Carroll County, Maryland



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2019



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

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

Comprehensive Annual Financial Report

For The Fiscal Year Ended June 30, 2019

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



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Introductory Section





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Robert M. Burk

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Department of the Comptroller Carroll County Government 225 North Center Street

Westminster, Maryland 21157

November 26, 2019

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

State law requires that all general-purpose local governments publish a complete set of audited financial statements within six months of the close of each fiscal year. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Carroll County, Maryland for the fiscal year ended June 30, 2019.

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

Carroll County's financial statements have been audited by CohnReznick LLP, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Carroll County's financial statements for the fiscal year ended June 30, 2019, 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. The Single Audit Report starts on page 210.

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 2019 population estimate of 168,015. 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 38. 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 146.

Local Economy:

Local indicators show the continued stability of Carroll County. The unemployment rate for Carroll County was at 3.2% in August 2019, compared to 3.7% nationally. This is a result of the gradual continuing economic recovery. 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 has a labor force of approximately 96,231 as of August 2019, which was an increase of 1.3% 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 2019, the commissioners adopted a Real Property Tax Rate of \$1.018 per \$100 of assessed value, unchanged from the prior year.

Personal Property Tax Rate:

The Personal Property Tax Rate is also set annually by the Commissioners during adoption of the budget. For fiscal year 2019, 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 2019, the rate remained at 3.03% of State taxable income.

Homestead Tax Credit:

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

Stabilization Arrangement:

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

Operating Budget:

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

Capital Projects:

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

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

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

Debt Administration:

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

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

Financial Policies and Practices:

Debt Policy:

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

Investment Policy:

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

Major Initiatives:

The County continues to focus on maintaining essential services. As of June 30, 2019, 73,132 acres are under permanent easement in our Agricultural Land Preservation programs supporting agribusiness, maintaining open space and our rural heritage, and avoiding the costs of services and infrastructure to serve residential development.

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

Pension and 401(k) Plans:

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

Awards and Acknowledgements:

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to Carroll County for its comprehensive annual financial report ("CAFR") for the fiscal year ended June 30, 2018. Carroll County has received a Certificate of Achievement for the last 34 consecutive years (fiscal years 1985-2018). The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the County also received the GFOA's Distinguished Budget Presentation Award for its fiscal year 2019 adopted budget document. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The Distinguished Budget Presentation Award is valid for a period of one year only. Carroll County has received the Distinguished Budget Presentation Award for the last twelve consecutive years (2008-2019). Currently, the County has submitted its fiscal year 2020 adopted budget document for award consideration.

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

Respectfully submitted,

Robert M. Burk, CPA

Comptroller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Carroll County Maryland

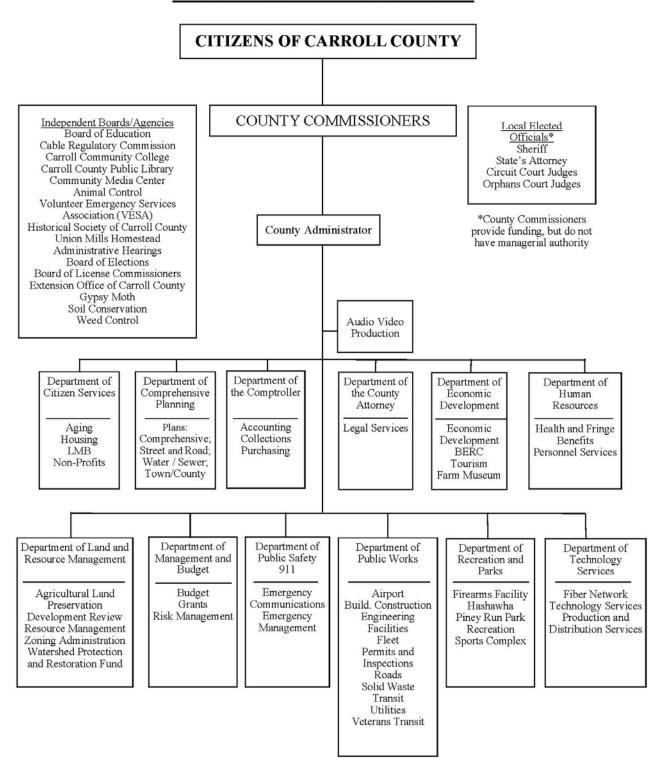
For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

CARROLL COUNTY GOVERNMENT



Carroll County, Maryland

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

Appointed Officials

Roberta Windham, ESQ. County Administrator

Shawn Reese

County Clerk

Robert M. Burk

Comptroller

Theodore Zaleski, III

Director of Management and Budget

Timothy C. Burke

County Attorney

Christine C. Kay

Director of Citizen Services

Jeffrey D. Castonguay

Director of Public Works

Scott R. Campbell

Director of Public Safety

Lynda D. Eisenberg

Director of Comprehensive Planning

Thomas Devilbiss

Director of Land and Resource Management

Jeff R. Degitz

Director of Recreation and Parks

Kimberly L. Frock

Director of Human Resources

Mark Ripper

Director of Technology Services

John Lyburn, Jr.

Director of Economic Development

Independent Auditors

CohnReznick, LLP

Baltimore, Maryland

Bond Counsel

McKennon Shelton & Henn, LLP

Baltimore, Maryland

Financial Advisor

Davenport & Company, LLC Baltimore, Maryland

Board of County Commissioners

Stephen A. Wantz President District 1



Edward C. Rothstein Vice President District 5



C. Richard Weaver 2nd Vice President District 2



C. Eric Bouchat District 4





Dennis E. Frazier
District 3



Financial Section







Independent Auditor's Report

To the County Commissioners Carroll County, Maryland

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carroll County, Maryland (the "County"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Board of Education of Carroll County, Carroll Community College, and Carroll County Public Library, which represent 95.8 percent, 82.5 percent, and 99.6 percent of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Board of Education of Carroll County, Carroll Community College, and Carroll County Public Library, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carroll County, Maryland, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Restatement

As fully described in Note 1 to the financial statements, certain errors were noted relating to the recognition of grants made to a component unit. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 17 - 29, and the required supplementary information on pages 131 - 144 as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Carroll County, Maryland's basic financial statements. The introductory section, supplementary information section and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying 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 supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards 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 supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2019, on our consideration of Carroll County, Maryland's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Carroll County, Maryland's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Carroll County, Maryland's internal control over financial reporting and compliance.

Baltimore, Maryland November 25, 2019

CohnResnickZZP

Management's Discussion and Analysis For the Year Ended June 30, 2019

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, 2019. The objective of this overview and analysis is to assist readers in focusing on significant financial issues, provide an overview of the County's financial activity, identify changes in the County's financial position, identify any material deviations from the financial plan, and identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages 5-8 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, 2019 by \$268,758,594 (total net position), compared to \$249,556,131 at June 30, 2018, as restated. For fiscal year ended June 30, 2019, total net position was net of the \$96,471,032 deficit in the unrestricted component of net position. The deficit occurs because the County issues debt to fund construction costs for the Board of Education, which is a component unit of the County. The assets are then recorded on the component unit's books and the related debt is recorded on the County's books. Of total net position at June 30, 2019, \$18,291,151 was restricted for specific purpose (restricted net position) in comparison to \$19,659,440 at June 30, 2018. The total net investment in capital assets was \$346,938,475 at June 30, 2019, compared to \$354,393,384 at June 30, 2018.
- The total net position increased by \$19,202,463 or 7.7%.

Fund level:

- At the close of the fiscal year, unassigned fund balance for the general fund (primary operating fund) was \$13,551,159 or 3.39% of general fund revenues.
- As of June 30, 2019, the County's governmental funds reported combined fund balances of \$140,637,644, an increase of \$13,740,196 from the prior year. Approximately 9.6% of the combined fund balance is available to meet the County's current and future needs (*unassigned*), 31.6% 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, 37.7% is committed or restricted for future use, stabilization arrangement, restricted investments and other purposes, and 21.1% is nonspendable meaning it is in the form of loans receivable, inventory and notes receivable.

Long-term debt:

- Carroll County Government's total bonded debt increased by \$2,324,709, or 1% from fiscal year 2018. For fiscal year 2019, the County paid an average interest rate of 4.04%.
- Debt Service for the County's governmental activities decreased by \$1,252,325, or 3.2% from fiscal year 2018.

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

Management's Discussion and Analysis For the Year Ended June 30, 2019

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

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

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

The government-wide financial statements include not only Carroll County Government itself (known as the *primary government*), but also legally separate component units. Carroll County Government has the following component units: Board of Education of Carroll County, Carroll Community College, Carroll County Public Library, and Industrial Development Authority of Carroll County. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 32 through 34 of this report.

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

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

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

Carroll County Government maintains five individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the capital projects fund, both of which are considered to be major funds. Data from the other three 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 153 to 154 of this report.

Carroll County Government adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund and can be found on page 38 of this report.

The basic governmental funds financial statements can be found on page 35 and 36 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

Management's Discussion and Analysis For the Year Ended June 30, 2019

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 39 to 43 of this report.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Bureau of Utilities, Solid Waste, Airport, and Fiber Network, which are considered to be major funds of Carroll County Government. Individual fund data for each of the two non-major proprietary funds is provided in the form of combining statements which can be found on pages 158 to 160 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Carroll County Government's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The County has four trust funds, which are the Carroll County Employee Pension Trust Fund; the Carroll County Certified Law Officers Pension Trust Fund; the Retiree Benefit Trust, Board of County Commissioner of Carroll County, Maryland "OPEB"; and the Volunteer Firemen Length of Service Award Program "LOSAP". In addition to the four trust funds the County has two agency funds, which are the Carroll County Development Corporation "CCDC" and Carroll Cable Regulatory Commission. The basic fiduciary funds financial statements can be found on pages 44 and 45 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 49 to 129 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 131 to 144.

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 \$268,758,594 at the close of the most recent fiscal year. Components for Carroll County Government's net position are divided into three categories, net investment in capital assets, restricted net position and unrestricted net position. The largest portion of the County's net position reflects its investment in capital assets net of depreciation (e.g., buildings, building improvements, water and sewer systems, vehicles, machinery, equipment, roads and bridges), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

It is important to note that although counties in the State of Maryland issue debt for the construction of schools, school buildings are owned by each County's Public School System. Ownership reverts to the County if the local board determines that a building is no longer needed. Therefore, while the County's financial statements include this outstanding debt, they do not include the capital assets funded by the debt. The negative unrestricted net positions in governmental activities of \$87,552,776 reflect the imbalance of liabilities without corresponding assets.

Restricted net position of \$18,291,151 represents 6.8% of total net position. Restricted net position is resources that are subject to external restrictions on how they may be used. Unrestricted net position of the total government is a deficit of \$96,471,032.

The major changes that took place occurred in the governmental activities. Total assets and deferred outflows increased \$23.7 million from the prior fiscal year. Several items contributed to the increase in total assets and deferred outflows. First, the income tax increased which was collected by the State of Maryland and owed to the County at June 30, 2019. This increased the County's due from other governments by \$13 million, Equity in Pooled Cash (EIPC) at June 30, 2019 was

Management's Discussion and Analysis For the Year Ended June 30, 2019

\$14.2 million higher than the EIPC at June 30, 2018. This increase was due to the County issuing general obligation bonds to reimburse capital expenditures that already had occurred.

Another reason total assets and deferred outflows increased was due to the implementation of GASB 75 in FY18. The County had a deferred outflow of \$6.6 million during FY19 related to OPEB.

Noncurrent liabilities increase by \$2.5 million primarily due to issuing bonds in November 2018.

Carroll County Government's Net Position

					T 10	
	Governmental Activities		Business-ty	pe Activities	Total Government	
	June 30, 2019	June 30, 2018 *	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018 *
Current assets	\$ 198,587,383	\$ 174,042,708	\$ 22,436,747	\$ 23,885,778	\$ 221,024,130	\$ 197,928,486
Non-current assets	29,021,572	27,311,090	-	-	29,021,572	27,311,090
Capital assets	374,826,184	382,830,040	138,759,125	132,134,892	513,585,309	514,964,932
Total assets	602,435,139	584,183,838	161,195,872	156,020,670	763,631,011	740,204,508
Deferred outflows	17,807,626	12,398,463	332	497	17,807,958	12,398,960
Total assets and						
deferred outflows	620,242,765	596,582,301	161,196,204	156,021,167	781,438,969	752,603,468
Current liabilities	67,932,718	63,800,314	6,272,646	6,221,093	74,205,364	70,021,407
Non-current liabilities	409,048,118	406,467,562	22,214,478	20,543,421	431,262,596	427,010,983
Total liabilities	476,980,836	470,267,876	28,487,124	26,764,514	505,467,960	497,032,390
Deferred inflows	7,189,974	5,953,183	22,441	61,764	7,212,415	6,014,947
Total liabilities and						
deferred inflows	484,170,810	476,221,059	28,509,565	26,826,278	512,680,375	503,047,337
Net position:						
Net investment in						
capital assets	222,253,555	233,149,740	124,684,920	121,243,644	346,938,475	354,393,384
Restricted	1,371,176	1,656,014	16,919,975	18,003,426	18,291,151	19,659,440
Unrestricted (deficit)	(87,552,776)	(114,444,512)	(8,918,256)	(10,052,181)	(96,471,032)	(124,496,693)
Total net position	\$ 136,071,955	\$ 120,361,242	\$ 132,686,639	\$ 129,194,889	\$ 268,758,594	\$ 249,556,131

^{*}The 2018 net position has been restated to reflect a prepaid expense for grants made to the Industrial Development Authority until they recognize the expenditure on their financial statements. Refer to Note 1.

During fiscal year 2019, the County's net position increased by \$19,202,463, after consideration of the prior period adjustment described in Note 1 of the financial statements. The revenue contributing factors to the increase in net position include income tax, property taxes, and increase in investment earnings. In addition to the increases, it should be noted that there was an increase in operating grants and contributions and capital grants and contributions in governmental activities of over \$2 million compared to the prior fiscal year. The increase in expenses over the prior fiscal year was a contributing factor in a lower increase of net position in the current fiscal year. This includes additional expenses in conservation of natural resources increasing from the prior fiscal year due to the County entering into more agriculture preservation contracts.

Public safety also had increased expenses which include a training academy for the Sheriff's Office and the addition of ten positions for the school resource officer program. The Education budget increased to include state-mandated teacher pension, and capital outlay for HVAC and roof replacements.

Management's Discussion and Analysis For the Year Ended June 30, 2019

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

Carroll County Government's Changes in Net Position

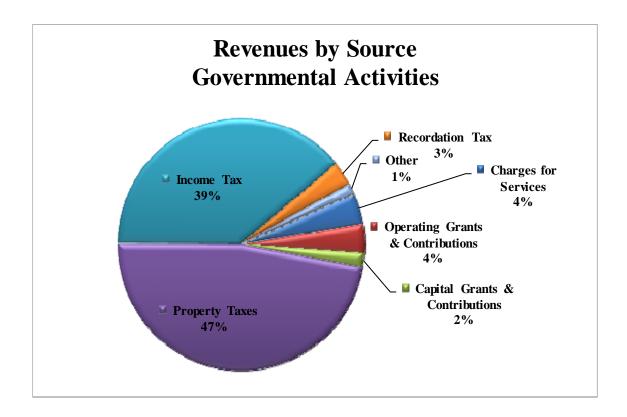
		•				
	Governmental Activities		Business-type Activities		Total Government	
	June 30, 2019	June 30, 2018		June 30, 2018	June 30, 2019	June 30, 2018
Revenues:						
Program revenues:						
Charges for services	\$ 18,064,107	\$ 18,007,215	\$ 20,327,275	\$ 20,191,331	\$ 38,391,382	\$ 38,198,546
Operating grants &						
contributions	16,963,132	15,996,293	-	-	16,963,132	15,996,293
Capital grants &						
contributions	8,248,296	6,362,421	4,289,501	2,707,232	12,537,797	9,069,653
General revenues:						
Property taxes	213,573,818	207,878,588	-	-	213,573,818	207,878,588
Income tax	176,127,555	164,543,703	-	-	176,127,555	164,543,703
Recordation tax	13,703,195	13,923,538	-	-	13,703,195	13,923,538
Admission & amusement tax	356,490	355,088	-	-	356,490	355,088
Agricultural transfer tax	296,242	221,063	-	-	296,242	221,063
Hotel rental tax	366,550	332,518	-	-	366,550	332,518
Investment earnings	5,080,311	720,169	55,210	271,728	5,135,521	991,897
Gain (Loss) on sale of capital asset		2,507,859	196,000	(8,787)	161,936	2,499,072
Total Revenues	452,745,632	430,848,455	24,867,986	23,161,504	477,613,618	454,009,959
Program Expenses:						
General government	44,014,893	49,091,984	-	-	44,014,893	49,091,984
Public safety	57,309,536	53,943,920	-	-	57,309,536	53,943,920
Public works	34,537,476	37,119,065	_	_	34,537,476	37,119,065
Health	4,939,055	4,777,495	_	_	4,939,055	4,777,495
Human services	16,159,258	15,042,717	_	_	16,159,258	15,042,717
Education	218,771,767	209,899,157	_	_	218,771,767	209,899,157
Culture and recreation	6,293,510	5,861,997	_	_	6,293,510	5,861,997
Libraries	15,151,289	14,351,288	_	_	15,151,289	14,351,288
Conservation of natural	,,	- 1,000 -,000			,,,	- 1,000-,000
resources	13,334,949	9,048,557	_	_	13,334,949	9,048,557
Economic development	4,949,297	5,628,127	_	_	4,949,297	5,628,127
Judicial	8,851,355	8,570,786	_	_	8,851,355	8,570,786
Interest on long-term debt	9,937,714	10,578,974	_	_	9,937,714	10,578,974
Bureau of Utilities	-	-	13,277,968	11,076,640	13,277,968	11,076,640
Solid Waste	_	_	7,719,428	10,461,256	7,719,428	10,461,256
Airport	_	_	1,036,829	778,732	1,036,829	778,732
Septage	_	_	692,424	669,343	692,424	669,343
Firearms	_	_	152,490	118,906	152,490	118,906
Fiber Network	_	_	1,281,917	1,274,314	1,281,917	1,274,314
Total Expenses	434,250,099	423,914,067	24,161,056	24,379,191	458,411,155	448,293,258
Excess (deficiency) before	+3+,230,077	423,714,007	24,101,030	24,377,171	430,411,133	+10,273,230
transfers	18,495,533	6,934,388	706,930	(1,217,687)	19,202,463	5,716,701
Transfers in (out)	(2,784,820)	(3,627,110)	2,784,820	3,627,110	17,202,403	5,710,701
Increase (Decrease) in	(2,704,020)	(5,027,110)	2,704,020	3,027,110		
Net Position	15,710,713	3,307,278	3,491,750	2,409,423	19,202,463	5,716,701
Net Position - Beginning,	15,710,715	3,301,210	5,771,750	2,407,423	17,202,403	5,710,701
as restated	120,361,242	117,053,964	129,194,889	126,785,466	249,556,131	243,839,430
	\$ 136,071,955	\$ 120,361,242	\$ 132,686,639	\$ 129,194,889	\$ 268,758,594	\$ 249,556,131
Net Position - Ending	φ 150,0/1,955	\$ 120,301,242	\$ 152,080,039	\$ 129,194,889	\$ 200,738,394	\$ 249,330,131

^{*}The 2018 net position has been restated to reflect a prepaid expense for grants made to the Industrial Development Authority until they recognize the expenditure on their financial statements. Refer to Note 1.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Management's Discussion and Analysis

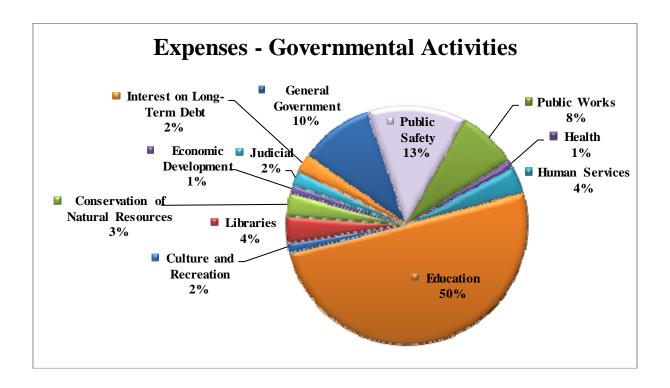
For the Year Ended June 30, 2019

Governmental activities: Overall revenue has increased by \$21,897,177, which is a 5.1% increase from fiscal year 2018. The contributing factors include property tax revenue, which increased by \$5,695,230 over the last fiscal year due to the increase in real property assessments. Income tax increased by \$11,583,852 due to more income tax being collected. Investment earnings increased by \$4,360,142 as a result of change in market values at year end on restricted investments in U.S. Treasury Strips and Bonds for Installment Purchase Agreements. Operating grants and contributions increase by \$966,839 primarily in the area of program revenues. Conservation of natural resources saw an increased amount of capital grants received from Department of Natural Resources for storm water projects.



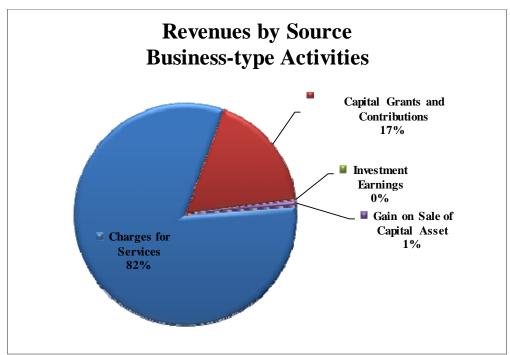
Management's Discussion and Analysis For the Year Ended June 30, 2019

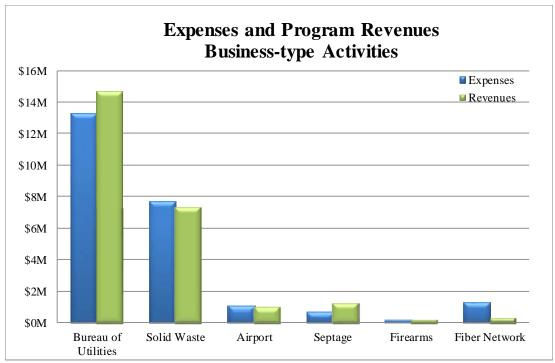
Governmental activities: Overall expenses have increased by \$10,336,032, or 2.4% from fiscal year 2018. The major increases were seen in education at \$8,872,610 due to the increase in operating as budgeted and capital outlay HVAC and roof replacements. Conservation of natural resources at \$4,286,392 due to the purchase of agricultural preservation easements and additional projects for stormwater. Public safety at \$3,365,616, which includes the mid-year Board of County Commissioners, creation of the Sheriff's Office training academy, and includes ten new sheriff positions for the school resource officer program. Public Works decreased by \$2,581,589 due to employee turnover and transferring a position from permits and inspections to citizen services.



Management's Discussion and Analysis For the Year Ended June 30, 2019

Business-type Activities: There was an overall increase in total revenues of \$1,706,482, or 7.4% from fiscal year 2018. The primary reason for the increase was due to an increase in collection of charges for services in the solid waste fund. Capital grants and contributions increased by \$1,582,269, primarily because area connection charges increased. The expenses of the business-type activities decreased by \$218,135, or 0.9% from fiscal year 2018. The primary reason for the decrease occurred in the solid waste fund in the contractual services related to the post closure liability.





Management's Discussion and Analysis For the Year Ended June 30, 2019

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 \$140,637,644, an increase of \$13,740,196. Approximately 9.6% of this total (\$13,551,159) constitutes unassigned fund balance, which is available for future appropriation. The assigned fund balance, at 31.6% 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 15.1% of total fund balance, is for future use, stabilization arrangement and other purposes. The non-spendable fund balance, at 21.1%, 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 (\$11,708,734), 2) dedicated for inventory and advances to Industrial Development Authority (\$2,444,133), prepaid costs (\$554,090) and money due from other funds (\$7,864,134), 3) Industrial Development Authority prepaid costs related to unearned revenue (\$7,127,065). The remaining fund balance (\$31,732,799) 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 \$13,551,159, while total fund balance was \$117,550,515. 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 3.4% of total general fund expenditures, while total fund balance represents 29.4% of that same amount.

A decrease in fund balance was budgeted with an appropriation of \$12,889,612 of fund balance. The anticipated decrease in fund balance was partially mitigated by conservative spending, which resulted in \$4,508,991 less in expenditures than budgeted. Total assets increased by \$14,015,475. Liabilities increased by \$2,129,440 due to an increase in the amount owed to the Board of Education at year-end (\$15,000,000 payable compared to \$12,500,400 for the prior fiscal year, an increase of \$2,499,600).

The revenues in the General Fund have increased by \$20,519,827 compared to the prior fiscal year. The primary contributing factor to the increase was due to the increase in income tax, real property tax due to the increase of assessments, and interest and gain on investments. Expenditures increased by \$10,907,758 compared to the prior fiscal year. The increase was due to the continued additional funding to the Board of Education to cover operating expenditures, which now includes direct funding for the Teacher Pension which began in fiscal year 2017 due to a state-mandated change. Another contributing factor to the increase was in public safety due to the addition of ten positions to staff the school resource officer program. Conservation of natural resources also increased due to the purchase of agriculture preservation land easements and the continued projects for stormwater management. Vehicle maintenance, fuel and telephone expenditures continue to be recognized as direct costs in the proper functions.

The Capital Projects Fund balance sheet shows a \$7,271,826 increase in assets in fiscal year 2019. The increase in cash is mainly due to issuing bonds in November 2018, which allowed the County to reimburse the capital projects fund for project spending in FY18.

The Capital Projects Fund has a total fund balance of \$19,779,928, of which \$18,001,932 is assigned to liquidate purchase orders and \$1,777,996 is assigned for future capital project expenditures.

The Non-Major Governmental Funds have a total fund balance of \$3,307,201, all of which is nonspendable, committed, externally restricted for specific purposes or assigned.

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 \$8,918,256, and unrestricted component of net position in the internal service fund totaled \$14,708,471. The total increase in net position for the proprietary funds of \$3,491,750 was primarily due to the

Management's Discussion and Analysis For the Year Ended June 30, 2019

operating transfers from the General Fund. The net position for the Internal Service Fund increased by \$2,520,006 due to less insurance claims being paid. Other factors concerning these funds' finances have been addressed in the discussion of Carroll County Government's business-type activities.

Fiduciary funds: Carroll County Government's fiduciary fund statements provide information regarding the County's Employee Pension Plan, the Certified Law Officers Plan, the Volunteer Firemen's Length of Service Award Program "LOSAP", and Other Post Employment Benefit Trust and agency funds. Total net position for the four plans is \$231,835,826 for the fiscal year 2019. The investments in the trusts totaled \$232,256,363 at the end of fiscal year 2019, which was a 14.1% increase from fiscal year 2018. Agency funds had an asset total of \$234,280 at the end of fiscal year 2019. 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 2019 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 \$165,838. 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 \$400,194,597, compared to the budgeted amount of \$387,595,178, a positive variance of \$12,599,419. The major differences between the final budgeted amounts and the actual revenues are as follows:

- Taxes local property were \$1.0 million more than budget mainly due to higher real and personal property assessments.
- Taxes local other came in \$5.3 million higher primarily due to reconciling income tax distributions higher than planned.
- Miscellaneous revenues were \$6.9 million more than budget due to unbudgeted in-kind rental income associated with the Board of Education, Library, and Community College facilities.

The budgetary statements of the general fund show actual expenditures of \$399,004,016, compared to the budgeted amount of \$403,513,007, resulting in \$4,508,991, or 1.1% less than planned. The major differences between the final budgeted amounts and the actual expenditures are as follows:

- General government expenditures came in \$5.8 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 2019, \$3.9 million was left in the reserve for contingency, creating a positive budget variance.
- The final budgets for each function in the expenditures were reallocated from the original budget to reflect changes made throughout the year. The majority of fiscal year 2019 year-end adjustments included \$20.2 million in reallocations in the following areas: health and pension fringe benefits, telephone usage from public safety, computer software and hardware charges from technology services, risk management charges for worker's compensation, property, auto, and general liability insurances, fleet management charges for vehicle fuel, parts, repairs and maintenance, and facilities charges for electricity, water, and natural gas.

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, 2019 amounted to \$513,585,309 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, vehicles, infrastructure, and construction in progress. The total decrease in Carroll County Government's investment in capital assets for the current fiscal year was 0.3% (a 2.1% decrease for governmental activities and a 5.0% increase for business-type activities). Additional information on the County's capital assets can be found on pages 72-73 of this report.

Management's Discussion and Analysis For the Year Ended June 30, 2019

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

	Governmental Activities		Business-ty	pe Activities	Total Government	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Land	\$ 38,033,197	\$ 36,096,812	\$ 11,915,590	\$ 9,038,273	\$ 49,948,787	\$ 45,135,085
Construction in						
progress	6,826,702	6,893,141	9,752,238	14,443,733	16,578,940	21,336,874
Building and						
contents	127,650,650	132,490,609	13,503,610	13,989,278	141,154,260	146,479,887
Improvements other						
than buildings	45,685,920	48,781,621	15,040,723	5,521,613	60,726,643	54,303,234
Auto, machinery						
and equipment	18,377,414	16,555,154	19,542,816	18,449,082	37,920,230	35,004,236
Infrastructure	138,252,301	142,012,703	69,004,148	70,692,913	207,256,449	212,705,616
Total	\$ 374,826,184	\$ 382,830,040	\$ 138,759,125	\$ 132,134,892	\$ 513,585,309	\$ 514,964,932

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

- Completion of various park additions and improvements resulted in an increase in improvements by \$2.2 million and decreased CIP.
- Completion of public safety additions and improvements resulted in an increase in improvements by \$1.7 million and decreased CIP.
- Public Safety Training Center renovations during FY19 totaled \$0.3 million which increased CIP.
- Completion of various general additions and improvements resulted in an increase in improvements by \$0.9 million and decreased CIP.
- Completion of Rohrbaugh Road increased roads by \$0.4 million and decreased CIP.
- John Pickett Road construction which began during FY18 was completed in FY19, increasing roads and decreasing CIP by \$1.1 million.
- Gorsuch Road relocation was completed in FY19, increasing roads and decreasing CIP by \$0.7 million.
- Continued construction of Cape Horn Road increase CIP by \$0.6 million.
- Bureau of Utilities, Freedom Waste Water Treatment Plant additions and improvements were completed, which
 resulted in an increase in improvements by \$10.4 million and decreased CIP.
- Continued construction in Bureau of Utilities for various projects in FY19 increased CIP by \$4.7 million.

General obligation debt:

At the end of the fiscal year, Carroll County Government had total general obligation debts outstanding of \$301,558,838, which is debt backed by the full faith and credit of the County.

Carroll County Government's Outstanding General Obligation Debt

	Governmental Activities		Business-ty	pe Activities	Total Government	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
General Obligation						
Bonds, net	\$ 254,637,112	\$ 255,085,745	\$ 14,408,430	\$ 11,320,876	\$ 269,045,542	\$ 266,406,621
General Obligation						
Debt	32,513,296	32,827,508			32,513,296	32,827,508
Total	\$ 287,150,408	\$ 287,913,253	\$ 14,408,430	\$ 11,320,876	\$ 301,558,838	\$ 299,234,129

During the current fiscal year, Carroll County Government's total general obligation debt increased by \$2,324,709. During the year, the County issued \$25 million in general obligation bonds to be repaid over the course of 20 years plus an additional \$12 million general obligation draw down bond restricted for the Airport. As of June 30, 2019, the County has issued \$4.8 million of this \$12 million draw down bond. Additional information on Carroll County Government's long-term debt can be found in Note 8 of this report.

Management's Discussion and Analysis For the Year Ended June 30, 2019

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

The higher credit rating upgrade translates into a lower interest rate and reduced fees resulting in significant savings over the life of the bonds, and thus saving taxpayer money. The Moody's ratings rationale "is based on the ongoing expansion of the county's large tax base and growing revenue streams, resulting in a consistently healthy and stable financial position. The Aaa rating also incorporates the county's beneficial location near the Baltimore-Washington metro area, above-average resident wealth levels, comprehensive fiscal polies 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 \$1,265,808,690, 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 2020 adopted budget appropriation for the general fund is \$418,809,330, representing an increase of \$7.5 million, or 1.8 percent increase over fiscal year 2019, with no change in tax rates.
- Real property tax is expected to increase in fiscal year 2020 due to positive reassessments.
- Income tax is expected to be higher in fiscal year 2020. The expected increase is due to expected growth in withholdings and estimated payments because Carroll historically out performs the State due to higher average incomes and a lower unemployment rate.
- Recordation is expected to be lower in fiscal year 2020 due to flat activity in the housing market.
- Public safety appropriation will be lower in fiscal year 2020 mainly due to OPEB allocations now budgeted in Human Resources. Public Safety 911 decreased due to one-time costs in FY19.
- Total Sheriff's office increased for disability improvements and the addition of five positions for the school resources program. VESA/EMS combined funding includes an ongoing increase.
- Education appropriation increased in fiscal year 2020 due to the continued additional money needed to fund teacher's pensions, school resource officers, one-time bonuses for Carroll Community College.
- Public works appropriation decreased in fiscal year 2020 due to the ten additional school resource officer vehicles one-time costs in FY19.
- General government appropriations increased in fiscal year 2020 due to a one time reduction to rebalance the Internal Service fund, a planned third early voting site, same day registration costs and an increase in state billing, and the centralized budgeting of OPEB costs in Human Resources.
- The County income tax will be reduced \$28,724.25 for twenty quarters for a total of \$574,485, beginning in May 2021 due to tax refunds for the Wynne case pertaining to tax returns filed between 2007 and 2014.

All of these factors were considered in preparing the Carroll County Government's budget for the 2020 fiscal year.

Management's Discussion and Analysis For the Year Ended June 30, 2019

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, 2019

Exhibit A

	F	nt	Total		
	Governmental	Business-type		Component	
A GGETTG	Activities	Activities	Total	Units	
ASSETS Equity in pooled cash and investments	\$ 114,045,339	\$ 19,289,552	\$ 133,334,891	\$ -	
Cash and cash equivalents	420,748	17,064	437,812	22,321,211	
Restricted cash and cash equivalents		-	-37,612	7,158,012	
Investments	_	_	_	52,790,042	
Taxes and receivables, net	17,673,651	4,313,499	21,987,150	3,557,237	
Due from component units	646,107	1,719	647,826	-	
Due from primary government	-	-	-	16,992,153	
Due from other governments	53,938,586	-	53,938,586	4,725,907	
Due from fiduciary funds	446,940	-	446,940	-	
Due from municipalities	447	-	447	-	
Internal balances	1,903,187	(1,903,187)	-		
Inventories	1,831,223	705,600	2,536,823	717,312	
Prepaid expenses	7,681,155	12,500	7,693,655	1,016,857	
Investments - restricted	29,021,572	-	29,021,572	56,780	
Capital assets not being depreciated: Land	29 022 107	11.015.500	40 049 797	22 072 425	
	38,033,197 6,826,702	11,915,590 9,752,238	49,948,787 16,578,940	22,072,435 6,374,504	
Construction in progress Art and doll collection	0,820,702	9,732,238	10,378,940	384,950	
Capital assets net of accumulated depreciation:	-	-	-	364,930	
Buildings and contents	127,650,650	13,503,610	141,154,260	363,457,609	
Improvements other than buildings	45,685,920	15,040,723	60,726,643	-	
Auto, machinery and equipment	18,377,414	19,542,816	37,920,230	11,090,451	
Infrastructure	138,252,301	69,004,148	207,256,449	-	
Capital assets, net of depreciation	374,826,184	138,759,125	513,585,309	403,379,949	
Total assets	602,435,139	161,195,872	763,631,011	512,715,460	
Deferred Outflows of Resources			·		
Debt refunding	7,361,709	332	7,362,041	-	
Pensions	3,845,530	-	3,845,530	5,309,813	
OPEB	6,600,387		6,600,387	17,253,435	
Total deferred outflows of resources	17,807,626	332	17,807,958	22,563,248	
Total assets and deferred outflows	620,242,765	161,196,204	781,438,969	535,278,708	
LIABILITIES			4.0.40.000		
Accounts payable	8,226,897	3,813,201	12,040,098	4,205,053	
Retainage and guarantees due contractors	1,455,047	-	1,455,047	-	
Judgements payable Due to component units	125,000 16,992,153	-	125,000 16,992,153	-	
Due to primary government	10,992,133	-	10,992,133	646,279	
Due to other governments				2,342,225	
Unearned revenue	4,101,037	34,798	4,135,835	10,049,300	
Accrued interest payable	1,737,947	71,453	1,809,400	48,288	
Accrued expenses	2,489,871	137,432	2,627,303	35,137,489	
Long-term liabilities					
Due within one year	32,804,766	2,215,762	35,020,528	2,661,914	
Due in more than one year	409,048,118	22,214,478	431,262,596	401,782,080	
Total liabilities	476,980,836	28,487,124	505,467,960	456,872,628	
Deferred Inflows of Resources					
Debt refunding	-	22,441	22,441	-	
Pensions	3,307,040	-	3,307,040	3,102,043	
OPEB	3,882,934		3,882,934	3,539,717	
Total deferred inflows of resources	7,189,974	22,441	7,212,415	6,641,760	
NET POSITION	222 252 555	124 694 020	246 029 475	401 970 695	
Net investment in capital assets Restricted for:	222,253,555	124,684,920	346,938,475	401,870,685	
Capital projects		16,919,975	16,919,975	147 757	
Special revenue funds	1,371,176	10,717,713	1,371,176	147,757	
Grants				312,958	
Food services	-	-	-	384,988	
Educational purposes	_	_	_	12,059,915	
Unrestricted (deficit)	(87,552,776)	(8,918,256)	(96,471,032)	(343,011,983)	
Total net position	\$ 136,071,955	\$ 132,686,639	\$ 268,758,594	\$ 71,764,320	
ı.	, , , , , , , ,	, -,	, -,	, ,- ,-	

Statement of Activities For the Year Ended June 30, 2019

Exhibit B

		Program Revenues Operating Capita			Net (Expense) Re	Total		
	Expenses	Charges for Service	Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Governmen Business-type Activities	Total	Component Units
Functions/Programs								
Primary government:								
General government	\$ 44,014,893	\$ 12,223,474	\$ 1,007,432	\$ -	\$ (30,783,987)	\$ -	\$ (30,783,987)	\$ -
Public safety	57,309,536	2,216,229	2,280,126	860,257	(51,952,924)	-	(51,952,924)	-
Public works	34,537,476	1,376,526	1,105,600	2,762,256	(29,293,094)	-	(29,293,094)	-
Health	4,939,055	5,288	-	-	(4,933,767)	-	(4,933,767)	-
Human services	16,159,258	102,552	9,766,574	-	(6,290,132)	-	(6,290,132)	-
Education	218,771,767	300,000	-	-	(218,471,767)	-	(218,471,767)	-
Library	15,151,289	-	-	-	(15,151,289)	-	(15,151,289)	-
Culture and recreation	6,293,510	1,494,523	51,557	450,315	(4,297,115)	-	(4,297,115)	-
Conservation of natural resources	13,334,949	315,297	104,229	4,175,468	(8,739,955)	-	(8,739,955)	-
Economic development	4,949,297	-	1,491,736	-	(3,457,561)	-	(3,457,561)	-
Judicial	8,851,355	30,218	1,155,878	-	(7,665,259)	-	(7,665,259)	-
Interest on long-term debt	9,937,714	-	-	-	(9,937,714)	-	(9,937,714)	-
Total governmental activities	434,250,099	18,064,107	16,963,132	8,248,296	(390,974,564)		(390,974,564)	
Business-type activities:								
Bureau of Utilities	13,277,968	10,597,228	-	4,139,804	-	1,459,064	1,459,064	-
Solid Waste	7,719,428	7,267,063	-	83,423	-	(368,942)	(368,942)	-
Airport	1,036,829	868,336	-	66,274	-	(102,219)	(102,219)	-
Septage	692,424	1,207,602	-	-	-	515,178	515,178	-
Firearms	152,490	140,821	-	-	-	(11,669)	(11,669)	-
Fiber Network	1,281,917	246,225	-	-	-	(1,035,692)	(1,035,692)	-
Total Business-type activities	24,161,056	20,327,275		4,289,501		455,720	455,720	
Total primary government	\$ 458,411,155	\$ 38,391,382	\$ 16,963,132	\$ 12,537,797	\$ (390,974,564)	\$ 455,720	\$ (390,518,844)	\$ -

(Continued)

Statement of Activities For the Year Ended June 30, 2019

Exhibit B

		Program Revenues			Net (Expense) R			
			Operating	Capital		Primary Governmen	nt	Total
	_	Charges for	Grants and	Grants and	Governmental	Business-type		Component
T (D	Expenses	Service	Contributions	Contributions	Activities	Activities	Total	Units
Functions/Programs								
Component units:	Ф 200 122 <i>с</i> 57	Φ. 4.660.200	Φ 40.564.246	ф. 15 00 7 217	Φ.	ф	Φ.	ф (22 0 001 сол)
Board of Education	\$ 399,123,657	\$ 4,660,300	\$ 48,564,346	\$ 15,997,317	\$ -	\$ -	\$ -	\$ (329,901,694)
Carroll Community College	24,996,301	9,188,956	3,545,772	-	-	-	-	(12,261,573)
Library	18,179,381	321,810	2,271,177	379,777	-	-	-	(15,206,617)
Industrial Development					-	-	-	
Authority	781,423			1,461,993				680,570
Total component units	\$ 443,080,762	\$ 14,171,066	\$ 54,381,295	\$ 17,839,087	\$ -	\$ -	\$ -	\$ (356,689,314)
	General revenues:							
	Property taxes				213,573,818	-	213,573,818	-
	Income tax				176,127,555	-	176,127,555	-
	Recordation tax				13,703,195	-	13,703,195	-
	Admission and am	usement tax			356,490	-	356,490	-
	Agricultural transf	er tax			296,242	-	296,242	-
	Hotel rental tax				366,550	-	366,550	-
	Local appropriation	ns			-	-	-	219,869,268
	State aide				-	-	-	128,598,753
	Grants and contrib	utions not restric	ted to specific pro	grams	-	-	-	4,165,299
	Investment earning	gs and miscellane	ous, unrestricted		5,080,311	55,210	5,135,521	8,958,393
	Gain (Loss) on sale	e of capital asset			(34,064)	196,000	161,936	-
	Transfers in (out)	-			(2,784,820)	2,784,820	-	-
	Total general rever	nues and transfer	S		406,685,277	3,036,030	409,721,307	361,591,713
	Change in net po				15,710,713	3,491,750	19,202,463	4,902,399
	Net position - beginn		stated		120,361,242 129,194,889 249,556,131			66,861,921
	Net position - ending	5			\$ 136,071,955	\$ 132,686,639	\$ 268,758,594	\$ 71,764,320

Balance Sheet Governmental Funds June 30, 2019

Exhibit C

ASSETS		General Capital Fund Projects		Non-Major Governmental Funds	Total Governmental Funds
Tass and cesh equivalents 440,748 2.981,290 417,034,20 Due fomomoponent units 622,780 23.37 2.981,290 55,398,886 Due fomomber governments 499,495,776 3.992,810 5.53,988,886 Due fomother governmental funds 5.495,427 6.0 5.598,838 Due fomorphore governmental funds 1.921,767 6.0 1.921,767 Due fomorphore governmental funds 1.921,767 6.0 1.921,767 Due fomorphore governmental funds 1.921,767 6.0 1.47 Propertion of the properties of the propert		¢ (1.021.261	e 20.014.666	e 2 222 717	¢ 04.070.744
Table 14,222,130 0. 2,981,290 17,230,420 16,40,107 10.00 from component units 62,2780 23,337 0. 5,338,858,60 0. 5,338,858,60 0. 5,459,842 0. 5,45			\$ 28,914,666	\$ 3,233,717	
Decimomorponent units			-	2 981 290	
Due from other governmental funds			23 327	2,961,290	
Due from finde grovemmental funds	*		· · · · · · · · · · · · · · · · · · ·	_	
Due from fiduciary funds			3,992,810	- 5	
Decident proprietary funds			_	-	
Marthe				_	
Proposition 1,831,223 1,831,225 1,831,225 1,831,225 1,831,225 1,831,225 1,831,225 1,831,225 1,831,235 1,331,235 1			_	_	
Propes 7,234,856 9,46,299 7,081,155 Investments - restricted 29,021,572 32,930,803 6,661,311 \$212,687,141 ILABILITIES, DEFERRED INFLOWS OF RESOURCES	•		_	_	
Total assets			_	446 299	
Total assets	1		_	110,255	
Itabilities			\$ 32 930 803	\$ 6,661,311	
Description	Total assets	Ψ 173,073,027	Ψ 32,730,003	ψ 0,001,311	Ψ 212,007,141
Retainage and guarantees due contractors	AND FUND BALANCES Liabilities:				
125,000 1,976,67 1,650,84 4,088,467 1,650,84 4,088,467 1,650,84 4,088,467 1,650,84 4,088,467 1,650,84 4,088,467 1,650,84 4,088,467 1,650,84 4,088,467 1,650,84 1				\$ 1,518,731	. , ,
Due to component units Due to other governmental funds Due to proprietary funds Due to proprietary funds 18,580 Accrued expenditures 17,449 2,360,714 1,650,844 4,088,467 Total liabilities Deferred inflows of resources Unavailable revenue 17,449 2,360,714 1,650,844 4,088,467 Total deferred inflows of resources Unavailable revenue 133,714,561 Total deferred inflows of resources Nonspendable 29,251,857 Restricted 30,301,623 10,303,103,203 Persourced Committed 20,940,467 23,445,409 19,779,928 1,255,987 21,174,206 Assigned 23,445,409 19,779,928 1,255,987 24,481,324 Unassigned 13,551,159 Total fund balances 117,550,515 19,779,928 3,307,201 140,637,644 Total governmental fund balance Amounts reported for governmental activities in the statement of net position Adjustment for net pension liability. Adjustment for net Pension liability. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not reposted in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred outflows related to pensions and OPEB that are applicable to future period			446,660	-	
Due to other governmental funds			-		
Note to proprietary funds		, ,		12,576	
Cacrued expenditures			5,495,427	-	
Uneamed revenue 77,449 2,360,174 1,650,844 4,088,467 Total liabilities 21,829,951 13,150,875 3,354,105 38,334,905 Deferred inflows of resources 33,714,561 - - 33,714,561 Total deferred inflows of resources 33,714,561 - - 33,714,561 Fund balances: 8 29,251,857 - 446,299 29,698,156 Restricted 30,361,623 - 1,371,176 31,732,799 Committed 20,940,467 19,779,928 1,255,987 44,813,24 Unas signed 23,445,409 19,779,928 1,255,987 44,813,24 Unas signed 117,550,515 19,779,928 3,307,201 140,637,644 Total fund balances \$173,095,027 \$32,930,803 \$6,661,311 \$212,687,141 Total governmental fund balance. \$173,095,027 \$32,930,803 \$6,661,311 \$374,826,184 Capital assets used in governmental activities in the statement of net positions and variable to pay for current-period expenditures and, therefore, are not reported in the funds.			-	-	
Total liabilities	•		-		
Deferred inflows of resources: Unavailable revenue					
Unavailable revenue 33,714,561 - - 33,714,561 Total deferred inflows of resources 33,714,561 - - 33,714,561 Fund balances: 29,251,857 - 446,299 29,698,156 Restricted 30,361,623 - 1,371,176 31,732,799 Committed 29,244,5409 19,779,928 1,255,987 44,481,324 Unassigned 13,551,159 - - - 13,551,159 Total fund balances 117,550,515 19,779,928 3,307,201 446,637,644 Total fund balance \$173,095,027 \$32,930,803 \$6,661,311 \$12,687,144 Amounts reported for governmental activities in the statement of net position are different because \$140,637,644 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. \$34,826,184 Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. \$33,714,561 (14,075,546) Adjustment for net OPEB liability. (123,964,268) (123,964,268)		21,829,951	13,150,875	3,354,110	38,334,936
Total deferred inflows of resources Fund balances: Nonspendable 29,251,857 - 446,299 29,698,156 Restricted 30,361,623 - 1,371,176 31,732,799 Committed 20,940,467 - 233,739 21,174,206 Assigned 23,445,409 19,779,928 1,255,987 44481,324 Unassigned 13,551,159 Total fund balances 117,550,515 19,779,928 3,307,201 140,637,644 Total liabilities, deferred inflows of resources, and fund balance \$173,095,027 \$32,930,803 \$6,661,311 \$212,687,141 Amounts reported for governmental activities in the statement of net position are different because: Total governmental fund balance. \$173,095,027 \$32,930,803 \$6,661,311 \$212,687,141 Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the funds. Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported as unavailable in the funds. Adjustment for net pensions liability. Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. 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. Long-term liabilities including bonds payable and compensated absences are not due and payable in the current period and, therefore, are not presented in the funds. Bonds, notes payable, compensated absences, etc. \$(291,293,087) (293,031,034)		00 54 4 554			22 51 4 5 51
Nonspendable					
Nonspendable 29,251,857 - 446,299 29,698,156 Restricted 30,361,623 - 1,371,176 31,732,799 Committed 20,940,467 - 233,739 21,174,206 Assigned 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned 13,551,159 - - - 13,551,159 Total fund balances \$ 173,095,027 \$ 32,930,803 \$ 6,661,311 \$ 212,687,141 Amounts reported for governmental activities in the statement of net position are different because \$ 140,637,644 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 374,826,184 Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. 33,714,561 Adjustment for net OPEB liability. (123,964,268) Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. (123,964,268) Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. (7,189,974)		33,714,561			33,714,561
Restricted 30,361,623 - 1,371,176 31,732,799		20.251.057		446.200	20,000,150
Committed 20,940,467 - 233,739 21,174,206 Assigned 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned 13,551,159 19,779,928 1,255,987 44,481,324 Total fund balances 117,550,515 19,779,928 3,307,201 140,637,644 Amounts reported for governmental activities in the statement of net position are different because: Total governmental fund balance. \$ 173,095,027 \$ 32,930,803 \$ 6,661,311 \$ 212,687,141 Amounts reported for governmental activities in the statement of net position are different because: Total governmental fund balance. \$ 140,637,644 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 374,826,184 Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. 33,714,561 Adjustment for net OPEB liability. (123,964,268) Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. (7,189,974) Internal service funds are used b	<u>*</u>		-		
Assigned 13,551,159 1,255,987 14,481,324 Unassigned 13,551,159 -			-		
Unassigned 13,551,159 - 0 13,551,159 Total fund balances 117,550,515 19,779,028 3,307,201 140,637,644 Total liabilities, deferred inflows of resources, and fund balance 15,173,095,027 12,303,0803 16,661,311 140,637,644 Amounts reported for governmental activities in the statement of net position are different because: Total governmental fund balance. 16,173,095,027 13,293,0803 16,661,311 140,637,644 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 174,064,046,046,046,046,046,046,046,046,04			10.770.029		
Total fund balances Total liabilities, deferred inflows of resources, and fund balance \$173,095,027\$ \$32,930,803\$ \$6.661,311\$ \$212,687,141 Amounts reported for governmental activities in the statement of net position are different because: Total governmental fund balance. Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. Adjustment for net OPEB liability. Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. 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. 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. \$(291,293,087)	•		19,779,928	1,255,987	
Total liabilities, deferred inflows of resources, and fund balance \$173,095,027 \$32,930,803 \$6,661,311 \$212,687,141 Amounts reported for governmental activities in the statement of net position are different because: Total governmental fund balance.	5		10.770.020	2 207 201	
Amounts reported for governmental activities in the statement of net position are different because: Total governmental fund balance. Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. Adjustment for net pension liability. Adjustment for net OPEB liability. Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. 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. 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. \$ (291,293,087) Accrued interest payable.		117,550,515	19,779,928	3,307,201	140,637,644
Amounts reported for governmental activities in the statement of net position are different because: Total governmental fund balance. Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. Adjustment for net pension liability. Adjustment for net OPEB liability. Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. (7,189,974) 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. 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. \$ (291,293,087) Accrued interest payable.		\$ 172,005,007	\$ 22,020,902	¢ 6.661.211	¢ 212 697 141
Total governmental fund balance. Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. Adjustment for net pension liability. Adjustment for net OPEB liability. Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. 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. 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. \$ (291,293,087) Accrued interest payable.	and fund balance	\$ 173,093,027	\$ 32,930,803	\$ 0,001,311	\$ 212,007,141
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. Adjustment for net pension liability. Adjustment for net OPEB liability. Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. 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. 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. \$ (291,293,087) Accrued interest payable. (293,031,034)	Total governmental fund balance.	-	n are different beca	nuse:	\$ 140,637,644
Adjustment for net pension liability. (14,075,546) Adjustment for net OPEB liability. (123,964,268) Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. 10,445,917 Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. (7,189,974) 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. 14,708,471 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. \$ (291,293,087) Accrued interest payable. (1,737,947) (293,031,034)	*				374,826,184
Adjustment for net OPEB liability. (123,964,268) Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. 10,445,917 Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. (7,189,974) 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. 14,708,471 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. \$ (291,293,087) Accrued interest payable. (1,737,947) (293,031,034)	expenditures and, therefore, are reported as un	available in the fun	ds.		33,714,561
Deferred outflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. 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. 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. \$ (291,293,087) Accrued interest payable. \$ (293,031,034)	Adjustment for net pension liability.				(14,075,546)
and, therefore, are not presented in the funds. Deferred inflows related to pensions and OPEB that are applicable to future periods and, therefore, are not presented in the funds. 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. 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. \$ (291,293,087) Accrued interest payable. (293,031,034)	Adjustment for net OPEB liability.				(123,964,268)
and, therefore, are not presented in the funds. 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. 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. \$ (291,293,087) Accrued interest payable. (293,031,034)		hat are applicable to	o future periods		10,445,917
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. 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. \$ (291,293,087) Accrued interest payable. (1,737,947) (293,031,034)	<u> -</u>	at are applicable to	future periods		
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. 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. \$ (291,293,087) Accrued interest payable. (1,737,947) (293,031,034)	<u>*</u>				(7,189,974)
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. \$ (291,293,087) Accrued interest payable. (1,737,947) (293,031,034)	health, liability and Local Government Insurance	ce Trust insurances			
and payable in the current period and, therefore, are not reported in the funds. Bonds, notes payable, compensated absences, etc. Accrued interest payable. \$ (291,293,087) (293,031,034)	included in governmental activities in the state	ement of net positio	n.		14,708,471
and payable in the current period and, therefore, are not reported in the funds. Bonds, notes payable, compensated absences, etc. Accrued interest payable. \$ (291,293,087) (293,031,034)	Long-term liabilities including bonds payable and	compensated abser	nces are not due		
Accrued interest payable. (1,737,947) (293,031,034)	and payable in the current period and, therefor	e, are not reported	in the funds.		
Accrued interest payable. (1,737,947) (293,031,034)	Bonds, notes payable, compensated absen	ces, etc.		\$ (291,293,087)	
	Accrued interest payable.			(1,737,947)	(293,031,034)
	Net position of governmental activities.				\$ 136,071,955

