

Anne Arundel County, Maryland

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

County Executive

Steuart Pittman

County Council

Julie Hummer – Chairperson

Amanda Fiedler

Shannon Leadbetter

Allison Pickard

Lisa Rodvien

Peter Smith

Nathan Volke

Prepared by: Office of Finance – Billie Penley, Controller

**Anne Arundel County, Maryland
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025**

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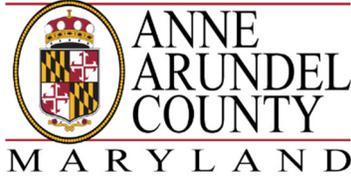
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Steuart Pittman
County Executive

OFFICE OF FINANCE
ARUNDEL CENTER
P.O. BOX 2700
ANNAPOLIS, MARYLAND 21404-2700
(410) 222-1781

Billie Penley
Controller

January 30, 2026

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

I am pleased to submit to you the accompanying Annual Comprehensive Financial Report (ACFR) of Anne Arundel County, Maryland (the County) for the fiscal year ended June 30, 2025. This report is submitted to fulfill the legal requirement that the Controller annually submit a complete financial statement showing the assets, liabilities, and financial condition of the County for the prior year as mandated by Section 16-304 of Maryland's Local Government Article and Section 513 of the County Charter.

The County assumes full responsibility for the accuracy and fairness of the presentation, including all disclosures. We believe the data is accurate in all material respects and reflects the financial position and results of operations for the various funds. Management has established an internal control structure designed to ensure that government assets are protected from loss, theft, or misuse. Management also is responsible for ensuring that the accounting data compiled in preparing our financial statements conforms to the accounting principles generally accepted in the U.S. (GAAP).

This internal control structure is designed to provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management.

SC&H Attest Services, P.C. (SC&H Group), the County's independent public accountants, audited the report's basic financial statements and provided an unmodified ("clean") opinion. SC&H Group's opinion is included within this report.

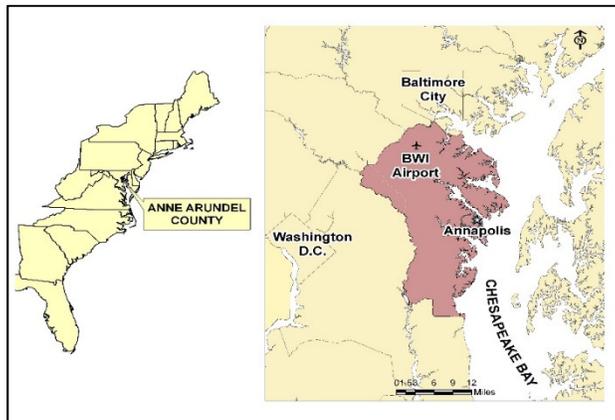
GAAP requires that management provide a narrative introduction, overview, and analysis of the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's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

PROFILE OF THE GOVERNMENT

Anne Arundel County, created in 1650, spans 415 square miles of urban, suburban, and rural terrain. It is situated 13 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's 602,000 residents live and work in an area known for its growing cybersecurity, defense, and hospitality industries; its well-educated workforce; its place as the State capital of Maryland and home to the U.S. Naval Academy; and, reflective of its extensive shoreline, its pioneering efforts on climate resiliency.

The County has operated under a home rule charter since 1964. Its executive functions are vested in a County Executive. The County Executive is elected at-large to serve a four-year term. Lawmaking power is vested in the County Council, which consists of seven members elected by district for a four-year term. The County Executive is limited to two consecutive terms, while County Council members are limited to three consecutive terms.

The County provides a comprehensive range of services, including police and fire protection; recreation and parks; planning and zoning; water, wastewater, solid waste, and stormwater services; street construction and maintenance; and general administrative services.



Budget Process

Anne Arundel County prepares and passes an annual budget, which serves as the foundation for the County's financial planning and controls. The annual budget is introduced by the County Executive via an annual appropriation ordinance that is approved by the County Council. This ordinance maintains budgetary controls at the individual appropriation account level by office or department and by fund that is established in the ordinance in accordance with Section 706 of the County Charter.

The County budget is comprised of the budget message, the current expense budget, and the capital budget and capital program. The general fund and the impact fee fund are subject to annual appropriation for their activities. Special revenue funds, such as the grants fund and debt service funds, are also subject to annual appropriation for their activities.

The transfer of appropriations is permitted in accordance with Section 711 of the County Charter. Transfers are permitted between general classifications of expenditure in the current budget of an office or department and within the same fund as authorized by the County Executive. Transfers between offices or departments and within the same fund of the current budget may only be made upon the recommendation of the County Executive and with the approval of the County Council via ordinance. Transfers between capital projects in the capital budget also require a request be made by the County Executive and with the approval of the County Council via ordinance.

ANNE ARUNDEL COUNTY

The County Executive must submit a budget proposal to the County Council by May 1 of each year. The County Council conducts public hearings and work sessions to review the proposed budget. The County Council cannot alter revenue estimates or increase expenditures, unless expressly provided in State law or to correct mathematical errors. After its review, the County Council finalizes the budget and sets the tax rates, fees, and charges needed to generate enough revenue to balance the budget. The budget must be adopted by the County Council on or before June 15.

The Office of Finance is responsible for budgetary control. Expenditure authority for the operating budget is at the department level within each fund in major categories including personnel costs, operating expenses, and capital costs. Appropriations in the capital budget are at the project level on an annual basis. All unencumbered appropriations of the operating budget lapse at fiscal year-end. Unencumbered capital appropriations continue until the specific capital project is closed.

FACTORS AFFECTING ECONOMIC CONDITION

Local Economy

Anne Arundel County has one of the strongest economies in Maryland, benefitting from its corridor location between Washington, D.C. and Baltimore. The County is part of the third largest combined statistical area in the U.S., as defined by the U.S. Census Bureau. This market contains a population of more than 10 million and its jurisdictions have household incomes at the highest levels in the country.

Major Industries

The County's major industries are in the sectors of Government, Education and Health Services, Trade, Transportation, and Utilities, Manufacturing, Leisure and Hospitality, Information Technology Services, and Professional and Business Services. Driving these industries are the City of Annapolis, with its location as a federal, state, and county government center, a national historic tourist destination, and a maritime recreational center; Baltimore-Washington International Thurgood Marshall Airport, employing approximately 10,000 individuals and transporting an average of 74,000 passengers per day; Fort George G. Meade, a 5,067-acre federal facility employing over 64,000 military and civilians with tenants such as the National Security Agency, Defense Information Systems Agency, and U.S. Cyber Command; and Arundel Mills & Live! Casino & Hotel, a major regional retail, entertainment, office, and hospitality center with a 4,000-seat, 75,000 square foot multi-use concert and event venue. Additionally, the County supports two regional hospitals and related medical offices and service providers, resulting in a robust medical services industry.

Workforce

Anne Arundel County's civilian workforce, measuring approximately 309,000 workers, serves businesses, government agencies, and institutions throughout the Washington-Baltimore Region. Within the County are 277,393 "in-place" jobs (the County's largest employer, the National Security Agency, does not report its employee numbers to any of the State or County statistical reporting agencies and local government jobs in the education and health services sector were not included). The County's workforce is highly skilled with an educational attainment that reports 45.2% of workers age 25 years and older with a bachelor's or advanced graduate degree. The fiscal year 2025 average unemployment rate for Anne Arundel County is 2.3% as compared to the average of 2.2% for fiscal year 2024. This rate is favorable in contrast to the average State unemployment rate of 3.1% and the average national rate of 4.1%.

Housing Market

The number of housing units sold in Anne Arundel County is up 7.6% from 6,819 units in fiscal year 2024 to 7,338 units in fiscal year 2025. This increase is due in part to lower interest rates and the general availability of homes on the market. In contrast, the median price for existing homes is up 1.8% from \$479,674 in fiscal year 2024 to \$488,510 in fiscal year 2025. Additionally, there were just over 1,300 new housing units constructed in Anne Arundel County, which continues the long-term trend of an increase in housing units to keep pace with an increasing county population.

Commercial Real Estate

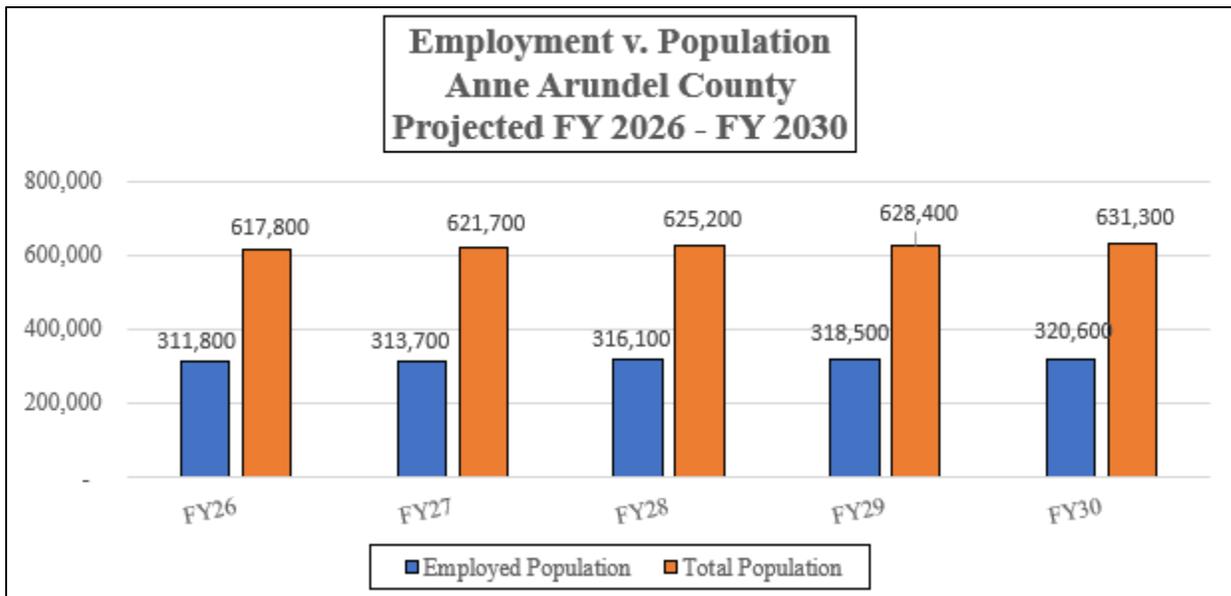
Currently, there are over 64 million square feet of office, flex, and industrial commercial real estate in Anne Arundel County representing over 2,000 properties. The average vacancy rate for all commercial property (office, flex, industrial) in the County is approximately 7.6%, which is down from last year’s vacancy rate of 8.5%. There are notable business and real estate development projects that have been recently completed or are near completion, such as Hanover Logistics Park, Ridge Road Industrial, Beacon Square, and additional buildings at National Business Park.

Economic Outlook

The economic outlook for the County is very favorable and will continue to grow. In addition, years of conservative budgeting and prudent financial management have created a solid foundation for economic stability for the future. Anne Arundel County’s low property and income tax rates make the County attractive for both businesses and families. At \$0.983 per \$100 assessed value, the property tax is the second lowest among the State’s seven largest metropolitan jurisdictions and its progressive local income tax rate is the 5th lowest in the State of Maryland. Revenues from property and income taxes for fiscal year 2025 supported 79% of the County’s budgeted recurring expenditures, and growth in both sources should continue in the future.

With a strong defense and technology industry base, a business community with global reach, a highly educated and skilled workforce, key transportation assets, a strategic location in the Baltimore/Washington D.C. corridor, and favorable property and income tax rates, Anne Arundel County will continue to be a formidable competitor in the State with many businesses making the County their first choice as a location to do business.

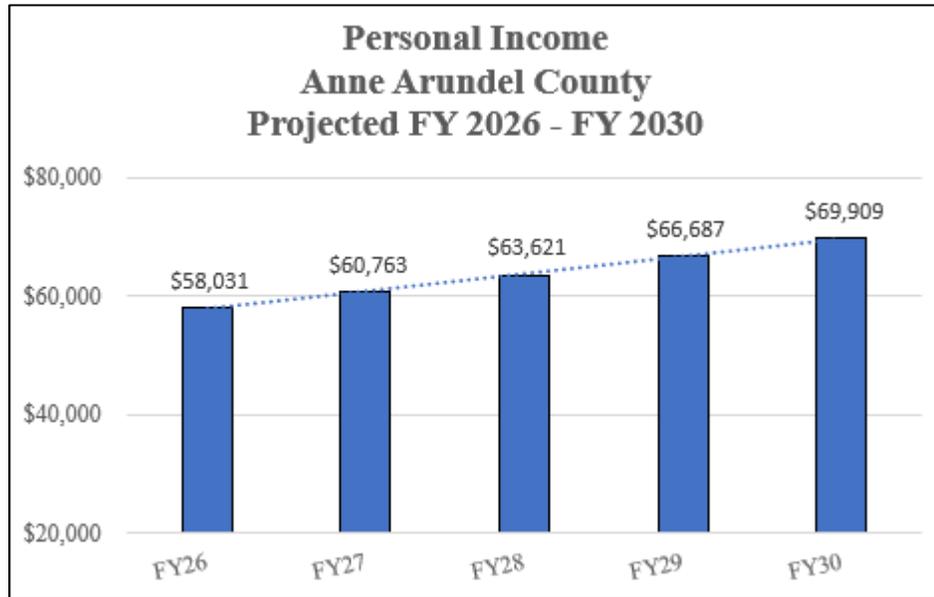
The future economic stability of the County is evident in projected employment levels. As the chart below shows, the total population of the County is projected to grow 2.2% between fiscal years 2026 and 2030, with the employed population projected to grow in close alignment at 2.8% over that same time period. These projections likely indicate that employment will continue to be a steady contributor to the County’s economic future.



Source: Moody’s Analytics.

Another contributor to the County’s attractiveness to businesses and families is the projected growth in personal income. Personal income is projected to increase by 20.5% between fiscal years 2026 and 2030, as shown in the

following chart. As with the stable employment levels noted above, strong projected personal income growth further highlights the County’s favorable economic outlook.



Source: Moody’s Analytics.

Long-Term Financial Planning

The following three structures exemplify the County’s approach to long-term financial planning:

Permanent Public Infrastructure Fund: The County allows up to \$21 million annually in funds for permanent public infrastructure to be used as a funding source for permanent public improvements in the capital budget as a result of bill number 42-19 which passed at the end of fiscal year 2019. The fund balance at the end of fiscal year 2025 is approximately \$22.0 million.

Rainy Day Fund: The County maintains a Revenue Reserve Fund (Rainy Day Fund) which is included in the unassigned category of the General fund balance. The Fund has increased from a low of about \$16.0 million at the end of fiscal year 2010 to approximately \$170.7 million at the end of fiscal year 2025. This increase is the result of revenues exceeding expenditures for fiscal years subsequent to 2010 and transfers to this Fund as part of the budget process. Beginning in fiscal year 2024, the maximum budgetary fund balance cannot exceed an amount equal to 8.0% of the estimated General Fund revenues. For fiscal year 2026, \$5.7 million is anticipated to be transferred to the fund resulting in an estimated \$178.8 million fund balance.

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

The Committee recommends revenue projections and the amount of new County debt authorization for the upcoming fiscal year, along with the impact of its recommendations on future budgets. It also assesses the County’s ability to repay bond debt and issues an annual report defining the debt capacity of the County.

Financial Policies

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

Use of One-Time Revenues: The County distinguishes between ongoing revenues and one-time revenues in preparing its annual budget. The County's policy is that one-time revenues should be used for one-time expenditures.

Investment Policy: The County's investment policy provides for the safety and liquidity of public funds by minimizing credit and market risk. All deposits of the Primary Government at June 30, 2025 were either insured by federal depository insurance or collateralized with the collateral held by an independent third party in the County's name. Investment activities are governed by State laws and, accordingly, the County invests in accordance with these laws.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement in Financial Reporting to Anne Arundel County, Maryland for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. This was the forty-fourth consecutive year that the County has received this prestigious award.

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

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

I want to give a very special thank you to our Financial Reporting Team. This year's report would not have been possible without the countless hours and vast expertise they devoted over the course of many months. Each and every team member's efforts and knowledge were invaluable. I deeply appreciate the dedication they and the entire Office of Finance staff exhibit throughout the year in providing the County and its residents with superior service. I would also like to thank the County Executive, the Chief Administrative Officer, the Chief of Staff, and the County Council for their leadership and unwavering support in attaining the highest standards of professionalism in the management of Anne Arundel County's finances.

Sincerely,



Billie Penley
Controller

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Anne Arundel County
Maryland**

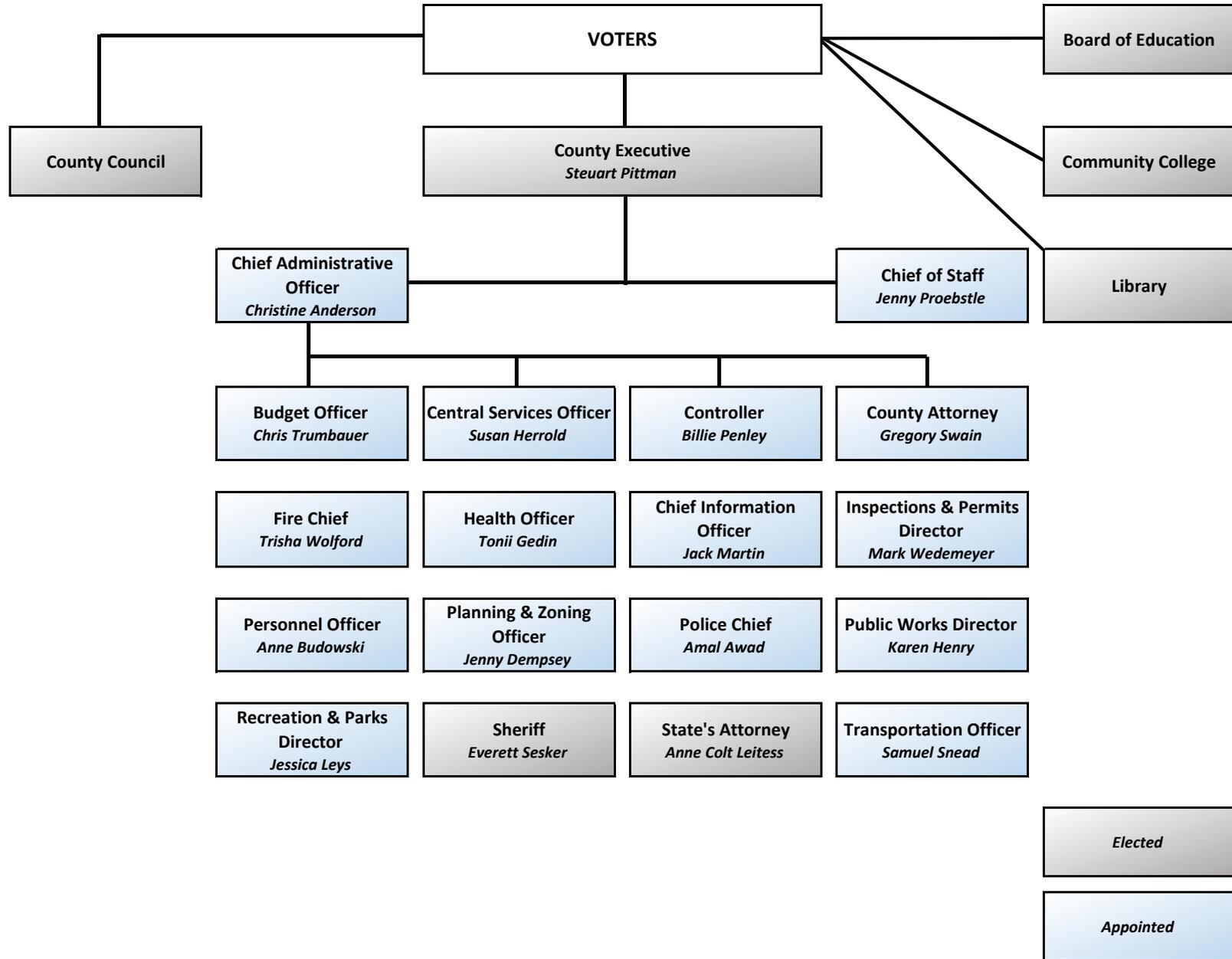
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Anne Arundel County, Maryland



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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anne Arundel County, Maryland (the County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general and grants special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

Component	Percentage of Opinion Unit		
	Total Assets	Total Liabilities	Total Operating Revenues
units Major			
Board of Education	88.6%	91.8%	89.0%
Community College	9.6%	4.8%	8.2%
Non-Major			
Economic Development	0.3%	0.7%	0.3%
Tipton Airport	0.6%	0.1%	0.2%
Workforce Development	0.2%	0.4%	0.6%
Total Percentage of Component Units	99.3%	97.8%	98.3%
Fiduciary Funds			
Pension Trust Fund	78.2%	89.2%	67.8%
Health Benefits Trust Fund	21.0%	1.1%	31.1%
Total Percentage of Fiduciary Funds	99.2%	90.3%	98.9%



Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 1 to the basic financial statements, the County adopted new accounting guidance, GASB No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

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

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2026 on our consideration of the County's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal controls over financial reporting and compliance.

Very truly yours,

SC+H Attest Services, P.C.

January 30, 2026

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Introduction

The following Management Discussion and Analysis (MD&A) offers an overview and analysis of the basic financial statements for the fiscal year ending June 30, 2025. The statements address the following three key areas:

Near-term financing, or the County’s ability to meet its short-term financial obligations promptly;

Financial position, or the County’s current and determined future financial health; and

Economic condition, or the likelihood of the County’s financial position improving or deteriorating.

The MD&A should be viewed in conjunction with other sections of the ACFR, including the transmittal letter and notes to the basic financial statements.

Financial Highlights

The following chart highlights the changes in the County's net position, total revenues, and total expenses between FY 2025 and FY 2024.

	Governmental Activities				Business-Type Activities				Total			
	2025	2024	\$	%	2025	2024	\$	%	2025	2024	\$	%
Net Position	\$ 388.8	\$ (24.5)	\$ 413.3	1686.9%	\$ 1,273.1	\$ 1,296.2	\$ (23.1)	-1.8%	\$ 1,661.9	\$ 1,271.7	\$ 390.2	30.7%
Total Revenues*	2,745.7	2,314.6	431.1	18.6%	311.8	274.4	37.4	13.6%	3,057.5	2,589.0	468.5	18.1%
Total Expenses	2,331.7	2,236.3	95.4	4.3%	333.1	307.5	25.6	8.3%	2,664.8	2,543.8	121.0	4.8%

*Does not consider transfers between governmental activities and business-type activities.

Note: Amounts shown in millions.

Governmental Activities-Net position net increase of \$413.3 million or 1686.9%: Due to an increase of \$413.1 million in unrestricted current assets, the result mainly attributable due to an increase of \$344.2 million in local income taxes compared to the prior year. This is also inclusive of a change in accounting principle.

Business-Type Activities-Net position net decrease of \$23.1 million or 1.8%: Due to a decrease of \$9.5 million in net investment in capital assets and a decrease of \$15.3 million in unrestricted funds, the result attributable to expenses exceeding revenues for water and wastewater activities and waste collection activities. This is also inclusive of a change in accounting principle.

Governmental Activities-Total revenues net increase of \$431.1 million or 18.6%: Due to an increase of \$344.1 million, or 43.0%, in local income taxes, the result of an increase in the progressive tax rate. General property taxes also increased by \$37.5 million, or 4.0%, due to assessment increases and a tax rate increase. Recordation and transfer taxes also increased by \$19.7 million, or 19.7%, due to an increase in volume of activity and general increases in the consideration for such transactions.

Business-Type Activities-Total revenues net increase of \$37.4 million or 13.6%: This was the result of an increase in capital grants and contributions of \$19.1 million, or 3.2%, and an increase in charges for services of \$17.5 million, or 9.6%.

Governmental Activities-Total expenses net increase of \$95.4 million or 4.3%: This was the result of an increase in education expenses of \$32.6 million, or 3.2%, an increase in public safety expenses of \$26.8 million, or 4.8%, and an increase in general government expenses of \$21.9 million, or 10.1%. These were partially offset by a \$19.2 million decrease in debt service.

Business-Type Activities-Total expenses net increase of \$25.6 million or 8.3%: Mainly due to an increase in water and wastewater expenditures of \$16.4 million, or 7.3%.

Section A: Overview of Basic Financial Statements

The basic financial statements consist of the following:

Government-wide financial statements: Provide a long-term view of the County's finances. They record revenues and expenses when the earnings process is complete (full accrual basis), as opposed to when they are received or paid (cash basis). Government-wide financial statements include the following statements:

Statement of Net Position: reports the difference between assets, deferred outflow of resources, liabilities, and deferred inflow of resources at the end of the fiscal year. It excludes fund balances. Over time, changes in net position may indicate improvement or deterioration in financial condition.

Statement of Activities: shows the changes in net position (revenue net of expenses) of functions individually and in the aggregate.

The Statement of Net Position and the Statement of Activities categorize primary government operations into governmental activities, business-type activities, and component units.

Governmental activities: are primary government functions that are principally supported by taxes and other general revenue sources. Governmental activities include education, public safety, general government, health and human services, public works, recreation and community services, judicial functions, code enforcement, and land use and development.

Business-type activities: are government functions that are primarily supported by user fees. Business-type activities include utility services, waste collection, and child care services.

Component units: are entities that the County provides substantial funding for and/or the County Executive appoints a majority of the entities' Board members, implying a substantial degree of control over their management. Component units include the Board of Education, Community College, Library, Economic Development Corporation, Tipton Airport, and Workforce Development Corporation.

Fund financial statements: Report detailed information on different fund types within the primary government. Unlike government-wide statements, fund financial statements are on a modified accrual basis. Information about major funds such as the General Fund, the Impact Fees Capital Projects Fund, and the General County

Capital Projects Fund, are shown in separate columns due to their size or significance. Non-major funds are aggregated into one column known as "Other Non-Major Funds." Fund financial statements include the following statements:

Governmental Funds

Balance Sheet: presents the net assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting in fund balances.

Statement of Revenues, Expenditures, and Changes in Fund Balances: shows changes in revenues, expenditures, and fund balances from the beginning of the fiscal year to the end of the fiscal year.

Proprietary Funds

Statement of Net Position: reports the difference between assets, deferred outflow of resources, liabilities, deferred inflow of resources, and net position at the end of the fiscal year. It excludes fund balances.

Statement of Revenues, Expenses, and Changes in Net Position: reports changes in net position from the beginning to the end of the fiscal year, showing the results of the County's operations and the extent to which tax revenues cover net costs.

Statement of Cash Flows: reflects the effects of cash receipts and cash payment activity during the fiscal year.

Fiduciary Funds

Statement of Fiduciary Net Position: provides the assets, deferred outflows of resources, liabilities, deferred outflows, and net position for each fiduciary fund.

Statement of Changes in Fiduciary Net Position: reports changes in net position from the beginning to the end of the fiscal year, showing the results of custodial activity related to funds held in trust by the County.

Fund financial statements provide detailed information about the following fund types:

Governmental funds: comprised of funds that are typically supported by tax revenues. These funds include the General Fund, grant funds, special revenue funds, debt service funds, and capital project funds. Special revenue funds are used to segregate revenue sources to ensure they are spent for their intended purpose. Debt service funds are used to accumulate resources to pay certain long-term

debt issued by the County or separate districts. Since governmental fund statements focus primarily on the sources, uses, and balances of current financial resources and often have a budgetary focus, the statements help determine whether there are more or less financial resources available shortly to finance County programs.

Proprietary funds: focus on major funds and include enterprise and internal service funds.

Enterprise funds: support services primarily for external customers. Enterprise funds include the Water and Wastewater Fund, the Solid Waste Fund, and the Child Care Fund.

Internal service funds: primarily provide benefits to other funds, departments, or agencies of the County. Internal service funds are used to accumulate and allocate costs internally among the County's various functions. Because these services predominantly benefit governmental rather

than business-type functions, they have been included within governmental activities in the government-wide financial statements. Transactions for these funds are recorded using the full accrual basis of accounting. Long-term assets and liabilities are recorded on the statements. Internal service funds include the Self Insurance Fund, Health Insurance Fund, Central Garage and Transportation Fund, and Garage Replacement Fund.

Fiduciary funds: Reflect monies held for the benefit of parties outside the County and retired government employees. The County's four defined benefit pension plans that form the Retirement System Pension Trust Funds and the Retirees Health Benefits Trust Fund are included in this category. Also included in this category are custodial funds. Custodial funds are used to accumulate temporary deposits and other funds collected from outside parties. The funds will then be either returned to the payer or passed on to a third party. These funds follow the full accrual method of accounting.

The following chart summarizes the scope, fund types, required financial statements, measurement focus, and basis of accounting for both government-wide statements and fund financial statements

	Government-wide Statements			Fund Statements		
	Governmental Activities	Business-Type Activities	Discretely Presented Component Units	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope of the Report and Fund Types	Activities generally financed through taxes, intercounty revenues, and other non-exchange revenues	Activities financed in whole or in part by fees charged to external parties for goods and services	Legally separate organizations for which the elected officials of the primary government are financially accountable	<ul style="list-style-type: none"> • General Fund • Grants Fund • Special Revenue Funds • Debt Service Funds • Capital Projects Funds <p>Generally used to account for tax-supported activities.</p>	<ul style="list-style-type: none"> • Enterprise Funds • Internal Services Funds <p>Activities focus on the determination of operating income, changes in net position, financial position, and cash flow</p>	<ul style="list-style-type: none"> • Custodial Funds • Pension Trust Funds • Private Purpose Trust Funds <p>Activities held in a trustee or custodial capacity for others and therefore cannot be used to support the government's programs.</p>
Required Financial Statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 			<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenses, and Changes in Net Position • Statement of Cash Flows 	<ul style="list-style-type: none"> • Statement of Fiduciary Net Position • Statement of Changes in Fiduciary Net Position
Measurement Focus and Basis of Accounting	Economic resources and accrual basis			Current financial resources and modified accrual basis	Economic resources and accrual basis	Accrual basis

Budgetary Statements: Compare General Fund and Grants Special Revenue Fund expenditures against their appropriations. The statements use the budgetary method when accounting for transactions. Revenues are generally recognized when available, and expenditures are recognized when a commitment, in the form of a purchase order or contract, has been issued to a vendor.

Notes to the Basic Financial Statements: Provide additional information essential to a full understanding of government-wide and fund financial statements.

Required Supplementary Information: Provide trend data for the Pension Trust Funds and Other Post-Employment Benefits (OPEB).

Section B: Financial Data and Management’s Analysis

Government-wide Statements

Statement of Net Position

The following condensed Statement of Net Position lists current and non-current assets, deferred outflow of resources, current and non-current liabilities, and deferred inflow of resources for fiscal years 2025 and 2024.

Anne Arundel County, Maryland						
Statement of Net Position						
	Governmental		Business-type		Totals	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
Assets:						
Current	\$ 1,197,943,342	\$ 924,691,581	\$ 211,017,040	\$ 201,530,348	\$ 1,408,960,382	\$ 1,126,221,929
Restricted - Current	697,820,760	568,799,431	273,792,158	273,383,133	971,612,918	842,182,564
Restricted - Noncurrent	-	-	20,687,905	20,797,690	20,687,905	20,797,690
Other Noncurrent	-	3,961,813	-	4,046,650	-	8,008,463
Capital	1,897,097,390	1,771,523,001	1,966,679,713	1,948,164,169	3,863,777,103	3,719,687,170
Total	<u>3,792,861,492</u>	<u>3,268,975,826</u>	<u>2,472,176,816</u>	<u>2,447,921,990</u>	<u>6,265,038,308</u>	<u>5,716,897,816</u>
Deferred outflow of resources	<u>260,167,842</u>	<u>385,723,977</u>	<u>18,747,309</u>	<u>29,513,573</u>	<u>278,915,151</u>	<u>415,237,550</u>
Liabilities:						
Current	304,760,468	297,582,639	100,262,734	92,343,758	405,023,202	389,926,397
Restricted - current	80,631,345	89,800,122	9,681,806	13,539,840	90,313,151	103,339,962
Noncurrent	3,015,192,376	3,002,504,802	1,065,084,491	1,038,182,794	4,080,276,867	4,040,687,596
Total	<u>3,400,584,189</u>	<u>3,389,887,563</u>	<u>1,175,029,031</u>	<u>1,144,066,392</u>	<u>4,575,613,220</u>	<u>4,533,953,955</u>
Deferred inflow of resources	<u>263,664,532</u>	<u>289,321,526</u>	<u>42,819,450</u>	<u>37,134,710</u>	<u>306,483,982</u>	<u>326,456,236</u>
Net Position:						
Net investment in capital assets	612,096,336	758,123,683	1,008,430,918	1,017,976,397	1,620,527,254	1,776,100,080
Restricted	439,253,311	291,347,741	276,318,426	274,646,268	715,571,737	565,994,009
Unrestricted	(662,569,034)	(1,073,980,710)	(11,673,700)	3,611,796	(674,242,734)	(1,070,368,914)
Total net position	<u>\$ 388,780,613</u>	<u>\$ (24,509,286)</u>	<u>\$ 1,273,075,644</u>	<u>\$ 1,296,234,461</u>	<u>\$ 1,661,856,257</u>	<u>\$ 1,271,725,175</u>

Unrestricted current assets in governmental activities increased by \$273.3 million, or 29.6%, in fiscal year 2025. This increase was primarily driven by a \$243.0 million increase in taxes and other revenue receivable. A decrease of \$71.0 million in cash and temporary investments was offset by a \$96.5 million increase in prepaid and other assets.

The unrestricted current assets of business-type activities increased by \$9.5 million, or 4.7%. This increase was primarily driven by a \$2.7 million increase in cash and temporary investments, a \$4.4 million increase in service billings receivable, and a \$2.8 million increase in lease

receivable. A decrease of \$1.6 million in other revenue receivable partially offset the total increases.

Restricted current assets in governmental activities increased by \$129.0 million, or 22.7%, in fiscal year 2025. This was the result of an increase in cash and temporary investments and influenced by a shift of investment to those with longer terms and better interest rates.

The restricted current assets of business-type activities increased by \$0.4 million, or 0.1%. This was the result of an increase of \$3.9 million in investments that was offset by a \$3.5 million decrease in cash and temporary investments, as

investments were shifted to those with longer terms and better interest rates.

Restricted noncurrent assets in governmental activities reflect annual adjustments in reported balances.

The restricted noncurrent assets of business-type activities also reflect annual adjustments in reported balances.

Unrestricted current liabilities in governmental activities increased by \$7.2 million, or 2.4%, in fiscal year 2025. This increase was primarily driven by an increase of \$4.8 million in the current portion of non-current liabilities, an increase of \$2.6 million in the current portion of subscription liability, and an increase of \$1.9 million in the amount due to component units. A decrease of \$3.3 million in accounts payable and accrued liabilities partially offset the total increase.

The current unrestricted liabilities of business-type activities increased by \$7.9 million, or 8.6%. This increase was primarily driven by a \$5.5 million increase in accounts payable and accrued liabilities. There was also an increase of \$2.2 million in the current portion of non-current liabilities.

Restricted current liabilities in governmental activities decreased by \$9.2 million, or 10.2%, in fiscal year 2025.

This decrease was primarily driven by a \$22.8 million decrease in unearned revenue. An increase of \$13.5 million in accounts payable and accrued liabilities partially offset the total decrease.

The restricted current liabilities of business-type activities decreased by \$3.9 million, or 28.9%. This decrease was primarily driven by a \$4.5 million decrease in unearned revenue.

Noncurrent liabilities in governmental activities increased by \$12.7 million, or 0.4%, in fiscal year 2025. This decrease was primarily driven by a \$40.3 million decrease in net OPEB liability. There was also a decrease of \$26.6 in net pension liability. Increases of \$62.2 million in long-term debt, \$11.1 million in unpaid insurance claims, and \$8.0 million in subscription liability partially offset the total decrease.

The noncurrent liabilities of business-type activities increased by \$26.9 million, or 2.6%. This increase was primarily driven by a \$31.6 million increase in long-term debt. A decrease of \$4.3 million in net OPEB liability and a decrease of \$2.3 million in net pension liability partially offset the total increase.

The following table shows the fluctuations in the unrestricted net position in the governmental activities over the past four years.

Governmental Activities-Unrestricted Net Position Fluctuations

<u>Fiscal year</u>	<u>Balance (in millions)</u>	<u>Fiscal year</u>	<u>Balance (in millions)</u>
2022	\$ (1,034.1)	2024	\$ (1,074.0)
2023	(1,030.3)	2025	(662.6)

Statement of Activities

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

	Governmental		Business type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
Program Revenues:						
Charges for services	\$ 240,858,740	\$ 220,166,992	\$ 199,870,588	\$ 182,350,702	\$ 440,729,328	\$ 402,517,694
Operating grants & contributions	80,412,459	84,567,409	-	-	80,412,459	84,567,409
Capital grants & contributions	63,051,934	49,342,185	78,293,156	59,098,859	141,345,090	108,441,044
	<u>384,323,133</u>	<u>354,076,586</u>	<u>278,163,744</u>	<u>241,449,561</u>	<u>662,486,877</u>	<u>595,526,147</u>
General Revenues:						
General property taxes	984,825,737	947,346,310	-	-	984,825,737	947,346,310
Local income taxes	1,143,468,399	799,311,405	-	-	1,143,468,399	799,311,405
State shared taxes	20,322,333	17,677,360	-	-	20,322,333	17,677,360
Recordation & transfer taxes	119,554,895	99,883,607	-	-	119,554,895	99,883,607
Local sales taxes	32,583,586	33,579,384	-	-	32,583,586	33,579,384
Investment income	60,590,727	62,737,085	12,385,682	10,089,423	72,976,409	72,826,508
Other revenue			21,277,950	22,882,803	21,277,950	22,882,803
	<u>2,361,345,677</u>	<u>1,960,535,151</u>	<u>33,663,632</u>	<u>32,972,226</u>	<u>2,395,009,309</u>	<u>1,993,507,377</u>
Total revenues	<u>2,745,668,810</u>	<u>2,314,611,737</u>	<u>311,827,376</u>	<u>274,421,787</u>	<u>3,057,496,186</u>	<u>2,589,033,524</u>
Expenses:						
Education	1,054,797,724	1,023,308,439	-	-	1,054,797,724	1,023,308,439
Public safety	596,824,734	560,008,345	-	-	596,824,734	560,008,345
General government	240,813,563	215,829,373	-	-	240,813,563	215,829,373
Health & human services	138,636,786	129,641,599	-	-	138,636,786	129,641,599
Public works	69,247,958	63,717,833	-	-	69,247,958	63,717,833
Recreation & community services	106,051,428	103,794,836	-	-	106,051,428	103,794,836
Judicial	51,052,209	48,958,373	-	-	51,052,209	48,958,373
Code enforcement	24,584,970	23,324,026	-	-	24,584,970	23,324,026
Land use & development	17,299,404	16,142,886	-	-	17,299,404	16,142,886
Interest expense on debt and leases	32,411,194	51,582,758	-	-	32,411,194	51,582,758
Water & wastewater	-	-	241,140,582	224,735,791	241,140,582	224,735,791
Waste collection	-	-	83,881,451	74,362,390	83,881,451	74,362,390
Child care	-	-	8,127,922	8,418,330	8,127,922	8,418,330
Total expenses	<u>2,331,719,970</u>	<u>2,236,308,468</u>	<u>333,149,955</u>	<u>307,516,511</u>	<u>2,664,869,925</u>	<u>2,543,824,979</u>
Change in net position before transfers	413,948,840	78,303,269	(21,322,579)	(33,094,724)	392,626,261	45,208,545
County Transfer	1,517,421	1,098,258	(1,517,421)	(1,098,258)	-	-
Change in Net Position	<u>415,466,261</u>	<u>79,401,527</u>	<u>(22,840,000)</u>	<u>(34,192,982)</u>	<u>392,626,261</u>	<u>45,208,545</u>
Net position as previously reported, July 1	(24,509,286)	(103,910,813)	1,296,234,461	1,330,427,443	1,271,725,175	1,226,516,630
Change in Accounting Principle	<u>(2,176,362)</u>		<u>(318,817)</u>		<u>(2,495,179)</u>	
Net position, July 1 (as restated)	<u>(26,685,648)</u>		<u>1,295,915,644</u>		<u>1,269,229,996</u>	
Net position, June 30	<u>\$ 388,780,613</u>	<u>\$ (24,509,286)</u>	<u>\$ 1,273,075,644</u>	<u>\$ 1,296,234,461</u>	<u>\$ 1,661,856,257</u>	<u>\$ 1,271,725,175</u>

Revenues in Governmental Activities increased from the prior fiscal year by \$431.1 million, or 18.6%. This increase was primarily driven by a \$344.2 increase in local income taxes. This was due to an increase in the County's progressive income tax rates.

There was an increase of \$37.5 million in general property taxes due to an increase in the County's tax rate and real property assessment increases. There was also an increase \$19.7 million in recordation and transfer taxes due to the volume of transactions and a general increase in the consideration associated with these transactions.

Expenses in Governmental Activities increased from the prior fiscal year by \$95.4 million, or 4.3%. This increase was primarily driven by a \$36.8 million increase in public safety and a \$25.0 million increase in general government. These were due to new positions programmed in the budget and salary enhancements.

There was also an increase of \$31.5 million in education. This was due to maintenance of effort requirements imposed by the State of Maryland and salary enhancements.

This was offset by a decrease of \$19.2 million in interest expenses on debt and leases. This was due to refinancing of County debt to benefit from lower interest rates.

Revenues in Business-type Activities increased from the prior fiscal year by \$37.4 million, or 13.6%. This was primarily driven by a \$19.2 million increase in capital grants and contributions. This reflects the continued investment in public infrastructure.

There was also a \$17.5 million increase in charges for services. This was due to an increase of associated usage rates.

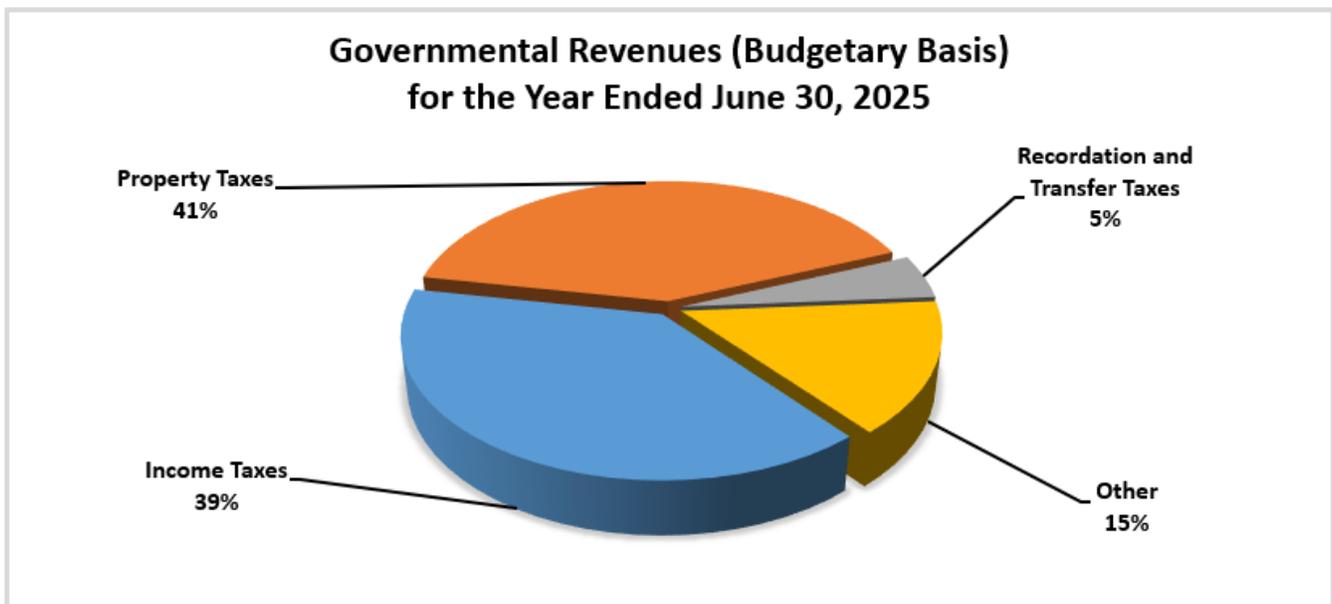
Expenses in Business-type Activities increased from the prior fiscal year by \$25.6 million, or 8.3%. This was primarily driven by a \$16.4 million increase in water and wastewater expenses. This was due to an increase in costs associated with water treatment programs.

There was also a \$9.5 million increase in waste collection expenses. These were due to increase costs associated with fuel and operations for curbside collection efforts.

Section C: Distribution of Revenues and Expenses

General Fund Revenues

The following chart shows the percentage distribution of revenues from governmental activities and the percentage expended on each function.



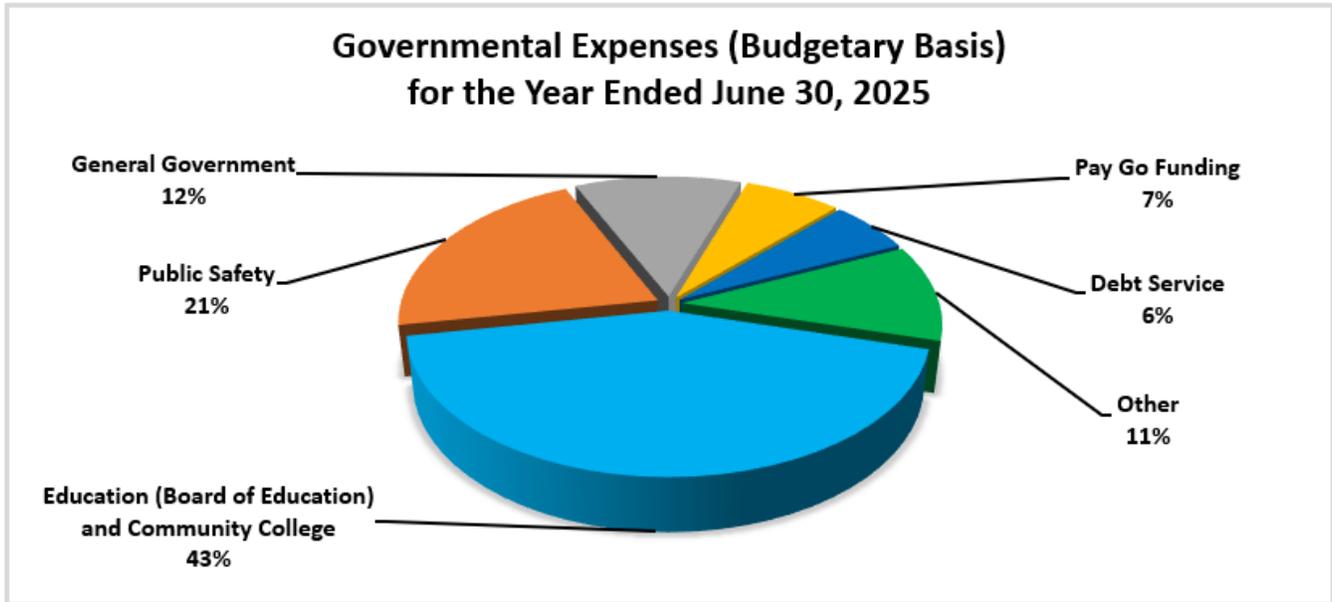
General revenue sources continue to provide the vast majority of the County’s revenue. Tax revenues for fiscal year 2025 provided 85% of the revenue base, consistent with fiscal year 2024. Charges for services paid to the County by users were 4% for fiscal year 2025 which decreased slightly from 5% in fiscal year 2024.

An analysis of the percentage distribution of revenues shows property tax revenue decreased from 42% to 41% and income tax revenue remained consistent at 39%. Recordation and transfer tax revenue remained consistent at 5%. Fees for services and other revenues increased from 3% to 4%.

The movement in tax revenues for fiscal year 2025 was mainly due to the following:

- Property tax revenue reflects increased property tax rates and assessments for real property.
- Local income taxes reflect increased progressive tax rates levied on County residents.
- Recordation and transfer taxes reflects increased volume of property sales and the consideration of these transactions.

General Fund Expenses



An analysis of the percentage distribution of expenses by function revealed that education expenses in fiscal year 2025 comprised 43% of total government expenses, consistent with fiscal year 2024. Public safety expenses also remained consistent at 21%, as did general government expenses remaining consistent at 12%.

The only notable changes to expenses were a decrease in debt service from 7% in fiscal year 2024 to 6% in fiscal year 2025 and an increase in pay go funding from 5% in fiscal year 2024 to 7% in fiscal year 2025.

The major components of the changes in governmental activities expenses include the following:

- Education expenses increased due to an increase in pension expenses, slightly offset by decreased OPEB expenditures. Additionally, expenditures increased due to stimulus-related spending to run schools, pay salaries, purchase supplies, and communication equipment, and maintain and operate infrastructure.
- Public safety expenses increased due to pay packages to employees, pension expenses, and fringe benefits, which were slightly offset by decreased expenditures in the OPEB Plan.
- Pay go funding increased as a result of the utilization of one-time funds available for capital projects, which reduced the need for recurring debt service payments.

Section D: Fund Statements

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

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unrestricted fund balances can serve as a useful measure of a government's net resources available for discretionary spending at the end of the fiscal year. Whereas restricted fund balances represent the portion of fund balance that has been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County's Council.

General Fund

Total assets in the General Fund increased by \$253.3 million or 29.8%, to \$977.6 million from \$724.4 million in the prior fiscal year. The increase primarily occurred in Local Sales Taxes receivable of \$257.6 million. The total fund balance decreased by \$1.4 million, from \$529.7 million to \$528.2 million.

General Fund revenues increased by \$129.0 million, or 6.1%, from \$2.1 billion to \$2.2 billion. The increase was primarily due to revenues from general property tax, local income tax, and recordation and transfer taxes of \$34.3 million, \$50.2 million, and \$20.1 million, respectively, offset by a decrease in ambulance fees revenue of \$5.2 million. The increase in general property tax revenue was attributable to an increase in the taxable assessments for the County, while the increase in local income taxes was due to additional revenues collected by the State. Expenditures increased by \$140.0 million or 6.9%, from \$2.0 billion to \$2.1 billion over the same period.

The County has a Revenue Reserve Fund which is included in the unassigned category of General Fund balance. This reserve may only be used when revenues fall below budget expectations and would require legislative action. The fund has been in existence since fiscal year 1994 and has been drawn upon by management in fiscal years 2009 and 2010 in the amounts of \$16.8 million and \$16.0 million, respectively, as a result of underperforming revenues during the 2008-2009

recession. At the end of the current fiscal year, the balance of the reserve fund was \$170.7 million. The increase from the prior fiscal year is due to a current-year contribution of \$17.6 million.

The County also has set aside \$22.0 million for permanent public infrastructure which is included in the restricted fund balance of the General Fund.

Grants Fund

The Grants Fund remains a significant source of funding in the current fiscal year, primarily due to the inflow and outflow of ARPA grants received from federal and state government sources. Budgetary revenues in the Grants Fund increased by \$37.0 million, largely because multiyear ARPA grant funds that had not been spent in previous years were collected this year.

The balance of the Grants Fund increased by \$1.6 million, which represents a 11.7% rise, shifting from a negative \$13.9 million in fiscal year 2024 to a negative \$12.3 million in fiscal year 2025. This improvement in the fund balance is attributed to a reduction in expenditures, as well as an increase in billings and collections from federal and state agencies.

The County's Grants Fund primarily operates on a reimbursement basis, meaning that expenditures are incurred first, and then reimbursements are requested. The overall fund balance remains negative due to unpaid grant reimbursements at the end of the fiscal year.

Impact Fees Capital Project Fund

The Impact Fees Capital Project Fund retains developer impact fees until needed for the construction of capital assets. The total fund balance increased by \$5.5 million or 4.0%, from \$137.1 million in fiscal year 2024 to \$142.7 million in fiscal year 2025. This was mainly a result of impact fee revenues and investment income of \$22.0 million exceeding impact fee expenses of \$1.2 million and transfers out to capital projects of \$15.3 million. The amounts transferred are used for the construction of capital assets and to pay off debt, both of which are related to impact fee-eligible projects.

General County Capital Projects Fund

The General County Capital Projects Fund's total assets increased by \$127.9 million or 423% in fiscal year 2025 to \$429.6 million. This is primarily due to a \$126.7 million increase in cash and investments at the end of the fiscal year. Amounts due from the Board of Education increased by \$0.2 million.

Liabilities increased by \$15.8 million compared to the prior fiscal year, primarily due to a \$14.3 million increase in Accounts Payable due to the timing of the close of the year. Deferred inflow of resources increased by \$4.7 million due to an increase in unavailable grant and program revenue. The change in fund balance from the prior fiscal year increased from \$238.5 million to \$345.9 million in fiscal year 2025.

Revenues in the General County Capital Projects Fund increased by \$15.1 million in fiscal year 2025 to \$48.2 million. Expenditures in this fund increased by \$3.8 million which was mainly attributable to major capital outlay projects including information technology enhancements of \$10.6 million, Broadneck Peninsula Trail of \$9.5 million, county facilities and system upgrade of \$11.6 million, and road infrastructure projects of \$36.9 million. The Board of Education was down by \$17.1 million for the year ending June 2025. Major capital projects in education this fiscal year included:

- Building system renovations for \$21.4 million
- Old Mill West High Schools for \$11.3 million

Proprietary Funds

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

The Water and Wastewater Fund's assets totaled \$2.3 billion at the end of fiscal year 2024. Capital assets increase each year as capital projects are completed and developer-donated water and sewer facilities are added. The main increase in liabilities was an increase in debt of \$30.1 million. As a result of the changes in assets and liabilities, the Water and Wastewater Fund's net position decreased by \$35.8 million or 2.9%.

The Statement of Revenues, Expenses, and Changes in Fund Net Position of the Water and Wastewater Fund had an increase in operating revenues of \$5.8 million. This was primarily due to an increase in water and sewer rates by 6.8%.

Operating expenses increased \$12.4 million or 6.7%, mainly from an increase in contractual services of \$11.4 million. The services included supplies of \$8.7 million, and contractors, and vehicle lease rates that increased by \$0.5 million and \$0.4 million respectively.

The Solid Waste Fund's assets increased by \$3.7 million mainly due to solid waste renovations of \$6.7 million and

a decrease of cash of \$3 million. Liabilities increased by \$3.7 million from the prior fiscal year mainly due to an increase in landfill closure and post closure costs of \$1.4 million, an increase in debt of \$3.2 million and a decrease in accrued liabilities for Pension and OPEB of \$1.0 million.

The Statement of Revenues, Expenses, and Changes in Fund Net Position for Solid Waste Operating expenses increased by \$9.0 million due primarily to an increase in contract pricing for curbside collections, special recycling services, and special disposal services of approximately \$4.5 million, an increase in depreciation of \$2.2 million as well as the closure costs related to Cell 9 landfill of \$2.3 million.

Fiduciary Funds

Fiduciary funds include the Pension Trust Funds, the OPEB Trust Fund, and Custodial Funds. The Pension Trust Funds are presented for the calendar year ended December 31, 2024. Total investments in the Pension Trust increased by \$208.9 million or 9.0% in calendar year 2024. The Pension Fund's net position increased from \$2.3 billion to \$2.6 billion or 9.7% mainly due to an increase in net appreciation in market value of investments.

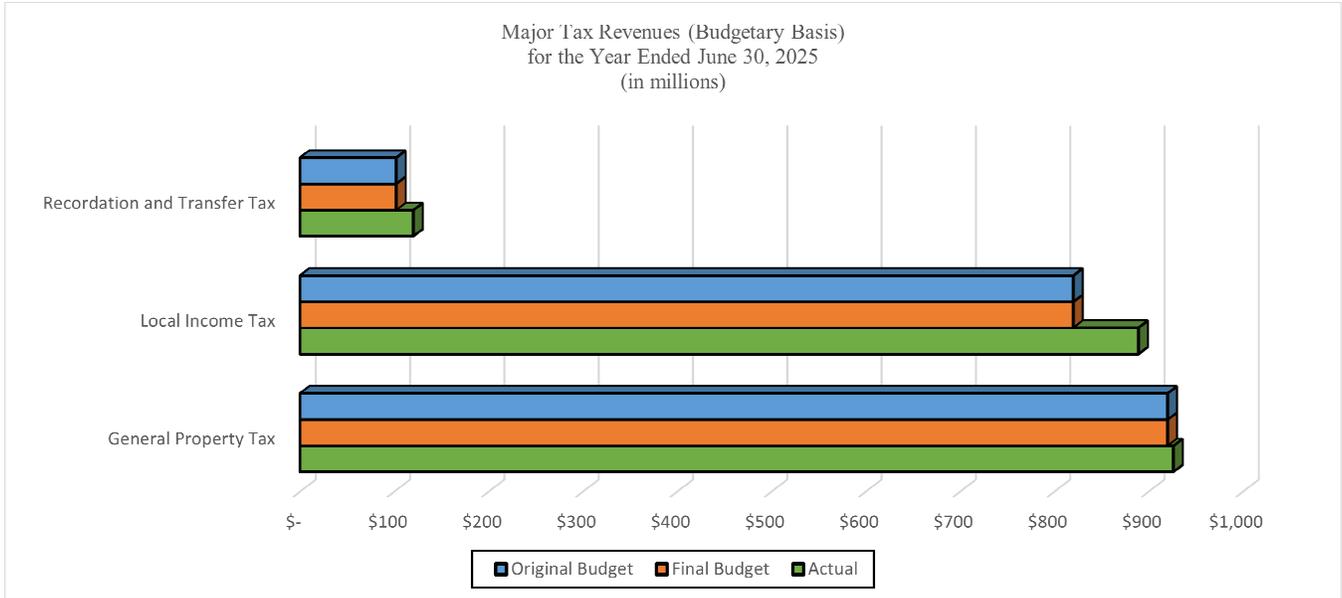
Pension contributions increased from \$137.7 million or 13.7% in the calendar year 2023 to \$156.6 million during the calendar year 2024. Pension contributions are determined by the actuarial valuations based on the net pension liability. The pension net investment income decreased by \$5.2 million or 2.0% from the prior year.

The net position of the OPEB Trust at the end of fiscal year 2025 was \$712.2 million, an increase of \$120.1 million or 20.3% from the prior fiscal year mainly due to a \$57.8 million net appreciation in fair value of investments and the Employer Contribution of \$24.9 million for the Anne Arundel County Public School Plan.

The Custodial net position is \$16.2 million at the end of fiscal year 2025.

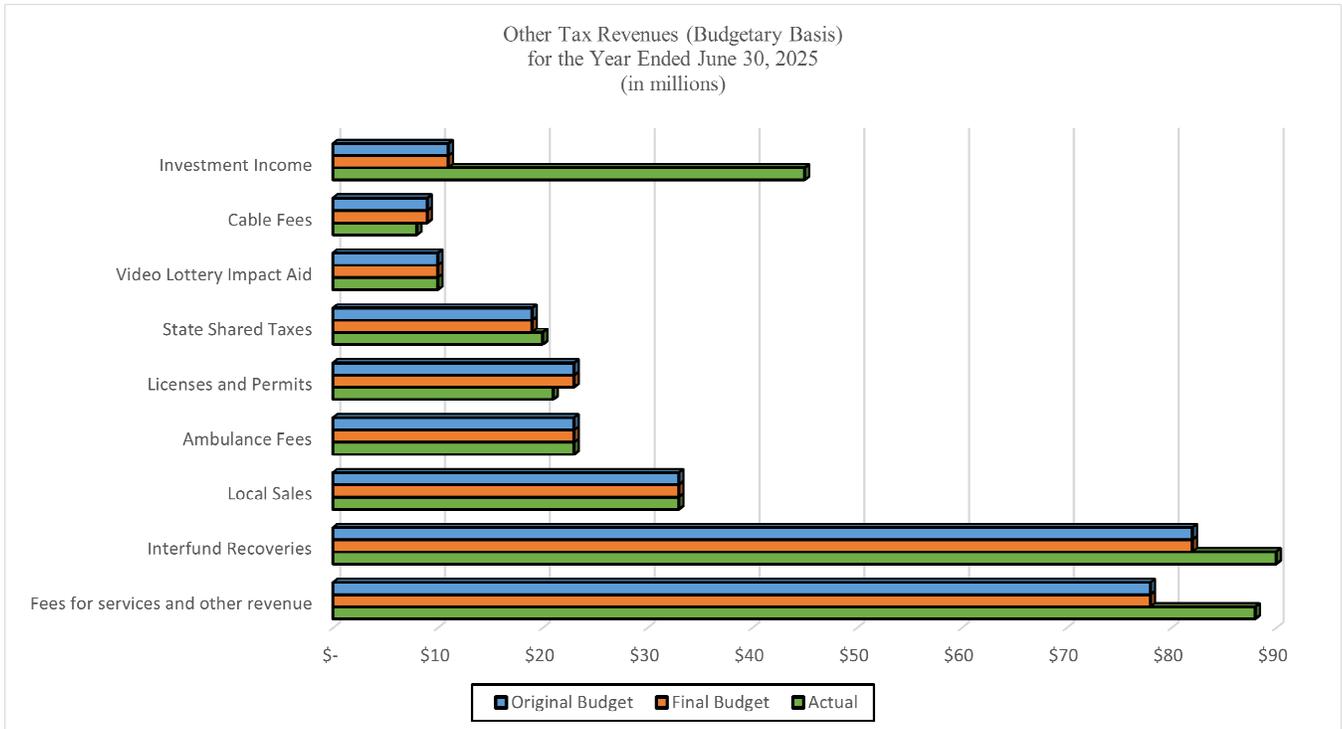
Budgetary Variations

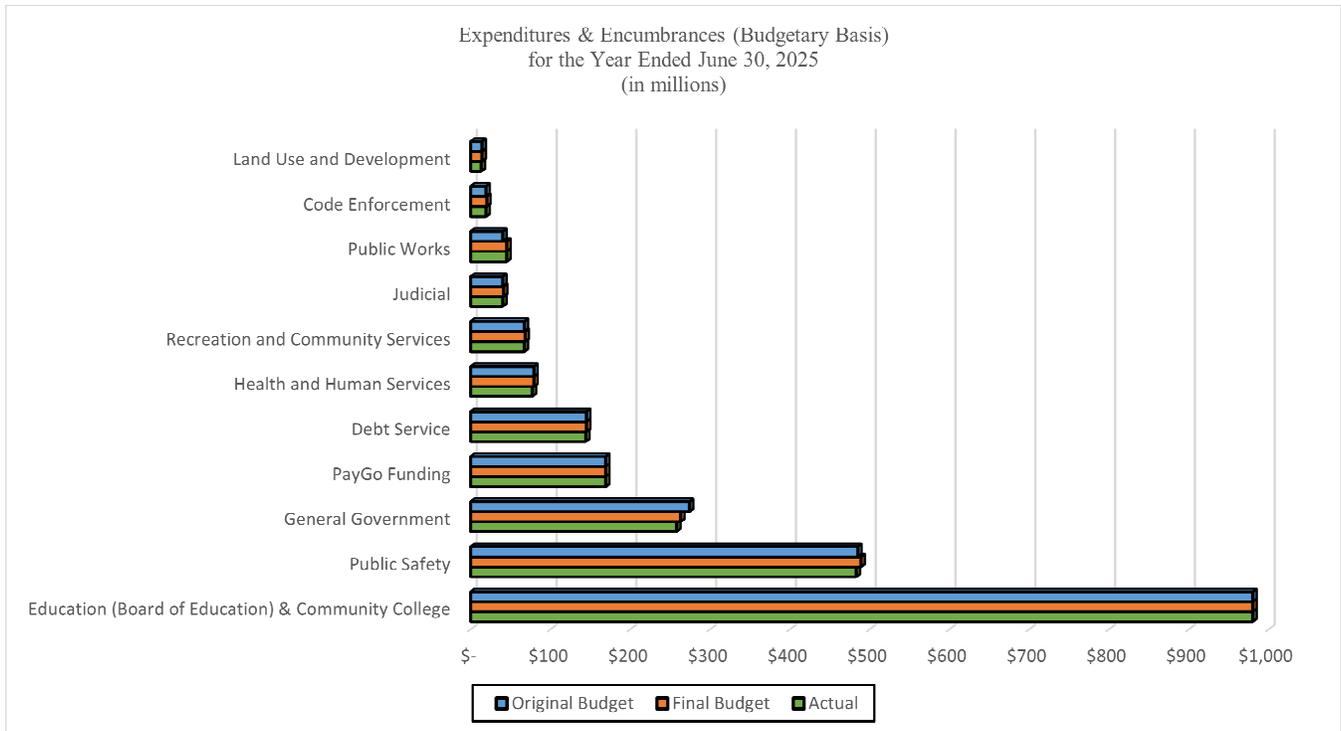
The General Fund's budgetary statements indicate actual revenues of \$2.3 billion, surpassing the budgeted amount of \$2.1 billion. This results in an excess of \$143.3 million in revenue from local income taxes, recordation and transfer taxes, investment income, interfund recoveries, fees for services, and other revenues.



The most notable budgetary variation in revenue components was attributable to investment income, which exceeded expectations by \$34.4 million or 312.7%. Other notable budgetary variations were attributed to local income taxes exceeding expectations by \$69.2 million and recordation and transfer taxes exceeding expectations by \$17.5 million.

Additionally, interfund recoveries surpassed budget by \$8.7 million, while fees for services and other revenues surpassed budget by \$10.6 million.





