

Calvert County Maryland

Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2012



Calvert County Maryland

Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2012

Prepared by:
Department of Finance & Budget
Calvert County, Maryland

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

JUNE 30, 2012

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Introductory Section



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CALVERT COUNTY GOVERNMENT

Board of County Commissioners

Pat Nutter, President

Steven R. Weems, Vice President

Gerald W. Clark, Commissioner

Susan Shaw, Commissioner

Evan K. Slaughenhaupt Jr., Commissioner

December 20, 2012

Honorable Members of the Board of County Commissioners of Calvert County,
County Administrator and Citizens of Calvert County

The Comprehensive Annual Financial Report of Calvert County, Maryland for the Fiscal Year ended June 30, 2012, is hereby submitted. Calvert County Code of Public Local Law requires that Calvert County annually issue a report of its financial position and activity, and that this report be audited by certified public accountants. The County is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 (as amended in 1996) and the provisions of the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non Profit Organizations*. Responsibility for both the accuracy of the data and the completeness and reliability of all of the information presented in these reports rests with the County's management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of Calvert County Government and its component units.

Management of the government is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse, and to ensure that adequate and accurate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United State of America (GAAP). The internal control structure is designed to provide reasonable assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance implies a high degree of assurance, constrained by the costs and benefits of establishing incremental control procedures. The cost of a control should not exceed the benefit to be derived from it.

Murphy & Murphy, CPA, LLC, Independent Certified Public Accountants have audited Calvert County Government's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of Calvert County Government

for the fiscal year ended June 30, 2012 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified (“clean”) opinion that the financial statements are fairly presented in conformity with GAAP. The auditor’s report is presented as the first component of the financial section of this report. Also prepared by the auditors is a “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”. This report is presented on pages 96 & 97.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Calvert County Government’s MD&A can be found immediately following the report of the independent auditors on page 4.

PROFILE OF THE GOVERNMENT

Calvert County, Maryland was formed as one of the original counties in Maryland in 1654 and has a Commissioner form of government. A board of five Commissioners governs the County and serves the executive and legislative functions. The Commissioners operate under a Code of Public Local Laws of Calvert County, revised in 1985, and are subject to legislation adopted by the State Legislature. "Beginning with the general election to be held in Calvert County in November 1978, five county commissioners shall be elected by countywide vote. One shall be a resident of the first election district, one a resident of the second district, and one a resident of the third election district of the county. Of the remaining candidates, the two receiving the highest number of votes shall be selected. Commissioners who are elected and qualify shall take office the third Tuesday of December following election. Each commissioner shall hold office for 4 years or until a successor is elected and qualified (Code 1981, § 4-102; 1985,ch 715, § 2.)"

There are several other elected officials in Calvert County that include: Register of Wills, Sheriff, States Attorney, Treasurer, Mayor of the Town of Chesapeake Beach, Mayor of the Town of North Beach, Clerk of the Circuit Court, and five members of the Board of Education.

The Commissioners appoint a County Administrator who is responsible for the day-to-day administration of the County government. The Commissioners establish policy, enact ordinances, review and approve annual budgets, conduct public hearings and make decisions on land use matters. The Commissioners also appoint all department heads, members of boards and commissions and represent the county in dealings with other municipalities, the state and federal government. The office of the Commissioners is located at 175 Main Street, Prince Frederick, Maryland, 20678. The main phone number is 410-535-1600 and the website is www.co.cal.md.us.

Calvert County occupies 213 square miles, has 143 miles of shoreline, and serves a population of about 90,000. It is the smallest county in Southern Maryland. Despite recent

growth, Calvert County retains its rural character and agrarian roots, offering good schools, a clean environment and good quality of life. Calvert is a peninsula, bounded by the Chesapeake Bay on the east and the Patuxent River on the west. Steep cliffs and woods predominate on the bay side, while along the Patuxent, rolling fields slip gently down to the river. The County's many creeks provide refuge for wildlife, as well as scenic areas for boating and fishing.

Prince Frederick, the County seat, is located 35 miles southeast of Washington, D.C. and 55 miles south of Baltimore. There are two incorporated towns in Calvert County: North Beach and Chesapeake Beach, located on the bay at the northeast corner of the county. In addition, the Comprehensive Plan identifies seven "town centers." These include (from north to south) Dunkirk, Owings, Huntingtown, Prince Frederick, St. Leonard, Lusby, and Solomons.

The County provides a full range of municipal services, including: public safety, construction and maintenance of highways and streets, sanitation, health and social services, culture/recreation, education, public improvements, planning and zoning, and general administrative services. The County is also financially accountable for legally separate entities which are reported separately within the County's financial statements. The entities that meet these criteria are the Calvert County Board of Education and the Economic Development Authority of Calvert County. Additional information on the component units can be found in Note 1.

Calvert County's annual operating and capital budget represents a comprehensive financial plan for the County effective each year on the first day of July. Each County department, agency, or board receiving county funds submits a budget request to the Commissioners at a public hearing, via the Department of Finance and Budget. Additional public hearings are conducted to obtain taxpayer comments. On or before July 1 of each year, the budget is legally enacted through passage of a resolution. No expenditure of county funds may be made in excess of appropriation at the fund level. A Summary Schedule of Revenues, Expenditures, and Other Financing Sources and Uses - Budget and Actual (budgetary basis) can be found on page 65 of this report. The capital projects fund budget is prepared on a project length basis and, accordingly, annual budgetary comparisons are not presented in the basic financial statements and supplemental information.

FACTORS AFFECTING FINANCIAL CONDITION

Local economy: Conservative fiscal management has allowed the County to maintain a sound financial position. Property taxes and income taxes provide the majority (89 percent, budgetary basis, in fiscal year 2012) of the revenue for the General Fund of the Calvert County Government. Property taxes have finally succumbed to the underlying reality of weakening property values. Income tax revenue declined on a year over year basis in fiscal year 2009 and again in fiscal year 2010. In, fiscal year 2012, a new record level of income tax was realized. FY 2013 is expected to continue at this increased level.

Property tax, the largest revenue source, represented 62 percent of the total General Fund revenue for fiscal year 2012. Along with the rest of the Country, Calvert County's property values have decreased from peak levels. This decrease in value is expected to lower the real property tax revenue in fiscal years 2013 and 2014. The number of residential building permits issued in fiscal year 2012 was 233, an increase of 11 percent or 23 permits from the

prior fiscal year. Property taxes have been buoyed by public utility providers and in some cases increased.

Income tax revenue, at 27 percent of the total General Fund revenue for fiscal year 2012, is directly affected by personal income levels, employment levels, and population growth. The median household income for Calvert County in 2009 was \$90,621, one of the highest levels in the nation for a county of our size. Income tax revenues were strong in FY 2012 and based on projections by the State of Maryland, moderate increases are expected to continue.

Long-term financial planning: Calvert County annually adopts a Capital Budget and prepares a five year Capital Improvement Plan. There is also a four year financial forecast prepared of general fund revenues and expenses. These are the County's primary financial management planning tools.

The fiscal year 2013 budget reflected education, roads, and public facilities as the continued top priorities of the County's administration. Within the Capital Improvements Program Budget for Fiscal Year 2013, 53 percent was dedicated to new school construction, additions, renovations, and the maintenance of existing facilities. Most of this allocation is for the replacement of Calvert High school.

The County continues its policy of maintaining a reserve of 8 percent of current budgeted General Fund expenditures to protect its high credit ratings. The County maintains additional reserve funds as a means to handle potential revenue shortfalls, to fund one-time non-recurring expenditures, or in the event of emergency or unplanned expenditures. In addition, the County has assigned a portion of fund balances for future other post-employment benefits and accrued leave. The County has experienced regular credit rating upgrades in recent years. The latest ratings, received during fiscal year 2012, were Aa1 from Moody's Investors Service, Inc., AAA from Standard & Poor's, and AAA from Fitch Ratings.

In 1990, the County adopted a debt affordability model to ensure that the debt levels are kept at an affordable, manageable, moderate level. A debt policy was adopted in FY 2009 to comply with the State of Maryland's new requirement. The guidelines created in 1990 and ratified in this policy, establish maximum acceptable debt ratios. These ratios and their maximum acceptable levels are: 1) debt to assessed value, 4.5 percent, 2) debt service as a percent of general fund revenue, 9.5 percent, and 3) debt per capita \$1,500. Using fiscal year 2012 data, the County's current ratios are as follows: debt to assessed value is .90 percent, debt service to general fund revenue is 7.3 percent, and debt per capita is \$1,437.

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 Calvert County Government for its comprehensive annual financial report for the fiscal year ended June 30, 2011. In order to be awarded a Certificate of Achievement, a government 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 that 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.

The County also received the GFOA Award for Distinguished Budget Presentation for its annual budget dated July 1, 2011 to June 30, 2012. In order to qualify for this Distinguished Budget Award, the County must publish a budget document that meets program criteria as a policy document, operations guide, financial plan, and communications medium. We believe our current budget continues to conform to program requirements and have submitted it to the GFOA to determine its eligibility for another award.

The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance and Budget Department. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report and accurately recording the day to day transactions that make up the report.

I would also like to thank the County Commissioners and the County Administrator for their leadership and support in planning and conducting the financial operations of the County in a responsible manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Tim Hayden', with a stylized flourish at the end.

Tim Hayden, CPA, CMA
Director, Finance and Budget

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County Commissioners
of Calvert County
Maryland

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Danison

President

Jeffrey R. Emer

Executive Director

COUNTY COMMISSIONERS OF CALVERT COUNTY

CERTAIN ELECTED OFFICIALS

Pat Nutter
President, Board of County Commissioners

Steven R. Weems
Vice President, Board of County Commissioners

Susan Shaw
Commissioner

Gerald W. Clark
Commissioner

Evan K. Slaughenhaupt Jr.
Commissioner

Novalea Tracy-Soper
Treasurer

CERTAIN APPOINTED OFFICIALS

Terry L. Shannon
County Administrator

Timothy Hayden
Director of Finance and Budget

Charles R. Johnston
Director of Planning and Zoning

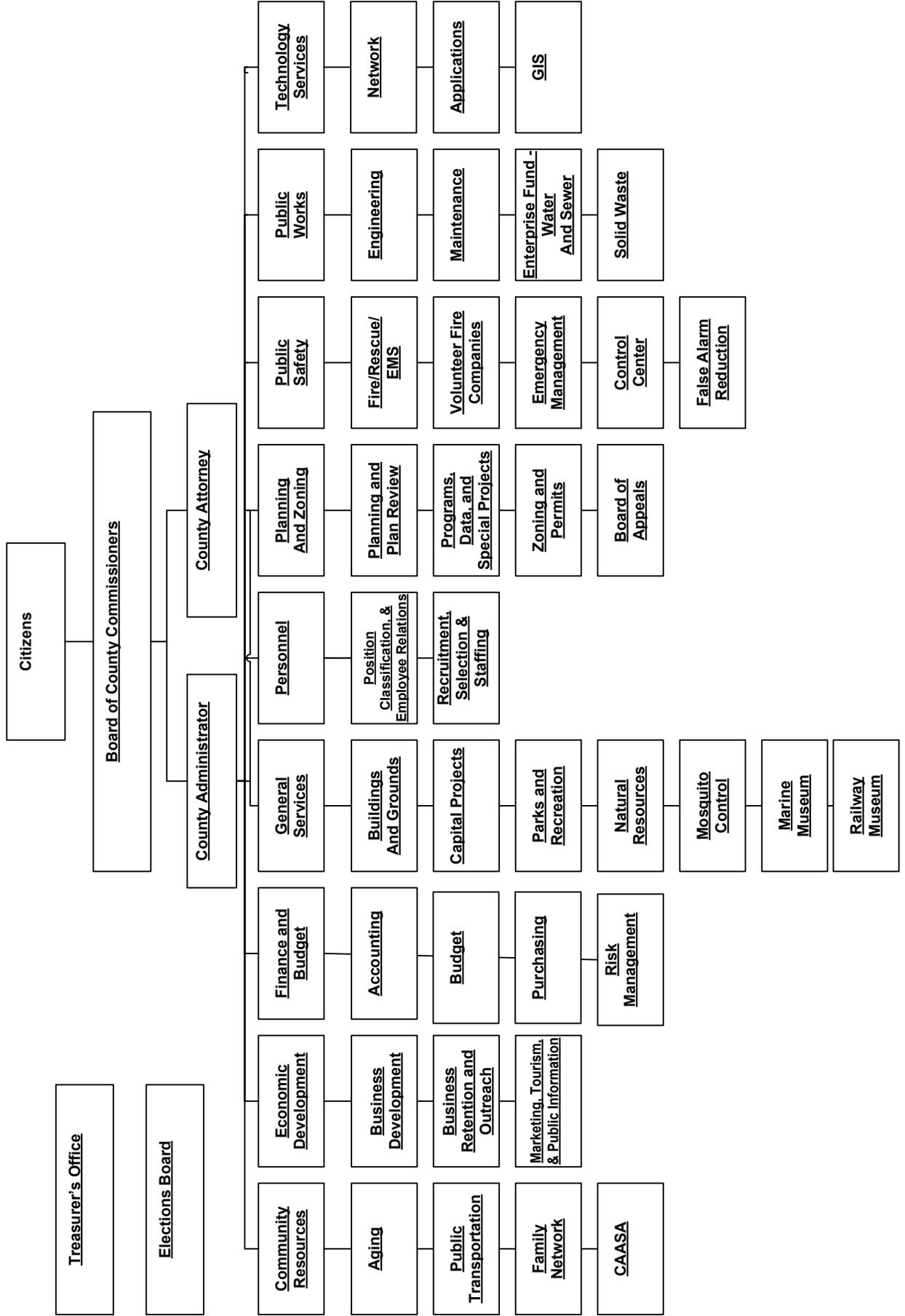
Linda Vassallo
Director of Economic Development

Terry P. Carlson, P.E.
Director of Public Works

Jacqueline K. Vaughan
Director of Public Safety

CALVERT COUNTY GOVERNMENT

175 Main Street, Prince Frederick, MD 20678
 Local: 410-535-1600; Metro: 301-855-1243
calvertcounty@co.cal.md.us



Financial Section



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Murphy & Murphy, CPA, LLC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

County Commissioners of Calvert County, Maryland
Prince Frederick, 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 the County Commissioners of Calvert County, Maryland, as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County Commissioners of Calvert County, Maryland's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Calvert County Board of Education, which represent 38 percent, 50 percent and 48 percent, respectively of the assets, net position and revenues of the total reporting entity. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Calvert County Board of Education, is based 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report 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 the County Commissioners of Calvert County, Maryland, as of June 30, 2012, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2012, on our consideration of the County Commissioners of Calvert 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and historical pension and other post employment benefit schedules on pages 4 through 15 and 65 through 69 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 and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County Commissioners of Calvert County, Maryland's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules listed in the table of contents under other supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and

other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Murphy & Murphy, CPA, LLC

Clinton, Maryland
December 19, 2012

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Annual Financial Report of Calvert County, Maryland presents a narrative overview and analysis of the financial activities of Calvert County Government for the fiscal year ended June 30, 2012. We encourage readers to use the information presented here in conjunction with the accompanying basic financial statements and the accompanying notes to those financial statements.

Financial Highlights

Government-wide:

- The assets of Calvert County Government exceeded its liabilities at the close of the most recent fiscal year by \$207.9 million (*net position*). 18 percent of this amount is attributable to the business-type activities that include the Water and Sewer Fund, the Solid Waste and Recycling Fund, the Calvert Marine Museum and the Chesapeake Hills Golf Course. Of total net position, \$38.6 million (*unrestricted net position*) may be used to meet ongoing obligations to citizens and creditors (\$36.5 million of this amount is related to governmental activities and \$2.1 million is attributable to the business-type activities), \$20.2 million is restricted for specific purposes (*restricted net position*), and \$149.1 million is invested in capital assets, net of related debt. Included as restricted cash is \$32.5 million of which \$30.4 million represents bond proceeds.
- The government's total net position has decreased by \$103,501; a \$188,991 increase was related to the governmental activities and a decrease of \$292,492 was related to the business-type activities.

Fund Level:

- In accordance with Governmental Accounting Standards Board Statement No. 54, effective for the year ended June 30, 2011, new fund balance categories were established for financial reporting purposes of all governmental funds. These new categories, nonspendable, restricted, committed, assigned, and unassigned, were established to enhance fund balance presentation and improve the usefulness of fund balance information.
- As of June 30, 2012, the County's governmental funds reported combined fund balances of \$120.0 million, a decrease of \$8.4 million from the prior year. Approximately 84.3 percent of this total amount, \$101.2 million is available to meet the County's current and future needs (*committed, assigned and unassigned*). Of this total, \$73.8 million (prior year, \$81.6 million) has been dedicated for certain purposes, including, \$36.1 million for approved capital projects, \$3.5 million for employee leave obligations payouts, \$8.1 million for purposes within special revenue funds and \$4.7 million for other post employment benefits (*GASB 45*).
- The proprietary funds operating revenue increased by \$300,316 or 1.8 percent.

- At the close of the current fiscal year, the available fund balance for the General Fund was \$57.0 million (*committed, assigned and unassigned*), or 23.9 percent of total fiscal year 2012 General Fund budgetary expenditures and other financing uses. Nonspendable and restricted fund balance of the General Fund was \$9.5 million, or 14.4 percent of fund balance.
- Calvert County Government issued new general obligation bonds of \$9.4 million during fiscal year 2012. The purpose of this debt was to finance several major capital projects including Calvert High School, the Substance Abuse Center, College of Southern Maryland and water and sewer projects.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Calvert County Government's basic financial statements. Calvert County Government's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required and non-required supplementary information.

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of Calvert County Government's finances, in a manner comparable to a private-sector business. The government-wide financial statements can be found on pages 16 to 18 of this report. These statements are described next:

The *statement of net position* presents information on all of Calvert County Government's assets and liabilities, with the difference between the two 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 Calvert 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 only 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 Calvert County Government that are principally supported by taxes and intergovernmental revenues (*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 Calvert County Government include: general government, public safety, public works, health and hospitals, social services, education, recreation and culture, conservation of natural resources, urban development and housing, economic development, and debt service. The business-type activities of Calvert County Government include: water and sewer, solid waste & recycling, Calvert Marine Museum operations and the Chesapeake Hills Golf Course.

The government-wide financial statements include not only Calvert County Government itself (known as the *primary government*), but also legally separate component units. Calvert County Government has the following component units: Calvert County Board of Education and Economic Development Authority. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

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. Calvert 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 Calvert 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Calvert County Government maintains 13 individual governmental funds: the General, Planning and Zoning, Board of Library Trustees, Parks and Recreation, Bar Library, Economic Development Authority Revolving Loan, Revolving Loan, Calvert County Family Network, Excise Tax, Economic Development Incentive, Grants, Land Preservation, and Capital Projects funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general and capital projects funds with a summary of the other funds, referred to as nonmajor governmental funds.

Calvert County Government adopts an annual appropriated budget for its General Fund. To demonstrate compliance with this budget, a budgetary comparison statement has been provided for the General Fund, the County's primary fund. The summary schedule on a budgetary basis for the General Fund can be found in the *Required Supplementary Information* section on page 68 of this report.

Proprietary funds: Proprietary funds, also known as enterprise funds, are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Calvert County Government uses enterprise funds to account for its water and sewer, solid waste and recycling, Calvert Marine Museum and Chesapeake Hills Golf Course activities. Note that the Calvert Marine Museum and Chesapeake Hills Golf Course are combined in the column "Nonmajor Proprietary Funds" in the basic proprietary fund financial statements found on pages 22 to 24 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 statement because the resources of those funds are *not* available to support Calvert County Government’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 25 and 26 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 are part of the basic financial statements and can be found on pages 27 to 64 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*, other *supplementary information*, and a *statistical section* concerning Calvert County Government. Other supplementary information can be found beginning on page 70 of this report.

Government-wide Financial Analysis

This is the eleventh reporting period that the Governmental Accounting Standards Board (GASB) Statement No. 34 has been applied in the preparation of the financial statements of Calvert County Government.

As noted earlier, net position may serve over time as a useful indicator of a government’s overall financial condition and position. In fiscal year 2012 assets exceeded liabilities by \$207.9 million (prior year, \$208.0 million).

As shown in the chart on the following page titled “Calvert County Government’s Changes in Net Position” Calvert County Government’s net position is divided into three categories:

- invested in capital assets, net of related debt;
 - 71.7 percent of total net position (69.5 percent, prior year)
- restricted net position;
 - 9.4 percent of total net position (9.4 percent, prior year)
- unrestricted net position
 - 18.9 percent of total net position (21.2 percent, prior year)

Investment in capital assets net of depreciation includes the County’s purchases of land and easements, buildings, machinery, equipment, infrastructure and improvements, less any unmatured debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Restricted net position are resources that are subject to external restrictions on how they may be used. Unrestricted net position may be used to meet the government’s ongoing obligations to citizens and creditors.

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

Calvert County's Government's Change in Net Position

	Governmental Activities			Business-type Activities			Total		
	2012	2011	Difference	2012	2011	Difference	2012	2011	Difference
Current and other assets	\$ 180,626,550	\$ 190,351,003	\$ (9,724,453)	\$ 9,928,624	\$ 7,024,466	\$ 2,904,158	\$ 190,555,174	\$ 197,375,469	\$ (6,820,295)
Capital assets	184,902,951	180,174,725	4,728,226	49,200,956	48,543,997	656,959	234,103,907	228,718,722	5,385,185
Total Assets	\$ 365,529,501	\$ 370,525,728	(4,996,227)	59,129,580	55,568,463	3,561,117	424,659,081	426,094,191	(1,435,110)
Long-term liabilities	\$ 138,861,937	\$ 139,303,679	\$ (441,742)	\$ 18,057,479	\$ 15,209,948	\$ 2,847,531	\$ 156,919,416	\$ 154,513,627	\$ 2,405,789
Other liabilities	56,255,806	60,999,282	(4,743,476)	3,580,845	2,574,767	1,006,078	59,836,651	63,574,049	(3,737,398)
Total Liabilities	\$ 195,117,743	\$ 200,302,961	(5,185,218)	21,638,324	17,784,715	3,853,609	216,756,067	218,087,676	(1,331,609)
Net Position:									
Invested in capital assets, net of related debt	\$ 116,545,107	\$ 109,943,246	\$ 6,601,861	\$ 32,568,768	\$ 34,549,717	\$ (1,980,949)	\$ 149,113,875	\$ 144,492,963	\$ 4,620,912
Restricted	17,390,548	17,137,497	253,051	2,787,892	2,336,457	451,435	20,178,440	19,473,954	704,486
Unrestricted	36,476,103	43,142,024	(6,665,921)	2,134,596	897,574	1,237,022	38,610,699	44,039,598	(5,428,899)
Total Net Position	\$ 170,411,758	\$ 170,222,767	\$ 188,991	\$ 37,491,256	\$ 37,783,748	\$ (292,492)	\$ 207,903,014	\$ 208,006,515	\$ (103,501)

Governmental activities: Net position of the Governmental activities increased by \$188,991 (prior year, an increase of \$12.6 million). Fiscal Year 2012's increase was limited, in part; by the use of some of the estimated surplus to forward fund some of the County's planned Fiscal Year 2013 expenses.

Business-type activities: Business-type activities decreased Calvert County Government's net position by \$292,492 (prior year, a decrease of \$481,549). This decrease is the result of the Chesapeake Hills Golf Course and Calvert Marine Museum's net position decreasing partially offset by the positive results of the Water and Sewer Fund and Solid Waste fund.

The Board of County Commissioners began a seven year water and sewer rate plan in January 2006 to phase-in rate adjustments so that revenues will eventually cover the costs of operations. Until such time that the rates have been fully adjusted, the County plans to use reserves to fund the deficit for the Water and Sewer Fund. At the end of fiscal year 2012, the long term part of these advances total \$5.9 million. This deficit is anticipated to be in excess of \$8.2 million at the end of the phase-in period. The Board of County Commissioners will determine the payback method of this amount when the phase-in is complete.

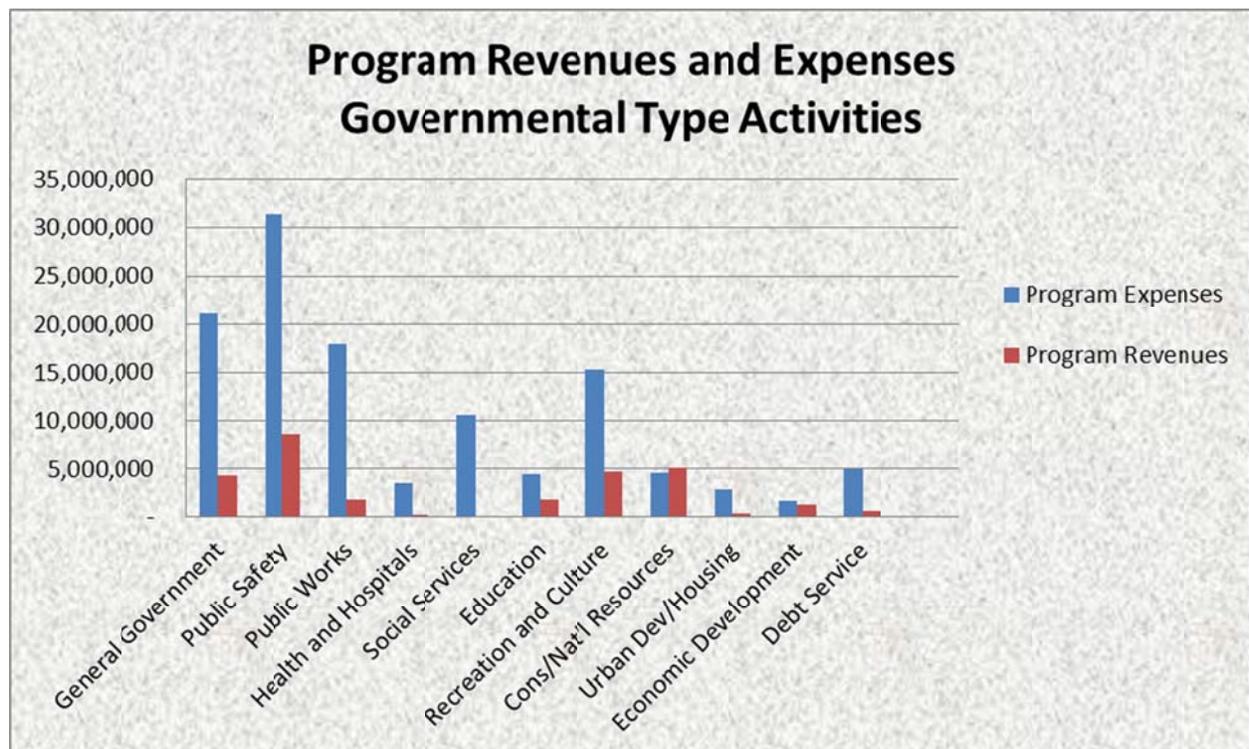
The Solid Waste and Recycling Fund had an increase in net position of \$100,358, explained by positive operating results. Lowered revenues due to the economically sensitive waste stream were offset by strong cost controls. The Calvert Marine Museum had a decrease of \$317,291 in net position. The Chesapeake Hills Golf Course decreased by \$221,663 to net position. Fiscal year 2012 was the third year that the County's Parks and Recreation division managed the golf course. Although posting an accrual accounting basis loss of \$407,458, on a cash basis (with the most significant adjustment being depreciation) the golf course came out slightly ahead.

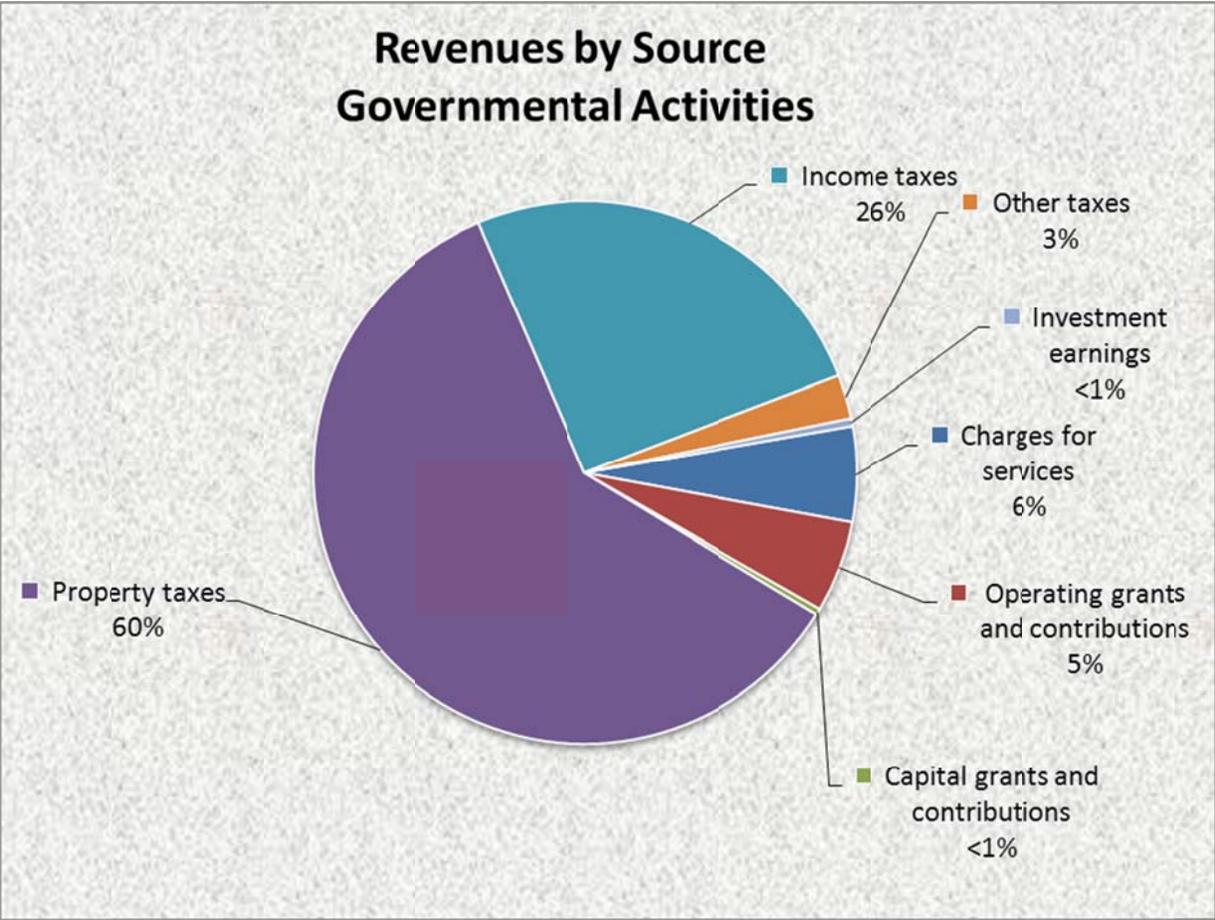
The chart on the following page reflects the revenues and program expenses for the governmental and the business-type activities and the changes in net position for the year ended June 30:

The two most significant differences in the revenue section are related to operating grants and contributions and income taxes. The \$8.8 million difference in the operating grants and contributions is mostly the result of a transfer from the County’s Board of Education (BOE). This transfer was intended to assist the County with the funding of the Other Post-Employment Benefits Trust fund, co-owned by the County and BOE. The Income tax decrease of \$6.1 million is due mostly to the State’s change in estimate of the County’s share of unallocated income tax. That change was about \$4 million.

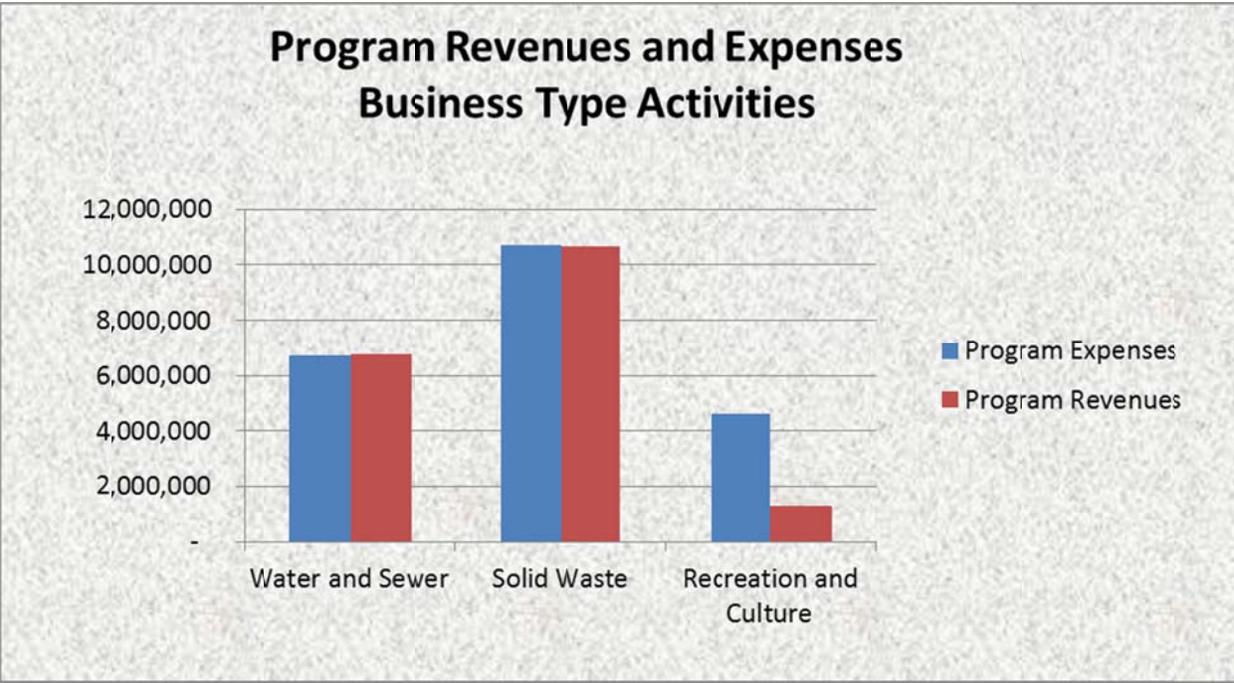
The majority of the differences noted in the expense section are related to classifying by function completed capital assets. The \$5.3 million Recreation and Culture difference, for example, is the result of multi-year capital projects that were completed in FY 2011. Although the expenses were incurred in the capital project fund, the “functional aspect” of the expense is used to “capitalize” the asset. Remember that the modified GAAP statements show these capital assets as expenses and those expenses are reclassified (by lowering the expense) and recording the capital asset for the Statement of Net Position.

