



Comprehensive Annual Financial Report

For the Fiscal Year
Ended June 30, 2015



Calvert County Maryland

Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2015

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

JUNE 30, 2015

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Introductory Section



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CALVERT COUNTY GOVERNMENT

Board of County Commissioners

Steven R. Weems, President

Evan K. Slaughenhaupt Jr., Vice President

Pat Nutter, Commissioner

Mike Hart, Commissioner

Thomas Hejl, Commissioner

December 18, 2015

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, 2015, is hereby submitted. Calvert County Code of Public Local Law requires that Calvert County annually issue a report of its financial position and activity, and that this report be audited by certified public accountants. The County is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 (as amended in 1996) and the provisions of the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non Profit Organizations*. Responsibility for both the accuracy of the data and the completeness and reliability of all of the information presented in these reports rests with the County's management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of Calvert County Government and its component units.

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

SB & Company, LLC, 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, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified (“clean”) opinion that the financial statements are fairly presented in conformity with GAAP. The auditor’s report is presented as the first component of the financial section of this report. Also prepared by the auditors is a “report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with government auditing standards”. This report is presented on pages 108 and 109.

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 starting 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 generally derive their authority from those powers and duties prescribed within the laws of the State of Maryland and the Code of Public Local Laws of Calvert County, Maryland. Election of the County Commissioners was amended by the Maryland General Assembly in 2013 so that "beginning with the general election to be held in Calvert County in November 2014: (1) one county commissioner shall be a resident of and shall represent the first election district of the county; (2) one county commissioner shall be a resident of and shall represent the second election district of the county; (3) one county commissioner shall be a resident of and shall represent the third election district of the county; and(4) two county commissioners shall be residents of the county and shall represent the county at large.... Each candidate for the office of county commissioner shall specify at the time of filing a certificate of candidacy whether the candidate is seeking to represent the district in which the candidate resides or to represent the county at large." (2013 Laws of Maryland, Chapter 310).

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

The Commissioners appoint a County Administrator who is responsible for the day-to-day administration of the County government. The Commissioners establish policy, enact ordinances, review and approve annual budgets, conduct public hearings and make decisions on land use matters. The Commissioners also appoint all department heads, members of boards and commissions and represent the county in dealings with other

municipalities, the state and federal government. The office of the Commissioners is located at 175 Main Street, Prince Frederick, Maryland, 20678. The main phone number is 410-535-1600 and the website is www.co.cal.md.us.

Calvert County occupies 213 square miles, has 143 miles of shoreline, and serves a population of about 90,000. It is the smallest county in Southern Maryland. Despite recent growth, Calvert County retains its rural character and agrarian roots, offering good schools, a clean environment and good quality of life. Calvert is a peninsula, bounded by the Chesapeake Bay on the east and the Patuxent River on the west. Steep cliffs and woods predominate on the bay side, while along the Patuxent, rolling fields slip gently down to the river. The County's many creeks provide refuge for wildlife, as well as scenic areas for boating and fishing.

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

The County provides a full range of municipal services, including: education, construction and maintenance of highways and streets, sanitation, health and social services, culture/recreation, public safety, 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 22 of this report. The capital projects fund budget is prepared on a project length basis and, accordingly, annual budgetary comparisons are not presented in the basic financial statements and supplemental information.

FACTORS AFFECTING FINANCIAL CONDITION

Local economy: Conservative fiscal management has allowed the County to maintain a sound financial position. Property taxes and income taxes provide the majority (90 percent, budgetary basis, in fiscal year 2015) of the revenue for the General Fund of the Calvert County Government. After five consecutive yearly declines in property assessments, reassessments prepared in calendar year 2014 increased by 0.8%, impacting

the fiscal year 2016 tax billings. Income taxes in FY 2015 fell significantly short of estimates, by about 7%. Calvert County is the home of the largest commercial project in Maryland's history, the \$3.8 billion Dominion Cove Point Liquid Natural Gas terminal. This project will impact County revenues in fiscal year 2018.

Property tax, the largest revenue source, represented 60 percent of the total General Fund revenue for fiscal year 2015. Along with the rest of the Country, Calvert County's property values have decreased from peak levels. New construction has helped this revenue item but FY 2015 revenues fell short of projections. The number of residential building permits issued in fiscal year 2015 was 335, a 40 percent increase (95 permits) from the prior fiscal year. This increase can be attributed to changes in the building code that impact permits issued after FY 2015. Property taxes have been buoyed by public utility providers.

Income tax revenue, at almost 30 percent of the total General Fund revenue for fiscal year 2015, is directly affected by personal income levels, employment levels, and population growth. Our wealthy county sees major swings related to the timing of capital gain recognition reported on income tax returns. Remembering that the end of calendar year 2012 was the period labeled by the media as the fiscal cliff provides some explanation of the current weakness in income tax. As a county that neighbors Washington D.C., sequestration is also considered a cause of income tax weakness.

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

The fiscal year 2016 operating budget demonstrated that, again, education and public safety are the top priorities of the County's administration. The capital improvements program budget for fiscal Year 2016 shows much of the same with public safety, transportation, and then education receiving the largest allocations.

The County continues its policy of maintaining a reserve of 8 percent of current budgeted General Fund expenditures to protect its high credit ratings and provide for a source of funds to be available in the event of "catastrophic" revenue short falls. The County maintains additional reserve funds as a means to handle potential revenue shortfalls, to fund one-time non-recurring expenditures, or in the event of emergency or unplanned expenditures. In addition, the County has assigned a portion of fund balances for future other post-employment benefits and accrued leave. The County has experienced regular credit rating upgrades in recent years. The latest ratings, received during fiscal year 2014, were Aa1 from Moody's Investors Service, Inc., AAA from Standard & Poor's, and AAA from Fitch Ratings.

In 1990, the County adopted a debt affordability model to ensure that the debt levels are kept at an affordable, manageable, moderate level. A debt policy was adopted in fiscal year 2009 to comply with the State of Maryland's new requirement. That policy was amended during fiscal year 2014 to reflect some economic changes. The guidelines created in 1990 and ratified in this amended policy, establish maximum acceptable debt ratios. These ratios and their maximum acceptable levels are: 1) debt to assessed value, 1.8

percent and 2) debt service as a percent of general fund revenue, 9.5 percent. Using fiscal year 2015 data, the County's current ratios are as follows: debt to assessed value is 1.00 percent and debt service to general fund revenue is 7.45 percent.

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, 2014. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The County also received the GFOA Award for Distinguished Budget Presentation for its annual budget dated July 1, 2014 to June 30, 2015. In order to qualify for this Distinguished Budget Award, the County must publish a budget document that meets program criteria as a policy document, operations guide, financial plan, and communications medium. We believe our current budget continues to conform to program requirements and have submitted it to the GFOA to determine its eligibility for another award.

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

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

Respectfully submitted,

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

Tim Hayden, CPA, CMA
Director, Finance and Budget



Government Finance Officers Association

**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, 2014

Executive Director/CEO

COUNTY COMMISSIONERS OF CALVERT COUNTY

CERTAIN ELECTED OFFICIALS

Steven R. Weems
President, Board of County Commissioners

Evan K. Slaughenhaupt Jr.
Vice President, Board of County Commissioners

Pat Nutter
Commissioner

Mike Hart
Commissioner

Thomas Hejl
Commissioner

Novalea Tracy-Soper
Treasurer

CERTAIN APPOINTED OFFICIALS

Terry L. Shannon
County Administrator

Timothy Hayden
Director of Finance and Budget

Thomas P. Barnett
Director of Planning and Zoning

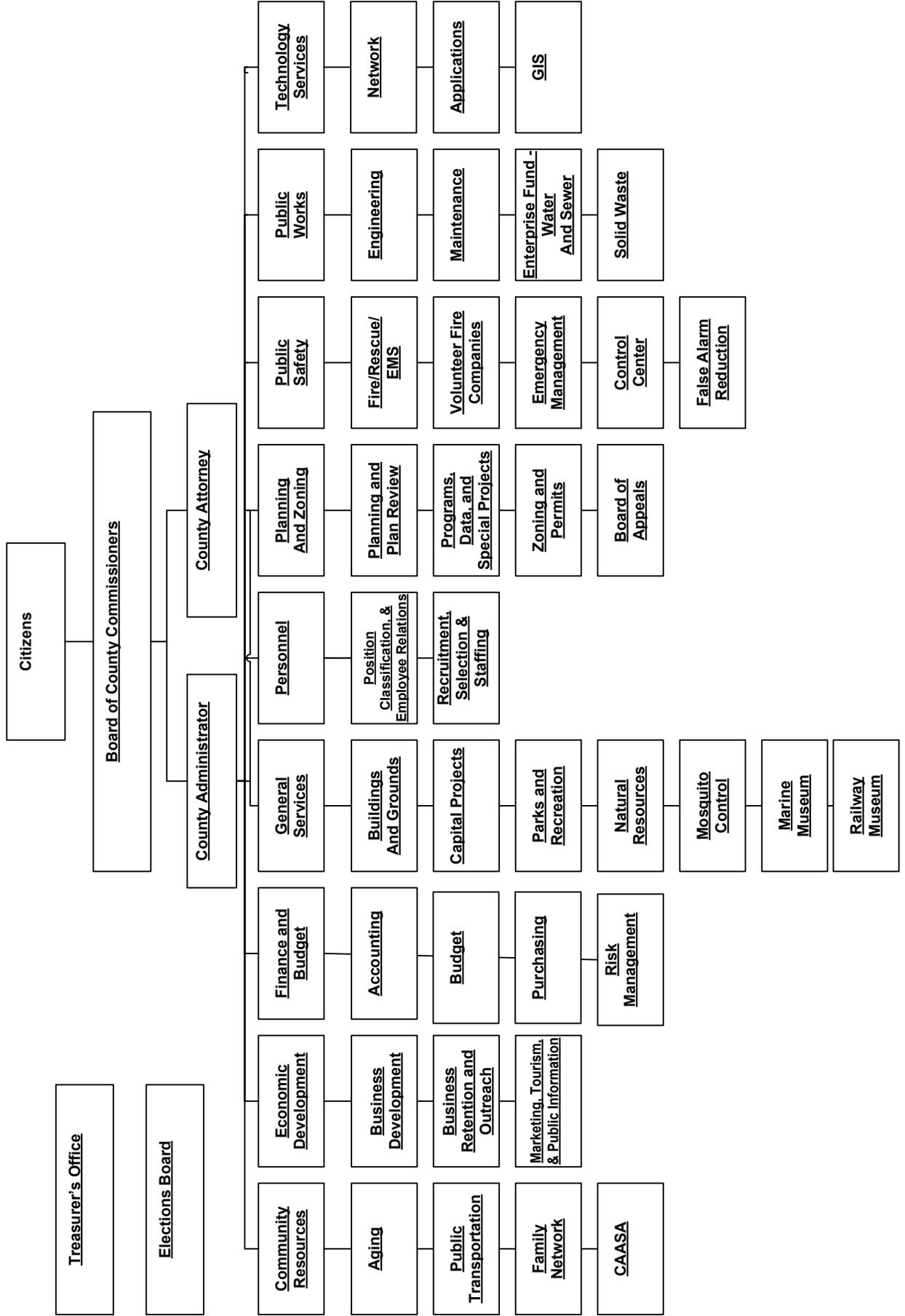
Linda Vassallo
Director of Economic Development

P. Rai Sharma
Director of Public Works

Jacqueline K. Vaughan
Director of Public Safety

CALVERT COUNTY GOVERNMENT

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



Financial Section



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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the County Commissioners of Calvert County, Maryland
Prince Frederick, Maryland

Report on the Financial Statements

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 (the County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Board of Education of Calvert County, Maryland. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those entities, are based on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



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

Opinions

In our opinion, based on our audit and the reports of the 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, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows, and the respective budget and actual statements for the general fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 13 to the financial statements, during the year ended June 30, 2015, the County adopted new accounting guidance from Government Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions". Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of changes in County's net pension liability and related ratios, the schedules of County contributions, and schedules of investment returns for the Volunteer Fire and Rescue Pension fund, Sheriff's Department Pension Plan and Employees Retirement Plan and the schedules of funding progress and employer contributions for the Other Post-Employment Benefits (OPEB) Plan be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



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Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, statistical tables and the combining and individual nonmajor funds and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining and individual nonmajor funds and other schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining and individual nonmajor funds and other schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2015, on our consideration of the County's internal control over financial reporting and 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* in considering the County's internal control over financial reporting and compliance.

Hunt Valley, Maryland
December 18, 2015

SB & Company, LLC

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, 2015. We encourage readers to use the information presented here in conjunction with the accompanying basic financial statements and the accompanying notes to those financial statements.

Financial Highlights

Government-wide:

- The assets and deferred outflows of resources of Calvert County Government exceeded its liabilities and deferred inflows of resources at the close of this fiscal year by \$153.9 million (*net position*), approximately 23.8 percent of this amount is attributable to the business-type activities that include the Water and Sewer Fund and the Solid Waste and Recycling Fund. Of total net position, \$153.1 million is the net investment in capital assets, and \$19.2 million is restricted for specific purposes. The County's unrestricted net position is a negative \$18.4 million. This deficit balance in unrestricted net position results primarily from the implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions, and related amendment Statement No.71, Pension Transition for Contributions Made Subsequent to Measurement Date*, which required the County to record its net pension liability of \$22.2 million. The business-type activities results were a positive \$4.8 million. Included as restricted cash, for the primary government, is \$20.8 million of which \$15.2 million represents bond proceeds.
- With the implementation of GASB No. 68 and No. 71, the beginning net position of governmental activities at the government-wide statement level and deferred outflow/inflow of resources was decreased by \$19.7 million. Any references to beginning net position or related analysis will assume the beginning net position is restated.
- The government's total net position has decreased by \$11.3 million; a \$16.1 million decrease was related to the governmental activities and an increase of \$4.8 million was related to the business-type activities. The governmental decrease was due in part to a \$6.7 million decrease in the State's estimated unallocated income tax amount for Calvert County and a \$4.4 million increase in net OPEB obligation.

Fund Level:

- As of June 30, 2015, the County's governmental funds reported combined fund balances of \$86.1 million, a decrease of \$18.8 million from the prior year. Approximately 78.3 percent of this total amount, \$67.5 million is available to meet the County's current and future needs (*committed, assigned and unassigned*). Of this total, \$51.0 million (prior year, \$68.4 million) has been dedicated for certain purposes, including, \$17.4 million for approved capital projects, \$5.0 million for employee leave obligations payouts, \$5.1

million for purposes within special revenue funds and \$1.2 million for other post employment benefits (*GASB 45*).

- The proprietary funds revenue increased by \$1.6 million or 9.9 percent.
- At the close of the current fiscal year, the available fund balance for the General Fund was \$44.9 million (*committed, assigned and unassigned*), or 18.8 percent of total fiscal year 2015 General Fund budgetary expenditures and other financing uses. Nonspendable and restricted fund balance of the General Fund was \$7.3 million, or 14 percent of fund balance.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of Calvert County Government's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position and condition of Calvert County Government is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Calvert County Government that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Calvert County Government include: general government, public safety, public works, health and hospitals, social services, education, recreation and culture, conservation of natural resources, urban development and housing, economic development, and debt service. The business-type activities of Calvert County Government include: water and sewer and solid waste & recycling.

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, Board of Library Trustees, Parks and Recreation, the Chesapeake Hills Golf Course, the Calvert Marine Museum, 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 on page 22 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 and solid waste and recycling in the basic proprietary fund financials found on pages 23 to 25 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 26 and 27 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 28 to 74 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 75 of this report.

Government-wide Financial Analysis

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

As noted earlier, net position may serve over time as a useful indicator of a government's overall financial condition and position. In fiscal year 2015, assets and deferred outflows exceeded liabilities and deferred inflows by \$153.9 million (prior year, \$165.2 million).

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

- *Net invested in capital assets*; it consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowing attributable to the acquisition, construction, or improvements of those assets.
- *Restricted net position*; it consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
- *Unrestricted net position*; it consists of the difference between total net position and its other two components.

Net investment in capital assets 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 positions are resources that are subject to external restrictions on how they may be used. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

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

Calvert County's Government's Change in Net Position

	Governmental Activities			Business-type Activities			Total		
	2015	2014	Difference	2015	2014	Difference	2015	2014	Difference
Current and other assets	\$ 131,006,832	\$ 157,528,468	\$ (26,521,636)	\$ 19,694,460	\$ 20,092,270	\$ (397,810)	\$ 150,701,292	\$ 177,620,738	\$ (26,919,446)
Capital assets	184,992,617	188,826,764	(3,834,147)	45,979,379	41,087,455	4,891,924	230,971,996	229,914,219	1,057,777
Total assets	315,999,449	346,355,232	(30,355,783)	65,673,839	61,179,725	4,494,114	381,673,288	407,534,957	(25,861,669)
Deferred outflows of resources	2,162,227	-	2,162,227	37,667	50,296	(12,629)	2,199,894	50,296	2,149,598
Long-term liabilities	146,934,635	139,347,983	7,586,652	25,894,642	26,287,768	(393,126)	172,829,277	165,635,751	7,193,526
Other liabilities	50,700,142	52,944,129	(2,243,987)	3,183,890	3,110,770	73,120	53,884,032	56,054,899	(2,170,867)
Total liabilities	197,634,777	192,292,112	5,342,665	29,078,532	29,398,538	(320,006)	226,713,309	221,690,650	5,022,659
Deferred inflows of resources	3,280,030	1,040,399	2,239,631	2,406	3,038	(632)	3,282,436	1,043,437	2,238,999
Net invested in capital assets	125,502,206	126,029,053	(526,847)	27,576,501	15,498,941	12,077,560	153,078,707	141,527,994	11,550,713
Restricted	16,490,109	17,696,426	(1,206,317)	2,729,885	1,979,832	750,053	19,219,994	19,676,258	(456,264)
Unrestricted	(24,745,446)	9,297,242	(34,042,688)	6,324,182	14,349,672	(8,025,490)	(18,421,264)	23,646,914	(42,068,178)
Cummulative affect of application of GASB 68, net pension liability	-	(19,719,682)	19,719,682	-	-	-	-	(19,719,682)	19,719,682
Total net position	\$ 117,246,869	\$ 133,303,039	\$ (16,056,170)	\$ 36,630,568	\$ 31,828,445	\$ 4,802,123	\$ 153,877,437	\$ 165,131,484	\$ (11,254,047)

Governmental activities: Net position of the Governmental Activities decreased by \$16.1 million (prior year, a decrease of \$29.1 million). Fiscal Year 2015's decrease was due mostly to the County implementing GASB Statement No. 68 and No. 71 which required the reporting of the Net Pension Liability of \$22.2 million.

Business-type activities: Business-type Activities increased Calvert County Government's net position by \$4.8 million (prior year, an increase of \$734,403). This result is primarily due to the Water and Sewer Fund increase in net position of \$4.5 million, due to a developer contribution for the Lusby Sewer Expansion project. The Solid Waste and Recycling Fund had an increase in net position of \$317,400, explained by positive operating results. Lowered revenues due to the economically sensitive waste stream were offset by strong cost controls.

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

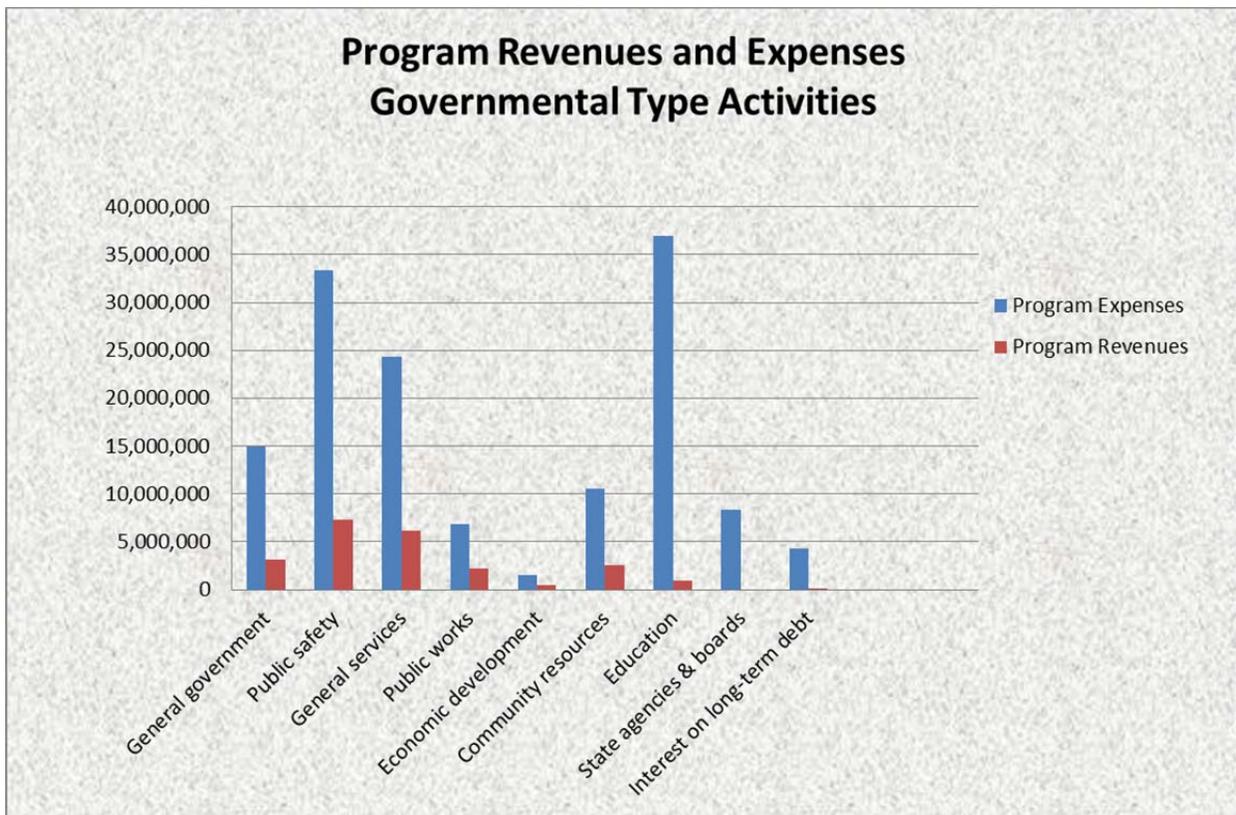
Calvert County Government Schedule of Activities and Changes in Net Position

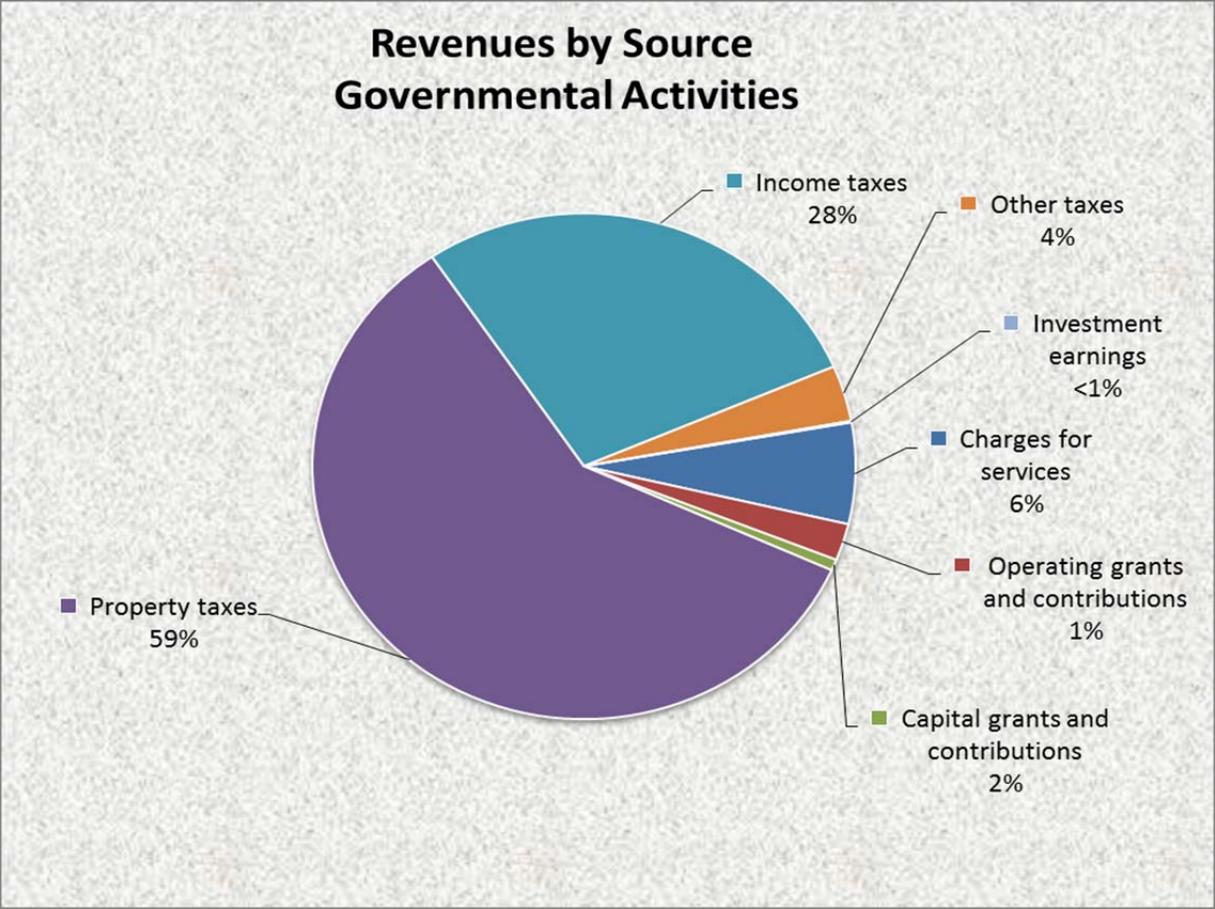
	Governmental Activities			Business-type Activities			Total		
	2015	2014	Difference	2015	2014	Difference	2015	2014	Difference
Revenues									
<u>Program Revenues</u>									
Charges for services	\$ 15,558,429	\$ 20,959,547	\$ (5,401,118)	\$ 18,745,116	\$ 16,799,364	\$ 1,945,752	\$ 34,303,545	\$ 37,758,911	\$ (3,455,366)
Operating grants and contributions	5,663,984	6,440,610	(776,626)	-	-	-	5,663,984	6,440,610	(776,626)
Capital grants and contributions	1,698,323	2,392,865	(694,542)	3,398,771	599,714	2,799,057	5,097,094	2,992,579	2,104,515
<u>General Revenues</u>									
Property taxes	141,620,683	141,760,716	(140,033)	-	-	-	141,620,683	141,760,716	(140,033)
Income taxes	67,569,054	62,141,903	5,427,151	-	-	-	67,569,054	62,141,903	5,427,151
Other taxes	8,591,595	8,239,152	352,443	-	-	-	8,591,595	8,239,152	352,443
Investment earnings	208,890	493,295	(284,405)	64,547	55,201	9,346	273,437	548,496	(275,059)
Total revenues	240,910,958	242,428,088	(1,517,130)	22,208,434	17,454,279	4,754,155	263,119,392	259,882,367	3,237,025
Expenses									
<u>Program Expenses</u>									
General government	14,936,264	16,415,357	(1,479,093)	-	-	-	14,936,264	16,415,357	(1,479,093)
Public safety	33,357,949	35,084,015	(1,726,066)	-	-	-	33,357,949	35,084,015	(1,726,066)
General services	24,336,696	15,124,898	9,211,798	-	-	-	24,336,696	15,124,898	9,211,798
Public works	6,819,703	16,435,645	(9,615,942)	-	-	-	6,819,703	16,435,645	(9,615,942)
Economic development	1,476,461	1,440,317	36,144	-	-	-	1,476,461	1,440,317	36,144
Community resources	10,602,140	11,597,350	(995,210)	-	-	-	10,602,140	11,597,350	(995,210)
Education	36,938,686	29,989,708	6,948,978	-	-	-	36,938,686	29,989,708	6,948,978
Board of education	115,808,239	113,394,429	2,413,810	-	-	-	115,808,239	113,394,429	2,413,810
State agencies & boards	8,384,212	7,839,422	544,790	-	-	-	8,384,212	7,839,422	544,790
Interest on long-term debt	4,253,148	4,459,599	(206,451)	-	-	-	4,253,148	4,459,599	(206,451)
Water and Sewer	-	-	-	7,540,595	7,512,161	28,434	7,540,595	7,512,161	28,434
Solid Waste	-	-	-	9,919,346	9,272,715	646,631	9,919,346	9,272,715	646,631
Total expenses	256,913,498	251,780,740	5,132,758	17,459,941	16,784,876	675,065	274,373,439	268,565,616	5,807,823
Excess (Deficiency) of revenues over expenses	(16,002,540)	(9,352,652)	(6,649,888)	4,748,493	669,403	4,079,090	(11,254,047)	(8,683,249)	(2,570,798)
Transfers	(53,630)	(65,000)	11,370	53,630	65,000	(11,370)	-	-	-
Change in net position	(16,056,170)	(9,417,652)	(6,638,518)	4,802,123	734,403	4,067,720	(11,254,047)	(8,683,249)	(2,570,798)
Net position - beginning	133,303,039	162,440,373	(29,137,334)	31,828,445	31,094,042	734,403	165,131,484	193,534,415	(28,402,931)
Prior period adjustment	-	(19,719,682)	19,719,682	-	-	-	-	(19,719,682)	19,719,682
Net position - ending	\$ 117,246,869	\$ 133,303,039	\$ (16,056,170)	\$ 36,630,568	\$ 31,828,445	\$ 4,802,123	\$ 153,877,437	\$ 165,131,484	\$ (11,254,047)

The most significant difference in the revenue section is related to income taxes with a \$5.4 million increase this fiscal year. In total revenue changed minimally.