Total expenditures on a budgetary basis amounted to \$2.3 billion, which closely matched the appropriation authority of \$2.3 billion, resulting in a variance of \$16.6 million, or 0.7%, less than planned.

The most significant variances were found in the Public Safety category totaling \$5.4 million, General Government totaling \$5.0 million, and Health and Human Services totaling \$2.4 million.

Management is not aware of any reasons that would cause these and other budgetary variations to have a significant impact on future liquidity or services.

Section E: Capital Assets

The table below presents the asset values of the capital asset categories in governmental and business-type activities, net of accumulated depreciation. Below is a discussion of the fluctuations.

Anne Arundel County, Maryland Capital Assets (net of depreciation)						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land and easements	\$ 330,592,362	\$ 316,871,637	\$ 19,243,130	\$ 19,243,130	\$ 349,835,492	\$ 336,114,767
Historical property and works of art	4,166,465	4,166,465	-	-	4,166,465	4,166,465
Land improvements	273,004,782	227,764,171	-	-	273,004,782	227,764,171
Landfills			58,122,798	51,144,693	58,122,798	51,144,693
Buildings	209,498,565	210,153,676	36,630,767	37,399,508	246,129,332	247,553,184
Roads, bridges and signals	180,816,722	174,837,612	-	-	180,816,722	174,837,612
Sidewalks, curbs and gutters	46,573,858	40,660,024	-	-	46,573,858	40,660,024
Storm drains and culverts	173,506,178	180,822,179	-	-	173,506,178	180,822,179
Water and sewer plants and lines	-	-	1,498,768,714	1,484,518,137	1,498,768,714	1,484,518,137
Automobiles and rolling stock	68,456,705	67,634,997	7,378,982	7,483,503	75,835,687	75,118,500
Furniture and equipment	33,046,367	38,388,444	11,458,078	11,421,859	44,504,445	49,810,303
Software	514,400	949,040	-	-	514,400	949,040
Right of use-leases	35,843,880	37,230,157	132,150	123,436	35,976,030	37,353,593
Right of use-subscriptions	33,452,200	23,889,704	-	-	33,452,200	23,889,704
Construction in progress	507,624,906	448,154,895	334,945,094	336,829,903	842,570,000	784,984,798
Total	\$ 1,897,097,390	\$ 1,771,523,001	\$ 1,966,679,713	\$ 1,948,164,169	\$ 3,863,777,103	\$ 3,719,687,170

Governmental capital assets-Governmental activities capital assets increased by \$125.6 million or 6.6% from fiscal year 2024.

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

- \$22.3 million for park renovations
- \$15.3 million for road resurfacing and reconstruction
- \$13.3 million for road and parks improvements

The business-type activities capital assets increased by \$20.4 million or 1.0% from fiscal year 2024, mainly due to an increase in water and sewer plants and lines capital projects completed and placed in service. The remaining categories of assets show modest variations because new additions are negated by the continued depreciation of existing assets.

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

- \$29.2 million for general water and sewer main replacement and reconstruction
- \$18.3 million for upgrade and retrofit of sewer pumping station facilities
- \$12.9 million for Broad Creek WTP Expansion
- \$7.3 million for Arnold Lime System Upgrade

The Statement of Net Position presents the gross asset balances and total accumulated depreciation. The following table summarizes this information for depreciable assets and presents accumulated depreciation as a percentage of the gross depreciable assets. Accumulated depreciation as a percentage of depreciable assets increased to be at 54%. The business-type capital assets increased to 45% for the accumulated depreciation as a percentage of the asset values at fiscal year-end.

Anne Arundel County, Maryland
Analysis of Depreciable Assets

	<u>Total Depreciable Capital Assets</u>	<u>Less Accumulated Depreciation</u>	<u>Net Depreciable Capital Assets</u>	<u>Accumulated Depreciation as a Percent of Total</u>
Governmental				
2025	\$ 2,264,044,455	\$ (1,209,330,798)	\$ 1,054,713,657	53%
2024	2,171,548,102	(1,169,218,098)	1,002,330,004	54%
2023	2,090,987,307	(1,117,904,979)	973,082,328	53%
2022	1,950,704,897	(1,059,303,361)	891,401,536	54%
2021	1,809,334,953	(1,007,079,095)	802,255,858	56%
2020	1,752,416,903	(979,986,918)	772,429,985	56%
Business-type				
2025	\$ 2,970,796,560	\$ (1,358,305,071)	\$ 1,612,491,489	46%
2024	2,878,869,460	(1,286,778,324)	1,592,091,136	45%
2023	2,781,085,814	(1,218,434,051)	1,562,651,763	44%
2022	2,624,509,146	(1,149,463,445)	1,475,045,701	44%
2021	2,384,206,168	(1,079,655,308)	1,304,550,860	45%
2020	2,303,599,166	(1,023,183,019)	1,280,416,147	44%

The comparison of these fiscal years does not provide any definitive conclusion about the County's replacement of aging assets. Management will continue to monitor these trends. Additional information about the County's capital assets and changes therein is provided in Note 5 to the basic financial statements

Section F: Debt Administration

The County's outstanding debt at the end of fiscal years 2025 and 2024 is detailed in the table below. In 2025, the County issued general obligation bonds for new debt amounting to \$267.6 million and refunding bonds of \$152.2 million. The new debt included \$183.4 million for governmental activities and \$84.2 million for water and wastewater activities. The funds were allocated for various projects: \$175.8 million for general county capital projects, \$7.6 million for waste management projects, and \$84.2 million for water and sewer projects. Additionally, the County experienced a decrease of \$3.5 million in Maryland Water Quality loans designated for water and wastewater improvements.

In the Wastewater Fund, changes to the state loans were minimal. During fiscal year 2025, principal payments of \$202,262 were made on existing loans. The County did not initiate any new agricultural easements through installment purchase agreements in fiscal year 2025. Other changes to the debt balances were due to normally scheduled principal payments. For additional details regarding the County's debt and any changes, please refer to Note 8 in the basic financial statement.

Outstanding Debt

Anne Arundel County, Maryland						
Outstanding Debt *						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$ 1,624,374,009	\$ 1,552,435,396	\$ 891,677,492	\$ 850,213,724	\$ 2,516,051,501	\$ 2,402,649,120
Tax incremental and other debt	47,215,000	52,180,000	-	-	47,215,000	52,180,000
State loans	1,277,239	1,479,499	-	-	1,277,239	1,479,499
Capital leases	-	-	-	-	-	-
Leases	38,309,952	39,031,063	135,344	124,308	38,445,296	39,155,371
Subscriptions	34,258,750	23,679,800	-	-	34,258,750	23,679,800
Installment purchase agreements	13,385,000	13,405,000	-	-	13,385,000	13,405,000
Total	\$ 1,758,819,950	\$ 1,682,210,758	\$ 891,812,836	\$ 850,338,032	\$ 2,650,632,786	\$ 2,532,548,790

* Does not include unamortized premiums.

Section G: Fiscal Year 2026 and Beyond

The County Real Property Tax Rate for fiscal year 2026 is set at \$0.977 per \$100 of assessed valuation. This represents a 0.61% decrease compared to the previous year's property tax rate. Property tax receipts for the fiscal year 2026 are estimated to rise by 4.0% over the actual receipts from fiscal year 2025, due to an estimated 5.5% increase in the County's assessable tax base. Any future declines in real property assessments are unlikely to significantly affect property tax revenue, due to the substantial difference between assessable values and "taxable" assessable values. This growth has been limited by the Homestead Property Credit Program to 2% per year during the housing boom.

In the fiscal year 2026 budget, the income tax rates remain unchanged for all County residents. For individual filers with taxable incomes below \$50,000 and joint filers earning below \$75,000, the tax rate is 2.7%. For individual filers with taxable incomes over \$50,000 through \$400,000 and joint filers with taxable incomes over \$75,000 through \$480,000, the tax rate is 2.94%. For individual filers earning above \$400,000 and joint filers earning above \$480,000, the tax rate is 3.2%. According to the most recent estimates, fiscal year 2026 income tax revenue is projected to increase by 4.4% compared to the actual revenue from fiscal year 2025.

State law permits the County to collect a stormwater fee from taxpayers to fund a local watershed protection and restoration program. These fees are allocated to a dedicated fund known as the Watershed Protection and Restoration Fund. For fiscal year 2026, the stormwater fee

remains unchanged from the previous year's rate, which is \$98.40 per Equivalent Runoff Unit (ERU). Restoration Fund had an approved budgeted revenue of \$32.6 million.

For fiscal year 2026, the Anne Arundel County Public Schools are funded by the County at \$981.6 million, a \$52.3 million or 5.6% increase over the prior fiscal year. This funding level exceeds the required Maintenance of Effort level for fiscal 2026. Anne Arundel County Public Schools fiscal year 2026 capital budget contains 24 planned projects totaling \$184.4 million or 40.9% of the General County capital projects. Of the total fiscal year 2026 General Fund debt service budget, 49.7% is allocated for school debt.

The County's support of the Anne Arundel Community College will increase \$1.2 million in fiscal year 2026 over the fiscal year 2025 to a total of \$54.0 million, \$52.0 million from General Fund and \$2.0 million from Video Lottery Local Impact Aid Special Revenue Fund. The County has appropriated \$37.3 million for Anne Arundel County Community College's fiscal year 2026 capital projects, which will be financed by issuing general obligation bonds. The Community College's annual debt service of \$7.8 million is paid by the County.

The fiscal year 2025 General Fund budget estimates total revenues at \$2.31 billion, an increase of \$3.0 million or less than 1.0% over the fiscal year 2025 original budgeted amounts. As the actual fiscal year 2025 revenues came in higher than the budgeted amounts, the County most likely will revise its fiscal year 2026 revenue estimates upward

during the fiscal year 2027 budget process. Expenditures for the fiscal year 2026 will continue to be tightened and trimmed where possible with some strategic investments, particularly in public safety, OPEB, and technology.

As mentioned above, the fiscal year 2026 budget also included a progressive income tax rate for all county income taxpayers. The fiscal year 2026 property tax rate is \$0.977 per \$100 of assessed valuation – this rate still positions the County as the 10th lowest of Maryland’s 24 county jurisdictions and lowest among the “Big 7” central Maryland counties. The Homestead Tax Credit rate for County real property tax is at 2.0% which remains unchanged from the past fiscal year. The rates for the County’s hotel tax, recordation, transfer tax, and rideshare fee remain unchanged.

The fiscal year 2026 Budget also increased the parking lot and garage tax. Last increased in 1999, this flat fee is levied on motor vehicles parked in a garage or on a parking lot for each 24-hour period or fraction of a 24-hour period. This fee increased by \$0.40 to \$1.00 that corrects for inflation since the last increase.

The fiscal year 2026 Budget fully funds our annual pension and retiree healthcare contributions, and continues the County’s policy of maximizing our contribution to the Revenue Reserve (or “Rainy Day”) fund, at 8% of the forecasted operating revenues.

The capital budget provides full funding for all current school construction programs and maximizes state grant funding opportunities. Funding is included for a new Glen Burnie Library and a new Millersville Library. There are thirteen new capital projects in the general fund. These include I-97 improvements and a dedicated shared use connection between South Shore Trail and Poplar Trail; two new projects in the general county class; and three new projects in the recreation and parks class.

Bill 42-19 has been passed to establish the Reserve Fund for Permanent Public Improvements (PPI Fund). This is a special fund provided for in the County Charter. The revenue for the Fund is based on 1/10th of a percentage point by which the income tax rate exceeds 2.50% and capped at \$21 million a year to pay for the debt service of a one-time capital infusion totals \$250 million. Fiscal year 2026 General Fund Budget met the required contribution toward the PPI Fund of \$12.3 million.

The Water and Wastewater Fund usage rates for water and wastewater fees for the fiscal year 2026 are \$3.65/1,000gal and \$6.42/1,000gal, respectively, this is a 6.0% increase from the prior fiscal year. Solid waste service charges per household are set at \$426/year, this is a 5.4% increase from the prior fiscal year. Landfill tipping fees remain unchanged at \$100/ton. There is a 10% increase in Capital Facility Connection Charges in fiscal year 2026.

Requests for Additional Information

This financial report is designed to provide a general overview of the County’s finances. Questions concerning information in this report or requests for additional finance information should be addressed to the Office of Finance, 44 Calvert Street, Annapolis, Maryland 21401. Complete financial reports are also available on our website www.aacounty.org. The County’s component units, except for the library, issue their own separately audited financial statements. These statements may be obtained by directly contacting the component unit. Contact information can be found on Note 1A of this report.

**Basic
Financial
Statements**

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Anne Arundel County, Maryland

Statement of Net Position

June 30, 2025

	Primary Government			Discretely Presented Component Units		
	Governmental Activities	Business-type Activities	Total	Board of Education	Community College	Other Non-major
ASSETS						
Current Assets						
Cash and temporary investments	\$ 488,643,880	\$ 157,283,839	\$ 645,927,719	\$ 250,890,631	\$ 44,834,138	\$ 9,895,983
Taxes and other revenue receivable	514,795,072	16,150,413	530,945,485	25,391,575	-	-
Service billings receivable	8,278,572	28,407,959	36,686,531	-	4,702,947	585,656
Prepaid and other assets	106,338,043	41,210	106,379,253	69,091,004	3,866,683	1,232,748
Lease receivable	3,975,187	4,393,066	8,368,253	-	-	-
Inventories	5,953,112	4,250,775	10,203,887	3,005,899	359,616	34,482
Due from other governmental agencies	48,450,713	489,778	48,940,491	-	886,012	-
Due from primary government	-	-	-	13,321,468	2,088,506	1,911,336
Due from component units	21,508,763	-	21,508,763	-	-	-
Restricted assets						
Cash and temporary investments	697,820,760	42,519,477	740,340,237	-	-	-
Investments	-	231,272,681	231,272,681	-	-	-
Total current assets	<u>1,895,764,102</u>	<u>484,809,198</u>	<u>2,380,573,300</u>	<u>361,700,577</u>	<u>56,737,902</u>	<u>13,660,205</u>
Non-current Assets						
Restricted assets						
Long term assessment and connection charges	-	20,687,905	20,687,905	-	-	-
Loans receivable and other assets	-	-	-	-	28,618,243	1,664,532
Capital assets not being depreciated	842,383,733	354,188,224	1,196,571,957	164,524,505	8,551,121	-
Capital assets being depreciated	2,264,044,455	2,970,796,560	5,234,841,015	3,101,905,126	301,189,311	54,165,920
Less accumulated depreciation	(1,209,330,798)	(1,358,305,071)	(2,567,635,869)	(1,268,742,953)	(138,288,361)	(22,684,313)
Net capital assets being depreciated	<u>1,054,713,657</u>	<u>1,612,491,489</u>	<u>2,667,205,146</u>	<u>1,833,162,173</u>	<u>162,900,950</u>	<u>31,481,607</u>
Total capital assets	<u>1,897,097,390</u>	<u>1,966,679,713</u>	<u>3,863,777,103</u>	<u>1,997,686,678</u>	<u>171,452,071</u>	<u>31,481,607</u>
Total non-current assets	<u>1,897,097,390</u>	<u>1,987,367,618</u>	<u>3,884,465,008</u>	<u>1,997,686,678</u>	<u>200,070,314</u>	<u>33,146,139</u>
Total assets	<u>3,792,861,492</u>	<u>2,472,176,816</u>	<u>6,265,038,308</u>	<u>2,359,387,255</u>	<u>256,808,216</u>	<u>46,806,344</u>
DEFERRED OUTFLOW OF RESOURCES						
Pension benefits	194,950,454	12,109,417	207,059,871	52,329,580	2,688,216	2,861,984
OPEB benefits	61,793,383	6,637,892	68,431,275	169,288,091	27,341,318	4,140,139
LOSAP benefits	3,424,005	-	3,424,005	-	-	-
Unamortized deferred refunding loss	-	-	-	-	81,962	-
Total deferred outflow of resources	<u>260,167,842</u>	<u>18,747,309</u>	<u>278,915,151</u>	<u>221,617,671</u>	<u>30,111,496</u>	<u>7,002,123</u>

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

Anne Arundel County, Maryland

Statement of Net Position

June 30, 2025

	Primary Government			Discretely Presented Component Units		
	Governmental Activities	Business-type Activities	Total	Board of Education	Community College	Other Non-major
LIABILITIES						
Current liabilities						
Accounts payable and accrued liabilities	\$ 80,252,305	\$ 36,609,312	\$ 116,861,617	\$ 201,700,111	\$ 12,746,254	\$ 2,801,996
Current portion of non-current liabilities	193,936,627	61,780,087	255,716,714	38,461,263	629,574	1,977,407
Current portion of lease liability	3,808,194	57,412	3,865,606	-	50,274	1,038,833
Current portion of subscription liability	7,518,594	-	7,518,594	-	978,714	-
Internal balances	(1,065,890)	1,065,890	-	-	-	-
Due to primary government	-	-	-	21,508,763	-	-
Due to component units	17,321,310	-	17,321,310	-	-	-
Escrow deposits	2,581,587	750,033	3,331,620	-	-	-
Unearned revenue	407,741	-	407,741	4,742,216	9,896,882	3,683,255
Liabilities related to restricted assets						
Accounts payable and accrued liabilities	62,340,908	9,150,251	71,491,159	-	-	-
Escrow and other deposits	6,017,821	-	6,017,821	-	-	-
Unearned revenue	12,272,616	531,555	12,804,171	-	-	-
Total current liabilities	385,391,813	109,944,540	495,336,353	266,412,353	24,301,698	9,501,491
Non-current liabilities						
Compensated absences and other obligations	-	510,083	510,083	29,100,521	146,929	-
Net pension liability	943,546,095	80,608,822	1,024,154,917	115,895,046	5,782,422	10,018,302
Net other post-employment liability	161,136,936	27,212,971	188,349,907	576,201,198	18,208,720	14,295,894
Net LOSAP liability	15,393,724	-	15,393,724	-	-	-
Unpaid insurance claims	57,749,599	-	57,749,599	-	-	-
Estimated landfill closure and postclosure	-	20,492,279	20,492,279	-	-	-
Lease liability	34,501,758	77,938	34,579,696	-	28,206	2,753,307
Subscription liability	26,740,157	-	26,740,157	398,738	475,447	-
Long-term debt	1,776,124,107	936,182,398	2,712,306,505	16,749,214	3,608,863	789,284
Total non-current liabilities	3,015,192,376	1,065,084,491	4,080,276,867	738,344,717	28,250,587	27,856,787
Total liabilities	3,400,584,189	1,175,029,031	4,575,613,220	1,004,757,070	52,552,285	37,358,278
DEFERRED INFLOW OF RESOURCES						
Pension benefits	12,760,311	-	12,760,311	2,617,999	165,698	10,491
OPEB benefits	236,916,386	26,482,213	263,398,599	1,644,156,136	66,772,306	25,435,397
LOSAP benefits	6,984,884	-	6,984,884	-	-	-
Unamortized deferred refunding gain	2,737,306	12,226,408	14,963,714	-	-	-
Lease related	3,883,283	4,110,829	7,994,112	-	-	-
Property tax revenue collected in advance	382,362	-	382,362	-	-	-
Total deferred inflow of resources	263,664,532	42,819,450	306,483,982	1,646,774,135	66,938,004	25,445,888
NET POSITION						
Net investment in capital assets	612,096,336	1,008,430,918	1,620,527,254	1,952,426,404	171,161,786	28,463,279
Restricted for:						
Debt service	88,665,996	275,516,682	364,182,678	-	-	-
Capital improvements	240,780,247	489,778	241,270,025	-	-	-
Permanent Public Infrastructure	22,023,815	-	22,023,815	-	-	-
Scholarships/endowments	-	-	-	-	17,716,195	-
Reforestation	5,169,208	-	5,169,208	-	-	-
Community Development	12,240,633	-	12,240,633	-	-	-
Other purposes	70,373,412	311,966	70,685,378	15,582,974	-	1,921,489
Unrestricted	(662,569,034)	(11,673,700)	(674,242,734)	(2,038,535,657)	(21,448,558)	(39,380,467)
Total net position (deficit)	\$ 388,780,613	\$ 1,273,075,644	\$ 1,661,856,257	\$ (70,526,279)	\$ 167,429,423	\$ (8,995,699)

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

Functions / Programs	Program Revenues				Net (Expense) Revenues and Changes in Net Position						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Discretely Presented Component Units			
					Governmental Activities	Business-type Activities	Total	Board of Education	Community College	Other Non-major	
Primary government											
Governmental activities											
Education	\$ 1,054,797,724	\$ -	\$ -	\$ 10,420,164	\$ (1,044,377,560)	\$ -	\$ (1,044,377,560)	\$ -	\$ -	\$ -	\$ -
Public safety	596,824,734	32,926,888	3,270,852	10,688,780	(549,938,214)	-	(549,938,214)	-	-	-	-
General government	240,813,563	76,503,695	15,383,697	4,282,777	(144,643,394)	-	(144,643,394)	-	-	-	-
Health and human services	138,636,786	20,578,563	46,862,807	-	(71,195,416)	-	(71,195,416)	-	-	-	-
Public works	69,247,958	41,940,727	2,528,779	12,036,188	(12,742,264)	-	(12,742,264)	-	-	-	-
Recreation and community services	106,051,428	39,836,016	9,627,540	25,624,025	(30,963,847)	-	(30,963,847)	-	-	-	-
Judicial	51,052,209	2,680,887	2,695,327	-	(45,675,995)	-	(45,675,995)	-	-	-	-
Code enforcement	24,584,970	24,576,054	20,457	-	11,541	-	11,541	-	-	-	-
Land use and development	17,299,404	1,815,910	23,000	-	(15,460,494)	-	(15,460,494)	-	-	-	-
Interest on debt and leases	32,411,194	-	-	-	(32,411,194)	-	(32,411,194)	-	-	-	-
	<u>2,331,719,970</u>	<u>240,858,740</u>	<u>80,412,459</u>	<u>63,051,934</u>	<u>(1,947,396,837)</u>	<u>-</u>	<u>(1,947,396,837)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities											
Water and wastewater	241,140,582	113,112,320	-	78,293,156	-	(49,735,106)	(49,735,106)	-	-	-	-
Waste collection	83,881,451	78,611,713	-	-	-	(5,269,738)	(5,269,738)	-	-	-	-
Child care	8,127,922	8,146,555	-	-	-	18,633	18,633	-	-	-	-
	<u>333,149,955</u>	<u>199,870,588</u>	<u>-</u>	<u>78,293,156</u>	<u>-</u>	<u>(54,986,211)</u>	<u>(54,986,211)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	\$ 2,664,869,925	\$ 440,729,328	\$ 80,412,459	\$ 141,345,090	(1,947,396,837)	(54,986,211)	(2,002,383,048)	-	-	-	-
Component units											
Board of Education	\$ 1,653,448,098	\$ 10,340,042	\$ 277,732,682	\$ 133,281,132	-	-	-	(1,232,094,242)	-	-	-
Community College	164,657,649	33,813,580	24,439,843	5,965,946	-	-	-	-	(100,438,280)	-	-
Library System	37,535,509	181,629	5,942,689	-	-	-	-	-	-	(31,411,191)	-
Economic Development Corp	6,491,757	716,629	2,500,082	-	-	-	-	-	-	(3,275,046)	-
Tipton Airport Authority	2,947,646	2,291,337	-	1,264,529	-	-	-	-	-	608,220	-
Workforce Development	12,257,333	439,006	11,594,032	-	-	-	-	-	-	(224,295)	-
	<u>\$ 1,877,337,992</u>	<u>\$ 47,782,223</u>	<u>\$ 322,209,328</u>	<u>\$ 140,511,607</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,232,094,242)</u>	<u>(100,438,280)</u>	<u>(34,302,312)</u>	<u>-</u>
General revenues											
General property taxes					984,825,737	-	984,825,737	-	-	-	-
Local income taxes					1,143,468,399	-	1,143,468,399	-	-	-	-
State shared taxes - unrestricted					20,322,333	-	20,322,333	-	-	-	1,000,000
Recordation and transfer taxes					119,554,895	-	119,554,895	-	-	-	-
Local sales taxes					32,583,586	-	32,583,586	-	-	-	-
Unrestricted contributions					-	-	-	1,434,707,227	104,820,502	34,294,462	-
Investment income					60,590,727	12,385,682	72,976,409	11,190,483	4,502,609	111,029	-
Other revenue					-	21,277,950	21,277,950	15,930,286	(549,906)	93,787	-
County transfer					1,517,421	(1,517,421)	-	-	-	-	-
Total general revenues					<u>2,362,863,098</u>	<u>32,146,211</u>	<u>2,395,009,309</u>	<u>1,461,827,996</u>	<u>108,773,205</u>	<u>35,499,278</u>	<u>-</u>
Changes in net position					415,466,261	(22,840,000)	392,626,261	229,733,754	8,334,925	1,196,966	-
Net position as previously reported, July 1					(24,509,286)	1,296,234,461	1,271,725,175	(300,260,033)	159,439,294	(10,078,819)	-
Change in Accounting Principle					(2,176,362)	(318,817)	(2,495,179)	-	(344,796)	(113,846)	-
Net position, July 1 (as restated)					(26,685,648)	1,295,915,644	1,269,229,996	(300,260,033)	159,094,498	(10,192,665)	-
Net position, June 30					\$ 388,780,613	\$ 1,273,075,644	\$ 1,661,856,257	\$ (70,526,279)	\$ 167,429,423	\$ (8,995,699)	-

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

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Anne Arundel County, Maryland

Balance Sheet

Governmental Funds

June 30, 2025

	Major Funds				Non-major	Totals
	General	Grants Special Revenue	Impact Fees Capital Projects	General County Capital Projects	Governmental Funds	
ASSETS						
Cash and investments	\$ 382,844,687	\$ 8,844,778	\$ 142,600,199	\$ 384,973,080	\$ 161,402,703	\$ 1,080,665,447
Receivables						
Property taxes (net of \$8,268,724 allowance)	1,353,136	-	-	-	-	1,353,136
Local sales taxes	5,712,584	-	-	-	-	5,712,584
State shared revenues	6,821,172	-	-	-	-	6,821,172
Due from other governmental agencies	2,352,806	20,360,652	-	23,907,394	1,829,861	48,450,713
Due from other funds	13,176,755	-	-	-	-	13,176,755
Due from Board of Education	-	-	-	21,508,763	-	21,508,763
Local income tax	457,711,670	-	-	-	-	457,711,670
Leases	3,975,187	-	-	-	-	3,975,187
Other, net	17,515,921	12,793	54,650	257,958	25,355,188	43,196,510
Inventories	4,973,359	-	-	-	-	4,973,359
Other assets	99,602,736	-	-	-	-	99,602,736
Total assets	\$ 996,040,013	\$ 29,218,223	\$ 142,654,849	\$ 430,647,195	\$ 188,587,752	\$ 1,787,148,032
LIABILITIES						
Accounts payable and accrued liabilities	\$ 64,115,819	\$ 2,760,298	\$ -	\$ 52,736,800	\$ 6,843,810	\$ 126,456,727
Due to other funds	12,477,336	12,581,987	-	-	594,768	25,654,091
Due to component units						
Board of Education	-	-	-	13,321,468	-	13,321,468
Community College	250,000	-	-	1,838,506	-	2,088,506
Library	1,911,336	-	-	-	-	1,911,336
Escrow and other deposits	2,581,587	-	89,108	44,608	5,884,105	8,599,408
Unearned revenue	407,741	12,236,281	-	-	36,335	12,680,357
Total liabilities	81,743,819	27,578,566	89,108	67,941,382	13,359,018	190,711,893
DEFERRED INFLOW OF RESOURCES						
Unavailable local income tax	381,805,525	-	-	-	-	381,805,525
Unavailable grant and program revenue	-	13,895,025	-	15,703,816	21,873,407	51,472,248
Leases	3,883,283	-	-	-	-	3,883,283
Property tax revenue collected in subsequent year	382,362	-	-	-	-	382,362
Total deferred inflow of resources	386,071,170	13,895,025	-	15,703,816	21,873,407	437,543,418
FUND BALANCES						
Non-spendable	4,973,359	-	-	-	-	4,973,359
Restricted	22,023,815	4,131,268	142,565,741	37,967,702	152,679,536	359,368,062
Committed	-	-	-	-	13,397,979	13,397,979
Assigned	185,061,110	-	-	309,034,295	-	494,095,405
Unassigned	316,166,740	(16,386,636)	-	-	(12,722,188)	287,057,916
Total fund balances	528,225,024	(12,255,368)	142,565,741	347,001,997	153,355,327	1,158,892,721
Total liabilities, deferred inflows and fund balances	\$ 996,040,013	\$ 29,218,223	\$ 142,654,849	\$ 430,647,195	\$ 188,587,752	\$ 1,787,148,032

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

Anne Arundel County, Maryland

Reconciliation of Governmental Fund Balance to Governmental Net Position

Governmental Funds

June 30, 2025

Total fund balance for governmental funds as shown on the Balance Sheet	\$ 1,158,892,721
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on governmental funds balance sheet:	
Capital assets not being depreciated	842,383,733
Capital assets	2,163,056,050
Accumulated depreciation /Amortization	(1,137,207,495)
Deferred outflows and inflows are recognized in the statement of net position, but are not reported in governmental funds:	
Deferred Outflows of Resources - County Pension	192,952,549
Deferred Outflows of Resources - MSRPS Pension	137,062
Deferred Outflows of Resources - OPEB	60,663,655
Deferred Outflows of Resources - LOSAP	3,424,005
Deferred Inflows of Resources	
Deferred Inflows of Resources-County Pension	(12,748,488)
Deferred Inflows of Resources-MSRPS Pension	(11,823)
Deferred Inflows of Resources - OPEB	(232,550,437)
Deferred Inflows of Resources - LOSAP	(6,984,884)
Deferred Outflows of Resources - Unamortized gain on refunding	(2,737,306)
Certain liabilities not due and payable in the current period and, therefore, not included on governmental funds balance sheet	
Long-term bonded debt	(1,881,711,160)
Federal and state loans	(1,277,239)
Wynne liability due to State of Maryland	(13,713,234)
Net pension liability - County	(929,643,600)
Net pension liability - MSRPS Pension	(1,027,579)
Net OPEB liability	(157,585,511)
LOSAP total pension liabilities	(15,393,724)
Compensated absences	(44,307,815)
Lease liabilities	(38,299,242)
Subscription liabilities	(34,258,751)
Accrued interest payable on debt recorded in governmental activities	(14,548,822)
Unavailable revenues	
Revenues that will be collected after year-end but are not available soon enough to pay for the current period's expenditures	433,277,773
The assets and liabilities recorded in the internal service funds have been added to governmental net position because these funds are used to provide services to other funds	
Net position of the Internal Service Funds	51,269,121
Certain expenditures paid with current resources deferred to future periods on the Statement of Net Position	<u>6,731,054</u>
Total net position (deficit) for governmental activities as shown on Statement of Net Position	<u>\$ 388,780,613</u>

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

Anne Arundel County, Maryland

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2025

	Major Funds				Non-major Governmental Funds	Totals
	General	Grants Special Revenue	Impact Fees Capital Projects	General County Capital Projects		
REVENUES						
General property taxes	\$ 925,574,618	\$ -	\$ -	\$ -	\$ 59,251,119	\$ 984,825,737
Local income taxes	889,445,727	-	-	-	-	889,445,727
State shared taxes	20,322,333	-	-	-	-	20,322,333
Grants and aid	-	74,838,334	-	42,612,881	7,475,320	124,926,535
Recordation and transfer taxes	119,554,895	-	-	-	-	119,554,895
Local sales taxes	32,583,586	-	-	-	-	32,583,586
License and permit fees	20,631,802	-	-	-	-	20,631,802
Ambulance fees	23,190,882	-	-	-	-	23,190,882
Cable fees	8,190,443	-	-	-	-	8,190,443
Impact fees	-	-	20,439,054	-	-	20,439,054
Special community benefit taxes	-	-	-	-	11,324,084	11,324,084
Video lottery local impact aid	10,075,323	-	-	-	18,436,609	28,511,932
Watershed protection and restoration	-	-	-	-	27,016,094	27,016,094
Investment income	53,978,529	2,331	1,593,508	2,821,457	2,194,902	60,590,727
Fees for services and other revenue	87,902,875	33,004	-	2,809,022	31,248,932	121,993,833
Total revenues	2,191,451,013	74,873,669	22,032,562	48,243,360	156,947,060	2,493,547,664
EXPENDITURES						
Current						
Education	980,108,800	-	-	72,738,924	1,950,000	1,054,797,724
Public safety	485,319,059	5,458,924	-	-	8,530,600	499,308,583
General government	181,471,120	15,380,520	-	-	11,651,072	208,502,712
Health and human services	74,374,002	42,792,612	-	-	6,896,725	124,063,339
Public works	43,600,639	2,650,608	1,202,635	-	13,337,878	60,791,760
Recreation and community services	65,340,659	4,904,297	-	-	21,772,782	92,017,738
Judicial	39,903,480	2,404,137	-	-	108,475	42,416,092
Code enforcement	19,097,579	20,455	-	-	1,508,716	20,626,750
Land use and development	13,347,887	23,000	-	-	1,229,730	14,600,617
Capital outlay	19,183,793	2,329,136	-	242,740,986	-	264,253,915
Debt service						
Interest payments on debt	63,849,977	-	-	-	9,175,001	73,024,978
Principal payments on debt	91,990,469	-	-	-	11,912,662	103,903,131
Interest payments on leases and subscriptions	2,038,129	57,342	-	-	-	2,095,471
Principal payments on leases and subscriptions	11,573,079	86,481	-	-	2,180	11,661,740
Debt issuance costs	168,890	-	-	-	-	168,890
Total expenditures	2,091,367,562	76,107,512	1,202,635	315,479,910	88,075,821	2,572,233,440
Revenues over (under) expenditures	100,083,451	(1,233,843)	20,829,927	(267,236,550)	68,871,239	(78,685,776)
OTHER FINANCING SOURCES (USES)						
Transfers in	50,056,150	526,582	-	377,266,488	1,120,540	428,969,760
Transfers out	(316,337,682)	-	(15,303,548)	(2,821,457)	(94,507,073)	(428,969,760)
General obligation bonds issued	145,405,000	-	-	-	30,400,000	175,805,000
Refunding bonds issued	67,371,200	-	-	-	12,792,000	80,163,200
Payments to escrow agent	(73,222,006)	-	-	-	(12,792,000)	(86,014,006)
Premium from sale of bonds	-	-	-	-	12,094,688	12,094,688
Premium on refunding of bonds	6,019,696	-	-	-	-	6,019,696
Proceeds from leases	337,692	2,329,136	-	-	-	2,666,828
Proceeds from SBITA	18,846,101	-	-	-	-	18,846,101
Transfer from Water and Wastewater Fund	-	-	-	1,170,000	-	1,170,000
Transfers from Solid Waste Fund	-	-	-	171,500	175,921	347,421
Total other financing sources (uses)	(101,523,849)	2,855,718	(15,303,548)	375,786,531	(50,715,924)	211,098,928
Net change in fund balances	(1,440,398)	1,621,875	5,526,379	108,549,981	18,155,315	132,413,152
Fund balances, July 1	529,665,422	(13,877,243)	137,039,362	238,452,016	135,200,012	1,026,479,569
Fund balances, June 30	\$ 528,225,024	\$ (12,255,368)	\$ 142,565,741	\$ 347,001,997	\$ 153,355,327	\$ 1,158,892,721

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

Reconciliation of Changes in Fund Balances to Changes in Net Position

Governmental Funds

Year Ended June 30, 2025

Changes in fund balances as shown on Statement of Revenues,
Expenditures, and Changes in Fund Balances, Governmental Funds \$ 132,413,152

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of capital assets is allocated over the estimated useful lives of those assets through an annual depreciation charge. The differences are as follows:

Current year additions of capital assets	197,678,940
Current year disposals of capital assets	765,874
Depreciation/Amortization expense recorded in the Statement of Activities	(71,562,288)

Governmental funds report the additions and payments of long term liabilities in the period that current resources are provided or used. In the Statement of Activities, new debt is recorded as a liability and payments of principal are charged against that liability. Interest payable must be accrued from the date of the last interest payment to the end of the fiscal year. Debt related differences are as follows:

New debt issued in current year	(255,968,200)
Principal payments on debt	189,216,847
Additions of new leases	(2,666,828)
Lease payments	3,394,588
SBITA payments	8,267,151
SBITA issued	(18,846,101)
Change in accrued interest payable	13,524,208
Amortization of prior year refunding gain/loss and premium	27,789,867

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds

Change in Wynne accrued liability due to the State of MD	884,728
Changes in pension liabilities and related deferred outflows and inflows of resources	(74,489,691)
Accrual of LOSAP liability	446,992
Accrual of other post-employment benefit liability (OPEB)	44,405,149
Accrual of compensated absences	(6,372,904)
Expenses that are deferred to future periods	1,812,190

Premiums received on bond issues have been deferred in the government-wide statements. The revenue will be recognized over the life of the related bonds.

Amortization of premiums	(18,114,384)
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Certain revenue was deferred on the governmental fund statements because it was not available to pay expenditures of the current period. These deferred amounts are recognized as revenue in the Statement of Activities.

252,121,477

The current year activity in the internal service funds has been combined and eliminated against the governmental activities in the Statement of Activities. The net activity in the internal service funds that resulted from provision of services to business-type activities, component units, and outside agencies must be recognized in the Statement of Activities.

Net position of the Internal Service Funds	<u>(9,234,506)</u>
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Changes in net position as shown in governmental activities on the Statement of Activities \$ 415,466,261

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

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

General Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
General property taxes	\$ 920,388,200	\$ 920,388,200	\$ 925,574,618	\$ 5,186,418
Local income taxes	820,294,000	820,294,000	889,445,727	69,151,727
State shared taxes	19,147,200	19,147,200	20,322,333	1,175,133
Recordation and transfer taxes	102,000,000	102,000,000	119,554,895	17,554,895
Local sales taxes	32,687,800	32,687,800	32,583,586	(104,214)
Licenses and permits	23,202,600	23,202,600	20,631,802	(2,570,798)
Ambulance fees	23,420,000	23,420,000	23,190,882	(229,118)
Cable fees	8,800,000	8,800,000	8,190,443	(609,557)
Video Lottery Impact Aid	10,100,000	10,100,000	10,075,323	(24,677)
Investment income	11,000,000	11,000,000	45,395,487	34,395,487
Interfund recoveries	81,621,000	81,621,000	90,351,858	8,730,858
Fees for services and other revenues	77,569,200	77,569,200	88,203,843	10,634,643
Total revenues	<u>2,130,230,000</u>	<u>2,130,230,000</u>	<u>2,273,520,797</u>	<u>143,290,797</u>
EXPENDITURES				
Current				
Education	929,281,000	929,281,000	929,281,000	-
Higher education	50,827,800	50,827,800	50,827,800	-
Public safety	485,086,700	488,606,700	483,222,148	5,384,552
General government	273,729,800	262,621,700	257,608,988	5,012,712
Health and human services	78,904,600	78,954,600	76,529,015	2,425,585
Public works	40,118,400	45,219,900	45,052,684	167,216
Recreation and community services	66,842,800	67,759,400	67,467,897	291,503
Judicial	40,284,600	41,284,600	39,898,447	1,386,153
Land use and development	14,071,900	14,071,900	13,383,350	688,550
Code enforcement	19,017,500	19,537,500	19,195,221	342,279
Debt service	144,871,200	144,871,200	143,956,677	914,523
Pay go funding - capital projects	169,400,000	169,400,000	169,400,000	-
Total expenditures	<u>2,312,436,300</u>	<u>2,312,436,300</u>	<u>2,295,823,227</u>	<u>16,613,073</u>
Revenues over (under) expenditures	<u>\$ (182,206,300)</u>	<u>\$ (182,206,300)</u>	<u>(22,302,430)</u>	<u>\$ 159,903,870</u>
Fund balances, budgetary, July 1			<u>274,003,174</u>	
Fund balances, budgetary, June 30			<u>\$ 251,700,744</u>	
Fund balance - GAAP Basis			\$ 528,225,024	
Non-spendable			(4,973,359)	
Restricted			(22,023,815)	
Assigned			(185,061,110)	
Unassigned - Revenue reserve allocation			(170,740,965)	
Effects of:				
Fair value adjustment			548,601	
Cumulative LOSAP effect			763,250	
County Parking Garage Fund			(1,041,118)	
Inmate Benefits and Morale Fund			(1,640,160)	
Transfer for Permanent Public Improvements less fund balance prior year			(82,544,095)	
Non-budgeted activity exp - Permanent Public Improvement			10,714,030	
Lease revenue			(91,904)	
Bond Refunding Premium			(40,934)	
Bond Refunding COI			41,538	
Self Insurance Fund deficit allocation			7,660,159	
Central Garage Fund deficit allocation			4,817,177	
Unassigned - Non-GAAP basis			<u>84,612,319</u>	
Assigned for subsequent years			<u>167,088,425</u>	
Fund balance - budgetary basis			<u>\$ 251,700,744</u>	

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

Anne Arundel County, Maryland

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

Grants Special Revenue Fund

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Grants and aid	\$ 68,813,800	\$ 121,825,507	\$ 73,780,537	\$ (48,044,970)
Investment income	-	-	2,332	2,332
Fees, General Fund contributions and other	886,200	903,074	1,022,689	119,615
	<u>69,700,000</u>	<u>122,728,581</u>	<u>74,805,558</u>	<u>(47,923,023)</u>
Expenditures				
Public safety	10,670,100	14,025,207	5,091,358	8,933,849
General government	15,677,700	32,794,169	18,056,497	14,737,672
Health and human services	39,690,700	58,221,371	43,123,245	15,098,126
Public works	-	2,945,200	2,533,828	411,372
Recreation and community services	1,000	10,402,274	4,883,060	5,519,214
Judicial	3,114,500	3,756,030	2,404,137	1,351,893
Land use and development	546,000	546,000	10,500	535,500
Code enforcement	-	38,330	20,455	17,875
	<u>69,700,000</u>	<u>122,728,581</u>	<u>76,123,080</u>	<u>46,605,501</u>
Revenues over (under) expenditures	\$ -	\$ -	(1,317,522)	\$ (1,317,522)
Fund balance, budgetary, July 1			<u>(9,533,948)</u>	
Fund balance, budgetary, June 30			\$ <u>(10,851,470)</u>	
				-
Revenues over (under) expenditures Budgetary Basis			\$ (1,317,522)	
Revenue deferred for GAAP purposes			1,230,547	
Effect of Encumbrances			1,881,600	
Revenues over (under) expenditures - GAAP			<u>\$ 1,794,625</u>	

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

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Statement of Net Position

Proprietary Funds

June 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Non-major Fund		Internal
	Water and Wastewater	Solid Waste	Child Care	Totals	Service Funds
ASSETS					
Current assets					
Cash and temporary investments	\$ 128,049,576	\$ 29,071,501	\$ 162,762	\$ 157,283,839	\$ 34,935,163
Investments	-	-	-	-	70,864,030
Service billings receivable	27,093,971	1,123,200	190,788	28,407,959	8,278,572
Due from other funds	-	-	-	-	13,543,225
Inventories	3,840,307	410,468	-	4,250,775	979,753
Lease receivable	4,393,066	-	-	4,393,066	-
Other	41,210	-	-	41,210	4,253
Restricted assets					
Cash and temporary investments	17,187,932	25,331,545	-	42,519,477	-
Investments	231,272,681	-	-	231,272,681	-
Receivables					
Due from other governmental agencies	489,778	-	-	489,778	-
Other, net	16,049,970	100,443	-	16,150,413	-
Total current assets	428,418,491	56,037,157	353,550	484,809,198	128,604,996
Noncurrent assets					
Restricted assets					
Deferred connection and assessment charges	20,687,905	-	-	20,687,905	-
Capital assets	3,143,371,410	181,606,425	6,949	3,324,984,784	100,988,405
Less accumulated depreciation	(1,269,263,478)	(89,040,063)	(1,530)	(1,358,305,071)	(72,123,303)
Total capital assets, net of depreciation	1,874,107,932	92,566,362	5,419	1,966,679,713	28,865,102
Total noncurrent assets	1,894,795,837	92,566,362	5,419	1,987,367,618	28,865,102
Total assets	2,323,214,328	148,603,519	358,969	2,472,176,816	157,470,098
DEFERRED OUTFLOW OF RESOURCES					
Pension benefits	9,680,511	2,190,451	238,455	12,109,417	1,860,843
OPEB benefits	5,365,688	1,082,712	189,492	6,637,892	1,129,728
Total deferred outflows	15,046,199	3,273,163	427,947	18,747,309	2,990,571
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	30,902,154	5,559,306	147,852	36,609,312	1,587,662
Current portion of long-term debt and obligations	52,968,315	5,439,380	-	58,407,695	28,532,695
Accrued liability for compensated absences	2,774,056	461,675	136,661	3,372,392	508,297
Due to other funds	756,177	306,785	2,928	1,065,890	-
Lease payable	49,938	5,734	1,740	57,412	4,094
Escrow deposits	676,286	73,747	-	750,033	-
Liabilities related to restricted assets					
Accounts payable and accrued liabilities	9,150,251	-	-	9,150,251	-
Unearned revenue	531,555	-	-	531,555	-
Total current liabilities	97,808,732	11,846,627	289,181	109,944,540	30,632,972
Noncurrent liabilities					
Unpaid insurance claims	-	-	-	-	57,749,599
Accrued liability for compensated absences	266,480	197,884	45,719	510,083	10,071
Net pension liability	65,471,738	13,746,469	1,390,615	80,608,822	12,874,916
Net OPEB liability	21,187,861	6,025,110	-	27,212,971	3,551,425
Long-term leases payable	64,213	9,926	3,799	77,938	6,616
Estimated landfill closure and postclosure	-	20,492,279	-	20,492,279	-
Long-term debt	887,079,592	49,102,806	-	936,182,398	-
Total noncurrent liabilities	974,069,884	89,574,474	1,440,133	1,065,084,491	74,192,627
Total liabilities	1,071,878,616	101,421,101	1,729,314	1,175,029,031	104,825,599
DEFERRED INFLOW OF RESOURCES					
OPEB benefits	20,994,635	4,572,661	914,917	26,482,213	4,365,949
Lease related	4,017,645	93,184	-	4,110,829	-
Unamortized deferred refunding gain	11,398,367	828,041	-	12,226,408	-
Total deferred inflows	36,410,647	5,493,886	914,917	42,819,450	4,365,949
NET POSITION					
Net investment in capital assets	967,410,711	41,020,327	(120)	1,008,430,918	28,854,392
Restricted for debt service	275,516,682	-	-	275,516,682	-
Restricted for capital improvements	489,778	-	-	489,778	-
Restricted for other purposes	-	311,966	-	311,966	-
Unrestricted	(13,445,907)	3,629,402	(1,857,195)	(11,673,700)	22,414,729
Total net position	\$ 1,229,971,264	\$ 44,961,695	\$ (1,857,315)	\$ 1,273,075,644	\$ 51,269,121

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

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Anne Arundel County, Maryland

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

Proprietary Funds

Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Non-major Fund		Activities
	Water and Wastewater	Solid Waste	Child Care	Totals	Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 113,112,320	\$ 69,263,827	\$ 8,146,555	\$ 190,522,702	\$ 64,793,424
Landfill charges	-	9,347,886	-	9,347,886	-
Medical premiums	-	-	-	-	109,104,097
Other revenues	9,886,630	355,182	-	10,241,812	12,687,463
Total operating revenues	122,998,950	78,966,895	8,146,555	210,112,400	186,584,984
OPERATING EXPENSES					
Personnel services	44,682,047	9,937,526	6,383,815	61,003,388	22,846,436
Contractual services	62,732,457	55,265,911	317,783	118,316,151	2,816,688
Supplies and materials	14,120,172	627,175	251,442	14,998,789	2,266,331
Business and travel	263,626	235,342	22,706	521,674	40,583
Cost of goods issued	-	-	-	-	9,177,289
Depreciation	67,150,483	6,296,802	1,676	73,448,961	9,522,714
Provision for claims and estimated losses	-	-	-	-	154,648,355
Landfill closure and postclosure costs	-	1,528,889	-	1,528,889	-
Pro rata shares	-	4,498,300	-	4,498,300	-
Other	14,386,092	3,184,918	1,150,500	18,721,510	1,842,267
Total operating expenses	203,334,877	81,574,863	8,127,922	293,037,662	203,160,663
Operating income (loss)	(80,335,927)	(2,607,968)	18,633	(82,925,262)	(16,575,679)
NONOPERATING REVENUES (EXPENSES)					
Investment income	10,128,504	1,909,888	1,190	12,039,582	6,382,110
Interest earned on long-term receivables	346,100	-	-	346,100	-
Other revenues	11,036,138	-	-	11,036,138	-
Other expenses	(1,006,133)	(337,277)	-	(1,343,410)	-
Interest expense	(36,797,206)	(1,950,054)	-	(38,747,260)	-
Gain/(loss) on disposal of assets	(2,366)	(19,257)	-	(21,623)	959,063
Income (loss) before contributions and transfers	(96,630,890)	(3,004,668)	19,823	(99,615,735)	(9,234,506)
Capital contributions, fees and grants	78,293,156	-	-	78,293,156	-
Transfer to Energy Revolving Loan Fund	-	(175,921)	-	(175,921)	-
Transfer to General County Capital Projects	(1,170,000)	(171,500)	-	(1,341,500)	-
Change in net position	(19,507,734)	(3,352,089)	19,823	(22,840,000)	(9,234,506)
Net position, July 1	1,249,722,074	48,373,688	(1,861,301)	1,296,234,461	60,528,043
Change in accounting principle	(243,076)	(59,904)	(15,837)	(318,817)	(24,416)
Net position, July 1 (as restated)	1,249,478,998	48,313,784	(1,877,138)	1,295,915,644	60,503,627
Net position, June 30	\$ 1,229,971,264	\$ 44,961,695	\$ (1,857,315)	\$ 1,273,075,644	\$ 51,269,121

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

Anne Arundel County, Maryland

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Non-major Fund		Activities
	Water and Wastewater	Solid Waste	Child Care	Totals	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received for services	\$ 118,576,296	\$ 78,965,667	\$ 8,029,804	\$ 205,571,767	\$ 176,028,579
Cash payments to suppliers for goods and services	(92,842,287)	(64,909,330)	(1,740,562)	(159,492,179)	(14,869,993)
Cash payments for insurance claims	-	-	-	-	(152,632,117)
Cash payments to employees for services	(43,203,212)	(9,533,762)	(6,266,803)	(59,003,777)	(8,630,451)
Other operating payments	-	-	-	-	(1,842,268)
Net cash provided (used) by operating activities	(17,469,203)	4,522,575	22,439	(12,924,189)	(1,946,250)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Cash paid to General County Capital Projects	(1,170,000)	-	-	(1,170,000)	-
Cash paid to Energy Revolving Loan Fund	-	(175,921)	-	(175,921)	-
Cash paid from other funds	235,392	19,326	4,983	259,701	-
Net cash used for noncapital financing activities	(934,608)	(156,595)	4,983	(1,086,220)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of bonds	84,235,000	12,716,800	-	96,951,800	-
Proceeds from grant funds	4,577,288	-	-	4,577,288	-
Proceeds from loan	114	-	-	114	-
Proceeds from debt	-	-	6,949	6,949	-
Proceeds from developers' contributions	697,186	-	-	697,186	-
Refunds to developers	(169,975)	-	-	(169,975)	-
Assessments and connection charges	39,269,345	-	-	39,269,345	-
Environmental protection fees for capital assets	35,814,412	-	-	35,814,412	-
Payments of long-term debt	(41,557,734)	(9,020,412)	(1,410)	(50,579,556)	-
Interest payments	(45,338,302)	(2,132,084)	-	(47,470,386)	-
Operating funds used in construction	5,895,000	-	-	5,895,000	-
Acquisition and construction of capital assets	(74,489,426)	(10,755,733)	(6,949)	(85,252,108)	(9,515,937)
Premium on sale of bonds	16,508,788	-	-	16,508,788	-
Proceeds from sale of equipment	-	-	-	-	959,063
Payment of capital related fees	(173,247)	-	-	(173,247)	-
Transfer to capital projects	(10,952,788)	-	-	(10,952,788)	-
Net cash provided (used) by capital and related financing activities	14,315,661	(9,191,429)	(1,410)	5,122,822	(8,555,568)

Anne Arundel County, Maryland

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Non-major Fund	Totals	Internal
	Water and Wastewater	Solid Waste	Child Care		Service Funds
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of investment securities	\$ (112,313,585)	\$ -	\$ -	\$ (112,313,585)	\$ (228,384,015)
Sale of investment securities	108,418,081	-	-	108,418,081	228,168,865
Rebates, interest income and reimbursements	-	-	-	-	-
Investment income received	10,128,504	1,909,888	1,190	12,039,582	6,235,200
Net cash provided (used) by investing activities	6,233,000	1,909,888	1,190	8,144,078	6,020,050
Net increase (decrease) in cash and cash equivalents	2,144,850	(2,915,561)	27,202	(743,509)	(4,481,768)
Cash and temporary investments, July 1	143,092,658	57,318,607	135,560	200,546,825	39,416,931
Cash and temporary investments, June 30	\$ 145,237,508	\$ 54,403,046	\$ 162,762	\$ 199,803,316	\$ 34,935,163
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (80,335,927)	\$ (2,607,968)	\$ 18,633	\$ (82,925,262)	\$ (16,575,511)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	67,150,483	6,296,802	1,676	73,448,961	9,522,714
Loss on disposal and other	-	-	-	-	(1,572)
Effect of changes in operating assets, deferred outflows, liabilities and deferred inflows					
Accounts receivable	(3,024,017)	60,894	(116,751)	(3,079,874)	2,803,654
Prepaid expenses	13,992	-	-	13,992	3,759
Inventories	(1,168,373)	(89,256)	-	(1,257,629)	(366,590)
Accounts payable and accrued liabilities	(226,130)	(946,432)	2,179	(1,170,383)	(204,867)
Unpaid claims	-	-	-	-	16,016,238
Landfill closure and postclosure costs	-	1,466,893	-	1,466,893	-
Due to other funds	-	-	-	-	(7,910,145)
Due from other funds	-	-	-	-	(5,449,914)
Escrow deposits	40,571	-	-	40,571	-
Accrued liability for compensated absences	284,141	120,624	33,082	437,847	68,000
Accrued liability for pension	(1,889,847)	(400,923)	(38,256)	(2,329,026)	(362,666)
Deferred outflow of resources	8,705,782	2,268,913	245,636	11,220,331	1,672,601
Deferred inflow of resources	(3,460,229)	(925,935)	(107,701)	(4,493,865)	(421,195)
Accrued liability for OPEB benefits	(3,559,649)	(721,037)	(16,059)	(4,296,745)	(740,756)
Net cash provided (used) by operating activities	\$ (17,469,203)	\$ 4,522,575	\$ 22,439	\$ (12,924,189)	\$ (1,946,250)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Contributions of capital assets from developers	\$ 6,348,467	\$ -	\$ -	\$ 6,348,467	\$ -
Trade in of capital assets	-	19,257	-	19,257	-
Change in capital contributions, fees and grants, accruals and deferrals	(12,772,362)	-	-	(12,772,362)	-
Increase (decrease) in fair value of investments	(2,167,783)	-	-	(2,167,783)	620,239
Debt refunding	66,950,000	-	-	66,950,000	-
Effect of accounts and retainages payable on capital assets	3,967,050	2,269,127	-	6,236,177	-
Initiation of leases	55,728	7,213	6,949	69,890	-
Amortization of refunding gains (losses)	72,253	79,138	-	151,391	-

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

Anne Arundel County, Maryland
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Pension (December 31, 2024) and Other Post Employment Plan Trust Funds	Custodial Funds
ASSETS		
Investments, at fair value:		
Cash and temporary investments	\$ 56,455,843	\$ 20,262,510
U. S. government obligations	44,914,390	-
Bank Loans	138,470	-
Corporate obligations	120,176,345	-
Domestic fixed income mutual funds	436,778,689	-
International fixed income mutual funds	107,444,130	-
Domestic equity	1,190,862,902	-
International equity pools	702,746,416	-
Private markets	432,412,670	-
Real estate investment pools	124,117,614	-
Aetna insurance pooled fixed income	19,589,329	-
Total investments	<u>3,235,636,798</u>	<u>20,262,510</u>
Collateral from securities lending transactions	78,380,240	-
Receivables:		
Accounts receivable	4,986,680	6,985,678
Employer contributions	24,243,087	-
Participant contributions	3,634,576	-
Accrued interest and dividends	2,054,636	-
Investment sales proceeds	20,807,501	-
Total receivables	<u>55,726,480</u>	<u>6,985,678</u>
Deposits on hand	188,457	-
Total assets	<u>3,369,931,975</u>	<u>27,248,188</u>
LIABILITIES		
Accounts payable and accrued liability	3,421,460	8,500
Escrow and other deposits	-	11,005,669
Due to other governmental agencies	341,720	9,463
Investment commitments payable and unearned revenue	19,707,693	-
Obligation for collateral received under securities lending transactions	78,380,240	-
Total liabilities	<u>101,851,113</u>	<u>11,023,632</u>
NET POSITION		
Restricted for:		
Pension	2,555,853,612	-
OPEB	712,227,250	-
Custodial Funds	-	16,224,556
Total net position	<u>\$ 3,268,080,862</u>	<u>\$ 16,224,556</u>

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

Anne Arundel County, Maryland

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

Year Ended June 30, 2025

	Pension (December 31, 2024) and Other Post Employment Plan Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
Employer	\$ 216,096,330	\$ -
Participant	28,718,441	-
Insurance subsidies and rebates	18,697,688	-
Total contributions	<u>263,512,459</u>	<u>-</u>
Investment income:		
Net appreciation in fair value of investments	230,190,100	-
Interest income	50,131,974	-
Dividend income	56,145,977	-
Total investment income	<u>336,468,051</u>	<u>-</u>
Less investment expense	10,801,229	-
Net income from investing activities	<u>325,666,822</u>	<u>-</u>
Securities lending activities:		
Securities lending income	<u>5,182,330</u>	<u>-</u>
Securities lending expenses:		
Borrower rebates	4,869,098	-
Management fees	125,294	-
Securities lending expense	<u>4,994,392</u>	<u>-</u>
Securities lending net income	<u>187,938</u>	<u>-</u>
Total net investment income	325,854,760	-
Custodial revenues	<u>-</u>	<u>6,515,259</u>
Total additions	<u>589,367,219</u>	<u>6,515,259</u>
DEDUCTIONS		
Participant benefit payments and refunds	175,511,906	-
Insurance claims and premiums	64,040,890	-
Administrative expenses	3,518,979	-
Custodial expenditures	-	15,940,921
Total deductions	<u>243,071,775</u>	<u>15,940,921</u>
Net increase/(decrease)	346,295,444	(9,425,662)
Fiduciary net position, beginning of year	2,921,785,418	25,650,218
Fiduciary net position, end of year	<u>\$ 3,268,080,862</u>	<u>\$ 16,224,556</u>

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

Anne Arundel County, Maryland
Notes to Basic Financial Statements
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Anne Arundel County, Maryland

Notes to the Financial Statements

June 30, 2025

1 Summary of Significant Accounting Policies

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

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

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

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

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

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

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

Anne Arundel Community College
101 College Parkway
Arnold, MD 21012

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

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

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

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

Government-Wide Financial Statements

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

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

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

Fund Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

- **Anne Arundel Retiree Health Benefits Trust Fund** – This fund consists of the activities of the Anne Arundel Retiree Health Benefits Trust (OPEB Trust Fund). The OPEB Trust Fund has fiduciary responsibility to administer the agent multi-employer defined benefit plans to provide retiree health benefits as "other post-employment benefit" for the following three entities; the Anne Arundel County Plan (County Plan), the Anne

Arundel Community College Plan (College Plan), and the Public Library Association of Annapolis and Anne Arundel County, Inc. (Library Plan).

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

- **Custodial Funds** – Custodial funds account for deposits that are collected and held on behalf of individuals, organizations, or other governments. These monies include the following: escrow deposits for developer subdivisions, sediment control, tax sale, special taxing districts, and other miscellaneous purposes; monies held in trust on behalf of the Special Tax and Assessment Districts; and taxes collected for other governments.

Budgetary Statements

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

Combining and Other Supplementary Schedules

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

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

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

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

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

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

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

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

F Capital Assets – Capital assets of the primary government are recorded in the applicable governmental or business-type activities columns on the government-wide Statements of Net Position. These asset balances include all constructed, purchased, or developer-donated public domain infrastructure (roads, bridges, and similar items). Infrastructure with an individual value of \$50,000 or more, intangible assets, including subscription assets and software with an individual value of \$50,000 or more. Library books and Material assets for use by library patrons are capitalized at cost. All physical library material is capitalized as a single addition as opposed to individual purchases and therefore, no minimum threshold is established.

Other assets with an individual value of \$5,000 or more are capitalized. Capital assets are valued at historical cost or estimated historical cost. In addition, assets having an estimated useful life of more than one year that are below the \$5,000 threshold and not considered repair or maintenance costs are collectively capitalized on the financial statements when the aggregate of those assets are considered significant. Donated assets are recorded at acquisition value on the date donated. Land and easements, historical property, and works of art are assets that are not depreciated. Depreciable assets are depreciated on a straight-line basis over the respective useful lives. The estimated useful lives of the capital assets are determined by the category. They are listed as follows:

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

G Deferred Outflows/Inflows of Resources – A deferred outflow of resources represents the consumption of net assets that applies to a future period that will not be recognized as an outflow of the resources (expenditure) until that future period. At the end of the current fiscal year, the County Primary Government had deferred outflows of resources for pension benefits, Other Post-Employment Benefits (OPEB), Length of Service Awards Program

(LOSAP), and unamortized deferred refunding losses. The Board of the Maryland State Retirement, Anne Arundel County Pension and Retirement System, and Anne Arundel Retiree Health Benefits Trust (OPEB) recognizes deferred outflows of resources (DOR), which are amortized according to the actuarial valuation report. The DOR can occur from contributions after the measurement date, changes in investment, changes in assumptions, and changes in experience, as determined from the actuarial valuation report. Deferred inflow of resources (DIR) represents an acquisition of net assets that applies to a future reporting period that will not be recognized as an inflow of resources (revenue) until that time. For government-mandated and voluntary non-exchange transactions on the governmental funds, a deferred inflow (DIR) is reported when resources are received before time requirements are met and revenue is unavailable. The governmental funds had deferred inflows of resources (DIR) representing unavailable tax revenues, E-Rate Federal reimbursements, 911 fees, Opioid Settlements and unavailable grant and program revenues. On the government-wide statements, the primary government had deferred inflows of resources (DIR) representing pension, OPEB, LOSAP and advances in property tax revenue. Additionally, deferred inflows are recorded at both the fund and entity-wide levels related to lessor activity under GASB 87. The Board of the Maryland State Retirement, Anne Arundel County Pension and Retirement System, and Anne Arundel Retiree Health Benefits Trust (OPEB) recognizes deferred inflows of resources (DIR) related to pensions and OPEB actuarial estimates, which are amortized according to the actuarial valuation report. The DIR can occur from changes in investment, actuarial assumptions, and actuarial experience, as determined from the actuarial valuation report.

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

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

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

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

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

K Encumbrances – The governmental funds utilize encumbrance accounting under which purchase orders, contracts, and other commitments are recorded in order to reserve budget appropriations for that purpose. Open encumbrances at fiscal year-end are shown as part of the restricted, committed, or assigned fund balance, depending

on the nature of the fund, in the governmental fund statements and are recorded as expenditures on the budgetary statements. Encumbrances as of June 30, 2025, totaled \$259,155,307 in the governmental fund types, of which \$208,156,998 is for construction activity. The proprietary funds utilize encumbrance accounting for budgetary purposes. As of June 30, 2025, the proprietary funds had encumbrances totaling \$174,025,222, of which \$160,151,824 is for construction activity.

L Fund Balance Classification – The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. See Footnote 11 for additional information on Governmental Fund Balance. The classifications used in the governmental fund financial statements are as follows:

- **Non-spendable:** This classification includes amounts that cannot be spent because they either (a) are not in spendable form or (b) are legally or contractually required to be maintained intact. The County has classified inventories and prepaid items as non-spendable.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The following fund balances are classified as restricted:
 - **Permanent Public Infrastructure (PPI):** \$22,023,815 of the general fund is restricted through enabling legislation from County Bill 42-19, which established the reserve fund for permanent public improvement (PPI).
 - **Base realignment and closure (BRAC):** restricted by the Annotated Code of Maryland, Economic Development Article, Section 5-1306 for the revitalization and incentive programs in the BRAC area.
 - **Impact fees:** restricted by the Annotated Code of Maryland, Local Government Article, Section 20-701 for expanded infrastructure required to accommodate new development.
 - **Forfeiture and asset seizure team:** restricted by federal regulations for law enforcement activities.
 - **Roads and special benefits:** restricted by the Annotated Code of Maryland, Local Government Article, Section 10-314 for the improvements and benefits within designated districts.
 - **Reforestation:** restricted by the Annotated Code of Maryland, Natural Resources Article, Section 5-1610 for the reforestation of properties in the County.
 - **Laurel racetrack community benefit:** restricted by the Annotated Code of Maryland, Business Regulation Article, Section 11-404 for certain services and facilities in the vicinity of the Laurel racetrack.
 - **Grants:** restricted by various state and federal laws, regulations, and grant agreements that specify how funds may be spent.
 - **Circuit court:** restricted by the Annotated Code of Maryland, Court and Judicial Proceedings Article, Section 7-204 for Circuit Court operations.
 - **Odenton Town Center Tax Increment:** restricted by State Enabling Legislation and the creation of the special taxing district as defined in Anne Arundel County Resolution 42-14, for the creation of Odenton Town Center Development District.
 - **Erosion districts:** restricted by the Annotated Code of Maryland, Local Government Article, Section 21-306 for erosion control projects and related loans in designated districts.

