068	44,863,840	40,201,424
Change in net position	(12,656,908)	27,111,888	100,183,285	6,364,384	1,545,045
Net position, July 1	<u>1,030,672,831</u>	<u>1,003,560,943</u>	<u>903,377,658</u>	<u>897,013,274</u>	<u>895,468,229</u>
Net position, June 30	<u>\$1,018,015,923</u>	<u>\$1,030,672,831</u>	<u>\$1,003,560,943</u>	<u>\$903,377,658</u>	<u>\$897,013,274</u>

Source: Anne Arundel County, Maryland Annual Comprehensive Financial Reports.

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ANNE ARUNDEL COUNTY, MARYLAND
SUMMARY OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
WATER AND WASTEWATER DEBT SERVICE FUND

Last Three Fiscal Years
(Unaudited – Derived From Audited Financial Statements)

	<u>2024</u>	<u>2023</u>	<u>2022</u>
REVENUES			
Interest earned on long-term receivables	\$376,275	\$403,508	\$439,699
Investment income	7,920,258	3,260,155	916,141
Other revenues	<u>11,863,793</u>	<u>11,426,056</u>	<u>12,197,065</u>
Total revenues	<u>20,160,326</u>	<u>15,089,719</u>	<u>13,552,905</u>
EXPENSES			
Interest expense	34,399,469	33,330,274	32,793,028
Other expenses	<u>1,258,163</u>	<u>1,354,532</u>	<u>1,304,285</u>
Total expenses	<u>35,657,632</u>	<u>34,684,806</u>	<u>34,097,313</u>
OTHER			
Capital contributions, fees, and grants	45,571,513	52,076,154	66,390,262
Net equity transfers between funds	<u>(54,638,938)</u>	<u>(52,375,238)</u>	<u>(49,693,082)</u>
Increase (decrease) in net position	(24,564,731)	(19,894,171)	(3,847,228)
Net position, July 1	<u>189,377,864</u>	<u>209,272,035</u>	<u>213,119,263</u>
Net position, June 30	<u><u>\$164,813,133</u></u>	<u><u>\$189,377,864</u></u>	<u><u>\$209,272,035</u></u>

Source: Anne Arundel County, Annual Comprehensive Financial Reports.

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The Controller has prepared the following summary of unaudited data for the Water and Wastewater Operating and Debt Service Funds for the six months ended December 31, 2024 and December 31, 2023:

**WATER AND WASTEWATER OPERATING FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
(Unaudited)**

	<u>For the Six Months Ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Revenues		
Water and wastewater service	\$ 61,073,702	\$ 53,976,071
Miscellaneous	<u>6,659,846</u>	<u>6,803,281</u>
Total Revenues	67,733,548	60,779,352
Expenses		
Water and wastewater operations	53,570,033	50,995,158
Depreciation	<u>31,314,887</u>	<u>30,396,206</u>
Total Expenses	<u>84,884,920</u>	<u>81,391,364</u>
Change in net assets	(17,151,372)	(20,612,012)
Net position, July 1	<u>1,018,015,923</u>	<u>1,030,672,831</u>
Net position, December 31	<u>\$ 1,000,864,551</u>	<u>\$ 1,010,060,819</u>

Source: Office of Finance.

**WATER AND WASTEWATER DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND ENCUMBRANCES
(Unaudited)**

	<u>For the Six Months Ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Revenues		
Capital connection charges	\$ 12,824,445	\$ 13,938,156
Environmental protection fees	18,532,131	16,666,425
Miscellaneous (primarily interest)	<u>7,052,074</u>	<u>8,794,315</u>
Total revenues	<u>38,408,650</u>	<u>39,398,896</u>
Expenses		
Principal payments on debt	24,535,000	21,985,000
Interest payments on debt	18,308,268	17,330,415
Other	<u>446,855</u>	<u>516,448</u>
Total expenses	<u>43,290,123</u>	<u>39,831,863</u>
Increase in net position	(4,881,473)	(432,967)
Net position, July 1	<u>164,813,133</u>	<u>189,377,864</u>
Net position, December 31	<u>\$ 159,931,660</u>	<u>\$ 188,944,897</u>

Source: Office of Finance.

The following schedules list the water and wastewater utility rates in effect:

WATER AND WASTEWATER UTILITY RATE SCHEDULE

<u>Dedicated to Debt Service</u>	<u>Present Rates</u>	
Front Foot Benefit Assessments: ⁽¹⁾		
Water	\$ 418.00	Minimum per equivalent dwelling unit
Sewer	\$ 844.00	Minimum per equivalent dwelling unit
Capital Facility Connection Charges:		
Water	\$10,800.00	
Sewer	\$10,800.00	
Environmental Protection Fee:	35% Surcharge on Water and Wastewater Usage Bills	
<u>Operating Rates</u>		
Water User Charges:		
Each 1,000 gallons.....	\$ 3.45	
Sewer User Charges: ⁽²⁾		
Each 1,000 gallons.....	\$ 6.06	
Account Maintenance Charge	\$6.00/qtr. metered service	
	\$3.00/qtr. unmetered service	

(1) This is a minimum charge. Actual charges may be higher.

(2) Based on water consumption.

Source: Department of Public Works.

In addition to the dedicated fees and charges for debt service as indicated above, the 1978 Maryland General Assembly passed enabling legislation authorizing the dedication of up to 50% of the transfer tax revenue for debt service of the Water and Wastewater Enterprise Fund. Subsequently, the County Council passed legislation authorizing the use of 30% of the tax for this purpose. The expansion of the financial base is to provide non-user funds to cover the indirect benefits of the County's capital investment in environmental control facilities. No revenues are currently transferred from the General Fund and County management does not contemplate a transfer in the foreseeable future.

Solid Waste Fund

The County operated one landfill in 2024. The landfill has closed cells and an active cell that opened in 2017, which was 24.4% full as of June 30, 2024. The active cell has an estimated life to at least 2048. Two other landfills stopped accepting trash in 1983 and 1993. The County estimated the cost to close these landfills under Federal and State regulations at approximately \$83,553,199 at the end of fiscal year 2024. The County estimates that future post closure care for these facilities for 30 years will cost approximately \$29,886,862. In addition, the County has reserved cash of approximately \$22,797,634 to help pay for the closure and post-closure costs related to the active landfill cells.

The County has estimated an unrecognized liability of approximately \$34,591,923 as of June 30, 2024 for the closed or partially filled areas of the three landfills. This estimate represents the County's best judgment of the minimum cost required to correct identified problems, close and remediate open cells, and provide for post-closure care of these sites. Estimates are as of June 30, 2024 and are based on current regulations and costs to perform the closure or remediation in the current year and are subject to periodic evaluation. Actual costs may be different due to inflation or deflation, changes in technology or changes in regulations.

The following table sets forth revenues, expenses and changes in net position of the Solid Waste Fund for the County's five most recent fiscal years:

ANNE ARUNDEL COUNTY, MARYLAND
SUMMARY OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
SOLID WASTE FUND

Last Five Fiscal Years
(Unaudited – Derived From Audited Financial Statements)

	2024	2023	2022	2021	2020
Revenues					
Charges for Services	\$65,041,449	\$58,043,276	\$57,447,015	\$49,879,841	\$49,236,095
Landfill Charges	10,190,075	9,952,588	9,818,779	7,591,182	5,900,569
Other Revenues	201,809	258,648	815,387	393,894	252,742
Total Revenues	<u>75,433,333</u>	<u>68,254,512</u>	<u>68,081,181</u>	<u>57,864,917</u>	<u>55,389,406</u>
Expenses					
Solid Waste Operations	61,386,532	55,710,436	46,408,282	48,599,455	46,229,442
Landfill Closure and Postclosure	(825,988)	(1,913,954)	(15,353,740)	471,084	(2,063,225)
Depreciation	4,064,648	3,596,747	4,594,611	5,633,637	6,697,726
Interest	1,741,884	1,316,059	2,056,051	1,976,954	1,927,808
Other Expenses	6,715,431	6,529,233	7,168,123	4,404,117	2,223,634
Total Expenses	<u>73,082,507</u>	<u>65,238,521</u>	<u>44,873,327</u>	<u>61,085,247</u>	<u>55,015,385</u>
Change in net position	2,350,826	3,015,991	23,207,854	(3,220,330)	374,021
Net position, July 1	<u>46,022,862</u>	<u>43,006,871</u>	<u>19,799,017</u>	<u>23,019,347</u>	<u>22,645,326</u>
Net position, June 30	<u>\$48,373,688</u>	<u>\$46,022,862</u>	<u>\$43,006,871</u>	<u>\$19,799,017</u>	<u>\$23,019,347</u>

Source: Office of Finance.

The changes in net position in the Solid Waste Fund have fluctuated over the past few years. In fiscal year 2024, the net position increased \$2.4 million primarily as the result of a decrease in landfill closure and post closure care costs.

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The Controller has prepared the following summary of unaudited data for the Solid Waste Fund for the six months ended December 31, 2024 and December 31, 2023:

SOLID WASTE OPERATING FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
(Unaudited)

	<u>For the Six Months Ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Revenues		
Service Fees	\$ 34,550,381	\$ 32,434,641
Landfill Charges	4,088,428	4,247,994
Investment Income	168,062	168,062
Miscellaneous	104,566	104,566
Total Revenues	<u>38,911,437</u>	<u>36,955,263</u>
Expenses		
Operating Expenses	31,308,472	27,705,882
Depreciation Expense	1,128,281	1,065,327
Interest Expense	1,156,079	1,004,520
Other	4,005,817	3,123,660
Landfill closing costs	875,294	848,193
Total Expenses	<u>38,473,943</u>	<u>33,747,582</u>
Increase in net position	437,494	3,207,681
Net position, July 1	43,393,269	42,105,913
Net position, December 31	<u>\$ 43,830,763</u>	<u>\$ 45,313,594</u>

Source: Office of Finance.

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The following schedule lists the solid waste rates currently in effect:

Solid Waste Landfill and Collection Rate Schedule

	Current Charge
<u>Landfill Charges</u>	
Solid waste delivered by a commercial business.....	\$100 per ton
Solid waste delivered in a dump truck, flatbed truck, stake body truck, box truck, rental truck/trailer, or double axle trailer.....	\$100 per ton
For large, unusually difficult to handle items or bulky compact items, such as house trailers, boats in excess of 20 feet in length, stumps, and concrete.....	\$200 per ton
On-the-road vehicle tires from a vehicle other than a vehicle owned by the person delivering the tires.....	125% of the cost to the County to dispose of the tires (\$222.58/ton), plus \$7.00 for each tire mixed with other solid waste
On-the-road vehicle tires from a vehicle owned by the person delivering the tires	No charge for four or fewer tires, but for each tire in excess of four tires \$7.00
Residential solid waste not covered by a listing above.....	No charge
<u>Solid Waste Service Charge</u>	
Annual service charge assessed to each person whose property is supplied with County curbside collection service.....	\$404
<u>Commercial Recycling Charge</u>	
Annual service charge to each person that participates in the voluntary curbside collection program	\$45 administrative fee \$76 collection fee (per container)

Source: Anne Arundel County Code, Article 13, Section 13-4-105, 106, and 107.

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Pension Plans

County employees participate in four single-employer defined benefit pension plans administered by the County in separate trust funds and in two multi-employer pension plans administered by the State.

The following presents information regarding the four County-administered plans based on the actuarial valuation dated January 1, 2024 and contribution and valuation data as of the fiscal year ending June 30, 2024:

Net Pension Liability & Valuation Data by Plan (Unaudited – Derived From Audited Financial Statements)				
				Detention Officers' and
	Employees'	Police Service	Fire Service	Deputy Sheriffs'
	Plan	Plan	Plan	Plan
Total pension liability	\$1,205,298,993	\$985,923,776	\$929,818,891	\$270,774,782
Plan fiduciary net position	765,691,243	688,910,928	684,000,847	190,626,933
Plan net pension liability (NPL)	<u>\$439,607,750</u>	<u>\$297,012,848</u>	<u>\$245,818,044</u>	<u>\$80,147,849</u>
Plan fiduciary net position as a percentage of the total NPL	63.53%	69.87%	73.56%	70.40%
Annual contribution for the year ended June 30, 2024	\$47,559,163	\$38,127,141	\$32,770,436	\$10,627,963
Market value of net assets available for benefits as of June 30, 2024	\$800,853,756	\$727,472,094	\$722,649,241	\$200,969,009

Note: In fiscal year 2024, the County contributed \$102,284 to the State Retirement and Pension Systems (“State plans”) for government employees in the State plans and to amortize the unfunded past service liability over 35 years beginning June 30, 1988.

For more detailed information, see “NOTES TO BASIC FINANCIAL STATEMENTS — Pension Plans,” in Appendix A.

In December 1996, the County enacted legislation creating the Anne Arundel County Retirement and Pension System (the “System”), effective February 1, 1997. At that date, all net assets of pension trust funds were transferred to the System. The System is a legally separate entity and is managed by a Pension Board of Trustees.

Effective with the January 1, 2011 actuarial valuation, the actuarial value of assets is calculated by spreading the market value investment gains or losses in excess of the assumed rate of return over a five-year period. Previously, the actuarial value of assets was calculated by spreading the gains and losses over the actuarial returns, not the actual market value returns. This change results in a quicker recognition of losses and an increase in the County’s contribution. While there is no long term impact on the County’s contribution there will be short term increases.

Effective with the January 1, 2023 actuarial valuation, the inflation assumption remained the same at 3.0%, the investment assumption is 7.00%, and the amortization period for gains and losses is 20 years.

The System issues a separate financial report for the County Administered plans. A copy of this report can be obtained from the County’s website at the following address: <https://www.aacounty.org/retirement-and-pension-system-board-of-trustees/pension-trust-fund-reports>. 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 as of January 1, 2023 was utilized to determine the County’s Contribution for the fiscal year ending June 30, 2024.

Funds held under pension plans administered by the System are invested by professional money managers (including insurance companies). Pension funds are invested in a variety of investments, including U.S. Government agencies and instrumentalities, corporate bonds, common stocks and other investments. An immaterial amount of index futures are held in the portfolios managed by the insurance companies. For more detailed information, see “NOTES TO BASIC FINANCIAL STATEMENTS - Cash and Investments” in Appendix A.

Other Post-Employment Benefits

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 (the “College”) and the Public Library (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 Schools 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.

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.

An amendment to the Charter of Anne Arundel County was passed by the citizens of the County in November 2012. This amendment requires the County to establish a fund for the purpose of reserving funds to pay for health insurance benefits provided to retired County employees and their spouses, dependents and survivors. It also allows the County to establish an irrevocable trust fund for the purpose of paying for health insurance benefits provided to this group.

The County established an irrevocable Health Benefits Trust fund effective in fiscal year 2016 on July 1, 2015. The Retiree Health Benefits Trust or OPEB Trust’s net position as of June 30, 2024 is \$592,151,936. This includes \$537,104,250 for the County’s plan, \$28,053,169 for the Community College, \$7,649,197 for the Library and \$19,345,320 for the Board of Education.

The County utilized the actuarial services of Bolton Partners and Aon Consulting to formulate its findings. According to this report, the combined actuarial estimates of the County’s and its component units’ total actuarial

accrued liability as of July 1, 2023 is \$1,063,470,000. The actuarial results noted herein for the County plan, College plan and Library plan are based on an investment rate of return of 6.30%, 6.30% and 6.30%, respectively. The County utilizes NEPC, LLC to provide investment advisor services for the Trust.

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.

Recent Developments

Recent developments concerning the County include:

- On June 14, 2024, the County Council passed the County Executive's \$2.1 billion General Fund operating budget and \$917.3 million capital budget for the fiscal year ending June 30, 2025. In the fiscal year 2025 budget, the income tax rate increased from 2.81% to 2.94% for taxable income bracket of \$50,000 - \$400,000 for single filers and \$75,000 - \$480,000 for joint filers. For taxable income below \$50,000 for individual filers and \$75,000 for joint filers, the tax rate is 2.7%. For taxable income above \$400,000 for individual filers and \$480,000 for joint filers, the tax rate is 3.2%. The County Real Property Tax Rate for fiscal year 2025 is \$0.983 per \$100 of assessed valuation. This is 0.31% higher than the previous year's property tax rate.
- The budget included, among other items, (i) \$929.3 million in funding to the Board of Education, a \$47.8 million or 5.4% increase over the prior fiscal year. This funding level exceeds the required Maintenance of Effort level for fiscal 2025, and (ii) MERIT increases and Cost of Living Adjustments ("COLA") for County employees.
- Due largely to the federal fiscal recovery funding bills that buoyed the national economy, and the County's strong employment base, the County's local income tax revenue exceeded the FY2024 original budget estimates by \$73.5 million. There was lower than anticipated recordation and tax revenue, which came in \$0.1 million lower than budgeted due to the high mortgage interest rate environment and low housing inventory in the real estate market in the past year; however, the County still has a healthy fund balance of more than \$170.0 million because of the higher-than-expected local income tax revenue discussed above combined with cost savings across County government.
- The FY2025 budget made several investments to secure long-term fiscal stability: (i) The approved budget includes a \$7.8 million contribution to the Revenue Reserve Fund, also known as the Rainy Day Fund; (ii) The budget also fully funded the annual contribution to our Other Post-Employment Benefits fund, known as OPEB; (iii) The budget fully funds the County's annual pension contribution; and (iv) The budget increased various license and permit fees. The County's 911 fee, which is applied to mobile phone bills increased by 25 cents to \$1.00 to support our 911 efforts. Together these two revenue enhancements are projected to bring in approximately \$7.6 million in new revenues in fiscal year 2025.

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SECTION FOUR: INDEBTEDNESS

General

Under applicable law, general obligation indebtedness of the County may not exceed 5.2% of the assessable basis of real property and 13% of the assessable basis of personal property and certain operating real property in the County. Under applicable law, bonds issued by the County for water or wastewater facilities may not exceed 5.6% of the assessable basis of real property in the Sanitary District of the County and 14% of the assessable basis of personal property and certain operating real property in the Sanitary District. The information hereinafter presented does not include the debt and debt service attributable to those portions of the County's various outstanding bond issues that have been refunded.

No Short-Term Operating Debt

The County intends to manage operations such that no short-term debt will be needed in the future. The County is a party to a revolving credit agreement for a line of credit in a maximum aggregate principal amount outstanding at any one time not to exceed \$90,000,000. Pursuant to the terms of the agreement, the County can issue bond anticipation notes to finance capital construction projects. The current line of credit agreement has been amended to extend the term of the agreement to December 13, 2027. The County has not requested any advances under the line of credit agreement.

Tax Supported Debt

The following table sets forth the County's direct net tax supported debt as of June 30, 2024, not including the Bonds offered hereby:

General Obligation Bonds		
General Improvements	\$1,552,435,396 (1)	
Water and Sewer	801,254,121 (2)	
Watershed Protection and Restoration	151,065,764	
Solid Waste	48,959,603 (1)	
Total General Obligation Bonds		2,553,714,884
Tax Increment Financing Bonds		52,180,000
Installment Purchase Agreements		13,405,000
Loans from the State of Maryland and Federal		
General Improvements		1,479,499
Total Direct Debt		2,620,779,383
Less: Dedicated Revenue Source		
Watershed Protection and Restoration	151,065,764 (3)	
Less: Self Supporting Debt		
Water and Sewer Bonds	801,254,121	
Solid Waste Bonds	48,959,603 (4)	
Total Self-Supporting Debt		1,001,279,488
Net Tax Supported Debt		<u>\$1,619,499,895</u>

(1) Long-Term Serial Bonds, Consolidated General Improvements; applicable against the 5.2% of taxable County assessable real property base limit and 13% of personal/operating real property.

(2) Long-Term Serial Bonds, Consolidated Water and Wastewater; applicable against the 5.6% of the total taxable Sanitary District assessable real property base and 14% of personal/operating real property.

(3) Customarily issued as part of Consolidated General Improvements Series; bonds for this purpose are supported by dedication of, if applicable, other revenues deposited to Watershed Protection and Restoration Fund.

(4) Historically issued as part of Consolidated General Improvements Series; bonds for this purpose are supported by project rates or charges prescribed in bond authorization ordinances.

Source: Office of Finance (unaudited)

Charter Property Tax Revenue Limitation

Section 19-103 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement) provides, in effect, that Section 710(d) of the County Charter shall not impair or be construed to impair the obligation of the County to levy and collect taxes to provide for the payment when due of principal and interest on bonds of the County, or bonds guaranteed by the County, to which the County has pledged its unlimited taxing power, and which were outstanding on December 3, 1992, the effective date of such Charter provision.

Pursuant to the authority of Section 19-207(c)(2) of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement), if County bonds to be refunded are secured as unconditional general obligations with a pledge of the full faith and credit and unlimited taxing power of the County, the County may secure an issue of refunding bonds as unconditional general obligations with a pledge of the full faith and credit and unlimited taxing power of the County in the same manner and with the same force and effect as the original pledge.

Bonds Authorized and Unissued

The following schedule reflects the bonds authorized and unissued under the Authorizing Ordinance that establishes the authority to finance the capital projects in the fiscal year 2024-2025 budget and repeals and re-enacts by consolidation the unissued authority of previous bond authorizing ordinances:

SCHEDULE OF BONDS AUTHORIZED AND UNISSUED

<u>Class of Projects</u>	<u>Authorized</u>
General County	\$132,174,492
Education	87,032,465
Education PPI	7,200,000
Police and Fire	65,804,541
Police and Fire PPI	57,843,000
Roads and Bridges	121,061,385
Roads and Bridges Impact Fees	683
Roads and Bridges PPI	43,291,000
Community College	13,839,739
County Libraries	32,115,439
Recreation and Parks	154,009,802
Waterway Improvements	4,624,951
Consolidated Solid Waste	22,548,761
Consolidated Watershed Protection & Restor.	139,388,881
Consolidated General Improvements	880,935,139
Consolidated Water and Wastewater	641,658,984
Total	<u><u>\$1,522,594,123</u></u>

Source: Office of Finance.

Overlapping Debt

The City of Annapolis is the only incorporated municipality in the County. As of June 30, 2024, the City of Annapolis had \$63,566,740 in long-term, general obligation debt. The County is not obligated to pay such debt or the interest thereon and neither the full faith and credit nor the taxing power of the County is pledged to the payment of the principal of or interest on such indebtedness.

Maryland Water Infrastructure Debt

The Maryland Water Quality Revolving Loan Fund is administered by the Maryland Water Infrastructure Financing Administration. As of June 30, 2024, the County had \$31,954,121 of outstanding debt under this program, which is not included in the County's net tax-supported debt position. The County's obligation to repay this amount is evidenced by County bonds, which are payable over a 20-year period at below-market interest rates. The source of repayment for these County obligations is the same as that for the County's Water and Sewer Bonds.

Special Tax District Financing

The County currently has four separate special taxing districts that were created by legislation authorizing the issuance of special obligation bonds for the purpose of financing projects in support of these districts. In each case, the bonding authority is for special obligation bonds payable solely from the proceeds of a special tax levied on taxable parcels within such special taxing district. Such special obligation bonds are not backed by the County's full faith and credit. The amounts issued and outstanding are as follows:

	Original Issue	Outstanding as of January 31, 2025
Farmington	\$2,875,000	\$400,000
Dorchester	13,885,000	8,295,000
Two Rivers	30,000,000	28,420,000
Arundel Gateway	22,500,000	21,935,000
	<u>\$69,260,000</u>	<u>\$59,050,000</u>

Tax Increment Financing

The County has passed legislation creating seven separate tax increment districts. Four of the seven districts are supported by special taxing districts created within, or coincident with, such tax increment districts and, for the purpose of financing projects in support of each of these districts, the County has authorized the issuance of special obligation bonds for each special taxing district. The County has also authorized the issuance of special obligation bonds for two of the tax increment districts. In each case, the bonding authority is for special obligation bonds secured by taxes levied on the tax increment districts and, with respect to the special taxing districts, also by special taxes levied on taxable property within the district. Such special obligation bonds may also be backed by the County's full faith and credit. As of January 31, 2025, approximately \$47,215,000 in aggregate principal amount of such tax increment and special taxing bonds are outstanding and are guaranteed by the full faith and credit of the County.

Special Community Benefit District Debt

As of June 30, 2024, debt attributable to shore erosion control districts in the County totaled \$1,479,499, debt attributable to waterways improvements districts in the County totaled \$61,730 and debt attributable to erosion control districts totaled \$1,417,769. Ad valorem taxes or special benefit charges are levied on properties within the respective districts to provide for the payment of debt attributable to such districts. These items are included in the County's net tax supported debt position.

Revenue Authority

There is one active revenue authority within the County, which is presented as a component unit in the County's financial statements. This authority was created in February 1998 to acquire, construct, improve, equip, furnish, maintain and operate Tipton Airport. The United States Army, as part of the Fort Meade operation, had previously operated this airport. During fiscal year 2002, title to the land and improvements transferred to Anne Arundel County. The County provides some support to this authority for operating costs and capital improvements. A second authority was created to construct and manage recreational facilities within the County. This recreational authority is currently inactive.

Public School Financing

State Assumption of Public School Capital Construction Costs

Legislation enacted by the Maryland General Assembly in 1971 provides for the assumption by the State, under certain conditions, of the costs of public school construction projects and public school capital improvements on a State-wide basis. This law provides that the State of Maryland will pay the costs in excess of available Federal funds of all public school construction projects and public school capital improvements in the counties and Baltimore City, which have been approved by the Board of Public Works and empowers the Board of Public Works to define by regulation what shall constitute an approved construction or capital improvement cost. On December 30, 1987, the Board of Public Works adopted revised "Rules, Regulations and Procedures for the Administration of the School Construction Program" (the "Revised Rules").

Under these rules, the Board shall establish a maximum State construction allocation which is the maximum State participation for each project when it is being considered for inclusion in an annual capital improvement program for construction funding as follows:

(a) The maximum State construction allocation shall be based on the product of the latest adjusted average statewide per square foot cost of construction for schools in the State and the approved area allowances for the project as limited by the Public School Construction Program capacity and space formula and these rules and regulations.

(b) The average per square foot cost of school construction based on the best cost experience of schools constructed in the prior year(s) shall be published at least annually. The per square foot construction cost shall include site work, and the per square foot building cost shall exclude site work.

(c) The maximum State construction allocation shall also include adjustments for inflation to time of bid, regional cost differences, and a percentage for contingency as determined by the Committee.

(d) The maximum State construction allocation shall be adjusted to reflect the State and local sharing of this expenditure for all projects approved for local planning on or after February 11, 1987. The State share, which represents the maximum State construction allocation for the eligible portion of a construction contract is computed by applying a factor of 50% for the County to the factors cited in sections (a), (b) and (c) above.

