

Carroll County, Maryland



Annual Comprehensive Financial Report

For the Fiscal Year Ended
June 30, 2022

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.

Annual Comprehensive Financial Report

For The Fiscal Year Ended
June 30, 2022

Department of the Comptroller
Carroll County, Maryland
Jennifer D. Hobbs, Comptroller





Introductory Section





INTRODUCTORY SECTION

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Department of the Comptroller
Carroll County Government
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Westminster, Maryland 21157

November 22, 2022

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 annual comprehensive financial report of Carroll County, Maryland (the "County") for the fiscal year ended June 30, 2022.

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 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, 2022, 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 Census population of 173,586 and a population estimate of 175,778 as of August 2022. 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 151.

Local Economy:

Local indicators show the continued stability of Carroll County. The unemployment rate for Carroll County was at 3.6% in August 2022, compared to 3.7% nationally. 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.

The County's principal source of revenue is local taxes, which constitute approximately 86.4% of total revenues for fiscal year 2022: approximately 42.0% from local property taxes and approximately 40.4% from local income taxes. See "COUNTY REVENUES - General" for a further discussion of the County's revenues and revenue sources. The County did not experience any material decline in income tax collection in fiscal year 2022 and while the County does not expect a significant decline in income tax collection in fiscal year 2023, 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.

In May 2021, the County received \$16.4 million of additional COVID-19 relief money provided under the Coronavirus State and Local Fiscal Recovery Fund (FRF). The County received the remaining part of the FRF funding in the amount of \$16.3 million in June 2022.

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 97,424 as of July 2022, which was an increase of 3.3% 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 2022, the commissioners adopted a Real Property Tax Rate of \$1.018 per \$100 of assessed value, unchanged since fiscal year 2013.

Personal Property Tax Rate:

The Personal Property Tax Rate is also set annually by the Commissioners during adoption of the budget. For fiscal year 2022, 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 2022, the rate remained at 3.03% of State taxable income.

911 Service Fee Rate:

Effective July 1, 2021, the 911 Fee increased from \$0.75 per line to \$1.50 per line.

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 \$27.1 million to continue the County's efforts in purchasing agriculture land preservation easements, \$21.6 million for watershed assessment and improvements, \$73.8 million to expand and renovate the Career and Technology Center, \$59.9 million for design and construction of East Middle School, and \$117.8 million to maintain roads throughout the County through the pavement management and pavement preservation projects.

The plan also includes an \$8.2 million project to replace the current cast iron water mains and clay sanitary sewer lines in the Freedom, Bark Hill, and Pleasant Valley Service Areas where Bureau of Utilities operates and maintains both the water and sewer. 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.

In addition, the plan includes \$25 million for the land purchase for the expansion and improvement of the Carroll County Landfill.

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, 2022, 77,425 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 in October 2021 for the fiscal year 2022 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. This plan was amended again in October 2021 to the Public Safety Pension Plan to allow eligible public safety personnel 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. In fiscal year 2022, the County amended the Plan to include all eligible Public Safety employees and change the name to Carroll County Public Safety Pension Plan. 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:

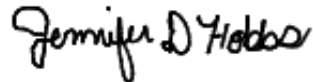
The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to Carroll County for its annual comprehensive financial report ("ACFR") for the fiscal year ended June 30, 2021. Carroll County has received a Certificate of Achievement for the last 37 consecutive years (fiscal years 1985-2021). 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 annual

comprehensive 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 annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the annual comprehensive 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 "Jennifer D. Hobbs". The signature is written in a cursive style with a large initial "J".

Jennifer D. Hobbs
Comptroller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Carroll County
Maryland**

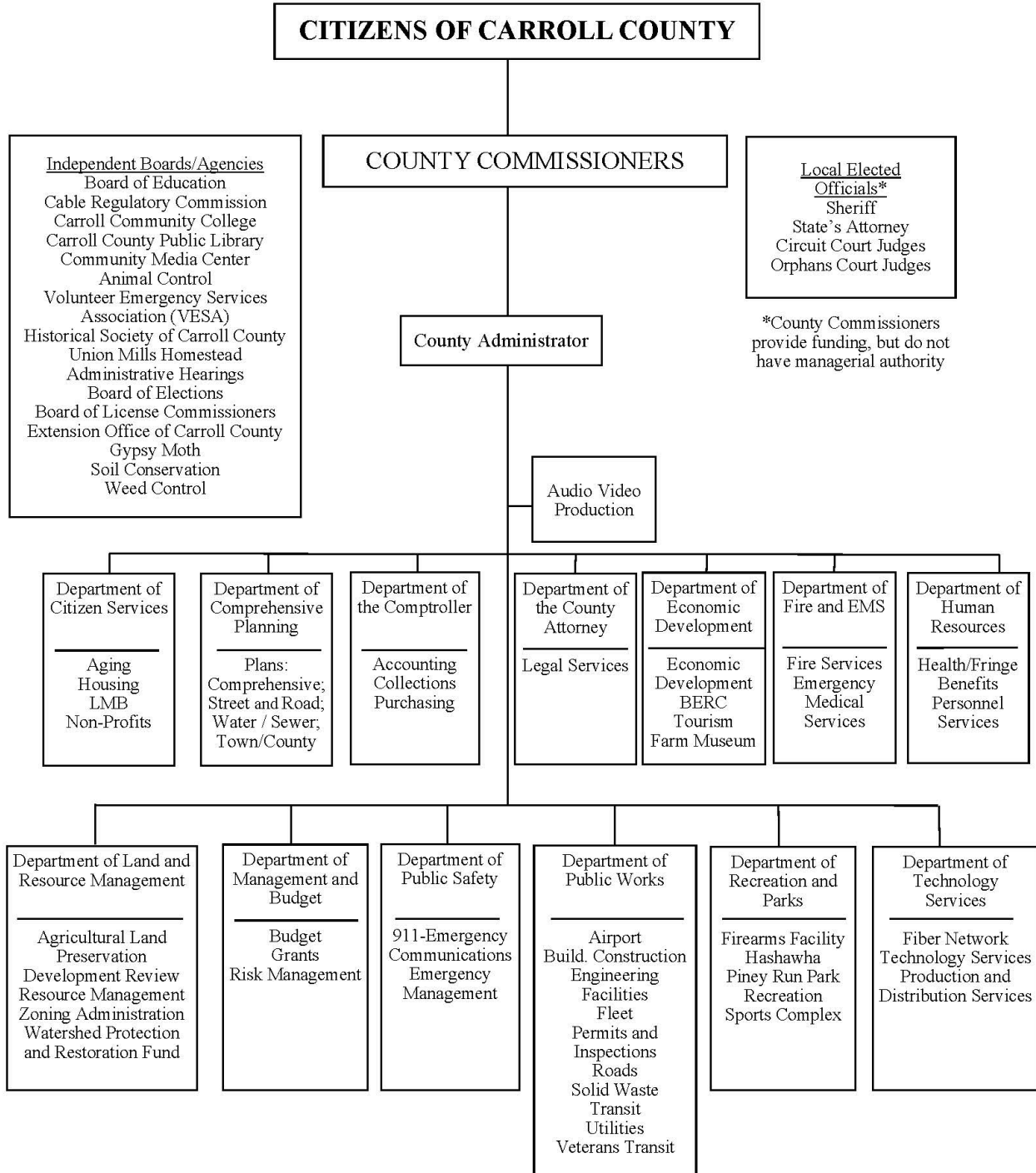
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

CARROLL COUNTY GOVERNMENT



Carroll County, Maryland

225 North Center Street
Westminster, Maryland 21157
Telephone (410) 386-2400
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Appointed Officials

Roberta Windham, ESQ.
County Administrator
Vivian Daly
County Clerk
Jennifer D. Hobbs
Comptroller
Theodore Zaleski, III
Director of Management and Budget
Timothy C. Burke
County Attorney
Celene E. Steckel
Director of Citizen Services
Bryan Bokey
Director of Public Works
Scott R. Campbell
Director of Public Safety
Michael W. Robinson
Director of Fire and EMS
Lynda D. Eisenberg
Director of Comprehensive Planning
Christopher Heyn
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

Edward C. Rothstein
President
District 5



C. Richard Weaver
Vice President
District 2



Stephen A. Wantz
District 1



C. Eric Bouchat
District 4

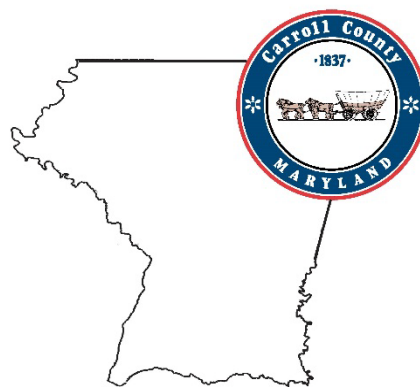


Dennis E. Frazier
District 3





Financial Section





Independent Auditor's Report

To the County Commissioners
Carroll County, Maryland

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carroll County, Maryland (the "County"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows 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.

We did not audit the financial statements of Board of Education of Carroll County and Carroll Community College, which represent 94.9 percent, 60.6 percent, and 95.6 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Board of Education of Carroll County and Carroll Community College, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 18 - 30, and the required supplementary information on pages 136 - 149 as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information section as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards, as noted in the single audit section of the table of contents, is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

Other Information Included in the Annual Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2022 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Baltimore, Maryland
November 18, 2022

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2022

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, 2022. 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 4-8 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, 2022 by \$464,824,420 (total net position), compared to \$402,173,177 at June 30, 2021. Of total net position at June 30, 2022, \$40,477,134 was restricted for specific purpose (restricted net position) in comparison to \$25,848,026 at June 30, 2021. The total net investment in capital assets was \$367,290,582 at June 30, 2022, compared to \$354,180,424 at June 30, 2021*.
- The total net position increased by \$62,651,243 or 15.6%.

Fund level:

- At the close of the fiscal year, unassigned fund balance for the general fund (primary operating fund) was \$44,203,114 or 9.49% of general fund revenues.
- As of June 30, 2022, the County's governmental funds reported combined fund balances of \$215,445,736, a decrease of \$3,602,144 from the prior year. Approximately 15.8% of the combined fund balance is available to meet the County's current and future needs (*unassigned*), 39.9% 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, 29.8% is committed or restricted for future use, stabilization arrangement, restricted investments and other purposes, and 14.6% 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 decreased by \$579,708, or 0.19% from fiscal year 2021. For fiscal year 2022, the County paid an average interest rate of 3.48%.
- Debt Service for the County's governmental activities decreased by \$2,699,595, or 7.8% from fiscal year 2021.

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 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 COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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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 35 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 funds 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 158 to 159 of this report.

Carroll County Government adopts an annual appropriated budget for its general fund and grant 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 pages 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 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.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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For the Year Ended June 30, 2022

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 enterprise funds is provided in the form of combining statements which can be found on pages 162 to 164 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 Public Safety 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 custodial 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 134 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 136 to 149.

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 \$464,824,420 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 unrestricted net position in governmental activities is \$73,554,232.

Restricted net position of \$40,477,134 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 \$57,056,704.

Total assets increased \$38 million from the prior fiscal year. The reason for this major change that took place occurred in business-type activities. This increase was due to purchasing land for the Northern Landfill expansion project in the amount of \$13 million. Governmental activities showed an increase in total assets and deferred outflows due to increases in the deferred charges for pensions and OPEB. The income tax was collected by the State of Maryland and owed to the County at June 30, 2022. This increased the County's due from other governments. Non-current assets decreased \$16.3 million due to the net pension asset becoming a liability which was caused by the decrease in investments in pension funds during the fiscal year.

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Noncurrent liabilities increased by \$43.3 million primarily due to the increase of Pension and OPEB unfunded liabilities. This large increase in the unfunded liabilities was a result of the decline in investments due to the markets.

Carroll County Government's Net Position

	Governmental Activities		Business-type Activities		Total Government	
	June 30, 2022	June 30, 2021*	June 30, 2022	June 30, 2021*	June 30, 2022	June 30, 2021*
Current assets	\$ 368,174,337	\$ 341,083,441	\$ 31,192,571	\$ 9,782,636	\$ 399,366,908	\$ 350,866,077
Non-current assets	36,045,106	52,296,845	-	-	36,045,106	52,296,845
Capital assets	368,241,180	376,013,661	166,214,811	152,617,416	534,455,991	528,631,077
Total assets	<u>772,460,623</u>	<u>769,393,947</u>	<u>197,407,382</u>	<u>162,400,052</u>	<u>969,868,005</u>	<u>931,793,999</u>
Deferred outflows	39,877,706	15,095,829	-	-	39,877,706	15,095,829
Total assets and deferred outflows	<u>812,338,329</u>	<u>784,489,776</u>	<u>197,407,382</u>	<u>162,400,052</u>	<u>1,009,745,711</u>	<u>946,889,828</u>
Current liabilities	108,800,487	103,137,247	5,577,153	5,715,294	114,377,640	108,852,541
Non-current liabilities	351,971,541	308,029,991	17,791,367	18,463,014	369,762,908	326,493,005
Total liabilities	<u>460,772,028</u>	<u>411,167,238</u>	<u>23,368,520</u>	<u>24,178,308</u>	<u>484,140,548</u>	<u>435,345,546</u>
Deferred inflows	58,874,342	109,271,198	1,906,401	99,907	60,780,743	109,371,105
Total liabilities and deferred inflows	<u>519,646,370</u>	<u>520,438,436</u>	<u>25,274,921</u>	<u>24,278,215</u>	<u>544,921,291</u>	<u>544,716,651</u>
Net position:						
Net investment in capital assets	210,622,676	212,512,817	156,667,906	141,667,607	367,290,582	354,180,424
Restricted	8,515,051	8,716,041	31,962,083	17,131,985	40,477,134	25,848,026
Unrestricted (deficit)	73,554,232	42,822,482	(16,497,528)	(20,677,755)	57,056,704	22,144,727
Total net position	<u>\$ 292,691,959</u>	<u>\$ 264,051,340</u>	<u>\$ 172,132,461</u>	<u>\$ 138,121,837</u>	<u>\$ 464,824,420</u>	<u>\$ 402,173,177</u>

* The 2021 net position has been restated to reflect the implementation of GASB 87.

During fiscal year 2022, the County's net position increased by \$62,651,243. The contributing factors to the increase in net position include income tax, property taxes, and recordation tax.

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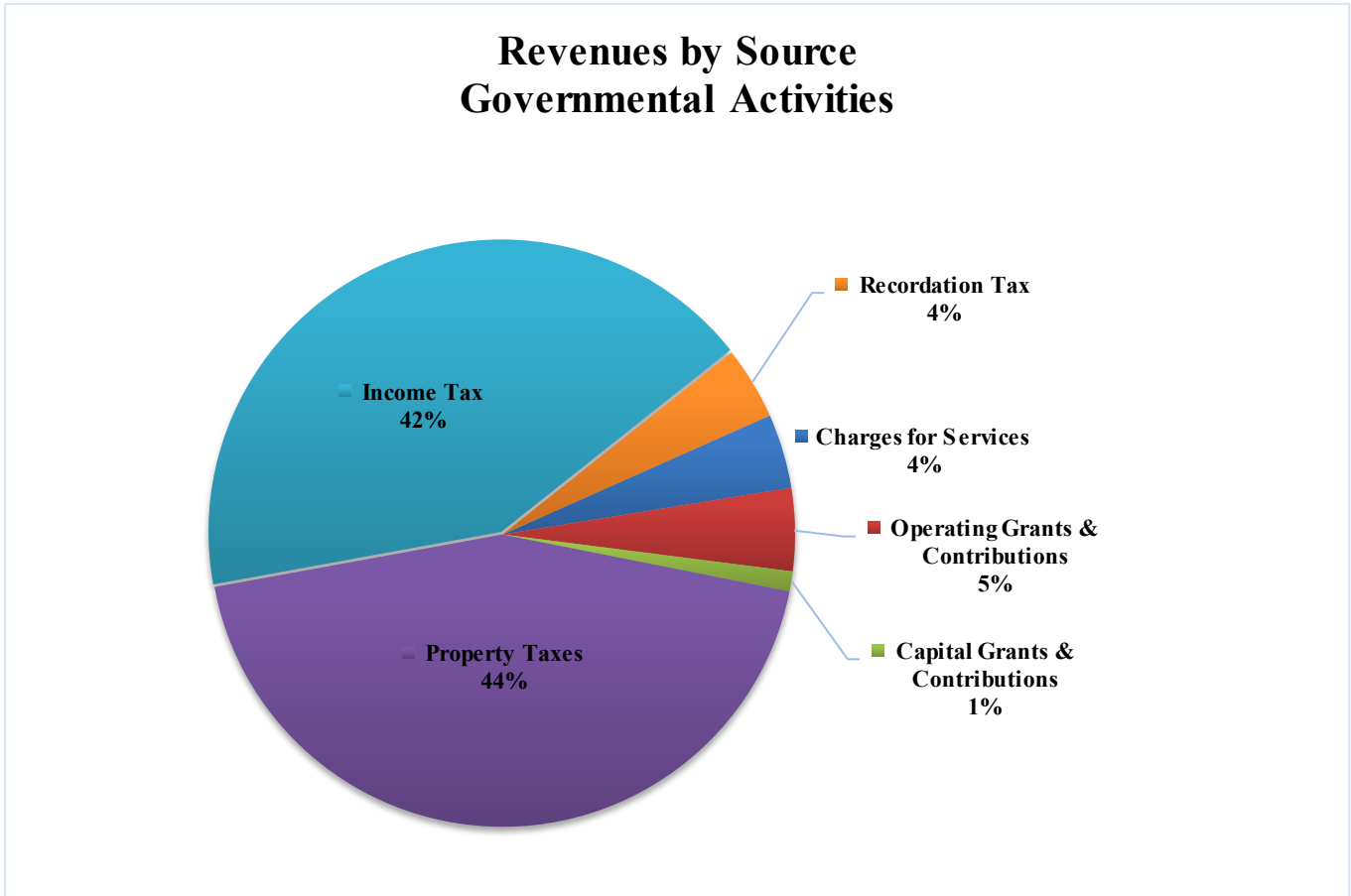
The following table indicates the changes in net position for governmental and business-type activities:

	Carroll County Government's Changes in Net Position					
	Governmental Activities		Business-type Activities		Total Government	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Revenues:						
Program revenues:						
Charges for services	\$ 22,283,361	\$ 25,419,289	\$ 23,723,322	\$ 22,728,093	\$ 46,006,683	\$ 48,147,382
Operating grants & contributions	24,784,329	39,709,735	-	-	24,784,329	39,709,735
Capital grants & contributions	5,951,010	15,979,850	2,833,418	3,982,163	8,784,428	19,962,013
General revenues:						
Property taxes	238,429,057	226,764,509	-	-	238,429,057	226,764,509
Income tax	228,586,819	209,319,980	-	-	228,586,819	209,319,980
Recordation tax	21,794,375	19,360,209	-	-	21,794,375	19,360,209
Admission & amusement tax	329,400	274,088	-	-	329,400	274,088
Agricultural transfer tax	479,456	272,853	-	-	479,456	272,853
Hotel rental tax	332,138	233,906	-	-	332,138	233,906
Investment earnings	(3,769,612)	(1,687,094)	(136,657)	(269,818)	(3,906,269)	(1,956,912)
Miscellaneous, unrestricted	1,871,878	1,272,607	11,556	-	1,883,434	1,272,607
Gain (Loss) on sale of capital asset	(814,871)	37,075	-	-	(814,871)	37,075
Total Revenues	540,257,340	536,957,007	26,431,639	26,440,438	566,688,979	563,397,445
Program Expenses:						
General government	37,866,127	30,554,428	-	-	37,866,127	30,554,428
Public safety	62,456,642	51,437,655	-	-	62,456,642	51,437,655
Public works	28,260,366	31,833,205	-	-	28,260,366	31,833,205
Health	5,199,738	5,056,187	-	-	5,199,738	5,056,187
Human services	21,105,128	17,385,037	-	-	21,105,128	17,385,037
Education	267,747,949	228,655,745	-	-	267,747,949	228,655,745
Culture and recreation	4,945,981	4,741,342	-	-	4,945,981	4,741,342
Libraries	17,556,766	16,491,115	-	-	17,556,766	16,491,115
Conservation of natural resources	10,021,043	18,707,579	-	-	10,021,043	18,707,579
Economic development	3,319,221	13,275,253	-	-	3,319,221	13,275,253
Judicial	10,712,000	9,859,511	-	-	10,712,000	9,859,511
Interest on long-term debt	7,749,640	8,217,237	-	-	7,749,640	8,217,237
Bureau of Utilities	-	-	12,544,065	14,004,675	12,544,065	14,004,675
Solid Waste	-	-	11,638,055	10,568,261	11,638,055	10,568,261
Airport	-	-	1,009,912	938,929	1,009,912	938,929
Septage	-	-	457,157	563,350	457,157	563,350
Firearms	-	-	227,204	195,803	227,204	195,803
Fiber Network	-	-	1,220,742	1,346,433	1,220,742	1,346,433
Total Expenses	476,940,601	436,214,294	27,097,135	27,617,451	504,037,736	463,831,745
Excess (deficiency) before transfers	63,316,739	100,742,713	(665,496)	(1,177,013)	62,651,243	99,565,700
Transfers in (out)	(34,676,120)	(2,462,200)	34,676,120	2,462,200	-	-
Increase (Decrease) in Net Position	28,640,619	98,280,513	34,010,624	1,285,187	62,651,243	99,565,700
Net Position - Beginning, as restated	264,051,340	165,770,827	138,121,837	136,836,650	402,173,177	302,607,477
Net Position - Ending, as restated	\$ 292,691,959	\$ 264,051,340	\$ 172,132,461	\$ 138,121,837	\$ 464,824,420	\$ 402,173,177

* The 2021 net position has been restated to reflect the implementation of GASB 87.

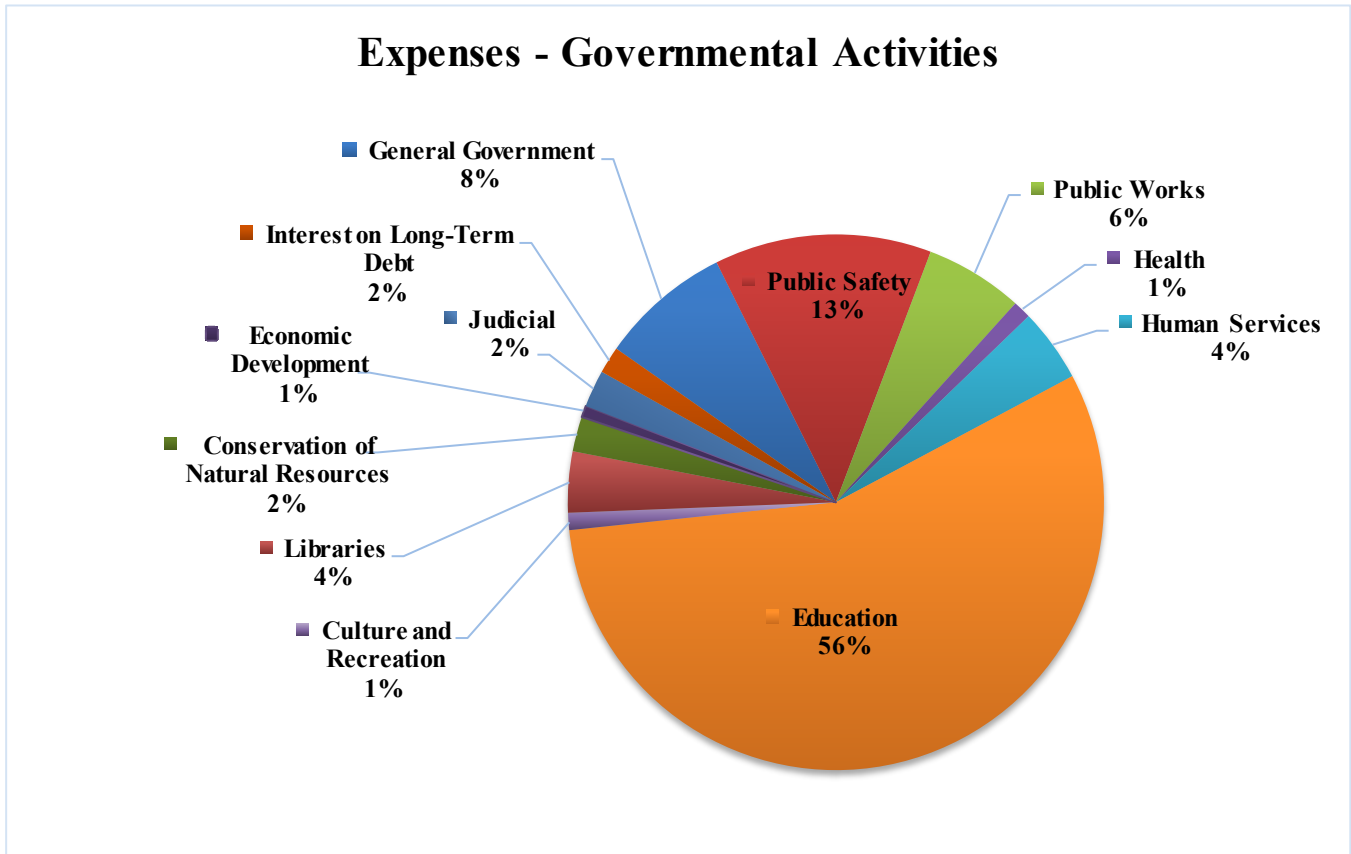
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Governmental activities: Overall revenue has increased by \$3,300,333, which is a 0.6% increase from fiscal year 2021. The contributing factors include property tax revenue, which increased by \$11,664,548 over the last fiscal year due to the increase in real property assessments. Income tax increased by \$19,266,839 due to more income tax being collected. Recordation tax increased by \$2,434,166 due to an increase of the housing market. Operating grants and contributions decreased by \$15,493,378 primarily due to the County receiving money from the Federal Government for COVID-19 through the CARES Act and the Coronavirus State and Local Fiscal Recovery Fund (FRF) in the prior fiscal year.



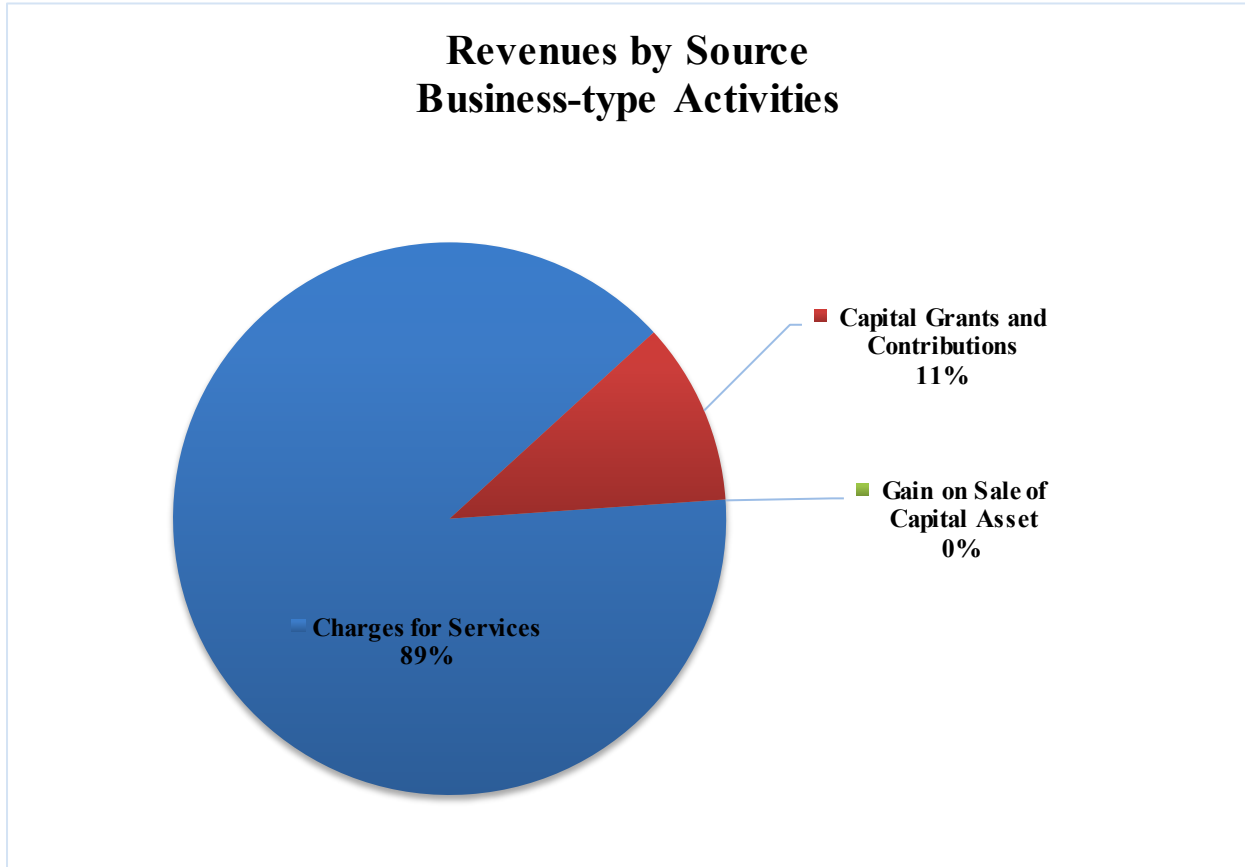
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Governmental activities: Overall expenses have increased by \$40,726,307, or 9.3% from fiscal year 2021. The major increases were seen in general government and public safety at \$7,311,699 and \$11,018,987, respectively, as a result of completed projects funded by the CRF money. Education saw an increase of \$39,092,204 as a result of the County funding more than the Maintenance of Effort to fund the teachers' pensions, renovating the Career and Tech Center and building a replacement school for East Middle School.

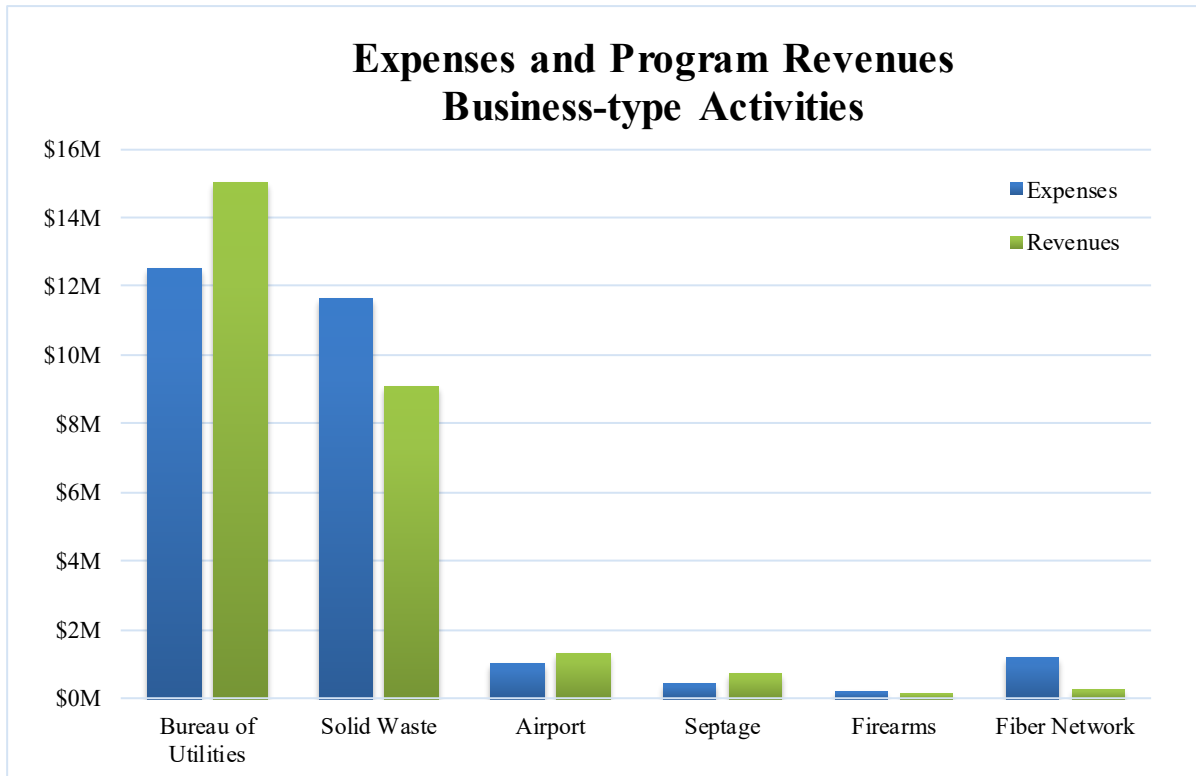


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Business-type activities: There was an overall decrease in total revenues of \$8,799, or -0.03% from fiscal year 2021. The reason for the decrease was due to decrease in capital grants and contributions of \$1,148,745, primarily due to the County receiving money from the Federal Government for COVID-19 through the CARES Act and the Coronavirus State and Local Fiscal Recovery Fund (FRF) in the prior fiscal year. The expenses of the business-type activities decreased by \$520,316 from fiscal year 2021. The primary reasons for the decrease occurred in the Bureau of Utilities for decreased spending on capital projects.



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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 \$215,445,736, a decrease of \$3,602,144. Approximately 15.8% of this total (\$34,054,834) constitutes *unassigned fund balance*, which is available for future appropriation. The *assigned fund balance*, at 39.9% 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 11.7% of total fund balance, is for future use, stabilization arrangement and other purposes. The *non-spendable fund balance*, at 14.6%, 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 (\$11,561,076), 2) dedicated for inventory and advances to Industrial Development Authority (\$2,199,126), and money due from other funds (\$7,217,920), 3) Industrial Development Authority prepaid costs related to unearned revenue (\$10,382,279). The remaining fund balance (\$38,944,121) 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 \$44,203,114, while total fund balance was \$190,371,108. 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 10.6% of total general fund expenditures, while total fund balance represents 45.8% of that same amount.

A decrease in fund balance was budgeted with an appropriation of \$44,894,157 of fund balance. The anticipated decrease in fund balance was partially mitigated by conservative spending, which resulted in \$8,462,949 less in expenditures than budgeted. Total assets increased by \$16,993,863 due to additional due from other governments being recorded for income tax the State has collected, and owes the County. Liabilities decreased by \$20,355,793 due to a decrease in the amount owed to the Board of Education at year-end (\$10,000,000 payable compared to \$33,000,000 for the prior fiscal year, a decrease of \$23,000,000).

The revenues in the General Fund have increased by \$24,564,246 compared to the prior fiscal year. The primary contributing factor to the increase was due to the increase in income tax, additional recordation tax collected due to the housing market and real property tax due to the increase of assessments. Expenditures increased by \$16,234,866 compared to the prior fiscal year. The increase was due to budgeted salary increases and additional maintenance of effort for Board of Education.

The Capital Projects Fund balance sheet shows a \$7,567,438 decrease in assets in fiscal year 2022. This is due to less Capital grant funds coming in during fiscal year 2022. The decrease in cash is mainly due to a mid-year salary adjustment for the Sheriff's department employees and additional spending in education of maintenance of effort.

The Capital Projects Fund has a total fund balance of \$22,017,263, of which \$24,234,821 is assigned to liquidate purchase orders and (\$8,975,253) is unassigned for future capital project expenditures.

The Grants Fund has a total fund balance of \$2,492,700, which includes nonspendable, restricted and assigned for specific purposes. This is a decrease from fiscal year 2021 primarily due to spending of COVID money that was received in prior fiscal years as well as less money coming in from the Federal government during the current fiscal year.

The Non-Major Governmental Funds have a total fund balance of \$564,665, 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 the end of the year amounted to a deficit of \$16,497,528, and unrestricted component of net position in the internal service fund totaled \$22,100,835. The total increase in unrestricted net position for the business-type activities of \$4,180,227 was

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primarily due to utilities completing less capital projects. The net position for the Internal Service Fund increased by \$322,066 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 Public Safety Pension Plan, the Volunteer Firemen's Length of Service Award Program "LOSAP", and Other Post Employment Benefit Trust and custodial funds. Total net position for the four plans is \$299,577,980 for the fiscal year 2022. The investments in the trusts totaled \$300,116,370 at the end of fiscal year 2022, which was a 7.7% decrease from fiscal year 2021. The decrease resulted in a decline in investments during fiscal year 2022. Custodial funds had an asset total of \$453,937 at the end of fiscal year 2022. 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 2022 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 decreased from the original budget by \$1,241,112. 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 \$466,481,563, compared to the budgeted amount of \$418,916,450, a positive variance of \$47,565,113. The major differences between the final budgeted amounts and the actual revenues are as follows:

- Taxes – local property were \$8.8 million more than budget mainly due to higher real and personal property assessments.
- Taxes – local other came in \$31.7 million higher primarily due to reconciling income tax distributions higher than planned as well as increased recordation tax due to housing market.
- Miscellaneous revenues were \$7 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 \$417,429,001, compared to the budgeted amount of \$425,891,950, resulting in \$8,462,949, or 1.99% less than planned. The major differences between the final budgeted amounts and the actual expenditures are as follows:

- General government expenditures came in \$7.7 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 2022, \$3.6 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 County did a reappropriation mid-year for OPEB in the amount of \$11.7 million with the majority of adjustments taking place at fiscal year-end of \$28.2 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 workers' 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.

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, 2022 amounted to \$534,455,991 (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 1.1% (a 2.11% decrease for governmental activities and a 8.9% increase for business-type activities). Additional information on the County's capital assets can be found on pages 75-79 of this report.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2022

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

	Governmental Activities		Business-type Activities		Total Government	
	June 30, 2022	June 30, 2021*	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021*
Land	\$ 41,973,678	\$ 42,105,017	\$ 25,066,568	\$ 11,933,715	\$ 67,040,246	\$ 54,038,732
Construction in progress	10,427,189	6,159,710	11,566,575	27,931,738	21,993,764	34,091,448
Building and contents	124,269,732	124,287,503	12,150,069	12,637,854	136,419,801	136,925,357
Improvements other than buildings	37,220,203	42,605,539	10,773,590	12,339,619	47,993,793	54,945,158
Auto, machinery and equipment	18,226,313	21,897,368	16,754,432	17,898,588	34,980,745	39,795,956
Infrastructure	136,124,065	138,958,524	89,903,577	69,875,902	226,027,642	208,834,426
Total	\$ 368,241,180	\$ 376,013,661	\$ 166,214,811	\$ 152,617,416	\$ 534,455,991	\$ 528,631,077

*The 2021 amounts have been restated to reflect implementation of GASB 87.

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

- Selling of old North Carroll High School and purchase of the Penn Mar building resulted in a net decrease in buildings of \$3.7 million.
- Completion of various roads, bridges and infrastructure resulted in an increase of \$0.4 million and a decreased CIP.
- Bureau of Utilities, Hampstead WWTP ENR upgrades were completed, which resulted in an increase in sewer systems of \$21.5 million and decreased CIP.
- Continued construction in Bureau of Utilities projects in FY22 increased CIP by \$2.7 million.
- Continued construction in Septic Waste for the Westminster Septic Screen/Grit projects in FY22 increased CIP by \$1.6 million.
- Purchase of land for Northern Landfill expansion increased land in Solid Waste by \$13 million.

General obligation debt:

At the end of the fiscal year, Carroll County Government had total general obligation debts outstanding of \$306,020,874, 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, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
General Obligation Bonds, net	\$ 260,520,163	\$ 259,436,405	\$ 9,622,415	\$ 11,039,881	\$ 270,142,578	\$ 270,476,286
General Obligation Debt	35,878,296	36,124,296	-	-	35,878,296	36,124,296
Total	\$ 296,398,459	\$ 295,560,701	\$ 9,622,415	\$ 11,039,881	\$ 306,020,874	\$ 306,600,582

During the current fiscal year, Carroll County Government's total general obligation debt decreased by \$579,708. During the year, the County issued \$22 million in general obligation bonds to be repaid over the course of 20 years. Additional information on the County's long-term debt can be found in Note 8 – Long-Term Debt located on pages 80-86 of this report.

Carroll County Government received an updated credit rating in October 2022 for the fiscal year 2023 bond sale, which re-affirmed 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

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2022

("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 policies 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 \$1,384,324,580, 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 2023 adopted budget appropriation for the General Fund is \$501,286,560, representing an increase of \$27.1 million, or 5.7 percent, increase over fiscal year 2022.
- \$42.0 million of surplus funds was used for one-time expenditures.
- Real Property Tax is expected to increase in fiscal year 2023 due to positive reassessments.
- Income Tax is expected to be higher than the fiscal year 2022 budget. The expected increase is due to expected growth in withholdings and estimated payments because Carroll County historically outperforms the State due to higher average incomes and a lower unemployment rate.
- Recordation is expected to be higher in fiscal year 2023.
- A 5.55% salary adjustment is included in FY 23 for all Commissioner employees.
- Public Schools increased \$9.4M million and includes a one-time \$2 million for bonuses.
- The Commissioners funded an additional \$2.9 million in ongoing salary to the Sheriff's Office in FY 23 in addition to the base increase of 4%.
- 9 new positions are included in FY 23, including two additional positions in Human Resources to aid in the transition to County staffed EMS service.
- Fire/EMS increased \$5.3 million primarily due to costs attributable to the transition from a volunteer service to a County Fire/EMS workforce.
- Public Works increased \$3.0 million primarily due to increased fuel costs and additional equipment replacements. A new replacement plan for nondescript vehicles for the Sheriff's Office was also implemented, partially offset by revenue.
- Debt Service decreased \$0.7 million in FY 23.
- Ongoing funding of \$7.1M was included to address the organizational structure, compensation, and classification of Carroll County government staff.

All of these factors were considered in preparing the Carroll County Government's budget for the 2023 fiscal year.