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

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

M Compensated absences - County employees are granted vacation, personal, and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation days. Classified and executive employees are limited to an accrual of forty days. Employees who terminate employment are not reimbursed for accumulated sick leave. Payments when made to terminated employees for accumulated vacation leave are charged as expenditures/expenses, primarily in the General Fund, Special Revenue Funds, and Proprietary Funds. Accumulated leave benefits that are more likely than not to be used or paid are recorded as obligations in the Statement of Net Position and Proprietary Fund Statements. The primary government's Statements of Net Position include an accrual for compensated absences. This accrual is an estimate of unused annual and sick leave as of June 30, 2025. The annual leave accrual is calculated using unused annual leave hours as of June 30, 2025, and pay rates in place for each employee at the end of the fiscal year.

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

Compensated absences are liquidated within the General Fund and the Reforestation Fund. They are also liquidated in Self Insurance, Central Garage and Transportation, Water and Wastewater, Solid Waste, and Child Care.

N New GASB Pronouncements -

During the year ended June 30, 2025, the County adopted Government Accounting Standards Board (GASB) statements no. 101 – *Compensated Absences* and 102 – *Certain Risk Disclosures*. The adoption of statement 101 required a restatement of net position at June 30, 2024 resulting from a change in accounting principle. The effects of this restatement on the activities of the primary government and the related individual funds are as follows:

	<u>Net Position June 30, 2024</u>	<u>Adjustment to Restate</u>	<u>Net Position June 30, 2024, as restated</u>
Governmental Activities	\$ (24,509,286)	\$ (2,176,362)	\$ (26,685,648)
Business - Type Activities	\$ 1,296,234,461	\$ (318,817)	\$ 1,295,915,644
Self-Insurance Fund	\$ 74	(8,183)	(8,109)
Central Garage and Transportation	-	(16,233)	(16,233)
Total Internal Service Funds	\$ 74	\$ (24,416)	\$ (24,342)
Water and Wastewater	\$ 1,249,722,074	\$ (243,076)	\$ 1,249,478,998
Solid Waste	\$ 48,373,688	\$ (59,904)	\$ 48,313,784
Child Care	\$ (1,861,301)	\$ (15,837)	\$ (1,877,138)

The adoption of Statement 102 did not have a material effect on the County’s financial statements.

As of the year ended June 30, 2025, GASB has issued Statement No. 103 entitled Financial Reporting Model Improvements, and Statement No. 104 entitled Disclosure of Certain Capital Assets. These pronouncements are required to be implemented in future years. The County has not yet completed the process of evaluating the impact of these pronouncements on its financial statements

<u>GASB Statement No.</u>	<u>GASB Accounting Standard</u>	<u>Effective Fiscal Year</u>
103	Financial Reporting Model Improvements	2026
104	Disclosure of Certain Capital Assets	2026
105	Subsequent Events	2027

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

2 Budgetary Information

Expenditures and encumbrances of funds may not exceed legally adopted appropriations. The appropriations are established by the County Council in the Annual Budget and Appropriation Ordinance. During the fiscal year, the County Council may adopt supplemental budgetary appropriation ordinances that increase appropriations from revenue not anticipated in the budget or in excess of that anticipated in the budget. The County Executive has the authority to approve intra-department transfers within a fund. Transfers of appropriations from one department to another or from one capital project to another require the County Council’s approval by ordinance. The legal level of budgetary control is at the department level for the operating funds, at the project level for capital projects, and at the district level for Roads and Special Community Benefit Districts, Shore Erosion Control Districts, and Waterway Improvement Special Taxing Districts. All unexpended, unencumbered appropriations lapse at year’s end, except appropriations for capital projects. The County adopts budgets for all funds except the Custodial and Fiduciary Funds,

Library Dedicated Revenue Fund and the capital project funds for the Bike, Pedestrian, Transportation and Infrastructure Fund, Recreation Land Fees Fund, Street Light Fund, and Energy Revolving Loan Fund, which are expended through the General County Capital Projects Fund. Appropriations in the grant funds may be increased without a separate ordinance if the conditions in the code are met.

A Excess Expenditures over Appropriation Limits – Expenditures for Workforce Development exceeded budgeted appropriations by \$352,077, in fiscal year 2025.

B Fund Deficits - The Grants Special Revenue Fund had a deficit fund balance in the amount of (\$12,255,368) as a result of funds expended in the current fiscal year that were not reimbursed by the grantor, in particular the State Health Department, within 90 days of the fiscal year end. The Child Care Fund had a deficit net position in the amount of (\$1,857,315) as a result of increased personal services costs. The Board of Education and Anne Arundel County Public Library, both discretely presented component units, have deficit net positions of (\$70,526,279) and (\$23,980,441), respectively, as a result of unfunded liabilities for other postemployment and pension benefits.

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

	<u>General Fund</u>
Revenue over expenditures - budgetary basis	\$ (22,302,430)
Net effect of encumbrances	1,126,507
FMV Interest Adj - GAAP	430,465
Revenue Reserve Fund Balance	17,628,443
Net Inventory Change	477,004
Premium Refunding	40,934
COI Refunding	(41,538)
Transfer for Perm Pub Impr	11,309,785
Lease Revenue	36,312
Recreation and Parks Accrual GAAP	260,748
Self Insurance Fund Deficit	(12,900,407)
Garage Fund Deficit	1,688,923
Effects of Inmate Benefit Fund & Parking Garage Fund	804,856
GAAP basis - net increase in fund balance	\$ <u>(1,440,398)</u>

3 Cash and Investments

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

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

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

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

Pooled cash is primarily used to purchase short-term investments. Policy requires that for repurchase agreement investments made by the County, the initial collateral securities underlying repurchase agreement investments have a market value of at least 102% of the cost of the repurchase agreement. The collateral is in the County's name and held by an independent third party or at the Federal Reserve. When the collateral falls under 101% or is \$100,000 less than the 102%, additional collateral is required to bring the total to the required level. As of June 30, 2025, there were no repurchase agreements to collateralize at 102%.

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

At year end, the Retirement System had no credit risk exposure to borrowers, because the amount of collateral held by the Retirement System was greater than the value of securities on loan. The market value of invested collateral held as of December 31, 2024 was \$79,414,822. There were no securities held as collateral. The market value of securities on loan for the Retirement System as of December 31, 2024 was \$77,720,537.

The Retirement System did not impose any restrictions during the year on the amount of the loans that the agent made on its behalf. Moreover, there were no losses during the year resulting from a default of the borrowers or agent. All security loans can be terminated on demand by either the Retirement System or the borrower. Cash collateral received was invested in Repurchase Agreements, which as of December 31, 2024 had a weighted average final maturity of 1.0 day. The interest rate risk is zero days, as assets and liabilities can be rate changed on a daily basis.

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

B **Balances and Custodial Credit Risk** – As of June 30, 2025, the carrying amount of the primary government's bank deposits was (\$392,505) and bank balances were \$5,480,116. All bank balances were fully secured by Federal Deposit insurance or fully collateralized. The total money market fund balance was \$272,946,485.

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

Money market fund balances for the Retirement System as of calendar year-end December 31, 2024 and OPEB Trust as of fiscal year ended June 30, 2025, were \$38,863,624 and \$17,592,219 respectively.

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

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

The table that follows uses the *Segmented Time Distribution* method to display debt investments by maturity for the primary government and the component units by term and investment type. Market values for issues within the primary government's agency/instrumentalities category include \$109,998,534 of callable issues as of June 30, 2025. The component units' issues have no variable rate securities. Exchange traded fund (ETF) investments with a market value of \$19,994,684 are not included in this table.

Primary Government					
Investment Type	Fair Value	Investment Maturities			
		Less than 1 year	1 to 5 years	6 to 10 years	Greater than 10 years
U.S. Government securities	\$ 249,782,296	232,605,615	\$ 15,632,555	\$ -	\$ 1,544,126
Agencies / instrumentalities	701,073,527	568,240,910	97,683,919	35,148,698	-
Supranationals	24,367,904	-	16,394,549	7,973,355	-
Money market pools	272,946,485	272,946,485	-	-	-
Commercial paper	111,482,025	111,482,025	-	-	-
Corporate bonds	33,195,363	16,800,087	16,395,276	-	-
Municipals bonds	231,272,681	59,659,300	171,613,381	-	-
	<u>\$ 1,624,120,281</u>	<u>\$ 1,261,734,422</u>	<u>\$ 317,719,680</u>	<u>\$ 43,122,053</u>	<u>\$ 1,544,126</u>
Component units					
Board of Education					
Investment Type					
Money market pools	\$ 202,197,859	\$ 202,197,859	\$ -	\$ -	\$ -
	<u>\$ 202,197,859</u>	<u>\$ 202,197,859</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Community College					
Investment Type					
Money market pools	\$ 30,800,383	\$ 30,800,383	\$ -	\$ -	\$ -
	<u>\$ 30,800,383</u>	<u>\$ 30,800,383</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other non-major component units					
Investment Type					
Money market pools	\$ 379	\$ 379	\$ -	\$ -	\$ -
	<u>\$ 379</u>	<u>\$ 379</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The following table uses *Segmented Time Distribution* to display the Retirement System's debt holdings by maturity term and investment type as of December 31, 2024. Some issues within the categories agencies/instrumentalities, corporate bonds, collateralized mortgage obligations, and other asset-backed securities have variable-rate features. The total fair value of the securities with variable rate features was \$25,615,467 as of December 31, 2024.

The table also includes issues with call features and assumes that these issues will be held to maturity. The total fair market value of callable securities totals \$48,777,368 with call dates ranging from September 20, 2025 to December 15, 2051. Stated call prices are generally at par. The callable holdings include issues with floating interest rates, which have a market value of \$1,712,841. Non-debt investments, guaranteed contracts, and un-invested cash with a combined fair value of \$1,320,893,996 do not have maturity dates and therefore are not included in this table.

		Retirement System				
		Investment Maturities (in Years)				
Investment Type	Fair Value	Less than				
		1 year	1 to 5	6 to 10	over 10	
Agency/Instrumentalities	\$ 64,941,025	\$ -	\$ -	\$ -	\$ 64,941,025	
Bank loans	138,470	-	138,470	-	-	
Collateralized mortgage obligations	18,269,345	-	-	-	18,269,345	
Corporate bonds	27,393,313	-	8,303,002	18,458,227	632,084	
Fixed income mutual funds	337,281,159	337,281,159	-	-	-	
Foreign government and yankee bonds	2,226,539	-	1,817,591	408,948	-	
Money market pools	38,863,624	38,863,624	-	-	-	
Other asset-backed securities	7,346,122	-	-	-	7,346,122	
U.S. treasuries	44,914,390	1,576,800	-	24,551,967	18,785,623	
Totals	\$ <u>541,373,987</u>	\$ <u>377,721,583</u>	\$ <u>10,259,063</u>	\$ <u>43,419,142</u>	\$ <u>109,974,199</u>	

The OPEB Trust owned one debt mutual fund exposed to interest rate risk as of June 30, 2025. As of June 30, 2025, the trust owned one fixed income mutual fund with an effective maturity of 8.5 years with a fair value of \$206,941,661.

D Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Debt securities are rated by Nationally Recognized Statistical Rating Organizations to provide purchasers with an opinion of the capability and willingness of a borrower to repay its debt. The primary government’s Investment Policy does not address credit risk. The following table displays the County’s debt holdings and quality ratings from Standard & Poor’s. Ratings for the component units and Retirement System are listed separately. Exchange traded fund (ETF) investments with a market value of \$19,994,684 are not included in this table.

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

Anne Arundel County, Maryland
Notes to the Financial Statements

		Standard & Poor's Credit Ratings					
Primary Government							
Investment Type	Total Market Value	A-1	AAA	AA	A	BBB	Not Rated
Agencies/instrumentalities	\$ 701,073,527	\$ -	\$ -	\$ 132,551,141	\$ -	\$ -	\$ 568,522,386
Supranationals	24,367,904	-	19,363,849	-	-	-	5,004,055
Commercial paper	111,482,025	111,482,025	-	-	-	-	-
Corporate bonds	33,195,363	-	-	-	19,494,277	9,282,590	4,418,496
Municipal securities	231,272,681	-	154,596,266	50,727,941	25,948,474	-	-
Money market pools	272,946,485	-	268,756,182	-	-	-	4,190,303
Total Credit Risk-Debt Securities	1,374,337,985	\$ 111,482,025	\$ 442,716,297	\$ 183,279,082	\$ 45,442,751	\$ 9,282,590	\$ 582,135,240
U.S. Gov't & Agencies **	249,782,296						
Total Debt Securities	\$ 1,624,120,281						
Component Units							
Board of Education							
Investment Type							
Money market pools	\$ 202,197,859	\$ -	\$ 202,197,859	\$ -	\$ -	\$ -	\$ -
	\$ 202,197,859	\$ -	\$ 202,197,859	\$ -	\$ -	\$ -	\$ -
Community College							
Investment Type							
Money market pools	\$ 30,800,383	\$ -	\$ 30,800,383	\$ -	\$ -	\$ -	\$ -
	\$ 30,800,383	\$ -	\$ 30,800,383	\$ -	\$ -	\$ -	\$ -
Non-major component units							
Investment Type							
Money market pools	\$ 379	\$ -	\$ 379	\$ -	\$ -	\$ -	\$ -
	\$ 379	\$ -	\$ 379	\$ -	\$ -	\$ -	\$ -

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

The Retirement System's Investment Policy Statement provides guidelines to all fixed income managers related to allowable quality ratings. Holdings displayed by rating as of December 31, 2024, excluding equities and un-invested cash with a total fair value of \$560,963,316, are displayed next.

Retirement System								
	Total Fair Value	Standard & Poor's Credit Ratings						
		AAA	AA	A	BBB	CC	C	NR
Aetna insurance pool fixed income	\$ 19,589,329	\$ -	-	-	-	-	-	\$ 19,589,329
Agency/instrumentalities	64,941,025	-	-	-	-	-	-	64,941,025
Bank loans	138,470	-	-	-	-	-	-	138,470
Collateralized mortgage obligations	18,269,345	3,851,459	-	-	-	-	-	14,417,886
Corporate bonds	27,393,313	-	840,807	17,506,572	8,593,057	18,179	6,403	428,295
Fixed income mutual funds	337,281,159	-	-	-	-	-	-	337,281,159
Foreign government and yankee bonds	2,226,539	-	-	1,561,875	664,664	-	-	-
Money market pools	38,863,624	-	-	-	-	-	-	38,863,624
Other asset-backed obligations	7,346,122	-	-	-	-	-	-	7,346,122
Total credit risk of debt securities	\$ 516,048,926	\$ 3,851,459	\$ 840,807	\$ 19,068,447	\$ 9,257,721	\$ 18,179	\$ 6,403	\$ 483,005,910
U.S. treasuries*	44,914,390							
Total debt securities	\$ 560,963,316							

*U.S. government agency securities explicitly guaranteed by the U.S. government are categorized here.

The following table displays fair value and ratings for debt issues owned by the OPEB Trust as of June 30, 2025:

Retiree Health Benefits Trust					
	Total	Standard & Poor's Credit Ratings			NR
		AAA-A	BBB-B	CCC-C	
Fixed Income Mutual Funds	\$ 206,941,661	\$ -	\$ -	\$ -	\$ 206,941,661
Short Term Investment Pool	17,592,218	-	-	-	17,592,218
Total Debt Securities	\$ 224,533,879	\$ -	\$ -	\$ -	\$ 224,533,879

E Concentration Risk – Concentration risk is the risk of loss attributed to the magnitude of the government’s investment in a single issuer. As of June 30, 2025, Federal Home Loan Bank was 24.5% of the primary government’s investments, Federal National Mortgage Association was 6.7%, Federal Agricultural Mortgage Corporation was 5.4%, Federal Farm Credit Bank represented 4.8%, Federal Home Loan Mortgage Corporation was 1.0%, and Tennessee Valley Authority was 0.2%. The primary government’s Investment Policy requires diversification of investments by security type and institution. Issuer limits are not addressed. There was no investment greater than 5.0% for the Board of Education or the Community College, excluding pools. The Retirement System’s IPS sets maximum concentration limits by asset type and manager style. As of December 31, 2024, there was no exposure to a single issuer greater than 5.0% of the Retirement System’s plan net position, excluding investment pools.

F Foreign Currency Risk – This risk relates to the potential, unfavorable fluctuation of exchange rates compared with the U.S. Dollar. Neither the primary government nor its component units had exposure to foreign currency risk as of June 30, 2025. The Retirement System recognizes the value of global diversification and retains six managers for global and international equity and fixed income investments. Global and international managers may also purchase or sell currency on a spot basis and may enter into forward exchange contracts on currency, provided that the use of such contracts is designed to dampen portfolio volatility or to facilitate the settlement of securities transactions.

As of December 31, 2024, the Retirement System had no direct exposure to fixed income foreign currency. The fair market value of international/global equities and fixed income assets, which are managed in pooled funds, totaled \$654,067,883 as of December 31, 2024.

As of June 30, 2025, the OPEB Trust had no direct exposure to fixed income foreign currency. The fair market value of one international mutual fund totaled \$156,122,662.

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

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

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

The schedule of investments by type and hierarchy level as of June 30, 2025 is displayed below. As of June 30, 2025, short-term investments of \$272,946,485 were in money market mutual funds, which are not subject to the fair value measurement requirements.

Assets at Fair Value June 30, 2025

Primary Government Investment Type	Fair Value	Quoted Prices in	Significant Other	Significant
		Active Markets for Identical Assets	Observable Inputs	Unobservable Inputs
		Level 1	Level 2	Level 3
U.S. Treasuries	\$ 249,782,296	\$ 249,782,296	\$ -	\$ -
Agencies/instrumentalities	701,073,527	701,073,527	-	-
Supranationals	24,367,904	-	24,367,904	-
Commercial paper	111,482,025	111,482,025	-	-
Corporate bonds	33,195,363	33,195,363	-	-
Municipals bonds	231,272,681	-	231,272,681	-
Exchange Traded Funds	19,994,684	19,994,684	-	-
	<u>\$ 1,371,168,480</u>	<u>\$ 1,115,527,895</u>	<u>\$ 255,640,585</u>	<u>\$ -</u>

As of June 30, 2025, all investments and deposits for the Board of Education and the non-major component units were in money market mutual funds, which are not subject to the fair value measurement requirements.

The following table shows the fair market measurements for the Retirement System as of December 31, 2024. As of December 31, 2024, all short-term investments were in money market mutual funds, which are not subject to the fair value measurement requirements.

Anne Arundel County, Maryland
Notes to the Financial Statements

Pension System Assets at Fair Value December 31, 2024

Assets at Fair Value December 31, 2024	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed Income Investments				
U.S. Government obligations	\$ 44,914,390	\$ -	\$ 44,914,390	\$ -
Agency/Instrumentalities	64,941,025	-	64,941,025	-
Collateralized Mort. obligations	18,269,345	-	18,269,345	-
Other asset-backed obligations	7,346,122	-	7,346,122	-
Corporate bonds	27,393,313	-	27,393,313	-
Bank Loans	138,470	-	138,470	-
Yankee & Foreign Gov. Issued	2,226,539	-	2,226,539	-
Fixed income mutual funds	221,584,148	107,444,130	114,140,018	-
Total fixed income investments	386,813,352	107,444,130	279,369,222	-
Equity Investments				
Domestic equity	548,311,115	548,311,115	-	-
International equity pools	212,716,183	212,716,183	-	-
Total equity investments	761,027,298	761,027,298	-	-
Total investments by fair value level	\$ 1,147,840,650	\$ 868,471,428	\$ 279,369,222	\$ -

Pension System Net Asset Value December 31, 2024

Investment Types at net asset value	Net Asset Value	Unfunded Commitments as of 12/31/24	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Commingled funds-debt	\$ 115,697,011	\$ -	Twice monthly	15 days
Commingled funds-equities	566,819,910	-	Daily, Monthly	Daily, 5 Business days
International equity pool	118,597,950	-	Daily	Daily
Real estate (REIT) fund	103,789,522	-	Quarterly	90 days
Opportunistic	-	2,414,753	Quarterly	95 days
Private markets buyouts	101,802,866	27,831,129	Not eligible	Not eligible
Private markets co-investments	74,868,480	45,015,073	Not eligible	Not eligible
Private markets direct lending	7,967,424	32,000,000	Not eligible	Not eligible
Private markets distressed	106,914,230	42,265,000	Not eligible	Not eligible
Private markets energy	8,836,583	7,259,553	Not eligible	Not eligible
Private markets fund of funds	73,321	203,723	Not eligible	Not eligible
Private markets growth equity	69,189,363	15,315,000	Not eligible	Not eligible
Private markets mezzanine	807,576	1,365,290	Not eligible	Not eligible
Private markets secondaries	45,529,760	40,870,985	Not eligible	Not eligible
Total at net asset value	1,320,893,996	\$ 214,540,506		
Investments measured at amortized cost				
Money market pools	38,863,624			
Aetna insurance pooled fixed income	19,589,330			
Total Investments	\$ 2,527,187,600			

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

Investments valued at the net asset value (NAV) per share, or its equivalent, have been classified separately in the table above and include investments considered to be Alternative Investments as defined by the American Institute of Certified Public Accountants. The definition includes investments for which a readily determinable fair value does not exist (that is, investments not listed on national exchanges or over-the-counter markets, or for which quoted market prices are not available from sources such as financial publications, the exchanges, or NASDAQ).

These types of investments can be held within any of the asset classes used by the System based on underlying portfolio holdings and analysis of risk and return relations. These investments can be structured in different ways, including limited partnerships, limited liability companies, common trusts, and mutual funds. Some are closed-ended with a specific life and capital commitments while others are open-ended with opportunity for ad hoc contributions or withdrawals and termination with proper notice.

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

A derivative policy statement is included in the Investment Policy Statement (IPS). Prohibited instruments include options, commodities, uncovered options or futures, uncovered short positions, short selling, and use of financial leverage. The derivative exposure as of December 31, 2024 within the mutual funds is comprised of allowable instruments based on the IPS.

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

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

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

Community College Assets at Fair Value June 30, 2025

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Community College				
Equity mutual funds				
Domestic broad equity	\$ 8,385,789	\$ 8,385,789	\$ -	\$ -
International equity	6,328,129	6,328,129	-	-
Small cap broad equity	3,696,645	3,696,645	-	-
Mid cap broad equity	1,848,816	1,848,816	-	-
Real assets equity	1,094,691	1,094,691	-	-
	\$ 21,354,070	\$ 21,354,070	\$ -	\$ -
Bond funds	5,541,650	5,541,650	-	-
Equity securities	50,508	50,508	-	-
	\$ 26,946,228	\$ 26,946,228	\$ -	\$ -

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

Fair Value Hierarchy of Trust Investments

Assets at Fair Value June 30, 2025	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual Funds				
Fixed Income	\$ 206,941,661	\$ 206,941,661	\$ -	\$ -
Domestic Equity	291,041,498	291,041,498	-	-
International Equity	156,122,662	156,122,662	-	-
Total Mutual Funds	\$ 654,105,821	\$ 654,105,821	\$ -	\$ -
Assets at Net Asset Value June 30, 2025				
Investment Type	Net Asset Value	Unfunded Commitments as of 6/30/2025	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Private Market Buyout	\$ 3,229,702	6,636,784	Not eligible	Not eligible
Private Market Distressed	10,207,194	4,900,000	Not eligible	Not eligible
Private Market Secondary	2,986,170	4,480,000	Not eligible	Not eligible
Real estate (REIT) fund	20,328,092	-	Quarterly	90 days
Total at net asset value	36,751,158			
Investments measured at amortized cost				
Money Market pool	17,592,219			
Total Investments	\$ 708,449,198			

4 **Receivables**

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

B ***State Income Taxes Receivable*** – Revenue from income taxes comes from personal income generated by County residents, including salaries and Social Security payments, as well as income from capital gains, interest, and some business activities. Local income tax revenue is collected by the State and distributed to local governments throughout the year. The State's distribution of the County's share of income taxes lags behind the County's fiscal year. Management estimates the amount of receivables for taxes earned in the fiscal year by analyzing historical distribution patterns and current-year income tax activity. The estimated unavailable local income tax balance as of June 30, 2025, was \$381,805,525. The local income tax rate for the reporting fiscal year ranged from 2.90% to 3.20%.

C ***Long-Term Receivables*** – The primary government has long-term receivables recorded in the Water and Wastewater Fund consisting of front-foot benefit assessments, capital facility connection fees, and interest charges that vary from 1.6% to 8.0%. These receivables are collected over five to thirty years. The balance as of June 30, 2025, was \$20,687,905.

5 **Capital Assets**

The components of capital assets, changes in asset categories, and accumulated depreciation for the fiscal year ended June 30, 2025 are presented as follows:

Anne Arundel County, Maryland
Notes to the Financial Statements

Category	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Governmental activities:				
<i>Capital assets not being depreciated:</i>				
Land and easements	\$ 316,871,637	\$ 13,720,725	\$ -	\$ 330,592,362
Historical property/works of art	4,166,465	-	-	4,166,465
Construction in progress	448,154,895	190,994,701	(131,524,690)	507,624,906
Total assets not depreciated	<u>769,192,997</u>	<u>204,715,426</u>	<u>(131,524,690)</u>	<u>842,383,733</u>
<i>Capital assets being depreciated:</i>				
Land improvements	414,252,176	58,790,923	(9,812)	473,033,287
Buildings	389,480,035	7,439,050	(810,425)	396,108,660
Roads and bridges	429,488,048	16,058,433	(8,073,362)	437,473,119
Sidewalks, curbs, and gutters	64,501,017	7,247,504	(384,382)	71,364,139
Storm drains and culverts	450,642,530	2,044,875	(37,402)	452,650,003
Automobiles and rolling stock	179,262,456	18,355,809	(9,492,427)	188,125,838
Furniture, fixtures, and equipment	150,427,727	2,155,530	(20,230,724)	132,352,533
Software	12,241,190	374,872	(407,604)	12,208,458
Right of use-leases	48,395,489	2,677,411	(2,048,017)	49,024,883
Right of use-subscriptions	32,857,434	18,846,101	-	51,703,535
Total assets depreciated	<u>2,171,548,102</u>	<u>133,990,508</u>	<u>(41,494,155)</u>	<u>2,264,044,455</u>
<i>Less accumulated depreciation for:</i>				
Land improvements	(186,488,005)	(13,541,481)	981	(200,028,505)
Buildings	(179,326,359)	(7,880,000)	596,264	(186,610,095)
Roads and bridges	(254,650,436)	(10,077,499)	8,071,538	(256,656,397)
Sidewalks, curbs, and gutters	(23,840,993)	(1,333,670)	384,382	(24,790,281)
Storm drains and culverts	(269,820,351)	(9,360,876)	37,402	(279,143,825)
Automobiles and rolling stock	(111,627,459)	(17,236,871)	9,195,197	(119,669,133)
Furniture, fixtures, and equipment	(112,039,283)	(7,497,606)	20,230,723	(99,306,166)
Software	(11,292,150)	(809,512)	407,604	(11,694,058)
Right of use-leases	(11,165,332)	(4,063,882)	2,048,211	(13,181,003)
Right of use-subscriptions	(8,967,730)	(9,283,605)	-	(18,251,335)
Total accumulated depreciation	<u>(1,169,218,098)</u>	<u>(81,085,002)</u>	<u>40,972,302</u>	<u>(1,209,330,798)</u>
Total capital assets being depreciated, net	<u>1,002,330,004</u>	<u>52,905,506</u>	<u>(521,853)</u>	<u>1,054,713,657</u>
Total governmental activities, net	<u>\$ 1,771,523,001</u>	<u>\$ 257,620,932</u>	<u>\$ (132,046,543)</u>	<u>\$ 1,897,097,390</u>
Business-type activities:				
<i>Capital assets not being depreciated:</i>				
Land and easements	\$ 19,243,130	\$ -	\$ -	\$ 19,243,130
Construction in progress	336,829,903	97,832,761	(99,717,570)	334,945,094
Total assets not depreciated	<u>356,073,033</u>	<u>97,832,761</u>	<u>(99,717,570)</u>	<u>354,188,224</u>
<i>Capital assets being depreciated:</i>				
Buildings	57,937,063	395,295	-	58,332,358
Landfills	109,491,621	10,829,853	-	120,321,474
Water and sewer plants and lines	2,660,424,944	78,865,412	-	2,739,290,356
Automobiles and rolling stock	18,575,561	1,410,659	(730,384)	19,255,836
Furniture, fixtures, and equipment	32,199,233	2,733,933	(1,576,777)	33,356,389
Right of use-leases	241,038	69,890	(70,781)	240,147
Total assets depreciated	<u>2,878,869,460</u>	<u>94,305,042</u>	<u>(2,377,942)</u>	<u>2,970,796,560</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(20,537,555)	(1,164,036)	-	(21,701,591)
Landfills	(58,346,928)	(3,851,748)	-	(62,198,676)
Water and sewer plants and lines	(1,175,906,807)	(64,614,835)	-	(1,240,521,642)
Automobiles and rolling stock	(11,092,058)	(1,496,776)	711,980	(11,876,854)
Furniture, fixtures, and equipment	(20,777,374)	(2,260,394)	1,139,457	(21,898,311)
Right of use-leases	(117,602)	(61,172)	70,777	(107,997)
Total accumulated depreciation	<u>(1,286,778,324)</u>	<u>(73,448,961)</u>	<u>1,922,214</u>	<u>(1,358,305,071)</u>
Total capital assets being depreciated, net	<u>1,592,091,136</u>	<u>20,856,081</u>	<u>(455,728)</u>	<u>1,612,491,489</u>
Total business-type activities, net	<u>\$ 1,948,164,169</u>	<u>\$ 118,688,842</u>	<u>\$ (100,173,298)</u>	<u>\$ 1,966,679,713</u>

Anne Arundel County, Maryland
Notes to the Financial Statements

Category	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Board of Education:				
<i>Capital assets not being depreciated:</i>				
Land and improvements	\$ 77,328,514	\$ -	\$ -	\$ 77,328,514
Construction in progress	412,304,774	89,677,870	(414,786,653)	87,195,991
Total assets not depreciated	<u>489,633,288</u>	<u>89,677,870</u>	<u>(414,786,653)</u>	<u>164,524,505</u>
<i>Capital assets being depreciated:</i>				
Buildings	2,480,927,448	419,448,510	-	2,900,375,958
Intangibles	10,082,317	7,386,795	-	17,469,112
Furniture, fixtures, and equipment	97,703,095	9,552,003	(9,367,362)	97,887,736
Intangible leased assets	66,439,206	25,275,772	(9,252,151)	82,462,827
Right of use-subscriptions	2,561,537	1,444,241	(296,285)	3,709,493
Total assets depreciated	<u>2,657,713,603</u>	<u>463,107,321</u>	<u>(18,915,798)</u>	<u>3,101,905,126</u>
<i>Less accumulated depreciation for:</i>				
Buildings	(1,098,617,924)	(64,306,575)	-	(1,162,924,499)
Intangibles	(7,930,639)	(1,024,303)	-	(8,954,942)
Furniture, fixtures, and equipment	(54,123,451)	(7,392,400)	8,243,617	(53,272,234)
Intangible leased assets	(37,260,604)	(13,463,676)	9,252,970	(41,471,310)
Right of use-subscriptions	(1,504,073)	(912,180)	296,285	(2,119,968)
Total accumulated depreciation	<u>(1,199,436,691)</u>	<u>(87,099,134)</u>	<u>17,792,872</u>	<u>(1,268,742,953)</u>
Total capital assets being depreciated, net	<u>1,458,276,912</u>	<u>376,008,187</u>	<u>(1,122,926)</u>	<u>1,833,162,173</u>
Total Board of Education, net	<u>\$ 1,947,910,200</u>	<u>\$ 465,686,057</u>	<u>\$ (415,909,579)</u>	<u>\$ 1,997,686,678</u>
Community College:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 4,092,203	\$ -	\$ -	\$ 4,092,203
Construction in progress	2,728,524	7,674,901	(5,944,507)	4,458,918
Total assets not depreciated	<u>6,820,727</u>	<u>7,674,901</u>	<u>(5,944,507)</u>	<u>8,551,121</u>
<i>Capital assets being depreciated:</i>				
Land improvements	10,070,750	785,447	-	10,856,197
Buildings and improvements	260,432,215	2,549,702	(3,232,128)	259,749,789
Furniture, fixtures, and equipment	26,469,323	1,127,188	(945,387)	26,651,124
Leased furniture and equipment	290,819	-	(146,298)	144,521
Leased building	163,925	-	-	163,925
Intangible assets	124,107	-	-	124,107
Right of use-subscriptions	4,514,899	350,481	(1,365,732)	3,499,648
Total assets depreciated	<u>302,066,038</u>	<u>4,812,818</u>	<u>(5,689,545)</u>	<u>301,189,311</u>
<i>Less accumulated depreciation for:</i>				
Land improvements	(5,217,265)	(503,683)	-	(5,720,948)
Buildings and improvements	(108,166,490)	(8,088,839)	2,210,106	(114,045,223)
Furniture, fixtures, and equipment	(15,194,086)	(1,745,035)	935,335	(16,003,786)
Leased furniture and equipment	(240,236)	(28,904)	146,298	(122,842)
Leased building	(93,672)	(23,418)	-	(117,090)
Intangible assets	(124,107)	-	-	(124,107)
Right of use-subscriptions	(2,253,700)	(1,266,397)	1,365,732	(2,154,365)
Total accumulated depreciation	<u>(131,289,556)</u>	<u>(11,656,276)</u>	<u>4,657,471</u>	<u>(138,288,361)</u>
Total capital assets being depreciated, net	<u>170,776,482</u>	<u>(6,843,458)</u>	<u>(1,032,074)</u>	<u>162,900,950</u>
Total Community College, net	<u>\$ 177,597,209</u>	<u>\$ 831,443</u>	<u>\$ (6,976,581)</u>	<u>\$ 171,452,071</u>

Anne Arundel County, Maryland
Notes to the Financial Statements

Category	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Other non-major:				
<i>Capital assets not being depreciated:</i>				
Construction in progress	\$ -	\$ -	\$ -	\$ -
<i>Capital assets being depreciated:</i>				
Buildings and improvements	210,736	-	-	210,736
Airport improvements	23,839,956	1,095,642	-	24,935,598
Library collection	21,110,154	4,489,855	(5,357,496)	20,242,513
Furniture, fixtures, and equipment	1,838,591	153,673	(59,878)	1,932,386
Right of use-leases	6,623,222	318,725	(97,260)	6,844,687
Total assets depreciated	<u>53,622,659</u>	<u>6,057,895</u>	<u>(5,514,634)</u>	<u>54,165,920</u>
<i>Less accumulated depreciation for:</i>				
Buildings and improvements	(113,125)	(10,005)	-	(123,130)
Airport improvements	(11,491,118)	(997,444)	-	(12,488,562)
Library collection	(5,578,927)	(1,966,894)	2,073,683	(5,472,138)
Furniture, fixtures, and equipment	(1,389,185)	(118,486)	122,551	(1,385,120)
Right of use-leases	(2,205,195)	(1,044,755)	34,587	(3,215,363)
Total accumulated depreciation	<u>(20,777,550)</u>	<u>(4,137,584)</u>	<u>2,230,821</u>	<u>(22,684,313)</u>
Total capital assets being depreciated, net	<u>32,845,109</u>	<u>1,920,311</u>	<u>(3,283,813)</u>	<u>31,481,607</u>
Total other non-major, net	<u>\$ 32,845,109</u>	<u>\$ 1,920,311</u>	<u>\$ (3,283,813)</u>	<u>\$ 31,481,607</u>

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

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

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

Governmental activities:

Public safety	\$ 15,507,916
General government	25,987,491
Health and human services	1,743,682
Public works	24,480,615
Recreation and community services	11,689,994
Judicial	1,547,457
Code enforcement	31,001
Land use and development	96,846
	<u>\$ 81,085,002</u>

Business-type activities:

Water and wastewater	\$ 67,150,483
Solid Waste	6,296,802
Child Care	1,676
	<u>\$ 73,448,961</u>

Component units:

Board of Education	\$ 87,099,134
Community College	11,656,276
Library System	2,447,551
Economic Development Corp	22,999
Tipton Airport Authority	997,444
Workforce Development	669,590
	<u>\$ 102,892,994</u>

6 Restricted Assets and Liabilities

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

7 Interfund and Intra-Entity Balances and Transfers

The interfund balances of the primary government consist of the following as of June 30, 2025:

Receivable Fund	Payable Fund						Total
	General	Grants Special Revenue	Non-major Governmental	Water & Wastewater	Solid Waste	Child Care	
General	\$ -	\$ 12,581,987	\$ 594,768	\$ -	\$ -	\$ -	\$ 13,176,755
Internal Service	12,477,335	-	-	756,177	306,785	2,928	13,543,225
Total	\$ 12,477,335	\$ 12,581,987	\$ 594,768	\$ 756,177	\$ 306,785	\$ 2,928	\$ 26,719,980

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

The interfund balances represent temporary borrowings between funds.

Transfers between the primary government's governmental funds totaled \$428,969,760 for fiscal year 2025. The transfers are for the following:

Transfer Out	Transfers In				
	General Fund	Grants Special Revenue	General County Capital Projects	Non-Major Governmental	Total
General Fund	\$ -	\$ 526,582	\$ 314,805,000	\$ 1,006,100	\$ 316,337,682
Impact Fees Capital Projects	1,145,347	-	14,158,201	-	15,303,548
General County Capital Projects	2,707,017	-	-	114,440	2,821,457
Non-Major Governmental	46,203,786	-	48,303,287	-	94,507,073
Total Transfers In	\$ 50,056,150	\$ 526,582	\$ 377,266,488	\$ 1,120,540	\$ 428,969,760

Transfers between the primary government's proprietary funds and governmental funds presented as follows, totaled \$1,517,421 for fiscal year 2025. The transfers from the Water and Wastewater Fund and the Solid Waste Fund to the General County Capital Projects Fund are for an information technology project. The transfer from the Solid Waste Fund to the Non-major Governmental Funds is for Energy Revolving Loan Fund loans.

The transfers between funds primarily relate to interfund operations.

	Transfers In		
	General County Capital Projects	Non-Major Governmental	Total
Transfer Out			
Water and Wastewater Fund	\$ 1,170,000	\$ -	\$ 1,170,000
Solid Waste Fund	171,500	-	171,500
Solid Waste Fund	-	175,921	175,921
Total Transfers In	\$ 1,341,500	\$ 175,921	\$ 1,517,421

As of June 30, 2025, receivable and payable balances remained between the primary government and the discretely presented component units. These balances and transactions are a result of the primary government's ongoing funding of the component units' capital and operating costs and a return of funding. Those balances and the payments from the primary government to or on behalf of these parties are presented as follows:

Receivables/Payables

<u>Entity with Receivable</u>	<u>Entity with Payable</u>	<u>Amount</u>
Board of Education	Primary Government	\$ 13,321,468
Community College	Primary Government	2,088,506
Other Non-major	Primary Government	1,911,336
Primary Government	Board of Education	21,508,763
		\$ 38,830,073

Primary Government Expenditures

<u>Originating Entity</u>	<u>Recipient Entity</u>	<u>Amount</u>
Primary Government	Board of Education	\$ 997,148,279
Primary Government	Community College	58,743,746
Primary Government	Other Non-major	33,886,292
		\$ 1,089,778,317

8 Bonded Debt and Other Obligations

The primary government's Statement of Net Position includes short and long-term debt and obligations comprised of bond anticipation notes, general obligation bonds, special assessment debt, installment purchase agreements, and liabilities related to State loans, unpaid insurance claims and claims and judgments. Descriptions of certain of these obligations and the respective balances, debt service requirements, and changes during fiscal year 2025 are provided as follows.

A Bond Anticipation Notes – The County periodically incurs short-term debt by issuing bond anticipation notes for the purchase of capital related assets. Upon refinancing, at the notes' maturities, they will be marketed at then-current interest rates which is calculated based on the weekly SOFR Index plus thirty basis points. This remarketing is backed for liquidity purposes by a letter of credit, the terms of which provide that no principal repayments are due if there is a call on the letter of credit, until the termination of the agreement. The maturity date of the current liquidity arrangement is December 13, 2027. The County has a credit amount available of up to \$90 million, of which none is outstanding as of June 30, 2025.

B General County Debt – Substantially all long-term bonded debt is issued as general obligation bonds for the purchase of capital assets and guaranteed by the full faith and credit of the County, subject to guidelines set forth in Title 10, Subtitle 1, Section 4-10-104 of the County Charter, which addresses bonds and notes for capital improvements. The following table includes general obligation bonds which include amounts issued for the Watershed Protection and Restoration Fund and the Permanent Public Improvement Bonds, but excludes the tax increment bonds, installment purchase agreements, and state loans. These are listed separately. Business-type debt includes general obligation bonds issued for the Solid Waste Fund and Water and Wastewater Fund. The debt service requirements for the bonds outstanding as of June 30, 2025 are presented as follows:

General County Debt				
Year Ending	Governmental		Business-type	
June 30,	Principal	Interest	Principal	Interest
2026	\$ 96,603,343	\$ 73,393,542	\$ 47,825,090	\$ 40,241,737
2027	93,092,963	69,609,422	46,997,490	38,632,184
2028	89,907,491	65,036,943	46,338,848	36,437,653
2029	86,561,567	60,695,009	45,115,021	34,350,354
2030	82,455,968	56,514,330	45,055,943	32,284,311
2031-2035	338,066,538	226,224,728	204,868,379	131,399,721
2036-2040	263,989,322	154,409,155	173,764,254	86,412,546
2041-2045	268,503,977	95,039,540	145,123,606	48,248,775
2046-2050	226,459,790	38,634,623	97,117,813	18,712,214
2051-2055	78,733,050	6,617,614	39,471,048	3,411,056
	<u>\$ 1,624,374,009</u>	<u>\$ 846,174,906</u>	<u>\$ 891,677,492</u>	<u>\$ 470,130,551</u>

C Tax Increment and Other Debt - As of June 30, 2025, there was \$47,215,000 of Special Obligation Tax Increment Bonds payable from property tax revenue generated from assessment increases occurring since the formation of the tax increment districts. This debt is included in the primary government's long-term debt on the Statements of Net Position. The County has pledged its full faith and credit for the following Special Obligation Tax Increment Bonds: Arundel Mills Refunding 2004, National Business Park Refunding 2004, West Nursery Road 2004, Arundel Mills Refunding 2014, National Business Park Refunding 2014, and West Nursery Road Refunding 2014. As of June 30, 2025, the County has also pledged its full faith and credit for National Business Park North 2018 Refunding bonds and Village South at Waugh Chapel 2018 Refunding bonds.

During the fiscal year ended June 30, 2025, \$59,251,119 of incremental property tax revenue was collected and available for debt service purposes as reported on the Combining Statement of Revenues, Expenditures and Changes in Fund Balances for the Non-major Governmental Funds. Of this amount, \$1,172,441 is related to Park Place which is not considered part of the County's debt and \$6,676,838 is related to Odenton Town Center TIF which does not have debt outstanding as of June 30, 2025. The table that follows outlines the debt service requirements for these bonds.

Year Ending			Year Ending		
June 30,	Principal	Interest	June 30,	Principal	Interest
2026	\$ 5,310,000	\$ 1,543,219	2031-2035	\$ 13,210,000	\$ 2,735,212
2027	5,620,000	1,349,518	2036-2040	8,825,000	685,055
2028	5,955,000	1,143,819	2041-2045	<u>910,000</u>	<u>15,925</u>
2029	4,930,000	945,968			
2030	2,455,000	797,969		<u>\$ 47,215,000</u>	<u>\$ 9,216,685</u>

In addition, there were \$400,000, \$8,295,000, \$28,500,000, and \$21,935,000 of special tax district bonds related to the Farmington Village Project, the Villages of Dorchester, Two Rivers, and Arundel Gateway outstanding as of June 30, 2025, respectively. The proceeds of these bonds were used to finance infrastructure improvements within the special districts. These bonds are payable solely from the proceeds of a special tax levied on parcels within the districts and are not backed by the County's full faith and credit. This debt does not appear on the Statement of Net Position. The County acts only as a fiduciary in collecting the taxes and servicing the debt.

D State Loans – The County has interest free loans outstanding in the amount of \$1,277,239 as of June 30, 2025. These loans were received from the State for waterway improvements. During fiscal year 2025, the County paid \$202,260 for principal. The table that follows outlines the debt service requirements:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>
2026	\$ 202,260	2031-2035	\$ 257,013
2027	195,695	2036-2040	<u>72,750</u>
2028	195,695		<u>\$ 1,277,239</u>
2029	195,694		
2030	158,132		

E Installment Purchase Agreements – The County has instituted an Installment Purchase Program to facilitate County purchases of real property easements to maintain farmland and other open space. Under this program, the County signs long-term debt agreements with property holders with a minimal down payment, typically \$1,000. Interest and nominal principal payments are made over the life of the agreement, and a balloon payment is due at the end of the term to pay off the remaining principal balance. To pay the balloon payment, the County purchases and reserves a zero coupon U.S. Treasury Strip. This investment matures when the agreement expires and effectively earns the same interest rate that the County pays on the debt. The debt requirements as of June 30, 2025 are presented as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 20,000	\$ 714,915	2031-2035	\$ -	\$ 668,313
2027	20,000	713,799	2036-2040	1,444,000	470,300
2028	8,880,000	712,684	2041-2045	<u>1,487,000</u>	<u>67,658</u>
2029	5,000	223,954			
2030	1,529,000	223,662		<u>\$ 13,385,000</u>	<u>\$ 3,795,285</u>

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

	<u>Due</u> <u>Dates</u>	<u>Interest</u> <u>Rates</u>	<u>Amount of</u> <u>Original Issue</u>	<u>Amount</u> <u>Outstanding</u>
Governmental activities:				
General obligation bonds	2026-2055	2.00% to 5.00%	\$ 1,932,816,098	\$ 1,624,374,009
Tax increment district bonds	2026-2041	1.50% to 5.00%	79,240,000	47,215,000
Installment purchase agreements	2026-2041	4.55% to 6.00%	13,819,916	13,385,000
State loans	2026-2040	0%	<u>3,975,067</u>	<u>1,277,239</u>
Total governmental activities			<u>2,029,851,081</u>	<u>1,686,251,248</u>
Business-type activities:				
Water and wastewater serial bonds	2026-2055	1.00% to 5.00%	1,155,533,119	839,021,501
Solid waste serial bonds	2026-2055	2.00% to 5.00%	<u>76,947,406</u>	<u>52,655,991</u>
Total business-type activities			<u>1,232,480,525</u>	<u>891,677,492</u>
			<u>\$ 3,262,331,606</u>	<u>\$ 2,577,928,740</u>

The County Charter authorizes the County Council to approve the issuance of general obligation bonds and to set limits on bonds issued through ordinance. Based on the effective ordinance, bonds (other than water and sewer) are limited at 5.2% of the assessable base of real property and 13.0% of the assessable base of personal property and certain operating real property of the County. In addition, general obligation water and water and wastewater bonds are limited at 5.6% of the assessable base of real property and 14.0% of the assessable base of personal property and certain operating real property within the County’s sanitary district. As of June 30, 2025, the legal debt limitations and margins are as follows:

	General Bonds (5.2%/13% Limitations)	Water and Wastewater (5.6%/14% Limitations)
Charter imposed limitation	\$ 6,017,254,699	\$ 5,981,200,694
Bonded debt outstanding		
Installment purchase agreements	13,385,000	-
General obligation-serial bonds	1,332,269,541	839,021,501
General obligation-serial bonds, WPRF	171,683,518	-
General obligation-serial bonds, PPI	120,420,950	-
General obligation-serial bonds, Solid Waste	52,655,991	-
Tax increment bonds	47,215,000	-
	<u>1,737,630,000</u>	<u>839,021,501</u>
Legal debt margin	<u>\$ 4,279,624,699</u>	<u>\$ 5,142,179,193</u>

As of June 30, 2025, the County had the total authority to issue bonds in the amount of \$2,819,842,308 of which \$1,339,761,122, has not been issued. Included in the amounts available to issue to date are \$638,089,608 for general obligation water and wastewater series bonds, and \$5,337,761 of general obligation bonds for the Solid Waste Fund. This unused authority will be used to fund existing capital projects and those appropriated through the budgetary process.

G Loans Payable – On July 25, 2012, the Anne Arundel Community College Foundation finalized an agreement between Anne Arundel County, Maryland (the issuer) and The Bank of New York (the Trustee) whereby the Foundation refinanced \$12,180,000 of the economic development revenue bonds. The proceeds of the loan were used to finance the cost of the construction of educational facilities. Principal payments began September 1, 2014, with the final principal payment being due on September 1, 2028. Interest on the bonds varies from 2.00% to 4.00%. The loan balance as of June 30, 2025 was \$3,980,000. Scheduled principal payments due on the bonds payable for future years ending June 30 are shown as follows:

Year Ending June 30,	Principal Payments	Year Ending June 30,	Principal Payments
2026	\$ 950,000	2028	\$ 1,010,000
2027	975,000	2029	1,045,000
			<u>\$ 3,980,000</u>

H Payables to State of Maryland – In the case of *Comptroller v. Wynne*, 135 S.Ct. 1787 (2015), the United States Supreme Court ruled in May 2015 that Maryland residents who paid income taxes to another state on income earned in the other state were entitled to a credit against the county portion of the Maryland income tax owed. The ruling meant that each county in Maryland would experience a reduction in income tax revenue, including Anne Arundel County. The Comptroller’s Office calculated the fiscal impact of the ruling on the County to be \$17,694,496 of refunds for prior years’ taxes, and an estimated reduction of \$4,000,000 each year going forward. The calculated amount of refunds to be paid has been recorded as a non-current liability on the Statement of Net Position and an accrued liability in the General Fund. The County began reimbursing the State of Maryland in May 2021 in the amount of \$221,181 quarterly. These reimbursements will continue for 80 installments over twenty years. During fiscal year 2025, total payments of \$884,724 were made and \$13,713,234 remains outstanding at June 30, 2025.

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

	<u>Balance</u> <u>June 30, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2025</u>	<u>Due Within</u> <u>One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 1,552,435,396	\$ 255,968,200	\$ 184,029,587	\$ 1,624,374,009	\$ 96,603,343
Unamortized premium	209,404,926	18,114,385	30,782,160	196,737,151	20,109,374
Tax incremental and other debt	52,180,000	-	4,965,000	47,215,000	5,310,000
Total bonds payable	<u>1,814,020,322</u>	<u>274,082,585</u>	<u>219,776,747</u>	<u>1,868,326,160</u>	<u>122,022,717</u>
State loans	1,479,499	-	202,260	1,277,239	202,260
Leases	39,031,063	2,677,198	3,398,309	38,309,952	3,808,194
Subscriptions	23,679,800	18,846,101	8,267,151	34,258,750	7,518,594
Installment purchase agreements	13,405,000	-	20,000	13,385,000	20,000
Unpaid insurance claims	69,907,696	152,488,932	136,114,110	86,282,518	28,532,919
Compensated absences*	38,385,179	6,441,004	-	44,826,183	42,274,007
Total long-term	<u>1,999,908,559</u>	<u>454,535,820</u>	<u>367,778,577</u>	<u>2,086,665,802</u>	<u>204,378,691</u>
Total governmental activities	<u>\$ 1,999,908,559</u>	<u>\$ 454,535,820</u>	<u>\$ 367,778,577</u>	<u>\$ 2,086,665,802</u>	<u>\$ 204,378,691</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 850,213,724	\$ 163,901,914	122,438,146	\$ 891,677,492	\$ 47,825,090
Unamortized premium	109,541,089	10,952,788	18,928,054	101,565,823	9,235,826
Total bonds payable	<u>959,754,813</u>	<u>174,854,702</u>	<u>141,366,200</u>	<u>993,243,315</u>	<u>57,060,916</u>
Leases	124,308	69,890	58,854	135,344	57,409
Compensated absences*	2,889,650	3,520,000	3,185,709	3,223,941	3,509,985
Total long-term	<u>962,768,771</u>	<u>178,444,592</u>	<u>144,610,763</u>	<u>996,602,600</u>	<u>60,628,310</u>
Total business-type activities	<u>\$ 962,768,771</u>	<u>\$ 178,444,592</u>	<u>\$ 144,610,763</u>	<u>\$ 996,602,600</u>	<u>\$ 60,628,310</u>

* The change in compensated absence liability is presented as a net change. Balance at June 30, 2024 has been adjusted to reflect the implementation of GASB 101.

J Refundings – In fiscal year 2025, the County defeased certain General Obligation and Water Wastewater Bonds by placing the proceeds of the refunding bonds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. The funds are held in escrow by a third-party custodian invested in U.S. Government issued securities. On April 30, 2025, the County issued \$152,230,000 in non-taxable refunding bonds for the following: \$85,280,000 to refund \$90,680,000 of General Obligation Bonds Series 2015, \$66,950,000 to refund \$71,860,000 of Water and Wastewater Series 2015. The true interest cost for the General Obligation bonds refunded was 3.34% and the true interest cost for the Water Wastewater bonds refunded was 3.88%. The current refunding net proceeds were deposited in an irrevocable trust account with an escrow agent, invested in US Government Securities, to provide for all future debt service payments on the refunding bonds. As a result, the refunding bonds are considered to be defeased and have been removed from the primary government statement of net position. The savings or aggregate difference in debt service from refunding General Obligation Series 2015, was \$6,073,425 and from refunding Water Wastewater Series 2015 was \$5,661,688. The net effect of the total refunding gain for General Obligation was \$3,435,176, and the effect of the refunding gain for Water Wastewater Series 2015 was \$9,717,653. The refunding loss is being amortized over the shorter life of either the old refunded bonds or new the new refunding bonds. There was a net present value savings of \$11.7 million in debt service.

9 Leases

A lease is a contractual agreement allowing the use of another entity's nonfinancial asset for over one year. The County leases various nonfinancial assets, such as land and equipment, with obligations recognized at the present value of future lease payments on the government-wide Statement of Net Position.

A County as Lessee

The County has entered into various lease agreements as lessee primarily for office space and office equipment. Leases have initial terms from 2 to 31 years with an average length of 10 years, and contain one or more renewals at the County's option, most commonly for five-year periods and others at one or three years. The County has generally included these renewal periods in the lease term when it is reasonably certain that the County will exercise the renewal option. The County's leases generally do not include termination options for either party to the lease or restrictive financial or other covenants. Certain real estate leases require additional payments for common

area maintenance, real estate taxes, and insurance, which are expensed as incurred as variable lease payments. For office space leases that include variable payments, these include payments for the County's proportionate share of the building's property taxes, insurance, and common area maintenance. The County's lease arrangements do not contain any material residual value guarantees. As the interest rate implicit in the County's leases is not readily determinable, the County utilizes its incremental borrowing rate to discount the lease payments.

As of June 30, 2025, the statement of net position included the following amounts relating to leases:

	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>	<u>Component Unit Library</u>
Right of Use Asset				
Equipment	\$ 1,498,582	\$ 240,147	\$ 1,738,729	\$ 718,062
Buildings	43,251,010	-	43,251,010	1,927,922
Infrastructure	637,845	-	637,845	-
Land and Improvements	3,637,446	-	3,637,446	-
	<u>49,024,883</u>	<u>240,147</u>	<u>49,265,030</u>	<u>2,645,984</u>
Accumulated Amortization				
Equipment	(684,205)	(107,997)	(792,202)	(243,533)
Buildings	(11,468,419)	-	(11,468,419)	(874,071)
Infrastructure	(149,349)	-	(149,349)	-
Land and Improvements	(879,030)	-	(879,030)	-
	<u>(13,181,003)</u>	<u>(107,997)</u>	<u>(13,289,000)</u>	<u>(1,117,604)</u>
	<u>\$ 35,843,880</u>	<u>\$ 132,150</u>	<u>\$ 35,976,030</u>	<u>\$ 1,528,380</u>

The future principal and interest lease payments as of June 30, 2025, were as follows:

<u>Governmental Activities</u>			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 3,808,194	\$ 712,907	\$ 4,521,101
2027	3,731,716	639,804	4,371,520
2028	3,568,424	568,863	4,137,287
2029	3,434,227	503,214	3,937,441
2030	2,777,621	440,225	3,217,846
2031 - 2035	17,631,744	1,227,804	18,859,548
2036 - 2039	3,358,026	88,751	3,446,777
	<u>\$ 38,309,952</u>	<u>\$ 4,181,568</u>	<u>\$ 42,491,520</u>

<u>Fiscal Year</u>	<u>Business - Type</u>		
2026	\$ 57,412	\$ 2,844	\$ 60,256
2027	47,718	1,495	49,213
2028	25,212	466	25,678
2029	5,008	30	5,038
	<u>\$ 135,350</u>	<u>\$ 4,835</u>	<u>\$ 140,185</u>

<u>Fiscal Year</u>	<u>Component Unit - Library</u>		
2026	\$ 193,530	\$ 27,185	\$ 220,715
2027	183,207	24,171	207,378
2028	174,485	21,382	195,867
2029	169,062	18,705	187,767
2030-2033	761,055	52,169	813,224
2034-2038	146,453	3,771	150,224
	<u>\$ 1,627,792</u>	<u>\$ 147,383</u>	<u>\$ 1,775,175</u>

B County as Lessor

The County leases out some of its buildings and land. Most leases have initial terms ranging from 2 to 77 years, with an average length of 10 years. These leases typically include one or three renewal options at the County's discretion, each for five years. The County accounts for these renewal periods in the lease terms when they are both non-cancellable and reasonably certain to be exercised.

The County's lease agreements do not include any material guarantees regarding residual value. Since the interest rate implicit in the County's leases is not readily determinable, the County uses its incremental borrowing rate to discount the lease payments. While the County is exposed to changes in the residual value at the end of the current leases, it usually enters into new operating leases, meaning it will not immediately realize any reduction in residual value once these leases expire.

As of July 1, 2024, Anne Arundel County, MD, had 56 active leases. The leases have receipts that range from \$1,040 to \$123,000 and interest rates that range from 0.1470% to 3.4510%. As of June 30, 2025, the total combined value of the lease receivable is \$8,368,253 the total combined value of the short-term lease receivable is \$2,268,278, and the combined value of the deferred inflow of resources is \$7,994,112. The leases had \$0 in Variable Receipts and \$0 in Other Receipts, not included in the Lease Receivable, for the Fiscal Year.

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

	<u>Governmental</u>	<u>Activity Business -Type</u>	<u>Total</u>
Lease Revenue	\$ 1,161,364	\$ 1,772,360	\$ 2,933,724
Interest revenue	<u>117,467</u>	<u>109,805</u>	<u>227,272</u>
Total Revenue	<u>\$ 1,278,831</u>	<u>\$ 1,882,165</u>	<u>\$ 3,160,996</u>

As of June 30, 2025, the principal and interest requirements to maturity for the lease receivable are as follows:

<u>Governmental Activities</u>			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 692,989	\$ 65,353	\$ 758,342
2027	589,453	51,953	641,406
2028	447,829	39,025	486,854
2029	177,393	31,421	208,814
2030	102,516	29,484	132,000
2031 - 2035	540,600	125,096	665,696
2036 - 2040	591,435	85,245	676,680
2041 - 2045	832,972	41,413	874,385
	<u>\$ 3,975,187</u>	<u>\$ 468,990</u>	<u>\$ 4,444,177</u>

<u>Business-Type Activities</u>			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,575,289	\$ 84,660	\$ 1,659,949
2027	1,331,775	56,497	1,388,272
2028	935,502	28,401	963,903
2029	550,500	5,537	556,037
	<u>\$ 4,393,066</u>	<u>\$ 175,095</u>	<u>\$ 4,568,161</u>

10 Subscription-Based Information Technology Arrangements (SBITA)

As of June 30, 2025, Anne Arundel County had 16 active subscriptions. The subscriptions have payments that range from \$10,758 to \$1,412,321 and interest rates that range from 0.0000% to 3.3400%. As of June 30, 2025, the total combined value of the subscription liability is \$34,258,750, and the total combined value of the short-term subscription liability is \$7,518,594. The combined value of the right to use asset, as of June 30, 2025, of \$51,703,535 with accumulated amortization of \$18,251,335. The subscriptions had \$0 of Variable Payments and \$0 of Other Payments, not included in the Subscription Liability, within the Fiscal Year.

As of June 30, 2025, the statement of net position included the following amounts relating to SBITA:

<u>Governmental Activities</u>			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 7,518,594	\$ 870,805	\$ 8,389,399
2027	7,916,976	679,063	8,596,039
2028	8,127,271	463,926	8,591,197
2029	6,730,179	235,380	6,965,559
2030	2,360,316	48,267	2,408,583
2031 - 2033	1,605,414	-	1,605,414
Total	<u>\$ 34,258,750</u>	<u>\$ 2,297,441</u>	<u>\$ 36,556,191</u>

11 Governmental Fund Balance

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

FUND BALANCES	Major Funds				Non-major	Totals
	General	Grants Special Revenue	Impact Fees Capital Projects	General County Capital Projects	Governmental Funds	
Non-spendable						
Inventories	\$ 4,973,359	\$ -	\$ -	\$ -	\$ -	\$ 4,973,359
Restricted						
Reserve for Permanent Public Improvements (PPI)	22,023,815	-	-	-	-	22,023,815
Impact fees capital projects	-	-	142,565,741	-	-	142,565,741
Forfeiture and asset seizure team	-	-	-	-	509,649	509,649
Roads and special benefits	-	-	-	-	1,203,454	1,203,454
Reforestation	-	-	-	-	5,169,208	5,169,208
Laurel racetrack community benefit	-	-	-	-	91,246	91,246
Grants	-	4,131,268	-	8,203,578	12,240,633	24,575,479
Circuit court	-	-	-	-	419,206	419,206
Park Place	-	-	-	-	346,310	346,310
Odenton Town Center Tax Increment	-	-	-	-	43,447,792	43,447,792
Erosion districts	-	-	-	-	1,642,224	1,642,224
Video lottery local impact aid	-	-	-	10,125,679	2,450,969	12,576,648
Opioid abatement	-	-	-	-	12,204,426	12,204,426
Housing trust	-	-	-	-	19,261,291	19,261,291
Community reinvestment/repair	-	-	-	-	5,563,083	5,563,083
Watershed protection and restoration	-	-	-	19,638,445	45,218,204	64,856,649
Public Campaign Financing	-	-	-	-	1,000,000	1,000,000
Debt service	-	-	-	-	1,911,841	1,911,841
Total restricted	22,023,815	4,131,268	142,565,741	37,967,702	152,679,536	359,368,062
Committed						
Street lights capital projects	-	-	-	-	3,921,852	3,921,852
Recreation and land fees	-	-	-	-	390,587	390,587
Energy revolving loan	-	-	-	-	309,239	309,239
Bike, Pedestrian, Trans & Infrastructure	-	-	-	-	618,826	618,826
Installment purchase agreements	-	-	-	-	8,157,475	8,157,475
Total committed	-	-	-	-	13,397,979	13,397,979
Assigned						
General County capital projects	-	-	-	309,034,295	-	309,034,295
General County	185,061,110	-	-	-	-	185,061,110
Total assigned	185,061,110	-	-	309,034,295	-	494,095,405
Unassigned	316,166,740	(16,386,636)	-	-	(12,722,188)	287,057,916
Total fund balances	\$ 528,225,024	\$ (12,255,368)	\$ 142,565,741	\$ 347,001,997	\$ 153,355,327	\$ 1,158,892,721

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

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

	<u>Encumbrance Balances</u>
General Fund	
Police	\$ 2,347,623
Fire	858,412
Detention Facilities	58,897
Chief Administrative Officer	34,135
Office of Budget	250
Office of Finance	593,229
Central Services	1,657,130
Personnel	281,941
Information Technology	5,231,980
Legislative Branch	686,342
Transportation	1,676,742
Health	449,139
Social Services	41,563
Services for the Aging	67,535
Public Works	3,611,264
Recreation & Parks	96,867
Sheriffs Office	149,401
Planning & Zoning	34,202
Inspection & Permits	96,033
Housing Trust Fund	15,050,185
Grants Fund	4,076,127
Partnership for Children Youth and Families	55,142
Arundel Community Development Services	12,240,633
Reforestation Fund	46,041
Watershed Protection and Restoration	1,557,496
General County Capital Projects Fund	185,530,436
Watershed Protection and Restoration Capital Projects Fund	<u>22,626,562</u>
Total	<u>\$ 259,155,307</u>

12 Conduit Debt

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

As of June 30, 2025, 153 Industrial Revenue Bonds series have been issued. The aggregate principal amounts payable for the three series issued after July 1, 1996 that are still outstanding was \$18,610,000. The aggregate principal amounts payable for the 150 issued prior to July 1, 1996, could not be determined; however, the original issues totaled \$582,700,000. The County is not obligated in any manner for payment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

13 Pension Plans

County employees participate in one of four single-employer defined benefit pension plans, which are in separate trust funds and administered by the Anne Arundel County Retirement and Pension System (Retirement System). The Retirement System issues a separate financial report for these plans. A copy of this report can be obtained from Anne Arundel County on the Office of Personnel page of the County website at www.aacounty.org. Some County employees participate in two multi-employer cost sharing pension plans administered by the State of Maryland. The County plans were established under authority created by County Charter and legislation, while the State plans were created by State legislation. The County's actuarial valuation measurement date is December 31, 2024.