The next two charts use data from the Statement of Activities that matches governmental program revenues and expenses by function. The Board of Education is not included because at 52 percent of the total program expenses the chart becomes meaningless for comparison purposes:

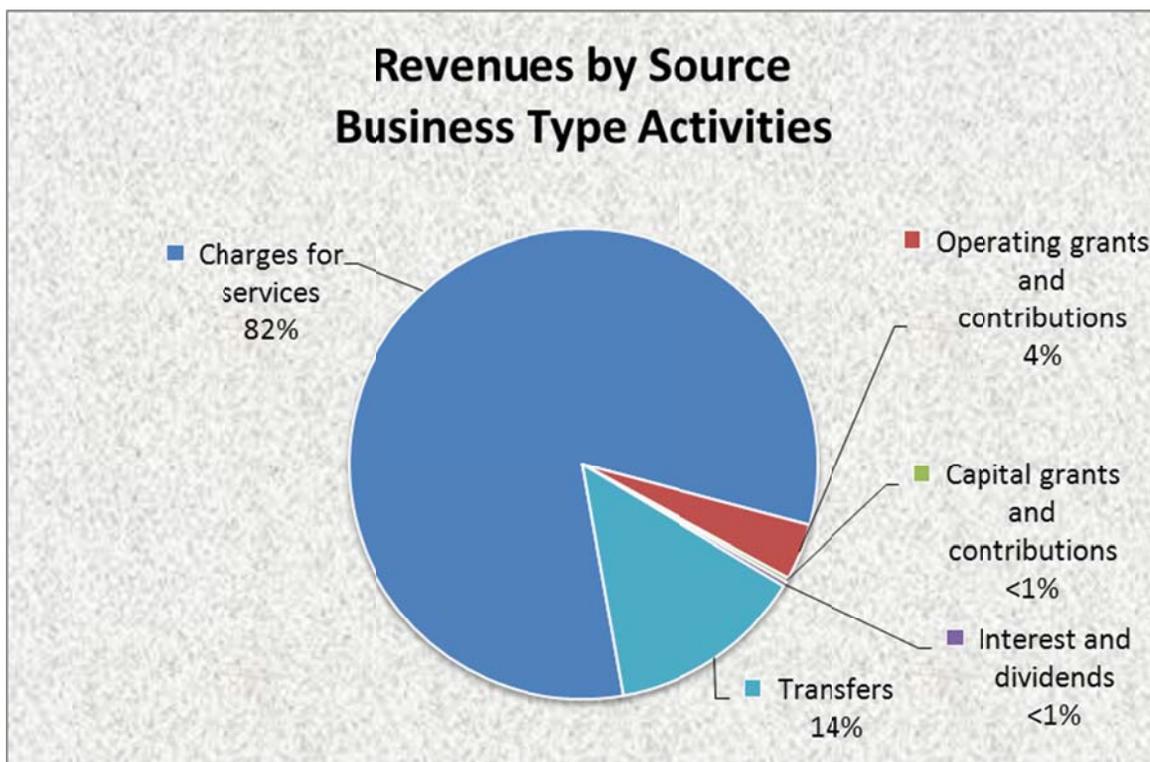




This chart uses the Statement of Activities data to display a comparison of the business-type activities program revenue and expenses:



This chart uses the revenues from the Statement of Activities to display a comparison of the business-type activities revenues by source:



Financial Analysis of the Government's Funds

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

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

As reported on the balance sheet of the governmental funds, the total governmental funds combined fund balance is \$120.0 million (prior year, \$128.4 million), a decrease of \$8.4 million (prior year, increase of \$17.4 million). The capital projects fund saw the largest part of this decrease. General Obligation bonds with a par value of \$6.4 million were refunded and \$21.7 million of capital project expenses were incurred, both of which would impact that fund balance.

Approximately 84 percent (prior year, 84 percent) of this amount, \$101.2 million (prior year, \$108.4 million) constitutes *committed, assigned and unassigned fund balance*, which is available for spending at the government's discretion. It should be noted that \$73.8 million (prior year, \$81.6 million) of this amount has been *committed or assigned* for certain purposes. The remainder of fund balance, \$18.8 million or 15.7 percent, is *nonspendable and restricted* to indicate that it is not available for new spending because it has already been dedicated: 1) to

liquidate contracts and purchase orders of the prior period, 2) for inventories, or 3) dedicated for a variety of constrained purposes. Additional details of fund balance are presented in Note 8 within the notes section of these financial statements.

The General Fund is the chief operating fund of Calvert County Government. At the end of the current fiscal year, the assigned and unassigned fund balance of the General Fund was \$35.5 million (prior year, \$36.0 million), while total fund balance was \$66.5 million (prior year, \$66.5 million). As a measure of the General Fund's liquidity, it may be useful to compare both assigned and unassigned fund balance and total fund balance to total fund expenditures. Assigned and unassigned fund balance represents 15.0 percent of the total General Fund budgetary expenditures and other financing uses (prior year, 16.2 percent), while total fund balance represents 28.0 percent (prior year, 29.9 percent) of that same amount.

The fund balance of Calvert County Government's General Fund decreased by \$27,381 (prior year increase of \$8.6 million). As noted previously, staff had estimated fiscal year 2012 would have surplus funds and used some of that funding to pay for anticipated fiscal year 2013 expenses. Many revenue and expense line item variances resulted in the County's budgetary loss of \$500,935.

The Capital Projects Fund has a total fund balance of \$36.1 million (prior year, \$44.7 million) of which the balance is committed or assigned for future capital project expenditures. Unspent bond proceeds of \$23.3 million make up 64.6 percent of the total assigned fund balance (prior year, \$31.2 million, 69.8 percent).

Proprietary funds: Calvert County Government's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. Overall the net position of the proprietary funds decreased \$0.3 million (prior year, decrease of \$.5 million). At the end of the year, unrestricted net position of the Water and Sewer Fund amounted to negative \$1.7 million (prior year, negative \$3.6 million). The Solid Waste and Recycling Fund reported \$3.7 million in unrestricted net position (prior year, \$3.7 million). The Calvert Marine Museum ended the year with \$3.5 million of total net position (prior year, \$3.8 million) and the Chesapeake Hills Golf Course ended the year with \$3.7 million of total net position (prior year, \$3.9 million).

General Fund Budgetary Highlights

The final budget for the General Fund was increased by \$8.6 million over the original budget (prior year, \$3.2 million increase). The majority of the budget adjustment was related to income tax revenue and an OPEB transfer. Overall expenditures were less than the final budget by \$2.6 million. There are many variances within the 1,500 budgeted line items of the general fund. Three notable positive variances are utilities, with a \$230,000 savings, contingent expenses, with a \$189,000 savings and contracted service savings throughout the general fund of \$443,000. Revenues were \$3.1 million less than the final budgetary estimates. \$2.0 million of this difference can be explained by a planned use of fund balance that would not impact actual revenues. There was also a \$1.0 million transfer from the excise tax fund that was not made because of the better than expected results (planned \$2 million use of fund balance vs. \$27,381 actual). Excise tax may be used to pay for debt service and earlier in the year, the debt service expense estimate was decreased by about \$750,000 through a budget adjustment.

Capital Asset and Debt Administration

Capital assets: Calvert County Government's investment in capital assets for its governmental and business-type activities as of June 30, 2012, amounts to \$234.1 million (prior year, \$228.7 million), net of accumulated depreciation. This investment in capital assets includes: land, land development rights, construction in progress, buildings, improvements, machinery and equipment, and infrastructure.

	Governmental Activities			Business-type Activities			Total		
	2012	2011	Difference	2012	2011	Difference	2012	2011	Difference
Land	\$ 30,775,992	\$ 30,775,992	\$ -	\$ 4,561,708	\$ 4,561,708	\$ -	\$ 35,337,700	\$ 35,337,700	\$ -
Land development rights	11,245,305	11,245,305	-	-	-	-	11,245,305	11,245,305	-
Construction in progress	13,140,534	4,893,697	8,246,837	3,115,374	3,318,950	(203,576)	16,255,908	8,212,647	8,043,261
Buildings	34,210,400	35,988,643	(1,778,243)	25,128,782	26,612,639	(1,483,857)	59,339,182	62,601,282	(3,262,100)
Improvements	19,056,434	19,946,083	(889,649)	9,059,156	9,224,493	(165,337)	28,115,590	29,170,576	(1,054,986)
Machinery and equipment	14,233,150	13,818,969	414,181	7,323,792	4,826,389	2,497,403	21,556,942	18,645,358	2,911,584
Infrastructure	62,241,136	63,506,036	(1,264,900)	-	-	-	62,241,136	63,506,036	(1,264,900)
Total Capital Assets	\$184,902,951	\$180,174,725	\$ 4,728,226	\$ 49,188,812	\$ 48,544,179	\$ 644,633	\$234,091,763	\$228,718,904	\$ 5,372,859

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

- Completed the HVAC renovations to the Detention Center with a cost of \$388 thousand.
- Completed construction of Bus Canopy with a total capitalized cost of \$240 thousand.
- Completed work on part of the Prince Frederick Loop Road with a cost of \$5.3 million.
- Completed the skate board park at Dunkirk District Park for a capitalized cost of \$253 thousand.

Additional information on Calvert County's capital assets can be found in Note 6 of this report.

Long-term debt: At the end of the current fiscal year, Calvert County Government had total general obligation debt and notes payable outstanding of \$146.8 million (prior year, \$148.9 million). The full faith and credit and unlimited taxing power of the County are irrevocably pledged to levy and collect taxes in order to provide for the payment of principal and interest due on the debt. Of this amount, \$17.2 million (prior year, \$14.3 million) are considered self-supporting bonds, funded through various surcharges and assessments related to the operation of the water and sewerage, solid waste and recycling systems, and the golf course of the County. Within the governmental activities are the \$7.9 million (prior year, \$10.6 million) in installment purchase agreements for the land preservation program. The principal amount is supported by US Treasury Strip securities.

	Governmental Activities			Business-type Activities			Total		
	2012	2011	Difference	2012	2011	Difference	2012	2011	Difference
General obligation debt	\$ 129,402,238	\$ 134,450,812	(5,048,574)	\$ 10,823,463	\$ 7,335,104	3,488,359	140,225,701	141,785,916	(1,560,215)
Notes payable	158,794	198,085	(39,291)	6,412,663	6,934,384	(521,721)	6,571,457	7,132,469	(561,012)
Land preservation program	7,933,355	10,611,555	(2,678,200)	-	-	-	7,933,355	10,611,555	(2,678,200)
Total Bonded Debt	\$137,494,387	\$145,260,452	\$ (7,766,065)	\$ 17,236,126	\$ 14,269,488	\$ 2,966,638	\$154,730,513	\$159,529,940	\$ (4,799,427)

Calvert County Government's total general obligation bonded debt decreased by \$1.6 million, (prior year, an increase of \$11.9 million), or a negative 1.0 percent during the current fiscal year (prior year, an increase of 9.2 percent).

In May 2012, the County's credit ratings were reaffirmed by the three major rating agencies. The current ratings follow:

Standard & Poor's	"AAA"
Fitch Ratings	"AAA"
Moody's Investors Service, Inc.	"Aa1"

In 1990, the County adopted a debt affordability model to ensure that the debt levels are kept at an affordable, manageable, moderate level. A debt policy was adopted in FY 2010 to comply with the State of Maryland's new requirement. The guidelines created in 1990 and ratified in the policy, establish maximum acceptable debt ratios. These ratios and their maximum acceptable levels are: 1) debt to assessed value, 4.5 percent, 2) debt service as a percent of general fund revenue, 9.5 percent, and 3) debt per capita \$1,500. Using fiscal year 2012 data, the County's current ratios are as follows: debt to assessed value is .90 percent, debt service to general fund revenue is 7.3 percent, and debt per capita is \$1,437.

Additional information on Calvert County Government's long-term debt can be found in Note 7 of this report.

Economic Factors and Fiscal Year 2012's Budgets and Rates

- The estimated total personal income of County residents for calendar year 2011 is \$295.2 million (\$281.3 million in 2010), an increase of 4.7 percent. There was a 3.4 percent increase from calendar year 2009 to 2010.
- The unemployment rate for the County and the State of Maryland remained relatively flat from 2011 to 2012 at 5.9 percent and 5.3 percent, respectively.
- Real property tax assessments for the third of the County that was reassessed for fiscal year 2012 were down on average 16.1 percent.

All of these factors were considered in preparing the Calvert County Government's budget for the 2013 fiscal year. Calvert County Government has adopted a balanced budget for fiscal year 2013.

Requests for Information

This financial report is designed to provide a general overview of Calvert County Government's finances for all those with an interest in the 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 Finance and Budget, Calvert County Government, 175 Main Street, Prince Frederick, MD 20678.

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COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

BASIC FINANCIAL STATEMENTS

JUNE 30, 2012

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COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF NET POSITION
JUNE 30, 2012**

	Primary Government			Component Units	
	Governmental Activities	Business- Type Activities	Total	Board of Education	Economic Development Authority
ASSETS					
Cash, cash equivalents and investments	\$ 119,999,485	\$ 542,033	\$ 120,541,518	\$ 18,734,584	\$ 1,757,853
Receivables					
Taxes	7,134,661	-	7,134,661	-	-
Special assessments	1,073,314	-	1,073,314	-	-
Accounts	20,803,348	2,553,062	23,356,410	-	-
Notes	4,882,227	308,348	5,190,575	-	45,127
Accrued interest	51,230	7,838	59,068	-	2,416
Other	-	-	-	60,342	-
Due from primary government	-	-	-	17,034,079	149,868
Internal balances	2,940,912	(2,940,912)	-	-	-
Due from other governments	-	-	-	2,351,446	-
Deferred expenses	-	107,903	107,903	-	-
Prepaid costs	-	542	542	39,638	-
Inventory	301,124	121,147	422,271	94,225	-
Net pension asset	147,684	-	147,684	-	-
Restricted assets					
Cash	23,292,565	9,240,807	32,533,372	-	-
Capital assets not being depreciated	55,161,831	7,677,082	62,838,913	6,427,152	22,191
Depreciable capital assets - net	129,741,120	41,511,730	171,252,850	212,461,063	-
Total assets	365,529,501	59,129,580	424,659,081	257,202,529	1,977,455
LIABILITIES					
Accounts payable	3,648,464	1,796,146	5,444,610	4,239,387	-
Notes payable	107,400	-	107,400	-	-
Accrued liabilities	10,209,821	354,490	10,564,311	16,419,788	-
Due to other governments	5,808,591	-	5,808,591	1,256,075	-
Due to component units	17,156,439	-	17,156,439	-	-
Compensated absences, current portion	1,436,034	105,000	1,541,034	-	-
Long-term debt, current portion	11,620,753	1,315,974	12,936,727	21,293	-
Estimated postclosure costs, current portion	30,000	-	30,000	-	-
Unearned revenue	6,238,304	9,235	6,247,539	4,127,789	-
Noncurrent liabilities:					
Net pension obligation	5,221,835	-	5,221,835	19,099,109	-
Compensated absences, net of current portion	7,346,468	642,810	7,989,278	-	-
Long-term debt, net of current portion	125,575,517	15,304,070	140,879,587	3,451,893	-
Bond premium/deferred loss of refunding	298,117	616,082	914,199	-	-
Estimated postclosure costs, net of current portion	420,000	1,494,517	1,914,517	-	-
Total liabilities	195,117,743	21,638,324	216,756,067	48,615,334	-
NET POSITION					
Invested in capital assets, net of related debt	116,545,107	32,568,768	149,113,875	218,888,215	22,191
<u>Restricted for</u>					
Capital projects	6,072,868	-	6,072,868	-	-
Grants	129,925	-	129,925	210,821	-
Land Preservation	9,150,961	-	9,150,961	-	-
Parks and Recreation	1,300,369	-	1,300,369	-	-
Restricted capital connections	-	1,575,904	1,575,904	-	-
Planning and Zoning	46,119	-	46,119	-	-
Bar library	32,262	-	32,262	-	-
Revolving loan	12,100	-	12,100	-	-
Economic Development Authority revolving loan	322,836	-	322,836	-	-
Economic Development incentive	308,224	-	308,224	-	-
Board of Library Trustees	14,884	-	14,884	-	-
Gifts and bequests	-	1,211,988	1,211,988	-	-
Unrestricted	36,476,103	2,134,596	38,610,699	(10,511,841)	1,955,264
Total net position	\$ 170,411,758	\$ 37,491,256	\$ 207,903,014	\$ 208,587,195	\$ 1,977,455

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
<u>Governmental activities:</u>				
General government	\$ 20,481,137	\$ 2,247,276	\$ 1,971,886	\$ 49,631
Public safety	31,706,576	5,194,555	3,199,933	216,701
Public works	17,878,045	740,638	632,072	480,216
Health and hospital	3,408,940	152,082	136,196	-
Social services	10,645,671	56,037	1,705,796	-
Education	4,405,156	-	155,680	-
Board of Education	129,427,039	-	4,573,994	-
Recreation and culture	15,732,388	4,022,094	931,651	189,256
Conservation and natural resources	4,543,744	205,877	160,343	2,420
Urban development and housing	2,170,117	1,121,755	101,503	-
Economic development	1,592,887	557,870	57,329	-
Interest on long-term debt	4,980,102	7,441	-	-
Total governmental activities	<u>246,971,802</u>	<u>14,305,625</u>	<u>13,626,383</u>	<u>938,224</u>
<u>Business-Type activities:</u>				
Water and sewer	6,707,332	6,689,621	88,267	-
Solid waste	10,717,986	10,241,500	425,177	-
Recreation and culture	4,634,754	911,615	323,929	65,374
Total business-type activities	<u>22,060,072</u>	<u>17,842,736</u>	<u>837,373</u>	<u>65,374</u>
Total primary government	<u>\$ 269,031,874</u>	<u>\$ 32,148,361</u>	<u>\$ 14,463,756</u>	<u>\$ 1,003,598</u>
Component Units:				
School district	253,356,702	3,877,612	52,095,076	12,124,521
Economic development	3,371	4,579	-	-
Total component units	<u>\$ 253,360,073</u>	<u>\$ 3,882,191</u>	<u>\$ 52,095,076</u>	<u>\$ 12,124,521</u>

General Revenues:

Property taxes
Income taxes
Recordation taxes
Admission and amusement taxes
Franchise taxes
Other miscellaneous taxes
Interest and dividends
Loss on asset disposal
Unrestricted investment earnings
Unrestricted local appropriations, state and federal aid
Unrestricted state reimbursement of electricity deregulation
Transfers
Total general revenues and transfers
Change in net position
Net position - beginning
Net position - ending

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Board of Education	Economic Development Authority
\$ (16,212,344)	\$ -	\$ (16,212,344)	\$ -	\$ -
(23,095,387)	-	(23,095,387)	-	-
(16,025,119)	-	(16,025,119)	-	-
(3,120,662)	-	(3,120,662)	-	-
(8,883,838)	-	(8,883,838)	-	-
(4,249,476)	-	(4,249,476)	-	-
(124,853,045)	-	(124,853,045)	-	-
(10,589,387)	-	(10,589,387)	-	-
(4,175,104)	-	(4,175,104)	-	-
(946,859)	-	(946,859)	-	-
(977,688)	-	(977,688)	-	-
(4,972,661)	-	(4,972,661)	-	-
<u>(218,101,570)</u>	<u>-</u>	<u>(218,101,570)</u>	<u>-</u>	<u>-</u>
-	70,556	70,556	-	-
-	(51,309)	(51,309)	-	-
<u>-</u>	<u>(3,333,836)</u>	<u>(3,333,836)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(3,314,589)</u>	<u>(3,314,589)</u>	<u>-</u>	<u>-</u>
<u>\$ (218,101,570)</u>	<u>\$ (3,314,589)</u>	<u>\$ (221,416,159)</u>	<u>\$ -</u>	<u>\$ -</u>
-	-	-	(185,259,493)	-
-	-	-	-	1,208
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (185,259,493)</u>	<u>\$ 1,208</u>
150,000,842	-	150,000,842	-	-
63,576,777	-	63,576,777	-	-
5,180,576	-	5,180,576	-	-
30,938	-	30,938	-	-
1,192,010	-	1,192,010	-	-
127,458	-	127,458	-	-
1,131,213	72,844	1,204,057	7,095	9,564
-	-	-	-	-
-	-	-	-	-
-	-	-	184,347,833	-
-	-	-	-	-
(2,949,253)	2,949,253	-	-	-
<u>218,290,561</u>	<u>3,022,097</u>	<u>221,312,658</u>	<u>184,354,928</u>	<u>9,564</u>
188,991	(292,492)	(103,501)	(904,565)	10,772
<u>170,222,767</u>	<u>37,783,748</u>	<u>208,006,515</u>	<u>209,491,760</u>	<u>1,966,683</u>
<u>\$ 170,411,758</u>	<u>\$ 37,491,256</u>	<u>\$ 207,903,014</u>	<u>\$ 208,587,195</u>	<u>\$ 1,977,455</u>

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012**

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash, cash equivalents and investments	\$ 109,472,097	\$ -	\$ 10,527,388	\$ 119,999,485
Receivables:				
Taxes	6,257,083	-	877,578	7,134,661
Special assessments	1,073,314	-	-	1,073,314
Accounts	19,257,649	-	1,545,699	20,803,348
Notes	4,882,227	-	-	4,882,227
Accrued interest	51,031	199	-	51,230
Due from other funds	9,571,173	15,672,431	8,764,675	34,008,279
Due from other governments	-	-	-	-
Inventory	284,936	-	16,188	301,124
Restricted assets				
Cash and investments	-	23,292,565	-	23,292,565
Total assets	<u>\$ 150,849,510</u>	<u>\$ 38,965,195</u>	<u>\$ 21,731,528</u>	<u>\$ 211,546,233</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	1,220,495	1,053,544	1,374,425	3,648,464
Notes payable	-	-	107,400	107,400
Accrued liabilities	8,363,377	311,696	-	8,675,073
Due to other funds	29,709,157	-	1,358,210	31,067,367
Due to component units	15,599,868	1,514,005	42,566	17,156,439
Due to other governments	5,808,591	-	-	5,808,591
Deferred revenue	23,632,336	-	1,458,379	25,090,715
Total liabilities	<u>84,333,824</u>	<u>2,879,245</u>	<u>4,340,980</u>	<u>91,554,049</u>
Fund Balances:				
Nonspendable	9,545,194	-	7,170,057	16,715,251
Restricted	-	-	2,114,579	2,114,579
Committed	21,430,248	1,514,005	8,091,028	31,035,281
Assigned	8,218,619	34,571,945	14,884	42,805,448
Unassigned	27,321,625	-	-	27,321,625
Total fund balances	<u>66,515,686</u>	<u>36,085,950</u>	<u>17,390,548</u>	<u>119,992,184</u>
Total liabilities and fund balances	<u>\$ 150,849,510</u>	<u>\$ 38,965,195</u>	<u>\$ 21,731,528</u>	<u>\$ 211,546,233</u>
Fund balance (as reported above)				119,992,184
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				184,902,951
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.				19,000,095
Long term liabilities are not due and payable in the current period, and, therefore, are not reported in the funds.				(146,726,889)
Net pension obligations are not due and payable in the current period, and, therefore, are not reported in the funds.				(5,221,835)
Accrued interest on long-term liabilities, including bonds payable are not reported in the funds.				(1,534,748)
Net position of governmental activities				<u>\$ 170,411,758</u>

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>				
Taxes	\$ 218,215,279	\$ -	\$ 2,608,709	\$ 220,823,988
Licenses and permits	304,571	-	-	304,571
Intergovernmental	4,440,567	907,556	4,789,689	10,137,812
Charges for services	3,303,365	-	-	3,303,365
Fines and forfeitures	330,763	-	147,043	477,806
Miscellaneous	10,356,654	30,667	5,108,916	15,496,237
Total revenues	<u>236,951,199</u>	<u>938,223</u>	<u>12,654,357</u>	<u>250,543,779</u>
<u>EXPENDITURES</u>				
General government	16,164,778	-	-	16,164,778
Public safety	27,372,685	-	-	27,372,685
Public works	9,758,758	-	-	9,758,758
Health and hospitals	2,767,520	-	-	2,767,520
Social services	1,647,702	-	6,704,026	8,351,728
Education - other	3,401,964	-	88,558	3,490,522
Board of Education	109,059,947	-	-	109,059,947
Recreation and culture	4,345,114	-	6,857,560	11,202,674
Conservation of natural resources	405,569	-	3,192,135	3,597,704
Urban development and housing	1,836,545	-	166,637	2,003,182
Economic development	1,273,769	-	-	1,273,769
Pensions and insurance	29,522,254	-	-	29,522,254
Capital projects	-	21,690,541	-	21,690,541
Debt service				
Principal retirement	10,971,736	-	-	10,971,736
Interest	5,108,954	-	-	5,108,954
Total expenditures	<u>223,637,295</u>	<u>21,690,541</u>	<u>17,008,916</u>	<u>262,336,752</u>
Excess (deficiency) of revenues over expenditures	<u>13,313,904</u>	<u>(20,752,318)</u>	<u>(4,354,559)</u>	<u>(11,792,973)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Bond issuance	-	5,773,720	-	5,773,720
Premium on bonds issued	-	568,872	-	568,872
Refunding bonds issued	-	21,785,000	-	21,785,000
Premium on refunding bonds issued	-	2,422,139	-	2,422,139
Amount deposited in refunding escrow	-	(24,207,139)	-	(24,207,139)
Transfers in - other	-	5,784,422	6,181,965	11,966,387
Transfers out - other	(13,341,285)	-	(1,574,355)	(14,915,640)
Total other financing sources (uses)	<u>(13,341,285)</u>	<u>12,127,014</u>	<u>4,607,610</u>	<u>3,393,339</u>
Net change in fund balance	(27,381)	(8,625,304)	253,051	(8,399,634)
Fund balance at beginning of year	<u>66,543,067</u>	<u>44,711,254</u>	<u>17,137,497</u>	<u>128,391,818</u>
Fund balance at end of year	<u>\$ 66,515,686</u>	<u>\$ 36,085,950</u>	<u>\$ 17,390,548</u>	<u>\$ 119,992,184</u>

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

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

Net change in fund balances - total governmental funds	\$ (8,399,634)
--	----------------

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 capital outlays exceeded depreciation in the current period.

Capital outlays	28,006,066	
Depreciation	<u>(11,636,949)</u>	16,369,117

The net effect of various transactions involving capital assets including, capitalized assets reclassified from construction in progress, sales, trade-ins, and donations.	(11,640,891)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(419,971)
--	-----------

The issuance of long-term debt (i.e. bonds, leases, installment purchase agreements) proceeds provide current financial resources to government funds, while the repayment of the principal of the long-term debt consumes the current financial resources of government funds.

Compensated absences	258,808	
Change in landfill postclosure liabilities	30,000	
Net pension obligation	(766,434)	
Issuance - General Obligation Bonds	(5,773,720)	
Premium on issuance of debt	(568,872)	
Principal payments	<u>10,971,736</u>	
Changes in long-term debt		4,151,518

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.

Change in accrued interest	<u>128,852</u>
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Change in net position of governmental activities	<u><u>\$ 188,991</u></u>
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The accompanying notes to the financial statements are an integral part of this statement.

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2012**

	Water and Sewer Fund	Solid Waste and Recycling Fund	Total Nonmajor Proprietary Funds	Total
ASSETS				
<u>Current assets:</u>				
Cash and cash equivalents	\$ 254,209	\$ 1,000	\$ 187,932	\$ 443,141
Investments	-	-	98,892	98,892
Total cash, cash equivalents and investments	254,209	1,000	286,824	542,033
Accounts receivable	1,687,565	865,497	-	2,553,062
Notes receivable	308,348	-	-	308,348
Accrued interest receivable	344	7,491	3	7,838
Due from other funds	-	5,272,051	-	5,272,051
Deferred expenses	89,690	6,069	12,144	107,903
Prepaid expenses	-	-	542	542
Inventory	69,622	-	51,525	121,147
Total current assets	2,409,778	6,152,108	351,038	8,912,924
<u>Non-current assets:</u>				
Restricted assets				
Cash and investments	7,068,174	960,645	1,211,988	9,240,807
Capital assets not being depreciated	3,264,487	2,014,794	2,397,801	7,677,082
Depreciable capital assets - net	35,414,775	2,080,469	4,016,486	41,511,730
Total non-current assets	45,747,436	5,055,908	7,626,275	58,429,619
Total assets	48,157,214	11,208,016	7,977,313	67,342,543
LIABILITIES				
<u>Current liabilities:</u>				
Vouchers and accounts payable	507,825	1,267,992	20,329	1,796,146
Accrued expenses	215,599	76,377	62,514	354,490
Due to other funds	8,169,424	-	43,539	8,212,963
Unearned revenue	-	-	9,235	9,235
Compensated absences, current portion	50,000	50,000	5,000	105,000
Long-term debt, current portion	1,172,168	109,743	34,063	1,315,974
Total current liabilities	10,115,016	1,504,112	174,680	11,793,808
<u>Noncurrent liabilities:</u>				
Compensated absences, net of current portion	210,913	410,836	21,061	642,810
Estimated post closure costs	-	1,494,517	-	1,494,517
Bond premium/deferred loss on refunding	400,183	76,377	139,522	616,082
Long-term debt, net of current portion	13,602,280	1,219,573	482,217	15,304,070
Total liabilities	24,328,392	4,705,415	817,480	29,851,287
NET POSITION				
Invested in capital assets, net of related debt	23,904,814	2,765,947	5,898,007	32,568,768
Restricted capital connection	1,575,904	-	-	1,575,904
Restricted gifts and bequests	-	-	1,211,988	1,211,988
Unrestricted	(1,651,896)	3,736,654	49,838	2,134,596
Total net position	\$ 23,828,822	\$ 6,502,601	\$ 7,159,833	\$ 37,491,256

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2012**

	Water and Sewer Fund	Solid Waste and Recycling Fund	Total Nonmajor Proprietary Funds	Total
<u>Operating revenues:</u>				
Charges for services	\$ 5,882,334	\$ 10,174,347	\$ 795,096	\$ 16,851,777
<u>Operating expenses:</u>				
Salaries & benefits	2,200,483	2,313,906	2,909,583	7,423,972
Contracted services	432,896	6,943,694	172,204	7,548,794
Supplies	256,676	54,925	162,159	473,760
Heat, light and power	592,034	37,159	194,944	824,137
Depreciation	2,057,354	606,142	526,261	3,189,757
Miscellaneous	53,728	61,863	354,304	469,895
Telephone	13,017	8,590	11,399	33,006
Compensated absences	41,834	48,578	11,823	102,235
Maintenance and repairs	632,911	467,155	173,497	1,273,563
Capital outlay	6,674	122,496	48,114	177,284
Grant & restricted expenses	-	-	70,466	70,466
Total operating expenses	<u>6,287,607</u>	<u>10,664,508</u>	<u>4,634,754</u>	<u>21,586,869</u>
Operating income (loss)	<u>(405,273)</u>	<u>(490,161)</u>	<u>(3,839,658)</u>	<u>(4,735,092)</u>
<u>Non-operating revenue (expenses):</u>				
Grants	-	-	65,185	65,185
Contributions and fund-raising	-	-	258,744	258,744
Deferred amount on refunding	(31,422)	(445)	-	(31,867)
Miscellaneous income	96,387	41,017	116,519	253,923
FEMA grant reimbursement	88,267	425,177	-	513,444
Tower revenue	117,036	26,136	-	143,172
Investment income	27,822	36,491	8,531	72,844
Developer contribution	225,931	-	-	225,931
Interest expense	(388,303)	(53,033)	-	(441,336)
Total non-operating revenue (expenses)	<u>135,718</u>	<u>475,343</u>	<u>448,979</u>	<u>1,060,040</u>
Income (loss) before contributions and transfers	<u>(269,555)</u>	<u>(14,818)</u>	<u>(3,390,679)</u>	<u>(3,675,052)</u>
Operating transfers in (out)	47,726	115,176	2,786,351	2,949,253
Capital transfers in (out)	-	-	-	-
Capital connection charges	367,933	-	-	367,933
Capital contributions	-	-	65,374	65,374
Change in net position	146,104	100,358	(538,954)	(292,492)
Total net position - beginning	<u>23,682,718</u>	<u>6,402,243</u>	<u>7,698,787</u>	<u>37,783,748</u>
Total net position - ending	<u>\$ 23,828,822</u>	<u>\$ 6,502,601</u>	<u>\$ 7,159,833</u>	<u>\$ 37,491,256</u>

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Water and Sewer Fund	Solid Waste and Recycling Fund	Nonmajor Proprietary Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 5,857,987	\$ 10,073,850	\$ 789,291	\$ 16,721,128
Tower revenue	117,036	26,136	-	143,172
Payments to suppliers	(1,859,554)	(7,082,291)	(1,182,691)	(10,124,536)
Payments to employees	(2,180,870)	(2,329,994)	(2,894,889)	(7,405,753)
Payments to other funds	-	(587,167)	-	(587,167)
Receipts from other funds	(400,817)	-	492,534	91,717
Net cash provided by (used in) operating activities	<u>1,533,782</u>	<u>100,534</u>	<u>(2,795,755)</u>	<u>(1,161,439)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Operating transfers (to)/ from other funds	47,726	115,176	2,786,351	2,949,253
Contribution and fundraising receipts, miscellaneous	184,653	466,194	377,388	1,028,235
Net cash provided by (used in) non-capital financing activities	<u>232,379</u>	<u>581,370</u>	<u>3,163,739</u>	<u>3,977,488</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Additions to capital assets and construction-in-progress	(2,509,317)	(573,000)	(753,275)	(3,835,592)
Proceeds from issuance of long term debt	3,236,127	-	655,802	3,891,929
Grant funds received	-	-	63,060	63,060
Capital connection fees received	367,933	-	-	367,933
Capital contributions	-	-	65,374	65,374
Developer contribution	225,931	-	-	225,931
Principal paid on long-term obligations	(1,018,350)	(108,292)	-	(1,126,642)
Interest paid on long-term obligations	(214,840)	(53,034)	(6,566)	(274,440)
Net cash provided by (used in) capital and related financing activities	<u>87,484</u>	<u>(734,326)</u>	<u>24,395</u>	<u>(622,447)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received on deposits	10,283	43,548	10,849	64,680
Purchase of investments	(1,979,245)	8,874	(445,797)	(2,416,168)
Net cash provided by (used in) investing activities	<u>(1,968,962)</u>	<u>52,422</u>	<u>(434,948)</u>	<u>(2,351,488)</u>
Increase (decrease) in cash and cash equivalents	(115,317)	-	(42,569)	(157,886)
Cash and cash equivalents, beginning of year	369,526	1,000	230,501	601,027
Cash and cash equivalents, end of year	<u>\$ 254,209</u>	<u>\$ 1,000</u>	<u>\$ 187,932</u>	<u>\$ 443,141</u>
PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ (405,273)	\$ (490,161)	\$ (3,839,658)	\$ (4,735,092)
Adjustments to reconcile operating income (loss) to Net cash provided by (used in) operating activities				
Depreciation	2,057,354	606,142	526,261	3,189,757
Gain(Loss) on sale of asset	1,020	-	-	1,020
Landfill closure costs and other	-	65,000	-	65,000
Tower revenue	117,036	26,136	-	143,172
<u>Changes in assets and liabilities</u>				
Inventory	(3,139)	-	1,217	(1,922)
Accounts receivable	(25,367)	(100,497)	-	(125,864)
Prepaid expenses	-	-	2,117	2,117
Deferred expenditures	-	-	(5,805)	(5,805)
Due from other funds	-	(587,167)	492,534	(94,633)
Accounts payable	198,934	602,757	(20,701)	780,990
Accrued expenses	(5,966)	(21,676)	48,280	20,638
Due to other funds	(400,817)	-	-	(400,817)
Net cash provided by (used in) operating activities	<u>\$ 1,533,782</u>	<u>\$ 100,534</u>	<u>\$ (2,795,755)</u>	<u>\$ (1,161,439)</u>
Reconciliation of cash and cash equivalents to the balance sheet:				
Cash and investments, unrestricted	\$ 254,209	\$ 1,000	\$ 286,824	\$ 542,033
Cash and investments, restricted	7,068,174	960,645	1,211,988	9,240,807
	<u>7,322,383</u>	<u>961,645</u>	<u>1,498,812</u>	<u>9,782,840</u>
Less - noncash equivalent investments	7,068,174	960,645	1,310,880	9,339,699
Cash and cash equivalents	<u>\$ 254,209</u>	<u>\$ 1,000</u>	<u>\$ 187,932</u>	<u>\$ 443,141</u>

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2012

	PENSION & OTHER POST EMPLOYMENT BENEFITS TRUST FUNDS	AGENCY FUND
	<u> </u>	<u> </u>
ASSETS		
Cash and short-term investments	\$ 5,867,813	\$ 94,396
<u>Investments at fair value</u>		
Fixed income fund	32,552,886	-
Common stock	13,153,089	-
Equity fund	71,417,020	-
Other assets	3,280,855	-
Total investments	<u>120,403,850</u>	<u>-</u>
Accounts receivable	-	6,186
Interest receivable	69,260	-
	<u> </u>	<u> </u>
Total assets	<u>\$ 126,340,923</u>	<u>\$ 100,582</u>
LIABILITIES		
Accounts Payable	<u>\$ -</u>	<u>\$ 100,582</u>
NET POSITION		
Net position held in trust for pension benefits and other purposes	<u>\$ 126,340,923</u>	

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>PENSION & OTHER POST EMPLOYMENT BENEFITS TRUST FUNDS</u>
ADDITIONS	
Contributions:	
Plan sponsor	\$ 16,724,829
Employee	1,099,347
Total contributions	<u>17,824,176</u>
Investment income/(loss):	
Net appreciation/(depreciation) in fair value of investments	(3,015,211)
Interest and dividends	4,903,340
Total investment income/(loss)	<u>1,888,129</u>
Total additions	<u>19,712,305</u>
DEDUCTIONS	
Benefits	4,055,039
Administrative expenses	807,440
Total deductions	<u>4,862,479</u>
Change in net position	14,849,826
Net position - beginning	<u>111,491,097</u>
Net position - ending	<u>\$ 126,340,923</u>

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

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CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

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CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Note 1 - Summary of Significant Accounting Policies

Calvert County (the County), was established as one of the original counties of the Maryland colony in 1654. The County is governed by a board of five Commissioners. One Commissioner is elected from each of the three districts and two are elected at large. All serve four-year terms. This board assumes responsibilities conferred upon them by the Maryland General Assembly and provides the following services: public safety, public improvements, health and social services, sanitation, recreation and culture, education, economic development and general administrative services. The basic financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units as prescribed by the Governmental Accounting Standards Board (GASB).

