

Carroll County, Maryland



Comprehensive Annual Financial Report

For the Year Ended
June 30, 2020

Carroll County Mission

It is the mission of Carroll County Government to protect the Constitutional Rights of our citizens, maintain excellent public safety, infrastructure and education in a conservative and fiscally responsible manner, keeping Carroll County strong today and in the future.

Carroll County Government leads by example, respects the proper role of government, openly engages its citizens, and strives to preserve and protect the true American Spirit.

Comprehensive Annual Financial Report

For The Fiscal Year Ended
June 30, 2020

Department of the Comptroller
Carroll County, Maryland
Robert M. Burk, Comptroller





Introductory Section





INTRODUCTORY SECTION

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Robert M. Burk
Comptroller
410-386-2085, fax 410-840-8932
MD Relay service 7-1-1/800-735-2258
email: rburk@carrollcountymd.gov



Department of the Comptroller
Carroll County Government
225 North Center Street
Westminster, Maryland 21157

December 22, 2020

The Board of County Commissioners and
The Citizens of Carroll County, Maryland

State law requires that all general-purpose local governments publish a complete set of audited financial statements within six months of the close of each fiscal year. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Carroll County, Maryland for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of Carroll County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not outweigh their benefits, Carroll County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Carroll County's financial statements have been audited by CohnReznick LLP, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Carroll County's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with Generally Accepted Accounting Principles ("GAAP"). The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Carroll County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

Management's discussion and analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government:

Carroll County was created pursuant to an Act of the General Assembly of the State of Maryland on January 19, 1837. Carroll County is situated in the north central part of Maryland lying south of the Pennsylvania state line, which is part of the historic Mason-Dixon line. It is bordered on the east by Baltimore County, on the south by Howard County and on the west by Frederick County. The County is 456 square miles in area and is approximately 27 miles both in length and width with a 2020 population estimate of 168,063. The County seat and largest city is Westminster. Carroll County is empowered to levy a property tax on both real and personal properties located within its boundaries. During the last three decades, the basic character of the County's land and residents has changed from predominantly rural to suburban and rural.

Carroll County has operated under the commissioner form of government since the County was formed by the State of Maryland legislature. The County is governed by an elected five-member Board of County Commissioners (the "Board"). The Board may only exercise such powers as are conferred upon it by the General Assembly of Maryland. The Board operates under the Code of Public Local Laws of Carroll County, 2013 Edition, as amended, being Article 7 of the Code of Public Local Laws of Maryland. Both the executive and legislative functions of the County are vested in the Board of County Commissioners. The Board is responsible, among other things, for passing ordinances, adopting the budget,

appointing committees, and appointing a County Administrator, a Clerk to the Board, and the directors of various departments. The County Administrator and Clerk to the Board are charged, generally, with the day-to-day management of the County. The board members serve four-year concurrent terms, limited to two consecutive terms by State law. The County is divided into five districts based on population. Each district elects a commissioner to represent their district.

Carroll County provides a full range of services including public safety (police, volunteer fire protection, emergency services and detention center), highways and streets, sanitation, planning and zoning, economic development, culture-recreation, education, a community college, libraries, judicial and general administrative services. The County also operates, in conjunction with the State, services related to general community health and human services. In addition, the County operates a water and wastewater utility, a solid waste operation, a septage treatment operation, an airport, a firearms facility (shooting range), and a fiber network as enterprise funds.

Carroll County is also financially accountable for a legally separate board of education, community college, library system, and economic development services to commercial enterprises, all of which are reported separately as component units within Carroll County's financial statements. Additional information on these legally separate entities can be found in Note 1 of the notes to the financial statements.

The annual budget serves as the foundation for Carroll County's financial planning and control. All agencies of the County are required to submit requests for appropriation to the Department of Management and Budget in December of each year. Management and Budget uses these requests as the starting point for developing a proposed budget. Management and Budget then presents this proposed budget to the Commissioners for review prior to April 30. The Commissioners are required to hold public hearings on the proposed budget and to adopt a final budget by no later than 30 days before the close of the County's current fiscal year. The appropriated budget is prepared by fund, function (e.g., general government), and department (e.g., planning). Department heads may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the approval of the Board. A budget-to-actual comparison is provided in this report for the individual governmental funds for which a legal appropriated annual budget has been adopted. The general fund comparison is presented on page 39. as part of the basic financial statements for the governmental funds. For all other governmental funds, including the general fund, with appropriated annual budgets, this comparison is presented in the Supplementary Information subsection of the report, which starts on page 148.

Local Economy:

Local indicators show the continued stability of Carroll County. The unemployment rate for Carroll County was at 5.4% in August 2020, compared to 8.7% nationally. This is a result of the ongoing COVID-19 pandemic. Carroll County still maintains a mix of manufacturing, industrial, and service businesses that when joined with the strong agribusiness, provides for a stable business climate. The top 10 employers in the County show this diversity as they include the County Government, County Board of Education, two hospitals, two retirement communities, two colleges, a warehouse and distribution business, and a manufacturer. Included in these employers are companies like Penguin Random House and Evapco.

In response to the ongoing COVID-19 pandemic, the Governor of the State of Maryland proclaimed a state of emergency and catastrophic health emergency within the State of Maryland on March 5, 2020 which has been renewed several times, most recently on [October 6, 2020]. Since the initial proclamation, the Governor of Maryland has issued a series of executive orders, among other things, prohibiting large gatherings and events, requiring closure of nonessential and certain other businesses and authorizing emergency healthcare delivery. On March 30, 2020, the Governor of Maryland issued an executive order requiring Maryland residents to stay at home except for essential activities. On May 13, 2020, the Governor of Maryland issued an executive order lifting the stay at home order and allowing certain retail businesses to reopen at limited capacity and has subsequently issued a series of additional executive orders relating to the gradual reopening of certain businesses and facilities. As a result of these executive orders, many businesses and retail establishments in Maryland, including the County, have closed or materially reduced business activity.

The County's principal source of revenue is local taxes, which constitute approximately 95.3% of total revenues for fiscal year 2020: approximately 52.6% from local property taxes and approximately 38.5% from local income taxes. See "COUNTY REVENUES - General" for a further discussion of the County's revenues and revenue sources. Although the County does not currently anticipate that the levy and collection of property taxes or income taxes will be materially affected, the potential impact of COVID-19 cannot be fully determined at this time. The County did not experience any material decline in income tax collection in fiscal year 2020 and while the County does not expect a significant decline in income tax collection in fiscal year 2021, there is no assurance that the County will not experience a decline and delay in income tax collected in the upcoming fiscal years, the extent to which the County cannot fully determine at this time. As a result of the COVID-19 pandemic, the County may experience an increase in expenses for emergency preparedness, public health and

personnel costs. According to the Maryland Department of Budget and Management, the County could be reimbursed for qualifying expenses up to \$14.7 million from the Coronavirus Relief Fund (CRF) established under the CARES Act.

The COVID-19 pandemic's long-term impact on the State and local economy and on County pension funding and contribution requirements resulting from reduced investment returns cannot be currently determined. Further, the ongoing COVID-19 pandemic may cause additional economic and health challenges that cannot be anticipated at this time.

The County has a labor force of approximately 94,903 as of August 2020, which was an decrease of 1.4% from last year.

Long-term Financial Planning:

Real Property Tax Rate:

The Real Property Tax Rate is set by the Commissioners annually during the adoption of the budget. For fiscal year 2020, the commissioners adopted a Real Property Tax Rate of \$1.018 per \$100 of assessed value, unchanged from the prior year.

Personal Property Tax Rate:

The Personal Property Tax Rate is also set annually by the Commissioners during adoption of the budget. For fiscal year 2020, the Commissioners adopted a Personal Property Tax Rate of \$2.515 per \$100 of assessed value, unchanged from the prior year.

Income Tax Rate:

Effective January 1, 2015, the income tax rate reduced from 3.04% to 3.03% of the State taxable income. For 2020, the rate remained at 3.03% of State taxable income.

Homestead Tax Credit:

The Homestead Tax Credit rate is set by the Commissioners and caps the amount taxes can increase on a primary residence at 5% a year. The credit equals the County's tax rate multiplied by the amount by which the current year's assessment on residential property exceeds 5% of the previous year's taxable assessment.

Stabilization Arrangement:

The County formally adopted an ordinance for the stabilization arrangement during fiscal year 2013. The arrangement requires the County to maintain at least 5% of the upcoming fiscal year adopted general fund budget in committed fund balance to be available to meet unforeseen emergency situations.

Operating Budget:

The County maintains a balanced six-year Operating Plan and a Community Investment Plan ("CIP") for expenditures built on projected revenues. The development of six-year plans requires the County to evaluate the impact of current decisions on the long-term financial position of the County.

Capital Projects:

The County Commissioners six-year Community Investment Plan is focused on maintaining existing infrastructure. The current six-year program included \$30.5 million to continue the County's efforts in purchasing agriculture land preservation easements, \$23.1 million for watershed assessment and improvements, \$60.1 million to expand and renovate the Career and Technology Center, \$17.0 million to construct a new 24,000 square foot facility for the State's Attorney, \$34.9 million for various public schools HVAC improvements and replacements, and \$88.3 million to maintain roads throughout the County through the pavement management and pavement preservation projects.

The plan also includes a \$3.3 million project to replace the current cast iron water mains and clay sanitary sewer lines in the Town of Sykesville where Bureau of Utilities operates and maintains both the water and sewer in the town. A funding program for water and sewer projects estimated to be needed to build-out has been put in place that would fund all needed projects through user assessments and connection fees and not require new debt financing.

The County has received an Airport Runway Extension project approval from the Federal Aviation Administration, which is expected to fund 90% of an anticipated total project cost of \$88.2 million. Additional funding will come from the Maryland Aviation Administration and County contributions. The project provides funding to extend the current 5,100 foot runway to 5,400 feet and widen and extend taxiways. The runway will be moved approximately 400 feet from its current location. This project, currently in the land acquisition phase, is expected to be completed in 2035.

Debt Administration:

The County plans long- and short-term debt issuance to finance its capital budget based on cash flow needs, sources of revenue, available financing instruments, trends in bond market structures, and trends in interest rates. The County finances its capital needs on a regular basis dictated by its capital spending pattern. A financial advisor firm and bond counsel assist in developing a bond issuance strategy, preparing bond documents, and marketing bonds to investors.

The county consolidates general County improvements into Consolidated Public Improvement bonds with a term of no longer than the estimated life of the assets for which they are used to purchase. Debt obligations are generally issued through a competitive sale. However, the County may use a negotiated sale process when it is most cost effective or when bids received through a competitive sale are unsatisfactory.

Financial Policies and Practices:

Debt Policy:

The debt policy sets forth comprehensive guidelines for the financing of capital expenditures. The policy provides parameters for issuing debt and managing outstanding debt. The policy provides guidance to decision makers regarding the timing and purpose for which debt may be issued, what types and amounts of debt are permissible, the method of sale that may be used and the debt structuring practices that may be used. The County recognizes that adherence to a debt policy helps ensure that it maintains a sound debt position and that credit quality is protected.

Investment Policy:

The County has a written investment policy and procedures manual that ensures that the investment program is strictly adhered to and the security of County investments are maximized. Cash held temporarily idle during the year by Carroll County, excluding component units, was invested in repurchase agreements, certificates of deposits, obligations of federal government agencies instrumentalities, the Maryland Local Government Investment Pool and a bank money rate savings account, all of which are fully collateralized by United States Government obligations for periods ranging from one day to 20 years. The County also has a delivered collateral policy and a master repurchase agreement as part of its overall investment program.

Major Initiatives:

The County continues to focus on maintaining essential services. As of June 30, 2020, 74,211 acres are under permanent easement in our Agricultural Land Preservation programs supporting agribusiness, maintaining open space and our rural heritage, and avoiding the costs of services and infrastructure to serve residential development.

Carroll County continues to maintain its highest triple-A rating from all three credit agencies. There was a credit rating assigned October 2019 for the fiscal year 2020 bond sale, which re-affirms our upgrade from October 2018 of the coveted and highest triple-A rating from all three credit agencies (Fitch AAA, Moody's Aaa, S&P AAA). All three had a comment of "outlook stable".

Pension and 401(k) Plans:

The Carroll County Employee Pension Plan, a defined benefit plan, was established by the County in 2004 and administered by the County to accumulate resources for pension benefit payments. The Carroll County Employee Pension Plan was amended October 1, 2009 to establish the Carroll County Certified Law Officers Pension Plan. It allows eligible law enforcement officers to receive a non-reduced pension after 25 years of service. Effective October 4, 2017, the County further amended the Carroll County Pension Plan for electing correctional officers. Effective October 1, 2009, the County amended the 401(k) Defined Contribution Plan and discontinued County contributions for employees that were hired July 1, 1985 or later and for those employees hired prior to July 1, 1985 who elected to participate in the Carroll County Pension Plan. Employees may still choose to voluntarily contribute to the plan. Administration of this plan is provided by the County, with recordkeeping services provided by the Lincoln Financial Group. Additional information on the plans can be found in Note 11 of the notes to the financial statements.

Awards and Acknowledgements:

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to Carroll County for its comprehensive annual financial report ("CAFR") for the fiscal year ended June 30, 2019. Carroll County has received a Certificate of Achievement for the last 35 consecutive years (fiscal years 1985-2019). The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the County also received the GFOA's Distinguished Budget Presentation Award for its fiscal year 2020 adopted budget document. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The Distinguished Budget Presentation Award is valid for a period of one year only. Carroll County has received the Distinguished Budget Presentation Award for the last thirteen consecutive years (2008-2020).

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff in the Department of the Comptroller and the cooperation of the entire organization. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report. In closing, I would like to thank the County Commissioners for their continuing interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink that reads "Robert M. Burk". The signature is written in a cursive style with a large initial "R" and "B".

Robert M. Burk, CPA
Comptroller





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Carroll County
Maryland**

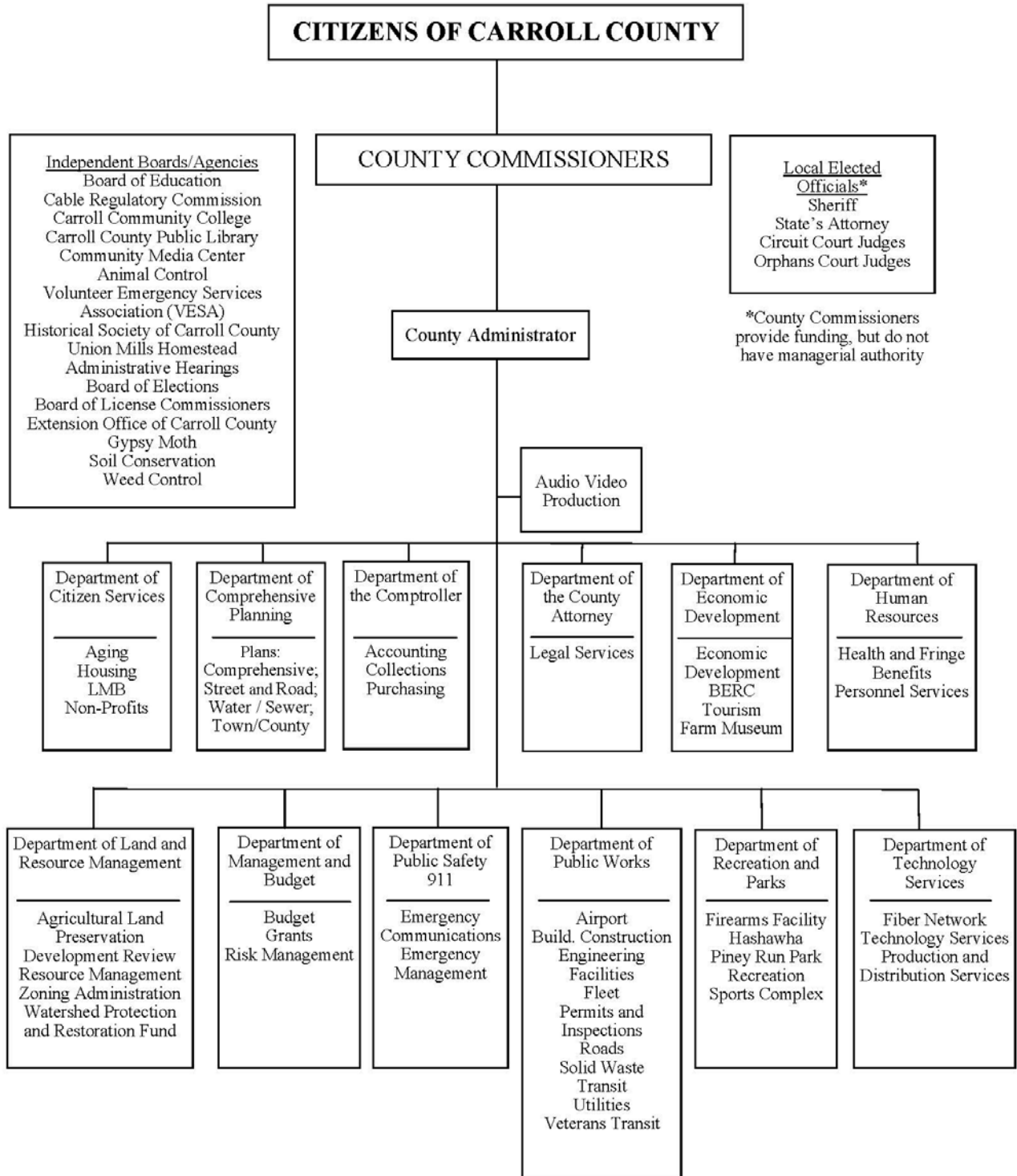
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

CARROLL COUNTY GOVERNMENT



Carroll County, Maryland

225 North Center Street
Westminster, Maryland 21157
Telephone (410) 386-2400
Fax (410) 386-2485
carrollcountymd.gov

Appointed Officials

Roberta Windham, ESQ.
County Administrator
Shawn Reese
County Clerk
Robert M. Burk
Comptroller
Theodore Zaleski, III
Director of Management and Budget
Timothy C. Burke
County Attorney
Celene E. Steckel
Director of Citizen Services
Jeffrey D. Castonguay
Director of Public Works
Scott R. Campbell
Director of Public Safety
Lynda D. Eisenberg
Director of Comprehensive Planning
Thomas Devilbiss
Director of Land and Resource Management
Jeff R. Degitz
Director of Recreation and Parks
Kimberly L. Frock
Director of Human Resources
Mark Ripper
Director of Technology Services
John Lyburn, Jr.
Director of Economic Development

Independent Auditors

CohnReznick, LLP
Baltimore, Maryland

Bond Counsel

McKennon Shelton & Henn, LLP
Baltimore, Maryland

Financial Advisor

Davenport & Company, LLC
Baltimore, Maryland

Board of County Commissioners

Stephen A. Wantz
President
District 1



Edward C. Rothstein
Vice President
District 5



C. Richard Weaver
2nd Vice President
District 2



C. Eric Bouchat
District 4



Dennis E. Frazier
District 3





Financial Section





Independent Auditor's Report

To the County Commissioners
Carroll County, Maryland

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Board of Education of Carroll County and Carroll Community College which represent 94.9 percent, 60.6 percent, and 95.6 percent of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Board of Education of Carroll County and Carroll Community College is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 18 - 30, and the required supplementary information on pages 133 - 146 as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Carroll County, Maryland's basic financial statements. The introductory section, supplementary information section and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2020, on our consideration of Carroll County, Maryland's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Carroll County, Maryland's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Carroll County, Maryland's internal control over financial reporting and compliance.



Baltimore, Maryland
December 21, 2020

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2020

As management of Carroll County, MD we offer readers of Carroll County Government's financial statements this narrative overview and analysis of the financial activities of Carroll County Government for the fiscal year ended June 30, 2020. The objective of this overview and analysis is to assist readers in focusing on significant financial issues, provide an overview of the County's financial activity, identify changes in the County's financial position, identify any material deviations from the financial plan, and identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages 5-9 of this report.

Financial Highlights

Government-wide:

- The assets and deferred outflows of resources of Carroll County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year ended June 30, 2020 by \$303,569,792 (total net position), compared to \$268,758,594 at June 30, 2019. For fiscal year ended June 30, 2020, total net position was net of the \$64,381,419 deficit in the unrestricted component of net position. The deficit occurs because the County issues debt to fund construction costs for the Board of Education, which is a component unit of the County. The assets are then recorded on the component unit's books and the related debt is recorded on the County's books. Of total net position at June 30, 2020, \$26,348,913 was restricted for specific purpose (restricted net position) in comparison to \$18,291,151 at June 30, 2019. The total net investment in capital assets was \$341,602,298 at June 30, 2020, compared to \$346,938,475 at June 30, 2019.
- The total net position increased by \$34,811,198 or 13.0%.

Fund level:

- At the close of the fiscal year, unassigned fund balance for the general fund (primary operating fund) was \$30,358,968 or 7.47% of general fund revenues.
- As of June 30, 2020, the County's governmental funds reported combined fund balances of \$169,995,790, an increase of \$29,358,146 from the prior year. Approximately 17.9% of the combined fund balance is available to meet the County's current and future needs (*unassigned*), 27.8% is assigned, indicating that it is not available for new spending because it has already been assigned for items such as existing purchase orders, construction contracts, and subsequent years expenditures, 38.0% is committed or restricted for future use, stabilization arrangement, restricted investments and other purposes, and 16.3% is nonspendable meaning it is in the form of loans receivable, inventory and notes receivable.

Long-term debt:

- Carroll County Government's total bonded debt increased by \$5,584,775, or 2% from fiscal year 2019. For fiscal year 2020, the County paid an average interest rate of 3.85%.
- Debt Service for the County's governmental activities decreased by \$1,730,320, or 4.4% from fiscal year 2019.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Carroll County Government's basic financial statements. Carroll County Government's basic financial statements comprise three components:

- ✓ Government-wide financial statements.
- ✓ Fund financial statements.
- ✓ Notes to the financial statements.

This report also contains required and non-required supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of Carroll County Government's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of Carroll County Government's assets, liabilities, and deferred

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inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position and condition of Carroll County Government is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Carroll County Government that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Carroll County Government include general government, public safety, public works, health, human services, education, culture and recreation, libraries, conservation of natural resources, judicial and economic development. The business-type activities of Carroll County Government include water and sewer service, solid waste operations, septage treatment, firearms facility, airport facility and a fiber network.

The government-wide financial statements include not only Carroll County Government itself (known as the *primary government*), but also legally separate component units. Carroll County Government has the following component units: Board of Education of Carroll County, Carroll Community College, Carroll County Public Library, and Industrial Development Authority of Carroll County. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 33 through 34 of this report.

Fund financial statements: A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Carroll County Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Carroll County Government can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds: *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Carroll County Government maintains five individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, capital projects fund and the grant fund all of which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements which can be found on pages 155 to 156 of this report.

Carroll County Government adopts an annual appropriated budget for its general fund and grants fund. A budgetary comparison statement has been provided for the general and grant funds and can be found on pages 39 and 40 of this report.

The basic governmental funds financial statements can be found on page 36 and 37 of this report.

Proprietary funds: Carroll County Government maintains two different types of proprietary funds. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Carroll County

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Government uses an enterprise fund to account for its Bureau of Utilities, Solid Waste, Airport, Septage, Firearms Facility and Fiber Network. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Carroll County Government's various functions. Carroll County Government uses an internal service fund to account for risk management activities and employee health benefits. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 41 to 45 of this report.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Bureau of Utilities, Solid Waste, Airport, and Fiber Network, which are considered to be major funds of Carroll County Government. Individual fund data for each of the two non-major proprietary funds is provided in the form of combining statements which can be found on pages 159 to 161 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Carroll County Government's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The County has four trust funds, which are the Carroll County Employee Pension Trust Fund; the Carroll County Certified Law Officers Pension Trust Fund; the Retiree Benefit Trust, Board of County Commissioner of Carroll County, Maryland "OPEB"; and the Volunteer Firemen Length of Service Award Program "LOSAP". In addition to the four trust funds the County has one agency fund; the Carroll Cable Regulatory Commission. The basic fiduciary funds financial statements can be found on pages 46 and 47 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 51 to 131 of this report.

Required Supplementary Information: Required supplementary information is not part of the basic financial statements; however, it provides additional information. Required Supplementary Information can be found on pages 133 to 146.

Financial analysis of the County as a whole

As noted earlier, net position may serve over time as a useful indicator of a government's overall financial position. In the case of Carroll County Government, total net position was \$303,569,792 at the close of the most recent fiscal year. Components for Carroll County Government's net position are divided into three categories, net investment in capital assets, restricted net position and unrestricted net position. The largest portion of the County's net position reflects its investment in capital assets net of depreciation (e.g., buildings, building improvements, water and sewer systems, vehicles, machinery, equipment, roads and bridges), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

It is important to note that although counties in the State of Maryland issue debt for the construction of schools, school buildings are owned by each County's Public School System. Ownership reverts to the County if the local board determines that a building is no longer needed. Therefore, while the County's financial statements include this outstanding debt, they do not include the capital assets funded by the debt. The negative unrestricted net positions in governmental activities of \$47,883,095 reflect the imbalance of liabilities without corresponding assets.

Restricted net position of \$26,348,913 represents 8.7% of total net position. Restricted net position is resources that are subject to external restrictions on how they may be used. Unrestricted net position of the total government is a deficit of \$64,381,419.

The major changes that took place occurred in the governmental activities. Total assets and deferred outflows increased \$80.1 million from the prior fiscal year. Several items contributed to the increase in total assets and deferred outflows. First, the income tax increased which was collected by the State of Maryland and owed to the County at June 30, 2020. This increased the County's due from other governments by \$19.1 million, Equity in Pooled Cash (EIPC) at June 30, 2020 was \$36.4 million higher than the EIPC at June 30, 2019. This increase was due to the County issuing general obligation bonds to

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reimburse capital expenditures that already had occurred as well as the Board of Education not drawing all of their appropriation in FY20.

Noncurrent liabilities increased by \$8 million due to the increase in “due to component units” which increased primarily due to the Board of Education not drawing all of their appropriation for FY20.

Carroll County Government's Net Position

	Governmental Activities		Business-type Activities		Total Government	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Current assets	\$ 266,863,501	\$ 198,587,383	\$ 16,682,942	\$ 22,436,747	\$ 283,546,443	\$ 221,024,130
Non-current assets	40,776,514	29,021,572	-	-	40,776,514	29,021,572
Capital assets	369,752,390	374,826,184	147,245,617	138,759,125	516,998,007	513,585,309
Total assets	<u>677,392,405</u>	<u>602,435,139</u>	<u>163,928,559</u>	<u>161,195,872</u>	<u>841,320,964</u>	<u>763,631,011</u>
Deferred outflows	20,267,119	17,807,626	165	332	20,267,284	17,807,958
Total assets and deferred outflows	<u>697,659,524</u>	<u>620,242,765</u>	<u>163,928,724</u>	<u>161,196,204</u>	<u>861,588,248</u>	<u>781,438,969</u>
Current liabilities	97,540,258	67,932,718	6,913,913	6,272,646	104,454,171	74,205,364
Non-current liabilities	419,036,356	409,048,118	20,282,970	22,214,478	439,319,326	431,262,596
Total liabilities	<u>516,576,614</u>	<u>476,980,836</u>	<u>27,196,883</u>	<u>28,487,124</u>	<u>543,773,497</u>	<u>505,467,960</u>
Deferred inflows	14,105,112	7,189,974	139,847	22,441	14,244,959	7,212,415
Total liabilities and deferred inflows	<u>530,681,726</u>	<u>484,170,810</u>	<u>27,336,730</u>	<u>28,509,565</u>	<u>558,018,456</u>	<u>512,680,375</u>
Net position:						
Net investment in capital assets	206,611,333	222,253,555	134,990,965	124,684,920	341,602,298	346,938,475
Restricted	8,249,560	1,371,176	18,099,353	16,919,975	26,348,913	18,291,151
Unrestricted (deficit)	<u>(47,883,095)</u>	<u>(87,552,776)</u>	<u>(16,498,324)</u>	<u>(8,918,256)</u>	<u>(64,381,419)</u>	<u>(96,471,032)</u>
Total net position	<u>\$ 166,977,798</u>	<u>\$ 136,071,955</u>	<u>\$ 136,591,994</u>	<u>\$ 132,686,639</u>	<u>\$ 303,569,792</u>	<u>\$ 268,758,594</u>

During fiscal year 2020, the County's net position increased by \$34,811,198. The revenue contributing factors to the increase in net position include income tax, property taxes, and increase in investment earnings. In addition to the increases, it should be noted that there was an increase in operating grants and contributions and capital grants and contributions in governmental activities of over \$5.6 million compared to the prior fiscal year. Expenses increased from the prior year with several contributing factors. This includes additional expense in General Government and Public Safety for an increase in deferred inflows for OPEB. Additionally, conservation of natural resources increased from the prior fiscal year due to the County entering into more agriculture preservation contracts.

Public safety also had increased expenses which includes the addition of School Resource positions for the school resource officer program. The Education budget increased to include state-mandated teacher pension, and capital increased direct funding in Maintenance of Effort in FY20.

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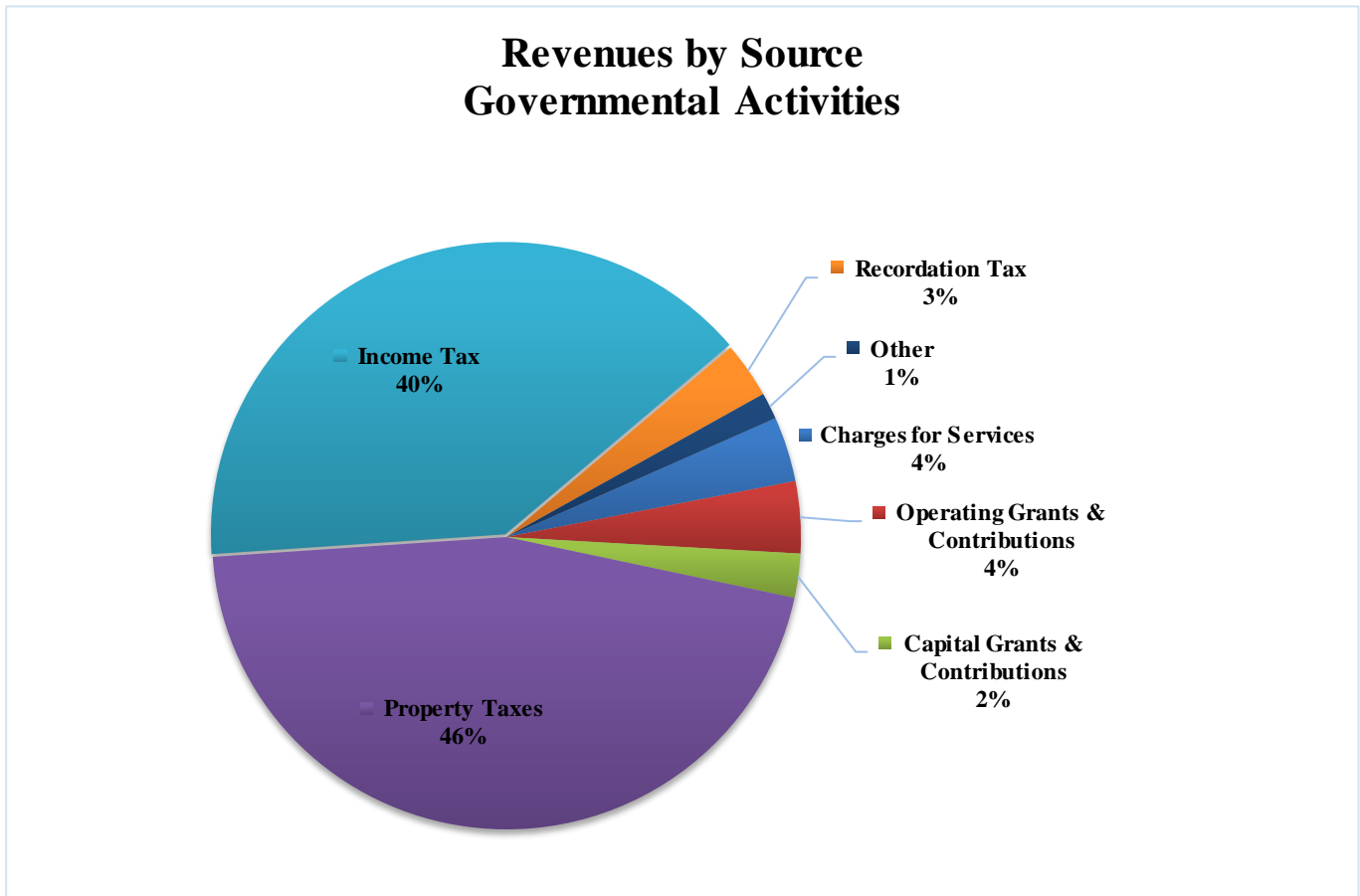
The following table indicates the changes in net position for governmental and business-type activities:

Carroll County Government's Changes in Net Position

	Governmental Activities		Business-type Activities		Total Government	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Revenues:						
Program revenues:						
Charges for services	\$ 17,252,521	\$ 18,064,107	\$ 20,969,184	\$ 20,327,275	\$ 38,221,705	\$ 38,391,382
Operating grants & contributions	19,094,094	16,963,132	-	-	19,094,094	16,963,132
Capital grants & contributions	11,694,330	8,248,296	6,693,643	4,289,501	18,387,973	12,537,797
General revenues:						
Property taxes	218,894,050	213,573,818	-	-	218,894,050	213,573,818
Income tax	191,376,929	176,127,555	-	-	191,376,929	176,127,555
Recordation tax	14,840,846	13,703,195	-	-	14,840,846	13,703,195
Admission & amusement tax	251,253	356,490	-	-	251,253	356,490
Agricultural transfer tax	268,174	296,242	-	-	268,174	296,242
Hotel rental tax	306,978	366,550	-	-	306,978	366,550
Investment earnings	6,170,082	5,080,311	(88,303)	55,210	6,081,779	5,135,521
Gain (Loss) on sale of capital asset	68,685	(34,064)	11,365	196,000	80,050	161,936
Total Revenues	480,217,942	452,745,632	27,585,889	24,867,986	507,803,831	477,613,618
Program Expenses:						
General government	51,183,364	44,014,893	-	-	51,183,364	44,014,893
Public safety	59,895,296	57,309,536	-	-	59,895,296	57,309,536
Public works	32,037,398	34,537,476	-	-	32,037,398	34,537,476
Health	5,054,923	4,939,055	-	-	5,054,923	4,939,055
Human services	16,187,454	16,159,258	-	-	16,187,454	16,159,258
Education	221,758,339	218,771,767	-	-	221,758,339	218,771,767
Culture and recreation	5,672,058	6,293,510	-	-	5,672,058	6,293,510
Libraries	15,769,487	15,151,289	-	-	15,769,487	15,151,289
Conservation of natural resources	15,851,219	13,334,949	-	-	15,851,219	13,334,949
Economic development	4,399,990	4,949,297	-	-	4,399,990	4,949,297
Judicial	10,753,106	8,851,355	-	-	10,753,106	8,851,355
Interest on long-term debt	9,603,235	9,937,714	-	-	9,603,235	9,937,714
Bureau of Utilities	-	-	12,725,030	13,277,968	12,725,030	13,277,968
Solid Waste	-	-	8,956,514	7,719,428	8,956,514	7,719,428
Airport	-	-	984,310	1,036,829	984,310	1,036,829
Septage	-	-	654,014	692,424	654,014	692,424
Firearms	-	-	178,741	152,490	178,741	152,490
Fiber Network	-	-	1,328,155	1,281,917	1,328,155	1,281,917
Total Expenses	448,165,869	434,250,099	24,826,764	24,161,056	472,992,633	458,411,155
Excess (deficiency) before transfers	32,052,073	18,495,533	2,759,125	706,930	34,811,198	19,202,463
Transfers in (out)	(1,146,230)	(2,784,820)	1,146,230	2,784,820	-	-
Increase (Decrease) in Net Position	30,905,843	15,710,713	3,905,355	3,491,750	34,811,198	19,202,463
Net Position - Beginning	136,071,955	120,361,242	132,686,639	129,194,889	268,758,594	249,556,131
Net Position - Ending	\$ 166,977,798	\$ 136,071,955	\$ 136,591,994	\$ 132,686,639	\$ 303,569,792	\$ 268,758,594

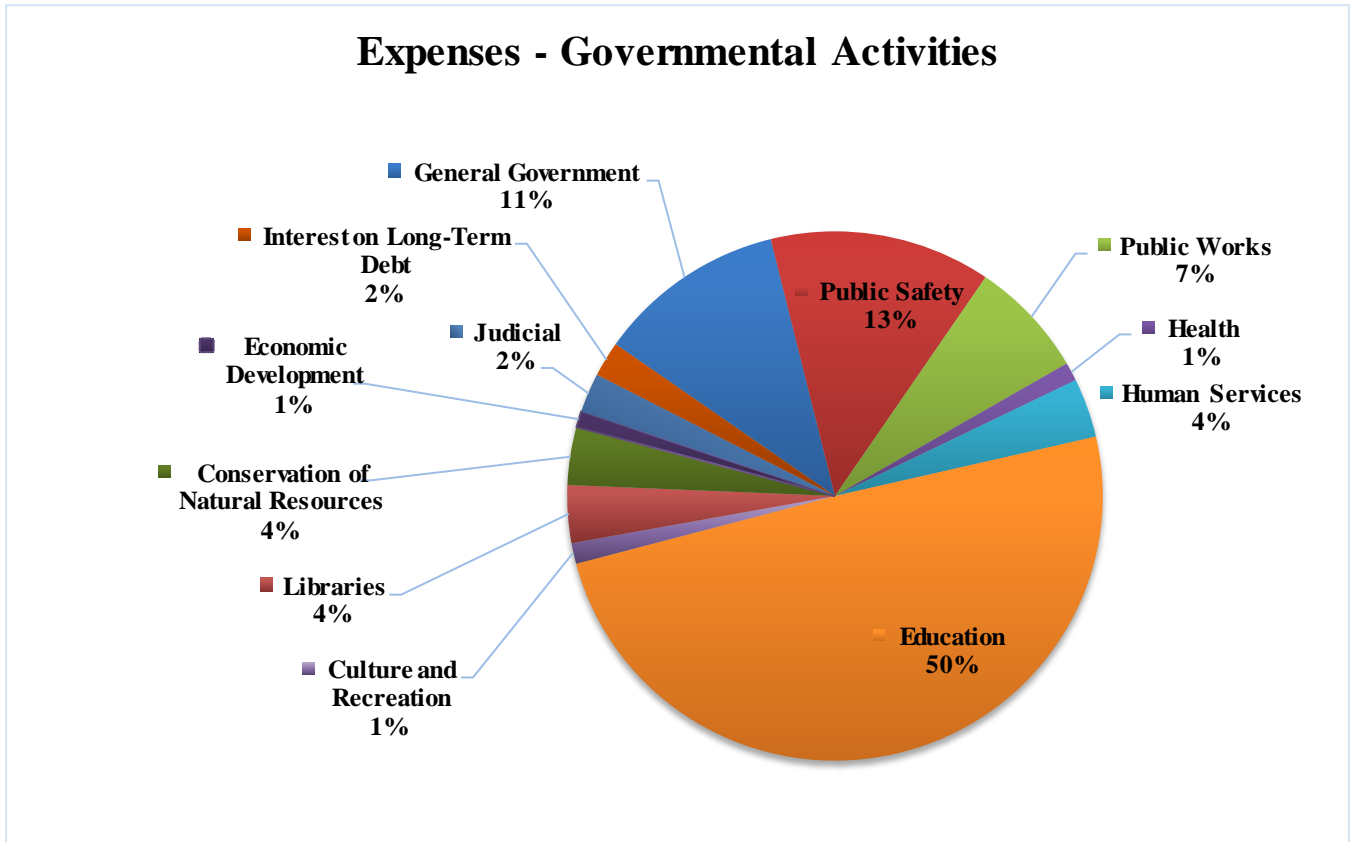
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Governmental activities: Overall revenue has increased by \$27,472,310, which is a 6.1% increase from fiscal year 2019. The contributing factors include property tax revenue, which increased by \$5,320,232 over the last fiscal year due to the increase in real property assessments. Income tax increased by \$15,249,374 due to more income tax being collected. Investment earnings increased by \$1,089,771 as a result of change in market values at year end on restricted investments in U.S. Treasury Strips and Bonds for Installment Purchase Agreements. Operating grants and contributions increased by \$2,130,962 primarily in the area of program revenues. Conservation of natural resources saw an increased amount of capital grants received from Department of Natural Resources for storm water projects.



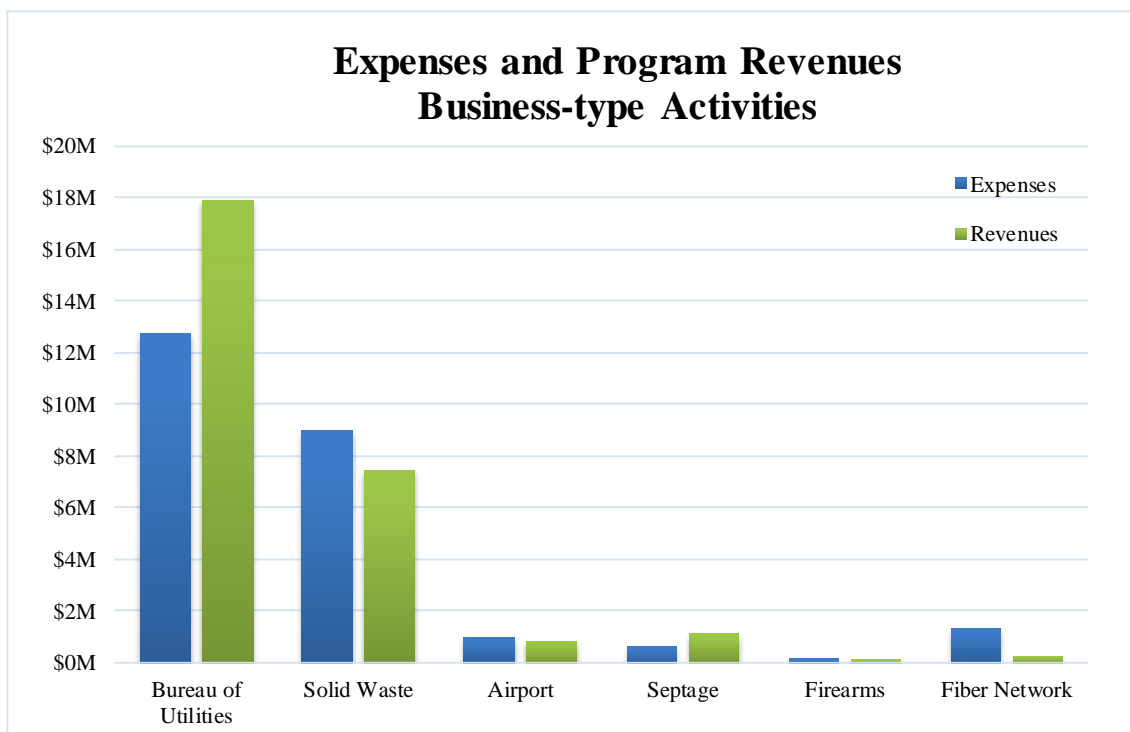
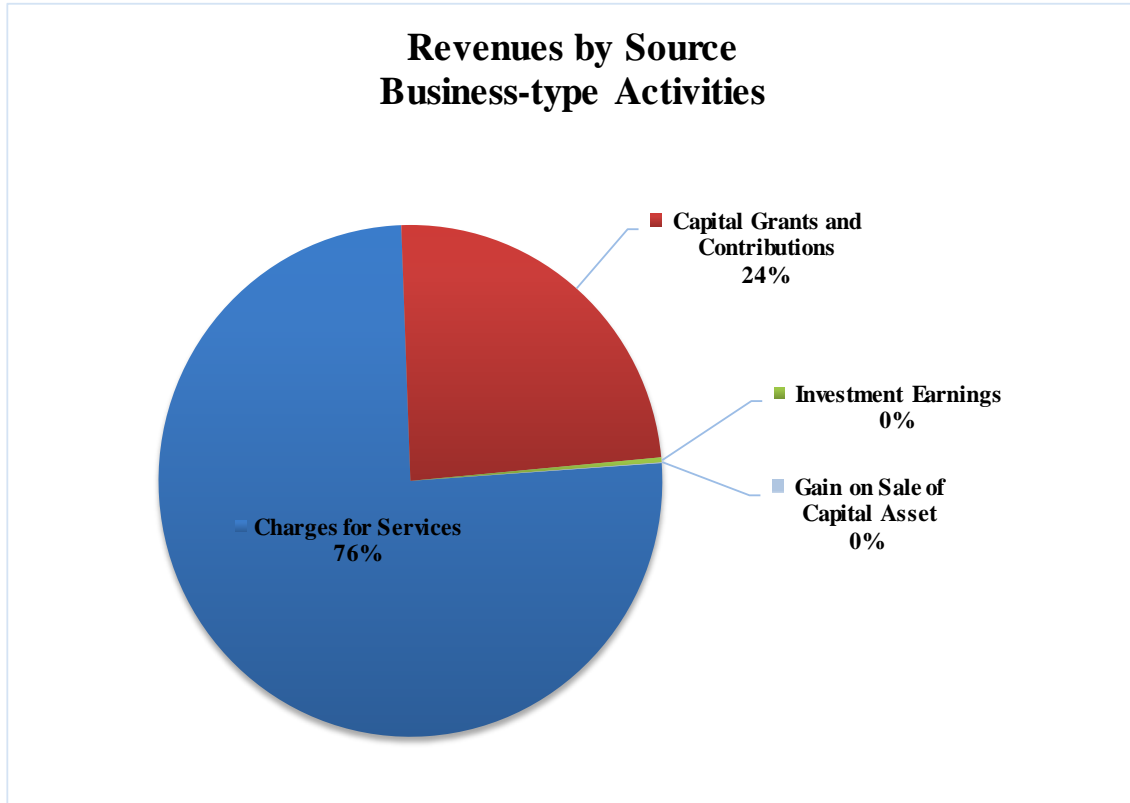
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Governmental activities: Overall expenses have increased by \$13,915,770, or 3.2% from fiscal year 2019. The major increases were seen in general government at \$7,168,471 due to the increase in OPEB deferred inflows as a result of a decrease in the rate of return. Public safety at \$2,585,760 due to the salary increase of the Sheriff's Office and adding additional School Resource Officers to ensure extra security at Carroll County Public Schools. Education at \$2,986,572 as a result of the County funding more than the Maintenance of Effort to fund the teachers' pensions. Conservation increased \$2,516,270 as a result of purchasing agricultural easements and additional stormwater projects.



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Business-type Activities: There was an overall increase in total revenues of \$2,717,903, or 10.9% from fiscal year 2019. The reason for the increase was due to an increase in capital grants and contributions of \$2,404,142, primarily because area connection charges increased. The expenses of the business-type activities increased by \$665,708 from fiscal year 2019. The primary reason for the increase occurred in the solid waste fund in the contractual services related to the post closure liability.



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Financial Analysis of the Government's Funds

As noted earlier, Carroll County Government uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of Carroll County Government's *governmental funds* is to provide information on near-term outflows, and balances of *spendable* resources. Such information is useful in assessing Carroll County Government's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Carroll County Government's governmental funds reported combined ending fund balances of \$169,995,790, an increase of \$29,358,146. Approximately 17.9% of this total (\$30,358,968) constitutes *unassigned fund balance*, which is available for future appropriation. The *assigned fund balance*, at 27.8% of total fund balance, is not available for new spending because it has already been assigned to encumbrances and subsequent years' expenditures. The *committed fund balance*, at 12.7% of total fund balance, is for future use, stabilization arrangement and other purposes. The *non-spendable fund balance*, at 16.3%, is not available for new spending because it is not expected to be converted to cash in the near future: 1) to cover loans receivable balances (\$12,462,658), 2) dedicated for inventory and advances to Industrial Development Authority (\$2,276,145), prepaid costs (\$543,892) and money due from other funds (\$4,921,289), 3) Industrial Development Authority prepaid costs related to unearned revenue (\$7,488,582). The remaining fund balance (\$43,185,011) constitutes *restricted fund balance*, primarily investments pledged to the repayment of agricultural preservation installment purchase agreement general obligation debt.

The general fund is the primary operating fund of Carroll County Government. At the end of the fiscal year, unassigned fund balance of the general fund was \$30,358,968, while total fund balance was \$127,588,310. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 7.6% of total general fund expenditures, while total fund balance represents 31.9% of that same amount.

A decrease in fund balance was budgeted with an appropriation of \$9,281,447 of fund balance. The anticipated decrease in fund balance was partially mitigated by conservative spending, which resulted in \$10,020,517 less in expenditures than budgeted. Total assets increased by \$42,157,678. Liabilities increased by \$12,954,927 due to an increase in the amount owed to the Board of Education at year-end (\$27,000,000 payable compared to \$15,000,000 for the prior fiscal year, an increase of \$12,000,000).

The revenues in the General Fund have increased by \$6,123,275 compared to the prior fiscal year. The primary contributing factor to the increase was due to the increase in income tax and real property tax due to the increase of assessments. Expenditures increased by \$724,892 compared to the prior fiscal year. The increase was due to the continued additional funding to the Board of Education to cover operating expenditures, which now includes direct funding for the Teacher Pension which began in fiscal year 2017 due to a state-mandated change. Another contributing factor to the increase was in public safety due to the additional school resource officer positions. Conservation of natural resources also increased due to the purchase of agriculture preservation land easements and the continued projects for stormwater management. Vehicle maintenance, fuel and telephone expenditures continue to be recognized as direct costs in the proper functions.

The Capital Projects Fund balance sheet shows a \$16,863,836 increase in assets in fiscal year 2020. The increase in cash is mainly due to issuing bonds in November 2019, which allowed the County to reimburse the capital projects fund for project spending in FY19.

The Capital Projects Fund has a total fund balance of \$39,280,121, of which \$22,479,899 is assigned to liquidate purchase orders and \$9,712,841 is assigned for future capital project expenditures.

The Grants Fund has a total fund balance of \$1,949,187, of which is nonspendable, restricted or assigned for specific purposes.

The Non-Major Governmental Funds have a total fund balance of \$1,178,172, all of which is externally restricted for specific purposes.

Proprietary funds: Carroll County Government's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. The total unrestricted net position of the proprietary funds at

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the end of the year amounted to a deficit of \$16,498,324, and unrestricted component of net position in the internal service fund totaled \$18,388,141. The total increase in net position for the proprietary funds of \$3,905,355 was primarily due to the operating transfers from the General Fund and collection of maintenance fees and area connection charges. The net position for the Internal Service Fund increased by \$3,679,670 due to additional charges for services being collected. Other factors concerning these funds' finances have been addressed in the discussion of Carroll County Government's business-type activities.

Fiduciary funds: Carroll County Government's fiduciary fund statements provide information regarding the County's Employee Pension Plan, the Certified Law Officers Plan, the Volunteer Firemen's Length of Service Award Program "LOSAP", and Other Post Employment Benefit Trust and agency funds. Total net position for the four plans is \$247,633,363 for the fiscal year 2020. The investments in the trusts totaled \$248,834,381 at the end of fiscal year 2020, which was a 7.1% increase from fiscal year 2019. Agency funds had an asset total of \$432,872 at the end of fiscal year 2020. Other factors concerning trust funds are discussed in the notes to these statements starting with Note 11.

General Fund Budgetary Highlights

In the original fiscal year 2020 budget, the Board of Commissioners approved a reserve for contingencies of approximately one percent of total budget to provide funds for emergency and unforeseeable expenditures that may arise during the current fiscal year. The final budget for reserve for contingencies increased from the original budget by \$103,870. Funds can only be moved to or from the reserve during the year with approval from the Board of Commissioners. Any balance left in the reserve at year-end falls to unassigned fund balance.

The budgetary statements of the general fund show actual revenues of \$407,366,611, compared to the budgeted amount of \$398,893,953, a positive variance of \$8,472,658. The major differences between the final budgeted amounts and the actual revenues are as follows:

- Taxes – local property were \$585,737 more than budget mainly due to higher real and personal property assessments.
- Taxes – local other came in \$4.1 million higher primarily due to reconciling income tax distributions higher than planned.
- Miscellaneous revenues were \$5.8 million more than budget due to unbudgeted in-kind rental income associated with the facilities leased by the Board of Education, Library, and Community College.

The budgetary statements of the general fund show actual expenditures of \$401,112,550, compared to the budgeted amount of \$411,133,067, resulting in \$10,020,517, or 2.5% less than planned. The major differences between the final budgeted amounts and the actual expenditures are as follows:

- General government expenditures came in \$7.4 million less than final budget primarily due to direct costs being allocated to the correct functions, and savings in salaries, utilities, fuel, bond issuance and bank fees.
- The reserve for contingency is set up in case funds are needed to be moved into functions to address specific problems or opportunities. For fiscal year 2020, \$4.6 million was left in the reserve for contingency, creating a positive budget variance.
- The final budgets for each function in the expenditures were reallocated from the original budget to reflect changes made throughout the year. The majority of fiscal year 2020 year-end adjustments included \$20.2 million in reallocations in the following areas: health and pension fringe benefits, telephone usage from public safety, computer software and hardware charges from technology services, risk management charges for worker's compensation, property, auto, and general liability insurances, fleet management charges for vehicle fuel, parts, repairs and maintenance, and facilities charges for electricity, water, and natural gas.

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Capital Asset and Debt Administration

Capital assets: Carroll County Government's investment in capital assets for its governmental and business-type activities as of June 30, 2020 amounted to \$516,998,007 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, vehicles, infrastructure, and construction in progress. The total increase in Carroll County Government's investment in capital assets for the current fiscal year was 0.7% (a 1.4% decrease for governmental activities and a 6.1% increase for business-type activities). Additional information on the County's capital assets can be found on pages 74-75 of this report.

Carroll County Government's Capital Assets
(Net of depreciation)

	Governmental Activities		Business-type Activities		Total Government	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Land	\$ 39,100,454	\$ 38,033,197	\$ 11,933,706	\$ 11,915,590	\$ 51,034,160	\$ 49,948,787
Construction in progress	5,308,285	6,826,702	19,739,499	9,752,238	25,047,784	16,578,940
Building and contents	122,780,955	127,650,650	13,017,940	13,503,610	135,798,895	141,154,260
Improvements other than buildings	44,336,530	45,685,920	13,925,083	15,040,723	58,261,613	60,726,643
Auto, machinery and equipment	19,809,647	18,377,414	18,859,005	19,542,816	38,668,652	37,920,230
Infrastructure	138,416,519	138,252,301	69,770,384	69,004,148	208,186,903	207,256,449
Total	\$ 369,752,390	\$ 374,826,184	\$ 147,245,617	\$ 138,759,125	\$ 516,998,007	\$ 513,585,309

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

- Completion of Elderwood Village Oklahoma resulted in an increase in conservation by \$2.46 million and decreased CIP.
- Completion of Courthouse MDEC Improvements resulted in an increase in equipment by \$0.1million and decreased CIP.
- Completion of various Recreation and Parks improvements resulted in an increase of \$1.08 million and a decreased CIP.
- Completion of various Roads, Bridges and Infrastructure resulted in an increase of \$3.2 million and a decreased CIP.
- Bureau of Utilities, Sewer Line #10 improvements were completed, which resulted in an increase in improvements by \$2.5 million and decreased CIP.
- Continued construction in Bureau of Utilities for Hampstead Sewer Grit Removal System and various projects in FY20 increased CIP by \$9 million.

General obligation debt:

At the end of the fiscal year, Carroll County Government had total general obligation debts outstanding of \$307,143,613, which is debt backed by the full faith and credit of the County.

Carroll County Government's Outstanding General Obligation Debt

	Governmental Activities		Business-type Activities		Total Government	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
General Obligation Bonds, net	\$ 261,119,584	\$ 254,637,112	\$ 12,486,733	\$ 14,408,430	\$ 273,606,317	\$ 269,045,542
General Obligation Debt	33,537,296	32,513,296	-	-	33,537,296	32,513,296
Total	\$ 294,656,880	\$ 287,150,408	\$ 12,486,733	\$ 14,408,430	\$ 307,143,613	\$ 301,558,838

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2020

During the current fiscal year, Carroll County Government's total general obligation debt increased by \$5,584,775. During the year, the County issued \$30 million in general obligation bonds to be repaid over the course of 20 years as well as refunded bonds in the amount of \$40.7 million.