Economic Development Revenue Bonds

The County has encouraged industry to locate and remain in the County by, among other things, the issuance of industrial development revenue bonds and pollution control revenue bonds pursuant to the Maryland Economic Development Revenue Bond Act and earlier statutory authority and the Maryland Industrial Development Financing Authority Act. Economic development revenue bonds do not constitute indebtedness nor a charge against the general credit or taxing powers of the County. For more detailed information, see "NOTES TO THE BASIC FINANCIAL STATEMENTS - Conduit Debt" in Appendix A.

Statement of Legal Debt Margin

The following statement presents the County's Legal Debt Margins as of June 30, 2024:

STATEMENT OF LEGAL DEBT MARGINS As of June 30, 2024

	<i>General Bonded Debt</i>	<i>Water & Wastewater Utility Bonded Debt</i>
Assessed value of real property	\$102,593,320,718	\$94,716,418,300
Bonded debt limit to assessed value	5.2%	5.6%
Bonded debt limit of real property	5,334,852,677	5,304,119,425
Assessed value of personal/operating real property	2,898,015,710	2,730,894,700
Bonded debt limit to assessed value	13%	14%
Bonded debt limit of personal property	376,742,042	382,325,258
Legal limitation for the borrowing of funds and issuance of bonds	5,711,594,719	5,686,444,683
Bonded debt applicable to debt limit (1)	1,294,120,682	801,254,121
Bonded debt for Watershed Restoration and Protection projects (2)	151,065,764	-
Installment Purchase Agreements (1)	13,405,000	-
Tax Increment Bonds (1)	52,180,000	-
Bonded debt for Solid Waste projects (2)	48,959,603	-
Legal debt margin	<u>\$4,151,863,670</u>	<u>\$4,885,190,562</u>

(1) See Note 8 of the Basic Financial Statements for explanations of the bonded debt limits.

(2) This presentation of debt for solid waste projects, and watershed protection and restoration projects is considered self-supporting.

Source: Office of Finance (Unaudited – Derived From Audited Financial Statements).

Certain Debt Ratios

The following table sets forth the County's ratio of net tax supported debt per capita, ratio of net debt to the County estimated market value, and ratio of tax supported debt per capita to per capita income:

Year Ended June 30,	Tax supported Debt (1)	Estimated Population (3)	Estimated Market Value (2)	Per Capita Personal Income	Tax Supported Debt Per capita	Tax Supported Debt to Estimated Market Value	Tax Supported Debt Per Capita as a Percent of Per Capita Income
2024	\$1,887,771,000	594,582	\$102,593,320,718	\$83,514	\$3,175	1.84%	3.80%
2023	1,848,438,000	593,286	102,094,661,000	78,839	3,116	1.81%	3.95%
2022	1,807,491,000	592,052	99,849,722,000	76,338	3,053	1.81%	4.00%
2021	1,744,472,000	589,054	97,394,219,000	76,059	2,961	1.79%	3.89%
2020	1,652,015,000	582,777	94,208,404,000	72,003	2,835	1.75%	3.94%

(1) Includes fee supported Watershed Protection and Restoration Bonds in the amount of approximately \$151.0 million and does not include the Bonds offered hereby.

(2) These figures represent the market value of all taxable property. (See "FINANCES - Property Taxes, Assessments and Collections.")

(3) Population totals are estimates of the County Office of Planning and Zoning.

Source: Office of Finance (Unaudited – Derived From Audited Financial Statements).

The following table sets forth the County's debt service expenditures for tax-supported debt as a percentage of General Fund Revenues, Expenditures and Encumbrances:

**RATIO OF GAAP ANNUAL DEBT SERVICE FOR TAX-SUPPORTED DEBT
TO TOTAL GENERAL FUND REVENUES AND EXPENDITURES (BUDGET BASIS)
Last Five Fiscal Years
(Unaudited – Derived From Audited Financial Statements)**

Fiscal Year Ended June 30,	Debt Service*	Total General Fund Expenditures	Debt Service as a Percentage of Total Expenditures	Total General Fund Revenues	Debt Service as a Percentage of Total Revenues
2024	\$192,096,461	\$2,124,662,101	9.04	\$2,143,794,140	8.96
2023	226,259,248	2,124,712,626	10.65	2,007,787,515	11.27
2022	230,122,105	1,860,391,151	12.37	1,988,492,345	11.57
2021	166,106,725	1,705,924,861	9.74	1,836,393,081	9.05
2020	160,963,816	1,668,065,286	9.65	1,683,372,575	9.56

*This includes all tax supported debt service recorded in all governmental funds including the General Fund, Tax Incremental Districts, Installment Purchase Agreements, loans to special taxing districts, and capital leases.

Source: Office of Finance.

Enterprise Funds Debt

The following table sets forth the County's Enterprise Funds bonded debt:

**ENTERPRISE FUNDS BONDED DEBT
Last Five Fiscal Years
(Unaudited – Derived From Audited Financial Statements)**

Fiscal Year Ended June 30,	Water and Wastewater Bonded Debt	Solid Waste Bonded Debt	Total Enterprise Funds Debt
2024	\$801,254,121	\$48,959,603	\$850,213,724
2023	770,205,952	42,992,958	813,198,910
2022	746,462,713	43,452,604	789,915,317
2021	727,847,477	47,362,073	775,209,550
2020	706,161,571	44,471,807	750,633,378

Source: Office of Finance.

Schedule of Debt Service Requirements for Long-Term Obligations

The following table sets forth the principal and interest payments schedule for the County's direct and contingent long-term obligations, including General Public School Construction Loans as of the date of issuance of the Bonds and excluding the Refunded Bonds:

Fiscal Year Ending June 30,	<i>General County Bonds (a,b)</i>							
	<i>Consolidated General Improvement</i>							
	<i>General Government</i>		<i>Solid Waste</i>		<i>WPRF</i>		<i>PPI</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>
2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	84,652,866	60,904,404	3,064,257	2,190,689	6,272,577	6,984,224	6,595,300	5,740,144
2027	80,930,602	57,547,908	3,068,238	2,068,122	6,270,861	6,785,278	6,595,300	5,486,206
2028	77,560,067	53,583,547	3,154,308	1,913,667	6,275,324	6,471,735	6,595,300	5,156,441
2029	74,116,079	49,858,984	3,143,833	1,758,160	6,279,788	6,157,969	6,595,300	4,826,676
2030	70,005,203	46,300,580	3,055,932	1,604,194	6,283,565	5,843,979	6,595,300	4,496,911
2031	63,663,680	42,800,243	2,648,828	1,451,474	6,282,191	5,529,801	6,595,300	4,167,146
2032	58,837,110	39,617,114	2,338,681	1,319,102	6,283,908	5,215,692	6,595,300	3,837,381
2033	55,229,554	36,675,259	2,269,178	1,202,168	6,285,968	4,901,496	6,595,300	3,507,616
2034	51,293,582	33,944,473	2,268,091	1,090,737	6,288,029	4,591,553	6,595,300	3,177,851
2035	47,075,441	31,441,489	2,068,984	981,327	5,965,275	4,285,862	6,595,300	2,848,086
2036	40,087,242	29,179,924	2,067,183	883,830	5,965,275	4,000,664	6,595,300	2,518,321
2037	40,082,243	27,342,666	2,067,182	791,423	5,965,275	3,728,865	6,595,300	2,188,556
2038	40,177,047	25,547,141	1,972,378	704,463	5,965,275	3,466,107	6,595,300	1,858,791
2039	40,332,928	23,745,348	1,816,497	623,769	5,965,275	3,203,350	6,595,300	1,529,026
2040	40,506,987	21,950,055	1,637,438	551,449	5,965,275	2,944,976	6,595,300	1,205,365
2041	40,891,538	20,159,389	1,252,888	489,374	5,965,274	2,690,985	6,595,300	891,753
2042	41,762,524	18,349,941	987,303	437,051	5,965,273	2,436,993	5,984,900	591,241
2043	42,551,425	16,511,699	987,303	388,712	5,965,272	2,183,002	5,196,000	315,663
2044	45,041,332	14,595,432	919,446	342,069	5,965,272	1,929,011	2,773,950	116,414
2045	46,939,345	12,569,467	854,083	298,756	5,965,272	1,675,019	941,300	23,533
2046	47,927,761	10,471,341	801,970	258,381	5,965,269	1,421,028	-	-
2047	45,263,828	8,415,104	801,974	219,308	5,524,198	1,178,064	-	-
2048	41,768,296	6,512,852	682,506	183,222	5,524,198	946,126	-	-
2049	35,744,654	4,868,327	614,738	152,086	5,090,608	727,087	-	-
2050	29,239,013	3,556,781	599,022	123,308	4,411,965	537,912	-	-
2051	22,704,357	2,505,895	589,744	95,062	3,540,899	378,769	-	-
2052	17,425,635	1,656,235	547,732	68,963	2,636,633	248,252	-	-
2053	13,687,191	984,549	547,742	44,874	1,760,067	150,827	-	-
2054	9,737,902	466,618	493,741	21,864	1,348,357	79,168	-	-
2055	4,942,909	123,573	217,991	5,450	949,100	23,728	-	-
	<u>\$ 1,350,178,341</u>	<u>\$ 702,186,338</u>	<u>\$ 47,539,191</u>	<u>\$ 22,263,053</u>	<u>\$ 158,891,518</u>	<u>\$ 90,717,523</u>	<u>\$ 120,420,950</u>	<u>\$ 54,483,119</u>

- Notes:
- (a) Bonded debt subject to 5.2% of taxable County assessable real property base limit and 13% of personal/operating real property.
 - (b) All debt service costs are as of April 30, 2025, including the bonds offered hereby.

Fiscal Year Ending June 30,	<i>Consolidated Water and Sewer</i>					
	<i>Tax Increment</i>		<i>Installment Purchase Agreements and Loans</i>		<i>Water and Sewer Bonds (b)</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2025	\$ -	\$ -	\$ 20,000	\$ 358,015	\$ -	\$ -
2026	5,310,000	1,543,219	222,260	714,916	43,843,433	37,815,745
2027	5,620,000	1,349,519	215,695	713,799	43,225,452	36,354,668
2028	5,955,000	1,143,819	9,075,695	712,684	42,661,340	34,349,783
2029	4,930,000	945,969	200,695	223,954	41,541,588	32,444,150
2030	2,455,000	797,969	1,687,132	223,663	41,571,910	30,553,553
2031	2,390,000	705,994	93,662	133,663	41,563,655	28,667,662
2032	2,505,000	632,569	87,843	133,663	40,521,230	26,796,372
2033	2,640,000	553,744	34,159	133,663	37,226,116	24,952,147
2034	2,765,000	467,563	20,680	133,663	36,333,445	23,183,671
2035	2,910,000	375,344	20,669	133,663	35,515,471	21,441,607
2036	3,050,000	278,494	14,550	133,663	34,672,521	19,719,739
2037	3,210,000	174,763	1,458,550	133,663	32,709,594	18,075,928
2038	825,000	106,672	14,550	67,659	32,661,691	16,543,163
2039	855,000	77,788	14,550	67,658	32,558,812	15,013,104
2040	885,000	47,338	14,550	67,659	31,600,958	13,508,558
2041	910,000	15,925	1,487,000	67,658	30,397,421	12,032,588
2042	-	-	-	-	29,222,280	10,605,643
2043	-	-	-	-	28,383,276	9,219,072
2044	-	-	-	-	27,284,289	7,867,534
2045	-	-	-	-	24,835,317	6,570,856
2046	-	-	-	-	22,536,363	5,396,661
2047	-	-	-	-	21,087,424	4,373,699
2048	-	-	-	-	18,963,503	3,440,095
2049	-	-	-	-	16,699,599	2,627,199
2050	-	-	-	-	14,330,713	1,941,135
2051	-	-	-	-	11,848,984	1,375,929
2052	-	-	-	-	9,495,000	919,629
2053	-	-	-	-	7,560,000	549,312
2054	-	-	-	-	5,365,000	261,575
2055	-	-	-	-	2,805,000	70,125
	<u>\$ 47,215,000</u>	<u>\$ 9,216,685</u>	<u>\$ 14,682,239</u>	<u>\$ 4,153,300</u>	<u>\$ 839,021,387</u>	<u>\$ 446,670,901</u>

Fiscal Year Ending June 30,	<i>Total</i>			
	<i>Total</i>		<i>Debt Service</i>	
	<i>Utility Bonds</i>	<i>Principal</i>	<i>Interest</i>	<i>Charge</i>
2025	\$ -	\$ 20,000	\$ 358,015	\$ 378,015
2026	81,659,179	149,960,694	115,893,341	265,854,035
2027	79,580,120	145,926,148	110,305,501	256,231,649
2028	77,011,122	151,277,033	103,331,674	254,608,707
2029	73,985,739	136,807,283	96,215,862	233,023,145
2030	72,125,464	131,654,042	89,820,849	221,474,891
2031	70,231,317	123,237,316	83,455,982	206,693,298
2032	67,317,602	117,169,073	77,551,893	194,720,966
2033	62,178,262	110,280,275	71,926,092	182,206,367
2034	59,517,116	105,564,127	66,589,510	172,153,637
2035	56,957,078	100,151,140	61,507,377	161,658,517
2036	54,392,260	92,452,071	56,714,634	149,166,705
2037	50,785,522	92,088,144	52,435,863	144,524,007
2038	49,204,854	88,211,241	48,293,995	136,505,236
2039	47,571,916	88,138,362	44,260,043	132,398,405
2040	45,109,516	87,205,508	40,275,399	127,480,907
2041	42,430,009	87,499,421	36,347,672	123,847,093
2042	39,827,923	83,922,280	32,420,868	116,343,148
2043	37,602,348	83,083,276	28,618,147	111,701,423
2044	35,151,823	81,984,289	24,850,460	106,834,749
2045	31,406,173	79,535,317	21,137,631	100,672,948
2046	27,933,023	77,231,363	17,547,411	94,778,774
2047	25,461,123	72,677,424	14,186,174	86,863,598
2048	22,403,598	66,938,503	11,082,295	78,020,798
2049	19,326,798	58,149,599	8,374,699	66,524,298
2050	16,271,848	48,580,713	6,159,136	54,739,849
2051	13,224,913	38,683,984	4,355,655	43,039,639
2052	10,414,629	30,105,000	2,893,079	32,998,079
2053	8,109,312	23,555,000	1,729,562	25,284,562
2054	5,626,575	16,945,000	829,225	17,774,225
2055	-	8,915,000	222,875	9,137,875
	<u>\$ 1,282,817,163</u>	<u>\$ 2,577,948,626</u>	<u>\$ 1,329,690,919</u>	<u>\$ 3,907,639,545</u>

County Debt Policies

Legal Debt Policy Statement

In passing the Authorizing Ordinance, the County Council adopted the policy statement given below for the purpose of indicating the County's intention with respect to the issuance of bonds authorized thereunder and to guide the County Executive or Chief Administrative Officer, as the case may be, in the exercise of the authority conferred by the Authorizing Ordinance.

(1) It is essential that the County continue to provide, in timely fashion, the public facilities necessary to serve its population, which has increased significantly in recent years, while at the same time retaining and supporting substantial rural and agricultural elements of the County's economy which enable the County to enjoy the benefits of a balanced and diverse economy. All or a portion of the cost of such facilities will have to be financed through the borrowing of money by the County on a reasonably long-term basis in order that the burden of such cost may be equitably apportioned among present and future taxpayers. However, it is equally essential that the credit standing of Anne Arundel County, Maryland, be preserved and, if possible, improved to the end that the cost of borrowing money by the County will not be unduly burdensome. To aid in achieving these basic objectives, the County Executive or the Chief Administrative Officer, as the case may be, shall, to the maximum extent possible, exercise the authority conferred by the Authorizing Ordinance upon them within the following guidelines as well as within the fixed limitations prescribed in the Authorizing Ordinance and County Charter.

(2) Sale of bonds under the Authorizing Ordinance shall be spaced at least six (6) months apart when practicable; provided, however, that bonds may be sold under the Authorizing Ordinance at such other intervals as the County Executive, or the Chief Administrative Officer, as the case may be, may deem advisable due to financial or market conditions prevailing at the time.

(3) To provide an adequate flow of funds for capital projects, to limit amounts borrowed to the costs incurred for such projects, and to facilitate the selection of the most advantageous times for the sale of bonds, bond anticipation notes may be sold for such projects from time to time, repayable from the proceeds of the appropriate series of such bonds, when issued.

(4) The authority conferred by the Authorizing Ordinance shall be so exercised that the estimated maximum annual debt service obligation resulting therefrom plus current debt service payable by the County on outstanding obligations does not exceed an amount equal to twenty percent (20%) of the estimated net amount of all direct and indirect revenues of the County for the current fiscal year, including utility revenues, calculated by subtracting from gross revenues all debt service withheld or to be withheld by the State or any agency thereof during such fiscal year.

(5) All bonds issued and sold by the County under the Authorizing Ordinance shall be unconditional general obligation bonds of the County within the limitations of indebtedness set forth by the Authorizing Ordinance as prescribed by the County Charter and the ordinances enacted pursuant thereto. Before any such bonds are issued for revenue-producing projects of water or wastewater utilities, the County Executive, or the Chief Administrative Officer if authorized by the County Executive, shall determine that the estimated revenues of such projects, or the actual and estimated revenues of such projects and the utilities of which they are a part, are, or will be, sufficient to pay the cost of operation and maintenance of such projects and the maturing principal of and interest on all indebtedness incurred with respect thereto, including such bonds. The authorization by the Authorizing Ordinance of general obligation bonds of the County for revenue-producing projects shall not be construed to preclude the County Council from authorizing in the future the issuance of bonds payable solely from the revenues of similar projects or utilities.

The County has adopted a debt management policy (the "Debt Management Policy") which sets forth the borrowing limits pursuant to Resolution No. 17-22 adopted by the County Council on June 21, 2022, which may be amended and supplemented. The County's Debt Management Policy constitutes the local debt policy of the County required by Section 17-207 of the Local Government Article of the Annotated Code of Maryland.

The validity of any proceedings or action taken pursuant to the Authorizing Ordinance shall not be limited by or otherwise impaired by the Debt Management Policy. (See “INDEBTEDNESS – County Debt Policies – Administrative Debt Management Policies” below).

Spending Affordability Committee

The Charter established a Spending Affordability Committee for the County in fiscal year 1991. This committee is charged with making advisory recommendations to the Office of Budget, the County Executive and the County Council relating to spending affordability, including County spending levels to reflect the affordability of the taxpayers to finance County operations and service long-term debt.

The committee members are appointed by the County Executive and confirmed by the County Council. The committee is required to prepare a report every fiscal year. The committee is required to prepare an annual report by the end of January proceeding each fiscal year.

Administrative Debt Management Policies

The County Administration has developed the Debt Management Policy to be used in planning future debt issuance levels. The Debt Management Policy, along with the debt affordability study described below, were developed in order to help the County maintain its creditworthiness while at the same time ensuring that necessary capital projects will be funded. The Debt Management Policy has been adopted to serve as a guideline by the current County Administration with respect to the exercise of debt issuance authority granted to the administration in the Authorizing Ordinance.

The policies set out below consist of the County’s current debt ratios and guidelines to be followed in future years. The guidelines apply to general obligation debt payable from the General Fund.

Current Debt Ratios and Future Guidelines (Unaudited)

	<u>Actual June 30, 2024</u>	<u>Actual June 30, 2023</u>	<u>Current Guidelines</u>
Debt Service to Revenues*	7.1%	7.7%	11.5%
Debt to Estimated Full Value	1.2%	1.3%	2.0%
Debt per Capita	2,177	2,251	3,931
Debt to Personal Income	2.6%	2.9%	4.0%

*Includes General Fund principal and interest on General Obligation Debt.

Source: Office of the Budget.

The guidelines were established to allow the County some flexibility in the event that economic and demographic growth do not meet projections while still setting limits so that needs do not exceed resources and result in an excessive debt burden. In addition to the debt ratio guidelines, the County Administration intends to adhere to the following debt management guidelines:

- *The Administration will conservatively estimate revenues to maintain a positive General Fund balance.* This policy is designed to provide a cushion in the event that there is an economic downturn.

- *The Administration does not intend to issue tax or revenue anticipation notes to fund governmental operations.* The Administration intends to manage the County’s cash in a fashion that will prevent any borrowing to meet working capital needs.

- *The Administration does not intend to have any bond anticipation notes outstanding for a period of longer than two years.* If the Administration issues a bond anticipation note for a capital project, the note will be converted to a long-term bond or redeemed at its expiration.

- *The Administration will recommend budget contributions to Pay-As-You-Go financing in each fiscal year.*

In order to reduce the future debt service burden, each budget will include a recommended contribution to Pay-As-You-Go financing.

- *The Administration will update the County's debt affordability study each year in conjunction with the capital budget process.* This study will help the Administration monitor the County's debt position and ensure that the debt ratio policies are met.

- *The Administration will continue to examine alternative funding sources in order to provide long-term tax relief.* Funding sources used in the past have included tax increment districts, private sector partnerships, Pay-As-You-Go funding and developer impact fees.

- *In budget recommendations, the Administration will designate impact fees to be collected from developers to fund a portion of the costs associated with school, transportation and public safety facilities necessary as a result of new development.* In addition, the Administration will endeavor to assess other appropriate impact fees, where possible.

Financing Plans

The 2026 to 2030 projected Capital Program includes \$1,853,612,540 in projected bond authorizations of which \$818,915,440 are projected for tax supported projects including permanent public infrastructure projects. These projected bond authorizations are estimates and may or may not result in bond sales over the course of the five-year period. The County assesses its five-year Capital Program on an annual basis and appropriates funds for projects based on affordability.

Capital Appropriations and Funding Sources

The following Schedule presents the County's current and projected capital appropriations and funding sources approved for fiscal year 2025. Any activity related to the Bonds is not reflected in the schedule:

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SCHEDULE OF CAPITAL PROJECTS APPROPRIATIONS AND FUNDING SOURCES
CURRENT AND PROJECTED

	Unexpended Appropriation As of June 30, 2024	County Council Approved Fiscal Year 2025	Projected Fiscal Year 2026	Projected Fiscal Year 2027	Projected Fiscal Year 2028	Projected Fiscal Year 2029	Projected Fiscal Year 2030
General County Projects	\$ 175,474,093	\$ 139,342,200	\$ 57,537,000	\$ 41,127,000	\$ 33,254,000	\$ 29,815,000	\$ 29,815,000
Education	756,953,613	178,394,000	199,244,000	89,843,000	26,575,000	26,575,000	26,575,000
Police and Fire	111,544,538	50,829,760	57,668,760	48,917,860	6,639,860	5,561,360	26,867,000
Roads and Bridges	257,044,430	98,905,500	65,990,000	85,026,000	57,392,000	61,180,000	54,815,000
Community College	22,958,377	15,364,000	58,435,000	7,434,000	2,748,000	10,116,000	10,856,000
County Libraries	7,903,950	30,894,000	12,004,000	350,000	3,047,000	350,000	19,221,500
Recreation and Parks	198,196,179	99,259,972	45,937,000	13,394,000	8,747,000	8,747,000	8,747,000
Waterway Improvements	6,437,299	3,778,500	3,243,000	2,297,000	2,297,000	2,297,000	2,297,000
Solid Waste	33,866,247	(162,000)	1,440,000	1,440,000	2,480,000	10,055,000	27,024,000
Watershed Protection & Restor.	133,302,969	23,915,997	35,557,000	34,517,000	18,517,000	18,517,000	18,517,000
Total General Improvements	1,703,681,695	640,521,929	537,055,760	324,345,860	161,696,860	173,213,360	224,734,500
Water and Wastewater	478,361,292	276,768,600	219,643,000	344,991,000	153,684,000	157,369,000	107,428,000
Total	\$ 2,182,042,987	\$ 917,290,529	\$ 756,698,760	\$ 669,336,860	\$ 315,380,860	\$ 330,582,360	\$ 332,162,500

FUNDING SOURCES

General Improvements							
County bonds	\$ 298,608,246	\$ 298,960,158	\$ 296,559,860	\$ 196,944,860	\$ 92,310,860	\$ 88,343,360	\$ 131,490,500
PPI Fund Bonds*	108,063,151	12,663,000	13,266,000	-	-	-	-
Impact Fee Bonds	683	-	-	-	-	-	-
Grant and aid	755,795,696	82,949,529	139,650,000	50,656,000	22,956,000	26,665,000	27,010,000
Developer impact fees	69,953,314	25,581,000	26,764,000	17,002,000	12,135,000	1,500,000	4,269,000
Pay-as-you-go	20,863,429	172,541,500	5,968,900	5,744,000	5,598,000	5,598,000	5,598,000
Cash balances	237,356,431	-	-	-	-	-	-
Other	45,871,529	24,072,745	17,850,000	18,042,000	7,700,000	22,535,000	10,826,000
Subtotal General Improvements	\$ 1,536,512,479	\$ 616,767,932	\$ 500,058,760	\$ 288,388,860	\$ 140,699,860	\$ 144,641,360	\$ 179,193,500

Solid Waste							
County bonds	23,851,761	(1,303,000)	885,000	885,000	1,925,000	9,500,000	26,469,000
Pay-as-you-go	-	1,141,000	555,000	555,000	555,000	555,000	555,000
Cash balances	9,264,486	-	-	-	-	-	-
Other	750,000	-	-	-	-	-	-
Total Solid Waste	\$ 33,866,247	\$ (162,000)	\$ 1,440,000	\$ 1,440,000	\$ 2,480,000	\$ 10,055,000	\$ 27,024,000

Watershed Protection & Restor.							
WPRF bonds	116,872,884	22,515,997	35,557,000	34,517,000	18,517,000	18,517,000	18,517,000
Grant and aid	4,615,437	500,000	-	-	-	-	-
Cash balances	11,752,222	-	-	-	-	-	-
Other	62,426	900,000	-	-	-	-	-
Total Watershed Protection & Restor.	\$ 133,302,969	\$ 23,915,997	\$ 35,557,000	\$ 34,517,000	\$ 18,517,000	\$ 18,517,000	\$ 18,517,000

Total General Improvements	\$ 1,703,681,695	\$ 640,521,929	\$ 537,055,760	\$ 324,345,860	\$ 161,696,860	\$ 173,213,360	\$ 224,734,500
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Water and Wastewater							
County bonds	\$ 383,433,703	\$ 257,553,848	\$ 190,048,900	\$ 307,425,600	\$ 130,743,600	\$ 145,473,000	\$ 95,717,000
Grant and aid	22,904,177	5,159,752	16,894,200	23,300,800	9,700,800	-	-
Pay-as-you-go	-	5,895,000	11,373,000	11,352,000	12,027,000	11,896,000	11,711,000
Cash balances	72,577,284	-	-	-	-	-	-
Other	(553,872)	8,160,000	1,326,900	2,912,600	1,212,600	-	-
Total Water and Wastewater	\$ 478,361,292	\$ 276,768,600	\$ 219,643,000	\$ 344,991,000	\$ 153,684,000	\$ 157,369,000	\$ 107,428,000

Total	\$ 2,182,042,987	\$ 917,290,529	\$ 756,698,760	\$ 669,336,860	\$ 315,380,860	\$ 330,582,360	\$ 332,162,500
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*Permanent Public Infrastructure Fund Bonds

Source: Office of Finance

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SECTION FIVE: ECONOMIC AND DEMOGRAPHIC INFORMATION

Description and Government

Anne Arundel County is located approximately 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 County is also bordered by Howard County to the west, Prince George's County to the southwest and Calvert County at its southern tip. The County is situated within the Atlantic Coastal Plain and its terrain varies from flat plains to rolling hills. There is approximately 533 miles of shoreline along the Chesapeake Bay.

