



# Cecil County Maryland

**Annual Comprehensive Financial Report  
For The Year Ended June 30, 2023**



# Cecil County Maryland



## Annual Comprehensive Financial Report For the Year Ended June 30, 2023

Prepared by the Cecil County Department of Finance

**CECIL COUNTY, MARYLAND**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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- Cecil County Public Schools
- Cecil County Library

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INTRODUCTORY  
SECTION

**Office of the County Executive**  
Danielle Hornberger  
County Executive



**Department of Finance**  
Shon McCollum, Director  
410.996.8052

Steven Overbay  
Director of Administration

Front Desk & Payments  
410.996.5385

Office: 410.996.5202  
Fax: 410.996.1014

County Information  
410.996.5200

## **CECIL COUNTY MARYLAND GOVERNMENT**

Department of Finance  
200 Chesapeake Boulevard, Suite 1100, Elkton, MD 21921

December 22, 2023

To: County Executive Danielle Hornberger  
Members of County Council  
Citizens of Cecil County, Maryland

We are pleased to submit this Annual Comprehensive Financial Report for Cecil County, Maryland for the fiscal year ended June 30, 2023. Pursuant to the Cecil County Charter and Maryland state law, our local government is required to prepare a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America.

This report consists of the Administration's representations concerning Cecil County's financial position and results of operations; consequently, management of the County assumes responsibility for the complete and fair presentation, including all disclosures. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework designed to provide reasonable assurance that County assets are safe guarded from loss, theft, or misuse and to provide sufficient information for the preparation of the County's financial statements in conformity with GAAP.

SB & Company, LLC, a firm of licensed certified public accountants, audited the County's financial statements for Fiscal Year 2023. The objective of the independent audit is to provide a reasonable basis for the expression of an opinion regarding the financial statements taken as a whole. The audit involves examining, on a test basis, evidence supporting the amounts represented, disclosures in the financial statements; assessing the accounting principles used and significant estimates used by management; and evaluating the overall financial presentation. The independent public accountant concluded, based on the testing, that there is a reasonable basis for the expression of an unmodified opinion, and that the financial statements of Cecil County present fairly in all material aspects the financial position as of June 30, 2023, and for the year then ended. The independent public accountant's report is presented as the first component of the financial section of this report.

In addition, the independent audit of the financial statements of Cecil County is part of a broader, federally mandated, "Single Audit" designed to meet the special needs of federal

grantor agencies. The standards governing Single Audit engagements require the independent public accountant to report not only on the fair presentation of the financial statements, but also on the internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The reports are available in the County's separately issued Single Audit report.

Finally, generally accepted accounting principles 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 the MD&A and should be read in conjunction with it. The County's MD&A immediately follows the report of the independent public accountants.

### **Profile of the Government**

Incorporated in 1674, Cecil County is located in the northeast corner of the State of Maryland. Cecil County, Maryland is governed by a County Executive and County Council pursuant to the Charter of Cecil County, Maryland. The Charter provides, among other things, for the election of the County Executive and County Council members, the organization, powers, and duties of the executive, administrative branch, and the legislative branch, and fiscal and budgetary matters. The current Charter supersedes a Commissioner form of government that existed until December 2012. Other elected officials in Cecil County include the Sheriff, the State's Attorney, and three Circuit Court Judges, who are all state office holders funded by Cecil County.

Cecil County Government serves an estimated population of 104,942 over a land area of 352 square miles. The County is empowered to levy a property tax on real property and personal property used in connection with a business, an income tax on residents and non-residents working in the County, and to levy to collect various other taxes and charges for services. Cecil County provides a wide range of services to its citizens including emergency management services, the construction and maintenance of roads, bridges, and other infrastructure, recreational activities, public libraries, and cultural events.

Fire protection is provided by several volunteer fire departments located through the County and the County assists with the funding of these companies. The County maintains a landfill and provides wastewater services to certain areas. Cecil County is also financially accountable for and provides significant financial support to the legally separate Board of Education of Cecil County, Cecil College, the Cecil County Public Library, the Sheriff's Department, the Department of Corrections, the Department of Health, the Department of Social Services, and the Bainbridge Development Corporation. These entities are governed by State Law though mostly or entirely funded by Cecil County government are included in these financial statements and are further described in Note 1 to the financial statements.

In terms of public utilities, Cecil County is served by DelMarVa Power and Choptank Electricity for gas and electric, by Artesian for water and by Cecil County Government for sewer (though, the Town of Elkton and others has their own wastewater treatment plant).

The annual budget serves as the foundation of Cecil County's financial planning and control. Annually, the County Executive directs the Department of Finance to prepare a proposed

Budget including anticipated revenues and proposed expenditures which is submitted to County Council no later than April 1 of each year. The County Council may not change the revenue estimates though, they may decrease or delete proposed expenditures, (but they may not increase proposed expenditures). The County Council shall approve the budget by June 15 of each year. The County Executive may not veto the budget. If the Council does not approve the budget by June 15th, then the budget is enacted as presented. Activities of the General Fund, Capital Improvement, Special Revenue Funds (Agricultural Land Preservation, Community Services, and Economic Development Catalyst Loan), and the Debt Service Fund are included in the annual budget. The budget is presented by fund, function (e.g., public safety), and department (e.g., Sheriff's office). Within the approval system established by the County Executive, Department heads may transfer resources within a department and a fund. Any new revenue estimates that result in increased expenditure appropriations to a department and fund transfers between departments require a Budget Amendment approved by the County Council.

The County uses a six-year Capital Improvement Program to plan and budget for its capital projects. This plan is updated throughout the fiscal year and is used as a management tool for decisions involving the scheduling and funding of various capital projects. The Administration includes the current year of the Capital Improvement Plan as its annual Capital Budget. The County maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual operating budget has been adopted. For the General Fund and other major funds, this comparison is presented on page 24 as part of the basic financial statements for the governmental funds. For non-major governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report starting on page 100.

### **Economic Condition and Outlook**

This budget reflects a balanced approach and was crafted by adhering to sound fiscal management policies and practices. The budget complies with Charter Section 601 as it relates to the Strategic Plan.

#### **The fiscal year 2024 budget includes the following major initiatives:**

- Tax relief by cutting the real property tax rate from 1.0143 to 0.9924 per hundred dollars, which represents an approximate 2 cents per hundred-dollar reduction and the personal property (business) tax rate from 2.5358 to 2.4810 per hundred dollars, representing an approximate 5 cents per hundred-dollar reduction.
- Additional tax relief by cutting income taxes by 5 cents per 100 dollars earned (from a 2.8% tax rate to a 2.75% tax rate) marking the second consecutive year of income tax cuts for Cecil County Citizens.
- For the first time in history, the FY 24 budget includes a \$20M refund to the taxpayers of Cecil County. This refund will be equitably returned to owners of "improved residential properties".

- Continues to strive to retain and attract a highly qualified and trained workforce within Cecil County government and within our external state agencies that we fund (e.g., Sheriff's Office, Circuit Court, State's Attorney, etc.).
  - Accordingly, all 551 full time County employees and all 307 external state employees (with the exclusion of union employees who will receive COLAs and step raises, etc., according to their negotiated union contracts), will receive a 4.0% COLA and an anniversary step raise. In addition, there will be no increase in employee health care premiums (including union employees).
  - Commits funding for \$10,000 per person salary increases for public safety professionals to include our three-law enforcement and public safety labor unions, as well as emergency services dispatchers and prosecutors within the State's Attorney's office.
- Fully funds Cecil County Public Schools operational needs per the State of Maryland's Department of Education guidelines at \$88.5 million dollars.
- Includes \$10.8 million for new North East Middle and North East High Schools as part of the county's ongoing commitment of \$75 million toward the multi-school complex construction.
- Features \$2.6 million for the completion of multiple school improvement projects which include completion of safe and secure entrances for all elementary schools, a new field house at Perryville High School, track replacements at Rising Sun High School and Elkton High School, and a Rising Sun water line replacement.
- In preparation for the unprecedented State mandated Blue Ribbon for Maryland's Future funding increases, this budget places \$10 million in a "committed" funds lock box to guard against future school related tax hikes. The lock box is money that can only be spent by the County on the Public School System towards increased funding requirements by the state.
- \$1.9 million to complete the ongoing campus entrance and facilities project.
- \$6.8 million in operational support funding to continue educational and cultural programs for Cecil County citizens.
- Includes a significant commitment to reducing the illegal drug environment throughout Cecil County. A specialized drug prosecution team operating out of the State's Attorney's Office will be directed to find and prosecute drug dealers as it is essential that we keep illegal drugs off our streets.
- Provides funding to continue preparing for construction of new Gun Range / Public Safety Training facility as well as money for the Police Accountability Board which is tasked with working with our local law enforcement jurisdictions to improve the professionalism and effectiveness of all law enforcement officers in the County.
- Includes funding for two new paramedic stations (#2 Station near Charlestown and #4 Station between Elkton and Fair Hill) to be better prepared to deliver lifesaving support to Cecil County residents.

- \$2.125 million in funding for Volunteer Fire Company apparatus to include (2) new ladder trucks and (1) new ambulance (includes \$1 million rolling over from FY2023 for apparatus not available due to shortages)
- Supports the County’s landfill by funding the closing of cell A and the construction of cell 2. With proper management and funding, the landfill is predicted to last until 2080.
- Continued financial support for the new Interstate 95 interchange in Maryland at Belvedere Road in addition to other roadway improvements aimed at removing tractor trailers from our residential streets.
- To protect the environment and the sensitive headwaters of the Chesapeake Bay, the budget includes additional maintenance and repair funding for the County’s wastewater system as well as staff to administer the Bay Restoration Fund which will allow grant money to help encourage citizens to hook up to the County’s wastewater system.
- This budget includes funding to assume the regulatory well and septic inspection and certification program from Maryland Department of Environment. This program is currently assigned to the Maryland State Department of Health for Cecil County. By moving the program to the County, homeowners and business will be able to have a one-stop system at the County for plan review and inspection. This will streamline the current system and greatly reduce the time between submittal and approval. We will be only the second county in the state of Maryland that can offer this streamlined service.
- Finally, the County received approximately \$20 million dollars in ARPA money. This money was received from the Federal Government during COVID and must be committed by the end of calendar year 2024 and expended by the end of calendar year 2026. Each expenditure utilizing ARPA funds (by project) must be approved by the County Council. To assist in the budget approval process, County Executive Danielle Hornberger provides the following projects that she intends to spend AARPA money on or before the deadline:

Paramedic 4	\$4.8 million
Paramedic 2	\$4.1 million
Gun Range	\$7.3 million
Holloway Beach Sewer	\$2.7 million
Broadband Match	\$888K
VFC Equipment Testing	\$175K

**Factors Affecting Financial Condition**

**Jobs.** The labor force in Cecil County has been over 50,000 for the last seven years and despite the job losses due to the pandemic, was still estimated at 53,426 in Q4 2023. The growth in new businesses, recently locating to Cecil County, provided over 4,348 new jobs, is thought to have aided the County in holding unemployment down during the pandemic in comparison to other counties in Maryland. In the last few years, our stronghold on growth within the hospitality industry, advanced manufacturing, department of defense, and logistics management industry, have greatly contributed to the success of the County.

The weekly wage in Cecil County increased from \$764 in 2010 to \$1,038 in the 4th quarter of 2023. Approximately 50% of the County's citizens find employment in nearby Baltimore or Wilmington metropolitan areas; this diversity continues to help mitigate the impact of specific economic events. Cecil County continues to be a strong regional employer featuring a skilled / educated workforce with 91% of County citizens over age 25 holding a high school diploma or higher education degree (Maryland is number 7 nationally when it comes to population with a high school education or higher).

**Local Economy.** Cecil County has a diverse economy with rural northern and southern regions serving as home to our robust agribusiness industries while the central, more suburban region is well connected by interstate highways, rail, waterways, and airports supporting business growth and development. The County has adopted a Comprehensive Plan for Land Use that encourages development in this central "Growth Corridor" between US Route 40 and Interstate 95. Much of the County's non-agricultural economy focuses on manufacturing, research and development, defense / government contracting, health care, logistics management, leisure, and hospitality services.

**Long Term Financial Planning and Major Initiatives**

The County plans continued improvement, and expansion of its infrastructure in order to attract businesses which will contribute to economic growth and an expansion of the County's tax base. To support this growth, education and public safety remain top priorities.

Infrastructure investments will continue to be an area of focus for Cecil County as we work to ensure basic services and opportunity for growth. A well-maintained road network featuring County roads, State Highways and interstate highways is essential to meet the changing needs of our residents and business communities. The continued sewer system improvements will assure that residential and commercial growth can occur in designated growth areas to provide living and career opportunities to Cecil County families. Investments in sewer mains along the US40 growth corridor has led to the attraction and expansion of industry partners such as Northrop Grumman and will provide permanent infrastructure solutions in support of our growing business community. The agricultural economy of the County remains strong and is supported in many ways including education, transportation of goods, and agricultural land preservation programs.

In preparation for future economic growth, the County is strategically investing in its future workforce by working in concert with Cecil County Public Schools, Cecil College, the public library system, local workforce investment board, and industry partners. Investments continue to be made in school infrastructure which is evident in the construction of the new North East Middle / High Schools campus.

Cecil County remains at the forefront of broadband expansion throughout our region. Partnering with the Maryland Broadband Initiative, we continue to make great strides in providing high speed internet capability to residents, businesses, and students.

Efforts continue to expand our community transit program which connects to neighboring communities allowing for expanded workforce attraction and commuting opportunities for our residents. Working with the Maryland Transportation Authority, the County has successfully integrated mobile ticketing, micro-transit programming, and is currently identifying a site to construct a centrally located transit hub which will assist in improved scheduling focused on community need and access to jobs.

Cecil County Government has an ongoing commitment to be good stewards of the environment. As part of these efforts, the County has recently completed projects to upgrade its North East River, Harborview and Port Deposit Wastewater Treatment Plants to Enhanced Nutrient Removal (ENR) levels. ENR facilities treat wastewater to a much higher level than conventional plants and reduces the amount of nutrients into the receiving body of water thus improving the health of the Chesapeake Bay and its tributaries.

To support the County's long-term financial planning and programming, the County has a six-year capital improvement program, implements landfill and wastewater rate studies, and an information technology internal services fund to manage the life cycle costs of the County's information and communication assets.

Through actions and budgeting, County Executive Hornberger has emphasized promotion of the current and future welfare of Cecil's citizens will remain a singular focus. These policies include the expansion of critical infrastructure, quality employment opportunities, support for education, and building safe communities.

### **Awards and Acknowledgements**

**Awards** - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Cecil County for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the 33<sup>rd</sup> consecutive year that the County has received this award. This award recognizes conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized annual comprehensive financial report. This report satisfies generally accepted accounting principles as well as legal requirements.

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

**Acknowledgments** - The preparation of the report would not have been possible without the tireless and dedicated service of the entire staff of the Cecil County Department of Finance, the support of various elected and appointed officials and County departments. We wish to express our sincere appreciation to everyone who assisted and contributed to the preparation of this report.

We wish to acknowledge the County Executive and the County Council for their unfailing support for the County's efforts to maintain the highest standards of professionalism in the management of Cecil County Maryland for the good of its citizens.

Respectfully submitted,

/s/ Shon McCollum

Shon McCollum  
Director of Finance

/s/ Beverly Barren

Beverly Barren  
Accounting Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Cecil County**  
**Maryland**

For its Annual Comprehensive  
Financial Report  
for the Fiscal Year Ended

June 30, 2022

*Christopher P. Morrill*

Executive Director/CEO

**Cecil County, Maryland**

**Principal Officials**

**June 30, 2023**

**Elected Officials**

**Executive**

County Executive

Danielle Hornberger

**County Council**

District 5 & President  
District 1 & Vice President  
District 2  
District 3  
District 4

Jackie Gregory  
Bob Meffley  
Rebecca Hamilton  
Al Miller  
Donna Culberson

**Other Elected Officials**

Sheriff

Scott Adams

State's Attorney

James A. Dellmyer

Circuit Court

Administrative Judge  
Associate Judge  
Associate Judge  
Associate Judge

Brenda A. Sexton  
Cameron Brown  
Keith A. Baynes  
William W. Davis

**Other Officials and Department Directors**

Director of Administration  
County Attorney  
Department Directors  
Economic Development  
Emergency Management  
Finance  
Human Resources  
Information Technology  
Parks and Recreation  
Land Use & Development Services  
Public Works  
Community Services

Steven Overbay  
Lawrence Scott  
William Sorenson  
Wayne L. Tome Sr.  
Shon McCollum  
Angie Lawson  
Dave Warnick  
Clyde VanDyke  
Stephen O'Connor  
W. Scott Flanigan  
David P. Trolio

District Court

Administrative Judge  
Associate Judge

Bonnie G. Schneider  
Clara E. Campbell

## Cecil County, Maryland

### County Executive

Cecil County has an Elected County Executive.



Danielle Hornberger

### County Council

Cecil County has five Council members elected from different geographic districts, but are elected at-large by all voting citizens. Council elects its own President and Vice President.



District 5 & President  
Jackie Gregory



District 1 & Vice President  
Bon Meffley



District 2  
Rebacca Hamilton

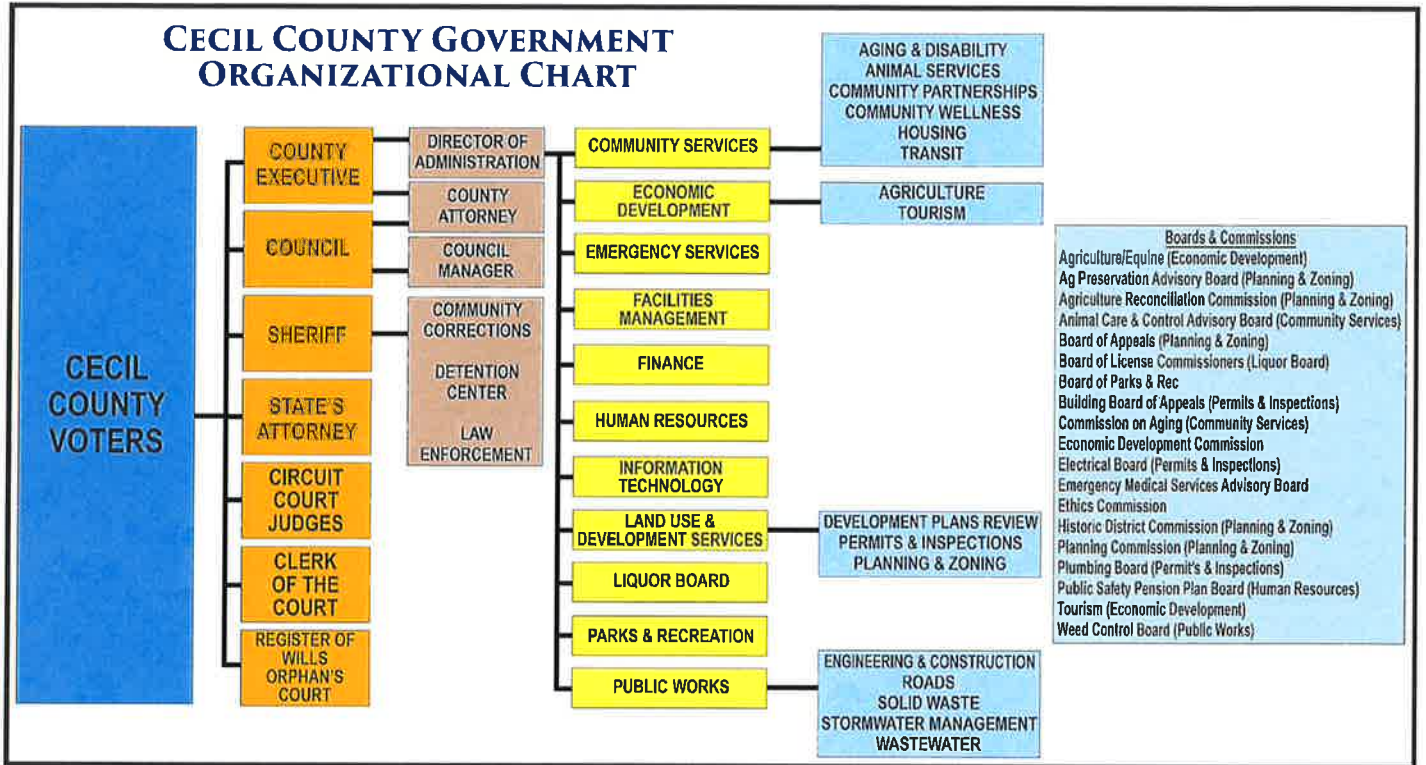


District 3  
Al Miller



District 4  
Donna Culberson

**Cecil County, Maryland**  
**County Organizational Chart**



FINANCIAL  
SECTION



**SB & COMPANY, LLC**  
KNOWLEDGE • QUALITY • CLIENT SERVICE

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS  
ON THE AUDIT OF THE FINANCIAL STATEMENTS**

To the Citizens of Cecil County, Maryland and  
The County Executive and County Council of Cecil County

***Opinions***

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 Cecil County, Maryland, (the County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows and the respective budget and actual statements for the general fund, housing programs, casino local impact, and other grants funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Board of Education of Cecil County, Cecil College, and the Cecil County Public Library. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units, is based solely on the report of the other auditors. These component units represent 99% of the total assets, 98% of the net position, and 99% of revenues of the discretely presented component units.