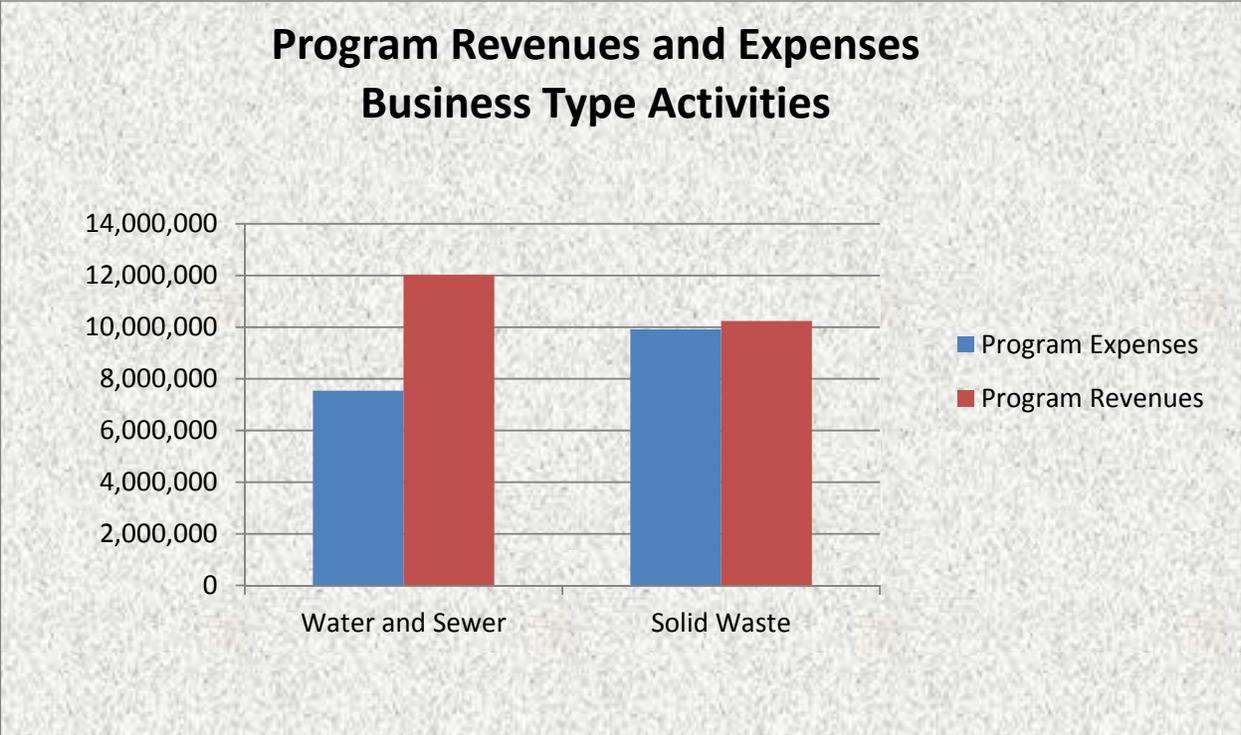
The significant differences noted in the program expenses section (e.g., General Services and Public Works) are related to capitalized expenses during the two years being compared. Public Works' modified GAAP expenditures were adjusted down for the government wide statement expenses to recognize a new traffic light and a new \$4.8 million section of the Prince Frederick Loop Road. Conversely, General Services fiscal year 2014 expenses were adjusted down for multiple building improvements and land purchases.

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 45 percent of the total program expenses the chart scale no longer functions for comparison purposes:

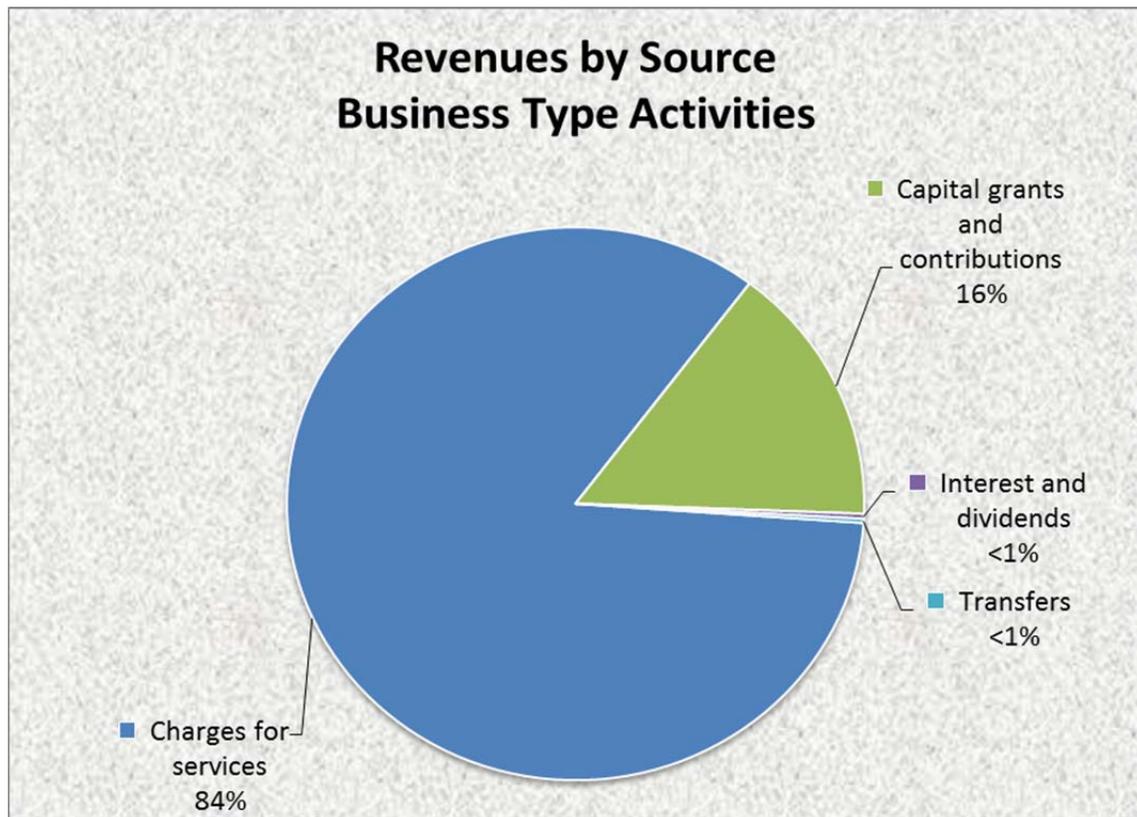




This chart uses the Statement of Activities data to display a comparison of the business-type activities program revenue and expenses:



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



Financial Analysis of the Government's Funds

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

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

As reported on the balance sheet of the governmental funds, the total governmental funds combined fund balance is \$86.1 million (prior year, \$104.9 million), a decrease of \$18.8 million (prior year, decrease of \$9.2 million).

Approximately 78.3 percent (prior year, 84.4 percent) of this amount, \$67.5 million (prior year, \$88.6 million) constitutes *committed, assigned and unassigned fund balance*, which is available for spending at the government's discretion. It should be noted that \$51 million (prior year, \$68.4 million) of this amount has been *committed or assigned* for certain purposes. The remainder of fund balance, \$18.7 million or 21.7 percent, is *nonspendable and restricted* to indicate that it is not available for new spending because it has already been dedicated: 1) for

inventories, or 2) dedicated for a variety of constrained purposes. Additional details of fund balance are presented in Note 8 within the notes section of these financial statements.

The General Fund is the chief operating fund of Calvert County Government. At the end of the current fiscal year, the assigned and unassigned fund balance of the General Fund was \$22.8 million (prior year, \$29.9 million), while total fund balance was \$52.2 million (prior year, \$60.2 million). As a measure of the General Fund's liquidity, it may be useful to compare both assigned and unassigned fund balance and total fund balance to total fund expenditures. Assigned and unassigned fund balance represents 9.5 percent of the total General Fund budgetary expenditures and other financing uses (prior year, 12.9 percent), while total fund balance represents 21.8 percent (prior year, 25.9 percent) of that same amount.

The fund balance of Calvert County Government's General Fund decreased by \$8 million (prior year decrease of \$6.8 million). Staff had estimated fiscal year 2015 would have planned deficit of \$7.8 million. Many revenue and expense line item variances resulted in the County's budgetary loss of \$7,702,511 but most noteworthy were the disappointing income tax results.

The Capital Projects Fund has a total fund balance of \$17.4 million (prior year, \$27.0 million) of which the balance is committed or assigned for future capital project expenditures. Unspent bond proceeds of \$10.5 million make up 60.5 percent of the total fund balance (prior year, \$17.4 million, 64.2 percent).

Proprietary funds: Calvert County Government's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. Overall the net position of the proprietary funds increased \$4.8 million (prior year, increase of \$734,403). At the end of the year, unrestricted net position of the Water and Sewer Fund amounted to a positive \$2.8 million (prior year, \$9.7 million). The Solid Waste and Recycling Fund reported \$3.5 million in unrestricted net position (prior year, \$4.7 million).

General Fund Budgetary Highlights

The final budget for the General Fund was increased by \$2.1 million over the original budget (prior year, \$2.4 million increase). The majority of the budget adjustment was related to appropriation of fund balance which was increased to cover several snow events that occurred during fiscal year 2015. Overall expenditures were less than the final budget by \$4.2 million. There are many variances within the 1,500 budgeted line items of the general fund. Two notable positive variances are transfers, with a \$1.3 million in savings and \$2.1 million in paving savings. Both of these discretionary items were frozen in response to weaker than expected revenues. Revenues were \$13.3 million less than the final budgetary estimates. \$7.8 million of this difference can be explained by a planned use of fund balance that would not impact actual revenues. \$5.6 of this difference is due to a negative variance in the income tax line.

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, 2015, amounts to \$231.0 million (prior year, \$229.9 million), net of accumulated depreciation. This investment in capital assets includes: land, land development rights, construction in progress, buildings, improvements, machinery and equipment, and infrastructure.

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

	Governmental Activities			Business-type Activities			Total		
	2015	2014	Difference	2015	2014	Difference	2015	2014	Difference
Land	\$ 39,553,149	\$ 39,553,149	\$ -	\$ 2,483,591	\$ 2,483,591	\$ -	\$ 42,036,740	\$ 42,036,740	\$ -
Land development rights	11,245,305	11,245,305	-	-	-	-	11,245,305	11,245,305	-
Construction in progress	4,823,785	7,695,249	(2,871,464)	7,383,538	3,541,201	3,842,337	12,207,323	11,236,450	970,873
Buildings	32,615,974	34,713,851	(2,097,877)	19,333,194	20,749,267	(1,416,073)	51,949,168	55,463,118	(3,513,950)
Improvements	21,829,401	22,301,119	(471,718)	10,720,671	7,894,029	2,826,642	32,550,072	30,195,148	2,354,924
Machinery and equipment	14,718,214	15,615,972	(897,758)	6,058,385	6,419,366	(360,981)	20,776,599	22,035,338	(1,258,739)
Infrastructure	60,206,789	57,702,119	2,504,670	-	-	-	60,206,789	57,702,119	2,504,670
Total Capital Assets	<u>\$ 184,992,617</u>	<u>\$ 188,826,764</u>	<u>\$ (3,834,147)</u>	<u>\$ 45,979,379</u>	<u>\$ 41,087,454</u>	<u>\$ 4,891,925</u>	<u>\$ 230,971,996</u>	<u>\$ 229,914,218</u>	<u>\$ 1,057,778</u>

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

- Completed the construction of the road improvements and traffic light installation at Williams Rd and Rt. 231 with a cost of \$4.1 million.
- Completed construction of a portion of the Prince Frederick Loop Road with a total capitalized cost of \$4.8 million.
- Capitalized \$408 thousand of equipment costs on the 800 MHz system.

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

Long-term debt: At the end of the current fiscal year, Calvert County Government had total general obligation debt and notes payable outstanding of \$135.6 million (prior year, \$150.0 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, \$24.7 million (prior year, \$25.6 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. Within the governmental activities are the \$7.8 million (prior year, \$7.8 million) in installment purchase agreements for the land preservation program. The principal amount is supported by US Treasury Strip securities.

Calvert County's Government's Outstanding Debt

	Governmental Activities			Business-type Activities			Total		
	2015	2014	Difference	2015	2014	Difference	2015	2014	Difference
General obligation debt	\$ 110,803,927	\$ 124,297,591	\$ (13,493,664)	\$ 13,011,719	\$ 13,651,111	\$ (639,392)	\$ 123,815,646	\$ 137,948,702	\$ (14,133,056)
Notes payable	105,581	123,319	(17,738)	11,689,646	11,937,403	(247,757)	11,795,227	12,060,722	(265,495)
Land preservation program	7,819,640	7,819,640	-	-	-	-	7,819,640	7,819,640	-
Total Bonded Debt	<u>\$ 118,729,148</u>	<u>\$ 132,240,550</u>	<u>\$ (13,511,402)</u>	<u>\$ 24,701,365</u>	<u>\$ 25,588,514</u>	<u>\$ (887,149)</u>	<u>\$ 143,430,513</u>	<u>\$ 157,829,064</u>	<u>\$ (14,398,551)</u>

Calvert County Government's total general obligation bonded debt decreased by \$14.4 million, (prior year, a decrease of \$3.8 million), or 9.6 percent during the current fiscal year (prior year, a decrease of 2.7 percent).

In May 2014, the County's credit ratings were reaffirmed by the three major rating agencies. The current ratings follow:

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

In 1990, the County adopted a debt affordability model to ensure that the debt levels are kept at an affordable, manageable, moderate level. A debt policy was adopted in FY 2010 to comply with the State of Maryland's new requirement. The guidelines created in 1990 and ratified in the policy, establish maximum acceptable debt ratios. These ratios and their maximum acceptable levels are: 1) debt to assessed value, 1.8 percent, and 2) debt service as a percent of general fund revenue, 9.5 percent. Using fiscal year 2015 data, the County's current ratios are as follows: debt to assessed value is 1.00 percent and debt service to general fund revenue is 7.46 percent.

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

Economic Factors and Fiscal Year 2016's Budgets and Rates

- The median household income of County residents reported by the U.S. Census Bureau 2009-2013 is \$95,477 (\$92,517 in 2010-2012), an increase of 3.2 percent.
- The unemployment rate for Calvert County was reported as 5.1% in June 2015 by the Maryland Department of Labor Licensing and Regulation. This continues an improving trend.
- Real property tax assessments for the third of the County that was reassessed for fiscal year 2015 remained relatively flat with an average increase of 0.8 percent.

All of these factors were considered in preparing the Calvert County Government's budget for the 2016 fiscal year. Calvert County Government's adopted budget for fiscal year 2016 included a \$5.6 million use of fund balance. The County's use of fund balance to balance our budgets is projected to end in fiscal year 2018. The County projects a surplus budget in fiscal year 2021. These projections include the County's Payment in Lieu of Tax agreement with the east coasts only Federal Energy Regulatory Commission approved Liquid Natural Gas Exporting facility.

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, 2015

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COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF NET POSITION
JUNE 30, 2015**

	Primary Government			Component Units	
	Governmental Activities	Business- Type Activities	Total	Board of Education	Economic Development Authority
ASSETS					
Cash, cash equivalents and investments	\$ 92,881,322	\$ 380,456	\$ 93,261,778	\$ 19,332,544	\$ 1,773,169
Receivables					
Taxes	7,005,429	-	7,005,429	-	-
Special assessments	1,059,430	-	1,059,430	-	-
Accounts	18,118,203	2,812,421	20,930,624	-	-
Notes	7,100,546	7,457	7,108,003	-	22,740
Accrued interest	14,216	8,615	22,831	-	1,398
Other	-	-	-	751,520	-
Due from primary government	-	-	-	11,311,556	169,620
Internal balances	(6,070,766)	6,070,766	-	-	-
Due from other governments	-	-	-	1,277,119	-
Deferred expenses	-	-	-	-	-
Prepaid costs	-	-	-	46,216	-
Inventory	374,352	132,896	507,248	100,252	-
Restricted assets					
Cash	10,524,100	10,281,849	20,805,949	-	-
Capital assets not being depreciated	55,622,239	9,867,129	65,489,368	7,558,634	22,191
Depreciable capital assets - net	129,370,378	36,112,250	165,482,628	217,423,486	-
Total assets	315,999,449	65,673,839	381,673,288	257,801,327	1,989,118
Deferred Outflows of Resources					
Pension	2,162,227	-	2,162,227	1,920,617	-
Deferred loss on refunding	-	37,667	37,667	-	-
LIABILITIES					
Accounts payable	3,487,400	1,374,800	4,862,200	1,709,014	31
Notes payable	46,433	-	46,433	-	-
Accrued liabilities	9,988,034	378,952	10,366,986	13,115,276	-
Due to other governments	4,448,663	-	4,448,663	-	-
Due to component units	11,472,523	-	11,472,523	-	-
Compensated absences, current portion	1,537,215	100,000	1,637,215	334,878	-
Long-term debt, current portion	17,527,774	1,265,138	18,792,912	-	-
Estimated postclosure costs, current portion	30,000	65,000	95,000	-	-
Unearned revenue	2,162,100	-	2,162,100	4,648,214	-
Noncurrent liabilities:					
Net pension liability	22,197,663	-	22,197,663	11,311,354	-
Net OPEB obligation	15,814,575	-	15,814,575	61,258,239	-
Compensated absences, net of current portion	7,391,023	475,868	7,866,891	3,264,393	-
Long-term debt, net of current portion	101,201,374	23,436,227	124,637,601	-	-
Estimated postclosure costs, net of current portion	330,000	1,982,547	2,312,547	-	-
Total liabilities	197,634,777	29,078,532	226,713,309	95,641,368	31
Deferred Inflows of Resources					
Pension	2,431,906	-	2,431,906	1,238,102	-
Deferred gain on refunding	848,124	2,406	850,530	-	-
NET POSITION					
Net investment in capital assets	125,502,206	27,576,501	153,078,707	224,982,120	22,191
<u>Restricted for</u>					
Parks and recreation	2,052,182	-	2,052,182	-	-
Planning and zoning	24,535	-	24,535	-	-
Bar library	-	-	-	-	-
Revolving loan	312,100	-	312,100	-	-
Economic Development Authority revolving loan	279,947	-	279,947	-	-
Calvert County Family Network	-	-	-	-	-
Grants	166,742	-	166,742	24,039	-
Economic Development incentive	311,815	-	311,815	-	-
Excise tax	3,225,390	-	3,225,390	-	-
Land preservation	10,101,958	-	10,101,958	-	-
Board of Library trustees	15,438	-	15,438	-	-
Restricted for capital connections	-	2,729,885	2,729,885	-	-
Unrestricted	(24,745,444)	6,324,182	(18,421,262)	(62,163,685)	1,966,896
Total net position	\$ 117,246,869	\$ 36,630,568	\$ 153,877,437	\$ 162,842,474	\$ 1,989,087

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, 2015**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
<u>Governmental activities:</u>				
General government	\$ 14,936,264	\$ 2,223,979	\$ 899,035	\$ -
Public safety	33,357,949	5,114,819	1,956,857	246,798
General services	24,336,696	4,259,773	408,072	1,444,816
Public works	6,819,703	2,207,957	45,125	6,709
Economic development	1,476,461	509,332	-	-
Community resources	10,602,140	1,236,270	1,379,300	-
Education	152,746,925	-	975,595	-
State agencies & independent boards	8,384,212	-	-	-
Interest on long-term debt	4,253,148	6,299	-	-
Total governmental activities	<u>\$ 256,913,498</u>	<u>\$ 15,558,429</u>	<u>\$ 5,663,984</u>	<u>\$ 1,698,323</u>
<u>Business-Type activities:</u>				
Water and sewer	\$ 7,540,595	\$ 8,583,101	\$ -	\$ 3,398,771
Solid waste	9,919,346	10,162,015	-	-
Total business-type activities	<u>17,459,941</u>	<u>18,745,116</u>	<u>-</u>	<u>3,398,771</u>
Total primary government	<u>\$ 274,373,439</u>	<u>\$ 34,303,545</u>	<u>\$ 5,663,984</u>	<u>\$ 5,097,094</u>
Component Units:				
Board of Education	\$ 254,672,409	\$ 3,528,456	\$ 48,797,004	\$ 4,016,877
Economic Development Authority	686	607	-	-
Total component units	<u>\$ 254,673,095</u>	<u>\$ 3,529,063</u>	<u>\$ 48,797,004</u>	<u>\$ 4,016,877</u>

General Revenues:

Property taxes
Income taxes
Recordation taxes
Admission and amusement taxes
Franchise taxes
Other miscellaneous taxes
Interest and dividends
Unrestricted local appropriations, state and federal aid
Transfers
Total general revenues and transfers
Change in net position
Net position - beginning
Prior period adjustment (Note 13)
Net position - ending

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Board of Education	Economic Development Authority
\$ (11,813,250)	\$ -	\$ (11,813,250)	\$ -	\$ -
(26,039,475)	-	(26,039,475)	-	-
(18,224,035)	-	(18,224,035)	-	-
(4,559,912)	-	(4,559,912)	-	-
(967,129)	-	(967,129)	-	-
(7,986,570)	-	(7,986,570)	-	-
(151,771,330)	-	(151,771,330)	-	-
(8,384,212)	-	(8,384,212)	-	-
(4,246,849)	-	(4,246,849)	-	-
<u>\$ (233,992,762)</u>	<u>\$ -</u>	<u>\$ (233,992,762)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ 4,441,277	\$ 4,441,277	\$ -	\$ -
-	242,669	242,669	-	-
-	4,683,946	4,683,946	-	-
<u>\$ (233,992,762)</u>	<u>\$ 4,683,946</u>	<u>\$ (229,308,816)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (198,330,072)	\$ -
-	-	-	-	(79)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (198,330,072)</u>	<u>\$ (79)</u>
\$ 141,620,683	\$ -	\$ 141,620,683	\$ -	\$ -
67,569,054	-	67,569,054	-	-
6,308,065	-	6,308,065	-	-
17,598	-	17,598	-	-
1,404,676	-	1,404,676	-	-
861,256	-	861,256	-	-
208,890	64,547	273,437	4,432	2,766
-	-	-	178,789,266	-
(53,630)	53,630	-	-	-
<u>217,936,592</u>	<u>118,177</u>	<u>218,054,769</u>	<u>178,793,698</u>	<u>2,766</u>
(16,056,170)	4,802,123	(11,254,047)	(19,536,374)	2,687
<u>153,022,721</u>	<u>31,828,445</u>	<u>184,851,166</u>	<u>182,378,848</u>	<u>1,986,400</u>
(19,719,682)	-	(19,719,682)	-	-
<u>\$ 117,246,869</u>	<u>\$ 36,630,568</u>	<u>\$ 153,877,437</u>	<u>\$ 162,842,474</u>	<u>\$ 1,989,087</u>

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015**

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash, cash equivalents and investments	\$ 84,431,130	\$ -	\$ 8,450,192	\$ 92,881,322
Receivables:				
Taxes	5,860,961	-	1,144,468	7,005,429
Special assessments	1,059,430	-	-	1,059,430
Accounts	17,088,456	-	1,029,747	18,118,203
Notes	7,001,248	-	99,298	7,100,546
Accrued interest	14,031	185	-	14,216
Due from other funds	-	8,100,145	9,243,242	17,343,387
Inventory/Prepays	296,104	-	78,248	374,352
Restricted assets				
Cash and investments	-	10,524,100	-	10,524,100
Total assets	<u>\$ 115,751,360</u>	<u>\$ 18,624,430</u>	<u>\$ 20,045,195</u>	<u>\$ 154,420,985</u>
LIABILITIES				
Accounts payable	1,024,072	755,410	1,707,918	3,487,400
Notes payable	-	-	46,433	46,433
Accrued liabilities	8,708,582	64,717	-	8,773,299
Due to other funds	23,414,153	-	-	23,414,153
Due to component units	11,069,730	402,793	-	11,472,523
Due to other governments	4,448,663	-	-	4,448,663
Unearned revenue	-	-	1,800,737	1,800,737
Total liabilities	<u>48,665,200</u>	<u>1,222,920</u>	<u>3,555,088</u>	<u>53,443,208</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenue	<u>14,856,230</u>	<u>-</u>	<u>-</u>	<u>14,856,230</u>
FUND BALANCE (DEFICITS)				
Nonspendable	7,288,398	-	36,639	7,325,037
Restricted	-	-	11,346,283	11,346,283
Committed	22,100,797	402,793	4,711,295	27,214,885
Assigned	6,218,619	16,998,717	533,513	23,750,849
Unassigned	16,622,116	-	(137,623)	16,484,493
Total fund balances	<u>52,229,930</u>	<u>17,401,510</u>	<u>16,490,107</u>	<u>86,121,547</u>
Total liabilities, deferred inflow of resources, and fund balances	<u>\$ 115,751,360</u>	<u>\$ 18,624,430</u>	<u>\$ 20,045,195</u>	<u>\$ 154,420,985</u>
Fund balance (as reported above)				86,121,547
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				184,992,617
Some of the County's revenues are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the fund.				14,494,867
Long term liabilities are not due and payable in the current period, and, therefore, are not reported in the funds.				(128,865,510)
Net OPEB obligations are not due and payable in the current period, and, therefore, are not reported in the funds.				(15,814,575)
Net pension liabilities are not due and payable in the current period, and, therefore, are not reported in the funds.				(22,197,663)
Deferred outflows of resources related to pensions				2,162,227
Deferred inflows of resources related to pensions				(2,431,906)
Accrued interest on long-term liabilities, including bonds payable are not reported in the funds.				(1,214,735)
Net position of governmental activities				<u>\$ 117,246,869</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, 2015**

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 218,645,129	\$ -	\$ 3,168,187	\$ 221,813,316
Licenses and permits	288,914	-	-	288,914
Intergovernmental	3,649,018	2,591,219	5,460,759	11,700,996
Charges for services	4,023,287	-	1,863,705	5,886,992
Fines and forfeitures	450,448	-	207,461	657,909
Other revenue	1,702,464	356,488	2,224,053	4,283,005
Total revenues	<u>228,759,260</u>	<u>2,947,707</u>	<u>12,924,165</u>	<u>244,631,132</u>
EXPENDITURES				
General government	12,628,097	-	1,036,833	13,664,930
Public safety	28,642,775	-	-	28,642,775
General services	9,268,283	-	6,832,750	16,101,033
Public works	8,163,402	-	-	8,163,402
Economic development	1,119,343	-	48,606	1,167,949
Community resources	1,875,728	-	6,378,605	8,254,333
Education	120,046,458	-	4,283,176	124,329,634
State agencies & independent boards	6,589,566	-	-	6,589,566
Pensions and insurance	23,367,037	-	-	23,367,037
Capital projects	-	15,816,466	-	15,816,466
Debt service				
Principal payments	12,910,722	-	-	12,910,722
Interest payments	4,384,851	-	-	4,384,851
Total expenditures	<u>228,996,262</u>	<u>15,816,466</u>	<u>18,579,970</u>	<u>263,392,698</u>
Excess (deficiency) of revenues over expenditures	<u>(237,002)</u>	<u>(12,868,759)</u>	<u>(5,655,805)</u>	<u>(18,761,566)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in - other	2,500,000	3,480,317	8,892,136	14,872,453
Transfers out - other	<u>(10,224,696)</u>	<u>(258,737)</u>	<u>(4,442,650)</u>	<u>(14,926,083)</u>
Total other financing sources (uses)	<u>(7,724,696)</u>	<u>3,221,580</u>	<u>4,449,486</u>	<u>(53,630)</u>
Net change in fund balance	(7,961,698)	(9,647,179)	(1,206,319)	(18,815,196)
Fund balance at beginning of year	<u>60,191,628</u>	<u>27,048,689</u>	<u>17,696,426</u>	<u>104,936,743</u>
Fund balance at end of year	<u>\$ 52,229,930</u>	<u>\$ 17,401,510</u>	<u>\$ 16,490,107</u>	<u>\$ 86,121,547</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, 2015**

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

Net change in fund balances - total governmental funds		\$ (18,815,196)
<p>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.</p>		
	Capital outlays	9,226,253
	Depreciation	<u>(12,979,054)</u>
		(3,752,801)
The net effect of various transactions involving capital assets including, capitalized assets reclassified from construction in progress, sales, trade-ins, and donations.		(81,346)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(4,305,687)
<p>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.</p>		
	Compensated absences	247,518
	Change in landfill postclosure liabilities	30,000
	Net OBEP obligation	(3,988,413)
	Principal payments	<u>13,511,402</u>
	Changes in long-term debt	9,800,507
Governmental funds report County pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employer contributions is reported as pension expense.		966,650
<p>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.</p>		
	Change in accrued interest	<u>131,703</u>
Change in net position of governmental activities		<u>\$ (16,056,170)</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
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budget Original	Budget Final	Actual	Variance (Over) Under
REVENUES				
Taxes	\$ 225,325,491	\$ 225,343,203	\$ 218,645,129	\$ (6,698,074)
Licenses and permits	309,400	309,400	288,914	(20,486)
Intergovernmental	4,118,902	4,151,362	4,034,445	(116,917)
Charges for services	3,607,278	3,642,016	4,104,231	462,215
Fines and forfeitures	410,551	555,007	573,086	18,079
Miscellaneous	6,493,526	8,407,744	1,525,030	(6,882,714)
Total revenues	240,265,148	242,408,732	229,170,835	(13,237,897)
EXPENDITURES				
General government	13,274,851	13,037,631	12,780,563	257,068
Public safety	28,516,125	28,773,674	28,998,357	(224,683)
General services	12,578,065	12,735,377	11,962,768	772,609
Public works	8,895,514	10,138,285	7,269,528	2,868,757
Economic development	1,305,607	1,300,413	1,112,798	187,615
Community resources	1,969,066	1,998,106	1,873,257	124,849
Education	123,883,883	123,910,121	123,879,765	30,356
State Agencies & Independent Boards	6,580,956	6,669,133	6,587,433	81,700
Pensions and insurance	23,523,596	23,555,092	23,367,037	188,055
<u>Debt service</u>				
Principal retirement	12,910,694	12,910,694	12,910,722	(28)
Interest	4,373,275	4,373,275	4,384,851	(11,576)
Total expenditures	237,811,632	239,401,801	235,127,079	4,274,722
Excess (deficiency) of revenues over expenditures	2,453,516	3,006,931	(5,956,244)	(8,963,175)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	2,707,434	2,707,434	2,677,434	(30,000)
Operating transfers out	(5,160,950)	(5,714,365)	(4,423,701)	1,290,664
Total other financing sources (uses)	(2,453,516)	(3,006,931)	(1,746,267)	1,260,664
Net change in fund balance	-	-	(7,702,511)	(7,702,511)
Fund balance - beginning	60,200,842	60,200,842	60,200,842	-
Fund balance - ending	<u>\$ 60,200,842</u>	<u>\$ 60,200,842</u>	<u>\$ 52,498,331</u>	<u>\$ (7,702,511)</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:

Revenues and transfers in (budgetary basis)	\$ 231,848,269
Transfer adjustment (Library)	(589,008)
Revenue and transfers in (GAAP basis)	<u>\$ 231,259,261</u>
Expenditures and operating transfers out (budgetary basis)	\$ 239,550,780
Encumbrance/accrual adjustment	252,470
Transfer adjustment (Library)	(589,008)
Expenditures and operating transfers out (GAAP basis)	<u>\$ 239,214,242</u>

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015**

	Water and Sewer Fund	Solid Waste and Recycling Fund	Total
ASSETS			
<u>Current assets:</u>			
Cash and cash equivalents	\$ 379,456	\$ 1,000	\$ 380,456
Investments	-	-	-
Total cash, cash equivalents and investments	<u>379,456</u>	<u>1,000</u>	<u>380,456</u>
Accounts receivable	2,133,650	678,771	2,812,421
Notes receivable	7,457	-	7,457
Accrued interest receivable	265	8,350	8,615
Due from other funds	173,096	5,897,670	6,070,766
Inventory	132,896	-	132,896
Total current assets	<u>2,826,820</u>	<u>6,585,791</u>	<u>9,412,611</u>
<u>Non-current assets:</u>			
Restricted assets			
Cash and investments	9,370,582	911,267	10,281,849
Capital assets not being depreciated	6,958,346	2,908,783	9,867,129
Depreciable capital assets - net	<u>35,012,911</u>	<u>1,099,339</u>	<u>36,112,250</u>
Total non-current assets	<u>51,341,839</u>	<u>4,919,389</u>	<u>56,261,228</u>
Total assets	<u>54,168,659</u>	<u>11,505,180</u>	<u>65,673,839</u>
Deferred Outflows of Resources			
Deferred loss on refunding	37,667	-	37,667
Total assets and deferred outflows	<u>54,206,326</u>	<u>11,505,180</u>	<u>65,711,506</u>
LIABILITIES			
<u>Current liabilities:</u>			
Vouchers and accounts payable	718,516	656,284	1,374,800
Accrued liabilities	286,480	92,472	378,952
Compensated absences, current portion	50,000	50,000	100,000
Estimated post closure costs, current portion	-	65,000	65,000
Long-term debt, current portion	1,181,447	83,691	1,265,138
Total current liabilities	<u>2,236,443</u>	<u>947,447</u>	<u>3,183,890</u>
<u>Noncurrent liabilities:</u>			
Compensated absences, net of current portion	195,300	280,568	475,868
Estimated post closure costs	-	1,982,547	1,982,547
Bond premium/deferred loss on refunding			
Long-term debt, net of current portion	<u>22,441,954</u>	<u>994,273</u>	<u>23,436,227</u>
Total liabilities	<u>24,873,697</u>	<u>4,204,835</u>	<u>29,078,532</u>
Deferred Inflows of Resources			
Deferred gain on refunding	-	2,406	2,406
Total liabilities and deferred inflows	<u>24,873,697</u>	<u>4,207,241</u>	<u>29,080,938</u>
NET POSITION			
Net investment in capital assets	23,827,836	3,748,665	27,576,501
Restricted capital connection	2,729,885	-	2,729,885
Unrestricted	<u>2,774,908</u>	<u>3,549,274</u>	<u>6,324,182</u>
Total net position	<u>\$ 29,332,629</u>	<u>\$ 7,297,939</u>	<u>\$ 36,630,568</u>