A. Reporting Entity

The accompanying financial statements include various agencies, department organizations and offices which are legally part of Calvert County (the Primary Government) and the County's component units. As defined by accounting principles, a component unit is a legally separate organization that is financially accountable to the Primary Government or where its relationship with the County is of such significance that exclusion would cause the County's financial statements to be misleading or incomplete. The two discretely presented component units described below reported in separate columns in the government-wide financial statements to emphasize separation from the Primary Government.

Discretely Presented Component Units

Board of Education of Calvert County Public Schools - The Board of Education of Calvert County Public Schools (the Board) is responsible for elementary and secondary education within the County. The Board is fiscally dependent upon the County because the Commissioners are responsible for approving the Board's annual appropriations in the budget. In addition, the Commissioners are responsible for levying taxes and collecting and distributing the funds to the Board and the County issues bonds to finance school system construction projects. Complete financial statements of the Board may be obtained at the entity's administrative offices located at 1305 Dares Beach Road, Prince Frederick, Maryland, 20678.

Economic Development Authority of Calvert County - The Economic Development Authority of Calvert County (the Authority) was established in 1969, for the purpose of acquiring, constructing, developing, improving, operating, and managing an industrial park within the County and to enlarge economic development opportunities for the preservation and betterment of the economy of Calvert County. The members of the Board of the Authority are appointed by the Commissioners. The Authority provides services which exclusively benefit the County and County employees perform all of the Authority's services. The Economic Development Authority of Calvert County does not issue separate financial statements, so their statements are included in this document on pages 88-90.

The Calvert County Housing Authority, the Volunteer Fire and Rescue Squads, the Calvert County Fair, Inc., and the Calvert County Soil Conservation District have been excluded

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from the basic financial statements on the basis that these entities are not controlled by or financially dependent upon the County.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the County as a whole. These statements include the financial activities of the Primary Government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental, normally supported by taxes and intergovernmental revenues, and those that are considered business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the Primary Government is reported separately from the component units.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The basic financial statements are divided into three categories: government-wide financial statements, fund financial statements, and budgetary statements. The measurement focus, bases of accounting and presentation of these categories is discussed below.

Measurement Focus and Basis of Accounting

The Government-wide financial statements measure and report all assets (both financial and capital), liabilities, revenues, expenses, gains and losses using the *economic resources* measurement focus and the *accrual basis* of accounting, as do the Proprietary funds and Pension and Other Post Employment Benefit Trust funds statements. 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 revenue as soon as all eligibility requirements imposed by the provider have been met.

All governmental funds are accounted for using a *current financial resources* measurement focus and are reported using the *modified accrual* basis of accounting. Revenues are recognized in the accounting period in which the revenues are measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means

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collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. For the County's purposes, the period of availability is considered to be 60 days after year end. Revenues considered susceptible to accrual are grants, delinquent property taxes, income taxes and interest on investments.

In governmental funds expenditures are generally recorded when incurred; however, expenditures for debt service, compensated absences, and claims and judgments are recorded when payments are due. General County capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of the County's general long-term debt are reported as other financing sources.

The Agency Funds have no measurement focus since these funds only report assets and liabilities. Agency Funds use the *accrual basis* of accounting.

Financial Statement Presentation

Fund financial statements report detailed information about the County. Governmental and Proprietary fund financial statement presentation focuses on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

Governmental Fund Types

General Fund - The General Fund is the general operating fund of the Primary Government. All financial resources are accounted for in this fund except those required to be accounted for in another fund. The General Fund is a major fund.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities of the County. The Capital Projects Fund is a major fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specified purposes. The special revenue funds include the Parks and Recreation Fund, Planning and Zoning Special Revenue Fund, Bar Library Fund, Revolving Loan Fund, Economic Development Authority Revolving Loan Fund, Calvert County Family Network, Grants Fund, Economic Development Incentive Fund, Excise Tax Fund, the Land Preservation Fund, and the Board of Library Trustees for Calvert County (the Library). None of these special revenue funds are major funds.

Proprietary Fund Type

Enterprise Funds - Enterprise funds are used to report activities for which a fee is charged to external users for goods or services. Enterprise funds herein include the operations of the Water and Sewer Fund, the Solid Waste and Recycling Fund, the Chesapeake Hills Golf Course, and the Calvert Marine Museum. The Water and Sewer Fund and the Solid Waste and Recycling

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Fund are major funds. The Chesapeake Hills Golf Course and the Calvert Marine Museum are nonmajor funds, which are combined in one column for reporting.

Fiduciary Fund Types

Trust Funds - The County maintains pension trust funds to account for the Calvert County Employees Retirement Plan, the Volunteer Fire Departments and Rescue Squads Pension Plan, the Calvert County Sheriff's Department Pension Plan, and the Calvert County Maryland Post-Employment Benefits Plan.

Agency Funds - The Tax Redemption Fund is an agency fund used to account for tax payments made by delinquent property owners to redeem tax certificates held by third parties. These funds are held by the County in a trustee capacity.

Net Position

The government-wide and business-type fund financial statements utilize net position presentation. Net position is presented in three components – invested in capital assets (net of related debt), restricted and unrestricted.

1. Invested in Capital Assets (net of related debt) – This component of net position consists of capital assets, net of accumulated depreciation and reduced by outstanding bonds, notes or other borrowings attributable to the acquisition, construction, or improvement of these assets.
2. Restricted – This component consists of assets that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation.
3. Unrestricted – This component consists of assets that do not meet the definition of “invested in capital assets, net of related debt” and restricted.

Significant Accounting Policies

The following is a summary of the more significant accounting policies applied to elements in the County's basic financial statements:

Private Sector Guidance - Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

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Internal Activity - Calvert County has minimal activity between governmental and business-type activities. However, to avoid double counting of internal activities, the effect of internal transactions and balances has been eliminated from the financial statements.

Program, General and Operating Revenues – Revenue in the government-wide financial statements is classified as program or general revenue. 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. In addition, general revenues include all taxes.

The operating revenues of the enterprise funds are defined as the charges for services received from the customers that are of a recurring nature. That is, those charges do not include one-time fees or grants, such as capital connection charges or capital grants. Revenue sources such as these are included under non-operating revenues.

Fund Balance Assumptions – In order to calculate the amounts reported as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. When components of unrestricted resources are available for use and the purpose is a qualified activity, committed fund balance is depleted first, followed by assigned, and lastly unassigned.

Budgets and Budgetary Accounting - The County follows certain procedures in establishing the budgetary data reflected in the financial statements. Each County department, agency or board receiving County funds submits a budget request to the Commissioners at a public hearing. Additional public hearings are conducted to obtain taxpayer comments. On or before July 1 of each year, the budget is legally enacted through passage of a resolution.

The Director of Finance and Budget is empowered to make administrative transfers of appropriations within the current expense budget, within the same office or department, between departments, agencies, boards or commissions, inter-project transfers of appropriations between capital projects in the capital budget and the addition of new budget items, in the amount of not more than \$10,000. The County Administrator is authorized to transfer appropriations up to \$25,000. Any change involving more than \$25,000 but less than \$100,000 can be approved by the Board of County Commissioners without passage of a resolution. Any change totaling more than \$100,000 may only be made by resolution approved by the Commissioners after compliance with certain public hearing requirements.

The budget for the General Fund and Capital Projects are adopted annually. The basis is consistent with GAAP except that for the General Fund, on a budgetary basis, encumbrances are treated as expenditures rather than as a commitment of fund balance. Budgetary comparisons presented for the General Fund in the basic financial statements are prepared on the budgetary basis. Budgetary control is at the object level. The Capital Projects budget is prepared for the duration of the respective project and annual budgetary comparisons are not presented in the basic financial statements and supplemental information.

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D. Assets, Liabilities and Net Position

Cash, Cash Equivalents and Investments - For purposes of the statements of cash flows, cash equivalents are considered to be investments that are a) short-term, highly liquid investments which are readily convertible to known amounts of cash; and b) so near maturity that the investment presents insignificant risk of changes in value because of changes in interest rates.

Investments in certificates of deposit, U.S. government obligations, repurchase agreements and other investments are carried at fair value, which is determined on June 30 of each fiscal year.

Investments in the pension trust funds (Volunteer Fire and Rescue Squad Pension Fund and Calvert County Sheriff's Department Pension Plan, the Calvert County Employees Retirement Plan and the Calvert County Maryland Other Post-Employment Benefits Trust) are carried at fair value determined on June 30 of each year, based on appraisals or quotations by an independent investment counselor.

Use of 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, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Long-Term Receivables - Long-term receivables relating to governmental fund types are reported in the respective balance sheets in spite of the spending measurement focus. These receivables however, are offset by nonspendable fund balance account to indicate they should not be considered available spendable resources since they do not represent net current assets.

Inventory - Inventory is valued at the lower of cost (first-in, first-out method) or market. The inventories are recorded as expenditures when consumed rather than when purchased. Governmental fund type inventories are offset by a nonspendable fund balance account, which indicates that inventory does not constitute "available spendable resources," even though it is a component of net current assets.

Capital Assets - All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at estimated fair market value on the date contributed. The County currently defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life of more than one year. In prior years the capital asset threshold was \$3,000. Those prior year assets are still recorded as capital assets. Assets are depreciated using the straight-line method over the estimated useful life of the asset. The table on the next page is a general guideline for determining the estimated useful life of assets:

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Buildings	25-30 years	Machinery and equipment	3-10 years
Improvements	15-20 years	Vehicles	3-7 years
Water and Sewer Systems	20-30 years	Computers	3 years

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

With the implementation of GASB Statement 34, the County has recorded its public domain (infrastructure) capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

Accumulated Annual, Personal and Sick Leave Benefits - County employees are granted annual leave at varying rates based upon years of service. The carrying amount of accumulated annual leave may not exceed a maximum of 100 days on a calendar year basis. In addition, 15 days of sick leave and 5 days of personal leave are granted annually. Upon termination or retirement, all annual and personal leave accrued to the credit of an employee is paid. The amount of accrued sick leave payable is based upon the employee's full-time status. The sick leave can be paid to the employee or credited to their retirement benefit upon meeting retirement eligibility in the applicable defined benefit pension plan. For 35-hour per week employees, one-fourth of the accrued sick leave up to 700 hours plus one-half of the accrued sick leave over 700 hours will be paid to the employees. The 40-hour per week employees receive one-fourth of the accrued sick leave up to 800 hours plus one-half of the accrued sick leave over 800 hours.

Deferred Compensation Plan - The County has established a deferred compensation plan in accordance with Internal Revenue Code Section 457, and administered by Nationwide Retirement Solutions. All County employees may participate in the plan and defer a portion of their salary, subject to limitations imposed by the Internal Revenue Service. In September 1997, the County amended the plan in accordance with the provisions of IRC Section 457(g). The assets of the plan were placed in an independent trust for the exclusive benefit of participants and their beneficiaries. The requirements of that IRC Section prescribes that the County no longer owns the amounts deferred by employees, including the related income on those amounts. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets, were removed from the County's financial statements. The plan assets will not be subject to the claims of the public entity's creditors.

Other Post Employment Benefit Obligations – OPEB - In fiscal year 2008 the County adopted, GASB Statement No. 45 - Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions, which required that employers account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as pensions. Annual OPEB cost is based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as those benefits are due.

Pension Accounting - Employee contributions are recognized in the Pension Trust Funds in the period the contributions are due. Employer contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are

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recognized when due and payable in accordance with the terms of each plan. Administrative costs are funded from investment income.

Any net pension obligation or asset is calculated on an actuarial basis consistent with the requirements of GASB Statement No. 27 – Accounting for Pensions by State and Local Governmental Employers. Expenditures are recognized when are paid or are expected to be paid with current available resources. The net pension obligation (asset) is reported in the government-wide financial statements.

Interfund Transfers - The transfers in to the General Fund are for capital projects that have been closed out, the transfer from excise tax fund to cover a portion of debt service, and one-time fund balance transfers from special revenue funds. The transfer out from the General Fund is for operating, disbursement of grant matching funds and pay-go monies.

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, Special Revenue Funds, Capital Projects Fund, and Enterprise Funds. Encumbrances outstanding at year end are reported as committed fund balances and do not constitute expenditures or liabilities because the commitments will be honored during a subsequent year.

Long-Term Obligations – In the government-wide financial statements and in the proprietary fund financial statements, long-term debt and other obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the bonds outstanding method which approximates the effective interest method.

Equity – Detailed information on the presentation of net position for the government-wide and business-type funds is located page 16. Information regarding the implementation of GASB No. 54 as it relates to the governmental fund balance presentation is located on page 19.

Stabilization Arrangement – During the fiscal year ended June 30, 2011, the County implemented GASB Statement No. 54 – Fund Balance and Governmental Fund Type Definitions which required an establishment of policy by formal action. This formal action imposes the parameters and identifies the specific circumstances and need for stabilization, and these circumstances are non-routine in nature.

Establishment/Elimination of Funds – During the fiscal year ended June 30, 2011, the County implemented GASB Statement No. 54 – Fund Balance and Governmental Fund Type Definitions which updated the definitions and criteria for Special Revenue Funds which caused the County to eliminate two special revenue funds: Project Graduation and the Housing Fund. These two funds are now presented as part of the General Fund.

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Note 2 - Property Taxes

Property taxes attach an enforceable lien on property as of July 1. Taxes are levied each July 1 and the taxpayer has the option to pay in full without interest by September 30 or to pay the bill semiannually. In semi-annual bills, the first payment is payable without interest by September 30 and the second payment, including a service charge, is payable without interest by December 31. Interest is charged for each month or fraction thereof in which taxes remain unpaid beginning October 1 on accounts under the annual payment option, or January 1 for accounts under the semiannual payment option. Maryland law grants the Treasurer of Calvert County the power to advertise and sell any real property if the taxes remain delinquent for a period of one year.

Property taxes are levied at rates enacted by the Commissioners in the annual budget based on the assessed value of the property as determined by the Maryland State Department of Assessments and Taxation, an agency of the government of the State of Maryland. 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 then only after public hearings.

The real property tax rate during the year ended June 30, 2012, was \$.892 per \$100 of assessed value based on the full valuation method, except that within the two incorporated towns, North Beach and Chesapeake Beach, the rate was \$.556 per \$100 of assessed value based on the full valuation method. The personal property tax rate during the year ended June 30, 2012 was \$2.23 per \$100 of assessed value except that within the two incorporated towns, North Beach and Chesapeake Beach, the rate was \$1.39. The County bills and collects all property taxes.

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Note 3 - Cash, Cash Equivalents and Investments

A. Primary Government

Cash on Hand

At June 30, 2012, cash on hand for petty cash and change was \$8,772.

Policies and Provisions

General Deposits - The County has agreements with its depository financial institutions, which require all deposits to be either insured by the Federal Deposit Insurance Corporation or collateralized. The County has an agreement with Bank of America to collateralize 110% of deposits. At June 30, 2012 the net carrying amount and the bank balances of the County's deposits with financial institutions were \$24,966,065 and \$26,045,332, respectively, all of which was covered by federal depository insurance or collateral held by a third party custodian in a segregated account for the benefit of Calvert County.

Foreign risk related to deposits is managed by allowing no more than \$1,000,000 or 10% of the total investment portfolio to be invested with financial institutions residing in a single foreign country. At June 30, 2012, no deposits were in foreign currency.

General Investments - The County's policy for investments, as set by public code, is to invest in securities that are issued by the United States Government or any agency thereof, certificates of deposit, bankers' acceptances, any and all investments generally recognized as "money market instruments," securities issued by any state or municipal government, securities issued by the Federal Home Loan Mortgage Corporation (FHLMC), securities issued by the Government National Mortgage Association (GNMA), repurchase agreements, and reverse repurchase agreements. The County's intent is not to redeem any investment until the market value is at least equal to the carrying value.

The County manages concentration risk by using limits, stated in percentages and/or dollars, for investment classes (noted above) that are not federally insured. The County's policy on credit risk is to only allow for Bankers' Acceptances of domestic and foreign banks that maintain the highest short-term deposit rating from Standard & Poor's (A-1) and/or Moody's (P-1). These ratings are also required for Repurchase Agreements. Repurchase Agreements are required to be collateralized at 102%.

In order to limit exposure to interest rate risk, the County's investment policy provides that investment maturities in any permitted investment shall not exceed 24 months in duration unless prior approval is received from the Director of Finance and Budget, or a designee. Investment in securities exceeding 24 months in duration shall not exceed 20% of the total investment portfolio at the time of purchase.

Fiduciary Fund Investments - The Calvert County Post Employment Benefit Plan, the Volunteer Fire and Rescue Squad Pension Plan, the Calvert County Sheriff's Department Pension Plan and the Calvert County Employees Retirement Plan are authorized to invest in

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common stocks, corporate bonds and any other securities in varying proportions when and for as long as, in the opinion of the respective Plan Trustees, prevailing market and economic considerations indicate that it is in the best interest of the respective Plan to do so. Note 9 presents the details of the pension plans starting on page 52.

Land Preservation Fund – The Land Preservation Fund is invested in U.S Treasury Strips (U.S. Treasury Bonds with the coupon/interest payment removed). The earliest maturity date of any of the bonds in this fund is August 15, 2013. The latest maturity date is May 15, 2026. This fund has no interest rate risk because each of the bonds was purchased to pay a specific obligation. The maturity date and amount of the bond coincides with the due date of the obligation.

Interest Rate Risk

The following schedule presents the interest rate risk (increasing interest rates decrease the value of the bonds) based on maturity of the bonds held.

<u>Maturities</u>		<u>Maturities</u>	
Cash and Equivalents	\$ 87,989,251	5-10 years	3,456,682
Less than 1 year	12,506,855	10-15 years	1,313,764
1-5 years	31,566,604	15-20 years	-
		Total	<u>\$ 136,833,156</u>

Foreign Currency Risk

The following schedule shows the pension plans' exposure to foreign currency risk. This risk is created by the ownership of American Depository Receipts (ADR). ADRs are stocks that trade in the United States but represent a specified number of shares in a foreign corporation. ADRs are bought and sold on American markets just like regular stocks, and are issued/sponsored in the U.S. by a bank or brokerage. Because the value of an ADR is derived from the value of the foreign share price, fluctuations in that currency exchange rate create changes in value. Calvert County currently has no formal policy relating to foreign currency risk in the pension plans.

<u>Country</u>	<u>Total Exposure</u>	<u>Country</u>	<u>Total Exposure</u>
United Kingdom	\$ 2,746,302	Mexico	179,648
Netherlands	492,412	Japan	2,423,665
Switzerland	878,538	France	1,235,733
Spain	376,309	Italy	856,595
Germany	205,765	Korea	412,774
Brazil	229,150	Total	<u>\$ 10,036,891</u>

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JUNE 30, 2012

Carrying Value

The carrying value of all the County’s cash and investments as of June 30, 2012 are summarized in the following table:

<u>Cash, Cash Equivalent or Investment Type</u>	<u>Fair Value</u>	<u>Cash, Cash Equivalent or Investment Type</u>	<u>Fair Value</u>
U.S. Agency Obligations	\$ 38,016,310	Other special equity	\$ 3,280,854
U.S. Treasury Strips	10,474,685	Petty cash	8,772
Common stock	22,442,105	Total	* \$ 279,440,948
Fixed Assets	32,852,988		
Equity and bond funds	62,128,005	Unrestricted	\$ 247,470,549
Money market mutual funds	84,684,624	Restricted	31,970,399
Certificates of deposit	586,540		* \$ 279,440,948
Cash in banks	24,966,065		

*Includes agency fund cash of \$94,396

B. Component Units

Economic Development Authority

The Authority follows the investment policies of the County. Its investments at June 30, 2012 totaled \$1,757,853 and consisted of money market mutual funds.

Board of Education

Deposits - At June 30, 2012, the carrying amount and bank balances of the Board’s deposits with financial institutions totaled \$16,279,194 and \$17,477,651, respectively. All bank deposits are covered by Federal Deposit Insurance and/or collateral held in the Board’s name at the Federal Reserve.

Investments - At June 30, 2012 the Board had invested \$3,167,383 in governmental activities and \$1,300,577 in business-type activities in the Maryland Local Government Investment Pool (MLGIP), which is under the administration of the State Treasurer. MLGIP is rated AAAM by Standard and Poors, the agency’s highest rating for money market funds. Unit value is computed using the amortized cost method. In addition, the net asset value of the pool, market-to-market, is calculated and maintained on a weekly basis to ensure a \$1.00 per unit constant value.

Investment Rate Risk and Custodial Credit Risk - Fair Value fluctuates with interest rates. To limit the Board’s exposure to fair value losses arising from increasing interest rates, the Board’s investment policy limits the term of investment maturities to overnight repurchase agreements and requires that collateral securities underlying the repurchase agreements have a market value of at least 102% of the cost of the agreement. To reduce custodial credit risk, the Board limits its investments to overnight deposits that are insured or collateralized with securities held by a custodian in the Board’s name and investments in the MLGIP.

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NOTES TO FINANCIAL STATEMENTS

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Note 4 - Notes Receivable

A. Primary Government

General Fund

The Affordable Housing Program – The County under this program has a 20 year loan set up to fund a participant in the County’s Water and Sewer Assistance Program. This note initiated in FY2009, will mature in FY2029 and bears interest at 5% per annum. Principal and interest payments are due monthly. At June 30, 2012, \$8,953 is outstanding.

Volunteer Fire Department and Rescue Squads - The County finances purchases of equipment by the volunteer fire department and rescue squads. To maintain control over the equipment purchased, the County Commissioners create non-interest bearing notes receivable, secured by the equipment, with three to twenty-nine year terms. Deferred revenue is also recorded for the total amount of the notes receivable. Repayment of the notes does not involve cash transactions, but is achieved by reducing notes receivable and deferred revenue based upon the value of services rendered by the fire and/or rescue companies over the lives of the notes. Notes receivable from fire and/or rescue companies at June 30, 2012, was \$4,124,278. See detailed schedule at page 93.

Parks and Recreation Fund - The General Fund has a \$358,000 note receivable from the Parks and Recreation Fund in the form of an interest-free note signed in 2004. Principal is payable annually beginning June 1, 2006 through maturity on June 1, 2014. At June 30, 2012, \$107,400 is outstanding.

Water and Sewer Fund

The Water and Sewer Fund’s *Due to the General Fund* balance includes \$5,878,435 that has been reclassified to an advance over the last three fiscal years. This advance is not expected to be repaid within the next twelve months. This amount is planned funding for the Water and Sewer Fund as rate adjustments continue, as required to balance the budget.

Funds previously advanced by the General Fund to the Water and Sewer Fund for the Dares Beach Water Supply Project was converted to a note. The note calls for annual payments of \$19,969 including interest at 6.6%, commencing June 30, 1990 through maturity in 2019. At June 30, 2012, outstanding principal amounted to \$109,157 and is offset by a nonspendable fund balance to indicate these funds are not available, spendable resources.

Funds previously advanced by the General Fund to the Water and Sewer Fund for the Prince Frederick Water and Sewer System was converted to an interest-free note in 1992. Principal is payable annually beginning January 1, 1993 through maturity on January 1, 2025. At June 30, 2012, \$361,312 is outstanding, and is offset by a nonspendable fund balance to indicate these funds are not available, spendable resources.

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Funds previously advanced by the General Fund to the Water and Sewer Fund for the Shores of Calvert Water and Sewer System were converted to a 20 year interest bearing note. The note calls for annual payments of \$9,967 including interest at 1.5%. Principal is payable annually beginning July 1, 2012 through maturity on July 1, 2031. At June 30, 2012, \$171,127 is outstanding, and is offset by a nonspendable fund balance to indicate these funds are not available, spendable resources.

The Water and Sewer Fund has a note receivable from the Calvert County Detention Center and three Public Utility Payment Plans with developers, of which the total amount outstanding at June 30, 2012 was \$308,348.

Economic Development Authority Revolving Loan Fund

During Fiscal year 2009 a five-year, \$50,000 loan was made to Southern Maryland Business Center. The note bears interest at 7.5% per annum. Principal is payable monthly, beginning July 2009 through maturity in June 2013. At June 30, 2012, \$48,607 is outstanding.

During Fiscal year 2010 a five-year, \$75,000 loan was made to Little Proteges Inc. The note bears interest at 7.5% per annum. Principal is payable monthly, beginning July 2010 through maturity in June 2014. At June 30, 2012, \$45,601 is outstanding.

Economic Development Incentive Fund

During Fiscal year 2008 a five-year, \$200,000 loan was made to Kelly Generator Inc. The note bears interest at 1.0% per annum. Principal is payable monthly, beginning September 2007 through maturity in August 2012. At June 30, 2012, \$138,799 is outstanding.

B. Component Unit

Economic Development Authority - The Authority has a \$78,300 note receivable from George Larry Burdette and Karen Lynn Burdette related to the sale of lot number 20A, which was land held for resale. This note is secured by a deed of trust on the property. The note bears interest at 5.5% per annum. Principal and interest payments of \$640 are due monthly beginning January 2000 and continuing monthly until December 28, 2014. As of June 30, 2012, the note balance is \$22,564.

The Authority has a \$78,300 note receivable from Shadow Stone, LLC related to the sale of lot number 20B, which was land held for resale. This note is secured by a deed of trust on the property. The note bears interest at 5.5 % per annum. Principal and interest payments of \$640 are due monthly beginning in January 2000, and continuing monthly until December 28, 2014. As of June 30, 2012, the note balance is \$22,563.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Note 5 - Interfund Accounts and Transfers

Interfund Accounts - represent outstanding balances between funds resulting from the time lag between the dates that (1) interfund good and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payment between funds are made. These amounts include balances of working capital loans made to the enterprise funds which the general fund expects to collect in subsequent year. These accounts are also referred to as due to/from other funds. Most deposits and cash disbursements are processed using the General Fund bank account. These deposit and cash disbursement transactions create the interfund balances.

At June 30, 2012, the interfund account balances were as shown below:

	<u>Due From</u>	<u>Due To</u>
Primary Government:		
<u>General Fund</u>		
Special Revenue Funds	\$ 1,358,210	\$ 8,764,675
Capital Projects Fund	-	15,672,431
Enterprise Funds	<u>8,212,963</u>	<u>5,272,051</u>
	<u>9,571,173</u>	<u>29,709,157</u>
<u>Special Revenue Funds</u>		
General Fund	8,764,675	1,358,210
<u>Capital Projects Fund</u>		
General Fund	15,672,431	-
<u>Proprietary Funds</u>		
General Fund	5,272,051	8,212,963
	<u>\$ 39,280,330</u>	<u>\$ 39,280,330</u>
Component Units:		
Primary government – General Fund	\$ -	\$ 15,599,868
Primary government – Capital Projects	-	1,514,005
Primary government – Special Revenue Funds	-	42,566
Component unit – Board of Education	17,006,571	-
Component unit – Economic Development Authority	149,868	-
	<u>\$ 17,156,439</u>	<u>\$ 17,156,439</u>

Interfund Transfers - are used to (1) move revenues from the fund with collection authority to the enterprise and capital project funds for bond proceeds and (2) move general fund resources to provide annual operating subsidy to the capital projects, special revenue, and enterprise funds.