***Basis for Opinions***

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

***Responsibilities of Management for the Financial Statements***

The County's management is responsible for the preparation and fair presentation of 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.

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



**SB & COMPANY, LLC**  
KNOWLEDGE • QUALITY • CLIENT SERVICE

***Auditor's Responsibility for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the required supplementary Schedule of changes in the County's net pension liability and related ratios, the Schedule of County contributions, and the Schedule of investment returns for the Cecil County Pension Plan for Public Safety Employees, the Schedule of changes in the County's net LOSAP liability and related ratios, Schedule of County's contributions, and the Schedule of investment returns for the Cecil County Volunteer Length of Service Program, the Schedule of County's proportionate share of the net pension liability, and the Schedule of County contributions for the Maryland State Retirement and Pension System, the Schedule of changes in the County's net OPEB liability and the related ratios, the Schedule of County contributions, and the Schedule of investment returns for the Cecil County post-employment benefit trusts 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.



**SB & COMPANY Y, LLC**  
KNOWLEDGE • QUALITY • CLIENT SERVICE

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The 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 were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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.

***Other Information***

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

Owings Mills, Maryland  
December 22, 2023

*SB & Company, LLC*

**CECIL COUNTY, MARYLAND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023**

The County Executive and County Council are pleased to present to the readers of the financial statements of the County this narrative overview and analysis of the financial activities of Cecil County for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal.

**Financial Highlights**

**Government-wide**

- The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the fiscal year by \$282,696,189 (net position). Of this amount, \$227,388,049 was invested in capital assets, net of related debt. The County reported \$28,297,878 restricted for specific purposes and a \$27,010,262 unrestricted net position.
- Total net position of the County increased in fiscal year 2023 by \$31,744,516. The net position of governmental activities increased \$29,050,342 from the previous year; this was primarily caused by increases in the County's Income Taxes, Property Taxes revenue and Charges for Services, primarily made up of recordation taxes and deed transfer fees. The net position from business activities increased \$2,694,174, primarily driven by Landfill operating income.
- Discretely presented component units reported net position of \$200,122,175, a decline of \$6,243,203 from the previous year. Unrestricted net position is reported at negative \$36,690,696.

**Fund Level**

As of June 30, 2023, the County reported combined ending fund balances in governmental funds of \$157,400,182, an increase of \$20,353,419 from the previous year.

- The combination of assigned and unassigned fund balance of the General Fund was \$116,325,835 or 54% of total General Fund expenditures and transfers out. Of this balance, \$23,204,181 has been assigned as the Emergency Reserve for Contingencies, \$15,082,717 for a Budget Stabilization Reserve, \$32,000,000 for Pay-Go, \$8,200,000 for Vehicle Lease Buyout of Enterprise and Bank of America, \$5,000,000 for Cyber Security Software, \$3,000,000 for Healthcare, \$3,000,000 for HVAC Repairs of County buildings, \$2,000,000 for Insurance, \$2,000,000 for Business Incentives to retain existing and attract new businesses as well to match State grants, \$1,600,000 for IT Security Cameras (Detention Center), \$1,500,000 for Volunteer Fire Company Vehicle Replacements, \$1,000,000 for Land Purchases, and \$500,000 for Tactical Armored Vehicle for the Sheriff's office.
- General Fund balance also contains \$10,000,000 of committed funds for the exclusive use of covering future mandated fiscal year increases associated with the Maryland State Department of Education Maintenance of Effort and/or Blueprint for Maryland's Future.
- The Capital Projects Fund had a \$14,248,414 restricted fund balance for County capital projects and Component Unit capital projects.
- The Other Governmental Funds had \$3,094,663 of restricted fund balance.

**Long Term Debt**

- The County's total net general obligation debt decreased by \$14,897,855 to \$258,963,409. The County has adopted biennial issuance of general obligation debt. The Enterprise Funds had a net decrease in debt of \$3,796,879 and governmental activities had a net increase of \$11,100,976.

**Overview of the Financial Statements**

This discussion and analysis is an introduction to Cecil County's basic financial statements which 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 supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of Cecil County's finances, in a manner similar to a private-sector business.

The Statement of Net Position (page 18) presents information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Cecil County is improving or deteriorating.

The Statement of Activities (page 19) presents information showing how the County'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 government-wide financial statements distinguish functions of Cecil County 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 statements also present financial information for the County's component units.

- *Governmental Activities* – Most of the County's basic services are reported in this category. Taxes and intergovernmental revenues generally support these services. Services provided include general administration, public safety, public works, social services, parks, education, libraries, and economic development.
- *Business-type Activities* – The County charges fees to customers to help it cover all or most of the cost of the wastewater, landfill, and property management services it provides.
- *Discretely Presented Non-fiduciary Component Units (Component Units)* – Component units are legally separate organizations for which the County is financially accountable. The County includes in this report the Board of Education of Cecil County, Cecil College, Cecil County Public Library, and the Bainbridge Development Corporation.

**Fund Financial Statements.** The fund financial statements begin on page 20 and provide detailed information about the major individual funds. A fund is a grouping of related accounts designed to maintain control over specific resources that have been segregated for specific activities or objectives. Cecil County uses fund accounting to ensure and demonstrate compliance with finance-

related legal requirements. All the funds of the County can be divided into three categories: governmental, proprietary, and fiduciary.

- *Governmental Funds* – Most of the County's basic services are reported in the governmental funds, which are used to account for essentially the same functions reported as governmental activities in the government-wide statements. However, the fund statements focus on near-term inflows and outflows of spendable resources and the balances available for future spending at fiscal yearend. This information may be useful in evaluating the County's near-term financing requirements.

Since the fund statements do not encompass the long-term focus of the government-wide statements, reconciliations are provided (pages 21 and 23) to demonstrate the differences between the Governmental Funds Balance Sheet and the Statement of Net Position and between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Statement of Activities. Comparison of the two sets of statements for the governmental funds and the governmental activities may provide the reader with insight into the long-term impact of short-term financing decisions as the fund statements are from a short-term perspective and the activities statements show long-term information.

The County presents the following major governmental funds individually in the County's basic financial statements: the General Fund, Housing Programs, the Casino Local Impact Fund, Other Grants Fund and the General Capital Projects Fund. The remaining non-major governmental funds have been combined and presented in one column. Combining statements for the non-major funds are presented beginning on page 95.

- *Proprietary Funds* – When the County charges for the services it provides, proprietary funds are generally used to report these activities. Cecil County uses two types of proprietary funds; enterprise funds which are used to report the same functions presented as business-type activities in the government-wide financial statements and internal service funds which are used to accumulate and allocate costs internally among the government funds. ***Proprietary funds (enterprise and internal service) utilize accrual accounting; the same method of accounting used by private sector businesses.*** Enterprise funds, the Wastewater, Landfill, and Property Management funds, report activities that provide supplies and services to the general public. Internal service funds, the Motor Vehicle, Information Technologies, Health Insurance, and Workers Compensation funds, report activities that provide supplies and services for the County's other programs and activities.
- *Fiduciary Funds* – The County acts as a fiduciary to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. ***The accounting used for fiduciary funds is much like that used for proprietary funds.***

The County has custodial funds to collect and remit certain taxes and fees on behalf of the state and several local municipalities and these are presented beginning on page 115. The County reports three pension funds that are reported beginning on page 112. The Cecil County Pension Plan for Public Safety Employees is used to report resources held in trust for retirement, disability, and death benefits to participants. The Cecil County Maryland Non-Pension Post-Employment Benefits Trust Fund is used to report resources held in trust for post-employment healthcare and other non-pension benefits of participants. The Volunteer Length of Service Award Program is used for the deferred compensation plan of local fire/ rescue service volunteers of Cecil County.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 36 of this report.

**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees. The required supplementary information can be found beginning on page 83.

**Other information.** Other information includes combining financial statements for non-major governmental funds. These funds are added together, by fund type, and presented in single columns in the basic financial statements, but are not reported individually, as with major funds, on the governmental fund financial statements. Detailed General Fund budget information, as well as combining and individual non-major fund statements begins on page 92.

**Statistical Section.** The County also provides certain informational and statistical schedules that begin on page 120.

**Financial Analysis of the Government as a Whole**

**Net Position.** As noted earlier, Cecil County's assets and deferred outflows of resources exceeded liabilities by \$282,696,189. Over time, changes in net position serves as a useful indicator of a government's financial position. A year-to-year comparison of net position follows:

**Cecil County's Net Position as of June 30, 2021 and 2022**

	Governmental Activities		Business-type Activities		Government-wide Total	
	2022	2023	2022	2023	2022	2023
Current and Other Assets	\$ 216,757,493	\$ 256,142,797	\$ 39,812,361	\$ 39,700,165	\$ 256,569,854	\$ 295,842,962
Capital Assets	245,295,222	242,140,010	128,804,681	127,149,815	374,099,903	369,289,825
<b>Total Assets</b>	<b>462,052,715</b>	<b>498,282,807</b>	<b>168,617,042</b>	<b>166,849,980</b>	<b>630,669,757</b>	<b>665,132,787</b>
<b>Total Deferred Outflow of Resources</b>	<b>23,225,556</b>	<b>19,669,983</b>	<b>3,531,995</b>	<b>3,175,013</b>	<b>26,757,551</b>	<b>22,844,996</b>
<b>Total Deferred Outflows</b>	<b>23,225,556</b>	<b>19,669,983</b>	<b>3,531,995</b>	<b>3,175,013</b>	<b>26,757,551</b>	<b>22,844,996</b>
Other Liabilities	54,282,398	69,948,078	3,126,590	6,381,408	57,408,987	76,329,486
Long Term Liabilities	243,371,338	233,822,493	89,906,242	81,833,205	333,277,580	315,655,698
<b>Total Liabilities</b>	<b>297,653,736</b>	<b>303,770,571</b>	<b>93,032,832</b>	<b>88,214,613</b>	<b>390,686,567</b>	<b>391,985,184</b>
<b>Total Deferred Inflow of Resources</b>	<b>15,789,066</b>	<b>13,296,409</b>	<b>-</b>	<b>-</b>	<b>15,789,066</b>	<b>13,296,409</b>
	15,789,066	13,296,409	-	-	15,789,066	13,296,409
Net Position:						
Net Investment in Capital Assets	178,303,142	173,940,937	53,678,864	53,447,112	231,982,006	227,388,049
Restricted	32,937,397	28,297,880	-	-	32,937,397	28,297,880
Unrestricted (Deficit)	(39,405,071)	(1,353,006)	25,437,341	28,363,268	(13,967,730)	27,010,262
<b>Total Net Position</b>	<b>\$ 171,835,468</b>	<b>\$ 200,885,810</b>	<b>\$ 79,116,205</b>	<b>\$ 81,810,378</b>	<b>\$ 250,951,673</b>	<b>\$ 282,696,189</b>

The largest component of the County's net position, \$227,388,049 reflects its investment in capital assets (e.g., land, infrastructure, buildings, equipment, and others), less any related outstanding debt. Although the County's investment in capital assets is reported net of related debt, the resources

needed to repay this debt must be provided from other sources as the capital assets themselves cannot be liquidated to repay these liabilities. Additionally, it should be noted that while the County issues debt for the construction and renovation of the public schools and the college, the buildings are owned by the legally separate component units. Consequently, the County's financial statements reflect debt incurred on behalf of the Board of Education and Cecil College, but do not show the related assets.

Another portion of the County's net position, \$28,297,878, consists of resources subject to external restrictions such as state or county law provisions, or enabling legislation, on how these resources may be used. Restricted resources, all in governmental activities, decreased by \$4,639,517.

The remaining portion of net position shows an unrestricted balance of \$27,010,262. Governmental activities' negative unrestricted position is \$1,353,006. Business-type activities unrestricted position of \$28,363,268 is derived from Wastewater \$13,618,763, Landfill \$14,012,379, and Property Management Fund \$732,126; these positions are essentially limited to use by the operation from which the net positions derive.

**Changes in Net Position.** As shown in the following schedule, the County's combined net position increased \$31,744,516 over the course of this fiscal year's operations.

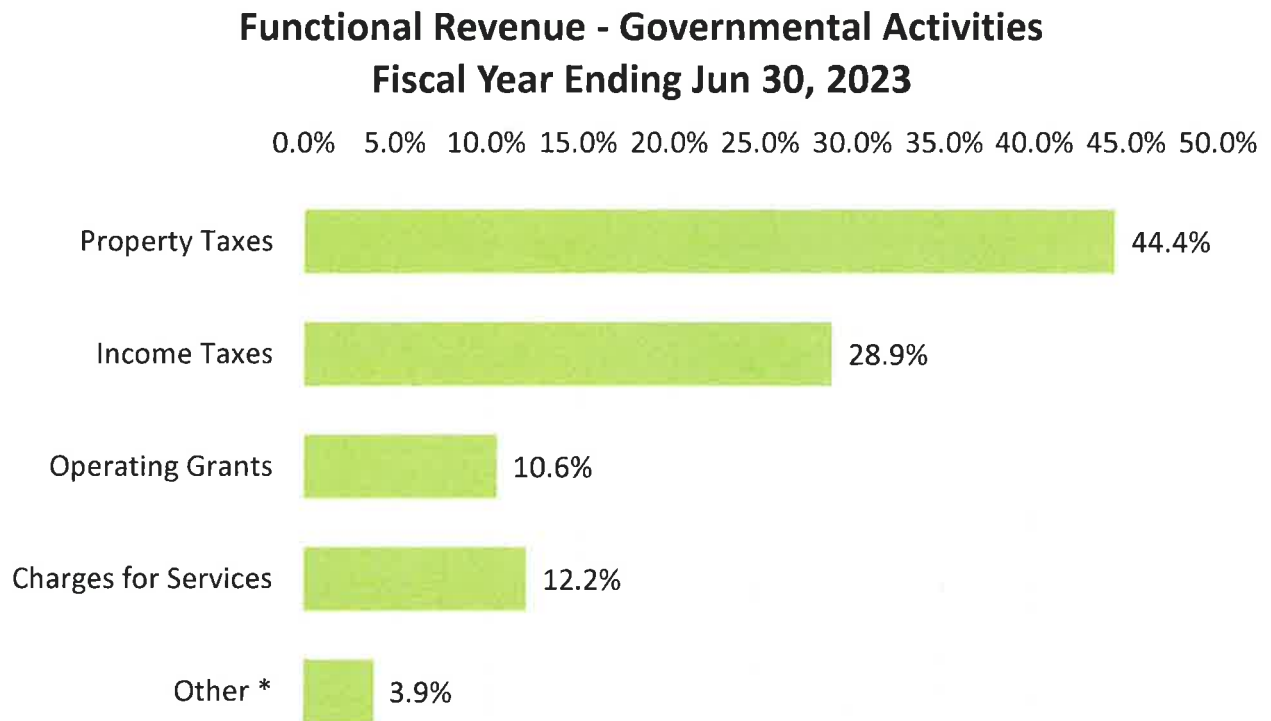
**Cecil County's Changes in Net Position**

	Governmental Activities		Business-type Activities		Government-wide Total	
	2022	2023	2022	2023	2022	2023
<b>REVENUES</b>						
Program Revenues:						
Charges for Services	\$ 27,431,128	\$ 16,257,680	\$ 21,857,320	\$ 20,382,536	\$ 49,288,448	\$ 36,640,216
Operating Grants & Contributions	31,949,258	31,729,939			31,949,258	31,729,939
Capital Grants & Contributions	1,649,327	153,181	2,954,246	3,453,493	4,603,573	3,606,674
General Revenues:						
Property Taxes	129,619,991	133,571,564	-	-	129,619,991	133,571,564
Income Taxes	95,227,933	86,917,881	-	-	95,227,933	86,917,881
Investment Earnings	357,002	6,791,952	(2,157,381)	1,257,700	(1,800,379)	8,049,652
Other Revenue & Gains/Losses	-	-	-	25,000	-	25,000
<b>Total Revenues</b>	<b>286,234,639</b>	<b>275,422,196</b>	<b>22,654,185</b>	<b>25,118,729</b>	<b>308,888,825</b>	<b>300,540,926</b>
<b>EXPENSES</b>						
General Government	14,203,634	18,080,974	-	-	14,203,634	18,080,974
Public Safety	52,942,419	56,259,626	-	-	52,942,419	56,259,626
Highways, Streets, & Bridges	18,407,042	19,396,275	-	-	18,407,042	19,396,275
Health and Welfare	29,200,437	24,997,976	-	-	29,200,437	24,997,976
Recreation and Culture	3,821,318	5,835,378	-	-	3,821,318	5,835,378
Education	105,381,990	105,396,996	-	-	105,381,990	105,396,996
Public Libraries	7,458,647	7,308,789	-	-	7,458,647	7,308,789
Economic Development	2,179,534	2,796,316	-	-	2,179,534	2,796,316
Agricultural Programs	710,494	1,009,473	-	-	710,494	1,009,473
Interest on Long Term Debt	4,742,879	4,790,051	-	-	4,742,879	4,790,051
Wastewater	-	-	11,534,549	12,945,882	11,534,549	12,945,882
Landfill	-	-	7,694,614	9,421,360	7,694,614	9,421,360
Property Management	-	-	469,088	557,313	469,088	557,313
<b>Total Expenses</b>	<b>239,048,394</b>	<b>245,871,856</b>	<b>19,698,251</b>	<b>22,924,555</b>	<b>258,746,644</b>	<b>268,796,410</b>
<b>Increase (Decrease) in Net Position before Transfers</b>	<b>47,186,244</b>	<b>29,550,340</b>	<b>2,955,934</b>	<b>2,194,174</b>	<b>50,142,178</b>	<b>31,744,514</b>
Transfers	(900,000)	(500,000)	900,000	500,000	-	-
<b>Increase (Decrease) in Net Position</b>	<b>46,286,246</b>	<b>29,050,342</b>	<b>3,855,934</b>	<b>2,694,174</b>	<b>50,142,180</b>	<b>31,744,515</b>
<b>Net Position - Beginning</b>	<b>125,549,222</b>	<b>171,835,468</b>	<b>75,260,272</b>	<b>79,116,205</b>	<b>200,809,494</b>	<b>250,951,673</b>
<b>Net Position Ending</b>	<b>\$ 171,835,468</b>	<b>\$ 200,885,810</b>	<b>\$ 79,116,205</b>	<b>\$ 81,810,379</b>	<b>\$ 250,951,673</b>	<b>\$ 282,696,189</b>

**Governmental Activities**

Revenues of governmental activities for fiscal year 2023 showed a decrease of \$10,812,443 over fiscal year 2022.