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2015**

	<u>Water and Sewer Fund</u>	<u>Solid Waste and Recycling Fund</u>	<u>Total</u>
<u>Operating revenues:</u>			
Charges for services	\$ 7,591,915	\$ 10,133,106	\$ 17,725,021
<u>Operating expenses:</u>			
Salaries & benefits	2,476,895	2,434,898	4,911,793
Contracted services	701,762	6,132,796	6,834,558
Supplies	244,866	54,778	299,644
Heat, light and power	624,285	40,825	665,110
Depreciation	2,351,794	367,276	2,719,070
Miscellaneous	57,284	69,336	126,620
Telephone	20,156	9,827	29,983
Compensated absences	58,076	47,320	105,396
Maintenance and repairs	412,853	478,252	891,105
Capital outlay	34,183	245,505	279,688
Total operating expenses	<u>6,982,154</u>	<u>9,880,813</u>	<u>16,862,967</u>
Operating income (loss)	<u>609,761</u>	<u>252,293</u>	<u>862,054</u>
<u>Non-operating revenues (expenses):</u>			
Deferred amount on refunding	(21,361)	(2,628)	(23,989)
Miscellaneous income	63,802	2,773	66,575
Tower revenue	137,318	26,136	163,454
Investment income	43,446	21,101	64,547
Interest expense	<u>(537,080)</u>	<u>(35,905)</u>	<u>(572,985)</u>
Total non-operating revenues (expenses)	<u>(313,875)</u>	<u>11,477</u>	<u>(302,398)</u>
Income (loss) before contributions and transfers	295,886	263,770	559,656
Transfers in (out)	-	53,630	53,630
Capital connection charges	790,066	-	790,066
Developer contribution	<u>3,398,771</u>	<u>-</u>	<u>3,398,771</u>
Change in net position	4,484,723	317,400	4,802,123
Total net position - beginning	<u>24,847,906</u>	<u>6,980,539</u>	<u>31,828,445</u>
Total net position - ending	<u>\$ 29,332,629</u>	<u>\$ 7,297,939</u>	<u>\$ 36,630,568</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, 2015**

	Water and Sewer Fund	Solid Waste and Recycling Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 7,415,088	\$ 10,241,188	\$ 17,656,276
Tower revenue	137,318	26,136	163,454
Other Receipts	63,802	34,173	97,975
Payments to suppliers	(4,405,570)	(9,201,532)	(13,607,102)
Payments to employees	19,782	15,242	35,024
Receipts from other funds	<u>(209,714)</u>	<u>(183,657)</u>	<u>(393,371)</u>
Net cash provided by (used in) operating activities	<u>3,020,706</u>	<u>931,550</u>	<u>3,952,256</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers (to)/ from other funds	-	53,630	53,630
Net cash provided by (used in) non-capital financing activities	<u>-</u>	<u>53,630</u>	<u>53,630</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Additions to capital assets and construction-in-progress	(6,735,346)	(875,649)	(7,610,995)
Proceeds from issuance of long term debt	(19,886)	-	(19,886)
Capital connection fees received	790,067	-	790,067
Developer contribution	3,398,771	-	3,398,771
Principal paid on long-term obligations	(744,953)	(84,960)	(829,913)
Interest paid on long-term obligations	<u>(557,138)</u>	<u>(45,503)</u>	<u>(602,641)</u>
Net cash provided by (used in) capital and related financing activities	<u>(3,868,485)</u>	<u>(1,006,112)</u>	<u>(4,874,597)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received on deposits	11,546	20,868	32,414
Purchase of investments	<u>1,057,540</u>	<u>64</u>	<u>1,057,604</u>
Net cash provided by (used in) investing activities	<u>1,069,086</u>	<u>20,932</u>	<u>1,090,018</u>
Increase (decrease) in cash and cash equivalents	221,307	-	221,307
Cash and cash equivalents, beginning of year	<u>158,149</u>	<u>1,000</u>	<u>159,149</u>
Cash and cash equivalents, end of year	<u>\$ 379,456</u>	<u>\$ 1,000</u>	<u>\$ 380,456</u>
PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ 609,761	\$ 252,293	\$ 862,054
<u>Net cash provided by (used in) operating activities</u>			
Depreciation	2,351,794	367,276	2,719,070
Landfill closure costs and other	-	217,489	217,489
Tower revenue	137,318	26,136	163,454
Other Receipts	63,805	2,773	66,578
<u>Changes in assets and liabilities</u>			
Inventory	(7,398)	-	(7,398)
Accounts receivable	(176,827)	139,481	(37,346)
Due from other funds	-	(183,657)	(183,657)
Accounts payable	178,338	94,516	272,854
Accrued expenses	73,629	15,243	88,872
Due to other funds	<u>(209,714)</u>	<u>-</u>	<u>(209,714)</u>
Net cash provided by (used in) operating activities	<u>\$ 3,020,706</u>	<u>\$ 931,550</u>	<u>\$ 3,952,256</u>
Reconciliation of cash and cash equivalents to the balance sheet:			
Cash and investments, unrestricted	\$ 379,456	\$ 1,000	\$ 380,456
Cash and investments, restricted	<u>9,370,582</u>	<u>911,267</u>	<u>10,281,849</u>
	9,750,038	912,267	10,662,305
Less - noncash equivalent investments	<u>9,370,582</u>	<u>911,267</u>	<u>10,281,849</u>
Cash and cash equivalents	<u>\$ 379,456</u>	<u>\$ 1,000</u>	<u>\$ 380,456</u>

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	Volunteer Fire and Rescue Pension Fund	Sheriff Pension Fund	Employee Retirement Fund	OPEB	Agency Fund
ASSETS					
Cash and cash equivalents	\$ 34,443	\$ 1,241,710	\$ 899,958	\$ 3,646,742	\$ 90,845
Receivables and prepaid expenses:					
Accounts receivables	-	-	-	-	7,308
Investment income receivables	1	10,788	10,605	2,705	-
Total receivables	1	10,788	10,605	2,705	7,308
Investments:					
Fixed income	664,847	15,977,068	14,696,093	9,254,110	-
Common stocks	-	9,969,168	9,710,826	-	-
Equity funds	2,529,685	30,235,674	29,697,096	33,363,054	-
Foreign assets	479,351	7,776,247	7,776,247	7,469,944	-
Other assets	-	2,152,452	2,335,093	897,238	-
Total investments	3,673,883	66,110,609	64,215,355	50,984,346	-
Total assets	3,708,327	67,363,107	65,125,918	54,633,793	98,153
LIABILITIES AND FUND BALANCE					
Payables:					
Accounts payable	-	-	-	-	98,153
Accrued expenses and benefits payable	-	-	-	26,445	-
Total liabilities	-	-	-	26,445	\$ 98,153
Net position restricted for pensions	<u>\$ 3,708,327</u>	<u>\$ 67,363,107</u>	<u>\$ 65,125,918</u>	<u>\$ 54,607,348</u>	

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

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	Volunteer Fire and Rescue Pension Fund	Sheriff Pension Fund	Employees Retirement Fund	OPEB
ADDITIONS				
Contributions:				
Employer contributions	\$ 460,000	\$ 3,060,000	\$ 2,918,950	\$ 3,500,000
Member contributions	-	930,459	140,744	-
Total contributions	<u>460,000</u>	<u>3,990,459</u>	<u>3,059,694</u>	<u>3,500,000</u>
Investment income (loss):				
Interest and dividends	111,619	1,505,324	1,529,306	3,635,684
Appreciation/(depreciation) of investments	(276,620)	(2,399,410)	(3,363,188)	(2,227,435)
Capital gains/(loss)	279,899	3,939,174	4,814,777	(16,151)
Less investment expenses:				
Direct investment expense	<u>(26,530)</u>	<u>(368,039)</u>	<u>(367,581)</u>	<u>(126,582)</u>
Net investment income (loss)	<u>88,368</u>	<u>2,677,049</u>	<u>2,613,314</u>	<u>1,265,516</u>
Total additions	<u>548,368</u>	<u>6,667,508</u>	<u>5,673,008</u>	<u>4,765,516</u>
DEDUCTIONS				
Distributions to participants	<u>458,050</u>	<u>2,087,997</u>	<u>3,216,726</u>	<u>-</u>
Total deductions	<u>458,050</u>	<u>2,087,997</u>	<u>3,216,726</u>	<u>-</u>
Net increase (decrease) in net position	90,318	4,579,511	2,456,282	4,765,516
NET POSITION RESTRICTED FOR PENSIONS				
Beginning of year	<u>3,618,009</u>	<u>62,783,596</u>	<u>62,669,636</u>	<u>49,841,832</u>
End of year	<u>\$ 3,708,327</u>	<u>\$ 67,363,107</u>	<u>\$ 65,125,918</u>	<u>\$ 54,607,348</u>

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

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 1 - Summary of Significant Accounting Policies

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

A. Reporting Entity

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

Discretely Presented Component Units

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

Economic Development Authority of Calvert County - The Economic Development Authority of Calvert County (the Authority) was established in 1969, for the purpose of acquiring, constructing, developing, improving, operating, and managing an industrial park within the County and to enlarge economic development opportunities for the preservation and betterment of the economy of Calvert County. The members of the Board of the Authority are appointed by the Commissioners. The Authority provides services which exclusively benefit the County and County employees perform all of the Authority's services. The Economic Development Authority of Calvert County does not issue separate financial statements, so their statements are included in this document on pages 102-103.

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

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

B. Government-Wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

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

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

Measurement Focus and Basis of Accounting

The Government-wide financial statements measure and report all assets (both financial and capital), liabilities, revenues, expenses, gains and losses using the *economic resources* measurement focus and the *accrual basis* of accounting, as do the Proprietary funds and Pension and Other Post Employment Benefit Trust funds statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

governmental funds. Proceeds of the County's general long-term debt are reported as other financing sources.

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

Financial Statement Presentation

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

Governmental Fund Types

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

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

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

Proprietary Fund Type

Enterprise Funds - Enterprise funds are used to report activities for which a fee is charged to external users for goods or services. Enterprise funds herein include the operations of the Water and Sewer Fund and the Solid Waste and Recycling Fund.

Fiduciary Fund Types

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

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Net Position

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

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

Significant Accounting Policies

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

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

Program, General and Operating Revenues – Revenue in the government-wide financial statements is classified as program or general revenue. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. In addition, general revenues include all taxes.

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

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

Budgets and Budgetary Accounting - The County follows certain procedures in establishing the budgetary data reflected in the financial statements. Each County department, agency or board receiving County funds submits a budget request to the Commissioners at a public hearing. Additional

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

public hearings are conducted to obtain taxpayer comments. On or before July 1 of each year, the budget is legally enacted through passage of a resolution.

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

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

D. Assets, Liabilities and Net Position

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

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

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

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

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

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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

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

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

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

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

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

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

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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.

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

Encumbrances - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, Capital Projects Fund, and Enterprise Funds. Encumbrances outstanding at year end are reported as committed fund balances and do not constitute expenditures or liabilities because the commitments will be honored during a subsequent year.

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

Unearned Revenue – Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Deferred Outflows/Inflows of Resources - represents a consumption/acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow/inflow of resources until then. The only item that qualifies for reporting in this category is the deferred lose/gain on refunding reported in the government-wide statement of net position. A deferred loss/gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The government has only one type of item, unavailable revenue, and is reported only in the governmental funds balance sheet for taxes, special assessment, and intergovernmental charges. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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

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

Establishment/Elimination of Funds – Due to the County's implementation of GASB Statement No. 54 – *Fund Balance and Governmental Fund Type Definitions* which updated the definitions and criteria for Special Revenue Funds, the County elected to change the fund type of the Chesapeake Hills Golf Course from an Enterprise Fund to a Special Revenue Fund during the fiscal year ending June 30, 2013 and to change the Calvert Marine Museum from an Enterprise Fund to a Special Revenue Fund during fiscal year ending June 30, 2014. Also, due to this implementation, during the fiscal year ended June 30, 2011, the county eliminated two special revenue funds: Project Graduation and the Housing Fund. These two funds are now presented as part of the General Fund.

E. Implementation of New Accounting Principles

The County has implemented the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment to GASB Statement No. 27* for reporting period ending June 30, 2015. As part of GASB 68 the County is required to record its share of the Maryland State Retirement and Pension System's (SRPS) net funded pension liability. The County's share of the unfunded liability will be calculated by dividing the County's contribution to SRPS by the total contributions to SRPS multiplied by SRPS' unfunded liability. The County will also record the Net Pension Liability for the Sheriff's Office Pension System and the Volunteer Firefighter Length of Service Award Program as required under GASB 68. This Statement addresses the accounting and financial reporting for pensions that are provided to the employees of state and local governmental employers through pension plans administered through trusts.

The County simultaneously implemented GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The objective of this statement is to address an issue regarding the application of the transition provisions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

GASB also issued Statement No. 69, *Government Combinations and Disposals of Government Operation*, and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. Both statements were adopted this fiscal year but will have no effect on the financial statements.

GASB issued Statement No. 72, *Fair Value Measurement and Application*; Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to certain Provisions of GASB Statements 67 and 68*; GASB Statement No. 74, *Financial Reporting For Postemployment Benefit Plans Other Than Pension Plans*;

CALVERT COUNTY, MARYLAND

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JUNE 30, 2015

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*; GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. These statements may or will have a material effect on the County's financial statements once implemented. The County will be analyzing the effects of these pronouncements and plans to adopt them as applicable by their effective date.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 2 - Property Taxes

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

Property taxes are levied at rates enacted by the Commissioners in the annual budget based on the assessed value of the property as determined by the Maryland State Department of Assessments and Taxation, an agency of the government of the State of Maryland. The rates of levy cannot exceed the constant yield tax rate furnished by the Maryland State Department of Assessments and Taxation without public notice and then only after public hearings.

The real property tax rate during the year ended June 30, 2015, 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, 2014 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.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 3 - Cash, Cash Equivalents and Investments

A. Primary Government

Cash on Hand

At June 30, 2015, cash on hand for petty cash and change was \$11,400.

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, 2015 the net carrying amount and the bank balances of the County's deposits with financial institutions were \$25,679,239 and \$25,579,511, 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, 2015, no deposits were in foreign currency.

General Investments - The County's policy for investments, as set by public code, is to invest in securities that are issued by the United States Government or any agency thereof, certificates of deposit, bankers' acceptances, any and all investments generally recognized as "money market instruments," securities issued by any state or municipal government, securities issued by the Federal Home Loan Mortgage Corporation (FHLMC), securities issued by the Government National Mortgage Association (GNMA), repurchase agreements, and reverse repurchase agreements. The County's intent is not to redeem any investment until the fair 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 starting on page 26 and 27.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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, 2016. The latest maturity date is May 15, 2026. This fund has no interest rate risk because each of the bonds was purchased to pay a specific obligation. The maturity date and amount of the bond coincides with the due date of the obligation.

Interest Rate Risk

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

<u>Maturities</u>	
Cash and equivalents	\$ 40,718,592
Less than 1 year	14,846,331
1 - 5 years	7,518,233
5 - 10 years	3,545,100
10 - 15 years	142,644
Total	<u>\$ 66,770,900</u>

Foreign Currency Risk

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

<u>Country</u>	
China	\$ 778,482
Germany	765,021
Netherlands	490,818
Russia	613,197
Switzerland	638,616
United Kingdom	1,028,978
Total	<u>\$ 4,315,112</u>

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Carrying Value

The carrying value of all the County's cash and investments as of June 30, 2015 is summarized in the following table:

<u>Cash, Cash Equivalent or Investment type</u>		<u>Cash, Cash Equivalent or Investment type</u>	
U.S. Agency obligations	\$ 12,999,970	Unrestricted	\$ 284,068,824
U.S. Treasury strips	7,245,991	Restricted	20,896,794
Common stock	19,679,994		
Fixed assets	40,592,118	Total	<u>\$ 304,965,618</u> *
Equity and bond funds	119,327,298		
Money market mutual funds	67,487,545		
Certificates of deposits	6,557,281		
Cash in banks	25,679,239		
Other special equity	5,384,782		
Petty cash	11,400		
Total	<u>\$ 304,965,618</u> *		

*includes agency fund cash of \$90,845

B. Component Units

Economic Development Authority

The Authority follows the investment policies of the County. Its investments at June 30, 2015, totaled \$1,773,169 and consisted of money market mutual funds.

Board of Education

Deposits - At June 30, 2015, the carrying amount of the Board's deposit was \$21,051,876 consisting of cash in the amount of \$17,355,992 in governmental activities, \$1,974,736 in the business-type activities and \$1,721,148 in the agency fund with corresponding bank balances of \$22,525,828. Of the bank balances, all deposits were covered by Federal Depository Insurance and collateral held in the Board's name. The Board has a contractual agreement with a bank for funds to be transferred daily from overnight investments to cover checks as presented.

Investments - At June 30, 2015, the Board had invested \$441 in governmental activities and \$475 in business-type activities in the Maryland Local Government Investment Pool (MLGIP), which is under the administration of the State Treasurer. MLGIP is rated AAAM by Standard and Poors, the agency's highest rating for money market funds. Unit value is computed using the amortized cost method. In addition, the net asset value of the pool, market-to-market, is calculated and maintained on a weekly basis to ensure a \$1.00 per unit constant value.

Investment Rate Risk - Fair Value fluctuates with interest rates, and increasing rates could cause fair value to decline below original cost. 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 and MLGIP and requires that collateral securities underlying the repurchase agreements have a market value of at least 102% of the cost of the agreement. Interest income is reported as general revenue in the Calvert County Public School, Statement of Activities.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 4 - Notes Receivable

A. Primary Government

General Fund

The Affordable Housing Program – The County under this program has a 20 year loan set up to fund a participant in the County's Water and Sewer Assistance Program. This note initiated in FY2009, will mature in FY2029 and bears interest at 5% per annum. Principal and interest payments are due monthly. At June 30, 2015, \$8,953 is outstanding.

Volunteer Fire Department and Rescue Squads - The County finances purchases of equipment by the volunteer fire department and rescue squads. To maintain control over the equipment purchased, the County Commissioners create non-interest bearing notes receivable, secured by the equipment, with three to twenty-nine year terms. Repayment of the notes does not involve cash transactions, but is achieved by reducing notes receivable 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, 2015, was \$5,842,674. See detailed schedule at page 105.

Chesapeake Hills Golf Course - The Chesapeake Hills Golf Course ratified a loan with the general fund in 2014. The note calls for annual payments of \$13,930, non-interest bearing, commencing September 16, 2014 through maturity in 2019. At June 30, 2015, outstanding principal amounted to \$46,433.

Water and Sewer Fund

The Water and Sewer Fund ratified a loan with the general fund in 2014. The note calls for annual payments of \$175,000, non-interest bearing, commencing June 30, 2013 through maturity in 2052. At June 30, 2015, outstanding principal amounted to \$6,450,000 and is offset by a nonspendable fund balance to indicate these funds are not available, spendable resources.

Funds previously advanced by the General Fund to the Water and Sewer Fund for the Dares Beach Water Supply Project was converted to a note. The note calls for annual payments of \$19,969 including interest at 6.6%, commencing June 30, 1990 through maturity in 2019. At June 30, 2015, outstanding principal amounted to \$68,263 and is offset by a nonspendable fund balance to indicate these funds are not available, spendable resources.

Funds previously advanced by the General Fund to the Water and Sewer Fund for the Prince Frederick Water and Sewer System was converted to an interest-free note in 1992. Principal is payable annually beginning January 1, 1993 through maturity on January 1, 2025. At June 30, 2015, \$279,006 is outstanding, and is offset by a nonspendable fund balance to indicate these funds are not available, spendable resources.

Funds previously advanced by the General Fund to the Water and Sewer Fund for the Shores of Calvert Water and Sewer System were converted to a 20 year interest bearing note. The note calls for annual payments of \$9,967 including interest at 1.5%. Principal is payable annually beginning July 1, 2012 through maturity on July 1, 2031. At June 30, 2015, \$148,591 is outstanding, and is offset by a nonspendable fund balance to indicate these funds are not available, spendable resources.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

The Water and Sewer Fund has a note receivable for one Public Utility Payment Plans (PUPP) with a developer, of which the total amount outstanding at June 30, 2015 was \$7,457.

Economic Development Incentive Fund

During Fiscal year 2008 a fifteen-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 2022. At June 30, 2015, \$99,298 is outstanding.

B. Component Unit

Economic Development Authority

The Authority has a \$78,300 note receivable from Shadow Stone, LLC 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. Several payments have been missed but payments are being made and the receivable is viewed as still collectable. As of June 30, 2015, the note balance is \$10,193.

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. Several payments have been missed but payments are being made and the receivable is viewed as still collectable. As of June 30, 2015, the note balance is \$10,193.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 5 - Interfund Accounts and Transfers

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

At June 30, 2015 the interfund account balances were as shown below:

	<u>Due From</u>	<u>Due To</u>
Primary Government:		
<u>General Fund</u>		
Special revenue funds	\$ -	\$ 9,243,242
Capital projects fund	-	8,100,145
Enterprise funds	-	6,070,766
	<hr/>	<hr/>
	-	23,414,153
<u>Special Revenue Funds</u>		
General fund	9,243,242	-
<u>Capital Projects Fund</u>		
General fund	8,100,145	-
<u>Enterprise Funds</u>		
General fund	6,070,766	-
	<hr/>	<hr/>
	\$ 23,414,153	\$ 23,414,153
Component Units:		
Primary government – General fund	\$ -	\$ 11,069,730
Primary government – Capital projects	-	402,793
Component unit – Board of Education	11,302,903	-
Component unit – Economic Development Authority	169,620	-
	<hr/>	<hr/>
	\$ 11,472,523	\$ 11,472,523

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

During the fiscal year ended June 30, 2015, the interfund transfers were as follows:

	<u>Transfers in</u>	<u>Transfers out</u>
Primary Government:		
<u>Governmental Funds</u>		
Special revenue funds	\$ 8,892,136	\$ 4,442,650
Capital projects fund	3,480,317	258,737
General fund	2,500,000	10,224,696
	<hr/>	<hr/>
	14,872,453	14,926,083
<u>Proprietary Funds</u>		
Water and sewer fund	-	-
Solid waste fund	53,630	-
	<hr/>	<hr/>
	53,630	-
	<hr/>	<hr/>
Total Transfers	\$ 14,926,083	\$ 14,926,083

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 6 - Capital Assets

A. Primary Government

A summary of changes in capital assets are as follows:

	<u>Balance</u>		<u>Deductions/</u>	
	<u>June 30, 2014</u>	<u>Additions</u>	<u>Reclassifications</u>	<u>Balance</u>
				<u>June 30, 2015</u>
Governmental activities:				
Capital assets, not being depreciated				
Construction in Progress	\$ 7,695,249	\$ 15,085,746	\$ (17,957,210) ⁽¹⁾	\$ 4,823,785
Land Development Rights	11,245,305	-	-	11,245,305
Land	39,553,149	-	-	39,553,149
	<u>58,493,703</u>	<u>15,085,746</u>	<u>(17,957,210)</u>	<u>55,622,239</u>
Capital assets, being depreciated				
Buildings	78,895,461	29,260	-	78,924,721
Improvements	40,528,308	1,678,041	(16,662)	42,189,687
Machinery & Equipment	46,113,067	3,101,568	(1,206,343)	48,008,292
Infrastructure	122,563,099	7,288,848	-	129,851,947
	<u>288,099,935</u>	<u>12,097,717</u>	<u>(1,223,005)</u>	<u>298,974,647</u>
Less accumulated depreciation for:				
Buildings	(44,181,610)	(2,127,137)	-	(46,308,747)
Improvements	(18,227,189)	(2,149,481)	16,384	(20,360,286)
Machinery & Equipment	(30,497,095)	(3,918,258)	1,125,275	(33,290,078)
Infrastructure	(64,860,980)	(4,784,178)	-	(69,645,158)
	<u>(157,766,874)</u>	<u>(12,979,054)</u>	<u>1,141,659</u>	<u>(169,604,269)</u>
Total capital assets, being depreciated, net	<u>130,333,061</u>	<u>(881,337)</u>	<u>(81,346)</u>	<u>129,370,378</u>
Governmental activities capital assets, net	<u>\$ 188,826,764</u>	<u>\$ 14,204,409</u>	<u>\$ (18,038,556)</u>	<u>\$ 184,992,617</u>
Business-type activities:				
Capital assets, not being depreciated				
Construction in Progress	\$ 3,541,201	\$ 3,842,337	\$ -	\$ 7,383,538
Land	2,483,591	-	-	2,483,591
	<u>6,024,792</u>	<u>3,842,337</u>	<u>-</u>	<u>9,867,129</u>
Capital assets, being depreciated				
Buildings	51,507,444	-	-	51,507,444
Improvements	11,564,265	3,355,350	-	14,919,615
Machinery & Equipment	11,171,435	413,308	(15,350)	11,569,393
	<u>74,243,144</u>	<u>3,768,658</u>	<u>(15,350)</u>	<u>77,996,452</u>
Less accumulated depreciation for:				
Buildings	(30,758,177)	(1,416,073)	-	(32,174,250)
Improvements	(3,670,236)	(528,708)	-	(4,198,944)
Machinery & Equipment	(4,752,068)	(774,290)	15,350	(5,511,008)
	<u>(39,180,481)</u>	<u>(2,719,071)</u>	<u>15,350</u>	<u>(41,884,202)</u>
Total capital assets, being depreciated, net	<u>35,062,663</u>	<u>1,049,587</u>	<u>-</u>	<u>36,112,250</u>
Business-type activities capital assets, net	<u>\$ 41,087,455</u>	<u>\$ 4,891,924</u>	<u>\$ -</u>	<u>\$ 45,979,379</u>

(1) Includes assets of \$2,701,777 that were transferred to the Board of Education.

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

B. Component Units:

Economic Development Authority

A summary of changes in capital assets for the year ended June 30, 2015 as follows:

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Balance June 30, 2015</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 22,191	\$ -	\$ -	\$ 22,191
	<u>\$ 22,191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,191</u>

Board of Education

A summary of changes in capital assets for the year ended June 30, 2015 as follows:

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Balance June 30, 2015</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 3,757,711	\$ 91,485	\$ -	\$ 3,849,196
Construction in progress	3,119,124	4,784,174	(4,193,860)	3,709,438
	<u>6,876,835</u>	<u>4,875,659</u>	<u>(4,193,860)</u>	<u>7,558,634</u>
Capital assets, being depreciated				
Buildings and improvements	316,253,265	355,180	(2,930,898)	313,677,547
Land improvements	4,657,877	305,585	-	4,963,462
Equipment	8,107,830	249,563	(600,546)	7,756,847
	<u>329,018,972</u>	<u>910,328</u>	<u>(3,531,444)</u>	<u>326,397,856</u>
Less accumulated depreciation for:				
Buildings and improvements	(98,443,416)	(6,853,294)	5,654,090	(99,642,620)
Land improvements	(2,992,169)	(276,782)	-	(3,268,951)
Equipment	(6,393,719)	(451,326)	595,422	(6,249,623)
	<u>(107,829,304)</u>	<u>(7,581,402)</u>	<u>6,249,512</u>	<u>(109,161,194)</u>
Total capital assets, being depreciated, net	<u>221,189,668</u>	<u>(6,671,074)</u>	<u>2,718,068</u>	<u>217,236,662</u>
Governmental activities capital assets, net	<u>\$ 228,066,503</u>	<u>\$ (1,795,415)</u>	<u>\$ (1,475,792)</u>	<u>\$ 224,795,296</u>
Business-type activities:				
Equipment at historical cost	\$ 1,891,790	\$ 23,211	\$ -	\$ 1,915,001
Less accumulated depreciation	(1,683,464)	(44,713)	-	(1,728,177)
Business-type activities capital assets, net	<u>\$ 208,326</u>	<u>\$ (21,502)</u>	<u>\$ -</u>	<u>\$ 186,824</u>

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Component Units, continued

Board of Education

The Board's active school construction projects as of June 30, 2015 as follows:

	<u>Spent to Date</u>	<u>Commitment</u>
Calvert High School	\$ 49,466,105	\$ 91,663
Total	<u>\$ 49,466,105</u>	<u>\$ 91,663</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, 2015 for Calvert County and component units (Board of Education and Economic Development Authority) were as follows:

Primary Government:

Governmental activities:

General government	\$ 1,180,697
Public safety	1,946,522
General services	4,292,772
Public works	5,102,052
Community resources	395,728
Education	51,283
State agencies and other boards	<u>10,000</u>
Total	<u>\$ 12,979,054</u>

Business-type activities:

Water and Sewer	\$ 2,351,794
Solid Waste and Recycling	<u>367,276</u>
	<u>\$ 2,719,070</u>

Component Units:

Board of Education - governmental activities:

<i>Instruction:</i>	
Regular education	\$ 103,217
Special education	10,662
<i>Support services:</i>	
Administration	264,375
Mid-level administration	373
Transportation	3,303
Operation of plant and equipment	7,152,010
Maintenance of plant	<u>47,462</u>
Total	<u>\$ 7,581,402</u>

Board of Education - business-type activities:

Food services	<u>\$ 44,713</u>
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Economic Development:

	<u>\$ -</u>
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CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 7 - Long-Term Obligations

A. Primary Government

Changes in Long-term Obligations

The following is a summary of the changes in long-term obligations of the County for the year ended June 30, 2015.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental activities:					
Bonds and Notes Payable					
General Obligation Debt ⁽¹⁾	\$ 124,297,591	\$ -	\$ (13,493,664)	\$ 110,803,927	\$ 15,309,837
Notes Payable ⁽²⁾	123,319	-	(17,738)	105,581	17,737
The Land Preservation Program	7,819,640	-	-	7,819,640	2,200,200
Other Liabilities:					
Landfill Closure Costs	390,000	-	(30,000)	360,000	30,000
Net Pension Liability	19,719,682	16,338,027	(13,860,046)	22,197,663	-
Net OPEB Obligation	11,826,162	3,988,413	-	15,814,575	-
Compensated Absences	9,175,756	1,289,697	(1,537,215)	8,928,238	1,537,215
Total	<u>\$ 173,352,150</u>	<u>\$ 21,616,137</u>	<u>\$ (28,938,663)</u>	<u>\$ 166,029,624</u>	<u>\$ 19,094,989</u>
Business-type activities:					
Bonds and Notes Payable					
General Obligation Debt ⁽¹⁾	\$ 13,651,111	\$ -	\$ (639,392)	\$ 13,011,719	\$ 595,363
Notes Payable ⁽¹⁾	11,937,403	672,197	(919,954)	11,689,646	669,775
Other Liabilities:					
Landfill Closure Costs	1,830,058	217,489	-	2,047,547	65,000
Compensated Absences	556,192	105,395	(85,719)	575,868	100,000
Total	<u>\$ 27,974,764</u>	<u>\$ 995,081</u>	<u>\$ (1,645,065)</u>	<u>\$ 27,324,780</u>	<u>\$ 1,430,138</u>

(1) Indicates debt issued for the purpose of acquiring capital assets.
(2) Represents debt used for other governmental purposes.