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2019

Exhibit D

	General Fund	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
-local property	\$ 208,315,928	\$ 3,114,850	\$ 2,143,040	\$ 213,573,818
-local other	170,640,914	16,991,166	366,550	187,998,630
Licenses and permits	3,275,526	-	-	3,275,526
Intergovernmental revenues	2,342,848	4,885,629	14,620,283	21,848,760
Charges for services	3,805,809	-	361,866	4,167,675
Fines and forfeits	67,574	-	-	67,574
Interest and gain on investments	3,325,549	2,051,587	29,092	5,406,228
Miscellaneous revenues	8,279,581	341,019	339,611	8,960,211
Total revenues	400,053,729	27,384,251	17,860,442	445,298,422
EXPENDITURES				
Current:				
General government	38,804,946	-	<u>-</u>	38,804,946
Public safety	53,142,954	-	1,323,606	54,466,560
Public works	17,704,305	-	2,151,282	19,855,587
Health	4,900,500	-	423	4,900,923
Human services	5,559,513	-	10,591,581	16,151,094
Education	210,021,400	-	-	210,021,400
Library	14,771,512	-	-	14,771,512
Culture and recreation	4,052,830	-	413,769	4,466,599
Conservation of natural resources	1,165,582	-	1,289,271	2,454,853
Economic development	3,290,079	-	1,505,183	4,795,262
Judicial	8,012,702	-	888,702	8,901,404
Capital outlay:		2 275 516		2 275 516
General government	-	3,375,516	-	3,375,516
Public safety	-	1,228,961	-	1,228,961
Public works	-	11,973,389	-	11,973,389
Education	-	8,750,367	-	8,750,367
Library Culture and recreation	-	379,777	-	379,777
Conservation of natural resources	-	938,270 11,667,864	-	938,270 11,667,864
Debt service:	-	11,007,004	-	11,007,004
Principal	26,563,163		603,505	27,166,668
Interest	11,433,711	-	410,362	11,844,073
Total expenditures	399,423,197	38,314,144	19,177,684	456,915,025
Excess (deficiency) of revenues	399,423,197	30,314,144	19,177,004	430,913,023
over (under) expenditures	630,532	(10,929,893)	(1,317,242)	(11,616,603)
OTHER FINANCING SOURCES (USES)	030,332	(10,727,073)	(1,317,242)	(11,010,003)
Transfers in	10,713,719	3,379,000	1,581,223	15,673,942
Transfers out	(7,745,043)	(10,355,690)	(358,029)	(18,458,762)
Bonds issued	(7,7 15,0 15)	25,000,000	(330,02)	25,000,000
Bonds premium	_	1,930,937	_	1,930,937
Issuance of debt - GO debt	887,000	-	_	887,000
Total other financing sources (uses)	3,855,676	19,954,247	1,223,194	25,033,117
Net change in fund balances	4,486,208	9,024,354	(94,048)	13,416,514
Fund balance - beginning, as restated	112,740,625	10,755,574	3,401,249	126,897,448
Increase in reserve for inventory	323,682	-		323,682
Fund balance - ending	\$ 117,550,515	\$ 19,779,928	\$ 3,307,201	\$ 140,637,644
Tana Summer virging	Ψ 117,550,515	¥ 17,777,720	Ψ 5,507,201	Ψ 110,037,017

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, 2019

Exhibit E

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	\$	13,416,514
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.		(8,003,856)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		7,076,145
Adjustment to the net pension liability.		233,877
Adjustment to the net OPEB liability.		(4,868,786)
The issuance of long-term debt (i.e. bonds, notes, installment purchase agreements) proceeds provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	S	523,921
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.		(90,649)
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.		2,520,006
Net change in deferred outflows related to pension and OPEB expense reported in the statement of activities.		6,140,332
Net change in deferred inflows related to pension and OPEB expense reported in the statement of activities.		(1,236,791)
Change in net position - governmental activities	\$	15,710,713

Statement of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP) General Fund

For the Year Ended June 30, 2019

Exhibit F

	l Amounts		Variance with Final Budget -	
	Outs to all	T2:1	Actual	Positive
RESOURCES (INFLOWS)	Original	<u>Final</u>	Amounts	(Negative)
Revenues				
Taxes:				
	\$ 207,388,293	\$ 207,388,293	\$ 208.456.796	\$ 1,068,503
-local property -local other	165,312,211	165,312,211	\$ 208,456,796 170,640,914	5,328,703
Licenses and permits	3,427,150	3,427,150	3,275,526	(151,624)
Intergovernmental revenues	2,252,890	2,252,890	2,342,848	89,958
Charges for services	4,290,122	4,290,122	3,805,809	(484,313)
Fines and forfeits	67,450	67,450	67,574	124
	3,527,800	3,527,800	3,325,549	(202,251)
Interest and gain on investments				
Miscellaneous revenues	1,329,262	1,329,262	8,279,581	6,950,319
Total revenues	387,595,178	387,595,178	400,194,597	12,599,419
Other financing resources	12 000 (12	12.000.612		(12,000,612)
Appropriated fund balance	12,889,612	12,889,612	10.712.710	(12,889,612)
Transfers in	10,773,260	10,773,260	10,713,719	(59,541)
Issuance of debt - GO debt		- 22.662.072	887,000	887,000
Total other financing resources	23,662,872	23,662,872	11,600,719	(12,062,153)
Total resources (inflows)	411,258,050	411,258,050	411,795,316	537,266
CHARGES TO APPROPRIATIONS (OUTFLOWS) Expenditures Current:				
General government	59,993,680	45,145,673	39,259,167	5,886,506
Public safety	46,857,650	53,686,867	53,199,888	486,979
Public works	14,523,710	18,315,388	16,775,822	1,539,566
Health	4,900,500	4,900,500	4,900,500	-
Human services	5,371,390	5,666,000	5,557,660	108,340
Education	203,864,860	203,864,860	210,021,400	(6,156,540)
Library	10,561,020	12,663,453	14,771,512	(2,108,059)
Culture and recreation	3,787,300	4,376,247	4,052,830	323,417
Conservation of natural resources	1,046,060	1,181,140	1,165,582	15,558
Economic development	3,515,340	3,477,824	3,290,079	187,745
Judicial	7,059,830	8,240,983	8,012,702	228,281
Reserve for contingencies	4,163,030	3,997,192	-	3,997,192
Debt service:				
Debt service - County	27,597,190	27,671,591	27,671,591	-
Debt service - Board of Education	10,355,690	10,325,289	10,325,283	6
Total expenditures	403,597,250	403,513,007	399,004,016	4,508,991
Other financing uses				
Transfers out	7,660,800	7,745,043	7,745,043	-
Total other financing uses	7,660,800	7,745,043	7,745,043	_
Total charges to appropriations (outflows)	411,258,050	411,258,050	406,749,059	4,508,991
Net change in fund balances	\$ -	\$ -	5,046,257	\$ 5,046,257
Fund balance - beginning, as restated			117,057,883	
Fund balance - ending			\$ 122,104,140	
<u> </u>				

Statement of Net Position Proprietary Funds June 30, 2019

Exhibit G

Governmental

		Bus	iness-type Activi	ties-Enterprise Fu	ınds		Activities -
	Bureau of Utilities	Solid Waste	Airport	Fiber Network	Non-Major Enterprise Funds	Total	Internal Service Funds
ASSETS							
Current assets:							
Equity in pooled cash and investments	\$ 7,122,841	\$ 8,618,075	\$ -	\$ -	\$ 3,548,636	\$ 19,289,552	\$ 19,965,595
Cash and cash equivalents	198	15,187	50	-	1,629	17,064	-
Receivables, net	3,549,939	548,691	31,777	39,387	143,705	4,313,499	470,231
Due from general fund	-	-	18,580	-	-	18,580	-
Due from component units	-	1,719	-	-	-	1,719	-
Inventories	683,763	4,720	17,117	-	-	705,600	-
Prepaid expenses				12,500		12,500	
Total current assets	11,356,741	9,188,392	67,524	51,887	3,693,970	24,358,514	20,435,826
Noncurrent assets:							
Capital assets:							
Land	252,361	2,083,618	9,579,606	5	-	11,915,590	-
Buildings	17,676,654	1,752,296	4,569,596	-	274,051	24,272,597	-
Improvements other than buildings	12,463,018	6,327,978	2,356,748	1,139,212	447,998	22,734,954	-
Auto, machinery and equipment	3,004,502	4,117,711	2,525,492	21,397,058	254,236	31,298,999	-
Infrastructure	103,928,240	-	-	-	-	103,928,240	-
Construction in progress	9,255,864	-	2,600	-	493,774	9,752,238	_
Less accumulated depreciation	(48,479,303)	(6,541,808)	(3,507,087)	(6,032,600)	(582,695)	(65,143,493)	-
Total capital assets (net of							
accumulated depreciation)	98,101,336	7,739,795	15,526,955	16,503,675	887,364	138,759,125	-
Total assets	109,458,077	16,928,187	15,594,479	16,555,562	4,581,334	163,117,639	20,435,826
Deferred Outflows of Resources							
Debt refunding	_	_	_	_	332	332	_
Total deferred outflows of resources					332	332	
Total assets and deferred outflows	\$ 109,458,077	\$ 16,928,187	\$ 15,594,479	\$ 16,555,562	\$ 4,581,666	\$ 163,117,971	\$ 20,435,826

(Continued)

Statement of Net Position Proprietary Funds June 30, 2019

Exhibit G

		Bus	iness-type Activi	ities-Enterprise Fu	ınds		Governmental Activities -
	Bureau of Utilities	Solid Waste	Airport	Fiber Network	Non-Major Enterprise Funds	Total	Internal Service Funds
LIABILITIES							
Current liabilities:							
Accounts payable	\$ 2,799,753	\$ 639,021	\$ 67,044	\$ 136,124	\$ 171,259	\$ 3,813,201	\$ 556,511
Accrued interest payable	62,923	3,901	4,323	-	306	71,453	-
Unearned revenue	-	-	34,798	-	-	34,798	12,570
Accrued expenses	76,174	47,878	9,507	-	3,873	137,432	-
Due to general fund	-	-	337,943	1,583,824	-	1,921,767	-
Long-term liabilities due within one year:							
General obligation bonds payable	1,314,703	264,099	160,433	-	13,022	1,752,257	-
Unpaid claims	-	-	-	-	-	-	2,146,764
Loans payable	32,554	-	-	-	-	32,554	-
Landfill closure, post closure remediation	-	269,292	-	-	-	269,292	-
Compensated absences	100,507	56,452	2,769		1,931	161,659	
Total long-term liabilities due within one year	1,447,764	589,843	163,202		14,953	2,215,762	2,146,764
Total current liabilities	4,386,614	1,280,643	616,817	1,719,948	190,391	8,194,413	2,715,845
Noncurrent liabilities:							
General obligation bonds payable	7,360,375	216,372	5,053,097	-	26,329	12,656,173	-
Unpaid claims	-	-	-	-	-	-	3,011,510
Loans payable	33,400	-	-	-	-	33,400	-
Landfill closure, post closure remediation	-	9,261,330	-	-	-	9,261,330	-
Compensated absences	134,730	121,483	7,362			263,575	
Total noncurrent liabilities	7,528,505	9,599,185	5,060,459		26,329	22,214,478	3,011,510
Total liabilities	11,915,119	10,879,828	5,677,276	1,719,948	216,720	30,408,891	5,727,355
Deferred Inflows of Resources							
Debt refunding	(3,141)	24,874	708			22,441	
Total deferred inflows of resources	(3,141)	24,874	708			22,441	
NET POSITION							
Net investment in capital assets	89,443,645	7,575,240	10,314,347	16,503,675	848,013	124,684,920	-
Restricted for:							
Capital projects	12,105,585	740,394	1,735,681	816,089	1,522,226	16,919,975	-
Unrestricted (deficit)	(4,003,131)	(2,292,149)	(2,133,533)	(2,484,150)	1,994,707	(8,918,256)	14,708,471
Total net position	\$ 97,546,099	\$ 6,023,485	\$ 9,916,495	\$ 14,835,614	\$ 4,364,946	\$ 132,686,639	\$ 14,708,471

Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds For the Year Ended June 30, 2019

Exhibit H

		_					Governmental
		Bus	siness-type Activi	ties-Enterprise Fu	Non-Major		Activities - Internal
	Bureau of Utilities	Solid Waste	Airport	Fiber Network	Enterprise Funds	Total	Service Funds
Operating revenues:							
Charges for services	\$ 10,597,228	\$ 7,267,063	\$ 868,336	\$ 246,225	\$ 1,348,423	\$ 20,327,275	\$ 17,999,220
Total operating revenues	10,597,228	7,267,063	868,336	246,225	1,348,423	20,327,275	17,999,220
Operating expenses:							
Personal services	2,673,440	1,652,012	354,745	-	92,730	4,772,927	-
Contractual services	5,758,483	4,731,479	404,627	325,176	355,883	11,575,648	-
Materials and supplies	821,622	332,078	38,704	115	82,984	1,275,503	-
Rents and utilities	662,771	42,507	28,440	41,556	83,168	858,442	-
Insurance claims	-	-	-	-	-	-	16,091,143
Miscellaneous	3,674	290,204	20,648	7,167	197,112	518,805	_
Depreciation	3,357,978	671,148	189,665	907,903	33,037	5,159,731	-
Total operating expenses	13,277,968	7,719,428	1,036,829	1,281,917	844,914	24,161,056	16,091,143
Operating income (loss)	(2,680,740)	(452,365)	(168,493)	(1,035,692)	503,509	(3,833,781)	1,908,077
Nonoperating revenues (expenses):							
Penalties and interest	209,086	172,386	-	-	65,923	447,395	374,200
Medicare Part D	-	-	-	-	-	-	237,729
Bond interest subsidy	18,284	-	269	-	_	18,553	, _
Interest and fiscal charges	(370,154)	(17,066)	(21,871)	-	(2,178)	(411,269)	_
Insurance recovery	531	-	-	-	-	531	_
Gain (loss) on disposal of capital assets	-	196,000	-	-	_	196,000	_
Total nonoperating revenues (expenses)	(142,253)	351,320	(21,602)		63,745	251,210	611,929
Income (loss) before							<u> </u>
contributions and transfers	(2,822,993)	(101,045)	(190,095)	(1,035,692)	567,254	(3,582,571)	2,520,006
Capital contributions							
(Area Connection Charges & Grants)	2,646,389	83,423	66,274	-	_	2,796,086	_
Capital contributions (Maintenance Fee)	1,493,415	-	-	-	_	1,493,415	_
Transfers in	369,820	2,415,000	-	-	_	2,784,820	_
Change in net position	1,686,631	2,397,378	(123,821)	(1,035,692)	567,254	3,491,750	2,520,006
Total net position - beginning of year	95,859,468	3,626,107	10,040,316	15,871,306	3,797,692	129,194,889	12,188,465
Total net position - end of year	\$ 97,546,099	\$ 6,023,485	\$ 9,916,495	\$ 14,835,614	\$ 4,364,946	\$ 132,686,639	\$ 14,708,471
·							

Statement of Cash Flows Proprietary Funds For the Year Ended June 30, 2019

Exhibit I

		Rue	inace typa Activi	ties-Enterprise Fu	nde		Governmental Activities -
	Bureau of Utilities	Solid Waste	Airport	Fiber Network	Non-Major Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES Receipts from customers and users	\$ 10,084,567	\$ 7,633,943	\$ 1,019,771	\$ 244,704	\$ 1,333,198	\$ 20,316,183	\$ 17,999,220
Receipts from other funds Payments to suppliers Payments to employees	(7,146,512) (2,695,961)	(7,257,687) (1,620,183)	239,370 (470,905) (351,269)	128,625 (260,735)	(692,439) (89,873)	367,995 (15,828,278) (4,757,286)	(16,499,015)
Net cash provided (used) by operating activities	242,094	(1,243,927)	436,967	112,594	550,886	98,614	1,500,205
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							227 720
Medicare Part D Transfers in	369,820	2,415,000	-	-	-	2,784,820	237,729
Net cash provided by noncapital	309,020	2,113,000				2,701,020	
financing activities	369,820	2,415,000				2,784,820	237,729
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition and construction of capital assets	(5,835,882)	(653,749)	(5,074,453)	(112,594)	(107,285)	(11,783,963)	-
Principal paid on capital debt	(1,247,171)	(278,608)	(207,327)	-	(13,069)	(1,746,175)	-
Interest paid on capital debt	(395,271)	(29,421)	(23,731)	-	(2,100)	(450,523)	-
Proceeds from capital debt	-	-	4,802,001	-	-	4,802,001	-
Proceeds of the disposition of capital asset	-	196,000	-	-	-	196,000	-
Proceeds from insurance recovery Capital contributions	531	-	-	-	-	531	-
(Area Connection Charges & Grants)	4,139,804	83,423	66,274	-	-	4,289,501	-
Bond interest subsidy	18,284		269			18,553	
Net cash used by capital and related financing activities	(3,319,705)	(682,355)	(436,967)	(112,594)	(122,454)	(4,674,075)	
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on investments and cash	209,086	172,386	-	-	65,923	447,395	374,200
Net cash provided by investing activities	209,086	172,386			65,923	447,395	374,200
Net (decrease) increase	(2,498,705)	661,104			494,355	(1,343,246)	2,112,134
Equity in pooled cash and investments							
at beginning of year	9,621,744	7,972,158	50		3,055,910	20,649,862	17,853,461
Equity in pooled cash and investments at end of year	\$ 7,123,039	\$ 8,633,262	\$ 50	\$ -	\$ 3,550,265	\$ 19,306,616	\$ 19,965,595

(Continued)

Statement of Cash Flows Proprietary Funds For the Year Ended June 30, 2019

Exhibit I

	Business-type Activities-Enterprise Funds												vernmental ctivities -
	Bureau of Solid Utilities Waste		Solid	Airport		Fiber oort Network		Non-Major Enterprise Funds		Total		Interna Service Funds	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities: Operating income (loss)	\$ (2,680,740)	\$	(452,365)	\$	(168,493)	\$	(1,035,692)	\$	503,509	\$	(3,833,781)	\$	1,908,077
Adjustments to reconcile operating	ψ (2,000,740)	Ψ	(432,303)	Ψ	(100,473)	Ψ	(1,033,072)	Ψ	303,307	Ψ	(3,033,701)	Ψ	1,700,077
income (loss) to net cash provided (used)													
by operating activities:													
Depreciation expense	3,357,978		671,148		189,665		907,903		33,037		5,159,731		-
Effect of changes in operating assets and liabilities:					•								
Due to/from other funds	-		-		239,370		128,625		-		367,995		-
Accounts receivable	(506,466)		366,880		143,113		(1,521)		(15,225)		(13,219)		(462,316)
Prepaid expense	-		-		-		(5,333)		-		(5,333)		-
Inventory	(234,378)		(4,720)		(4,559)		-		-		(243,657)		-
Compensated absences payable	(19,932)		28,883		2,239		-		1,507		12,697		-
Accounts payable and accrued expenses	331,827		(525,095)		27,310		118,612		28,058		(19,288)		140,467
Unearned revenue	(6,195)		-		8,322		-		-		2,127		12,570
Claims liability	-		-		-		-		-		-		(98,593)
Landfill closure, post closure, remediation costs	_	((1,328,658)				_				(1,328,658)		
	2,922,834		(791,562)		605,460		1,148,286		47,377		3,932,395		(407,872)
Net cash provided (used) by operating activities	\$ 242,094	\$ ((1,243,927)	\$	436,967	\$	112,594	\$	550,886	\$	98,614	\$	1,500,205

Statement of Fiduciary Net Position Trust and Agency Funds June 30, 2019

Exhibit J

	Trust Funds		Agency Funds	
ASSETS				
Equity in pooled cash and investments	\$	-	\$	234,280
Receivables-notes		36,076		-
Accrued interest		11,888		-
Prepaid expenses		9,143		-
Investments at fair value:				
Short-term investments		2,933,036		-
Bond funds		35,046,342		-
Equity funds		91,330,894		-
Marketable securities		102,946,091		-
Total investments		232,256,363		-
Total assets	\$	232,313,470	\$	234,280
LIABILITIES				
Accounts payable	\$	30,704	\$	4,931
Due to primary government		446,940		-
Deposits		-		229,349
Total liabilities	\$	477,644	\$	234,280
FIDUCIARY NET POSITION				
Fiduciary net position restricted for pension, OPEB,				
and other purposes	\$	231,835,826		

Statement of Change in Fiduciary Net Position Trust Funds For the Year Ended June 30, 2019

Exhibit K

ADDITIONS	Tn Fur	
Contributions:		
Employer	\$	16,802,260
Plan members		3,378,427
Total contributions		20,180,687
Investment earnings:		
Interest and dividends		180,828
Net increase in the fair value of investments		17,039,677
Total investment earnings		17,220,505
Less investment expense		(112,803)
Net investment earnings		17,107,702
Total additions		37,288,389
DEDUCTIONS		
Benefits and refunds paid to plan members and beneficiaries		8,673,687
Administrative expenses		77,089
Total deductions		8,750,776
Net increase in fiduciary net position		28,537,613
Fiduciary net position-beginning		203,298,213
Fiduciary net position-ending	\$	231,835,826

Combining Statement of Net Position Component Units June 30, 2019

Exhibit L

	Board of Education	Carroll Community College	Library	Industrial Development Authority	Total Component Units
ASSETS	<u> </u>	Conege	Library	Truthorny	Cints
Cash and cash equivalents	\$ 4,631,807	\$ 10,201,175	\$ 1,249,037	\$ 6,239,192	\$ 22,321,211
Restricted cash and cash equivalents	-	-	30,947	7,127,065	7,158,012
Investments	40,000,000	12,790,042	, -	-	52,790,042
Taxes and receivables, net	595,332	2,694,142	212,763	55,000	3,557,237
Due from primary government	16,964,541	15,194	12,418	· <u>-</u>	16,992,153
Due from other governments	4,725,907	· -	-	_	4,725,907
Inventories	706,227	_	11,085	_	717,312
Prepaid expenses	350,481	585,087	81,289	_	1,016,857
Investments - restricted	-	56,780	-	-	56,780
Capital assets not being depreciated:					
Land	14,142,128	-	-	7,930,307	22,072,435
Construction in progress	4,434,543	-	1,939,961	-	6,374,504
Art and doll collection	-	384,950	-	-	384,950
Capital assets net of accumulated depreciation:					
Buildings and contents	360,267,794	1,543,146	1,646,669	-	363,457,609
Improvements other than buildings	-	-	-	-	-
Auto, machinery and equipment	10,354,535	735,916	-	-	11,090,451
Capital assets, net of depreciation	389,199,000	2,664,012	3,586,630	7,930,307	403,379,949
Total assets	457,173,295	29,006,432	5,184,169	21,351,564	512,715,460
Deferred Outflows of Resources					
Pensions	5,035,827	-	273,986	-	5,309,813
OPEB	16,293,508	959,927	-	-	17,253,435
Total deferred outflows of resources	21,329,335	959,927	273,986		22,563,248
Total assets and deferred outflows	478,502,630	29,966,359	5,458,155	21,351,564	535,278,708
LIABILITIES					
Accounts payable	3,561,937	492,341	149,475	1,300	4,205,053
Due to primary government	30,868	918	1,583	612,910	646,279
Due to other governments	2,207,074	-	135,151	-	2,342,225
Unearned revenue	1,458,271	1,463,964	-	7,127,065	10,049,300
Accrued interest payable	48,288	-	-	-	48,288
Accrued expenses	34,318,506	471,671	321,325	25,987	35,137,489
Long-term liabilities:					
Due within one year	1,900,000	761,914	-	-	2,661,914
Due in more than one year	379,856,661	19,650,682	1,274,737	1,000,000	401,782,080
Total liabilities	423,381,605	22,841,490	1,882,271	8,767,262	456,872,628
Deferred Inflows of Resources					
Pensions	3,031,277	-	70,766	-	3,102,043
OPEB	578,000	2,961,717			3,539,717
Total deferred inflows of resources	3,609,277	2,961,717	70,766		6,641,760
NET POSITION					
Net investment in capital assets	388,687,596	2,279,062	3,586,630	7,317,397	401,870,685
Restricted for:					
Capital projects	-	-	147,757	-	147,757
Grants	312,958	-	-	-	312,958
Food services	384,988	-	-	-	384,988
Educational purposes	-	12,059,915	-	-	12,059,915
Unrestricted (deficit)	(337,873,794)	(10,175,825)	(229,269)	5,266,905	(343,011,983)
Total net position	\$ 51,511,748	\$ 4,163,152	\$ 3,505,118	\$ 12,584,302	\$ 71,764,320

Combining Statement of Activities Component Units For the Year Ended June 30, 2019

Exhibit M

			Program Revenues	3	Net (Expense) Revenue and Changes in Net Position				
			Operating	Capital		Carroll		Industrial	
		Charges for	Grants and	Grants and	Board of	Community		Development	
	Expenses	Service	Contributions	Contributions	Education	College	Library	Authority	Total
Component units:									
Board of Education	\$ 399,123,657	\$ 4,660,300	\$ 48,564,346	\$ 15,997,317	\$ (329,901,694)	\$ -	\$ -	\$ -	\$ (329,901,694)
Carroll Community College	24,996,301	9,188,956	3,545,772	=	-	(12,261,573)	-	-	(12,261,573)
Library	18,179,381	321,810	2,271,177	379,777	-	-	(15,206,617)	-	(15,206,617)
Industrial Development									
Authority	781,423			1,461,993				680,570	680,570
Total component units	\$ 443,080,762	\$ 14,171,066	\$ 54,381,295	\$ 17,839,087	(329,901,694)	(12,261,573)	(15,206,617)	680,570	(356,689,314)
Gen	ieral revenues:								
L	ocal appropriation	s			193,440,537	11,657,221	14,771,510	-	219,869,268
S	tate aide				120,062,534	8,536,219	-	-	128,598,753
C	rants and contribu	itions not restricte	d to specific progr	rams	-	4,165,299	-	-	4,165,299
Iı	nvestment earning	s and miscellaneou	us, unrestricted		6,387,503	1,740,636	617,784	212,470	8,958,393
Т	otal general reven	ues and transfers			319,890,574	26,099,375	15,389,294	212,470	361,591,713
	Change in net po	sition			(10,011,120)	13,837,802	182,677	893,040	4,902,399
Net	position - beginni	ing of year, as rest	ated		61,522,868	(9,674,650)	3,322,441	11,691,262	66,861,921
Net	position - ending				\$ 51,511,748	\$ 4,163,152	\$ 3,505,118	\$ 12,584,302	\$ 71,764,320

Notes to Financial Statements June 30, 2019

NOTES TO FINANCIAL STATEMENTS INDEX

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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 of Carroll County as currently constituted was established under Title 3, Subtitle 103, Education, of the Annotated Code of Maryland. The Board 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 Board 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, 2019. 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 CliftonLarsonAllen 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, 2019. 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. The Community College's financial statements were audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. 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.

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, 2019.

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 Authority, 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, 2019.

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

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

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

The County reports the following Fiduciary Funds:

Trust Funds:

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

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

The *Agency Fund* is used to account for assets that the County holds on behalf of others as their agent. The Agency Funds are custodial in nature (assets equal liabilities). The Carroll County Development Corporation "CCDC" Fund accounts for the transactions for economic development receivables collected by the County on behalf of a local nonprofit corporation. The Carroll Cable Regulatory Commission administers the cable franchise agreement for the County and eight towns.

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

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

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

E. Measurement focus and basis of accounting

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

The government-wide financial statements, the proprietary fund financial statements, and the fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds do not have a measurement focus and are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Notes to Financial Statements June 30, 2019

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 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, 2019, expenditures exceeded appropriations by \$6,156,540 in Education and \$2,108,059 in Library due primarily to the recording of in-kind services provided to the Board of Education, Community College, and Library. These in-kind services are not in the budget for Education and Library.

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

Cash and Cash Equivalents

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

Deposits and Investments

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

Notes to Financial Statements June 30, 2019

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

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

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

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

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

State statutes require uninsured deposits to be fully collateralized.

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

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

Receivables

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

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

Inventories and prepaid items

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

Notes to Financial Statements June 30, 2019

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

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

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

Restricted assets

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

Capital assets

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

Capital Assets

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

Deferred outflows/inflows of resources

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

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

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

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

Net position

Government-wide:

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

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

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

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

Carroll County Employee Pension, Carroll County Certified Law Officers Pension, and Volunteer Firemen's Length of Service Award Program - For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to each of the County Pension Plans and pension expense, information about the fiduciary net position of these Pension Plans and additions to/deductions from each of the fiduciary net positions have been determined on the same basis as they are reported by each Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

Business-Type:

In prior years, the Solid Waste fund issued debt to finance the construction of closing County landfills. The costs associated with the closing are not capitalized as assets. Of the total outstanding debt of \$480,471 in the Solid Waste fund, \$315,916 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, 2019, fees collected through water/sewer user rates, area connection charges and maintenance fees totaling \$12,105,585 have been restricted for future capital projects. The Solid Waste, Airport, Fiber Network and Septage funds have restricted component of net position for capital projects in the amounts of \$740,394, \$1,735,681, \$816,089 and \$1,522,226, respectively. These amounts, totaling \$16,919,975, are restricted in the business-type activities of the Statement of Net Position.

June 30, 2019

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

H. Estimated liability for claims in process

The liability for claims in process in the Internal Service Fund includes estimates for personal injury, worker's compensation, property damage and medical claims as of June 30, 2019. The liability is based on estimates made on an individual claim basis plus an actuarial estimate of the liability for claims incurred but not reported.

I. Estimates

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

J. Revenues and expenditures/expenses

1.) Program Revenues

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

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

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

Notes to Financial Statements June 30, 2019

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

3.) Encumbrances

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

4.) Property Taxes

Full year taxes and first semi-annual installments are billed and due on July 1st and may be paid without interest on or before September 30th. For fiscal year 2019, 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, 2019 was \$1.018 per \$100 of assessed value and the personal property rate was \$2.515 per \$100. Real property taxes for the County, State and Towns are billed to property owners and collected by the County.

5.) Other Taxes & Fees

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

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

6.) Compensated Absences

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

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

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

Compensated absences for the Component Units are as follows:

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

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

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

7.) Long-term Obligations

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

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

8.) Arbitrage Payable

Arbitrage rebate requirements under Internal Revenue Code Section 1.148-3 apply to general obligation bond issuances of 2018, 2016, 2015, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007, 2006, 2005, 2004, and 2003, 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, 2019, there is no arbitrage liability due to the Internal Revenue Service.

K. New accounting pronouncements

Statement No. 83, *Certain Asset Retirement Obligations:* This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). This Statement was not applicable to the County and therefore was implemented for the reporting period ending June 30, 2019 with no effect.

Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements: The objective of this Statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt. This Statement was not applicable to the County and therefore was implemented for the reporting period ending June 30, 2019 with no effect.

Future Accounting Pronouncements

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

Statement No. 84, *Fiduciary Activities:* The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement will become effective for fiscal years beginning after December 15, 2018.

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

Notes to Financial Statements June 30, 2019

inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Statement will become effective for fiscal years beginning after December 15, 2019.

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

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

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

L. Prior period adjustment

Governmental Funds

Governmental Fund balances were restated as of June 30, 2018 from \$119,469,602 to \$126,897,448, a net increase of \$7,427,846. The adjustments relate to the General Fund and are described further below:

Previous Governmental Funds fund balance - ending at June 30, 2018	\$ 119,469,602
Prepaid Costs	7,427,846
Restated Governmental Funds fund balance - ending at June 30, 2018	\$ 126,897,448

General Fund

It was determined that \$7,427,846 of grants were improperly reported as expenditures, but should have been recorded as prepaid costs since the Industrial Development Authority, a component unit, had not met the eligibility requirements of the grant.

Governmental Activities

Net Position was restated as of June 30, 2018 from \$112,933,396 to \$120,361,242, a net increase of \$7,427,846. The adjustment is a result of the transaction in the General Fund described above:

Previous Governmental Activities Net Position - ending at June 30, 2018	\$ 112,933,396
Prepaid Expenses	 7,427,846
Restated Governmental Activities Net Position - ending at June 30, 2018	\$ 120,361,242

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

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

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

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

Bonds payable	\$ 234,699,855
General obligation debt - installment purchases	32,513,296
Purchase agreements payable	4,722,156
Compensated absences	6,782,232
Premium on bonds	 19,937,257
Total long-term debt and compensated absences	298,654,796
Deferred charges	(7,361,709)
Total long-term liabilities and deferred charges	\$ 291,293,087

The details of net pension liabilities differences are as follows:

Net Employee Pension liability		\$ 8,669,313
Net Certified Law Officers Pension liability		3,399,630
Net LOSAP liability		1,448,146
Net Pension liability - State of MD:		
CC Elected/Appointed Officials	\$ 311,617	
Soil Conservation District	 246,840	558,457
	 	\$ 14,075,546

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	\$ 575,608
Income Taxes - unavailable revenue	 33,138,953
	\$ 33,714,561

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	\$ 9,701,067
Donated assets	635,099
Depreciation	(18,126,872)
Disposal of assets	 (213,150)
	\$ (8,003,856)

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 \$7,076,145 difference represents the net change of \$8,832 Property Taxes-unavailable plus \$7,067,313 in Income Taxes-unavailable in the fund statements.

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

Debt Issued or Incurred:

Issuance of new installment purchase agreements	\$ (887,000)
Principal payments of installment purchase agreements	1,201,212
Issuance of new general obligation bonds	(25,000,000)
Principal payments on general obligation bonds	25,649,439
Principal payments on purchase agreements	316,017
Net change in amortization of	
deferred loss on refunding bonds	(731,169)
Net change in amortization of bond premium	(200,806)
Net change in accrued interest expense	176,228
	\$ 523,921

Another element of that reconciliation states, "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of some expense differences are as follows:

Increase in compensated absences accrual	\$ (414,331)
Difference between accrual method used in	
government-wide statements and the purchase	
method of inventory used in the fund statements	323,682
	\$ (90,649)
The details of adjustment to the net pension liabilities are as follows:	
Net Employee Pension liability	\$ 318,464
Net Certified Law Officers Pension liability	(400,259)
Net LOSAP liability	362,315
Net Pension liability - State of MD:	
CC Elected/Appointed Officials \$ (30,853)	
Soil Conservation District (15,790)	 (46,643)
	\$ 233,877

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 \$14,144,959 and the bank balance was \$14,906,420. The Federal Depository Insurance Corporation "FDIC" insured \$250,000 and the balance was collateralized with investments held in the County's name at the Federal Reserve Bank. At June 30, 2019, the County's deposits were not exposed to custodial credit risk.

The following table reconciles the County's deposits and investments to the government-wide statement of net position and the statement of fiduciary net position at June 30, 2019:

	C	Primary Sovernment	Fid	uciary Funds	Total
Equity in pooled cash & investments Cash and cash equivalents Restricted assets-investments	\$	133,334,891 437,812 29,021,572	\$	234,280	\$ 133,569,171 437,812 261,277,935
Total cash and investments	\$	162,794,275	\$	232,490,643	\$ 395,284,918
Bank balances and cash on hand Investments Total Balances at June 30, 2019					\$ 14,144,959 381,139,959 395,284,918

COMPONENT UNITS

The following table reconciles the Component Unit's deposits and investments to the government-wide statement of net position at June 30, 2019:

		Carroll		Industrial
	Board of	Community		Development
	Education	College	Library	Authority
Cash and cash equivalents	\$ 4,631,807	\$10,201,175	\$1,249,037	\$ 6,239,192
Restricted cash and				
cash equivalents	-	-	30,947	7,127,065
Investments	40,000,000	12,790,042	-	-
Restricted assets-investments	<u> </u>	56,780		
Total cash and investments	\$44,631,807	\$23,047,997	\$1,279,984	\$ 13,366,257
Bank balances and				
cash on hand	\$ 4,631,807	\$ 1,829,700	\$1,279,984	\$ 13,366,257
Investments	40,000,000	21,218,297	-	-
Total Balances at June 30, 2019	\$44,631,807	\$23,047,997	\$1,279,984	\$ 13,366,257

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, 2019 the 30 percent was \$36.9M). 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, 2019, the County did not invest in any of these types of investments.

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

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, or not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent, but not in the government's name. County and State statutes require that securities underlying all certificate of deposits, repurchase agreements and reverse repurchase agreements have a market value of at least 102 percent of the cost-plus accrued interest of the investment. County policies require that a third-party custodian hold investment securities and the collateral underlying all investments, in the government's name. As of June 30, 2019, 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, 2019.

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.

Primary Government: <u>Investments by fair value level</u> Debt Securities	Fair Value/ Amortized Costs	for Identical	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Federal agencies (2)	\$ 50,088,000	\$ -	\$ 50,088,000	\$ -
U.S. government securities (1)	28,791,572	-	28,791,572	-
Total debt securities	78,879,572		78,879,572	
Equity Securities				
Money rate savings account	10,004,024	10,004,024		
Total Equity Securities	10,004,024	10,004,024		
Total Primary Government Investments	88,883,596	10,004,024	78,879,572	
Other Post Employment Benefits (OPEB)				
and Pension Funds:				
Investments by fair value level				
Debt Securities				
Corporate Bonds	29,261,267	29,261,267		
Total debt securities	29,261,267	29,261,267		
Equity Securities				
Equities (3)	91,330,894	91,330,894	-	-
Short-term investments (3)	2,933,036	2,933,036	-	-
Marketable securities	102,946,091	102,946,091		
Total Equity Securities	197,210,021	197,210,021		
Total OPEB and Pension Funds	226,471,288	226,471,288		
Total Investments at fair value	315,354,884	\$ 236,475,312	\$ 78,879,572	\$ -
Investments at amortized costs MLGIP	65,785,075			
Total Investments	\$ 381,139,959			

- (1) These investments are backed by full faith and credit of the U.S. Government.
- (2) These agencies mature in fiscal year 2020/2021 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.

Equity Securities, as well as the \$29,261,267 of Debt Securities identified as Corporate Bonds are valued at the last sales price or if no sale price is available and the market is active then the last transaction price before year-end is used. These securities are in Level 1 of 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 1 of the fair value hierarchy.

FIDUCIARY FUNDS

Investment Risk

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

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. 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 (see Statement of Fiduciary Net Position) 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 \$4,963,317 and cash on hand was \$3,533. The bank balance of deposits was \$6,574,467. 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, 2019, the Board had investment totaling \$40,000,000 in the Maryland Local Government Investment Pool (MLGIP), which is under the administration of the State Treasurer.

At June 30, 2019, the College's cash and cash equivalents balance by type were as follows:

Cash on hand	\$ 3,300
Cash in bank	1,286,317
Citibank health care account	208,263
Bank money market	500,623
Maryland Local Government Investment Pool	7,662,589
Cash in Carroll Community College Foundation	540,083
	\$ 10,201,175

As of June 30, 2019, the carrying amount of the Library's deposits was \$1,279,984 and the bank balance was \$1,548,304. There is no custodial credit risk for either of these investments as the amounts are fully collateralized.

Restricted cash consists of amounts previously contributed to the Library. The funds were established in 1996 by the Board of Trustees of the Library for the purpose of establishing a fund that enables the Library both to continue and to expand programs that are or will be authorized in accordance with its mission. The funds are segregated from operating funds.

As of June 30, 2019, the Industrial Development Authority bank balance of \$13,366,257 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.

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, 2019.

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:

	Tax	Accounts		Interest		Notes		 Total
Governmental Funds								
General fund	\$ 964,322	\$	175,012	\$	442,297	\$	12,720,044	\$ 14,301,675
Non-major funds	-		2,873,472		-		107,818	2,981,290
	964,322		3,048,484		442,297		12,827,862	 17,282,965
Uncollectible allowances	(79,545)				_			 (79,545)
Total governmental funds	\$ 884,777	\$	3,048,484	\$	442,297	\$	12,827,862	\$ 17,203,420
Amount not scheduled for								
collection during subsequent year	\$ 	\$		\$		\$	11,708,734	\$ 11,708,734

	Accounts
Proprietary Funds	-
Bureau of Utilities	\$ 3,549,939
Solid Waste	548,691
Airport	31,777
Fiber Network	39,387
Non-major funds	143,705
Internal Service Fund	470,231
Total proprietary funds	\$ 4,783,730
Amount not scheduled for	
collection during subsequent year	\$ -

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

Balances for the component units for the year ended June 30, 2019 was as follows:

			A	ccounts						
	Acc	ounts	an	d Notes						
	Rest	ricted	Un	restricted	 Other	S	tudents	Co	ntributions	 Total
Component Units										
Board of Education	\$	-	\$	595,332	\$ -	\$	-	\$	-	\$ 595,332
Carroll Community College					129,237		772,875		2,307,355	3,209,467
Library		204,668		8,095	-		-		-	212,763
Industrial Development										
Authority		55,000		2,589,553	-		-		-	2,644,553
		259,668		3,192,980	129,237		772,875		2,307,355	6,662,115
Less: allowances		-		(2,589,553)	-		(515,325)		-	(3,104,878)
Total component unit										
activities	\$	259,668	\$	603,427	\$ 129,237	\$	257,550	\$	2,307,355	\$ 3,557,237
Amount not scheduled for										
collection during										
subsequent year	\$		\$		\$ -	\$	-	\$	2,120,454	\$ 2,120,454

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, 2019, the various components of unearned revenue reported were as follows:

Governmental Activities:	
Governmental Funds	
General Fund:	
City of Westminster	\$ 77,449
Capital Fund:	
Highway user fees	1,682,247
Developer contributions	67,575
Impact fees	524,941
Community support	85,411
Grants Fund:	
Draws in advance of expenditures	1,650,844
Total governmental funds	\$ 4,088,467
Internal Service Funds	
Retiree health insurance premiums	\$ 12,570
Total internal service funds	\$ 12,570
Total Governmental Activities	\$ 4,101,037
Business-type Activities	
Fiscal year 2020 hanger rent	\$ 34,798
Total Business-type Activities	\$ 34,798

<u>Deferred Outflows of Resources</u>

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

		Deferred Outflows
Governmental activities		
Deferred charge on refunding		\$ 7,361,709
Deferred charge for pension:		
Carroll County Employee Pension	\$ 1,632,130	
Carroll County Certified Law Officers Pension	1,336,417	
Length of Service Award Program (LOSAP)	768,210	
State of MD CC Elected/Appointed Officials	54,986	
State of MD Soil Conservation District	 53,787	
Total deferred charge for pension		3,845,530
Total deferred outflows for OPEB		 6,600,387
Total governmental activities deferred outflows		17,807,626
Business-type activities		
Deferred charge on refunding		 332
Total business-type activities deferred outflows		332
Total government-wide		\$ 17,807,958

Deferred Inflows of Resources

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

		Deferred
Government-Wide		Inflows
Governmental activities		
Carroll County Employee Pension	\$ 2,474,335	
Carroll County Certified Law Officers Pension	742,457	
LOSAP	27,574	
State of MD CC Elected/Appointed Officials	34,151	
State of MD Soil Conservation District	 28,523	
Total deferred inflows for pension		\$ 3,307,040
Total deferred inflows for OPEB		 3,882,934
Total governmental activities deferred inflows		 7,189,974
Business-type activities		
Deferred charge on refunding		22,441
Total business-type activities deferred inflows		22,441
Total government-wide		\$ 7,212,415

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	Inavailable
Governmental Funds		Revenue
General Fund:		
Property taxes - unavailable revenue	\$	575,608
Income Taxes - unavailable revenue		33,138,953
Total governmental funds	\$	33,714,561

Note 6 – Interfund Receivables, Payables and Transfers

Interfund Transfers

At June 30, 2019, the interfund transfers between primary government major and non-major funds were as follows:

		Transfers Out						
				Capital	No	on-Major		
	(General		Projects	Gov	ernmental		Total
		Fund	Fund		Funds			Transfers
Transfers In:								_
General Fund	\$	-	\$	10,355,690	\$	358,029	\$	10,713,719
Capital Projects Fund		3,379,000		-		-		3,379,000
Bureau of Utilities		369,820		-		-		369,820
Solid Waste		2,415,000		-		-		2,415,000
Non-Major Governmental Funds		1,581,223						1,581,223
Total transfers	\$	7,745,043	\$	10,355,690	\$	358,029	\$	18,458,762

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

Due from/to Component Units

The due from/to component units at June 30, 2019 consisted of the following:

	Due From		 Due To
Primary Government:		_	 ·
Board of Education	\$	30,868	\$ 16,964,541
Carroll Community College		918	15,194
Library		3,130	12,418
Industrial Development Authority		612,910	 -
	\$	647,826	\$ 16,992,153
Component Units:			
Primary Government (Board of Education)	\$	16,964,541	\$ 30,868
Primary Government (Carroll Community College)		15,194	918
Primary Government (Library)		12,418	1,583
Primary Government (IDA)		-	 612,910
	\$	16,992,153	\$ 646,279

The \$1,547 variance between the County's due from the Library balance and the Library's due to the County balance is due to a payment made by the Library in late June that was not received and recorded by the County until July 2019, the subsequent fiscal year.