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, 2022

Exhibit A

	Primary Government			Total Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Equity in pooled cash and investments	\$ 219,265,590	\$ 25,507,415	\$ 244,773,005	\$ -
Cash and cash equivalents	69,072	90,593	159,665	25,684,021
Restricted cash and cash equivalents	-	-	-	8,420,945
Investments	-	-	-	62,569,701
Taxes and receivables, net	25,313,497	6,996,348	32,309,845	3,039,503
Due from component units	1,167,090	-	1,167,090	-
Due from primary government	-	-	-	21,390,987
Due from other governments	107,613,821	-	107,613,821	16,405,315
Due from fiduciary funds	486,028	-	486,028	-
Internal balances	2,019,088	(2,019,088)	-	-
Inventories	1,586,216	588,402	2,174,618	1,382,901
Prepaid expenses	10,653,935	28,901	10,682,836	1,287,893
Investments - restricted	36,045,106	-	36,045,106	44,528
Capital assets not being depreciated:				
Land	41,973,678	25,066,568	67,040,246	18,858,192
Construction in progress	10,427,189	11,566,575	21,993,764	56,363,360
Art and doll collection	-	-	-	422,125
Capital assets net of accumulated depreciation and amortization:				
Buildings and contents	124,269,732	12,150,069	136,419,801	348,962,845
Improvements other than buildings	37,220,203	10,773,590	47,993,793	-
Auto, machinery and equipment	18,226,313	16,754,432	34,980,745	13,398,265
Infrastructure	136,124,065	89,903,577	226,027,642	-
Capital assets, net of depreciation and amortization	<u>368,241,180</u>	<u>166,214,811</u>	<u>534,455,991</u>	<u>438,004,787</u>
Total assets	<u>772,460,623</u>	<u>197,407,382</u>	<u>969,868,005</u>	<u>578,230,581</u>
Deferred Outflows of Resources				
Debt refunding	7,912,954	-	7,912,954	-
Pensions	14,647,280	-	14,647,280	7,819,389
OPEB	17,317,472	-	17,317,472	182,345,073
Total deferred outflows of resources	<u>39,877,706</u>	<u>-</u>	<u>39,877,706</u>	<u>190,164,462</u>
Total assets and deferred outflows of resources	<u>812,338,329</u>	<u>197,407,382</u>	<u>1,009,745,711</u>	<u>768,395,043</u>
LIABILITIES				
Accounts payable	10,926,115	3,579,969	14,506,084	12,440,666
Retainage and guarantees due contractors	1,294,126	-	1,294,126	-
Due to component units	21,390,987	-	21,390,987	-
Due to primary government	-	-	-	1,167,090
Due to other governments	-	-	-	51,619
Due to municipalities	26,495	-	26,495	-
Unearned revenue	37,817,917	71,255	37,889,172	13,743,325
Accrued interest payable	1,786,386	53,936	1,840,322	-
Accrued expenses	1,461,820	78,817	1,540,637	36,579,914
Long-term liabilities				
Due within one year	34,096,641	1,793,176	35,889,817	2,909,062
Due in more than one year	351,971,541	17,791,367	369,762,908	682,484,631
Total liabilities	<u>460,772,028</u>	<u>23,368,520</u>	<u>484,140,548</u>	<u>749,376,307</u>
Deferred Inflows of Resources				
Leases	-	1,853,899	1,853,899	-
Debt refunding	-	52,502	52,502	-
Pensions	4,327,252	-	4,327,252	8,660,139
OPEB	54,547,090	-	54,547,090	22,118,630
Total deferred inflows of resources	<u>58,874,342</u>	<u>1,906,401</u>	<u>60,780,743</u>	<u>30,778,769</u>
NET POSITION				
Net investment in capital assets	210,622,676	156,667,906	367,290,582	432,751,650
Restricted for:				
Capital projects	6,757,695	31,962,083	38,719,778	-
Special revenue funds	480,436	-	480,436	-
Grants	1,276,920	-	1,276,920	245,354
Food services	-	-	-	628,307
Educational purposes	-	-	-	13,124,374
Unrestricted (deficit)	73,554,232	(16,497,528)	57,056,704	(458,509,718)
Total net position	<u>\$ 292,691,959</u>	<u>\$ 172,132,461</u>	<u>\$ 464,824,420</u>	<u>\$ (11,760,033)</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, 2022

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	\$ 37,866,127	\$ 13,878,782	\$ 1,183,928	\$ -	\$ (22,803,417)	\$ -	\$ (22,803,417)	\$ -
Public safety	62,456,642	4,635,012	3,148,015	101,135	(54,572,480)	-	(54,572,480)	-
Public works	28,260,366	1,981,034	2,182,869	1,048,673	(23,047,790)	-	(23,047,790)	-
Health	5,199,738	2,063	-	-	(5,197,675)	-	(5,197,675)	-
Human services	21,105,128	78,747	14,623,301	-	(6,403,080)	-	(6,403,080)	-
Education	267,747,949	-	-	87,796	(267,660,153)	-	(267,660,153)	-
Library	17,556,766	-	18,000	-	(17,538,766)	-	(17,538,766)	-
Culture and recreation	4,945,981	1,386,001	110,587	1,713,635	(1,735,758)	-	(1,735,758)	-
Conservation of natural resources	10,021,043	301,095	138,599	2,999,771	(6,581,578)	-	(6,581,578)	-
Economic development	3,319,221	-	2,011,888	-	(1,307,333)	-	(1,307,333)	-
Judicial	10,712,000	20,627	1,367,142	-	(9,324,231)	-	(9,324,231)	-
Interest on long-term debt	7,749,640	-	-	-	(7,749,640)	-	(7,749,640)	-
Total governmental activities	<u>476,940,601</u>	<u>22,283,361</u>	<u>24,784,329</u>	<u>5,951,010</u>	<u>(423,921,901)</u>	<u>-</u>	<u>(423,921,901)</u>	<u>-</u>
Business-type activities:								
Bureau of Utilities	12,544,065	12,577,500	-	2,437,939	-	2,471,374	2,471,374	-
Solid Waste	11,638,055	9,092,357	-	-	-	(2,545,698)	(2,545,698)	-
Airport	1,009,912	924,522	-	365,492	-	280,102	280,102	-
Septage	457,157	745,388	-	-	-	288,231	288,231	-
Firearms	227,204	161,899	-	-	-	(65,305)	(65,305)	-
Fiber Network	1,220,742	221,656	-	29,987	-	(969,099)	(969,099)	-
Total Business-type activities	<u>27,097,135</u>	<u>23,723,322</u>	<u>-</u>	<u>2,833,418</u>	<u>-</u>	<u>(540,395)</u>	<u>(540,395)</u>	<u>-</u>
Total primary government	<u>\$ 504,037,736</u>	<u>\$ 46,006,683</u>	<u>\$ 24,784,329</u>	<u>\$ 8,784,428</u>	<u>\$ (423,921,901)</u>	<u>\$ (540,395)</u>	<u>\$ (424,462,296)</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, 2022

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		
Component units:								
Board of Education	\$ 498,359,974	\$ 1,424,154	\$ 82,122,590	\$ 55,819,419	\$ -	\$ -	\$ -	\$ (358,993,811)
Carroll Community College	44,277,007	7,714,348	4,458,151	-	-	-	-	(32,104,508)
Library	19,650,208	263,498	2,906,249	1,365,659	-	-	-	(15,114,802)
Industrial Development Authority	96,958	-	-	831,929	-	-	-	734,971
Total component units	<u>\$ 562,384,147</u>	<u>\$ 9,402,000</u>	<u>\$ 89,486,990</u>	<u>\$ 58,017,007</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (405,478,150)</u>
General revenues:								
Property taxes					238,429,057	-	238,429,057	-
Income tax					228,586,819	-	228,586,819	-
Recordation tax					21,794,375	-	21,794,375	-
Admission and amusement tax					329,400	-	329,400	-
Agricultural transfer tax					479,456	-	479,456	-
Hotel rental tax					332,138	-	332,138	-
Local appropriations					-	-	-	236,158,352
State aid					-	-	-	134,508,351
Grants and contributions not restricted to specific programs					-	-	-	8,475,941
Investment earnings (loss)					(3,769,612)	(136,657)	(3,906,269)	-
Miscellaneous, unrestricted					1,871,878	11,556	1,883,434	4,265,217
Gain (loss) on sale of capital asset					(814,871)	-	(814,871)	-
Transfers in (out)					(34,676,120)	34,676,120	-	-
Total general revenues and transfers					<u>452,562,520</u>	<u>34,551,019</u>	<u>487,113,539</u>	<u>383,407,861</u>
Change in net position					<u>28,640,619</u>	<u>34,010,624</u>	<u>62,651,243</u>	<u>(22,070,289)</u>
Net position - beginning of year, as restated					<u>264,051,340</u>	<u>138,121,837</u>	<u>402,173,177</u>	<u>10,310,256</u>
Net position - ending					<u>\$ 292,691,959</u>	<u>\$ 172,132,461</u>	<u>\$ 464,824,420</u>	<u>\$ (11,760,033)</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, 2022**

Exhibit C

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Grant Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Equity in pooled cash and investments	\$ 124,865,630	\$ 30,891,988	\$ 34,471,385	\$ 593,314	\$ 190,822,317
Cash and cash equivalents	69,072	-	-	-	69,072
Taxes and receivables, net	18,762,492	2,486,899	3,997,353	31,771	25,278,515
Due from component units	1,167,090	-	-	-	1,167,090
Due from other governments	105,264,912	2,336,239	12,670	-	107,613,821
Due from other governmental funds	4,629,304	-	83,500	-	4,712,804
Due from fiduciary funds	486,028	-	-	-	486,028
Due from proprietary funds	2,019,088	-	-	-	2,019,088
Inventories	1,586,216	-	-	-	1,586,216
Prepaid costs	9,929,530	-	452,749	-	10,382,279
Investments - restricted	29,287,411	6,757,695	-	-	36,045,106
Total assets	<u>\$ 298,066,773</u>	<u>\$ 42,472,821</u>	<u>\$ 39,017,657</u>	<u>\$ 625,085</u>	<u>\$ 380,182,336</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 6,264,875	\$ 3,326,563	\$ 1,170,947	\$ 21,230	\$ 10,783,615
Retainage and guarantees due contractors	1,294,126	-	-	-	1,294,126
Due to component units	11,342,400	10,038,060	8,188	-	21,388,648
Due to other governmental funds	83,500	3,563,804	1,047,500	18,000	4,712,804
Due to municipalities	26,495	-	-	-	26,495
Accrued expenditures	1,355,645	-	84,985	21,190	1,461,820
Unearned revenue	77,449	3,527,131	34,213,337	-	37,817,917
Total liabilities	<u>20,444,490</u>	<u>20,455,558</u>	<u>36,524,957</u>	<u>60,420</u>	<u>77,485,425</u>
Deferred inflows of resources:					
Unavailable revenue	87,251,175	-	-	-	87,251,175
Total deferred inflows of resources	<u>87,251,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,251,175</u>
Fund balances:					
Nonspendable	30,824,152	-	536,249	-	31,360,401
Restricted	30,429,070	6,757,695	1,276,920	480,436	38,944,121
Committed	25,064,328	-	-	84,229	25,148,557
Assigned	59,850,444	24,234,821	1,852,558	-	85,937,823
Unassigned	44,203,114	(8,975,253)	(1,173,027)	-	34,054,834
Total fund balances	<u>190,371,108</u>	<u>22,017,263</u>	<u>2,492,700</u>	<u>564,665</u>	<u>215,445,736</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 298,066,773</u>	<u>\$ 42,472,821</u>	<u>\$ 39,017,657</u>	<u>\$ 625,085</u>	<u>\$ 380,182,336</u>

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

Total governmental fund balance.	\$ 215,445,736
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	368,241,180
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds.	87,251,175
Adjustment for net pension assets and net pension liabilities.	(21,749,250)
Adjustment for net OPEB liability.	(40,568,724)
Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds.	31,964,752
Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds.	(58,874,342)
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.	22,100,835
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.	\$ (309,333,017)
Accrued interest payable.	(1,786,386)
Net position of governmental activities.	<u>\$ 292,691,959</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, 2022

Exhibit D

	General Fund	Capital Projects Fund	Grant Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
-local property	\$ 233,221,612	\$ 2,539,900	\$ -	\$ 2,667,545	\$ 238,429,057
-local other	213,820,851	19,691,521	-	332,138	233,844,510
Licenses and permits	4,365,555	-	-	-	4,365,555
Intergovernmental revenues	1,638,195	5,400,979	23,007,534	138,599	30,185,307
Charges for services	3,732,529	-	313,185	-	4,045,714
Fines and forfeits	95,742	-	-	-	95,742
Interest and gain (loss) on investments	(826,546)	(2,685,877)	(123,983)	2,083	(3,634,323)
Miscellaneous revenues	9,639,644	47,593	280,911	10	9,968,158
Total revenues	<u>465,687,582</u>	<u>24,994,116</u>	<u>23,477,647</u>	<u>3,140,375</u>	<u>517,299,720</u>
EXPENDITURES					
Current:					
General government	40,472,477	-	987,756	-	41,460,233
Public safety	62,939,007	-	2,177,098	-	65,116,105
Public works	15,516,721	-	2,224,627	-	17,741,348
Health	5,164,056	-	-	-	5,164,056
Human services	5,248,218	-	14,508,632	-	19,756,850
Education	224,449,569	-	-	-	224,449,569
Library	16,411,295	-	18,000	-	16,429,295
Culture and recreation	4,218,122	-	310,769	-	4,528,891
Conservation of natural resources	1,186,307	-	18,147	1,291,712	2,496,166
Economic development	1,377,860	-	1,978,638	-	3,356,498
Judicial	9,033,016	-	1,451,506	-	10,484,522
Capital outlay:					
General government	-	4,404,138	-	-	4,404,138
Public safety	-	1,183,184	-	-	1,183,184
Public works	-	10,108,117	-	-	10,108,117
Human services	-	1,316,738	-	-	1,316,738
Education	-	43,301,039	-	-	43,301,039
Culture and recreation	-	2,366,226	-	-	2,366,226
Library	-	1,127,471	-	-	1,127,471
Conservation of natural resources	-	7,723,327	-	-	7,723,327
Judicial	-	29,347	-	-	29,347
Debt service:					
Principal	20,342,583	-	-	1,113,627	21,456,210
Interest	9,747,373	-	-	634,585	10,381,958
Total expenditures	<u>416,106,604</u>	<u>71,559,587</u>	<u>23,675,173</u>	<u>3,039,924</u>	<u>514,381,288</u>
Excess (deficiency) of revenues over (under) expenditures	<u>49,580,978</u>	<u>(46,565,471)</u>	<u>(197,526)</u>	<u>100,451</u>	<u>2,918,432</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	10,318,385	13,735,242	149,504	-	24,203,131
Transfers out	(48,308,376)	(9,963,700)	-	(607,175)	(58,879,251)
Lease financing	3,465,294	-	-	-	3,465,294
Bonds issued	-	22,000,000	-	-	22,000,000
Bonds premium	-	2,544,487	-	-	2,544,487
Total other financing sources (uses)	<u>(34,524,697)</u>	<u>28,316,029</u>	<u>149,504</u>	<u>(607,175)</u>	<u>(6,666,339)</u>
Net change in fund balances	15,056,281	(18,249,442)	(48,022)	(506,724)	(3,747,907)
Fund balance - beginning	175,169,064	40,266,705	2,540,722	1,071,389	219,047,880
Increase in reserve for inventory	145,763	-	-	-	145,763
Fund balance - ending	<u>\$ 190,371,108</u>	<u>\$ 22,017,263</u>	<u>\$ 2,492,700</u>	<u>\$ 564,665</u>	<u>\$ 215,445,736</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, 2022

Exhibit E

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

Net change in fund balances - total governmental funds	\$ (3,747,907)
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.	(7,772,481)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	22,147,611
Adjustment to the net pension liability.	(31,764,006)
Adjustment to the net OPEB liability.	(24,033,898)
The issuance of long-term debt (i.e. bonds, leases, 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.	(2,891,459)
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.	495,538
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.	322,066
Net change in deferred outflows related to pension and OPEB expense reported in the statement of activities.	25,488,299
Net change in deferred inflows related to pension and OPEB expense reported in the statement of activities.	<u>50,396,856</u>
Change in net position - governmental activities	<u>\$ 28,640,619</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 Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP)
General Fund
For the Year Ended June 30, 2022

Exhibit F-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
RESOURCES (INFLOWS)				
Revenues				
Taxes:				
-local property	\$ 225,213,820	\$ 225,213,820	\$ 234,015,592	\$ 8,801,772
-local other	182,155,000	182,155,000	213,820,851	31,665,851
Licenses and permits	3,408,700	3,408,700	4,365,555	956,855
Intergovernmental revenues	1,520,600	1,520,600	1,638,195	117,595
Charges for services	3,175,290	3,175,290	3,732,531	557,241
Fines and forfeits	59,700	59,700	95,742	36,042
Interest and gain (loss) on investments	759,340	759,340	(826,546)	(1,585,886)
Miscellaneous revenues	2,624,000	2,624,000	9,639,643	7,015,643
Total revenues	<u>418,916,450</u>	<u>418,916,450</u>	<u>466,481,563</u>	<u>47,565,113</u>
Other financing resources				
Appropriated fund balance	44,894,157	44,894,157	-	(44,894,157)
Transfers in	10,373,720	10,373,720	10,318,385	(55,335)
Lease financing	-	-	3,465,294	3,465,294
Total other financing resources	<u>55,267,877</u>	<u>55,267,877</u>	<u>13,783,679</u>	<u>(41,484,198)</u>
Total resources (inflows)	<u>474,184,327</u>	<u>474,184,327</u>	<u>480,265,242</u>	<u>6,080,915</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Expenditures				
Current:				
General government	74,572,040	48,523,334	40,854,342	7,668,992
Public safety	51,132,750	64,198,199	63,449,192	749,007
Public works	12,447,520	18,364,261	15,677,851	2,686,410
Health	5,162,930	5,162,930	5,162,930	-
Human services	4,587,940	5,377,684	5,249,344	128,340
Education	217,536,780	217,536,780	224,449,569	(6,912,789)
Library	9,843,810	14,223,655	16,411,295	(2,187,640)
Culture and recreation	3,691,200	4,701,875	4,218,878	482,997
Conservation of natural resources	1,023,260	1,255,148	1,227,835	27,313
Economic development	2,297,080	2,640,349	1,627,593	1,012,756
Judicial	7,190,240	9,482,847	9,010,216	472,631
Reserve for contingencies	4,819,640	3,578,528	-	3,578,528
Debt service:				
Debt service - County	20,882,660	20,882,660	20,600,397	282,263
Debt service - Board of Education	9,963,700	9,963,700	9,489,559	474,141
Total expenditures	<u>425,151,550</u>	<u>425,891,950</u>	<u>417,429,001</u>	<u>8,462,949</u>
Other financing uses				
Transfers out	49,032,777	48,292,377	48,308,377	(16,000)
Total other financing uses	<u>49,032,777</u>	<u>48,292,377</u>	<u>48,308,377</u>	<u>(16,000)</u>
Total charges to appropriations (outflows)	<u>474,184,327</u>	<u>474,184,327</u>	<u>465,737,378</u>	<u>8,446,949</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	14,527,864	<u>\$ 14,527,864</u>
Fund balance - beginning			181,132,928	
Fund balance - ending			<u>\$ 195,660,792</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, 2022

Exhibit F-2

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
RESOURCES (INFLOWS)				
Revenues				
Charges for service:				
Commission on aging	\$ -	\$ -	\$ 4,258	\$ 4,258
Culture and recreation	140,000	140,000	275,661	135,661
Sheriff	-	-	33,266	33,266
Intergovernmental revenues:				
General government	3,600	587,508	944,979	357,471
Commission on aging	1,745,750	2,302,518	2,597,867	295,349
Housing & community development	6,892,281	7,727,596	10,743,959	3,016,363
Sheriff	727,490	658,494	1,109,893	451,399
Citizen services	1,287,641	1,702,632	1,281,475	(421,157)
Library	-	18,000	18,000	-
State's attorney	369,480	447,821	504,880	57,059
Circuit court	928,720	727,375	862,262	134,887
Public works	351,521	1,239,531	2,182,869	943,338
Emergency operations center	584,560	2,351,894	668,481	(1,683,413)
Fire & EMS	-	44,520	31,413	(13,107)
Planning	40,000	25,486	49,046	23,560
Economic development	1,164,986	2,486,842	2,011,888	(474,954)
Culture and recreation	-	53,599	523	(53,076)
Fines and forfeits:				
Interest	-	-	(123,983)	(123,983)
Miscellaneous	129,120	446,963	280,910	(166,053)
Total revenues	<u>14,365,149</u>	<u>20,960,779</u>	<u>23,477,647</u>	<u>2,516,868</u>
Other financing resources				
Transfers in	<u>913,970</u>	<u>149,504</u>	<u>149,504</u>	<u>-</u>
Total other financing resources	<u>913,970</u>	<u>149,504</u>	<u>149,504</u>	<u>-</u>
Total Resources (Inflows)	<u>15,279,119</u>	<u>21,110,283</u>	<u>23,627,151</u>	<u>2,516,868</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Expenditures				
Current:				
General government	3,600	587,508	946,369	(358,861)
Public safety	1,707,000	4,034,708	3,804,439	230,269
Public works	239,401	627	2,195,842	(2,195,215)
Health	48,580	33,138	-	33,138
Human Services	10,467,552	12,456,256	14,510,351	(2,054,095)
Library	-	18,000	18,000	-
Culture and recreation	148,100	201,699	315,569	(113,870)
Conservation of natural resources	50,000	38,850	17,994	20,856
Economic development	1,164,986	2,486,784	1,961,075	525,709
Judicial	1,449,900	1,252,713	1,490,194	(237,481)
Total expenditures	<u>15,279,119</u>	<u>21,110,283</u>	<u>25,259,833</u>	<u>(4,149,550)</u>
Total charges to appropriations (outflows)	<u>(15,279,119)</u>	<u>(21,110,283)</u>	<u>(25,259,833)</u>	<u>(4,149,550)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(1,632,682)</u>	<u>\$ (1,632,682)</u>
Fund balance - beginning			<u>2,393,273</u>	
Fund balance - ending			<u>\$ 760,591</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, 2022

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	\$ 2,177,516	\$ 20,388,488	\$ 1,549,330	\$ 1,076,347	\$ 315,734	\$ 25,507,415	\$ 28,443,273
Cash and cash equivalents	78,771	10,942	-	-	880	90,593	-
Receivables, net	3,896,891	894,800	176,041	22,677	92,435	5,082,844	34,982
Inventories	565,100	4,720	18,582	-	-	588,402	-
Prepaid expenses	100	-	16,301	12,500	-	28,901	271,656
Total current assets	<u>6,718,378</u>	<u>21,298,950</u>	<u>1,760,254</u>	<u>1,111,524</u>	<u>409,049</u>	<u>31,298,155</u>	<u>28,749,911</u>
Noncurrent assets:							
Lease receivable	1,532,836	-	380,668	-	-	1,913,504	-
Capital assets:							
Land	260,485	15,191,468	9,614,610	5	-	25,066,568	-
Buildings	17,676,654	1,752,296	4,569,596	-	379,811	24,378,357	-
Improvements other than buildings	12,927,165	6,327,978	2,356,748	1,139,212	447,998	23,199,101	-
Auto, machinery and equipment	4,136,964	4,548,057	2,562,609	21,429,025	254,236	32,930,891	-
Infrastructure	130,208,155	-	-	-	-	130,208,155	-
Construction in progress	5,278,390	-	1,066,297	-	5,221,888	11,566,575	-
Less accumulated depreciation	<u>(59,121,007)</u>	<u>(8,004,301)</u>	<u>(4,613,855)</u>	<u>(8,705,313)</u>	<u>(690,360)</u>	<u>(81,134,836)</u>	<u>-</u>
Total capital assets (net of accumulated depreciation)	<u>111,366,806</u>	<u>19,815,498</u>	<u>15,556,005</u>	<u>13,862,929</u>	<u>5,613,573</u>	<u>166,214,811</u>	<u>-</u>
Total assets	<u>\$ 119,618,020</u>	<u>\$ 41,114,448</u>	<u>\$ 17,696,927</u>	<u>\$ 14,974,453</u>	<u>\$ 6,022,622</u>	<u>\$ 199,426,470</u>	<u>\$ 28,749,911</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, 2022

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		
LIABILITIES							
Current liabilities:							
Accounts payable	\$ 2,035,116	\$ 915,646	\$ 95,039	\$ 31,417	\$ 502,751	\$ 3,579,969	\$ 142,500
Accrued interest payable	31,739	1,060	21,137	-	-	53,936	-
Unearned revenue	6,124	13,333	51,798	-	-	71,255	-
Accrued expenses	44,390	26,597	5,202	-	2,628	78,817	-
Due to component units	-	-	-	-	-	-	2,339
Due to other funds	2,000,000	-	-	-	19,088	2,019,088	-
Long-term liabilities due within one year:							
General obligation bonds payable	1,245,295	61,191	1,144	-	-	1,307,630	-
Unpaid claims	-	-	-	-	-	-	3,848,432
Landfill closure, post closure remediation	-	196,481	-	-	-	196,481	-
Compensated absences	160,173	93,888	20,147	-	14,857	289,065	-
Total long-term liabilities due within one year	<u>1,405,468</u>	<u>351,560</u>	<u>21,291</u>	<u>-</u>	<u>14,857</u>	<u>1,793,176</u>	<u>3,848,432</u>
Total current liabilities	<u>5,522,837</u>	<u>1,308,196</u>	<u>194,467</u>	<u>31,417</u>	<u>539,324</u>	<u>7,596,241</u>	<u>3,993,271</u>
Noncurrent liabilities:							
General obligation bonds payable	3,479,399	22,328	4,813,058	-	-	8,314,785	-
Unpaid claims	-	-	-	-	-	-	2,655,805
Landfill closure, post closure remediation	-	9,040,103	-	-	-	9,040,103	-
Compensated absences	219,916	208,144	8,419	-	-	436,479	-
Total noncurrent liabilities	<u>3,699,315</u>	<u>9,270,575</u>	<u>4,821,477</u>	<u>-</u>	<u>-</u>	<u>17,791,367</u>	<u>2,655,805</u>
Total liabilities	<u>9,222,152</u>	<u>10,578,771</u>	<u>5,015,944</u>	<u>31,417</u>	<u>539,324</u>	<u>25,387,608</u>	<u>6,649,076</u>
Deferred Inflows of Resources							
Leases	1,467,504	-	386,395	-	-	1,853,899	-
Debt refunding	42,863	7,385	2,254	-	-	52,502	-
Total deferred inflows of resources	<u>1,510,367</u>	<u>7,385</u>	<u>388,649</u>	<u>-</u>	<u>-</u>	<u>1,906,401</u>	<u>-</u>
NET POSITION							
Net investment in capital assets	106,651,995	19,799,858	10,739,550	13,862,929	5,613,574	156,667,906	-
Restricted for:							
Capital projects	16,200,284	12,358,109	1,788,955	1,614,735	-	31,962,083	-
Unrestricted (deficit)	<u>(13,966,778)</u>	<u>(1,629,675)</u>	<u>(236,171)</u>	<u>(534,628)</u>	<u>(130,276)</u>	<u>(16,497,528)</u>	<u>22,100,835</u>
Total net position	<u>\$ 108,885,501</u>	<u>\$ 30,528,292</u>	<u>\$ 12,292,334</u>	<u>\$ 14,943,036</u>	<u>\$ 5,483,298</u>	<u>\$ 172,132,461</u>	<u>\$ 22,100,835</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, 2022

Exhibit H

	Business-type Activities-Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Bureau of Utilities	Solid Waste	Airport	Fiber Network	Non-Major Enterprise Funds		
Operating revenues:							
Charges for services	\$ 12,577,500	\$ 9,092,357	\$ 924,522	\$ 221,656	\$ 907,287	\$ 23,723,322	\$ 20,390,654
Total operating revenues	12,577,500	9,092,357	924,522	221,656	907,287	23,723,322	20,390,654
Operating expenses:							
Personal services	2,859,338	1,723,614	301,517	-	138,028	5,022,497	-
Contractual services	4,024,498	8,404,974	278,644	311,605	212,711	13,232,432	-
Materials and supplies	1,110,213	264,274	25,007	-	58,357	1,457,851	-
Rents and utilities	681,687	33,376	19,242	52,334	92,525	879,164	-
Insurance claims	-	-	-	-	-	-	22,209,799
Miscellaneous	107,196	563,127	32,418	4,167	145,501	852,409	-
Depreciation	3,761,133	648,690	353,084	852,636	37,239	5,652,782	-
Total operating expenses	12,544,065	11,638,055	1,009,912	1,220,742	684,361	27,097,135	22,209,799
Operating income (loss)	33,435	(2,545,698)	(85,390)	(999,086)	222,926	(3,373,813)	(1,819,145)
Nonoperating revenues (expenses):							
Penalties and interest	156,251	(16,029)	12,375	3,905	833	157,335	(34,175)
Medicare Part D	-	-	-	-	-	-	314,231
Insurance recovery	-	-	-	-	-	-	1,846,775
Federal COBRA subsidy	-	-	-	-	-	-	14,380
Interest and fiscal charges	(161,570)	(2,149)	(130,053)	-	(220)	(293,992)	-
Miscellaneous	-	-	11,556	-	-	11,556	-
Total nonoperating revenues (expenses)	(5,319)	(18,178)	(106,122)	3,905	613	(125,101)	2,141,211
Income (loss) before contributions and transfers	28,116	(2,563,876)	(191,512)	(995,181)	223,539	(3,498,914)	322,066
Capital contributions							
(Area Connection Charges & Grants)	910,687	-	365,492	29,987	-	1,306,166	-
Capital contributions (Maintenance Fee)	1,527,252	-	-	-	-	1,527,252	-
Transfers in	769,770	28,562,890	2,252,490	3,090,970	-	34,676,120	-
Change in net position	3,235,825	25,999,014	2,426,470	2,125,776	223,539	34,010,624	322,066
Total net position - beginning of year, as restated	105,649,676	4,529,278	9,865,864	12,817,260	5,259,759	138,121,837	21,778,769
Total net position - end of year	\$ 108,885,501	\$ 30,528,292	\$ 12,292,334	\$ 14,943,036	\$ 5,483,298	\$ 172,132,461	\$ 22,100,835

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, 2022

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	
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers and users	\$ 12,976,854	\$ 9,085,782	\$ 925,509	\$ 236,828	\$ 912,899	\$ 24,137,872	\$ 20,568,904
Receipts from (payments to) other funds	266,989	-	(261,419)	(1,877,205)	19,088	(1,852,547)	-
Payments to suppliers	(6,763,532)	(8,775,893)	(319,535)	(392,162)	(73,987)	(16,325,109)	(21,326,671)
Payments to employees	(2,821,325)	(1,687,871)	(303,354)	-	(135,613)	(4,948,163)	-
Net cash provided (used) by operating activities	<u>3,658,986</u>	<u>(1,377,982)</u>	<u>41,201</u>	<u>(2,032,539)</u>	<u>722,387</u>	<u>1,012,053</u>	<u>(757,767)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Medicare Part D	-	-	-	-	-	-	314,231
Federal COBRA Subsidy	-	-	-	-	-	-	14,380
Transfers in	<u>769,770</u>	<u>28,562,890</u>	<u>2,252,490</u>	<u>3,090,970</u>	<u>-</u>	<u>34,676,120</u>	<u>-</u>
Net cash provided by noncapital financing activities	<u>769,770</u>	<u>28,562,890</u>	<u>2,252,490</u>	<u>3,090,970</u>	<u>-</u>	<u>34,676,120</u>	<u>328,611</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition and construction of capital assets	(3,321,764)	(13,460,537)	(877,658)	(15,976)	(1,574,240)	(19,250,175)	-
Principal paid on capital debt	(1,233,143)	(60,007)	(111,102)	-	(13,214)	(1,417,466)	-
Interest paid on capital debt	(211,752)	(7,659)	(133,468)	-	(330)	(353,209)	-
Capital contributions (Area Connection Charges & Grants)	<u>2,437,939</u>	<u>-</u>	<u>365,492</u>	<u>29,987</u>	<u>-</u>	<u>2,833,418</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(2,328,720)</u>	<u>(13,528,203)</u>	<u>(756,736)</u>	<u>14,011</u>	<u>(1,587,784)</u>	<u>(18,187,432)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on investments and cash	156,251	(16,029)	12,375	3,905	833	157,335	(34,175)
Insurance recovery	-	-	-	-	-	-	1,846,775
Net cash provided (used) by investing activities	<u>156,251</u>	<u>(16,029)</u>	<u>12,375</u>	<u>3,905</u>	<u>833</u>	<u>157,335</u>	<u>1,812,600</u>
Net (decrease) increase	<u>2,256,287</u>	<u>13,640,676</u>	<u>1,549,330</u>	<u>1,076,347</u>	<u>(864,564)</u>	<u>17,658,076</u>	<u>1,383,444</u>
Equity in pooled cash and investments, and cash and cash equivalents at beginning of year	<u>-</u>	<u>6,758,754</u>	<u>-</u>	<u>-</u>	<u>1,181,178</u>	<u>7,939,932</u>	<u>27,059,829</u>
Equity in pooled cash and investments, and cash and cash equivalents at end of year	<u>\$ 2,256,287</u>	<u>\$ 20,399,430</u>	<u>\$ 1,549,330</u>	<u>\$ 1,076,347</u>	<u>\$ 316,614</u>	<u>\$ 25,598,008</u>	<u>\$ 28,443,273</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, 2022

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)	\$ 33,435	\$ (2,545,698)	\$ (85,390)	\$ (999,086)	\$ 222,926	\$ (3,373,813)	\$ (1,819,145)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	3,761,133	648,690	353,084	852,635	37,239	5,652,781	-
Effect of changes in operating assets and liabilities:							
Due to/from other funds	266,989	5,611	(261,419)	(1,877,205)	19,088	(1,846,936)	-
Accounts receivable	517,094	(25,519)	(1,048)	15,172	5,612	511,311	511,289
Prepaid expenses	(100)	-	(14,047)	(8,333)	-	(22,480)	(235,510)
Inventories	(142,234)	-	(4,506)	-	-	(146,740)	-
Compensated absences payable	29,169	29,880	(2,848)	-	1,786	57,987	-
Accounts payable and accrued expenses	(688,760)	102,828	66,896	(15,722)	435,736	(99,022)	(274,348)
Unearned revenue	(117,740)	13,333	(9,521)	-	-	(113,928)	255
Claims liability	-	-	-	-	-	-	1,059,692
Landfill closure, post closure, remediation costs	-	392,893	-	-	-	392,893	-
	<u>3,625,551</u>	<u>1,167,716</u>	<u>126,591</u>	<u>(1,033,453)</u>	<u>499,461</u>	<u>4,385,866</u>	<u>1,061,378</u>
Net cash provided (used) by operating activities	<u>\$ 3,658,986</u>	<u>\$ (1,377,982)</u>	<u>\$ 41,201</u>	<u>\$ (2,032,539)</u>	<u>\$ 722,387</u>	<u>\$ 1,012,053</u>	<u>\$ (757,767)</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 Custodial Funds
June 30, 2022

Exhibit J

	Trust Funds	Custodial Funds
ASSETS		
Equity in pooled cash and investments	\$ -	\$ 453,937
Prepaid expenses	8,690	-
Investments at fair value/net asset value:		
Short-term investments	6,040,199	-
Bond funds	38,606,594	-
Equity funds	91,835,297	-
Marketable securities	116,278,918	-
Real estate funds	47,355,362	-
Total investments	300,116,370	-
Total assets	\$ 300,125,060	\$ 453,937
LIABILITIES		
Accounts payable	\$ 61,052	\$ 3,601
Due to primary government	486,028	-
Total liabilities	\$ 547,080	\$ 3,601
FIDUCIARY NET POSITION		
Restricted for:		
Pensions	\$ 154,537,030	\$ -
OPEB	145,040,950	-
Other purposes	-	450,336
Total fiduciary net position	\$ 299,577,980	\$ 450,336

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

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statement of Changes in Fiduciary Net Position
Trust and Custodial Funds
For the Year Ended June 30, 2022

Exhibit K

	<u>Trust Funds</u>	<u>Custodial Funds</u>
ADDITIONS		
Contributions:		
Employer	\$ 18,317,160	\$ -
Plan members	3,855,334	172,830
Total contributions	<u>22,172,494</u>	<u>172,830</u>
Investment earnings (loss):		
Interest and dividends	8,845	1,329
Net increase (decrease) in the fair value of investments	<u>(35,404,708)</u>	<u>-</u>
Total investment earnings (loss)	(35,395,863)	1,329
Less investment expense	<u>(116,389)</u>	<u>-</u>
Net investment earnings (loss)	<u>(35,512,252)</u>	<u>1,329</u>
Franchise fee-cable TV	<u>-</u>	<u>334,784</u>
Total additions	<u>(13,339,758)</u>	<u>508,943</u>
DEDUCTIONS		
Benefits and refunds paid to plan members and beneficiaries	12,291,611	-
Administrative expenses	<u>102,579</u>	<u>392,817</u>
Total deductions	<u>12,394,190</u>	<u>392,817</u>
Net increase (decrease) in fiduciary net position	<u>(25,733,948)</u>	<u>116,126</u>
Fiduciary net position-beginning	<u>325,311,928</u>	<u>334,210</u>
Fiduciary net position-ending	<u>\$ 299,577,980</u>	<u>\$ 450,336</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 Net Position
Component Units
June 30, 2022

Exhibit L

	Board of Education	Carroll Community College	Library	Industrial Development Authority	Total Component Units
ASSETS					
Cash and cash equivalents	\$ 3,716,791	\$ 14,928,108	\$ 1,745,877	\$ 5,293,245	\$ 25,684,021
Restricted cash and cash equivalents	-	-	-	8,420,945	8,420,945
Investments	48,000,000	14,569,701	-	-	62,569,701
Taxes and receivables, net	639,367	2,260,087	128,239	11,810	3,039,503
Due from primary government	20,038,060	8,608	2,557	1,341,762	21,390,987
Due from other governments	16,405,315	-	-	-	16,405,315
Inventories	1,379,319	-	3,582	-	1,382,901
Prepaid expenses	483,666	693,526	110,701	-	1,287,893
Investments - restricted	-	44,528	-	-	44,528
Capital assets not being depreciated:					
Land	14,144,528	-	-	4,713,664	18,858,192
Construction in progress	56,363,360	-	-	-	56,363,360
Art and doll collection	-	422,125	-	-	422,125
Capital assets net of accumulated depreciation:					
Buildings and contents	338,712,986	1,755,368	8,494,491	-	348,962,845
Auto, machinery and equipment	12,317,068	1,081,197	-	-	13,398,265
Capital assets, net of depreciation	<u>421,537,942</u>	<u>3,258,690</u>	<u>8,494,491</u>	<u>4,713,664</u>	<u>438,004,787</u>
Total assets	<u>512,200,460</u>	<u>35,763,248</u>	<u>10,485,447</u>	<u>19,781,426</u>	<u>578,230,581</u>
Deferred Outflows of Resources					
Pensions	7,441,237	-	378,152	-	7,819,389
OPEB	173,353,626	8,991,447	-	-	182,345,073
Total deferred outflows of resources	<u>180,794,863</u>	<u>8,991,447</u>	<u>378,152</u>	<u>-</u>	<u>190,164,462</u>
Total assets and deferred outflows of resources	<u>692,995,323</u>	<u>44,754,695</u>	<u>10,863,599</u>	<u>19,781,426</u>	<u>768,395,043</u>
LIABILITIES					
Accounts payable	11,862,119	457,176	119,841	1,530	12,440,666
Due to primary government	30,347	492	523,341	612,910	1,167,090
Due to other governments	51,619	-	-	-	51,619
Unearned revenue	3,346,001	1,946,474	90,113	8,360,737	13,743,325
Accrued expenses	35,522,215	869,463	122,525	65,711	36,579,914
Long-term liabilities:					
Current portion of lease liability	349,981	-	-	-	349,981
Due within one year	1,500,000	1,021,981	37,100	-	2,559,081
Due in more than one year	651,319,004	29,881,377	1,284,250	-	682,484,631
Total liabilities	<u>703,981,286</u>	<u>34,176,963</u>	<u>2,177,170</u>	<u>9,040,888</u>	<u>749,376,307</u>
Deferred Inflows of Resources					
Pensions	8,305,526	-	354,613	-	8,660,139
OPEB	18,462,000	3,656,630	-	-	22,118,630
Total deferred inflows of resources	<u>26,767,526</u>	<u>3,656,630</u>	<u>354,613</u>	<u>-</u>	<u>30,778,769</u>
NET POSITION					
Net investment in capital assets	417,984,585	2,671,820	7,994,491	4,100,754	432,751,650
Restricted for:					
Grants	245,354	-	-	-	245,354
Food services	628,307	-	-	-	628,307
Educational purposes	-	13,124,374	-	-	13,124,374
Unrestricted (deficit)	<u>(456,611,735)</u>	<u>(8,875,092)</u>	<u>337,325</u>	<u>6,639,784</u>	<u>(458,509,718)</u>
Total net position	<u>\$ (37,753,489)</u>	<u>\$ 6,921,102</u>	<u>\$ 8,331,816</u>	<u>\$ 10,740,538</u>	<u>\$ (11,760,033)</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, 2022

Exhibit M

	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	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	\$ 498,359,974	\$ 1,424,154	\$ 82,122,590	\$ 55,819,419	\$ (358,993,811)	\$ -	\$ -	\$ -	\$ (358,993,811)
Carroll Community College	44,277,007	7,714,348	4,458,151	-	-	(32,104,508)	-	-	(32,104,508)
Library	19,650,208	263,498	2,906,249	1,365,659	-	-	(15,114,802)	-	(15,114,802)
Industrial Development Authority	96,958	-	-	831,929	-	-	-	734,971	734,971
Total component units	<u>\$ 562,384,147</u>	<u>\$ 9,402,000</u>	<u>\$ 89,486,990</u>	<u>\$ 58,017,007</u>	<u>(358,993,811)</u>	<u>(32,104,508)</u>	<u>(15,114,802)</u>	<u>734,971</u>	<u>(405,478,150)</u>
General revenues:									
Local appropriations					207,407,074	12,288,126	16,463,152	-	236,158,352
State aid					124,721,455	9,786,896	-	-	134,508,351
Grants and contributions not restricted to specific programs					-	8,475,941	-	-	8,475,941
Investment earnings and miscellaneous, unrestricted					5,879,974	(1,713,124)	34,840	63,527	4,265,217
Total general revenues and transfers					<u>338,008,503</u>	<u>28,837,839</u>	<u>16,497,992</u>	<u>63,527</u>	<u>383,407,861</u>
Change in net position					(20,985,308)	(3,266,669)	1,383,190	798,498	(22,070,289)
Net position - beginning of year, as restated					(16,768,181)	10,187,771	6,948,626	9,942,040	10,310,256
Net position - ending					<u>\$ (37,753,489)</u>	<u>\$ 6,921,102</u>	<u>\$ 8,331,816</u>	<u>\$ 10,740,538</u>	<u>\$ (11,760,033)</u>

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, 2022

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THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2022

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, 2022. 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, 2022. 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, 2022

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, 2022.

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, 2022.

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, 2022

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.

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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 Employees' Plan and the Public Safety 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 *Custodial Fund* is used to account for assets that the County holds on behalf of others as their agent. 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*. Custodial 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 liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected

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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, 2022, expenditures exceeded appropriations by \$6,912,789 in Education and \$2,187,640 in Library in the General Fund. These were due primarily to the recording of in-kind services provided to the Board of Education and Library. These in-kind services are not in the budget for Education and Library. Expenditures exceeded appropriations by \$358,861 in General Government, \$2,195,215 in Public Works, \$2,054,095 in Human Services, \$113,870 in Culture and Recreation, and \$237,481 in Judicial in the Grant Fund. These are primarily due to grants crossing multiple fiscal years with rolling budgets. The budgets currently shown represent current fiscal year activity.

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, Capital Projects, 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 an 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

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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 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. 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:

<u>Capital Assets</u>	
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

Leased assets are amortized over the life of the lease term.

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 expected and actual experience, 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.

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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, changes in actuarial assumptions, and the differences between projected and actual earnings on plan investments of the Maryland State Retirement 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 and lease liability 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 Public Safety 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 \$83,519 in the Solid Waste fund, \$75,333 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, 2022, fees collected through water/sewer user rates, area connection charges and maintenance fees totaling \$16,200,284 have been

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restricted for future capital projects. The Solid Waste, Airport and Fiber Network funds have restricted component of net position for capital projects in the amounts of \$12,358,109, \$1,788,955, and \$1,614,735 respectively. These amounts, totaling \$15,761,799, are restricted in the business-type activities of the Statement of Net Position.

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, workers' compensation, property damage and medical claims as of June 30, 2022. 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 expenses/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

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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 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, the Capital Projects Fund, and the Grants 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 2022, 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, 2022 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

911 Fees are included in the general fund to provide funding for the 911 Emergency Operations Center. Effective July 1, 2021, the 911 Fee increased from \$0.75 per line to \$1.50 per line.

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

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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 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.) In-Kind Services

The primary government owns facilities that are used in the operation by their component units (related parties). For the fiscal year 2022, the County recorded \$2,187,640 for the Library, \$5,123,575 for Carroll Community College and \$1,789,213 for the Board of Education as in kind revenue and additional support to the component units.

8.) 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.

9.) Arbitrage Payable

Arbitrage rebate requirements under Internal Revenue Code Section 1.148-3 apply to general obligation bond issuances of 2021, 2020, 2019, 2018, 2016, 2015, 2014, 2013, 2012 and 2011, 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, 2022, there is no arbitrage liability due to the Internal Revenue Service.

K. New accounting pronouncements

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. The County has implemented the effects of this Statement for the reporting period ended June 30, 2022.

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

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during implementation and application of certain GASB Statements. The County has implemented the effects of this Statement for the reporting period ended June 30, 2022.

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. 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. This Statement will become effective for fiscal years beginning after June 15, 2022.

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. This Statement will become effective for fiscal years beginning after June 15, 2022.

Statement No. 99, *Omnibus 2022*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. This Statement will become effective for fiscal years beginning after June 15, 2022.

Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*: The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement will become effective for fiscal years beginning after June 15, 2023.

Statement No. 101, *Compensated Absences*: The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement will become effective for fiscal years beginning after December 15, 2023.

L. Restatement

Governmental Activities

The County has adopted GASB Statement No. 87, *Leases*. This GASB statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset for the County as a lessee. Total governmental activities net position was restated from \$265,258,311 to \$264,051,340, a net decrease of \$1,206,971. The adjustments related to Governmental Activities are described below:

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	Governmental Activities
Fund balance/net position July 1, 2021, as previously stated	\$ 265,258,311
Cumulative effect of application GASB 87, right-to-use lease asset	3,474,597
Cumulative effect of application GASB 87, lease liability	<u>(4,681,568)</u>
Fund balance/net position July 1, 2021, as restated	<u><u>\$ 264,051,340</u></u>

Business-Type Activities

The County has adopted GASB Statement No. 87, Leases. This GASB statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset for the County as a lessee. The statement also recognizes a lease receivable and deferred inflow to other entities in the event the County is a lessor. The pronouncement requires the restatement of the July 1, 2021 net position/fund balance as follows:

	Bureau of Utilities	Airport	Total Enterprise Funds	Statement of Net Position
Fund balance/net position July 1, 2021, as previously stated	\$105,447,044	\$ 9,823,840	\$137,877,181	\$137,877,181
Cumulative effect of application GASB 87, lease receivable	1,670,135	428,420	2,098,555	2,098,555
Cumulative effect of application GASB 87, deferred inflows	<u>(1,467,503)</u>	<u>(386,396)</u>	<u>(1,853,899)</u>	<u>(1,853,899)</u>
Fund balance/net position July 1, 2021, as restated	<u><u>\$105,649,676</u></u>	<u><u>\$ 9,865,864</u></u>	<u><u>\$138,121,837</u></u>	<u><u>\$138,121,837</u></u>

Component Units

Carroll County Public Library

The Library has adopted GASB Statement No. 87, Leases. This GASB statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. This Statement was implemented in FY 2022 for reporting purposes. Adoption of the new standard resulted in the following restatement of beginning balances in the statement of net position:

	Statement of Net Position
Net position July 1, 2021, as previously stated	\$ 6,955,810
Cumulative effect of application GASB 87, right-to-use lease asset	94,741
Cumulative effect of application GASB 87, lease liability	<u>(101,925)</u>
Net position July 1, 2021, as restated	<u><u>\$ 6,948,626</u></u>

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.”

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

Bonds payable	\$	231,141,588
General obligation debt - installment purchases		35,878,296
Purchase agreements payable		3,649,448
Leases payable		6,410,649
Compensated absences		10,787,415
Premium on bonds		29,378,575
Total long-term debt and compensated absences		<u>317,245,971</u>
Deferred charges		<u>(7,912,954)</u>
Total long-term liabilities and deferred charges		<u><u>\$ 309,333,017</u></u>

The details of net pension assets and net pension liabilities differences are as follows:

Net Employee Pension liability	\$	8,351,090
Net Public Safety Pension liability		10,240,218
Net LOSAP liability		2,692,518
Net Pension liability - State of MD:		
CC Elected/Appointed Officials	\$	257,797
Soil Conservation District		207,627
		<u>465,424</u>
		<u><u>\$ 21,749,250</u></u>

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	\$	580,907
Income Taxes- unavailable revenue		86,670,268
		<u>\$ 87,251,175</u>

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 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	\$	8,908,097
Acquisition of leased asset		3,465,293
Donated assets		393,135
Depreciation		(19,162,571)
Amortization		(328,895)
Disposal of assets		(1,047,540)
		<u>\$ (7,772,481)</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 \$22,147,611 difference represents the net change of reduction of \$615,674 Property Taxes-unavailable plus \$22,763,285 in Income Taxes-unavailable in the fund statements.

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Another element of that reconciliation states “The issuance of long-term debt (i.e., bonds, leases, 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:	
Principal payments of installment purchase agreements	\$ 246,000
Addition of lease liabilities	(3,465,294)
Principal payments on lease liabilities	1,736,213
Issuance of new general obligation bonds	(22,000,000)
Principal payments on general obligation bonds	20,865,243
Principal payments on purchase agreements	344,966
Net change in amortization of deferred loss on refunding bonds	(706,422)
Net change in amortization of bond premium	50,999
Net change in accrued interest expense	36,836
	\$ (2,891,459)

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:

Decrease in compensated absences accrual	\$ 349,775
Difference between accrual method used in government-wide statements and the purchase method of inventory used in the fund statements	145,763
	\$ 495,538

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

Net Employee Pension asset (liability)	\$ (18,985,849)
Net Public Safety Pension asset (liability)	(11,676,613)
Net LOSAP asset (liability)	(1,263,202)
Net Pension liability - State of MD:	
CC Elected/Appointed Officials	\$ 78,706
Soil Conservation District	82,952
	\$ (31,764,006)

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 \$28,975,182 and the bank balance was \$60,033,990. The Federal Depository Insurance Corporation “FDIC” insured \$250,000 and the balance should be collateralized with investments held in the County’s name at the Federal Reserve Bank. Our records indicate that the deposits as of June 30, 2022 were not fully collateralized. The additional collateral was pledged with securities as of July 1, 2022, the County’s deposits were not exposed to custodial credit risk.