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

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Obligation Balances and Terms – Governmental Activities

Long-term obligations as of June 30, 2015, consist of the following:

Bond Description and Year	Amount Borrowed	Rate	Due serially through	Governmental Activities Balance
<i>Governmental Activities</i>				
<i>General Obligation Bonds</i>				
Consolidated Public Improvement Project Bonds, 2006 Series	\$ 10,885,000	4% - 5%	April 1, 2016	\$ 725,000
Consolidated Public Improvement Project Bonds, 2007 Series	29,780,000	4% - 5%	April 1, 2022	6,310,000
Consolidated Public Improvement Project Bonds, 2008 Series	22,250,000	3% - 5%	April 1, 2023	13,310,000
Consolidated Public Improvement Project Bonds, 2009 Series	18,485,000	2% - 3.5%	April 1, 2024	11,955,000
Consolidated Public Improvement Project Bonds, 2010 Series	13,921,232	3% - 5%	July 1, 2025	11,016,408
Refunding Bonds, 2010 Series (replaced the 2002 Series bonds)	4,900,000	3% - 4%	January 1, 2016	2,105,000
Consolidated Public Improvement Project Bonds, 2011 Series	19,256,271	2% - 5%	May 1, 2026	14,117,843
Refunding Bonds, 2011 Series (replaced the 2003/2004 Series bonds)	15,360,000	2% - 5%	July 15, 2018	12,685,000
Consolidated Public Improvement Project Bonds, 2012 Series	6,290,000	3% - 4%	April 1, 2027	4,621,730
Refunding Bonds, 2012 Series (replaced the 2005/2006 Series bonds)	6,425,000	3% - 4%	April 1, 2027	6,425,000
Consolidated Public Improvement Project Bonds, 2012 Series (CHGC)	516,280	2% - 5%	April 1, 2027	413,270
Consolidated Public Improvement Project Bonds, 2013 Series	5,415,000	3% - 4%	April 1, 2028	4,870,000
Refunding Bonds, 2013 Series (replaced the 2003/2007 Series bonds)	10,437,071	3% - 4%	April 1, 2028	9,955,584
Consolidated Public Improvement Project Bonds, 2014 Series	5,760,000	2% - 5%	May 1, 2029	5,435,000
<i>Shore Erosion Control</i>				
Western Shores (non-interest bearing)	261,042	n/a	July 1, 2017	39,161
Solomons United Methodist Church (non-interest bearing)	32,150	n/a	July 1, 2026	15,430
Our Lady Star of the Sea (non-interest bearing)	84,987	n/a	July 1, 2029	50,990
<i>Other</i>				
The Land Preservation Program	10,611,555	3% - 5%		7,819,640
Total General Obligation Bonds and Notes Receivables	180,670,588			111,870,056
Estimated Landfill Postclosure Costs				360,000
Premium, 2009, 2010, 2011, 2012, 2013, 2014 Series				6,859,092
Net Pension Liability				22,197,663
Net OPEB Obligation				15,814,575
Compensated Absences				8,928,238
Total Governmental Activities	\$ 180,670,588			\$ 166,029,624

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Obligation Balances and Terms – Business-Type Activities

Long-term obligations as of June 30, 2015, consist of the following:

Bond Description and Year	Amount Borrowed	Rate	Due serially through	Business-Type Activities Balance
<i>Business-Type Activities</i>				
<i>General Obligation Bonds - Water and Sewer</i>				
Consolidated Public Improvement Project Bonds, 2010 Series	\$ 2,314,702	3% - 5%	July 1, 2025	\$ 1,831,713
Consolidated Public Improvement Project Bonds, 2011 Series	2,769,000	2% - 5%	May 1, 2036	2,290,163
Consolidated Public Improvement Project Bonds, 2012 Series	3,065,000	3% - 4%	April 1, 2037	2,695,000
Refunding Bonds, 2013 Series (replaced the 2003 Series bonds)	225,330	3% - 4%	April 1, 2022	214,935
Consolidated Public Improvement Project Bonds, 2013 Series	1,180,000	3% - 4%	April 1, 2038	1,120,000
Consolidated Public Improvement Project Bonds, 2014 Series	3,275,000	2% - 5%	May 1, 2039	3,180,000
<i>Notes Payable - Water and Sewer</i>				
Water Supply Facilities Loan Note	89,775	6.6%	November 1, 2019	29,470
General Fund Note - Dares Beach Water Supply	258,225	6.6%	June 30, 2019	68,263
General Fund Note - Prince Frederick (non-interest bearing)	863,254	n/a	January 1, 2025	279,006
General Fund Note - Shores of Calvert (interest bearing)	171,127	1.50%	July 1, 2032	148,591
General Fund Note - Water and Sewer	7,000,000	0.00%	June 30, 2052	6,450,000
Maryland Department of the Environment (MDE) Note - Kenwood Beach	250,000	4.64%	February 1, 2033	193,969
Maryland Water Quality Financing Admin Note - Dares Beach	500,000	1.6%	August 1, 2020	174,111
Maryland Water Quality Financing Admin Note - Prince Frederick	6,300,000	1.5%	February 1, 2022	2,421,202
Maryland Water Quality Financing Admin Note - Patuxent Business Park	400,000	1%	February 1, 2024	198,412
Maryland Water Quality Financing Admin Note - Chesapeake Beach	1,071,036	1.1%	February 2, 2028	711,440
Maryland Water Quality Financing Admin Note - Chesapeake Beach WWTP	<u>1,015,183</u>	1.1%	February 1, 2036	<u>1,015,183</u>
Total General Obligation Bonds and Notes Receivables	30,747,632			23,021,458
Premium, 2010, 2011, 2012, 2013, 2014 Series				601,943
Compensated Absences				<u>245,300</u>
Total Water and Sewer	<u>\$ 30,747,632</u>			<u>\$ 23,868,701</u>
<i>General Obligation Bonds - Solid Waste</i>				
Consolidated Public Improvement Project Bonds, 2010 Series	\$ 274,066	3% - 5%	July 1, 2025	\$ 216,879
Consolidated Public Improvement Project Bonds, 2011 Series	1,000,000	2% - 5%	May 1, 2026	736,993
Refunding Bonds, 2013 Series (replaced the 2003 Series bonds)	<u>67,599</u>	2% - 5%	April 1, 2022	<u>64,481</u>
Total General Obligation Bonds	1,341,665			1,018,353
Estimated Landfill Postclosure Costs				2,047,547
Premium, 2010 & 2011 Series				59,611
Compensated Absences				<u>330,568</u>
Total Solid Waste	<u>\$ 1,341,665</u>			<u>\$ 3,456,079</u>
Total Business Type Activities	<u>\$ 32,089,297</u>			<u>\$ 27,324,780</u>

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

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, 2015 are as follows:

Governmental Activities			
Years Ending June 30,	Principal	Interest	Total
2016	\$ 15,327,574	\$ 4,346,815	\$ 19,674,389
2017	13,709,602	3,773,919	17,483,521
2018	13,881,077	3,223,124	17,104,201
2019	13,430,828	2,622,067	16,052,895
2020	10,117,181	2,150,875	12,268,056
2021-2025	38,760,225	4,695,526	43,455,751
2026-2030	6,643,569	344,146	6,987,715
2031 - thereafter	-	-	-
Premium	6,859,092	-	6,859,092
	<u>\$ 118,729,148</u>	<u>\$ 21,156,472</u>	<u>\$ 139,885,620</u>

Business-Type Activities			
Years Ending June 30,	Principal	Interest	Total
2016	\$ 1,265,139	\$ 572,093	\$ 1,837,232
2017	1,364,450	549,475	1,913,925
2018	1,384,153	514,795	1,898,948
2019	1,462,471	478,853	1,941,324
2020	1,474,658	440,255	1,914,913
2021-2025	6,152,617	1,586,154	7,738,771
2026-2030	3,913,595	899,728	4,813,323
2031 - thereafter	7,022,728	596,765	7,619,493
Premium	661,554	-	661,554
	<u>\$ 24,701,365</u>	<u>\$ 5,638,118</u>	<u>\$ 30,339,483</u>

Estimated Closure and Postclosure Costs

Barstow Landfill - During 1997, the County closed the Barstow Landfill. The current estimate of post closure costs is \$360,000. The landfill is at 100% capacity with no remaining useful life. An amount is recorded in the general long-term debt account group for the estimated postclosure costs associated with the Barstow Landfill. This amount is required by state and federal regulations to provide for monitoring costs associated with the closed landfill. Therefore, the total estimated cost of postclosure care has been recorded.

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Appeal Landfill – This is the County’s current operating landfill. In 1998, the County entered into a long-term arrangement under which the County’s waste is transferred out of the County, which has extended the life of the landfill. An accrual is recorded for the estimated closure and postclosure costs associated with the Appeal Landfill. The accrual is based upon the capacity used to date. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, a portion of these closure and postclosure care costs are reported as an operating expense in each period based on landfill capacity used as of each balance sheet date. This accrual is required by state and federal regulations to provide for the capping and monitoring costs associated with the closing of the landfill. The estimate of total closure and post closure costs, provided by an independent contractor specializing in landfills is \$7,289,037.

This amount has been and will be increased by a factor of 3.5% to account for inflation, through fiscal year 2033. In fiscal year 2012, the county obtained an independent contractor to provide an analysis that would ensure compliance with changing federal and state laws, study 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 FY13 as 72.8%; therefore, \$2,047,547 represents the accrued reserve at June 30, 2015, 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 \$5,241,490. The accrued reserve will be increased with a contribution of \$200,291 for FY2016.

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, 2015:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Compensated absences	\$ 3,369,481	\$ 2,393,481	\$ (2,204,471)	\$ 3,558,491	\$ 334,878
Net OPEB obligation	43,876,454	16,397,155	-	60,273,609	-
	<u>\$ 47,245,935</u>	<u>\$ 18,790,636</u>	<u>\$ (2,204,471)</u>	<u>\$ 63,832,100</u>	<u>\$ 334,878</u>
Business-type activities:					
Compensated absences	\$ 30,862	\$ 29,394	\$ (19,476)	\$ 40,780	\$ -
Net OPEB obligation	712,393	272,237	-	984,630	-
	<u>\$ 743,255</u>	<u>\$ 301,631</u>	<u>\$ (19,476)</u>	<u>\$ 1,025,410</u>	<u>\$ -</u>

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 8 - Fund Balances

A. Governmental Funds - Fund Balance

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

1. Nonspendable: Amounts that cannot be spent because they are either in a nonspendable form, or are legally or contractually required to be maintained intact.
2. Restricted: Amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the County to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.
3. Committed: Amounts that can only be used for specific purpose pursuant to constraints imposed by formal action of the County's highest level of decision making authority. The Board of County Commissioners (BOCC) is the highest level of decision-making authority, and committed funds are established by resolution. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation.
4. Assigned: Amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance if expressed by the BOCC or the Director of Finance and Budget as established in the County's Fund Balance Policy.
5. Unassigned: Amounts that have not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

The County has passed a fund balance resolution that specifies the spending order of the different types of fund balances. Nonspendable amounts by definition can't be spent. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the County's policy to use committed resources first, the assigned, and then unassigned as they are needed.

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

As of June 30, 2015, fund balances were reported as follows:

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**GOVERNMENTAL FUNDS FUND BALANCES
JUNE 30, 2015**

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Inventory	\$ 296,104	\$ -	\$ 36,639	\$ 332,743
Long term receivables	6,992,294	-	-	6,992,294
Restricted for:				
Leveraging obligations	-	-	7,354,629	7,354,629
Other purposes	-	-	3,953,549	3,953,549
Endowments	-	-	38,105	38,105
Committed to:				
Encumbrances:				
General government	402,081	-	-	402,081
Public safety	655,108	-	-	655,108
General services	480,657	-	-	480,657
Public works	756,267	-	-	756,267
Economic development	28,969	-	-	28,969
Community resources	8,235	-	-	8,235
Education	21,978	-	-	21,978
Other purposes	11,525	-	-	11,525
Stabilization arrangement	19,400,000	-	-	19,400,000
Board of education	-	402,793	-	402,793
Other purposes	335,977	-	4,711,295	5,047,272
Assigned to:				
Vacation/sick leave	5,000,000	-	-	5,000,000
OPEB	1,218,619	-	-	1,218,619
Other purposes	-	-	533,513	533,513
Other capital projects	-	16,998,717	-	16,998,717
Unassigned:	<u>16,622,116</u>	<u>-</u>	<u>(137,623)</u>	<u>16,484,493</u>
Total fund balances:	<u>\$ 52,229,930</u>	<u>\$ 17,401,510</u>	<u>\$ 16,490,107</u>	<u>\$ 86,121,547</u>

Other long-term receivables - The amount of notes receivable advanced to Dares Beach Water, Prince Frederick Water and Sewer, Shores of Calvert Water and Sewer System, advances to the Water and Sewer fund, and one Parks and Recreation notes receivable at June 30, 2015.

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

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 9 - Retirement Systems

A. Primary Government

All new employees to Calvert County Government are either in the Sheriff's Department Pension Plan or the Calvert County Employee Retirement Savings Plan. The Primary Government operates four Pension Trust Funds – Calvert County Sheriff's Department Pension Plan, Calvert County Employees Retirement Plan, Volunteer Fire Department and Rescue Squads Plan, and the Calvert County Maryland Other Post-Employment Benefits Trust (OPEB). Separate audited financial statements have not been issued for these County plans. The County Plans' Statements of Net Position and Statements of Changes in Net Position are presented at the end of this note. In addition, some employees participate in the State Retirement System of Maryland. See pages 66 and 67 for additional information.

1. Length of Service Award Program

Summary of Significant Accounting Policies

Pensions – Investments are reported at fair market value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The net pension liability was computed using the Entry Age Normal Cost Method as a part of an actuarial valuation performed as of July 1, 2014.

Plan Description

Plan administration - 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. The County contributes all amounts necessary to fund the payments of benefits under the Plan.

Management and all other requirements are established by the Fire and Rescue Commission and approved by the Commissioners as authorized by the legislative assembly.

Employees covered by benefit terms - At June 30, 2015, the membership was as follows:

Inactive employees or beneficiaries currently receiving benefits	51
Active employees currently receiving benefits	43
Active employees	1,098

Benefits provided - 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. Disability benefits are determined in the same manner but are payable immediately. Members who have at least 25 years of service are entitled to a Death benefit which is payable to his or her surviving spouse and is entitled to 50% of the member's benefit and a \$3,000 burial benefit.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Contribution – The contribution made by the County to the Plan for fiscal 2015 totaling \$460,000 were made in accordance with actuarial determined requirements computed through and actuarial valuation performed on July 1, 2014.

Investments

Investment policy – The pension plans policy in regard to the targeted allocation of invested assets is based on the County’s investment advisors recommendations.

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	55%
International equity	15%
Fixed income	25%
Cash	5%
Total	100%

Rate of return – For the year ended June 30, 2015, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, was 2.65%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The County’s net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions and methods – The total pension liability in the June 30, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

<u>Funding method</u>	<u>Entry Age Normal</u>
Inflation rate	1.6%
Salary increases	n/a
Investment rate of return	7.75%
Mortality	RP-2000 combined healthy generational mortality table

Long-term rate of return – The long-term rate of return on the pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of returns (expected returns, net of pension plan investment expense and inflation) are developed for each class. These ranges are combined to produce the long-term rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of July 1, 2014 are summarized in the following table:

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

<u>Asset Classes</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	4.9%
International equity	4.6%
Fixed income	1.6%
Real estate	4.2%
Cash	1.8%
Alternative investments	4.3%

Discount rate – The discount rate of 7.75% was selected by the County. Based on the target allocation of the trust fund and the actuarial current economic model for future investment returns, it is estimated that there is an approximately a 40% chance the fund will average more than this return and a 60% chance the fund will less than this return over the next 30 years.

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balance at 06/30/14	\$6,926,511	\$3,618,009	\$3,308,502
Changes for the year:			
Service cost	122,128	-0-	122,128
Interest on the total pension liability	528,851	-0-	528,851
Difference between expected and actual experience	302,678	-0-	302,678
Contributions - employer	-0-	460,000	(460,000)
Contributions – employee	-0-	-0-	-0-
Net investment income	-0-	98,868	(98,868)
Benefit payments	(458,050)	(458,050)	-0-
Administrative expense	-0-	(10,500)	10,500
Net changes	495,607	90,318	405,289
Balance at 06/30/15	\$7,422,118	\$3,708,327	\$3,713,791

Sensitivity of the net pension liability – The following presents the net pension liability of the County, calculated using the discount rate of 7.75%, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	<u>1% Decrease (6.75)</u>	<u>Current Discount Rate (7.75)</u>	<u>1% Increase (8.75)</u>
Total pension liability	\$8,253,703	\$7,422,118	\$6,725,686
Plan fiduciary net position	(3,708,327)	(3,708,327)	(3,708,327)
County’s net pension liability	\$4,545,376	\$3,713,791	\$3,017,359

Pension plan fiduciary net position - For the year ended June 30, 2015, the County recognized pension expense of \$460,791. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$242,142	\$-0-
Changes of assumptions	-0-	-0-
Net difference between expected and actual earnings	148,022	-0-
Total	\$390,164	\$-0-

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

Year ended June 30:	
2016	\$(97,540)
2017	(97,540)
2018	(97,540)
2019	(97,540)
2020	-0-
Thereafter	-0-

2. Calvert County Sheriff's Department Pension Plan

Summary of Significant Accounting Policies

Pensions – Investments are reported at fair market value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The net pension liability was computed using the Entry Age Normal Cost Method as a part of an actuarial valuation performed as of July 1, 2014.

Plan Description

Plan administration - 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.

Management of the Sheriff's Plan is vested in the Board of Trustees, which consists of nine members appointed by the BOCC. The Trustee officer's include two employees (one deputy sheriff and one correctional officer) whom are plan members, the County Administrator, Director of Public Safety, Director of Finance and Budget, a retired deputy, and three outside members who have financial expertise and are not County employees or members of the BOCC.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Employees covered by benefit terms - At June 30, 2015, the membership was as follows:

Retired	56
Terminated, vested	43
Active, vested	139
Active, non-vested	48
Total active	187

Benefits provided - 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.

Contribution - The contributions made to the Plan for fiscal 2015 totaling \$3,060,000 were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of July 1, 2014.

Investments

Investment policy – The pension plans policy in regard to the targeted allocation of invested assets is based on the County’s investment advisors recommendations.

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	52%
International equity	13%
Fixed income	30%
Cash	5%
Total	100%

Rate of return – For the year ended June 30, 2015, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, was 4.27%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The County’s net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions and methods – The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Funding method	Entry Age Normal
Inflation rate	1.6%
Salary increases:	
Correctional Officers	4.00% - 7.25%, based on age
Deputy Sheriffs	5.00% - 7.25%, based on age
Investment rate of return	7.75%
Mortality	RP-2000 combined healthy generational mortality table

Long-term rate of return – The long-term rate of return on the pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of returns (expected returns, net of pension plan investment expense and inflation) are developed for each class. These ranges are combined to produce the long-term rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of July 1, 2014 are summarized in the following table:

<u>Asset Classes</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	5.0%
International equity	4.7%
Fixed income	2.6%
Real estate	4.2%
Cash	1.0%
Alternative investments	4.3%

Discount rate – The discount rate of 7.75% was selected by the County. Based on the target allocation of the trust fund and the actuarial current economic model for future investment returns, it is estimated that there is an approximately a 40% chance the fund will average more than this return and a 60% chance the fund will less than this return over the next 30 years.

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balance at 06/30/14	\$69,200,947	\$62,783,596	\$6,417,351
Changes for the year:			
Service cost	3,234,332	-0-	3,234,332
Interest on the total pension liability	5,534,365	-0-	5,534,365
Difference between expected and actual experience	48,849	-0-	48,849
Contributions - employer	-0-	3,060,000	(3,060,000)
Contributions – employee	-0-	930,459	(930,459)
Net investment income	-0-	2,721,741	(2,721,741)
Benefit payments	(2,087,183)	(2,087,183)	-0-
Administrative expense	-0-	(45,506)	45,506
Net changes	6,730,363	4,579,511	2,150,852
Balance at 06/30/15	\$75,931,310	\$67,363,107	\$8,568,203

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Sensitivity of the net pension liability – The following presents the net pension liability of the County, calculated using the discount rate of 7.75%, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75)	Current Discount Rate (7.75)	1% Increase (8.75)
Total pension liability	\$88,808,838	\$75,931,310	\$65,571,024
Plan fiduciary net position	(67,363,107)	(67,363,107)	(67,363,107)
County’s net pension liability	\$21,445,731	\$8,568,203	\$(1,792,083)

Pension plan fiduciary net position - For the year ended June 30, 2015, the County recognized pension expense of \$4,270,180. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$39,079	\$-0-
Changes of assumptions	-0-	-0-
Net difference between expected and actual earnings	1,857,155	-0-
Total	\$1,896,234	\$-0-

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

Year ended June 30:	
2016	\$(474,058)
2017	(474,058)
2018	(474,058)
2019	(474,060)
2020	-0-
Thereafter	-0-

3. Calvert County Employees Retirement Plan

Summary of Significant Accounting Policies

Pensions – Investments are reported at fair market value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The net pension liability was computed using the Entry Age Normal Cost Method as a part of an actuarial valuation performed as of July 1, 2014.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Plan Description

Plan administration -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.

Management of the Employees Retirement Plan is vested in the Board of Trustees, which consists of eight members appointed by the BOCC. The Trustee officer's include one employee who is a plan participant and appointed by the Calvert County Employee Representative Committee, one employee who a plan participant and appointed by the BOCC, the County Administrator, Director of Public Safety, Director of Finance and Budget, the Deputy Director of Finance and Budget, and three outside members who are appointed by the BOCC and who are residents of the County and who have expertise in pension administration, investing or finance, and who are not County employees or elected or appointed County officials or participants in any County retirement plan.

Employees covered by benefit terms - At June 30, 2015, the membership was as follows:

Retired	158
Terminated, vested	26
Active, vested	108
Active, non-vested	0
Total active	108

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

Contribution - The contributions made to the Plan for fiscal 2015 totaling \$2,918,950 were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of July 1, 2014.

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

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Investments

Investment policy – The pension plans policy in regard to the targeted allocation of invested assets is based on the County’s investment advisors recommendations.

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	52%
International equity	13%
Fixed income	30%
Cash	5%
Total	100%

Rate of return – For the year ended June 30, 2015, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, was 4.27%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The County’s net pension liability was measured as of July 1, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions and methods – The total pension liability in the June 30, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Funding method	Entry Age Normal
Inflation rate	2.4%
Salary increases	6% under 46, 5.0% 46 and older
Investment rate of return	7.75%
Mortality	RP-2000 combined healthy generational mortality table

Long-term rate of return – The long-term rate of return on the pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of returns (expected returns, net of pension plan investment expense and inflation) are developed for each class. These ranges are combined to produce the long-term rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of July 1, 2014 are summarized in the following table:

<u>Asset Classes</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	5.0%
International equity	4.7%
Fixed income	1.9%
Real estate	4.3%
Cash	1.0%
Alternative investments	4.2%

CALVERT COUNTY, MARYLAND

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Discount rate – The discount rate of 7.75% was selected by the County. Based on the target allocation of the trust fund and the actuarial current economic model for future investment returns, it is estimated that there is an approximately a 40% chance the fund will average more than this return and a 60% chance the fund will less than this return over the next 30 years.

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balance at 06/30/14	\$72,663,465	\$62,669,636	\$9,993,829
Changes for the year:			
Service cost	878,256	-0-	878,256
Interest on the total pension liability	5,577,218	-0-	5,577,218
Difference between expected and actual experience	(862,126)	-0-	(862,126)
Contributions - employer	-0-	2,918,950	(2,918,950)
Contributions – employee	-0-	140,745	(140,745)
Net investment income	-0-	2,667,157	(2,667,157)
Benefit payments	(3,215,226)	(3,215,226)	-0-
Administrative expense	-0-	(55,344)	55,344
Net changes	2,378,122	2,456,282	(78,160)
Balance at 06/30/15	\$75,041,587	\$65,125,918	\$9,915,669

Sensitivity of the net pension liability – The following presents the net pension liability of the County, calculated using the discount rate of 7.75%, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75)	Current Discount Rate (7.75)	1% Increase (8.75)
Total pension liability	\$83,883,490	\$75,041,587	\$67,567,010
Plan fiduciary net position	(65,125,918)	(65,125,918)	(65,125,918)
County’s net pension liability	\$18,757,572	\$9,915,669	\$2,441,092

Pension plan fiduciary net position - For the year ended June 30, 2015, the County recognized pension income of \$1,702,361. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$-0-	\$574,751
Changes of assumptions	-0-	-0-
Net difference between expected and actual earnings	1,772,063	-0-
Total	\$1,772,063	\$574,751

CALVERT COUNTY, MARYLAND

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

Year ended June 30:	
2016	\$(155,641)
2017	(155,641)
2018	(443,015)
2019	(443,015)
2020	-0-
Thereafter	-0-

4. Calvert County Maryland Other Post-Employment Benefits Trust

Plan description – The County contributes to the Calvert County Maryland Other Post-Employment Benefit Trust (Plan), an agent multiple employer defined benefit postemployment healthcare plan. Benefit provisions and all other requirements are established by the County Commissioners and the County Board of Education and administered by a jointly appointed Board of Trustees. The plan provides healthcare, prescription drug and dental benefits to retired employees, spouses and dependents, 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, 2015 is as follows:

	<u>County</u>	<u>Board of Education</u>
Active	657	1,647
Retired	178	678
Total	835	2,325

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.

Contribution rates and the net other post-employment benefit obligation for the year ended June 30, 2014 were actuarially determined, using the Projected Unit Credit Actuarial Cost Method, through an actuarial valuation dated July 1, 2010. The significant actuarial assumptions used in the valuation include; an inflation rate of 2.4%, a 7% investment rate of return (net of administrative

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expenses), a discount rate of 7%, a projected salary increase of 6.0%, and the healthcare cost trends of – medical 7.2% in the 2013 plan year declining 0.4% each plan year to 5% for 2018 and later years, dental 4.5% in the 2013 year declining 0.50% 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 the Board of Education	Total
2015	679,392	2,820,608	3,500,000
2014	-	-	-
2013	544,292	1,955,708	2,500,000

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

Funding Status - At June 30, 2015, 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	\$ 13,875,050	\$ 65,381,130	\$ 51,506,080	21.22%	\$ 46,890,265	109.84%
Board of Education	18,519,000	230,571,000	212,052,000	8.03%	128,500,000	165.02%
Total	<u>\$ 32,394,050</u>	<u>\$ 295,952,130</u>	<u>\$ 263,558,080</u>	<u>10.95%</u>	<u>\$ 175,390,265</u>	<u>150.27%</u>

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.

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

The schedule below presents the net OPEB obligation for the past eight years:

CALVERT COUNTY, MARYLAND

**NOTES TO FINANCIAL STATEMENTS
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Summary of GASB 45 Valuation Results

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
County							
2015	\$ 6,128,384	\$ 591,308	\$ 769,306	\$ 5,950,386	\$ 1,961,973	\$ 3,988,413	\$ 15,814,575
2014	6,128,384	372,753	484,961	6,016,176	1,645,070	4,371,106	11,826,162
2013	3,996,491	358,262	415,256	3,939,497	1,602,471	2,337,026	7,455,056
Board of Education							
2015	\$ 24,441,000	\$ 2,229,000	\$ 3,231,000	\$ 23,439,000	\$ 7,690,000	\$ 15,749,000	\$ 59,791,847
2014	23,136,000	1,301,000	1,847,000	22,590,000	4,576,000	18,014,000	44,042,847
2013	14,359,874	1,336,938	1,550,655	14,146,157	7,216,423	6,929,734	26,028,847
Total							
2015	\$ 30,569,384	\$ 2,820,308	\$ 4,000,306	\$ 29,389,386	\$ 9,651,973	\$ 19,737,413	\$ 75,606,422
2014	29,264,384	1,673,753	2,331,961	28,606,176	6,221,070	22,385,106	55,869,009
2013	18,356,365	1,695,200	1,965,911	18,085,654	8,818,894	9,266,760	33,483,903

5. 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, 2015 were \$1,110,634 and \$665,707, respectively.

6. 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 at <http://www.sra.state.md.us> or 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

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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 2015 were zero.

The computation of the pension contribution requirements for fiscal year 2015 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 \$372,665, \$345,801, and \$298,488, for the years ended June 30, 2015, 2014 and 2013. In accordance with GASB Statement Number 24, the State's 2015 contribution amount has been shown as State aid revenue and pension expenditure.

**Schedule of Funding Progress for the
State Retirement and Pension Systems of Maryland**
(expressed in thousands)

Actuarial Valuation Date (June 30)	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2014	\$ 42,996,957	\$ 62,610,194	\$ 19,613,237	68.67%	\$ 10,803,632	182%
2013	39,350,969	60,060,091	20,709,122	65.52%	10,477,544	198%
2012	37,248,401	57,869,145	20,620,744	64.37%	10,336,538	199%

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

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B. Component Unit – Board of Education

Plan description

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

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

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

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

For most individuals who retired from either the Teachers' or Employees' Pension System on or before June 30, 2006, the annual pension allowance equals 1.2% of the members AFC, multiplied by the number of years of credible service accumulated prior to July 1, 1998, plus 1.4% of the members AFC, multiplied by the number of years of credible service accumulated subsequent to June 30, 1998. With certain exceptions, for individuals who are members of the Teachers' or Employees' Pension System on or after July 1, 2006, the annual pension allowance equals 1.2% of the member's AFC, multiplied by the number of years of credible service accumulated prior to July 1, 1998 plus 1.8% of the members AFC, multiplied by the number of years of credible service

CALVERT COUNTY, MARYLAND

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accumulated subsequent to June 30, 1998. Beginning in July 1, 2011, any new member of the Teachers' or Employees' Pension System shall earn an annual pension allowance equal to 1.5% of the member's AFC multiplied by the number of years of creditable service accumulated as a member of the Teachers' or Employees' Pension System.

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

The State makes a substantial portion of the Board's annual required contribution to the Teachers' Retirement and Pension Systems on behalf of the Board. The State's contributions on behalf of the Board for the year ended June 30, 2015, was \$14,364,346. The fiscal 2015 contributions made by the State on behalf of the Board have been included as both revenues and expenditures in the General Fund in the accompanying Statement of Revenues, Expenditures, and Changes in Fund Balances and are also included as revenues and expenses in the Statement of Activities.

