

# Calvert County Maryland

## Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2010





# Calvert County Maryland

## Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2010

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



**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**JUNE 30, 2010**

***TABLE OF CONTENTS***

<b>INTRODUCTORY SECTION</b>	<b><u>PAGE</u></b>
Letter of Transmittal	i-v
Certificate of Achievement for Excellence in Financial Reporting	vi
Certain Elected and Appointed Officials	vii
Organizational Chart-Calvert County	viii
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	1-3
Management's Discussion and Analysis (required supplementary information)	4-15
Basic Financial Statements	
Statement of Net Assets	16
Statement of Activities	17-18
Balance Sheet	19
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Funds to the Statement of Activities	21
Statement of Net Assets - Proprietary Funds	22
Statement of Revenue, Expenses and Changes in Fund Net Assets - Proprietary Funds	23
Statement of Cash Flows - Proprietary Funds	24
Statement of Fiduciary Net Assets	25
Statement of Changes in Fiduciary Net Assets	26
Notes to Financial Statements	27-66
Required Supplementary Information	
Summary Schedule of Revenue and Expenditures, and Other Financing Sources and Uses - Budget and Actual (Budgetary Basis) - General Fund	67
Schedule of Pension Fund Funding Progress & Employer Contributions	
Calvert County Maryland Post-Employment Benefit Plan	68
Calvert County Employees Retirement Plan	69
Calvert County Sheriff's Department Plan	70
Length of Service Awards Program (Volunteer Fire Departments & Rescue Squads)	71

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**JUNE 30, 2010**

***TABLE OF CONTENTS (Continued)***

Other Supplementary Information	
Schedule of Revenue and Other Financing Sources - Budget and Actual (Budgetary Basis) - General Fund	72-74
Schedule of Expenditures and Other Financing Uses - Budget and Actual (Budgetary Basis) - General Fund	75-82
Combining Balance Sheet - Nonmajor Governmental Funds	83-84
Combining Statement of Revenue, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds	85-86
Combining Statement of Net Assets - Nonmajor Proprietary Funds	87
Combining Statement of Revenue, Expenses and Changes in Fund Net Assets - Nonmajor Proprietary Funds	88
Combining Statement of Cash Flows - Nonmajor Proprietary Funds	89
Component Unit Statement of Net Assets - Economic Development Authority	90
Component Unit Statement of Revenue, Expenses and Changes in Fund Net Assets - Economic Development Authority	91
Component Unit Statement of Cash Flows - Economic Development Authority	92
Combining Schedule of Revenues, Expenses and Changes in Net Assets - Water and Sewer Fund	93
Statement of Changes in Assets and Liabilities - Agency Fund	94
Schedule of Notes Receivable - Volunteer Fire Departments and Rescue Squads General Fund	95
Schedule of Real and Personal Taxes Receivable - General Fund	96
Combining Statement of Revenues, Expenditures and Changes in Fund Equity Calvert County Family Network	97
Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	98-99

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**JUNE 30, 2010**

***TABLE OF CONTENTS (Continued)***

**STATISTICAL SECTION**

Financial Trend Data

Schedule 1	Net Assets by Category	100
Schedule 2	Changes in Net Assets	101-102
Schedule 3	General Tax Revenues	103
Schedule 4	Fund Balance of Governmental funds	104
Schedule 5	Changes in Fund Balance of Governmental funds	105

Revenue Capacity

Schedule 6	Assessed and Estimated Actual Value of Taxable Property	106
Schedule 7	Direct and Overlapping Real Property Tax Rates	107
Schedule 8	Principal Property Taxpayers	108
Schedule 9	Property Tax Levies and Collections Schedule	109

Debt Capacity

Schedule 10	Ratios of Outstanding Debt by type	110
Schedule 11	Ratios of Net General Bonded Debt	111
Schedule 12	Pledged-Revenue Coverage	112

Demographic and Economic Information

Schedule 13	Demographic and Economic Statistics	113
Schedule 14	Principal Employers	114

Operating Information

Schedule 15	Full Time Equivalent Calvert County Employees by Function	115
Schedule 16	Operating Indicators by Function	116
Schedule 17	Capital Asset Statistics by Function	117

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# Introductory Section



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**CALVERT COUNTY GOVERNMENT**

**Board of County Commissioners**

***Wilson H. Parran, President***

***Gerald "Jerry" W. Clark, Vice President***

***Linda L. Kelley, Commissioner***

***Susan Shaw, Commissioner***

***Barbara A. Stinnett, Commissioner***

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December 20, 2010

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, 2010, 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 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 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 recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management.

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, 2010 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 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.

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](http://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 67 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 and until recently, steady economic growth have allowed the County to maintain a sound financial position. Property taxes and income taxes provide the majority (89 percent, budgetary basis, in fiscal year 2010) of the revenue for the General Fund of the Calvert County Government. Property taxes continued to show growth in fiscal year 2010, but that growth is expected to come to an end in fiscal year 2012. Income tax revenue declined on a year over year basis in fiscal year 2009 and again in fiscal year 2010. Fiscal year 2011 is expected to show a slight increase. Increased unemployment and the decreased capital gains that taxpayers across the Country are experiencing have created this situation. Income taxes are expected to show very slow growth in the near-term but property taxes are just starting to be impacted by the declines in the real estate market and slight declines are expected after fiscal year 2011 through at least fiscal year 2013.

Property tax, the largest revenue source, represented 63 percent of the total General Fund revenue for fiscal year 2010. Property assessments have increased over the last ten fiscal years, 2001 to 2010, by 153 percent. Property tax revenue increased during that same time

by 109 percent. Property tax revenues are directly affected by the market value of homes and the number of new housing starts. The market value of owner occupied homes in the County had been rising steadily over several years, until fiscal year 2008. Along with the rest of the Country, Calvert County's property values have decreased. This decrease in value will lower the real property tax revenue in fiscal year 2012. The primary reasons for the delay are the triennial assessment schedule and the 10 percent homestead credit cap. The number of residential building permits issued in fiscal year 2010 was 232, an increase of 35 percent or 60 permits from the prior fiscal year. This is a positive sign.

Income tax revenue, at 26 percent of the total General Fund revenue for fiscal year 2010, is directly affected by personal income levels, employment levels, and population growth. Over the period of 1990 through 2000, growth in the County's population of 45 percent contributed to a labor force growth rate of 40 percent. The next ten year period (2001 to 2010) has seen population growth slow to about 20 percent. 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. With population growth expected to slow, increasing national and local unemployment levels and significant pressures on wage increases, growth in income tax revenue is expected to be small.

**Long-term financial planning:** Calvert County annually adopts a Capital Budget and a Capital Improvement Program that is designed to plan for expenditures and commitments for the current fiscal year as well as the subsequent five fiscal years. This is one of the County's primary financial management planning tools to ensure that its major capital projects meet the needs of its citizens in a timely manner. In addition, this process ensures that the County plans for the best use of its financial resources.

The fiscal year 2011 budget reflected education, roads, public safety, and recreational opportunities as the continued top priorities of the County's administration. The General Fund operating budget included a 1.35 percent increase in funding for the Board of Education operating costs. Within the Capital Improvements Program Budget for Fiscal Year 2011, 42 percent was dedicated to new school construction, additions, renovations, and the maintenance of existing facilities. The primary focus is on the replacement of Calvert High school. Not included in these primary education amounts is the significant allocation to the College of Southern Maryland's second building on the Prince Frederick campus. Public Works comprised of 26 percent, with Transportation comprising of 13 percent with the primary road project being the Prince Frederick Loop Road. Utilities comprised 13 percent, with the primary project being the Mt. Hope Convenience Center.

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 a Rainy Day Reserve 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 set aside a reserve for future other post employment benefits. The County has received continued credit rating upgrades in recent years. The latest ratings, received in fiscal year 2010, were Aa1 from Moody's Investors Service, Inc., AA+ 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 2010 data, the County's current ratios are as follows: debt to assessed value is .95 percent, debt service to general fund revenue is 8.18 percent, and debt per capita is \$1,427.

## **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, 2009. 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 appropriated budget dated July 1, 2009 to June 30, 2010. 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 and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Tim Hayden', written in a cursive style.

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, 2009

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.



President

Executive Director

**COUNTY COMMISSIONERS OF CALVERT COUNTY**

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**CERTAIN ELECTED OFFICIALS**

Wilson H. Parran  
President, Board of County Commissioners

Gerald W. Clark  
Vice President, Board of County Commissioners

Linda L. Kelley  
Commissioner

Susan Shaw  
Commissioner

Barbara A. Stinnett  
Commissioner

Novalea Tracy-Soper  
Treasurer

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**CERTAIN APPOINTED OFFICIALS**

Terry L. Shannon  
County Administrator

Timothy Hayden  
Director of Finance and Budget

Greg Bowen  
Director of Planning and Zoning

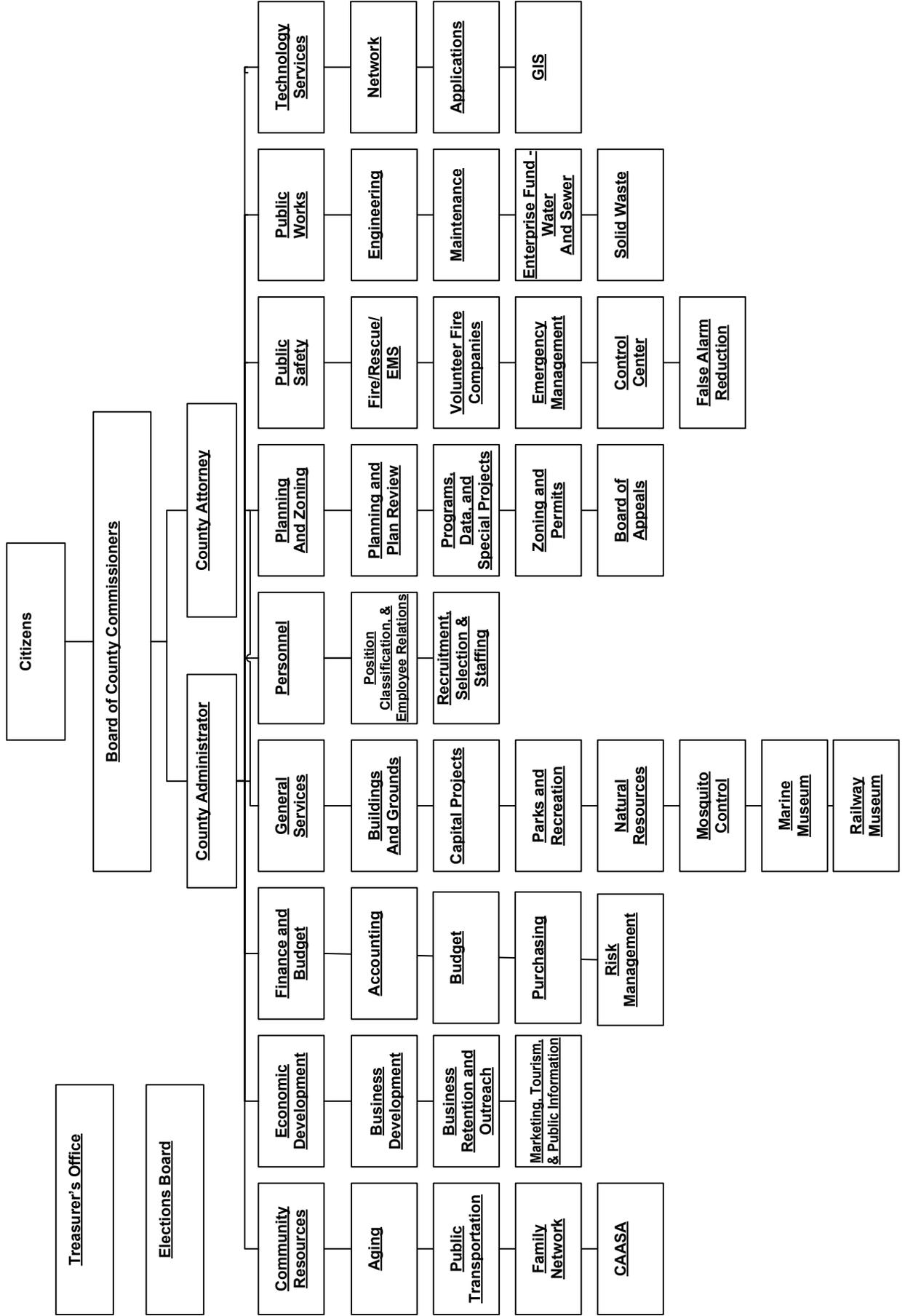
Linda Vassallo  
Director of Economic Development

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

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# CALVERT COUNTY GOVERNMENT

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



# Financial Section



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**Murphy & Murphy, CPA, LLC**  
**Certified Public Accountants**

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**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, 2010, 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 represents 37 percent, 51 percent and 50 percent, respectively of the assets, net assets 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, 2010, 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 17, 2010, 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 67 through 71 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 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 17, 2010

## 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, 2010. 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

- The assets of Calvert County Government exceeded its liabilities at the close of the most recent fiscal year by \$195.9 million (*net assets*). 19.5 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 assets, \$35.4 million (*unrestricted net assets*) may be used to meet ongoing obligations to citizens and creditors (\$33.9 million of this amount is related to governmental activities and \$1.5 million is attributable to the business-type activities), \$15.6 million is restricted for specific purposes (*restricted net assets*), and \$144.8 million is invested in capital assets, net of related debt. Included as restricted cash is \$28.4 million of which \$23.4 million represents bond proceeds.
- The government's total net assets have decreased by \$13.9 million; a \$13.7 million decrease was related to the governmental activities and a decrease of \$0.2 million was related to the business-type activities.
- As of June 30, 2010, the County's governmental funds reported combined fund balances of \$111.0 million, a decrease of \$11.5 million from the prior year. Approximately 79 percent of this total amount, \$87.3 million is available to meet the County's current and future needs (*unreserved fund balance*). Of the total unreserved fund balance, \$64.5 million (prior year, \$79.2 million) has been dedicated for certain purposes, including, \$34.3 million for approved capital projects, \$3.5 million for employee leave obligations payouts, \$1.5 million for purposes within special revenue funds and \$5.7 million for other post employment benefits (*GASB 45*).
- The proprietary funds operating revenue increased by \$366,578 or 2.3 percent.
- At the close of the current fiscal year, unreserved fund balance for the General Fund was \$46.8 million, or 21.8 percent of total fiscal year 2010 General Fund budgetary expenditures and other financing uses. Designated fund balance of the General Fund was \$28.7 million, or 61 percent of unreserved fund balance.
- Calvert County Government issued new general obligation bonds of \$21.4 million during fiscal year 2010. The purpose of this debt was to refinance \$4.8 million in existing debt at better rates, with the remainder used to pay for costs associated with the construction of a several road projects and a middle school.

## 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 in addition to the basic financial statements themselves.

**Government-wide financial statements:** The *government-wide financial statements* are designed to provide readers with a broad overview of 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 assets* presents information on all of Calvert County Government's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 15 individual governmental funds: the General, Planning and Zoning, Housing, Project Graduation, 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 67 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 66 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 72 of this report.

## Government-wide Financial Analysis

This is the ninth 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 assets may serve over time as a useful indicator of a government's overall financial condition and position. In fiscal year 2010 assets exceeded liabilities by \$195.9 million (prior year, \$209.8 million).

As shown in the chart below titled "Calvert County Government's Changes in Net Assets" Calvert County Government's net assets are divided into three categories:

- invested in capital assets, net of related debt;
  - 74 percent of total net assets (71 percent, prior year)
- restricted net assets;
  - 8 percent of total net assets (7 percent, prior year)
- unrestricted net assets
  - 18 percent of total net assets (22 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 un-matured debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Restricted net assets are resources that are subject to external restrictions on how they may be used. Unrestricted net assets may be used to meet the government's ongoing obligations to citizens and creditors.

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

**Calvert County's Government's Changes in Net Assets**

	Governmental Activities			Business-type Activities			Total		
	2010	2009	Difference	2010	2009	Difference	2010	2009	Difference
Current and other assets	\$ 169,352,566	\$ 187,210,102	\$ (17,857,536)	\$ 5,533,873	\$ 3,533,036	\$ 2,000,837	\$ 174,886,439	\$ 190,743,138	\$ (15,856,699)
Capital assets	181,458,918	179,390,076	2,068,842	48,149,325	48,832,382	(683,057)	229,608,243	228,222,458	1,385,785
Total Assets	350,811,484	366,600,178	(15,788,694)	53,683,198	52,365,418	1,317,780	404,494,682	418,965,596	(14,470,914)
Long - term liabilities	133,844,916	131,943,456	1,901,460	12,353,711	10,782,706	\$ 1,571,005	146,198,627	142,726,162	3,472,465
Other liabilities	59,357,256	63,275,641	(3,918,385)	3,064,190	3,142,429	(78,239)	62,421,446	66,418,070	(3,996,624)
Total liabilities	193,202,172	195,219,097	(2,016,925)	15,417,901	13,925,135	1,492,766	208,620,073	209,144,232	(524,159)
Net assets									
Invested in capital assets,									
Net of related debt	110,447,873	109,942,359	505,514	34,365,814	38,558,942	\$ (4,193,128)	144,813,687	148,501,301	(3,687,614)
Restricted	13,275,882	11,968,498	1,307,384	2,359,895	2,704,915	(345,020)	15,635,777	14,673,413	962,364
Unrestricted	33,885,557	49,470,224	(15,584,667)	1,539,588	(2,823,574)	4,363,162	35,425,145	46,646,650	(11,221,505)
Total net assets	\$ 157,609,312	\$ 171,381,081	\$ (13,771,769)	\$ 38,265,297	\$ 38,440,283	\$ (174,986)	\$ 195,874,609	\$ 209,821,364	\$ (13,946,755)

**Governmental activities:** Net assets of the Governmental activities decreased by \$13,771,769 (prior year, a decrease of \$15,867,485). The most notable component of this difference is the \$6.5 million decrease related to a change in the State of Maryland's estimate of Calvert County's share of unallocated income tax. The negative financial results of FY 2010 are also reflected in this amount.

**Business-type activities:** Business-type activities decreased Calvert County Government's net assets by \$0.2 million (prior year, an increase of \$4.0 million). This decrease is the result of the Water and Sewer Fund's net assets decreasing by \$912,248. This decrease is offset by the positive results of the other three funds included in this business-type grouping.

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 2010, the long term part of these advances total \$5.9 million. This deficit is anticipated to be in excess of \$8.5 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 assets of \$275,617, 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 an increase of \$25,008 in net assets. The Chesapeake Hills Golf Course added \$436,637 to net assets. Fiscal year 2010 was the first year that the County's Parks and Recreation division managed the golf course. Although posting an accrual accounting basis loss of \$179,438, on a cash basis (with the most significant adjustment being depreciation) the golf course came out slightly ahead. The increase in net assets is wholly explained with the \$610,000 capital transfer in for equipment and miscellaneous projects. This transfer and others that are being reviewed as a part of the six year capital improvement plan are necessary for the golf course facility to be brought up to Calvert County standards.



(The Calvert County Flag)

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 assets for the year ended June 30:

**Calvert County Government Schedule of Activities and Changes in Net Assets**

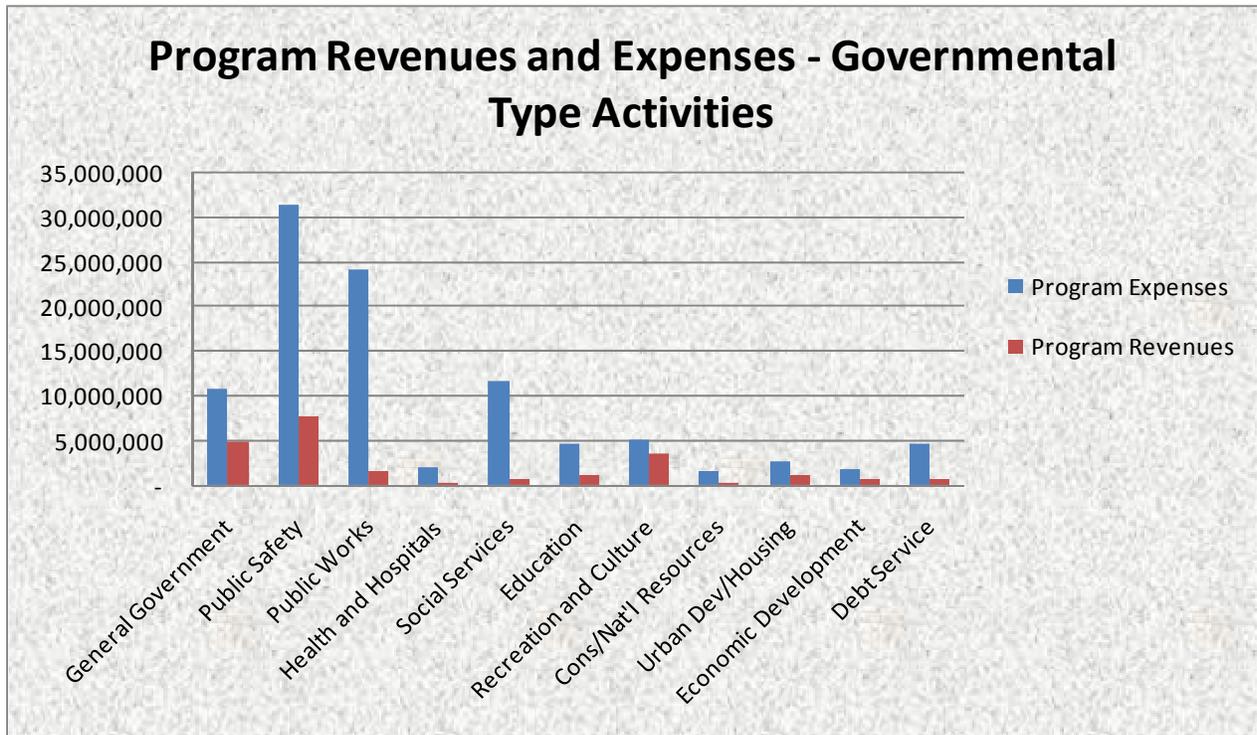
	Governmental Activities			Business-type Activities			Total	
	2010	2009	Difference	2010	2009	Difference	2010	2009
<b>Revenues</b>								
Program Revenues								
Charges for services	\$ 14,721,309	\$ 20,497,870	\$ (5,776,561)	\$ 17,377,766	\$ 17,517,155	\$ (139,389)	\$ 32,099,075	\$ 38,015,025
Operating grants and contributions	5,377,626	4,682,078	695,548	436,908	435,485	1,423	5,814,534	5,117,563
Capital grants and contributions	2,237,972	3,850,425	(1,612,453)	223,334	684,513	(461,179)	2,461,306	4,534,938
General Revenues:								
Property taxes	137,559,596	126,502,446	11,057,150	-	-	-	137,559,596	126,502,446
Income taxes	55,475,403	54,280,021	1,195,382	-	-	-	55,475,403	54,280,021
Other taxes	6,939,681	7,078,629	(138,948)	-	-	-	6,939,681	7,078,629
State reimbursement	-	-	-	-	-	-	-	-
Investment earnings	933,632	3,362,353	(2,428,721)	91,150	77,469	13,681	1,024,782	3,439,822
Total revenues	223,245,219	220,253,822	2,991,397	18,129,158	18,714,622	(585,464)	241,374,377	238,968,444
<b>Expenses</b>								
Program Expenses								
General Government	10,729,459	19,068,759	(8,339,300)	-	-	-	10,729,459	19,068,759
Public Safety	31,297,136	31,997,935	(700,799)	-	-	-	31,297,136	31,997,935
Public Works	24,131,844	18,172,391	5,959,453	-	-	-	24,131,844	18,172,391
Health and Hospitals	2,128,412	3,451,586	(1,323,174)	-	-	-	2,128,412	3,451,586
Social Services	11,660,259	10,721,194	939,065	-	-	-	11,660,259	10,721,194
Education	4,614,647	3,478,087	1,136,560	-	-	-	4,614,647	3,478,087
Board of Education	133,561,524	122,637,685	10,923,839	-	-	-	133,561,524	122,637,685
Recreation and Culture	4,993,041	9,561,064	(4,568,023)	-	292,250	(292,250)	4,993,041	9,853,314
Cons/Nat'l Resources	1,573,710	1,601,851	(28,141)	-	-	-	1,573,710	1,601,851
Urban Dev/Housing	2,643,490	2,603,275	40,215	-	-	-	2,643,490	2,603,275
Economic Development	1,852,710	1,465,651	387,059	-	-	-	1,852,710	1,465,651
Debt Service	4,726,867	4,822,828	(95,961)	-	-	-	4,726,867	4,822,828
Water and Sewer	-	-	-	6,955,914	6,383,248	572,666	6,955,914	6,383,248
Solid Waste	-	-	-	10,101,302	10,848,552	(747,250)	10,101,302	10,848,552
Culture	-	-	-	4,350,817	3,720,436	630,381	4,350,817	3,720,436
Total expenses	233,913,099	229,582,306	4,330,793	21,408,033	21,244,486	163,547	255,321,132	250,826,792
Excess (Deficiency) of revenues over expenses	(10,667,880)	(9,328,484)	(1,339,396)	(3,278,875)	(2,529,864)	(749,011)	(13,946,755)	(11,858,348)
Transfers	(3,103,889)	(6,539,001)	3,435,112	3,103,889	6,539,001	(3,435,112)	-	-
<b>Assets</b>								
Net assets- beginning	\$ 171,381,081	\$ 187,248,566	\$ (15,867,485)	\$ 38,440,283	\$ 34,431,146	\$ 4,009,137	\$ 209,821,364	\$ 221,679,712
Net assets- ending	\$ 157,609,312	\$ 171,381,081	\$ (13,771,769)	\$ 38,265,297	\$ 38,440,283	\$ (174,986)	\$ 195,874,609	\$ 209,821,364

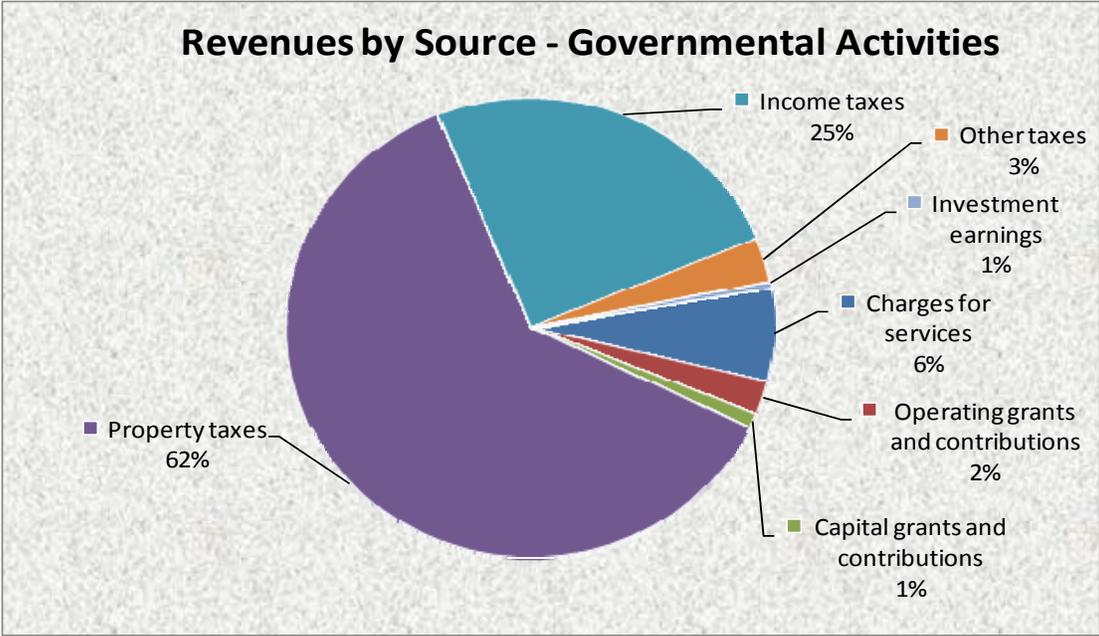
The \$5.8 million negative difference in the governmental activities' Charges for services line is almost fully attributable to the State's reduction in the amount of the highway user funds that it shares with the County. These funds are accounted for in the Public Works function. The positive \$11.0 million difference in property taxes line is the result of the triennial assessment process not yet catching up with the real estate market.