The following graph illustrates the governmental activities functional revenues received by source for fiscal year 2023:

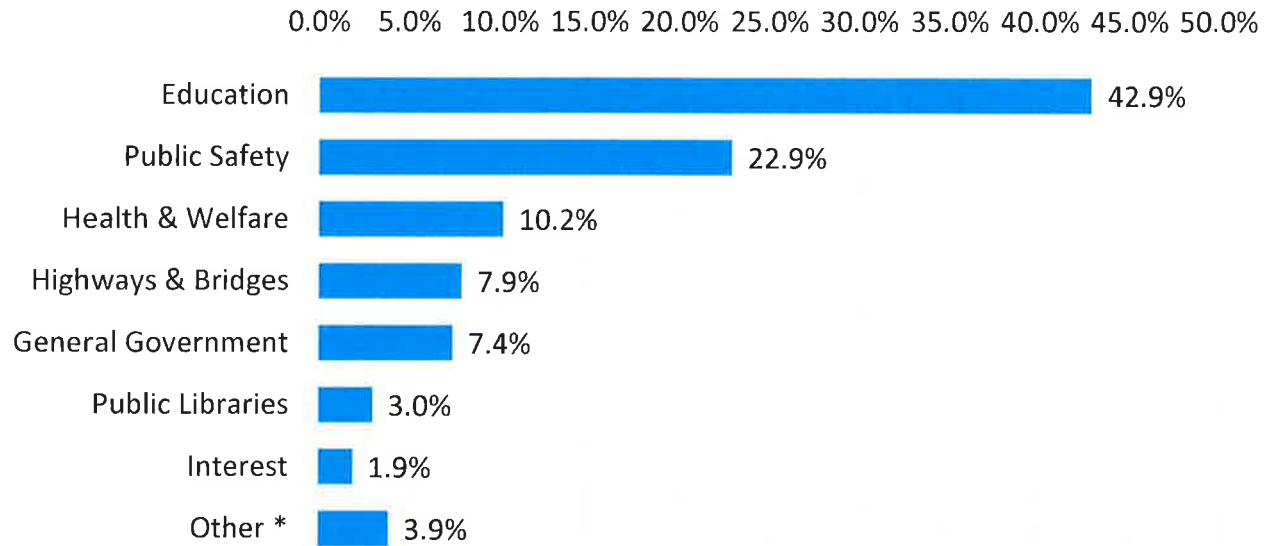


\* Other category includes Investment Earnings, Capital Grants & Other

Expenses of governmental activities (operating and capital) resulted in an increase of \$6,823,462 fiscal year 2022. Primarily components of spending increases were Public Safety of \$3,317,207 and General Government of \$3,877,341.

The following graph illustrates the governmental activities functional expenses by source for the fiscal year 2023:

**Functional Expenses- Governmental Activities  
Fiscal Year Ended June 30, 2023**



\*Other category includes Agricultural Programs, Economic Development, Recreation & Culture

**Business-type Activities**

In 2023, the net position of business-type activities increased by \$2,694,175 from fiscal year 2022. The net positions of the Wastewater, Landfill, and Property Management Funds increased by \$684,066, \$1,696,941, and \$313,168, respectively. Detailed explanations of the variance are contained in the financial analysis of the County's Funds - Proprietary Funds section starting on page 13.

**Financial Analysis of the County's Funds**

As previously noted, Cecil County uses fund accounting as a means of ensuring and demonstrating compliance with finance-related legal requirements. Governmental funds provide useful information regarding near-term inflows, outflows, and balances of spendable resources. Unrestricted fund balance is particularly helpful in measuring the net resources available for spending at fiscal yearend.

**Governmental Funds**

As the County completed the fiscal year, its governmental funds reported combined fund balances of

\$157,400,181, an increase of \$20,353,418 compared with 2022. Of the current ending fund balances, the following categories are recorded, and primary uses noted:

- \$7,378,200 is recorded as Non-spendable due to a \$3,226,789 advance to the Motor Vehicle Fund, a \$3,944,679 advance to the Information Technologies Fund, and \$206,732 related to inventories and prepaid items.
- \$23,153,830 is recorded as Restricted; \$1,547,414 for Housing Programs, \$4,263,339 for the Casino Impact Fund, \$3,094,6663 for the Other Governmental and \$14,248,414 for other (primarily debt service) activities.
- The combination of assigned and unassigned fund balance of the General Fund was \$116,325,835 or 54% of total General Fund expenditures and transfers out. Of this balance, \$23,204,181 has been assigned as the Emergency Reserve for Contingencies, \$15,082,717 for a Budget Stabilization Reserve, \$32,000,000 for Pay-Go, \$8,200,000 for Vehicle Lease Buyout of Enterprise and Bank of America, \$5,000,000 for Cyber Security Software, \$3,000,000 for Healthcare, \$3,000,000 for HVAC Repairs of County buildings, \$2,000,000 for Insurance, \$2,000,000 for Business Incentives to retain existing and attract new businesses as well to match State grants, \$1,600,000 for IT Security Cameras (Detention Center), \$1,500,000 for Volunteer Fire Company Vehicle Replacements, \$1,000,000 for Land Purchases, and \$500,000 for Tactical Armored Vehicle for the Sheriff's office.
- General Fund balance also contains \$10,000,000 of committed funds for the exclusive use of covering future mandated fiscal year increases associated with the Maryland State Department of Education Maintenance of Effort and/or Blueprint for Maryland's Future.
- \$18,238,937 is the remaining fund balance; thus, this is classified as Unassigned.

**General Fund – Comparison to Prior Year.** The General Fund is the chief operating fund of the County. At the end of the fiscal year, the non-spendable fund balance was \$7,704,688 and the assigned/unassigned fund balance was \$116,325,835. Unassigned funds of \$18,238,937 are down \$26,017,069 from 2022. Committed fund, new in FY2023, was \$10,000,000. The schedule on the following page presents General Fund revenues and expenditures for 2023 compared to budget and 2022 actuals.

The revenues and transfers-in for fiscal year 2023 increased \$3,189,211 compared to the prior fiscal year. Primary factors in these results are:

- Property taxes were more than the previous year by \$3,887,572 primarily due to increases to assessments and new businesses in the County.
- Income taxes exceeded the prior year by \$3,929,983, indicating strong wage growth and employment.
- Investment earnings were better than the prior year by \$5,767,869 due to higher interest rates.
- Charges for Services declined by \$9,898,984, driven by poor demand for Recordation Tax and Deed Transfers Fees, fueled by the higher interest rates in place.

CECIL COUNTY, MARYLAND  
GENERAL FUND ACTIVITY vs PRIOR YEAR AND BUDGET

	2022	2023	Variance	Final	2023	Variance
	Actual	Actual	Positive	Budget	Actual	Positive
			(Negative)			(Negative)
<b>Revenues</b>						
Property Taxes	\$ 129,683,992	\$ 133,571,564	\$ 3,887,572	\$ 129,468,634	\$ 133,571,564	\$ 4,102,930
Income Taxes	82,987,898	86,917,881	3,929,983	70,075,564	86,917,881	16,842,317
Licenses and Permits	2,705,006	1,998,736	(706,270)	2,233,029	1,998,736	(234,293)
Intergovernmental	3,316,313	3,459,378	143,065	3,400,851	3,459,378	58,527
Charges for Services	23,254,214	13,358,230	(9,895,984)	15,100,793	13,358,230	(1,742,563)
Investment Earnings	287,357	6,055,226	5,767,869	102,972	6,055,226	5,952,254
Contributions & Other Revenues	328,069	935,563	607,494	412,983	935,563	522,580
<b>Total Revenues</b>	<b>242,562,849</b>	<b>246,296,578</b>	<b>3,733,729</b>	<b>220,794,826</b>	<b>246,296,578</b>	<b>25,501,752</b>
<b>Expenditures</b>						
<b>General Government</b>						
County Executive	198,401	178,159	20,242	168,994	178,159	(9,165)
County Council	439,659	495,807	(56,148)	492,621	495,807	(3,186)
Office of Administrator	342,431	380,864	(38,433)	428,279	380,864	47,415
County Attorney & Legal	365,684	415,876	(50,192)	711,110	415,876	295,234
Human Resources	1,504,532	1,576,086	(71,554)	1,686,519	1,576,086	110,433
Finance Department	2,921,454	3,188,568	(267,114)	3,174,301	3,188,568	(14,267)
Information Technology	-	1,557,511	(1,557,511)	1,604,376	1,557,511	46,865
Circuit Court	2,483,651	2,569,024	(85,373)	2,583,620	2,569,024	14,596
Orphans Court	49,769	48,129	1,640	53,426	48,129	5,297
Board of Elections	848,082	953,071	(104,989)	1,353,105	953,071	400,034
Liquor Board Licensing	223,908	227,564	(3,656)	252,593	227,564	25,029
Building Maintenance (Total)	4,001,467	4,642,479	(641,012)	4,920,203	4,642,479	277,724
Public Works Administration	2,586,059	3,552,689	(966,630)	3,757,955	3,552,689	205,266
Roads Administration & Maintenance	11,919,423	11,879,753	39,670	12,080,989	11,879,753	201,236
Board of Parks	1,891,454	2,415,318	(523,864)	2,402,634	2,415,318	(12,684)
State's Attorney's Office	3,152,202	3,516,425	(364,223)	3,895,298	3,516,425	378,873
Sheriff's - Law Enforcement						
& Special Assignments	14,570,452	15,088,056	(517,604)	15,445,647	15,088,056	357,591
Sheriff's - Detention Ctr & Work Release	11,217,949	10,526,844	691,105	12,444,389	10,526,844	1,917,545
Emergency Management	9,694,144	10,928,469	(1,234,325)	10,717,959	10,928,469	(210,510)
Volunteer Fire Departments	5,438,859	5,701,650	(262,791)	6,421,126	5,701,650	719,476
Land Use & Development Services	2,480,189	2,633,866	(153,677)	2,958,523	2,633,866	324,657
Health Department	3,648,506	3,915,893	(267,387)	3,915,893	3,915,893	-
Social Services	319,229	290,061	29,168	566,077	290,061	276,016
Non-Profit Agencies	79,165	75,914	3,251	108,145	75,914	32,231
Cecil County Board of Education	89,218,678	89,328,999	(110,321)	89,736,266	89,328,999	407,267
Cecil College	12,054,835	12,021,021	33,814	12,021,157	12,021,021	136
Public Libraries	6,230,417	6,624,333	(393,916)	6,624,333	6,624,333	-
Economic Development	1,531,364	1,550,769	(19,405)	1,748,240	1,550,769	197,471
Agriculture	742,840	823,892	(81,052)	848,660	823,892	24,768
Municipalities	771,579	782,225	(10,646)	771,579	782,225	(10,646)
<b>Total Expenditures</b>	<b>190,926,382</b>	<b>197,889,315</b>	<b>(6,962,933)</b>	<b>203,894,017</b>	<b>197,889,315</b>	<b>6,004,702</b>
<b>Other Financing Sources (Uses)</b>						
Transfers in	1,035,000	490,482	(544,518)	594,000	490,482	(103,518)
Transfers out	(20,626,973)	(22,880,676)	(2,253,703)	(23,847,310)	(22,880,676)	966,634
<b>Total Other Financing Sources (Uses)</b>	<b>(19,591,973)</b>	<b>(22,390,194)</b>	<b>(2,798,221)</b>	<b>(23,253,310)</b>	<b>(22,390,194)</b>	<b>863,116</b>
<b>Net Change in Fund Balance</b>	<b>32,044,494</b>	<b>26,017,069</b>	<b>\$ (6,027,425)</b>	<b>(6,352,501)</b>	<b>26,017,069</b>	<b>\$ 32,369,570</b>
<b>Fund Balance - Beginning</b>	<b>75,968,960</b>	<b>108,013,454</b>		<b>108,013,454</b>	<b>108,013,454</b>	
<b>Fund Balance - Ending</b>	<b>\$ 108,013,454</b>	<b>\$ 134,030,523</b>		<b>\$ 101,660,953</b>	<b>\$ 134,030,523</b>	

The current year's expenditures and transfers out increased by \$9,216,636 compared to fiscal year

2022 spending levels. Major drivers are highlighted below.

- Information Technology spent \$1,557,511 primarily on expanding broadband infrastructure and services.
- Emergency Management expenses increased by \$1,233,175, mainly contributed by higher labor costs, machinery & equipment acquisition, supplies, and repairs and maintenance.
- Public Works Administration spent \$966,630 more labor costs and repairs & maintenance.
- Building Maintenance increased over the prior year by \$641,012 due to upkeep and maintenance of County buildings, and higher utility costs.
- Law Enforcement expenses increased by \$517,604, mainly contributed by higher medical supplies, uniforms and gasoline and oil.
- The Board of Parks went up by \$523,864 as a result of increased labor costs and facilities maintenance and repairs.

#### **Other Major Funds – Comparison to Prior Year**

The Housing Program Fund had a \$190,837 increase to fund balance. Revenues decreased by \$4,796,178 while expenditures decreased \$4,676,070 from the previous year; the result is a positive net change in fund balance. The decline in revenues and expenses was driven by the reduced availability of Emergency Shelter grants.

The Casino Local Impact Fund had a \$1,171,303 increase to fund balance. Revenues decreased by \$186,086, while expenditures decreased \$533,449 from the previous year. The gaming industry has seen a slowdown due to the mode of the gaming shifting to more online, leading to smaller foot-traffic in the casinos.

The Capital Projects Fund had a \$7,332,875 decrease as the new bonds were not issued until November of 2023. The county issues bonds on a biennial schedule.

#### **Proprietary Funds**

**Wastewater Services Fund.** Operating revenues for fiscal year 2023 decreased \$665,136 from last year to \$9,676,090. The prior year included \$1,265,993 of developers' capital contributions in the operating revenues. Once normalized, operating revenues grew by \$591,857 due to the volume as there was no change in the rates. Operating expenses increased by \$544,551, to \$11,113,093. Main drivers of the cost increases included electricity, equipment maintenance and labor, resulting in an operating loss of \$1,437,003. After capital grants, capital contributions, and interest expense the Change in Net Position is \$684,066.

**Landfill Fund.** Operating revenues in the fund decreased by \$793,500 from fiscal year 2022 primarily due to a small decline in usage and recycling revenues, while operating expenses increased by \$1,507,169, primarily due to maintenance of heavy machinery, facilities, and supplies / materials to comply with infiltration and inflow (I&I) requirements of the state of Maryland. Investment earnings for the fund increased by \$3,77,898 due to the higher interest rates. The resulting change in Net Position is \$1,696,941.

**Property Management Fund.** Operating revenues in the fund were \$886,628 for the fiscal year, while operating expenses were \$278,189, resulting in a change in Net Position of \$313,167 for fiscal year 2023. All KPIs, revenue, expense, and net position, were essentially the same as last year.

**General Fund Budgetary Highlights**

Cecil County adopted its fiscal year 2023 budget on June 6, 2023, and amended it to meet operational needs during the year. The legal level of budgetary control is at the departmental level and while department heads may make budget transfers within their own department, the County Executive shall introduce, and County Council must approve any budget amendments that increase or decrease revenue or move appropriations between departments.

Budget changes during the year to expenditures and transfers increased spending authority by \$6,352,501, primarily due to a continuing allocation for Road and Bridge Improvements of \$2,739,200, \$1,359,218 to Vehicle Internal Service Fund, including a tactical armored vehicle for the Sheriff's office, \$984,667 to mitigate stormwater damage and \$888,438 to expand the broadband service in the County.

The final budget contained \$221,388,826 revenues and other financing sources, \$227,741,327 expenditures and transfers, and \$6,352,501 of appropriated fund balance. The actual revenues and other financing sources were \$25,398,234 greater than the final budget and actual expenditures and transfers were \$7,386,253 below the final budget.

- Property taxes were \$4,102,930 above budget due to strong assessed property values and the real estate market.
- Income taxes were \$16,842,317 above budget due to budget being approved at a reduced amount in anticipation of expected recession and increased unemployment to reduce inflation.
- Charges for Services declined compared to budget by \$1,472,563 driven by the recordation taxes and deed transfer fees as commercial real estate activity impacted by the higher interest rates.
- Investment Earnings increased by \$5,952,254, contributed by the higher interest rates.
- Public Safety functions, including the Sheriff's office, Detention Center, Emergency Management, Volunteer Fire Companies and the States Attorney, were under expense budget by \$3,162,975 due to open roles, and delayed equipment delivery and small capital projects.

**Capital Assets and Debt Administration**

**Capital Assets.** As of June 30, 2023, Cecil County had invested \$369,289,822, net of accumulated depreciation, in a broad range of capital assets (table below). Depreciation charges for this fiscal year totaled \$27,143,662.

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

- Health Department Roof Replacement,
- Bainbridge Sewer Interceptor, and
- Calvert Regional Park Pickleball Courts.

The following table comprises the County's capital assets net of accumulated depreciation and depletion:

**Cecil County's Capital Assets as of June 30, 2022 and 2023**  
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2022	2023	2022	2023	2022	2023
Land	\$ 16,703,068	\$ 16,841,901	\$ 3,347,327	\$ 3,622,495	\$ 20,050,395	\$ 20,464,396
Construction in Progress	9,809,322	13,516,037	8,033,820	10,140,669	17,843,142	23,656,706
Landfill & Land Improvements	17,874,867	16,470,372	11,833,476	9,991,306	29,708,343	26,461,678
Highways & Bridges	97,805,811	94,097,940	-	-	97,805,811	94,097,940
Utility Systems	-	-	54,139,423	55,074,915	54,139,423	55,074,915
Buildings	78,978,474	76,508,170	22,003,553	21,185,872	100,982,027	97,694,042
Machinery & Equipment	24,123,680	20,685,666	29,447,080	26,671,170	53,570,760	47,356,836
Right-to-Use Assets - Leases	-	3,172,343	-	463,388	-	3,635,731
Right-to-Use Assets - Subscriptions	-	847,578	-	-	-	847,578
<b>Total Capital Assets</b>	<b>\$ 245,295,222</b>	<b>\$ 242,140,007</b>	<b>\$ 128,804,679</b>	<b>\$ 127,149,815</b>	<b>\$ 374,099,901</b>	<b>\$ 369,289,822</b>

Additional information on the County's capital assets is contained in Note 6 to the financial statements.

**Long Term Debt.** At the end of the current fiscal year, the County had a total general obligation debt of \$258,963,409. All debt is backed by the full faith and credit of the government. Governmental activities report \$186,860,072 and business-type activities report \$72,103,337 of general obligation bonds. Special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment consists of \$54,890. The Cecil County Charter restricts aggregate non-self-supporting indebtedness to 6% of the assessable real property of the County and 15% of the personal and operating real property. By County Code, sanitary district debt is limited to 15% of the assessed value of all property.

The County's bond rating improved to Aa1 from Moody's Investor's Service as a result of strong fiscal management, economic growth, strong management team and fund balance growth. Standard and Poor's rating remained stable at AA+. Additional information on the County's long-term debt can be found in Note 8 to the financial statements.

	Governmental Activities		Business-type Activities		Total	
	2022	2023	2022	2023	2022	2023
General						
Obligation Bonds	\$ 197,900,059	\$ 186,805,182	\$ 49,414,938	\$ 48,144,813	\$ 247,314,997	\$ 234,949,995
Notes From						
Direct Borrowings	60,989	54,890	26,485,278	23,958,524	26,546,267	24,013,414
<b>Total Long Term Debt</b>	<b>\$ 197,961,048</b>	<b>\$ 186,860,072</b>	<b>\$ 75,900,216</b>	<b>\$ 72,103,337</b>	<b>\$ 273,861,264</b>	<b>\$ 258,963,409</b>

**Economic Factors and Next Year's Budgets and Rates**

Cecil County, once again, is expected to exceed expectations with continued substantial growth over the next several years, with the COVID-19 pandemic behind us, and major projects continuing to fuel our economic growth. The county's location, and our population and businesses demand for products to be on their doorsteps quickly, and our strategic location between Boston and Atlanta (and overnight access to over 90 million people), keep our county on a linear upward track for business

growth. Our economy continues to be an industry diverse and balanced; with no single point of failure in one business sector being able to drive the county into economic recession. Our diverse portfolio includes agriculture, logistics, light and additive manufacturing, R&D, health care, biotech, and DOD. The unemployment rate decreased from 3.3% as of June 2022 to 1.9% in October 2023, trending with the state's delta of 3.2% to 1.6% for the same time.