Over the past decade, the nature of land use in Anne Arundel County has changed and the County's population has significantly increased. During this period, the County's economy has diversified and continued to grow as a part of the Baltimore-Washington metropolitan region, although it retained much of its rural and agricultural character.

Under the home rule charter since 1965, Anne Arundel County is governed by an elected County Executive and a seven-member County Council. (See "County Administration"). The government seat of Anne Arundel County is located within the corporate limits of the City of Annapolis. The County is authorized to issue debt, subject to certain indebtedness limitations, for the purpose of financing its capital projects and to incur other indebtedness having maturity not in excess of twelve months. (See "Indebtedness").

Population

With a current population of approximately 594,282, Anne Arundel County is the fourth largest jurisdiction in the State of Maryland behind Montgomery, Prince Georges, and Baltimore Counties. Approximately 9.6% of the State's total population resides in Anne Arundel County.

According to the U.S. Census Bureau's 2020 Decennial Census, the County grew by approximately 50,650 people (or 9.4%) between 2010 and 2020. In actual numbers, this population growth ranked third in Maryland behind Prince George's and Montgomery Counties. In terms of percentage growth, Anne Arundel ranked fifth in Maryland behind Frederick, Howard, Charles, and Prince George's Counties. The majority of the population growth occurred in Odenton, Crofton, Severn, and Jessup/Maryland City, which is located in the western part of the County.

According to the U.S. Census Bureau's 2019-2023 American Community Survey ("ACS") 5-Year Estimates, 45.2% of the County's population has obtained a bachelor's degree or higher. Approximately 23.7% of the working population is employed by government agencies, whereas 71.2% is employed in the private sector or self-employed. The median age of persons in the County is 39.0 years old.

The following data table shows the total population and the rate of growth for Anne Arundel County, the State of Maryland, and United States from 2014 through 2023:

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ANNE ARUNDEL COUNTY, MARYLAND AND UNITED STATES POPULATION

<u>Year</u>	<u>Anne Arundel County</u>	<u>Percent Increase</u>	<u>State of Maryland</u>	<u>Percent Increase</u>	<u>United States</u>	<u>Percent Increase</u>
July 2023	594,282	0.17%	6,170,738	0.10%	332,387,540	-0.27%
July 2022	593,286	0.21%	6,164,660	-0.16%	333,287,557	0.38%
July 2021	592,054	0.51%	6,174,610	0.02%	332,031,554	0.16%
July 2020	589,054	1.67%	6,173,205	2.07%	331,511,512	0.99%
July 2019	579,234	0.64%	6,045,680	0.16%	328,239,523	0.47%
July 2018	575,523	0.73%	6,035,802	0.20%	326,687,501	0.52%
July 2017	571,339	0.72%	6,023,868	0.34%	324,985,539	0.63%
July 2016	567,234	0.74%	6,003,323	0.30%	322,941,311	0.71%
July 2015	563,027	0.69%	5,985,562	0.47%	320,635,163	0.73%
July 2014	559,142	-	5,957,283	-	318,301,008	-

Source: U.S. Census Bureau, Population Estimates Program, <https://www.census.gov/programs-surveys/popest.html>

Income

Personal Income

Personal Income, as defined by the U.S. Bureau of Economic Analysis, is presented for Anne Arundel County, the State of Maryland and the United States in the following table:

ANNE ARUNDEL COUNTY, MARYLAND, AND UNITED STATES AVERAGE PER CAPITA PERSONAL INCOME

<u>Calendar Year</u>	<u>Anne Arundel County</u>	<u>Maryland</u>	<u>United States</u>	<u>Anne Arundel as a Percentage of</u>	
				<u>Maryland</u>	<u>U.S.</u>
2023	\$84,019	\$75,391	\$69,810	111.44%	120.35%
2022	79,335	71,340	66,244	111.21%	119.76%
2021	77,764	69,081	64,460	112.57%	120.64%
2020	72,194	64,825	59,153	111.37%	122.05%
2019	68,225	62,989	56,250	108.31%	121.29%
2018	66,510	62,313	54,098	106.74%	122.94%
2017	64,723	60,758	52,118	106.53%	124.19%
2016	62,866	59,029	49,870	106.50%	126.06%
2015	61,288	56,877	48,940	107.76%	125.23%
2014	58,960	54,431	47,025	108.32%	125.38%

Source: U.S. Department of Commerce, Bureau of Economic Analysis data November 14, 2024; new estimates for 2023.

November 14, 2024 revised statistics for 2021-2022.

In 2023, Anne Arundel County had a per capita personal income ("PCPI") of \$84,019. This PCPI ranked 4th in the State behind Howard, Talbot, and Montgomery Counties and was nearly 111% of the State average, \$75,391, and just over 120% of the national average, \$69,810. The 2023 PCPI reflected an increase of 5.9% from 2022 and ranked 9th in the State in terms of annual percentage growth. The 2022-2023 State change was 5.7% and the national change was 5.4%. In 2014, the PCPI of Anne Arundel County was \$58,960 and ranked 4th in the State. The ten-year (2014-2023) compound annual growth rate of PCPI was 4.01%. The compound annual growth rate for the State was 3.7% and for the nation was 4.5%.

Median Household Income

The median household income divides the income distribution into two equal groups: households having incomes above the median and households having incomes below the median. According to the 2019-2023 ACS, the median household income of the County was \$120,324, well above the median household income of the State of Maryland, \$101,652, and the Country, \$78,538. The following table compares median household incomes of the County, State, and the Country for the years 2019 through 2023.

ANNE ARUNDEL COUNTY, MARYLAND, AND UNITED STATES MEDIAN HOUSEHOLD INCOME

<u>Geography</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Anne Arundel County	\$120,324	\$116,009	\$108,048	\$103,225	\$100,798
State of Maryland	101,652	98,461	91,431	87,063	84,805
United States	78,538	75,149	69,021	64,994	62,843

Source: American Community Survey, U.S. Census Bureau 5-year estimates.

Total Wages

Total Wages is the sum of all compensation for services. This includes bonuses, commissions, tips and cash value of all compensation in any medium other than the value of meals and lodging. This is an indicator for evaluating the economic activity of a county. Total Wages in the County for calendar years 2013 through 2023 are as follows:

ANNE ARUNDEL COUNTY AND THE STATE OF MARYLAND TOTAL WAGES

<u>Year</u>	<u>Anne Arundel</u>		<u>State of Maryland</u>	
	<u>Total Wages</u>	<u>Percent Increases</u>	<u>Total Wages</u>	<u>Percent Increases</u>
2023	\$4,853,576,249	2.14%	\$49,075,029,046	3.68%
2022	4,751,672,095	7.81%	47,333,429,016	6.74%
2021	4,407,495,990	9.27%	44,346,157,078	10.48%
2020	4,033,595,215	-2.53%	40,140,279,767	-3.37%
2019	4,138,263,721	3.66%	41,539,351,934	3.97%
2018	3,992,035,036	3.69%	39,953,807,500	4.27%
2017	3,850,019,879	5.94%	38,319,462,568	3.79%
2016	3,634,251,062	5.08%	36,918,468,397	4.04%
2015	3,458,651,950	4.99%	35,483,301,874	3.79%
2014	3,294,318,701	-	34,188,492,631	-

Source: Maryland Department of Labor, Licensing and Regulation, 2nd Quarter of each calendar year.

Employment Base

Information on the employment base of a jurisdiction helps one to understand the diversity and health of the local economy. Job growth by industry and local unemployment rate provide insight into the strengths and weaknesses of the local economy as compared to the State.

The chart below shows employment by industry profile for Anne Arundel County and the State of Maryland using the North American Industry Classification System, which was introduced as a standard in 2001. Included are all workers covered by the Unemployment Insurance Law of Maryland and the Unemployment Compensation for Federal Employees program.

EMPLOYMENT BY INDUSTRY PROFILE

2023 Annual Averages				
	Anne Arundel		State of Maryland	
	Number Employed	% of Total	Number Employed	% of Total
Private Sector				
Goods Producing:				
Nat. Resource and Mining	245	*	7,928	*
Construction	19,399	7%	163,247	6%
Manufacturing	17,978	7%	114,621	4%
Goods Producing	37,622	14%	285,796	11%
Service Providing:				
Trade, Transp. & Utilities	59,920	22%	464,772	17%
Information	1,728	1%	35,278	1%
Financial Activities	5,794	2%	127,584	5%
Professional & Business	50,996	19%	481,282	18%
Education & Health	35,568	13%	445,569	16%
Leisure & Hospitality	35,316	13%	281,147	10%
Other Services	9,363	3%	89,288	3%
Service Providing	198,685	73%	1,924,920	71%
Unclassified	132	*	181	*
Total Private Sector	236,439	87%	2,210,897	81%
Public Sector				
Local	9,084	3%	241,940	9%
State	11,487	4%	105,309	4%
Federal	15,798	6%	158,281	6%
Total Public Sector	36,369	13%	505,530	19%
Total Employment	272,808	100%	2,716,427	100%

2013 Annual Averages				
	Anne Arundel		State of Maryland	
	Number Employed	% of Total	Number Employed	% of Total
Private Sector				
Goods Producing:				
Nat. Resource and Mining	178	*	6,700	*
Construction	15,012	6%	146,906	6%
Manufacturing	12,157	5%	106,761	4%
Goods Producing	27,347	11%	260,367	10%
Service Providing:				
Trade, Transp. & Utilities	52,882	21%	442,319	17%
Information	2,592	1%	39,529	2%
Financial Activities	10,327	4%	138,507	5%
Professional & Business	40,785	16%	417,342	16%
Education & Health	29,196	12%	403,147	16%
Leisure & Hospitality	33,123	13%	261,854	10%
Other Services	9,244	4%	89,134	3%
Service Providing	178,149	70%	1,791,832	70%
Unclassified	-	*	-	*
Total Private Sector	205,496	81%	2,052,199	80%
Public Sector				
Local	21,161	8%	251,851	10%
State	13,655	5%	101,161	4%
Federal	13,257	5%	145,194	6%
Total Public Sector	48,073	19%	498,206	20%
Total Employment	253,569	100%	2,550,405	100%

*Less than 1%.

Source: "Employment and Payrolls," 2013 and 2023 Annual Averages, Maryland Department of Labor, Licensing, and Regulation.

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Largest Employers

The employers listed below represent the largest employers within Anne Arundel County, Maryland as of June 30, 2024.

<u>Largest Employers</u>	<u>Business type</u>	<u>Approximate Number of Employees</u>
Ft. George G. Meade	DoD intelligence training, 120 DoD and non-DoD tenant organizations including NSA, DISA, US Cyber Command	64,455
Anne Arundel County Public Schools	Education	11,946
State of Maryland	Government	11,584
Northrop Grumman	Defense electronics	10,300
Baltimore Washington Thurgood Marshall Airport	Airport	10,000
Anne Arundel County General Government	Government (includes temporary workers)	8,665
Southwest Airlines	East coast flight center	5,239
Luminis Anne Arundel Health System	Health care services & hospital	3,413
UM Baltimore Washington Medical Center	Health care services & hospital	3,170
US Naval Academy/Naval Support Activity	Federal naval education facility & support	3,000
Amazon	Online Retail Distribution	3,000
Live! Casino	Casino	2,400
Allegis Group	Headquarters, technical & administrative placement	2,200
Booz Allen & Hamilton Inc.	Technology, consulting, & engineering solutions	1,500
Johns Hopkins Healthcare LLC	Administrative offices for Hopkins	1,500
Microsoft	Technology	1,478
Jacobs	Headquarters; IT services	1,397
Raytheon Technologies (Collins Aerospace)	Commercial aircraft electronics	1,263
Anne Arundel Community College	Public two-year college	1,226
DXC Technologies	DoD contractor IT services	1,129

Source: Anne Arundel Economic Development Corporation List of Major Employers.

Employment

In 2023, Anne Arundel County experienced a significant improvement in its unemployment rate, reaching an average of 1.7% amidst strong worker demand. Despite earlier concerns over a possible recession and ongoing uncertainties tied to elevated interest rates, the feared economic downturn did not occur. While inflation has decreased from its peak in 2022, challenges remain with persistent high costs in housing and food. The Federal Reserve has halted interest rate hikes, with hopes for reductions in 2024 as inflation approaches a 2.5% annual target. The County's labor market remains robust, contributing to historically low unemployment levels, outperforming both Maryland's 2.1% and the national 3.6% averages. The County reported a job count of 315,529, showing resilience in employment compared to state and national figures. This summary also references a table detailing the County's labor force statistics from 2013 through November 2023.

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Anne Arundel County's Resident Labor Force Employment and Unemployment

	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Unemployment Rate</u>
2023 (1)	315,529	310,052	5,477	1.7%
2022 (2)	315,495	306,132	9,363	3.0%
2021 (3)	308,074	296,286	11,788	3.8%
2020 (4)	305,213	288,887	16,326	5.3%
2019 (5)	321,046	312,383	8,663	2.7%
2018 (6)	310,740	301,401	9,339	3.0%
2017 (7)	309,851	299,647	10,204	3.3%
2016 (8)	305,061	294,347	10,714	3.5%
2015 (8)	302,888	289,471	13,417	4.4%
2014 (9)	295,723	280,492	15,231	5.2%

- (1) LAUS – Anne Arundel County November 2023, Maryland Department of Labor, Licensing and Regulation.
 (2) LAUS – Anne Arundel County November 2022, Maryland Department of Labor, Licensing and Regulation.
 (3) LAUS – Anne Arundel County November 2021, Maryland Department of Labor, Licensing and Regulation.
 (4) LAUS – Anne Arundel County November 2020, Maryland Department of Labor, Licensing and Regulation.
 (5) LAUS – Anne Arundel County November 2019, Maryland Department of Labor, Licensing and Regulation.
 (6) LAUS – Anne Arundel County November 2018, Maryland Department of Labor, Licensing and Regulation.
 (7) LAUS – Anne Arundel County October 2017, Maryland Department of Labor, Licensing and Regulation.
 (8) LAUS – Anne Arundel County November 2015 and 2016, Maryland Department of Labor, Licensing and Regulation.
 (9) LAUS – Anne Arundel County 2014, Maryland Department of Labor, Licensing and Regulation.

Source: Maryland Department of Licensing, Labor & Regulation. (Average per year).

New Business Addition and Expansion Highlights Calendar Year 2024

In calendar year 2024, through October, Anne Arundel Economic Development Corporation (“AAEDC”) tracked 333 businesses, categorized as new, expanding, under new ownership and relocated, that brought new jobs to the County. The warehouse, manufacturing, and technology sectors continue to experience growth with major transactions such as the following:

- Atlas Container Company, a box manufacturing company, purchased a 180,000-square-foot warehouse in the Curtis Bay area, thus expanding their footprint in Anne Arundel County by 70,000 square feet.
- PwrQ, formerly named Allied Power and Control, expanded its headquarters and manufacturing facility by adding 155,000 square feet of leased space in Hanover, Maryland and will hire an additional 160 full-time permanent employees over the next five years.
- Skyline Technology Solutions expanded by leasing an additional 16,001 square-feet of office space in Glen Burnie. Skyline Technology Solutions is a full-service IT integrator, enterprise solution provider, and product developer.
- Intuitive Machines expanded into a new 21,117 square-foot facility at the Cromwell Business Park in Glen Burnie. The Texas-based technology company is using this location to design, build, and test space-flight equipment including lunar landers. The space is approximately 70% warehouse and 30% office.

Source: Anne Arundel Economic Development Corporation.

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Economic Development Projects

Fort Meade Federal Campus/National Security Agency

Fort George G. Meade (“Fort Meade”) is a 5,067-acre facility located east of the intersection of state highways 32 and 295 in western Anne Arundel County. Fort Meade provides support services to 120 Department of Defense (“DoD”) and non-DoD organizations representing all military branches and several federal agencies. Major tenants include National Security Agency (“NSA”), Defense Information Systems Agency (“DISA”), U.S. Cyber Command, Joint Force Headquarters-DoD Information Network, U.S. Army Central Personnel Security Clearance Facility and the U.S. Environmental Protection Agency Science Center. The installation has the second largest workforce of any Army installation in the United States and is the largest employer in Maryland when Fort Meade and NSA employees are combined. The estimated work force at Fort Meade is 64,455 with military, civilian and contractor employees. Fort Meade provides annual compensation of an estimated \$8.5 billion, an economic impact of \$9.8 billion to Maryland’s GDP, and supports 116,036 direct, indirect and induced jobs.

The mission of Fort Meade has expanded as the installation has become the “Nation’s Center for Information, Intelligence and Cyber Operations.” The 242-acre “East Campus” section of Fort Meade has seen almost \$3 billion in construction projects through FY2024, with another two buildings currently in the construction phase and due for completion in the coming years. The East Campus project includes multi-story office buildings, secure administrative spaces, large parking structures, cyber operations center, power stations, an access control point, and a road connecting the buildings throughout the campus. The recently completed state-of-the-art Morrison Center at the National Security Agency’s East Campus now serves as the hub for NSA’s most critical missions and is the home to the National Security Operations Center.

Sources: Fort Meade Information Sheet, November 2024; Maryland Economic Impact Study of Military Facilities, August 2023; U.S. Army Corps of Engineers; National Security Agency.

Odenton Town Center

The Odenton Town Center (“OTC”) incorporates an area of 1,233 acres located in the western part of Anne Arundel County in close proximity to Fort Meade. The OTC is located in the center of an area that has experienced tremendous residential and business growth in recent decades and is expected to experience even more growth in the decades to come.

Blue Oaks at North Odenton, a new mixed-income rental community by Conifer Realty LLC, is under construction and will provide 150 affordable units when complete.

In partnership with the Maryland Department of Transportation (“MDOT”) and the Maryland Economic Development Corporation, Anne Arundel County is planning to construct a parking garage close to the Odenton MARC Train Station with 1,000 parking spaces, including 22 spaces for electric vehicles, 12 ADA spaces, and van parking. That project has been approved to proceed as designed in the County budget approval process. In addition, MDOT is seeking to redevelop a 12.85-acre parcel of state-owned land currently serving as parking at the Odenton MARC Station for transit-oriented development. MDOT release an RFQ for Transit Oriented Development in December 2024. The Development Partner will be selected by late summer 2025.

Development of the OTC involves capital projects needed to provide critical transportation, utility, and recreational infrastructure. Such projects are funded through various sources including; County funds allocated in the Capital Budget and Program, Federal and State grant funds, public-private partnerships, and by private developers.

The Maryland State Highway Administration has studied the MD 175 corridor from MD 295 to MD 170. Improvements are either completed or are underway and include road widening, the addition of bicycle and pedestrian facilities, and intersection improvements. Fort Meade relocated access control points deeper into the military installation and away from the intersections along MD 175, greatly reducing backups of traffic waiting to enter the post from local roadways.

Source: Anne Arundel Economic Development Corporation; Odenton Town Center 2023 Annual Report.

Economic Development Initiatives

Inclusive Ventures Program

In the spring of 2021, the Anne Arundel Economic Development Corporation launched the Inclusive Ventures Program (“IVP”), a business accelerator program which provides education, mentoring and operating grants to help small, minority, woman and veteran entrepreneurs grow their businesses in Anne Arundel County. In its first four years of operation, thirteen cohorts comprising 148 businesses graduated from the IVP. In June of 2022, County Executive Pittman pledged about a million dollars of the County’s American Rescue Plan Funds to expand the Inclusive Ventures Program, thus allowing AAEDC to double the number of cohorts in 2023. In addition, Anne Arundel County secured an additional \$1.65 million in funding through a federal earmark to continue the program through 2027. Based on follow-up surveys conducted eighteen months after graduating, the first six cohorts of IVP, consisting of 65 businesses, created 237 new jobs in Anne Arundel County and contributed nearly \$22 million in revenue to the County.

Source: Anne Arundel Economic Development Corporation.

Arundel Community Reinvestment Program

The Arundel Community Reinvestment (“ACR”) loan program encourages economic activity in the County’s eleven commercial revitalization districts. The ACR loan fund offers qualified business and property owners zero interest loans and tandem grants for improvements to primarily the exterior of their business or property. Currently, Anne Arundel Economic Development Corporation has thirty outstanding ACR loans in the aggregate amount of \$1,406,825.

Source: Anne Arundel Economic Development Corporation.

VLT Loan Program

AAEDC is one of nine fund managers that administer the State of Maryland Video Lottery Terminal (“VLT”) program, which provides loans to small, minority, veteran, and women-owned companies. Under the VLT program, the Fund makes conventional loans up to \$500,000, Growth Fund loans for high growth innovative and technology product companies for up to \$100,000 and the Microloan Fund for loans up to \$50,000 for companies that have been through an accelerator program. The loan program is funded by 1.5% of the video lottery terminal revenue from Maryland casinos. Under State guidelines, 50% of loan funds available must be placed within 10 miles of six existing VLT sites at Arundel Mills (Anne Arundel County), Perryville (Cecil County), Ocean City (Worcester County), National Harbor (Prince George’s County), Horseshoe Casino (Baltimore City), and Rocky Gap (Allegany County). Currently, Anne Arundel Economic Development Corporation manages a portfolio of VLT loan funds that has 102 outstanding loans totaling \$9.1 million.

Source: Anne Arundel Economic Development Corporation.

Next Stage Loan Fund

To assist growing technology companies working in the national security space, AAEDC created the Arundel Defense Tech Toolbox in July of 2017. The toolbox offers financing, workforce development support, and business development consultations specifically aimed at assisting technology companies with gross revenue of less than \$5 million and fewer than 100 employees. The signature component of the toolbox is the Next Stage Tech Fund, a financing program offering zero percent loans from \$50,000 to \$250,000. Loans can be structured with flexible payment terms between one and five years to accommodate a company’s cash flow. Currently, AAEDC has two outstanding loans totaling \$336,946.

Source: Anne Arundel Economic Development Corporation.

Glen Burnie Town Center Revitalization Plan

AAEDC participates in the Glen Burnie Town Center Revitalization Task Force, a group that aims to provide a framework for Anne Arundel County and private sector partners to guide investment in the Glen Burnie Town

Center. In January 2022, the task force published the Glen Burnie Town Center Revitalization Plan, a market analysis and planning study that describes and illustrates potential revitalization scenarios for multiple blocks in the historic heart of the town center at the intersection of Baltimore Annapolis Boulevard and Crain Highway. In October of 2022, Maryland Department of Housing and Community Development awarded AAEDC a \$250,000 grant to implement three initiatives within the plan, including the installation of signage and public art and improvements to the B&A trail trailhead.

In 2024, AAEDC developed a branding campaign for the Town Center and installed 32 branded street pole banners throughout the corridor. AAEDC was also awarded \$300,000 in Project Restore Funds to activate vacant commercial properties in Glen Burnie Town Center.

Additionally in 2024, Anne Arundel County was awarded \$1,050,000 in federal funds from the Department of Housing and Urban Development for the revitalization of the town center plaza. The County's Resiliency Authority (RA) will be spearheading this project and is currently identifying contractor partners to develop a community engagement plan to determine the design that will be implemented at the plaza.

Redevelopment is occurring at 7409 Baltimore and Annapolis Blvd., a 34-acre County property. The site is the former County Utility Wastewater Headquarters. The County is looking to redevelop this site as a vibrant, transit-oriented project. The RFP for development partners closed on July 10, 2024. The County hopes to have an agreement in place with the selected development partner by mid- 2025.

Source: Anne Arundel Economic Development Corporation.

Transportation

Light Rail

The light rail service is a 30-mile system linking Hunt Valley in Baltimore County to the Cromwell Station in Glen Burnie via downtown Baltimore. It operates seven days a week with runs every 20 minutes, carrying an average of 23,000 riders per day. The light rail system in Anne Arundel County connects Baltimore/Washington International Thurgood Marshall Airport with Baltimore City and business and retail centers in Northern Anne Arundel County. Opportunities exist throughout the line to transfer to other means of public transportation. More than 90% of the 30-mile system consists of double tracking allowing for more frequent service, accommodating more passengers, and improving the reliability and safety of the light rail program.

Source: Maryland Department of Transportation, MD.gov Open Portal Stats.openportal.maryland.gov.

Rail Service

Maryland Rail Commuter service ("MARC") is a State-owned, 187-mile, 3-line system operating between Washington, D.C., Baltimore, MD, Martinsburg, WV, and Perryville, MD. There are forty MARC system stations with parking available at most rail stops. The MARC Camden Line originates in downtown Baltimore and runs through the Anne Arundel County section of Laurel to Union Station in Washington, D.C. The MARC Penn Line runs through BWI Thurgood Marshall Airport and Odenton to Union Station. An Odenton/MARC Shuttle Bus Service, operated by the Regional Transit Agency of Central Maryland, offers a shuttle service from the Odenton station to Arundel Mills Mall and Waugh Chapel in West County with various stops. Other rail services offered includes the Amtrak Metroliner service from BWI Thurgood Marshall Airport to New York City and weekend service to the Wilmington, Philadelphia, and Washington, DC areas.

Maryland offers businesses two class-one rail carriers, CSX Transportation and Norfolk Southern freight carriage service to the Port of Baltimore. Maryland's freight rail service offers shippers an efficient rail service to all U.S. interior points, Canada and Mexico. Construction on Baltimore's Howard Street Tunnel is underway and once completed will allow double-stacked container cars to pass underneath, thus enhancing productivity at the Port of Baltimore.

Source: MD Department of Transportation, www.mdot.state.md.us; Central Maryland Regional Transit.