The significant decreases noted in the General Government and the Recreation and Culture Functions are the result of reclassifying the fund expenditures to the governmental activity capital asset related to the newly capitalized Edward T. Hall Aquatic Center. For similar reasons, much of the Board of Education's \$10.9 million positive difference is the result of the completion of the new Calvert Middle School.

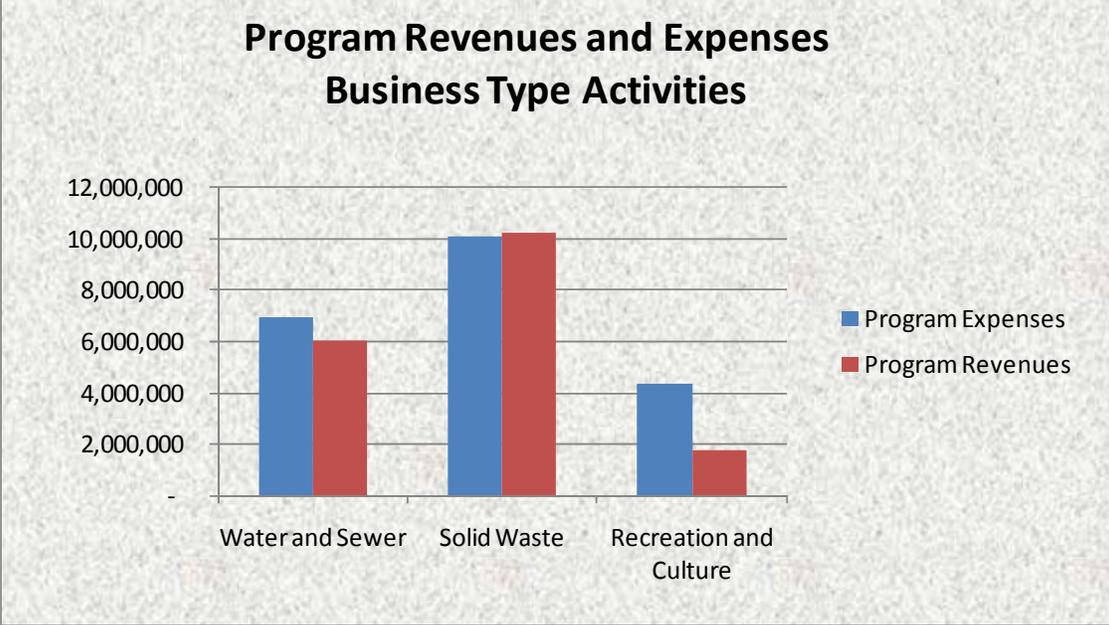
The \$3.4 million difference in the transfers line is mostly explained with the fiscal year 2009, \$3.7 million purchase of the Chesapeake Hills Golf Course.

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 57 percent of the total program expenses the chart becomes meaningless for comparison purposes:

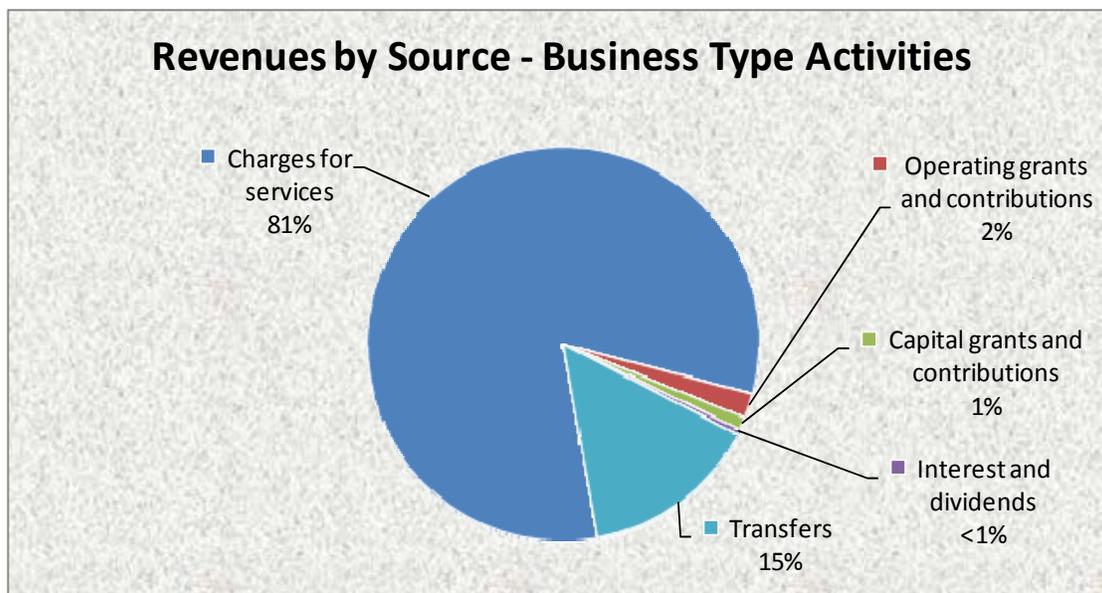




This chart uses the Statement of Activities data to display a comparison of the business-type activities program revenue and expenses:



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, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As reported on the balance sheet of the governmental funds, the total governmental funds combined fund balance is \$111.0 million (prior year, \$122.6 million), a decrease of \$11.5 million (prior year, decrease of \$17.5 million). This decrease is mostly the result of an active year for capital projects. There was a significant increase in expenditures to build and acquire capital assets. These expenditures were in excess of bond proceeds, the largest source of funds for the Capital Projects Fund.

Approximately 79 percent (prior year, 81 percent) of this amount, \$87.3 million (prior year, \$99.1 million) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. It should be noted that \$64.5 million (prior year, \$79.2 million) of this amount has been designated for certain purposes. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed: 1) to liquidate contracts and purchase orders of the prior period, 2) for inventories, or 3) dedicated for a variety of restricted purposes. The reserved fund balance is equal to 21 percent (prior year, 19 percent) of total fund balance. 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, unreserved fund balance of the General Fund was \$46.8 million (prior year, \$48.3 million), while total fund balance was \$57.2 million (prior year, \$59.8 million). As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 21.8 percent of the total General Fund budgetary expenditures and other financing uses (prior year, 22.1 percent), while total fund balance represents 26.7 percent (prior year, 27.3 percent) of that same amount.

The fund balance of Calvert County Government's General Fund decreased by \$2.5 million (prior year decrease of \$8.4 million). This decrease is mostly due to a \$4.4 million unfavorable variance in income tax revenue, a \$2.2 million unfavorable variance in Highway User Revenue. With those negative variances the county realized a budgetary deficit of \$1,111,309.

The Capital Projects Fund has a total fund balance of \$34.3 million (prior year, \$44.1 million) of which the entire balance is unreserved, but designated for future capital project expenditures. Unspent bond proceeds of \$23.4 million make up 68.2 percent of the unreserved fund balance (prior year, \$23.8 million, 54.0 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 assets of the proprietary funds decreased \$0.2 million (prior year, increase of \$4.0 million). At the end of the year, unrestricted net assets of the Water and Sewer Fund amounted to negative \$3.8 million (prior year, negative \$5.8 million). The Solid Waste and Recycling Fund reported \$4.4 million in net assets (prior year, \$2.2 million). The Calvert Marine Museum ended the year with \$4.0 million of total net assets (prior year, \$4.0million) and the Chesapeake Hills Golf Course ended the year with \$4.1 million of total net assets (prior year, \$3.7 million).

### **General Fund Budgetary Highlights**

The final budget for the General Fund was increased by \$2,088,317 over the original budget (prior year, \$3,963,835 increase). Two significant snow storms during the fiscal year account for the majority of the budget adjustments. Overall expenditures were less than the final budget by \$7.9 million because of cost cutting measures executed by management. Revenues were \$9.0 million less than budgetary estimates mostly due to weak performance of economically sensitive revenue items, especially income tax revenue, and reductions in local aid to counties by the State of Maryland.

### **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, 2010, amounts to \$229.6 million (prior year, \$228.2 million), net of accumulated depreciation. This investment in capital assets includes: land, construction in progress, buildings, improvements, machinery and equipment, and infrastructure and land development rights. The total increase in Calvert County Government's investment in capital assets for the current fiscal year was 0.6 percent (prior year, 9.5 percent), a 1.2 percent increase for governmental activities (10.5 percent, prior year) and a 1.4 percent decrease (prior year, 5.8 percent decrease) for business-type activities.

**Calvert County Government's Capital Assets**  
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 30,771,892	\$ 24,181,432	\$ 4,561,707	\$ 4,561,708	\$ 35,333,599	\$ 28,743,140
Land development rights	10,413,705	10,413,705	-	-	10,413,705	10,413,705
Construction in progress	8,841,114	27,950,579	625,328	613,229	9,466,442	28,563,808
Buildings	39,073,788	23,483,341	28,557,826	30,513,111	67,631,614	53,996,452
Improvements	18,899,305	19,462,572	9,633,376	8,572,545	28,532,681	28,035,118
Machinery and equipment	15,361,893	12,765,921	4,771,088	4,571,791	20,132,981	17,337,711
Infrastructure	58,097,221	61,132,526	-	-	58,097,221	61,132,526
Total	\$ 181,458,918	\$ 179,390,076	\$ 48,149,325	\$ 48,832,384	\$ 229,608,243	\$ 228,222,460

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

- Completed the new Calvert Middle School with a County investment of \$12.2 million.
- Completed construction of the Edward T. Hall Aquatic Center with a total capitalized cost of \$19.6 million.
- Completed work on the Chaneyville Bridge with a cost of \$1.8 million.
- Developed additional field space at the Dunkirk Park with a capitalized cost of \$1.6 million.

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 outstanding of \$138.7 million (prior year, \$135.3 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, \$11.5 million (prior year, \$10.1 million) are considered self-supporting bonds, funded through various surcharges and assessments related to the operation of the water and sewerage and solid waste and recycling systems of the County. Also within the governmental activities are the \$10.4 million (prior year, \$10.4 million) in installment purchase agreements for the land preservation program. The principal amount is supported by US Treasury Strip securities.

**Calvert County Government's Outstanding Debt**

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
General Obligation Debt	\$ 126,018,760	\$ 123,013,368	\$ 3,870,977	\$ 1,926,533	\$ 129,889,737	\$ 124,939,901
Notes Payable	1,241,398	2,238,927	7,611,889	8,151,830	8,853,287	10,390,757
The Land Preservation Program	10,413,705	10,413,705	-	-	10,413,705	10,413,705
Total Bonded Debt	\$ 137,673,863	\$ 135,666,000	\$ 11,482,866	\$ 10,078,363	\$ 149,156,729	\$ 145,744,363

Calvert County Government's total general obligation bonded debt increased by \$4.9 million, (prior year, an increase of \$6.8 million), or 4.0 percent during the current fiscal year (prior year, an increase of 5.8 percent).

In May 2010, the Calvert County Government had its credit ratings upgraded by Fitch Ratings and Moody's Investors Service, Inc. as part of their recalibration process. This upgrade takes the County's debt up to their highest ratings. Standard & Poor's added a positive outlook to their "almost AAA" rating of the County's debt. The current ratings follow:

Standard & Poor's	"AA+"
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 2009 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 2010 data, the County's current ratios are as follows: debt to assessed value is 0.95 percent, debt service to general fund revenue is 8.18 percent, and debt per capita is \$1,427.

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

### **Economic Factors and Fiscal Year 2011's Budgets and Rates**

- Net taxable income of County residents in calendar year 2009 was \$2.02 billion (\$1.99 billion in 2008), an increase of 1.3 percent. There was a 3.8 percent decrease from calendar year 2007 to 2008.
- The unemployment rate for the County as of June 30, 2010 was 6.1 percent, a slight improvement from the 6.4 percent prior year rate, while the average unemployment rate for the State of Maryland was 7.1 percent another, however slight, positive move from the prior year's 7.2 percent rate.
- Real property tax assessments for the third of the County that was reassessed for fiscal year 2011 were down on average 17 percent.
- The water and sewer rates were adjusted during fiscal year 2011, continuing with the adopted phase-in plan to achieve a structurally balanced Water & Sewer Fund by FY2012.

All of these factors were considered in preparing the Calvert County Government's budget for the 2011 fiscal year. Calvert County Government has adopted a balanced budget for fiscal year 2011.

### **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, 2010

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**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**STATEMENT OF NET ASSETS  
JUNE 30, 2010**

	Primary Government			Component Units	
	Governmental Activities	Business- Type Activities	Total	Board of Education	Economic Development Authority
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 108,044,284	\$ 453,578	\$ 108,497,862	\$ 18,758,512	\$ 1,745,532
Receivables					
Taxes	7,241,175	-	7,241,175	-	-
Special assessments	1,153,571	-	1,153,571	-	-
Accounts	21,285,045	2,487,450	23,772,495	-	-
Notes	4,622,638	438,950	5,061,588	-	213,075
Accrued interest	103,606	7,812	111,418	-	73,862
Other	-	-	-	135,887	-
Due from primary government	-	-	-	16,696,411	117,354
Internal balances	3,060,222	(3,060,222)	-	-	-
Due from other governments	4,392	-	4,392	4,707,328	-
Deferred expenses	-	51,897	51,897	-	-
Prepaid costs	-	9,219	9,219	1,667	-
Inventory	255,215	126,788	382,003	85,910	-
Net pension asset	200,620	-	200,620	-	-
Restricted assets					
Cash	23,381,798	5,018,401	28,400,199	-	-
Capital assets not being depreciated	50,026,711	5,187,035	55,213,746	31,933,403	22,191
Depreciable capital assets - net	131,432,207	42,962,290	174,394,497	168,305,612	-
Total assets	<u>350,811,484</u>	<u>53,683,198</u>	<u>404,494,682</u>	<u>240,624,730</u>	<u>2,172,014</u>
<b>LIABILITIES</b>					
Accounts payable	3,852,789	1,306,155	5,158,944	1,503,625	-
Notes payable	195,400	-	195,400	-	-
Accrued liabilities	9,107,027	354,187	9,461,214	16,971,571	-
Due to other governments	5,338,881	-	5,338,881	1,298,222	-
Due to component units	17,498,037	-	17,498,037	-	-
Unearned revenue	6,327,839	290	6,328,129	2,402,167	208,711
Noncurrent liabilities					
Net pension obligation	3,685,900	-	3,685,900	-	-
Due within one year	13,351,383	1,403,558	14,754,941	184,654	-
Due in more than one year	133,844,916	12,353,711	146,198,627	16,136,015	-
Total liabilities	<u>193,202,172</u>	<u>15,417,901</u>	<u>208,620,073</u>	<u>38,496,254</u>	<u>208,711</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	110,447,873	34,365,814	144,813,687	200,072,799	22,191
<u>Restricted for</u>					
Capital projects	1,668,703	-	1,668,703	-	-
Grants	175,915	-	175,915	-	-
Land preservation	11,357,768	-	11,357,768	-	-
Cafeteria fund	-	-	-	1,310,219	-
Parks and recreation	73,496	-	73,496	-	-
Restricted capital connection	-	1,634,827	1,634,827	-	-
Gifts and bequests	-	725,068	725,068	-	-
Unrestricted	<u>33,885,557</u>	<u>1,539,588</u>	<u>35,425,145</u>	<u>745,458</u>	<u>1,941,112</u>
Total net assets	<u>\$ 157,609,312</u>	<u>\$ 38,265,297</u>	<u>\$ 195,874,609</u>	<u>\$ 202,128,476</u>	<u>\$ 1,963,303</u>

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, 2010**

<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>
<b>Primary Government:</b>				
<u>Governmental activities:</u>				
General government	\$ 10,729,459	\$ 3,696,207	\$ 1,284,861	\$ 4,925
Public safety	31,297,136	4,419,218	3,075,594	218,194
Public works	24,131,844	701,551	-	941,126
Health and hospitals	2,128,412	38,041	9,172	-
Social services	11,660,259	3,825	694,452	-
Education	4,614,647	-	-	107,940
Board of Education	133,561,524	-	-	965,787
Recreation and culture	4,993,041	3,271,221	313,547	-
Conservation of natural resources	1,573,710	184,610	-	-
Urban development and housing	2,643,490	1,071,636	-	-
Economic development	1,852,710	698,198	-	-
Interest on long-term debt	4,726,867	636,802	-	-
Total governmental activities	<u>233,913,099</u>	<u>14,721,309</u>	<u>5,377,626</u>	<u>2,237,972</u>
<u>Business-Type activities:</u>				
Water and sewer	6,955,914	6,051,786	-	-
Solid waste	10,101,302	10,235,471	-	-
Recreation and culture	4,350,817	1,090,509	436,908	223,334
Total business-type activities	<u>21,408,033</u>	<u>17,377,766</u>	<u>436,908</u>	<u>223,334</u>
Total primary government	<u>\$ 255,321,132</u>	<u>\$ 32,099,075</u>	<u>\$ 5,814,534</u>	<u>\$ 2,461,306</u>
<b>Component Units:</b>				
School district	238,199,935	3,974,811	48,029,555	16,319,023
Economic development	1,081	4,702	-	-
Total component units	<u>\$ 238,201,016</u>	<u>\$ 3,979,513</u>	<u>\$ 48,029,555</u>	<u>\$ 16,319,023</u>

General Revenues:

Property taxes  
Income taxes  
Recordation taxes  
Admission and amusement taxes  
Franchise taxes  
Other miscellaneous taxes  
Interest and dividends  
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 assets

Net assets - beginning

Net assets - ending

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010**

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Board of Education	Economic Development Authority
\$ (5,743,466)	\$ -	\$ (5,743,466)	\$ -	\$ -
(23,584,130)	-	(23,584,130)	-	-
(22,489,167)	-	(22,489,167)	-	-
(2,081,199)	-	(2,081,199)	-	-
(10,961,982)	-	(10,961,982)	-	-
(4,506,707)	-	(4,506,707)	-	-
(132,595,737)	-	(132,595,737)	-	-
(1,408,273)	-	(1,408,273)	-	-
(1,389,100)	-	(1,389,100)	-	-
(1,571,854)	-	(1,571,854)	-	-
(1,154,512)	-	(1,154,512)	-	-
(4,090,065)	-	(4,090,065)	-	-
<u>(211,576,192)</u>	<u>-</u>	<u>(211,576,192)</u>	<u>-</u>	<u>-</u>
-	(904,128)	(904,128)	-	-
-	134,169	134,169	-	-
-	<u>(2,600,066)</u>	<u>(2,600,066)</u>	-	-
-	<u>(3,370,025)</u>	<u>(3,370,025)</u>	-	-
<u>\$ (211,576,192)</u>	<u>\$ (3,370,025)</u>	<u>\$ (214,946,217)</u>	<u>\$ -</u>	<u>\$ -</u>
-	-	-	(169,876,546)	-
-	-	-	-	3,621
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (169,876,546)</u>	<u>\$ 3,621</u>
137,559,596	-	137,559,596	-	-
55,475,403	-	55,475,403	-	-
5,690,348	-	5,690,348	-	-
25,009	-	25,009	-	-
1,110,311	-	1,110,311	-	-
114,013	-	114,013	-	-
933,632	91,150	1,024,782	38,608	3,780
-	-	-	-	-
-	-	-	169,578,061	-
-	-	-	-	-
<u>(3,103,889)</u>	<u>3,103,889</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>197,804,423</u>	<u>3,195,039</u>	<u>200,999,462</u>	<u>169,616,669</u>	<u>3,780</u>
<u>(13,771,769)</u>	<u>(174,986)</u>	<u>(13,946,755)</u>	<u>(259,877)</u>	<u>7,401</u>
<u>171,381,081</u>	<u>38,440,283</u>	<u>209,821,364</u>	<u>202,388,353</u>	<u>1,955,902</u>
<u>\$ 157,609,312</u>	<u>\$ 38,265,297</u>	<u>\$ 195,874,609</u>	<u>\$ 202,128,476</u>	<u>\$ 1,963,303</u>

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 99,282,625	\$ -	\$ 8,761,659	\$ 108,044,284
Receivables:				
Taxes	6,341,195	-	899,980	7,241,175
Special assessments	1,153,571	-	-	1,153,571
Accounts	18,422,584	10,000	2,852,461	21,285,045
Notes	4,622,638	-	-	4,622,638
Accrued interest	103,382	224	-	103,606
Due from other funds	7,797,811	14,254,839	11,244,658	33,297,308
Due from other governments	4,392	-	-	4,392
Inventory	231,246	-	23,969	255,215
Restricted assets				
Cash and investments	-	23,381,798	-	23,381,798
Total assets	<u>\$ 137,959,444</u>	<u>\$ 37,646,861</u>	<u>\$ 23,782,727</u>	<u>\$ 199,389,032</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	1,541,158	572,065	1,739,566	3,852,789
Notes payable	-	-	195,400	195,400
Accrued liabilities	7,607,673	64,027	-	7,671,700
Due to other funds	29,435,791	-	801,295	30,237,086
Due to component units	14,817,354	2,680,683	-	17,498,037
Due to other governments	5,338,881	-	-	5,338,881
Deferred revenue	21,969,033	-	1,597,913	23,566,946
Total liabilities	<u>80,709,890</u>	<u>3,316,775</u>	<u>4,334,174</u>	<u>88,360,839</u>
Fund Balances:				
Reserved	10,438,949	-	13,275,882	23,714,831
Unreserved				
Designated for, reported in:				
General fund	28,650,914	-	-	28,650,914
Capital projects fund	-	34,330,086	-	34,330,086
Special revenue funds	-	-	1,534,628	1,534,628
Undesignated reported in:				
General fund	18,159,691	-	-	18,159,691
Special revenue funds	-	-	4,638,043	4,638,043
Total fund balances	<u>57,249,554</u>	<u>34,330,086</u>	<u>19,448,553</u>	<u>111,028,193</u>
Total liabilities and fund balances	<u>\$ 137,959,444</u>	<u>\$ 37,646,861</u>	<u>\$ 23,782,727</u>	<u>\$ 199,389,032</u>
Fund balance (as reported above)				111,028,193
Amounts reported for governmental activities in the statement of net assets are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				181,458,918
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.				17,439,727
Long term liabilities are not due and payable in the current period, and, therefore, are not reported in the funds.				(147,196,299)
Net pension obligations are not due and payable in the current period, and, therefore, are not reported in the funds.				(3,685,900)
Accrued interest on long-term liabilities, including bonds payable are not reported in the funds.				(1,435,327)
Net assets of governmental activities				<u>\$ 157,609,312</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, 2010**

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>REVENUES</u></b>				
Taxes	\$ 198,006,947	\$ -	\$ 2,885,216	\$ 200,892,163
Licenses and permits	328,671	-	-	328,671
Intergovernmental	3,083,714	2,198,620	5,353,109	10,635,443
Charges for services	3,585,775	-	-	3,585,775
Fines and forfeitures	140,447	-	199,614	340,061
Miscellaneous	4,033,089	39,352	4,051,390	8,123,831
Total revenues	<u>209,178,643</u>	<u>2,237,972</u>	<u>12,489,329</u>	<u>223,905,944</u>
<b><u>EXPENDITURES</u></b>				
General government	15,189,984	-	-	15,189,984
Public safety	25,987,152	-	-	25,987,152
Public works	10,984,725	-	-	10,984,725
Health and hospitals	2,774,768	-	-	2,774,768
Social services	1,567,767	-	7,389,512	8,957,279
Education - other	2,917,213	-	114,373	3,031,586
Board of Education	103,615,515	-	-	103,615,515
Recreation and culture	4,225,355	-	5,691,590	9,916,945
Conservation of natural resources	404,982	-	629,338	1,034,320
Urban development and housing	1,787,881	-	194,605	1,982,486
Economic development	1,209,743	-	-	1,209,743
Pensions and insurance	18,890,672	-	-	18,890,672
Capital projects	-	31,771,809	-	31,771,809
Debt service				
Principal retirement	12,024,609	-	-	12,024,609
Interest	4,851,414	-	-	4,851,414
Total expenditures	<u>206,431,780</u>	<u>31,771,809</u>	<u>14,019,418</u>	<u>252,223,007</u>
Excess (deficiency) of revenues over expenditures	<u>2,746,863</u>	<u>(29,533,837)</u>	<u>(1,530,089)</u>	<u>(28,317,063)</u>
<b><u>OTHER FINANCING SOURCES (UESES)</u></b>				
Proceeds from bond Issuance	-	24,344,988	-	24,344,988
Amount deposited in refunding escrow	-	(5,191,344)	-	(5,191,344)
Premium on issuance of debt	-	743,436	-	743,436
Transfers in - other	3,461,891	457,606	6,376,559	10,296,056
Transfers out - other	(8,735,185)	(558,110)	(4,106,650)	(13,399,945)
Total other financing sources (uses)	<u>(5,273,294)</u>	<u>19,796,576</u>	<u>2,269,909</u>	<u>16,793,191</u>
Net change in fund balance	(2,526,431)	(9,737,261)	739,820	(11,523,872)
Fund balance at beginning of year	<u>59,775,985</u>	<u>44,067,347</u>	<u>18,708,733</u>	<u>122,552,065</u>
Fund balance at end of year	<u>\$ 57,249,554</u>	<u>\$ 34,330,086</u>	<u>\$ 19,448,553</u>	<u>\$ 111,028,193</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, 2010**

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

Net change in fund balances - total governmental funds	\$ (11,523,872)
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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	59,543,593	
Depreciation	<u>(10,166,052)</u>	49,377,541

The net effect of various transactions involving capital assets including, capitalized assets reclassified from construction in progress, sales, trade-ins, and donations.	(47,308,699)
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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.	(646,965)
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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	(277,045)	
Change in landfill postclosure liabilities	30,000	
Net pension obligation	4,325,195	
Issuance - General Obligation Bonds	(19,153,644)	
Premium on issuance of debt	(743,436)	
Principal payments	<u>12,024,609</u>	
Changes in long-term debt		(3,794,321)