Due from/to Fiduciary Funds

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

	Due From		Due To		
Trust Funds: General Fund Governmental Activities:	\$	-	\$	446,940	
Other Postemployment Benefit Trust	\$	446,940 446,940	\$	446,940	
Due from/to Other Governmental Funds					
Governmental Funds:		Oue From	I	Due To	
General Fund Capital Projects Fund	\$	5 5,495,427	\$	5,495,427	
Non-Major Governmental Funds (Grants)	\$	5,495,432	\$	5,495,432	
Internal Balances		Due From		Due To	
Business-type Activities: General Fund	\$	18,580	\$	1,921,767	
	\$	18,580	\$	1,921,767	
Governmental Activities: Fiber Network Airport	\$	1,583,824 337,943	\$	18,580	
Total Governmental Activities	\$	1,921,767	\$	18,580	

The Airport Fund, Fiber Network and OPEB trust fund overdrew their share of Equity in Pooled Cash accounts. The overdraw was covered by the General Fund. The General Fund had an outstanding accounts receivable with the Airport, Fiber Network and OPEB trust fund at June 30, 2019.

Note 7 – Capital Assets

Capital asset activity for the year ended June 30, 2019 was as follows:

	Balance June 30, 2018	Additions	Transfers and Retirements	Balance June 30, 2019
Governmental activities:	June 30, 2010	7 Idditions	Rethefits	June 30, 2017
Capital assets, not being depreciated:				
Land	\$ 36,096,812	\$ 1,936,388	\$ (3)	\$ 38,033,197
Construction in progress	6,893,141	4,126,222	(4,192,661)	6,826,702
Total capital assets, not being depreciated	42,989,953	6,062,610	(4,192,664)	44,859,899
Capital assets, being depreciated:				
Buildings and contents	208,814,033	31,650	-	208,845,683
Improvements other than buildings	87,432,438	2,245,676	(205,000)	89,473,114
Automobiles, machinery and equipment	53,329,710	6,186,862	(2,085,997)	57,430,575
Infrastructure	576,906,664	2,029	-	576,908,693
Total capital assets, being depreciated	926,482,845	8,466,217	(2,290,997)	932,658,065
Less accumulated depreciation for:				
Buildings and contents	76,323,424	4,871,609	-	81,195,033
Improvements other than buildings	38,650,817	5,341,377	(205,000)	43,787,194
Automobiles, machinery and equipment	36,774,556	4,151,455	(1,872,850)	39,053,161
Infrastructure	434,893,961	3,762,431	-	438,656,392
Total accumulated depreciation	586,642,758	18,126,872	(2,077,850)	602,691,780
Total capital assets, being depreciated, net	339,840,087	(9,660,655)	(213,147)	329,966,285
Governmental activities capital assets, net	\$ 382,830,040	\$ (3,598,045)	\$ (4,405,811)	\$ 374,826,184
So verimental activities capital assets, net	Ψ 302,030,010	Ψ (3,370,012)	Ψ (1,105,011)	ψ 37 1,020,101
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 9,038,273	\$ 2,877,317	\$ -	\$ 11,915,590
Construction in progress	14,443,733	5,877,726	(10,567,867)	9,753,592
Total capital assets, not being depreciated	23,482,006	8,755,043	(10,567,867)	21,669,182
Capital assets, being depreciated:	23, 102,000	0,733,013	(10,307,007)	21,000,102
Buildings and contents	24,272,597	_	_	24,272,597
Improvements other than buildings	11,686,981	11,047,973	_	22,734,954
Automobiles, machinery and equipment	29,914,537	2,550,169	(1,165,707)	31,298,999
Infrastructure:	25,511,557	2,550,109	(1,105,707)	31,270,777
Water facilities	55,550,969	_	_	55,550,969
Sewer facilities	48,377,271	_	_	48,377,271
Total capital assets, being depreciated	169,802,355	13,598,142	(1,165,707)	182,234,790
Less accumulated depreciation for:	105,002,002	13,570,112	(1,105,707)	102,23 1,750
Buildings and contents	10,283,319	485,668	_	10,768,987
Improvements other than buildings	6,165,368	1,528,863	_	7,694,231
Automobiles, machinery and equipment	11,465,455	1,456,435	(1,165,707)	11,756,183
Infrastructure:	11,100,100	1, 100, 100	(1,105,707)	11,700,100
Water facilities	14,270,653	970,105	_	15,240,758
Sewer facilities	18,964,674	718,660	_	19,683,334
Total accumulated depreciation	61,149,469	5,159,731	(1,165,707)	65,143,493
Total capital assets, being depreciated, net	108,652,886	8,438,411	-	117,091,297
Total capital assets, some depreciated, net	100,052,000	0, 130,711		111,071,271
Business-type activities capital assets, net	\$ 132,134,892	\$ 17,193,454	\$ (10,567,867)	\$ 138,760,479

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

Governmental activities:	
General Government	\$ 7,098,751
Public Safety	3,896,976
Public Works	4,729,870
Health	38,132
Human Services	22,922
Culture & Recreation	1,309,350
Economic Development	236,610
Judicial	155,193
Conservation of Natural Resources	639,068
Total depreciation expense-governmental activities	\$ 18,126,872
Business-type activities:	
Bureau of Utilities	\$ 3,357,981
Solid Waste	671,147
Septage	5,572
Airport	189,664
Firearms Facility	27,465
Fiber Network	907,902
Total depreciation expense-business-type activities	\$ 5,159,731

Component Units

Activity for the Board of Education for the year ended June 30, 2019 was as follows:

		Net					
	Balance		Transfers and	Balance			
	June 30, 2018	Additions	Retirements	June 30, 2019			
Capital assets not being depreciated							
Land and improvements	\$ 14,142,128	\$ -	\$ -	\$ 14,142,128			
Construction in progress	2,539,868	15,630,003	(13,735,328)	4,434,543			
Total capital assets, not being depreciated	16,681,996	15,630,003	(13,735,328)	18,576,671			
Capital assets being depreciated							
Building and improvements	595,949,612	13,884,517	(3,176,089)	606,658,040			
Equipment	41,569,631	1,614,603	2,590,998	45,775,232			
Total capital assets being depreciated	637,519,243	15,499,120	(585,091)	652,433,272			
Less accumulated depreciation							
Buildings and improvements	230,209,756	15,205,458	975,032	246,390,246			
Equipment	34,889,654	1,983,011	(1,451,968)	35,420,697			
Total accumulated depreciation	265,099,410	17,188,469	(476,936)	281,810,943			
Total capital assets, being depreciated, net	372,419,833	(1,689,349)	(108,155)	370,622,329			
Capital assets, net	\$ 389,101,829	\$ 13,940,654	\$ (13,843,483)	\$ 389,199,000			

Activity for the Carroll Community College for the year ended June 30, 2019 was as follows:

			Net						
	Е	Balance at			Trai	nsfers and	В	alance at	
	Jui	ne 30, 2018	A	Additions		Retirements		June 30, 2019	
Capital assets not being depreciated									
Foundation	\$	384,950	\$	-	\$	-	\$	384,950	
Capital assets being depreciated									
Building improvements		2,944,565		82,563		-		3,027,128	
Equipment		4,206,455		209,549		(158,266)		4,257,738	
Vehicles		187,899		23,175		-		211,074	
Library books		1,519,322		34,778		(110,524)		1,443,576	
Total capital assets being depreciated		8,858,241		350,065		(268,790)		8,939,516	
Less accumulated depreciation									
Building improvements		1,366,022		171,401		-		1,537,423	
Equipment		3,540,904		235,524		(158,267)		3,618,161	
Vehicles		97,964		16,771		-		114,735	
Library books		1,465,409		34,400		(109,674)		1,390,135	
Total accumulated depreciation		6,470,299		458,096		(267,941)		6,660,454	
Total capital assets, being depreciated, net		2,387,942		(108,031)		(849)		2,279,062	
Capital assets, net	\$	2,772,892	\$	(108,031)	\$	(849)	\$	2,664,012	

Activity for the Carroll County Public Library for the year ended June 30, 2019 was as follows:

			Net					
	В	alance at			Tra	insfers and	E	Balance at
	Jur	ne 30, 2018		Additions		Retirements		ne 30, 2019
Capital assets not being depreciated				_				
Construction in progress	\$	4,000	\$	313,023	\$	1,622,938	\$	1,939,961
Capital assets being depreciated by location								
Headquarters		989,922		228,731		(444,052)		774,601
Westminster		1,188,071		21,657		(42,712)		1,167,016
Eldersburg		440,030		-		(28,501)		411,529
Mt. Airy		961,465		-		(2,908)		958,557
North Carroll		291,911				(24,937)		266,974
Taneytown		138,432				(24,295)		114,137
Finksburg		124,214		-		-		124,214
Circulation materials		3,240,511		1,072,537		(1,084,516)		3,228,532
Total capital assets, being depreciated		7,374,556		1,322,925		(1,651,921)		7,045,560
Less accumulated depreciation		4,142,251				1,256,640		5,398,891
Capital assets, net	\$	3,236,305	\$	1,635,948	\$	(1,285,623)	\$	3,586,630

Activity for the Industrial Development Authority of Carroll County for the year ended June 30, 2019 was as follows:

					N	et		
		Balance			Transfers and		Balance	
	June 30, 2018		Additions		Retirements		June 30, 2019	
Capital assets not being depreciated								
Land	\$	7,903,161	\$	27,146	\$	-	\$	7,930,307
Total capital assets, not being depreciated		7,903,161		27,146		-		7,930,307
Capital assets being depreciated								
Equipment		5,000		-		-		5,000
Total capital assets being depreciated		5,000		-		-		5,000
Less accumulated depreciation								
Equipment		5,000		-		-		5,000
Total capital assets, being depreciated, net		-		-		-		-
Capital assets, net	\$	7,903,161	\$	27,146	\$	-	\$	7,930,307

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, 2019:

C ,	Balance		Principal Repayments/	Balance	Due Within
	June 30, 2018	Additions	Amortization	June 30, 2019	One Year
Governmental activities:					
Purchase Agreements	\$ 5,038,173	\$ -	\$ 316,017	\$ 4,722,156	\$ 336,497
General Obligation Debt	32,827,508	887,000	1,201,212	32,513,296	-
General Obligation Bonds	235,349,294	25,000,000	25,649,439	234,699,855	25,473,754
Bonds premium/discount	19,736,451	1,930,937	1,730,131	19,937,257	1,618,710
Subtotal	292,951,426	27,817,937	28,896,799	291,872,564	27,428,961
Net other post employment					
benefit liability	119,095,482	19,606,150	14,737,364	123,964,268	-
Net LOSAP liability	1,810,461	830,035	1,192,350	1,448,146	-
Net employee pension liability	8,987,777	9,875,282	10,193,746	8,669,313	-
Net Certified Law Officers Pension liability	2,999,371	2,814,412	2,414,153	3,399,630	-
Net pension liability - State of MD					
CC Elected/Appointed Officials	280,764	30,853	-	311,617	-
Soil Conservation District	231,050	15,790	-	246,840	-
Estimated liability					
for claims in process-worker's comp	3,564,677	634,485	589,495	3,609,667	613,643
for claims in process-insurance	1,724,214	15,456,658	15,632,265	1,548,607	1,533,121
Compensated Absences	6,367,901	3,643,372	3,229,041	6,782,232	3,229,041
Governmental activity					
Long-term liabilities	\$ 438,013,123	\$ 80,724,974	\$ 76,885,213	\$ 441,852,884	\$ 32,804,766
Business-type activities:					
Loans Payable	\$ 97,682	\$ -	\$ 31,728	\$ 65,954	\$ 32,554
General Obligation Bonds	11,320,876	4,802,001	1,714,447	14,408,430	1,752,257
Subtotal	11,418,558	4,802,001	1,746,175	14,474,384	1,784,811
Landfill closure/postclosure	10,859,280	112,202	1,440,860	9,530,622	269,292
Compensated Absences	412,537	32,629	19,932	425,234	161,659
Business-type activity	.12,007		17,702	.20,20	101,000
Long-term liabilities	\$ 22,690,375	\$ 4,946,832	\$ 3,206,967	\$ 24,430,240	\$ 2,215,762
Long-term natimities	Ψ 22,070,373	Ψ +,2+0,032	Ψ 3,200,707	Ψ 24,430,240	Ψ 2,213,702
Component Units:					
Board of Education:					
Net other post employment					
benefit liability	\$ 324,118,000	\$ 28,230,000	\$ 2,474,000	\$ 349,874,000	\$ -
Compensated absences	14,949,904	1,237,306	1,649,387	14,537,823	1,900,000
Net pension liability (State of MD)		, ,	1,049,387	, ,	1,900,000
	15,759,548	1,585,290	015 271	17,344,838	-
Capital lease obligations, as restated	815,371	<u>-</u>	815,371	ф 201 756 cc1	
Total Board of Education	\$ 355,642,823	\$ 31,052,596	\$ 4,938,758	\$ 381,756,661	\$ 1,900,000
Carroll Community College					
Net other post employment					
benefit liability	\$ 31,535,837	\$ -	\$ 12,130,688	\$ 19,405,149	\$ -
Compensated absences	920,801	86,646		1,007,447	761,914
Total Carroll Community College	\$ 32,456,638	\$ 86,646	\$ 12,130,688	\$ 20,412,596	\$ 761,914
Library					
Compensated absences	\$ 563,090	\$ -	\$ 6,893	\$ 556,197	\$ -
Net pension liability	594,173	124,367		718,540	
Total Library	\$ 1,157,263	\$ 124,367	\$ 6,893	\$ 1,274,737	\$ -
Industrial Development Authority					
Loans	\$ 2,000,000	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -
Total Industrial Development Authority	\$ 2,000,000	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -
	. ,,	<u> </u>	. ,,	. ,,,,,,,,	

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, 2019 consisted of Purchase Agreements, General Obligation Debt, and General Obligation Bonds.

Purchase Agreements

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

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

Issue	Interest Rate	Year Series Matures	Amount of Original Issue	Outstanding June 30, 2019	Due Within One Year
General Government:					
SunTrust/AAIGJohnson Controls	4.040%	2021	\$ 2,649,079	\$ 442,027	\$ 248,625
AAIG Johnson Controls	2.353%	2031	4,536,852	4,280,129	87,872
Total purchase agreements				\$ 4,722,156	\$ 336,497

Years Ending June 30,	 Principal]	Interest	Total
2020	\$ 336,497	\$	114,513	\$ 451,010
2021	391,245		101,461	492,706
2022	344,966		91,064	436,030
2023	391,972		82,329	474,301
2024	401,975		73,026	475,001
2025-2029	2,157,424		217,578	2,375,002
2030-2031	 698,077		14,424	 712,501
Total purchase agreement	\$ 4,722,156	\$	694,395	\$ 5,416,551

otes to Financial Statements
June 30, 2019

General Obligation Debt

The County issues general obligation debt for the Agricultural Preservation Program to enter Installment Purchase Agreements for land easements. This debt is an obligation of the County for which its full faith and credit are pledged. The sources of repayment for this debt are the general revenues of the County including property taxes, income taxes and dedicated interest earnings and restricted principal from federal obligation securities with a maturity of 10-20 years. These loans range in maturity dates from fiscal year 2022 to fiscal year 2039. The interest rates on these purchase agreements range from 4.641% to 6.00%.

Years Ending June 30,	Principal	 Interest	 Total
2020	\$ -	\$ 1,791,103	\$ 1,791,103
2021	-	1,791,103	1,791,103
2022	246,000	1,791,103	2,037,103
2023	680,930	1,759,658	2,440,588
2024	1,006,624	1,739,344	2,745,968
2025-2029	6,217,224	7,459,364	13,676,588
2030-2034	21,698,594	3,204,911	24,903,505
2035-2039	2,663,924	 399,772	 3,063,696
Total purchase agreement	\$ 32,513,296	\$ 19,936,358	\$ 52,449,654

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.

General Obligation Bonds

Issue	Interest Rate	Year Series Matures	Amount of Original Issue	Outstanding June 30, 2019	Due Within One Year
General Government:					
FHA Loan of 1972-Watershed Bonds	3.502%	2022	\$ 769,700	\$ 103,361	\$ 29,208
FHA Loan of 1974- Watershed Bonds	3.649%	2024	253,000	60,892	9,902
FHA Loan of 1979- Watershed Bonds	3.649%	2031	678,800	284,460	19,345
2007 Refunding Bonds (November)	3.75% -5.25%	2022	6,670,000	1,375,000	675,000
2008 Public Improvement Bonds	3.25% -5.00%	2028	28,294,094	-	-
2009 Public Improvement Bonds Series A	2.00% -4.00%	2019	14,759,547	1,716,319	1,716,319
2009 Public Improvement Bonds Series B	4.70% - 5.625%	2029	17,631,476	17,159,566	-
2010 Public Improvement Bonds Series D	1.03% -3.51%	2030	8,841,618	6,262,761	435,750
2011 Public Improvement Bonds	2.00% -4.25%	2031	11,042,955	7,666,825	464,136
2011 Refunding Bonds	2.00% -4.25%	2031	9,104,764	1,413,571	1,413,571
2012 Public Improvement Bonds	2.00% - 5.00%	2032	13,600,000	8,812,795	631,201
2012 Refunding Bonds	2.00% -5.00%	2032	13,685,415	6,703,758	2,822,556
2013 Public Improvement Bonds	2.00% -5.00%	2033	23,412,567	15,874,791	1,101,902
2014 Public Improvement Bonds	2.00% -5.00%	2034	14,099,475	9,568,140	598,009
2014 Refunding Bonds	2.00% -5.00%	2029	19,078,563	13,707,909	2,294,130
2015 Public Improvement Bonds	3.00% - 5.00%	2035	25,448,730	18,786,480	1,105,803
2015 Refunding Bonds	3.00% - 5.00%	2022	5,529,176	4,639,628	1,159,156
2016 Public Improvement Bonds	3.00% - 5.00%	2036	11,291,144	8,750,463	486,137
2016 Refunding Bonds	3.00% - 5.00%	2020	2,617,306	791,374	395,687
2018 Public Improvement Bonds	3.25% - 5.00%	2038	18,112,500	18,112,500	905,625
Subtotal General Government				\$ 141,790,593	\$ 16,263,437
Board of Education:					
2008 Public Improvement Bonds	3.25% - 5.00%	2028	\$ 43,613,906	\$ -	\$ -
2009 Public Improvement Bonds Series A	2.00% -4.00%	2019	8,305,513	987,767	987,767
2009 Public Improvement Bonds Series B	4.70% - 5.625%	2029	15,946,285	15,946,285	-
2010 Public Improvement Bonds Series D	1.03% -3.51%	2030	10,272,510	7,207,452	545,189
2011 Public Improvement Bonds	2.00% -4.25%	2031	6,957,045	5,025,727	304,258
2011 Refunding Bonds	2.00% -4.25%	2031	769,193	7,430	7,430
2012 Public Improvement Bonds	2.00% - 5.00%	2032	6,400,000	4,476,610	320,565
2012 Refunding Bonds	2.00% -5.00%	2032	2,347,757	1,222,347	485,468
2013 Public Improvement Bonds	2.00% -5.00%	2033	1,852,433	1,375,423	95,471
2014 Public Improvement Bonds	2.00% -5.00%	2034	2,347,757	720,420	45,026
2014 Refunding Bonds	2.00% -5.00%	2029	1,852,433	29,906,454	3,025,970
2015 Public Improvement Bonds	3.00% - 5.00%	2035	1,736,270	1,475,681	86,863
2015 Refunding Bonds	3.00% - 5.00%	2022	485,905	408,668	102,101
2016 Public Improvement Bonds	3.00% - 5.00%	2036	2,405,656	2,165,090	120,283
2016 Refunding Bonds	3.00% - 5.00%	2020	3,520,979	1,064,611	532,305
2018 Public Improvement Bonds	3.25% -5.00%	2038	5,337,500	5,337,500	266,875
Subtotal Board of Education			•	\$ 77,327,465	\$ 6,925,571

General Obligation Bonds

Issue	Interest Rate	Year Amount Series of Original Matures Issue		Outstanding June 30, 2019	Due Within One Year	
Volunteer Fire Companies:	Kate	Matures	18800	2019	One rear	
2003 Fire Company Bonds	2.00%-3.85%	2018	\$ 2,100,000	\$ -	\$ -	
2004 Fire Company Bonds	4.13%	2019	2,065,000	179,571	179,571	
2005 Fire Company Bonds	3.50% -4.125%	2020	2,900,000	380,000	190,000	
2008 Public Improvement Bonds	3.25% -5.00%	2028	180,000	300,000	170,000	
2009 Public Improvement Bonds Series A	2.00% -4.00%	2019	270,000	32,111	32,111	
2010 Public Improvement Bonds Series D	3.75% -4.90%	2030	535,000	225,000	55,000	
2011 Public Improvement Bonds	2.00% -4.25%	2031	750,000	541,800	32,800	
2012 Public Improvement Bonds	2.00% -5.00%	2032	1,460,000	1,021,154	73,141	
2012 Refunding Bonds	2.00% -5.00%	2032	187,173	118,054	39,061	
2013 Public Improvement Bonds	2.00% -5.00%	2033	735,000	545,733	37,880	
2014 Refunding Bonds	2.00% -5.00%	2024	60,458	60,458	10,733	
2015 Public Improvement Bonds	3.00% -5.00%	2035	815,000	560,000	80,000	
2016 Public Improvement Bonds	3.00% -5.00%	2036	303,200	272,880	15,160	
Subtotal Volunteer Fire Companies			200,200	\$ 3,936,761	\$ 745,457	
1						
2013 Taxable Pension Bonds	2.24%	2019	\$ 4,524,000	\$ 863,000	\$ 863,000	
Subtotal Taxable Pension Bonds				\$ 863,000	\$ 863,000	
						
Watershed:						
2008 Public Improvement Bonds	3.25% - 5.00%	2028	\$ 28,294,094	\$ -	\$ -	
2009 Public Improvement Bonds Series A	2.00% -4.00%	2019	14,759,547	39,020	39,020	
2009 Public Improvement Bonds Series B	4.70% - 5.625%	2029	17,631,476	471,910	-	
2010 Public Improvement Bonds Series D	1.03% - 3.51%	2030	8,841,618	91,110	6,892	
2011 Public Improvement Bonds	2.00% -4.25%	2031	11,042,955	310,648	18,806	
2012 Public Improvement Bonds	2.00% - 5.00%	2032	13,600,000	699,441	50,093	
2013 Public Improvement Bonds	2.00% - 5.00%	2033	23,412,567	1,509,052	104,746	
2014 Public Improvement Bonds	2.00% - 5.00%	2034	14,099,475	1,711,440	106,965	
2014 Refunding Bonds	2.00% -5.00%	2029	19,078,563	134,350	23,850	
2015 Public Improvement Bonds	3.00% - 5.00%	2035	25,448,730	2,842,839	167,334	
2015 Refunding Bonds	3.00% - 5.00%	2022	5,529,176	10,659	2,663	
2016 Public Improvement Bonds	3.00% - 5.00%	2036	11,291,144	1,411,567	78,420	
2018 Public Improvement Bonds	3.25% - 5.00%	2038	1,550,000	1,550,000	77,500	
Subtotal Watershed				\$ 10,782,036	\$ 676,289	
Subtotal General Obligation Bonds				\$ 234,699,855	\$ 25,473,754	
Bond premium/discount				19,937,257	1,618,710	
Total General Obligation Bonds				\$ 254,637,112	\$ 27,092,464	

The annual requirements to amortize general obligation bonds outstanding as of June 30, 2019, are as follows:

Years Ending June 30,	Principal		Interest			Total		
2020	\$	25,473,754	\$ 9,336,056		3,754 \$ 9,336,05		\$	34,809,810
2021		22,404,371		8,264,842		30,669,213		
2022		18,905,879		7,304,601		26,210,480		
2023		18,008,215 6,448,273			24,456,488			
2024		17,223,452		5,628,305		22,851,757		
2025-2029		79,643,394		18,055,122		97,698,516		
2030-2034		41,230,790		5,118,961		46,349,751		
2035-2039		11,810,000		782,631		12,592,631		
Total General Obligation Bonds	\$	234,699,855	\$	60,938,791	\$	295,638,646		

B.) Business-type Activities

Bureau of Utilities

Loans Payable-Special Assessment Debt with Governmental Commitment

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

Issue	Interest Rate	Year Series Matures	Amount Original Issue	Outstanding June 30, 2019		e Within ne Year
Maryland Water Quality Financing: 2002 Revolving Loan - Hampstead	2.60%	2021	\$ 532,680	\$ 65,954	\$	32,554
Total Loans Payable				\$ 65,954	\$	32,554

The annual requirements to repay the loans payable outstanding as of June 30, 2019, are as follows:

Years Ending June 30,	Principal		Interest		Total	
2020	\$	32,554	\$	3,429	\$	35,983
2021		33,400		2,583		35,983
Total Loans Payable	\$	65,954	\$	6,012	\$	71,966

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.

	Interest	Year Series	Amount of Original	Outstanding June 30,	Due Within
Issue	Rate	Matures	Issue	2019	One Year
Bureau of Utilities:					_
2008 Public Improvement Bonds	3.25% - 5.00%	2028	\$ 7,616,000	\$ -	\$ -
2009 Public Improvement Bonds Series A	2.00% -4.00%	2019	745,461	88,658	88,657
2009 Public Improvement Bonds Series B	4.70% - 5.625%	2029	1,072,240	1,072,240	-
2010 Public Improvement Bonds Series D	3.75% -4.90%	2030	13,742	9,642	729
2011 Refunding Bonds	2.00% -4.25%	2021	484,430	24,451	24,452
2012 Refunding Bonds	2.00% -5.00%	2022	198,550	103,803	41,061
2014 Refunding Bonds	2.00% -5.00%	2024	5,446,358	4,854,166	525,424
2015 Refunding Bonds	3.00% - 5.00%	2022	2,978,549	2,505,094	625,868
2016 Refunding Bonds	3.00% - 5.00%	2020	56,307	17,024	8,512
Subtotal Bureau of Utilities				\$ 8,675,078	\$ 1,314,703
Solid Waste Fund					
2008 Public Improvement Bonds	3.25% - 5.00%	2028	\$ 296,000	\$ -	\$ -
2009 Public Improvement Bonds Series A	2.00% -4.00%	2019	9,479	1,125	1,127
2011 Refunding Bonds	2.00% -4.25%	2021	789,648	158,221	158,204
2014 Refunding Bonds	2.00% - 5.00%	2024	406,860	132,480	50,710
2015 Refunding Bonds	3.00% - 5.00%	2022	191,370	160,952	40,212
2016 Refunding Bonds	3.00% - 5.00%	2020	91,589	27,693	13,846
Subtotal Solid Waste Fund				\$ 480,471	\$ 264,099
Airport Fund					
2001 Public Improvement Bonds	3.25% -4.75%	2021	\$ 2,200,000	\$ 330,000	\$ 110,000
2010 Public Improvement Bonds Series D	3.75% -4.90%	2030	27,130	19,035	1,440
2011 Refunding Bonds	2.00% -4.25%	2021	286,966	26,327	26,327
2012 Refunding Bonds	2.00% - 5.00%	2022	18,716	7,687	3,834
2014 Refunding Bonds	2.00% - 5.00%	2020	85,400	9,184	9,184
2016 Refunding Bonds	3.00% - 5.00%	2020	63,819	19,296	9,648
2019 Airport Bonds	2.63%	2037	12,000,000	4,802,001	-
Subtotal Airport Fund			,,	\$ 5,213,530	\$ 160,433
Sucroturi inport i unu				+ 0,210,000	Ψ 100,.22
Septage Fund					
2012 Refunding Bonds	2.00% - 5.00%	2022	\$ 62,391	\$ 39,351	\$ 13,022
Subtotal Septage Fund			, 0 2 ,071	\$ 39,351	\$ 13,022
zastotui septugo i una				+ 37,331	ψ 13,022
Total General Obligation Bonds				\$ 14,408,430	\$ 1,752,257
Total Scholar Soligation Dollas				Ψ 17,700,730	Ψ 1,134,431

The annual requirements to amortize general obligation bonds outstanding as of June 30, 2019, are as follows:

Years Ending June 30,	Principal	Interest		Total	
Business-type activities:	 		_		_
2020	\$ 1,752,257	\$	461,421	\$	2,213,678
2021	1,461,175		398,338		1,859,513
2022	1,436,831		329,761		1,766,592
2023	1,326,984		290,659		1,617,643
2024	5,502,304		246,336		5,748,640
2025-2029	2,798,707		376,251		3,174,958
2030-2031	130,172		3,776		133,948
Total General Obligation Bonds	\$ 14,408,430	\$	2,106,542	\$	16,514,972

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, 2019).

<u>Advance Refunding – Prior Years</u>

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, 2019, \$0 defeased bonds remains outstanding.

Bond Authorization

The County has authorization to sell approximately \$161,033,058 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 \$139,509,102 of the available authorization.

C.) Component Units

In October of 2004, the Board of Education entered into a 10-year energy management plan to provide air conditioning to three elementary schools. Additionally, the plan will upgrade water and lighting fixtures. During the fiscal year ended June 30, 2018, no new capital leases were entered into by the Board of Education.

The Board of Education leases energy management equipment pursuant to capital lease agreements entered into in prior years. Payments made on capital leases are recorded in the General Fund. Interest expense related to capital leases was \$28,864 for the year ended June 30, 2019. This amount was allocated to the maintenance of plant function.

Changes in capital lease obligations for the year ended June 30, 2019 were as follows:

Balance, at June 30, 2018	\$ 815,371
Additions	-
Reductions	 (815,371)
Balance at June 30, 2019	\$ -

On June 30, 2016, the IDA entered into a \$2,000,000 investment agreement with the State of Maryland and the Department of Commerce to develop the North Carroll Business park project, located in Hampstead, Maryland. The proceeds of the loan are to be used for eligible project costs to develop the infrastructure of the approximately 80-acre park. The agreement states the loan will be interest free for a period of 24 months beginning on the date of disbursement of the proceeds. Beginning on the day following the end of the 24-month period, the outstanding balance of the investment shall bear interest at 3% per annum. As of June 30, 2019, the loan balance is \$1,000,000. All principal and unpaid interest are due at maturity, June 30, 2026.

The annual requirements to amortize notes payable outstanding as of June 30, 2019 are as follows:

Years Ending June 30,	 Principal		Interest		Total
Component Unit-IDA:	_		_		
2020	\$ -	\$	30,000	\$	30,000
2021	-		30,000		30,000
2022	-		30,000		30,000
2023	-		30,000		30,000
2024	-		30,000		30,000
2025-2026	 1,000,000		60,000		1,060,000
Total	\$ 1,000,000	\$	210,000	\$	1,210,000

Note 9 – Lease Obligations

Operating Leases

Government Activities

The County is committed under various leases to rent office space as lessee. All leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2019 for the County amounted to \$352,085. Future lease payments for these leases are as follows:

Years Ending June 30,	
2020	\$ 346,750
2021	357,153
2022	367,867
2023	378,903
2024	390,270
2025-2028	1.681.727

The County is committed under various rental lease agreements as lessor. All leases are considered for accounting purposes to be collectable leases. Lease revenues for the year ended June 30, 2019 amounted to \$373,556. Future lease revenues for these rentals are as follows:

Years Ending June 30,	
2020	\$ 271,516
2021	271,516
2022	271,516
2023	271,516
2024	271,516
2025-2029	1,357,581
2030-2097	70

On July 1, 2018, the County entered a lease with New Windsor Holding LLC for the property previously known as New Windsor Middle School. During fiscal year 2019, the lease payments totaled \$100,000. In FY20 lease payments are scheduled in the amount of \$150,000 with the lease expiring upon expiration of the two year lease the tenant will have the option to purchase the property.

In 2006, the County entered into an Energy Performance Operating Lease with Johnson Controls, Inc. for the first and second phases of the energy project. The lease agreement requires a performance guarantee and service maintenance contract payment which if the County terminates payment before the term ends, the assured performance guarantee shall automatically terminate. The total lease expense for the year ended June 30, 2019 for the County totaled to \$397,587 and has a three-year commitment remaining. The total future minimum payments are as follows:

Years Ending June 30,	
2020	\$ 409,515
2021	421,801
2022	434,455

In February 2015, the County signed a new 15-year Energy Performance Operating Lease with Johnson Controls, Inc. to start the third phase of the energy project. The total lease expense for the year ended June 30, 2019 for the County totaled \$123,788 and has a 12-year commitment remaining. The total future minimum payments are as follows:

Years Ending June 30,	
2020	\$ 127,502
2021	131,327
2022	135,267
2023	139,325
2024	549,492
2025-2029	3,004,848
2030-2032	2,028,008

In Kind Services

The primary government owns facilities that are used in the operation by their component units (related parties). For the fiscal year 2019, the County recorded \$2,108,059 for the Library, \$5,106,861 for Carroll Community College and \$1,049,537 for the Board of Education as in kind revenue and additional support to the component units.

Business-type Activities

The County is committed under various business-type rental lease agreements as lessor. All leases are considered for accounting purposes to be collectable leases. Lease revenues for the year ended June 30, 2019 amounted to \$376,507. Future lease revenues for these rentals are estimated and dependent on their 5-year renewal terms as follows:

Years Ending June 30,	
2020	\$ 383,262
2021	387,570
2022	393,543
2023	404,256
2024	409,535
2025	414,084

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

	Governmental	Bı	usiness	
	Activities	Type	Activities	Total
				·
Land	\$ 13,961,837	\$	512,770	\$ 14,474,607
Buildings	120,140,153		-	120,140,153
Less: accumulated depreciation	(46,530,307)		-	(46,530,307)
Net carrying value	\$ 87,571,683	\$	512,770	\$ 88,084,453

Component Units

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

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

	N	1 in imum
	Anı	nual Lease
Years Ending June 30,	Pa	ayments
2020	\$	352,072
2021		124,453
2022		13,414
Total	\$	489,939

Operating lease expenditures/expenses for the year ended June 30, 2019 were \$408,547.

The Library leases various office equipment under noncancelable operating leases that extend through the year ending June 30, 2024. Total rental expenditures were \$27,118 for leases for the year ended June 30, 2019. The future minimum lease payments for these leases are as follows:

	M	Minimum	
	Annual Lease		
Years Ending June 30,	Payments		
2020	\$	27,643	
2021		27,643	
2022		7,315	
2023		5,467	
2024		4,100	
Total	\$	72,168	

The College has also entered into an operating lease with the Xerox Corporation for copier services. The total lease expense was \$172,382 for the year ended June 30, 2019. The College renewed its operating lease in July 2018, extending the lease agreement until July 2023.

Future minimum payments on operating leases are as follows:

	Minimum	
	Annual Lease	
Years Ending June 30,	Pa	ayments
2020	\$	173,050
2021		173,050
2022		173,050
2023		173,052
Total	\$	692,202

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 40.1% 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 \$6,295,783, of which \$4,776,827 has been accrued as of June 30, 2019 based on the proportion of the landfill cells filled. In 1994, the County stopped accepting solid waste at its Hoods Mill landfill, with only 30 of 60 acres available being used for landfill deposits.

In addition, the County has recorded an estimated liability of \$1,194,655 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 \$9,530,622.

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

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

Note 11 – Pension Plans

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

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

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

<u>CARROLL COUNTY EMPLOYEE PENSION PLAN - Plan description</u>. 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 and the sum of age and the employee's service years equals or exceeds 80. This plan has a tax exempt status. The Retirement Plan Committee recommends any amendments to benefits provided. In order to be effective, all amendments must be approved by majority vote of the Commissioners.

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

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

There are special provisions for certain groups.

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

Contributions. Plan members are required to contribute 5% of their annual base pay. The County contributed 8.32% of the employees' annual base pay. For fiscal year 2019, the County contributed \$3,157,280 to the CCEPP.

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

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

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

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

Contributions. Plan members are required to contribute 8% of their annual base pay. The County contributed 14.96% of the employees' annual base pay. For fiscal year 2019, the County contributed \$932,680 to the CCCLOPP Plan.

<u>VOLUNTEER FIREMEN PENSION PLAN (LOSAP)</u> - *Plan Description*. The Volunteer Fireman Pension Plan "LOSAP" is a single-employer defined benefit length of service award program that covers all volunteer members of all Carroll County Fire Companies. Members are eligible to participate in the service award plan if they are certified as an active member and attain 50 points through various functions for each year of service.

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

Contributions. Carroll County must provide annual contributions that satisfy the required amount to fund this program. For fiscal year 2019, the County contributed \$1,282,000 to the LOSAP Plan. Funding of this program shall be reviewed every fifth year to determine if any changes should be made. There are no participant-financed benefits in this plan. Administrative costs are financed through investment earnings.

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

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

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

ACTUARIAL & MEASUREMENT DATES: The County pension liability recorded in the June 30, 2019 financial statements was measured using the following dates:

		Carroll County	
	Carroll County	Certified Law	Volunteer Firemen
	Employee Pension	Officers Pension	Pension Plan
	Plan (CCEPP)	Plan (CCCLOPP)	(LOSAP)
Actuarial Valuation Date	July 1, 2018	July 1, 2018	January 1, 2019
Measurement Date	June 30, 2019	June 30, 2019	June 30, 2019

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

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCCLOPP)	Volunteer Firemen Pension Plan (LOSAP)
Retirees and beneficiaries currently receiving benefits Terminated plan members entitled to but not yet	299	14	248
receiving benefits	196	-	34
Active plan members	751	103	547
Total	1,246	117	829

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

	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCCLOPP)	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	\$ 11,257,503	\$ 1,933,507	\$ 596,644
Harding Loevner International Equity Fund	4,911,070	843,487	817,037

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

Carroll County Employee Pension Plan (CCEPP) Carroll County Certified Law Officers Pension Plan (CCCLOPP) Volunteer Firemen Pension Plan (LOSAP)

		Allocation at
Ratings	Maximum	June 30, 2019
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							
	Carroll County		Certified La	aw Officers	Volunteer Firemen			
	Employee	e Pension	Pensio	n Plan	Pensio	n Plan		
	Plan (C	CCEPP)	(CCCI	LOPP)	(LOSAP)			
	Minimum Maximum		Minimum	Maximum	Minimum	Maximum		
Domestic Large Cap Equities	35.0%	55.0%	35.0%	55.0%	35.0%	55.0%		
Domestic Mid and Small Cap Equities	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%		
Domestic Mid Cap Equities	0.0%	10.0%	0.0%	10.0%	0.0%	0.0%		
Domestic Small Cap Equities	0.0%	10.0%	0.0%	10.0%	0.0%	0.0%		
Real Estate Equities	5.0%	15.0%	5.0%	15.0%	5.0%	15.0%		
International Equities	5.0%	15.0%	5.0%	15.0%	5.0%	15.0%		
Domestic Fixed Income	20.0%	30.0%	20.0%	30.0%	10.0%	30.0%		
Cash Equivalents	0.0%	15.0%	0.0%	15.0%	0.0%	10.0%		

Rate of return: For the year ended June 30, 2019, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, are shows 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	Carroll County	
	Employee	Certified Law	Volunteer
	Pension Plan	Officers Pension	Firemen Pension
	(CCEPP)	Plan (CCCLOPP)	Plan (LOSAP)
Rate of return	8.18%	8.32%	8.05%

Net Pension Liability of the County. The components of the net pension liability of the County at June 30, 2019 were as follows:

	Carroll County			Carroll County		
	Employee Pension Plan		Certified Law Officers Pension		Volunteer Firemen Pension	
		(CCEPP)	Pla	n (CCCLOPP)	Pla	ın (LOSAP)
Total pension liability	\$	105,696,634	\$	20,200,360	\$	11,138,011
Plan fiduciary net position		(97,027,321)		(16,800,730)		(9,689,865)
County's net pension liability	\$	8,669,313	\$	3,399,630	\$	1,448,146
Plan fiduciary net position as a percentage of the total pension liability		91.80%		83.17%		87.00%

Actuarial assumptions: The total pension liability for CCEPP and CCCLOPP was determined by an actuarial valuation of July 1, 2018 and LOSAP actuarial valuation of January 1, 2019 rolled forward to June 30, 2019 using the following actuarial assumptions, applied to the periods included in the measurements:

Assumptions	Carroll County Employee Pension Plan (CCEPP)	Carroll County Certified Law Officers Pension Plan (CCCLOPP)	Volunteer Firemen Pension Plan (LOSAP)
Inflation	3.0%	3.0%	3.0%
Salary increases	Rates vary by participant age	Rates vary by participant age	Not Applicable
Investment rate of return	7.0%, net of pension plan investments expense, including inflation	7.0%, net of pension plan investments expense, including inflation	7.0%, net of pension plan investments expense, including inflation
Mortality	RP-2014 with generational projections using scale MP-2014	RP-2014 with generational projections using scale MP-2014	RP-2000 Combined Healthy tables with Blue Collar adjustment, blended 75% male and generational projection using Scale AA
Actuarial valuation	July 1, 2018 rolled forward to June 30, 2019	July 1, 2018 rolled forward to June 30, 2019	January 1, 2019 rolled forward to June 30, 2019
Projected payroll increases	3% per year	n/a	n/a
Salary valuation	36-month average highest pay	36-month average highest pay	n/a
Post retirement cost of living adjustments	1.80%	1.80%	n/a
Inflation rate	3.0%	3.0%	3.0%
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Unit Credit
Amortization Method	Level Percentage of Payroll	Level Percentage of Payroll	Level payments over a period of 10 years
Remaining Amortization Period	20 years for gains and lossed (closed), 9 years for prior plan and assumption changes	20 years for gains and lossed (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.

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

	Carroll Co						
	Carroll County Employee		Law Officers	Pension Plan	Volunteer Firemen Pension		
	Pension Pl	an (CCEPP)	(CCC	CLOPP)	Plan (LOSAP)	
		Long-Term		Long-Term		Long-Term	
		Expected		Expected		Expected	
	Target	Rate of	Target	Rate of	Target	Rate of	
Asset Class	Allocation	Return	Allocation	Return	Allocation	Return	
U.S. Large Cap Equities	43%	6.60%	43%	6.60%	41%	6.60%	
U.S. Small/Mid Cap Equities	0%	0.00%	0%	0.00%	0%	0.00%	
Foreign Equities	22%	8.20%	22%	8.20%	20%	8.20%	
Real Estate (REITs)	9%	5.70%	9%	5.70%	9%	5.70%	
Core Fixed Income	24%	0.80%	24%	0.80%	25%	0.80%	
Cash	2%	0.00%	2%	0.00%	5%	0.00%	
Inflation		3.00%		3.00%		3.00%	
Total	100%		100%		100%		

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

Changes in Net Pension Liability:

			Incre	ase (Decrease)		
Carroll County Employee Pension Plan	То	tal Pension	Pla	an Fiduciary	Net Pension	
(CCEPP)		Liability	Net Position		Liability	
		(a)		(b)		(a) - (b)
D. 1. (1994)				0.4.000		
Balances at 6/30/18	\$	95,821,352	\$	86,833,575		8,987,777
Changes for the year:		4 415 020				4 415 020
Service cost		4,415,038		-		4,415,038
Interest		6,628,251		-		6,628,251
Changes of benefit terms		-		-		_
Differences between expected and		1.006.107				1 007 107
actual experiences		1,096,107		-		1,096,107
Changes of assumptions		-		2 157 200		(2.157.290)
Contributions - employer		-		3,157,280		(3,157,280)
Contributions - member		-		2,091,150		(2,091,150)
Net investment income		-		7,257,068		(7,257,068)
Benefit payments, including refunds of		(2.264.114)		(2.264.114)		
member contributions		(2,264,114)		(2,264,114)		- 47 629
Administrative expense		-		(47,638)		47,638
Other	Ф.	0.975.292	•	10,193,746	Φ	(219.464)
Net Changes Balances at 6/30/19	<u>\$</u> \$	9,875,282	\$		\$	(318,464)
Balances at 6/30/19	3	105,696,634	<u> </u>	97,027,321	\$	8,669,313
			_			
				ase (Decrease)	N.T.	· D :
Carroll County Certified Law Officers			•		et Pension	
Pension Plan (CCCLOPP)		Liability	Net Position		Liability	
		(a) (b)		(b)		(a) - (b)
Balances at 6/30/18	\$	17,385,948	\$	14,386,577	\$	2,999,371
Changes for the year:		17,600,510	-	1 1,000,077		
Service cost		1 200 004				1 200 004
		1,280,884		-		1,280,884
Interest		1,206,635		-		1,206,635
Changes of benefit terms		-		-		-
Differences between expected and						
actual experiences		623,495		-		623,495
Changes of assumptions		-		-		-
Contributions - employer		-		932,680		(932,680)
Contributions - member		-		543,413		(543,413)
Net investment income		_		1,246,661		(1,246,661)
Benefit payments, including refunds of				-,- : -,		(-,- : -,)
member contributions		(296,602)		(296,602)		
		(230,002)				11 000
Administrative expense		-		(11,999)		11,999
Other				_		_
N. C.	Φ.		_	0.414.170		400.250
Net Changes Balances at 6/30/19	\$ \$	2,814,412	\$	2,414,153 16,800,730	\$	400,259 3,399,630

	Increase (Decrease)					
Volunteer Firemen Pension Plan	Total Pension		Plan Fiduciary		Net Pension	
(LOSAP)	Liability		Net Position		Liability	
		(a)	(b)		(a) - (b)	
Balances at 6/30/18	\$	10,307,976	\$	8,497,515	\$	1,810,461
Changes for the year:						
Service cost		153,891		-		153,891
Interest		720,882		-		720,882
Changes of benefit terms		489,117		_		489,117
Differences between expected and						
actual experiences		282,156		-		282,156
Changes of assumptions		-		-		-
Contributions - employer		-		1,282,000		(1,282,000)
Net investment income		-		748,237		(748,237)
Benefit payments, including refunds of						
member contributions		(816,011)		(816,011)		-
Administrative expense		-		(21,876)		21,876
Other		-		-		-
Net Changes	\$	830,035	\$	1,192,350	\$	(362,315)
Balances at 6/30/19	\$	11,138,011	\$	9,689,865	\$	1,448,146

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

	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.0%)	(7.0%)	(8.0%)
CCEPP net pension liability	\$24,249,605	\$ 8,669,313	\$ (4,000,514)
CCCLOPP net pension liability	\$ 6,880,509	\$ 3,399,630	\$ 632,961
LOSAP net pension liability	\$ 3,905,461	\$ 1,448,146	\$ 1,562,741

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2019, the County recognized pension expense as follows:

	Pens	Pension Expense		
CCEPP pension expense	\$	3,183,264		
CCCLOPP pension expense	\$	995,587		
LOSAP pension expense	\$	900,256		

At June 30, 2019, 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)		red Outflows Resources	Deferred Inflows of Resources		
Differences between expected and actual experience Changes of assumptions Net difference between projected and actual	\$	1,305,095 327,035	\$	207,375	
earnings on pension plan investments		<u>-</u>		2,266,960	
Total	\$	1,632,130	\$	2,474,335	
Carroll County Certified Law Officers Pension Plan (CCCLOPP)		red Outflows Resources		rred Inflows Resources	
Differences between expected and actual experience	\$	1,336,417	\$	349,010	
Changes of assumptions Net difference between projected and actual		-		68,430	
earnings on pension plan investments		-		325,017	
Total		1,336,417	\$	742,457	
Volunteer Firemen Pension Plan (LOSAP)		red Outflows Resources		rred Inflows Resources	
Differences between expected and actual experience	\$	241,848	\$	27,574	
Net difference between projected and actual		526,362			
earnings on pension plan investments Total		768,210	\$	27,574	

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		
2020	\$ 76,80		
2021		(677,169)	
2022		(245,873)	
2023		4.037	

Carroll County Law Officers Pension Plan (CCCLOPP)

Years Ending June 30:	Amount	
2020	\$	46,021
2021		(49,102)
2022		40,041
2023		67,663
2024		107,414
Thereafter		381,923

Volunteer Firemen Pension Plan (LOSAP)

Years Ending June 30:	Amount	
2020	\$	199,469
2021		91,428
2022		128,152
2023		246,485
2024		34,793
Thereafter		40.309

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

Statement of Fiduciary Net Position

	Carroll County					
	Carroll County		Certified Law		7	Volunteer
]	Employee	Officers		Firemen	
	Pe	ension Plan	Pension Plan		Pe	nsion Plan
		(CCEPP)	(CCCLOPP)		(LOSAP)	
Assets:						
Prepaid expenses	\$	7,182	\$	1,244	\$	717
Investments at fair value:						
Short-term investments		2,031,184	499,767			402,085
Bond funds	22,890,427		3,929,935			2,440,905
Equity funds	72,104,692		12,375,454			6,850,748
Total investments	97,026,303		16,805,156			9,693,738
Total assets	97,033,485		16,806,400			9,694,455
Liabilities:						
Accounts payable		6,164		5,670		4,590
Total liabilities	6,164		5,670			4,590
Fiduciary net position:						
Net position held in trust for pension						
benefits and other purposes	\$	97,027,321	\$	16,800,730	\$	9,689,865

Statement of Changes in Fiduciary Net Position

	Carroll County						
	Carroll County		Certified Law		Volunteer		
	Employee		(Officers		Firemen	
	Pe	nsion Plan	Pe	Pension Plan		Pension Plan	
		(CCEPP)	(CCCLOPP)		(LOSAP)		
ADDITIONS		<u> </u>					
Contributions:							
Employer	\$	3,157,280	\$	932,680	\$	1,282,000	
Plan members		2,091,150		543,413		-	
Total Contributions		5,248,430		1,476,093		1,282,000	
Investment earnings:							
Net increase in the fair value							
of investments		7,313,439		1,274,949		748,237	
Total investment earnings		7,313,439		1,274,949		748,237	
Less investment expense		(56,371)		(28,288)		(6,864)	
Net investment earnings		7,257,068		1,246,661		741,373	
Total additions		12,505,498		2,722,754		2,023,373	
DEDUCTIONS							
Benefits and refunds paid to							
plan members and beneficiaries		2,264,114		296,602		816,011	
Administrative expenses		47,638		11,999		15,012	
Total deductions		2,311,752		308,601		831,023	
Change in net position		10,193,746		2,414,153		1,192,350	
FIDUCIARY NET POSITION							
Fiduciary net position - beginning of year		86,833,575		14,386,577		8,497,515	
Fiduciary net position - end of year	\$	97,027,321	\$	16,800,730	\$	9,689,865	

MARYLAND STATE RETIREMENT AND PENSION SYSTEM – GOVERNMENTAL ACTIVITIES

Plan Description

The County participates in the Maryland State Retirement and Pension System "the System" and qualifies as a Participating Governmental Unit "PGU". The System was established by the State Personnel and Pensions Article of the Annotated Code of Maryland to provide retirement allowances and other benefits to State employees, teachers, police, judges, legislators, and employees of participating governmental units. Responsibility for the System's administration and operation is vested in a 15- member Board of Trustees.