Roadways

The County has a well-maintained and easily accessible highway system, facilitating the movement of goods and people throughout the region. There are three major north/south arteries (I-97, Rt. 2, and the Baltimore-Washington Parkway Rt. 295) and three major east/west highways (Rt. 50/301, Rt. 100, and Rt. 32). Trucks leaving the Port of Baltimore or BWI Thurgood Marshall Airport have access to a superior state and interstate highway system, including I-95, I-695, and I-70 that allows goods to reach one-third of U.S. consumer markets in an overnight drive.

The fiscal years 2025-2030 Maryland Department of Transportation Consolidated Transportation Program is \$18.9 billion with almost 35% of that being allotted to the State Highway Administration for road and bridge projects. The CTP includes a proposed additional \$420 million in state transportation funding annually, beginning in FY2026. This additional annual funding will be divided into \$200 million in new state resources for capital projects, \$155 million to meet commitments for debt issued to fund the capital program, and \$65 million for operating budget needs. Also included in the CTP is an \$8 billion investment in critical state of good repair initiatives such as resurfacing and drainage and resilience needs. MDOT invested \$6.9 million in FY2024 to design and construct new sidewalks and pedestrian facilities, including the construction of new directional miles of sidewalk along MD 214 (Central Avenue) in Anne Arundel County. The Maryland Department of Transportation continues to be committed to projects that invest in Maryland's transportation system resulting in job creation and the support of Maryland industries and businesses. Efforts continue to address traffic congestion on MD 175. Construction is complete on the intersection improvements along MD 175 at Mapes Road and Reece Road, which improved turn lanes and added bike lanes, a security fence and tree buffer along Fort Meade's property. Construction is underway to widen MD 175 where it intersects with MD 295 and reconfigure the ramps at the MD 295 interchange to create signalized left turns at MD 175.

Sources: Multiple sources gathered by Anne Arundel Economic Development Corporation; Maryland Consolidated Transportation Program FY2025 to FY2030.

Trucking Services

Maryland's strategic location midway along the East Coast allows trucks to reach more than one-third of the U.S. markets within an overnight drive, transporting 96% of the total manufactured tonnage in Maryland. Over 40,420 private haulers and independent, common, and contract carriers operate within and from Maryland. These companies provide 141,340 trucking industry jobs in Maryland. The Port of Baltimore (the "Port") and BWI Airport are thriving hubs for freight forwarders, trucking companies, warehousing and distribution facilities. Both conventional and specialized trucking services are available at the Port and BWI Airport.

Source: Maryland Distribution Council; Maryland Motor Truck Association.

Bus Service

Anne Arundel County has a variety of public and private bus systems that service the City of Annapolis and many residential, shopping, and employment centers of not only Anne Arundel County but regionally. Services are provided by Maryland Transit Administration ("MTA"), Anne Arundel County Transportation, Annapolis Transit, Regional Transportation Agency, MTA Commuter Bus Service, Young Transportation Service and Washington Metropolitan Area Transit Authority.

These bus services coordinate with Anne Arundel County to develop new bus service to business parks and other workplace centers as the need arises. Currently, all nine of Anne Arundel County's transit routes are fare free.

Source: Anne Arundel County Transportation.

Air Services

Baltimore/Washington International Thurgood Marshall Airport ("BWI") is a 3,596-acre State operated facility that is part of the Maryland Aviation Administration under the authority of the Maryland Department of Transportation. BWI is the second busiest in the Washington-Baltimore Metro region (enplanements) and offers a 2.4 million square foot passenger terminal with five concourses and 75 aircraft gates with two gates dedicated to commuter

aircraft. Commuter, charter, and cargo airlines all serve the airport. Light Rail, Amtrak, and MARC train service are available connecting the airport with many destinations in Washington and the Baltimore area.

Currently, an aircraft maintenance facility is under construction with a hangar large enough to accommodate servicing three 737 aircraft with another eight on the hangar apron. This is in addition to a new cargo building and the ongoing expansion of concourse A. In addition, the largest capital project in the history of BWI is underway; the \$502 million project includes the expansion of the passenger terminal connection between terminals A & B and an expanded and improved baggage handling system. The multi-year project will enhance the passenger experience and expand capacity for Southwest Airlines as it continues to grow its presence at BWI. The majority of the project is expected to be completed by late 2025.

For fiscal year 2024, BWI managed over 27 million commercial passengers. BWI is ranked the 23rd busiest airport in the United States. Enplanements for fiscal year 2024 increased by 9.1% to 13.5 million, when compared to the previous fiscal year. Air cargo activity at the airport decreased during fiscal year 2024. Cargo tonnage at the airport decreased by 2.2% in fiscal year 2024 compared to fiscal year 2023. The airport accounted for more than half of the air freight transported in the U.S. Capital Region during fiscal year 2024.

Source: Baltimore/Washington Thurgood Marshall International Airport, www.bwiairport.com.

Tipton Airport

As a result of the Base Realignment and Closure Act of 1988, Tipton Army Airfield at Fort Meade was privatized for civilian use. The 366-acre airport reopened as a public facility in November 1999. Bordered by Fort Meade, the National Security Agency, and the Patuxent National Wildlife Refuge, Tipton is almost equal distance from Baltimore, Washington, Annapolis, and Columbia.

Tipton Airport is located on Rt. 32 and minutes from the Baltimore-Washington Parkway, BWI Thurgood Marshall, I-95 and I-97. The airport currently accommodates 113 sport, recreational, private, and business aircraft. Available facilities include a recently resurfaced 3,000 x 75 foot runway, which is planned to be extended another 1,200 feet; acres of concrete apron; four large hangars with more than 78,000 square feet of aircraft storage space; over 34,000 square feet of aircraft maintenance and office space; 22 T-hangars; self-serve fuel stations for Jet-A and AVGAS; flight training; aircraft maintenance; medical transport; County Police; and Federal Government. In addition to major renovations of the large hangars and roadways, the Airport is designing and constructing a new terminal. In 2024, 111 aircraft were based at Tipton Airport including 94 single-engine, 7 multi-engine, and 10 helicopters.

Source: Tipton Airport Authority, www.tiptonairport.org and the FAA, www.faa.gov.

Port of Baltimore

The Port in Baltimore is in the center of the Washington-Baltimore Common Market, the fourth largest consumer market in the nation. This location makes it the closest Atlantic seaport to major mid-western populations and manufacturing centers and within a day's reach to one-third of U.S. households. The Port is one of only two eastern U.S. ports with a 50-foot shipping channel, allowing it to accommodate some of the largest container ships in the world. In 2021, the Port introduced a second 50-foot berth. In 2022, four new Neo-Panamax cranes came online which allows the port to increase import capacity, when combined with a reconfigured terminal. In 2023, the Port ranked number one in the nation for the 13th straight year in handling cars and trucks in Roll On/Roll Off cargo and 15th in the nation for containers. The Port closed briefly in the spring of 2024 following the Francis Scott Key Bridge collapse, but fully reopened in early June 2024.

The Port is one of the top ten major employment centers in the State supporting 31,200 jobs, 20,200 of which are direct jobs generated by cargo and vessel activities. Overall, there are 346,100 jobs related to the Port's cargo. The Port generates approximately \$3.9 billion in business revenues in the State of Maryland. Activities at the Port generate another \$647 million in State, county, and municipal tax revenues. Approximately \$15.8 million in federal Consolidated Rail Infrastructure and Safety Improvements funding is set to come to the State to add four new working tracks and two crane rail beams within the Port's Seagirt Marine Terminal.

Located in the Port, Trade Point Atlantic is a 3,300-acre development that includes manufacturing, warehouses, and deep-water berths. The facility has over 11.5 million square feet of developed space with an additional 3.5 million square feet under construction. Trade Point Atlantic features a unique combination of access to deep-water berths, railroads, and highways to meet supply chain needs.

Source: Maryland Port Administration; MDOT 2023 Economic Impact of the Port of Baltimore in Maryland, Martin Associates.

Maryland Port Authority officials estimate cruise activity at the Port supports over 400 jobs and generates \$63 million in local business revenue for Maryland each year. In 2023, more than 444,000 passengers launch from the Port on Carnival, Royal Caribbean, and Norwegian Cruise Lines sailing to Bermuda, Canada/New England, and the Caribbean Islands each year. Beginning January 1, 2025, a new agreement with Carnival Cruise Lines will keep the world's largest cruise provider serving the Port of Baltimore for another five years and includes a five-year renewal.

Source: Port of Baltimore, 2017 Economic Impact of the Port of Baltimore in Maryland. Martin Associate; open.Maryland.gov.

Tourism

Anne Arundel County leads all other Maryland counties in generating economic impact through travel. According to the most recent data, over 6.8 million travelers visited Anne Arundel County to enjoy the many attractions and amenities including but not limited to, over 500 miles of shoreline, the historic Annapolis area, the U.S. Naval Academy, the annual boat shows and festivals and Arundel Mills/Live! District. During their stay, travelers spent an estimated \$4.1 billion, 8.1% more than in 2022. The tourism industry in Anne Arundel County supports 26,486 direct and indirect jobs. These tourism jobs generate \$1.91 billion in direct and indirect payroll income. Tourism expenditures in the County account for \$847.2 million in federal, state, and local taxes. These revenues provide needed infrastructure monies for general fund projects and services.

Anne Arundel County generated \$23.5 million in gross hotel tax in fiscal year 2024, an increase of 21.8% over fiscal year 2023. Live! Casino & Hotel, a 330,000 square foot gaming facility with an adjacent 310-room hotel, restaurants, and a 4,000-seat, three-story, multi-use theater, concert, and event venue with approximately 40,000 square feet of customizable meeting and banquet space, is an economic driver for tourism in Anne Arundel County. In fiscal year 2024, Live! Casino generated \$719.8 million in revenues from Video Lottery Terminals and Table Games. Of that revenue, \$303.6 million went to various public funds in the State with \$38.6 million going directly to local jurisdictions including Anne Arundel County.

Source: Maryland Office of Tourism, Tourism Economics "The Economic Impact of Tourism in Maryland 2023", released July 2024; Anne Arundel Economic Development Corporation.; Maryland Lottery and Gaming Control Agency, FY2024 Casino Revenue Report, www.mdgaming.com/marylands-casinos/revenue-reports.

Housing

According to the 2023 Census Bureau's American Community Survey, the County had 234,843 housing units, representing a growth of 1,743 units since the 2020 census. Single-family (detached and attached) units account for approximately 76% of total units.

According to the Maryland State Department of Planning Data Center, from 2022 to 2023 Anne Arundel County was ranked fourth in new construction in the Baltimore metropolitan region (defined as Anne Arundel County, Baltimore County, Carroll County, Harford County, Howard County, and Baltimore City). In 2023, Anne Arundel County saw a drop to eighth in the State where in 2022 Anne Arundel was ranked second behind Prince Georges County in the State for new housing units.

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The following table compares new housing units authorized for construction between 2014 and 2023 with the State:

**ANNE ARUNDEL COUNTY AND MARYLAND
NEW HOUSING UNITS AUTHORIZED FOR CONSTRUCTION, 2014-2023**

Anne Arundel County					
Year	Total New Units	Single Family	% of Total New Units	Multi- Family	% of Total New Units
2023	1,069	944	88.31%	125	11.69%
2022	1,760	984	55.91%	776	44.09%
2021	1,721	1,393	80.94%	328	19.06%
2020	1,976	1,951	98.73%	25	1.27%
2019	2,650	1,746	65.89%	904	34.11%
2018	2,046	2,040	99.71%	6	0.29%
2017	2,406	1,825	75.85%	581	24.15%
2016	2,246	1,526	67.94%	658	29.30%
2015	1,116	1,058	94.80%	58	5.20%
2014	683	661	96.78%	22	3.22%
Total	17,673	14,128		3,483	

State of Maryland					
Year	Total New Units	Single Family	% of Total New Units	Multi- Family	% of Total New Units
2023	18,453	10,490	56.85%	7,963	43.15%
2022	19,346	9,760	50.45%	9,586	49.55%
2021	18,496	12,520	67.69%	5,976	32.31%
2020	17,982	12,993	72.26%	4,989	27.74%
2019	18,491	12,053	65.18%	6,438	34.82%
2018	18,647	12,975	69.58%	5,672	30.42%
2017	16,224	12,384	76.33%	3,840	23.67%
2016	15,421	9,853	63.89%	5,385	34.92%
2015	4,470	3,383	75.68%	1,087	24.32%
2014	5,209	2,986	57.32%	2,223	42.68%
Total	152,739	99,397		53,159	

Source: Maryland Department of Planning, State Data Center 2022 New Housing Units Authorized for Construction.

According to the Census Bureau's latest 2023 American Community Survey 5-year estimate, the median home value in Anne Arundel County was \$450,300 (margin of error +/- \$4,485), which is \$52,600 higher than the median value in the State of Maryland (\$397,700 with a margin of error +/- \$1,433). Gross median rent was \$1,990 (margin of error +/- \$33) per month in Anne Arundel County and \$1,662 (margin of error +/- \$7) per month in Maryland.

Construction Activity

In fiscal year 2024, the number of New Commercial permits issued decreased 40% compared to fiscal year 2023. However, construction cost for New Commercial permits for fiscal year 2024 were approximately 30% higher. Six New Commercial permits exceeded an average cost of \$13,000,000 while there were 6 New Commercial permits having an average cost of \$2,869,018. The projects with the highest cost for fiscal year 2024 were for Lindale Middle School with a construction cost of \$30,000,000 and the AA County Police Evidence & Forensic building with a cost

of \$20,000,000. Other Commercial projects saw a decrease in the number of permits issued but a 30% increase in construction cost compared to fiscal year 2023.

The number of New Residential permits issued in fiscal year 2024 was slightly lower compared to fiscal year 2023 and had a lower overall construction cost. However, there was a 50% decrease in the number of apartments and condos compared to fiscal year 2023. There was a 10% decrease in the number of Other Residential permits issued compared to fiscal year 2023 and a decrease in the overall construction cost.

It is anticipated that the overall number of permits issued in fiscal year 2025 will be flat or slightly down compared to fiscal year 2024. Building permit data for the last six fiscal years is shown below:

BUILDING PERMITS
(\$ in 000's)

Year	Residential				Commercial				Combined	
	New Construction		Other		New Construction		Other		Total All Permits	
	Issued	Value	Issued	Value	Issued	Value	Issued	Value	Issued	Value
2024	1,626	\$277,075	5,856	\$136,235	42	\$134,329	1,554	\$256,305	9,078	\$803,944
2023	1,878	334,156	6,518	156,463	69	83,486	1,836	198,625	10,301	772,730
2022	1,936	295,409	7,121	150,693	104	184,077	1,771	308,617	10,932	938,796
2021	1,996	342,133	7,926	165,245	52	175,159	1,502	227,723	11,476	910,260
2020	2,212	339,028	7,391	111,745	74	110,909	1,744	235,060	11,421	796,742

Source: Data compiled by BOCA Building Evaluation Data. All values are exclusive of land.

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SECTION SIX: COUNTY ADMINISTRATION

General

Under its Charter, the County's executive functions are vested in the elected County Executive and the Chief Administrative Officer. The County Council is the County legislative body and its seven members each represent one of the seven relatively equally populated councilmanic districts in which the elected Council member must reside. Each current County Council member was elected by the district that he or she represents. Council members serve four-year terms, with a three-term limit. The County Executive, who is elected county-wide, serves four-year terms with a two-term limit.

Each member of the County Council has one vote, and a simple majority of the County Council is sufficient to pass legislation in the absence of higher voting requirements. Emergency bills require the vote of five County Council members, as do County Council actions to override a veto by the County Executive. The County Council elects its own chair annually. A chart of the County government organization may be found on the following page.

The County's financial matters are administered through the Office of Finance by the Controller of the County. The Controller is appointed by the County Executive on the basis of experience in financial administration and skill in public administration and governmental budgeting, and serves under the supervision of the Chief Administrative Officer. The Controller is charged with the administration of the financial affairs of the County, which generally include: the collection of State and County taxes, special assessments, water and wastewater utility charges, fees and other revenues and funds of every kind due to the County; the enforcement of the collection of taxes in the manner provided by law; the custody and safe-keeping of all funds and securities belonging to or by law deposited with, distributed to, or handled by the County; managing the level of County debt and making required payments thereon; the disbursement of County funds; the keeping and supervision of all accounts; and such other functions as may be prescribed by the Chief Administrative Officer or by legislative act of the County Council not inconsistent with the Charter of the County.

With respect to budget matters, the Office of the Budget, headed by the Budget Officer, appointed by the County Executive and under the supervision of the Chief Administrative Officer, is responsible for formulating the budget; studying the organization, methods, and procedures of each office, department, and agency of the County government; the submission to the Chief Administrative Officer of periodic reports on efficiency and economy; and such other duties and functions as may be assigned by the Chief Administrative Officer or by legislative act of the County Council not inconsistent with the County Charter.

Under the Charter, the County Executive has the power to appoint, without confirmation of the County Council, the Chief Administrative Officer, Budget Officer, County Controller, Personnel Officer, Planning and Zoning Officer, Director of Inspection and Permits, Administrative Hearing Officer, Director of Public Works, Director of Aging and Disabilities, Superintendent of Detention Facilities, Central Services Officer, Director of Information Technology, and Director of Recreation and Parks. The County Executive has the power to appoint, with confirmation of the County Council, the County Attorney, the Chief of Police, and the Fire Chief. The County Council may prevent the County Executive's removal of the County Attorney by a vote of at least five members.

The current County Charter allows for flexibility in reorganizing the executive branch. On the recommendation of the County Executive, the County Council, by an ordinance known as a reorganization ordinance, may create new offices, departments, bureaus, divisions or other units of the executive branch; may reorganize, reassign or abolish existing officers, departments, bureaus, divisions or other units of the executive branch of the County government; and may provide for the unit of the executive branch to report directly to the County Executive.

Governmental Organization of Anne Arundel County

(Insert Org Chart)

County Executive, Certain Appointed and Legislative Officials

Executive

STEUART PITTMAN, County Executive, was elected after his first campaign for public office in 2018 and re-elected in 2022. Born and raised on his family farm in Davidsonville, Mr. Pittman graduated from University of Chicago and then went on to work as a community organizer in Chicago and Des Moines, Iowa. In that role, he built neighborhood organizations, confronted environmental hazards, and attracted private investment to blighted communities.

Once back home, Mr. Pittman coordinated national programs for National Low Income Housing Coalition and Association of Community Organizations for Reform Now before starting his own business as a farmer and horse trainer. He is best known in the horse industry for creating Retired Racehorse Project, an award-winning national nonprofit that is responsible for transitioning thousands of racehorses into second careers.

Mr. Pittman's philosophy of government is both conservative and progressive. As a farmer, he worked hard against onerous regulations that had no public benefit and promoted policies to make the industry commercially viable. As a Director of the Anne Arundel County Soil Conservation District, he pushed for compliance with erosion and sediment control standards to protect local waterways.

As County Executive, Mr. Pittman has pledged to make Anne Arundel County "The Best Place – For All," by "Putting Communities First." His strategy is to engage communities from every sector and to practice transparency and data-driven policymaking.

Appointed

CHRISTINE ANDERSON, is Chief Administrative Officer of Anne Arundel County. Ms. Anderson is a seasoned veteran of local and state government posts. Before serving as Chief Administrative Officer, she led the Office of Central Services where she managed county facilities, fleet, procurement, and other essential functions of county operations. Prior to joining the County, Ms. Anderson worked for the Maryland Department of Transportation in finance and administrative functions and for the Maryland General Assembly. Ms. Anderson holds a Bachelor of Arts with Honors from Michigan State University and a Master's in Public Policy from The George Washington University.

CHRIS TRUMBAUER, Budget Officer, was appointed Budget Officer on January 7, 2021, after serving as Budget Officer since October 12, 2020. Mr. Trumbauer also serves as a senior policy advisor to the County Executive. Prior to that, Mr. Trumbauer was the Director of Policy and Communication, serving as the main liaison between the County Executive's Office and the Budget Office. He served two terms as a County Councilmember from 2010-2018, where he played a lead role in annual budget deliberations. He has a Bachelor's of Science degree from University of Maryland.

BILLIE PENLEY, Controller, was appointed effective March 16, 2023. Over Ms. Penley's 30 years with Anne Arundel County government, she has taken on increasingly responsible roles in safeguarding the County's fiscal position. She began her career in the County's Office of Finance with financial reporting, system implementation, and managing the Office's customer service call center. Ms. Penley later transferred to the County's Budget Office where she oversaw the County's Capital Budget Program. She then joined the County's Department of Health, serving as Chief Financial Officer where she coordinated the Department's fiscal response to the COVID-19 pandemic. She returned to the Office of Finance as Assistant Controller to supervise County revenue billing and collection functions prior to becoming Controller.

GREGORY J. SWAIN, County Attorney, was appointed effective December 4, 2018. Mr. Swain has been with the Office of Law since 2011, serving as a Senior Assistant County Attorney and Supervising County Attorney. Before joining the Office of Law, Mr. Swain was the principal attorney at The Swain Law Group with an extensive practice of law in civil and criminal matters focusing on zoning and land use before administrative tribunals, trial and appellate courts of Maryland and the United States District Court.

Mr. Swain holds a Bachelor of Arts degree from St. Mary's College of Maryland and a Juris Doctor degree from the University of Baltimore School of Law. Mr. Swain is a member of the bars of the State of Maryland, United States District Court of Maryland, United States Court of Appeals, and the United States Supreme Court.

AMY GOWAN, Chief Executive Officer of the Anne Arundel Economic Development Corporation ("AAEDC"), was appointed in April 2023. Amy Gowan has worked across the land use spectrum for over 15 years managing and leading teams within the areas of land use, housing, community and economic development. Amy is currently the President and Chief Executive Officer of the Anne Arundel Economic Development Corporation ("AAEDC"), where she directs the organizations efforts to promote economic growth and business development. She oversees all aspects of AAEDC's operations, including business attraction and retention, workforce development, financial lending, revitalization efforts and small business support.

Prior to her current role, Amy served as the Director of Howard County's Planning and Zoning and as the Deputy Director for approximately eight years. In her leadership roles, she oversaw department operations, programs and initiatives including review of development projects, commercial center redevelopment projects, long-range community planning, historical and agricultural preservation programs, and all zoning issues affecting the County. Key initiatives during her tenure include a new character based Comprehensive Plan for the county focused on sustainable redevelopment, an unprecedented community engagement effort targeting populations underrepresented in planning processes, an urban renewal project to redevelop a blighted village center and creation of a Citizen Planning Academy.

Prior to moving to and working for Howard County, Amy worked for the City of San Diego, where she held numerous policy and land use related positions. She served as an advisor to the Mayor on various land use projects, most notably as a project manager for a multi-million dollar public/private partnership to construct a new iconic downtown library for San Diego.

In her role as Assistant Deputy Director of Economic Development, she was responsible for implementing the city's economic development programs, including managing over \$15 million in Community Development Block Grants, business assistance resources and commercial and neighborhood revitalization programs.

Amy also spent several years as a Policy Advisor for the San Diego Housing Commission and the City of San Diego, working on affordable housing and homeless issues and programs.

In addition to her multi-faceted work experience, Amy has a Master of Public Administration with a specialization in city planning from San Diego State University, and a Bachelor of Science from the University of Scranton.

Legislative

PETE SMITH, Councilmember, First District, is serving his second term on the Council. Previously, he was appointed to fill the seat from 2012-2013. Mr. Smith was fully elected to serve as Councilmember for the First District in Anne Arundel County from 2014 to 2018 and was the Council Vice Chair in 2015. He previously served as the Military and Veterans Liaison for Anne Arundel County. He currently serves as a comptroller for the Department of Defense. He has served in the United States Marine Corps for 27 years with 13 years of active-duty service and is an Intelligence Officer in the Marine Corps Reserves. He is a member of the American Society of Military Comptrollers and he serves as the Toys for Tots Anne Arundel County Coordinator. Mr. Smith lives in Jessup and has two children.

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ALLISON M. PICKARD, Councilmember, Second District, is serving her second term on the Council. She graduated from The College of Charleston with a Bachelor of Arts Degree in Sociology and a minor in Political Science. She continued her education by earning a Masters Level Certificate in Non-Profit Management from Georgetown University. She has over a decade of professional experience in the field of Senior Housing and Senior Services. This experience spans all sectors to include public, private and non-profit and culminated in serving as the Director of Community Programs with Iona Senior Services in Northwest, Washington DC where she oversaw the management of the Older Americans Act grant exceeding \$1 million dollars annually. She was responsible for

planning and developing new programs, diversifying revenue sources, and raising community awareness for services. Ms. Pickard's commitment to the elderly began after serving two terms with AmeriCorps National Civilian Community Corps where she led a 12-member team in a residential program that completed projects across a 17-state region. Ms. Pickard had the privilege to also serve as Staff Assistant to US Senator Ernest F. Hollings of South Carolina during her last 2 years of college. Prior to being elected to the Anne Arundel County Council, Ms. Pickard was active in numerous civic and community organizations. Ms. Pickard served on her homeowners' association, Oakwood Elementary PTA, Unity Gardens, and Missions Commission of St. Margaret's Church. She was awarded Anne Arundel County Public School's Volunteer of the Year Award in 2013 for her work at Oakwood Elementary in Glen Burnie where all three of her children went to school. Ms. Pickard was appointed to the Anne Arundel County Board of Education representing Legislative District 33 in June of 2015. While serving on the Board of Education, she served as the Chair of the Policy Committee and the Legislative Committee of the Maryland Association of Boards of Education. Ms. Pickard also served as President of the Anne Arundel County Council of PTA's and Vice Chair of the School Board Appointment Commission. Ms. Pickard resides in the Millersville area with her husband and their three children.

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NATHAN VOLKE, Councilmember, Third District, is serving his second term on the Council. Mr. Volke grew up in Pasadena and attended Anne Arundel County Public Schools, graduating from Chesapeake High School. He is also a graduate of University of Maryland Baltimore County with a B.A. degree in Political Science and University of Baltimore with a J.D. degree. After graduating from law school, Mr. Volke clerked for Judge Paul F. Harris, Jr. on the Circuit Court for Anne Arundel County, then entered private practice where he currently concentrates on family law litigation. He previously served on the Anne Arundel County Library Board of Trustees and was the Chair of the Anne Arundel County Republican State Central Committee. He serves on the Board of Trustees for the Maryland Environmental Trust. He is a member of the Anne Arundel County Bar Association, Pasadena Business Association and the North County Republican Club. Mr. Volke lives in Pasadena with his wife and their two children.