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>124,547</u>
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Change in net assets of governmental activities	<u><u>\$ (13,771,769)</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 ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2010**

	<b>Water and Sewer Fund</b>	<b>Solid Waste and Recycling Fund</b>	<b>Total Nonmajor Proprietary Funds</b>	<b>Total</b>
<b>ASSETS</b>				
<u>Current assets:</u>				
Cash and cash equivalents	\$ 147,497	\$ 1,000	\$ 201,980	\$ 350,477
Investments	-	-	103,101	103,101
Total cash, cash equivalents and investments	<u>147,497</u>	<u>1,000</u>	<u>305,081</u>	<u>453,578</u>
Accounts receivable	1,552,866	919,666	14,918	2,487,450
Notes receivable	438,950	-	-	438,950
Accrued interest receivable	41	7,771	-	7,812
Due from other funds	-	4,133,435	604,154	4,737,589
Deferred expenses	50,002	1,895	-	51,897
Prepaid expenses	-	9,219	-	9,219
Inventory	79,181	-	47,607	126,788
Total current assets	<u>2,268,537</u>	<u>5,072,986</u>	<u>971,760</u>	<u>8,313,283</u>
<u>Non-current assets</u>				
Restricted assets				
Cash and investments	4,244,172	49,161	725,068	5,018,401
Inventory	-	-	-	-
Capital assets not being depreciated	1,143,652	1,939,587	2,103,796	5,187,035
Depreciable capital assets - net	36,228,090	2,393,612	4,340,588	42,962,290
Total non-current assets	<u>41,615,914</u>	<u>4,382,360</u>	<u>7,169,452</u>	<u>53,167,726</u>
Total assets	<u>43,884,451</u>	<u>9,455,346</u>	<u>8,141,212</u>	<u>61,481,009</u>
<b>LIABILITIES</b>				
<u>Current liabilities</u>				
Vouchers and accounts payable	599,724	671,875	34,556	1,306,155
Accrued expenses	279,144	61,270	13,773	354,187
Due to other funds	7,797,811	-	-	7,797,811
Unearned revenue	-	-	290	290
Bonds and notes payable - current	969,260	434,298	-	1,403,558
Total current liabilities	<u>9,645,939</u>	<u>1,167,443</u>	<u>48,619</u>	<u>10,862,001</u>
<u>Noncurrent liabilities</u>				
Long-term obligations	<u>10,104,659</u>	<u>2,249,052</u>	<u>-</u>	<u>12,353,711</u>
Total liabilities	<u>19,750,598</u>	<u>3,416,495</u>	<u>48,619</u>	<u>23,215,712</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	26,285,312	1,636,118	6,444,384	34,365,814
Restricted capital connection	1,634,827	-	-	1,634,827
Restricted gifts and bequests	-	-	725,068	725,068
Unrestricted	<u>(3,786,286)</u>	<u>4,402,733</u>	<u>923,141</u>	<u>1,539,588</u>
Total net assets	<u>\$ 24,133,853</u>	<u>\$ 6,038,851</u>	<u>\$ 8,092,593</u>	<u>\$ 38,265,297</u>

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 ASSETS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2010**

	<b>Water and Sewer Fund</b>	<b>Solid Waste and Recycling Fund</b>	<b>Total Nonmajor Proprietary Funds</b>	<b>Total</b>
<u>Operating revenues:</u>				
Charges for services	\$ 5,101,806	\$ 10,206,344	\$ 920,891	\$ 16,229,041
<u>Operating expenses:</u>				
Salaries & benefits	2,271,458	2,108,489	2,719,075	7,099,022
Contracted services	780,784	6,749,750	82,266	7,612,800
Supplies	246,323	39,197	74,676	360,196
Heat, light and power	627,634	42,362	199,752	869,748
Depreciation	1,944,522	549,110	456,526	2,950,158
Miscellaneous	81,978	25,946	437,062	544,986
Telephone	16,117	9,214	14,618	39,949
Compensated absences	72,029	51,500	11,871	135,400
Maintenance and repairs	608,538	353,304	162,037	1,123,879
Capital outlay	59,219	131,193	1,006	191,418
Grant & restricted expenses	-	-	191,928	191,928
Total operating expenses	<u>6,708,602</u>	<u>10,060,065</u>	<u>4,350,817</u>	<u>21,119,484</u>
Operating income (loss)	<u>(1,606,796)</u>	<u>146,279</u>	<u>(3,429,926)</u>	<u>(4,890,443)</u>
<u>Non-operating revenue (expenses):</u>				
Grants	-	-	30,538	30,538
Contributions and fund-raising	-	-	406,370	406,370
Deferred amount on refunding	(30,191)	(10,544)	-	(40,735)
Miscellaneous income	44,453	5,367	169,618	219,438
Tower revenue	112,689	23,760	-	136,449
Investment income	3,724	66,418	21,008	91,150
Interest expense	(217,121)	(30,693)	-	(247,814)
Total non-operating revenue (expenses)	<u>(86,446)</u>	<u>54,308</u>	<u>627,534</u>	<u>595,396</u>
Income (loss) before contributions and transfers	(1,693,242)	200,587	(2,802,392)	(4,295,047)
Operating transfers in (out)	28,156	75,030	2,430,703	2,533,889
Capital transfers in (out)	(40,000)	-	610,000	570,000
Capital connection charges	792,838	-	-	792,838
Capital contributions	-	-	223,334	223,334
Change in net assets	(912,248)	275,617	461,645	(174,986)
Total net assets - beginning	<u>25,046,101</u>	<u>5,763,234</u>	<u>7,630,948</u>	<u>38,440,283</u>
Total net assets - ending	<u>\$ 24,133,853</u>	<u>\$ 6,038,851</u>	<u>\$ 8,092,593</u>	<u>\$ 38,265,297</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, 2010**

	<b>Water and Sewer Fund</b>	<b>Solid Waste and Recycling Fund</b>	<b>Nonmajor Proprietary Funds</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 4,620,179	\$ 10,516,582	\$ 945,692	\$ 16,082,453
Tower revenue	112,689	23,760	-	136,449
Payments to suppliers	(2,166,515)	(7,475,662)	(1,220,848)	(10,863,025)
Payments to employees	(2,266,671)	(2,053,984)	(2,707,335)	(7,027,990)
Payments from (to) other funds	946,481	(586,126)	(82,288)	278,067
Net cash provided by (used in) operating activities	<u>1,246,163</u>	<u>424,570</u>	<u>(3,064,779)</u>	<u>(1,394,046)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Operating transfers (to)/ from other funds	28,156	75,030	2,430,703	2,533,889
Contribution and fundraising receipts, miscellaneous	44,453	5,367	575,988	625,808
Net cash provided by (used in) non-capital financing activities	<u>72,609</u>	<u>80,397</u>	<u>3,006,691</u>	<u>3,159,697</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Additions to capital assets and construction-in-progress	(1,265,546)	(354,980)	(684,453)	(2,304,979)
Proceeds from issuance of long term debt	2,560,646	288,757	-	2,849,403
Grant funds received	-	-	30,538	30,538
Capital connection fees received	792,838	-	-	792,838
Capital transfers (to)/from other funds	(40,000)	-	610,000	570,000
Capital contributions	-	-	223,334	223,334
Principal paid on long-term obligations	(1,035,057)	(409,845)	-	(1,444,902)
Interest paid on long-term obligations	(244,973)	(47,186)	-	(292,159)
Net cash provided by (used in) capital and related financing activities	<u>767,908</u>	<u>(523,254)</u>	<u>179,419</u>	<u>424,073</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received on deposits	3,814	67,448	21,008	92,270
Purchase of investments	(2,156,862)	(49,161)	(93,817)	(2,299,840)
Net cash provided by (used in) investing activities	<u>(2,153,048)</u>	<u>18,287</u>	<u>(72,809)</u>	<u>(2,207,570)</u>
Increase in cash and cash equivalents	(66,368)	-	48,522	(17,846)
Cash and cash equivalents, beginning of year	213,865	1,000	153,458	368,323
Cash and cash equivalents, end of year	<u>\$ 147,497</u>	<u>\$ 1,000</u>	<u>\$ 201,980</u>	<u>\$ 350,477</u>
<b>PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (1,606,796)	\$ 146,279	\$ (3,429,926)	\$ (4,890,443)
Adjustments to reconcile operating income (loss) to Net cash provided by (used in) operating activities				
Depreciation	1,944,522	549,110	456,526	2,950,158
Landfill closure costs and other	-	-	-	-
Tower revenue	112,689	23,760	-	136,449
<b>Changes in assets and liabilities</b>				
Inventory	35,868	-	23,516	59,384
Accounts receivable	(481,627)	310,238	31,391	(139,998)
Prepaid expenses	95,308	(7,583)	499	88,224
Deferred expenditures	-	-	(20,395)	(20,395)
Due from other funds	-	(586,126)	(82,288)	(668,414)
Bond payable refundable	-	-	-	-
Accounts payable	91,156	(72,544)	(55,842)	(37,230)
Accrued expenses	108,562	61,436	11,740	181,738
Due to other funds	946,481	-	-	946,481
Net cash provided by (used in) operating activities	<u>\$ 1,246,163</u>	<u>\$ 424,570</u>	<u>\$ (3,064,779)</u>	<u>\$ (1,394,046)</u>
<b>Reconciliation of cash and cash equivalents to the balance sheet:</b>				
Cash and investments, unrestricted	\$ 147,497	\$ 1,000	\$ 305,081	\$ 453,578
Cash and investments, restricted	4,244,172	49,161	725,068	5,018,401
	4,391,669	50,161	1,030,149	5,471,979
Less - noncash equivalent investments	4,244,172	49,161	828,169	5,121,502
Cash and cash equivalents	<u>\$ 147,497</u>	<u>\$ 1,000</u>	<u>\$ 201,980</u>	<u>\$ 350,477</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 ASSETS  
FOR THE YEAR ENDED JUNE 30, 2010**

	<b>PENSION &amp; OTHER POST EMPLOYMENT BENEFITS TRUST FUNDS</b>
	<hr/>
<b>ADDITIONS</b>	
Contributions:	
Plan sponsor	\$ 7,769,622
Employee	1,027,727
Total contributions	<hr/> 8,797,349
Investment income/(loss):	
Net appreciation/(depreciation) in fair value of investments	8,675,028
Interest and dividends	1,230,016
Total investment income/(loss)	<hr/> 9,905,044
Total additions	<hr/> 18,702,393
<b>DEDUCTIONS</b>	
Benefits	3,336,793
Administrative expenses	617,479
Total deductions	<hr/> 3,954,272
Change in net assets	14,748,121
<u>Net assets held in trust for pension and other post employment benefits</u>	
Beginning of year	<hr/> 67,615,591
End of year	<hr/> <hr/> \$ 82,363,712

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, 2010**

INDEX

		<u>Page #</u>
Note 1	Summary of Significant Accounting Policies	
	A. Reporting Entity	27
	B. Government-wide and Fund Financial Statements	28
	C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	28
	D. Assets, Liabilities, and Net Assets (equity)	31
Note 2	Property Taxes	34
Note 3	Cash, Cash Equivalents and Investments	34
Note 4	Notes Receivable	37
Note 5	Interfund Accounts and Transfers	39
Note 6	Capital Assets	40
Note 7	Long-Term Obligations	44
Note 8	Fund Balances	52
Note 9	Retirement Systems	53
	Calvert County's Employees Retirement Plan	53
	State Retirement Systems of Maryland	55
	Calvert County's Employee Retirement Savings Plan	56
	Length of Service Award Program	56
	Calvert County Sheriff's Department Pension Plan	58
	Calvert County Maryland Other Post-Employment Benefit Plan	60
	Combining Statement of Plan Net Assets (all trust funds)	63
	Combining Statement of Changes in Plan Net Assets (all trust funds)	64
Note 10	Commitment and Contingent Liabilities	66
Note 11	Risk Management	66
Note 12	Subsequent Events	66

# CALVERT COUNTY, MARYLAND

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

### 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 90-92.

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

## CALVERT COUNTY, MARYLAND

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

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 assets 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

## CALVERT COUNTY, MARYLAND

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

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.

#### Fund 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 Planning and Zoning Special Revenue Fund, Housing Fund, Project Graduation, the Excise Tax Fund, the Board of Library Trustees for Calvert County (the Library), the Land Preservation Fund, the Economic Development Incentive Fund, the Parks and Recreation Fund, Bar Library Fund, Economic Development Authority Revolving Loan Fund, the Revolving Loan Fund, the Grants Fund, and the Calvert County Family Network. 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

## CALVERT COUNTY, MARYLAND

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

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.

#### 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.

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.

When both restricted and unrestricted resources are available for use, the County, when financially prudent to do so, utilizes restricted resources to finance qualifying activities first, then unrestricted resources, as needed.

## CALVERT COUNTY, MARYLAND

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

*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.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Fund, and Enterprise Funds. Enterprise fund budgets are for management control only.

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

#### **D. Assets, Liabilities and Net Assets (Equity)**

*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 and the Calvert County Employees Retirement Plan) 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

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

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.

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 reservations of fund balance under accounting principles generally accepted in the United States of America since these reservations do not constitute expenditures or liabilities.

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 fund balance reserve accounts 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 fund balance reserve, 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 below is a general guideline for determining the estimated useful life of assets:

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

## CALVERT COUNTY, MARYLAND

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

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 recognized when due and payable in accordance with the terms of each plan. Administrative costs are funded from investment income. Investments are presented at fair values based on quoted market prices.

Any net pension obligation or asset is calculated on an actuarial basis consistent with the requirements of Governmental Standards Board Statement #27. 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.

# CALVERT COUNTY, MARYLAND

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

### 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, 2010, 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, 2010 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.

### 3 - Cash, Cash Equivalents and Investments

#### A. Primary Government

##### Cash on Hand

At June 30, 2010, cash on hand for petty cash and change was \$7,516.

##### 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, 2010 the net carrying amount and the bank balances of the County's deposits with financial institutions were \$612,693 and \$2,382,829, 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, 2010, no deposits were in foreign currency.

## CALVERT COUNTY, MARYLAND

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

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 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.

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 May 15, 2011. The latest maturity date is May 16, 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.

# CALVERT COUNTY, MARYLAND

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

Maturities		Maturities	
Cash and Equivalents	\$ 79,589,316	5-10 years	3,070,006
Less than 1 year	24,715,352	10-15 years	2,122,878
1-5 years	26,774,514	15-20 years	100,845
		Total	\$ 136,372,911

### 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.

Country	Total Exposure	Country	Total Exposure
United Kingdom	\$ 1,978,483	Portugal	140,061
Netherlands	374,097	Mexico	221,195
Canada	119,388	Japan	1,429,214
Switzerland	744,730	France	746,772
Spain	246,955	Korea	432,635
Germany	363,714	Italy	654,207
New Zealand	22,063	Total	\$ 7,473,514

### Carrying Value

The carrying value of all the County's cash and investments as of June 30, 2010 is summarized in the following table:

Cash, Cash Equivalent or Investment Type	Fair Value	Equivalent or Investment Type	Fair Value
U.S. Agency Obligations	\$ 48,849,074	Other special equity	1,533,883
U.S. Treasury Strips	8,697,355	Petty cash	7,516
Corporate obligations	26,517,215	Total	* \$ 219,302,765
Common stock	14,251,118		
Equity and bond funds	38,433,416	Unrestricted	\$ 190,810,821
Money market mutual funds	78,940,716	Restricted	28,491,944
Certificates of deposit	612,693	Total	* \$ 219,302,765
Cash in banks	1,459,779	*Includes agency fund cash of \$91,745.	

## **B. Component Units**

### Economic Development Authority

The Authority follows the investment policies of the County. Its investments at June 30, 2010 totaled \$1,745,532 and consisted of money market mutual funds.

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

Board of Education

*Deposits* - At June 30, 2010, the carrying amount and bank balances of the Board's deposits with financial institutions totaled \$11,852,733 and \$13,483,197, 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, 2010 the Board had invested \$7,246,659 in governmental activities and \$1,297,015 in business-type activities in the Maryland Local Government Investment Pool (MLGIP). MLGIP is rated AAA by Standard and Poors, the agency's highest rating for money market funds.

*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.

**4 - Notes Receivable**

**A. Primary Government**

General Fund

*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, 2010, were \$3,869,514. See detailed schedule at page 95.

*Nastos Construction* - Funds previously overpaid for construction services. Principal is payable in installments starting August 2008 to August 2010. At June 30 2010, \$9,166 is outstanding.

*Parks and Recreation Fund* - The General Fund has a \$82,000 note receivable from the Parks and Recreation Fund in the form of an interest-free note signed in 2003. Principal is payable annually beginning June 1, 2003 through maturity on June 1, 2012. At June 30, 2010, \$16,400 is outstanding.

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, 2010, \$179,000 is outstanding.

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

*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 were 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, 2010, outstanding principal amounted to \$132,376 and is offset by a reservation of 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 were 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, 2010, \$416,182 is outstanding, and is offset by a reservation of 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, 2010 was \$438,950.

*Affordable Housing Fund*

The Affordable Housing Fund 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, 2010, \$8,953 is outstanding.

The Calvert Affordable Housing Alliance made a \$500,000 loan to the Housing Authority of Calvert County for gap financing of the Project Echo homeless shelter. It is non-interest bearing, and the debt is scheduled for repayment in its entirety within five years of the note initiation in August 2009.

*Economic Development Authority Revolving Loan Fund*

During Fiscal year 2006 a five-year, \$50,000 loan was made to CPM Fastools, Inc. The note bears interest at 7.5% per annum. Principal is payable monthly, beginning January 2006 through maturity in December 2010. At June 30, 2010, \$6,841 is outstanding.

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, 2010, \$48,606 is outstanding.

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

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, 2010, \$71,208 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, 2010, \$164,483 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, 2010, the note balance is \$31,038.

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, 2010, the note balance is \$31,038.

The Authority has a \$87,141 note receivable from Cutter Court, LLC related to the sale of lot number 35, which was land held for resale. This note is secured by a deed of trust on the property. The note bears interest at 6% per annum. Principal and interest payments of \$850 are due beginning in December 1999, and continuing monthly until November 19, 2011. As of June 30, 2010, the note balance is \$15,149.

The Authority has a \$135,850 note receivable from R.A. B., LLC related to the sale of lot number 43 CCIP, which was land held for resale. This note is secured by a deed of trust on the property. The note bears interest at 6 % per annum. All principal and accrued interest are payable in full on June 23, 2011. The Authority may forgive the entire unpaid principal and accrued interest on June 23, 2011, provided certain conditions have been met in accordance with the Agreement of Purchase and Sale. If any of these conditions are not met in the interim, the Authority may immediately demand repayment of all unpaid principal and accrued interest. The accrued interest receivable on this note at June 30, 2010 is \$72,861. The gain on this land sale and the accrued interest are included in deferred revenue due to the loan forgiveness provision in the loan document.

**5 - Interfund Accounts and Transfers**

Interfund accounts represent activity between funds that are representative of lending/borrowing arrangements that are outstanding at the end of the year and where repayment is expected within a reasonable time. These accounts are also referred to as due to/from other

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

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, 2010, the interfund account balances were as shown below:

	<u>Due From</u>	<u>Due To</u>
<b>Primary Government:</b>		
<u>General Fund</u>		
Special Revenue Funds	\$ -	\$ 10,443,363
Capital Projects Fund	-	14,254,839
Enterprise Funds	7,797,811	4,737,589
	<u>7,797,811</u>	<u>29,435,791</u>
<u>Special Revenue Funds</u>		
General Fund	11,244,658	801,295
<u>Capital Projects Fund</u>		
General Fund	14,254,839	-
<u>Enterprise Funds</u>		
General Fund	4,737,589	7,797,811
	<u>\$ 38,034,897</u>	<u>\$ 38,034,897</u>
<b>Component Units:</b>		
Primary government – General Fund	\$ -	\$ 16,813,765
Component unit – Board of Education	16,696,411	-
Component unit – Economic Development Authority	117,354	-
	<u>\$ 16,813,765</u>	<u>\$ 16,813,765</u>

During the fiscal year ended June 30, 2010, the interfund transfers were as follows:

	<u>Transfers in</u>	<u>Transfers out</u>
<b>Primary Government:</b>		
<u>Governmental Funds</u>		
Special Revenue Funds	\$ 6,376,559	\$ 4,106,650
Capital Projects Fund	457,606	558,110
General Fund	3,461,891	8,735,185
	<u>10,296,056</u>	<u>13,399,945</u>
<u>Proprietary Funds</u>		
Water and Sewer Fund	28,156	40,000
Solid Waste Fund	75,030	-
Nonmajor proprietary funds	3,040,703	-
	<u>3,143,889</u>	<u>40,000</u>
Total Transfers	<u>\$ 13,439,945</u>	<u>\$ 13,439,945</u>

**6 - Capital Assets**

**A. Primary Government**

A summary of changes in capital assets follows on the next page:

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deductions/ Reclassifications</u>	<u>Balance</u> <u>June 30, 2010</u>
<b><i>Governmental activities:</i></b>				
Capital assets, not being depreciated				
Construction in Progress	\$ 27,950,579	\$ 25,546,503	\$ (44,655,968)	\$ 8,841,114
Land Development Rights	10,413,705	-	-	10,413,705
Land	24,181,432	6,590,460	-	30,771,892
	<u>62,545,716</u>	<u>32,136,963</u>	<u>(44,655,968)</u>	<u>50,026,711</u>
Capital assets, being depreciated				
Buildings	57,994,633	16,321,130	(602,557)	73,713,206
Improvements	26,733,062	1,811,048	-	28,544,110
Machinery & Equipment	30,656,863	5,671,347	(829,389)	35,498,821
Infrastructure	101,935,411	3,603,105	(2,035,171)	103,503,345
	<u>217,319,969</u>	<u>27,406,630</u>	<u>(3,467,117)</u>	<u>241,259,482</u>
Less accumulated depreciation for:				
Buildings	(34,511,292)	(128,126)	-	(34,639,418)
Improvements	(7,270,490)	(2,374,315)	-	(9,644,805)
Machinery & Equipment	(17,890,942)	(3,060,372)	814,386	(20,136,928)
Infrastructure	(40,802,885)	(4,603,239)	-	(45,406,124)
	<u>(100,475,609)</u>	<u>(10,166,052)</u>	<u>814,386</u>	<u>(109,827,275)</u>
Total capital assets, being depreciated, net	<u>116,844,360</u>	<u>17,240,578</u>	<u>(2,652,731)</u>	<u>131,432,207</u>
Governmental activities capital assets, net	<u>\$ 179,390,076</u>	<u>\$ 49,377,541</u>	<u>\$ (47,308,699)</u>	<u>\$ 181,458,918</u>
<b><i>Business-type activities:</i></b>				
Capital assets, not being depreciated				
Construction in Progress	\$ 613,229	\$ 1,250,871	\$ (1,238,772)	\$ 625,328
Land	4,561,707	-	-	4,561,707
	<u>5,174,936</u>	<u>1,250,871</u>	<u>(1,238,772)</u>	<u>5,187,035</u>
Capital assets, being depreciated				
Buildings	58,236,224	-	-	58,236,224
Improvements	11,175,662	1,481,696	-	12,657,358
Machinery & Equipment	7,219,906	773,308	(139,885)	7,853,329
	<u>76,631,792</u>	<u>2,255,004</u>	<u>(139,885)</u>	<u>78,746,911</u>
Less accumulated depreciation for:				
Buildings	(27,723,115)	(1,955,283)	-	(29,678,398)
Improvements	(2,603,117)	(420,865)	-	(3,023,982)
Machinery & Equipment	(2,648,116)	(574,010)	139,885	(3,082,241)
	<u>(32,974,348)</u>	<u>(2,950,158)</u>	<u>139,885</u>	<u>(35,784,621)</u>
Total capital assets, being depreciated, net	<u>43,657,444</u>	<u>(695,154)</u>	<u>-</u>	<u>42,962,290</u>
Business-type activities capital assets, net	<u>\$ 48,832,380</u>	<u>\$ 555,717</u>	<u>\$ (1,238,772)</u>	<u>\$ 48,149,325</u>

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

**B. Component Units:**

*Board of Education*

A summary of changes in capital assets for the year ended June 30, 2010 follows:

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Balance</u> <u>June 30, 2010</u>
<b><i>Governmental activities:</i></b>				
Capital assets, not being depreciated				
Land	\$ 3,757,711	\$ -	\$ -	\$ 3,757,711
Construction in progress	12,799,564	16,334,436	(958,308)	28,175,692
	<u>16,557,275</u>	<u>16,334,436</u>	<u>(958,308)</u>	<u>31,933,403</u>
Capital assets, being depreciated				
Buildings and improvements	239,434,394	-	958,308	240,392,702
Land improvements	4,663,211	26,000	-	4,689,211
Equipment	6,003,610	165,933	(22,470)	6,147,073
	<u>250,101,215</u>	<u>191,933</u>	<u>935,838</u>	<u>251,228,986</u>
Less accumulated depreciation for:				
Buildings and improvements	(70,926,720)	(5,217,923)	-	(76,144,643)
Land improvements	(1,866,592)	(231,787)	-	(2,098,379)
Equipment	(4,567,218)	(338,274)	22,470	(4,883,022)
	<u>(77,360,530)</u>	<u>(5,787,984)</u>	<u>22,470</u>	<u>(83,126,044)</u>
Total capital assets, being depreciated, net	<u>172,740,685</u>	<u>(5,596,051)</u>	<u>958,308</u>	<u>168,102,942</u>
Governmental activities capital assets, net	<u>\$ 189,297,960</u>	<u>\$ 10,738,385</u>	<u>\$ -</u>	<u>\$ 200,036,345</u>
<b><i>Business-type activities:</i></b>				
Equipment at historical cost	\$ 1,666,090	\$ 34,907	\$ -	\$ 1,700,997
Less accumulated depreciation	(1,416,757)	(81,570)	-	(1,498,327)
Business-type activities capital assets, net	<u>\$ 249,333</u>	<u>\$ (46,663)</u>	<u>\$ -</u>	<u>\$ 202,670</u>
<b><i>Economic Development Authority</i></b>				
Land	<u>\$ 22,191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,191</u>

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

**Component Units, continued:**

*Board of Education*

The Board has active school construction projects as of June 30, 2010 as follows:

	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Beach Elementary	\$ 263,777	\$ 42,377
Calvert High	4,341,136	-
Calvert Middle	23,487,152	1,295,569
Huntingtown Elementary	<u>83,628</u>	<u>11,167</u>
 Total	 <u>\$ 28,175,693</u>	 <u>\$ 1,349,113</u>

These projects are funded primarily by capital grants from Calvert County and the State of Maryland prior to commitments being made with contractors.