The county entered 2023 with a year of solid building and expansion, with several new industries of "tomorrow" announcing plans to make their home or expand in Cecil. The county, along with its partnership with the Susquehanna Workforce Network, and Cecil College, continued a strong focus on workforce development. Cecil College opened a new Marine Tech school, one of the few certified programs offering Marine Mechanical training in the region. Great Wolf Lodge opened ahead of schedule this summer and has already increased their annual visitation projections from 500,000 visitors to 700,000 annually. Northrop Grumman cut the ribbon on their new Hypersonic Center this summer, which has already added over 200 new jobs to the county this year. Moon Nurseries, York Building Supply, and W L Gore all have major growth initiatives in the county focused on innovation, food resiliency, and low carbon emissions. Currently, Cecil County is tracking 80 Economic Development Projects over the next four years, with the opportunity to add 6,000+ new jobs. The Capex in the pipeline for the county is approximately \$2B between now and 2028.

The FY2024 Approved Budget is the 3rd under Cecil County Executive Hornberger's administration. This year features another balanced budget that meets the citizens' needs while continuing to expand the County fund balance. For the third consecutive year, Cecil County has reduced the real property tax rate and for the first time since becoming a charter government, income taxes have also been reduced. This reduction in income taxes makes Cecil County the 4th lowest taxed county in Maryland and 2nd lowest of any charter government. The approved budget also invests in the County's workforce by supporting a COLA and step increase for county employees. The FY2024 budget continues with the County's consistently conservative approach to departmental expenditure increases being held to a minimum. Once again, this year, we anticipate a continued strong revenue forecast due to region leading economic development projects and new housing starts underway. Despite all the positive indicators being realized currently, the County's conservative approach to budgeting will continue in FY2024 as we continue to prepare and safeguard against inflationary pressures and potential economic downturn.

### **Requests for Information**

This financial report is designed to provide a general overview of Cecil County's finances to the citizens of Cecil County and other users of such data. Requests for additional copies of this report, questions concerning any of the information in this report, and requests for additional financial information should be addressed to Shon McCollum, Cecil County Director of Finance, 200 Chesapeake Boulevard, Suite 1100, Elkton, MD 21921.

The component units issue their own audited financial statements. These statements may be obtained directly from the component units. Their contact information can be found in Note 1A of the financial statements.

# BASIC FINANCIAL STATEMENTS

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and Cash Equivalents (Note 3)	\$ 12,487,877	\$ 8,781,702	\$ 21,269,579	\$ 35,600,187
Investments (Note 3)	138,448,342	11,868,167	150,316,509	28,497,496
Receivables, Net (Note 4)	5,519,364	5,366,506	10,885,870	1,653,652
Due from Primary Government	-	-	-	1,001,986
Due from Other Funds	(500,000)	500,000	-	-
Due from Other Governments	52,926,265	896,045	53,822,310	11,064,270
Inventories	521,516	-	521,516	188,534
Prepaid Items & Other Assets	1,322,010	57	1,322,067	1,180,518
Restricted Assets:				
Cash and Investments (Note 3)	41,041,825	12,287,688	53,329,513	11,954,176
Net OPEB Asset	4,378,028	-	4,378,028	-
Capital Assets, Net: (Note 6)				
Land	16,841,901	3,622,495	20,464,396	11,601,875
Construction in Progress	13,516,037	10,140,668	23,656,705	7,267,225
Landfill & Land Improvements	16,470,372	9,991,306	26,461,678	14,557,498
Highways & Bridges	94,097,941	-	94,097,941	-
Wastewater Systems	-	55,074,915	55,074,915	-
Buildings & Improvements	76,508,171	21,185,871	97,694,042	168,100,976
Right-to-Use Assets - Leases	3,172,343	463,388	3,635,731	2,356,948
Right-to-Use Assets - Subscriptions	847,578	-	847,578	250,289
Machinery & Equipment	20,685,667	26,671,172	47,356,839	19,884,709
<b>Total Assets</b>	<u>498,285,237</u>	<u>166,849,980</u>	<u>665,135,217</u>	<u>315,160,339</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charge of Refunding	3,491,137	3,175,013	6,666,150	-
Pension Deferrals	15,767,908	-	15,767,908	3,971,105
OPEB Deferrals	410,938	-	410,938	15,532,732
<b>Total Deferred Outflows of Resources</b>	<u>19,669,983</u>	<u>3,175,013</u>	<u>22,844,996</u>	<u>19,503,837</u>
<b>LIABILITIES</b>				
Accounts Payable	14,223,254	1,220,725	15,443,979	25,022,501
Salary and Benefits Payable	3,278,725	108,998	3,387,723	845,507
Due to Other Governments	321,391	-	321,391	-
Unearned Revenue (Note 11)	21,247,099	469,088	21,716,187	6,004,407
Other Liabilities	7,334,797	510,745	7,845,542	-
Liabilities Payable with Restricted Assets	1,495,859	-	1,495,859	-
Long Term Liabilities (Note 8)				
Due within one year:				
Bonds Payable	13,270,251	3,988,264	17,258,515	-
Financed Purchases	-	215,407	215,407	-
Lease Liability	655,911	-	655,911	768,875
Subscription Liability	277,100	-	277,100	352,466
Insurance Claims Payable	5,646,802	-	5,646,802	-
Compensated Absences	2,199,319	158,351	2,357,670	752,192
Due in more than one year:				
Bonds Payable	185,287,609	69,714,439	255,002,048	-
Financed Purchases	2,389,604	221,791	2,611,395	-
Lease Liability	2,518,132	-	2,518,132	1,195,853
Subscription Liability	541,022	-	541,022	310,062
Compensated Absences	1,099,660	79,175	1,178,835	3,801,559
Accrued Landfill Closure/Postclosure	-	11,527,630	11,527,630	-
Net OPEB Liability	-	-	-	72,244,306
Net Pension Liability	41,986,466	-	41,986,466	12,468,870
<b>Total Liabilities</b>	<u>303,773,001</u>	<u>88,214,613</u>	<u>391,987,614</u>	<u>123,766,598</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension Deferrals	11,912,891	-	11,912,891	1,036,568
OPEB Deferrals	1,383,518	-	1,383,518	9,738,835
<b>Total Deferred Inflows of Resources</b>	<u>13,296,409</u>	<u>-</u>	<u>13,296,409</u>	<u>10,775,403</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	173,940,937	53,447,112	227,388,049	221,392,264
Restricted for:				
Capital Projects	14,248,414	-	14,248,414	33,971
Health and Welfare	1,397,418	-	1,397,418	-
Agriculture	806,274	-	806,274	-
Economic Development	4,702,436	-	4,702,436	-
Net OPEB Asset	4,378,028	-	4,378,028	-
Debt Service and Other	2,399,484	-	2,399,484	15,386,636
Unrestricted	(987,180)	28,363,268	27,376,088	(36,690,696)
<b>Total Net Position</b>	<u>\$ 200,885,810</u>	<u>\$ 81,810,380</u>	<u>\$ 282,696,191</u>	<u>\$ 200,122,175</u>

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units
		Charges for Services	Grants and Contributions		Governmental Activities	Primary Government		
			Operating	Capital		Business-Type Activities	Total	
<b>Primary Government:</b>								
<b>Governmental Activities:</b>								
General Government	\$ 18,080,974	\$ 11,911,894	\$ 5,703,546	\$ -	\$ (465,534)	\$ -	\$ (465,534)	\$ -
Public Safety	56,259,626	2,623,865	3,782,501	6,099	(49,847,161)	-	(49,847,161)	-
Highways, Streets, and Bridges	19,396,275	38,166	4,436,041	147,082	(14,774,986)	-	(14,774,986)	-
Health and Welfare	24,997,976	943,571	14,639,934	-	(9,414,471)	-	(9,414,471)	-
Recreation and Culture	5,835,378	740,184	1,992,605	-	(3,102,589)	-	(3,102,589)	-
Education	105,396,996	-	-	-	(105,396,996)	-	(105,396,996)	-
Public Libraries	7,308,789	-	-	-	(7,308,789)	-	(7,308,789)	-
Economic Development	2,796,316	-	915,977	-	(1,880,339)	-	(1,880,339)	-
Agriculture	1,009,473	-	259,335	-	(750,138)	-	(750,138)	-
Interest on Long-Term Debt	4,790,051	-	-	-	(4,790,051)	-	(4,790,051)	-
Total Governmental Activities	<u>245,871,855</u>	<u>16,257,680</u>	<u>31,729,939</u>	<u>153,181</u>	<u>(197,731,055)</u>	<u>-</u>	<u>(197,731,055)</u>	<u>-</u>
<b>Business-Type Activities:</b>								
Wastewater	12,945,882	9,676,090	-	3,453,493	-	183,701	183,701	-
Landfill	9,421,360	9,835,966	-	-	-	414,606	414,606	-
Property Management	557,313	870,480	-	-	-	313,167	313,167	-
Total Business-Type Activities	<u>22,924,555</u>	<u>20,382,536</u>	<u>-</u>	<u>3,453,493</u>	<u>-</u>	<u>911,474</u>	<u>911,474</u>	<u>-</u>
Total Primary Government	<u>\$ 268,796,410</u>	<u>\$ 36,640,216</u>	<u>\$ 31,729,939</u>	<u>\$ 3,606,674</u>	<u>\$ (197,731,055)</u>	<u>\$ 911,474</u>	<u>\$ (196,819,581)</u>	<u>-</u>
<b>Component Units:</b>								
Board of Education	\$ 279,027,639	\$ 2,089,272	\$ 97,008,090	\$ 6,677,282	-	-	-	(173,252,995)
Cecil College	35,299,907	5,969,330	2,792,853	3,289,580	-	-	-	(23,248,144)
Cecil County Library	8,544,316	-	125,225	-	-	-	-	(8,419,091)
Bainbridge Development Corporation	1,523,813	415,270	1,074,256	-	-	-	-	(34,287)
Total Component Units	<u>\$ 324,395,675</u>	<u>\$ 8,473,872</u>	<u>\$ 101,000,424</u>	<u>\$ 9,966,862</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(204,954,517)</u>
<b>General Revenues:</b>								
Taxes:								
Property Taxes, Levied for General Purposes					133,571,564	-	133,571,564	-
Income Taxes					86,917,881	-	86,917,881	-
Investment Earnings					6,791,952	1,257,700	8,049,652	998,289
Other Revenues including Gains/(Loss) on Sale of Capital Assets					-	25,000	25,000	4,636,764
Payments From the Primary Government					-	-	-	107,661,756
Payments From the State Government					-	-	-	82,861,443
Entitlements, and Contributions not Restricted to Specific Programs					-	-	-	2,553,062
Transfers					(500,000)	500,000	-	-
Total General Revenues, Special Items, and Transfers					<u>226,781,397</u>	<u>1,782,700</u>	<u>228,564,097</u>	<u>198,711,314</u>
Change in Net Position					29,050,342	2,694,174	31,744,516	(6,243,203)
<b>Net Position - Beginning</b>					<u>171,835,468</u>	<u>79,116,205</u>	<u>250,951,674</u>	<u>206,365,378</u>
<b>Net Position - Ending</b>					<u>\$ 200,885,810</u>	<u>\$ 81,810,380</u>	<u>\$ 282,696,189</u>	<u>\$ 200,122,175</u>

The Notes to the Financial Statements are an integral part of this statement.

CECIL COUNTY, MARYLAND

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

	General	Housing Programs	Casino Local Impact	Other Grants	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash (Note 3)	\$ 5,829,221	\$ -	\$ -	\$ -	\$ -	\$ 1,849,230	\$ 7,678,451
Investments (Note 3)	121,740,396	-	-	-	-	-	121,740,396
Receivables, Net (Note 4)	5,139,464	-	-	1,202	-	35,922	5,176,588
Due from Other Funds	1,157,760	-	-	-	-	-	1,157,760
Due from Other Governments	42,831,456	101,961	790,632	7,713,331	-	1,488,885	52,926,265
Inventory	374,890	-	-	-	-	-	374,890
Other Assets	581,049	18,181	-	44,046	-	-	643,276
Advances to Other Funds	6,422,261	-	-	-	-	-	6,422,261
Restricted Assets:							
Cash and Investments (Note 3)	-	1,221,416	5,164,034	17,358,055	16,086,391	1,211,929	41,041,825
<b>Total Assets</b>	<b>\$ 184,076,497</b>	<b>\$ 1,341,558</b>	<b>\$ 5,954,666</b>	<b>\$ 25,116,634</b>	<b>\$ 16,086,391</b>	<b>\$ 4,585,966</b>	<b>\$ 237,161,712</b>
<b>LIABILITIES:</b>							
Accounts Payable	\$ 6,015,944	\$ 304	\$ 432,106	\$ 4,389,404	\$ -	\$ 337,178	\$ 11,174,935
Salaries and Benefits Payable	2,944,886	23,516	-	44,475	-	215,201	3,228,078
Due to Other Funds	-	(154,689)	992,000	-	-	548,930	1,386,241
Due to Other Governments	-	-	231,221	-	90,170	-	321,391
Other Liabilities	5,208,688	-	36,000	23,647	-	(2,430)	5,265,905
Unearned Revenue (Note 11)	-	11,983	-	20,293,282	314,974	392,425	21,012,664
Liabilities Payable from Restricted Funds	-	63,026	-	-	1,432,833	-	1,495,859
<b>Total Liabilities</b>	<b>14,169,518</b>	<b>(55,860)</b>	<b>1,691,327</b>	<b>24,750,808</b>	<b>1,837,977</b>	<b>1,491,304</b>	<b>43,885,073</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Revenue - Income Taxes	35,173,900	-	-	-	-	-	35,173,900
Unavailable Revenue - Property Taxes	702,556	-	-	-	-	-	702,556
<b>Total Deferred Inflows of Resources</b>	<b>35,876,456</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,876,456</b>
<b>FUND BALANCES:</b>							
Non-Spendable	7,704,688	-	-	-	-	-	7,704,688
Restricted	-	1,397,418	4,263,339	-	14,248,414	3,094,662	23,003,833
Committed	10,000,000	-	-	-	-	-	10,000,000
Assigned	98,086,898	-	-	-	-	-	98,086,898
Unassigned	18,238,937	-	-	365,826	-	-	18,604,763
<b>Total Fund Balances</b>	<b>134,030,523</b>	<b>1,397,418</b>	<b>4,263,339</b>	<b>365,826</b>	<b>14,248,414</b>	<b>3,094,662</b>	<b>157,400,181</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 184,076,497</b>	<b>\$ 1,341,558</b>	<b>\$ 5,954,666</b>	<b>\$ 25,116,634</b>	<b>\$ 16,086,391</b>	<b>\$ 4,585,966</b>	<b>\$ 237,161,710</b>

The Notes to the Financial Statements are an integral part of these statements.

**CECIL COUNTY, MARYLAND**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

Amounts reported for governmental activities in the statement of net position (page 18) are different because:

<b>Total Fund Balances for Government Funds (Page 20)</b>		<b>\$ 157,400,181</b>
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Capital assets net of accumulated depreciation, as detailed in Note 6, are included in the Statement of Net Position. Also excluded are \$16,025,570 of internal service fund capital assets accounted for in the following line.		226,114,440
Internal service funds are used by management to charge the costs of fleet management and health insurance costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. The increase is equal to the internal service fund net position.		17,035,514
Some of the County's taxes and other revenues will be collected after year-end, but are not available soon enough to pay the current year's expenditures and, therefore, are reported as unavailable revenue in the funds.		
Income Taxes	\$ 35,173,900	
Property Taxes	<u>702,556</u>	35,876,456
Long-term liabilities applicable to the governmental activities including bonds payable are not due and payable in the current year and, accordingly, are not reported as fund liabilities.		
Net OPEB Asset	\$ 4,378,028	
Compensated Absences	(3,298,979)	
Accrued interest on long-term debt	(2,158,410)	
Deferred - Bond Premium	(11,697,788)	
Deferred - Advance Refunding Difference	3,491,137	
Pension Deferred Outflows	15,767,908	
Pension Deferred Inflows	(11,912,891)	
OPEB Deferred Inflows	(1,383,518)	
OPEB Deferred Outflows	410,938	
Net Pension Liability	(41,986,466)	
Lease Liability	(290,668)	
Bonds and Notes Payable	<u>(186,860,072)</u>	<u>(235,540,781)</u>
<b>Net Position of Governmental Activities (Page 18)</b>		<b><u>\$ 200,885,810</u></b>

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>General</u>	<u>Housing Programs</u>	<u>Casino Local Impact</u>	<u>Other Grants</u>	<u>General Capital Projects</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>							
Property Taxes	\$ 133,571,564	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 133,571,564
Special Assessments - Current	-	-	-	-	-	6,099	6,099
Income Taxes	86,917,881	-	-	-	-	-	86,917,881
Licenses and Permits	1,998,736	-	-	-	-	-	1,998,736
Intergovernmental	3,459,378	8,813,955	3,227,762	9,804,212	-	5,415,440	30,720,747
Charges for Services	13,358,230	113,363	-	-	-	787,351	14,258,944
Investment Earnings	6,055,226	16,139	-	704,963	-	15,624	6,791,952
Contributions & Other Revenues	935,563	-	-	73,629	-	-	1,009,192
<b>Total Revenues</b>	<u>246,296,578</u>	<u>8,943,457</u>	<u>3,227,762</u>	<u>10,582,804</u>	<u>-</u>	<u>6,224,514</u>	<u>275,275,115</u>
<b>EXPENDITURES</b>							
Current:							
General Government	13,822,320	-	-	4,334,428	-	-	18,156,748
Public Safety	50,480,606	-	-	2,753,974	-	-	53,234,580
Highways, Streets, and Bridges	15,432,442	-	-	548,930	-	-	15,981,372
Health and Welfare	4,531,569	8,985,592	-	466,393	-	10,980,740	24,964,294
Recreation and Culture	2,491,139	-	-	1,775,381	-	-	4,266,520
Education	101,350,020	-	-	-	-	-	101,350,020
Public Libraries	6,624,333	-	-	-	-	-	6,624,333
Economic Development	1,550,769	-	915,977	332,671	-	-	2,799,417
Agriculture	823,892	-	-	-	-	182,150	1,006,042
Municipalities	782,225	-	-	-	-	-	782,225
Debt Service:							
Principal	-	-	-	-	-	11,100,972	11,100,972
Interest and Fiscal Charges	-	-	-	-	-	6,257,401	6,257,401
Bond Issuance Cost	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	7,332,874	-	7,332,874
<b>Total Expenditures</b>	<u>197,889,315</u>	<u>8,985,592</u>	<u>915,977</u>	<u>10,211,777</u>	<u>7,332,874</u>	<u>28,521,263</u>	<u>253,856,798</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>48,407,263</u>	<u>(42,135)</u>	<u>2,311,785</u>	<u>371,027</u>	<u>(7,332,874)</u>	<u>(22,296,749)</u>	<u>21,418,317</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Issuance of Debt	-	-	-	-	-	-	-
Premium on Debt Issued	-	-	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-	-
Advance Refunding Agent	-	-	-	-	-	-	-
Transfers In	490,482	82,970	-	-	-	22,382,808	22,956,261
Transfers Out	(22,880,676)	-	(1,140,482)	-	-	-	(24,021,158)
<b>Total Other Financing Sources (Uses)</b>	<u>(22,390,194)</u>	<u>82,970</u>	<u>(1,140,482)</u>	<u>-</u>	<u>-</u>	<u>22,382,808</u>	<u>(1,064,897)</u>
<b>Net Change in Fund Balances</b>	26,017,069	40,835	1,171,303	371,027	(7,332,874)	86,059	20,353,420
<b>Fund Balances - Beginning</b>	<u>108,013,454</u>	<u>1,356,583</u>	<u>3,092,036</u>	<u>(5,201)</u>	<u>21,581,287</u>	<u>3,008,603</u>	<u>137,046,763</u>
<b>Fund Balances - Ending</b>	<u>\$ 134,030,523</u>	<u>\$ 1,397,418</u>	<u>\$ 4,263,339</u>	<u>\$ 365,826</u>	<u>\$ 14,248,413</u>	<u>\$ 3,094,662</u>	<u>\$ 157,400,183</u>

The Notes to the Financial Statements are an integral part of these statements.