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JULIE K. HUMMER, Councilmember, Fourth District, is serving her first term on the Council and is currently the Chair. Ms. Hummer earned a degree in English from the University of Virginia and a master's degree in special education from Old Dominion University. Her varied career history includes roles in education as a special education teacher and in the financial realm as an assistant vice president with First Union Bank. Her education background and advocacy work as PTA president at her children's elementary school led to her appointment to the Anne Arundel County Board of Education from 2015-2020. During her tenure as both Vice President and President, the Board was twice awarded the MAGNA Award from the National Association of Boards of Education (NSBA) for outstanding equity programs. She also served on the Board of Directors and as Legislative Chair of the Maryland Association of Boards of Education (MABE). Ms. Hummer served on the Board of Directors for the Children's Guild and currently serves as Chair of the Laurel Race Course Impact Fund Advisory Committee. She represents the Council on the Maryland Association of Counties ("MACo") Legislative Committee and Education Sub-Committee and represents MACo on the Governor's Advisory Committee for Health and Physical Education. She is a proud sister of Alpha Xi Delta sorority and serves as a Trustee of the national Alpha Xi Delta Foundation. Ms. Hummer and her husband, an Army veteran, have lived in District 4 since 2003 and have been active volunteers with the Russett Community Association, Boy Scouts of America (BSA), American Heritage Girls, their children's PTAs, and their church. Their five children have together logged almost 65 school years across eight different Anne Arundel County Public Schools.

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AMANDA FIEDLER, Councilmember, Fifth District, is serving her second term on the Council. Born and raised in District 5, Ms. Fielder graduated from Broadneck Senior High School, and went on to earn her B.A degree in Mass Communications - Journalism, and minor in Sociology from Salisbury (State) University. She has worked in media and advertising and is currently an Associate Media Director with a private agency. Ms. Fiedler has always had a deep compassion for people and making a difference and believes strongly in giving back to the community in which she lives. In 2012 she founded a non-profit to support the Blood Donor Center at Anne Arundel Medical Center. In

2015 she started an advocacy group for parents to support educators in Anne Arundel County. She has served on the Women's and Children's Patient Advisory Council and the Neonatal Intensive Care Unit Quality Control Council at Anne Arundel Medical Center. She sat as PTO President and board member for Broadneck Elementary School, and is an active member of the Greater Severna Park and Arnold Chamber of Commerce. In her time on the Council, Ms. Fiedler represented the county on the Maryland Association of Counties' Taxation Subcommittee and, in September of 2021, became a Fellow of the Academy of Excellence in Local Governance from the School of Public Policy with University of Maryland. She is the mother to three sons and has been married to her husband since 2006. She currently resides on the Broadneck peninsula and enjoys spending time with family and friends, visiting local parks, attending sporting events and experiencing music and the arts.

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LISA D. B. RODVIEN, Councilmember, Sixth District, is serving her second term on the Council and is currently the Vice Chair. Ms. Rodvien earned her Bachelor's degree from Cornell University, her Master's in Education from George Mason University, and her Juris Doctor, magna cum laude, from the Catholic University of America, Columbus School of Law. While Ms. Rodvien has spent most of the past 18 years as a public school teacher, she began her work in the field of education as an attorney. In the early 2000s, she worked on behalf of state education agencies to help them implement the requirements of the federal 'No Child Left Behind Act.' Eventually she decided that she wanted to work directly with young people and transitioned to a career in public schools, which she continues today. Ms. Rodvien lives in Annapolis, Maryland with her husband, George.

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SHANNON J. LEADBETTER, Councilmember, Seventh District, is serving her first term on the Council. Ms. Leadbetter moved to Anne Arundel County when she was 5 years old with her Mom, a Southern High School graduate, and Dad, a Naval Officer. She first became a District 7 resident at the age of 9 when her family moved from Cape St. Clair to Riva, where she attended Central Elementary, Middle and South River High School. She graduated cum laude from Bucknell University in 1998 with a Bachelors in Political Science and minor in Legal Studies. She worked as an Operations and Systems Consultant for a Fortune 500 Company before marrying her husband, a United States Marine Corps Helicopter Pilot. A customer service and sales expert, Ms. Leadbetter has spent the past 24 years working for small businesses, running her own small business, being an active member of the Parent Teacher Association, serving as the Family Readiness Advisor for HMH-366, and being an active community volunteer – all while raising two sons and successfully carrying her family through her husband's five Marine Corps deployments. Upon her husband's retirement from the Marine Corps, Ms. Leadbetter and her family settled in Crofton, where she led the parent coalition that successfully advocated for a return of students to school buildings in the Spring of 2021, served as a member of the Citizens Advisory Committee for AACPS, and volunteered as a Mid-Day Monitor for AACPS to help return more children to the hybrid classroom. Over her years of service, and through the example set by her parents, she has learned to build a big table and invite everyone to it. She has been married to her husband since 2003 and together they have two sons. In her free time, you can find Ms. Leadbetter serving as manager of her son's soccer team and cheering him on at his games, volunteering with her sons' schools, completing DIY projects with her husband around the house, and spending time with her parents.

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MICHELLE BOHLAYER was appointed County Auditor effective April 1, 2021. Ms. Bohlayer has worked in government accounting and auditing for more than 15 years, including nine years in the Office of the County Auditor for Anne Arundel County and six years with the State of Maryland at the Office of the Comptroller and the Public Service Commission. Prior to that, Ms. Bohlayer's auditing experience was in the private sector, with five years of experience with the Constellation Energy Internal Audit Division. She is a Certified Public Accountant, Certified Information Systems Auditor, and Certified Fraud Examiner. She graduated from the University of Maryland with Bachelor of Science degrees in Accounting and International Business and from Loyola University Maryland with a Master's Degree in Business Administration. Ms. Bohlayer is a member of the American Institute of Certified Public Accountants, the Institute of Internal Auditors, the Government Finance Officers Association, the Association of Local Government Auditors, and the Association of Certified Fraud Examiners.

Labor Relations

For fiscal year 2025, the County Council authorized and approved 4,797 classified and non-classified employee positions for the County's operating budget and 937 authorized temporary full and part-time employees, exclusive of the Board of Education, library, and community college. As of December 4, 2024, there are 5,368 positions filled.

Currently, there are eleven recognized "exclusive representatives" (unions or bargaining units) that engage in collective bargaining with the County:

Local 582 of the American Federation of State, County and Municipal Employees – represents laborers, operators, technicians and crew leaders throughout the County, as well as certain communications employees in the public safety departments, with a total of 833 authorized positions. Contract will expire June 30, 2026;

Local 2563 of the American Federation of State, County and Municipal Employees – represents administrative, support and clerical employees throughout the County, as well as certain civilian employees in the Police Department, with a total of 299 authorized positions. Contract will expire June 30, 2026;

Lodge #70 of the Fraternal Order of Police – represents Police Officers, Police Officers First Class, Police Corporals, Police Sergeants and Police Lieutenants in the Police Department, with a total of 790 authorized positions. Contract will expire June 30, 2025;

Fraternal Order of Anne Arundel Detention Center Officers and Personnel, Inc. – represents Detention Officers and Detention Corporals in the Detention Center, with a total of 246 authorized positions. Contract will expire June 30, 2026;

Local #1563 of the International Association of Fire Fighters – represents Fire Fighters, Emergency Medical Technicians/Paramedics, Fire Lieutenants, Fire Lieutenant/Paramedics, Fire Captains and Fire Captain/Paramedics in the Fire Department, with a total of 923 authorized positions. Contract will expire June 30, 2025;

Local #141 of the International Union of Police Associations – represents Detention Sergeants, with a total of 32 authorized positions. Contract will expire June 30, 2025;

Local #355 of the Teamsters Union – represents the Correctional Program Specialists at the Detention Center Facilities, with a total of 33 authorized positions. Contract will expire June 30, 2025;

Lodge #106 of the Fraternal Order of Police – represents the Deputy Sheriffs, Deputy Sheriff Corporals, Sheriff Sergeants and Sheriff Lieutenants with a total of 82 authorized positions. Contract will expire June 30, 2026;

Local #355 of the Teamsters Union – represents the Fire Battalion Chiefs, with a total of 20 authorized positions. New contract will expire June 30, 2025;

Local #355 of the Teamsters Union – represents the Park Rangers, with a total of 24 authorized positions. Contract will expire June 30, 2025; and

Local #355 of the Teamsters Union – represents the Police Communications Operators III and IV, with a total of 15 authorized positions. Contract will expire June 30, 2025.

As "exclusive representatives," these eleven bargaining unions function as collective bargaining agents for the employees in the respective bargaining units. The unions represent and negotiate with the County to determine the terms and conditions of employment (wages and premiums, hours of work, benefits, leave, promotions, discipline, etc.). Seven contracts will expire on June 30, 2025 and the County is currently involved in contract negotiations with

those units for fiscal year 2026. Four contracts will expire on June 30, 2026. The County considers its relationship with represented employees to be satisfactory.

Source: Office of Personnel.

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SECTION SEVEN: SERVICES AND FACILITIES

Education

The Board of Education of Anne Arundel County is responsible for the overall operation and policy decisions of the County's public school system. The Board is composed of seven elected members, one from each councilman district and one student member. With the beginning of the 2024-2025 school year, the Board exercised responsibility for 78 elementary schools, 19 middle schools, and 13 high schools, as well as 14 other education facilities, including two applied technology centers, three special education centers, two alternative centers, three early education centers, two charter schools, and two contract schools. The school system also operates six evening high school programs. With a student population of approximately 85,029 students, and the average class size of 16 for kindergarten and 21 for grades 4 and 5. With a fiscal year 2025 operating budget of \$1,687,355,300, the average annual per pupil expenditure is approximately \$18,247. The Class of 2024 boasted approximately 5,656 graduates, 70% of whom went on to pursue postsecondary education at a two-year or four-year institution.

Higher Education

The County is home to a wide range of higher education institutions. Among these are the following:

Anne Arundel Community College – With learning as its central mission and completion as the ultimate goal for its students, Anne Arundel Community College ("AACC") has responded to the needs of a diverse community for over 60 years by offering high quality, affordable and accessible learning opportunities. The college's nationally recognized, award-winning programs have helped its approximately 36,000 students annually achieve their academic, professional and personal goals. AACC is a fully accredited, public, two-year institution offering credit programs leading to an associate degree, certificate or a letter of recognition. Students may prepare to transfer to a four-year institution or prepare for an immediate career. AACC also offers extensive lifelong learning opportunities and noncredit, continuing education courses to those seeking career training or retraining, working to boost basic skills or pursuing new areas of interest. In addition to its campus in Arnold, Md., the college has degree centers at Arundel Mills, in Glen Burnie and at centers and schools around the county. The Arundel Mills location also offers county residents the ability to obtain a bachelor's degree in certain disciplines without having to leave the county. Designated a Regional Higher Education Center by the State, AACC at Arundel Mills location houses the AACC University Consortium, which includes a select group of four-year colleges and universities that partner with AACC. These University Consortium partners include Frostburg State University, Notre Dame of Maryland University, and University of Maryland Global Campus.

St. John's College in Annapolis – Offers Bachelor of Arts and Master of Arts in liberal arts programs based on the Great Books. St. John's College seeks to maintain a population of 450-475 students and a faculty-student ratio of 1 to 8.

Strayer University in Millersville – Offers undergraduate and graduate degree programs in accounting, business, education, health services administration, information technology, and public administration. Classes are offered day and evening, seven days a week.

U.S. Naval Academy in Annapolis – Offers Bachelors of Science in engineering and technical education for careers in the U.S. Navy. The Naval Academy has a student enrollment of 4,450 and employs 560 full-time faculty.

Other educational institutions offering classes in the County are Loyola College, Central Michigan University, Troy State University of Alabama – Atlantic Region, University of Baltimore, McDaniel College, and the College of Notre Dame.

Public Safety

The County Police Department (the “Police Department”) is charged with the responsibility of the safety of the citizens of the County. The Police Department is divided into four police districts, with headquarters located in Millersville. The Police Department maintains a firearms training center, a recruit training center, enhanced 911 Emergency Response Center, as well as a fleet of roughly 750 radio-equipped vehicles for use throughout the Police Department. The Police Department has an authorized strength of 809 sworn officers, 258 civilian employees, and 140 school crossing guards.

The Anne Arundel County Fire Department (the “Fire Department”) provides fire protection, basic life support (“BLS”), advanced life support (“ALS”), hazardous materials response and mitigation, collapse rescue, confined space rescue, dive rescue, and marine operations. It is a combination department with 959 professional officers and firefighters and approximately 400 response-certified volunteers staffing 31 stations throughout the County. In addition to the firefighters, 32 fire communications officers, 3 civilian fire inspectors, 28 civilians, and 2 contract positions support the Fire Department's operations. The Fire Department fleet includes 29 ALS transport units, 14 BLS transport units, 31 engine companies (including nine paramedic engines), 10 ladder companies, and 8 squad companies.

Within the Fire Department, there are several divisions supporting operations. The Information Management Division supports technology services for all phases of emergency response including preplanning, the 911 call, unit response, and post-incident analysis. This includes the Communications Center, or Fire Alarm, which provides fire, rescue, and EMS dispatch services for Anne Arundel County, the City of Annapolis, BWI Thurgood Marshall Airport Fire Department, Fort George G. Meade Fire Department, and the Naval Academy Fire Department. The Operations Support Division manages the procurement, receiving, warehousing, and issuing of uniforms, personal protective equipment, medical supplies, office & janitorial supplies, tools, and equipment necessary for fire department operations. The Emergency Medical Services Division provides efficient and progressive advanced life support programs. The Fire Marshal's Office provides fire investigation, code enforcement, and prevention services. The Training Division provides training resources and opportunities for professional and volunteer firefighters. The Health and Safety Division ensures the Fire Department operates with the highest possible levels of safety and provides an occupational safety and health program to prevent and reduce the risk of accidents, injuries, and occupational illnesses. The Administrative Support Division oversees administrative functions such as Human Resources, Payroll and Professional Standards.

Utilities

Electricity and Gas

Baltimore Gas and Electric Company (“BGE”) is the major utility company for the Baltimore region. BGE’s service area covers 2,300 square-miles for electric and 800 square-miles for gas. The service area includes Baltimore City and Central Maryland counties. BGE serves over 1.3 million businesses and residential electric customers and 700,000 gas customers within this service area. BGE is a major employer in the State of Maryland employing approximately 3,200 people.

Since 2000, Maryland has offered a competitive utility supplier market. All electric customers of investor-owned utilities and major cooperatives in Maryland have the opportunity to choose their own electric supplier, while keeping BGE to deliver power and respond to power related emergencies.

Source: BGE, www.bge.com; MDelectricity.org.

Telecommunications

Anne Arundel County benefits from the State of Maryland’s focus on telecommunications technology development and application for several decades. Much of the activity is attributable to the presence in the County of federal agencies such as the National Security Agency, which have collectively been an excellent source of systems integration and networking opportunities for the private sector. In Anne Arundel County, 98% of the County has broadband coverage of 100Mbps or greater and 94.6 have access to speeds over 1 gigabyte.

Verizon Maryland is the largest provider of communications in the State. Verizon Maryland's fiber network infrastructure is very robust with nearly 18,000 miles of all-fiber network and is valued at \$5,500,000,000. More than 95% of access lines are served by digital technology and switching offices and are diversely linked by fiber-optic facilities.

Among the services Verizon provides are residential and commercial telephone lines, broadband internet access, DSL, advanced calling services, telephones and accessories, video service and more. Additional providers of communication services in Maryland are Xfinity, T-Mobile, CenturyLink (Lumen Technologies) and Astound (RCN Telecom Services).

Source: Verizon Communications, www.verizon.com; Maryland Department of Commerce, www.commerce.maryland.gov; Broadband Now, www.broadbandnow.com/Maryland.

Medical and Health Services

The County is fortunate to have the services of premier health care systems that offer the latest in-patient care and preventive medicine. In addition, the County's proximity to Baltimore, Maryland and Washington, D.C. provides residents with access to prestigious health care and medical research institutions. County residents are within driving distance to such facilities as Johns Hopkins Hospital, the National Institute of Health, the University of Maryland Medical Center and Shock Trauma Center, the Kennedy Krieger Institute and the Children's National Medical Center.

Luminis Health Anne Arundel Medical Center

Luminis Health Anne Arundel Medical Center ("LHAAMC"), is a not-for-profit organization located in Annapolis, delivering medical services in Anne Arundel County and portions of Calvert, Prince George's, Queen Anne and Talbot Counties. LHAAMC affiliates include the Pathways Drug and Alcohol Treatment Center, the J. Kent McNew Family Medical Center, Anne Arundel Diagnostics, the ask LHAAMC 24-hour health line, and six satellite locations in Bowie, Easton, Kent Island, Pasadena, Odenton and Waugh Chapel. LHAAMC employs more than 3,400 employees and has a medical staff of 1,100 in Anne Arundel County.

LHAAMC acute care facility is located on 57 acres in the Carl A. Brunetto Medical Park on Jennifer Road in Annapolis and is the third busiest hospital in the state. The medical center has 404 licensed beds including an 18-bed critical care unit, 12 surgical suites, and a state-of-the-art emergency department that services 79,000 patients per year. LHAAMC is adjacent to the Clatanoff Pavilion, which services women and children; an outpatient surgery center, the Edwards Pavilion; an Oncology Center, the Donner Pavilion; a medical office building, the Wayson Pavilion; and the Sajak Pavilion which houses the LHAAMC Breast Center, Anne Arundel Diagnostics, a diabetes center, the Geaton and JoAnn DeCesaris Cancer Institute; and the Maryland Neurological Institute.

Source: Luminis Health.

University of Maryland Baltimore Washington Medical Center

University of Maryland Baltimore Washington Medical Center ("UM BWMC"), in partnership with the University of Maryland Medical System, serves the health care needs of county residents in the northern and central parts of Anne Arundel County. This 307-bed hospital facility located in Glen Burnie employs 3,170 employees with 1,015 medical staff members. It houses one of the busiest emergency rooms in the State, treating over 60,000 patients per year and features a 43,000 square foot, state-of-the-art facility.

UM BWMC offers comprehensive in-house services including the Tate Cancer Center, the Center for Advanced Orthopedics, the Joslin Diabetes Center, the Aiello Breast Center, the Wound Healing Center, the Maryland Vascular Center, the Neurology/Sleep Center, Women's and Children's Services and Geriatric Care. In addition, UM BWMC annually reaches an estimated 25,000 community residents through lectures, health fairs, walking programs and screenings. In 2024, UM BWMC opened a 22,000 square foot cardiac and pulmonary care facility featuring 34 exam rooms on the third floor of the hospital's Outpatient Care Center.

UM BWMC is the second largest hospital within the University of Maryland Medical System (“UMMS”), which is comprised of 11 hospitals, 5,500 affiliated physicians in over 150 locations, and 27,989 employees. Additionally in 2024, UMMS opened two urgent care facilities in Anne Arundel County; one in Pasadena and the other in Glen Burnie.

Source: University of Maryland Baltimore Washington Medical Center FY2024; www.mybwmc.org.

Planning and Zoning

The County Office of Planning and Zoning (the “Office”) is responsible for planning the physical growth of the County. The Office oversees the preparation and revision of the General Development Plan and various other master plans including the Water and Sewer Master Plan, Town Center master plans, Small Area Plans, and other functional plans. The Office is also responsible for administering the Subdivision and Development Regulations, reviewing all development applications for compliance with the Code, and updating the development regulations as needed. The Office also administers the Zoning Ordinance and periodic updates to the Code, and makes recommendations on zoning applications, variances, special exceptions, and nonconforming uses. The Office’s Research and GIS section maintains a large array of digital mapping coverages which are used by a variety of County agencies and customers, and is also responsible for various data reporting requirements and database maintenance and for assigning street address numbers. The Office’s Cultural Resources section maintains the County’s Historic Resources inventory, participates in a variety of historic preservation initiatives, and also administers a robust Archaeology Program that includes field investigations, research, and education.

The Planning Advisory Board, composed of seven qualified voters appointed by the County Executive, makes advisory recommendations to the Planning and Zoning Officer and the County Council relating to the General Development Plan and other master plans, comprehensive zoning maps, certain development applications, and other duties as defined in the County Charter. The Planning Advisory Board also reviews the Capital Budget and Program each year and provides recommendations to the Budget Officer through the Planning and Zoning Officer. The County Executive uses these recommendations to develop a Capital Budget and Program for adoption by the County Council.

Public Works

Anne Arundel County’s Department of Public Works (“Public Works”) performs all public improvement functions, except for schools, in the County. Effective July 1, 1993, the Department of Utilities consolidated into Public Works which became the County’s largest service department.

Besides Water and Wastewater, Public Works is responsible for administering all aspects of road maintenance including the engineering, design, repair and maintenance of all County roads as well as snow removal, stream restoration, maintenance of bridges and viaducts, storm drain maintenance, sidewalk construction and repair and mosquito control. Additional duties include inspection services and watershed and stormwater management, and management of solid waste for most residents.

Water and Wastewater

Under the County Charter, the Water and Wastewater Utility Fund was created as a separate and financially self-supporting public enterprise under the jurisdiction of the County for the purpose of supplying water and providing sewerage service to residents of the County. By ordinance, the County Council established the whole County, except for those portions of the County which are within the corporate limits of the City of Annapolis, as the Sanitary District of the County.

Described below are the existing water and wastewater facilities in the County, as well as the planned expansions, and the related capacities of each.

Water Supply System

The County owns and operates water facilities that supply water to approximately 125,252 accounts. The County water system is groundwater oriented, producing drinking water at 12 treatment facilities and 3 independent self-

contained wells. These facilities derive supplies from 59 production wells. The water system includes 19 booster stations and 27 elevated storage tanks with an effective storage capacity of 35.00 million gallons, and 6 ground storage tanks with a capacity of 12.23 million gallons. The average daily demand in 2024 was 38.20 MGD. The total design capacity of County production facilities is 61.13 MGD. The County produced 14 billion gallons of water in 2024.

Sewage Disposal System

The County is divided into ten sewerage service areas. The County owns and operates sewerage treatment facilities and/or sewerage collection systems in seven of the service areas. The remaining three service areas all have conveyance systems that are operated and maintained by the County. Two of the service areas have treatment facilities located in neighboring municipalities. These service areas include Baltimore City (served by Patapsco Sewage Treatment Plant in Baltimore City) and Rose Haven/Holland Point (served by the Chesapeake Beach Wastewater Treatment Plant in Calvert County). The sewerage treatment facilities and/or sewerage collection systems in the County's ten sewerage service areas provide treatment capacity of 59.06 MGD for approximately 133,679 accounts served by the County's wastewater facilities. The treatment facilities and capacities are as follows:

Treatment Facilities	Trend of 24 Month (MGD) Average Daily Flow as of December, 2024	(MGD) Existing Design Capacity	(MGD) Design Capacity to Year 2030
Cox Creek	10.30	15.00	15.00
Patuxent	5.64	10.50	10.50
Maryland City	1.50	3.33	3.33
Broadneck	3.91	8.00	8.00
Broadwater	0.94	2.00	2.00
Annapolis* (City of Annapolis)	8.16	13.00	13.00
Patapsco* (Baltimore City)	1.71	6.39	6.39
Piney Orchard	0.58	0.70	0.70
Chesapeake Beach WRTF* (Calvert County, North Beach, Chesapeake Beach)	0.08	0.14	0.14
Total	32.82	59.06	59.06

*Signifies a Joint Facility

Source: Department of Public Works.

There are presently several capital projects under various stages of design and construction the upgrading and/or expansion of several existing wastewater treatment facilities.

Solid Waste Management

The Anne Arundel County Solid Waste Enterprise (the "Enterprise") was created in 1969. It operates as a self-supporting utility with responsibilities including solid waste collection, recycling, and disposal. The Enterprise owns and operates the only sanitary landfill in the County, three residential solid waste drop-off facilities referred to as recycling centers, a paper recovery center for processing corrugated cardboard products from the commercial and residential sectors, a yard waste composting area on its landfill campus for recycling leaves and grass, and a landfill gas-to-electricity facility which uses captured methane gas as fuel in the production of electricity.

Waste Management Operations

Collection — The Enterprise contracts with private haulers for the collection of residential trash, recyclables and yard waste generated in all of the urban and suburban areas of the County and many of the rural areas. The County retains control of these residentially collected materials and presently directs all trash to its own facilities as well as private facilities. Recyclables, including paper, plastic, metal and glass, are directed to a private materials recovery facility. The majority of collected yard waste is composted at the expanded composting pad located on the campus of the Millersville Landfill. The Enterprise owns and operates a small fleet of solid waste collection vehicles which

provide residential services such as bulky item collections for appliances or large scrap metal items, and a community-based neighborhood cleanup program.

Disposal — The Enterprise owns three municipal solid waste landfill facilities. The Millersville Landfill and Resource Recovery Facility hosts the only fully operational landfill. Recycling centers, which accept recyclables, yard waste and trash from County residents, are located at the Glen Burnie landfill, the Sudley landfill, and the Millersville landfill. Post-closure care is provided at all three landfills. The Enterprise has completed the redesign of the Millersville landfill to maximize its disposal capacity and to incorporate state-of-the-art environmental controls such as multiple liners and cover systems, leachate collection systems including a pretreatment plant, and a gas management system, including a landfill gas-to-electricity facility. Landfill design elements exceed all present regulations and were selected to provide the necessary and required environmental safeguards. Development of State-permitted disposal capacity, in conjunction with waste reduction and recycling initiatives, is expected to provide the County with a solid waste disposal system that is projected to last at least until the year 2048. Future disposal options are being studied as outlined in the General Development Plan and the 10-Year Solid Waste Management Plan.

Recycling — The County achieved the original Maryland Recycling Act (“MRA”) goal of 20% by January 1, 1994, and exceeded the revised goal of 35% before December 31, 2015. Recycling in the residential sector (which began with the start-up program for 6,300 homes in 1989) has the Enterprise providing curbside recyclables and yard waste collection to all single-family dwellings, select multi-family residences, County offices and some small businesses served by local government contracted private haulers since October 1993. Materials recovered include paper, plastic, metal and glass and yard waste. The State’s most recently published MRA rate* for Anne Arundel County is 42%.

The Enterprise has operated a commercial corrugated cardboard and paper processing operation since 1986. The facility receives, bales, and ships cardboard to market. The Enterprise also provides six household hazardous waste collection days per year.

Regional Involvement — The County continues to explore and evaluate regional opportunities that deal with a variety of solid waste management activities. Cooperation with Baltimore City, Baltimore County, Carroll County, Harford County, Howard County, Montgomery County, and Prince George’s County is ongoing with work conducted through the Northeast Maryland Waste Disposal Authority, the Baltimore Metropolitan Council, and other organizations.