Depreciation expense for the year ended June 30, 2010 for Calvert County and component units (Board of Education and Economic Development Authority) were as follows:

**Primary Government:**

*Governmental activities:*

General government	\$ 3,001,351
Public Safety	1,237,096
Public Works	4,823,601
Health and hospitals	18,326
Social services	96,739
Recreation and culture	987,942
Miscellaneous	<u>997</u>
Total	<u>\$ 10,166,052</u>

*Business-type activities:*

Water and Sewer	\$ 1,944,522
Solid Waste and Recycling	549,110
Marine Museum	325,458
Chesapeake Hills Golf Course	<u>131,068</u>
Total	<u>\$ 2,950,158</u>

**Component Units:**

*Board of Education - governmental activities:*

Instruction	
Regular education	\$ 167,848
Special education	12,428
Support services:	
Administration	84,160
Mid-level administration	1,367
Transportation	4,047
Operation of plant and equipment	5,460,669
Maintenance of plant	<u>57,465</u>
Total	<u>\$ 5,787,984</u>

*Board of Education - business-type activities:*

Food services	<u>\$ 81,570</u>
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<i>Economic Development</i>	<u>\$ -</u>
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**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

**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, 2010.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b><i>Governmental activities:</i></b>					
Bonds and Notes Payable					
General Obligation Bonds (1)	\$ 123,013,368	\$ 14,046,232	\$ (11,040,840)	\$ 126,018,760	\$ 10,823,948
Notes Payable (2)	2,238,927	-	(997,529)	1,241,398	1,043,313
Land Preservation Program	10,413,705	-	-	10,413,705	633,750
Other Liabilities:					
Landfill Closure Costs	540,000	-	(30,000)	510,000	30,000
Compensated Absences	8,690,642	1,083,867	(762,073)	9,012,436	820,372
Total	<u>\$ 144,896,642</u>	<u>\$ 15,130,099</u>	<u>\$ (12,830,442)</u>	<u>\$ 147,196,299</u>	<u>\$ 13,351,383</u>
<b><i>Business-type activities:</i></b>					
Bonds and Notes Payable					
General Obligation Bonds (1)	\$ 1,926,535	\$ 2,725,795	\$ (781,353)	\$ 3,870,977	\$ 626,053
Notes Payable (1)	8,151,830	123,608	(663,549)	7,611,889	677,505
Other Liabilities:					
Landfill Closure Costs	1,422,586	6,931	-	1,429,517	-
Compensated Absences	829,532	100,107	(84,753)	844,886	100,000
Total	<u>\$ 12,330,483</u>	<u>\$ 2,956,441</u>	<u>\$ (1,529,655)</u>	<u>\$ 13,757,269</u>	<u>\$ 1,403,558</u>

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

(2) Represents debt used for other governmental purposes.

Obligation Balances and Terms

Long-term obligations as of June 30, 2010, consist of the following:

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

*Governmental Activities - General Obligation Bonds*

<b>\$11,970,000 – Consolidated Public Improvement Project Bonds, 2002 Series</b> , principal due in annual installments through January 1, 2012, interest rates range from 3% to 5%.	\$ 1,650,000
<b>\$9,998,533 – Refunding Bonds, 2002 Series</b> , due in annual installments through January 1, 2011, interest rates range from 3% to 5%. These bonds were issued to replace the 1991 and 1996 Series bonds to take advantage of a favorable interest rate environment.	1,613,343
<b>\$30,275,000 – Consolidated Public Improvement Project Bonds, 2003 Series</b> , principal due in annual installments through July 15, 2018, interest rates range from 2% to 5%.	20,290,000
<b>\$13,614,090 – Refunding Bonds, 2003 Series</b> , principal due in annual installments through July 15, 2019, interest rates range from 2% to 5%. These bonds were issued to replace the 1993 Series bonds to take advantage of a favorable interest rate environment.	2,599,185
<b>\$8,910,000 – Consolidated Public Improvement Project Bonds, 2004 Series</b> , principal due in annual installments beginning April 1, 2005 through April 1, 2019, interest rates range from 2.0% to 5.0%.	5,775,000
<b>\$6,995,000 – Consolidated Public Improvement Project Bonds, 2005 Series</b> , principal due in annual installments beginning April 1, 2006 through April 1, 2020, interest rates range from 3.375% to 4.1%.	5,010,000
<b>\$10,885,000 – Consolidated Public Improvement Project Bonds, 2006 Series</b> , principal due in annual installments beginning April 1, 2007 through April 1, 2021, interest rates range from 4.0% to 5.0%.	7,975,000
<b>\$29,780,000 – Consolidated Public Improvement Project Bonds, 2007 Series</b> , principal due in annual installments beginning April 1, 2008 through April 1, 2022, interest rates range from 4.0% to 5.0%.	25,015,000
<b>\$22,250,000 – Consolidated Public Improvement Project Bonds, 2008 Series</b> , principal due in annual installments beginning April 1, 2009 through April 1, 2023, interest rates range from 3.0% to 5.0%.	19,845,000
<b>\$18,485,000 – Consolidated Public Improvement Project Bonds, 2009 Series</b> , principal due in annual installments beginning April 1, 2010 through April 1, 2024, interest rates range from 2.0% to 3.5%.	17,425,000

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

*Governmental Activities - General Obligation Bonds - Continued*

**\$13,921,232 – Consolidated Public Improvement Project Bonds, 2010 Series**, principal due in annual installments beginning July 1, 2011 through July 1, 2025, interest rates range from 3% to 5% 13,921,232

**\$4,900,000 – Refunding Bonds, 2010 Series**, principal due in annual installments beginning January 1, 2012 through January 1, 2016, interest rates range from 3% to 4%. These bonds were issued to replace the 2002 series bonds to take advantage of a favorable interest rate environment. 4,900,000

*Waterway Improvement Projects*

**\$44,182 - Spring Cove 1992 loan** for construction of waterway improvement; due in annual installments through November 2011; non-interest bearing. 4,418

*Shore Erosion Control*

**\$91,392 - Ship Point** - This is a loan with the Maryland Department of Natural Resources for a shore erosion project. The loan is interest-free and final payment will be made on July 1, 2010. 5,376

**\$261,042 - Western Shores** - The County signed a 20-year note for a shore erosion control project with the State of Maryland Department of Natural Resources. Beginning in July 1998, principal payments of \$13,052 are due annually through July 2017. This note is non-interest bearing. 104,418

**\$83,758 - Mears Creek** - 1997 loan for construction of shore erosion protection. Beginning in July 1997, payments of \$5,584 are due annually through July 2012. This note is non-interest bearing. 11,168

**\$32,150 – Solomons United Methodist Church** – 2002 loan for construction of shore erosion protection. Beginning in July 2002, payments of \$1,286 are due annually through July 2026. This note is non-interest bearing. 21,862

**\$84,987 – Our Lady Star of the Sea** – 2005 loan for construction of shore erosion protection. Beginning in July 2005, payments of \$3,399 are due annually through July 2029. This note is non-interest bearing. 67,990

*Office Building*

**\$6,075,000 - State Office Building Refunding Bond 1999 Series**, due in annual installments through July 2010; interest at 3% - 4.4%. 620,000

*Other*

**\$4,534,279 – Maryland Water Quality Bond, 1996 Series**, due in annual installments commencing February 1, 1997 through February 2011. Interest is due semiannually at 4.35%. This debt was issued to pay for the Barstow landfill capping project. 378,646

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

*Other - Continued*

**\$10,413,705 – The Land Preservation Program** is run by the County and is designed to preserve prime forest and farmland. The pay-out is spread over 10 to 20 years. The land owner receives annual tax-free interest payments and a balloon payment at the end of the term. The debt is supported by Treasury Strips. 10,413,705

**\$137,602 – Detention Center Note** – This is money due to the Water and Sewer Fund for work related to the Detention Center’s plumbing system. The note is due in annual installments of \$13,760 commencing June 1, 2003 through June 1, 2012. The note is interest-free. 27,520

*Estimated Landfill Postclosure Costs*

**Accrued estimated costs** associated with monitoring the landfill at Barstow in compliance with state and federal regulations. 510,000

*Accumulated Unpaid Employee Leave*

**Accumulated unpaid vacation, personal and sick leave** 9,012,436

Total governmental activities long-term obligations \$ 147,196,299

*Business-Type Activities*

*Water and Sewer Fund - General Obligation Bonds*

**\$4,010,790 – Refunding Bonds, 2003 series**, due in annual installments through July 15, 2019, interest rates range from 2% to 5%; net of deferred loss on refunding of \$135,047. These bonds were issued to replace the 1993 Series bonds to take advantage of a favorable interest rate environment. \$ 630,799

**\$2,314,702 – Consolidated Public Improvement Project Bonds, 2010 series**, principal due in annual installments beginning July 1, 2011, interest rates range from 3% to 5%; includes unamortized premium of \$122,536. 2,437,238

*Water and Sewer Fund - Notes Payable*

**\$89,775 - Water Supply Facilities Loan Note** from the State of Maryland for the Dares Beach Water Supply Project. Interest payable annually at 6.6% commencing November 1, 1992 through 2019, principal and interest payments of \$7,110 due annually. 50,884

**\$258,225- General Fund Note** from the General Fund to the Water and Sewer Fund for the Dares Beach Water Supply Project were converted to a note. Interest payable annually at 6.6% commencing June 30, 1990 through 2019, principal and interest payments of \$19,969 due annually. 132,376

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

*Water and Sewer Fund - Notes Payable - Continued*

<b>\$863,254 – General Fund Note</b> from funds advanced by the General Fund to the Water and Sewer Fund for Prince Frederick Water and Sewer were converted to an interest-free note. Principal is payable annually commencing January 1, 1993 through 2025	416,182
<b>\$3,982,024 – Water Quality Revolving Loan</b> from the State of Maryland for the Solomons Island Wastewater Treatment Plant Modifications Project. Interest payable annually at 3.25% commencing August 1, 1993 through 2015. Debt service payments are variable based on the amount of funds drawn on the revolving loan.	1,211,004
<b>\$250,000 – Maryland Department of the Environment (MDE) note</b> for the Kenwood Beach Water Supply Project. Interest payable annually at 4.64% commencing February 1, 2004 through 2033, principal and interest payments starting February 1, 2006 of \$16,129 due annually.	225,147
<b>\$500,000 – Maryland Water Quality Financing Administration note</b> to expand sewer lines into the Dares Beach Community. Interest payable semiannually at 1.6% commencing August 1, 2002, principal and interest payments total \$32,128 each year.	307,059
<b>\$6,300,000 – Maryland Water Quality Financing Administration note</b> for the expansion of a sewer plant in Prince Frederick. The final principal payment will be made in February 2022. The rate of interest on this loan is 1.5%.	4,002,489
<b>\$400,000 – Maryland Water Quality Financing Administration note</b> for the sewer pumping station at the Patuxent Business Park in Lusby, The final principal payment will be made in February 2024. The rate of interest on this loan is 1.0%.	302,200
<b>\$1,071,036 – Maryland Water Quality Financing Administration note</b> for Calvert County’s share of the Chesapeake Beach Wastewater Treatment Plant Shellfish Protection Emergency Tank and Interim Expansion Project. As of June 30, 2010, \$1,062,317 in draws have been taken on the note. A final amortization schedule of this loan will be available after the project is complete. Based on estimates, the duration will be 20 years and the rate will be 1.10%.	964,548
Accumulated unpaid vacation, personal, and sick leave	<u>393,993</u>
Total Water and Sewer Fund	<u><u>\$ 11,073,919</u></u>

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

*Solid Waste and Recycling Fund*

<b>\$1,931,467 – Refunding Bonds, 2002 series</b> , due in annual installments through January 1, 2011, interest at 3% to 5%; net of deferred loss on refunding of \$25,361. These bonds were issued to replace the 1991 and 1996 Series bonds to take advantage of a favorable interest rate environment.	\$ 286,297
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<b>\$1,205,120 – Refunding Bonds, 2003 series</b> , due in annual installments through January 1, 2019, interest at 2% to 5%; net of deferred loss on refunding of \$2,861. These bonds were issued to replace the 1993 Series bonds to take advantage of a favorable interest rate environment.	228,086
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<b>\$274,066 – Consolidated Public Improvement Project Bonds, 2010 series</b> , principal due in annual installments through July 1, 2025, interest at 3% to 5%; includes unamortized premium of \$14,491.	288,557
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Accumulated unpaid vacation, personal, and sick leave	450,893
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*Estimated Landfill Closure and Postclosure Costs*

<b>Accrued estimated costs</b> associated with closing and monitoring the landfill at the Appeal Landfill in compliance with state and federal regulations.	1,429,517
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Total Solid Waste and Recycling Fund	2,683,350
Total business-type activities long-term obligations	<u>\$13,757,269</u>

For governmental activities, compensated absences are generally liquidated by the governmental fund to which the liability relates.

2010 Refunding Bonds Issued

On May 26, 2010, Calvert County issued \$4,900,000 of Refunding Bonds with a true interest cost of 2.66% to refund certain maturities of \$4,775,000 in outstanding 2002 series bonds with a coupon rates ranging from 4.125% to 4.50%. All of the refunded debt is recorded in the General Long-Term Debt Account Group. The net proceeds of \$5,191,344 were used to purchase U.S. Treasury Notes. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments of the refunded portions 2002 Series bonds. As a result, the related assets and liabilities are no longer reported in the Counties financial statements.

The County advance-refunded the bonds to reduce its total debt service payments by \$253,976 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$195,140.

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

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, 2010 are as follows:

Years Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2011	\$ 12,501,011	\$ 5,186,672	\$ 17,687,683
2012	13,215,589	4,938,433	18,154,022
2013	10,076,376	4,441,933	14,518,309
2014	10,510,448	4,074,253	14,584,701
2015	10,756,306	3,678,247	14,434,553
2016-2020	53,561,491	11,519,719	65,081,210
2021-2025	25,642,513	2,481,529	28,124,042
2026-2030	1,410,129	39,642	1,449,771
	<u>\$ 137,673,863</u>	<u>\$ 36,360,428</u>	<u>\$ 174,034,291</u>

Years Ending June 30,	Business-Type Activities		
	Principal	Interest	Total
2011	\$ 1,303,558	\$ 281,772	\$ 1,585,330
2012	938,749	285,602	1,224,351
2013	962,951	263,137	1,226,088
2014	987,750	239,886	1,227,636
2015	1,013,760	215,203	1,228,963
2016-2020	3,489,888	753,683	4,243,571
2021-2025	2,317,394	300,977	2,618,371
2026-2030	450,835	36,621	487,456
2031-2033	44,223	4,166	48,389
Def. loss on ref./premium	(26,242)	-	(26,242)
	<u>\$ 11,482,866</u>	<u>\$ 2,381,047</u>	<u>\$ 13,863,913</u>

Estimated Closure and Postclosure Costs

*Barstow Landfill* - During 1997, the County closed the Barstow Landfill. The current estimate of post closure costs is \$510,000. 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.

*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

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

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 2012 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, \$1,429,517 represents the accrued reserve at June 30, 2010, 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 \$476,834. 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, 2010:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance</b>	<b>Amounts Due Within One Year</b>
<b><i>Governmental activities:</i></b>					
Capital lease	\$ 303,203	\$ -	\$ (136,987)	\$ 166,216	\$ 166,216
Compensated absences	3,134,699	2,350,062	(2,111,472)	3,373,289	18,438
Net OPEB obligation	-	12,537,552	-	12,537,552	-
	<u>\$ 3,437,902</u>	<u>\$ 14,887,614</u>	<u>\$ (2,248,459)</u>	<u>\$ 16,077,057</u>	<u>\$ 184,654</u>
<b><i>Business-type activities:</i></b>					
Compensated absences	\$ 48,703	\$ 28,410	\$ (42,296)	\$ 34,817	\$ -
Net OPEB obligation	-	208,795	-	208,795	-
	<u>\$ 48,703</u>	<u>\$ 237,205</u>	<u>\$ (42,296)</u>	<u>\$ 243,612</u>	<u>\$ -</u>

Obligation Balances and Terms

The Board of Education has entered into lease agreements as lessee to finance the purchase of equipment in the amount of \$475,054. The lease agreements are for periods of five years.

The assets acquired and capitalized as capital assets under the capital lease are as follows:

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

***Governmental activities:***

Computer equipment	\$ 475,054
Less accumulated depreciation	<u>(359,511)</u>
	<u><u>\$ 115,543</u></u>

Debt Requirements

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2010 were as follows:

***Governmental activities:***

Year Ending June 30, 2010	\$ 172,209
Less amount representing interest	<u>(5,993)</u>
Present value of minimum lease payments	<u><u>\$ 166,216</u></u>

**8 - Fund Balances**

**A. Governmental Funds with Reservation of Fund Balance**

As of June 30, 2010, fund balances were reserved as follows:

	<b>General</b>	<b>Special Revenue</b>
Reserved Fund Balance:		
Encumbrances	\$ 1,652,377	\$ -
Other long-term receivables	8,550,935	-
Special purposes	-	13,275,882
Deferred expenditures	<u>235,637</u>	<u>-</u>
	<u><u>\$ 10,438,949</u></u>	<u><u>\$ 13,275,882</u></u>

Other long-term receivables - The amount of notes receivable advanced to Dares Beach Water, Prince Frederick Water and Sewer, advances to the Water and Sewer fund, two Parks and Recreation notes and an amount due from a vendor receivable at June 30, 2010.

Reserved for special 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, 2010**

**B. Governmental Funds with Unreserved Fund Balances-Designated**

As of June 30, 2010, unreserved fund balances designated for other purposes are as follows:

	<u>General</u>	<u>Capital Projects</u>	<u>Special Revenue</u>
Designated for:			
Vacation and sick pay	\$ 3,500,000	\$ -	\$ -
Future capital project expenditures	19,404,914	34,330,086	1,534,628
Future other post employment benefits	<u>5,746,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 28,650,914</u>	<u>\$ 34,330,086</u>	<u>\$ 1,534,628</u>

**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 Other Post-Employment Benefits Plan. Separate audited financial statements have not been issued for these County plans. Therefore, the County Plans' Statements of Net Assets and Statements of Changes in Net Assets are presented at the end of this note. In addition, some employees participate in the State Retirement System of Maryland. See page 55 for addition 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 56 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

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

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, 2010, the membership in the plan was as follows:

Retired	105
Terminated, vested	33
Active, vested	164
Active non-vested	<u>0</u>
Total active	<u><u>164</u></u>

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 2010 were made in accordance with the Plan requirements as of the July 1, 2009 actuarial report. The contributions consisted of amounts contributed by the employees of \$203,464 (2% of current covered payroll). The County's costs for fiscal year 2010 were \$2,959,622 (28.6% 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, 2010. 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, rate of return on the investments of present and future assets of 8% a year compounded annually, additional projected salary increases of 5% compounded annually, 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, 2010:

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
2010	\$ 38,497,686	\$ 55,158,918	\$ 16,661,232	69.79%	\$ 9,861,976	168.94%

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

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

of plan assets is increasing or decreasing over time relative to the actuarial accrual liability for benefits.

*Employer Contributions* - The following schedule gives information on employer required contributions for the past three years:

Years Ended June 30,	Contribution	Annual Required Contribution	Percentage Contributed
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%

*Net Pension Obligation* – The Net Pension Obligation is presented below:

Actuarial Valuation Date June 30,	Annual Required Contribution	Interest on Net Pension Obligation	Adjustment to Annual Required Contribution	Increase - (Decrease) in Net Pension	Net Pension Obligation
2010	\$ 3,024,934	\$ 952	\$ 18,538	\$ 56,726	\$ 181,121
2009	2,142,802	10,473	18,337	(6,516)	124,395
2008	1,662,037	11,055	18,337	(7,282)	130,911

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.

## CALVERT COUNTY, MARYLAND

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

*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 2010 were zero.

The computation of the pension contribution requirements for fiscal year 2010 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 \$286,755, \$229,094, and \$204,490, for the years ended June 30, 2010, 2009 and 2008. In accordance with GASB Statement Number 24, the State's 2010 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, 2010 were \$920,596 and \$552,358, 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

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

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, 2010, the membership was as follows:

Retired	31
Active, vested	38
Active, non- vested	<u>643</u>
Total active	<u>681</u>
Active employees receiving benefits	38

*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, 2010. The significant actuarial assumptions used in the valuation include 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 2010 totaling \$299,000 were made in accordance with actuarial determined requirements computed through an actuarial valuation performed as of July 1, 2009.

*Funded Status* - The following schedule presents the funded status as of June 30, 2010:

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
2010	\$ 2,340,301	\$ 5,157,986	\$ 2,817,685	45.37%	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.

*Employer Contributions* - The following schedule gives information on employer contributions for the past three years:

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

Years Ended June 30,	Contribution	Annual Required Contribution	Percentage Contributed
2010	\$ 299,000	\$ 361,168	82.79%
2009	259,000	259,000	100.00%
2008	248,912	248,912	100.00%

Net Pension Obligation –The Net Pension Obligation is presented below:

Actuarial Valuation Date June 30,	Annual Required Contribution	Interest on Net Pension Obligation	Adjustment to Annual Required Contribution	Increase - (Decrease) in Net Pension	Net Pension Obligation
2010	\$ 361,168	\$ (22,582)	\$ (42,067)	\$ 81,653	\$ (200,620)
2009	259,000	(24,025)	(42,067)	18,042	(282,273)
2008	248,912	(25,362)	(42,067)	16,705	(300,315)

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, 2010, the membership was as follows:

Retired	44
Terminated, vested	32
Active, vested	105
Active, non-vested	<u>68</u>
Total active	<u><u>173</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, 2010. The significant actuarial assumptions used in the valuation include rate of return on the investments of present

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

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.

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 2010 totaling \$2,511,000 were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of July 1, 2009.

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

County (25% of current covered payroll)	\$ 2,511,000
Employees (8.2% of current covered payroll)	824,263

Funded Status - The following schedule presents the funded status as of June 30, 2010:

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
2010	\$ 35,424,741	\$ 49,354,387	\$ 13,929,616	71.78%	\$ 10,316,424	135.02%

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.

Employer Contributions - The following schedule gives information on employer contributions for the past three years:

Years Ended June 30,	Contribution	Annual Required Contribution	Percentage Contributed
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%

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

Net Pension Obligation: The Net Pension Obligation is presented below:

Actuarial Valuation Date June 30,	Annual Required Contribution	Interest on Net Pension Obligation	Adjustment to Annual Required Contribution	Increase - (Decrease) in Net Pension Obligation	Net Pension Obligation
2010	\$ 2,564,133	\$ (1,406)	\$ (2,812)	\$ 54,539	\$ 36,970
2009	1,766,394	(1,605)	(2,990)	2,495	(17,569)
2008	1,627,076	3,241	5,674	(60,571)	(20,064)

Calvert County Maryland Post-Employment Benefit Plan

Plan description – The County contributes to the Calvert County Maryland Post-Employment Benefit Plan (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, 2010 is as follows:

	<u>County</u>	<u>Board of Education</u>
Active	628	1,820
Retired	136	473
Total	<u>764</u>	<u>2,293</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, 2010**

Contribution rates and the net other post employment benefits obligation for the year ended June 30, 2010 were actuarially determined, using the Projected Unit Credit Actuarial Cost Method, through an actuarial valuation dated July 1, 2008 . The significant actuarial assumptions used in the valuation include; a discount rate of 7%, healthcare cost trend – medical 10% in the 2008 plan year declining 1% each plan year to 5% for 2013 and later years, dental 7% in the 2008 year declining 1/2% each year to 4% for 2014 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
2010	\$ 508,179	\$ 1,491,821	\$ 2,000,000
2009	1,524,537	4,475,463	6,000,000
2008	1,778,053	2,983,642	4,761,695

*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, 2010, 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	\$ 1,199,877	\$ 30,562,690	\$ 29,362,813	3.93%	N/A	N/A
Board of Education	3,522,381	99,455,289	95,932,908	3.54%	N/A	N/A
Total	<u>\$ 4,722,258</u>	<u>\$ 130,017,979</u>	<u>\$ 125,295,721</u>	<u>3.63%</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, 2010**

*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 Board of Education's OPEB obligation was transferred to the Board during the year ended June 30, 2010.

The following schedule 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	Increase in net OPEB Obligation	End of Year net OPEB Obligation
<b>County</b>							
2010	\$ 3,641,418	\$ 100,512	\$ 115,714	\$ 3,626,216	\$ 1,594,299	\$ 2,031,917	\$ 3,467,809
2009	3,109,164	39,984	-	3,149,148	2,284,452	864,696	1,435,892
2008	3,109,164	-	-	3,109,164	2,537,968	571,196	571,196
<b>Board of Education</b>							
2010	\$ 11,319,105	\$ 448,969	\$ 516,870	\$ 11,251,204	\$ 4,918,693	\$ 6,332,511	\$ 12,746,349
2009	9,127,324	267,341	-	9,394,665	6,799,986	2,594,679	6,413,838
2008	9,127,324	-	-	9,127,324	5,308,165	3,819,159	3,819,159
<b>TOTAL</b>							
2010	\$ 14,960,523	\$ 549,481	\$ 632,584	\$ 14,877,420	\$ 6,512,992	\$ 8,364,428	\$ 16,214,158
2009	12,236,488	307,325	-	12,543,813	9,084,438	3,459,375	7,849,730
2008	12,236,488	-	-	12,236,488	7,846,133	4,390,355	4,390,355

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

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

	<u>Combining Statement of Plan Net Assets</u>				
	<u>Volunteer Fire and Rescue</u>	<u>Sheriff's Pension Plan</u>	<u>Employees Retirement Plan</u>	<u>Other Post Employment Benefits</u>	<u>Total</u>
<i>Assets:</i>					
Cash and cash equivalents	\$ 32,577	\$ 838,171	\$ 582,139	\$ 132,123	\$ 1,585,010
Investments at Fair Value					
Fixed income	650,311	10,953,964	11,759,217	3,153,723	26,517,215
Common Stocks	1	6,680,443	7,570,674	-	14,251,118
Equity funds	1,098,726	8,962,564	9,813,008	11,243,204	31,117,502
Foreign Assets	271,163	3,344,745	3,700,006	-	7,315,914
Other Assets	-	693,714	832,457	-	1,526,171
Total investments at fair value	<u>2,020,201</u>	<u>30,635,430</u>	<u>33,675,362</u>	<u>14,396,927</u>	<u>80,727,920</u>
Total cash, cash equivalents and investments	2,052,778	31,473,601	34,257,501	14,529,050	82,312,930
Interest receivable	<u>1,193</u>	<u>22,303</u>	<u>27,285</u>	<u>1</u>	<u>50,782</u>
Total assets	<u>\$ 2,053,971</u>	<u>\$ 31,495,904</u>	<u>\$ 34,284,786</u>	<u>\$ 14,529,051</u>	<u>\$ 82,363,712</u>
<i>Liabilities and Net Assets</i>					
Total Liabilities	-	-	-	-	-
<i>Net Assets held in trust for pension and other post employment benefits</i>					
	<u>2,053,971</u>	<u>31,495,904</u>	<u>34,284,786</u>	<u>14,529,051</u>	<u>82,363,712</u>
Total liabilities and net assets	<u>\$ 2,053,971</u>	<u>\$ 31,495,904</u>	<u>\$ 34,284,786</u>	<u>\$ 14,529,051</u>	<u>\$ 82,363,712</u>

**CALVERT COUNTY, MARYLAND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

**Combining Statement of Changes in Plan Net Assets**

	<b>Volunteer Fire and Rescue</b>	<b>Sheriff's Pension Plan</b>	<b>Employees Retirement Plan</b>	<b>Other Post Employment Benefits</b>	<b>Total</b>
<b><i>Additions:</i></b>					
Contributions					
Plan sponsor	\$ 299,000	\$ 2,511,000	\$ 2,959,622	\$ 2,000,000	\$ 7,769,622
Employee	-	824,263	203,464	-	1,027,727
<b>Total Contributions</b>	299,000	3,335,263	3,163,086	2,000,000	8,797,349
<b><i>Investment income/(Loss):</i></b>					
Net appreciation/(depreciation) in fair value of investments	197,064	3,380,142	3,930,215	1,167,607	8,675,028
Interest and dividends	54,412	367,380	386,419	421,805	1,230,016
Net investment income/(loss)	251,476	3,747,522	4,316,634	1,589,412	9,905,044
Total Additions	550,476	7,082,785	7,479,720	3,589,412	18,702,393
<b><i>Expenditures:</i></b>					
Distributions to participants	323,746	1,266,110	1,746,937	-	3,336,793
Administrative expenses	30,597	261,039	286,311	39,532	617,479
Total Expenditures	354,343	1,527,149	2,033,248	39,532	3,954,272
Net increase(decrease)	196,133	5,555,636	5,446,472	3,549,880	14,748,121
<b><i>Net Assets Held in Trust for Pension and Other Post Employment Benefits:</i></b>					
Beginning of the year	1,857,838	25,940,268	28,838,314	10,979,171	67,615,591
End of the year	\$ 2,053,971	\$ 31,495,904	\$ 34,284,786	\$ 14,529,051	\$ 82,363,712

**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, 2010**

*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, 2010, 2009, and 2008 were approximately \$15.2 million, \$12.4 million, and \$11.7 million, respectively.