Carroll County Government received an updated credit rating in October 2019 for the fiscal year 2020 bond sale, which reaffirmed the highest possible triple-A rating from all three credit agencies. Moody's upgraded the County to "Aaa Carroll County's (MD) GO Bonds; Outlook Stable" on October 11, 2018. The other two major credit agencies, Standard & Poor's ("S&P") and Fitch Ratings also reaffirmed their AAA scoring of the County to give Carroll County the coveted and highest triple-A rating from all three credit agencies.

The higher credit rating upgrade translates into a lower interest rate and reduced fees resulting in significant savings over the life of the bonds, and thus saving taxpayer money. The Moody's ratings rationale "is based on the ongoing expansion of the county's large tax base and growing revenue streams, resulting in a consistently healthy and stable financial position. The Aaa rating also incorporates the county's beneficial location near the Baltimore-Washington metro area, above-average resident wealth levels, comprehensive fiscal polices and planning and manageable debt and pension burdens."

For charter counties, state statutes limit the amount of general obligation debt a government entity may issue up to 15.0% of its net assessed valuation of personal and corporate property, plus 6.0% of the net assessed valuation of real property. While Carroll County is not a charter county and does not have a legal debt limit, it uses the State statute as a recommended guideline on debt limit. The current debt limitation for Carroll County Government is \$1,300,249,667, which is significantly in excess of the Carroll County Government's outstanding general obligation debt. Additional information on the computation of the legal debt margin can be found in Table 14 of this report.

Economic Factors and Next Year's Budgets and Rates

- The fiscal year 2021 adopted budget appropriation for the general fund is \$417,140,000, representing a decrease of \$1.7 million, or 0.4 percent decrease over fiscal year 2020, with no change in tax rates.
- Real property tax is expected to increase in fiscal year 2021 due to positive reassessments.
- Income tax is expected to be higher than the fiscal year 2020 budget. The expected increase is due to expected growth in withholdings and estimated payments because Carroll historically outperforms the State due to higher average incomes and a lower unemployment rate.
- Recordation is expected to be lower in fiscal year 2021 due to the impacts of COVID-19 on housing market activity.
- Most operating budgets were held flat, or reduced from, the fiscal year 2020 adopted budget.
- Public Schools increased \$1.2 million and is funded at Maintenance of Effort.
- Public safety appropriation will be lower in fiscal year 2021 mainly due to School Resource Officers salary partially offset by grant funding.
- Public Works increased \$0.1 million primarily due to the addition of professional bridge engineering services.
- General government appropriations decreased \$0.9 million in fiscal year 2021 primarily due to a reduction of \$0.4 million to Economic Development Infrastructure and Grants and \$0.3 million in Human Resources for one-time funding for bonuses.
- Debt Service decreased \$2.8 million in FY 21.

All of these factors were considered in preparing the Carroll County Government's budget for the 2021 fiscal year.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2020

Requests for Information

This financial report is designed to provide a general overview of Carroll County Government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of the Comptroller, Carroll County Government, 225 North Center Street, Westminster, Maryland 21157 or call 410-386-2085. This year and prior year reports can also be found on the County's website at:

<https://www.carrollcountymd.gov/>

The County's component units issue their own separately audited financial statements. These statements may be obtained by directly contacting the component unit. Contact information can be found in Note 1 of this report.



Basic Financial Statements

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Net Position
June 30, 2020

Exhibit A

	Primary Government			Total Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Equity in pooled cash and investments	\$ 157,278,920	\$ 12,462,174	\$ 169,741,094	\$ -
Cash and cash equivalents	23,204	15,687	38,891	24,036,988
Restricted cash and cash equivalents	-	-	-	7,488,582
Investments	-	-	-	49,751,934
Taxes and receivables, net	22,622,848	5,891,941	28,514,789	2,564,422
Due from component units	622,815	4,942	627,757	-
Due from primary government	-	-	-	29,309,836
Due from other governments	73,103,691	-	73,103,691	5,456,621
Due from fiduciary funds	1,219,974	-	1,219,974	-
Due from municipalities	75,434	-	75,434	-
Internal balances	2,220,906	(2,220,906)	-	-
Inventories	1,663,235	522,854	2,186,089	825,512
Prepaid expenses	8,032,474	6,250	8,038,724	1,020,662
Investments - restricted	40,776,514	-	40,776,514	54,029
Capital assets not being depreciated:				
Land	39,100,454	11,933,706	51,034,160	22,162,577
Construction in progress	5,308,285	19,739,499	25,047,784	6,121,248
Art and doll collection	-	-	-	384,950
Capital assets net of accumulated depreciation:				
Buildings and contents	122,780,955	13,017,940	135,798,895	358,639,144
Improvements other than buildings	44,336,530	13,925,083	58,261,613	-
Auto, machinery and equipment	19,809,647	18,859,005	38,668,652	11,102,244
Infrastructure	138,416,519	69,770,384	208,186,903	-
Capital assets, net of depreciation	<u>369,752,390</u>	<u>147,245,617</u>	<u>516,998,007</u>	<u>398,410,163</u>
Total assets	<u>677,392,405</u>	<u>163,928,559</u>	<u>841,320,964</u>	<u>518,918,749</u>
Deferred Outflows of Resources				
Debt refunding	7,327,419	165	7,327,584	-
Pensions	4,721,236	-	4,721,236	4,973,498
OPEB	8,218,464	-	8,218,464	99,635,571
Total deferred outflows of resources	<u>20,267,119</u>	<u>165</u>	<u>20,267,284</u>	<u>104,609,069</u>
Total assets and deferred outflows	<u>697,659,524</u>	<u>163,928,724</u>	<u>861,588,248</u>	<u>623,527,818</u>
LIABILITIES				
Accounts payable	9,931,108	4,638,655	14,569,763	5,174,724
Retainage and guarantees due contractors	962,574	-	962,574	-
Due to component units	29,309,836	-	29,309,836	-
Due to primary government	-	-	-	627,757
Due to other governments	-	-	-	2,686,965
Unearned revenue	17,887,250	88,249	17,975,499	10,531,119
Accrued interest payable	1,909,704	75,795	1,985,499	-
Accrued expenses	3,017,842	166,050	3,183,892	36,979,747
Long-term liabilities				
Due within one year	34,521,944	1,945,164	36,467,108	2,559,305
Due in more than one year	419,036,356	20,282,970	439,319,326	515,721,182
Total liabilities	<u>516,576,614</u>	<u>27,196,883</u>	<u>543,773,497</u>	<u>574,280,799</u>
Deferred Inflows of Resources				
Debt refunding	-	139,847	139,847	-
Pensions	2,013,658	-	2,013,658	3,263,097
OPEB	12,091,454	-	12,091,454	3,663,329
Total deferred inflows of resources	<u>14,105,112</u>	<u>139,847</u>	<u>14,244,959</u>	<u>6,926,426</u>
NET POSITION				
Net investment in capital assets	206,611,333	134,990,965	341,602,298	397,067,912
Restricted for:				
Capital projects	7,087,381	18,099,353	25,186,734	434,777
Special revenue funds	547,316	-	547,316	-
Grants	614,863	-	614,863	647,088
Food services	-	-	-	437,256
Educational purposes	-	-	-	12,283,163
Unrestricted (deficit)	<u>(47,883,095)</u>	<u>(16,498,324)</u>	<u>(64,381,419)</u>	<u>(368,549,603)</u>
Total net position	<u>\$ 166,977,798</u>	<u>\$ 136,591,994</u>	<u>\$ 303,569,792</u>	<u>\$ 42,320,593</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Activities
For the Year Ended June 30, 2020

Exhibit B

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Total Component Units
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary government:								
General government	\$ 51,183,364	\$ 10,997,286	\$ 1,402,499	\$ 27,593	\$ (38,755,986)	\$ -	\$ (38,755,986)	\$ -
Public safety	59,895,296	2,843,059	2,940,140	245,333	(53,866,764)	-	(53,866,764)	-
Public works	32,037,398	1,879,919	1,573,772	2,246,006	(26,337,701)	-	(26,337,701)	-
Health	5,054,923	4,102	-	-	(5,050,821)	-	(5,050,821)	-
Human services	16,187,454	77,402	9,964,038	-	(6,146,014)	-	(6,146,014)	-
Education	221,758,339	-	-	-	(221,758,339)	-	(221,758,339)	-
Library	15,769,487	-	47,575	-	(15,721,912)	-	(15,721,912)	-
Culture and recreation	5,672,058	1,278,467	56,378	2,970,671	(1,366,542)	-	(1,366,542)	-
Conservation of natural resources	15,851,219	149,596	107,870	6,204,727	(9,389,026)	-	(9,389,026)	-
Economic development	4,399,990	-	1,748,561	-	(2,651,429)	-	(2,651,429)	-
Judicial	10,753,106	22,690	1,253,261	-	(9,477,155)	-	(9,477,155)	-
Interest on long-term debt	9,603,235	-	-	-	(9,603,235)	-	(9,603,235)	-
Total governmental activities	<u>448,165,869</u>	<u>17,252,521</u>	<u>19,094,094</u>	<u>11,694,330</u>	<u>(400,124,924)</u>	<u>-</u>	<u>(400,124,924)</u>	<u>-</u>
Business-type activities:								
Bureau of Utilities	12,725,030	11,246,583	-	6,680,471	-	5,202,024	5,202,024	-
Solid Waste	8,956,514	7,414,234	-	13,172	-	(1,529,108)	(1,529,108)	-
Airport	984,310	828,412	-	-	-	(155,898)	(155,898)	-
Septage	654,014	1,102,810	-	-	-	448,796	448,796	-
Firearms	178,741	129,951	-	-	-	(48,790)	(48,790)	-
Fiber Network	1,328,155	247,194	-	-	-	(1,080,961)	(1,080,961)	-
Total Business-type activities	<u>24,826,764</u>	<u>20,969,184</u>	<u>-</u>	<u>6,693,643</u>	<u>-</u>	<u>2,836,063</u>	<u>2,836,063</u>	<u>-</u>
Total primary government	<u><u>\$ 472,992,633</u></u>	<u><u>\$ 38,221,705</u></u>	<u><u>\$ 19,094,094</u></u>	<u><u>\$ 18,387,973</u></u>	<u><u>\$ (400,124,924)</u></u>	<u><u>\$ 2,836,063</u></u>	<u><u>\$ (397,288,861)</u></u>	<u><u>\$ -</u></u>

(Continued)

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Activities
For the Year Ended June 30, 2020

Exhibit B

<u>Functions/Programs</u>	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Total Component Units
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Component units:								
Board of Education	\$ 426,415,267	\$ 3,300,975	\$ 53,305,599	\$ 11,614,301	\$ -	\$ -	\$ -	\$ (358,194,392)
Carroll Community College	38,322,201	8,650,233	3,649,655	-	-	-	-	(26,022,313)
Library	18,476,775	207,603	2,347,826	349,694	-	-	-	(15,571,652)
Industrial Development Authority	1,057,085	-	-	1,085,417	-	-	-	28,332
Total component units	<u>\$ 484,271,328</u>	<u>\$ 12,158,811</u>	<u>\$ 59,303,080</u>	<u>\$ 13,049,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (399,760,025)</u>
General revenues:								
Property taxes					218,894,050	-	218,894,050	-
Income tax					191,376,929	-	191,376,929	-
Recordation tax					14,840,846	-	14,840,846	-
Admission and amusement tax					251,253	-	251,253	-
Agricultural transfer tax					268,174	-	268,174	-
Hotel rental tax					306,978	-	306,978	-
Local appropriations					-	-	-	225,468,260
State aide					-	-	-	131,117,049
Grants and contributions not restricted to specific programs					-	-	-	5,188,335
Investment earnings and miscellaneous, unrestricted					6,170,082	(88,303)	6,081,779	8,542,655
Gain on sale of capital asset					68,685	11,365	80,050	-
Transfers in (out)					(1,146,230)	1,146,230	-	-
Total general revenues and transfers					<u>431,030,767</u>	<u>1,069,292</u>	<u>432,100,059</u>	<u>370,316,299</u>
Change in net position					30,905,843	3,905,355	34,811,198	(29,443,726)
Net position - beginning of year					<u>136,071,955</u>	<u>132,686,639</u>	<u>268,758,594</u>	<u>71,764,319</u>
Net position - ending					<u>\$ 166,977,798</u>	<u>\$ 136,591,994</u>	<u>\$ 303,569,792</u>	<u>\$ 42,320,593</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND

**Balance Sheet
Governmental Funds
June 30, 2020**

Exhibit C

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Grant Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Equity in pooled cash and investments	\$ 81,989,836	\$ 35,176,355	\$ 15,616,847	\$ 659,067	\$ 133,442,105
Cash and cash equivalents	23,204	-	-	-	23,204
Taxes and receivables, net	16,310,786	2,843,603	3,401,204	48,134	22,603,727
Due from component units	622,815	-	-	-	622,815
Due from other governments	68,416,391	4,687,300	-	-	73,103,691
Due from other governmental funds	1,480,409	-	3,723	532,020	2,016,152
Due from fiduciary funds	1,219,974	-	-	-	1,219,974
Due from proprietary funds	2,220,906	-	-	-	2,220,906
Due from municipalities	75,434	-	-	-	75,434
Inventories	1,663,235	-	-	-	1,663,235
Prepaid costs	7,540,582	-	491,892	-	8,032,474
Investments - restricted	33,689,133	7,087,381	-	-	40,776,514
Total assets	<u>\$ 215,252,705</u>	<u>\$ 49,794,639</u>	<u>\$ 19,513,666</u>	<u>\$ 1,239,221</u>	<u>\$ 285,800,231</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 3,476,606	\$ 4,596,247	\$ 1,637,782	\$ 20,635	\$ 9,731,270
Retainage and guarantees due contractors	878,919	83,655	-	-	962,574
Due to component units	27,001,215	2,308,205	416	-	29,309,836
Due to other governmental funds	535,743	1,480,059	350	-	2,016,152
Accrued expenditures	2,814,946	-	162,482	40,414	3,017,842
Unearned revenue	77,449	2,046,352	15,763,449	-	17,887,250
Total liabilities	<u>34,784,878</u>	<u>10,514,518</u>	<u>17,564,479</u>	<u>61,049</u>	<u>62,924,924</u>
Deferred inflows of resources:					
Unavailable revenue	<u>52,879,517</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,879,517</u>
Total deferred inflows of resources	<u>52,879,517</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,879,517</u>
Fund balances:					
Nonspendable	27,200,674	-	491,892	-	27,692,566
Restricted	34,935,452	7,087,381	614,863	547,316	43,185,012
Committed	20,940,467	-	-	630,856	21,571,323
Assigned	14,152,749	32,192,740	842,432	-	47,187,921
Unassigned	<u>30,358,968</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,358,968</u>
Total fund balances	<u>127,588,310</u>	<u>39,280,121</u>	<u>1,949,187</u>	<u>1,178,172</u>	<u>169,995,790</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 215,252,705</u>	<u>\$ 49,794,639</u>	<u>\$ 19,513,666</u>	<u>\$ 1,239,221</u>	<u>\$ 285,800,231</u>

Amounts reported for governmental activities in the statement of net position are different because:

Total governmental fund balance.	\$ 169,995,790
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	369,752,390
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds.	52,879,517
Adjustment for net pension liability.	(18,519,244)
Adjustment for net OPEB liability.	(117,093,974)
Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds.	12,939,700
Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds.	(14,105,112)
Internal service funds are used by management to charge the costs of health, liability and Local Government Insurance Trust insurances to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	18,388,141
Long-term liabilities including bonds payable and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds, notes payable, compensated absences, etc.	\$ (305,349,706)
Accrued interest payable.	(1,909,704)
Net position of governmental activities.	<u>\$ 166,977,798</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

Exhibit D

	General Fund	Capital Projects	Grant Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
-local property	\$ 213,532,690	\$ 2,680,680	\$ -	\$ 2,680,680	\$ 218,894,050
-local other	173,572,424	18,717,844	-	306,978	192,597,246
Licenses and permits	3,171,169	-	-	-	3,171,169
Intergovernmental revenues	2,156,837	8,223,492	16,829,387	107,870	27,317,586
Charges for services	3,245,401	-	282,164	-	3,527,565
Fines and forfeits	65,604	-	-	-	65,604
Interest and gain on investments	3,022,461	3,413,441	24,010	24,294	6,484,206
Miscellaneous revenues	7,410,418	676,801	342,367	-	8,429,586
Total revenues	<u>406,177,004</u>	<u>33,712,258</u>	<u>17,477,928</u>	<u>3,119,822</u>	<u>460,487,012</u>
EXPENDITURES					
Current:					
General government	39,763,374	-	552,620	-	40,315,994
Public safety	53,319,789	-	2,037,073	-	55,356,862
Public works	14,970,648	-	2,241,449	-	17,212,097
Health	5,016,210	-	427	-	5,016,637
Human services	5,183,589	-	10,908,716	-	16,092,305
Education	214,833,383	-	-	-	214,833,383
Library	15,389,873	-	47,575	-	15,437,448
Culture and recreation	4,049,399	-	216,195	-	4,265,594
Conservation of natural resources	1,173,181	-	174,628	1,271,330	2,619,139
Economic development	2,014,641	-	2,191,862	-	4,206,503
Judicial	8,294,489	-	1,408,160	-	9,702,649
Capital outlay:					
General government	-	3,616,180	-	-	3,616,180
Public safety	-	974,577	-	-	974,577
Public works	-	11,639,672	-	-	11,639,672
Education	-	6,924,956	-	-	6,924,956
Culture and recreation	-	3,400,955	-	-	3,400,955
Library	-	332,039	-	-	332,039
Conservation of natural resources	-	14,085,026	-	-	14,085,026
Judicial	-	970,652	-	-	970,652
Debt service:					
Principal	25,133,935	-	-	676,290	25,810,225
Interest	11,005,578	-	-	464,618	11,470,196
Total expenditures	<u>400,148,089</u>	<u>41,944,057</u>	<u>19,778,705</u>	<u>2,412,238</u>	<u>464,283,089</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,028,915</u>	<u>(8,231,799)</u>	<u>(2,300,777)</u>	<u>707,584</u>	<u>(3,796,077)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	10,538,255	4,814,147	1,885,883	-	17,238,285
Transfers out	(7,676,263)	(10,225,720)	-	(472,532)	(18,374,515)
Payment to escrow agent	(45,143,266)	-	-	-	(45,143,266)
Refunding bonds issued	39,797,184	-	-	-	39,797,184
Bonds issued	-	30,000,000	-	-	30,000,000
Bonds premium	5,636,957	3,143,565	-	-	8,780,522
Issuance of debt - GO debt	1,024,000	-	-	-	1,024,000
Total other financing sources (uses)	<u>4,176,867</u>	<u>27,731,992</u>	<u>1,885,883</u>	<u>(472,532)</u>	<u>33,322,210</u>
Net change in fund balances	10,205,782	19,500,193	(414,894)	235,052	29,526,133
Fund balance - beginning	117,550,515	19,779,928	2,364,081	943,120	140,637,644
Decrease in reserve for inventory	(167,987)	-	-	-	(167,987)
Fund balance - ending	<u>\$ 127,588,310</u>	<u>\$ 39,280,121</u>	<u>\$ 1,949,187</u>	<u>\$ 1,178,172</u>	<u>\$ 169,995,790</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

Exhibit E

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 29,526,133
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation, net of asset disposals, and transfers exceeded capital outlays in the current period.	(5,073,794)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	19,164,956
Adjustment to the net pension liability.	(4,443,698)
Adjustment to the net OPEB liability.	6,870,294
The issuance of long-term debt (i.e. bonds, notes, installment purchase agreements) proceeds provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	(7,376,021)
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 governmental funds.	(7,020,342)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	3,679,670
Net change in deferred outflows related to pension and OPEB expense reported in the statement of activities.	2,493,783
Net change in deferred inflows related to pension and OPEB expense reported in the statement of activities.	<u>(6,915,138)</u>
Change in net position - governmental activities	<u>\$ 30,905,843</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP)
General Fund
For the Year Ended June 30, 2020

Exhibit F-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
RESOURCES (INFLOWS)				
Revenues				
Taxes:				
-local property	\$ 214,136,560	\$ 214,136,560	\$ 214,722,297	\$ 585,737
-local other	169,430,500	169,430,500	173,572,424	4,141,924
Licenses and permits	3,413,000	3,413,000	3,171,169	(241,831)
Intergovernmental revenues	2,257,460	2,257,460	2,156,837	(100,623)
Charges for services	4,204,550	4,204,550	3,245,401	(959,149)
Fines and forfeits	67,450	67,450	65,604	(1,846)
Interest and gain on investments	3,825,913	3,825,913	3,022,461	(803,452)
Miscellaneous revenues	1,558,520	1,558,520	7,410,418	5,851,898
Total revenues	<u>398,893,953</u>	<u>398,893,953</u>	<u>407,366,611</u>	<u>8,472,658</u>
Other financing resources				
Appropriated fund balance	9,281,447	9,281,447	-	(9,281,447)
Transfers in	10,633,930	10,633,930	10,538,255	(95,675)
Refunding Bonds issued	-	-	39,797,184	39,797,184
Bonds premium	-	-	5,636,957	5,636,957
Issuance of debt - GO debt	-	-	1,024,000	1,024,000
Total other financing resources	<u>19,915,377</u>	<u>19,915,377</u>	<u>56,996,396</u>	<u>37,081,019</u>
Total resources (inflows)	<u>418,809,330</u>	<u>418,809,330</u>	<u>464,363,007</u>	<u>45,553,677</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Expenditures				
Current:				
General government	71,664,430	47,002,490	39,595,808	7,406,682
Public safety	44,191,220	55,259,155	54,606,647	652,508
Public works	12,120,480	17,654,285	14,781,787	2,872,498
Health	5,016,210	5,016,210	5,016,210	-
Human services	4,698,980	5,364,288	5,218,029	146,259
Education	209,118,230	209,079,400	214,833,383	(5,753,983)
Library	9,279,640	13,309,797	15,389,873	(2,080,076)
Culture and recreation	3,560,830	4,614,613	4,040,882	573,731
Conservation of natural resources	1,031,750	1,212,436	1,173,181	39,255
Economic development	2,660,380	2,624,412	2,014,641	609,771
Judicial	6,516,020	8,583,811	8,302,597	281,214
Reserve for contingencies	4,579,280	4,683,150	-	4,683,150
Debt service:				
Debt service - County	26,502,020	26,502,020	26,165,043	336,977
Debt service - Board of Education	10,227,000	10,227,000	9,974,469	252,531
Total expenditures	<u>411,166,470</u>	<u>411,133,067</u>	<u>401,112,550</u>	<u>10,020,517</u>
Other financing uses				
Transfers out	7,642,860	7,676,263	7,676,263	-
Payment to escrow agent	-	-	45,143,266	(45,143,266)
Total other financing uses	<u>7,642,860</u>	<u>7,676,263</u>	<u>52,819,529</u>	<u>(45,143,266)</u>
Total charges to appropriations (outflows)	<u>418,809,330</u>	<u>418,809,330</u>	<u>453,932,079</u>	<u>(35,122,749)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	10,430,928	<u>\$ 10,430,928</u>
Fund balance - beginning			122,104,140	
Fund balance - ending			<u>\$ 132,535,068</u>	

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP)
Grant Fund
For the Year Ended June 30, 2020

Exhibit F-2

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
RESOURCES (INFLOWS)				
Revenues				
Charges for service:				
Commission on aging	\$ -	\$ -	\$ 10,589	\$ 10,589
Culture and recreation	215,000	215,000	173,277	(41,723)
Sheriff	-	-	98,298	98,298
Intergovernmental revenues:				
General government	-	4,818,187	552,620	(4,265,567)
Commission on aging	1,330,236	1,395,571	1,298,551	(97,020)
Housing & community development	6,631,408	8,930,327	7,064,848	(1,865,479)
Business Employment Resource Center	1,180,560	1,453,022	1,698,945	245,923
Sheriff	370,780	896,049	758,189	(137,860)
Citizen services	1,203,983	1,206,544	1,600,639	394,095
Library	-	47,575	47,575	-
State's attorney	423,230	374,524	402,584	28,060
Circuit court	927,498	886,083	850,677	(35,406)
Public works	1,431,871	2,674,626	1,573,772	(1,100,854)
Emergency operations center	477,060	4,628,179	881,518	(3,746,661)
Planning	85,640	32,029	45,661	13,632
Tourism	51,045	49,541	49,541	-
Economic development	-	4,934,000	75	(4,933,925)
Culture and recreation	-	17,250	4,192	(13,058)
Interest	-	1,162	24,010	22,848
Miscellaneous	207,045	59,975	342,367	282,392
Total revenues	<u>14,535,356</u>	<u>32,619,644</u>	<u>17,477,928</u>	<u>(15,141,716)</u>
Other financing resources				
Transfers in	1,852,480	1,885,883	1,885,883	-
Total other financing resources	<u>1,852,480</u>	<u>1,885,883</u>	<u>1,885,883</u>	<u>-</u>
Total Resources (Inflows)	<u>16,387,836</u>	<u>34,505,527</u>	<u>19,363,811</u>	<u>(15,141,716)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Expenditures				
Current:				
General government	-	4,818,187	709,611	4,108,576
Public safety	989,180	5,744,231	1,884,376	3,859,855
Public works	2,556,261	3,926,101	2,272,035	1,654,066
Health	4,000	4,000	427	3,573
Human Services	9,700,662	11,727,488	10,912,915	814,573
Library	-	47,575	47,575	-
Culture and recreation	193,100	210,350	228,504	(18,154)
Conservation of natural resources	117,050	99,372	174,628	(75,256)
Economic development	1,261,605	6,470,761	2,191,862	4,278,899
Judicial	1,565,978	1,457,462	1,398,185	59,277
Total expenditures	<u>16,387,836</u>	<u>34,505,527</u>	<u>19,820,118</u>	<u>14,685,409</u>
Total charges to appropriations (outflows)	<u>(16,387,836)</u>	<u>(34,505,527)</u>	<u>(19,820,118)</u>	<u>14,685,409</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(456,307)	<u>\$ (456,307)</u>
Fund balance - beginning			2,157,926	
Fund balance - ending			<u>\$ 1,701,619</u>	

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Net Position
Proprietary Funds
June 30, 2020

Exhibit G

	Business-type Activities-Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Bureau of Utilities	Solid Waste	Airport	Fiber Network	Non-Major Enterprise Funds		
ASSETS							
Current assets:							
Equity in pooled cash and investments	\$ 1,846,521	\$ 7,155,747	\$ -	\$ -	\$ 3,459,906	\$ 12,462,174	\$ 23,836,815
Cash and cash equivalents	-	15,337	50	-	300	15,687	-
Receivables, net	4,942,540	736,016	44,419	41,037	127,929	5,891,941	19,121
Due from component units	-	4,942	-	-	-	4,942	-
Inventories	499,764	4,720	18,370	-	-	522,854	-
Prepaid expenses	-	-	-	6,250	-	6,250	-
Total current assets	<u>7,288,825</u>	<u>7,916,762</u>	<u>62,839</u>	<u>47,287</u>	<u>3,588,135</u>	<u>18,903,848</u>	<u>23,855,936</u>
Noncurrent assets:							
Capital assets:							
Land	260,476	2,083,618	9,589,607	5	-	11,933,706	-
Buildings	17,676,654	1,752,296	4,569,596	-	274,051	24,272,597	-
Improvements other than buildings	12,894,572	6,327,978	2,356,748	1,139,212	447,998	23,166,508	-
Auto, machinery and equipment	3,703,319	4,238,709	2,546,731	21,397,058	254,236	32,140,053	-
Infrastructure	106,385,968	-	-	-	-	106,385,968	-
Construction in progress	18,691,337	-	2,600	15,991	1,029,571	19,739,499	-
Less accumulated depreciation	<u>(51,913,134)</u>	<u>(7,013,923)</u>	<u>(3,897,428)</u>	<u>(6,950,409)</u>	<u>(617,820)</u>	<u>(70,392,714)</u>	<u>-</u>
Total capital assets (net of accumulated depreciation)	<u>107,699,192</u>	<u>7,388,678</u>	<u>15,167,854</u>	<u>15,601,857</u>	<u>1,388,036</u>	<u>147,245,617</u>	<u>-</u>
Total assets	<u>114,988,017</u>	<u>15,305,440</u>	<u>15,230,693</u>	<u>15,649,144</u>	<u>4,976,171</u>	<u>166,149,465</u>	<u>23,855,936</u>
Deferred Outflows of Resources							
Debt refunding	-	-	-	-	165	165	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>165</u>	<u>165</u>	<u>-</u>
Total assets and deferred outflows	<u>\$ 114,988,017</u>	<u>\$ 15,305,440</u>	<u>\$ 15,230,693</u>	<u>\$ 15,649,144</u>	<u>\$ 4,976,336</u>	<u>\$ 166,149,630</u>	<u>\$ 23,855,936</u>

(Continued)

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Net Position
Proprietary Funds
June 30, 2020

Exhibit G

	Business-type Activities -Enterprise Funds						Governmental Activities - Internal Service Funds
	Bureau of Utilities	Solid Waste	Airport	Fiber Network	Non-Major Enterprise Funds	Total	
LIABILITIES							
Current liabilities:							
Accounts payable	\$ 3,861,736	\$ 598,032	\$ 35,824	\$ 30,991	\$ 112,072	\$ 4,638,655	\$ 199,838
Accrued interest payable	50,587	2,033	22,956	-	219	75,795	-
Unearned revenue	14,545	-	73,704	-	-	88,249	-
Accrued expenses	91,480	57,246	11,279	-	6,045	166,050	-
Due to general fund	-	-	357,406	1,863,500	-	2,220,906	-
Long-term liabilities due within one year:							
General obligation bonds payable	1,231,686	72,828	124,975	-	13,117	1,442,606	-
Unpaid claims	-	-	-	-	-	-	2,484,362
Loans payable	33,400	-	-	-	-	33,400	-
Landfill closure, post closure remediation	-	295,360	-	-	-	295,360	-
Compensated absences	98,078	54,417	10,309	-	10,994	173,798	-
Total long-term liabilities due within one year	<u>1,363,164</u>	<u>422,605</u>	<u>135,284</u>	<u>-</u>	<u>24,111</u>	<u>1,945,164</u>	<u>2,484,362</u>
Total current liabilities	<u>5,381,512</u>	<u>1,079,916</u>	<u>636,453</u>	<u>1,894,491</u>	<u>142,447</u>	<u>9,134,819</u>	<u>2,684,200</u>
Noncurrent liabilities:							
General obligation bonds payable	5,959,264	143,527	4,928,122	-	13,214	11,044,127	-
Unpaid claims	-	-	-	-	-	-	2,783,595
Landfill closure, post closure remediation	-	8,502,953	-	-	-	8,502,953	-
Compensated absences	368,518	330,165	37,207	-	-	735,890	-
Total noncurrent liabilities	<u>6,327,782</u>	<u>8,976,645</u>	<u>4,965,329</u>	<u>-</u>	<u>13,214</u>	<u>20,282,970</u>	<u>2,783,595</u>
Total liabilities	<u>11,709,294</u>	<u>10,056,561</u>	<u>5,601,782</u>	<u>1,894,491</u>	<u>155,661</u>	<u>29,417,789</u>	<u>5,467,795</u>
Deferred Inflows of Resources							
Debt refunding	122,309	17,538	-	-	-	139,847	-
Total deferred inflows of resources	<u>122,309</u>	<u>17,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>139,847</u>	<u>-</u>
NET POSITION							
Net investment in capital assets	100,538,961	7,373,222	10,115,220	15,601,857	1,361,705	134,990,965	-
Restricted for:							
Capital projects	13,463,952	740,394	1,734,179	756,399	1,404,429	18,099,353	-
Unrestricted (deficit)	<u>(10,846,499)</u>	<u>(2,882,275)</u>	<u>(2,220,488)</u>	<u>(2,603,603)</u>	<u>2,054,541</u>	<u>(16,498,324)</u>	<u>18,388,141</u>
Total net position	<u>\$ 103,156,414</u>	<u>\$ 5,231,341</u>	<u>\$ 9,628,911</u>	<u>\$ 13,754,653</u>	<u>\$ 4,820,675</u>	<u>\$ 136,591,994</u>	<u>\$ 18,388,141</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2020

Exhibit H

	Business-type Activities-Enterprise Funds						Governmental Activities - Internal Service Funds
	Bureau of Utilities	Solid Waste	Airport	Fiber Network	Non-Major Enterprise Funds	Total	
Operating revenues:							
Charges for services	\$ 11,246,583	\$ 7,414,234	\$ 828,412	\$ 247,194	\$ 1,232,761	\$ 20,969,184	\$ 19,501,856
Total operating revenues	11,246,583	7,414,234	828,412	247,194	1,232,761	20,969,184	19,501,856
Operating expenses:							
Personal services	2,884,101	1,860,730	324,023	-	114,510	5,183,364	-
Contractual services	4,446,886	5,990,640	215,247	354,648	338,110	11,345,531	-
Materials and supplies	1,390,809	232,619	28,230	-	61,772	1,713,430	-
Rents and utilities	609,285	47,018	20,525	44,221	78,694	799,743	-
Insurance claims	-	-	-	-	-	-	16,413,006
Miscellaneous	3,756	166,025	27,184	11,478	204,545	412,988	-
Depreciation	3,390,193	659,482	369,101	917,808	35,124	5,371,708	-
Total operating expenses	12,725,030	8,956,514	984,310	1,328,155	832,755	24,826,764	16,413,006
Operating income (loss)	(1,478,447)	(1,542,280)	(155,898)	(1,080,961)	400,006	(3,857,580)	3,088,850
Nonoperating revenues (expenses):							
Penalties and interest	141,111	130,560	-	-	57,379	329,050	318,562
Medicare Part D	-	-	-	-	-	-	272,258
Bond interest subsidy	9,222	-	255	-	-	9,477	-
Interest and fiscal charges	(275,214)	(8,596)	(141,941)	-	(1,656)	(427,407)	-
Insurance recovery	577	-	-	-	-	577	-
Gain (loss) on disposal of capital assets	11,365	-	-	-	-	11,365	-
Total nonoperating revenues (expenses)	(112,939)	121,964	(141,686)	-	55,723	(76,938)	590,820
Income (loss) before contributions and transfers	(1,591,386)	(1,420,316)	(297,584)	(1,080,961)	455,729	(3,934,518)	3,679,670
Capital contributions							
(Area Connection Charges & Grants)	5,177,789	13,172	-	-	-	5,190,961	-
Capital contributions (Maintenance Fee)	1,502,682	-	-	-	-	1,502,682	-
Transfers in	521,230	615,000	10,000	-	-	1,146,230	-
Change in net position	5,610,315	(792,144)	(287,584)	(1,080,961)	455,729	3,905,355	3,679,670
Total net position - beginning of year	97,546,099	6,023,485	9,916,495	14,835,614	4,364,946	132,686,639	14,708,471
Total net position - end of year	\$ 103,156,414	\$ 5,231,341	\$ 9,628,911	\$ 13,754,653	\$ 4,820,675	\$ 136,591,994	\$ 18,388,141

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

Exhibit I

	Business-type Activities-Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Bureau of Utilities	Solid Waste	Airport	Fiber Network	Non-Major Enterprise Funds		
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers and users	\$ 9,868,527	\$ 7,223,686	\$ 854,676	\$ 245,544	\$ 1,248,537	\$ 19,440,970	\$ 19,501,856
Receipts from other funds	-	-	38,043	279,676	-	317,719	-
Payments to suppliers	(5,204,757)	(7,209,599)	(323,660)	(509,229)	(742,308)	(13,989,553)	(16,221,456)
Payments to employees	(2,637,436)	(1,644,715)	(284,866)	-	(103,274)	(4,670,291)	-
Net cash provided (used) by operating activities	<u>2,026,334</u>	<u>(1,630,628)</u>	<u>284,193</u>	<u>15,991</u>	<u>402,955</u>	<u>1,098,845</u>	<u>3,280,400</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Medicare Part D	-	-	-	-	-	-	272,258
Transfers in	521,230	615,000	-	-	-	1,136,230	-
Net cash provided by noncapital financing activities	<u>521,230</u>	<u>615,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,136,230</u>	<u>272,258</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition and construction of capital assets	(12,988,047)	(308,365)	(10,000)	(15,991)	(535,797)	(13,858,200)	-
Principal paid on capital debt	(2,419,496)	(264,117)	(160,433)	-	(13,020)	(2,857,066)	-
Interest paid on capital debt	(162,101)	(17,800)	(124,016)	-	(1,576)	(305,493)	-
Proceeds from capital debt	902,816	-	-	-	-	902,816	-
Proceeds of the disposition of capital asset	11,365	-	-	-	-	11,365	-
Proceeds from insurance recovery	577	-	-	-	-	577	-
Capital contributions (Area Connection Charges & Grants)	6,680,471	13,172	10,001	-	-	6,703,644	-
Bond interest subsidy	9,222	-	255	-	-	9,477	-
Net cash used by capital and related financing activities	<u>(7,965,193)</u>	<u>(577,110)</u>	<u>(284,193)</u>	<u>(15,991)</u>	<u>(550,393)</u>	<u>(9,392,880)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on investments and cash	141,111	130,560	-	-	57,379	329,050	318,562
Net cash provided by investing activities	<u>141,111</u>	<u>130,560</u>	<u>-</u>	<u>-</u>	<u>57,379</u>	<u>329,050</u>	<u>318,562</u>
Net (decrease) increase	(5,276,518)	(1,462,178)	-	-	(90,059)	(6,828,755)	3,871,220
Equity in pooled cash and investments at beginning of year	<u>7,123,039</u>	<u>8,633,262</u>	<u>50</u>	<u>-</u>	<u>3,550,265</u>	<u>19,306,616</u>	<u>19,965,595</u>
Equity in pooled cash and investments at end of year	<u>\$ 1,846,521</u>	<u>\$ 7,171,084</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ 3,460,206</u>	<u>\$ 12,477,861</u>	<u>\$ 23,836,815</u>

(Continued)

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

Exhibit I

	Business-type Activities-Enterprise Funds					Governmental Activities - Internal Service Funds	
	Bureau of Utilities	Solid Waste	Airport	Fiber Network	Non-Major Enterprise Funds		Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	\$ (1,478,447)	\$ (1,542,280)	\$ (155,898)	\$ (1,080,961)	\$ 400,006	\$ (3,857,580)	\$ 3,088,850
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	3,390,193	659,482	369,101	917,808	35,124	5,371,708	-
Effect of changes in operating assets and liabilities:							
Due to/from other funds	-	1,719	38,043	279,676	-	319,438	-
Accounts receivable	(1,392,601)	(192,267)	(12,642)	(1,650)	15,776	(1,583,384)	451,110
Prepaid expense	-	-	-	6,250	-	6,250	-
Inventory	183,999	-	(1,253)	-	-	182,746	-
Compensated absences payable	231,359	206,647	37,385	-	9,063	484,454	-
Accounts payable and accrued expenses	1,077,286	(31,620)	(29,449)	(105,132)	(57,014)	854,071	(328,700)
Unearned revenue	14,545	-	38,906	-	-	53,451	(768)
Claims liability	-	-	-	-	-	-	69,908
Landfill closure, post closure, remediation costs	-	(732,309)	-	-	-	(732,309)	-
	<u>3,504,781</u>	<u>(88,348)</u>	<u>440,091</u>	<u>1,096,952</u>	<u>2,949</u>	<u>4,956,425</u>	<u>191,550</u>
Net cash provided (used) by operating activities	<u>\$ 2,026,334</u>	<u>\$ (1,630,628)</u>	<u>\$ 284,193</u>	<u>\$ 15,991</u>	<u>\$ 402,955</u>	<u>\$ 1,098,845</u>	<u>\$ 3,280,400</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Fiduciary Net Position
Trust and Agency Funds
June 30, 2020

Exhibit J

	Trust Funds	Agency Funds
ASSETS		
Equity in pooled cash and investments	\$ -	\$ 432,872
Receivables-notes	36,298	-
Accrued interest	460	-
Prepaid expenses	8,851	-
Investments at fair value/net asset value:		
Short-term investments	1,256,659	-
Bond funds	33,278,656	-
Equity funds	87,453,615	-
Marketable securities	103,402,341	-
Real estate funds	23,443,110	-
Total investments	248,834,381	-
Total assets	\$ 248,879,990	\$ 432,872
LIABILITIES		
Accounts payable	\$ 26,653	\$ 12,866
Due to primary government	1,219,974	-
Deposits	-	420,006
Total liabilities	\$ 1,246,627	\$ 432,872
FIDUCIARY NET POSITION		
Fiduciary net position restricted for pension, OPEB, and other purposes	\$ 247,633,363	

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Change in Fiduciary Net Position
Trust Funds
For the Year Ended June 30, 2020

Exhibit K

	Trust Funds
ADDITIONS	
Contributions:	
Employer	\$ 17,378,660
Plan members	3,531,680
Total contributions	20,910,340
Investment earnings:	
Interest and dividends	80,894
Net increase in the fair value of investments	5,727,820
Total investment earnings	5,808,714
Less investment expense	(109,953)
Net investment earnings	5,698,761
Total additions	26,609,101
DEDUCTIONS	
Benefits and refunds paid to plan members and beneficiaries	10,726,267
Administrative expenses	85,297
Total deductions	10,811,564
Net increase in fiduciary net position	15,797,537
Fiduciary net position-beginning	231,835,826
Fiduciary net position-ending	\$ 247,633,363

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Net Position
Component Units
June 30, 2020

Exhibit L

	Board of Education	Carroll Community College	Library	Industrial Development Authority	Total Component Units
ASSETS					
Cash and cash equivalents	\$ 5,686,925	\$ 11,146,318	\$ 1,813,780	\$ 5,389,965	\$ 24,036,988
Restricted cash and cash equivalents	-	-	-	7,488,582	7,488,582
Investments	36,000,000	13,751,934	-	-	49,751,934
Taxes and receivables, net	6,250	2,394,245	157,744	6,183	2,564,422
Due from primary government	29,269,918	1,631	38,287	-	29,309,836
Due from other governments	5,456,621	-	-	-	5,456,621
Inventories	821,266	-	4,246	-	825,512
Prepaid expenses	411,839	499,689	109,134	-	1,020,662
Investments - restricted	-	54,029	-	-	54,029
Capital assets not being depreciated:					
Land	14,142,128	-	-	8,020,449	22,162,577
Construction in progress	5,730,023	-	391,225	-	6,121,248
Art and doll collection	-	384,950	-	-	384,950
Capital assets net of accumulated depreciation:					
Buildings and contents	353,980,924	1,467,847	3,190,373	-	358,639,144
Auto, machinery and equipment	10,515,723	586,521	-	-	11,102,244
Capital assets, net of depreciation	<u>384,368,798</u>	<u>2,439,318</u>	<u>3,581,598</u>	<u>8,020,449</u>	<u>398,410,163</u>
Total assets	<u>462,021,617</u>	<u>30,287,164</u>	<u>5,704,789</u>	<u>20,905,179</u>	<u>518,918,749</u>
Deferred Outflows of Resources					
Pensions	4,712,349	-	261,149	-	4,973,498
OPEB	94,164,745	5,470,826	-	-	99,635,571
Total deferred outflows of resources	<u>98,877,094</u>	<u>5,470,826</u>	<u>261,149</u>	<u>-</u>	<u>104,609,069</u>
Total assets and deferred outflows	<u>560,898,711</u>	<u>35,757,990</u>	<u>5,965,938</u>	<u>20,905,179</u>	<u>623,527,818</u>
LIABILITIES					
Accounts payable	4,769,448	302,694	101,052	1,530	5,174,724
Due to primary government	8,250	4,575	2,022	612,910	627,757
Due to other governments	2,519,075	-	167,890	-	2,686,965
Unearned revenue	1,718,739	1,323,798	-	7,488,582	10,531,119
Accrued expenses	36,003,527	630,133	333,491	12,596	36,979,747
Long-term liabilities:					
Due within one year	1,750,000	809,305	-	-	2,559,305
Due in more than one year	490,032,233	24,271,972	1,416,977	-	515,721,182
Total liabilities	<u>536,801,272</u>	<u>27,342,477</u>	<u>2,021,432</u>	<u>8,115,618</u>	<u>574,280,799</u>
Deferred Inflows of Resources					
Pensions	3,183,617	-	79,480	-	3,263,097
OPEB	612,413	3,050,916	-	-	3,663,329
Total deferred inflows of resources	<u>3,796,030</u>	<u>3,050,916</u>	<u>79,480</u>	<u>-</u>	<u>6,926,426</u>
NET POSITION					
Net investment in capital assets	384,024,407	2,054,368	3,581,598	7,407,539	397,067,912
Restricted for:					
Capital projects	-	-	434,777	-	434,777
Grants	647,088	-	-	-	647,088
Food services	437,256	-	-	-	437,256
Educational purposes	-	12,283,163	-	-	12,283,163
Unrestricted (deficit)	<u>(364,807,342)</u>	<u>(8,972,934)</u>	<u>(151,349)</u>	<u>5,382,022</u>	<u>(368,549,603)</u>
Total net position	<u>\$ 20,301,409</u>	<u>\$ 5,364,597</u>	<u>\$ 3,865,026</u>	<u>\$ 12,789,561</u>	<u>\$ 42,320,593</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Activities
Component Units
For the Year Ended June 30, 2020

Exhibit M

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position				
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Board of Education	Carroll Community College	Library	Industrial Development Authority	Total
Component units:									
Board of Education	\$ 426,415,267	\$ 3,300,975	\$ 53,305,599	\$ 11,614,301	\$ (358,194,392)	\$ -	\$ -	\$ -	\$ (358,194,392)
Carroll Community College	38,322,201	8,650,233	3,649,655	-	-	(26,022,313)	-	-	(26,022,313)
Library	18,476,775	207,603	2,347,826	349,694	-	-	(15,571,652)	-	(15,571,652)
Industrial Development Authority	1,057,085	-	-	1,085,417	-	-	-	28,332	28,332
Total component units	\$ 484,271,328	\$ 12,158,811	\$ 59,303,080	\$ 13,049,412	(358,194,392)	(26,022,313)	(15,571,652)	28,332	(399,760,025)
General revenues:									
Local appropriations					197,959,421	12,118,962	15,389,877	-	225,468,260
State aide					122,557,882	8,559,167	-	-	131,117,049
Grants and contributions not restricted to specific programs					-	5,188,335	-	-	5,188,335
Investment earnings and miscellaneous, unrestricted					6,466,751	1,357,294	541,683	176,927	8,542,655
Total general revenues and transfers					326,984,054	27,223,758	15,931,560	176,927	370,316,299
Change in net position					(31,210,338)	1,201,445	359,908	205,259	(29,443,726)
Net position - beginning of year					51,511,747	4,163,152	3,505,118	12,584,302	71,764,319
Net position - ending					\$ 20,301,409	\$ 5,364,597	\$ 3,865,026	\$ 12,789,561	\$ 42,320,593

The accompanying notes to the basic financial statements are an integral part of this statement.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2020

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THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2020

Note 1 - Summary of significant accounting policies

A. Description of Government-wide financial statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Reporting entity

Carroll County was created pursuant to an act of the General Assembly of the State of Maryland on January 19, 1837. Both executive and legislative functions of the County are vested in the elected five-member Board of County Commissioners of Carroll County. Each commissioner represents a district in the County.

The basic financial statements include Carroll County, Maryland as the primary government, and its significant component units, entities for which the County is considered to be financially accountable.

Discretely presented component units

The financial data of the County's component units are discretely presented in a column separate from the financial data of the primary government. They are reported in a separate column to emphasize that they are legally separate from the County. The following are the County's component units that are included in the reporting:

The Board of Education "BOE" of Carroll County as currently constituted was established under Title 3, Subtitle 103, Education, of the Annotated Code of Maryland. The BOE is a five-member elected body responsible for the operation of Carroll County Public Schools. The Board of Education of Carroll County is a component unit of Carroll County, Maryland by virtue of the County's responsibility for levying taxes and its budgetary control over the Board of Education. The BOE does not report any component units itself. The Board of Education's financial statements were audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The independent auditor concluded that the Board of Education's financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information as of and for the year ended June 30, 2020. At year-end any unspent appropriation up to 5% of the current year operating budget is retained by the Board of Education as a component of their fund balance. Any excess above the 5% is returned to the County.

The Carroll County Library Board of Trustees is established under Title 23, Subtitle 401, Education, of the Annotated Code of Maryland. The Board of Trustees is a seven-member body and is responsible for the operation of Carroll County Public Library "the Library". The members are appointed by the County Commissioners from nominees submitted by the Library Board of Trustees. The Library is a component unit of Carroll County Government by virtue of the Library's fiscal dependency on the County. The County levies taxes and is the primary source of the Library Board of Trustees' budget. The Library's financial statements were audited by CohnReznick LLP, a firm of licensed certified public accountants. The independent auditor concluded that the Library's financial statements present fairly, in all material respects, the financial position of the governmental activities, and each major fund as of and for the year ended June 30, 2020. At year-end any unspent appropriation up to 5% of the current year operating budget is retained by the Library as a component of their fund balance. Any excess above the 5% is returned to the County.

Carroll Community College "the College" is considered a "body politic" under Maryland State law as an instrumentality of the State of Maryland "the State". The seven-member Board of Trustees of Carroll Community College governs the College. The Board of Trustees are appointed for six-year terms by the Governor of the State with the advice and consent of the State Senate. The College is a component unit of Carroll County Government by virtue of the County's responsibility for levying taxes and its power to appropriate funds to establish and operate a community college as referenced in The Annotated Code of Maryland Education Article §16-304. The College serves the constituents of the County. At year-end any unspent appropriation up to 10% of the current year operating budget is retained by the College as a component of their net position. Any excess above the 10% is returned to the County.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2020

Carroll Community College Foundation, a component unit of Carroll Community College, is a separate legal entity. It has a separate Board of Directors that works closely with the College. The College President, Vice-President of Administration and a College Trustee are ex-officio members of the Foundation Board. Although the College does not control the timing or amount of receipts from the Foundation, all of the resources, or income thereon, that the Foundation holds and invests are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the College, the Foundation is discretely presented in the College's financial statements.

Carroll Community College's financial statements, including the Carroll Community College Foundation, were audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The independent auditor concluded that Carroll Community College's financial statements present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit as of and for the year ended June 30, 2020.

The Industrial Development Authority "IDA" of Carroll County was established pursuant to Sections 266A-1 through 266A-3 of Article 41 of the Annotated Code of Maryland, and Resolution 25-80 adopted by the Board of County Commissioners of Carroll County on October 16, 1980. The IDA provides economic development services to commercial enterprises in the County. The County Commissioners appoint a voting majority of the IDA, which is also fiscally dependent on the County. The IDA's financial statements were audited by CohnReznick LLP, a firm of licensed certified public accountants. The independent auditor concluded that the IDA's financial statements present fairly, in all material respects, the financial position of the business-type activities as of and for the year ended June 30, 2020.

Complete financial statements of the individual component units can be obtained from their respective administrative offices listed below:

Board of Education of Carroll County
55 North Court Street
Westminster, Maryland 21157

Carroll Community College
1601 Washington Road
Westminster, Maryland 21157

Industrial Development Authority
225 N. Center Street
Westminster, Maryland 21157

Carroll County Public Library
1100 Green Valley Road
New Windsor, Maryland 21776

The above are the only entities that qualify as component units based on the criteria set forth in GASB Statement No. 39 and GASB Statement No. 61, amendments of GASB Statement 14.

C. Basis of presentation - government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has four discretely presented component units. They are shown in separate columns in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of presentation - fund financial statements

The fund financial statements provide information about the County's funds and its fiduciary funds. Separate statements for each fund category- governmental, proprietary, and fiduciary are presented. The emphasis of fund financial statements is on

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2020

major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The government reports the following major governmental funds:

The *General Fund* is the primary operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

The *Capital Projects Fund* is used to account for financial resources related to the acquisition or construction of capital assets of the County (other than those financed by proprietary fund types).

The *Grant Fund* primarily accounts for revenues that are formally restricted by law for a particular purpose or have specific requirements associated with eligible program costs.

The government reports the following major proprietary funds:

Enterprise Funds:

The *Carroll County Bureau of Utilities* provides public water and sewer services in certain areas of the County. This fund accounts for the operations, construction or acquisition of capital assets, and related debt service costs. All assets, except those available to fund current liabilities, are considered restricted for use only in this fund.

The *Carroll County Solid Waste Fund* provides solid waste disposal facilities for residential and commercial use. This fund accounts for the operations, construction or acquisition of capital assets, and related debt service costs. All assets, except those available to fund current liabilities, are considered restricted for use only in this fund.

The *Carroll County Regional Airport* accounts for the corporate hangar facilities and Airport operations, construction or acquisition of capital assets, and related debt service costs.

The *Carroll County Fiber Network* accounts for the operation and infrastructure development of the inter-county broadband fiber network.

Additionally, the government reports the following additional non-major proprietary funds:

The *Carroll County Septage Treatment Facility* provides septage waste disposal services. This fund accounts for the operations, construction or acquisition of capital assets, and related debt service costs. All assets, except those available to fund current liabilities, are considered restricted for use only in this fund.

The *Carroll County Firearms Facility* is located at the Northern Landfill. The Hap Baker Firearms Facility accounts for the operations, construction or acquisition of capital assets, and related debt service costs. All assets, except those available to fund current liabilities, are considered restricted for use only in this fund.

The *Internal Service Fund* is used to account for certain risk financing activities. The Internal Service Fund accounts for risk management activities for workers' compensation, general liability, environmental, vehicle and property insurance and County employee health benefits costs.

The government reports the following Non-Major Special Revenue Funds:

The *Hotel Rental Tax Fund* is restricted by law to provide funding for tourism and promotion of the County. The Hotel Rental Tax is a five percent tax applied to the hotel room rate and paid by the hotel guest.

The *Watershed Protection and Restoration Fund* is committed by County Resolution to provide funding for operating expenses related to the County's National Pollutant Discharge Elimination System permit and Watershed Restoration efforts. Property tax revenue is dedicated to the fund on an annual basis.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2020

The County reports the following Fiduciary Funds:

Trust Funds:

Pension Trust Funds are used to account for the activities of the County's single-employer public employee retirement plans. These include the General Employee's Plan and the Certified Law Officers Plan. The plans account for member contributions, County contributions and the earnings and profits from investments. They also account for the disbursements made for employee retirements, withdrawals, disability and death benefits as well as administrative expenses. The Volunteer Firemen's Length of Service Award Program "LOSAP" accounts for the benefit program for the volunteer fire personnel serving the various independent volunteer fire companies in the County. The LOSAP Fund is treated as a trust fund but is not a legally established trust.

The *Other Post Employment Benefit "OPEB" Trust* accounts for retiree contributions and County contributions to provide health benefits for the County's eligible retirees. The plan also accounts for the earnings from investments as well as the disbursements made for medical premiums, the payments of medical claims, and administrative expenses.

The *Agency Fund* is used to account for assets that the County holds on behalf of others as their agent. The Agency Funds are custodial in nature (assets equal liabilities). The Carroll Cable Regulatory Commission administers the cable franchise agreement for the County and eight towns.

All governmental and business-type activities of the County follow GASB Statement 62, Codification of Accounting and Financial Reporting Guidance contained in Pre-November 30, 1989 Financial Accounting Standards Board "FASB" and American Institute of Certified Public Accountants "AICPA" pronouncements which incorporate into GASB authoritative literature certain accounting and financial reporting guidance previously included in FASB, AICPA, and Accounting Principles Board Opinions "APB" guidance issued before November 30, 1989.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements, the proprietary fund financial statements, and the fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds do not have a measurement focus and are reported using 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 as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay

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liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except grants and similar items which are considered available if collected within one year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when received.

F. Budgetary information

1. Budgetary basis of accounting

The annual budgets for the General Fund, Special Revenue Funds and the Capital Projects Fund are adopted on a basis consistent with generally accepted accounting principles “GAAP” except that encumbrances are treated as expenditures and real property taxes are budgeted as estimated revenues when levied. All budgetary comparisons presented in this report are on this non-GAAP budgetary basis.

The appropriated budget in the General Fund is prepared by fund, function, and department. The government’s department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Project length budgets along with the current year’s portion of each project are budgeted in the Capital Projects Fund. The appropriated budgets are prepared by individual grants for Special Revenue Funds. The legal level of budgetary control is at the project level for the Capital Projects fund and at the program level for the Grant Fund, Hotel Rental Tax Fund, and Watershed Protection and Restoration Fund.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year’s budget pursuant to State regulations.