Beginning in FY 2013, the State of Maryland General Assembly passed a bill that required the Boards of Education in Maryland to begin paying the normal cost for their teachers into the Teachers' Retirement and Pension Systems. The legislation structured this as a four year phase in to the full normal cost so that 50% was paid in FY 2013. Full normal cost will be paid in FY 2017 and each year thereafter. The Board's required contribution to the Teachers' Retirement and Pension Systems for the year ended June 30, 2015 was \$3,594,696.

The Board's contractually required contribution rate for the Employees' Retirement and Pension Systems for the year ended June 30, 2015, was 6.20% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Board made its share of the required contributions during the year ended June 30, 2015 of \$1,453,337.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Employees Retirement and Pension Systems - At June 30, 2015, the Board reported a liability of \$11,311,354 for its proportionate share of the net pension liability of the System. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Board's proportion of the net pension liability was based on actual employer contributions billed to participating government units for the year ending June 30, 2014. The contributions were increased to adjust for differences between actuarial determined contributions and actual contributions by the State of Maryland. As of June 30, 2014, the Board's proportionate share was 0.064%.

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For the year ended June 30, 2015, the Board recognized pension expense of \$1,012,402. At June 30, 2015, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$303,653	\$-0-
Changes of assumptions	163,627	-0-
Net difference between expected and actual earnings	-0-	1,238,102
Boards contribution subsequent to the measurement date	1,453,337	-0-
Total	\$1,920,617	\$1,238,102

\$1,453,337 reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a reduction in net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$(192,706)
2017	(192,706)
2018	(192,706)
2019	(192,706)
2020	-0-
Thereafter	-0-

Teachers Retirement and Pension Systems - At June 30, 2015, the Board did not report a liability related to the Teachers' Retirement and Pension Systems due to a special funding situation. The State of Maryland pays the unfunded liability for the Board and the Board pays the normal cost related to the Boards members in the Teachers Retirement and Pension Systems; therefore, the Board is not required to record its share of the unfunded pension liability but instead, that liability is recorded by the State of Maryland. The amount recognized by the Board as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Board were as follows:

State's proportionate share of the net pension liability	\$152,207,986
Board's proportionate share of the net pension liability	-0-
Total	\$152,207,986

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

For the year ended June 30, 2015, the Board recognized pension expense of \$19,986,754 and revenue of \$14,909,313 for support provided by the State. Due to the special funding situation noted above related to the Teachers Retirement and Pension Systems, the Board did not report deferred

CALVERT COUNTY, MARYLAND

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outflows of resources and deferred inflows of resources related to the Teachers Retirement and Pension Systems.

Actuarial assumptions - The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Funding method	Entry Age Normal
Inflation rate	2.9% general, 3.4% wage
Salary increases	3.4% to 11.9%, including inflation
Investment rate of return	7.65%
Mortality	RP-2000 combined healthy generational mortality table

The economic and demographic actuarial assumptions used in the June 30, 2014 valuation were adopted by the System's Board of Trustees based upon review of the System's experience study for the period 2006-2010, which was completed during FY2011. Certain assumptions from the experience study including mortality rates, retirement rates, withdrawal rates, disability rates and rates of salary increase were adopted by the Board for the first use in the actuarial valuation as of June 30, 2012. The System's Board of Trustees adopted new economic assumptions for the June 30, 2013 valuation, in particular, an investment return assumption of 7.70% and an inflation assumption of 2.95%. The ultimate assumptions of a 7.55% investment return and 2.80% price inflation are being phased in over a four-year period. As a result, an investment return assumption of 7.65% and an inflation assumption of 2.90% were used for the June 30, 2014 valuation. The COLA, salary increase and payroll growth assumptions have also changed as a result of the change in the inflation assumption.

The long term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-range expected rate of return by weighing the expected future real rates by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return were adopted by the Board after considering input from the System's investment consultant(s) and actuary(s).

For each major asset class that is included in the System's target asset allocation, these best estimates are summarized in the following table:

<u>Asset Classes</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public Equity	35%	4.7%
Fixed Income	10%	2.0%
Credit Opportunity	10%	3.0%
Real Return	14%	2.8%
Absolute Return	10%	5.0%
Private Equity	10%	6.3%
Real estate	10%	4.5%
Cash	1%	1.4%
Total	100%	

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

The above was the System’s Board of Trustees adopted asset allocation policy and best estimate of geometric real rates for each major asset class as of June 30, 2014.

For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of the pension plan expense was 14.38%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate - The single discount rate used to measure the total pension liability was 7.65%. This single discount rate was based on the expected rate of return on pension plan investments of 7.65%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plans fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability - Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the Board’s net pension liability, calculated using a single discount rate of 7.65%, as well as what the Board’s net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher for the Employees Retirement and Pension Systems:

	1% Decrease (6.75)	Current Discount Rate (7.75)	1% Increase (8.75)
Boards proportionate share of the net pension liability	\$16,301,603	\$11,311,354	\$7,131,824

Due to the special funding situation noted above related to the Teachers Retirement and Pension Systems, the Board did not record a net pension liability related to the Teachers Retirement and Pension Systems.

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

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 10 - Commitments and Contingent Liabilities

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

In the decision on the case *Comptroller v. Wynne*, the US Supreme Court has ruled that Maryland's income tax system - specifically its application of county income taxes - is unconstitutional and must be altered to grant more credits for Maryland residents' out-of-state income. The tax law will allow a refund of overpayments. The State Comptroller has estimated Calvert County's liability to be about \$965,000 and is finalizing plans that will provide the refunds from future tax receipts.

Note 11 - Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and related disasters. The County is a capital member of the Local Government Insurance Trust (LGIT) sponsored by the Maryland Municipal League (MML), and the Maryland Association of Counties. The LGIT is a self-insured public entity risk pool offering general liability, excess liability, business auto liability, police legal liability, public official liability, environmental liability, and property coverage.

LGIT is capitalized at an actuarially determined level to provide financial stability for its local government members and to reduce the possibility of assessments. The trust is owned by the participating counties and cities and managed by a Board of Trustees elected by the members. Annual premiums are assessed for the various policy coverages. During fiscal year 2015, the County paid premiums of \$794,187 to the trust. The agreement for the formation of LGIT provides that the trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for each insured event. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past four fiscal years.

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

CALVERT COUNTY, MARYLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 12 - Subsequent Events

In preparing these financial statements, the management of Calvert County, Maryland has evaluated events and transactions for potential recognition or disclosure through December 18, 2015, the date the financial statements were available to be issued.

Note 13 – New Accounting Pronouncement

The County adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pension Plans – an amendment of GASB Statement No. 27*, which improves the accounting and financial reporting by state and local government employers are provided benefits through pensions. The County is now required to record a liability for future pension benefits in excess of accumulated plan contributions.

This pronouncement requires a restatement of the June 30, 2014 net position of governmental activities as follows:

	<u>Governmental Activities</u>
Net position/fund balance, June 30, 2014	\$ 153,022,721
Cummulative affect of application of GASB 68, net pension liability	<u>(19,719,682)</u>
Restated net position/fund balance, June 30, 2014	<u>\$ 133,303,039</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2015

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**Schedule of Required Supplementary Information
SCHEDULE OF CHANGES IN THE COUNTY'S NET POSITION LIABILITY AND RELATED RATIOS
Volunteer Fire and Rescue Pension Fund
Last 2 Fiscal Years**

	<u>FY2015</u>	<u>FY2014</u>
Total pension liability		
Service costs	\$ 122,128	\$ 63,624
Interest	528,851	508,501
Changes in benefit terms	-	-
Difference between expected and actual experience	302,678	37,692
Benefit payments, including refunds of member contributions	<u>(458,050)</u>	<u>(425,583)</u>
Net change in total pension liability	<u>\$ 495,607</u>	<u>\$ 184,234</u>
Total pension liability - beginning	<u>6,926,511</u>	<u>6,742,277</u>
Total pension liability - ending	<u>\$ 7,422,118</u>	<u>\$ 6,926,511</u>
 Plan fiduciary net position		
Contributions - employer	\$ 460,000	\$ 490,000
Contributions - member	-	-
Net investment income	98,868	568,708
Benefit payments, including refunds of member contributions	(458,050)	(425,583)
Administrative expense	<u>(10,500)</u>	<u>-</u>
Net change in plan fiduciary net position	<u>\$ 90,318</u>	<u>\$ 633,125</u>
Plan fiduciary net position - beginning	<u>3,618,009</u>	<u>2,984,884</u>
Plan fiduciary net position - ending	<u>\$ 3,708,327</u>	<u>\$ 3,618,009</u>
 County's net pension liability - ending	<u>\$ 3,713,791</u>	<u>\$ 3,308,502</u>
 Plans fiduciary net position as a percentage of the total pension liability	49.96%	52.23%
 Covered - employee payroll	N/A	N/A
 County's net pension liability as a percentage of covered - employee payroll	N/A	N/A

Notes to the schedule:

The prior year information is not available.

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

Schedule of Required Supplementary Information
SCHEDULE OF COUNTY CONTRIBUTIONS
Volunteer Fire and Rescue Pension Fund

	FY2015	FY2014
Actuarially determined contribution	\$ 527,593	\$ 517,903
Contributions in relation to the actuarially determined contribution	460,000	490,000
Contribution deficiency (excess)	<u>\$ 67,593</u>	<u>\$ 27,903</u>
Covered - employee payroll	N/A	N/A
Contribution as a percentage of covered - employee payroll	N/A	N/A

Notes to schedule:

Valuation date: 6/30/2015

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	N/A
Remaining amortization period	N/A
Asset valuation method	Assumed yield method with a market value adjustment
Inflation rate	1.6%
Salary increases	N/A
Cost of living increases	N/A
Investment rate of return	7.75% , net of pension plan investment expense, including inflation.
Retirement age	In the 2014 actuarial valuation, expected retirement ages of general plan members were adjusted to more closely reflect the actual experience.
Mortality	PR-2000 combined healthy generational table.

Notes to the schedule:

The prior year information is not available.

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**Schedule of Required Supplementary Information
SCHEDULE OF INVESTMENT RETURNS
Volunteer Fire and Rescue Pension Fund
Last 2 Fiscal Years**

	<u>FY2015</u>	<u>FY2014</u>
Annual money-weighted rate of return, net of investment expense	2.65%	14.24%

Notes to the schedule:

The prior year information is not available.

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**Schedule of Required Supplementary Information
SCHEDULE OF CHANGES IN THE COUNTY'S NET POSITION LIABILITY AND RELATED RATIOS
Sheriff's Department Pension Plan
Last 2 Fiscal Years**

	<u>FY2015</u>	<u>FY2014</u>
Total pension liability		
Service costs	\$ 3,234,332	\$ 1,429,134
Interest	5,534,365	5,419,116
Changes in benefit terms	48,849	-
Difference between expected and actual experience	-	148,423
Benefit payments, including refunds of member contributions	<u>(2,087,183)</u>	<u>(1,969,869)</u>
Net change in total pension liability	<u>\$ 6,730,363</u>	<u>\$ 5,026,804</u>
Total pension liability - beginning	<u>69,200,947</u>	<u>64,174,143</u>
Total pension liability - ending	<u>\$ 75,931,310</u>	<u>\$ 69,200,947</u>
 Plan fiduciary net position		
Contributions - employer	\$ 3,060,000	\$ 2,960,000
Contributions - member	930,459	951,992
Net investment income	2,721,741	9,017,398
Benefit payments, including refunds of member contributions	(2,087,183)	(1,969,869)
Administrative expense	<u>(45,506)</u>	<u>-</u>
Net change in plan fiduciary net position	<u>\$ 4,579,511</u>	<u>\$ 10,959,521</u>
Plan fiduciary net position - beginning	<u>62,783,596</u>	<u>51,824,075</u>
Plan fiduciary net position - ending	<u>\$ 67,363,107</u>	<u>\$ 62,783,596</u>
 County's net pension liability - ending	<u>\$ 8,568,203</u>	<u>\$ 6,417,351</u>
 Plans fiduciary net position as a percentage of the total pension liability	88.72%	90.73%
 Covered - employee payroll	\$ 12,111,242	\$ 11,425,700
 County's net pension liability as a percentage of covered - employee payroll	70.75%	56.17%

Notes to the schedule:

The prior year information is not available.

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

Schedule of Required Supplementary Information
 SCHEDULE OF COUNTY CONTRIBUTIONS
 Sheriff's Department Pension Plan
 Last 2 Fiscal Years

	FY2015	FY2014
Actuarially determined contribution	\$ 3,028,756	\$ 2,957,525
Contributions in relation to the actuarially determined contribution	3,060,000	2,960,000
Contribution deficiency (excess)	<u>\$ (31,244)</u>	<u>\$ (2,475)</u>
Covered - employee payroll	\$ 12,111,242	\$ 11,425,700
Contribution as a percentage of covered - employee payroll	25.27%	25.91%

Notes to schedule:

Valuation date: 7/1/2014

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal				
Amortization method	Level percentage of payroll, closed				
Remaining amortization period	15 years				
Asset valuation method	Assumed yield method with a market value adjustment				
Inflation rate	1.6%				
Salary increases		<u>To age 37:</u>	<u>Ages 38 to 42:</u>	<u>Ages 42 to 49:</u>	<u>After age 49:</u>
	Correctional Officers	7.25%	6.00%	5.00%	4.00%
	Deputy Sheriffs	7.25%	5.00%	5.00%	5.00%
Cost of living increases	3.00% , per year calculated on a compound interest basis.				
Investment rate of return	7.75% , net of pension plan investment expense, including inflation.				
Retirement age	In the 2014 actuarial valuation, expected retirement ages of general plan members were adjusted to more closely reflect the actual experience.				
Mortality	RP-2000 combined healthy generational mortality table.				

Notes to the schedule:

The prior year information is not available.

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

Schedule of Required Supplementary Information

SCHEDULE OF INVESTMENT RETURNS

Sheriff's Department Pension Plan

Last 2 Fiscal Years

	<u>FY2015</u>	<u>FY2014</u>
Annual money-weighted rate of return, net of investment expense	4.27%	13.99%

Notes to the schedule:

The prior year information is not available.

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**Schedule of Required Supplementary Information
SCHEDULE OF CHANGES IN THE COUNTY'S NET POSITION LIABILITY AND RELATED RATIOS
Calvert County Employees Retirement Plan
Last 2 Fiscal Years**

	<u>FY2015</u>	<u>FY2014</u>
Total pension liability		
Service costs	\$ 878,256	\$ 677,466
Interest	5,577,218	5,345,363
Changes in benefit terms	-	-
Difference between expected and actual experience	(862,126)	(432,297)
Benefit payments, including refunds of member contributions	<u>(3,215,226)</u>	<u>(3,121,513)</u>
Net change in total pension liability	<u>\$ 2,378,122</u>	<u>\$ 2,469,019</u>
Total pension liability - beginning	<u>72,663,465</u>	<u>70,194,446</u>
Total pension liability - ending	<u>\$ 75,041,587</u>	<u>\$ 72,663,465</u>
Plan fiduciary net position		
Contributions - employer	\$ 2,918,950	\$ 2,890,000
Contributions - member	140,745	154,037
Net investment income	2,667,157	9,406,336
Benefit payments, including refunds of member contributions	(3,215,226)	(3,121,513)
Administrative expense	<u>(55,344)</u>	<u>-</u>
Net change in plan fiduciary net position	<u>\$ 2,456,282</u>	<u>\$ 9,328,860</u>
Plan fiduciary net position - beginning	<u>62,669,636</u>	<u>53,340,776</u>
Plan fiduciary net position - ending	<u>\$ 65,125,918</u>	<u>\$ 62,669,636</u>
County's net pension liability - ending	<u>\$ 9,915,669</u>	<u>\$ 9,993,829</u>
Plans fiduciary net position as a percentage of the total pension liability	86.79%	86.25%
Covered - employee payroll	\$ 6,871,888	\$ 7,078,232
County's net pension liability as a percentage of covered - employee payroll	144.29%	141.19%

Notes to the schedule:

The prior year information is not available.

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**Schedule of Required Supplementary Information
SCHEDULE OF COUNTY CONTRIBUTIONS
Calvert County Employees Retirement Plan
Last 2 Fiscal Years**

	<u>FY2015</u>	<u>FY2014</u>
Actuarially determined contribution	\$ 2,593,069	\$ 2,712,733
Contributions in relation to the actuarially determined contribution	2,918,950	2,890,000
Contribution deficiency (excess)	<u>\$ (325,881)</u>	<u>\$ (177,267)</u>
Covered - employee payroll	\$ 6,871,888	\$ 7,078,232
Contribution as a percentage of covered - employee payroll	42.48%	40.83%

Notes to schedule

Valuation date: 7/1/2014

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	Assumed yield method with a market value adjustment
Inflation rate	1.6%
Salary increases	5.00% , for all ages.
Cost of living increases	3.00% , per year calculated on a compound interest basis.
Investment rate of return	7.75% , net of pension plan investment expense, including inflation.
Retirement age	In the 2014 actuarial valuation, expected retirement ages of general plan members were adjusted to more closely reflect the actual experience.
Mortality	RP-2000 combined healthy generational mortality table.

Notes to the schedule:

The prior year information is not available.

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

Schedule of Required Supplementary Information

SCHEDULE OF INVESTMENT RETURNS

Calvert County Employees Retirement Plan

Last 2 Fiscal Years

	<u>FY2015</u>	<u>FY2014</u>
Annual money-weighted rate of return, net of investment expense	4.27%	20.16%

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, 2015**

A. Schedule of Funding Progress

Actuarial Valuation Date June 30, County	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
2015	\$ 13,875,050	\$ 65,381,130	\$ 51,506,080	21.22%	\$ 46,890,265	109.84%
2014	13,875,050	65,381,130	51,506,080	21.22%	46,890,265	109.84%
2013	4,337,978	36,717,748	32,379,770	11.81%	45,606,128	71.00%
2012	4,337,978	36,717,748	32,379,770	11.81%	46,040,730	70.33%
2011	1,199,877	30,562,690	29,362,813	3.93%	45,509,178	64.52%
2010	1,199,877	30,562,690	29,362,813	3.93%	45,551,004	64.46%
2009	-	25,690,319	25,690,319	0.00%	44,955,301	57.15%
2008	-	25,690,319	25,690,319	0.00%	41,639,057	61.70%
Board of Education						
2015	\$ 18,519,000	\$ 230,571,000	\$ 212,052,000	8.03%	\$ 128,500,000	165.02%
2014	18,519,000	230,571,000	212,052,000	8.03%	128,500,000	165.02%
2013	17,226,681	139,625,512	122,398,831	12.34%	127,857,500	95.73%
2012	17,226,681	139,625,512	122,398,831	12.34%	128,597,253	95.18%
2011	3,522,381	99,455,289	95,932,908	3.54%	129,758,359	73.93%
2010	3,522,381	99,455,289	95,932,908	3.54%	127,698,903	75.12%
2009	-	78,032,239	78,032,239	0.00%	126,633,344	61.62%
2008	-	78,032,239	78,032,239	100.00%	119,957,677	65.05%
Total						
2015	\$ 32,394,050	\$ 295,952,130	\$ 263,558,080	10.95%	\$ 175,390,265	150.27%
2014	32,394,050	295,952,130	263,558,080	10.95%	175,390,265	150.27%
2013	21,564,659	176,343,260	154,778,601	12.23%	173,463,628	89.23%
2012	21,564,659	176,343,260	154,778,601	12.23%	174,637,983	88.63%
2011	4,722,258	130,017,979	125,295,721	3.63%	175,267,537	71.49%
2010	4,722,258	130,017,979	125,295,721	3.63%	173,249,907	72.32%
2009	-	103,722,558	103,722,558	0.00%	171,588,645	60.45%
2008	-	103,722,558	103,722,558	0.00%	161,596,734	64.19%

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, 2015

B. Schedule of Employer Contributions

	Annual Required Contribution	Pay as You go Payments Plus Contributions	% Contributed	Net OPEB Obligation
<i>Year ended June 30, 2015:</i>				
County	\$ 6,128,384	\$ 1,961,973	32.01%	\$ 15,814,575
Board of Education	25,443,000	7,690,000	30.22%	61,339,847
	<u>\$ 31,571,384</u>	<u>\$ 9,651,973</u>	30.57%	<u>\$ 77,154,422</u>
<i>Year ended June 30, 2014:</i>				
County	\$ 6,128,384	\$ 1,645,070	26.84%	\$ 11,826,162
Board of Education	23,682,000	4,576,000	19.32%	44,588,847
	<u>\$ 29,810,384</u>	<u>\$ 6,221,070</u>	20.87%	<u>\$ 56,415,009</u>
<i>Year ended June 30, 2013:</i>				
County	\$ 3,996,491	\$ 1,602,471	40.10%	\$ 7,455,056
Board of Education	14,359,874	7,216,423	50.25%	26,028,847
	<u>\$ 18,356,365</u>	<u>\$ 8,818,894</u>	48.04%	<u>\$ 33,483,903</u>
<i>Year ended June 30, 2012:</i>				
County	\$ 3,996,491	\$ 3,442,226	86.13%	\$ 5,118,030
Board of Education	14,359,874	13,826,883	96.29%	19,099,113
	<u>\$ 18,356,365</u>	<u>\$ 17,269,109</u>	94.08%	<u>\$ 24,217,143</u>
<i>Year ended June 30, 2011:</i>				
County	\$ 3,641,418	\$ 2,621,100	71.98%	\$ 4,615,160
Board of Education	11,319,105	5,664,604	50.04%	18,776,224
	<u>\$ 14,960,523</u>	<u>\$ 8,285,704</u>	55.38%	<u>\$ 23,391,384</u>
<i>Year ended June 30, 2010:</i>				
County	\$ 3,641,418	\$ 1,594,299	43.78%	\$ 3,467,809
Board of Education	11,319,105	4,918,693	43.45%	12,746,349
	<u>\$ 14,960,523</u>	<u>\$ 6,512,992</u>	43.53%	<u>\$ 16,214,158</u>
<i>Year ended June 30, 2009:</i>				
County	\$ 3,109,164	\$ 2,284,452	73.47%	\$ 1,435,892
Board of Education	9,127,324	6,799,986	74.50%	6,413,838
	<u>\$ 12,236,488</u>	<u>\$ 9,084,438</u>	74.24%	<u>\$ 7,849,730</u>
<i>Year ended June 30, 2008:</i>				
County	\$ 3,109,164	\$ 2,537,968	81.63%	\$ 571,196
Board of Education	9,127,324	5,308,165	58.16%	3,819,159
	<u>\$ 12,236,488</u>	<u>\$ 7,846,133</u>	64.12%	<u>\$ 4,390,355</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

NON MAJOR FUNDS AND OTHER SCHEDULES
JUNE 30, 2015

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

	Parks and Recreation Fund	Chesapeake Hills Golf Course Fund	Calvert Marine Museum	Planning and Zoning Special Revenue Fund	Bar Library Fund	Revolving Loan Fund
ASSETS						
Cash, cash equivalents and investments	\$ 22,888	\$ 22,505	\$ 1,032,230	\$ -	\$ -	\$ -
Taxes receivable	-	-	-	-	-	-
Accounts receivable	1,492	-	6,259	25,000	-	-
Notes receivable	-	-	-	-	-	-
Due from other funds	1,551,666	2,843	-	463,242	15,324	312,100
Prepaid items	-	-	177	-	-	-
Inventory	18,225	18,414	37,590	-	-	-
Total assets	<u>\$ 1,594,271</u>	<u>\$ 43,762</u>	<u>\$ 1,076,256</u>	<u>\$ 488,242</u>	<u>\$ 15,324</u>	<u>\$ 312,100</u>
LIABILITIES						
Vouchers and accounts payable	244,756	116,538	30,203	463,707	15,324	-
Notes payable	-	46,433	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	150,610	-	73,567	-	-	-
Total liabilities	<u>395,366</u>	<u>162,971</u>	<u>103,770</u>	<u>463,707</u>	<u>15,324</u>	<u>-</u>
FUND BALANCES						
Nonspendable	18,225	18,414	-	-	-	-
Restricted	38,105	-	561,417	-	-	-
Committed	1,046,632	-	-	24,535	-	312,100
Assigned	95,943	-	411,069	-	-	-
Unassigned	-	(137,623)	-	-	-	-
Total fund balances	<u>1,198,905</u>	<u>(119,209)</u>	<u>972,486</u>	<u>24,535</u>	<u>-</u>	<u>312,100</u>
Total liabilities and fund balances	<u>\$ 1,594,271</u>	<u>\$ 43,762</u>	<u>\$ 1,076,256</u>	<u>\$ 488,242</u>	<u>\$ 15,324</u>	<u>\$ 312,100</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

Economic Development Authority Revolving Loan Fund	Calvert Co. Family Network	Grants Fund	Economic Development Incentive Fund	Excise Tax Fund	Land Preservation Fund	Board of Library Trustees for Calvert County	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,357,131	\$ 15,438	\$ 8,450,192
-	-	-	-	1,144,468	-	-	1,144,468
-	79,411	917,585	-	-	-	-	1,029,747
-	-	-	99,298	-	-	-	99,298
279,947	29,112	263,213	212,517	3,203,451	2,909,827	-	9,243,242
-	-	3,842	-	-	-	-	4,019
-	-	-	-	-	-	-	74,229
<u>\$ 279,947</u>	<u>\$ 108,523</u>	<u>\$ 1,184,640</u>	<u>\$ 311,815</u>	<u>\$ 4,347,919</u>	<u>\$ 10,266,958</u>	<u>\$ 15,438</u>	<u>\$ 20,045,195</u>
-	99,581	572,809	-	-	165,000	-	1,707,918
-	-	-	-	-	-	-	46,433
-	-	-	-	-	-	-	-
-	8,942	445,089	-	1,122,529	-	-	1,800,737
<u>-</u>	<u>108,523</u>	<u>1,017,898</u>	<u>-</u>	<u>1,122,529</u>	<u>165,000</u>	<u>-</u>	<u>3,555,088</u>
-	-	-	-	-	-	-	36,639
-	-	166,742	-	3,225,390	7,354,629	-	11,346,283
279,947	-	-	311,815	-	2,736,266	-	4,711,295
-	-	-	-	-	11,063	15,438	533,513
-	-	-	-	-	-	-	(137,623)
<u>279,947</u>	<u>-</u>	<u>166,742</u>	<u>311,815</u>	<u>3,225,390</u>	<u>10,101,958</u>	<u>15,438</u>	<u>16,490,107</u>
<u>\$ 279,947</u>	<u>\$ 108,523</u>	<u>\$ 1,184,640</u>	<u>\$ 311,815</u>	<u>\$ 4,347,919</u>	<u>\$ 10,266,958</u>	<u>\$ 15,438</u>	<u>\$ 20,045,195</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015**

	Parks and Recreation Fund	Chesapeake Hills Golf Course Fund	Calvert Marine Museum	Planning and Zoning Special Revenue Fund	Bar Library Fund	Revolving Loan Fund
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	1,065,333	585,582	212,790	-	-	-
Fines and forfeitures	-	-	-	53,975	30,848	-
Other revenue	1,029,944	179,985	567,010	7,442	22,963	-
Total revenues	2,095,277	765,567	779,800	61,417	53,811	-
EXPENDITURES						
Salaries and fringe benefits	1,087,728	570,312	2,320,330	56,007	47,230	-
Education and miscellaneous	1,429,491	476,285	930,726	5,410	41,637	-
Total expenditures	2,517,219	1,046,597	3,251,056	61,417	88,867	-
Excess (deficiency) of revenue over (under) expenditures	(421,942)	(281,030)	(2,471,256)	-	(35,056)	-
OTHER FINANCING SOURCES (USES)						
Transfer in	302,249	221,920	2,575,450	-	35,056	300,000
Transfer out	-	-	-	-	-	-
Total other financing sources (uses)	302,249	221,920	2,575,450	-	35,056	300,000
Net change in fund balance	(119,693)	(59,110)	104,194	-	-	300,000
Fund balance - beginning of year	1,318,598	(60,099)	868,292	24,535	-	12,100
Fund balance - end of year	\$ 1,198,905	\$ (119,209)	\$ 972,486	\$ 24,535	\$ -	\$ 312,100