*Annual Required Contributions* - For the year ended June 30, 2010, the Board's annual pension cost of \$1,160,410 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:

<u>Fiscal Year Ending June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
2010	\$ 1,160,410	100%	-
2009	1,062,232	100%	-
2008	1,176,227	100%	-

*Required Supplemental Information*

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

(expressed in thousands)

<u>Actuarial Valuation Date (June 30)</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll (b-a/c)</u>
2009	\$ 34,284,569	\$ 52,729,171	\$ 18,444,602	65.02%	\$ 10,714,241	172%
2008	39,504,284	50,244,047	10,739,763	78.62%	10,542,806	102%
2007	37,886,936	49,306,375	11,419,439	76.84%	9,971,012	115%

## **CALVERT COUNTY, MARYLAND**

### **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2010**

#### **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.

#### **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 2010, the County paid premiums of \$627,198 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 three 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.

#### **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 17, 2010, the date the financial statements were available to be issued. There are no subsequent events that were determined reportable.

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COUNTY COMMISSIONERS OF CALVERT COUNTY  
CALVERT COUNTY, MARYLAND

REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2010

**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, 2010**

	<u>Budget Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance (Over) Under</u>
<b>REVENUES</b>				
Taxes	\$ 203,007,567	\$ 203,007,567	\$ 198,006,947	\$ (5,000,620)
Licenses and Permits	218,700	218,700	328,671	109,971
Intergovernmental	3,941,043	3,951,475	3,481,536	(469,939)
Charges for Services	4,077,200	4,144,448	3,751,161	(393,287)
Fines and Forfeitures	41,800	127,769	140,447	12,678
Miscellaneous	4,179,556	6,000,111	2,585,339	(3,414,772)
Total revenues	<u>215,465,866</u>	<u>217,450,070</u>	<u>208,294,101</u>	<u>(9,155,969)</u>
<b>EXPENDITURES</b>				
General Government	17,013,873	17,075,236	15,387,966	1,687,270
Public Safety	26,419,062	26,690,393	25,859,952	830,441
Public Works	9,395,469	10,875,021	9,616,540	1,258,481
Health and Hospitals	2,807,371	2,807,421	2,774,796	32,625
Social Services	1,685,482	1,695,798	1,570,395	125,403
Education	106,494,005	106,532,729	106,532,728	1
Recreation and Culture	10,659,545	10,699,054	10,160,405	538,649
Conservation of Natural Resources	405,980	405,980	404,982	998
Urban Development and Housing	1,893,019	1,925,936	1,794,115	131,821
Economic Development	1,341,112	1,336,879	1,180,620	156,259
Pensions and Insurance	21,327,192	21,267,081	18,890,672	2,376,409
<u>Debt Service</u>				
Principal retirement	11,921,353	11,921,353	12,024,609	(103,256)
Interest	5,268,808	5,268,807	4,851,414	417,393
Total expenditures	<u>216,632,271</u>	<u>218,501,688</u>	<u>211,049,194</u>	<u>7,452,494</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	4,726,284	4,830,397	4,951,633	121,236
Operating transfers out	<u>(3,559,879)</u>	<u>(3,778,779)</u>	<u>(3,307,849)</u>	<u>470,930</u>
Total other financing sources (uses)	<u>1,166,405</u>	<u>1,051,618</u>	<u>1,643,784</u>	<u>592,166</u>
Excess of revenue and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,111,309)</u>	<u>\$ (1,111,309)</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)	\$ 213,245,734
Transfer adjustment (Library)	<u>(605,200)</u>
Revenue and transfers in (GAAP basis)	<u>\$ 212,640,534</u>
Expenditures and operating transfers out (budgetary basis)	\$ 214,357,043
Encumbrance/accrual adjustment	1,415,122
Transfer adjustment (Library)	<u>(605,200)</u>
Expenditures and operating transfers out (GAAP basis)	<u>\$ 215,166,965</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, 2010**

**A. Schedule of Funding Progress**

<b>Actuarial Valuation Date June 30,</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a % of Covered Payroll</b>
<b>County</b>						
2010	\$ 1,199,877	\$ 30,562,690	\$ 29,362,813	3.93%	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
<b>Board of Education</b>						
2010	\$ 3,522,381	\$ 99,455,289	\$ 95,932,908	3.54%	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
<b>TOTAL</b>						
2010	\$ 4,722,258	\$ 130,017,979	\$ 125,295,721	3.63%	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**

	<b>Annual Required Contribution</b>	<b>Pay as You go Payments Plus Contributions</b>	<b>% Contri-buted</b>	<b>Net OPEB Obligation</b>
<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, 2010**

**A. Schedule of Funding Progress**

<b>Actuarial Valuation Date June 30,</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a % of Covered Payroll</b>
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%
2006	33,368,565	37,507,215	4,138,650	88.97%	10,524,821	39.32%
2005	30,312,614	34,173,079	3,860,465	88.70%	10,811,691	35.71%

**B. Schedule of Employer Contributions**

<b>Years Ended June 30,</b>	<b>Contribution</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>
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%
2006	1,440,000	1,477,036	97.49%
2005	1,415,000	1,395,420	101.40%

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**REQUIRED SUPPLEMENTARY INFORMATION  
CALVERT COUNTY SHERIFF'S DEPARTMENT  
PENSION PLAN SCHEDULES  
YEAR ENDED JUNE 30, 2010**

**A. Schedule of Funding Progress**

<b>Actuarial Valuation Date June 30,</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a % of Covered Payroll</b>
2010	\$ 35,424,741	\$ 49,354,387	\$ 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%
2006	28,328,827	34,454,883	6,126,056	82.22%	6,834,402	89.64%
2005	25,497,069	30,027,781	4,530,712	84.91%	6,202,680	73.04%

**B. Schedule of Employer Contributions**

<b>Years Ended June 30,</b>	<b>Contribution</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>
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%
2006	1,301,600	1,310,238	99.34%
2005	1,050,000	1,019,164	103.03%

**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, 2010**

**A. Schedule of Funding Progress**

<b>Actuarial Valuation Date June 30,</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a % of Covered Payroll</b>
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	1,844,000	57.80%	N/A	N/A
2007	2,385,639	4,248,438	1,862,799	56.15%	N/A	N/A
2006	2,269,601	4,090,378	1,820,777	55.49%	N/A	N/A
2005	2,183,821	4,072,786	1,888,965	53.62%	N/A	N/A

**B. Schedule of Employer Contributions**

<b>Years Ended June 30,</b>	<b>Contribution</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>
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%
2006	220,000	234,567	93.79%
2005	210,884	210,884	100.00%

COUNTY COMMISSIONERS OF CALVERT COUNTY  
CALVERT COUNTY, MARYLAND

OTHER SUPPLEMENTARY INFORMATION  
JUNE 30, 2010

**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, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over</u> <u>(Under)</u>
<u>Taxes</u>				
<u>Real Estate and Personal Property Taxes</u>				
Real estate levy	\$ 116,355,999	\$ 116,355,999	\$ 116,593,076	\$ 237,077
Personal property levy	180,000	180,000	153,036	(26,964)
Corporation levy	2,450,000	2,450,000	2,709,764	259,764
Payment in lieu of tax	19,646,574	19,646,574	19,646,574	-
Public utilities tax (PILOT)	8,000,000	8,000,000	8,352,651	352,651
Additions and abatements	(300,000)	(300,000)	(165,343)	134,657
Penalties and interest	400,000	400,000	629,610	229,610
Tax credit	(13,857,620)	(13,857,620)	(13,698,331)	159,289
Land preservation credit	(154,000)	(154,000)	(239,923)	(85,923)
Total Real Estate and Personal Property Taxes	<u>132,720,953</u>	<u>132,720,953</u>	<u>133,981,114</u>	<u>1,260,161</u>
<u>Other Local Taxes</u>				
Income taxes	60,500,000	60,500,000	56,136,128	(4,363,872)
Admissions and amusements	30,000	30,000	25,009	(4,991)
Recordation	5,445,489	5,445,489	5,690,348	244,859
Trailer parks	140,000	140,000	114,013	(25,987)
Hotel	730,000	730,000	693,265	(36,735)
Total Other Local Taxes	<u>66,845,489</u>	<u>66,845,489</u>	<u>62,658,763</u>	<u>(4,186,726)</u>
<u>Taxes State-Shared</u>				
Highway user revenue	2,441,125	2,441,125	256,759	(2,184,366)
Franchise	1,000,000	1,000,000	1,110,311	110,311
Total Taxes State-Shared	<u>3,441,125</u>	<u>3,441,125</u>	<u>1,367,070</u>	<u>(2,074,055)</u>
Total Taxes	<u>203,007,567</u>	<u>203,007,567</u>	<u>198,006,947</u>	<u>(5,000,620)</u>
<u>Licenses and Permits</u>				
<u>Business Licenses and Permits</u>				
Builders' licenses	30,000	30,000	33,760	3,760
Beer, wine, and liquor licenses	70,000	70,000	127,803	57,803
Traders	75,000	75,000	91,406	16,406
Hawkers and peddlers	1,000	1,000	3,911	2,911
Fortune tellers	-	-	950	950
Total Business Licenses and Permits	<u>176,000</u>	<u>176,000</u>	<u>257,830</u>	<u>81,830</u>
<u>Other Permits</u>				
Animal	25,000	25,000	28,115	3,115
Code book sales	1,000	1,000	605	(395)
Marriage	3,700	3,700	3,961	261
Gambling permits	13,000	13,000	38,160	25,160
Total Other Permits	<u>42,700</u>	<u>42,700</u>	<u>70,841</u>	<u>28,141</u>
Total Licenses and Permits	<u>218,700</u>	<u>218,700</u>	<u>328,671</u>	<u>109,971</u>
<u>Intergovernmental Revenue</u>				
Federal Emergency Management	25,000	25,000	76,698	51,698
Police Protection - State	735,000	735,000	470,600	(264,400)
Library - State	423,182	397,822	397,822	-
Soil Conservation - State	44,715	44,700	61,191	16,491
State Prisoner Housing - State	141,000	141,000	33,007	(107,993)
Mosquito Control - State	25,000	25,000	11,080	(13,920)
Jury Reimbursement - State	30,000	30,000	22,655	(7,345)
State Reimbursement	28,000	28,000	29,060	1,060
911 Grant	620,000	620,000	610,644	(9,356)

**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, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over</u> <u>(Under)</u>
<u>Intergovernmental Revenue - continued</u>				
Shore Erosion	\$ 26,258	\$ 26,258	\$ 26,258	\$ -
Housing Authority	1,100,414	1,124,733	1,071,636	(53,097)
CMM payroll reimbursement - CMM Board of Governors	420,830	420,830	375,547	(45,283)
CMM Payroll Reimbursement - CMM Society	317,444	328,932	291,338	(37,594)
Waterman's Wharf	4,200	4,200	4,000	(200)
Total Intergovernmental Revenues	<u>3,941,043</u>	<u>3,951,475</u>	<u>3,481,536</u>	<u>(469,939)</u>
<u>Charges for services</u>				
<u>General Government</u>				
Auto license fees	2,600	2,600	2,700	100
Library fines	135,000	140,000	137,998	(2,002)
Zoning fees	20,000	20,000	22,540	2,540
Total General Government	<u>157,600</u>	<u>162,600</u>	<u>163,238</u>	<u>638</u>
<u>Public Safety</u>				
Sheriff's fees	67,000	67,000	90,936	23,936
Chesapeake Beach Police reimbursements	704,823	706,947	706,947	-
North Beach Police reimbursements	325,360	326,503	326,503	-
Lab fees	16,000	16,000	15,361	(639)
Engineering inspections	125,000	125,000	93,811	(31,189)
DWI facility	-	-	7,345	7,345
Electron monitor Detention Center	15,000	15,000	35,883	20,883
False alarm fees	4,200	4,200	825	(3,375)
Telephone commission - Detention Center	230,000	230,000	269,059	39,059
Protective inspections	600,000	600,000	272,645	(327,355)
False alarm registration	3,800	3,800	3,775	(25)
Dominion police reimbursement	1,339,160	1,335,716	1,290,947	(44,769)
Dare program -private contributions	-	2,979	2,129	(850)
Sex Offender Registry - state reimbursements	-	18,528	15,284	(3,244)
Room and board - Detention Center	115,000	115,000	70,672	(44,328)
Miscellaneous income	-	53,403	9,316	(44,087)
Federal Detention per diem	14,500	14,500	20,479	5,979
Public safety tower	66,000	66,000	84,732	18,732
Total Public Safety	<u>3,625,843</u>	<u>3,700,576</u>	<u>3,316,649</u>	<u>(383,927)</u>
<u>Highways and Streets</u>				
Road tax districts	75,420	75,420	77,536	2,116
Developer street signs	5,000	5,000	195	(4,805)
Waterway improvements	6,837	6,837	6,837	-
Total Highways and Streets	<u>87,257</u>	<u>87,257</u>	<u>84,568</u>	<u>(2,689)</u>
<u>Miscellaneous</u>				
Mosquito control	20,000	20,000	26,961	6,961
Soil conservation grading fees	44,700	44,715	43,070	(1,645)
Erosion/sedimentary control	800	800	-	(800)
Replatting fees - P & Z	3,400	3,400	4,060	660
P & Z tower fees	500	500	150	(350)
Board of Appeals application fees	25,000	25,000	12,056	(12,944)
Library - copying and miscellaneous	37,500	25,000	27,388	2,388
Administration fees s/a service	70,000	70,000	70,000	-
Administration planting bond	4,500	4,500	2,832	(1,668)
Small lot clearing fees	100	100	189	89
Total Miscellaneous	<u>206,500</u>	<u>194,015</u>	<u>186,706</u>	<u>(7,309)</u>
Total charges for services	<u>\$ 4,077,200</u>	<u>\$ 4,144,448</u>	<u>\$ 3,751,161</u>	<u>\$ (393,287)</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, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Over</u> <u>(Under)</u>
<u>Fines and forfeitures</u>				
Domestic master fees	\$ 800	\$ 800	\$ 737	\$ (63)
Community service programs	25,000	25,000	26,608	1,608
Criminal court fines	5,000	5,000	12,696	7,696
Home study fees	2,000	2,000	3,825	1,825
Animal citation fines	9,000	9,000	6,100	(2,900)
State's attorney fees	-	1,978	6,490	4,512
Forfeiture-St. attorney	-	6,447	6,447	-
Forfeiture sheriff operating	-	77,544	77,544	-
Total fines and forfeitures	<u>41,800</u>	<u>127,769</u>	<u>140,447</u>	<u>12,678</u>
<u>Miscellaneous</u>				
Interest and dividends	2,400,000	2,400,000	1,039,705	(1,360,295)
Interest revenue - State Office Building lease	6,500	6,500	2,442	(4,058)
Interest on notes	-	-	9,426	9,426
Appreciation of investment	-	-	(882,531)	(882,531)
Administration fee - Grant Coordinator	97,000	97,000	130,211	33,211
Rents and concessions	40,000	40,000	20,461	(19,539)
Tennison charters	40,000	40,000	50,200	10,200
Flag Pond entrance fees	40,000	40,000	46,484	6,484
Rent from Concrete Plant	25,000	25,000	25,360	360
State Office Building	648,595	648,595	525,429	(123,166)
State Office Building debt service	629,965	629,965	629,965	-
State Office Building land lease	30,814	30,814	33,688	2,874
Boat ramp fees	6,000	6,000	4,004	(1,996)
Kings Landing pool fees	20,000	12,518	12,518	-
Kings Landing camp fees	8,500	8,500	14,282	5,782
Map sales	1,000	1,000	302	(698)
P&R self-sustained program	15,000	15,000	15,000	-
Salary reimbursements	35,000	42,139	70,908	28,769
Battle Creek PR reimbursements	6,032	6,032	7,418	1,386
Transfer from BOE wireless	30,000	30,000	32,500	2,500
Balance from prior year fund balance	-	1,791,968	-	(1,791,968)
Library - other sources	-	10,526	10,526	-
Library - E-rate	10,000	10,000	9,543	(457)
Library other misc.	-	17,500	21,923	4,423
Insurance reimbursement	-	27,465	651,012	623,547
Private contributions	-	500	500	-
Circuit ct. clerks office reimbursement	-	8,943	8,943	-
Sick call Detention Center	5,000	5,000	11,956	6,956
Filing fees Election Office	150	150	590	440
Miscellaneous income	85,000	48,996	82,574	33,578
Total Miscellaneous	<u>4,179,556</u>	<u>6,000,111</u>	<u>2,585,339</u>	<u>(3,414,772)</u>
 Total Revenue	 <u>\$ 215,465,866</u>	 <u>\$ 217,450,070</u>	 <u>\$ 208,294,101</u>	 <u>\$ (9,155,969)</u>
<u>Other financing sources</u>				
Transfer from Board of Education - Resident Trooper	126,284	91,146	91,146	-
Transfer from Board of Education	-	1,300,000	1,398,596	98,596
Transfer from OPEB	1,300,000	-	-	-
Transfer from Capital Fund	-	139,251	139,251	-
Transfer from Revolving Loan Fund	1,000,000	1,000,000	1,000,000	-
Transfer from Housing Fund	1,000,000	1,000,000	1,022,640	22,640
Transfer from Excise Fee Fund	1,300,000	1,300,000	1,300,000	-
Total other financing sources	<u>4,726,284</u>	<u>4,830,397</u>	<u>4,951,633</u>	<u>121,236</u>
Total revenue and other financing sources	<u>\$ 220,192,150</u>	<u>\$ 222,280,467</u>	<u>\$ 213,245,734</u>	<u>\$ (9,034,733)</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, 2010**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<b>General Government</b>				
<u>County Commissioners</u>				
Salaries	\$ 255,349	\$ 255,348	\$ 247,143	\$ 8,205
Operating expense	42,280	43,083	31,084	11,999
Contracted services	9,000	5,000	1,623	3,377
Total County Commissioners	306,629	303,431	279,850	23,581
<u>Clerk to Commissioners</u>				
Salaries	60,635	60,635	60,729	(94)
Operating expense	1,900	1,900	116	1,784
Contracted services	500	500	-	500
Total Clerk to Commissioners	63,035	63,035	60,845	2,190
<u>County Administrator</u>				
Salaries	254,329	269,828	269,734	94
Operating expense	13,320	25,665	13,393	12,272
Contracted services	10,799	10,799	7,087	3,712
Capital outlay	1,850	1,850	-	1,850
Total County Administrator	280,298	308,142	290,214	17,928
<u>Office of Management Information Systems</u>				
Salaries	1,292,347	1,292,347	1,262,993	29,354
Operating expense	137,970	145,976	105,950	40,026
Contracted services	554,549	552,593	507,371	45,222
Capital outlay	339,710	339,710	330,784	8,926
Total Office of Management Information Systems	2,324,576	2,330,626	2,207,098	123,528
<u>Circuit Court</u>				
Salaries	507,601	507,601	529,971	(22,370)
Operating expense	89,945	93,083	66,799	26,284
Contracted services	34,734	37,741	36,107	1,634
Capital outlay	-	5,246	4,723	523
Total Circuit Court	632,280	643,671	637,600	6,071
<u>Orphans' Court</u>				
Salaries	26,825	26,825	26,552	273
Operating expense	1,905	1,905	1,752	153
Total Orphans' Court	28,730	28,730	28,304	426
<u>State's Attorney</u>				
Salaries	1,291,862	1,236,613	1,244,079	(7,466)
Operating expense	92,082	90,415	82,767	7,648
Contracted services	19,400	19,400	15,534	3,866
Capital outlay	8,385	15,599	15,075	524
Total State's Attorney	1,411,729	1,362,027	1,357,455	4,572
<u>Grand Jury</u>				
Salary and operating expense	5,000	5,000	5,540	(540)
<u>Department of Employment Services</u>				
Salaries	531,850	531,850	519,652	12,198
Operating expense	65,475	60,785	26,995	33,790
Tuition program	34,400	-	-	-
Contracted services	59,065	58,990	39,588	19,402
Capital Outlay	1,500	1,500	-	1,500
Total Department of Employment Services	692,290	653,125	586,235	66,890

**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, 2010**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Elections</u>				
Salaries	\$ 288,625	\$ 288,625	\$ 295,919	\$ (7,294)
Operating expense	65,643	63,688	23,294	40,394
Contracted services	188,969	188,969	54,867	134,102
Total Elections	543,237	541,282	374,080	167,202
<u>Finance and Budget</u>				
Salaries	1,355,100	1,364,758	1,314,006	50,752
Operating expense	127,560	145,598	95,929	49,669
Contracted services	154,500	144,500	122,626	21,874
Capital outlay	9,580	9,580	-	9,580
Total Finance and Budget	1,646,740	1,664,436	1,532,561	131,875
<u>Tax Collections and Disbursements</u>				
Salaries	308,725	308,725	307,156	1,569
Operating expense	48,440	44,001	49,554	(5,553)
Contracted services	21,562	21,562	15,866	5,696
Total Tax Collections and Disbursements	378,727	374,288	372,576	1,712
<u>Independent Accounting and Auditing</u>				
	74,850	74,850	71,737	3,113
<u>County Attorney</u>				
Salaries	298,655	298,655	299,612	(957)
Operating expense	22,462	23,060	15,547	7,513
Contracted services	40,000	52,500	28,867	23,633
Capital outlay	350	350	-	350
Total County Attorney	361,467	374,565	344,026	30,539
<u>Planning and Zoning</u>				
Salaries	1,048,249	1,066,685	1,080,999	(14,314)
Operating expense	81,538	66,271	40,765	25,506
Contracted services	21,000	18,366	16,864	1,502
Capital outlay	19,450	19,450	18,080	1,370
Total Planning and Zoning	1,170,237	1,170,772	1,156,708	14,064
<u>Public Facilities Director</u>				
Salaries	321,492	313,742	299,038	14,704
Operating expense	4,000	6,850	5,264	1,586
Total Public Facilities Director	325,492	320,592	304,302	16,290
<u>State Office Building</u>				
Salaries	100,790	100,790	106,040	(5,250)
Fringe benefits	38,208	38,208	38,763	(555)
Operating expense	35,584	37,853	24,767	13,086
Utilities	265,054	268,804	238,451	30,353
Maintenance and repair projects	102,826	101,010	79,596	21,414
Contracted services	109,300	109,300	111,793	(2,493)
Total State Office Building	651,762	655,965	599,410	56,555
<u>County Buildings</u>				
Salaries	1,282,339	1,293,367	1,219,051	74,316
Operating expense	880,157	1,441,966	1,045,940	396,026
Utilities	1,418,632	1,366,632	988,355	378,277
Maintenance and repair projects	668,859	243,822	221,089	22,733
Contracted services	547,489	553,689	484,473	69,216
Capital outlay	145,503	145,578	102,344	43,234
Total County Buildings	4,942,979	5,045,054	4,061,252	983,802

**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, 2010**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Other General Government</u>				
Maryland Association of Counties	\$ 16,987	\$ 16,987	\$ 16,987	\$ -
Commission for Women	4,341	4,341	3,871	470
Environmental Commission	4,067	4,567	2,636	1,931
Non-county agencies	1,148,420	1,129,750	1,094,679	35,071
Total Other General Government	1,173,815	1,155,645	1,118,173	37,472
<b>Total General Government</b>	<b>17,013,873</b>	<b>17,075,236</b>	<b>15,387,966</b>	<b>1,687,270</b>
<u>Public Safety</u>				
<u>Director of Public Safety</u>				
Salaries	152,621	152,621	169,779	(17,158)
Operating expense	56,495	53,960	27,012	26,948
Contracted services	1,000	1,300	1,268	32
Capital outlay	-	4,800	4,639	161
Total Director of Public Safety	210,116	212,681	202,698	9,983
<u>Transportation Chief</u>				
Salaries	134,658	134,658	136,456	(1,798)
Operating expense	40,559	44,336	26,158	18,178
Transportation subsidy	60,000	60,000	46,906	13,094
Contracted services	43,260	43,510	43,535	(25)
Total Transportation Chief	278,477	282,504	253,055	29,449
<u>Sheriff's Office</u>				
Salaries	9,313,739	9,408,340	9,465,491	(57,151)
Operating expense	942,858	1,380,951	1,207,496	173,455
Vehicle supplies and repairs	721,152	345,240	308,484	36,756
Contracted services	100,790	102,355	75,198	27,157
Capital outlay	283,281	324,039	295,314	28,725
Total Sheriff's Office	11,361,820	11,560,925	11,351,983	208,942
<u>Control Center</u>				
Salaries	1,640,597	1,653,471	1,599,790	53,681
Operating expense	155,790	155,636	124,206	31,430
Radio maintenance	269,946	269,946	269,830	116
Contracted services	286,322	286,322	277,316	9,006
Capital outlay	-	4,463	4,461	2
Total Control Center	2,352,655	2,369,838	2,275,603	94,235
<u>Resident Trooper Program</u>				
	168,682	133,544	128,621	4,923
<u>Volunteer Fire Companies &amp; Rescue Squads</u>				
Operating expense	2,098,314	2,098,314	1,976,736	121,578
Insurance	445,120	445,120	426,205	18,915
Capital outlay	125,000	131,970	127,713	4,257
Total Volunteer Fire Companies & Rescue Squads	2,668,434	2,675,404	2,530,654	144,750
<u>County Jail</u>				
Salaries	4,831,320	4,858,298	5,208,106	(349,808)
Operating expense	294,149	296,066	230,348	65,718
Utilities	488,650	488,650	372,857	115,793
Inmate care	139,072	164,654	136,762	27,892
Food	389,744	389,744	389,744	-
Contract services	589,471	559,702	546,395	13,307
Capital outlay	135,300	135,700	35,413	100,287
Total County Jail	6,867,706	6,892,814	6,919,625	(26,811)