2. Excess of expenditures over appropriations

For the year ended June 30, 2020, expenditures exceeded appropriations by \$5,753,983 in Education and \$2,080,076 in Library due primarily to the recording of in-kind services provided to the Board of Education, Community College, and Library. These in-kind services are not in the budget for Education and Library.

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

Cash and Cash Equivalents

The County’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Deposits and Investments

The County operates a cash and investment pool for all funds of the Primary Government. Each fund has been allocated its respective share of pooled cash and investments as reflected in the fund financial statements as “equity in pooled cash and investments.” In addition to participating in the County’s cash and investment pool, each fund may maintain separate cash and investments that are specific to the individual fund. Investments are reported at fair value or net asset value in accordance with applicable GASB standards, as further described in Note 3.

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Based on an average daily balance of each fund's equity in pooled cash and investments, investment income earned on the cash and investment pool is distributed monthly to the General, Enterprise, Special Revenue, and Fiduciary funds. Investment income earned on individual funds' separate cash and investments is recorded directly in the corresponding fund.

State statutes authorize the County to invest in obligations of the United States Government, Federal government agency obligations, secured time deposits in Maryland banks, bankers' acceptances, the Maryland Local Government Investment Pool, repurchase agreements secured by direct government or agency obligations and mutual funds limited to a portfolio of direct obligations of the United States government and repurchase agreements fully collateralized by the United States government obligations. Statutes have clarified that obligations of federal instrumentalities are authorized investments.

In accordance with State law, the Pool operates in conformity with all of the requirements of the Securities and Exchange Commission's "SEC" Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the Pool qualifies as a 2a7-like pool and is reported at amortized cost. The pool is subject to regulatory oversight by the State Treasurer, although it is not registered with the SEC.

The County has an independent third party as custodian for securities collateralizing repurchase agreements and all other investments and certificates of deposits. The County has an agreement with the custodian used for the overnight repurchase agreement whereby the County's authorization is needed to release any collateral being held in their name. The financial condition of this other custodian was monitored by the County throughout the year to mitigate the risk. Investments of the County are recorded at fair value, which is based on quoted market prices provided by Carroll County's Custodian, except for the investments in the Maryland Local Government Investment Pool "MLGIP", and Money Market funds. MLGIP investments are recorded at amortized cost. Investments in Money Market funds are valued at the closing net asset value per share on the day of valuation. Changes in fair value are reported as increases or decreases in investment income in the operating statements of the appropriate fund.

The County has in effect a master repurchase agreement, which adheres to the prototype master repurchase agreement produced by the Public Securities Association.

State statutes require uninsured deposits to be fully collateralized.

The County is a participant in the Maryland Local Government Investment Pool "MLGIP", which provides all local government units of the State a safe investment vehicle for the short-term investment of funds. The State Legislature created MLGIP within the articles of the Annotated Code of Maryland. The MLGIP, under the administrative control of the State Treasurer, has been managed by a single financial institution, PNC Institutional Investments. The pool has a AAA rating from Standard and Poor's and maintains a \$1.00 per share value. A MLGIP Advisory Committee of current participants was formed to review, on a semi-annual basis, the activities of the Fund and to provide suggestions to enhance the pool. The fair value of the pool is the same as the value of the pool shares.

The MLGIP issues a publicly available financial report that includes financial statements and required supplementary information for the MLGIP. This report can be obtained by writing: PNC Bank Institutional Investments; Maryland Local Government Investment Pool; 1 East Pratt Street 5th Floor West; Baltimore, Maryland 21201; or by calling 410-237-5629.

Receivables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are classified as nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Inventories and prepaid items

Inventories shown in the general and enterprise funds of the primary government consist of expendable supplies held for consumption and are valued at cost. The inventory in the General Fund of the primary government is reflected in the financial statements by the purchase method. Under the purchase method, inventories are recorded as expenditures when

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purchased; however, material amounts of inventories are reported as assets of the respective fund. An amount equal to the carrying value of inventory is reported in the nonspendable fund balance category in the general fund.

The inventory of expendable supplies and food held for consumption of the Board of Education is reflected in the financial statements by the consumption method and is valued at the lower of cost (first in, first out) or market. Under this method, the expenditure is recognized when inventory is used. In the fund financial statements, these inventories are offset by a fund balance reserve which indicates that they do not constitute available expendable resources, even though they are a component of assets.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The general fund reports fund balance for prepaid items under the nonspendable fund balance category. The general fund uses the consumption method.

Restricted assets

Certain assets of the governmental activities are classified as restricted assets on the balance sheet. Included as restricted assets are investments in U.S. Treasury Bonds and Strips held to maturity for the principal payment on the installment purchase of agricultural land easements. Deposits with Farmers and Merchants Bank are pledged collateral for the low interest energy efficient loan program.

Capital assets

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items). Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized on donated assets. Assets donated from component units are recorded at the carrying value of the asset at the time of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, equipment, and infrastructure of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Capital Assets

Buildings	50 years
Building improvements	10 years
Water and sewer systems	50-75 years
Vehicles	5-10 years
Machinery and equipment	5-10 years
Roads	50-75 years
Bridges	30-50 years
Fiber optic system	25-50 years

Deferred outflows/inflows of resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense) until then. One such item is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The County also recognizes deferred outflows of resources for differences between projected and actual earnings on pension plan and OPEB plan investments, changes in actuarial assumptions, and contributions made subsequent to the measurement date. These amounts are being amortized over a five-year period.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County recognizes deferred inflows of resources on the Statement of Net Position for differences between expected and actual experience and the differences between projected and actual earnings on plan investments of the Maryland State Retirement

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Pension plans and the County's OPEB plan. These amounts are being amortized over a five to ten-year period. In addition, this includes the deferred loss on debt when refunded. The deferred loss is amortized over the life of the bonds.

The government has one such item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in the deferred outflow or inflow of resources. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet for taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net position

Government-wide:

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted net position and unrestricted net position. Net investment in capital assets represents all capital assets, including infrastructure reduced by accumulated depreciation, and the outstanding debt directly attributable to the acquisition, construction or improvement of these assets. Restricted component of net position represents external restrictions by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Unrestricted component of net position of the County is not restricted for any project or purpose.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

The County issues debt to finance the construction of school facilities for the Board of Education component unit because the Board of Education does not have borrowing or taxing authority. The County reports this debt, whereas the Board of Education reports the related capital assets. The County also issues debt to finance the construction of facilities and various equipment purchases for the County's Volunteer Fire Companies because the Fire Companies do not have taxing authority. The sources of repayment of the debt are secured notes receivable due from the Volunteer Fire Companies.

Maryland State Retirement Pension "MSRP" - 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 MSRP and additions to/deduction from the fiduciary net position have been determined on the same basis as they are reported by MSRP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Carroll County Employee Pension, Carroll County Certified Law Officers Pension, and Volunteer Firemen's Length of Service Award Program - For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to each of the County Pension Plans and pension expense, information about the fiduciary net position of these Pension Plans and additions to/deductions from each of the fiduciary net positions have been determined on the same basis as they are reported by each Plan. 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.

In July 2004, the County issued taxable general obligation bonds to pay the entirety of the County's unfunded accrued liability to the Employees' Retirement System of the State of Maryland. These bonds were refunded in December 2013. The County realized savings on a present value basis rather than paying the liability under the amortization plan offered by the Employees' Retirement System. This debt is not related to any capital assets.

Business-Type:

In prior years, the Solid Waste fund issued debt to finance the construction of closing County landfills. The costs associated with the closing are not capitalized as assets. Of the total outstanding general obligation bonds debt of \$216,355 in the Solid Waste fund, \$200,899 is associated with landfills closing costs.

The Bureau of Utilities fund collects certain fees that are subject to restrictions imposed by law. As of June 30, 2020, fees collected through water/sewer user rates, area connection charges and maintenance fees totaling \$13,463,952 have been restricted for future capital projects. The Solid Waste, Airport, Fiber Network and Septage funds have restricted component of net position for capital projects in the amounts of \$740,394, \$1,734,179, \$756,399 and \$1,404,429 respectively. These amounts, totaling \$18,099,353, are restricted in the business-type activities of the Statement of Net Position.

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Fund Balance

In the fund financial statements, governmental funds report limitations of fund balance for amounts that are nonspendable and are not available for appropriation or are legally restricted by outside parties or creditors for use for a specific purpose. Commitments of fund balance represent limitations placed on spending that are imposed by and may be removed by the adoption of County Ordinance by the Board of County Commissioners. Assignments of fund balance reflect tentative plans by the Board that may be subject to change. The Board of County Commissioners delegates authority to the Comptroller and the Director of Management and Budget to establish assignments of fund balance. Residual net resources are reported as unassigned fund balance and are the excess of nonspendable, restricted, committed and assigned fund balance. The County considers restricted, committed, assigned or unassigned fund balance amounts to have been spent when an expenditure is incurred for the purposes for which the fund balance classifications could be used. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last. The general fund is the only fund that reports a positive unassigned fund balance.

Stabilization Arrangement

The Board of County Commissioners adopted ordinance number 2013-07 to establish the Stabilization Arrangement, which must total a minimum of five percent of the following fiscal year adopted general fund budget. Requests for appropriations from the Stabilization Arrangement shall occur only after exhausting the current year's budgetary flexibility and spending of the current year's appropriated contingency. The funds can be spent if one of the following events occurs:

1.) A sudden and unexpected decline in total general fund revenues that exceeds one percent of the original projected revenues, **AND** actual revenues for two of the following major revenue sources are projected in the current year to fall below the actual amount from the prior year: property taxes, income tax, recordation tax, State shared taxes, and investment interest.

OR

2.) One of the following events occurs that creates a significant financial difficulty for the County and is in excess of the current year's appropriated contingency: a.) Declaration of a State of Emergency by the Governor of Maryland; b.) Unanticipated expenditures as a result of legislative changes from State/Federal governments in the current fiscal year; c.) Acts of Terrorism declared by the Governor of Maryland or the President of the United States; or d.) Acts of nature which are infrequent in occurrence and unusual in nature.

H. Estimated liability for claims in process

The liability for claims in process in the Internal Service Fund includes estimates for personal injury, worker's compensation, property damage and medical claims as of June 30, 2020. The liability is based on estimates made on an individual claim basis plus an actuarial estimate of the liability for claims incurred but not reported.

I. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Revenues and expenditures/expenses

1.) Program Revenues

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

2.) Proprietary Funds, Operating & Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Bureau of Utilities, Solid Waste, Fiber Network, Septage Treatment, Firearms Facility and Airport are charges to customers for sales and services. The Bureau of Utilities also

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recognizes as operating revenue the portion of hookup fees and lateral fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting the definition are reported as nonoperating revenues and expenses.

3.) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund and the Capital Projects Fund. Encumbrances outstanding at year-end are reported as assigned fund balances in the governmental funds balance sheet, since they do not constitute expenditures or liabilities.

4.) Property Taxes

Full year taxes and first semi-annual installments are billed and due on July 1st and may be paid without interest on or before September 30th. For fiscal year 2020, the following discounts were allowed: 1 percent on full year tax payments made on or before July 31st and 0.5 percent on full year tax payments made on or before August 31st. Semi-annual tax payments are not eligible for the discount. Second semi-annual installments are due on December 1st and may be paid without interest on or before December 31st. A service charge is payable with the second installment unless both installments are paid by September 30th. Delinquent accounts are issued final bills and legal notices on April 1st. Following the required advertisements and notices, the appointed tax collector conducts a tax sale on the last business day of the fiscal year.

Real and personal property taxes are levied at rates enacted by the County Commissioners in the annual budget process on the assessed value as determined by the Maryland State Department of Assessments and Taxation. The rates of levy cannot exceed the constant yield tax rate furnished by the Maryland State Department of Assessments and Taxation without public notice and only after public hearings.

The real property tax rate during the year ended June 30, 2020 was \$1.018 per \$100 of assessed value and the personal property rate was \$2.515 per \$100. Real property taxes for the County, State and Towns are billed to property owners and collected by the County.

5.) Other Taxes & Fees

Impact Fees are included in the capital projects fund to provide funding to capital projects for parks that are eligible to receive impact fee funding. In order for a project to be eligible, it must be created to alleviate pressures related to growth as described in the impact fee ordinance. Impact Fees are collected at the time a permit is issued for the construction of a new residential dwelling.

Like Impact Fees, Agricultural Transfer Tax is included in the capital projects fund and is restricted by law to provide funding for the Agricultural Land Preservation Program. Agricultural Transfer Tax is collected on the sale of agricultural property that is changing use from agriculture to another classification.

6.) Compensated Absences

Employees of the County earn vacation, compensatory and sick leave in varying amounts. Upon separation, employees are reimbursed for accumulated unused vacation and compensatory leave.

County employees who are participants in the State retirement program are given credited service days toward their retirement benefits for accumulated sick leave. County employees who are not in the State retirement program may be eligible to claim a portion of their unused sick days upon retirement.

Accrued unused vacations, compensatory, and sick leave, along with the employer paid portion of taxes and benefits, are reported as expenses and/or liability of the activity and function that will pay it. A liability for these amounts is reported in the funds only if they have matured, for example, as a result of employee resignations and retirements. Earned but unused vacation and compensatory leave of proprietary funds are recorded as an expense and liability of those funds.

Compensated absences for the Component Units are as follows:

- Board of Education employees hired prior to July 1, 1997 meeting specified service requirements are eligible to accumulate sick time and, upon retirement, are entitled to payment for unused sick time at 50% of their accrued sick leave balance at their previous three-year average daily rate. The remaining employees hired prior to July 1, 1997 may accumulate unused sick time and will be paid for a maximum of 250 days or their accumulated balance at June

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30, 2003, whichever is greater. Employees hired July 1, 1997 and later are eligible to accumulate unlimited sick time, but are not entitled to payment for unused sick time upon retirement. There is a maximum accrual of 30 paid vacation days for those employees eligible to earn and accumulate vacation time.

- Library and Community College employees are permitted to accumulate vacation time and carry it over to future periods. Upon separation, employees are reimbursed for accumulated vacation. Employees are not reimbursed for accumulated unused sick leave.

7.) Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in General Government. It is the County's internal policy that refunding bond premiums and discounts are allocated to the general fund. Premiums related to new bond issues are allocated to the capital fund. Discounts are recorded as general fund expenditures. Issuance costs are allocated to the general fund.

8.) Arbitrage Payable

Arbitrage rebate requirements under Internal Revenue Code Section 1.148-3 apply to general obligation bond issuances of 2019, 2018, 2016, 2015, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007, 2006, 2005 and 2004, respectively.

The law requires the computation and payment of arbitrage profits on unspent proceeds of a bond issue if the current investment of these funds yields a higher rate of return than the original bond issue. The County calculates arbitrage internally every six months. As of June 30, 2020, there is no arbitrage liability due to the Internal Revenue Service.

K. New accounting pronouncements

Future Accounting Pronouncements

GASB has issued the following Statements which will become effective in future years as shown below. Management is currently evaluating the effect of the implementation of these Standards.

Statement No. 84, *Fiduciary Activities*: The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement will become effective for fiscal years beginning after December 15, 2018. Due to COVID-19, the date has been extended for one year for a new effective date for fiscal years beginning after December 15, 2019.

Statement No. 87, *Leases*: The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Statement will become effective for fiscal years beginning after December 15, 2019.

Statement No. 89, *Accounting for Interest Cost Incurred before the end of a Construction Period*: The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement will become effective for fiscal years beginning after December 15, 2019.

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Statement No. 90, *Majority Equity Interests*: The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. This Statement will become effective for fiscal years beginning after December 15, 2018. Due to COVID-19, the date has been extended for one year for a new effective date for fiscal years beginning after December 15, 2019.

Statement No. 91, *Conduit Debt Obligations*: The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement will become effective for fiscal years beginning after December 15, 2020.

Statement No. 92, *Omnibus*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement will become effective for the requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance; for all other applications, effective for fiscal years beginning after June 15, 2020.

Statement No. 93, *Replacement of Interbank Offered Rates*: The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Effective for fiscal years beginning after December 31, 2021.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*: The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. Effective for fiscal years beginning after June 15, 2022.

Statement No. 95, *Postponement of the effective dates of certain authoritative guidance*: The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The requirements of this statement are effective immediately.

Statement No. 96, *Subscription-Based Information Technology Arrangements*: This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. Effective for fiscal years beginning after June 15, 2022.

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Codes 457 Deferred Compensation Plans*: The primary objectives of this Statement are to (1) increase consistency and

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comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Effective for fiscal years beginning after June 15, 2021.

Note 2 – Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, compensated absences, and pension liabilities, are not due and payable in the current period and therefore are not reported in the funds.”

The details of bonds payable and compensated absences differences are as follows:

Bonds payable		\$ 234,440,524
General obligation debt - installment purchases		33,537,296
Purchase agreements payable		4,385,658
Compensated absences		13,634,587
Premium on bonds		26,679,060
Total long-term debt and compensated absences		312,677,125
Deferred charges		(7,327,419)
Total long-term liabilities and deferred charges		\$ 305,349,706

The details of net pension liabilities differences are as follows:

Net Employee Pension liability		\$ 11,996,042
Net Certified Law Officers Pension liability		3,697,273
Net LOSAP liability		2,271,352
Net Pension liability - State of MD:		
CC Elected/Appointed Officials	\$ 297,788	
Soil Conservation District	256,789	554,577
		\$ 18,519,244

Another element of that reconciliation states “Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable in the funds.”

Property Taxes - unavailable revenue		\$ 1,275,837
Income Taxes - unavailable revenue		51,603,680
		\$ 52,879,517

B. Explanation of certain differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between the *net change in fund balances - total governmental funds* and *change in net position - governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report

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capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Purchase of capital assets	\$ 12,881,104
Donated assets	810,066
Depreciation	(16,164,562)
Disposal of assets	(2,356,763)
Assets transferred between funds to:	
Airport	(31,239)
Bureau of utilities	(212,400)
	<u>\$ (5,073,794)</u>

Another element of that reconciliation states “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The detail of this \$19,164,956 difference represents the net change of \$700,229 Property Taxes-unavailable plus \$18,464,727 in Income Taxes-unavailable in the fund statements.

Another element of that reconciliation states “The issuance of long-term debt (i.e., bonds, notes, installment purchase agreements) proceeds provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this difference are as follows:

Debt Issued or Incurred:	
Issuance of new installment purchase agreements	\$ (1,024,000)
Issuance of new general obligation bonds	(69,797,184)
Principal payments on general obligation bonds	70,056,515
Principal payments on purchase agreements	336,498
Net change in amortization of	
deferred loss on refunding bonds	(34,290)
Net change in amortization of bond premium	(6,741,803)
Net change in accrued interest expense	(171,757)
	<u>\$ (7,376,021)</u>

Another element of that reconciliation states, “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 governmental funds.” The details of some expense differences are as follows:

Increase in compensated absences accrual	\$ (6,852,355)
Difference between accrual method used in government-wide statements and the purchase method of inventory used in the fund statements	(167,987)
	<u>\$ (7,020,342)</u>

The details of adjustment to the net pension liabilities are as follows:

Net Employee Pension liability		\$ (3,326,729)
Net Certified Law Officers Pension liability		(297,643)
Net LOSAP liability		(823,206)
Net Pension liability - State of MD:		
CC Elected/Appointed Officials	\$ 13,829	
Soil Conservation District	(9,949)	3,880
		<u>\$ (4,443,698)</u>

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Note 3 – Equity in Pooled Cash and Investments, Cash Equivalents and Investments

PRIMARY GOVERNMENT

Custodial Credit Risk Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. At year-end, the County’s deposits totaled \$37,739,760 and the bank balance was \$24,064,749. The Federal Depository Insurance Corporation “FDIC” insured \$250,000 and the balance was collateralized with investments held in the County’s name at the Federal Reserve Bank. At June 30, 2020, the County’s deposits were not exposed to custodial credit risk.

The following table reconciles the County’s deposits and investments to the government-wide statement of net position and the statement of fiduciary net position at June 30, 2020:

	Primary Government	Fiduciary Funds	Total
Equity in pooled cash & investments	\$ 169,741,094	\$ 432,872	\$ 170,173,966
Cash and cash equivalents	38,891	-	38,891
Restricted assets-investments	40,776,514	248,834,381	289,610,895
Total cash and investments	<u>\$ 210,556,499</u>	<u>\$ 249,267,253</u>	<u>\$ 459,823,752</u>
Bank balances and cash on hand			\$ 37,739,760
Investments			422,083,992
Total Balances at June 30, 2020			<u>\$ 459,823,752</u>

COMPONENT UNITS

The following table reconciles the Component Unit’s deposits and investments to the government-wide statement of net position at June 30, 2020:

	Board of Education	Carroll Community College	Library	Industrial Development Authority
Cash and cash equivalents	\$ 5,686,925	\$ 11,146,318	\$ 1,813,780	\$ 5,389,965
Restricted cash and cash equivalents	-	-	-	7,488,582
Investments	36,000,000	13,751,934	-	-
Restricted assets-investments	-	54,029	-	-
Total cash and investments	<u>\$ 41,686,925</u>	<u>\$ 24,952,281</u>	<u>\$ 1,813,780</u>	<u>\$ 12,878,547</u>
Bank balances and cash on hand	\$ 5,686,925	\$ 2,981,755	\$ 1,813,780	\$ 12,878,547
Investments	36,000,000	21,970,526	-	-
Total Balances at June 30, 2020	<u>\$ 41,686,925</u>	<u>\$ 24,952,281</u>	<u>\$ 1,813,780</u>	<u>\$ 12,878,547</u>

All of the collected bank balance was insured by the FDIC and/or collateralized by securities held by the component unit or its agent, in the component unit’s name.

PRIMARY GOVERNMENT

Investment Risk

Interest Rate Risk: The County plans its investments to match cash flow requirements. In accordance with the investment policy, the County does not invest in securities maturing more than two years from the date of purchase and only 30 percent of the lowest five-year average investment balance can be invested between one and two years (as of June 30, 2020 the 30 percent was \$36.5M). The only exception is the purchase of U.S Treasury bonds and U.S. Treasury strips for the Agricultural Land Preservation Program. These securities have no coupon and have long-term maturity lengths; therefore, they are very interest rate sensitive. If market rates were to rise, the market value of these securities would decline further than a similar

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coupon-paying Treasury security. Conversely, if market interest rates were to fall, the market value of these securities would rise further than a similar coupon-paying Treasury security. The County plans to hold these securities to their maturity to pay off the related debt when due.

Credit Risk: State law limits investments in bankers' acceptances and commercial paper to the highest letter and numerical rating by at least one nationally recognized statistical rating organization. As of June 30, 2020, the County did not invest in any of these types of investments.

Concentration of Credit Risk: The County places no limit on the amount the County may invest in any one issuer. Under State law, the County cannot invest more than 10 percent of its portfolio in commercial paper.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, or not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent, but not in the government's name. County and State statutes require that securities underlying all certificate of deposits, repurchase agreements and reverse repurchase agreements have a market value of at least 102 percent of the cost-plus accrued interest of the investment. County policies require that a third-party custodian hold investment securities and the collateral underlying all investments, in the government's name. As of June 30, 2020, the County's investments were not exposed to custodial credit risk.

The following table displays the fair value measurements within the fair value hierarchy by investment type established by generally accepted accounting principles. Investments for the primary government and fiduciary funds have the following recurring fair value measurements as of June 30, 2020.

The three levels of the fair value hierarchy under the accounting guidance are listed below:

Level 1

Inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities that the County can access at the measurement date.

Level 2

Inputs other than quoted prices included in Level 1 that are observable for an asset or liability either directly or indirectly.

Level 3

Inputs that are unobservable and significant to the fair value measurement for an asset or liability.

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	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Primary Government:				
<u>Investments by fair value level</u>				
<u>Debt Securities</u>				
Federal agencies (2)	\$ 33,963,749	\$ -	\$ 33,963,749	\$ -
U.S. government securities (1)	33,459,133	-	33,459,133	-
Total debt securities	<u>67,422,882</u>	<u>-</u>	<u>67,422,882</u>	<u>-</u>
<u>Equity Securities</u>				
Money rate savings account	19,003,301	19,003,301	-	-
Total Equity Securities	<u>19,003,301</u>	<u>19,003,301</u>	<u>-</u>	<u>-</u>
Total Primary Government Investments at fair value	<u>86,426,183</u>	<u>19,003,301</u>	<u>67,422,882</u>	<u>-</u>
Investments at fair value:				
Other Post Employment Benefits (OPEB) and Pension Funds:				
<u>Equity Securities</u>				
Equities (3)	120,732,271	120,732,271	-	-
Short-term investments (3)	1,256,659	1,256,659	-	-
Marketable securities	103,402,341	103,402,341	-	-
Total Equity Securities	<u>225,391,271</u>	<u>225,391,271</u>	<u>-</u>	<u>-</u>
Total investments at fair value:	<u>225,391,271</u>			
Investments at net asset value (NAV):				
Other Post Employment Benefits (OPEB) and Pension Funds:				
Real estate funds	23,443,110			
Total investments at net asset value:	<u>23,443,110</u>			
Investments at amortized costs :				
Maryland Local Govt. Investment Pool	86,823,428			
Total investments at amortized costs	<u>86,823,428</u>			
Total Investments	<u>\$ 422,083,992</u>			

(1) These investments are backed by full faith and credit of the U.S. Government.

(2) These agencies mature in fiscal year 2021/2022 but are callable monthly, quarterly, or semi-annually until maturity.

(3) These investments are unrated.

The following is a description of the valuation methodologies the County used to measure investments at fair value and determines which level the investment belongs in for the fair value hierarchy.

The remaining Debt Securities are valued at the most recent price of the equivalent quoted yield. Debt securities are in Level 2 of the fair value hierarchy.

FIDUCIARY FUNDS

Investment Risk

Fiduciary funds for Carroll County are the Carroll County Employee Pension Plan, the Carroll County Certified Law Officers Pension, LOSAP, & OPEB “the Trust Funds”. The Trust Funds operate under one investment policy that is designed to provide benefits as anticipated through a carefully planned and executed investment program that achieves a reasonable long-term total return consistent with the level of risk assumed. Investments for the Trust Funds are reported at fair value or net asset value.

The Trust Funds invest in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such a change could materially affect the amounts reported in the statement of fiduciary net position available for benefits.

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Established by generally accepted accounting principles, the accounting guidance provides direction for measuring fair value. A fair value hierarchy is used to measure fair value of the investments, which include Treasury Strips, Treasury Bonds, MLGIP, Federal Securities. These are recorded at net asset value as of June 30, 2020 per our third part, US Bank reports. There are three levels in the fair value hierarchy, with Level 1 being the highest priority to unadjusted quoted prices in the markets for identical assets and Level 3 being the lowest priority.

COMPONENT UNITS

The Board of Education maintains pooled and various separate cash accounts for its funds. The cash balances of the Agency Fund consist of individual demand accounts maintained by the schools. The Board considers any instrument with a maturity of three months or less when purchased to be cash equivalents.

At year-end, the carrying value of the Board of Education’s combined deposits was \$5,915,863 and cash on hand was \$4,038. The bank balance of deposits was \$6,675,484. The bank balance was covered either by federal depository insurance or collateral held by the financial institution’s trust department in the Board’s name. Statutes authorize secured time deposits in Maryland banks and require uninsured deposits to be fully collateralized. Therefore, under the reporting requirements of Governmental Accounting Standards Board Statement No. 40, the Board’s deposits are not subject to custodial or credit risk at year-end. Because of the short-term maturity and type of investments, there is limited interest rate risk. At June 30, 2020, the Board had investment totaling \$36,000,000 in the Maryland Local Government Investment Pool (MLGIP), which is under the administration of the State Treasurer.

At June 30, 2020, the College’s cash and cash equivalents balance by type were as follows:

Cash on hand	\$	3,300
Cash in bank		2,165,096
Citibank health care account		107,540
Bank money market		508,627
Maryland Local Government Investment Pool		7,548,396
Cash in Carroll Community College Foundation		813,359
		\$ 11,146,318

As of June 30, 2020, the carrying amount of the Library’s deposits was \$1,813,780 and the bank balance was \$2,014,226. Of the bank balance, \$250,000 was covered by the federal depository insurance and \$1,764,226 by collateral held by the Library's agent in the Library's name. The Library has total collateral of \$3,116,924 held in the pledging bank's trust department in the Library's name. At June 30, 2020, \$0 was uninsured and uncollateralized.

As of June 30, 2020, the Industrial Development Authority bank balance of \$12,878,547 was equal to the carrying value of the Industrial Development Authority. All deposits were covered by FDIC and/or collateral held in the Authority’s name by the financial institution.

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Note 4 – Budgets and Budgetary Accounting

In April, the budget officer presents recommendations to the County Commissioners for review in a public session at which time estimates of revenues and budget requests are assembled for preparation of a proposed budget.

In May, a public hearing is scheduled on the budget. Taxpayers may comment on the operating and capital budgets and presentation of a proposed tax rate.

Following the hearing, a public meeting is held with the County Commissioners for reviewing the comments made at the hearing. The proposed budget is adopted at this time.

In June, certifications of the adoption are made to the Director of Management and Budget who is charged with implementing those phases of operation which will ensure that the approved budgets are submitted to all departments, bureaus, or agencies prior to July 1 as well as ensure that the tax billing, effective July 1, reflects the tax rate as set by the County Commissioners. Annual budgets are adopted for the General, Capital and Special Revenue Funds.

The appropriated budget for the General Fund is prepared by function, department, activity and object. The legal level of budgetary control for the County's General Fund is at the department level. Project-length budgets along with the current year's portion of each project are budgeted in the Capital Projects Fund. The appropriated budgets are prepared by individual grants for the Special Revenue Funds. The legal level of budgetary control is at the project level for the Capital Projects Fund and at the program level for the Grant Fund and on an annual basis for Hotel Rental Tax Fund and Watershed Protection and Restoration Fund.

Transfers in the General Fund can be made between departments and functions with the approval of the Board.

A public hearing is necessary for supplemental budgetary appropriations excluding those pertaining to Grant Funds. Unused budget appropriations lapse at the end of the fiscal year for the General Fund and Special Revenue Funds and at the end of each project in the Capital Projects Fund.

The budgeted amounts are as originally adopted, or as amended by the County Commissioners. There were no supplemental budgetary appropriations adopted for the year ended June 30, 2020.

Note 5 – Receivables and Deferred Inflows/Outflows

Receivables

Most of the receivables in the Governmental Funds are liens on real property that will be collected via the annual tax sale process if not paid. Receivables as of year-end for the government's individual major funds and non-major and internal service funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	<u>Tax</u>	<u>Accounts</u>	<u>Interest</u>	<u>Notes</u>	<u>Total</u>
<u>Governmental Funds</u>					
General fund	\$ 2,655,091	\$ 122,494	\$ 317,935	\$ 13,363,634	\$ 16,459,154
Capital project fund	-	2,843,603	-	-	2,843,603
Grant fund	-	3,401,204	-	-	3,401,204
Non-major funds	-	48,134	-	-	48,134
	<u>2,655,091</u>	<u>6,415,435</u>	<u>317,935</u>	<u>13,363,634</u>	<u>22,752,095</u>
Uncollectible allowances	(148,368)	-	-	-	(148,368)
Total governmental funds	<u>\$ 2,506,723</u>	<u>\$ 6,415,435</u>	<u>\$ 317,935</u>	<u>\$ 13,363,634</u>	<u>\$ 22,603,727</u>
Amount not scheduled for collection during subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,313,621</u>	<u>\$ 12,313,621</u>

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<u>Proprietary Funds</u>	<u>Accounts</u>
Bureau of Utilities	\$ 4,942,540
Solid Waste	736,016
Airport	44,419
Fiber Network	41,037
Non-major funds	127,929
Internal Service Fund	19,121
Total proprietary funds	<u>\$ 5,911,062</u>
Amount not scheduled for collection during subsequent year	<u>\$ -</u>

Most of the receivables in the enterprise funds are backed by liens on real property that will be collected via the annual tax sale process if not paid.

Balances for the component units for the year ended June 30, 2020 was as follows:

<u>Component Units</u>	<u>Accounts Restricted</u>	<u>Accounts and Notes Unrestricted</u>	<u>Other</u>	<u>Students</u>	<u>Contributions</u>	<u>Total</u>
Board of Education	\$ -	\$ 6,250	\$ -	\$ -	\$ -	\$ 6,250
Carroll Community College	-	-	386,359	726,514	1,790,665	2,903,538
Library	141,748	15,996	-	-	-	157,744
Industrial Development Authority	6,000	183	-	-	-	6,183
	<u>147,748</u>	<u>22,429</u>	<u>386,359</u>	<u>726,514</u>	<u>1,790,665</u>	<u>3,073,715</u>
Less: allowances	-	-	-	(509,293)	-	(509,293)
Total component unit activities	<u>\$ 147,748</u>	<u>\$ 22,429</u>	<u>\$ 386,359</u>	<u>\$ 217,221</u>	<u>\$ 1,790,665</u>	<u>\$ 2,564,422</u>
Amount not scheduled for collection during subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,080,424</u>	<u>\$ 1,080,424</u>

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Unearned Revenues

Governmental, enterprise and internal service funds also report unearned revenue recognition in connection with resources that have been received but not yet earned. At June 30, 2020, the various components of unearned revenue reported were as follows:

<u>Governmental Activities:</u>	
Governmental Funds	
General Fund:	
City of Westminster	\$ 77,449
Capital Fund:	
Highway user fees	1,948,740
Federal	27,323
Impact fees	11,959
Program open space	58,330
Grants Fund:	
Draws in advance of expenditures	15,763,449
Total governmental funds	<u>\$ 17,887,250</u>
 <u>Business-type Activities</u>	
Fiscal year 2021 cell tower rent	\$ 14,545
Fiscal year 2021 hangar rent	73,704
Total Business-type Activities	<u>\$ 88,249</u>

Grants Fund

Of the \$15,763,449 of unearned revenue in the grants fund, \$14,696,268 is COVID-19 relief money provided under the CARES act. The entire grant is to be spent by December 31, 2020 of which \$634,091 was spent by fiscal year ending June 30, 2020.

Deferred Outflows of Resources

In the government-wide statement of net position, deferred outflows of resources are reported as follows:

		<u>Deferred Outflows</u>
Governmental activities		
Deferred charge on refunding		\$ 7,327,419
Deferred charge for pension:		
Carroll County Employee Pension	\$ 2,803,589	
Carroll County Certified Law Officers Pension	1,707,305	
Length of Service Award Program (LOSAP)	201,540	
State of MD CC Elected/Appointed Officials	4,372	
State of MD Soil Conservation District	4,430	
Total deferred charge for pension		4,721,236
Total deferred outflows for OPEB		8,218,464
Total governmental activities deferred outflows		<u>20,267,119</u>
 Business-type activities		
Deferred charge on refunding		165
Total business-type activities deferred outflows		<u>165</u>
Total government-wide		<u>\$ 20,267,284</u>

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Deferred Inflows of Resources

In the government-wide statement of net position, deferred inflows of resources are reported as follows:

<u>Government-Wide</u>	<u>Deferred Inflows</u>
Governmental activities	
Carroll County Employee Pension	\$ 822,202
Carroll County Certified Law Officers Pension	515,018
LOSAP	639,204
State of MD CC Elected/Appointed Officials	22,811
State of MD Soil Conservation District	14,423
Total deferred inflows for pension	\$ 2,013,658
Total deferred inflows for OPEB	12,091,454
Total governmental activities deferred inflows	14,105,112
Business-type activities	
Deferred charge on refunding	139,847
Total business-type activities deferred inflows	139,847
Total government-wide	\$ 14,244,959

Governmental funds reported unearned revenues in connection with receivables for revenues not considered available to liquidate liabilities of the current period are as follows:

<u>Governmental Funds</u>	<u>Unavailable Revenue</u>
General Fund:	
Property taxes - unavailable revenue	\$ 1,275,837
Income Taxes - unavailable revenue	51,603,680
Total governmental funds	\$ 52,879,517

Note 6 – Interfund Receivables, Payables and Transfers

Interfund Transfers

At June 30, 2020, the interfund transfers between primary government major and non-major funds were as follows:

	<u>Transfers Out</u>				<u>Total Transfers</u>
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Grant Fund</u>	<u>Non-Major Governmental Funds</u>	
Transfers In:					
General Fund	\$ -	\$ 10,225,720	\$ -	\$ 312,535	\$ 10,538,255
Capital Projects Fund	4,654,150	-	-	159,997	4,814,147
Grant Fund	1,885,883	-	-	-	1,885,883
Bureau of Utilities	521,230	-	-	-	521,230
Solid Waste	615,000	-	-	-	615,000
Total transfers	<u>\$ 7,676,263</u>	<u>\$ 10,225,720</u>	<u>\$ -</u>	<u>\$ 472,532</u>	<u>\$ 18,374,515</u>

The primary reason interfund transfers are made between the general fund to other major and non-major funds is for the continuation of operations and/or the funding of capital projects. 9.09 percent of income tax is dedicated to the capital fund and is transferred to the general fund to cover debt service for school construction.

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Due from/to Component Units

The due from/to component units at June 30, 2020 consisted of the following:

	<u>Due From</u>	<u>Due To</u>
Primary Government:		
Board of Education	\$ 8,250	\$ 29,269,918
Carroll Community College	4,575	1,631
Library	2,022	38,287
Industrial Development Authority	612,910	-
	<u>\$ 627,757</u>	<u>\$ 29,309,836</u>
Component Units:		
Primary Government (Board of Education)	\$ 29,269,918	\$ 8,250
Primary Government (Carroll Community College)	1,631	4,575
Primary Government (Library)	38,287	2,022
Primary Government (IDA)	-	612,910
	<u>\$ 29,309,836</u>	<u>\$ 627,757</u>

Due from/to Fiduciary Funds

Due to/from primary government and due from fiduciary funds:

	<u>Due From</u>	<u>Due To</u>
Trust Funds:		
General Fund	\$ -	\$ 1,219,974
Governmental Activities:		
Other Postemployment Benefit Trust	1,219,974	-
	<u>\$ 1,219,974</u>	<u>\$ 1,219,974</u>

Due from/to Other Governmental Funds

	<u>Due From</u>	<u>Due To</u>
Governmental Funds:		
General Fund	\$ 535,743	\$ 1,480,409
Capital Projects Fund	1,480,059	-
Grant Fund	350	3,723
Non-Major Governmental Funds (Watershed)	-	532,020
	<u>\$ 2,016,152</u>	<u>\$ 2,016,152</u>

Internal Balances

	<u>Due From</u>	<u>Due To</u>
Business-type Activities:		
General Fund	\$ -	\$ 2,220,906
	<u>\$ -</u>	<u>\$ 2,220,906</u>
Governmental Activities:		
Fiber Network	\$ 1,863,500	\$ -
Airport	357,406	-
Total Governmental Activities	<u>\$ 2,220,906</u>	<u>\$ -</u>

The Airport Fund, Fiber Network and OPEB trust fund overdraw their share of Equity in Pooled Cash accounts. The overdraw was covered by the General Fund. The General Fund had an outstanding accounts receivable with the Airport, Fiber Network and OPEB trust fund at June 30, 2020.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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Note 7 – Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

	Balance June 30, 2019	Additions	Net Transfers and Retirements	Balance June 30, 2020
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 38,033,197	\$ 1,077,258	\$ (10,001)	\$ 39,100,454
Construction in progress	6,826,702	5,405,063	(6,923,480)	5,308,285
Total capital assets, not being depreciated	<u>44,859,899</u>	<u>6,482,321</u>	<u>(6,933,481)</u>	<u>44,408,739</u>
Capital assets, being depreciated:				
Buildings and contents	208,845,683	2,001	-	208,847,684
Improvements other than buildings	89,473,114	3,982,386	(29,525)	93,425,975
Automobiles, machinery and equipment	57,430,575	6,126,535	(2,547,601)	61,009,509
Infrastructure	576,908,693	4,021,407	(13,275)	580,916,825
Total capital assets, being depreciated	<u>932,658,065</u>	<u>14,132,329</u>	<u>(2,590,401)</u>	<u>944,199,993</u>
Less accumulated depreciation for:				
Buildings and contents	81,195,033	4,871,696	-	86,066,729
Improvements other than buildings	43,787,194	5,302,251	-	49,089,445
Automobiles, machinery and equipment	39,053,161	4,623,003	(2,476,302)	41,199,862
Infrastructure	438,656,392	3,843,914	-	442,500,306
Total accumulated depreciation	<u>602,691,780</u>	<u>18,640,864</u>	<u>(2,476,302)</u>	<u>618,856,342</u>
Total capital assets, being depreciated, net	<u>329,966,285</u>	<u>(4,508,535)</u>	<u>(114,099)</u>	<u>325,343,651</u>
Governmental activities capital assets, net	<u>\$ 374,826,184</u>	<u>\$ 1,973,786</u>	<u>\$ (7,047,580)</u>	<u>\$ 369,752,390</u>
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 11,915,590	\$ 18,116	\$ -	\$ 11,933,706
Construction in progress	9,753,592	13,103,321	(3,117,414)	19,739,499
Total capital assets, not being depreciated	<u>21,669,182</u>	<u>13,121,437</u>	<u>(3,117,414)</u>	<u>31,673,205</u>
Capital assets, being depreciated:				
Buildings and contents	24,272,597	-	-	24,272,597
Improvements other than buildings	22,734,954	469,212	(37,658)	23,166,508
Automobiles, machinery and equipment	31,298,999	1,159,525	(318,471)	32,140,053
Infrastructure:				
Water facilities	55,550,969	-	-	55,550,969
Sewer facilities	48,377,271	2,457,728	-	50,834,999
Total capital assets, being depreciated	<u>182,234,790</u>	<u>4,086,465</u>	<u>(356,129)</u>	<u>185,965,126</u>
Less accumulated depreciation for:				
Buildings and contents	10,768,987	485,670	-	11,254,657
Improvements other than buildings	7,694,231	1,584,852	(37,658)	9,241,425
Automobiles, machinery and equipment	11,756,183	1,609,694	(84,829)	13,281,048
Infrastructure:				
Water facilities	15,240,758	970,108	-	16,210,866
Sewer facilities	19,683,334	721,384	-	20,404,718
Total accumulated depreciation	<u>65,143,493</u>	<u>5,371,708</u>	<u>(122,487)</u>	<u>70,392,714</u>
Total capital assets, being depreciated, net	<u>117,091,297</u>	<u>(1,285,243)</u>	<u>(233,642)</u>	<u>115,572,412</u>
Business-type activities capital assets, net	<u>\$ 138,760,479</u>	<u>\$ 11,836,194</u>	<u>\$ (3,351,056)</u>	<u>\$ 147,245,617</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General Government	\$ 7,013,933
Public Safety	4,342,630
Public Works	4,816,237
Health	38,286
Human Services	29,465
Culture & Recreation	1,287,578
Economic Development	237,211
Judicial	185,934
Conservation of Natural Resources	689,590
Total depreciation expense-governmental activities	\$ 18,640,864
Business-type activities:	
Bureau of Utilities	\$ 3,390,193
Solid Waste	659,482
Septage	4,029
Airport	369,101
Firearms Facility	31,095
Fiber Network	917,808
Total depreciation expense-business-type activities	\$ 5,371,708

Component Units

Activity for the Board of Education for the year ended June 30, 2020 was as follows:

	Balance June 30, 2019	Additions	Net Transfers and Retirements	Balance June 30, 2020
Capital assets not being depreciated				
Land and improvements	\$ 14,142,128	\$ -	\$ -	\$ 14,142,128
Construction in progress	4,434,543	9,291,916	(7,996,436)	5,730,023
Total capital assets, not being depreciated	18,576,671	9,291,916	(7,996,436)	19,872,151
Capital assets being depreciated				
Building and improvements	606,658,040	8,864,679	-	615,522,719
Equipment	45,775,232	2,414,786	(697,176)	47,492,842
Total capital assets being depreciated	652,433,272	11,279,465	(697,176)	663,015,561
Less accumulated depreciation				
Buildings and improvements	246,390,246	15,151,549	-	261,541,795
Equipment	35,420,697	2,216,801	(660,379)	36,977,119
Total accumulated depreciation	281,810,943	17,368,350	(660,379)	298,518,914
Total capital assets, being depreciated, net	370,622,329	(6,088,885)	(36,797)	364,496,647
Capital assets, net	\$ 389,199,000	\$ 3,203,031	\$ (8,033,233)	\$ 384,368,798

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
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Activity for the Carroll Community College for the year ended June 30, 2020 was as follows:

	Balance at June 30, 2019	Additions	Net Transfers and Retirements	Balance at June 30, 2020
Capital assets not being depreciated				
Foundation	\$ 384,950	\$ -	\$ -	\$ 384,950
Capital assets being depreciated				
Building improvements	3,027,128	85,838	-	3,112,966
Equipment	4,257,738	102,581	(77,016)	4,283,303
Vehicles	211,074	-	-	211,074
Library books	1,443,576	45,641	(198,974)	1,290,243
Total capital assets being depreciated	<u>8,939,516</u>	<u>234,060</u>	<u>(275,990)</u>	<u>8,897,586</u>
Less accumulated depreciation				
Building improvements	1,537,423	167,802	-	1,705,225
Equipment	3,618,161	233,549	(77,016)	3,774,694
Vehicles	114,735	18,427	-	133,162
Library books	1,390,135	37,202	(197,200)	1,230,137
Total accumulated depreciation	<u>6,660,454</u>	<u>456,980</u>	<u>(274,216)</u>	<u>6,843,218</u>
Total capital assets, being depreciated, net	<u>2,279,062</u>	<u>(222,920)</u>	<u>(1,774)</u>	<u>2,054,368</u>
Capital assets, net	<u>\$ 2,664,012</u>	<u>\$ (222,920)</u>	<u>\$ (1,774)</u>	<u>\$ 2,439,318</u>

Activity for the Carroll County Public Library for the year ended June 30, 2020 was as follows:

	Balance at June 30, 2019	Additions	Net Transfers and Retirements	Balance at June 30, 2020
Capital assets not being depreciated				
Construction in progress	\$ 317,023	\$ 74,202	\$ -	\$ 391,225
Capital assets being depreciated by location				
Headquarters	774,601	30,264	(81,680)	723,185
Westminster	1,167,016	-	(3,306)	1,163,710
Eldersburg	411,529	-	-	411,529
Mt. Airy	958,557	-	1	958,558
North Carroll	266,974	-	2	266,976
Taneytown	114,137	-	2	114,139
Finksburg	124,214	-	-	124,214
Exploration Commons	-	41,548	-	41,548
Circulation materials	3,228,532	1,088,756	(1,100,402)	3,216,886
Total capital assets, being depreciated	<u>7,045,560</u>	<u>1,160,568</u>	<u>(1,185,383)</u>	<u>7,020,745</u>
Less accumulated depreciation	<u>3,775,953</u>	<u>-</u>	<u>54,419</u>	<u>3,830,372</u>
Capital assets, net	<u>\$ 3,586,630</u>	<u>\$ 1,234,770</u>	<u>\$ (1,239,802)</u>	<u>\$ 3,581,598</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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Activity for the Industrial Development Authority of Carroll County for the year ended June 30, 2020 was as follows:

	Balance June 30, 2019	Additions	Net Transfers and Retirements	Balance June 30, 2020
Capital assets not being depreciated				
Land	\$ 7,930,307	\$ 90,142	\$ -	\$ 8,020,449
Total capital assets, not being depreciated	<u>7,930,307</u>	<u>90,142</u>	<u>-</u>	<u>8,020,449</u>
Capital assets being depreciated				
Equipment	5,000	-	-	5,000
Total capital assets being depreciated	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Less accumulated depreciation				
Equipment	5,000	-	-	5,000
Total capital assets, being depreciated, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets, net	<u>\$ 7,930,307</u>	<u>\$ 90,142</u>	<u>\$ -</u>	<u>\$ 8,020,449</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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Note 8 – Long-Term Debt

The following is an analysis of the changes in long-term obligations of the reporting entity for the year ended June 30, 2020:

	Balance June 30, 2019	Additions	Principal Repayments/ Amortization	Balance June 30, 2020	Due Within One Year
Governmental activities:					
Purchase Agreements	\$ 4,722,156	\$ -	\$ 336,498	\$ 4,385,658	\$ 391,244
General Obligation Debt	32,513,296	1,024,000	-	33,537,296	-
General Obligation Bonds	234,699,855	69,797,184	70,056,515	234,440,524	23,417,937
Bonds premium/discount	19,937,257	8,780,521	2,038,718	26,679,060	2,175,217
Subtotal	<u>291,872,564</u>	<u>79,601,705</u>	<u>72,431,731</u>	<u>299,042,538</u>	<u>25,984,398</u>
Net other post employment benefit liability	123,964,268	2,272,079	9,142,373	117,093,974	-
Net LOSAP liability	1,448,146	460,975	(362,231)	2,271,352	-
Net employee pension liability	8,669,313	8,168,921	4,842,192	11,996,042	-
Net Certified Law Officers Pension liability	3,399,630	2,472,845	2,175,202	3,697,273	-
Net pension liability - State of MD					
CC Elected/Appointed Officials	311,617	-	13,829	297,788	-
Soil Conservation District	246,840	9,949	-	256,789	-
Estimated liability					
for claims in process-worker's comp	3,609,667	713,467	776,492	3,546,642	780,261
for claims in process-insurance	1,548,607	15,699,539	15,526,831	1,721,315	1,704,101
Compensated Absences	<u>6,782,232</u>	<u>10,453,091</u>	<u>3,600,736</u>	<u>13,634,587</u>	<u>6,053,184</u>
Governmental activity					
Long-term liabilities	<u>\$ 441,852,884</u>	<u>\$ 119,852,571</u>	<u>\$ 108,147,155</u>	<u>\$ 453,558,300</u>	<u>\$ 34,521,944</u>
Business-type activities:					
Loans Payable	\$ 65,954	\$ -	\$ 32,554	\$ 33,400	\$ 33,400
General Obligation Bonds	14,408,430	902,816	2,824,513	12,486,733	1,442,606
Subtotal	<u>14,474,384</u>	<u>902,816</u>	<u>2,857,067</u>	<u>12,520,133</u>	<u>1,476,006</u>
Landfill closure/postclosure	9,530,622	196,208	928,517	8,798,313	295,360
Compensated Absences	<u>425,234</u>	<u>649,631</u>	<u>165,177</u>	<u>909,688</u>	<u>173,798</u>
Business-type activity					
Long-term liabilities	<u>\$ 24,430,240</u>	<u>\$ 1,748,655</u>	<u>\$ 3,950,761</u>	<u>\$ 22,228,134</u>	<u>\$ 1,945,164</u>
Component Units:					
Board of Education:					
Net other post employment benefit liability	\$ 349,874,000	\$ 112,440,000	\$ 3,140,000	\$ 459,174,000	\$ -
Compensated absences	14,537,823	1,656,721	1,353,459	14,841,085	1,750,000
Net pension liability (State of MD)	<u>17,344,838</u>	<u>422,310</u>	<u>-</u>	<u>17,767,148</u>	<u>-</u>
Total Board of Education	<u>\$ 381,756,661</u>	<u>\$ 114,519,031</u>	<u>\$ 4,493,459</u>	<u>\$ 491,782,233</u>	<u>\$ 1,750,000</u>
Carroll Community College					
Net other post employment benefit liability	\$ 19,405,149	\$ 4,626,373	\$ -	\$ 24,031,522	\$ -
Compensated absences	1,007,447	42,308	-	1,049,755	809,305
Total Carroll Community College	<u>\$ 20,412,596</u>	<u>\$ 4,668,681</u>	<u>\$ -</u>	<u>\$ 25,081,277</u>	<u>\$ 809,305</u>
Library					
Compensated absences	\$ 556,197	\$ 109,328	\$ -	\$ 665,525	\$ -
Net pension liability	<u>718,540</u>	<u>32,912</u>	<u>-</u>	<u>751,452</u>	<u>-</u>
Total Library	<u>\$ 1,274,737</u>	<u>\$ 142,240</u>	<u>\$ -</u>	<u>\$ 1,416,977</u>	<u>\$ -</u>
Industrial Development Authority					
Loans	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -
Total Industrial Development Authority	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ -</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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A.) Governmental Activities

Payments on the noncurrent liabilities above (excluding compensated absences) that pertain to the County's governmental activities are made by the General Fund. The compensated absences liability attributable to the governmental activities will be liquidated primarily by the General Fund. The additions to the unamortized premium on bonds payable for governmental activities are recorded as an Other Financing Source in the Capital Projects Fund for new bonds issued.

Payments are made to the pension and other post-employment trust funds from the General Fund as an employer contribution to help reduce the liability.

For governmental activities, compensated absences and arbitrage liabilities are generally liquidated by the General Fund. Claims liabilities typically have been liquidated in the Internal Service Fund.

Long-term obligations at June 30, 2020 consisted of Purchase Agreements, General Obligation Debt, and General Obligation Bonds.

Purchase Agreements

In March 2006, the County entered into phase two with Suntrust Equipment Finance/AAIG Johnson Controls to purchase and install energy saving fixtures for various County buildings. The maturity date for this purchase agreement is February 15, 2021. Payments are due quarterly at an interest rate of 4.04%. The principal sources of repayment for this debt are general revenues of the County including property taxes and income taxes and the debt is secured by the equipment acquired.

In March 2015, phase three was entered into between the County and AAIG/Johnson Controls to continue purchasing and installing energy saving fixtures for various County buildings. The maturity date for this purchase agreement is December 15, 2031. Payments are due quarterly at an interest rate of 2.353%. The principal sources of repayment for this debt are general revenues of the County including property taxes and income taxes and the debt is secured by the equipment acquired.

<u>Issue</u>	<u>Interest Rate</u>	<u>Year Series Matures</u>	<u>Amount of Original Issue</u>	<u>Outstanding June 30, 2020</u>	<u>Due Within One Year</u>
<u>General Government:</u>					
SunTrust/AAIG Johnson Controls	4.040%	2021	\$ 2,649,079	\$ 193,402	\$ 193,402
AAIG Johnson Controls	2.353%	2031	4,536,852	4,192,256	197,842
Total purchase agreements				<u>\$ 4,385,658</u>	<u>\$ 391,244</u>

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 391,244	\$ 101,461	\$ 492,705
2022	344,966	91,064	436,030
2023	391,972	82,329	474,301
2024	401,975	73,026	475,001
2025	411,505	63,496	475,001
2026-2030	2,208,573	166,430	2,375,003
2031	235,423	2,076	237,499
Total purchase agreement	<u>\$ 4,385,658</u>	<u>\$ 579,882</u>	<u>\$ 4,965,540</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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General Obligation Debt

The County issues general obligation debt for the Agricultural Preservation Program to enter Installment Purchase Agreements for land easements. This debt is an obligation of the County for which its full faith and credit are pledged. The sources of repayment for this debt are the general revenues of the County including property taxes, income taxes and dedicated interest earnings and restricted principal from federal obligation securities with a maturity of 10-20 years. These loans range in maturity dates from fiscal year 2022 to fiscal year 2040. The interest rates on these purchase agreements range from 4.641% to 6.00%.

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ -	\$ 1,842,303	\$ 1,842,303
2022	246,000	1,842,303	2,088,303
2023	680,930	1,810,858	2,491,788
2024	1,006,624	1,790,544	2,797,168
2025	2,179,934	1,680,577	3,860,511
2026-2030	8,699,720	7,382,144	16,081,864
2031-2035	17,036,164	2,299,136	19,335,300
2036-2040	3,687,924	521,390	4,209,314
Total purchase agreement	<u>\$ 33,537,296</u>	<u>\$ 19,169,255</u>	<u>\$ 52,706,551</u>

General Obligation Bonds

The County issues general obligation bonds to provide funds for construction of major capital facilities such as libraries, parks and schools, to loan to the Volunteer Fire Companies and for other general county uses such as construction of roads and bridges. The bonds are obligations of the County for which its full faith and credit are pledged. The principal sources of repayment for the bonds are the general revenues of the County including property taxes and income taxes and to the extent bond proceeds are used to finance loans to the Volunteer Fire Companies' loan payments from such entities.