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015**

Economic Development Authority Revolving Loan Fund	Calvert Co. Family Network	Grants Fund	Economic Development Incentive Fund	Excise Tax Fund	Land Preservation Fund	Board of Library Trustees for Calvert County	Total
\$ -	\$ -	\$ -	\$ -	\$ 3,168,187	\$ -	\$ -	\$ 3,168,187
-	509,332	3,986,441	-	-	206,894	758,092	5,460,759
-	-	-	-	-	-	-	1,863,705
-	-	-	-	-	-	122,638	207,461
432	-	316,520	1,064	3,812	16	94,865	2,224,053
432	509,332	4,302,961	1,064	3,171,999	206,910	975,595	12,924,165
-	43,929	2,715,005	-	-	-	3,634,629	10,475,170
48,606	465,403	3,154,268	-	17,878	975,416	559,680	8,104,800
48,606	509,332	5,869,273	-	17,878	975,416	4,194,309	18,579,970
(48,174)	-	(1,566,312)	1,064	3,154,121	(768,506)	(3,218,714)	(5,655,805)
-	-	1,669,234	-	258,737	303,945	3,225,545	8,892,136
-	-	-	-	(4,442,650)	-	-	(4,442,650)
-	-	1,669,234	-	(4,183,913)	303,945	3,225,545	4,449,486
(48,174)	-	102,922	1,064	(1,029,792)	(464,561)	6,831	(1,206,319)
328,121	-	63,820	310,751	4,255,182	10,566,519	8,607	17,696,426
<u>\$ 279,947</u>	<u>\$ -</u>	<u>\$ 166,742</u>	<u>\$ 311,815</u>	<u>\$ 3,225,390</u>	<u>\$ 10,101,958</u>	<u>\$ 15,438</u>	<u>\$ 16,490,107</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual	Variance
	Original	Final		Over (Under)
<u>Taxes</u>				
<u>Real Estate and Personal Property Taxes</u>				
Real estate tax	\$ 98,800,000	\$ 98,800,000	\$ 96,894,328	\$ (1,905,672)
Corporate and personal property tax	2,350,000	2,367,712	2,481,783	114,071
Payment in lieu of tax (PILOT)	19,646,574	19,646,574	19,646,574	-
Public utilities tax	19,150,000	19,150,000	19,740,321	590,321
Additions and abatements	200,000	200,000	(132,598)	(332,598)
Penalties and interest	500,000	500,000	462,172	(37,828)
Tax credit	(877,355)	(877,355)	(677,106)	200,249
Land preservation credit	(220,000)	(220,000)	(221,715)	(1,715)
Total Real Estate and Personal Property Taxes	<u>139,549,219</u>	<u>139,566,931</u>	<u>138,193,759</u>	<u>(1,373,172)</u>
<u>Other Local Taxes</u>				
Income taxes	76,840,690	76,840,690	71,289,228	(5,551,462)
Franchise tax	1,300,000	1,300,000	1,404,676	104,676
Hotel tax	800,000	800,000	718,807	(81,193)
Admissions and amusement tax	30,000	30,000	17,598	(12,402)
Recordation taxes	6,120,000	6,120,000	6,308,065	188,065
Trailer parks	120,000	120,000	142,449	22,449
Total Other Local Taxes	<u>85,210,690</u>	<u>85,210,690</u>	<u>79,880,823</u>	<u>(5,329,867)</u>
<u>Shared State Taxes</u>				
Highway user revenue	<u>565,582</u>	<u>565,582</u>	<u>570,547</u>	<u>4,965</u>
Total State Shared Taxes	<u>565,582</u>	<u>565,582</u>	<u>570,547</u>	<u>4,965</u>
Total Taxes	<u>225,325,491</u>	<u>225,343,203</u>	<u>218,645,129</u>	<u>(6,698,074)</u>
<u>Licenses and Permits</u>				
<u>Business Licenses and Permits</u>				
Builders' licenses	25,000	25,000	26,718	1,718
Beer, wine, and liquor licenses	135,000	135,000	134,440	(560)
Traders	95,000	95,000	98,082	3,082
Hawkers and peddlers	2,000	2,000	285	(1,715)
Total Business Licenses and Permits	<u>257,000</u>	<u>257,000</u>	<u>259,525</u>	<u>2,525</u>
<u>Other Permits</u>				
Animal licenses	25,000	25,000	17,079	(7,921)
Code book sales	700	700	675	(25)
Marriage licenses	3,700	3,700	3,495	(205)
Gambling permits	23,000	23,000	8,140	(14,860)
Total Other Permits	<u>52,400</u>	<u>52,400</u>	<u>29,389</u>	<u>(23,011)</u>
Total Licenses and Permits	<u>309,400</u>	<u>309,400</u>	<u>288,914</u>	<u>(20,486)</u>
<u>Intergovernmental Revenues</u>				
<u>Federal Grants</u>				
Federal Emergency Management	82,407	82,407	109,059	26,652
Build America Bond Subsidy	108,229	108,229	93,608	(14,621)
Total Federal Grants	<u>190,636</u>	<u>190,636</u>	<u>202,667</u>	<u>12,031</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual	Variance
	Original	Final		Over (Under)
<u>State Grants</u>				
State police protection	\$ 775,000	\$ 775,000	\$ 706,441	\$ (68,559)
State library	385,427	385,427	385,427	-
State soil conservation	61,191	61,191	61,191	-
State prisoner housing	100,000	100,000	78,300	(21,700)
State jury reimbursement	30,000	30,000	19,080	(10,920)
State misc. reimbursement	2,800	2,800	-	(2,800)
Other state reimbursement	-	12,490	20,053	7,563
CAASA payroll reimbursement	19,674	39,644	22,418	(17,226)
Total State Grants	<u>1,374,092</u>	<u>1,406,552</u>	<u>1,292,910</u>	<u>(113,642)</u>
<u>Other Intergovernmental</u>				
911 Grant	590,000	590,000	643,291	53,291
Shore Erosion	21,000	21,000	20,395	(605)
Bus maintenance payroll reimbursement	-	-	73,143	73,143
Housing Authority payroll reimbursement	1,215,472	1,215,472	1,176,452	(39,020)
CMM payroll reimbursement - CMM Board of Governors	260,501	260,501	247,515	(12,986)
CMM payroll reimbursement - CMM Society	451,368	451,368	362,239	(89,129)
SDAT costs paid by the towns	15,833	15,833	15,833	-
Total Other Intergovernmental	<u>2,554,174</u>	<u>2,554,174</u>	<u>2,538,868</u>	<u>(15,306)</u>
Total Intergovernmental Revenues	<u>4,118,902</u>	<u>4,151,362</u>	<u>4,034,445</u>	<u>(116,917)</u>
<u>Charges for services</u>				
<u>Public Safety</u>				
Sheriff's fees	75,000	75,000	97,379	22,379
Chesapeake Beach police reimbursement	731,682	731,682	731,682	-
North Beach police reimbursement	340,414	340,414	340,414	-
Dominion police reimbursement	1,240,000	1,240,000	1,568,415	328,415
Lab fees	15,000	15,000	8,995	(6,005)
Engineering inspections	100,000	100,000	166,645	66,645
DWI facility	7,345	7,345	5,115	(2,230)
Electronic monitor - detention center	16,000	16,000	16,547	547
Telephone commission - detention center	100,000	100,000	83,608	(16,392)
Live in/work out - detention center	95,000	95,000	44,322	(50,678)
Sick call - detention center	5,000	5,000	-	(5,000)
False alarm fees	2,000	2,000	23,900	21,900
False alarm registration	3,800	3,800	5,125	1,325
Protective inspections	300,000	300,000	356,166	56,166
Tower revenue	70,000	70,000	100,778	30,778
Total Public Safety	<u>3,101,241</u>	<u>3,101,241</u>	<u>3,549,091</u>	<u>447,850</u>
<u>General Services</u>				
Waterman's Wharf slip fees	4,200	4,200	4,100	(100)
Tennison charters	50,000	30,000	26,687	(3,313)
Tennison special charters	-	20,000	7,902	(12,098)
Kings Landing camp fees	10,000	10,000	21,646	11,646
Flag Pond entrance fees	40,000	40,000	55,926	15,926
Calvert Cliffs state park	-	-	4,788	4,788
BG&E Field tower revenue	-	-	2,400	2,400
Boat ramp fees	6,000	6,000	4,760	(1,240)
Total General Services	<u>110,200</u>	<u>110,200</u>	<u>128,209</u>	<u>18,009</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual	Variance
	Original	Final		Over (Under)
<u>Public Works</u>				
Road tax districts	\$ 63,000	\$ 63,000	\$ 58,023	\$ (4,977)
Developer street signs	600	600	934	334
Utility permit fee	25,000	25,000	64,320	39,320
Waterway improvements	6,837	6,837	6,299	(538)
Total Public Works	95,437	95,437	129,576	34,139
<u>Community Resources</u>				
Library - copying and miscellaneous	41,200	27,255	30,443	3,188
Library - other sources	-	26,945	29,309	2,364
Library - e-rate	10,000	10,000	5,549	(4,451)
Library - other miscellaneous	-	12,738	15,642	2,904
Office on Aging - bus trip revenue	-	33,000	27,268	(5,732)
Office on Aging - program revenue	56,500	7,000	6,140	(860)
Office on Aging - senior class revenue	-	24,500	27,410	2,910
Total Community Resources	107,700	141,438	141,761	323
<u>Other Charges for Services</u>				
Administration fees semi-annual service charges	45,000	45,000	18,700	(26,300)
Rents and concessions	140,000	141,000	129,905	(11,095)
Rent health dept. - genoa	7,200	7,200	6,948	(252)
Map sales	500	500	41	(459)
Total Other Charges for Services	192,700	193,700	155,594	(38,106)
Total Charges for Services	3,607,278	3,642,016	4,104,231	462,215
<u>Fines, fees, and Forfeitures</u>				
<u>General Government</u>				
Soil Conservation grading fees	30,000	30,000	51,500	21,500
Administration planting bond - CP&B	4,500	4,500	2,485	(2,015)
Replatting fees - CP&B	4,000	4,000	7,320	3,320
Board of Appeals application fees	20,000	20,000	7,525	(12,475)
CP&B tower consultant fees	500	3,150	4,350	1,200
Total General Government	59,000	61,650	73,180	11,530
<u>Public Safety</u>				
Domestic master fees	800	800	1,988	1,188
Community service programs	25,000	25,000	37,377	12,377
Criminal court fines	9,000	9,000	9,561	561
Home study fees	2,000	2,000	8,693	6,693
Animal citation fines	7,000	7,000	3,394	(3,606)
State's attorney fees	-	7,730	8,084	354
Forfeiture sheriff	-	116,210	111,210	(5,000)
Forfeiture State's attorney	-	17,866	17,866	-
Total public safety	43,800	185,606	198,173	12,567
<u>Other Fines, Fees, and Forfeitures</u>				
Grant Coordinator administration fee	160,000	160,000	161,014	1,014
Auto license fees	2,600	2,600	2,281	(319)
Library fines	125,000	125,000	122,638	(2,362)
Zoning fees	20,000	20,000	14,907	(5,093)
Election Office filing fees	151	151	893	742
Total Other Fines, Fees, and Forfeitures	307,751	307,751	301,733	(6,018)
Total Fines, Fees, and Forfeitures	410,551	555,007	573,086	18,079

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<u>Other Revenue Sources</u>				
<u>Investment Revenue</u>				
Interest and dividends	\$ 202,000	\$ 202,000	\$ 40,113	\$ (161,887)
Interest on notes	-	-	7,802	7,802
Appreciation of investment	-	-	(14,563)	(14,563)
Total Investment Revenue	<u>202,000</u>	<u>202,000</u>	<u>33,352</u>	<u>(168,648)</u>
<u>Reimbursements</u>				
Salary reimbursement	35,000	61,052	32,285	(28,767)
Battle Creek salary reimbursement	9,408	9,408	6,530	(2,878)
Heath insurance reimbursement	-	-	1,236,592	1,236,592
Circuit Ct. Clerks office reimbursements	4,351	4,351	4,351	-
Total Reimbursements	<u>48,759</u>	<u>74,811</u>	<u>1,279,758</u>	<u>1,204,947</u>
<u>Other Revenue</u>				
Mosquito control	31,080	31,080	14,820	(16,260)
Appropriation of fund balance	5,912,640	7,779,659	-	(7,779,659)
Ches Pax reimb boe	-	-	9,400	9,400
Miscellaneous income	299,047	320,194	187,700	(132,494)
Total Other Revenue	<u>6,242,767</u>	<u>8,130,933</u>	<u>211,920</u>	<u>(7,919,013)</u>
Total Other Revenue Sources	<u>6,493,526</u>	<u>8,407,744</u>	<u>1,525,030</u>	<u>(6,882,714)</u>
Total Revenues	<u>240,265,148</u>	<u>242,408,732</u>	<u>229,170,835</u>	<u>(13,237,897)</u>
<u>Other financing sources</u>				
Transfer from BOE - Resident Trooper/Sheriff	177,434	177,434	177,434	-
Transfer from BOE - wireless	30,000	30,000	-	(30,000)
Transfer from Excise Tax Fund	2,500,000	2,500,000	2,500,000	-
Total Other Financing Sources	<u>2,707,434</u>	<u>2,707,434</u>	<u>2,677,434</u>	<u>(30,000)</u>
Total Revenues and Other Financing Sources	<u>\$ 242,972,582</u>	<u>\$ 245,116,166</u>	<u>\$ 231,848,269</u>	<u>\$ (13,267,897)</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, 2015**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
General Government				
<u>Board of County Commissioners</u>				
Salaries	\$ 257,117	\$ 257,117	\$ 260,019	\$ (2,902)
Operating expense	38,416	44,116	42,066	2,050
Contracted services	2,940	1,440	1,695	(255)
Total Board of County Commissioners	<u>298,473</u>	<u>302,673</u>	<u>303,780</u>	<u>(1,107)</u>
<u>Contingency</u>	<u>300,000</u>	<u>35,124</u>	<u>-</u>	<u>35,124</u>
<u>Clerk to the Commissioners</u>				
Salaries	63,145	63,145	63,633	(488)
Operating expense	1,548	648	70	578
Contracted services	461	461	-	461
Total Clerk to the Commissioners	<u>65,154</u>	<u>64,254</u>	<u>63,703</u>	<u>551</u>
<u>County Administrator</u>				
Salaries	236,569	236,569	237,052	(483)
Operating expense	9,535	9,235	6,742	2,493
Contracted services	-	10,000	10,000	-
Total County Administrator	<u>246,104</u>	<u>255,804</u>	<u>253,794</u>	<u>2,010</u>
<u>Technology Services</u>				
Salaries	1,514,813	1,514,813	1,526,555	(11,742)
Operating expense	123,101	119,286	112,854	6,432
Contracted services	1,220,825	1,158,640	1,158,640	-
Capital outlay	310,554	310,554	315,763	(5,209)
Total Technology Services	<u>3,169,293</u>	<u>3,103,293</u>	<u>3,113,812</u>	<u>(10,519)</u>
<u>Circuit Court</u>				
Salaries	667,261	667,261	672,605	(5,344)
Operating expense	93,300	92,989	78,821	14,168
Contracted services	65,800	27,022	24,776	2,246
Capital outlay	-	11,428	11,415	13
Total Circuit Court	<u>826,361</u>	<u>798,700</u>	<u>787,617</u>	<u>11,083</u>
<u>Judge of Orphans' Court</u>				
Salaries	26,716	26,716	26,845	(129)
Operating expense	1,450	1,450	898	552
Total Judge of Orphans' Court	<u>28,166</u>	<u>28,166</u>	<u>27,743</u>	<u>423</u>
<u>State's Attorney</u>				
Salaries	1,702,930	1,702,930	1,689,162	13,768
Operating expense	111,310	110,634	85,059	25,575
Contracted services	29,150	29,150	24,533	4,617
Capital outlay	3,902	30,174	28,865	1,309
Total State's Attorney	<u>1,847,292</u>	<u>1,872,888</u>	<u>1,827,619</u>	<u>45,269</u>
<u>Grand Jury</u>				
Salary and operating expense	<u>5,000</u>	<u>5,000</u>	<u>5,120</u>	<u>(120)</u>
<u>Personnel</u>				
Salaries	546,479	544,579	569,090	(24,511)
Operating expense	52,419	51,933	32,558	19,375
Tuition program	35,000	60,900	60,723	177
Contracted services	102,282	102,282	94,842	7,440
Capital outlay	-	566	471	95
Total Personnel	<u>736,180</u>	<u>760,260</u>	<u>757,684</u>	<u>2,576</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, 2015**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Finance and Budget</u>				
Salaries	\$ 1,495,381	\$ 1,495,381	\$ 1,463,827	\$ 31,554
Operating expense	104,000	99,512	92,970	6,542
Contracted services	145,000	144,716	141,794	2,922
Capital outlay	-	4,692	4,692	-
Total Finance and Budget	<u>1,744,381</u>	<u>1,744,301</u>	<u>1,703,283</u>	<u>41,018</u>
<u>County Treasurer</u>				
Salaries	316,429	316,429	296,935	19,494
Operating expense	23,955	23,955	31,302	(7,347)
Contracted services	12,500	12,500	2,667	9,833
Total County Treasurer	<u>352,884</u>	<u>352,884</u>	<u>330,904</u>	<u>21,980</u>
<u>Auditing and Related Services</u>	<u>61,575</u>	<u>61,575</u>	<u>61,480</u>	<u>95</u>
<u>County Attorney</u>				
Salaries	286,205	286,205	304,802	(18,597)
Operating expense	25,235	25,235	16,738	8,497
Contracted services	75,000	86,308	85,338	970
Capital outlay	-	692	691	1
Total County Attorney	<u>386,440</u>	<u>398,440</u>	<u>407,569</u>	<u>(9,129)</u>
<u>Community Planning and Building</u>				
Salaries	1,941,914	1,946,914	1,937,914	9,000
Operating expense	57,175	66,895	54,597	12,298
Contracted services	27,850	73,900	73,900	-
Capital outlay	22,600	22,600	20,110	2,490
Total Community Planning and Building	<u>2,049,539</u>	<u>2,110,309</u>	<u>2,086,521</u>	<u>23,788</u>
<u>Planning Commission</u>				
Operating expense	20,367	19,718	14,047	5,671
Contracted services	50,877	37,477	20,870	16,607
Honorarium	72,000	72,000	46,700	25,300
Total Planning Commission	<u>143,244</u>	<u>129,195</u>	<u>81,617</u>	<u>22,278</u>
<u>Inspections and Permits</u>				
Salaries	774,099	774,099	770,034	4,065
Operating expense	56,200	34,700	25,151	9,549
Vehicle supplies and repair	-	21,500	19,781	1,719
Contracted services	51,531	51,531	51,390	141
Capital outlay	57,875	57,875	54,089	3,786
Total Inspections and Permits	<u>939,705</u>	<u>939,705</u>	<u>920,445</u>	<u>19,260</u>
<u>Pauper's Burial</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
<u>Board of Appeals</u>				
Operating expense	8,060	8,060	4,717	3,343
Contracted services	24,000	24,000	8,568	15,432
Honorarium	25,000	25,000	17,600	7,400
Total Board of Appeals	<u>57,060</u>	<u>57,060</u>	<u>30,885</u>	<u>26,175</u>
<u>Maryland Association of Counties</u>	<u>17,000</u>	<u>17,000</u>	<u>16,987</u>	<u>13</u>
Total General Government	<u>13,274,851</u>	<u>13,037,631</u>	<u>12,780,563</u>	<u>231,768</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, 2015**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
Public Safety				
<u>Director of Public Safety</u>				
Salaries	\$ 144,075	\$ 144,075	\$ 146,587	\$ (2,512)
Operating expense	91,435	95,085	73,305	21,780
Contracted services	26,095	22,395	21,022	1,373
Capital outlay	-	50	50	-
Total Director of Public Safety	<u>261,605</u>	<u>261,605</u>	<u>240,964</u>	<u>20,641</u>
 <u>Sheriff's Office</u>				
Salaries	10,474,244	10,505,675	11,255,623	(749,948)
Operating expense	977,725	1,042,179	1,056,563	(14,384)
Vehicle supplies and repairs	916,338	889,955	961,735	(71,780)
Contracted services	146,456	141,446	143,209	(1,763)
Capital outlay	890,533	971,857	1,036,921	(65,064)
Total Sheriff's Office	<u>13,405,296</u>	<u>13,551,112</u>	<u>14,454,051</u>	<u>(902,939)</u>
 <u>Control Center</u>				
Salaries	1,813,370	1,813,370	1,668,091	145,279
Operating expense	152,612	152,612	137,612	15,000
Radio maintenance	405,840	405,840	238,390	167,450
Contracted services	64,100	64,100	51,270	12,830
Capital outlay	2,991	2,991	1,576	1,415
Total Control Center	<u>2,438,913</u>	<u>2,438,913</u>	<u>2,096,939</u>	<u>341,974</u>
 <u>Volunteer Fire-Rescue-EMS Departments</u>				
Operating expense	2,433,362	2,506,241	2,462,019	44,222
Insurance	1,067,669	1,067,803	1,063,669	4,134
Capital outlay	454,000	454,000	445,465	8,535
Total Volunteer Fire-Rescue-EMS Departments	<u>3,955,031</u>	<u>4,028,044</u>	<u>3,971,153</u>	<u>56,891</u>
 <u>Detention Center</u>				
Salaries	5,109,056	5,109,056	5,182,358	(73,302)
Operating expense	257,436	253,915	212,404	41,511
Utilities	473,000	466,000	349,868	116,132
Inmate care	112,329	107,093	93,613	13,480
Food	355,000	355,000	351,152	3,848
Contracted services	661,632	673,868	670,987	2,881
Capital outlay	27,014	30,535	10,813	19,722
Total Detention Center	<u>6,995,467</u>	<u>6,995,467</u>	<u>6,871,195</u>	<u>124,272</u>
 <u>Emergency Management</u>				
Salaries	165,984	165,984	192,249	(26,265)
Operating expense	47,870	60,070	49,691	10,379
Contracted services	60,500	55,260	54,710	550
Capital outlay	1,000	1,740	725	1,015
Total Emergency Management	<u>275,354</u>	<u>283,054</u>	<u>297,375</u>	<u>(14,321)</u>
 <u>Fire-Rescue-EMS</u>				
Salaries	244,145	275,165	272,598	2,567
Operating expense	183,662	184,912	133,371	51,541
Contracted services	62,000	60,750	56,164	4,586
Total Fire-Rescue-EMS	<u>489,807</u>	<u>520,827</u>	<u>462,133</u>	<u>58,694</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, 2015**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Animal Control</u>				
Salaries	\$ 333,452	\$ 333,452	\$ 325,134	\$ 8,318
Operating expense	28,950	28,950	18,426	10,524
Vehicle supplies and repairs	43,500	43,500	42,855	645
Contracted services	230,750	230,750	174,599	56,151
Capital outlay	58,000	58,000	43,533	14,467
Total Animal Control	694,652	694,652	604,547	90,105
Total Public Safety	28,516,125	28,773,674	28,998,357	(224,683)
<u>General Services</u>				
<u>Director of General Services</u>				
Salaries	321,776	321,776	335,725	(13,949)
Operating expense	23,518	18,653	9,623	9,030
Contracted services	22,861	22,861	10,581	12,280
Capital outlay	20,000	21,243	20,734	509
Total Director of General Services	388,155	384,533	376,663	7,361
<u>Buildings and Grounds</u>				
Salaries	1,270,057	1,270,057	1,273,834	(3,777)
Operating expense	901,975	1,190,537	1,044,369	146,168
Utilities	1,203,108	1,210,533	1,119,331	91,202
Maintenance and repair projects	579,150	366,573	314,116	52,457
Contracted services	577,816	588,766	561,875	26,891
Capital outlay	67,000	119,174	117,494	1,680
Total Buildings and Grounds	4,599,106	4,745,640	4,431,019	314,621
<u>Mosquito Control</u>				
Salaries	144,238	144,238	117,062	27,176
Operating expense	27,056	27,056	18,522	8,534
Chemicals	24,156	17,106	16,620	486
Contracted services	625	3,125	2,778	347
Capital outlay	18,000	22,550	21,896	654
Total Mosquito Control	214,075	214,075	176,878	37,197
<u>Parks and Recreation</u>				
Salaries	3,004,528	3,004,528	2,666,931	337,597
Operating expense	437,188	462,888	447,793	15,095
Utilities	181,341	179,391	180,845	(1,454)
Maintenance and repair projects	85,000	77,440	64,536	12,904
Contracted services	114,357	58,145	50,524	7,621
Capital outlay	6,948	46,970	45,839	1,131
Total Parks and Recreation	3,829,362	3,829,362	3,456,468	372,894
<u>Railway Museum</u>				
Salaries	105,660	105,660	108,055	(2,395)
Operating expense	13,130	12,350	12,194	156
Utilities	7,000	5,300	4,031	1,269
Contracted services	27,046	29,526	29,525	1
Total Railway Museum	152,836	152,836	153,805	(969)
<u>Calvert Marine Museum</u>				
Salaries	2,140,228	2,140,228	2,089,265	50,963
Operating expense	207,719	216,059	196,430	19,629
Utilities	163,162	160,200	177,467	(17,267)
Maintenance and repair projects	34,200	34,200	33,765	435
Contracted services	52,050	59,390	59,125	265
Capital outlay	26,910	28,592	27,880	712
Total Calvert Marine Museum	2,624,269	2,638,669	2,583,932	54,737

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, 2015**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Natural Resources Division</u>				
Salaries	\$ 621,087	\$ 621,087	\$ 637,505	\$ (16,418)
Operating expense	70,425	71,725	66,395	5,330
Utilities	39,750	39,750	44,202	(4,452)
Maintenance and repair projects	7,500	8,500	8,453	47
Contracted services	7,500	7,500	6,556	944
Capital outlay	24,000	21,700	20,892	808
Total Natural Resources Division	<u>770,262</u>	<u>770,262</u>	<u>784,003</u>	<u>(13,741)</u>
Total General Services	12,578,065	12,735,377	11,962,768	772,100
Public Works				
<u>Director of Public Works/Engineering</u>				
Salaries	1,106,745	1,106,745	945,646	161,099
Operating expense	72,367	57,967	51,909	6,058
Contracted services	52,497	52,151	41,217	10,934
Capital outlay	7,941	1,965	1,965	-
Total Director of Public Works/Engineering	<u>1,239,550</u>	<u>1,218,828</u>	<u>1,040,737</u>	<u>178,091</u>
<u>Project Management and Inspections</u>				
Salaries	448,825	448,825	471,740	(22,915)
Operating expense	11,860	11,860	7,797	4,063
Vehicle supplies and repairs	24,360	24,360	26,482	(2,122)
Capital outlay	22,000	29,148	27,543	1,605
Total Project Management and Inspections	<u>507,045</u>	<u>514,193</u>	<u>533,562</u>	<u>(19,369)</u>
<u>Highway Maintenance</u>				
Salaries	1,646,504	1,728,555	1,616,846	111,709
Operating expense	34,363	239,851	214,176	25,675
Vehicle supplies and repairs	352,154	397,154	401,528	(4,374)
Utilities	23,030	23,030	17,242	5,788
Road maintenance and repairs	503,138	1,067,979	1,009,502	58,477
Paving	2,782,006	2,782,006	485,526	2,296,480
Snow removal contractors	412,250	744,062	744,063	(1)
Rental service contract	180,000	180,000	179,915	85
Contracted services	201,400	201,400	143,253	58,147
Capital outlay	151,215	170,789	156,355	14,434
Total Highway Maintenance	<u>6,286,060</u>	<u>7,534,826</u>	<u>4,968,406</u>	<u>2,566,420</u>
<u>Highway Lighting</u>				
Operating expense	261,250	261,250	268,066	(6,816)
<u>Fleet Maintenance</u>				
Salaries	494,769	494,769	497,551	(2,782)
Operating expense	19,030	21,475	21,181	294
Vehicle supplies and repairs	27,450	27,450	(117,090)	144,540
Utilities	29,360	29,360	29,343	17
Contracted services	17,500	22,509	19,431	3,078
Capital outlay	13,500	13,625	8,341	5,284
Total Fleet Maintenance	<u>601,609</u>	<u>609,188</u>	<u>458,757</u>	<u>150,431</u>
Total Public Works	8,895,514	10,138,285	7,269,528	2,868,757

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, 2015**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
Economic Development				
<u>EDA/EDC/Tourism</u>				
Salaries	\$ 799,541	\$ 809,541	\$ 771,487	\$ 38,054
Operating expense	246,000	225,956	126,616	99,340
Advertising	58,500	55,500	31,763	23,737
Chamber of Commerce	110,000	110,000	96,566	13,434
Small Business Development Center	20,900	20,900	20,900	-
Contracted services	61,500	68,000	58,968	9,032
Capital outlay	9,166	10,516	6,498	4,018
Total Economic Development	1,305,607	1,300,413	1,112,798	187,615
Community Resources				
<u>Director of Community Resources</u>				
Salaries	322,852	332,146	331,452	694
Operating expense	34,394	34,394	36,090	(1,696)
Contracted services	1,866	3,716	2,850	866
Total Director of Community Resources	359,112	370,256	370,392	(136)
<u>Affordable Housing</u>				
Operating expense	50,000	50,000	10,000	40,000
Total Affordable Housing	50,000	50,000	10,000	40,000
<u>Office on Aging</u>				
Salaries	1,096,292	1,096,810	1,048,561	48,249
Operating expense	91,603	94,505	78,936	15,569
Contracted services	58,500	63,500	63,287	213
Capital outlay		245	216	29
Total Office on Aging	1,246,395	1,255,060	1,191,000	64,060
<u>Transportation</u>				
Salaries	191,479	191,479	183,638	7,841
Operating expense	46,650	51,081	44,853	6,228
Transportation subsidy	50,000	50,000	42,815	7,185
Contracted services	25,430	30,230	30,559	(329)
Total Transportation	313,559	322,790	301,865	20,925
Total Community Resources	1,969,066	1,998,106	1,873,257	124,849
Education				
College of Southern Maryland	4,238,219	4,238,219	4,238,219	-
Board of Education	115,808,129	115,808,129	115,808,239	(110)
<u>Public Libraries</u>				
Salaries	2,518,961	2,518,961	2,500,226	18,735
Operating expense	1,202,614	1,239,216	1,228,584	10,632
Contracted services	91,870	76,179	75,098	1,081
Capital outlay	24,090	29,417	29,399	18
Total Public Libraries	3,837,535	3,863,773	3,833,307	30,466
Total Education	123,883,883	123,910,121	123,879,765	30,356
State Agencies & Independent Boards				
<u>Health Department</u>				
Salaries	20,000	20,000	14,289	5,711
Operating expense	2,423,116	2,502,908	2,502,907	1
Total Health Department	2,443,116	2,522,908	2,517,196	5,712

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, 2015**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
<u>Election Board</u>				
Salaries	\$ 317,519	\$ 317,519	\$ 314,206	\$ 3,313
Operating expense	56,238	56,238	56,100	138
Contracted services	134,904	134,904	122,462	12,442
Election judges	63,550	63,550	58,651	4,899
Total Election Board	<u>572,211</u>	<u>572,211</u>	<u>551,419</u>	<u>20,792</u>
<u>Residential Substance Abuse Treatment</u>				
Contracted services	<u>159,200</u>	<u>159,200</u>	<u>125,499</u>	<u>33,701</u>
Total Residential Substance Abuse Treatment	<u>159,200</u>	<u>159,200</u>	<u>125,499</u>	<u>33,701</u>
<u>Liquor Board</u>				
Salaries	24,720	24,720	23,330	1,390
Operating expense	700	700	1,173	(473)
Contracted services	25,000	25,000	14,343	10,657
Total Liquor Board	<u>50,420</u>	<u>50,420</u>	<u>38,846</u>	<u>11,574</u>
<u>Department of Social Services</u>				
County contribution	<u>76,392</u>	<u>76,392</u>	<u>76,392</u>	<u>-</u>
<u>University of Maryland Extension</u>				
Operating expense	87,824	86,042	85,308	734
Contracted services	-	1,582	1,517	65
Capital outlay		200	120	80
Total University of Maryland Service	<u>87,824</u>	<u>87,824</u>	<u>86,945</u>	<u>799</u>
<u>Soil Conservation District</u>				
Salaries	293,957	293,957	300,975	(7,018)
Operating expense	3,357	21,069	18,372	2,697
Total Soil Conservation District	<u>297,314</u>	<u>315,026</u>	<u>319,347</u>	<u>(4,321)</u>
<u>Forestry Service</u>				
Operating expense	<u>20,965</u>	<u>20,965</u>	<u>20,965</u>	<u>-</u>
<u>Housing Authority</u>				
Salaries	873,654	873,654	893,617	(19,963)
Benefits	445,564	445,564	445,739	(175)
Total Housing Authority	<u>1,319,218</u>	<u>1,319,218</u>	<u>1,339,356</u>	<u>(20,138)</u>
<u>Historical District Commission</u>				
Salaries	4,839	4,839	4,899	(60)
Operating expense	3,143	1,785	1,775	10
Contracted services	6,600	8,040	8,100	(60)
Capital outlay	-	741	730	11
Total Historical District Commission	<u>14,582</u>	<u>15,405</u>	<u>15,504</u>	<u>(99)</u>
<u>State/Other Agencies</u>				
Commission for Women	3,895	3,895	3,895	-
Environmental Commission	3,958	3,958	2,489	1,469
Ethics Commission	10,451	10,451	1,232	9,219
MD State Dept. of Assessments	391,244	391,244	377,847	13,397
Non-county agencies	1,130,166	1,120,016	1,110,501	9,515
Total State/Other Agencies	<u>1,539,714</u>	<u>1,529,564</u>	<u>1,495,964</u>	<u>33,600</u>
Total State Agencies & Independent Boards	<u>6,580,956</u>	<u>6,669,133</u>	<u>6,587,433</u>	<u>81,620</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, 2015**