During the fiscal year ended June 30, 2012, the interfund transfers were as follows:

	<u>Transfers in</u>	<u>Transfers out</u>
Primary Government:		
<u>Governmental Funds</u>		
Special Revenue Funds	\$ 6,181,965	\$ 1,574,355
Capital Projects Fund	5,784,422	-
General Fund	<u>-</u>	<u>13,341,285</u>
	<u>11,966,387</u>	<u>14,915,640</u>
<u>Proprietary Funds</u>		
Water and Sewer Fund	47,726	-
Solid Waste Fund	115,176	-
Nonmajor proprietary funds	<u>2,786,351</u>	<u>-</u>
	<u>2,949,253</u>	<u>-</u>
Total Transfers	<u>\$ 14,915,640</u>	<u>\$ 14,915,640</u>

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Note 6 - Capital Assets

A. Primary Government

A summary of changes in capital assets are as follows:

Capital assets, not being depreciated				
Construction in Progress	\$ 4,893,697	\$ 19,881,438	\$ (11,634,601) ⁽¹⁾	\$ 13,140,534
Land Development Rights	11,245,305	-	-	11,245,305
Land	30,775,992	-	-	30,775,992
	<u>46,914,994</u>	<u>19,881,438</u>	<u>(11,634,601)</u>	<u>55,161,831</u>
Capital assets, being depreciated				
Buildings	67,670,328	254,589	-	67,924,917
Improvements	31,135,798	779,266	-	31,915,064
Machinery & Equipment	35,752,374	3,394,762	(488,905)	38,658,231
Infrastructure	113,368,176	3,696,011	-	117,064,187
	<u>247,926,676</u>	<u>8,124,628</u>	<u>(488,905)</u>	<u>255,562,399</u>
Less accumulated depreciation for:				
Buildings	(31,681,685)	(2,032,832)	-	(33,714,517)
Improvements	(11,189,715)	(1,668,915)	-	(12,858,630)
Machinery & Equipment	(21,933,405)	(2,974,291)	482,615	(24,425,081)
Infrastructure	(49,862,140)	(4,960,911)	-	(54,823,051)
	<u>(114,666,945)</u>	<u>(11,636,949)</u>	<u>482,615</u>	<u>(125,821,279)</u>
Total capital assets, being depreciated, net	<u>133,259,731</u>	<u>(3,512,321)</u>	<u>(6,290)</u>	<u>129,741,120</u>
Governmental activities capital assets, net	<u>\$ 180,174,725</u>	<u>\$ 16,369,117</u>	<u>\$ (11,640,891)</u>	<u>\$ 184,902,951</u>
Business-type activities:				
Capital assets, not being depreciated				
Construction in Progress	\$ 3,318,950	\$ 261,545	\$ (465,121)	\$ 3,115,374
Land	4,561,708	-	-	4,561,708
	<u>7,880,658</u>	<u>261,545</u>	<u>(465,121)</u>	<u>7,677,082</u>
Capital assets, being depreciated				
Buildings	58,243,453	466,853	-	58,710,306
Improvements	12,790,329	413,530	(143,455)	13,060,404
Machinery & Equipment	8,502,203	3,209,636	(264,498)	11,447,341
	<u>79,535,985</u>	<u>4,090,019</u>	<u>(407,953)</u>	<u>83,218,051</u>
Less accumulated depreciation for:				
Buildings	(31,630,814)	(1,950,710)	-	(33,581,524)
Improvements	(3,565,836)	(535,830)	100,418	(4,001,248)
Machinery & Equipment	(3,675,814)	(703,217)	255,482	(4,123,549)
	<u>(38,872,464)</u>	<u>(3,189,757)</u>	<u>355,900</u>	<u>(41,706,321)</u>
Total capital assets, being depreciated, net	<u>40,663,521</u>	<u>900,262</u>	<u>(52,053)</u>	<u>41,511,730</u>
Business-type activities capital assets, net	<u>\$ 48,544,179</u>	<u>\$ 1,161,807</u>	<u>\$ (517,174)</u>	<u>\$ 49,188,812</u>

(1) Includes assets of \$6,505,600 that were transferred to the Board of Education.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

B. Component Units:

Economic Development Authority

A summary of changes in capital assets for the year ended June 30, 2012 as follows:

	<u>Balance June 30, 2011</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Balance June 30, 2012</u>
<i>Governmental activities:</i>				
Capital assets, not being depreciated				
Land	\$ 22,191	\$ -	\$ -	\$ 22,191
	<u>\$ 22,191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,191</u>

Board of Education

A summary of changes in capital assets for the year ended June 30, 2012 as follows:

	<u>Balance June 30, 2011</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Balance June 30, 2012</u>
<i>Governmental activities:</i>				
Capital assets, not being depreciated				
Land	\$ 3,757,711	\$ -	\$ -	\$ 3,757,711
Construction in progress	20,751,182	11,199,177	(29,280,918)	2,669,441
	<u>24,508,893</u>	<u>11,199,177</u>	<u>(29,280,918)</u>	<u>6,427,152</u>
Capital assets, being depreciated				
Buildings and improvements	264,444,384	-	29,280,918	293,725,302
Land improvements	4,657,877	-	-	4,657,877
Equipment	7,406,212	196,085	(24,492)	7,577,805
	<u>276,508,473</u>	<u>196,085</u>	<u>29,256,426</u>	<u>305,960,984</u>
Less accumulated depreciation for:				
Buildings and improvements	(79,730,222)	(5,773,486)	-	(85,503,708)
Land improvements	(2,302,544)	(229,875)	-	(2,532,419)
Equipment	(5,261,441)	(412,981)	24,492	(5,649,930)
	<u>(87,294,207)</u>	<u>(6,416,342)</u>	<u>24,492</u>	<u>(93,686,057)</u>
Total capital assets, being depreciated, net	<u>189,214,266</u>	<u>(6,220,257)</u>	<u>29,280,918</u>	<u>212,274,927</u>
Governmental activities capital assets, net	<u>\$ 213,723,159</u>	<u>\$ 4,978,920</u>	<u>\$ -</u>	<u>\$ 218,702,079</u>
<i>Business-type activities:</i>				
Equipment at historical cost	\$ 1,720,892	\$ 71,514	\$ -	\$ 1,792,406
Less accumulated depreciation	<u>(1,560,335)</u>	<u>(45,935)</u>	<u>-</u>	<u>(1,606,270)</u>
Business-type activities capital assets, net	<u>\$ 160,557</u>	<u>\$ 25,579</u>	<u>\$ -</u>	<u>\$ 186,136</u>

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Component Units, continued

Board of Education

The Board's active school construction projects as of June 30, 2012 as follows:

	<u>Spent to Date</u>	<u>Commitment</u>
Calvert High	\$ 2,470,968	\$ 5,240,813
Other	-	167,619
Total	<u>\$ 2,470,968</u>	<u>\$ 5,408,432</u>

These projects are funded primarily by capital grants from Calvert County and the State of Maryland.

Depreciation expense for the year ended June 30, 2012 for Calvert County and component units (Board of Education and Economic Development Authority) were as follows:

Primary Government:

Governmental activities:

General government	\$ 2,668,690
Public safety	1,439,497
Public works	5,439,140
Health and hospitals	16,376
Social services	96,840
Recreation and culture	1,976,406
Miscellaneous	-
Total	<u>\$ 11,636,949</u>

Business-type activities:

Water and Sewer	\$ 2,057,354
Solid Waste and Recycling	606,142
Marine Museum	350,447
Chesapeake Hills Golf Course	175,814
Total	<u>\$ 3,189,757</u>

Component Units:

Board of Education - governmental activities:

<i>Instruction:</i>	
Regular education	\$ 134,446
Special education	10,728
<i>Support services:</i>	
Administration	204,387
Mid-level administration	371
Transportation	4,047
Operation of plant and equipment	6,021,109
Maintenance of plant	41,254
Total	<u>\$ 6,416,342</u>

Board of Education - business-type activities:

Food services	<u>\$ 45,935</u>
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<i>Economic Development:</i>	<u>\$ -</u>
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CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Note 7 - Long-Term Obligations

A. Primary Government

Changes in Long-term Obligations

The following is a summary of the changes in long-term obligations of the County for the year ended June 30, 2012.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<i>Governmental activities:</i>					
Bonds and Notes Payable					
General Obligation Bonds (1)	\$ 134,450,812	\$ 27,558,720	\$ (32,607,294)	\$ 129,402,238	\$ 11,603,015
Notes Payable (2)	198,085	-	(39,291)	158,794	17,738
Land Preservation Program	10,611,555	-	(2,678,200)	7,933,355	-
Other Liabilities:					
Landfill Closure Costs	480,000	-	(30,000)	450,000	30,000
Compensated Absences	9,041,310	1,075,176	(1,333,984)	8,782,502	1,436,034
Total	<u>\$ 154,781,762</u>	<u>\$ 28,633,896</u>	<u>\$ (36,688,769)</u>	<u>\$ 146,726,889</u>	<u>\$ 13,086,787</u>
<i>Business-type activities:</i>					
Bonds and Notes Payable					
General Obligation Bonds (1)	\$ 7,335,104	\$ 3,922,942	\$ (434,583)	\$ 10,823,463	\$ 721,985
Notes Payable (1)	6,934,384	171,127	(692,848)	6,412,663	593,989
Other Liabilities:					
Landfill Closure Costs	1,429,517	65,000	-	1,494,517	-
Compensated Absences	750,648	19,401	(22,239)	747,810	105,000
Total	<u>\$ 16,449,653</u>	<u>\$ 4,178,470</u>	<u>\$ (1,149,670)</u>	<u>\$ 19,478,453</u>	<u>\$ 1,420,974</u>

(1) Indicates debt issued for the purpose of acquiring capital assets.

(2) Represents debt used for other governmental purposes.

The liability for Compensated Absences, under governmental activities, the general fund normally liquidates 93 percent, the special revenue funds liquidate less than 1 percent. For the business-type activities, the solid waste fund liquidates 4 percent, the water and sewer fund liquidates 2 percent, and the nonmajor proprietary funds liquidate 1 percent.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Obligation Balances and Terms – Governmental Activities

Long-term obligations as of June 30, 2012, consist of the following:

Bond Description and Year	Amount Borrowed	Rate	Due serially through	Governmental Activities Balance
<i>Governmental Activities</i>				
<i>General Obligation Bonds</i>				
Consolidated Public Improvement Project Bonds, 2003 Series	\$ 30,275,000	2% - 5%	July 15, 2013	\$ 4,240,523
Refunding Bonds, 2003 Series (replaced the 1993 Series bonds)	13,614,090	2% - 5%	July 15, 2019	1,467,690
Consolidated Public Improvement Project Bonds, 2004 Series	8,910,000	2% - 5%	April 1, 2014	1,210,000
Consolidated Public Improvement Project Bonds, 2005 Series	6,995,000	3.375% - 4.1%	April 1, 2015	1,415,000
Consolidated Public Improvement Project Bonds, 2006 Series	10,885,000	4% - 5%	April 1, 2016	2,900,000
Consolidated Public Improvement Project Bonds, 2007 Series	29,780,000	4% - 5%	April 1, 2022	21,570,000
Consolidated Public Improvement Project Bonds, 2008 Series	22,250,000	3% - 5%	April 1, 2023	17,350,000
Consolidated Public Improvement Project Bonds, 2009 Series	18,485,000	2% - 3.5%	April 1, 2024	15,290,000
Consolidated Public Improvement Project Bonds, 2010 Series	13,921,232	3% - 5%	July 1, 2025	13,234,024
Refunding Bonds, 2010 Series (replaced the 2002 Series bonds)	4,900,000	3% - 4%	January 1, 2016	4,900,000
Consolidated Public Improvement Project Bonds, 2011 Series	19,256,271	2% - 5%	May 1, 2026	17,968,164
Refunding Bonds, 2011 Series (replaced the 2003/2004 Series bonds)	15,360,000	2% - 5%	July 15, 2018	15,360,000
Consolidated Public Improvement Project Bonds, 2012 Series	5,773,720	3% - 4%	April 1, 2027	5,773,720
Refunding Bonds, 2012 Series (replaced the 2005/2006 Series bonds)	6,425,000	3% - 4%	April 1, 2027	6,425,000
<i>Shore Erosion Control</i>				
Western Shores (non-interest bearing)	261,042	n/a	July 1, 2017	78,313
Solomons United Methodist Church (non-interest bearing)	32,150	n/a	July 1, 2026	19,290
Our Lady Star of the Sea (non-interest bearing)	84,987	n/a	July 1, 2029	61,191
<i>Other</i>				
The Land Preservation Program	<u>10,611,555</u>	3% - 5%		<u>7,933,355</u>
Total General Obligation Bonds and Notes Receivables	217,820,047			137,196,270
Estimated Landfill Postclosure Costs				450,000
Premium, 2009, 2010, 2011, 2012				298,117
Accumulated Unpaid Employee Leave				<u>8,782,502</u>
Total Governmental Activities	<u>\$ 217,820,047</u>			<u>\$ 146,726,889</u>

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Obligation Balances and Terms – Business-Type Activities

Long-term obligations as of June 30, 2012, consist of the following:

Bond Description and Year	Amount Borrowed	Rate	Due serially through	Business-Type Activities Balance
<i>Business-Type Activities</i>				
<i>General Obligation Bonds - Water and Sewer</i>				
Refunding Bonds, 2003 Series (replaced the 1993 Series bonds)	\$ 4,010,790	2% - 5%	July 15, 2019	\$ 432,501
Consolidated Public Improvement Project Bonds, 2010 Series	2,314,702	3% - 5%	July 1, 2025	2,200,439
Consolidated Public Improvement Project Bonds, 2011 Series	2,769,000	2% - 5%	May 1, 2036	2,663,845
Consolidated Public Improvement Project Bonds, 2012 Series	3,065,000	3% - 4%	April 1, 2037	3,065,000
<i>Notes Payable - Water and Sewer</i>				
Water Supply Facilities Loan Note	89,775	6.6%	November 1, 2019	43,129
General Fund Note - Dares Beach Water Supply	258,225	6.6%	June 30, 2019	109,157
General Fund Note - Prince Frederick (non-interest bearing)	863,254	n/a	January 1, 2025	361,312
General Fund Note - Shores of Calvert (interest bearing)	171,127	1.50%	July 1, 2032	171,127
Maryland Department of the Environment (MDE) Note	250,000	4.64%	February 1, 2033	213,517
Maryland Water Quality Financing Admin Note - Solomons Wastewater	3,982,024	2.55%	August 1, 2015	749,706
Maryland Water Quality Financing Admin Note - Dares Beach	500,000	1.6%	August 1, 2020	255,142
Maryland Water Quality Financing Admin Note - Prince Frederick	6,300,000	1.5%	February 1, 2022	3,384,063
Maryland Water Quality Financing Admin Note - Patuxent Business Park	400,000	1%	February 1, 2024	260,697
Maryland Water Quality Financing Admin Note - Chesapeake Beach	<u>1,071,036</u>	1.1%	February 2, 2028	<u>864,813</u>
Total General Obligation Bonds and Notes Receivables	26,044,933			14,774,448
Deferred Loss on Refunding, 2003 Series				(87,832)
Premium, 2010, 2011 & 2012 Series				488,015
Accumulated Unpaid Employee Leave				<u>260,913</u>
Total Water and Sewer	<u>\$ 26,044,933</u>			<u>\$ 15,435,544</u>
<i>General Obligation Bonds - Solid Waste</i>				
Refunding Bonds, 2003 Series (replaced the 1993 Series bonds)	\$ 1,205,120	2% - 5%	July 15, 2019	\$ 130,787
Consolidated Public Improvement Project Bonds, 2010 Series	274,066	3% - 5%	July 1, 2025	260,537
Consolidated Public Improvement Project Bonds, 2011 Series	<u>1,000,000</u>	2% - 5%	May 1, 2026	<u>937,992</u>
Total General Obligation Bonds	2,479,186			1,329,316
Estimated Landfill Postclosure Costs				1,494,517
Premium, 2010 & 2011 Series				76,377
Accumulated Unpaid Employee Leave				<u>460,836</u>
Total Solid Waste	<u>\$ 2,479,186</u>			<u>\$ 3,361,046</u>
<i>General Obligation Bonds - Chesapeake Hills Golf Course</i>				
Consolidated Public Improvement Project Bonds, 2012 Series	<u>\$ 516,280</u>	2% - 5%	April 1, 2027	<u>\$ 516,280</u>
Total General Obligation Bonds	516,280			516,280
Premium, 2012 Series				139,522
Accumulated Unpaid Employee Leave				<u>26,061</u>
Total Chesapeake Hills Golf Course	<u>\$ 516,280</u>			<u>\$ 681,863</u>
Total Business Type Activities	<u>\$ 29,040,399</u>			<u>\$ 19,478,453</u>

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Debt Requirements

The minimum annual requirements to amortize all outstanding debt, except accumulated unpaid vacation, personal and sick leave, estimated landfill closure and postclosure costs as of June 30, 2012 are as follows:

Years Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2013	\$ 11,620,753	\$ 5,183,352	\$ 16,804,105
2014	12,144,415	4,849,222	16,993,637
2015	12,170,273	4,395,727	16,566,000
2016	14,643,137	3,973,783	18,616,920
2017	13,005,165	3,424,047	16,429,212
2018-2022	55,420,719	7,888,951	63,309,670
2023-2027	18,181,608	1,417,081	19,598,689
2028- plus	10,200	-	10,200
Premium	298,117	-	298,117
	<u>\$ 137,494,387</u>	<u>\$ 31,132,163</u>	<u>\$ 168,626,550</u>

Years Ending June 30,	Business-Type Activities		
	Principal	Interest	Total
2013	\$ 1,315,974	\$ 514,311	\$ 1,830,285
2014	1,346,295	502,540	1,848,835
2015	1,372,418	463,381	1,835,799
2016	1,029,576	414,375	1,443,951
2017	1,043,795	386,448	1,430,243
2018-2022	5,280,163	1,468,856	6,749,019
2023-2027	2,996,287	684,504	3,680,791
2028- plus	2,235,536	411,066	2,646,602
Def. loss on ref./premium	616,082	-	616,082
	<u>\$ 17,236,126</u>	<u>\$ 4,845,481</u>	<u>\$ 22,081,607</u>

Estimated Closure and Postclosure Costs

Barstow Landfill - During 1997, the County closed the Barstow Landfill. The current estimate of post closure costs is \$450,000. The landfill is at 100% capacity with no remaining useful life. An amount is recorded in the general long-term debt account group for the estimated postclosure costs associated with the Barstow Landfill. This amount is required by state and federal regulations to provide for monitoring costs associated with the closed landfill. Therefore, the total estimated cost of postclosure care has been recorded.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Appeal Landfill – This is the County’s current operating landfill. In 1998, the County entered into a long-term arrangement under which the County's waste is transferred out of the County, which has extended the life of the landfill. An accrual is recorded for the estimated closure and postclosure costs associated with the Appeal Landfill. The accrual is based upon the capacity used to date. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, a portion of these closure and postclosure care costs are reported as an operating expense in each period based on landfill capacity used as of each balance sheet date. This accrual is required by state and federal regulations to provide for the capping and monitoring costs associated with the closing of the landfill. The estimate of total closure and post closure costs, provided by an independent contractor specializing in landfills is \$1,906,351.

This amount has been and will be increased by a factor of 3.5% to account for inflation, through fiscal year 2023. These cost estimates generated in fiscal year 2008 are scheduled to be updated in fiscal year 2013 by an independent contractor to ensure compliance with changing federal and state laws, potential changes in costs due to inflation or deflation, and changes in technology in an effort to maintain accurate accruals. The percentage of the landfill that is full was re-estimated in FY10 as 70%; therefore, \$1,494,517 represents the accrued reserve at June 30, 2012, which is reported in the Solid Waste and Recycling fund. The amount that has not yet been recognized in the County’s financial statements is \$411,834. This reserve will be increased with annual contributions.

B. Component Units

Changes in Long-term Obligations

The following is a summary of the changes in the Long-Term Obligations of the Board of Education for the year ended June 30, 2012:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due Within One Year
<i>Governmental activities:</i>					
Compensated absences	3,473,814	2,032,671	(2,067,842)	3,438,643	21,293
Net OPEB obligation	18,476,979	317,763	-	18,794,742	-
	<u>\$ 21,950,793</u>	<u>\$ 2,350,434</u>	<u>\$ (2,067,842)</u>	<u>\$ 22,233,385</u>	<u>\$ 21,293</u>
<i>Business-type activities:</i>					
Compensated absences	\$ 31,569	\$ 27,543	\$ (24,569)	\$ 34,543	\$ -
Net OPEB obligation	299,243	5,124	-	304,367	-
	<u>\$ 330,812</u>	<u>\$ 32,667</u>	<u>\$ (24,569)</u>	<u>\$ 338,910</u>	<u>\$ -</u>

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Note 8 - Fund Balances

A. Governmental Funds - Fund Balance

Fund Balance – In fiscal year 2011, Calvert County implemented Governmental Accounting Standards Board Statement No. 54 - Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. The new fund balance classifications are as follows:

1. Nonspendable: Amounts that cannot be spent because they are either in a nonspendable form, or are legally or contractually required to be maintained intact.
2. Restricted: Amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation.
3. Committed: Amounts that can only be used for specific purpose pursuant to constraints imposed by formal action of the County's highest level of decision making authority. The Board of County Commissioners (BOCC) is the highest level of decision-making authority, and committed funds are established by resolution or legislation. Those committed amounts cannot be used for any other purpose unless the BOCC removes or changes the specified used by taking the same type of action it employed previously to commit those amounts.
4. Assigned: Amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance if expressed by the BOCC or the Director of Finance and Budget as established in the County's Fund Balance Policy.
5. Unassigned: Amounts that have not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

The County has passed a fund balance resolution that specifies the spending order of the different types of fund balances. Nonspendable amounts by definition can't be spent, and restricted amounts are restricted by external parties and can only be spent in accordance with the restrictions. Therefore, it is the policy of Calvert County to spend funds in the following order: committed, then assigned, and then unassigned.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

As of June 30, 2012, fund balances were reported as follows:

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

GOVERNMENTAL FUNDS FUND BALANCES

JUNE 30, 2012

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Inventory	\$ 284,936	\$ -	\$ -	\$ 284,936
Long term receivables	9,260,258	-	-	9,260,258
Leveraging obligations	-	-	7,170,057	7,170,057
Restricted for:				
Other purposes	-	-	2,110,829	2,110,829
Endowments	-	-	3,750	3,750
Committed to:				
Encumbrances:				
General government	722,715	-	-	722,715
Public safety	832,361	-	-	832,361
Public works	497,294	-	-	497,294
Health and hospital	3,956	-	-	3,956
Social services	481	-	-	481
Recreation and culture	172,846	-	-	172,846
Other purposes	25,770	-	-	25,770
Stabilization arrangement	18,550,000	-	-	18,550,000
Board of education	-	1,514,005	-	1,514,005
Other purposes	624,825	-	8,091,028	8,715,853
Assigned to:				
Vacation/sick leave	3,500,000	-	-	3,500,000
OPEB	4,718,619	-	-	4,718,619
Other purposes	-	-	14,884	14,884
Other capital projects	-	34,571,945	-	34,571,945
Unassigned:	27,321,625	-	-	27,321,625
Total fund balances:	<u>\$ 66,515,686</u>	<u>\$ 36,085,950</u>	<u>\$ 17,390,548</u>	<u>\$ 119,992,184</u>

Other long-term receivables - The amount of notes receivable advanced to Dares Beach Water, Prince Frederick Water and Sewer, Shores of Calvert Water and Sewer System, advances to the Water and Sewer fund, one Parks and Recreation notes and an amount due from a vendor receivable at June 30, 2012.

Reserved for other purposes - These amounts represent the portion of fund balance restricted for the special purpose of the following funds: Special Revenue Funds, Parks and Recreation Fund, and Land Preservation Fund.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Note 9 - Retirement Systems

A. Primary Government

All new employees to Calvert County Government are either in the Sheriff's Department Pension Plan or the Calvert County Employee Retirement Savings Plan. The Primary Government operates four Pension Trust Funds – Calvert County Sheriff's Department Pension Plan, Calvert County Employees Retirement Plan, Volunteer Fire Department and Rescue Squads Plan, and the Calvert County Maryland Other Post-Employment Benefits Trust (OPEB). Separate audited financial statements have not been issued for these County plans. The County Plans' Statements of Net Position and Statements of Changes in Net Position are presented at the end of this note. In addition, some employees participate in the State Retirement System of Maryland. See pages 54-55 for additional information.

Calvert County Employees Retirement Plan

Plan Description -The County contributes to the Calvert County Employees Retirement Plan (the Plan), a single employer defined benefit pension plan that provides retirement benefits and death and disability benefits to participating employees and their beneficiaries. All full-time employees of the County plus part-time employees working at least 50% of a regular work week and employees of the office of the State's Attorney and the Calvert County Housing Authority were eligible to participate in the Plan. If hired before July 1, 1996, benefits vest 100% for service greater or equal to 5 years, or if hired on or after July 1, 1996, benefits vest 100% for service greater or equal to seven years. No new participants were added to this plan after the adoption of the Calvert County Employee Retirement Savings Plan. Please see page 55 for information on this plan.

County employees in this plan are eligible to receive retirement benefits the first month following completion of 30 years of eligibility service or (1) if hired prior to July 1, 1996, first month following attainment of age 62, completion of 2 years eligibility service and sum of age and service is at least 67, and (2) if hired on or after July 1, 1996, the first of the month following attainment of age 62 and completion of 7 years of eligible service. Benefits are payable monthly for life, in an amount equal to 1.5% of the average final salary (the highest consecutive thirty-six month period of base pay) up to covered compensation for each year of service up to 30 years plus .3% of average final salary over the Social Security integration level for each year of service up to 30 years, plus 1.0% of the average final salary for each year in excess of 30 years up to 5 years. Benefit provisions and all other requirements are established by the County Commissioners and administered by a County-appointed Board of Trustees.

At June 30, 2012, the membership in the plan was as follows:

Retired	125
Terminated, vested	26
Active, vested	146
Active non-vested	<u>0</u>
Total active	<u><u>146</u></u>

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Funding Policy - Participating County employees are required to contribute 2% of their annual compensation to the Plan, plus an additional 2% of base salary in excess of Social Security Wage Base. The County contributes the remaining amounts necessary to fund the payments of benefits under the Plan based upon the direction of its consulting actuary. The contributions made to the Plan for fiscal year 2012 were made in accordance with the Plan requirements as of the July 1, 2011 actuarial report. The contributions consisted of amounts contributed by the employees of \$208,705 (3% of current covered payroll). The County's costs for fiscal year 2012 were \$2,873,160 (33% of current covered payroll).

The net pension obligation was computed using the Projected Unit Credit Method as a part of an actuarial valuation performed as of July 1, 2012. The actuarial value of assets was determined using the assumed yield method with a market value adjustment. The significant actuarial assumptions used in the valuation include an inflation rate of 2.4%, rate of return on the investments of present and future assets of 8% a year compounded annually, additional projected salary increases of 6% compounded annually for ages under 46 and 5% compounded annually for ages 46 and older, cost of living increases of 3% per year calculated on a compound interest basis, and no postretirement benefit increases.

Funded Status - The following schedule presents the funded status as of June 30, 2012:

Actuarial Valuation Date June 30,	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
2012	\$ 47,684,644	\$ 64,920,246	\$ 17,235,602	73.45%	\$ 8,703,823	198.02%

The plan's unfunded actuarial liability is being amortized using the level dollar method over a closed period of 20 years.

Funding Progress - The schedule of funding progress (presented as required supplementary information) gives multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrual liability for benefits.

Annual pension cost (APC) and Net pension assets (NPA) - The following schedule gives information on the County's APC and NPA:

Annual required contribution (ARC)	\$ 2,860,148
Interest on NPA	(4,018)
Adjustment to ARC	8,739
Annual pension cost (APC)	\$ 2,864,869
Contributions made	2,873,160
Decrease (increase) in net pension asset	(8,291)
Net pension asset, beginning of year	(50,223)
Net pension asset, end of year	\$ (58,514)

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

The County's APC, percentage of APC contributed, and NPA for the plan for the current year and each of the two preceding years were as follows:

Actuarial Valuation Date June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
2012	\$ 2,864,869	100.29%	\$ (58,514)
2011	2,858,656	108.09%	(50,223)
2010	3,016,348	98.12%	181,121

State Retirement System of Maryland

Plan Description - On October 29, 1996, the Commissioners approved the withdrawal of employees of Calvert County from the State Retirement and Pension System of Maryland (the System) based on the establishment of the Calvert County Employees Retirement Plan. All employees covered under the System were given the option to participate in the new plan or remain in the System. All but 58 County employees opted to participate in the new plan. Thirty employees remained in the State of Maryland Employees' Retirement System and 28 employees remained in the State of Maryland Employees' Pension System (collectively the Employees' Systems). The effective date of the withdrawal from the System was June 30, 1996.

The State Retirement Agency (the Agency) is the administrator of the System, a cost-sharing multiple-employer public-employee retirement system. The System was established by the State Personnel and Pension Articles of the Annotated Code of Maryland Rules and Regulations and provides retirement allowances to System members and beneficiaries. Responsibility for the administration and operation of the System is vested with a 14-member Board of Trustees. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State Retirement and Pension System of Maryland, 120 East Baltimore Street, Baltimore, Maryland 21202 or by calling (800) 492-5909.

Funding Policy - Members of the Employees Systems may elect to contribute 5% to 7% of their earnable compensation depending on the retirement option selected. Employer contribution rates are determined actuarially. The System paid the County the sum of \$10,212,854, the amount of the reserves allocable to the withdrawing employees on a market value basis as determined by an actuary, together with interest at the rate of 7.5% compounded annually from July 1, 1996, to the date of payment, reduced by the partial payment of \$700,000 to the Calvert County Employees' Retirement System on December 20, 1996. Based on the actuarial valuation as of June 30, 1996, the unfunded liability for the employees and officers of the County who elected to remain in the System amounted to \$1,383,013. The County paid the unfunded liability in two installments: an initial installment of \$800,000 on the date of this agreement, and a final installment of \$583,013 on July 1, 1996. The County's required contributions and actual contributions to the Employee's Systems for the years ended June 30, 2008 through 2012 were zero.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

The computation of the pension contribution requirements for fiscal year 2012 was based on the same actuarial assumptions, benefits provisions, actuarial funding method and other significant factors used to determine pension contributions requirements in the previous year. Contributions by the State of Maryland on behalf of the Calvert County Public Library were \$320,402, \$320,784, and \$286,755, for the years ended June 30, 2012, 2011 and 2010. In accordance with GASB Statement Number 24, the State's 2012 contribution amount has been shown as State aid revenue and pension expenditure.

Calvert County's Employee Retirement Savings Plan

On July 28, 1998, the Commissioners approved the formation of a single employer defined contribution pension plan with a 5% County contribution and a required 3% contribution from all eligible employees. The plan was put in place January 1, 1999. All employees hired after June 30, 1998 were automatically enrolled in the defined contribution pension plan. Required contributions and all other plan provisions are established by the County Commissioners and administered by a County-appointed Board of Trustees. The contributions by the County and the employees for the year ended June 30, 2012 were \$925,281 and \$629,085, respectively.

Length of Service Award Program

Plan Description - The County contributes to the Length of Service Awards Program (LSAP) for the Volunteer Fire and Rescue Squads personnel of Calvert County (Plan), a single-employer noncontributory retirement and pension plan. Any person who is certified as an active member with any Calvert County Volunteer Fire Company or Rescue Squad is eligible to participate in the Plan. Active members who attain age 55 and have completed 25 years of certified volunteer service shall receive \$400 per month plus \$4 per month additional for each year of service in excess of 25 years, with a maximum benefit of \$500 per month. If an active member attains age 70 and has 2 years of qualifying service out of the last 5 years, but does not complete 25 years of service, a monthly benefit equal to \$8 times the years of service will be payable. The Plan also provides for death and disability benefits to participating volunteers. Benefit provisions and all other requirements are established by the Fire and Rescue Commission and approved by the Commissioners as authorized by the legislative assembly. The County contributes all amounts necessary to fund the payments of benefits under the Plan.

At June 30, 2012, the membership was as follows:

Retired	48
Active, vested	38
Active, non- vested	<u>895</u>
Total active	<u>933</u>
Active employees receiving benefits	28

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

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Funding Policy - The net pension obligation was computed using the Projected Unit Credit Cost Method as a part of an actuarial valuation performed as of July 1, 2012. The significant actuarial assumptions used in the valuation include an inflation rate of 2.4%, a rate of return on the investments of present and future assets of 8% a year compounded annually; 80% of the participants are assumed to be married with spouses four years younger; participants, who have already earned at least two years of credit and have attained age 30, are assumed to earn credit in 50% of their future years. All others are assumed to earn no credit. The actuarial value of assets was determined using the Assumed Yield Method with a Market Value adjustment.

The contributions made by the County to the Plan for fiscal 2012 totaling \$376,549 were made in accordance with actuarial determined requirements computed through an actuarial valuation performed as of July 1, 2011.

Funded Status - The following schedule presents the funded status as of June 30, 2012:

Actuarial Valuation Date June 30,	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
2012	\$ 2,762,898	\$ 6,110,725	\$ 3,347,827	45.21%	N/A	N/A

The plan's unfunded actuarial liability is being amortized using the level dollar method over a closed period of 20 years.

Funding Progress - The schedule of funding progress (presented as required supplementary information) gives multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrual liability for benefits.

Annual pension cost (APC) and Net pension assets (NPA) - The following schedule gives information on the County's APC and NPA:

Annual required contribution (ARC)	\$	453,180
Interest on NPA		(14,640)
Adjustment to ARC		31,845
Annual pension cost (APC)	\$	470,385
Contributions made		376,549
Decrease (increase) in net pension asset		93,836
Net pension asset, beginning of year		(183,006)
Net pension asset, end of year	\$	(89,170)

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

The County's APC, percentage of APC contributed, and NPA for the plan for the current year and each of the two preceding years were as follows:

Actuarial Valuation Date <u>June 30,</u>	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
2012	\$ 470,385	80.05%	\$ (89,170)
2011	392,614	95.51%	(183,006)
2010	380,653	78.55%	(200,620)

Calvert County Sheriff's Department Pension Plan

Plan Description - The County contributes to the Calvert County Sheriff's Department Pension Plan (Plan), a single-employer defined benefit pension plan. All full-time deputy sheriffs and correctional officers employed by the County, excluding those who were hired prior to July 1, 1989, who elected to remain in the State Pension System, are eligible to participate in the Plan. Benefits vest 50% after 5 years, increasing 5% a year to 100% after 15 years. County employees who retire at or after age 55 or after 25 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.4% of their final average earnings for each year of service up to 20, plus 2% of final average earnings for service over 20 years and up to 27 years. The Plan also provides for death and disability benefits to participating employees. Benefit provisions and all other requirements are established by a County-appointed Board of Trustees.

At June 30, 2012, the membership was as follows:

Retired	51
Terminated, vested	38
Active, vested	121
Active, non-vested	<u>63</u>
Total active	<u><u>184</u></u>

Funding Policy - The net pension obligation was computed using the Projected Unit Credit Method as a part of an actuarial valuation performed as of July 1, 2012. The significant actuarial assumptions used in the valuation include an inflation rate of 2.4%, a rate of return on the investments of present and future assets of 8% a year compounded annually; additional projected salary increases of 6.50% to age 37, 4.50% from age 38 to 42 and 4.00% thereafter; costs of living increases to all plan participants of 3.00% per year calculated on a compound interest basis. The actuarial value of assets was determined using an Asset Smoothing Method.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Participating County employees are required to contribute 8% of their annual compensation to the Plan, compounded annually with 5% interest. The County contributes the remaining amounts necessary to fund the payments of benefits under the Plan based upon the direction of its consulting actuary.

The contributions made to the Plan for fiscal 2012 totaling \$2,524,905 were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of July 1, 2011.

Amounts contributed by the County and Employees consisted of the following:

County (23.3% of current covered payroll)	\$ 2,524,905
Employees (8.2% of current covered payroll)	890,642

Funded Status - The following schedule presents the funded status as of June 30, 2012:

Actuarial Valuation Date June 30,	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
2012	\$ 45,717,410	\$ 57,564,334	\$ 11,846,924	79.42%	\$ 10,817,969	109.51%

The plan's unfunded actuarial liability is being amortized using the level dollar method over a closed amortization period of 20 years.

Funding Progress - The schedule of funding progress (presented as required supplementary information) gives multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrual liability for benefits.