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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, 2022:

	Primary		Total
	Government	Fiduciary Funds	
Equity in pooled cash & investments	\$ 244,773,005	\$ 453,937	\$ 245,226,942
Cash and cash equivalents	159,665	-	159,665
Restricted assets-investments	36,045,106	300,116,370	336,161,476
Total cash and investments	<u>\$ 280,977,776</u>	<u>\$ 300,570,307</u>	<u>\$ 581,548,083</u>
Bank balances and cash on hand			\$ 28,703,526
Investments			552,844,557
Total Balances at June 30, 2022			<u>\$ 581,548,083</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, 2022:

	Board of	Carroll	Industrial	
	Education	Community College	Library	Development Authority
Cash and cash equivalents	\$ 3,716,791	\$14,928,108	\$1,745,877	\$ 5,293,245
Restricted cash and cash equivalents	-	-	-	8,420,945
Investments	48,000,000	14,569,701	-	-
Restricted assets-investments	-	44,528	-	-
Total cash and investments	<u>\$51,716,791</u>	<u>\$29,542,337</u>	<u>\$1,745,877</u>	<u>\$ 13,714,190</u>
Bank balances and cash on hand	\$ 3,716,791	\$14,928,108	\$1,745,877	\$ 13,714,190
Investments	48,000,000	14,614,229	-	-
Total Balances at June 30, 2022	<u>\$51,716,791</u>	<u>\$29,542,337</u>	<u>\$1,745,877</u>	<u>\$ 13,714,190</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, 2022 the 30 percent was \$40.4M). 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 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, 2022, 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.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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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, 2022, 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, 2022.

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)	\$ 64,819,100	\$ -	\$ 64,819,100	\$ -
U.S. government securities (1)	29,057,411	-	29,057,411	-
Total debt securities	<u>93,876,511</u>	<u>-</u>	<u>93,876,511</u>	<u>-</u>
 <u>Equity Securities</u>				
Money rate savings account	5,001,206	5,001,206	-	-
Total Equity Securities	<u>5,001,206</u>	<u>5,001,206</u>	<u>-</u>	<u>-</u>
Total Primary Government Investments at fair value	<u>98,877,717</u>	<u>5,001,206</u>	<u>93,876,511</u>	<u>-</u>
 Investments at fair value:				
Other Post Employment Benefits (OPEB) and Pension Funds:				
<u>Equity Securities</u>				
Equities (3)	130,441,891	130,441,891	-	-
Short-term investments (3)	6,040,199	6,040,199	-	-
Marketable securities	116,278,918	116,278,918	-	-
Total Equity Securities	<u>252,761,008</u>	<u>252,761,008</u>	<u>-</u>	<u>-</u>
Total investments at fair value:	<u>252,761,008</u>			
 Investments at net asset value (NAV):				
Other Post Employment Benefits (OPEB) and Pension Funds:				
Real estate funds	47,355,362			
Total investments at net asset value:	<u>47,355,362</u>			
 Investments at amortized costs:				
Maryland Local Govt. Investment Pool	153,850,470			
Total investments at amortized costs	<u>153,850,470</u>			
Total Investments	<u>\$ 552,844,557</u>			

- (1) These investments are backed by full faith and credit of the U.S. Government.
(2) These agencies mature in fiscal year 2023/2024 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 Public Safety Pension Plan, 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.

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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.

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, 2022 per our third party, 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 \$3,713,634 and cash on hand was \$3,157. The bank balance of deposits was \$5,525,178. 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, 2022, the Board had investment totaling \$48,000,000 in the Maryland Local Government Investment Pool (MLGIP), which is under the administration of the State Treasurer.

At June 30, 2022, the College’s cash and cash equivalents balance by type were as follows:

Cash on hand	\$	3,300
Cash in bank		4,839,565
Citibank health care account		34,191
Bank money market		509,182
Maryland Local Government Investment Pool		7,570,312
TIAA-CREF		10,000
Cash in Carroll Community College Foundation		1,961,558
	<u>\$</u>	<u>14,928,108</u>

As of June 30, 2022, the carrying amount of the Library’s deposits was \$1,745,877 and the bank balance was \$1,916,056. Of the bank balance, \$250,000 was covered by the federal depository insurance and \$1,666,056 by collateral held by the Library's agent in the Library's name. The Library has total collateral of \$4,414,180 held in the pledging bank's trust department in the Library's name. At June 30, 2022, \$0 was uninsured and uncollateralized.

As of June 30, 2022, the Industrial Development Authority bank balance of \$13,714,190 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, 2022.

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	\$ 6,936,407	\$ 242,022	\$ 346,765	\$ 11,828,694	\$ 19,353,888
Capital project fund	-	2,486,899	-	-	2,486,899
Grant fund	-	3,997,353	-	-	3,997,353
Non-major funds	-	31,771	-	-	31,771
	<u>6,936,407</u>	<u>6,758,045</u>	<u>346,765</u>	<u>11,828,694</u>	<u>25,869,911</u>
Uncollectible allowances	(591,396)	-	-	-	(591,396)
Total governmental funds	<u>\$ 6,345,011</u>	<u>\$ 6,758,045</u>	<u>\$ 346,765</u>	<u>\$ 11,828,694</u>	<u>\$ 25,278,515</u>
Amount not scheduled for collection during subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,891,332</u>	<u>\$ 10,891,332</u>

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<u>Proprietary Funds</u>	<u>Accounts</u>
Bureau of Utilities	\$ 3,896,891
Solid Waste	894,800
Airport	176,041
Fiber Network	22,677
Non-major funds	92,435
Internal Service Fund	34,982
Total proprietary funds	<u>\$ 5,117,826</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 as of June 30, 2022 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	\$ -	\$ 639,367	\$ -	\$ -	\$ -	\$ 639,367
Carroll Community College	-	-	512,438	890,515	1,504,088	2,907,041
Library	119,696	7,602	941	-	-	128,239
Industrial Development Authority	-	-	11,810	-	-	11,810
	<u>119,696</u>	<u>646,969</u>	<u>525,189</u>	<u>890,515</u>	<u>1,504,088</u>	<u>3,686,457</u>
Less: allowances	-	-	-	(646,954)	-	(646,954)
Total component unit activities	<u>\$ 119,696</u>	<u>\$ 646,969</u>	<u>\$ 525,189</u>	<u>\$ 243,561</u>	<u>\$ 1,504,088</u>	<u>\$ 3,039,503</u>
Amount not scheduled for collection during subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,080,628</u>	<u>\$ 1,080,628</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, 2022, the various components of unearned revenue reported were as follows:

<u>Governmental Activities:</u>	
Governmental Funds	
General Fund:	
City of Westminster	\$ 77,449
Capital Projects Fund:	
Highway user fees	3,195,724
State	3,233
Impact fees	284,306
Program open space	43,868
Grants Fund:	
Draws in advance of expenditures	34,213,337
Total governmental funds	<u>\$ 37,817,917</u>
<u>Business-type Activities</u>	
Fiscal year 2023 BOU rent	\$ 6,124
Fiscal year 2023 landfill rent	13,333
Fiscal year 2023 airport rent	51,798
Total Business-type Activities	<u>\$ 71,255</u>

Grants Fund

In fiscal year 2022, the County received an estimated \$22,439,562 in grants from the federal and State governments for use as operating funds. The majority of these monies were received through the Commission on Aging, Economic Development, Office of Housing & Community Development and Public Works.

The \$22,439,562 received includes, \$261,347 recognized of the \$32,718,855 received as of June 2022 from the U.S. Department of the Treasury for the Coronavirus State and Local Fiscal Recovery Fund (FRF). The FRF money has a grant period of March 11, 2021 through December 31, 2026 and was all deferred revenue at June 30, 2022 except for the \$261,347. As the remaining funds are received, they will be recognized in future fiscal years as revenue when the expenses are incurred.

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	\$ 7,912,954
Deferred charge for pension:	
Carroll County Employee Pension	\$ 6,989,558
Carroll County Public Safety Pension	6,926,419
Length of Service Award Program (LOSAP)	629,011
State of MD CC Elected/Appointed Officials	59,052
State of MD Soil Conservation District	43,240
Total deferred charge for pension	14,647,280
Total deferred outflows for OPEB	17,317,472
Total governmental activities deferred outflows	<u>39,877,706</u>
Business-type activities	
Deferred charge on refunding	-
Total business-type activities deferred outflows	-
Total government-wide	<u>\$ 39,877,706</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	\$ 1,498,885	
Carroll County Public Safety Pension	1,269,548	
LOSAP	1,288,239	
State of MD CC Elected/Appointed Officials	152,782	
State of MD Soil Conservation District	<u>117,798</u>	
Total deferred inflows for pension		\$ 4,327,252
Total deferred inflows for OPEB		<u>54,547,090</u>
Total governmental activities deferred inflows		58,874,342
Business-type activities		
Leases		1,853,899
Deferred charge on refunding		<u>52,502</u>
Total business-type activities deferred inflows		<u>1,906,401</u>
Total government-wide		<u><u>\$ 60,780,743</u></u>

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	\$ 580,907
Income Taxes - unavailable revenue	<u>86,670,268</u>
Total governmental funds	<u><u>\$ 87,251,175</u></u>

Note 6 – Interfund Receivables, Payables and Transfers

Interfund Transfers

At June 30, 2022, the interfund transfers between primary government major and non-major funds were as follows:

	<u>Transfers Out</u>				
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Grant Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Transfers</u>
Transfers In:					
General Fund	\$ -	\$ 9,963,700	\$ -	\$ 354,685	\$ 10,318,385
Capital Projects Fund	13,482,752	-	-	252,490	13,735,242
Grant Fund	149,504	-	-	-	149,504
Bureau of Utilities	769,770	-	-	-	769,770
Solid Waste	28,562,890	-	-	-	28,562,890
Airport	2,252,490	-	-	-	2,252,490
Fiber Network	3,090,970	-	-	-	3,090,970
Non-Major Governmental Funds	-	-	-	-	-
Total transfers	<u>\$ 48,308,376</u>	<u>\$ 9,963,700</u>	<u>\$ -</u>	<u>\$ 607,175</u>	<u>\$ 58,879,251</u>

The primary reason interfund transfers are made between the general fund to other major and non-major funds is for the

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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continuation of operations and/or the funding of capital projects. 9.09 percent of income tax is dedicated to the capital projects fund and is transferred to the general fund to cover debt service for school construction.

Due from/to Component Units

The due from/to component units at June 30, 2022 consisted of the following:

	<u>Due From</u>	<u>Due To</u>
Primary Government:		
Board of Education	\$ 30,347	\$ 20,038,060
Carroll Community College	492	8,608
Library	523,341	2,557
Industrial Development Authority	612,910	1,341,762
	<u>\$ 1,167,090</u>	<u>\$ 21,390,987</u>
Component Units:		
Primary Government (Board of Education)	\$ 20,038,060	\$ 30,347
Primary Government (Carroll Community College)	8,608	492
Primary Government (Library)	2,557	523,341
Primary Government (IDA)	1,341,762	612,910
	<u>\$ 21,390,987</u>	<u>\$ 1,167,090</u>

Due from/to Fiduciary Funds

	<u>Due From</u>	<u>Due To</u>
Trust Funds:		
General Fund	\$ -	\$ 486,028
Governmental Activities:		
Other Post-Employment Benefit Trust	486,028	-
	<u>\$ 486,028</u>	<u>\$ 486,028</u>

Due from/to Other Governmental Funds

	<u>Due From</u>	<u>Due To</u>
Governmental Funds:		
General Fund	\$ 83,500	\$ 4,629,304
Capital Projects Fund	3,563,804	-
Grant Fund	1,047,500	83,500
Non-Major Governmental Funds (Watershed)	18,000	-
	<u>\$ 4,712,804</u>	<u>\$ 4,712,804</u>

Internal Balances

	<u>Due From</u>	<u>Due To</u>
Business-type Activities:		
General Fund	\$ -	\$ 2,019,088
	<u>\$ -</u>	<u>\$ 2,019,088</u>
Governmental Activities:		
Bureau of Utilities	\$ 2,000,000	\$ -
Non-Major Enterprise Funds	19,088	-
Total Governmental Activities	<u>\$ 2,019,088</u>	<u>\$ -</u>

The Septage fund overdraw their share of Equity in Pooled Cash accounts. The overdraw was covered by the General Fund. During fiscal year 2022, the General Fund issued an interest-bearing loan to the Bureau of Utilities in the amount of \$2,000,000. The General Fund had an outstanding accounts receivable with the Bureau of Utilities and Septage funds at June 30, 2022.

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

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021, as restated	Additions	Net Transfers and Retirements	Balance June 30, 2022
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 42,105,017	\$ 277,410	\$ (408,749)	\$ 41,973,678
Construction in progress	6,159,710	4,714,822	(447,343)	10,427,189
Total capital assets, not being depreciated	<u>48,264,727</u>	<u>4,992,232</u>	<u>(856,092)</u>	<u>52,400,867</u>
Capital assets, being depreciated and amortized:				
Buildings and contents	210,945,310	1,316,738	(5,250,541)	207,011,507
Improvements other than buildings	97,083,652	344,695	(1,661,421)	95,766,926
Automobiles, machinery and equipment	66,555,770	2,091,373	(1,360,315)	67,286,828
Infrastructure	585,323,561	1,041,277	-	586,364,838
Leased buildings	7,116,223	3,465,293	-	10,581,516
Total capital assets, being depreciated and amortized	<u>967,024,516</u>	<u>8,259,376</u>	<u>(8,272,277)</u>	<u>967,011,615</u>
Less accumulated depreciation for:				
Buildings and contents	90,132,407	3,989,607	(4,769,241)	89,352,773
Improvements other than buildings	54,478,113	5,669,098	(1,600,488)	58,546,723
Automobiles, machinery and equipment	44,658,402	5,628,130	(1,226,017)	49,060,515
Infrastructure	446,365,037	3,875,736	-	450,240,773
Total accumulated depreciation	<u>635,633,959</u>	<u>19,162,571</u>	<u>(7,595,746)</u>	<u>647,200,784</u>
Less accumulated amortization for:				
Leased buildings	3,641,623	328,895	-	3,970,518
Total accumulated amortization	<u>3,641,623</u>	<u>328,895</u>	<u>-</u>	<u>3,970,518</u>
Total capital assets, being depreciated and amortized, net	<u>327,748,934</u>	<u>(11,232,090)</u>	<u>(676,531)</u>	<u>315,840,313</u>
Governmental activities capital assets, net	<u>\$ 376,013,661</u>	<u>\$ (6,239,858)</u>	<u>\$ (1,532,623)</u>	<u>\$ 368,241,180</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 11,933,715	\$ 13,132,853	\$ -	\$ 25,066,568
Construction in progress	27,931,738	5,099,708	(21,464,871)	11,566,575
Total capital assets, not being depreciated	<u>39,865,453</u>	<u>18,232,561</u>	<u>(21,464,871)</u>	<u>36,633,143</u>
Capital assets, being depreciated:				
Buildings and contents	24,378,357	-	-	24,378,357
Improvements other than buildings	23,178,941	20,160	-	23,199,101
Automobiles, machinery and equipment	32,731,400	478,816	(279,325)	32,930,891
Infrastructure:				
Water facilities	55,663,518	-	-	55,663,518
Sewer facilities	52,556,025	21,988,612	-	74,544,637
Total capital assets, being depreciated	<u>188,508,241</u>	<u>22,487,588</u>	<u>(279,325)</u>	<u>210,716,504</u>
Less accumulated depreciation for:				
Buildings and contents	11,740,503	487,785	-	12,228,288
Improvements other than buildings	10,839,322	1,586,189	-	12,425,511
Automobiles, machinery and equipment	14,832,812	1,617,871	(274,224)	16,176,459
Infrastructure:				
Water facilities	17,181,471	971,606	-	18,153,077
Sewer facilities	21,162,170	989,331	-	22,151,501
Total accumulated depreciation	<u>75,756,278</u>	<u>5,652,782</u>	<u>(274,224)</u>	<u>81,134,836</u>
Total capital assets, being depreciated, net	<u>112,751,963</u>	<u>16,834,806</u>	<u>(5,101)</u>	<u>129,581,668</u>
Business-type activities capital assets, net	<u>\$ 152,617,416</u>	<u>\$ 35,067,367</u>	<u>\$ (21,469,972)</u>	<u>\$ 166,214,811</u>

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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Depreciation Expense:	
General Government	\$ 5,931,375
Public Safety	5,503,987
Public Works	4,881,478
Health	35,682
Human Services	25,493
Culture & Recreation	1,581,692
Economic Development	235,163
Judicial	176,115
Conservation of Natural Resources	791,586
Total depreciation expense	<u>19,162,571</u>
Amortization expense:	
Public Safety	86,632
Human Services	236,279
Economic Development	5,984
Total amortization expense	<u>328,895</u>
Total depreciation and amortization expense- governmental activities	<u>\$ 19,491,466</u>
Business-type activities:	
Bureau of Utilities	\$ 3,761,133
Solid Waste	648,690
Septage	4,029
Airport	353,084
Firearms Facility	33,210
Fiber Network	852,636
Total depreciation expense-business-type activities	<u>\$ 5,652,782</u>

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Component Units

Activity for the Board of Education for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Implementation of GASB 87	Additions	Net Transfers and Retirements	Balance June 30, 2022
Capital assets not being depreciated					
Land and improvements	\$ 14,144,528	\$ -	\$ -	\$ -	\$ 14,144,528
Construction in progress	19,277,584	-	47,119,376	(10,033,600)	56,363,360
Total capital assets, not being depreciated	<u>33,422,112</u>	<u>-</u>	<u>47,119,376</u>	<u>(10,033,600)</u>	<u>70,507,888</u>
Capital assets being depreciated					
Building and improvements	620,721,517	-	3,343,787	(818,999)	623,246,305
Equipment	49,806,390	-	10,290,579	-	60,096,969
Total capital assets being depreciated	<u>670,527,907</u>	<u>-</u>	<u>13,634,366</u>	<u>(818,999)</u>	<u>683,343,274</u>
Lease Assets Being Amortized					
Equipment	-	778,050	107,264	-	885,314
Total Leased assets, being amortized	<u>-</u>	<u>778,050</u>	<u>107,264</u>	<u>-</u>	<u>885,314</u>
Less accumulated depreciation					
Buildings and improvements	276,674,208	-	15,624,902	-	292,299,110
Equipment	38,616,601	-	2,648,924	(746,738)	40,518,787
Total accumulated depreciation	<u>315,290,809</u>	<u>-</u>	<u>18,273,826</u>	<u>(746,738)</u>	<u>332,817,897</u>
Less accumulated amortization					
Equipment	-	-	380,637	-	380,637
Total accumulated amortization	<u>-</u>	<u>-</u>	<u>380,637</u>	<u>-</u>	<u>380,637</u>
Total capital assets, being depreciated, net	<u>355,237,098</u>	<u>778,050</u>	<u>(4,912,833)</u>	<u>(72,261)</u>	<u>351,030,054</u>
Capital assets, net	<u>\$ 388,659,210</u>	<u>\$ 778,050</u>	<u>\$ 42,206,543</u>	<u>\$ (10,105,861)</u>	<u>\$ 421,537,942</u>

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Activity for the Carroll Community College for the year ended June 30, 2022 was as follows:

	Balance at June 30, 2021	Additions	Net Transfers and Retirements	Balance at June 30, 2022
Capital assets not being depreciated				
Foundation	\$ 422,125	\$ -	\$ -	\$ 422,125
Capital assets being depreciated				
Building improvements	3,232,897	360,347	-	3,593,244
Right of use asset	494,236	-	-	494,236
Equipment	4,897,156	507,929	(66,102)	5,338,983
Vehicles	205,485	-	-	205,485
Library books	1,308,219	34,887	(64,537)	1,278,569
Total capital assets being depreciated	<u>10,137,993</u>	<u>903,163</u>	<u>(130,639)</u>	<u>10,910,517</u>
Less accumulated depreciation				
Building improvements	1,871,031	180,112	-	2,051,143
Right of use asset	164,745	164,745	-	329,490
Equipment	4,040,384	331,248	(61,975)	4,309,657
Vehicles	133,222	20,392	-	153,614
Library books	1,258,989	34,632	(63,573)	1,230,048
Total accumulated depreciation	<u>7,468,371</u>	<u>731,129</u>	<u>(125,548)</u>	<u>8,073,952</u>
Total capital assets, being depreciated, net	<u>2,669,622</u>	<u>172,034</u>	<u>(5,091)</u>	<u>2,836,565</u>
Capital assets, net	<u>\$ 3,091,747</u>	<u>\$ 172,034</u>	<u>\$ (5,091)</u>	<u>\$ 3,258,690</u>

Activity for the Carroll County Public Library for the year ended June 30, 2022 was as follows:

	Balance at June 30, 2021 as Restated	Additions	Net Transfers and Retirements	Depreciation/ Amortization	Balance at June 30, 2022
Capital assets not being depreciated					
Construction in progress	\$ 4,628,278	\$ -	\$ (4,628,278)	\$ -	\$ -
Capital assets being depreciated by location					
Headquarters	710,815	70,534	(10,763)	-	770,586
Westminster	1,143,527	-	-	-	1,143,527
Eldersburg	399,167	-	(14,679)	-	384,488
Mt. Airy	953,181	-	-	-	953,181
North Carroll	261,599	-	-	-	261,599
Taneytown	104,372	-	-	-	104,372
Finksburg	128,317	-	(26,762)	-	101,555
Exploration Commons	94,537	5,591,580	14,679	-	5,700,796
Circulation materials	3,068,262	1,001,064	(1,072,537)	-	2,996,789
Amortizable:					
Headquarters	105,268	7,428	-	-	112,696
Less accumulated depreciation and amortization:	<u>3,908,186</u>	<u>-</u>	<u>(1,110,062)</u>	<u>1,236,974</u>	<u>4,035,098</u>
Capital assets, net	<u>\$ 7,689,137</u>	<u>\$ 6,670,606</u>	<u>\$ (4,628,278)</u>	<u>\$ (1,236,974)</u>	<u>\$ 8,494,491</u>

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Activity for the Industrial Development Authority of Carroll County for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Additions	Net Transfers and Retirements	Balance June 30, 2022
Capital assets not being depreciated				
Land	\$ 5,057,437	\$ 60,208	\$ (403,981)	\$ 4,713,664
Total capital assets, not being depreciated	<u>5,057,437</u>	<u>60,208</u>	<u>(403,981)</u>	<u>4,713,664</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>\$ 5,057,437</u>	<u>\$ 60,208</u>	<u>\$ (403,981)</u>	<u>\$ 4,713,664</u>

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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, 2022:

	Balance June 30, 2021, as Restated	Additions	Principal Repayments/ Amortization	Balance June 30, 2022	Due Within One Year
Governmental activities:					
Purchase Agreements	\$ 3,994,414	\$ -	\$ 344,966	\$ 3,649,448	\$ 391,972
Lease Liability	4,681,568	3,465,294	1,736,213	6,410,649	247,646
General Obligation Debt	36,124,296	-	246,000	35,878,296	680,930
General Obligation Bonds	230,006,831	22,000,000	20,865,243	231,141,588	21,072,569
Bonds premium/discount	29,429,574	2,544,487	2,595,486	29,378,575	2,648,496
Subtotal	<u>304,236,683</u>	<u>28,009,781</u>	<u>25,787,908</u>	<u>306,458,556</u>	<u>25,041,613</u>
Net other post employment benefit liability	16,534,826	12,740,839	(11,293,059)	40,568,724	-
Net LOSAP liability	1,429,316	228,566	(1,034,636)	2,692,518	-
Net employee pension liability	(10,634,759)	(2,701,259)	(21,687,108)	8,351,090	-
Net Public Safety Pension liability	(1,436,395)	19,957,468	8,280,855	10,240,218	-
Net pension liability - State of MD					
CC Elected/Appointed Officials	336,503	-	78,706	257,797	-
Soil Conservation District	290,579	-	82,952	207,627	-
Estimated liability					
for claims in process-worker's comp	3,616,939	712,459	875,048	3,454,350	829,044
for claims in process-insurance	1,806,771	21,497,340	20,254,224	3,049,887	3,019,388
Compensated Absences	11,137,190	4,856,821	5,206,596	10,787,415	5,206,596
Governmental activities					
Long-term liabilities	<u>\$ 327,317,653</u>	<u>\$ 85,302,015</u>	<u>\$ 26,551,486</u>	<u>\$ 386,068,182</u>	<u>\$ 34,096,641</u>
Business-type activities:					
General Obligation Bonds	\$ 11,039,881	\$ -	\$ 1,417,466	\$ 9,622,415	\$ 1,307,630
Landfill closure/postclosure	8,843,691	476,557	83,664	9,236,584	196,481
Compensated Absences	667,557	338,013	280,026	725,544	289,065
Business-type activities					
Long-term liabilities	<u>\$ 20,551,129</u>	<u>\$ 814,570</u>	<u>\$ 1,781,156</u>	<u>\$ 19,584,543</u>	<u>\$ 1,793,176</u>
Component Units:					
Board of Education:					
Net other post employment benefit liability	\$ 565,629,000	\$ 67,092,000	\$ 7,733,000	\$ 624,988,000	\$ -
Compensated absences	14,513,795	871,384	1,957,700	13,427,479	1,500,000
Net pension liability (State of MD)	20,032,714	-	5,790,497	14,242,217	-
Lease liability	778,050	107,264	374,025	511,289	349,981
Total Board of Education	<u>\$ 600,953,559</u>	<u>\$ 68,070,648</u>	<u>\$ 15,855,222</u>	<u>\$ 653,168,985</u>	<u>\$ 1,849,981</u>
Carroll Community College					
Net other post employment benefit liability	\$ 28,244,409	\$ 1,192,083	\$ -	\$ 29,436,492	\$ -
Lease liability	329,491	-	164,746	164,745	164,745
Compensated absences	1,266,829	35,292	-	1,302,121	857,236
Total Carroll Community College	<u>\$ 29,840,729</u>	<u>\$ 1,227,375</u>	<u>\$ 164,746</u>	<u>\$ 30,903,358</u>	<u>\$ 1,021,981</u>
Library					
Compensated absences	\$ 694,575	\$ -	\$ 96,817	\$ 597,758	\$ 15,211
Lease liability	101,925	7,353	20,065	89,213	21,889
Net pension liability	873,436	-	239,057	634,379	-
Total Library	<u>\$ 1,669,936</u>	<u>\$ 7,353</u>	<u>\$ 355,939</u>	<u>\$ 1,321,350</u>	<u>\$ 37,100</u>

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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, 2022 consisted of Purchase Agreements, Lease Liability, General Obligation Debt, and General Obligation Bonds.

Purchase Agreements

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, 2022</u>	<u>Due Within One Year</u>
<u>General Government:</u>					
AAIG Johnson Controls	2.353%	2031	\$ 4,536,852	\$ 3,649,448	\$ 391,972
Total purchase agreements				<u>\$ 3,649,448</u>	<u>\$ 391,972</u>

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 391,972	\$ 82,329	\$ 474,301
2024	401,975	73,026	475,001
2025	411,505	63,496	475,001
2026	421,261	53,740	475,001
2027	431,248	43,753	475,001
2028-2032	1,591,487	71,012	1,662,499
Total purchase agreement	<u>\$ 3,649,448</u>	<u>\$ 387,356</u>	<u>\$ 4,036,804</u>

Lease Liability

As of June 30, 2022, The County had a lease liability of \$6,410,649. For more details about the lease liability, please refer to Note 9 beginning on page 87.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2022

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 2023 to fiscal year 2042. 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>
2023	\$ 680,930	\$ 1,940,208	\$ 2,621,138
2024	1,006,624	1,919,894	2,926,518
2025	2,179,934	1,809,927	3,989,861
2026	1,346,000	1,741,702	3,087,702
2027	2,584,000	1,694,815	4,278,815
2028-2032	17,885,220	6,216,868	24,102,088
2033-2037	5,697,588	1,881,359	7,578,947
2038-2042	4,498,000	708,800	5,206,800
Total purchase agreement	<u>\$ 35,878,296</u>	<u>\$ 17,913,573</u>	<u>\$ 53,791,869</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.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2022

General Obligation Bonds

Issue	Interest Rate	Year Series Matures	Amount of Original Issue	Outstanding June 30, 2022	Due Within One Year
<u>General Government:</u>					
FHA Loan of 1972-Watershed Bonds	3.502%	2022	\$ 769,700	\$ 12,631	\$ 12,631
FHA Loan of 1974- Watershed Bonds	3.649%	2024	253,000	30,089	11,026
FHA Loan of 1979- Watershed Bonds	3.649%	2031	678,800	224,282	21,541
2011 Public Improvement Bonds	2.00%-4.25%	2031	11,042,955	-	-
2012 Public Improvement Bonds	2.00%-5.00%	2032	13,600,000	631,201	631,201
2012 Refunding Bonds	2.00%-5.00%	2032	13,685,415	-	-
2013 Public Improvement Bonds	2.00%-5.00%	2033	23,412,567	2,195,581	1,097,791
2014 Public Improvement Bonds	2.00%-5.00%	2034	14,099,475	7,774,114	598,009
2014 Refunding Bonds	2.00%-5.00%	2029	19,078,563	7,789,290	1,976,994
2015 Public Improvement Bonds	3.00%-5.00%	2035	25,448,730	15,469,073	1,105,802
2015 Refunding Bonds	3.00%-5.00%	2022	5,529,176	1,159,156	1,159,156
2016 Public Improvement Bonds	3.00%-5.00%	2036	11,291,144	7,292,052	486,137
2018 Public Improvement Bonds	3.25%-5.00%	2038	18,112,500	15,395,919	905,642
2019 Public Improvement Bonds Series A	2.25%-5.00%	2039	19,900,000	17,910,000	995,000
2019 Refunding Bonds Series A	3.00%-5.00%	2029	14,448,205	12,058,742	1,265,301
2019 Refunding Bonds Series B	1.65%-2.65%	2031	6,523,905	6,416,352	571,726
2020 Public Improvement Bonds Series A	1.38%-5.00%	2040	7,251,951	6,889,353	362,598
2020 Refunding Bonds Series A	4.00%-5.00%	2030	4,444,661	4,111,479	342,801
2020 Refunding Bonds Series B	1.45%-2.00%	2032	17,487,571	17,338,387	149,185
2021 Public Improvement Bonds	1.63%-5.00%	2041	8,000,000	8,000,000	400,000
Subtotal General Government				<u>\$ 130,697,701</u>	<u>\$ 12,092,541</u>
<u>Board of Education:</u>					
2011 Public Improvement Bonds	2.00%-4.25%	2031	\$ 6,957,045	\$ -	\$ -
2012 Public Improvement Bonds	2.00%-5.00%	2032	6,400,000	320,565	320,565
2012 Refunding Bonds	2.00%-5.00%	2032	2,347,757	-	-
2013 Public Improvement Bonds	2.00%-5.00%	2033	1,852,433	190,230	95,115
2014 Public Improvement Bonds	2.00%-5.00%	2034	2,347,757	585,341	45,026
2014 Refunding Bonds	2.00%-5.00%	2029	1,852,433	21,213,403	3,091,136
2015 Public Improvement Bonds	3.00%-5.00%	2035	1,736,270	1,215,091	86,863
2015 Refunding Bonds	3.00%-5.00%	2022	485,905	102,101	102,101
2016 Public Improvement Bonds	3.00%-5.00%	2036	2,405,656	1,804,242	120,283
2018 Public Improvement Bonds	3.25%-5.00%	2038	5,337,500	4,536,875	266,875
2019 Public Improvement Bonds Series A	2.25%-5.00%	2039	7,100,000	6,390,000	355,000
2019 Refunding Bonds Series A	3.00%-5.00%	2029	13,426,634	11,206,120	1,175,837
2019 Refunding Bonds Series B	1.65%-2.65%	2031	4,276,236	4,205,738	374,750
2020 Public Improvement Bonds Series A	1.38%-5.00%	2040	6,254,057	5,941,354	312,703
2020 Refunding Bonds Series A	4.00%-5.00%	2030	5,037,130	4,619,760	433,021
2020 Refunding Bonds Series B	1.45%-2.00%	2032	4,186,635	4,166,288	20,346
2021 Public Improvement Bonds	1.63%-5.00%	2041	10,500,000	10,500,000	525,000
Subtotal Board of Education				<u>\$ 76,997,108</u>	<u>\$ 7,324,621</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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General Obligation Bonds

Issue	Interest Rate	Year Series Matures	Amount of Original Issue	Outstanding June 30, 2022	Due Within One Year
<u>Volunteer Fire Companies:</u>					
2011 Public Improvement Bonds	2.00%-4.25%	2031	\$ 750,000	\$ -	\$ -
2012 Public Improvement Bonds	2.00%-5.00%	2032	1,460,000	73,141	73,141
2012 Refunding Bonds	2.00%-5.00%	2032	187,173	-	-
2013 Public Improvement Bonds	2.00%-5.00%	2033	735,000	75,478	37,739
2014 Refunding Bonds	2.00%-5.00%	2024	60,458	26,336	12,757
2015 Public Improvement Bonds	3.00%-5.00%	2035	815,000	320,000	80,000
2016 Public Improvement Bonds	3.00%-5.00%	2036	303,200	227,400	15,160
2019 Refunding Bonds Series B	1.65%-2.65%	2031	460,539	452,947	40,360
2020 Public Improvement Bonds Series A	1.38%-5.00%	2040	1,000,000	950,000	50,000
2020 Refunding Bonds Series A	4.00%-5.00%	2030	89,493	46,981	46,981
2020 Refunding Bonds Series B	1.45%-2.00%	2032	1,117,952	1,111,388	6,565
Subtotal Volunteer Fire Companies				<u>\$ 3,283,671</u>	<u>\$ 362,703</u>
<u>Watershed:</u>					
2011 Public Improvement Bonds	2.00%-4.25%	2031	\$ 11,042,955	\$ -	\$ -
2012 Public Improvement Bonds	2.00%-5.00%	2032	13,600,000	50,093	50,093
2013 Public Improvement Bonds	2.00%-5.00%	2033	23,412,567	208,711	104,356
2014 Public Improvement Bonds	2.00%-5.00%	2034	14,099,475	1,390,545	106,965
2014 Refunding Bonds	2.00%-5.00%	2029	19,078,563	58,525	28,350
2015 Public Improvement Bonds	3.00%-5.00%	2035	25,448,730	2,340,836	167,334
2015 Refunding Bonds	3.00%-5.00%	2022	5,529,176	2,663	2,663
2016 Public Improvement Bonds	3.00%-5.00%	2036	11,291,144	1,176,306	78,420
2018 Public Improvement Bonds	3.25%-5.00%	2038	1,549,655	1,317,207	77,483
2019 Public Improvement Bonds Series A	2.25%-5.00%	2039	3,000,000	2,700,000	150,000
2019 Refunding Bonds Series A	3.00%-5.00%	2029	397,345	331,631	34,797
2019 Refunding Bonds Series B	1.65%-2.65%	2031	264,320	259,963	23,164
2020 Public Improvement Bonds Series A	1.38%-5.00%	2040	5,493,992	5,219,292	274,700
2020 Refunding Bonds Series A	4.00%-5.00%	2030	63,675	58,399	5,474
2020 Refunding Bonds Series B	1.45%-2.00%	2032	1,562,842	1,548,937	13,905
2021 Public Improvement Bonds	1.63%-5.00%	2041	3,500,000	3,500,000	175,000
Subtotal Watershed				<u>\$ 20,163,108</u>	<u>\$ 1,292,704</u>
Subtotal General Obligation Bonds				<u>\$ 231,141,588</u>	<u>\$ 21,072,569</u>
Bond premium/discount				29,378,575	2,648,496
Total General Obligation Bonds				<u>\$ 260,520,163</u>	<u>\$ 23,721,065</u>

The annual requirements to amortize general obligation bonds outstanding as of June 30, 2022, are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	\$ 21,072,569	\$ 7,847,598	\$ 28,920,167
2024	20,297,486	6,921,013	27,218,499
2025	18,355,511	6,068,289	24,423,800
2026	18,703,639	5,319,731	24,023,370
2027	18,966,586	4,613,798	23,580,384
2028-2032	78,405,797	13,053,764	91,459,561
2033-2037	38,840,000	4,213,561	43,053,561
2038-2042	16,500,000	681,750	17,181,750
Total General Obligation Bonds	<u>\$ 231,141,588</u>	<u>\$ 48,719,504</u>	<u>\$ 279,861,092</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2022

B.) Business-type Activities

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, 2022	Due Within One Year
<u>Bureau of Utilities:</u>					
2012 Refunding Bonds	2.00%-5.00%	2022	\$ 198,550	\$ -	\$ -
2014 Refunding Bonds	2.00%-5.00%	2024	5,446,358	3,339,137	539,784
2015 Refunding Bonds	3.00%-5.00%	2022	2,978,549	625,868	625,868
2019 Refunding Bonds Series A	3.00%-5.00%	2029	902,816	753,507	79,064
2020 Refunding Bonds Series A	4.00%-5.00%	2030	6,738	6,180	579
Subtotal Bureau of Utilities				<u>\$ 4,724,692</u>	<u>\$ 1,245,295</u>
<u>Solid Waste Fund</u>					
2014 Refunding Bonds	2.00%-5.00%	2024	\$ 406,860	\$ 43,308	\$ 20,979
2015 Refunding Bonds	3.00%-5.00%	2022	191,370	40,212	40,212
Subtotal Solid Waste Fund				<u>\$ 83,520</u>	<u>\$ 61,191</u>
<u>Airport Fund</u>					
2001 Public Improvement Bonds	3.25%-4.75%	2021	\$ 2,200,000	\$ -	\$ -
2019 Airport Bonds	2.63%	2037	12,000,000	4,802,001	-
2020 Refunding Bonds Series A	4.00%-5.00%	2030	13,303	12,202	1,144
Subtotal Airport Fund				<u>\$ 4,814,203</u>	<u>\$ 1,144</u>
<u>Septage Fund</u>					
2012 Refunding Bonds	2.00%-5.00%	2022	\$ 62,391	\$ -	\$ -
Subtotal Septage Fund				<u>\$ -</u>	<u>\$ -</u>
Total General Obligation Bonds				<u>\$ 9,622,415</u>	<u>\$ 1,307,630</u>

The annual requirements to amortize general obligation bonds outstanding as of June 30, 2022, are as follows:

Years Ending June 30,	Principal	Interest	Total
<u>Business-type activities:</u>			
2023	\$ 1,307,630	\$ 264,184	\$ 1,571,814
2024	5,483,270	221,085	5,704,355
2025	495,265	92,133	587,398
2026	520,347	71,031	591,378
2027	543,276	53,182	596,458
2028-2032	1,272,627	52,169	1,324,796
Total General Obligation Bonds	<u>\$ 9,622,415</u>	<u>\$ 753,784</u>	<u>\$ 10,376,199</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2022

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, 2022).

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, 2022, \$24,198,918 defeased bonds remains outstanding.

Bond Authorization

The County has authorization to sell approximately \$204,233,058 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 \$198,367,895 of the available authorization.

Bond Refunding

During fiscal year 2022 the County did not refund any bonds.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2022

Note 9 – Leases

Leases Payable
Governmental Activities

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

On February 20, 2006, Carroll County, MD entered into a 360-month lease as Lessee for the use of Shopping Center - 2320 Hanover Pike. An initial lease liability was recorded in the amount of \$7,092,300. As of June 30, 2022, the value of the lease liability is \$4,438,859. Carroll County is required to make monthly fixed payments of \$24,268 with a 3% rent increase per year. The lease has an interest rate of 1.2120%. The value of the right to use asset as of June 30, 2022, of \$7,092,300 with accumulated amortization of \$3,866,440 is included with Buildings on the Lease Class activities table found below.

On August 1, 2019, Carroll County, MD entered into a 48-month lease as Lessee for the use of Tourist Information Center - 1838 Emerald Hill Lane. An initial lease liability was recorded in the amount of \$23,923. As of June 30, 2022, the value of the lease liability is \$6,495. Carroll County is required to make monthly fixed payments of \$500. The lease has an interest rate of 0.1650%. The value of the right to use asset as of June 30, 2022, of \$23,922 with accumulated amortization of \$17,445 is included with Buildings on the Lease Class activities table found below. Carroll County has 1 extension option(s), each for 12 months.

On January 1, 2022, Carroll County, MD entered into a 240-month lease as Lessee for the use of NCHS. An initial lease liability was recorded in the amount of \$1,965,295. As of June 30, 2022, the value of the lease liability is \$1,965,295. Carroll County prepaid 10 years of this lease for \$1,500,000. After the initial 10-year period, The County has the option to renew this lease for two, five-year terms beginning January 2032. If the County exercises the option to renew, the County is required to make monthly fixed payments of \$18,402 beginning in January 2032 until the next period of renewal at which the payment would increase to \$19,935 per month beginning January 2037. The lease has an interest rate of 1.0850%. The value of the right to use asset as of June 30, 2022 of \$3,465,294 with accumulated amortization of \$86,633 is included with Buildings on the Lease Class activities table found below. Carroll County has 2 extension option(s), each for 60 months.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Lease Asset	Accumulated
	Value	Amortization
Buildings	\$ 10,581,516	\$ 3,970,518
Total Leases	10,581,516	3,970,518

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 247,646	\$ 52,477	\$ 300,123
2024	253,970	49,477	303,447
2025	265,698	46,338	312,036
2026	278,349	43,048	321,397
2027	291,437	39,602	331,039
2028 - 2032	1,557,329	363,339	1,920,668
2033 - 2037	2,466,020	118,530	2,584,550
2038 - 2042	1,050,200	26,321	1,076,517

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2022

Leases Receivable
Business-Type Activities

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

On November 29, 2010, Carroll County, MD entered into a 360-month lease as Lessor for the use of Cell Tower Bark Hill. An initial lease receivable was recorded in the amount of \$523,962. As of June 30, 2022, the value of the lease receivable is \$438,703. The lessee is required to make monthly fixed payments of \$1,947 until November 2025. Thereafter, the rent for each renewal term will be increased on the commencement of each renewal term by 4% of the rental rate in effect for the prior term. The lease has an interest rate of 1.3350%. The value of the deferred inflow of resources as of June 30, 2022, was \$321,557, and Carroll County recognized lease revenue of \$17,465 during the fiscal year. The lessee has 5 extension option(s), each for 60 months. Carroll County recognized interest revenue of \$5,996 during the fiscal year.

On December 1, 2011, Carroll County, MD entered into a 180-month lease as Lessor for the use of Cell Tower-Liberty Water Tank #2. An initial lease receivable was recorded in the amount of \$398,052. As of June 30, 2022, the value of the lease receivable is \$138,365. The lessee is required to make monthly fixed payments of \$2,645 until November 2026. Thereafter, the rent for each renewal term will be increased on the commencement of each renewal term by 15% of the rental rate in effect for the prior term. The lease has an interest rate of 0.5820%. The value of the deferred inflow of resources as of June 30, 2022 was \$117,204, and Carroll County recognized lease revenue of \$26,537 during the fiscal year. The lessee has 2 extension option(s), each for 60 months. Carroll County recognized interest revenue of \$900 during the fiscal year.

On December 1, 2012, Carroll County, MD entered into a 300-month lease as Lessor for the use of Cell Tower-Liberty Water Tank. An initial lease receivable was recorded in the amount of \$962,553. As of June 30, 2022, the value of the lease receivable is \$643,844. The lessee is required to make monthly fixed payments of \$3,597 until November 2027. Thereafter, the rent for each renewal term will be increased on the commencement of each renewal term by 3% of the rental rate in effect for the prior term. The lease has an interest rate of 1.2400%. The value of the deferred inflow of resources as of June 30, 2022, was \$593,837, and Carroll County recognized lease revenue of \$38,442 during the fiscal year. The lessee has 4 extension option(s), each for 60 months. Carroll County recognized interest revenue of \$8,219 during the fiscal year.

On August 1, 2015, Carroll County, MD entered into a 240-month lease as Lessor for the use of Cell Tower Martz Rd. An initial lease receivable was recorded in the amount of \$664,824. As of June 30, 2022, the value of the lease receivable is \$459,609. The lessee is required to make monthly fixed payments of \$3,075 until July 2025. Thereafter, the rent for each renewal term will be increased on the commencement of each renewal term by 2.5% of the rental rate in effect for the prior term. The lease has an interest rate of 1.1810%. The value of the deferred inflow of resources as of June 30, 2022, was \$434,906, and Carroll County recognized lease revenue of \$33,241 during the fiscal year. The lessee has 3 extension option(s), each for 60 months. Carroll County recognized interest revenue of \$5,628 during the fiscal year.

On March 1, 2019, Carroll County, MD entered into a 387-month lease as Lessor for the use of Regional Airport Land - Dream Aviation. An initial lease receivable was recorded in the amount of \$397,033. As of June 30, 2022, the value of the lease receivable is \$376,167. The lessee is required to make monthly fixed payments of \$1,008 until June 2022. Thereafter, the rent for each renewal term of 10 years beginning July 2022 will be increased on the commencement of each renewal term by 1.5%, 2% and 3% respectively of the rental rate in effect for the prior term. The lease has an interest rate of 1.5500%. The value of the deferred inflow of resources as of June 30, 2022, was \$356,002, and Carroll County recognized lease revenue of \$12,285 during the fiscal year. The lessee has 1 extension option(s), each for 240 months. Carroll County recognized interest revenue of \$5,973 during the fiscal year.

On November 1, 2019, Carroll County, MD entered into a 52-month lease as Lessor for the use of Property - Lot 15. An initial lease receivable was recorded in the amount of \$79,022. As of June 30, 2022, the value of the lease receivable is \$49,818. The lessee is required to make monthly fixed payments of \$2,500. The lease has an interest rate of 0.4170%. The value of the deferred inflow of resources as of June 30, 2022, was \$30,393, and Carroll County recognized lease revenue of \$18,236 during the fiscal year. The lessee has 1 extension option(s), each for 12 months. Carroll County recognized interest revenue of \$316 during the fiscal year.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2022

Principal and Interest Expected to Maturity

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 154,675	\$ 25,433	\$ 180,108
2024	146,896	23,936	170,832
2025	128,513	22,506	151,019
2026	131,562	21,082	152,644
2027	115,172	19,648	134,820
2028 - 2032	542,820	78,069	620,889
2033 - 2037	526,168	42,650	568,818
2038 - 2042	186,629	18,604	205,233
2043 - 2047	87,530	10,289	97,819
2048 - 2052	86,541	2,817	89,358

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	(53,934,893)	-	(53,934,893)
Net carrying value	<u>\$ 80,167,097</u>	<u>\$ 512,770</u>	<u>\$ 80,679,867</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2022

Component Units

The Board of Education leases equipment for various terms under long-term, non-cancelable lease. The leases expire at various dates through 2026 and provide for renewal options.