**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, 2010**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Inspections and Permits</u>				
Salaries	\$ 742,870	\$ 725,801	\$ 690,697	\$ 35,104
Operating expense	29,000	63,077	36,845	26,232
Vehicle supplies and repair	37,965	4,000	4,971	(971)
Contracted services	12,500	12,500	10,940	1,560
Capital outlay	13,586	13,586	-	13,586
Total Inspections and Permits	<u>835,921</u>	<u>818,964</u>	<u>743,453</u>	<u>75,511</u>
<u>Residential Substance Abuse Treatment</u>				
Contracted services	<u>180,000</u>	<u>180,000</u>	<u>148,485</u>	<u>31,515</u>
Total Treatment Facility	<u>180,000</u>	<u>180,000</u>	<u>148,485</u>	<u>31,515</u>
<u>Emergency Management</u>				
Salaries	167,994	168,842	172,007	(3,165)
Operating expense	33,565	34,849	23,007	11,842
Contracted services	25,295	24,545	24,539	6
Capital outlay	-	55,009	54,970	39
Total Emergency Management	<u>226,854</u>	<u>283,245</u>	<u>274,523</u>	<u>8,722</u>
<u>Liquor Board</u>				
Salaries	14,220	14,220	13,420	800
Operating expense	700	700	366	334
Contracted services	5,000	19,650	20,673	(1,023)
Total Liquor Board	<u>19,920</u>	<u>34,570</u>	<u>34,459</u>	<u>111</u>
<u>Fire, Rescue, and Emergency Services</u>				
Salaries	221,997	232,334	243,405	(11,071)
Operating expense	223,858	208,242	127,851	80,391
Contracted services	63,830	65,590	61,974	3,616
Total Fire, Rescue, and Emergency Services	<u>509,685</u>	<u>506,166</u>	<u>433,230</u>	<u>72,936</u>
<u>Animal Warden</u>				
Salaries	357,065	357,822	306,751	51,071
Operating expense	51,799	76,326	56,054	20,272
Vehicle supplies and repairs	54,400	12,400	7,595	4,805
Contracted services	229,258	229,258	174,231	55,027
Capital outlay	46,270	63,932	18,932	45,000
Total Animal Warden	<u>738,792</u>	<u>739,738</u>	<u>563,563</u>	<u>176,175</u>
<b>Total Public Safety</b>	<u>26,419,062</u>	<u>26,690,393</u>	<u>25,859,952</u>	<u>830,441</u>
<b>Public Works</b>				
<u>Engineering Services</u>				
Salaries	998,184	998,184	964,231	33,953
Operating expense	89,921	89,804	59,748	30,056
Contracted services	44,596	44,596	32,662	11,934
Capital outlay	4,540	6,150	5,859	291
Total Engineering Services	<u>1,137,241</u>	<u>1,138,734</u>	<u>1,062,500</u>	<u>76,234</u>
<u>Highway Lighting</u>				
Operating expense	<u>275,000</u>	<u>275,000</u>	<u>275,861</u>	<u>(861)</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, 2010**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Highway Maintenance</u>				
Salaries	\$ 1,717,906	\$ 1,931,435	\$ 1,914,358	\$ 17,077
Operating expense	47,633	200,441	186,016	14,425
Vehicle supplies and repairs	314,153	203,373	217,537	(14,164)
Utilities	23,195	23,195	19,047	4,148
Road maintenance and repairs	697,710	1,185,026	961,560	223,466
Paving	3,049,175	3,049,175	2,366,655	682,520
Snow removal contractors	207,000	930,490	1,022,641	(92,151)
Rental service contract	265,000	265,000	137,800	127,200
Contracted services	279,000	267,625	216,374	51,251
Capital outlay	168,500	175,416	165,807	9,609
Total Highway Maintenance	<u>6,769,272</u>	<u>8,231,176</u>	<u>7,207,795</u>	<u>1,023,381</u>
<u>Fleet Maintenance</u>				
Salaries	577,344	593,861	595,597	(1,736)
Operating expense	21,624	26,511	22,266	4,245
Vehicle supplies and repairs	33,675	30,000	(117,017)	147,017
Utilities	30,562	30,562	23,487	7,075
Contracted services	18,000	16,400	16,700	(300)
Capital outlay	30,000	30,000	26,234	3,766
Total Fleet Maintenance	<u>711,205</u>	<u>727,334</u>	<u>567,267</u>	<u>160,067</u>
<u>Project Management and Inspections</u>				
Salaries	440,962	440,962	447,070	(6,108)
Operating expense	17,064	34,914	28,483	6,431
Vehicle supplies and repairs	24,725	6,901	9,699	(2,798)
Capital outlay	20,000	20,000	17,865	2,135
Total Project Management and Inspections	<u>502,751</u>	<u>502,777</u>	<u>503,117</u>	<u>(340)</u>
<b>Total Public Works</b>	<b>9,395,469</b>	<b>10,875,021</b>	<b>9,616,540</b>	<b>1,258,481</b>
<u>Health and Hospitals</u>				
<u>Health Department</u>				
Operations	-	-	465	(465)
Salaries	32,500	32,500	32,625	(125)
Operating expense	2,550,648	2,550,648	2,550,648	-
Total Health Department	<u>2,583,148</u>	<u>2,583,148</u>	<u>2,583,738</u>	<u>(590)</u>
<u>Mosquito Control</u>				
Salaries	142,369	142,369	118,727	23,642
Operating expense	24,889	24,939	20,471	4,468
Chemicals	12,000	12,000	11,978	22
Contracted services	27,055	27,055	22,080	4,975
Capital outlay	17,910	17,910	17,802	108
Total Mosquito Control	<u>224,223</u>	<u>224,273</u>	<u>191,058</u>	<u>33,215</u>
<b>Total Health and Hospitals</b>	<b>2,807,371</b>	<b>2,807,421</b>	<b>2,774,796</b>	<b>32,625</b>
<u>Social Services</u>				
<u>Community Service Director</u>				
Salaries	294,145	298,145	300,262	(2,117)
Operating expense	36,403	37,437	27,496	9,941
Contracted services	2,500	2,500	1,200	1,300
Total Community Service Director	<u>333,048</u>	<u>338,082</u>	<u>328,958</u>	<u>9,124</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, 2010**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Department of Social Services</u>				
County contribution	\$ 64,982	\$ 64,982	\$ 64,882	\$ 100
<u>Pauper's Burial</u>	1,000	1,000	-	1,000
<u>Commission on Aging</u>				
Salaries	1,176,961	1,179,049	1,103,337	75,712
Operating expense	77,631	80,215	52,974	27,241
Contracted services	-	610	610	-
Capital outlay	31,860	31,860	19,634	12,226
Total Commission on Aging	1,286,452	1,291,734	1,176,555	115,179
<b>Total Social Services</b>	<b>1,685,482</b>	<b>1,695,798</b>	<b>1,570,395</b>	<b>125,403</b>
<b>Education</b>				
Tuition program	2,878,490	2,917,214	2,917,213	1
Board of Education	103,615,515	103,615,515	103,615,515	-
<b>Total Education</b>	<b>106,494,005</b>	<b>106,532,729</b>	<b>106,532,728</b>	<b>1</b>
<b>Recreation and Culture</b>				
<u>Participation Recreation</u>				
Salaries	2,678,777	2,690,137	2,531,423	158,714
Operating expense	533,416	513,448	394,241	119,207
Utilities	174,300	170,301	162,360	7,941
Maintenance and repair projects	81,833	76,833	42,515	34,318
Contracted services	74,320	72,070	66,015	6,055
Capital outlay	32,500	34,750	31,100	3,650
Total Participation Recreation	3,575,146	3,557,539	3,227,654	329,885
<u>Railroad Museum</u>				
Salaries	97,315	97,315	96,246	1,069
Operating expense	11,893	8,681	8,696	(15)
Utilities	6,776	6,476	4,527	1,949
Contracted services	25,287	28,799	28,742	57
Total Railroad Museum	141,271	141,271	138,211	3,060
<u>Marine Museum</u>				
Salaries	1,992,040	2,003,179	1,982,497	20,682
Operating expense	209,988	217,509	181,106	36,403
Utilities	201,040	201,662	173,010	28,652
Maintenance and repair projects	30,650	53,798	53,782	16
Contracted services	58,438	58,780	52,911	5,869
Capital outlay	4,000	7,006	7,006	-
Total Marine Museum	2,496,156	2,541,934	2,450,312	91,622
<u>Libraries</u>				
Salaries	-	2,352,881	2,354,587	(1,706)
Operating expense	3,660,435	1,191,319	1,156,232	35,087
Contracted services	-	66,045	61,763	4,282
Capital outlay	-	45,356	45,356	-
Total Libraries	3,660,435	3,655,601	3,617,938	37,663

**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, 2010**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Natural Resources Division</u>				
Salaries	\$ 648,974	\$ 650,871	\$ 618,247	\$ 32,624
Operating expense	73,163	79,427	53,676	25,751
Utilities	43,700	41,941	37,581	4,360
Maintenance and repair projects	10,000	9,350	1,143	8,207
Contracted services	10,700	10,450	4,973	5,477
Total Natural Resources Division	<u>786,537</u>	<u>792,039</u>	<u>715,620</u>	<u>76,419</u>
<u>Arts Council</u>				
Operating expense	-	10,670	10,670	-
<b>Total Recreation and Culture</b>	<u>10,659,545</u>	<u>10,699,054</u>	<u>10,160,405</u>	<u>538,649</u>
<b>Conservation of Natural Resources</b>				
<u>Agricultural Extension Service</u>				
Operating expense	90,230	90,230	87,425	2,805
Total Agricultural Extension Service	<u>90,230</u>	<u>90,230</u>	<u>87,425</u>	<u>2,805</u>
<u>Soil Conservation Service</u>				
Salaries	288,670	288,670	290,480	(1,810)
Operating expense	3,835	3,835	3,832	3
Total Soil Conservation Service	<u>292,505</u>	<u>292,505</u>	<u>294,312</u>	<u>(1,807)</u>
<u>Forestry</u>				
Operating expense	23,245	23,245	23,245	-
<b>Total Conservation of Natural Resources</b>	<u>405,980</u>	<u>405,980</u>	<u>404,982</u>	<u>998</u>
<b>Urban Development and Housing</b>				
<u>Housing</u>				
Salaries	853,543	871,166	855,642	15,524
Total Housing	<u>853,543</u>	<u>871,166</u>	<u>855,642</u>	<u>15,524</u>
<u>Historical District Commission</u>				
Salaries	4,599	4,599	4,458	141
Operating expense	4,900	6,209	3,732	2,477
Contracted services	6,645	5,336	1,760	3,576
Total Historical District Commission	<u>16,144</u>	<u>16,144</u>	<u>9,950</u>	<u>6,194</u>
<u>Board of Appeals</u>				
Salaries	121,794	121,794	122,256	(462)
Operating expense	15,624	15,124	7,196	7,928
Contracted services	24,000	24,000	14,092	9,908
Honorarium	32,000	32,000	21,700	10,300
Capital outlay	-	500	856	(356)
Total Board of Appeals	<u>193,418</u>	<u>193,418</u>	<u>166,100</u>	<u>27,318</u>
<u>Planning Commission</u>				
Salaries	661,169	667,169	648,612	18,557
Operating expense	21,170	31,949	9,302	22,647
Contracted services	68,500	59,775	32,520	27,255
Honorarium	79,075	81,775	67,500	14,275
Capital outlay	-	4,540	4,489	51
Total Planning Commission	<u>829,914</u>	<u>845,208</u>	<u>762,423</u>	<u>82,785</u>
<b>Total Urban Development and Housing</b>	<u>1,893,019</u>	<u>1,925,936</u>	<u>1,794,115</u>	<u>131,821</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, 2010**

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>(Over) Under</u>
<b>Economic Development</b>				
<u>EDA/EDC/Tourism</u>				
Salaries	\$ 751,711	\$ 751,711	\$ 726,315	\$ 25,396
Operating expense	111,690	172,185	109,850	62,335
Advertising	324,916	252,808	187,958	64,850
Chamber of Commerce	93,421	96,878	96,877	1
SBDC	20,400	20,400	20,400	-
Contracted services	26,714	30,191	30,222	(31)
Capital outlay	12,260	12,706	8,998	3,708
Total Economic Development	<u>1,341,112</u>	<u>1,336,879</u>	<u>1,180,620</u>	<u>156,259</u>
<b>Pension and Insurance</b>				
Pension contribution	9,427,773	9,433,283	9,314,858	118,425
Workmen's compensation	1,658,504	1,659,391	1,293,487	365,904
General insurance	7,640,915	7,647,661	6,282,327	1,365,334
Other post employment benefits (OPEB)	2,000,000	2,000,000	2,000,000	-
Contingency	600,000	526,746	-	526,746
Total Pensions and Insurance	<u>21,327,192</u>	<u>21,267,081</u>	<u>18,890,672</u>	<u>2,376,409</u>
<b>Debt service</b>				
<u>Bond principal retirement</u>				
General obligations	11,921,353	11,921,353	12,024,609	(103,256)
<u>Bond interest</u>				
General obligations	<u>5,268,808</u>	<u>5,268,807</u>	<u>4,851,414</u>	<u>417,393</u>
Total debt service	<u>17,190,161</u>	<u>17,190,160</u>	<u>16,876,023</u>	<u>314,137</u>
<b>Total expenditures</b>	<u>216,632,271</u>	<u>218,501,688</u>	<u>211,049,194</u>	<u>7,452,494</u>
<b>Other financing uses</b>				
<u>Operating transfers out</u>				
Capital Projects Fund	470,748	13,295	13,295	-
Transfer to Grants Fund	2,044,723	2,008,674	1,769,227	239,447
Transfer to P&R Self-Sustaining	207,408	223,694	192,211	31,483
Transfer to Land Preservation	607,000	607,000	607,000	-
Transfer to Ches. Hills Golf Course	200,000	810,000	610,000	200,000
Transfer to Water and Sewer	-	28,156	28,156	-
Transfer to Bar Library	-	12,930	12,930	-
Transfer to Solid Waste	30,000	75,030	75,030	-
Total other financing uses	<u>3,559,879</u>	<u>3,778,779</u>	<u>3,307,849</u>	<u>470,930</u>
<b>Total expenditures and other financing uses</b>	<u>\$ 220,192,150</u>	<u>\$ 222,280,467</u>	<u>\$ 214,357,043</u>	<u>\$ 7,923,424</u>

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**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	<b>Planning and Zoning Special Revenue Fund</b>	<b>Housing Fund</b>	<b>Project Graduation</b>	<b>Excise Tax</b>	<b>Board of Library Trustees for Calvert County</b>	<b>Land Preservation Fund</b>
<b>ASSETS</b>						
Cash, cash equivalents and investments	\$ -	\$ -	\$ -	\$ -	\$ 13,385	\$ 8,697,355
Taxes receivable	-	-	-	899,980	-	-
Accounts receivable	25,000	508,953	-	-	-	-
Accrued interest receivable	-	-	-	-	-	-
Due from other funds	551,081	166,527	2,795	5,112,882	-	2,922,820
Inventory	-	-	-	-	-	-
Total assets	<u>\$ 576,081</u>	<u>\$ 675,480</u>	<u>\$ 2,795</u>	<u>\$ 6,012,862</u>	<u>\$ 13,385</u>	<u>\$ 11,620,175</u>
<b>LIABILITIES</b>						
Vouchers and accounts payable	476,098	4,083	-	-	-	-
Notes payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Deferred revenue	-	-	-	834,035	-	-
Total liabilities	<u>476,098</u>	<u>4,083</u>	<u>-</u>	<u>834,035</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Reserved	-	-	-	1,668,703	-	11,357,768
Unreserved						
Designated	-	-	-	1,534,628	-	-
Undesignated	99,983	671,397	2,795	1,975,496	13,385	262,407
Total fund balances	<u>99,983</u>	<u>671,397</u>	<u>2,795</u>	<u>5,178,827</u>	<u>13,385</u>	<u>11,620,175</u>
Total liabilities and fund balances	<u>\$ 576,081</u>	<u>\$ 675,480</u>	<u>\$ 2,795</u>	<u>\$ 6,012,862</u>	<u>\$ 13,385</u>	<u>\$ 11,620,175</u>

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

<b>Economic Development Incentive Fund</b>	<b>Parks and Recreation Fund</b>	<b>Bar Library Fund</b>	<b>Economic Development Authority Revolving Loan Fund</b>	<b>Revolving Loan Fund</b>	<b>Grants Fund</b>	<b>Calvert Co. Family Network</b>	<b>Total</b>
\$ -	\$ 50,919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,761,659
-	-	-	-	-	-	-	899,980
164,483	11,930	-	126,655	-	1,951,646	63,794	2,852,461
-	-	-	-	-	-	-	-
140,698	1,564,701	142,400	185,797	12,100	-	442,857	11,244,658
-	23,969	-	-	-	-	-	23,969
<u>\$ 305,181</u>	<u>\$ 1,651,519</u>	<u>\$ 142,400</u>	<u>\$ 312,452</u>	<u>\$ 12,100</u>	<u>\$ 1,951,646</u>	<u>\$ 506,651</u>	<u>\$ 23,782,727</u>
-	327,084	5,020	-	-	813,091	114,190	1,739,566
-	195,400	-	-	-	-	-	195,400
-	-	-	-	-	801,295	-	801,295
-	210,072	-	-	-	161,345	392,461	1,597,913
<u>-</u>	<u>732,556</u>	<u>5,020</u>	<u>-</u>	<u>-</u>	<u>1,775,731</u>	<u>506,651</u>	<u>4,334,174</u>
-	73,496	-	-	-	175,915	-	13,275,882
-	-	-	-	-	-	-	1,534,628
305,181	845,467	137,380	312,452	12,100	-	-	4,638,043
<u>305,181</u>	<u>918,963</u>	<u>137,380</u>	<u>312,452</u>	<u>12,100</u>	<u>175,915</u>	<u>-</u>	<u>19,448,553</u>
<u>\$ 305,181</u>	<u>\$ 1,651,519</u>	<u>\$ 142,400</u>	<u>\$ 312,452</u>	<u>\$ 12,100</u>	<u>\$ 1,951,646</u>	<u>\$ 506,651</u>	<u>\$ 23,782,727</u>

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2010**

	<b>Planning and Zoning Special Revenue Fund</b>	<b>Housing Fund</b>	<b>Project Graduation</b>	<b>Excise Tax</b>	<b>Board of Library Trustees for Calvert County</b>	<b>Land Preservation Fund</b>
<b>REVENUE</b>						
Taxes	\$ -	\$ -	\$ -	\$ 2,885,216	\$ -	\$ -
Intergovernmental	-	-	-	-	684,577	25,912
Fines and forfeitures	11,778	-	-	-	137,998	-
Miscellaneous	164,336	6,090	17	39,352	88,482	713,351
Total revenue	176,114	6,090	17	2,924,568	911,057	739,263
<b>EXPENDITURES</b>						
Salaries and fringe benefits	99,591	-	-	-	3,362,215	-
Education and miscellaneous	38,229	56,785	-	121,226	542,263	629,338
Total expenditures	137,820	56,785	-	121,226	3,904,478	629,338
Excess (deficiency) of revenue over (under) expenditures	38,294	(50,695)	17	2,803,342	(2,993,421)	109,925
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfer in	-	-	-	798,558	2,996,633	607,000
Operating transfer out	-	(1,022,640)	-	(1,626,404)	-	-
Total other financing sources (uses)	-	(1,022,640)	-	(827,846)	2,996,633	607,000
Net change in fund balance	38,294	(1,073,335)	17	1,975,496	3,212	716,925
Fund balance - beginning of year	61,689	1,744,732	2,778	3,203,331	10,173	10,903,250
Fund balance - end of year	\$ 99,983	\$ 671,397	\$ 2,795	\$ 5,178,827	\$ 13,385	\$ 11,620,175

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2010**

<b>Economic Development Incentive Fund</b>	<b>Parks and Recreation Fund</b>	<b>Bar Library Fund</b>	<b>Economic Development Authority Revolving Loan Fund</b>	<b>Revolving Loan Fund</b>	<b>Grants Fund</b>	<b>Calvert Co. Family Network</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,885,216
-	-	-	-	-	4,642,620	-	5,353,109
-	-	49,838	-	-	-	-	199,614
1,714	1,887,982	1,049	3,966	-	449,482	695,569	4,051,390
1,714	1,887,982	50,887	3,966	-	5,092,102	695,569	12,489,329
-	695,146	38,362	-	-	2,729,371	174,654	7,099,339
-	970,740	76,011	-	-	3,964,572	520,915	6,920,079
-	1,665,886	114,373	-	-	6,693,943	695,569	14,019,418
1,714	222,096	(63,486)	3,966	-	(1,601,841)	-	(1,530,089)
-	192,211	12,930	-	-	1,769,227	-	6,376,559
-	(457,606)	-	-	(1,000,000)	-	-	(4,106,650)
-	(265,395)	12,930	-	(1,000,000)	1,769,227	-	2,269,909
1,714	(43,299)	(50,556)	3,966	(1,000,000)	167,386	-	739,820
303,467	962,262	187,936	308,486	1,012,100	8,529	-	18,708,733
<u>\$ 305,181</u>	<u>\$ 918,963</u>	<u>\$ 137,380</u>	<u>\$ 312,452</u>	<u>\$ 12,100</u>	<u>\$ 175,915</u>	<u>\$ -</u>	<u>\$ 19,448,553</u>

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**COMBINING STATEMENT OF NET ASSETS  
NONMAJOR PROPRIETARY FUNDS  
JUNE 30, 2010**

	<b>Chesapeake Hills Golf Course</b>	<b>Calvert Marine Museum</b>	<b>Total</b>
<b>ASSETS</b>			
<u>Current assets:</u>			
Cash and cash equivalents	\$ 39,891	\$ 162,089	\$ 201,980
Investments	-	103,101	103,101
Total cash, cash equivalents and investments	39,891	265,190	305,081
Accounts receivable	-	14,918	14,918
Notes receivable	-	-	-
Accrued interest receivable	-	-	-
Due from other funds	604,154	-	604,154
Deferred expenses	-	-	-
Prepaid expenses	-	-	-
Inventory	8,513	39,094	47,607
Total current assets	<u>652,558</u>	<u>319,202</u>	<u>971,760</u>
<u>Non-current assets:</u>			
Restricted assets			
Cash and investments	-	725,068	725,068
Inventory	-	-	-
Capital assets not being depreciated	1,496,616	607,180	2,103,796
Depreciable capital assets - net	1,994,403	2,346,185	4,340,588
Total non-current assets	<u>3,491,019</u>	<u>3,678,433</u>	<u>7,169,452</u>
Total assets	<u>4,143,577</u>	<u>3,997,635</u>	<u>8,141,212</u>
<b>LIABILITIES</b>			
<u>Current liabilities:</u>			
Vouchers and accounts payable	34,556	-	34,556
Accrued expenses	13,773	-	13,773
Due to other funds	-	-	-
Unearned revenue	-	290	290
Bonds and notes payable - current	-	-	-
Total current liabilities	<u>48,329</u>	<u>290</u>	<u>48,619</u>
<u>Noncurrent liabilities:</u>			
Long-term obligations	-	-	-
Total liabilities	<u>48,329</u>	<u>290</u>	<u>48,619</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	3,491,019	2,953,365	6,444,384
Restricted capital connection	-	-	-
Restricted gifts and bequests	-	725,068	725,068
Unrestricted	604,229	318,912	923,141
Total net assets	<u>\$ 4,095,248</u>	<u>\$ 3,997,345</u>	<u>\$ 8,092,593</u>

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET ASSETS  
NONMAJOR PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2010**

	<b>Chesapeake Hills Golf Course</b>	<b>Calvert Marine Museum</b>	<b>Total</b>
<u>Operating revenue:</u>			
Charges for services	\$ 771,209	\$ 149,682	\$ 920,891
<u>Operating expenses:</u>			
Salaries & benefits	407,800	2,311,275	2,719,075
Contracted services	3,635	78,631	82,266
Supplies	11,431	63,245	74,676
Heat, light and power	26,742	173,010	199,752
Depreciation	131,068	325,458	456,526
Miscellaneous	271,500	165,562	437,062
Telephone	4,319	10,299	14,618
Compensated absences	11,871	-	11,871
Maintenance and repairs	82,281	79,756	162,037
Capital outlay	-	1,006	1,006
Grant & restricted expenses	-	191,928	191,928
Total operating expenses	<u>950,647</u>	<u>3,400,170</u>	<u>4,350,817</u>
Operating income (loss)	<u>(179,438)</u>	<u>(3,250,488)</u>	<u>(3,429,926)</u>
<u>Non-operating revenue (expenses):</u>			
Grants	-	30,538	30,538
Contributions and fund-raising	-	406,370	406,370
Deferred amount on refunding	-	-	-
Miscellaneous income	2,077	167,541	169,618
Tower revenue	-	-	-
Investment income	3,998	17,010	21,008
Interest expense	-	-	-
Total non-operating revenue (expenses)	<u>6,075</u>	<u>621,459</u>	<u>627,534</u>
Income (loss) before contributions and transfers	(173,363)	(2,629,029)	(2,802,392)
Operating transfers in (out)	-	2,430,703	2,430,703
Capital transfers in (out)	610,000	-	610,000
Capital connection charges	-	-	-
Capital contributions	-	223,334	223,334
Change in net assets	436,637	25,008	461,645
Total net assets - beginning	<u>3,658,611</u>	<u>3,972,337</u>	<u>7,630,948</u>
Total net assets - ending	<u>\$ 4,095,248</u>	<u>\$ 3,997,345</u>	<u>\$ 8,092,593</u>