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

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

Membership in each plan consisted of the following as of December 31, 2024 based on the January 1, 2025, actuarial valuation:

	Employees' Retirement Plan	Police Service Retirement Plan	Fire Service Retirement Plan	Detention Officers' and Deputy Sheriffs' Plan	Total
Retirees and beneficiaries receiving payments	2,288	856	720	374	4,238
Terminated Plan members entitled to but not yet receiving payments	277	-	-	1	278
Deferred Retirement Option (DROP)	-	73	88	46	207
Refunds Owed	235	40	39	41	355
Active Plan members	2,315	688	839	319	4,161
Total	<u>5,115</u>	<u>1,657</u>	<u>1,686</u>	<u>781</u>	<u>9,239</u>

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

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

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

Police Plan - Plan Description – The Police Service Retirement Plan is a single-employer defined benefit pension plan that covers the following classes of workers: Police Officer, Police Officer First Class, Police Corporal, Police Sergeant, Police Lieutenant, Police Captain, Police Major, Deputy Police Chief (classified position), and (by election) the Chief of Police and Deputy Police Chief (by election if exempt). The Plan provides retirement, disability, and death benefits to Plan members and their beneficiaries. COLAs are also provided pursuant to County legislation.

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

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

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

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

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

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

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

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

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

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

Information on the State System follows:

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

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

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

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

For most individuals who retired from the Employees’ Pension System on or before June 30, 2006, the annual pension allowance equals 1.2% of the members AFC, multiplied by the number of years of credible service accumulated prior to July 1, 1998, plus 1.4% of the members AFC, multiplied by the number of years of credible

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

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

The County's total required contribution during the year ended June 30, 2025 was \$114,183. Of this amount, \$28,648 was for County Officials Retirement System and \$85,535 was for Master Judges Retirement System. The rates varied from 47.2% of covered payroll for the participant in the Judges Retirement System and 21.5% for the County Officials Retirement System. The County made its share of the required contributions.

As of June 30, 2025, the County reported a liability of \$1,027,579 for its proportionate share of the net pension liability of the State System. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on actual employer contributions billed to participating government units for the year ending June 30, 2024. The contributions were increased to adjust for differences between actuarial determined contributions and actual contributions by the State of Maryland. As of June 30, 2024, the County's proportionate share was 0.0039%.

Actuarial assumption: The total pension liability for the State System in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00%
Investment rate of return	6.80%

Mortality rates were based on PUB-2010 Mortality Tables with projected generational improvements based on the MP-2021 fully generational mortality improvement scale.

The economic and demographic actuarial assumptions used in the June 30, 2024 valuation were adopted by the System's Board of Trustees based upon review of the State System's experience study for the period 2018-2023, after the completion of the June 30, 2024 valuations. Assumptions from the experience study including investment return, inflation, COLA increases, mortality rates, retirement rates, withdrawal rates, disability rates and rates of salary increase were adopted by the Board for the first use in the actuarial valuation as of June 30, 2020. As a result, an investment return assumption of 6.80% and an inflation assumption of 2.50% were used in the June 30, 2024 valuation.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Public Equity	34%	6.0%
Private Equity	16%	8.5%
Rate Sensitive	20%	2.4%
Credit Opportunity	9%	5.4%
Real Assets	15%	5.5%
Absolute Return	6%	3.9%
Total	<u>100%</u>	

Source- Maryland State Retirement and Pension System Comprehensive Annual
Financial Report For the Years Ended June 30, 2024 and 2023

The above was the System’s Board of Trustees adopted asset allocation policy and best estimate of geometric real rates for each major asset class as of June 30, 2024.

For the year ended June 30, 2024, the annual money-weighted rate of return on pension plan investments, net of the pension plan expense was 6.89%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate: The single discount rate used to measure the total pension liability was 6.80%. This single discount rate was based on the expected rate of return on pension plan investments of 6.80%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plans fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

Certain participants in the State Retirement and Pension Systems (State plans) are required to contribute 2.0% to 8.0% of compensation to the plans. The County is required to contribute the remaining amounts necessary to fund the plans, except that the State pays the employer’s share of retirement costs on behalf of certain teachers, professional librarians, and related positions for the Board of Education, Library, and Community College, in accordance with State law. These amounts are shown as grant revenue and current expenses in the financial statements of these component units. County expenditures for those employees in the State plans for the years ended June 30, 2025 and 2024 equal the required contributions and are summarized as follows along with the State’s contribution on behalf on the employees discussed previously.

	<u>Fiscal Year Ending June 30,</u>	
	<u>2025</u>	<u>2024</u>
County contributions:		
County	\$ 114,183	\$ 102,284
Board of Education	13,874,673	11,536,072
Community College	146,438	188,334
State contributions on behalf of:		
Board of Education	76,474,511	64,548,232
Community College	5,700,000	5,081,049
Library	2,080,721	1,745,928
	<u>\$ 98,390,526</u>	<u>\$ 83,201,899</u>

**30-Year Return Assumption by Asset Class
As of December 31, 2024**

Asset Class	30-Year Geometric Forecast	
	(Nominal Returns)	(Real Returns)
Inflation (CPI)	2.67%	0.00%
Cash	3.50%	0.80%
Core Fixed Income(1)	5.37%	2.48%
High-Yield Bonds	8.09%	4.73%
Emerging Market Debt (External)	8.20%	4.74%
Emerging Market Debt (Local Currency)	6.46%	3.00%
Large Cap Equity	8.72%	4.60%
Small/Mid Cap Equity	9.41%	4.65%
International Equities (Unhedged)	8.31%	3.85%
Emerging Int'l Equities	12.05%	6.13%
Private Equity	12.73%	7.12%
Private Debt	9.73%	6.28%
Real Estate	7.27%	3.54%

Note: NEPC's 30-year geometric CPI inflation assumption is 2.62%.

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

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

F Changes in the Net Pension Liability by Plan for the Measurement Period December 31, 2024:

	Increase (Decrease)		
	Total Pension	Plan Fiduciary	Net Pension
	Liability	Net Position	Liability
	(a)	(b)	(a) - (b)
Employees' Plan			
Balances as of 12/31/23	\$ 1,205,298,993	\$ 765,691,243	\$ 439,607,750
Changes for the year:			
Service cost	25,504,657		25,504,657
Interest	81,910,559		81,910,559
Changes of benefit terms	-		-
Differences between expected and actual	13,449,071		13,449,071
Changes of assumptions	-		-
Contributions - employer		50,574,420	(50,574,420)
Contributions - member		5,828,340	(5,828,340)
Net investment income		80,471,980	(80,471,980)
Benefit payments, including refunds of member contributions	(70,296,318)	(70,296,318)	-
Administrative expense		(708,051)	708,051
Other		-	-
Net Changes	<u>50,567,969</u>	<u>65,870,371</u>	<u>(15,302,402)</u>
Balances at 12/31/24	<u>\$ 1,255,866,962</u>	<u>\$ 831,561,614</u>	<u>\$ 424,305,348</u>

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

	Increase (Decrease)		
	Total Pension	Plan Fiduciary	Net Pension
	Liability	Net Position	Liability
	(a)	(b)	(a) - (b)
Police Service Plan			
Balances at 12/31/23	\$ 985,923,776	\$ 688,910,928	\$ 297,012,848
Changes for the year:			
Service cost	25,134,672		25,134,672
Interest	67,309,838		67,309,838
Changes of benefit terms	(989,533)		(989,533)
Differences between expected and actual experience	25,672,685		25,672,685
Changes of assumptions	-		-
Contributions - employer		40,514,250	(40,514,250)
Contributions - member		5,599,048	(5,599,048)
Net investment income		73,390,303	(73,390,303)
Benefit payments, including refunds of member contributions	(48,709,313)	(48,709,313)	-
Administrative expense		(683,386)	683,386
Other		-	-
Net Changes	68,418,349	70,110,902	(1,692,553)
Balances at 12/31/24	\$ 1,054,342,125	\$ 759,021,830	\$ 295,320,295

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Fire Service Plan			
Balances at 12/31/23	\$ 929,818,891	\$ 684,000,847	\$ 245,818,044
Changes for the year:			
Service cost	26,006,863		26,006,863
Interest	63,624,847		63,624,847
Changes of benefit terms	-		-
Differences between expected and actual experience	15,351,783		15,351,783
Changes of assumptions	-		-
Contributions - employer		35,911,289	(35,911,289)
Contributions - member		5,641,423	(5,641,423)
Net investment income		73,786,798	(73,786,798)
Benefit payments, including refunds of member contributions	(41,785,014)	(41,785,014)	-
Administrative expense		(697,645)	697,645
Other		-	-
Net Changes	<u>63,198,479</u>	<u>72,856,851</u>	<u>(9,658,372)</u>
Balances at 12/31/24	\$ <u>993,017,370</u>	\$ <u>756,857,698</u>	\$ <u>236,159,672</u>

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Detention Officers and Deputy Sheriffs' Plan			
Balances at 12/31/23	\$ 270,774,782	\$ 190,626,933	\$ 80,147,849
Changes for the year:			
Service cost	6,699,571		6,699,571
Interest	18,438,991		18,438,991
Changes of benefit terms	-		-
Differences between expected and actual experience	4,580,712		4,580,712
Changes of assumptions	-		-
Contributions - employer		11,121,375	(11,121,375)
Contributions - member		1,411,510	(1,411,510)
Net investment income		20,153,546	(20,153,546)
Benefit payments, including refunds of member contributions	(14,721,261)	(14,721,261)	-
Administrative expense		(179,633)	179,633
Other		-	-
Net Changes	<u>14,998,013</u>	<u>17,785,537</u>	<u>(2,787,524)</u>
Balances at 12/31/24	\$ <u>285,772,795</u>	\$ <u>208,412,470</u>	\$ <u>77,360,325</u>

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

Sensitivity of the net pension liability to changes in the discount rate: The following schedule presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the Plan’s net pension liability would be if it were calculated using a discount rate that is 1.0 percentage point lower (6.00%) or 1.0 percentage point higher (8.00%) than the current rate. For the state pension plan, the net pension liability is calculated using a rate of 6.80%, as well as what the Plan’s net pension liability would be if it were calculated using a discount rate that is 1.0 percentage point lower (5.800%) or 1.0 percentage point higher (7.80%).

	Employees' Retirement Plan	Police Service Retirement Plan	Fire Service Retirement Plan	Detention Officers' and Deputy Sheriffs' Retirement Plan
1% Decrease to 6.00%	\$ 568,248,005	\$ 437,155,396	\$ 371,825,037	\$ 111,409,493
Current Discount Rate 7.00%	\$ 424,305,348	\$ 295,320,295	\$ 236,159,672	\$ 77,360,325
1% Increase to 8.00%	\$ 302,905,598	\$ 179,768,848	\$ 125,592,358	\$ 49,053,479

Sensitivity of groups within the State System:

	Officials	Judges
Proportional Share of State System	0.00107330%	0.00283320%
1% Decrease to 5.80%	\$ 410,321	\$ 1,083,106
Current Discount Rate 6.80%	282,329	745,250
1% Increase to 7.80%	175,638	463,624

G Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the County Pension Plans – Recognized pension expenses and deferred outflows of resources, including amounts for the Anne Arundel County Public Library and Anne Arundel County Economic Development Corp., for the measurement date of December 31, 2024, are displayed by Plan in the following table.

	Employees' Retirement Plan	Police Service Retirement Plan	Fire Service Retirement Plan	Detention Officers' and Deputy Sheriffs' Retirement Plan	Total Pension System
PENSION EXPENSE:	\$ 85,016,647	\$ 64,932,167	\$ 64,104,460	\$ 13,813,691	\$ 227,866,965
DEFERRED OUTFLOWS OF RESOURCES:					
Differences between expected and actual experience	\$ 21,606,578	\$ 29,279,326	\$ 38,023,676	\$ 5,252,558	\$ 94,162,138
Changes of assumptions	28,541,381	-	8,495,074	-	37,036,455
Net difference between projected and actual earnings on pension plan investments	3,895,255	1,324,844	76,544	560,296	5,856,939
Contributions subsequent to measurement date	26,387,328	21,216,871	19,335,353	5,789,709	72,729,261
Total Deferred Outflow of Resources	\$ 80,430,542	\$ 51,821,041	\$ 65,930,647	\$ 11,602,563	\$ 209,784,793
DEFERRED INFLOWS OF RESOURCES:					
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ -	\$ -
Changes of assumptions	-	(9,839,520)	(2,606,113)	(309,796)	(12,755,429)
Differences between projected and actual plan investments	-	-	-	-	-
Total Deferred Inflow of Resources	\$ -	\$ (9,839,520)	\$ (2,606,113)	\$ (309,796)	\$ (12,755,429)
Total Deferred Activity	\$ 80,430,542	\$ 41,981,521	\$ 63,324,534	\$ 11,292,767	\$ 197,029,364

Contributions subsequent to the measurement date in the amount of \$72,729,260, will be recognized as a reduction of the net pension liability (asset) in the fiscal year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense and amortized over an additional four to five years as provided by the actuary as follows:

	<u>Employees'</u> <u>Retirement Plan</u>	<u>Police Service</u> <u>Retirement Plan</u>	<u>Fire Service</u> <u>Retirement Plan</u>	<u>Detention Officers'</u> <u>and Deputy Sheriffs'</u> <u>Retirement Plan</u>	<u>Total Pension</u> <u>System</u>
Year ending December 31:					
2025	\$ 36,226,965	\$ 12,754,273	\$ 24,511,310	\$ 3,740,138	\$ 77,232,686
2026	32,265,696	17,990,683	22,374,789	6,240,976	78,872,144
2027	(8,972,518)	(4,924,041)	(4,657,386)	(3,099,547)	(21,653,492)
2028	(5,476,929)	(5,056,265)	1,760,468	(1,378,509)	(10,151,235)
2029	-	-	-	-	-
Total	<u>\$ 54,043,214</u>	<u>\$ 20,764,650</u>	<u>\$ 43,989,181</u>	<u>\$ 5,503,058</u>	<u>\$ 124,300,103</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the County portion of the Maryland State Retirement and Pension System – Recognized pension expenses and deferred outflows of resources for the measurement date of June 30, 2023 are displayed by Plan in the table below. Details for the entire State System can be obtained at <http://www.sra.state.md.us>.

County Portions of Maryland State Retirement and Pension System

	<u>Master</u> <u>Judges</u>	<u>Officials</u>	<u>Total Portion</u>
PENSION EXPENSE:	\$ 90,898	\$ 30,148	\$ 121,046
DEFERRED OUTFLOWS OF RESOURCES:			
Differences between expected and actual experience	\$ 59,204	22,429	\$ 81,633
Net difference between projected and actual earnings	23,245	8,806	32,051
Changes in Proportion and Differences Between Employer Contributions and Share of Contributions	<u>23,378</u>	<u>-</u>	<u>23,378</u>
Subtotal of outflows	<u>105,827</u>	<u>31,235</u>	<u>137,062</u>
DEFERRED INFLOWS OF RESOURCES:			
Differences between expected and actual experience	(1,153)	(437)	(1,590)
Changes in Proportion and Differences Between Employer Contributions and Share of Contributions	-	(10,233)	(10,233)
Changes of assumptions	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal of inflows	<u>(1,153)</u>	<u>(10,670)</u>	<u>(11,823)</u>
Total Deferred Activity	<u>\$ 104,674</u>	<u>\$ 20,565</u>	<u>\$ 125,239</u>
Net pension liability	<u>\$ 745,250</u>	<u>\$ 282,329</u>	<u>\$ 1,027,579</u>

Anne Arundel County, Maryland
Notes to the Financial Statements

The contributions subsequent to measurement date as listed above will be recognized as a reduction in net pension liability in fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	<u>Master Judges</u>	<u>Officials</u>	<u>Total</u>
2026	\$ 5,392	\$ 4,161	\$ 9,553
2027	63,893	23,114	87,007
2028	29,118	7,637	36,755
2029	20,587	4,753	25,340
2030	10,401	2,286	12,687
Total	\$ 129,391	\$ 41,951	\$ 171,342

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

	<u>Primary Government</u>		<u>Component Units</u>		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Economic Development Corporation</u>	<u>Library</u>	
<u>Deferred Outflow of Resources</u>					
County Plan	194,842,545	12,109,417	1,222,588	1,610,242	209,784,792
State Plan	137,062	-	-	-	137,062
Total Pension Deferred Outflow of Resources	<u>\$ 194,979,607</u>	<u>\$ 12,109,417</u>	<u>\$ 1,222,588</u>	<u>\$ 1,610,242</u>	<u>\$ 209,921,854</u>
<u>Deferred Inflow of Resources</u>					
County Plan	12,748,488	-	6,941	-	12,755,429
State Plan	11,823	-	-	-	11,823
Total Pension Deferred Inflow of Resources	<u>\$ 12,760,311</u>	<u>\$ -</u>	<u>\$ 6,941</u>	<u>\$ -</u>	<u>\$ 12,767,252</u>
<u>Net Pension Liability</u>					
County Plan	942,518,516	80,608,822	3,900,294	6,118,008	1,033,145,640
State Plan	1,027,579	-	-	-	1,027,579
Total Net Pension Liability	<u>\$ 943,546,095</u>	<u>\$ 80,608,822</u>	<u>\$ 3,900,294</u>	<u>\$ 6,118,008</u>	<u>\$ 1,034,173,219</u>

The aggregate totals for pension plans are presented below:

	Total Pension Liability	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Employees' Plan	\$ 1,255,866,962	\$ 424,305,348	\$ 80,430,542	\$ -	\$ 85,016,647
Police Service Plan	1,054,342,125	295,320,295	51,821,041	(9,839,520)	64,932,167
Fire Service Plan	993,017,370	236,159,672	65,930,647	(2,606,113)	64,104,460
Detention Service Plan	285,772,795	77,360,325	11,602,563	(309,796)	13,813,691
Master Judges (State Plan)	N/A	745,250	105,827	(1,153)	90,898
Officials (State Plan)	N/A	282,329	31,235	(10,670)	30,148
LOSAP Plan	15,393,724	15,393,724	3,424,005	(6,984,884)	393,053
Total Pension Plans	<u>\$ 3,604,392,976</u>	<u>\$ 1,049,566,943</u>	<u>\$ 213,345,860</u>	<u>\$ (19,752,136)</u>	<u>\$ 228,381,064</u>

H Payable to the County Pension System – At December 31, 2024, the System reported \$22.2 million in payables.

I Commitments – The System has committed to fund various private markets investments totaling \$715.1 million at December 31, 2024, of which approximately \$214.5 million remains unfunded. The expected funding dates for these commitments extend through 2029.

J Teacher pension funding shift - Legislation enacted by the Maryland General Assembly during 2012 requires County Boards of Education to pay a portion of employer contributions for members of the Teachers' Retirement System or the Teachers' Pension System beginning in fiscal year 2013. Beginning in fiscal year 2017, each local Board pays the normal cost for their teachers in the Teachers' Retirement System and the Teachers' Pension System. Since that time, the annual appropriations for the Teachers' Pension System have been as follows:

Fiscal Year	Appropriation
Fiscal Year 2017	\$ 22,079,472
Fiscal Year 2018	\$ 23,665,760
Fiscal Year 2019	\$ 23,665,760
Fiscal Year 2020	\$ 23,980,202
Fiscal Year 2021	\$ 24,701,353
Fiscal Year 2022	\$ 25,713,345
Fiscal Year 2023	\$ 32,443,555
Fiscal Year 2024	\$ 33,034,674
Fiscal Year 2025	\$ 34,343,212

K 401(a) Employee Retirement Savings Plan – Anne Arundel County Bill No. 95-17 created the new 401(a) Employee Retirement Savings Plan. Effective July 1, 2018, any employee hired in any position eligible to participate in the Employees' Retirement System shall have the election to choose the Employee Retirement Savings Plan. Employee contribution for the Savings Plan is 4% and there is an 8% employer contribution. An employee vests in the new plan in 5 years. The amount not vested as of June 30, 2025 was \$1,976,664.

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

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

General Information about the LOSAP Pension Plan:

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

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

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

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

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

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

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

The total LOSAP liability was determined by an actuarial valuation as of December 31, 2022 using the following actuarial assumptions:

Actuarial Assumptions:

Inflation Rate	3.00 %
Discount rate	4.16 %
Salary increases	Not applicable

Mortality	Pub-2010 General Employee rates set forward 1 year with Scale MP-2021
Retirement	First eligible
Turnover	Rates varying based on age and service
Disability	Rates varying based on age

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

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

<u>Changes in the Net Pension Liability</u>	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a-b)</u>
Balances at 1/1/24	\$ 16,080,630	\$ -	\$ 16,080,630
Changes for the year:			
Service cost	457,626	-	457,626
Interest	608,312	-	608,312
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(152,413)	-	(152,413)
Change in assumptions	(795,081)	-	(795,081)
Employer contributions	-	805,350	(805,350)
Benefit payments, including refunds of member contributions	<u>(805,350)</u>	<u>(805,350)</u>	<u>-</u>
Net Changes	<u>(686,906)</u>	<u>-</u>	<u>(686,906)</u>
Balances at 12/31/24	<u>\$ 15,393,724</u>	<u>\$ -</u>	<u>\$ 15,393,724</u>

LOSAP Deferred Outflows of Resources and Deferred Inflows of Resources – Recognized LOSAP expenses and deferred outflows of resources for the measurement date of December 31, 2024 are displayed in the table below.

	<u>Volunteer Fire Personnel</u>
LOSAP EXPENSE:	\$ <u>(393,053)</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Differences between expected and actual experience	\$ 130,390
Changes of assumptions	2,872,220
Contributions subsequent to measurement date	<u>421,395</u>
Subtotal of deferred outflows	<u>3,424,005</u>
DEFERRED INFLOWS OF RESOURCES:	
Differences between expected and actual experience	(2,661,171)
Changes of assumptions	<u>(4,323,713)</u>
Subtotal of deferred inflows	<u>(6,984,884)</u>
Total Deferred Activity	<u>(3,560,879)</u>
LOSAP liability	<u>\$ 15,393,724</u>

* Current liability included in accounts payable in the government wide Statement of Net Assets

Contributions subsequent to the measurement date in the amount of \$421,395, will be recognized as a reduction of the net pension liability (asset) in the fiscal year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to LOSAP will be recognized in pension expense as follows:

Year ending December 31:	<u>LOSAP</u>
2025	(672,885)
2026	(672,885)
2027	(672,873)
2028	(918,625)
2029	(902,572)
Thereafter	(142,434)

Sensitivity of the net LOSAP liability to changes in the discount rate: The following presents the net LOSAP liability of the County LOSAP, calculated using the discount rate of 4.16%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.16%) or 1.0% percentage-point higher (5.16%) than the current rate:

	1% Decrease <u>3.16%</u>	Current Discount Rate <u>4.16%</u>	1% Increase <u>5.16%</u>
County's Net Pension Liability	\$ 17,576,100	\$ 15,393,724	\$ 13,627,838

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

The following schedule presents the LOSAP participants at December 31, 2024:

<u>LOSAP Participant Summary at December 31, 2024</u>			
	<u>Active Participants</u>	<u>Volunteers Receiving Payment</u>	<u>Survivors Receiving Payment</u>
Number	472	188	63
Average Age	44.48	70.56	79.29
Average Service	8.81		
Total Annual Benefits		\$ 682,800	\$ 115,500

14 Other Post-employment Benefits

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

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The total OPEB liability is based on January 1, 2023 valuation data for the County, College, Library, and School System Plans with a roll forward of data to June 30, 2024. The Plan's liability was rolled forward to the measurement date June 30, 2025. The methods, assumptions, plan provisions, and participant data used are detailed in the actuarial valuation report dated August 7, 2024 with the exception of the actuarial cost method. These calculations are based on the Entry Age Normal (EAN) cost method as required by GASB 74 and GASB 75. The EAN actuarial cost method requires a salary scale assumption. The Actuary used the salary scale assumption used to value Anne Arundel County's pension plans. The calculation of the Actuarially Determined Contribution for the fiscal year ended June 30, 2025 is contained in the actuarial valuation report dated May 9, 2025.

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

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

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

<u>Net OPEB Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
576,201,198	\$ 169,288,091	\$ (1,644,156,136)

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

A copy of the Anne Arundel Retiree Health Benefits Trust (OPEB Trust) financial statements may be obtained at <https://www.aacounty.org/retirement-and-pension-system-board-of-trustees/pension-trust-fund-reports>.

B Membership by Plan – Anne Arundel County retirees meeting criteria based upon years of service as defined in County Bill 85-13 are eligible for medical insurance and prescription coverage in retirement. The Library, through its Health Benefits Pooling Agreement with the County, has agreed that its benefits and costs to the retirees will match the County Plan. The Public Schools manage their benefits and only pool investments. The number of participants in OPEB Trust as for Fiscal Year ending June 30, 2025 follows in the table below. Data is based on membership counts as of January 1, 2023 for Fiscal Year 2025 ending June 30, 2025.

	<u>County Plan</u>	<u>Library Plan</u>	<u>Total</u>
Employees with medical coverage	4,126	213	4,339
Deferred vested termination	295	-	295
Retirees	3,054	141	3,195
Total	<u>7,475</u>	<u>354</u>	<u>7,829</u>

C Funding Policy – Effective July 1, 2015 and amended on January 17, 2024, the County Council under Bill 13-15 established the Retiree Health Benefits Trust to include the primary government, the College, the Library, and the Board of Education of Anne Arundel County. The Bill requires that the balance of Reserve Funds for Retiree Health Benefits on July 1, 2015 be transferred to the Trust and added the BOE in 2024. The Bill established a Board of Trustees to manage the Trust and designated the County Personnel Officer to administer the Trust. The County Executive will recommend annual appropriations to the Trust. The County Council will approve this request as is or may increase it during the County Annual Budget process. Previously, the County established under its Charter, a Reserve Fund for Retiree Health Benefits into which funds were appropriated for the sole purpose of funding retiree health benefits. This Reserve Fund has been closed and the funds transferred to the Trust Fund.

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

Schedule of Actuarial Methods and Assumptions

	<u>County Plan</u>	<u>Library Plan</u>
	Entry Age Normal	Entry Age Normal
	Fair value of Assets	Fair value of Assets
Actuarial Cost Method		
Asset valuation Method		
Actuarial Assumptions		
Discount Rate	6.30%	6.30%
	Long-term expected return based on trust assets	Long-term expected return based on trust assets
Payroll Increase	Pension Plan Assumptions	Pension Plan Assumptions
Ultimate Healthcare Cost Trend Rate	3.94%	3.94%

Notes:

- 1) The health cost trend rate for 2022-2024 is 7.50%. The ultimate rate is 3.94%.
- 2) The Plan's actual benefit payments may be greater or lesser than the amounts shown, depending on the Plan's actual demographic experience, and claims experience.
- 3) The information above is from the actuarial valuation reports dated August 29, 2025 which used census valuation data as of January 1, 2025.

Mortality rates: Healthy uses SOA RPH-2014 adjusted to 2006 Blue Collar Headcount-Weighted Mortality; MP-2018 base year 2006 fully generational. Disabled - General County employees uses SOA RP-2014 adjusted to 2006 Blue Collar Mortality with Scale MP-2018 (set forward 9 years). Disabled - Uniformed services employees (Police, Firefighters, and Correctional facilities) uses SOA RP-2014 adjusted to 2006 Blue Collar Mortality with Scale MP-2018 (set forward 5 years).

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Anne Arundel Retiree Health Benefits Trust (the Trust) and additions to/deductions from the Trust's fiduciary net position have been determined on the same basis as they are reported by the County. The measurement date for the current fiscal year-end was June 30, 2024. For this purpose, the Trust recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

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

Change in Net OPEB Liability			
County Plan*			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance as of June 30, 2023 for FYE 2024	\$ 692,399,901	\$ 458,101,849	\$ 234,298,052
Changes for the Year			-
Service Cost	21,296,173	-	21,296,173
Interest	42,679,076	-	42,679,076
Changes of Benefit Terms	-	-	-
Experience Losses/(Gains)	(2,845,509)	-	(2,845,509)
Trust Contribution - Employer	-	37,697,606	(37,697,606)
Net Investment Income	-	69,435,199	(69,435,199)
Changes in Assumptions	-	-	-
Benefit Payments (net of retiree contributions)	(27,062,998)	(27,062,998)	-
Administrative Expense	-	(1,067,406)	1,067,406
Net Changes	34,066,742	79,002,401	(44,935,659)
Balance as of June 30, 2024 for FYE 2025	\$ 726,466,643	\$ 537,104,250	\$ 189,362,393

*Anne Arundel Economic Development Corporation participates in the County OPEB plan.

For the fiscal year ended June 30, 2025, Anne Arundel County General Employees, recognized an OPEB expense of (\$2,550,403), reported deferred outflows of resources, and deferred inflows of resources related to the OPEB plan from the following sources:

	Primary Government		Component Unit	Total
	Governmental Activities	Business Type Activities	Economic Development Corporation	
Deferred Outflow or Resources	\$ 61,793,383	\$ 6,637,892	\$ 120,636	\$ 68,551,911
Deferred Inflow of Resources	\$ 236,916,386	\$ 26,482,313	\$ 1,086,860	\$ 264,485,559
Net OPEB Liability	\$ 161,136,936	\$ 27,212,971	\$ 1,131,896	\$ 189,481,803

Contributions subsequent to the measurement date in the amount of \$47,804, 857 will be recognized as a reduction of the net OPEB liability(asset) in the fiscal year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30:

2026	\$	(44,288,333)
2027		(34,202,330)
2028		(60,481,861)
2029		(56,207,030)
2030		(48,152,348)
Thereafter		(406,503)

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

	Change in Net OPEB Liability		
	College Plan		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance as of June 30, 2023 for FYE 2024	\$ 43,898,093	\$ 23,698,108	\$ 20,199,985
Changes for the Year			
Service Cost	1,339,177	-	1,339,177
Interest	2,713,588	-	2,713,588
Changes of Benefit Terms	-	-	-
Experience Losses/(Gains)	375,846	-	375,846
Trust Contribution - Employer	-	3,112,796	(3,112,796)
Net Investment Income	-	3,319,966	(3,319,966)
Changes in Assumptions	-	-	-
Benefit Payments (net of retiree contributions)	(2,026,396)	(2,026,396)	-
Administrative Expense	-	(12,886)	12,886
Net Changes	2,402,215	4,393,480	(1,991,265)
Balance as of June 30, 2024 for FYE 2025	\$ 46,300,308	\$ 28,091,588	\$ 18,208,720

For the fiscal year ended June 30, 2025, Anne Arundel Community College recognized an OPEB expense of (\$4,542,748). Anne Arundel Community College reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 819,845	\$ (37,118,546)
Changes of assumptions	23,165,473	(28,628,078)
Net difference between projected and actual earnings on OPEB plan investments	-	(1,025,682)
Employer contribution subsequent to measurement date	3,356,000	-
Total	\$ 27,341,318	\$ (66,772,306)

Contributions subsequent to the measurement date in the amount of \$3,381,854 will be recognized as a reduction of the net OPEB liability(asset) in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30:

2026	\$	(7,200,046)
2027		(5,881,831)
2028		(4,335,096)
2029		(7,273,559)
2030		(9,332,497)
Thereafter		(8,763,959)

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

	Change in Net OPEB Liability		
	Library Plan		
	Total OPEB Liability	Plan Fiduciary Net	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance as of June 30, 2023 for FYE 2024	\$ 20,021,084	\$ 6,213,423	\$ 13,807,661
Changes for the Year			
Service Cost	547,836	-	547,836
Interest	1,230,605	-	1,230,605
Changes of Benefit Terms	-	-	-
Experience Losses/(Gains)	147,546	-	147,546
Trust Contribution - Employer	-	1,689,178	(1,689,178)
Net Investment Income	-	883,820	(883,820)
Changes in Assumptions	-	-	-
Benefit Payments (net of retiree contributions)	(1,122,878)	(1,122,878)	-
Administrative Expense	-	(3,348)	3,348
Net Changes	803,109	1,446,772	(643,663)
Balance as of June 30, 2024 for FYE 2025	\$ 20,824,193	\$ 7,660,195	\$ 13,163,998

For the fiscal year ended June 30, 2025, Anne Arundel Public Library recognized an OPEB expense of (\$386,963). Anne Arundel County Public Library reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows	Deferred Inflows
	of Resources	of Resources
Differences between expected and actual experience	\$ 145,375	\$ (12,544,257)
Changes of assumptions	2,315,609	(11,804,280)
Net difference between projected and actual earnings on OPEB plan investments	-	(266,166)
Employer contribution subsequent to measurement date	1,824,685	-
Total	\$ 4,285,669	\$ (24,614,703)

Contributions subsequent to the measurement date in the amount of \$1,824,685 will be recognized as a reduction of the net OPEB liability(asset) in the fiscal year ended June 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in the expense as follows:

Fiscal Year Ended June 30:	
2026	\$ (4,560,697)
2027	(5,337,863)
2028	(5,668,153)
2029	(3,351,509)
2030	(3,256,575)
Thereafter	21,078

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

	Change in Net OPEB Liability		
	Public Schools Plan		
	Total OPEB Liability	Plan Fiduciary Net	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance as of June 30, 2023 for FYE 2024	\$ 1,058,571,145	\$ -	\$ 1,058,571,145
Changes for the Year			
Service Cost	39,182,557	-	39,182,557
Interest	40,269,300	-	40,269,300
Changes of Benefit Terms	-	-	-
Experience Losses/(Gains)	(330,870,228)	-	(330,870,228)
Trust Contribution - Employer	-	70,663,397	(70,663,397)
Net Investment Income	-	150,080	(150,080)
Changes in Assumptions	(160,139,859)	-	(160,139,859)
Benefit Payments (net of retiree contributions)	(51,433,397)	(51,433,397)	-
Administrative Expense	-	(1,760)	1,760
Net Changes	(462,991,627)	19,378,320	(482,369,947)
Balance as of June 30, 2024 for FYE 2025	\$ 595,579,518	\$ 19,378,320	\$ 576,201,198

For the fiscal year ended June 30, 2025 Anne Arundel Public Schools recognized an OPEB expense of (\$204,955,262). Anne Arundel County Public Schools reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 65,315,830	\$ (294,833,530)
Changes of assumptions	78,644,173	(1,349,322,606)
Net difference between projected and actual earnings on OPEB plan investments	364,488	-
Employer contribution subsequent to measurement date	24,963,600	-
Total	\$ 169,288,091	\$ (1,644,156,136)

Contributions subsequent to the measurement date in the amount of \$24,963,600 will be recognized as a reduction of the net OPEB liability (asset) in the fiscal year ended June 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in the expense as follows:

Fiscal Year Ended June 30:	
2026	\$ (283,803,189)
2027	(283,803,189)
2028	(249,894,936)
2029	(195,648,544)
2030	(199,043,327)
Thereafter	(287,638,462)

E Net OPEB Liability of the Trust – The components of the net OPEB liability of the Plan, measured at June 30, 2024, for June 30, 2025 fiscal year-end are displayed on the following schedule.

Net OPEB Liability		
As of June 30, 2025		
(in thousands)		
	<u>County Plan</u>	<u>Library Plan</u>
Total OPEB liability	\$ 726,466	\$ 20,824
Plan fiduciary net position	(537,104)	(7,660)
Net OPEB liability	<u>\$ 189,362</u>	<u>\$ 13,164</u>
Plan fiduciary net position as a percentage of the total OPEB liability	73.93%	36.78%
Net OPEB liability:		
Anne Arundel County Gov.	\$ 189,048	\$ -
Economic Development	314	-
College Plan	-	-
Library Plan	-	13,164
Net OPEB liability	<u>\$ 189,362</u>	<u>\$ 13,164</u>
Actuarial assumptions	The total OPEB liability was determined by an actuarial valuation as of June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.	
	<u>County Plan</u>	<u>Library Plan</u>
Inflation	2.50%	2.50%
Discount rate	6.30%	6.30%
Initial healthcare cost trend	3.94%	3.94%

F Long-term expected real rate of return – The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation of 25% for fixed income and 55% for equity investments, and including the expected rate of inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2025 are summarized in the following table:

2025 30-Year Return Assumptions by Asset Class

<u>Asset Class</u>	30-Year Geometric Forecast <u>(Nominal Returns)</u>	30-Year Geometric Forecast <u>(Real Returns)</u>
Inflation (CPI)	2.67%	0.00%
Cash	3.49%	0.80%
Core Fixed Income ⁽¹⁾	5.28%	2.54%
Diversified Fixed Income ⁽²⁾	6.38%	3.61%
Large Cap Equity	7.02%	4.24%
Small/Mid Cap Equity	7.18%	4.40%
International Equities (Unhedged)	6.79%	4.02%
Emerging Int'l Equities	8.60%	5.77%
Real Estate (Core)	6.25%	3.48%
Private Equity ⁽³⁾	9.87%	7.01%

Notes

NEPC's 30-year geometric CPI inflation assumption is 2.67%.

(1) Core Bonds assumption based on market weighted blend of the Bloomberg US Aggregate Bond Index (Treasury, Investment Grade Corporate Credit, Mortgage-Backed Securities)

(2) Diversified Fixed Income assumption based on strategic blend of Investment Grade Corporate Credit, Mortgage-Backed Securities, High Yield, Emerging Market Debt, Non-US Bonds

(3) Private Equity assumption based on strategic blend of Private Equity and Private Debt

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

Asset Allocations by Investment Policy

	Target Allocation	Minimum Allocation	Maximum Allocation
Large Cap U.S. Equities	28%	18%	38%
Small/Mid Cap U.S. Equities	8%	3%	13%
International Equities - Developed Markets	15%	10%	25%
Emerging International Equities	4%	1%	11%
Total Equity	55%	45%	65%
Core Fixed Income	11%	6%	16%
Diversified Fixed Income	14%	9%	19%
Total Fixed Income	25%	15%	35%
Real Estate (Core)	5%	0%	10%
Total Real Estate	5%	0%	10%
Private Market	5%	0%	10%
Total Private Market	5%	0%	10%
Cash	10%	0%	20%
Total Cash	10%	0%	20%

G Discount rate – The discount rate used to determine the actuarial net liability varied by Plan. Based on assumptions of increasing contribution levels and normal costs for future hires, the County Plan is expected to never become insolvent. Consequently, the actuary determined the County and Library Plans’ liability using the expected rate of return on assets of 6.3% as the discount rate

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

Discount Rate Sensitivity as of June 30, 2025				
Net OPEB liability				
	1.00% Decrease	Discount Rate		1.00% Increase
	5.30%	6.30%		7.30%
County Plan	\$ 290,959,659	\$ 189,362,393		\$ 106,224,641
Library Plan	\$ 15,814,584	\$ 13,163,998		\$ 10,956,181

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

Healthcare Trend Cost Sensitivity as of June 30, 2025				
Net OPEB liability				
	1.00% Decrease	Trend Rates		1.00% Increase
	2.94%	3.94%		4.94%
County Plan	\$ 87,913,804	\$ 189,362,393		\$ 316,596,576
Library Plan	\$ 10,476,449	\$ 13,163,998		\$ 16,486,451

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

15 Risk Management

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

The Self Insurance Fund has recognized a liability at fiscal year-end for those claims where a loss has occurred and the amount of loss can be reasonably estimated. This estimate includes reserves for non-incremental claims adjustment expense. An actuarial review of all claims is used as the basis for determining the liability at the end of the year. Management, with the assistance of claims administrators, estimates the liabilities for the Health Insurance Fund. Both funds include estimated liabilities for claims that have been incurred but not reported. Claims are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. As of June 30, 2025, the Self Insurance Fund liability of \$79,146,073 is discounted, since discounting is more reflective of the nature of the claims. The Health Insurance Fund liability of \$7,136,445 is undiscounted since claims will be paid within one year of the date incurred. Settlements have not exceeded coverage

for each of the past three years. Changes in the balances of claims liabilities during fiscal years 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Liability balance, July 1	\$ 69,907,696	\$ 64,753,680
Current year claims and changes in estimates:		
Changes in estimates - prior periods	10,330,754	11,070,971
Changes in estimates - current year	142,158,178	130,130,970
Claims payments	<u>(136,114,110)</u>	<u>(136,047,925)</u>
Liability balance, June 30	<u>\$ 86,282,518</u>	<u>\$ 69,907,696</u>

16 Landfill Closure, Post Closure, and Remediation

The primary government has utilized three landfill sites, however, only one site, the Millersville Landfill, is still accepting trash. The others, Glen Burnie and Sudley, ceased accepting solid waste in 1983 and 1993, respectively. The Millersville site consists of nine individual cells. Cells 1 through 8 are closed. Closure for cell 8 was completed in 2022. Cell 9 has opened and is 26.9% full. Cell 9 has a useful life to at least 2049. The table that follows presents the costs and liabilities related to all sites. The costs for cells 8 and 9 at the Millersville Landfill are determined by applying the percent of capacity used to the total estimated closure and post closure costs.

	<u>Millersville</u>	<u>Closed Sites</u>	<u>Total</u>
Total costs:			
Closure	\$ 66,940,655	\$ 18,163,719	\$ 85,104,374
Post closure	<u>28,319,710</u>	<u>1,367,701</u>	<u>29,687,411</u>
	95,260,365	19,531,420	114,791,785
Less:			
Amount recognized thru June 30, 2025	<u>60,267,279</u>	<u>19,531,420</u>	<u>79,798,699</u>
Costs remaining to be recognized	<u>\$ 34,993,086</u>	<u>\$ -</u>	<u>\$ 34,993,086</u>
Liability recorded at June 30, 2025			
Current portion Post Closure	\$ <u>1,151,393</u>	\$ <u>195,386</u>	\$ <u>1,346,779</u>
Closure Cell 9 Long Term	5,078,269	-	5,078,269
Post Closure Long Term Piece	<u>14,241,695</u>	<u>1,172,315</u>	<u>15,414,010</u>
Total Long Term Liability	<u>19,319,964</u>	<u>1,172,315</u>	<u>20,492,279</u>
Total Liability	<u>\$ 20,471,357</u>	<u>\$ 1,367,701</u>	<u>\$ 21,839,058</u>

The primary government accounts for landfill activities in the Solid Waste Fund. Management estimates the costs of closure, post closure, remediation, and monitoring the landfills based on federal and state regulations. These estimates are recorded at current costs and are management's best judgment of the minimum cost required to correct identified problems and close and remediate open cells. These estimates are subject to periodic reevaluation, and actual costs may differ due to inflation or deflation, changes in technology, or changes in applicable laws and regulations. The closure reserves increased in the amount of \$732,742, primarily as a result of Cell 9 closure costs expensed through June 30, 2025 and post closure reserves increased by \$796,147 in fiscal year 2025. These amounts include changes to the estimates in the reserves, payments, and other adjustments.

The Solid Waste Fund has restricted assets of \$25,331,545 for closure and post closure care as of June 30, 2025.

17 **Tax Abatements**

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

A ***PILOT*** - The purpose of the first type of County PILOT agreement is to provide quality multi-family housing communities for households of limited income in the County. Agreements are made with the County in negotiated amounts in lieu of County real property taxes per Tax Property Article § 7-506.1. For fiscal year 2025, the net amount of taxes abated after receipt of the PILOT payments was \$885,510. The second type of County PILOT agreement is for economic development projects that demonstrate to the satisfaction of the Anne Arundel County Executive and County Council of Anne Arundel County that the project is an economic development project that provides a public benefit. Agreements are made with the County in negotiated amounts in lieu of County real or personal property tax per Tax Property Article § 7-520. For fiscal year 2025, the County had one of this type of PILOT agreement, and the amount of the abatement of real and personal property taxes was \$836,762.

B ***Brownfields Site Tax Credit*** – The County provides a Brownfields Site tax credit on real property taxes levied on qualified brownfields sites as authorized by Tax Property Article § 9-229. The brownfields tax credit is effective for each of the five taxable years following the issuance of the notice of revaluation by the State Department of Assessments and Taxation after completion of a voluntary cleanup or a corrective action plan for a qualified site. For fiscal year 2025, there were no taxes abated for brownfields sites.

C ***Agricultural Land Tax Credit*** – The County provides an agricultural land tax credit on real property taxes levied on agricultural land and woodland if the property is included in an agricultural preservation district as provided in the Agriculture Article § 2-509 of the State Code or a County agricultural district as provided in County Code and the landowner has agreed to remain in the district for at least ten years. For fiscal year 2025, the total amount of agricultural taxes abated was \$728,232.

D ***Enterprise Zone Tax Credit*** – The County provides enterprise zone tax incentives to businesses and property owners located in economically distressed communities. The Enterprise Zone tax credit from County real property taxes for eligible assessments of qualified properties is authorized per Tax Property Article § 9-103. For fiscal year 2025, there were no County participants in this program; therefore, no taxes were abated.

E ***The State of Maryland*** – The State of Maryland has programs that result in tax abatements for Anne Arundel County real property taxes. Per Tax Property Article § 8-209, property owners of qualified agricultural land receive a preferential land value. Land is assessed according to its current use and not according to its market value, resulting in a reduced assessed value of the land and thereby reducing the taxes. Lower assessments are given for land that is devoted to farm or woodland uses. For fiscal year 2025, there were 1,536 accounts totaling 46,298 acres receiving a preferential land value of \$12,286,585. The exact amount of the tax abatement is unknown because the State Department of Assessments and Taxation is unable to provide the market value and can only provide the preferential land value.

Qualified country clubs and golf courses are assessed according to their preferred use value rather than their market value per Tax Property Article §§ 8-212 - 8-218. This lower assessment results in lower taxes. For fiscal year 2025, the difference between the preferred use value and the market value reduced the assessments by \$22,511,705, resulting in an abatement of \$221,290 in County real property taxes.

18 **Contingent Liabilities**

A ***Impact Fees*** – As of June 30, 2025, the primary government held impact fees accumulated for the construction of schools and roads in designated districts of the County. County legislation authorizes the collection of such fees. In addition, the County has entered into impact fee agreements with developers who provide off-site improvements designed to lessen the impact of development on the immediate community. Unredeemed impact fee credits totaled \$ 22,212,136 as of June 30, 2025.

B ***Lawsuits*** – Taxpayers, entities that own and operate two industrial properties with improvements thereon, sought partial refunds of personal property taxes previously paid to the County for fiscal year 2021 and 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 value of the real and personal property for the assessment dates was substantially below assessed values. The taxpayers' appeals, which 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 in January 2026. The case is being vigorously defended. The State of Maryland is also a party to the case and is supporting the County's position.

A case was filed in April 2024 in the Circuit Court for Anne Arundel County against the Board of Education for Anne Arundel County, which participates in the County's Self-Insurance Fund, by the parents of a minor student in the school system, alleging sexual abuse by a teacher. The case was dismissed without prejudice and refiled in May 2025. The teacher was criminally charged, but was subsequently found not guilty after a lengthy jury trial in June 2025. The Complaint alleges that the Board of Education was negligent in permitting the alleged misconduct to occur. The parents of eight other students who had the same teacher have filed similar lawsuits in the same court. The maximum potential recovery for each lawsuit is \$890,000. Each of the cases is being vigorously defended.

There has been a surge in abuse lawsuits filed in Maryland in 2025 as a direct result of the Maryland Child Victims Act of 2023. This law eliminated the statute of limitations for civil child sexual abuse claims, allowing claimants to file suit regardless of when the abuse occurred. In 2025, an amendment was enacted that significantly reduced the potential monetary damages caps for cases filed on or after June 1, 2025. This prompted thousands of claimants to file claims in April and May 2025 to meet the deadline. Sixteen lawsuits (including one lawsuit with 11 claimants and one with lawsuit two claimants) of this nature were filed against the Board of Education of Anne Arundel County and three lawsuits were filed against the County. The County is asserting that the maximum potential recovery for each claimant is based upon when the alleged abuse occurred because different statutory damage caps apply for different time periods. Each of the cases is being vigorously defended.

A case was filed in September 2020 in the Circuit Court for Anne Arundel County by a County employee. The claim alleged that the County took an adverse personnel action against the employee after the employee had filed a prior claim against the County. The claims were tried to a jury in April 2024. The jury awarded the employee \$311,000 in damages, which also entitled the employee to attorneys' fees and costs. \$317,016 in attorneys' fees and \$19,942 in costs were awarded to the employee for a total award of \$647,958. Legal issues that relate to back pay and attorneys' fees were the subject of an appeal filed by the County in August 2024. In November 2025, the Appellate Court of Maryland ruled against the County and affirmed the verdict.

A developer that proposed a commercial facility requiring both State and County approval filed suit in the Circuit Court for Anne Arundel County against Anne Arundel County and the State of Maryland in December 2020 seeking to compel certain State and County actions concerning the licensing of its proposed facility. After a hearing, the Court issued an order in May 2021 declaring that communications regarding the proposed development by County officials to the State were void, and ordering the State to continue processing the developer's license application. The County unsuccessfully appealed to the Appellate Court of Maryland, and the Supreme Court of Maryland declined to consider the appeal in March 2023. Thereafter, the developer filed a petition requesting an award of attorneys' fees in July 2023, alleging that the County's defense of the initial suit, and the pursuit of its unsuccessful appeals, were unwarranted. In August 2024, the Court ordered the County to pay attorneys' fees of \$491,984 to the developer. The County noted an appeal of the order to pay attorneys' fees, which appeal is pending.

The County received a notice of claim from a claimant who asserts that he was severely injured in October 2022 when a branch fell from a dead tree while he was a pedestrian on a County public sidewalk. The claimant maintains that he was knocked unconscious and suffered severe injuries. The claimant alleges that some of his injuries are permanent. The claimant contends that the County had prior notice of the dead tree and should have taken corrective action to make the sidewalk safe. A lawsuit was filed in the Circuit Court for Anne Arundel County in January 2024 against the County and the homeowner's association that owned the land upon which the tree was located. The case was settled, with the County's portion of the settlement being \$400,000. The settlement was paid in July 2024.

A case was filed in April 2025 in the Circuit Court for Anne Arundel County against the County by a private company that was the former owner of certain real property. The company sought to subdivide and develop the property. The County determined that a new wastewater treatment facility would be necessary to service the subdivided lots. County Code requires developers that connect to the County's public wastewater system to pay a

Capital Facility Connection Charge ("CFCC"). The County and the company entered into an agreement in which the company would design and construct a public wastewater system in exchange for credits to be applied against the CFCCs. Based on the development application, the County provided the company with a certain allocation of water and wastewater capacity called Equivalent Dwelling Units ("EDUs"). The company built the wastewater treatment facility but later did not develop the lots and instead sold them to a third party. The company sought a recalculation of its EDUs, as well as the CFCCs it paid by credit. The County denied the refund request. The suit alleges that the County is violating its past practice of providing refunds under the County Code, as well as being unjustly enriched for receiving the benefit of the public wastewater system that the company built. The company seeks \$5,000,000 for CFCC refunds, and \$7,000,000 for unjust enrichment. The case is being vigorously defended.

A case was filed in December 2021 in the Circuit Court for Anne Arundel County by a former County employee who was previously terminated. The claim alleges that the employee was retaliated against and wrongfully terminated for being a whistle-blower. The former employee seeks back pay, including wages and fringe benefits of \$330,000, and future pecuniary loss including emotional pain, suffering and mental anguish for a total amount of \$1,100,000. The County denies the allegations. The case is set for a jury trial in November 2025 and is being vigorously defended.

A developer requested a refund of statutory interest on Capital Facility Connection Charges (CFCCs) that it alleges were inappropriately charged on multiple accounts. They claim \$681,430 was overpaid. The developer alleges that as the CFCCs were paid, the County misallocated the payments among various open accounts which resulted in additional interest being charged. No lawsuit has been filed. The County is reviewing the calculations submitted by the developer.

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.

C Federal Financial Assistance - The County receives significant financial assistance from the U.S. Government. Entitlement to the resources is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable Federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits. Any disallowances as a result of these audits become a liability of the fund that received the grants. As of June 30, 2025, the County estimates that no material liabilities will result from such audits.

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability (Dollar amounts in thousands)										
Service cost	\$ 25,505	\$ 23,191	\$ 19,164	\$ 18,886	\$ 16,774	\$ 16,344	\$ 16,687	\$ 15,497	\$ 15,144	\$ 15,115
Interest	81,911	76,223	73,167	67,772	70,362	65,128	63,246	60,502	59,292	58,329
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	13,449	14,164	16,876	1,093	(4,189)	12,546	3,826	9,562	(12,599)	(17,971)
Changes of assumptions	-	36,431	-	51,630	-	32,671	-	-	-	-
Benefit payments, including refunds of member contributions	(70,296)	(67,221)	(63,887)	(60,714)	(57,779)	(55,081)	(50,575)	(47,380)	(44,024)	(41,253)
Net change in total pension liability	50,569	82,788	45,320	78,667	25,168	71,608	33,184	38,181	17,813	14,220
Total pension liability - beginning	1,205,298	1,122,510	1,077,190	998,523	973,355	901,747	868,563	830,382	812,569	798,349
Total pension liability - ending (a)	\$ 1,255,867	\$ 1,205,298	\$ 1,122,510	\$ 1,077,190	\$ 998,523	\$ 973,355	\$ 901,747	\$ 868,563	\$ 830,382	\$ 812,569
Plan fiduciary net position										
Contributions - employer	50,574	43,484	43,712	36,178	32,567	29,637	27,033	25,654	25,810	25,630
Contributions - member	5,828	6,123	6,043	5,528	5,764	5,512	5,612	5,472	5,182	4,847
Net investment income	80,472	82,733	(87,246)	103,656	48,589	90,338	(31,166)	94,908	41,345	(8,374)
Benefit payments, including refunds of member contributions	(70,296)	(67,221)	(63,887)	(60,714)	(57,779)	(55,081)	(50,575)	(47,380)	(44,024)	(41,253)
Administrative expense	(708)	(573)	(554)	(561)	(535)	(609)	(543)	(526)	(497)	(504)
Net change in plan fiduciary net position	65,870	64,546	(101,932)	84,087	28,606	69,797	(49,639)	78,128	27,816	(19,654)
Plan fiduciary net position - beginning	765,691	701,145	803,077	718,990	690,384	620,587	670,226	592,098	564,282	583,936
Plan fiduciary net position - ending (b)	\$ 831,561	\$ 765,691	\$ 701,145	\$ 803,077	\$ 718,990	\$ 690,384	\$ 620,587	\$ 670,226	\$ 592,098	\$ 564,282
County's net pension liability - ending (a)-(b)	\$ 424,306	\$ 439,607	\$ 421,365	\$ 274,113	\$ 279,535	\$ 282,973	\$ 281,161	\$ 198,337	\$ 238,284	\$ 248,287
Plan fiduciary net position as a percentage of the total pension liability	66.2%	63.5%	62.5%	74.6%	72.0%	70.9%	68.8%	77.2%	71.3%	69.4%
Covered payroll	\$ 179,382	\$ 168,608	\$ 152,078	\$ 142,222	\$ 139,975	\$ 138,428	\$ 134,892	\$ 138,239	\$ 130,313	\$ 127,827
County's net pension liability as a percentage of covered payroll	236.5%	260.7%	277.1%	192.7%	199.7%	204.4%	208.4%	143.5%	182.9%	194.2%
Expected average remaining service years of all participants	4	4	4	5	5	5	5	5	5	5

Notes to Schedule:

- 1 Source is actuarial data based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position are considered immaterial.
- 2 There are no benefit changes reflected in the current schedule.
- 3 For 2021, the discount rate / investment rate of return was lowered from 7.45% to 7.00%.
- 4 Full descriptions of the actuarial assumptions are available in the January 1, 2024 actuarial valuation report.

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability (Dollar amounts in thousands)										
Service cost	\$ 25,135	\$ 22,947	\$ 17,611	\$ 17,596	\$ 14,504	\$ 13,064	\$ 12,826	\$ 12,689	\$ 12,057	\$ 12,258
Interest	67,310	64,927	61,351	55,381	55,148	52,474	50,963	48,563	47,032	45,473
Changes of benefit terms	(990)	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	25,673	11,974	16,152	5,789	20,346	(2,017)	(2,591)	6,202	(4,527)	(4,693)
Changes of assumptions	-	(19,679)	-	48,555	-	10,096	-	-	-	-
Benefit payments, including refunds of member contributions	(48,709)	(43,538)	(44,515)	(39,555)	(38,637)	(36,791)	(35,938)	(34,950)	(33,357)	(31,134)
Net change in total pension liability	68,419	36,631	50,599	87,766	51,361	36,826	25,260	32,504	21,205	21,904
Total pension liability - beginning	985,926	949,295	898,696	810,930	759,569	722,743	697,483	664,979	643,774	621,870
Total pension liability - ending (a)	\$ 1,054,345	\$ 985,926	\$ 949,295	\$ 898,696	\$ 810,930	\$ 759,569	\$ 722,743	\$ 697,483	\$ 664,979	\$ 643,774
Plan fiduciary net position										
Contributions - employer	40,514	35,789	37,522	29,599	24,900	23,094	21,934	20,931	20,411	19,560
Contributions - member	5,599	4,646	4,284	4,255	4,181	3,669	3,372	3,250	3,158	3,104
Net investment income	73,390	74,562	(75,544)	89,125	42,157	75,786	(25,860)	78,155	33,500	(7,869)
Benefit payments, including refunds of member contributions	(48,709)	(43,538)	(44,515)	(39,555)	(38,637)	(36,791)	(35,938)	(34,950)	(33,357)	(31,134)
Administrative expense	(683)	(550)	(518)	(509)	(476)	(530)	(464)	(445)	(417)	(423)
Net change in plan fiduciary net position	70,111	70,909	(78,771)	82,915	32,125	65,228	(36,956)	66,941	23,295	(16,762)
Plan fiduciary net position - beginning	688,912	618,003	696,774	613,859	581,734	516,506	553,462	486,521	463,226	479,988
Plan fiduciary net position - ending (b)	\$ 759,023	\$ 688,912	\$ 618,003	\$ 696,774	\$ 613,859	\$ 581,734	\$ 516,506	\$ 553,462	\$ 486,521	\$ 463,226
County's net pension liability - ending (a)-(b)	\$ 295,322	\$ 297,014	\$ 331,292	\$ 201,922	\$ 197,071	\$ 177,835	\$ 206,237	\$ 144,021	\$ 178,458	\$ 180,547
Plan fiduciary net position as a percentage of the total pension liability	72.0%	69.9%	65.1%	77.5%	75.7%	76.6%	71.5%	79.4%	73.2%	72.0%
Covered payroll	\$ 72,592	\$ 66,813	\$ 60,710	\$ 57,129	\$ 58,777	\$ 53,035	\$ 48,322	\$ 45,989	\$ 44,894	\$ 43,879
County's net pension liability as a percentage of covered payroll	406.8%	444.5%	545.7%	353.4%	335.3%	335.3%	426.8%	313.2%	397.5%	411.5%
Expected average remaining service years of all participants	4	4	4	4	4	4	4	4	4	4

Notes to Schedule:

- 1 Source is actuarial data based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position are considered immaterial.
- 2 There are no benefit changes reflected in the current schedule.
- 3 For 2021, the discount rate / investment rate of return was lowered from 7.45% to 7.00%.
- 4 Full descriptions of the actuarial assumptions are available in the January 1, 2024 actuarial valuation report.
- 5 Covered payroll does not include pay for members in DROP.

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability (Dollar amounts in thousands)										
Service cost	\$ 26,007	\$ 22,837	\$ 18,296	\$ 17,012	\$ 14,146	\$ 12,612	\$ 11,785	\$ 11,556	\$ 11,102	\$ 10,339
Interest	63,625	59,235	56,027	49,832	50,304	47,454	45,537	43,670	42,294	41,924
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	15,352	27,177	11,720	14,680	(913)	(573)	3,521	2,210	(1,552)	(14,630)
Changes of assumptions	-	(3,909)	-	42,475	6,468	10,153	-	-	-	-
Benefit payments, including refunds of member contributions	(41,785)	(43,481)	(36,939)	(34,049)	(32,663)	(30,098)	(31,973)	(33,129)	(33,868)	(31,520)
Net change in total pension liability	63,199	61,859	49,104	89,950	37,342	39,548	28,870	24,307	17,976	6,113
Total pension liability - beginning	929,817	867,958	818,854	728,904	691,562	652,014	623,144	598,837	580,861	574,748
Total pension liability - ending (a)	\$ 993,016	\$ 929,817	\$ 867,958	\$ 818,854	\$ 728,904	\$ 691,562	\$ 652,014	\$ 623,144	\$ 598,837	\$ 580,861
Plan fiduciary net position										
Contributions - employer	35,911	30,863	32,341	24,643	20,506	17,637	15,704	14,664	14,591	15,122
Contributions - member	5,641	4,902	4,412	4,203	4,093	3,652	3,524	3,441	3,257	3,050
Net investment income	73,787	75,008	(74,960)	88,952	42,359	75,388	(25,208)	77,992	33,899	(7,744)
Benefit payments, including refunds of member contributions	(41,785)	(43,481)	(36,939)	(34,049)	(32,663)	(30,098)	(31,973)	(33,129)	(33,868)	(31,520)
Administrative expense	(698)	(556)	(522)	(513)	(486)	(522)	(430)	(448)	(428)	(436)
Net change in plan fiduciary net position	72,856	66,736	(75,668)	83,236	33,809	66,057	(38,383)	62,520	17,451	(21,528)
Plan fiduciary net position - beginning	683,997	617,261	692,929	609,693	575,884	509,827	548,210	485,690	468,239	489,767
Plan fiduciary net position - ending (b)	\$ 756,853	\$ 683,997	\$ 617,261	\$ 692,929	\$ 609,693	\$ 575,884	\$ 509,827	\$ 548,210	\$ 485,690	\$ 468,239
County's net pension liability - ending (a)-(b)	\$ 236,163	\$ 245,820	\$ 250,697	\$ 125,925	\$ 119,208	\$ 115,675	\$ 142,185	\$ 74,934	\$ 113,146	\$ 112,621
Plan fiduciary net position as a percentage of the total pension liability	76.2%	73.6%	71.1%	84.6%	83.6%	83.3%	78.2%	88.0%	81.1%	80.6%
Covered payroll	\$ 74,478	\$ 70,868	\$ 61,934	\$ 58,237	\$ 55,428	\$ 51,011	\$ 48,728	\$ 46,954	\$ 46,228	\$ 43,838
County's net pension liability as a percentage of covered payroll	317.1%	346.9%	404.8%	216.2%	215.1%	226.8%	291.8%	159.6%	244.8%	256.9%
Expected average remaining service years of all participants	5	6	5	5	5	6	6	6	6	5

Notes to Schedule:

- 1 Source is actuarial data based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position are considered immaterial.
- 2 There are no benefit changes reflected in the current schedule.
- 3 For FY 2020, the salary scale and retirement rates were updated to reflect the new County pay scale. For 2021, the discount rate / investment rate of return was lowered from 7.45% to 7.00%
- 4 Full descriptions of the actuarial assumptions are available in the January 1, 2024 actuarial valuation report.
- 5 Covered Payroll does not include pay for members in DROP.

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability (Dollar amounts in thousands)										
Service cost	\$ 6,670	\$ 6,354	\$ 4,969	\$ 4,982	\$ 4,704	\$ 4,147	\$ 4,533	\$ 4,658	\$ 4,461	\$ 4,634
Interest	18,439	17,476	16,921	15,283	15,556	14,632	13,836	12,912	12,281	11,401
Changes of benefit terms	-	-	-	-	-	-	-	-	-	4,635
Differences between expected and actual experience	4,581	4,398	(1,681)	2,520	(750)	1,010	1,938	2,244	(1,678)	(2,558)
Changes of assumptions	-	(620)	-	11,961	-	1,348	-	-	-	-
Benefit payments, including refunds of member contributions	(14,721)	(12,983)	(11,589)	(11,098)	(8,863)	(8,610)	(8,162)	(6,821)	(6,485)	(6,279)
Net change in total pension liability	14,969	14,625	8,620	23,648	10,647	12,527	12,145	12,993	8,579	11,833
Total pension liability - beginning	270,773	256,148	247,528	223,880	213,233	200,706	188,561	175,568	166,989	155,156
Total pension liability - ending (a)	\$ 285,742	\$ 270,773	\$ 256,148	\$ 247,528	\$ 223,880	\$ 213,233	\$ 200,706	\$ 188,561	\$ 175,568	\$ 166,989
Plan fiduciary net position										
Contributions - employer	11,121	10,451	11,362	9,276	8,165	7,600	7,282	7,000	6,689	6,371
Contributions - member	1,412	1,431	1,432	1,494	1,530	1,402	1,352	1,354	1,316	1,317
Net investment income	20,154	20,554	(20,926)	24,208	11,639	19,918	(6,825)	19,607	8,159	(1,919)
Benefit payments, including refunds of member contributions	(14,721)	(12,983)	(11,589)	(11,098)	(8,863)	(8,610)	(8,162)	(6,821)	(6,485)	(6,279)
Administrative expense	(180)	(146)	(137)	(133)	(123)	(135)	(108)	(109)	(100)	(98)
Net change in plan fiduciary net position	17,786	19,307	(19,858)	23,747	12,348	20,175	(6,461)	21,031	9,579	(608)
Plan fiduciary net position - beginning	190,628	171,321	191,179	167,432	155,084	134,909	141,370	120,339	110,760	111,368
Plan fiduciary net position - ending (b)	\$ 208,414	\$ 190,628	\$ 171,321	\$ 191,179	\$ 167,432	\$ 155,084	\$ 134,909	\$ 141,370	\$ 120,339	\$ 110,760
County's net pension liability - ending (a)-(b)	\$ 77,328	\$ 80,145	\$ 84,827	\$ 56,349	\$ 56,448	\$ 58,149	\$ 65,797	\$ 47,191	\$ 55,229	\$ 56,229
Plan fiduciary net position as a percentage of the total pension liability	72.9%	70.4%	66.9%	77.2%	74.8%	72.7%	67.2%	75.0%	68.5%	66.3%
Covered payroll	\$ 23,294	\$ 21,465	\$ 20,201	\$ 20,422	\$ 21,401	\$ 22,057	\$ 19,573	\$ 19,790	\$ 19,801	\$ 19,386
County's net pension liability as a percentage of covered payroll	332.1%	373.4%	419.9%	275.9%	263.8%	263.6%	336.2%	238.5%	278.9%	290.1%
Expected average remaining service years of all participants	3	4	3	3	3	3	3	3	3	4

Notes to Schedule:

- 1 Source is actuarial data based on preliminary financials. The differences between this schedule and the final combining statement of changes in fiduciary net position are considered immaterial.
- 2 There are no benefit changes reflected in the schedule for the current year.
- 3 For 2021, the discount rate / investment rate of return was lowered from 7.45% to 7.00%.
- 4 Full descriptions of the actuarial assumptions are available in the January 1, 2024 actuarial valuation report.
- 5 Covered Payroll does not include pay for members in DROP.