**CECIL COUNTY, MARYLAND**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Amounts reported for governmental activities in the Statement of Activities (Page 19) are different because:

**Net Change in Fund Balances - Total Government Funds (Page 22)** \$ 20,353,420

Governmental funds report capital outlays as expenditures. However in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$14,056,841) is exceeded by capital outlay (\$7,332,874) in the current period. Depreciation excludes \$4,212,343 from the internal service fund. (5,191,475)

In the Statement of Activities, only the gain or loss on the sale of capital assets is reported, whereas in governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital asset less accumulated depreciation. 48,481

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. The following are the net changes in these non-current resources. 111,464

Property Taxes	\$	37,111	
Income Taxes		74,353	
Net Adjustment			

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. 12,106,497

<u>Repayments:</u>			
General Obligation bonds/Direct borrowings	\$	11,100,971	
Leases		(290,668)	
Deferred Advanced Refunding		(673,172)	
Premium on Debt Issued		1,969,366	
Net Adjustment			

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following are the impact of the net changes in balances. (746,803)

Pension Expense	\$	(760,824)	
OPEB Expense		88,691	
Compensated Absences		(120,322)	
Accrued Interest on Long-term Debt		45,652	
Net Adjustment			

The change in net assets of certain internal service funds are reported with governmental activities. 2,368,758

**Change in Net Position of Governmental Activities (Page 19)** \$ 29,050,341

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u> <u>Final Budget -</u>
	<u>Original</u>	<u>Final</u>		<u>Positive</u> <u>(Negative)</u>
<b>REVENUES</b>				
Property Taxes	\$ 129,468,634	\$ 129,468,634	\$ 133,571,564	\$ 4,102,930
Income Taxes	70,075,564	70,075,564	86,917,881	16,842,317
Licenses and Permits	2,234,529	2,234,529	1,998,736	(235,793)
Intergovernmental	3,400,851	3,400,851	3,459,378	58,527
Charges for Services	14,874,293	15,099,293	13,358,230	(1,741,063)
Investment Earnings	102,972	102,972	6,055,226	5,952,254
Contributions & Other Revenues	198,500	412,983	935,563	522,580
<b>Total Revenues</b>	<u>220,355,343</u>	<u>220,794,826</u>	<u>246,296,578</u>	<u>25,501,752</u>
<b>EXPENDITURES</b>				
Current:				
General Government	13,802,045	14,800,586	13,822,320	978,266
Highways, Streets, and Bridges	12,538,160	15,838,944	15,432,442	406,502
Recreation and Culture	2,111,751	2,486,420	2,491,139	(4,719)
Public Safety	53,607,006	54,170,167	50,480,606	3,689,561
Health and Welfare	4,865,654	4,847,665	4,531,569	316,096
Education	101,517,423	101,757,423	101,350,020	407,403
Public Libraries	6,624,333	6,624,333	6,624,333	-
Economic Development	1,742,640	1,748,240	1,550,769	197,471
Agriculture	848,660	848,660	823,892	24,768
Municipalities	771,579	771,579	782,225	(10,646)
<b>Total Expenditures</b>	<u>198,429,251</u>	<u>203,894,017</u>	<u>197,889,315</u>	<u>6,004,702</u>
<b>Excess of Revenues</b> <b>Over Expenditures</b>	<u>21,926,092</u>	<u>16,900,809</u>	<u>48,407,263</u>	<u>31,506,454</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	442,000	594,000	490,482	(103,518)
Transfers Out	(22,368,092)	(23,847,310)	(22,880,676)	966,634
<b>Total Other Financing Sources (Uses)</b>	<u>(21,926,092)</u>	<u>(23,253,310)</u>	<u>(22,390,194)</u>	<u>863,116</u>
<b>Net Change in Fund Balance</b>	-	(6,352,501)	26,017,069	32,369,570
<b>Fund Balance - Beginning</b>	<u>108,013,454</u>	<u>108,013,454</u>	<u>108,013,454</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 108,013,454</u>	<u>\$ 101,660,953</u>	<u>\$ 134,030,523</u>	<u>\$ 32,369,570</u>

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
MAJOR FUND**

**HOUSING PROGRAMS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 9,242,944	\$ 9,270,198	\$ 8,813,955	\$ (456,243)
Other Program Revenue & Charges for Services	203,000	203,000	113,363	(89,637)
Investment Earnings	-	-	16,139	16,139
<b>Total Revenues</b>	<u>9,445,944</u>	<u>9,473,198</u>	<u>8,943,457</u>	<u>(529,741)</u>
<b>EXPENDITURES</b>				
Current:				
Health and Welfare	<u>9,800,647</u>	<u>9,827,903</u>	<u>8,985,592</u>	<u>842,311</u>
<b>Total Expenditures</b>	<u>9,800,647</u>	<u>9,827,903</u>	<u>8,985,592</u>	<u>842,311</u>
<b>Deficiency of Revenues (Under) Expenditures</b>	<u>(354,703)</u>	<u>(354,705)</u>	<u>(42,135)</u>	<u>312,570</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	<u>257,729</u>	<u>257,729</u>	<u>82,970</u>	<u>(174,759)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>257,729</u>	<u>257,729</u>	<u>82,970</u>	<u>(174,759)</u>
<b>Net Change in Fund Balance</b>	(96,974)	(96,976)	40,835	137,811
<b>Fund Balance - Beginning</b>	<u>1,356,583</u>	<u>1,356,583</u>	<u>1,356,583</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 1,259,609</u>	<u>\$ 1,259,607</u>	<u>\$ 1,397,418</u>	<u>\$ 137,811</u>

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR FUND**

**CASINO LOCAL IMPACT**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 3,586,156	\$ 3,586,156	\$ 3,227,762	\$ (358,394)
Investment Earnings	<u>1,060</u>	<u>1,060</u>	<u>-</u>	<u>(1,060)</u>
<b>Total Revenues</b>	<u>3,587,216</u>	<u>3,587,216</u>	<u>3,227,762</u>	<u>(359,454)</u>
<b>EXPENDITURES</b>				
Current:				
Economic Development	<u>1,125,000</u>	<u>1,125,000</u>	<u>915,977</u>	<u>209,023</u>
<b>Total Expenditures</b>	<u>1,125,000</u>	<u>1,125,000</u>	<u>915,977</u>	<u>209,023</u>
<b>Excess of Revenues Over Expenditures</b>	<u>2,462,216</u>	<u>2,462,216</u>	<u>2,311,785</u>	<u>(150,431)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	<u>(1,325,333)</u>	<u>(1,325,333)</u>	<u>(1,140,482)</u>	<u>184,851</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(1,325,333)</u>	<u>(1,325,333)</u>	<u>(1,140,482)</u>	<u>184,851</u>
<b>Net Change in Fund Balance</b>	1,136,883	1,136,883	1,171,303	34,420
<b>Fund Balance - Beginning</b>	<u>3,092,036</u>	<u>3,092,036</u>	<u>3,092,036</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 4,228,919</u>	<u>\$ 4,228,919</u>	<u>\$ 4,263,339</u>	<u>\$ 34,420</u>

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR FUND**

**OTHER GRANTS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with</b>
	<u>Original</u>	<u>Final</u>		<b>Final Budget -</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b>REVENUES</b>				
Intergovernmental	\$ 18,729,333	\$ 30,442,271	\$ 9,804,212	\$ (20,638,059)
Investment Earnings	-	-	704,963	704,963
Contributions & Other Revenues	<u>114,723</u>	<u>123,879</u>	<u>73,629</u>	<u>(50,250)</u>
<b>Total Revenues</b>	<u>18,844,056</u>	<u>30,566,150</u>	<u>10,582,804</u>	<u>(19,983,346)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	1,748,136	7,782,410	4,334,428	3,447,982
Highways, Streets, and Bridges	9,239,234	8,773,418	548,930	8,224,488
Recreation and Culture	3,683,021	8,672,193	1,775,381	6,896,812
Public Safety	3,012,227	3,771,207	2,753,974	1,017,233
Health and Welfare	1,620,282	1,687,354	466,393	1,220,961
Economic Development	<u>378,962</u>	<u>451,675</u>	<u>332,671</u>	<u>119,004</u>
<b>Total Expenditures</b>	<u>19,681,861</u>	<u>31,138,256</u>	<u>10,211,777</u>	<u>20,926,479</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>(837,805)</u>	<u>(572,106)</u>	<u>371,027</u>	<u>943,133</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>1,114,592</u>	<u>1,379,673</u>	<u>-</u>	<u>(1,379,673)</u>
<b>Total Other Financing</b>				
<b>Sources</b>	<u>1,114,592</u>	<u>1,379,673</u>	<u>-</u>	<u>(1,379,673)</u>
<b>Net Change in Fund Balance</b>	276,786	807,567	371,027	(436,540)
<b>Fund Balance - Beginning</b>	<u>(5,201)</u>	<u>(5,201)</u>	<u>(5,201)</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 271,585</u>	<u>\$ 802,366</u>	<u>\$ 365,826</u>	<u>\$ (436,540)</u>

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities -
	Wastewater	Landfill	Non-Major Property Management		Internal Service Funds
			Total		
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash and Cash Equivalents (Note 3)	\$ 6,563,088	\$ 1,307,224	\$ 911,390	\$ 8,781,702	\$ 4,809,426
Investments (Note 3)	-	11,868,167	-	11,868,167	16,707,946
Receivables, Net: (Note 4)					
Accounts	2,443,937	886,870	22,158	3,352,965	78,074
Other	-	16,207	38	16,245	264,702
Due from Other Funds	500,000	-	-	500,000	-
Due from Other Governments	878,545	17,500	-	896,045	-
Inventory	-	-	-	-	146,626
Other Assets	57	-	-	57	739,077
Restricted Assets					
Cash & Investments (Note 3)	-	12,287,688	-	12,287,688	-
<b>Total Current Assets</b>	<b>10,385,627</b>	<b>26,383,656</b>	<b>933,586</b>	<b>37,702,869</b>	<b>22,745,851</b>
<b>Non-Current Assets:</b>					
Accounts Receivable - Non-Current	1,997,296	-	-	1,997,296	-
Capital Assets, Net:					
Land	2,551,156	580,739	490,600	3,622,495	-
Construction in Progress	6,904,009	3,236,659	-	10,140,668	23,285
Vehicles	-	-	-	-	8,077,295
Landfill and Land Improvements	4,593,113	5,398,193	-	9,991,306	-
Wastewater Lines	40,610,614	-	-	40,610,614	-
Wastewater Systems	14,464,301	-	-	14,464,301	-
Buildings	12,920,363	2,718,624	5,546,884	21,185,871	149,815
Right to Use Assets - Leases	-	463,388	-	463,388	2,891,905
Right-to-Use Assets - Subscriptions	-	-	-	-	847,578
Machinery & Equipment	24,706,057	1,965,115	-	26,671,172	4,035,692
<b>Total Non-Current Assets</b>	<b>108,746,909</b>	<b>14,362,718</b>	<b>6,037,484</b>	<b>129,147,111</b>	<b>16,025,570</b>
<b>Total Assets</b>	<b>119,132,536</b>	<b>40,746,374</b>	<b>6,971,070</b>	<b>166,849,980</b>	<b>38,771,421</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Charge of Refunding	2,982,345	192,668	-	3,175,013	-
<b>Total Deferred Outflows of Resources</b>	<b>2,982,345</b>	<b>192,668</b>	<b>-</b>	<b>3,175,013</b>	<b>-</b>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts Payable	490,602	282,549	4,450	777,601	3,048,319
Construction Retainage Payable	443,124	-	-	443,124	-
Salary & Benefits Payable	51,814	57,184	-	108,998	50,647
Accrued Expenses & Other Liabilities	281,601	142,902	86,242	510,745	5,653,388
Due to Other Funds	-	-	-	-	-
Unearned Revenue	358,320	-	110,768	469,088	29,422
Financed Purchases	-	215,407	-	215,407	-
Right to Use Assets - Leases	-	-	-	-	582,034
Right-to-Use Assets - Subscriptions	-	-	-	-	277,100
Bonds Payable	2,693,289	969,738	325,237	3,988,264	-
Compensated Absences	80,696	77,655	-	158,351	70,986
<b>Total Current Liabilities</b>	<b>4,399,446</b>	<b>1,745,434</b>	<b>526,697</b>	<b>6,671,577</b>	<b>9,711,896</b>
<b>Non-Current Liabilities:</b>					
Bonds Payable					
(Net of Unamortized Discounts)	58,005,914	6,690,284	5,018,241	69,714,439	-
Financed Purchases	-	221,791	-	221,791	2,389,604
Right to Use Assets - Leases	-	-	-	-	2,301,341
Right-to-Use Assets - Subscriptions	-	-	-	-	541,022
Advances From Other Funds	-	-	-	-	6,756,551
Compensated Absences	40,348	38,827	-	79,175	35,493
Accrued Landfill Closure and Postclosure Costs	-	11,527,630	-	11,527,630	-
<b>Total Non-Current Liabilities</b>	<b>58,046,262</b>	<b>18,478,533</b>	<b>5,018,241</b>	<b>81,543,036</b>	<b>12,024,011</b>
<b>Total Liabilities</b>	<b>62,445,708</b>	<b>20,223,967</b>	<b>5,544,938</b>	<b>88,214,613</b>	<b>21,735,907</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	46,050,410	6,702,696	694,006	53,447,112	12,817,844
Unrestricted	13,618,763	14,012,379	732,126	28,363,268	4,217,670
<b>Total Net Position</b>	<b>\$ 59,669,173</b>	<b>\$ 20,715,075</b>	<b>\$ 1,426,132</b>	<b>\$ 81,810,380</b>	<b>\$ 17,035,514</b>

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental Activities -</b>
	<b>Wastewater</b>	<b>Landfill</b>	<b>Non-Major Property Management</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>OPERATING REVENUES</b>					
Charges for Services:					
Sales and User Fees	\$ 9,294,869	\$ 9,378,880	\$ 870,480	\$ 19,544,229	\$ 26,525,003
Miscellaneous Revenue	381,221	457,086	-	838,307	4,310
<b>Total Operating Revenues</b>	<u>9,676,090</u>	<u>9,835,966</u>	<u>870,480</u>	<u>20,382,536</u>	<u>26,529,313</u>
<b>OPERATING EXPENSES</b>					
Salaries and Related	1,721,889	2,036,342	3,431	3,761,662	1,687,107
Right-to-Use Assets - Leases	-	-	-	-	592,512
Materials, Supplies, and Services	3,404,384	4,241,972	104,085	7,750,441	5,626,746
Benefit Payments	-	-	-	-	12,949,846
Depreciation	5,986,820	810,754	170,673	6,968,247	4,212,343
Amortization Expense	-	509,589	-	509,589	-
Depletion	-	1,158,099	-	1,158,099	-
Landfill Closure and Postclosure	-	297,654	-	297,654	-
<b>Total Operating Expenses</b>	<u>11,113,093</u>	<u>9,054,410</u>	<u>278,189</u>	<u>20,445,692</u>	<u>25,068,554</u>
<b>Operating Income (Loss)</b>	<u>(1,437,003)</u>	<u>781,556</u>	<u>592,291</u>	<u>(63,156)</u>	<u>1,460,759</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment Earnings	364	1,257,336	-	1,257,700	537,638
Interest Expense	(1,832,789)	(366,950)	(279,124)	(2,478,863)	(83,254)
Bond Issue Expense	-	-	-	-	-
Gain on Disposal of Capital Assets	-	25,000	-	25,000	38,698
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(1,832,425)</u>	<u>915,386</u>	<u>(279,124)</u>	<u>(1,196,163)</u>	<u>493,082</u>
<b>Income (Loss) before Contributions and Transfers</b>	<u>(3,269,428)</u>	<u>1,696,942</u>	<u>313,167</u>	<u>(1,259,319)</u>	<u>1,953,841</u>
<b>Capital Contributions and Transfers:</b>					
Intergovernmental Capital Grant	217,939	-	-	217,939	-
Wastewater Connection Fees	1,798,087	-	-	1,798,087	-
Developers Capital Contributions	1,437,467	-	-	1,437,467	-
Transfers In	500,000	-	-	500,000	414,917
<b>Change in Net Position</b>	<u>684,066</u>	<u>1,696,941</u>	<u>313,167</u>	<u>2,694,174</u>	<u>2,368,758</u>
<b>Net Position - Beginning</b>	<u>58,985,107</u>	<u>19,018,134</u>	<u>1,112,965</u>	<u>79,116,205</u>	<u>14,666,756</u>
<b>Net Position - Ending</b>	<u>\$ 59,669,173</u>	<u>\$ 20,715,075</u>	<u>\$ 1,426,132</u>	<u>\$ 81,810,380</u>	<u>\$ 17,035,514</u>

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Business-Type Activities - Enterprise Funds			Total	Governmental Activities -
	Wastewater	Landfill	Property Management		Internal Service Funds
<b>Cash Flows From Operating Activities:</b>					
Receipts from Customers and Users	\$ 9,641,295	\$ 9,974,559	\$ 919,169	\$ 20,535,023	\$ 27,193,859
Payments to Suppliers	(4,405,695)	(4,074,263)	(40,567)	\$ (8,520,525)	(19,104,076)
Payments to Employees	(1,758,300)	(2,088,450)	(3,431)	(3,850,180)	(1,711,360)
<b>Net Cash from Operating Activities</b>	<u>3,477,301</u>	<u>3,811,847</u>	<u>875,170</u>	<u>8,164,318</u>	<u>6,378,423</u>
<b>Cash Flows To Non-Capital Financing Activities:</b>					
Advances/Transfers from Other Funds	500,000	-	-	500,000	2,043,409
<b>Net Cash from Non-Capital Financing Activities</b>	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>2,043,409</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>					
Proceeds from Bond Issues	-	-	-	-	-
Proceeds from Capital Grants Received	217,939	-	-	217,939	91,317
Proceeds from Sewage Connection Fees	1,798,087	-	-	1,798,087	-
Acquisition and Construction of Capital Assets	(4,114,413)	(2,650,379)	-	(6,764,792)	(2,347,667)
Principal Paid on Bonds/Leases Maturities	(2,821,583)	(1,025,976)	(313,002)	(4,160,562)	(1,425,210)
Interest Paid on Bonds/Leases	(1,832,789)	(205,918)	(279,124)	(2,317,831)	(83,254)
Proceeds from Sale of Capital Assets	-	25,000	-	25,000	38,698
<b>Net Cash from Capital and Related Financing Activities</b>	<u>(6,752,759)</u>	<u>(3,857,274)</u>	<u>(592,126)</u>	<u>(11,202,159)</u>	<u>(3,726,116)</u>
<b>Cash Flows From Investing Activities:</b>					
Investment Income	-	-	-	-	-
Interest on Investments	364	1,257,336	-	1,257,700	537,638
<b>Net Cash Provided by Investing Activities</b>	<u>364</u>	<u>1,257,336</u>	<u>-</u>	<u>1,257,700</u>	<u>537,638</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(2,775,094)</u>	<u>1,211,909</u>	<u>283,044</u>	<u>(1,280,141)</u>	<u>5,233,354</u>
<b>Cash and Cash Equivalents - June 30, 2022</b>	<u>9,338,182</u>	<u>12,383,003</u>	<u>628,346</u>	<u>22,349,531</u>	<u>16,284,018</u>
<small>(including \$2,673,898 and \$11,337,772 respectively reported in restricted accounts)</small>					
<b>Cash and Cash Equivalents - June 30, 2023</b>	<u>\$ 6,563,088</u>	<u>\$ 13,594,912</u>	<u>\$ 911,390</u>	<u>\$ 21,069,390</u>	<u>\$ 21,517,372</u>
<small>(including \$0 and \$12,287,688 respectively reported in restricted accounts)</small>					