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Chesapeake Hills Golf Course</u>	<u>Calvert Marine Museum</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 771,209	\$ 174,483	\$ 945,692
Tower revenue	-	-	-
Payments to suppliers	(461,269)	(759,579)	(1,220,848)
Payments to employees	(396,060)	(2,311,275)	(2,707,335)
Payments from (to) other funds	(82,288)	-	(82,288)
Net cash provided by (used in) operating activities	<u>(168,408)</u>	<u>(2,896,371)</u>	<u>(3,064,779)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Operating transfers from other funds	-	2,430,703	2,430,703
Contribution and fundraising receipts/misc.	2,077	573,911	575,988
Net cash provided by (used in) non-capital financing activities	<u>2,077</u>	<u>3,004,614</u>	<u>3,006,691</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Additions to capital assets and construction-in-progress	(461,119)	(223,334)	(684,453)
Proceeds from issuance of long term debt	-	-	-
Grant funds received	-	30,538	30,538
Capital connection fees received	-	-	-
Capital transfers from other funds	610,000	-	610,000
Capital contributions	-	223,334	223,334
Principal paid on long-term obligations	-	-	-
Interest paid on long-term obligations	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>148,881</u>	<u>30,538</u>	<u>179,419</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received on deposits	3,998	17,010	21,008
Purchase of investments	-	(93,817)	(93,817)
Net cash provided by (used in) investing activities	<u>3,998</u>	<u>(76,807)</u>	<u>(72,809)</u>
Increase in cash and cash equivalents	(13,452)	61,974	48,522
Cash and cash equivalents, beginning of year	53,343	100,115	153,458
Cash and cash equivalents, end of year	<u>\$ 39,891</u>	<u>\$ 162,089</u>	<u>\$ 201,980</u>
<b>PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (179,438)	\$ (3,250,488)	\$ (3,429,926)
Adjustments to reconcile operating income (loss) to <u>Net cash provided by (used in) operating activities</u>			
Depreciation	131,068	325,458	456,526
Landfill closure costs and other	-	-	-
Tower revenue	-	-	-
<u>Changes in assets and liabilities</u>			
Inventory	19,957	3,559	23,516
Accounts receivable	-	31,391	31,391
Prepaid expenses	-	499	499
Deferred expenditures	(13,805)	(6,590)	(20,395)
Due from other funds	(82,288)	-	(82,288)
Bond payable refundable	-	-	-
Accounts payable	(55,642)	(200)	(55,842)
Accrued expenses	11,740	-	11,740
Due to other funds	-	-	-
Net cash provided by (used in) operating activities	<u>\$ (168,408)</u>	<u>\$ (2,896,371)</u>	<u>\$ (3,064,779)</u>
<b>Reconciliation of cash and cash equivalents to the balance sheet:</b>			
Cash and investments, unrestricted	\$ 39,891	\$ 265,190	\$ 305,081
Cash and investments, restricted	-	725,068	725,068
	<u>39,891</u>	<u>990,258</u>	<u>1,030,149</u>
Less - noncash equivalent investments	-	828,169	828,169
Cash and cash equivalents	<u>\$ 39,891</u>	<u>\$ 162,089</u>	<u>\$ 201,980</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

ECONOMIC DEVELOPMENT AUTHORITY COMPONENT UNIT

FUND PRESENTATION

STATEMENT OF NET ASSETS

JUNE 30, 2010

	<b>Operating Fund</b>
<b>ASSETS</b>	
Cash, cash equivalents and investments	\$ 1,745,532
Notes receivable	213,075
Accrued interest receivable	73,862
Due from primary government	117,354
Fixed assets (net of accumulated depreciation)	22,191
Total assets	<u>\$ 2,172,014</u>
<b>LIABILITIES</b>	
Deferred revenue	\$ 208,711
Total liabilities	<u>208,711</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	22,191
Unrestricted	1,941,112
Total net assets	<u>1,963,303</u>
Total liabilities and net assets	<u>\$ 2,172,014</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

ECONOMIC DEVELOPMENT AUTHORITY COMPONENT UNIT FUND PRESENTATION  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET ASSETS  
YEAR ENDED JUNE 30, 2010

	<u>Operating Fund</u>
<u>Operating revenue:</u>	
Charges for services	\$ 4,702
<u>Operating expenses:</u>	
Miscellaneous	1,081
Total operating expenses	<u>1,081</u>
Operating income (loss)	<u>3,621</u>
<u>Non-operating revenue (expenses):</u>	
Investment income	4,339
Investment expense	(559)
Total non-operating revenue (expenses)	<u>3,780</u>
Change in net assets	7,401
Total net assets - beginning	<u>1,955,902</u>
Total net assets - ending	<u>\$ 1,963,303</u>

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**ECONOMIC DEVELOPMENT AUTHORITY COMPONENT UNIT FUND PRESENTATION**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2010**

	<b>Operating Fund</b>
	<hr/>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Note receipts from customers	\$ 19,157
Interest receipts from customers	4,702
Payments from (to) primary government	(21,454)
Payments to suppliers	(1,669)
	<hr/>
Net cash provided by (used in) operating activities	736
	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received on investments	10,194
Investment expenses	(559)
	<hr/>
Net cash provided by (used in) investing activities	9,635
	<hr/>
Increase in cash and cash equivalents	10,371
	<hr/>
Cash and cash equivalents, beginning of year	1,735,161
	<hr/>
Cash and cash equivalents, end of year	\$ 1,745,532
	<hr/> <hr/>
<b>PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	
Operating income (loss)	\$ 3,621
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	19,157
Accrued interest	(8,150)
Due from primary government	(21,454)
Accounts payable	(588)
Unearned revenue	8,150
	<hr/>
Net cash provided by (used in) operating activities	\$ 736
	<hr/> <hr/>

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**COMBINING SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN FUND NET ASSETS  
WATER AND SEWER FUND  
YEAR ENDED JUNE 30, 2010**

	<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	\$ 1,597,641	\$ 2,930,755	\$ 573,410	\$ -	\$ 5,101,806
<u>Operating expenses</u>					
Salaries & benefits	601,883	721,673	286,258	661,644	2,271,458
Contracted services	63,648	599,059	80,556	37,521	780,784
Supplies	116,764	73,615	29,055	26,889	246,323
Heat, light and power	179,754	447,880	-	-	627,634
Depreciation	745,842	1,170,978	-	27,702	1,944,522
Miscellaneous	10,045	29,590	21	42,322	81,978
Telephone	2,703	7,618	1,123	4,673	16,117
Compensated absences	5,403	53,099	(3,339)	16,866	72,029
Maintenance and repairs	272,041	281,207	45,572	9,718	608,538
Capital outlay	46,105	3,007	-	10,107	59,219
Grant & restricted expenses	-	-	-	-	-
Total operating expenses	<u>2,044,188</u>	<u>3,387,726</u>	<u>439,246</u>	<u>837,442</u>	<u>6,708,602</u>
Operating income (loss)	<u>(446,547)</u>	<u>(456,971)</u>	<u>134,164</u>	<u>(837,442)</u>	<u>(1,606,796)</u>
<u>Non-operating revenue (expenses)</u>					
Deferred amount on refunding	-	(30,191)	-	-	(30,191)
Miscellaneous income	30,386	7,530	-	6,537	44,453
Tower revenue	112,689	-	-	-	112,689
Investment income	1,790	2,815	-	(881)	3,724
Interest expense	(23,589)	(193,532)	-	-	(217,121)
Administrative allocation	(430,802)	(238,664)	(134,164)	803,630	-
Total non-operating revenue (expenses)	<u>(309,526)</u>	<u>(452,042)</u>	<u>(134,164)</u>	<u>809,286</u>	<u>(86,446)</u>
Income (loss) before contributions and transfers	(756,073)	(909,013)	-	(28,156)	(1,693,242)
<u>Transfers</u>					
Operating transfers in (out)	-	-	-	28,156	28,156
Capital transfers in (out)	(40,000)	-	-	-	(40,000)
Capital connection charges	441,230	351,608	-	-	792,838
Capital contributions	-	-	-	-	-
Change in net assets	(354,843)	(557,405)	-	-	(912,248)
Total net assets - beginning	<u>7,322,076</u>	<u>15,724,193</u>	<u>-</u>	<u>1,999,832</u>	<u>25,046,101</u>
Total net assets - ending	<u>\$ 6,967,233</u>	<u>\$ 15,166,788</u>	<u>\$ -</u>	<u>\$ 1,999,832</u>	<u>\$ 24,133,853</u>

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND  
YEAR ENDED JUNE 30, 2010**

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2010</u>
Tax Redemption Fund				
Assets				
Cash	\$ 25,823	\$ 342,466	\$ 276,544	\$ 91,745
Accounts receivable	9,040	173	3,088	6,125
Total Assets	<u>\$ 34,863</u>	<u>\$ 342,639</u>	<u>\$ 279,632</u>	<u>\$ 97,870</u>
Liabilities				
Accounts payable	\$ 34,863	\$ 342,605	\$ 279,598	\$ 97,870
Total Liabilities	<u>\$ 34,863</u>	<u>\$ 342,605</u>	<u>\$ 279,598</u>	<u>\$ 97,870</u>

**COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND**

**SCHEDULE OF NOTES RECEIVABLE - VOLUNTEER FIRE DEPARTMENTS  
AND RESCUE SQUADS - GENERAL FUND  
JUNE 30, 2010**

<b>Volunteer Fire Departments and Rescue Squads</b>	<b>Term</b>	<b>Payment Period</b>	<b>Balance June 30, 2009</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2010</b>
North Beach	25 years	Semiannually	\$ 165,263	\$ -	\$ 10,329	\$ 154,934
	9 years	Semiannually	5,138	-	3,425	1,713
	12 years	Semiannually	11,736	-	2,608	9,128
	8 years	Semiannually	111,698	-	15,957	95,741
	19 years	Semiannually	18,750	-	7,500	11,250
	7 years	Semiannually	12,610	-	12,610	-
	14 years	Semiannually	10,000	-	6,667	3,333
	24 years	Semiannually	115,549	-	9,629	105,920
			<u>450,744</u>	<u>-</u>	<u>68,725</u>	<u>382,019</u>
Prince Frederick (PF)	25 years	Semiannually	10,420	-	4,169	6,251
	10 years	Semiannually	11,275	-	4,510	6,765
	25 years	Semiannually	54,880	-	7,840	47,040
	25 years	Semiannually	343,100	-	14,600	328,500
	19 years	Semiannually	62,775	-	13,950	48,825
	25 years	Semiannually	494,000	-	26,000	468,000
	12 years	Semiannually	19,969	-	3,328	16,641
			<u>996,419</u>	<u>-</u>	<u>74,397</u>	<u>922,022</u>
Solomons	25 years	Semiannually	77,890	-	11,126	66,764
	25 years	Semiannually	111,282	-	15,898	95,384
	7 years	Semiannually	103,720	-	15,957	87,763
	29 years	Semiannually	5,583	-	5,583	-
	19 years	Semiannually	39,200	-	9,800	29,400
	19 years	Semiannually	36,000	-	8,000	28,000
	7 years	Semiannually	25,214	-	12,607	12,607
	12 years	Semiannually	30,011	-	3,531	26,480
	9 years	Semiannually	22,923	-	4,168	18,755
	8 years	Semiannually	82,795	-	15,054	67,741
	8 years	Semiannually	-	143,433	-	143,433
			<u>534,618</u>	<u>143,433</u>	<u>101,724</u>	<u>576,327</u>
	PF Second District	8 years	Semiannually	40,125	-	13,374
8 years		Semiannually	63,852	-	14,190	49,662
9 years		Semiannually	5,480	-	3,653	1,827
8 years		Semiannually	103,720	-	15,957	87,763
			<u>213,177</u>	<u>-</u>	<u>47,174</u>	<u>166,003</u>
Dunkirk	24 years	Semiannually	132,666	-	9,476	123,190
	8 years	Semiannually	46,813	-	13,375	33,438
	8 years	Semiannually	48,217	-	13,776	34,441
	9 years	Semiannually	12,503	-	4,167	8,336
	25 years	Semiannually	292,500	-	13,000	279,500
	12 years	Semiannually	20,567	-	3,429	17,138
			<u>553,266</u>	<u>-</u>	<u>57,223</u>	<u>496,043</u>
Huntingtown	25 years	Semiannually	54,880	-	7,840	47,040
	24 years	Semiannually	97,200	-	7,200	90,000
	24 years	Semiannually	109,734	-	9,144	100,590
	24 years	Semiannually	53,500	-	13,375	40,125
	9 years	Semiannually	12,504	-	4,168	8,336
	12 years	Semiannually	47,030	-	4,090	42,940
	25 years	Semiannually	337,610	-	13,780	323,830
	8 years	Semiannually	32,464	-	12,985	19,479
		<u>744,922</u>	<u>-</u>	<u>72,582</u>	<u>672,340</u>	
St. Leonard	25 years	Semiannually	87,551	-	12,507	75,044
	25 years	Semiannually	186,180	-	10,639	175,541
	24 years	Semiannually	148,320	-	9,569	138,751
	7 years	Semiannually	12,610	-	12,610	-
	9 years	Semiannually	38,412	-	5,122	33,290
	8 years	Semiannually	40,125	-	13,375	26,750
	12 years	Semiannually	20,568	-	3,428	17,140
			<u>533,766</u>	<u>-</u>	<u>67,250</u>	<u>466,516</u>
Calvert Advanced Life Support Unit	3 years	Semiannually	34,814	-	23,209	11,605
	3 years	Semiannually	73,805	-	24,602	49,203
	3 years	Semiannually	73,805	-	24,602	49,203
	3 years	Semiannually	-	78,233	-	78,233
			<u>182,424</u>	<u>78,233</u>	<u>72,413</u>	<u>188,244</u>
		<u>\$ 4,209,336</u>	<u>\$ 221,666</u>	<u>\$ 561,488</u>	<u>\$ 3,869,514</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, 2010

	Community Service Initiative	Healthy Families	Saturday Schools	YSB	LAM	Functional Family Therapy	LCC Coordinator	Reinvest Funds	CCFN Administrative	Total
<b>REVENUES</b>										
Federal revenue	-	-	-	-	-	-	-	-	-	-
State revenue	2,974	253,780	64,345	25,893	104,588	55,114	167	10,355	178,353	695,569
Total revenues	2,974	253,780	64,345	25,893	104,588	55,114	167	10,355	178,353	695,569
<b>EXPENDITURES</b>										
Salaries	-	3,623	-	-	-	-	-	-	126,128	129,751
Printing & office supp	-	-	-	-	-	-	-	-	1,067	1,067
Postage	-	-	-	-	-	-	-	-	227	227
Mileage allowance	-	-	-	-	-	-	167	-	923	1,090
Conferences	-	-	-	-	-	-	-	6,217	-	6,217
Board of Education	-	248,780	64,345	-	-	-	-	-	-	313,125
Contracted services	2,974	-	-	25,893	104,588	55,114	-	3,142	1,047	192,758
Advertising	-	-	-	-	-	-	-	-	1,367	1,367
Training/reimb	-	-	-	-	-	-	-	-	1,896	1,896
Subscription/membership	-	-	-	-	-	-	-	-	39	39
Telephone/comm	-	-	-	-	-	-	-	-	1,385	1,385
Rent	-	-	-	-	-	-	-	-	748	748
Food	-	-	-	-	-	-	-	996	-	996
Benefits	-	1,377	-	-	-	-	-	-	43,526	44,903
Total expenditures	2,974	253,780	64,345	25,893	104,588	55,114	167	10,355	178,353	695,569
Excess (deficiency) of revenue over expenditures	-	-	-	-	-	-	-	-	-	-
Fund balance - beginning of year	-	-	-	-	-	-	-	-	-	-
Fund balance - end of year	-	-	-	-	-	-	-	-	-	-



**Murphy & Murphy, CPA, LLC**  
**Certified Public Accountants**

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**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, 2010, which collectively comprise the County Commissioners of Calvert County, Maryland's basic financial statements and have issued our report thereon dated December 17, 2010. Our report was modified to include 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

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 and management, 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 of Murphy, CPA, LLC*

Clinton, Maryland  
December 17, 2010

# Statistical Section



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COUNTY COMMISSIONERS OF CALVERT COUNTY  
CALVERT COUNTY, MARYLAND

FINANCIAL TREND DATA  
JUNE 30, 2010

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

County Commissioners of Calvert County, Maryland  
Net Assets by Category  
(Unaudited)  
Schedule 1  
(see related notes below)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
<b>Governmental activities</b>								
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
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
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
<b>Total governmental activities net assets</b>	<b>\$ 115,252,661</b>	<b>\$ 112,192,028</b>	<b>\$ 131,813,490</b>	<b>\$ 152,265,883</b>	<b>\$ 175,026,587</b>	<b>\$ 187,248,566</b>	<b>\$ 171,381,081</b>	<b>\$ 157,609,312</b>
<b>Business-type activities</b>								
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
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
Unrestricted	1,919,870	1,330,155	16,967	(1,579,473)	(3,535,383)	(5,965,771)	(2,823,574)	1,539,588
<b>Total business-type activities net assets</b>	<b>\$ 34,079,577</b>	<b>\$ 34,778,018</b>	<b>\$ 34,295,198</b>	<b>\$ 33,539,846</b>	<b>\$ 33,831,465</b>	<b>\$ 34,431,146</b>	<b>\$ 38,440,283</b>	<b>\$ 38,265,297</b>
<b>Primary government</b>								
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
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
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
<b>Total primary government net assets</b>	<b>\$ 149,332,238</b>	<b>\$ 146,970,046</b>	<b>\$ 166,108,688</b>	<b>\$ 185,805,729</b>	<b>\$ 208,858,052</b>	<b>\$ 221,679,712</b>	<b>\$ 209,821,364</b>	<b>\$ 195,874,609</b>

NOTES:

- (1) Accounting standards require the net assets be reported in three components in the financial statements: capital assets, net of related debt; restricted; and unrestricted. Net assets are 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.
- (2) Government-wide net asset information is reported on the accrual basis of accounting.
- (3) Eight years of statistical data is reported on this schedule. Prior to GASB 34, the county did not maintain this type of information.

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**County Commissioners of Calvert County, Maryland**  
**Changes in Net Assets**  
**(accrual basis of accounting)**  
**(Unaudited, see related notes below)**  
**Schedule 2**

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
<b>Expenses</b>								
Governmental activities:								
General government	\$ 12,587,597	\$ 13,369,218	\$ 14,641,034	\$ 15,637,498	\$ 19,375,201	\$ 21,118,928	\$ 19,068,759	\$ 10,729,459
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
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
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
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
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
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
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
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
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
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
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
Subtotal governmental activities expenses	\$ 152,282,091	\$ 173,254,778	\$ 166,353,795	\$ 178,527,040	\$ 187,634,990	\$ 206,595,806	\$ 229,582,306	\$ 233,913,099
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
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
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
Subtotal business-type activities expenses	\$ 17,348,869	\$ 19,604,660	\$ 20,163,474	\$ 21,037,931	\$ 20,679,251	\$ 20,589,489	\$ 21,244,487	\$ 21,408,033
Total primary government expenses	\$ 169,630,960	\$ 192,859,438	\$ 186,517,269	\$ 199,564,971	\$ 208,305,241	\$ 227,185,295	\$ 250,826,793	\$ 255,321,132
<b>Program Revenues</b>								
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
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
Public works	5,373,336	7,849,342	5,439,168	6,446,786	7,282,186	6,388,285	6,434,341	1,642,677
Health and hospitals	41,329	82,608	54,343	58,187	70,687	58,399	38,737	47,213
Social services	814,116	682,748	753,748	754,048	1,014,712	797,476	1,049,527	698,277
Education	5,148	12,103	34,193	34,193	8,299	4,000	-	107,940
Board of Education	-	-	-	-	-	-	-	965,787
Recreation and culture	2,026,048	4,323,459	2,563,470	3,226,166	3,549,745	3,353,666	3,385,992	3,584,768
Conservation of natural resources	155,458	151,279	166,768	143,702	744,522	336,473	1,330,446	184,610
Urban development and housing	700,488	744,894	845,954	1,018,478	997,111	961,195	1,022,376	1,071,636
Economic development	1,293,689	1,083,522	989,167	1,007,398	1,058,562	929,119	838,483	698,198
Miscellaneous	1,126,307	1,353,007	2,097,004	1,730,581	-	-	-	-
Capital projects	10,644,669	1,987,109	838,894	1,823,092	1,707,441	1,356,301	2,334,409	-
Debt service	641,103	638,943	640,651	641,346	636,098	639,458	636,352	636,802
Subtotal governmental activities revenues	\$ 28,511,236	\$ 26,676,822	\$ 22,746,543	\$ 25,816,485	\$ 26,728,996	\$ 26,225,301	\$ 29,030,373	\$ 22,336,907
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
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
Culture	497,522	1,181,133	607,406	668,812	732,755	837,528	1,201,750	1,750,751
Subtotal business-type activities revenues	\$ 14,563,777	\$ 18,140,028	\$ 17,444,136	\$ 17,743,707	\$ 17,954,172	\$ 17,993,782	\$ 18,637,153	\$ 18,038,008
Total primary government revenues	\$ 43,075,013	\$ 44,816,850	\$ 40,190,679	\$ 43,560,192	\$ 44,683,168	\$ 44,219,083	\$ 47,667,526	\$ 40,374,915

County Commissioners of Calvert County, Maryland  
Changes in Net Assets  
(accrual basis of accounting)  
(Unaudited, see related notes below)  
Schedule 2

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
<b>Net (Expense)/Revenue</b>								
Governmental activities:								
General government	\$ (11,021,450)	\$ (11,205,854)	\$ (12,661,601)	\$ (12,752,991)	\$ (16,644,449)	\$ (16,884,205)	\$ (14,473,348)	\$ (5,743,466)
Public safety	(13,126,137)	(12,038,052)	(12,450,563)	(12,256,990)	(18,906,932)	(21,274,282)	(24,633,636)	(23,584,130)
Public works	(5,187,975)	(2,529,869)	484,860	(2,209,721)	(9,012,376)	(6,359,325)	(11,738,050)	(22,489,167)
Health and hospitals	(2,562,757)	(2,498,848)	(2,384,826)	(2,489,384)	(3,020,382)	(3,001,114)	(3,412,849)	(2,081,199)
Social services	(5,628,908)	(6,348,286)	(6,918,153)	(6,348,119)	(2,983,083)	(8,877,284)	(9,671,667)	(10,961,982)
Education	(1,797,734)	(1,612,253)	(1,986,001)	(2,357,167)	(2,983,083)	(3,044,439)	(3,478,087)	(4,506,707)
Board of Education	(78,087,440)	(93,320,807)	(87,372,370)	(85,712,612)	(90,378,744)	(108,689,460)	(122,637,685)	(132,595,737)
Recreation and culture	(4,271,830)	(2,240,619)	(4,267,598)	678,395	(7,058,932)	(7,876,998)	(6,175,072)	(1,408,273)
Conservation of natural resources	(136,193)	(619,098)	(883,589)	(3,057,977)	(678,276)	(1,480,005)	(271,405)	(1,389,100)
Urban development and housing	(120,023)	(194,547)	(124,334)	(67,624)	(329,720)	(417,465)	(1,580,899)	(1,571,854)
Economic development	393,886	(148,999)	(190,649)	(196,651)	(371,873)	(280,426)	(627,168)	(1,154,512)
Miscellaneous	(7,514,819)	(8,400,989)	(8,358,445)	(10,750,268)	(326,659)	1,356,301	2,334,409	-
Capital projects	7,316,390	(2,986,869)	(3,930,814)	(11,969,427)	(3,003,952)	(3,541,303)	(4,186,476)	(4,090,065)
Debt service	(2,025,865)	(2,432,866)	(2,563,169)	(2,643,019)	(160,905,994)	(180,370,505)	(200,551,933)	(211,576,192)
Subtotal governmental activities expenses	(123,770,855)	(146,577,956)	(143,607,252)	(152,710,555)	(160,905,994)	(180,370,505)	(200,551,933)	(211,576,192)
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)
Solid waste	385,545	311,134	276,992	289,058	935,653	516,403	389,708	134,169
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)
Subtotal business-type activities expenses	(2,785,092)	(1,464,632)	(2,719,338)	(3,294,224)	(2,716,079)	(2,575,707)	(2,607,334)	(3,370,025)
Total primary government expenses	(126,555,947)	(148,042,588)	(146,326,590)	(156,004,779)	(163,622,073)	(182,946,212)	(203,159,267)	(214,946,217)
<b>General Revenues and Other Changes in Net Assets</b>								
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
Income taxes	39,753,312	49,978,622	56,880,109	58,047,605	61,886,520	63,477,715	54,280,021	55,475,403
Recordation taxes	9,067,979	11,322,287	13,630,156	14,481,819	11,664,698	9,114,661	5,799,985	5,690,348
Admission and amusement taxes	40,472	198,063	269,049	293,735	107,310	23,377	30,212	25,009
Franchise taxes	551,667	714,446	892,707	894,342	892,707	984,342	1,078,080	1,110,311
Other miscellaneous taxes	970,841	154,886	182,573	132,064	157,516	148,115	119,546	114,013
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
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)
Subtotal governmental activities revenues	126,855,512	143,517,323	163,228,714	173,162,948	183,666,698	192,592,484	184,684,448	197,804,423
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
Subtotal business-type activities revenues	2,076,570	2,163,073	2,236,518	2,538,872	3,007,698	3,175,388	6,616,470	3,195,039
Total primary government revenues	\$ 128,932,082	\$ 145,680,396	\$ 165,465,232	\$ 175,701,820	\$ 186,674,396	\$ 195,767,872	\$ 191,300,918	\$ 200,999,462
<b>Change in Net assets</b>								
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)
Business-type activities	(708,522)	698,441	(482,820)	(755,352)	291,619	599,681	4,009,136	(174,986)
Total primary government	\$ 2,376,135	\$ (2,362,192)	\$ 19,138,642	\$ 19,697,041	\$ 23,052,323	\$ 12,821,660	\$ (11,858,349)	\$ (13,946,755)

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. 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) Eight 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  
 (Unaudited)  
 Schedule 3  
 (see related notes below)

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
Real and personal property taxes	\$ 64,057,122	\$ 63,634,502	\$ 65,763,330	\$ 70,820,349	\$ 78,790,203	\$ 86,051,217	\$ 94,728,796	\$ 106,121,819	\$ 122,918,020	\$ 133,981,114
Income taxes	36,733,853	38,102,620	40,161,499	46,585,767	54,386,967	55,625,569	59,064,889	62,153,000	58,370,205	56,136,128
Admission and amusements	47,789	38,351	40,472	198,063	269,049	293,735	107,310	23,377	30,212	25,009
Recordation	6,054,865	7,180,740	9,067,979	11,322,287	13,630,156	14,481,819	11,664,698	9,114,661	5,799,985	5,690,348
Trailer parks	140,678	145,216	154,844	154,885	149,036	132,063	157,516	148,115	119,546	114,013
Hotel (Note 2)	-	-	-	528,181	498,039	519,919	644,328	785,519	763,877	693,265
Highway user revenue (Note 3)	4,614,661	4,599,518	4,470,538	3,632,858	4,611,142	5,683,147	5,947,234	5,701,044	5,077,195	256,759
Franchise	414,463	466,179	551,667	618,105	714,446	778,416	892,707	984,342	1,078,080	1,110,311
Total Taxes	\$ 112,063,431	\$ 114,167,126	\$ 120,210,329	\$ 133,860,495	\$ 153,049,038	\$ 163,565,885	\$ 173,207,478	\$ 185,031,877	\$ 194,157,120	\$ 198,006,947

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) Highway User revenue was decreased by the state in FY10.