Total future minimum lease payments under lease agreements are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 349,981	\$ 13,208	\$ 363,189
2024	135,071	2,955	138,026
2025	25,143	432	25,575
2026	1,094	3	1,097
Total	<u>\$ 511,289</u>	<u>\$ 16,598</u>	<u>\$ 527,887</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

<u>Asset Class</u>	<u>Governmental Activities</u>	
	<u>Lease Asset Value</u>	<u>Accumulated Amortization</u>
Equipment	\$ 885,314	\$ 380,637
Total	<u>\$ 885,314</u>	<u>\$ 380,637</u>

The Library has entered into two lease agreements as lessee for office equipment. Both leases are non-cancelable and have terms to five years with fixed monthly payments. The Library measured the lease liability at the present value of payments expected to be made during the lease term using a discount rate of 3%. The lease liability is reduced by the principal portion of lease payments made. The future minimum lease payments for these leases are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 21,889	\$ 2,376	\$ 24,265
2024	22,555	1,710	24,265
2025	23,240	1,026	24,266
2026	20,162	323	20,485
2027	1,367	20	1,387
Total	<u>\$ 89,213</u>	<u>\$ 5,455</u>	<u>\$ 94,668</u>

The College has also entered into a lease with the Xerox Corporation for copier services. The total lease expense was \$173,050 for the year ended June 30, 2022. The College renewed its operating lease in July 2018, extending the lease agreement until June 2023.

Future minimum payments on operating leases are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 164,745	\$ 8,305	\$ 173,050
Total	<u>\$ 164,745</u>	<u>\$ 8,305</u>	<u>\$ 173,050</u>

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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 57.8% 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 \$5,876,014, of which \$4,821,474 has been accrued as of June 30, 2022 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 \$855,970 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 \$9,236,584.

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.

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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
- Retirement Plans Manager; and
- Two participants participating in either the CCEPP (Carroll County Employee Pension Plan) or CCPSPP (Carroll County Public Safety 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 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 (7 years of Eligibility Service for those hired post-1/1/2022) 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.

- For non-Electing Correctional officers, the service earned after October 1, 2009 utilizes a multiplier of .018 instead of .016.

Contributions. Plan members are required to contribute 5% of their annual base pay. The County contributed 8.33% of the employees' annual base pay. For fiscal year 2022, the County contributed \$3,025,300 to the CCEPP.

CARROLL COUNTY PUBLIC SAFETY PENSION PLAN - *Plan description.* The Carroll County Government established the Carroll County Certified Law Officers Pension Plan for eligible law enforcement officers on October 1, 2009, but was amended into the Carroll County Public Safety Pension Plan (CCPSPP) on September 30, 2021. The CCPSPP is a single-employer defined benefit pension plan that covers Carroll County Sheriff's Certified Law Officers, Electing Correctional Officers, Firefighters, and EMS personnel 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 CCPSPP.

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Benefits provided. For law enforcement officers hired October 1, 2009 or later, and for Correctional Officers, Firefighters, and EMS personnel hired October 4, 2017 or later, the CCPSPP 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.

Plan participants who leave employment prior to 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.

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 10.80% of the employees’ annual base pay. For fiscal year 2022, the County contributed \$1,397,020 to the CCPSPP Plan.

VOLUNTEER FIREMEN PENSION PLAN (LOSAP) - Plan Description. The Volunteer Firemen Pension Plan “LOSAP” is a single-employer defined benefit length of service award program that covers all volunteer members of all Carroll County 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 increased each year by \$10 until fiscal year 2022 when the benefit reached \$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 2022, the County contributed \$1,585,000 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 CCPSPP, 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.

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ACTUARIAL & MEASUREMENT DATES: The County pension liability recorded in the June 30, 2022 financial statements was measured using the following dates:

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Public Safety Pension Plan (CCPSPP)	Volunteer Firemen Pension Plan (LOSAP)
Actuarial Valuation Date	July 1, 2021	July 1, 2021	January 1, 2021
Measurement Date	June 30, 2022	June 30, 2022	June 30, 2022

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 Public Safety Pension Plan (CCPSPP)	Volunteer Firemen Pension Plan (LOSAP)
Retirees and beneficiaries currently receiving benefits	391	18	277
Terminated plan members entitled to but not yet receiving benefits	208	2	17
Active plan members	<u>677</u>	<u>192</u>	<u>579</u>
Total	<u><u>1,276</u></u>	<u><u>212</u></u>	<u><u>873</u></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 Public Safety Pension Plan (CCPSPP)	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	\$ 12,763,135	\$ 3,915,675	\$ 1,026,889
Harding Loevner International Equity Fund	3,863,377	1,430,713	364,765

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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 Public Safety Pension Plan (CCPSPP) Volunteer Firemen Pension Plan (LOSAP)		
Ratings	Maximum	Allocation at June 30, 2022
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:

	Carroll County Employee Pension Plan (CCEPP)		Carroll County Public Safety Pension Plan (CCPSPP)		Volunteer Firemen Pension Plan (LOSAP)	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Domestic Equities	35.0%	45.0%	35.0%	45.0%	33.0%	43.0%
Domestic Mid and Small Cap Equities	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%
Domestic Mid Cap Equities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Domestic Small Cap Equities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Core Real Estate	4.0%	14.0%	4.0%	14.0%	NA	NA
International Equities	15.0%	25.0%	15.0%	25.0%	13.0%	23.0%
Global Low-Volatility	0.0%	10.0%	0.0%	10.0%	0.0%	10.0%
Domestic Fixed Income	19.0%	27.0%	19.0%	29.0%	20.0%	30.0%
Cash Equivalents	0.0%	15.0%	0.0%	15.0%	0.0%	15.0%
REITS	NA	NA	NA	NA	4.0%	14.0%

Rate of return: For the year ended June 30, 2022, 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 Public Safety Pension Plan (CCPSPP)	Volunteer Firemen Pension Plan (LOSAP)
Rate of return	-8.88%	-17.26%	-12.39%

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Net Pension Liability (asset) of the County. The components of the net pension liability (asset) of the County at June 30, 2022 were as follows:

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Public Safety Pension Plan (CCPSPP)	Volunteer Firemen Pension Plan (LOSAP)
Total pension liability	\$ 118,475,126	\$ 44,352,182	\$ 12,993,548
Plan fiduciary net position	(110,124,036)	(34,111,964)	(10,301,030)
County's net pension liability (asset)	<u>\$ 8,351,090</u>	<u>\$ 10,240,218</u>	<u>\$ 2,692,518</u>
 Plan fiduciary net position as a percentage of the total pension liability	 92.95%	 76.91%	 79.28%

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Actuarial assumptions: The total pension liability for CCEPP and CCPSPP was determined by an actuarial valuation of July 1, 2021 and LOSAP actuarial valuation of January 1, 2021 rolled forward to June 30, 2022 using the following actuarial assumptions, applied to the periods included in the measurements:

Assumptions	Carroll County Employee Pension Plan (CCEPP)	Carroll County Public Safety Pension Plan (CCPSPP)	Volunteer Firemen Pension Plan (LOSAP)
Inflation	2.5%	2.5%	2.5%
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	Pub-2010 Safety Employees/Retirees/Survivors Headcount-Weighted Mortality, blended 75% male with generational projection using scale MP2020
Actuarial valuation	July 1, 2021 rolled forward to June 30, 2022	July 1, 2021 rolled forward to June 30, 2022	January 1, 2021 rolled forward to June 30, 2022
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	2.5%	2.5%	2.5%
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), 8 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 Public Safety Pension Plan (CCPSPP)		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%	6.00%	43%	6.00%	41%	6.00%
U.S. Small/Mid Cap Equities	0%	0.00%	0%	0.00%	0%	0.00%
Foreign Equities	22%	7.20%	22%	7.20%	20%	7.20%
Real Estate (REITs)	7%	4.90%	9%	4.90%	9%	4.90%
Core Fixed Income	22%	1.20%	24%	1.20%	25%	1.20%
Cash	2%	0.00%	2%	0.00%	5%	0.00%
Infrastructure	4%	5.70%				
Inflation	-	2.50%	-	2.50%	-	2.50%
Total	100%		100%		100%	

Discount rate: The discount rate used to measure the total pension liability was lowered from 7% to 6.75%, effective July 1, 2022. 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 (asset)
	(a)	(b)	(a) - (b)
Balances at 6/30/21	\$ 121,176,385	\$ 131,811,144	\$ (10,634,759)
Changes for the year:			
Service cost	4,226,030	-	4,226,030
Interest	8,358,740	-	8,358,740
Changes of benefit terms	(12,907,046)	-	(12,907,046)
Differences between expected and actual experiences	1,152,659	-	1,152,659
Changes of assumptions	-	-	-
Contributions - employer	-	3,025,300	(3,025,300)
Contributions - member	-	2,015,083	(2,015,083)
Net investment income	-	(11,950,720)	11,950,720
Benefit payments, including refunds of member contributions	(3,531,642)	(3,531,642)	-
Administrative expense	-	(62,317)	62,317
Other	-	(11,182,812)	11,182,812
Net Changes	\$ (2,701,259)	\$ (21,687,108)	\$ 18,985,849
Balances at 6/30/22	<u>\$ 118,475,126</u>	<u>\$ 110,124,036</u>	<u>\$ 8,351,090</u>

Carroll County Public Safety Pension Plan (CCPSPP)	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (asset)
	(a)	(b)	(a) - (b)
Balances at 6/30/21	\$ 24,394,714	\$ 25,831,109	\$ (1,436,395)
Changes for the year:			
Service cost	2,686,417	-	2,686,417
Interest	1,688,718	-	1,688,718
Changes of benefit terms	13,472,354	-	13,472,354
Differences between expected and actual experiences	2,650,333	-	2,650,333
Changes of assumptions	-	-	-
Contributions - employer	-	1,397,020	(1,397,020)
Contributions - member	-	988,883	(988,883)
Net investment income	-	(4,728,197)	4,728,197
Benefit payments, including refunds of member contributions	(540,354)	(540,354)	-
Administrative expense	-	(19,309)	19,309
Other	-	11,182,812	(11,182,812)
Net Changes	\$ 19,957,468	\$ 8,280,855	\$ 11,676,613
Balances at 6/30/22	<u>\$ 44,352,182</u>	<u>\$ 34,111,964</u>	<u>\$ 10,240,218</u>

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Volunteer Firemen Pension Plan (LOSAP)	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (asset)
	(a)	(b)	(a) - (b)
Balances at 6/30/21	\$ 12,764,982	\$ 11,335,666	\$ 1,429,316
Changes for the year:			
Service cost	197,035	-	197,035
Interest	893,128	-	893,128
Changes of benefit terms	198,221	-	198,221
Differences between expected and actual experiences	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	1,585,000	(1,585,000)
Net investment income	-	(1,523,373)	1,523,373
Benefit payments, including refunds of member contributions	(1,059,818)	(1,059,818)	-
Administrative expense	-	(36,445)	36,445
Other	-	-	-
Net Changes	\$ 228,566	\$ (1,034,636)	\$ 1,263,202
Balances at 6/30/22	<u>\$ 12,993,548</u>	<u>\$ 10,301,030</u>	<u>\$ 2,692,518</u>

Sensitivity of the net pension liability (asset) to changes in the discount rate. The following presents the net pension liability (asset) 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 (asset)	\$ 24,517,205	\$ 8,351,090	\$ (4,911,504)
CCPSPP net pension liability (asset)	\$ 17,903,192	\$ 10,240,218	\$ 4,136,400
LOSAP net pension liability (asset)	\$ 11,142,476	\$ 2,692,518	\$ (4,403,514)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2022, the County recognized pension expense as follows:

	<u>Pension Expense</u>
CCEPP pension expense	\$ 276,055
CCPSPP pension expense	4,417,323
LOSAP pension expense	227,874
Carroll County Elected Officials pension expense	(92,221)
Soil Conservation Employees pension expense	28,847
Total general government pension expense	<u>\$ 4,857,878</u>

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At June 30, 2022, 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	\$ 1,083,717	\$ 1,193,670
Changes of assumptions	-	305,215
Net difference between projected and actual earnings on pension plan investments	<u>5,905,841</u>	<u>-</u>
Total	<u><u>\$ 6,989,558</u></u>	<u><u>\$ 1,498,885</u></u>
Carroll County Public Safety Pension Plan (CCPSPP)	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,389,117	\$ 1,106,941
Changes of assumptions	-	162,607
Net difference between projected and actual earnings on pension plan investments	<u>3,537,302</u>	<u>-</u>
Total	<u><u>\$ 6,926,419</u></u>	<u><u>\$ 1,269,548</u></u>
Volunteer Firemen Pension Plan (LOSAP)	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 412,185	\$ 11,029
Changes of assumptions	216,826	-
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>1,277,210</u>
Total	<u><u>\$ 629,011</u></u>	<u><u>\$ 1,288,239</u></u>
Total	<u><u>\$ 14,544,988</u></u>	<u><u>\$ 4,056,672</u></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
2023	\$ 504,202
2024	500,166
2025	318,958
2026	4,167,347

Carroll County Public Safety Pension Plan (CCPSPP)

Years Ending June 30:	Amount
2023	\$ 1,013,338
2024	1,053,089
2025	953,384
2026	1,757,487
2027	247,411
Thereafter	632,162

Volunteer Firemen Pension Plan (LOSAP)

Years Ending June 30:	Amount
2023	\$ (184,235)
2024	(395,926)
2025	(151,218)
2026	(62,419)
2027	84,681
Thereafter	49,889

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.

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June 30, 2022

Statement of Fiduciary Net Position

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Public Safety Pension Plan (CCPSPP)	Volunteer Firemen Pension Plan (LOSAP)
Assets:			
Prepaid expenses	\$ 6,190	\$ 1,920	\$ 580
Investments at fair value:			
Short-term investments	3,500,429	2,285,311	254,459
Bond funds	25,028,392	8,131,225	2,701,329
Equity funds	63,899,068	20,586,695	7,349,534
Real estate funds	17,694,829	3,111,685	-
Total investments	<u>110,122,718</u>	<u>34,114,916</u>	<u>10,305,322</u>
Total assets	<u>110,128,908</u>	<u>34,116,836</u>	<u>10,305,902</u>
Liabilities:			
Accounts payable	4,872	4,872	4,872
Total liabilities	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>
Fiduciary net position:			
Net position held in trust for pension benefits and other purposes	<u>\$ 110,124,036</u>	<u>\$ 34,111,964</u>	<u>\$ 10,301,030</u>

Statement of Changes in Fiduciary Net Position

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Public Safety Pension Plan (CCPSPP)	Volunteer Firemen Pension Plan (LOSAP)
ADDITIONS			
Contributions:			
Employer	\$ 3,025,300	\$ 1,397,020	\$ 1,585,000
Plan members	2,015,083	988,883	-
Reassignment of assets for employees that qualify for a new plan	(11,182,812)	11,182,812	-
Total contributions	<u>(6,142,429)</u>	<u>13,568,715</u>	<u>1,585,000</u>
Investment earnings:			
Net increase in the fair value of investments	(11,890,213)	(4,701,917)	(1,523,373)
Total investment earnings	<u>(11,890,213)</u>	<u>(4,701,917)</u>	<u>(1,523,373)</u>
Less investment expense	(60,507)	(26,280)	(18,192)
Net investment earnings	<u>(11,950,720)</u>	<u>(4,728,197)</u>	<u>(1,541,565)</u>
Total additions	<u>(18,093,149)</u>	<u>8,840,518</u>	<u>43,435</u>
DEDUCTIONS			
Benefits and refunds paid to plan members and beneficiaries	3,531,642	540,354	1,059,818
Administrative expenses	62,317	19,309	18,253
Total deductions	<u>3,593,959</u>	<u>559,663</u>	<u>1,078,071</u>
Change in net position	<u>(21,687,108)</u>	<u>8,280,855</u>	<u>(1,034,636)</u>
FIDUCIARY NET POSITION			
Fiduciary net position - beginning of year	131,811,144	25,831,109	11,335,666
Fiduciary net position - end of year	<u>\$ 110,124,036</u>	<u>\$ 34,111,964</u>	<u>\$ 10,301,030</u>

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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. At June 30, 2022, the County’s proportion for elected appointed officials was 0.0017184%, an increase of 0.0002295% from its proportion measured as of June 30, 2021. At June 30, 2022 the County’s proportion for Soil Conservation District Employees was 0.0013840%, an increase of 0.0000983% from its proportion measured as of June 30, 2021. 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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022 can be found at <https://sra.maryland.gov/annual-financial-reports>.

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.

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, 2022, 18 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, 2022, two 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 2022 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.

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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, 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, 2022, the Board's contribution was \$7,651,611. The State's contributions on behalf of the Board for the year ended June 30, 2022 was \$20,046,903. The fiscal 2022 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, 2022, the Board recognized pension expense of \$27,698,514 and revenue of \$20,046,903 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, 2022 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, 2022 of \$2,220,611.

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The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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.

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, 2022 was \$1,085,007. 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, 2022, 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

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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 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, 2022 was \$893,321. The fiscal 2022 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'

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Retirement and Pension Systems for the year ended June 30, 2022 was 7.04% 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, 2022 of \$93,880.

At June 30, 2022, 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	\$ 59,052	\$ -
Net difference between projected and actual earnings on pension plan investments	-	152,782
Total	<u>\$ 59,052</u>	<u>\$ 152,782</u>
Soil Conservation Employees	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 43,240	\$ -
Net difference between projected and actual earnings on pension plan investments	-	117,798
Total	<u>\$ 43,240</u>	<u>\$ 117,798</u>
Component Units - Board of Education	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,016,922
Changes of assumptions	2,747,135	276,987
Change in proportions	2,473,298	416,103
Net difference between projected and actual earnings on pension plan investments	-	6,594,937
Difference between board contributions and proportionate share of contributions	193	577
Board contributions subsequent to the measurement date	2,220,611	-
Total	<u>\$ 7,441,237</u>	<u>\$ 8,305,526</u>
Component Units - Carroll County Public Library	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 122,155	\$ 11,715
Change in proportions	162,111	4,139
Net difference between projected and actual earnings on pension plan investments	-	295,065
Net difference between actual and proportionate share of contributions	6	25
Difference between expected and actual experience	-	43,669
Library contributions subsequent to the measurement date	93,880	-
Total	<u>\$ 378,152</u>	<u>\$ 354,613</u>
Total Component Units	<u>\$ 7,819,389</u>	<u>\$ 8,660,139</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
2023	\$ (27,694)
2024	(24,465)
2025	(21,171)
2026	(27,994)
2027	7,594

Soil Conservation Employees

Years Ending June 30:	Amount
2023	\$ (22,042)
2024	(19,416)
2025	(16,664)
2026	(22,552)
2027	6,116

Component Units - Board of Education

Years Ending June 30:	Amount
2023	\$ (909,974)
2024	(544,121)
2025	(806,391)
2026	(1,198,777)
2027	374,363

Component Units - Carroll County Public Library

Years Ending June 30:	Amount
2023	\$ (9,383)
2024	(5,477)
2025	(26,235)
2026	(47,690)
2027	18,444

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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	\$ 37,865	\$ 30,496	\$ 2,091,881	\$ -	\$ 93,880
State of MD total adjusted contributions	<u>\$ 2,203,524,000</u>	<u>\$ 2,203,524,000</u>	<u>\$ 2,203,524,000</u>	<u>\$ 2,203,524,000</u>	<u>\$ 2,203,524,000</u>
Proportionate share of total contributions	0.0017184%	0.0013840%	0.0949334%	0.0000000%	0.0042604%
Total net pension liability - State of MD	\$ 15,002,305,000	\$ 15,002,305,000	\$ 15,002,305,000	\$ 15,002,305,000	\$ 15,002,305,000
Proportionate share of net pension liability	\$ 257,797	\$ 207,627	\$ 14,242,217	\$ -	\$ 634,379
Total pension expense - State of MD	\$ 401,450,000	\$ 401,450,000	\$ 401,450,000	\$ 401,450,000	\$ 401,450,000
Pension expense	\$ (92,221)	\$ 28,847	\$ 1,479,131	\$ -	\$ 78,067

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	\$ 7,651,611	\$ -	\$ -
State's contribution on behalf of component unit	N/A	N/A	\$ 20,046,903	\$ 1,085,007	\$ 893,321
State's proportionate share of the net pension liability*	N/A	N/A	\$ 133,456,287	\$ 10,209,575	\$ 6,054,517
Component unit share pension expense	N/A	N/A	\$ 27,698,514	\$ 1,085,007	\$ 893,321

*At June 30, 2022, 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, 2021. As a result, an investment return assumption of 6.80% and an inflation assumption of 2.25% were used for the June 30, 2021 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%	4.70%
Credit Opportunity	9%	2.60%
Absolute return	8%	2.00%
Private Equity	13%	6.50%
Real Estate	14%	4.20%
Rate Sensitive	19%	-0.40%
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, 2021.

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of the pension plan expense, was 26.69%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

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 (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
State of MD CC Elected/Appointed Officials	\$ 439,065	\$ 257,797	\$ 107,437
State of MD Soil Conservation District	\$ 353,617	\$ 207,627	\$ 86,528
Component Units - Board of Education	\$ 24,256,485	\$ 14,242,217	\$ 5,935,441
Component Units - Carroll County Public Library	\$ 1,360,592	\$ 634,379	\$ 618,461

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.

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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 “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, 2021
Inflation	2.25% general, 2.75% wage
Salary increases	2.75% to 9.25%, including inflation
Investment rate of return	6.80%
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, 2022 were \$69,197 and \$2,808,461, respectively.

The Plan also offers a “Roth” option which allows employees to make after-tax contributions. Approximately 25.17% of employee contributions to the plan are being made as “Roth” contributions as of June 30, 2022.

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, 2020. The membership data related to the plan was as follows:

Number of Participants	
Active Employees	946
Deferred vested terminations	-
Retirees in pay status (pre Medicare)	112
Retirees in pay status (Medicare age)	379
Total	1,437

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. The retirement plan committee has the authority to establish or amend benefit policy decisions.

There are special provisions for certain groups.

- *Certified law officers, correctional officers, firefighters, and EMS personnel:* Employees who upon leaving employment, qualify for and receive an immediate pension under the Public Safety Pension Plan, but who do not

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otherwise qualify for post-employment health care benefits under the guidelines for general employees, may still receive OPEB benefits.

<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, under age 65, retiring after October 1, 2005:* An appointed official 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 retiree contribution/percent of total premium will vary according to years of service as follows:

<u>Years of service</u>	<u>Retiree contribution</u>
20 or more	2.00 times active rate
At least 12 but less than 20	2.50 times active rate
At least 6 but less than 12	3.00 times active rate

- *Appointed officials, age 65 or older, retiring after October 1, 2005:*

<u>Years of service</u>	<u>Percent of total premium</u>
20 or more	25%
At least 12 but less than 20	35%
At least 6 but less than 12	45%

- *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 once 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 provided 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 2022, the County contributed \$12,309,840 towards the actuarially determined contribution for the Other Post Employment Benefit fund. Of the \$12,309,840 contribution, \$1,803,613 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, CCPSPP, 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.

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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.

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	\$ 19,956,311
Harding Loevner International Equity Fund	6,932,408

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, 2022
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%	45.0%
Core Real Estate	2.0%	14.0%
International Equities	15.0%	25.0%
Global Low-Volatility	0.0%	10.0%
Domestic Fixed Income	19.0%	27.0%
Infrastructure	0.0%	7.0%
Cash Equivalents	0.0%	15.0%

Rate of return: For the year ended June 30, 2022, 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 -10.44%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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Net OPEB Liability of the County: The components of the net OPEB liability of Carroll County at June 30, 2022, were as follows:

Total OPEB liability	\$ 185,609,674
RBTCCCC fiduciary net position	<u>(145,040,950)</u>
RBTCCCC's net OPEB liability	<u>\$ 40,568,724</u>
RBTCCCC fiduciary net position as a percentage of the total OPEB liability	78.14%

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5 percent
Salary increases	3.0 percent, average, including inflation
Investment rate of return	6.75 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	The trend for 2022 is 5.1%. The ultimate trend is 4.0%

The actuarial assumptions used are based on July 1, 2020 valuation data rolled forward to June 30, 2022.

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:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
U.S. Equities	40%	7.70%
Foreign Equities	20%	8.10%
Global Low Volatility Equities	5%	7.60%
Real Estate (REITs)	7%	7.40%
Infrastructure	4%	7.60%
Core Fixed Income	22%	4.10%
Cash	2%	0.00%
Inflation	-	2.50%
Total	<u>100%</u>	

Discount Rate: The discount rate used to measure the total OPEB liability was 6.75%. 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 6/30/21	\$ 172,868,835	\$ 156,334,009	\$ 16,534,826
Changes for the year:			
Service cost	3,217,271	-	3,217,271
Interest	11,880,023	-	11,880,023
Differences between expected and actual experiences	(1,945,867)	-	(1,945,867)
Changes in Assumptions	5,897,841	-	5,897,841
Contributions-employer	-	12,309,840	(12,309,840)
Contributions-member	-	851,368	(851,368)
Net investment income	-	(17,291,770)	17,291,770
Benefit payments, including refunds of member contributions	(6,308,429)	(7,159,797)	851,368
Administrative expense	-	(2,700)	2,700
Net Changes	<u>\$ 12,740,839</u>	<u>\$ (11,293,059)</u>	<u>\$ 24,033,898</u>
Balances at 6/30/22	<u>\$ 185,609,674</u>	<u>\$ 145,040,950</u>	<u>\$ 40,568,724</u>

Sensitivity of the net OPEB liability to changes in the discount rate: 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 discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
County's total OPEB liability	\$ 212,609,946	\$ 185,609,674	\$ 163,727,291
County's net OPEB liability	67,568,996	40,568,724	18,686,341

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	\$ 159,609,380	\$ 185,609,674	\$ 218,119,074
County's net OPEB liability	14,568,430	40,568,724	73,078,124

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At June 30, 2022, 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	\$ -	\$ 41,838,705
Changes of assumptions	7,358,426	12,708,385
Net difference between projected and actual earnings on OPEB plan investments	9,959,046	-
Total	\$ 17,317,472	\$ 54,547,090

For the year ended June 30, 2022, the County recognized OPEB expenses of \$ 9,966,511.

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:	
2023	\$ (14,055,313)
2024	(13,841,050)
2025	(15,733,002)
2026	6,399,747

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, 2020 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 6.75% 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, 2022.

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

Assets:	
Equity in pooled cash and investments	\$ -
Investments at fair value:	
Bond funds	2,745,648
Marketable securities	116,278,918
Real estate funds	26,548,848
Total assets	<u>145,573,414</u>
Liabilities:	
Accounts payable	46,436
Due to primary government	486,028
Total liabilities	<u>532,464</u>
Fiduciary net position:	
Fiduciary net position held in trust for postemployment benefits other than pensions	<u>\$ 145,040,950</u>

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

ADDITIONS	
Contributions:	
Employer	\$ 12,309,840
Plan members	851,368
Total contributions	<u>13,161,208</u>
Investment earnings:	
Interest and dividends	8,845
Net increase or decrease in the fair value of investments	(17,289,205)
Total investment earnings	<u>(17,280,360)</u>
Less investment expense	(11,410)
Net investment earnings	<u>(17,291,770)</u>
Total additions	(4,130,562)
DEDUCTIONS	
Benefits and refunds paid to plan members and beneficiaries	7,159,797
Administrative expenses	2,700
Total deductions	<u>7,162,497</u>
Change in fiduciary net position	(11,293,059)
Fiduciary net position - beginning of year	<u>156,334,009</u>
Fiduciary net position - end of year	<u>\$ 145,040,950</u>

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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, 2022, was \$1,803,613. The fiscal 2022 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, 2022, 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	\$	3,245,498
Library's Proportionate Share of the Net OPEB Liability		-
Total		\$ 3,245,498

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2020.

For the year ended June 30, 2022, the Library recognized OPEB expense of \$1,803,613 and revenue of \$1,803.613 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.

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Actuarial assumptions: The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5 percent
Salary increases	3.0 percent, average, including inflation
Investment rate of return	6.75 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 4.7% decreasing gradually. The ultimate rate is 4.0% and is attained in 2075.

The actuarial assumptions used are based on July 1, 2020 valuation data rolled forward to June 30, 2022.

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%	6.80%
Foreign Equities	22%	8.00%
Real Estate (REITs)	9%	5.70%
Core Fixed Income	24%	1.60%
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 lowered from 7.0% to 6.75% effective July 1, 2022. 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, 2022, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	1,568
Inactive plan members entitled to, but not yet receiving benefit payments	-
Active plan members	<u>3,130</u>
Total	<u><u>4,698</u></u>

Investments

Investment policy.

The following was the Board's adopted asset allocation policy as of June 30, 2022:

Asset Class	Target Allocation
U.S. Equities	40%
Foreign Equities	20%
Global Low Volatility Equities	5%
Real Estate (REITs)	7%
Infrastructure	4%
Core Fixed Income	22%
Cash	2%
Total	<u><u>100%</u></u>

Rate of return. For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -9.90%. 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, 2022 were as follows:

Total OPEB liability	\$ 507,545,000
Plan fiduciary net position	<u>31,456,000</u>
Board's net OPEB liability	<u><u>\$ 476,089,000</u></u>

Plan fiduciary net position as a percentage of the total OPEB liability	6.20%
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Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.00%
Investment rate of return	7.00%
Healthcare Cost Trend Rates:	4.90% Initial / 4.00% Ultimate
Mortality	Pub T.H-2010 Mortality Table (teachers, headcount-weighted), Fully Generational, projected using Scale MP-2020 and base year 2010

The actuarial assumptions used to measure the total OPEB liability in the June 30, 2022 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, 2022 are summarized in the following table:

Asset Class	Long-Term Expected Rate of Return
U.S. Equities	7.70%
Foreign Equities	8.10%
Global Low Volatility Equities	7.60%
Real Estate (REITs)	7.40%
Infrastructure	7.60%
Core Fixed Income	4.10%
Cash	0.00%
Inflation	2.50%

Discount rate. The discount rate used to measure the total OPEB liability was 3.73%. 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 (2.73%) or one percentage point higher (4.73%) than the current discount rate:

	1% Decrease 2.73%	Current Discount Rate 3.73%	1% Increase 4.73%
Net OPEB Liability	\$ 576,394,000	\$ 476,089,000	\$ 396,741,000

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	\$ 490,829,000	\$ 624,988,000	\$ 807,863,000

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, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
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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 6/30/21	\$ 592,418,000	\$ 26,789,000	\$ 565,629,000
Changes for the year:			
Service cost	28,737,000	-	28,737,000
Interest	14,819,000	-	14,819,000
Differences between expected and actual experience	(14,757,000)	-	(14,757,000)
Contributions - employer	-	6,865,000	(6,865,000)
Net investment income	-	7,234,000	(7,234,000)
Change in Assumptions	44,659,000	-	44,659,000
Benefit payments	(6,366,000)	(6,366,000)	-
Administrative expense	-	-	-
Net Changes	<u>\$ 67,092,000</u>	<u>\$ 7,733,000</u>	<u>\$ 59,359,000</u>
Balances at 6/30/22	<u>\$ 659,510,000</u>	<u>\$ 34,522,000</u>	<u>\$ 624,988,000</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 (0.99%) or one percentage point higher (2.99%) than the current discount rate:

	1% Decrease 0.99%	Current Discount Rate 1.99%	1% Increase 2.99%
Net OPEB Liability	\$ 770,713,000	\$ 624,988,000	\$ 511,370,000

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	\$ 490,829,000	\$ 624,988,000	\$ 807,863,000

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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, 2022, the Board recognized OPEB expense of \$56,791,755. At June 30, 2022, 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 experience	\$ 6,885,000	\$ 14,759,000
Change in Assumptions	159,065,000	-
Net difference between projected and actual earnings on OPEB plan investments	-	3,703,000
Employer Contributions Subsequent to the Measurement Date	7,403,626	-
Total	\$ 173,353,626	\$ 18,462,000

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, 2023. 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>	
2023	\$ 21,948,000
2024	22,005,000
2025	22,057,000
2026	21,813,000
2027	22,882,000
Thereafter	36,783,000

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:

	2022
Inactive plan members or beneficiaries currently receiving benefit payments	220
Inactive plan members entitled to, but not yet receiving benefit payments	-
Active plan members	91
Total	311

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 2022, the College contributed \$426,753 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 \$2,200,000 above the annual premium to the trust during the fiscal year ended June 30, 2022 to advance fund future costs. As of June 30, 2022, the College has contributed a total of \$4,400,000 to the Carroll County Benefit Trust.

Net OPEB Liability (under GASB 75)

The College’s net OPEB liability was measured as of June 30, 2021 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, 2021 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	3.00% by year 10	
Investment rate of return	7.00%	
Healthcare Cost Trend Rates:		
Pre-Medicare	6.00% in 2021 with an ultimate rate 3.94% in 2075	
Post-Medicare	6.00% in 2021 with an ultimate rate 3.94% in 2075	
Mortality	PUB-2010 Generational Mortality Table with Scale MP-2021 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, 2019 – September 1, 2021.

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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 1.92%. 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, 2022.

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, 2021	\$ 30,413,903	\$ 2,169,494	\$ 28,244,409
Changes for the Year:			
Service Cost	1,972,033	-	1,972,033
Interest	738,887	-	738,887
Experience Losses /(Gains)	(1,357,587)	-	(1,357,587)
Assumption Changes	1,040,790	-	1,040,790
Contributions - Employer	-	602,626	(602,626)
Net investment income	-	599,414	(599,414)
Benefit Payments	(402,626)	(402,626)	-
Net Changes	1,991,497	799,414	1,192,083
Balance - June 30, 2022	<u>\$ 32,405,400</u>	<u>\$ 2,968,908</u>	<u>\$ 29,436,492</u>

Sensitivity of the net OPEB liability to changes in the discount rate: 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 a discount rate that is one percentage point lower (0.92%) or one percentage point higher (2.92%) than the current discount rate:

June 30, 2021	1% Decrease 0.92%	Current Discount Rate 1.92%	1% Increase 2.92%
Total OPEB Liability	\$ 38,795,598	\$ 32,405,400	\$ 27,331,969
Plan Fiduciary Net Position	2,968,908	2,968,908	2,968,908
Net OPEB Liability	<u>\$ 35,826,690</u>	<u>\$ 29,436,492</u>	<u>\$ 24,363,061</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
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trend rates that are one percentage point lower (2.94%) or one percentage point higher (4.94%) than the current health care cost trend rates:

June 30, 2021	1% Decrease 2.94%	Current Ultimate trend Rate 3.94%	1% Increase 4.94%
Total OPEB Liability	\$ 26,689,396	\$ 32,405,400	\$ 39,616,009
Plan Fiduciary Net Position	2,968,908	2,968,908	2,968,908
Net OPEB Liability	\$ 23,720,488	\$ 29,436,492	\$ 36,647,101

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, 2022, the College recognized OPEB expense, including pay-go, of \$2,947,141. At June 30, 2022, 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	\$ -	\$ 1,657,193
Changes of Assumptions	6,364,694	1,624,480
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	374,957
College Contributions Subsequent to the Measurement Date	2,626,753	-
Total	\$ 8,991,447	\$ 3,656,630

The \$2,626,753 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, 2023. 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:	
2023	\$ 372,392
2024	376,559
2025	382,271
2026	378,533
2027	861,262
Thereafter	337,047

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Note 13 – Fund Balance

A summary of fund balances as of June 30, 2022 follows:

	General Fund	Capital Projects Fund	Grant Fund	Non-Major Governmental Funds	Total Governmental Funds
<u>Nonspendable:</u>					
Inventory	\$ 1,586,216	\$ -	\$ -	\$ -	\$ 1,586,216
Prepaid costs	9,929,530	-	452,749	-	10,382,279
Loans to community organizations	4,338,088	-	-	-	4,338,088
Loans to fire companies	6,553,244	-	-	-	6,553,244
Loans to municipalities	149,037	-	-	-	149,037
Loan to component unit	520,707	-	-	-	520,707
Due from other funds	7,134,420	-	83,500	-	7,217,920
Advances and proceeds to Industrial Development Authority	612,910	-	-	-	612,910
Total nonspendable fund balance	<u>30,824,152</u>	<u>-</u>	<u>536,249</u>	<u>-</u>	<u>31,360,401</u>
<u>Restricted:</u>					
Weed control	204,298	-	-	-	204,298
Agricultural preservation investments	29,057,411	-	-	-	29,057,411
Loans collectible within one year	937,361	-	-	-	937,361
Farmers & Merchants - collateral	230,000	-	-	-	230,000
Unspent bond proceeds	-	6,757,695	-	-	6,757,695
Grants	-	-	1,276,920	-	1,276,920
Hotel Rental tax	-	-	-	480,436	480,436
Total restricted fund balance	<u>30,429,070</u>	<u>6,757,695</u>	<u>1,276,920</u>	<u>480,436</u>	<u>38,944,121</u>
<u>Committed:</u>					
Stabilization arrangement	25,064,328	-	-	-	25,064,328
Watershed Protection and Restoration	-	-	-	84,229	84,229
Total committed fund balance	<u>25,064,328</u>	<u>-</u>	<u>-</u>	<u>84,229</u>	<u>25,148,557</u>
<u>Assigned:</u>					
Encumbrances:					
General government	817,853	4,528,982	-	-	5,346,835
Public safety	1,100,849	1,633,135	1,770,803	-	4,504,787
Public works	1,319,302	13,915,569	1,377	-	15,236,248
Human Services	-	-	32,543	-	32,543
Education	-	85,927	-	-	85,927
Economic development	249,733	-	-	-	249,733
Judicial	28,620	354,926	43,188	-	426,734
Culture and recreation	(60,915)	990,671	4,647	-	934,403
Conservation of natural resources	41,529	2,725,611	-	-	2,767,140
Hampstead Fire Company Loan	6,500,000	-	-	-	6,500,000
Community Media Center loan	652,418	-	-	-	652,418
Subsequent year's expenditure:					
Use in fiscal year 2023 budget	41,309,390	-	-	-	41,309,390
Use in fiscal year 2024-2025 budget	6,891,665	-	-	-	6,891,665
Capital for future infrastructure	1,000,000	-	-	-	1,000,000
Total assigned fund balance	<u>59,850,444</u>	<u>24,234,821</u>	<u>1,852,558</u>	<u>-</u>	<u>85,937,823</u>
<u>Unassigned:</u>					
General fund and negative balances	44,203,114	(8,975,253)	(1,173,027)	-	34,054,834
Total unassigned fund balance	<u>44,203,114</u>	<u>(8,975,253)</u>	<u>(1,173,027)</u>	<u>-</u>	<u>34,054,834</u>
Grand total fund balances	<u>\$ 190,371,108</u>	<u>\$ 22,017,263</u>	<u>\$ 2,492,700</u>	<u>\$ 564,665</u>	<u>\$ 215,445,736</u>

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The County has loaned to various Carroll County fire companies for facility 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, 2022 is \$7,490,605 and is secured by land, buildings and equipment. The County made loans to various community organizations and component units. The balance of these loans at June 30, 2022 is \$4,858,795 and they are secured through promissory notes for 3 years amortized over 15 years at 5.75% interest with a balloon payment after 3 years. Maximum loan amount to not exceed \$25,000.

The General Fund incurred a due from the Capital Fund for the future payouts of Installment Purchase Agreements, a due from Special Revenue Funds, a due from Utilities and a due from the Septage Fund at June 30, 2022 in the amount of \$7,134,420.

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	\$ 466,481,563	\$ 23,477,647
Unavailable property tax revenues	(793,981)	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance	<u>\$ 465,687,582</u>	<u>\$ 23,477,647</u>
<u>Expenditures</u>		
Actual amount (budgetary basis) "expenditures" from the budgetary comparison	\$ 417,429,001	\$ 25,259,833
Encumbrance adjustment	(1,322,397)	(1,584,660)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance	<u>\$ 416,106,604</u>	<u>\$ 23,675,173</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.

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As of June 30, 2022, the County had the following commitments with respect to unfinished capital projects:

	Project Appropriation	Total Expenditures & Encumbrances	Amount Funded	Required Future Funding
General Government	\$ 74,755,632	\$ 44,453,879	\$ 47,041,369	\$ 27,714,263
Public Safety	22,869,860	15,009,956	13,945,875	8,923,985
Public Works	106,422,871	65,232,788	15,627,036	90,795,835
Board of Education	156,287,978	120,444,858	113,411,635	42,876,343
Carroll Community College	14,694,600	10,570,139	10,770,784	3,923,816
Culture and Recreation	15,955,683	11,505,648	16,508,786	(553,103)
Library	6,146,900	5,691,792	6,146,900	-
Conservation of Natural Resources	230,430,662	215,596,558	216,058,203	14,372,459
Water Resources	48,082,205	34,134,381	32,473,442	15,608,763
Governmental Activities	<u>675,646,391</u>	<u>522,639,999</u>	<u>471,984,030</u>	<u>203,662,361</u>
Wastewater Treatment Facilities	40,875,077	35,208,043	24,035,766	16,839,311
Other Water Projects	28,628,571	17,966,353	13,168,800	15,459,771
Other Wastewater Projects	34,602,428	13,929,640	18,447,977	16,154,451
Landfill Upgrades	25,180,000	13,210,526	25,000,000	180,000
Landfill Remediations	2,987,035	2,478,552	2,987,035	-
Fiber Network	4,803,471	392,931	2,007,667	2,795,804
Septage	5,500,000	5,221,888	2,434,000	3,066,000
Airport	83,099,107	2,155,716	2,743,295	80,355,812
Business Type Activities	<u>225,675,689</u>	<u>90,563,649</u>	<u>90,824,540</u>	<u>134,851,149</u>
Total Funds	<u>\$ 901,322,080</u>	<u>\$ 613,203,648</u>	<u>\$ 562,808,570</u>	<u>\$ 338,513,510</u>

Amounts received or receivable from grantor 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.

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 grantor 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.

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Note 16 – Risk Management

PRIMARY GOVERNMENT

The County is exposed to various types of loss including but not limited to theft, 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. The goal of this program is to identify, assess and prepare for potential hazards that could lead to a loss. Settled claims have not exceeded coverage in any of the past three years.

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

Participants of the Trust share the risk among all members 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 \$450,000 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, 2022 for the deductible portions of general, auto, police, legal and public officials covered under LGIT and employee health care coverage are \$167,000 and \$2,882,887, respectively.

The total claims liability of \$3,049,887 reported in the internal service fund at June 30, 2022 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, 2022, such interfund premiums did not exceed reimbursable expenditures. The County contracts with a third-party administrator to pay all workers' compensation claim cost. The County purchases a specific excess and aggregate excess workers' compensation and employer's liability indemnity policy.

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The self-insured plan is administered by a commercial provider. The County’s contract with this insurer includes a \$650,000 and \$750,000 self-insured retention for non-police and police occurrences, respectively. The total claims liability of \$3,454,350 has been reported at June 30, 2022. 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, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Accrued claims:						
Unpaid claims at beginning of year	\$ 3,616,939	\$ 3,546,642	\$ 146,165	\$ 75,500	\$ 1,660,606	\$ 1,645,815
Incurred claims (Including IBNR)	712,459	745,790	(36,822)	241,730	21,534,162	16,446,485
Claim payments	(875,048)	(675,493)	57,657	(171,065)	(20,311,881)	(16,431,694)
Unpaid Claims at End of Year	\$ 3,454,350	\$ 3,616,939	\$ 167,000	\$ 146,165	\$ 2,882,887	\$ 1,660,606

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, 2022	June 30, 2021
Accrued Health Claims:		
Unpaid Claims at Beginning of Year	\$ 8,575,000	\$ 8,750,000
Incurred Claims (Including IBNR)	58,507,868	56,423,224
Claim Payments	(59,882,868)	(56,598,224)
Unpaid Claims at End of Year	\$ 7,200,000	\$ 8,575,000

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Notes to Financial Statements
June 30, 2022

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 \$135,000 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 \$461,472 and \$571,184 for the years ended June 30, 2022 and 2021, respectively.

Changes in the balance of claims payable relative to health and dental self-insurance for the years ended June 30, 2022 and 2021 are as follows:

	Amount
Balance - June 30, 2020	\$ 78,312
Claims and Changes in Estimates	3,273,140
Claims Payments	(3,229,885)
Balance - June 30, 2021	121,567
Claims and Changes in Estimates	3,669,011
Claims Payments	(3,601,432)
Balance - June 30, 2022	\$ 189,146

Note 17 – Subsequent Events

On October 20, 2022, the County issued \$30,000,000 of general obligation bonds to finance projects for some or all of the following categories: general government, public works, public schools, and conservation and water resources.