Financial Operation

The Enterprise operates as a utility, recovering its costs through service user fees. The main user charges are landfill tipping fees charged to commercial customers and customers with large loads, and waste collection customer fees charged to residential customers whose solid waste is collected by the Enterprise. User fee charges by the Enterprise are solely within the discretion of the County and are not subject to control by any State or federal agency. User fee ordinances must be approved by a majority of the County Council.

Historically, the County has adopted rates sufficient for the Enterprise to meet or exceed its expenditure obligations for operation, maintenance, and debt service costs. The County has ensured the financial stability of the Enterprise through periodic review and revision of rate levels and structures over time. The Enterprise has never required the supplement of its revenues from other sources to meet its obligations. Significant landfill closure cost accruals have been recorded, using engineering estimates of the closure costs in light of U.S. Environmental Protection Agency regulations concerning solid waste disposal sites, and the period of estimated use of current cells. Rate increases have been implemented which management believes will ensure the long-term financial self-sufficiency of the Enterprise in view of the regulatory requirements. (See “FINANCES - Solid Waste Fund”).

* Table 17, County Recyclables by Commodity in Tons for CY22, Maryland Solid Waste Management and Diversion Report – 2023, Maryland Department of the Environment, Resource Management Program, <https://mde.maryland.gov/programs/land/RMP/Documents/Maryland%20Solid%20Waste%20Management%20and%20Diversion%20Report.pdf>

Climate Preparedness

To plan for major emergencies, including planning for and adapting to the effects of rising sea levels, more frequent and destructive storms, and other consequences of climate change, the County adopted its (i) Hazard Mitigation Plan, which was approved by the Maryland Emergency Management Administration (“MEMA”) and the Federal Emergency Management Administration (“FEMA”) in 2005 and updated in 2018; (ii) Emergency Operations Plan, which was approved by MEMA in 2018; and (iii) Nuisance Flooding Plan in September of 2020 (together, the “Emergency Plans”). In 2023, Anne Arundel County completed its Sea Level Rise Strategic Plan Update, Phase 1 Vulnerability and Risk Assessment. In early 2024, the County initiated a climate adaptation study for the Shady Side peninsula in the southern portion of the county as well as a county-wide road flooding vulnerability study.

Anne Arundel County is bounded by the Patapsco River to the north, the Chesapeake Bay to the east, and the Patuxent River to the west. As a coastal county, it is particularly vulnerable to rising sea levels, flooding, and other impacts of climate change, including riverine flooding and the increased frequency and severity of storm events. As climate risks intensify, the Emergency Plans provide recommendations that not only mitigate and respond to climate events but also create social and economic returns. The County will be challenged to develop and maintain the physical infrastructure needed to prepare for the impacts of climate change, including capital projects to elevate roads, repair or replace culverts, implement stormwater runoff controls, construct additional stormwater management infrastructure, and repair and remove dams, among other measures. In preparation, the County is taking proactive steps to assess its infrastructure for vulnerabilities and better position itself to thrive despite elevated climate risks.

All proposed capital projects must now identify their resilience to climate change before being funded. For example, engineers must declare whether or not the proposed projects are: located outside of the 500-yr FEMA floodplain; located at least 10 feet above mean high, high water levels within the Chesapeake Bay; providing for storage of precipitation from a 10-yr duration storm event; providing onsite renewable energy generation; meeting LEED gold or higher certification; and providing redundant, backup power sources.

The County has also received FEMA grant funding through the Building Resilient Infrastructure and Communities (“BRIC”) program to assess the vulnerability of roadways to both sea-level rise and inland flooding events and to develop a climate adaptation plan for southern, low-lying portions of the County. These efforts will create a list of priority roadway improvements that will protect infrastructure and allow the County to provide services to communities, as well as create a roadmap for climate adaptation. These studies should be completed during the middle of 2025.

The County has also begun a number of programs to protect communities from flooding caused by sea level rise and stormwater.

As a result of the studies mentioned previously, the County is undertaking a large drainage improvement project along a low-lying and frequently flooded stretch of Clark Station Road in Severn, Maryland that has included the acquisition of low-lying properties upstream of the area, and will involve improvements to the storm drain conveyance systems. This project is seen as the first of many comprehensive, community resilience projects that will protect properties from future flooding and is in the final stages of design.

The County has also initiated a voluntary, low-lying property acquisition grant program that enables owners of low-lying properties the opportunity to sell their property to the County in order to remove themselves from the repeated flooding hazard. The first property acquired through the program has had the structure demolished, and the property restored to a natural state enabling it to store floodwaters and protect surrounding communities.

The Resilience Authority of Annapolis and Anne Arundel County (the “Resilience Authority”) is developing, financing, and supporting infrastructure projects that bolster resiliency efforts within the County and the City. As an independent body, the Resilience Authority, is uniquely suited to tackle expensive, long-term infrastructure projects because it can operate outside of the county and city’s budgets and debt ceiling restrictions. As a complement to the City’s and County’s programs and planning efforts, the Resilience Authority is streamlining assessing, engineering, and constructing community-scale resiliency projects.

The County is taking other actions to address climate preparedness challenges, including the filing of a complaint against various energy providers, including, but not limited to, BP P.L.C, Crown Central LLC, Chevron Corp., Exxon Mobil Corp., Shell Oil Company, Citgo Petroleum Corp., and the American Petroleum Institute (the “Defendants”) in the Circuit Court for Anne Arundel County Maryland (case no, C-02-CS-21-000565), which is currently stayed in the United States District Court, District of Maryland (Northern Division) (case no. 1:21-cv-01323-ELH) pending resolution of a motion to remand the case back to Circuit Court of Anne Arundel County Maryland (the “Complaint”). Under the Complaint, the County alleges that the Defendants have knowingly engaged in the unrestricted production and use of fossil fuel products, resulting in the creation of greenhouse gas pollution that has already impacted and will continue to impact the economic and public health, safety and general welfare of County residents. In the Complaint, the County alleges that it will experience significant additional and accelerating sea level rise over the coming decades and is projected to experience at least five feet of sea level rise before the end of this century. The County is requesting, among other things, that the Court award the County monetary damages with respect to the harm alleged to have been caused by the Defendants. There is no assurance that the County will prevail in the litigation or otherwise recover funds from the Defendants that would assist in offsetting the costs of implementing the Emergency Plans.

Source: Department of Public Works.

Recreation and Parks

The Department of Recreation and Parks is primarily responsible for the administration of a comprehensive system of recreational programs for County residents and the preservation of valuable land, which includes over 160 parks and natural areas. It manages specialized recreational facilities, including swim centers, golf courses, a baseball stadium, and a softball complex. The department also oversees approximately 210 miles of multi-use trails, and programs such as school-age childcare and adaptive recreation. More than 12,800 acres of parkland fall under the Department's jurisdiction. The Department's open space includes neighborhood parks, greenways, archaeological, environmental, and historical preserves, and large regional facilities occupying several hundred acres of land. A dedicated professional staff of park rangers, environmental specialists, athletic and recreational supervisors and planners provide leisure activities for citizens of all ages including the senior and physically challenged populations. Extensive volunteer networks supply more than 1.5 million staff hours per year to Department programs.

Source: Recreation & Parks.

Insurance

It is the policy of the County to retain risks of losses in those areas where it believes it is more economical to manage its risks internally and set aside assets for claims settlement in its internal service fund. The County purchases insurance for cyber liability, real and personal property, boiler and machinery, and aviation coverage, and faithful performance bonds, as well as school bus insurance for the bus contractors of the Board of Education and vehicle liability insurance for the contract operation of the Department of Aging and Disability Transportation Program.

The County maintains the self-insurance fund to provide workers’ compensation and directors’ and officers’ coverage for the County Government, the Board of Education and the Community College and general liability and vehicle liability coverage for the County Government and the Board of Education, watercraft coverage for County fireboats as well as to supplement the high deductible commercial first party property coverage.

The internal service fund, maintained to account for self-insurance activity, has no equity balance. (See “Appendix A, Basic Financial Statements,” Note 14).

Source: Risk Management.

SECTION EIGHT: APPROVAL OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement have been approved by Anne Arundel County, Maryland.

ANNE ARUNDEL COUNTY, MARYLAND

By: /s/ Steuart Pittman
STEUART PITTMAN
County Executive

and

By: /s/ Christine Anderson
CHRISTINE ANDERSON
Chief Administrative Officer

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ANNE ARUNDEL COUNTY, MARYLAND

OFFICIAL NOTICE OF SALE OF
\$267,545,000*

GENERAL OBLIGATION BONDS

Consisting of

\$183,340,000* Consolidated General Improvements Series, 2025

\$84,205,000* Consolidated Water and Sewer Series, 2025

Dated Date of Delivery

ELECTRONIC BIDS, via BiDCOMP/PARITY Competitive Bidding System (BiDCOMP/Parity) only, will be received until **10:45 A.M., LOCAL BALTIMORE, MARYLAND, TIME ON WEDNESDAY, APRIL 9, 2025**, by the Chief Administrative Officer of Anne Arundel County, Maryland (the “County”), or other officer of the County designated by the County Executive of the County (the “County Executive”) (either such officer being the “Designated Officer”), for the purchase of the \$267,545,000* general obligation bonds of the County, consisting of \$183,340,000* Consolidated General Improvements Series, 2025 (the “CGI Bonds”) and \$84,205,000* Consolidated Water and Sewer Series, 2025 (the “Water and Sewer Bonds” and together with the CGI Bonds, the “Bonds”), all dated the date of delivery, and bearing interest payable October 1, 2025, and semiannually thereafter on each April 1 and October 1 until maturity or prior redemption as hereinafter set forth.

The Bonds will mature, subject to prior redemption as hereinafter set forth, on October 1 in the following years and in the following aggregate amounts, subject to aggregation of two or more consecutive serial maturities of the Bonds as term bonds, as provided below in “Bid Specifications.”

<u>Years of Maturity</u>	<u>CGI Bonds*</u>	<u>Water and Sewer Bonds*</u>	<u>Total*</u>
2025	\$6,110,000	\$2,805,000	\$8,915,000
2026	6,115,000	2,810,000	8,925,000
2027	6,115,000	2,810,000	8,925,000
2028	6,115,000	2,810,000	8,925,000
2029	6,115,000	2,810,000	8,925,000
2030	6,115,000	2,810,000	8,925,000
2031	6,115,000	2,810,000	8,925,000
2032	6,115,000	2,810,000	8,925,000
2033	6,115,000	2,810,000	8,925,000
2034	6,110,000	2,810,000	8,920,000
2035	6,110,000	2,810,000	8,920,000
2036	6,110,000	2,810,000	8,920,000
2037	6,110,000	2,805,000	8,915,000
2038	6,110,000	2,805,000	8,915,000
2039	6,110,000	2,805,000	8,915,000

*Preliminary, subject to change.

<u>Years of Maturity</u>	<u>CGI Bonds*</u>	<u>Water and Sewer Bonds*</u>	<u>Total*</u>
2040	\$6,110,000	\$2,805,000	\$8,915,000
2041	6,110,000	2,805,000	8,915,000
2042	6,110,000	2,805,000	8,915,000
2043	6,110,000	2,805,000	8,915,000
2044	6,110,000	2,805,000	8,915,000
2045	6,110,000	2,805,000	8,915,000
2046	6,110,000	2,805,000	8,915,000
2047	6,110,000	2,805,000	8,915,000
2048	6,110,000	2,805,000	8,915,000
2049	6,110,000	2,805,000	8,915,000
2050	6,110,000	2,805,000	8,915,000
2051	6,110,000	2,805,000	8,915,000
2052	6,110,000	2,805,000	8,915,000
2053	6,110,000	2,805,000	8,915,000
2054	6,110,000	2,805,000	8,915,000

The Bonds shall be issued only in fully registered form without coupons. One bond representing each maturity of each series will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), as registered owner of the Bonds and each such bond shall be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The winning bidders of the Bonds, as a condition to delivery of the Bonds, will be required to deposit the bond certificates representing each maturity of each series with DTC.

General Information

The Bonds are authorized by Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement), the Charter of Anne Arundel County, Maryland (the “County Charter”) and the Authorizing Ordinance.

The proceeds of the CGI Bonds will be used to provide funding for general improvements. The proceeds of the Water and Sewer Bonds will be used to provide funding for water and sewer improvements.

The full faith and credit and taxing power of the County are pledged to the payment of the Bonds and of the interest to accrue thereon. Such taxing power is subject, however, to the limitation set forth in Section 710(d) of the County Charter which provides, in part that “[f]rom and after July 1, 1993, revenues derived from taxes on properties existing on the County property tax rolls at the commencement of the County fiscal year shall not increase, compared with the previous year, more than the Consumer Price Index percentage of change, or 4.5 percent, whichever is the lesser.”

The sources of revenue for the payment of the principal of and interest on the Bonds are as described herein. The CGI Bonds are payable from annual appropriations of the proceeds of ad valorem taxes which the County is empowered to levy on real and personal property and certain intangible personal property subject to assessment for County taxation subject to the limitations set forth in Section 710(d) of the County Charter. The primary sources of payment for the Water and Sewer Bonds are the net revenues of the

*Preliminary, subject to change.

projects for which such bonds are to be issued, or the utilities of which they are a part, for the use and benefit of which the County has covenanted to fix and collect rates, charges and assessments sufficient to pay the costs of operation, maintenance and debt service, but if not so paid, the Water and Sewer Bonds are payable from annual appropriations of the proceeds of ad valorem taxes which the County is empowered to levy on real and personal property and certain intangible personal property subject to assessment for County taxation subject to the limitations set forth in Section 710(d) of the County Charter.

Optional Redemption

The Bonds maturing on or after October 1, 2035, are subject to redemption, at the option of the County, on or after April 1, 2035, as a whole or in part at any time, in any order of maturities, after at least 20 days' notice, at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption.

Mandatory Sinking Fund Redemption

If two or more consecutive serial maturities of the Bonds are designated as a term bond, as provided below in "Bid Specifications," such term bond shall be subject to mandatory redemption in each year on the principal payment date and in the entire amount of each serial maturity designated for inclusion in such term bond.

Electronic Bids

Notice is hereby given that proposals will be received via BiDCOMP/Parity Competitive Bidding System, in the manner described below, until 10:45 a.m., local Baltimore, Maryland time, on Wednesday, April 9, 2025, but no bid will be received after the time for receiving bids specified above.

All prospective bidders must be contracted customers of BiDCOMP/Parity Competitive Bidding System. If you do not have a contract with BiDCOMP, call (212) 849-5021 to become a customer. By submitting a bid for the Bonds, a prospective bidder represents and warrants to the County that (i) it has an established industry reputation for underwriting new issuances of municipal bonds; and (ii) such bidder's bid for the purchase of the Bonds (if a bid is submitted in connection with the sale) is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Bonds.

If any provisions of this Official Notice of Sale shall conflict with information provided by BiDCOMP/Parity as approved provider of electronic bidding services, this Official Notice of Sale shall control. Further information about BiDCOMP/Parity, including any fee charged, may be obtained from BiDCOMP/Parity at (212) 849-5021.

Disclaimer

Each prospective bidder shall be solely responsible to register to bid via BiDCOMP/Parity. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access BiDCOMP/Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the County nor BiDCOMP/Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the County nor BiDCOMP/Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by BiDCOMP/Parity. The County is using BiDCOMP/Parity as a communication mechanism, and not as the County's agent, to conduct the electronic

bidding for the Bonds. The County is not bound by any advice and determination of BiDCOMP/Parity to the effect that any particular bid complies with the terms of this Official Notice of Sale and in particular the “Bid Specifications” hereinafter set forth. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via BiDCOMP/Parity are the sole responsibility of the bidders; and the County is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the Bonds, it should telephone BiDCOMP/Parity and notify the County’s Financial Advisor, Public Resources Advisory Group, Inc., by email message to Monika Conley, mconley@pragadvisors.com.

Bidding Procedures

Bids must be submitted for the purchase of the Bonds (all or none) via BiDCOMP/Parity. Bids will be communicated electronically to the County at 10:45 a.m., local Baltimore, Maryland time, on Wednesday, April 9, 2025. Prior to that time, a prospective bidder may input and save proposed terms of its bid in BiDCOMP. Once the final bid has been saved in BiDCOMP, the bidder may select the final bid button in BiDCOMP to submit the bid to BiDCOMP/Parity. Once the bids are communicated electronically via BiDCOMP/Parity to the County, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the bidding process, the time as maintained on BiDCOMP shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the County, as described under “Award of Bonds” below, represented by the rate or rates of interest and the bid price specified in their respective bids.

No bids will be accepted in written form, by facsimile transmission or in any other medium or on any system other than by via BiDCOMP. No bid will be received after the time for receiving such bids specified above.

Good Faith Deposit

Good faith deposits for the Bonds will not be required.

Bid Specifications

Bidders shall state in their proposals a price for the Bonds that is not less than 100% of the aggregate par value of the Bonds. Bidders shall also state in their proposals the rate or rates of interest to be paid on the Bonds, on which rates their proposals are based and submitted. The rates so named must be in multiples of 1/8 or 1/20 of 1% and may not exceed 5% for any single maturity. Each bidder must specify in its bid a single interest rate for each maturity of the Bonds. A zero rate cannot be named for any maturity. Interest rate for Bonds maturing in years 2035 through 2054, inclusive, shall be 5%. Bidders may designate in their proposal two or more consecutive annual principal payments of the Bonds as a term bond, which matures on the maturity date of the last annual principal payment of the sequence. Any term bond so designated shall be subject to mandatory sinking fund redemption for each series of the Bonds in each year on the principal payment date and in the entire principal amount for each annual principal payment designated for inclusion in such term bond. There is no limitation on the number of term bonds for the Bonds.

Procedures for Principal Amount Changes and Other Changes to Official Notice of Sale

The preliminary aggregate principal amount of the Bonds and the preliminary principal amount of each annual payment on the Bonds as set forth in this Official Notice of Sale (the “Preliminary Aggregate Principal Amount” and the “Preliminary Annual Principal Amount,” respectively; collectively the “Preliminary Amounts”) may be revised before the receipt and opening of the bids for their purchase. **ANY SUCH REVISIONS** (the “Revised Aggregate Principal Amount” and the “Revised Annual Principal

Amount,” respectively; collectively, the “Revised Amounts”) **WILL BE PUBLISHED ON www.MuniOS.com NOT LATER THAN 9:45 A.M. (LOCAL BALTIMORE, MARYLAND TIME) ON THE ANNOUNCED DATE FOR RECEIPT OF BIDS.** In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts. Bidders shall submit bids based on the Revised Amounts and the Revised Amounts will be used to compare bids and select a winning bidder.

Award of Bonds

As promptly as reasonably possible after the bids are received, the Designated Officer will notify the bidder to whom the Bonds will be awarded, if and when such award is made, and such bidder, upon such notice, shall advise the Designated Officer of the initial offering prices to the public of each maturity of the Bonds (the “Initial Offering Prices”). Such Initial Offering Prices, among other things, will be used by the County to calculate the final aggregate principal amount of the Bonds and the final principal amount of each annual payment on the Bonds of each series (the “Final Aggregate Principal Amount” and the “Final Annual Principal Amount,” respectively; collectively, the “Final Amounts”). In determining the Final Amounts, the County expects that the Revised Amounts will be changed as necessary to effect the greatest economic advantage, or to accommodate other objectives of the County, but the County will not reduce or increase the Revised Aggregate Principal Amount of the Bonds by more than 10% from the amount bid upon for each series. **THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS WITHIN THESE LIMITS.** The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the aggregate principal amount of the Bonds. Such adjusted bid price will reflect changes in the dollar amount of the underwriter’s discount and original issue discount/premium, if any, but will not change the underwriter’s discount per \$1,000 of par amount of bonds from the underwriter’s discount that would have been received based on the purchase price in the winning bid and the initial public offering prices for the Bonds. The interest rates specified by the successful bidder for each maturity of each series in its bid for the Bonds will not change. **ALL BIDS SHALL REMAIN FIRM FOR FIVE (5) HOURS AFTER THE TIME SPECIFIED FOR THE OPENING OF THE BIDS.** An award of the Bonds, if made, will be made by the Designated Officer within such five (5) hour period of time. The Final Amounts will be communicated to the successful bidder as soon as possible, but not later than 3:00 p.m. the day after awarding the Bonds.

The award, if made, will be made as promptly as possible after the bids are opened to the bidder naming the lowest true interest cost for all the Bonds in any legally acceptable proposal. The lowest true interest cost will be determined with respect to each proposal by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments to the date of the Bonds and to the price bid. Each bidder shall include in its bid a statement of the true interest cost offered in its bid, but this statement shall not be deemed to be part of the bid. Where the proposals of two or more bidders result in the same lowest true interest cost, the Bonds shall be awarded to one of such bidders based upon which bid was received first.

THE RIGHT IS RESERVED TO THE DESIGNATED OFFICER TO REJECT ANY OR ALL PROPOSALS AND TO WAIVE ANY IRREGULARITIES IN ANY OF THE PROPOSALS. The judgment of the Designated Officer shall be final and binding upon all bidders with respect to the form and adequacy of any proposal received and as to its conformity to the terms of this Official Notice of Sale.

Issue Price Determination

The County expects and intends that the bid for the Bonds will satisfy the federal tax requirements for a qualified competitive sale of bonds, including, among other things, receipt of bids for the Bonds from at least three underwriters, who have established industry reputations for underwriting new issuances of

municipal bonds (a “Qualified Competitive Bid”). The Designated Officer will advise the successful bidder as promptly as possible after the bids are opened whether the bid constitutes a Qualified Competitive Bid, or, in the alternative, a bid that fails to satisfy such requirements (a “Nonqualified Competitive Bid”).

If the bid is a Qualified Competitive Bid, as promptly as possible after the bids are opened, the Designated Officer, will notify the successful bidder, and such bidder, upon such notice, shall advise the Designated Officer, of the reasonably expected Initial Offering Price, as applicable, of each maturity of each series of the Bonds. In addition, the winning bidder shall be required to provide to the County information to establish the initial expected offering prices for each maturity of each series of the Bonds for federal income tax purposes by completing a certificate acceptable to Bond Counsel to the County, on or before the date of issuance of the Bonds, substantially in the form set forth in Appendix E to the Preliminary Official Statement, with appropriate completions, amendments and attachments.

If the bid is a Nonqualified Competitive Bid, as promptly as possible after the bids are opened, the Designated Officer, will notify the successful bidder, and such bidder, upon such notice, shall advise the Designated Officer, of the initial sale price or Initial Offering Price, as applicable, of each maturity of each series of the Bonds. In addition, the winning bidder shall be required to provide to the County information and assurances to establish the initial sale price or the initial offering price to the public, as applicable, for each maturity of each series of the Bonds for federal income tax purposes by completing a certification acceptable to Bond Counsel in substantially the form set forth in Appendix F to the Preliminary Official Statement, with appropriate completions, omissions and attachments. **It is noted that procedures for a Nonqualified Competitive Bid may require the winning bidder and, if applicable, other underwriters of the Bonds, to hold the initial offering prices for certain maturities of a series of the Bonds for up to five business days after the sale date, as further specified in the form of such certification.**

Legal Opinions

The Bonds of each series described above will be issued and sold subject to approval as to legality by McKennon Shelton & Henn LLP of Baltimore, Maryland, Bond Counsel. Copies of the approving opinions of McKennon Shelton & Henn LLP will be delivered, upon request, to the purchaser or purchasers of the Bonds, without charge. Such opinions shall be substantially in the form included in Appendix C to the Preliminary Official Statement referred to below.

Continuing Disclosure

In order to assist bidder in complying with SEC Rule 15c2-12(b)(5), the County will execute and deliver a continuing disclosure agreement on or before the date of issuance of the Bonds pursuant to which it will undertake to provide or cause to be provided certain information annually and notices of certain events. A form of this agreement is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

Delivery of the Bonds

When delivered, one bond representing each maturity of each series of Bonds shall be duly executed and authenticated and registered in the name of Cede & Co., as nominee of DTC, as registered owner of bonds.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print any such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale. Public Resources Advisory Group (the “Financial Advisor”) will timely

apply for CUSIP numbers with respect to the Bonds as required by MSRB Rule G-34. All expenses in relation to the printing of the CUSIP identification numbers on the Bonds shall be paid by the County. However, the CUSIP Global Services charge for the assignment of such numbers shall be the responsibility of and shall be paid by the successful bidder.

THE CGI BONDS AND THE WATER AND SEWER BONDS WILL EACH REQUIRE A SEPARATE SERIES OF CUSIP NUMBERS.

Not later than seven business days after the date of sale, the County will deliver to the successful bidder an Official Statement, which is expected to be substantially in the form of the Preliminary Official Statement referred to below. If so requested by the purchaser at or before the close of business on the date of the sale, the County will include in the Official Statement such pricing and other information with respect to the terms of the reoffering of the Bonds by the successful bidder ("Reoffering Information"), if any, as may be specified and furnished in writing by such bidder. If no Reoffering Information is specified and furnished by the successful bidder, the Official Statement will include the interest rates on the Bonds resulting from the bid of the successful bidder and the other statements with respect to reoffering contained in the Preliminary Official Statement. The successful bidder shall be responsible to the County and its officials for the Reoffering Information, and for all decisions made by such bidder with respect to the use or omission of the Reoffering Information in any reoffering of the Bonds, including the presentation or exclusion of any Reoffering Information in any documents, including the Official Statement. The successful bidder will also be furnished, without cost, with copies of the Official Statement (and any amendments or supplements thereto) in such quantities as shall reasonably be requested by the successful bidder to allow the successful bidder to comply with the application rules of the Municipal Securities Rulemaking Board.

Delivery of the Bonds, without expense, will be made by the Designated Officer to DTC on or about April 23, 2025, or as soon as practicable thereafter, and, thereupon, the purchaser or purchasers will be required to accept delivery of the Bonds purchased and pay, in Federal funds, the balance of the purchase price due. Such bonds will be accompanied by the customary closing documents, including a no-litigation certificate, effective as of the date of delivery, stating that there is no litigation pending affecting the validity of the bonds in this issue. It shall be a condition to the obligation of such purchaser or purchasers to accept delivery of and pay for the bonds that, simultaneously with or before delivery and payment for the bonds, such purchaser or purchasers shall be furnished a certificate or certificates of authorized officers of the County to the effect that, to the best of their knowledge and belief, the Official Statement and any amendment or supplement thereto (except for the Reoffering Information provided by the purchaser and information regarding DTC and DTC's book-entry system provided by DTC, as to which no view will be expressed), as of the date of sale and as of the date of delivery of the bonds, does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and that between the date of sale and the date of delivery of the bonds there has been no material adverse change in the financial position or revenues of the County, except as reflected or contemplated in the Official Statement.