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General Obligation Bonds

Issue	Interest Rate	Year Series Matures	Amount of Original Issue	Outstanding June 30, 2020	Due Within One Year
<u>General Government:</u>					
FHA Loan of 1972-Watershed Bonds	3.502%	2022	\$ 769,700	\$ 74,152	\$ 30,231
FHA Loan of 1974- Watershed Bonds	3.649%	2024	253,000	50,990	10,263
FHA Loan of 1979- Watershed Bonds	3.649%	2031	678,800	265,115	20,051
2007 Refunding Bonds (November)	3.75%-5.25%	2022	6,670,000	700,000	700,000
2009 Public Improvement Bonds Series A	2.00%-4.00%	2019	14,759,547	-	-
2009 Public Improvement Bonds Series B	4.70%-5.625%	2029	17,631,476	-	-
2010 Public Improvement Bonds Series D	1.03%-3.51%	2030	8,841,618	5,827,011	447,490
2011 Public Improvement Bonds	2.00%-4.25%	2031	11,042,955	973,558	478,288
2011 Refunding Bonds	2.00%-4.25%	2031	9,104,764	-	-
2012 Public Improvement Bonds	2.00%-5.00%	2032	13,600,000	8,181,594	631,201
2012 Refunding Bonds	2.00%-5.00%	2032	13,685,415	3,881,202	2,838,908
2013 Public Improvement Bonds	2.00%-5.00%	2033	23,412,567	14,772,889	1,101,902
2014 Public Improvement Bonds	2.00%-5.00%	2034	14,099,475	8,970,131	598,009
2014 Refunding Bonds	2.00%-5.00%	2029	19,078,563	11,413,779	1,759,071
2015 Public Improvement Bonds	3.00%-5.00%	2035	25,448,730	17,680,677	1,105,803
2015 Refunding Bonds	3.00%-5.00%	2022	5,529,176	3,480,472	1,162,159
2016 Public Improvement Bonds	3.00%-5.00%	2036	11,291,144	8,264,326	486,137
2016 Refunding Bonds	3.00%-5.00%	2020	2,617,306	395,687	395,687
2018 Public Improvement Bonds	3.25%-5.00%	2038	18,112,500	17,207,203	905,642
2019 Public Improvement Bonds Series A	3.25%-5.00%	2039	19,900,000	19,900,000	995,000
2019 Refunding Bonds Series A	3.25%-5.00%	2039	14,448,205	14,448,205	1,173,685
2019 Refunding Bonds Series B	3.25%-5.00%	2039	6,523,905	6,523,905	53,776
Subtotal General Government				<u>\$ 143,010,896</u>	<u>\$ 14,893,303</u>
<u>Board of Education:</u>					
2009 Public Improvement Bonds Series A	2.00%-4.00%	2019	8,305,513	-	-
2009 Public Improvement Bonds Series B	4.70%-5.625%	2029	15,946,285	-	-
2010 Public Improvement Bonds Series D	1.03%-3.51%	2030	10,272,510	6,662,263	558,232
2011 Public Improvement Bonds	2.00%-4.25%	2031	6,957,045	638,195	313,533
2011 Refunding Bonds	2.00%-4.25%	2031	769,193	-	-
2012 Public Improvement Bonds	2.00%-5.00%	2032	6,400,000	4,156,045	320,565
2012 Refunding Bonds	2.00%-5.00%	2032	2,347,757	736,879	488,457
2013 Public Improvement Bonds	2.00%-5.00%	2033	1,852,433	1,279,952	95,471
2014 Public Improvement Bonds	2.00%-5.00%	2034	2,347,757	675,394	45,026
2014 Refunding Bonds	2.00%-5.00%	2029	1,852,433	26,880,485	2,750,402
2015 Public Improvement Bonds	3.00%-5.00%	2035	1,736,270	1,388,818	86,863
2015 Refunding Bonds	3.00%-5.00%	2022	485,905	306,567	102,365
2016 Public Improvement Bonds	3.00%-5.00%	2036	2,405,656	2,044,807	120,283
2016 Refunding Bonds	3.00%-5.00%	2020	3,520,979	532,305	532,305
2018 Public Improvement Bonds	3.25%-5.00%	2038	5,337,500	5,070,625	266,875
2019 Public Improvement Bonds Series A	3.25%-5.00%	2039	7,100,000	7,100,000	355,000
2019 Refunding Bonds Series A	3.25%-5.00%	2039	13,426,634	13,426,634	1,090,698
2019 Refunding Bonds Series B	3.25%-5.00%	2039	4,276,236	4,276,236	35,249
Subtotal Board of Education				<u>\$ 75,175,205</u>	<u>\$ 7,161,324</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
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General Obligation Bonds

Issue	Interest Rate	Year Series Matures	Amount of Original Issue	Outstanding June 30, 2020	Due Within One Year
<u>Volunteer Fire Companies:</u>					
2004 Fire Company Bonds	4.13%	2019	2,065,000	-	-
2005 Fire Company Bonds	3.50%-4.125%	2020	2,900,000	190,000	190,000
2009 Public Improvement Bonds Series A	2.00%-4.00%	2019	270,000	-	-
2010 Public Improvement Bonds Series D	3.75%-4.90%	2030	535,000	170,000	55,000
2011 Public Improvement Bonds	2.00%-4.25%	2031	750,000	68,800	33,800
2012 Public Improvement Bonds	2.00%-5.00%	2032	1,460,000	948,013	73,141
2012 Refunding Bonds	2.00%-5.00%	2032	187,173	78,993	39,351
2013 Public Improvement Bonds	2.00%-5.00%	2033	735,000	507,853	37,881
2014 Refunding Bonds	2.00%-5.00%	2024	60,458	49,725	11,351
2015 Public Improvement Bonds	3.00%-5.00%	2035	815,000	480,000	80,000
2016 Public Improvement Bonds	3.00%-5.00%	2036	303,200	257,720	15,160
2019 Refunding Bonds Series B	3.00%-5.00%	2039	460,539	460,539	3,796
Subtotal Volunteer Fire Companies				<u>\$ 3,211,643</u>	<u>\$ 539,480</u>
2013 Taxable Pension Bonds	2.24%	2019	\$ 4,524,000	\$ -	\$ -
Subtotal Taxable Pension Bonds				<u>\$ -</u>	<u>\$ -</u>
<u>Watershed:</u>					
2009 Public Improvement Bonds Series A	2.00%-4.00%	2019	14,759,547	-	-
2009 Public Improvement Bonds Series B	4.70%-5.625%	2029	17,631,476	-	-
2010 Public Improvement Bonds Series D	1.03%-3.51%	2030	8,841,618	84,219	7,057
2011 Public Improvement Bonds	2.00%-4.25%	2031	11,042,955	39,447	19,380
2012 Public Improvement Bonds	2.00%-5.00%	2032	13,600,000	649,348	50,093
2013 Public Improvement Bonds	2.00%-5.00%	2033	23,412,567	1,404,306	104,746
2014 Public Improvement Bonds	2.00%-5.00%	2034	14,099,475	1,604,475	106,965
2014 Refunding Bonds	2.00%-5.00%	2029	19,078,563	110,500	25,225
2015 Public Improvement Bonds	3.00%-5.00%	2035	25,448,730	2,675,505	167,334
2015 Refunding Bonds	3.00%-5.00%	2022	5,529,176	7,996	2,670
2016 Public Improvement Bonds	3.00%-5.00%	2036	11,291,144	1,333,147	78,420
2018 Public Improvement Bonds	3.25%-5.00%	2038	1,549,655	1,472,172	77,483
2019 Public Improvement Bonds Series A	3.25%-5.00%	2039	3,000,000	3,000,000	150,000
2019 Refunding Bonds Series A	3.25%-5.00%	2039	397,345	397,345	32,278
2019 Refunding Bonds Series B	3.25%-5.00%	2039	264,320	264,320	2,179
Subtotal Watershed				<u>\$ 13,042,780</u>	<u>\$ 823,830</u>
Subtotal General Obligation Bonds				<u>\$ 234,440,524</u>	<u>\$ 23,417,937</u>
Bond premium/discount				<u>26,679,060</u>	<u>2,175,217</u>
Total General Obligation Bonds				<u>\$ 261,119,584</u>	<u>\$ 25,593,154</u>

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June 30, 2020

The annual requirements to amortize general obligation bonds outstanding as of June 30, 2020, are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 23,417,937	\$ 8,806,157	\$ 32,224,094
2022	19,909,756	7,847,970	27,757,726
2023	19,012,091	6,982,007	25,994,098
2024	18,227,019	6,142,221	24,369,240
2025	16,295,053	5,362,424	21,657,477
2026-2030	82,443,176	16,895,019	99,338,195
2031-2035	39,880,492	5,168,160	45,048,652
2036-2040	15,255,000	946,181	16,201,181
Total General Obligation Bonds	<u>\$ 234,440,524</u>	<u>\$ 58,150,139</u>	<u>\$ 292,590,663</u>

B.) Business-type Activities

Bureau of Utilities

Loans Payable-Special Assessment Debt with Governmental Commitment

The County has issued the following special assessment debt to provide funds for upgrading the Freedom District Sewer Treatment Plant and the Filters and Clarifiers for the Hampstead Wastewater Treatment Plant. These bonds are being repaid from Area Connection Charges and Front Foot Assessments charged to the users of the plants. In the event revenues collected for Front Foot Assessments and Area Connection Charges do not cover the debt service payment when due, the County must provide resources to cover the deficiency until other resources are received. This debt is backed by the full faith and credit of the County.

<u>Issue</u>	<u>Interest Rate</u>	<u>Year Series Matures</u>	<u>Amount of Original Issue</u>	<u>Outstanding June 30, 2020</u>	<u>Due Within One Year</u>
Maryland Water Quality Financing: 2002 Revolving Loan - Hampstead	2.60%	2021	\$ 532,680	\$ 33,400	\$ 33,400
Total Loans Payable				<u>\$ 33,400</u>	<u>\$ 33,400</u>

The annual requirements to repay the loans payable outstanding as of June 30, 2020, are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 33,400	\$ 2,583	\$ 35,983
Total Loans Payable	<u>\$ 33,400</u>	<u>\$ 2,583</u>	<u>\$ 35,983</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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General Obligation Bonds

General obligation bonds have been issued for enterprise activities in addition to those of the general government. Bonds reported in the enterprise funds are expected to be repaid from enterprise revenues.

Issue	Interest Rate	Year Series Matures	Amount of Original Issue	Outstanding June 30, 2020	Due Within One Year
<u>Bureau of Utilities:</u>					
2009 Public Improvement Bonds Series A	2.00%-4.00%	2019	745,461	-	-
2009 Public Improvement Bonds Series B	4.70%-5.625%	2029	1,072,240	-	-
2010 Public Improvement Bonds Series D	3.75%-4.90%	2030	13,742	8,912	747
2011 Refunding Bonds	2.00%-4.25%	2021	484,430	-	-
2012 Refunding Bonds	2.00%-5.00%	2022	198,550	62,742	41,314
2014 Refunding Bonds	2.00%-5.00%	2024	5,446,358	4,328,741	480,284
2015 Refunding Bonds	3.00%-5.00%	2022	2,978,549	1,879,226	627,489
2016 Refunding Bonds	3.00%-5.00%	2020	56,307	8,513	8,513
2019 Refunding Bonds Series A	3.25%-5.00%	2039	902,816	902,816	73,339
Subtotal Bureau of Utilities				<u>\$ 7,190,950</u>	<u>\$ 1,231,686</u>
<u>Solid Waste Fund</u>					
2009 Public Improvement Bonds Series A	2.00%-4.00%	2019	9,479	-	-
2011 Refunding Bonds	2.00%-4.25%	2021	789,648	-	-
2014 Refunding Bonds	2.00%-5.00%	2024	406,860	81,770	18,666
2015 Refunding Bonds	3.00%-5.00%	2022	191,370	120,739	40,316
2016 Refunding Bonds	3.00%-5.00%	2020	91,589	13,846	13,846
Subtotal Solid Waste Fund				<u>\$ 216,355</u>	<u>\$ 72,828</u>
<u>Airport Fund</u>					
2001 Public Improvement Bonds	3.25%-4.75%	2021	\$ 2,200,000	\$ 220,000	\$ 110,000
2010 Public Improvement Bonds Series D	3.75%-4.90%	2030	27,130	17,595	1,474
2011 Refunding Bonds	2.00%-4.25%	2021	286,966	-	-
2012 Refunding Bonds	2.00%-5.00%	2022	18,716	3,853	3,853
2014 Refunding Bonds	2.00%-5.00%	2020	85,400	-	-
2016 Refunding Bonds	3.00%-5.00%	2020	63,819	9,648	9,648
2019 Airport Bonds	2.63%	2037	12,000,000	4,802,001	-
Subtotal Airport Fund				<u>\$ 5,053,097</u>	<u>\$ 124,975</u>
<u>Septage Fund</u>					
2012 Refunding Bonds	2.00%-5.00%	2022	\$ 62,391	\$ 26,331	\$ 13,117
Subtotal Septage Fund				<u>\$ 26,331</u>	<u>\$ 13,117</u>
Total General Obligation Bonds				<u>\$12,486,733</u>	<u>\$ 1,442,606</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
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The annual requirements to amortize general obligation bonds outstanding as of June 30, 2020, are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Business-type activities:			
2021	\$ 1,442,606	\$ 369,183	\$ 1,811,789
2022	1,417,955	302,398	1,720,353
2023	1,308,107	264,773	1,572,880
2024	5,483,737	221,660	5,705,397
2025	495,722	92,692	588,414
2026-2030	2,335,834	178,842	2,514,676
2031	<u>2,772</u>	<u>68</u>	<u>2,840</u>
Total General Obligation Bonds	<u>\$ 12,486,733</u>	<u>\$ 1,429,616</u>	<u>\$ 13,916,349</u>

2019 Airport Bonds

The County has unused draw down of advances available in the amount of \$7,197,999 (\$12,000,000 authorized - \$4,802,001 advanced and outstanding as of June 30, 2020).

Advance Refunding – Prior Years

In prior years, the County defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County’s financial statements. At June 30, 2020, \$0 defeased bonds remains outstanding.

Bond Authorization

The County has authorization to sell approximately \$197,783,058 in additional bonds for the construction and renovation of several public schools; numerous general public projects and various road and bridge projects. The County has already appropriated \$146,933,794 of the available authorization.

C.) Component Units

The Board of Education leases energy management equipment pursuant to capital lease agreements entered into in prior years. Payments made on capital leases are recorded in the General Fund. Interest expense related to capital leases was \$28,864 for the year ended June 30, 2020. This amount was allocated to the maintenance of plant function.

On June 30, 2016, the IDA entered into a \$2,000,000 investment agreement with the State of Maryland and the Department of Commerce to develop the North Carroll Business park project, located in Hampstead, Maryland. The proceeds of the loan are to be used for eligible project costs to develop the infrastructure of the approximately 80-acre park. The agreement states the loan will be interest free for a period of 24 months beginning on the date of disbursement of the proceeds. Beginning on the day following the end of the 24-month period, the outstanding balance of the investment shall bear interest at 3% per annum. As of June 30, 2020, the loan balance is \$0.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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Note 9 – Lease Obligations

Operating Leases

Government Activities

The County is committed under various leases to rent office space as lessee. All leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2020 for the County amounted to \$375,821. Future lease payments for these leases are as follows:

<u>Years Ending June 30,</u>		
2021	\$	387,095
2022		398,708
2023		410,669
2024		422,989
2025		435,679
2026-2029		1,877,400

The County is committed under various rental lease agreements as lessor. All leases are considered for accounting purposes to be collectable leases. Lease revenues for the year ended June 30, 2020 amounted to \$423,327. Future lease revenues for these rentals are as follows:

<u>Years Ending June 30,</u>		
2021	\$	423,327
2022		423,327
2023		423,327
2024		423,327
2025		423,327
2026-2030		2,116,635
2030-2097		70

On July 1, 2018, the County entered a lease with New Windsor Holding LLC for the property previously known as New Windsor Middle School. During fiscal year 2020, the lease payments totaled \$150,000. In FY21 lease payments are scheduled in the amount of \$62,500. The tenant is exercising their option to purchase with settlement on November 30, 2020 at which time a lump sum of \$175,000 will be paid. In the future, lump payments of \$500,000 is to be made on October 31, 2021 and the final payment of \$5,650,000 on October 31, 2022.

In 2006, the County entered into an Energy Performance Operating Lease with Johnson Controls, Inc. for the first and second phases of the energy project. The lease agreement requires a performance guarantee and service maintenance contract payment which if the County terminates payment before the term ends, the assured performance guarantee shall automatically terminate. The total lease expense for the year ended June 30, 2020 for the County totaled to \$409,515 and has a two-year commitment remaining. The total future minimum payments are as follows:

<u>Years Ending June 30,</u>		
2021	\$	421,801
2022		434,455

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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In February 2015, the County signed a new 15-year Energy Performance Operating Lease with Johnson Controls, Inc. to start the third phase of the energy project. The total lease expense for the year ended June 30, 2020 for the County totaled \$127,502 and has a 11-year commitment remaining. The total future minimum payments are as follows:

<u>Years Ending June 30,</u>		
2021	\$	131,327
2022		135,267
2023		139,325
2024		549,492
2025		565,977
2026-2030		3,094,993
2031-2032		1,371,886

In Kind Services

The primary government owns facilities that are used in the operation by their component units (related parties). For the fiscal year 2020, the County recorded \$2,080,076 for the Library, \$5,046,062 for Carroll Community College and \$707,921 for the Board of Education as in kind revenue and additional support to the component units.

Business-type Activities

The County is committed under various business-type rental lease agreements as lessor. All leases are considered for accounting purposes to be collectable leases. Lease revenues for the year ended June 30, 2020 amounted to \$393,186. Future lease revenues for these rentals are estimated and dependent on their 5-year renewal terms as follows:

<u>Years Ending June 30,</u>		
2021	\$	392,770
2022		398,743
2023		409,456
2024		414,397
2025		418,692

The cost and carrying amount of the leased assets are as follows:

	Governmental Activities	Business Type Activities	Total
Land	\$ 13,961,837	\$ 512,770	\$ 14,474,607
Buildings	120,140,153	-	120,140,153
Less: accumulated depreciation	(49,576,414)	-	(49,576,414)
Net carrying value	\$ 84,525,576	\$ 512,770	\$ 85,038,346

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
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Component Units

The Board of Education leases equipment under agreements reported as operating leases. The annual lease payments are recorded as expenses in the Government-Wide Statement of Activities and Expenditures in the General Fund. Operating lease terms extend through the year ended June 30, 2022.

Future minimum payments on operating leases with an initial or remaining noncancelable term in excess of one year are as follows:

Years Ending June 30,	Minimum Annual Lease Payments
2021	\$ 194,741
2022	83,212
2023	23,801
2024	13,176
2025	13,176
2026	1,098
Total	\$ 329,204

Operating lease expenditures/expenses for the year ended June 30, 2020 were \$400,394.

The Library leases various office equipment under noncancelable operating leases that extend through the year ending June 30, 2024. Total rental expenditures were \$27,643 for leases for the year ended June 30, 2020. The future minimum lease payments for these leases are as follows:

Years Ending June 30,	Minimum Annual Lease Payments
2021	\$ 27,643
2022	10,518
2023	5,467
2024	4,419
Total	\$ 48,047

The College has also entered into an operating lease with the Xerox Corporation for copier services. The total lease expense was \$174,911 for the year ended June 30, 2020. The College renewed its operating lease in July 2018, extending the lease agreement until July 2023.

Future minimum payments on operating leases are as follows:

Years Ending June 30,	Minimum Annual Lease Payments
2021	\$ -
2022	173,050
2023	173,050
Total	\$ 346,100

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Note 10 – Landfill Closure, Postclosure and Remediation Costs

The County operates one public disposal facility, Northern Landfill, that opened in 1988. The landfill currently has four closed cells and one active cell, which opened in April 2008, and is 44.9% filled. Two of the four closed cells have been permanently capped. The two remaining closed cells will be capped after the active cell and remaining two cells are constructed and filled. Beginning July 1, 1997, the County elected to transfer the majority of solid waste out of state. The remaining life of the landfill's active and new cells cannot be projected at this time.

Total closure and postclosure costs of Northern landfill are estimated to be \$5,151,435, of which \$4,139,915 has been accrued as of June 30, 2020 based on the proportion of the landfill cells filled. In 1994, the County stopped accepting solid waste at its Hoods Mill landfill, with only 30 of 60 acres available being used for landfill deposits.

In addition, the County has recorded an estimated liability of \$1,099,258 for annual monitoring costs of closed landfills. An additional \$3,559,140 had been accrued for remedial care of two landfills closed in prior years, as well as other environmental concerns, for total accrued costs of \$8,798,313.

The County is currently in compliance with a consent order with the Maryland Department of the Environment requiring remedial action. The County is currently working with the department to comply with the consent order and the estimated costs to comply are included in the postclosure and remediation cost liability stated above.

The County uses the local government financial test to demonstrate financial assurance for closure and postclosure costs, as specified by the Environment Protection Agency, subpart G of 40 CFR part 258. The current costs of closure and postclosure care are estimates and are subject to change resulting from inflation/deflation, technology or changes in applicable laws or regulations. These costs are subject to annual evaluation. The County intends on using tipping fee user revenues and General Fund transfers to fund this liability.

Note 11 – Pension Plans

The County maintains two single-employer defined benefit pension plans as well as a Length of Service Award Program (LOSAP). The County also participates in the Maryland State Retirement Agency (MSRA) and qualifies as a Participating Government Unit.

Plan Administration - The Retirement Plan Committee serves as the administrator on behalf of Carroll County Government and has the full power and authority to manage the plan. The Retirement Plan Committee consists of those individuals who hold the following positions in the employment of the County or the Carroll County Sheriff's Office:

- Director, Department of Management and Budget
- Director, Department of Human Resources
- County Attorney
- Bureau Chief, Benefits; and
- Two participants participating in either the CCEPP (Carroll County Employee Pension Plan) or CCLOPP (Carroll County Certified Law Officers Pension Plan) selected by the County Commissioners of Carroll County, Maryland

CARROLL COUNTY EMPLOYEE PENSION PLAN - Plan description. The CCEPP is a single-employer defined benefit pension plan that covers regular employees employed on or after July 1, 2003 who are not eligible to participate in the Maryland State Pension or Retirement Plans. The Carroll County Government does not issue a separate audited financial statement for CCEPP.

Benefits provided. The defined benefit is determined by the creditable years of service an employee has. After July 1, 2003, creditable service is provided for each pay period worked, with service pro-rated for employees with less than 60 hours worked in a pay period. For those employees with service between July 1, 1985 and June 30, 2003, creditable service is based on the amount of time between their date of hire and June 30, 2003. The basic monthly pension benefit is determined by final average salary multiplied by .007 multiplied by the number of years of creditable service, divided by 12 for service earned prior to October 1, 2009 plus final average salary multiplied by .016 multiplied by the number of years of creditable service, divided by 12 (for years of service earned after October 1, 2009). "Final Average Salary" refers to the average annualized

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base salary in the highest 78 consecutive pay periods. Employees are eligible to begin drawing their pension when they retire after 30 years of service or at age 62. The County does provide an early retirement at age 55 if the employee has at least three years of Eligibility Service and the sum of age and the employee's service years equals or exceeds 80. This plan has a tax exempt status. The Retirement Plan Committee recommends any amendments to benefits provided. In order to be effective, all amendments must be approved by majority vote of the Commissioners.

The plan provides retirement and death benefits to plan members or the plan members' beneficiaries.

Participants who have reached the 12-month anniversary of their Benefit Commencement Date are subject to the cost of living adjustment "COLA". The adjustment shall not exceed a 2% increase in the Participant's annual retirement income determined as of the first day of the preceding plan year.

There are special provisions for certain groups.

- Effective October 4, 2017, the County further amended the Carroll County Pension Plan for Electing Correctional Officers. For non-Electing Correctional officers, the service earned after October 1, 2009 utilizes a multiplier of .018 instead of .016. For Electing Correctional officers, the Carroll County Pension Plan provides a non-reduced pension after 25 years of service. Officers who leave service after age 55 with at least 15 years of service are also eligible to draw an immediate non-reduced pension. Each eligible officer is required to contribute 8% of base salary into the Carroll County Pension Plan.
- For officers hired October 4, 2017 or later, the Carroll County Pension Plan would replace 50.5% of final average salary after 25 years of service.
- Officers who leave employment prior to the completion of 15 years of service are not 'vested' in the Plan and receive a refund of their contributions, plus interest accrued at 5%. Those who leave employment prior to age 55 and with 15 but less than 25 years of service are entitled to begin pension payments at age 62.

Contributions. Plan members are required to contribute 5% of their annual base pay. The County contributed 8.16% of the employees' annual base pay. For fiscal year 2020, the County contributed \$3,169,090 to the CCEPP.

CARROLL COUNTY CERTIFIED LAW OFFICERS PENSION PLAN – Plan description. The Carroll County Government established the CCCLOPP for eligible law enforcement officers on October 1, 2009. The CCCLOPP is a single-employer defined benefit pension plan that covers Carroll County Sheriff's Certified Law Officers who are not eligible to participate in the Maryland State Pension or Retirement Plans. The Carroll County Government does not issue a separate audited financial statement for CCCLOPP.

Benefits provided. For officers hired October 1, 2009 or later, the Certified Law Officers Pension Plan would replace 50.5% of final average salary after 25 years of service and will replace a smaller percentage of final average salary for officers hired prior to October 1, 2009 (who previously received employer contributions to their 401(k) Plan accounts). Employees are eligible to begin drawing their pension when they retire after 25 years of service or at age 55 with at least 15 years of service. Employees who retire prior to age 55 with at least 15 years of service may begin drawing their pension at age 62. The plan does not provide early retirement benefits. The Retirement Plan Committee recommends any amendments to benefits provided. In order to be effective all amendments must be approved by majority vote of the Commissioners.

The plan provides retirement, disability and death benefits to plan members or the plan members' beneficiaries. This plan has a tax-exempt status.

Participants who have reached the 12-month anniversary of their Benefit Commencement Date are subject to the COLA. The adjustment shall not exceed a 2% increase in the Participant's annual retirement income determined as of the first day of the preceding plan year.

Contributions. Plan members are required to contribute 8% of their annual base pay. The County contributed 18.12% of the employees' annual base pay. For fiscal year 2020, the County contributed \$1,318,260 to the CCCLOPP Plan.

VOLUNTEER FIREMEN PENSION PLAN (LOSAP) - Plan Description. The Volunteer Fireman Pension Plan "LOSAP" is a single-employer defined benefit length of service award program that covers all volunteer members of all Carroll County

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Fire Companies. Members are eligible to participate in the service award plan if they are certified as an active member and attain 50 points through various functions for each year of service.

Benefits provided. Members are eligible for the defined length of service benefits once they reach 25 years of service and age 60. Per the amended benefit enhancements effective July 1, 2017, the benefits are calculated at \$135 per month for the fiscal year ended 2018 for life for the first 25 years of service. The benefit will increase each year by \$10 until fiscal year 2022 when the benefit will be \$175 per month. An additional payment of \$8 per month shall be added to the benefits for each full year of service in excess of 25 years. LOSAP provides a burial benefit of \$5,000 for qualified volunteer firemen upon their death. This plan has tax exempt status. The Retirement Plan Committee recommends any amendments to benefits provided. In order to be effective, all amendments must be approved by majority vote of the Commissioners.

Contributions. Carroll County must provide annual contributions that satisfy the required amount to fund this program. For fiscal year 2020, the County contributed \$398,000 to the LOSAP Plan. Funding of this program shall be reviewed every fifth year to determine if any changes should be made. There are no participant-financed benefits in this plan. Administrative costs are financed through investment earnings.

INVESTMENT POLICY: Fiduciary funds for Carroll County include the CCEPP, the Carroll County Certified Law Officers Pension, LOSAP, and OPEB “the Trust Funds”. The Trust Funds operate under one investment policy that is designed to provide benefits as anticipated through a carefully planned and executed investment program that achieves a reasonable long-term total return consistent with the level of risk assumed. Investments for the Trust Funds are reported at fair value, as described in Note 1. Carroll County Government has the authority to establish or amend investment policy decisions.

The Trust Funds invest in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such a change could materially affect the amounts reported in the statement of fiduciary net position available for benefits.

INTEREST RATE RISK: The Trust Funds do not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Fluctuating rates of return are characteristic of the securities markets; the Trust Funds’ greatest concern is long-term appreciation of assets and consistency of portfolio returns. However, cash and cash equivalent investments are limited to maturities of one year or less.

ACTUARIAL & MEASUREMENT DATES: The County pension liability recorded in the June 30, 2020 financial statements was measured using the following dates:

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCCLOPP)	Volunteer Firemen Pension Plan (LOSAP)
Actuarial Valuation Date	July 1, 2019	July 1, 2019	January 1, 2019
Measurement Date	June 30, 2020	June 30, 2020	June 30, 2020

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Plan membership. The member data related to each plan per the most current actuarial valuation date referenced above was as follows:

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCLOPP)	Volunteer Firemen Pension Plan (LOSAP)
Retirees and beneficiaries currently receiving benefits	331	15	248
Terminated plan members entitled to but not yet receiving benefits	190	-	34
Active plan members	741	119	547
Total	<u>1,262</u>	<u>134</u>	<u>829</u>

Foreign currency risk: The Pension Plan had the following unrated mutual fund investments with exposure to foreign currency risk from various international currency denominations, including European Countries:

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCLOPP)	Volunteer Firemen Pension Plan (LOSAP)
	Fair Value in U.S. Dollars	Fair Value in U.S. Dollars	Fair Value in U.S. Dollars
Vanguard Total International Stock Index Fund	\$ 12,608,899	\$ 2,289,086	\$ 944,666
Harding Loevner International Equity Fund	5,414,611	983,185	577,483

Credit risk: The investment manager is allowed substantial discretion within a broad framework of approved investment choices. Equity holdings may be selected from those listed on the major securities markets. The manager may purchase any cash instruments having a quality rating of A-2, P-2 or higher by either Moody's or Standard and Poor's. Time deposits and repurchase agreements are also acceptable investment vehicles. Any idle cash not invested by the investment managers shall be invested daily through an automatic interest-bearing sweep vehicle.

Carroll County Employee Pension Plan (CCEPP) Carroll County Certified Law Officers Pension Plan (CCLOPP) Volunteer Firemen Pension Plan (LOSAP)		
Ratings	Maximum	Allocation at June 30, 2020
AAA/Aaa	100%	100%
AA/Aa	100%	0%
A/A	100%	0%
BAA/Baa	20%	0%
BBB	20%	0%

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Concentration of credit risk: As a means of minimizing risk and providing a consistent return, the investment policies require diversification. U.S. corporate bonds shall be diversified by issuer type with no more than 10% of the portfolio invested in obligations of any one issuer. International bonds shall not exceed more than 5% of the International Equity portfolio. Investments by security type for all of the County Trust Funds are to be diversified as follows:

	Carroll County Employee Pension Plan (CCEPP)		Carroll County Certified Law Officers Pension Plan (CCLOPP)		Carroll County Volunteer Firemen Pension Plan (LOSAP)	
	<u>Minimum</u>	<u>Maximum</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Minimum</u>	<u>Maximum</u>
	Domestic Large Cap Equities	35.0%	55.0%	35.0%	55.0%	35.0%
Domestic Mid and Small Cap Equities	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%
Domestic Mid Cap Equities	0.0%	10.0%	0.0%	10.0%	0.0%	0.0%
Domestic Small Cap Equities	0.0%	10.0%	0.0%	10.0%	0.0%	0.0%
Real Estate Equities	5.0%	15.0%	5.0%	15.0%	5.0%	15.0%
International Equities	5.0%	15.0%	5.0%	15.0%	5.0%	15.0%
Domestic Fixed Income	20.0%	30.0%	20.0%	30.0%	10.0%	30.0%
Cash Equivalents	0.0%	15.0%	0.0%	15.0%	0.0%	10.0%

Rate of return: For the year ended June 30, 2020, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, are shown as a percent in the table below. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCLOPP)	Volunteer Firemen Pension Plan (LOSAP)
Rate of return	2.29%	3.49%	1.91%

Net Pension Liability of the County. The components of the net pension liability of the County at June 30, 2020 were as follows:

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCLOPP)	Volunteer Firemen Pension Plan (LOSAP)
Total pension liability	\$ 113,865,555	\$ 22,673,205	\$ 11,598,986
Plan fiduciary net position	(101,869,513)	(18,975,932)	(9,327,634)
County's net pension liability	<u>\$ 11,996,042</u>	<u>\$ 3,697,273</u>	<u>\$ 2,271,352</u>
Plan fiduciary net position as a percentage of the total pension liability	89.46%	83.69%	80.42%

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Actuarial assumptions: The total pension liability for CCEPP and CCCLOPP was determined by an actuarial valuation of July 1, 2019 and LOSAP actuarial valuation of January 1, 2019 rolled forward to June 30, 2020 using the following actuarial assumptions, applied to the periods included in the measurements:

Assumptions	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCCLOPP)	Volunteer Firemen Pension Plan (LOSAP)
Inflation	3.0%	3.0%	3.0%
Salary increases	Rates vary by participant age	Rates vary by participant age	Not Applicable
Investment rate of return	7.0% , net of pension plan investments expense, including inflation	7.0%, net of pension plan investments expense, including inflation	7.0%, net of pension plan investments expense, including inflation
Mortality	Pub-2010 General Employees Mortality with generational projection using scale MP2019	Pub-2010 General Employees Mortality with generational projection using scale MP2019	RP-2000 Combined Healthy tables with Blue Collar adjustment, blended 75% male and generational projection using Scale AA
Actuarial valuation	July 1, 2019 rolled forward to June 30, 2020	July 1, 2019 rolled forward to June 30, 2020	January 1, 2019 rolled forward to June 30, 2020
Projected payroll increases	3% per year	3% per year	n/a
Salary valuation	36-month average highest pay	36-month average highest pay	n/a
Post retirement cost of living adjustments	1.80%	1.80%	n/a
Inflation rate	3.0%	3.0%	3.0%
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Unit Credit
Amortization Method	Level Percentage of Payroll	Level Percentage of Payroll	Level payments over a period of 10 years
Remaining Amortization Period	20 years for gains and losses (closed), 9 years for prior plan and assumption changes	20 years for gains and losses (closed), 17 years for prior plan and assumption changes	10 years
Asset Valuation Method	5-year smoothed market	5-year smoothed market	Market Value
Retirement Age	100% when first eligible for unreduced benefits	100% when first eligible for unreduced benefits	The later of 25 years of service and age 60
Changes since prior valuation	None	None	None
Discount rate	7.00%	7.00%	7.00%

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-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Carroll County Employee Pension Plan (CCEPP)		Carroll County Certified Law Officers Pension Plan (CCLOPP)		Volunteer Firemen Pension Plan (LOSAP)	
	Long-Term Expected		Long-Term Expected		Long-Term Expected	
	Target Allocation	Rate of Return	Target Allocation	Rate of Return	Target Allocation	Rate of Return
U.S. Large Cap Equities	43%	6.80%	43%	6.80%	41%	6.80%
U.S. Small/Mid Cap Equities	0%	0.00%	0%	0.00%	0%	0.00%
Foreign Equities	22%	8.00%	22%	8.00%	20%	8.00%
Real Estate (REITs)	9%	5.70%	9%	5.70%	9%	5.70%
Core Fixed Income	24%	1.60%	24%	1.60%	25%	1.60%
Cash	2%	0.00%	2%	0.00%	5%	0.00%
Inflation	-	3.00%	-	3.00%	-	3.00%
Total	100%		100%		100%	

Discount rate: The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees and current active volunteer fireman. 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.

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Changes in Net Pension Liability:

Carroll County Employee Pension Plan (CCEPP)	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 6/30/19	\$ 105,696,634	\$ 97,027,321	\$ 8,669,313
Changes for the year:			
Service cost	4,587,803	-	4,587,803
Interest	7,306,451	-	7,306,451
Changes of benefit terms	(60,047)	-	(60,047)
Differences between expected and actual experiences	(264,716)	-	(264,716)
Changes of assumptions	(763,036)	-	(763,036)
Contributions - employer	-	3,169,090	(3,169,090)
Contributions - member	-	2,131,420	(2,131,420)
Net investment income	-	2,230,093	(2,230,093)
Benefit payments, including refunds of member contributions	(2,637,534)	(2,637,534)	-
Administrative expense	-	(50,877)	50,877
Other	-	-	-
Net Changes	\$ 8,168,921	\$ 4,842,192	\$ 3,326,729
Balances at 6/30/20	<u>\$ 113,865,555</u>	<u>\$ 101,869,513</u>	<u>\$ 11,996,042</u>

Carroll County Certified Law Officers Pension Plan (CCLOPP)	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 6/30/19	\$ 20,200,360	\$ 16,800,730	\$ 3,399,630
Changes for the year:			
Service cost	1,653,057	-	1,653,057
Interest	1,402,702	-	1,402,702
Changes of benefit terms	(426,664)	-	(426,664)
Differences between expected and actual experiences	359,860	-	359,860
Changes of assumptions	(192,586)	-	(192,586)
Contributions - employer	-	1,318,260	(1,318,260)
Contributions - member	-	584,969	(584,969)
Net investment income	-	611,217	(611,217)
Benefit payments, including refunds of member contributions	(323,524)	(323,524)	-
Administrative expense	-	(15,720)	15,720
Other	-	-	-
Net Changes	\$ 2,472,845	\$ 2,175,202	\$ 297,643
Balances at 6/30/20	<u>\$ 22,673,205</u>	<u>\$ 18,975,932</u>	<u>\$ 3,697,273</u>

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Volunteer Firemen Pension Plan (LOSAP)	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 6/30/19	\$ 11,138,011	\$ 9,689,865	\$ 1,448,146
Changes for the year:			
Service cost	161,741	-	161,741
Interest	777,903	-	777,903
Changes of benefit terms	431,457	-	431,457
Differences between expected and actual experiences	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	398,000	(398,000)
Net investment income	-	183,904	(183,904)
Benefit payments, including refunds of member contributions	(910,126)	(910,126)	-
Administrative expense	-	(34,009)	34,009
Other	-	-	-
Net Changes	\$ 460,975	\$ (362,231)	\$ 823,206
Balances at 6/30/20	<u>\$ 11,598,986</u>	<u>\$ 9,327,634</u>	<u>\$ 2,271,352</u>

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.0%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
CCEPP net pension liability	\$ 28,294,163	\$ 11,996,042	\$ (1,315,378)
CCCLOPP net pension liability	\$ 7,541,968	\$ 3,697,273	\$ 632,332
LOSAP net pension liability	\$ 3,939,165	\$ 2,271,352	\$ 867,580

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2020, the County recognized pension expense as follows:

	<u>Pension Expense</u>
CCEPP pension expense	\$ 3,672,226
CCCLOPP pension expense	1,017,577
LOSAP pension expense	734,023
Carroll County Elected Officials pension expense	27,719
Soil Conservation Employees pension expense	45,206
Total general government pension expense	<u>\$ 5,496,751</u>

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At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Carroll County Employee Pension Plan (CCEPP)	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 891,921	\$ 211,773
Changes of assumptions	-	610,429
Net difference between projected and actual earnings on pension plan investments	<u>1,911,668</u>	<u>-</u>
Total	<u>\$ 2,803,589</u>	<u>\$ 822,202</u>
Carroll County Certified Law Officers Pension Plan (CCCLOPP)	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,475,273	\$ 286,805
Changes of assumptions	-	228,213
Net difference between projected and actual earnings on pension plan investments	<u>232,032</u>	<u>-</u>
Total	<u>\$ 1,707,305</u>	<u>\$ 515,018</u>
Volunteer Firemen Pension Plan (LOSAP)	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 201,540	\$ 22,059
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>617,145</u>
Total	<u>\$ 201,540</u>	<u>\$ 639,204</u>

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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Carroll County Employee Pension Plan (CCEPP)	
Years Ending June 30:	Amount
2021	\$ 47,929
2022	479,225
2023	729,135
2024	725,098

Carroll County Law Officers Pension Plan (CCLOPP)	
Years Ending June 30:	Amount
2021	\$ 93,399
2022	182,542
2023	210,164
2024	249,915
2025	150,212
Thereafter	306,055

Volunteer Firemen Pension Plan (LOSAP)	
Years Ending June 30:	Amount
2021	\$ (153,280)
2022	(116,556)
2023	1,777
2024	(209,914)
2025	34,794
Thereafter	5,515

Basis of Accounting: The Pension Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are made on a long-term basis investing in various securities which are exposed to various risks such as interest rate, market, and credit risks.

Statement of Fiduciary Net Position

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCLOPP)	Volunteer Firemen Pension Plan (LOSAP)
Assets:			
Prepaid expenses	\$ 6,927	\$ 1,290	\$ 634
Investments at fair value:			
Short-term investments	359,876	497,912	398,871
Bond funds	24,437,745	4,486,467	2,336,914
Equity funds	67,712,205	13,145,512	6,595,898
Real estate funds	9,356,401	848,392	-
Total investments	101,866,227	18,978,283	9,331,683
Total assets	101,873,154	18,979,573	9,332,317
Liabilities:			
Accounts payable	3,641	3,641	4,682
Total liabilities	3,641	3,641	4,682
Fiduciary net position:			
Net position held in trust for pension benefits and other purposes	\$ 101,869,513	\$ 18,975,932	\$ 9,327,635

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Statement of Changes in Fiduciary Net Position

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCCLOPP)	Volunteer Firemen Pension Plan (LOSAP)
ADDITIONS			
Contributions:			
Employer	\$ 3,169,090	\$ 1,318,260	\$ 398,000
Plan members	2,131,420	584,969	-
Total Contributions	<u>5,300,510</u>	<u>1,903,229</u>	<u>398,000</u>
Investment earnings:			
Net increase in the fair value of investments	2,292,119	635,040	183,904
Total investment earnings	<u>2,292,119</u>	<u>635,040</u>	<u>183,904</u>
Less investment expense	(62,026)	(23,824)	(17,817)
Net investment earnings	<u>2,230,093</u>	<u>611,216</u>	<u>166,087</u>
Total additions	7,530,603	2,514,445	564,087
DEDUCTIONS			
Benefits and refunds paid to plan members and beneficiaries	2,637,534	323,524	910,126
Administrative expenses	50,877	15,719	16,191
Total deductions	<u>2,688,411</u>	<u>339,243</u>	<u>926,317</u>
Change in net position	4,842,192	2,175,202	(362,230)
FIDUCIARY NET POSITION			
Fiduciary net position - beginning of year	97,027,321	16,800,730	9,689,865
Fiduciary net position - end of year	<u>\$ 101,869,513</u>	<u>\$ 18,975,932</u>	<u>\$ 9,327,635</u>

MARYLAND STATE RETIREMENT AND PENSION SYSTEM – GOVERNMENTAL ACTIVITIES

Plan Description

The County participates in the Maryland State Retirement and Pension System "the System" and qualifies as a Participating Governmental Unit "PGU". The 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. Responsibility for the System's administration and operation is vested in a 15-member Board of Trustees.

The State of Maryland is the statutory guarantor for the payment of all pensions, annuities, retirement allowances, refunds, reserves, and other benefits of the System. The State is obligated to annually pay into the accumulation fund of each State system at least an amount that, when combined with the System's accumulation funds, is sufficient to provide benefits payable under each plan during that fiscal year. The System is accounted for as one defined benefit plan in accordance with accounting principles generally accepted in the United States of America. Additionally, the System is fiscally dependent on the State by virtue of the legislative and executive controls exercised with respect to its operations, policies, and administrative budget. Accordingly, the System is included in the State's reporting entity and disclosed in its financial statements as a pension trust fund. The Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer can be found at www.sra.maryland.gov/employers. The System's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019 can be found at www.sra.state.md.us/Agency/Downloads/CAFR/.

The System is comprised of the Teachers' Retirement and Pension Systems, Employees' Retirement and Pension Systems, State Police Retirement System, Judges' Retirement System, and the Law Enforcement Officers' Pension System.

The County adopted GASB Statement No. 68-"Accounting and Financial Reporting for Pensions" ("GASB 68"). GASB 68 requires that a PGU recognize its proportionate share of the System's net pension liability (i.e., unfunded pension liability) and pension expense.

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The County adopted GASB Statement No. 71-"Pension Transition for Contributions Made Subsequent to the Measurement Date - Amendment of GASB No. 68" ("GASB 71"). GASB 71, which is only applicable during the year which GASB 68 was adopted, requires that contributions to the pension plan subsequent to the measurement date be recognized as a deferred outflow of resources.

On June 30, 1985, the Board of Carroll County Commissioners elected to withdraw from the Maryland State Retirement Agency "Agency". Employees participating in the Employees' Retirement and Pension Systems at that time continued their participation in those Systems. Employees hired July 1, 1985 and after were not permitted to enroll. After the County's withdrawal, the Agency calculated an unfunded accrued liability owed by the County and instituted a payment schedule whereby the County would make annual payments until the liability was paid. The balance of the unfunded accrued liability was paid to the Agency with the proceeds from taxable pension funding bonds issued in 2004. As of June 30, 2020, 25 employees participate in the Employees' Retirement and Pension Systems.

In addition, certain "State Elected Officials" and "Soil Conservation District" employees hired after June 30, 1985 are entitled to participate in Employees' Retirement and Pension Systems. As of June 30, 2019, three Officials and six Soil Conservation District employees participate. State Elected Officials and Soil Conservation District employees who participate in the Employees' Retirement and Pension Systems contributed 7% of their compensation during fiscal year 2019 as stipulated by the System.

COMPONENT UNITS – BOARD OF EDUCATION OF CARROLL COUNTY

Plan description

The employees of the Board are covered by the Maryland State Retirement and Pension System "the System", which is a cost sharing defined benefit public employee retirement system. While there are five retirement and pension systems under the System, employees of the Board are a member of either the Teachers' Retirement and Pension Systems or the Employees' Retirement and Pension Systems. The 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. The System issues a publically available financial report that can be obtained at <http://www.sra.state.ud.us>.

Benefits provided. The System provides retirement allowances and other benefits to State teachers and employees of participating governmental units, among others. For individuals who become members of the Teachers' Retirement and Pension Systems and 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 Teachers' Pension System and 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 either the Teachers' or 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 either the Teachers' or 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 either the Teachers' or Employees' Pension System on or after July 1, 2011 is eligible for full retirement benefits if the member's 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 either the Teachers' or 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 Teachers' or Employees' Pension System on or after July 1, 2006, the annual pension allowance equals 1.2% of the member's AFC,

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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 Teachers' or 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 Teachers' or Employees' Pension System.

Contributions. The Board and covered members are required by state statute to contribute to the System. Members of the Teachers' Pension System and Employees' Pension System are required to contribute 7% annually. Members of the Teachers' Retirement System and Employees' Retirement System are required to contribute 5-7% annually, depending on the retirement option selected. The contribution requirements of the System members, as well as the State and participating governmental employers, are established and may be amended by the Board of Trustees for the System.

Teachers' Retirement and Pension System. Beginning in FY2017, the Board pays 100% of the normal cost for their teachers in the Teachers' Retirement and Pension System while the State contributes on behalf of the Board, the unfunded liability portion of the Board's annual required contribution to the Teachers' Retirement and Pension System. For the year ended June 30, 2020, the Board's contribution was \$7,556,167. The State's contributions on behalf of the Board for the year ended June 30, 2020 was \$20,028,052. The fiscal 2020 contribution made by the State on behalf of the Board has been included as both revenues and expenses in the Statement of Activities.

For the year ended June 30, 2020, the Board recognized pension expense of \$27,584,219 and revenue of \$20,028,052 for support provided by the State. Due to the special funding situation noted above related to the Teachers' Retirement and Pension Systems, the Board did not report deferred outflows of resources and deferred inflows of resources related to the Teachers' Retirement and Pension Systems.

Employees' Retirement and Pension Systems. The Board's contractually required contribution rate for the Employees' Retirement and Pension Systems for the year ended June 30, 2020 was 6.75% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Board made its share of the required contributions during the year ended June 30, 2020 of \$1,900,389.

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

COMPONENT UNITS – CARROLL COMMUNITY COLLEGE

Plan description

The employees of the College are covered by the Maryland State Retirement and Pension System "the System", which is a cost sharing employer public employee retirement system. While there are five retirement and pension systems under the System, employees of the College are a member of either the Teachers' Retirement and Pension Systems or the Employees' Retirement and Pension Systems. The 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. The System issues a publically available financial report that can be obtained at <http://www.sra.state.ud.us>.

Benefits provided. The System provides retirement allowances and other benefits to State teachers of participating governmental units, among others. For individuals who become members of the Teachers' 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 Teachers' 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 Teachers' 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.

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A member of the Teachers' 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 either the Teachers' Pension System on or after July 1, 2011, is eligible for full retirement benefits if the member's 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 Teachers' 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 Teachers' 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 Teachers' 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 Teachers' Pension System.

Contributions. The College and covered members are required by State statute to contribute to the System. Members of the Teachers' Pension System are required to contribute 7% annually. Members of the Teachers' Retirement System are required to contribute 5-7% annually, depending on the retirement option selected. The contribution requirements of the System members, as well as the State and participating governmental employers, are established and may be amended by the Board of Trustees for the System.

Teachers' Retirement and Pension System. The State makes a substantial portion of the College's annual required contribution to the Teachers' Retirement and Pension Systems on behalf of the College. The State's contributions on behalf of the College for the years ended June 30, 2020 was \$1,049,123. The fiscal contributions made by the State on behalf of the College have been included as both revenues and expenses in the Statement of Activities.

At June 30, 2020, the College did not report a liability related to the Teachers' Retirement and Pension Systems due to a special funding situation. The State of Maryland pays the unfunded liability for the College and the College pays the normal cost related to the College members in the Teachers' Retirement and Pension Systems; therefore, the College is not required to record its share of the unfunded pension liability, but instead that liability is recorded by the State of Maryland.

COMPONENT UNITS – CARROLL COUNTY PUBLIC LIBRARY

Plan description

The employees of the Library are covered by the Maryland State Retirement and Pension System "the System", which is a cost sharing employer defined benefit public employee retirement system. While there are five retirement and pension systems under the System, employees of the Library are a member of either the Teachers' Retirement and Pension Systems or the Employees' Retirement and Pension Systems. The 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. The System issues a publically available financial report that can be obtained at <http://www.sra.state.ud.us>.

Benefits provided. The System provides retirement allowances and other benefits to State teachers and employees of participating governmental units, among others. For individuals who become members of the Teachers' Retirement and Pension Systems and 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 Teachers' Pension System and 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 either the Teachers' or 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

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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creditable service.

A member of either the Teachers' or 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 either the Teachers' or Employees' Pension System on or after July 1, 2011, is eligible for full retirement benefits if the member's 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 either the Teachers' or 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 Teachers' or 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 Teachers' or 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 Teachers' or Employees' Pension System.

Contributions. The Library and covered members are required by State statute to contribute to the System. Members of the Teachers' Pension System and Employees' Pension System are required to contribute 7% annually. Members of the Teachers' Retirement System and Employees' Retirement System are required to contribute 5-7% annually, depending on the retirement option selected. The contribution requirements of the System members, as well as the State and participating governmental employers, are established and may be amended by the Board of Trustees for the System.

Teachers' Retirement and Pension System. The State makes a substantial portion of the Library's annual required contribution to the Teachers' Retirement and Pension Systems on behalf of the Library. The State's contributions on behalf of the Library for the year ended June 30, 2020 was \$883,347. The fiscal 2020 contributions made by the State on behalf of the Library have been included as both revenues and expenses in the Statement of Activities.

Employees' Retirement and Pension Systems. The Library's contractually required contribution rate for the Employees' Retirement and Pension Systems for the year ended June 30, 2020 was 5.85% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Library made its share of the required contributions during the year ended June 30, 2020 of \$82,858.

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At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to the MSRA System:

Carroll County Elected Officials	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 4,372	\$ -
Net difference between projected and actual earnings on pension plan investments	-	22,811
Total	<u>\$ 4,372</u>	<u>\$ 22,811</u>

Soil Conservation Employees	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 4,430	\$ -
Net difference between projected and actual earnings on pension plan investments	-	14,423
Total	<u>\$ 4,430</u>	<u>\$ 14,423</u>

Component Units - Board of Education	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,129,200
Changes of assumptions	288,451	483,540
Change in proportions	2,079,390	1,569,978
Net difference between projected and actual earnings on pension plan investments	393,565	-
Difference between board contributions and proportionate share of contributions	50,554	899
Board contributions subsequent to the measurement date	1,900,389	-
Total	<u>\$ 4,712,349</u>	<u>\$ 3,183,617</u>

Component Units - Carroll County Public Library	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 10,356	\$ 20,451
Change in proportions	151,182	14,768
Net difference between projected and actual earnings on pension plan investments	14,986	-
Net difference between actual and proportionate share of contributions	1,767	39
Difference between expected and actual experience	-	44,222
Library contributions subsequent to the measurement date	82,858	-
Total	<u>\$ 261,149</u>	<u>\$ 79,480</u>
Total Component Units	<u>\$ 4,973,498</u>	<u>\$ 3,263,097</u>

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The contributions made after the measurement date of the net pension liability but before the end of the County's and its Component units reporting period, will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Carroll County Elected Officials

Years Ending June 30:	Amount
2021	\$ (1,192)
2022	(9,309)
2023	(5,896)
2024	(2,668)
2025	626

Soil Conservation Employees

Years Ending June 30:	Amount
2021	\$ 4,193
2022	(7,668)
2023	(4,841)
2024	(2,214)
2025	537

Component Units - Board of Education

Years Ending June 30:	Amount
2021	\$ 97,027
2022	(583,006)
2023	(118,371)
2024	247,481
2025	(14,788)

Component Units - Carroll County Public Library

Years Ending June 30:	Amount
2021	\$ 45,456
2022	11,469
2023	18,277
2024	22,182
2025	1,427

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Allocated net pension liability and related information:

State Employees' Retirement and Pension Systems					
	Carroll County Employee Elected Officials	Soil Conservation Employees	Component Units - Board of Education	Component Units - Carroll Community College	Component Units - Carroll County Public Library
Contractually required contribution	\$ 29,648	\$ 25,566	\$ 1,768,908	\$ -	\$ 82,858
State of MD total adjusted contributions	<u>\$ 2,053,499,000</u>	<u>\$ 2,053,499,000</u>	<u>\$ 2,053,499,000</u>	<u>\$ 2,053,499,000</u>	<u>\$ 2,053,499,000</u>
Proportionate share of total contributions	0.0014438%	0.0012450%	0.0861412%	0.0000000%	0.0040350%
Total net pension liability - State of MD	\$ 20,625,610,000	\$ 20,625,610,000	\$ 20,625,610,000	\$ 20,625,610,000	\$ 20,625,610,000
Proportionate share of net pension liability	\$ 297,788	\$ 256,789	\$ 17,767,148	\$ -	\$ 751,452
Total pension expense - State of MD	\$ 2,625,128,000	\$ 2,625,128,000	\$ 2,625,128,000	\$ 2,625,128,000	\$ 2,625,128,000
Pension expense	\$ 27,719	\$ 45,206	\$ 898,122	\$ -	\$ 137,322
State Teachers' Retirement and Pension Systems					
	Carroll County Employee Elected Officials	Soil Conservation Employees	Component Units - Board of Education	Component Units - Carroll Community College	Component Units - Carroll County Public Library
Contractually required contribution	N/A	N/A	\$ 7,556,167	\$ -	\$ -
State's contribution on behalf of component unit	N/A	N/A	\$ 20,028,052	\$ 1,049,123	\$ 883,347
State's proportionate share of the net pension liability*	N/A	N/A	\$ 192,168,576	\$ 8,632,086	\$ 8,378,371
Component unit share pension expense	N/A	N/A	\$ 27,584,219	\$ 1,049,123	\$ 883,347

*At June 30, 2020, the component units did not report a liability related to the Teachers' Retirement and Pension Systems due to a special funding situation. The state of Maryland pays the unfunded liability for the component units; therefore, the component units are not required to record their share of the unfunded pension liability but instead, that liability is recorded by the State of Maryland.

Each actuarial valuation takes into account all prior differences between actual and assumed experience in each risk area and adjusts the contribution rates as needed. The States Consulting Actuary performed an experience study of MSRPS for the period 2010-2017 after completion of the June 30, 2017 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 first use in the actuarial valuation as of June 30, 2019. As a result, an investment return assumption of 7.40% and an inflation assumption of 2.65% were used for the June 30, 2019 valuation.