The State of Maryland is the statutory guarantor for the payment of all pensions, annuities, retirement allowances, refunds, reserves, and other benefits of the System. The State is obligated to annually pay into the accumulation fund of each State system at least an amount that, when combined with the System's accumulation funds, is sufficient to provide benefits payable under each plan during that fiscal year. The System is accounted for as one defined benefit plan in accordance with accounting principles generally accepted in the United States of America. Additionally, the System is fiscally dependent on the State by virtue of the legislative and executive controls exercised with respect to its operations, policies, and administrative budget. Accordingly, the System is included in the State's reporting entity and disclosed in its financial statements as a pension trust fund. The Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer can be found at www.sra.maryland.gov/employers. The System's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018 can be found at www.sra.state.md.us/Agency/Downloads/CAFR/.

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

The County adopted GASB Statement No. 68-"Accounting and Financial Reporting for Pensions" ("GASB 68"). GASB 68

requires that a PGU recognize its proportionate share of the System's net pension liability (i.e., unfunded pension liability) and pension expense.

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, 2018, 30 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, 2018, four Officials and six Soil Conservation District employees participate. State Elected Officials and Soil Conservation District employees who participate in the Employees' Retirement and Pension Systems contributed 7% of their compensation during fiscal year 2019 as stipulated by the System.

COMPONENT UNITS - BOARD OF EDUCATION OF CARROLL COUNTY

Plan description

The employees of the Board are covered by the Maryland State Retirement and Pension System "the System", which is a cost sharing defined benefit public employee retirement system. While there are five retirement and pension systems under the System, employees of the Board are a member of either the Teachers' Retirement and Pension Systems or the Employees' Retirement and Pension Systems. The System was established by the State Personnel and Pensions Article of the Annotated Code of Maryland to provide retirement allowances and other benefits to State employees, teachers, police, judges, legislators, and employees of participating governmental units. The Plans are administered by the State Retirement Agency. Responsibility for the System's administration and operation is vested in a 15-member Board of Trustees. The System issues a publically available financial report that can be obtained at http://www.sra.state.ud.us.

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

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

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

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

accumulated subsequent to June 30, 1998. With certain exceptions, for individuals who are members of the Teachers' or Employees' Pension System on or after July 1, 2006, the annual pension allowance equals 1.2% of the member's AFC, 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, 2019, the Board's contribution was \$7,364,920. The State's contributions on behalf of the Board for the year ended June 30, 2019 was \$19,132,427. The fiscal 2019 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, 2019, the Board recognized pension expense of \$26,497,347 and revenue of \$19,132,427 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, 2019 was 6.74% 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, 2019 of \$1,768,908.

The net pension liability was measured as of June 30, 2018, 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, 2019 was \$859,416. 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, 2019, the College did not report a liability related to the Teachers' Retirement and Pension Systems due to a special funding situation. The State of Maryland pays the unfunded liability for the College and the College pays the normal cost related to the College members in the Teachers' Retirement and Pension Systems; therefore, the College is not required to record its share of the unfunded pension liability, but instead that liability is recorded by the State of Maryland.

COMPONENT UNITS - CARROLL COUNTY PUBLIC LIBRARY

Plan description

The employees of the Library are covered by the Maryland State Retirement and Pension System "the System", which is a cost sharing employer defined benefit public employee retirement system. While there are five retirement and pension systems under the System, employees of the Library are a member of either the Teachers' Retirement and Pension Systems or the Employees' Retirement and Pension Systems. The System was established by the State Personnel and Pensions Article of the Annotated Code of Maryland to provide retirement allowances and other benefits to State employees, teachers, police, judges, legislators, and employees of participating governmental units. The Plans are administered by the State Retirement Agency. Responsibility for the System's administration and operation is vested in a 15-member Board of Trustees. The System issues a publically available financial report that can be obtained at http://www.sra.state.ud.us.

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

A member of either the Teachers' or Employees' Retirement System is generally eligible for full retirement benefits upon the

earlier of attaining age 60 or accumulating 30 years of creditable service regardless of age. The annual retirement allowance equals 1/55 (1.81%) of the member's average final compensation "AFC" multiplied by the number of years of accumulated 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, 2019 was \$834,156. The fiscal 2019 contributions made by the State on behalf of the Library have been included as both revenues and expenses in the Statement of Activities.

Employees' Retirement and Pension Systems. The Library's contractually required contribution rate for the Employees' Retirement and Pension Systems for the year ended June 30, 2019 was 5.47% 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, 2019 of \$74,815.

At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to the MSRA System:

Carroll County Elected Officials	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions Difference between projected and actual earnings on pension plan investments County contributions subsequent to the measurement date Total	\$ 7,050 18,288 29,648 \$ 54,986	\$ - 34,151 - \$ 34,151
Soil Conservation Employees	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions Difference between projected and actual earnings on pension plan investments County contributions subsequent to the measurement date Total	\$ 7,500 20,721 25,566 \$ 53,787	\$ - 28,523 - \$ 28,523
Component Units - Board of Education	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience Changes of assumptions Change in proportions Net difference between projected and actual earnings on pension plan investments Difference between board contributions and proportionate share of contributions Board contributions subsequent to the measurement date Total	\$ 510,892 1,964,703 695,004 96,320 1,768,908 \$ 5,035,827	\$ 1,325,603 - 1,705,052 - 622 - \$ 3,031,277
Component Units - Carroll County Public Library	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions Change in proportions Net difference between projected and actual earnings on pension plan investments Net difference between actual and proportionate share of contributions Net difference between expected and actual experience Library contributions subsequent to the measurement date	\$ 17,873 156,554 21,428 3,316 - 74,815	\$ - 20,082 - 50,684
Total Component Units	\$ 273,986 \$ 5,309,813	\$ 70,766 \$ 3,102,043

Notes to Financial Statements June 30, 2019

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	
2020	\$	4,651
2021		208
2022		(7,909)
2023		(4,495)
2024		(1,268)

Soil Conservation Employees

Years Ending June 30:	Amount	
2020	\$	5,400
2021		5,400
2022		(6,461)
2023		(3,634)
2024		(1,007)

Component Units - Board of Education

Years Ending June 30:	A	Amount	
2020	\$	571,487	
2021		140,311	
2022		(558,109)	
2023		(122,888)	
2024		204 841	

Component Units - Carroll County Public Library

Years Ending June 30:	Amount	
2020	\$	54,830
2021		39,504
2022		5,517
2023		12,325
2024		16,229

Allocated net pension liability and related information:

Component unit share pension expense

				State Employe	es' R	Retirement and Pe	nsio	n Systems		
		Carroll County uployee Elected Officials	So	il Conservation Employees	Co	mponent Units - Board of Education	Co	mponent Units - Carroll Community College	C	mponent Units - Carroll County Public Library
Contractually required contribution State of MD total adjusted contributions Proportionate share of total contributions	\$ \$	29,616 1,994,076,000 0.0014852%	\$ \$	23,459 1,994,076,000 0.0011764%	\$ \$	1,648,440 1,994,076,000 0.0826669%	\$ _\$	1,994,076,000 0.0000000%	\$ \$	68,290 1,994,076,000 0.0034246%
Total net pension liability - State of MD Proportionate share of net pension liability	\$ \$	20,981,600,000 311,617	\$ \$	20,981,600,000 246,840	\$ \$	20,981,600,000 17,344,838	\$ \$	20,981,600,000	\$ \$	20,981,600,000 718,540
Total pension expense - State of MD Pension expense	\$ \$	2,201,058,000 73,330	\$ \$	2,201,058,000 49,135	\$ \$	2,201,058,000 1,819,546	\$ \$	2,201,058,000	\$ \$	2,201,058,000 120,938
	State Teachers' Retirement and Pension Systems									
		Carroll County aployee Elected Officials	So	il Conservation Employees	Со	mponent Units - Board of Education	Co	mponent Units - Carroll Community College	C	mponent Units - arroll County Public Library
Contractually required contribution State's contribution on behalf of		N/A		N/A	\$	7,364,920	\$	-	\$	-
component unit State's proportionate share of the		N/A		N/A	\$	19,132,427	\$	859,416	\$	834,156
net pension liability*		N/A		N/A	\$	199,179,050	\$	9,078,373	\$	8,638,408

^{*}At June 30, 2019, 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.

N/A

\$

26,497,347

859,416

\$

834,156

N/A

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, 2018. As a result, an investment return assumption of 7.50% and an inflation assumption of 2.60% were used for the June 30, 2018 valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-range expected rate of return by 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:

	Maryland State Retirement and				
	Pens	sion System			
		Long-Term			
	Target	Expected Rate of			
Asset Class	Allocation	Return			
Public Equity	37%	5.80%			
Credit Opportunity	9%	3.60%			
Real Assets	14%	4.80%			
Absolute return	8%	3.20%			
Private Equity	13%	6.70%			
Rate Sensitive	19%	1.10%			
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, 2018.

For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of the pension plan expense, was 8.08%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate. The single discount rate used to measure the total pension liability was 7.45%. This single discount rate was based on the expected rate of return on pension plan investments of 7.45%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plans fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

		1% Decrease (6.45%)	Dis	Current scount Rate (7.45%)		1% Increase (8.45%)
State of MD CC Elected/Appointed Officials State of MD Soil Conservation District Component Units - Board of Education Component Units - Carroll County Public Library	\$ \$ \$	448,835 355,533 24,982,519 1,034,938	\$ \$ \$	311,617 246,840 17,344,838 718,540	\$ \$ \$ \$	197,736 156,631 11,006,112 455,945

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

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related

Notes to Financial Statements June 30, 2019

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, 2018
Inflation	2.60% general, 3.10% wage
Salary increases	3.10% to 9.10%, including
Salary increases	inflation
Investment rate of return	7.45%
	RP-2014 Mortality Table
	with generational mortality
Mortality	projections using scale MP-
	2014, calibrated to the
	System's experience

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, 2019 were \$108,344 and \$2,347,067 respectively.

The Plan also offers a "Roth" option which allows employees to make after-tax contributions. Approximately 8% of employee contributions to the plan are being made as "Roth" contributions as of June 30, 2019.

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.

OPTIONAL DEFINED CONTRIBUTION PLAN (ORP) - Carroll Community College

Professional employees otherwise eligible to join the State of Maryland Plan may choose instead to join the Optional Retirement Plan administered by the State of Maryland. This Plan is a noncontributory defined contribution plan. The Plan provides for retirement and death benefits. The Plan was established by, and can be amended by, the State Legislature. The State of Maryland contributes 7.25% of eligible salaries on behalf of the College. For 2019, the contribution was \$553,707 and the covered payroll was \$7,637,336.

DEFERRED COMPENSATION PLAN - Carroll Community College

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

Note 12 – Post Employment Benefits Other Than Pension Benefits

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

Plan Description

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

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

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

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

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

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

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

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

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

There are special provisions for certain groups.

a tax-exempt status.

• Certified law officers retiring after October 1, 2009: Employees who upon leaving employment, qualify for and receive an immediate pension under the Certified Law Officers Pension Plan, but who do not otherwise qualify for post-employment health care benefits under the guidelines for general employees, may still receive OPEB benefits. However, there will be a surcharge of 4% for each year that the participant's age plus year of service at time of retirement falls short of 75, to a maximum surcharge of 32%. The surcharge is added to the base premium payment that the officer would normally have paid, based on years of service, had the officer's age plus years of service equaled or exceeded 75. The premium charged to an officer qualifying for an immediate pension due to disability will be no more than two times the active employee rate (or 50% of the total premium cost if hired May 1, 2005 or later).

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

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

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

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

Contributions: Retirees contribute a portion of their health care cost which is based on their age and years of service with the County. In fiscal year 2019, the County contributed \$11,430,300 towards the actuarially determined contribution for the Other Post Employment Benefit fund. Of the \$11,430,300 contribution, \$1,585,340 was payment on behalf of the Library. Administrative costs of the RBTCCCC are financed through investment earnings.

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

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

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

	Fa	air Value in
	U	.S. Dollars
Vanguard Total International Stock Index Fund	\$	15,579,644
Harding Loevner International Equity Fund		6,843,605

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.

		Allocation at
Ratings	Maximum	June 30, 2019
AAA/Aaa	100%	100%
AA/Aa	100%	0%
A/A	100%	0%
BAA/Baa	20%	0%
BBB	20%	0%

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

Retiree Benefit Trust, Board of County Commissioners of Carroll County

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

Rate of return: For the year ended June 30, 2019, 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 7.54%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the County: The components of the net OPEB liability of Carroll County at June 30, 2019, were as follows:

Total OPEB liability	\$ 232,282,178
RBTCCCC fiduciary net position	(108,317,910)
RBTCCCC's net OPEB liability	\$ 123,964,268

RBTCCCC fiduciary net position as a percentage of the total OPEB liability 46.63%

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation 2.20 percent

Salary increases 3.0 percent, average, including inflation

Investment rate of return
7.0 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates
The trend for 2019 is 5.4% pre-medicare and 5.4% post-medicare.

The ultimate rate is 3.8% and is attained in 2080.

The actuarial assumptions used are based on July 1, 2018 valuation data rolled forward to June 30, 2019.

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:

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

Discount Rate: The discount rate used to measure the total OPEB liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in Net OPEB Liability:

	Total OPEB Liability (a)		Plan Fiduciary Net Position (b)		Net OPEB Liability (a) - (b)	
Balances as of 6/30/18	\$	212,676,028	\$	93,580,546	\$	119,095,482
Changes for the year:						
Service cost		4,219,566		-		4,219,566
Interest		14,727,964		-		14,727,964
Changes of benefit terms		-		=		=
Differences between expected and						
actual experiences		(2,708,749)		=		(2,708,749)
Changes in Assumptions		7,920,465		=		7,920,465
Contributions-employer		-		11,430,300		(11,430,300)
Contributions-member		-		7,862,600		(7,862,600)
Net investment income		-				-
Benefit payments, including refunds	of					
member contributions		(4,553,096)		(4,553,096)		-
Administrative expense		-		(2,440)		2,440
Other		-		-		-
Net Changes	\$	19,606,150	\$	14,737,364	\$	4,868,786
Balances at 6/30/19	\$	232,282,178	\$	108,317,910	\$	123,964,268

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

	1%	Current	1%
	Decrease		Increase
	(6.0%)	(7.0%)	(8.0%)
County's total OPEB liability County's net OPEB liability	\$ 268,522 160,204	, , - , - ,	\$ 203,155,248 94,837,338

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 (2.80%) or one percentage point higher (4.80%) than the current rate:

	1%	Current	1%
	Decrease	Discount Rate	Increase
	(2.80%)	(3.80%)	(4.80%)
County's total OPEB liability	\$ 199,879,807	\$ 232,282,178	\$ 272,938,989
County's net OPEB liability	91,561,897	123,964,268	164,621,079

At June 30, 2019, 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	\$	-	\$	2,257,291	
Changes of assumptions		6,600,387		-	
Net difference between projected and actual					
earnings on OPEB plan investments				1,625,643	
Total	\$	6,600,387	\$	3,882,934	

For the year ended June 30, 2019, the County recognized OPEB expenses of \$12,556,875.

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:	
2020	\$ 398,161
2021	398,161
2022	398,163
2023	654,352
2024	868,616

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

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

General Government:

Rate
11.14%
6.21%
3.06%

Law Officers:

	rears of Service				
Age	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%		

The actuarial value of assets was determined using the fair value as of June 30, 2019.

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

Assets:	
Receivables	\$ 36,076
Accrued interest	11,888
Investments at fair value:	
Bond funds	5,785,075
Marketable securities	102,946,091
Total assets	108,779,130
Liabilities:	
Accounts payable	14,280
Due to primary government	446,940
Total liabilities	461,220
Fiduciary net position:	
Fiduciary net position held in trust for postemployment	
benefits other than pensions	\$ 108,317,910

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

ADDITIONS	
Contributions:	
Employer	\$ 11,430,300
Plan members	743,864
Total contributions	12,174,164
Investment earnings:	
Interest and dividends	180,828
Net increase or decrease in the fair value of investments	7,703,052
Total investment earnings	7,883,880
Less investment expense	(21,280)
Net investment earnings	7,862,600
Total additions	20,036,764
DEDUCTIONS	
Benefits and refunds paid to	
plan members and beneficiaries	5,296,960
Administrative expenses	2,440
Total deductions	5,299,400
Change in fiduciary net position	14,737,364
Fiduciary net position - beginning of year	 93,580,546
Fiduciary net position - end of year	\$ 108,317,910

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, 2019, was \$1,585,340. The fiscal 2019 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, 2019, 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	\$ 13,080,727
Library's Proportionate Share of the Net OPEB Liability	-
Total	\$ 13,080,727

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

For the year ended June 30, 2019, the Library recognized OPEB expense of \$1,585,340 and revenue of \$1,585,340 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.

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

Inflation 2.2 percent

Salary increases 3.0 percent, average, including inflation

Investment rate of return
7.0 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates
Based on Society of Actuaries Long-Term Medical Trend Model, the

2019 rate 5.4% decreasing gradually. The ultimate rate is 3.8%

and is attained in 2080.

The actuarial assumptions used are based on July 1, 2018 valuation data rolled forward to June 30, 2019.

Notes to Financial Statements June 30, 2019

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:

		Long-Term Expected
Asset Class	Target Allocation	Rate of Return
U.S. Large Cap Equities	45%	5.40%
U.S. Small/Mid Cap Equities	10%	6.00%
Foreign Equities	10%	6.30%
Real Estate (REITs)	10%	4.30%
Core Fixed Income	25%	0.80%
Cash	0%	0.00%
Total	100%	

Discount Rate: The discount rate used to measure the total OPEB liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that the County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Board of Education of Carroll County

Plan Description

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

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

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

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

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

Plan membership. At June 30, 2019, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	1,395
Inactive plan members entitled to, but not yet receiving benefit payments	-
Active plan members	3,178
Total	4,573

Investments

Investment policy.

The following was the Board's adopted asset allocation policy as of June 30, 2019:

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

Rate of return. For the year ended June 30, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 8.12%. 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, 2019 were as follows:

Total OPEB liability	\$ 484,963,000
Plan fiduciary net position	 25,789,000
Board's net OPEB liability	\$ 459,174,000

Plan fiduciary net position as a percentage of the total OPEB liability 5.32%

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

Inflation2.40%Salary increases3.00%Investment rate of return7.00%

Healthcare Cost Trend Rates:

Pre-65 Medical 5.4% initial / 4.1% ultimate (not applicable to life)
Post-65 Medical 4.4% initial / 3.9% ultimate (not applicable to life)

Mortality RP-2000 Health Annuitant Mortality Table for Males and Females,

adjusted for morality improvements based on Scale AA.

The actuarial assumptions used to measure the total OPEB liability in the June 30, 2019 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 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, 2019 are summarized in the following table:

	Long-Term Expected
Asset Class	Rate of Return
U.S.Equities	6.60%
Foreign Equities	8.20%
Real Estate (REITs)	5.70%
Core Fixed Income	0.80%
Cash	0.00%

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

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

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

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

	1%		1%
	 Decrease	 Trend Rate	Increase
	_	 _	 _
Net OPEB Liability	\$ 364,492,000	\$ 459,174,000	\$ 587,249,000

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, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Changes in Net OPEB Liability:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)	
Balances as of 6/30/17	\$ 344,293,000	\$ 20,175,000	\$ 324,118,000	
Changes for the year:				
Service cost	13,764,000	=	13,764,000	
Interest	12,981,000	=	12,981,000	
Differences between expected				
and actual experience	2,006,000	-	2,006,000	
Contributions - employer	-	9,903,000	(9,903,000)	
Net investment income	-	1,724,000	(1,724,000)	
Changed in Assumptions	8,632,000		8,632,000	
Benefit payments	(9,153,000)	(9,153,000)	-	
Administrative expense	-	-	-	
Net Changes	\$ 28,230,000	\$ 2,474,000	\$ 25,756,000	
Balances at 6/30/18	\$ 372,523,000	\$ 22,649,000	\$ 349,874,000	

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 it if were calculated using a discount rate that is one percentage point lower (2.72%) or one percentage point higher (4.72%) than the current discount rate:

	1%	Current	1%
	Decrease	Discount Rate	Increase
	(2.72%)	(3.72%)	(4.72%)
Net OPEB Liability	\$ 423,130,000	\$ 349,874,000	\$ 291,797,000

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%	Healthcare Cost	1%
	Decrease	Trend Rates	Increase
	4.00%	5.00%	6.00%
Net OPEB Liability	\$ 279,999,000	\$ 349,874,000	\$ 442,814,000

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

For the year ended June 30, 2019, the Board recognized OPEB expense of \$26,315,000. At June 30, 2019, the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		Deferred Inflow of Resources	
Differences between projected and actual				
earnings	\$	1,783,000	\$	-
Change in Assumptions		7,673,000		-
Net difference between projected and actual				
earnings on OPEB plan investments		-		578,000
Employer Contributions Subsequent to the				
Measurement Date		6,837,508		-
Total	\$	16,293,508	\$	578,000

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, 2020. 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:	
2020	\$ 1,009,000
2021	1,009,000
2022	1,007,000
2023	1,125,000
2024	1,182,000
Thereafter	3,546,000

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.

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:

	2019
Inactive plan members or beneficiaries currently receiving benefit payments	210
Inactive plan members entitled to, but not yet receiving benefit payments	-
Active plan members	59
Total	269

Contributions

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

Net OPEB Liability (under GASB 75)

The College's net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 1, 2017.

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

Inflation 2.20% Salary increases 4.00%

Investment rate of return 0.9%, net of OPEB plan investment expense, including inflation

Healthcare Cost Trend Rates:

Pre-Medicare 5.30% in 2017 with an ultimate rate of 3.17% in 2075 Post-Medicare 5.30% in 2017 with an ultimate rate of 3.12% in 2075

Mortality RP-2000 Healthy Annuitant Mortality Table for Males or Females,

as appropriate, with adjustments for morality improvements based

on Scale AA.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 – September 1, 2017.

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:

		Long-Term
	Portfolio	Expected Real
Asset Class	Weight	Rate of Return
U.S. Large Cap Equities	45.00%	5.40%
U.S. Small/Mid Cap Equities	10.00%	6.00%
Foreign Equities	10.00%	6.30%
Real Estate (REITs)	10.00%	4.30%
Core Fixed Income	25.00%	0.80%
Cash & Equivalents	0.00%	0.00%
Total Weighted Average Real Return	100.00%	

Discount rate. The discount rate used to measure the total OPEB liability was 3.62%. 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, 2019.

Changes in the Net OPEB Liability (under GASB 75)

	T	Ootal OPEB Liability (a)	Plan Fiduciary Net Position (b)		Net OPEB Liability (a) - (b)	
Balance - June 30, 2018	\$	31,735,837	\$	200,000	\$	31,535,837
Changes for the Year:		_				
Service Cost		1,730,265		-		1,730,265
Interest		1,116,782		-		1,116,782
Assumption Changes		(14,185,256)		-		(14,185,256)
Contributions - Employer		-		771,635		(771,635)
Net investment income		-		20,844		(20,844)
Benefit Payments		(571,635)		(571,635)		_
Net Changes		(11,909,844)		220,844		(12,130,688)
Balance - June 30, 2019	\$	19,825,993	\$	420,844	\$	19,405,149

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the College's net OPEB liability would be it if were calculated using a discount rate that is one percentage point lower (2.62%) or one percentage point higher (4.62%) than the current discount rate:

	1%			Current		1%			
	Decrease		Decrease		Di	scount Rate			Increase
June 30, 2019		2.62%		3.62%			4.62%		
Total OPEB Liability	\$	23,048,425	\$	19,825,993	9	\$	17,196,138		
Plan Fiduciary Net Position		420,844		420,844			420,844		
Net OPEB Liability	\$	22,627,581	\$	19,405,149	9	\$	16,775,294		

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

trend rates that are one percentage point lower (2.12%) or one percentage point higher (4.12%) than the current health care cost trend rates:

	Current						
		1% Ultimate trend 1%					1%
	Decrease Rate			Increase			
June 30, 2019		2.12%		3.12%			4.12%
Total OPEB Liability	\$	16,641,127	\$	19,825,993		\$	23,906,030
Plan Fiduciary Net Position		420,844		420,844			420,844
Net OPEB Liability	\$	16,220,283	\$	19,405,149	-	\$	23,485,186

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, 2019, the College recognized OPEB expense, including pay-go, of \$3,206,974. At June 30, 2019, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	red Outflows Resources	Deferred Inflows of Resources	
Changes of Assumptions College Contributions Subsequent to the	\$ -	\$	2,961,717
Measurement Date	959,927		_
Total	\$ 959,927	\$	2,961,717

The \$959,927 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, 2020. 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:	
2020	\$ (421,061)
2021	(421,061)
2022	(421,061)
2023	(421,060)
2024	(416,892)
Thereafter	(860,582)

Note 13 – Fund Balance

A summary of fund balances as of June 30, 2019 follows:

Nonspendable:		General Fund	Capital Projects Funds	Non-Major Governmental Funds	Total Governmental Funds
Prepaid costs	Nonspendable:				
Loans to free companies			\$ -		
Loans to fire companies 7,186,625	•		-	446,299	
Decision municipalities 149,037 149,037 149,037 7,864,134 7,864,134 7,864,134 7,864,134 7,864,134 7,864,134 7,864,134	· · ·		-	-	
Due from other funds 7,864,134 - 7,864,134 Advances and proceeds to Industrial Development Authority 612,910 - - 612,910 Total nonspendable fund balance 29,251,857 - 446,299 29,698,156 Restricted: " Typnus and the process of the	•		-	-	
Advances and proceeds to Industrial Development Authority 612.910 - - 612.910 102.9108			-	-	
Development Authority		7,864,134	-	-	7,864,134
Restricted:	*	<12.010			<12.010
Restricted: Weed control 179,704 . 179,704 Agricultural preservation investments 28,791,572 . 28,791,572 Loans collectible within one year 1,160,347 . . 1,160,347 Farmers & Merchants - collateral 230,000 . . 230,000 Grants . . . 709,381 709,381 Total restricted fund balance 30,361,623 . 1,371,176 31,732,799 Committed: Stabilization arrangement 20,940,467 . 233,739 233,739 Total committed fund balance 20,940,467 . 233,739 233,739 Total committed fund balance 20,940,467 . 233,739 231,742 Assigned: Elementrances: Comeral government 1,155,446 937,768 . 2,093,214 Public safety 94,947 295,405 . 30,352 Public works 473,607 11,037,077 .				446.200	
Weed control 179,704 - 179,704 Agricultural preservation investments 28,791,572 - 28,791,572 Loans collectible within one year 1,160,347 - - 1,160,347 Farmers & Merchants - collateral 230,000 - - 230,000 Grants - - 661,795 661,795 Hotel Rental tax - - 709,381 709,381 Total restricted fund balance 30,361,623 - 1,371,176 31,732,799 Committed: Stabilization arrangement 20,940,467 - 233,739 233,739 Total committed fund balance 1,155,446 937,768 - 2,093,214 Public safety 94,947 295	Total nonspendable fund balance	29,251,857		446,299	29,698,156
Agricultural preservation investments 28,791,572 - 28,791,572 Loans collectible within one year 1,160,347 - - 1,160,347 Farmers & Merchants - collateral 230,000 - - 230,000 Grants - - 661,795 661,795 Hotel Rental tax - - 709,381 709,381 Total restricted fund balance 30,361,623 - 1,371,176 31,732,799 Committed: Stabilization arrangement 20,940,467 - - 20,940,467 Watershed Protection and Restoration - - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 21,174,206 Assigned: Encumbrances: Encumbrances: - 233,739 21,174,206 Assigned: Encumbrances: - 233,739 21,174,206 Assigned: Encumbrances: - 2,093,214 Public works 473,607 11,037,007 - 11,510,684	Restricted:				
Loans collectible within one year	Weed control	179,704	-	-	179,704
Farmers & Merchants - collateral 230,000 - Cancer (661,795) 661,795 (61),795 Hotel Rental tax - - 709,381 709,381 Total restricted fund balance 30,361,623 - 1,371,176 31,732,799 Committed: Stabilization arrangement 20,940,467 - - 20,940,467 Watershed Protection and Restoration - - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 231,739 Total committed fund balance 20,940,467 - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 231,742 Encumbrances: Encumbrances: Encumbrances: Encumbrances: Encumbrances: Encumbrances: Encumbrances: Encumbrances: </td <td>Agricultural preservation investments</td> <td>28,791,572</td> <td>-</td> <td>-</td> <td>28,791,572</td>	Agricultural preservation investments	28,791,572	-	-	28,791,572
Grants - - 661,795 661,795 Hotel Rental tax - - 709,381 709,381 Total restricted fund balance 30,361,623 - 1,371,176 31,732,799 Committed: **** **** 20,940,467 - 20,340,467 Stabilization arrangement 0.4 - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 231,742,000 Assigned: *** - 2,033,739 21,174,200 Assigned: *** - 233,739 23,739 Total committed fund balance *** 937,668 - 20,93,214 Public safety 94,947 295,405 - 390,352 Public works 473,607 11,037,077 - 151,668 Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources -	Loans collectible within one year	1,160,347	-	-	1,160,347
Hotel Rental tax	Farmers & Merchants - collateral	230,000	-	-	230,000
Committed: 30,361,623 - 1,371,176 31,732,799 Committed: Stabilization arrangement 20,940,467 - - 20,940,467 Watershed Protection and Restoration - - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 21,174,206 Assigned: Encumbrances: - 2,093,214 Public safety 94,947 295,405 - 390,352 Public works 473,607 11,037,077 - 11,510,684 Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources - 5,237,943 - 5237,943 Library Improvement loan 1,500,000 - - 1,500,000 Camber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 9,279,947 Use in fiscal year 2020 budget 9,279,947 - - 9,279,947		-	-		
Committed: Stabilization arrangement 20,940,467 - - 20,940,467 Watershed Protection and Restoration - - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 21,174,206 Assigned: Encumbrances: - - 233,739 21,174,206 Encumbrances: General government 1,155,446 937,768 - 2,093,214 Public safety 94,947 295,405 - 390,352 Public works 473,607 11,037,077 - 11,510,684 Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure:					
Stabilization arrangement 20,940,467 - - 20,940,467 Watershed Protection and Restoration - - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 21,174,206 Assigned: Encumbrances: - - 233,739 21,174,206 Seneral government 1,155,446 937,768 - 2,093,214 Public safety 94,947 295,405 - 390,352 Public works 473,607 11,037,077 - 11,510,684 Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 9,279,947 Use in fiscal year 2020 budget 9,279,947 - - 9,279,947	Total restricted fund balance	30,361,623		1,371,176	31,732,799
Stabilization arrangement 20,940,467 - - 20,940,467 Watershed Protection and Restoration - - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 21,174,206 Assigned: Encumbrances: - - 233,739 21,174,206 Seneral government 1,155,446 937,768 - 2,093,214 Public safety 94,947 295,405 - 390,352 Public works 473,607 11,037,077 - 11,510,684 Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 9,279,947 Use in fiscal year 2020 budget 9,279,947 - - 9,279,947	Committed:				
Watershed Protection and Restoration - - 233,739 233,739 Total committed fund balance 20,940,467 - 233,739 21,174,206 Assigned: Encumbrances: - - 2,093,214 Public safety 94,947 295,405 - 390,352 Public works 473,607 11,037,077 - 11,510,684 Culture and recreation 21,330 493,739 - 512,069 Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure: - - 9,279,947 Use in fiscal year 2020 budget 9,279,947 - - 9,279,947 Use in fiscal year 2021-2022 budget 8,913,654 - - 1,000,000 Capital f		20,940,467	-	-	20,940,467
Assigned: Encumbrances: Ceneral government		· · · -	-	233,739	
Encumbrances: General government 1,155,446 937,768 - 2,093,214 Public safety 94,947 295,405 - 390,352 Public works 473,607 11,037,077 - 11,510,684 Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure: - - 9,279,947 - - 9,279,947 Use in fiscal year 2020 budget 9,279,947 - - 9,279,947 Use in fiscal year 2021-2022 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,777,996 Grant fund - - 1,255,987 1,25	Total committed fund balance	20,940,467	_	233,739	21,174,206
Encumbrances: General government 1,155,446 937,768 - 2,093,214 Public safety 94,947 295,405 - 390,352 Public works 473,607 11,037,077 - 11,510,684 Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure: - - 9,279,947 - - 9,279,947 Use in fiscal year 2020 budget 9,279,947 - - 9,279,947 Use in fiscal year 2021-2022 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,777,996 Grant fund - - 1,255,987 1,25	Assigned:				
General government 1,155,446 937,768 - 2,093,214 Public safety 94,947 295,405 - 390,352 Public works 473,607 11,037,077 - 11,510,684 Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure: - - 9,279,947 - - 9,279,947 Use in fiscal year 2020 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - 1,255,987 1,255,987 Total assign					
Public safety 94,947 295,405 - 390,352 Public works 473,607 11,037,077 - 11,510,684 Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure: Use in fiscal year 2020 budget 9,279,947 - - 9,279,947 Use in fiscal year 2021-2022 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - 1,255,987 1,255,987 Total assigned 100 dune balance 23,445,409 19,779,928 1,255,987 4		1.155.446	937,768	_	2.093.214
Public works 473,607 11,037,077 - 11,510,684 Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure: - - 9,279,947 Use in fiscal year 2020 budget 8,913,654 - - 9,279,947 Use in fiscal year 2021-2022 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: - - 13,551,159 - - 13,551,159 <tr< td=""><td></td><td></td><td></td><td>_</td><td></td></tr<>				_	
Culture and recreation 21,330 493,739 - 515,069 Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure: Use in fiscal year 2020 budget 9,279,947 - - 9,279,947 Use in fiscal year 2021-2022 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: - - - 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159				_	
Conservation of natural resources - 5,237,943 - 5,237,943 Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure: Use in fiscal year 2020 budget 9,279,947 - - 9,279,947 Use in fiscal year 2021-2022 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: - - - 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159	Culture and recreation			-	
Library Improvement loan 1,500,000 - - 1,500,000 Gamber Fire Company loan 303,170 - - 303,170 Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure: - - 9,279,947 - - 9,279,947 Use in fiscal year 2020 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: - - - - 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - - 13,551,159	Conservation of natural resources	´ -		-	
Community Media Center loan 703,308 - - 703,308 Subsequent year's expenditure: Use in fiscal year 2020 budget 9,279,947 - - 9,279,947 Use in fiscal year 2021-2022 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: - - - - 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159	Library Improvement loan	1,500,000	-	-	1,500,000
Subsequent year's expenditure: Use in fiscal year 2020 budget 9,279,947 - - 9,279,947 Use in fiscal year 2021-2022 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: - - - 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159	Gamber Fire Company loan	303,170	-	-	303,170
Use in fiscal year 2020 budget 9,279,947 - - 9,279,947 Use in fiscal year 2021-2022 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: - - - 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159	Community Media Center loan	703,308	-	-	703,308
Use in fiscal year 2021-2022 budget 8,913,654 - - 8,913,654 Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: - - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159	Subsequent year's expenditure:				
Capital for future infrastructure 1,000,000 - - 1,000,000 Capital fund - 1,777,996 - 1,777,996 Grant fund - - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: - - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159	Use in fiscal year 2020 budget	9,279,947	-	-	9,279,947
Capital fund - 1,777,996 - 1,777,996 Grant fund - - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: - - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159	Use in fiscal year 2021-2022 budget	8,913,654	-	-	8,913,654
Grant fund - - 1,255,987 1,255,987 Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: General fund 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159		1,000,000	-	-	1,000,000
Total assigned fund balance 23,445,409 19,779,928 1,255,987 44,481,324 Unassigned: General fund 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159		-	1,777,996	-	1,777,996
Unassigned: - - 13,551,159 General fund 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159				1,255,987	
General fund 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159	Total assigned fund balance	23,445,409	19,779,928	1,255,987	44,481,324
General fund 13,551,159 - - 13,551,159 Total unassigned fund balance 13,551,159 - - 13,551,159	Unassigned:				
Total unassigned fund balance 13,551,159 13,551,159		13,551,159	-	_	13,551,159
			\$ 19,779,928	\$ 3,307,201	

The County has loaned to various Carroll County fire companies for expansion and equipment acquisition. The loans are repayable over terms of from 5 to 20 years, bearing interest at fixed rates ranging from 2.26% to 5.09%. The balance of these loans at June 30, 2019 is \$8,346,972 and is secured by land, buildings and equipment. The County made loans to various community organizations. The balance of these loans at June 30, 2019 is \$4,373,072 and they are secured through promissory notes.

The General Fund incurred a due from the Capital Fund for the future payouts of Installment Purchase Agreements, a due from OPEB, a due from Fiber Network and a due from the Airport Fund at June 30, 2019 in the amount of \$7,864,134.

Note 14 – Budgetary Basis to GAAP Reconciliation

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

Budgetary Funds		General Fund
Revenues Actual amount (budgetary basis) "revenues" from the	Φ.	400 104 507
budgetary comparison schedule Unavailable property tax revenues	\$	400,194,597 (140,868)
Total revenues as reported on the Statement		(2.10,000)
of Revenues, Expenditures, and Changes in Fund		
Balance-General Fund	\$	400,053,729
Expenditures		
Actual amount (budgetary basis) "expenditures"		
from the budgetary comparison	\$	399,004,016
Encumbrance adjustment		419,181
Total expenditure as reported on the Statement		
of Revenues, Expenditures, and Changes in Fund		
Balance-General Fund	\$	399,423,197

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.

As of June 30, 2019, the County had the following commitments with respect to unfinished capital projects:

		Total		Required
	Project	Expenditures &	Amount	Future
	Appropriation	Encumbrances	Funded	Funding
General Government	\$ 61,447,904	\$ 33,642,932	\$ 34,525,054	\$ 26,922,850
Public Safety	35,852,985	31,027,919	31,796,339	4,056,646
Public Works	82,184,941	57,038,417	51,007,616	31,177,325
Board of Education	85,796,935	64,016,850	70,486,764	15,310,171
Carroll Community College	12,859,600	7,562,523	7,562,523	5,297,077
Culture and Recreation	20,269,867	14,091,379	14,991,822	5,278,045
Library	5,329,176	4,037,410	4,729,176	600,000
Conservation of Natural Resources	213,638,231	199,671,672	200,192,146	13,446,085
Water Resources	57,020,918	29,471,063	23,288,065	33,732,853
Governmental Activities	574,400,557	440,560,165	438,579,505	135,821,052
Wastewater Treatment Facilities	37,155,077	32,434,056	13,746,912	23,408,165
Other Water Projects	16,196,833	11,114,222	8,838,757	7,358,076
Other Wastewater Projects	21,791,780	11,302,982	15,573,443	6,218,337
Landfill Upgrades	4,408,000	4,189,595	4,408,000	-
Landfill Remediations	3,000,541	2,478,553	3,000,541	-
Fiber Network	955,000	138,910	955,000	-
Septage	5,500,000	493,774	2,016,000	3,484,000
Airport	88,622,524	6,525,203	2,914,854	85,707,670
Business Type Activities	177,629,755	68,677,295	51,453,507	126,176,248
Total Funds	\$ 752,030,312	\$ 509,237,460	\$ 490,033,012	\$ 261,997,300

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

The County participates in a joint venture named The Maryland Rural Counties Coalition, LLC. The joint venture is to promote and protect the interests of the Rural Counties of the State of Maryland and any and other activities as may be permitted by Limited Liability Companies under the laws of the State of Maryland. As of June 30, 2019, the County's share in the limited liability company totaled \$5,394 per Schedule K-1 (Form 1065), calendar year 2018.

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

COMPONENT UNITS

Board of Education

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

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

Note 16 – Risk Management

PRIMARY GOVERNMENT

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

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

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

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

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

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

The County is self-insuring its medical and dental coverage for eligible employees. A commercial insurer administers the plan. In addition, the County's contract with this insurer includes a \$300,000 stop-loss per claim. Dental benefits are also administered by a commercial insurer.

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, 2019 for the deductible portions of general, auto, police, legal and public officials covered under LGIT and employee health care coverage are \$35,726 and \$1,512,881 respectively.

The total claims liability of \$1,548,607 reported in the internal service fund at June 30, 2019 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, 2019, such interfund premiums did not exceed reimbursable expenditures. The County contracts with a third-party administrator to pay all workers' compensation cost. The County purchases a specific excess and aggregate excess workers' compensation and employer's liability indemnity policy.

Notes to Financial Statements June 30, 2019

The self-insured plan is administered by a commercial insurer. The County's contract with this insurer includes a \$600,000 Self Insured Retention for all occurrences. The total claims liability of \$3,609,667 has been reported at June 30, 2019. 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' co	ompensation	Property a	ınd liability	Employee health care		
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	
Accrued claims:							
Unpaid claims at beginning of year	\$ 3,564,677	\$ 2,976,070	\$ 67,750	\$ 10,500	\$ 1,656,464	\$ 1,552,187	
Incurred claims (Including IBNR)	634,485	1,423,042	425,024	128,323	15,031,634	16,292,545	
Claim payments	(589,495)	(834,435)	(457,048)	(71,073)	(15,175,217)	(16,188,268)	
Unpaid Claims at End of Year	\$ 3,609,667	\$ 3,564,677	\$ 35,726	\$ 67,750	\$ 1,512,881	\$ 1,656,464	

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 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 Board, 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 Board into a bank account used only for payments resulting from health insurance claims.

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

	Ju	ine 30, 2019	Ju	ine 30, 2018
Accrued Health Claims:				
Unpaid Claims at Beginning of Year	\$	7,900,000	\$	7,750,000
Incurred Claims (Including IBNR)		53,242,514		51,730,349
Claim Payments		(53,392,514)		(51,580,349)
Unpaid Claims at End of Year	\$	7,750,000	\$	7,900,000

The College is self-insured for health and dental benefits provided to its employees. To protect itself against significant losses, the College has stop-loss policies in place for individual participant claims in excess of \$125,000 per year and aggregate annual participant claims in excess of 125% of premium. The College has a contract with an administrative service provider to process participant claims under these programs. Claims filed against stop loss coverage totaled \$549,074 and \$146,552 for the years ended June 30, 2019 and 2018, respectively.

Changes in the balance of claims payable relative to health and dental self-insurance for the years ended June 30, 2019 and 2018 are as follows:

	Amount
Balance - June 30, 2017	\$ 715,337
Claims and Changes in Estimates	2,797,617
Claims Payments	(3,306,046)
Balance - June 30, 2018	206,908
Claims and Changes in Estimates	3,508,443
Claims Payments	 (3,549,003)
Balance - June 30, 2019	\$ 166,348

Note 17 – Subsequent Events

The County plans to issue \$70,700,000 of general obligation bonds of which \$40,700,000 are refunding bonds to refund Consolidated Public Improvement Bonds of 2009 Series B (Federally Taxable Build America Bonds – Direct Payment), and Consolidated Public Improvement and Refunding Bonds of 2011 during fiscal year 2020. The remaining \$30 million will be used to finance projects for some or all of the following categories: general government, public safety, public works, public schools, and conservation and water resources.