Annual pension cost (APC) and Net pension assets (NPA) - The following schedule gives information on the County's APC and NPA:

Annual required contribution (ARC)	\$ 2,700,709
Interest on NPA	(4,528)
Adjustment to ARC	(10,871)
Annual pension cost (APC)	\$ 2,685,310
Contributions made	2,524,905
Decrease (increase) in net pension asset	160,405
Net pension asset, beginning of year	(56,600)
Net pension asset, end of year	\$ 103,805

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

The County's APC, percentage of APC contributed, and NPA for the plan for the current year and each of the two preceding years were as follows:

Actuarial Valuation Date <u>June 30,</u>	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
2012	\$ 2,685,310	94.03%	\$ 103,805
2011	2,521,430	103.71%	(56,600)
2010	2,565,539	97.87%	36,970

Calvert County Maryland Other Post-Employment Benefits Trust

Plan description – The County contributes to the Calvert County Maryland Other Post-Employment Benefit Trust (Plan), an agent multiple employer defined benefit postemployment healthcare plan. Benefit provisions and all other requirements are established by the County Commissioners and the County Board of Education and administered by a jointly appointed Board of Trustees. The plan provides healthcare, prescription drug and dental benefits to retired employees, spouses and dependants, of participating governmental entities. The plan also provides life insurance benefits for retirees of the Board of Education. Active employees of a participating governmental entity who retire or are disabled and meet the eligibility criteria will participate. Generally employees must have retired from a participating entity to be eligible.

The current employee/retiree membership in the Plan as of June 30, 2012 is as follows:

	<u>County</u>	<u>Board of Education</u>
Active	628	1,647
Retired	136	678
Total	<u>764</u>	<u>2,325</u>

Funding Policy – The Calvert County Board of County Commissioners will establish annually a health insurance subsidy amount under the Plan. These subsidies will be reviewed annually and are subject to change based on budgetary constraints. For retirees who retired before June 30, 2008, the subsidy is 90% of the premium, for retirees who retired after June 30, 2008 the subsidy is 75% of the premium. Retirees who retired prior to August 1, 1994 receive 100% of their individual policy and 50% of the difference between the individual policy and the policy selected. Retirees will earn or vest in the subsidy based upon their years of creditable service, at a rate ranging from 20% to 100%. Current retirees, who have a 100% subsidy, equate to the Plan covering 75% of their cost of benefit coverage. The retiree is responsible for the difference between the cost of the selected Plan and the earned subsidy. The Board of Education establishes the level of benefits for its retirees which includes health care and life insurance benefits.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Contribution rates and the net other post employment benefits obligation for the year ended June 30, 2012 were actuarially determined, using the Projected Unit Credit Actuarial Cost Method, through an actuarial valuation dated July 1, 2010 . The significant actuarial assumptions used in the valuation include; a discount rate of 7%, healthcare cost trend – medical 8.4% in the 2010 plan year declining 0.4% each plan year to 5% for 2018 and later years, dental 8% in the 2010 year declining 0.25% to 0.50% each year to 5% for 2018 and later, mortality - RP 2000 combined healthy mortality table, except for the Sherriff’s Plan which uses 1983 Group Annuity Mortality Table.

The contributions to the Plan by the County for the years ended June 30 were as follows:

	County	On behalf payments for Board of Education	Total
2012	\$ 2,384,047	\$ 8,566,168	\$ 10,950,215
2011	1,502,916	2,269,795	3,772,711
2010	508,179	1,491,821	2,000,000

Funding Status & Progress- The schedule of funding progress (presented as required supplementary information) gives information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrual liability for benefits.

Funding Status - At June 30, 2012, the funding status was as follows:

	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
County	\$ 4,337,978	\$ 36,717,748	\$ 32,379,770	11.81%	N/A	N/A
Board of Education	17,226,681	139,625,512	122,398,831	12.34%	N/A	N/A
Total	<u>\$ 21,564,659</u>	<u>\$ 176,343,260</u>	<u>\$ 154,778,601</u>	<u>12.23%</u>	N/A	N/A

Actuarial valuations involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future. Projection of benefits are based on the types of benefits provided under the substantive plan at the time of each valuation and on the pattern of sharing of benefit costs between the employer and plan member to that point. Actuarial calculations reflect a long-term prospective, and consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarially accrued liabilities and the actuarial value of assets.

The Plan’s unfunded actuarial liability is being amortized using the level dollar method over a closed amortization period of 30 years.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Net OPEB Obligation - The County implemented GASB 45 in fiscal year 2008 and elected to report a zero net OPEB obligation at the beginning of the transition year. The County makes on behalf payments for the Board of Education.

The schedule on the following page presents the net OPEB obligation for the past three years:

Actuarial Valuation Date June 30,	Annual Required Contribution	Interest on Net Pension Obligation	Adjustment to Annual Required Contribution	Annual OPEB Cost	Pay as You go Payments Plus Contributions	Percentage Contributed	Increase in net OPEB Obligation	End of Year net OPEB Obligation
County								
2012	\$ 3,996,491	\$ 323,061	\$ 374,456	\$ 3,945,096	\$ 3,442,226	87.25%	\$ 502,870	\$ 5,118,030
2011	3,641,418	242,747	115,714	3,768,451	2,621,100	69.55%	1,147,351	4,615,160
2010	3,641,418	100,512	115,714	3,626,216	1,594,299	43.97%	2,031,917	3,467,809
Board of Education								
2012	\$ 14,359,874	\$ 1,314,336	\$ 1,524,438	\$ 14,149,772	\$ 13,826,883	97.72%	\$ 322,889	\$ 19,099,113
2011	11,319,105	892,244	516,870	11,694,479	5,664,604	48.44%	6,029,875	18,776,224
2010	11,319,105	448,969	516,870	11,251,204	4,918,693	43.45%	6,332,511	12,746,349
TOTAL								
2012	\$ 18,356,365	\$ 1,637,397	\$ 1,898,894	\$ 18,094,868	\$ 17,269,109	95.44%	\$ 825,759	\$ 24,217,143
2011	14,960,523	1,134,991	632,584	15,462,930	8,285,704	53.58%	7,177,226	23,391,384
2010	14,960,523	549,481	632,584	14,877,420	6,512,992	43.53%	8,364,428	16,214,158

Net Asset Information (all trust funds) – The statement of net position and statement of changes in net position for all County-administered plans are shown below:

	Combining Statement of Plan Net Position				
	Volunteer Fire and Rescue	Sheriff's Pension Plan	Employees Retirement Plan	Other Post Employment Benefits	Total
Assets:					
Cash and cash equivalents	\$ 46,544	\$ 1,346,294	\$ 672,221	\$ 3,802,754	\$ 5,867,813
Investments at Fair Value					
Fixed income	527,376	12,501,489	13,085,800	6,438,221	32,552,886
Common Stocks	-	6,334,817	6,818,272	-	13,153,089
Equity funds	1,647,813	17,470,704	18,748,543	23,917,026	61,784,086
Foreign Assets	343,918	4,458,668	4,830,348	-	9,632,934
Other Assets	-	1,602,601	1,435,345	242,909	3,280,855
Total investments at fair value	2,519,107	42,368,279	44,918,308	30,598,156	120,403,850
Total cash, cash equivalents and investments	2,565,651	43,714,573	45,590,529	34,400,910	126,271,663
Interest receivable	1,659	32,465	35,128	8	69,260
Total assets	\$ 2,567,310	\$ 43,747,038	\$ 45,625,657	\$ 34,400,918	\$ 126,340,923
Liabilities and Net Position					
Total Liabilities	-	-	-	-	-
Net Position held in trust for pension and other post employment benefits					
	2,567,310	43,747,038	45,625,657	34,400,918	126,340,923
Total liabilities and net position	\$ 2,567,310	\$ 43,747,038	\$ 45,625,657	\$ 34,400,918	\$ 126,340,923

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

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Combining Statement of Changes in Plan Net Position

	Volunteer Fire and Rescue	Sheriff's Pension Plan	Employees Retirement Plan	Other Post Employment Benefits	Total
Additions:					
Contributions					
Plan sponsor	\$ 376,549	\$ 2,524,905	\$ 2,873,160	\$ 10,950,215	\$ 16,724,829
Employee	-	890,642	208,705	-	1,099,347
Total Contributions	376,549	3,415,547	3,081,865	10,950,215	17,824,176
Investment income/(Loss):					
Net appreciation/(depreciation) in fair value of investments	(186,353)	(855,323)	(1,269,368)	(704,167)	(3,015,211)
Interest and dividends	151,007	1,689,230	1,811,714	1,251,389	4,903,340
Net investment income/(loss)	(35,346)	833,907	542,346	547,222	1,888,129
Total Additions	341,203	4,249,454	3,624,211	11,497,437	19,712,305
Expenditures:					
Distributions to participants	369,258	1,551,564	2,134,217	-	4,055,039
Administrative expenses	39,100	361,683	341,230	65,427	807,440
Total Expenditures	408,358	1,913,247	2,475,447	65,427	4,862,479
Net increase(decrease)	(67,155)	2,336,207	1,148,764	11,432,010	14,849,826
Net Position Held in Trust for Pension and Other Post Employment Benefits:					
Beginning of the year	2,634,465	41,410,831	44,476,893	22,968,908	111,491,097
End of the year	\$ 2,567,310	\$ 43,747,038	\$ 45,625,657	\$ 34,400,918	\$ 126,340,923

B. Component Unit – Board of Education

Plan Description - The employees of the Board of Education (the Board), are covered by the Teachers Retirement System, the Teachers Pension System of the State of Maryland (the Teachers Systems) or the Employees Retirement System and Employees Pension System of the State of Maryland. These systems are part of the Maryland State Retirement and Pension System, (the System) and are cost-sharing, multiple-employer, defined benefit public employee retirement systems.

The System was established in accordance with the State Personnel and Pensions Article of the Annotated Code of Maryland. Responsibility for the administration and operation of the systems is vested in a Board of Trustees (Trustees). The Trustees also have the authority to establish and amend the respective benefit provisions. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to system members and beneficiaries.

The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the Systems. That report may be obtained by writing to the State Retirement and Pension System of Maryland, State Retirement Agency, 120 East Baltimore Street, Baltimore, Maryland 21202, or by calling (800) 492-5909.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Funding Policy - The State Personnel and Pensions Article require active members to contribute to the System at the rate of 5% to 7% of their covered salary depending upon the retirement option selected. Contribution rates for the Board are established by annual actuarial valuations using the entry age normal test method. The State's contribution's on behalf of the Board to the Teachers systems for the years ended June 30, 2012, 2011, and 2010 were approximately \$17.0 million, \$17.0 million, and \$15.2 million, respectively.

Annual Required Contributions - For the year ended June 30, 2012, the Board's annual pension cost of \$2,012,647 was equal to its required contribution. The annual required contribution was determined as part of the June 30, 2009 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return, compounded annually, (b) projected salary increases of 3.5% compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 8.5% per year attributable to seniority and merit, (d) post-retirement benefit increases ranging from 2.75% to 3.5% per year depending on the system, (e) rates of mortality, termination of service, disablement and retirement based on actual experience from 2003 through 2006, and (f) the aggregate active member payroll is assumed to increase by 3.5% annually. The actuarial value of the Systems' assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments by using a simplified five-year moving average. The Board's unfunded actuarial accrued liability is being amortized in distinct pieces. The equivalent single amortization period is 29.78 years. The Board's annual pension cost for the last three years was:

Fiscal Year Ending June 30,	Annual Required Contribution	Percentage Contributed	Net Pension Obligation
2012	\$ 2,012,647	100%	-
2011	1,654,559	100%	-
2010	1,160,410	100%	-

Required Supplemental Information

**Schedule of Funding Progress for the
State Retirement and Pension Systems of Maryland**

(expressed in thousands)

Actuarial Valuation Date (June 30)	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2011	\$ 36,177,656	\$ 55,917,543	\$ 19,739,887	64.70%	\$ 10,478,800	188%
2010	34,688,346	54,085,081	19,396,735	64.14%	10,657,944	182%
2009	34,284,569	52,729,171	18,444,602	65.02%	10,714,241	172%

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Note 10 - Commitments and Contingent Liabilities

The Commissioners are defendants in several lawsuits. In the opinion of the County Attorney and legal counsel, pending legal proceedings are not likely to have a material adverse impact on the County's financial condition, and to the best of their knowledge, the County is in compliance with all state and local laws and ordinances.

Note 11 - Risk Management

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 related disasters. The County is a capital member of the Local Government Insurance Trust (LGIT) sponsored by the Maryland Municipal League (MML), and the Maryland Association of Counties. The LGIT is a self-insured public entity risk pool offering general liability, excess liability, business auto liability, police legal liability, public official liability, environmental liability, and property coverage.

LGIT is capitalized at an actuarially determined level to provide financial stability for its local government members and to reduce the possibility of assessments. The trust is owned by the participating counties and cities and managed by a Board of Trustees elected by the members. Annual premiums are assessed for the various policy coverages. During fiscal year 2012, the County paid premiums of \$546,731 to the trust. The agreement for the formation of LGIT provides that the trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for each insured event. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past four fiscal years.

The County is under a modified retrospective billing arrangement with a commercial insurance carrier to provide group health coverage. Under this arrangement the insurance carrier assesses an initial charge paid by the County through monthly premiums. At the end of the coverage period, there is a settlement of the difference between the billed premium and the actual claims and expenses. A deficiency in the billed premium represents the callable margin, which is owed by the County, up to a maximum of 5%. If the actual claims and expenses are less than the billed premium, the County would be entitled to a refund.

Note 12 - Subsequent Events

In preparing these financial statements, the management of Calvert County, Maryland has evaluated events and transactions for potential recognition or disclosure through December 19, 2012, the date the financial statements were available to be issued.

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COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2012

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SUMMARY SCHEDULE OF REVENUE AND EXPENDITURES,
AND OTHER FINANCING SOURCES AND USES
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Budget Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance (Over) Under</u>
REVENUES				
Taxes	\$ 215,356,580	\$ 218,607,397	\$ 218,215,279	\$ (392,118)
Licenses and permits	254,400	254,400	304,571	50,171
Intergovernmental	3,658,361	4,833,826	4,824,069	(9,757)
Charges for services	3,592,605	3,653,452	3,398,721	(254,731)
Fines and forfeitures	433,650	481,896	457,748	(24,148)
Miscellaneous	530,357	2,810,614	1,306,927	(1,503,687)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	223,825,953	230,641,585	228,507,315	(2,134,270)
EXPENDITURES				
General government	16,897,511	17,183,415	16,344,189	839,226
Public safety	26,826,137	28,303,836	27,903,667	400,169
Public works	9,165,528	10,101,187	9,587,361	513,826
Health and hospitals	2,639,344	2,793,217	2,764,613	28,604
Social services	1,650,795	1,706,744	1,647,850	58,894
Education	112,486,911	112,461,911	112,461,911	-
Recreation and culture	10,558,216	10,828,261	10,607,982	220,279
Conservation of natural resources	400,761	403,761	405,860	(2,099)
Urban development and housing	1,917,500	1,892,913	1,828,361	64,552
Economic development	1,256,046	1,362,297	1,238,967	123,330
Pensions and insurance	27,056,728	29,823,315	29,522,254	301,061
<u>Debt service</u>				
Principal retirement	11,570,859	10,971,706	10,971,736	(30)
Interest	5,178,342	4,929,445	4,929,445	-
Bond expense	-	127,802	179,509	(51,707)
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	227,604,678	232,889,810	230,393,705	2,496,105
OTHER FINANCING SOURCES (USES)				
Operating transfers in	8,265,834	10,049,727	9,049,727	(1,000,000)
Operating transfers out	(4,487,109)	(7,801,502)	(7,664,272)	137,230
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	3,778,725	2,248,225	1,385,455	(862,770)
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (500,935)</u>	<u>\$ (500,935)</u>

A reconciliation of the revenue and expenditures of the general fund to present the combined statement of revenue and expenditures on a GAAP basis follows

Revenue and transfers in (budgetary basis)	\$ 237,557,042
Transfer adjustment (Library)	(605,843)
Revenue and transfers in (GAAP basis)	<u>\$ 236,951,199</u>
Expenditures and operating transfers out (budgetary basis)	\$ 238,057,977
Encumbrance/accrual adjustment	(473,554)
Transfer adjustment (Library)	(605,843)
Expenditures and operating transfers out (GAAP basis)	<u>\$ 236,978,580</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**REQUIRED SUPPLEMENTARY INFORMATION
CALVERT COUNTY MARYLAND POST-EMPLOYMENT BENEFIT PLAN
OTHER POST EMPLOYMENT BENEFITS SCHEDULES
YEAR ENDED JUNE 30, 2012**

A. Schedule of Funding Progress

Actuarial Valuation Date June 30,	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
County						
2012	\$ 4,337,978	\$ 36,717,748	\$ 32,379,770	11.81%	N/A	N/A
2011	-	30,562,690	30,562,690	0.00%	N/A	N/A
2010	-	30,562,690	30,562,690	0.00%	N/A	N/A
2009	-	25,690,319	25,690,319	0.00%	N/A	N/A
2008	-	25,690,319	25,690,319	0.00%	N/A	N/A
Board of Education						
2012	\$ 17,226,681	\$ 139,625,512	\$ 122,398,831	12.34%	N/A	N/A
2011	-	99,455,289	99,455,289	0.00%	N/A	N/A
2010	-	99,455,289	99,455,289	0.00%	N/A	N/A
2009	-	78,032,239	78,032,239	0.00%	N/A	N/A
2008	-	78,032,239	78,032,239	0.00%	N/A	N/A
Total						
2012	\$ 21,564,659	\$ 176,343,260	\$ 154,778,601	12.23%	N/A	N/A
2011	-	130,017,979	130,017,979	0.00%	N/A	N/A
2010	-	130,017,979	130,017,979	0.00%	N/A	N/A
2009	-	103,722,558	103,722,558	0.00%	N/A	N/A
2008	-	103,722,558	103,722,558	0.00%	N/A	N/A

B. Schedule of Employer Contributions

	Annual Required Contribution	Pay as You go Payments Plus Contributions	% Contributed	Net OPEB Obligation
<i>Year ended June 30, 2012:</i>				
County	\$ 3,996,491	\$ 3,442,226	86.13%	\$ 5,118,030
Board of Education	14,359,874	13,826,883	96.29%	19,099,113
	<u>\$ 18,356,365</u>	<u>\$ 17,269,109</u>	94.08%	<u>\$ 24,217,143</u>
<i>Year ended June 30, 2011:</i>				
County	\$ 3,641,418	\$ 2,621,100	71.98%	\$ 4,615,160
Board of Education	11,319,105	5,664,604	50.04%	18,776,224
	<u>\$ 14,960,523</u>	<u>\$ 8,285,704</u>	55.38%	<u>\$ 23,391,384</u>
<i>Year ended June 30 2010:</i>				
County	\$ 3,641,418	\$ 1,594,299	43.78%	\$ 3,467,809
Board of Education	11,319,105	4,918,693	43.45%	12,746,349
	<u>\$ 14,960,523</u>	<u>\$ 6,512,992</u>	43.53%	<u>\$ 16,214,158</u>
<i>Year ended June 30 2009:</i>				
County	\$ 3,109,164	\$ 2,284,452	73.47%	\$ 1,435,892
Board of Education	9,127,324	6,799,986	74.50%	6,413,838
	<u>\$ 12,236,488</u>	<u>\$ 9,084,438</u>	74.24%	<u>\$ 7,849,730</u>
<i>Year ended June 30 2008:</i>				
County	\$ 3,109,164	\$ 2,537,968	81.63%	\$ 571,196
Board of Education	9,127,324	5,308,165	58.16%	3,819,159
	<u>\$ 12,236,488</u>	<u>\$ 7,846,133</u>	64.12%	<u>\$ 4,390,355</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**REQUIRED SUPPLEMENTARY INFORMATION
CALVERT COUNTY EMPLOYEES RETIREMENT PLAN
PENSION PLAN SCHEDULES
YEAR ENDED JUNE 30, 2012**

A. Schedule of Funding Progress

Actuarial Valuation Date June 30,	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
2012	\$ 47,684,644	\$ 64,920,246	\$ 17,235,602	73.45%	\$ 8,703,823	198.02%
2011	43,210,780	59,398,290	16,187,510	72.75%	9,466,884	170.99%
2010	38,497,686	55,158,918	16,661,232	69.79%	9,861,976	168.94%
2009	34,593,965	53,007,610	18,413,645	65.26%	10,340,394	178.07%
2008	39,736,110	48,932,199	9,196,089	81.21%	10,470,627	87.83%
2007	36,354,279	42,656,369	6,302,090	85.23%	10,285,756	61.27%

B. Schedule of Employer Contributions

Years Ended June 30,	Contribution	Annual Required Contribution	Percentage Contributed
2012	\$ 2,873,160	\$ 2,860,148	100.45%
2011	3,090,000	2,873,160	107.55%
2010	2,959,622	3,024,934	97.84%
2009	2,141,454	2,142,802	99.94%
2008	1,662,037	1,662,037	100.00%
2007	1,490,000	1,489,747	100.02%

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**REQUIRED SUPPLEMENTARY INFORMATION
CALVERT COUNTY SHERIFF'S DEPARTMENT
PENSION PLAN SCHEDULES
YEAR ENDED JUNE 30, 2012**

A. Schedule of Funding Progress

Actuarial Valuation Date June 30,	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
2012	\$ 45,717,410	\$ 57,564,334	\$ 11,846,924	79.42%	\$ 10,817,969	109.51%
2011	40,503,652	54,976,319	14,472,667	73.67%	10,738,433	134.77%
2010	35,424,741	49,354,357	13,929,616	71.78%	10,316,424	135.02%
2009	31,118,948	45,164,336	14,045,388	68.90%	10,027,146	140.07%
2008	35,102,961	41,370,310	6,267,349	84.85%	8,931,278	70.17%
2007	31,577,163	37,774,661	6,197,498	83.59%	7,506,278	82.56%

B. Schedule of Employer Contributions

Years Ended June 30,	Contribution	Annual Required Contribution	Percentage Contributed
2012	\$ 2,524,905	\$ 2,700,709	93.49%
2011	2,615,000	2,524,905	103.57%
2010	2,511,000	2,564,133	97.93%
2009	1,765,284	1,766,394	99.94%
2008	1,685,214	1,627,076	103.57%
2007	1,520,000	1,518,586	100.09%

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**REQUIRED SUPPLEMENTARY INFORMATION
LENGTH OF SERVICE AWARD PROGRAM
(VOLUNTEER FIRE DEPARTMENTS & RESCUE SQUADS)
PENSION PLAN SCHEDULES
YEAR ENDED JUNE 30, 2012**

A. Schedule of Funding Progress

Actuarial Valuation Date June 30,	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
2012	\$ 2,762,898	\$ 6,110,725	\$ 3,347,827	45.21%	N/A	N/A
2011	2,547,402	5,967,750	3,420,348	42.69%	N/A	N/A
2010	2,340,301	5,157,986	2,817,685	45.37%	N/A	N/A
2009	2,228,429	5,050,340	2,821,911	44.12%	N/A	N/A
2008	2,525,943	4,370,000	1,844,057	57.80%	N/A	N/A
2007	2,385,639	4,248,438	1,862,799	56.15%	N/A	N/A

B. Schedule of Employer Contributions

Years Ended June 30,	Contribution	Annual Required Contribution	Percentage Contributed
2012	\$ 376,549	\$ 453,180	83.09%
2011	375,000	376,549	99.59%
2010	299,000	361,168	82.79%
2009	259,000	259,000	100.00%
2008	248,912	248,912	100.00%
2007	240,000	237,655	100.99%

COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

OTHER SUPPLEMENTARY INFORMATION
JUNE 30, 2012

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF REVENUE AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Budgeted Amounts		Actual	Variance
	Original	Final		Over (Under)
<u>Taxes</u>				
<u>Real Estate and Personal Property Taxes</u>				
Real estate levy	\$ 107,645,082	\$ 107,652,810	\$ 107,642,997	\$ (9,813)
Personal property levy	200,000	200,000	159,473	(40,527)
Corporation levy	2,750,000	2,750,000	2,268,497	(481,503)
Payment in lieu of tax (PILOT)	19,646,574	19,646,574	19,646,574	-
Public utilities tax	17,650,000	17,650,000	17,868,027	218,027
Additions and abatements	(150,000)	(150,000)	148,910	298,910
Penalties and interest	500,000	500,000	854,020	354,020
Tax credit	(1,925,610)	(1,914,887)	(1,908,021)	6,866
Land preservation credit	(240,000)	(240,000)	(230,858)	9,142
Total Real Estate and Personal Property Taxes	146,076,046	146,094,497	146,449,619	355,122
<u>Other Local Taxes</u>				
Income taxes	61,517,634	64,750,000	64,199,044	(550,956)
Admissions and amusement tax	30,000	30,000	30,938	938
Recordation taxes	5,500,000	5,500,000	5,180,576	(319,424)
Trailer parks	120,000	120,000	127,458	7,458
Hotel tax	715,000	715,000	753,981	38,981
Franchise tax	1,100,000	1,100,000	1,192,010	92,010
Total Other Local Taxes	68,982,634	72,215,000	71,484,007	(730,993)
<u>Shared State Taxes</u>				
Highway user revenue	297,900	297,900	281,653	(16,247)
Total State Shared Taxes	297,900	297,900	281,653	(16,247)
Total Taxes	215,356,580	218,607,397	218,215,279	(392,118)
<u>Licenses and Permits</u>				
<u>Business Licenses and Permits</u>				
Builders' licenses	25,000	25,000	31,899	6,899
Beer, wine, and liquor licenses	105,000	105,000	124,987	19,987
Traders	85,000	85,000	87,121	2,121
Hawkers and peddlers	2,000	2,000	2,755	755
Total Business Licenses and Permits	217,000	217,000	246,762	29,762
<u>Other Permits</u>				
Animal licenses	20,000	20,000	23,773	3,773
Code book sales	700	700	1,681	981
Marriage licenses	3,700	3,700	4,215	515
Gambling permits	13,000	13,000	28,140	15,140
Total Other Permits	37,400	37,400	57,809	20,409
Total Licenses and Permits	254,400	254,400	304,571	50,171
<u>Intergovernmental Revenue</u>				
<u>Federal Grants</u>				
Federal Emergency Management	82,407	82,407	57,967	(24,440)
F.E.M.A. reimbursement	-	1,000,257	1,000,257	-
Build America Bond Subsidy	110,437	110,437	110,437	-
Federal Detention per diem	20,479	20,479	20,625	146
Total Federal Grants	213,323	1,213,580	1,189,286	(24,294)
<u>State Grants</u>				
Police Protection - state	450,000	450,000	470,600	20,600
Library - state	384,000	384,000	383,502	(498)
Soil Conservation - state	61,191	61,191	61,191	-
Prisoner Housing - state	90,000	90,000	145,260	55,260
Mosquito Control - state	20,000	20,000	24,740	4,740
Jury reimbursement - state	30,000	30,000	28,920	(1,080)
Core Service reimbursement - state	-	126,998	127,342	344
State reimbursement	-	-	30,379	30,379
Other state reimbursement	-	8,989	7,867	(1,122)
Total State Grants	1,035,191	1,171,178	1,279,801	108,623

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF REVENUE AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<u>Other Intergovernmental</u>				
911 Grant	\$ 610,000	\$ 610,000	\$ 582,877	\$ (27,123)
Shore Erosion	26,258	26,258	26,258	-
Housing Authority	1,113,589	1,127,314	1,121,755	(5,559)
Caasa payroll reimbursement	-	15,000	8,644	(6,356)
CMM payroll reimbursement - CMM Board of Governors	370,000	375,652	332,203	(43,449)
CMM payroll reimbursement - CMM Society	290,000	294,844	283,245	(11,599)
Total Other Intergovernmental	<u>2,409,847</u>	<u>2,449,068</u>	<u>2,354,982</u>	<u>(94,086)</u>
Total Intergovernmental Revenues	<u>3,658,361</u>	<u>4,833,826</u>	<u>4,824,069</u>	<u>(9,757)</u>
<u>Charges for services</u>				
<u>Public Safety</u>				
Sheriff's fees	75,000	75,000	80,459	5,459
Chesapeake Beach police reimbursement	698,934	698,934	698,934	-
North Beach police reimbursement	320,193	320,193	320,193	-
Dominion police reimbursement	1,240,000	1,257,926	1,229,375	(28,551)
Lab fees	15,000	15,000	11,091	(3,909)
Engineering inspections	100,000	100,000	81,500	(18,500)
DWI facility	-	7,345	2,470	(4,875)
Electronic monitor - Detention Center	25,000	25,000	12,687	(12,313)
Telephone commission - Detention Center	275,000	275,000	104,832	(170,168)
Room and board - Detention Center	60,000	60,000	38,682	(21,318)
Sick call - Detention Center	8,000	8,000	2,470	(5,530)
False alarm fees	2,000	2,000	150	(1,850)
False alarm registration	3,800	3,800	5,150	1,350
Protective inspections	250,000	250,000	287,500	37,500
Public safety tower	70,000	70,000	78,133	8,133
Total Public Safety	<u>3,142,927</u>	<u>3,168,198</u>	<u>2,953,626</u>	<u>(214,572)</u>
<u>General Services</u>				
Waterman's Wharf	4,200	4,200	3,875	(325)
Tennison charters	50,000	50,000	42,068	(7,932)
Flag Pond entrance fees	40,000	40,000	47,654	7,654
Boat ramp fees	6,000	6,000	7,640	1,640
Kings Landing camp fees	10,000	10,000	18,182	8,182
P&R self-sustained program	15,000	15,000	-	(15,000)
Total General Services	<u>125,200</u>	<u>125,200</u>	<u>119,419</u>	<u>(5,781)</u>
<u>Public Works</u>				
Road tax districts	70,616	70,616	75,344	4,728
Developer street signs	600	600	-	(600)
Utility permit fee	-	-	12,960	12,960
Waterway improvements	7,440	7,440	7,441	1
Total Public Works	<u>78,656</u>	<u>78,656</u>	<u>95,745</u>	<u>17,089</u>
<u>Community Resources</u>				
Library - other sources	-	34,170	34,170	-
Library - e-rate	7,000	7,000	5,653	(1,347)
Library - other miscellaneous	-	19,200	26,974	7,774
Library - copying and miscellaneous	46,200	27,000	28,559	1,559
Office on Aging - bus trip revenue	32,637	32,637	24,012	(8,625)
Office on Aging - ceramics program revenue	3,859	5,265	3,970	(1,295)
Office on Aging - senior class revenue	20,626	20,626	19,436	(1,190)
Total Community Resources	<u>110,322</u>	<u>145,898</u>	<u>142,774</u>	<u>(3,124)</u>
<u>Other Charges for Services</u>				
Administration fees semi-annual service charges	70,000	70,000	47,320	(22,680)
Rents and concessions	40,000	40,000	26,602	(13,398)
Concrete Plant rent	25,000	25,000	13,005	(11,995)
Map sales	500	500	230	(270)
Total Other Charges for Services	<u>135,500</u>	<u>135,500</u>	<u>87,157</u>	<u>(48,343)</u>
Total Charges for Services	<u>3,592,605</u>	<u>3,653,452</u>	<u>3,398,721</u>	<u>(254,731)</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF REVENUE AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<u>Fines, fees, and Forfeitures</u>				
<u>General Government</u>				
Soil Conservation grading fees	\$ 30,000	\$ 30,000	\$ 42,350	\$ 12,350
Replanting fees - Planning & Zoning	4,000	4,000	4,752	752
Planning and Zoning tower fees	500	500	1,140	640
Board of Appeals application fees	20,000	20,000	15,761	(4,239)
Administration planting bond	4,500	4,553	53	(4,500)
Small lot clearing fees	100	100	-	(100)
Total General Government	59,100	59,153	64,056	4,903
<u>Other Fines, Fees, and Forfeitures</u>				
Domestic master fees	800	800	779	(21)
Community service programs	25,000	25,000	31,261	6,261
Criminal court fines	9,000	9,000	6,952	(2,048)
Home study fees	2,000	2,000	8,619	6,619
Animal citation fines	15,000	15,000	5,100	(9,900)
State's attorney fees	-	6,667	8,046	1,379
Forfeiture - State's attorney	15,000	20,681	20,681	-
Forfeiture - sheriff operating	-	35,845	35,845	-
Administration fee - Grant Coordinator	150,000	150,000	133,745	(16,255)
Filing fees Election Office	150	150	125	(25)
Auto license fees	2,600	2,600	2,304	(296)
Library fines	135,000	135,000	126,985	(8,015)
Zoning fees	20,000	20,000	13,250	(6,750)
Total Other Fines, Fees, and Forfeitures	374,550	422,743	393,692	(29,051)
Total Fines, Fees, and Forfeitures	433,650	481,896	457,748	(24,148)
<u>Investment Revenue</u>				
Interest and dividends	250,000	250,000	136,129	(113,871)
Interest on notes	-	-	7,989	7,989
Appreciation of investment	-	-	(8,965)	(8,965)
Total Investment Revenue	250,000	250,000	135,153	(114,847)
<u>Reimbursements</u>				
Salary reimbursement	35,000	47,872	39,192	(8,680)
Battle Creek PR reimbursement	7,418	7,418	9,020	1,602
General insurance reimbursement	-	147,686	277,331	129,645
Health insurance reimbursement	-	-	539,561	539,561
Circuit ct. clerks office reimbursements	-	-	4,391	4,391
Total Reimbursements	42,418	202,976	869,495	666,519
<u>Other Revenue</u>				
Balance from prior year fund balance	50,000	2,102,531	-	(2,102,531)
Private contributions	-	1,859	1,859	-
Private contributions econ development	-	42,750	42,750	-
Miscellaneous income	187,939	210,498	257,670	47,172
Total Other Revenue	237,939	2,357,638	302,279	(2,055,359)
Total Revenue	223,825,953	230,641,585	228,507,315	(2,134,270)
<u>Other financing sources</u>				
Transfer from Board of Education - Resident Trooper	135,834	169,512	169,512	-
Transfer from Board of Education - Sheriff's Office	-	100,000	100,000	-
Transfer from BOE wireless	30,000	30,000	30,000	-
Transfer from BOE for OPEB	7,100,000	8,750,215	8,750,215	-
Transfer from Excise Tax Fund	1,000,000	1,000,000	-	(1,000,000)
Total Other Financing Sources	8,265,834	10,049,727	9,049,727	(1,000,000)
Total Revenue and Other Financing Sources	\$ 232,091,787	\$ 240,691,312	\$ 237,557,042	\$ (3,134,270)