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental Activities -</b>
	<b>Wastewater</b>	<b>Landfill</b>	<b>Property Management</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>Reconciliation of Operating Income to Net Cash from Operating Activities:</b>					
Operating Income (Loss)	\$ (1,437,003)	\$ 781,556	\$ 592,291	\$ (63,156)	\$ 1,460,759
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided from Operating Activities:					
Depreciation, Amortization and Depletion	5,986,820	2,478,442	170,673	8,635,935	4,212,343
Decrease in Closure/Postclosure Liability	-	297,654	-	297,654	-
Effect of Changes in Non-Cash Operating Assets and Liabilities:					
Accounts Receivable	(34,795)	138,593	(205)	103,593	671,104
Other Assets	-	-	-	-	44,438
Accounts Payable	(1,001,310)	167,708	63,517	(770,085)	(212,361)
Salaries & Benefits Payable	(43,808)	(52,038)	-	(95,846)	(39,034)
Compensated Absences	7,397	(68)	-	7,328	14,781
Accrued Expenses	-	-	-	-	232,952
Deferred Revenue	-	-	48,894	48,894	(6,559)
<b>Net Cash Provided from Operating Activities</b>	<b>\$ 3,477,301</b>	<b>\$ 3,811,847</b>	<b>\$ 875,170</b>	<b>\$ 8,164,318</b>	<b>\$ 6,378,423</b>
<b>Schedule of Non-Cash Capital and Related Financing Activities:</b>					
Increase in Non-cash Developer Capital Contributions	1,437,467	-	-	1,437,467	-
<b>Net Non-Cash Capital and Related Financing Activities</b>	<b>\$ 1,437,467</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,437,467</b>	<b>\$ -</b>

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2023**

	<u>Total</u> <u>Pension, OPEB &amp;</u> <u>LOSAP Funds</u>	<u>Custodial Funds</u> <u>State &amp; Town</u> <u>Collections</u>
<b>ASSETS</b>		
Cash	\$ 790,275	\$ 691,924
Receivables, Net:		
Property Taxes & Fees	-	942,911
Investments, at fair value:		
Institutional Separate Accounts	65,670,041	-
Mutual Funds	13,089,570	-
Maryland Local Govt. Investment Pool	<u>2,263,382</u>	<u>-</u>
Total Investments	<u>81,022,993</u>	<u>-</u>
<b>Total Assets</b>	<u>81,813,268</u>	<u>1,634,835</u>
<b>LIABILITIES</b>		
Accrued Expenses	50,045	-
Accounts Payable	201,704	-
Due to Other Governments	<u>-</u>	<u>1,634,835</u>
<b>Total Liabilities</b>	<u>251,749</u>	<u>1,634,835</u>
<b>NET POSITION</b>		
Restricted for:		
Pension Employee Benefits	71,340,444	-
OPEB Employee Benefits	8,357,135	-
Vounteer Length of Service Award Program	<u>1,873,180</u>	<u>-</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u>\$ 81,570,759</u>	<u>\$ -</u>

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF CHANGES IN NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Total Pension, OPEB &amp; LOSAP Funds</b>	<b>Custodial Funds State &amp; Town Collections</b>
<b>ADDITIONS</b>		
Contributions		
Cecil County	\$ 3,194,523	\$ -
Participants	1,029,319	-
Property Tax Collections for Other Governments	-	99,748,744
Total Contributions	4,223,842	99,748,744
<b>INVESTMENT INCOME</b>		
Investment Earnings:		
Net Appreciation (Depreciation) in Fair Value of Investments	5,776,874	-
Interest and Dividends	2,027,014	-
Investment Earnings Total	7,803,888	-
Less: Investment Expense	(514,348)	-
Net Investment Income (Loss)	7,289,540	-
Total Additions	11,513,382	99,748,744
<b>DEDUCTIONS</b>		
Benefit Payments	3,754,837	-
Refunds of Contributions	498,562	-
Administrative Expense	52,393	-
Payments of Property Tax to Other Governments	-	99,748,744
Total Deductions	4,305,792	99,748,744
<b>Change in Net Position</b>	7,207,591	-
<b>Net Position - Beginning</b>	74,363,168	-
<b>Net Position - Ending</b>	\$ 81,570,759	\$ -

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**JUNE 30, 2023**

	<u>Board of Education</u>	<u>Cecil College</u>	<u>Cecil County Public Library</u>	<u>Bainbridge Development Corporation</u>	<u>Total</u>
<b>ASSETS</b>					
Cash	\$ 24,047,892	\$ 5,098,392	\$ 5,113,879	\$ 1,340,024	\$ 35,600,187
Investments	17,532,334	10,965,162	-	-	28,497,496
Receivables, Net	885,335	557,756	74,767	135,794	1,653,652
Due from Primary Government	1,001,986	-	-	-	1,001,986
Due from Other Governments	10,281,699	782,571	-	-	11,064,270
Inventories	188,534	-	-	-	188,534
Prepaid Expenses & Other Assets	327,269	736,464	116,785	-	1,180,518
Restricted Assets:					
Cash and Investments	-	11,292,382	661,794	-	11,954,176
Capital Assets, Net:					
Land	7,602,489	1,779,763	-	2,219,623	11,601,875
Construction in Progress	6,003,169	1,264,056	-	-	7,267,225
Land Improvements	6,751,956	7,805,542	-	-	14,557,498
Buildings & Leasehold Improvements	128,552,494	39,548,482	-	-	168,100,976
Right-to-Use Assets - Leases	2,164,966	191,982	-	-	2,356,948
Right-to-Use Assets - Subscriptions	-	250,289	-	-	250,289
Machinery & Equipment	14,421,989	667,305	4,677,236	118,179	19,884,709
<b>Total Assets</b>	<u>219,762,112</u>	<u>80,940,146</u>	<u>10,644,461</u>	<u>3,813,620</u>	<u>315,160,339</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension Deferrals	3,744,480	-	226,625	-	3,971,105
OPEB Deferrals	15,532,732	-	-	-	15,532,732
<b>Total Deferred Outflows</b>	<u>19,277,212</u>	<u>-</u>	<u>226,625</u>	<u>-</u>	<u>19,503,837</u>
<b>LIABILITIES</b>					
Accounts Payable and Accrued Expenses	24,227,586	543,892	113,831	137,192	25,022,501
Accrued Salaries and Benefits	-	725,792	119,715	-	845,507
Unearned Revenue	4,279,743	1,424,664	-	300,000	6,004,407
Due within one year:					
Capital Leases	-	-	-	-	-
Lease Liability	743,359	25,516	-	-	768,875
Subscription Liability	283,009	69,457	-	-	352,466
Compensated Absences	464,412	287,780	-	-	752,192
Due in more than one year:					
Notes Payable	-	-	-	-	-
Capital Leases	-	-	-	-	-
Lease Liability	1,016,363	179,490	-	-	1,195,853
Subscription Liability	122,432	187,630	-	-	310,062
Compensated Absences	3,657,669	143,890	-	-	3,801,559
Net OPEB Liability	72,244,306	-	-	-	72,244,306
Net Pension Liability	11,891,319	-	577,551	-	12,468,870
<b>Total Liabilities</b>	<u>118,930,198</u>	<u>3,588,111</u>	<u>811,097</u>	<u>437,192</u>	<u>123,766,598</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension Deferrals	1,013,272	-	23,296	-	1,036,568
OPEB Deferrals	9,738,835	-	-	-	9,738,835
<b>Total Deferred Inflows</b>	<u>10,752,107</u>	<u>-</u>	<u>23,296</u>	<u>-</u>	<u>10,775,403</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	163,331,900	51,045,326	4,677,236	2,337,802	221,392,264
Restricted for:					
Capital Projects	33,971	-	-	-	33,971
Donor Restrictions	6,742,900	8,296,802	346,934	-	15,386,636
Unrestricted	<u>(60,751,752)</u>	<u>18,009,907</u>	<u>5,012,523</u>	<u>1,038,626</u>	<u>(36,690,696)</u>
<b>Total Net Position</b>	<u>\$109,357,019</u>	<u>\$ 77,352,035</u>	<u>\$ 10,036,693</u>	<u>\$ 3,376,428</u>	<u>\$ 200,122,175</u>

The Notes to the Financial Statements are an integral part of this statement.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF ACTIVITIES**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Grants and Contributions		Component Units				Total
			Operating	Capital	Board of Education	Cecil College	Cecil County Public Library	Bainbridge Development Corporation	
<b>Board of Education</b>									
Instruction	\$ 270,932,170	\$ 329,249	\$ 89,095,950	\$ 6,677,282	\$ (174,829,689)	\$ -	\$ -	\$ -	\$ (174,829,689)
Student Services	8,095,469	1,760,023	7,912,140	-	1,576,694	-	-	-	1,576,694
Total Board of Education	\$ 279,027,639	\$ 2,089,272	\$ 97,008,090	\$ 6,677,282	(173,252,995)	-	-	-	(173,252,995)
<b>Cecil College</b>									
Instruction	\$ 34,344,462	\$ 5,035,631	\$ 2,792,853	\$ 3,289,580	-	(23,226,398)	-	-	(23,226,398)
Student Services	955,445	933,699	-	-	-	(21,746)	-	-	(21,746)
Total Cecil Community College	\$ 35,299,907	\$ 5,969,330	\$ 2,792,853	\$ 3,289,580	-	(23,248,144)	-	-	(23,248,144)
<b>Cecil County Public Library</b>									
Public Libraries	\$ 8,544,316	\$ -	\$ 125,225	\$ -	-	-	(8,419,091)	-	(8,419,091)
<b>Bainbridge Development Corporation</b>									
Economic Development	\$ 1,523,813	\$ 415,270	\$ 1,074,256	\$ -	-	-	-	(34,287)	(34,287)
<b>General Revenues:</b>									
Payments From the Primary Government					89,196,266	11,841,157	6,624,333	-	107,661,756
Payments From the State Government					72,890,895	8,553,621	1,416,927	-	82,861,443
Grants, Entitlements, and Contributions not Restricted to Specific Programs					-	2,553,062	-	-	2,553,062
Investment Earnings					663,999	298,325	21,516	14,449	998,289
Other Revenues including Capital Asset Gains					254,042	3,859,763	522,959	-	4,636,764
Total General Revenues, Special Items, and Transfers					163,005,202	27,105,928	8,585,735	14,449	198,711,314
Change in Net Position					(10,247,793)	3,857,784	166,644	(19,838)	(6,243,203)
<b>Net Position - Beginning</b>					119,604,812	73,494,251	9,870,049	3,396,266	206,365,378
<b>Net Position - Ending</b>					\$ 109,357,019	\$ 77,352,035	\$ 10,036,693	\$ 3,376,428	\$ 200,122,175

The Notes to the Financial Statements are an integral part of this statement.

## 1. Summary of Significant Accounting Policies

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principals. During the year ending June 30, 2023, the County has adopted all applicable GASB Statements other than those listed below as they relate to future fiscal years:

- Statement No. 100 Accounting Changes and Error Corrections
- Statement No. 101 Compensated Absences

During the fiscal year ended June 30, 2023, the County adopted GASB Statement No. 96-Subscription-Based Information Technology Arrangements (SBITAs) which is effective for reporting periods beginning after June 15, 2022. The objective of GASB 96 is to improve financial reporting by establishing a definition of SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet the definition. The definition and uniform guidance will result in greater consistency and improved comparability in financial reporting for SBITAs by governments.

The significant accounting policies of the County are described below.

### A. Financial Reporting Entity

Cecil County (the County) was incorporated in 1674. Cecil County is governed by an elected County Executive and an elected County Council pursuant to the Charter of Cecil County, Maryland pursuant to a Charter that became effective in December 2012. The Charter provides, among other things, for the election of the County Executive and the organization, powers, and duties of the executive and administrative branches; the election, organization, powers, and duties of the legislative branch, and fiscal and budgetary matters. The Charter supersedes a Commissioner form of government where the five Commissioners (combined executive/legislative) exercised powers granted by the General Assembly of Maryland. The County principally provides general administrative services; public safety services; street, highway, and bridge repairs and maintenance; education; a correctional institution; and sanitation system maintenance.

The County is financially accountable for legally separate organizations if it appoints a voting majority of the organization's board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County may also be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

The accompanying financial statements include various agencies, departments, organizations, and offices which are legally part of Cecil County, Maryland (the primary government), and the County's blended and discretely presented component units; entities for which the government is considered financially accountable. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

The Cecil County Pension Plan for Public Safety Employees (the Plan) is a public employee retirement plan that covers certain public safety employees. The County appoints all members of the Plan's trustees, makes all employer contributions to the Plan, only County public safety employees can be members of the Plan, and the County is financially responsible for the Plan's pension obligations.

The Cecil County Maryland Non-Pension Employment Benefits Plan collects monies to assist retirees with payment of post-retirement health insurance premiums. Both Plans are fiduciary funds of the County.

**Discretely Presented Component Units**

The Board of Education of Cecil County is responsible for elementary and secondary education in the County and operates all public schools (grades K through 12). The County is financially accountable for the Board of Education because the County approves the Board's annual budget and provides a substantial portion of the Board's operating and capital funding.

Cecil College provides post-secondary and continuing education for residents of Cecil County and its surrounding counties. The County is financially accountable for the College because the County approves the annual budget and provides a substantial portion of the College's operating and capital budgets.

The Cecil County Public Library operates all public libraries within the County. The County is financially accountable for the Library because the County approves the annual budget and provides the majority of the Library's operating and capital budgets.

The Bainbridge Development Corporation was established to develop the closed Bainbridge Naval Training Center located outside Port Deposit. The Corporation received the property of the former Center from the U. S. Navy and may grant, sell, or conduct business activity to develop the property to the benefit of Cecil County. The County appoints all members of the Corporation's Board of Directors, and the County is the recipient of net earnings in excess of the needs of the Corporation.

Each of the discretely presented component units has been audited by other independent auditors and these reports have been issued under separate covers. Complete financial statements of the individual component units can be obtained from their respective administrative offices.

Board of Education of Cecil County  
201 Booth Street  
Elkton, MD 21921

Cecil College  
One Seahawk Drive  
North East, MD 21901

Cecil County Public Library  
301 Newark Avenue  
Elkton, MD 21921

Bainbridge Development Corporation  
98 North Main Street, PO Box 2  
Port Deposit, MD 21904

**Related Organizations**

Officials of Cecil County have been instrumental in the establishment of Cecil County Neighborhood Youth Panel, Inc., Community Services Foundation of Cecil County Inc., CASA, Friends of Cecil County

Parks and Recreation, Inc. and Cecil County, Maryland Animal Services Foundation, Inc. Although the County appoints some of the governing board members, these members do not substantially represent the same governing body of the County. The County is not able to impose its will on the organizations and the organizations do not provide specific financial benefits or impose specific financial burdens on the County. Accordingly, the financial activities of Cecil County Neighborhood Youth Panel, Inc., Community Services Foundation of Cecil County Inc., CASA, Friends of Cecil County Parks and Recreation, Inc., and Cecil County, Maryland Animal Services Foundation, Inc. are not included in the County's financial statements.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County (the primary government) and its component units. Eliminations of inter-fund activity have been made to minimize the double-counting of internal activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are 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 who purchase, use, or directly benefit from goods, services, or privileges provided by a function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a 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 enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds. In addition, the fund financial statements present internal service funds and fiduciary funds by fund type.

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

**Government-wide, Proprietary, and Fiduciary Fund Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items (non-exchange transactions) are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied. Custodial funds report only assets and liabilities as they do not have a measurement focus but do use the accrual basis of accounting.

With limited exceptions, the effects of internal activity have been eliminated from the government-wide financial statements. Exceptions include charges by one government function to another where services have been provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

**Government Fund Financial Statements**

The government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available if they are collected within the current period or soon enough thereafter to pay liabilities for the current period. For governmental fund types, the County considers all revenues to be available if they are collected within 60 days after the fiscal year-end. Revenues considered susceptible to accrual include property taxes, income taxes, franchise taxes, licenses, interest and dividend income, and grants associated with the current fiscal year. Only the portion of the special assessments receivable due within the current fiscal year is considered to be susceptible to accrual and recognized as revenue in the current fiscal year. All other revenue items are considered measurable and available only when cash is received by the County.

Amounts recorded as program revenues include a) charges to customers or applicants for materials, services or privileges provided, b) operating grants and contributions, and c) capital grants and contributions. Internally dedicated resources including all taxes are reported as general revenues. Expenditures are recorded when the related fund liability is incurred (upon receipt of goods or services), except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Long-term debt issues and acquisitions under capital leases are reported as other financing sources.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the County's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the wastewater and landfill enterprise funds, the garage and health insurance internal service funds are charges to internal and external customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The pension trust fund and other postemployment benefit trust fund are reported using the economic resources measurement focus and the accrual basis of accounting. The custodial funds have no measurement focus but utilize the accrual basis of accounting for assets and liabilities.

The County reports the following major governmental funds:

The **General Fund** is the primary operating fund of the County. It accounts for all financial resources of the County except those resources required to be accounted for in another fund. The general tax revenues of the County, as well as other resources received and not designated for a specified purpose, are accounted for in the General Fund.

The **Housing Programs Fund**, a special revenue fund, accounts for state and federal grants legally restricted to assisting low-income families and individuals with paying their rent, utility, and other housing costs.

The **Casino Local Impact Fund**, a special revenue fund, was established to account for the County's share of the revenue generated at Penn National's Hollywood Casino in Perryville. The County has agreed to share 35% of the revenue with the Town of Perryville.

The **Other Grants Fund**, a special revenue fund, was established to account for grant funds legally restricted to specific purposes.

The **General Capital Projects – Construction Fund**, a capital projects fund, was established to account for the expenditures on buildings and other facilities intended for general use by the County and its component units. Bonds and other general County resources fund these expenditures.

The County reports the following major enterprise funds:

The **Wastewater Fund** accounts for the sewage and wastewater service operations and is intended to be self-supporting through user charges. The Wastewater Fund operates sewage collection and treatment systems.

The **Landfill Fund** accounts for the solid waste operations and is intended to be self-supporting through user charges. The Landfill Fund operates solid waste collection points, recycling programs, and a central landfill.

The **Property Management Fund** accounts for the County's landlord responsibilities. The Fund was established in 2016 based on the economics of ownership versus lease of a multi-tenant building where the County was a tenant. The Fund currently manages a multi-tenant office building located at 107 Chesapeake Blvd. in Elkton.

The County also reports the following fund types:

The **Internal Service Funds** are used to account for vehicle and information systems services and financing of workers compensation and health insurance provided by the County to other departments and component units of the County on a cost-reimbursement basis. In addition, employee contributions to the health insurance plan and related expenses are accounted for within these funds.

The **Pension Funds** are fiduciary funds of the County and are used to account for monies set aside by the County to pay for future post-retirement benefits. This group consists of The Cecil County Pension Plan for Public Safety Employees Trust Fund, which accumulates resources for pension benefit payments to qualified public safety employees or their beneficiaries, the Cecil County Maryland Non-Pension Post-Employment Benefits Trust Fund which collects monies to assist retirees with payment of post-retirement health insurance premiums and Length of Service Award Program which accumulates resources for a deferred compensation plan for the County's Department of Fire and Rescue Service volunteers.

The **Custodial Funds** account for assets held by the County in a custodial capacity and include the statement of changes in fiduciary net position using the economic resources measurement focus. The State Tax Collection Fund and the State Bay Restoration Fund are used to account for taxes and fees collected by the County on behalf of the State of Maryland. The Town Collection Funds are used to account for taxes and fees collected by the County on behalf of the towns of Cecilton, Charlestown, Chesapeake City, Elkton, North East, Perryville, Port Deposit and Rising Sun.

The preparation of the County's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent items at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the fiscal year. Actual results could differ from those estimates.

#### **D. Assets, Liabilities and Net Assets or Equity**

##### **i. Deposits and Investments**

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments maturing within 90 days. Available funds are pooled in the General Fund and investment income is recorded in the General Fund unless required to do otherwise by statute, grant, or covenant.

**Restricted Investments** may occur in connection with various bond and trust agreements. Investments are deposited into restricted accounts for the purpose of constructing capital additions.

**Investments** of the pension plans are recorded at fair value. Securities traded on a national or international exchange are valued at the last reported sales price using current exchange rates.

##### **ii. Receivables and Payables**

**Property taxes** on real estate are recorded as receivables and attached as an enforceable lien on property on July 1, the date levied. Semi-annual installment payments are mandatory for qualified properties unless the taxpayer chooses to pay in one installment. Qualified property is defined as "an owner-occupied principal residence or certain commercial properties whose real estate tax amount is less than \$50,000." Under the semi-annual plan, one-half of the tax bill is due September 30 with the balance due on December 31. For all other properties, the bill is due in its entirety on September 30. After the due date, interest is charged on the delinquent portion at one percent per month. A three percent penalty is charged March 1 and thereafter. The County holds an annual on-line property tax lien certificate sale the first Monday of June to collect all unpaid property taxes as of that date.