Required Supplementary Information

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

	2019	2018	2017	2016	2015	2014	2013
Total pension liability							
Service cost	\$ 4,415	\$ 4,207	\$ 3,861	\$ 3,513	\$ 3,301	\$ 3,085	
Interest	6,628	5,911	5,345	4,825	4,377	3,955	Information
Differences between expected and actual experience	-	2,037	767	(953)	(100)	-	for FY13
Changes of assumptions	1,096	202	-	1,635	-	-	and earlier
Benefit payments including refunds of member							is not
contributions	(2,264)	(1,944)	(1,856)	(1,300)	(1,086)	(925)	available
Net change in total pension liability	9,875	10,413	8,117	7,720	6,492	6,115	
Total pension liability- beginning	95,821	85,408	77,291	69,571	63,079	56,964	
Total pension liability- ending	\$105,696	\$95,821	\$85,408	\$77,291	\$69,571	\$63,079	
Plan fiduciary net position							
Contribution-employer	\$ 3,157	\$ 3,067	\$ 2,636	\$ 2,542	\$ 2,558	\$ 2,367	
Contributions-member	2,091	1,916	1,773	1,688	1,619	1,573	
Net investment income	7,257	6,939	7,683	1,306	2,645	7,867	
Benefit payments, including refund of member	,	,	,	,	,	•	
contributions	(2,264)	(1,944)	(1,856)	(1,300)	(1,086)	(925)	
Administrative expense	(48)	(52)	(43)	(37)	(37)	(45)	
Net change in plan fiduciary net position	10,193	9,926	10,193	4,199	5,699	10,837	
Plan fiduciary net position-beginning	86,834	76,907	66,714	62,515	56,816	45,979	
Plan fiduciary net position- ending	\$ 97,027	\$ 86,833	\$76,907	\$66,714	\$62,515	\$56,816	
Tam nademy net position ending	φ >7,027	Ψ 00,022	\$\tau\tau\tau\tau\tau\tau\tau\tau\tau\tau	φ σσ,/1.	Ψ 02,010	\$20,010	
Net pension liability - ending	\$ 8,669	\$ 8,988	\$ 8,501	\$10,577	\$ 7,056	\$ 6,263	
Plan fiduciary net position as a							
percentage of the total pension liability	91.80%	90.62%	90.05%	86.32%	89.86%	90.07%	
C	¢ 27.062	¢ 26 425	¢ 24 041	¢ 22 047	¢ 22 279	¢ 20, coo	
Covered payroll	\$ 37,963	\$ 36,435	\$34,841	\$33,047	\$32,278	\$30,699	
Net pension liability as a							
percentage of covered payroll	22.84%	24.67%	24.40%	32.01%	21.86%	20.40%	
Expected average remaining service							
years for all participants	5	5	5	5	6	6	

Notes to Schedule:

Benefit changes: There were no changes for FY 2019

Changes of Assumptions: There were no changes for FY 2019

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

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution Contributions in relation to the		\$ 2,770	\$ 2,636	\$ 2,542	\$ 2,538	\$ 2,366	\$ 2,253	\$ 2,550	\$ 2,810	\$ 1,302
actuarially determined contribution Contribution deficiency (excess)	\$ (198)	\$ (297)	\$ -	\$ -	\$ (20)	\$ (1)	\$ (333)	\$ (191)	\$ (190)	2,660 \$ (1,358)
Covered payroll	\$ 37,963	\$ 36,435	\$ 34,841	\$ 33,047	\$ 32,278	\$ 30,699	\$ 30,414	\$ 32,267	\$ 34,986	\$ 32,402
Contributions as a percentage of covered payroll	8.32%	8.42%	7.57%	7.69%	7.92%	7.71%	8.50%	8.49%	8.57%	8.21%

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 Amortization method

Remaining amortization period

Asset valuation method

Inflation

Salary increases

Investment rate of return

Retirement age

Mortality

Projected Unit Credit

Level Percentage of Payroll

20 years for gains and losses (closed), 9 years for prior plan and assumption changes

5-year smoothed market

3.0 percent

Rates vary by participant age

7.0 percent, net of pension plan investment expense, including inflation

100% when first eligible for unreduced benefits

RP-2014 with generational projection using scale MP-2014

Required Supplementary Information Schedule of Investment Returns for the Carroll County Employee Pension Plan Last 10 Fiscal Years

RSI-3

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

Required Supplementary Information

Schedule of Changes in the Net Pension Liability (NPL) and Related Ratios for the Carroll County Certified Law Officers Pension Plan

Last 10 Fiscal Years (Dollar amounts in thousands)

RSI-4

	2019	2018	2017	2016	2015	2014	2013
Total pension liability							
Service cost	\$ 1,281	\$ 1,117	\$ 1,090	\$ 1,000	\$ 983	\$ 904	
Interest	1,207	1,044	887	813	726	630	Information
Differences between expected							for FY13
and actual experience	623	502	560	(380)	(242)	-	and earlier
Change of assumption	-	-	-	(115)	-	-	is not
Benefit payments, including							available
refunds of member contributions	(297)	(361)	(260)	(244)	(199)	(124)	
Net change in total pension liability	2,814	2,302	2,277	1,074	1,268	1,410	
Total pension liability- beginning	17,386	15,084	12,807	11,733	10,465	9,055	
Total pension liability- ending	\$ 20,200	\$17,386	\$ 15,084	\$12,807	\$11,733	\$ 10,465	
Plan fiduciary net position							
Contribution-employer	\$ 933	\$ 798	\$ 799	\$ 681	\$ 835	\$ 870	
Contributions-member	543	430	619	416	415	580	
Net investment income	1,247	1,042	1,196	191	368	978	
Benefit payments, including refund of							
member contributions	(297)	(362)	(260)	(244)	(199)	(124)	
Administrative expense	(12)	(9)	(8)	(7)	(7)	(7)	
Net change in plan fiduciary net position	2,414	1,899	2,346	1,037	1,412	2,297	
Plan fiduciary net position-beginning	14,387	12,488	10,142	9,105	7,693	5,396	
Plan fiduciary net position- ending	16,801	14,387	12,488	10,142	9,105	7,693	
Net pension liability - ending	\$ 3,399	\$ 2,999	\$ 2,596	\$ 2,665	\$ 2,628	\$ 2,772	
Plan fiduciary net position as a							
percentage of the total pension liability	83.17%	82.75%	82.79%	79.19%	77.60%	73.51%	
Covered payroll	\$ 6,236	\$ 5,535	\$ 5,586	\$ 4,974	\$ 5,552	\$ 5,295	
Net pension liability as a							
percentage of covered payroll	54.51%	54.18%	46.47%	53.58%	47.33%	52.35%	
Expected average remaining service							
years of all participants	9	9	10	10	10	10	

Notes to Schedule:

Benefit changes: There were no changes for FY 2019

Changes of Assumptions: There were no changes for FY 2019

Required Supplementary Information

Schedule of Carroll County's Contributions for the Carroll County Certified Law Officers Pension Plan Last 10 Fiscal Years

(Dollar amounts in thousands)

RSI-5

	20	019	2018		2017		2016		2015		2014		2013		2012		2011		2010	
Actuarially determined contribution Contributions in relation to the actuarially determined contribution Contribution deficiency	\$	704 933 (229)	\$	694 798 (104)	\$	645 799 (154)	\$	683 681 2	\$	686 835 (149)	\$	558 870 (312)	\$	505 787 (282)	\$	520 700 (180)	\$	544 590 (46)	\$	250 (250)
Covered payroll	\$ 6	6,236	\$	5,535	\$	5,586	\$	4,974	\$	5,552	\$	5,295	\$	5,295	\$	5,295	\$	5,295	\$	5,295
Contributions as a percentage of covered payroll	14	1.96%	1	14.42%	1	14.30%	1	3.69%	1	5.04%	1	16.43%	1	14.86%		13.22%	1	11.14%		4.72%

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

Amortization method

Remaining amortization period

Asset valuation method

Inflation

Salary increases

Investment rate of return

Retirement age

Mortality

Projected Unit Credit (Entry Age used for GASB 67 purposes)

Level Percentage of Payroll

20 years for gains and losses (closed), 17 years for prior plan and assumption changes

5-year smoothed market

3.0 percent

Rates vary by participant age

7.0 percent, net of pension plan investment expense, including inflation

100% when first eligible for unreduced benefits

RP-2014 with generational projection using scale MP-2014

Required Supplementary Information Schedule of Investment Returns for the Carroll County Certified Law Officers Pension Plan Last 10 Fiscal Years

RSI-6

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

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

	2019	2018	2017	2016	2015	2014
Total pension liability						
Service cost	\$ 154	\$ 155	\$ 147	\$ 151	\$ 146	Information
Interest	720	685	681	672	661	for FY14
Change of benefit terms	489	439	-	-	-	and earlier
Difference between actual and expected	282	-	(44)	-	-	is not
Benefit payments, including	(01.0)	(777)	(701)	(697)	(000)	available
refunds of member contributions	(816) 829	(777)	(701)	(687)	(988)	
Net change in total pension liability	829	502	83	136	(181)	
Total pension liability- beginning	10,307	9,805	9,722	9,586	9,767	
Total pension liability- ending	\$11,136	\$10,307	\$ 9,805	\$ 9,722	\$ 9,586	
Plan fiduciary net position						
Contribution-employer	\$ 1,282	\$ 166	\$ 100	\$ 50	\$ 250	
Contributions-member						
Net investment income	748	661	766	484	874	
Benefit payments, including refund of			(=00)	(d 0 = 0	(0.00)	
member contributions	(816)	(777)	(700)	(687)	(988)	
Administrative expense	(23)	(15)	(9)	(6)	(20)	
Net change in plan fiduciary net position	1,191	35	157	(159)	116	
Plan fiduciary net position-beginning	8,497	8,462	8,305	8,464	8,348	
Plan fiduciary net position-ending	9,688	8,497	8,462	8,305	8,464	
Net pension liability ending	\$ 1,448	\$ 1,810	\$ 1,343	\$ 1,417	\$ 1,122	
Plan fiduciary net position as a						
percentage of the total pension liability	87.00%	82.44%	86.30%	85.42%	88.30%	
received as any marketing and and						
Covered payroll	N/A	N/A	N/A			
Net pension liability as a						
percentage of covered payroll	N/A	N/A	N/A			
1 0 17						
Expected average remaining service years						
of all participants	8	8	8	8	8	
Notes to Schodular						
Notes to Schedule: Benefit Changes	Yes*	Yes*	None			
Changes of Assumptions	None	None	None			
Changes of Assumptions	None	NOHE	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 $\,$

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

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution Contributions in relation to the actuarially determined contribution Contribution deficiency (excess)	\$ 674 1,282 \$ (608)	\$ 674 166 \$ 508	\$ 276 100 \$ 176	\$ 276 50 \$ 226	\$ 436 250 \$ 186	\$ 436 250 \$ 186	\$ 436 - \$ 436	\$ 380	\$ 380	\$ 380
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule

Valuation date:

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

Actuarial valuations are performed every other year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method Unit Credit (Entry Age used for GASB 67 purposes)

Amortization method Level payments over a period of 10 years

Remaining amortization period 10 years

Asset valuation method Market Value

Inflation 3.0%

Salary increases Not Applicable

Investment rate of return 7.0%, net of pension plan investment expense, including inflation

Retirement age The later of 25 years of service and age 60

Mortality RP-2000 Combined Healthy tables with Blue Collar adjustment, blended 75% male

and generational projection using Scale AA

Required Supplementary Information Schedule of Investment Returns for the Volunteer Firemen Pension Plan Last 10 Fiscal Years

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

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

Schedule	of Prop	ortionate	Sha	re of the N	et Pe	nsion Liabi	lity (NPL)			
	20	019		2018		2017		2016		2015	2014
County's proportionate share (%) of collective net pension liability County's proportionate share (\$) of	0.148	35200%	0.0	0012984%	0.0	0011831%	0.0	0009711%	0.0	0000795%	
collective net pension liability County's covered payroll (\$) County's proportionate share (%) of collective net pension liability		611,617 63,201	\$	280,764 159,568	\$	279,129 144,568	\$	201,819 140,701	\$	141,030 131,805	Information for FY14 and earlier is not
of its covered payroll Plan fiduciary net position as a	1	90.94%		175.95%		193.08%		143.44%		107.00%	available
percentage of the total pension liability	,	71.18%		69.38%		65.79%		68.78%		71.87%	
	Sch	edule of	Pens	ion Plan Co	ontril	outions					
	20	019		2018		2017		2016		2015	2014
Contractually required contribution Contributions in relation to the	\$	29,616	\$	26,427	\$	23,047	\$	20,469	\$	18,519	Information
contractually required contribution		29,616	Ф.	26,427	Ф.	23,047	ф.	20,469	Ф.	18,519	for FY14
Contribution deficiency (excess)	\$		\$		\$		\$		\$	-	and earlier is not
Covered payroll contributions (fiscal year)	\$ 1	63,201	\$	159,568	\$	144,568	\$	140,701	\$	131,805	available
Contributions as a percentage of covered payroll		18.15%		16.56%		15.94%		14.55%		14.05%	

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

Schedule	of Proportionate	Share of the Ne	et Pension Liabil	ity (NPL)		
	2019	2018	2017	2016	2015	2014
County's proportionate share (%) of collective net pension liability County's proportionate share (\$) of	0.0011765%	0.0010685%	0.0010065%	0.0012214%	0.0011016%	
county's proportionate share (\$) of collective net pension liability County's covered payroll (\$) County's proportionate share (%) of collective net pension liability	\$ 246,840 289,143	\$ 231,050 269,351	\$ 237,464 261,489	\$ 253,830 225,564	\$ 195,496 260,994	Information for FY14 and earlier is not
of its covered payroll Plan fiduciary net position as a	85.37%	85.78%	90.81%	112.53%	74.90%	available
percentage of the total pension liability	71.18%	69.38%	65.79%	68.78%	71.87%	
	Schedule of	Pension Plan Co	ontributions			
	2019	2018	2017	2016	2015	2014
Contractually required contribution Contributions in relation to the	\$ 23,459	\$ 21,748	\$ 19,607	\$ 25,744	\$ 25,671	
contractually required contribution	23,459	21,748	19,607	25,744	25,671	Information
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	for FY14 and earlier
Covered payroll contributions (fiscal year)	\$ 289,143	\$ 269,351	\$ 261,489	\$ 225,564	\$ 260,994	is not available
Contributions as a percentage of covered payroll	8.11%	8.07%	7.50%	11.41%	9.84%	

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

	2019	2018	2017	2016
Total OPEB liability				
Service cost	\$ 4,219,566	\$ 4,041,730	\$ 3,871,389	Information
Interest	14,727,964	13,782,166	12,894,546	for FY16
Experience losses/gains	(2,708,749)	-	-	and earlier
Changes in assumptions	7,920,465	-	_	is not
Benefit payments including refunds				available
of member contributions	(4,553,096)	(4,071,895)	(4,099,405)	
Net change in total OPEB liability	19,606,150	13,752,001	12,666,530	
Total OPEB liability- beginning	212,676,028	198,924,027	186,257,497	
Total OPEB liability- ending	\$ 232,282,178	\$ 212,676,028	\$ 198,924,027	
Plan fiduciary net position				
Contribution-employer	\$ 11,430,300	\$ 10,550,000	\$ 10,103,580	
Net investment income	7,862,600	7,107,417	7,460,623	
Benefit payments	(4,553,096)	(4,071,895)	(4,099,405)	
Administrative expense	(2,440)	(2,370)		
Net change in plan fiduciary net position	14,737,364	13,583,152	13,464,798	
Plan fiduciary net position-beginning	93,580,546	79,997,394	66,532,596	
Plan fiduciary net position-ending	\$ 108,317,910	\$ 93,580,546	\$ 79,997,394	
Net OPEB liability - ending	\$ 123,964,268	\$ 119,095,482	\$ 118,926,633	
Plan fiduciary net position as a				
percentage of the total OPEB liability	46.63%	44.00%	40.22%	
Covered payroll	\$ -	\$ -	\$ -	
Net OPEB liability as a				
percentage of covered payroll (1)	0.00%	0.00%	0.00%	
Expected average remaining service				
years for all participants	6	6	6	
Notes to Schedule:				
Benefit changes:	None	None	None	
Changes of Assumptions:	None	None	None	
Discount Rate:	7%	7%	7%	

⁽¹⁾ Because this OPEB plan does not depend on salary, we do not have salary information.

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

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution Contributions in relation to the	\$12,743,000	\$11,489,000	\$11,353,000	\$ 10,474,000	\$10,111,000	\$10,457,000	\$ 10,142,000	\$11,661,000	\$11,937,000	\$12,993,000
actuarially determined contribution	11,430,300	10,550,000	10,103,580	10,103,580	9,632,900	10,056,900	8,438,080	7,852,800	7,298,000	6,225,000
Contribution deficiency (excess)	\$ 1,312,700	\$ 939,000	\$ 1,249,420	\$ 370,420	\$ 478,100	\$ 400,100	\$ 1,703,920	\$ 3,808,200	\$ 4,639,000	\$ 6,768,000
Covered payroll (1)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule

(1) Contributions as a percentage of covered payroll

Because this OPEB plan does not depend on salary, we do not have salary information.

Benefit Changes None.

Valuation date The FYE 2019 actuarially determined contribution (ADC) is calculated as 7/1/2018 and is based on data as of 7/1/2018.

The FYE 2018 actuarially determined contribution (ADC) is calculated as 7/1/2017 and is based on data as of 7/1/2016.

Changes of assumptions The long term medical trend was updated.

Methods and assumptions used to determine contribution rates:

Valuation Date 7/1/2018

Actuarial cost method Projected Unit Credit
Amortization method Level percent of payroll
Remaining amortization period 20 years for FYE 2019
Asset valuation method Market value of assets

Investment rate of return 7.00% Payroll growth rate 3.00% Inflation 2.20%

Healthcare cost trend rate The trend for 2019 is 5.4% Pre-Medicare and 5.4% Post-Medicare. The ultimate trend is 3.8%.

Required Supplementary Information Schedule of Investment Returns for the Retiree Benefit Trust, Board of County Commissioner of Carroll County, Maryland Last 10 Fiscal Years

	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense	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, 2019

	Budget A	Amounts		
	Original	Final	Actual	Variance with
	Budget	Budget	Revenues	Final Budget
RESOURCES (INFLOWS)				
Revenues				
Taxes - Local Property				
Real property	\$ 191,668,136	\$ 191,668,136	\$ 192,272,192	\$ 604,056
Real property - prior years	300,000	300,000	82,930	(217,070)
Personal property	350,000	350,000	356,882	6,882
Railroad and public utilities	7,500,000	7,500,000	7,986,747	486,747
Ordinary business corporations	7,894,170	7,894,170	7,848,779	(45,391)
Penalties and interest-delinquent taxes	820,000	820,000	755,720	(64,280)
Semi-annual service charges	100,000	100,000	358,283	258,283
_	208,632,306	208,632,306	209,661,533	1,029,227
Deductions				
Discounts allowed on taxes	(860,000)	(860,000)	(836,777)	23,223
Property Tax Rebate	-	-	(25)	(25)
Senior tax credit	(20,000)	(20,000)	(2,369)	17,631
Payment in Lieu of Taxes	16,800	16,800	-	(16,800)
Homestead tax credit	(380,813)	(380,813)	(365,566)	15,247
	(1,244,013)	(1,244,013)	(1,204,737)	39,276
Net Taxes - Local Property	207,388,293	207,388,293	208,456,796	1,068,503
Taxes - Local Other				
Income tax	148,847,211	148,847,211	155,378,135	6,530,924
911 service fees	1,090,000	1,090,000	1,082,654	(7,346)
Recordation tax	14,900,000	14,900,000	13,703,195	(1,196,805)
Heavy equipment tax	125,000	125,000	120,440	(4,560)
Admissions and amusement tax	350,000	350,000	356,490	6,490
Total Taxes - Local Other	165,312,211	165,312,211	170,640,914	5,328,703
Licenses and Permits				
Beer, wine and liquor licenses	210,000	210,000	211,782	1,782
Amusement	2,000	2,000	-	(2,000)
Traders	133,900	133,900	141.646	7,746
Animal	65,000	65,000	47,939	(17,061)
Buildings	1,049,250	1,049,250	1,051,550	2,300
Mobile home licenses	62,000	62,000	59,128	(2,872)
Cable Franchise Fee	1,827,000	1,827,000	1,682,016	(144,984)
Marriage	33,000	33,000	31,790	(1,210)
Grading	20,000	20,000	23,355	3,355
Inspection Fees	7,000	7,000	7,825	825
Kennel Licenses	18,000	18,000	18,495	495
Total Licenses and Permits	3,427,150	3,427,150	3,275,526	(151,624)
Intergovernmental Davanuas				
Intergovernmental Revenues	760,990	760,990	763,038	2,048
Build America Bonds Subsidy	388,600	388,600		
State Aid-Fire Companies Parks and Recreation Facilities	300,000	300,000	388,359 51,557	(241)
Security Interest Filing Fee	-	-	,	51,557
· · · · · · · · · · · · · · · · · · ·	-	-	305	305
State Numbers Board / EOC	850,000	850,000	6,869 890,595	6,869 40,595
Police Aid-Regular				40,595
Grand & Petit Jury Reimburse	52,000 179,300	52,000 170,300	44,780 174 394	(7,220)
Circuit Court Master Reimburse Westminster	179,300	179,300	174,394	(4,906) 951
Total Intergovernmental Revenues	<u>22,000</u> 2,252,890	22,000	22,951	
i otai intergoverninentai kevenues	2,232,090	2,252,890	2,342,848	89,958

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP) General Fund

For the Year Ended June 30, 2019

Schedule 1-1

	Budget /	Amounts			
	Original Final		Actual	Variance with	
	Budget	Budget	Revenues	Final Budget	
Charges for Services					
General Government					
Lien certificates	\$ 215,000	\$ 215,000	\$ 192,036	\$ (22,964)	
Data processing	3,100	3,100	2,098	(1,002)	
Hearing fees-zoning appeals	14,000	14,000	16,650	2,650	
Copy fees and code books	14,000	14,000	18,806	4,806	
Health dept-telephone and janitorial	50,000	50,000	39,534	(10,466)	
Returned Check Fees	-	-	4,109	4,109	
Hearing fees-zoning administration	10,300	10,300	11,100	800	
Total Serv Chrg - General Government	306,400	306,400	284,333	(22,067)	
Public Safety					
Sheriff's services-salary recovery	3,300	3,300	13,600	10,300	
Sheriff's services-fees	105,000	105,000	115,386	10,386	
Sheriff's services-detention center	235,072	235,072	198,900	(36,172)	
Sheriff-ICE Transport	-	-	2,094	2,094	
Inspection fees-roads	100,000	100,000	4,310	(95,690)	
Inspections fees-development review	7,500	7,500	10,358	2,858	
Detention center-commissary	70,000	70,000	49,470	(20,530)	
Detention center-work release	80,000	80,000	46,342	(33,658)	
Sheriff-Citations	6,200	6,200	10,362	4,162	
Fire Protection Plan Review Fee	55,000	55,000	83,249	28,249	
Sheriff-home detention	20,000	20,000	11,106	(8,894)	
Juvenile transport	29,000	29,000	19,195	(9,805)	
State criminal alien assistance program	5,900	5,900	6,720	820	
Sheriff's Sex Offender Fees	26,200	26,200	26,800	600	
Sheriff-Training Academy	52,200	52,200	79,689	27,489	
Total Serv Chrg - Public Safety	795,372	795,372	677,581	(117,791)	
Public Works					
Road maintenance	108,300	108,300	116,726	8,426	
Fuel reimburs ements	630,000	630,000	655,139	25,139	
Vehicle maintenance	500,000	500,000	390,722	(109,278)	
Courthouse Annex-Rent/Heat	13,000	13,000	12,994	(6)	
Development review fees	118,450	118,450	198,916	80,466	
Total Serv Chrg - Public Works	1,369,750	1,369,750	1,374,497	4,747	
Conservation of Natural Resources					
Stormwater/environment review fee	28,500	28,500	38,989	10,489	
Tower Location Analysis Fees	-	-	15,000	15,000	
Engineering Review Fees	20,000	20,000	11,910	(8,090)	
Flood plain review fees	3,000	3,000	1,000	(2,000)	
Forest conservation review fee	25,000	25,000	17,874	(7,126)	
Weed control spraying	67,500	67,500	70,793	3,293	
Total Serv Chrg- Conservation of					
Natural Resources	144,000	144,000	155,566	11,566	
Human Services					
Westminster Sr. Ctr. Classes	12,000	12,000	6,466	(5,534)	
North Carroll Sr. Ctr. Classes	20,000	20,000	25,855	5,855	
South Carroll Sr. Ctr. Classes	27,000	27,000	35,195	8,195	
Taneytown Sr. Ctr. Classes	3,400	3,400	1,725	(1,675)	
Mt. Airy Sr. Ctr. Classes	13,500	13,500	16,761	3,261	
Total Serv Chrg- Human Services	75,900	75,900	86,002	10,102	

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP) General Fund

For the Year Ended June 30, 2019

Schedule 1-1

	Budget Amounts			
	Original	Final	Actual	Variance with
	Budget	Budget	Revenues	Final Budget
Culture and Recreation				
Farm museum	\$ 230,000	\$ 230,000	\$ 181,706	\$ (48,294)
Piney Run Park	392,000	392,000	343,088	(48,912)
Bear Branch Programs	14,400	14,400	14,831	431
Hashawha environmental center	263,800	263,800	245,340	(18,460)
General public & school/youth programs	7,000	7,000	9,185	2,185
Outdoor school meals/concessions	180,000	180,000	175,129	(4,871)
Sports complex	57,800	57,800	53,169	(4,631)
Pavilion & facility rentals	69,700	69,700	49,495	(20,205)
Bus Trips	-	-	84	84
Wine Festival	380,000	380,000	151,418	(228,582)
Dog Park memberships	4,000	4,000	4,385	385
Total Culture and Recreation	1,598,700	1,598,700	1,227,830	(370,870)
Total Charges for Services	4,290,122	4,290,122	3,805,809	(484,313)
Fines and Forfeits				
Circuit Court Fines	30,000	30,000	30,218	218
Liquor license fines	7,200	7,200	6,600	(600)
HS Fines/Violations	10,000	10,000	10,041	41
Humane society impoundment fees	20,000	20,000	19,605	(395)
Parking violations-sheriff	250	250	1,110	860
Total Fines and Forfeits	67,450	67,450	67,574	124
Interest and gain on investments	3,527,800	3,527,800	3,325,549	(202,251)
Miscellaneous Revenues				
Rents and concessions	268,600	268,600	6,483,822	6,215,222
Soil Conservation Surplus		-	159,731	159,731
Community College Surplus	_	_	300,000	300,000
Utilites	_	_	170,273	170,273
Equipment sales	150,000	150,000	181,115	31,115
Postage	23,000	23,000	25,727	2,727
Aging Bus Cost Recovery			27,817	27,817
Pension Recovery	290,000	290,000	307,857	17,857
Health department	5,000	5,000	5,288	288
OPEB Recovery	300,000	300,000	348,996	48,996
State Retire Recovery	9,000	9,000	5,960	(3,040)
Jury Duty	-	-	731	731
Procurement Card Rebates	35,000	35,000	86,569	51,569
Recovery Supp Svc Program	13,200	13,200	35,745	22,545
Advertising	10,000	10,000	8,050	(1,950)
Miscellaneous	225,462	225,462	131,900	(93,562)
Total Miscellaneous Revenues	1,329,262	1,329,262	8,279,581	6,950,319
Total Revenues	387,595,178	387,595,178	400,194,597	12,599,419
	207,000,170		100,15 1,057	12,000,110
Other financing resources				
Appropriated fund balance (Intrafund)	12,889,612	12,889,612	_	(12,889,612)
Transfers In (Interfund)	10,773,260	10,773,260	10,713,719	(59,541)
Non-cash Note Proceeds (Issuance of GO Debt)	-	-	887,000	887,000
Total Other Financing Resources	23,662,872	23,662,872	11,600,719	(12,062,153)
Total Resources (Inflows)	\$411,258,050	\$ 411,258,050	\$ 411,795,316	\$ 537,266

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP) General Fund

For the Year Ended June 30, 2019

	Budge	et Amounts		
	Original	Final	Actual	Variance with
	Budget	Budget	Expenditures	Final Budget
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Expenditures				
General Government				
County Commissioners				
County Commissioners	\$ 1,083,110	\$ 1,220,623	\$ 1,138,517	\$ 82,106
Audio/Video Production	204,080		243,339	9,660
Zoning Administrator	259,200	318,147	309,638	8,509
Technology Services	4,965,310	5,157,106	4,833,694	323,412
Production/Distribution Service	472,920	502,427	447,175	55,252
Total County Commissioners	6,984,620	7,451,302	6,972,363	478,939
Carroll County Board of Elections	1,297,980	1,298,505	1,138,191	160,314
County Attorney	802,750	880,884	943,518	(62,634)
Comptroller				
Comptroller Administration	441,590	486,593	462,673	23,920
Accounting	1,115,660		1,140,565	114,588
Purchasing	484,100		471.556	64,354
Independent Post - Auditing	50,660	,	49,200	1,460
Bond Issuance Expense	213,300		183,041	30,259
Collections Office	1,340,430		1,267,903	176,634
Total Comptroller	3,645,740		3,574,938	411,215
Human Resources				
Human Resources Administration	940,210	1,099,019	1,085,808	13,211
Fringe Benefits	14,842,030		1,139,946	138,548
Personnel Services	199,480		187,311	40,120
Total Human Resources	15,981,720		2,413,065	191,879
Management and Budget				
Management and Budget Admin.	255,240	287,196	283,105	4,091
Risk Management	2,416,840		1,673,602	309,774
Budget	601,820		693,435	3,864
Grant Management	171,390	196,164	192,984	3,180
Total Management and Budget	3,445,290	3,164,035	2,843,126	320,909
Land Use, Planning & Development				
Land Use, Planning & Dev. Admin.	798,740	932,101	915,906	16,195
Comprehensive Planning	962,440	1,094,281	899,698	194,583
Development Review	570,590	642,226	619,302	22,924
Devel Review - Stormwater Mgmt	-	-	1,000	(1,000)
Resources Management	867,520	1,004,158	996,378	7,780
Total Land Use, Planning & Development	3,199,290	3,672,766	3,432,284	240,482
General Services				
Permits & Inspections	1,638,600	1,977,791	1,872,473	105,318
Building Construction	365,000	405,682	332,041	73,641
Facilities Administration	7,235,350	7,866,687	6,785,145	1,081,542
Facilities	4,215,680	4,384,688	1,906,714	2,477,974
Fleet Management	8,190,890		4,060,525	382,057
Total General Services	21,645,520	19,077,430	14,956,898	4,120,532

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP) General Fund

For the Year Ended June 30, 2019

	Budget A	Amounts		
	Original	Final	Actual	Variance with
	Budget	Budget	Expenditures	Final Budget
. W. 11				
Miscellaneous	¢ 01.070	Ф 04.024	ф 70.507	Ф 15 44 7
Board of License Commissioners	\$ 91,270	\$ 94,034	\$ 78,587	\$ 15,447
Administrative Hearings	90,150	106,270	95,285 15,526	10,985
Property tax payments to municipalities	-	15,530	15,526	1 270
Permits and fee payments to municipalities Liquor license payments to municipalities		15,000	13,630	1,370
	55,530	25,000	27,940 2,753,816	(2,940)
Town programs Total Miscellaneous	2,753,820	2,753,820		24.870
Total General Government	2,990,770 59,993,680	3,009,654 45,145,673	2,984,784 39,259,167	<u>24,870</u> 5,886,506
Total General Government	39,993,000	43,143,073	39,239,107	3,000,300
Public Safety				
Police Protection				
Detention Center	10,732,290	12,470,733	12,445,619	25,114
Sheriff Services	14,020,580	18,157,481	18,131,495	25,986
Sheriff Training Academy	61,450	69,450	69,077	373
Total Police Protection	24,814,320	30,697,664	30,646,191	51,473
Fire Department	. ==			
Volunteer Emergency Services Assoc.	8,731,080	10,021,580	10,021,580	-
EMS 24/7 Services	4,521,530	4,521,530	4,521,530	
Total Fire Department	13,252,610	14,543,110	14,543,110	-
Emergency Services				
Emergency Service Operations	3,277,340	3,180,821	2,943,687	237,134
911 - Emergency Service	3,048,190	3,534,200	3,339,047	195,153
Total Emergency Services	6,325,530	6,715,021	6,282,734	432,287
Other Protection	000 440		4.474.055	
Animal Control	990,410	1,151,266	1,151,266	2.570
CC Advocacy & Investigation	157,390	190,806	188,228	2,578
LOSAP Funding	1,282,000	200,000	200.250	-
State aid-fire protection Total Other Protection	35,390	389,000	388,359	641
	2,465,190	1,731,072	1,727,853 53,199,888	3,219
Total Public Safety	46,857,650	53,686,867	33,199,888	486,979
Public Works				
Public Works-Administration	945,320	1,083,336	1,058,477	24,859
Transportation	162,700	168,671	141,547	27,124
Veterans Transit Services	102,000	142,000	115,724	26,276
Roads Operations	8,586,820	11,640,250	10,368,227	1,272,023
Traffic Control	419,280	331,280	281,802	49,478
Engineering-Design	373,070	424,280	329,335	94,945
Engineering-Construction Inspection	485,830	680,840	671,810	9,030
Storm Emergencies	2,292,040	2,847,040	2,833,659	13,381
Engineering	438,120	548,345	536,209	12,136
Engineering-Survey	329,530	413,956	403,646	10,310
Road Grant - Local	389,000	35,390	35,386	4
Total Public Works	14,523,710	18,315,388	16,775,822	1,539,566

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP) General Fund

For the Year Ended June 30, 2019

	Budget A	Amounts			
	Original	Final	Actual	Variance with	
	Budget	Budget	Expenditures	Final Budget	
Health					
Health Department	\$ 3,496,830	\$ 3,496,830	\$ 3,496,830	\$ -	
Family and Children's Services-DV	380,650	380,650	380,650	-	
Change, Inc.	260,330	260,330	260,330	-	
CCARC	290,160	290,160	290,160	-	
Flying Colors of Success	44,420	44,420	44,420	-	
Target, Inc.	265,490	265,490	265,490	-	
Rape Crisis	162,620	162,620	162,620	-	
Total Health	4,900,500	4,900,500	4,900,500	-	
Human Services					
Social Services-Local Funds	20,000	20,000	20,000	-	
Human Services	1,193,440	1,193,440	1,193,440	_	
Not In Carroll	300,000	300,000	278,000	22,000	
Citizen Services Administration	460,790	497,067	484,926	12,141	
Youth Services Bureau	975,870	975,870	975,870	-	
Recovery Support Services	859,900	859,900	847,149	12,751	
Aging and Disabilities	1,433,780	1,692,113	1,630,665	61,448	
Access Carroll	20,000	20,000	20,000	_	
Mosaic Community Services	107,610	107,610	107,610	-	
Total Human Services	5,371,390	5,666,000	5,557,660	108,340	
Education					
Maryland Academy of Science	_	_	142	(142)	
CC Board of Education	192,391,000	192,391,000	193,440,537	(1,049,537)	
Cable Regulatory Commission	149,290	149,290	149,290	(1,042,337)	
Community Media Center	740,970	740,970	740,970	_	
Community Vocala Center Community College - Direct Support	10,084,560	10,084,560	10,084,560	_	
Community College - In-Kind Support	10,001,500	10,004,300	5,106,861	(5,106,861)	
Community College - Adult Basic Edu	284,040	284,040	284,040	(3,100,001)	
Community College - Entrepreneurship	215,000	215,000	215,000	_	
Total Education	203,864,860	203,864,860	210,021,400	(6,156,540)	
Library	10,561,020	12,663,453	14,771,512	(2,108,059)	
Library	10,301,020	12,003,433	14,771,312	(2,100,039)	
Culture and Recreation	202.170	455.015	451 740	4.050	
Recreation & Parks-Administration	383,170	455,817	451,749	4,068	
Recreation	532,120	617,940	603,572	14,368	
Piney Run	697,920	801,770	730,947	70,823	
Hashawha	879,500	1,042,300	979,865	62,435	
Farm Museum	992,880	1,112,401	945,517	166,884	
Sports Complex	211,710	256,019	251,180	4,839	
Historical Society	65,000	65,000	65,000	-	
Homestead Museum	25,000	25,000	25,000	202 417	
Total Culture and Recreation	3,787,300	4,376,247	4,052,830	323,417	
Conservation of Natural Resources					
Agriculture Extension Service	498,810	498,810	494,127	4,683	
Weed Control	67,230	73,303	73,303	-	
Gypsy Moth Control	30,000	19,980	9,105	10,875	
Soil Conservation Service	450,020	589,047	589,047		
Total Conservation of Natural Resources	1,046,060	1,181,140	1,165,582	15,558	

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis (Non-GAAP) General Fund

For the Year Ended June 30, 2019

	Budget Amounts							
	Original	Final	Actual	Variance with				
	Budget	Budget	Expenditures	Final Budget				
Economic Development	Ф. 770.250	Φ 050.255	Φ 050 501	Φ 26044				
Economic Development-Administration	\$ 779,250	\$ 879,375	\$ 852,531	\$ 26,844				
Econ Devl-Industrial Grants	2,067,000	1,963,000	1,997,635	(34,635)				
Business & Employment Resource Center	251,520	217,601	81,884	135,717				
Tourism	417,570	417,848	358,029	59,819				
Total Economic Development	3,515,340	3,477,824	3,290,079	187,745				
Judicial								
Volunteer Community Services	211,670	287,901	279,448	8,453				
Circuit Court	2,379,960	2,703,656	2,585,217	118,439				
Circuit Court Masters	499,930	576,595	531,992	44,603				
State's Attorney	3,907,760	4,612,321	4,558,569	53,752				
Orphans Court	60,510	60,510	57,476	3,034				
Total Judicial	7,059,830	8,240,983	8,012,702	228,281				
Reserve for Contingencies	4,163,030	3,997,192	-	3,997,192				
Debt Service								
Debt service-County	27,597,190	27,671,591	27,671,591	-				
Debt service-Board of Education	10,355,690	10,325,289	10,325,283	6				
Total Debt Service	37,952,880	37,996,880	37,996,874	6				
Total Expenditures	403,597,250	403,513,007	399,004,016	4,508,991				
Other Financing Uses								
Transfers Out:								
Transfer to Capital Fund	3,254,000	3,379,000	3,379,000	_				
Transfer to Special Revenue Funds - Grants	1,621,980	1,581,223	1,581,223	-				
Transfer to Enterprise Funds	2,784,820	2,784,820	2,784,820	_				
Total Other Financing Uses	7,660,800	7,745,043	7,745,043					
Total charges to appropriations (outflows)	411,258,050	411,258,050	406,749,059	4,508,991				
Net Change in Fund Balance	\$ -	\$ -	\$ 5,046,257	\$ 5,046,257				
Fund Balance - beginning, as restated			117,057,883					
Fund Balance - ending			\$ 122,104,140					

Combining Balance Sheet Non-Major Governmental Funds June 30, 2019

	Но	tel Rental		atershed ection and			
		Tax	Re	storation	Grant		
	Fund			Fund	 Fund	Total	
Assets							
Equity in pooled cash and investments	\$	694,256	\$	292,178	\$ 2,247,283	\$	3,233,717
Accounts receivable		15,125		-	2,858,347		2,873,472
Note receivable		-		-	107,818		107,818
Due from other governmental funds		-		-	5		5
Prepaid costs		_		_	 446,299		446,299
Total assets	\$	709,381	\$	292,178	\$ 5,659,752	\$	6,661,311
Liabilities and fund balances							
Liabilities			Φ.	22.054	4 40 7 5 5		1 510 501
Accounts payable	\$	-	\$	23,064	\$ 1,495,667	\$	1,518,731
Due to component unit		-		-	12,576		12,576
Accrued expenditures		-		35,375	136,584		171,959
Unearned revenue					1,650,844		1,650,844
Total liabilities				58,439	 3,295,671		3,354,110
Fund Balances							
Non-spendable		-		-	446,299		446,299
Restricted		709,381		-	661,795		1,371,176
Committed		-		233,739	-		233,739
Assigned					 1,255,987		1,255,987
Total Fund Balances		709,381		233,739	2,364,081		3,307,201
Total liabilities and fund balances	\$	709,381	\$	292,178	\$ 5,659,752	\$	6,661,311

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, 2019

	Hotel Rental Tax Fund	Watershed Protection and Restoration Fund	Grant Fund	Total
Revenues				
Taxes:				
Local property	\$ -	\$ 2,143,040	\$ -	\$ 2,143,040
Hotel rental tax	366,550	-	-	366,550
Charges for service:				
Commission on aging	-	-	9,950	9,950
Culture and recreation	-	-	266,694	266,694
Sheriff	-	-	85,222	85,222
Intergovernmental revenues:				
Commission on aging	-	-	1,812,986	1,812,986
Housing & community development	-	-	6,260,050	6,260,050
Business employment resource center	=	=	1,440,691	1,440,691
Sheriff	-	-	478,271	478,271
Citizen services	-	-	1,693,538	1,693,538
State's attorney	-	-	310,532	310,532
Circuit court	-	-	845,346	845,346
Public works	-	-	1,105,600	1,105,600
Emergency operations center	-	-	516,032	516,032
Planning	-	-	1,963	1,963
Tourism	-	-	51,045	51,045
Municipalities	-	104,229	-	104,229
Interest	10,477	18,615	-	29,092
Miscellaneous			339,611	339,611
Total revenues	377,027	2,265,884	15,217,531	17,860,442
Expenditures				
Current:				
Public safety	-	-	1,323,606	1,323,606
Public works	-	-	2,151,282	2,151,282
Health	=	=	423	423
Human services	-	-	10,591,581	10,591,581
Culture and recreation	=	=	413,769	413,769
Conservation of natural resources	=	1,255,491	33,780	1,289,271
Economic development	-	-	1,505,183	1,505,183
Judicial	-	-	888,702	888,702
Debt service:				
Principal	-	603,505	-	603,505
Interest		410,362		410,362
Total expenditures		2,269,358	16,908,326	19,177,684
Other Financing Sources (Uses)				
Transfers in	-	-	1,581,223	1,581,223
Transfers out	(358,029)			(358,029)
Total Other Financing Sources (Uses)			1,581,223	1,223,194
Net change in fund balances	18,998	(3,474)	(109,572)	(94,048)
Fund balances - beginning	690,383	237,213	2,473,653	3,401,249
Fund balances - ending	\$ 709,381	\$ 233,739	\$ 2,364,081	\$ 3,307,201

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, 2019

		Budgeted A	nts			Variance with		
	(Original		Final		Actuals		al Budget_
RESOURCES (INFLOWS)	·			_		_		
Revenues								
Hotel Rental Tax	\$	417,570	\$	417,570	\$	366,550	\$	(51,020)
Interest		-				10,477		10,477
Total revenues		417,570		417,570		377,027		(40,543)
Total Resources (Inflows)		417,570		417,570		377,027		(40,543)
CHARGES TO APPROPRIATIONS (OUTFLOWS)								
Other financing uses								
Transfers out		(417,570)		(417,570)		(358,029)		59,541
Total other financing uses		(417,570)		(417,570)		(358,029)		59,541
Total charges to appropriations (outflows)		(417,570)		(417,570)		(358,029)		59,541
Net change in fund balance	\$		\$	-		18,998	\$	18,998
Fund balance - beginning						690,383		
Fund balance - ending					\$	709,381		

Schedule of Revenues, Expenditures, and Change in Fund Balance - Budgetary Basis (Non-GAAP) Watershed Protection and Restoration Fund For the Year Ended June 30, 2019

	Budgeted	Amounts		Variance with		
	Original	Final	Actuals	Final Budget		
RESOURCES (INFLOWS)	<u> </u>					
Revenues						
Taxes:						
Local Property	\$ 2,143,040	\$ 2,143,040	\$ 2,143,040	\$ -		
Intergovernmental revenues:						
Municipalities	104,230	104,230	104,229	(1)		
Interest	10,000	10,000	18,615	8,615		
Total revenues	2,257,270	2,257,270	2,265,884	8,614		
Interfund Transfers In	109,390	109,390		(109,390)		
Total Resources (Inflows)	2,366,660	2,366,660	2,265,884	(100,776)		
CHARGES TO APPROPRIATIONS (OUTFLOWS)						
Expenditures						
Current:						
Conservation of Natural Resources	1,306,660	1,306,660	1,255,491	(51,169)		
Debt service:						
Principal	604,000	604,000	603,505	(495)		
Interest	456,000	456,000	410,362	(45,638)		
Total expenditures	2,366,660	2,366,660	2,269,358	(97,302)		
Total charges to appropriations (outflows)	(2,366,660)	(2,366,660)	(2,269,358)	97,302		
Net change in fund balance	\$ -	\$ -	(3,474)	\$ (3,474)		
Fund balance - beginning			237,213			
Fund balance - ending			\$ 233,739			

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Schedule of Revenues, Expenditures, and Change in Fund Balance - Budgetary Basis (Non-GAAP) **Grant Fund**

For the Year Ended June 30, 2019

	Budgeted	Amounts		Variance with
	Original	Final	Actuals	Final Budget
RESOURCES (INFLOWS)				
Revenues				
Charges for service:				
Commission on aging	\$ -	\$ -	\$ 9,950	\$ 9,950
Culture and recreation	215,000	286,624	266,694	(19,930)
Sheriff	-	-	85,222	85,222
Intergovernmental revenues:				
Commission on aging	1,733,600	1,869,434	1,812,986	(56,448)
Housing & community development	5,668,682	7,344,223	6,260,050	(1,084,173)
Business Employment Resource Center	1,265,441	871,771	1,440,691	568,920
Sheriff	411,250	503,118	478,271	(24,847)
Citizen services	1,479,152	1,597,595	1,693,538	95,943
State's attorney	55,500	256,325	310,532	54,207
Circuit court	911,215	863,356	845,346	(18,010)
Public works	1,572,898	1,265,209	1,105,600	(159,609)
Emergency operations center	475,784	458,662	516,032	57,370
Planning	44,240	10,648	1,963	(8,685)
Tourism	35,000	51,045	51,045	-
Economic development	, <u>-</u>	29,011	, -	(29,011)
Culture and recreation	_	28,446	_	(28,446)
Miscellaneous	_	,	339,611	339,611
Total revenues	13,867,762	15,435,467	15,217,531	(217,936)
Other financing resources				(221,523)
Transfers in	1,621,980	1,581,223	1,581,223	_
Total other financing resources	1,621,980	1,581,223	1,581,223	
Total Resources (Inflows)	15,489,742	17,016,690	16,798,754	(217,936)
Total Tesources (mile ws)	15,165,712	17,010,050	10,770,731	(217,550)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Expenditures				
Current:				
Public safety	3,196,916	3,347,170	1,607,099	1,740,071
Public works	496,933	(74,504)	2,151,282	(2,225,786)
Health	4,000	4,000	423	3,577
Human Services	9,343,007	11,551,010	10,588,997	962,013
Culture and recreation	223,100	314,582	413,769	(99,187)
Conservation of natural resources	223,100	311,302	33,780	(33,780)
Economic development	1,300,441	1,050,691	1,505,183	(454,492)
Judicial	925,345	823,741	888,702	(64,961)
Total expenditures	15,489,742	17,016,690	17,189,235	(172,545)
Total expellutures	13,469,742	17,010,090	17,109,233	(172,543)
Total charges to appropriations (outflows)	(15,489,742)	(17,016,690)	(17,189,235)	(172,545)
Net change in fund balance	\$ -	\$ -	(390,481)	\$ (390,481)
Fund balance - beginning			2,548,407	
Fund balance - ending			\$ 2,157,926	
			- 2,107,020	

Combining Statement of Net Position Non-Major Enterprise Funds June 30, 2019

		Septage	F	ïrearms	Total		
ASSETS						_	
Current assets:							
Equity in pooled cash and investments	\$	3,081,575	\$	467,061	\$	3,548,636	
Cash and cash equivalents		-		1,629		1,629	
Accounts receivables, net		143,705				143,705	
Total current assets		3,225,280		468,690		3,693,970	
Noncurrent assets:							
Capital assets:							
Buildings		-		274,051		274,051	
Improvements other than buildings		185,278		262,720		447,998	
Autos, machinery, equipment		201,984		52,252		254,236	
Construction in progress		493,774		-		493,774	
Less accumulated depreciation		(371,482)		(211,213)		(582,695)	
Total capital assets (net of							
accumulated depreciation)		509,554		377,810		887,364	
Total assets		3,734,834		846,500		4,581,334	
Deferred Outflows of Resources							
Deferred charge on refunding		332		-		332	
Total deferred outflows of resources		332		-		332	
Total assets and deferred outflows	\$	3,735,166	\$	846,500	\$	4,581,666	
LIABILITIES							
Current liabilities:							
Accounts payable	\$	170,999	\$	260	\$	171,259	
Accrued interest payable	·	306	·	-	·	306	
Accrued expenses		-		3,873		3,873	
Long-term liabilities due within one year:				,		,	
General obligation bonds payable		13,022		-		13,022	
Compensated Absences		, -		1,931		1,931	
Total current liabilities		184,327		6,064		190,391	
Noncurrent liabilities:		24.222				0.5.000	
General obligation bonds payable		26,329				26,329	
Total noncurrent liabilities		26,329		-		26,329	
Total liabilities		210,656		6,064	-	216,720	
NET POSITION							
Net investment in capital assets		470,203		377,810		848,013	
Restricted for capital projects		1,522,226		-		1,522,226	
Unrestricted		1,532,081		462,626		1,994,707	
Total net position	\$	3,524,510	\$	840,436	\$	4,364,946	

Combining Statement of Revenues, Expenses and Changes in Fund Net Position Non-Major Enterprise Funds For the Year Ended June 30, 2019

	Septage		F	irearms	Total		
Operating revenues:		_				_	
Charges for services	\$	1,207,602	\$	140,821	\$	1,348,423	
Total operating revenues		1,207,602		140,821		1,348,423	
Operating expenses:							
Personal services		-		92,730		92,730	
Contractual services		351,352		4,531		355,883	
Materials and supplies		58,332		24,652		82,984	
Rents and utilities		80,056		3,112		83,168	
Miscellaneous		197,112		-		197,112	
Depreciation		5,572		27,465		33,037	
Total operating expenses		692,424		152,490		844,914	
Operating income (loss)		515,178		(11,669)		503,509	
Nonoperating revenues (expenses):							
Penalties and interest		56,471		9,452		65,923	
Interest and fiscal charges		(2,178)		-		(2,178)	
Total nonoperating revenues (expenses)		54,293		9,452		63,745	
Change in net position		569,471		(2,217)		567,254	
Total net position- beginning of year		2,955,039		842,653		3,797,692	
Total net position- end of year	\$	3,524,510	\$	840,436	\$	4,364,946	

Combining Statement of Cash Flows Non-Major Enterprise Funds For the Year Ended June 30, 2019

	Septage		F	irearms	Total		
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers and users	\$	1,192,377	\$	140,821	\$	1,333,198	
Payments to suppliers and other funds		(660,144)		(32,295)		(692,439)	
Payments to employees		_		(89,873)		(89,873)	
Net cash provided by operating activities		532,233		18,653		550,886	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition and construction of capital assets		(67,693)		(39,592)		(107,285)	
Principal paid on capital debt		(13,069)		-		(13,069)	
Interest paid on capital debt		(2,100)		_		(2,100)	
Net cash used by capital and related financing activities		(82,862)		(39,592)		(122,454)	
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on investments and cash		56,471		9,452		65,923	
Net cash provided by investing activities		56,471		9,452		65,923	
Net increase (decrease) in cash and cash equivalents		505,842		(11,487)		494,355	
Cash and cash equivalents at beginning of year		2,575,733		480,177		3,055,910	
Cash and cash equivalents at end of year	\$	3,081,575	\$	468,690	\$	3,550,265	
Reconciliation of Operating Income (loss) to net cash provided by operating activities:							
Operating income (loss)	\$	515,178	\$	(11,669)	\$	503,509	
Adjustments to reconcile operating income (loss) to net							
cash provided by operating activities:							
Depreciation expense		5,572		27,465		33,037	
Effect of changes in operating assets and liabilities:							
Accounts receivable		(15,225)		-		(15,225)	
Compensated absences payable		-		1,507		1,507	
Accounts payable and accrued expenses		26,708		1,350		28,058	
Total adjustments		17,055		30,322		47,377	
Net cash provided by operating activities	\$	532,233	\$	18,653	\$	550,886	

Combining Statement of Net Position Internal Service Funds June 30, 2019

		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	\$ 12,794,619	\$ 417,716	\$ 498,171	\$ 129,251	\$ 6,125,838	\$ 19,965,595						
Receivables, net Total assets	\$13,264,850	\$ 417,716	\$ 498,171	\$ 129,251	\$ 6,125,838	\$ 20,435,826						
Total assets	Ψ13,204,630	417,710	Ψ Ψ/0,171	ψ 12 <i>)</i> ,2 <i>3</i> 1	Ψ 0,123,636	Ψ 20,433,620						
LIABILITIES Current liabilities:												
Accounts payable	\$ 540,242	\$ -	\$ -	\$ 100	\$ 16,169	\$ 556,511						
Unearned revenue Long-term liabilities due within one year:	12,570	-	-	-	-	12,570						
Unpaid claims	1,497,752	35,369	-	-	613,643	2,146,764						
Total long-term due within one year	1,497,752	35,369			613,643	2,146,764						
Total current liabilities	2,050,564	35,369	_	100	629,812	2,715,845						
Noncurrent liabilities:												
Unpaid claims	15,129	357			2,996,024	3,011,510						
Total noncurrent liabilities	15,129	357			2,996,024	3,011,510						
Total liabilities	2,065,693	35,726		100	3,625,836	5,727,355						
NET POSITION												
Unrestricted	11,199,156	381,990	498,171	129,151	2,500,003	14,708,471						
Total net position	\$11,199,156	\$ 381,990	\$ 498,171	\$ 129,151	\$ 2,500,003	\$ 14,708,471						

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, 2019

	Governmental Activities - Internal Service Funds										
	Health Benefits	Risk Management	Auto Damage	Insurance Deductibles	Workers' Compensation	Total					
Operating revenues:											
Charges for services	\$16,387,666	\$ 7,396	\$ 367,792	\$ -	\$ 1,236,366	\$ 17,999,220					
Total operating revenues	16,387,666	7,396	367,792	-	1,236,366	17,999,220					
Operating expenses:											
Insurance claims	15,031,634	186,272	201,606	37,146	634,485	16,091,143					
Total operating expenses	15,031,634	186,272	201,606	37,146	634,485	16,091,143					
Operating income (loss)	1,356,032	(178,876)	166,186	(37,146)	601,881	1,908,077					
Nonoperating revenues (expenses):											
Penalties and interest	374,200	-	-	-	-	374,200					
Medicare Part D	237,729	-	-	-	_	237,729					
Total nonoperating revenues											
(expenses)	611,929	-	-	-	_	611,929					
Change in net position	1,967,961	(178,876)	166,186	(37,146)	601,881	2,520,006					
Total net position -											
beginning of year	9,231,195	560,866	331,985	166,297	1,898,122	12,188,465					
Total net position - end of year	\$11,199,156	\$ 381,990	\$ 498,171	\$ 129,151	\$ 2,500,003	\$ 14,708,471					

Combining Statement of Cash Flows Internal Service Funds For the Year Ended June 30, 2019