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
General Government				
<u>County Commissioners</u>				
Salaries	\$ 249,046	\$ 254,086	\$ 252,363	\$ 1,723
Operating expense	42,334	46,508	47,043	(535)
Contracted services	600	7,800	8,283	(483)
Total County Commissioners	291,980	308,394	307,689	705
<u>Clerk to Commissioners</u>				
Salaries	60,952	62,452	71,326	(8,874)
Operating expense	1,676	1,676	172	1,504
Contracted services	489	489	-	489
Total Clerk to Commissioners	63,117	64,617	71,498	(6,881)
<u>County Administrator</u>				
Salaries	247,888	249,388	247,852	1,536
Operating expense	21,808	27,308	23,245	4,063
Contracted services	14,407	12,407	11,762	645
Total County Administrator	284,103	289,103	282,859	6,244
<u>Technology Services</u>				
Salaries	1,323,354	1,338,224	1,339,413	(1,189)
Operating expense	129,722	132,322	126,952	5,370
Contracted services	668,846	666,246	596,115	70,131
Capital outlay	321,029	321,029	310,032	10,997
Total Technology Services	2,442,951	2,457,821	2,372,512	85,309
<u>Circuit Court</u>				
Salaries	509,888	518,888	541,116	(22,228)
Operating expense	81,120	77,120	70,039	7,081
Contracted services	85,886	79,168	75,142	4,026
Capital outlay	16,650	27,368	11,632	15,736
Total Circuit Court	693,544	702,544	697,929	4,615
<u>Orphans' Court</u>				
Salaries	26,450	26,450	26,552	(102)
Operating expense	2,020	2,020	350	1,670
Total Orphans' Court	28,470	28,470	26,902	1,568
<u>State's Attorney</u>				
Salaries	1,366,233	1,381,233	1,400,014	(18,781)
Operating expense	94,117	96,466	78,721	17,745
Contracted services	15,600	16,912	16,569	343
Capital outlay	58,000	66,687	66,685	2
Total State's Attorney	1,533,950	1,561,298	1,561,989	(691)
<u>Grand Jury</u>				
Salary and operating expense	5,000	5,000	5,420	(420)
<u>Personnel</u>				
Salaries	498,357	503,232	510,502	(7,270)
Operating expense	60,925	61,118	27,768	33,350
Tuition program	35,000	35,000	32,220	2,780
Contracted services	72,425	96,987	88,229	8,758
Capital outlay	3,700	3,945	3,890	55
Total Personnel	670,407	700,282	662,609	37,673

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Elections</u>				
Salaries	\$ 301,999	\$ 305,749	\$ 301,812	\$ 3,937
Operating expense	62,999	62,881	43,628	19,253
Contracted services	166,175	166,175	97,404	68,771
Election judges	43,700	43,700	37,573	6,127
Capital outlay	500	618	618	-
Total Elections	575,373	579,123	481,035	98,088
<u>Finance and Budget</u>				
Salaries	1,369,567	1,430,722	1,436,390	(5,668)
Operating expense	85,048	71,259	66,359	4,900
Contracted services	159,135	158,631	123,245	35,386
Capital outlay	7,550	7,550	6,642	908
Total Finance and Budget	1,621,300	1,668,162	1,632,636	35,526
<u>Treasury</u>				
Salaries	308,457	312,957	316,160	(3,203)
Operating expense	45,325	54,120	39,280	14,840
Contracted services	17,850	20,783	20,762	21
Total Treasury	371,632	387,860	376,202	11,658
<u>Independent Accounting and Auditing</u>				
	76,775	77,279	76,079	1,200
<u>County Attorney</u>				
Salaries	299,961	301,461	296,993	4,468
Operating expense	21,339	30,655	28,770	1,885
Contracted services	38,000	28,317	10,978	17,339
Capital outlay	-	367	367	-
Total County Attorney	359,300	360,800	337,108	23,692
<u>Planning and Zoning</u>				
Salaries	1,053,451	1,042,774	1,037,012	5,762
Operating expense	58,911	59,674	57,926	1,748
Contracted services	27,849	27,519	27,519	-
Capital outlay	17,600	84,495	88,886	(4,391)
Total Planning and Zoning	1,157,811	1,214,462	1,211,343	3,119
<u>General Services</u>				
Salaries	275,616	277,866	286,284	(8,418)
Operating expense	9,331	8,654	7,250	1,404
Capital outlay	-	677	676	1
Total General Services	284,947	287,197	294,210	(7,013)
<u>Buildings and Grounds</u>				
Salaries	1,309,538	1,335,816	1,360,272	(24,456)
Operating expense	826,827	1,145,770	1,031,808	113,962
Utilities	1,251,839	1,199,663	968,817	230,846
Maintenance and repair projects	628,182	393,388	279,134	114,254
Contracted services	514,159	516,777	481,249	35,528
Capital outlay	124,000	153,000	102,066	50,934
Total Buildings and Grounds	4,654,545	4,744,414	4,223,346	521,068

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Other General Government</u>				
Maryland Association of Counties	\$ 17,000	\$ 17,000	\$ 16,987	\$ 13
Commission for Women	3,895	3,895	2,367	1,528
Environmental Commission	3,900	4,400	3,509	891
MD State Dept. of Assessments	620,000	630,723	631,203	(480)
Non-county agencies	1,137,511	1,090,571	1,068,757	21,814
Total Other General Government	1,782,306	1,746,589	1,722,823	23,766
Total General Government	16,897,511	17,183,415	16,344,189	839,226
<u>Public Safety</u>				
<u>Public Safety</u>				
Salaries	146,906	150,847	153,274	(2,427)
Operating expense	50,390	52,442	34,981	17,461
Contracted services	1,800	2,000	1,309	691
Total Public Safety	199,096	205,289	189,564	15,725
<u>Transportation Chief</u>				
Salaries	134,599	145,585	151,485	(5,900)
Operating expense	27,235	39,235	32,018	7,217
Transportation subsidy	57,000	57,000	36,154	20,846
Contracted services	45,000	63,791	64,709	(918)
Total Transportation Chief	263,834	305,611	284,366	21,245
<u>Sheriff's Office</u>				
Salaries	9,472,281	9,652,541	9,936,239	(283,698)
Operating expense	810,375	1,395,475	1,370,533	24,942
Vehicle supplies and repairs	759,757	302,794	298,732	4,062
Contracted services	73,975	101,276	92,389	8,887
Capital outlay	266,318	875,660	867,653	8,007
Total Sheriff's Office	11,382,706	12,327,746	12,565,546	(237,800)
<u>Control Center</u>				
Salaries	1,845,055	1,868,655	1,618,584	250,071
Operating expense	152,034	152,033	136,723	15,310
Radio maintenance	259,422	259,422	248,257	11,165
Contracted services	313,470	311,470	307,571	3,899
Capital outlay	33,833	35,834	34,733	1,101
Total Control Center	2,603,814	2,627,414	2,345,868	281,546
<u>Resident Trooper Program</u>	178,232	211,910	211,910	-
<u>Volunteer Fire Companies & Rescue Squads</u>				
Operating expense	2,069,035	2,161,386	2,107,435	53,951
Insurance	738,180	729,180	668,535	60,645
Capital outlay	149,000	149,000	142,525	6,475
Total Volunteer Fire Companies & Rescue Squads	2,956,215	3,039,566	2,918,495	121,071
<u>Detention Center</u>				
Salaries	5,087,980	5,090,072	5,191,410	(101,338)
Operating expense	214,194	477,879	428,485	49,394
Utilities	446,398	355,188	384,485	(29,297)
Inmate care	104,025	143,359	137,139	6,220
Food	370,257	370,257	320,552	49,705
Contracted services	598,426	594,726	564,400	30,326
Capital outlay	42,520	75,890	51,921	23,969
Total Detention Center	6,863,800	7,107,371	7,078,392	28,979

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Inspections and Permits</u>				
Salaries	\$ 717,098	\$ 731,098	\$ 740,156	\$ (9,058)
Operating expense	53,275	53,275	45,382	7,893
Vehicle supplies and repair	5,675	5,675	5,851	(176)
Contracted services	27,500	27,500	27,500	-
Capital outlay	9,500	9,500	5,850	3,650
Total Inspections and Permits	<u>813,048</u>	<u>827,048</u>	<u>824,739</u>	<u>2,309</u>
<u>Residential Substance Abuse Treatment</u>				
Contracted services	162,450	162,450	155,434	7,016
Total Residential Substance Abuse Treatment	<u>162,450</u>	<u>162,450</u>	<u>155,434</u>	<u>7,016</u>
<u>Emergency Management</u>				
Salaries	155,665	162,649	150,178	12,471
Operating expense	34,543	47,142	37,477	9,665
Contracted services	25,956	25,956	23,300	2,656
Total Emergency Management	<u>216,164</u>	<u>235,747</u>	<u>210,955</u>	<u>24,792</u>
<u>Liquor Board</u>				
Salaries	24,720	24,720	22,775	1,945
Operating expense	700	700	184	516
Contracted services	25,000	25,000	18,388	6,612
Total Liquor Board	<u>50,420</u>	<u>50,420</u>	<u>41,347</u>	<u>9,073</u>
<u>Fire, Rescue, and Emergency Services</u>				
Salaries	234,538	238,523	247,360	(8,837)
Operating expense	176,525	184,196	143,151	41,045
Contracted services	65,830	57,330	52,053	5,277
Capital outlay	-	829	830	(1)
Total Fire, Rescue, and Emergency Services	<u>476,893</u>	<u>480,878</u>	<u>443,394</u>	<u>37,484</u>
<u>Animal Control</u>				
Salaries	324,850	332,771	327,621	5,150
Operating expense	33,865	71,882	59,306	12,576
Vehicle supplies and repairs	53,000	13,000	9,515	3,485
Contracted services	230,750	230,750	174,887	55,863
Capital outlay	17,000	73,983	62,328	11,655
Total Animal Control	<u>659,465</u>	<u>722,386</u>	<u>633,657</u>	<u>88,729</u>
Total Public Safety	<u>26,826,137</u>	<u>28,303,836</u>	<u>27,903,667</u>	<u>400,169</u>
<u>Public Works</u>				
<u>Engineering Services</u>				
Salaries	1,134,484	1,112,795	1,012,947	99,848
Operating expense	74,223	106,460	101,073	5,387
Contracted services	52,497	72,737	72,488	249
Capital outlay	-	734	600	134
Total Engineering Services	<u>1,261,204</u>	<u>1,292,726</u>	<u>1,187,108</u>	<u>105,618</u>
<u>Highway Lighting</u>				
Operating expense	261,250	261,250	256,676	4,574

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Highway Maintenance</u>				
Salaries	\$ 1,650,057	\$ 1,853,135	\$ 1,726,630	\$ 126,505
Operating expense	36,723	214,489	207,196	7,293
Vehicle supplies and repairs	313,126	178,432	179,341	(909)
Utilities	22,117	22,117	15,854	6,263
Road maintenance and repairs	506,970	691,728	583,510	108,218
Paving	2,896,716	2,896,716	2,896,716	-
Snow removal contractors	412,250	36,503	36,605	(102)
Rental service contract	152,000	573,896	573,896	-
Contracted services	273,001	479,098	447,725	31,373
Capital outlay	248,000	415,650	410,236	5,414
Total Highway Maintenance	<u>6,510,960</u>	<u>7,361,764</u>	<u>7,077,709</u>	<u>284,055</u>
<u>Fleet Maintenance</u>				
Salaries	554,052	565,679	573,225	(7,546)
Operating expense	23,237	22,685	19,747	2,938
Vehicle supplies and repairs	27,550	27,550	(99,097)	126,647
Utilities	29,186	29,186	32,477	(3,291)
Contracted services	17,300	17,672	17,570	102
Capital outlay	-	20,336	18,727	1,609
Total Fleet Maintenance	<u>651,325</u>	<u>683,108</u>	<u>562,649</u>	<u>120,459</u>
<u>Project Management and Inspections</u>				
Salaries	443,074	464,624	462,580	2,044
Operating expense	13,355	30,840	34,079	(3,239)
Vehicle supplies and repairs	24,360	6,875	6,560	315
Total Project Management and Inspections	<u>480,789</u>	<u>502,339</u>	<u>503,219</u>	<u>(880)</u>
Total Public Works	<u>9,165,528</u>	<u>10,101,187</u>	<u>9,587,361</u>	<u>513,826</u>
Health and Hospitals				
<u>Health Department</u>				
Salaries	-	106,310	107,123	(813)
Operating expense	2,423,116	2,461,179	2,462,042	(863)
Total Health Department	<u>2,423,116</u>	<u>2,567,489</u>	<u>2,569,165</u>	<u>(1,676)</u>
<u>Mosquito Control</u>				
Salaries	137,106	138,606	122,315	16,291
Operating expense	22,217	30,217	22,478	7,739
Chemicals	12,000	26,000	25,421	579
Contracted services	23,800	9,800	4,384	5,416
Capital outlay	21,105	21,105	20,850	255
Total Mosquito Control	<u>216,228</u>	<u>225,728</u>	<u>195,448</u>	<u>30,280</u>
Total Health and Hospitals	<u>2,639,344</u>	<u>2,793,217</u>	<u>2,764,613</u>	<u>28,604</u>
Social Services				
<u>Community Resources</u>				
Salaries	287,085	303,765	309,848	(6,083)
Operating expense	33,677	35,748	27,349	8,399
Contracted services	2,448	5,947	650	5,297
Total Community Resources	<u>323,210</u>	<u>345,460</u>	<u>337,847</u>	<u>7,613</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Department of Social Services</u>				
County contribution	\$ 64,982	\$ 64,982	\$ 64,982	\$ -
<u>Pauper's Burial</u>	1,000	1,000	-	1,000
<u>Office on Aging</u>				
Salaries	1,143,918	1,165,199	1,135,255	29,944
Operating expense	97,059	101,495	82,378	19,117
Contracted services	20,626	20,726	19,506	1,220
Capital outlay	-	7,882	7,882	-
Total Office on Aging	1,261,603	1,295,302	1,245,021	50,281
Total Social Services	1,650,795	1,706,744	1,647,850	58,894
Education				
College of Southern Maryland	3,426,964	3,401,964	3,401,964	-
Board of Education	109,059,947	109,059,947	109,059,947	-
Total Education	112,486,911	112,461,911	112,461,911	-
Recreation and Culture				
<u>Parks and Recreation</u>				
Salaries	2,647,570	2,690,317	2,550,510	139,807
Operating expense	448,097	448,274	382,120	66,154
Utilities	160,338	160,338	154,980	5,358
Maintenance and repair projects	85,000	84,800	76,831	7,969
Contracted services	75,000	60,279	44,998	15,281
Capital outlay	97,000	128,920	128,173	747
Total Parks and Recreation	3,513,005	3,572,928	3,337,612	235,316
<u>Railway Museum</u>				
Salaries	97,807	99,307	101,379	(2,072)
Operating expense	10,195	10,980	10,989	(9)
Utilities	6,412	4,112	3,341	771
Contracted services	26,046	29,561	29,461	100
Capital outlay	2,000	-	-	-
Total Railway Museum	142,460	143,960	145,170	(1,210)
<u>Marine Museum</u>				
Salaries	1,992,083	2,022,050	2,068,237	(46,187)
Operating expense	185,575	221,814	209,313	12,501
Utilities	190,785	187,035	164,024	23,011
Maintenance and repair projects	23,866	23,366	22,949	417
Contracted services	61,202	66,560	64,522	2,038
Capital outlay	31,347	48,536	48,114	422
Total Marine Museum	2,484,858	2,569,361	2,577,159	(7,798)
<u>Public Libraries</u>				
Salaries	-	2,394,225	2,381,466	12,759
Operating expense	3,641,857	1,198,031	1,180,167	17,864
Contracted services	-	80,281	80,281	-
Capital outlay	-	36,490	36,490	-
Total Public Libraries	3,641,857	3,709,027	3,678,404	30,623

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Natural Resources Division</u>				
Salaries	\$ 653,381	\$ 665,330	\$ 723,897	\$ (58,567)
Operating expense	66,734	73,995	62,680	11,315
Utilities	39,972	33,411	29,600	3,811
Maintenance and repair projects	6,700	7,700	5,448	2,252
Contracted services	9,249	32,549	29,800	2,749
Capital outlay	-	20,000	18,212	1,788
Total Natural Resources Division	776,036	832,985	869,637	(36,652)
Total Recreation and Culture	10,558,216	10,828,261	10,607,982	220,279
Conservation of Natural Resources				
<u>Agricultural Extension Service</u>				
Operating expense	86,189	86,189	81,941	4,248
Total Agricultural Extension Service	86,189	86,189	81,941	4,248
<u>Soil Conservation Service</u>				
Salaries	290,108	293,108	299,439	(6,331)
Operating expense	3,486	3,486	3,502	(16)
Total Soil Conservation Service	293,594	296,594	302,941	(6,347)
<u>Forestry</u>				
Operating expense	20,978	20,978	20,978	-
Total Conservation of Natural Resources	400,761	403,761	405,860	(2,099)
Urban Development and Housing				
<u>Housing</u>				
Salaries	857,278	871,003	869,794	1,209
Total Housing	857,278	871,003	869,794	1,209
<u>Historical District Commission</u>				
Salaries	4,623	4,623	4,641	(18)
Operating expense	3,888	3,888	1,421	2,467
Contracted services	6,313	8,198	8,194	4
Total Historical District Commission	14,824	16,709	14,256	2,453
<u>Board of Appeals</u>				
Salaries	122,413	123,913	124,384	(471)
Operating expense	13,200	37,170	25,355	11,815
Contracted services	24,000	24,000	20,858	3,142
Honorarium	25,000	1,030	696	334
Total Board of Appeals	184,613	186,113	171,293	14,820
<u>Planning Commission</u>				
Salaries	661,635	636,885	655,045	(18,160)
Operating expense	21,000	22,653	15,786	6,867
Contracted services	56,150	37,550	29,479	8,071
Honorarium	72,000	72,000	63,400	8,600
Total Planning Commission	810,785	769,088	763,710	5,378
<u>Affordable Housing</u>				
Operating expense	50,000	50,000	9,308	40,692
Total Affordable Housing	50,000	50,000	9,308	40,692
Total Urban Development and Housing	1,917,500	1,892,913	1,828,361	64,552

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>(Over) Under</u>
Economic Development				
<u>EDA/EDC/Tourism</u>				
Salaries	\$ 731,892	\$ 741,902	\$ 694,698	\$ 47,204
Operating expense	113,690	172,533	149,062	23,471
Advertising	252,325	219,305	171,906	47,399
Chamber of Commerce	103,979	103,979	100,462	3,517
Small Business Development Center	20,400	20,400	20,400	-
Contracted services	30,600	103,267	101,528	1,739
Capital outlay	3,160	911	911	-
Total Economic Development	<u>1,256,046</u>	<u>1,362,297</u>	<u>1,238,967</u>	<u>123,330</u>
Pension and Insurance				
Pension contribution	9,785,655	9,835,132	9,748,837	86,295
Workmen's compensation	1,506,151	1,508,599	804,344	704,255
General insurance	722,999	708,000	572,532	135,468
Health insurance	7,141,923	6,631,992	7,446,326	(814,334)
Other post employment benefits (OPEB)	200,000	2,200,000	2,200,000	-
Other post employment benefits - BOE	7,100,000	8,750,215	8,750,215	-
Contingency	600,000	189,377	-	189,377
Total Pension and Insurance	<u>27,056,728</u>	<u>29,823,315</u>	<u>29,522,254</u>	<u>301,061</u>
Debt service				
<u>Bond principal retirement</u>				
General obligations	11,570,859	10,971,706	10,971,736	(30)
<u>Bond interest</u>				
General obligations	5,178,342	4,929,445	4,929,445	-
<u>Bond expense</u>				
Debt refunding expense	-	127,802	179,509	(51,707)
Total Debt Service	<u>16,749,201</u>	<u>16,028,953</u>	<u>16,080,690</u>	<u>(51,737)</u>
Total expenditures	<u>227,604,678</u>	<u>232,889,810</u>	<u>230,393,705</u>	<u>2,496,105</u>
Other financing uses				
<u>Operating transfers out</u>				
Capital Projects Fund	1,277,000	4,398,600	4,398,600	-
Transfer to Grants Fund	1,740,526	1,798,440	1,661,210	137,230
Transfer to P&R Self-Sustaining	402,083	402,539	402,539	-
Transfer to Land Preservation	857,000	857,000	857,000	-
Transfer to Chesapeake Hills Golf Course	180,500	182,021	182,021	-
Transfer to Water and Sewer	-	47,726	47,726	-
Transfer to Solid Waste	30,000	115,176	115,176	-
Total other financing uses	<u>4,487,109</u>	<u>7,801,502</u>	<u>7,664,272</u>	<u>137,230</u>
Total expenditures and other financing uses	<u>\$ 232,091,787</u>	<u>\$ 240,691,312</u>	<u>\$ 238,057,977</u>	<u>\$ 2,633,335</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

NONMAJOR FUNDS & OTHER SCHEDULES
JUNE 30, 2012

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012**

	Parks and Recreation Fund	Planning and Zoning Special Revenue Fund	Bar Library Fund	Revolving Loan Fund	Economic Development Authority Revolving Loan Fund
ASSETS					
Cash, cash equivalents and investments	\$ 37,819	\$ -	\$ -	\$ -	\$ -
Taxes receivable	-	-	-	-	-
Accounts receivable	8,995	25,000	-	-	94,208
Accrued interest receivable	-	-	-	-	-
Due from other funds	1,723,502	491,674	42,277	12,100	228,628
Inventory	16,188	-	-	-	-
Total assets	<u>\$ 1,786,504</u>	<u>\$ 516,674</u>	<u>\$ 42,277</u>	<u>\$ 12,100</u>	<u>\$ 322,836</u>
LIABILITIES					
Vouchers and accounts payable	217,955	470,555	10,015	-	-
Notes payable	107,400	-	-	-	-
Due to other funds	-	-	-	-	-
Due to component units	-	-	-	-	-
Deferred revenue	160,780	-	-	-	-
Total liabilities	<u>486,135</u>	<u>470,555</u>	<u>10,015</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	3,750	-	-	-	-
Committed	1,296,619	46,119	32,262	12,100	322,836
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>1,300,369</u>	<u>46,119</u>	<u>32,262</u>	<u>12,100</u>	<u>322,836</u>
Total liabilities and fund balances	<u>\$ 1,786,504</u>	<u>\$ 516,674</u>	<u>\$ 42,277</u>	<u>\$ 12,100</u>	<u>\$ 322,836</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012**

Calvert Co. Family Network	Grants Fund	Economic Development Incentive Fund	Excise Tax Fund	Land Preservation Fund	Board of Library Trustee for Calvert County	Total
\$ -	\$ -	\$ -	\$ -	\$ 10,474,685	\$ 14,884	\$ 10,527,388
-	-	-	877,578	-	-	877,578
163,202	1,115,468	138,799	-	27	-	1,545,699
-	-	-	-	-	-	-
-	31,478	169,425	6,065,591	-	-	8,764,675
-	-	-	-	-	-	16,188
<u>\$ 163,202</u>	<u>\$ 1,146,946</u>	<u>\$ 308,224</u>	<u>\$ 6,943,169</u>	<u>\$ 10,474,712</u>	<u>\$ 14,884</u>	<u>\$ 21,731,528</u>
61,658	614,242	-	-	-	-	1,374,425
-	-	-	-	-	-	107,400
34,459	-	-	-	1,323,751	-	1,358,210
42,566	-	-	-	-	-	42,566
24,519	402,779	-	870,301	-	-	1,458,379
<u>163,202</u>	<u>1,017,021</u>	<u>-</u>	<u>870,301</u>	<u>1,323,751</u>	<u>-</u>	<u>4,340,980</u>
-	-	-	-	7,170,057	-	7,170,057
-	129,925	-	-	1,980,904	-	2,114,579
-	-	308,224	6,072,868	-	-	8,091,028
-	-	-	-	-	14,884	14,884
-	-	-	-	-	-	-
<u>-</u>	<u>129,925</u>	<u>308,224</u>	<u>6,072,868</u>	<u>9,150,961</u>	<u>14,884</u>	<u>17,390,548</u>
<u>\$ 163,202</u>	<u>\$ 1,146,946</u>	<u>\$ 308,224</u>	<u>\$ 6,943,169</u>	<u>\$ 10,474,712</u>	<u>\$ 14,884</u>	<u>\$ 21,731,528</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012**

	Parks and Recreation Fund	Planning and Zoning Special Revenue Fund	Bar Library Fund	Revolving Loan Fund	Economic Development Authority Revolving Loan Fund
REVENUE					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,521	-	-	-	-
Fines and forfeitures	-	1,540	18,518	-	-
Miscellaneous	2,751,623	108,468	27,878	-	4,514
Total revenue	2,755,144	110,008	46,396	-	4,514
EXPENDITURES					
Salaries and fringe benefits	1,356,771	86,759	45,181	-	-
Education and miscellaneous	1,393,458	79,878	43,377	-	-
Total expenditures	2,750,229	166,637	88,558	-	-
Excess (deficiency) of revenue over (under) expenditures	4,915	(56,629)	(42,162)	-	4,514
OTHER FINANCING SOURCES (USES)					
Operating transfer in	402,539	-	-	-	-
Operating transfer out	-	-	-	-	-
Total other financing sources (uses)	402,539	-	-	-	-
Net change in fund balance	407,454	(56,629)	(42,162)	-	4,514
Fund balance - beginning of year	892,915	102,748	74,424	12,100	318,322
Fund balance - end of year	\$ 1,300,369	\$ 46,119	\$ 32,262	\$ 12,100	\$ 322,836

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012**

Calvert Co. Family Network	Grants Fund	Economic Development Incentive Fund	Excise Tax Fund	Land Preservation Fund	Board of Library Trustee for Calvert County	Total
\$ -	\$ -	\$ -	\$ 2,608,709	\$ -	\$ -	\$ 2,608,709
-	3,911,850	-	-	170,414	703,904	4,789,689
-	-	-	-	-	126,985	147,043
518,445	576,098	1,585	32,940	960,922	126,443	5,108,916
518,445	4,487,948	1,585	2,641,649	1,131,336	957,332	12,654,357
90,676	2,528,547	-	-	-	3,418,260	7,526,194
427,769	3,657,034	-	81,684	3,192,135	607,387	9,482,722
518,445	6,185,581	-	81,684	3,192,135	4,025,647	17,008,916
-	(1,697,633)	1,585	2,559,965	(2,060,799)	(3,068,315)	(4,354,559)
-	1,661,210	-	188,533	857,000	3,072,683	6,181,965
-	-	-	(1,574,355)	-	-	(1,574,355)
-	1,661,210	-	(1,385,822)	857,000	3,072,683	4,607,610
-	(36,423)	1,585	1,174,143	(1,203,799)	4,368	253,051
-	166,348	306,639	4,898,725	10,354,760	10,516	17,137,497
\$ -	\$ 129,925	\$ 308,224	\$ 6,072,868	\$ 9,150,961	\$ 14,884	\$ 17,390,548

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2012**

	Chesapeake Hills Golf Course	Calvert Marine Museum	Total
ASSETS			
<u>Current assets:</u>			
Cash and cash equivalents	\$ 37,520	\$ 150,412	\$ 187,932
Investments	-	98,892	98,892
Total cash, cash equivalents and investments	<u>37,520</u>	<u>249,304</u>	<u>286,824</u>
Accrued interest receivable	3	-	3
Deferred expenses	12,144	-	12,144
Prepaid expenses	-	542	542
Inventory	17,890	33,635	51,525
Total current assets	<u>67,557</u>	<u>283,481</u>	<u>351,038</u>
<u>Non-current assets:</u>			
Restricted assets			
Cash and investments	657,369	554,619	1,211,988
Capital assets not being depreciated	1,552,330	845,471	2,397,801
Depreciable capital assets - net	2,199,613	1,816,873	4,016,486
Total non-current assets	<u>4,409,312</u>	<u>3,216,963</u>	<u>7,626,275</u>
Total assets	<u>4,476,869</u>	<u>3,500,444</u>	<u>7,977,313</u>
LIABILITIES			
<u>Current liabilities:</u>			
Vouchers and accounts payable	20,329	-	20,329
Accrued expenses	24,915	37,599	62,514
Due to other funds	43,539	-	43,539
Unearned revenue	-	9,235	9,235
Compensated absences, current portion	5,000	-	5,000
Long-term debt, current portion	34,063	-	34,063
Total current liabilities	<u>127,846</u>	<u>46,834</u>	<u>174,680</u>
<u>Noncurrent liabilities:</u>			
Compensated Absences, net of current portion	21,061	-	21,061
Bond premium/deferred loss on refunding	139,522	-	139,522
Long-term debt, net of current portion	482,217	-	482,217
Total liabilities	<u>770,646</u>	<u>46,834</u>	<u>817,480</u>
NET POSITION			
Invested in capital assets, net of related debt	3,235,663	2,662,344	5,898,007
Restricted capital connection	-	-	-
Restricted gifts and bequests	657,369	554,619	1,211,988
Unrestricted	(186,809)	236,647	49,838
Total net position	<u>\$ 3,706,223</u>	<u>\$ 3,453,610</u>	<u>\$ 7,159,833</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2012**

	Chesapeake Hills Golf Course	Calvert Marine Museum	Total
<u>Operating revenue:</u>			
Charges for services	\$ 643,352	\$ 151,744	\$ 795,096
<u>Operating expenses:</u>			
Salaries & benefits	491,705	2,417,878	2,909,583
Contracted services	10,715	161,489	172,204
Supplies	12,005	150,154	162,159
Heat, light and power	30,920	164,024	194,944
Depreciation	175,814	350,447	526,261
Miscellaneous	203,213	151,091	354,304
Telephone	3,594	7,805	11,399
Compensated absences	11,823	-	11,823
Maintenance and repairs	111,021	62,476	173,497
Capital outlay	-	48,114	48,114
Grant & restricted expenses	-	70,466	70,466
Total operating expenses	<u>1,050,810</u>	<u>3,583,944</u>	<u>4,634,754</u>
Operating income (loss)	<u>(407,458)</u>	<u>(3,432,200)</u>	<u>(3,839,658)</u>
<u>Non-operating revenue (expenses):</u>			
Grants	2,125	63,060	65,185
Contributions and fund-raising	-	258,744	258,744
Miscellaneous income	81	116,438	116,519
Investment income	1,568	6,963	8,531
Total non-operating revenue (expenses)	<u>3,774</u>	<u>445,205</u>	<u>448,979</u>
Income (loss) before contributions and transfers	- (403,684)	(2,986,995)	(3,390,679)
Operating transfers in (out)	182,021	2,604,330	2,786,351
Capital contributions	-	65,374	65,374
Change in net position	(221,663)	(317,291)	(538,954)
Total net position - beginning	<u>3,927,886</u>	<u>3,770,901</u>	<u>7,698,787</u>
Total net position - ending	<u>\$ 3,706,223</u>	<u>\$ 3,453,610</u>	<u>\$ 7,159,833</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Chesapeake Hills Golf Course</u>	<u>Calvert Marine Museum</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 643,352	\$ 145,939	\$ 789,291
Payments to suppliers	(409,104)	(773,587)	(1,182,691)
Payments to employees	(477,011)	(2,417,878)	(2,894,889)
Receipts from other funds	492,534	-	492,534
Net cash provided by (used in) operating activities	<u>249,771</u>	<u>(3,045,526)</u>	<u>(2,795,755)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating transfers from other funds	182,021	2,604,330	2,786,351
Contribution and fundraising receipts/misc.	2,206	375,182	377,388
Net cash provided by (used in) non-capital financing activities	<u>184,227</u>	<u>2,979,512</u>	<u>3,163,739</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Additions to capital assets and construction-in-progress	(449,610)	(303,665)	(753,275)
Proceeds from issuance of long term debt	655,802	-	655,802
Grant funds received	-	63,060	63,060
Capital contributions	-	65,374	65,374
Interest paid on long-term obligations	(6,566)	-	(6,566)
Net cash provided by (used in) capital and related financing activities	<u>199,626</u>	<u>(175,231)</u>	<u>24,395</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received on deposits	3,886	6,963	10,849
Purchase of investments	(657,369)	211,572	(445,797)
Net cash provided by (used in) investing activities	<u>(653,483)</u>	<u>218,535</u>	<u>(434,948)</u>
Increase in cash and cash equivalents	(19,859)	(22,710)	(42,569)
Cash and cash equivalents, beginning of year	57,379	173,122	230,501
Cash and cash equivalents, end of year	<u>\$ 37,520</u>	<u>\$ 150,412</u>	<u>\$ 187,932</u>
PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ (407,458)	\$ (3,432,200)	\$ (3,839,658)
Adjustments to reconcile operating income (loss) to <u>Net cash provided by (used in) operating activities</u>			
Depreciation	175,814	350,447	526,261
<u>Changes in assets and liabilities</u>			
Inventory	(1,099)	2,316	1,217
Prepaid expenses	-	2,117	2,117
Deferred expenditures	-	(5,805)	(5,805)
Due from other funds	492,534	-	492,534
Accounts payable	(20,701)	-	(20,701)
Accrued expenses	10,681	37,599	48,280
Due to other funds	-	-	-
Net cash provided by (used in) operating activities	<u>\$ 249,771</u>	<u>\$ (3,045,526)</u>	<u>\$ (2,795,755)</u>
Reconciliation of cash and cash equivalents to the balance sheet:			
Cash and investments, unrestricted	\$ 37,520	\$ 249,304	\$ 286,824
Cash and investments, restricted	657,369	554,619	1,211,988
	694,889	803,923	1,498,812
Less - noncash equivalent investments	657,369	653,511	1,310,880
Cash and cash equivalents	<u>\$ 37,520</u>	<u>\$ 150,412</u>	<u>\$ 187,932</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

ECONOMIC DEVELOPMENT AUTHORITY COMPONENT UNIT

FUND PRESENTATION

STATEMENT OF NET POSITION

JUNE 30, 2012

	Operating Fund
ASSETS	
Cash, cash equivalents and investments	\$ 1,757,853
Notes receivable	45,127
Accrued interest receivable	2,416
Due from primary government	149,868
Capital assets (not being depreciated)	22,191
Total assets	<u>\$ 1,977,455</u>
LIABILITIES	
Deferred revenue	<u>\$ -</u>
Total liabilities	<u>-</u>
NET POSITION	
Invested in capital assets, net of related debt	22,191
Unrestricted	1,955,264
Total net position	<u>\$ 1,977,455</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

ECONOMIC DEVELOPMENT AUTHORITY COMPONENT UNIT

FUND PRESENTATION

STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION

YEAR ENDED JUNE 30, 2012

	Operating Fund
<u>Operating revenue:</u>	
Charges for services	\$ 4,532
Miscellaneous income	47
Total operating revenue	<u>4,579</u>
<u>Operating expenses:</u>	
Contracted services	3,371
Miscellaneous	-
Total operating expenses	<u>3,371</u>
Operating income (loss)	<u>1,208</u>
<u>Non-operating revenue (expenses):</u>	
Investment income	11,482
Investment expense	(1,918)
Total non-operating revenue (expenses)	<u>9,564</u>
Change in net position	10,772
Total net position - beginning	<u>1,966,683</u>
Total net position - ending	<u>\$ 1,977,455</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