In July 2022, the Board decided to implement a 10% salary increase across the organization as well as an incremental percentage based on years of service from 1%-20% to address compensation issues of Carroll County Government Staff. The raise took effect in August 2022.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total pension liability										
Service cost	\$ 4,226	\$ 4,694	\$ 4,588	\$ 4,415	\$ 4,207	\$ 3,861	\$ 3,513	\$ 3,301	\$ 3,085	
Interest	8,359	7,863	7,307	6,628	5,911	5,345	4,825	4,377	3,955	
Changes of benefit terms	(12,907)	-	(60)	-	2,037	-	-	-	-	
Differences between expected and actual experience	1,153	(2,175)	(265)	1,096	202	767	(953)	(100)	-	
Changes of assumptions	-	-	(763)	-	-	-	1,635	-	-	
Benefit payments including refunds of member contributions	(3,532)	(3,071)	(2,638)	(2,264)	(1,944)	(1,856)	(1,300)	(1,086)	(925)	
Net change in total pension liability	(2,701)	7,311	8,169	9,875	10,413	8,117	7,720	6,492	6,115	
Total pension liability - beginning	121,176	113,865	105,696	95,821	85,408	77,291	69,571	63,079	56,964	
Total pension liability - ending	<u>\$ 118,475</u>	<u>\$ 121,176</u>	<u>\$ 113,865</u>	<u>\$ 105,696</u>	<u>\$ 95,821</u>	<u>\$ 85,408</u>	<u>\$ 77,291</u>	<u>\$ 69,571</u>	<u>\$ 63,079</u>	Information for FY13 and earlier is not available
Plan fiduciary net position										
Contribution-employer	\$ 3,025	\$ 2,980	\$ 3,169	\$ 3,157	\$ 3,067	\$ 2,636	\$ 2,542	\$ 2,558	\$ 2,367	
Contributions-member	2,015	2,201	2,131	2,091	1,916	1,773	1,688	1,619	1,573	
Net investment income/(loss)	(11,950)	27,886	2,230	7,257	6,939	7,683	1,306	2,645	7,867	
Benefit payments, including refund of member contributions	(3,532)	(3,071)	(2,637)	(2,264)	(1,944)	(1,856)	(1,300)	(1,086)	(925)	
Administrative expense	(62)	(55)	(50)	(48)	(52)	(43)	(37)	(37)	(45)	
Other	(11,183)	-	-	-	-	-	-	-	-	
Net change in plan fiduciary net position	(21,687)	29,941	4,843	10,193	9,926	10,193	4,199	5,699	10,837	
Plan fiduciary net position - beginning	131,811	101,870	97,027	86,834	76,907	66,714	62,515	56,816	45,979	
Plan fiduciary net position - ending	<u>\$ 110,124</u>	<u>\$ 131,811</u>	<u>\$ 101,870</u>	<u>\$ 97,027</u>	<u>\$ 86,833</u>	<u>\$ 76,907</u>	<u>\$ 66,714</u>	<u>\$ 62,515</u>	<u>\$ 56,816</u>	
Net pension liability - ending	<u>\$ 8,351</u>	<u>\$ (10,635)</u>	<u>\$ 11,995</u>	<u>\$ 8,669</u>	<u>\$ 8,988</u>	<u>\$ 8,501</u>	<u>\$ 10,577</u>	<u>\$ 7,056</u>	<u>\$ 6,263</u>	
Plan fiduciary net position as a percentage of the total pension liability	92.95%	108.78%	89.47%	91.80%	90.62%	90.05%	86.32%	89.86%	90.07%	
Covered payroll	\$ 36,301	\$ 39,164	\$ 38,841	\$ 37,963	\$ 36,435	\$ 34,841	\$ 33,047	\$ 32,278	\$ 30,699	
Net pension liability as a percentage of covered payroll	23.00%	-27.16%	30.88%	22.84%	24.67%	24.40%	32.01%	21.86%	20.40%	
Expected average remaining service years for all participants	4	4	5	5	5	5	5	6	6	

Notes to Schedule:

Benefit changes: The active Electing Corrections Officers were transferred into the Public Safety Plan

Changes of Assumptions: There were no changes for FY2022

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 2,773	\$ 2,905	\$ 3,085	\$ 2,959	\$ 2,770	\$ 2,636	\$ 2,542	\$ 2,538	\$ 2,366	\$ 2,253
Contributions in relation to the actuarially determined contribution	<u>3,025</u>	<u>2,980</u>	<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>
Contribution deficiency (excess)	<u>\$ (252)</u>	<u>\$ (75)</u>	<u>\$ (84)</u>	<u>\$ (198)</u>	<u>\$ (297)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20)</u>	<u>\$ (1)</u>	<u>\$ (333)</u>
Covered payroll	\$ 36,301	\$ 39,164	\$ 38,841	\$ 37,963	\$ 36,435	\$ 34,841	\$ 33,047	\$ 32,278	\$ 30,699	\$ 30,414
Contributions as a percentage of covered payroll	8.33%	7.61%	8.16%	8.32%	8.42%	7.57%	7.69%	7.92%	7.71%	8.50%

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	Remaining Amortization period is 30 years.
Asset valuation method	5-year smoothed market
Inflation	2.5 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	Pub-2010 General Employees Mortality with generational projection using scale MP2019

Changes of Assumptions: There were no changes for FY2022

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual money-weighted rate of return, net of investment expense	-8.88%	26.96%	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
Public Safety Pension Plan
Last 10 Fiscal Years
(Dollar amounts in thousands)

RSI-4

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total pension liability										
Service cost	\$ 2,686	\$ 1,726	\$ 1,654	\$ 1,281	\$ 1,117	\$ 1,090	\$ 1,000	\$ 983	\$ 904	
Interest	1,689	1,574	1,403	1,207	1,044	887	813	726	630	Information for FY13 and earlier is not available
Change of benefit terms	13,472	-	(427)	-	-	-	-	-	-	
Differences between expected and actual experience	2,650	(1,214)	360	623	502	560	(380)	(242)	-	
Change of assumption	-	-	(193)	-	-	-	(115)	-	-	
Benefit payments, including refunds of member contributions	(540)	(364)	(324)	(297)	(361)	(260)	(244)	(199)	(124)	
Net change in total pension liability	19,957	1,722	2,473	2,814	2,302	2,277	1,074	1,268	1,410	
Total pension liability - beginning	24,395	22,673	20,200	17,386	15,084	12,807	11,733	10,465	9,055	
Total pension liability - ending	<u>\$44,352</u>	<u>\$24,395</u>	<u>\$22,673</u>	<u>\$20,200</u>	<u>\$17,386</u>	<u>\$15,084</u>	<u>\$12,807</u>	<u>\$11,733</u>	<u>\$10,465</u>	
Plan fiduciary net position										
Contribution-employer	\$ 1,397	\$ 1,334	\$ 1,318	\$ 933	\$ 798	\$ 799	\$ 681	\$ 835	\$ 870	
Contributions-member	988	740	585	543	430	619	416	415	580	
Net investment income/(loss)	(4,728)	5,161	611	1,247	1,042	1,196	191	368	978	
Benefit payments, including refund of member contributions	(540)	(364)	(324)	(297)	(362)	(260)	(244)	(199)	(124)	
Administrative expense	(19)	(16)	(15)	(12)	(9)	(8)	(7)	(7)	(7)	
Other	11,183	-	-	-	-	-	-	-	-	
Net change in plan fiduciary net position	8,281	6,855	2,175	2,414	1,899	2,346	1,037	1,412	2,297	
Plan fiduciary net position - beginning	25,831	18,976	16,801	14,387	12,488	10,142	9,105	7,693	5,396	
Plan fiduciary net position - ending	<u>34,112</u>	<u>25,831</u>	<u>18,976</u>	<u>16,801</u>	<u>14,387</u>	<u>12,488</u>	<u>10,142</u>	<u>9,105</u>	<u>7,693</u>	
Net pension liability - ending	<u>\$10,240</u>	<u>\$ (1,436)</u>	<u>\$ 3,697</u>	<u>\$ 3,399</u>	<u>\$ 2,999</u>	<u>\$ 2,596</u>	<u>\$ 2,665</u>	<u>\$ 2,628</u>	<u>\$ 2,772</u>	
Plan fiduciary net position as a percentage of the total pension liability	76.91%	105.89%	83.69%	83.17%	82.75%	82.79%	79.19%	77.60%	73.51%	
Covered payroll	\$12,940	\$ 7,568	\$ 7,274	\$ 6,236	\$ 5,535	\$ 5,586	\$ 4,974	\$ 5,552	\$ 5,295	
Net pension liability as a percentage of covered payroll	79.13%	-18.97%	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	9	9	10	10	10	10	

Notes to Schedule:

Benefit changes: The active Electing Corrections Officers were transferred into this plan from the Pension Plan. Law Officers were granted Eligibility service for Corrections Officer service.

Changes of Assumptions: For Law Officers a 2.5% load was added to the Active Liability and a -1% load was applied to normal cost to recognize the impact of prior Corrections Officer service.

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

RSI-5

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 1,157	\$ 1,179	\$ 842	\$ 704	\$ 694	\$ 645	\$ 683	\$ 686	\$ 558	\$ 505
Contributions in relation to the actuarially determined contribution	<u>1,397</u>	<u>1,334</u>	<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>
Contribution deficiency	<u>\$ (240)</u>	<u>\$ (155)</u>	<u>\$ (476)</u>	<u>\$ (229)</u>	<u>\$ (104)</u>	<u>\$ (154)</u>	<u>\$ 2</u>	<u>\$ (149)</u>	<u>\$ (312)</u>	<u>\$ (282)</u>
Covered payroll	\$ 12,940	\$ 7,568	\$ 7,274	\$ 6,236	\$ 5,535	\$ 5,586	\$ 4,974	\$ 5,552	\$ 5,295	\$ 5,295
Contributions as a percentage of covered payroll	10.80%	17.63%	18.12%	14.96%	14.42%	14.30%	13.69%	15.04%	16.43%	14.86%

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	Remaining Amortization periods range from 9 to 20 years.
Asset valuation method	5-year smoothed market
Inflation	2.5 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	Pub-2010 General Employees Mortality with generational projection using scale MP2019

Changes of Assumptions: For Law Officers a 2.5% load was added to the Active Liability and a -1% load was applied to normal cost to recognize the impact of prior Corrections Officer service.

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

RSI-6

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual money-weighted rate of return, net of investment expense	-17.26%	26.16%	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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability									
Service cost	\$ 197	\$ 188	\$ 162	\$ 154	\$ 155	\$ 147	\$ 151	\$ 146	
Interest	893	810	778	720	685	681	672	661	Information for FY14 and earlier is not available
Change of benefit terms	199	507	431	489	439	-	-	-	
Difference between actual and expected	-	388	-	284	-	(44)	-	-	
Changes of assumptions	-	289	-	-	-	-	-	-	
Benefit payments, including									
refunds of member contributions	(1,060)	(1,016)	(910)	(816)	(777)	(701)	(687)	(988)	
Net change in total pension liability	<u>229</u>	<u>1,166</u>	<u>461</u>	<u>831</u>	<u>502</u>	<u>83</u>	<u>136</u>	<u>(181)</u>	
Total pension liability - beginning	<u>12,765</u>	<u>11,599</u>	<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>\$ 12,994</u>	<u>\$ 12,765</u>	<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	\$ 1,585	\$ 398	\$ 398	\$ 1,282	\$ 166	\$ 100	\$ 50	\$ 250	
Net investment income/(loss)	(1,523)	2,650	184	748	661	766	484	874	
Benefit payments, including refund of									
member contributions	(1,060)	(1,016)	(910)	(816)	(777)	(700)	(687)	(988)	
Administrative expense	(38)	(23)	(34)	(21)	(15)	(9)	(6)	(20)	
Net change in plan fiduciary net position	<u>(1,036)</u>	<u>2,009</u>	<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>11,337</u>	<u>9,328</u>	<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>10,301</u>	<u>11,337</u>	<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>\$ 2,693</u>	<u>\$ 1,428</u>	<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	79.28%	88.81%	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	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	N/A	N/A	
Expected average remaining service years of all participants	8	8	8	8	8	8	8	8	
Notes to Schedule:									
Benefit Changes	Yes*	Yes*	Yes*	Yes*	Yes*	None	None	None	
Changes of Assumptions	None	None	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
* For FY 2021 the base monthly benefit for recipients changed from \$155 to \$165
* For FY 2022 the base monthly benefit for recipients changed from \$165 to \$175

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 661	\$ 736	\$ 736	\$ 674	\$ 674	\$ 276	\$ 276	\$ 436	\$ 436	\$ 436
Contributions in relation to the actuarially determined contribution	<u>1,585</u>	<u>398</u>	<u>398</u>	<u>1,282</u>	<u>166</u>	<u>100</u>	<u>50</u>	<u>250</u>	<u>250</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ (924)</u>	<u>\$ 338</u>	<u>\$ 338</u>	<u>\$ (608)</u>	<u>\$ 508</u>	<u>\$ 176</u>	<u>\$ 226</u>	<u>\$ 186</u>	<u>\$ 186</u>	<u>\$ 436</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 (open) and 6 years on 2017 plan changes base
Asset valuation method	Market Value
Inflation	2.5%
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	Pub-2010 Safety Employees/Retirees/Survivors Headcount-Weighted Mortality, blended 75% male with generational projection using Scale MP2020

Changes of Assumptions: There were no changes for FY2022

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	-12.39%	28.70%	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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportionate share (%) of collective net pension liability	0.0017184%	0.0014889%	0.1443800%	0.1485200%	0.0012984%	0.0011831%	0.0009711%	0.0000795%	
County's proportionate share (\$) of collective net pension liability	\$ 257,797	\$ 336,503	\$ 297,788	\$ 311,617	\$ 280,764	\$ 279,129	\$ 201,819	\$ 141,030	Information for FY14 and earlier is not available
County's covered payroll (\$)	187,835	182,834	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	137.25%	184.05%	182.47%	195.29%	194.21%	198.38%	153.12%	N/A	
Plan fiduciary net position as a percentage of the total pension liability	81.84%	70.72%	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%	

Schedule of Pension Plan Contributions

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 37,865	\$ 31,922	\$ 29,648	\$ 29,616	\$ 26,427	\$ 23,047	\$ 20,469	\$ 18,519	
Contributions in relation to the contractually required contribution	37,865	31,922	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>	<u>\$ -</u>	<u>\$ -</u>	
Covered payroll contributions (fiscal year)	\$ 31,501	\$ 187,835	\$ 182,834	\$ 163,201	\$ 159,568	\$ 144,568	\$ 140,701	\$ 131,805	
Contributions as a percentage of covered payroll	120.20%	16.99%	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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportionate share (%) of collective net pension liability	0.0013840%	0.0012857%	0.0012450%	0.0011765%	0.0010685%	0.0010065%	0.0012214%	0.0011016%	
County's proportionate share (\$) of collective net pension liability	\$ 207,627	\$ 290,579	\$ 256,788	\$ 246,840	\$ 231,050	\$ 237,464	\$ 253,830	\$ 195,496	Information for FY14 and earlier is not available
County's covered payroll (\$)	297,815	297,815	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	69.72%	97.57%	88.81%	91.64%	88.36%	105.28%	97.26%	N/A	
Plan fiduciary net position as a percentage of the total pension liability	81.84%	70.72%	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%	

Schedule of Pension Plan Contributions

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 30,496	\$ 27,566	\$ 25,566	\$ 23,459	\$ 21,748	\$ 19,607	\$ 25,744	\$ 25,671	
Contributions in relation to the contractually required contribution	30,496	27,566	25,566	23,459	21,748	19,607	25,744	25,671	Information for FY14 and earlier is not available
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Covered payroll contributions (fiscal year)	\$ 331,795	\$ 297,815	\$ 297,815	\$ 289,143	\$ 269,351	\$ 261,489	\$ 225,564	\$ 260,994	
Contributions as a percentage of covered payroll	9.19%	9.26%	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

	2022	2021	2020	2019	2018	2017	2016
Total OPEB liability							
Service cost	\$ 3,217,271	\$ 4,517,387	\$ 4,606,256	\$ 4,219,566	\$ 4,041,730	\$ 3,871,389	Information for FY16 and earlier is not available
Interest	11,880,023	16,212,695	16,048,360	14,727,964	13,782,166	12,894,546	
Experience losses/gains	(1,945,867)	(62,949,455)	(3,218,840)	(2,708,749)	-	-	
Changes in assumptions	5,897,841	(13,577,389)	(9,123,905)	7,920,465	-	-	
Benefit payments including refunds of member contributions	(6,308,429)	(5,888,660)	(6,039,792)	(4,553,096)	(4,071,895)	(4,099,405)	
Net change in total OPEB liability	<u>12,740,839</u>	<u>(61,685,422)</u>	<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>172,868,835</u>	<u>234,554,257</u>	<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>\$ 185,609,674</u>	<u>\$ 172,868,835</u>	<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	\$ 12,309,840	\$ 12,461,510	\$ 12,493,310	\$ 11,430,300	\$ 10,550,000	\$ 10,103,580	
Net investment income/(loss)	(17,291,770)	32,303,466	2,691,365	7,862,600	7,107,417	7,460,623	
Benefit payments	(6,308,429)	(5,888,660)	(6,039,792)	(4,553,096)	(4,071,895)	(4,099,405)	
Administrative expense	(2,700)	(2,590)	(2,510)	(2,440)	(2,370)	-	
Net change in plan fiduciary net position	<u>(11,293,059)</u>	<u>38,873,726</u>	<u>9,142,373</u>	<u>14,737,364</u>	<u>13,583,152</u>	<u>13,464,798</u>	
Plan fiduciary net position- beginning	<u>156,334,009</u>	<u>117,460,283</u>	<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>\$ 145,040,950</u>	<u>\$ 156,334,009</u>	<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>\$ 40,568,724</u>	<u>\$ 16,534,826</u>	<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	78.14%	90.44%	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%	0.00%	0.00%	
Expected average remaining service years for all participants	5	6	6	6	6	6	
Notes to Schedule:							
Benefit changes:	None	None	None	None	None	None	
Changes of Assumptions:	None	None	None	None	None	None	
Discount Rate:	6.75%	7%	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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 7,407,000	\$ 11,921,000	\$ 13,196,000	\$ 12,743,000	\$ 11,489,000	\$ 11,353,000	\$ 10,474,000	\$ 10,111,000	\$ 10,457,000	\$ 10,142,000
Contributions in relation to the actuarially determined contribution	<u>12,309,840</u>	<u>12,461,510</u>	<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>
Contribution deficiency (excess)	<u>\$ (4,902,840)</u>	<u>\$ (540,510)</u>	<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>
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

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

Changes of assumptions

The long term medical trend was updated to the most recent table released by the Society of Actuaries
The mortality assumption was updated to the latest SOA public sector experience study rates.

Methods and assumptions used to determine contribution rates:

Valuation Date	7/1/2020
Actuarial cost method	Projected Unit Credit
Amortization method	Level percent of payroll, closed
Remaining amortization period	17 years for FY2022
Asset valuation method	Market value of assets
Investment rate of return	6.75%
Payroll growth rate	3.00%
Inflation	2.50%
Healthcare cost trend rate	The trend for 2022 is 5.1%. The ultimate trend is 4.0%.

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>2022</u>	<u>2021</u>	<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	-10.44%	26.53%	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, 2022

Schedule 1-1

	Budget Amounts		Actual Revenues	Variance with Final Budget
	Original Budget	Final Budget		
RESOURCES (INFLOWS)				
Revenues				
Taxes - Local Property				
Real property	\$ 209,409,120	\$ 209,409,120	\$ 210,352,117	\$ 942,997
Real property - prior years	400,000	400,000	554,668	154,668
Personal property	350,000	350,000	279,519	(70,481)
Railroad and public utilities	8,000,000	8,000,000	9,231,696	1,231,696
Ordinary business corporations	7,144,700	7,144,700	13,724,791	6,580,091
Penalties and interest-delinquent taxes	600,000	600,000	752,685	152,685
Semi-annual service charges	200,000	200,000	45,833	(154,167)
	<u>226,103,820</u>	<u>226,103,820</u>	<u>234,941,309</u>	<u>8,837,489</u>
Deductions				
Discounts allowed on taxes	(880,000)	(880,000)	(925,717)	(45,717)
Homestead tax credit	(10,000)	(10,000)	-	10,000
	<u>(890,000)</u>	<u>(890,000)</u>	<u>(925,717)</u>	<u>(35,717)</u>
Net Taxes - Local Property	<u>225,213,820</u>	<u>225,213,820</u>	<u>234,015,592</u>	<u>8,801,772</u>
Taxes - Local Other				
Income tax	165,000,000	165,000,000	187,740,305	22,740,305
911 service fees	3,400,000	3,400,000	3,840,055	440,055
Recordation tax	13,500,000	13,500,000	21,794,375	8,294,375
Heavy equipment tax	80,000	80,000	116,716	36,716
Admissions and amusement tax	175,000	175,000	329,400	154,400
Total Taxes - Local Other	<u>182,155,000</u>	<u>182,155,000</u>	<u>213,820,851</u>	<u>31,665,851</u>
Licenses and Permits				
Beer, wine and liquor licenses	160,000	160,000	245,685	85,685
Traders	68,000	68,000	132,928	64,928
Animal	45,000	45,000	45,644	644
Buildings	1,331,700	1,331,700	1,629,646	297,946
Mobile home licenses	62,000	62,000	63,995	1,995
Cable Franchise Fee	1,665,000	1,665,000	2,153,835	488,835
Marriage	31,000	31,000	33,440	2,440
Grading	25,000	25,000	30,512	5,512
Inspection Fees	3,000	3,000	13,300	10,300
Kennel Licenses	18,000	18,000	16,570	(1,430)
Total Licenses and Permits	<u>3,408,700</u>	<u>3,408,700</u>	<u>4,365,555</u>	<u>956,855</u>
Intergovernmental Revenues				
Federal thru State Transportation	-	-	(82,176)	(82,176)
State Aid-Fire Companies	388,600	388,600	384,518	(4,082)
Parks and Recreation Facilities	-	-	110,064	110,064
Security Interest Filing Fee	-	-	400	400
Police Aid-Regular	900,000	900,000	953,710	53,710
Grand & Petit Jury Reimburse	20,000	20,000	47,405	27,405
Circuit Court Master Reimburse	190,000	190,000	199,473	9,473
Westminster	22,000	22,000	24,801	2,801
Total Intergovernmental Revenues	<u>1,520,600</u>	<u>1,520,600</u>	<u>1,638,195</u>	<u>117,595</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, 2022

Schedule 1-1

	Budget Amounts		Actual Revenues	Variance with Final Budget
	Original Budget	Final Budget		
Charges for Services				
General Government				
Lien certificates	\$ 190,000	\$ 190,000	\$ 225,347	\$ 35,347
Data processing	2,200	2,200	2,551	351
Hearing fees-zoning appeals	15,000	15,000	25,800	10,800
Copy fees and code books	10,000	10,000	13,335	3,335
Health dept-telephone and janitorial	44,000	44,000	52,597	8,597
Returned Check Fees	-	-	3,922	3,922
Hearing fees - zoning administration	11,000	11,000	(600)	(11,600)
Total Serv Chrg - General Government	272,200	272,200	322,952	50,752
Public Safety				
Sheriff's services - salary recovery	33,710	33,710	(13,984)	(47,694)
Sheriff's services - fees	107,620	107,620	52,930	(54,690)
Sheriff's services - detention center	185,140	185,140	64,666	(120,474)
Inspection fees - roads	50,000	50,000	8,493	(41,507)
Inspections fees - development review	6,000	6,000	50,700	44,700
Detention center - commissary	31,600	31,600	77,464	45,864
Detention center - work release	23,075	23,075	9,723	(13,352)
Sheriff - Citations	8,000	8,000	18,400	10,400
Fire Protection Plan Review Fee	72,000	72,000	25,189	(46,811)
Sheriff - home detention	14,650	14,650	9,734	(4,916)
Juvenile transport	11,700	11,700	307	(11,393)
Sheriff's Sex Offender Fees	17,000	17,000	73,000	56,000
Sheriff - Training Academy	60,000	60,000	36,000	(24,000)
Total Serv Chrg - Public Safety	620,495	620,495	412,622	(207,873)
Public Works				
Road maintenance	59,000	59,000	55,320	(3,680)
Fuel reimbursements	365,000	365,000	674,897	309,897
Vehicle maintenance	275,000	275,000	343,991	68,991
Courthouse Annex-Rent/Heat	12,995	12,995	10,249	(2,746)
Development review fees	492,000	492,000	433,184	(58,816)
Total Serv Chrg - Public Works	1,203,995	1,203,995	1,517,641	313,646
Conservation of Natural Resources				
Stormwater/environment review fee	66,000	66,000	141,003	75,003
Engineering Review Fees	45,000	45,000	61,782	16,782
Flood plain review fees	2,000	2,000	2,700	700
Forest conservation review fee	12,000	12,000	40,292	28,292
Weed control spraying	71,580	71,580	55,308	(16,272)
Total Serv Chrg - Conservation of Natural Resources	196,580	196,580	301,085	104,505
Human Services				
Westminster Sr. Ctr. Classes	-	-	10,234	10,234
North Carroll Sr. Ctr. Classes	-	-	14,470	14,470
South Carroll Sr. Ctr. Classes	-	-	27,509	27,509
Taneytown Sr. Ctr. Classes	-	-	4,440	4,440
Mt. Airy Sr. Ctr. Classes	-	-	11,238	11,238
Total Serv Chrg - Human Services	-	-	67,891	67,891

(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, 2022

Schedule 1-1

	Budget Amounts		Actual Revenues	Variance with Final Budget
	Original Budget	Final Budget		
Culture and Recreation				
Farm museum	\$ 113,800	\$ 113,800	\$ 141,697	\$ 27,897
Piney Run Park	369,500	369,500	359,989	(9,511)
Bear Branch Programs	9,000	9,000	34,328	25,328
Hashawha environmental center	132,500	132,500	52,814	(79,686)
General public & school/youth programs	30,020	30,020	140	(29,880)
Outdoor school meals/concessions	86,500	86,500	93,685	7,185
Sports complex	63,600	63,600	58,670	(4,930)
Pavilion & facility rentals	65,600	65,600	97,848	32,248
Wine Festival	-	-	256,749	256,749
Dog Park memberships	11,500	11,500	14,420	2,920
Total Culture and Recreation	<u>882,020</u>	<u>882,020</u>	<u>1,110,340</u>	<u>228,320</u>
Total Charges for Services	<u>3,175,290</u>	<u>3,175,290</u>	<u>3,732,531</u>	<u>557,241</u>
Fines and Forfeits				
Circuit Court Fines	25,000	25,000	20,627	(4,373)
Liquor license fines	7,200	7,200	10,500	3,300
HS Fines/Violations	8,000	8,000	9,850	1,850
Civil Zoning Violation	-	-	1,000	1,000
Humane society impoundment fees	19,500	19,500	22,560	3,060
Building Code Inspection Violation	-	-	30,925	30,925
Parking violations-sheriff	-	-	280	280
Total Fines and Forfeits	<u>59,700</u>	<u>59,700</u>	<u>95,742</u>	<u>36,042</u>
Interest and gain (loss) on investments	759,340	759,340	(826,546)	(1,585,886)
Miscellaneous Revenues				
Rents and concessions	388,000	388,000	6,164,860	5,776,860
Utilities	-	-	50,696	50,696
Equipment sales	160,000	160,000	230,579	70,579
Land Sales	1,000,000	1,000,000	494,205	(505,795)
Postage	26,000	26,000	21,315	(4,685)
Soil conservation surplus	-	-	67,714	67,714
Aging Bus Cost Recovery	12,000	12,000	14,183	2,183
Pension Recovery	295,000	295,000	321,942	26,942
Health department	5,000	5,000	2,063	(2,937)
OPEB Recovery	420,000	420,000	349,554	(70,446)
State Retire Recovery	4,000	4,000	7,390	3,390
Sheriff Academy Recovery	22,000	22,000	35,468	13,468
Grant Indirect Cost Recovery	-	-	1,622,112	1,622,112
Fleet Cost Recovery	-	-	70,393	70,393
Facilities Cost Recovery	-	-	21,295	21,295
Admin Cost Recovery	-	-	7,792	7,792
Tuition Cost Recovery	-	-	4,584	4,584
Jury Duty	-	-	108	108
Procurement Card Rebates	60,000	60,000	47,213	(12,787)
Baltimore Gas & Electric Rebates	-	-	6,825	6,825
Recovery Supp Svc Program	-	-	819	819
Advertising	7,000	7,000	9,950	2,950
Miscellaneous	225,000	225,000	88,583	(136,417)
Total Miscellaneous Revenues	<u>2,624,000</u>	<u>2,624,000</u>	<u>9,639,643</u>	<u>7,015,643</u>
Total Revenues	<u>418,916,450</u>	<u>418,916,450</u>	<u>466,481,563</u>	<u>47,565,113</u>
Other financing resources				
Appropriated fund balance (Intrafund)	44,894,157	44,894,157	-	(44,894,157)
Transfers In (Interfund)	10,373,720	10,373,720	10,318,385	(55,335)
Lease Financing	-	-	3,465,294	3,465,294
Total Other Financing Resources	<u>55,267,877</u>	<u>55,267,877</u>	<u>13,783,679</u>	<u>(41,484,198)</u>
Total Resources (Inflows)	<u>\$ 474,184,327</u>	<u>\$ 474,184,327</u>	<u>\$ 480,265,242</u>	<u>\$ 6,080,915</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, 2022

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	\$ 910,350	\$ 1,164,855	\$ 1,040,673	\$ 124,182
Audio/Video Production	180,100	273,984	271,359	2,625
Total County Commissioners	1,090,450	1,438,839	1,312,032	126,807
Carroll County Board of Elections	1,763,500	1,765,399	1,344,673	420,726
County Attorney	625,350	787,036	676,052	110,984
Comptroller				
Comptroller Administration	341,730	397,347	345,379	51,968
Accounting	1,144,260	1,527,717	1,355,670	172,047
Purchasing	378,600	494,843	410,967	83,876
Independent Post - Auditing	58,500	58,500	41,355	17,145
Bond Issuance Expense	271,330	271,330	149,677	121,653
Collections Office	1,202,460	1,412,042	1,312,356	99,686
Total Comptroller	3,396,880	4,161,779	3,615,404	546,375
Human Resources				
Human Resources Administration	1,046,370	1,360,951	1,175,943	185,008
Fringe Benefits	29,357,050	990,674	885,878	104,796
Personnel Services	154,550	203,502	117,661	85,841
Total Human Resources	30,557,970	2,555,127	2,179,482	375,645
Management and Budget				
Management and Budget Admin.	249,830	607,104	596,922	10,182
Risk Management	2,409,400	1,945,506	1,812,405	133,101
Budget	609,320	792,409	724,962	67,447
Grant Management	155,210	219,251	217,404	1,847
Total Management and Budget	3,423,760	3,564,270	3,351,693	212,577
Land Use, Planning & Development				
Land Use, Planning & Dev. Admin.	697,280	948,200	934,737	13,463
Comprehensive Planning	831,390	1,086,785	1,034,846	51,939
Development Review	469,720	680,620	675,116	5,504
Resources Management	806,850	1,284,934	1,262,566	22,368
Zoning Administrator	239,000	370,133	369,388	745
Total Land Use, Planning & Development	3,044,240	4,370,672	4,276,653	94,019
General Services				
Permits & Inspections	1,441,130	2,100,784	2,055,224	45,560
Building Construction	329,350	418,578	394,665	23,913
Facilities Administration	7,196,280	9,030,125	8,015,058	1,015,067
Facilities	5,303,680	5,673,243	1,672,678	4,000,565
Fleet Management	7,885,910	3,408,855	3,012,691	396,164
Total General Services	22,156,350	20,631,585	15,150,316	5,481,269
Technology Services				
Technology Services	5,105,770	5,734,261	5,518,217	216,044
Production/Distribution Service	416,430	477,314	395,755	81,559
Total Technology Services	5,522,200	6,211,575	5,913,972	297,603

(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, 2022

Schedule 1-1

	Budget Amounts		Actual Expenditures	Variance with Final Budget
	Original Budget	Final Budget		
Miscellaneous				
Board of License Commissioners	\$ 88,110	\$ 102,697	\$ 88,160	\$ 14,537
Administrative Hearings	87,090	118,215	112,538	5,677
Property tax payments to municipalities	15,530	15,530	15,526	4
Permits and fee payments to municipalities	15,000	15,000	26,518	(11,518)
Liquor license payments to municipalities	25,000	25,000	30,718	(5,718)
Town programs	2,760,610	2,760,610	2,760,605	5
Total Miscellaneous	<u>2,991,340</u>	<u>3,037,052</u>	<u>3,034,065</u>	<u>2,987</u>
Total General Government	74,572,040	48,523,334	40,854,342	7,668,992
Public Safety				
Police Protection				
Detention Center	9,117,240	11,865,234	11,879,222	(13,988)
Sheriff Services Administration	3,440,320	4,610,792	4,387,045	223,747
Sheriff Services	13,128,070	20,452,799	22,612,301	(2,159,502)
Sheriff Training Academy	71,710	71,710	62,595	9,115
Total Police Protection	<u>25,757,340</u>	<u>37,000,535</u>	<u>38,941,163</u>	<u>(1,940,628)</u>
Fire Department				
Fire & EMS Administration	3,877,130	2,346,384	520,330	1,826,054
Volunteer Emergency Services Assoc.	7,387,360	10,931,311	10,813,845	117,466
EMS 24/7 Services	4,796,900	4,796,900	4,796,900	-
Total Fire Department	<u>16,061,390</u>	<u>18,074,595</u>	<u>16,131,075</u>	<u>1,943,520</u>
Emergency Services				
Emergency Service Operations	3,133,190	3,046,943	2,762,968	283,975
911 - Emergency Service	3,215,740	4,304,662	3,907,452	397,210
Total Emergency Services	<u>6,348,930</u>	<u>7,351,605</u>	<u>6,670,420</u>	<u>681,185</u>
Other Protection				
Animal Control	964,100	1,302,518	1,302,518	-
CC Advocacy & Investigation	20,370	20,826	19,500	1,326
LOSAP Funding	1,585,000	52,500	-	52,500
State aid-fire protection	395,620	395,620	384,516	11,104
Total Other Protection	<u>2,965,090</u>	<u>1,771,464</u>	<u>1,706,534</u>	<u>64,930</u>
Total Public Safety	51,132,750	64,198,199	63,449,192	749,007
Public Works				
Public Works-Administration	603,440	1,301,085	1,300,631	454
Transportation	33,220	50,101	50,061	40
Veterans Transit Services	133,780	133,780	61,639	72,141
Roads Operations	7,569,090	12,214,868	10,690,509	1,524,359
Traffic Control	350,320	350,320	304,518	45,802
Engineering-Design	334,410	491,328	486,402	4,926
Engineering-Construction Inspection	408,720	586,754	553,148	33,606
Storm Emergencies	2,201,160	2,201,160	1,318,446	882,714
Engineering	527,140	644,641	633,487	11,154
Engineering-Survey	250,850	354,834	243,624	111,210
Road Grant - Local	35,390	35,390	35,386	4
Total Public Works	<u>12,447,520</u>	<u>18,364,261</u>	<u>15,677,851</u>	<u>2,686,410</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, 2022

Schedule 1-1

	Budget Amounts		Actual Expenditures	Variance with Final Budget
	Original Budget	Final Budget		
Health				
Health Department	\$ 3,709,780	\$ 3,709,780	\$ 3,709,780	\$ -
Family and Children's Services-DV Change, Inc.	403,830	403,830	403,830	-
CCARC	270,850	270,850	270,850	-
Flying Colors of Success	276,220	276,220	276,220	-
Target, Inc.	48,970	48,970	48,970	-
Rape Crisis	276,220	276,220	276,220	-
Total Health	<u>5,162,930</u>	<u>5,162,930</u>	<u>5,162,930</u>	<u>-</u>
Human Services				
Social Services-Local Funds	20,000	20,000	20,000	-
Human Services	1,241,660	1,241,660	1,241,660	-
Not In Carroll	300,000	300,000	300,002	(2)
Citizen Services Administration	339,870	563,135	555,813	7,322
Youth Services Bureau	1,166,800	1,166,800	1,166,800	-
Recovery Support Services	115,280	115,280	63,315	51,965
Aging and Disabilities	1,272,370	1,838,849	1,769,794	69,055
Access Carroll	20,000	20,000	20,000	-
Mosaic Community Services	111,960	111,960	111,960	-
Total Human Services	<u>4,587,940</u>	<u>5,377,684</u>	<u>5,249,344</u>	<u>128,340</u>
Education				
CC Board of Education	205,617,860	205,617,860	207,407,073	(1,789,213)
Cable Regulatory Commission	172,830	172,830	172,830	-
Community Media Center	650,000	650,000	650,000	-
Community College - Direct Support	10,698,750	10,698,750	10,698,751	(1)
Community College - In-Kind Support	-	-	5,123,575	(5,123,575)
Community College - Adult Basic Education	284,040	284,040	284,040	-
Community College - Entrepreneurship	113,300	113,300	113,300	-
Total Education	<u>217,536,780</u>	<u>217,536,780</u>	<u>224,449,569</u>	<u>(6,912,789)</u>
Library	9,843,810	14,223,655	16,411,295	(2,187,640)
Culture and Recreation				
Recreation & Parks-Administration	461,410	639,530	639,181	349
Recreation	440,720	589,282	573,129	16,153
Piney Run	690,550	855,168	727,808	127,360
Hashawha	833,530	1,099,364	948,076	151,288
Farm Museum	953,720	1,142,055	1,001,777	140,278
Sports Complex	211,270	276,476	228,907	47,569
Historical Society	80,000	80,000	80,000	-
Homestead Museum	20,000	20,000	20,000	-
Total Culture and Recreation	<u>3,691,200</u>	<u>4,701,875</u>	<u>4,218,878</u>	<u>482,997</u>
Conservation of Natural Resources				
Agriculture Extension Service	515,080	515,080	502,742	12,338
Weed Control	73,580	118,680	118,587	93
Gypsy Moth Control	30,000	22,800	8,891	13,909
Soil Conservation Service	404,600	598,588	597,615	973
Total Conservation of Natural Resources	<u>1,023,260</u>	<u>1,255,148</u>	<u>1,227,835</u>	<u>27,313</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, 2022

Schedule 1-1

	Budget Amounts		Actual Expenditures	Variance with Final Budget
	Original Budget	Final Budget		
Economic Development				
Economic Development-Administration	\$ 878,060	\$ 1,068,565	\$ 991,441	\$ 77,124
Econ Devl-Industrial Grants	850,000	850,000	(30,719)	880,719
Business & Employment Resource Center	192,410	325,459	312,186	13,273
Tourism	376,610	396,325	354,685	41,640
Total Economic Development	<u>2,297,080</u>	<u>2,640,349</u>	<u>1,627,593</u>	<u>1,012,756</u>
Judicial				
Volunteer Community Services	194,510	307,138	304,918	2,220
Circuit Court	2,337,880	2,929,624	2,927,667	1,957
Circuit Court Masters	407,440	594,188	593,875	313
State's Attorney	4,188,870	5,590,357	5,125,724	464,633
Orphans Court	61,540	61,540	58,032	3,508
Total Judicial	<u>7,190,240</u>	<u>9,482,847</u>	<u>9,010,216</u>	<u>472,631</u>
Reserve for Contingencies	4,819,640	3,578,528	-	3,578,528
Debt Service				
Debt service-County	20,882,660	20,882,660	20,600,397	282,263
Debt service-Board of Education	9,963,700	9,963,700	9,489,559	474,141
Total Debt Service	<u>30,846,360</u>	<u>30,846,360</u>	<u>30,089,956</u>	<u>756,404</u>
Total Expenditures	<u>425,151,550</u>	<u>425,891,950</u>	<u>417,429,001</u>	<u>8,462,949</u>
Other Financing Uses				
Transfers Out:				
Transfer to Capital Fund	13,458,687	13,458,687	13,458,687	-
Transfer to Special Revenue Funds - Grants	913,970	173,570	173,570	-
Transfer to Enterprise Funds	34,660,120	34,660,120	34,676,120	(16,000)
Total Other Financing Uses	<u>49,032,777</u>	<u>48,292,377</u>	<u>48,308,377</u>	<u>(16,000)</u>
Total charges to appropriations (outflows)	474,184,327	474,184,327	465,737,378	8,446,949
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	14,527,864	<u>\$ 14,527,864</u>
Fund Balance - beginning			181,132,928	
Fund Balance - ending			<u>\$ 195,660,792</u>	

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022

Schedule 2-1

	Hotel Rental Tax Fund	Watershed Protection and Restoration Fund	Total
Assets			
Equity in pooled cash and investments	\$ 466,665	\$ 126,649	\$ 593,314
Accounts receivable	31,771	-	31,771
Total assets	\$ 498,436	\$ 126,649	\$ 625,085
Liabilities and fund balances			
Liabilities			
Accounts payable	\$ -	\$ 21,230	\$ 21,230
Due to other governmental funds	18,000	-	18,000
Accrued expenditures	-	21,190	21,190
Total liabilities	18,000	42,420	60,420
Fund Balances			
Restricted	480,436	-	480,436
Committed	-	84,229	84,229
Total Fund Balances	480,436	84,229	564,665
Total liabilities and fund balances	\$ 498,436	\$ 126,649	\$ 625,085

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, 2022

Schedule 2-2

	Hotel Rental Tax Fund	Watershed Protection and Restoration Fund	Total
Revenues			
Taxes:			
Local property	\$ -	\$ 2,667,545	\$ 2,667,545
Hotel rental tax	332,138	-	332,138
Intergovernmental revenues	-	138,599	138,599
Interest and gain/(loss) on investments	(1,110)	3,193	2,083
Miscellaneous	-	10	10
Total revenues	<u>331,028</u>	<u>2,809,347</u>	<u>3,140,375</u>
Expenditures			
Current:			
Conservation of natural resources	-	1,291,712	1,291,712
Debt service:			
Principal	-	1,113,627	1,113,627
Interest	-	634,585	634,585
Total expenditures	<u>-</u>	<u>3,039,924</u>	<u>3,039,924</u>
Other Financing Sources (Uses)			
Transfers out	<u>(354,685)</u>	<u>(252,490)</u>	<u>(607,175)</u>
Total Other Financing Sources (Uses)	<u>(354,685)</u>	<u>(252,490)</u>	<u>(607,175)</u>
Net change in fund balances	<u>(23,657)</u>	<u>(483,067)</u>	<u>(506,724)</u>
Fund balances - beginning	<u>504,093</u>	<u>567,296</u>	<u>1,071,389</u>
Fund balances - ending	<u>\$ 480,436</u>	<u>\$ 84,229</u>	<u>\$ 564,665</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, 2022

Schedule 2-3

	Budgeted Amounts		Actuals	Variance with Final Budget
	Original	Final		
RESOURCES (INFLOWS)				
Revenues				
Hotel Rental Tax	\$ 410,020	\$ 410,020	\$ 332,138	\$ (77,882)
Interest and gain/(loss) on investments	-	-	(1,110)	(1,110)
Total revenues	<u>410,020</u>	<u>410,020</u>	<u>331,028</u>	<u>(78,992)</u>
Total Resources (Inflows)	<u>410,020</u>	<u>410,020</u>	<u>331,028</u>	<u>(78,992)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Other financing uses				
Transfers out	(410,020)	(410,020)	(354,685)	55,335
Total other financing uses	<u>(410,020)</u>	<u>(410,020)</u>	<u>(354,685)</u>	<u>55,335</u>
Total charges to appropriations (outflows)	<u>(410,020)</u>	<u>(410,020)</u>	<u>(354,685)</u>	<u>55,335</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(23,657)</u>	<u>\$ (23,657)</u>
Fund balance - beginning			504,093	
Fund balance - ending			<u>\$ 480,436</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, 2022

Schedule 2-4

	Budgeted Amounts		Actuals	Variance with Final Budget
	Original	Final		
RESOURCES (INFLOWS)				
Revenues				
Taxes:				
Local Property	\$2,667,545	\$2,667,545	\$2,667,545	\$ -
Intergovernmental revenues:				
Municipalities	117,130	117,130	138,599	21,469
Interest	20,800	20,800	3,193	(17,607)
Miscellaneous	-	-	10	10
Total revenues	<u>2,805,475</u>	<u>2,805,475</u>	<u>2,809,347</u>	<u>3,872</u>
Interfund Transfers In	<u>630,855</u>	<u>630,855</u>	<u>-</u>	<u>(630,855)</u>
Total Resources (Inflows)	<u>3,436,330</u>	<u>3,436,330</u>	<u>2,809,347</u>	<u>(626,983)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Expenditures				
Current:				
Conservation of Natural Resources	1,369,810	1,369,810	1,291,712	(78,098)
Debt service:				
Principal	1,113,630	1,113,630	1,113,627	(3)
Interest	<u>700,400</u>	<u>700,400</u>	<u>634,585</u>	<u>(65,815)</u>
Total expenditures	<u>3,183,840</u>	<u>3,183,840</u>	<u>3,039,924</u>	<u>(143,916)</u>
Other financing uses				
Transfers out	<u>(252,490)</u>	<u>(252,490)</u>	<u>(252,490)</u>	<u>-</u>
Total other financing uses	<u>(252,490)</u>	<u>(252,490)</u>	<u>(252,490)</u>	<u>-</u>
Total charges to appropriations (outflows)	<u>(3,436,330)</u>	<u>(3,436,330)</u>	<u>(3,292,414)</u>	<u>143,916</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(483,067)</u>	<u>\$ (483,067)</u>
Fund balance - beginning			<u>567,296</u>	
Fund balance - ending			<u>\$ 84,229</u>	

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Net Position
Non-Major Enterprise Funds
June 30, 2022

Schedule 3-1

	Septage	Firearms	Total
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ -	\$ 315,734	\$ 315,734
Cash and cash equivalents	-	880	880
Accounts receivables, net	92,435	-	92,435
Total current assets	92,435	316,614	409,049
Noncurrent assets:			
Capital assets:			
Buildings	-	379,811	379,811
Improvements other than buildings	185,278	262,720	447,998
Autos, machinery, equipment	201,984	52,252	254,236
Construction in progress	5,221,888	-	5,221,888
Less accumulated depreciation	(383,569)	(306,791)	(690,360)
Total capital assets (net of accumulated depreciation)	5,225,581	387,992	5,613,573
Total assets	\$ 5,318,016	\$ 704,606	\$ 6,022,622
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 502,508	\$ 243	\$ 502,751
Accrued expenses	-	2,628	2,628
Due to other funds	19,088	-	19,088
Long-term liabilities due within one year:			
Compensated Absences	-	14,857	14,857
Total current liabilities	521,596	17,728	539,324
Total liabilities	521,596	17,728	539,324
NET POSITION			
Net investment in capital assets	5,225,581	387,993	5,613,574
Unrestricted	(429,161)	298,885	(130,276)
Total net position	\$ 4,796,420	\$ 686,878	\$ 5,483,298

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, 2022

Schedule 3-2

	Septage	Firearms	Total
Operating revenues:			
Charges for services	\$ 745,388	\$ 161,899	\$ 907,287
Total operating revenues	745,388	161,899	907,287
Operating expenses:			
Personal services	-	138,028	138,028
Contractual services	193,602	19,109	212,711
Materials and supplies	24,968	33,389	58,357
Rents and utilities	89,057	3,468	92,525
Miscellaneous	145,501	-	145,501
Depreciation	4,029	33,210	37,239
Total operating expenses	457,157	227,204	684,361
Operating income (loss)	288,231	(65,305)	222,926
Nonoperating revenues (expenses):			
Penalties and interest	1,026	(193)	833
Interest and fiscal charges	(220)	-	(220)
Total nonoperating revenues (expenses)	806	(193)	613
Change in net position	289,037	(65,498)	223,539
Total net position- beginning of year	4,507,383	752,376	5,259,759
Total net position- end of year	\$ 4,796,420	\$ 686,878	\$ 5,483,298