			Governm	ental Activitie	es - Ir	nternal Serv	ice Fu	ınds	
	Health Benefits	Ma	Risk magement	Auto Damage		surance ductibles		Workers'	Total
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts from customers and users Payments to suppliers	\$ 16,387,666 (15,457,276)	\$	7,396 (218,296)	\$367,792 (201,606)	\$	(37,046)	\$	1,236,366 (584,791)	17,999,220 (16,499,015)
Net cash provided (used) by operating activities	930,390		(210,900)	166,186		(37,046)		651,575	1,500,205
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	007 700								227 720
Medicare Part D Net cash provided by	237,729								 237,729
noncapital financing activities	237,729		-	-		-		-	237,729
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest on investments and cash	374,200					_			 374,200
Net cash provided by investing activities	374,200		_					-	374,200
Net increase (decrease) in cash									
and cash equivalents	1,542,319		(210,900)	166,186		(37,046)		651,575	2,112,134
Equity in pooled cash and investments at beginning of year	11,252,300		628,616	331,985		166,297		5,474,263	17,853,461
Equity in pooled cash and	11,232,300		020,010	331,963		100,297		3,474,203	 17,033,401
investments at end of year	\$ 12,794,619	\$	417,716	\$498,171	\$	129,251	\$	6,125,838	\$ 19,965,595
Reconciliation of Operating Income (Loss) to net cash provided (used) by operating activities:									
Operating income (loss)	\$ 1,356,032	\$	(178,876)	\$166,186	\$	(37,146)	\$	601,881	\$ 1,908,077
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: Effect of Changes in operating									
assets and liabilities:	(162.216)								(462.216)
Accounts receivable Accounts payable and	(462,316)		-	-		-		-	(462,316)
accrued expenses	167,687		(32,024)	_		100		4,704	140,467
Unearned revenue	12,570		(82,821)	_		-			12,570
Claims Liability	(143,583)		-	_		_		44,990	(98,593)
Total adjustments	(425,642)		(32,024)			100		49,694	(407,872)
Net cash provided (used) by									
operating activities	\$ 930,390	\$	(210,900)	\$ 166,186	\$	(37,046)	\$	651,575	\$ 1,500,205

Combining Statement of Fiduciary Net Position Trust Funds June 30, 2019

	Employee Pension Plan	Certified Law Officers Pension	LOSAP	Other Post Employment Benefits	Totals
ASSETS					
Accounts Receivable	\$ -	\$ -	\$ -	\$ 36,076	\$ 36,076
Accrued Interest	-	-	-	11,888	11,888
Prepaid Expenses	7,182	1,244	717	-	9,143
Investments, at fair value:					
Short-term investments	2,031,184	499,767	402,085	-	2,933,036
Bond funds	22,890,427	3,929,935	2,440,905	5,785,075	35,046,342
Equity funds	72,104,692	12,375,454	6,850,748	-	91,330,894
Marketable securities	_	-	-	102,946,091	102,946,091
Total investments	97,026,303	16,805,156	9,693,738	108,731,166	232,256,363
Total assets	97,033,485	16,806,400	9,694,455	108,779,130	232,313,470
LIABILITIES					
	6 164	<i>5.6</i> 70	4.500	14 200	20.704
Accounts payable	6,164	5,670	4,590	14,280	30,704
Due to primary government			4.500	446,940	446,940
Total liabilities	6,164	5,670	4,590	461,220	477,644
FIDUCIARY NET POSITION Fiduciary net position held in trust for pension, OPEB benefits and	\$ 07.007.221	¢ 16 900 720	¢ 0.690.965	¢ 109 217 010	¢ 221 925 926
other purposes	\$ 97,027,321	\$ 16,800,730	\$ 9,689,865	\$108,317,910	\$ 231,835,826

Combining Statement of Changes in Fiduciary Net Position Trust Funds For the Year Ended June 30, 2019

		Certified Law		Other Post	
	Employee	Officers		Employment	
	Pension Plan	Pension	LOSAP	Benefits	Totals
ADDITIONS					
Contributions:					
Employer	\$ 3,157,280	\$ 932,680	\$ 1,282,000	\$ 11,430,300	\$ 16,802,260
Plan members	2,091,150	543,413		743,864	3,378,427
Total contributions	5,248,430	1,476,093	1,282,000	12,174,164	20,180,687
Investment earnings:					
Interest and dividends	-	-	-	180,828	180,828
Net increase in the fair					
value of investments	7,313,439	1,274,949	748,237	7,703,052	17,039,677
Total investment earnings	7,313,439	1,274,949	748,237	7,883,880	17,220,505
Less investment expense	(56,371)	(28,288)	(6,864)	(21,280)	(112,803)
Net investment earnings	7,257,068	1,246,661	741,373	7,862,600	17,107,702
Total additions	12,505,498	2,722,754	2,023,373	20,036,764	37,288,389
DEDUCTIONS					
Benefits and refunds paid to					
plan members and beneficiaries	2,264,114	296,602	816,011	5,296,960	8,673,687
Administrative expenses	47,638	11,999	15,012	2,440	77,089
Total deductions	2,311,752	308,601	831,023	5,299,400	8,750,776
Net increase in fiduciary net position	10,193,746	2,414,153	1,192,350	14,737,364	28,537,613
Fiduciary net position-beginning	86,833,575	14,386,577	8,497,515	93,580,546	203,298,213
Fiduciary net position-ending	\$ 97,027,321	\$ 16,800,730	\$ 9,689,865	\$108,317,910	\$ 231,835,826

Statement of Changes in Assets and Liabilities Agency Funds For the Year Ended June 30, 2019

ASSETS Equity in pooled cash and investments Total assets \$ 399,265 \$ - \$ 399,265 \$ - LIABILITIES Deposits Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - Carroll Cable Regulatory Commission Balance July 1, 2018 Additions Balance July 1, 2018 Additions Deductions Balance June 30, 2019 ASSETS Equity in pooled cash and investments Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 Equity in pooled cash and investments Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 Equity in pooled cash and investments Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 Equity in pooled cash and investments Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 Equity in pooled cash and investments Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 Equity in pooled cash and investments Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 Equity in pooled cash and investments Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 Equity in pooled cash and investments Total assets \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ - \$ \$ 399,265 \$ \$ \$ - \$ \$ \$ 399,265 \$ \$ \$ - \$ \$ \$ 3	Carroll County Development Corporation		alance y 1, 2018	A	dditions	D€	eductions		Balance e 30, 2019
Total assets \$ 399,265 \$ - \$ 399,265 \$ - \$ Deposits \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ - \$ 399,265 \$ \$ 100,200 \$ 100,	ASSETS		, ,						,
LIABILITIES \$ 399,265 \$ - \$ 399,265 \$ - Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - Carroll Cable Regulatory Commission Balance July 1, 2018 Additions Deductions Balance ASSETS Equity in pooled cash and investments \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 LIABILITIES Accounts payable \$ 98,034 \$ 323,069 \$ 416,172 \$ 4,931 Deposits 140,332 510,519 421,502 229,349 Total liabilities \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280	Equity in pooled cash and investments	\$	399,265	\$		\$	399,265	\$	
Deposits	Total assets	\$	399,265	\$		\$	399,265	\$	
Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - Carroll Cable Regulatory Commission Balance July 1, 2018 Additions Deductions Balance June 30, 2019 ASSETS Equity in pooled cash and investments Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 LIABILITIES Accounts payable Deposits Total liabilities \$ 98,034 \$ 323,069 \$ 416,172 \$ 4,931 Total liabilities \$ 238,366 \$ 833,588 \$ 837,674 \$ 229,349 Total liabilities \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280	LIABILITIES								
Total liabilities \$ 399,265 \$ - \$ 399,265 \$ - Carroll Cable Regulatory Commission Balance July 1, 2018 Additions Deductions Balance June 30, 2019 ASSETS Equity in pooled cash and investments \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 LIABILITIES Accounts payable \$ 98,034 \$ 323,069 \$ 416,172 \$ 4,931 Deposits 140,332 510,519 421,502 229,349 Total liabilities \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280	Deposits	\$	399,265	\$	-	\$	399,265	\$	-
ASSETS Equity in pooled cash and investments Total assets LIABILITIES Accounts payable Deposits Total liabilities Additions Deductions June 30, 2019 \$\$238,366 \$ 833,588 \$ 837,674 \$ 234,280 \$\$238,366 \$ 833,588 \$ 837,674 \$ 234,280 \$\$238,366 \$ 833,588 \$ 837,674 \$ 234,280 \$\$238,366 \$ 98,034 \$ 323,069 \$ 416,172 \$ 4,931 \$ 29,349 \$\$238,366 \$ 833,588 \$ 837,674 \$ 229,349 \$\$238,366 \$ 833,588 \$ 837,674 \$ 234,280	Total liabilities		399,265	\$	-	\$	399,265	\$	_
ASSETS Equity in pooled cash and investments Total assets LIABILITIES Accounts payable Deposits Total liabilities Additions Deductions June 30, 2019 \$\$238,366 \$ 833,588 \$ 837,674 \$ 234,280 \$\$238,366 \$ 833,588 \$ 837,674 \$ 234,280 \$\$238,366 \$ 833,588 \$ 837,674 \$ 234,280 \$\$238,366 \$ 98,034 \$ 323,069 \$ 416,172 \$ 4,931 \$ 29,349 \$\$238,366 \$ 833,588 \$ 837,674 \$ 229,349 \$\$238,366 \$ 833,588 \$ 837,674 \$ 234,280	Carroll Cable Regulatory Commission	В	alance					E	Balance
Equity in pooled cash and investments \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 LIABILITIES Accounts payable \$ 98,034 \$ 323,069 \$ 416,172 \$ 4,931 Deposits 140,332 510,519 421,502 229,349 Total liabilities \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280	<u> </u>	Jul	y 1, 2018	A	dditions	De	eductions	Jun	e 30, 2019
Total assets \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 LIABILITIES \$ 98,034 \$ 323,069 \$ 416,172 \$ 4,931 Deposits 140,332 510,519 421,502 229,349 Total liabilities \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280	ASSETS		<u> </u>	-					
LIABILITIES Accounts payable Deposits \$ 98,034 \$ 323,069 \$ 416,172 \$ 4,931 \$ 140,332 \$ 510,519 \$ 421,502 \$ 229,349 \$ 170 tal liabilities \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280 \$ 170 tal liabilities	Equity in pooled cash and investments	\$	238,366	\$	833,588	\$	837,674	\$	234,280
Accounts payable \$ 98,034 \$ 323,069 \$ 416,172 \$ 4,931 Deposits 140,332 510,519 421,502 229,349 Total liabilities \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280	Total assets	\$	238,366	\$	833,588	\$	837,674	\$	234,280
Deposits 140,332 510,519 421,502 229,349 Total liabilities \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280	LIABILITIES								
Total liabilities \$ 238,366 \$ 833,588 \$ 837,674 \$ 234,280	Accounts payable	\$	98,034	\$	323,069	\$	416,172	\$	4,931
	Deposits		140,332		510,519		421,502		229,349
Totals - All Agencies Balance Balance	Total liabilities	\$	238,366	\$	833,588	\$	837,674	\$	234,280
	Totals - All Agencies	В	alance					E	Balance
July 1, 2018 Additions Deductions June 30, 2019	<u></u>	Jul	y 1, 2018	A	dditions	De	eductions	Jun	e 30, 2019
ASSETS	ASSETS								
Equity in pooled cash and investments \$ 637,631 \\$ 833,588 \\$ 1,236,939 \\$ 234,280	Equity in pooled cash and investments	\$	637,631	\$	833,588	\$	1,236,939	\$	234,280
Total assets \$ 637,631 \$ 833,588 \$ 1,236,939 \$ 234,280	Total assets	\$	637,631	\$	833,588	\$	1,236,939	\$	234,280
LIABILITIES	LIABILITIES								
Accounts payable \$ 98,034 \$ 323,069 \$ 416,172 \$ 4,931	Accounts payable	\$	98,034	\$	323,069	\$	416,172	\$	4,931
Deposits 539,597 510,519 820,767 229,349	_ ·		539,597		510,519		820,767		
Total liabilities \$ 637,631 \$ 833,588 \$ 1,236,939 \$ 234,280	Total liabilities	\$	637,631	\$	833,588	\$	1,236,939	\$	234,280

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

For the Year Ended June 30, 2019

Schedule 6

		Governmental Activities										
			Total	F	Prior Years	Cui	rent Year			Ur	nexpended	
	Description	Ap	propriation	Ex	penditures	Exp	enditures	Enc	cumbered	Ap	propriation	
4021	General Government											
8006	IT Sys Comp Replacement 03	\$	2,920,666	\$	1,880,122	\$	975	\$	30,439	\$	1,009,130	
8199	Government Complex	·	7,000,000		3,062,117	·	957,230	·	-	·	2,980,653	
8274	Records Management		461,800		397,850		-		_		63,950	
8361	Voting Machines - Optical Scan		449,458		328,626		116,988		-		3,844	
8412	County Phone System Replacement		1,200,000		1,193,663		6,150		-		187	
8451	Circuit Court - New Courtroom		2,820,000		2,787,223		2,475		-		30,302	
8485	Piney Run Dam Repairs		98,791		93,791		-		_		5,000	
8519	SIP-ADA Restroom Addition		81,388		75,487		_		_		5,901	
8589	Courthouse Annex Renov		152,400		-		_		_		152,400	
8590	Payroll/HR System Rplcmnt		1,000,000		657,129		72,268		168,688		101,915	
8702	Orphan's Court Renovations		90,000		87,826		-		-		2,174	
8727	Charles Carroll Gym/Comm		3,510,000		304,815		133,903		240,637		2,830,645	
8728	Cty Bldg Acces System		624,983		86,471		270,755		179,317		88,440	
8729	Courthouse MDEC Improv		370,000		79,654		17,791		-		272,555	
8733	Piney Run Dam Temp Remedtn		330,000						_		330,000	
8737	NCHS Renov-BOE		205,000		_		_		_		205,000	
8777	Countywide Trans Master Plan		13,000		_		_		_		13,000	
8778	Generator Replacements		120,000		_		89,226		_		30,774	
8779	State's Attourney Building		17,000,000		_		91		_		16,999,909	
9648	Computer System Improvements		12,335,082		9,876,897		1,513,645		71,986		872,554	
9921	Parking Lot Overlays (Fr 9658)		2,310,344		1,762,437		82,778		32,620		432,509	
9954	Cnty Bldg Systemic Renovations		8,199,101		6,408,839		111,241		214,081		1,464,940	
9957	General Government Unallocated		155,891		-		-				155,891	
,,,,,	Total		61,447,904		29,082,947		3,375,516		937,768		28,051,673	
	Total General Government		61,447,904		29,082,947		3,375,516		937,768		28,051,673	
4031	Public Safety											
8163	CC Public Safety Training Cntr		7,025,000		6,980,034		31,650		-		13,316	
8166	Public Safety TC-Renovations		4,300,000		2,425		325,595		295,405		3,676,575	
8264	Carroll County 800 MHz & 911		20,777,287		20,660,112		-		-		117,175	
8480	PS Emergency Crisis Mgmt		275,000		151,875		22,000		-		101,125	
8518	Humane Scty Parking Stormwater		300,000		825		-		-		299,175	
8730	Emergency Services Pagers		280,000		-		-		-		280,000	
8735	CAD RMS Improvements		910,991		896,828		9,459		_		4,704	
8783	COB Fiber BU ENSB		180,414		-		179,497		-		917	
8784	911 NW Phone Refesh ENSB		629,493		720		421,760		_		207,013	
9022	Regional Water Supply		1,174,800		810,734		239,000		_		125,066	
	Total		35,852,985		29,503,553		1,228,961		295,405		4,825,066	
	Total Public Safety		35,852,985		29,503,553		1,228,961		295,405		4,825,066	

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

For the Year Ended June 30, 2019

Schedule 6

					Gov	ernmental Activ	ities		
				Total	Prior Years	Current Year		Un	expended
		Description	App	ropriation	Expenditures	Expenditures	Encumbered	Ap	propriation
4041		Highways & Streets							
8308		Ridenour Way 08	\$	20,000	\$ -	\$ -	\$ -	\$	20,000
8318		Market Street Extended		1,991,005	1,208,005	-	-		783,000
8321		Ridge Road Improvements		160,600	133,963	1,599	-		25,038
8353		Londontown Blvd Improvements		3,525,000	80	-	-		3,524,920
8438		Windy Hills		81,000	2,100	-	-		78,900
8440		Pavement Management FY13		9,333,358	9,228,685		-		104,673
8476		Rohrbaugh Road		800,000	347,343	67,769	34,172		350,716
8494		Pooledale		10,500	-	-	-		10,500
8506		Gorsuch Rd Relocation		1,000,000	576,094	141,423			282,483
8511		Washington Rd-Sidewalk		143,000	39,500	4,700			97,820
8587		Safe Routes - Johnsville Rd		319,456	-	-	44,300		275,156
8609		Monroe Avenue		32,240	- 500.022	264.201	-		32,240
8624		Pavement Management Prog FY17		10,975,308	9,508,033	264,281			1,202,994
8625		Pavement Preservation FY17		1,080,000	918,937	161,063			-
8626		Ramp and Sidewal Upgrades		225,000	-	167,392	-		57,608
8629		Transportation/State Projects		634,990	2 402 540	7 224 147	-		634,990
8719		Pavement Mgmt Prog FY18		11,685,000	3,493,548	7,334,147	*		262,657
8720		Pavement Pres v FY18		1,050,000	762 642	1,050,000			7.025
8751		John Pickett Road LM/Sull/Lemm Rds Roundabout		1,164,236	763,642	360,541			7,835
8766 8767				150,000	-	13,275			136,725
8768		Pavement Mgmt Prog FY 19 Pavement Preservation FY 19		12,210,003 1,082,000	-	743,476 92,097			2,524,065 18,188
8804		MD32 Widening		136,250	-	136,250			10,100
9604		Ridge Road Relocation		50,000	3,102	130,230	_		46,898
9674		Highway Safety Improvements		1,265,585	1,005,717	43,728	12,190		203,950
9847		Small Drainage Structures		2,690,207	2,253,640	76,375			344,692
7017		Total		61,814,738	29,482,389	10,658,116			11,026,048
				, , , , , , , , ,	, , , , ,	-,,	-,,		,,
4042		Traffic Signals							
8740		Harris/Gillis Traffic Light		328,760		328,760	<u> </u>		-
		Total		328,760	-	328,760	-		-
10.12		D.1							
4043 8032		Bridges Silver Run Valley Rd-BigSilRun		162,260	36,249				126,011
8322		Babylon road over Silver Run		1,028,000	68,168	11,498	-		948,334
8323		McKinstry's Mill Rd/Sam's Creek		1,154,000	00,100	11,490	-		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	47,223	16,693	_		769,084
8384		Shepard Mill/Little Pipe Crk		3,990,400	40,825	3,352			3,946,223
8385	*	White Rock Rd/Piney Run		1,139,024	1,076,730	2,029			60,265
8512		Cape Horn Rd		879,600	135,711	602,896			29,260
8588		Stone Chap Rd/Little Pipe Crk		922,000	133,711	002,070	111,733		922,000
8628		Hollings worth Rd/Unname Tributa		1,065,000	88,106	27,308	24,141		925,445
8722		Gaither Rd/S Brnch Patapsc		275,000	-	27,500	24,141		275,000
8770		Bridge-Bear Run/Bear Branch		120,000	_	52,700	23,190		44,110
9684		Bridge Inspection & Inventory		524,605	417,999	8,620			97,986
9686		Clean & Paint Structural Steel		1,598,949	1,021,715		-		577,234
9882		Bridge Maint/Structural Repair		834,100	582,871	66,540	56,052		128,637
		Total		16,223,938	3,515,597	791,636	_		11,701,589

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

For the Year Ended June 30, 2019

Schedule 6

		Governmental Activities											
		Total	Prior Years	Current Year		Unexpended							
	Description	Appropriation	Expenditures	Expenditures	Encumbered	Appropriation							
4044	Starma Duain a												
4044	Storm Drains	Φ 2.045.420	¢ 204.075	¢.	¢	¢ 1.660.455							
8627	Strom Drain Rehabilitation	\$ 2,045,430	\$ 384,975	\$ -	\$ -	\$ 1,660,455							
8769	Strom Drain Video Inspect	439,300	204.075	104,695	18,679	315,926							
	Total	2,484,730	384,975	104,695	18,679	1,976,381							
4045	Buildings												
9956	Fleet-Lifts Replacements	667,915	644,989	-	-	22,926							
	Total	667,915	644,989			22,926							
4049	General Public Works												
8718	Design Manual Update	250,000	-	90,182	155,098	4,720							
9902	Public Works-Unallocated	414,860				414,860							
	Total	664,860	-	90,182	155,098	419,580							
	Total Public Works	82,184,941	34,027,950	11,973,389	11,037,078	25,146,524							
4061	Board of Education												
8292	Open Space Classroom Enclosure	8,000,000	7,908,274	33,520	-	58,206							
8348	Mt. Airy Middle School	19,498,660	19,378,462	-	-	120,198							
8581	S. Carroll HS-Roof Rplcmnt	1,466,504	1,421,031	-	-	45,473							
8583	Westminster HS-Roof Rplcmnt	1,405,000	1,241,851	2,599	-	160,550							
8619	Career & Technology Ctr Replac	10,571,195	54,183	291,984	-	10,225,028							
8620	FSK High Roof Replacement	1,097,000	706,547	150,561	-	239,892							
8621	Friendship Valley Elm Roof Rep	641,100	478,536	-	-	162,564							
8622	Piney Ridge Elem Roof Replacem	556,200	268,027	205	-	287,968							
8623	Westminster High ElecEqu Repl	980,000	28,439	647,736	-	303,825							
8710	HS Science Room Renov	1,341,000	104,318	1,001,968	-	234,714							
8711	Sandymount HVAC Replace	3,113,251	1,048,079	904,559	-	1,160,613							
8712	Carrolltwn Elem-Roof Rplc	1,394,000	32,778	518,471	-	842,751							
8713	Elmer Wolfe Elem-Roof Rplc	1,193,000	18,150	1,045,747	_	129,103							
8714	Robert Moton Elem-Roof Rplc	1,110,000	19,434	1,013,648	_	76,918							
8715	Runneymede Elem-Roof Rplc	737,000	18,370	665,606	_	53,024							
8721	Security Improvements BOE	1,000,000	7,073	773,736	_	219,191							
8761	Infrastructure Renew BOE FY19	2,564,338	, _	, -	_	2,564,338							
8762	Winfld Elem HVAC System Replc	515,000	_	323,153	_	191,847							
8763	Linton Springs Elem-Roof Replc	913,000	_	21,535	_	891,465							
8764	Sandymount Elem-Roof Replc	1,172,158	_	516,287	_	655,871							
9554	BOE-ADA Facility Improvements	1,504,684	1,396,444	7,307	_	100,933							
9745	Relocatables	5,947,376	5,698,884	76,607	_	171,885							
9746	BOE-General Roofing Repairs	2,022,936	1,322,086	17,500	_	683,350							
9748	BOE-Paving	6,842,241	5,437,119	219,272	_	1,185,850							
9792	BOE Technology Improvements	10,042,105	8,495,873	189,319	_	1,356,913							
9850	School Construction-General	-,,	532,356	(20,953)	_	(511,403)							
		169,187		(==,==0)									
9974	HVAC-Improvement & Replacement	109.107	169	-	-	169,018							

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

For the Year Ended June 30, 2019

Schedule 6

		Governmental Activities										
			Total	Pri	or Years	Cur	rent Year			Un	expended	
	Description	Apj	propriation	Exp	enditures	Exp	enditures	Encu	mbered	Ap	propriation	
4062	Community College	_										
8517	CCC-Systemic Renovations	\$	5,309,000	\$	11,923	\$	-	\$	-	\$	5,297,077	
9782	Comm Coll-Technology		7,550,600		7,200,600		350,000					
	Total		12,859,600		7,212,523		350,000		-		5,297,077	
	Total Education		98,656,535		52,829,006		8,750,367				27,077,162	
4071	Recreation & Parks	_										
8121	Leister Park		1,951,807		1,928,797		-		-		23,010	
8175	Westminster Veterans Mem Park		2,553,596		1,424,077		44,443		-		1,085,076	
8232	Park Restoration Fund		1,498,835		1,297,197		165,031		16,790		19,817	
8439	Winfield Property Project		280,849		242,519		30,142		-		8,188	
8477	Union Mills Restoration		248,900		109,476		981	1	112,000		26,443	
8513	Gov Brown Trail Phase I		85,411		-		-		-		85,411	
8631	Deer Park & Sandymount Ct Resu		184,196		179,874		-		-		4,322	
8632	Union Mills Main House Renovat		710,000		6,155		-	3	321,000		382,845	
8701	Deer Park Extension		1,704,000		257,571		59,070		-		1,387,359	
8724	Sport Complex Overlay		170,479		162,310		-		-		8,169	
8725	Trail Development		57,410		2,175		-		-		55,235	
8726	North Carroll HS Turf Field		1,000,000		29,525		-		-		970,475	
8771	Bennett Cerf Bridge Replc		205,000		-		184,162		-		20,838	
8772	Chrls Carr Ten/BB Court Replc		121,000		-		98,967		(4,790)		26,823	
8773	Double Pipe Creek Boat Ramp		32,000		-		11,104		-		20,896	
8774	Frdm Park Play Area Surfacing		82,230		-		82,230		-		-	
8775	Northwest Trail Acquisition		200,000		-		-		-		200,000	
8776	Union Mills Wheel/Shaft Replc		291,000		-		-		-		291,000	
9139	Recs & Parks/Local-Unallocated		78,562		-		-		-		78,562	
9736	Town Fund		369,986		324,786		1,535		-		43,665	
9925	Tot Lot Replacement		669,876		587,800		-		-		82,076	
9926	Krimgold Park		6,159,634		6,082,273		55,613		32,999		(11,251)	
	Total		18,654,771	1	2,634,535		733,278		177,999		4,808,959	
4072	Farm Museum	_										
8731	Farm Museum Bldg Renov		1,450,000		11,477		104,738		1,447		1,332,338	
	Total		1,450,000		11,477		104,738		1,447	_	1,332,338	

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Schedule of Appropriations, Expenditures and Encumbrances - Budgetary Basis (Non-GAAP) Capital Projects

For the Year Ended June 30, 2019

Schedule 6

						ernmen	tal Activit	ies			
			Total	Prio	r Years	Curre	ent Year			Une	xpended
	Description	App	ropriation	Expe	nditures	Expe	nditures	Encu	mbered	Appr	opriation
4076	Self-Help Projects										
8700	Chrls Carroll Scoreboard-SH	\$	(1,140)	\$	_	\$	_	\$	_	\$	(1,140)
8741	Roaring Run-Infield SH	Ψ	13,554	Ψ	7,045	Ψ	6,509	Ψ	_	Ψ	(1,110)
8747	Ttown Mem Prk-Dugouts SH		10,968		6,313		4,655		_		_
8788	Chrls Crl Infield Mix SH19		3,634		0,313		3,930		_		(296)
8789	Chrls Crl Pitchers Mound SH19		2,499				2,499				(2)0)
8790	Chrls Crl Batting Cage SH19		4,000		_		4,000		_		_
8791	NC Fld Hockey Goals SH19		2,725		_		2,725		_		
8792	Cape Horn Infield Mix SH19		4,243		_		4,243		_		_
8792 8793	Christmas Tree C&D Mix SH19		4,245		-		4,245		-		-
8793 8794	Christmas Tree A&B Mix SH19				-		3,184		-		-
8794 8795	Manchester Elem Infld Mix SH19		3,184 3,183		-		3,183		-		-
					-				-		-
8796	NCHS Infield Mix SH19		2,109		-		2,109		-		-
8797	Ballfield Mix-Westminster SH19		14,122		-		14,122		-		-
8798	Winfield Park Grading SH19		24,790		-		24,790		-		
8799	Mayeski Dugout SH19		5,580		-		-		-		5,580
8800	Saltbox Infield Mix SH19		2,944		-		2,944		-		-
8801	Deer Park Infield Mix SH19		1,636		-		1,636		-		-
8802	Roaring Run Infld Mix SH19		3,256		-		3,256		-		-
8803	Winters Mill Wrstlng Mat SH19		9,000		-		9,000		-		-
8805	NC Infield Mix SH19		6,752		-		3,223		3,183		346
8806	Taneytown HS Park Mix SH19		5,600		-		-		-		5,600
8807	Jaycees Parl Infld Mix SH19		6,000		-		-		-		6,000
8808	Warriors Wrestling Mats SH19		12,365		-		-		11,110		1,255
9735	Community Self Help		19,846								19,846
	Total		165,096		13,358		100,254		14,293		37,191
	Total Culture and Recreation		20,269,867	12	,659,370		938,270		193,739		6,178,488
4081	Library/Senior Centers										
8479	rane j to wir br charragarrank		548,276		548,276		-		-		-
8734	Westminster Library Bsmt		600,000		-		-		-		600,000
9822	Library-Technology Improvements		4,180,900		,109,357		379,777				691,766
	Total		5,329,176	3	,657,633		379,777		-		1,291,766
	Total Library/Senior Centers		5,329,176	3	,657,633		379,777		-		1,291,766
4091	Conservation & Open Space										
9002	Land Bank		22,089,803	16	,162,360		1,875		-		5,925,568
9007	Ag Land Preservation	1	64,960,963	153	,302,446	5	,727,586		-		5,930,931
9701	Infrastructure/Plan Studies		467,167		382,184		-		-		84,983
9702	Traffic Impact Studies/Develop		137,692		130,629		-		-		7,063
9851	Rural Legacy-Easement Purchase		25,982,606	22	,937,413	1	,027,182		-		2,018,011
	Total	2	13,638,231	192	,915,032	6	5,756,643		-	1	3,966,556
4092	Water Resources										
8294	Reservoir Development		20,936,401	8	,933,571		-	3	349,966	1	1,652,864
8328	Environmental Compliance		1,419,500		365,858		-		15,810		1,037,832
	Total		22,355,901	9	,299,429				365,776	_	2,690,696

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

For the Year Ended June 30, 2019

Schedule 6

		Governmental Activities Total Prior Years Current Year Unavanded											
		Total	Prior Years	Current Year		Unexpended							
	Description	Appropriation	Expenditures	Expenditures	Encumbered	Appropriation							
4002	Westernalis da Lorenza												
4093	Watershed Improvements Elderwood SWM/Oklahoma Ph4	¢ 2.170.255	¢ 1.42.212	¢ 1 226 500	¢ 1.047.115	¢ (52.520							
8523		\$ 3,179,355	\$ 143,212	\$ 1,336,508	\$ 1,047,115	\$ 652,520							
8524	Manchester Skate Park	67,097	80,654	(13,557)	-	-							
8526	Finksburg Industrial Park	2,477,956	2,477,956	-	-	20.026							
8528	Carroll Co Tree Planting #1	139,579	110,643	- 5 021	-	28,936							
8529	Carroll Co Tree Planting #2	255,161	206,940	5,921	-	42,300							
8530	Carroll Co Tree Planting #3	534,462	469,049	13,555	-	51,858							
8531	Sullivan Rd Comnty Pond Phs 1	2,674,495	2,530,650	1,500	21.012	142,345							
8536	7 Langdon Property	2,870,884	376,522	3,030	21,912	2,469,420							
8543	Willow Pond/Eden Farms	3,671,409	164,110	41,679	(3,234)	3,468,854							
8576	Farm Museum ESD	312,372	306,630	1,422	-	4,320							
8578	11 Blue Ridge Manor	545,458	490,043	55,161	-	254							
8593	5 Shannon Run/Hawks Ridge	2,255,813	713,055	671,586	385,027	486,145							
8594	Watershed Plan Review	31,000	25,818	-	-	5,182							
8595	Local Watershed Modeling	65,000	62,456	-	2,124	420							
8605	8 Small Crossings	431,081	431,081	-	-	-							
8606	6 Whispering Valley	812,958	55,045	26,600	-	731,313							
8607	13 Merridale Gardens	1,419,028	97,040	1,115,609	126,545	79,834							
8608	1 Roberts Mill Regional Pond	3,248,313	105,066	11,735	3,121,434	10,078							
8634	Stormwtr Renova FY 17	228,803	228,803	-	-	-							
8635	Central MD Wet Pond	655,000	328,432	299,033	-	27,535							
8690	Locust Street	234,313	18,334	32,358	-	183,621							
8691	Restoration Research Grant	200,730	123,107	32,289	27,795	17,539							
8692	Northern Landfill Fill Site	87,962	83,802	4,160	-	-							
8703	Eldersburg Business Cntr	341,238	24,638	316,600	_	-							
8717	Stormwater Facility Renov	335,000	160,722	81,812	_	92,466							
8736	Shiloh Middle School	199,855	48,138	67,226	_	84,491							
8739	Tree Planting Fall 2017	162,000	81,935	2,139	9,779	68,147							
8750	Feeser Property	40,000	-	37,466	-	2,534							
8752	Mayberry Gun Club	170,000	_	50,306	119,694	-							
8753	13 Prospect Road E/W Pond	40,000	32,591	6,061	_	1,348							
8754	Dulaney Fill Site	555,000	16,572	202,343	_	336,085							
8755	Elmer Wolfe Retrofit	30,000	15,558	11,051	_	3,391							
8760	Hampstead Regional	13,000	6,555	3,533	_	2,912							
8765	Stormwater Fac Reno FY19	370,000	-	81,460	_	288,540							
8780	Central MD Facility 2	50,000	7,310	41,980	_	710							
8781	Natural Filters Fund	200,000	7,510	47,267	13,976	138,757							
8782	Greens of Westminster Sec6#2	55,000	_	40,892	13,770	14,108							
8785	Woodsyde Estates	205,000	_	58,964	_	146,036							
8786	1 Trevanion Terrace	60,000		40,608		19,392							
8787	Cascade Lake	115,000	_	110,404	_	4,596							
8822	Pooledale Forest Bank	25,000	-	6,400	-	18,600							
		,	-		-								
8823	IDA Mt Airy Stormwater	6,000 450,000	-	66,120	-	(60,120)							
8826	Piney Run Dam Spillway	450,000	-	-	-	450,000							
9920	Watershed Assessment & Improve	4,844,695	10,022,467	4.011.001	4 972 177	4,844,695							
	Total	34,665,017	10,022,467	4,911,221	4,872,167	14,859,162							
	Total Conservation of Natural Resources	270,659,149	212,236,928	11,667,864	5,237,943	41,516,414							
	Total Governmental Activities	\$ 574,400,557	\$ 383,997,387	\$ 38,314,144	\$18,001,933	\$ 134,087,093							

^{*} Completed CIP projects put into service during FY19

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

For the Year Ended June 30, 2019

Schedule 6

		Business-type Activities										
		Total	Prior Years	Current Year		Unexpended						
	Description	Appropriation	Expenditures	Expenditures	Encumbered	Appropriation						
	Durany of Hilitias											
6311	Bureau of Utilities Water & Sewer Meters	\$ 5,090,129	\$ 4,479,629	\$ 404,840	\$ 7,970	\$ 197,690						
6332	Tank Painting	2,293,032	550,285	560,435	24,057	1,158,255						
6344	HWWTP-Effluent Chillers	2,436,967	621,844	300,433	24,037	1,815,123						
6358		634,221	021,044	-	-	634,221						
6359	8-12-16 Mains/Hydraulic Loop Hydrant Replacement		1,633,281	2.750	-							
	• •	1,853,350		2,750	-	217,319						
6378	Relief Sewer No. 6	3,100,556	324,815	1 226 221	957.463	2,775,741						
6382	Relief Sewer No. 10	2,985,800	189,268	1,226,231	857,462	712,839						
6385	Sewer Study Update	1,292,500	724,582	146,664	243,966	177,288						
6390	Sykesville Eleva W/Tank #6 04	62,000	1 410 002	24 220	-	62,000						
6403	Sanitary Sewer Manhole Rehab	2,154,200	1,410,823	24,329	-	719,048						
6409	FD Looping Monroe (Okla-Benn)	74,800	-	-	105.500	74,800						
6418	North Pump Station Wet Well	2,160,000	354,718	43,408	105,592	1,656,282						
6419	Freedom Waste Water TP-ENR	10,570,000	10,166,315	388,094	-	15,591						
6421	Sanitary Sewer Main Lining	2,148,898	2,053,735	-	-	95,163						
6422	Gravity Sewer Main	2,230,400	1,696,630	6,730	-	527,040						
6423	N Carroll Farms Pump Stat Rehb	266,000	248,743	-	-	17,257						
6425	Water Main Loops FY12	897,872	-	-	-	897,872						
6428	Water Main Blow-Off Replemts	1,325,700	797,610	362,091	46,152	119,847						
6429	Water Service Line Replacement	1,485,700	1,101,142	176,880	-	207,678						
6430	Hampstead ENR Upgrade	22,180,110	1,672,459	3,504,756	15,682,720	1,320,175						
6431	Sykes ville Sewer Upgrade	1,250,000	-	-	-	1,250,000						
6432	Asset Management System	200,000	157,280	14,136	19,064	9,520						
6433	Bark Hill WTP-Improvements	194,000	93,566	-	-	100,434						
6434	Freedom WTP-Membrance Fltr	1,113,250	706,289	-	-	406,961						
6435	Freedom WTP-Sludge Press	285,000	-	-	-	285,000						
6436	Piney Run Pump Station Imprv	365,000	45,881	264,855	6,021	48,243						
6437	Stone Manor Pump Station Rehab	302,500	9,100	157,867	6,360	129,173						
6441	Waters Edge Pump Station Rehab	260,000	-	109	-	259,891						
6442	Roberts Fld Pump Station Rehab	198,000	120,893	1,801	-	75,306						
6443	Standby Generator Replacement	256,550	144,718	31,850	57,352	22,630						
6444	Freedom Sewer Rehab	572,885	64,536	242,064	34,873	231,412						
6445	Freedom Wells/Connections	982,000	-	6,800	-	975,200						
6446	Hampstead Sewer Rehab	572,885	18,473	195,722	-	358,690						
6447	Hampstead WWTP Effluent Ln	1,968,000	138,561	147,671	111,638	1,570,130						
6448	Sewer Pipe Repair/Replac	572,885	82,367	-	-	490,518						
6449	Specifications & Design Update	82,500	4,093	17,996	20,491	39,920						
6452	Raincliff WTP Rehab	231,000	, <u>-</u>	, -	, _	231,000						
6453	Sewer Grinder Install/Rehab	60,500	_	-	-	60,500						
6454	Stream Bank Stabilization	99,000	_	-	-	99,000						
6455	Warfield Cmplx W/S Rehab	335,500	_	71,245	16,582	247,673						
	Total	75,143,690	29,611,636	7,999,324	17,240,300	20,292,430						
	101111	73,113,070	27,011,030	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	17,210,500	20,272,130						

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

For the Year Ended June 30, 2019

Schedule 6

		Business-type Activities											
			Total	Pr	ior Years	Curre	ent Year			Unexpended			
	Description	Ap	propriation	Exp	enditures	Expe	nditures	Encumb	ered	App	propriation		
	Solid Waste	_											
6520	Hoods Mill Remediation	\$	1,173,035	\$	944,429	\$	-	\$	-	\$	228,606		
6521	Northern Landfill Remediation		1,014,000		916,449		-		-		97,551		
6528	John Owings LF Remediation		800,000		617,675		-		-		182,325		
6534	Nrthn Landfill-Cap Cells 1&2		3,948,000		3,849,248		3,400		-		95,352		
6536	Northern LF-Leachate Ponds		460,000		336,947		-		-		123,053		
6537	Bark Hill Remediation/Maint		13,506		-		-		-		13,506		
	Total		7,408,541		6,664,748		3,400		-		740,393		
	Fiber Network												
6602	Fiber Equipment Replacement	_	525,000		27,670		111,240		_		386,090		
6603	CCFN Expansion		400,000		_		_		_		400,000		
6604	CC Broadband Grant Program		30,000		_		_		_		30,000		
	Total		955,000		27,670		111,240		-		816,090		
	Septage												
6704	Westminster Sept Screen/Grit	_	5,500,000		426,081		67,693		_		5,006,226		
	Total		5,500,000		426,081		67,693		-		5,006,226		
	Airport												
6818	Grounds & Facility Impr (9541)	_	405,180		362,034		19,028		-		24,118		
6821	Airport Runway Extension		82,599,979		_		_		_		82,599,979		
6822	AP Master Plan Study Phase 1		333,332		302,400		-		-		30,932		
6823	Environmental Assess Re-eval		228,785		169,067		59,718		-		-		
6824	Master Plan Updated AIP30		-		49,853		(49,853)		-		-		
6825	Land Services AIP31		-		346,273		200,500		-		(546,773)		
6826	Meadow Branch Rd Relocation		-		-		2,600		-		(2,600)		
6827	Land Acquisition-Miller		5,055,248		-	5.	,063,583		-		(8,335)		
	Total		88,622,524		1,229,627		,295,576		-		82,097,321		
	Total Business-type Activities	\$	177,629,755	\$ 3	37,959,762	\$ 13.	,477,233	\$ 17,24	0,300	\$ 1	108,952,460		

^{*} Completed CIP projects put into service during FY19

Schedule of Long-Term Indebtedness Schedule by Source June 30, 2019

Schedule 7

	Amount Outstanding	New Debt	Principal Payments	Amount Outstanding	Interest Payments
Governmental Activities	July 1, 2018	Activity	For Year 2019	June 30, 2019	For Year 2019
General Obligation Bonds					
Volunteer Fire Dept. Project-2003	\$ 175,000	\$ -	\$ 175,000	\$ -	\$ 3,369
Volunteer Fire Dept. Project-2004	352,015	-	172,449	179,566	10,977
Volunteer Fire Dept. Project-2005	570,000	-	190,000	380,000	19,475
General Obligation Refunding Bonds-Nov 2007	2,020,000	-	645,000	1,375,000	67,900
General Obligation Bonds-Nov 2008	4,172,328	-	4,172,328	-	104,308
General Obligation Bonds-Nov 2009 Series A	5,443,879	-	2,668,663	2,775,216	164,382
General Obligation Bonds-Nov 2009 Series B	33,577,761	-	-	33,577,761	1,734,776
General Obligation Bonds-Oct 2010 Series D	14,809,196	-	1,022,872	13,786,324	593,133
General Obligation Refunding Bonds-Nov 2011	3,457,564	-	2,036,563	1,421,001	97,571
General Obligation Bonds-2011	14,340,000	-	795,000	13,545,000	508,750
General Obligation Refunding Bonds-2012	11,401,059	-	3,356,900	8,044,159	435,872
General Obligation Bonds-2012	16,085,000	-	1,075,000	15,010,000	516,238
General Obligation Bonds-2013	20,645,000	-	1,340,000	19,305,000	808,699
General Obligation Refunding Bonds-	1 752 000		900,000	9/2 000	07.075
Taxable Pension 2013	1,753,000	-	890,000	863,000	97,875
General Obligation Refunding Bonds-2014 General Obligation Bonds - 2014	44,870,121	-	1,060,950	43,809,171	1,919,707
General Obligation Refunding Bonds-2015	12,750,000 6,015,081	-	750,000 956,126	12,000,000 5,058,955	468,750
General Obligation Bonds - 2015	25,110,000	-	1,445,000	23,665,000	221,481 913,381
General Obligation Refunding Bonds-2016	3,997,135	-	2,141,150	1,855,985	146,328
General Obligation Bonds - 2016	13,300,000	-	700,000	12,600,000	479,500
General Obligation Bonds- 2018	13,300,000	25,000,000	700,000	25,000,000	553,125
Total General Obligation Bonds	234,844,139	25,000,000	25,593,001	234,251,138	9,865,597
Total Concial Congation Bonds	254,044,157	23,000,000	23,373,001	254,251,130	7,003,371
Farmers Home Administration					
Federal Loan - 1972	131,583	-	28,220	103,363	4,608
Federal Loan - 1974	70,446	-	9,554	60,892	2,571
Federal Loan - 1979	303,126	-	18,664	284,462	11,061
Total Farmers Home Administration	505,155		56,438	448,717	18,240
General Obligation Debt	20,5,000			206,000	
Installment Purchase Agreements FY 2002	396,000	-	-	396,000	21,937
Installment Purchase Agreements FY 2003	530,930	-	-	530,930	27,354
Installment Purchase Agreements FY 2004	100,000	-	-	100,000	4,937
Installment Purchase Agreements FY 2005	2,179,934	-	-	2,179,934	106,200
Installment Purchase Agreements FY 2006	1,346,000 2,584,000	-	-	1,346,000	62,012
Installment Purchase Agreements FY 2007 Installment Purchase Agreements FY 2009	2,384,000	-	1,201,212	2,584,000 1,013,914	136,980
Installment Purchase Agreements FY 2009 Installment Purchase Agreements FY 2010	4,662,430	-	1,201,212	4,662,430	132,908 243,702
Installment Purchase Agreements FY 2011	13,115,500	-	_	13,115,500	786,930
Installment Purchase Agreements FY 2013	445,320	<u>-</u>	_	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	22,175
Total General Obligation Debt	32,827,508	887,000	1,201,212	32,513,296	1,841,001
Purchase Agreements					
Johnson Controls/SunTrust	680,484	-	238,457	442,027	24,844
Johnson Controls/AAIG	4,357,689		77,560	4,280,129	101,750
Total Purchase Agreements	5,038,173		316,017	4,722,156	126,594
Total Governmental Activities	\$ 273,214,975	\$25,887,000	\$ 27,166,668	\$ 271,935,307	\$ 11,851,432

Schedule of Long-Term Indebtedness Schedule by Source June 30, 2019

Schedule 7

Business-type Activities	Amount New Outstanding Debt July 1, 2018 Activity		Principal Payments For Year 2019	Amount Outstanding June 30, 2019	Interest Payments For Year 2019
General Obligation Bonds					
Bureau of Utilities					
General Obligation Bonds - 2008	\$ 419,423	\$ -	\$ 419,423	\$ -	\$ 10,486
General Obligation Bonds - 2009 Series A	173,911	-	85,253	88,658	5,251
General Obligation Bonds - 2009 Series B	1,072,240	-	-	1,072,240	55,397
General Obligation Bonds - 2010 Series D	10,357	-	715	9,642	415
General Obligation Refunding Bonds-Nov 2011	128,596	-	104,145	24,451	3,061
General Obligation Refunding Bonds-Nov 2012	144,990	-	41,187	103,803	5,607
General Obligation Refunding Bonds-Nov 2014	4,925,790	-	71,624	4,854,166	199,788
General Obligation Refunding Bonds-Nov 2015	2,978,548	-	473,454	2,505,094	109,673
General Obligation Refunding Bonds-Nov 2016	36,666	-	19,642	17,024	1,342
Solid Waste Fund					
General Obligation Bonds - 2008	23,248	-	23,248	-	580
General Obligation Bonds - 2009 Series A	2,211	-	1,086	1,125	67
General Obligation Refunding Bonds-Nov 2011	316,927	-	158,706	158,221	9,503
General Obligation Refunding Bonds-Nov 2014	165,682	-	33,202	132,480	10,040
General Obligation Refunding Bonds-Nov 2015	191,370	-	30,418	160,952	7,046
General Obligation Refunding Bonds-Nov 2016	59,641	-	31,948	27,693	2,183
Airport Fund					
General Obligation Bonds - 2001	440,000	-	110,000	330,000	18,013
General Obligation Refunding Bonds-					
2010 Series D	20,447	-	1,412	19,035	819
General Obligation Refunding Bonds-Nov 2011	86,914	-	60,587	26,327	2,265
General Obligation Refunding Bonds-Nov 2012	11,531	-	3,844	7,687	423
General Obligation Refunding Bonds-Nov 2014	18,406	-	9,223	9,183	690
General Obligation Refunding Bonds-Nov 2016	41,558	-	22,261	19,297	1,520
Draw Down Bond - May 2019	-	4,802,001	-	4,802,001	-
Septage Fund					
General Obligation Refunding Bonds - Nov 2012	52,420		13,069	39,351	2,099
Total General Obligation Bonds	11,320,876	4,802,001	1,714,447	14,408,430	446,268
Notes Payable- Bureau of Utilities					
Water Quality Loan - Maryland Department					
of the Environment - 2000	97,682		31,728	65,954	4,255
Total Notes Payable	97,682		31,728	65,954	4,255
Total Business-type Activities	\$ 11,418,558	\$ 4,802,001	\$ 1,746,175	\$ 14,474,384	\$ 450,523

Schedule of Investments for

Governmental Activities, Business Type Activities, and Trust Funds June 30, 2019

Schedule 8

	Length	Maturity	D-4- (0/)	Market	T-4-1-
GOVERNMENTAL ACTIVITIES and BUSINESS T	(in Days)	Date	Rate (%)	Value	Totals
Federal Agricultural Mortgage Corporation	360	30-Oct-19	2.72	\$25,052,250	
Federal Farm Credit Bank	720	12-Feb-20	2.72	5,000,050	
Federal Home Loan Bank	720	30-Mar-20	2.38	5,000,030	
	720	23-Apr-20	2.50		
Federal Home Loan Mortgage Corporation	630	-	2.30	5,021,900	
Federal Home Loan Mortgage Corporation		24-Mar-21 15-Nov-21	2.20 5.66	9,999,300	
Treasury Bonds	20 yrs		5.69	194,392	
Treasury Bonds	20 yrs	15-Aug-22 15-Nov-22	5.05	330,114 237,230	
Treasury Bonds	20 yrs		5.05		
Treasury Bonds	20 yrs	15-Aug-23		93,078	
Treasury Bonds	20 yrs	15-Nov-24	4.86	1,827,305	
Treasury Bonds	20 yrs	15-Aug-25	4.75	1,163,760	
Treasury Bonds	20 yrs	15-Nov-26	4.93	1,700,194	
Treasury Bonds	20 yrs	15-Feb-27	4.72	1,066,904	
Treasury Bonds	20 yrs	15-Aug-29	4.36	2,318,262	
Treasury Strips	20 yrs	15-Nov-21	5.83	72,854	
Treasury Strips	20 yrs	15-Aug-22	5.92	33,121	
Treasury Strips	20 yrs	15-Aug-22	5.78	59,687	
Treasury Strips	20 yrs	15-Nov-22	5.39	95,173	
Treasury Strips	20 yrs	15-Aug-23	5.42	19,509	
Treasury Strips	20 yrs	15-Nov-24	4.99	691,672	
Treasury Strips	20 yrs	15-Nov-25	4.76	393,015	
Treasury Strips	20 yrs	15-Nov-26	4.95	254,107	
Treasury Strips	20 yrs	15-Feb-27	4.73	171,808	
Treasury Strips	8 yrs	15-May-24	4.39	783,146	
Treasury Strips	20 yrs	15-May-29	4.42	87,804	
Treasury Strips	20 yrs	15-Feb-30	4.76	938,696	
Treasury Strips	20 yrs	15-Feb-30	4.61	312,899	
Treasury Strips	20 yrs	15-Aug-29	4.55	617,745	
Treasury Strips	20 yrs	15-Nov-29	4.76	513,813	
Treasury Strips	20 yrs	15-May-30	4.11	1,507,404	
Treasury Strips	20 yrs	15-Aug-30	3.90	1,731,587	
Treasury Strips	20 yrs	15-Nov-30	4.44	2,103,260	
Treasury Strips	20 yrs	15-May-31	4.46	2,140,389	
Treasury Strips	20 yrs	15-May-31	4.33	2,724,131	
Treasury Strips	20 yrs	15-Nov-32	2.91	328,619	
Treasury Strips	20 yrs	15-Nov-33	3.88	2,225,211	
Treasury Strips	20 yrs	15-Feb-34	3.69	266,340	
Treasury Strips	20 yrs	15-Nov-35	2.90	319,890	
Treasury Strips	20 yrs	15-Aug-36	2.44	863,016	
Treasury Strips	20 yrs	15-Aug-38	3.23	554,437	
State and Local Government Series	15 yrs	15-May-24		51,000	
Maryland Local Government Investment Pool			2.36	60,000,000	
Branch Banking & Trust-Money Rate Savings			0.50	10,004,024	\$ 148,883,596
TRUST FUNDS					
Pension - Wilmington Trust Employee Pension	Account			97,026,303	
Other postemployment benefits (OPEB)					
Maryland Local Government Investment Pool	I-OPEB			5,785,075	
Wilmington Trust Master OPEB Investment				102,946,091	
LOSAP - Wilmington Trust LOSAP account				9,693,738	
Law Officer's Pension - Wilmington Trust Law Officer's Pension - Wilmington - Wilmi	Officer's Pens	ion Account		16,805,156	232,256,363
TOTAL INVESTMENTS					\$ 381,139,959



Statistical Section





THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Statistical Section June 30, 2019

STATISTICAL SECTION INDEX

This part of Carroll County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the County's overall financial health.