ECONOMIC DEVELOPMENT AUTHORITY COMPONENT UNIT

FUND PRESENTATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2012

	Operating Fund
	<hr/>
CASH FLOWS FROM OPERATING ACTIVITIES	
Note receipts from customers	\$ 16,470
Interest receipts from customers	4,579
Payments from (to) primary government	(16,683)
Payments to suppliers	(3,371)
	<hr/>
Net cash provided by (used in) operating activities	995
	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received on investments	10,152
Investment expenses	(1,918)
	<hr/>
Net cash provided by (used in) investing activities	8,234
	<hr/>
Increase in cash and cash equivalents	9,229
	<hr/>
Cash and cash equivalents, beginning of year	1,748,624
	<hr/>
Cash and cash equivalents, end of year	\$ 1,757,853
	<hr/> <hr/>
PROVIDED BY (USED IN) OPERATING ACTIVITIES	
Operating income (loss)	\$ 1,208
Adjustments to reconcile operating income (loss) to	
<u>Net cash provided by (used in) operating activities</u>	
<u>Changes in assets and liabilities</u>	
Notes receivable	16,470
Due from primary government	(16,683)
	<hr/>
Net cash provided by (used in) operating activities	\$ 995
	<hr/> <hr/>
Reconciliation of cash and cash equivalents to the balance sheet:	
Cash and investments, unrestricted	\$ -
Cash and investments, restricted	1,757,853
	<hr/>
	1,757,853
	<hr/>
Less - noncash equivalent investments	-
	<hr/>
Cash and cash equivalents	\$ 1,757,853
	<hr/> <hr/>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
WATER AND SEWER FUND
YEAR ENDED JUNE 30, 2012**

	<u>Water Systems</u>	<u>Sewer Systems</u>	<u>Contracted Systems</u>	<u>Administrative and Shared Costs</u>	<u>Total</u>
<u>Operating revenue</u>					
Charges for services	\$ 1,877,604	\$ 3,891,639	\$ 113,091	\$ -	\$ 5,882,334
<u>Operating expenses</u>					
Salaries & benefits	607,942	770,644	69,738	752,159	2,200,483
Contracted services	54,201	342,252	3,472	32,971	432,896
Supplies	118,026	112,590	5,140	20,920	256,676
Heat, light and power	189,335	402,699	-	-	592,034
Depreciation	823,021	1,205,232	-	29,101	2,057,354
Miscellaneous	10,371	11,487	-	31,870	53,728
Telephone	2,083	5,153	865	4,916	13,017
Compensated absences	19,364	(141)	15,331	7,280	41,834
Maintenance and repairs	318,309	275,490	12,449	26,663	632,911
Capital outlay	3,885	(746)	-	3,535	6,674
Total operating expenses	<u>2,146,537</u>	<u>3,124,660</u>	<u>106,995</u>	<u>909,415</u>	<u>6,287,607</u>
Operating income (loss)	<u>(268,933)</u>	<u>766,979</u>	<u>6,096</u>	<u>(909,415)</u>	<u>(405,273)</u>
<u>Non-operating revenue (expenses)</u>					
Deferred amount on refunding	(488)	(31,422)	-	-	(31,910)
Miscellaneous income	70,720	19,559	-	6,108	96,387
FEMA grant reimbursement	26,480	61,787	-	-	88,267
Tower revenue	117,036	-	-	-	117,036
Investment income	2,682	21,425	-	3,715	27,822
Developer contribution	-	225,931	-	-	225,931
Interest expense	(97,420)	(290,395)	-	-	(387,815)
Administrative allocation	(547,763)	(345,733)	(6,096)	899,592	-
Total non-operating revenue (expenses)	<u>(428,753)</u>	<u>(338,848)</u>	<u>(6,096)</u>	<u>909,415</u>	<u>135,718</u>
Income (loss) before contributions and transfers	(697,686)	428,131	-	-	(269,555)
<u>Transfers</u>					
Operating transfers in (out)	13,908	33,818	-	-	47,726
Capital transfers in (out)	-	-	-	-	-
Capital connection charges	142,752	225,181	-	-	367,933
Change in net position	(541,026)	687,130	-	-	146,104
Total net position - beginning	<u>6,536,021</u>	<u>15,146,865</u>	<u>-</u>	<u>1,999,832</u>	<u>23,682,718</u>
Total net position - ending	<u>\$ 5,994,995</u>	<u>\$ 15,833,995</u>	<u>\$ -</u>	<u>\$ 1,999,832</u>	<u>\$ 23,828,822</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
JUNE 30, 2012**

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
Tax Redemption Fund				
Assets				
Cash	\$ 89,292	\$ 263,240	\$ (258,136)	\$ 94,396
Accounts receivable	6,125	61	-	6,186
Total assets	<u>\$ 95,417</u>	<u>\$ 263,301</u>	<u>\$ (258,136)</u>	<u>\$ 100,582</u>
Liabilities				
Accounts payable	\$ 95,417	\$ 263,240	\$ (258,075)	\$ 100,582
Total liabilities	<u>\$ 95,417</u>	<u>\$ 263,240</u>	<u>\$ (258,075)</u>	<u>\$ 100,582</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF NOTES RECEIVABLE - VOLUNTEER FIRE DEPARTMENTS
AND RESCUE SQUADS - GENERAL FUND
JUNE 30, 2012**

Volunteer Fire Departments and Rescue Squads	Term	Payment Period	Balance June 30, 2011	Additions	Reductions	Balance June 30, 2012
North Beach	25 years	Semiannually	\$ 144,605	\$ -	\$ 10,329	\$ 134,276
	12 years	Semiannually	6,520	-	2,608	3,912
	8 years	Semiannually	79,784	-	15,957	63,827
	19 years	Semiannually	3,750	-	3,750	-
	8 years	Semiannually	161,000	-	10,062	150,938
	24 years	Semiannually	96,291	-	9,629	86,662
			<u>491,950</u>	<u>-</u>	<u>52,335</u>	<u>439,615</u>
Prince Frederick (PF)	25 years	Semiannually	2,084	-	2,084	-
	10 years	Semiannually	2,255	-	2,255	-
	25 years	Semiannually	39,200	-	7,840	31,360
	25 years	Semiannually	313,900	-	14,600	299,300
	19 years	Semiannually	34,875	-	13,950	20,925
	25 years	Semiannually	442,000	-	26,000	416,000
	12 years	Semiannually	13,312	-	3,328	9,984
	25 years	Semiannually	-	461,000	-	461,000
	25 years	Semiannually	-	380,000	-	380,000
			<u>847,626</u>	<u>841,000</u>	<u>70,057</u>	<u>1,618,569</u>
Solomons	25 years	Semiannually	55,635	-	11,127	44,508
	25 years	Semiannually	79,488	-	15,898	63,590
	7 years	Semiannually	71,806	-	15,957	55,849
	19 years	Semiannually	19,600	-	9,800	9,800
	19 years	Semiannually	20,000	-	8,000	12,000
	12 years	Semiannually	22,950	-	3,530	19,420
	9 years	Semiannually	14,587	-	4,168	10,419
	8 years	Semiannually	52,688	-	52,688	-
	8 years	Semiannually	125,504	-	17,929	107,575
	8 years	Semiannually	-	161,000	10,062	150,938
			<u>462,258</u>	<u>161,000</u>	<u>149,159</u>	<u>474,099</u>
PF Second District	8 years	Semiannually	13,375	-	13,375	-
	8 years	Semiannually	35,474	-	14,190	21,284
	8 years	Semiannually	71,806	-	15,957	55,849
		<u>120,655</u>	<u>-</u>	<u>43,522</u>	<u>77,133</u>	
Dunkirk	24 years	Semiannually	113,714	-	9,476	104,238
	8 years	Semiannually	20,063	-	13,375	6,688
	8 years	Semiannually	20,665	-	13,776	6,889
	9 years	Semiannually	4,169	-	4,169	-
	25 years	Semiannually	266,500	-	13,000	253,500
	12 years	Semiannually	13,709	-	3,427	10,282
		<u>438,820</u>	<u>-</u>	<u>57,223</u>	<u>381,597</u>	
Huntingtown	25 years	Semiannually	39,200	-	7,840	31,360
	24 years	Semiannually	82,800	-	7,200	75,600
	24 years	Semiannually	91,446	-	9,144	82,302
	24 years	Semiannually	26,750	-	13,375	13,375
	9 years	Semiannually	4,168	-	4,168	-
	12 years	Semiannually	38,850	-	4,090	34,760
	25 years	Semiannually	310,050	-	13,780	296,270
	8 years	Semiannually	6,493	-	6,493	-
		<u>599,757</u>	<u>-</u>	<u>66,090</u>	<u>533,667</u>	
St. Leonard	25 years	Semiannually	62,537	-	12,507	50,030
	25 years	Semiannually	164,902	-	10,639	154,263
	24 years	Semiannually	129,182	-	9,569	119,613
	9 years	Semiannually	28,168	-	5,122	23,046
	8 years	Semiannually	13,375	-	13,375	-
	12 years	Semiannually	13,712	-	3,428	10,284
	8 years	Semiannually	-	161,000	-	161,000
		<u>411,876</u>	<u>161,000</u>	<u>54,640</u>	<u>518,236</u>	
Calvert Advanced Life Support Unit	3 years	Semiannually	24,602	-	24,602	-
	3 years	Semiannually	24,602	-	24,602	-
	3 years	Semiannually	52,155	-	26,078	26,077
	2.5 years	Semiannually	82,927	-	27,642	55,285
			<u>184,286</u>	<u>-</u>	<u>102,924</u>	<u>81,362</u>
		<u>\$ 3,557,228</u>	<u>\$ 1,163,000</u>	<u>\$ 595,950</u>	<u>\$ 4,124,278</u>	

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF REAL AND PERSONAL TAXES RECEIVABLE
GENERAL FUND
JUNE 30, 2012**

	Total Assessed Value of Taxable Property	Tax Rate Per \$100 of Assessed Value	Actual Tax Levy	Amount Collected	Balance of Taxes Receivable
	<u> </u>		<u> </u>	<u> </u>	<u> </u>
<u>County Portion</u>					
<u>Current year property - locally assessed</u>					
Real property:					
For full year levy	\$ 11,443,420,045	\$ 0.892	\$ 102,075,307	\$ 99,607,307	\$ 2,468,000
For half year levy	26,832,520	0.446	119,673	119,673	-
North Beach	242,078,083	0.556	1,345,954	1,345,954	-
Chesapeake Beach	729,875,577	0.556	4,058,108	4,058,108	-
Total real property	<u>12,442,206,225</u>		<u>107,599,042</u>	<u>105,131,042</u>	<u>2,468,000</u>
Personal property, including corporations and banks	118,200,810	2.230	2,635,878	2,310,378	325,500
Public utilities operating and personal property	802,925,230	2.230	17,905,233	17,903,503	1,730
	<u> </u>		<u> </u>	<u> </u>	<u> </u>
Total current year	<u>\$ 13,363,332,265</u>		<u>\$ 128,140,153</u>	<u>\$ 125,344,923</u>	<u>\$ 2,795,230</u>
Prior years, real, personal, and corporate property					1,576,922
Accrued interest receivable and service charge					<u>1,078,918</u>
Total prior years, accrued interest and interest and outstanding tax credit					<u>2,655,840</u>
Total taxes receivable - county portion					5,451,070
Taxes receivable - state portion, net of tax credits					445,295
Taxes receivable - towns portion, net of tax credits					338,851
Bay Restoration fee due to state - billed with Real estate taxes					<u>21,867</u>
Total taxes receivable					<u>\$ 6,257,083</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
CALVERT COUNTY FAMILY NETWORK
FOR THE YEAR ENDED JUNE 30, 2012**

	Healthy Families	Saturday Schools	YSB	Reinvest Funds	LAM	CCFN Administrative	Total
REVENUES							
Federal revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State revenue	253,780	30,000	38,992	3,620	116,901	75,152	518,445
Total revenues	253,780	30,000	38,992	3,620	116,901	75,152	518,445
EXPENDITURES							
Salaries	8,572	-	-	2,934	-	50,787	62,293
Postage	-	-	-	-	-	89	89
Mileage allowance	-	-	-	-	-	106	106
Board of Education	241,780	30,000	-	-	-	-	271,780
Contracted services	-	-	38,992	-	116,901	(1,000)	154,893
Telephone/comm	-	-	-	-	-	901	901
Benefits	3,428	-	-	686	-	24,269	28,383
Total expenditures	253,780	30,000	38,992	3,620	116,901	75,152	518,445
Excess (deficiency) of revenue over expenditures	-	-	-	-	-	-	-
Fund balance - beginning of year	-	-	-	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Murphy & Murphy, CPA, LLC
Certified Public Accountants

**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**

County Commissioners of Calvert County, Maryland
Prince Frederick, Maryland

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County Commissioners of Calvert County, Maryland, as of and for the year ended June 30, 2012, which collectively comprise the County Commissioners of Calvert County, Maryland's basic financial statements and have issued our report thereon dated December 19, 2012. Our report includes a reference to 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. Other auditors audited the financial statements of the Calvert County Board of Education, as described in our report on the County Commissioners of Calvert County, Maryland'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

Management of the County Commissioners of Calvert County, Maryland, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County Commissioners of Calvert County, Maryland's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County Commissioners of Calvert County, Maryland's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County Commissioners of Calvert County, Maryland's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County Commissioners of Calvert County, Maryland's financial statements are free of 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*.

This report is intended solely for the information and use of the County Commissioners of Calvert County, Maryland, management, others within the entity and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Murphy & Murphy, CPA, LLC

Clinton, Maryland
December 19, 2012

Statistical Section



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COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

FINANCIAL TREND DATA
JUNE 30, 2012

The following schedules contain information to help the reader understand how the government's financial performance and well-being have changed over the last eight years.

The financial trend data schedules are:

- Net position by category
- Changes in net position
- General tax revenue-government activities
- Fund balance of governmental funds

County Commissioners of Calvert County, Maryland
Net Position by Components
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited, see related notes below)
Schedule 1

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Governmental activities										
Invested in capital assets, net of related debt	\$ 56,233,384	\$ 61,146,224	\$ 63,129,333	\$ 78,866,512	\$ 96,731,172	\$ 100,994,016	\$ 109,942,360	\$ 110,447,873	\$ 109,943,246	\$ 116,545,107
Restricted	4,883,359	5,055,707	5,516,116	5,884,509	9,246,067	7,763,481	11,968,498	13,275,882	17,137,497	17,390,548
Unrestricted	54,135,918	45,990,097	63,168,041	67,514,862	69,049,348	78,491,069	49,470,223	33,885,557	43,142,024	36,476,103
Total governmental activities net position	\$ 115,252,661	\$ 112,192,028	\$ 131,813,490	\$ 152,265,883	\$ 175,026,587	\$ 187,248,566	\$ 171,381,081	\$ 157,609,312	\$ 170,222,767	\$ 170,411,758
Business-type activities										
Invested in capital assets, net of related debt	\$ 27,314,438	\$ 28,843,560	\$ 30,186,513	\$ 30,215,402	\$ 32,980,825	\$ 34,722,581	\$ 38,558,942	\$ 34,365,814	\$ 34,549,717	\$ 32,568,768
Restricted	4,845,269	4,604,303	4,091,718	4,903,917	4,386,023	5,674,336	2,704,915	2,359,895	2,336,457	2,787,892
Unrestricted	1,919,870	1,330,155	16,967	(1,579,473)	(3,535,383)	(5,965,771)	(2,823,574)	1,539,588	897,574	2,134,596
Total business-type activities net position	\$ 34,079,577	\$ 34,778,018	\$ 34,295,198	\$ 33,539,846	\$ 33,831,465	\$ 34,431,146	\$ 38,440,283	\$ 38,265,297	\$ 37,783,748	\$ 37,491,256
Primary government										
Invested in capital assets, net of related debt	\$ 83,547,822	\$ 89,989,784	\$ 93,315,846	\$ 109,081,914	\$ 129,711,997	\$ 135,716,597	\$ 148,501,302	\$ 144,813,687	\$ 144,492,963	\$ 149,113,875
Restricted	9,728,628	9,660,010	9,607,834	10,788,426	13,632,090	13,437,817	14,673,413	15,635,777	19,473,954	20,178,440
Unrestricted	56,055,788	47,320,252	63,185,008	65,935,389	65,513,965	72,525,298	46,646,649	35,425,145	44,039,598	38,610,699
Total primary government net position	\$ 149,332,238	\$ 146,970,046	\$ 166,108,688	\$ 185,805,729	\$ 208,858,052	\$ 221,679,712	\$ 209,821,364	\$ 195,874,609	\$ 208,006,515	\$ 207,903,014

NOTES:
(1) Accounting standards require the net position be reported in three components in the financial statements: capital assets, net of related debt; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the County.

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County Commissioners of Calvert County, Maryland
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited, see related notes below)
Schedule 2

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Expenses										
Governmental activities:										
General government	\$ 12,587,597	\$ 13,369,218	\$ 14,641,034	\$ 15,837,498	\$ 19,378,201	\$ 21,118,928	\$ 19,068,759	\$ 10,729,459	\$ 20,454,675	\$ 21,042,197
Public safety	17,249,535	17,642,496	18,794,313	18,104,991	25,832,813	28,440,488	31,997,935	31,297,136	28,670,766	31,304,000
Public works	10,561,311	10,379,211	4,954,308	8,656,507	16,294,562	12,747,610	18,172,391	24,131,844	15,059,870	17,875,724
Health and hospitals	2,604,086	2,581,456	2,439,169	2,547,571	3,091,069	3,059,513	3,451,586	2,128,412	3,407,428	3,513,583
Social services	6,443,024	7,031,034	7,671,901	7,689,167	9,205,328	9,674,760	10,721,194	11,660,259	10,931,198	10,634,975
Education	1,802,882	1,624,356	2,020,194	2,391,360	2,991,382	3,048,939	3,478,087	4,614,647	4,263,196	4,402,803
Board of Education	78,087,440	93,320,807	87,372,370	85,712,612	90,378,744	108,689,460	122,637,685	133,561,524	128,257,599	129,357,909
Recreation and culture	6,297,878	6,564,078	6,831,068	2,547,771	10,608,677	11,230,664	9,561,064	4,993,041	10,430,206	15,328,415
Conservation of natural resources	291,651	770,377	1,050,357	3,201,679	1,422,798	1,816,478	1,601,851	1,573,710	3,393,562	4,534,680
Urban development and housing	820,511	939,441	970,288	1,076,102	1,326,831	1,378,660	2,603,275	2,643,490	2,521,746	2,870,632
Economic development	899,803	1,232,521	1,179,816	1,204,049	1,430,435	1,209,545	1,465,651	1,852,710	1,580,260	1,621,325
Miscellaneous	8,641,126	9,753,996	10,455,449	12,480,849	-	-	-	-	-	-
Capital projects	3,328,279	4,973,978	4,769,708	13,792,519	2,034,100	-	-	-	-	-
Debt service	2,666,968	3,071,809	3,203,820	3,284,365	3,640,050	4,180,761	4,822,828	4,726,867	4,859,414	4,980,102
Subtotal governmental activities expenses	<u>152,282,091</u>	<u>173,254,778</u>	<u>166,353,795</u>	<u>178,527,040</u>	<u>187,634,990</u>	<u>206,595,806</u>	<u>229,582,300</u>	<u>233,913,099</u>	<u>233,829,920</u>	<u>247,466,345</u>
Business-type activities:										
Water and sewer	4,773,683	5,186,540	5,179,836	5,813,095	5,782,763	6,063,824	6,383,249	6,955,914	6,595,252	6,707,332
Solid waste	10,048,130	11,495,314	12,041,497	12,280,864	11,588,833	11,110,091	10,848,552	10,101,302	9,877,661	10,717,986
Culture	2,527,056	2,922,806	2,942,141	2,943,972	3,298,655	3,395,574	4,012,686	4,350,817	4,539,550	4,634,754
Subtotal business-type activities expenses	<u>17,348,869</u>	<u>19,604,660</u>	<u>20,163,474</u>	<u>21,037,931</u>	<u>20,670,251</u>	<u>20,569,489</u>	<u>21,244,487</u>	<u>21,408,033</u>	<u>21,012,463</u>	<u>22,060,072</u>
Total primary government expenses	<u>\$ 169,630,960</u>	<u>\$ 192,859,438</u>	<u>\$ 186,517,269</u>	<u>\$ 199,564,971</u>	<u>\$ 208,305,241</u>	<u>\$ 227,165,295</u>	<u>\$ 250,826,793</u>	<u>\$ 255,321,132</u>	<u>\$ 254,842,383</u>	<u>\$ 269,526,417</u>
Program Revenues										
Governmental activities:										
General government	\$ 1,566,147	\$ 2,163,364	\$ 1,979,433	\$ 3,084,507	\$ 2,733,752	\$ 4,234,723	\$ 4,595,411	\$ 4,985,993	\$ 4,851,711	\$ 4,268,793
Public safety	4,123,398	5,604,444	6,343,750	5,848,001	6,925,881	7,166,206	7,364,299	7,713,006	7,107,185	8,611,189
Public works	5,373,336	7,849,342	5,439,168	6,446,786	7,282,186	6,388,285	6,434,341	16,426,777	2,799,539	1,852,926
Health and hospitals	41,329	82,608	54,343	58,187	70,687	58,399	38,737	47,213	52,958	288,278
Social services	814,116	682,748	753,748	754,048	1,014,712	797,476	1,049,527	698,277	1,239,016	1,761,833
Education	5,148	12,103	34,193	34,193	8,299	4,000	-	107,940	-	155,680
Board of Education	2,026,048	4,323,459	2,563,470	3,226,166	3,549,745	3,353,666	3,385,992	3,584,768	140,203	4,573,994
Recreation and culture	155,458	151,279	166,768	143,702	744,522	336,473	1,330,446	184,610	4,133,659	5,143,001
Conservation of natural resources	700,488	744,894	845,954	1,018,478	997,111	961,195	1,022,376	1,071,636	2,48,853	368,640
Urban development and housing	1,293,689	1,083,522	989,167	1,007,398	1,058,562	929,119	838,483	698,198	1,109,510	1,223,258
Economic development	1,126,307	1,353,007	2,097,004	1,730,581	-	-	-	-	591,273	615,199
Miscellaneous	10,644,669	1,987,109	838,894	1,823,092	1,707,441	1,356,301	2,334,409	-	-	-
Capital projects	641,103	638,943	640,651	641,346	636,098	639,458	636,352	636,802	7,441	-
Debt service	28,511,236	26,676,822	22,746,543	25,816,485	26,728,996	26,225,301	29,030,373	22,336,907	22,281,348	28,870,232
Subtotal governmental activities revenues	<u>28,511,236</u>	<u>26,676,822</u>	<u>22,746,543</u>	<u>25,816,485</u>	<u>26,728,996</u>	<u>26,225,301</u>	<u>29,030,373</u>	<u>22,336,907</u>	<u>22,281,348</u>	<u>28,870,232</u>
Business-type activities:										
Water and sewer	3,632,580	5,152,447	4,518,241	4,504,973	4,696,931	5,529,760	6,197,143	6,051,786	6,132,568	6,777,888
Solid waste	10,433,675	11,806,448	12,318,489	12,569,922	12,524,486	11,626,494	11,238,260	10,235,471	10,100,142	10,666,677
Culture	497,522	1,181,133	607,406	668,812	732,755	837,528	1,201,750	1,750,751	1,488,473	1,300,918
Subtotal business-type activities revenues	<u>14,563,777</u>	<u>18,140,028</u>	<u>17,444,136</u>	<u>17,743,707</u>	<u>17,954,172</u>	<u>17,993,782</u>	<u>18,637,153</u>	<u>18,038,008</u>	<u>17,721,183</u>	<u>18,745,483</u>
Total primary government revenues	<u>\$ 43,075,013</u>	<u>\$ 44,816,850</u>	<u>\$ 40,190,679</u>	<u>\$ 43,560,192</u>	<u>\$ 44,683,168</u>	<u>\$ 44,219,083</u>	<u>\$ 47,667,526</u>	<u>\$ 40,374,915</u>	<u>\$ 40,002,531</u>	<u>\$ 47,615,715</u>

County Commissioners of Calvert County, Maryland
Changes in Net Position
Last Nine Fiscal Years
(accrual basis of accounting)
(unaudited, see related notes below)
Schedule 2

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Net (Expense)/Revenue										
Governmental activities:										
General government										
Public safety	\$ (11,021,450)	\$ (11,205,854)	\$ (12,661,601)	\$ (12,752,991)	\$ (16,644,449)	\$ (16,884,205)	\$ (14,473,348)	\$ (5,743,466)	\$ (15,602,964)	\$ (16,773,404)
Public works	(13,126,137)	(12,038,052)	(12,450,563)	(12,256,990)	(18,906,932)	(21,274,282)	(24,633,636)	(23,584,130)	(21,563,581)	(22,692,811)
Health and hospitals	(5,187,975)	(2,529,869)	484,860	(2,009,721)	(9,012,376)	(6,359,325)	(11,738,050)	(22,489,167)	(12,260,331)	(16,022,798)
Social services	(2,562,757)	(2,498,848)	(2,384,826)	(2,489,384)	(3,020,382)	(3,001,114)	(3,412,849)	(2,081,199)	(3,354,470)	(3,225,305)
Education	(5,628,908)	(6,348,286)	(6,918,153)	(6,935,119)	(8,190,616)	(8,871,284)	(9,671,667)	(10,961,982)	(9,692,182)	(8,873,142)
Board of Education	(1,797,734)	(1,612,253)	(1,986,001)	(2,357,167)	(2,983,083)	(3,044,939)	(3,478,087)	(4,506,707)	(4,263,196)	(4,247,123)
Recreation and culture	(78,087,440)	(93,320,807)	(87,372,370)	(85,712,612)	(90,378,744)	(108,689,460)	(122,637,685)	(132,595,737)	(128,117,396)	(124,783,915)
Conservation of natural resources	(4,271,830)	(2,240,619)	(4,267,598)	678,395	(7,058,932)	(7,876,998)	(6,175,072)	(1,408,273)	(6,296,547)	(10,185,414)
Urban development and housing	(136,193)	(619,098)	(883,589)	(3,057,977)	(678,276)	(1,480,005)	(271,405)	(1,389,100)	(3,144,709)	(4,166,040)
Economic development	393,886	(148,999)	(190,649)	(196,651)	(329,720)	(417,465)	(1,580,899)	(1,571,854)	(1,412,236)	(1,647,374)
Miscellaneous	(7,514,819)	(8,400,989)	(8,358,445)	(10,750,268)	(371,873)	(280,426)	(627,168)	(1,154,512)	(988,987)	(1,006,126)
Capital projects	7,316,390	(2,986,869)	(3,930,814)	(11,969,427)	(326,659)	1,356,301	2,334,409	-	-	-
Debt service	(2,025,865)	(2,432,866)	(2,563,169)	(2,643,019)	(3,003,952)	(3,541,303)	(4,186,476)	(4,090,065)	(4,851,973)	-
Subtotal governmental activities expenses	<u>(123,770,855)</u>	<u>(146,577,956)</u>	<u>(143,607,252)</u>	<u>(152,710,555)</u>	<u>(160,905,994)</u>	<u>(180,370,505)</u>	<u>(200,551,933)</u>	<u>(211,576,192)</u>	<u>(211,548,572)</u>	<u>(218,596,113)</u>
Business-type activities:										
Water and sewer	(1,141,103)	(34,093)	(661,595)	(1,308,122)	(1,085,832)	(534,064)	(186,106)	(904,128)	(462,684)	70,556
Solid waste	385,545	311,134	276,992	289,058	935,653	516,403	389,708	134,169	222,481	(51,309)
Culture	(2,029,534)	(1,741,673)	(2,334,735)	(2,275,160)	(2,565,900)	(2,558,046)	(2,810,936)	(2,600,066)	(3,051,077)	(3,333,836)
Subtotal business-type activities expenses	<u>(2,785,092)</u>	<u>(1,464,632)</u>	<u>(2,719,338)</u>	<u>(3,294,224)</u>	<u>(2,716,079)</u>	<u>(2,575,707)</u>	<u>(2,607,334)</u>	<u>(3,370,025)</u>	<u>(3,291,280)</u>	<u>(3,314,588)</u>
Total primary government expenses	<u>\$(126,555,947)</u>	<u>\$(148,042,588)</u>	<u>\$(146,326,590)</u>	<u>\$(156,004,779)</u>	<u>\$(163,622,073)</u>	<u>\$(182,946,212)</u>	<u>\$(203,159,267)</u>	<u>\$(214,946,217)</u>	<u>\$(214,839,852)</u>	<u>\$(221,910,702)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 69,922,260	\$ 77,471,702	\$ 85,133,607	\$ 90,833,150	\$ 98,994,236	\$ 109,907,718	\$ 126,502,446	\$ 137,559,596	\$ 150,043,755	\$ 150,000,842
Income taxes	39,753,312	49,978,622	56,880,109	58,647,809	61,886,520	63,477,715	54,280,021	55,475,403	69,711,237	64,071,320
Recruitment taxes	9,067,979	11,322,287	13,630,156	14,481,815	11,664,698	9,114,661	5,799,985	5,690,348	5,330,746	5,180,576
Admission and amusement taxes	40,472	198,063	269,049	293,735	107,310	23,377	30,212	25,009	25,803	30,938
Franchise taxes	551,667	618,105	714,446	778,416	892,707	984,342	1,078,080	1,110,311	1,169,776	1,192,010
Other miscellaneous taxes	970,841	154,886	182,573	132,064	157,516	148,115	119,546	114,013	113,753	127,458
State reimbursement of electricity deregulation	6,096,574	5,425,079	6,096,574	6,096,574	6,096,574	5,897,437	-	-	-	-
Interest and dividends	1,571,307	460,472	2,366,403	4,066,075	6,358,189	5,871,258	3,362,353	933,632	442,937	1,131,213
Miscellaneous	(1,118,900)	(2,111,893)	(2,044,203)	(2,166,490)	(2,491,052)	(2,832,139)	(6,488,195)	(3,103,889)	(2,675,980)	(2,949,253)
Subtotal governmental activities revenues	<u>126,855,512</u>	<u>143,517,323</u>	<u>163,228,714</u>	<u>173,162,948</u>	<u>183,666,698</u>	<u>192,592,484</u>	<u>184,684,448</u>	<u>197,804,423</u>	<u>224,162,027</u>	<u>218,785,104</u>
Business-type activities:										
State reimbursement of electric deregulation	349,539	51,180	192,315	372,382	-	-	-	-	-	-
Miscellaneous	1,727,031	2,111,893	2,044,203	2,166,490	3,007,698	3,175,388	6,616,470	3,195,039	2,809,731	3,022,097
Subtotal business-type activities revenues	<u>2,076,570</u>	<u>2,163,073</u>	<u>2,236,518</u>	<u>2,538,872</u>	<u>3,007,698</u>	<u>3,175,388</u>	<u>6,616,470</u>	<u>3,195,039</u>	<u>2,809,731</u>	<u>3,022,097</u>
Total primary government revenues	<u>\$ 128,932,082</u>	<u>\$ 145,680,396</u>	<u>\$ 165,465,232</u>	<u>\$ 175,701,820</u>	<u>\$ 186,674,396</u>	<u>\$ 195,767,872</u>	<u>\$ 191,300,918</u>	<u>\$ 200,999,462</u>	<u>\$ 226,971,758</u>	<u>\$ 221,807,201</u>
Change in net position										
Governmental activities	\$ 3,084,657	\$ (3,060,633)	\$ 19,621,462	\$ 20,452,393	\$ 22,760,704	\$ 12,221,979	\$ (15,867,485)	\$ (13,771,769)	\$ 12,613,455	\$ 188,991
Business-type activities	(708,522)	698,441	(482,820)	(755,352)	291,619	599,681	4,009,136	(174,986)	(481,549)	(292,492)
Total primary government	<u>\$ 2,376,135</u>	<u>\$ (2,362,192)</u>	<u>\$ 19,138,642</u>	<u>\$ 19,697,041</u>	<u>\$ 23,052,323</u>	<u>\$ 12,821,660</u>	<u>\$ (11,858,349)</u>	<u>\$ (13,946,755)</u>	<u>\$ 12,131,906</u>	<u>\$ (103,501)</u>

NOTES:
(1) Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and greater than program revenues and therefore general revenues other general revenues. Numbers in parentheses indicate that expenses were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.
(2) Government-wide net asset information is reported on the accrual basis of accounting.
(3) Nine years of statistical data is reported on this schedule. Prior to GASB 34, the county did not maintain this type of information.

County Commissioners of Calvert County, Maryland
 General Tax Revenues - Governmental Activities
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (unaudited, see related notes below)
 Schedule 3

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Real and personal property taxes	\$ 65,763,330	\$ 70,820,349	\$ 78,790,203	\$ 86,051,217	\$ 94,728,796	\$ 106,121,819	\$ 122,918,020	\$ 133,981,114	\$ 146,790,799	\$ 146,449,619
Income taxes	40,161,499	46,585,767	54,386,967	55,625,569	59,064,889	62,153,000	58,370,205	56,136,128	62,668,488	64,199,044
Admission and amusements	40,472	198,063	289,049	293,735	107,310	23,377	30,212	25,009	25,803	30,938
Recordation	9,067,979	11,322,287	13,630,156	14,481,819	11,664,698	9,114,661	5,799,985	5,690,348	5,330,746	5,180,576
Trailer parks	154,844	154,885	149,036	132,063	157,516	148,115	119,546	114,013	113,753	127,458
Hotel (2)	-	528,181	498,039	519,919	644,328	785,519	763,877	693,265	815,416	753,981
Highway user revenue (3)	4,470,538	3,632,858	4,611,142	5,683,147	5,947,234	5,701,044	5,077,195	296,759	410,452	281,653
Franchise	551,667	618,105	714,446	778,416	892,707	984,342	1,078,080	1,110,311	1,169,776	1,192,010
Total Taxes	\$120,210,329	\$133,860,495	\$153,049,038	\$163,565,885	\$173,207,478	\$185,031,877	\$194,157,120	\$198,006,947	\$217,325,233	\$218,215,279

NOTES:

- (1) Government-wide general tax revenue information is reported on the accrual basis of accounting.
- (2) Calvert County began collecting hotel tax in FY2004.
- (3) Significant Highway User revenue decreases by the state starting in FY2010.