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Year Ended June 30, 2022

Schedule 3-3

	Septage	Firearms	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 751,000	\$ 161,899	\$ 912,899
Receipts from other funds	19,088	-	19,088
Payments to suppliers and other funds	(17,982)	(56,005)	(73,987)
Payments to employees	-	(135,613)	(135,613)
Net cash provided (used) by operating activities	<u>752,106</u>	<u>(29,719)</u>	<u>722,387</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(1,574,240)	-	(1,574,240)
Principal paid on capital debt	(13,214)	-	(13,214)
Interest paid on capital debt	(330)	-	(330)
Net cash used by capital and related financing activities	<u>(1,587,784)</u>	<u>-</u>	<u>(1,587,784)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments and cash	1,026	(193)	833
Net cash provided (used) by investing activities	<u>1,026</u>	<u>(193)</u>	<u>833</u>
Net increase (decrease) in cash and cash equivalents	(834,652)	(29,912)	(864,564)
Equity in pooled cash and investments at beginning of year	834,652	346,526	1,181,178
Equity in pooled cash and investments at end of year	<u>\$ -</u>	<u>\$ 316,614</u>	<u>\$ 316,614</u>
Reconciliation of Operating Income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 288,231	\$ (65,305)	\$ 222,926
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	4,029	33,210	37,239
Effect of changes in operating assets and liabilities:			
Due to other funds	19,088	-	19,088
Accounts receivable	5,612	-	5,612
Compensated absences payable	-	1,786	1,786
Accounts payable and accrued expenses	435,146	590	435,736
Total adjustments	<u>463,875</u>	<u>35,586</u>	<u>499,461</u>
Net cash provided (used) by operating activities	<u>\$ 752,106</u>	<u>\$ (29,719)</u>	<u>\$ 722,387</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Net Position
Internal Service Funds
June 30, 2022

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	\$ 19,510,220	\$ 323,772	\$ 775,075	\$ 287,660	\$ 7,546,546	\$ 28,443,273
Receivables, net	12,636	-	22,346	-	-	34,982
Prepaid expenses	271,656	-	-	-	-	271,656
Total current assets	<u>19,794,512</u>	<u>323,772</u>	<u>797,421</u>	<u>287,660</u>	<u>7,546,546</u>	<u>28,749,911</u>
Total assets	<u>\$ 19,794,512</u>	<u>\$ 323,772</u>	<u>\$ 797,421</u>	<u>\$ 287,660</u>	<u>\$ 7,546,546</u>	<u>\$ 28,749,911</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 95,924	\$ -	\$ -	\$ -	\$ 46,576	\$ 142,500
Due to component units	2,339	-	-	-	-	2,339
Long-term liabilities due within one year:						
Unpaid claims	<u>2,854,058</u>	<u>165,330</u>	<u>-</u>	<u>-</u>	<u>829,044</u>	<u>3,848,432</u>
Total long-term due within one year	<u>2,854,058</u>	<u>165,330</u>	<u>-</u>	<u>-</u>	<u>829,044</u>	<u>3,848,432</u>
Total current liabilities	<u>2,952,321</u>	<u>165,330</u>	<u>-</u>	<u>-</u>	<u>875,620</u>	<u>3,993,271</u>
Noncurrent liabilities:						
Unpaid claims	<u>28,829</u>	<u>1,670</u>	<u>-</u>	<u>-</u>	<u>2,625,306</u>	<u>2,655,805</u>
Total noncurrent liabilities	<u>28,829</u>	<u>1,670</u>	<u>-</u>	<u>-</u>	<u>2,625,306</u>	<u>2,655,805</u>
Total liabilities	<u>2,981,150</u>	<u>167,000</u>	<u>-</u>	<u>-</u>	<u>3,500,926</u>	<u>6,649,076</u>
NET POSITION						
Unrestricted	<u>16,813,362</u>	<u>156,772</u>	<u>797,421</u>	<u>287,660</u>	<u>4,045,620</u>	<u>22,100,835</u>
Total net position	<u>\$ 16,813,362</u>	<u>\$ 156,772</u>	<u>\$ 797,421</u>	<u>\$ 287,660</u>	<u>\$ 4,045,620</u>	<u>\$ 22,100,835</u>

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, 2022

Schedule 4-2

Governmental Activities - Internal Service Funds						
	Health Benefits	Risk Management	Auto Damage	Insurance Deductibles	Workers' Compensation	Total
Operating revenues:						
Charges for services	\$ 18,886,076	\$ 5,005	\$ 298,352	\$ -	\$ 1,201,221	\$ 20,390,654
Total operating revenues	18,886,076	5,005	298,352	-	1,201,221	20,390,654
Operating expenses:						
Insurance claims	21,534,162	73,348	68,468	(178,638)	712,459	22,209,799
Total operating expenses	21,534,162	73,348	68,468	(178,638)	712,459	22,209,799
Operating income (loss)	(2,648,086)	(68,343)	229,884	178,638	488,762	(1,819,145)
Nonoperating						
revenues (expenses):						
Penalties and interest	(34,175)	-	-	-	-	(34,175)
Medicare Part D	314,231	-	-	-	-	314,231
Insurance Recovery	1,846,775	-	-	-	-	1,846,775
Federal COBRA subsidy	14,380	-	-	-	-	14,380
Total nonoperating revenues	2,141,211	-	-	-	-	2,141,211
(expenses)	(506,875)	(68,343)	229,884	178,638	488,762	322,066
Change in net position	(506,875)	(68,343)	229,884	178,638	488,762	322,066
Total net position -						
beginning of year	17,320,237	225,115	567,537	109,022	3,556,858	21,778,769
Total net position - end of year	\$ 16,813,362	\$ 156,772	\$ 797,421	\$ 287,660	\$ 4,045,620	\$ 22,100,835

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2022

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	\$ 18,886,077	\$ 5,005	\$ 298,352	\$ 178,249	\$ 1,201,221	\$ 20,568,904
Payments to suppliers	(20,341,390)	(52,513)	(90,814)	-	(841,954)	(21,326,671)
Net cash provided (used) by operating activities	(1,455,313)	(47,508)	207,538	178,249	359,267	(757,767)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Medicare Part D	314,231	-	-	-	-	314,231
Federal COBRA subsidy	14,380	-	-	-	-	14,380
Net cash provided by noncapital financing activities	328,611	-	-	-	-	328,611
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments and cash	(34,175)	-	-	-	-	(34,175)
Insurance recovery	1,846,775	-	-	-	-	1,846,775
Net cash provided by investing activities	1,812,600	-	-	-	-	1,812,600
Net increase (decrease) in equity in pooled cash and investments	685,898	(47,508)	207,538	178,249	359,267	1,383,444
Equity in pooled cash and investments at beginning of year	18,824,322	371,280	567,537	109,411	7,187,279	27,059,829
Equity in pooled cash and investments at end of year	<u>\$ 19,510,220</u>	<u>\$ 323,772</u>	<u>\$ 775,075</u>	<u>\$ 287,660</u>	<u>\$ 7,546,546</u>	<u>\$ 28,443,273</u>
Reconciliation of Operating Income (Loss) to net cash provided (used) by operating activities:						
Operating income (loss)	<u>\$ (2,648,086)</u>	<u>\$ (68,343)</u>	<u>\$ 229,884</u>	<u>\$ 178,638</u>	<u>\$ 488,762</u>	<u>\$ (1,819,145)</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	533,635	-	(22,346)	-	-	511,289
Prepaid expenses	(235,510)	-	-	-	-	(235,510)
Accounts payable and accrued expenses	(327,888)	20,835	-	(389)	33,094	(274,348)
Unearned revenue	255	-	-	-	-	255
Claims liability	1,222,281	-	-	-	(162,589)	1,059,692
Total adjustments	<u>1,192,773</u>	<u>20,835</u>	<u>(22,346)</u>	<u>(389)</u>	<u>(129,495)</u>	<u>1,061,378</u>
Net cash provided (used) by operating activities	<u>\$ (1,455,313)</u>	<u>\$ (47,508)</u>	<u>\$ 207,538</u>	<u>\$ 178,249</u>	<u>\$ 359,267</u>	<u>\$ (757,767)</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Fiduciary Net Position
Trust Funds
June 30, 2022

Schedule 5-1

	Employee Pension Plan	Public Safety Pension Plan	LOSAP	Other Post Employment Benefits	Totals
ASSETS					
Prepaid Expenses	\$ 6,190	\$ 1,920	\$ 580	\$ -	\$ 8,690
Investments, at fair value/net asset value:					
Short-term investments	3,500,429	2,285,311	254,459	-	6,040,199
Bond funds	25,028,392	8,131,225	2,701,329	2,745,648	38,606,594
Equity funds	63,899,068	20,586,695	7,349,534	-	91,835,297
Marketable securities	-	-	-	116,278,918	116,278,918
Real estate funds	17,694,829	3,111,685	-	26,548,848	47,355,362
Total investments	<u>110,122,718</u>	<u>34,114,916</u>	<u>10,305,322</u>	<u>145,573,414</u>	<u>300,116,370</u>
Total assets	<u>110,128,908</u>	<u>34,116,836</u>	<u>10,305,902</u>	<u>145,573,414</u>	<u>300,125,060</u>
LIABILITIES					
Accounts payable	4,872	4,872	4,872	46,436	61,052
Due to primary government	-	-	-	486,028	486,028
Total liabilities	<u>4,872</u>	<u>4,872</u>	<u>4,872</u>	<u>532,464</u>	<u>547,080</u>
FIDUCIARY NET POSITION					
Restricted for:					
Pensions	\$ 110,124,036	\$ 34,111,964	\$ 10,301,030	\$ -	\$ 154,537,030
OPEB	-	-	-	145,040,950	145,040,950
Total fiduciary net position	<u>\$ 110,124,036</u>	<u>\$ 34,111,964</u>	<u>\$ 10,301,030</u>	<u>\$ 145,040,950</u>	<u>\$ 299,577,980</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Combining Statement of Changes in Fiduciary Net Position
Trust Funds
For the Year Ended June 30, 2022

Schedule 5-2

	Employee Pension Plan	Public Safety Pension Pension	LOSAP	Other Post Employment Benefits	Totals
ADDITIONS					
Contributions:					
Employer	\$ 3,025,300	\$ 1,397,020	\$ 1,585,000	\$ 12,309,840	\$ 18,317,160
Plan members	2,015,083	988,883	-	851,368	3,855,334
Reassignment of assets for employees that qualify for new plan	(11,182,812)	11,182,812	-	-	-
Total contributions	<u>(6,142,429)</u>	<u>13,568,715</u>	<u>1,585,000</u>	<u>13,161,208</u>	<u>22,172,494</u>
Investment earnings (loss):					
Interest and dividends	-	-	-	8,845	8,845
Net increase (decrease) in the fair value of investments	(11,890,213)	(4,701,917)	(1,523,373)	(17,289,205)	(35,404,708)
Total investment earnings (loss)	<u>(11,890,213)</u>	<u>(4,701,917)</u>	<u>(1,523,373)</u>	<u>(17,280,360)</u>	<u>(35,395,863)</u>
Less investment expense	(60,507)	(26,280)	(18,192)	(11,410)	(116,389)
Net investment earnings (loss)	<u>(11,950,720)</u>	<u>(4,728,197)</u>	<u>(1,541,565)</u>	<u>(17,291,770)</u>	<u>(35,512,252)</u>
Total additions	<u>(18,093,149)</u>	<u>8,840,518</u>	<u>43,435</u>	<u>(4,130,562)</u>	<u>(13,339,758)</u>
DEDUCTIONS					
Benefits and refunds paid to plan members and beneficiaries	3,531,642	540,354	1,059,818	7,159,797	12,291,611
Administrative expenses	62,317	19,309	18,253	2,700	102,579
Total deductions	<u>3,593,959</u>	<u>559,663</u>	<u>1,078,071</u>	<u>7,162,497</u>	<u>12,394,190</u>
Net increase (decrease) in fiduciary net position	(21,687,108)	8,280,855	(1,034,636)	(11,293,059)	(25,733,948)
Fiduciary net position-beginning	<u>131,811,144</u>	<u>25,831,109</u>	<u>11,335,666</u>	<u>156,334,009</u>	<u>325,311,928</u>
Fiduciary net position-ending	<u>\$ 110,124,036</u>	<u>\$ 34,111,964</u>	<u>\$ 10,301,030</u>	<u>\$ 145,040,950</u>	<u>\$ 299,577,980</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects Fund
For the Year Ended June 30, 2022

Schedule 6

Description	Governmental Activities				
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	Unexpended Appropriation
<u>4021</u> <u>General Government</u>					
8006 IT Sys Comp Replacement 03	\$ 2,920,666	\$ 1,885,800	\$ -	\$ 7,508	\$ 1,027,358
8199 Government Complex	7,000,000	4,021,795	277,274	-	2,700,931
8274 Records Management	461,800	397,850	-	-	63,950
8589 Courthouse Annex Renov	154,574	-	-	-	154,574
8590 Payroll/HR System Rplcmnt	1,000,000	839,911	25,493	34,685	99,911
8727 Charles Carroll Gym/Comm	7,350,000	682,011	1,954,149	4,275,120	438,720
8728 Cty Bldg Acces System	904,983	852,080	(546)	48,681	4,768
8729 Courthouse MDEC Improv	143,000	97,445	-	-	45,555
8778 Generator Replacements	576,000	304,921	19,431	87,768	163,880
8817 Elections Pollbooks/Printers	452,000	1,672	74,158	-	376,170
8849 Election Voting Equipment	605,000	-	-	-	605,000
8924 FRF-Facilities-HVAC	3,515,000	-	-	-	3,515,000
9648 Computer System Improvements	16,564,482	12,800,472	685,254	-	3,078,756
9921 Parking Lot Overlays (Fr 9658)	3,154,435	2,334,254	165,192	-	654,989
9954 Cnty Bldg Systemic Renovations	10,803,601	8,611,815	1,203,733	75,220	912,833
9957 General Government Unallocated	150,091	-	-	-	150,091
Total	<u>55,755,632</u>	<u>32,830,026</u>	<u>4,404,138</u>	<u>4,528,982</u>	<u>13,992,486</u>
Total General Government	<u>55,755,632</u>	<u>32,830,026</u>	<u>4,404,138</u>	<u>4,528,982</u>	<u>13,992,486</u>
<u>4031</u> <u>Public Safety</u>					
8163 CC Public Safety Training Cntr	7,025,000	7,013,685	-	-	11,315
8166 Public Safety TC-Renovations	7,300,000	516,467	62,323	135,901	6,585,309
8518 Humane Scty Parking Stormwater	300,000	825	-	-	299,175
8730 Emergency Services Pagers	294,575	94,473	-	-	200,102
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	2,473,000	1,581,791	868,398	-	22,811
8850 Det Cntr Access Sys Rplc	400,000	-	198,377	198,377	3,246
8855 ENSB-21/082 911 Refresh FY21	2,645,465	1,334,685	11,923	1,298,857	-
8903 911 Board: Chairs FY22	38,813	-	38,813	-	-
9022 Regional Water Supply	1,583,100	1,049,734	3,350	-	530,016
Total	<u>22,869,860</u>	<u>12,193,637</u>	<u>1,183,184</u>	<u>1,633,135</u>	<u>7,859,904</u>
Total Public Safety	<u>22,869,860</u>	<u>12,193,637</u>	<u>1,183,184</u>	<u>1,633,135</u>	<u>7,859,904</u>

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects Fund
For the Year Ended June 30, 2022

Schedule 6

Description	Governmental Activities					
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	Unexpended Appropriation	
4041	Highways & Streets					
8308	Ridenour Way 08	\$ 310,000	\$ -	\$ -	\$ -	\$ 310,000
8318	Market Street Extended	2,491,005	1,208,005	-	-	1,283,000
8321	Ridge Road Improvements	160,600	138,366	-	21,200	1,034
8353	Londontown Blvd Improvements	3,015,000	80	-	-	3,014,920
8438	Windy Hills	81,000	2,100	-	-	78,900
8440	Pavement Management FY13	9,333,358	9,228,685	-	-	104,673
8494	Pooledale	10,500	-	-	-	10,500
8506	Gorsuch Rd Relocation	1,000,000	892,767	99,431	-	7,802
8511	Washington Rd-Sidewalk	143,000	45,180	-	-	97,820
8587	Safe Routes - Johnsville Rd	436,555	46,195	328,506	76,290	(14,436)
8609	Monroe Avenue	32,240	-	-	-	32,240
8626	Ramp and Sidewalk Upgrades	499,000	304,827	-	-	194,173
8629	Transportation/State Projects	934,990	-	-	-	934,990
8751	John Pickett Road	1,156,401	1,124,183	32,218	-	-
8767	Pavement Mgmt Prog FY 19	11,584,003	9,077,272	-	24,900	2,481,831
8813	Pavement Mgmt FY20	12,660,000	8,761,625	879,630	1,978,142	1,040,603
8845	Pavement Mgmt FY21	13,370,999	1,258,760	6,849,446	2,715,358	2,547,435
8846	Pavement Pres FY21	1,150,000	1,059,510	90,490	-	-
8886	Pavement Mgmt FY22	14,509,000	-	185,486	6,500,166	7,823,348
8887	Pavement Preservation FY22	1,180,000	-	95,150	1,058,045	26,805
8888	Brynwood Hills Drainage FY22	650,000	-	-	-	650,000
8889	Gravel Road Improv FY22	4,336,000	-	1,102,580	868,709	2,364,711
9604	Ridge Road Relocation	50,000	3,102	-	-	46,898
9674	Highway Safety Improvements	1,155,338	1,077,108	8,179	11,314	58,737
9847	Small Drainage Structures	3,666,707	2,469,613	22,256	218,717	956,121
	Total	83,915,696	36,697,378	9,693,372	13,472,841	24,052,105
4043	Bridges					
8322	Babylon road over Silver Run	1,230,000	81,102	25,253	-	1,123,645
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	141,126	383,303	34,894	273,677
8384	Shepard Mill/Little Pipe Crk	3,990,400	71,184	2,345	-	3,916,871
8512	Cape Horn Rd	879,600	774,390	(29,378)	58,549	76,039
8588	Stone Chap Rd/Little Pipe Crk	922,000	-	-	-	922,000
8628	Hollingsworth Rd/Unname Tributa	1,065,000	509,503	(17,864)	197,326	376,035
8722	Gaither Rd/S Brnch Patapsc	2,371,850	-	-	-	2,371,850
8891	Hawks Hill Rd/LPC FY22	255,000	-	-	-	255,000
9684	Bridge Inspection & Inventory	669,105	484,433	51,086	23,655	109,931
9686	Clean & Paint Structural Steel	2,267,950	1,021,715	-	-	1,246,235
9882	Bridge Maint/Structural Repair	1,058,100	694,026	-	-	364,074
	Total	18,394,005	3,777,479	414,745	314,424	13,887,357
4044	Storm Drains					
8627	Strom Drain Rehabilitation	2,736,930	392,536	-	-	2,344,394
8769	Strom Drain Video Inspect	859,300	197,773	-	26,960	634,567
	Total	3,596,230	590,309	-	26,960	2,978,961

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects Fund
For the Year Ended June 30, 2022

Schedule 6

		Governmental Activities				
Description	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	Unexpended Appropriation	
4049	<u>General Public Works</u>					
8718	\$ 250,000	\$ 143,936	\$ -	\$ 101,344	\$ 4,720	
9902	266,940	-	-	-	266,940	
	<u>516,940</u>	<u>143,936</u>	<u>-</u>	<u>101,344</u>	<u>271,660</u>	
	Total Public Works	41,209,102	10,108,117	13,915,569	41,190,083	
4021	<u>Human Services</u>					
8927	2,000,000	-	1,316,738	-	683,262	
	Total Human Services	-	1,316,738	-	683,262	
4061	<u>Board of Education</u>					
8292	8,000,000	7,941,794	-	-	58,206	
8348	19,498,660	19,378,462	-	-	120,198	
8581	1,421,031	1,421,031	-	-	-	
8619	34,100,001	6,575,786	18,709,031	-	8,815,184	
8620	1,036,968	988,851	44,191	-	3,926	
8623	980,000	887,222	-	-	92,778	
8710	2,864,500	2,223,820	53,062	-	587,618	
8711	2,045,383	2,019,796	14,230	-	11,357	
8712	1,394,000	551,249	-	-	842,751	
8713	1,064,281	1,063,896	-	-	385	
8721	1,000,000	795,869	7,554	-	196,577	
8761	2,564,338	1,101,002	895,561	-	567,775	
8762	4,702,650	2,060,450	2,531,841	-	110,359	
8763	913,000	868,788	-	-	44,212	
8764	1,113,737	1,015,992	-	-	97,745	
8809	3,175,000	166,242	-	-	3,008,758	
8810	895,900	629,187	-	-	266,713	
8811	155,000	45,488	-	-	109,512	
8812	155,000	54,212	3,375	-	97,413	
8852	35,958,000	1,782,416	14,881,433	-	19,294,151	
8853	802,000	18,040	670,663	-	113,297	
9554	1,504,684	1,504,591	-	-	93	
9745	6,132,376	5,900,935	191,498	-	39,943	
9746	2,212,936	1,367,870	-	-	845,066	
9748	9,387,241	6,560,151	1,373,746	-	1,453,344	
9792	13,042,105	9,975,902	1,127,393	-	1,938,810	
9850	-	767,102	2,274,967	-	(3,042,069)	
9974	169,187	169	-	-	169,018	
	<u>156,287,978</u>	<u>77,666,313</u>	<u>42,778,545</u>	<u>-</u>	<u>35,843,120</u>	
4062	<u>Community College</u>					
8517	5,744,000	1,711,118	88,691	85,927	3,858,264	
9782	8,950,600	8,250,600	433,803	-	266,197	
	<u>14,694,600</u>	<u>9,961,718</u>	<u>522,494</u>	<u>85,927</u>	<u>4,124,461</u>	
	Total Education	87,628,031	43,301,039	85,927	39,967,581	

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects Fund
For the Year Ended June 30, 2022

Schedule 6

Description	Governmental Activities				Unexpended Appropriation
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	
<u>4071</u> <u>Recreation & Parks</u>					
8175 Westminster Veterans Mem Park	\$ 2,922,352	\$ 2,629,048	\$ 186,155	\$ -	\$ 107,149
8232 Park Restoration Fund	2,024,835	1,736,901	103,551	79,995	104,388
8233 Parkland Acq (POS) County	716,770	-	-	-	716,770
8477 Union Mills Restoration	248,900	242,879	990	-	5,031
8632 Union Mills Main House Renovat	710,000	289,488	60,671	72,351	287,490
8701 Deer Park Extension	1,220,439	1,193,293	27,146	-	-
8725 Trail Development	17,410	4,485	-	-	12,925
8773 Double Pipe Creek Boat Ramp	127,020	119,330	69	-	7,621
8776 Union Mills Wheel/Shaft Replc	291,000	-	157,596	-	133,404
8816 Sports Complex Lighting	710,346	582,833	27,560	-	99,953
8847 Gillis Falls Trail	767,000	98,108	42,235	31,274	595,383
8848 Kringgold Park Phase II	400,000	475	226,168	-	173,357
8892 Bark Hill Park Trail FY22	260,000	-	15,107	26,805	218,088
8893 Bear Branch NC Pavilion Replc	160,500	-	-	160,500	-
8894 Deer Park Lighting Replc FY22	288,000	-	268,389	18,026	1,585
8895 Hashawha/BB Paving FY22	552,000	-	305,199	350,458	(103,657)
8896 Leister Park Phase II	191,000	-	-	-	191,000
8897 Piney Run Pavilion Replc FY22	180,000	-	-	-	180,000
8898 Piney Run Pavilion Rd Pav FY22	213,000	-	-	-	213,000
8899 Sports Complx Roof FY22	301,000	-	276,796	-	24,204
9139 Recs & Parks/Local-Unallocated	85,814	-	-	-	85,814
9736 Town Fund	391,307	339,021	4,439	-	47,847
9925 Tot Lot Replacement	1,238,073	737,785	320,907	140,554	38,827
Total	14,016,766	7,973,646	2,022,978	879,963	3,140,179
<u>4072</u> <u>Farm Museum</u>					
8731 Farm Museum Bldg Renov	1,450,000	173,535	4,628	-	1,271,837
8916 Farm Museum Maint Bldg FY22	305,800	-	208,829	82,490	14,481
Total	1,755,800	173,535	213,457	82,490	1,286,318
<u>4076</u> <u>Self-Help Projects</u>					
8877 Deer Park Field Improv SH21	4,500	-	4,500	-	-
8880 Kringgold Solar Scoreboard SH21	11,826	-	11,826	-	-
8881 Winfield Park Benches SH21	4,172	-	2,340	-	1,832
8882 Mayeski Prk PressBox Deck SH21	17,500	-	17,500	-	-
8883 Sandymount Sprng Fld Impr SH21	4,500	-	4,500	-	-
8884 Hmpstd Elem Shed pad/Fnce SH21	10,159	1,570	8,489	-	100
8904 Freedom/Piney Rid Elem GYM SH	20,270	-	-	18,200	2,070
8905 Freedom/Old Lib Rd Park Imp	4,589	-	4,589	-	-
8906 Freedom Area/Freedom Park fiel	4,595	-	4,595	-	-
8907 Freedom/ Freedom Park Dug Outs	24,950	-	24,950	-	-
8908 Freedom/South Carroll Dog Pk	21,116	-	20,406	-	710
8909 NC/Manchester Baseball Field	21,240	-	20,727	-	513
8910 NC/Cape Horn PK Lacrosse Stg B	3,549	-	3,549	-	-
8911 Bennett Cerf PK Batting Cage	1,820	-	1,820	-	-
8912 Kringgold/Mayeski PK Hockey Goa	6,800	-	-	6,800	-
8913 Winfield/Mayeski Park Dugouts	14,298	-	-	3,218	11,080
9735 Community Self Help	7,233	-	-	-	7,233
Total	183,117	1,570	129,791	28,218	23,538
Total Culture and Recreation	15,955,683	8,148,751	2,366,226	990,671	4,450,035

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects Fund
For the Year Ended June 30, 2022

Schedule 6

Description	Governmental Activities				Unexpended Appropriation
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	
<u>4081</u> <u>Library/Senior Centers</u>					
8734 Westminster Library Bsmt	\$ 1,666,000	\$ 600,000	\$ 1,066,000	\$ -	\$ -
9822 Library-Technology Improvements	4,480,900	3,964,321	61,471	-	455,108
Total	<u>6,146,900</u>	<u>4,564,321</u>	<u>1,127,471</u>	<u>-</u>	<u>455,108</u>
Total Library/Senior Centers	6,146,900	4,564,321	1,127,471	-	455,108
<u>4091</u> <u>Conservation & Open Space</u>					
8928 Rural Legacy - FY22	872,854	-	2,500	-	870,354
9002 Land Bank	22,089,803	16,236,535	(430)	-	5,853,698
9007 Ag Land Preservation	180,019,871	168,686,742	3,509,851	-	7,823,278
9701 Infrastructure/Plan Studies	467,167	382,184	16,837	163	67,983
9702 Traffic Impact Studies/Develop	137,692	130,629	-	-	7,063
9851 Rural Legacy-Easement Purchase	26,843,275	26,322,630	308,918	-	211,727
Total	<u>230,430,662</u>	<u>211,758,720</u>	<u>3,837,676</u>	<u>163</u>	<u>14,834,103</u>
<u>4092</u> <u>Water Resources</u>					
8294 Reservoir Development	11,190,566	9,299,507	-	-	1,891,059
8328 Environmental Compliance	1,419,500	381,668	13,168	73,120	951,544
Total	<u>12,610,066</u>	<u>9,681,175</u>	<u>13,168</u>	<u>73,120</u>	<u>2,842,603</u>
<u>4093</u> <u>Watershed Improvements</u>					
8536 7 Langdon Property	3,429,094	3,144,128	25,700	259,266	-
8543 Willow Pond/Eden Farms	3,731,649	3,259,704	10,697	28,304	432,944
8595 Local Watershed Modeling	65,000	62,456	-	2,124	420
8606 6 Whispering Valley	935,567	904,437	31,130	-	-
8607 13 Merridale Gardens	1,419,028	1,291,150	-	-	127,878
8608 1 Roberts Mill Regional Pond	3,507,367	3,505,739	1,628	-	-
8690 Locust Street	748,909	83,055	158,660	507,194	-
8691 Restoration Research Grant	222,486	209,615	-	12,871	-
8739 Tree Planting Fall 2017	162,000	89,740	-	-	72,260
8752 Mayberry Gun Club	2,026,645	598,548	1,398,446	29,651	-
8753 13 Prospect Road E/W Pond	1,280,206	900,367	260,175	-	119,664
8760 Hampstead Regional	13,000	10,088	-	-	2,912
8781 Natural Filters Fund	249,134	153,827	16,095	79,212	-
8782 Greens of Westminster Sec6#2	799,844	792,922	6,922	-	-
8785 Woodsyde Estates	2,668,559	1,380,611	204,415	1,083,533	-
8786 1 Trevanion Terrace	1,296,788	110,463	1,171,076	14,898	351
8820 Stormwater Facility Reno FY20	-	-	-	10,070	(10,070)
8822 Pooledale Forest Bank	186,341	162,326	12,015	12,000	-
8824 Melstone Valley SWM Retrofit	77,642	63,710	13,932	-	-

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects Fund
For the Year Ended June 30, 2022

Schedule 6

Description	Governmental Activities				
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	Unexpended Appropriation
8825 Hydes Quarry	\$ 60,000	\$ 43,677	\$ -	\$ -	\$ 16,323
8826 Piney Run Dam Spillway	500,000	412,875	63,174	21,513	2,438
8841 Brynwood	109,722	82,285	13,728	8,504	5,205
8854 Gillis Falls Tree Planting	209,636	177,845	8,415	16,830	6,546
8866 Hampstead Valley #4	99,880	28,914	5,897	-	65,069
8867 Sun Valley II	47,620	17,616	18,984	-	11,020
8868 NC SWM Facility Retrofit	23,643	21,740	1,698	-	205
8869 Hampstead Valley #1	83,790	17,569	10,473	-	55,748
8871 Roberts Field Restoration FY21	199,791	-	87,174	112,617	-
8901 Natrl Flt Tree Planting FY21	55,550	-	40,723	14,827	-
8914 Stone Manor FY22	309,040	-	117,660	184,955	6,425
8915 Saint Georges Gate FY22	690,200	-	35,474	-	654,726
8917 New Windsor Wetland-NPDES FY22	93,600	-	20,525	73,075	-
8918 Century High School SWM FY22	93,750	-	42,540	51,210	-
8947 Oklahoma Phase 4 - FY22	80,675	-	384	80,291	-
9200 CC Maint Ctr - Iron Conversion	15,088	-	15,088	-	-
9201 Manor Pump St Stream Stabilize	4,928	-	3,064	1,864	-
9202 CC Health Dept SWM Facility	78,900	-	29,026	-	49,874
9920 Watershed Assessment & Improve	8,952,067	-	-	-	8,952,067
Total	34,527,139	17,525,407	3,824,918	2,604,809	10,572,005
<u>4094 Stormwater Renovations</u>					
8716 Stormwater Facility Renov FY21	384,079	-	-	-	384,079
8820 Stormwater Facility Reno FY20	320,000	170,862	-	-	149,138
8870 Carrollyn Manor #7	67,585	67,585	-	-	-
8872 Summers Hollow Renov FY21	910	910	-	-	-
8873 Ralph St Renov FY21	12,564	12,564	-	-	-
8874 Wilmot Renov FY21	5,100	5,100	-	-	-
8875 Stone Manor Renov FY20	-	26,872	(26,872)	-	-
8876 St. Georges Gate Renov FY20	-	31,226	(31,226)	-	-
8885 Clipper Hills Renov FY21	32,777	1,580	31,197	-	-
8902 Underground SWM Maintenance	11,300	-	11,300	-	-
8919 Bark Hill Park Renov FY22	5,110	-	5,110	-	-
8920 Meadow Ridge 1 Renov FY22	48,475	-	21,114	27,361	-
8921 Patapsco Valley Overlook Maint	24,960	-	20,082	4,878	-
8922 NCarroll Library SWM Reno FY22	27,140	-	11,860	15,280	-
8925 CarrollCty Maint Facility FY22	5,000	-	5,000	-	-
Total	945,000	316,699	47,565	47,519	533,217
Total Conservation of Natural Resources	278,512,867	239,282,001	7,723,327	2,725,611	28,781,928
<u>4021 Judicial</u>					
8779 State's Attorney Building	17,000,000	989,722	29,347	354,926	15,626,005
Total Judicial	17,000,000	989,722	29,347	354,926	15,626,005
Total Governmental Activities	\$ 675,646,391	\$ 426,845,591	\$ 71,559,587	\$ 24,234,821	\$ 153,006,392

* Completed CIP projects put into service during FY22

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects Fund
For the Year Ended June 30, 2022

Schedule 6

Description	Business-type Activities				Unexpended Appropriation
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	
<u>Bureau of Utilities</u>					
6200 W/S New Construction-Misc	\$ -	\$ (135)	\$ 135	\$ 8,189	\$ (8,189)
6311 Water & Sewer Meters	7,042,628	6,260,361	506,144	268,624	7,499
6332 Tank Painting	4,063,031	1,877,953	255,274	96,835	1,832,969
6344 HWWTP-Effluent Chillers	2,436,967	621,844	-	-	1,815,123
6358 8-12-16 Mains/Hydraulic Loop	634,221	-	-	-	634,221
6359 Hydrant Replacement	2,052,350	1,924,893	-	-	127,457
6378 Relief Sewer No. 6	3,100,556	324,815	-	-	2,775,741
6382 Relief Sewer No. 10	2,585,800	2,503,882	-	-	81,918
6385 Sewer Study Update	1,573,000	1,122,898	22,886	128,413	298,803
6396 Utilities Control Center	-	2,199	-	-	(2,199)
6403 Sanitary Sewer Manhole Rehab	2,404,200	1,571,036	19,206	-	813,958
6409 FD Looping Monroe (Okla-Benn)	74,800	-	-	-	74,800
6418 North Pump Station Wet Well	3,040,000	1,520,531	1,118,549	42,758	358,162
6419 Freedom Waste Water TP-ENR	10,570,000	10,562,211	-	-	7,789
6422 Gravity Sewer Main	2,230,400	1,741,050	-	-	489,350
6425 Water Main Loops FY12	2,217,872	212,267	57,872	264,983	1,682,750
6428 Water Main Blow-Off Replcmts	2,399,700	2,031,611	209,333	133,890	24,866
6429 Water Service Line Replacement	2,374,200	1,354,461	502,607	45,467	471,665
6430 * Hampstead ENR Upgrade	22,580,110	20,593,022	785,743	271,852	929,493
6431 Sykesville Sewer Upgrade	10,540,000	258,626	263,374	298,741	9,719,259
6432 Asset Management System	200,000	190,733	-	1,149	8,118
6433 Bark Hill WTP-Improvements	194,000	93,567	-	-	100,433
6434 Freedom WTP-Membrance Fltr	1,699,250	729,843	-	-	969,407
6435 Freedom WTP-Sludge Press	285,000	-	-	-	285,000
6436 Piney Run Pump Station Imprv	365,000	336,371	26,355	-	2,274
6437 Stone Manor Pump Station Rehab	302,500	173,326	19,252	48,484	61,438
6441 Waters Edge Pump Station Rehab	260,000	111,671	68,759	7,872	71,698
6442 Roberts Fld Pump Station Rehab	198,000	122,694	-	-	75,306
6443 Standby Generator Replacement	584,550	388,142	-	-	196,408
6444 Freedom Sewer Rehab	747,885	672,542	-	-	75,343
6445 Freedom Wells/Connections	2,398,000	49,397	34,896	-	2,313,707
6446 Hampstead Sewer Rehab	627,885	488,070	-	28,480	111,335
6447 Hampstead WWTP Effluent Ln	2,668,000	1,661,815	150,635	110,954	744,596
6449 Specifications & Design Update	82,500	52,024	14,106	4,000	12,370
6453 Sewer Grinder Install/Rehab	181,500	10,894	-	-	170,606
6454 Stream Bank Stabilization	99,000	38,916	3,618	9,785	46,681
6455 Warfield Cmplx W/S Rehab	700,000	93,758	2,409	-	603,833
6456 County Water Line Rehab/Replace	2,283,000	219,693	115,513	487,403	1,460,391
6457 Runnymede WWT Facility Rehab	72,000	23,146	154	-	48,700
6458 South Carroll WWT Facility Rehab	658,000	77,497	2,809	29,841	547,853
6461 County Sewer Line Rehab/Replc	962,000	62,501	169,514	83,523	646,462
6462 FWTP Equipment Replacement	603,490	-	-	-	603,490
6463 PV WWTP Rehab FY21	1,000,000	17,501	6,781	-	975,718
6466 Hampstead WWTP Sludge Press	300,000	-	-	-	300,000
6467 Kabik Court Water Supply	100,000	-	-	-	100,000
6468 Pump Station Equip Rplc	214,681	-	48,566	62,570	103,545
6469 Winfld Pump Station Rehab	400,000	-	48,388	119,719	231,893
6470 FRF-Util Hampstead WWTP FY22	3,500,000	-	-	-	3,500,000
6471 FRF-Util Freedom Pumps FY22	500,000	-	-	-	500,000
Total	104,106,076	60,097,626	4,452,878	2,553,532	37,002,040

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP)
Capital Projects Fund
For the Year Ended June 30, 2022

Schedule 6

Description	Business-type Activities				
	Total Appropriation	Prior Years Expenditures	Current Year Expenditures	Encumbered	Unexpended Appropriation
<u>Solid Waste</u>					
6520 Hoods Mill Remediation	\$ 1,173,035	\$ 944,429	\$ -	\$ -	\$ 228,606
6521 Northern Landfill Remediation	1,014,000	916,448	-	-	97,552
6528 John Owings LF Remediation	800,000	617,675	-	-	182,325
6540 Landfill Expansion & Improv	25,000,000	-	13,163,880	10,154	11,825,966
6542 Northern Landfill Rain Flap	180,000	-	8,416	28,076	143,508
Total	28,167,035	2,478,552	13,172,296	38,230	12,477,957
<u>Fiber Network</u>					
6603 CCFN Expansion	350,532	154,902	-	-	195,630
6604 CC Broadband Grant Program	400,000	159,829	18,226	-	221,945
6605 Broadband Feasibility Study	60,000	25,425	34,549	-	26
6606 CCFN Equipment Rplc FY22	1,022,680	-	-	-	1,022,680
6607 ARP-Network Exp Garrett Rd	271,108	-	-	-	271,108
6608 ARP-Network Exp Halter Rd	290,430	-	-	-	290,430
6609 ARP-Network Exp Quantum	233,418	-	-	-	233,418
6610 FRF-Information Tech Fiber	2,175,303	-	-	-	2,175,303
Total	4,803,471	340,156	52,775	-	4,410,540
<u>Septage</u>					
6704 Westminster Sept Screen/Grit	5,500,000	3,647,648	1,574,240	-	278,112
Total	5,500,000	3,647,648	1,574,240	-	278,112
<u>Airport</u>					
6818 Grounds & Facility Impr (9541)	506,062	395,524	19,983	-	90,555
6821 Airport Runway Extension	81,663,673	-	-	-	81,663,673
6825 Land Services	72,372	527,535	471,165	8,437	(934,765)
6826 Meadow Branch Rd Relocation	462,000	229,520	160,298	-	72,182
6829 AIP 34 Meadow Br Rd Design	260,000	3,150	205,104	-	51,746
6830 Land Acquisition-Wetzel	110,000	-	110,000	-	-
6831 Land Acquisition-DLH	25,000	-	25,000	-	-
Total	83,099,107	1,155,729	991,550	8,437	80,943,391
Total Business-type Activities	<u>\$ 225,675,689</u>	<u>\$ 67,719,711</u>	<u>\$ 20,243,739</u>	<u>\$ 2,600,199</u>	<u>\$ 135,112,040</u>

* Completed CIP projects put into service during FY22

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND

Schedule of Long-Term Indebtedness

Schedule by Source

June 30, 2022

Schedule 7

	Amount Outstanding July 1, 2021	New Debt Activity	Principal Payments For Year 2022	Amount Outstanding June 30, 2022	Interest Payments For Year 2022
Governmental Activities					
General Obligation Bonds					
General Obligation Bonds-2011	\$ 875,000	\$ -	\$ 875,000	\$ -	\$ 13,125
General Obligation Refunding Bonds-2012	1,330,358	-	1,330,358	-	33,258
General Obligation Bonds-2012	2,150,000	-	1,075,000	1,075,000	80,625
General Obligation Bonds-2013	4,005,000	-	1,335,000	2,670,000	166,875
General Obligation Refunding Bonds-2014	33,908,440	-	4,820,885	29,087,555	1,277,625
General Obligation Bonds- 2014	10,500,000	-	750,000	9,750,000	356,250
General Obligation Refunding Bonds-2015	2,527,840	-	1,263,920	1,263,920	75,835
General Obligation Bonds- 2015	20,785,000	-	1,440,000	19,345,000	740,481
General Obligation Bonds- 2016	11,200,000	-	700,000	10,500,000	374,500
General Obligation Bonds- 2018	22,500,000	-	1,250,000	21,250,000	950,000
General Obligation Bonds- 2019 Series A	28,500,000	-	1,500,000	27,000,000	1,031,250
General Obligation Refunding Bonds-2019 Series A	25,975,523	-	2,379,030	23,596,493	1,202,646
General Obligation Refunding Bonds-2019 Series B	11,430,000	-	95,000	11,335,000	246,888
General Obligation Bonds- 2020 Series A	20,000,000	-	1,000,000	19,000,000	589,250
General Obligation Refunding Bonds-2020 Series A	9,634,958	-	798,339	8,836,619	401,315
General Obligation Refunding Bonds-2020 Series B	24,355,000	-	190,000	24,165,000	458,445
General Obligation Bonds- 2021	-	22,000,000	-	22,000,000	319,264
Total General Obligation Bonds	229,677,119	22,000,000	20,802,532	230,874,587	8,317,632
Farmers Home Administration					
Federal Loan - 1972	43,921	-	31,290	12,631	1,538
Federal Loan - 1974	40,727	-	10,638	30,089	1,486
Federal Loan - 1979	245,064	-	20,783	224,281	8,942
Total Farmers Home Administration	329,712	-	62,711	267,001	11,966
General Obligation Debt					
Installment Purchase Agreements FY 2002	396,000	-	246,000	150,000	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	51,200
Installment Purchase Agreements FY 2021	2,587,000	-	-	2,587,000	129,350
Total General Obligation Debt	36,124,296	-	246,000	35,878,296	1,971,653
Purchase Agreements					
Johnson Controls/AAIG	3,994,414	-	344,966	3,649,448	91,064
Total Purchase Agreements	3,994,414	-	344,966	3,649,448	91,064
Total Governmental Activities	\$ 270,125,541	\$ 22,000,000	\$ 21,456,209	\$ 270,669,332	\$ 10,392,315

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Long-Term Indebtedness
Schedule by Source
June 30, 2022

Schedule 7

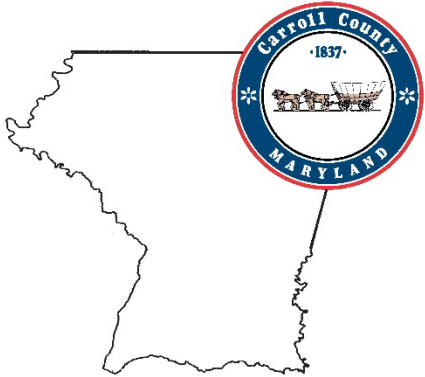
<u>Business-type Activities</u>	<u>Amount Outstanding July 1, 2021</u>	<u>New Debt Activity</u>	<u>Principal Payments For Year 2022</u>	<u>Amount Outstanding June 30, 2022</u>	<u>Interest Payments For Year 2022</u>
General Obligation Bonds					
Bureau of Utilities					
General Obligation Refunding Bonds-Nov 2012	\$ 21,428	\$ -	\$ 21,428	\$ -	\$ 536
General Obligation Refunding Bonds-Nov 2014	3,848,458	-	509,320	3,339,138	134,979
General Obligation Refunding Bonds-Nov 2015	1,251,736	-	625,868	625,868	37,552
General Obligation Refunding Bonds-Nov 2019 Series A	829,477	-	75,970	753,507	38,404
General Obligation Refunding Bonds-Nov 2020 Series A	6,738	-	558	6,180	281
Solid Waste Fund					
General Obligation Refunding Bonds-Nov 2014	63,103	-	19,795	43,308	5,246
General Obligation Refunding Bonds-Nov 2015	80,423	-	40,211	40,212	2,413
Airport Fund					
General Obligation Bonds - 2001	110,000	-	110,000	-	2,613
Draw Down Bond - May 2019	4,802,001	-	-	4,802,001	128,047
General Obligation Refunding Bonds-Nov 2020 Series A	13,303	-	1,102	12,201	554
Septage Fund					
General Obligation Refunding Bonds- Nov 2012	13,214	-	13,214	-	330
Total General Obligation Bonds	<u>11,039,881</u>	<u>-</u>	<u>1,417,466</u>	<u>9,622,415</u>	<u>350,955</u>
Total Business-type Activities	<u>\$ 11,039,881</u>	<u>\$ -</u>	<u>\$ 1,417,466</u>	<u>\$ 9,622,415</u>	<u>\$ 350,955</u>

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Schedule of Investments for
Governmental Activities, Business Type Activities, and Trust Funds
June 30, 2022

Schedule 8

	Length (in Days)	Maturity Date	Rate (%)	Market Value	Totals
GOVERNMENTAL ACTIVITIES and BUSINESS TYPE ACTIVITIES					
Federal National Mortgage Association	600	6-Sep-22	1.38	\$9,993,100	
Federal Farm Credit Bank	540	23-Jan-23	0.13	4,935,450	
Federal Farm Credit Bank	720	10-Feb-23	0.11	14,765,250	
Federal Farm Credit Bank	720	28-Jun-23	0.25	5,843,700	
Federal Farm Credit Bank	720	12-Oct-23	0.27	9,671,100	
Federal Farm Credit Bank	720	9-Feb-24	1.23	14,588,850	
Federal Home Loan Bank	690	8-Mar-24	3.25	5,021,650	
Treasury Bonds	20 yrs	15-Aug-22	5.69	114,010	
Treasury Bonds	20 yrs	15-Aug-22	5.44	171,016	
Treasury Bonds	20 yrs	15-Nov-22	5.05	203,090	
Treasury Bonds	20 yrs	15-Aug-23	5.05	81,984	
Treasury Bonds	20 yrs	15-Nov-24	4.86	1,092,610	
Treasury Bonds	20 yrs	15-Nov-24	4.73	468,261	
Treasury Bonds	20 yrs	15-Aug-25	4.75	1,004,954	
Treasury Bonds	20 yrs	15-Nov-26	4.93	1,471,562	
Treasury Bonds	20 yrs	15-Feb-27	4.72	920,816	
Treasury Bonds	20 yrs	15-Aug-29	4.36	2,015,479	
Treasury Strips	20 yrs	15-Aug-22	5.92	34,943	
Treasury Strips	20 yrs	15-Aug-22	5.78	62,894	
Treasury Strips	20 yrs	15-Nov-22	5.39	100,293	
Treasury Strips	20 yrs	15-Aug-23	5.42	20,378	
Treasury Strips	8 yrs	15-May-24	4.39	810,675	
Treasury Strips	20 yrs	15-Nov-24	4.99	713,064	
Treasury Strips	20 yrs	15-Nov-25	4.76	401,713	
Treasury Strips	20 yrs	15-Nov-26	4.95	255,296	
Treasury Strips	20 yrs	15-Feb-27	4.73	173,602	
Treasury Strips	20 yrs	15-May-29	4.42	87,337	
Treasury Strips	20 yrs	15-Aug-29	4.55	613,813	
Treasury Strips	20 yrs	15-Nov-29	4.76	510,249	
Treasury Strips	20 yrs	15-Feb-30	4.76	1,031,374	
Treasury Strips	20 yrs	15-Feb-30	4.61	211,245	
Treasury Strips	20 yrs	15-May-30	4.11	1,493,531	
Treasury Strips	20 yrs	15-Aug-30	3.9	1,713,684	
Treasury Strips	20 yrs	15-Nov-30	4.44	2,079,660	
Treasury Strips	20 yrs	15-May-31	4.46	2,109,514	
Treasury Strips	20 yrs	15-May-31	4.33	2,684,835	
Treasury Strips	20 yrs	15-Nov-32	2.91	321,250	
Treasury Strips	20 yrs	15-Nov-33	3.88	2,166,125	
Treasury Strips	20 yrs	15-Feb-34	3.69	258,883	
Treasury Strips	20 yrs	15-Nov-35	2.9	308,122	
Treasury Strips	20 yrs	15-Aug-36	2.44	829,307	
Treasury Strips	20 yrs	15-Aug-38	3.23	523,472	
Treasury Strips	20 yrs	15-Feb-40	1.89	565,668	
Treasury Strips	20 yrs	15-May-40	1.33	625,975	
Treasury Strips	20 yrs	15-Feb-41	2.21	619,696	
Treasury Strips	20 yrs	15-Feb-41	2.36	136,031	
State and Local Government Series	15 yrs	15-May-24	---	51,000	
Maryland Local Government Investment Pool	---	---	1.36	112,848,242	
Maryland Local Government Investment Pool	---	---	1.36	32,491,416	
Maryland Local Government Investment Pool	---	---	1.36	8,337,739	
Maryland Local Government Investment Pool	---	---	1.36	173,073	
Trust - Public Fund Money Rate Savings	---	---	1.36	5,001,206	\$ 252,728,187
TRUST FUNDS					
<u>Pension</u> - Wilmington Trust Employee Pension Account				110,122,718	
<u>Other postemployment benefits (OPEB)</u>					
Maryland Local Government Investment Pool-OPEB				2,745,648	
Wilmington Trust Master OPEB Investment Trust				142,827,766	
<u>LOSAP</u> - Wilmington Trust LOSAP account				10,305,322	
<u>Law Officer's Pension</u> - Wilmington Trust Law Officer's Pension Account				34,114,916	300,116,370
TOTAL INVESTMENTS				<u>\$ 552,844,557</u>	

Statistical Section





THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Statistical Section
June 30, 2022

STATISTICAL SECTION INDEX

This part of Carroll County’s Annual Comprehensive 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.	184 - 193
Revenue Capacity	
These tables contain information to help the reader assess the County’s most significant local revenue sources and property tax.....	194 - 196
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.	197 - 200
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.....	201 - 202
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.	203 - 211

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive 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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities										
Net Investment in										
Capital Assets	\$ 210,622,676	\$ 212,512,817	\$ 206,611,333	\$ 222,253,555	\$ 233,149,740	\$ 219,328,550	\$ 204,983,963	\$ 218,185,521	\$ 204,437,083	\$ 211,465,620
Restricted	8,515,051	8,716,041	8,249,560	1,371,176	1,656,014	7,570,022	8,145,020	1,765,563	7,792,322	8,354,576
Unrestricted	73,554,232	44,029,453	(47,883,095)	(87,552,776)	(121,872,358)	(37,546,612)	(36,637,182)	(54,174,614)	(44,518,647)	(50,148,292)
Total Governmental Activities Net Position	<u>292,691,959</u>	<u>265,258,311</u>	<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>
Business-Type Activities										
Net Investment in										
Capital Assets	156,667,906	141,667,607	134,990,965	124,684,920	121,243,644	120,456,503	116,560,509	111,957,714	102,696,222	103,109,748
Restricted	31,962,083	17,131,985	18,099,353	16,919,975	18,003,426	22,964,201	20,607,431	25,663,794	22,938,152	17,019,197
Unrestricted	(16,497,528)	(20,922,411)	(16,498,324)	(8,918,256)	(10,052,181)	(16,635,238)	(11,089,051)	(12,222,927)	1,599,083	(4,118,863)
Total Business-Type Activities Net Position	<u>172,132,461</u>	<u>137,877,181</u>	<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>
Primary government										
Net Investment in										
Capital Assets	367,290,582	354,180,424	341,602,298	346,938,475	354,393,384	339,785,053	321,544,472	330,143,235	307,133,305	314,575,368
Restricted	40,477,134	25,848,026	26,348,913	18,291,151	19,659,440	30,534,223	28,752,451	27,429,357	30,730,474	25,373,773
Unrestricted	57,056,704	23,107,042	(64,381,419)	(96,471,032)	(131,924,539)	(54,181,850)	(47,726,233)	(66,397,541)	(42,919,564)	(54,267,155)
Total Primary Government Net Position	<u>\$ 464,824,420</u>	<u>\$ 403,135,492</u>	<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>

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.