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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 weighing 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 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:

Asset Class	Maryland State Retirement and Pension System	
	Long-Term	
	Target Allocation	Expected Rate of Return
Public Equity	37%	6.30%
Credit Opportunity	9%	3.90%
Real Assets	14%	4.50%
Absolute return	8%	3.00%
Private Equity	13%	7.50%
Rate Sensitive	19%	1.30%
Total	100%	

Investments

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

For the year ended June 30, 2019, the annual money-weighted rate of return on pension plan investments, net of the pension plan expense, was 6.44%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

Sensitivity of the net pension liability to changes in the discount rate. The net pension liability sensitivity to changes in the single discount rate is as follows:

	1% Decrease (6.40%)	Current Discount Rate (7.40%)	1% Increase (8.40%)
State of MD CC Elected/Appointed Officials	\$ 431,018	\$ 297,788	\$ 186,824
State of MD Soil Conservation District	\$ 371,675	\$ 256,789	\$ 161,102
Component Units - Board of Education	\$ 25,716,168	\$ 17,767,148	\$ 11,146,616
Component Units - Carroll County Public Library	\$ 1,087,653	\$ 751,452	\$ 471,441

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued System's financial report.

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 fiduciary net position of the Maryland State Retirement Pension System

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“the System” pension plans and additions to/deductions from the plans have been determined on the same basis they are reported by the System. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Assumptions	Maryland State Retirement and Pension System
Valuation Date	June 30, 2019
Inflation	2.60% general, 3.10% wage
Salary increases	3.10% to 9.10%, including inflation
Investment rate of return	7.40%
Mortality	Pub-2010 Mortality Tables with projected generational mortality improvements based on the MP-2018 fully generational mortality improvement scale

401(k) RETIREMENT PLAN – County

The County offers a defined contribution 401(k) retirement plan to all its eligible employees. In a defined contribution plan, benefits depend on amounts contributed to the plan plus investment earnings/losses. This plan is self-administered, with record keeping provided through the Lincoln Financial Group. This plan is governed by regulations and statutes promulgated by the Internal Revenue Service. The authorization for this plan was made by the County Commissioners effective July 1, 1985. The plan was most recently amended and restated effective October 1, 2009.

Employees are eligible to participate upon hire if employment is at least at the half-time level. Employees hired prior to January 1, 1980 who participate in the “Maryland State Employees’ Retirement System” are not eligible to participate in the 401(k) Plan.

Eligible employees can contribute up to an amount allowed by applicable federal law, and not in excess of a member’s annual compensation. The plan is contributory on a voluntary basis with all contributions being paid to the trustee. Prior to October 1, 2009, the County made quarterly contributions to the accounts of each participant. Starting October 1, 2009, the County stopped contributing to the 401(k) Plan accounts of employees enrolled in either of the County’s pension plans. Eligible employees hired prior to July 1, 1985 who are not enrolled in either of the County’s pension plans remain eligible for County contributions to their 401(k) Plan accounts. These contributions range from 2% to 8% of base salary, depending upon the amount contributed by the employee.

The County’s and the employees’ contributions for the year ended June 30, 2020 were \$92,943 and \$2,397,091 respectively.

The Plan also offers a “Roth” option which allows employees to make after-tax contributions. Approximately 20% of employee contributions to the plan are being made as “Roth” contributions as of June 30, 2020.

403(b) RETIREMENT PLAN – Carroll County Public Library

Effective December 1, 1995, the Library began offering a defined contribution 403(b) retirement plan to all of its eligible employees. Employees contribute on a voluntary basis with all contributions being paid to the custodian. The Library makes no basic or matching contributions on behalf of its employees. Because the Library derives its authority, its operating structure, and its funds from the State and county government, it is a governmental entity and the 403(b) plan is a governmental plan exempt from ERISA. However, changes in the tax law require the Library to adopt a written plan document and file the plan with the Internal Revenue Service. In December 2009 the Library Board of Trustees approved the plan so that the Library remains compliant with the law. Regulations require the Library to monitor the investment choices that are available in the plan on an annual basis to confirm that the investment choices are prudent and that associated expenses are reasonable.

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DEFERRED COMPENSATION PLAN – Carroll Community College

The College offers a defined contribution 403(b) retirement plan to all of its eligible employees. The Plan is contributory on a voluntary basis with all contributions being paid to the trustee. The College makes no basic or matching contributions on behalf of its employees.

Note 12 – Post Employment Benefits Other Than Pension Benefits

RETIREE BENEFIT TRUST, BOARD OF COUNTY COMMISSIONER OF CARROLL COUNTY, MARYLAND

Plan Description

Plan administration: The Retiree Benefit Trust, Board of County Commissioner of Carroll County, Maryland “RBTCCCC” is a single-employer defined benefit plan that provides access to medical insurance benefits to eligible retirees who retire from County service in accordance with County policy. The Carroll County Government does not issue a separate audited financial statement for RBTCCCC.

Management of the RBTCCCC is vested in the appointed Board of Trustees to serve at the pleasure of the County Commissioners, which consists of the Comptroller of Carroll County Government and the Bureau Chief of Benefits of Carroll County Government.

Plan membership. The most recent actuarial valuation was completed as of July 1, 2018. The membership data related to the plan was as follows:

Number of Participants	
Active Employees	1,063
Deferred vested terminations	-
Retirees in pay status (pre Medicare)	133
Retirees in pay status (Medicare age)	321
Total	1,517

Benefits provided: To be eligible for benefits under this plan, employees, former employees, or beneficiaries of Carroll County Government and Carroll County Library must meet the following eligibility requirements:

- Age plus service equals at least 75,
- Has at least 10 years of total County service (15 years if hired after May 1, 2005 or later)
- Has at least 5 years of continuous County service through the date of retirement, and
- Was eligible for County provided health care coverage as a regular employee for at least 5 years immediately preceding the date of retirement.

An employee who leaves at age 55 with at least 10 years of County Service (15 years if hired after May 1, 2005) but does not meet the other requirements summarized above is allowed to purchase retiree health coverage. Such participants must pay the full premium (there is no explicit subsidy).

Military service will count towards the age plus service requirement above, but only after the employee has completed at least 10 years of County service.

Full-time employees who retire can also insure their spouses. Retirees who are eligible for County contributions toward the cost of their medical plan may elect to discontinue coverage and re-enroll at future “open enrollment” periods. This plan has a tax-exempt status.

There are special provisions for certain groups.

- *Certified law officers retiring after October 1, 2009:* Employees who upon leaving employment, qualify for and receive an immediate pension under the Certified Law Officers Pension Plan, but who do not otherwise qualify for post-employment health care benefits under the guidelines for general employees, may still receive OPEB benefits. However, there will be a surcharge of 4% for each year that the participant’s age plus year of service at time of

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retirement falls short of 75, to a maximum surcharge of 32%. The surcharge is added to the base premium payment that the officer would normally have paid, based on years of service, had the officer's age plus years of service equaled or exceeded 75. The premium charged to an officer qualifying for an immediate pension due to disability will be no more than two times the active employee rate (or 50% of the total premium cost if hired May 1, 2005 or later).

<u>Age plus years of service</u>	<u>Surcharge</u>
Less than 68	32%
At least 68 but less than 69	28%
At least 69 but less than 70	24%
At least 70 but less than 71	20%
At least 71 but less than 72	16%
At least 72 but less than 73	12%
At least 73 but less than 74	8%
At least 74 but less than 75	4%

- *Appointed officials retiring after October 1, 2005:* An appointed official with a minimum of 4 years of total service, but who does not otherwise qualify for post-employment health care benefits under the guidelines for general employees, may receive OPEB benefits. However, the official must not have the option to enroll in a subsequent employer's plan as an employee or retiree of that employer. The official will be charged a percent of the total premium. The percent will vary according to years of service as follows:

<u>Years of service</u>	<u>Percent of total premium</u>
24 or more	25%
At least 20 but less than 24	30%
At least 16 but less than 20	45%
At least 12 but less than 16	50%
At least 4 but less than 12	55%

- *Elected officials retiring after October 1, 2005:* An elected official who is elected to, and served in, two or more terms of office, but who do not otherwise qualify for post-employment health care benefits under the guidelines for general employees, may receive OPEB benefits. However, an eligible elected official who leaves County employment prior to attaining age 50 loses eligibility for such coverage one he/she becomes eligible to obtain insurance through subsequent employment and/or Medicare. The rates charged to elected officials who qualify under this policy will be the same rates proved to general employees who retire prior to January 1, 2006.

Contributions: Retirees contribute a portion of their health care cost which is based on their age and years of service with the County. In fiscal year 2020, the County contributed \$12,493,310 towards the actuarially determined contribution for the Other Post Employment Benefit fund. Of the \$12,493,310 contribution, \$1,727,187 was payment on behalf of the Library. Administrative costs of the RBTCCCC are financed through investment earnings.

Investment Policy: Fiduciary funds for Carroll County are the CCEPP, CCCLOPP, LOSAP, & OPEB "the Trust Funds". The Trust Funds operate under one investment policy that is designed to provide benefits as anticipated through a carefully planned and executed investment program that achieves a reasonable long-term total return consistent with the level of risk assumed. Investments for the Trust Funds are reported at fair value, as described in Note 1. The retirement plan committee has the authority to establish or amend investment policy decisions.

The Trust Funds invest in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such a change could materially affect the amounts reported in the statement of fiduciary net position available for benefits.

Interest rate risk: The Trust Funds do not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Fluctuating rates of return are characteristic of the securities markets; the Trust Funds greatest concern is long-term appreciation of assets and consistency of portfolio

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returns. However, cash and cash equivalent investments are limited to maturities of one year or less.

Foreign currency risk: The Retiree Benefit Trust, Board of County Commissioner of Carroll County had the following unrated mutual fund investments with exposure to foreign currency risk from various international currency denominations including European Countries:

	Fair Value in U.S. Dollars
Vanguard Total International Stock Index Fund	\$ 18,026,437
Harding Loevner International Equity Fund	7,645,515

Credit risk: The investment manager is allowed substantial discretion within a broad framework of approved investment choices. Equity holdings may be selected from those listed on the major securities markets. The manager may purchase any cash instruments having a quality rating of A-2, P-2 or higher by either Moody's or Standard and Poor's. Time deposits and repurchase agreements are also acceptable investment vehicles. Any idle cash not invested by the investment managers shall be invested daily through an automatic interest-bearing sweep vehicle.

Ratings	Maximum	Allocation at June 30, 2020
AAA/Aaa	100%	100%
AA/Aa	100%	0%
A/A	100%	0%
BAA/Baa	20%	0%
BBB	20%	0%

Concentration of credit risk: As a means of minimizing risk and providing a consistent return, the investment policies require diversification. U.S. corporate bonds shall be diversified by issuer type with no more than 10% of the portfolio invested in obligations of any one issuer. International bonds shall not exceed more than 5% of the International Equity portfolio. Investments by security type for all of the County Trust Funds are to be diversified as follows:

Retiree Benefit Trust, Board of County Commissioners of Carroll County

	Minimum	Maximum
Domestic Large Cap Equities	35.0%	55.0%
Domestic Mid Cap Equities	0.0%	10.0%
Domestic Small Cap Equities	4.5%	10.0%
Real Estate Equities	5.0%	15.0%
International Equities	5.0%	15.0%
Domestic Fixed Income	20.0%	30.0%
Cash Equivalents	0.0%	15.0%

Rate of return: For the year ended June 30, 2020, the annual money-weighted rate of return on the Retiree Benefit Trust, Board of County Commissioner of Carroll County, Maryland "RBTCCCC" investments, net of pension plan investment expense, was 2.22%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the County: The components of the net OPEB liability of Carroll County at June 30, 2020, were as follows:

Total OPEB liability	\$ 234,554,257
RBTC CCC fiduciary net position	(117,460,283)
RBTC CCC's net OPEB liability	\$ 117,093,974
RBTC CCC fiduciary net position as a percentage of the total OPEB liability	50.08%

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

Inflation	2.20 percent
Salary increases	3.0 percent, average, including inflation
Investment rate of return	7.0 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	The trend for 2019 is 5.4% pre-medicare and 5.4% post-medicare. The ultimate rate is 3.8% and is attained in 2080.

The actuarial assumptions used are based on July 1, 2018 valuation data rolled forward to June 30, 2020.

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 percentage and by allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
U.S. Large Cap Equities	43%	6.80%
U.S. Small/Mid Cap Equities	0%	0.00%
Foreign Equities	22%	8.00%
Real Estate (REITs)	9%	5.70%
Core Fixed Income	24%	1.60%
Cash	2%	0.00%
Inflation	-	3.00%
Total	<u>100%</u>	

Discount Rate: The discount rate used to measure the total OPEB liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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Changes in Net OPEB Liability:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances as of 6/30/19	\$ 232,282,178	\$ 108,317,910	\$ 123,964,268
Changes for the year:			
Service cost	4,606,256	-	4,606,256
Interest	16,048,360	-	16,048,360
Changes of benefit terms	-	-	-
Differences between expected and actual experiences	(3,218,840)	-	(3,218,840)
Changes in Assumptions	(9,123,905)	-	(9,123,905)
Contributions-employer	-	12,493,310	(12,493,310)
Contributions-member	-	815,291	(815,291)
Net investment income	-	2,691,365	(2,691,365)
Benefit payments, including refunds of member contributions	(6,039,792)	(6,855,083)	815,291
Administrative expense	-	(2,510)	2,510
Other	-	-	-
Net Changes	<u>\$ 2,272,079</u>	<u>\$ 9,142,373</u>	<u>\$ (6,870,294)</u>
Balances at 6/30/20	<u>\$ 234,554,257</u>	<u>\$ 117,460,283</u>	<u>\$ 117,093,974</u>

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the County total and net OPEB liability. We also present the Total and Net OPEB liability if it is calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
County's total OPEB liability	\$ 271,137,212	\$ 234,554,257	\$ 205,203,720
County's net OPEB liability	153,676,929	117,093,974	87,743,437

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the County's total and net OPEB liability. We also present the total and net OPEB liability if it is calculated using a trend rate that is one percentage point lower (3.00%) or one percentage point higher (5.00%) than the current rate:

	1% Decrease (3.00%)	Current Discount Rate (4.00%)	1% Increase (5.00%)
County's total OPEB liability	\$ 200,001,767	\$ 234,554,257	\$ 278,175,099
County's net OPEB liability	82,541,484	117,093,974	160,714,816

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At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to the OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 4,488,200
Changes of assumptions	5,280,309	7,603,254
Net difference between projected and actual earnings on OPEB plan investments	2,938,155	-
Total	\$ 8,218,464	\$ 12,091,454

For the year ended June 30, 2020, the County recognized OPEB expenses of \$12,213,459.

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

Years Ending June 30:	
2021	\$ (635,628)
2022	(635,626)
2023	(379,437)
2024	(165,174)
2025	(2,057,125)

Basis of Accounting: RBTCCCC financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the term of the plan. Investments are made on a long-term basis investing in various securities which are exposed to various risks such as interest rate, market, and credit risks.

The actuarially determined contribution was determined as part of the July 1, 2018 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.0% investment rate of return compounded annually, (b) projected turnover rates are as follows:

General Government:

Age	Rate
25	11.14%
35	6.21%
45	3.06%

Law Officers:

Age	Years of Service		
	10	15	20
25	6.55%	3.28%	0.50%
35	3.65%	1.83%	0.50%
45	1.80%	0.90%	0.50%
55	0.50%	0.00%	0.00%

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The actuarial value of assets was determined using the fair value as of June 30, 2020.

Statement of Fiduciary Net Position
Carroll County Post Employment Benefits
Other than Pension Benefits (OPEB)

Assets:	
Receivables	\$ 36,298
Accrued interest	460
Investments at fair value:	
Bond funds	2,017,530
Marketable securities	103,402,341
Real estate funds	13,238,317
Total assets	<u>118,694,946</u>
Liabilities:	
Accounts payable	14,689
Due to primary government	1,219,974
Total liabilities	<u>1,234,663</u>
Fiduciary net position:	
Fiduciary net position held in trust for postemployment benefits other than pensions	<u><u>\$ 117,460,283</u></u>

Statement of Changes in Fiduciary Net Position
Carroll County Postemployment Benefits
Other than Pension Benefits (OPEB)

ADDITIONS	
Contributions:	
Employer	\$ 12,493,310
Plan members	815,291
Total contributions	<u>13,308,601</u>
Investment earnings:	
Interest and dividends	80,894
Net increase or decrease in the fair value of investments	2,616,757
Total investment earnings	<u>2,697,651</u>
Less investment expense	<u>(6,286)</u>
Net investment earnings	<u>2,691,365</u>
Total additions	15,999,966
DEDUCTIONS	
Benefits and refunds paid to plan members and beneficiaries	6,855,083
Administrative expenses	2,510
Total deductions	<u>6,857,593</u>
Change in fiduciary net position	9,142,373
Fiduciary net position - beginning of year	<u>108,317,910</u>
Fiduciary net position - end of year	<u><u>\$ 117,460,283</u></u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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Component Units

Carroll County Public Library

Plan Description

Plan administration: RBTCCCC is a single multiple-employer defined benefit OPEB plan administered by the County that provides medical insurance benefits to eligible employees who retire from employment with the Library in accordance with a contractual agreement with the County. The County does not issue a separate audited financial statement for RBTCCCC.

Benefits provided: To be eligible for benefits under this plan, employees, former employees, or beneficiaries of the Library must meet the following eligibility requirements:

- Age plus service equals at least 75,
- Has at least 10 years of total service (15 years if hired after May 1, 2005 or later)
- Has at least 5 years of continuous service through the date of retirement, and
- Was eligible for provided health care coverage as a regular employee for at least 5 years immediately preceding the date of retirement.

Full-time employees who retire can also insure their spouses. Retirees who are eligible for employer contributions toward the cost of their medical plan may elect to discontinue coverage and re-enroll at future “open enrollment” periods.

Contributions: Retirees contribute a portion of their health care cost which is based on their age and years of service with the Library. The County’s contributions on behalf of the Library for the year ended June 30, 2020, was \$1,727,187. The fiscal 2020 contributions made by the County on behalf of the Library have been included as both revenues and expenses in the Statement of Activities.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the Library did not report a liability related to the RBTCCCC due to a special funding situation. The County pays the unfunded liability for the Library; therefore, the Library is not required to record its share of the net OPEB liability but instead, that liability is recorded by the County. The amount recognized by the Library as its proportionate share of the net OPEB liability, the related County support, and the total portion of the net OPEB liability that was associated with the Library were as follows:

County's Proportionate Share of the Net OPEB Liability	\$	12,355,773
Library's Proportionate Share of the Net OPEB Liability		-
Total	\$	<u>12,355,773</u>

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2018.

For the year ended June 30, 2020, the Library recognized OPEB expense of \$1,727,187 and revenue of \$1,727,187 for support provided by the County. Due to the special funding situation noted above related to the RBTCCCC, the Library did not report deferred outflows of resources and deferred inflows of resources related to the RBTCCCC.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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Actuarial assumptions: The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.2 percent
Salary increases	3.0 percent, average, including inflation
Investment rate of return	7.0 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Based on Society of Actuaries Long-Term Medical Trend Model, the 2020 rate 5.3% decreasing gradually. The ultimate rate is 3.8% and is attained in 2080.

The actuarial assumptions used are based on July 1, 2018 valuation data rolled forward to June 30, 2020.

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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
U.S. Equities	43%	6.60%
Foreign Equities	22%	8.20%
Real Estate (REITs)	9%	5.70%
Core Fixed Income	24%	0.80%
Cash	2%	0.00%
Inflation	0%	3.00%
Total	<u>100%</u>	

Discount Rate: The discount rate used to measure the total OPEB liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that the County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Board of Education of Carroll County

Plan Description

Plan administration: The Board administers the Carroll County Public Schools Retiree Health Plan “the Plan”, a single employer defined benefit plan that is used to provide post-employment benefits other than pensions “OPEB” to eligible employees who retire from employment with the Carroll County Public School System.

Management of the Plan is vested in the Board of Education of Carroll County.

Benefits provided: The Board provides medical and prescription drug benefits to retirees pursuant to two medical plans for retired employees based on negotiated agreements with various bargaining groups. Benefits are provided by a third-party insurer.

Contributions: For retirees over the age of 65 who retired prior to September 1, 1988, the percentage of the stipend paid by the Board was dependent upon the retiree’s years of service and ranges from 10% to 100%. For retirees who retired after September 1, 1988, the percentage of the stipend paid by the Board is dependent upon the retiree’s years of service and ranges from 0% to 100%. These percentages are applied to stipends established annually by the Board for individual, husband/wife, parent/child, and family coverages. Only Carroll County Board of Education years of service are considered. Additional employer contributions to the Plan may be budgeted, if funding is available. The Board does not have an actuarially determined contribution, or a statutory or contractual required contribution to the Plan.

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GASB Statement No. 74, Financial Reporting for Post Employment Benefit Plans Other Than Pension Plans

Plan membership. At June 30, 2020, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	1,454
Inactive plan members entitled to, but not yet receiving benefit payments	-
Active plan members	<u>3,161</u>
Total	<u><u>4,615</u></u>

Investments

Investment policy.

The following was the Board's adopted asset allocation policy as of June 30, 2020:

<u>Asset Class</u>	<u>Target Allocation</u>
U.S. Equities	43%
Foreign Equities	22%
Real Estate (REITs)	9%
Core Fixed Income	24%
Cash	2%
Total	<u><u>100%</u></u>

Rate of return. For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 2.31%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Board

The components of the net OPEB liability of the Board at June 30, 2020 were as follows:

Total OPEB liability	\$ 592,418,000
Plan fiduciary net position	<u>26,790,000</u>
Board's net OPEB liability	<u><u>\$ 565,628,000</u></u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 4.52%

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2020 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%
Salary increases	3.00%
Investment rate of return	7.00%
Healthcare Cost Trend Rates:	
Pre-65 Medical	5.4% initial / 4.1% ultimate (not applicable to life)
Post-65 Medical	5.4% initial / 3.9% ultimate (not applicable to life)
Mortality	RP-2000 Health Annuitant Mortality Table for Males and Females, adjusted for morality improvements based on Scale AA.

The actuarial assumptions used to measure the total OPEB liability in the June 30, 2020 valuation, was based on the results of an actuarial experience study for the period 2010-2014 after completion of the June 30, 2014 valuations.

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 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

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weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major class included in the target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Long-Term Expected Rate of Return
U.S. Equities	6.80%
Foreign Equities	8.00%
Real Estate (REITs)	5.70%
Core Fixed Income	1.60%
Cash	0.00%
Inflation	3.00%

Discount rate. The discount rate used to measure the total OPEB liability was 3.26%. The benefit payment stream for the Plan is discounted based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher for years when the projected benefit payouts are expected to be unfunded and 7.00% for years when the projected benefit payouts are expected to be funded. The actuarial valuation used a combined investment rate of return and the bond rate to come to a single equivalent rate.

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the Board, as well as what the Board's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.52%) or one percentage point higher (3.52%) than the current discount rate:

	1% Decrease (1.52%)	Current Discount Rate (2.52%)	1% Increase (3.52%)
Net OPEB Liability	\$ 699,885,000	\$ 565,628,000	\$ 461,676,000

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the Board, as well as what the Board's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Trend Rate	1% Increase
Net OPEB Liability	\$ 440,910,000	\$ 565,628,000	\$ 736,976,000

GASB Statement No. 75, Accounting and Financial Reporting for Post Employment Benefit Plans Other Than Pension Plans

The Board's net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

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Changes in Net OPEB Liability:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances as of 6/30/18	\$ 372,523,000	\$ 22,649,000	\$ 349,874,000
Changes for the year:			
Service cost	14,859,000	-	14,859,000
Interest	13,717,000	-	13,717,000
Differences between expected and actual experience	8,656,000	-	8,656,000
Contributions - employer	-	6,838,000	(6,838,000)
Net investment income	-	1,890,000	(1,890,000)
Change in Assumptions	80,796,000	-	80,796,000
Benefit payments	(5,588,000)	(5,588,000)	-
Administrative expense	-	-	-
Net Changes	<u>\$ 112,440,000</u>	<u>\$ 3,140,000</u>	<u>\$ 109,300,000</u>
Balances at 6/30/19	<u>\$ 484,963,000</u>	<u>\$ 25,789,000</u>	<u>\$ 459,174,000</u>

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the Board, as well as what the Board's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.26%) or one percentage point higher (4.26%) than the current discount rate:

	1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
Net OPEB Liability	\$ 564,738,000	\$ 459,174,000	\$ 376,974,000

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability of the Board, as well as what the Board's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower (4.00%) or one percentage point higher (6.00%) than the current health care cost trend rates:

	1% Decrease 4.00%	Healthcare Cost Trend Rates 5.00%	1% Increase 6.00%
Net OPEB Liability	\$ 364,492,000	\$ 459,174,000	\$ 587,249,000

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OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the Board recognized OPEB expense of \$31,463,181. At June 30, 2020, the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings	\$ 9,254,469	\$ -
Change in Assumptions	78,532,346	-
Net difference between projected and actual earnings on OPEB plan investments	-	612,413
Employer Contributions Subsequent to the Measurement Date	6,377,930	-
Total	\$ 94,164,745	\$ 612,413

Employer contributions made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ending June 30:</u>	
2021	\$ 10,895,565
2022	10,895,567
2023	11,011,888
2024	11,068,975
2025	11,121,102
Thereafter	32,181,305

Carroll Community College

Plan Description

Plan administration: Carroll Community College administers a single employer defined benefit health care plan. The College allows employees who retire with at least 10 years of continuous service to continue participation in some benefit program. To be eligible for post-retirement benefits, an employee must collect a retirement benefit from his/her retirement system immediately following separation. Retirees who collect a benefit from the ORP must meet the age and service requirements for early or normal retirement as defined in the Maryland State Teachers' Pension/Retirement System.

Benefits provided:

Medical Insurance – Retired employees and their spouses under age 65 may continue to be covered by medical insurance offered to current employees at regular group rates. Interested retirees and/or their spouses age 65 or over must convert to coverage under a College contract which supplements Medicare.

The College continues contributions toward the premiums for medical insurance for such employees with at least 10 years of service. Contributions by the College are made as follows:

10 to 14 years of service	35%
15 to 19 years of service	55%
20 to 24 years of service	70%
25 or more years of service	80%

Employees with less than 10 years of service may continue coverage at the full cost of the specified plan.

Life Insurance – All employees who are participants in the Group Life Insurance Plan at retirement are eligible for continued life insurance coverage. The College currently pays one-half of premium costs.

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Vision and Dental Insurance – Retirees and their spouses may also continue coverage under the College’s policies after retirement but must pay 100% of the premium. This arrangement may continue for the spouse following a retiree’s death, provided the spouse was covered at the time of death.

Employees covered by benefit terms

Plan membership. At June 30, the following employees were covered by the benefit terms:

	2020
Inactive plan members or beneficiaries currently receiving benefit payments	217
Inactive plan members entitled to, but not yet receiving benefit payments	-
Active plan members	62
Total	279

Contributions

Funding Policy. The contribution requirements of plan members and the college are established and may be amended by the Carroll Community College Board of Trustees. The College’s contribution is based on a pay-as-you-go basis. In June of 2017, the College entered into the Carroll County Master Retiree Trust, which is overseen by the county Government. For fiscal year 2019, the College contributed \$359,927 to the Plan, for annual premiums. The College is not required to advance fund the costs of benefits that will become due and payable in the future. However, the College contributed \$600,000 above the annual premium to the trust during the fiscal year ended June 30, 2019 to advance fund future costs. As of June 30, 2019, the College has contributed a total of \$1,000,000 to the Carroll County Benefit Trust.

Net OPEB Liability (under GASB 75)

The College’s net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2019.

Actuarial assumptions. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%	
Salary increases	5.70% by year 10	
Investment rate of return	0.9%, net of OPEB plan investment expense, including inflation	
Healthcare Cost Trend Rates:		
Pre-Medicare	4.70% in 2020 with an ultimate rate of 4.00% in 2075	
Post-Medicare	4.70% in 2020 with an ultimate rate of 4.00% in 2075	
Mortality	PUB-2010 Generational Mortality Table with Scale MP-2018 utilizing "teachers" and "general" classifications per participant based on employment category.	

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2016 – September 1, 2018.

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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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Weight	Long-Term Expected Real Rate of Return
U.S. Equities	43.00%	6.80%
Foreign Equities	22.00%	8.00%
Real Estate (REITs)	9.00%	5.70%
Core Fixed Income	24.00%	1.60%
Cash & Equivalents	2.00%	0.00%
Total Weighted Average Real Return	<u>100.00%</u>	

Discount rate. The discount rate used to measure the total OPEB liability was 3.13%. The Plan's fiduciary net position was not projected to be available to make all projected future benefit payments for current Plan members; therefore, the long-term expected rate of return on Plan investments was not applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2020.

Changes in the Net OPEB Liability (under GASB 75)

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance - June 30, 2019	\$ 19,825,993	\$ 420,844	\$ 19,405,149
Changes for the Year:			
Service Cost	1,056,708	-	1,056,708
Interest	702,118	-	702,118
Experience Losses/Gains	(749,153)	-	(749,153)
Assumption Changes	4,648,429	-	4,648,429
Contributions - Employer	-	959,927	(959,927)
Net investment income	-	71,802	(71,802)
Benefit Payments	(359,963)	(359,963)	-
Net Changes	<u>5,298,139</u>	<u>671,766</u>	<u>4,626,373</u>
Balance - June 30, 2020	<u>\$ 25,124,132</u>	<u>\$ 1,092,610</u>	<u>\$ 24,031,522</u>

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the College's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.13%) or one percentage point higher (4.13%) than the current discount rate:

June 30, 2020	1% Decrease 2.13%	Current Discount Rate 3.13%	1% Increase 4.13%
Total OPEB Liability	\$ 29,981,405	\$ 25,124,132	\$ 21,262,551
Plan Fiduciary Net Position	1,092,610	1,092,610	1,092,610
Net OPEB Liability	<u>\$ 28,888,795</u>	<u>\$ 24,031,522</u>	<u>\$ 20,169,941</u>

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability of the College, as well as what the College's net OPEB liability would be if it were calculated using health care cost

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2020

trend rates that are one percentage point lower (3.00%) or one percentage point higher (5.00%) than the current health care cost trend rates:

June 30, 2020	1% Decrease 3.00%	Current Ultimate trend Rate 4.00%	1% Increase 5.00%
Total OPEB Liability	\$ 20,675,258	\$ 25,124,132	\$ 30,978,117
Plan Fiduciary Net Position	1,092,610	1,092,610	1,092,610
Net OPEB Liability	<u>\$ 19,582,648</u>	<u>\$ 24,031,522</u>	<u>\$ 29,885,507</u>

OPEB plan fiduciary net position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued OPEB trust annual financial report.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (under GASB 75)

For the year ended June 30, 2020, the College recognized OPEB expense, including pay-go, of \$2,162,271. At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expeted and Actual Experience	\$ -	\$ 585,261
Changes of Assumptions	4,067,375	2,430,308
Net Difference Between Projected and Actual Earnings	-	35,347
College Contributions Subsequent to the Measurement Date	1,403,451	-
Total	<u>\$ 5,470,826</u>	<u>\$ 3,050,916</u>

The \$1,403,451 reported as deferred outflows related to OPEB resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30:	
2021	\$ 84,562
2022	84,562
2023	84,653
2024	88,820
2025	94,531
Thereafter	579,331

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June 30, 2020

Note 13 – Fund Balance

A summary of fund balances as of June 30, 2020 follows:

	General Fund	Capital Projects Funds	Grant Fund	Non-Major Governmental Funds	Total Governmental Funds
<u>Nonspendable:</u>					
Inventory	\$ 1,663,235	\$ -	\$ -	\$ -	\$ 1,663,235
Prepaid costs	7,540,582	-	491,892	-	8,032,474
Loans to community organizations	4,355,917	-	-	-	4,355,917
Loans to fire companies	7,957,704	-	-	-	7,957,704
Loans to municipalities	149,037	-	-	-	149,037
Due from other funds	4,921,289	-	-	-	4,921,289
Advances and proceeds to Industrial Development Authority	612,910	-	-	-	612,910
Total nonspendable fund balance	<u>27,200,674</u>	<u>-</u>	<u>491,892</u>	<u>-</u>	<u>27,692,566</u>
<u>Restricted:</u>					
Weed control	196,306	-	-	-	196,306
Agricultural preservation investments	33,459,133	-	-	-	33,459,133
Loans collectible within one year	1,050,013	-	-	-	1,050,013
Farmers & Merchants - collateral	230,000	-	-	-	230,000
Unspent bond proceeds	-	7,087,381	-	-	7,087,381
Grants	-	-	614,863	-	614,863
Hotel Rental tax	-	-	-	547,316	547,316
Total restricted fund balance	<u>34,935,452</u>	<u>7,087,381</u>	<u>614,863</u>	<u>547,316</u>	<u>43,185,012</u>
<u>Committed:</u>					
Stabilization arrangement	20,940,467	-	-	-	20,940,467
Watershed Protection and Restoration	-	-	-	630,856	630,856
Total committed fund balance	<u>20,940,467</u>	<u>-</u>	<u>-</u>	<u>630,856</u>	<u>21,571,323</u>
<u>Assigned:</u>					
<u>Encumbrances:</u>					
General government	386,988	1,129,307	-	-	1,516,295
Public safety	1,450,257	219,643	-	-	1,669,900
Public works	858,196	12,084,510	-	-	12,942,706
Education	-	1,871,603	-	-	1,871,603
Judicial	8,109	-	-	-	8,109
Culture and recreation	6,244	1,485,985	-	-	1,492,229
Conservation of natural resources	-	5,688,851	-	-	5,688,851
Library Improvement loan	1,500,000	-	-	-	1,500,000
Community Media Center loan	703,308	-	-	-	703,308
<u>Subsequent year's expenditure:</u>					
Use in fiscal year 2021 budget	3,950,707	-	-	-	3,950,707
Use in fiscal year 2022-2023 budget	4,288,940	-	-	-	4,288,940
Capital for future infrastructure	1,000,000	-	-	-	1,000,000
Capital fund	-	9,712,841	-	-	9,712,841
Grant fund	-	-	842,432	-	842,432
Total assigned fund balance	<u>14,152,749</u>	<u>32,192,740</u>	<u>842,432</u>	<u>-</u>	<u>47,187,921</u>
<u>Unassigned:</u>					
General fund	30,358,968	-	-	-	30,358,968
Total unassigned fund balance	<u>30,358,968</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,358,968</u>
Grand total fund balances	<u>\$ 127,588,310</u>	<u>\$ 39,280,121</u>	<u>\$ 1,949,187</u>	<u>\$ 1,178,172</u>	<u>\$ 169,995,790</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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The County has loaned to various Carroll County fire companies for expansion and equipment acquisition. The loans are repayable over terms of from 5 to 20 years, bearing interest at fixed rates ranging from 2.26% to 5.09%. The balance of these loans at June 30, 2020 is \$9,007,716 and is secured by land, buildings and equipment. The County made loans to various community organizations. The balance of these loans at June 30, 2020 is \$4,355,917 and they are secured through promissory notes.

The General Fund incurred a due from the Capital Fund for the future payouts of Installment Purchase Agreements, a due from OPEB, a due from Fiber Network and a due from the Airport Fund at June 30, 2020 in the amount of \$4,921,289.

Note 14 – Budgetary Basis to GAAP Reconciliation

A reconciliation of the revenues and expenditures of the General Fund and Grant Fund Budgetary Basis to the statement of revenues and expenditures on a GAAP basis is as follows:

<u>Budgetary Funds</u>	<u>General Fund</u>	<u>Grant Fund</u>
<u>Revenues</u>		
Actual amount (budgetary basis) "revenues" from the budgetary comparison schedule	\$ 407,366,611	\$ 17,477,928
Unavailable property tax revenues	<u>(1,189,607)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance	<u>\$ 406,177,004</u>	<u>\$ 17,477,928</u>
<u>Expenditures</u>		
Actual amount (budgetary basis) "expenditures" from the budgetary comparison	\$ 401,112,550	\$ 19,820,118
Encumbrance adjustment	<u>(964,461)</u>	<u>(41,413)</u>
Total expenditure as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance	<u>\$ 400,148,089</u>	<u>\$ 19,778,705</u>

Note 15 – Commitments and Contingencies

PRIMARY GOVERNMENT

Management and the County attorney estimate that potential claims against the County, not covered by insurance, resulting from various claims and lawsuits would not materially affect the financial statements of the County.

The County participates in a number of federally assisted grant programs, principal of which are the Housing and Urban Development, Commission on Aging, and the Workforce Investment Act programs. These programs are subject to financial and compliance audits by the grantors or their representatives. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although management expects such amounts, if any, to be immaterial.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2020

As of June 30, 2020, the County had the following commitments with respect to unfinished capital projects:

	Project Appropriation	Total Expenditures & Encumbrances	Amount Funded	Required Future Funding
General Government	\$ 63,075,652	\$ 36,899,301	\$ 38,070,601	\$ 25,005,051
Public Safety	16,168,724	10,360,336	11,207,506	4,961,218
Public Works	82,150,178	55,584,925	414,860	81,735,318
Board of Education	99,172,735	70,590,389	82,890,851	16,281,884
Carroll Community College	13,644,600	9,785,536	7,912,523	5,732,077
Culture and Recreation	19,958,852	16,020,983	15,018,652	4,940,200
Library	4,880,900	3,821,173	4,280,900	600,000
Conservation of Natural Resources	218,997,794	203,207,358	209,270,678	9,727,116
Water Resources	50,901,918	31,800,749	23,302,123	27,599,795
Governmental Activities	<u>568,951,353</u>	<u>438,070,750</u>	<u>392,368,694</u>	<u>176,582,659</u>
Wastewater Treatment Facilities	37,318,077	34,657,701	20,393,961	16,924,116
Other Water Projects	19,644,133	13,364,763	10,165,336	9,478,797
Other Wastewater Projects	23,356,781	12,307,642	17,050,321	6,306,460
Landfill Upgrades	4,444,506	4,202,767	4,421,506	23,000
Landfill Remediations	2,987,035	2,478,553	2,987,035	-
Fiber Network	985,000	251,744	955,000	30,000
Septage	5,500,000	1,029,571	1,598,000	3,902,000
Airport	88,308,238	6,313,137	2,612,454	85,695,784
Business Type Activities	<u>182,543,770</u>	<u>74,605,878</u>	<u>60,183,613</u>	<u>122,360,157</u>
Total Funds	<u>\$ 751,495,123</u>	<u>\$ 512,676,628</u>	<u>\$ 452,552,307</u>	<u>\$ 298,942,816</u>

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. Amounts, if any, of expenditures that may be disallowed by grantors cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

The Supreme Court ruled in favor of the Wynnes case which wrongly exposed some Maryland residents with out-of-state income to double taxation by not allowing the full tax credit for income tax paid outside of the State. The effect of this ruling on the County is income tax will be reduced by \$28,724.25 for 20 quarters for a total of \$574,485 beginning in May 2021 to refund those residents in Carroll County that were eligible for the credit but didn't receive it for the tax returns filed between 2007 and 2014.

COMPONENT UNITS

Board of Education

Several lawsuits have been filed arising from personnel grievances, personal injury, and other matters. It is anticipated by the Board that an adverse decision in excess of insurance coverage on any or all of these suits would not have a material adverse effect on these financial statements.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. Amounts, if any, of expenditures that may be disallowed by grantors cannot be determined at this time, although the Board expects such amounts, if any, to be immaterial.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2020

Note 16 – Risk Management

PRIMARY GOVERNMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. As of January 2003, the office of Risk Management initiated an enterprise wide risk management program. This program includes review of all legal contracts for insurance sufficiency and verification of certificates of insurance from all vendors. This program helps ensure that all vendors maintain sufficient insurance coverage to protect the County from loss.

The County's risk financing techniques include participation in the Local Government Insurance Trust "LGIT", a public entity risk pool, for its property, cyber, and business automobiles.

LGIT is a joint association of Maryland local governments established to provide an alternative to the diminishing availability of insurance coverages to the public sector and the increasing premium costs in the municipal insurance market. LGIT is owned by the members and is directed by the trust agreement effective July 1, 1992.

The Trust Agreement provides that funds in the Capital Account may be used to satisfy obligations of LGIT if monies are not otherwise available in the General and Surplus Account to meet obligations. If the amount of deposit in the Capital Account falls below a certain level, the Capital Account must be replenished. The means for replenishing Capital Account balances would be: (a) one-time assessment not to exceed two times the participant's annual premium in the year of the deficit, (b) prospective premium increases, or (c) the issuance of Certificates of Participation.

Subscribers to coverage provided by LGIT share the risk among participants of the pools. As a result, the County's annual premium requirements will be affected by the loss experience of the various insurance pools in which it participates. Also, the County may be subject to additional assessments from time-to-time. These amounts would be recorded as expenditures when they are probable and can be reasonably estimated. Conversely, favorable performance of certain insurance pools may result in reduced premiums.

LGIT uses reinsurance agreements to reduce its exposure to large losses on all types of insured events. Reinsurance permits recovery of a portion of losses from reinsurers, up to certain per occurrence limits.

The County self-insures its medical coverage for eligible employees. The medical plans are each managed by a third-party administrator. The County's contract with this third-party administrator also includes a \$300,000 stop-loss individual. Dental benefits are also self-insured and managed by a third-party administrator.

The County is using an internal service fund to account for and finance its uninsured risks of loss. All funds of the County make payments to the internal service fund based on historical cost data. The payments from all funds cover at least prior and current year claims.

Claims liabilities at June 30, 2020 for the deductible portions of general, auto, police, legal and public officials covered under LGIT and employee health care coverage are \$75,500 and \$1,645,815 respectively.

The total claims liability of \$1,721,315 reported in the internal service fund at June 30, 2020 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability was incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The claims liabilities are calculated based on historical claim settlement trends and analysis of all outstanding and potential claims.

The County is also self-insured for its workers' compensation. Premiums are paid into the internal service fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. These interfund premiums are used to reduce the amount of claim expenditures reported in the internal service fund. As of June 30, 2020, such interfund premiums did not exceed reimbursable expenditures. The County contracts with a third-party administrator to pay all workers' compensation cost. The County purchases a specific excess and aggregate excess workers' compensation and employer's liability indemnity policy.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2020

The self-insured plan is administered by a commercial insurer. The County’s contract with this insurer includes a \$600,000 Self Insured Retention for all occurrences. The total claims liability of \$3,546,642 has been reported at June 30, 2020. This liability is calculated based on historical claim settlement trends.

Due to specific exclusions in the County’s property insurance, the County also has commercial insurance coverage for its boilers and machinery. Employees are bonded through commercial insurance carriers to limit the loss to the County in the event of employees committing acts of embezzlement or theft.

Changes in the claims for employee health care coverage and the deductible portions of liability and property claims under LGIT and workers compensation were as follows:

	Workers' compensation		Property and liability		Employee health care	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Accrued claims:						
Unpaid claims at beginning of year	\$ 3,609,667	\$ 3,564,677	\$ 35,726	\$ 67,750	\$ 1,512,881	\$ 1,656,464
Incurred claims (Including IBNR)	713,467	634,485	125,192	425,024	15,574,347	15,031,634
Claim payments	(776,492)	(589,495)	(85,418)	(457,048)	(15,441,413)	(15,175,217)
Unpaid Claims at End of Year	\$ 3,546,642	\$ 3,609,667	\$ 75,500	\$ 35,726	\$ 1,645,815	\$ 1,512,881

Component Units

The Board of Education, the Library and the Community College are exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Library is included in the commercial insurance and self-insurance programs of the County. The Board of Education and the Community College use commercial policies to provide insurance coverage excluding health care. Settled claims have not exceeded coverage in any of the past three years.

The Board of Education “BOE” established a limited risk management program for health care insurance. In the past, health care insurance was covered by a third-party carrier. Effective January 1, 1998, the BOE, with Aetna U.S. Healthcare, established a new arrangement for providing coverage for future medical claims. Effective July 1, 2005, employees contribute 15% towards this coverage. Deposits are made by the BOE into a bank account used only for payments resulting from health insurance claims.

The BOE reports the liability for claims and judgments in the General Fund. Changes in the balances of claims liabilities are as follows:

	June 30, 2020	June 30, 2019
Accrued Health Claims:		
Unpaid Claims at Beginning of Year	\$ 7,750,000	\$ 7,900,000
Incurred Claims (Including IBNR)	54,865,624	53,242,514
Claim Payments	(53,865,624)	(53,392,514)
Unpaid Claims at End of Year	\$ 8,750,000	\$ 7,750,000

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2020

The College is self-insured for health and dental benefits provided to its employees. To protect itself against significant losses, the College has stop-loss policies in place for individual participant claims in excess of \$125,000 per year and aggregate annual participant claims in excess of 125% of premium. The College has a contract with an administrative service provider to process participant claims under these programs. Claims filed against stop loss coverage totaled \$506,075 and \$549,074 for the years ended June 30, 2020 and 2019, respectively.

Changes in the balance of claims payable relative to health and dental self-insurance for the years ended June 30, 2020 and 2019 are as follows:

	Amount
Balance - June 30, 2018	\$ 206,908
Claims and Changes in Estimates	3,508,443
Claims Payments	(3,549,003)
Balance - June 30, 2019	166,348
Claims and Changes in Estimates	3,143,967
Claims Payments	(3,232,003)
Balance - June 30, 2020	\$ 78,312

Note 17 – Subsequent Events

On November 19, 2020, The County issued \$54,010,000 of general obligation bonds of which \$34,010,000 are refunding bonds to refund Consolidated Public Improvement Bonds of 2010 Series D (Federally Taxable Build America Bonds – Direct Payment), and Consolidated Public Improvement and Refunding Bonds of 2012 and 2013 during fiscal year 2021. The remaining \$20 million will be used to finance projects for some or all of the following categories: general government, public works, public schools, and conservation and water resources.

In December 2019 and early 2020, the coronavirus that caused COVID-19 was reported to have surfaced in China. The spread of this virus globally, including early 2020, has caused business disruption in the United States and the area in which the County primarily operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of this uncertainty. Therefore, while the County expects this matter to negatively impact the County’s financial position, the extent of the financial impact and duration cannot be reasonably estimated at this time.

Required Supplementary Information

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Changes in the Net Pension Liability (NPL) and Related Ratios for the Carroll County
Employee Pension Plan
Last 10 Fiscal Years
(Dollar amounts in thousands)

RSI-1

	2020	2019	2018	2017	2016	2015	2014	2013
Total pension liability								
Service cost	\$ 4,588	\$ 4,415	\$ 4,207	\$ 3,861	\$ 3,513	\$ 3,301	\$ 3,085	
Interest	7,307	6,628	5,911	5,345	4,825	4,377	3,955	Information
Changes of benefit terms	(60)	-	2,037	-	-	-	-	
Differences between expected and actual experience	(265)	1,096	202	767	(953)	(100)	-	for FY13
Changes of assumptions	(763)	-	-	-	1,635	-	-	and earlier
Benefit payments including refunds of member contributions	(2,638)	(2,264)	(1,944)	(1,856)	(1,300)	(1,086)	(925)	is not available
Net change in total pension liability	8,169	9,875	10,413	8,117	7,720	6,492	6,115	
Total pension liability- beginning	105,696	95,821	85,408	77,291	69,571	63,079	56,964	
Total pension liability- ending	\$ 113,865	\$ 105,696	\$ 95,821	\$ 85,408	\$ 77,291	\$ 69,571	\$ 63,079	
Plan fiduciary net position								
Contribution-employer	\$ 3,169	\$ 3,157	\$ 3,067	\$ 2,636	\$ 2,542	\$ 2,558	\$ 2,367	
Contributions-member	2,131	2,091	1,916	1,773	1,688	1,619	1,573	
Net investment income	2,230	7,257	6,939	7,683	1,306	2,645	7,867	
Benefit payments, including refund of member contributions	(2,637)	(2,264)	(1,944)	(1,856)	(1,300)	(1,086)	(925)	
Administrative expense	(50)	(48)	(52)	(43)	(37)	(37)	(45)	
Net change in plan fiduciary net position	4,843	10,193	9,926	10,193	4,199	5,699	10,837	
Plan fiduciary net position- beginning	97,027	86,834	76,907	66,714	62,515	56,816	45,979	
Plan fiduciary net position- ending	\$ 101,870	\$ 97,027	\$ 86,833	\$ 76,907	\$ 66,714	\$ 62,515	\$ 56,816	
Net pension liability - ending	\$ 11,995	\$ 8,669	\$ 8,988	\$ 8,501	\$ 10,577	\$ 7,056	\$ 6,263	
Plan fiduciary net position as a percentage of the total pension liability	89.47%	91.80%	90.62%	90.05%	86.32%	89.86%	90.07%	
Covered payroll	\$ 38,841	\$ 37,963	\$ 36,435	\$ 34,841	\$ 33,047	\$ 32,278	\$ 30,699	
Net pension liability as a percentage of covered payroll	30.88%	22.84%	24.67%	24.40%	32.01%	21.86%	20.40%	
Expected average remaining service years for all participants	5	5	5	5	5	6	6	

Notes to Schedule:

Benefit changes: The plan has been amended to add a 45% catastrophic and 35% non-catastrophic benefit for Correctional Officers.

Changes of Assumptions: the mortality table was changed from RP-2014 Mortality with generational projection using scale MP2014 to Pub-2010 General Employees Mortality with generational projection using scale MP2019.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Carroll County's Contributions for the Carroll County Employee Pension Plan
Last 10 Fiscal Years
(Dollar amounts in thousands)

RSI-2

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 3,085	\$ 2,959	\$ 2,770	\$ 2,636	\$ 2,542	\$ 2,538	\$ 2,366	\$ 2,253	\$ 2,550	\$ 2,810
Contributions in relation to the actuarially determined contribution	<u>3,169</u>	<u>3,157</u>	<u>3,067</u>	<u>2,636</u>	<u>2,542</u>	<u>2,558</u>	<u>2,367</u>	<u>2,586</u>	<u>2,741</u>	<u>3,000</u>
Contribution deficiency (excess)	<u>\$ (84)</u>	<u>\$ (198)</u>	<u>\$ (297)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20)</u>	<u>\$ (1)</u>	<u>\$ (333)</u>	<u>\$ (191)</u>	<u>\$ (190)</u>
Covered payroll	\$ 38,841	\$ 37,963	\$ 36,435	\$ 34,841	\$ 33,047	\$ 32,278	\$ 30,699	\$ 30,414	\$ 32,267	\$ 34,986
Contributions as a percentage of covered payroll	8.16%	8.32%	8.42%	7.57%	7.69%	7.92%	7.71%	8.50%	8.49%	8.57%

Notes to Schedule

Valuation date:

Actuarially determined contribution amounts are calculated as of the beginning of the fiscal year (July 1) for the year immediately following the fiscal year.

Actuarial valuations are performed every year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit
Amortization method	Level Percentage of Payroll
Remaining amortization period	20 years for gains and losses (closed), 9 years for prior plan and assumption changes
Asset valuation method	5-year smoothed market
Inflation	3.0 percent
Salary increases	Rates vary by participant age
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation
Retirement age	100% when first eligible for unreduced benefits
Mortality	RP-2014 with generational projection using scale MP-2014

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Investment Returns for the Carroll County Employee Pension Plan
Last 10 Fiscal Years

RSI-3

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual money-weighted rate of return, net of investment expense	2.29%	8.18%	8.77%	11.19%	2.08%	4.53%	16.32%	Information for FY13 and earlier is not available

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Changes in the Net Pension Liability (NPL) and Related Ratios for the Carroll County
Certified Law Officers Pension Plan
Last 10 Fiscal Years
(Dollar amounts in thousands)

RSI-4

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total pension liability								
Service cost	\$ 1,654	\$ 1,281	\$ 1,117	\$ 1,090	\$ 1,000	\$ 983	\$ 904	
Interest	1,403	1,207	1,044	887	813	726	630	
Change of benefit terms	(427)	-	-	-	-	-	-	
Differences between expected and actual experience	360	623	502	560	(380)	(242)	-	
Change of assumption	(193)	-	-	-	(115)	-	-	
Benefit payments, including refunds of member contributions	(324)	(297)	(361)	(260)	(244)	(199)	(124)	
Net change in total pension liability	<u>2,473</u>	<u>2,814</u>	<u>2,302</u>	<u>2,277</u>	<u>1,074</u>	<u>1,268</u>	<u>1,410</u>	
Total pension liability- beginning	<u>20,200</u>	<u>17,386</u>	<u>15,084</u>	<u>12,807</u>	<u>11,733</u>	<u>10,465</u>	<u>9,055</u>	
Total pension liability- ending	<u><u>\$22,673</u></u>	<u><u>\$20,200</u></u>	<u><u>\$17,386</u></u>	<u><u>\$15,084</u></u>	<u><u>\$12,807</u></u>	<u><u>\$11,733</u></u>	<u><u>\$10,465</u></u>	
Plan fiduciary net position								
Contribution-employer	\$ 1,318	\$ 933	\$ 798	\$ 799	\$ 681	\$ 835	\$ 870	
Contributions-member	585	543	430	619	416	415	580	
Net investment income	611	1,247	1,042	1,196	191	368	978	
Benefit payments, including refund of member contributions	(324)	(297)	(362)	(260)	(244)	(199)	(124)	
Administrative expense	(15)	(12)	(9)	(8)	(7)	(7)	(7)	
Net change in plan fiduciary net position	<u>2,175</u>	<u>2,414</u>	<u>1,899</u>	<u>2,346</u>	<u>1,037</u>	<u>1,412</u>	<u>2,297</u>	
Plan fiduciary net position- beginning	<u>16,801</u>	<u>14,387</u>	<u>12,488</u>	<u>10,142</u>	<u>9,105</u>	<u>7,693</u>	<u>5,396</u>	
Plan fiduciary net position- ending	<u><u>18,976</u></u>	<u><u>16,801</u></u>	<u><u>14,387</u></u>	<u><u>12,488</u></u>	<u><u>10,142</u></u>	<u><u>9,105</u></u>	<u><u>7,693</u></u>	
Net pension liability - ending	<u><u>\$ 3,697</u></u>	<u><u>\$ 3,399</u></u>	<u><u>\$ 2,999</u></u>	<u><u>\$ 2,596</u></u>	<u><u>\$ 2,665</u></u>	<u><u>\$ 2,628</u></u>	<u><u>\$ 2,772</u></u>	
Plan fiduciary net position as a percentage of the total pension liability	83.69%	83.17%	82.75%	82.79%	79.19%	77.60%	73.51%	
Covered payroll	\$ 7,274	\$ 6,236	\$ 5,535	\$ 5,586	\$ 4,974	\$ 5,552	\$ 5,295	
Net pension liability as a percentage of covered payroll	50.82%	54.51%	54.18%	46.47%	53.58%	47.33%	52.35%	
Expected average remaining service years of all participants	9	9	9	10	10	10	10	

Notes to Schedule:

Benefit changes: The minimum LOD catastrophic disability benefit increased from 30% of Average Compensation to 45% of Average Compensation, and a non-catastrophic disability benefit of 35% of Average Compensation was added to the plan.

Changes of Assumptions: The mortality table was changed from RP-2014 Mortality with generational projection using scale MP2014 to Pub-2010 General Employees Mortality with generational projection using scale MP2019. Additionally, disability rates were subject to account for the new disability benefit.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Carroll County's Contributions for the Carroll County Certified Law Officers Pension Plan
Last 10 Fiscal Years
(Dollar amounts in thousands)

RSI-5

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 842	\$ 704	\$ 694	\$ 645	\$ 683	\$ 686	\$ 558	\$ 505	\$ 520	\$ 544
Contributions in relation to the actuarially determined contribution	<u>1,318</u>	<u>933</u>	<u>798</u>	<u>799</u>	<u>681</u>	<u>835</u>	<u>870</u>	<u>787</u>	<u>700</u>	<u>590</u>
Contribution deficiency	<u>\$ (476)</u>	<u>\$ (229)</u>	<u>\$ (104)</u>	<u>\$ (154)</u>	<u>\$ 2</u>	<u>\$ (149)</u>	<u>\$ (312)</u>	<u>\$ (282)</u>	<u>\$ (180)</u>	<u>\$ (46)</u>
Covered payroll	\$ 7,274	\$ 6,236	\$ 5,535	\$ 5,586	\$ 4,974	\$ 5,552	\$ 5,295	\$ 5,295	\$ 5,295	\$ 5,295
Contributions as a percentage of covered payroll	18.12%	14.96%	14.42%	14.30%	13.69%	15.04%	16.43%	14.86%	13.22%	11.14%

Notes to Schedule

Valuation date:

Actuarially determined contribution amounts are calculated as of the beginning of the fiscal year (July 1) for the year immediately following the fiscal year.