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

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

Annual Money-Weighted Rate of Return
 Net of Investment Expenses

2024	10.5 %
2023	12.3 %
2022	(10.7) %
2021	14.5 %
2020	7.1 %
2019	14.5 %
2018	(4.9) %
2017	15.7 %
2016	6.2 %
2015	(1.8) %

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

Source: New England Pension Consultants, LLC

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

Annual Money-Weighted Rate of Return
 Net of Investment Expenses

2024	6.9 %
2023	3.1 %
2022	(3.0) %
2021	26.7 %
2020	3.5 %
2019	6.4 %
2018	8.1 %
2017	10.0 %
2016	1.2 %
2015	2.7 %

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

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

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

(Dollars in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 52,775	\$ 48,374	\$ 38,594	\$ 38,537	\$ 33,820	\$ 31,314	\$ 27,961	\$ 26,104	\$ 25,204	\$ 26,416
Contributions in relation to the actuarially determined contribution	52,775	48,374	43,741	38,537	33,820	31,314	27,961	26,104	25,204	26,416
Contribution deficiency	\$ -	\$ -	\$ (5,147)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll (See note)	\$ 179,382	\$ 168,608	\$ 152,078	\$ 142,222	\$ 139,975	\$ 138,428	\$ 134,892	\$ 138,239	\$ 130,313	\$ 127,827
Contributions as a percentage of Covered payroll	29.42%	28.69%	28.76%	27.10%	24.16%	22.62%	20.73%	18.88%	19.34%	20.67%
Valuation date	1/1/2025	1/1/2024	1/1/2023	1/1/2022	1/1/2021	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016

Notes:

1) 2023 had an additional one time budgeted contribution.

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

Actuarial cost method Entry age normal.

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

Remaining amortization Periods range from 10 to 20 years. Starting with new bases in 2018, assumption changes and gains and losses are amortized over 20 years and Plan changes are amortized over the average future service of the active population at the time of the change.

Asset valuation method 5-year smoothed fair value.

Inflation 3.00%

Salary increases Rates vary by participant age.

Investment rate of return 7.00% Net of pension plan investment expense, including inflation.

Retirement age Rates vary by participant age and service.

Mortality Pub-2010 Tables for males and females projected generationally using scale MP-2021.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2024.

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 42,434	\$ 38,595	\$ 32,983	\$ 33,071	\$ 26,126	\$ 23,675	\$ 22,513	\$ 21,355	\$ 20,507	\$ 20,315
Contributions in relation to the actuarially determined contribution	42,434	38,595	37,466	33,071	26,126	23,675	22,513	21,355	20,507	20,315
Contribution excess	\$ -	\$ -	\$ (4,482)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 83,433	\$ 77,800	\$ 70,810	\$ 68,149	\$ 67,888	\$ 61,345	\$ 55,102	\$ 51,759	\$ 50,560	\$ 48,117
Contributions as a percentage of Covered payroll	50.86%	49.61%	52.91%	48.53%	38.48%	38.59%	40.86%	41.26%	40.56%	42.22%
Valuation date	1/1/2025	1/1/2024	1/1/2023	1/1/2022	1/1/2021	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016

Notes:

- 1) 2023 had an additional one time budgeted contribution.
- 2) Methods and assumptions listed below are used by the actuary to determine contribution rates:

Actuarial cost method	Entry age normal.
Amortization method	Level percentage of payroll, closed, increasing 3.0% per year.
Remaining amortization	Periods range from 10 to 20 years. Starting with new bases in 2018, assumption changes and gains and losses are amortized over 20 years and Plan changes are amortized over the average future service of the active population at the time of the change.
Asset valuation method	5-year smoothed fair value.
Inflation	3.00%
Salary increases	Rates vary by participant age.
Investment rate of return	7.00% Net of pension plan investment expense, including inflation.
Retirement age	Rates vary by participant age and service.
Mortality	Pub-2010 Tables for males and females projected generationally using scale MP-2021.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2024.

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

(Dollars in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 38,671	\$ 33,152	\$ 28,575	\$ 27,143	\$ 22,143	\$ 18,868	\$ 16,406	\$ 15,001	\$ 14,328	\$ 14,855
Contributions in relation to the actuarially determined contribution	<u>38,671</u>	<u>33,152</u>	<u>33,057</u>	<u>27,143</u>	<u>22,143</u>	<u>18,868</u>	<u>16,406</u>	<u>15,001</u>	<u>14,328</u>	<u>14,855</u>
Contribution excess	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(4,482)</u>	\$ <u>-</u>						
Covered payroll	\$ <u>86,339</u>	\$ <u>80,527</u>	\$ <u>71,480</u>	\$ <u>67,851</u>	\$ <u>63,461</u>	\$ <u>58,710</u>	\$ <u>54,769</u>	\$ <u>51,767</u>	\$ <u>50,412</u>	\$ <u>49,182</u>
Contributions as a percentage of Covered payroll	44.79%	41.17%	46.25%	40.00%	34.89%	32.14%	29.95%	28.98%	28.42%	30.20%
Valuation date	1/1/2025	1/1/2024	1/1/2023	1/1/2022	1/1/2021	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016

Notes:

- 1) 2023 had an additional one time budgeted contribution.
- 2) Methods and assumptions listed below are used by the actuary to determine contribution rates:
 - Actuarial cost method Entry age normal.
 - Amortization method Level percentage of payroll, closed, increasing 3.0% per year.
 - Remaining amortization Periods range from 10 to 20 years. Starting with new bases in 2014, assumption changes and gains and losses are amortized over 20 years and Plan changes are amortized over the average future service of the active population at the time of the change.
 - Asset valuation method 5-year smoothed fair value.
 - Inflation 3.00%
 - Salary increases Rates vary by participant age.
 - Investment rate of return 7.00% Net of pension plan investment expense, including inflation.
 - Retirement age Rates vary by participant age and service.
 - Mortality Pub-2010 Safety Tables for males and females projected generationally using scale MP-2021.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2024.

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

(Dollars in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 11,579	\$ 10,663	\$ 10,239	\$ 10,008	\$ 8,545	\$ 7,785	\$ 7,416	\$ 7,149	\$ 6,851	\$ 6,526
Contributions in relation to the actuarially determined contribution	11,579	10,663	11,478	10,008	8,545	7,785	7,416	7,149	6,851	6,526
Contribution excess	\$ -	\$ -	\$ (1,239)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 28,564	\$ 26,380	\$ 24,586	\$ 24,679	\$ 24,702	\$ 24,504	\$ 21,445	\$ 21,269	\$ 21,001	\$ 19,975
Contributions as a percentage of Covered payroll	40.54%	40.42%	46.68%	40.55%	34.59%	31.77%	34.58%	33.61%	32.62%	32.67%
Valuation date	1/1/2025	1/1/2024	1/1/2023	1/1/2022	1/1/2021	1/1/2020	1/1/2019	1/1/2008	1/1/2017	1/1/2016

Notes:

1) 2023 had an additional one time budgeted contribution.

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

Actuarial cost method Entry age normal.

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

Remaining amortization Periods range from 9 to 20 years. Starting with new bases in 2014, assumption changes and gains and losses are amortized over 20 years and Plan changes are amortized over the average future service of the active population at the time of the change.

Asset valuation method 5-year smoothed fair value.

Inflation 3.00%

Salary increases Rates vary by participant age.

Investment rate of return 7.00% Net of pension plan investment expense, including inflation.

Retirement age Rates vary by participant age and service.

Mortality Pub-2010 Safety Tables for males and females projected generationally using scale MP-2021.

Source: Actuarial Section of the Anne Arundel County Retirement and Pension System Comprehensive Annual Financial Report for the Year Ended December 31, 2024.

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

As of June 30	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's portion of the net pension liability	0.0010733%	0.0011277%	0.0011946%	0.00125000%	0.0012133%	0.0012034%	0.0012379%	0.0011945%	0.00111830%	0.00094790%
County's proportionate share of the net pension liability	\$ 282,329	\$ 259,718	\$ 239,025	\$ 187,528	\$ 274,230	\$ 248,200	\$ 259,731	\$ 258,295	\$ 263,850	\$ 196,990
County's covered payroll	132,999	132,998	132,999	133,001	133,001	133,001	132,999	132,999	128,624	n/a
County's proportionate share of the net pension liability as a percentage of its covered payroll	47.11%	51.21%	55.64%	70.92%	48.50%	53.59%	51.21%	51.49%	50.41%	65.29%
Plan fiduciary net position as a percentage of the total pension liability	72.08%	73.81%	76.27%	81.84%	70.72%	72.34%	71.18%	69.38%	65.79%	68.78%

Notes:

There are no benefit changes reflected in the current schedule.

Methods and Assumptions Used in Calculation of Actuarially Determined Contributions:

Actuarial	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 years for State system
Asset Valuation Method	5-year smoothed fair value (max. 120% and min. 80% of the market value)
Inflation	2.25% general, 2.75% wage
Salary Increases	2.75% to 11.25% including inflation
Investment Rate of Return	6.80%
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition. Last updated for 2019 valuation pursuant to an experience study of the 2014-2018 period.
Mortality	Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 fully generational mortality improvement scale.

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

As of June 30	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's portion of the net pension liability	0.0028332%	0.0027089%	0.0029874%	0.0029724%	0.0033051%	0.0033248%	0.0033694%	0.0033089%	0.0029627%	0.0043607%
County's proportionate share of the net pension liability	\$ 745,250	\$ 623,860	\$ 597,732	\$ 445,932	\$ 746,990	\$ 685,763	\$ 706,946	\$ 715,507	\$ 699,020	\$ 906,228
County's covered payroll	181,141	165,085	162,647	159,458	147,796	144,646	141,808	134,289	133,379	n/a
County's proportionate share of the net pension liability as a percentage of its covered payroll	24.31%	26.46%	27.21%	36.47%	21.35%	21.55%	20.46%	19.82%	19.21%	14.72%
Plan fiduciary net position as a percentage of the total pension liability	72.08%	73.81%	76.27%	81.84%	70.72%	72.34%	71.18%	69.38%	65.79%	68.78%

Notes:

1 *There are no benefit changes reflected in the current schedule.*

2 *Methods and Assumptions Used in Calculation of Actuarially Determined Contributions:*

<i>Actuarial</i>	<i>Entry Age Normal</i>
<i>Amortization Method</i>	<i>Level Percentage of Payroll, Closed</i>
<i>Remaining Amortization Period</i>	<i>25 years for State system</i>
<i>Asset Valuation Method</i>	<i>5-year smoothed fair value (max. 120% and min. 80% of the market value)</i>
<i>Inflation</i>	<i>2.25% general, 2.75% wage</i>
<i>Salary Increases</i>	<i>2.75% to 11.25% including inflation</i>
<i>Investment Rate of Return</i>	<i>6.80%</i>
<i>Retirement Age</i>	<i>Experienced-based table of rates that are specific to the type of eligibility condition. Last updated for 2019 valuation pursuant to an experience study of the 2014-2018 period.</i>
<i>Mortality</i>	<i>Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 fully generational mortality improvement scale.</i>

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 28,648	\$ 28,103	\$ 27,504	\$ 27,265	\$ 27,544	\$ 26,015	\$ 24,711	\$ 24,685	\$ 24,312	\$ 21,785
Contributions in relation to the actuarially determined contribution	28,648	28,103	27,504	27,265	27,544	26,015	24,711	24,685	24,312	21,785
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 132,999	\$ 133,000	\$ 132,998	\$ 133,000	\$ 132,999	\$ 133,001	\$ 133,001	\$ 133,001	\$ 132,999	\$ 132,999
Contributions as a percentage of covered payroll	21.54%	21.13%	20.68%	20.50%	20.71%	19.56%	18.58%	18.56%	18.28%	16.38%

Notes:

- 1) Prior to fiscal year 2010, the contribution for Elected and Appointed Officials was made by the State. House Bill 101, effective fiscal 2010, transferred the liability from the State to the County.
- 2) Methods and assumptions used to determine contribution rates:
 - Actuarial cost method Entry Age Normal.
 - Amortization method Level percentage of payroll, closed.
 - Remaining amortization period 25 years for State System.
 - Asset valuation method Five-year smoothed fair value (max. 120% and min. 80% of the market value).
 - Inflation 2.25% general, 2.75% wage
 - Salary increases 2.75% to 11.25% including inflation
 - Investment rate of return: 6.8%
 - Retirement age Experience-based table of rates that are specific to the type of eligibility condition. Last updated for 2019 valuation pursuant to an experience study of the 2014-2018 period.
 - Mortality Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 fully generational mortality improvement scale.

Source: Annual Comprehensive Financial Report of the Maryland State Retirement and Pension System for the Years Ended June 30, 2023 and 2024.

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 85,535	\$ 74,181	\$ 66,067	\$ 68,181	\$ 65,498	\$ 70,863	\$ 68,275	\$ 67,188	\$ 67,347	\$ 57,716
Contributions in relation to the actuarially determined contribution	85,535	74,181	66,067	68,181	65,498	70,863	68,275	67,188	67,347	57,716
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 181,141	\$ 172,514	\$ 165,085	\$ 162,646	\$ 162,647	\$ 159,458	\$ 153,324	\$ 147,796	\$ 144,646	\$ 141,808
Contributions as a percentage of covered payroll	47.22%	43.00%	40.02%	41.92%	40.27%	44.44%	44.53%	45.46%	46.56%	40.70%

Notes:

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

2) Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal.
Amortization method	Level percentage of payroll, closed.
Remaining amortization period	25 years for State System.
Asset valuation method	Five-year smoothed fair value (max. 120% and min. 80% of the market value).
Inflation	2.25% general, 2.75% wage
Salary increases	2.75% to 11.25% including inflation
Investment rate of return	6.8%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for 2019 valuation pursuant to an experience study of the 2014-2018 period.
Mortality	Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 fully generational mortality improvement scale.

Source: Annual Comprehensive Financial Report of the Maryland State Retirement and Pension System for the Years Ended June 30, 2023 and 2024.

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

Amounts in thousands									
Plan fiscal year end	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability									
Service cost	\$ 20,824	\$ 21,296	\$ 27,830	\$ 26,785	\$ 22,188	\$ 19,895	\$ 18,452	\$ 17,759	\$ 17,092
Interest	46,044	42,679	59,752	56,944	54,646	49,423	43,578	41,434	39,648
Changes of benefit terms	-	-	-	-	-	40,100	-	-	-
Differences between expected and actual experience	(9,188)	(2,845)	(332,160)	1,506	4,323	440	23,849	(884)	-
Changes of assumptions	(955)	-	(2,061)	-	55,396	(1,558)	(505)	-	-
Benefit payments	(33,198)	(27,063)	(29,607)	(39,414)	(39,870)	(28,258)	(35,593)	(23,539)	(33,075)
Net change in total OPEB liability	23,527	34,067	(276,246)	45,821	96,683	80,042	49,781	34,770	23,665
Total OPEB liability - beginning	726,466	692,399	968,645	922,824	826,141	746,099	696,318	661,548	637,883
Total OPEB liability - ending (a)	\$ 749,993	\$ 726,466	\$ 692,399	\$ 968,645	\$ 922,824	\$ 826,141	\$ 746,099	\$ 696,318	\$ 661,548
Plan fiduciary net position									
Contributions - employer	\$ 47,805	\$ 37,698	\$ 64,939	\$ 88,060	\$ 82,787	\$ 91,811	\$ 63,586	\$ 57,335	\$ 44,908
Contributions - retiree	8,673	7,862	7,507	7,716	8,035	7,772	7,477	-	6,246
Other	-	-	-	13,391	11,534	10,136	8,458	-	4,398
Investment income	69,790	69,435	47,396	(54,570)	66,906	3,950	10,312	9,193	11,582
Benefit payments	(40,304)	(34,925)	(39,904)	(46,078)	(46,270)	(43,782)	(44,008)	(23,539)	(33,075)
Administrative expense	(1,179)	(1,067)	(182)	(1,143)	(1,129)	(1,084)	(1,057)	(39)	(894)
Net change in plan fiduciary net position	84,785	79,003	79,756	7,376	121,863	68,803	44,768	42,950	33,165
Plan fiduciary net position - beginning	537,404	458,401	378,645	371,269	249,406	180,603	135,835	92,885	59,720
Plan fiduciary net position - ending (b)	\$ 622,189	\$ 537,404	\$ 458,401	\$ 378,645	\$ 371,269	\$ 249,406	\$ 180,603	\$ 135,835	\$ 92,885
County's net OPEB liability - ending (a)-(b)	\$ 127,804	\$ 189,062	\$ 233,998	\$ 590,000	\$ 551,555	\$ 576,735	\$ 565,496	\$ 560,483	\$ 568,663
Fiduciary net position as a percentage of the									
Total OPEB liability	82.96%	73.98%	66.20%	39.09%	40.23%	28.97%	24.16%	19.51%	14.04%
Expected average remaining service years of all participants	6	7	7	6	6	6	6	6	6
Covered payroll	\$ 438,543	\$ 408,449	\$ 395,319	\$ 318,044	\$ 305,970	\$ 294,514	\$ 276,058	\$ 263,129	\$ 258,490
County's net OPEB liability as a percentage of									
covered-employee payroll	29.14%	46.29%	59.19%	185.51%	180.26%	195.83%	204.85%	213.01%	219.99%
Discount Rate	6.30%	6.30%	6.30%	6.30%	6.30%	6.75%	6.75%	6.38%	6.38%

Notes:

- 1 Source is actuarial data based on preliminary financials and actual financial data. Any difference between this schedule and the final combined statement of changes in fiduciary net position on page 24 is considered immaterial.
- 2 This schedule is presented to illustrate the requirement to show information for 10 years. However, until 10-year trend is compiled, OPEB plans should present information for those years for which data is available.
- 3 There are no benefit changes reflected in the current schedule.
- 4 For the FY 2020 measurement, the medical trend was updated to exclude the impact of the Cadillac Tax.
- 5 Bill 24-19 was effective on July 5, 2019. Under Bill the pre-age 65 subsidy is based on the plan selected instead of the lowest cost plan.
- 6 The discount rate was reduced from 6.75% in 2020 to 6.30% in 2021.
- 7 The healthcare cost trend assumption was updated based on the 2024 Getzen model released by the SOA and adjusted to reflect the expected impact of the Inflation Reduction Act.

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

Amounts in thousands	2025	2024	2023	2022	2021	2020	2019	2018	2017
Plan fiscal year end	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability									
Service cost	\$ 536	\$ 548	\$ 1,438	\$ 2,241	\$ 2,032	\$ 1,595	\$ 651	\$ 1,233	\$ 1,437
Interest	1,312	1,230	1,493	998	1,207	1,322	1,542	1,212	1,033
Changes of benefit terms	-	-	-	-	-	441	-	-	-
Differences between expected and actual experience	(3,162)	148	(15,702)	(263)	(3,590)	113	223	136	-
Changes of assumptions	(713)	-	(7,241)	(13,264)	4,423	5,048	16,515	(10,896)	(3,536)
Benefit payments	(1,241)	(1,123)	(1,183)	(1,168)	(1,384)	(1,402)	(902)	(1,286)	(1,462)
Net change in total OPEB liability	(3,268)	803	(21,195)	(11,456)	2,688	7,117	18,029	(9,601)	(2,528)
Total OPEB liability - beginning	20,824	20,021	41,216	52,672	49,984	42,867	24,838	34,439	36,967
Total OPEB liability - ending (a)	\$ 17,556	\$ 20,824	\$ 20,021	\$ 41,216	\$ 52,672	\$ 49,984	\$ 42,867	\$ 24,838	\$ 34,439
Plan fiduciary net position									
Contributions - employer	\$ 1,825	\$ 1,689	\$ 2,198	\$ 2,587	\$ 3,433	\$ 1,512	\$ 1,622	\$ 1,699	\$ 299
Contributions - retiree	332	298	292	319	350	-	348	-	292
Other	-	-	-	-	-	-	-	-	871
Investment income	1,074	884	630	(650)	561	20	41	34	47
Benefit payments	(1,573)	(1,422)	(1,497)	(1,487)	(1,734)	(1,402)	(1,730)	(1,286)	(1,462)
Administrative expense	(4)	(3)	(2)	(1)	(1)	(1)	(1)	(1)	-
Net change in plan fiduciary net position	1,654	1,446	1,621	768	2,609	129	280	446	47
Plan fiduciary net position - beginning	7,660	6,214	4,593	3,825	1,216	1,087	807	361	314
Plan fiduciary net position - ending (b)	\$ 9,314	\$ 7,660	\$ 6,214	\$ 4,593	\$ 3,825	\$ 1,216	\$ 1,087	\$ 807	\$ 361
Library's net OPEB liability - ending (a)-(b)	\$ 8,242	\$ 13,164	\$ 13,807	\$ 36,623	\$ 48,847	\$ 48,768	\$ 41,780	\$ 24,031	\$ 34,078
Library fiduciary net position as a percentage of the									
Total OPEB liability	53.05%	36.78%	31.04%	11.14%	7.26%	2.44%	2.54%	3.25%	1.05%
Expected average remaining service years of all participants	7	7	7	6	6	6	6	6	6
Covered payroll	\$ 21,344	\$ 19,535	\$ 17,124	\$ 15,696	\$ 15,459	\$ 14,421	\$ 13,785	\$ 13,203	\$ 12,691
The Library Plan's net OPEB liability as a percentage									
of covered-employee payroll	38.62%	67.39%	80.63%	233.33%	315.98%	338.17%	303.08%	182.01%	268.51%
Discount Rate	6.30%	6.30%	6.30%	3.69%	1.92%	2.45%	3.13%	6.37%	3.58%

Notes:

- 1 Source is actuarial data based on preliminary financials and actual financial data. Any difference between this schedule and the final combined statement of changes in fiduciary net position on page 24 is considered immaterial.
- 2 This schedule is presented to illustrate the requirement to show information for 10 years. However, until 10-year trend is compiled, OPEB plans should present information for those years for which data is available.
- 3 There are no benefit changes reflected in the current schedule.
- 4 For the FY 2020 measurement, the medical trend was updated to exclude the impact of the Cadillac Tax.
- 5 The discount rate increased from 3.69% in 2022 to 6.30% in 2023.
- 6 The healthcare cost trend assumption was updated based on the 2024 Getzen model released by the SOA and adjusted to reflect the expected impact of the Inflation Reduction Act.
- 7 The decrement and salary scale assumptions for employees participating in the State pension plan were updated to reflect assumptions used in the 2023 valuation for the State of Maryland Retirement and Pension System.

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

Amounts in thousands

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 37,728	\$ 36,629	\$ 64,872	\$ 62,982	\$ 54,509	\$ 54,509	\$ 53,264	\$ 48,734	\$ 77,516	\$ 73,689
Contributions in relation to the actuarially determined contribution	47,805	37,697	64,939	88,060	82,787	91,811	63,586	57,334	44,908	44,097
Contribution deficiency (excess)	\$ (10,077)	\$ (1,068)	\$ (67)	\$ (25,078)	\$ (28,278)	\$ (37,302)	\$ (10,322)	\$ (8,600)	\$ 32,608	\$ 29,592
Covered payroll	\$ 438,543	\$ 408,449	\$ 395,319	\$ 318,044	\$ 305,970	\$ 294,514	\$ 276,058	\$ 263,129	\$ 258,490	\$ 255,191
Contributions as a percentage of covered payroll	10.90%	9.23%	16.43%	27.69%	27.06%	31.17%	23.03%	21.79%	17.37%	17.28%

Notes:

Valuation date:

Actuarially determined contribution rates were calculated as of January 1, 2023, two years prior to the end of the fiscal year in which contributions are reported.

Changes in Assumptions:

The percentage married assumption for deferred vested participants, the salary scale, mortality assumption, retirement rates, disability rates, and termination rates have been updated to the latest Pension Plan assumptions developed in the experience study report based on January 1, 2017 to January 1, 2022 experience dated November 14, 2022.

The healthcare cost trend assumption was updated based on the 2022 SOA Getzen model.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Open group Projected Unit Credit: Prorated to assumed benefit commencement/retirement date.
Amortization method	20-year target period to reach the goal level (90% Funding Target).
Asset valuation method	Market value of assets.
Inflation	2.50%
Healthcare cost trend rates	The trend for 2022-2024 is 7.50%. The ultimate trend is 3.94%.
Payroll increases	3.00%
Investment rate of return	6.30% The long-term expected return on assets is based on trust assets.
Decrement assumptions	The retirement decrement is assumed to commence once a participant reaches earliest retirement eligibility.
Mortality	(1) Healthy uses SOA RPH-2014 adjusted to 2006 Blue Collar Headcount-weighted Mortality: MP-2018 Base Year 2006 Fully Generational. (2) Disabled - General County employees uses SOA RP-2014 adjusted to 2006 Blue Collar Mortality with Scale MP-2018 (set forward 9 years). (3) Disabled - Uniformed services employees (Police, Firefighters, and Correctional facilities) uses SOA RP-2014 adjusted to 2006 Blue Collar Mortality with Scale MP-2018 (set forward 5 years).

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

Amounts in thousands

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 1,512	\$ 1,468	\$ 2,403	\$ 2,333	\$ 2,299	\$ 2,299	\$ 2,168	\$ 2,008	\$ 2,548	\$ 2,692
Contributions in relation to the actuarially determined contribution	1,825	1,689	2,198	2,587	3,433	1,512	1,142	1,699	1,170	291
Contribution deficiency (excess)	\$ (313)	\$ (221)	\$ 205	\$ (254)	\$ (1,134)	\$ 787	\$ 1,026	\$ 309	\$ 1,378	\$ 2,401
Covered payroll	\$ 21,344	\$ 19,535	\$ 17,124	\$ 15,696	\$ 15,459	\$ 14,421	\$ 13,785	\$ 13,203	\$ 12,691	\$ 12,494
Contributions as a percentage of covered payroll	8.55%	8.65%	12.84%	16.48%	22.21%	10.48%	8.28%	12.87%	9.22%	2.33%

Notes:

Valuation date

Actuarially determined contribution rates were calculated as of January 1, 2023, two years prior to the end of the fiscal year in which contributions are reported.

Changes in Assumptions:

The percentage married assumption for deferred vested participants, the salary scale, mortality assumption, retirement rates, disability rates, and termination rates have been updated to the latest Pension Plan assumptions developed in the experience study report based on January 1, 2017 to January 1, 2022 experience dated November 14, 2022. The healthcare cost trend assumption was updated based on the 2022 SOA Getzen model.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit: Prorated to assumed benefit commencement/retirement date.
ADC determination methodology	20-year target period to reach the goal level (90% Funding Target)
Asset valuation method	Market value of assets.
Inflation	2.50%
Healthcare cost trend rates	The trend for 2022-2024 is 7.50%. The ultimate trend is 3.94%.
Payroll increases	3.00%
Investment rate of return	6.30% The long-term expected return on assets is based on trust assets.
Decrement assumptions.	The retirement decrement is assumed to commence once a participant reaches earliest retirement eligibility and vary by employee type.
Mortality	(1) Healthy uses SOA RPH-2014 adjusted to 2006 Blue Collar Headcount- weighted Mortality: MP-2018 Base Year 2006 Fully Generational. (2) Disabled uses SOA RP-2014 adjusted to 2006 Blue Collar Mortality with Scale MP-2018 (set forward 9 years).

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

Composite Money-Weighted Rate of Return, Net of Fees	
2025	11.19%
2024	11.45%
2023	10.44%
2022	(12.42%)
2021	17.56%
2020	1.65%
2019	5.70%
2018	6.62%*
2017	12.94%*

* Percentage has changed due to calculation method.

Notes:

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

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015 (1)
Total pension liability										
Service cost	\$ 458	\$ 395	\$ 758	\$ 771	\$ 658	\$ 494	\$ 507	\$ 689	\$ 522	
Interest	608	612	399	436	529	619	631	699	559	
Changes of benefit terms	-	-	-	-	-	-	-	-	2,666	
Differences between expected and actual experience	(153)	174	(1,283)	(1,070)	(232)	(275)	(1,784)	(1,057)	-	
Change in assumptions	(795)	582	(5,267)	532	2,302	2,340	(924)	1,236	-	
Benefit payments, including refunds of member contributions	(805)	(811)	(791)	(783)	(798)	(803)	(790)	(808)	(707)	
Net Change in total pension liability	(687)	952	(6,184)	(114)	2,459	2,375	(2,360)	759	3,040	
Total pension liability - beginning	16,081	15,129	21,313	21,427	18,968	16,593	18,953	18,194	15,154	
Total pension liability - ending	15,394	16,081	15,129	21,313	21,427	18,968	16,593	18,953	18,194	
County's net pension liability	\$ 15,394	\$ 16,081	\$ 15,129	\$ 21,313	\$ 21,427	\$ 18,968	\$ 16,593	\$ 18,953	\$ 18,194	
Plan fiduciary net position as a percentage of the total pension liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	n/a	n/a								
County's net pension liability as a percentage of covered-employee payroll	n/a	n/a								
Expected average remaining service years of all participants	8	8	8	9	9	9	11	11	11	

Notes:

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

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

3) Benefit changes:

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

4) Changes of assumptions:

Discount rate changed from 3.77% to 4.16% in 2024, 4.05% to 3.77% in 2023, from 1.84% to 4.05% in 2022, from 2.00% to 1.84% in 2021, from 2.75% to 2.00% in 2020, from 3.71% to 2.75% in 2019, from 3.31% to 3.71% in 2018 and from 3.78% to 3.31% in 2017. Mortality changed to Pub-2010 Weighted Mortality Tables, with 2010 base rates set forward 1 year, and projected generationally from the 2010 base year with improvement scale MP-2021.

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

General Fund Budget Detail

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

General Fund - Detail Schedule of Revenues

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

Separately budgeted General Fund component funds

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

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

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

Impact Fees Capital Projects Fund Budget Detail

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

Anne Arundel County, Maryland

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

General Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
GENERAL PROPERTY TAXES				
Real and personal taxes	\$ 916,519,000	\$ 916,519,000	\$ 921,545,399	\$ 5,026,399
Interest and penalties	3,869,200	3,869,200	4,029,219	160,019
	<u>920,388,200</u>	<u>920,388,200</u>	<u>925,574,618</u>	<u>5,186,418</u>
LOCAL INCOME TAXES	<u>820,294,000</u>	<u>820,294,000</u>	<u>889,445,727</u>	<u>69,151,727</u>
STATE SHARED TAXES				
Highway user	9,944,000	9,944,000	9,728,128	(215,872)
Admissions	9,200,000	9,200,000	10,591,855	1,391,855
Auto-boat	3,200	3,200	2,350	(850)
	<u>19,147,200</u>	<u>19,147,200</u>	<u>20,322,333</u>	<u>1,175,133</u>
RECORDATION AND TRANSFER TAXES				
Recordation	47,000,000	47,000,000	55,523,973	8,523,973
Transfer	55,000,000	55,000,000	64,030,922	9,030,922
	<u>102,000,000</u>	<u>102,000,000</u>	<u>119,554,895</u>	<u>17,554,895</u>
LOCAL SALES TAXES				
Electricity	4,668,000	4,668,000	5,504,586	836,586
Gas	800,000	800,000	648,972	(151,028)
Telephone	3,400,000	3,400,000	2,994,487	(405,513)
Fuel	46,000	46,000	52,793	6,793
Hotel-motel	18,180,000	18,180,000	18,308,988	128,988
Parking	5,003,800	5,003,800	4,718,630	(285,170)
Gross receipt tax - heavy equipment	590,000	590,000	355,130	(234,870)
	<u>32,687,800</u>	<u>32,687,800</u>	<u>32,583,586</u>	<u>(104,214)</u>

Anne Arundel County, Maryland

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

General Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
LICENSES AND PERMITS				
Amusements	\$ 145,000	\$ 145,000	\$ 141,035	\$ (3,965)
Special events	5,000	5,000	207,872	202,872
Beer, wine, liquor	1,380,000	1,380,000	1,282,799	(97,201)
Trade licenses	209,700	209,700	219,790	10,090
Traders	780,000	780,000	797,458	17,458
Permits	16,078,600	16,078,600	13,399,939	(2,678,661)
Fines	94,500	94,500	85,691	(8,809)
Mobile home parks	23,900	23,900	22,950	(950)
Taxicabs	28,000	28,000	27,620	(380)
Animal control	132,000	132,000	140,230	8,230
Other	2,448,200	2,448,200	2,468,225	20,025
Health department	899,000	899,000	859,100	(39,900)
Public space	978,700	978,700	979,093	393
	<u>23,202,600</u>	<u>23,202,600</u>	<u>20,631,802</u>	<u>(2,570,798)</u>
AMBULANCE FEES	<u>23,420,000</u>	<u>23,420,000</u>	<u>23,190,882</u>	<u>(229,118)</u>
CABLE FEES	<u>8,800,000</u>	<u>8,800,000</u>	<u>8,190,443</u>	<u>(609,557)</u>
VIDEO LOTTERY IMPACT AID	<u>10,100,000</u>	<u>10,100,000</u>	<u>10,075,323</u>	<u>(24,677)</u>
INVESTMENT INCOME	<u>11,000,000</u>	<u>11,000,000</u>	<u>45,395,487</u>	<u>34,395,487</u>
INTER-FUND RECOVERIES	<u>81,621,000</u>	<u>81,621,000</u>	<u>90,351,858</u>	<u>8,730,858</u>
OTHER REVENUES				
Health department fees	3,810,100	3,810,100	4,864,625	1,054,525
Certification of liens	115,000	115,000	94,620	(20,380)
Recreation and parks	13,074,000	13,074,000	14,107,041	1,033,041
Developers fees - street lighting	35,000	35,000	6,163	(28,837)
Sheriff	65,000	65,000	85,705	20,705
Subdivision	900,000	900,000	657,930	(242,070)
Administrative fees	385,000	385,000	307,064	(77,936)
Rental income	2,044,400	2,044,400	1,947,327	(97,073)
Reimbursements	34,772,300	34,772,300	43,164,313	8,392,013
Fines and fees	5,782,000	5,782,000	261,313	(5,520,687)
Miscellaneous	16,586,400	16,586,400	22,707,742	6,121,342
	<u>77,569,200</u>	<u>77,569,200</u>	<u>88,203,843</u>	<u>10,634,643</u>
Total revenues	<u>\$ 2,130,230,000</u>	<u>\$ 2,130,230,000</u>	<u>\$ 2,273,520,797</u>	<u>\$ 143,290,797</u>

Anne Arundel County, Maryland

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

General Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EDUCATION				
Board of Education	\$ 929,281,000	\$ 929,281,000	\$ 929,281,000	\$ -
Community College	50,827,800	50,827,800	50,827,800	-
	<u>980,108,800</u>	<u>980,108,800</u>	<u>980,108,800</u>	<u>-</u>
PUBLIC SAFETY				
Police	218,470,900	218,470,900	217,185,791	1,285,109
Fire	199,750,000	201,470,000	198,437,131	3,032,869
Office of Emergency Management	1,445,000	1,445,000	1,394,654	50,346
Detention Facilities	65,420,800	67,220,800	66,204,572	1,016,228
	<u>485,086,700</u>	<u>488,606,700</u>	<u>483,222,148</u>	<u>5,384,552</u>
GENERAL GOVERNMENT				
County Executive	3,266,700	3,266,700	2,983,583	283,117
Chief Administrative Officer	26,217,800	13,217,800	13,024,527	193,273
Office of Budget	2,127,700	2,127,700	2,063,499	64,201
Office of Finance	12,762,600	13,062,600	12,730,183	332,417
Office of Finance (non-departmental)	109,515,600	110,215,600	109,554,363	661,237 *
Mandated Transfers	3,481,600	3,481,600	3,439,219	42,381 *
Office of Central Services	36,672,500	36,644,400	35,069,872	1,574,528
Office of Personnel	9,496,800	9,496,800	9,387,021	109,779
Information Technology	39,072,700	39,072,700	38,718,078	354,622
Office of Law	5,951,400	6,071,400	5,994,258	77,142
Legislative Branch	7,402,600	7,402,600	6,632,763	769,837
Ethics Commission	314,500	314,500	309,298	5,202
Board of Election Supervisors	6,953,100	7,753,100	7,375,134	377,966
Transportation	10,494,200	10,494,200	10,327,190	167,010
	<u>273,729,800</u>	<u>262,621,700</u>	<u>257,608,988</u>	<u>5,012,712</u>
HEALTH AND HUMAN SERVICES				
Health	58,807,400	58,807,400	56,553,805	2,253,595
Social Services	7,341,000	7,341,000	7,332,272	8,728
Partnership for Children Youth and Family	2,537,300	2,587,300	2,587,300	-
Services for Aging and Disability	10,218,900	10,218,900	10,055,638	163,262
	<u>78,904,600</u>	<u>78,954,600</u>	<u>76,529,015</u>	<u>2,425,585</u>
PUBLIC WORKS				
	<u>40,118,400</u>	<u>45,219,900</u>	<u>45,052,684</u>	<u>167,216</u>
RECREATION AND COMMUNITY SERVICES				
Recreation and Parks	35,171,000	35,761,000	35,469,497	291,503
Public Library System	31,671,800	31,998,400	31,998,400	-
	<u>66,842,800</u>	<u>67,759,400</u>	<u>67,467,897</u>	<u>291,503</u>

Anne Arundel County, Maryland

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

General Fund

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
JUDICIAL				
States Attorney	\$ 16,963,400	16,963,400	16,436,043	\$ 527,357
Sheriffs Office	14,951,600	15,951,600	15,567,896	383,704
Circuit Court	8,089,800	8,089,800	7,701,891	387,909
Orphans Court	279,800	279,800	192,617	87,183
	<u>40,284,600</u>	<u>41,284,600</u>	<u>39,898,447</u>	<u>1,386,153</u>
LAND USE AND DEVELOPMENT				
Planning and Zoning	13,298,600	13,298,600	12,631,525	667,075
Office of Administrative Hearings	488,200	488,200	466,789	21,411
Cooperative Extension Service	285,100	285,100	285,036	64
	<u>14,071,900</u>	<u>14,071,900</u>	<u>13,383,350</u>	<u>688,550</u>
CODE ENFORCEMENT				
Inspections and Permits	17,795,800	18,315,800	18,120,343	195,457
Board of License Commissioners	1,221,700	1,221,700	1,074,878	146,822
	<u>19,017,500</u>	<u>19,537,500</u>	<u>19,195,221</u>	<u>342,279</u>
DEBT SERVICE	<u>144,871,200</u>	<u>144,871,200</u>	<u>143,956,677</u>	<u>914,523</u> *
PAY GO FUNDING - CAPITAL PROJECTS	<u>169,400,000</u>	<u>169,400,000</u>	<u>169,400,000</u>	<u>-</u>
Total expenditures and encumbrances	\$ <u>2,312,436,300</u>	\$ <u>2,312,436,300</u>	\$ <u>2,295,823,227</u>	\$ <u>16,613,073</u>

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

Anne Arundel County, Maryland

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

General Fund - Separately Budgeted Components

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
COUNTY PARKING GARAGE				
Revenues				
Parking fees	\$ 455,600	\$ 455,600	\$ 707,304	\$ 251,704
Other	-	-	2,533	2,533
	<u>455,600</u>	<u>455,600</u>	<u>709,837</u>	<u>254,237</u>
Expenditures				
General government	391,300	391,300	205,783	185,517
Interfund reimbursement	-	-	168,710	(168,710)
	<u>391,300</u>	<u>391,300</u>	<u>374,493</u>	<u>16,807</u>
Revenues over (under) expenditures	<u>\$ 64,300</u>	<u>\$ 64,300</u>	<u>\$ 335,344</u>	<u>\$ 271,044</u>
PERMANENT PUBLIC IMPROVEMENTS				
Revenues				
Investment income	\$ 300,000	\$ 300,000	\$ 1,023,815	\$ 723,815
Other	21,000,000	21,000,000	21,000,000	-
	<u>21,300,000</u>	<u>21,300,000</u>	<u>22,023,815</u>	<u>723,815</u>
Expenditures				
Education	9,819,052	9,819,052	9,818,982	70
Public safety	252,487	252,487	252,487	-
Transportation	642,561	642,561	642,561	-
	<u>10,714,100</u>	<u>10,714,100</u>	<u>10,714,030</u>	<u>70</u>
Revenues over (under) expenditures	<u>\$ 10,585,900</u>	<u>\$ 10,585,900</u>	<u>\$ 11,309,785</u>	<u>\$ 723,885</u>
INMATE BENEFIT AND MORALE				
Revenues				
Commissary sales	\$ 680,000	\$ 680,000	\$ 779,911	\$ 99,911
Commissions and fees	785,000	785,000	883,331	98,331
Investment income	5,000	5,000	7,337	2,337
	<u>1,470,000</u>	<u>1,470,000</u>	<u>1,670,579</u>	<u>200,579</u>
Expenditures				
Commissary purchases	680,000	680,000	784,971	(104,971)
Inmate benefits/morale	829,300	829,300	548,840	280,460
	<u>1,509,300</u>	<u>1,509,300</u>	<u>1,333,811</u>	<u>175,489</u>
Revenues over (under) expenditures	<u>\$ (39,300)</u>	<u>\$ (39,300)</u>	<u>\$ 336,768</u>	<u>\$ 376,068</u>

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

Anne Arundel County, Maryland

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

Impact Fees Capital Projects Fund

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
IMPACT FEES				
Revenues				
Impact fees	\$ 24,600,000	\$ 24,600,000	\$ 20,439,054	\$ (4,160,946)
Investment income	432,000	432,000	1,593,508	1,161,508
	<u>25,032,000</u>	<u>25,032,000</u>	<u>22,032,562</u>	<u>(2,999,438)</u>
Expenditures				
Public works	-	-	1,202,635	(1,202,635)
Other inter-fund reimbursements	1,145,200	1,145,200	1,145,347	(147)
Pay-as-you-go	109,375,400	109,375,400	14,158,201	95,217,199
	<u>110,520,600</u>	<u>110,520,600</u>	<u>16,506,183</u>	<u>94,014,417</u>
Revenues over (under) expenditures	\$ <u>(85,488,600)</u>	\$ <u>(85,488,600)</u>	5,526,379	\$ <u>91,014,979</u>
Fund balance, budgetary, July 1			<u>137,039,362</u>	
Fund balance, budgetary, June 30			<u>142,565,741</u>	
Change in fund balance on a budgetary basis			<u>\$ 5,526,379</u>	

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

Non-major Governmental Funds

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

Special Revenue Funds

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

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

Community Reinvestment/Repair – This fund is used to account for funding community-based initiatives intended to benefit low-income communities.

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

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

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

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

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

Conference and Visitors Bureau – The County dedicates 17% of its hotel / motel tax revenue to the promotion of tourism within the County. This fund accumulates the dedicated revenue and disburses the funds directly to the Annapolis and Anne Arundel County Conference and Visitors Center.

Arts Council of Anne Arundel County – The County dedicates 3% of its hotel / motel tax revenue to the promotion of the arts within the County. This fund accumulates the dedicated revenue and disburses the funds directly to the Arts Council of Anne Arundel County.

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

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

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

Non-major Governmental Funds (continued)

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

Opioid Abatement Trust – This fund accounts for the County’s portion of settlement funds from state and national litigation against the opioid industry. Funds are used to mitigate the impact of opioid addiction.

Housing Trust – This fund dedicates revenue collected from a 0.5% transfer tax rate increase on properties valued at \$1 million or more. The revenue is used to provide affordable housing to moderate- and low-income individuals.

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

Public Campaign Financing – This fund is used to provide public funds to candidates who meet specific eligibility to promote fair and transparent elections. This fund is maintained through appropriations by the County Council.

Capital Projects Funds

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

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

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

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

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

Debt Service Funds

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

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

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

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

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

Non-major Governmental Funds (continued)

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

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

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

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2025

	Special Revenue Funds				
	Forfeiture and Asset Seizure Team	Road and Special Benefits Districts	Community Reinvestment/ Repair	Reforestation	Laurel Racetrack Community Benefit
ASSETS					
Cash and investments	\$ 409,649	\$ 1,143,431	\$ 5,916,579	\$ 11,002,967	\$ -
Receivables					
Due from other governmental agencies (net of allowances)	-	-	-	-	-
Other, net	100,000	77,947	218,304	4,800	357,143
Total assets	<u>\$ 509,649</u>	<u>\$ 1,221,378</u>	<u>\$ 6,134,883</u>	<u>\$ 11,007,767</u>	<u>\$ 357,143</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ 17,924	\$ 571,800	\$ 19,359	\$ 230,422
Due to General Fund	-	-	-	-	35,475
Escrow and other deposits	-	-	-	5,819,200	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>17,924</u>	<u>571,800</u>	<u>5,838,559</u>	<u>265,897</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	509,649	1,203,454	5,563,083	5,169,208	91,246
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>509,649</u>	<u>1,203,454</u>	<u>5,563,083</u>	<u>5,169,208</u>	<u>91,246</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 509,649</u>	<u>\$ 1,221,378</u>	<u>\$ 6,134,883</u>	<u>\$ 11,007,767</u>	<u>\$ 357,143</u>

(continued)

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2025

	Special Revenue Funds				
	Workforce Development (Grants)	Arundel Community Development Services (Grants)	Circuit Court	Conference & Visitor's Bureau	Arts Council
ASSETS					
Cash and investments	\$ -	\$ -	\$ 485,903	\$ 1,361,198	\$ 231,388
Receivables					
Due from other governmental agencies (net of allowances)	661,163	1,168,698	-	-	-
Other, net	-	-	-	-	-
Total assets	<u>\$ 661,163</u>	<u>\$ 1,168,698</u>	<u>\$ 485,903</u>	<u>\$ 1,361,198</u>	<u>\$ 231,388</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 661,163	\$ 1,054,625	\$ 1,792	\$ 1,361,198	\$ 231,388
Due to General Fund	-	559,293	-	-	-
Escrow and other deposits	-	-	64,905	-	-
Unearned revenue	-	36,335	-	-	-
Total liabilities	<u>661,163</u>	<u>1,650,253</u>	<u>66,697</u>	<u>1,361,198</u>	<u>231,388</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	-	12,240,633	419,206	-	-
Committed	-	-	-	-	-
Unassigned	-	(12,722,188)	-	-	-
Total fund balances (deficit)	<u>-</u>	<u>(481,555)</u>	<u>419,206</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 661,163</u>	<u>\$ 1,168,698</u>	<u>\$ 485,903</u>	<u>\$ 1,361,198</u>	<u>\$ 231,388</u>

(continued)

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2025

	Special Revenue Funds				
	Park Place Tax Increment	Odenton Town Center Tax Increment	Erosion Districts	Video Lottery Local Impact Aid	Opioid Abatement
ASSETS					
Cash and investments	\$ 346,310	\$ 43,447,792	\$ 1,638,459	\$ 2,649,336	\$ 9,217,708
Receivables					
Due from other governmental agencies (net of allowances)	-	-	-	-	-
Other, net	-	-	5,665	1,396,031	24,980,134
Total assets	<u>\$ 346,310</u>	<u>\$ 43,447,792</u>	<u>\$ 1,644,124</u>	<u>\$ 4,045,367</u>	<u>\$ 34,197,842</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 1,900	\$ 1,594,398	\$ 120,009
Due to General Fund	-	-	-	-	-
Escrow and other deposits	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>1,900</u>	<u>1,594,398</u>	<u>120,009</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue	-	-	-	-	21,873,407
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,873,407</u>
FUND BALANCES					
Restricted	346,310	43,447,792	1,642,224	2,450,969	12,204,426
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>346,310</u>	<u>43,447,792</u>	<u>1,642,224</u>	<u>2,450,969</u>	<u>12,204,426</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 346,310</u>	<u>\$ 43,447,792</u>	<u>\$ 1,644,124</u>	<u>\$ 4,045,367</u>	<u>\$ 34,197,842</u>

(continued)

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2025

	Special Revenue Funds			Capital Projects Funds		
	Housing Trust	Watershed Protection and Restoration	Public Campaign Financing	Recreational Land Fees	Bond Premium	Street Light Capital Project
ASSETS						
Cash and investments	\$ 19,084,139	\$ 45,250,198	\$ 1,000,000	\$ 390,587	\$ -	\$ 3,921,852
Receivables						-
Due from other governmental agencies (net of allowances)	-	-	-	-	-	-
Other, net	229,849	891,391	-	-	-	-
Total assets	<u>\$ 19,313,988</u>	<u>\$ 46,141,589</u>	<u>\$ 1,000,000</u>	<u>\$ 390,587</u>	<u>\$ -</u>	<u>\$ 3,921,852</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 52,697	\$ 923,385	\$ -	\$ -	\$ -	\$ -
Due to General Fund	-	-	-	-	-	-
Escrow and other deposits	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>52,697</u>	<u>923,385</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue	-	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Restricted	19,261,291	45,218,204	1,000,000	-	-	-
Committed	-	-	-	390,587	-	3,921,852
Unassigned	-	-	-	-	-	-
Total fund balances (deficit)	<u>19,261,291</u>	<u>45,218,204</u>	<u>1,000,000</u>	<u>390,587</u>	<u>-</u>	<u>3,921,852</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 19,313,988</u>	<u>\$ 46,141,589</u>	<u>\$ 1,000,000</u>	<u>\$ 390,587</u>	<u>\$ -</u>	<u>\$ 3,921,852</u>

(continued)

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2025

	Capital Projects Funds		Debt Service Funds		
	Energy Revolving Loan	Bike, Pedestrian, Transportation & Infrastructure Fee In Lieu	Nursery Road Tax Increment	West County (NBP) Tax Increment	Arundel Mills Tax Increment
ASSETS					
Cash and investments	\$ 309,239	\$ 618,826	\$ -	\$ 475	\$ 108,525
Receivables					
Due from other governmental agencies (net of allowances)	-	-	-	-	-
Other, net	-	-	-	-	-
Total assets	<u>\$ 309,239</u>	<u>\$ 618,826</u>	<u>\$ -</u>	<u>\$ 475</u>	<u>\$ 108,525</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 475	\$ 475
Due to General Fund	-	-	-	-	-
Escrow and other deposits	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>475</u>	<u>475</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	-	-	-	-	108,050
Committed	309,239	618,826	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>309,239</u>	<u>618,826</u>	<u>-</u>	<u>-</u>	<u>108,050</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 309,239</u>	<u>\$ 618,826</u>	<u>\$ -</u>	<u>\$ 475</u>	<u>\$ 108,525</u>

(continued)

Anne Arundel County, Maryland

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2025

	Debt Service Funds					Totals
	Parole Tax Increment	National Business Park North Tax Increment	Village South at Waugh Chapel Tax Increment	Special Taxing Districts	Installment Purchase Agreements	
ASSETS						
Cash and investments	\$ -	\$ 309,557	\$ 32,634	\$ 1,457,832	\$ 11,068,119	\$ 161,402,703
Receivables						
Due from other governmental agencies (net of allowances)	-	-	-	-	-	1,829,861
Other, net	-	-	-	4,568	(2,910,644)	25,355,188
Total assets	\$ -	\$ 309,557	\$ 32,634	\$ 1,462,400	\$ 8,157,475	\$ 188,587,752
LIABILITIES						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 800	\$ -	\$ 6,843,810
Due to General Fund	-	-	-	-	-	594,768
Escrow and other deposits	-	-	-	-	-	5,884,105
Unearned revenue	-	-	-	-	-	36,335
Total liabilities	-	-	-	800	-	13,359,018
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue	-	-	-	-	-	21,873,407
Total deferred inflow of resources	-	-	-	-	-	21,873,407
FUND BALANCES						
Restricted	-	309,557	32,634	1,461,600	-	152,679,536
Committed	-	-	-	-	8,157,475	13,397,979
Unassigned	-	-	-	-	-	(12,722,188)
Total fund balances (deficit)	-	309,557	32,634	1,461,600	8,157,475	153,355,327
Total liabilities, deferred inflows and fund balances	\$ -	\$ 309,557	\$ 32,634	\$ 1,462,400	\$ 8,157,475	\$ 188,587,752

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Anne Arundel County, Maryland

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Governmental Funds

Year Ended June 30, 2025

	Special Revenue Funds				
	Forfeiture and Asset Seizure Team	Road and Special Benefits Districts	Community Reinvestment/ Repair	Reforestation	Laurel Racetrack Community Benefit
REVENUES					
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Grants and aid	-	-	-	-	-
Seized / forfeited funds	469,588	-	-	-	-
Special community benefit taxes	-	1,506,792	-	-	-
Video lottery local impact aid	-	-	-	-	-
Watershed protection and restoration	-	-	-	-	-
Hotel/Motel sales	-	-	-	-	-
Fees and commissions	-	-	-	1,746,789	357,143
Investment income	4,693	-	-	121,288	675
Miscellaneous program revenues	-	-	3,092,152	-	55,600
Total revenues	<u>474,281</u>	<u>10,506,792</u>	<u>3,092,152</u>	<u>1,868,077</u>	<u>413,418</u>
EXPENDITURES					
Current					
Education	-	-	-	-	-
Public safety	-	-	-	-	-
General government	-	-	-	-	-
Health and human services	-	-	1,143,600	-	-
Public works	-	-	-	-	-
Recreation and community services	-	10,404,562	-	-	460,844
Judicial	-	-	-	-	-
Code enforcement	-	-	-	-	-
Land use and development	-	-	-	1,229,730	-
Debt service					
Interest payments on debt	-	-	-	-	-
Principal payments on debt	-	-	-	-	-
Principal payments on leases	-	-	-	-	-
Total expenditures	<u>-</u>	<u>10,404,562</u>	<u>1,143,600</u>	<u>1,229,730</u>	<u>460,844</u>
Revenues over (under) expenditures	<u>474,281</u>	<u>102,230</u>	<u>1,948,552</u>	<u>638,347</u>	<u>(47,426)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	-	-	-
Transfers out					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	-	(724,000)	-
Refunding bonds issued	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-
Premiums from sale of bonds	-	-	-	-	-
Transfers from Solid Waste Fund	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(724,000)</u>	<u>-</u>
Net change in fund balances	<u>474,281</u>	<u>102,230</u>	<u>1,948,552</u>	<u>(85,653)</u>	<u>(47,426)</u>
Fund balances, July 1	35,368	1,101,224	3,614,531	5,254,861	138,672
Fund balances, June 30	<u>\$ 509,649</u>	<u>\$ 1,203,454</u>	<u>\$ 5,563,083</u>	<u>\$ 5,169,208</u>	<u>\$ 91,246</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Governmental Funds

Year Ended June 30, 2025

	Special Revenue Funds				
	Workforce Development (Grants)	Arundel Community Development Services (Grants)	Circuit Court	Conference & Visitor's Bureau	Arts Council
REVENUES					
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Grants and aid	2,752,077	4,723,243	-	-	-
Seized / forfeited funds	-	-	-	-	-
Special community benefit taxes	-	-	-	-	-
Video lottery local impact aid	-	-	-	-	-
Watershed protection and restoration	-	-	-	-	-
Hotel/Motel sales	-	-	-	4,075,656	719,233
Fees and commissions	-	-	-	-	-
Investment income	-	-	-	-	-
Miscellaneous program revenues	-	-	118,291	-	-
Total revenues	2,752,077	4,723,243	118,291	4,075,656	719,233
EXPENDITURES					
Current					
Education	-	-	-	-	-
Public safety	-	-	-	-	-
General government	-	-	-	-	-
Health and human services	2,752,077	-	-	-	-
Public works	-	-	-	-	-
Recreation and community services	-	5,474,798	-	4,075,656	740,971
Judicial	-	-	108,475	-	-
Code enforcement	-	-	-	-	-
Land use and development	-	-	-	-	-
Debt service					
Interest payments on debt	-	-	-	-	-
Principal payments on debt	-	-	-	-	-
Principal payments on leases	-	-	-	-	-
Total expenditures	2,752,077	5,474,798	108,475	4,075,656	740,971
Revenues over (under) expenditures	-	(751,555)	9,816	-	(21,738)
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	-	270,000	-	-	-
General County Capital Projects Fund	-	-	-	-	-
Transfers out					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-
Premiums from sale of bonds	-	-	-	-	-
Transfers from Solid Waste Fund	-	-	-	-	-
Total other financing sources (uses)	-	270,000	-	-	-
Net change in fund balances	-	(481,555)	9,816	-	(21,738)
Fund balances, July 1	-	-	409,390	-	21,738
Fund balances, June 30	\$ -	\$ (481,555)	\$ 419,206	\$ -	\$ -

(continued)

Anne Arundel County, Maryland

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Governmental Funds

Year Ended June 30, 2025

Special Revenue Funds					
	Park Place Tax Increment	Odenton Town Center Tax Increment	Erosion Districts	Video Lottery Local Impact Aid	Opioid Abatement
REVENUES					
General property taxes	\$ 1,172,441	\$ 6,676,838	\$ -	\$ -	\$ -
Grants and aid	-	-	-	-	-
Seized / forfeited funds	-	-	-	-	-
Special community benefit taxes	-	-	464,459	-	-
Video lottery local impact aid	-	-	-	18,436,609	-
Watershed protection and restoration	-	-	-	-	-
Hotel/Motel sales	-	-	-	-	-
Fees and commissions	-	-	-	-	-
Investment income	12,481	452,900	122,850	-	-
Miscellaneous program revenues	-	-	-	-	7,582,156
Total revenues	<u>1,184,922</u>	<u>7,129,738</u>	<u>587,309</u>	<u>18,436,609</u>	<u>7,582,156</u>
EXPENDITURES					
Current					
Education	-	-	-	1,950,000	-
Public safety	-	-	-	7,447,000	1,083,600
General government	-	-	-	4,029,596	-
Health and human services	-	-	-	-	3,001,048
Public works	-	-	953,141	-	-
Recreation and community services	-	-	-	550,000	-
Judicial	-	-	-	-	-
Code enforcement	-	-	-	-	-
Land use and development	-	-	-	-	-
Debt service					
Interest payments on debt	-	-	-	-	-
Principal payments on debt	-	-	-	-	-
Principal payments on leases	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>953,141</u>	<u>13,976,596</u>	<u>4,084,648</u>
Revenues over (under) expenditures	<u>1,184,922</u>	<u>7,129,738</u>	<u>(365,832)</u>	<u>4,460,013</u>	<u>3,497,508</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	-	-	-
Transfers out					
General Fund	(1,235,000)	-	-	-	-
General County Capital Projects Fund	-	(76,102)	-	(4,000,000)	-
Refunding bonds issued	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-
Premiums from sale of bonds	-	-	-	-	-
Transfers from Solid Waste Fund	-	-	-	-	-
Total other financing sources (uses)	<u>(1,235,000)</u>	<u>(76,102)</u>	<u>-</u>	<u>(4,000,000)</u>	<u>-</u>
Net change in fund balances	<u>(50,078)</u>	<u>7,053,636</u>	<u>(365,832)</u>	<u>460,013</u>	<u>3,497,508</u>
Fund balances, July 1	396,388	36,394,156	2,008,056	1,990,956	8,706,918
Fund balances, June 30	<u>\$ 346,310</u>	<u>\$ 43,447,792</u>	<u>\$ 1,642,224</u>	<u>\$ 2,450,969</u>	<u>\$ 12,204,426</u>

(continued)

Anne Arundel County, Maryland

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Governmental Funds

Year Ended June 30, 2025

	Special Revenue Funds			Capital Projects Funds		
	Housing Trust	Watershed Protection and Restoration	Public Campaign Financing	Recreation Land Fees	Bond Premium	Street Light Capital Projects
REVENUES						
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants and aid	-	-	-	-	-	-
Seized / forfeited funds	-	-	-	-	-	-
Special community benefit taxes	-	-	-	-	-	-
Video lottery local impact aid	-	-	-	-	-	-
Watershed protection and restoration	-	27,016,094	-	-	-	-
Hotel/Motel sales	-	-	-	-	-	-
Fees and commissions	-	-	-	16,000	-	122,508
Investment income	-	562,648	-	4,209	-	-
Miscellaneous program revenues	11,662,101	-	1,000,000	-	-	-
Total revenues	11,662,101	27,578,742	1,000,000	20,209	-	122,508
EXPENDITURES						
Current						
Education	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
General government	7,546,558	-	-	-	-	-
Health and human services	-	-	-	-	-	-
Public works	-	12,384,737	-	-	-	-
Recreation and community services	-	-	-	-	-	-
Judicial	-	-	-	-	-	-
Code enforcement	-	1,508,716	-	-	-	-
Land use and development	-	-	-	-	-	-
Debt service						
Interest payments on debt	-	6,700,328	-	-	-	-
Principal payments on debt	-	6,725,402	-	-	-	-
Principal payments on leases	-	2,180	-	-	-	-
Total expenditures	7,546,558	27,321,363	-	-	-	-
Revenues over (under) expenditures	4,115,543	257,379	1,000,000	20,209	-	122,508
OTHER FINANCING SOURCES (USES)						
Transfers in						
General Fund	-	-	-	-	-	-
General County Capital Projects Fund	-	114,440	-	-	-	-
Transfers out						
General Fund	-	-	-	-	-	-
General County Capital Projects Fund	-	(30,400,000)	-	-	(12,094,688)	(678,497)
Refunding bonds issued	-	12,792,000	-	-	-	-
Payments to escrow agent	-	(12,792,000)	-	-	-	-
General obligation bonds issued	-	30,400,000	-	-	-	-
Premiums from sale of bonds	-	-	-	-	12,094,688	-
Transfers from Solid Waste Fund	-	-	-	-	-	-
Total other financing sources (uses)	-	114,440	-	-	-	(678,497)
Net change in fund balances	4,115,543	371,819	1,000,000	20,209	-	(555,989)
Fund balances, July 1	15,145,748	44,846,385	-	370,378	-	4,477,841
Fund balances, June 30	\$ 19,261,291	\$ 45,218,204	\$ 1,000,000	\$ 390,587	\$ -	\$ 3,921,852

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Governmental Funds

Year Ended June 30, 2025

	Capital Projects Funds		Debt Service Funds		
	Energy Revolving Loan	Bike, Pedestrian, Transportation & Infrastructure Fee In Lieu	Nursery Road Tax Increment	West County (NBP) Tax Increment	Arundel Mills Tax Increment
REVENUES					
General property taxes	\$ -	\$ -	\$ 6,972,641	\$ 9,261,891	\$ 11,919,728
Grants and aid	-	-	-	-	-
Seized / forfeited funds	-	-	-	-	-
Special community benefit taxes	-	-	-	-	-
Video lottery local impact aid	-	-	-	-	-
Watershed protection and restoration	-	-	-	-	-
Hotel/Motel sales	-	-	-	-	-
Fees and commissions	-	-	-	-	-
Investment income	3,306	-	45,968	53,521	64,887
Miscellaneous program revenues	-	147,881	-	-	-
Total revenues	3,306	147,881	7,018,609	9,315,412	11,984,615
EXPENDITURES					
Current					
Education	-	-	-	-	-
Public safety	-	-	-	-	-
General government	-	-	3,500	14,039	15,006
Health and human services	-	-	-	-	-
Public works	-	-	-	-	-
Recreation and community services	-	-	-	-	-
Judicial	-	-	-	-	-
Code enforcement	-	-	-	-	-
Land use and development	-	-	-	-	-
Debt service					
Interest payments on debt	-	-	24,275	145,200	347,050
Principal payments on debt	-	-	125,000	1,140,000	2,110,000
Principal payments on leases	-	-	-	-	-
Total expenditures	-	-	152,775	1,299,239	2,472,056
Revenues over (under) expenditures	3,306	147,881	6,865,834	8,016,173	9,512,559
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	-	-	-	-	-
General County Capital Projects Fund	-	-	-	-	-
Transfers out					
General Fund	-	-	(6,865,834)	(8,016,173)	(9,580,944)
General County Capital Projects Fund	(330,000)	-	-	-	-
Refunding bonds issued	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-
Premiums from sale of bonds	-	-	-	-	-
Transfers from Solid Waste Fund	175,921	-	-	-	-
Total other financing sources (uses)	(154,079)	-	(6,865,834)	(8,016,173)	(9,580,944)
Net change in fund balances	(150,773)	147,881	-	-	(68,385)
Fund balances, July 1	460,012	470,945	-	-	176,435
Fund balances, June 30	\$ <u>309,239</u>	\$ <u>618,826</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>108,050</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Governmental Funds