Fiscal year 2021 was restated to reflect implementation of GASB 87.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
Governmental Activities:										
General government	\$ 37,866,127	\$ 30,554,428	\$ 51,183,364	\$ 44,014,893	\$ 49,091,984	\$ 42,244,881	\$ 41,378,683	\$ 49,409,874	\$ 57,641,753	\$ 74,177,030
Public safety	62,456,642	51,437,655	59,895,296	57,309,536	53,943,920	51,691,641	45,677,379	43,979,786	42,220,945	36,029,829
Public works	28,260,366	31,833,205	32,037,398	34,537,476	37,119,065	33,927,901	31,583,099	38,511,223	35,383,930	29,857,345
Health	5,199,738	5,056,187	5,054,923	4,939,055	4,777,495	4,654,075	4,400,381	4,280,644	4,504,233	4,546,895
Human services	21,105,128	17,385,037	16,187,454	16,159,258	15,042,717	14,679,925	14,032,995	6,875,694	1,234,170	1,208,120
Education	267,747,949	228,655,745	221,758,339	218,771,767	209,899,157	201,927,058	196,452,853	191,534,142	192,529,402	192,972,220
Culture and recreation	4,945,981	4,741,342	5,672,058	6,293,510	5,861,997	6,298,819	4,992,787	4,637,178	2,617,282	3,208,030
Library	17,556,766	16,491,115	15,769,487	15,151,289	14,351,288	14,808,509	14,452,299	14,145,909	13,909,531	13,150,071
Conservation of natural resources	10,021,043	18,707,579	15,851,219	13,334,949	9,048,557	10,167,939	12,140,369	8,936,174	11,395,342	5,116,229
Economic development	3,319,221	13,275,253	4,399,990	4,949,297	4,674,029	3,851,580	4,234,039	4,822,656	6,723,025	4,572,817
Judicial	10,712,000	9,859,511	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	7,749,640	8,217,237	9,603,235	9,937,714	10,578,974	10,996,087	12,894,133	11,851,872	12,506,841	12,347,384
Total Governmental Activities Expenses	476,940,601	436,214,294	448,165,869	434,250,099	422,959,969	403,703,505	390,909,855	386,269,055	386,889,145	377,185,970
Business-Type Activities:										
Bureau of Utilities	12,544,065	14,004,675	12,725,030	13,277,968	11,076,640	11,588,148	11,600,209	11,046,657	11,328,410	10,801,048
Solid Waste	11,638,055	10,568,261	8,956,514	7,719,428	10,461,256	8,784,687	9,996,571	9,550,820	6,319,530	12,108,283
Airport	1,009,912	938,929	984,310	1,036,829	778,732	861,147	823,047	733,816	800,811	689,380
Septage	457,157	563,350	654,014	692,424	669,343	594,277	629,136	604,130	536,068	489,064
Firearms	227,204	195,803	178,741	152,490	118,906	128,986	113,399	106,373	100,324	97,706
Fiber Network	1,220,742	1,346,433	1,328,155	1,281,917	1,274,314	1,321,618	1,116,618	1,230,506	673,718	733,785
Total Business-Type Activities Expenses	27,097,135	27,617,451	24,826,764	24,161,056	24,379,191	23,278,863	24,278,980	23,272,302	19,758,861	24,919,266
Total Primary Government Expenses	\$ 504,037,736	\$ 463,831,745	\$ 472,992,633	\$ 458,411,155	\$ 447,339,160	\$ 426,982,368	\$ 415,188,835	\$ 409,541,357	\$ 406,648,006	\$ 402,105,236

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Program Revenues										
Governmental Activities:										
Charges for Services:										
General government	\$ 13,878,782	\$ 16,643,491	\$ 10,997,286	\$ 12,223,474	\$ 11,619,455	\$ 11,742,589	\$ 11,743,274	\$ 17,670,046	\$ 14,450,607	\$ 14,820,757
Public safety	4,635,012	2,767,481	2,843,059	2,216,229	2,046,103	1,918,271	2,665,141	1,950,898	1,836,510	1,891,508
Public works	1,981,034	4,811,878	1,879,919	1,376,526	2,046,814	1,306,602	3,491,642	216,246	1,781,862	1,559,051
Health	2,063	3,235	4,102	5,288	7,037	3,284	5,391	6,684	55,405	58,946
Human Services	78,747	7,819	77,402	102,552	95,469	84,722	79,675	86,275	6,600	6,600
Education	-	-	-	300,000	-	-	-	-	257,816	480,685
Culture and recreation	1,386,001	896,192	1,278,467	1,494,523	2,024,348	2,072,530	1,867,103	1,621,589	832,906	928,603
Conservation of natural resources	301,095	272,727	149,596	315,297	167,989	128,111	86,209	41,587	-	-
Economic development	-	-	-	-	-	-	-	-	525,158	-
Judicial	20,627	16,466	22,690	30,218	-	-	-	-	-	-
Operating Grants and Contributions	24,784,329	39,709,735	19,094,094	16,963,132	15,996,293	21,016,535	14,740,101	16,502,681	16,136,623	16,116,178
Capital Grants and Contributions	5,951,010	15,979,850	11,694,330	8,248,296	6,362,421	6,005,593	5,339,545	7,396,017	8,372,841	3,282,495
Total Governmental Activities										
Program Revenues	53,018,700	81,108,874	48,040,945	43,275,535	40,365,929	44,278,237	40,018,081	45,492,023	44,256,328	39,144,823
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Bureau of Utilities	\$ 12,577,500	\$ 12,155,336	\$ 11,246,583	\$ 10,597,228	\$ 10,797,227	\$ 10,578,433	\$ 10,359,334	\$ 10,233,000	\$ 8,906,129	\$ 8,490,173
Solid Waste	9,092,357	8,218,383	7,414,234	7,267,063	7,017,892	7,056,454	6,327,333	6,637,638	6,801,739	7,243,944
Airport	924,522	920,723	828,412	868,336	825,813	792,059	763,759	727,987	649,572	650,660
Septage	745,388	1,044,601	1,102,810	1,207,602	1,176,001	913,330	1,134,701	946,123	710,536	682,663
Firearms	161,899	148,010	129,951	140,821	141,344	157,720	150,087	153,687	148,106	145,699
Fiber Network	221,656	241,040	247,194	246,225	233,054	212,142	116,613	37,558	7,619,387	-
Capital Grants and Contributions	2,833,418	3,982,163	6,693,643	4,289,501	2,707,232	1,972,009	2,581,093	1,970,091	2,933,307	2,012,594
Total Business-Type Activities										
Program Revenues	26,556,740	26,710,256	27,662,827	24,616,776	22,898,563	21,682,147	21,432,920	20,706,084	27,768,776	19,225,733
Total Primary Government										
Program Revenues	79,575,440	107,819,130	75,703,772	67,892,311	63,264,492	65,960,384	61,451,001	66,198,107	72,025,104	58,370,556
Net (Expense)/Revenue										
Governmental Activities	(423,921,901)	(355,105,420)	(400,124,924)	(390,974,564)	(382,594,040)	(359,425,268)	(350,891,774)	(340,777,032)	(342,632,817)	(338,041,147)
Business-Type Activities	(540,395)	(907,195)	2,836,063	455,720	(1,480,628)	(1,596,716)	(2,846,060)	(2,566,218)	8,009,915	(5,693,533)
Total Primary Government Net Expense	(424,462,296)	(356,012,615)	(397,288,861)	(390,518,844)	(384,074,668)	(361,021,984)	(353,737,834)	(343,343,250)	(334,622,902)	(343,734,680)

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	\$ 238,429,057	\$ 226,764,509	\$ 218,894,050	\$ 213,573,818	\$ 207,878,588	\$ 201,438,220	\$ 199,281,166	\$ 195,465,262	\$ 197,220,873	\$ 203,601,066
Income tax	228,586,819	209,319,980	191,376,929	176,127,555	164,543,703	149,896,467	146,049,675	144,994,220	131,714,052	118,168,038
Recordation tax	21,794,375	19,360,209	14,840,846	13,703,195	13,923,538	14,241,331	14,093,918	11,888,637	10,576,850	8,520,674
Admission and amusement tax	329,400	274,088	251,253	356,490	355,088	351,742	387,725	353,937	262,098	296,890
Agricultural transfer tax	479,456	272,853	268,174	296,242	221,063	179,416	143,429	59,558	365,510	159,227
Hotel rental tax	332,138	233,906	306,978	366,550	332,518	324,144	315,319	284,101	309,992	298,498
State shared, unrestricted	-	-	-	-	-	-	-	-	948,717	620,224
Gain (loss) on sale of capital asset	(814,871)	37,075	68,685	(34,064)	2,507,859	-	-	-	-	-
Investment earnings (loss)	(3,769,612)	(1,687,094)	-	-	-	-	-	-	-	-
Miscellaneous, unrestricted	1,871,878	1,272,607	6,170,082	5,080,311	720,169	(968,894)	4,171,190	2,068,767	1,721,180	3,048,631
Transfer of asset from component unit	-	-	-	-	-	9,442,491	-	-	-	-
Transfers	(34,676,120)	(2,462,200)	(1,146,230)	(2,784,820)	(3,627,110)	(2,619,490)	(2,835,317)	(325,053)	(2,447,601)	(4,312,006)
Total Governmental Activities	452,562,520	453,385,933	431,030,767	406,685,277	386,855,416	372,285,427	361,607,105	354,789,429	340,671,671	330,401,242
Business-Type Activities:										
Investment earnings (loss) and miscellaneous, unrestricted	(125,101)	(269,818)	(88,303)	196,000	(8,787)	(363,434)	672,988	404,594	756,859	383,547
Gain on sale of capital asset	-	-	11,365	55,210	271,728	47,237	18,063	1,695	9,000	3,677
Transfers	34,676,120	2,462,200	1,146,230	2,784,820	3,627,110	2,619,490	2,835,317	325,053	2,447,601	4,312,006
Total Business-Type Activities	34,551,019	2,192,382	1,069,292	3,036,030	3,890,051	2,303,293	3,526,368	731,342	3,213,460	4,699,230
Total Primary Government	487,113,539	455,578,315	432,100,059	409,721,307	390,745,467	374,588,720	365,133,473	355,520,771	343,885,131	335,100,472
Governmental Activities	28,640,619	98,280,513	30,905,843	15,710,713	4,261,376	12,860,159	10,715,331	14,012,397	(1,961,146)	(7,639,905)
Business-Type Activities	34,010,624	1,285,187	3,905,355	3,491,750	2,409,423	706,577	680,308	(1,834,876)	11,223,375	(994,303)
Total Primary Government	\$ 62,651,243	\$ 99,565,700	\$ 34,811,198	\$ 19,202,463	\$ 6,670,799	\$ 13,566,736	\$ 11,395,639	\$ 12,177,521	\$ 9,262,229	\$ (8,634,208)

Note:

Fiscal year 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. Beginning fiscal year 2021, investment earnings and miscellaneous, unrestricted revenues are now reported as separate line items.

Source: Carroll County Department of the Comptroller.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 3

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund (1)										
Nonspendable	\$ 30,824,152	\$ 26,744,860	\$ 27,200,674	\$ 29,251,857	\$ 23,910,613	\$ 27,548,663	\$ 26,668,918	\$ 29,004,124	\$ 29,209,160	\$ 29,140,848
Restricted	30,429,070	34,381,471	34,935,452	30,361,623	27,610,117	29,656,499	30,926,309	27,423,603	26,052,436	23,584,205
Committed	25,064,328	23,709,217	20,940,467	20,940,467	20,562,903	21,402,103	20,820,350	20,398,120	19,825,000	19,765,000
Assigned	59,850,444	60,024,125	14,152,749	23,445,409	29,273,812	20,383,343	22,580,717	18,458,967	22,035,700	16,264,913
Unassigned	44,203,114	30,309,391	30,358,968	13,551,159	3,955,334	14,529,685	10,840,140	7,628,502	6,922,173	16,132,542
Total General Fund	190,371,108	175,169,064	127,588,310	117,550,515	105,312,779	113,520,293	111,836,434	102,913,316	104,044,469	104,887,508
Capital Projects Fund										
Restricted	6,757,695	6,992,860	7,087,381	-	-	5,708,337	7,518,934	292,775	-	-
Assigned	24,234,821	33,273,845	32,192,740	19,779,928	10,755,574	17,903,635	24,235,426	29,083,530	36,834,193	40,629,996
Unassigned	(8,975,253)	-	-	-	-	-	-	-	-	-
Total Capital Projects Fund	22,017,263	40,266,705	39,280,121	19,779,928	10,755,574	23,611,972	31,754,360	29,376,305	36,834,193	40,629,996
Grant Fund (1)										
Nonspendable	536,249	491,268	491,892	-	-	-	-	-	-	-
Restricted	1,276,920	1,219,088	614,863	-	-	-	-	-	-	-
Assigned	1,852,558	830,366	842,432	-	-	-	-	-	-	-
Unassigned	(1,173,027)	-	-	-	-	-	-	-	-	-
Total Grant Fund	2,492,700	2,540,722	1,949,187	-	-	-	-	-	-	-
Non-Major Governmental Funds:										
Special Revenues Fund										
Nonspendable	-	-	-	446,299	471,337	436,096	-	-	-	-
Restricted	480,436	504,093	547,316	1,371,176	1,656,014	1,737,516	626,086	1,472,788	1,543,563	1,159,415
Committed	84,229	567,296	630,856	233,739	237,213	109,396	672,372	2,203,593	1,606,331	1,275,957
Assigned	-	-	-	1,255,987	1,036,685	1,222,426	1,608,421	821,612	-	-
Total Non-Major Governmental Funds	564,665	1,071,389	1,178,172	3,307,201	3,401,249	3,505,434	2,906,879	4,497,993	3,149,894	2,435,372
Total Governmental Funds, as restated	\$ 215,445,736	\$ 219,047,880	\$ 169,995,790	\$ 140,637,644	\$ 119,469,602	\$ 140,637,699	\$ 146,497,673	\$ 136,787,614	\$ 144,028,556	\$ 147,952,876
Unassigned General Fund Balance as a Percentage of										
General Fund Expenditures	10.6%	7.6%	7.6%	3.4%	1.0%	3.8%	2.9%	2.5%	2.4%	5.2%

Note:

(1) 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 balances 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
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
2021	226,764,509	197,095,934	19,360,209	274,088	1,755,923	4,444,367	449,695,030
2022	238,429,057	206,514,335	21,794,375	329,400	3,840,055	2,183,009	473,090,231
Change 2013-2022	20.6%	61.9%	117.5%	14.3%	273.4%	24.6%	39.8%

In fiscal year 2013, real property tax rate reduced from \$1.028 to \$1.018 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.
 Effective July 1, 2021, 911 Service Fees Rate increased from \$0.75 to \$1.50 per line.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES										
Taxes-Local (see Table 4)	\$ 472,273,567	\$ 449,695,030	\$ 411,491,296	\$ 401,572,448	\$ 378,461,417	\$ 367,980,830	\$ 363,536,850	\$ 348,631,638	\$ 341,132,489	\$ 338,373,058
Taxes-State Shared	-	-	-	-	-	-	-	-	952,204	1,635,475
Impact fees	-	-	-	-	-	-	-	184,605	206,711	295,755
Licenses and permits	4,365,555	3,788,359	3,171,169	3,275,526	3,261,620	3,246,094	3,033,852	1,600,930	1,475,869	1,518,884
Intergovernmental revenues	30,185,307	50,248,649	27,317,586	21,848,760	20,238,674	23,652,734	19,316,866	20,290,637	22,898,130	18,978,536
Charges for services	4,045,714	3,263,978	3,527,565	4,167,675	4,588,277	4,441,836	4,167,021	4,445,797	4,576,701	4,732,420
Fines and forfeits	95,742	127,366	65,604	67,574	84,772	71,866	78,600	99,840	92,532	95,487
Interest and gain (loss) on investments	(3,634,323)	(1,424,382)	6,484,206	5,406,228	1,039,686	(553,815)	4,597,299	2,477,109	2,225,527	(829,835)
Miscellaneous revenues	9,968,158	11,791,278	8,429,586	8,960,211	13,440,184	8,871,778	9,383,285	9,808,553	10,054,257	5,840,925
Total revenues	517,299,720	517,490,278	460,487,012	445,298,422	421,114,630	407,711,323	404,113,773	387,539,109	383,614,420	370,640,705
EXPENDITURES										
Current:										
General government	41,460,233	44,160,229	40,315,994	38,804,946	38,073,831	36,360,819	37,065,282	44,974,142	60,974,579	63,738,334
Public safety	65,116,105	60,356,072	55,356,862	54,466,560	49,747,964	47,902,706	44,211,285	42,721,116	41,484,155	35,585,271
Public works	17,741,348	19,542,433	17,212,097	19,855,587	19,173,156	19,112,586	17,986,907	17,139,292	13,275,887	9,565,709
Health	5,164,056	5,016,210	5,016,637	4,900,923	4,744,737	4,645,058	4,400,381	4,269,673	4,301,492	4,307,983
Human services	19,756,850	17,353,178	16,092,305	16,151,094	15,020,196	14,707,376	14,017,504	6,855,878	1,232,576	1,199,706
Education	224,449,569	215,676,994	214,833,383	210,021,400	204,307,227	198,300,740	191,621,893	186,866,867	185,008,583	180,570,971
Library	16,429,295	15,747,968	15,437,448	14,771,512	14,326,002	14,249,443	14,084,487	13,687,211	13,417,275	11,000,246
Culture and recreation	4,528,891	3,939,156	4,265,594	4,466,599	4,516,760	4,537,030	4,236,257	4,182,624	1,759,651	2,721,536
Conservation of natural resources	2,496,166	2,515,207	2,619,139	2,454,853	2,289,856	2,283,698	2,084,571	2,000,988	966,448	856,440
Economic development	3,356,498	13,286,572	4,206,503	4,795,262	4,425,636	3,628,423	4,004,475	4,586,843	6,484,527	4,324,885
Judicial	10,484,522	9,679,337	9,702,649	8,901,404	8,559,556	8,593,930	8,710,327	7,310,970	-	-
Capital outlay	71,559,587	48,739,369	40,973,405	38,314,144	32,950,028	30,421,723	36,972,429	41,331,365	48,515,249	33,646,285
Debt service:										
Principal	21,456,210	23,809,182	25,810,225	27,166,668	27,831,485	29,138,572	28,171,532	28,145,359	26,984,558	25,641,361
Interest	10,381,958	10,728,581	11,470,196	11,844,073	12,431,581	13,207,594	13,339,242	13,339,130	13,656,778	13,646,029
Total expenditures	514,381,288	490,550,488	463,312,437	456,915,025	438,398,015	427,089,698	420,906,572	417,411,458	418,061,758	386,804,756
Excess (deficiency) of revenues over (under) expenditures	2,918,432	26,939,790	(2,825,425)	(11,616,603)	(17,283,385)	(19,378,375)	(16,792,799)	(29,872,349)	(34,447,338)	(16,164,051)
OTHER FINANCING SOURCES (USES)										
Transfers in	24,203,131	16,100,364	17,238,285	15,673,942	18,822,137	16,676,294	20,549,077	22,733,370	24,670,471	26,836,782
Transfers out	(58,879,251)	(18,562,564)	(18,374,515)	(18,458,762)	(22,449,247)	(19,491,898)	(25,232,077)	(23,058,423)	(25,978,861)	(35,484,572)
Lease financing	3,465,294	-	-	-	-	-	-	-	-	-
Refunding bonds issued	-	33,989,958	39,797,184	-	-	6,138,284	6,015,081	52,576,682	4,524,000	16,220,345
Redemption of bonds	-	(36,955,048)	(45,143,266)	-	-	(6,524,948)	(6,727,641)	(59,780,169)	(4,478,621)	(19,357,902)
Bonds issued	22,000,000	20,000,000	30,000,000	25,000,000	-	14,000,000	28,000,000	15,000,000	26,000,000	21,460,000
Bonds premium	2,544,487	5,175,372	8,780,522	1,930,937	-	1,302,370	3,145,496	8,549,374	2,480,740	5,152,394
Issuance of debt-long-term notes	-	2,587,000	1,024,000	887,000	-	1,303,000	473,924	4,536,852	3,475,344	445,320
Total other financing sources (uses)	(6,666,339)	22,335,082	33,322,210	25,033,117	(3,627,110)	13,403,102	26,223,860	20,557,686	30,693,073	15,272,367
Net change in fund balances	\$ (3,747,907)	\$ 49,274,872	\$ 30,496,785	\$ 13,416,514	\$ (20,910,495)	\$ (5,975,273)	\$ 9,431,061	\$ (9,314,663)	\$ (3,754,265)	\$ (891,684)
Debt Service as a percentage of Noncapital Expenditures	6.3%	7.3%	8.3%	8.7%	9.4%	10.3%	10.2%	10.4%	10.2%	10.3%

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
EXPENDITURES										
Governmental Funds - General Fund										
Salaries & Wages	\$ 52,776,835	\$ 48,309,958	\$ 49,094,973	\$ 47,834,846	\$ 45,331,963	\$ 43,506,874	\$ 41,979,116	\$ 40,236,082	\$ 39,501,680	\$ 37,736,885
Fringe Benefits - Employer Share	40,286,424	37,970,554	38,154,944	35,956,401	33,216,631	33,612,163	33,690,422	32,238,853	32,172,769	15,658,414
Total Personal Services	93,063,259	86,280,512	87,249,917	83,791,247	78,548,594	77,119,037	75,669,538	72,474,935	71,674,449	53,395,299
Business / Conference Expenses	206,088	92,011	207,842	331,369	288,078	277,373	263,018	178,484	140,166	128,429
Overtime Expenses	31,838	51,700	14,316	51,178	58,675	41,489	39,525	62,251	57,055	25,945
Total Travel - Business/Conferences	237,926	143,711	222,158	382,547	346,753	318,862	302,543	240,735	197,221	154,374
Maintenance & Repair	4,422,043	3,569,166	3,964,426	4,541,007	3,792,512	2,705,648	2,543,860	2,262,826	1,809,466	1,822,436
Maintenance Agreements	1,976,938	1,702,640	1,815,803	1,583,196	1,251,069	1,399,031	1,145,071	1,039,882	1,034,868	968,659
Vendor Services	3,889,123	2,976,048	3,108,941	3,065,323	2,878,905	2,901,733	2,601,979	2,628,414	2,442,001	2,685,103
Health & Medical Services	1,221,649	1,227,993	1,081,872	1,076,184	1,042,997	1,022,268	1,005,202	1,069,216	983,305	919,872
Legal Services	114,283	70,199	143,980	196,093	392,243	227,789	160,844	146,318	169,364	135,227
Professional Services	1,075,234	708,306	904,412	798,786	409,092	706,403	787,630	819,907	619,363	478,381
Training Services	275,714	214,572	302,061	259,449	278,543	242,927	199,287	169,033	137,000	131,549
Total Contractual Services	12,974,984	10,468,924	11,321,495	11,520,038	10,045,361	9,205,799	8,443,873	8,135,596	7,195,367	7,141,227
Rents	4,456,522	1,164,096	769,163	1,191,659	962,419	832,346	1,460,527	1,170,780	1,054,247	658,739
Utilities	3,480,538	3,247,727	3,412,518	3,601,320	3,713,033	3,530,344	2,969,786	3,120,196	3,660,551	3,487,043
Communications	1,364,973	1,220,240	1,087,791	1,172,539	1,148,447	1,258,004	1,111,979	1,176,584	1,082,615	1,050,854
Total Rent & Utilities	9,302,033	5,632,063	5,269,472	5,965,518	5,823,899	5,620,694	5,542,292	5,467,560	5,797,413	5,196,636
Office Supplies & Materials	488,576	440,341	545,352	532,237	497,894	543,861	606,796	472,396	448,812	428,447
Food Supplies	117,973	460,020	499,866	517,521	516,213	542,572	494,624	531,714	518,065	476,778
Personnel / Safety Equip-Supply	455,402	375,654	366,779	417,749	424,760	477,387	370,355	341,716	319,329	347,482
General Operating Supplies	2,562,405	2,975,808	1,888,302	3,956,414	3,864,228	3,479,615	2,971,245	4,460,148	3,250,766	2,590,801
Fuels & Lubricants	2,073,884	1,340,501	1,332,552	1,781,199	1,833,992	1,779,600	1,902,930	2,168,148	2,477,859	2,189,409
Vehicle Maintenance Materials	2,074,193	2,240,290	1,544,346	1,907,758	1,745,529	1,570,192	1,812,128	964,953	855,474	679,354
Total Supplies & Materials	7,772,433	7,832,614	6,177,197	9,112,878	8,882,616	8,393,227	8,158,078	8,939,075	7,870,305	6,712,271
Board of Education	207,407,073	198,924,586	197,959,421	192,391,000	183,670,974	186,863,950	178,028,873	172,875,135	170,412,791	170,799,564
Library	16,411,295	15,739,408	15,389,873	9,009,360	10,569,489	8,727,890	10,557,662	10,421,642	10,103,156	9,934,238
Carroll Community College	16,219,666	15,922,808	16,047,202	10,583,600	13,853,206	9,687,110	7,827,680	7,608,220	7,240,990	8,542,027
Other Outside Agencies	14,548,493	16,237,827	16,035,367	29,476,553	24,770,123	27,858,384	26,000,143	26,394,568	25,926,070	35,930,220
Total Grants	254,586,527	246,824,629	245,431,863	241,460,513	232,863,792	233,137,334	222,414,358	217,299,565	213,683,007	225,206,049
Total Contributions & Aid	254,586,527	246,824,629	245,431,863	241,460,513	232,863,792	233,137,334	222,414,358	217,299,565	213,683,007	225,206,049
Other Charges	6,386,263	6,118,151	6,358,207	6,852,197	8,157,258	126,407	3,416,109	3,612,221	3,353,809	(2,210,359)
Insurance	1,025,620	830,157	751,570	736,186	777,343	753,036	742,513	647,127	644,751	581,222
Total Other Charges	7,411,883	6,948,308	7,109,777	7,588,383	8,934,601	879,443	4,158,622	4,259,348	3,998,560	(1,629,137)
Land Acquisition & Development	1,976	18,915	10,000	600	-	-	45,000	-	-	-
Capital Acquisition & Construction	28,987	56,209	100,021	112,278	136,532	239,613	80,491	19,275	84,597	60,944
Replacement Equipment	1,617,918	3,419,314	1,861,308	1,943,522	3,281,541	1,970,361	2,023,857	1,873,537	2,190,129	828,919
Additional Equipment	339,275	735,351	350,787	928,940	698,177	822,393	406,300	431,347	802,053	1,206,220
Total Capital Outlay	1,988,156	4,229,789	2,322,116	2,985,340	4,116,250	3,032,367	2,555,648	2,324,159	3,076,779	2,096,083
Miscellaneous	(1,320,553)	(1,665,792)	(1,095,419)	(1,380,141)	(1,259,628)	(1,103,733)	(1,208,575)	(315,998)	(314,603)	(291,581)
Total Miscellaneous	(1,320,553)	(1,665,792)	(1,095,419)	(1,380,141)	(1,259,628)	(1,103,733)	(1,208,575)	(315,998)	(314,603)	(291,581)
Interest	9,747,373	10,191,628	11,005,578	11,433,711	12,028,194	12,814,116	13,339,243	13,339,130	13,656,779	13,646,029
Principal	20,342,583	22,985,352	25,133,935	26,563,163	27,230,909	28,620,058	28,171,531	28,145,359	26,984,558	25,641,362
Total Debt Service	30,089,956	33,176,980	36,139,513	37,996,874	39,259,103	41,434,174	41,510,774	41,484,489	40,641,337	39,287,391
Total Governmental Funds - General Fund Expenditures	\$ 416,106,604	\$ 399,871,738	\$ 400,148,089	\$ 399,423,197	\$ 387,561,341	\$ 378,037,204	\$ 367,547,151	\$ 360,309,464	\$ 353,819,835	\$ 337,268,612

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			Total				
				Unincorporated	Incorporated	Public Utilities					
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
2021	20,648,058,648	20,648,058,648	1.018	12,135,940	332,681,620	351,934,950	696,752,510	696,752,510	2.515	21,344,811,158	1.067
2022	21,302,260,585	21,302,260,585	1.018	11,114,080	339,807,420	357,004,800	707,926,300	707,926,300	2.515	22,010,186,885	1.066

Real property is reassessed every three years. Real property is assessed at market value.
 In fiscal year 2013, real property tax rate reduced from \$1.028 to \$1.018 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
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
2021	1.018	0.112	0.37	0.33	0.216	0.56	0.22	0.2615	0.35	0.1662
2022	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.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Principal Taxpayers
Current Fiscal Year and Nine Years Ago

Table 9

2022				
Taxpayer	Type of Business	Assessed Valuation	Tax Amount Paid	% of Total Assessed Value
Baltimore Gas & Electric	Utilities	\$ 263,750,820	\$ 6,633,333	1.20%
Colonial Pipeline	Pipeline trans.-refined petroleum	36,059,840	906,905	0.16%
Comcast of California	Communications	34,555,370	869,067	0.16%
Penguin Random House Inc.	Warehouse Distribution	48,340,530	661,783	0.22%
Verizon-Maryland	Communications	23,100,160	580,969	0.10%
Potomac Edison Company	Utilities	22,948,140	577,146	0.10%
Lehigh Portland Cement	Manufacturer	35,727,216	445,402	0.16%
Carroll Lutheran Village	Retirement Village	41,430,133	421,759	0.19%
Eldersburg Sustainable	Real Estate	35,462,500	361,008	0.16%
Stag Hampstead LLC	Warehouse Distribution	34,957,000	355,862	0.16%
		<u>\$ 576,331,709</u>	<u>\$ 11,813,234</u>	<u>2.61%</u>
	Total Assessed Valuation	<u>\$ 22,010,186,885</u>		
2013				
Taxpayer	Type of Business	Assessed Valuation	Tax Amount Paid	% of Total Assessed Value
Baltimore Gas & Electric	Utilities	\$ 170,810,950	\$ 4,343,911	0.91%
Verizon-Maryland	Communications	39,509,950	1,005,521	0.21%
Carroll Lutheran Village	Retirement Village	57,955,800	589,990	0.31%
Colonial Pipeline Co.	Pipeline trans.-refined petroleum	20,417,580	519,627	0.11%
Random House	Warehouse Distribution	34,865,530	482,876	0.19%
Comcast of California/MD/PA	Communications	14,204,060	361,493	0.08%
Fairhaven Inc.	Assisted Living	3,523,400	358,691	0.02%
Potomac Edison Co	Electric/Utilities	14,051,790	357,618	0.07%
Wal-Mart Real Estate	Retail	27,430,110	351,308	0.15%
Lehigh Cement Co. Inc	Manufacturer	27,949,920	312,840	0.15%
		<u>\$ 410,719,090</u>	<u>\$ 8,683,875</u>	<u>2.20%</u>
	Total Assessed Valuation	<u>\$ 18,789,765,921</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		
2013	\$ 198,644,390	\$ 197,845,421	99.60%	\$ 798,864	\$ 198,644,285	99.99%	\$ 105	0.01%
2014	195,943,319	195,202,000	99.62%	736,786	195,938,786	99.99%	4,533	0.01%
2015	195,638,302	194,784,554	99.56%	850,737	195,635,291	99.99%	3,011	0.01%
2016	197,944,624	197,837,002	99.95%	101,899	197,938,901	99.99%	5,723	0.01%
2017	202,329,710	201,772,465	99.72%	532,159	202,304,624	99.99%	25,086	0.01%
2018	207,982,283	207,370,014	99.71%	539,256	207,909,270	99.96%	73,013	0.04%
2019	213,668,683	212,826,558	99.61%	729,790	213,556,348	99.95%	112,335	0.05%
2020	220,222,222	217,729,318	98.87%	2,249,503	219,978,821	99.89%	243,401	0.11%
2021	226,910,944	225,624,390	99.43%	856,521	226,480,911	99.81%	430,033	0.19%
2022	238,925,175	232,852,020	97.46%	-	232,852,020	97.46%	6,073,155	2.54%

The total Tax Levy is adjusted each year based on prior year abatements.

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*
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
2021	10.73	7.94	8.12	8.35	15.08	9.30	9.88	10.53
2022	11.52	8.54	8.75	9.01	16.25	9.63	10.25	10.99

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 2021 was 12,000 gallons per quarter.

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	Purchase Agreements	General Obligation Bonds (1)	Special Assessment Debt with Government Commitment	Total Primary Government			
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	3.51%	1.53%	1,835
2020	261,119,584	33,537,296	4,385,658	12,486,733	33,400	311,562,671	3.63%	1.51%	1,854
2021	259,436,405	36,124,296	3,994,414	11,039,881	-	310,594,996	N/A	1.50%	1,848
2022	260,520,163	35,878,296	3,649,448	9,622,415	-	309,670,322	N/A	1.50%	1,791

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.

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)
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%	2.78%	1,795
2020	307,143,613	1.49%	2.72%	1,777
2021	306,600,582	1.44%	N/A	1,757
2022	306,020,874	1.39%	N/A	2,265

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.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Computation of Legal Debt Margin
June 30, 2022

Table 14

Net assessed value - Real Property	\$ 21,302,260,585	
Debt limit - 6% of net total assessed value (1)		\$ 1,278,135,635
Net assessed Value-Personal Property	<u>707,926,300</u>	
Debt limit - 15% of net assessed value (1)		<u>106,188,945</u>
Debt limit - (6%/15%) of net assessed value		1,384,324,580
Amount of debt applicable to debt limit:		
Total Bonded Debt	\$ 276,642,299	
Less- Agricultural Preservation Program Self Supporting Debt	35,878,296	
Less- Fire Company Loans- Self Supporting Debt	3,283,671	
Less - Bureau of Utilities bonds	4,724,692	
Total amount of debt applicable to debt limit		<u>232,755,640</u>
Legal debt margin		<u><u>\$ 1,151,568,940</u></u>

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
2013-2022

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
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%
2021	21,344,811,158	6%/15%	1,343,396,395	231,396,398	1,111,999,997	17.22%
2022	22,010,186,885	6%/15%	1,384,324,580	232,755,640	1,151,568,940	16.81%

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Computation of Direct and Overlapping Debt
June 30, 2022

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	\$ 659,017,612	3.09%	\$ 9,480,758	\$ 3,293,356	\$ 12,774,114
Manchester	530,279,068	2.49%	7,628,700	747,933	8,376,633
Mt. Airy	1,002,913,985	4.71%	14,428,120	3,898,300	18,326,420
New Windsor	184,414,649	0.87%	2,653,026	-	2,653,026
Sykesville	498,442,100	2.34%	7,170,687	-	7,170,687
Taneytown	760,189,286	3.57%	10,936,234	10,957,083	21,893,317
Union Bridge	72,561,773	0.34%	1,043,888	962,000	2,005,888
Westminster	1,986,070,260	9.32%	28,572,002	41,945,499	70,517,501
Unincorporated areas	15,608,371,852	73.27%	224,545,141	-	224,545,141
County-wide Totals	<u>\$ 21,302,260,585</u>	<u>100.00%</u>	<u>\$ 306,458,556</u>	<u>\$ 61,804,171</u>	<u>\$ 368,262,727</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)
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	10,829,120	64,288	25,176	3.30%
2020	172,891	11,312,440	66,901	25,345	6.50%
2021	174,845	N/A	N/A	24,568	5.10%
2022	175,560	N/A	N/A	25,054	3.90%

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.