Actuarial valuations are performed every year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit (Entry Age used for GASB 67 purposes)
Amortization method	Level Percentage of Payroll
Remaining amortization period	20 years for gains and losses (closed), 17 years for prior plan and assumption changes
Asset valuation method	5-year smoothed market
Inflation	3.0 percent
Salary increases	Rates vary by participant age
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation
Retirement age	100% when first eligible for unreduced benefits
Mortality	RP-2014 with generational projection using scale MP-2014

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Investment Returns for the Carroll County Certified Law Officers Pension Plan
Last 10 Fiscal Years

RSI-6

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual money-weighted rate of return, net of investment expense	3.49%	8.32%	8.08%	10.99%	2.11%	4.51%	15.33%	Information for FY13 and earlier is not available

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Changes in the Volunteer Firemen Pension Plan Liability and Related Ratios
Last 10 Fiscal Years
(Dollar amounts in thousands)

RSI-7

	2020	2019	2018	2017	2016	2015	2014
Total pension liability							
Service cost	\$ 162	\$ 154	\$ 155	\$ 147	\$ 151	\$ 146	Information for FY14 and earlier is not available
Interest	778	720	685	681	672	661	
Change of benefit terms	431	489	439	-	-	-	
Difference between actual and expected	-	284	-	(44)	-	-	
Benefit payments, including refunds of member contributions	(910)	(816)	(777)	(701)	(687)	(988)	
Net change in total pension liability	<u>461</u>	<u>831</u>	<u>502</u>	<u>83</u>	<u>136</u>	<u>(181)</u>	
Total pension liability- beginning	<u>11,138</u>	<u>10,307</u>	<u>9,805</u>	<u>9,722</u>	<u>9,586</u>	<u>9,767</u>	
Total pension liability- ending	<u>\$ 11,599</u>	<u>\$ 11,138</u>	<u>\$ 10,307</u>	<u>\$ 9,805</u>	<u>\$ 9,722</u>	<u>\$ 9,586</u>	
Plan fiduciary net position							
Contribution-employer	\$ 398	\$ 1,282	\$ 166	\$ 100	\$ 50	\$ 250	
Net investment income	184	748	661	766	484	874	
Benefit payments, including refund of member contributions	(910)	(816)	(777)	(700)	(687)	(988)	
Administrative expense	(34)	(21)	(15)	(9)	(6)	(20)	
Net change in plan fiduciary net position	<u>(362)</u>	<u>1,193</u>	<u>35</u>	<u>157</u>	<u>(159)</u>	<u>116</u>	
Plan fiduciary net position- beginning	<u>9,690</u>	<u>8,497</u>	<u>8,462</u>	<u>8,305</u>	<u>8,464</u>	<u>8,348</u>	
Plan fiduciary net position- ending	<u>9,328</u>	<u>9,690</u>	<u>8,497</u>	<u>8,462</u>	<u>8,305</u>	<u>8,464</u>	
Net pension liability ending	<u>\$ 2,271</u>	<u>\$ 1,448</u>	<u>\$ 1,810</u>	<u>\$ 1,343</u>	<u>\$ 1,417</u>	<u>\$ 1,122</u>	
Plan fiduciary net position as a percentage of the total pension liability	80.42%	87.00%	82.44%	86.30%	85.42%	88.30%	
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	
Expected average remaining service years of all participants	8	8	8	8	8	8	
Notes to Schedule:							
Benefit Changes	Yes*	Yes*	Yes*	None	None	None	
Changes of Assumptions	None	None	None	None	None	None	

* For FY 2018 the base monthly benefit for recipients changed from \$125 to \$135

* For FY 2019 the base monthly benefit for recipients changed from \$135 to \$145

* For FY 2020 the base monthly benefit for recipients changed from \$145 to \$155

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Carroll County's Contributions for the Volunteer Firemen Pension Plan
Last 10 Fiscal Years
(Dollar amounts in thousands)

RSI-8

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 736	\$ 674	\$ 674	\$ 276	\$ 276	\$ 436	\$ 436	\$ 436	\$ 380	\$ 380
Contributions in relation to the actuarially determined contribution	<u>398</u>	<u>1,282</u>	<u>166</u>	<u>100</u>	<u>50</u>	<u>250</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ 338</u>	<u>\$ (608)</u>	<u>\$ 508</u>	<u>\$ 176</u>	<u>\$ 226</u>	<u>\$ 186</u>	<u>\$ 186</u>	<u>\$ 436</u>	<u>\$ 380</u>	<u>\$ 380</u>
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule

Valuation date:

Actuarially determined contribution amounts are calculated as of the beginning of the calendar year (January 1) for the following two fiscal years.

Actuarial valuations are performed every other year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Unit Credit (Entry Age used for GASB 67 purposes)
Amortization method	Level payments over a period of 10 years
Remaining amortization period	10 years
Asset valuation method	Market Value
Inflation	3.0%
Salary increases	Not Applicable
Investment rate of return	7.0%, net of pension plan investment expense, including inflation
Retirement age	The later of 25 years of service and age 60
Mortality	RP-2000 Combined Healthy tables with Blue Collar adjustment, blended 75% male and generational projection using Scale AA

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Investment Returns for the Volunteer Firemen Pension Plan
Last 10 Fiscal Years

RSI-9

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	1.91%	8.05%	8.23%	9.57%	6.08%	4.43%	Information for FY14 and earlier is not available

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability (NPL) and Schedule of Pension Plan Contributions
for the State of Maryland - Carroll County Elected / Appointed Officials Pension Plan
Last 10 Fiscal Years

RSI-10

Schedule of Proportionate Share of the Net Pension Liability (NPL)

	2020	2019	2018	2017	2016	2015	2014
County's proportionate share (%) of collective net pension liability	0.1443800%	0.1485200%	0.0012984%	0.0011831%	0.0009711%	0.0000795%	
County's proportionate share (\$) of collective net pension liability	\$ 297,788	\$ 311,617	\$ 280,764	\$ 279,129	\$ 201,819	\$ 141,030	Information for FY14 and earlier is not available
County's covered payroll (\$)	163,201	159,568	144,568	140,701	131,805	N/A	
County's proportionate share (%) of collective net pension liability of its covered payroll	182.47%	195.29%	194.21%	198.38%	153.12%	N/A	
Plan fiduciary net position as a percentage of the total pension liability	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%	

Schedule of Pension Plan Contributions

	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 29,648	\$ 29,616	\$ 26,427	\$ 23,047	\$ 20,469	\$ 18,519	
Contributions in relation to the contractually required contribution	29,648	29,616	26,427	23,047	20,469	18,519	Information for FY14 and earlier is not available
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Covered payroll contributions (fiscal year)	\$ 182,834	\$ 163,201	\$ 159,568	\$ 144,568	\$ 140,701	\$ 131,805	
Contributions as a percentage of covered payroll	16.22%	18.15%	16.56%	15.94%	14.55%	14.05%	

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability (NPL) and Schedule of Pension Plan Contributions
for the State of Maryland - Carroll County Soil Conservation District Pension Plan
Last 10 Fiscal Years

RSI-11

Schedule of Proportionate Share of the Net Pension Liability (NPL)

	2020	2019	2018	2017	2016	2015	2014
County's proportionate share (%) of collective net pension liability	0.0012450%	0.0011765%	0.0010685%	0.0010065%	0.0012214%	0.0011016%	
County's proportionate share (\$) of collective net pension liability	\$ 256,788	\$ 246,840	\$ 231,050	\$ 237,464	\$ 253,830	\$ 195,496	Information for FY14 and earlier is not available
County's covered payroll (\$)	289,143	269,351	261,489	225,564	260,994	N/A	
County's proportionate share (%) of collective net pension liability of its covered payroll	88.81%	91.64%	88.36%	105.28%	97.26%	N/A	
Plan fiduciary net position as a percentage of the total pension liability	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%	

Schedule of Pension Plan Contributions

	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 25,566	\$ 23,459	\$ 21,748	\$ 19,607	\$ 25,744	\$ 25,671	
Contributions in relation to the contractually required contribution	25,566	23,459	21,748	19,607	25,744	25,671	Information for FY14 and earlier is not available
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Covered payroll contributions (fiscal year)	\$ 297,815	\$ 289,143	\$ 269,351	\$ 261,489	\$ 225,564	\$ 260,994	
Contributions as a percentage of covered payroll	8.58%	8.11%	8.07%	7.50%	11.41%	9.84%	

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios for the
Retiree Benefit Trust, Board of County Commissioner of Carroll County, Maryland
Last 10 Fiscal Years

RSI-12

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total OPEB liability					
Service cost	\$ 4,606,256	\$ 4,219,566	\$ 4,041,730	\$ 3,871,389	Information for FY16 and earlier is not available
Interest	16,048,360	14,727,964	13,782,166	12,894,546	
Experience losses/gains	(3,218,840)	(2,708,749)	-	-	
Changes in assumptions	(9,123,905)	7,920,465	-	-	
Benefit payments including refunds of member contributions	<u>(6,039,792)</u>	<u>(4,553,096)</u>	<u>(4,071,895)</u>	<u>(4,099,405)</u>	
Net change in total OPEB liability	<u>2,272,079</u>	<u>19,606,150</u>	<u>13,752,001</u>	<u>12,666,530</u>	
Total OPEB liability- beginning	<u>232,282,178</u>	<u>212,676,028</u>	<u>198,924,027</u>	<u>186,257,497</u>	
Total OPEB liability- ending	<u>\$ 234,554,257</u>	<u>\$ 232,282,178</u>	<u>\$ 212,676,028</u>	<u>\$ 198,924,027</u>	
Plan fiduciary net position					
Contribution-employer	\$ 12,493,310	\$ 11,430,300	\$ 10,550,000	\$ 10,103,580	
Net investment income	2,691,365	7,862,600	7,107,417	7,460,623	
Benefit payments	(6,039,792)	(4,553,096)	(4,071,895)	(4,099,405)	
Administrative expense	<u>(2,510)</u>	<u>(2,440)</u>	<u>(2,370)</u>	<u>-</u>	
Net change in plan fiduciary net position	9,142,373	14,737,364	13,583,152	13,464,798	
Plan fiduciary net position- beginning	<u>108,317,910</u>	<u>93,580,546</u>	<u>79,997,394</u>	<u>66,532,596</u>	
Plan fiduciary net position- ending	<u>\$ 117,460,283</u>	<u>\$ 108,317,910</u>	<u>\$ 93,580,546</u>	<u>\$ 79,997,394</u>	
Net OPEB liability - ending	<u>\$ 117,093,974</u>	<u>\$ 123,964,268</u>	<u>\$ 119,095,482</u>	<u>\$ 118,926,633</u>	
Plan fiduciary net position as a percentage of the total OPEB liability	50.08%	46.63%	44.00%	40.22%	
Covered payroll	\$ -	\$ -	\$ -	\$ -	
Net OPEB liability as a percentage of covered payroll (1)	0.00%	0.00%	0.00%	0.00%	
Expected average remaining service years for all participants	6	6	6	6	
Notes to Schedule:					
Benefit changes:	None	None	None	None	
Changes of Assumptions:	None	None	None	None	
Discount Rate:	7%	7%	7%	7%	

(1) Because this OPEB plan does not depend on salary, we do not have salary information.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Carroll County's Contributions for the
Retiree Benefit Trust, Board of County Commissioner of Carroll County, Maryland
Last 10 Fiscal Years

RSI-13

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 13,196,000	\$ 12,743,000	\$ 11,489,000	\$ 11,353,000	\$ 10,474,000	\$ 10,111,000	\$ 10,457,000	\$ 10,142,000	\$ 11,661,000	\$ 11,937,000
Contributions in relation to the actuarially determined contribution	<u>12,493,310</u>	<u>11,430,300</u>	<u>10,550,000</u>	<u>10,103,580</u>	<u>10,103,580</u>	<u>9,632,900</u>	<u>10,056,900</u>	<u>8,438,080</u>	<u>7,852,800</u>	<u>7,298,000</u>
Contribution deficiency (excess)	<u>\$ 702,690</u>	<u>\$ 1,312,700</u>	<u>\$ 939,000</u>	<u>\$ 1,249,420</u>	<u>\$ 370,420</u>	<u>\$ 478,100</u>	<u>\$ 400,100</u>	<u>\$ 1,703,920</u>	<u>\$ 3,808,200</u>	<u>\$ 4,639,000</u>
Covered payroll (1)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule

(1) Contributions as a percentage of covered payroll

Because this OPEB plan does not depend on salary, we do not have salary information.

Benefit Changes

None.

Valuation date

The FYE 2020 actuarially determined contribution (ADC) is calculated as 7/1/2019 and is based on data as of 7/1/2018.

The FYE 2019 actuarially determined contribution (ADC) is calculated as 7/1/2018 and is based on data as of 7/1/2018.

Changes of assumptions

The long term medical trend was updated.

Methods and assumptions used to determine contribution rates:

Valuation Date 7/1/2018

Actuarial cost method Projected Unit Credit

Amortization method Level percent of payroll

Remaining amortization period 19 years for FYE 2020

Asset valuation method Market value of assets

Investment rate of return 7.00%

Payroll growth rate 3.00%

Inflation 2.20%

Healthcare cost trend rate The trend for 2020 is 5.3% Pre-Medicare and 3.8% Post-Medicare. The ultimate trend is 3.9%.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Required Supplementary Information
Schedule of Investment Returns for the
Retiree Benefit Trust, Board of County Commissioner of Carroll County, Maryland
Last 10 Fiscal Years

RSI-14

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual money-weighted rate of return, net of investment expense	2.22%	7.54%	8.04%	9.99%	Information for FY16 and earlier is not available

Supplementary Information

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP)
General Fund
For the Year Ended June 30, 2020

Schedule 1-1

	Budget Amounts		Actual Revenues	Variance with Final Budget
	Original Budget	Final Budget		
RESOURCES (INFLOWS)				
Revenues				
Taxes - Local Property				
Real property	\$ 197,631,160	\$ 197,631,160	\$ 197,521,945	\$ (109,215)
Real property - prior years	300,000	300,000	361,133	61,133
Personal property	350,000	350,000	349,209	(791)
Railroad and public utilities	8,000,000	8,000,000	8,034,252	34,252
Ordinary business corporations	7,798,600	7,798,600	8,194,354	395,754
Penalties and interest-delinquent taxes	820,000	820,000	744,095	(75,905)
Semi-annual service charges	100,000	100,000	385,820	285,820
	<u>214,999,760</u>	<u>214,999,760</u>	<u>215,590,808</u>	<u>591,048</u>
Deductions				
Discounts allowed on taxes	(860,000)	(860,000)	(868,291)	(8,291)
Property Tax Rebate	-	-	(220)	(220)
Payment in Lieu of Taxes	16,800	16,800	-	(16,800)
Homestead tax credit	(20,000)	(20,000)	-	20,000
	<u>(863,200)</u>	<u>(863,200)</u>	<u>(868,511)</u>	<u>(5,311)</u>
Net Taxes - Local Property	<u>214,136,560</u>	<u>214,136,560</u>	<u>214,722,297</u>	<u>585,737</u>
Taxes - Local Other				
Income tax	151,798,000	151,798,000	156,556,339	4,758,339
911 service fees	2,850,000	2,850,000	1,766,038	(1,083,962)
Recordation tax	14,307,500	14,307,500	14,840,846	533,346
Heavy equipment tax	125,000	125,000	157,948	32,948
Admissions and amusement tax	350,000	350,000	251,253	(98,747)
Total Taxes - Local Other	<u>169,430,500</u>	<u>169,430,500</u>	<u>173,572,424</u>	<u>4,141,924</u>
Licenses and Permits				
Beer, wine and liquor licenses	210,000	210,000	153,023	(56,977)
Amusement	2,000	2,000	-	(2,000)
Traders	133,900	133,900	116,710	(17,190)
Animal	65,000	65,000	44,084	(20,916)
Buildings	1,032,100	1,032,100	1,053,643	21,543
Mobile home licenses	62,000	62,000	71,860	9,860
Cable Franchise Fee	1,827,000	1,827,000	1,663,153	(163,847)
Marriage	33,000	33,000	26,540	(6,460)
Grading	22,000	22,000	21,831	(169)
Inspection Fees	8,000	8,000	3,125	(4,875)
Kennel Licenses	18,000	18,000	17,200	(800)
Total Licenses and Permits	<u>3,413,000</u>	<u>3,413,000</u>	<u>3,171,169</u>	<u>(241,831)</u>
Intergovernmental Revenues				
Federal	-	-	82,176	82,176
Build America Bonds Subsidy	750,270	750,270	469,306	(280,964)
State Aid-Fire Companies	388,600	388,600	388,287	(313)
Parks and Recreation Facilities	-	-	52,186	52,186
Security Interest Filing Fee	-	-	385	385
Department of Agriculture Cost Sharing	-	-	6,797	6,797
Police Aid-Regular	860,000	860,000	912,146	52,146
Grand & Petit Jury Reimburse	52,000	52,000	38,040	(13,960)
Circuit Court Master Reimburse	184,590	184,590	184,589	(1)
Westminster	22,000	22,000	22,925	925
Total Intergovernmental Revenues	<u>2,257,460</u>	<u>2,257,460</u>	<u>2,156,837</u>	<u>(100,623)</u>

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP)
General Fund
For the Year Ended June 30, 2020

Schedule 1-1

	Budget Amounts		Actual Revenues	Variance with Final Budget
	Original Budget	Final Budget		
Charges for Services				
General Government				
Lien certificates	\$ 215,000	\$ 215,000	\$ 198,875	\$ (16,125)
Data processing	3,100	3,100	2,195	(905)
Hearing fees-zoning appeals	14,000	14,000	16,735	2,735
Copy fees and code books	14,900	14,900	11,258	(3,642)
Health dept-telephone and janitorial	50,000	50,000	43,706	(6,294)
Returned Check Fees	-	-	3,889	3,889
Hearing fees-zoning administration	12,600	12,600	4,675	(7,925)
Total Serv Chrg - General Government	309,600	309,600	281,333	(28,267)
Public Safety				
Sheriff's services-salary recovery	14,890	14,890	66,062	51,172
Sheriff's services-fees	102,790	102,790	102,729	(61)
Sheriff's services-detention center	200,000	200,000	168,233	(31,767)
Inspection fees-roads	75,000	75,000	4,118	(70,882)
Inspections fees-development review	12,000	12,000	1,556	(10,444)
Detention center-commissary	50,000	50,000	54,372	4,372
Detention center-work release	70,000	70,000	29,179	(40,821)
Sheriff-Citations	6,380	6,380	13,520	7,140
Fire Protection Plan Review Fee	97,000	97,000	33,352	(63,648)
Sheriff-home detention	21,890	21,890	10,807	(11,083)
Juvenile transport	21,530	21,530	17,551	(3,979)
State criminal alien assistance program	2,620	2,620	-	(2,620)
Sheriff's Sex Offender Fees	26,000	26,000	28,000	2,000
Sheriff-Training Academy	100,970	100,970	61,525	(39,445)
Total Serv Chrg - Public Safety	801,070	801,070	591,004	(210,066)
Public Works				
Road maintenance	110,000	110,000	33,485	(76,515)
Fuel reimbursements	600,000	600,000	479,103	(120,897)
Tipping Fees - Northern Landfill	-	-	250	250
Vehicle maintenance	475,000	475,000	378,080	(96,920)
Courthouse Annex-Rent/Heat	13,000	13,000	12,994	(6)
Development review fees	130,000	130,000	154,152	24,152
Total Serv Chrg - Public Works	1,328,000	1,328,000	1,058,064	(269,936)
Conservation of Natural Resources				
Stormwater/environment review fee	36,000	36,000	52,582	16,582
Engineering Review Fees	20,000	20,000	18,360	(1,640)
Flood plain review fees	2,000	2,000	1,000	(1,000)
Forest conservation review fee	22,000	22,000	8,875	(13,125)
Weed control spraying	71,580	71,580	68,779	(2,801)
Total Serv Chrg- Conservation of Natural Resources	151,580	151,580	149,596	(1,984)
Human Services				
Westminster Sr. Ctr. Classes	13,000	13,000	6,609	(6,391)
North Carroll Sr. Ctr. Classes	21,000	21,000	19,261	(1,739)
South Carroll Sr. Ctr. Classes	28,000	28,000	23,850	(4,150)
Taneytown Sr. Ctr. Classes	3,600	3,600	815	(2,785)
Mt. Airy Sr. Ctr. Classes	14,000	14,000	9,678	(4,322)
Total Serv Chrg- Human Services	79,600	79,600	60,213	(19,387)

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP)
General Fund
For the Year Ended June 30, 2020

Schedule 1-1

	Budget Amounts		Actual Revenues	Variance with Final Budget
	Original Budget	Final Budget		
Culture and Recreation				
Farm museum	\$ 196,000	\$ 196,000	\$ 110,799	\$ (85,201)
Piney Run Park	378,700	378,700	322,638	(56,062)
Bear Branch Programs	18,000	18,000	18,341	341
Hashawha environmental center	279,000	279,000	199,747	(79,253)
General public & school/youth programs	33,500	33,500	12,204	(21,296)
Outdoor school meals/concessions	147,000	147,000	109,217	(37,783)
Sports complex	60,800	60,800	18,291	(42,509)
Pavilion & facility rentals	67,700	67,700	26,235	(41,465)
Bus Trips	-	-	50	50
Wine Festival	350,000	350,000	277,079	(72,921)
Dog Park memberships	4,000	4,000	10,590	6,590
Total Culture and Recreation	<u>1,534,700</u>	<u>1,534,700</u>	<u>1,105,191</u>	<u>(429,509)</u>
Total Charges for Services	<u>4,204,550</u>	<u>4,204,550</u>	<u>3,245,401</u>	<u>(959,149)</u>
Fines and Forfeits				
Circuit Court Fines	30,000	30,000	22,690	(7,310)
Liquor license fines	7,200	7,200	11,200	4,000
HS Fines/Violations	10,000	10,000	8,625	(1,375)
Humane society impoundment fees	20,000	20,000	19,674	(326)
Building Code Inspection Violation	-	-	3,068	3,068
Parking violations-sheriff	250	250	347	97
Total Fines and Forfeits	<u>67,450</u>	<u>67,450</u>	<u>65,604</u>	<u>(1,846)</u>
Interest and gain on investments	3,825,913	3,825,913	3,022,461	(803,452)
Miscellaneous Revenues				
Rents and concessions	381,560	381,560	6,193,330	5,811,770
Utilities	-	-	22,456	22,456
Equipment sales	150,000	150,000	161,546	11,546
Postage	26,650	26,650	20,561	(6,089)
Aging Bus Cost Recovery	25,000	25,000	22,329	(2,671)
Pension Recovery	335,000	335,000	315,519	(19,481)
Health department	5,000	5,000	4,102	(898)
OPEB Recovery	370,000	370,000	420,635	50,635
State Retire Recovery	6,650	6,650	5,895	(755)
Sheriff Academy Recovery	-	-	16,705	16,705
Grant Indirect Cost Recovery	-	-	44,104	44,104
Fleet Cost Recovery	-	-	11,855	11,855
Jury Duty	-	-	242	242
Procurement Card Rebates	35,000	35,000	60,584	25,584
Recovery Supp Svc Program	13,200	13,200	8,344	(4,856)
Advertising	10,000	10,000	9,000	(1,000)
Miscellaneous	200,460	200,460	93,211	(107,249)
Total Miscellaneous Revenues	<u>1,558,520</u>	<u>1,558,520</u>	<u>7,410,418</u>	<u>5,851,898</u>
Total Revenues	<u>398,893,953</u>	<u>398,893,953</u>	<u>407,366,611</u>	<u>8,472,658</u>
Other financing resources				
Appropriated fund balance (Intrafund)	9,281,447	9,281,447	-	(9,281,447)
Transfers In (Interfund)	10,633,930	10,633,930	10,538,255	(95,675)
Refunding bonds issued	-	-	39,797,184	39,797,184
Bonds Premium	-	-	5,636,957	5,636,957
Non-cash Note Proceeds (Issuance of GO Debt)	-	-	1,024,000	1,024,000
Total Other Financing Resources	<u>19,915,377</u>	<u>19,915,377</u>	<u>56,996,396</u>	<u>37,081,019</u>
Total Resources (Inflows)	<u>\$ 418,809,330</u>	<u>\$ 418,809,330</u>	<u>\$ 464,363,007</u>	<u>\$ 45,553,677</u>

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP)
General Fund
For the Year Ended June 30, 2020

Schedule 1-1

	Budget Amounts		Actual Expenditures	Variance with Final Budget
	Original Budget	Final Budget		
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Expenditures				
General Government				
County Commissioners				
County Commissioners	\$ 979,630	\$ 1,250,155	\$ 1,172,362	\$ 77,793
Audio/Video Production	183,910	271,635	267,438	4,197
Zoning Administrator	239,230	349,121	340,650	8,471
Technology Services	4,685,310	5,343,005	5,095,886	247,119
Production/Distribution Service	448,270	504,522	391,268	113,254
Total County Commissioners	<u>6,536,350</u>	<u>7,718,438</u>	<u>7,267,604</u>	<u>450,834</u>
Carroll County Board of Elections	1,449,700	1,450,372	1,044,325	406,047
County Attorney	724,440	891,449	853,449	38,000
Comptroller				
Comptroller Administration	401,420	475,715	408,823	66,892
Accounting	1,033,570	1,383,410	1,316,712	66,698
Purchasing	402,490	516,238	477,495	38,743
Independent Post - Auditing	51,770	51,770	50,760	1,010
Bond Issuance Expense	243,220	243,220	510,209	(266,989)
Collections Office	1,221,110	1,445,569	1,347,052	98,517
Total Comptroller	<u>3,353,580</u>	<u>4,115,922</u>	<u>4,111,051</u>	<u>4,871</u>
Human Resources				
Human Resources Administration	1,279,720	1,240,106	1,108,299	131,807
Fringe Benefits	28,354,510	1,700,007	1,328,034	371,973
Personnel Services	148,010	236,339	217,586	18,753
Total Human Resources	<u>29,782,240</u>	<u>3,176,452</u>	<u>2,653,919</u>	<u>522,533</u>
Management and Budget				
Management and Budget Admin.	247,050	296,794	278,056	18,738
Risk Management	2,302,650	1,917,061	1,594,332	322,729
Budget	552,030	730,132	722,202	7,930
Grant Management	157,330	195,113	165,827	29,286
Total Management and Budget	<u>3,259,060</u>	<u>3,139,100</u>	<u>2,760,417</u>	<u>378,683</u>
Land Use, Planning & Development				
Land Use, Planning & Dev. Admin.	744,760	1,013,290	981,388	31,902
Comprehensive Planning	820,250	1,072,948	964,597	108,351
Development Review	488,880	673,614	662,419	11,195
Devel Review - Stormwater Mgmt	-	-	2,335	(2,335)
Resources Management	766,230	1,063,959	989,548	74,411
Total Land Use, Planning & Development	<u>2,820,120</u>	<u>3,823,811</u>	<u>3,600,287</u>	<u>223,524</u>
General Services				
Permits & Inspections	1,449,890	2,060,119	2,030,205	29,914
Building Construction	334,970	394,226	333,300	60,926
Facilities Administration	6,858,180	8,182,052	6,812,091	1,369,961
Facilities	4,305,310	4,554,633	2,370,489	2,184,144
Fleet Management	7,873,160	4,535,684	2,819,956	1,715,728
Total General Services	<u>20,821,510</u>	<u>19,726,714</u>	<u>14,366,041</u>	<u>5,360,673</u>

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP)
General Fund
For the Year Ended June 30, 2020

Schedule 1-1

	Budget Amounts		Actual Expenditures	Variance with Final Budget
	Original Budget	Final Budget		
Miscellaneous				
Board of License Commissioners	\$ 78,040	\$ 91,736	\$ 79,116	\$ 12,620
Administrative Hearings	78,570	107,676	99,974	7,702
Property tax payments to municipalities	15,530	15,530	15,526	4
Permits and fee payments to municipalities	15,000	15,000	17,396	(2,396)
Liquor license payments to municipalities	25,000	25,000	21,415	3,585
Town programs	2,705,290	2,705,290	2,705,288	2
Total Miscellaneous	<u>2,917,430</u>	<u>2,960,232</u>	<u>2,938,715</u>	<u>21,517</u>
Total General Government	71,664,430	47,002,490	39,595,808	7,406,682
Public Safety				
Police Protection				
Detention Center	8,833,240	11,884,229	11,877,010	7,219
Sheriff Services	14,790,210	21,693,867	21,552,342	141,525
Sheriff Training Academy	69,570	69,578	66,106	3,472
Total Police Protection	<u>23,693,020</u>	<u>33,647,674</u>	<u>33,495,458</u>	<u>152,216</u>
Fire Department				
Volunteer Emergency Services Assoc.	8,545,670	8,943,670	8,943,670	-
EMS 24/7 Services	4,657,180	4,657,180	4,657,180	-
Total Fire Department	<u>13,202,850</u>	<u>13,600,850</u>	<u>13,600,850</u>	<u>-</u>
Emergency Services				
Emergency Service Operations	2,872,590	2,730,673	2,429,495	301,178
911 - Emergency Service	2,677,640	3,590,773	3,392,632	198,141
Total Emergency Services	<u>5,550,230</u>	<u>6,321,446</u>	<u>5,822,127</u>	<u>499,319</u>
Other Protection				
Animal Control	937,180	1,256,135	1,256,135	-
CC Advocacy & Investigation	20,940	44,050	43,790	260
LOSAP Funding	398,000	-	-	-
State aid-fire protection	389,000	389,000	388,287	713
Total Other Protection	<u>1,745,120</u>	<u>1,689,185</u>	<u>1,688,212</u>	<u>973</u>
Total Public Safety	44,191,220	55,259,155	54,606,647	652,508
Public Works				
Public Works-Administration	584,640	1,155,016	1,077,348	77,668
Transportation	144,390	227,082	226,960	122
Veterans Transit Services	167,000	121,053	94,831	26,222
Roads Operations	7,270,720	11,477,206	10,424,221	1,052,985
Traffic Control	335,200	335,200	249,955	85,245
Engineering-Design	323,850	456,712	451,156	5,556
Engineering-Construction Inspection	418,960	729,183	694,441	34,742
Storm Emergencies	2,167,160	2,131,660	637,578	1,494,082
Engineering	404,460	588,543	586,661	1,882
Engineering-Survey	268,710	397,240	303,250	93,990
Road Grant - Local	35,390	35,390	35,386	4
Total Public Works	<u>12,120,480</u>	<u>17,654,285</u>	<u>14,781,787</u>	<u>2,872,498</u>

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP)
General Fund
For the Year Ended June 30, 2020

Schedule 1-1

	Budget Amounts		Actual Expenditures	Variance with Final Budget
	Original Budget	Final Budget		
Health				
Health Department	\$ 3,601,730	\$ 3,601,730	\$ 3,601,730	\$ -
Family and Children's Services-DV Change, Inc.	392,070	392,070	392,070	-
CCARC	265,540	265,540	265,540	-
Flying Colors of Success	270,800	270,800	270,800	-
Target, Inc.	46,640	46,640	46,640	-
Rape Crisis	270,800	270,800	270,800	-
Total Health	<u>168,630</u>	<u>168,630</u>	<u>168,630</u>	<u>-</u>
Human Services				
Social Services-Local Funds	20,000	20,000	20,000	-
Human Services	1,217,310	1,217,310	1,217,310	-
Not In Carroll	300,000	300,000	231,014	68,986
Citizen Services Administration	343,990	479,271	459,944	19,327
Youth Services Bureau	1,070,390	1,070,390	1,070,390	-
Recovery Support Services	411,940	411,940	405,897	6,043
Aging and Disabilities	1,205,590	1,735,617	1,683,714	51,903
Access Carroll	20,000	20,000	20,000	-
Mosaic Community Services	109,760	109,760	109,760	-
Total Human Services	<u>4,698,980</u>	<u>5,364,288</u>	<u>5,218,029</u>	<u>146,259</u>
Education				
CC Board of Education	197,251,500	197,251,500	197,959,421	(707,921)
Cable Regulatory Commission	156,760	156,760	156,760	-
Community Media Center	670,000	670,000	670,000	-
Community College - Direct Support	10,607,100	10,607,100	10,607,100	-
Community College - In-Kind Support	-	-	5,046,062	(5,046,062)
Community College - Adult Basic Edu	284,040	284,040	284,040	-
Community College - Entrepreneurship	148,830	110,000	110,000	-
Total Education	<u>209,118,230</u>	<u>209,079,400</u>	<u>214,833,383</u>	<u>(5,753,983)</u>
Library	9,279,640	13,309,797	15,389,873	(2,080,076)
Culture and Recreation				
Recreation & Parks-Administration	355,710	523,128	518,485	4,643
Recreation	493,020	610,936	589,975	20,961
Piney Run	638,110	848,844	753,568	95,276
Hashawha	822,970	1,088,593	894,303	194,290
Farm Museum	960,220	1,192,266	989,684	202,582
Sports Complex	203,300	263,346	207,367	55,979
Historical Society	62,500	62,500	62,500	-
Homestead Museum	25,000	25,000	25,000	-
Total Culture and Recreation	<u>3,560,830</u>	<u>4,614,613</u>	<u>4,040,882</u>	<u>573,731</u>
Conservation of Natural Resources				
Agriculture Extension Service	511,330	511,330	502,285	9,045
Weed Control	74,480	74,480	67,546	6,934
Gypsy Moth Control	30,000	29,380	6,105	23,275
Soil Conservation Service	415,940	597,246	597,245	1
Total Conservation of Natural Resources	<u>1,031,750</u>	<u>1,212,436</u>	<u>1,173,181</u>	<u>39,255</u>

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP)
General Fund
For the Year Ended June 30, 2020

Schedule 1-1

	Budget Amounts		Actual Expenditures	Variance with Final Budget
	Original Budget	Final Budget		
Economic Development				
Economic Development-Administration	\$ 807,610	\$ 1,018,785	\$ 959,315	\$ 59,470
Econ Devl-Industrial Grants	1,250,000	950,000	587,376	362,624
Business & Employment Resource Center	194,560	248,016	156,014	92,002
Tourism	408,210	407,611	311,936	95,675
Total Economic Development	<u>2,660,380</u>	<u>2,624,412</u>	<u>2,014,641</u>	<u>609,771</u>
Judicial				
Volunteer Community Services	186,440	263,689	261,263	2,426
Circuit Court	2,274,510	2,840,120	2,712,073	128,047
Circuit Court Masters	407,160	554,275	553,499	776
State's Attorney	3,586,800	4,864,617	4,717,256	147,361
Orphans Court	61,110	61,110	58,506	2,604
Total Judicial	<u>6,516,020</u>	<u>8,583,811</u>	<u>8,302,597</u>	<u>281,214</u>
Reserve for Contingencies	4,579,280	4,683,150	-	4,683,150
Debt Service				
Debt service-County	26,502,020	26,502,020	26,165,043	336,977
Debt service-Board of Education	10,227,000	10,227,000	9,974,469	252,531
Total Debt Service	<u>36,729,020</u>	<u>36,729,020</u>	<u>36,139,512</u>	<u>589,508</u>
Total Expenditures	<u>411,166,470</u>	<u>411,133,067</u>	<u>401,112,550</u>	<u>10,020,517</u>
Other Financing Uses				
Payment to Escrow Agent	-	-	45,143,266	(45,143,266)
Transfers Out:				
Transfer to Capital Fund	4,654,150	4,654,150	4,654,150	-
Transfer to Special Revenue Funds - Grants	1,852,480	1,885,883	1,885,883	-
Transfer to Enterprise Funds	1,136,230	1,136,230	1,136,230	-
Total Other Financing Uses	<u>7,642,860</u>	<u>7,676,263</u>	<u>52,819,529</u>	<u>(45,143,266)</u>
Total charges to appropriations (outflows)	<u>418,809,330</u>	<u>418,809,330</u>	<u>453,932,079</u>	<u>(35,122,749)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,430,928</u>	<u>\$ 10,430,928</u>
Fund Balance - beginning			<u>122,104,140</u>	
Fund Balance - ending			<u>\$ 132,535,068</u>	

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2020

Schedule 2-1

	Hotel Rental Tax Fund	Watershed Protection and Restoration Fund	Total
Assets			
Equity in pooled cash and investments	\$ 499,182	\$ 159,885	\$ 659,067
Accounts receivable	48,134	-	48,134
Due from other governmental funds	-	532,020	532,020
Total assets	<u>\$ 547,316</u>	<u>\$ 691,905</u>	<u>\$ 1,239,221</u>
Liabilities and fund balances			
Liabilities			
Accounts payable	\$ -	\$ 20,635	\$ 20,635
Accrued expenditures	-	40,414	40,414
Total liabilities	<u>-</u>	<u>61,049</u>	<u>61,049</u>
Fund Balances			
Restricted	547,316	-	547,316
Committed	-	630,856	630,856
Total Fund Balances	<u>547,316</u>	<u>630,856</u>	<u>1,178,172</u>
Total liabilities and fund balances	<u>\$ 547,316</u>	<u>\$ 691,905</u>	<u>\$ 1,239,221</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2020

Schedule 2-2

	Hotel Rental Tax Fund	Watershed Protection and Restoration Fund	Total
Revenues			
Taxes:			
Local property	\$ -	\$ 2,680,680	\$ 2,680,680
Hotel rental tax	306,978	-	306,978
Intergovernmental revenues	-	107,870	107,870
Interest	3,489	20,805	24,294
Total revenues	<u>310,467</u>	<u>2,809,355</u>	<u>3,119,822</u>
Expenditures			
Current:			
Conservation of natural resources	-	1,271,330	1,271,330
Debt service:			
Principal	-	676,290	676,290
Interest	-	464,618	464,618
Total expenditures	<u>-</u>	<u>2,412,238</u>	<u>2,412,238</u>
Other Financing Sources (Uses)			
Transfers out	<u>(472,532)</u>	-	<u>(472,532)</u>
Total Other Financing Sources (Uses)	<u>(472,532)</u>	<u>-</u>	<u>(472,532)</u>
Net change in fund balances	(162,065)	397,117	235,052
Fund balances - beginning	<u>709,381</u>	<u>233,739</u>	<u>943,120</u>
Fund balances - ending	<u>\$ 547,316</u>	<u>\$ 630,856</u>	<u>\$ 1,178,172</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budgetary Basis (Non-GAAP)
Hotel Rental Tax Fund
For the Year Ended June 30, 2020

Schedule 2-3

	Budgeted Amounts		Actuals	Variance with Final Budget
	Original	Final		
RESOURCES (INFLOWS)				
Revenues				
Hotel Rental Tax	\$ 568,210	\$ 568,207	\$ 306,978	\$ (261,229)
Interest	-	-	3,489	3,489
Total revenues	<u>568,210</u>	<u>568,207</u>	<u>310,467</u>	<u>(257,740)</u>
Total Resources (Inflows)	<u>568,210</u>	<u>568,207</u>	<u>310,467</u>	<u>(257,740)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Other financing uses				
Transfers out	(568,210)	(568,207)	(472,532)	95,675
Total other financing uses	<u>(568,210)</u>	<u>(568,207)</u>	<u>(472,532)</u>	<u>95,675</u>
Total charges to appropriations (outflows)	<u>(568,210)</u>	<u>(568,207)</u>	<u>(472,532)</u>	<u>95,675</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(162,065)</u>	<u>\$ (162,065)</u>
Fund balance - beginning			709,381	
Fund balance - ending			<u>\$ 547,316</u>	

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budgetary Basis (Non-GAAP)
Watershed Protection and Restoration Fund
For the Year Ended June 30, 2020

Schedule 2-4

	Budgeted Amounts		Actuals	Variance with Final Budget
	Original	Final		
RESOURCES (INFLOWS)				
Revenues				
Taxes:				
Local Property	\$2,148,660	\$2,148,660	\$2,680,680	\$ 532,020
Intergovernmental revenues:				
Municipalities	107,880	107,880	107,870	(10)
Interest	10,000	10,000	20,805	10,805
Total revenues	<u>2,266,540</u>	<u>2,266,540</u>	<u>2,809,355</u>	<u>542,815</u>
Interfund Transfers In	237,210	237,210	-	(237,210)
Total Resources (Inflows)	<u>2,503,750</u>	<u>2,503,750</u>	<u>2,809,355</u>	<u>305,605</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Expenditures				
Current:				
Conservation of Natural Resources	1,321,910	1,321,910	1,271,330	(50,580)
Debt service:				
Principal	676,290	676,290	676,290	-
Interest	505,550	505,550	464,618	(40,932)
Total expenditures	<u>2,503,750</u>	<u>2,503,750</u>	<u>2,412,238</u>	<u>(91,512)</u>
Total charges to appropriations (outflows)	<u>(2,503,750)</u>	<u>(2,503,750)</u>	<u>(2,412,238)</u>	<u>91,512</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>397,117</u>	<u>\$ 397,117</u>
Fund balance - beginning			<u>233,739</u>	
Fund balance - ending			<u>\$ 630,856</u>	

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Net Position
Non-Major Enterprise Funds
June 30, 2020

Schedule 3-1

	Septage	Firearms	Total
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 2,988,201	\$ 471,705	\$ 3,459,906
Cash and cash equivalents	-	300	300
Accounts receivables, net	127,929	-	127,929
Total current assets	3,116,130	472,005	3,588,135
Noncurrent assets:			
Capital assets:			
Buildings	-	274,051	274,051
Improvements other than buildings	185,278	262,720	447,998
Autos, machinery, equipment	201,984	52,252	254,236
Construction in progress	1,029,571	-	1,029,571
Less accumulated depreciation	(375,511)	(242,309)	(617,820)
Total capital assets (net of accumulated depreciation)	1,041,322	346,714	1,388,036
Total assets	4,157,452	818,719	4,976,171
Deferred Outflows of Resources			
Deferred charge on refunding	165	-	165
Total deferred outflows of resources	165	-	165
Total assets and deferred outflows	\$ 4,157,617	\$ 818,719	\$ 4,976,336
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 109,350	\$ 2,722	\$ 112,072
Accrued interest payable	219	-	219
Accrued expenses	-	6,045	6,045
Long-term liabilities due within one year:			
General obligation bonds payable	13,117	-	13,117
Compensated Absences	-	10,994	10,994
Total current liabilities	122,686	19,761	142,447
Noncurrent liabilities:			
General obligation bonds payable	13,214	-	13,214
Total noncurrent liabilities	13,214	-	13,214
Total liabilities	135,900	19,761	155,661
NET POSITION			
Net investment in capital assets	1,014,991	346,714	1,361,705
Restricted for capital projects	1,404,429	-	1,404,429
Unrestricted	1,602,297	452,244	2,054,541
Total net position	\$ 4,021,717	\$ 798,958	\$ 4,820,675

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Non-Major Enterprise Funds
For the Year Ended June 30, 2020

Schedule 3-2

	<u>Septage</u>	<u>Firearms</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 1,102,810	\$ 129,951	\$ 1,232,761
Total operating revenues	<u>1,102,810</u>	<u>129,951</u>	<u>1,232,761</u>
Operating expenses:			
Personal services	-	114,510	114,510
Contractual services	325,007	13,103	338,110
Materials and supplies	44,386	17,386	61,772
Rents and utilities	76,047	2,647	78,694
Miscellaneous	204,545	-	204,545
Depreciation	4,029	31,095	35,124
Total operating expenses	<u>654,014</u>	<u>178,741</u>	<u>832,755</u>
Operating income (loss)	<u>448,796</u>	<u>(48,790)</u>	<u>400,006</u>
Nonoperating revenues (expenses):			
Penalties and interest	50,067	7,312	57,379
Interest and fiscal charges	(1,656)	-	(1,656)
Total nonoperating revenues (expenses)	<u>48,411</u>	<u>7,312</u>	<u>55,723</u>
Change in net position	497,207	(41,478)	455,729
Total net position- beginning of year	<u>3,524,510</u>	<u>840,436</u>	<u>4,364,946</u>
Total net position- end of year	<u>\$ 4,021,717</u>	<u>\$ 798,958</u>	<u>\$ 4,820,675</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Year Ended June 30, 2020

Schedule 3-3

	Septage	Firearms	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 1,118,586	\$ 129,951	\$ 1,248,537
Payments to suppliers and other funds	(711,634)	(30,674)	(742,308)
Payments to employees	-	(103,274)	(103,274)
Net cash provided by operating activities	406,952	(3,997)	402,955
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(535,797)	-	(535,797)
Principal paid on capital debt	(13,020)	-	(13,020)
Interest paid on capital debt	(1,576)	-	(1,576)
Net cash used by capital and related financing activities	(550,393)	-	(550,393)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments and cash	50,067	7,312	57,379
Net cash provided by investing activities	50,067	7,312	57,379
Net increase (decrease) in cash and cash equivalents	(93,374)	3,315	(90,059)
Cash and cash equivalents at beginning of year	3,081,575	468,690	3,550,265
Cash and cash equivalents at end of year	\$ 2,988,201	\$ 472,005	\$ 3,460,206
Reconciliation of Operating Income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 448,796	\$ (48,790)	\$ 400,006
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	4,029	31,095	35,124
Effect of changes in operating assets and liabilities:			
Accounts receivable	15,776	-	15,776
Compensated absences payable	-	9,063	9,063
Accounts payable and accrued expenses	(61,649)	4,635	(57,014)
Total adjustments	(41,844)	44,793	2,949
Net cash provided by operating activities	\$ 406,952	\$ (3,997)	\$ 402,955

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Net Position
Internal Service Funds
June 30, 2020

Schedule 4-1

	Governmental Activities - Internal Service Funds					
	Health Benefits	Risk Management	Auto Damage	Insurance Deductibles	Workers' Compensation	Total
ASSETS						
Current assets:						
Equity in pooled cash and investments	\$ 16,060,861	\$ 410,451	\$ 565,059	\$ 127,206	\$ 6,673,238	\$ 23,836,815
Receivables, net	10,426	-	8,695	-	-	19,121
Total assets	\$ 16,071,287	\$ 410,451	\$ 573,754	\$ 127,206	\$ 6,673,238	\$ 23,855,936
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 178,093	\$ 5,900	\$ -	\$ 965	\$ 14,880	\$ 199,838
Long-term liabilities due within one year:						
Unpaid claims	1,629,356	74,745	-	-	780,261	2,484,362
Total long-term due within one year	1,629,356	74,745	-	-	780,261	2,484,362
Total current liabilities	1,807,449	80,645	-	965	795,141	2,684,200
Noncurrent liabilities:						
Unpaid claims	16,459	755	-	-	2,766,381	2,783,595
Total noncurrent liabilities	16,459	755	-	-	2,766,381	2,783,595
Total liabilities	1,823,908	81,400	-	965	3,561,522	5,467,795
NET POSITION						
Unrestricted	14,247,379	329,051	573,754	126,241	3,111,716	18,388,141
Total net position	\$ 14,247,379	\$ 329,051	\$ 573,754	\$ 126,241	\$ 3,111,716	\$ 18,388,141

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2020

Schedule 4-2

	Governmental Activities - Internal Service Funds					
	Health Benefits	Risk Management	Auto Damage	Insurance Deductibles	Workers' Compensation	Total
Operating revenues:						
Charges for services	\$ 18,031,750	\$ 3,481	\$ 141,445	\$ -	\$ 1,325,180	\$ 19,501,856
Total operating revenues	<u>18,031,750</u>	<u>3,481</u>	<u>141,445</u>	<u>-</u>	<u>1,325,180</u>	<u>19,501,856</u>
Operating expenses:						
Insurance claims	15,574,347	56,420	65,862	2,910	713,467	16,413,006
Total operating expenses	<u>15,574,347</u>	<u>56,420</u>	<u>65,862</u>	<u>2,910</u>	<u>713,467</u>	<u>16,413,006</u>
Operating income (loss)	<u>2,457,403</u>	<u>(52,939)</u>	<u>75,583</u>	<u>(2,910)</u>	<u>611,713</u>	<u>3,088,850</u>
Nonoperating revenues (expenses):						
Penalties and interest	318,562	-	-	-	-	318,562
Medicare Part D	272,258	-	-	-	-	272,258
Total nonoperating revenues (expenses)	<u>590,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>590,820</u>
Change in net position	3,048,223	(52,939)	75,583	(2,910)	611,713	3,679,670
Total net position - beginning of year	<u>11,199,156</u>	<u>381,990</u>	<u>498,171</u>	<u>129,151</u>	<u>2,500,003</u>	<u>14,708,471</u>
Total net position - end of year	<u>\$ 14,247,379</u>	<u>\$ 329,051</u>	<u>\$ 573,754</u>	<u>\$ 126,241</u>	<u>\$ 3,111,716</u>	<u>\$ 18,388,141</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2020

Schedule 4-3

	Governmental Activities - Internal Service Funds					
	Health Benefits	Risk Management	Auto Damage	Insurance Deductibles	Workers' Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 18,031,750	\$ 3,481	\$ 141,445	\$ -	\$ 1,325,180	\$ 19,501,856
Payments to suppliers	<u>(15,356,328)</u>	<u>(10,746)</u>	<u>(74,557)</u>	<u>(2,045)</u>	<u>(777,780)</u>	<u>(16,221,456)</u>
Net cash provided (used) by operating activities	2,675,422	(7,265)	66,888	(2,045)	547,400	3,280,400
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Medicare Part D	<u>272,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>272,258</u>
Net cash provided by noncapital financing activities	272,258	-	-	-	-	272,258
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments and cash	<u>318,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>318,562</u>
Net cash provided by investing activities	<u>318,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>318,562</u>
Net increase (decrease) in cash and cash equivalents	3,266,242	(7,265)	66,888	(2,045)	547,400	3,871,220
Equity in pooled cash and investments at beginning of year	<u>12,794,619</u>	<u>417,716</u>	<u>498,171</u>	<u>129,251</u>	<u>6,125,838</u>	<u>19,965,595</u>
Equity in pooled cash and investments at end of year	<u>\$ 16,060,861</u>	<u>\$ 410,451</u>	<u>\$ 565,059</u>	<u>\$ 127,206</u>	<u>\$ 6,673,238</u>	<u>\$ 23,836,815</u>
Reconciliation of Operating Income						
(Loss) to net cash provided (used) by operating activities:						
Operating income (loss)	<u>\$ 2,457,403</u>	<u>\$ (52,939)</u>	<u>\$ 75,583</u>	<u>\$ (2,910)</u>	<u>\$ 611,713</u>	<u>\$ 3,088,850</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Effect of Changes in operating assets and liabilities:						
Accounts receivable	459,805	-	(8,695)	-	-	451,110
Accounts payable and accrued expenses	(373,951)	45,674	-	865	(1,288)	(328,700)
Unearned revenue	(768)	-	-	-	-	(768)
Claims liability	<u>132,933</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(63,025)</u>	<u>69,908</u>
Total adjustments	<u>218,019</u>	<u>45,674</u>	<u>(8,695)</u>	<u>865</u>	<u>(64,313)</u>	<u>191,550</u>
Net cash provided (used) by operating activities	<u>\$ 2,675,422</u>	<u>\$ (7,265)</u>	<u>\$ 66,888</u>	<u>\$ (2,045)</u>	<u>\$ 547,400</u>	<u>\$ 3,280,400</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Fiduciary Net Position
Trust Funds
June 30, 2020

Schedule 5-1

	Employee Pension Plan	Certified Law Officers Pension	LOSAP	Other Post Employment Benefits	Totals
ASSETS					
Accounts Receivable	\$ -	\$ -	\$ -	\$ 36,298	\$ 36,298
Accrued Interest	-	-	-	460	460
Prepaid Expenses	6,927	1,290	634	-	8,851
Investments, at fair value/net asset value:					
Short-term investments	359,876	497,912	398,871	-	1,256,659
Bond funds	24,437,745	4,486,467	2,336,914	2,017,530	33,278,656
Equity funds	67,712,205	13,145,512	6,595,898	-	87,453,615
Marketable securities	-	-	-	103,402,341	103,402,341
Real estate funds	9,356,401	848,392	-	13,238,317	23,443,110
Total investments	<u>101,866,227</u>	<u>18,978,283</u>	<u>9,331,683</u>	<u>118,658,188</u>	<u>248,834,381</u>
Total assets	<u>101,873,154</u>	<u>18,979,573</u>	<u>9,332,317</u>	<u>118,694,946</u>	<u>248,879,990</u>
LIABILITIES					
Accounts payable	3,641	3,641	4,682	14,689	26,653
Due to primary government	-	-	-	1,219,974	1,219,974
Total liabilities	<u>3,641</u>	<u>3,641</u>	<u>4,682</u>	<u>1,234,663</u>	<u>1,246,627</u>
FIDUCIARY NET POSITION					
Fiduciary net position held in trust for pension, OPEB benefits and other purposes	<u>\$ 101,869,513</u>	<u>\$ 18,975,932</u>	<u>\$ 9,327,635</u>	<u>\$ 117,460,283</u>	<u>\$ 247,633,363</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Changes in Fiduciary Net Position
Trust Funds
For the Year Ended June 30, 2020

Schedule 5-2

	Employee Pension Plan	Certified Law Officers Pension	LOSAP	Other Post Employment Benefits	Totals
ADDITIONS					
Contributions:					
Employer	\$ 3,169,090	\$ 1,318,260	\$ 398,000	\$ 12,493,310	\$ 17,378,660
Plan members	2,131,420	584,969	-	815,291	3,531,680
Total contributions	<u>5,300,510</u>	<u>1,903,229</u>	<u>398,000</u>	<u>13,308,601</u>	<u>20,910,340</u>
Investment earnings:					
Interest and dividends	-	-	-	80,894	80,894
Net increase in the fair value of investments	2,292,119	635,040	183,904	2,616,757	5,727,820
Total investment earnings	2,292,119	635,040	183,904	2,697,651	5,808,714
Less investment expense	(62,026)	(23,824)	(17,817)	(6,286)	(109,953)
Net investment earnings	2,230,093	611,216	166,087	2,691,365	5,698,761
Total additions	<u>7,530,603</u>	<u>2,514,445</u>	<u>564,087</u>	<u>15,999,966</u>	<u>26,609,101</u>
DEDUCTIONS					
Benefits and refunds paid to plan members and beneficiaries					
	2,637,534	323,524	910,126	6,855,083	10,726,267
Administrative expenses	50,877	15,719	16,191	2,510	85,297
Total deductions	<u>2,688,411</u>	<u>339,243</u>	<u>926,317</u>	<u>6,857,593</u>	<u>10,811,564</u>
Net increase in fiduciary net position	4,842,192	2,175,202	(362,230)	9,142,373	15,797,537
Fiduciary net position-beginning	97,027,321	16,800,730	9,689,865	108,317,910	231,835,826
Fiduciary net position-ending	<u>\$ 101,869,513</u>	<u>\$ 18,975,932</u>	<u>\$ 9,327,635</u>	<u>\$ 117,460,283</u>	<u>\$ 247,633,363</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2020

Schedule 5-3

<u>Carroll Cable Regulatory Commission</u>	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
ASSETS				
Equity in pooled cash and investments	\$ 234,280	\$ 1,098,048	\$ 899,456	\$ 432,872
Total assets	<u>\$ 234,280</u>	<u>\$ 1,098,048</u>	<u>\$ 899,456</u>	<u>\$ 432,872</u>
LIABILITIES				
Accounts payable	\$ 4,931	\$ 401,372	\$ 393,437	\$ 12,866
Deposits	229,349	696,676	506,019	420,006
Total liabilities	<u>\$ 234,280</u>	<u>\$ 1,098,048</u>	<u>\$ 899,456</u>	<u>\$ 432,872</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects
For the Year Ended June 30, 2020