<u>Contents</u>
Financial Trends These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. 182 - 190
Revenue Capacity These tables contain information to help the reader assess the County's most significant local revenue sources and property tax
Debt Capacity These tables contain information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. 195 - 198
Economic and Demographic Information These tables offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place
Operating Information These tables contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. 201 - 209

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)

Table 1

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities										
Net Investment in										
Capital Assets	\$ 222,253,555	\$ 233,149,740	\$ 219,328,550	\$ 204,983,963	\$ 218,185,521	\$ 204,437,083	\$ 211,465,620	\$ 215,928,941	\$ 224,468,499	\$ 249,331,687
Restricted	1,371,176	1,656,014	7,570,022	8,145,020	1,765,563	7,792,322	8,354,576	6,438,836	6,438,332	7,402,357
Unrestricted	(87,552,776)	(121,872,358)	(37,546,612)	(36,637,182)	(54,174,614)	(44,518,647)	(50,148,292)	(45,963,471)	(51,077,932)	(45,926,141)
Total Governmental										
Activities Net Position	136,071,955	112,933,396	189,351,960	176,491,801	165,776,470	167,710,758	169,671,904	176,404,306	179,828,899	210,807,903
Tietty kies Tyet Toskion	130,071,933	112,755,576	105,551,500	170,171,001	165,776,176	107,710,730	105,071,501	170,101,500	177,020,077	210,007,503
Business-Type Activities										
Net Investment in										
Capital Assets	124,684,920	121,243,644	120,456,503	116,560,509	111,957,714	102,696,222	103,109,748	102,205,828	104,568,783	93,558,513
Restricted	16,919,975	18,003,426	22,964,201	20,607,431	25,663,794	22,938,152	17,019,197	12,503,774	370,116	1,308,820
Unrestricted	(8,918,256)	(10,052,181)	(16,635,238)	(11,089,051)	(12,222,927)	1,599,083	(4,118,863)	(3,535,427)	5,063,524	4,257,842
Total Business-Type										
Activities Net Position	132,686,639	129,194,889	126,785,466	126,078,889	125,398,581	127,233,457	116,010,082	111,174,175	110,002,423	99,125,175
5.										
Primary government										
Net Investment in	246 029 475	254 202 294	220 795 052	221 544 472	220 142 225	207 122 205	214 575 269	219 124 760	220 027 292	242 900 200
Capital Assets	346,938,475	354,393,384	339,785,053	321,544,472	330,143,235	307,133,305	314,575,368	318,134,769	329,037,282	342,890,200
Restricted	18,291,151	19,659,440	30,534,223	28,752,451	27,429,357	30,730,474	25,373,773	18,942,610	6,808,448	8,711,177
Unrestricted	(96,471,032)	(131,924,539)	(54,181,850)	(47,726,233)	(66,397,541)	(42,919,564)	(54,267,155)	(49,498,898)	(46,014,408)	(41,668,299)
Total Primary Government										
Net Position	\$ 268,758,594	\$ 242,128,285	\$ 316,137,426	\$ 302,570,690	\$ 291,175,051	\$ 294,944,215	\$ 285,681,986	\$ 287,578,481	\$ 289,831,322	\$ 309,933,078
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Fiscal year 2012 was restated to reflect unearned revenue.

Fiscal year 2014 was restated to reflect a correction to net Investment in Capital Assets.

Fiscal year 2014 and prior have not been restated for GASB 68 and 71.

Fiscal year 2015 was restated to reflect a correction to unrestricted net position.

Fiscal year 2017 and prior have not been restated for GASB 75

Fiscal year 2018 reflects GASB 75

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Changes in Net Position

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

Table 2

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental Activities:										
General government	\$ 44,014,893	\$ 49,091,984	\$ 42,244,881	\$ 41,378,683	\$ 49,409,874	\$ 57,641,753	\$ 74,177,030	\$ 75,568,819	\$ 89,394,541	\$ 79,073,880
Public safety	57,309,536	53,943,920	51,691,641	45,677,379	43,979,786	42,220,945	36,029,829	37,356,463	37,244,642	37,798,060
Public works	34,537,476	37,119,065	33,927,901	31,583,099	38,511,223	35,383,930	29,857,345	28,764,355	29,582,890	33,974,607
Health	4,939,055	4,777,495	4,654,075	4,400,381	4,280,644	4,504,233	4,546,895	4,666,495	4,939,762	4,963,980
Human services	16,159,258	15,042,717	14,679,925	14,032,995	6,875,694	1,234,170	1,208,120	1,204,489	1,249,949	1,418,139
Education	218,771,767	209,899,157	201,927,058	196,452,853	191,534,142	192,529,402	192,972,220	186,244,744	185,038,583	209,838,466
Culture and recreation	6,293,510	5,861,997	6,298,819	4,992,787	4,637,178	2,617,282	3,208,030	3,418,694	3,257,483	4,143,870
Library	15,151,289	14,351,288	14,808,509	14,452,299	14,145,909	13,909,531	13,150,071	11,540,245	11,277,792	9,971,261
Conservation of natural resources	13,334,949	9,048,557	10,167,939	12,140,369	8,936,174	11,395,342	5,116,229	4,701,163	20,163,969	14,288,096
Economic development	4,949,297	4,674,029	3,851,580	4,234,039	4,822,656	6,723,025	4,572,817	2,239,352	5,370,598	6,018,687
Judicial	8,851,355	8,570,786	8,455,090	8,670,838	7,283,903	6,222,691	-	-	-	-
Interest on long-term debt	9,937,714	10,578,974	10,996,087	12,894,133	11,851,872	12,506,841	12,347,384	13,401,465	12,522,525	12,553,680
Total Governmental Activities Expenses	434,250,099	422,959,969	403,703,505	390,909,855	386,269,055	386,889,145	377,185,970	369,106,284	400,042,734	414,042,726
Business-Type Activities:										
Bureau of Utilities	13,277,968	11,076,640	11,588,148	11,600,209	11,046,657	11,328,410	10,801,048	11,090,468	11,890,461	10,489,645
Solid Waste	7,719,428	10,461,256	8,784,687	9,996,571	9,550,820	6,319,530	12,108,283	8,727,891	8,830,209	8,961,015
Airport	1,036,829	778,732	861,147	823,047	733,816	800,811	689,380	1,769,112	618,045	829,611
Septage	692,424	669,343	594,277	629,136	604,130	536,068	489,064	532,369	475,718	474,195
Firearms	152,490	118,906	128,986	113,399	106,373	100,324	97,706	92,935	79,627	76,281
Fiber Network	1,281,917	1,274,314	1,321,618	1,116,618	1,230,506	673,718	733,785	540,436	215,017	
Total Business-Type Activities Expenses	24,161,056	24,379,191	23,278,863	24,278,980	23,272,302	19,758,861	24,919,266	22,753,211	22,109,077	20,830,747
Total Primary Government Expenses	\$ 458,411,155	\$ 447,339,160	\$ 426,982,368	\$ 415,188,835	\$ 409,541,357	\$ 406,648,006	\$ 402,105,236	\$ 391,859,495	\$ 422,151,811	\$ 434,873,473

(Continued)

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Changes in Net Position

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

Table 2

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Program Revenues										
Governmental Activities:										
Charges for Services:										
General government	12,223,474	11,619,455	11,742,589	11,743,274	17,670,046	14,450,607	14,820,757	7,466,568	8,361,578	7,579,919
Public safety	2,216,229	2,046,103	1,918,271	2,665,141	1,950,898	1,836,510	1,891,508	2,048,892	2,305,294	2,544,149
Public works	1,376,526	2,046,814	1,306,602	3,491,642	216,246	1,781,862	1,559,051	1,588,668	1,560,090	1,530,974
Health	5,288	7,037	3,284	5,391	6,684	55,405	58,946	124,065	44,320	12,190
Human Services	102,552	95,469	84,722	79,675	86,275	6,600	6,600	6,600	6,600	284,014
Education	300,000	-	_	-	-	257,816	480,685	487,464	457,698	393,951
Culture and recreation	1,494,523	2,024,348	2,072,530	1,867,103	1,621,589	832,906	928,603	1,008,187	875,200	860,865
Conservation of natural resources	315,297	167,989	128,111	86,209	41,587	-	-	-	-	-
Economic development	-	-	-	_	-	525,158	-	-	-	-
Judicial	30,218	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	16,963,132	15,996,293	21,016,535	14,740,101	16,502,681	16,136,623	16,116,178	16,372,579	17,944,093	16,201,809
Capital Grants and Contributions	8,248,296	6,362,421	6,005,593	5,339,545	7,396,017	8,372,841	3,282,495	6,177,426	10,461,443	17,297,018
Total Governmental Activities										
Program Revenues	43,275,535	40,365,929	44,278,237	40,018,081	45,492,023	44,256,328	39,144,823	35,280,449	42,016,316	46,704,889
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Bureau of Utilities	\$ 10,597,228	\$ 10,797,227	\$ 10,578,433	\$ 10,359,334	\$ 10,233,000	\$ 8,906,129	\$ 8,490,173	\$ 8,630,730	\$ 7,843,041	\$ 7,519,559
Solid Waste	7,267,063	7,017,892	7,056,454	6,327,333	6,637,638	6,801,739	7,243,944	7,307,108	5,907,344	6,534,243
Airport	868,336	825,813	792,059	763,759	727,987	649,572	650,660	675,683	518,581	671,258
Septage	1,207,602	1,176,001	913,330	1,134,701	946,123	710,536	682,663	608,688	603,550	449,263
Firearms	140,821	141,344	157,720	150,087	153,687	148,106	145,699	126,696	111,984	104,713
Fiber Network	246,225	233,054	212,142	116,613	37,558	7,619,387	-	-	-	-
Capital Grants and Contributions	4,289,501	2,707,232	1,972,009	2,581,093	1,970,091	2,933,307	2,012,594	2,073,793	1,908,142	1,963,862
Total Business-Type Activities										
Program Revenues	24,616,776	22,898,563	21,682,147	21,432,920	20,706,084	27,768,776	19,225,733	19,422,698	16,892,642	17,242,898
Total Primary Government										
Program Revenues	67,892,311	63,264,492	65,960,384	61,451,001	66,198,107	72,025,104	58,370,556	54,703,147	58,908,958	63,947,787
Net (Expense)/Revenue										
Governmental Activities	(390,974,564)	(382,594,040)	(359,425,268)	(350,891,774)	(340,777,032)	(342,632,817)	(338,041,147)	(333,825,835)	(358,026,418)	(367,337,837)
Business-Type Activities	455,720	(1,480,628)	(1,596,716)	(2,846,060)	(2,566,218)	8,009,915	(5,693,533)	(3,330,513)	(5,216,435)	(3,587,849)
Total Primary Government Net Expense	(390,518,844)	(384,074,668)	(361,021,984)	(353,737,834)	(343,343,250)	(334,622,902)	(343,734,680)	(337,156,348)	(363,242,853)	(370,925,686)

(Continued)

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

Table 2

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Revenues and Other Changes in I	Net Assets									
Governmental Activities:										
Taxes:										
Property taxes	\$ 213,573,818	\$ 207,878,588	\$ 201,438,220	\$ 199,281,166	\$ 195,465,262	\$ 197,220,873	\$ 203,601,066	\$ 208,296,512	\$ 201,573,213	\$ 189,079,529
Income tax	176,127,555	164,543,703	149,896,467	146,049,675	144,994,220	131,714,052	118,168,038	121,921,970	95,516,527	99,973,903
Recordation	13,703,195	13,923,538	14,241,331	14,093,918	11,888,637	10,576,850	8,520,674	7,612,907	9,154,578	9,220,249
Admission and amusement tax	356,490	355,088	351,742	387,725	353,937	262,098	296,890	379,990	246,184	335,125
Agricultural transfer tax	296,242	221,063	179,416	143,429	59,558	365,510	159,227	24,977	24,199	181,458
Hotel tax	366,550	332,518	324,144	315,319	284,101	309,992	298,498	284,602	287,850	287,495
State shared, unrestricted	-	-	-	-	-	948,717	620,224	724,807	1,172,339	10,300,922
Gain (loss) on sale of capital asset	(34,064)	2,507,859	-	-	-	-	-	-	-	-
Investment earnings and	-	-								
miscellaneous, unrestricted	5,080,311	720,169	(968,894)	4,171,190	2,068,767	1,721,180	3,048,631	782,346	2,107,298	4,563,217
Transfer of asset from component unit	-	-	9,442,491	-	-	-	-	-	-	-
Transfers	(2,784,820)	(3,627,110)	(2,619,490)	(2,835,317)	(325,053)	(2,447,601)	(4,312,006)	(12,980,697)	(2,761,088)	(2,791,980)
Total Governmental Activities	406,685,277	386,855,416	372,285,427	361,607,105	354,789,429	340,671,671	330,401,242	327,047,414	307,321,100	311,149,918
Business-Type Activities:										
Investment earnings and										
miscellaneous, unrestricted	196,000	(8,787)	(363,434)	672,988	404,594	756,859	383,547	582,930	422,785	751,926
Gain on sale of capital asset	55,210	271,728	47,237	18,063	1,695	9,000	3,677	362,930	35,395	731,920
Transfers	2,784,820	3,627,110	2,619,490	2,835,317	325,053	2,447,601	4,312,006	12,980,697	2,761,088	2,791,980
Total Business-Type Activities	3,036,030	3,890,051	2,303,293	3,526,368	731,342	3,213,460	4,699,230	13,563,627	3,219,268	3,543,906
Total Primary Government	409,721,307	390,745,467	374,588,720	365,133,473	355,520,771	343,885,131	335,100,472	340,611,041	310,540,368	314,693,824
Governmental Activities	15,710,713	4,261,376	12,860,159	10,715,331	14,012,397	(1,961,146)	(7,639,905)	(6,778,421)	(50,705,318)	(56,187,919)
Business-Type Activities	3,491,750	2,409,423	706,577	680,308	(1,834,876)	11,223,375	(994,303)	10,233,114	(1,997,167)	(43,943)
Total Primary Government	3,771,730	2,707,725	100,577	000,500	(1,037,070)	11,223,373	(777,303)	10,233,114	(1,771,101)	(+3,7+3)
Change in Net Position	\$ 19,202,463	\$ 6,670,799	\$ 13,566,736	\$ 11,395,639	\$ 12,177,521	\$ 9,262,229	\$ (8,634,208)	\$ 3,454,693	\$ (52,702,485)	\$ (56,231,862)

Note:

Fiscal year 2011 and 2012 was restated to reflect GASB standards. Fiscal year 2014 was restated to reflect a correction to Net Investments in Capital Assets. Fiscal year 2015 reflects the reclassification of activities by functions and was restated to reflect a correction to net position. Fiscal year 2017 and prior have not been restated for GASB 75. Fiscal Year 2018 reflects GASB 75.

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

Table 3

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund (1)							•			
Nonspendable	\$ 29,251,857	\$ 23,910,613	\$ 27,548,663	\$ 26,668,918	\$ 29,004,124	\$ 29,209,160	\$ 29,140,848	\$ 27,853,715	\$ 30,274,746	
Restricted	30,361,623	27,610,117	29,656,499	30,926,309	27,423,603	26,052,436	23,584,205	25,272,233	18,998,982	
Committed	20,940,467	20,562,903	21,402,103	20,820,350	20,398,120	19,825,000	19,765,000	19,777,263	20,165,000	
Assigned	23,445,409	29,273,812	20,383,343	22,580,717	18,458,967	22,035,700	16,264,913	20,946,437	9,782,490	
Unassigned	13,551,159	3,955,334	14,529,685	10,840,140	7,628,502	6,922,173	16,132,542	14,827,375	16,809,377	
Total General Fund	117,550,515	105,312,779	113,520,293	111,836,434	102,913,316	104,044,469	104,887,508	108,677,023	96,030,595	
Capital Projects Fund										
Restricted	-	_	5,708,337	7,518,934	292,775	_	_	_	_	
Assigned	19,779,928	10,755,574	17,903,635	24,235,426	29,083,530	36,834,193	40,629,996	37,134,531	33,780,969	
Total Capital Projects Fund	19,779,928	10,755,574	23,611,972	31,754,360	29,376,305	36,834,193	40,629,996	37,134,531	33,780,969	
1 3										
Non-Major Governmental Funds: (1)										
Special Revenues Fund										
Nonspendable	446,299	471,337	436,096							
Restricted	1,371,176	1,656,014	1,737,516	626,086	1,472,788	1,543,563	1,159,415	2,227,030	4,361,704	
Committed	233,739	237,213	109,396	672,372	2,203,593	1,606,331	1,275,957	911,792	603,723	
Assigned	1,255,987	1,036,685	1,222,426	1,608,421	821,612	-,,	-,,	-	-	
Unassigned	-,,	-,,	-,,	-,,	,	_	_	_	(21,576)	
Total Non-Major Governmental Funds	3,307,201	3,401,249	3,505,434	2,906,879	4,497,993	3,149,894	2,435,372	3,138,822	4,943,851	
Total Tital of Sovemmental Tands	2,207,201	5, 101,215	2,202, 12 1	2,>00,07>	.,.,,,,,	5,1 .5,65 .	2, 100,072	5,150,022	.,> .5,551	
					*	* * * * * * * * * * * * * * * * * * * *	* * * * * * * * * * * * * * * * * * * *	A 1 10 050 055		
Total Governmental Funds- as restated	\$ 140,637,644	\$ 119,469,602	\$ 140,637,699	\$ 146,497,673	\$ 136,787,614	\$ 144.028.556	\$ 147.952.876	\$ 148,950,376	\$ 134,755,415	
Total Governmental Funds- as restated	\$ 140,637,644	\$ 119,469,602	\$ 140,637,699	\$ 146,497,673	\$ 136,787,614	\$ 144,028,556	\$ 147,952,876	\$ 148,950,376	\$ 134,755,415	
	\$ 140,637,644	\$ 119,469,602	\$ 140,637,699	\$ 146,497,673	\$ 136,787,614	\$ 144,028,556	\$ 147,952,876	\$ 148,950,376	\$ 134,755,415	
Unassigned General Fund Balance	\$ 140,637,644	\$ 119,469,602	\$ 140,637,699	\$ 146,497,673	\$ 136,787,614	\$ 144,028,556	\$ 147,952,876	\$ 148,950,376	\$ 134,755,415	
Unassigned General Fund Balance as a Percentage of	-	-								
Unassigned General Fund Balance	\$ 140,637,644 3.4%	\$ 119,469,602 1.0%	\$ 140,637,699 3.8%	\$ 146,497,673	\$ 136,787,614 2.5%	\$ 144,028,556 2.4%	\$ 147,952,876	4.8%	\$ 134,755,415	
Unassigned General Fund Balance as a Percentage of General Fund Expenditures	-	-								
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund	-	-								\$ 39,429,507
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved	-	-								\$ 39,429,507 27,868,281
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated	-	-								27,868,281
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated	-	-								27,868,281 7,993,646
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated	-	-								27,868,281
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated Total General Fund	-	-								27,868,281 7,993,646
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated Total General Fund Capital Projects Fund	-	-								27,868,281 7,993,646 75,291,434
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated Total General Fund Capital Projects Fund Reserved for Encumbrances	-	-								27,868,281 7,993,646 75,291,434 14,173,039
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated Total General Fund Capital Projects Fund Reserved for Encumbrances Unreserved and designated	-	-								27,868,281 7,993,646 75,291,434 14,173,039 29,143,318
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated Total General Fund Capital Projects Fund Reserved for Encumbrances Unreserved and designated Total Capital Projects Fund	-	-								27,868,281 7,993,646 75,291,434 14,173,039
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated Total General Fund Capital Projects Fund Reserved for Encumbrances Unreserved and designated Total Capital Projects Fund Non-Major Governmental Funds:	-	-								27,868,281 7,993,646 75,291,434 14,173,039 29,143,318
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated Total General Fund Capital Projects Fund Reserved for Encumbrances Unreserved and designated Total Capital Projects Fund Non-Major Governmental Funds: Special Revenues Fund	-	-								27,868,281 7,993,646 75,291,434 14,173,039 29,143,318 43,316,357
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated Total General Fund Capital Projects Fund Reserved for Encumbrances Unreserved and designated Total Capital Projects Fund Non-Major Governmental Funds: Special Revenues Fund Unreserved, undesignated	-	-								27,868,281 7,993,646 75,291,434 14,173,039 29,143,318 43,316,357 4,940,003
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated Total General Fund Capital Projects Fund Reserved for Encumbrances Unreserved and designated Total Capital Projects Fund Non-Major Governmental Funds: Special Revenues Fund	-	-								27,868,281 7,993,646 75,291,434 14,173,039 29,143,318 43,316,357
Unassigned General Fund Balance as a Percentage of General Fund Expenditures General Fund Reserved Unreserved and designated Unreserved, undesignated Total General Fund Capital Projects Fund Reserved for Encumbrances Unreserved and designated Total Capital Projects Fund Non-Major Governmental Funds: Special Revenues Fund Unreserved, undesignated	-	-								27,868,281 7,993,646 75,291,434 14,173,039 29,143,318 43,316,357 4,940,003

Note

⁽¹⁾ FY 2011 GASB 54 was implemented.

FY 2014 there was a change in law of how unassigned fund balanced must be used. Part of what would have gone to unassigned is now assigned for future fiscal years. FY 2015 was restated to reflect corrections in fund balances.

Local Tax Revenues by Source, Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

Table 4

Fiscal	Property	Income	Recordation	Amusement	911 Service	Other	
Year	Taxes	Tax	Tax	Tax	Fees-Tax	Tax	Total
2010	\$ 201,526,399	\$ 108,140,073	\$ 9,154,578	\$ 246,184	\$ 1,163,737	\$ 1,478,009	\$ 321,708,980
2011	208,296,512	116,171,871	7,612,907	379,990	1,039,337	1,172,805	334,673,422
2012	203,601,066	127,249,915	8,520,674	296,890	1,037,075	1,718,042	342,423,662
2013	197,727,477	127,555,768	10,021,395	288,173	1,028,501	1,751,744	338,373,058
2014	195,528,915	131,659,596	10,576,850	262,098	1,039,244	2,065,786	341,132,489
2015	194,029,688	139,356,969	11,888,637	353,937	1,089,823	1,912,584	348,631,638
2016	199,281,166	148,005,117	14,093,918	387,725	1,092,094	676,830	363,536,850
2017	201,438,220	150,118,290	14,241,331	351,742	1,087,610	743,637	367,980,830
2018	207,878,588	153,469,703	13,923,538	355,088	1,113,242	1,721,258	378,461,417
2019	213,573,818	169,051,411	13,703,195	356,490	1,082,654	3,804,880	401,572,448
Change							
2010-2019	6.0%	56.3%	49.7%	44.89	-7.0%	157.4%	24.8%

In fiscal year 2012, real property tax rate reduced from \$1.048 to \$1.028 per \$100 of assessed value. In fiscal year 2013, real property tax rate reduced from \$1.028 to \$1.018 per \$100 of assessed value. In fiscal year 2012, personal property tax rate reduced from \$2.62 to \$2.57 per \$100 of assessed value. In fiscal year 2013, personal property tax rate reduced from \$2.57 to \$2.545 per \$100 of assessed value. In fiscal year 2014, personal property tax rate reduced from \$2.545 to \$2.515 per \$100 of assessed value. Effective January 1, 2015 income tax rate reduced from \$3.04% to 3.03% of taxable income.

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

Table 5

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
REVENUES										
Taxes-Local (see Table 4)	\$ 401,572,448	\$ 378,461,417	\$ 367,980,830	\$ 363,536,850	\$ 348,631,638	\$ 341,132,489	\$ 338,373,058	\$ 342,423,662	\$ 334,673,422	\$ 321,708,980
Taxes-State Shared	-	-	-	-	-	952,204	1,635,475	1,236,284	1,447,227	1,219,154
Impact fees	-	-	-	-	184,605	206,711	295,755	1,575,933	1,148,592	1,304,575
Licenses and permits	3,275,526	3,261,620	3,246,094	3,033,852	1,600,930	1,475,869	1,518,884	1,382,219	1,364,820	1,310,176
Intergovernmental revenues	21,848,760	20,238,674	23,652,734	19,316,866	20,290,637	22,898,130	18,978,536	15,316,915	26,455,936	30,841,686
Charges for services	4,167,675	4,588,277	4,441,836	4,167,021	4,445,797	4,576,701	4,732,420	4,810,478	4,981,149	5,008,757
Fines and forfeits	67,574	84,772	71,866	78,600	99,840	92,532	95,487	92,355	101,128	86,168
Interest and gain on investments	5,406,228	1,039,686	(553,815)	4,597,299	2,477,109	2,225,527	(829,835)	6,800,763	1,244,055	2,989,913
Miscellaneous revenues	8,960,211	13,440,184	8,871,778	9,383,285	9,808,553	10,054,257	5,840,925	3,758,082	3,249,099	4,396,040
Total revenues	445,298,422	421,114,630	407,711,323	404,113,773	387,539,109	383,614,420	370,640,705	377,396,691	374,665,428	368,865,449
EXPENDITURES										
Current:										
General government	38,804,946	38,073,831	36,360,819	37,065,282	44,974,142	60,974,579	63,738,334	69,611,957	69,373,934	72,086,446
Public safety	54,466,560	49,747,964	47,902,706	44,211,285	42,721,116	41,484,155	35,585,271	35,914,325	35,396,452	34,748,084
Public works	19,855,587	19,173,156	19,112,586	17,986,907	17,139,292	13,275,887	9,565,709	8,831,776	10,649,104	12,586,032
Health	4,900,923	4,744,737	4,645,058	4,400,381	4,269,673	4,301,492	4,307,983	4,494,155	4,707,292	4,712,680
Human services	16,151,094	15,020,196	14,707,376	14,017,504	6,855,878	1,232,576	1,199,706	1,185,304	1,226,927	1,391,110
Education	210,021,400	204,307,227	198,300,740	191,621,893	186,866,867	185,008,583	180,570,971	173,557,501	174,935,761	177,855,179
Library	14,771,512	14,326,002	14,249,443	14,084,487	13,687,211	13,417,275	11,000,246	8,497,632	8,645,019	8,413,733
Culture and recreation	4,466,599	4,516,760	4,537,030	4,236,257	4,182,624	1,759,651	2,721,536	2,569,590	2,639,789	1,877,029
Conservation of natural resources	2,454,853	2,289,856	2,283,698	2,084,571	2,000,988	966,448	856,440	839,957	822,510	792,207
Economic development	4,795,262	4,425,636	3,628,423	4,004,475	4,586,843	6,484,527	4,324,885	1,970,523	5,089,136	5,640,224
Judicial	8,901,404	8,559,556	8,593,930	8,710,327	7,310,970	_	-	-	-	-
Capital outlay	38,314,144	32,950,028	30,421,723	36,972,429	41,331,365	48,515,249	33,646,285	30,304,655	44,842,000	77,047,071
Debt service:										
Principal	27,166,668	27,831,485	29,138,572	28,171,532	28,145,359	26,984,558	25,641,361	27,087,742	23,431,934	22,889,828
Interest	11,844,073	12,431,581	13,207,594	13,339,242	13,339,130	13,656,778	13,646,029	14,154,056	13,914,992	12,802,086
Total expenditures	456,915,025	438,398,015	427,089,698	420,906,572	417,411,458	418,061,758	386,804,756	379,019,173	395,674,850	432,841,709
Excess (deficiency) of revenues										
over (under) expenditures	(11,616,603)	(17,283,385)	(19,378,375)	(16,792,799)	(29,872,349)	(34,447,338)	(16,164,051)	(1,622,482)	(21,009,422)	(63,976,260)
OTHER FINANCING SOURCES (USES)										
Transfers in	15,673,942	18,822,137	16,676,294	20,549,077	22,733,370	24,670,471	26,836,782	21,745,757	13,778,283	12,035,023
Transfers out	(18,458,762)	(22,449,247)	(19,491,898)	(25,232,077)	(23,058,423)	(25,978,861)	(35,484,572)	(26,057,763)	(16,018,252)	(14,780,223)
Refunding bonds issued	-	-	6,138,284	6,015,081	52,576,682	4,524,000	16,220,345	9,873,957	14,690,327	(7,936,995)
Redemption of bonds	-	-	(6,524,948)	(6,727,641)	(59,780,169)	(4,478,621)	(19,357,902)	(11,299,208)	(14,593,220)	-
Bonds issued	25,000,000	-	14,000,000	28,000,000	15,000,000	26,000,000	21,460,000	18,750,000	21,192,091	64,508,850
Bonds premium	1,930,937	-	1,302,370	3,145,496	8,549,374	2,480,740	5,152,394	2,756,696	2,894	2,371,214
Is suance of debt-long-term notes	887,000	-	1,303,000	473,924	4,536,852	3,475,344	445,320	-	13,115,500	4,662,430
Total other financing sources	25,033,117	(3,627,110)	13,403,102	26,223,860	20,557,686	30,693,073	15,272,367	15,769,439	32,167,623	60,860,299
Net change in fund balances	\$ 13,416,514	\$ (20,910,495)	\$ (5,975,273)	\$ 9,431,061	\$ (9,314,663)	\$ (3,754,265)	\$ (891,684)	\$ 14,146,957	\$ 11,158,201	\$ (3,115,961)
5		. , , , - , - ,								
Debt Service as a percentage of										
Noncapital Expenditures	8.7%	9.4%	10.3%	10.2%	10.4%	10.2%	10.3%	9.9%	8.7%	8.6%
r										

Statement of Expenditures, Governmental Funds

General Fund Expenditures

Last Ten Fiscal Years

(modified accrual basis of accounting)

Table 6

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
EXPENDITURES										
Governmental Funds - General Fund										
Salaries & Wages	\$ 47,834,846	\$ 45,331,963	\$ 43,506,874	\$ 41,979,116	\$ 40,236,082	\$ 39,501,680	\$ 37,736,885	\$ 36,179,523	\$ 36,583,696	\$ 39,316,508
Fringe Benefits - Employer Share	35,956,401	33,216,631	33,612,163	33,690,422	32,238,853	32,172,769	15,658,414	15,251,920	15,139,816	14,818,715
Total Personal Services	83,791,247	78,548,594	77,119,037	75,669,538	72,474,935	71,674,449	53,395,299	51,431,443	51,723,512	54,135,223
Business / Conference Expenses	331,369	288,078	277,373	263,018	178,484	140,166	128,429	127,636	107,932	116,362
Overtime Expenses	51,178	58,675	41,489	39,525	62,251	57,055	25,945	18,014	39,641	67,293
Total Travel - Business / Conferences	382,547	346,753	318,862	302,543	240,735	197,221	154,374	145,650	147,573	183,655
Maintenance & Repair	4,541,007	3,792,512	2,705,648	2,543,860	2,262,826	1,809,466	1,822,436	2,194,514	2,607,768	1,974,040
Maintenance Agreements	1,583,196	1,251,069	1,399,031	1,145,071	1,039,882	1,034,868	968,659	1,223,823	854,601	989,060
Vendor Services	3,065,323	2,878,905	2,901,733	2,601,979	2,628,414	2,442,001	2,685,103	2,440,013	1,531,220	1,584,582
Health & Medical Services	1,076,184	1,042,997	1,022,268	1,005,202	1,069,216	983,305	919,872	931,307	948,337	921,123
Legal Services	196,093	392,243	227,789	160,844	146,318	169,364	135,227	100,429	86,418	97,225
Professional Services	798,786	409,092	706,403	787,630	819,907	619,363	478,381	396,005	1,769,709	576,007
Training Services	259,449	278,543	242,927	199,287	169,033	137,000	131,549	91,068	105,376	169,796
Total Contractual Services	11,520,038	10,045,361	9,205,799	8,443,873	8,135,596	7,195,367	7,141,227	7,377,159	7,903,429	6,311,833
Rents	1,191,659	962,419	832,346	1,460,527	1,170,780	1,054,247	658,739	548,970	772,092	1,640,005
Utilities	3,601,320	3,713,033	3,530,344	2,969,786	3,120,196	3,660,551	3,487,043	3,788,192	3,647,244	3,788,014
Communications	1,172,539	1,148,447	1,258,004	1,111,979	1,176,584	1,082,615	1,050,854	1,016,231	1,066,839	1,052,001
Total Rent & Utilities	5,965,518	5,823,899	5,620,694	5,542,292	5,467,560	5,797,413	5,196,636	5,353,393	5,486,175	6,480,020
Office Supplies & Materials	532,237	497,894	543,861	606,796	472,396	448,812	428,447	445,195	435,418	456,034
Food Supplies	517,521	516,213	542,572	494,624	531,714	518,065	476,778	474,049	488,275	455,681
Personnel / Safety Equip-Supply	417,749	424,760	477,387	370,355	341,716	319,329	347,482	308,268	212,451	178,306
General Operating Supplies	3,956,414	3,864,228	3,479,615	2,971,245	4,460,148	3,250,766	2,590,801	2,337,947	2,868,677	3,061,009
Fuels & Lubricants	1,781,199	1,833,992	1,779,600	1,902,930	2,168,148	2,477,859	2,189,409	2,145,135	1,966,286	1,622,406
Vehicle Maintenance Materials	1,907,758	1,745,529	1,570,192	1,812,128	964,953	855,474	679,354	613,299	686,188	776,449
Total Supplies & Materials	9,112,878	8,882,616	8,393,227	8,158,078	8,939,075	7,870,305	6,712,271	6,323,893	6,657,295	6,549,885
Board of Education	192,391,000	183,670,974	186,863,950	178,028,873	172,875,135	170,412,791	170,799,564	165,372,091	166,780,244	169,601,292
Library	9,009,360	10,569,489	8,727,890	10,557,662	10,421,642	10,103,156	9,934,238	7,485,000	7,635,000	7,635,000
Carroll Community College	10,583,600	13,853,206	9,687,110	7,827,680	7,608,220	7,240,990	8,542,027	6,933,000	6,933,000	6,933,000
Other Outside Agencies	29,476,553	24,770,123	27,858,384	26,000,143	26,394,568	25,926,070	35,930,220	39,249,951	40,731,946	43,901,546
Total Grants	241,460,513	232,863,792	233,137,334	222,414,358	217,299,565	213,683,007	225,206,049	219,040,042	222,080,190	228,070,838
Total Contributions & Aid	241,460,513	232,863,792	233,137,334	222,414,358	217,299,565	213,683,007	225,206,049	219,040,042	222,080,190	228,070,838
Other Charges	6,852,197	8,157,258	126,407	3,416,109	3,612,221	3,353,809	(2,210,359)	127,058	154,138	178,233
Insurance	736,186	777,343	753,036	742,513	647,127	644,751	581,222	495,986	901,880	985,788
Total Other Charges	7,588,383	8,934,601	879,443	4,158,622	4,259,348	3,998,560	(1,629,137)	623,044	1,056,018	1,164,021
Land Acquisition & Development	600			45,000	- 1,207,010		(1,02>,10+)	1,800	18	2,901
Capital Acquisition & Construction	112,278	136,532	239,613	80,491	19,275	84,597	60,944	17,333	176,816	39,887
Replacement Equipment	1,943,522	3,281,541	1,970,361	2,023,857	1,873,537	2,190,129	828,919	1,042,453	1,325,030	1,511,492
Additional Equipment	928,940	698,177	822,393	406,300	431,347	802.053	1.206.220	834.009	327,196	241.046
Total Capital Outlay	2,985,340	4,116,250	3,032,367	2,555,648	2,324,159	3,076,779	2,096,083	1,895,595	1,829,060	1,795,326
Miscellaneous	(1,380,141)	(1,259,628)	(1,103,733)	(1,208,575)	(315,998)	(314,603)	(291,581)	(271,503)	(255,310)	(454,449)
Total Miscellaneous	(1,380,141)	(1,259,628)	(1,103,733)	(1,208,575)	(315,998)	(314,603)	(291,581)	(271,503)	(255,310)	(454,449)
Interest	11,433,711	12,028,194	12,814,116	13,339,243	13,339,130	13,656,779	13,646,029	14,154,056	13,914,992	12,802,087
Principal	26,563,163	27,230,909	28,620,058	28,171,531	28,145,359	26,984,558	25,641,362	27,087,742	23,431,934	22,889,827
Total Debt Service	37,996,874	39,259,103	41.434.174	41,510,774	41.484.489	40.641.337	39.287.391	41.241.798	37,346,926	35,691,914
Total Governmental Funds -	31,220,014	57,257,105	71,737,177	71,010,777	71,707,707	40,041,007	37,201,371	71,271,770	31,340,720	33,071,714
General Fund Expenditures	\$ 399,423,197	\$ 387,561,341	\$ 378,037,204	\$ 367,547,151	\$ 360,309,464	\$ 353,819,835	\$ 337,268,612	\$ 333,160,514	\$ 333,974.868	\$ 339,928,266
Server in a rapellation of	Ψ 0//91#09£//	Ψ 007,001,0 1 1	\$ 570,057, 20 4	Ψ 507,017,151	\$ 500,507,10 1	\$ 555,017,055	 	Ψ 000,100,01 1	+ 555,771,000	\$ 557,7 2 0, 2 00

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Assessed Valuation and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Table 7

	Real Property											
						Assesse	d Value		Estimated		Grand Total	Total
Fiscal	Assessed	Estimated	Direct				Public		Market	Direct	Estimated	Direct
Year	Value	Market Value	Tax Rate	Uni	ncorporated	Incorporated	Utilities	Total	Value	Tax Rate	Market Value	Tax Rate
	-				_						-	
2010	\$ 21,523,794,240	\$ 21,523,794,240	1.048%	\$	11,285,650	\$ 276,475,340	\$ 266,070,820	\$ 553,831,810	\$ 553,831,810	2.620%	\$ 22,077,626,050	1.087%
2011	20,362,487,659	20,362,487,659	1.048		10,631,520	258,758,007	275,237,500	544,627,027	544,627,027	2.620	20,907,114,686	1.089
2012	19,164,115,652	19,164,115,652	1.028		10,201,300	388,879,330	266,415,290	665,495,920	665,495,920	2.570	19,829,611,572	1.080
2013	18,276,387,823	18,276,387,823	1.018		10,738,930	253,571,870	268,124,550	532,435,350	532,435,350	2.545	18,808,823,173	1.061
2014	18,023,463,105	18,023,463,105	1.018		10,646,050	248,768,830	266,503,440	525,918,320	525,918,320	2.515	18,549,381,425	1.060
2015	17,942,543,249	17,942,543,249	1.018		10,629,226	268,730,010	273,646,180	553,005,416	553,005,416	2.515	18,495,548,665	1.063
2016	18,171,558,916	18,171,558,916	1.018		13,124,970	268,899,780	279,437,200	561,461,950	561,461,950	2.515	18,733,020,866	1.063
2017	18,502,136,221	18,502,136,221	1.018		15,349,500	292,491,830	288,632,150	596,473,480	596,473,480	2.515	19,098,609,701	1.065
2018	18,965,221,867	18,965,221,867	1.018		14,827,220	308,754,810	306,249,930	629,831,960	629,831,960	2.515	19,595,053,827	1.066
2019	19,477,276,570	19,477,276,570	1.018		14,190,130	312,078,640	321,545,200	647,813,970	647,813,970	2.515	20,125,090,540	1.066

Real property is reassessed every three years. Real property is assessed at market value.

In fiscal year 2012, real property tax rate reduced from \$1.048 to \$1.028 per \$100 of assessed value.

In fiscal year 2013, real property tax rate reduced from \$1.028 to \$1.018 per \$100 of assessed value.

In fiscal year 2012, personal property tax rate reduced from \$2.62 to \$2.57 per \$100 of assessed value.

In fiscal year 2013, personal property tax rate reduced from \$2.57 to \$2.545 per \$100 of assessed value.

In fiscal year 2014, personal property tax rate reduced from \$2.545 to \$2.515 per \$100 of assessed value

The total personal property assessed value is equal to the estimated market value.

Real Property Tax Rates – Direct and Overlapping Governments (Per \$100 of Assessed Value) Last Ten Fiscal Years

Table 8

	Direct Rate									
Fiscal	Carroll	State of						New	Union	Mt.
Year	County	Maryland	Taneytown	Sykesville	Manchester	Westminster	Hampstead	Windsor	Bridge	Airy
2010	\$ 1.048	\$ 0.112	\$ 0.32	\$ 0.33	\$ 0.184	\$ 0.44	\$ 0.20	\$ 0.2000	\$ 0.30	\$ 0.1650
2011	1.048	0.112	0.32	0.33	0.204	0.58	0.20	0.2000	0.30	0.1695
2012	1.028	0.112	0.32	0.33	0.216	0.58	0.20	0.2000	0.30	0.1695
2013	1.018	0.112	0.37	0.35	0.216	0.57	0.20	0.2000	0.30	0.1695
2014	1.018	0.112	0.37	0.35	0.216	0.56	0.20	0.2000	0.30	0.1695
2015	1.018	0.112	0.37	0.35	0.216	0.56	0.20	0.2115	0.30	0.1695
2016	1.018	0.112	0.37	0.35	0.216	0.56	0.22	0.2615	0.30	0.1695
2017	1.018	0.112	0.37	0.35	0.216	0.56	0.22	0.2615	0.35	0.1695
2018	1.018	0.112	0.37	0.35	0.216	0.56	0.22	0.2615	0.35	0.1662
2019	1.018	0.112	0.37	0.35	0.216	0.56	0.22	0.2615	0.35	0.1662

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.

Principal Taxpayers

Current Fiscal Year and Nine Years Ago

Table 9

2019

			Assessed	T	ax Amount	% of Total
Taxpayer	Type of Business		Valuation		Paid	Assessed Value
Baltimore Gas & Electric	Utilities	\$	223,864,050	\$	5,630,187	1.11%
Colonial Pipeline	Pipeline transrefined petroleum		31,808,360		779,980	0.16%
Comcast of California	Communications		30,707,550		772,295	0.15%
Penguin Random House Inc.	Warehouse Distribution		48,565,436		656,242	0.24%
Verizon-Maryland	Communications		25,872,290		650,688	0.13%
Potomac Edison Company	Utilities		19,892,360		500,293	0.10%
Carroll Lutheran Village	Retirement Village		41,550,500		422,984	0.21%
Lehigh Portland Cement	Manufacturer		31,494,243		397,723	0.16%
Stag Hampstead LLC	Warehouse Distribution		36,343,467		369,976	0.18%
Eldersburg Sustainable	Real Estate		35,146,000		357,786	0.17%
-		\$	525,244,256	\$	10,538,154	2.61%
	Total Assessed Valuation	\$ 2	0,125,090,540			

2010

			Assessed	Ta	ax Amount	% of Total
Taxpayer	Type of Business	Valuation			Paid	Assessed Value
Baltimore Gas & Electric	Utilities	\$	162,875,950	\$	4,277,518	0.74%
Verizon-Maryland	Communications		56,288,980		1,481,865	0.26%
Carroll Lutheran Village	Retirement Village		57,975,829		924,575	0.26%
Random House	Warehouse Distribution		39,366,276		544,317	0.18%
Cranberry Mall Properties	Mall		31,928,890		515,497	0.14%
Colonial Pipeline Co.	Pipeline transrefined petroleum		18,974,360		499,366	0.09%
Fairhaven Inc.	Assisted Living		39,023,966		453,990	0.18%
Wal-Mart	Retail		29,544,220		442,429	0.13%
Hampstead 2004 LLC	Power Tools		37,683,166		433,206	0.17%
Lehigh Cement Company	Manufacturer		29,701,722		401,954	0.13%
		\$	503,363,359	\$	9,974,717	2.28%
	Total Assessed Valuation	\$ 2	22,066,168,625			

Property is reassessed every three years

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Property Tax Levies and Collections

Last Ten Fiscal Years

Table 10

Fiscal Year	Collected within Total Fiscal Year of the Levy			Collected in	Total Collectory to Date		Outs	tanding	Percent of ing Delinquent			
Ended June 30,	Tax Levy for Fiscal Year	Amount	Percent of Levy	Subsequent Years	Amount	Percent of Levy		nquent axes	Taxes to Tax Levy			
2010	\$ 239,658,435	\$ 238,543,223	99.53%	\$ 1,112,177	\$ 239,655,400	99.99%	\$	3,035	0.01%			
2011	227,185,208	226,056,851	99.50%	1,127,654	227,184,505	99.99%		704	0.01%			
2012	210,177,823	209,114,927	99.49%	1,054,930	210,169,857	99.99%		7,966	0.01%			
2013	198,643,554	197,845,421	99.60%	793,654	198,639,075	99.99%		4,479	0.01%			
2014	195,942,436	195,202,000	99.62%	724,122	195,926,122	99.99%		16,314	0.01%			
2015	195,638,138	194,784,554	99.56%	829,657	195,614,211	99.99%		23,927	0.01%			
2016	197,944,023	197,837,002	99.95%	50,509	197,887,511	99.97%		56,512	0.03%			
2017	202,327,101	201,772,465	99.73%	430,795	202,203,260	99.94%		123,841	0.06%			
2018	207,998,095	207,370,014	99.70%	360,406	207,730,420	99.87%		267,675	0.13%			
2019	213,722,491	212,826,558	99.58%	-	212,826,558	99.58%		895,933	0.42%			

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

Bureau of Utilities Water and Sewer Rates Last Ten Fiscal Years

Table 11

				Wa	ater							Se	wer			
Fiscal Year	•	arterly e Rate	Ti	er 1*	Ti	ier 2*	Ti	er 3*	-	arterly se Rate	Ti	er 1*	Ti	er 2*	Ti	er 3*
2010	\$	8.41	\$	4.02	\$	4.67	\$	5.07	\$	11.95	\$	5.91	\$	7.06	\$	7.82
2011		6.97		4.62		5.00		5.28		9.97		7.27		8.13		8.77
2012		6.97		4.62		5.00		5.28		9.97		7.27		8.13		8.77
2013		6.75		5.18		5.42		5.59		9.66		7.64		8.29		8.77
2014		7.37		5.75		5.93		6.07		10.45		8.15		8.69		9.15
2015		9.03		6.26		6.41		6.54		12.75		8.65		9.14		9.62
2016		9.03		6.26		6.41		6.54		12.75		8.65		9.14		9.62
2017		9.14		6.74		6.87		7.02		12.75		8.65		9.14		9.62
2018		9.14		6.74		6.87		7.02		12.75		8.65		9.14		9.62
2019		9.14		6.74		6.87		7.02		12.75		8.65		9.14		9.62

Tiers are based on the following usages

Tier 1: 0-10,000 gallons

Tier 2: 10,001-30,000 gallons

Tier 3: 30,001 gallons and up

*Per 1,000 gallons

The standard household meter size is 5/8" and the average household usage for fiscal year 2019 was 12,000 gallons per quarter.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Table 12

		Governmental	Activities		Business-T	Type Activities	_				
Fiscal Year	General Obligation Bonds(1)	General Obligation Debt	Other Notes	Purchase Agreements	General Obligation Bonds (1)	Special Assessment Debt with Government Commitment	Total Primary Government	% of Personal Income (3)	% of Market Property Value (2)	Ca	Per pita (3)
2010	\$ 308,741,636	\$ 14,014,420	\$ 937,965	\$2,268,571	\$27,878,604	\$ 2,090,052	\$ 355,931,248	2.02%	1.61%	\$	2,130
2011	307,155,888	27,129,920	200,000	2,097,835	26,190,843	1,202,259	363,976,745	2.08%	1.74%		2,167
2012	300,214,844	27,129,920	-	1,919,820	23,758,129	271,865	353,294,578	2.15%	1.78%		2,096
2013	304,173,204	27,575,240	-	1,734,212	21,687,221	244,664	355,414,541	2.30%	1.89%		2,097
2014	304,903,421	31,050,584	-	1,540,690	19,575,054	216,757	357,286,506	2.51%	1.93%		2,094
2015	297,878,654	31,050,584	-	5,875,768	17,483,954	188,125	352,477,085	2.67%	1.91%		2,053
2016	299,706,818	31,524,508	-	5,666,101	15,284,816	158,748	352,340,991	2.74%	1.88%		2,040
2017	284,254,930	32,827,508	-	5,334,709	13,251,331	128,607	335,797,085	3.02%	1.76%		1,934
2018	255,085,745	32,827,508	-	5,038,173	11,320,876	97,682	304,369,984	N/A	1.55%		1,745
2019	254,637,112	32,513,296	-	4,722,156	14,408,430	65,954	306,346,948	N/A	1.52%		1,823

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)	Ca	Per pita (2)
2010	\$ 350,634,660	1.59%	4.88%	\$	1,997
2011	360,476,651	1.72%	4.87%		2,146
2012	351,102,893	1.77%	4.61%		2,082
2013	353,435,665	1.88%	4.32%		2,078
2014	355,529,059	1.91%	3.98%		2,083
2015	346,413,192	1.87%	3.68%		2,017
2016	346,516,142	1.85%	3.58%		2,007
2017	330,333,768	1.73%	3.25%		1,903
2018	299,234,129	1.53%	N/A		1,716
2019	301,558,838	1.50%	N/A		1,795

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, 2019

Table 14

11Ct assessed value - Real Flobelty 5 17.4/1.2/0.3/0	Net assessed value - Real Pr	roperty	\$ 19,477,276,570
--	------------------------------	---------	-------------------

Debt limit - 6% of net total assessed value (1) \$ 1,168,636,594

Net assessed Value-Personal Property 647,813,970

Debt limit - 15% of net assessed value (1) 97,172,096

Debt limit - (6%/15%) of net assessed value 1,265,808,690

Amount of debt applicable to debt limit:

Total Bonded Debt \$ 281,621,581

Less - Agricultural Preservation Program Self Supporting Debt32,513,296Less - Fire Company Loans - Self Supporting Debt3,936,761Less - Bureau of Utilities bonds8,675,078Less - Septage bonds39,351

Total amount of debt applicable to debt limit 236,457,095

Legal debt margin \$ 1,029,351,595

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 2010-2019

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
2010	\$ 22,066,168,625	6%/15%	\$ 1,373,814,980	\$ 303,156,906	\$ 1,070,658,074	22.07%
2011	20,895,165,478	6%/15%	1,302,726,361	301,960,750	1,000,765,611	23.18%
2012	19,813,576,019	6%/15%	1,248,709,194	292,937,714	955,771,480	23.46%
2013	18,789,765,921	6%/15%	1,175,305,137	287,113,093	888,192,044	24.43%
2014	18,514,343,538	6%/15%	1,158,193,261	286,486,025	871,707,236	24.74%
2015	18,495,548,665	6%/15%	1,159,503,407	273,161,300	886,342,107	23.56%
2016	18,733,020,866	6%/15%	1,174,512,828	272,857,221	901,655,607	23.23%
2017	19,098,609,701	6%/15%	1,199,599,196	258,522,314	941,076,882	21.55%
2018	19,595,053,827	6%/15%	1,232,388,106	231,870,818	1,000,517,288	18.81%
2019	20,125,090,540	6%/15%	1,265,808,690	236,457,095	1,029,351,595	18.68%

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Computation of Direct and Overlapping Debt June 30, 2019

Table 15

Jurisdiction	Real Property Assessed Valuation (1)	Percent of Assessed Valuation to Overlapping Jurisdictions (4)	o rata Share of Direct Debt to isdictions(2)	0	verlapping Debt(3)	_	Total Direct and Overlapping Debt
Hampstead	\$ 616,267,318	3.16%	\$ 9,234,942	\$	3,830,852	\$	13,065,794
Manchester	490,786,701	2.52%	7,354,579		1,330,380		8,684,959
Mt. Airy	905,426,842	4.65%	13,568,080		4,878,800		18,446,880
New Windsor	150,301,150	0.77%	2,252,306		-		2,252,306
Sykesville	431,506,661	2.22%	6,466,251		280,036		6,746,287
Taneytown	625,324,806	3.21%	9,370,671		13,567,099		22,937,770
Union Bridge	69,219,334	0.36%	1,037,272		1,162,500		2,199,772
Westminster	1,758,164,493	9.03%	26,346,598		56,129,971		82,476,569
Unincorporated areas	14,430,279,265	74.09%	216,241,865		-		216,241,865
County-wide Totals	\$ 19,477,276,570	100.00%	\$ 291,872,564	\$	81,179,638	\$	373,052,202

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.)	r Capita nal Income (2)	School Enrollment (3)	Unemployment Rate (4)
2010	167,134	\$ 7,192,191	\$ 44,247	27,524	6.50%
2011	167,929	7,400,133	45,507	27,201	6.80%
2012	168,570	7,612,765	48,919	26,937	6.60%
2013	169,519	8,180,090	49,477	26,506	6.20%
2014	170,643	8,928,631	53,200	26,153	5.40%
2015	171,702	9,425,378	56,220	25,706	4.80%
2016	172,703	9,671,608	57,687	25,551	4.30%
2017	173,594	10,152,747	60,512	25,256	3.50%
2018	174,386	N/A	N/A	25,290	3.70%
2019	168,015	N/A	N/A	25,176	3.30%

Source: (1) Carroll County Department of Comprehensive Planning, June 2019. FY 2010 reflects the 2010 Census data. All other fiscal years are estimates.