County Commissioners of Calvert County, Maryland  
Fund Balance of Governmental Funds  
(Unaudited)  
Schedule 4  
(see related notes below)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
General Fund								
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	38,883,863	39,447,501	47,719,807	56,039,767	54,223,295	55,649,096	48,323,197	46,810,605
Total General Fund	<u>\$ 43,508,867</u>	<u>\$ 44,416,313</u>	<u>\$ 53,103,378</u>	<u>\$ 61,879,086</u>	<u>\$ 63,418,813</u>	<u>\$ 68,211,924</u>	<u>\$ 59,775,985</u>	<u>\$ 57,249,554</u>
All other governmental funds								
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
Permanent funds								
Total all other governmental funds	<u>\$ 56,155,683</u>	<u>\$ 44,775,365</u>	<u>\$ 48,167,559</u>	<u>\$ 45,195,324</u>	<u>\$ 62,776,472</u>	<u>\$ 71,929,632</u>	<u>\$ 62,776,080</u>	<u>\$ 53,778,639</u>

NOTES:

- (1) Fund balance information for governmental funds is reported on the modified accrual basis of accounting.
- (2) Eight 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  
Changes in Fund Balance of Governmental Funds  
Last Ten Fiscal Years  
(Unaudited)  
Schedule 5  
(see related notes below)

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
<b>REVENUES</b>										
Taxes	\$ 115,136,885	\$ 117,358,009	\$ 123,642,161	\$ 138,456,058	\$ 159,070,886	\$ 168,868,174	\$ 177,201,666	\$ 188,241,056	\$ 196,977,670	\$ 200,892,163
Licenses and permits	192,221	186,618	188,953	169,960	216,014	232,123	257,518	281,266	238,143	328,671
Intergovernmental	14,716,495	18,386,165	18,128,762	15,885,731	15,756,563	18,350,527	16,779,720	15,069,474	12,250,124	10,635,443
Charges for services	2,708,836	3,101,343	3,118,982	3,236,323	2,900,487	2,900,487	3,202,758	3,170,167	3,768,064	3,585,775
Fines and forfeitures	236,960	200,371	236,545	273,920	252,017	328,280	289,052	356,049	319,280	340,061
Miscellaneous	7,923,804	5,944,434	5,188,807	3,949,023	7,110,816	8,479,435	12,016,603	12,625,951	10,739,918	8,123,831
Total revenues	140,915,201	145,176,940	150,503,810	161,941,015	185,702,801	199,159,026	209,747,317	220,243,963	224,293,199	223,905,944
<b>EXPENDITURES</b>										
General government	9,139,446	9,959,210	11,312,244	11,802,003	12,764,613	14,970,798	15,349,833	16,736,565	16,078,913	15,189,984
Public safety	14,158,764	14,805,518	16,070,048	16,851,428	17,999,869	19,319,261	21,663,919	24,008,176	26,237,282	25,997,152
Public works	6,675,392	6,577,394	7,793,754	7,161,352	6,917,035	7,715,592	10,599,520	7,656,572	11,224,901	10,984,752
Health and hospitals	2,391,310	2,484,813	2,613,224	2,569,591	2,556,877	2,539,528	2,600,707	2,667,985	2,819,937	2,774,768
Social services	1,038,402	6,265,200	6,411,220	6,982,937	7,184,652	7,746,183	7,672,234	8,347,844	8,765,417	8,967,279
Education - other	1,366,485	1,464,604	1,802,882	1,624,356	2,020,194	2,391,360	2,521,995	2,660,762	2,856,298	3,031,566
Board of Education	67,484,662	71,759,418	78,087,440	92,892,336	87,372,370	90,552,791	95,104,149	97,782,359	110,611,519	114,137,687
Recreation and culture	2,368,132	5,951,972	5,971,106	6,573,899	7,488,244	7,488,244	8,266,634	8,900,443	9,783,163	9,916,945
Conservation of natural resources	263,996	279,893	289,609	770,448	1,050,019	3,230,187	1,302,107	1,631,507	1,308,871	1,034,321
Urban development and housing	607,617	744,654	803,429	914,646	948,487	1,083,349	1,124,533	1,239,214	1,378,608	1,982,486
Economic development	624,310	684,360	867,642	1,235,265	1,169,234	1,211,752	1,215,905	1,062,995	1,205,616	1,209,744
Miscellaneous	7,190,967	7,802,418	8,641,126	9,733,411	10,427,891	12,457,865	14,370,535	18,279,910	19,880,861	18,890,672
Capital projects	16,407,356	13,222,893	11,443,746	12,104,557	11,163,372	20,124,272	24,649,617	20,687,862	24,807,060	21,249,637
Debt service										
Principal retirement	4,003,021	4,133,534	5,187,841	5,141,946	6,920,862	7,940,391	8,724,561	9,967,111	11,513,920	12,024,609
Interest	2,362,870	2,449,082	2,406,741	2,853,819	3,235,987	3,317,092	3,441,562	4,326,306	4,807,328	4,851,414
Total expenditures	136,082,730	148,584,963	159,702,052	179,211,994	178,648,916	202,088,665	218,607,711	226,005,601	253,879,494	252,223,009
Excess (deficiency) of revenues over expenditures	4,832,471	(3,408,023)	(9,198,242)	(17,270,979)	7,153,885	(2,929,639)	(8,860,394)	(5,761,638)	(29,586,295)	(28,317,065)
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from bond issuance	2,727,000	22,183,837	45,527,719	8,910,000	6,995,000	10,885,000	29,780,000	22,250,000	18,485,000	24,344,988
Amount deposited in refunding escrow	-	(12,221,320)	(14,334,952)	-	-	-	-	-	-	(5,191,344)
Premium of issuance of debt	-	-	-	-	-	-	692,322	290,047	50,806	743,436
Forgiveness of debt	-	-	428,049	-	-	-	-	-	-	-
Transfers in - other	11,571,612	12,881,086	15,138,768	13,931,333	21,782,880	18,565,370	15,920,176	10,180,740	14,092,643	10,296,056
Transfers out - other	(13,078,385)	(14,627,774)	(16,899,797)	(16,043,226)	(23,852,306)	(20,717,258)	(18,411,229)	(13,012,879)	(20,631,644)	(13,399,945)
Total other financing sources (uses)	1,220,227	8,215,929	29,859,787	6,798,107	4,925,574	8,733,112	27,981,269	19,707,908	11,996,805	16,793,191
Net change in fund balances	\$ 6,052,698	\$ 4,807,906	\$ 20,661,545	\$ (10,472,872)	\$ 12,079,259	\$ 5,803,473	\$ 19,120,875	\$ 13,946,270	\$ (17,589,490)	\$ (11,523,872)
Debt service as a percentage of noncapital expenditures	60.09%	47.90%	38.14%	(3)37.84%	(3)44.88%	(3)28.45%	(3)24.75%	(3)36.71%	(3)23.83%	(3)28.34%

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) Noncapital expenditures comes from the reconciliation of the statement of revenues, expenditures and changes in fund balance of the governmental funds to the statement of activities.
- (4) Calculation based on Expenses minus Capital Outlays pg. 20 divided by debt service, beginning in FY2004.

COUNTY COMMISSIONERS OF CALVERT COUNTY  
CALVERT COUNTY, MARYLAND

REVENUE CAPACITY  
JUNE 30, 2010

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)  
 Schedule 6  
 (see related notes below)

Fiscal Year	Real Property				Personal Property				Total Taxable Assessed Value		Estimated Actual Value	% Taxable Assessed to total
	Assessed Value	Exempt Property	Taxable Assessed Value	Direct Rate	Assessed Value	Estimated Actual Value	Direct Rate	Assessed Value	Assessed Value			
2001	5,387,133,795	442,952,913	4,944,180,883	0.892 (2)	978,853,722	978,853,722	2.23	6,365,987,517	5,923,034,605	6,365,987,517	93.04%	
2002 (1)	5,671,566,808	468,515,724	5,203,051,084	0.892 (2)	825,125,530	825,125,530	2.23	6,496,692,338	6,028,176,614	6,496,692,338	92.79%	
2003	6,072,549,179	495,002,976	5,577,546,203	0.892	822,606,880	822,606,880	2.23	6,895,156,059	6,400,153,083	6,895,156,059	92.82%	
2004	6,531,076,135	563,391,239	5,967,684,896	0.892	882,393,920	882,393,920	2.23	7,413,470,055	6,850,078,816	7,413,470,055	92.40%	
2005	7,093,440,835	570,848,991	6,522,591,844	0.892	1,026,470,460	1,026,470,460	2.23	8,119,911,295	7,549,062,304	8,119,911,295	92.97%	
2006	7,950,408,153	594,754,848	7,355,653,305	0.892	1,087,505,840	1,087,505,840	2.23	9,037,913,993	8,443,159,145	9,037,913,993	93.42%	
2007	9,286,512,820	656,267,485	8,630,245,335	0.892	1,123,614,063	1,123,614,063	2.23	10,410,126,883	9,753,859,398	10,410,126,883	93.70%	
2008	11,464,556,220	788,968,756	10,675,587,464	0.892	1,052,405,750	1,052,405,750	2.23	12,516,961,970	11,727,993,214	12,516,961,970	93.70%	
2009 (3)	14,223,348,981	888,112,994	13,335,235,987	0.892 (3)	470,449,610	470,449,610	2.23	14,693,798,591	13,805,685,597	14,693,798,591	93.96%	
2010	15,571,990,076	987,183,072	14,584,807,004	0.892	504,475,135	504,475,135	2.23	16,076,465,211	15,089,282,139	16,076,465,211	93.86%	

NOTES:

- (1) As of Fiscal Year 2002, real property taxes are assessed at the property's estimated actual value. Previously real property taxes were assessed at 40% of the property's estimated actual value.
- (2) Reflects decrease in assessment due to tax reform related to electric deregulation. A 50% exemption was given on assets used in the generation of electricity. This exemption was phased in over two years.
- (3) 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)**  
**Schedule 7**  
**(see related notes below)**

Fiscal Year	Calvert County	Overlapping Rates			
		County Rate (2)		Town Rate (2)	
		Town of North Beach	Town of Chesapeake Beach	Town of North Beach	Town of Chesapeake Beach
2001	2.23	1.39	1.39	1.80	1.34
2002	(1) 0.892	0.556	0.556	0.72	0.50
2003	0.892	0.556	0.556	0.72	0.50
2004	0.892	0.556	0.556	0.72	0.50
2005	0.892	0.556	0.556	0.72	0.50
2006	0.892	0.556	0.556	0.72	0.50
2007	0.892	0.556	0.556	0.67	0.44
2008	0.892	0.556	0.556	0.67	0.44
2009	0.892	0.556	0.556	0.61	0.37
2010	0.892	0.556	0.556	0.61	0.37

**NOTES:**

(1) As of Fiscal Year 2002, real property taxes is assessed at the property's full estimated actual value, previously real property was assessed at 40% of the property's estimated actual value. Accordingly, the tax rates were adjusted to maintain the effective tax rate.

(2) 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)  
Schedule 8  
(see related notes below)

Name of Taxpayer	FY10			FY01		
	Taxable Assessed Value (1)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (2)	Rank	Percentage of Total Taxable Assessed Value
Baltimore, Gas & Electric	\$ 406,992,390	1	2.70%	\$ 768,304,140	1	12.97%
Cove Point LNG Plant	219,747,410	2	1.46%	37,910,630	2	0.64%
Southern Maryland Electric Co.	40,096,280	3	0.27%	36,215,980	4	0.61%
Verizon	31,407,290	4	0.21%	37,902,110	3	0.64%
Fox Run Ltd. Partnership	32,232,000	5	0.21%			
Asbury-Solomons	28,403,358	6	0.19%			
Holiday Inn - Solomons	25,193,366	7	0.17%	7,304,642	8	0.12%
Dunkirk Gateway	21,632,066	8	0.14%			
Market Square	15,132,800	9	0.10%			
Dunkirk Market Place	12,825,732	10	0.08%			
Fox Run Shopping Center				7,147,960	9	0.12%
Pepco				9,580,454	5	0.16%
Town Square Shopping Center				7,942,621	7	0.13%
Calvert Village Shopping Center				8,835,534	6	0.15%
	\$ 833,662,692		6.27%	\$ 923,819,248	10	15.60%

NOTES:

- (1) Source: Maryland State Department of Assessments and Taxation
- (2) Source: Department of Finance and Budget
- (3) Estimated
- (4) 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. Note the difference is made up in the PILOT program.

**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
2001	64,521,905	62,615,348	97.05%	1,869,269	64,484,617	99.94%
2002	63,182,466	61,686,664	97.63%	1,446,143	63,132,807	99.92%
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	126,099,233	123,501,219	97.94%	1,842,551	125,343,770	99.40%
2009	126,099,233	123,501,219	97.94%	2,094,900	125,596,119	99.60%
2010	137,446,533	134,407,939	97.79%	2,825,030	137,232,969	99.84%

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COUNTY COMMISSIONERS OF CALVERT COUNTY  
CALVERT COUNTY, MARYLAND

DEBT CAPACITY  
JUNE 30, 2010

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 (in thousands of dollars, except per capita)**  
**Last Ten Fiscal Years**  
**(Unaudited)**  
**Schedule 10**  
**(see related notes below)**

Fiscal Year	Governmental Activity						Business Type Activity						
	General Obligation Bonds	State Transportation Bonds	Revenue Bonds	Bond Anticipation Note	General Obligation Mortgages	Office Building	Leveraging	Misc.	Notes payable	General Obligation Bonds	Total Primary Government	Percentage of Personal Income (a)	Per Capita
2001	35,090	410	-	2,727	-	5,180	-	4,025	4,496	8,718	60,646	2.41%	796
2002	44,533	103	-	-	-	4,745	4,839	3,694	9,353	8,009	75,276	2.81%	955
2003	70,740	-	-	-	-	4,295	5,589	3,117	10,157	7,253	101,151	3.57%	1,235
2004	75,290	-	-	-	-	3,830	5,931	2,797	9,885	6,715	104,448	3.42%	1,243
2005	76,178	-	-	-	-	3,345	5,931	2,528	9,461	6,055	103,498	3.14%	1,215
2006	79,973	-	-	-	-	2,840	6,882	2,170	8,841	5,169	105,875	3.02%	1,193
2007	101,907	-	-	-	-	2,320	7,961	1,800	8,248	4,057	126,293	3.41%	1,435
2008	115,099	-	-	-	-	1,775	10,414	1,421	8,176	3,018	139,903	3.65%	1,563
2009	123,013	-	-	-	-	1,210	10,414	1,029	8,152	1,927	145,745	N/A (2)	1,619
2010	126,019	-	-	-	-	620	10,414	621	7,612	3,871	149,157	N/A (2)	1,645

**NOTES:**

- (1) See the Demographic and Economic Statistics schedule for personal income and population data.
- (2) N/A means not available at this time but will be provided at a later date.

**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	Supporting Debt (1)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
		Real & Personal Property (2)						
2000	74,563	5,860,661,463		48,707,553	5,983,860	42,723,693	0.73%	572.99
2001	76,200	5,923,034,605		47,431,532	5,588,655	41,842,877	0.71%	549.12
2002	78,800	6,028,176,614		53,075,211	5,119,312	47,955,899	0.80%	608.58
2003	81,900	6,400,153,083		78,151,519	4,665,831	73,485,688	1.15%	897.26
2004	84,000	6,850,078,816		81,916,937	4,175,533	77,741,404	1.13%	925.49
2005	85,200	7,549,062,304		82,051,874	3,697,306	78,354,568	1.04%	919.65
2006	87,000	8,193,159,145		85,141,476	3,158,657	81,982,819	1.00%	942.33
2007	88,000	9,753,859,398		105,964,284	2,606,446	103,357,838	1.06%	1,174.52
2008	89,500	11,464,556,220		118,117,092	2,035,916	116,081,176	1.01%	1,297.00
2009	90,000	13,805,685,597		125,260,061	1,456,138	123,803,923	0.90%	1,375.60
2010	90,700	15,089,282,139		127,260,158	829,856	126,430,302	0.84%	1,393.94

**NOTES:**

(1) - Includes Waterway Improvement, Shore Erosion and Office Building Debt.

(2) - Assessments prior to FY2002 are restated to equal full value assessment.

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

Fiscal Year	State Office Building				Shore Erosion Bonds			Waterway Improvement Bonds				
	State Office Building Receipts	Debt Service Principal	Debt Service Interest	Coverage	Shore Erosion Bonds Billed	Debt Service Principal	Debt Service Interest	Coverage	Waterway Improvement Bonds Billed	Debt Service Principal	Debt Service Interest	Coverage
2001	635,496	420,000	215,496	1.00	25,713	18,636	-	1.38	6,837	8,122	-	0.84
2002	635,421	435,000	200,421	1.00	27,012	19,927	-	1.36	6,837	8,122	-	0.84
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

COUNTY COMMISSIONERS OF CALVERT COUNTY  
CALVERT COUNTY, MARYLAND

DEMOGRAPHIC AND ECONOMIC INFORMATION  
JUNE 30, 2010

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)**  
**Schedule 13**  
**(see related notes below)**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (\$ thousands)(2)</u>	<u>Per Capita Income (2)</u>	<u>Civilian Labor Force (3)</u>	<u>Unemployment Rate Percent (3)</u>	<u>Public School Enrollment (4)</u>
2001	76,200	2,513,986	31,091	39,411	2.50%	15,791
2002	78,800	2,674,927	32,055	40,188	2.70%	16,371
2003	81,900	2,834,014	32,950	41,365	3.00%	16,745
2004	84,000	3,051,852	34,465	42,339	2.80%	16,904
2005	85,200	3,291,470	37,930	45,503	3.40%	16,842
2006	87,000	3,501,026	39,962	47,085	3.50%	17,113
2007	88,000	3,705,299	42,049	47,448	3.60%	17,468
2008	89,500	3,836,426	43,320	48,265	3.70%	17,029
2009	90,000	N/A	35,833	47,347	6.40%	16,729
2010	90,700	N/A	N/A	48,220	6.10%	16,406

**NOTES:**

- (1) Source: Calvert County Department of Planning and Zoning
- (2) Source: Maryland Department of Planning, planning data sources from U.S. Bureau of Economic Analysis
- (3) Source: U.S. Department of Labor Bureau of Labor Statistics
- (4) Source: Calvert County Public Schools Financial Statements
- (5) N/A means not available at this time but will be provided at a later date.

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

Employer	Fiscal Year 2010			Fiscal Year 2001		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Calvert County Public Schools	2,257	1	4.70%	1872	1	4.82%
Calvert County Government	1,200	2	2.50%	840	4	2.16%
Calvert Memorial Hospital	1,146	3	2.39%	855	3	2.20%
Constellation Energy Group (1)	800	4	1.66%	1227	2	3.16%
Wal-Mart	460	5	0.96%			
ARC of Southern Maryland	425	6	0.88%	355	5	0.91%
Giant Food	385	7	0.80%			
Navy Recreation Center	292	8	0.61%			
Safeway	290	9	0.60%			
Asbury-Solomons Inc.	229	10	0.48%			
DynCorp				233	6	0.60%
Recorded Books				228	7	0.59%
Calvert Nursing Center				203	8	0.52%
The Gott Company				200	9	0.51%
Chesapeake Biological Laboratory				150	10	0.39%

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, 2010

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 Seven Fiscal Years**  
**Schedule 15**  
**(see related notes below)**

<b>Function:</b>	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>
<b>General Government</b>							
Commissioners	8	7	7	7	6	6	6
Circuit Court	7	10	10	10.7	10.9	10.9	10.9
Clerk of the Commissioners	1	1	1	1	1	1	1
County Administration	3	2	2	3	3	3	3
County Attorney	3	3	3	4	4	4	4
Treasurers	6	6	6	7.6	7.6	7.6	7.6
Election	8	8	9	9	9	9	9
Finance	21	20	22	22.6	22.6	23.6	23.6
General Services	2	2	2	2	2	2	4
Buildings and Grounds	24	26	28	31.7	32.7	32.7	32.7
Orphans Court	3	3	3	3	3	3	3
Personnel	5	5	6	7.6	7.6	8.6	8.6
States Attorney	18	18	18	20.1	20.1	20.1	21.1
Technology Services	15	17	17	18.6	19.6	21.8	21.8
<b>Public Safety</b>							
Transportation	1	1	2	2.8	2.8	2.8	2.8
Mosquito Control	1	1	1	4.1	4.1	4.1	4.1
Public Safety	2	2	2	2	2	2	2
Control Center	25	25	29	30	30	30	30
Emergency Management	2	2	2	3	3	3	3
Fire/Rescue	3	3	4	4	4	4	4.5
Inspections/Permits	13	13	13	14.2	14.2	14.2	14.2
Animal Control	4	5	5	5	6	7	7
Detention Center	64	64	65	67	77.6	81.6	81.6
Sheriffs Office	100	105	115	131.2	134.2	139.2	139.2
Liquor Board	3	3	3	3	3	3	3.2
<b>Public Works</b>	14	14	14	16.6	16.6	16.6	14.6
Planning Commission	1	1	1	2	1	1	10.1
Project Management	8	8	8	8	8	7	7
Fleet Maintenance	7	7	8	9	9	10	10
Highway Maintenance	33	33	33	33.6	33.6	36.6	36.6
<b>Social Services</b>							
Community Resources	4	4	4	4.5	4.5	4.5	4.5
Office on Aging	23	23	23	23.5	24.6	24.6	24.6
<b>Recreation</b>							
Marine Museum	35	36	36	40.2	40.2	40.2	40.2
Railway Museum	1	1	1	2	2	2	2
Recreation Programs	57	59	62	68.7	69.7	70	70.7
<b>Library</b>	45.3	45.3	45.3	50.2	52.2	52.2	52.8
<b>Conservation of Natural Resources</b>	12	12	13.2	13.2	13.2	13.2	13.2
<b>Soil Conservation</b>	4	4	4	4	4	5	5
<b>Urban Development</b>							
Planning and Zoning	19	21	21	26.1	26.1	16.1	16.1
<b>Economic Development</b>	10	8	9	9.1	10.1	12.1	12.1
<b>Water and Sewer</b>	30	30	30	30	33	34	33
<b>Solid Waste</b>	34	32	33	36.8	37.8	37.8	38.8
<b>Total</b>	<b>679.3</b>	<b>690.3</b>	<b>720.5</b>	<b>791.7</b>	<b>815.6</b>	<b>827.1</b>	<b>839.2</b>

NOTES:

- (1) Source: Calvert County's Adopted Operating and Capital Budgets FY2004-FY2010  
(2) Seven years of statistical data is reported on this schedule. Prior to implementing GASB 34, the county did not maintain this type of information.

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

<b>Function:</b>	<b>FY2001</b>	<b>FY2002</b>	<b>FY2003</b>	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>
	<b>Actual</b>	<b>Projected</b>								
<b>General Government</b>										
Circuit Court										
Case transactions	5,523	6,912	5,927	6,680	7,007	9,763	12,028	13,884	14,363	15,885
Technology Services										
Work orders completed	N/A	N/A	N/A	N/A	N/A	3,945	4,348	4,124	4,050	4,500
Countywide support to desktop computers	N/A	N/A	N/A	N/A	N/A	512	665	750	795	850
Treasurers Office										
Credit card dollars collected	N/A	5,702	55,692	146,477	182,444	300,051	283,659	480,062	466,182	489,490
Credit card transactions	N/A	5	58	139	168	287	247	323	291	306
Real estate tax bills	N/A	N/A	N/A	39,765	40,468	40,988	41,265	41,390	41,757	42,032
Water & Sewer payments	N/A	N/A	N/A	16,200	18,400	18,800	19,200	19,600		
Finance & Budget										
Purchase orders processed	N/A	5,771	5,916	5,632	5,641	6,705	7,046	7,291	7,273	7,423
Accounts payable checks	N/A	15,038	15,374	15,949	15,493	15,015	17,050	16,349	15,693	15,744
Average number of employees per pay	N/A	800	860	906	930	936	945	992	1,017	1,030
Fixed assets maintained	N/A	12,072	12,491	13,326	14,551	15,364	15,973	14,503	15,255	17,255
Health care benefits managed	N/A	650	667	692	717	738	935	958	997	1,010
<b>Public Safety</b>										
Transportation										
Yearly ridership	112,255	112,672	108,094	107,753	113,354	132,648	132,728	133,270	134,786	135,000
Control Center										
Number of incidents handled	N/A	N/A	106,560	N/A	117,936	130,478	148,947	160,063	164,807	173,047
Fire/Rescue										
Total calls responded	15,000	16,000	16,100	16,500	16,900	17,560	19,747	20,743	20,750	20,800
Inspections/Permits										
Building permits issued	N/A	N/A	2,410	2,430	2,425	2,504	2,098	1,812	1,428	1,500
Grading permits issued	N/A	N/A	1,256	1,053	855	820	717	672	707	750
Electrical permits issued	N/A	N/A	2,298	2,007	2,424	2,438	1,986	1,666	1,425	1,600
Plumbing permits issued	N/A	N/A	1,746	1,625	1,667	1,279	1,074	943	757	800
Animal Control										
Calls for service	4,841	4,325	4,955	5,103	5,354	7,377	7,506	8,139	8,000	7,800
Detention Center										
Average daily population	148	168	181	212	227	212	238	228	237	248
Work release (adp)	52	62	69	74	73	68	75	85		
Sheriff's Office										
Calls for service	36,820	38,849	49,148	54,789	71,959	65,454	76,223	85,941	94,535	103,988
Murder cases	1	-	2	1	1	-	2	1	-	-
Rape cases	15	16	7	8	11	4	-	6	10	11
Robbery cases	18	14	15	10	20	9	16	15	27	29
Aggravated assault cases	164	221	177	120	121	171	173	272	187	198
Theft cases	712	622	753	677	899	935	947	1,051	1,067	1,131
Auto theft cases	48	56	69	62	65	77	92	92	82	87
Domestic violence incidents responded to	N/A	N/A	N/A	N/A	N/A	1,103	1,189	1,231	1,354	1,435
Business & community patrol checks	N/A	N/A	N/A	N/A	N/A	23,414	30,419	38,032	41,835	46,018
Sex offenders registered in Calvert County	N/A	N/A	N/A	N/A	N/A	99	108	110	121	133
School related incidents/investigations	N/A	N/A	N/A	N/A	N/A	351	403	2,930	3,223	3,545
<b>Public Works</b>										
Major and minor Subdivisions	N/A	N/A	1,073	989	1,040	205	227	175	143	145
Road plans	N/A	N/A	48	67	120	32	33	41	17	25
Project Management										
Miles of roadway resurfaced	N/A	20	20	17	13	11	13	15	14	12
Fleet Maintenance										
Work orders	N/A	N/A	2,350	2,500	2,600	2,226	2,211	2,371	3,529	3,500
<b>Recreation</b>										
Public Library										
Circulation of materials	670,640	707,703	808,178	879,152	930,098	920,727	962,246 *	1,035,223	1,114,737	1,154,634
Railway Museum										
Outreach participants	N/A	N/A	N/A	3,300	3,924	3,621	3,900	4,000	4,100	4,200
Participants in programs	N/A	N/A	N/A	N/A	N/A	N/A	2,547	2,434	3,569	4,200
<b>Urban Development</b>										
Planning and zoning										
Major and minor subdivisions (new applications)	N/A	49	60	49	47	47	63	40	21	40
<b>Water and Sewer</b>										
Number of customers	N/A	N/A	N/A	N/A	N/A	4,587	4,788	4,799	5,037	5,076

**NOTES:**

- (1) Source: Calvert County's Adopted Operating and Capital Budget FY2000-2011  
(2) Source: Calvert County Sheriff's Office

**County Commissioners of Calvert County, Maryland**  
**Capital Asset Statistics by function**  
**Last Six Fiscal Years**  
**(Unaudited)**  
**Schedule 17**  
**(see related notes)**

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

NOTES:

(1) Source: Various county departments

(2) Six years of statistical data is reported on this schedule, as this detail was not maintained prior to FY05.