Schedule 6

Description	Governmental Activities				Unexpended Appropriation
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	
<u>4021</u> <u>General Government</u>					
8006 IT Sys Comp Replacement 03	\$ 2,920,666	\$ 1,881,097	\$ 4,704	\$ 25,264	\$ 1,009,601
8199 Government Complex	7,000,000	4,019,348	-	-	2,980,652
8274 Records Management	461,800	397,850	-	-	63,950
8361 Voting Machines - Optical Scan	449,458	445,614	543	-	3,301
8451 * Circuit Court - New Courtroom	2,820,000	2,789,698	694	-	29,608
8485 Piney Run Dam Repairs	98,791	93,791	1,290	-	3,710
8589 Courthouse Annex Renov	152,400	-	-	-	152,400
8590 Payroll/HR System Rplcmnt	1,000,000	729,397	76,648	94,044	99,911
8702 Orphan's Court Renovations	90,000	87,826	-	-	2,174
8727 Charles Carroll Gym/Comm	3,510,000	438,718	219,943	55,736	2,795,603
8728 Cty Bldg Acces System	904,983	357,226	354,977	35,473	157,307
8729 * Courthouse MDEC Improv	170,000	97,445	-	-	72,555
8733 Piney Run Dam Temp Remedtn	330,000	-	-	-	330,000
8778 Generator Replacements	305,000	89,226	215,695	-	79
8817 Elections Pollbooks/Printers	452,000	-	-	-	452,000
8818 Facilities Asset Mgmt System	157,000	-	156,892	-	108
8851 Physical Security Grant	67,295	-	67,295	-	-
9648 Computer System Improvements	13,565,332	11,390,543	988,930	14,607	1,171,252
9921 Parking Lot Overlays (Fr 9658)	2,553,435	1,845,214	242,210	7,760	458,251
9954 Cnty Bldg Systemic Renovations	8,911,601	6,520,080	1,286,359	23,437	1,081,725
9957 General Government Unallocated	155,891	-	-	-	155,891
Total	<u>46,075,652</u>	<u>31,183,073</u>	<u>3,616,180</u>	<u>256,321</u>	<u>11,020,078</u>
Total General Government	46,075,652	31,183,073	3,616,180	256,321	11,020,078
<u>4031</u> <u>Public Safety</u>					
8163 CC Public Safety Training Cntr	7,025,000	7,011,684	2,000	-	11,316
8166 Public Safety TC-Renovations	5,300,000	328,020	115,262	219,644	4,637,074
8480 PS Emergency Crisis Mgmt	275,000	173,875	-	-	101,125
8518 Humane Scty Parking Stormwater	300,000	825	-	-	299,175
8730 Emergency Services Pagers	280,000	-	94,473	-	185,527
8783 COB Fiber BU ENSB	180,414	179,497	-	-	917
8784 911 NW Phone Refresh ENSB	629,493	422,480	-	-	207,013
8819 Public Safety Emerg Comm Radio	800,000	-	700,428	-	99,572
8827 911 Security-ENSB	78,017	-	62,414	-	15,603
9022 Regional Water Supply	1,300,800	1,049,734	-	-	251,066
Total	<u>16,168,724</u>	<u>9,166,115</u>	<u>974,577</u>	<u>219,644</u>	<u>5,808,388</u>
Total Public Safety	16,168,724	9,166,115	974,577	219,644	5,808,388

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THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
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Schedule 6

Description	Governmental Activities				Unexpended Appropriation
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	
<u>4041</u> <u>Highways & Streets</u>					
8308 Ridenour Way 08	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
8318 Market Street Extended	2,491,005	1,208,005	-	-	1,283,000
8321 Ridge Road Improvements	160,600	135,563	2,803	-	22,234
8353 Londontown Blvd Improvements	3,525,000	80	-	-	3,524,920
8438 Windy Hills	81,000	2,100	-	-	78,900
8440 Pavement Management FY13	9,333,358	9,228,685	-	-	104,673
8476 * Rohrbaugh Road	729,500	415,111	-	-	314,389
8494 Pooledale	10,500	-	-	-	10,500
8506 * Gorsuch Rd Relocation	1,000,000	717,517	-	-	282,483
8511 Washington Rd-Sidewalk	143,000	44,200	-	980	97,820
8587 Safe Routes - Johnsville Rd	319,456	-	35,585	13,120	270,751
8609 Monroe Avenue	32,240	-	-	-	32,240
8626 Ramp and Sidewalk Upgrades	333,000	167,392	137,434	-	28,174
8629 Transportation/State Projects	734,990	-	-	-	734,990
8719 Pavement Mgmt Prog FY18	11,685,000	10,827,695	572,272	-	285,033
8751 * John Pickett Road	1,164,236	1,124,183	-	32,218	7,835
8767 Pavement Mgmt Prog FY 19	12,210,003	743,476	8,152,702	846,793	2,467,032
8768 Pavement Preservation FY 19	1,082,000	92,097	989,903	-	-
8813 Pavement Mgmt FY20	12,660,000	-	1,233,996	9,371,464	2,054,540
8814 Pavement Preservation FY 20	1,114,000	-	60,604	1,047,488	5,908
9604 Ridge Road Relocation	50,000	3,102	-	-	46,898
9674 Highway Safety Improvements	1,090,338	1,049,445	-	12,190	28,703
9847 Small Drainage Structures	3,190,207	2,330,015	32,552	70,900	756,740
Total	63,159,433	28,088,666	11,217,851	11,395,153	12,457,763
<u>4043</u> <u>Bridges</u>					
8322 Babylon road over Silver Run	1,230,000	79,666	996	-	1,149,338
8323 McKinstry's Mill Rd/Sam's Creek	1,154,000	-	-	-	1,154,000
8332 Hughes Shop over Bear Branch	1,698,000	-	-	-	1,698,000
8383 Bixler's Church Rd/Big Pipe Cr	833,000	63,915	896	-	768,189
8384 Shepard Mill/Little Pipe Crk	3,990,400	44,177	14,481	-	3,931,742
8512 * Cape Horn Rd	879,600	738,607	6,405	126,026	8,562
8588 Stone Chap Rd/Little Pipe Crk	922,000	-	-	-	922,000
8628 Hollingsworth Rd/Unname Tributa	1,065,000	115,414	153,043	416,349	380,194
8722 Gaither Rd/S Brnch Patapsc	275,000	-	-	-	275,000
8770 Bridge-Bear Run/Bear Branch	120,000	52,700	-	-	67,300
9684 Bridge Inspection & Inventory	608,105	426,618	46,994	-	134,493
9686 Clean & Paint Structural Steel	1,810,949	1,021,715	-	-	789,234
9882 Bridge Maint/Structural Repair	905,100	649,411	44,615	-	211,074
Total	15,491,154	3,192,223	267,430	542,375	11,489,126
<u>4044</u> <u>Storm Drains</u>					
8627 Strom Drain Rehabilitation	2,260,430	384,975	7,560	-	1,867,895
8769 Strom Drain Video Inspect	574,300	104,695	93,077	45,639	330,889
Total	2,834,730	489,670	100,637	45,639	2,198,784

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THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects
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Schedule 6

Description	Governmental Activities				Unexpended Appropriation
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	
<u>4049</u> <u>General Public Works</u>					
8718 Design Manual Update	\$ 250,000	\$ 90,182	\$ 53,754	\$ 101,344	\$ 4,720
9902 Public Works-Unallocated	414,860	-	-	-	414,860
Total	664,860	90,182	53,754	101,344	419,580
Total Public Works	82,150,177	31,860,741	11,639,672	12,084,511	26,565,253
<u>4061</u> <u>Board of Education</u>					
8292 Open Space Classroom Enclosure	8,000,000	7,941,794	-	-	58,206
8348 Mt. Airy Middle School	19,498,660	19,378,462	-	-	120,198
8581 S. Carroll HS-Roof Rplcmnt	1,466,504	1,421,031	-	-	45,473
8583 Westminster HS-Roof Rplcmnt	1,405,000	1,244,450	-	-	160,550
8619 Career & Technology Ctr Replac	13,064,195	346,168	1,736,002	-	10,982,025
8620 FSK High Roof Replacement	1,097,000	857,108	1,650	-	238,242
8621 Friendship Valley Elm Roof Rep	641,100	478,536	-	-	162,564
8622 Piney Ridge Elem Roof Replacem	556,200	268,232	107,340	-	180,628
8623 Westminster High Elec Equ Repl	980,000	676,175	205,750	-	98,075
8710 HS Science Room Renov	2,864,500	1,106,285	966,591	-	791,624
8711 Sandymount HVAC Replace	2,417,001	1,952,635	58,518	-	405,848
8712 Carrolltown Elem-Roof Rplc	1,394,000	551,249	-	-	842,751
8713 Elmer Wolfe Elem-Roof Rplc	1,193,000	1,063,896	-	-	129,104
8714 Robert Moton Elem-Roof Rplc	1,110,000	1,033,082	29,429	-	47,489
8715 Runnymede Elem-Roof Rplc	737,000	683,976	10,000	-	43,024
8721 Security Improvements BOE	1,000,000	780,809	154,716	-	64,475
8761 Infrastructure Renew BOE FY19	2,564,338	-	240,829	-	2,323,509
8762 Winfld Elem HVAC System Replc	4,334,650	323,153	76,957	-	3,934,540
8763 Linton Springs Elem-Roof Replc	913,000	21,535	847,254	-	44,211
8764 Sandymount Elem-Roof Replc	1,172,158	516,287	499,704	-	156,167
8809 Spring Garden Elem HVAC Replc	3,175,000	-	166,242	-	3,008,758
8810 Cranberry Station Roof Replc	895,900	-	15,800	-	880,100
8811 South Carroll HS Window Replc	155,000	-	45,488	-	109,512
8812 Westminster HS Window Replc	155,000	-	54,212	-	100,788
9554 BOE-ADA Facility Improvements	1,504,684	1,403,751	100,839	-	94
9745 Relocatables	5,947,376	5,775,491	22,843	-	149,042
9746 BOE-General Roofing Repairs	2,022,936	1,339,586	18,784	-	664,566
9748 BOE-Paving	7,697,241	5,656,390	820,474	-	1,220,377
9792 BOE Technology Improvements	11,042,105	8,685,192	561,136	-	1,795,777
9850 School Construction-General	-	511,404	(167,012)	-	(344,392)
9974 HVAC-Improvement & Replacement	169,187	169	-	-	169,018
Total	99,172,735	64,016,846	6,573,546	-	28,582,343
<u>4062</u> <u>Community College</u>					
8517 CCC-Systemic Renovations	5,744,000	11,923	1,410	1,871,600	3,859,067
9782 Comm Coll-Technology	7,900,600	7,550,600	350,000	-	-
Total	13,644,600	7,562,523	351,410	1,871,600	3,859,067
Total Education	112,817,335	71,579,369	6,924,956	1,871,600	32,441,410

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THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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Schedule 6

Description	Governmental Activities				Unexpended Appropriation
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	
<u>4071</u>	<u>Recreation & Parks</u>				
8175	\$ 2,553,596	\$ 1,468,521	\$ 130,745	\$ 927,227	\$ 27,103
8232	1,669,835	1,462,228	143,623	-	63,984
8233	27,000	-	-	-	27,000
8439	320,849	272,661	5,518	-	42,670
8477	248,900	110,457	110,831	15,336	12,276
8632	710,000	6,155	103,554	244,025	356,266
8701	1,604,000	316,642	616,230	262,718	408,410
8725	17,410	2,175	2,310	-	12,925
8726 *	1,000,000	29,525	-	-	970,475
8771 *	208,141	184,162	14,214	-	9,765
8772	120,225	98,967	14,285	-	6,973
8773	80,000	11,104	6,969	-	61,927
8776	291,000	-	-	-	291,000
8815	270,000	-	270,000	-	-
8816 *	683,000	-	426,093	-	256,907
8828	1,058,411	-	1,042,144	-	16,267
8843	19,676	-	19,676	-	-
9139	36,223	-	-	-	36,223
9736	358,157	326,321	5,252	-	26,584
9925 *	749,876	587,800	149,986	-	12,090
9926	6,159,634	6,137,886	-	33,000	(11,252)
Total	18,185,933	11,014,604	3,061,430	1,482,306	2,627,593
<u>4072</u>	<u>Farm Museum</u>				
8731	1,450,000	116,214	55,570	-	1,278,216
8821	159,997	-	159,997	-	-
Total	1,609,997	116,214	215,567	-	1,278,216
<u>4076</u>	<u>Self-Help Projects</u>				
8700	(1,140)	-	-	-	(1,140)
8799	5,580	-	4,246	-	1,334
8805	6,502	3,223	3,278	-	1
8806	5,600	-	-	-	5,600
8807	6,000	-	4,967	-	1,033
8808	11,110	-	11,110	-	-
8830	10,038	-	-	-	10,038
8831	6,000	-	6,000	-	-
8832	4,775	-	4,775	-	-
8833	25,000	-	24,134	-	866
8834	5,218	-	5,215	-	3
8835	2,263	-	2,263	-	-
8836	25,000	-	19,931	3,681	1,388
8837	4,210	-	3,200	-	1,010
8838	10,496	-	10,496	-	-
8839	25,000	-	21,250	-	3,750
8840	3,093	-	3,093	-	-
9735	8,177	-	-	-	8,177
Total	162,922	3,223	123,958	3,681	32,060
Total Culture and Recreation	19,958,852	11,134,041	3,400,955	1,485,987	3,937,869

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THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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Schedule 6

Description	Governmental Activities				
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	Unexpended Appropriation
<u>4081</u> <u>Library/Senior Centers</u>					
8734 Westminster Library Bsmt	\$ 600,000	\$ -	\$ -	\$ -	\$ 600,000
9822 Library-Technology Improvements	4,280,900	3,489,134	332,039	-	459,727
Total	4,880,900	3,489,134	332,039	-	1,059,727
Total Library/Senior Centers	4,880,900	3,489,134	332,039	-	1,059,727
<u>4091</u> <u>Conservation & Open Space</u>					
9002 Land Bank	22,089,803	16,164,235	-	-	5,925,568
9007 Ag Land Preservation	170,320,525	159,030,032	2,547,764	-	8,742,729
9701 Infrastructure/Plan Studies	467,167	382,184	-	-	84,983
9702 Traffic Impact Studies/Develop	137,692	130,629	-	-	7,063
9851 Rural Legacy-Easement Purchase	25,982,606	23,964,595	987,919	-	1,030,092
Total	218,997,793	199,671,675	3,535,683	-	15,790,435
<u>4092</u> <u>Water Resources</u>					
8294 Reservoir Development	14,390,566	8,933,571	365,936	-	5,091,059
8328 Environmental Compliance	1,419,500	365,858	15,810	-	1,037,832
Total	15,810,066	9,299,429	381,746	-	6,128,891
<u>4093</u> <u>Watershed Improvements</u>					
8523 * Elderwood SWM/Oklahoma Ph4	3,179,355	1,479,720	1,056,123	81,750	561,762
8536 7 Langdon Property	3,261,793	379,552	977,172	1,959,038	(53,969)
8543 Willow Pond/Eden Farms	3,731,649	205,789	1,180,991	1,819,273	525,596
8547 Oklahoma Two-Foothills Sec	198,800	198,775	25	-	-
8593 5 Shannon Run/Hawks Ridge	2,255,813	1,384,641	296,211	102,712	472,249
8595 Local Watershed Modeling	65,000	62,456	-	2,124	420
8606 6 Whispering Valley	1,127,958	81,648	582,648	292,861	170,801
8607 13 Merridale Gardens	1,419,028	1,212,649	78,501	-	127,878
8608 1 Roberts Mill Regional Pond	3,348,313	116,801	3,112,337	103,557	15,618
8690 Locust Street	134,313	50,692	382	-	83,239
8691 Restoration Research Grant	220,730	155,395	12,407	34,022	18,906
8736 Shiloh Middle School	1,086,841	115,364	708,851	264,024	(1,398)
8739 Tree Planting Fall 2017	162,000	84,075	2,139	7,639	68,147
8752 Mayberry Gun Club	170,000	50,306	117,378	10,872	(8,556)
8753 13 Prospect Road E/W Pond	2,040,000	38,652	-	-	2,001,348
8754 Dulaney Fill Site	555,000	218,915	124,762	-	211,323
8755 Elmer Wolfe Retrofit	169,073	26,608	142,465	-	-
8760 Hampstead Regional	13,000	10,088	-	-	2,912
8765 Stormwater Fac Reno FY19	370,000	81,460	284,722	-	3,818

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THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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Capital Projects
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Schedule 6

Description	Governmental Activities				
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	Unexpended Appropriation
8780 Central MD Facility 2	\$ 875,940	\$ 49,290	\$ 505,616	\$ 8,000	\$ 313,034
8781 Natural Filters Fund	200,000	47,267	4,658	9,317	138,758
8782 Greens of Westminster Sec6#2	855,000	40,892	4,774	655,359	153,975
8785 Woodsyde Estates	1,705,000	58,964	112,094	-	1,533,942
8786 1 Trevanion Terrace	710,000	40,608	46,516	-	622,876
8820 Stormwater Facility Reno FY20	320,000	-	197,702	11,070	111,228
8822 Pooledale Forest Bank	186,327	6,400	143,926	36,001	-
8823 IDA Mt Airy Stormwater	72,120	66,120	5,700	-	300
8824 Melstone Valley SWM Retrofit	75,000	-	36,545	-	38,455
8825 Hydes Quarry	60,000	-	40,094	-	19,906
8826 Piney Run Dam Spillway	500,000	-	246,148	203,852	50,000
8829 Storm Drain Outfall Study	35,000	-	27,371	-	7,629
8841 Brynwood	103,772	-	40,304	87,378	(23,910)
8842 Bevard Square	16,789	-	15,039	-	1,750
8844 Hampstead Valley Wtrshed Stdy	65,944	-	63,996	-	1,948
9920 Watershed Assessment & Improve	5,802,296	-	-	-	5,802,296
Total	<u>35,091,854</u>	<u>6,263,127</u>	<u>10,167,597</u>	<u>5,688,849</u>	<u>12,972,281</u>
Total Conservation of Natural Resources	<u>269,899,713</u>	<u>215,234,231</u>	<u>14,085,026</u>	<u>5,688,849</u>	<u>34,891,607</u>
4021 Judicial					
8779 State's Attorney Building	17,000,000	91	970,652	872,986	15,156,271
Total Judicial	<u>17,000,000</u>	<u>91</u>	<u>970,652</u>	<u>872,986</u>	<u>15,156,271</u>
Total Governmental Activities	<u>\$ 568,951,353</u>	<u>\$ 373,646,795</u>	<u>\$ 41,944,057</u>	<u>\$ 22,479,898</u>	<u>\$ 130,880,603</u>

* Completed CIP projects put into service during FY20

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Schedule 6

Description	Business-type Activities				Unexpended Appropriation	
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered		
<u>Bureau of Utilities</u>						
6311	Water & Sewer Meters	\$ 5,722,629	\$ 4,884,469	\$ 527,397	\$ 63,199	\$ 247,564
6332	Tank Painting	2,933,032	1,110,720	64,949	666,247	1,091,116
6344	HWWTPEffluent Chillers	2,436,967	621,844	-	-	1,815,123
6358	8-12-16 Mains/Hydraulic Loop	634,221	-	-	-	634,221
6359	Hydrant Replacement	1,952,350	1,636,031	115,134	61,990	139,195
6378	Relief Sewer No. 6	3,100,556	324,815	-	-	2,775,741
6382 *	Relief Sewer No. 10	2,985,800	1,415,499	1,039,978	71,694	458,629
6385	Sewer Study Update	1,573,000	871,246	208,506	59,995	433,253
6390	Sykesville Eleva W/Tank #6 04	62,000	-	-	-	62,000
6403	Sanitary Sewer Manhole Rehab	2,234,200	1,435,152	93,416	-	705,632
6409	FD Looping Monroe (Okla-Benn)	74,800	-	-	-	74,800
6418	North Pump Station Wet Well	2,340,000	398,126	54,493	86,721	1,800,660
6419	Freedom Waste Water TP-ENR	10,570,000	10,554,408	7,404	-	8,188
6421	Sanitary Sewer Main Lining	2,148,899	2,053,735	-	-	95,164
6422	Gravity Sewer Main	2,230,400	1,703,360	-	-	527,040
6425	Water Main Loops FY12	1,337,872	-	55,092	129,170	1,153,610
6428	Water Main Blow-Off Replcmts	1,682,700	1,159,701	447,727	37,950	37,322
6429	Water Service Line Replacement	1,767,500	1,278,022	53,006	-	436,472
6430	Hampstead ENR Upgrade	22,180,110	5,177,215	11,138,315	5,199,778	664,802
6431	Sykesville Sewer Upgrade	1,965,000	-	-	39,195	1,925,805
6432 *	Asset Management System	200,000	171,416	19,317	1,149	8,118
6433	Bark Hill WTP-Improvements	194,000	93,567	-	-	100,433
6434	Freedom WTP-Membrance Fltr	1,287,250	706,289	-	23,554	557,407
6435	Freedom WTP-Sludge Press	285,000	-	-	-	285,000
6436 *	Piney Run Pump Station Imprv	365,000	310,737	25,042	1,078	28,143
6437 *	Stone Manor Pump Station Rehab	302,500	166,967	6,360	-	129,173
6441	Waters Edge Pump Station Rehab	260,000	109	-	-	259,891
6442 *	Roberts Fld Pump Station Rehab	198,000	122,694	-	-	75,306
6443	Standby Generator Replacement	403,550	176,568	154,222	57,352	15,408
6444	Freedom Sewer Rehab	747,885	306,600	306,390	5,000	129,895
6445	Freedom Wells/Connections	1,079,000	6,800	23,097	-	1,049,103
6446	Hampstead Sewer Rehab	627,885	214,195	232,650	56,305	124,735
6447	Hampstead WWTP Effluent Ln	1,968,000	286,232	143,491	1,450,327	87,950
6448	Sewer Pipe Repair/Replac	682,885	82,367	-	-	600,518
6449	Specifications & Design Update	82,500	22,089	5,959	14,532	39,920
6452	Raincliff WTP Rehab	231,000	-	-	-	231,000
6453	Sewer Grinder Install/Rehab	121,000	-	-	-	121,000
6454	Stream Bank Stabilization	99,000	-	37,780	2,030	59,190
6455	Warfield Cmplx W/S Rehab	335,500	71,245	22,228	-	242,027
6456	County Water Line Rehab/Replace	726,000	-	35,646	21,037	669,317
6457	Runnymede WWT Facility Rehab	28,000	-	-	23,300	4,700
6458	South Carroll WWT Facility Rehab	163,000	-	53,266	25,420	84,314
	Total	80,318,991	37,362,218	14,870,865	8,097,023	19,988,885

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THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects
For the Year Ended June 30, 2020

Schedule 6

Description	Business-type Activities				Unexpended Appropriation	
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered		
<u>Solid Waste</u>						
6520	Hoods Mill Remediation	\$ 1,173,035	\$ 944,429	\$ -	\$ -	\$ 228,606
6521	Northern Landfill Remediation	1,014,000	916,449	-	-	97,551
6528	John Owings LF Remediation	800,000	617,675	-	-	182,325
6534	Nrthn Landfill-Cap Cells 1&2	3,948,000	3,852,648	-	-	95,352
6536	Northern LF-Leachate Ponds	460,000	336,947	-	-	123,053
6537	Bark Hill Remediation/Maint	13,506	-	-	-	13,506
6541	CRF-Northern Landfill	23,000	-	13,172	-	9,828
	Total	<u>7,431,541</u>	<u>6,668,148</u>	<u>13,172</u>	<u>-</u>	<u>750,221</u>
<u>Fiber Network</u>						
6603	CCFN Expansion	525,000	138,911	15,991	-	370,098
6604	CC Broadband Grant Program	400,000	-	36,842	-	363,158
6604	CC Broadband Grant Program	60,000	-	6,856	53,144	-
	Total	<u>985,000</u>	<u>138,911</u>	<u>59,689</u>	<u>53,144</u>	<u>733,256</u>
<u>Septage</u>						
6704	Westminster Sept Screen/Grit	5,500,000	493,774	535,797	-	4,470,429
	Total	<u>5,500,000</u>	<u>493,774</u>	<u>535,797</u>	<u>-</u>	<u>4,470,429</u>
<u>Airport</u>						
6818	Grounds & Facility Impr (9541)	422,680	381,062	1,502	-	40,116
6821	Airport Runway Extension	82,601,525	-	-	-	82,601,525
6823	Environmental Assess Re-eval	228,785	228,785	-	-	-
6825	Land Services AIP31	-	546,773	88,832	-	(635,605)
6826	Meadow Branch Rd Relocation	-	2,600	-	-	(2,600)
6827	Land Acquisition-Miller	5,055,248	5,063,583	-	-	(8,335)
	Total	<u>88,308,238</u>	<u>6,222,803</u>	<u>90,334</u>	<u>-</u>	<u>81,995,101</u>
	Total Business-type Activities	<u>\$ 182,543,770</u>	<u>\$ 50,885,854</u>	<u>\$ 15,569,857</u>	<u>\$ 8,150,167</u>	<u>\$ 107,937,892</u>

* Completed CIP projects put into service during FY20

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Long-Term Indebtedness
Schedule by Source
June 30, 2020

Schedule 7

<u>Governmental Activities</u>	<u>Amount Outstanding July 1, 2019</u>	<u>New Debt Activity</u>	<u>Principal Payments For Year 2020</u>	<u>Amount Outstanding June 30, 2020</u>	<u>Interest Payments For Year 2020</u>
General Obligation Bonds					
Volunteer Fire Dept. Project-2004	\$ 179,566	\$ -	\$ 179,566	\$ -	\$ 3,708
Volunteer Fire Dept. Project-2005	380,000	-	190,000	190,000	11,756
General Obligation Refunding Bonds-Nov 2007	1,375,000	-	675,000	700,000	41,500
General Obligation Bonds-Nov 2009 Series A	2,775,216	-	2,775,216	-	55,504
General Obligation Bonds-Nov 2009 Series B	33,577,761	-	33,577,761	-	867,388
General Obligation Bonds-Oct 2010 Series D	13,786,324	-	1,042,831	12,743,493	560,322
General Obligation Refunding Bonds-Nov 2011	1,421,001	-	1,421,001	-	28,420
General Obligation Bonds-2011	13,545,000	-	11,825,000	1,720,000	272,225
General Obligation Refunding Bonds-2012	8,044,159	-	3,347,085	4,697,074	301,793
General Obligation Bonds-2012	15,010,000	-	1,075,000	13,935,000	473,237
General Obligation Bonds-2013	19,305,000	-	1,340,000	17,965,000	810,275
General Obligation Refunding Bonds- Taxable Pension 2013	863,000	-	863,000	-	9,559
General Obligation Refunding Bonds-2014	43,809,171	-	5,354,682	38,454,489	1,759,316
General Obligation Bonds- 2014	12,000,000	-	750,000	11,250,000	431,250
General Obligation Refunding Bonds-2015	5,058,955	-	1,263,920	3,795,035	177,080
General Obligation Bonds- 2015	23,665,000	-	1,440,000	22,225,000	855,681
General Obligation Refunding Bonds-2016	1,855,985	-	927,993	927,992	69,599
General Obligation Bonds- 2016	12,600,000	-	700,000	11,900,000	444,500
General Obligation Bonds- 2018	25,000,000	-	1,250,000	23,750,000	1,075,000
General Obligation Bonds- 2019 Series A	-	30,000,000	-	30,000,000	540,833
General Obligation Refunding Bonds- 2019 Series A	-	28,272,184	-	28,272,184	644,906
General Obligation Refunding Bonds- 2019 Series B	-	11,525,000	-	11,525,000	121,862
Total General Obligation Bonds	<u>234,251,138</u>	<u>69,797,184</u>	<u>69,998,055</u>	<u>234,050,267</u>	<u>9,555,714</u>
Farmers Home Administration					
Federal Loan - 1972	103,363	-	29,211	74,152	3,618
Federal Loan - 1974	60,892	-	9,902	50,990	2,223
Federal Loan - 1979	284,462	-	19,347	265,115	10,381
Total Farmers Home Administration	<u>448,717</u>	<u>-</u>	<u>58,460</u>	<u>390,257</u>	<u>16,222</u>
General Obligation Debt					
Installment Purchase Agreements FY 2002	396,000	-	-	396,000	21,937
Installment Purchase Agreements FY 2003	530,930	-	-	530,930	27,354
Installment Purchase Agreements FY 2004	100,000	-	-	100,000	4,937
Installment Purchase Agreements FY 2005	2,179,934	-	-	2,179,934	106,200
Installment Purchase Agreements FY 2006	1,346,000	-	-	1,346,000	62,012
Installment Purchase Agreements FY 2007	2,584,000	-	-	2,584,000	136,980
Installment Purchase Agreements FY 2009	1,013,914	-	-	1,013,914	60,835
Installment Purchase Agreements FY 2010	4,662,430	-	-	4,662,430	243,702
Installment Purchase Agreements FY 2011	13,115,500	-	-	13,115,500	786,930
Installment Purchase Agreements FY 2013	445,320	-	-	445,320	23,379
Installment Purchase Agreements FY 2014	3,475,344	-	-	3,475,344	182,456
Installment Purchase Agreements FY 2016	473,924	-	-	473,924	24,881
Installment Purchase Agreements FY 2017	1,303,000	-	-	1,303,000	65,150
Installment Purchase Agreements FY 2019	887,000	-	-	887,000	44,350
Installment Purchase Agreements FY 2020	-	1,024,000	-	1,024,000	-
Total General Obligation Debt	<u>32,513,296</u>	<u>1,024,000</u>	<u>-</u>	<u>33,537,296</u>	<u>1,791,103</u>
Purchase Agreements					
Johnson Controls/SunTrust	442,027	-	248,625	193,402	14,676
Johnson Controls/AAIG	4,280,129	-	87,873	4,192,256	99,838
Total Purchase Agreements	<u>4,722,156</u>	<u>-</u>	<u>336,498</u>	<u>4,385,658</u>	<u>114,514</u>
Total Governmental Activities	<u>\$ 271,935,307</u>	<u>\$ 70,821,184</u>	<u>\$ 70,393,013</u>	<u>\$ 272,363,478</u>	<u>\$ 11,477,553</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Long-Term Indebtedness
Schedule by Source
June 30, 2020

Schedule 7

<u>Business-type Activities</u>	<u>Amount Outstanding July 1, 2019</u>	<u>New Debt Activity</u>	<u>Principal Payments For Year 2020</u>	<u>Amount Outstanding June 30, 2020</u>	<u>Interest Payments For Year 2020</u>
General Obligation Bonds					
Bureau of Utilities					
General Obligation Bonds- 2009 Series A	\$ 88,658	\$ -	\$ 88,658	\$ -	\$ 1,773
General Obligation Bonds- 2009 Series B	1,072,240	-	1,072,240	-	27,698
General Obligation Bonds- 2010 Series D	9,642	-	730	8,912	392
General Obligation Refunding Bonds-Nov 2011	24,451	-	24,451	-	489
General Obligation Refunding Bonds-Nov 2012	103,803	-	41,061	62,742	3,961
General Obligation Refunding Bonds-Nov 2014	4,854,166	-	525,425	4,328,741	184,862
General Obligation Refunding Bonds-Nov 2015	2,505,094	-	625,868	1,879,226	87,686
General Obligation Refunding Bonds-Nov 2016	17,024	-	8,511	8,513	638
General Obligation Refunding Bonds-Nov 2019 Series B	-	902,816	-	902,816	20,594
Solid Waste Fund					
General Obligation Bonds- 2009 Series A	1,125	-	1,125	-	22
General Obligation Refunding Bonds-Nov 2011	158,221	-	158,221	-	3,164
General Obligation Refunding Bonds-Nov 2014	132,480	-	50,710	81,770	7,942
General Obligation Refunding Bonds-Nov 2015	160,952	-	40,212	120,740	5,634
General Obligation Refunding Bonds-Nov 2016	27,693	-	13,847	13,846	1,038
Airport Fund					
General Obligation Bonds - 2001	330,000	-	110,000	220,000	12,939
General Obligation Refunding Bonds- 2010 Series D	19,035	-	1,440	17,595	774
General Obligation Refunding Bonds-Nov 2011	26,327	-	26,327	-	526
General Obligation Refunding Bonds-Nov 2012	7,687	-	3,834	3,853	269
General Obligation Refunding Bonds-Nov 2014	9,183	-	9,183	-	229
General Obligation Refunding Bonds-Nov 2016	19,297	-	9,648	9,649	724
Draw Down Bond - May 2019	4,802,001	-	-	4,802,001	108,555
Septage Fund					
General Obligation Refunding Bonds- Nov 2012	39,351	-	13,020	26,331	1,576
Total General Obligation Bonds	<u>14,408,430</u>	<u>902,816</u>	<u>2,824,511</u>	<u>12,486,735</u>	<u>471,485</u>
Notes Payable- Bureau of Utilities					
Water Quality Loan - Maryland Department of the Environment - 2000	65,954	-	32,554	33,400	3,430
Total Notes Payable	<u>65,954</u>	<u>-</u>	<u>32,554</u>	<u>33,400</u>	<u>3,430</u>
Total Business-type Activities	<u>\$ 14,474,384</u>	<u>\$ 902,816</u>	<u>\$ 2,857,065</u>	<u>\$ 12,520,135</u>	<u>\$ 474,915</u>

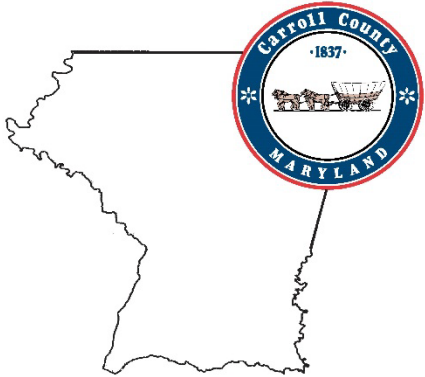
THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Investments for
Governmental Activities, Business Type Activities, and Trust Funds
June 30, 2020

Schedule 8

	Length (in Days)	Maturity Date	Rate (%)	Market Value	Totals
GOVERNMENTAL ACTIVITIES and BUSINESS TYPE ACTIVITIES					
Federal Agricultural Mortgage Corporation	360	1-Oct-20	2.63	\$9,055,080	
Federal Home Loan Mortgage Corporation	360	16-Feb-21	2.38	5,067,000	
Federal Farm Credit Bank	360	24-Jun-21	1.90	10,168,100	
Federal Home Loan Bank	720	24-Feb-22	1.54	5,005,350	
Federal Home Loan Mortgage Corporation	720	30-Mar-22	1.00	4,668,219	
Treasury Bonds	20 yrs	15-Nov-21	7.22	188,275	
Treasury Bonds	20 yrs	15-Aug-22	6.30	325,606	
Treasury Bonds	20 yrs	15-Nov-22	6.48	234,269	
Treasury Bonds	20 yrs	15-Aug-23	5.26	93,939	
Treasury Bonds	20 yrs	15-Nov-24	5.70	1,862,267	
Treasury Bonds	20 yrs	15-Aug-25	5.15	1,203,539	
Treasury Bonds	20 yrs	15-Nov-26	4.70	1,787,198	
Treasury Bonds	20 yrs	15-Feb-27	4.72	1,123,064	
Treasury Bonds	20 yrs	15-Aug-29	4.10	2,515,610	
Treasury Strips	20 yrs	15-Nov-21	5.83	75,826	
Treasury Strips	20 yrs	15-Aug-22	5.92	34,869	
Treasury Strips	20 yrs	15-Aug-22	5.78	62,798	
Treasury Strips	20 yrs	15-Nov-22	5.39	100,549	
Treasury Strips	20 yrs	15-Aug-23	5.42	20,845	
Treasury Strips	20 yrs	15-Nov-24	4.99	752,639	
Treasury Strips	20 yrs	15-Nov-25	4.76	433,459	
Treasury Strips	20 yrs	15-Nov-26	4.95	284,350	
Treasury Strips	20 yrs	15-Feb-27	4.73	192,612	
Treasury Strips	8 yrs	15-May-24	4.39	846,130	
Treasury Strips	20 yrs	15-May-29	4.42	101,276	
Treasury Strips	20 yrs	15-Feb-30	4.68	1,457,134	
Treasury Strips	20 yrs	15-Aug-29	4.55	714,495	
Treasury Strips	20 yrs	15-Nov-29	4.76	596,476	
Treasury Strips	20 yrs	15-May-30	4.11	1,756,640	
Treasury Strips	20 yrs	15-Aug-30	3.90	2,024,497	
Treasury Strips	20 yrs	15-Nov-30	4.44	2,469,212	
Treasury Strips	20 yrs	15-May-31	4.46	5,738,528	
Treasury Strips	20 yrs	15-Nov-32	2.91	394,822	
Treasury Strips	20 yrs	15-Nov-33	3.88	2,709,338	
Treasury Strips	20 yrs	15-Feb-34	3.69	325,440	
Treasury Strips	20 yrs	15-Nov-35	2.90	400,286	
Treasury Strips	20 yrs	15-Aug-36	2.44	1,085,230	
Treasury Strips	20 yrs	15-Aug-38	3.23	707,923	
Treasury Strips	21 yrs	15-Feb-40	1.33	788,992	
State and Local Government Series	15 yrs	15-May-24	---	51,000	
Maryland Local Government Investment Pool	---	---	0.24	78,181,570	
Maryland Local Government Investment Pool	---	---	0.24	8,641,858	
Branch Banking & Trust-Money Rate Savings	---	---	0.50	19,003,301	\$ 173,249,611
TRUST FUNDS					
<u>Pension</u> - Wilmington Trust Employee Pension Account				101,866,227	
<u>Other postemployment benefits (OPEB)</u>					
Maryland Local Government Investment Pool-OPEB				2,017,530	
Wilmington Trust Master OPEB Investment Trust				116,640,658	
<u>LOSAP</u> - Wilmington Trust LOSAP account				9,331,683	
<u>Law Officer's Pension</u> - Wilmington Trust Law Officer's Pension Account				18,978,283	248,834,381
TOTAL INVESTMENTS					<u><u>\$ 422,083,992</u></u>



Statistical Section





THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statistical Section
June 30, 2019

STATISTICAL SECTION INDEX

This part of Carroll County’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the County’s overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends	
These tables contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.	182 - 190
Revenue Capacity	
These tables contain information to help the reader assess the County’s most significant local revenue sources and property tax.....	191 - 194
Debt Capacity	
These tables contain information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.	195 - 198
Economic and Demographic Information	
These tables offer economic and demographic indicators to help the reader understand the environment within which the County’s financial activities take place.....	199 - 200
Operating Information	
These tables contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.	201 - 209

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

Table 1

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities										
Net Investment in										
Capital Assets	\$ 206,611,333	\$ 222,253,555	\$ 233,149,740	\$ 219,328,550	\$ 204,983,963	\$ 218,185,521	\$ 204,437,083	\$ 211,465,620	\$ 215,928,941	\$ 224,468,499
Restricted	8,249,560	1,371,176	1,656,014	7,570,022	8,145,020	1,765,563	7,792,322	8,354,576	6,438,836	6,438,332
Unrestricted	<u>(47,883,095)</u>	<u>(87,552,776)</u>	<u>(121,872,358)</u>	<u>(37,546,612)</u>	<u>(36,637,182)</u>	<u>(54,174,614)</u>	<u>(44,518,647)</u>	<u>(50,148,292)</u>	<u>(45,963,471)</u>	<u>(51,077,932)</u>
Total Governmental										
Activities Net Position	<u>166,977,798</u>	<u>136,071,955</u>	<u>112,933,396</u>	<u>189,351,960</u>	<u>176,491,801</u>	<u>165,776,470</u>	<u>167,710,758</u>	<u>169,671,904</u>	<u>176,404,306</u>	<u>179,828,899</u>
Business-Type Activities										
Net Investment in										
Capital Assets	134,990,965	124,684,920	121,243,644	120,456,503	116,560,509	111,957,714	102,696,222	103,109,748	102,205,828	104,568,783
Restricted	18,099,353	16,919,975	18,003,426	22,964,201	20,607,431	25,663,794	22,938,152	17,019,197	12,503,774	370,116
Unrestricted	<u>(16,498,324)</u>	<u>(8,918,256)</u>	<u>(10,052,181)</u>	<u>(16,635,238)</u>	<u>(11,089,051)</u>	<u>(12,222,927)</u>	<u>1,599,083</u>	<u>(4,118,863)</u>	<u>(3,535,427)</u>	<u>5,063,524</u>
Total Business-Type										
Activities Net Position	<u>136,591,994</u>	<u>132,686,639</u>	<u>129,194,889</u>	<u>126,785,466</u>	<u>126,078,889</u>	<u>125,398,581</u>	<u>127,233,457</u>	<u>116,010,082</u>	<u>111,174,175</u>	<u>110,002,423</u>
Primary government										
Net Investment in										
Capital Assets	341,602,298	346,938,475	354,393,384	339,785,053	321,544,472	330,143,235	307,133,305	314,575,368	318,134,769	329,037,282
Restricted	26,348,913	18,291,151	19,659,440	30,534,223	28,752,451	27,429,357	30,730,474	25,373,773	18,942,610	6,808,448
Unrestricted	<u>(64,381,419)</u>	<u>(96,471,032)</u>	<u>(131,924,539)</u>	<u>(54,181,850)</u>	<u>(47,726,233)</u>	<u>(66,397,541)</u>	<u>(42,919,564)</u>	<u>(54,267,155)</u>	<u>(49,498,898)</u>	<u>(46,014,408)</u>
Total Primary Government										
Net Position	<u>\$ 303,569,792</u>	<u>\$ 268,758,594</u>	<u>\$ 242,128,285</u>	<u>\$ 316,137,426</u>	<u>\$ 302,570,690</u>	<u>\$ 291,175,051</u>	<u>\$ 294,944,215</u>	<u>\$ 285,681,986</u>	<u>\$ 287,578,481</u>	<u>\$ 289,831,322</u>

Fiscal year 2012 was restated to reflect unearned revenue.

Fiscal year 2014 was restated to reflect a correction to net Investment in Capital Assets.

Fiscal year 2014 and prior have not been restated for GASB 68 and 71.

Fiscal year 2015 was restated to reflect a correction to unrestricted net position.

Fiscal year 2017 and prior have not been restated for GASB 75

Fiscal year 2018 reflects GASB 75

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses										
Governmental Activities:										
General government	\$ 51,183,364	\$ 44,014,893	\$ 49,091,984	\$ 42,244,881	\$ 41,378,683	\$ 49,409,874	\$ 57,641,753	\$ 74,177,030	\$ 75,568,819	\$ 89,394,541
Public safety	59,895,296	57,309,536	53,943,920	51,691,641	45,677,379	43,979,786	42,220,945	36,029,829	37,356,463	37,244,642
Public works	32,037,398	34,537,476	37,119,065	33,927,901	31,583,099	38,511,223	35,383,930	29,857,345	28,764,355	29,582,890
Health	5,054,923	4,939,055	4,777,495	4,654,075	4,400,381	4,280,644	4,504,233	4,546,895	4,666,495	4,939,762
Human services	16,187,454	16,159,258	15,042,717	14,679,925	14,032,995	6,875,694	1,234,170	1,208,120	1,204,489	1,249,949
Education	221,758,339	218,771,767	209,899,157	201,927,058	196,452,853	191,534,142	192,529,402	192,972,220	186,244,744	185,038,583
Culture and recreation	5,672,058	6,293,510	5,861,997	6,298,819	4,992,787	4,637,178	2,617,282	3,208,030	3,418,694	3,257,483
Library	15,769,487	15,151,289	14,351,288	14,808,509	14,452,299	14,145,909	13,909,531	13,150,071	11,540,245	11,277,792
Conservation of natural resources	15,851,219	13,334,949	9,048,557	10,167,939	12,140,369	8,936,174	11,395,342	5,116,229	4,701,163	20,163,969
Economic development	4,399,990	4,949,297	4,674,029	3,851,580	4,234,039	4,822,656	6,723,025	4,572,817	2,239,352	5,370,598
Judicial	10,753,106	8,851,355	8,570,786	8,455,090	8,670,838	7,283,903	6,222,691	-	-	-
Interest on long-term debt	9,603,235	9,937,714	10,578,974	10,996,087	12,894,133	11,851,872	12,506,841	12,347,384	13,401,465	12,522,525
Total Governmental Activities Expenses	<u>448,165,869</u>	<u>434,250,099</u>	<u>422,959,969</u>	<u>403,703,505</u>	<u>390,909,855</u>	<u>386,269,055</u>	<u>386,889,145</u>	<u>377,185,970</u>	<u>369,106,284</u>	<u>400,042,734</u>
Business-Type Activities:										
Bureau of Utilities	12,725,030	13,277,968	11,076,640	11,588,148	11,600,209	11,046,657	11,328,410	10,801,048	11,090,468	11,890,461
Solid Waste	8,956,514	7,719,428	10,461,256	8,784,687	9,996,571	9,550,820	6,319,530	12,108,283	8,727,891	8,830,209
Airport	984,310	1,036,829	778,732	861,147	823,047	733,816	800,811	689,380	1,769,112	618,045
Septage	654,014	692,424	669,343	594,277	629,136	604,130	536,068	489,064	532,369	475,718
Firearms	178,741	152,490	118,906	128,986	113,399	106,373	100,324	97,706	92,935	79,627
Fiber Network	1,328,155	1,281,917	1,274,314	1,321,618	1,116,618	1,230,506	673,718	733,785	540,436	215,017
Total Business-Type Activities Expenses	<u>24,826,764</u>	<u>24,161,056</u>	<u>24,379,191</u>	<u>23,278,863</u>	<u>24,278,980</u>	<u>23,272,302</u>	<u>19,758,861</u>	<u>24,919,266</u>	<u>22,753,211</u>	<u>22,109,077</u>
Total Primary Government Expenses	<u>\$ 472,992,633</u>	<u>\$ 458,411,155</u>	<u>\$ 447,339,160</u>	<u>\$ 426,982,368</u>	<u>\$ 415,188,835</u>	<u>\$ 409,541,357</u>	<u>\$ 406,648,006</u>	<u>\$ 402,105,236</u>	<u>\$ 391,859,495</u>	<u>\$ 422,151,811</u>

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Program Revenues										
Governmental Activities:										
Charges for Services:										
General government	10,997,286	12,223,474	11,619,455	11,742,589	11,743,274	17,670,046	14,450,607	14,820,757	7,466,568	8,361,578
Public safety	2,843,059	2,216,229	2,046,103	1,918,271	2,665,141	1,950,898	1,836,510	1,891,508	2,048,892	2,305,294
Public works	1,879,919	1,376,526	2,046,814	1,306,602	3,491,642	216,246	1,781,862	1,559,051	1,588,668	1,560,090
Health	4,102	5,288	7,037	3,284	5,391	6,684	55,405	58,946	124,065	44,320
Human Services	77,402	102,552	95,469	84,722	79,675	86,275	6,600	6,600	6,600	6,600
Education	-	300,000	-	-	-	-	257,816	480,685	487,464	457,698
Culture and recreation	1,278,467	1,494,523	2,024,348	2,072,530	1,867,103	1,621,589	832,906	928,603	1,008,187	875,200
Conservation of natural resources	149,596	315,297	167,989	128,111	86,209	41,587	-	-	-	-
Economic development	-	-	-	-	-	-	525,158	-	-	-
Judicial	22,690	30,218	-	-	-	-	-	-	-	-
Operating Grants and Contributions	19,094,094	16,963,132	15,996,293	21,016,535	14,740,101	16,502,681	16,136,623	16,116,178	16,372,579	17,944,093
Capital Grants and Contributions	11,694,330	8,248,296	6,362,421	6,005,593	5,339,545	7,396,017	8,372,841	3,282,495	6,177,426	10,461,443
Total Governmental Activities										
Program Revenues	48,040,945	43,275,535	40,365,929	44,278,237	40,018,081	45,492,023	44,256,328	39,144,823	35,280,449	42,016,316
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Bureau of Utilities	\$ 11,246,583	\$ 10,597,228	\$ 10,797,227	\$ 10,578,433	\$ 10,359,334	\$ 10,233,000	\$ 8,906,129	\$ 8,490,173	\$ 8,630,730	\$ 7,843,041
Solid Waste	7,414,234	7,267,063	7,017,892	7,056,454	6,327,333	6,637,638	6,801,739	7,243,944	7,307,108	5,907,344
Airport	828,412	868,336	825,813	792,059	763,759	727,987	649,572	650,660	675,683	518,581
Septage	1,102,810	1,207,602	1,176,001	913,330	1,134,701	946,123	710,536	682,663	608,688	603,550
Firearms	129,951	140,821	141,344	157,720	150,087	153,687	148,106	145,699	126,696	111,984
Fiber Network	247,194	246,225	233,054	212,142	116,613	37,558	7,619,387	-	-	-
Capital Grants and Contributions	6,693,643	4,289,501	2,707,232	1,972,009	2,581,093	1,970,091	2,933,307	2,012,594	2,073,793	1,908,142
Total Business-Type Activities										
Program Revenues	27,662,827	24,616,776	22,898,563	21,682,147	21,432,920	20,706,084	27,768,776	19,225,733	19,422,698	16,892,642
Total Primary Government										
Program Revenues	75,703,772	67,892,311	63,264,492	65,960,384	61,451,001	66,198,107	72,025,104	58,370,556	54,703,147	58,908,958
Net (Expense)/Revenue										
Governmental Activities	(400,124,924)	(390,974,564)	(382,594,040)	(359,425,268)	(350,891,774)	(340,777,032)	(342,632,817)	(338,041,147)	(333,825,835)	(358,026,418)
Business-Type Activities	2,836,063	455,720	(1,480,628)	(1,596,716)	(2,846,060)	(2,566,218)	8,009,915	(5,693,533)	(3,330,513)	(5,216,435)
Total Primary Government Net Expense	(397,288,861)	(390,518,844)	(384,074,668)	(361,021,984)	(353,737,834)	(343,343,250)	(334,622,902)	(343,734,680)	(337,156,348)	(363,242,853)

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes:										
Property taxes	\$ 218,894,050	\$ 213,573,818	\$ 207,878,588	\$ 201,438,220	\$ 199,281,166	\$ 195,465,262	\$ 197,220,873	\$ 203,601,066	\$ 208,296,512	\$ 201,573,213
Income tax	191,376,929	176,127,555	164,543,703	149,896,467	146,049,675	144,994,220	131,714,052	118,168,038	121,921,970	95,516,527
Recordation	14,840,846	13,703,195	13,923,538	14,241,331	14,093,918	11,888,637	10,576,850	8,520,674	7,612,907	9,154,578
Admission and amusement tax	251,253	356,490	355,088	351,742	387,725	353,937	262,098	296,890	379,990	246,184
Agricultural transfer tax	268,174	296,242	221,063	179,416	143,429	59,558	365,510	159,227	24,977	24,199
Hotel tax	306,978	366,550	332,518	324,144	315,319	284,101	309,992	298,498	284,602	287,850
State shared, unrestricted	-	-	-	-	-	-	948,717	620,224	724,807	1,172,339
Gain (loss) on sale of capital asset	68,685	(34,064)	2,507,859	-	-	-	-	-	-	-
Investment earnings and miscellaneous, unrestricted	6,170,082	5,080,311	720,169	(968,894)	4,171,190	2,068,767	1,721,180	3,048,631	782,346	2,107,298
Transfer of asset from component unit	-	-	-	9,442,491	-	-	-	-	-	-
Transfers	(1,146,230)	(2,784,820)	(3,627,110)	(2,619,490)	(2,835,317)	(325,053)	(2,447,601)	(4,312,006)	(12,980,697)	(2,761,088)
Total Governmental Activities	431,030,767	406,685,277	386,855,416	372,285,427	361,607,105	354,789,429	340,671,671	330,401,242	327,047,414	307,321,100
Business-Type Activities:										
Investment earnings and miscellaneous, unrestricted	(88,303)	196,000	(8,787)	(363,434)	672,988	404,594	756,859	383,547	582,930	422,785
Gain on sale of capital asset	11,365	55,210	271,728	47,237	18,063	1,695	9,000	3,677	-	35,395
Transfers	1,146,230	2,784,820	3,627,110	2,619,490	2,835,317	325,053	2,447,601	4,312,006	12,980,697	2,761,088
Total Business-Type Activities	1,069,292	3,036,030	3,890,051	2,303,293	3,526,368	731,342	3,213,460	4,699,230	13,563,627	3,219,268
Total Primary Government	432,100,059	409,721,307	390,745,467	374,588,720	365,133,473	355,520,771	343,885,131	335,100,472	340,611,041	310,540,368
Governmental Activities	30,905,843	15,710,713	4,261,376	12,860,159	10,715,331	14,012,397	(1,961,146)	(7,639,905)	(6,778,421)	(50,705,318)
Business-Type Activities	3,905,355	3,491,750	2,409,423	706,577	680,308	(1,834,876)	11,223,375	(994,303)	10,233,114	(1,997,167)
Total Primary Government	34,811,198	19,202,463	6,670,799	13,566,736	11,395,639	12,177,521	9,262,229	(8,634,208)	3,454,693	(52,702,485)

Note:

Fiscal year 2011 and 2012 was restated to reflect GASB standards. Fiscal year 2014 was restated to reflect a correction to Net Investments in Capital Assets. Fiscal year 2015 reflects the reclassification of activities by functions and was restated to reflect a correction to net position. Fiscal year 2017 and prior have not been restated for GASB 75. Fiscal Year 2018 reflects GASB 75.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 3

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund (1)										
Nonspendable	\$ 27,200,674	\$ 29,251,857	\$ 23,910,613	\$ 27,548,663	\$ 26,668,918	\$ 29,004,124	\$ 29,209,160	\$ 29,140,848	\$ 27,853,715	\$ 30,274,746
Restricted	34,935,452	30,361,623	27,610,117	29,656,499	30,926,309	27,423,603	26,052,436	23,584,205	25,272,233	18,998,982
Committed	20,940,467	20,940,467	20,562,903	21,402,103	20,820,350	20,398,120	19,825,000	19,765,000	19,777,263	20,165,000
Assigned	14,152,749	23,445,409	29,273,812	20,383,343	22,580,717	18,458,967	22,035,700	16,264,913	20,946,437	9,782,490
Unassigned	30,358,968	13,551,159	3,955,334	14,529,685	10,840,140	7,628,502	6,922,173	16,132,542	14,827,375	16,809,377
Total General Fund	127,588,310	117,550,515	105,312,779	113,520,293	111,836,434	102,913,316	104,044,469	104,887,508	108,677,023	96,030,595
Capital Projects Fund										
Restricted	7,087,381	-	-	5,708,337	7,518,934	292,775	-	-	-	-
Assigned	32,192,740	19,779,928	10,755,574	17,903,635	24,235,426	29,083,530	36,834,193	40,629,996	37,134,531	33,780,969
Total Capital Projects Fund	39,280,121	19,779,928	10,755,574	23,611,972	31,754,360	29,376,305	36,834,193	40,629,996	37,134,531	33,780,969
Grant Fund (2)										
Nonspendable	491,892	-	-	-	-	-	-	-	-	-
Restricted	614,863	-	-	-	-	-	-	-	-	-
Assigned	842,432	-	-	-	-	-	-	-	-	-
Total Capital Projects Fund	1,949,187	-	-	-	-	-	-	-	-	-
Non-Major Governmental Funds: (1)										
Special Revenues Fund										
Nonspendable	-	446,299	471,337	436,096	-	-	-	-	-	-
Restricted	547,316	1,371,176	1,656,014	1,737,516	626,086	1,472,788	1,543,563	1,159,415	2,227,030	4,361,704
Committed	630,856	233,739	237,213	109,396	672,372	2,203,593	1,606,331	1,275,957	911,792	603,723
Assigned	-	1,255,987	1,036,685	1,222,426	1,608,421	821,612	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(21,576)
Total Non-Major Governmental Funds	1,178,172	3,307,201	3,401,249	3,505,434	2,906,879	4,497,993	3,149,894	2,435,372	3,138,822	4,943,851
Total Governmental Funds- as restated	\$ 169,995,790	\$ 140,637,644	\$ 119,469,602	\$ 140,637,699	\$ 146,497,673	\$ 136,787,614	\$ 144,028,556	\$ 147,952,876	\$ 148,950,376	\$ 134,755,415
Unassigned General Fund Balance as a Percentage of										
General Fund Expenditures	7.6%	3.4%	1.0%	3.8%	2.9%	2.5%	2.4%	5.2%	4.8%	5.5%

Note:

(1) FY 2011 GASB 54 was implemented.

(2) Major fund effective FY 2020. Data included in Non-Major Governmental Funds for years 2019 and prior.

FY 2014 there was a change in law of how unassigned fund balanced must be used. Part of what would have gone to unassigned is now assigned for future fiscal years.

FY 2015 was restated to reflect corrections in fund balances.