- (2) Maryland Department of Planning, Planning Data Services, from U.S. Bureau of Economic Analysis, March 2018.
- (3) Carroll County Board of Education Approved Operating Budget Fiscal Year 2018-2019.
- (4) Maryland Department of Labor, Licensing and Regulation, Office of Labor Market Analysis and Information.

Major Employers

Current Fiscal Year and Nine Fiscal Years Ago

Table 17

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			Percentage
		TT 4 1	of Total
		Total	County
Firm	Product/Service	Employment *	Employment
Board of Education of Carroll County **	Elementary and secondary school systems	3,334	5.73%
Carroll Hospital Center	General hospital	1,995	3.43%
Springfield Hospital Center	Mental health services	833	1.43%
McDaniel College	Higher education	800	1.37%
Penguin Random House, Inc.	Book warehousing and distribution	755	1.30%
Integrace - Fairhaven	Retirement/Assisted Living	700	1.20%
Carroll County Government***	Local government	623	1.07%
Carroll Community College	Higher education	580	1.00%
EVAPCO	Cooling Equipment Manufacturer	440	0.76%
Carroll Lutheran Village	Retirement/Assisted Living	425	0.73%
	Total	10,485	18.02%
A	nnual Average Employment in Carroll County****	58,224	

2010

			Percentage
			of Total
		Total	County
Firm	Product/Service	_Employment	Employment
Board of Education of Carroll County **	Elementary and secondary school systems	3,769	6.90%
Carroll Hospital Center	General hospital	1,804	3.30%
Springfield Hospital Center	Mental health services	833	1.53%
Random House	Book warehousing and distribution	800	1.46%
Fairhaven (Episcopal Ministries)	Life care retirement community	700	1.28%
Carroll County Government ***	Local government	656	1.20%
McDaniel College	Higher education	623	1.14%
Jos. A. Bank Clothiers	Corporate HQ/ Distribution	576	1.05%
Carroll Community College	Higher education	509	0.93%
General Dynamics Robotic Systems	Technology Manufacturing	490	0.90%
	Total	10,760	19.69%
	Annual Average Employment in Carroll County	54,616	

Notes: * As of 2019 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, States Attorney, and Circuit Court

**** 2018-2019 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	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government				·	·		· · · · · · · · · · · · · · · · · · ·			
County Commissioners										
Legislative	7	7	7	6	5	5	6	5	9	9
Public Information	-	-	-	-	-	-	-	-	-	2
* Farm Museum	-	-	-	-	-	-	-	-	-	7
* Building Construction	2	4	3	2	2	2	2	2	2	-
* Facilities	52	54	53	48	50	51	47	47	48	-
* Fleet	24	24	24	24	23	23	22	23	24	-
* Permits	22	23	23	23	22	22	22	22	22	-
* Airport Management	-	-	-	-	-	-	-	-	-	2
Judicial Services	77	79	76	74	70	68	68	68	69	73
County Attorney	9	9	10	9	10	11	12	10	10	10
Comptroller	31	34	32	34	34	33	34	34	34	35
Administrative Services										
Administrative Services - Admin	_	_	_	_	_	_	_	_	1	_
Human Resources	14	13	14	12	11	12	13	12	13	13
Management Analysis	_	_	_	_	_	_	_	_	1	1
TV Production	3	3	2	2	2	2	2	2	2	2
Production & Distribution Svcs	3	3	3	3	3	3	3	3	3	3
Technology Services	29	30	31	30	29	27	27	25	25	25
Management and Budget	14	15	15	15	15	14	15	15	14	16
Land Use, Planning and Development	53	51	51	51	48	47	45	46	43	43
* General Services	-	-	-	-	-	-	-	-	-	103
Human Services	53	53	52	48	51	55	50	48	48	45
Public Safety	33	33	32	10	31	33	30	10	10	13
Sheriff Services	261	245	241	245	249	253	242	230	211	204
Emergency Services	43	45	41	41	36	36	34	37	30	31
Public Works	13	15			30	50	31	31	30	31
* Supervision & Administration	7	6	7	8	7	5	4	3	2	2
* Airport	3	2	2	1	1	1	1	1	1	_
Roads	90	95	101	104	100	101	101	100	99	97
* Engineering	19	19	19	19	18	18	19	18	19	20
Bureau of Utilities - Operations	28	31	33	31	32	31	32	33	33	32
Solid Waste - Operations	17	17	18	15	18	17	20	20	20	19
Transportation CTS	1	1	10	-	-	-	-	-	-	-
*Social Services	_	_	_	12	12	17	16	17	17	16
Education	1	1	1	1	1	1	10	1	1	10
*Culture and Recreation	27	26	24	26	26	25	32	31	31	22
Conservation of Natural Resources	21	20	24	20	20	23	32	31	31	22
Soil Conservation Service	5	5	5	4	5	6	6	6	6	5
Economic Development	3	3	3	4	3	U	U	U	U	3
*	6	6	6	6	0	7	6	6	6	6
Economic Development BERC	6 12	6 12	6 11	6 9	8 9	7 9	6 9	6 9	6 9	6 10
				-			9 1	9 1		
* Tourism	8	8	914	8	8	8		075	054	1
Total Full Time Employee Totals	921	921		911	905	910	892	875	854	855
Part Time Employees	8	8	7	7	5	5	6	5	5	8
Total Employees	929	929	921	918	910	915	898	880	859	863

^{*} 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

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Information										
Population	168,015	174,386	173,594	172,703	171,702	170,643	169,519	168,570	167,929	167,134
Registered Voters	128,726	129,221	127,215	124,340	120,076	119,595	116,523	112,931	112,688	110,336
General Government										
Residential (\$ in thousands)										
Building Permits Issued	350	304	324	278	287	329	340	246	187	201
Estimated Value	\$ 55,450	\$ 55,879	\$ 59,769	\$ 49,644	\$ 53,298	\$ 54,620	\$ 56,305	\$ 40,741	\$ 31,803	\$ 32,699
Other (\$ in thousands)										
Building Permits Issued	1,938	1,989	2,271	2,452	2,082	1,681	1,775	1,826	1,828	1,745
Estimated Value	\$ 86,982	\$ 84,909	\$ 67,487	\$ 81,606	\$ 90,926	\$ 70,835	\$ 80,519	\$ 71,994	\$ 66,314	\$ 52,397
Fire and Emergency Service										
Paid Firemen*	357	174	177	120	120	120	120	120	120	115
Active Volunteers (estimated)	730	718	725	725	725	725	700	714	714	704
Dispatched Incidents	21,362	22,170	20,657	19,964	19,874	18,786	18,731	18,488	18,216	18,081
911 Calls Received**	65,792	65,639	66,165	65,910	58,705	71,437	62,319	60,037	60,752	59,565
Police Protection										
Resident Troopers	N/A	N/A	N/A	N/A	N/A	N/A	15	30	46	46
Sheriff's Department	132	137	142	116	106	106	101	87	64	64
Citations/Warnings	26,666	21,764	20,302	23,460	25,195	23,410	19,579	16,940	16,551	15,845
911 Calls for Service**	N/A	N/A	N/A	N/A	N/A	19,880	19,242	14,670	18,293	18,293
Detention Center										
Detention Center Officers	90	90	92	97	91	91	91	92	92	92
Total Prisoner Days	66,601	77,121	86,246	82,527	95,793	88,565	82,994	84,739	93,252	92,144
Water										
Daily Average Usage (mgd)	1.97	1.96	2.14	2.03	2.02	2.05	2.18	2.28	2.07	2.05
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	8,717	8,656	8,616	8,582	8,521	8,474	8,428	8,382	8,323	8,268
Wastewater										
Daily Average Usage (mgd)	2.63	2.91	2.57	2.65	2.89	2.64	2.63	2.86	2.83	2.71
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	9,298	9,249	9,204	9,166	9,107	9,040	8,995	8,953	8,891	8,844
Solid Waste										
Tons In	106,484	103,227	102,698	99,402	95,480	95,758	96,908	101,616	105,683	85,942
Tons Recycled	19,790	19,430	23,002	23,125	20,502	21,182	21,181	30,587	30,154	20,155
Tons into Landfill	43,396	35,378	21,480	5,097	13,100	17,271	12,840	12,809	13,588	11,576
Tons Transferred	62,125	67,021	81,217	94,304	82,380	78,487	84,068	87,153	91,306	74,364

(Continued)

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

Table 19

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Education										
Number of Teachers	1,970	1,991	2,017	2,199	2,128	2,152	2,154	2,163	2,198	2,209
Number of Students	25,179	25,290	25,256	25,551	25,706	26,153	26,506	26,937	27,201	27,524
Community College										
Full Time Equivalent (FTE's)										
Students	2,276	2,343	2,542	2,664	2,803	2,920	3,167	3,173	3,347	3,138
Faculty-Full Time	78	78	79	79	85	82	84	79	77	73
Faculty-Part Time	270	259	203	215	196	199	212	296	580	527
Airport										
Fuel Sales (gals)	348,732	347,060	297,820	276,020	252,457	329,762	270,784	279,664	304,837	255,099
Tie Downs Occupied	12	12	12	12	12	12	15	15	25	25
Corporate Hangars Occupied	7	7	7	7	7	7	7	7	7	6
T Hangars Occupied	82	82	82	82	82	82	82	82	82	82
Libraries										
Number of volumes (estimated)	701,477	738,777	640,583	603,439	600,018	555,600	557,220	548,749	570,742	552,892
Circulation	3,546,134	3,614,568	3,721,515	3,790,887	3,970,949	3,987,246	4,200,368	4,402,122	4,295,264	4,214,073
Senior Centers										
Outside Groups using facilities	2,702	3,182	3,082	2,731	2,381	2,280	1,998	2,007	3,213	2,516
Volunteer Hour at Centers	46,232	51,656	53,882	54,499	51,448	54,857	57,402	49,518	44,689	41,493
Meals Served	34,888	36,575	37,131	39,360	37,124	34,357	33,606	30,446	33,297	29,171
Seniors Attending Activities	314,502	322,540	311,517	310,949	295,793	273,041	274,588	271,716	241,749	243,226

N/A: Information is not available for the years indicated.

Source: Carroll County Government.

^{*} 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.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND **Capital Asset Statistics by Function / Program Last Ten Fiscal Years**

Table 20

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Information										
Area in Square Miles	455.52	455.52	455.52	455.52	455.52	455.52	455.52	455.52	455.52	455.52
Miles of Roads Paved	1,006	999	999	993	915	905	903	899	896	896
Miles of Roads Unpaved	59	64	66	69	70	80	80	80	83	83
Number of Bridges	153	153	153	153	151	151	151	145	147	147
Acres in Agricultural Land										
Preservation	73,132	71,623	70,311	68,929	66,642	65,761	62,366	62,078	60,002	57,627
Fire and Emergency Service										
Stations	14	14	14	14	14	14	14	14	14	14
Detention Center										
Capacity	185	185	185	185	185	185	185	185	185	185
Water										
Water Mains (miles)	145	145	145	144	141	140	139	139	139	139
Treatment Plants	5	5	5	5	4	4	4	4	4	4
Water Tanks	7	7	7	7	6	6	6	6	6	6
Wastewater										
Sewer Mains (miles)	133	132	131	130	128	127	125	125	125	125
Treatment Plants	4	4	4	4	4	4	4	4	4	4
Pumping Stations	22	22	22	22	18	18	18	18	18	18
Solid Waste										
Active Landfills	1	1	1	1	1	1	1	1	1	1
Recreation and Culture										
Parks (1)	32	32	32	32	32	32	32	32	31	29
Acreage	4,773	4,773	4,773	4,773	4,773	4,773	4,773	4,773	4,629	4,652
Education										
Elementary	22	22	22	23	23	23	23	23	23	23
Middle	8	8	8	9	9	9	9	9	9	9
High	7	7	7	8	8	8	8	8	8	8
Vocational technical	1	1	1	2	2	2	2	2	2	2
Special/Alternative Education	2	2	2	2	2	2	2	2	2	2
College	1	1	1	1	1	1	1	1	1	1
Airport										
Runway (feet)	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100
T Hangars Available	82	82	82	82	82	82	82	82	82	82
Corporate Hangars Available	7	7	7	7	7	7	7	7	7	7
Tie Downs Available	41	41	41	52	52	52	52	52	52	52
Apron Area (acres)	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6
Firearms Facility	1	1	1	1	1	1	1	1	1	1
Libraries	6	6	6	6	6	6	6	6	6	6
Senior Centers	5	5	5	5	5	5	5	5	5	5

Note: (1) Includes two proposed reservoirs. Source: Carroll County Government.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Bureau of Utilities – Revenue and Expenses Last Ten Fiscal Years

Table 21

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenue										
Usage charges	\$10,597,228	\$10,797,227	\$10,578,433	\$10,359,334	\$10,233,000	\$9,272,482	\$8,676,619	\$8,312,844	\$ 8,446,852	\$7,620,404
Service charges	-	-	-	-	-	-	-	798	11,838	4,680
Penalties and interest	227,370	624,728	159,650	452,880	222,120	480,963	577,270	179,147	382,493	209,239
Operating transfer - County	369,820	212,110	204,490	189,350	199,420	193,390	202,790	199,511	(305,031)	200,200
Capital contributions	2,646,389	1,200,848	300,231	887,006	482,614	775,916	1,008,491	335,174	523,776	426,563
Maintenance fee	1,493,415	1,486,384	1,480,053	1,467,824	1,462,477	1,455,846	1,454,435	1,443,774	1,438,797	1,432,610
Other	531	<u> </u>	11,558		793	262,830	265,575	176,530	172,040	217,957
Total revenue	15,334,753	14,321,297	12,734,415	13,356,394	12,600,424	12,441,427	12,185,180	10,647,778	10,670,765	10,111,653
Expenses										
Salaries	2,673,440	2,652,790	2,628,389	2,551,327	2,443,101	2,510,322	2,298,153	2,358,994	2,341,948	2,394,033
Operating expenses	7,246,550	6,096,065	6,663,394	6,308,098	5,692,128	5,795,999	5,434,123	5,605,458	6,280,389	5,129,427
Depreciation	3,357,978	2,327,785	2,296,365	2,185,471	2,204,733	2,285,154	2,279,024	2,266,863	2,275,618	1,914,768
Interest	370,154	402,909	483,441	499,729	706,695	736,935	789,748	859,153	992,506	1,051,417
Other		8,787		55,584						
Total expense	13,648,122	11,488,336	12,071,589	11,600,209	11,046,657	11,328,410	10,801,048	11,090,468	11,890,461	10,489,645
Excess (deficiency) of										
revenue over (under) expense:	\$ 1,686,631	\$ 2,832,961	\$ 662,826	\$ 1,756,185	\$ 1,553,767	\$1,113,017	\$1,384,132	\$ (442,690)	\$(1,219,696)	\$ (377,992)

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

Table 22

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenue										
Charge for services	\$ 7,107,829	\$6,771,556	\$6,846,672	\$6,201,012	\$ 6,023,220	\$5,862,657	\$6,165,482	\$6,647,622	\$6,713,042	\$5,435,007
Penalties and interest	172,386	87,941	41,895	214,039	2,573	21,644	19,936	15,624	14,773	211,945
Proceeds from sales of	,	,	,	,	,	,	•	,	,	ŕ
recyclables	159,234	238,911	204,922	123,621	317,760	546,110	628,089	596,322	591,880	461,818
Capital contributions-equip.										
transferred from County	-	-	2,303	47,133	-		-	-	-	15,888
Gain on sale of fixed assets	196,000	-	22,500	12,431	-	-	78,616	3,677	-	35,395
Other	83,423	7,425	4,860	2,700	476,079	265,732	256,367	186,955	186,399	10,519
Operating transfer - County	2,415,000	2,415,000	2,415,000	2,415,000	125,632	1,115,000	6,445,000	2,545,000	2,545,000	2,545,000
Total revenue	10,133,872	9,520,833	9,538,152	9,015,936	6,945,264	7,811,143	13,593,490	9,995,200	10,051,094	8,715,572
Expense										
Salaries	1,652,012	1,557,315	1,484,759	1,523,060	1,435,456	1,436,414	1,524,733	1,522,883	1,604,911	1,633,798
Operating expenses	5,396,268	8,249,882	6,694,399	7,866,631	7,444,156	4,218,417	9,874,810	6,459,000	6,453,160	6,652,203
Depreciation	671,148	654,059	605,529	551,842	577,666	564,037	585,096	621,723	615,658	472,313
Interest	17,066	29,253	46,408	55,038	93,541	100,662	123,644	124,285	156,480	202,701
Total expense	7,736,494	10,490,509	8,831,095	9,996,571	9,550,819	6,319,530	12,108,283	8,727,891	8,830,209	8,961,015
Excess (deficiency) of										
• • • • • • • • • • • • • • • • • • • •	\$ 2,397,378	\$ (969,676)	\$ 707,057	\$ (980,635)	¢ (2.605.555)	\$1,491,613	\$1,485,207	\$1,267,309	\$1,220,885	\$ (245 442)
revenue over expense	φ 2,391,316	\$ (303,070)	\$ 707,057	\$ (300,033)	\$ (2,605,555)	φ 1,491,013	φ 1,463,207	\$ 1,207,309	φ 1,220,003	\$ (245,443)
Tipping Fee per ton	\$ 64.00	\$ 64.00	\$ 64.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 60.00	\$ 58.00

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

Table 23

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenue										
Rent	\$ 762,573	\$ 739,048	\$ 717,604	\$ 694,754	\$ 667,119	\$ 638,096	\$ 586,247	\$ 588,932	\$ 611,167	\$ 462,981
Fuel sales	87,183	86,765	74,455	69,005	60,589	75,846	63,270	61,685	64,016	53,570
Capital contributions (1)	66,274	20,000	189,422	179,130	25,000	186,719	434,316	233,646	111,220	48,969
Capital contributions-County	-	-	-	30,000	-	-	-	-	-	-
Land sale	-	-	-	5,632	902	-	-	-	-	-
Equipment sale	18,580	-	-	-	-	-	-	-	-	-
Operating transfer-County	-	-	-	-	-	-	2,000,000	-	-	-
Other	269	281	13,179	318	592	9,009	55	43	691	2,030
Total revenue	934,879	846,094	994,660	978,839	754,202	909,670	3,083,888	884,306	787,094	567,550
Expenses										
Salaries	354,745	274,043	248,404	235,452	198,133	200,002	199,851	188,612	212,539	247,203
Operating expenses	271,294	207,658	162,834	158,637	175,804	153,102	216,549	1,312,582	124,103	308,329
Operating expenses-capital (2)	221,125	119,918	273,626	204,719	120,000	194,565	5,438	_	15,892	_
Interest	21,871	29,502	39,899	48,478	65,301	70,822	78,281	84,437	93,960	104,350
Depreciation	189,665	177,113	176,283	175,761	174,578	182,320	188,935	183,140	171,551	169,729
Total expense	1,058,700	808,234	901,046	823,047	733,816	800,811	689,054	1,768,771	618,045	829,611
Excess (deficiency) of										
revenue over expense:	\$ (123,821)	\$ 37,860	\$ 93,614	\$ 155,792	\$ 20,386	\$ 108,859	\$2,394,834	\$ (884,465)	\$ 169,049	\$ (262,061)

Note:

⁽¹⁾ Capital contributions include reimbursements from the Federal Aviation Administration and the Maryland Aviation Administration.

 $^{(2) \ \} Operating \ expense \ reimbursed \ by \ the \ Federal \ Aviation \ Administration \ and \ the \ Maryland \ Aviation \ Administration.$

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Retired Members of the Carroll County Pension Plan by Type of Benefit As of June 30, 2019

Table 24

Amount of	# of Retired		Type of Re	tirement		Option Selected					
Monthly Benefit	Members	1	2	3	4	Unmod	A	В	С	D	Е
Deferred	2										
\$ 1 - \$250	85	77	-	8	-	34	10	15	21	3	2
251 - 500	110	101	7	2	-	26	14	14	36	5	15
501 - 750	62	52	9	1	-	17	9	13	14	3	6
751 - 1000	30	23	5	2	-	9	3	4	3	3	8
Over 1,000	44	42	2	-	-	6	11	3	13	7	4

Type of Retirement:

- 1 Normal Retirement for age and/or service
- 2 Early Retirement
- 3 Beneficiary Payment, normal or early retirement
- 4 Beneficiary Payment, death in service

Option Selected:

Unmodified: Life Annuity, member only

- A Beneficiary receives lump sum of unused contributions
- B Life Annuity of member, with ten years certain and continuous
- C Beneficiary receives 100 percent of member's reduced monthly benefit
- D Beneficiary receives 75 percent of member's reduced monthly benefit
- E Beneficiary receives 50 percent of member's reduced monthly benefit

Source: Department of Human Resources.

THE COUNTY COMMISSIONERS OF CARROLL COUNTY, MARYLAND Retired Members of the Carroll County Certified Law Officers Pension Plan by Type of Benefit As of June 30, 2019

Table 25

	_		Type of Ret	tirement		Option Selected						
Amount of	# of Retired					Life Ann.	Cash Ref	10 Yr. Cert.	J&C 100%	J&C 75%	J&C 50%	
Monthly Benefit	Members	1	2	3	4	Unmod	A	В	C	D	Е	
Deferred	-											
\$1 - \$250	-	-	-	-	-	-	-	-	-	-	-	
251 - 500	1	1	-	-	-	-	-	-	1	-	-	
501 - 750	2	2	-	-	-	-	1	-	1	-	-	
751 - 1000	-	-	-	-	-	-	-	-	-	-	-	
Over 1,000	12	12	-	-	-	1	1	2	3	2	3	

Type of Retirement:

- 1 Normal Retirement for age and/or service
- 2 Early Retirement
- 3 Beneficiary Payment, normal or early retirement
- 4 Beneficiary Payment, death in service

Option Selected:

Unmodified: Life Annuity, member only

- A Beneficiary receives lump sum of unused contributions
- B Life Annuity of member, with 10 years certain and continuous
- C Beneficiary receives 100 percent of member's reduced monthly benefit
- D Beneficiary receives 75 percent of member's reduced monthly benefit
- E Beneficiary receives 50 percent of member's reduced monthly benefit

Source: Department of Human Resources.

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 of Carroll County Carroll County, Maryland

We have audited, in accordance with the 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, 2019, 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 25, 2019, which included an emphasis of a matter paragraph as indicated on page 15. Our report includes a reference to other auditors who audited the financial statements of Carroll Community College, the Board of Education of Carroll County, and the Carroll County Public Library, 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.

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") to determine the 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 did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019 -001 that we consider to be a material weakness.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether Carroll County, Maryland'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 determination of financial statement amounts. 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*.

Carroll County, Maryland's Response to the Finding

Carroll County, Maryland's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Carroll County, Maryland's response was not subjected to the 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 25, 2019

CohnReynickLLF



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

The County Commissioners of Carroll County Westminster, Maryland

Report on Compliance for Each Major Federal Program

We have audited Carroll County, Maryland's compliance with the types of compliance requirements described 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, 2019. 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.

The County's financial statements include the operations of the Carroll County 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, 2019, component units which may have received federal awards, and which are not included in the schedule of expenditures of federal awards for the year ended June 30, 2019. Our audit described below did not include operations of these entities as they are engaged under separate audits. The results of these audits are separately reported in accordance with Uniform Guidance, if required.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Carroll County, Maryland's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Carroll County, Maryland's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Carroll County, Maryland's compliance.

Opinion on Each Major Federal Program

In our opinion, Carroll County, Maryland complied, in all material respects, with the types of 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, 2019.



Report on Internal Control over Compliance

Management of Carroll County, Maryland is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Carroll County, Maryland's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Carroll County, Maryland's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Baltimore, Maryland November 25, 2019

CohnReynickZZF

Federal Grantor/Program Title	Federal CFDA Number	Pass-through to Subrecipients	Expenditures	
U.S. Department of Housing and Urban Development				
Direct Housing Section 8 Grants				
Section 8 Housing Choice Voucher Cluster (14.871 / 14.879)				
HUD Housing FY18	14.871	\$ -	\$ 2,858	
HUD Housing Admin FY18	14.871	-	(340)	
HUD Housing FY19	14.871	-	516,091	
HUD Housing FY19	14.871	-	5,410,995	
Family Self-Sufficiency FY19	14.871		78,972	
Total Section 8 Housing Choice Voucher Cluster (14.871 / 14.879)		-	6,008,576	
CofC Plan FY18	14.267	-	5,686	
Continium of Care FY19	14.267	-	5,687	
CDBG-Change FY19	14.896		90,000	
Total U.S. Department of Housing and Urban Development				
Section 8 Grants			6,109,949	
U.S. Department of Housing and Community Development				
Passed Through Maryland Department of Community Development				
Emergency Solutions FY18	14.231	21,419	21,419	
HSP FED S&H	14.231	4,551	4,551	
CDBG BGC Gym FY19-20	14.228	366,279	366,279	
Community Dev Block HSP	14.228	87,424	87,424	
CDBG Planning Study FY19	14.228	25,000	25,000	
Total U.S. Department of Housing and Community Developme	nt	504,673	504,673	
U.S. Department of Labor				
Passed Through Howard County Maryland				
Manpower Resources Employment and Training Assistance				
WIA Cluster (17.258 / 17.259 / 17.278)				
BERC - Title I Dislc Worker FY18	17.278	_	727,456	
BERC - Title I Dislc Worker FY19	17.278	_	4	
BERC - Youth FY19	17.259	_	62,760	
BERC - Admin FY19	17.258	_	3,588	
BERC - Admin FY19	17.259	_	3,588	
BERC - Admin FY19	17.278	-	9,909	
BERC WIOA	17.258	_	3	
BERC - I FY18	17.258	_	254,513	
BERC - Youth FY18	17.259	-	185,046	
BERC - Admin FY18	17.258	-	26,174	
BERC - Admin FY18	17.259	-	26,174	
BERC - Admin FY18	17.278	-	72,285	
BERC WEX FY18	17.259	-	28,189	
BERC WEX FY19	17.259		153	
Total U.S. Department of Labor		-	1,399,842	

Federal Grantor/Program Title	Federal CFDA Number	Pass-through to Subrecipients	Expenditures
U.S. Department of Health and Human Services			
Passed Through Maryland Office on Aging			
Aging Cluster (93.044 / 93.045 / 93.053)			
Title III, B FY18	93.044	-	62,145
Title III, B FY19	93.044	_	101,422
Title III, Part C FY18	93.045	_	80,551
Title III, Part C FY19	93.045	_	115,729
HDM FY18	93.045	_	5,917
HDM FY19	93.045	_	62,730
NSIP FFY19	93.053		36,810
Total Aging Cluster (93.044 / 93.045 / 93.053)		-	465,304
Title III, Part D FY19	93.043	-	5,382
Title III, D FY18	93.043	-	2,924
Title III, Part E FY18	93.052	-	23,651
Title III, Part E FY19	93.052	-	34,938
Title III, B FY18	93.042	-	490
Ombudsman FY19	93.042	-	12,601
Title VII FFY18	93.041	-	112
Title VII FFY19	93.041	-	685
SMP FFY19	93.048	-	3,815
SHIP FY19	93.324	-	13,869
Title III, D FY18	93.071	-	864
MIPPA FY19	93.071	-	7,539
PEARLS FY19	93.734	-	2,000
Passed Through Maryland State Department of Human Resources			
Circuit Ct Child Support FY19	93.563	-	16,704
Sheriff Child Support FY19	93.563	-	97,718
Sheriff CCAIC Training Enhance FY18	93.563	-	42,765
Safe & Stable FY19	93.556	125,824	125,824
01 (00 770 / 00 744)			
Cluster (96.558 / 93.714)	00 ==0	227.222	007.000
Family Preservation FY19	93.558	387,830	387,830
Family Preservation Admin FY19	93.558		8,000
Total Cluster (93.558 / 93.714)		387,830	395,830
Passed Through Maryland Department of Health & Mental Hygiene			
Cluster (93.775 / 93.777 / 93.778)			
Cs Mgmt FY19	93.778	_	146,345
CS Mgmt FY18	93.778	_	102,925
FFP FY19	93.778	_	134,002
MFP FY19	93.778		17,249
Total Cluster 93.775 / 93.777 / 93.778			400,521
Total U.S. Department of Health and Human Services		513,654	1,653,536

Federal Grantor/Program Title	Federal CFDA Number	Pass-through to Subrecipients	Expenditures
U.S. Veterans Administration			
Passed Through Maryland Office On Aging			
Veterans Directed Home FY19	64.044		22,187
Total U.S. Veterans Administration			22,187
U.S. Department of Transportation			
Cluster (20.600 / 20.601 / 20.602 / 20.609 / 20.610 / 20.611 / 20.612 / 20.613 / 20.616)			
Sheriff Highway Safety FY17	20.600	-	2,190
Sheriff Highway Safety FY18	20.616		3,023
Total cluster (20.600 / 20.601 / 20.602 / 20.609 / 20.610 / 20.611 / 20.612 / 20.613 / 20.616)			5,213
Cluster (20.500 / 20.507 / 20.525 / 20.526)			
Section 5311 Capital FY18	20.507	-	1,229
Section 5311 Capital FY19	20.507	-	146,340
PreveMain FY18 PreveMain FY19	20.507 20.507	-	36,047 96,927
Sheriff Highway Safety FY19	20.507	-	10,517
Section 5307 FY19	20.507		325,827
Total cluster (20.500 / 20.507 / 20.525 / 20.526)			616,887
Motor Carrier Safety Asst FY19	20.218	_	8,598
Motor Carrier Safety Asst FY18	20.218	-	3,127
Section 5311 FY19	20.509	-	100,119
UPWP FY15	20.505	-	(34,247)
UPWP FY19 Hazardous Material Emergency Preparation	20.505 20.703	-	39,107 8,300
Total U.S. Department of Transportation			747,104
			, -
U.S. Department of Homeland Security Passed Through Maryland Emergency Management Administration			
SHSP HST FFY18	97.067	-	834
UASI FFY15 Emg Planners	97.067	-	(166)
UASI Tactical Support Op FY18	97.067	-	11,480
SHSP RESP FFY17	97.067	-	20,049
SHSP FFY19 Resp SHSP EOC FFY17	97.067 97.067	-	18,085 18,699
SHSP EOC FFY19	97.067	-	14,350
SHSP Marston Rd Tower	97.067	-	11,566
SHSP Respond to all Hazard events FFY16	97.067	-	9,037
UASI - Regional Em Planners FFY16	97.067	-	4,694
UASI - Regional Em Planners FFY19 SHSP EOC FFY16	97.067 97.067	-	4,171 4,758
UASI-CBRNE FFY16	97.067	- -	26,537
UASI LE FFY16	97.067	-	21,822
UASI MCV FFY18	97.067	-	1,448
UASI MCV FFY19	97.067	-	14,558
UASI Empl FFY18 UASIHazt FFY18	97.067	-	90,161
UASIHazt FFY19	97.067 97.067	-	30,059 24,851
UASIntel FFY18	97.067	-	8,474
UASIntel FFY19	97.067	-	6,800
DTF DOT State Atty	21.016	-	1,150
TR SLOT FFY19	21.016	-	14,904
Emerg Mgmt Perf FY19 Drug Disposal FY16	97.042 93.959	-	108,743 162
Total U.S. Department of Homeland Security		-	467,226
•			

Passed Through Maryland Department of Human Resources Workforce Dev FSET FY18 10.561	Federal Grantor/Program Title	Federal CFDA Number	Pass-through to Subrecipients	Expenditures
Passed Through Maryland Department of Human Resources 10.561 26,868 NSIP FFY18 10.561	U.S. Donartment of Agricultura			
Workforce Dev FSET FY18				
NSIP FFY18		10 561		26 969
Total U.S. Department of Agriculture			-	·
Passed Through The Governor's Office of Crime Control and Prevention Passed Through The Governor's Office of Crime Control and Prevention Drug Task Force - St Atty	NSIP FF 1 10	10.561		
Passed Through The Governor's Office of Crime Control and Prevention Task Force - St Atty 16.922	Total U.S. Department of Agriculture			26,901
Passed Through The Governor's Office of Crime Control and Prevention Task Force - St Atty 16.922	U.S. Department of Justice			
Drug Task Force - St Atty				
Tactical Div Task Force FY19		16.922	-	22.483
DOJ Joint Law Enforcement Ops FY19			_	·
DOJ Joint Law Enforcement Ops FY18			_	
VAWA States Atty FY19 16.588 55,453 VAWA FY18 16.588 3,930 VAWA Sherf FY18-9 16.588 1,353 JAG States Atty 16.738 20,462 BJAG St Atty FY18 16.738 20,462 CCAICT FY18 93.643 - 792 Total of U.S. Department of Justice Executive Office of the President Passed Through Mercyhurst University 95.001 - 32,892 HIDTA CY19 95.001 - 23,413 Total Executive Office of the President 95.001 - 32,892 HIDTA CY19 95.001 - 32,892 HIDTA CY19 95.001 - 23,413 Total Executive Office of the President 84.126 - 33,851 U.S. Department of Education BERCDORS FY19 84.126 - 33,851 Total U.S. Department of Education Environmental Protection Agency Passed Through National Fish and Wildlife Foundation - 30,634 Total Environmental Protection Agency <td< td=""><td>· · · · · · · · · · · · · · · · · · ·</td><td></td><td>_</td><td>,</td></td<>	· · · · · · · · · · · · · · · · · · ·		_	,
VAWA FY18 16.588 - 3,930 VAWA Sherf FY18-9 16.588 - 1,353 JAG States Atty 16.738 - 20,462 BJAG St Atty FY18 16.733 - 20,462 CCAICT FY18 93.643 - 792 Total of U.S. Department of Justice - 147,124 Executive Office of the President - 32,892 HIDTA CY18 95.001 - 32,892 HIDTA CY19 95.001 - 23,413 Total Executive Office of the President - 56,305 U.S. Department of Education Passed Through Maryland Department of Education BERCDORS FY19 84.126 - 33,851 Total U.S. Department of Education 84.126 - 33,851 Environmental Protection Agency Passed Through National Fish and Wildlife Foundation - 30,634 Carroll County Farm Museum ESD 66.466 - 30,634 Total Environment			_	,
VAWA Sherf FY18-9 16.588 - 1,353 JAG States Atty 16.738 - 20,462 BJAG St Atty FY18 16.738 - 20,462 CCAICT FY18 93.643 - 792 Total of U.S. Department of Justice - 147,124 Executive Office of the President Passed Through Mercyhurst University - 32,892 HIDTA CY18 95.001 - 32,892 HIDTA CY19 95.001 - 23,413 Total Executive Office of the President - 56,305 U.S. Department of Education Passed Through Maryland Department of Education 84.126 - 33,851 Environmental Protection Agency Passed Through National Fish and Wildlife Foundation - 30,634 Carroll County Farm Museum ESD 66.466 - 30,634 Federal Aviation Administration Airport Improvement Program:				,
JAG States Atty FY18			_	,
BJAG St Atty FY18			-	,
CCAICT FY18 93.643 - 792 Total of U.S. Department of Justice - 147,124 Executive Office of the President - 32,892 Passed Through Mercyhurst University 95.001 - 32,892 HIDTA CY18 95.001 - 23,413 Total Executive Office of the President - 56,305 U.S. Department of Education - 56,305 Passed Through Maryland Department of Education - 33,851 Foral U.S. Department of Education - 33,851 Environmental Protection Agency - 33,851 Passed Through National Fish and Wildlife Foundation - 30,634 Carroll County Farm Museum ESD 66.466 - 30,634 Federal Aviation Administration - 30,634 Federal Aviation Administration - 22,486 LYT Plan Update 20.106 - 22,486 LYT Plan Update 20.106 - 53,745 Total Federal Aviation Administration - 198,391			-	,
Total of U.S. Department of Justice			-	
Passed Through Mercyhurst University	CCAICT FY18	93.643		792
Passed Through Mercyhurst University HIDTA CY18 95.001 - 32,892 23,413 Total Executive Office of the President - 56,305 U.S. Department of Education Passed Through Maryland Department of Education BERCDORS FY19 84.126 - 33,851 Total U.S. Department of Education - 33,851 Environmental Protection Agency Passed Through National Fish and Wildlife Foundation Carroll County Farm Museum ESD 66.466 - 30,634 Total Environmental Protection Agency - 30,634 Federal Aviation Administration Airport Improvement Program: Grand Facility Improvement Grand Facility Improvement Carroll County Farm Museum Explosion Administration Environment Assessment 20.106 - 22,486 22,486 20.106 - 122,160 21,760 21,	Total of U.S. Department of Justice			147,124
Passed Through Mercyhurst University HIDTA CY18 95.001 - 32,892 23,413 Total Executive Office of the President - 56,305 U.S. Department of Education Passed Through Maryland Department of Education BERCDORS FY19 84.126 - 33,851 Total U.S. Department of Education - 33,851 Environmental Protection Agency Passed Through National Fish and Wildlife Foundation Carroll County Farm Museum ESD 66.466 - 30,634 Total Environmental Protection Agency - 30,634 Federal Aviation Administration Airport Improvement Program: Grand Facility Improvement Grand Facility Improvement Carroll County Farm Museum Explosion Administration Environment Assessment 20.106 - 22,486 22,486 20.106 - 122,160 21,760 21,	Executive Office of the President			
HIDTA CY18				
HIDTA CY19 95.001 - 23,413	,	95.001	_	32.892
U.S. Department of Education Passed Through Maryland Department of Education BERCDORS FY19 Total U.S. Department of Education Environmental Protection Agency Passed Through National Fish and Wildlife Foundation Carroll County Farm Museum ESD Total Environmental Protection Agency Federal Aviation Administration Airport Improvement Program: Grand Facility Improvement CYT Plan Update Environment Assessment Total Federal Aviation Administration - 198,391				
U.S. Department of Education Passed Through Maryland Department of Education BERCDORS FY19 Total U.S. Department of Education Environmental Protection Agency Passed Through National Fish and Wildlife Foundation Carroll County Farm Museum ESD Total Environmental Protection Agency Federal Aviation Administration Airport Improvement Program: Grand Facility Improvement CYT Plan Update Environment Assessment Total Federal Aviation Administration - 198,391	Total Eventuing Office of the Brasidant			EC 20E
Passed Through Maryland Department of Education BERCDORS FY19 Total U.S. Department of Education Total U.S. Department of Education Environmental Protection Agency Passed Through National Fish and Wildlife Foundation Carroll County Farm Museum ESD Total Environmental Protection Agency Federal Aviation Administration Airport Improvement Program: Grand Facility Improvement Carroll Environment Assessment Total Federal Aviation Administration - 198,391	Total Executive Office of the President			56,305
BERCDORS FY19 84.126 - 33,851	U.S. Department of Education			
BERCDORS FY19 84.126 - 33,851				
Environmental Protection Agency Passed Through National Fish and Wildlife Foundation Carroll County Farm Museum ESD 66.466 - 30,634 Total Environmental Protection Agency - 30,634 Federal Aviation Administration Airport Improvement Program: Grand Facility Improvement LYT Plan Update Environment Assessment 20.106 - 122,160 Environment Assessment - 198,391		84.126		33,851
Environmental Protection Agency Passed Through National Fish and Wildlife Foundation Carroll County Farm Museum ESD 66.466 - 30,634 Total Environmental Protection Agency - 30,634 Federal Aviation Administration Airport Improvement Program: Grand Facility Improvement LYT Plan Update Environment Assessment 20.106 - 122,160 Environment Assessment - 198,391	Total U.S. Department of Education		_	33.851
Passed Through National Fish and Wildlife Foundation Carroll County Farm Museum ESD 66.466 - 30,634 Total Environmental Protection Agency - 30,634 Federal Aviation Administration - 22,486 LyT Plan Update 20.106 - 22,486 LYT Plan Update 20.106 - 122,160 Environment Assessment 20.106 - 53,745 Total Federal Aviation Administration - 198,391				
Carroll County Farm Museum ESD 66.466 - 30,634 Total Environmental Protection Agency - 30,634 Federal Aviation Administration - 20,104 Airport Improvement Program:				
Federal Aviation Administration 20.106 - 22,486 LYT Plan Update Environment Assessment 20.106 - 122,160 Environment Assessment 20.106 - 53,745 Total Federal Aviation Administration - 198,391	Passed Through National Fish and Wildlife Foundation			
Federal Aviation Administration Airport Improvement Program: 20.106 - 22,486 LYT Plan Update 20.106 - 122,160 Environment Assessment 20.106 - 53,745 Total Federal Aviation Administration - 198,391	Carroll County Farm Museum ESD	66.466		30,634
Airport Improvement Program: 20.106 - 22,486 Grand Facility Improvement 20.106 - 122,160 LYT Plan Update 20.106 - 122,160 Environment Assessment 20.106 - 53,745 Total Federal Aviation Administration - 198,391	Total Environmental Protection Agency			30,634
Airport Improvement Program: 20.106 - 22,486 Grand Facility Improvement 20.106 - 122,160 LYT Plan Update 20.106 - 122,160 Environment Assessment 20.106 - 53,745 Total Federal Aviation Administration - 198,391	Federal Aviation Administration			
Grand Facility Improvement 20.106 - 22,486 LYT Plan Update 20.106 - 122,160 Environment Assessment 20.106 - 53,745 Total Federal Aviation Administration - 198,391				
LYT Plan Update 20.106 - 122,160 Environment Assessment 20.106 - 53,745 Total Federal Aviation Administration - 198,391		20.106	-	22,486
Environment Assessment 20.106 - 53,745 Total Federal Aviation Administration - 198,391	·		_	,
	·		<u>-</u>	,
Total Federal Programs \$ 1,018,327 \$ 11,397,723	Total Federal Aviation Administration			198,391
	Total Federal Programs		\$ 1,018,327	\$ 11,397,723

Notes to Schedule of Expenditures of Federal Awards June 30, 2019

Note 1 - Basis of presentation

The accompanying schedule of expenditures of federal awards (the "schedule") includes the federal award activity of the Carroll County, Maryland under programs of the federal government for the year ended June 30, 2019. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Because the schedule presents only a selected portion of the operations of the Carroll County, Maryland, it is not intended to and does not present the financial position, changes in net assets or cash flows of the 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 purpose 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 not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Schedule of Findings and Questioned Costs Year Ended June 30, 2019

I. Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	XYesNo
Significant deficiency (ies) identified?	YesX_ None Reported
Noncompliance material to financial statements noted?	YesXNo
Federal Awards	
Internal control over major programs:	
Material weakness(es) identified?	YesX_No
Significant deficiency(ies) identified?	YesX_ None Reported
Type of auditor's report issued on compliance major programs:	for Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance	
Identification of Major Programs	
Name of Federal Program or Cluster	Fiscal Year 6/30/2019 CFDA Number Expenditures
Housing Choice Voucher Cluster	14.871 / 14.879 \$ 6,008,576
Dollar threshold used to distinguish between type and type B programs	A \$ 750,000
Auditee qualified as a low-risk auditee?	Yes X No

Schedule of Findings and Questioned Costs Year Ended June 30, 2019

II. Financial Statement Findings

Finding No. 2019 - 001

Material Weakness

Condition/Context

The June 30, 2019, financial statements of the County reflect a prior period adjustment pertaining to improper recording of nonexchange transactions related to a component unit in the general fund and governmental activities. The effect of the adjustment is summarized below:

General Fund - increase prepaid costs and fund balance by \$7,427,846.Governmental Activities - increase prepaid expenses and net position by \$7,427,846.

Criteria

Governmental Accounting Standards Board ("GASB") Statement No. 65 defines resources transmitted before the eligibility requirements are met for a nonexchange transaction as being reported as assets by the provider. COSO/Internal Control Framework state that control activities must be in place for there to be adequate internal control procedures over financial reporting. Furthermore, these control activities should be performed timely to ensure financial transactions are recorded in the correct reporting period in compliance with Generally Accepted Accounting Principles ("GAAP") and the standards set by the GASB.

Cause

The errors were due to amounts being improperly recorded as expense/expenditure based on an improper understanding of nonexchange transactions in accordance with GASB 65.

Effect

A prior period restatement was recorded to correct the error.

Recommendations

We recommend the County review the terms of grants given and determine whether the grants meet the definitions of nonexchange transactions with eligibility requirements. If the grants meet the definition of a nonexchange transaction with eligibility requirements, we recommend the County periodically review when the component unit / recipient has met the terms of the eligibility requirements and the County should recognize the expense/expenditure at that time.

View of the Responsible Officials and Corrective Action Plan

Management agrees with the above finding. The accounting office plans to review all nonexchange transactions similar to those that were identified between the County and its component unit

III. Major Federal Award Findings and Questioned Costs

None

Schedule of Prior Year Audit Findings Year Ended June 30, 2019

IV. Financial Statement Findings

None

V. Major Federal Award Findings and Questioned Costs

None



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