Postponement of Sale

The County reserves the right to postpone the date established for the receipt of bids at any time before the bids are open. In the event of a postponement, the new date and time of sale will be announced on www.MuniOS.com. Prospective bidders may request notification by email transmission of any such changes in the date or time for the receipt of bids by so advising and furnishing their email addresses to Public Resources Advisory Group, Inc., attention Monika Conley at (212) 380-5275, mconley@pragadvisors.com, by 12 Noon, Baltimore, Maryland time, on the day prior to the announced date for receipt of bids. Any new date and time of sale will be announced at least 24 hours prior to the time

proposals are to be submitted. On any such alternative sale date, bidders may submit bids for the purchase of the Bonds in conformity with the provisions of this Official Notice of Sale, except for any changes to this Official Notice of Sale, the change of the date of sale and the changes described in the next sentence. If the date fixed for receipt of bids is postponed, the expected date of delivery of Bonds also may be postponed; if the sale is postponed to a later date, then the date of the Bonds, the dates of the semiannual interest payments and annual principal payments, and the optional redemption dates also may be changed. Such changes, if any, will be announced via www.MuniOS.com at the time any alternative sale date is announced.

The Preliminary Official Statement, together with this Official Notice of Sale, may be accessed via the internet at www.MuniOS.com. It may also be obtained from the Office of Finance, Anne Arundel County, Arundel Center, 44 Calvert Street, Annapolis, Maryland 21404 (410-222-1781) or from the County's financial advisor, Public Resources Advisory Group, Inc., 39 Broadway, 12th Floor, New York, New York 10006 (212-566-7800 or 917-749-2426). Such Preliminary Official Statement is deemed final by the County as of its date for purposes of SEC Rule 15c2-12, but is subject to revision, amendment and completion in the Official Statement referred to above.

ANNE ARUNDEL COUNTY, MARYLAND
By: Steuart Pittman
County Executive

ANNE ARUNDEL COUNTY, MARYLAND

OFFICIAL NOTICE OF SALE OF \$151,590,000*

GENERAL OBLIGATION BONDS

Consisting of

\$84,785,000* Consolidated General Improvements Series, 2025 Refunding Series

\$66,805,000* Consolidated Water and Sewer Series, 2025 Refunding Series

Dated Date of Delivery

ELECTRONIC BIDS, via BiDCOMP/PARITY Competitive Bidding System (BiDCOMP/Parity) only, will be received until **11:15 A.M., LOCAL BALTIMORE, MARYLAND, TIME ON WEDNESDAY, APRIL 9, 2025**, by the Chief Administrative Officer of Anne Arundel County, Maryland (the “County”), or other officer of the County designated by the County Executive of the County (the “County Executive”) (either such officer being the “Designated Officer”), for the purchase of the general obligation bonds of the County, aggregating \$151,590,000* and consisting of \$84,785,000* Consolidated General Improvements Series, 2025 Refunding Series (the “CGI Bonds”) and \$66,805,000* Consolidated Water and Sewer Series, 2025 Refunding Series (the “Water and Sewer Bonds”), all dated the date of delivery, and bearing interest payable October 1, 2025, and semiannually thereafter on each April 1 and October 1 until maturity or prior redemption as hereinafter set forth.

The Bonds will mature, subject to prior redemption as hereinafter set forth, on April 1 in the following years and in the following aggregate amounts, subject to aggregation of two or more consecutive serial maturities of the Bonds as term bonds, as provided below in “Bid Specifications.”

<u>Years of Maturity</u>	<u>CGI Bonds*</u>	<u>Water and Sewer Bonds*</u>	<u>Total*</u>
2026	\$15,170,000	\$4,450,000	\$19,620,000
2027	11,685,000	4,245,000	15,930,000
2028	8,685,000	4,230,000	12,915,000
2029	7,120,000	4,225,000	11,345,000
2030	7,095,000	4,220,000	11,315,000
2031	7,070,000	4,205,000	11,275,000
2032	7,040,000	4,195,000	11,235,000
2033	7,005,000	4,180,000	11,185,000
2034	6,975,000	4,175,000	11,150,000
2035	6,940,000	4,160,000	11,100,000
2036		3,365,000	3,365,000
2037		2,395,000	2,395,000
2038		2,385,000	2,385,000
2039		2,375,000	2,375,000

*Preliminary, subject to change.

<u>Years of Maturity</u>	<u>CGI Bonds*</u>	<u>Water and Sewer Bonds*</u>	<u>Total*</u>
2040		\$2,365,000	\$2,365,000
2041		2,350,000	2,350,000
2042		2,340,000	2,340,000
2043		2,330,000	2,330,000
2044		2,315,000	2,315,000
2045		2,300,000	2,300,000

The Bonds shall be issued only in fully registered form without coupons. One bond representing each maturity of each series will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), as registered owner of the Bonds and each such bond shall be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The winning bidders of the Bonds, as a condition to delivery of the Bonds, will be required to deposit the bond certificates representing each maturity of each series with DTC.

General Information

The Bonds are authorized by Sections 10-203 and 19-207 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement), the Charter of Anne Arundel County, Maryland (the “County Charter”) and Bill No. 58-24, passed by the County Council of the County on July 15, 2024, effective the tenth day after its presentation to the County Executive of the County on July 17, 2024 in accordance with the Anne Arundel County Charter and effective on September 10, 2024, as amended (the “Authorizing Ordinance”).

The proceeds of the CGI Bonds will be used to refund certain bonds of Anne Arundel County Consolidated General Improvements Series and the proceeds of the Water and Sewer Bonds will be used to refund certain bonds of the Anne Arundel County Consolidated Water and Sewer Series.

The full faith and credit and taxing power of the County are pledged to the payment of the Bonds and of the interest to accrue thereon. Such taxing power is subject, however, to the limitation set forth in Section 710(d) of the County Charter which provides, in part that “[f]rom and after July 1, 1993, revenues derived from taxes on properties existing on the County property tax rolls at the commencement of the County fiscal year shall not increase, compared with the previous year, more than the Consumer Price Index percentage of change, or 4.5 percent, whichever is the lesser.”

The sources of revenue for the payment of the principal of and interest on the Bonds are as described herein. The CGI Bonds are payable from annual appropriations of the proceeds of ad valorem taxes which the County is empowered to levy on real and personal property and certain intangible personal property subject to assessment for County taxation subject to the limitations set forth in Section 710(d) of the County Charter. The primary sources of payment for the Water and Sewer Bonds are the net revenues of the projects for which such bonds are to be issued, or the utilities of which they are a part, for the use and benefit of which the County has covenanted to fix and collect rates, charges and assessments sufficient to pay the costs of operation, maintenance and debt service, but if not so paid, the Water and Sewer Bonds are payable

*Preliminary, subject to change.

from annual appropriations of the proceeds of ad valorem taxes which the County is empowered to levy on real and personal property and certain intangible personal property subject to assessment for County taxation subject to the limitations set forth in Section 710(d) of the County Charter.

Optional Redemption

The CGI Bonds are not subject to optional redemption prior to their respective maturities.

The Water and Sewer Bonds maturing on or after April 1, 2036, are subject to redemption, at the option of the County, on or after April 1, 2035, as a whole or in part at any time, in any order of maturities, after at least 20 days' notice, at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption.

Mandatory Sinking Fund Redemption

If two or more consecutive serial maturities of the Bonds are designated as a term bond, as provided below in "Bid Specifications," such term bond shall be subject to mandatory redemption in each year on the principal payment date and in the entire amount of each serial maturity designated for inclusion in such term bond.

Electronic Bids

Notice is hereby given that proposals will be received via BiDCOMP/Parity Competitive Bidding System, in the manner described below, until 11:15 a.m., local Baltimore, Maryland time, on Wednesday, April 9, 2025, but no bid will be received after the time for receiving bids specified above.

All prospective bidders must be contracted customers of BiDCOMP/Parity Competitive Bidding System. If you do not have a contract with BiDCOMP, call (212) 849-5021 to become a customer. By submitting a bid for the Bonds, a prospective bidder represents and warrants to the County that (i) it has an established industry reputation for underwriting new issuances of municipal bonds; and (ii) such bidder's bid for the purchase of the Bonds (if a bid is submitted in connection with the sale) is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Bonds.

If any provisions of this Official Notice of Sale shall conflict with information provided by BiDCOMP/Parity as approved provider of electronic bidding services, this Official Notice of Sale shall control. Further information about BiDCOMP/Parity, including any fee charged, may be obtained from BiDCOMP/Parity at (212) 849-5021.

Disclaimer

Each prospective bidder shall be solely responsible to register to bid via BiDCOMP/Parity. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access BiDCOMP/Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the County nor BiDCOMP/Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the County nor BiDCOMP/Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by BiDCOMP/Parity. The County is using BiDCOMP/Parity as a communication mechanism, and not as the County's agent, to conduct the electronic bidding for the Bonds. The County is not bound by any advice and determination of BiDCOMP/Parity to

the effect that any particular bid complies with the terms of this Official Notice of Sale and in particular the “Bid Specifications” hereinafter set forth. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via BiDCOMP/Parity are the sole responsibility of the bidders; and the County is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the Bonds, it should telephone BiDCOMP/Parity and notify the County’s Financial Advisor, Public Resources Advisory Group, Inc., by email message to Monika Conley, mconley@pragadvisors.com.

Bidding Procedures

Bids must be submitted for the purchase of the Bonds (all or none) via BiDCOMP/Parity. Bids will be communicated electronically to the County at 11:15 a.m., local Baltimore, Maryland time, on Wednesday, April 9, 2025. Prior to that time, a prospective bidder may input and save proposed terms of its bid in BiDCOMP. Once the final bid has been saved in BiDCOMP, the bidder may select the final bid button in BiDCOMP to submit the bid to BiDCOMP/Parity. Once the bids are communicated electronically via BiDCOMP/Parity to the County, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the bidding process, the time as maintained on BiDCOMP shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the County, as described under “Award of Bonds” below, represented by the rate or rates of interest and the bid price specified in their respective bids.

No bids will be accepted in written form, by facsimile transmission or in any other medium or on any system other than by via BiDCOMP. No bid will be received after the time for receiving such bids specified above.

Good Faith Deposit

Good faith deposits for the Bonds will not be required.

Bid Specifications

Bidders shall state in their proposals a price for the Bonds that is not less than 100% of the aggregate par value of the Bonds. Bidders shall also state in their proposals the rate or rates of interest to be paid on the Bonds, on which rate or rates their proposals are based and submitted. The rates so named must be in multiples of 1/8 or 1/20 of 1% and may not exceed 5% for any single maturity provided, however, that the rate of interest on each maturity of the Bonds maturing in years 2036 through 2045, inclusive, shall be 5% per annum. A zero rate cannot be named for any maturity. Bidders may designate in their proposal two or more consecutive annual principal payments as a term bond for the Bonds. Any term bond so designated shall be subject to mandatory sinking fund redemption in each year on the principal payment date and in the entire principal amount for each annual principal payment designated for inclusion in such term bond. There is no limitation on the number of term bonds for the Bonds.

Procedures for Principal Amount Changes and Other Changes to Official Notice of Sale

The preliminary aggregate principal amount of the Bonds as set forth in this Official Notice of Sale (the “Preliminary Aggregate Principal Amount” and the “Preliminary Annual Principal Amount,” respectively; collectively the “Preliminary Amounts”) may be revised before the receipt and opening of the bids for their purchase. **ANY SUCH REVISIONS** (the “Revised Aggregate Principal Amount” and the “Revised Annual Principal Amount,” respectively; collectively, the “Revised Amounts”) **WILL BE PUBLISHED ON www.MuniOS.com NOT LATER THAN 10:15 A.M. (LOCAL BALTIMORE, MARYLAND TIME) ON THE ANNOUNCED DATE FOR RECEIPT OF BIDS.** In the event that no

such revisions are made, the Preliminary Amounts will constitute the Revised Amounts. Bidders shall submit bids based on the Revised Amounts and the Revised Amounts will be used to compare bids and select a winning bidder.

Award of Bonds

As promptly as reasonably possible after the bids are received, the Designated Officer will notify the bidder to whom the Bonds will be awarded, if and when such award is made, and such bidder, upon such notice, shall advise the Designated Officer of the initial offering prices to the public of each maturity of each series of the Bonds (the "Initial Offering Prices"). Such Initial Offering Prices, among other things, will be used by the County to calculate the final aggregate principal amount of the Bonds and the final principal amount of each annual payment on the Bonds (the "Final Aggregate Principal Amount" and the "Final Annual Principal Amount," respectively; collectively, the "Final Amounts"). In determining the Final Amounts, the County expects that the Revised Amounts will be changed as necessary to effect the greatest economic advantage, or to accommodate other objectives of the County, but the County will not reduce or increase the Revised Aggregate Principal Amount of the Bonds by more than 10% from the amount bid upon for each such series. **THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS WITHIN THESE LIMITS.** The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the aggregate principal amount of the Bonds. Such adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and original issue discount/premium, if any, but will not change the underwriter's discount per \$1,000 of par amount of bonds from the underwriter's discount that would have been received based on the purchase price in the winning bid and the initial public offering prices. The interest rates specified by the successful bidder for each maturity of each series in its bid for the Bonds will not change. **ALL BIDS SHALL REMAIN FIRM FOR FIVE (5) HOURS AFTER THE TIME SPECIFIED FOR THE OPENING OF THE BIDS.** An award of the Bonds, if made, will be made by the Designated Officer within such five (5) hour period of time. The Final Amounts will be communicated to the successful bidder as soon as possible, but not later than 3:00 p.m. the day after awarding the Bonds.

The award, if made, will be made as promptly as possible after the bids are opened to the bidder naming the lowest true interest cost for all the Bonds in any legally acceptable proposal. The lowest true interest cost will be determined with respect to each proposal by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments to the date of the Bonds and to the price bid. Each bidder shall include in its bid a statement of the true interest cost offered in its bid, but this statement shall not be deemed to be part of the bid. Where the proposals of two or more bidders result in the same lowest true interest cost, the Bonds shall be awarded to one of such bidders based upon which bid was received first. **THE RIGHT IS RESERVED TO THE DESIGNATED OFFICER TO REJECT ANY OR ALL PROPOSALS AND TO WAIVE ANY IRREGULARITIES IN ANY OF THE PROPOSALS.** The judgment of the Designated Officer shall be final and binding upon all bidders with respect to the form and adequacy of any proposal received and as to its conformity to the terms of this Official Notice of Sale.

Issue Price Determination

The County expects and intends that the bid for the Bonds will satisfy the federal tax requirements for a qualified competitive sale of bonds, including, among other things, receipt of bids for the Bonds from at least three underwriters, who have established industry reputations for underwriting new issuances of municipal bonds (a "Qualified Competitive Bid"). The Designated Officer will advise the successful bidder as promptly as possible after the bids are opened whether the bid constitutes a Qualified Competitive Bid, or, in the alternative, a bid that fails to satisfy such requirements (a "Nonqualified Competitive Bid").

If the bid is a Qualified Competitive Bid, as promptly as possible after the bids are opened, the Designated Officer, will notify the successful bidder, and such bidder, upon such notice, shall advise the Designated Officer, of the reasonably expected Initial Offering Price, as applicable, of each maturity of each series of the Bonds. In addition, the winning bidder shall be required to provide to the County information to establish the initial expected offering prices for each maturity of each series of the Bonds for federal income tax purposes by completing a certificate acceptable to Bond Counsel to the County, on or before the date of issuance of the Bonds, substantially in the form set forth in Appendix E to the Preliminary Official Statement, with appropriate completions, amendments and attachments.

If the bid is a Nonqualified Competitive Bid, as promptly as possible after the bids are opened, the Designated Officer, will notify the successful bidder, and such bidder, upon such notice, shall advise the Designated Officer, of the initial sale price or Initial Offering Price, as applicable, of each maturity of each series of the Bonds. In addition, the winning bidder shall be required to provide to the County information and assurances to establish the initial sale price or the initial offering price to the public, as applicable, for each maturity of each series of the Bonds for federal income tax purposes by completing a certification acceptable to Bond Counsel in substantially the form set forth in Appendix F to the Preliminary Official Statement, with appropriate completions, omissions and attachments. **It is noted that procedures for a Nonqualified Competitive Bid may require the winning bidder and, if applicable, other underwriters of the Bonds, to hold the initial offering prices for certain maturities of a series of the Bonds for up to five business days after the sale date, as further specified in the form of such certification.**

Legal Opinions

The Bonds of each series described above will be issued and sold subject to approval as to legality by McKennon Shelton & Henn LLP of Baltimore, Maryland, Bond Counsel. Copies of the approving opinions of McKennon Shelton & Henn LLP will be delivered, upon request, to the purchaser or purchasers of the Bonds, without charge. Such opinions shall be substantially in the form included in Appendix C to the Preliminary Official Statement referred to below.

Continuing Disclosure

In order to assist bidder in complying with SEC Rule 15c2-12(b)(5), the County will execute and deliver a continuing disclosure agreement on or before the date of issuance of the Bonds pursuant to which it will undertake to provide or cause to be provided certain information annually and notices of certain events. A form of this agreement is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

Delivery of the Bonds

When delivered, one bond representing each maturity of each series of Bonds shall be duly executed and authenticated and registered in the name of Cede & Co., as nominee of DTC, as registered owner of bonds.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print any such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale. Public Resources Advisory Group (the "Financial Advisor") will timely apply for CUSIP numbers with respect to the Bonds as required by MSRB Rule G-34. All expenses in relation to the printing of the CUSIP identification numbers on the Bonds shall be paid by the County. However, the CUSIP Global Services charge for the assignment of such numbers shall be the responsibility of and shall be paid by the successful bidder.

THE CGI BONDS AND THE WATER AND SEWER BONDS WILL EACH REQUIRE A SEPARATE SERIES OF CUSIP NUMBERS.

Not later than seven business days after the date of sale, the County will deliver to the successful bidder an Official Statement, which is expected to be substantially in the form of the Preliminary Official Statement referred to below. If so requested by the purchaser or purchasers at or before the close of business on the date of the sale, the County will include in the Official Statement such pricing and other information with respect to the terms of the reoffering of the Bonds by the successful bidder (“Reoffering Information”), if any, as may be specified and furnished in writing by such bidder. If no Reoffering Information is specified and furnished by the successful bidder, the Official Statement will include the interest rates on the Bonds resulting from the bid of the successful bidder and the other statements with respect to reoffering contained in the Preliminary Official Statement. The successful bidder shall be responsible to the County and its officials for the Reoffering Information, and for all decisions made by such bidder with respect to the use or omission of the Reoffering Information in any reoffering of the Bonds, including the presentation or exclusion of any Reoffering Information in any documents, including the Official Statement. The successful bidder will also be furnished, without cost, with copies of the Official Statement (and any amendments or supplements thereto) in such quantities as shall reasonably be requested by the successful bidder to allow the successful bidder to comply with the application rules of the Municipal Securities Rulemaking Board.

Delivery of the Bonds, without expense, will be made by the Designated Officer to DTC on or about April 23, 2025, or as soon as practicable thereafter, and, thereupon, the purchaser or purchasers will be required to accept delivery of the Bonds purchased and pay, in Federal funds, the balance of the purchase price due. Such bonds will be accompanied by the customary closing documents, including a no-litigation certificate, effective as of the date of delivery, stating that there is no litigation pending affecting the validity of the bonds in this issue. It shall be a condition to the obligation of such purchaser or purchasers to accept delivery of and pay for the bonds that, simultaneously with or before delivery and payment for the bonds, such purchaser or purchasers shall be furnished a certificate or certificates of authorized officers of the County to the effect that, to the best of their knowledge and belief, the Official Statement and any amendment or supplement thereto (except for the Reoffering Information provided by the purchaser and information regarding DTC and DTC’s book-entry system provided by DTC, as to which no view will be expressed), as of the date of sale and as of the date of delivery of the bonds, does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and that between the date of sale and the date of delivery of the bonds there has been no material adverse change in the financial position or revenues of the County, except as reflected or contemplated in the Official Statement.

Postponement of Sale

The County reserves the right to postpone the date established for the receipt of bids at any time before the bids are open. In the event of a postponement, the new date and time of sale will be announced on www.MuniOS.com. Prospective bidders may request notification by email transmission of any such changes in the date or time for the receipt of bids by so advising, and furnishing their email addresses to Public Resources Advisory Group, Inc., attention Monika Conley at (212) 380-5275, mconley@pragadvisors.com, by 12 Noon, Baltimore, Maryland time, on the day prior to the announced date for receipt of bids. Any new date and time of sale will be announced at least 24 hours prior to the time proposals are to be submitted. On any such alternative sale date, bidders may submit bids for the purchase of the Bonds in conformity with the provisions of this Official Notice of Sale, except for any changes to this Official Notice of Sale, the change of the date of sale and the changes described in the next sentence. If the date fixed for receipt of bids is postponed, the expected date of delivery of Bonds also may be postponed; if the sale is postponed to a later date, then the date of the Bonds, the dates of the semiannual

interest payments and annual principal payments, and the optional redemption dates also may be changed. Such changes, if any, will be announced via www.MuniOS.com at the time any alternative sale date is announced.

The Preliminary Official Statement, together with this Official Notice of Sale, may be accessed via the internet at www.MuniOS.com. It may also be obtained from the Office of Finance, Anne Arundel County, Arundel Center, 44 Calvert Street, Annapolis, Maryland 21404 (410-222-1781) or from the County's financial advisor, Public Resources Advisory Group, Inc., 39 Broadway, 12th Floor, New York, New York 10006 (212-566-7800 or 917-749-2426). Such Preliminary Official Statement is deemed final by the County as of its date for purposes of SEC Rule 15c2-12, but is subject to revision, amendment and completion in the Official Statement referred to above.

ANNE ARUNDEL COUNTY, MARYLAND
By: Steuart Pittman
County Executive

FORMS OF OPINIONS OF BOND COUNSEL

Consolidated General Improvements Series, 2025

[Closing Date]

County Executive and County Council
of Anne Arundel County, Maryland
Annapolis, Maryland

Dear County Executive and Council Members:

We have examined a record of proceedings relating to the issuance by Anne Arundel County, Maryland (the “County”), of \$183,405,000 general obligation bonds designated “Consolidated General Improvements Series, 2025” (the “Bonds”), which are described below.

The Bonds are dated the date of delivery, with interest payable on October 1 and April 1, commencing October 1, 2025; are fully registered in form in the denomination of \$5,000 each or any integral multiple thereof; are issued under the authority of Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement) (the “Enabling Law”), the Anne Arundel County Charter (the “Charter”) and Bill No. 58-24, passed by the County Council of the County on July 15, 2024, effective the tenth day after its presentation to the County Executive of the County on July 17, 2024 in accordance with the Anne Arundel County Charter and effective on September 10, 2024, as amended (the “Ordinance”); and mature, on October 1 in each of the years 2025 to 2054, inclusive, and bear interest as follows:

<u>Years of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Years of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2025	\$6,110,000	5.00%	2040	\$6,115,000	5.00%
2026	6,115,000	5.00	2041	6,115,000	5.00
2027	6,115,000	5.00	2042	6,115,000	5.00
2028	6,115,000	5.00	2043	6,115,000	5.00
2029	6,115,000	5.00	2044	6,115,000	5.00
2030	6,115,000	5.00	2045	6,115,000	5.00
2031	6,115,000	5.00	2046	6,115,000	5.00
2032	6,115,000	5.00	2047	6,110,000	5.00
2033	6,115,000	5.00	2048	6,110,000	5.00
2034	6,115,000	5.00	2049	6,110,000	5.00
2035	6,115,000	5.00	2050	6,110,000	5.00
2036	6,115,000	5.00	2051	6,110,000	5.00
2037	6,115,000	5.00	2052	6,110,000	5.00
2038	6,115,000	5.00	2053	6,110,000	5.00
2039	6,115,000	5.00	2054	6,110,000	5.00

The Bonds are subject to redemption in the manner and upon the terms and conditions set forth in the Bonds.

In rendering this opinion, we have relied without investigation on the County's Tax and Section 148 Certificate dated this date made on behalf of the County by officers thereof with respect to certain material facts within the knowledge of the County relevant to the tax-exempt status of interest on the Bonds.

With respect to the executed and authenticated bond of the issue of Bonds that we have examined, and Bonds similarly executed and authenticated and identical thereto in form except for numbers, interest rates, denominations, maturities, and under existing statutes, regulations and decisions, we are of the opinion that:

(a) The County is a validly created and existing body politic and corporate of the State of Maryland, possessing authority under the Enabling Law, the Charter and the Ordinance to issue the Bonds.

(b) The Bonds are valid and legally binding general obligations of the County to which its full faith and credit and taxing power are pledged, and for the payment of which the County is empowered and directed to levy ad valorem taxes upon all real and tangible personal property and intangible property as may be subject to assessment for County taxation; such tax levy is subject, however, to the limitation set forth in Section 710(d) of the Charter which provides, in part, that "[f]rom and after July 1, 1993, revenues derived from taxes on properties existing on the County property tax rolls at the commencement of the County fiscal year shall not increase, compared with the previous year, more than the Consumer Price Index percentage of change, or by 4.5 percent, whichever is the lesser."

(c) To provide for the payment of the principal of and interest on the Bonds, the County, by the adoption of the Ordinance, has covenanted, subject to said Section 710(d) limitation, to levy such ad valorem taxes in rate and amount sufficient for that purpose in each fiscal year in which provision must be made for the payment of such principal and interest.

(d) The Bonds, their transfer, the interest payable on them and any income derived from them, including any profit realized from their sale and exchange, shall be exempt from taxation of any kind by the State of Maryland, any of its political subdivisions, or any other public entity; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon.

(e) Assuming compliance with certain covenants described herein, interest on the Bonds is excludable from gross income for federal income tax purposes. It is noted that under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the bonds of the issue of bonds of which the Bonds are a part, in order that the interest thereon be excludable from gross income. These include (i) a requirement that certain investment earnings received from the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part be rebated (or that certain payments in lieu of rebate be made) to the United States of America under certain circumstances; (ii) other requirements applicable to the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part; and (iii) requirements applicable to the use of the proceeds of the bonds of the issue of bonds of which the Bonds are part and the use of the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part and to take such other actions as may be required to maintain the excludability of interest on the Bonds from gross income for federal income tax purposes. It is our opinion that, assuming compliance with such covenants, the interest on the Bonds will remain excludable from gross income for federal income tax purposes under the provisions of the Code.

(f) Interest on the Bonds is not includable in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment; however, interest on the Bonds will be part of the adjusted financial statement income in computing the alternative minimum tax on applicable corporations. Interest income on the Bonds will be subject to the branch profits tax imposed by the Code on certain foreign corporations engaged in a trade or business in the United States of America.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable laws or interpretations thereof change after the date hereof or if we become aware of any facts or circumstances that might change the opinions expressed herein after the date hereof.