Year Ended June 30, 2025

Debt Service Funds						
	Parole Tax Increment	National Business Park North Tax Increment	Village South at Waugh Chapel Tax Increment	Special Taxing Districts	Installment Purchase Agreements	Totals
REVENUES						
General property taxes	\$ 17,228,795	\$ 3,223,124	\$ 2,795,661	\$ -	\$ -	\$ 59,251,119
Grants and aid	-	-	-	-	-	7,475,320
Seized / forfeited funds	-	-	-	-	-	469,588
Special community benefit taxes	-	-	-	352,833	-	11,324,084
Video lottery local impact aid	-	-	-	-	-	18,436,609
Watershed protection and restoration	-	-	-	-	-	27,016,094
Hotel/Motel sales	-	-	-	-	-	4,794,889
Fees and commissions	-	-	-	-	-	2,242,440
Investment income	116,143	12,260	13,237	-	603,836	2,194,902
Miscellaneous program revenues	-	-	-	83,834	-	23,742,015
Total revenues	<u>17,344,938</u>	<u>3,235,384</u>	<u>2,808,898</u>	<u>436,667</u>	<u>603,836</u>	<u>156,947,060</u>
EXPENDITURES						
Current						
Education	-	-	-	-	-	1,950,000
Public safety	-	-	-	-	-	8,530,600
General government	-	20,590	21,783	-	-	11,651,072
Health and human services	-	-	-	-	-	6,896,725
Public works	-	-	-	-	-	13,337,878
Recreation and community services	-	-	-	65,951	-	21,772,782
Judicial	-	-	-	-	-	108,475
Code enforcement	-	-	-	-	-	1,508,716
Land use and development	-	-	-	-	-	1,229,730
Debt service						
Interest payments on debt	-	827,187	414,931	-	716,030	9,175,001
Principal payments on debt	-	1,055,000	535,000	202,260	20,000	11,912,662
Principal payments on leases	-	-	-	-	-	2,180
Total expenditures	<u>-</u>	<u>1,902,777</u>	<u>971,714</u>	<u>268,211</u>	<u>736,030</u>	<u>88,075,821</u>
Revenues over (under) expenditures	<u>17,344,938</u>	<u>1,332,607</u>	<u>1,837,184</u>	<u>168,456</u>	<u>(132,194)</u>	<u>68,871,239</u>
OTHER FINANCING SOURCES (USES)						
Transfers in						
General Fund	-	-	-	-	736,100	1,006,100
General County Capital Projects Fund	-	-	-	-	-	114,440
Transfers out						
General Fund	(17,352,173)	(1,330,223)	(1,823,439)	-	-	(46,203,786)
General County Capital Projects Fund	-	-	-	-	-	(48,303,287)
Refunding bonds issued	-	-	-	-	-	12,792,000
Payments to escrow agent	-	-	-	-	-	(12,792,000)
General obligation bonds issued	-	-	-	-	-	30,400,000
Premiums from sale of bonds	-	-	-	-	-	12,094,688
Transfers from Solid Waste Fund	-	-	-	-	-	175,921
Total other financing sources (uses)	<u>(17,352,173)</u>	<u>(1,330,223)</u>	<u>(1,823,439)</u>	<u>-</u>	<u>736,100</u>	<u>(50,715,924)</u>
Net change in fund balances	(7,235)	2,384	13,745	168,456	603,906	18,155,315
Fund balances, July 1	7,235	307,173	18,889	1,293,144	7,553,569	135,200,012
Fund balances, June 30	<u>\$ -</u>	<u>\$ 309,557</u>	<u>\$ 32,634</u>	<u>\$ 1,461,600</u>	<u>\$ 8,157,475</u>	<u>\$ 153,355,327</u>

Anne Arundel County, Maryland

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

Special Revenue Funds

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
FORFEITURE AND ASSET SEIZURE TEAM				
Revenues				
Seized and forfeited funds	\$ 259,400	\$ 259,400	\$ 469,588	\$ 210,188
Investment income	-	-	4,693	4,693
	<u>259,400</u>	<u>259,400</u>	<u>474,281</u>	<u>214,881</u>
Expenditures				
Public safety	9,400	9,400	-	9,400
Revenues over (under) expenditures	\$ <u>250,000</u>	\$ <u>250,000</u>	474,281	\$ <u>224,281</u>
Fund balance, budgetary, July 1			<u>35,368</u>	
Fund balance, budgetary, June 30			\$ <u>509,649</u>	
ROADS AND SPECIAL BENEFITS				
Revenues				
Special community benefit taxes	\$ <u>10,229,166</u>	\$ <u>10,229,166</u>	\$ <u>10,506,792</u>	\$ <u>277,626</u>
Expenditures				
Recreation and community services	<u>19,291,979</u>	<u>19,291,979</u>	<u>10,404,562</u>	<u>8,887,417</u>
Revenues over (under) expenditures	\$ <u>(9,062,813)</u>	\$ <u>(9,062,813)</u>	102,230	\$ <u>9,165,043</u>
Fund balance, budgetary, July 1			<u>1,101,224</u>	
Fund balance, budgetary, June 30			\$ <u>1,203,454</u>	
COMMUNITY REINVESTMENT/REPAIRS				
Revenues				
Other	\$ 1,200,000	\$ 1,200,000	\$ 3,092,152	\$ 1,892,152
Expenditures				
Health and human services	<u>1,143,600</u>	<u>1,143,600</u>	<u>1,143,600</u>	<u>-</u>
Revenues over (under) expenditures	\$ <u>56,400</u>	\$ <u>56,400</u>	1,948,552	\$ <u>1,892,152</u>
Fund balance, budgetary, July 1			<u>3,614,531</u>	
Fund balance, budgetary, June 30			\$ <u>5,563,083</u>	

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

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

Special Revenue Funds

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REFORESTATION				
Revenues				
Commissions and fees	\$ 480,000	\$ 480,000	\$ 1,746,790	\$ 1,266,790
Investment income	-	-	121,288	121,288
	<u>480,000</u>	<u>480,000</u>	<u>1,868,078</u>	<u>1,388,078</u>
Expenditures				
Land use and development	<u>2,004,200</u>	<u>2,004,200</u>	1,983,155	21,045
Revenues over (under) expenditures	\$ <u>(1,524,200)</u>	\$ <u>(1,524,200)</u>	(115,077)	\$ <u>1,409,123</u>
Fund balance, budgetary, July 1 (as restated)			<u>5,254,861</u>	
Fund balance, budgetary, June 30			\$ <u>5,139,784</u>	
LAUREL RACETRACK COMMUNITY BENEFIT				
Revenues				
Fees and commissions	\$ 357,200	\$ 357,200	\$ 357,143	\$ (57)
Other	-	-	56,275	56,275
	<u>357,200</u>	<u>357,200</u>	<u>413,418</u>	<u>56,218</u>
Expenditures				
Recreation and community services	<u>460,900</u>	<u>460,900</u>	460,844	56
Revenues over (under) expenditures	\$ <u>(103,700)</u>	\$ <u>(103,700)</u>	(47,426)	\$ <u>56,274</u>
Fund balance, budgetary, July 1			<u>138,672</u>	
Fund balance, budgetary, June 30			\$ <u>91,246</u>	
WORKFORCE DEVELOPMENT				
Revenues				
Grants and aid	\$ <u>2,400,000</u>	\$ <u>2,400,000</u>	\$ <u>2,752,077</u>	\$ <u>352,077</u>
Expenditures				
Health and human services	<u>2,400,000</u>	<u>2,400,000</u>	<u>2,752,077</u>	<u>(352,077)</u>
Revenues over (under) expenditures	\$ <u>-</u>	\$ <u>-</u>	-	\$ <u>-</u>
Fund balance, budgetary, July 1			-	
Fund balance, budgetary, June 30			\$ <u>-</u>	

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

Anne Arundel County, Maryland

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

Special Revenue Funds

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
ARUNDEL COMMUNITY DEVELOPMENT SERVICES				
Revenues				
Grants and aid	\$ 7,692,000	\$ 7,692,000	\$ 7,698,566	\$ 6,566
Other	<u>105,900</u>	<u>105,900</u>	<u>323</u>	<u>(105,577)</u>
	<u>7,797,900</u>	<u>7,797,900</u>	<u>7,698,889</u>	<u>(99,011)</u>
Expenditures				
Recreation and community services	<u>7,797,900</u>	<u>8,279,500</u>	<u>8,180,444</u>	<u>99,056</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (481,600)</u>	<u>(481,555)</u>	<u>\$ 45</u>
Fund balance, budgetary, July 1			<u>-</u>	
Fund balance, budgetary, June 30			<u>\$ (481,555)</u>	
CIRCUIT COURT				
Revenues				
Bond Forfeited Funds	\$ <u>165,000</u>	\$ <u>165,000</u>	\$ <u>118,291</u>	\$ <u>(46,709)</u>
Expenditures				
Circuit Court	<u>285,000</u>	<u>285,000</u>	<u>108,475</u>	<u>176,525</u>
Revenues over (under) expenditures	<u>\$ (120,000)</u>	<u>\$ (120,000)</u>	<u>9,816</u>	<u>\$ 129,816</u>
Fund balance, budgetary, July 1			<u>409,390</u>	
Fund balance, budgetary, June 30			<u>\$ 419,206</u>	
CONFERENCE & VISITOR'S BUREAU				
Revenues				
Fees and commissions	\$ <u>4,635,900</u>	\$ <u>4,635,900</u>	\$ <u>4,075,656</u>	\$ <u>(560,244)</u>
Expenditures				
Recreation and community services	<u>4,635,900</u>	<u>4,635,900</u>	<u>4,075,656</u>	<u>560,244</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, budgetary, July 1			<u>-</u>	
Fund balance, budgetary, June 30			<u>\$ -</u>	

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

Anne Arundel County, Maryland

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

Special Revenue Funds

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
ARTS COUNCIL				
Revenues				
Fees and commissions	\$ 818,100	\$ 818,100	\$ 719,233	\$ (98,867)
Expenditures				
Recreation and community services	818,100	818,100	740,971	77,129
Revenues over (under) expenditures	\$ -	\$ -	(21,738)	\$ (21,738)
Fund balance, budgetary, July 1			21,738	
Fund balance, budgetary, June 30			\$ -	
PARK PLACE TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 1,215,000	\$ 1,215,000	\$ 1,172,441	\$ (42,559)
Investment income	20,000	20,000	12,481	(7,519)
	<u>1,235,000</u>	<u>1,235,000</u>	<u>1,184,922</u>	<u>(50,078)</u>
Expenditures				
General government	1,235,000	1,235,000	1,235,000	-
	<u>1,235,000</u>	<u>1,235,000</u>	<u>1,235,000</u>	<u>-</u>
Revenues over (under) expenditures	\$ -	\$ -	(50,078)	\$ (50,078)
Fund balance, budgetary, July 1			396,388	
Fund balance, budgetary, June 30			\$ 346,310	
ODENTON TOWN CENTER				
Revenues				
General property taxes	\$ 6,165,000	\$ 6,165,000	\$ 6,676,838	\$ 511,838
Investment income	65,000	65,000	452,900	387,900
	<u>6,230,000</u>	<u>6,230,000</u>	<u>7,129,738</u>	<u>899,738</u>
Expenditures				
Other	3,000,000	3,000,000	3,000,000	-
Revenues over (under) expenditures	\$ 3,230,000	\$ 3,230,000	4,129,738	\$ 899,738
Fund balance, budgetary, July 1			4,221,439	
Fund balance, budgetary, June 30			\$ 8,351,177	

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

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

Special Revenue Funds

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
EROSION DISTRICTS				
Revenues				
Special community benefit taxes	\$ 451,332	\$ 451,332	\$ 464,459	\$ 13,127
Investment income	-	-	122,850	122,850
	<u>451,332</u>	<u>451,332</u>	<u>587,309</u>	<u>135,977</u>
Expenditures				
Public works	<u>2,139,751</u>	<u>2,139,751</u>	953,141	1,186,610
Revenues over (under) expenditures	<u>\$ (1,688,419)</u>	<u>\$ (1,688,419)</u>	(365,832)	<u>\$ 1,322,587</u>
Fund balance, budgetary, July 1			<u>2,008,056</u>	
Fund balance, budgetary, June 30			<u>\$ 1,642,224</u>	
VIDEO LOTTERY LOCAL IMPACT AID				
Revenues				
Video lottery impact aid	\$ 18,436,600	\$ 18,436,600	\$ 18,436,609	\$ 9
	<u>18,436,600</u>	<u>18,436,600</u>	<u>18,436,609</u>	<u>9</u>
Expenditures				
Education	1,950,000	1,950,000	1,950,000	-
Public safety	7,447,000	7,447,000	7,447,000	-
General government	4,029,600	4,029,600	4,029,596	4
Recreation and community service	550,000	550,000	550,000	-
Pay-go funding - capital projects	4,000,000	4,000,000	4,000,000	-
	<u>17,976,600</u>	<u>17,976,600</u>	<u>17,976,596</u>	<u>4</u>
Revenues over (under) expenditures	<u>\$ 460,000</u>	<u>\$ 460,000</u>	460,013	<u>\$ 13</u>
Fund balance, budgetary, July 1			<u>1,990,956</u>	
Fund balance, budgetary, June 30			<u>\$ 2,450,969</u>	
OPIOID ABATEMENT				
Revenues				
Other	\$ 4,596,400	\$ 4,596,400	\$ 7,595,752	\$ 2,999,352
	<u>4,596,400</u>	<u>4,596,400</u>	<u>7,595,752</u>	<u>2,999,352</u>
Expenditures				
Public safety	2,072,400	1,677,500	1,083,600	593,900
Health and human services	2,866,000	3,266,000	3,031,069	234,931
	<u>4,938,400</u>	<u>4,943,500</u>	<u>4,114,669</u>	<u>828,831</u>
Revenues over (under) expenditures	<u>\$ (342,000)</u>	<u>\$ (347,100)</u>	3,481,083	<u>\$ 3,828,183</u>
Fund balance, budgetary, July 1			<u>8,706,918</u>	
Fund balance, budgetary, June 30			<u>\$ 12,188,001</u>	

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

Anne Arundel County, Maryland

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

Special Revenue Funds

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
HOUSING TRUST				
Revenues				
Other	\$ 7,500,000	\$ 7,500,000	\$ 11,662,101	\$ 4,162,101
Expenditures				
General government	<u>7,500,000</u>	<u>7,500,000</u>	<u>7,500,000</u>	-
	<u>7,500,000</u>	<u>7,500,000</u>	<u>7,500,000</u>	-
Revenues over (under) expenditures	\$ <u>-</u>	\$ <u>-</u>	4,162,101	\$ <u>4,162,101</u>
Fund balance, budgetary, July 1			<u>49,005</u>	
Fund balance, budgetary, June 30			\$ <u>4,211,106</u>	
WATERSHED PROTECTION AND RESTORATION				
Revenues				
Stormwater fees	\$ 27,300,300	\$ 27,300,300	\$ 27,016,094	\$ (284,206)
Interfund reimbursements	1,350,000	1,350,000	1,437,168	87,168
Investment Income	534,200	534,200	677,088	142,888
Other	<u>-</u>	<u>-</u>	<u>47,934</u>	<u>47,934</u>
	<u>29,184,500</u>	<u>29,184,500</u>	<u>29,178,284</u>	<u>(6,216)</u>
Expenditures				
Public works	14,431,900	14,423,100	14,098,565	324,535
Code enforcement	1,511,000	1,519,800	1,508,716	11,084
Debt service	<u>13,425,700</u>	<u>13,425,700</u>	<u>13,425,730</u>	<u>(30)</u>
	<u>29,368,600</u>	<u>29,368,600</u>	<u>29,033,011</u>	<u>335,589</u>
Revenues over (under) expenditures	\$ <u>(184,100)</u>	\$ <u>(184,100)</u>	145,273	\$ <u>329,373</u>
Fund balance, budgetary, July 1			<u>43,515,435</u>	
Fund balance, budgetary, June 30			\$ <u>43,660,708</u>	
PUBLIC CAMPAIGN FINANCING				
Revenues				
Other	\$ <u>1,000,000</u>	\$ <u>1,000,000</u>	\$ <u>1,000,000</u>	\$ -
	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	-
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	\$ <u>1,000,000</u>	\$ <u>1,000,000</u>	1,000,000	\$ <u>-</u>
Fund balance, budgetary, July 1			<u>-</u>	
Fund balance, budgetary, June 30			\$ <u>1,000,000</u>	

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

Anne Arundel County, Maryland

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

Erosion Districts Fund

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Browns Pond	\$ 11,168	\$ 11,168	\$ 10,908	\$ (260)
Cedarhurst	130,460	130,460	137,831	7,371
Franklin Manor	19,370	19,370	20,236	866
Idlewilde	5,153	5,153	5,214	61
Masons Beach	40,225	40,225	42,159	1,934
Riviera Beach	164,920	164,920	168,075	3,155
Snug Harbor - Waterway	73,436	73,436	73,436	-
Spriggs Pond	6,600	6,600	6,600	-
Total revenues	<u>\$ 451,332</u>	<u>\$ 451,332</u>	<u>\$ 464,459</u>	<u>\$ 13,127</u>
EXPENDITURES				
Browns Pond	\$ 31,809	\$ 31,809	\$ 11,345	\$ 20,464
Cedarhurst	243,323	243,323	69,323	174,000
Franklin Manor	426,867	426,867	46,451	380,416
Idlewilde	110,258	110,258	261	109,997
Masons Beach	238,000	238,000	39,891	198,109
Riviera Beach	748,120	748,120	739,454	8,666
Snug Harbor - Waterway	271,674	271,674	46,086	225,588
Spriggs Pond	69,700	69,700	330	69,370
Total expenditures	<u>\$ 2,139,751</u>	<u>\$ 2,139,751</u>	<u>\$ 953,141</u>	<u>\$ 1,186,610</u>

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

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

Roads and Special Benefit Districts Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Amberly	\$ 23,796	\$ 23,796	\$ 23,927	\$ 131
Annapolis Roads	389,017	389,017	427,784	38,767
Arundel on the Bay	277,125	277,125	291,685	14,560
Avalon Shores	78,435	78,435	78,300	(135)
Bay Highlands	29,367	29,367	30,833	1,466
Bay Ridge	396,887	396,887	395,167	(1,720)
Bayside Beach	31,895	31,895	32,794	899
Beverly Beach	18,450	18,450	18,450	-
Birchwood	13,985	13,985	13,985	-
Bittersweet	5,526	5,526	5,526	-
Broadwater Creek	8,400	8,400	8,295	(105)
Cape Anne	41,250	41,250	40,975	(275)
Cape St. Claire	621,000	621,000	619,518	(1,482)
Capetown	56,251	56,251	55,677	(574)
Carrollton Manor	82,050	82,050	81,600	(450)
Cedarhurst	101,569	101,569	107,202	5,633
Chartwell	40,020	40,020	39,765	(255)
Columbia Beach	181,660	181,660	200,498	18,838
Crofton	1,262,400	1,262,400	1,341,516	79,116
Deale Beach	13,948	13,948	13,792	(156)
Eden Woods	9,000	9,000	9,000	-
Epping Forest	420,938	420,938	446,858	25,920
Fairhaven Cliffs	5,600	5,600	5,800	200
Felicity Cove	15,197	15,197	15,197	-
Franklin Manor	77,480	77,480	80,941	3,461
Gibson Island	1,153,868	1,153,868	1,204,891	51,023
Greenbriar Gardens	70,896	70,896	70,896	-
Greenbriar II	25,200	25,200	25,200	-
Heritage Pool	50,500	50,500	50,000	(500)
Hillsmere Shores	303,531	303,531	307,266	3,735
Holland Point	32,397	32,397	35,814	3,417
Hollywood on the Severn	48,456	48,456	48,055	(401)
Homewood	6,008	6,008	6,008	-
Hunters Harbor	23,850	23,850	23,850	-
Idlewilde	31,920	31,920	31,920	-
Indian Hills (Winchester)	173,084	173,084	179,920	6,836
Kensington	26,500	26,500	26,500	-
Little Magothy River	40,400	40,400	40,400	-
Loch Haven	44,835	44,835	44,625	(210)
Long Point on the Severn	22,000	22,000	22,000	-
Magothy Beach	11,410	11,410	11,410	-
Magothy Forge	14,591	14,591	14,492	(99)
Manhattan Beach	92,850	92,850	92,700	(150)
Mason's Beach	10,050	10,050	10,050	-
Mil-Bur	91,859	91,859	90,681	(1,178)
Owings Beach	11,560	11,560	12,394	834
Owings Cliffs	3,700	3,700	3,700	-
Oyster Harbor	417,690	417,690	445,142	27,452
Parke West	49,920	49,920	49,920	-
Pine Grove Village	22,080	22,080	21,920	(160)
Pines on the Severn	130,350	130,350	129,236	(1,114)
Provinces	15,372	15,372	15,264	(108)
Queen's Park	58,001	58,001	56,408	(1,593)
Rockview Beach/Riviera Isles	26,564	26,564	26,564	-
Scheides Cove	9,000	9,000	9,000	-
Selby on the Bay	119,000	119,000	118,020	(980)
Severn Grove	35,934	35,934	35,934	-
Severna Forest	16,842	16,842	16,842	-
Severndale	16,375	16,375	16,250	(125)
Sherwood Forest	1,756,150	1,756,150	1,756,150	-
Shoreham Beach	78,813	78,813	78,813	-
Snug Harbor	34,632	34,632	34,632	-
South River Heights	17,052	17,052	17,258	206
South River Manor	10,500	10,500	10,500	-
South River Park	34,200	34,200	34,200	-
Steedman Point	4,000	4,000	4,000	-
Stone Haven	20,142	20,142	19,967	(175)
Sylvan Shores	183,326	183,326	183,327	1
Sylvan View on the Magothy	65,320	65,320	65,320	-
Timbers	7,200	7,200	7,200	-
Upper Magothy Beach	14,400	14,400	14,400	-
Venice Beach	30,504	30,504	32,779	2,275
Venice on the Bay	7,175	7,175	7,070	(105)
Warthen Knolls	7,263	7,263	7,263	-
Wilelnor	42,750	42,750	42,000	(750)
Woodland Beach/Lodontowne	501,600	501,600	507,256	5,656
Woodland Beach/Pasadena	6,300	6,300	6,300	-
Total revenues	\$ 10,229,166	\$ 10,229,166	\$ 10,506,792	\$ 277,626

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

Roads and Special Benefit Districts Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
Amberly	\$ 46,382	\$ 46,382	\$ 23,865	\$ 22,517
Annapolis Roads	541,315	541,315	424,520	116,795
Arundel on the Bay	523,429	523,429	304,538	218,891
Avalon Shores	187,054	187,054	53,481	133,573
Bay Highlands	338,455	338,455	30,833	307,622
Bay Ridge	431,122	431,122	369,984	61,138
Bayside Beach	50,886	50,886	33,517	17,369
Beverly Beach	182,050	182,050	929	181,121
Birchwood	22,350	22,350	5,572	16,778
Bitersweet	8,086	8,086	5,417	2,669
Broadwater Creek	66,900	66,900	409	66,491
Cape Anne	64,691	64,691	40,991	23,700
Cape St. Claire	912,568	912,568	619,341	293,227
Capetown	129,695	129,695	95,994	33,701
Carrollton Manor	240,565	240,565	52,723	187,842
Cedarhurst	273,350	273,350	106,781	166,569
Chartwell	68,812	68,812	24,461	44,351
Columbia Beach	439,398	439,398	175,409	263,989
Crofton	2,379,373	2,379,373	1,339,872	1,039,501
Deale Beach	28,894	28,894	13,728	15,166
Eden Woods	100,594	100,594	450	100,144
Epping Forest	883,683	883,683	531,265	352,418
Fairhaven Cliffs	17,718	17,718	3,194	14,524
Felicity Cove	46,960	46,960	14,737	32,223
Franklin Manor	218,173	218,173	81,311	136,862
Gibson Island	2,574,192	2,574,192	1,197,846	1,376,346
Greenbriar Gardens	93,000	93,000	70,896	22,104
Greenbriar II	41,932	41,932	25,200	16,732
Heritage Pool	112,216	112,216	37,300	74,916
Hillsmere Shores	982,486	982,486	333,593	648,893
Holland Point	42,620	42,620	36,713	5,907
Hollywood on the Severn	62,250	62,250	48,257	13,993
Homewood	13,501	13,501	8,762	4,739
Hunters Harbor	49,412	49,412	23,947	25,465
Idlewilde	51,467	51,467	31,920	19,547
Indian Hills (Winchester)	235,468	235,468	182,239	53,229
Kensington	36,352	36,352	26,500	9,852
Little Magothy River	161,816	161,816	40,442	121,374
Loch Haven	118,930	118,930	44,505	74,425
Long Point on the Severn	196,007	196,007	22,000	174,007
Magothy Beach	14,107	14,107	11,434	2,673
Magothy Forge	52,152	52,152	14,591	37,561
Manhattan Beach	125,188	125,188	92,376	32,812
Mason's Beach	23,014	23,014	19,336	3,678
Mil-Bur	124,046	124,046	90,220	33,826
Owings Beach	90,276	90,276	10,092	80,184
Owings Cliffs	14,772	14,772	4,409	10,363
Oyster Harbor	1,029,813	1,029,813	448,936	580,877
Parke West	109,670	109,670	49,917	59,753
Pine Grove Village	61,360	61,360	21,924	39,436
Pines on the Severn	278,046	278,046	128,121	149,925
Provinces	65,962	65,962	19,687	46,275
Queen's Park	218,758	218,758	42,014	176,744
Rockview Beach/ Riviera Isles	32,986	32,986	16,893	16,093
Scheides Cove	48,850	48,850	475	48,375
Selby on the Bay	148,429	148,429	74,246	74,183
Severn Grove	53,917	53,917	35,934	17,983
Severna Forest	33,763	33,763	22,646	11,117
Severndale	64,695	64,695	9,910	54,785
Sherwood Forest	1,756,710	1,756,710	1,750,833	5,877
Shoreham Beach	280,781	280,781	78,895	201,886
Snug Harbor	93,998	93,998	46,729	47,269
South River Heights	39,629	39,629	858	38,771
South River Manor	29,879	29,879	14,166	15,713
South River Park	38,698	38,698	33,600	5,098
Steedman Point	54,392	54,392	200	54,192
Stone Haven	27,562	27,562	26,698	864
Sylvan Shores	283,731	283,731	180,209	103,522
Sylvan View on the Magothy	116,722	116,722	64,860	51,862
Timbers	15,411	15,411	7,490	7,921
Upper Magothy Beach	34,315	34,315	14,105	20,210
Venice Beach	90,526	90,526	31,225	59,301
Venice on the Bay	10,944	10,944	7,017	3,927
Warthen Knolls	13,731	13,731	333	13,398
Wilenor	73,977	73,977	41,905	32,072
Woodland Beach/Londontowne	721,592	721,592	502,631	218,961
Woodland Beach/Pasadena	45,425	45,425	6,205	39,220
Total expenditures	\$ 19,291,979	\$ 19,291,979	\$ 10,404,562	\$ 8,887,417

Anne Arundel County, Maryland

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

General County Capital Projects Fund

Year Ended June 30, 2025

	<u>Total</u>	<u>School Construction</u>	<u>Higher Education</u>	<u>Recreation</u>
AUTHORIZED PER ORIGINAL BUDGET				
County bonds	\$ 1,961,525,398	\$ 725,972,903	\$ 98,924,000	\$ 232,083,305
Contributions from other funds	654,963,488	271,637,099	28,624,000	70,206,525
Impact fees	225,627,019	106,155,000	-	-
Grants and aid	1,044,287,110	751,416,353	62,692,875	125,377,380
Special fees	44,115,986	-	-	-
Other sources	275,126,908	112,549,336	7,335,000	10,289,211
Total	\$ <u>4,205,645,909</u>	\$ <u>1,967,730,691</u>	\$ <u>197,575,875</u>	\$ <u>437,956,421</u>
AUTHORIZED PER FINAL BUDGET				
County bonds	\$ 1,700,999,250	\$ 616,503,903	\$ 46,457,000	\$ 213,432,333
Contributions from other funds	633,407,410	269,544,099	28,624,000	67,545,971
Impact fees	195,765,019	85,400,000	-	-
Grants and aid	924,024,294	691,578,016	5,739,875	125,181,635
Special fees	41,179,331	-	-	-
Other sources	218,952,793	82,957,304	-	9,615,239
Total	3,714,328,097	1,745,983,322	80,820,875	415,775,178
Less: Completed projects	772,614,982	583,378,512	36,633,000	36,778,296
	<u>2,941,713,115</u>	<u>1,162,604,810</u>	<u>44,187,875</u>	<u>378,996,882</u>
REALIZED				
Current year:				
Bonds	175,805,000	37,405,000	7,000,000	27,900,000
Contributions from other funds	170,704,229	97,800,338	450,000	20,278,000
Impact fees	14,158,201	5,657,319	-	-
Grants and aid	47,279,141	-	289,009	25,124,559
Special fees	1,139,885	-	-	-
Other sources	19,572,425	5,895,000	-	630,120
Total	428,658,881	146,757,657	7,739,009	73,932,679
Prior years:	1,634,950,941	848,109,525	43,060,741	151,735,849
Total realized funding sources	2,063,609,822	994,867,182	50,799,750	225,668,528
Less: Completed projects and adjustments	544,230,938	356,555,607	36,632,802	36,312,147
	<u>1,519,378,884</u>	<u>638,311,575</u>	<u>14,166,948</u>	<u>189,356,381</u>
Funding sources authorized - June 30, 2025	\$ <u>1,422,334,231</u>	\$ <u>524,293,235</u>	\$ <u>30,020,927</u>	\$ <u>189,640,501</u>

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

<u>Libraries</u>	<u>Roads and Bridges</u>	<u>Police and Fire</u>	<u>Waterway Improvements</u>	<u>Other</u>	<u>Watershed Protection and Restoration</u>
\$ 43,779,146	\$ 223,683,543	\$ 190,750,358	\$ 15,637,727	\$ 178,427,555	\$ 252,266,861
5,550,564	76,755,054	42,882,694	3,253,185	156,054,367	-
-	113,002,219	6,469,800	-	-	-
5,358,564	24,939,452	12,471,500	6,151,921	45,125,765	10,753,300
-	7,258,728	-	-	36,857,258	-
-	81,259,127	6,508,000	855,699	43,229,535	13,101,000
<u>\$ 54,688,274</u>	<u>\$ 526,898,123</u>	<u>\$ 259,082,352</u>	<u>\$ 25,898,532</u>	<u>\$ 459,694,480</u>	<u>\$ 276,121,161</u>
\$ 43,602,905	\$ 209,182,871	\$ 159,451,237	\$ 14,622,441	\$ 173,419,078	\$ 224,327,482
4,367,308	66,142,535	42,300,061	2,978,632	151,904,804	-
-	105,228,219	5,136,800	-	-	-
5,358,564	27,101,853	12,471,500	5,236,920	40,602,631	10,753,300
-	7,258,728	-	-	33,920,603	-
-	72,906,015	1,808,000	435,700	38,129,535	13,101,000
53,328,777	487,820,221	221,167,598	23,273,693	437,976,651	248,181,782
560,088	62,369,078	15,474,823	3,495,244	24,792,420	9,133,521
52,768,689	425,451,143	205,692,775	19,778,449	413,184,231	239,048,261
1,800,000	28,800,000	23,100,000	1,300,000	18,100,000	30,400,000
(381,000)	8,085,700	2,231,489	2,910,000	39,329,702	-
-	8,500,882	-	-	-	-
33,671	3,894,853	9,837,272	326,297	7,643,699	129,781
-	76,102	-	-	1,063,783	-
-	10,198,398	-	-	1,253,689	1,595,218
1,452,671	59,555,935	35,168,761	4,536,297	67,390,873	32,124,999
19,996,365	175,963,023	82,498,168	11,968,635	198,903,597	102,715,038
21,449,036	235,518,958	117,666,929	16,504,932	266,294,470	134,840,037
508,078	61,806,689	15,356,652	3,402,375	24,729,449	8,927,139
20,940,958	173,712,269	102,310,277	13,102,557	241,565,021	125,912,898
<u>\$ 31,827,731</u>	<u>\$ 251,738,874</u>	<u>\$ 103,382,498</u>	<u>\$ 6,675,892</u>	<u>\$ 171,619,210</u>	<u>\$ 113,135,363</u>

Anne Arundel County, Maryland

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

General County Capital Projects Fund

Year Ended June 30, 2025

APPROPRIATIONS	<u>Total</u>	<u>School Construction</u>	<u>Higher Education</u>
Original Budget	\$ <u>4,205,645,909</u>	\$ <u>1,967,730,691</u>	\$ <u>197,575,875</u>
Final Budget			
Prior years	\$ 3,055,657,737	\$ 1,551,451,691	\$ 65,259,875
Current year	<u>658,670,360</u>	<u>194,531,631</u>	<u>15,561,000</u>
	3,714,328,097	1,745,983,322	80,820,875
Less: Completed projects	<u>772,614,982</u>	<u>583,378,512</u>	<u>36,633,000</u>
Total appropriations	<u>2,941,713,115</u>	<u>1,162,604,810</u>	<u>44,187,875</u>
EXPENDITURES AND ENCUMBRANCES			
Prior years expenditures and transfers	1,385,842,289	794,498,078	42,301,498
Current year expenditures	242,740,985	-	-
Operating transfers	<u>72,738,924</u>	<u>66,772,978</u>	<u>5,965,946</u>
	1,701,322,198	861,271,056	48,267,444
Less: Completed projects	<u>544,230,938</u>	<u>356,555,607</u>	<u>36,632,802</u>
Total	1,157,091,260	504,715,449	11,634,642
Encumbrances outstanding	<u>208,156,999</u>	-	-
Total expenditures and encumbrances	<u>1,365,248,259</u>	<u>504,715,449</u>	<u>11,634,642</u>
Unencumbered appropriations - June 30, 2025	\$ <u>1,576,464,856</u>	\$ <u>657,889,361</u>	\$ <u>32,553,233</u>

<u>Recreation</u>	<u>Libraries</u>	<u>Roads and Bridges</u>	<u>Police and Fire</u>	<u>Waterway Improvements</u>	<u>Other</u>	<u>Watershed Protection and Restoration</u>
\$ <u>437,956,421</u>	\$ <u>54,688,274</u>	\$ <u>526,898,123</u>	\$ <u>259,082,352</u>	\$ <u>25,898,532</u>	\$ <u>459,694,480</u>	\$ <u>276,121,161</u>
\$ 316,515,206	\$ 22,434,777	\$ 387,601,921	\$ 170,138,838	\$ 19,355,193	\$ 298,634,451	\$ 224,265,785
<u>99,259,972</u>	<u>30,894,000</u>	<u>100,218,300</u>	<u>51,028,760</u>	<u>3,918,500</u>	<u>139,342,200</u>	<u>23,915,997</u>
415,775,178	53,328,777	487,820,221	221,167,598	23,273,693	437,976,651	248,181,782
<u>36,778,296</u>	<u>560,088</u>	<u>62,369,078</u>	<u>15,474,823</u>	<u>3,495,244</u>	<u>24,792,420</u>	<u>9,133,521</u>
<u>378,996,882</u>	<u>52,768,689</u>	<u>425,451,143</u>	<u>205,692,775</u>	<u>19,778,449</u>	<u>413,184,231</u>	<u>239,048,261</u>
118,319,027	14,530,827	130,557,491	58,594,300	12,917,894	123,160,358	90,962,816
<u>65,322,307</u>	<u>3,134,682</u>	<u>65,099,766</u>	<u>29,737,726</u>	<u>1,558,192</u>	<u>53,649,536</u>	<u>24,238,776</u>
-	-	-	-	-	-	-
183,641,334	17,665,509	195,657,257	88,332,026	14,476,086	176,809,894	115,201,592
<u>36,312,147</u>	<u>508,078</u>	<u>61,806,689</u>	<u>15,356,652</u>	<u>3,402,375</u>	<u>24,729,449</u>	<u>8,927,139</u>
147,329,187	17,157,431	133,850,568	72,975,374	11,073,711	152,080,445	106,274,453
<u>49,761,362</u>	<u>914,715</u>	<u>58,908,983</u>	<u>40,247,140</u>	<u>1,199,436</u>	<u>34,498,801</u>	<u>22,626,562</u>
<u>197,090,549</u>	<u>18,072,146</u>	<u>192,759,551</u>	<u>113,222,514</u>	<u>12,273,147</u>	<u>186,579,246</u>	<u>128,901,015</u>
\$ <u>181,906,333</u>	\$ <u>34,696,543</u>	\$ <u>232,691,592</u>	\$ <u>92,470,261</u>	\$ <u>7,505,302</u>	\$ <u>226,604,985</u>	\$ <u>110,147,246</u>

Anne Arundel County, Maryland

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

Non Major Capital Project Funds

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
ENERGY REVOLVING LOAN				
Revenues				
Investment income	\$ -	\$ -	\$ 3,306	\$ 3,306
Other	-	-	175,921	175,921
	<u>-</u>	<u>-</u>	<u>179,227</u>	<u>179,227</u>
Expenditures				
Other	330,000	330,000	330,000	-
	<u>330,000</u>	<u>330,000</u>	<u>330,000</u>	<u>-</u>
Revenues over (under) expenditures	\$ <u><u>(330,000)</u></u>	\$ <u><u>(330,000)</u></u>	<u><u>(150,773)</u></u>	\$ <u><u>179,227</u></u>
Fund balance, budgetary, July 1			<u>460,012</u>	
Fund balance, budgetary, June 30			\$ <u><u>309,239</u></u>	

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

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

Debt Service Funds

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
NURSERY ROAD TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 7,192,000	\$ 7,192,000	\$ 6,972,641	\$ (219,359)
Investment income	25,000	25,000	45,968	20,968
	<u>7,217,000</u>	<u>7,217,000</u>	<u>7,018,609</u>	<u>(198,391)</u>
Expenditures				
General government	5,000	5,000	3,500	1,500
Interest payments on debt	24,300	24,300	24,275	25
Principal payments on debt	125,000	125,000	125,000	-
Other interfund reimbursements	7,062,700	7,062,700	6,865,834	196,866
	<u>7,217,000</u>	<u>7,217,000</u>	<u>7,018,609</u>	<u>198,391</u>
Revenues over (under) expenditures	\$ -	\$ -	-	\$ -
Fund balance, budgetary, July 1			-	
Fund balance, budgetary, June 30			<u>\$ -</u>	
WEST COUNTY TAX INCREMENT DISTRICT (NBP)				
Revenues				
General property taxes	\$ 9,290,000	\$ 9,290,000	\$ 9,261,891	\$ (28,109)
Investment income	35,000	35,000	53,521	18,521
	<u>9,325,000</u>	<u>9,325,000</u>	<u>9,315,412</u>	<u>(9,588)</u>
Expenditures				
General government	29,100	29,100	14,039	15,061
Interest payments on debt	145,200	145,200	145,200	-
Principal payments on debt	1,140,000	1,140,000	1,140,000	-
Other interfund reimbursements	8,010,700	8,035,700	8,016,173	19,527
	<u>9,325,000</u>	<u>9,350,000</u>	<u>9,315,412</u>	<u>34,588</u>
Revenues over (under) expenditures	\$ -	\$ (25,000)	-	\$ 25,000
Fund balance, budgetary, July 1			-	
Fund balance, budgetary, June 30			<u>\$ -</u>	
ARUNDEL MILLS TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 12,013,000	\$ 12,013,000	\$ 11,919,728	\$ (93,272)
Investment income	40,000	40,000	64,887	24,887
	<u>12,053,000</u>	<u>12,053,000</u>	<u>11,984,615</u>	<u>(68,385)</u>
Expenditures				
General government	29,100	39,100	15,006	24,094
Interest payments on debt	347,100	347,100	347,050	50
Principal payments on debt	2,110,000	2,110,000	2,110,000	-
Other interfund reimbursements	9,566,800	9,556,800	9,580,944	(24,144)
	<u>12,053,000</u>	<u>12,053,000</u>	<u>12,053,000</u>	<u>-</u>
Revenues (under) expenditures	\$ -	\$ -	(68,385)	\$ (68,385)
Fund balance, budgetary, July 1			176,435	
Fund balance, budgetary, June 30			<u>\$ 108,050</u>	

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

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

Debt Service Funds

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
PAROLE TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 16,434,000	\$ 16,434,000	\$ 17,228,795	\$ 794,795
Investment income	80,000	80,000	116,143	36,143
	<u>16,514,000</u>	<u>16,514,000</u>	<u>17,344,938</u>	<u>830,938</u>
Expenditures				
Other interfund reimbursements	16,514,000	17,507,000	17,352,173	154,827
	<u>16,514,000</u>	<u>17,507,000</u>	<u>17,352,173</u>	<u>154,827</u>
Revenues over (under) expenditures	\$ -	\$ (993,000)	(7,235)	\$ 985,765
Fund balance, budgetary, July 1			<u>7,235</u>	
Fund balance, budgetary, June 30			<u>\$ -</u>	
NATIONAL BUSINESS PARK NORTH TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 3,105,000	\$ 3,105,000	\$ 3,223,124	\$ 118,124
Investment income	10,000	10,000	12,260	2,260
	<u>3,115,000</u>	<u>3,115,000</u>	<u>3,235,384</u>	<u>120,384</u>
Expenditures				
General government	40,400	40,400	20,590	19,810
Interest payments on debt	827,200	827,200	827,187	13
Principal payments on debt	1,055,000	1,055,000	1,055,000	-
Other interfund reimbursements	1,192,400	1,310,400	1,330,223	(19,823)
	<u>3,115,000</u>	<u>3,233,000</u>	<u>3,233,000</u>	<u>-</u>
Revenues over (under) expenditures	\$ -	\$ (118,000)	2,384	\$ 120,384
Fund balance, budgetary, July 1			<u>307,173</u>	
Fund balance, budgetary, June 30			<u>\$ 309,557</u>	
VILLAGE SOUTH AT WAUGH CHAPEL TAX INCREMENT DISTRICT				
Revenues				
General property taxes	\$ 2,802,000	\$ 2,802,000	\$ 2,795,661	\$ (6,339)
Investment income	10,000	10,000	13,237	3,237
	<u>2,812,000</u>	<u>2,812,000</u>	<u>2,808,898</u>	<u>(3,102)</u>
Expenditures				
General government	63,600	63,600	21,783	41,817
Interest payments on debt	415,000	415,000	414,931	69
Principal payments on debt	535,000	535,000	535,000	-
Other interfund reimbursements	1,798,400	1,845,000	1,823,439	21,561
	<u>2,812,000</u>	<u>2,858,600</u>	<u>2,795,153</u>	<u>63,447</u>
Revenues (under) expenditures	\$ -	\$ (46,600)	13,745	\$ 60,345
Fund balance, budgetary, July 1			<u>18,889</u>	
Fund balance, budgetary, June 30			<u>\$ 32,634</u>	

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

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

Debt Service Funds

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
SPECIAL TAXING DISTRICTS				
Revenues				
Special assessments	\$ 315,036	\$ 315,036	\$ 436,667	\$ 121,631
Expenditures				
Principal payments on debt	202,260	202,260	202,260	-
Other	1,340,561	1,340,561	65,951	1,274,610
	<u>1,542,821</u>	<u>1,542,821</u>	<u>268,211</u>	<u>1,274,610</u>
Revenues over (under) expenditures	\$ <u>(1,227,785)</u>	\$ <u>(1,227,785)</u>	168,456	\$ <u>1,396,241</u>
Fund balance, budgetary, July 1			<u>1,293,144</u>	
Fund balance, budgetary, June 30			\$ <u>1,461,600</u>	
INSTALLMENT PURCHASE AGREEMENTS				
Revenues				
Investment income	\$ -	\$ -	\$ 185,690	\$ 185,690
Other	736,100	736,100	736,100	-
	<u>736,100</u>	<u>736,100</u>	<u>921,790</u>	<u>185,690</u>
Expenditures				
Interest payments on debt	716,100	716,100	716,030	70
Principal payments on debt	20,000	20,000	20,000	-
	<u>736,100</u>	<u>736,100</u>	<u>736,030</u>	<u>70</u>
Revenues over (under) expenditures	\$ <u>-</u>	\$ <u>-</u>	185,760	\$ <u>185,760</u>
Fund balance, budgetary, July 1			<u>12,032,427</u>	
Fund balance, budgetary, June 30			\$ <u>12,218,187</u>	

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

Anne Arundel County, Maryland

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

Special Taxing Districts Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Amberly- Waterway	\$ 7,368	\$ 7,368	\$ 7,384	\$ 16
Annapolis Cove - Erosion	12,419	12,419	12,310	(109)
Arundel on the Bay - Erosion	44,340	44,340	59,188	14,848
Bay Ridge - Erosion	99,819	99,819	180,585	80,766
Camp Wabanna - Erosion	9,687	9,687	9,714	27
Cape Anne - Erosion	5,791	5,791	7,123	1,332
Columbia Beach - Erosion	60,664	60,664	73,902	13,238
Elizabeths Landing - Erosion	2,742	2,742	5,541	2,799
Holland Point - Erosion	57,066	57,066	64,263	7,197
Snug Harbor - Erosion	8,229	8,229	9,458	1,229
Whitehall - Waterway	6,911	6,911	7,199	288
Total revenues	<u>\$ 315,036</u>	<u>\$ 315,036</u>	<u>\$ 436,667</u>	<u>\$ 121,631</u>
EXPENDITURES				
Amberly- Waterway	\$ 6,568	\$ 6,568	\$ 5,766	\$ 802
Annapolis Cove - Erosion	12,419	12,419	12,411	8
Arundel on the Bay - Erosion	478,456	478,456	34,550	443,906
Bay Ridge - Erosion	667,687	667,687	65,081	602,606
Camp Wabanna - Erosion	9,688	9,688	9,687	1
Cape Anne - Erosion	8,391	8,391	8,391	-
Columbia Beach - Erosion	247,938	247,938	55,664	192,274
Elizabeths Landing - Erosion	6,268	6,268	6,268	-
Holland Point - Erosion	90,266	90,266	57,266	33,000
Snug Harbor - Erosion	8,229	8,229	6,216	2,013
Whitehall - Waterway	6,911	6,911	6,911	-
Total expenditures	<u>\$ 1,542,821</u>	<u>\$ 1,542,821</u>	<u>\$ 268,211</u>	<u>\$ 1,274,610</u>

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

Proprietary Funds

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

Enterprise Funds

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

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

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

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

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

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

Internal Service Funds

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

Health Insurance – This fund accounts for the health insurance activity of the County, which is primarily self-insured for medical benefits. Premiums are received from County funds and some component units and disbursements are made to claims administrators or insurers.

Central Garage and Transportation – This fund accounts for the operation of the County's garages and motor pool. Revenues consist of charges to County funds for lease charges, vehicle repair, and gasoline usage.

Garage Vehicle Replacement – This fund accounts for a replacement reserve for the County's motor pool. Revenues consist of charges to County funds for replacement of vehicles.

Anne Arundel County, Maryland
Combining Schedule of Net Position
Water and Wastewater Fund
June 30, 2025

	Operating	Debt Service	Capital Projects	Total
ASSETS				
Current assets				
Cash and investments	\$ 23,175,435	\$ -	\$ 104,874,141	\$ 128,049,576
Service billings receivable	27,093,971	-	-	27,093,971
Inventories	3,840,307	-	-	3,840,307
Lease receivable	4,393,066	-	-	4,393,066
Other	41,210	-	-	41,210
Restricted for debt service and capital projects				
Cash and temporary investments	-	17,187,932	-	17,187,932
Investments	-	231,272,681	-	231,272,681
Receivables				
Due from other governmental agencies	-	-	489,778	489,778
Other, net	-	16,049,970	-	16,049,970
Total current assets	<u>58,543,989</u>	<u>264,510,583</u>	<u>105,363,919</u>	<u>428,418,491</u>
Noncurrent assets				
Restricted assets				
Deferred connection and assessment charges	-	20,687,905	-	20,687,905
Capital assets				
Land and buildings	49,404,838	-	-	49,404,838
Water and sewer plants	1,370,950,235	-	-	1,370,950,235
Water and sewer lines	1,368,340,121	-	-	1,368,340,121
Machinery and equipment	23,646,160	-	-	23,646,160
	2,812,341,354	-	-	2,812,341,354
Less accumulated depreciation	<u>(1,269,263,478)</u>	<u>-</u>	<u>-</u>	<u>(1,269,263,478)</u>
	1,543,077,876	-	-	1,543,077,876
Construction work in progress	2,239,604	-	328,790,452	331,030,056
Total capital assets, net of depreciation	<u>1,545,317,480</u>	<u>-</u>	<u>328,790,452</u>	<u>1,874,107,932</u>
Total noncurrent assets	<u>1,545,317,480</u>	<u>20,687,905</u>	<u>328,790,452</u>	<u>1,894,795,837</u>
Total assets	<u>1,603,861,469</u>	<u>285,198,488</u>	<u>434,154,371</u>	<u>2,323,214,328</u>
DEFERRED OUTFLOW OF RESOURCES				
Pension benefits	9,680,511	-	-	9,680,511
OPEB benefits	5,365,688	-	-	5,365,688
Total deferred outflow of resources	<u>15,046,199</u>	<u>-</u>	<u>-</u>	<u>15,046,199</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	8,382,088	-	22,520,066	30,902,154
Current portion of long-term debt and obligations	43,843,433	9,124,882	-	52,968,315
Accrued liability for compensated absences	2,774,056	-	-	2,774,056
Due to other funds	756,177	-	-	756,177
Lease payable	49,938	-	-	49,938
Escrow deposits	342,378	-	333,908	676,286
Liabilities related to restricted assets				
Accounts payable and accrued liabilities	-	9,150,251	-	9,150,251
Unearned revenue	-	531,555	-	531,555
Total current liabilities	<u>56,148,070</u>	<u>18,806,688</u>	<u>22,853,974</u>	<u>97,808,732</u>
Noncurrent liabilities				
Accrued liability for compensated absences	266,480	-	-	266,480
Net pension liability	65,471,738	-	-	65,471,738
Net OPEB liability	21,187,861	-	-	21,187,861
Long-term leases payable	64,213	-	-	64,213
Long-term debt	429,391,395	91,901,524	365,786,673	887,079,592
Total noncurrent liabilities	<u>516,381,687</u>	<u>91,901,524</u>	<u>365,786,673</u>	<u>974,069,884</u>
Total liabilities	<u>572,529,757</u>	<u>110,708,212</u>	<u>388,640,647</u>	<u>1,071,878,616</u>
DEFERRED INFLOW OF RESOURCES				
OPEB benefits	20,994,635	-	-	20,994,635
Lease related	4,017,645	-	-	4,017,645
Unamortized deferred refunding gain	-	11,398,367	-	11,398,367
Total deferred inflow of resources	<u>25,012,280</u>	<u>11,398,367</u>	<u>-</u>	<u>36,410,647</u>
NET POSITION				
Net investment in capital assets	1,069,569,866	(112,424,773)	10,265,618	967,410,711
Restricted for debt service	-	275,516,682	-	275,516,682
Restricted for capital improvements	-	-	489,778	489,778
Unrestricted	<u>(48,204,235)</u>	<u>-</u>	<u>34,758,328</u>	<u>(13,445,907)</u>
Total net position	<u>\$ 1,021,365,631</u>	<u>\$ 163,091,909</u>	<u>\$ 45,513,724</u>	<u>\$ 1,229,971,264</u>

Anne Arundel County, Maryland

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

Water and Wastewater Fund

Year Ended June 30, 2025

	Operating	Debt Service	Capital Projects	Total
OPERATING REVENUES				
Charges for services	\$ 113,112,320	\$ -	\$ -	\$ 113,112,320
Other revenues	9,886,630	-	-	9,886,630
Total operating revenues	<u>122,998,950</u>	<u>-</u>	<u>-</u>	<u>122,998,950</u>
OPERATING EXPENSES				
Personnel services	44,682,047	-	-	44,682,047
Contractual services	62,732,457	-	-	62,732,457
Supplies and materials	14,120,172	-	-	14,120,172
Business and travel	263,626	-	-	263,626
Depreciation	67,150,483	-	-	67,150,483
Other	14,386,092	-	-	14,386,092
Total operating expenses	<u>203,334,877</u>	<u>-</u>	<u>-</u>	<u>203,334,877</u>
Operating loss	(80,335,927)	-	-	(80,335,927)
NONOPERATING REVENUES (EXPENSES)				
Investment income	267,864	9,860,640	-	10,128,504
Interest on long-term receivables	-	346,100	-	346,100
Other revenues	-	11,036,138	-	11,036,138
Other expenses	-	(1,006,133)	-	(1,006,133)
Interest expense	-	(36,797,206)	-	(36,797,206)
Gain (loss) on the disposal of assets	(2,366)	-	-	(2,366)
Loss before contributions and transfers	<u>(80,070,429)</u>	<u>(16,560,461)</u>	<u>-</u>	<u>(96,630,890)</u>
Capital contributions and grants	6,348,467	31,048,560	5,081,717	42,478,744
Environmental protection fees	-	35,814,412	-	35,814,412
Interfund transfers (General County Capital Projects)	(1,170,000)	-	-	(1,170,000)
Intrafund transfers	78,484,746	(52,023,735)	(26,461,011)	-
Change in net position	3,592,784	(1,721,224)	(21,379,294)	(19,507,734)
Net position, July 1	1,018,015,923	164,813,133	66,893,018	1,249,722,074
Change in accounting principle	(243,076)	-	-	(243,076)
Net position, July 1 (as restated)	<u>1,017,772,847</u>	<u>164,813,133</u>	<u>66,893,018</u>	<u>1,249,478,998</u>
Net position, June 30	<u>\$ 1,021,365,631</u>	<u>\$ 163,091,909</u>	<u>\$ 45,513,724</u>	<u>\$ 1,229,971,264</u>

Anne Arundel County, Maryland

Combining Schedule of Cash Flows

Water and Wastewater Fund

Year Ended June 30, 2025

	<u>Operating</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Water and Wastewater</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 118,576,296	\$ -	\$ -	\$ 118,576,296
Cash payments to suppliers for goods and services	(92,842,287)	-	-	(92,842,287)
Cash payments to employees for services	(43,203,212)	-	-	(43,203,212)
Net cash provided by operating activities	<u>(17,469,203)</u>	<u>-</u>	<u>-</u>	<u>(17,469,203)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash paid to General County Capital Projects	(1,170,000)	-	-	(1,170,000)
Cash paid to other funds	235,392	-	-	235,392
Net cash used for noncapital financing activities	<u>(934,608)</u>	<u>-</u>	<u>-</u>	<u>(934,608)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of County bonds	-	-	84,235,000	84,235,000
Proceeds from grant funds	-	-	4,577,288	4,577,288
Proceeds from loan	-	-	114	114
Proceeds from developers' contributions	-	-	697,186	697,186
Refunds to developers	-	-	(169,975)	(169,975)
Assessment and connection charges	-	39,269,345	-	39,269,345
Environmental protection fees for capital assets	-	35,814,412	-	35,814,412
Payments of long-term debt	-	(41,557,734)	-	(41,557,734)
Interest payments	-	(45,338,302)	-	(45,338,302)
Operating funds used in construction	-	-	5,895,000	5,895,000
Acquisition and construction of capital assets	15,115,324	-	(89,604,750)	(74,489,426)
Premium on sale of bonds	-	10,952,788	5,556,000	16,508,788
Payment of capital related fees	-	(173,247)	-	(173,247)
Transfer to Capital Projects	-	(10,952,788)	-	(10,952,788)
Net cash provided (used) by capital and related financing activities	<u>15,115,324</u>	<u>(11,985,526)</u>	<u>11,185,863</u>	<u>14,315,661</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of investment securities	-	(112,313,585)	-	(112,313,585)
Sale of investment securities	-	108,418,081	-	108,418,081
Investment income received	267,864	9,860,640	-	10,128,504
Net cash provided (used) by investing activities	<u>267,864</u>	<u>5,965,136</u>	<u>-</u>	<u>6,233,000</u>
Net decrease in cash and cash equivalents	(3,020,623)	(6,020,390)	11,185,863	2,144,850
Cash and temporary investments, July 1	26,196,058	23,208,322	93,688,278	143,092,658
Cash and temporary investments, June 30	<u>\$ 23,175,435</u>	<u>\$ 17,187,932</u>	<u>\$ 104,874,141</u>	<u>\$ 145,237,508</u>

Anne Arundel County, Maryland
Combining Schedule of Cash Flows
Water and Wastewater Fund
Year Ended June 30, 2025

	<u>Operating</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Water and Wastewater</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating loss	\$ (80,335,927)	\$ -	\$ -	\$ (80,335,927)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation	67,150,483	-	-	67,150,483
Effect of changes in operating assets, deferred outflows, liabilities and deferred inflows				
Accounts receivable	(3,024,017)	-	-	(3,024,017)
Prepaid expenses	13,992	-	-	13,992
Inventories	(1,168,373)	-	-	(1,168,373)
Accounts payable and accrued liabilities	(226,130)	-	-	(226,130)
Escrow deposits	40,571	-	-	40,571
Accrued liability for compensated absences	284,141	-	-	284,141
Accrued liability for pension	(1,889,847)	-	-	(1,889,847)
Deferred outflow of resources	8,705,782	-	-	8,705,782
Deferred inflow of resources	(3,460,229)	-	-	(3,460,229)
Accrued liability for OPEB benefits	(3,559,649)	-	-	(3,559,649)
Net cash provided (used) by operating activities	\$ <u>(17,469,203)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(17,469,203)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Contributions of capital assets from developers	\$ 6,348,467	\$ -	\$ -	\$ 6,348,467
Change in capital contributions, fees and grants; accruals and deferrals	-	(12,689,813)	(82,549)	(12,772,362)
Decrease in fair value of investments	-	(2,167,783)	-	(2,167,783)
Debt refunding	-	-	66,950,000	66,950,000
Effect of accounts and retainages payable on capital assets	-	-	3,967,050	3,967,050
Initiation of leases	55,728	-	-	55,728
Amortization of refunding losses	-	72,253	-	72,253

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

Enterprise Funds

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
WATER AND WASTEWATER OPERATIONS				
Revenues				
Charges for services	\$ 109,745,000	\$ 109,745,000	\$ 113,489,559	\$ 3,744,559
Grants and aid	2,509,500	2,509,500	3,363,596	854,096
Expense recoveries	3,227,400	3,227,400	4,413,350	1,185,950
Investment income	100,000	100,000	267,864	167,864
Rental income, penalty charges and other	5,111,300	5,111,300	7,122,029	2,010,729
	<u>120,693,200</u>	<u>120,693,200</u>	<u>128,656,398</u>	<u>7,963,198</u>
Expenses				
Personal services	48,175,600	47,817,600	47,821,303	(3,703)
Contractual services	39,095,700	39,005,600	39,357,816	(352,216)
Supplies and materials	14,268,800	14,745,500	14,627,570	117,930
Business and travel	294,500	296,000	263,626	32,374
Capital outlay	2,080,200	2,050,100	2,202,550	(152,450)
Administrative costs	14,665,700	14,665,700	14,150,700	515,000
Pay-as-you-go	7,065,000	7,065,000	7,065,000	-
	<u>125,645,500</u>	<u>125,645,500</u>	<u>125,488,565</u>	<u>156,935</u>
Revenues over (under) expenditures	\$ <u><u>(4,952,300)</u></u>	\$ <u><u>(4,952,300)</u></u>	\$ <u><u>3,167,833</u></u>	\$ <u><u>8,120,133</u></u>
WATER AND WASTEWATER DEBT SERVICE				
Revenues				
Water and sewer assessments	\$ 1,595,700	\$ 1,595,700	\$ 1,651,950	\$ 56,250
Capital connection charges	31,712,300	31,712,300	26,675,215	(5,037,085)
Environmental protection fees	35,051,400	35,051,400	35,814,412	763,012
Investment income	2,847,600	2,847,600	6,761,290	3,913,690
Other	2,579,800	2,579,800	2,414,042	(165,758)
	<u>73,786,800</u>	<u>73,786,800</u>	<u>73,316,909</u>	<u>(469,891)</u>
Expenses				
Principal payments on debt	41,563,700	41,563,700	41,557,734	5,966
Interest expense	36,261,600	36,261,600	36,258,328	3,272
Other	1,375,000	1,375,000	973,402	401,598
	<u>79,200,300</u>	<u>79,200,300</u>	<u>78,789,464</u>	<u>410,836</u>
Revenues over (under) expenditures	\$ <u><u>(5,413,500)</u></u>	\$ <u><u>(5,413,500)</u></u>	\$ <u><u>(5,472,555)</u></u>	\$ <u><u>(59,055)</u></u>

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

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

Enterprise Funds

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
SOLID WASTE				
Revenues				
Charges for services	\$ 69,623,900	\$ 69,623,900	\$ 69,263,827	\$ (360,073)
Landfill charges	11,098,700	11,098,700	9,171,965	(1,926,735)
Other	445,600	445,600	914,877	469,277
	<u>81,168,200</u>	<u>81,168,200</u>	<u>79,350,669</u>	<u>(1,817,531)</u>
Expenses				
Personal services	9,781,900	9,781,900	9,654,386	127,514
Contractual services	55,399,900	56,748,900	56,626,152	122,748
Supplies and materials	805,100	805,100	679,039	126,061
Business and travel	21,600	21,600	19,603	1,997
Capital outlay	1,758,900	1,478,900	1,472,538	6,362
Principal payments on debt	3,654,100	3,654,200	3,654,129	71
Interest expense	2,275,500	2,275,500	2,275,472	28
Administrative costs	4,498,300	4,498,300	4,498,300	-
Contributions to other funds	1,324,200	1,324,200	1,324,200	-
Other	521,700	221,600	215,739	5,861
Capital improvements	1,312,500	1,312,500	1,312,500	-
	<u>81,353,700</u>	<u>82,122,700</u>	<u>81,732,058</u>	<u>390,642</u>
Revenues over (under) expenditures	<u>\$ (185,500)</u>	<u>\$ (954,500)</u>	<u>\$ (2,381,389)</u>	<u>\$ (1,426,889)</u>
CHILD CARE				
Revenues				
Child care fees	\$ 8,556,600	\$ 8,556,600	\$ 8,146,555	\$ (410,045)
Other	-	-	1,031	1,031
	<u>8,556,600</u>	<u>8,556,600</u>	<u>8,147,586</u>	<u>(409,014)</u>
Expenses				
Personal services	6,265,700	6,265,700	6,292,909	(27,209)
Contractual services	264,900	354,900	314,051	40,849
Supplies and materials	464,600	374,600	250,145	124,455
Business and travel	36,000	36,000	22,706	13,294
Capital outlay	9,000	9,000	1,297	7,703
Other	1,150,500	1,150,500	1,150,500	-
	<u>8,190,700</u>	<u>8,190,700</u>	<u>8,031,608</u>	<u>159,092</u>
Revenues over (under) expenditures	<u>\$ 365,900</u>	<u>\$ 365,900</u>	<u>\$ 115,978</u>	<u>\$ (249,922)</u>

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

Anne Arundel County, Maryland

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

Enterprise Capital Projects Funds

Year Ended June 30, 2025

				Water and
	Total Water and Wastewater	Capital Projects	Water Normal Extensions	Total
AUTHORIZED PER ORIGINAL BUDGET				
County bonds	\$ 1,057,439,579	\$ 417,076,531	\$ 2,477,031	\$ 419,553,562
Maryland Water Quality Loan	1,784,155	1,784,155	-	1,784,155
Grants and aid	48,882,752	5,312,752	-	5,312,752
Pay-as-you-go	78,248,549	11,794,038	-	11,794,038
Contributions by developers	2,793,287	430,000	-	430,000
Other sources	55,121,000	6,705,000	-	6,705,000
Total	<u>\$ 1,244,269,322</u>	<u>\$ 443,102,476</u>	<u>\$ 2,477,031</u>	<u>\$ 445,579,507</u>
AUTHORIZED PER FINAL BUDGET				
County bonds	\$ 979,935,023	\$ 408,311,326	\$ 2,477,031	\$ 410,788,357
Maryland Water Quality Loan	1,784,155	1,784,155	-	1,784,155
Grants and aid	44,962,945	5,312,752	-	5,312,752
Pay-as-you-go	76,511,853	11,340,460	-	11,340,460
Contributions by developers	2,793,287	430,000	-	430,000
Other sources	52,721,000	6,305,000	-	6,305,000
Total	1,158,708,263	433,483,693	2,477,031	435,960,724
Less: Completed projects	83,205,822	28,877,241	4,698	28,881,939
	<u>1,075,502,441</u>	<u>404,606,452</u>	<u>2,472,333</u>	<u>407,078,785</u>
REALIZED				
Current year:				
Bonds and bond anticipation notes	84,235,000	27,147,573	553,622	27,701,195
Proceeds from State loan	114	114	-	114
Grants and aid	4,494,739	644,569	-	644,569
Pay-as-you-go	5,894,999	1,826,812	-	1,826,812
Developer contributions	41,728	-	-	-
Other source	6,101,250	(148,726)	-	(148,726)
Total	100,767,830	29,470,342	553,622	30,023,964
Prior years	476,055,655	105,372,651	444,944	105,817,595
Total realized funding sources	576,823,485	134,842,993	998,566	135,841,559
Less: Completed projects	83,041,998	28,773,303	4,698	28,778,001
	<u>493,781,487</u>	<u>106,069,690</u>	<u>993,868</u>	<u>107,063,558</u>
Funding sources authorized - June 30, 2025	<u>\$ 581,720,954</u>	<u>\$ 298,536,762</u>	<u>\$ 1,478,465</u>	<u>\$ 300,015,227</u>