**Personal property taxes** are imposed on certain machinery and equipment used in business. Personal property taxes are billed and recorded as receivables annually throughout the year. Payment is due in 30 days. The County charges one percent per month interest on all delinquent business taxes. The County bills and collects its own property taxes, and revenues are recognized in the government funds in the period in which they become susceptible to accrual, that is, when they become both measurable and available. Outstanding tax levies are offset on the government fund balance sheet by deferred revenues in the liabilities section. Annual, interim, and delinquent property taxes yet uncollected are included as unavailable revenue. The amounts collected within the first 60 days of the fiscal year ended June 30, 2023, are recorded as revenue.

**Property taxes** are set per the Cecil County Charter, after enacting the Annual Budget and Appropriations Ordinance, the County shall levy the amount of taxes required by the budget to ensure that the budget is balanced so that proposed revenues equal proposed expenditures. The property tax rate for fiscal year 2023 was \$1.0143 per \$100 of assessed value. The personal property tax rate for fiscal year 2023 was \$2.5358 per \$100 of assessed value.

County property tax and personal property tax revenues in fiscal year 2023 were not reduced by a material amount due to agreements enacted by legislative resolutions for Payments in Lieu of Taxes ("PILOT") as allowed by Maryland Code Annotated 7-512(a)(2) and 7-512(b).

**Local income taxes** are collected on behalf of the County by the State of Maryland and are remitted to the County monthly except for the months of April and December. In the event a taxpayer lives in an incorporated municipality, the County only receives 33 percent of the income tax, with the remainder going to the respective municipality. The tax rate may be changed annually at the recommendation of the County Executive and approval by the County Council. For the tax year ended December 31, 2023, the local income tax rate was 2.8 percent of Maryland taxable income. Income taxes collected by the State and remitted within the first 60 days of the next fiscal year, are recorded as due from other governments. In accordance with GASB Statement 33, income taxes are considered a derived revenue transaction and amounts due to the County from transactions prior to year-end but not collected within 60 days are recorded in the governmental fund balance sheet as a receivable and an equal amount as unavailable revenue.

**Wastewater and Landfill customer charges** are recorded when billed except that an amount is recorded for services rendered, but not yet billed, as of the close of the fiscal year. The accrued amount is based on actual billings made subsequent to year-end for wastewater customers that are billed quarterly based on consumption/use through the end of the quarter.

**Revenues** in the government-wide financial statements are susceptible to accrual in the period in which they become measurable unless accorded other treatment by GASB standards. All revenues and receivables in the government-wide and governmental fund statements are shown net of allowances for uncollectible accounts. Allowances are based on historic trends or specific account evaluation as necessary.

**Due to/from Other Funds** which are recorded in the fund financial statements, is the year-end outstanding balance of a variety of transactions between funds to finance operations, service debt and otherwise meet obligations as they become due. Interfund receivables that are unlikely to be paid within a year are considered to be Advances.

**Due to/from Other Governments (or Component Units)** primarily consist of amounts arising from transfer payments and amounts due from grantors or to grantees for specific programs and capital projects.

**Internal Balances** are the residual balances outstanding between governmental activities and business-type activities as reported in government-wide financial statements.

**iii. Inventories and Prepaid Items**

All inventories are valued at cost using the first-in, first-out (FIFO) method. Inventories of the General Fund and Enterprise Funds consist of expendable supplies held for consumption, which are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

**iv. Restricted Assets**

Certain assets of the County are classified as restricted as their use is limited by third party restrictions and or enabling legislation.

**v. Capital Assets**

Capital assets including property, plant, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County has defined capital assets as assets with a minimum cost of \$5,000 (\$25,000 to \$50,000 for land improvements, buildings, and infrastructure) and an estimated useful life in excess of one year. Capital assets may be purchased or constructed and are recorded at cost or estimated historical cost. Estimated historic costs are either based on similar assets of the same era or on deflated current values obtained from the Maryland Department of Assessments and Taxation. Donated capital assets are recorded at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized.

Capital assets of the County and its components are depreciated using the straight-line method over the estimated useful lives of the related assets. The County records six months' depreciation in the year the asset is acquired. Depletion of the landfill is based on usage of estimated capacity. The County and its components generally use the following estimated useful lives unless an asset's life has been adjusted based on actual experience:

<u>Asset Class</u>	<u>Years</u>
Leasehold Improvements	15 – 30
Roads and Bridges	8 – 50
Buildings	20 – 50
Building Improvements	20 – 30
Vehicles, Computers, Equipment	5 – 15

**vi. Liabilities**

**Compensated Absences**

Compensated absences are those earned but unused vacation and personal time for which employees will be paid. Employees are granted vacation in varying amounts. It is the County's policy to permit employees to accumulate all earned but unused vacation leave up to 40 days. Vacation pay is accrued as applicable in the government-wide and proprietary fund financial statements. A liability is reported in governmental funds only if it has matured, for example, as a result of employee resignations and retirements.

**Long-Term Liabilities**

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts as well as issuance costs are expensed when incurred.

**Self-Insurance**

The County is exposed to various risks of losses relating to workers compensation and employee health and accident claims. It is the policy of the County not to purchase commercial insurance to cover these risks because of its prohibitive cost. Instead, the County covers these claims through Internal Service Funds. The County does maintain commercial insurance coverage for general liability and property losses. The County also maintains commercial insurance coverage to cap its exposure to one time and total annual loss amounts.

The claims liabilities included in the Workers Compensation and Health Insurance Funds are based on

the results of actuarial studies and include amounts for claims previously incurred, including both reported and unreported claims. It is the County's practice to obtain actuarial studies no less than bi-annually. Costs are charged back to other funds by these internal service funds using various allocation methods.

#### **vii. Deferred Outflows and Deferred Inflows of Resources**

**Deferred outflows of resources** are reported in addition to assets. These represent the acquisition of net position that applies to future periods and will be recognized as an outflow of resources (expense or expenditure) in those future periods. A deferred charge on refunding is reported in the government-wide statement of net position. A deferred charge of 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.

**Deferred inflows of resources** are reported in addition to liabilities. These represent the acquisition of net position that applies to future periods and will be recognized as an inflow of resources (revenue) in those future periods. The County's financial statement reports unavailable revenue in the governmental funds balance sheet. Unavailable revenue results primarily from property and income taxes but also various fees that are imposed but not paid within 60 days of year-end. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available (primarily through payment).

**Deferred outflows / inflows of resources related to pensions** are recognized and classified as either deferred outflows of resources or deferred inflows of resources accordingly, these are deferred, amortized, and recognized as outflows or inflows in future periods:

- Differences between expected and actual experience in the measurement of the total pension liability;
- Changes of assumptions or other inputs;
- Net difference between projected and actual earnings on pension plan investments;
- Changes in the employer's proportion and differences between the employer's contributions (other than those to separately finance specific liabilities of the individual employer to the pension plan) and the employer's proportionate share of contributions; and
- Contributions to the pension plan from the employer subsequent to the measurement date of the collective net pension liability and before the end of the employer's reporting period should be reported as a deferred outflow of resources related to pensions.

#### **viii. Net Position Flow Assumption**

The County may fund outlays from both restricted (e.g., bond or grant proceeds) and unrestricted resources. In order to calculate the amounts reported as restricted - net position, and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption is made as to the order in which resources are expected to be used or consumed. It is the County's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

#### **ix. Fund Balance Flow Assumptions**

The County may fund outlays from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts reported as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption is made as to the order in which resources are expected to be used or consumed. It is the

County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**x. Net Position and Fund Equity**

The difference between assets, deferred inflows, liabilities, deferred outflows is "Net Position" on the government-wide, proprietary, and fiduciary fund statements and "Fund Balance" on governmental fund statements. Net Position includes items classified as Net Investment in Capital Assets, balances "Restricted" for a specific purpose or "Unrestricted" and available for appropriation for the general purposes.

In the governmental fund financial statements, the difference between assets, deferred inflows, liabilities, deferred outflows is "Fund Balance." Non-spendable and restricted fund balance represent amounts that are legally restricted by outside parties for use for a specific purpose or are otherwise not available for appropriation. Committed fund balance represents amounts that are reserved for a particular purpose by the County Council and would require action by the council to release the fund balance from its commitment. Assigned fund balance represents tentative management plans that are subject to change. Further discussion of these items is in Note 12.

**xi. Fair Value Measurements**

Cecil County categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;
- Level 2 – Valuations based on quoted prices for similar assets or liabilities in active markets or identical assets or liabilities in less active markets, such as dealer or broker markets; and
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

**2. Stewardship, Compliance, and Accountability**

**A. Budgetary Accounting and Control**

The County follows these procedures in establishing the budgetary data reflected in the basic financial statements:

- a. The County adopts legal annual budgets for the general fund, certain special revenue funds and the debt service fund. The County legally adopts project length budgets for its capital projects funds. Since project periods may differ from the County's fiscal year, a comparison of budgetary information for the combined capital projects funds would not be meaningful and has not been presented in the accompanying financial statements.

- b. In January of each year, County department heads are required to submit to the County Executive preliminary operating budgets for the fiscal year commencing the following July 1. The operating budgets submitted include proposed expenditures and the means of financing them as well as narrative justification for increases of operating expenditures (i.e. additional employees, capital expenditures).
- c. The County Executive reviews the departmental requests and prepares a Proposed Budget with the assistance of the Department of Finance and submits it to County Council not later than April 1. The Proposed budget consists of a Current Expense Budget, the Current Revenue Budget, the Capital Budget, and the Capital Improvement Program. The County Executive also proposes the tax and fee rates for the fiscal year. This review process includes meetings with the department heads, comparisons with prior years' spending patterns, and forecasts of future needs.
- d. The proposed budget is reviewed by the County Council through a process that includes one or more public hearings. The council may decrease or delete expenditure items but may not change revenue projections. The Budget is required to be adopted not later than June 15. After the budget adoption, County Council must levy the amount of taxes or fees required by the Budget to ensure that the Budget is balanced so that proposed revenues equal proposed expenditures.
- e. Should supplemental budget appropriations be required, the County Executive shall propose, and County Council shall consider such budget changes at the scheduled Council meetings and public hearings.
- f. The County's legal level of budgetary control is at the departmental level. With the approval of the County Executive, Department heads may make budget amendments within their respective departments, however all amendments above the departmental level, i.e., interdepartmental, and inter-fund, require formal proposal by the County Executive and consideration and approval by the County Council. The original budget adopted for the fiscal year ended June 30, 2023, and the budget as revised for budget amendments approved by the County Council during the year are presented as part of the budget versus actual schedules presented in these financial statements.
- g. Expenditures may not legally exceed budgeted appropriations at the departmental level. Appropriations lapse at fiscal year-end for all funds except the capital projects funds. The County legally adopts project-length budgets for its capital projects funds and unexpended appropriations automatically carry forward to the next fiscal year.

**B. Legally Adopted Budgets – General and Major Special Revenue Funds**

Governmental funds, for which budgets have been legally adopted and included in the appropriate Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the year ended June 30, 2023, were the General Fund and certain Special Revenue Funds.

All budgets for the above funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted deficiencies within each governmental fund are provided for by prior year designations of fund balance.

**C. Expenditures Over Appropriations**

During the year ended June 30, 2023, expenditures exceeded appropriations for the following departments.

<u>Fund</u>	<u>Budget Line Item</u>	<u>Over Budget</u>
General Fund	Recreation and Culture	\$ 4,719
	Municipalities	10,646

**3. Deposits and Investments**

The County maintains a cash and investment pool that is available for use by all funds except the trust funds, which are managed separately. Each fund type's portion of this pool is displayed on the combined balance sheet under the caption "Cash and Investments." Each component unit manages its cash and investments in a similar manner.

**Custodial Risk** In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's investment policy requires at least 102% collateralization of deposits in excess of FDIC insurance.

The summary below identifies the investment type of the deposits and investments of the primary government and its component units.

	Primary Government	Fiduciary Funds	Discretely Presented Component Units
<b>Cash</b>			
Insured Deposits (FDIC)	\$ 1,214,249	\$ -	\$ 3,104,458
Money Market Mutual Funds	-	564,851	-
Uninsured Deposits - Collateral held by pledging bank's agent in the County or Unit's name	10,610,656	512,969	24,712,492
Certificates of Deposit due within 90 days - Collateral held by pledging bank's agent in the County or Unit's name	-	-	392,791
CDARS due within 90 days (FDIC Insured)	-	-	-
<b>Total Cash</b>	<b>\$ 11,824,905</b>	<b>\$ 1,077,820</b>	<b>\$ 28,209,741</b>
<b>Investments</b>			
Other governmental agencies	\$ 8,007,065	\$ -	\$ -
Investment in Maryland Local Government Investment Pool	193,418,190	1,826,192	27,576,930
Institutional Separate Accounts	-	70,891,173	-
Mutual Funds	12,287,688	8,200,323	8,176,783
<b>Total Investments</b>	<b>\$ 213,712,943</b>	<b>\$ 80,917,688</b>	<b>\$ 35,753,713</b>

The summary below identifies the fair value level of the investments of the primary government and fiduciary funds.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of June 30, 2023
<b>Investments by Fair Value Level:</b>				
Federal Agencies	\$ -	\$ 8,007,065	\$ -	\$ 8,007,065
Other Post Employment Benefits and Pension Funds:				
Institutional Separate Accounts	-	65,670,041	-	65,670,041
Fixed Income Funds	6,379,910	-	-	6,379,910
Equity Mutual Funds	19,329,233	-	-	19,329,233
<b>Total Investments at Fair Value</b>	<b>\$ 25,709,143</b>	<b>\$ 73,677,106</b>	<b>\$ -</b>	<b>\$ 99,386,249</b>
<b>Investments Carried at Amortized Cost:</b>				
MLGIP				\$ 195,244,382
Collateralized Certificates of Deposit				-
<b>Total Investments at Amortized Cost</b>				<b>\$ 195,244,382</b>
<b>Total Investments</b>				<b>\$ 294,630,631</b>

Fair Value Levels Debt securities (Fixed Income funds) classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. Equity Mutual funds listed on a national market or exchange are valued at the last sales price, or, if there is no sale and the market is still considered active, at the mean of the last bid and asked prices on such exchange. Such securities are classified within Level 1 of the valuation hierarchy. Institutional Separate accounts classified in level 2 of the fair value hierarchy are valued based on quoted prices for similar assets in active markets or identical assets in less active markets, such as dealers or broker markets.

Credit Risk It is the County's policy to minimize credit risk by investing only in the highest quality investments including U.S. Treasury and U.S. Government Agency obligations; collateralized repurchase agreements and certificates of deposit; the Maryland Local Government Investment Pool; commercial paper and money market mutual funds of the highest rating; and bankers' acceptances guaranteed by a financial institution with the highest rating.

With regards to the Pension Plan, no rating was available for the money market fund. The Plan holds ten institutional separate accounts, which were rated by Morningstar, of which three received a 5 star rating, three received a 4 star rating, one received a 3 star rating and two received a 2 star, with 5 being the best and 1 being the worst.

The OPEB Trust holds 26 separate bond/stock funds of which seven had a Morningstar rating of 5 stars (best rating is 5 stars). Five of the funds received a 4 star rating, eleven of the funds received a 3 star rating and the remaining funds had a Morningstar rating of 2. No rating was available for the money market mutual fund.

The Maryland Local Government Investment Pool (the "MLGIP") is duly chartered, administered and subject to regulatory oversight by the State of Maryland. The MLGIP was established in 1982 under Article 95 Section 22G of the Annotated Code of Maryland. This pool is managed in a "Rule 2(a)-7" like manner and has an S&P rating of AAAM. All money market funds have a Moody's rating of Aaa. A bank sponsored collateral pool for governmental entities is 102% collateralized with U.S. Treasury and federal agency securities, securities of agencies of the U.S. government that have an implied and not explicit guarantee are classified as U.S. Agencies – Other.

Interest Rate Risk The County limits its interest rate risk by primarily investing in securities with maturity dates under five years. All U.S. Treasury, and U.S. Agencies investments are held by the general fund. It is the policy of the general fund to hold investments until maturity unless there is an economic reason to do otherwise

Concentration Risk. The County limits the investment in certain instruments to a certain percentage of its portfolio as follows: U.S Treasury Obligations and U.S. Government Agency or sponsored instrumentalities, 100%; Repurchase agreements, 100%; Maryland Local Government Investment Pool, 100%; collateralized, non-negotiable certificates of deposit, 80%; money market mutual funds, 60%, bankers acceptances, 40% and commercial paper, 5%. The County's portfolio was in compliance with this policy.

The Pension Plan's investment policy applies the prudent person rule to its investments. The Plan invests in Institutional Separate Accounts, which are essentially mutual funds. This sub-advised approach provides the Plan with access to some of the most respected investment professionals in the industry. The investment policy establishes an asset allocation by asset class where allowable ranges are identified by asset class.

Rebalancing is performed on at least a quarterly basis, as appropriate, such that the allocation for each asset class shall not exceed the bounds of the allowable ranges. During the years ended June 30, 2023, 2022, and 2021, the Plan complied with the Plan’s investment policy.

The OPEB Trust’s investment policy applies the prudent person rule to its investments as a whole and its Investment Consultants and/or Investment Managers. The investment policy requires that no more than 5% of any class of investments shall be in one corporation or affiliated group. Further, the policy requires that no more than 20% of any class of investments shall be in any one industry; investments in U.S. Treasury and U.S. Agency obligations are not limited.

In fiscal year 2017, following the enactment of the State of Maryland legislation, the County Council passed legislation creating a Landfill Closure Restricted Investment Account to accumulate funds to pay for the closure and post-closure costs of the County’s landfill. The Landfill Closure Account’s investment policy applies the prudent person rule to its investments as a whole and its Investment Consultants and/or Investment Managers. The investment policy requires that no more than 5% of any class of investments shall be in one corporation or affiliated group. Further, the policy requires that no more than 20% of any class of investments shall be in any one industry; investments in U.S. Treasury and U.S. Agency obligations are not limited.

**Restricted Cash and Investments**

As of June 30, 2023, the County had \$46,781,360 in temporarily restricted cash and investments. Of this, unspent proceeds of bond offerings consist of \$23,266,714 in Capital Projects. Restrictions related to the Landfill Closure and Postclosure Costs account for \$11,527,630. The remaining \$11,987,016 is funds restricted by various grants or state laws. The bond proceeds and other funds as required are invested, tracked and managed separately from operating cash. The funds are subject to the imposed expenditure restrictions.

The chart below provides reconciliation between the amounts disclosed in the chart below and the amounts presented in the Statement of Net Position:

	<u>Primary Government</u>	<u>Fiduciary Funds</u>	<u>Component Units</u>	<u>Total</u>
Cash	\$ 11,824,906	\$ 2,284,583	\$ 33,545,276	\$ 47,654,765
Investments	213,712,943	79,091,496	35,753,713	328,558,152
Petty Cash Amounts	30,643	-	8,053	38,696
Total	<u>\$ 225,568,492</u>	<u>\$ 81,376,079</u>	<u>\$ 69,307,042</u>	<u>\$ 376,251,613</u>
Unrestricted	\$ 177,830,393	\$ -	\$ 60,870,557	\$ 238,700,950
Restricted	46,781,360	-	8,436,485	55,217,845
Fiduciary Funds	956,738	81,451,402	-	82,408,140
Total Cash and Investments	<u>\$ 225,568,491</u>	<u>\$ 81,451,402</u>	<u>\$ 69,307,042</u>	<u>\$ 376,326,935</u>

4. Receivables

**Primary Government**

The following are receivables as of June 30, 2023, for the Government’s major and non-major funds including applicable allowances for uncollectible accounts. Receivables of the internal service funds in the amount of \$268,888 are included in the governmental activities of the government-wide statement.