Very truly yours,

Consolidated Water and Sewer Series, 2025

[Closing Date]

County Executive and County Council
of Anne Arundel County, Maryland
Annapolis, Maryland

Dear County Executive and Council Members:

We have examined a record of proceedings relating to the issuance by Anne Arundel County, Maryland (the “County”), of \$84,235,000 general obligation bonds designated “Consolidated Water and Sewer Series, 2025” (the “Bonds”), which are described below.

The Bonds are dated the date of delivery, with interest payable October 1 and April 1, commencing October 1, 2025; are fully registered in form in the denomination of \$5,000 each or any integral multiple thereof; are issued under the authority of Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement) (the “Enabling Law”), the Anne Arundel County Charter (the “Charter”) and Bill No. 58-24, passed by the County Council of the County on July 15, 2024, effective the tenth day after its presentation to the County Executive of the County on July 17, 2024 in accordance with the Anne Arundel County Charter and effective on September 10, 2024, as amended (the “Ordinance”); and mature, on October 1 in each of the years 2025 to 2054, inclusive, and bear interest as follows:

<u>Years of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Years of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2025	\$2,805,000	5.00%	2040	\$2,810,000	5.00%
2026	2,810,000	5.00	2041	2,810,000	5.00
2027	2,810,000	5.00	2042	2,810,000	5.00
2028	2,810,000	5.00	2043	2,805,000	5.00
2029	2,810,000	5.00	2044	2,805,000	5.00
2030	2,810,000	5.00	2045	2,805,000	5.00
2031	2,810,000	5.00	2046	2,805,000	5.00
2032	2,810,000	5.00	2047	2,805,000	5.00
2033	2,810,000	5.00	2048	2,805,000	5.00
2034	2,810,000	5.00	2049	2,805,000	5.00
2035	2,810,000	5.00	2050	2,805,000	5.00
2036	2,810,000	5.00	2051	2,805,000	5.00
2037	2,810,000	5.00	2052	2,805,000	5.00
2038	2,810,000	5.00	2053	2,805,000	5.00
2039	2,810,000	5.00	2054	2,805,000	5.00

The Bonds are subject to redemption in the manner and upon the terms and conditions set forth in the Bonds.

In rendering this opinion, we have relied without investigation on the County's Tax and Section 148 Certificate dated this date made on behalf of the County by officers thereof with respect to certain material facts within the knowledge of the County relevant to the tax-exempt status of interest on the Bonds.

With respect to the executed and authenticated bond of the issue of Bonds that we have examined, and Bonds similarly executed and authenticated and identical thereto in form except for numbers, interest rates, denominations, maturities, and under existing statutes, regulations and decisions, we are of the opinion that:

(a) The County is a validly created and existing body politic and corporate of the State of Maryland, possessing authority under the Enabling Law, the Charter and the Ordinance to issue the Bonds.

(b) The Bonds are valid and legally binding general obligations of the County to which its full faith and credit and taxing power are pledged, payable primarily from the net revenues and receipts of certain of its water and wastewater projects, or utilities of which they form a part, but if not so paid, are payable as to both principal and interest ultimately from ad valorem taxes, which the County is empowered to levy upon all real and tangible personal property and intangible property as may be subject to assessment for County taxation; such tax levy is subject, however, to the limitation set forth in Section 710(d) of the Charter which provides, in part, that "[f]rom and after July 1, 1993, revenues derived from taxes on properties existing on the County property tax rolls at the commencement of the County fiscal year shall not increase, compared with the previous year, more than the Consumer Price Index percentage of change, or by 4.5 percent, whichever is the lesser."

(c) To provide for the payment of the principal of and interest on the Bonds, the County, by the adoption of the Ordinance, has covenanted, subject to the above-described Section 710(d) limitation, to levy such ad valorem taxes in rate and amount sufficient for that purpose in each fiscal year in which provision must be made for the payment of such principal and interest.

(d) The Bonds, their transfer, the interest payable on them and any income derived from them, including any profit realized from their sale and exchange, shall be exempt from taxation of any kind by the State of Maryland any of its political subdivisions, or any other public entity; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon.

(e) Assuming compliance with certain covenants described herein, interest on the Bonds is excludable from gross income for federal income tax purposes. It is noted that under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the bonds of the issue of bonds of which the Bonds are a part, in order that the interest thereon be excludable from gross income. These include (i) a requirement that certain investment earnings received from the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part be rebated (or that certain payments in lieu of rebate be made) to the United States of America under certain circumstances; (ii) other requirements applicable to the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part; and (iii) requirements applicable to the use of the proceeds of the bonds of the issue of bonds of which the Bonds are part and the use of the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part and to take such other actions as may be required to maintain the excludability of interest on the Bonds from gross income for federal income tax purposes. It

is our opinion that, assuming compliance with such covenants, the interest on the Bonds will remain excludable from gross income for federal income tax purposes under the provisions of the Code.

(f) Interest on the Bonds is not includable in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment; however, interest on the Bonds will be part of the adjusted financial statement income in computing the alternative minimum tax on applicable corporations. Interest income on the Bonds will be subject to the branch profits tax imposed by the Code on certain foreign corporations engaged in a trade or business in the United States of America.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable laws or interpretations thereof change after the date hereof or if we become aware of any facts or circumstances that might change the opinions expressed herein after the date hereof.

Very truly yours,

Consolidated General Improvements Series, 2025 Refunding Series

[Closing Date]

County Executive and County Council
of Anne Arundel County, Maryland
Annapolis, Maryland

Dear County Executive and Council Members:

We have examined a record of proceedings relating to the issuance by Anne Arundel County, Maryland (the “County”), of \$85,280,000 general obligation bonds designated “Consolidated General Improvements Series, 2025 Refunding Series” (the “Bonds”), which are described below.

The Bonds are dated the date of delivery, with interest payable on October 1 and April 1, commencing October 1, 2025; are fully registered in form in the denomination of \$5,000 each or any integral multiple thereof; are issued under the authority of Sections 10-203 and 19-207 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement) (the “Enabling Law”), the Anne Arundel County Charter (the “Charter”) and Bill No. 58-24, passed by the County Council of the County on July 15, 2024, effective the tenth day after its presentation to the County Executive of the County on July 17, 2024 in accordance with the Anne Arundel County Charter and effective on September 10, 2024, as amended and supplemented (the “Ordinance”); and mature, on April 1 in each of the years 2026 to 2035, inclusive, and bear interest as follows:

<u>Years of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Years of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2026	\$15,290,000	5.00%	2031	\$7,105,000	5.00%
2027	11,730,000	5.00	2032	7,080,000	5.00
2028	8,720,000	5.00	2033	7,050,000	5.00
2029	7,160,000	5.00	2034	7,020,000	5.00
2030	7,135,000	5.00	2035	6,990,000	5.00

The Bonds are not subject to optional redemption prior to their respective maturities.

In rendering this opinion, we have relied without investigation on the County’s Tax and Section 148 Certificate dated this date made on behalf of the County by officers thereof with respect to certain material facts within the knowledge of the County relevant to the tax-exempt status of interest on the Bonds.

With respect to the executed and authenticated bond of the issue of Bonds that we have examined, and Bonds similarly executed and authenticated and identical thereto in form except for numbers, interest rates, denominations, maturities, and under existing statutes, regulations and decisions, we are of the opinion that:

(a) The County is a validly created and existing body politic and corporate of the State of Maryland, possessing authority under the Enabling Law, the Charter and the Ordinance to issue the Bonds.

(b) The Bonds are valid and legally binding general obligations of the County to which its full faith and credit and taxing power are pledged, and for the payment of which the County is empowered and

directed to levy ad valorem taxes upon all real and tangible personal property and intangible property as may be subject to assessment for County taxation; such tax levy is subject, however, to the limitation set forth in Section 710(d) of the Charter which provides, in part, that “[f]rom and after July 1, 1993, revenues derived from taxes on properties existing on the County property tax rolls at the commencement of the County fiscal year shall not increase, compared with the previous year, more than the Consumer Price Index percentage of change, or by 4.5 percent, whichever is the lesser.”

(c) To provide for the payment of the principal of and interest on the Bonds, the County, by the adoption of the Ordinance, has covenanted, subject to said Section 710(d) limitation, to levy such ad valorem taxes in rate and amount sufficient for that purpose in each fiscal year in which provision must be made for the payment of such principal and interest.

(d) The interest payable on the Bonds and any profit realized from their sale and exchange, will be exempt from State of Maryland income taxation; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon.

(e) Assuming compliance with certain covenants described herein, interest on the Bonds is excludable from gross income for federal income tax purposes. It is noted that under the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the bonds of the issue of bonds of which the Bonds are a part, in order that the interest thereon be excludable from gross income. These include (i) a requirement that certain investment earnings received from the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part be rebated (or that certain payments in lieu of rebate be made) to the United States of America under certain circumstances; (ii) other requirements applicable to the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part; and (iii) requirements applicable to the use of the proceeds of the bonds of the issue of bonds of which the Bonds are part and the use of the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part and to take such other actions as may be required to maintain the excludability of interest on the Bonds from gross income for federal income tax purposes. It is our opinion that, assuming compliance with such covenants, the interest on the Bonds will remain excludable from gross income for federal income tax purposes under the provisions of the Code.

(f) Interest on the Bonds is not includable in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment; however, interest on the Bonds will be part of the adjusted financial statement income in computing the alternative minimum tax on applicable corporations. Interest income on the Bonds will be subject to the branch profits tax imposed by the Code on certain foreign corporations engaged in a trade or business in the United States of America.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable laws or interpretations thereof change after the date hereof or if we become aware of any facts or circumstances that might change the opinions expressed herein after the date hereof.

Very truly yours,

Consolidated Water and Sewer Series, 2025 Refunding Series

[Closing Date]

County Executive and County Council
of Anne Arundel County, Maryland
Annapolis, Maryland

Dear County Executive and Council Members:

We have examined a record of proceedings relating to the issuance by Anne Arundel County, Maryland (the “County”), of \$66,950,000 general obligation bonds designated “Consolidated Water and Sewer Series, 2025 Refunding Series” (the “Bonds”), which are described below.

The Bonds are dated the date of delivery, with interest payable October 1 and April 1, commencing October 1, 2025; are fully registered in form in the denomination of \$5,000 each or any integral multiple thereof; are issued under the authority of Sections 10-203 and 19-207 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and the 2024 Supplement) (the “Enabling Law”), the Anne Arundel County Charter (the “Charter”) and Bill No. 58-24, passed by the County Council of the County on July 15, 2024, effective the tenth day after its presentation to the County Executive of the County on July 17, 2024 in accordance with the Anne Arundel County Charter and effective on September 10, 2024, as amended and supplemented (the “Ordinance”); and mature, on April 1 in each of the years 2026 to 2045, inclusive, and bear interest as follows:

<u>Years of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Years of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2026	\$4,520,000	5.00%	2036	\$3,375,000	5.00%
2027	4,245,000	5.00	2037	2,395,000	5.00
2028	4,235,000	5.00	2038	2,385,000	5.00
2029	4,230,000	5.00	2039	2,375,000	5.00
2030	4,225,000	5.00	2040	2,365,000	5.00
2031	4,215,000	5.00	2041	2,350,000	5.00
2032	4,205,000	5.00	2042	2,340,000	5.00
2033	4,190,000	5.00	2043	2,330,000	5.00
2034	4,185,000	5.00	2044	2,315,000	5.00
2035	4,170,000	5.00	2045	2,300,000	5.00

The Bonds are subject to redemption in the manner and upon the terms and conditions set forth in the Bonds.

In rendering this opinion, we have relied without investigation on the County’s Tax and Section 148 Certificate dated this date made on behalf of the County by officers thereof with respect to certain material facts within the knowledge of the County relevant to the tax-exempt status of interest on the Bonds.

With respect to the executed and authenticated bond of the issue of Bonds that we have examined, and Bonds similarly executed and authenticated and identical thereto in form except for numbers, interest rates, denominations, maturities, and under existing statutes, regulations and decisions, we are of the opinion that:

(a) The County is a validly created and existing body politic and corporate of the State of Maryland, possessing authority under the Enabling Law, the Charter and the Ordinance to issue the Bonds.

(b) The Bonds are valid and legally binding general obligations of the County to which its full faith and credit and taxing power are pledged, payable primarily from the net revenues and receipts of certain of its water and wastewater projects, or utilities of which they form a part, but if not so paid, are payable as to both principal and interest ultimately from ad valorem taxes, which the County is empowered to levy upon all real and tangible personal property and intangible property as may be subject to assessment for County taxation; such tax levy is subject, however, to the limitation set forth in Section 710(d) of the Charter which provides, in part, that “[f]rom and after July 1, 1993, revenues derived from taxes on properties existing on the County property tax rolls at the commencement of the County fiscal year shall not increase, compared with the previous year, more than the Consumer Price Index percentage of change, or by 4.5 percent, whichever is the lesser.”

(c) To provide for the payment of the principal of and interest on the Bonds, the County, by the adoption of the Ordinance, has covenanted, subject to the above-described Section 710(d) limitation, to levy such ad valorem taxes in rate and amount sufficient for that purpose in each fiscal year in which provision must be made for the payment of such principal and interest.

(d) The interest payable on the Bonds and any profit realized from their sale and exchange, will be exempt from State of Maryland income taxation; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon.

(e) Assuming compliance with certain covenants described herein, interest on the Bonds is excludable from gross income for federal income tax purposes. It is noted that under the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the bonds of the issue of bonds of which the Bonds are a part, in order that the interest thereon be excludable from gross income. These include (i) a requirement that certain investment earnings received from the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part be rebated (or that certain payments in lieu of rebate be made) to the United States of America under certain circumstances; (ii) other requirements applicable to the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part; and (iii) requirements applicable to the use of the proceeds of the bonds of the issue of bonds of which the Bonds are part and the use of the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the investment of the proceeds of the bonds of the issue of bonds of which the Bonds are a part and to take such other actions as may be required to maintain the excludability of interest on the Bonds from gross income for federal income tax purposes. It is our opinion that, assuming compliance with such covenants, the interest on the Bonds will remain excludable from gross income for federal income tax purposes under the provisions of the Code.

(f) Interest on the Bonds is not includable in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment; however, interest on the Bonds will be part of the adjusted financial statement income in computing the alternative minimum tax on applicable corporations. Interest income on the Bonds will be subject to the branch profits tax imposed by the Code on certain foreign corporations engaged in a trade or business in the United States of America.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion

if any applicable laws or interpretations thereof change after the date hereof or if we become aware of any facts or circumstances that might change the opinions expressed herein after the date hereof.

Very truly yours,

FORM OF CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (this “Disclosure Agreement”) is executed and delivered by Anne Arundel County, Maryland, a body corporate and politic of the State of Maryland (the “County”) in connection with the issuance of its \$183,405,000 Consolidated General Improvements Series, 2025, its \$84,235,000 Consolidated Water and Sewer Series, 2025, its \$85,280,000 Consolidated General Improvements Series, 2025 Refunding Series, and its \$66,950,000 Consolidated Water and Sewer Series, 2025 Refunding Series (collectively, the “Bonds”). The Bonds are being issued pursuant to Bill No. 58-24, passed by the County Council of the County on July 15, 2024, effective the tenth day after its presentation to the County Executive of the County on July 17, 2024 in accordance with the Anne Arundel County Charter and effective on September 10, 2024, as amended. The County, intending to be legally bound hereby and in consideration of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement.

This Disclosure Agreement is being executed and delivered by the County for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 2. Definitions.

In addition to the definitions set forth above, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**EMMA**” shall mean the Electronic Municipal Market Access system described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the rule.

“**Financial Obligation**” means a (i) debt obligation; (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“**Listed Events**” shall mean any of the events listed in Section 4(a) herein.

“**MSRB**” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)1 of the Securities Exchange Act of 1934, as amended.

“**Participating Underwriter**” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“**Rule**” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Financial Information, Operating Data and Audited Information.

(a) The County shall provide to the MSRB in an electronic format prescribed by the MSRB annual financial information and operating data regarding (i) revenues, expenditures and changes in fund balance for the County's General Fund; (ii) revenues, expenses and changes in fund balances for the County's Watershed Protection and Restoration Fund; (iii) revenues, expenses and changes in fund net assets for the County's Water and Wastewater Operations Fund; (iv) revenues, expenses and net assets for the County's Water and Wastewater Debt Service Fund; (v) revenues, expenses and changes in net assets for the County's Solid Waste Fund; (vi) assessed values of taxable property in the County and County property tax rates and property tax levies; (vii) County Water and Wastewater utility system rates; and (viii) the County solid waste system rate schedule, such information to be made available within 275 days after the end of the County's fiscal year (commencing with the fiscal year ended June 30, 2024).

(b) The County shall provide to the MSRB in an electronic format prescribed by the MSRB annual audited financial statements for the County, such information to be made available within 275 days after the end of the County's fiscal year, unless the audited financial statements are not available on or before such date, in which event said financial statements will be provided promptly when and if available. In the event that audited financial statements are not available within 275 days after the end of the County's fiscal year, the County will provide unaudited financial statements within said time period (commencing with the fiscal year ended June 30, 2024).

(c) The presentation of the financial information referred to in clauses (i), (ii), (iii) and (iv) of paragraph (a) and in paragraph (b) shall be made in accordance with the same accounting principles as utilized in connection with the presentation of applicable comparable financial information included in the final official statement for the Bonds, provided that the County may modify the accounting principles utilized in the presentation of financial information by amending this Disclosure Agreement pursuant to the provisions of Section 6 hereof. Changes in Generally Accepted Accounting Principles, where applicable to financial information to be provided by the County, shall not require the County to amend this Disclosure Agreement.

(d) If the County is unable to provide the annual financial information and operating data within the applicable time periods specified in (a) and (b) above, the County shall send in a timely manner a notice of such failure to the MSRB.

Section 4. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 4, the County shall provide notice of the occurrence of any of the following events with respect to the Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of Bondholders, if material;
- (8) bond calls, if material, and tender offers;

- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the County;
- (13) consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) incurrence of a Financial Obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the County, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the County, any of which reflect financial difficulties.

(b) In a timely manner, not in excess of 10 business days after the occurrence of an event listed in Section 4(a), the County shall file a notice of such occurrence of such event with EMMA.

Section 5. Termination of Reporting Obligation.

The County's obligations under this Disclosure Agreement shall terminate upon the payment in full of all of the Bonds either at their maturity or by early redemption. In addition, the County may terminate its obligations under this Disclosure Agreement if and when the County no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

Section 6. Amendment.

The County may provide further or additional assurances that will become part of the County's obligations under this Disclosure Agreement. In addition, this Disclosure Agreement may be amended by the County in its discretion provided that (i) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the County as the obligated person with respect to the Bonds, or type of business conducted; (ii) this Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, as determined by counsel selected by the County that is expert in federal securities law matters; and (iii) the amendment does not materially impair the interests of holders of the Bonds, as determined either by counsel selected by the County that is expert in federal securities law matters, or by an approving vote of the holders of 25% of the outstanding aggregate principal amount of Bonds. The reasons for the County agreeing to provide any further or additional assurances or for any amendment and the impact of the change in the type of operating data or financial information being provided will be explained in information provided with the annual financial information containing the additional or amended operating data or financial information.

Section 7. Additional Information.

Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any disclosure made pursuant to Section 4(a) or (b) hereof or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any disclosure made pursuant to Section 4(a) or (b) hereof or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure made pursuant to Section 4(a) or (b) hereof or notice of occurrence of a Listed Event.

Section 8. Law of Maryland.

This Disclosure Agreement, and any claim made with respect to the performance by the County of its obligations hereunder, shall be governed by, subject to, and construed according to the laws of the State of Maryland.

Section 9. Limitation of Forum.

Any suit or other proceeding seeking redress with regard to any claimed failure by the County to perform its obligations under this Disclosure Agreement must be filed in the Circuit Court for Anne Arundel County, Maryland.

Section 10. Limitation on Remedies.

The County shall be given written notice at the address set forth below of any claimed failure by the County to perform its obligations under this Disclosure Agreement, and the County shall be given 15 days to remedy any such claimed failure. Any suit or other proceeding seeking further redress with regard to any such claimed failure by the County shall be limited to specific performance as the adequate and exclusive remedy available in connection with such action. Written notice to the County shall be given to the Office of Finance, Arundel Center, P.O. Box 2700, Annapolis, Maryland 21404, or at such alternate address as shall be specified by the County with disclosures made pursuant to Section 4(a) or (b) hereof or a notice of occurrence of a Listed Event.

Section 11. Relationship to Bonds.

This Disclosure Agreement constitutes an undertaking by the County that is independent of the County's obligations with respect to the Bonds; any breach or default by the County under this Disclosure Agreement shall not constitute or give rise to a breach or default under the Bonds.

Section 12. Beneficiaries.

This Disclosure Agreement shall inure solely to the benefit of the beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity.

(Remainder of Page Intentionally Left Blank)

IN WITNESS WHEREOF this Continuing Disclosure Agreement is being executed on behalf of Anne Arundel County, Maryland and the seal of the County is being impressed hereon attested to by the Administrative Officer to the County Council, as of this ____ day of _____, 2025.

(SEAL)

ANNE ARUNDEL COUNTY, MARYLAND

ATTEST:

By _____
STEUART PITTMAN
County Executive

Administrative Officer to the County Council

**FORM OF ISSUE PRICE CERTIFICATE
FOR QUALIFIED COMPETITIVE BID**

\$ _____
GENERAL OBLIGATION BONDS

Consisting of

[\$ _____ Consolidated General Improvements Series, 2025
\$ _____ Consolidated Water and Sewer Series, 2025]
[\$ _____ Consolidated General Improvements Series, 2025 Refunding Series
\$ _____ Consolidated Water and Sewer Series, 2025 Refunding Series]

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF WINNING BIDDER] (“[SHORT FORM NAME OF WINNING BIDDER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of each series of the Bonds to the Public by [SHORT FORM NAME OF WINNING BIDDER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of each series of the Bonds used by [SHORT FORM NAME OF WINNING BIDDER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT FORM NAME OF WINNING BIDDER] to purchase the Bonds.

(b) [SHORT FORM NAME OF WINNING BIDDER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT FORM NAME OF WINNING BIDDER] constituted a firm bid to purchase the Bonds.

2. Defined Terms.

(a) *Issuer* means Anne Arundel County, Maryland.

(b) *Maturity* means Bonds of a series with the same credit and payment terms. Bonds of a series with different maturity dates, or Bonds of a series with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale or exchange the Bonds. The Sale Date of the Bonds is Wednesday, April 9, 2025.

(e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax and Section 148 Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McKennon Shelton & Henn LLP, as Bond Counsel to the Issuer in connection with rendering its opinions that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that they may give to the Issuer from time to time relating to the Bonds.

[NAME OF WINNING BIDDER],

By: _____

Title: _____

Dated: _____, 2025

SCHEDULE A

Expected Initial Offering Prices of the Bonds

[\$ _____ Consolidated General Improvements Series, 2025
[Insert]

\$ _____ Consolidated Water and Sewer Series, 2025
[Insert]]

[\$ _____ Consolidated General Improvements Series, 2025 Refunding Series
[Insert]

\$ _____ Consolidated Water and Sewer Series, 2025 Refunding Series
[Insert]]

SCHEDULE B

Copy of Bid

[See Attached]

**FORM OF ISSUE PRICE CERTIFICATE FOR
NONQUALIFIED COMPETITIVE BID**

\$ _____
GENERAL OBLIGATION BONDS

Consisting of

[\$ _____ Consolidated General Improvements Series, 2025
\$ _____ Consolidated Water and Sewer Series, 2025]
[\$ _____ Consolidated General Improvements Series, 2025 Refunding Series
\$ _____ Consolidated Water and Sewer Series, 2025 Refunding Series]

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF WINNING BIDDER] (“[SHORT FORM NAME OF WINNING BIDDER]”), [on behalf of itself and [NAMES OF MEMBERS OF THE UNDERWRITING SYNDICATE] (together, the “Underwriting Syndicate”),] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this Certificate, for each Maturity of the General Rule Maturities, the first price at which 10% of such Maturity was sold by [SHORT FORM NAME OF WINNING BIDDER] [THE UNDERWRITING SYNDICATE] to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) [SHORT FORM NAME OF WINNING BIDDER] [THE MEMBERS OF THE UNDERWRITING SYNDICATE] offered the Hold-the-Offering Price Maturities to the Public for purchase at the respective initial offering prices of each series of the Bonds listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Schedule B.

(b) As set forth in the Notice of Sale and bid award, the [SHORT FORM NAME OF WINNING BIDDER] [MEMBERS OF THE UNDERWRITING SYNDICATE] [has] [have] agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, [it] [they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to the foregoing, no Underwriter has offered or sold any Maturity of the Hold-the-Offering Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds of a series during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of each series of the Bonds shown in Schedule A hereto as the “General Rule Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of each series of the Bonds listed in Schedule A hereto as the “*Hold-the-Offering-Price Maturities*.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which [SHORT FORM NAME OF WINNING BIDDER] [the UNDERWRITING SYNDICATE] [has] [have] sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means Anne Arundel County, Maryland.

(e) *Maturity* means Bonds of a series with the same credit and payment terms. Bonds of a series with different maturity dates, or Bonds of a series with the same maturity date but different stated interest rates, are treated as separate Maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is Wednesday, April 9, 2025.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public; and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax and Section 148 Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McKennon Shelton & Henn LLP, as Bond Counsel to the Issuer, in connection with rendering its opinions that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that they may give to the Issuer from time to time relating to the Bonds.

[NAME OF WINNING BIDDER], as
[]

By: _____
Title: _____

Dated: _____, 2025

SCHEDULE A

Sale Prices of the General Rule Maturities

[\$ _____ Consolidated General Improvements Series, 2025
[Insert]

\$ _____ Consolidated Water and Sewer Series, 2025
[Insert]]

[\$ _____ Consolidated General Improvements Series, 2025 Refunding Series
[Insert]

\$ _____ Consolidated Water and Sewer Series, 2025 Refunding Series
[Insert]]

Initial Offering Prices of the Hold-The-Offering-Price Maturities

[\$ _____ Consolidated General Improvements Series, 2025
[Insert]

\$ _____ Consolidated Water and Sewer Series, 2025
[Insert]]

[\$ _____ Consolidated General Improvements Series, 2025 Refunding Series
[Insert]

\$ _____ Consolidated Water and Sewer Series, 2025 Refunding Series
[Insert]]

SCHEDULE B

Pricing Wire or Equivalent Communication

[See Attached]