(4) Maryland Department of Labor, Licensing and Regulation, Office of Workforce Information

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Major Employers
Current Fiscal Year and Nine Fiscal Years Ago

Table 17

2022

Firm	Product/Service	Total Employment *	Percentage of Total County Employment
Board of Education of Carroll County **	Elementary and secondary school systems	3,334	6.12%
Carroll Hospital Center	General hospital	1,995	3.66%
Springfield Hospital Center	Mental health services	833	1.53%
McDaniel College	Higher education	800	1.47%
Penguin Random House, Inc.	Book warehousing and distribution	755	1.39%
Integrace - Fairhaven	Retirement/Assisted Living	700	1.28%
Carroll County Government***	Local government	626	1.15%
Carroll Community College	Higher education	580	1.06%
EVAPCO	Cooling Equipment Manufacturer	440	0.81%
Carroll Lutheran Village	Retirement/Assisted Living	425	0.78%
Total		<u>10,488</u>	<u>19.26%</u>
Annual Average Employment in Carroll County****		<u>54,496</u>	

2013

Firm	Product/Service	Total Employment	Percentage of Total County Employment
Board of Education of Carroll County **	Elementary and secondary school systems	3,630	6.72%
Carroll Hospital Center	General hospital	1,759	3.26%
Springfield Hospital Center	Mental health services	833	1.54%
Jos. A. Bank Clothiers	Corporate HQ/ Distribution	778	1.44%
Random House	Book warehousing and distribution	722	1.34%
Fairhaven (Episcopal Ministries)	Life care retirement community	700	1.30%
McDaniel College	Higher education	621	1.15%
Carroll County Government ***	Local government	587	1.09%
Carroll Community College	Higher education	509	0.94%
EVAPCO	Cooling equipment manufacturer	440	0.81%
Total		<u>10,579</u>	<u>19.58%</u>
Annual Average Employment in Carroll County		<u>54,037</u>	

- Notes: * As of 2021 Brief Economic Facts – commerce.maryland.gov excludes state and local governments
 ** Does not include hourly employees such as substitutes, aides, etc.
 *** Central offices only. From Table 18 - Excludes Sheriff's Department, State's Attorney, and Circuit Court
 **** 2020-2021 Brief Economic Facts - Major Employers

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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
County Commissioners										
Legislative	7	7	7	7	7	7	6	5	5	6
TV Production	3	3	3	3	3	2	2	2	2	2
Building Construction	4	4	3	2	4	3	2	2	2	2
Facilities	55	56	52	52	54	53	48	50	51	47
Fleet	22	20	23	24	24	24	24	23	23	22
Permits	20	20	21	22	23	23	23	22	22	22
County Attorney	6	6	8	9	9	10	9	10	11	12
Comptroller	28	30	33	31	34	32	34	34	33	34
Human Resources	17	15	15	14	13	14	12	11	12	13
Technology Services	32	32	33	32	33	34	33	32	30	30
Management and Budget	15	14	14	14	15	15	15	15	14	15
Land Use, Planning and Development	54	51	52	53	51	51	51	48	47	45
Human Services	55	48	51	53	53	52	48	51	55	50
Public Safety										
Sheriff Services	244	253	262	261	245	241	245	249	253	242
Emergency Services	51	47	45	43	45	41	41	36	36	34
Public Works										
Administration	8	8	7	7	6	7	8	7	5	4
Airport	3	3	3	3	2	2	1	1	1	1
Roads	82	90	92	90	95	101	104	100	101	101
Engineering	16	17	18	19	19	19	19	18	18	19
Bureau of Utilities - Operations	31	31	29	28	31	33	31	32	31	32
Solid Waste - Operations	18	17	18	17	17	18	15	18	17	20
Transportation CTS	1	1	1	1	1	1	-	-	-	-
*Social Services	-	-	-	-	-	-	12	12	17	16
Education	1	1	1	1	1	1	1	1	1	1
*Culture and Recreation	25	27	27	27	26	24	26	26	25	32
Conservation of Natural Resources										
Soil Conservation Service	5	5	5	5	5	5	4	5	6	6
Economic Development										
Economic Development	6	6	6	6	6	6	6	8	7	6
BERC	13	13	12	12	12	11	9	9	9	9
* Tourism	7	7	8	8	8	8	8	8	8	1
Judicial Services	82	81	77	77	79	76	74	70	68	68
Total Full Time Employee Totals	<u>911</u>	<u>913</u>	<u>926</u>	<u>921</u>	<u>921</u>	<u>914</u>	<u>911</u>	<u>905</u>	<u>910</u>	<u>892</u>
Part Time Employees	5	4	8	8	8	7	7	5	5	6
Total Employees	<u>916</u>	<u>917</u>	<u>934</u>	<u>929</u>	<u>929</u>	<u>921</u>	<u>918</u>	<u>910</u>	<u>915</u>	<u>898</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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Information										
Population	175,560	174,845	172,891	168,015	174,386	173,594	172,703	171,702	170,643	169,519
Registered Voters	135,338	132,558	130,402	128,726	129,221	127,215	124,340	120,076	119,595	116,523
General Government										
Residential (\$ in thousands)										
Building Permits Issued	490	544	343	350	304	324	278	287	329	340
Estimated Value	\$ 76,611	\$ 79,257	\$ 55,319	\$ 55,450	\$ 55,879	\$ 59,769	\$ 49,644	\$ 53,298	\$ 54,620	\$ 56,305
Other (\$ in thousands)										
Building Permits Issued	2,138	2,464	1,992	1,938	1,989	2,271	2,452	2,082	1,681	1,775
Estimated Value	\$ 35,708	\$ 32,995	\$ 71,654	\$ 86,982	\$ 84,909	\$ 67,487	\$ 81,606	\$ 90,926	\$ 70,835	\$ 80,519
Fire and Emergency Service										
Paid Firemen*	316	360	332	357	174	177	120	120	120	120
Active Volunteers (estimated)	1,549	895	641	730	718	725	725	725	725	700
Dispatched Incidents	24,190	21,224	20,602	21,362	22,170	20,657	19,964	19,874	18,786	18,731
911 Calls Received**	N/A	59,902	60,771	65,792	65,639	66,165	65,910	58,705	71,437	62,319
Police Protection										
Resident Troopers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15
Sheriff's Department	132	132	132	132	137	142	116	106	106	101
Citations/Warnings	18,901	21,131	23,773	26,666	21,764	20,302	23,460	25,195	23,410	19,579
911 Calls for Service**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	19,880	19,242
Detention Center										
Detention Center Officers	77	79	92	90	90	92	97	91	91	91
Total Prisoner Days	69,350	64,328	67,185	66,601	77,121	86,246	82,527	95,793	88,565	82,994
Water										
Daily Average Usage (mgd)	1.94	2.06	1.93	1.97	1.96	2.14	2.03	2.02	2.05	2.18
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	8,891	8,817	8,778	8,717	8,656	8,616	8,582	8,521	8,474	8,428
Wastewater										
Daily Average Usage (mgd)	2.63	2.59	2.89	2.63	2.91	2.57	2.65	2.89	2.64	2.63
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	9,470	9,402	9,361	9,298	9,249	9,204	9,166	9,107	9,040	8,995
Solid Waste										
Tons In	120,661	112,138	108,680	106,484	103,227	102,698	99,402	95,480	95,758	96,908
Tons Recycled	18,331	19,674	19,761	19,790	19,430	23,002	23,125	20,502	21,182	21,181
Tons into Landfill	12,846	26,468	29,566	43,396	35,378	21,480	5,097	13,100	17,271	12,840
Tons Transferred	105,623	85,670	79,115	62,125	67,021	81,217	94,304	82,380	78,487	84,068

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Operating Indicators by Function / Program
Last Ten Fiscal Years

Table 19

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Education										
Number of Teachers	1,993	1,982	1,970	1,970	1,991	2,017	2,199	2,128	2,152	2,154
Number of Students	25,054	24,568	25,345	25,179	25,290	25,256	25,551	25,706	26,153	26,506
Community College										
Full Time Equivalent (FTE's)										
Students	2,123	2,201	2,361	2,473	2,343	2,542	2,664	2,803	2,920	3,167
Faculty-Full Time	81	82	83	78	78	79	79	85	82	84
Faculty-Part Time	226	215	240	270	259	203	215	196	199	212
Airport										
Fuel Sales (gals)	312,613	272,510	222,663	348,732	347,060	297,820	276,020	252,457	329,762	270,784
Tie Downs Occupied	12	12	12	12	12	12	12	12	12	15
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)	673,690	664,390	681,523	701,477	738,777	640,583	603,439	600,018	555,600	557,220
Circulation	2,699,370	2,118,779	2,604,402	3,546,134	3,614,568	3,721,515	3,790,887	3,970,949	3,987,246	4,200,368
Senior Centers										
Outside Groups using facilities	90	87	1,621	2,702	3,182	3,082	2,731	2,381	2,280	1,998
Volunteer Hour at Centers	18,720	1,255	28,555	46,232	51,656	53,882	54,499	51,448	54,857	57,402
Meals Served	23,671	10,200	21,749	34,888	36,575	37,131	39,360	37,124	34,357	33,606
Seniors Attending Activities	103,921	30,808	204,563	314,502	322,540	311,517	310,949	295,793	273,041	274,588

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Information										
Miles of Roads Paved	954	935	935	1,006	999	999	993	915	905	903
Miles of Roads Unpaved	36	59	59	59	64	66	69	70	80	80
Number of Bridges	153	153	153	153	153	153	153	151	151	151
Acres in Agricultural Land Preservation	77,425	76,595	74,211	73,132	71,623	70,311	68,929	66,642	65,761	62,366
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)	146	146	145	145	145	145	144	141	140	139
Treatment Plants	5	5	5	5	5	5	5	4	4	4
Water Tanks	7	7	7	7	7	7	7	6	6	6
Wastewater										
Sewer Mains (miles)	133	133	133	133	132	131	130	128	127	125
Treatment Plants	4	4	4	4	4	4	4	4	4	4
Pumping Stations	22	22	22	22	22	22	22	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	32
Acreage	4,773	4,773	4,773	4,773	4,773	4,773	4,773	4,773	4,773	4,773
Education										
Elementary	22	22	22	22	22	22	23	23	23	23
Middle	8	8	8	8	8	8	9	9	9	9
High	7	7	7	7	7	7	8	8	8	8
Vocational technical	1	1	1	1	1	1	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	41	41	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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenue										
Usage charges	\$ 12,577,500	\$ 12,155,336	\$ 11,246,583	\$ 10,597,228	\$ 10,797,227	\$ 10,578,433	\$ 10,359,334	\$ 10,233,000	\$ 9,272,482	\$ 8,676,619
Penalties and interest	156,251	62,531	150,333	227,370	624,728	159,650	452,880	222,120	480,963	577,270
Operating transfer - County	769,770	761,950	521,230	369,820	212,110	204,490	189,350	199,420	193,390	202,790
Capital contributions	910,687	2,020,392	5,177,789	2,646,389	1,200,848	300,231	887,006	482,614	775,916	1,008,491
Maintenance fee	1,527,252	1,514,058	1,502,682	1,493,415	1,486,384	1,480,053	1,467,824	1,462,477	1,455,846	1,454,435
Other	-	73	11,942	531	-	11,558	-	793	262,830	265,575
Total revenue	<u>15,941,460</u>	<u>16,514,340</u>	<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>
Expenses										
Salaries	2,859,338	2,697,570	2,884,101	2,673,440	2,652,790	2,628,389	2,551,327	2,443,101	2,510,322	2,298,153
Operating expenses	5,923,594	7,801,122	6,450,736	7,246,550	6,096,065	6,663,394	6,308,098	5,692,128	5,795,999	5,434,123
Depreciation	3,761,133	3,505,983	3,390,193	3,357,978	2,327,785	2,296,365	2,185,471	2,204,733	2,285,154	2,279,024
Interest	161,570	219,035	275,214	370,154	402,909	483,441	499,729	706,695	736,935	789,748
Other	-	-	-	-	8,787	-	55,584	-	-	-
Total expense	<u>12,705,635</u>	<u>14,223,710</u>	<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>
Excess (deficiency) of revenue over (under) expense:	<u>\$ 3,235,825</u>	<u>\$ 2,290,630</u>	<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>

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenue										
Charge for services	\$ 8,927,804	\$ 8,096,735	\$ 7,162,851	\$ 7,107,829	\$ 6,771,556	\$ 6,846,672	\$ 6,201,012	\$ 6,023,220	\$ 5,862,657	\$ 6,165,482
Penalties and interest	(16,029)	21,386	130,560	172,386	87,941	41,895	214,039	2,573	21,644	19,936
Proceeds from sales of recyclables	164,553	121,648	75,787	159,234	238,911	204,922	123,621	317,760	546,110	628,089
Capital contributions-equip. transferred from County	-	-	13,172	-	-	2,303	47,133	-	-	-
Capital contributions-grants	-	99,140	-	-	-	-	-	-	-	-
Gain on sale of fixed assets	-	-	175,596	196,000	-	22,500	12,431	-	-	78,616
Other	-	-	-	83,423	7,425	4,860	2,700	476,079	265,732	256,367
Operating transfer - County	28,562,890	1,532,250	615,000	2,415,000	2,415,000	2,415,000	2,415,000	125,632	1,115,000	6,445,000
Total revenue	<u>37,639,218</u>	<u>9,871,159</u>	<u>8,172,966</u>	<u>10,133,872</u>	<u>9,520,833</u>	<u>9,538,152</u>	<u>9,015,936</u>	<u>6,945,264</u>	<u>7,811,143</u>	<u>13,593,490</u>
Expense										
Salaries	1,723,614	1,565,230	1,860,730	1,652,012	1,557,315	1,484,759	1,523,060	1,435,456	1,436,414	1,524,733
Operating expenses	9,265,751	8,332,327	6,436,302	5,396,268	8,249,882	6,694,399	7,866,631	7,444,156	4,218,417	9,874,810
Depreciation	648,690	670,704	659,482	671,148	654,059	605,529	551,842	577,666	564,037	585,096
Interest	2,149	4,961	8,596	17,066	29,253	46,408	55,038	93,541	100,662	123,644
Total expense	<u>11,640,204</u>	<u>10,573,222</u>	<u>8,965,110</u>	<u>7,736,494</u>	<u>10,490,509</u>	<u>8,831,095</u>	<u>9,996,571</u>	<u>9,550,819</u>	<u>6,319,530</u>	<u>12,108,283</u>
Excess (deficiency) of revenue over expense	<u>\$ 25,999,014</u>	<u>\$ (702,063)</u>	<u>\$ (792,144)</u>	<u>\$ 2,397,378</u>	<u>\$ (969,676)</u>	<u>\$ 707,057</u>	<u>\$ (980,635)</u>	<u>\$ (2,605,555)</u>	<u>\$ 1,491,613</u>	<u>\$ 1,485,207</u>
Tipping Fee per ton	\$ 64.00	\$ 64.00	\$ 64.00	\$ 64.00	\$ 64.00	\$ 64.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND
Airport Fund – Revenue and Expenses
Last Ten Fiscal Years

Table 23

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenue										
Rent	\$ 832,614	\$ 842,988	\$ 764,953	\$ 762,573	\$ 739,048	\$ 717,604	\$ 694,754	\$ 667,119	\$ 638,096	\$ 586,247
Fuel sales	91,908	77,735	63,459	87,183	86,765	74,455	69,005	60,589	75,846	63,270
Capital contributions (1)	12,375	348,573	10,000	66,274	20,000	189,422	179,130	25,000	186,719	434,316
Capital contributions-County	365,492	-	-	-	-	-	30,000	-	-	-
Land sale	-	-	-	18,580	-	-	5,632	902	-	-
Operating transfer-County	2,252,490	-	-	-	-	-	-	-	-	2,000,000
Other	11,556	145	255	269	281	13,179	318	592	9,009	55
Total revenue	<u>3,566,435</u>	<u>1,269,441</u>	<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>
Expenses										
Salaries	301,517	273,724	324,023	354,745	274,043	248,404	235,452	198,133	200,002	199,851
Operating expenses	241,421	206,421	198,728	271,294	207,658	162,834	158,637	175,804	153,102	216,549
Operating expenses-capital (2)	113,890	95,440	92,458	221,125	119,918	273,626	204,719	120,000	194,565	5,438
Interest	130,053	135,583	141,941	21,871	29,502	39,899	48,478	65,301	70,822	78,281
Depreciation	353,084	363,344	369,101	189,665	177,113	176,283	175,761	174,578	182,320	188,935
Total expense	<u>1,139,965</u>	<u>1,074,512</u>	<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>
Excess (deficiency) of revenue over expense:	<u>\$ 2,426,470</u>	<u>\$ 194,929</u>	<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>

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 Employee Pension Plan by Type of Benefit
As of June 30, 2022

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	2										
\$ 1 - \$250	67	61	0	6	0	26	7	13	15	3	3
251 - 500	111	95	4	12	0	33	13	15	34	7	9
501 - 750	87	74	7	6	0	29	12	12	19	4	11
751 - 1000	54	46	6	1	1	14	7	8	10	5	10
Over 1,000	92	85	7	0	0	17	14	12	28	13	8

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 Public Safety Pension Plan by Type of Benefit
As of June 30, 2022

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	18	18	-	-	-	1	1	4	5	2	5	

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

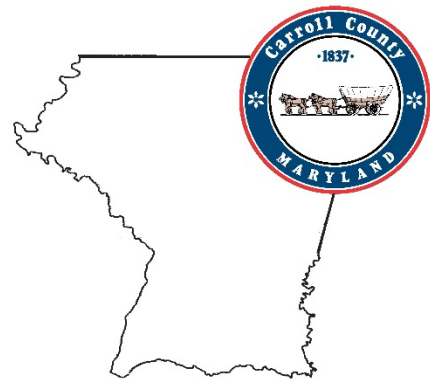
Option Selected:

- 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.



Single Audit Section





Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed In Accordance with *Government Auditing Standards*

To the County Commissioners
Carroll County, Maryland

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carroll County, Maryland (the "County"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Carroll County, Maryland's basic financial statements, and have issued our report thereon dated November 18, 2022. Our report includes a reference to other auditors who audited the financial statements of Carroll Community College and the Board of Education of Carroll County as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Carroll County, Maryland's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Carroll County, Maryland's internal control. Accordingly, we do not express an opinion on the effectiveness of Carroll County, Maryland's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The County's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Baltimore, Maryland
November 18, 2022

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on
Internal Control over Compliance Required by the Uniform Guidance

To the County Commissioners
Carroll County, Maryland

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Carroll County, Maryland's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Carroll County, Maryland's major federal programs for the year ended June 30, 2022. Carroll County, Maryland's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Carroll County, Maryland complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Carroll County, Maryland's basic financial statements include the operations of the Carroll Community College, the Carroll County Board of Education, the Industrial Development Authority of Carroll County, and the Carroll County Public Library for the year ended June 30, 2022, component units which may have expended federal awards, and which are not included in Carroll County, Maryland's schedule of expenditures of federal awards during the year ended June 30, 2022. Our audit, described below, did not include the operations of these entities because the entity's engaged other auditors to perform an audit of compliance.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Carroll County, Maryland and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Carroll County Maryland's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Carroll County, Maryland's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Carroll County, Maryland's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Carroll County, Maryland's compliance with the requirements of each major federal program as a whole.

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

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Carroll County, Maryland's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

Obtain an understanding of Carroll County, Maryland's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Carroll County, Maryland's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not

identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CohnReznick LLP

Baltimore, Maryland
November 18, 2022

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022**

Federal Grantor/Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed through to Subrecipients	Expenditures
U.S. Department of Housing and Urban Development				
Direct Housing Section 8 Grants				
Housing Voucher Cluster (14.871 / 14.879)				
Section 8 Housing Choice Vouchers				
HUD Housing FY22	14.871	N/A	\$ -	\$ 5,468,404
HUD Housing Admin FY22	14.871	N/A	-	547,985
HUD Housing FY21	14.871	N/A	-	12,408
HUD Housing Admin FY21	14.871	N/A	-	5,628
Housing Voucher Adm (HCV) CV193223	14.871	N/A	-	39,961
HUD Housing FY19	14.871	N/A	-	823
Total Section 8 Housing Choice Vouchers			-	6,075,209
Mainstream Voucher Program				
Mainstream Voucher FY22	14.879	N/A	-	681,078
Mainstream Voucher Admin FY22	14.879	N/A	-	72,485
Mainstream Voucher FY21	14.879	N/A	-	30
Mainstream Voucher Admin FY21	14.879	N/A	-	82
Total Mainstream Voucher Program			-	753,675
Total Housing Voucher Cluster (14.871 / 14.879)			-	6,828,884
Continuum of Care Program				
Continuum of Care FY22 - Planning Grant	14.267	N/A	-	4,894
Continuum of Care FY21	14.267	N/A	-	11,413
Total Continuum of Care Program			-	16,307
Family Self-Sufficiency Program				
CY 2022 Family Self-Sufficiency (FSS)	14.896	N/A	-	44,582
Family Self Sufficiency FY21	14.896	N/A	-	17,340
Total Family Self-Sufficiency Program			-	61,922
Passed Through Maryland Department of Community Development				
Community Development Block Grants/State's Program				
COVID-19 - CDB CV19 Rd#2-Sr Svcs DM FY21	14.228	CV-2-6	-	8,151
COVID-19 - CDB CV19 Rd#2-Admin/Payroll	14.228	CV-2-6	-	1,476
COVID-19 - CDB CV19 Rd#2-ARC	14.228	CV-2-6	35,536	35,536
COVID-19 - CDB CV19 Rd#2-Rescue Mission	14.228	CV-2-6	112,273	112,273
COVID-19 - CDB CV19 Rd#1-HSP FY21	14.228	CV-1-3	12,836	12,836
COVID-19 - CDB CV19 Rd#1-PennMar FY21	14.228	CV-1-3	396	396
Community Dev Block-FCS	14.228	MD-20-HI-1	575,883	575,883
COVID-19 - Community Dev Block	14.228	MD-18-HI-2	38,913	38,913
Total Community Development Block Grants/State's Program			775,837	785,464
Emergency Solutions Grant Program				
HSP Federal - FY22 Homelessness Solutions Program	14.231	Unavailable	80,000	80,000
HSP Admin FY21	14.231	Unavailable	(4,959)	(4,959)
COVID-19 - Emergency Solutions Grant CV193213	14.231	Unavailable	-	26,504
COVID-19 - Emergency Solutions CV19 #2	14.231	Unavailable	126,239	126,239
COVID-19 - ESG-HSP CV19 #2	14.231	Unavailable	252,928	252,928
Total Emergency Solutions Grant Program			454,208	480,712
Housing Opportunities for Persons with AIDS				
FY22 Housing Opportunity for Person with AIDS (HOPWA)	14.241	Unavailable	-	23,664
FY22 Housing Opportunity for Person with AIDS (HOPWA)	14.241	Unavailable	-	1,655
Total Housing Opportunities for Persons with AIDS			-	25,319
Total U.S. Department of Housing and Urban Development			1,230,045	8,198,608

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022**

<u>Federal Grantor/Pass-through Grantor / Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed through to Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Labor				
Passed Through Howard County Maryland				
Manpower Resources Employment and Training Assistance				
WIOA Cluster (17.258 / 17.259 / 17.278)				
WIOA Adult Program				
BERC Title I FY21	17.258	PY20 (CC-PY20-CO-A) FY21 (CC-FY21-CO-A)	-	103,224
BERC Admin FY21 - WIOA Adult	17.258	CC-PY20-CO-A	-	9,676
FY22 WIOA Adult	17.258	P-26-CC-PY21-A & P26-CC-FY22-A	-	113,709
FY22 WIOA Admin - Adult (3353)	17.258	P-26-CC-PY21-A & P26-CC-FY22-A	-	7,889
Total WIOA Adult Program			-	234,498
WIOA Youth Activities				
BERC - Youth FY20	17.259	P06-MM-PY19-Y	-	11,399
FY21 WIOA Youth	17.259	PY20 (CC-PY20-CO-Y) PY20 (P16-MM-PY20)	-	153,496
FY21 WIOA Youth WEX	17.259	FY21 (P16-MM-FY21)	-	70,360
BERC Admin FY21 - WIOA Youth	17.259	CC-PY20-CO-Y	-	12,015
FY22 WIOA Youth	17.259	P-26-CC-PY21-Y	-	42,188
FY22 WIOA Youth WEX	17.259	P-26-CC-PY21-Y	-	7,138
FY22 WIOA Admin - Youth (3355)	17.259	P-26-CC-PY21-Y	-	7,912
Total WIOA Youth Activities			-	304,508
WIOA Dislocated Worker Formula Grants				
BERC Title I DisloctdWrkr FY213152	17.278	PY20 (CC-PY20-CO-A) FY21 (CC-FY21-CO-A)	-	313,154
BERC Admin FY21 - WIOA Dislocated Worker	17.278	CC-PY20-CO-D	-	34,012
FY22 WIOA Dislocated Worker	17.278	P-26-CC-PY21-D & P26-CC-FY22-D	-	78,684
FY22 WIOA Admin - DW (3354)	17.278	P-26-CC-PY21-D & P26-CC-FY22-D	-	16,545
Total WIOA Dislocated Worker Formula Grants			-	442,395
Total WIO Cluster (17.258 / 17.259 / 17.278)			-	981,401
Total U.S. Department of Labor			-	981,401
U.S. Department of Health and Human Services				
Passed Through Maryland Office on Aging				
Aging Cluster (93.044 / 93.045 / 93.053)				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers				
Title IIIB FY20	93.044	650120/06 650121/06 and	-	14,017
IIIB FY21	93.044	652121/06	-	72,901
ARPA Title IIIB Community Services Supplemental Funding	93.044	655321/06	-	9,609
FY22 Title IIIB Community Services (FY22 Area Plan)	93.044	650122/06	-	66,938
COVID-19 - Cares Act-Title IIIB FY20	93.044	654520/06	-	21,320
Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			-	184,785
Special Programs for the Aging, Title III, Part C, Nutrition Services				
CRRSAA Supplement Nutrition Title C2	93.045	655121/06	-	55,058
FY22 Title IIIC1 Congregate Meals (FY22 Area Plan)	93.045	650222/06	-	144,506
FY22 Title IIIC2 Home Delivered Meals (FY22 Area Plan)	93.045	650322/06	-	4,185
IIIC FY21 (FY21 Area Plan - Title IIIC1: Congregate Meals)	93.045	650221/06	-	83,473
HDM FY21	93.045	Unavailable	-	45,912
COVID-19 - Cares Act-Title IIIC FY20	93.045	654620/06	-	107,980
Total Special Programs for the Aging, Title III, Part C, Nutrition Services			-	441,114
Nutrition Services Incentive Program				
NSIP FY21	93.053	650521/06	-	26,189
Total Aging Cluster (93.044 / 93.045 / 93.053)			-	652,088

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022**

Federal Grantor/Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed through to Subrecipients	Expenditures
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services				
FY22 Title IIID Health Promotion (FY22 Area Plan)	93.043	650622/06	-	941
Title IIID FY20	93.043	650620/06	-	865
IIID FY21	93.043	650621/06	-	8,548
Total Special Programs for the Aging, Title III, Part D			-	10,354
National Family Caregiver Support, Title III, Part E				
Title IIIE FY20	93.052	652020/06	-	752
FY22 Title IIIE Caregiver (FY22 Area Plan)	93.052	650022/06	-	30,409
IIIE FY21	93.052	652021/06	-	40,438
COVID-19 - Cares Act-Title IIIE FY20	93.052	654720/06	-	8,960
Total National Family Caregiver Support, Title III, Part E			-	80,559
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals				
Ombudsman Title VII FY20	93.042	650720/06	-	(7)
Ombudsman FY21	93.042	650721/06	-	89
FY22 Title VII Ombudsman (FY22 Area Plan)	93.042	650722/06	-	10,258
COVID-19 - Cares Act-Title VII FY20	93.042	620520/06	-	4,642
Total Special Programs for the Aging, Title VII, Chapter 2			-	14,982
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation				
FY22 Title VII Elder Abuse (FY22 Area Plan)	93.041	650922/06	-	1,600
Elder Abuse FY21	93.041	650921/06	-	1,128
Total Special Programs for the Aging, Title VII, Chapter 3			-	2,728
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects				
FY22 Senior Medical Patrol Grant	93.048	90MPPG0001-04-00	-	5,644
FY23 Senior Medical Patrol Grant	93.048	Unavailable	-	367
Total Special Programs for the Aging, Title IV, and Title II			-	6,011
State Health Insurance Assistance Program				
SHIP FY21	93.324	651521/06	-	632
SHIP FY22 (2021-2022 State Health Insurance Assistance Program)	93.324	90SAPG0109-02-00	-	10,025
SHIP FY22 - Supplemental	93.324	Unavailable	-	12,834
Total State Health Insurance Assistance Program			-	23,491
Medicare Enrollment Assistance Program				
MIPPA FY21	93.071	Unavailable	-	907
FY22 MIPPA	93.071	Unavailable	-	3,825
Total Medicare Enrollment Assistance Program			-	4,732
Passed Through Maryland State Department of Human Services				
Low Income Household Water Assistance Program				
FY22 Low Income Household Water Assistance Program (LIHWAP)	93.499	Unavailable	5,809	5,809
Child Support Enforcement				
Sheriff Child Support FY20	93.563	CSEA/CRA/20-035	-	(1,143)
FY22 Child Support Enforcement Administration (CSEA) C Court	93.563	CSA/CRA-22-010	-	17,691
Circuit Court Child Supp FY21	93.563	CSEA/CRA/21-010	-	4,307
FY22 Child Support Enforcement Administration - Sheriff	93.563	CSA/CRA-22-035	-	94,201
Sheriff Child Support FY21	93.563	CSA/CRA 21-035	-	25,258
Total Child Support Enforcement			-	140,314
MaryLee Allen Promoting Safe and Stable Families Program				
FY22 Promoting Safe and Stable Families	93.556	CRRL/SSA-21-012-A1	125,824	125,824
Temporary Assistance for Needy Families				
FY22 Interagency Family Preservation - Pass through to CCYSB	93.558	CRRL/SSA 19-003-A1	386,306	386,306
FY22 Interagency Family Preservation - Admin	93.558	CRRL/SSA 19-003-A1	8,000	8,000
Total Temporary Assistance for Needy Families			394,306	394,306

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022**

<u>Federal Grantor/Pass-through Grantor / Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed through to Subrecipients</u>	<u>Expenditures</u>
Passed Through Maryland Department of Health & Mental Hygiene Medicaid Cluster (93.775 / 93.777 / 93.778) Medical Assistance Program Case Mgmt & Support FY21	93.778	Unavailable	-	121,367
Passed Through Maryland Office on Aging Medical Assistance Program MFP FY19	93.778	Unavailable	-	6,075
FY22 Federal Financial Participation (Formerly MD Access Point)	93.778	Unavailable	-	96,922
Total Passed Through Maryland Office on Aging			-	102,997
Total Medicaid Cluster (93.775 / 93.777 / 93.778)			-	224,364
Total U.S. Department of Health and Human Services			525,939	1,685,562
U.S. Department of Veterans Affairs				
Passed Through Maryland Office On Aging VHA Home Care Veterans Directed Home FY20	64.044	Unavailable	-	9,054
FY22 Veteran Directed Home and Community Based Services Program	64.044	Unavailable	-	3,629
Total U.S. Department of Veterans Affairs			-	12,683
U.S. Department of Transportation				
Passed through Maryland State Highway Administration				
Highway Safety Cluster (20.600 / 20.611 / 20.616) State and Community Highway Safety Sheriff Highway Safety FY20	20.600	2020-145	-	(294)
Sheriff Highway Safety FY20	20.600	2020-142	-	(3,431)
Sheriff Highway Safety FY20	20.600	2020-143	-	(787)
Sheriff Highway Safety FY20	20.600	2020-144	-	(491)
HSE-Speed Enforcement FY21	20.600	2021-059	-	1,760
HSE-Occupant Safety FY21	20.600	2021-058	-	536
FY22 Highway Safety Enforcement - Buckle Up	20.600	2022-104	-	2,963
FY22 Highway Safety Enforcement - Slow Down	20.600	2022-107	-	3,013
Total State and Community Highway Safety			-	3,269
National Priority Safety Programs FY22 Highway Safety	20.616	2022-106	-	1,088
FY22 Highway Safety Enforcement - Drive Sober	20.616	2022-102	-	9,155
HSE-Impaired Driving FY21	20.616	2021-056	-	5,159
Total National Priority Safety Programs			-	15,402
Total Highway Safety Cluster (20.600 / 20.611 / 20.616)			-	18,671
Federal Transit Cluster (20.500 / 20.507 / 20.525 / 20.526) Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs FY20 Grants for Buses and Bus Facilities	20.526	CL035339D2020	-	118,174
Federal Transit Formula Grants Sec. 5307 Operating ARPA FY22	20.507	CL03ARPA0702022	-	126,227
FY22 Annual Transportation Plan Capital PM	20.507	CL035307C2022	-	65,023
Section 5307 Prev Maint FY21	20.507	CL035307C2021	-	29,810
Section 5307 Operating FY20	20.507	Unavailable	-	(104,728)
Section 5307 Operating FY21	20.507	Unavailable	-	81,842
COVID-19 - Sec 5307 Cares Act FY21	20.507	Unavailable	-	1,542,879
Total Federal Transit Formula Grants			-	1,741,053
Total Federal Transit Cluster (20.500 / 20.507 / 20.525 / 20.526)			-	1,859,227

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022**

Federal Grantor/Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed through to Subrecipients	Expenditures
Federal Motor Carrier Safety Assistance (FMCSA) Cluster (20.218 / 20.237)				
Motor Carrier Safety Assistance				
FY22 Motor Carrier Safety (MCSAP)	20.218	104	-	10,295
MCSAP FY21	20.218	Unavailable	-	1,743
Total Federal Motor Carrier Safety Assistance (FMCSA) Cluster			-	12,038
Formula Grants for Rural Areas and Tribal Transit Program				
COVID-19 - Sec 5311 Cares Act FY21	20.509	Unavailable	-	143,873
CRRSAA Transit	20.509	CL03CRRSAA11O2021	-	64,181
Total Formula Grants for Rural Areas and Tribal Transit Program			-	208,054
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research				
FY22 Unified Planning Work Program UPWP	20.505	Unavailable	-	1,067
UPWP FY21	20.505	Unavailable	-	6,490
Total Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research			-	7,557
Highway Planning and Construction Cluster (20.205 / 20.219 / 20.224 / 23.003)				
Highway Planning and Construction				
Babylon Road over Silver Run	20.205	Unavailable	-	25,253
Bixler Road Bridge	20.205	Unavailable	-	278,515
Safe Routes to School Program (Johnsville Road)	20.205	Unavailable	-	261,086
Total Highway Planning and Construction			-	564,854
Total Highway Planning and Construction Cluster (20.205 / 20.219 / 20.224 / 23.003)			-	564,854
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs				
COVID-19 - Airport coronavirus Response Grant Program AIP34	20.106	3-24-0028-034-2021	-	12,810
Airport AIP36 (ARPA)	20.106	3-24-0028-036-2022	-	12,722
FY22 Airport AIP35 Meadow Branch Road Final Design and Bidding	20.106	3-24-0028-035-2021	-	208,254
		3-24-0028-031-2019 (Federal) 3-24-0028-033-2020 (Federal)		
FY20 Airport AIP31 and FY21 Airport AIP33	20.106	MAA-GR-20-016 (State)	-	134,012
Total Airport Improvement Program			-	367,798
Interagency Hazardous Materials Public Sector Training and Planning Grants				
FY20 Hazardous Materials Emergency Preparedness (HMEP) Grant Program	20.703	19-GA 8841-05	-	9,800
FY21 Hazardous Materials Emergency Preparedness (HMEP) Grant Program	20.703	19-GA 8841-06	-	11,900
Total Interagency Hazardous Materials Public Sector Training and Planning Grants			-	21,700
Total U.S. Department of Transportation			-	3,059,899

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022**

Federal Grantor/Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed through to Subrecipients	Expenditures
U.S. Department of Homeland Security				
Passed Through Maryland Emergency Management Administration				
Homeland Security Grant Program				
SHSP FY20 (FY20 State Homeland Security Grant Program (SHSP))	97.067	EMW-2019-SS-00064 SHSP	-	18,033
UASI Tactical Support Op FY20	97.067	19-SR-8841-01	-	128,900
UASI Tactical Supp Op FY21	97.067	20-SR 8841-03	-	97,490
UASI - Regional Em Planners FFY18	97.067	EMW-2017-SS-0019- S01	-	(725)
UASI - Regional Em Planners FFY16	97.067	EMW-2016-SS- 0008/UASI	-	20
UASI HAZM FFY15	97.067	Unavailable	-	48
FY 2022 State Homeland Security Grant Program (SHSP)	97.067	21-SR-8841-04	-	36,753
FY21 State Homeland Security Grant Program (SHSP)	97.067	20-SR-8841-04	-	74,354
SHSP FFY19 EOC	97.067	18-SR 8841-03	-	587
FY 2022 Urban Area Security Initiative (UASI)	97.067	21-SR-8841-03	-	20,760
UASIHazt FFY19	97.067	EMW-2018-SS-00023- UASI	-	44
Total Homeland Security Grant Program			-	376,264
Emergency Management Performance Grants				
Emerg Mgmt Perf FY21	97.042	20-SR-8841-01	-	5,988
FY22 Emergency Management Performance Grant (EMPG)	97.042	21-SR-8841-01	-	108,264
COVID-19 - FY20 Emergency Management Performance Grant	97.042	21-SR-8841-02	-	10,185
COVID-19 - EMPG Supplmnt FY20	97.042	20-SR-8841-02	-	1,288
Total Emergency Management Performance Grants			-	125,725
Total U.S. Department of Homeland Security			-	501,989
U.S. Department of Justice				
Passed Through The Governor's Office of Crime Control and Prevention				
Equitable Sharing Program				
FY18 Equitable Sharing (Department of Justice)	16.922	Unavailable	-	9,206
FY22 Organized Crime Drug Enforcement Task Force (OCDETF)	16.922	MA-MD-0750	-	6,349
FY22 Tactical Diversion Task Force	16.922	Unavailable	-	11,327
Tactical Diversion TF DOJ FY213196	16.922	Unavailable	-	3,613
Total Equitable Sharing Program			-	30,495
Coronavirus Emergency Supplemental Funding				
CESF - Circuit Court PPE FY21	16.034	2020-CO-0033	-	21,256
CESF - BGClub FY21	16.034	2020-CO-0040	34,936	34,936
CESF - YSB FY21	16.034	2020-CO-0040	24,411	24,411
CESF - TWOI FY21	16.034	2020-CO-0040	27,011	27,011
CESF - LMB Tech Upgrades FY21	16.034	2020-CO-0040	-	125
CESF - Sheriff's Office FY21	16.034	2020-CO-0111	-	114,317
Total Coronavirus Emergency Supplemental Funding			86,358	222,056
Joint Law Enforcement Operations				
FY22 Joint Law Enforcement Task Force	16.111	JLEO-22-0479	-	6,558
DOJ Joint Law Enforc FY21	16.111	JLEO-21-0479	-	1,753
Total Joint Law Enforcement Operations			-	8,311
Crime Victim Assistance				
COVID-19 - VOCA FY20	16.575	VOCA-2017-0160	-	(1)
Federal Asset Forfeiture Grant				
DOJ Child Exp HmnTraffic FFY203114	16.992	50E-BA-C111388	-	(202)
DOJ Child Exp HmnTraffic FFY213280	16.992	50E-BA-C111388	-	3,042
DOJ Child Exp & HT FFY22	16.992	Unavailable	-	5,195
Total Federal Asset Forfeiture Grant			-	8,035

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022**

<u>Federal Grantor/Pass-through Grantor / Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed through to Subrecipients</u>	<u>Expenditures</u>
Violence Against Women Formula Grants				
FY22 Violence Against Women's Act (VAWA)	16.588	VAWA-2021-0011	-	41,590
VAWA FY21 ST Atty	16.588	VAWA-2020-0017	-	13,892
Total Violence Against Women Formula Grants			-	55,482
Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers				
Nat'l Chldrns Allnc (NAC) FY213309	16.758	WEST-MD-REEQUIP21	-	187
Edward Byrne Memorial Justice Assistance Grant Program				
FY22 BJAG	16.738	BJAG-2019-0009	-	6,085
FY22 BJAG Sheriff Wellness for life Initiative	16.738	BJAG-2019-0014	-	30,000
BJAG SH Wellness Inity FY21	16.738	BJAG-2018-0027	-	48,891
Total Edward Byrne Memorial Justice Assistance Grant Program			-	84,976
Total of U.S. Department of Justice			86,358	409,541
Executive Office of the President				
Passed Through Mercyhurst University				
High Intensity Drug Trafficking Areas Program				
HIDTA CY21	95.001	Unavailable	-	39,616
FY22 HIDTA	95.001	Unavailable	-	42,339
Total High Intensity Drug Trafficking Areas Program			-	81,955
Total Executive Office of the President			-	81,955
U.S. Department of Education				
Passed Through Maryland Department of Education				
Rehabilitation Services - Vocational Rehabilitation Grants to States				
BERC DORS FY22	84.126	Unavailable	-	37,273
Total U.S. Department of Education			-	37,273
U.S. Treasury				
Passed through State's Attorney's Office				
Equitable Sharing Program				
FY18 Equitable Sharing (Department of Treasury)	21.016	Unavailable	-	3,142
Passed through State of Maryland				
Coronavirus Relief Fund				
COVID-19 - CRF - PW PPE	21.019	Unavailable	-	35,121
COVID-19 - CRF - Courts Temp Sensor	21.019	Unavailable	-	7,920
COVID-19 - CRF - Comptroller	21.019	Unavailable	-	10,000
COVID-19 - CRF - Recs and Parks	21.019	Unavailable	-	(1)
COVID-19 - CRF - Recs & Parks PPE	21.019	Unavailable	-	(1)
COVID-19 - CRF - Library	21.019	Unavailable	-	18,000
COVID-19 - CRF - Vaccine Clinics	21.019	Unavailable	-	515
COVID-19 - CRF - Sheriff OT	21.019	Unavailable	-	753
COVID-19 - CRF - Citizen Services PPE	21.019	Unavailable	-	14,148
COVID-19 - CRF - HR Finger Print Machine	21.019	Unavailable	-	1,650
COVID-19 - CRF - Virtual Training	21.019	Unavailable	-	61,782
COVID-19 - CRF - SDPayroll - Cty	21.019	Unavailable	-	18,378
COVID-19 - CRF - SDPayroll - HD	21.019	Unavailable	-	928,427
Total Coronavirus Relief Fund Passed Through State of Maryland			-	1,096,692
Passed through Maryland Department of Labor				
Coronavirus Relief Fund				
FY21 MD Relief Act Workforce Development - Program	21.019	Unavailable	-	199,525
FY21 MD Relief Act Workforce Development - Admin	21.019	Unavailable	-	19,462
Total Coronavirus Relief Fund Passed Through Maryland Department of Labor			-	218,987
Total Coronavirus Relief Fund			-	1,315,679

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022**

<u>Federal Grantor/Pass-through Grantor / Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed through to Subrecipients</u>	<u>Expenditures</u>
Passed through State of Maryland				
Coronavirus State and Local Fiscal Recovery Funds				
MD Relief Act-Hotels FY21	21.027	Unavailable	-	225,000
MD Relief Act-Restaurants FY21	21.027	Unavailable	-	612,281
MD Relief Act-Online Sale FY21	21.027	Unavailable	-	153,070
Sheriff Crime Scene Software	21.027	Unavailable	-	179,585
Management & Budget Staff Grants	21.027	Unavailable	-	27,185
Upstaff Ambulance	21.027	Unavailable	31,413	31,413
Premium Pay - Detention Center	21.027	Unavailable	-	24,660
PPE & Test Kits	21.027	Unavailable	-	21,395
Courtroom Communications	21.027	Unavailable	-	19,886
			<u>31,413</u>	<u>1,294,475</u>
Total Coronavirus State and Local Fiscal Recovery Funds Passed Through State of Maryland				
Passed through Maryland Department of Labor				
Coronavirus State and Local Fiscal Recovery Funds				
State and Local Fiscal Recovery Funds BEREC	21.027	CC-ARPA-PY21	-	522,715
State and Local Fiscal Recovery Funds BEREC	21.027	CC-ARPA-PY21	-	25,652
			<u>-</u>	<u>548,367</u>
Total Coronavirus State and Local Fiscal Recovery Funds Passed Through Maryland Department of Labor				
			<u>31,413</u>	<u>1,842,842</u>
Passed through Maryland Department of Housing and Community Development				
Emergency Rental Assistance Program				
Emerg RAP FY21	21.023	ERAP-2021-Carroll Co-000853	-	1,963,617
Emerg HSP FY21	21.023	ERAP-2021-Carroll Co-000853	43,929	43,929
Emerg Housing Stability FY21	21.023	ERAP-2021-Carroll Co-000853	-	121,291
Emerg RAP FY22	21.023	Unavailable	-	3,100
			<u>43,929</u>	<u>2,131,937</u>
Total Emergency Rental Assistance Program				
			<u>75,342</u>	<u>5,293,600</u>
Total U.S. Treasury				
U.S. Department of Agriculture				
Passed Through National Resources Conservation Service				
Watershed Rehabilitation Program				
Watershed Rehabilitation Program - USDA	10.916	NRCS-ADS-093	-	63,174
			<u>-</u>	<u>63,174</u>
Total Watershed Rehabilitation Program				
			<u>-</u>	<u>63,174</u>
Total U.S. Department of Agriculture				
			<u>-</u>	<u>63,174</u>
U.S. Environmental Protection Agency				
Passed Through National Fish and Wildlife Agency				
Geographic Programs - Chesapeake Bay Program	66.466	0603.20.069891	-	21,793
			<u>-</u>	<u>21,793</u>
Total Federal Programs			<u>\$ 1,917,684</u>	<u>\$ 20,347,478</u>

Carroll County, Maryland

Notes to Schedule of Expenditures of Federal Awards June 30, 2022

Note 1 - Basis of presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Carroll County, Maryland under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of Carroll County, Maryland, it is not intended to and does not present the financial position, changes in net position or cash flows of Carroll County, Maryland.

Note 2 - Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Grant revenues are recorded for financial reporting purposes when expenditures are made in accordance with requirements of respective grants. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3 - Indirect cost rate

Carroll County, Maryland has elected to use the 10 percent de minimis indirect cost rate on certain grants and not to use the 10 percent de minimis indirect cost rate on other grants as allowed under the Uniform Guidance.

Carroll County, Maryland

Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

I. Summary of Independent Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified opinion

Internal control over financial reporting:

Material weakness(es) identified?

X Yes ___ No

Significant deficiency(ies) identified?

___ Yes X None Reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

___ Yes X No

Significant deficiency(ies) identified?

___ Yes X None Reported

Type of auditor's report issued on compliance for major programs:

Unmodified opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance

___ Yes X No

Carroll County, Maryland

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2022**

Identification of Major Programs

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number</u>	<u>Fiscal Year 6/30/2022 Expenditures</u>
Housing Voucher Cluster	14.871 / 14.879	<u>\$ 6,828,884</u>
Emergency Rental Assistance Program	21.023	<u>\$ 2,131,937</u>
Federal Transit Cluster	20.500 / 20.507 / 20.525 / 20.526	<u>\$ 1,859,227</u>
Coronavirus State and Local Fiscal Recovery Funds	21.027	<u>\$ 1,842,842</u>
Community Development Block Grants/State's Program	14.228	<u>\$ 785,464</u>
Dollar threshold used to distinguish between type A and type B programs		<u>\$ 750,000</u>
Auditee qualified as a low-risk auditee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

II. Financial Statement Findings

Finding 2022-001

Condition: The accounting records required numerous adjustments to be proposed and recorded in order for the implementation of GASB 87 to be fairly presented in accordance with generally accepted accounting principles in the United States of America.

Criteria: Internal controls over financial reporting should exist to ensure that material misstatements are detected and corrected by management in a timely manner.

Effect or Potential Effect: Management may produce financial statements that are materially misstated.

Cause: Management did not have controls over financial reporting specifically related to the implementation of GASB 87.

Recommendation: Management should undertake a review of internal controls over financial reporting to determine who is preparing adjustments related to new GASB implementations and who is reviewing the adjustments and ensure that financial data is properly recorded in the books and records of the County to prevent misstatements from occurring in the future.

Views of Responsible Official(s) and Planned Corrective Actions: The Accounting office plans on utilizing *DebtBook* which was purchased earlier in the fiscal year to assist with this corrective action plan for GASB 87 implementation and compliance. This will include the formation of a Lease committee which would meet quarterly (at a minimum) beginning with FY23 – quarter

Carroll County, Maryland

Schedule of Findings and Questioned Costs Year Ended June 30, 2022

three (3). The Lease committee will have representatives from various departments tasked with ongoing lease collection and compliance for all leases where the County is the Lessor or the Lessee. Our goal will be to continue to understand our obligations, obtain lease data, better organize our leases, and test for compliance so that Accounting can improve the creation of proper Schedules, Journal Entries, and Year-End Audit Notes for our Annual Comprehensive Financial Report (ACFR). In addition, Accounting will review the internal controls for booking these entries into our Financial Management System (FMS) so that we have separation of duties between those preparing the adjustments and those reviewing the adjustments to ensure the financial data is properly recorded in the books and records of the County to prevent misstatements from occurring in FY23 and future fiscal years.

Finding 2022-002

Condition: During the course of our audit we noted a material misstatement in the County's recognition of grant revenue related to fee-for-service grants in the grant fund, a major governmental fund.

Criteria: Internal controls over financial reporting should exist to ensure that material misstatements are detected and corrected by management in a timely manner.

Effect or Potential Effect: Management may produce financial statements that are materially misstated.

Cause: Management did not have controls over financial reporting specifically related to the recognition of revenue for fee-for-service grants.

Recommendation: We recommend that the County update its formal documentation surrounding its procedures pertaining to grants. The policies and procedures should include a formal review process by a designated finance department employee with the proper subject matter expertise to help overcome the fact that grant administration is decentralized at the County. The process should include documentation of the procedures that are put in place so that the review can be reperformed.

Views of Responsible Official(s) and Planned Corrective Actions: The Accounting office will take the lead in documenting the requirements of recognizing grant revenue related to fee-for-service grants to ensure the revenue is properly recorded. Revenue recognition is a generally accepted account principle (GAAP) that requires revenue to be recognized in the period when realized and earned. Accounting will work with the Grant Management Office, Budget Office, as well as various Grant Administrators to review and update our formal documentation: **Carroll County Guide to Grants**. Once updated in FY23 – quarter three (3), we will train staff with fiscal responsibilities of managing and recording revenue and expenses to these grants. This topic will also be added to our FY23 current quarterly / monthly grant meeting with various departments. In addition, Accounting will review the internal controls for booking these entries into our Financial Management System (FMS) so that we have designed employees with the expertise to complete a formal review of revenue earned and unearned to ensure the financial data is properly recorded in the books and records of the County to prevent misstatements from occurring in FY23 and future fiscal years.

III. Major Federal Award Findings and Questioned Costs

None



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