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

Wastewater					
	Wastewater				
	Capital Projects	Normal Extension	Total	Oversize Connections	Solid Waste
\$	464,302,717	\$ 1,079,990	\$ 465,382,707	\$ 172,503,310	\$ 49,973,910
	-	-	-	-	-
	35,406,000	-	35,406,000	8,164,000	-
	18,505,398	-	18,505,398	47,949,113	6,047,902
	-	-	-	2,363,287	-
	26,994,000	-	26,994,000	21,422,000	750,000
\$	<u>545,208,115</u>	<u>\$ 1,079,990</u>	<u>\$ 546,288,105</u>	<u>\$ 252,401,710</u>	<u>\$ 56,771,812</u>
\$	408,871,893	\$ 1,052,196	\$ 409,924,089	\$ 159,222,577	\$ 49,850,473
	-	-	-	-	-
	31,486,193	-	31,486,193	8,164,000	-
	18,212,925	-	18,212,925	46,958,468	6,047,902
	-	-	-	2,363,287	-
	24,994,000	-	24,994,000	21,422,000	750,000
	483,565,011	1,052,196	484,617,207	238,130,332	56,648,375
	20,447,145	4,440	20,451,585	33,872,298	1,594,127
	463,117,866	1,047,756	464,165,622	204,258,034	55,054,248
	33,191,507	50,524	33,242,031	23,291,774	7,600,000
	-	-	-	-	-
	1,352,319	-	1,352,319	2,497,851	-
	1,151,802	-	1,151,802	2,916,385	1,141,000
	-	-	-	41,728	-
	3,049,976	-	3,049,976	3,200,000	-
	38,745,604	50,524	38,796,128	31,947,738	8,741,000
	243,888,003	45,065	243,933,068	126,304,992	32,208,614
	282,633,607	95,589	282,729,196	158,252,730	40,949,614
	20,387,259	4,440	20,391,699	33,872,298	1,594,127
	262,246,348	91,149	262,337,497	124,380,432	39,355,487
\$	<u>200,871,518</u>	<u>\$ 956,607</u>	<u>\$ 201,828,125</u>	<u>\$ 79,877,602</u>	<u>\$ 15,698,761</u>

Anne Arundel County, Maryland

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

Enterprise Capital Projects Funds

Year Ended June 30, 2025

	Water and			
	Total Water and Wastewater	Capital Projects	Water Normal Extensions	Total
APPROPRIATIONS				
Original Budget	\$ <u>1,244,269,322</u>	\$ <u>443,102,476</u>	\$ <u>2,477,031</u>	\$ <u>445,579,507</u>
Final Budget:				
Prior years	\$ 881,839,663	\$ 303,336,692	\$ 1,317,032	\$ 304,653,724
Current year	<u>276,868,603</u>	<u>130,146,999</u>	<u>1,160,001</u>	<u>131,307,000</u>
	1,158,708,266	433,483,691	2,477,033	435,960,724
Less: Completed projects	<u>83,205,822</u>	<u>28,877,241</u>	<u>4,698</u>	<u>28,881,939</u>
Total appropriations	<u>1,075,502,444</u>	<u>404,606,450</u>	<u>2,472,335</u>	<u>407,078,785</u>
EXPENDITURES AND ENCUMBRANCES				
Prior years expenditures	403,478,371	86,165,506	446,093	86,611,599
Current year expenditures	<u>93,651,567</u>	<u>20,556,945</u>	<u>552,473</u>	<u>21,109,418</u>
	497,129,938	106,722,451	998,566	107,721,017
Less: Completed projects	<u>83,041,998</u>	<u>28,773,303</u>	<u>4,698</u>	<u>28,778,001</u>
Total	414,087,940	77,949,148	993,868	78,943,016
Encumbrances outstanding	<u>153,449,494</u>	<u>20,473,645</u>	<u>461,941</u>	<u>20,935,586</u>
Total expenditures and encumbrances	<u>567,537,434</u>	<u>98,422,793</u>	<u>1,455,809</u>	<u>99,878,602</u>
Unencumbered appropriations - June 30, 2025	\$ <u>507,965,010</u>	\$ <u>306,183,657</u>	\$ <u>1,016,526</u>	\$ <u>307,200,183</u>

Wastewater				
	Wastewater			
Capital Projects	Normal Extension	Total	Oversize Connections	Solid Waste
\$ <u>545,208,115</u>	\$ <u>1,079,990</u>	\$ <u>546,288,105</u>	\$ <u>252,401,710</u>	\$ <u>56,771,812</u>
\$ <u>382,945,411</u>	\$ <u>943,196</u>	\$ <u>383,888,607</u>	\$ <u>193,297,332</u>	\$ <u>56,810,375</u>
<u>100,619,601</u>	<u>109,000</u>	<u>100,728,601</u>	<u>44,833,002</u>	<u>(162,000)</u>
<u>483,565,012</u>	<u>1,052,196</u>	<u>484,617,208</u>	<u>238,130,334</u>	<u>56,648,375</u>
<u>20,447,145</u>	<u>4,440</u>	<u>20,451,585</u>	<u>33,872,298</u>	<u>1,594,127</u>
<u>463,117,867</u>	<u>1,047,756</u>	<u>464,165,623</u>	<u>204,258,036</u>	<u>55,054,248</u>
<u>190,908,615</u>	<u>45,065</u>	<u>190,953,680</u>	<u>125,913,092</u>	<u>22,944,128</u>
<u>40,832,033</u>	<u>50,524</u>	<u>40,882,557</u>	<u>31,659,592</u>	<u>13,812,215</u>
<u>231,740,648</u>	<u>95,589</u>	<u>231,836,237</u>	<u>157,572,684</u>	<u>36,756,343</u>
<u>20,387,259</u>	<u>4,440</u>	<u>20,391,699</u>	<u>33,872,298</u>	<u>1,594,127</u>
<u>211,353,389</u>	<u>91,149</u>	<u>211,444,538</u>	<u>123,700,386</u>	<u>35,162,216</u>
<u>91,022,772</u>	<u>610</u>	<u>91,023,382</u>	<u>41,490,526</u>	<u>6,702,330</u>
<u>302,376,161</u>	<u>91,759</u>	<u>302,467,920</u>	<u>165,190,912</u>	<u>41,864,546</u>
\$ <u>160,741,706</u>	\$ <u>955,997</u>	\$ <u>161,697,703</u>	\$ <u>39,067,124</u>	\$ <u>13,189,702</u>

Combining Statement of Net Position

Internal Service Funds

June 30, 2025

	Self Insurance	Health Insurance	Central Garage and Transportation	Garage Vehicle Replacement	Totals
ASSETS					
Current assets					
Cash and temporary investments	\$ 3,941,996	\$ 13,471,155	\$ 7,990,825	\$ 9,531,187	\$ 34,935,163
Investments	70,864,030	-	-	-	70,864,030
Service billings receivable	265,927	7,950,677	61,968	-	8,278,572
Due from other funds	7,910,145	-	5,633,080	-	13,543,225
Inventories	-	-	979,753	-	979,753
Other assets	1,278	-	2,975	-	4,253
Total current assets	<u>82,983,376</u>	<u>21,421,832</u>	<u>14,668,601</u>	<u>9,531,187</u>	<u>128,604,996</u>
Noncurrent assets					
Capital assets					
Land and buildings	-	-	2,073,990	-	2,073,990
Machinery and equipment	6,773	-	677,890	98,229,752	98,914,415
	6,773	-	2,751,880	98,229,752	100,988,405
Less accumulated depreciation	(1,326)	-	(2,431,018)	(69,690,959)	(72,123,303)
Total capital assets, net of depreciation	<u>5,447</u>	<u>-</u>	<u>320,862</u>	<u>28,538,793</u>	<u>28,865,102</u>
Total noncurrent assets	<u>5,447</u>	<u>-</u>	<u>320,862</u>	<u>28,538,793</u>	<u>28,865,102</u>
Total assets	<u>82,988,823</u>	<u>21,421,832</u>	<u>14,989,463</u>	<u>38,069,980</u>	<u>157,470,098</u>
DEFERRED OUTFLOW OF RESOURCES					
Pension benefits	539,965	-	1,320,878	-	1,860,843
OPEB benefits	277,726	-	852,002	-	1,129,728
Total deferred outflows	<u>817,691</u>	<u>-</u>	<u>2,172,880</u>	<u>-</u>	<u>2,990,571</u>
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	220,082	871,706	312,040	183,834	1,587,662
Current portion of long-term obligations	21,396,474	7,136,445	-	-	28,532,919
Accrued liability for compensated absences	109,947	-	398,350	-	508,297
Lease payable	1,692	-	2,402	-	4,094
Total current liabilities	<u>21,728,195</u>	<u>8,008,151</u>	<u>712,792</u>	<u>183,834</u>	<u>30,632,972</u>
Noncurrent liabilities					
Unpaid claims	57,749,599	-	-	-	57,749,599
Accrued liability for compensated absences	10,071	-	-	-	10,071
Accrued liability for pension benefits	2,677,981	-	10,196,935	-	12,874,916
Accrued liability for OPEB	552,066	-	2,999,359	-	3,551,425
Lease payable	3,845	-	2,771	-	6,616
Total noncurrent liabilities	<u>60,993,562</u>	<u>-</u>	<u>13,199,065</u>	<u>-</u>	<u>74,192,627</u>
Total liabilities	<u>82,721,757</u>	<u>8,008,151</u>	<u>13,911,857</u>	<u>183,834</u>	<u>104,825,599</u>
DEFERRED INFLOW OF RESOURCES					
OPEB benefits	1,094,828	-	3,271,121	-	4,365,949
Total deferred inflows	<u>1,094,828</u>	<u>-</u>	<u>3,271,121</u>	<u>-</u>	<u>4,365,949</u>
NET POSITION					
Net investment in capital assets	(90)	-	315,689	28,538,793	28,854,392
Unrestricted	(9,981)	13,413,681	(336,324)	9,347,353	22,414,729
Total net position	<u>\$ (10,071)</u>	<u>\$ 13,413,681</u>	<u>\$ (20,635)</u>	<u>\$ 37,886,146</u>	<u>\$ 51,269,121</u>

Anne Arundel County, Maryland

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

Internal Service Funds

Year Ended June 30, 2025

	Self Insurance	Health Insurance	Central Garage and Transportation	Garage Vehicle Replacement	Totals
OPERATING REVENUES					
Charges for services	\$ 35,069,659	\$ -	\$ 18,424,286	\$ 11,299,479	\$ 64,793,424
Medical premiums	-	109,104,097	-	-	109,104,097
Other	-	12,587,968	-	99,495	12,687,463
Total operating revenues	<u>35,069,659</u>	<u>121,692,065</u>	<u>18,424,286</u>	<u>11,398,974</u>	<u>186,584,984</u>
OPERATING EXPENSES					
Personnel services	2,033,849	14,000,000	6,812,587	-	22,846,436
Contractual services	315,881	854,346	1,628,301	18,160	2,816,688
Supplies and materials	102,445	11,723	212,598	1,939,565	2,266,331
Business and travel	23,782	1,488	15,313	-	40,583
Cost of goods issued	-	-	9,177,289	-	9,177,289
Depreciation	1,568	-	126,633	9,394,513	9,522,714
Provision for claims and estimated losses	38,467,139	116,181,216	-	-	154,648,355
Other	278,000	1,066,000	455,967	42,300	1,842,267
Total operating expenses	<u>41,222,664</u>	<u>132,114,773</u>	<u>18,428,688</u>	<u>11,394,538</u>	<u>203,160,663</u>
Operating income (loss)	<u>(6,153,005)</u>	<u>(10,422,708)</u>	<u>(4,402)</u>	<u>4,436</u>	<u>(16,575,679)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment income	6,151,043	231,067	-	-	6,382,110
Gain (loss) on disposal of assets	-	-	-	959,063	959,063
Loss before transfers	(1,962)	(10,191,641)	(4,402)	963,499	(9,234,506)
Transfer to OPEB Trust	-	-	-	-	-
Change in net position	(1,962)	(10,191,641)	(4,402)	963,499	(9,234,506)
Net position, July 1	74	23,605,322	-	36,922,647	60,528,043
Change in accounting principle	(8,183)	-	(16,233)	-	(24,416)
Net position, July 1 (as restated)	(8,109)	23,605,322	(16,233)	36,922,647	60,503,627
Net position, June 30	<u>\$ (10,071)</u>	<u>\$ 13,413,681</u>	<u>\$ (20,635)</u>	<u>\$ 37,886,146</u>	<u>\$ 51,269,121</u>

Anne Arundel County, Maryland

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2025

	Self Insurance	Health Insurance	Central Garage and Transportation	Garage Vehicle Replacement	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 21,709,600	\$ 122,609,429	\$ 20,310,576	\$ 11,398,974	\$ 176,028,579
Cash payments to suppliers for goods and services	(543,873)	(864,774)	(11,503,621)	(1,957,725)	(14,869,993)
Cash payments for insurance claims	(23,494,376)	(129,137,741)	-	-	(152,632,117)
Cash payments from vendor for deposit	-	-	-	-	-
Cash payments to employees for services	(1,991,548)	-	(6,638,903)	-	(8,630,451)
Other operating receipts	-	-	-	-	-
Other operating payments	(278,000)	(1,066,000)	(455,968)	(42,300)	(1,842,268)
Net cash provided (used) by operating activities	<u>(4,598,197)</u>	<u>(8,459,086)</u>	<u>1,712,084</u>	<u>9,398,949</u>	<u>(1,946,250)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	-	-	(19,141)	(9,496,796)	(9,515,937)
Proceeds from leases	-	-	3,597	-	3,597
Lease financing payments	-	-	(2,291)	-	(2,291)
Proceeds from sale of equipment	-	-	-	959,063	959,063
Net cash used for capital and related financing activities	<u>-</u>	<u>-</u>	<u>(17,835)</u>	<u>(8,537,733)</u>	<u>(8,555,568)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment securities	(228,384,015)	-	-	-	(228,384,015)
Sale of investment securities	228,168,865	-	-	-	228,168,865
Investment income received	6,004,133	231,067	-	-	6,235,200
Net cash provided (used) by investing activities	<u>5,788,983</u>	<u>231,067</u>	<u>-</u>	<u>-</u>	<u>6,020,050</u>
Net increase (decrease) in cash and cash equivalents	1,190,786	(8,228,019)	1,694,249	861,216	(4,481,768)
Cash and temporary investments, July 1	2,751,210	21,699,174	6,296,576	8,669,971	39,416,931
Cash and temporary investments, June 30	<u>\$ 3,941,996</u>	<u>\$ 13,471,155</u>	<u>\$ 7,990,825</u>	<u>\$ 9,531,187</u>	<u>\$ 34,935,163</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES					
Operating income (loss)	\$ (6,153,005)	\$ (10,422,708)	\$ (4,234)	\$ 4,436	\$ (16,575,511)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	1,568	-	126,633	9,394,513	9,522,714
Loss on disposal and other	(1,404)	-	(168)	-	(1,572)
Effect of changes in operating assets, deferred outflows, liabilities and deferred inflows					
Accounts receivable	-	917,364	1,886,290	-	2,803,654
Prepaid expenses	1,249	-	2,510	-	3,759
Inventories	-	-	(366,590)	-	(366,590)
Accounts payable and accrued expenses	(101,610)	2,783	(106,040)	-	(204,867)
Deferred outflow of resources	462,375	-	1,210,226	-	1,672,601
Deferred inflow of resources	(180,521)	-	(240,674)	-	(421,195)
Unpaid claims	14,972,763	1,043,475	-	-	16,016,238
Due from other funds	(7,910,145)	-	-	-	(7,910,145)
Due to other funds	(5,449,914)	-	-	-	(5,449,914)
Accrued liability for compensated absences	21,832	-	46,168	-	68,000
Accrued liability for OPEB benefits	(175,692)	-	(565,064)	-	(740,756)
Accrued liability for pension benefits	(85,693)	-	(276,973)	-	(362,666)
Net cash provided (used) by operating activities	<u>\$ (4,598,197)</u>	<u>\$ (8,459,086)</u>	<u>\$ 1,712,084</u>	<u>\$ 9,398,949</u>	<u>\$ (1,946,250)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Increase (decrease) in fair value of investments	\$ 620,239	\$ -	\$ -	\$ -	\$ 620,239

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

Internal Service Funds

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
SELF INSURANCE				
Revenues				
Charges for services	\$ 21,709,600	\$ 21,709,600	\$ 21,709,600	\$ -
Investment income	3,062,300	3,062,300	5,362,113	2,299,813
Reimbursements	1,200,000	1,200,000	2,966	(1,197,034)
Other	-	-	7,411	7,411
	<u>25,971,900</u>	<u>25,971,900</u>	<u>27,082,090</u>	<u>1,110,190</u>
Expenses				
Personal services	2,110,300	2,110,300	2,021,562	88,738
Contractual services	22,534,900	23,534,900	23,624,334	(89,434)
Supplies and materials	127,800	127,800	102,445	25,355
Business and travel	24,500	24,500	23,782	718
Administrative costs	1,278,000	278,000	278,000	-
	<u>26,075,500</u>	<u>26,075,500</u>	<u>26,050,123</u>	<u>25,377</u>
Revenues over (under) expenditures	<u>\$ (103,600)</u>	<u>\$ (103,600)</u>	<u>\$ 1,031,967</u>	<u>\$ 1,135,567</u>
HEALTH INSURANCE				
Revenues				
Charges for services	\$ 111,090,900	\$ 111,090,900	\$ 109,104,096	\$ (1,986,804)
Investment income	-	-	231,067	231,067
Reimbursements	-	-	159,599	159,599
Other	8,000,000	8,000,000	12,428,370	4,428,370
	<u>119,090,900</u>	<u>119,090,900</u>	<u>121,923,132</u>	<u>2,832,232</u>
Expenses				
Medical claim costs	116,305,000	116,305,000	114,778,852	1,526,148
Contractual services	971,100	971,100	837,757	133,343
Supplies and materials	17,900	17,900	14,069	3,831
Business and travel	2,600	2,600	1,488	1,112
Other	5,066,000	15,066,000	15,066,000	-
	<u>122,362,600</u>	<u>132,362,600</u>	<u>130,698,166</u>	<u>1,664,434</u>
Revenues over expenditures	<u>\$ (3,271,700)</u>	<u>\$ (13,271,700)</u>	<u>\$ (8,775,034)</u>	<u>\$ 4,496,666</u>

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

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

Internal Service Funds

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
CENTRAL GARAGE AND TRANSPORTATION				
Revenues				
Charges for services	\$ 19,034,500	\$ 19,034,500	\$ 20,313,161	\$ 1,278,661
	<u>19,034,500</u>	<u>19,034,500</u>	<u>20,313,161</u>	<u>1,278,661</u>
Expenses				
Personal services	6,856,400	6,856,400	6,685,071	171,329
Contractual services	1,855,500	1,855,500	1,628,082	227,418
Supplies and materials	10,511,100	10,811,100	9,738,518	1,072,582
Business and travel	18,800	18,800	15,313	3,487
Capital outlay	23,200	23,200	33,502	(10,302)
Other	455,800	455,800	455,800	-
	<u>19,720,800</u>	<u>20,020,800</u>	<u>18,556,286</u>	<u>1,464,514</u>
Revenues over (under) expenditures	\$ <u><u>(686,300)</u></u>	\$ <u><u>(986,300)</u></u>	\$ <u><u>1,756,875</u></u>	\$ <u><u>2,743,175</u></u>
GARAGE VEHICLE REPLACEMENT				
Revenues				
Charges for services	\$ 11,444,400	\$ 11,444,400	\$ 11,299,479	\$ (144,921)
Other	312,800	312,800	1,410,153	1,097,353
	<u>11,757,200</u>	<u>11,757,200</u>	<u>12,709,632</u>	<u>952,432</u>
Expenses				
Contractual services	38,100	38,100	18,160	19,940
Capital outlay	13,355,500	13,355,500	13,335,728	19,772
Other	42,300	42,300	42,300	-
	<u>13,435,900</u>	<u>13,435,900</u>	<u>13,396,188</u>	<u>39,712</u>
Revenues (under) expenditures	\$ <u><u>(1,678,700)</u></u>	\$ <u><u>(1,678,700)</u></u>	\$ <u><u>(686,556)</u></u>	\$ <u><u>992,144</u></u>

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

Fiduciary Funds

Post-employment Trust Funds

Defined Benefit Retirement and Pension System Plans – This fund accounts for pension investments for the four single employer plans for the County. The four plans are the Employees’ Retirement Plan, Police Service Retirement Plan, Fire Service Retirement Plan, and Detention Officers’ and Deputy Sheriffs’ Retirement Plan. The nature and the respective terms are described in detail in the footnotes to the basic financial statements.

Anne Arundel Retiree Health Benefits Trust (the OPEB Trust) – The OPEB Trust has fiduciary responsibility to administer single employer defined benefit plans for the purpose of providing retiree health benefits for three entities. The entity plans are The Anne Arundel County Plan, the Anne Arundel Community College Plan, and the Public Library Association of Annapolis and Anne Arundel County, Inc. The nature and the respective terms are described in detail in the footnotes to the basic financial statements.

Custodial Funds

Subdivision Deposits – This fund accounts for amounts placed on deposit from contractors and developers pertaining primarily to road maintenance.

Sediment Control – This fund accounts for amounts received from developers as deposits in lieu of performance bonds for construction site sediment control.

City and State Tax Collection – This fund accounts for taxes collected for the City of Annapolis and the State of Maryland. Taxes are collected by the County and are then remitted to the proper jurisdiction.

Tax Sale Escrow Deposits – This fund accounts for payments made during the annual tax sale process. High bid premium payments are collected and held by the County until returned to the tax sale lien holder upon tax sale void, redemption, or foreclosure.

National Business Park North – This fund accounts for the transactions of a special taxing district. Taxes are collected and used to pay the debt for the infrastructure improvements within the district.

Two Rivers – This fund accounts for the transactions of a special taxing district. Taxes are collected and used to pay the debt for the infrastructure improvements within the district.

Arundel Gateway – This fund accounts for the transactions of a special taxing district. Taxes are collected and used to pay the debt for the infrastructure improvements within the district.

Farmington Special Assessment – This fund accounts for the transactions of a special taxing district. Taxes are collected and used to pay the debt for the infrastructure improvements within the district.

Dorchester Special Tax District – This fund accounts for the transactions of a special taxing district. Taxes are collected and used to pay the debt for the infrastructure improvements within the district.

Fiduciary Funds (continued)

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

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

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

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

Miscellaneous Escrow Deposits – This fund accounts for any other escrow deposits collected by County departments or agencies that are not in one of the other custodial funds. The deposits are held until the depositor meets certain requirements at which time the funds are returned.

Anne Arundel County, Maryland

Combining Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2025

	Pension Trust Funds (December 31, 2024)	Other Post Employment Plan Trust Funds	Total Pension (December 31, 2024) and Other Post Employment Plan Trust Funds
ASSETS			
Investments, at fair value:			
Cash and temporary investments	\$ 38,863,624	\$ 17,592,219	\$ 56,455,843
U. S. government obligations	44,914,390	-	44,914,390
Bank Loans	138,470	-	138,470
Corporate obligations	120,176,345	-	120,176,345
Domestic fixed income mutual funds	229,837,028	206,941,661	436,778,689
International fixed income mutual funds	107,444,130	-	107,444,130
Domestic equity	899,821,404	291,041,498	1,190,862,902
International equity pools	546,623,754	156,122,662	702,746,416
Private markets	415,989,604	16,423,066	432,412,670
Real estate investment pools	103,789,522	20,328,092	124,117,614
Aetna insurance pooled fixed income	19,589,329	-	19,589,329
Total investments	<u>2,527,187,600</u>	<u>708,449,198</u>	<u>3,235,636,798</u>
Collateral from securities lending transactions	78,380,240	-	78,380,240
Receivables:			
Accounts receivable	-	4,986,680	4,986,680
Employer contributions	24,243,087	-	24,243,087
Participant contributions	3,634,576	-	3,634,576
Accrued interest and dividends	2,054,636	-	2,054,636
Investment sales proceeds	20,807,501	-	20,807,501
Total receivables	<u>50,739,800</u>	<u>4,986,680</u>	<u>55,726,480</u>
Deposits on hand	188,457	-	188,457
Total assets	<u>2,656,496,097</u>	<u>713,435,878</u>	<u>3,369,931,975</u>
LIABILITIES			
Accounts payable and accrued liability	2,554,552	1,208,628	3,763,180
Investment commitments and unearned revenue	19,707,693	-	19,707,693
Obligation for collateral received under securities lending transactions	78,380,240	-	78,380,240
Total liabilities	<u>100,642,485</u>	<u>1,208,628</u>	<u>101,851,113</u>
NET POSITION			
Restricted for:			
Pension	2,555,853,612	-	2,555,853,612
OPEB	-	712,227,250	712,227,250
Total net position	<u>\$ 2,555,853,612</u>	<u>\$ 712,227,250</u>	<u>\$ 3,268,080,862</u>

Anne Arundel County, Maryland

Combining Statement of Changes in Fiduciary Net Position

Fiduciary Funds

Year Ended June 30, 2025

	Pension Trust Funds (December 31, 2024)	Other Post Employment Plan Trust Funds	Total Pension (December 31, 2024) and Other Post Employment Plan Trust Funds
ADDITIONS			
Contributions:			
Employer	\$ 138,121,334	\$ 77,974,996	\$ 216,096,330
Participant	18,480,321	10,238,120	28,718,441
Insurance subsidies and rebates	-	18,697,688	18,697,688
Total contributions	<u>156,601,655</u>	<u>106,910,804</u>	<u>263,512,459</u>
Investment income:			
Net appreciation in fair value of investments	172,398,506	57,791,594	230,190,100
Interest income	47,515,739	2,616,235	50,131,974
Dividend income	37,295,082	18,850,895	56,145,977
Total investment income	<u>257,209,327</u>	<u>79,258,724</u>	<u>336,468,051</u>
Less investment expense	9,998,169	803,060	10,801,229
Net income from investing activities	<u>247,211,158</u>	<u>78,455,664</u>	<u>325,666,822</u>
Securities lending activities:			
Securities lending income	5,182,330	-	5,182,330
Securities lending expenses:			
Borrower rebates	4,869,098	-	4,869,098
Management fees	125,294	-	125,294
Securities lending expense	4,994,392	-	4,994,392
Securities lending net income	<u>187,938</u>	<u>-</u>	<u>187,938</u>
Total net investment income	<u>247,399,096</u>	<u>78,455,664</u>	<u>325,854,760</u>
Total additions	<u>404,000,751</u>	<u>185,366,468</u>	<u>589,367,219</u>
DEDUCTIONS			
Participant benefit payments and refunds	175,511,906	-	175,511,906
Insurance claims and premiums	-	64,040,890	64,040,890
Administrative expenses	2,268,715	1,250,264	3,518,979
Total deductions	<u>177,780,621</u>	<u>65,291,154</u>	<u>243,071,775</u>
Net increase	226,220,130	120,075,314	346,295,444
Fiduciary net position, beginning of year	2,329,633,482	592,151,936	2,921,785,418
Fiduciary net position, end of year	<u>\$ 2,555,853,612</u>	<u>\$ 712,227,250</u>	<u>\$ 3,268,080,862</u>

Combining Statement of Plan Net Position

Pension Trust Funds

June 30, 2025

	Defined Benefit Pension Plans (December 31, 2024)				
	Employees' Retirement	Police Service Retirement	Fire Service Retirement	Detention Officers' & Deputy Sheriffs' Retirement	Totals
ASSETS					
Investments, at fair value:					
Cash and temporary investments	\$ 12,632,006	\$ 11,541,705	\$ 11,519,600	\$ 3,170,313	\$ 38,863,624
U. S. Government obligations	14,598,712	13,338,659	13,313,113	3,663,906	44,914,390
Bank Loans	45,008	41,123	41,044	11,295	138,470
Corporate obligations	39,061,421	35,689,926	35,621,573	9,803,425	120,176,345
Domestic fixed income mutual funds	74,704,892	68,256,915	68,126,190	18,749,031	229,837,028
International fixed income mutual funds	34,923,016	31,908,718	31,847,606	8,764,790	107,444,130
Domestic equity	292,472,721	267,228,626	266,716,829	73,403,228	899,821,404
International equity pools	177,671,409	162,336,119	162,025,213	44,591,013	546,623,754
Private markets	135,210,844	123,540,438	123,303,833	33,934,489	415,989,604
Real estate investment pools	33,735,143	30,823,374	30,764,341	8,466,664	103,789,522
Aetna insurance pooled fixed income	6,367,202	5,817,631	5,806,490	1,598,006	19,589,329
Total investments	821,422,374	750,523,234	749,085,832	206,156,160	2,527,187,600
Collateral from securities lending transactions	25,476,258	23,277,334	23,232,754	6,393,894	78,380,240
Receivables:					
Employer contributions	8,795,776	7,072,290	6,445,118	1,929,903	24,243,087
Participant contributions	1,134,109	1,136,203	1,086,789	277,475	3,634,576
Accrued interest and dividends	667,771	610,202	609,060	167,603	2,054,636
Investment sales proceeds	6,763,149	6,179,404	6,167,569	1,697,379	20,807,501
Total receivables	17,360,805	14,998,099	14,308,536	4,072,360	50,739,800
Deposits on hand	14,426	111,930	62,101	-	188,457
Total assets	864,273,863	788,910,597	786,689,223	216,622,414	2,656,496,097
LIABILITIES					
Accounts payable	830,317	758,650	757,197	208,388	2,554,552
Investment commitments payable	6,405,674	5,852,783	5,841,574	1,607,662	19,707,693
Obligation for collateral received under securities lending transactions	25,476,258	23,277,334	23,232,754	6,393,894	78,380,240
Total liabilities	32,712,249	29,888,767	29,831,525	8,209,944	100,642,485
NET POSITION					
Net position restricted for pension	\$ 831,561,614	\$ 759,021,830	\$ 756,857,698	\$ 208,412,470	\$ 2,555,853,612

Combining Statement of Changes in Net Position

Pension Trust Funds

Year Ended June 30, 2025

	Defined Benefit Pension Trust (December 31, 2024)				
	Employees' Retirement	Police Service Retirement	Fire Service Retirement	Detention Officers' & Deputy Sheriffs' Retirement	Totals
ADDITIONS					
Contributions:					
Employer	\$ 50,574,420	\$ 40,514,250	\$ 35,911,289	\$ 11,121,375	\$ 138,121,334
Participant	5,828,340	5,599,048	5,641,423	1,411,510	18,480,321
Total contributions	56,402,760	46,113,298	41,552,712	12,532,885	156,601,655
Investment income:					
Net appreciation/(depreciation) in fair value of investments	56,408,921	51,098,172	50,769,107	14,122,306	172,398,506
Interest income	14,981,316	14,013,598	14,781,821	3,739,004	47,515,739
Dividend income	12,154,088	11,066,906	11,027,088	3,047,000	37,295,082
Total investment income/(loss)	83,544,325	76,178,676	76,578,016	20,908,310	257,209,327
Less investment expense	3,266,265	2,963,468	2,965,273	803,163	9,998,169
Net income/(loss) from investing activities	80,278,060	73,215,208	73,612,743	20,105,147	247,211,158
Securities lending activities:					
Securities lending income	1,691,516	1,537,121	1,529,834	423,859	5,182,330
Securities lending expenses:					
Borrower rebates	1,589,277	1,444,214	1,437,367	398,240	4,869,098
Management fees	40,896	37,163	36,987	10,248	125,294
Securities lending expense	1,630,173	1,481,377	1,474,354	408,488	4,994,392
Securities lending net income	61,343	55,744	55,480	15,371	187,938
Total net investment income/(loss)	80,339,403	73,270,952	73,668,223	20,120,518	247,399,096
Total additions	136,742,163	119,384,250	115,220,935	32,653,403	404,000,751
DEDUCTIONS					
Participant benefit payments and refunds	70,296,318	48,709,313	41,785,014	14,721,261	175,511,906
Administrative expenses	708,051	683,386	697,645	179,633	2,268,715
Total deductions	71,004,369	49,392,699	42,482,659	14,900,894	177,780,621
Net increases	65,737,794	69,991,551	72,738,276	17,752,509	226,220,130
Net position, beginning of year	765,823,820	689,030,279	684,119,422	190,659,961	2,329,633,482
Net position, end of year	\$ 831,561,614	\$ 759,021,830	\$ 756,857,698	\$ 208,412,470	\$ 2,555,853,612

Anne Arundel Retiree Health Benefits Trust
Combining Statement of Fiduciary Net Position
June 30, 2025

	Anne Arundel County Government Plan	Anne Arundel Community College Plan	Anne Arundel County Public Library Plan	Anne Arundel County Public School Plan	Total
ASSETS					
Investments:					
Short-term investments	\$ 16,778,146	\$ 232,062	\$ 102,768	\$ 479,243	\$ 17,592,219
Mutual Funds	569,504,789	31,010,594	8,687,951	44,902,487	654,105,821
Private Markets	14,298,933	778,603	218,134	1,127,396	16,423,066
Real estate investment pool	17,698,889	963,737	270,001	1,395,465	20,328,092
Total investments	<u>618,280,757</u>	<u>32,984,996</u>	<u>9,278,854</u>	<u>47,904,591</u>	<u>708,449,198</u>
Accounts receivable	4,807,877	142,499	36,304	-	4,986,680
Prepaid	-	-	-	-	-
Total assets	<u>\$ 623,088,634</u>	<u>\$ 33,127,495</u>	<u>\$ 9,315,158</u>	<u>\$ 47,904,591</u>	<u>\$ 713,435,878</u>
LIABILITIES					
Accrued liabilities and accounts payables	\$ 857,103	\$ 5,118	\$ 1,393	\$ 3,294	\$ 866,908
Due to Anne Arundel County Government	<u>341,622</u>	<u>-</u>	<u>-</u>	<u>98</u>	<u>341,720</u>
Total liabilities	<u>1,198,725</u>	<u>5,118</u>	<u>1,393</u>	<u>3,392</u>	<u>1,208,628</u>
NET POSITION					
Net position restricted for OPEB	<u>\$ 621,889,909</u>	<u>\$ 33,122,377</u>	<u>\$ 9,313,765</u>	<u>\$ 47,901,199</u>	<u>\$ 712,227,250</u>

Anne Arundel Retiree Health Benefits Trust
Combining Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2025

	Anne Arundel County Government Plan	Anne Arundel Community College Plan	Anne Arundel County Public Library Plan	Anne Arundel County Public School Plan	Total
Additions:					
Contributions:					
Employer	\$ 47,804,857	\$ 3,381,854	\$ 1,824,685	\$ 24,963,600	\$ 77,974,996
Member	8,673,478	1,232,888	331,754	-	10,238,120
Insurance subsidies and rebates	18,697,688	-	-	-	18,697,688
Total contributions	<u>75,176,023</u>	<u>4,614,742</u>	<u>2,156,439</u>	<u>24,963,600</u>	<u>106,910,804</u>
Investment income:					
Net appreciation in fair value of investments	51,845,313	3,028,699	819,006	2,098,576	57,791,594
Dividends	16,704,064	905,205	249,493	992,133	18,850,895
Interest	1,945,945	71,446	28,013	570,831	2,616,235
Total investment income	<u>70,495,322</u>	<u>4,005,350</u>	<u>1,096,512</u>	<u>3,661,540</u>	<u>79,258,724</u>
Less investment expense	704,987	38,158	10,620	49,295	803,060
Net investment income	<u>69,790,335</u>	<u>3,967,192</u>	<u>1,085,892</u>	<u>3,612,245</u>	<u>78,455,664</u>
Total additions	<u>\$ 144,966,358</u>	<u>\$ 8,581,934</u>	<u>\$ 3,242,331</u>	<u>\$ 28,575,845</u>	<u>\$ 185,366,468</u>
Deductions:					
Insurance claims	\$ 52,693,677	\$ -	\$ -	\$ -	\$ 52,693,677
Insurance premiums	6,278,332	3,495,742	1,573,139	-	11,347,213
General and administrative expense	1,208,690	16,984	4,624	19,966	1,250,264
Total deductions	<u>60,180,699</u>	<u>3,512,726</u>	<u>1,577,763</u>	<u>19,966</u>	<u>65,291,154</u>
Net increase in plan net position	84,785,659	5,069,208	1,664,568	28,555,879	120,075,314
Net position held in trust for other postemployment benefits, beginning of year	<u>537,104,250</u>	<u>28,053,169</u>	<u>7,649,197</u>	<u>19,345,320</u>	<u>592,151,936</u>
Net position held in trust for other postemployment benefits, end of year	<u>\$ 621,889,909</u>	<u>\$ 33,122,377</u>	<u>\$ 9,313,765</u>	<u>\$ 47,901,199</u>	<u>\$ 712,227,250</u>

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Anne Arundel County, Maryland

Combining Statement of Fiduciary Net Position - Custodial Funds

Custodial Funds

June 30, 2025

	Subdivision Deposits	Sediment Control	City and State Tax Collections	Tax Sale Escrow Deposits	National Business Park STD	Two Rivers STD	Arundel Gateway STD	Farmington STD	Dorchester STD
ASSETS									
Cash and investments	\$ 2,300,354	\$ 6,692,382	\$ 3,983,807	\$ 1,150,579	\$ 1,550	\$ 2,606,655	\$ 518,884	\$ 913	\$ 2,747,080
Receivables									
Due from other governmental agencies (net of allowances)	-	-	6,980,078	-	-	933	-	-	-
Other (net)	-	-	-	-	-	-	-	-	4,667
Total assets	<u>\$ 2,300,354</u>	<u>\$ 6,692,382</u>	<u>\$ 10,963,885</u>	<u>\$ 1,150,579</u>	<u>\$ 1,550</u>	<u>\$ 2,607,588</u>	<u>\$ 518,884</u>	<u>\$ 913</u>	<u>\$ 2,751,747</u>
LIABILITIES									
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	9,463	-	-
Escrow and other deposits	-	-	10,963,885	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>10,963,885</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,463</u>	<u>-</u>	<u>-</u>
NET POSITION									
Restricted for:									
Individuals, organizations and other governments	\$ 2,300,354	\$ 6,692,382	-	\$ 1,150,579	\$ 1,550	\$ 2,607,588	\$ 509,421	\$ 913	\$ 2,751,747
Total net position (deficit)	<u>2,300,354</u>	<u>6,692,382</u>	<u>-</u>	<u>1,150,579</u>	<u>1,550</u>	<u>2,607,588</u>	<u>509,421</u>	<u>913</u>	<u>2,751,747</u>
Total liabilities, deferred inflows and net position	<u>\$ 2,300,354</u>	<u>\$ 6,692,382</u>	<u>\$ 10,963,885</u>	<u>\$ 1,150,579</u>	<u>\$ 1,550</u>	<u>\$ 2,607,588</u>	<u>\$ 518,884</u>	<u>\$ 913</u>	<u>\$ 2,751,747</u>

(continued)

Anne Arundel County, Maryland

Combining Statement of Fiduciary Net Position - Custodial Funds

Custodial Funds

June 30, 2025

	PACE Property Assessed Clean Energy	Bid's & Contracts	Home Builders Guarantee	Victim Restitution Fund	Miscellaneous Escrow	Totals
ASSETS						
Cash and investments	\$ 3,377	\$ 177,278	\$ 44,969	\$ 1,843	\$ 32,839	\$ 20,262,510
Receivables						
Due from other governmental agencies (net of allowances)	-	-	-	-	-	6,981,011
Other, net	-	-	-	-	-	4,667
Total assets	\$ <u>3,377</u>	\$ <u>177,278</u>	\$ <u>44,969</u>	\$ <u>1,843</u>	\$ <u>32,839</u>	\$ <u>27,248,188</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 8,500	\$ -	\$ -	\$ 8,500
Due to other funds	-	-	-	-	-	9,463
Escrow and other deposits	-	-	-	-	41,784	11,005,669
Total liabilities	<u>-</u>	<u>-</u>	<u>8,500</u>	<u>-</u>	<u>41,784</u>	<u>11,023,632</u>
NET POSITION						
Restricted for:						
Individuals, organizations and other governments	<u>3,377</u>	\$ <u>177,278</u>	\$ <u>36,469</u>	\$ <u>1,843</u>	\$ <u>(8,945)</u>	\$ <u>16,224,556</u>
Total net position (deficit)	<u>3,377</u>	<u>177,278</u>	<u>36,469</u>	<u>1,843</u>	<u>(8,945)</u>	<u>16,224,556</u>
Total liabilities, deferred inflows and net position	\$ <u>3,377</u>	\$ <u>177,278</u>	\$ <u>44,969</u>	\$ <u>1,843</u>	\$ <u>32,839</u>	\$ <u>27,248,188</u>

Anne Arundel County, Maryland

Combining Statement of Changes in Fiduciary Net Position - Custodial Funds

Custodial Funds

Year Ended June 30, 2025

	Subdivision Deposits	Sediment Control	City and State Tax Collections	Tax Sale Escrow Deposits	National Business Park STD	Two Rivers STD	Arundel Gateway STD	Farmington STD	Dorchester STD
ADDITIONS									
Subdivision deposits	\$ 1,022,717	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sediment control collections	-	1,422,009	-	-	-	-	-	-	-
Tax sale collections	-	-	-	(297)	-	-	-	-	-
Special taxing district tax collections	-	-	-	-	-	2,110,490	481,000	-	1,141,606
Home builder guarantee collections	-	-	-	-	-	-	-	-	-
Misc. revenue	-	-	-	-	17	140,718	19,904	5,353	90,333
Investment income	-	-	-	-	-	33,699	-	-	4,664
Total revenues	<u>1,022,717</u>	<u>1,422,009</u>	<u>-</u>	<u>(297)</u>	<u>17</u>	<u>2,284,907</u>	<u>500,904</u>	<u>5,353</u>	<u>1,236,603</u>
DEDUCTIONS									
Subdivision deposits	307,054	-	-	-	-	-	-	-	-
Sediment control	-	633,898	-	-	-	-	-	-	-
Tax sale escrow deposits	-	-	-	8,243,248	-	-	-	-	-
Special tax districts	-	-	-	-	-	3,673,356	722,750	1,007,866	1,173,894
Escrow deposits	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	67,405	36,056	14,050	33,594
Total expenditures	<u>307,054</u>	<u>633,898</u>	<u>-</u>	<u>8,243,248</u>	<u>-</u>	<u>3,740,761</u>	<u>758,806</u>	<u>1,021,916</u>	<u>1,207,488</u>
Revenues over (under) expenditures	<u>715,663</u>	<u>788,111</u>	<u>-</u>	<u>(8,243,545)</u>	<u>17</u>	<u>(1,455,854)</u>	<u>(257,902)</u>	<u>(1,016,563)</u>	<u>29,115</u>
Net Position, July 1	<u>1,584,691</u>	<u>5,904,271</u>	<u>-</u>	<u>9,394,124</u>	<u>1,533</u>	<u>4,063,442</u>	<u>767,323</u>	<u>1,017,476</u>	<u>2,722,632</u>
Net Position, June 30	\$ <u>2,300,354</u>	\$ <u>6,692,382</u>	\$ <u>-</u>	\$ <u>1,150,579</u>	\$ <u>1,550</u>	\$ <u>2,607,588</u>	\$ <u>509,421</u>	\$ <u>913</u>	\$ <u>2,751,747</u>

(continued)

Anne Arundel County, Maryland

Combining Statement of Changes in Fiduciary Net Position - Custodial Funds

Custodial Funds

Year Ended June 30, 2025

	PACE Property Assessed Clean Energy	Bid's & Contracts	Home Builders Guarantee	Victim Restitution Fund	Miscellaneous Escrow	Totals
ADDITIONS						
Subdivision deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,022,717
Sediment control collections	-	-	-	-	-	1,422,009
Tax sale collections	-	-	-	-	-	(297)
Special taxing district tax collections	-	-	-	-	-	3,733,096
Home builder guarantee collections	-	-	41,800	-	-	41,800
Misc. revenue	1,246	-	-	-	-	257,571
Investment income	-	-	-	-	-	38,363
Total revenues	<u>1,246</u>	<u>-</u>	<u>41,800</u>	<u>-</u>	<u>-</u>	<u>6,515,259</u>
DEDUCTIONS						
Subdivision deposits	-	-	-	-	-	307,054
Sediment control	-	-	-	-	-	633,898
Tax sale escrow deposits	-	-	-	-	-	8,243,248
Special tax districts	-	-	-	-	-	6,577,866
Escrow deposits	-	-	27,750	-	-	27,750
Consultants	-	-	-	-	-	151,105
Total expenditures	<u>-</u>	<u>-</u>	<u>27,750</u>	<u>-</u>	<u>-</u>	<u>15,940,921</u>
Revenues over (under) expenditures	<u>1,246</u>	<u>-</u>	<u>14,050</u>	<u>-</u>	<u>-</u>	<u>(9,425,662)</u>
Net Position, July 1	2,131	177,278	22,419	1,843	(8,945)	25,650,218
Net Position, June 30	<u>\$ 3,377</u>	<u>\$ 177,278</u>	<u>\$ 36,469</u>	<u>\$ 1,843</u>	<u>\$ (8,945)</u>	<u>\$ 16,224,556</u>

Anne Arundel County, Maryland

Combining Statement of Net Position

Non-major Component Units

June 30, 2025

	AA County Public Library	Economic Development	Tipton Airport	Workforce Development	Totals
ASSETS					
Current Assets					
Cash and investments	\$ 11,875	\$ 5,680,050	\$ 1,678,793	\$ 2,525,265	\$ 9,895,983
Prepays and other assets	-	730,810	74,403	427,535	1,232,748
Inventories	-	-	34,482	-	34,482
Receivables	-	-	585,656	-	585,656
Due from primary government	1,911,336	-	-	-	1,911,336
Total current assets	<u>1,923,211</u>	<u>6,410,860</u>	<u>2,373,334</u>	<u>2,952,800</u>	<u>13,660,205</u>
Non-current Assets					
Restricted assets					
Loans receivable and other assets	-	1,533,463	-	131,069	1,664,532
Capital assets being depreciated	23,655,191	826,892	25,028,688	4,655,149	54,165,920
Less accumulated depreciation	(7,115,587)	(458,903)	(12,581,652)	(2,528,171)	(22,684,313)
Total capital assets	<u>16,539,604</u>	<u>367,989</u>	<u>12,447,036</u>	<u>2,126,978</u>	<u>31,481,607</u>
Total assets	<u>18,462,815</u>	<u>8,312,312</u>	<u>14,820,370</u>	<u>5,210,847</u>	<u>46,806,344</u>
DEFERRED OUTFLOW OF RESOURCES					
Pension benefits	1,637,620	1,224,364	-	-	2,861,984
OPEB benefits	4,019,503	120,636	-	-	4,140,139
Total deferred outflows	<u>5,657,123</u>	<u>1,345,000</u>	<u>-</u>	<u>-</u>	<u>7,002,123</u>
LIABILITIES					
Current Liabilities					
Accrued liabilities	1,480,812	336,288	607,059	377,837	2,801,996
Current portion on non-current liabilities	1,443,306	-	64,696	469,405	1,977,407
Unearned revenue	-	1,642,238	52,300	1,988,717	3,683,255
Lease liability	450,707	24,736	-	563,390	1,038,833
Total current liabilities	<u>3,374,825</u>	<u>2,003,262</u>	<u>724,055</u>	<u>3,399,349</u>	<u>9,501,491</u>
Non-current liabilities					
Accrued liability for pension benefits	6,118,008	3,900,294	-	-	10,018,302
Accrued liability for OPEB benefits	13,163,998	1,131,896	-	-	14,295,894
Long-term debt, net of deferred refunding gain/loss	-	-	789,284	-	789,284
Lease liability	1,177,085	93,292	-	1,482,930	2,753,307
Total non-current liabilities	<u>20,459,091</u>	<u>5,125,482</u>	<u>789,284</u>	<u>1,482,930</u>	<u>27,856,787</u>
Total liabilities	<u>23,833,916</u>	<u>7,128,744</u>	<u>1,513,339</u>	<u>4,882,279</u>	<u>37,358,278</u>
DEFERRED INFLOW OF RESOURCES					
Pension benefits	1,774	8,717	-	-	10,491
OPEB benefits	24,348,537	1,086,860	-	-	25,435,397
Total deferred outflows	<u>24,350,311</u>	<u>1,095,577</u>	<u>-</u>	<u>-</u>	<u>25,445,888</u>
NET POSITION					
Capital assets, net of related debt	16,539,604	249,961	11,593,056	80,658	28,463,279
Restricted for:					
Other purposes	-	255,707	1,665,782	-	1,921,489
Unrestricted	(40,603,893)	927,323	48,193	247,910	(39,380,467)
Total net position (deficit)	<u>\$ (24,064,289)</u>	<u>\$ 1,432,991</u>	<u>\$ 13,307,031</u>	<u>\$ 328,568</u>	<u>\$ (8,995,699)</u>

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Anne Arundel County, Maryland
 Combining Statement of Activities
 Non-major Component Units
 Year Ended June 30, 2025

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<i>AA County Public Library</i>				
Community services	\$ 37,535,509	\$ 181,629	\$ 5,942,689	\$ -
<i>Economic Development</i>				
Arundel Business Loan Program	674,307	439,860	-	-
Administrative	3,331,095	276,769	1,629,700	-
Anne Arundel Agricultural Marketing, LLC	204,763	-	30,000	-
Anne Arundel Community Development, LLC	1,526,429	-	-	-
Inclusive Ventures Program	732,164	-	840,382	-
Unallocated depreciation	22,999	-	-	-
	<u>6,491,757</u>	<u>716,629</u>	<u>2,500,082</u>	<u>-</u>
<i>Tipton Airport Authority</i>				
Airport operations	2,947,646	2,291,337	-	1,264,529
<i>Workforce Development</i>				
Workforce development programs				
Other WIOA & WIA programs	10,209,991	-	10,482,675	-
Administration	669,590	-	-	-
Other grants, projects, initiatives	1,377,752	439,006	1,111,357	-
	<u>\$ 12,257,333</u>	<u>\$ 439,006</u>	<u>\$ 11,594,032</u>	<u>\$ -</u>

General revenues:
 Hotel tax
 Unrestricted contributions
 Interest earnings
 Miscellaneous
 Total general revenues

Changes in net position

Net position, July 1 (as restated)

Net position, June 30

Net (Expense) Revenues and Changes in Net Position

<u>AA County Public Library</u>	<u>Economic Development</u>	<u>Tipton Airport</u>	<u>Workforce Development</u>	<u>Total</u>
\$ <u>(31,411,191)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(31,411,191)</u>
-	(234,447)	-	-	(234,447)
-	(1,424,626)	-	-	(1,424,626)
-	(174,763)	-	-	(174,763)
-	(1,526,429)	-	-	(1,526,429)
-	108,218	-	-	108,218
-	(22,999)	-	-	(22,999)
-	<u>(3,275,046)</u>	-	-	<u>(3,275,046)</u>
-	-	608,220	-	608,220
-	-	-	272,684	272,684
-	-	-	(669,590)	(669,590)
-	-	-	172,611	172,611
-	-	-	<u>(224,295)</u>	<u>(224,295)</u>
-	1,000,000	-	-	1,000,000
31,998,400	2,284,140	-	11,922	34,294,462
-	-	39,940	71,089	111,029
2,138	91,649	-	-	93,787
<u>32,000,538</u>	<u>3,375,789</u>	<u>39,940</u>	<u>83,011</u>	<u>35,499,278</u>
589,347	100,743	648,160	(141,284)	1,196,966
<u>(24,653,636)</u>	<u>1,332,248</u>	<u>12,658,871</u>	<u>469,852</u>	<u>(10,192,665)</u>
\$ <u><u>(24,064,289)</u></u>	\$ <u><u>1,432,991</u></u>	\$ <u><u>13,307,031</u></u>	\$ <u><u>328,568</u></u>	\$ <u><u>(8,995,699)</u></u>

Anne Arundel County, Maryland

Balance Sheet

AA County Public Library Component Unit

June 30, 2025

	Governmental Funds		
	Operating Fund	Dedicated Revenue Fund	Total
ASSETS			
Cash and investments	\$ 11,495	\$ 380	\$ 11,875
Due from primary government	1,911,205	131	1,911,336
Total assets	<u>\$ 1,922,700</u>	<u>\$ 511</u>	<u>\$ 1,923,211</u>
LIABILITIES			
Accrued liabilities	\$ 1,480,812	\$ -	\$ 1,480,812
Total liabilities	<u>1,480,812</u>	<u>-</u>	<u>1,480,812</u>
FUND BALANCES			
Assigned	227,307	3,979	231,286
Unassigned	214,581	(3,468)	211,113
Total fund balances (deficit)	<u>441,888</u>	<u>511</u>	<u>442,399</u>
Total liabilities and fund balances	<u>\$ 1,922,700</u>	<u>\$ 511</u>	<u>\$ 1,923,211</u>

Anne Arundel County, Maryland

Statement of Revenues, Expenditures, and Changes in Fund Balances

AA County Public Library Component Unit

Year Ended June 30, 2025

	Governmental Funds		
	Operating Fund	Dedicated Revenue Fund	Total
REVENUES			
Grants and aid	\$ 37,820,094	\$ 75,050	\$ 37,895,144
Fines and fees	181,629	-	181,629
Other	145	1,993	2,138
Total revenues	<u>38,001,868</u>	<u>77,043</u>	<u>38,078,911</u>
EXPENDITURES			
Recreation and community services	38,606,144	77,313	38,683,457
Total expenditures	<u>38,606,144</u>	<u>77,313</u>	<u>38,683,457</u>
Revenues over (under) expenditures	<u>(604,276)</u>	<u>(270)</u>	<u>(604,546)</u>
Net change in fund balances	<u>(604,276)</u>	<u>(270)</u>	<u>(604,546)</u>
Fund balances, July 1	1,046,164	781	1,046,945
Fund balances, June 30	<u>\$ 441,888</u>	<u>\$ 511</u>	<u>\$ 442,399</u>

Anne Arundel County, Maryland

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

AA County Public Library Component Unit - Operating Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Grants and aid	\$ -	\$ 3,117,000	\$ 3,117,038	\$ 38
Primary government contribution	31,671,800	31,671,800	31,998,400	326,600
Fines and fees	147,500	147,500	201,110	53,610
Other	552,000	878,600	550,145	(328,455)
Total revenues	<u>32,371,300</u>	<u>35,814,900</u>	<u>35,866,693</u>	<u>51,793</u>
EXPENDITURES				
Current				
Recreation and community services	35,650,100	36,451,200	36,341,920	109,280
Capital outlay	309,300	309,300	254,236	55,064
Total expenditures	<u>35,959,400</u>	<u>36,760,500</u>	<u>36,596,156</u>	<u>164,344</u>
Revenues over expenditures	<u>\$ (3,588,100)</u>	<u>\$ (945,600)</u>	(729,463)	<u>\$ 216,137</u>
Fund balances, budgetary, July 1			<u>944,044</u>	
Fund balances, budgetary, June 30			<u>\$ 214,581</u>	

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Details of Long-term Debt and Interest

(Long-term Debt Applicable to 5.6% and 14% Debt Limitations)

June 30, 2025

	<u>Issued Date</u>	<u>Maturing Serially</u>	<u>Rate of Interest</u>	<u>Amount Issued</u>	<u>06/30/24 Outstanding</u>	<u>Redeemed F/Y 25</u>	<u>06/30/25 Outstanding</u>	<u>Total Due to Maturity</u>
Water and Wastewater Bonds								
MDWQE Rosehaven	03/28/01	2003-31	1.50 to 1.50	\$ 3,033,715	\$ 856,308	\$ 116,934	\$ 739,374	\$ 778,670
MDWQE Woodholme Circle	06/17/08	2009-28	1.10 to 1.10	1,200,475	229,809	70,478	159,331	162,229
MDWQE Deale Rd Sewer	12/01/09	2011-30	0.00 to 0.00	1,749,147	372,617	98,324	274,293	274,293
MDWQE Annap/Bneck/Cox	06/16/11	2013-32	2.20 to 2.20	15,975,016	7,792,023	941,266	6,850,757	7,445,684
MDWQE Bwater/MDCity/Patxnt	05/31/12	2014-33	1.80 to 1.80	12,430,208	6,552,900	681,770	5,871,130	6,353,896
MDWQE Sylvan Shores Water	12/21/12	2014-42	0.80 to 0.80	3,783,000	2,407,832	133,655	2,274,177	2,432,204
MDWQE Sylvan Shores Sewer	12/21/12	2014-33	0.80 to 0.80	1,944,000	934,726	100,579	834,147	864,455
MDWQE Cox Creek Ph II	10/31/13	2014-34	2.10 to 2.10	17,475,907	11,235,568	1,312,177	9,923,391	10,770,189
MDWQE Heritage Harbor	05/12/23	2023-53	1.60 to 1.60	911,651	1,572,338	47,551	1,524,901	1,929,369
Series 15	04/08/15	2016-45	2.00 to 5.00	77,600,000	54,290,000	2,590,000	-	-
Series 15 Refunding	04/08/15	2016-36	5.00 to 5.00	34,875,000	22,050,000	1,890,000	-	-
Series 16	04/13/16	2017-46	3.00 to 5.00	43,585,000	31,955,000	1,455,000	30,500,000	46,498,750
Series 16 Refunding	04/13/16	2017-36	3.00 to 5.00	75,300,000	34,815,000	3,850,000	30,965,000	34,978,775
Series 17	04/12/17	2018-47	5.00 to 5.00	63,175,000	48,875,000	2,125,000	46,750,000	72,462,500
Series 17 Refunding	04/12/17	2018-29	3.00 to 5.00	20,515,000	14,465,000	995,000	13,470,000	16,472,999
Series 18	03/29/18	2019-48	5.00 to 5.00	67,805,000	54,240,000	2,260,000	51,980,000	81,868,500
Series 19	04/12/19	2020-49	5.00 to 5.00	71,090,000	59,245,000	2,370,000	56,875,000	90,997,125
Series 19 Refunding	04/12/19	2020-25	5.00 to 5.00	6,020,000	630,000	630,000	-	-
Series 20	05/06/20	2021-50	3.00 to 5.00	74,095,000	64,215,000	2,470,000	61,745,000	100,332,625
Series 21	03/23/21	2022-51	3.00 to 5.00	69,045,000	62,130,000	2,305,000	59,825,000	85,933,125
Series 21 Refunding	03/23/21	2022-31	5.00 to 5.00	50,175,000	40,760,000	3,145,000	37,615,000	51,445,400
Series 22	04/05/22	2023-52	4.00 to 5.00	58,115,000	54,235,000	1,940,000	52,295,000	82,416,101
Series 22 Refunding	04/05/22	2023-31	4.00 to 5.00	23,035,000	19,315,000	1,875,000	17,440,000	23,354,600
Series 23	04/27/23	2024-53	4.00 to 5.00	65,885,000	63,690,000	2,200,000	61,490,000	101,717,875
Series 23 Refunding	04/27/23	2024-43	5.00 to 5.00	21,755,000	20,615,000	1,065,000	19,550,000	28,860,000
Series 24	04/16/24	2024-54	4.00 to 5.00	76,820,000	76,820,000	2,565,000	74,255,000	125,968,125
Series 24 Refunding	04/16/24	2025-44	5.00 to 5.00	46,955,000	46,955,000	2,325,000	44,630,000	67,317,000
Series 25	04/30/25	2026-55	5.00 to 5.00	84,235,000	-	-	84,235,000	147,048,595
Series 25 Refunding	04/30/25	2026-35	5.00 to 5.00	66,950,000	-	-	66,950,000	96,993,840
Total applicable to 5.6% and 14.0% debt limitations				<u>1,155,533,119</u>	<u>801,254,121</u>	<u>41,557,734</u>	<u>839,021,501</u>	<u>1,285,676,924</u>

(continued)

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

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

June 30, 2025

	<i>Issued</i>	<i>Maturing Serially</i>	<i>Rate of Interest</i>	<i>Issued</i>	<i>06/30/24 Outstanding</i>	<i>Redeemed F/Y 25</i>	<i>06/30/25 Outstanding</i>	<i>Total Due to Maturity</i>
Consolidated General Improvements								
Bonds								
Series 15	04/08/15	2016-35	2.00 to 5.00	154,920,000	68,527,064	10,859,642	-	-
Series 15 Refunding	04/08/15	2016-27	5.00 to 5.00	58,504,968	15,316,015	6,141,564	-	-
Golf Course Refunding	04/08/15	2016-28	5.00 to 5.00	15,735,000	5,930,000	1,380,000	-	-
Series 16	04/13/16	2017-46	5.00 to 5.00	80,027,783	58,681,375	2,668,926	56,012,449	85,406,737
Series 16 Refunding	04/13/16	2017-27	3.00 to 5.00	69,384,271	8,931,857	2,436,222	6,495,635	6,830,440
Series 17	04/12/17	2018-47	5.00 to 5.00	104,008,000	79,348,039	3,484,008	75,864,031	117,776,215
Series 17 Refunding	04/12/17	2018-29	3.00 to 5.00	44,423,549	21,271,593	4,230,814	17,040,779	18,232,164
Series 18	03/29/18	2019-48	5.00 to 5.00	177,642,000	142,450,098	5,867,817	136,582,281	215,617,107
Series 19	04/12/19	2020-49	5.00 to 5.00	191,621,000	159,991,710	6,326,858	153,664,852	246,482,059
Series 19 Refunding	04/12/19	2020-25	5.00 to 5.00	4,445,000	705,000	705,000	-	-
Series 20	05/06/20	2021-50	3.00 to 5.00	188,363,000	163,754,844	6,152,039	157,602,805	222,610,517
Series 21	03/23/21	2022-51	3.00 to 5.00	140,729,000	127,529,174	4,399,942	123,129,232	178,569,858
Series 21 Refunding	03/23/21	2022-31	5.00 to 5.00	110,511,100	71,223,800	10,988,600	60,235,200	70,011,435
Series 22	04/05/22	2023-52	4.00 to 5.00	96,420,000	90,510,934	2,954,533	87,556,401	140,397,959
Series 22 Refunding	04/05/22	2023-52	5.00 to 5.00	43,909,149	29,396,169	5,181,490	24,214,679	29,097,115
Series 23	04/27/23	2024-53	4.00 to 5.00	68,763,000	67,305,932	1,462,068	65,843,864	118,093,145
Series 23 Refunding	04/27/23	2024-33	5.00 to 5.00	40,730,000	36,445,000	4,115,000	32,330,000	39,542,500
Series 24	04/16/24	2024-54	4.00 to 5.00	105,999,000	105,999,000	2,894,967	103,104,033	182,913,390
Series 24 Refunding	04/16/24	2025-34	5.00 to 5.00	40,803,078	40,803,078	4,086,978	36,716,100	45,977,175
Series 25	04/30/25	2026-55	5.00 to 5.00	128,506,000	-	-	128,506,000	229,325,604
Series 25 Refunding	04/30/25	2026-35	5.00 to 5.00	67,371,200	-	-	67,371,200	83,330,196
				1,932,816,098	1,294,120,682	86,336,468	1,332,269,541	2,030,213,616
WPRF Bonds								
Series 15	04/08/15	2016-35	5.00 to 5.00	26,880,000	15,315,528	1,393,684	-	-
Series 16	04/13/16	2017-45	5.00 to 5.00	13,232,217	9,703,625	441,074	9,262,551	14,125,390
Series 18	03/29/18	2019-48	5.00 to 5.00	13,008,000	10,406,400	433,600	9,972,800	15,707,160
Series 19	04/12/19	2020-49	5.00 to 5.00	20,359,000	16,965,835	678,633	16,287,202	26,059,532
Series 20	05/06/20	2021-50	3.00 to 5.00	26,132,000	22,647,732	871,067	21,776,665	30,657,187
Series 21	03/23/21	2022-51	3.00 to 5.00	27,128,000	24,415,199	904,267	23,510,932	33,774,357
Series 22	04/05/22	2023-52	4.00 to 5.00	26,297,000	24,543,866	876,567	23,667,299	37,306,673
Series 23	04/27/23	2024-53	4.00 to 5.00	12,351,000	11,939,300	411,700	11,527,600	19,072,002
Series 24	04/16/24	2024-54	4.00 to 5.00	11,978,000	11,978,000	399,267	11,578,733	19,643,918
Series 24 Refunding	04/16/24	2024-34	5.00 to 5.00	3,150,279	3,150,279	315,543	2,834,736	3,549,755
Series 25	04/30/25	2026-55	5.00 to 5.00	28,473,000	-	-	28,473,000	49,713,067
Series 25 Refunding	04/30/25	2026-35	5.00 to 5.00	12,792,000	-	-	12,792,000	15,822,189
				221,780,496	151,065,764	6,725,402	171,683,518	265,431,230
PPI Bonds								
Series 21	03/23/21	2022-41	3.00 to 5.00	12,208,000	10,376,800	610,400	9,766,400	13,306,720
Series 22	04/05/22	2023-42	4.00 to 5.00	15,778,000	14,200,200	788,900	13,411,300	18,858,654
Series 23	04/27/23	2024-43	4.00 to 5.00	48,441,000	46,018,950	2,422,050	43,596,900	63,215,505
Series 24	04/16/24	2024-44	4.00 to 5.00	36,653,000	36,653,000	1,832,650	34,820,350	51,360,017
Series 25	04/30/25	2026-55	5.00 to 5.00	18,826,000	-	-	18,826,000	28,163,173
				131,906,000	107,248,950	5,654,000	120,420,950	174,904,069
Solid Waste Bonds								
Series 15	04/08/15	2016-35	2.00 to 5.00	9,600,000	5,457,408	496,674	-	-
Series 15 Refunding	04/08/15	2016-27	5.00 to 5.50	2,700,032	688,985	283,436	-	-
Series 16 Refunding	04/13/16	2017-27	3.00 to 5.00	200,729	33,143	8,778	24,365	25,635
Series 17	04/12/17	2018-47	5.00 to 5.00	4,377,000	3,731,961	130,992	3,600,969	5,379,913
Series 17 Refunding	04/12/17	2018-29	3.00 to 5.00	936,451	448,407	89,186	359,221	384,336
Series 18	03/29/18	2019-48	5.00 to 5.00	5,200,000	3,828,502	228,583	3,599,919	5,155,858
Series 19	04/12/19	2020-49	5.00 to 5.00	4,100,000	3,102,455	199,509	2,902,946	4,008,539
Series 20	05/06/20	2021-50	3.00 to 5.00	8,000,000	6,412,424	396,894	6,015,530	7,725,222
Series 21	03/23/21	2022-51	3.00 to 5.00	6,600,000	5,668,827	310,391	5,358,436	7,178,992
Series 21 Refunding	03/23/21	2022-31	5.00 to 5.00	7,053,900	4,546,200	701,400	3,844,800	4,468,815
Series 22 Refunding	04/05/22	2023-32	4.00 to 5.00	940,851	643,831	148,510	495,321	594,384
Series 23	04/27/23	2024-53	4.00 to 5.00	3,000,000	2,875,817	124,182	2,751,635	4,294,225
Series 24	04/16/24	2024-54	4.00 to 5.00	9,600,000	9,600,000	343,116	9,256,884	15,421,183
Series 24 Refunding	04/16/24	2024-34	5.00 to 5.00	1,921,643	1,921,643	192,478	1,729,165	2,165,320
Series 25	04/30/25	2026-55	5.00 to 5.00	7,600,000	-	-	7,600,000	12,999,821
Series 25 Refunding	04/30/25	2026-35	5.00 to 5.00	5,116,800	-	-	5,116,800	6,328,876
Total Waste Collection Enterprise Fund				76,947,406	48,959,603	3,654,129	52,655,991	76,131,119
Total applicable to 5.2% and 13.0% debt limitations				2,363,450,000	1,601,394,999	102,369,999	1,677,030,000	2,546,680,034