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Local Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 4

Fiscal Year	Property Taxes	Income Tax	Recordation Tax	Amusement Tax	911 Service Fees-Tax	Other Tax	Total
2011	208,296,512	116,171,871	7,612,907	379,990	1,039,337	1,172,805	334,673,422
2012	203,601,066	127,249,915	8,520,674	296,890	1,037,075	1,718,042	342,423,662
2013	197,727,477	127,555,768	10,021,395	288,173	1,028,501	1,751,744	338,373,058
2014	195,528,915	131,659,596	10,576,850	262,098	1,039,244	2,065,786	341,132,489
2015	194,029,688	139,356,969	11,888,637	353,937	1,089,823	1,912,584	348,631,638
2016	199,281,166	148,005,117	14,093,918	387,725	1,092,094	676,830	363,536,850
2017	201,438,220	150,118,290	14,241,331	351,742	1,087,610	743,637	367,980,830
2018	207,878,588	153,469,703	13,923,538	355,088	1,113,242	1,721,258	378,461,417
2019	213,573,818	169,051,411	13,703,195	356,490	1,082,654	3,804,880	401,572,448
2020	218,894,050	172,211,973	14,840,846	251,253	1,766,038	3,527,136	411,491,296
Change 2011-2020	5.1%	48.2%	94.9%	-33.9%	69.9%	200.7%	23.0%

In fiscal year 2012, real property tax rate reduced from \$1.048 to \$1.028 per \$100 of assessed value.
 In fiscal year 2013, real property tax rate reduced from \$1.028 to \$1.018 per \$100 of assessed value.
 In fiscal year 2012, personal property tax rate reduced from \$2.62 to \$2.57 per \$100 of assessed value.
 In fiscal year 2013, personal property tax rate reduced from \$2.57 to \$2.545 per \$100 of assessed value.
 In fiscal year 2014, personal property tax rate reduced from \$2.545 to \$2.515 per \$100 of assessed value.
 Effective January 1, 2015 income tax rate reduced from \$3.04% to 3.03% of taxable income.

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 5

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
REVENUES										
Taxes-Local (see Table 4)	\$ 411,491,296	\$ 401,572,448	\$ 378,461,417	\$ 367,980,830	\$ 363,536,850	\$ 348,631,638	\$ 341,132,489	\$ 338,373,058	\$ 342,423,662	\$ 334,673,422
Taxes-State Shared	-	-	-	-	-	-	952,204	1,635,475	1,236,284	1,447,227
Impact fees	-	-	-	-	-	184,605	206,711	295,755	1,575,933	1,148,592
Licenses and permits	3,171,169	3,275,526	3,261,620	3,246,094	3,033,852	1,600,930	1,475,869	1,518,884	1,382,219	1,364,820
Intergovernmental revenues	27,317,586	21,848,760	20,238,674	23,652,734	19,316,866	20,290,637	22,898,130	18,978,536	15,316,915	26,455,936
Charges for services	3,527,565	4,167,675	4,588,277	4,441,836	4,167,021	4,445,797	4,576,701	4,732,420	4,810,478	4,981,149
Fines and forfeits	65,604	67,574	84,772	71,866	78,600	99,840	92,532	95,487	92,355	101,128
Interest and gain on investments	6,484,206	5,406,228	1,039,686	(553,815)	4,597,299	2,477,109	2,225,527	(829,835)	6,800,763	1,244,055
Miscellaneous revenues	8,429,586	8,960,211	13,440,184	8,871,778	9,383,285	9,808,553	10,054,257	5,840,925	3,758,082	3,249,099
Total revenues	<u>460,487,012</u>	<u>445,298,422</u>	<u>421,114,630</u>	<u>407,711,323</u>	<u>404,113,773</u>	<u>387,539,109</u>	<u>383,614,420</u>	<u>370,640,705</u>	<u>377,396,691</u>	<u>374,665,428</u>
EXPENDITURES										
Current:										
General government	40,315,994	38,804,946	38,073,831	36,360,819	37,065,282	44,974,142	60,974,579	63,738,334	69,611,957	69,373,934
Public safety	55,356,862	54,466,560	49,747,964	47,902,706	44,211,285	42,721,116	41,484,155	35,585,271	35,914,325	35,396,452
Public works	17,212,097	19,855,587	19,173,156	19,112,586	17,986,907	17,139,292	13,275,887	9,565,709	8,831,776	10,649,104
Health	5,016,637	4,900,923	4,744,737	4,645,058	4,400,381	4,269,673	4,301,492	4,307,983	4,494,155	4,707,292
Human services	16,092,305	16,151,094	15,020,196	14,707,376	14,017,504	6,855,878	1,232,576	1,199,706	1,185,304	1,226,927
Education	214,833,383	210,021,400	204,307,227	198,300,740	191,621,893	186,866,867	185,008,583	180,570,971	173,557,501	174,935,761
Library	15,437,448	14,771,512	14,326,002	14,249,443	14,084,487	13,687,211	13,417,275	11,000,246	8,497,632	8,645,019
Culture and recreation	4,265,594	4,466,599	4,516,760	4,537,030	4,236,257	4,182,624	1,759,651	2,721,536	2,569,590	2,639,789
Conservation of natural resources	2,619,139	2,454,853	2,289,856	2,283,698	2,084,571	2,000,988	966,448	856,440	839,957	822,510
Economic development	4,206,503	4,795,262	4,425,636	3,628,423	4,004,475	4,586,843	6,484,527	4,324,885	1,970,523	5,089,136
Judicial	9,702,649	8,901,404	8,559,556	8,593,930	8,710,327	7,310,970	-	-	-	-
Capital outlay	40,973,405	38,314,144	32,950,028	30,421,723	36,972,429	41,331,365	48,515,249	33,646,285	30,304,655	44,842,000
Debt service:										
Principal	25,810,225	27,166,668	27,831,485	29,138,572	28,171,532	28,145,359	26,984,558	25,641,361	27,087,742	23,431,934
Interest	11,470,196	11,844,073	12,431,581	13,207,594	13,339,242	13,339,130	13,656,778	13,646,029	14,154,056	13,914,992
Total expenditures	<u>463,312,437</u>	<u>456,915,025</u>	<u>438,398,015</u>	<u>427,089,698</u>	<u>420,906,572</u>	<u>417,411,458</u>	<u>418,061,758</u>	<u>386,804,756</u>	<u>379,019,173</u>	<u>395,674,850</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,825,425)</u>	<u>(11,616,603)</u>	<u>(17,283,385)</u>	<u>(19,378,375)</u>	<u>(16,792,799)</u>	<u>(29,872,349)</u>	<u>(34,447,338)</u>	<u>(16,164,051)</u>	<u>(1,622,482)</u>	<u>(21,009,422)</u>
OTHER FINANCING SOURCES (USES)										
Transfers in	17,238,285	15,673,942	18,822,137	16,676,294	20,549,077	22,733,370	24,670,471	26,836,782	21,745,757	13,778,283
Transfers out	(18,374,515)	(18,458,762)	(22,449,247)	(19,491,898)	(25,232,077)	(23,058,423)	(25,978,861)	(35,484,572)	(26,057,763)	(16,018,252)
Refunding bonds issued	39,797,184	-	-	6,138,284	6,015,081	52,576,682	4,524,000	16,220,345	9,873,957	14,690,327
Redemption of bonds	(45,143,266)	-	-	(6,524,948)	(6,727,641)	(59,780,169)	(4,478,621)	(19,357,902)	(11,299,208)	(14,593,220)
Bonds issued	30,000,000	25,000,000	-	14,000,000	28,000,000	15,000,000	26,000,000	21,460,000	18,750,000	21,192,091
Bonds premium	8,780,522	1,930,937	-	1,302,370	3,145,496	8,549,374	2,480,740	5,152,394	2,756,696	2,894
Issuance of debt-long-term notes	1,024,000	887,000	-	1,303,000	473,924	4,536,852	3,475,344	445,320	-	13,115,500
Total other financing sources	<u>33,322,210</u>	<u>25,033,117</u>	<u>(3,627,110)</u>	<u>13,403,102</u>	<u>26,223,860</u>	<u>20,557,686</u>	<u>30,693,073</u>	<u>15,272,367</u>	<u>15,769,439</u>	<u>32,167,623</u>
Net change in fund balances	<u>\$ 30,496,785</u>	<u>\$ 13,416,514</u>	<u>\$ (20,910,495)</u>	<u>\$ (5,975,273)</u>	<u>\$ 9,431,061</u>	<u>\$ (9,314,663)</u>	<u>\$ (3,754,265)</u>	<u>\$ (891,684)</u>	<u>\$ 14,146,957</u>	<u>\$ 11,158,201</u>
Debt Service as a percentage of										
Noncapital Expenditures	8.3%	8.7%	9.4%	10.3%	10.2%	10.4%	10.2%	10.3%	9.9%	8.7%

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Expenditures, Governmental Funds
General Fund Expenditures
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 6

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
EXPENDITURES										
Governmental Funds - General Fund										
Salaries & Wages	\$ 49,094,973	\$ 47,834,846	\$ 45,331,963	\$ 43,506,874	\$ 41,979,116	\$ 40,236,082	\$ 39,501,680	\$ 37,736,885	\$ 36,179,523	\$ 36,583,696
Fringe Benefits - Employer Share	38,154,944	35,956,401	33,216,631	33,612,163	33,690,422	32,238,853	32,172,769	15,658,414	15,251,920	15,139,816
Total Personal Services	87,249,917	83,791,247	78,548,594	77,119,037	75,669,538	72,474,935	71,674,449	53,395,299	51,431,443	51,723,512
Business / Conference Expenses	207,842	331,369	288,078	277,373	263,018	178,484	140,166	128,429	127,636	107,932
Overtime Expenses	14,316	51,178	58,675	41,489	39,525	62,251	57,055	29,545	18,014	39,641
Total Travel - Business/Conferences	222,158	382,547	346,753	318,862	302,543	240,735	197,221	154,374	145,650	147,573
Maintenance & Repair	3,964,426	4,541,007	3,792,512	2,705,648	2,543,860	2,262,826	1,809,466	1,822,436	2,194,514	2,607,768
Maintenance Agreements	1,815,803	1,583,196	1,251,069	1,399,031	1,145,071	1,039,882	1,034,868	968,659	1,223,823	854,601
Vendor Services	3,108,941	3,065,323	2,878,905	2,901,733	2,601,979	2,628,414	2,442,001	2,685,103	2,440,013	1,531,220
Health & Medical Services	1,081,872	1,076,184	1,042,997	1,022,268	1,005,202	1,069,216	983,305	919,872	931,307	948,337
Legal Services	143,980	196,093	392,243	227,789	160,844	146,318	169,364	135,227	100,429	86,418
Professional Services	904,412	798,786	409,092	706,403	787,630	819,907	619,363	478,381	396,005	1,769,709
Training Services	302,061	259,449	278,543	242,927	199,287	169,033	137,000	131,549	91,068	105,376
Total Contractual Services	11,321,495	11,520,038	10,045,361	9,205,799	8,443,873	8,135,596	7,195,367	7,141,227	7,377,159	7,903,429
Rents	769,163	1,191,659	962,419	832,346	1,460,527	1,170,780	1,054,247	658,739	548,970	772,092
Utilities	3,412,518	3,601,320	3,713,033	3,530,344	2,969,786	3,120,196	3,660,551	3,487,043	3,788,192	3,647,244
Communications	1,087,791	1,172,539	1,148,447	1,258,004	1,111,979	1,176,584	1,082,615	1,050,854	1,016,231	1,066,839
Total Rent & Utilities	5,269,472	5,965,518	5,823,899	5,620,694	5,542,292	5,467,560	5,797,413	5,196,636	5,353,393	5,486,175
Office Supplies & Materials	545,352	532,237	497,894	543,861	606,796	472,396	448,812	428,447	445,195	435,418
Food Supplies	499,866	517,521	516,213	542,572	494,624	531,714	518,065	476,778	474,049	488,275
Personnel / Safety Equip-Supply	366,779	417,749	424,760	477,387	370,355	341,716	319,329	347,482	308,268	212,451
General Operating Supplies	1,888,302	3,956,414	3,864,228	3,479,615	2,971,245	4,460,148	3,250,766	2,590,801	2,337,947	2,868,677
Fuels & Lubricants	1,332,552	1,781,199	1,833,992	1,779,600	1,902,930	2,168,148	2,477,859	2,189,409	2,145,135	1,966,286
Vehicle Maintenance Materials	1,544,346	1,907,758	1,745,529	1,570,192	1,812,128	964,953	855,474	679,354	613,299	686,188
Total Supplies & Materials	6,177,197	9,112,878	8,882,616	8,393,227	8,158,078	8,939,075	7,870,305	6,712,271	6,323,893	6,657,295
Board of Education	197,959,421	192,391,000	183,670,974	186,863,950	178,028,873	172,875,135	170,412,791	170,799,564	165,372,091	166,780,244
Library	15,389,873	9,009,360	10,569,489	8,727,890	10,557,662	10,421,642	10,103,156	9,934,238	7,485,000	7,635,000
Carroll Community College	16,047,202	10,583,600	13,853,206	9,687,110	7,827,680	7,608,220	7,240,990	8,542,027	6,933,000	6,933,000
Other Outside Agencies	16,035,367	29,476,553	24,770,123	27,858,384	26,000,143	26,394,568	25,926,070	35,930,220	39,249,951	40,731,946
Total Grants	245,431,863	241,460,513	232,863,792	233,137,334	222,414,358	217,299,565	213,683,007	225,206,049	219,040,042	222,080,190
Total Contributions & Aid	245,431,863	241,460,513	232,863,792	233,137,334	222,414,358	217,299,565	213,683,007	225,206,049	219,040,042	222,080,190
Other Charges	6,358,207	6,852,197	8,157,258	126,407	3,416,109	3,612,221	3,353,809	(2,210,359)	127,058	154,138
Insurance	751,570	736,186	777,343	753,036	742,513	647,127	644,751	581,222	495,986	901,880
Total Other Charges	7,109,777	7,588,383	8,934,601	879,443	4,158,622	4,259,348	3,998,560	(1,629,137)	623,044	1,056,018
Land Acquisition & Development	10,000	600	-	-	45,000	-	-	-	1,800	18
Capital Acquisition & Construction	100,021	112,278	136,532	239,613	80,491	19,275	84,597	60,944	17,333	176,816
Replacement Equipment	1,861,308	1,943,522	3,281,541	1,970,361	2,023,857	1,873,537	2,190,129	828,919	1,042,453	1,325,030
Additional Equipment	350,787	698,940	822,393	406,300	431,347	802,053	1,206,220	834,009	327,196	327,196
Total Capital Outlay	2,322,116	2,985,340	4,116,250	3,032,367	2,555,648	2,324,159	3,076,779	2,096,083	1,895,595	1,829,060
Miscellaneous	(1,095,419)	(1,380,141)	(1,259,628)	(1,103,733)	(1,208,575)	(315,998)	(314,603)	(291,581)	(271,503)	(255,310)
Total Miscellaneous	(1,095,419)	(1,380,141)	(1,259,628)	(1,103,733)	(1,208,575)	(315,998)	(314,603)	(291,581)	(271,503)	(255,310)
Interest	11,005,578	11,433,711	12,028,194	12,814,116	13,339,243	13,339,130	13,656,779	13,646,029	14,154,056	13,914,992
Principal	25,133,935	26,563,163	27,230,909	28,620,058	28,171,531	28,145,359	26,984,558	25,641,362	27,087,742	23,431,934
Total Debt Service	36,139,513	37,996,874	39,259,103	41,434,174	41,510,774	41,484,489	40,641,337	39,287,391	41,241,798	37,346,926
Total Governmental Funds - General Fund Expenditures	\$ 400,148,089	\$ 399,423,197	\$ 387,561,341	\$ 378,037,204	\$ 367,547,151	\$ 360,309,464	\$ 353,819,835	\$ 337,268,612	\$ 333,160,514	\$ 333,974,868

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 7

Fiscal Year	Real Property			Personal Property				Estimated Market Value	Direct Tax Rate	Grand Total Estimated Market Value	Total Direct Tax Rate
	Assessed Value	Estimated Market Value	Direct Tax Rate	Assessed Value		Public Utilities	Total				
				Unincorporated	Incorporated						
2011	20,362,487,659	20,362,487,659	1.048	10,631,520	258,758,007	275,237,500	544,627,027	544,627,027	2.620	20,907,114,686	1.089
2012	19,164,115,652	19,164,115,652	1.028	10,201,300	388,879,330	266,415,290	665,495,920	665,495,920	2.570	19,829,611,572	1.080
2013	18,276,387,823	18,276,387,823	1.018	10,738,930	253,571,870	268,124,550	532,435,350	532,435,350	2.545	18,808,823,173	1.061
2014	18,023,463,105	18,023,463,105	1.018	10,646,050	248,768,830	266,503,440	525,918,320	525,918,320	2.515	18,549,381,425	1.060
2015	17,942,543,249	17,942,543,249	1.018	10,629,226	268,730,010	273,646,180	553,005,416	553,005,416	2.515	18,495,548,665	1.063
2016	18,171,558,916	18,171,558,916	1.018	13,124,970	268,899,780	279,437,200	561,461,950	561,461,950	2.515	18,733,020,866	1.063
2017	18,502,136,221	18,502,136,221	1.018	15,349,500	292,491,830	288,632,150	596,473,480	596,473,480	2.515	19,098,609,701	1.065
2018	18,965,221,867	18,965,221,867	1.018	14,827,220	308,754,810	306,249,930	629,831,960	629,831,960	2.515	19,595,053,827	1.066
2019	19,477,276,570	19,477,276,570	1.018	14,190,130	312,078,640	321,545,200	647,813,970	647,813,970	2.515	20,125,090,540	1.066
2020	20,021,924,580	20,021,924,580	1.018	13,885,040	325,819,190	319,857,050	659,561,280	659,561,280	2.515	20,681,485,860	1.066

Real property is reassessed every three years. Real property is assessed at market value.
 In fiscal year 2012, real property tax rate reduced from \$1.048 to \$1.028 per \$100 of assessed value.
 In fiscal year 2013, real property tax rate reduced from \$1.028 to \$1.018 per \$100 of assessed value.
 In fiscal year 2012, personal property tax rate reduced from \$2.62 to \$2.57 per \$100 of assessed value.
 In fiscal year 2013, personal property tax rate reduced from \$2.57 to \$2.545 per \$100 of assessed value.
 In fiscal year 2014, personal property tax rate reduced from \$2.545 to \$2.515 per \$100 of assessed value.
 The total personal property assessed value is equal to the estimated market value.

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Real Property Tax Rates – Direct and Overlapping Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years

Table 8

Fiscal Year	Direct Rate	Overlapping Rates								
	Carroll County	State of Maryland	Taneytown	Sykesville	Manchester	Westminster	Hampstead	New Windsor	Union Bridge	Mt. Airy
2011	1.048	0.112	0.32	0.33	0.204	0.58	0.20	0.2000	0.30	0.1695
2012	1.028	0.112	0.32	0.33	0.216	0.58	0.20	0.2000	0.30	0.1695
2013	1.018	0.112	0.37	0.35	0.216	0.57	0.20	0.2000	0.30	0.1695
2014	1.018	0.112	0.37	0.35	0.216	0.56	0.20	0.2000	0.30	0.1695
2015	1.018	0.112	0.37	0.35	0.216	0.56	0.20	0.2115	0.30	0.1695
2016	1.018	0.112	0.37	0.35	0.216	0.56	0.22	0.2615	0.30	0.1695
2017	1.018	0.112	0.37	0.35	0.216	0.56	0.22	0.2615	0.35	0.1695
2018	1.018	0.112	0.37	0.35	0.216	0.56	0.22	0.2615	0.35	0.1662
2019	1.018	0.112	0.37	0.35	0.216	0.56	0.22	0.2615	0.35	0.1662
2020	1.018	0.112	0.37	0.33	0.216	0.56	0.22	0.2615	0.35	0.1662

The real property tax rates indicated for the incorporated towns only apply within town limits and are in addition to the county and state taxes.

Sources: Carroll County Department of the Comptroller.
Maryland State Department of Assessments and Taxation.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Principal Taxpayers
Current Fiscal Year and Nine Years Ago

Table 9

2020				
Taxpayer	Type of Business	Assessed Valuation	Tax Amount Paid	% of Total Assessed Value
Baltimore Gas & Electric	Utilities	\$ 227,379,970	\$ 5,718,606	1.10%
Colonial Pipeline	Pipeline trans.-refined petroleum	33,309,160	837,725	0.16%
Comcast of California	Communications	31,290,280	786,950	0.15%
Penguin Random House Inc.	Warehouse Distribution	49,693,324	679,292	0.24%
Verizon-Maryland	Communications	24,817,000	624,148	0.12%
Potomac Edison Company	Utilities	21,179,070	532,654	0.10%
Carroll Lutheran Village	Retirement Village	42,430,309	433,159	0.21%
Lehigh Portland Cement	Manufacturer	36,589,318	476,277	0.18%
Stag Hampstead LLC	Warehouse Distribution	37,597,400	382,742	0.18%
Eldersburg Sustainable	Real Estate	35,787,000	364,312	0.17%
		<u>\$ 540,072,831</u>	<u>\$ 10,835,865</u>	<u>2.61%</u>
	Total Assessed Valuation	<u>\$ 20,681,485,860</u>		
2011				
Taxpayer	Type of Business	Assessed Valuation	Tax Amount Paid	% of Total Assessed Value
Baltimore Gas & Electric	Utilities	\$ 170,204,640	\$ 4,459,361	0.81%
Verizon-Maryland	Communications	50,169,470	1,314,440	0.24%
Carroll Lutheran Village	Retirement Village	59,981,588	1,071,316	0.29%
Random House	Warehouse Distribution	44,096,436	656,680	0.21%
Cranberry Mall Properties	Mall	29,869,270	516,906	0.14%
Colonial Pipeline Co.	Pipeline trans.-refined petroleum	19,483,130	510,458	0.09%
Fairhaven Inc.	Assisted Living	39,025,999	454,020	0.19%
Hampstead 2004 LLC	Retail	33,959,700	390,404	0.16%
Cranberry Retail Inc	Power Tools	21,447,732	370,943	0.10%
Comcast of Ca./Md./Pa.	Manufacturer	14,190,360	368,070	0.07%
		<u>\$ 482,428,325</u>	<u>\$ 10,112,598</u>	<u>2.31%</u>
	Total Assessed Valuation	<u>\$ 20,907,114,686</u>		

Property is reassessed every three years

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 10

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections to Date		Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
		Amount	Percent of Levy		Amount	Percent of Levy		
2011	227,185,221	226,056,851	99.50%	1,128,082	227,184,933	99.99%	288	0.01%
2012	210,177,823	209,114,927	99.49%	1,055,654	210,170,581	99.99%	7,242	0.01%
2013	198,643,696	197,845,421	99.60%	797,847	198,643,268	99.99%	428	0.01%
2014	195,942,564	195,202,000	99.62%	729,827	195,931,827	99.99%	10,737	0.01%
2015	195,638,327	194,784,554	99.56%	841,870	195,626,424	99.99%	11,903	0.01%
2016	197,944,020	197,837,002	99.95%	99,213	197,936,215	100.00%	7,805	0.00%
2017	202,329,367	201,772,465	99.72%	521,062	202,293,527	99.98%	35,840	0.02%
2018	207,988,870	207,370,014	99.70%	482,337	207,852,351	99.93%	136,519	0.07%
2019	213,669,097	212,826,558	99.61%	553,615	213,380,173	99.86%	288,924	0.14%
2020	219,936,051	217,729,318	99.00%	-	217,729,318	99.00%	2,206,733	1.00%

The total Tax Levy is adjusted each year based on prior year abatements.

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Bureau of Utilities
Water and Sewer Rates
Last Ten Fiscal Years

Table 11

Fiscal Year	Water				Sewer			
	Quarterly Base Rate	Tier 1*	Tier 2*	Tier 3*	Quarterly Base Rate	Tier 1*	Tier 2*	Tier 3*
2011	6.97	4.62	5.00	5.28	9.97	7.27	8.13	8.77
2012	6.97	4.62	5.00	5.28	9.97	7.27	8.13	8.77
2013	6.75	5.18	5.42	5.59	9.66	7.64	8.29	8.77
2014	7.37	5.75	5.93	6.07	10.45	8.15	8.69	9.15
2015	9.03	6.26	6.41	6.54	12.75	8.65	9.14	9.62
2016	9.03	6.26	6.41	6.54	12.75	8.65	9.14	9.62
2017	9.14	6.74	6.87	7.02	12.75	8.65	9.14	9.62
2018	9.14	6.74	6.87	7.02	12.75	8.65	9.14	9.62
2019	9.14	6.74	6.87	7.02	12.75	8.65	9.14	9.62
2020	9.93	7.34	7.50	7.68	13.92	8.98	9.51	10.08

Tiers are based on the following usages

Tier 1: 0-10,000 gallons

Tier 2: 10,001-30,000 gallons

Tier 3: 30,001 gallons and up

*Per 1,000 gallons

The standard household meter size is 5/8" and the average household usage for fiscal year 2019 was 12,000 gallons per quarter.

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 12

Fiscal Year	Governmental Activities				Business-Type Activities			% of Personal Income (3)	% of Market Property Value (2)	Per Capita (3)
	General Obligation Bonds (1)	General Obligation Debt	Other Notes	Purchase Agreements	General Obligation Bonds (1)	Special Assessment Debt with Government Commitment	Total Primary Government			
2011	307,155,888	27,129,920	200,000	2,097,835	26,190,843	1,202,259	363,976,745	2.08%	1.74%	2,167
2012	300,214,844	27,129,920	-	1,919,820	23,758,129	271,865	353,294,578	2.15%	1.78%	2,096
2013	304,173,204	27,575,240	-	1,734,212	21,687,221	244,664	355,414,541	2.30%	1.89%	2,097
2014	304,903,421	31,050,584	-	1,540,690	19,575,054	216,757	357,286,506	2.51%	1.93%	2,094
2015	297,878,654	31,050,584	-	5,875,768	17,483,954	188,125	352,477,085	2.67%	1.91%	2,053
2016	299,706,818	31,524,508	-	5,666,101	15,284,816	158,748	352,340,991	2.74%	1.88%	2,040
2017	284,254,930	32,827,508	-	5,334,709	13,251,331	128,607	335,797,085	3.02%	1.76%	1,934
2018	255,085,745	32,827,508	-	5,038,173	11,320,876	97,682	304,369,984	3.49%	1.55%	1,745
2019	254,188,479	32,199,084	-	4,406,139	17,495,984	34,226	308,323,912	N/A	1.53%	1,835
2020	261,119,584	33,537,296	-	4,385,658	12,486,733	33,400	311,562,671	N/A	1.51%	1,854

Notes: N/A not available.

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) Bond premium/discounts and other unamortized charges are included.

(2) See Table 7, Assessed Valuation and Estimated Market Value of Taxable Property, for Estimated Market Values of Taxable Property.

(3) See Table 16, Demographic Statistics, for personal income and population data.

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Ratios of Bonded Debt Outstanding
Last Ten Fiscal Years

Table 13

Fiscal Year	General Obligation Bonds & Debt Outstanding	Percent of Actual Property Value (1)	Percent of Personal Income (2)	Per Capita (2)
2011	\$ 360,476,651	1.72%	4.87%	\$ 2,147
2012	351,102,893	1.77%	4.61%	2,083
2013	353,435,665	1.88%	4.32%	2,085
2014	355,529,059	1.92%	3.98%	2,083
2015	346,413,192	1.87%	3.68%	2,018
2016	346,516,142	1.85%	3.58%	2,006
2017	330,333,768	1.73%	3.25%	1,903
2018	299,234,129	1.53%	2.82%	1,716
2019	301,558,838	1.50%	N/A	1,795
2020	307,143,613	1.49%	N/A	1,828

Notes: N/A not available.

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See Table 7, Assessed Valuation and Estimated Market Value of Taxable Property, for Estimated Market Values of Taxable Property.

(2) See Table 16, Demographic Statistics, for personal income and population data.

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Computation of Legal Debt Margin
June 30, 2020

Table 14

Net assessed value - Real Property	\$ 20,021,924,580	
Debt limit - 6% of net total assessed value (1)		\$ 1,201,315,475
Net assessed Value-Personal Property	659,561,280	
Debt limit - 15% of net assessed value (1)		98,934,192
Debt limit - (6%/15%) of net assessed value		1,300,249,667
Amount of debt applicable to debt limit:		
Total Bonded Debt	\$ 280,464,553	
Less- Agricultural Preservation Program Self Supporting Debt	33,537,296	
Less- Fire Company Loans- Self Supporting Debt	3,211,643	
Less - Bureau of Utilities bonds	7,190,950	
Less - Septage bonds	26,331	
Total amount of debt applicable to debt limit		236,498,333
Legal debt margin		\$ 1,063,751,334

Note: (1) Recommended limit - Carroll County does not have a legal debt limit.
Source: Carroll County Department of the Comptroller.

Schedule of Legal Debt Margin
2011-2020

Fiscal Year	Assessed Value	Legal Debt Limitation	Legal Borrowing Limitation	Debt Subject to Limitation	Legal Debt Margin	Ratio of Debt Subject to Limitation To Legal Borrowing Limitation
2011	\$ 20,895,165,478	6%/15%	\$ 1,302,726,361	\$ 301,960,750	\$ 1,000,765,611	23.18%
2012	19,813,576,019	6%/15%	1,248,709,194	292,937,714	955,771,480	23.46%
2013	18,789,765,921	6%/15%	1,175,305,137	287,113,093	888,192,044	24.43%
2014	18,514,343,538	6%/15%	1,158,193,261	286,486,025	871,707,236	24.74%
2015	18,495,548,665	6%/15%	1,159,503,407	273,161,300	886,342,107	23.56%
2016	18,733,020,866	6%/15%	1,174,512,828	272,857,221	901,655,607	23.23%
2017	19,098,609,701	6%/15%	1,199,599,196	258,522,314	941,076,882	21.55%
2018	19,595,053,827	6%/15%	1,232,388,106	231,870,818	1,000,517,288	18.81%
2019	20,125,090,540	6%/15%	1,265,808,690	236,457,095	1,029,351,595	18.68%
2020	20,681,485,860	6%/15%	1,300,249,667	236,498,333	1,063,751,334	18.19%

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Computation of Direct and Overlapping Debt
June 30, 2020

Table 15

Jurisdiction	Real Property Assessed Valuation (1)	Percent of Assessed Valuation to Overlapping Jurisdictions (4)	Pro rata Share of Direct Debt to Jurisdictions(2)	Overlapping Debt(3)	Total Direct and Overlapping Debt
Hampstead	\$ 636,721,507	3.18%	\$ 9,509,916	\$ 3,451,878	\$ 12,961,794
Manchester	504,194,898	2.52%	7,530,531	1,138,121	8,668,652
Mt. Airy	927,955,260	4.63%	13,859,711	4,560,400	18,420,111
New Windsor	158,900,727	0.79%	2,373,302	-	2,373,302
Sykesville	452,931,237	2.26%	6,764,869	277,150	7,042,019
Taneytown	654,748,841	3.27%	9,779,168	12,712,833	22,492,001
Union Bridge	69,807,766	0.35%	1,042,632	1,097,000	2,139,632
Westminster	1,819,901,810	9.09%	27,181,606	34,185,642	61,367,248
Unincorporated areas	14,796,762,534	73.90%	221,000,804	-	221,000,804
County-wide Totals	<u>\$ 20,021,924,580</u>	<u>100.00%</u>	<u>\$ 299,042,539</u>	<u>\$ 57,423,024</u>	<u>\$ 356,465,563</u>

Note: (1) Assessed valuations of real property for each town are from the TASS 153 County report.
(2) See Note 8.
(3) Overlapping debt is provided by each municipality.
(4) Totals may not add to 100% due to rounding.

Source: Carroll County Department of the Comptroller.
Incorporated Municipalities.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Demographic Statistics
Last Ten Fiscal Years

Table 16

Fiscal Year	Population (1)	Personal Income (\$ in thous.) (2)	Per Capita Personal Income (2)	School Enrollment (3)	Unemployment Rate (4)
2011	167,929	7,400,133	45,507	27,201	6.80%
2012	168,570	7,612,765	48,919	26,937	6.60%
2013	169,519	8,180,090	49,477	26,506	6.20%
2014	170,643	8,928,631	53,200	26,153	5.40%
2015	171,702	9,425,378	56,220	25,706	4.80%
2016	172,703	9,671,608	57,687	25,551	4.30%
2017	173,594	10,152,747	60,512	25,256	3.50%
2018	174,386	10,617,626	63,039	25,290	3.70%
2019	168,015	N/A	N/A	25,176	3.30%
2020	168,063	N/A	N/A	25,345	6.50%

Source: (1) Carroll County Department of Comprehensive Planning, June 2019. FY 2020 reflects the 2020 Census data. All other fiscal years are estimates.

(2) Maryland Department of Planning, Planning Data Services, from U.S. Bureau of Economic Analysis, March 2019.

(3) Carroll County Board of Education Approved Operating Budget Fiscal Year 2018-2019.

(4) Maryland Department of Labor, Licensing and Regulation, Office of Workforce Information and Performance (OWIP)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Major Employers
Current Fiscal Year and Nine Fiscal Years Ago

Table 17

2020

Firm	Product/Service	Total Employment *	Percentage of Total County Employment
Board of Education of Carroll County **	Elementary and secondary school systems	3,334	5.73%
Carroll Hospital Center	General hospital	1,995	3.43%
Springfield Hospital Center	Mental health services	833	1.43%
McDaniel College	Higher education	800	1.37%
Penguin Random House, Inc.	Book warehousing and distribution	755	1.30%
Integrace - Fairhaven	Retirement/Assisted Living	700	1.20%
Carroll County Government***	Local government	628	1.08%
Carroll Community College	Higher education	580	1.00%
EVAPCO	Cooling Equipment Manufacturer	440	0.76%
Carroll Lutheran Village	Retirement/Assisted Living	425	0.73%
Total		<u>10,490</u>	<u>18.03%</u>
Annual Average Employment in Carroll County****		<u>58,224</u>	

2011

Firm	Product/Service	Total Employment	Percentage of Total County Employment
Board of Education of Carroll County **	Elementary and secondary school systems	3,769	6.90%
Carroll Hospital Center	General hospital	1,804	3.30%
Springfield Hospital Center	Mental health services	833	1.53%
Random House	Book warehousing and distribution	800	1.46%
Fairhaven (Episcopal Ministries)	Life care retirement community	700	1.28%
Carroll County Government ***	Local government	656	1.20%
McDaniel College	Higher education	623	1.14%
Jos. A. Bank Clothiers	Corporate HQ/ Distribution	576	1.05%
Carroll Community College	Higher education	509	0.93%
General Dynamics Robotic Systems	Technology Manufacturing	490	0.90%
Total		<u>10,760</u>	<u>19.69%</u>
Annual Average Employment in Carroll County		<u>54,616</u>	

- Notes: * As of 2019 Brief Economic Facts – commerce.maryland.gov excludes state and local governments
Due to Covid-19, updates are not available.
** Does not include hourly employees such as substitutes, aides, etc.
*** Central offices only. From Table 18 - Excludes Sheriff's Department, States Attorney, and Circuit Court
**** 2018-2019 Brief Economic Facts - Major Employers - Due to Covid-19, updates are not available

Source: Carroll County Department of Economic Development.
The County's Annual Average Employment is from the Maryland Department of Labor,
Annual Employment and Payroll Reports.
Carroll County Department of the Comptroller.
Carroll County Department of Planning.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Full-Time County Employees by Function / Program
Last Ten Fiscal Years

Table 18

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government										
County Commissioners										
Legislative	7	7	7	7	6	5	5	6	5	9
Building Construction	3	2	4	3	2	2	2	2	2	2
Facilities	52	52	54	53	48	50	51	47	47	48
Fleet	23	24	24	24	24	23	23	22	23	24
Permits	21	22	23	23	23	22	22	22	22	22
Judicial Services	77	77	79	76	74	70	68	68	68	69
County Attorney	8	9	9	10	9	10	11	12	10	10
Comptroller	33	31	34	32	34	34	33	34	34	34
Administrative Services										
Administrative Services - Admin	-	-	-	-	-	-	-	-	-	1
Human Resources	15	14	13	14	12	11	12	13	12	13
Management Analysis	-	-	-	-	-	-	-	-	-	1
TV Production	3	3	3	2	2	2	2	2	2	2
Production & Distribution Svcs	2	3	3	3	3	3	3	3	3	3
Technology Services	31	29	30	31	30	29	27	27	25	25
Management and Budget	14	14	15	15	15	15	14	15	15	14
Land Use, Planning and Development	52	53	51	51	51	48	47	45	46	43
Human Services	51	53	53	52	48	51	55	50	48	48
Public Safety										
Sheriff Services	262	261	245	241	245	249	253	242	230	211
Emergency Services	45	43	45	41	41	36	36	34	37	30
Public Works										
Supervision & Administration	7	7	6	7	8	7	5	4	3	2
Airport	3	3	2	2	1	1	1	1	1	1
Roads	92	90	95	101	104	100	101	101	100	99
Engineering	18	19	19	19	19	18	18	19	18	19
Bureau of Utilities - Operations	29	28	31	33	31	32	31	32	33	33
Solid Waste - Operations	18	17	17	18	15	18	17	20	20	20
Transportation CTS	1	1	1	1	-	-	-	-	-	-
* Social Services	-	-	-	-	12	12	17	16	17	17
Education	1	1	1	1	1	1	1	1	1	1
Culture and Recreation	27	27	26	24	26	26	25	32	31	31
Conservation of Natural Resources										
Soil Conservation Service	5	5	5	5	4	5	6	6	6	6
Economic Development										
Economic Development	6	6	6	6	6	8	7	6	6	6
BERC	12	12	12	11	9	9	9	9	9	9
* Tourism	8	8	8	8	8	8	8	1	1	1
Total Full Time Employee Totals	<u>926</u>	<u>921</u>	<u>921</u>	<u>914</u>	<u>911</u>	<u>905</u>	<u>910</u>	<u>892</u>	<u>875</u>	<u>854</u>
Part Time Employees	<u>8</u>	<u>8</u>	<u>8</u>	<u>7</u>	<u>7</u>	<u>5</u>	<u>5</u>	<u>6</u>	<u>5</u>	<u>5</u>
Total Employees	<u>934</u>	<u>929</u>	<u>929</u>	<u>921</u>	<u>918</u>	<u>910</u>	<u>915</u>	<u>898</u>	<u>880</u>	<u>859</u>

* Denotes departments affected by reorganizations.

Source: Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Operating Indicators by Function / Program
Last Ten Fiscal Years

Table 19

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Information										
Population	168,063	168,015	174,386	173,594	172,703	171,702	170,643	169,519	168,570	167,929
Registered Voters	130,402	128,726	129,221	127,215	124,340	120,076	119,595	116,523	112,931	112,688
General Government										
Residential (\$ in thousands)										
Building Permits Issued	343	350	304	324	278	287	329	340	246	187
Estimated Value	\$ 55,319	\$ 55,450	\$ 55,879	\$ 59,769	\$ 49,644	\$ 53,298	\$ 54,620	\$ 56,305	\$ 40,741	\$ 31,803
Other (\$ in thousands)										
Building Permits Issued	1,992	1,938	1,989	2,271	2,452	2,082	1,681	1,775	1,826	1,828
Estimated Value	\$ 71,654	\$ 86,982	\$ 84,909	\$ 67,487	\$ 81,606	\$ 90,926	\$ 70,835	\$ 80,519	\$ 71,994	\$ 66,314
Fire and Emergency Service										
Paid Firemen*	332	357	174	177	120	120	120	120	120	120
Active Volunteers (estimated)	641	730	718	725	725	725	725	700	714	714
Dispatched Incidents	20,602	21,362	22,170	20,657	19,964	19,874	18,786	18,731	18,488	18,216
911 Calls Received**	60,771	65,792	65,639	66,165	65,910	58,705	71,437	62,319	60,037	60,752
Police Protection										
Resident Troopers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15	30	46
Sheriff's Department	132	132	137	142	116	106	106	101	87	64
Citations/Warnings	23,773	26,666	21,764	20,302	23,460	25,195	23,410	19,579	16,940	16,551
911 Calls for Service**	N/A	N/A	N/A	N/A	N/A	N/A	19,880	19,242	14,670	18,293
Detention Center										
Detention Center Officers	92	90	90	92	97	91	91	91	92	92
Total Prisoner Days	67,185	66,601	77,121	86,246	82,527	95,793	88,565	82,994	84,739	93,252
Water										
Daily Average Usage (mgd)	1.93	1.97	1.96	2.14	2.03	2.02	2.05	2.18	2.28	2.07
Plants Daily Capacity (mgd)	7.39	7.39	7.39	7.39	7.39	7.39	7.39	7.39	7.39	7.39
Number of Customer Accounts	8,778	8,717	8,656	8,616	8,582	8,521	8,474	8,428	8,382	8,323
Wastewater										
Daily Average Usage (mgd)	2.89	2.63	2.91	2.57	2.65	2.89	2.64	2.63	2.86	2.83
Plants Daily Capacity (mgd)	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45
Number of Customer Accounts	9,361	9,298	9,249	9,204	9,166	9,107	9,040	8,995	8,953	8,891
Solid Waste										
Tons In	108,680	106,484	103,227	102,698	99,402	95,480	95,758	96,908	101,616	105,683
Tons Recycled	19,761	19,790	19,430	23,002	23,125	20,502	21,182	21,181	30,587	30,154
Tons into Landfill	29,566	43,396	35,378	21,480	5,097	13,100	17,271	12,840	12,809	13,588
Tons Transferred	79,115	62,125	67,021	81,217	94,304	82,380	78,487	84,068	87,153	91,306

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Operating Indicators by Function / Program
Last Ten Fiscal Years

Table 19

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Education										
Number of Teachers	1,970	1,970	1,991	2,017	2,199	2,128	2,152	2,154	2,163	2,198
Number of Students	25,345	25,179	25,290	25,256	25,551	25,706	26,153	26,506	26,937	27,201
Community College										
Full Time Equivalent (FTE's)										
Students	2,361	2,473	2,343	2,542	2,664	2,803	2,920	3,167	3,173	3,347
Faculty-Full Time	83	78	78	79	79	85	82	84	79	77
Faculty-Part Time	240	270	259	203	215	196	199	212	296	580
Airport										
Fuel Sales (gals)	222,663	348,732	347,060	297,820	276,020	252,457	329,762	270,784	279,664	304,837
Tie Downs Occupied	12	12	12	12	12	12	12	15	15	25
Corporate Hangars Occupied	7	7	7	7	7	7	7	7	7	7
T Hangars Occupied	82	82	82	82	82	82	82	82	82	82
Libraries										
Number of volumes (estimated)	681,523	701,477	738,777	640,583	603,439	600,018	555,600	557,220	548,749	570,742
Circulation	2,604,402	3,546,134	3,614,568	3,721,515	3,790,887	3,970,949	3,987,246	4,200,368	4,402,122	4,295,264
Senior Centers										
Outside Groups using facilities	1,621	2,702	3,182	3,082	2,731	2,381	2,280	1,998	2,007	3,213
Volunteer Hour at Centers	28,555	46,232	51,656	53,882	54,499	51,448	54,857	57,402	49,518	44,689
Meals Served	21,749	34,888	36,575	37,131	39,360	37,124	34,357	33,606	30,446	33,297
Seniors Attending Activities	204,563	314,502	322,540	311,517	310,949	295,793	273,041	274,588	271,716	241,749

N/A: Information is not available for the years indicated.

* Denotes Paid Firemen numbers may be overstated due to overlapping; multiple stations employing the same person.

** Police Projection - 911 Calls for Service are now combined with Fire and Emergency Service - 911 Calls Received.

Source: Carroll County Government.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Capital Asset Statistics by Function / Program
Last Ten Fiscal Years

Table 20

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Information										
Area in Square Miles	455.52	455.52	455.52	455.52	455.52	455.52	455.52	455.52	455.52	455.52
Miles of Roads Paved	935	1,006	999	999	993	915	905	903	899	896
Miles of Roads Unpaved	59	59	64	66	69	70	80	80	80	83
Number of Bridges	153	153	153	153	153	151	151	151	145	147
Acres in Agricultural Land Preservation	74,211	73,132	71,623	70,311	68,929	66,642	65,761	62,366	62,078	60,002
Fire and Emergency Service										
Stations	14	14	14	14	14	14	14	14	14	14
Detention Center										
Capacity	185	185	185	185	185	185	185	185	185	185
Water										
Water Mains (miles)	145	145	145	145	144	141	140	139	139	139
Treatment Plants	5	5	5	5	5	4	4	4	4	4
Water Tanks	7	7	7	7	7	6	6	6	6	6
Wastewater										
Sewer Mains (miles)	133	133	132	131	130	128	127	125	125	125
Treatment Plants	4	4	4	4	4	4	4	4	4	4
Pumping Stations	22	22	22	22	22	18	18	18	18	18
Solid Waste										
Active Landfills	1	1	1	1	1	1	1	1	1	1
Recreation and Culture										
Parks (1)	32	32	32	32	32	32	32	32	32	31
Acres	4,773	4,773	4,773	4,773	4,773	4,773	4,773	4,773	4,773	4,629
Education										
Elementary	22	22	22	22	23	23	23	23	23	23
Middle	8	8	8	8	9	9	9	9	9	9
High	7	7	7	7	8	8	8	8	8	8
Vocational technical	1	1	1	1	2	2	2	2	2	2
Special/Alternative Education	2	2	2	2	2	2	2	2	2	2
College	1	1	1	1	1	1	1	1	1	1
Airport										
Runway (feet)	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100
T Hangars Available	82	82	82	82	82	82	82	82	82	82
Corporate Hangars Available	7	7	7	7	7	7	7	7	7	7
Tie Downs Available	41	41	41	41	52	52	52	52	52	52
Apron Area (acres)	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6
Firearms Facility	1	1	1	1	1	1	1	1	1	1
Libraries	6	6	6	6	6	6	6	6	6	6
Senior Centers	5	5	5	5	5	5	5	5	5	5

Note: (1) Includes two proposed reservoirs.

Source: Carroll County Government.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Bureau of Utilities – Revenue and Expenses
Last Ten Fiscal Years

Table 21

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenue										
Usage charges	\$ 11,246,583	\$ 10,597,228	\$ 10,797,227	\$ 10,578,433	\$ 10,359,334	\$ 10,233,000	\$ 9,272,482	\$ 8,676,619	\$ 8,312,844	\$ 8,446,852
Service charges	-	-	-	-	-	-	-	-	798	11,838
Penalties and interest	150,333	227,370	624,728	159,650	452,880	222,120	480,963	577,270	179,147	382,493
Operating transfer - County	521,230	369,820	212,110	204,490	189,350	199,420	193,390	202,790	199,511	(305,031)
Capital contributions	5,177,789	2,646,389	1,200,848	300,231	887,006	482,614	775,916	1,008,491	335,174	523,776
Maintenance fee	1,502,682	1,493,415	1,486,384	1,480,053	1,467,824	1,462,477	1,455,846	1,454,435	1,443,774	1,438,797
Other	11,942	531	-	11,558	-	793	262,830	265,575	176,530	172,040
Total revenue	<u>18,610,559</u>	<u>15,334,753</u>	<u>14,321,297</u>	<u>12,734,415</u>	<u>13,356,394</u>	<u>12,600,424</u>	<u>12,441,427</u>	<u>12,185,180</u>	<u>10,647,778</u>	<u>10,670,765</u>
Expenses										
Salaries	2,884,101	2,673,440	2,652,790	2,628,389	2,551,327	2,443,101	2,510,322	2,298,153	2,358,994	2,341,948
Operating expenses	6,450,736	7,246,550	6,096,065	6,663,394	6,308,098	5,692,128	5,795,999	5,434,123	5,605,458	6,280,389
Depreciation	3,390,193	3,357,978	2,327,785	2,296,365	2,185,471	2,204,733	2,285,154	2,279,024	2,266,863	2,275,618
Interest	275,214	370,154	402,909	483,441	499,729	706,695	736,935	789,748	859,153	992,506
Other	-	-	8,787	-	55,584	-	-	-	-	-
Total expense	<u>13,000,244</u>	<u>13,648,122</u>	<u>11,488,336</u>	<u>12,071,589</u>	<u>11,600,209</u>	<u>11,046,657</u>	<u>11,328,410</u>	<u>10,801,048</u>	<u>11,090,468</u>	<u>11,890,461</u>
Excess (deficiency) of revenue over (under) expense:	<u>\$ 5,610,315</u>	<u>\$ 1,686,631</u>	<u>\$ 2,832,961</u>	<u>\$ 662,826</u>	<u>\$ 1,756,185</u>	<u>\$ 1,553,767</u>	<u>\$ 1,113,017</u>	<u>\$ 1,384,132</u>	<u>\$ (442,690)</u>	<u>\$ (1,219,696)</u>

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Solid Waste Fund – Revenue and Expenses
Last Ten Fiscal Years

Table 22

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenue										
Charge for services	\$ 7,162,851	\$ 7,107,829	\$ 6,771,556	\$ 6,846,672	\$ 6,201,012	\$ 6,023,220	\$ 5,862,657	\$ 6,165,482	\$ 6,647,622	\$ 6,713,042
Penalties and interest	130,560	172,386	87,941	41,895	214,039	2,573	21,644	19,936	15,624	14,773
Proceeds from sales of recyclables	75,787	159,234	238,911	204,922	123,621	317,760	546,110	628,089	596,322	591,880
Capital contributions-equip. transferred from County	13,172	-	-	2,303	47,133	-	-	-	-	-
Gain on sale of fixed assets	175,596	196,000	-	22,500	12,431	-	-	78,616	3,677	-
Other	-	83,423	7,425	4,860	2,700	476,079	265,732	256,367	186,955	186,399
Operating transfer - County	615,000	2,415,000	2,415,000	2,415,000	2,415,000	125,632	1,115,000	6,445,000	2,545,000	2,545,000
Total revenue	8,172,966	10,133,872	9,520,833	9,538,152	9,015,936	6,945,264	7,811,143	13,593,490	9,995,200	10,051,094
Expense										
Salaries	1,860,730	1,652,012	1,557,315	1,484,759	1,523,060	1,435,456	1,436,414	1,524,733	1,522,883	1,604,911
Operating expenses	6,436,302	5,396,268	8,249,882	6,694,399	7,866,631	7,444,156	4,218,417	9,874,810	6,459,000	6,453,160
Depreciation	659,482	671,148	654,059	605,529	551,842	577,666	564,037	585,096	621,723	615,658
Interest	8,596	17,066	29,253	46,408	55,038	93,541	100,662	123,644	124,285	156,480
Total expense	8,965,110	7,736,494	10,490,509	8,831,095	9,996,571	9,550,819	6,319,530	12,108,283	8,727,891	8,830,209
Excess (deficiency) of revenue over expense	\$ (792,144)	\$ 2,397,378	\$ (969,676)	\$ 707,057	\$ (980,635)	\$ (2,605,555)	\$ 1,491,613	\$ 1,485,207	\$ 1,267,309	\$ 1,220,885
Tipping Fee per ton	\$ 64.00	\$ 64.00	\$ 64.00	\$ 64.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 60.00

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Airport Fund – Revenue and Expenses
Last Ten Fiscal Years

Table 23

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenue										
Rent	\$ 764,953	\$ 762,573	\$ 739,048	\$ 717,604	\$ 694,754	\$ 667,119	\$ 638,096	\$ 586,247	\$ 588,932	\$ 611,167
Fuel sales	63,459	87,183	86,765	74,455	69,005	60,589	75,846	63,270	61,685	64,016
Capital contributions (1)	10,000	66,274	20,000	189,422	179,130	25,000	186,719	434,316	233,646	111,220
Capital contributions-County	-	-	-	-	30,000	-	-	-	-	-
Land sale	-	18,580	-	-	5,632	902	-	-	-	-
Operating transfer-County	-	-	-	-	-	-	-	2,000,000	-	-
Other	255	269	281	13,179	318	592	9,009	55	43	691
Total revenue	<u>838,667</u>	<u>934,879</u>	<u>846,094</u>	<u>994,660</u>	<u>978,839</u>	<u>754,202</u>	<u>909,670</u>	<u>3,083,888</u>	<u>884,306</u>	<u>787,094</u>
Expenses										
Salaries	324,023	354,745	274,043	248,404	235,452	198,133	200,002	199,851	188,612	212,539
Operating expenses	198,728	271,294	207,658	162,834	158,637	175,804	153,102	216,549	1,312,582	124,103
Operating expenses-capital (2)	92,458	221,125	119,918	273,626	204,719	120,000	194,565	5,438	-	15,892
Interest	141,941	21,871	29,502	39,899	48,478	65,301	70,822	78,281	84,437	93,960
Depreciation	369,101	189,665	177,113	176,283	175,761	174,578	182,320	188,935	183,140	171,551
Total expense	<u>1,126,251</u>	<u>1,058,700</u>	<u>808,234</u>	<u>901,046</u>	<u>823,047</u>	<u>733,816</u>	<u>800,811</u>	<u>689,054</u>	<u>1,768,771</u>	<u>618,045</u>
Excess (deficiency) of revenue over expense:	<u>\$ (287,584)</u>	<u>\$ (123,821)</u>	<u>\$ 37,860</u>	<u>\$ 93,614</u>	<u>\$ 155,792</u>	<u>\$ 20,386</u>	<u>\$ 108,859</u>	<u>\$ 2,394,834</u>	<u>\$ (884,465)</u>	<u>\$ 169,049</u>

Note:

- (1) Capital contributions include reimbursements from the Federal Aviation Administration and the Maryland Aviation Administration.
- (2) Operating expense reimbursed by the Federal Aviation Administration and the Maryland Aviation Administration.

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Retired Members of the Carroll County Pension Plan by Type of Benefit
As of June 30, 2020

Table 24

Amount of Monthly Benefit	# of Retired Members	Type of Retirement				Option Selected						
		1	2	3	4	Unmod	A	B	C	D	E	
Deferred	1											
\$ 1 - \$250	69	60	-	9	-	31	7	12	15	2	2	
251 - 500	110	99	3	8	-	28	14	15	35	6	12	
501 - 750	80	69	9	2	-	23	13	12	21	4	7	
751 - 1000	36	28	7	-	1	11	4	6	5	3	7	
Over 1,000	62	57	4	1	-	9	12	6	18	11	6	

Type of Retirement:

- 1 - Normal Retirement for age and/or service
- 2 - Early Retirement
- 3 - Beneficiary Payment, normal or early retirement
- 4 - Beneficiary Payment, death in service

Option Selected:

- Unmodified: Life Annuity, member only
- A - Beneficiary receives lump sum of unused contributions
- B - Life Annuity of member, with ten years certain and continuous
- C - Beneficiary receives 100 percent of member's reduced monthly benefit
- D - Beneficiary receives 75 percent of member's reduced monthly benefit
- E - Beneficiary receives 50 percent of member's reduced monthly benefit

Source: Department of Human Resources.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Retired Members of the Carroll County Certified Law Officers Pension Plan by Type of Benefit
As of June 30, 2020

Table 25

Amount of Monthly Benefit	# of Retired Members	Type of Retirement				Option Selected						
		1	2	3	4	Life Ann. Unmod	Cash Ref A	10 Yr. Cert. B	J&C 100% C	J&C 75% D	J&C 50% E	
Deferred	-											
\$ 1 - \$250	-	-	-	-	-	-	-	-	-	-	-	-
251 - 500	1	1	-	-	-	-	-	-	1	-	-	-
501 - 750	1	1	-	-	-	-	-	-	1	-	-	-
751 - 1000	1	1	-	-	-	-	1	-	-	-	-	-
Over 1,000	13	13	-	-	-	1	1	3	3	2	3	

Type of Retirement:

- 1 - Normal Retirement for age and/or service
- 2 - Early Retirement
- 3 - Beneficiary Payment, normal or early retirement
- 4 - Beneficiary Payment, death in service

Option Selected:

- Unmodified: Life Annuity, member only
- A - Beneficiary receives lump sum of unused contributions
- B - Life Annuity of member, with 10 years certain and continuous
- C - Beneficiary receives 100 percent of member's reduced monthly benefit
- D - Beneficiary receives 75 percent of member's reduced monthly benefit
- E - Beneficiary receives 50 percent of member's reduced monthly benefit

Source: Department of Human Resources.



Department of the Comptroller
Carroll County Government
225 North Center Street
Westminster, Maryland