	Budgeted Amount		Actual	Variance
	Original	Final		(Over) Under
Pension and Insurance				
Pension contribution	\$ 9,690,596	\$ 9,705,082	\$ 9,438,669	\$ 266,413
Worker's compensation	1,210,000	1,211,590	1,289,897	(78,307)
General insurance	708,000	708,000	828,844	(120,844)
Health insurance	8,415,000	8,430,420	8,309,627	120,793
Other post employment benefits (OPEB)	3,500,000	3,500,000	3,500,000	-
Total Pension and Insurance	<u>23,523,596</u>	<u>23,555,092</u>	<u>23,367,037</u>	<u>188,055</u>
Debt service				
<u>Bond principal</u>				
General obligations	12,910,694	12,910,694	12,910,722	(28)
<u>Bond interest</u>				
General obligations	4,373,275	4,373,275	4,384,851	(11,576)
Total Debt Service	<u>17,283,969</u>	<u>17,283,969</u>	<u>17,295,573</u>	<u>(11,604)</u>
Total expenditures	<u>237,811,632</u>	<u>239,401,801</u>	<u>235,127,079</u>	<u>4,248,833</u>
Other financing uses				
<u>Operating transfers out</u>				
Transfer to Capital Projects Fund	2,362,640	2,555,307	1,537,667	1,017,640
Transfer to Grants Fund	1,923,080	1,935,173	1,669,234	265,939
Transfer to P&R Self-Sustaining Fund	302,055	302,249	302,249	-
Transfer to Bar Library Fund	27,361	30,961	35,056	(4,095)
Transfer to Chesapeake Hills Golf Course Fund	166,200	221,920	221,920	-
Transfer to Solid Waste Fund	65,000	53,630	53,630	-
Transfer to Land Preservation Fund	303,945	303,945	303,945	-
Transfer to Revolving Loan Fund	-	300,000	300,000	-
Transfer to Family Network Fund	-	511	-	511
Transfer to Planning & Zoning Fund	10,669	10,669	-	10,669
Total other financing uses	<u>5,160,950</u>	<u>5,714,365</u>	<u>4,423,701</u>	<u>1,290,664</u>
Total expenditures and other financing uses	<u>\$ 242,972,582</u>	<u>\$ 245,116,166</u>	<u>\$ 239,550,780</u>	<u>\$ 5,565,386</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

ECONOMIC DEVELOPMENT AUTHORITY COMPONENT UNIT

FUND PRESENTATION

STATEMENT OF NET POSITION

JUNE 30, 2015

	Operating Fund
ASSETS	
Cash, cash equivalents and investments	\$ 1,773,169
Notes receivable	22,740
Accrued interest receivable	1,398
Due from primary government	169,620
Capital assets (not being depreciated)	22,191
Total assets	<u>\$ 1,989,118</u>
LIABILITIES	
Account payable	\$ 31
Deferred revenue	-
Total liabilities	<u>31</u>
NET POSITION	
Invested in capital assets, net of related debt	22,191
Unrestricted	1,966,896
Total net position	<u>\$ 1,989,087</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

ECONOMIC DEVELOPMENT AUTHORITY COMPONENT UNIT
FUND PRESENTATION

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2015

	<u>Operating Fund</u>
Operating revenues:	
Charges for services	\$ 607
Miscellaneous income	-
Total operating revenues	<u>607</u>
Operating expenses:	
Contracted services	300
Miscellaneous	<u>386</u>
Total operating expenses	<u>686</u>
Operating income (loss)	<u>(79)</u>
Non-operating revenues (expenses):	
Investment income	4,346
Investment expense	<u>(1,580)</u>
Total non-operating revenues (expenses)	<u>2,766</u>
Change in net position	2,687
Total net position - beginning	<u>1,986,400</u>
Total net position - ending	<u>\$ 1,989,087</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
WATER AND SEWER FUND
YEAR ENDED JUNE 30, 2015**

	<u>Water Systems</u>	<u>Sewer Systems</u>	<u>Contracted Systems</u>	<u>Administrative and Shared Costs</u>	<u>Total</u>
<u>Operating revenues</u>					
Charges for services	\$ 2,354,194	\$ 5,097,193	\$ 140,528	\$ -	\$ 7,591,915
<u>Operating expenses</u>					
Salaries & benefits	600,084	696,809	120,529	1,059,473	2,476,895
Contracted services	91,494	556,209	3,936	50,123	701,762
Supplies	87,295	125,389	5,664	26,518	244,866
Heat, light and power	198,966	425,319	-	-	624,285
Depreciation	850,723	1,420,008	-	81,063	2,351,794
Miscellaneous	10,809	760	-	45,715	57,284
Telephone	374	4,634	390	14,758	20,156
Compensated absences	(40,066)	26,396	(243)	71,989	58,076
Maintenance and repairs	169,226	218,152	2,142	23,333	412,853
Capital outlay	2,441	25,070	95	6,577	34,183
Total operating expenses	<u>1,971,346</u>	<u>3,498,746</u>	<u>132,513</u>	<u>1,379,549</u>	<u>6,982,154</u>
Operating income (loss)	<u>382,848</u>	<u>1,598,447</u>	<u>8,015</u>	<u>(1,379,549)</u>	<u>609,761</u>
<u>Non-operating revenues (expenses)</u>					
Deferred amount on refunding	-	(21,361)	-	-	(21,361)
Miscellaneous income	36,523	18,514	-	8,765	63,802
Bond issuance costs	-	-	-	-	-
Tower revenue	137,318	-	-	-	137,318
Investment income	7,545	31,610	-	4,291	43,446
Interest expense	(144,052)	(393,028)	-	-	(537,080)
Administrative allocation	(824,551)	(533,927)	(8,015)	1,366,493	-
Total non-operating revenues (expenses)	<u>(787,217)</u>	<u>(898,192)</u>	<u>(8,015)</u>	<u>1,379,549</u>	<u>(313,875)</u>
Income (loss) before contributions and transfers	<u>(404,369)</u>	<u>700,255</u>	<u>-</u>	<u>-</u>	<u>295,886</u>
<u>Transfers</u>					
Capital connection charges	177,308	612,758	-	-	790,066
Developer contribution	1,167,680	2,231,091	-	-	3,398,771
Change in net position	940,619	3,544,104	-	-	4,484,723
Total net position - beginning	<u>5,238,718</u>	<u>17,609,356</u>	<u>-</u>	<u>1,999,832</u>	<u>24,847,906</u>
Total net position - ending	<u>\$ 6,179,337</u>	<u>\$ 21,153,460</u>	<u>\$ -</u>	<u>\$ 1,999,832</u>	<u>\$ 29,332,629</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND
SCHEDULE OF NOTES RECEIVABLE - VOLUNTEER FIRE DEPARTMENTS
AND RESCUE SQUADS - GENERAL FUND
JUNE 30, 2015

Volunteer Fire Departments and Rescue Squads	Term	Payment Period	Balance June 30, 2014	Additions	Reductions	Balance June 30, 2015
North Beach VFDRS	25 years	Semiannually	\$ 113,618	\$ -	\$ 10,329	\$ 103,289
	8 years	Semiannually	31,913	-	15,957	15,956
	8 years	Semiannually	110,690	-	20,124	90,566
	24 years	Semiannually	67,403	-	9,630	57,773
	9 years	Semiannually	47,500	-	5,000	42,500
			<u>371,124</u>	<u>-</u>	<u>61,040</u>	<u>310,084</u>
Prince Frederick VFD	25 years	Semiannually	270,100	-	14,600	255,500
	25 years	Semiannually	364,000	-	26,000	338,000
	12 years	Semiannually	3,328	-	3,328	-
	25 years	Semiannually	414,900	-	23,050	391,850
	25 years	Semiannually	349,600	-	15,200	334,400
	9 years	Semiannually	47,500	-	5,000	42,500
			<u>1,449,428</u>	<u>-</u>	<u>87,178</u>	<u>1,362,250</u>
Solomons VFDRS	25 years	Semiannually	31,795	-	15,898	15,897
	12 years	Semiannually	12,357	-	3,530	8,827
	9 years	Semiannually	2,084	-	2,084	-
	8 years	Semiannually	71,716	-	17,929	53,787
	8 years	Semiannually	110,687	-	20,124	90,563
	7 years	Semiannually	206,250	-	27,500	178,750
	19 years	Semiannually	475,800	-	24,400	451,400
	24 years	Semiannually	586,040	-	23,920	562,120
	24 years	Semiannually	379,260	-	15,480	363,780
	10 years	Semiannually	55,800	-	6,200	49,600
				<u>1,931,789</u>	<u>-</u>	<u>157,065</u>
Prince Frederick VRS	8 years	Semiannually	23,935	-	15,957	7,978
	8 years	Semiannually	149,625	-	21,375	128,250
			<u>173,560</u>	<u>-</u>	<u>37,332</u>	<u>136,228</u>
Dunkirk VFDRS	24 years	Semiannually	85,285	-	9,476	75,809
	25 years	Semiannually	227,500	-	13,000	214,500
	12 years	Semiannually	3,427	-	3,427	-
	8 years	Semiannually	149,625	-	21,375	128,250
	7 years	Semiannually	206,250	-	13,750	192,500
	10 years	Semiannually	47,659	-	4,766	42,893
			<u>719,746</u>	<u>-</u>	<u>65,794</u>	<u>653,952</u>
Huntingtown VFDRS	24 years	Semiannually	61,200	-	7,200	54,000
	24 years	Semiannually	64,011	-	9,144	54,867
	12 years	Semiannually	26,582	-	4,089	22,493
	25 years	Semiannually	268,710	-	13,780	254,930
	8 years	Semiannually	181,000	-	22,625	158,375
	25 years	Semiannually	518,000	-	12,950	505,050
	9 years	Semiannually	47,500	-	2,500	45,000
				<u>1,167,003</u>	<u>-</u>	<u>72,288</u>
St. Leonard VFDRS	25 years	Semiannually	25,014	-	25,014	-
	25 years	Semiannually	132,985	-	10,639	122,346
	24 years	Semiannually	100,474	-	9,569	90,905
	9 years	Semiannually	12,804	-	5,122	7,682
	12 years	Semiannually	3,428	-	3,428	-
	8 years	Semiannually	120,750	-	20,125	100,625
	7 years	Semiannually	138,938	-	21,375	117,563
			<u>534,393</u>	<u>-</u>	<u>95,272</u>	<u>439,121</u>
Calvert Advanced Life Support Unit	3 years	Semiannually	62,000	-	31,000	31,000
			<u>62,000</u>	<u>-</u>	<u>31,000</u>	<u>31,000</u>
Dive Team	9 years	Semiannually	46,400	-	5,800	40,600
			<u>\$ 6,455,443</u>	<u>\$ -</u>	<u>\$ 612,769</u>	<u>\$ 5,842,674</u>

COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

**SCHEDULE OF REAL AND PERSONAL TAXES RECEIVABLE
GENERAL FUND
JUNE 30, 2015**

	<u>Total Assessed Value of Taxable Property</u>	<u>Tax Rate Per \$100 of Assessed Value</u>	<u>Actual Tax Levy</u>	<u>Amount Collected</u>	<u>Balance of Taxes Receivable</u>
<u>County Portion</u>					
<u>Current year property - locally assessed</u>					
Real property:					
For full year levy	\$ 10,355,735,086	\$ 0.892	\$ 92,373,157	\$ 90,371,827	\$ 2,001,330
For half year levy	47,282,148	0.446	210,878	210,878	\$ -
North Beach	237,563,900	0.556	1,320,855	1,320,855	\$ -
Chesapeake Beach	754,882,400	0.556	4,197,146	4,197,146	\$ -
Total real property	<u>11,395,463,534</u>		<u>98,102,036</u>	<u>96,100,706</u>	<u>\$ 2,001,330</u>
Personal property, including corporations and banks	107,809,590	2.230	2,404,154	2,084,938	\$ 319,216
Public utilities operating and personal property	<u>886,687,000</u>	2.230	<u>19,773,120</u>	<u>19,758,191</u>	<u>\$ 14,929</u>
Total current year	<u>\$ 12,389,960,124</u>		<u>\$ 120,279,310</u>	<u>\$ 117,943,835</u>	<u>\$ 2,335,475</u>
Prior years, real, personal, and corporate property					\$ 1,507,777
Accrued interest receivable and service charge					<u>\$ 1,314,145</u>
Total prior years, accrued interest and interest and outstanding tax credit					<u>\$ 2,821,922</u>
Total taxes receivable - county portion					\$ 5,157,398
Taxes receivable - state portion, net of tax credits					\$ 435,639
Taxes receivable - towns portion, net of tax credits					\$ 239,675
Bay Restoration fee due to state - billed with Real estate taxes					<u>\$ 28,249</u>
Total taxes receivable					<u>\$ 5,860,961</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, 2015**

	Healthy Families	YSB	LAM	School Climate	CCFN Administrative GOC	CCFN Administrative Healthy Fam	Total
REVENUES							
Federal revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State revenue	246,780	53,256	131,166	10,000	3,130	65,000	509,332
Total revenues	246,780	53,256	131,166	10,000	3,130	65,000	509,332
EXPENDITURES							
Salaries	-	-	-	-	1,847	27,776	29,622
Printing & office supp	-	-	-	-	106	-	106
Postage	-	-	-	-	93	-	93
Mileage allowance	-	-	-	-	312	-	312
Board of Education	246,780	-	-	-	-	-	246,780
Contracted services	-	53,256	131,166	10,000	-	23,156	217,578
Telephone/comm	-	-	-	-	534	-	534
Benefits	-	-	-	-	238	14,068	14,307
Total expenditures	246,780	53,256	131,166	10,000	3,130	65,000	509,332
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-
Fund balance - beginning of year	-	-	-	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

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SB & COMPANY, LLC
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**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the County Commissioners of Calvert County, Maryland
Prince Frederick, Maryland

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the 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 (the County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 18, 2015.

Internal Control over Financial Reporting

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

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

Our consideration of internal control 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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



S B & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Purpose of this Report

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

Hunt Valley, Maryland
December 18, 2015

S B & Company, LLC

Statistical Section



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COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

FINANCIAL TREND DATA
JUNE 30, 2015

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

The financial trend data schedules are:

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

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

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Governmental activities										
Net investment in capital assets	\$ 78,866,512	\$ 96,731,172	\$ 100,994,016	\$ 109,942,360	\$ 110,447,873	\$ 109,943,246	\$ 119,780,770	\$ 123,176,653	\$ 126,029,053	\$ 125,502,206
Restricted	5,884,509	9,246,067	7,763,481	11,968,498	13,275,882	17,137,497	18,047,917	15,851,897	17,696,426	16,490,109
Unrestricted	67,514,862	69,049,348	78,491,069	49,470,223	33,885,557	43,142,024	36,289,294	19,741,178	9,297,242	(24,745,446)
Total governmental activities net position	\$ 152,265,883	\$ 175,026,587	\$ 187,248,566	\$ 171,381,081	\$ 157,609,312	\$ 170,222,767	\$ 174,117,981	\$ 158,769,728	\$ 153,022,721	\$ 117,246,869
Business-type activities										
Net investment in capital assets	\$ 30,215,402	\$ 32,980,825	\$ 34,722,581	\$ 38,558,942	\$ 34,365,814	\$ 34,549,717	\$ 29,333,105	\$ 28,900,840	\$ 15,498,941	\$ 27,576,501
Restricted	4,903,917	4,386,023	5,674,336	2,704,915	2,359,895	2,336,457	2,130,523	2,187,836	1,979,832	2,729,885
Unrestricted	(1,579,473)	(3,535,383)	(5,965,771)	(2,823,574)	1,539,588	897,574	2,321,405	3,785,496	14,349,672	6,324,182
Total business-type activities net position	\$ 33,539,846	\$ 33,831,465	\$ 34,431,146	\$ 38,440,283	\$ 38,265,297	\$ 37,783,748	\$ 33,785,033	\$ 34,874,172	\$ 31,828,445	\$ 36,630,568
Primary government										
Net investment in capital assets	\$ 109,081,914	\$ 129,711,997	\$ 135,716,597	\$ 148,501,302	\$ 144,813,687	\$ 144,492,963	\$ 149,113,875	\$ 152,077,493	\$ 141,527,994	\$ 153,078,707
Restricted	10,788,426	13,632,090	13,437,817	14,673,413	15,635,777	19,473,954	20,178,440	18,039,733	19,676,258	19,219,994
Unrestricted	65,935,389	65,513,965	72,525,298	46,646,649	35,425,145	44,039,598	38,610,699	23,526,674	23,646,914	(18,421,264)
Total primary government net position	\$ 185,805,729	\$ 208,858,052	\$ 221,679,712	\$ 209,821,364	\$ 195,874,609	\$ 208,006,515	\$ 207,903,014	\$ 193,643,900	\$ 184,851,166	\$ 153,877,437

NOTES:

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

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

Expenses	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Governmental activities:										
General government	\$ 15,837,498	\$ 19,378,201	\$ 21,118,928	\$ 19,068,759	\$ 10,729,459	\$ 20,454,675	\$ 20,481,137	\$ 10,872,517	\$ 16,415,357	\$ 14,936,264
Public safety	18,104,991	25,832,813	28,440,488	31,997,935	31,297,136	28,670,766	31,706,576	33,874,212	35,084,015	33,357,949
Public works	8,656,507	16,294,562	12,747,610	18,172,391	24,131,844	15,059,870	17,878,045	14,672,326	16,435,645	6,819,703
Health and hospitals	(3)								15,124,898	24,336,696
General services	2,547,571	3,091,069	3,059,513	3,451,586	2,128,412	3,407,428	3,408,940	3,670,682	-	-
Social services	7,689,167	9,205,328	9,674,760	10,721,194	11,660,259	10,931,198	10,645,671	11,925,326	-	-
Education	2,391,360	2,991,382	3,048,939	3,478,087	4,614,647	4,263,196	4,405,156	5,278,673	143,384,137	152,746,925
Board of Education	85,712,612	90,378,744	108,689,460	122,637,685	133,561,524	128,257,599	129,427,039	141,921,641	-	-
Recreation and culture	2,547,771	10,608,677	11,230,664	9,561,064	4,993,041	10,430,206	16,783,139	15,701,100	-	-
Community resources	(3)								11,597,350	10,602,140
Conservation of natural resources	3,201,679	1,422,798	1,816,478	1,601,851	1,573,710	3,393,562	4,543,744	2,934,998	-	-
Urban development and housing	1,076,102	1,326,831	1,378,660	2,603,275	2,643,490	2,521,746	2,170,117	2,050,230	-	-
Economic development	1,204,049	1,430,435	1,209,545	1,465,651	1,852,710	1,580,260	1,592,887	1,465,743	1,440,317	1,476,461
State agencies & independent boards	(3)								7,839,422	8,384,212
Miscellaneous	12,480,849	-	-	-	-	-	-	-	-	-
Capital projects	13,792,519	2,034,100	-	-	-	-	-	-	-	-
Interest on long-term debt	(3)								-	-
Debt service	3,284,365	3,640,050	4,180,761	4,822,828	4,726,867	4,859,414	4,980,102	4,784,558	4,459,599	4,253,148
Subtotal governmental activities expenses	178,527,040	187,634,990	206,595,806	229,582,306	233,913,099	233,829,920	248,022,612	249,152,006	251,780,740	256,913,498
Business-type activities:										
Water and sewer	5,813,095	5,782,763	6,063,824	6,383,249	6,955,914	6,595,252	6,707,332	7,101,088	7,512,161	7,540,595
Solid waste	12,280,864	11,588,833	11,110,091	10,848,552	10,101,302	9,877,661	10,717,986	9,285,367	9,272,715	9,919,346
Culture	2,943,972	3,298,655	3,395,574	4,012,686	4,350,817	4,539,550	3,583,944	3,547,014	-	-
Subtotal business-type activities expenses	21,037,931	20,670,251	20,569,489	21,244,487	21,408,033	21,012,463	21,009,262	19,933,469	16,784,876	17,459,941
Total primary government expenses	\$ 199,564,971	\$ 208,305,241	\$ 227,165,295	\$ 250,826,793	\$ 255,321,132	\$ 254,842,383	\$ 269,031,874	\$ 269,085,475	\$ 268,565,616	\$ 274,373,439
Program Revenues										
Governmental activities:										
General government	\$ 3,084,507	\$ 2,733,752	\$ 4,234,723	\$ 4,595,411	\$ 4,985,993	\$ 4,851,511	\$ 4,268,793	\$ 1,276,505	\$ 3,863,865	\$ 3,123,014
Public safety	5,848,001	6,925,881	7,166,206	7,364,299	7,713,006	7,107,185	8,611,189	6,861,256	7,575,374	7,318,474
Public works	6,446,786	7,282,186	6,388,285	6,434,341	1,642,677	2,799,539	1,852,926	984,717	4,736,720	2,259,791
Health and hospitals	(3)								-	-
General services	58,187	70,687	58,399	38,737	47,213	52,958	288,278	155,481	-	-
Social services	754,048	1,014,712	797,476	1,049,527	698,277	1,239,016	1,761,833	1,819,987	-	-
Education	34,193	8,299	4,000	-	107,940	155,680	-	-	927,936	-
Board of Education	-	-	-	-	965,787	140,203	4,573,994	-	-	-
Recreation and culture	3,226,166	3,549,745	3,353,666	3,385,992	3,584,768	4,133,659	5,143,001	4,727,095	-	-
Community resources	(3)								2,911,003	2,615,570
Conservation of natural resources	143,702	744,522	336,473	1,330,446	184,610	248,853	368,640	1,623,509	-	-
Urban development and housing	1,018,478	997,111	961,195	1,022,376	1,071,636	1,109,510	1,223,258	1,133,168	-	-
Economic development	1,007,398	1,058,562	929,119	838,483	698,198	591,273	615,199	508,714	519,213	509,332
State agencies & independent boards	(3)								-	-
Miscellaneous	1,730,581	-	-	-	-	-	-	-	1,059,594	-
Capital projects	1,823,092	1,707,441	1,356,301	2,334,409	-	-	-	2,009,948	-	-
Interest on long-term debt	(3)								-	-
Debt service	641,346	636,098	639,458	636,352	636,802	7,441	7,441	6,299	6,300	6,299
Subtotal governmental activities revenues	25,816,485	26,728,996	26,225,301	29,030,373	22,336,907	22,281,348	28,870,232	22,166,273	29,793,022	22,920,736
Business-type activities:										
Water and sewer	4,504,973	4,696,931	5,529,760	6,197,143	6,051,786	6,132,568	6,777,888	7,569,754	8,055,087	11,981,872
Solid waste	12,569,922	12,524,486	11,626,494	11,238,260	10,235,471	10,100,142	10,666,677	9,486,553	9,343,991	10,162,015
Culture	668,812	732,755	837,528	1,201,750	1,750,751	1,488,473	1,300,918	1,358,589	-	-
Subtotal business-type activities revenues	17,743,707	17,954,172	17,993,782	18,637,153	18,038,008	17,721,183	18,745,483	18,414,889	17,399,078	22,143,887
Total primary government revenues	\$ 43,560,192	\$ 44,683,168	\$ 44,219,083	\$ 47,667,526	\$ 40,374,915	\$ 40,002,531	\$ 47,615,715	\$ 40,581,162	\$ 47,192,100	\$ 45,064,623

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

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Net (Expense)/Revenue										
Governmental activities:										
General government	\$ (12,752,991)	\$ (16,644,449)	\$ (16,884,205)	\$ (14,473,348)	\$ (5,743,466)	\$ (15,602,964)	\$ (16,212,344)	\$ (9,596,012)	\$ (12,551,492)	\$ (11,813,250)
Public safety	(12,256,990)	(18,906,932)	(21,274,282)	(24,633,636)	(23,584,130)	(21,563,581)	(23,095,387)	(27,012,956)	(27,508,641)	(26,039,475)
Public works	(2,209,721)	(9,012,376)	(6,359,325)	(11,738,050)	(22,489,167)	(12,260,331)	(16,025,119)	(13,687,609)	(11,698,925)	(4,559,912)
General Services	(3)	-	-	-	-	-	-	-	(5,872,287)	(18,224,035)
Health and hospitals	(2,489,384)	(3,020,382)	(3,001,114)	(3,412,849)	(2,081,199)	(3,354,470)	(3,120,662)	(3,515,201)	-	-
Social services	(6,935,119)	(8,190,616)	(8,877,284)	(9,671,667)	(10,961,616)	(9,692,182)	(8,883,838)	(10,105,339)	-	-
Education	(2,357,167)	(2,983,083)	(3,044,939)	(3,478,087)	(4,506,707)	(4,263,196)	(4,249,476)	(5,278,673)	(142,456,201)	(151,771,330)
Board of Education	(85,712,612)	(90,378,744)	(108,689,460)	(122,637,685)	(132,595,737)	(128,117,396)	(124,853,045)	(141,921,641)	-	-
Recreation and culture	678,395	(7,058,932)	(7,876,998)	(6,175,072)	(1,408,273)	(6,296,547)	(11,640,197)	(10,974,005)	-	-
Community resources	(3)	-	-	-	-	-	-	-	(8,686,347)	(7,986,570)
Conservation of natural resources	(3,057,977)	(678,276)	(1,480,005)	(271,405)	(1,389,100)	(3,144,709)	(4,175,104)	(1,311,489)	-	-
Urban development and housing	(57,624)	(329,720)	(417,465)	(1,580,899)	(1,571,854)	(1,412,236)	(946,859)	(917,062)	-	-
Economic development	(196,651)	(371,873)	(280,426)	(627,168)	(1,154,512)	(988,987)	(977,688)	(957,029)	(921,104)	(967,129)
State agencies & independent boards	(3)	-	-	-	-	-	-	-	(7,839,422)	(8,384,212)
Miscellaneous	(10,750,268)	-	-	-	-	-	-	-	-	-
Capital projects	(11,969,427)	(326,659)	1,356,301	2,334,409	-	-	-	1,059,594	(4,453,299)	(4,246,849)
Interest on long-term debt	-	-	-	-	-	-	-	-	-	-
Debt service	(2,643,019)	(3,003,952)	(3,541,303)	(4,186,476)	(4,090,065)	(4,851,973)	(4,972,661)	(4,778,259)	-	-
Subtotal governmental activities expenses	(152,710,555)	(160,905,994)	(180,370,505)	(200,551,933)	(211,576,192)	(211,548,572)	(219,152,380)	(226,985,733)	(221,987,718)	(233,992,762)
Business-type activities:										
Water and sewer	(1,308,122)	(1,085,832)	(534,064)	(186,106)	(904,128)	(462,684)	70,556	468,666	542,926	4,441,277
Solid waste	289,058	935,653	516,403	389,708	134,169	222,481	(51,309)	201,186	71,276	242,669
Culture	(2,275,160)	(2,565,900)	(2,558,046)	(2,810,936)	(2,600,066)	(3,051,077)	(2,283,026)	(2,188,432)	-	-
Subtotal business-type activities expenses	(3,294,224)	(2,716,079)	(2,575,707)	(2,607,334)	(3,370,025)	(3,291,280)	(2,263,779)	(1,518,580)	614,202	4,683,946
Total primary government expenses	(156,004,779)	(163,622,073)	(182,946,212)	(203,159,267)	(214,946,217)	(214,839,852)	(221,416,159)	(228,504,313)	(221,373,516)	(229,308,816)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 90,833,150	\$ 98,994,236	\$ 109,907,718	\$ 126,502,446	\$ 137,559,596	\$ 150,043,755	\$ 150,000,842	\$ 145,034,029	\$ 141,760,716	\$ 141,620,683
Income taxes	58,647,605	61,886,520	63,477,715	54,280,021	55,475,403	69,711,237	63,576,777	60,726,847	62,141,903	67,569,054
Recordation taxes	14,481,819	11,664,698	9,114,661	5,799,985	5,690,348	5,330,746	5,180,576	6,459,376	6,170,923	6,308,065
Admission and amusement taxes	293,735	107,310	23,377	30,212	25,009	25,803	30,938	29,720	14,776	17,598
Franchise taxes	778,416	892,707	984,342	1,078,080	1,110,311	1,169,776	1,192,010	1,274,815	1,366,119	1,404,676
Other miscellaneous taxes	132,064	157,516	148,115	119,546	114,013	113,753	127,458	237,928	687,334	861,256
State reimbursement of electricity deregulation	6,096,574	6,096,574	5,897,437	-	-	-	-	-	-	-
Interest and dividends	4,066,075	6,358,189	5,871,258	3,362,353	933,632	442,937	1,132,781	367,372	493,295	208,890
Miscellaneous	(2,166,490)	(2,491,052)	(2,832,139)	(6,488,195)	(3,103,889)	(2,675,980)	(2,767,232)	(2,492,607)	(65,000)	(53,630)
Subtotal governmental activities revenues	173,162,948	183,666,698	192,592,484	184,684,448	197,804,423	224,162,027	218,474,150	211,637,480	212,570,066	217,936,592
Business-type activities:										
State reimbursement of electric deregulation	372,382	-	-	-	-	-	-	-	-	-
Miscellaneous	2,166,490	3,007,698	3,175,388	6,616,470	3,195,039	2,809,731	3,022,097	2,607,719	120,201	118,177
Subtotal business-type activities revenues	2,538,872	3,007,698	3,175,388	6,616,470	3,195,039	2,809,731	3,022,097	2,607,719	120,201	118,177
Total primary government revenues	\$ 175,701,820	\$ 186,674,396	\$ 195,767,872	\$ 191,300,918	\$ 200,999,462	\$ 226,971,758	\$ 221,496,247	\$ 214,245,199	\$ 212,690,267	\$ 218,054,769
Change in net position										
Governmental activities	\$ 20,452,393	\$ 22,760,704	\$ 12,221,979	\$ (15,867,485)	\$ (13,771,769)	\$ 12,613,455	\$ (678,230)	\$ (15,348,253)	\$ (9,417,652)	\$ (16,056,170)
Business-type activities	(755,352)	291,619	599,681	4,009,136	(174,986)	(481,549)	758,318	1,089,139	734,403	4,802,123
Total primary government	\$ 19,697,041	\$ 23,052,323	\$ 12,821,660	\$ (11,858,349)	\$ (13,946,755)	\$ 12,131,906	\$ 80,088	\$ (14,259,114)	\$ (8,683,249)	\$ (11,254,047)

NOTES:
(1) Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and greater than program revenues and therefore general revenues other general revenues. Numbers in parentheses indicate that expenses were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.
(2) Government-wide net asset information is reported on the accrual basis of accounting.
(3) Beginning in FY14, the financial statements have been re-classified by category to match the budgetary document.