County Commissioners of Calvert County, Maryland
Fund Balance of Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)
(unaudited, see related notes below)
Schedule 4

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011(2)	FY2012(2)
General Fund <i>(prior to GASB 54)</i>										
Reserved	\$ 4,625,004	\$ 4,968,812	\$ 5,383,571	\$ 5,839,319	\$ 9,195,518	\$ 12,562,828	\$ 11,452,788	\$ 10,438,949	\$ -	\$ -
Unreserved Undesignated	38,883,863	39,447,501	47,719,807	56,039,767	37,671,295	37,969,096	30,703,197	28,650,914	-	-
Undesignated	-	-	-	-	16,552,000	17,710,000	17,620,000	18,159,691	-	-
<i>(post GASB 54)</i>										
Non-spendable	-	-	-	-	-	-	-	-	9,554,965	9,545,194
Restricted	-	-	-	-	-	-	-	-	64,861	-
Committed	-	-	-	-	-	-	-	-	20,913,418	21,430,248
Assigned	-	-	-	-	-	-	-	-	9,246,000	8,218,619
Unassigned	-	-	-	-	-	-	-	-	26,763,823	27,321,625
Total General Fund	\$ 43,508,867	\$ 44,416,313	\$ 53,103,378	\$ 61,879,086	\$ 63,418,813	\$ 68,241,924	\$ 59,775,985	\$ 57,249,554	\$ 66,543,067	\$ 66,515,686
All other governmental funds <i>(prior to GASB 54)</i>										
Reserved	\$ 258,355	\$ 86,895	\$ 132,545	\$ 45,190	\$ 50,549	\$ 7,763,481	\$ 11,968,498	\$ 13,099,967	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	11,250,173	17,421,221	15,717,939	13,174,434	17,170,651	12,666,097	6,740,235	6,348,586	-	-
Capital projects funds	44,647,155	27,267,249	32,317,075	31,975,700	45,555,272	51,500,054	44,067,347	34,330,086	-	-
<i>(post GASB 54)</i>										
Non-spendable	-	-	-	-	-	-	-	-	10,354,760	7,170,057
Restricted	-	-	-	-	-	-	-	-	3,750	2,114,579
Committed	-	-	-	-	-	-	-	-	6,768,471	9,605,033
Assigned	-	-	-	-	-	-	-	-	44,721,770	34,586,829
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 56,155,683	\$ 44,775,365	\$ 48,167,559	\$ 45,195,324	\$ 62,776,472	\$ 71,929,632	\$ 62,776,080	\$ 53,778,639	\$ 61,848,751	\$ 53,476,498

NOTES:

- (1) Fund balance information for governmental funds is reported on the modified accrual basis of accounting.
- (2) Calvert County implemented GASB 54 starting with FY2011.

County Commissioners of Calvert County, Maryland
Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited, see related notes below)
Schedule 5

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
REVENUES										
Taxes	\$ 123,642,161	\$ 138,156,058	\$ 159,070,686	\$ 168,888,174	\$ 177,201,666	\$ 188,241,066	\$ 196,977,070	\$ 200,892,163	\$ 219,762,773	\$ 220,823,988
Licenses and permits	188,953	169,960	216,014	232,123	257,518	281,266	238,143	328,671	292,301	304,571
Intergovernmental	18,128,762	15,655,731	15,758,563	18,350,527	16,779,720	15,069,474	12,250,124	10,635,443	10,939,016	10,137,812
Charges for services	3,118,862	3,236,323	3,294,505	2,900,487	3,202,768	3,670,167	3,768,064	3,585,775	3,337,111	3,303,365
Fines and forfeitures	236,545	273,920	252,017	328,280	289,052	356,049	319,280	340,061	598,175	477,806
Miscellaneous	5,188,807	3,949,023	7,110,816	8,479,435	12,016,603	12,625,951	10,739,918	8,123,831	7,147,229	15,496,237
Total revenues	150,503,810	161,941,015	185,702,601	198,159,026	209,747,317	220,243,963	224,293,199	223,905,944	242,076,605	250,543,779
EXPENDITURES										
General government	11,312,244	11,802,003	12,764,613	14,970,798	15,349,833	16,736,565	16,078,913	15,189,984	15,511,172	16,164,778
Public safety	16,070,048	16,851,428	17,999,869	19,319,261	21,663,919	24,008,176	26,237,282	25,987,152	26,616,262	27,372,685
Public works	7,793,754	7,161,352	6,917,035	7,715,592	10,599,520	7,656,572	11,224,901	10,984,725	9,103,252	9,758,758
Health and hospitals	2,613,224	2,569,591	2,569,528	2,539,528	2,600,707	2,667,985	2,819,937	2,774,768	2,627,530	2,767,520
Social services	6,411,220	6,982,937	7,184,652	7,746,183	7,672,234	8,347,844	8,765,417	8,957,279	8,314,076	8,351,728
Education - other	1,802,882	1,624,356	2,020,194	2,391,360	2,521,895	2,660,762	2,856,298	3,031,586	3,268,987	3,490,522
Board of Education	78,087,440	92,892,336	87,372,370	90,552,791	95,104,149	97,782,359	110,611,519	114,137,687	105,010,110	109,059,947
Recreation and culture	5,971,106	6,573,899	6,817,349	7,488,244	8,266,634	8,900,443	9,783,163	9,916,945	10,987,198	11,202,674
Conservation of natural resources	289,609	770,448	1,050,019	3,230,187	1,302,107	1,681,507	1,308,871	1,034,321	2,610,094	3,597,704
Urban development and housing	803,429	914,646	948,487	1,083,349	1,124,533	1,239,214	1,978,608	1,982,486	1,914,857	2,003,182
Economic development	867,642	1,235,265	1,169,234	1,211,752	1,215,905	1,063,985	1,205,516	1,209,744	1,234,891	1,273,769
Miscellaneous	8,641,126	9,733,411	10,427,891	12,457,865	14,370,635	18,279,910	19,880,661	18,890,672	23,205,341	28,592,264
Capital projects	11,443,746	12,104,557	11,163,377	20,124,272	24,649,617	20,687,852	24,807,060	21,249,637	16,350,785	21,680,541
Debt service										
Principal retirement	5,187,841	5,141,946	6,920,962	7,940,391	8,724,551	9,967,111	11,513,920	12,024,609	11,233,501	10,971,736
Interest	2,406,741	2,853,819	3,235,987	3,317,092	3,441,562	4,326,306	4,807,328	4,851,414	4,831,143	5,108,954
Total expenditures	158,702,052	179,271,984	178,548,916	202,088,665	218,607,711	226,005,601	253,879,494	252,223,009	242,819,199	262,336,752
Excess (deficiency) of revenues over expenditures	(9,198,242)	(17,270,979)	7,153,685	(2,929,639)	(8,860,394)	(5,761,638)	(29,586,295)	(28,317,065)	(542,594)	(11,792,973)
OTHER FINANCING SOURCES (USES)										
Proceeds from bond issuance	45,527,719	8,910,000	6,995,000	10,885,000	29,780,000	22,250,000	18,485,000	24,344,988	19,256,000	5,773,720
Amount deposited in refunding escrow	(14,334,952)	-	-	-	692,322	290,047	50,806	743,436	1,326,199	-
Premium of issuance of debt	-	-	-	-	-	-	-	-	-	568,872
Refunding bonds issued	-	-	-	-	-	-	-	-	-	21,785,000
Premium on refunding bonds issued	-	-	-	-	-	-	-	-	-	2,422,139
Amount deposited in refunding escrow	-	-	-	-	-	-	-	-	-	(24,207,139)
Forgiveness of debt	428,049	-	-	-	-	-	-	-	-	-
Transfers in - other	15,138,768	13,931,333	21,782,880	18,565,370	15,920,176	10,180,740	14,092,643	10,296,056	11,355,542	11,966,387
Transfers out - other	(16,899,797)	(16,943,226)	(23,852,306)	(20,717,258)	(18,411,229)	(13,012,879)	(20,631,644)	(13,389,945)	(14,031,522)	(14,915,640)
Total other financing sources (uses)	29,859,787	6,298,107	4,925,574	8,733,112	27,981,269	19,707,908	11,996,805	16,783,191	17,906,219	3,393,339
Net change in fund balances	\$ 20,661,545	\$ (10,472,872)	\$ 12,079,259	\$ 5,803,473	\$ 19,120,875	\$ 13,946,270	\$ (17,589,490)	\$ (11,523,872)	\$ 17,963,625	\$ (8,399,634)
Debt service as a percentage of noncapital expenditures	5.33%	5.02%	6.32%	6.93%	7.18%	7.64%	8.80%	8.76%	7.50%	6.86%

NOTES:
(1) Governmental fund information is reported on the modified accrual basis of accounting.
(2) Debt service represents debt service principal, interest and any proceeds of bond issuance.
(3) Calculation based on Expenses minus Capital Outlays pg. 21 divided by debt service.

COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

REVENUE CAPACITY
JUNE 30, 2012

The following schedules contain information to help the reader access the government's most significant local revenue source, property taxes.

The revenue capacity schedules are:

- Assessed and estimated actual value of taxable property
- Direct and overlapping real property tax rates
- Principal property taxpayers
- Summary of property tax levies and collections

County Commissioners of Calvert County, Maryland
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (unaudited, see related notes below)
 Schedule 6

Fiscal Year	Real Property			Personal Property			Total			% Taxable Assessed to total Actual Value	
	Assessed Value	Exempt Property	Taxable Assessed Value	Assessed Value	Estimated Actual Value	Direct Rate	Assessed Value	Taxable Assessed Value	Estimated Actual Value		Direct Rate
2003	6,072,549,179	495,002,976	5,577,546,203	822,606,880	822,606,880	2.23	6,895,156,059	6,400,153,083	6,895,156,059	1.0640	92.82%
2004	6,531,076,135	563,391,239	5,967,684,896	882,393,920	882,393,920	2.23	7,413,470,055	6,850,078,816	7,413,470,055	1.0644	92.40%
2005	7,093,440,835	570,848,991	6,522,591,844	1,026,470,460	1,026,470,460	2.23	8,119,911,295	7,549,062,304	8,119,911,295	1.0739	92.97%
2006	7,950,408,153	594,754,848	7,355,653,305	1,087,505,840	1,087,505,840	2.23	9,037,913,993	8,443,159,145	9,037,913,993	1.0643	93.42%
2007	9,286,512,820	656,267,485	8,630,245,335	1,123,614,063	1,123,614,063	2.23	10,410,126,883	9,753,859,398	10,410,126,883	1.0461	93.70%
2008	11,464,556,220	788,988,756	10,675,567,464	1,052,405,750	1,052,405,750	2.23	12,516,961,970	11,727,993,214	12,516,961,970	1.0121	93.70%
2009 ⁽¹⁾	14,223,348,981	888,112,994	13,335,235,987	470,449,610	470,449,610	2.23	14,693,798,591	13,805,685,597	14,693,798,591	0.9376	93.96%
2010	15,571,990,076	987,183,072	14,584,807,004	504,475,135	504,475,135	2.23	16,076,465,211	15,089,282,139	16,076,465,211	0.9367	93.86%
2011	14,334,949,486	1,022,420,831	13,312,528,655	874,351,230	874,351,230	2.23	15,209,300,716	14,186,879,885	15,209,300,716	0.9745	93.28%
2012	13,473,142,494	1,030,936,269	12,442,206,225	921,126,040	921,126,040	2.23	14,394,268,534	13,363,332,265	14,394,268,534	0.9842	92.84%

NOTES:

(1) A significant portion of Constellation Energy's assessable base was reclassified from personal property to real property.

Source: State of Maryland, Department of Assessments and Taxation

County Commissioners of Calvert County, Maryland
Direct and Overlapping Property Tax Rates (Per \$100 of Assessed Value)
Last Ten Fiscal Years
(unaudited, see related notes below)
Schedule 7

Fiscal Year	Calvert County	Overlapping Rates		Total Direct and Overlapping	Overlapping Rates		Total Direct and Overlapping
		County Rate	Town Rate (1)		County Rate (1)	Town Rate	
		Town of North Beach	Town of North Beach		Town of Chesapeake Beach	Town of Chesapeake Beach	
2003	0.892	0.556	0.72	1.276	0.556	0.50	1.06
2004	0.892	0.556	0.72	1.276	0.556	0.50	1.06
2005	0.892	0.556	0.72	1.276	0.556	0.50	1.06
2006	0.892	0.556	0.72	1.276	0.556	0.50	1.06
2007	0.892	0.556	0.67	1.226	0.556	0.44	1.00
2008	0.892	0.556	0.67	1.226	0.556	0.44	1.00
2009	0.892	0.556	0.61	1.166	0.556	0.37	0.93
2010	0.892	0.556	0.61	1.166	0.556	0.37	0.93
2011	0.892	0.556	0.63	1.186	0.556	0.37	0.93
2012	0.892	0.556	0.63	1.186	0.556	0.36	0.92

NOTES:
(1) Towns of North Beach and Chesapeake Beach pay only the overlapping rates for County and Town respectively.

County Commissioners of Calvert County, Maryland
Principal Property Taxpayers
Current Year and Nine Years Ago
(unaudited, see related notes below)
Schedule 8

Name of Taxpayer	FY12			FY03		
	Taxable Assessed Value (1)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (2)	Rank	Percentage of Total Taxable Assessed Value
Constellation Energy Group	\$ 1,286,711,557	1	9.63%	\$ 570,092,350	2	8.91%
Dominion (Cove Point)	679,374,790	2	5.08%	88,055,900	1	1.38%
Southern Maryland Electric Co.	36,434,600	3	0.27%	40,551,230	3	0.63%
Asbury-Solomons	31,374,500	4	0.23%	32,743,600	5	0.51%
Fox Run Ltd. Partnership	28,652,800	5	0.21%	23,579,200	6	
Holiday Inn - Solomons	26,557,100	6	0.20%	17,886,400	7	0.28%
Dunkirk Gateway	24,077,500	7	0.18%			
Verizon	23,738,230	8	0.18%	36,215,430	4	0.57%
Market Square Shopping Center	16,117,733	9	0.12%			
Dunkirk Market Place	11,438,700	10	0.09%	8,527,800	9	0.13%
Calvert County Hospital				7,901,000	10	0.12%
Town Square Shopping Center				9,018,600	8	0.14%
	\$ 2,164,477,510		16.20%	\$ 834,571,510		12.67%

NOTES:

(1) Source: Maryland State Department of Assessments and Taxation

(2) Source: Department of Finance and Budget

(3) Estimated value due to changes in Maryland property tax law during FY08 a PILOT (payments in lieu of taxes) agreement was entered into with Constellation which changed the taxable assessment.

County Commissioners of Calvert County, Maryland
Summary of Property Tax Levies and Collections
Last Ten Fiscal Years
(unaudited)
Schedule 9

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of levy		Amount	Percent of Levy
2003	66,188,158	64,420,874	97.33%	1,693,931	66,114,805	99.89%
2004	71,093,332	69,525,551	97.79%	1,464,226	70,989,777	99.85%
2005	78,990,817	77,613,438	98.26%	1,294,300	78,907,738	99.89%
2006	87,749,160	86,285,379	98.33%	1,308,330	87,593,709	99.82%
2007	99,359,697	97,787,042	98.42%	1,377,991	99,165,033	99.80%
2008	115,850,743	113,954,907	98.36%	1,842,551	115,797,458	99.95%
2009	126,099,233	123,501,219	97.94%	2,094,900	125,596,119	99.60%
2010	137,446,533	133,596,703	97.20%	2,468,876	136,065,579	99.00%
2011	134,047,010	130,037,865	97.01%	2,578,268	132,616,133	98.93%
2012	128,140,153	125,344,923	97.82%	4,644,889	129,989,812	101.44%

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COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

DEBT CAPACITY
JUNE 30, 2012

The following schedules present information to help the reader assess the affordability of government's current levels of outstanding debt and government's ability to issue additional debt in the future.

The debt capacity schedules are:

- Ratios of outstanding debt by type
- Ratios of net general bonded debt per capita
- Pledged-revenue coverage

County Commissioners of Calvert County, Maryland
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(in thousands of dollars, except per capita)
(unaudited, see related notes below)
Schedule 10

Fiscal Year	Governmental Activity				Business Type Activity				Total Outstanding Debt	Percentage of Personal Income (a)	Population	Debt Per Capita
	General Obligation Bonds	Office Building	Leveraging	Misc.	Notes Payable	General Obligation Bonds						
2003	70,740	4,295	5,589	3,117	10,157	7,253			101,151	3.57%	81,600	1,240
2004	75,290	3,830	5,931	2,797	9,885	6,715			104,448	3.42%	83,400	1,252
2005	76,178	3,345	5,931	2,528	9,461	6,055			103,498	3.15%	84,900	1,219
2006	79,973	2,840	6,882	2,170	8,841	5,169			105,875	3.03%	86,200	1,228
2007	101,907	2,320	7,961	1,800	8,248	4,057			126,293	3.40%	87,100	1,450
2008	115,099	1,775	10,414	1,421	8,176	3,018			139,903	3.55%	87,700	1,595
2009	123,013	1,210	10,414	1,029	8,152	1,927			145,745	3.68%	88,100	1,654
2010	126,019	620	10,414	621	7,612	3,871			149,157	3.63%	88,737	1,681
2011	134,451	-	10,612	198	6,934	7,335			159,530	N/A (2)	89,000	1,792
2012	129,402	-	7,933	159	6,413	10,823			154,730	N/A (2)	89,951	1,720

NOTES:

(1) See the Demographic and Economic Statistics schedule for personal income.

(2) N/A - current data is not available at this time.

County Commissioners of Calvert County, Maryland
Ratio of Net General Bonded Debt to Assessed Value and
Net Bonded Debt Per Capita
Last Ten Fiscal Years
(unaudited)
Schedule 11

Fiscal Year	Population	Taxable Assessed Value		Gross Bonded Debt	Self Supporting Debt (1)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita	Taxable Assessed Value Real & Personal Property Per Capita
		Real & Personal Property	Property						
2003	81,600	6,400,153,083	78,151,519	4,665,831	73,485,688	1.15%	901	78,433	
2004	83,400	6,850,078,816	81,916,937	4,175,533	77,741,404	1.13%	932	82,135	
2005	84,900	7,549,062,304	82,051,874	3,697,306	78,354,568	1.04%	923	88,917	
2006	86,200	8,193,159,145	99,150,704	3,158,657	95,992,047	1.17%	1,114	95,048	
2007	87,100	9,753,859,398	118,269,868	2,606,446	115,663,422	1.19%	1,328	111,985	
2008	87,700	11,464,556,220	129,311,374	2,035,916	127,275,458	1.11%	1,451	130,725	
2009	88,100	13,805,685,597	135,338,426	1,456,138	133,882,288	0.97%	1,520	156,705	
2010	88,737	15,089,282,139	131,131,135	829,856	130,301,279	0.86%	1,468	170,045	
2011	89,000	14,186,879,885	141,785,916	184,325	141,601,591	1.00%	1,591	159,403	
2012	89,951	13,363,332,265	140,225,701	158,794	140,066,907	1.05%	1,557	148,562	

NOTES:

(1) - Includes Waterway Improvement, Shore Erosion and State Office Building Debt. (State Office Building completed in FY2010)

**County Commissioners of Calvert County, Maryland
Pledged-Revenue Coverage
Last Ten Fiscal Years
(unaudited)
Schedule 12**

Fiscal Year	State Office Building (1)				Shore Erosion Bonds			Waterway Improvement Bonds				
	State Office Building Receipts	Debt Service Principal	Debt Service Interest	Coverage	Shore Erosion Billed	Debt Service Principal	Debt Service Interest	Coverage	Waterway Improvement Billed	Debt Service Principal	Debt Service Interest	Coverage
2003	634,266	450,000	184,266	1.00	27,012	19,922	-	1.36	6,837	8,122	-	0.84
2004	632,106	465,000	167,106	1.00	27,012	19,922	-	1.36	6,837	8,122	-	0.84
2005	633,814	485,000	148,814	1.00	26,258	23,322	-	1.13	6,837	8,122	-	0.84
2006	634,509	505,000	129,509	1.00	26,258	23,322	-	1.13	6,837	6,676	-	1.02
2007	629,261	520,000	109,261	1.00	26,258	23,322	-	1.13	-	-	-	0.00
2008	632,621	545,000	87,621	1.00	26,258	23,322	-	1.13	-	-	-	0.00
2009	629,515	565,000	64,515	1.00	26,258	23,322	-	1.13	-	-	-	0.00
2010	629,965	590,000	39,965	1.00	26,258	23,322	-	1.13	-	-	-	0.00
2011	-	-	-	-	26,258	23,322	-	1.13	-	-	-	0.00
2012	-	-	-	-	26,258	23,322	-	1.13	-	-	-	0.00

(1) State Office Building agreement was completed in FY2010.

COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

DEMOGRAPHIC AND ECONOMIC INFORMATION
JUNE 30, 2012

The following schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place, and to understand economic trends.

The demographic and economic schedules are:

- Demographic and economic statistics
- Principal employers

County Commissioners of Calvert County, Maryland
Demographic and Economic Statistics
Last Ten Fiscal Years
(unaudited, see related notes below)
Schedule 13

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (\$ thousands)(1)</u>	<u>Per Capita Income (1)</u>	<u>Civilian Labor Force (2)</u>	<u>Unemployment Rate Percent (2)</u>	<u>Public School Enrollment (3)</u>
2003	83,007	2,834,014	32,950	41,365	3.00%	16,745
2004	84,928	3,051,852	34,465	42,339	2.80%	16,904
2005	86,294	3,286,123	36,706	45,503	3.40%	16,842
2006	87,043	3,492,251	38,396	47,085	3.50%	17,113
2007	87,445	3,714,419	40,392	47,448	3.60%	17,468
2008	87,788	3,944,776	42,561	48,265	3.70%	17,029
2009	88,244	3,955,122	42,716	47,347	6.40%	16,729
2010	88,912	4,103,932	44,193	48,220	6.80%	16,406
2011	89,256	N/A	N/A	48,070	6.40%	16,305
2012	89,951	N/A	N/A	47,997	6.20%	16,136

NOTES:

- (1) Source: Maryland Department of Planning, planning data sources from U.S. Bureau of Economic Analysis
- (2) Source: U.S. Department of Labor Bureau of Labor Statistics
- (3) Source: Calvert County Public Schools Budget Book

County Commissioners of Calvert County, Maryland
Principal Employers
Current Year and Nine Years ago
(unaudited, see related notes below)
Schedule 14

Employer	Fiscal Year 2012			Fiscal Year 2003		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Calvert County Public Schools	2,200	1	4.58%	2025	1	5.25%
Calvert County Government	1,242	2	2.59%	875	3	2.43%
Calvert Memorial Hospital	1,188	3	2.48%	855	4	2.43%
Constellation Energy Group (1)	892	4	1.86%	998	2	2.36%
Wal-Mart	420	5	0.88%	310	6	0.73%
Giant Food	356	6	0.74%			
ARC of Southern Maryland	348	7	0.73%	369	5	0.87%
Safeway	340	8	0.71%			
Navy Recreation Center	292	9	0.61%			
Asbury-Solomons Inc.	240	10	0.50%			
DynCorp				296	7	0.70%
Recorded Books				291	8	0.69%
DM Group				200	10	0.47%
Calvert Nursing Center				203	9	0.48%

NOTES:

(1) Employees of Calvert Cliffs Nuclear Power Plant - Corporate owner was Baltimore Gas and Electric (1997), and is now Constellation Energy Group.

(2) Source: Calvert County Department of Economic Development

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COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND
OPERATING INFORMATION
JUNE 30, 2012

The following schedules contain service and infrastructure data that demonstrates how the information in the government's financial report relates to the services the government provides and the activities it performs.

The operating information schedules are:

- Full-time Calvert County employees by function
- Operating indicators by function
- Capital asset statistics by function

County Commissioners of Calvert County, Maryland
Full-time Calvert County Employees by Function
Last Eight Fiscal Years
(see related notes below)
Schedule 15

Function:	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
General Government								
Commissioners	7	7	7	6	6	6	6	6
Circuit court	10	10	10.7	10.9	10.9	10.9	10.9	10.9
Clerk of the commissioners	1	1	1	1	1	1	1	1
County administration	2	2	3	3	3	3	3	2
County attorney	3	3	4	4	4	4	4	4
Treasurers	6	6	7.6	7.6	7.6	7.6	7.6	7.6
Election	8	9	9	9	9	9	9	6
Finance	20	22	22.6	22.6	23.6	23.6	23.6	25.6
General services	2	2	2	2	2	4	5	5
Buildings and grounds	26	28	31.7	32.7	32.7	32.7	32.7	31.7
Orphans court	3	3	3	3	3	3	3	3
Personnel	5	6	7.6	7.6	8.6	8.6	8.6	8.6
States attorney	18	18	20.1	20.1	20.1	21.1	22.1	22.1
Technology services	17	17	18.6	19.6	21.8	21.8	21.8	22.8
Public Safety								
Transportation	1	2	2.8	2.8	2.8	2.8	2.8	2.8
Mosquito control	1	1	4.1	4.1	4.1	4.1	4.1	4.1
Public safety	2	2	2	2	2	2	2	2
Control center	25	29	30	30	30	30	30	34
Emergency management	2	2	3	3	3	3	3	3
Fire and rescue	3	4	4	4	4	4.5	5.5	5.5
Inspections and permits	13	13	14.2	14.2	14.2	14.2	14.2	14.2
Animal control	5	5	5	6	7	7	7	7
Detention center	64	65	67	77.6	81.6	81.6	85.6	88.6
Sheriffs office	105	115	131.2	134.2	139.2	139.2	142.2	146.2
Liquor board	3	3	3	3	3	3.2	3.2	5
Public Works								
Public works	14	14	16.6	16.6	16.6	14.6	15.2	15.2
Planning commission	1	1	2	1	1	10.1	10	10
Project anagement	8	8	8	8	7	7	7	7
Fleet maintenance	7	8	9	9	10	10	10	10
Highway maintenance	33	33	33.6	33.6	36.6	36.6	36	36
Social Services								
Community resources	4	4	4.5	4.5	4.5	4.5	4.5	5
Office on aging	23	23	23.5	24.6	24.6	24.6	24.6	24.6
Recreation								
Marine museum	36	36	40.2	40.2	40.2	40.2	40.2	40.2
Railway museum	1	1	2	2	2	2	2	2
Recreation programs	59	62	68.7	69.7	70	70.7	68.6	69.2
Library	45.3	45.3	50.2	52.2	52.2	52.8	52.8	62
Conservation of Natural Resources	12	13.2	13.2	13.2	13.2	13.2	13.2	13.7
Soil Conservation	4	4	4	4	5	5	5	5
Urban Development								
Planning and zoning	21	21	26.1	26.1	16.1	16.1	16.1	16.1
Economic Development	8	9	9.1	10.1	12.1	12.1	12.5	12.5
Water and Sewer	30	30	30	33	34	33	33	32
Solid Waste	32	33	36.8	37.8	37.8	38.8	38.8	41.3
Chesapeake Hills Golf Course	-	-	-	-	-	10.9	10.9	10.9
Total	690.3	720.5	791.7	815.6	827.1	850.1	858.3	881.4

NOTES:

(1) Source: Calvert County's Adopted Operating and Capital Budgets FY2005-FY2012

County Commissioners of Calvert County, Maryland
Operating Indicators by Function
Last Ten Fiscal Years
(unaudited, see related notes)
Schedule 16

Function:	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
	Actual									
General Government										
Circuit court										
Case transactions	5,927	6,680	7,007	9,763	12,028	13,884	14,363	15,123	16,085	16,981
Technology services										
Work orders completed	N/A	N/A	N/A	3,945	4,348	4,124	4,050	3,375	4,209	4,300
Support to desktop/laptop computers	N/A	N/A	N/A	512	665	750	795	835	875	930
Treasurers office										
Credit card dollars collected	55,692	146,477	182,444	300,051	283,659	480,062	466,182	537,611	598,705	630,000
Credit card transactions	58	139	168	287	247	323	291	346	363	380
Real estate tax bills	N/A	39,765	40,468	40,988	41,265	41,390	41,757	42,236	42,297	42,327
Finance and budget										
Purchase orders processed	5,916	5,632	5,641	6,705	7,046	7,291	7,273	6,717	6,759	6,780
Accounts payable checks	15,374	15,949	15,493	15,015	17,050	16,349	15,693	14,852	15,334	14,834
Average number of employees per pay	860	906	930	936	945	992	1,017	1,049	1,112	1,130
Fixed assets maintained	12,491	13,326	14,551	15,364	15,973	14,503	15,255	15,804	16,749	16,900
Health care benefits managed	667	692	717	738	935	958	997	1,021	1,020	1,030
Public Safety										
Transportation										
Yearly ridership	108,094	107,753	113,354	132,648	132,728	133,270	134,786	109,705	135,500	109,658
Inspections and permits										
Building permits issued	2,410	2,430	2,425	2,504	2,098	1,812	1,428	1,472	1,492	1,689
Grading permits issued	1,256	1,053	855	820	717	672	707	672	783	795
Electrical permits issued	2,298	2,007	2,424	2,438	1,986	1,666	1,425	1,471	1,437	1,659
Plumbing permits issued	1,746	1,625	1,667	1,279	1,074	943	757	744	873	870
Control center										
Number of incidents handled	106,560	N/A	117,936	130,478	148,947	160,063	164,807	151,224	140,031	147,033
Fire and rescue										
Total calls responded	16,100	16,500	16,900	17,560	19,747	20,743	20,021	19,708	21,000	21,000
Animal control										
Calls for service	4,955	5,103	5,354	7,377	7,506	8,139	8,063	5,601	6,129	6,500
Detention center										
Average daily population	181	212	227	212	238	228	237	288	233	240
Work release (adp)	69	74	73	68	75	85	67	39	32	27
Sheriff's office										
Calls for service	49,148	54,789	71,959	65,454	76,223	85,941	83,062	84,513	87,045	89,659
Murder cases	2	1	1	-	2	1	-	-	-	-
Rape cases	7	8	11	4	-	6	10	17	10	10
Robbery cases	15	10	20	9	16	15	27	26	27	29
Aggravated assault cases	177	120	121	171	173	272	187	123	56	56
Theft cases	753	677	899	935	947	1,051	1,067	1,204	1,100	1,100
Auto theft cases	69	62	65	77	92	92	82	92	55	55
Domestic violence incidents responded to	N/A	N/A	N/A	1,103	1,189	1,231	1,203	1,287	1,325	1,364
Business & community patrol checks	N/A	N/A	N/A	23,414	30,419	38,032	35,538	33,977	29,724	30,615
Sex offenders registered in Calvert County	N/A	N/A	N/A	99	108	110	103	107	109	112
School related incidents/investigations	N/A	N/A	N/A	351	403	293	333	1,574	1,621	1,669
Public Works										
Major and minor subdivisions	1,073	989	1,040	205	227	175	143	149	196	196
Road plans	48	67	120	32	33	41	17	24	30	30
Project management										
Miles of roadway resurfaced	20	17	13	11	13	15	14	12	8	8
Fleet maintenance										
Work orders	2,350	2,500	2,600	2,226	2,211	2,371	3,529	2,837	3,500	3,600
Recreation										
Public library										
Circulation of materials	808,178	879,152	930,098	920,727	962,246 *	1,035,223	1,114,737	1,154,634	1,153,773	1,142,301
Railway museum										
Outreach participants	N/A	3,300	3,924	3,621	3,900	4,000	4,100	4,150	4,200	4,200
Participants in programs	N/A	N/A	N/A	N/A	2,547	2,434	3,569	5,118	4,200	4,200
Urban Development										
Planning and zoning										
Major and minor subdivisions (new applications)	60	49	47	47	63	40	21	34	45	45
Water and Sewer										
Number of customers	N/A	N/A	N/A	4,587	4,788	4,799	5,037	5,076	5,104	5,153

NOTES:

(1) Source: Calvert County's Adopted Operating and Capital Budget FY2002-2012
(2) Source: Calvert County Sheriff's Office

County Commissioners of Calvert County, Maryland
Capital Asset Statistics by Function
Last Eight Fiscal Years
(unaudited, see related notes below)
Schedule 17

Function:	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Public Safety								
Police:								
Stations	1	1	1	1	1	1	1	1
Patrol units	89	115	115	120	141	140	141	141
Special purpose units	0	0	0	0	0	5	6	6
Fire protection:								
Fire stations	7	7	7	7	7	5	6	6
Pumpers	12	12	12	12	12	12	12	12
Ambulances	15	15	15	15	15	14	14	14
Rescue trucks	6	6	6	6	6	7	7	6
Aerial trucks/towers	3	3	3	3	3	3	3	3
Brush units	12	12	12	12	12	13	13	13
Tankers	5	5	5	5	5	5	5	5
Jet skis	2	2	2	2	2	2	2	2
Dive rescue van	1	1	1	1	1	1	1	1
Fire-rescue boats	3	3	3	3	3	3	3	3
Mass casualty unit/trailer	1	1	1	1	1	1	1	1
Inflatable boats	6	6	6	6	6	6	6	6
Paramedic units	5	5	5	5	5	5	5	5
Air cascade units	0	0	1	1	1	2	2	2
Other utility types	24	24	24	24	24	25	25	25
Community Resources								
Transportation:								
Passenger buses	17	17	18	18	17	17	17	17
Public Works								
County owned streets in miles	435	446	446	446	446	452	452	452
Recreation								
Baseball fields	20	20	20	20	20	20	20	20
Football fields	7	7	7	7	7	7	7	7
Basketball courts	6	6	6	6	6	6	6	6
Tennis courts	10	10	10	10	10	10	10	12
Pools	1	2	2	2	2	3	3	3
Golf course	0	0	0	0	0	1	1	1
Playgrounds and parks in acres	360	360	360	360	360	360	375	375
Water and Sewer								
Water mains in miles	75	75	75	75	75	77	77	77
Water systems	21	21	21	21	21	21	21	20
Storage tanks	14	14	14	14	14	14	14	14
Sewer mains in miles	66	66	66	66	66	66	66	66
Sewer treatment plants	9	9	9	9	9	9	9	8
Sewer pumping stations	27	27	27	27	39	39	39	39

NOTES:

(1) Source: Various county departments