(continued)

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

NOT APPLICABLE TO DEBT LIMITATIONS

June 30, 2025

	<i>Issued</i>	<i>Maturing Serially</i>	<i>Rate of Interest</i>	<i>Issued</i>	<i>06/30/24 Outstanding</i>	<i>Redeemed F/Y 25</i>	<i>06/30/25 Outstanding</i>	<i>Total Due to Maturity</i>
Installment Purchase Agreements - Agricultural Easement Program								
Adelaide F. Colhoun Trust	09/19/00	2002-30	5.85 to 5.85	401,000	378,000	1,000	377,000	486,688
Ellen H. Shepard Trust	09/22/00	2002-30	5.85 to 5.85	161,000	138,000	1,000	137,000	176,488
Jean Touchette	09/19/00	2002-30	5.85 to 5.85	378,000	355,000	1,000	354,000	456,959
Farm of the Four Winds, LLC	11/13/00	2002-30	6.00 to 6.00	587,000	564,000	1,000	563,000	731,300
Kenneth P. Franklin, Trustee	12/28/00	2002-30	5.60 to 5.60	142,055	119,000	1,000	118,000	150,480
Richard F. Moreland	07/18/01	2003-28	5.90 to 5.90	274,000	252,000	1,000	251,000	295,250
Mary M. Smith	07/18/01	2003-28	5.90 to 5.90	831,000	809,000	1,000	808,000	950,841
Charlotte Windsor	07/26/01	2003-28	5.90 to 5.90	411,174	389,000	1,000	388,000	456,501
Anita Froe/Rian LLC	03/06/02	2003-28	5.90 to 5.90	657,000	635,000	1,000	634,000	746,041
Lauer & Company	09/20/02	2004-28	5.25 to 5.25	197,000	176,000	1,000	175,000	202,404
Weems Dodd Ltd	10/17/02	2004-28	5.45 to 5.45	1,521,000	1,500,000	1,000	1,499,000	1,743,922
Alice Hall	12/19/02	2004-28	5.55 to 5.55	180,000	159,000	1,000	158,000	184,139
Bristol Farms LLC	01/28/03	2004-28	5.50 to 5.50	700,000	679,000	1,000	678,000	788,689
Shearman Talbott	05/22/03	2005-28	4.95 to 4.95	263,948	244,000	1,000	243,000	278,937
Sally Brice O'Hara	06/23/04	2006-28	5.80 to 5.80	316,000	297,000	1,000	296,000	347,330
Thackray Seznec	06/30/04	2006-28	5.80 to 5.80	1,405,000	1,386,000	1,000	1,385,000	1,625,816
James Parks	07/07/04	2006-28	5.60 to 5.60	295,000	276,000	1,000	275,000	321,032
Dorothy Horky	12/05/05	2006-28	4.90 to 4.90	368,814	351,000	1,000	350,000	401,304
Virginia Tucker	10/05/06	2007-28	4.90 to 4.90	926,000	909,000	1,000	908,000	1,041,329
Jennifer Wade	07/26/07	2008-28	5.30 to 5.30	873,925	858,000	1,000	857,000	989,250
Ford/Addis	12/20/07	2008-37	4.60 to 4.60	604,000	604,000	-	604,000	937,408
Francis Talbott III	07/16/08	2009-37	4.55 to 4.55	840,000	840,000	-	840,000	1,298,640
Thompson Lumber	06/21/11	2012-41	4.55 to 4.55	1,487,000	1,487,000	-	1,487,000	2,569,537
				<u>13,819,916</u>	<u>13,405,000</u>	<u>20,000</u>	<u>13,385,000</u>	<u>17,180,285</u>
Tax Increment Bonds								
Arundel Mills Refunding	05/14/14	2015-29	2.00 to 5.00	24,940,000	11,920,000	2,110,000	9,810,000	10,422,000
National Business Park Ref	05/14/14	2015-28	1.50 to 5.00	12,155,000	5,030,000	1,140,000	3,890,000	4,071,351
Nursery Road Refunding	05/14/14	2015-29	2.00 to 5.00	1,765,000	830,000	125,000	705,000	759,074
National Business Park N Ref	06/07/18	2020-37	3.00 to 5.00	25,855,000	22,255,000	1,055,000	21,200,000	26,143,068
Village South Waugh Chapel Ref	06/07/18	2020-41	3.00 to 4.00	14,525,000	12,145,000	535,000	11,610,000	15,036,192
				<u>79,240,000</u>	<u>52,180,000</u>	<u>4,965,000</u>	<u>47,215,000</u>	<u>56,431,685</u>

LONG TERM DEBT NOT APPLICABLE TO DEBT LIMITATIONS

	<i>Issued</i>	<i>Maturing Serially</i>	<i>Rate of Interest</i>	<i>Issued</i>	<i>06/30/24 Outstanding</i>	<i>Redeemed FY 25</i>	<i>06/30/25 Outstanding</i>	<i>Total Due to Maturity</i>
State Loans								
Department of Natural Resources								
Amberly	11/01/08	2008-33	0.00	135,000	48,600	5,400	43,200	43,200
Annapolis Cove	05/27/14	2015-30	0.00	173,425	58,963	11,793	47,170	47,170
Arundel on the Bay SECD	11/17/18	2020-40	0.00	279,400	232,800	14,550	218,250	218,250
Bay Ridge #2	07/01/08	2009-28	0.00	500,000	128,855	25,771	103,084	103,084
Camp Wabanna SECD	04/26/05	2011-31	0.00	174,857	55,219	9,203	46,016	46,016
Cape Anne SECD	11/30/06	2009-34	0.00	190,308	72,886	8,101	64,785	64,785
Columbia Beach	06/12/08	2013-38	0.00	1,042,027	429,312	53,664	375,648	375,648
Elizabeth's Landing III	01/22/10	2012-37	0.00	153,262	67,419	6,130	61,289	61,289
Holland Point SECD	10/11/04	2011-31	0.00	1,050,054	331,596	55,266	276,330	276,330
Snug Harbor SECD	10/11/04	2012-31	0.00	112,600	40,719	5,817	34,902	34,902
Whitehall Cove	12/19/01	2001-25	0.00	164,134	13,130	6,565	6,565	6,565
Total not applicable to debt limitations				3,975,067	1,479,499	202,260	1,277,239	1,277,239
Total long-term debt				\$ 3,616,018,102	\$ 2,469,713,619	\$ 149,114,993	\$ 2,577,928,740	\$ 3,907,246,167

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

June 30, 2025

FISCAL YEAR ENDING	General County Bonds (a)									
	General Government		Solid Waste		WPRF		PPI		Tax Increment	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 81,441,966	60,081,097	3,981,657	\$ 2,425,920	\$ 8,566,077	\$ 7,572,301	\$ 6,595,300	\$ 5,740,144	\$ 5,310,000	\$ 1,543,219
2027	78,467,302	56,813,013	3,772,038	2,278,092	8,030,361	7,310,203	6,595,300	5,486,206	5,620,000	1,349,518
2028	75,728,867	52,971,817	3,677,508	2,088,446	7,583,324	6,908,685	6,595,300	5,156,441	5,955,000	1,143,819
2029	72,612,479	49,338,814	3,573,433	1,906,780	7,353,788	6,529,519	6,595,300	4,826,676	4,930,000	945,968
2030	68,506,853	45,855,590	3,484,032	1,731,334	7,353,815	6,161,829	6,595,300	4,496,911	2,455,000	797,969
2031	62,171,630	42,430,171	3,075,128	1,557,209	7,347,941	5,794,139	6,595,300	4,167,146	2,390,000	705,993
2032	57,350,310	39,321,644	2,763,481	1,403,522	7,345,908	5,426,742	6,595,300	3,837,381	2,505,000	632,569
2033	53,749,054	36,454,129	2,692,178	1,265,348	7,343,468	5,059,446	6,595,300	3,507,616	2,640,000	553,743
2034	49,819,382	33,797,368	2,689,291	1,132,767	7,341,029	4,696,628	6,595,300	3,177,851	2,765,000	467,563
2035	45,607,541	31,368,094	2,488,384	1,002,296	7,013,775	4,338,287	6,595,300	2,848,086	2,910,000	375,344
2036	40,087,242	29,179,924	2,067,183	883,830	5,965,275	4,000,664	6,595,300	2,518,321	3,050,000	278,494
2037	40,082,243	27,342,666	2,067,182	791,423	5,965,275	3,728,865	6,595,300	2,188,556	3,210,000	174,763
2038	40,177,047	25,547,141	1,972,378	704,463	5,965,275	3,466,107	6,595,300	1,858,791	825,000	106,672
2039	40,332,928	23,745,348	1,816,497	623,769	5,965,275	3,203,350	6,595,300	1,529,026	855,000	77,788
2040	40,506,987	21,950,055	1,637,438	551,449	5,965,275	2,944,976	6,595,300	1,205,365	885,000	47,338
2041	40,891,538	20,159,389	1,252,888	489,374	5,965,274	2,690,985	6,595,300	891,753	910,000	15,925
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	116,413	-	-
2045	46,939,345	12,569,467	854,083	298,756	5,965,272	1,675,019	941,300	23,532	-	-
2046	47,927,761	10,471,342	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>\$ 1,332,269,541</u>	<u>\$ 697,944,075</u>	<u>\$ 52,655,991</u>	<u>\$ 23,475,128</u>	<u>\$ 171,683,518</u>	<u>\$ 93,747,712</u>	<u>\$ 120,420,950</u>	<u>\$ 54,483,119</u>	<u>\$ 47,215,000</u>	<u>\$ 9,216,685</u>

- Notes:
- (a) Bonded Debt subject to (1) 5.2% of the assessable basis of real property; (2) 13.0% of the County's assessable basis of personal property; and (3) 13% of the operating real property described in Section 8-109(c) of the Tax-Property Article of the Annotated Code of Maryland (1994 Replacement Volume and 2000 Supplement).
 - (b) Bonded debt subject to (1) 5.6% of the assessable basis of real property in the Sanitary District of Anne Arundel County; (2) 14.0% of the assessable basis of personal property in the Sanitary District of Anne Arundel County; and (3) 14% of the operating real property described in section 8-109(c) of the Tax-Property Article of the Annotated Code of Maryland (1994 replacement Volume and 2000 Supplement).

(continued)

<i>Installment Purchase Agreements</i>		<i>State Advances</i>		<i>Water and Sewer Bonds (b)</i>		<i>Total</i>		
<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Debt Service Charge</i>
\$ 20,000	\$ 714,915	\$ 202,260	\$ -	\$ 43,843,433	\$ 37,815,817	\$ 149,960,693	\$ 115,893,413	\$ 265,854,106
20,000	713,799	195,695	-	43,225,452	36,354,092	145,926,148	110,304,923	256,231,071
8,880,000	712,684	195,695	-	42,661,340	34,349,207	151,277,034	103,331,099	254,608,133
5,000	223,954	195,694	-	41,541,588	32,443,574	136,807,282	96,215,285	233,022,567
1,529,000	223,662	158,132	-	41,571,911	30,552,977	131,654,043	89,820,272	221,474,315
-	133,663	93,662	-	41,563,655	28,667,086	123,237,316	83,455,407	206,692,723
-	133,662	87,843	-	40,521,230	26,795,796	117,169,072	77,551,316	194,720,388
-	133,663	34,159	-	37,226,116	24,951,571	110,280,275	71,925,516	182,205,791
-	133,662	20,680	-	36,333,445	23,183,095	105,564,127	66,588,934	172,153,061
-	133,663	20,669	-	35,515,471	21,441,031	100,151,140	61,506,801	161,657,941
-	133,662	14,550	-	34,672,521	19,719,163	92,452,071	56,714,058	149,166,129
1,444,000	133,663	14,550	-	32,709,594	18,075,352	92,088,144	52,435,288	144,523,432
-	67,659	14,550	-	32,661,691	16,542,587	88,211,241	48,293,420	136,504,661
-	67,658	14,550	-	32,558,812	15,012,528	88,138,362	44,259,467	132,397,829
-	67,658	14,550	-	31,600,958	13,507,982	87,205,508	40,274,823	127,480,331
1,487,000	67,658	-	-	30,397,421	12,032,012	87,499,421	36,347,096	123,846,517
-	-	-	-	29,222,280	10,605,067	83,922,280	32,420,293	116,342,573
-	-	-	-	28,383,276	9,218,496	83,083,276	28,617,572	111,700,848
-	-	-	-	27,284,289	7,866,958	81,984,289	24,849,883	106,834,172
-	-	-	-	24,835,317	6,570,280	79,535,317	21,137,054	100,672,371
-	-	-	-	22,536,363	5,396,085	77,231,363	17,546,836	94,778,199
-	-	-	-	21,087,424	4,373,123	72,677,424	14,185,599	86,863,023
-	-	-	-	18,963,503	3,439,519	66,938,503	11,081,719	78,020,222
-	-	-	-	16,699,600	2,626,623	58,149,600	8,374,123	66,523,723
-	-	-	-	14,330,713	1,940,559	48,580,713	6,158,560	54,739,273
-	-	-	-	11,849,098	1,375,353	38,684,098	4,355,079	43,039,177
-	-	-	-	9,495,000	919,054	30,105,000	2,892,504	32,997,504
-	-	-	-	7,560,000	548,736	23,555,000	1,728,986	25,283,986
-	-	-	-	5,365,000	261,575	16,945,000	829,225	17,774,225
-	-	-	-	2,805,000	70,125	8,915,000	222,876	9,137,876
\$ 13,385,000	\$ 3,795,285	\$ 1,277,239	\$ -	\$ 839,021,501	\$ 446,655,423	\$ 2,577,928,740	\$ 1,329,317,427	\$ 3,907,246,167

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Statistical Section

Statistical Section

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents

Financial Trends – The following schedules contain trend information that presents how the County's financial performance and strength have changed over time:

- Net Position by Category
- Changes in Net Position
- Fund Balances, Governmental Funds
- Changes in Fund Balances, Governmental Funds

Revenue Capacity – The following schedules contain information to assess the County's most significant local revenue source, property taxes:

- Taxable Assessed Value and Estimated Actual Value of Property
- Direct and Overlapping Property Tax Rates
- Principal Property Tax Payers
- Property Tax Levies and Collections

Debt Capacity – The following schedules present information to assess the affordability of the County's current levels of outstanding debt and its ability to issue additional debt:

- Ratios of Outstanding Debt by Type
- Ratios of General Bonded Debt Outstanding
- Direct and Overlapping Governmental Activities Debt
- Legal Debt Margin
- Pledged-Revenue Bond Coverage

Demographic and Economic Information – The following schedules offer demographic and economic indicators that present the environment within which the County's financial activities take place:

- Demographic and Economic Statistics
- Principal Employers

Operating Information – The following schedules contain service and infrastructure data that shows how the information in the County's financial report relates to the services the County provides and the activities it performs:

- County Government Employees by Function
- Operating Indicators by Function/Program
- Capital Asset Statistics by Function

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Anne Arundel County, Maryland
Net Position by Category
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
Net investment in capital assets	\$ 612,096,336	\$ 758,123,683	\$ 676,150,623	\$ 634,757,425	\$ 626,801,385	\$ 635,565,747	\$ 604,084,265	\$ 596,510,465	\$ 606,338,970	\$ 556,191,931
Restricted for:										
Debt service	88,665,996	81,240,541	32,409,541	27,255,939	7,140,126	6,819,795	8,009,868	7,168,724	6,641,452	6,684,460
Capital improvements	240,780,247	123,989,666	93,892,585	121,938,252	167,718,556	151,354,034	140,771,194	115,345,559	120,779,559	152,617,318
Permanent Public Infrastructure	22,023,815	21,951,555	21,547,484	21,114,377	19,542,703	9,371,621	-	-	-	-
Reforestation	5,169,208	5,254,861	5,418,156	5,207,436	3,648,847	3,828,285	3,740,710	6,878,019	7,296,496	7,653,451
Community Development	12,240,633	9,535,311	14,510,459	24,472,949	-	-	-	-	-	-
Other purposes	70,373,412	49,375,807	82,466,684	11,352,859	54,953,643	44,650,497	30,357,753	30,038,789	16,043,607	18,740,570
Unrestricted	(662,569,034)	(1,073,980,710)	(1,030,306,345)	(1,034,060,658)	(1,298,536,220)	(1,371,274,244)	(1,344,807,847)	(1,256,694,440)	(1,254,102,054)	(1,235,534,374)
Subtotal governmental activities net position	388,780,613	(24,509,286)	(103,910,813)	(187,961,421)	(418,730,960)	(519,684,265)	(557,844,057)	(500,752,884)	(497,001,970)	(493,646,644)
Business-type activities										
Net investment in capital assets	1,008,430,918	1,017,976,397	1,038,973,087	1,037,504,264	1,028,572,432	1,008,501,766	1,019,533,158	1,013,711,148	988,443,984	939,311,650
Restricted for:										
Debt service	275,516,682	273,684,242	295,094,047	310,845,460	311,605,604	316,010,654	306,535,034	303,151,272	300,551,883	317,747,290
Capital improvements	489,778	572,327	426,239	585,692	3,175,170	4,029,579	4,019,610	13,458,769	9,081,443	17,381,921
Other purposes	311,966	389,699	391,053	456,486	6,019	38,880	162,314	1,907,059	11,255,564	16,384,208
Unrestricted	(11,673,700)	3,611,796	(4,456,983)	643,681	(13,587,504)	8,895,005	(596,026)	(434,806)	10,038,368	5,484,501
Subtotal business-type activities net position	1,273,075,644	1,296,234,461	1,330,427,443	1,350,035,583	1,329,771,721	1,337,475,884	1,329,654,090	1,331,793,442	1,319,371,242	1,296,309,570
Primary government										
Net investment in capital assets	1,620,527,254	1,776,100,080	1,715,123,710	1,672,261,689	1,655,373,817	1,644,067,513	1,623,617,423	1,610,221,613	1,594,782,954	1,495,503,581
Restricted for:										
Debt service	364,182,678	354,924,783	327,503,588	338,101,399	318,745,730	322,830,449	314,544,902	310,319,996	307,193,335	324,431,750
Capital improvements	241,270,025	124,561,993	94,318,824	122,523,944	170,893,726	155,383,613	144,790,804	128,804,328	129,861,002	169,999,239
Permanent Public Infrastructure	22,023,815	21,951,555	21,547,484	21,114,377	19,542,703	9,371,621	-	-	-	-
Reforestation	5,169,208	5,254,861	5,418,156	5,207,436	3,648,847	3,828,285	3,740,710	6,878,019	7,296,496	7,653,451
Community Development	12,240,633	9,535,311	14,510,459	24,472,949	-	-	-	-	-	-
Other purposes	70,685,378	49,765,506	82,857,737	11,809,345	54,959,662	44,689,377	30,520,067	31,945,848	27,299,171	35,124,778
Unrestricted	(674,242,734)	(1,070,368,914)	(1,034,763,328)	(1,033,416,977)	(1,312,123,724)	(1,362,379,239)	(1,345,403,873)	(1,257,129,246)	(1,244,063,686)	(1,230,049,873)
Total primary governmental net position	\$ 1,661,856,257	\$ 1,271,725,175	\$ 1,226,516,630	\$ 1,162,074,162	\$ 911,040,761	\$ 817,791,619	\$ 771,810,033	\$ 831,040,558	\$ 822,369,272	\$ 802,662,926

Note: Accounting standards require the net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the State or Federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the County.

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Governmental activities:										
Education	\$ 1,054,798	\$ 1,023,308	\$ 1,009,588	\$ 942,941	\$ 919,228	\$ 939,582	\$ 946,223	\$ 874,498	\$ 756,618	\$ 770,324
Public safety	596,825	560,008	523,493	383,476	394,347	344,882	342,374	307,333	352,253	313,525
General government	240,814	215,829	261,757	274,812	250,468	232,233	210,851	185,021	162,786	186,840
Health and human services	138,637	129,642	118,153	108,192	116,319	105,099	85,069	78,173	83,000	79,787
Public works	69,248	63,718	55,721	53,351	112,956	83,066	81,239	100,961	93,287	157,103
Recreation and community services	106,051	103,795	97,686	95,365	97,920	78,698	74,090	70,717	67,698	58,131
Judicial	51,052	48,958	45,481	33,447	34,244	30,781	31,366	30,734	31,648	28,588
Code enforcement	24,585	23,324	21,966	15,863	16,818	14,873	14,626	13,832	16,292	13,819
Land use and development	17,299	16,143	14,815	10,424	1,859	19,195	22,299	25,246	12,707	14,135
Interest on debt and leases	32,411	51,583	34,959	50,469	64,954	64,360	58,859	55,898	54,132	53,157
Subtotal governmental activities expenses	2,331,720	2,236,308	2,183,619	1,968,340	2,009,113	1,912,769	1,866,996	1,742,413	1,630,421	1,675,409
Business-type activities:										
Water and wastewater	241,141	224,736	211,403	208,736	189,989	182,683	175,379	166,442	146,011	153,026
Waste collection	83,882	74,363	65,279	42,688	61,870	56,777	56,607	48,257	54,943	46,297
Child care	8,128	8,418	7,432	6,231	2,960	5,490	5,650	5,532	5,363	4,767
Subtotal business-type activities expenses	333,151	307,517	284,114	257,655	254,819	244,950	237,636	220,231	206,317	204,090
Total primary government expenses	2,664,871	2,543,825	2,467,733	2,225,995	2,263,932	2,157,719	2,104,632	1,962,644	1,836,738	1,879,499
Program Revenues										
Governmental activities:										
Charges for services:										
Public safety	32,927	61,592	61,591	50,655	27,518	33,821	34,155	31,084	27,897	27,150
General government	76,504	55,453	34,477	17,785	68,814	66,824	68,950	61,345	57,073	51,850
Health and human services	20,579	9,906	9,906	18,623	8,851	12,198	12,413	9,955	12,487	8,938
Public works	41,941	25,193	25,193	23,231	24,491	24,569	24,678	24,548	24,939	23,805
Recreation and community services	39,836	51,799	51,999	20,474	17,474	15,799	19,011	19,545	19,560	18,664
Judicial	2,681	2,878	2,878	2,009	1,969	2,459	3,134	3,024	3,061	3,209
Code enforcement	24,576	12,241	12,241	14,951	11,462	11,601	13,675	14,361	13,316	14,380
Land use and development	1,816	1,106	1,106	682	1,522	1,900	2,981	2,297	2,298	2,461
Operating grants and contributions	80,412	84,567	111,667	134,968	150,802	123,052	82,054	77,267	67,906	66,729
Capital grants and contributions	63,052	49,342	46,351	89,331	93,752	77,415	58,854	63,963	59,231	63,915
Subtotal governmental activities revenues	384,324	354,077	357,409	372,709	406,655	369,638	319,905	307,389	287,768	281,101
Business-type activities:										
Charges for services:										
Water and wastewater	113,112	99,295	93,300	88,330	84,967	89,318	84,180	85,275	85,467	85,178
Waste collection	78,612	75,337	68,134	67,266	57,471	55,137	54,584	53,162	51,441	50,975
Child care	8,147	7,719	6,605	6,831	1,370	4,786	6,080	5,807	5,742	5,112
Capital grants and contributions	78,293	59,099	69,743	92,280	81,182	79,721	69,671	81,381	69,022	82,131
Subtotal business-type activities revenues	278,164	241,450	237,782	254,707	224,990	228,962	214,515	225,625	211,672	223,396
Total primary government program revenues	662,488	595,527	595,191	627,416	631,645	598,600	534,420	533,014	499,440	504,497
Net (Expense)/Revenue										
Governmental activities	(1,947,396)	(1,882,231)	(1,826,210)	(1,595,631)	(1,602,458)	(1,543,131)	(1,547,091)	(1,435,024)	(1,342,653)	(1,394,308)
Business-type activities	(54,987)	(66,067)	(46,332)	(2,948)	(29,829)	(15,988)	(23,121)	5,394	5,355	19,306
Total primary government net (expense)/revenue	(2,002,383)	(1,948,298)	(1,872,542)	(1,598,579)	(1,632,287)	(1,559,119)	(1,570,212)	(1,429,630)	(1,337,298)	(1,375,002)

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Revenues and Other Changes in Net Position										
Governmental activities:										
General property taxes	\$ 984,826	\$ 947,346	\$ 873,849	\$ 854,192	\$ 828,845	\$ 798,538	\$ 739,776	\$ 718,910	\$ 697,495	\$ 666,491
Local income taxes	1,143,468	799,312	836,419	745,469	668,002	606,312	560,494	506,513	485,822	485,232
State shared taxes	20,322	17,677	16,215	8,466	4,677	5,448	6,154	7,339	8,361	8,703
Recordation and transfer taxes	119,555	99,884	118,353	198,087	156,928	114,908	115,520	110,643	109,396	105,669
Local sales taxes	32,584	33,579	31,228	29,121	24,016	26,700	32,111	32,744	32,938	33,070
Investment income	60,591	62,737	32,796	(10,771)	1,450	8,931	14,550	2,854	1,797	4,586
Other revenue	-	-	-	-	18,830	19,667	19,015	18,855	18,194	15,766
County transfer	1,517	1,098	1,399	1,836	663	787	2,380	946	448	(1,099)
Subtotal governmental activities	<u>2,362,863</u>	<u>1,961,633</u>	<u>1,910,259</u>	<u>1,826,400</u>	<u>1,703,411</u>	<u>1,581,291</u>	<u>1,490,000</u>	<u>1,398,804</u>	<u>1,354,451</u>	<u>1,318,418</u>
Business-type activities:										
Investment income	12,386	10,089	4,206	(420)	3,092	7,193	6,939	6,439	2,777	1,671
Other revenue	21,278	22,883	23,917	25,468	19,696	17,404	16,422	14,086	15,378	11,398
County transfer	(1,517)	(1,098)	(1,399)	(1,836)	(663)	(787)	(2,380)	(946)	(448)	1,099
Subtotal business-type activities	<u>32,147</u>	<u>31,874</u>	<u>26,724</u>	<u>23,212</u>	<u>22,125</u>	<u>23,810</u>	<u>20,981</u>	<u>19,579</u>	<u>17,707</u>	<u>14,168</u>
Total primary government	<u>2,395,010</u>	<u>1,993,507</u>	<u>1,936,983</u>	<u>1,849,612</u>	<u>1,725,536</u>	<u>1,605,101</u>	<u>1,510,981</u>	<u>1,418,383</u>	<u>1,372,158</u>	<u>1,332,586</u>
Change in Net Position										
Governmental activities	415,467	79,402	84,049	230,769	100,953	38,160	(57,091)	(36,220)	11,798	(75,890)
Business-type activities	(22,840)	(34,193)	(19,608)	20,264	(7,704)	7,822	(2,140)	24,973	23,062	33,474
Total primary government	<u>\$ 392,627</u>	<u>\$ 45,209</u>	<u>\$ 64,441</u>	<u>\$ 251,033</u>	<u>\$ 93,249</u>	<u>\$ 45,982</u>	<u>\$ (59,231)</u>	<u>\$ (11,247)</u>	<u>\$ 34,860</u>	<u>\$ (42,416)</u>

Note: Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore, general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

Anne Arundel County, Maryland
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund										
Non-spendable	\$ 4,973,359	\$ 4,496,355	\$ 4,795,981	\$ 4,297,591	\$ 3,834,411	\$ 3,487,261	\$ 2,525,276	\$ 2,738,022	\$ 3,082,745	\$ 2,678,031
Restricted	22,023,815	21,951,555	21,547,484	21,114,377	-	-	-	-	1,372,139	1,372,139
Committed	-	-	-	-	19,542,703	9,371,621	-	-	-	-
Assigned	185,061,110	200,029,457	168,906,742	278,740,469	123,051,188	53,147,669	81,811,048	89,215,268	82,546,189	65,989,087
Unassigned	316,166,740	303,188,385	272,386,442	247,385,055	243,692,883	161,996,256	90,361,685	82,924,322	88,023,466	76,778,332
Total general fund	\$ <u>528,225,024</u>	\$ <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>	\$ <u>174,698,009</u>	\$ <u>174,877,612</u>	\$ <u>175,024,539</u>	\$ <u>146,817,589</u>
All other governmental funds										
Restricted	\$ 337,344,247	\$ 302,093,978	\$ 266,020,054	\$ 257,944,067	\$ 246,647,183	\$ 207,356,738	\$ 184,873,975	\$ 153,223,193	\$ 159,426,040	\$ 188,477,300
Committed	13,397,979	13,332,745	13,523,832	13,496,780	17,088,441	17,747,932	16,111,319	15,228,305	15,353,968	16,822,454
Assigned	309,034,295	207,285,295	191,167,589	89,583,080	94,187,758	76,805,478	85,148,709	134,902,781	124,078,614	79,535,242
Unassigned	(29,108,824)	(25,897,871)	(38,789,371)	(43,836,895)	(32,206,014)	(23,097,809)	(12,856,757)	(9,414,394)	(8,264,460)	(11,898,316)
Total all other governmental funds	\$ <u>630,667,697</u>	\$ <u>496,814,147</u>	\$ <u>431,922,104</u>	\$ <u>317,187,032</u>	\$ <u>325,717,368</u>	\$ <u>278,812,339</u>	\$ <u>273,277,246</u>	\$ <u>293,939,885</u>	\$ <u>290,594,162</u>	\$ <u>272,936,680</u>

Note: In fiscal year 2011 the primary government implemented GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions. This statement redefined how the fund balances of the governmental funds are presented in the financial statements.

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Anne Arundel County, Maryland
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
REVENUES					
General property taxes	\$ 984,825,737	\$ 947,346,310	\$ 873,849,117	\$ 854,191,742	\$ 831,122,864
Local income taxes	889,445,727	830,256,885	789,717,002	734,914,210	693,300,152
State shared taxes	20,322,333	17,677,360	16,215,423	15,596,875	11,414,898
Grants and aid	124,926,535	105,209,086	110,494,487	159,018,376	160,478,932
Recordation and transfer taxes	119,554,895	99,883,607	118,352,717	198,086,989	156,927,794
Local sales taxes	32,583,586	33,579,384	31,227,504	29,120,925	24,016,271
License and permit fees	20,631,802	18,836,206	16,549,952	21,259,243	14,564,976
Ambulance fees	23,190,882	28,348,874	23,263,395	21,629,966	12,642,842
Cable fees	8,190,443	9,199,034	9,318,677	9,178,248	9,786,085
Impact fees	20,439,054	26,733,231	21,695,583	28,933,429	31,468,598
Special community benefit taxes	11,324,084	10,559,216	9,985,961	9,367,759	9,003,030
Video lottery local impact grants	28,511,932	28,744,355	28,944,183	29,215,850	30,620,703
Watershed protection and restoration	27,016,094	25,586,486	24,198,415	23,904,363	23,619,255
Contributed capital	-	-	-	-	-
Investment income	60,590,727	62,737,085	32,795,673	(10,770,518)	(1,105,079)
Fees for services and other revenue	121,993,833	98,892,821	87,162,504	72,676,926	52,757,169
Total revenues	<u>2,493,547,664</u>	<u>2,343,589,940</u>	<u>2,193,770,593</u>	<u>2,196,324,383</u>	<u>2,060,618,490</u>
EXPENDITURES					
Current					
Education	1,054,797,724	1,023,308,439	1,009,588,263	961,276,084	919,228,528
Public safety	499,308,583	464,175,619	420,426,537	390,883,909	366,176,442
General government	208,502,712	180,071,157	230,000,120	201,357,349	188,358,268
Health and human services	124,063,339	115,177,350	102,750,539	109,660,157	111,286,780
Public works	60,791,760	55,324,997	46,783,616	54,373,243	45,415,532
Recreation and community services	92,017,738	89,866,300	82,853,143	97,207,550	72,655,970
Judicial	42,416,092	40,386,966	36,353,456	34,092,936	31,906,744
Code enforcement	20,626,750	19,395,465	17,782,232	16,169,885	15,332,805
Land use and development	14,600,617	13,464,321	11,962,582	10,330,805	9,133,848
Capital outlay	264,253,915	214,308,937	182,355,965	153,660,451	139,447,415
Debt service					
Interest payments on debt	73,024,978	70,331,978	70,155,570	69,259,664	63,854,988
Principal payments on debt	103,903,131	103,463,111	151,368,899	155,653,784	237,481,103
Interest payments on leases and subscriptions	2,095,471	691,917	519,964	376,896	8,712
Principal payments on leases and subscriptions	11,661,740	17,425,368	4,100,282	4,542,724	30,272
Debt issuance costs	168,890	184,087	114,533	289,037	-
Total expenditures	<u>2,572,233,440</u>	<u>2,407,576,012</u>	<u>2,367,115,701</u>	<u>2,259,136,474</u>	<u>2,200,317,407</u>
Revenues over (under) expenditures	<u>(78,685,776)</u>	<u>(63,986,072)</u>	<u>(173,345,108)</u>	<u>(62,812,091)</u>	<u>(139,698,917)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	428,969,760	347,482,824	413,289,695	285,543,112	286,539,448
Transfers out	(428,969,760)	(347,482,824)	(413,289,695)	(285,543,112)	(286,539,448)
General obligation bonds issued	175,805,000	154,630,000	129,555,000	138,495,000	180,065,000
Proceeds from Federal and State Loans	-	-	-	-	-
Proceeds from leases	2,666,828	7,675,213	190,617	5,210,477	-
Proceeds from SBITA	18,846,101	9,869,944	-	-	-
Proceeds from refunding issue	80,163,200	43,953,357	40,730,000	43,909,150	110,511,100
Premiums from sale of bonds	12,094,688	17,449,716	18,759,800	20,181,094	32,725,974
Premiums from the refunding of bonds	6,019,696	5,176,417	5,973,165	6,066,164	24,757,250
Transfers from (to) proprietary funds	1,517,421	1,098,258	1,398,958	1,836,177	663,000
Transfers from (to) OPEB Trust	-	-	-	-	-
Payments to escrow agent	(86,014,006)	(48,945,687)	-	-	-
Total other financing sources (uses)	<u>211,098,928</u>	<u>190,907,218</u>	<u>196,607,540</u>	<u>215,698,062</u>	<u>348,722,324</u>
Net change in fund balances	\$ <u>132,413,152</u>	\$ <u>126,921,146</u>	\$ <u>23,262,432</u>	\$ <u>152,885,971</u>	\$ <u>209,023,407</u>
Debt service as a percentage of noncapital expenditures	<u>8.0%</u>	<u>8.6%</u>	<u>10.3%</u>	<u>10.8%</u>	<u>8.3%</u>

	2020	2019	2018	2017	2016
\$	800,684,208	\$ 741,670,235	\$ 720,718,221	\$ 698,622,818	\$ 668,195,251
	606,998,155	522,923,960	508,267,424	491,528,416	456,192,055
	11,704,256	12,410,845	11,624,829	11,694,607	12,092,354
	101,396,165	61,249,684	48,773,143	47,789,759	54,773,026
	114,907,649	115,519,643	110,642,661	109,395,916	105,668,592
	26,699,642	32,110,766	32,744,465	32,938,166	33,070,498
	15,441,085	18,335,508	18,132,998	17,148,374	18,617,749
	12,112,507	13,627,382	11,833,040	11,985,658	11,387,538
	10,415,690	11,142,696	11,056,998	11,560,846	11,329,610
	36,710,846	32,733,711	35,651,712	24,587,197	33,651,125
	8,793,500	8,517,569	8,471,575	8,429,687	8,202,160
	22,431,343	27,316,533	27,942,514	23,805,240	18,437,244
	23,326,588	22,017,074	21,665,866	21,821,801	21,058,386
	-	-	-	589,323	5,187,715
	11,932,051	16,449,014	6,560,442	1,983,519	4,933,509
	55,258,347	64,437,432	61,563,037	59,225,786	49,047,470
	<u>1,858,812,032</u>	<u>1,700,462,052</u>	<u>1,635,648,925</u>	<u>1,573,107,113</u>	<u>1,511,844,282</u>
	939,581,972	946,223,055	874,498,215	756,618,157	770,323,479
	335,794,412	314,231,025	297,679,594	291,177,796	283,055,202
	161,691,255	148,598,076	139,055,913	113,861,353	67,831,167
	101,850,680	81,174,496	76,011,931	78,503,626	76,012,320
	48,976,660	53,686,960	51,848,700	46,309,768	51,788,360
	65,485,317	60,854,736	60,745,723	57,791,422	55,341,217
	31,210,499	30,215,792	29,148,559	27,708,229	27,189,933
	15,181,035	13,918,760	14,046,524	14,206,639	13,149,060
	9,398,676	10,129,513	8,613,192	11,234,169	11,541,521
	173,058,009	168,807,350	151,503,207	112,762,608	100,566,378
	64,033,273	57,901,384	54,487,265	53,916,572	53,433,347
	96,920,048	98,981,692	97,311,937	90,755,667	129,372,483
	373	373	-	15,210	13,619
	10,122	34,138	54,869	39,658	22,347
	-	-	-	-	-
	<u>2,043,192,331</u>	<u>1,984,757,350</u>	<u>1,855,005,629</u>	<u>1,654,900,874</u>	<u>1,639,640,433</u>
	<u>(184,380,299)</u>	<u>(284,295,298)</u>	<u>(219,356,704)</u>	<u>(81,793,761)</u>	<u>(127,796,151)</u>
	346,249,000	364,875,286	327,401,558	244,889,130	199,828,955
	(346,249,000)	(364,875,286)	(327,401,558)	(244,889,130)	(199,828,955)
	214,495,000	211,980,000	190,650,000	103,285,000	93,260,000
	-	285,100	-	-	-
	-	41,980	-	94,513	60,038
	-	-	-	-	-
	-	4,445,000	40,380,000	44,423,549	69,384,271
	27,938,190	43,830,943	30,959,363	18,037,398	18,664,020
	-	490,033	1,263,919	5,479,931	8,399,763
	787,000	2,380,000	946,137	1,170,804	(1,099,230)
	-	-	-	-	(70,877,624)
	-	-	(41,643,919)	(49,903,480)	(25,679,034)
	<u>243,220,190</u>	<u>263,453,056</u>	<u>222,555,500</u>	<u>122,587,715</u>	<u>92,112,204</u>
\$	<u>58,839,891</u>	<u>(20,842,242)</u>	<u>3,198,796</u>	<u>40,793,954</u>	<u>(35,683,947)</u>
	<u>8.5%</u>	<u>8.5%</u>	<u>8.7%</u>	<u>9.2%</u>	<u>11.3%</u>

Anne Arundel County, Maryland
 Taxable Assessed Value and Estimated Actual Value of Property
 Last Ten Fiscal Years
 (in thousands of dollars)

Fiscal Year Ended June 30,	Real Property					Personal Property			Total Taxable Assessed Value	Weighted Average Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Agricultural Property	Use Value Property	Total Real Property	Railroad/Utility Property	Other Business Property	Total Personal Property				
2025	\$ 83,574,310	\$ 23,735,034	\$ 655,738	\$ 24,436	\$ 107,989,518	\$ 1,604,365	\$ 1,486,402	\$ 3,090,767	\$ 111,080,285	0.99	\$ 111,080,285	100.00%
2024	79,056,874	22,903,223	609,341	23,883	102,593,321	1,483,339	1,414,677	2,898,016	105,491,337	0.99	105,491,337	100.00%
2023	75,855,072	22,519,338	596,164	23,161	98,993,735	1,409,233	1,691,693	3,100,926	102,094,661	0.95	102,094,661	100.00%
2022	73,633,743	22,659,244	574,885	14,746	96,882,618	1,308,485	1,658,619	2,967,104	99,849,722	0.94	99,849,722	100.00%
2021	71,395,721	22,651,601	572,257	20,424	94,640,003	1,251,058	1,503,158	2,754,216	97,394,219	0.94	97,394,219	100.00%
2020	69,494,486	21,422,055	557,322	23,131	91,496,994	1,164,769	1,546,641	2,711,410	94,208,404	0.95	94,208,404	100.00%
2019	66,898,243	20,570,534	536,563	17,758	88,023,098	1,122,468	1,611,430	2,733,898	90,756,996	0.91	90,756,996	100.00%
2018	64,446,727	19,754,772	519,391	20,913	84,741,803	1,027,433	1,649,168	2,676,601	87,418,404	0.92	87,418,404	100.00%
2017	62,092,763	18,589,077	503,603	20,966	81,206,409	994,833	1,602,185	2,597,018	83,803,427	0.93	83,803,427	100.00%
2016	59,792,897	17,851,464	488,233	21,624	78,154,218	941,588	1,336,541	2,278,129	80,432,347	0.93	80,432,347	100.00%

Anne Arundel County, Maryland
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
 (Per \$100 of Assessed Value)

Fiscal Year Ended June 30,	Anne Arundel County				Weighted Average Tax Rate	Overlapping		Total	
	Other than City of Annapolis		Within City of Annapolis			City of Annapolis	State of Maryland	Other than City of Annapolis	Within City of Annapolis
	Real Property	Personal Prop.	Real Property	Personal Prop.		Real Property	Real Property	Real Property	Real Property
2025	\$ 0.983	\$ 2.457	\$ 0.587	\$ 1.467	\$ 0.99	\$ 0.738	\$ 0.112	\$ 1.095	\$ 1.437
2024	0.980	2.450	0.586	1.465	0.99	0.738	0.112	1.092	1.436
2023	0.933	2.332	0.559	1.397	0.95	0.738	0.112	1.045	1.409
2022	0.933	2.332	0.559	1.397	0.94	0.738	0.112	1.045	1.409
2021	0.934	2.335	0.560	1.400	0.94	0.738	0.112	1.046	1.410
2020	0.935	2.337	0.561	1.402	0.95	0.738	0.112	1.047	1.411
2019	0.902	2.255	0.541	1.352	0.91	0.738	0.112	1.014	1.391
2018	0.907	2.267	0.544	1.360	0.92	0.649	0.112	1.019	1.305
2017	0.915	2.287	0.548	1.370	0.93	0.649	0.112	1.027	1.309
2016	0.923	2.307	0.552	1.380	0.93	0.649	0.112	1.035	1.313

Note: Section 710(d) of the County Charter provides that property taxes shall not increase, compared with the previous fiscal year, more than the Consumer Price Index percentage of change, or 4.5%, whichever is the lesser.

Anne Arundel County, Maryland
Principal Property Tax Payers
Current Year and Nine Years Ago

2025			2016		
Taxpayer	Taxable Assessed Value	Percentage of Total County Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percentage of Total County Taxable Assessed Value
Baltimore Gas & Electric Company	\$ 1,443,272,470	1.30%	Baltimore Gas & Electric Company	\$ 729,614,703	0.91%
Arundel Mills Limited Partnership (Arundel Mills Mall)	482,746,160	0.43%	Annapolis Mall LTD Partnership (Annapolis Mall)	476,846,300	0.59%
GLP Capital LP (formerly PPE Casino Resorts Maryland LLC)	327,722,357	0.30%	Arundel Mills Limited Partnership (Arundel Mills Mall)	398,218,753	0.50%
KP IV Navy LLC (Annapolis Mall)	343,222,500	0.31%	Verizon	160,615,250	0.20%
Verizon	128,251,440	0.12%	PPE Casino Resorts Maryland LLC	289,057,033	0.36%
Northrop Grumman Systems Corp.	245,573,130	0.22%	Raven FS Property Holdings LLC	175,040,000	0.22%
Raven FS Property Holdings LLC	184,735,000	0.17%	Wal-mart Stores, Inc.	122,443,086	0.15%
WCS Properties Business Trust	150,770,201	0.14%	Northrop Grumman Corp.	126,577,221	0.16%
Annapolis Towne Center at Parole LLC	146,171,534	0.13%	Annapolis Towne Center at Parole LLC	187,513,931	0.23%
Comcast of Maryland, LLC	57,775,260	0.05%	Dorsey Villas LLC	101,789,334	0.13%
	<u>\$ 3,510,240,052</u>	<u>3.16%</u>		<u>\$ 2,767,715,611</u>	<u>3.44%</u>

Anne Arundel County, Maryland
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collection to Date		
	Taxes Levied for the Fiscal Year	Amount		Percentage of Levy	Amount	Percentage of Levy
2025	\$ 990,989,646	\$ 984,569,171	99.35%	\$ -	\$ 984,569,171	99.35%
2024	947,885,588	944,575,132	99.65%	2,253,064	946,828,196	99.89%
2023	879,415,526	876,416,575	99.66%	2,394,987	878,811,562	99.93%
2022	855,128,718	849,455,256	99.34%	5,347,870	854,803,126	99.96%
2021	829,252,065	821,315,061	99.04%	7,482,753	828,797,814	99.95%
2020	802,387,875	796,488,765	99.26%	5,621,296	802,110,061	99.97%
2019	744,040,379	742,102,299	99.74%	1,776,567	743,878,866	99.98%
2018	719,780,692	718,630,145	99.84%	1,065,610	719,695,755	99.99%
2017	691,541,813	690,363,926	99.83%	1,141,594	691,505,520	99.99%
2016	664,554,243	662,752,803	99.73%	1,601,811	664,354,614	99.97%

Anne Arundel County, Maryland
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(in thousands of dollars, except per capita)

Fiscal Year Ended June 30,	Governmental Activities							Business-Type Activities		Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Leases and Subscriptions (c)	Tax Increment Bonds	State and Federal Loans	Capital Leases	Installment Purchase Agreements	Total Governmental Activities	Water, Wastewater and Solid Waste Bonds (b)	Leases (c)			
2025	\$ 1,821,111	\$ 72,569	\$ 47,215	\$ 1,277	\$ -	\$ 13,385	\$ 1,955,557	\$ 993,243	\$ 135	\$ 2,948,935	5.45%	\$ 4,830
2024	1,761,840	62,711	52,180	1,479	-	13,405	1,891,615	959,755	124	2,851,494	5.49%	4,734
2023	1,713,954	62,597	56,780	1,682	-	13,425	1,848,438	920,554	95	2,769,087	5.49%	4,615
2022	1,693,427	37,687	61,015	1,897	20	13,445	1,807,491	894,303	121	2,701,915	5.77%	4,513
2021	1,663,874	-	64,945	2,138	50	13,465	1,744,472	878,166	-	2,622,638	5.61%	4,398
2020	1,567,703	-	68,445	2,362	20	13,485	1,652,015	837,899	-	2,489,914	5.81%	4,233
2019	1,438,373	-	71,610	2,584	30	13,505	1,526,102	781,357	-	2,307,459	5.71%	3,984
2018	1,292,667	-	73,700	2,527	24	13,525	1,382,443	729,593	-	2,112,036	5.52%	3,670
2017	1,175,582	-	81,130	2,767	79	13,545	1,273,103	682,152	-	1,955,255	5.29%	3,422
2016	1,159,243	-	83,125	3,101	96	13,565	1,259,130	638,133	-	1,897,263	5.32%	3,342

(a) See the Demographic and Economic Statistics schedule for personal income and population data. These ratios are calculated using personal income for the prior calendar year.
(b) Bonds have been adjusted for the unamortized premium.
(c) Amounts include GASB 87 and GASB 96 which began July 1, 2021 and July 1, 2022, respectively.

Anne Arundel County, Maryland
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(in thousands of dollars, except per capita)

Fiscal Year Ended June 30,	Net General Obligation Bonds Outstanding (a)	Percentage of Estimated Actual Taxable Value of Property (b)	Per Capita (c)
2025	\$ 2,497,387	2.25%	\$ 4,091
2024	2,418,850	2.29%	4,016
2023	2,363,784	2.32%	3,940
2022	2,310,644	2.31%	3,859
2021	2,288,240	2.35%	3,837
2020	2,151,217	2.28%	3,657
2019	1,976,795	2.18%	3,413
2018	1,785,640	2.04%	3,103
2017	1,631,670	1.95%	2,856
2016	1,556,069	1.93%	2,741

(a) Bonds have been adjusted for the unamortized premium and net position restricted for debt service.

(b) See the Taxable Assessed Value and Estimated Actual Value of Property schedule for property value data.

(c) See the Demographic and Economic Statistics schedule for population data.

Anne Arundel County, Maryland
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
City of Annapolis	\$ 159,974,257	100.00%	\$ 159,974,257
Subtotal overlapping debt			<u>159,974,257</u>
Anne Arundel County direct debt			<u>2,577,928,740</u>
Total direct and overlapping debt			<u><u>\$ 2,737,902,997</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of the overlapping government that is borne by the residents and businesses of Anne Arundel County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Anne Arundel County, Maryland
Legal Debt Margin
 Last Ten Fiscal Years
(dollars in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Assessed value										
Real property	\$ 107,989,518	\$ 102,593,321	\$ 98,993,735	\$ 96,882,618	\$ 94,640,003	\$ 91,496,994	\$ 88,023,098	\$ 84,741,803	\$ 81,206,409	\$ 78,154,218
Personal and operating real property	3,090,767	2,898,015	3,100,926	2,967,104	2,754,216	2,711,410	2,733,898	2,676,602	2,597,018	2,278,129
Total assessed value	<u>111,080,285</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>	<u>90,756,996</u>	<u>87,418,405</u>	<u>83,803,427</u>	<u>80,432,347</u>
Legal debt margin										
Debt limit (5.2% of assessed value of real property, 13% for fiscal years 2001 and prior)	5,615,455	5,334,853	5,147,674	5,037,896	4,921,280	4,757,844	4,577,201	4,406,574	4,222,733	4,064,019
Debt limit (13% of assessed value of personal and operating real property)	401,800	376,742	403,120	385,724	358,048	352,483	355,407	347,958	337,613	296,157
Total debt limit	<u>6,017,255</u>	<u>5,711,595</u>	<u>5,550,794</u>	<u>5,423,620</u>	<u>5,279,328</u>	<u>5,110,327</u>	<u>4,932,608</u>	<u>4,754,532</u>	<u>4,560,346</u>	<u>4,360,176</u>
Debt applicable to limit:										
General obligation bonds (1)	1,332,270	1,294,121	1,355,191	1,337,928	1,327,513	1,289,037	1,190,801	1,088,656	997,364	982,412
Bonded debt for WPRF projects (1)	171,683	151,066	145,926	139,614	118,480	95,611	72,866	55,216	44,448	46,688
Bonded debt for solid waste projects (2)	52,656	48,959	42,993	43,453	47,362	44,472	38,973	37,228	33,888	32,920
Bonded debt for PPI projects (1)	120,421	107,249	-	-	-	-	-	-	-	-
Installment Purchase Agreements (1)	13,385	13,405	13,425	13,445	13,465	13,485	13,505	13,525	13,545	13,565
Tax Increment Bonds (1)	47,215	52,180	56,780	61,015	64,945	68,445	71,610	73,700	81,130	83,125
Bond anticipation notes (2)	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	<u>1,737,630</u>	<u>1,666,980</u>	<u>1,614,315</u>	<u>1,595,455</u>	<u>1,571,765</u>	<u>1,511,050</u>	<u>1,387,755</u>	<u>1,268,325</u>	<u>1,170,375</u>	<u>1,158,710</u>
Legal debt margin	<u>\$ 4,279,625</u>	<u>\$ 4,044,615</u>	<u>\$ 3,936,479</u>	<u>\$ 3,828,165</u>	<u>\$ 3,707,563</u>	<u>\$ 3,599,277</u>	<u>\$ 3,544,853</u>	<u>\$ 3,486,207</u>	<u>\$ 3,389,971</u>	<u>\$ 3,201,466</u>
Total debt applicable to the limit as a percentage of debt limit	<u>28.88%</u>	<u>29.19%</u>	<u>29.08%</u>	<u>29.42%</u>	<u>29.77%</u>	<u>29.57%</u>	<u>28.13%</u>	<u>26.68%</u>	<u>25.66%</u>	<u>26.57%</u>

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

(2) This presentation of debt for self-liquidating solid waste projects and bond anticipation notes is made to provide a conservative statement of indebtedness that evidences compliance with the 5.2% and 5.6% debt limitation.

Anne Arundel County, Maryland
Pledged-Revenue Bond Coverage
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Water and Wastewater Revenue Backed Bonds						Solid Waste Revenue Backed Bonds					
	Utility Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Service Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2025	\$ 133,474	\$ 137,354	\$ (3,881)	\$ 41,558	\$ 36,797	(0.05)	\$ 80,877	\$ 75,450	\$ 5,427	\$ 3,654	\$ 1,950	0.97
2024	118,776	123,282	(4,506)	40,634	34,399	(0.06)	76,900	66,884	10,016	3,429	1,742	1.94
2023	108,288	108,329	(41)	39,408	33,330	(0.00)	68,508	59,592	8,916	3,460	1,316	1.87
2022	100,439	109,879	(9,440)	38,283	32,793	(0.13)	66,665	36,791	29,875	3,478	2,056	5.40
2021	96,617	102,534	(5,917)	36,554	30,690	(0.09)	57,834	53,525	4,309	3,076	1,977	0.85
2020	102,566	98,213	4,353	34,136	30,418	0.07	56,534	47,710	8,825	2,501	1,928	1.99
2019	96,579	97,182	(603)	32,450	28,579	(0.01)	56,194	49,865	6,329	2,355	1,841	1.51
2018	96,827	92,229	4,598	30,655	26,527	0.08	54,339	48,073	6,267	1,860	1,799	1.71
2017	95,380	86,703	8,676	30,141	13,424	0.20	53,163	45,062	8,101	3,348	764	1.97
2016	94,645	96,453	(1,807)	29,560	10,104	(0.05)	51,560	41,660	9,900	2,434	1,000	2.88

Fiscal Year	Tax Increment Bonds						Installment Purchase Agreements Bonds					
	Revenues and Transfers In	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Revenues and Transfers In	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2025	\$ 52,893	\$ 75	\$ 52,818	\$ 4,965	\$ 1,759	7.86	\$ 1,340	\$ -	\$ 1,340	\$ 20	\$ 716	1.82
2024	56,853	58	56,795	4,600	1,993	8.61	954	-	954	20	717	1.29
2023	47,509	726	46,783	4,235	2,208	7.26	465	-	465	20	718	0.63
2022	48,435	1,153	47,282	3,930	2,408	7.46	(3,352)	-	(3,352)	20	719	(4.54)
2021	52,564	1,124	51,440	3,500	2,588	8.45	130	-	130	20	720	0.18
2020	51,120	1,118	50,002	3,165	2,749	8.45	2,449	-	2,449	20	722	3.30
2019	47,294	1,435	45,859	2,090	2,202	10.68	1,849	-	1,849	20	723	2.49
2018	47,851	1,438	46,413	2,240	4,185	7.22	592	-	592	20	724	0.80
2017	47,908	1,678	46,230	1,995	4,233	7.42	(569)	-	(569)	20	725	(0.76)
2016	39,206	957	38,249	1,735	4,271	6.37	2,443	-	2,443	20	726	3.27

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
"Utility Charges and Other" includes investment earnings but not capital contributions and grants.
"Operating Expenses" do not include interest or depreciation.

Anne Arundel County, Maryland
 Demographic and Economic Statistics
 Last Ten Years

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b) (thousands of dollars)</u>	<u>Per Capita Personal Income (c)</u>	<u>Public School Enrollment (d)</u>	<u>Unemployment Rate % (e)</u>
2025	610,496	\$ 54,062,930	\$ 88,556	85,085	2.65
2024	602,350	51,918,405	86,193	84,773	2.70
2023	599,965	50,408,461	84,019	84,346	1.90
2022	598,751	46,803,613	78,169	84,453	1.70
2021	596,354	46,786,607	78,454	83,165	5.05
2020	588,261	42,820,386	72,791	83,044	5.85
2019	579,234	40,381,643	69,716	84,984	2.97
2018	575,523	38,278,035	66,510	83,249	3.23
2017	571,339	36,978,774	64,723	82,777	3.64
2016	567,665	35,686,828	62,866	81,397	3.80

Sources and notes:

(a) Mid-year (July 1) estimates obtained from the Maryland Department of Planning , U.S. Census Bureau, release date March 2025; These data supersede population estimates published in previous years.

(b) U.S. Bureau of Economic Analysis (BEA), release date November 2024 - revised estimated for 2016-2023. These data supersede personal income estimates published in previous years. The year 2024- 2025 have been forecast by Anne Arundel County Planning & Zoning.

(c) U. S Bureau of Economic Analysis, release date November 2024 Per capita personal income is total personal income divided by total U.S. Census Bureau mid-year population.

(d) Anne Arundel County Board of Education, Educational Facilities Master Plan July 2024; 2002-2023 actual enrollment. Enrollment for 2024 and 2025 projected by AACPS Planning Department release date July 2024. Revised to include evening high school enrollment.

(e) Maryland Department of Labor, Licensing and Regulation monthly reports Average per Calendar Year; Year 2025 average for 6 months (Dec-May). Release date 7/01/2025. Previous data superseded by July 2025 report.

ANNE ARUNDEL COUNTY, MARYLAND

Principal Employers

Current Year and Nine Years Ago

2025			2016		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>	<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>
Ft. George G. Meade	64,455	14.89%	Ft. George G. Meade	53,733	13.60%
Anne Arundel County Public Schools	15,794	3.65%	Anne Arundel County Public Schools	14,000	3.54%
State of Maryland	11,584	2.68%	State of Maryland	12,132	3.07%
Northrop Grumman Corp.	10,300	2.38%	BWI Thurgood Marshall Airport	9,717	2.46%
BWI Thurgood Marshall Airport	10,000	2.31%	Northrop Grumman Corp.	7,725	1.96%
Anne Arundel County Government	6,515	1.50%	Anne Arundel County Government	5,190	1.31%
Southwest Airlines	5,239	1.21%	Anne Arundel Health System	4,000	1.01%
Anne Arundel Health System	4,225	0.98%	Southwest Airlines	3,500	0.89%
Univ. of MD Baltimore Washington Medical Center	3,170	0.73%	Maryland Live! Casino	3,000	0.76%
U.S. Naval Academy/Naval Support Activity	3,000	0.69%	Univ of MD Baltimore Washington Medical Center	2,901	0.73%
	<u>134,282</u>	<u>31.02%</u>		<u>115,898</u>	<u>29.33%</u>

Sources: Anne Arundel Economic Development Corporation, the Maryland State Data Center, and the U.S. Department of Commerce - Bureau of Economic Analysis.

ANNE ARUNDEL COUNTY, MARYLAND
 County Government Employees by Function - Full Time Equivalent
 Last Ten Fiscal Years

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government	576	574	560	544	534	529	519	521	511	502
Public safety										
Police	1,067	1,062	1,033	1,026	1,019	1,005	1,016	992	975	965
Fire	1,017	1,017	999	991	1,009	988	934	922	908	901
Detention center	435	435	434	434	434	434	397	395	397	398
Emergency Management	9	9	9	8	6	5	5	-	-	-
Health and human services	173	172	168	159	155	154	154	154	158	158
Public works	306	306	302	300	299	298	295	297	298	307
Recreation and community services	128	124	120	110	108	105	100	95	92	87
Judicial	323	323	319	313	306	296	290	286	281	277
Code enforcement	173	172	171	170	166	165	160	160	159	155
Land use and development	90	90	88	86	81	81	72	75	75	78
Water and wastewater	383	383	380	380	380	380	380	380	380	380
Solid waste	92	92	92	92	90	90	90	90	90	90
Child care	24	25	25	25	9	9	9	9	9	9
Total	<u>4,796</u>	<u>4,784</u>	<u>4,700</u>	<u>4,638</u>	<u>4,596</u>	<u>4,539</u>	<u>4,421</u>	<u>4,376</u>	<u>4,333</u>	<u>4,307</u>

Source: Anne Arundel County Budget Office, Approved Current Expense Budgets

Anne Arundel County, Maryland
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

Function/program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Physical arrests	8,988	9,486	9,172	10,908	9,205	10,304	13,145	12,946	14,126	14,375
Parking violations	2,186	2,595	2,429	2,021	1,932	2,058	3,298	2,906	2,429	1,545
Traffic violations	137,080	144,727	151,305	153,230	75,752 ¹	129,831	187,715	177,049	172,259	159,213
Fire										
Emergency responses	96,473	97,434	89,349	79,577	88,085	85,081	87,292	86,862	85,061	81,040
Inspections	9,249	9,019	11,461	6,160	7,446	9,866	12,544	10,829	12,656	9,062
Streets and highways										
Resurfacing (miles)	50.5	75.9	125.9	84.7	97.5	80.1	59.1	59.8	74.8	53.4
Recreation and community services										
Facility use applications	3,200	3,224	3,435	3,422	843 ¹	5,530	6,231	6,234	7,331	5,036
Water										
New water connections	758	1,037	998	1,302	1,670	1,811	2,633	1,000	1,671	1,972
Water main breaks	253	199	166	207	160	177	165	168	221	227
Average daily water consumption (thousands of gallons)	31,905	35,700	33,324	31,669	30,265	31,193	33,600	32,400	33,650	33,067
Number of customers	125,599	124,841	123,977	122,979	121,677	119,938	118,127	115,494	114,494	112,917
Wastewater										
Average daily sewage treatment (thousands of gallons)	31,490	32,163	31,207	32,606	28,336	29,192	33,183	30,386	28,859	31,442
Number of customers	134,014	133,218	132,275	131,246	129,882	128,157	126,287	123,653	122,603	120,981
Solid waste										
Trash collected (tons per year)	272,181	293,334	287,480	284,343	302,616	270,550	254,681	222,822	205,604	199,116
Recyclables collected (tons per year)	115,337	119,922	125,469	133,445	142,475	142,464	135,884	136,912	143,890	136,831
Child care										
Enrollment	3,826	2,846	2,575	2,682	470 ¹	3,141	3,097	3,134	3,087	2,903

1) Decreases primarily due to COVID-19.

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

Anne Arundel County, Maryland
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function/program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public Safety										
Police										
Stations	12	12	12	12	12	12	12	12	12	12
Patrol units (vehicles)	646	644	638	593	588	582	572	545	505	500
Fire										
County owned stations	22	22	22	22	22	22	21	20	20	20
Volunteer stations	9	9	9	9	9	9	10	11	11	11
Pumpers/tankers	70	73	69	68	67	69	70	65	63	60
Ladder trucks	17	17	17	16	25	25	24	22	23	23
Paramedic units	42	42	46	46	43	40	41	43	43	43
Streets and highways										
Streets (miles)	1,891	1,837	1,834	1,834	1,826	1,818	1,813	1,811	1,806	1,802
Streetlights	41,208	41,055	40,941	40,751	40,736	40,194	39,734	39,173	39,301	39,046
Traffic signals	270	252	248	241	230	238	234	222	219	216
Recreation and community services										
Open space acreage	5,870	5,841	5,810	5,828	4,989	4,984	4,930	4,722	4,991	4,991
Playgrounds and Parks acreage	6,954	6,939	6,989	6,923	7,789	7,706	7,536	7,542	7,329	7,329
Parks										
Playgrounds	81	83	81	78	78	68	68	68	70	69
Baseball/softball fields	211	197	197	192	198	198	198	197	213	215
Football fields	103	100	104	98	100	99	99	97	104	99
Basketball courts	80	79	82	78	83	82	84	84	84	83
Tennis courts	61	59	54	50	53	52	54	53	53	54
Water										
Water mains (miles)	1,532	1,560	1,517	1,548	1,510	1,447	1,423	1,412	1,407	1,388
Water treatment plants	14	13	12	12	12	12	12	12	12	12
Wastewater										
Maximum daily treatment capacity (thousands of gallons)	52,530	52,530	52,530	52,530	52,530	52,530	52,530	46,830	46,640	46,640
Wastewater mains (miles)	1,583	1,580	1,595	1,612	1,523	1,469	1,469	1,472	1,472	1,446
Wastewater treatment plants	7	7	7	7	7	7	7	6	7	7
Wastewater pumping stations	266	266	267	267	265	265	262	262	259	258

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

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