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

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Real and personal property taxes	\$ 86,051,217	\$ 94,728,796	\$ 106,121,819	\$ 122,918,020	\$ 133,981,114	\$ 146,790,799	\$ 146,449,619	\$ 141,281,902	\$ 138,767,620	\$ 138,193,758
Income taxes	55,625,569	59,064,889	62,153,000	58,370,205	56,136,128	62,668,488	64,199,044	64,127,088	66,768,748	71,289,228
Admission and amusements	293,735	107,310	23,377	30,212	25,009	25,803	30,938	29,720	14,776	17,598
Recordation	14,481,819	11,664,698	9,114,661	5,799,985	5,690,348	5,330,746	5,180,576	5,909,376	6,170,922	6,308,065
Trailer parks	132,063	157,516	148,115	119,546	114,013	113,753	127,458	237,928	127,186	142,449
Hotel (2)	519,919	644,328	785,519	763,877	693,265	815,416	753,981	634,973	560,148	718,807
Highway user revenue (3)	5,683,147	5,947,234	5,701,044	5,077,195	256,759	410,452	281,653	513,103	541,727	570,547
Franchise	778,416	892,707	984,342	1,078,080	1,110,311	1,169,776	1,192,010	1,274,815	1,366,119	1,404,676
Total Taxes	\$ 163,565,885	\$ 173,207,478	\$ 185,031,877	\$ 194,157,120	\$ 198,006,947	\$ 217,325,233	\$ 218,215,279	\$ 214,008,905	\$ 214,317,246	\$ 218,645,128

NOTES:

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

County Commissioners of Calvert County, Maryland
Fund Balance of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited, see related notes below)
Schedule 4

General Fund	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011(2)	FY2012(2)	FY2013(2)	FY2014(2)	FY2015(2)
<i>(prior to GASB 54)</i>										
Reserved	\$ 5,839,319	\$ 9,195,518	\$ 12,562,828	\$ 11,452,788	\$ 10,438,949	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved Undesignated	56,039,767	37,671,295	37,969,096	30,703,197	28,650,914	-	-	-	-	-
Undesignated	-	16,552,000	17,710,000	17,620,000	18,159,691	-	-	-	-	-
<i>(post GASB 54)</i>										
Non-spendable	-	-	-	-	-	9,554,965	9,545,194	8,098,274	8,317,376	7,288,398
Restricted	-	-	-	-	-	64,861	-	-	-	-
Committed	-	-	-	-	-	20,913,418	21,430,248	21,983,132	21,943,607	22,100,797
Assigned	-	-	-	-	-	9,246,000	8,218,619	9,718,619	9,718,619	6,218,619
Unassigned	-	-	-	-	-	26,763,823	27,321,625	27,228,179	20,212,026	16,622,116
Total General Fund	\$ 61,879,086	\$ 63,418,813	\$ 68,241,924	\$ 59,775,985	\$ 57,249,554	\$ 66,543,067	\$ 66,515,686	\$ 67,028,204	\$ 60,191,628	\$ 52,229,930
All other governmental funds										
<i>(prior to GASB 54)</i>										
Reserved	\$ 45,190	\$ 50,549	\$ 7,763,481	\$ 11,968,498	\$ 13,099,967	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	13,174,434	17,170,651	12,666,097	6,740,235	6,348,586	-	-	-	-	-
Capital projects funds	31,975,700	45,555,272	51,500,054	44,067,347	34,330,086	-	-	-	-	-
<i>(post GASB 54)</i>										
Non-spendable	-	-	-	-	-	10,354,760	7,170,057	9,264,806	7,192,814	36,639
Restricted	-	-	-	-	-	3,750	2,114,579	586,267	847,698	11,346,283
Committed	-	-	-	-	-	6,768,471	9,605,033	6,199,410	8,838,839	5,114,088
Assigned	-	-	-	-	-	44,721,770	34,586,829	30,329,564	27,941,051	17,532,230
Unassigned	-	-	-	-	-	-	-	(60,100)	(75,287)	(137,623)
Total all other governmental funds	\$ 45,195,324	\$ 62,776,472	\$ 71,929,632	\$ 62,776,080	\$ 53,778,639	\$ 61,848,751	\$ 53,476,498	\$ 46,319,947	\$ 44,745,115	\$ 33,891,617

NOTES:

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

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

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
REVENUES										
Taxes	\$ 168,868,174	\$ 177,201,666	\$ 188,241,056	\$ 196,977,670	\$ 200,892,163	\$ 219,763,773	\$ 220,823,988	\$ 218,829,059	\$ 217,073,039	\$ 221,813,316
Licenses and permits	232,123	257,518	281,266	238,154	328,671	292,301	304,571	307,553	336,520	288,914
Intergovernmental	18,350,527	16,779,720	15,069,474	12,250,124	10,635,443	10,939,016	10,137,812	12,204,498	15,528,056	11,700,996
Charges for services	2,900,487	3,202,758	3,670,167	3,768,064	3,585,775	3,337,111	3,303,365	4,067,291	5,474,201	5,886,992
Fines and forfeitures	328,280	289,052	356,049	319,280	340,061	598,175	477,806	550,153	654,560	657,909
Miscellaneous	8,479,435	12,016,603	12,625,951	10,739,918	8,123,831	7,147,229	15,496,237	4,442,587	5,095,650	4,283,005
Total revenues	199,159,026	209,747,317	220,243,963	224,293,199	223,905,944	242,076,605	250,543,779	240,401,141	244,162,026	244,631,132
EXPENDITURES										
General government	14,970,798	15,349,833	16,736,565	16,078,913	15,189,984	15,511,172	16,164,778	17,375,391	12,050,068	13,664,930
Public safety	19,319,261	21,663,919	24,008,176	26,237,282	25,987,152	26,616,262	27,372,685	27,785,783	27,740,436	28,642,775
General services	7,715,592	10,599,520	7,656,572	11,224,901	10,984,725	9,103,252	9,758,758	7,826,188	9,510,233	8,163,402
Public works	2,539,528	2,600,707	2,667,985	2,819,937	2,774,768	2,627,520	2,767,520	2,758,231	-	-
Health and hospitals	7,746,183	7,672,234	8,347,844	8,765,417	8,957,279	8,314,076	8,351,728	8,942,207	-	-
Social services	2,391,360	2,521,895	2,660,762	2,856,298	3,031,586	3,268,987	3,490,522	3,992,701	-	-
Education - other	90,552,791	95,104,149	97,782,359	110,611,519	114,137,687	105,010,110	109,059,947	110,284,424	121,773,990	124,329,634
State and independent boards	-	-	-	-	-	-	-	-	6,468,234	6,589,566
Recreation and culture	7,488,244	8,266,634	8,900,443	9,783,163	9,916,945	10,387,198	11,202,674	11,716,965	-	-
Conservation of natural resources	3,230,187	1,302,107	1,681,507	1,308,871	1,034,321	2,610,094	3,597,704	2,211,598	-	-
Urban development and housing	1,083,349	1,124,533	1,239,214	1,978,608	1,982,486	1,914,857	2,003,182	1,519,637	-	-
Economic development	1,211,752	1,215,905	1,062,995	1,205,616	1,209,744	1,234,891	1,273,769	1,099,378	1,130,190	1,167,949
Community resources	-	-	-	-	-	-	-	-	8,952,113	8,254,333
Miscellaneous	12,457,865	14,370,535	18,279,910	19,880,661	18,890,672	23,205,341	29,522,254	21,290,423	19,231,184	23,367,037
Pension and insurance	-	-	-	-	-	-	-	-	19,443,595	15,816,466
Capital projects	20,124,272	24,649,617	20,687,852	24,807,060	21,249,637	16,350,785	21,690,541	17,664,025	-	-
Debt service	7,940,391	8,724,561	9,967,111	11,513,920	12,024,609	11,233,501	10,971,736	11,654,816	12,113,675	12,910,722
Interest	3,317,092	3,441,562	4,326,306	4,807,328	4,851,414	4,631,143	5,108,954	4,805,625	4,530,901	4,384,851
Refunding expense	-	-	-	-	-	-	-	-	9,367	-
Total expenditures	202,088,665	218,607,711	226,005,601	253,879,494	252,223,009	242,619,199	262,336,752	251,013,966	259,311,046	263,392,698
Excess (deficiency) of revenues over expenditures	(2,929,639)	(8,860,394)	(5,761,638)	(29,586,295)	(28,317,065)	(542,594)	(11,792,973)	(10,612,825)	(15,149,020)	(18,761,566)
OTHER FINANCING SOURCES (USES)										
Proceeds from bond issuance	10,885,000	29,780,000	22,250,000	18,485,000	24,344,988	19,256,000	5,773,720	5,415,000	5,760,000	-
Amount deposited in refunding escrow	-	-	290,047	50,806	(5,191,344)	1,326,199	568,872	448,460	281,302	-
Premium on issuance of debt	-	692,322	-	-	743,436	-	21,785,000	10,437,071	-	-
Refunding bonds issued	-	-	-	-	-	-	2,422,139	1,591,835	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	(24,207,139)	(12,028,906)	-	-
Amount deposited in refunding escrow	-	-	-	-	-	-	-	-	-	-
Forgiveness of debt	-	-	-	-	-	-	-	-	-	-
Transfers in - other	18,565,370	15,920,176	10,180,740	14,092,643	10,296,056	11,355,542	11,966,387	11,216,313	12,975,736	14,872,453
Transfers out - other	(20,717,258)	(18,411,229)	(13,012,879)	(20,631,644)	(13,399,945)	(14,031,522)	(14,915,640)	(13,708,920)	(13,040,736)	(14,926,083)
Total other financing sources (uses)	8,733,112	27,981,269	19,707,908	11,996,805	16,793,191	17,906,219	3,393,339	3,370,853	5,276,302	(53,630)
Net change in fund balances	\$ 5,803,473	\$ 19,120,875	\$ 13,946,270	\$ 17,589,490	\$ (11,523,872)	\$ 17,363,625	\$ (8,399,634)	\$ (7,241,972)	\$ (9,172,718)	\$ (18,815,196)
Debt service as a percentage of noncapital expenditures	6.93%	7.18%	7.64%	8.80%	8.76%	7.50%	6.86%	7.54%	7.35%	7.32%

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 Debt Service divided by Expenditures minus Capital Outlays (pg. 21).
(5) Beginning in FY14, expenditures were re classified in the financial statements to match the budgetary document.

COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

REVENUE CAPACITY
JUNE 30, 2015

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

The revenue capacity schedules are:

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

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

Fiscal Year	Real Property				Personal Property			Total		
	Assessed Value	Exempt Property	Taxable Assessed Value	Direct Rate	Assessed Value	Direct Rate	Assessed Value	Taxable Assessed Value	Estimated Actual Taxable Value	% Taxable Assessed to total Estimated Actual Value
2006	7,950,408,153	594,754,848	7,355,653,305	0.892	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	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	2.23	12,516,961,970	11,727,993,214	12,516,961,970	93.70%
2009	14,223,348,981	888,112,994	13,335,235,987	0.892 (1)	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	2.23	16,076,465,211	15,089,282,139	16,076,465,211	93.86%
2011	14,334,949,486	1,022,420,831	13,312,528,655	0.892	874,351,230	2.23	15,209,300,716	14,186,879,885	15,209,300,716	93.28%
2012	13,473,142,494	1,030,936,269	12,442,206,225	0.892	921,126,040	2.23	14,394,268,534	13,363,332,265	14,394,268,534	92.84%
2013	12,717,190,774	992,111,598	11,725,079,176	0.892	950,398,120	2.23	13,667,588,894	12,675,477,296	13,667,588,894	92.74%
2014	12,353,843,462	993,239,398	11,360,604,064	0.892	956,990,624	2.23	13,310,834,086	12,317,594,688	13,310,834,086	92.54%
2015	12,379,649,469	984,185,935	11,395,463,534	0.892	994,496,590	2.23	13,374,146,059	12,389,960,124	13,374,146,059	92.64%

NOTES:

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

Source: State of Maryland, Department of Assessments and Taxation

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

Fiscal Year	Direct	Overlapping Rates	
		County Rate	(1) Town Rate
	Calvert County	Town of North Beach	Town of North Beach
2006	0.892	0.556	0.72
2007	0.892	0.556	0.67
2008	0.892	0.556	0.67
2009	0.892	0.556	0.61
2010	0.892	0.556	0.61
2011	0.892	0.556	0.63
2012	0.892	0.556	0.63
2013	0.892	0.556	0.63
2014	0.892	0.556	0.63
2015	0.892	0.556	0.63

Fiscal Year	Direct	Overlapping Rates	
		County Rate	(1) Town Rate
	Calvert County	Town of Chesapeake Beach	Town of Chesapeake Beach
2006	0.892	0.556	0.50
2007	0.892	0.556	0.44
2008	0.892	0.556	0.44
2009	0.892	0.556	0.37
2010	0.892	0.556	0.37
2011	0.892	0.556	0.37
2012	0.892	0.556	0.36
2013	0.892	0.556	0.36
2014	0.892	0.556	0.36
2015	0.892	0.556	0.36

NOTES:

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

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

Name of Taxpayer	Fiscal Year 2015				Fiscal Year 2006				
	Taxable Assessed Value (1)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (2)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Constellation Energy Group	\$ 1,300,000,000 (3)	1	10.49%	\$ 699,289,050	1	7.68%			
Dominion (Cove Point)	698,865,040	2	5.64%	195,235,800	2	2.15%			
Southern Maryland Electric Co.	54,928,250	3	0.44%	41,834,270	3	0.46%			
Asbury-Solomons	34,475,823	4	0.28%	22,767,733	6	0.25%			
Fox Run Ltd. Partnership	27,894,700	5	0.23%	23,579,200	5	0.26%			
Dunkirk Gateway	24,643,333	6	0.20%						
Holiday Inn - Solomons	22,820,000	7	0.18%	20,094,766	7	0.22%			
Market Square Shopping Center	19,132,867	8	0.15%						
Verizon	16,990,880	9	0.14%	34,755,490	4	0.38%			
Dunkirk Market Place	10,425,167	10	0.08%	10,428,200	8	0.11%			
Solomons Town Center				8,593,300	9	0.01%			
Calvert Hospital				7,901,000	10	0.09%			
	\$ 2,210,176,060		17.84%	\$ 1,064,478,809		11.61%			

NOTES:

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

(2) Source: Department of Finance and Budget

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

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
2006	87,749,160	86,285,379	98.33%	1,308,330	87,593,709	99.82%
2007	99,359,697	97,787,042	98.42%	1,377,991	99,165,033	99.80%
2008	115,850,743	113,954,907	98.36%	1,842,551	115,797,458	99.95%
2009	126,099,233	123,501,219	97.94%	2,094,900	125,596,119	99.60%
2010	137,446,533	133,596,703	97.20%	2,468,876	136,065,579	99.00%
2011	134,047,010	130,037,865	97.01%	2,578,268	132,616,133	98.93%
2012	128,140,153	125,344,923	97.82%	2,795,230	128,140,153	100.00%
2013	122,271,620	118,376,406	96.81%	2,563,774	120,940,180	98.91%
2014	119,166,157	116,735,560	97.96%	2,430,597	119,166,157	100.00%
2015	120,279,310	117,943,835	98.06%	2,335,475	120,279,310	100.00%

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COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

DEBT CAPACITY
JUNE 30, 2015

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

The debt capacity schedules are:

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

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

Fiscal Year	Governmental Activity				Business Type Activity				Total Outstanding Debt	Percentage of Personal Income	Debt Per Capita
	General Obligation Bonds	Office Building	Leveraging	Misc.	Notes Payable	General Obligation Bonds					
2006	79,973	2,840	6,882	2,170	8,841	5,169			105,875	3.03%	1,228
2007	101,907	2,320	7,961	1,800	8,248	4,057			126,293	3.40%	1,450
2008	115,099	1,775	10,414	1,421	8,176	3,018			139,903	3.55%	1,595
2009	123,013	1,210	10,414	1,029	8,152	1,927			145,745	3.68%	1,654
2010	126,019	620	10,414	621	7,612	3,871			149,157	3.63%	1,681
2011	134,451	-	10,612	198	6,934	7,335			159,530	N/A (2)	1,792
2012	129,402	-	7,933	159	6,413	10,823			154,730	N/A (2)	1,694
2013	130,246	-	7,933	141	5,699	10,800			154,819	N/A (2)	1,602
2014	123,661	-	7,820	123	11,937	13,604			157,145	N/A (2)	1,499
2015	110,804	-	7,820	106	11,690	13,012			143,432	N/A (2)	1,358

NOTES:

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

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

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

Fiscal Year	Population	Taxable Assessed Value		Gross Bonded Debt	Self Supporting Debt (1)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita	Taxable Assessed Value Real & Personal Property Per Capita
		Real & Personal Property	Property						
2006	86,200	8,193,159,145	8,193,159,145	99,150,704	3,158,657	95,992,047	1.17%	1,114	95,048
2007	87,100	9,753,859,398	9,753,859,398	118,269,868	2,606,446	115,663,422	1.19%	1,328	111,985
2008	87,700	11,464,556,220	11,464,556,220	129,311,374	2,035,916	127,275,458	1.11%	1,451	130,725
2009	88,100	13,805,685,597	13,805,685,597	135,338,426	1,456,138	133,882,288	0.97%	1,520	156,705
2010	88,737	15,089,282,139	15,089,282,139	131,131,135	829,856	130,301,279	0.86%	1,468	170,045
2011	89,000	14,186,879,885	14,186,879,885	141,785,916	184,325	141,601,591	1.00%	1,591	159,403
2012	91,339	13,363,332,265	13,363,332,265	140,384,495	158,794	140,225,701	1.05%	1,535	146,305
2013	92,250	12,675,477,296	12,675,477,296	141,187,239	141,056	141,046,183	1.11%	1,529	137,404
2014	94,200	12,317,594,688	12,317,594,688	137,387,972	123,319	137,264,653	1.11%	1,457	130,760
2015	94,300	12,389,960,124	12,389,960,124	123,815,646	105,581	123,710,065	1.00%	1,312	131,389

NOTES:

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

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

Fiscal Year	State Office Building (1)				Shore Erosion Bonds			Waterway Improvement Bonds				
	State Office Building Receipts	Debt Service		Coverage	Shore Erosion Billed	Debt Service		Coverage	Waterway Improvement Billed	Debt Service		Coverage
		Principal	Interest			Principal	Interest			Principal	Interest	
2006	634,509	505,000	129,509	1.00	26,258	23,322	-	1.13	6,837	6,676	-	1.02
2007	629,261	520,000	109,261	1.00	26,258	23,322	-	1.13	-	-	-	0.00
2008	632,621	545,000	87,621	1.00	26,258	23,322	-	1.13	-	-	-	0.00
2009	629,515	565,000	64,515	1.00	26,258	23,322	-	1.13	-	-	-	0.00
2010	629,965	590,000	39,965	1.00	26,258	23,322	-	1.13	-	-	-	0.00
2011	-	-	-	-	26,258	23,322	-	1.13	-	-	-	0.00
2012	-	-	-	-	26,258	23,322	-	1.13	-	-	-	0.00
2013	-	-	-	-	20,395	17,738	-	1.15	-	-	-	0.00
2014	-	-	-	-	20,395	17,738	-	1.15	-	-	-	0.00
2015	-	-	-	-	20,395	17,738	-	1.15	-	-	-	0.00

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

COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND

DEMOGRAPHIC AND ECONOMIC INFORMATION
JUNE 30, 2015

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

The demographic and economic schedules are:

- Demographic and economic statistics
- Principal employers

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

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (\$ thousands)(1)</u>	<u>Per Capita Income (1)</u>	<u>Civilian Labor Force (2)</u>	<u>Unemployment Rate Percent (2)</u>	<u>Public School Enrollment (3)</u>
2006	86,200	3,492,251	38,396	47,085	3.50%	17,113
2007	87,100	3,714,419	40,392	47,448	3.60%	17,468
2008	87,700	3,944,776	42,561	48,265	3.70%	17,029
2009	88,100	3,944,473	44,700	47,347	6.40%	16,729
2010	88,737	4,060,283	45,666	48,220	6.80%	16,406
2011	89,000	4,238,187	49,374	48,070	6.40%	16,305
2012	91,339	4,524,583	50,824	47,997	6.20%	16,136
2013	92,250	4,581,341	50,632	48,163	6.70%	15,818
2014	94,200	N/A	N/A	47,889	5.50%	15,642
2015	94,300	N/A	N/A	48,509	5.10%	15,594

NOTES:

(1) Source: Maryland Department of Planning, planning data sources from U.S. Bureau of Economic Analysis

(2) Source: U.S. Department of Labor Bureau of Labor Statistics

(3) Source: Calvert County Public Schools Budget Book

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

Employer	Fiscal Year 2015			Fiscal Year 2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Calvert County Public Schools	2,062	1	4.25%	2211	1	4.66%
Calvert Memorial Hospital	1,200	2	2.47%	1040	2	2.19%
Calvert County Government	1,082	3	2.23%	1030	3	2.17%
Constellation Energy Group (1)	800	4	1.65%	800	4	1.69%
Chesapeake Beach Resort/Spa	300	5	0.62%			
Asbury Solomons Island	250	6	0.52%			
Wal-Mart	220	7	0.45%	305	6	0.64%
ARC of Southern Maryland	201	8	0.41%	344	5	0.73%
Direct Mail	200	9	0.41%	250	9	0.53%
Safeway	200	10	0.41%			
DynCorp				277	7	0.58%
Recorded Books				251	8	0.53%
Calvert Nursing Center				194	10	0.41%

NOTES:

(1) Employees of Calvert Cliffs Nuclear Power Plant - Corporate owner was Baltimore Gas and Electric (1997), and is now Exelon (2014).

(2) Source: Calvert County Department of Economic Development

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COUNTY COMMISSIONERS OF CALVERT COUNTY
CALVERT COUNTY, MARYLAND
OPERATING INFORMATION
JUNE 30, 2015

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 Ten Fiscal Years
(see related notes below)
Schedule 15

Function:	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
General Government										
Commissioners	7	7	6	6	6	6	6	6	6	6
Clerk of the commissioners	1	1	1	1	1	1	1	1	1	1
County administration	2	3	3	3	3	3	2	2	2	2
Technology services	17	18.6	19.6	21.8	21.8	21.8	22.8	22.8	23	23.6
Circuit court	10	10.7	10.9	10.9	10.9	10.9	10.9	10.9	13.9	13.9
Orphans court	3	3	3	3	3	3	3	3	3	3
States attorney	18	20.1	20.1	20.1	21.1	22.1	22.1	22.1	26	26
Personnel	6	7.6	7.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6
Finance	22	22.6	22.6	23.6	23.6	23.6	25.6	25.6	25.5	25.5
Treasurers	6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.4	7.4
County attorney	3	4	4	4	4	4	4	4	4	4
Community Planning and Building	22	28.1	27.1	27.1	26.2	26.1	26.1	29.4	29.4	28.9
Inspections and permits	13	14.2	14.2	14.2	14.2	14.2	14.2	14.2	13.2	14.2
Public Safety										
Public safety	2	2	2	2	2	2	2	2	2	2
Sheriffs office	115	131.2	134.2	139.2	139.2	142.2	146.2	146.4	151.4	154.6
Control center	29	30	30	30	30	30	34	34	34	34
Detention center	65	67	77.6	81.6	81.6	85.6	88.6	88.6	87.6	87.6
Emergency management	2	3	3	3	3	3	3	3	3	3
Fire and rescue	4	4	4	4	4.5	5.5	5.5	5.5	5.5	5.5
Animal control	5	5	6	7	7	7	7	7	7	7
General Services										
Director of General services	2	2	2	2	4	5	5	5	5	5
Buildings and grounds	28	31.7	32.7	32.7	32.7	32.7	31.7	31.7	29.7	30
Mosquito control	1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1
Parks and Recreation	62	68.7	69.7	70	70.7	68.6	69.2	69.2	69.2	69.2
Railway museum	1	2	2	2	2	2	2	2	2	2
Marine museum	36	40.2	40.2	40.2	40.2	40.2	40.2	40.2	40.2	42.5
Natural Resources	13.2	13.2	13.2	13.2	13.2	13.2	13.7	13.7	13.7	14.7
Public Works										
Director of Public works	14	16.6	16.6	16.6	14.6	15.2	15.2	15.2	14.6	14.6
Project Management	8	8	8	7	7	7	7	7	7	7
Highway maintenance	33	33.6	33.6	36.6	36.6	36	36	36	36	35
Fleet maintenance	8	9	9	10	10	10	10	10	10	9
Economic Development										
	9	9.1	10.1	12.1	12.1	12.5	12.5	12.5	12.4	12.4
Community Resources										
Director of Community resources	4	4.5	4.5	4.5	4.5	4.5	5	5	5	5
Office on aging	23	23.5	24.6	24.6	24.6	24.6	24.6	24.6	23.6	23.3
Transportation	2	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	3.8
Education										
Library	45.3	50.2	52.2	52.2	52.8	52.8	52.8	52.8	54.7	54.4
State Agencies and Independent Boards										
Election	9	9	9	9	9	9	9	9	9	9
Liquor board	3	3	3	3	3.2	3.2	3.2	3.2	3.2	3.2
Soil Conservation	4	4	4	5	5	5	5	5	5	5
Water and Sewer										
	30	30	33	34	33	33	32	32	30.7	32.7
Solid Waste										
	33	36.8	37.8	37.8	38.8	38.8	41.3	41.3	42.6	42.6
Chesapeake Hills Golf Course										
	-	-	-	-	10.9	10.9	10.9	11	11	13.2
Total	720.5	791.7	815.6	837.1	850.1	858.3	873.4	877	885	895.5

NOTES:
(1) Source: Calvert County's Adopted Operating and Capital Budgets FY2005-FY2015

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

Function:	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
	Actual								
General Government									
Technology services									
Work orders completed	3,945	4,348	4,124	4,050	3,375	4,209	4,413	4,799	4,732
Support to desktop/laptop computers	512	665	750	795	835	875	726	853	899
Finance and budget									
Purchase orders processed	6,705	7,046	7,291	7,273	6,717	6,759	5,953	5,964	6,017
Accounts payable checks	15,015	17,050	16,349	15,693	14,852	15,334	15,834	15,100	15,600
Average number of employees per pay	936	945	992	1,017	1,049	1,112	1,117	1,091	1,085
Fixed assets maintained	15,364	15,973	14,503	15,255	15,804	13,352	13,687	14,037	14,387
Health care benefits managed	738	935	958	997	1,021	1,020	1,030	1,030	1,040
Credit card dollars collected	300,051	283,659	480,062	466,182	537,611	598,705	630,000	661,500	609,428
Credit card transactions	287	247	323	291	346	363	380	399	197
Real estate tax bills	40,988	41,265	41,390	41,757	42,236	42,297	42,349	42,419	42,469
Treasury									
Tax credits issued	1,551	1,574	1,579	1,582	1,633	1,822	1,625	1,664	1,648
Community Planning and Building									
Major and minor subdivisions (new applications)	47	63	40	21	34	21	61	30	65
Inspections and permits									
Building permits issued	2,504	2,098	1,812	1,428	1,472	1,492	1,613	1,421	1,455
Grading permits issued	820	717	672	707	672	783	734	678	687
Electrical permits issued	2,438	1,986	1,666	1,425	1,471	1,437	1,735	1,580	1,489
Plumbing permits issued	1,279	1,074	943	757	744	873	897	877	834
Public Safety									
Control center									
Number of incidents handled	130,478	148,947	160,063	164,807	151,224	138,437	145,358	152,626	131,937
Detention center									
Average daily population	212	238	228	237	288	233	212	241	249
Work release (adp)	68	75	85	67	39	32	28	25	84
Sheriff's office									
Calls for service	65,454	76,223	85,941	83,062	84,513	87,045	89,659	89,659	108,220
Murder cases	-	2	1	-	-	-	-	3	2
Rape cases	4	-	6	10	17	10	10	14	11
Robbery cases	9	16	15	27	26	27	29	26	24
Aggravated assault cases	171	173	272	187	123	56	56	56	79
Theft cases	935	947	1,051	1,067	1,204	1,100	1,100	1,392	1,436
Auto theft cases	77	92	92	82	92	55	55	60	48
Domestic violence incidents responded to	1,103	1,189	1,231	1,203	1,287	1,325	1,364	1,364	1,213
Business & community patrol checks	23,414	30,419	38,032	35,538	33,977	29,724	30,615	30,615	47,965
Sex offenders registered in Calvert County	99	108	110	103	107	109	112	112	114
School related incidents/investigations	351	403	293	333	1,574	1,621	1,669	1,900	1,000
Fire and rescue									
Total calls responded	17,560	19,747	20,743	20,021	19,708	21,240	21,000	20,306	20,000
Animal control									
Calls for service	7,377	7,506	8,139	8,063	5,601	6,129	5,000	4,900	5,400
General Services									
Railway museum									
Outreach participants	3,621	3,900	4,000	4,100	4,150	4,200	4,200	4,200	5,204
Participants in programs	N/A	2,547	2,434	3,569	5,118	6,197	8,298	7,521	6,822
Public Works									
Major and minor subdivisions									
Road plans	205	227	175	143	149	54	51	36	25
Project management	32	33	41	17	24	9	13	18	2
Miles of roadway resurfaced									
Fleet maintenance	11	13	15	14	12	8	8	13	8
Work orders	2,226	2,211	2,371	3,529	2,837	2,361	2,283	2,082	2,042
Community Resources									
Transportation									
Yearly ridership	132,648	132,728	133,270	134,786	109,705	108,875	109,658	112,874	112,900
Education									
Public library									
Circulation of materials	920,727	962,546	1,035,223	1,114,737	1,154,634	1,153,773	1,142,301	1,121,505	1,122,168
Reference questions	66,255	7,930	79,779	96,381	120,646	121,536	137,519	145,954	154,014
Program attendance	51,632	58,130	55,478	52,132	46,738	51,196	53,907	57,109	60,224
In-person visits	509,732	521,845	554,392	606,932	602,683	600,371	609,958	586,710	548,444
Computer uses	42,325	65,114	89,162	127,319	145,278	152,831	151,002	141,507	140,275
Registered borrowers	53,013	52,736	55,347	59,404	57,549	60,574	61,895	65,631	63,861
Water and Sewer									
Number of customers	4,587	4,788	4,799	5,037	5,076	5,104	5,153	5,190	5,267

NOTES:

(1) Source: Calvert County's Adopted Operating and Capital Budget FY2005-2014

(2) Source: Calvert County Sheriff's Office

*projected

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

Function:	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	115	115	120	141	140	141	141	125	127	127
Special purpose units	0	0	0	0	5	6	6	6	7	7
Fire protection:										
Fire stations	7	7	7	7	5	6	6	6	6	6
Pumpers	12	12	12	12	12	12	12	12	12	12
Ambulances	15	15	15	15	14	14	14	14	14	14
Rescue trucks	6	6	6	6	7	7	6	6	6	6
Aerial trucks/towers	3	3	3	3	3	3	3	3	3	3
Brush units	12	12	12	12	13	13	13	13	13	13
Tankers	5	5	5	5	5	5	5	5	5	5
Jet skis	2	2	2	2	2	2	2	2	2	2
Dive rescue van	1	1	1	1	1	1	1	1	1	1
Fire-rescue boats	3	3	3	3	3	3	3	3	3	3
Mass casualty unit/trailer	1	1	1	1	1	1	1	1	1	1
Inflatable boats	6	6	6	6	6	6	6	6	6	6
Paramedic units	5	5	5	5	5	5	5	5	5	5
Air cascade units	0	1	1	1	2	2	2	2	2	2
Other utility types	24	24	24	24	25	25	25	25	25	25
Community Resources										
Transportation:										
Passenger buses	17	18	18	17	17	17	17	19	19	19
Public Works										
County owned streets in miles	446	446	446	446	452	452	452	462	462	462
Recreation										
Baseball fields	20	20	20	20	20	20	20	20	20	20
Football fields	7	7	7	7	7	7	7	7	7	7
Basketball courts	6	6	6	6	6	6	6	6	6	8
Tennis courts	10	10	10	10	10	10	12	12	12	14
Pools	2	2	2	2	3	3	3	3	3	3
Golf course	0	0	0	0	1	1	1	1	1	1
Playgrounds and parks in acres	360	360	360	360	360	375	375	580	580	580
Water and Sewer										
Water mains in miles	75	75	75	75	77	77	77	79	80	85
Water systems	21	21	21	21	21	21	20	21	19	19
Storage tanks	14	14	14	14	14	14	14	14	13	13
Sewer mains in miles	66	66	66	66	66	66	66	68	69	77
Sewer treatment plants	9	9	9	9	9	9	8	8	8	6
Sewer pumping stations	27	27	27	39	39	39	39	39	37	43

NOTES:
(1) Source: Various county departments