	<u>Governmental Fund Financial Statements</u>					<u>Government-wide Statements</u>
	<u>General</u>	<u>Housing Programs</u>	<u>Special Revenue</u>	<u>Non-Major Funds</u>	<u>Total</u>	<u>Governmental Activities</u>
Receivables:						
Property Taxes	\$ 5,140,408	\$ -	\$ -	\$ -	\$ 4,980,867	\$ 4,980,867
Accounts	-	223,781	105	28,518	252,404	521,292
Notes	-	-	-	-	-	-
Interest and Other	697,922	-	-	-	697,922	962,705
Gross Receivables	5,678,790	223,781	105	28,518	5,931,194	6,624,406
Less: Allowances for Uncollectibles	(881,260)	(223,781)	-	-	(1,105,042)	(1,105,042)
Net Total Receivables	<u>\$ 4,797,529</u>	<u>\$ -</u>	<u>\$ 105</u>	<u>\$ 28,518</u>	<u>\$ 4,826,152</u>	<u>\$ 5,519,364</u>

Receivables as of June 30, 2023, for the Government’s enterprise funds and business-type activities including applicable allowances for uncollectible accounts were as follows:

	<u>Wastewater Services</u>	<u>Landfill Services</u>	<u>Property Management</u>	<u>Total</u>	<u>Wastewater Services</u>	<u>Business-type Activities</u>
Receivables:						
Accounts	\$ 2,568,329	\$ 933,589	\$ 22,158	\$ 3,588,232	\$ -	\$ 3,524,076
Other	-	16,206	38	16,244	-	16,244
Non-Current	-	-	-	-	1,997,296	1,997,296
Gross Receivables	2,632,486	949,795	22,196	3,604,477	1,997,296	5,537,617
Less: Allowances for Uncollectibles	(124,392)	(46,719)	-	(171,111)	-	(171,111)
Net Total Receivables	<u>\$ 2,508,094</u>	<u>\$ 903,076</u>	<u>\$ 22,196</u>	<u>\$ 3,433,366</u>	<u>\$ 1,997,296</u>	<u>\$ 5,366,506</u>

**Component Units**

Receivables as of June 30, 2023, for the Component Units were as follows:

	<u>Board of Education</u>	<u>Cecil College</u>	<u>Cecil County Library</u>	<u>Bainbridge Development Corporation</u>	<u>Total</u>
Receivables:					
Accounts	\$ 885,335	\$ 782,571	\$ 152,334	\$ -	\$ 1,820,240
Other	-	1,736,172	-	74,767	1,810,939
Gross Receivables	885,335	2,518,743	152,334	74,767	3,631,179
Less: Allowances for					
Uncollectibles	-	(1,189,976)	-	-	(1,189,976)
Net Total Receivables	<u>\$ 885,335</u>	<u>\$ 1,328,767</u>	<u>\$ 152,334</u>	<u>\$ 74,767</u>	<u>\$ 2,441,203</u>

**Tax Abatements**

Cecil County, Maryland provides tax abatements through the Enterprise Zone Tax Credit Program. Maryland’s Enterprise Zone Tax Credit Program is a joint effort between the State and local governments to provide tax incentives to businesses and property owners within targeted areas in return for job creation and investments. Eligible businesses in an enterprise zone may claim a ten-year credit against local real property taxes on a portion of real property improvements. The credit is 80% of the assessment increase during the first five years. The credit then decreases 10% annually thereafter to 30% in the tenth year. The Tax - Property Article, Section 9-103 of the Maryland Annotated Code is the authorization for the Enterprise Zone program and corresponding tax credits. As provided by the State of Maryland budget, the State shall remit to the County an amount equal to one-half of the funds granted for enterprise zone tax credits annually. The County submits an annual request for this reimbursement. As of June 30, 2023, eighteen properties participate in this program.

<u>Taxes Abated</u>
<u>\$ 4,186,443</u>

**5. Notes Receivable**

**Economic Development Catalyst Loan Fund**

The fund provides small loans, through a revolving loan fund, in conjunction with other lenders to enhance economic development within the County. As of June 30, 2023, there were four outstanding loans totaling \$25,536.

## 6. Capital Assets

### A. Primary Government

The capital asset activity for Governmental Activities for the year ended June 30, 2023, was as follows:

	<u>June 30, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2023</u>
<b><u>Governmental Activities:</u></b>				
Capital Assets Not Being Depreciated:				
Land	\$ 16,703,068	\$ 138,833	\$ -	\$ 16,841,901
Construction in Progress	9,809,322	4,148,569	(441,854)	13,516,037
Total Capital Assets Not Being Depreciated	<u>26,512,390</u>	<u>4,287,402</u>	<u>(441,854)</u>	<u>30,357,938</u>
Capital Assets Being Depreciated/Amortized:				
Land Improvements	27,543,538	240,000	-	27,783,538
Highways & Bridges	269,131,073	3,273,975	(1,784,749)	270,620,299
Building & Improvements	114,664,477	334,615	-	114,999,092
Machinery & Equipment	77,055,079	3,084,859	(1,570,100)	78,569,838
Right-to-Use Assets - Leases	-	3,487,037	-	3,487,037
Right-to-Use Assets - Subscriptions	-	1,141,723	-	1,141,723
Total Capital Assets Being Depreciated/Amortized	<u>488,394,167</u>	<u>11,562,209</u>	<u>(3,354,849)</u>	<u>496,601,527</u>
Less Accumulated Depreciation/Amortization for:				
Land Improvements	(9,668,671)	(1,644,495)	-	(11,313,166)
Highways & Bridges	(171,325,262)	(6,981,846)	1,784,749	(176,522,359)
Building & Improvements	(35,686,003)	(2,804,919)	-	(38,490,922)
Machinery & Equipment	(52,931,399)	(6,362,370)	1,409,597	(57,884,172)
Right-to-Use Assets - Leases	-	(314,694)	-	(314,694)
Right-to-Use Assets - Subscriptions	-	(294,145)	-	(294,145)
Total Accumulated Depreciation/Amortization	<u>(269,611,335)</u>	<u>(18,402,469)</u>	<u>3,194,346</u>	<u>(284,819,458)</u>
Total Capital Assets Being Depreciated/Amortized, Net	<u>218,782,832</u>	<u>(6,840,260)</u>	<u>(160,503)</u>	<u>211,782,069</u>
Governmental Activities Capital Assets, Net	<u>\$245,295,222</u>	<u>\$ (2,552,858)</u>	<u>\$ (602,357)</u>	<u>\$242,140,007</u>

The capital asset activity for Business-Type Activities for the year ended June 30, 2023, was as follows:

**Business-Type Activities:**

Capital Assets Not Being Depreciated:

Land	\$ 3,347,327	\$ 275,168	\$ -	\$ 3,622,495
Construction in Progress	8,033,820	4,211,175	(2,104,326)	10,140,669
Total Capital Assets Not Being Depreciated	<u>11,381,147</u>	<u>4,486,343</u>	<u>(2,104,326)</u>	<u>13,763,164</u>

Capital Assets Being Depreciated/Amortized:

Landfill & Land Improvements	42,839,757	-	-	42,839,757
Wastewater Lines	80,977,173	3,505,793	-	84,482,966
Buildings & Improvements	35,958,293	134,506	-	36,092,799
Machinery & Equipment	54,476,521	902,278	(1,078,234)	54,300,565
Right-to-Use Assets - Leases	-	1,078,234	-	1,078,234
Total Capital Assets Being Depreciated/Amortized	<u>214,251,744</u>	<u>5,620,811</u>	<u>(1,078,234)</u>	<u>218,794,321</u>

Less Accumulated Depreciation/Amortization for:

Landfill & Land Improvements	(31,006,281)	(1,842,170)	-	(32,848,451)
Wastewater Lines	(26,837,750)	(2,570,301)	-	(29,408,051)
Building & Improvements	(13,954,740)	(952,187)	-	(14,906,927)
Machinery & Equipment	(25,029,441)	(2,761,689)	161,735	(27,629,395)
Right-to-Use Assets - Leases	-	(614,846)	-	(614,846)
Total Accumulated Depreciation/Amortization	<u>(96,828,212)</u>	<u>(8,741,193)</u>	<u>161,735</u>	<u>(105,407,670)</u>

Total Capital Assets Being Depreciated/Amortized, Net	<u>117,423,532</u>	<u>(3,120,382)</u>	<u>(916,499)</u>	<u>113,386,651</u>
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Business-Type Activities Capital Assets, Net	<u>\$ 128,804,679</u>	<u>\$ 1,365,961</u>	<u>\$ (3,020,825)</u>	<u>\$ 127,149,815</u>
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Depreciation/Amortization and depletion expense were charged to the following activities:

**Governmental Activities:**

General Government	\$ 2,001,062
Public Safety	5,037,714
Highways, Streets, and Bridges	8,203,456
Health and Welfare	540,015
Recreation and Culture	1,729,224
Public Libraries	868,353
Economic Development	22,645
	<u>\$ 18,402,469</u>

**Business-type Activities:**

Enterprise Funds:	
Wastewater	\$ 5,986,821
Landfill	2,583,699
Property Management	170,673
	<u>\$ 8,741,193</u>

**Construction Commitments**

Cecil County has active construction contracts as of June 30, 2023. The programs include upgrades to sewers, site improvements and office renovations. At year-end, the County's commitments with these contractors are as follows:

Project	Spent to Date	Remaining Commitment
Bayview Sewer Interceptor	\$ 1,673,454	\$ 408,266
Courthouse Parking Lot	514,880	7,015
States Attorneys Office Renovation	-	1,189,580
Stoney Run Dredge Material Placement Site	636,172	638,404
Elkton High School Stadium Field	180,328	921,856
Rising Sun High School Stadium Field	390,189	809,811
<b>Total</b>	<b>\$ 3,395,023</b>	<b>\$ 3,974,932</b>

**B. Discretely Presented Component Units**

The following summarizes the capital asset activity of the County's component units for the year ended June 30, 2023:

	June 30, 2022	Increases	Decreases	June 30, 2023
<b>Board of Education</b>				
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 7,602,491	\$ -	\$ (2)	\$ 7,602,489
Construction in Progress	719,645	6,677,283	(1,393,759)	6,003,169
<b>Total Capital Assets Not Being Depreciated</b>	<b>8,322,136</b>	<b>6,677,283</b>	<b>(1,393,761)</b>	<b>13,605,658</b>
<b>Capital Assets Being Depreciated and Amortized:</b>				
Building & Improvements	345,671,416		(1,923,377)	343,748,039
Land Improvements	18,856,203	443,290	(111,102)	19,188,391
Machinery & Equipment	29,286,066	3,147,936	(2,644,790)	29,789,212
Machinery & Equipment - leased	1,191,729	2,482,664	-	3,674,393
<b>Total Capital Assets Being Depreciated and Amortized</b>	<b>395,005,414</b>	<b>6,073,890</b>	<b>(4,679,269)</b>	<b>396,400,035</b>
<b>Less Accumulated Depreciation and Amortization for:</b>				
Building & Improvements	(204,874,320)	(11,967,513)	1,646,288	(215,195,545)
Land Improvements	(11,664,268)	(868,822)	96,655	(12,436,435)
Machinery & Equipment	(16,049,726)	(1,799,087)	2,481,590	(15,367,223)
Machinery & Equipment - leased	(606,142)	(903,285)	-	(1,509,427)
<b>Total Accumulated Depreciation and Amortization</b>	<b>(233,194,456)</b>	<b>(15,538,707)</b>	<b>4,224,533</b>	<b>(244,508,630)</b>
<b>Total Capital Assets Being Depreciated and Amortized, Net</b>	<b>161,810,958</b>	<b>(9,464,817)</b>	<b>(454,736)</b>	<b>151,891,405</b>
<b>Board of Education Capital Assets, Net</b>	<b>\$ 170,133,094</b>	<b>\$ (2,787,534)</b>	<b>\$ (1,848,497)</b>	<b>\$ 165,497,063</b>

Capital assets of the County's component units (continued):

	<u>June 30, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2023</u>
<b><u>Cecil College</u></b>				
Capital Assets Not Being Depreciated:				
Land	\$ 1,779,763	\$ -	\$ -	\$ 1,779,763
Construction in Progress	818,454	445,602	-	1,264,056
Total Capital Assets Not Being Depreciated	<u>2,598,217</u>	<u>445,602</u>	<u>-</u>	<u>3,043,819</u>
Capital Assets Being Depreciated:				
Leasehold & Other Improvements	30,379,114	2,484,461	(141,492)	32,722,083
Building and Improvements	59,287,745	-	(35,037)	59,252,708
Machinery & Equipment	8,349,106	143,247	(1,389,999)	7,102,354
Leased Equipment	-	211,715	-	211,715
Subscription Asset	131,026	196,603	-	327,629
Total Capital Assets Being Depreciated	<u>98,146,991</u>	<u>3,036,026</u>	<u>(1,566,528)</u>	<u>99,616,489</u>
Less Accumulated Depreciation for:				
Leasehold & Other Improvements	(23,235,641)	(1,822,392)	141,492	(24,916,541)
Building & Improvements	(19,154,148)	(585,115)	35,037	(19,704,226)
Machinery & Equipment	(7,404,381)	(420,667)	1,389,999	(6,435,049)
Leased Equipment	-	(19,733)	-	(19,733)
Subscription Asset	-	(77,340)	-	(77,340)
Total Accumulated Depreciation	<u>(49,794,170)</u>	<u>(2,925,247)</u>	<u>1,566,528</u>	<u>(51,152,889)</u>
Total Capital Assets Being Depreciated, Net	<u>48,352,821</u>	<u>110,779</u>	<u>-</u>	<u>48,463,600</u>
Cecil College Capital Assets, Net	<u>\$ 50,951,038</u>	<u>\$ 556,381</u>	<u>\$ -</u>	<u>\$ 51,507,419</u>
<b><u>Public Library</u></b>				
Capital Assets Being Depreciated:				
Machinery & Equipment	\$ 8,170,202	\$ 646,583	\$ (524,919)	\$ 8,291,866
Less Accumulated Depreciation for:				
Machinery & Equipment	(3,255,921)	(883,628)	524,919	(3,614,630)
Total Accumulated Depreciation	<u>(3,255,921)</u>	<u>(883,628)</u>	<u>524,919</u>	<u>(3,614,630)</u>
Total Capital Assets Being Depreciated, Net	<u>4,914,281</u>	<u>(237,045)</u>	<u>-</u>	<u>4,677,236</u>
Public Library Capital Assets, Net	<u>\$ 4,914,281</u>	<u>\$ (237,045)</u>	<u>\$ -</u>	<u>\$ 4,677,236</u>
<b><u>Bainbridge Development Corporation</u></b>				
Capital Assets Not Being Depreciated:				
Land	\$ 2,219,623	\$ -	\$ -	\$ 2,219,623
Capital Assets Being Depreciated:				
Machinery & Equipment/Land Improvements	219,876	-	-	219,876
Less Accumulated Depreciation for:				
Machinery & Equipment/Land Improvements	(68,125)	(33,572)	-	(101,697)
Total Accumulated Depreciation	<u>(68,125)</u>	<u>(33,572)</u>	<u>-</u>	<u>(101,697)</u>
Total Capital Assets Being Depreciated, Net	<u>151,751</u>	<u>(33,572)</u>	<u>-</u>	<u>118,179</u>
Bainbridge Development Corporation Capital Assets, Net	<u>\$ 2,371,374</u>	<u>\$ (33,572)</u>	<u>\$ -</u>	<u>\$ 2,337,802</u>

**7. Interfund Balances and Transfers**

Interfund balances arise primarily from the General Fund's role as receiver, investor, and disbursing agent of cash. Transactions that are short-term in nature are classified as inter-fund receivables. The Motor Vehicle and Information Technology internal service fund hold depreciable assets; the receivables from these funds are considered an advance because the cash flow from service charges is insufficient to repay the balances in the short term. The inter-fund receivables as of June 30, 2023, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Funds	\$ 548,930
	Housing Programs Fund	(154,689)
	Advance to Information Technology Fund	3,226,789
	Advance to Motor Vehicle Fund	3,944,679
		<u>\$ 7,565,709</u>

Interfund transfers from the General Fund consist of operating transfers to finance debt service of \$17,345,524 and \$5,268,736 to provide additional support to several special revenue programs. The transfers for the year ended June 30, 2023, were as follows:

	<u>Transfers In</u>						<u>Total</u>
	<u>Housing Fund</u>	<u>General Capital Projects Fund</u>	<u>Other Grants Funds</u>	<u>Non-Major Governmental Funds</u>	<u>Waste Water Fund</u>	<u>General Fund</u>	
General Fund	\$ 82,970	\$ -	\$ -	\$ 22,382,808	\$ -	\$ 148,482	\$ 22,614,260
Property Mgmt.	-	-	-	-	-	-	-
Casino Local Impact	150,000	-	-	-	500,000	342,000	992,000
Genl. Cap. Projects	-	-	-	-	-	-	-
<b>Total</b>	<u>\$ 232,970</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,382,808</u>	<u>\$ 500,000</u>	<u>\$ 490,482</u>	<u>\$ 23,606,260</u>

8. Long-Term Debt

A. **Changes in Long-Term Liabilities**

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Due Within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
General Obligation Bonds	\$ 197,900,058	\$ -	\$ (11,094,873)	\$ 186,805,182	\$ 11,462,366
Direct Borrowings/Placements	60,989	-	(6,099)	54,890	6,099
Premium on Debts Issued	13,695,111	-	(1,997,323)	11,697,788	1,801,786
Total Bonds Payable	211,656,158	-	(13,098,295)	198,557,861	13,270,251
Financed Purchases	3,814,814	-	(1,425,210)	2,389,604	1,403,887
Insurance Claims Payable	5,420,435	13,176,212	(12,949,846)	5,646,802	5,646,802
Compensated Absences	3,270,355	3,064,542	(3,035,918)	3,298,979	2,180,237
Net Pension Liability	41,230,138	756,328	-	41,986,466	-
Governmental Activity Long-Term Liabilities	<u>\$ 265,391,900</u>	<u>\$ 16,997,082</u>	<u>\$ (30,509,269)</u>	<u>\$ 251,879,711</u>	<u>\$ 22,501,177</u>

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Due Within</u> <u>One Year</u>
<b>Business-Type Activities:</b>					
General Obligation Bonds	\$ 49,414,942	\$ -	\$ (1,270,127)	\$ 48,144,815	\$ 1,787,634
Direct Borrowings/Placements	26,485,278	-	(2,526,754)	23,958,524	1,916,715
Premium on Debt Issued	1,899,492	-	(300,134)	1,599,358	283,915
Total Bonds Payable	77,799,712	-	(4,097,015)	73,702,697	3,988,264
Financed Purchases	646,352	-	(209,153)	437,198	215,407
Compensated Absences	230,199	7,396	(69)	237,526	158,351
Accrued Landfill Closure and Postclosure Costs	11,229,976	297,654	-	11,527,630	-
Business-Type Activity Long-Term Liabilities	<u>\$ 89,906,239</u>	<u>\$ 305,050</u>	<u>\$ (4,306,237)</u>	<u>\$ 85,905,052</u>	<u>\$ 4,362,022</u>
<b>Component Units</b>					
Board of Education	\$ 85,388,791	\$ 6,241,299	\$ (1,207,191)	\$ 90,422,899	\$ 1,490,780
Cecil College	395,376	563,181	(64,794)	893,763	382,753
Cecil County Public Library	392,418	180,628	-	573,046	-
Bainbridge Development	91,841	-	(91,841)	-	-
Component Units Long-Term Liabilities	<u>\$ 86,268,426</u>	<u>\$ 6,985,108</u>	<u>\$ (1,363,826)</u>	<u>\$ 91,889,708</u>	<u>\$ 1,873,533</u>

Compensated absences are reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The General Fund normally pays compensated absence liabilities not recorded in internal service funds. Net pension liabilities are liquidated with General Fund resources.

**B. General Obligation Bonds**

Cecil County issues general obligation bonds to provide funds for the acquisition and construction of major capital assets. General obligation bonds have been issued for both governmental and business-type activities; they are direct obligations and pledge the full faith and credit of the government. These bonds are generally issued as 20 to 30 year serial bonds with varying amounts of principal due each year.

Cecil County has also issued special assessment debt to provide for the construction of shore erosion control projects. These funds will be repaid from amounts levied against the property owners benefited by the construction. In the event that a deficiency exists at the time a debt service payment is due, the government must provide resources to cover the deficiency until other resources are received.

Bond issues described as "Consolidated Public Improvement Bonds" are used to finance the design, planning, renovation, construction, and equipping of public facilities in Cecil County. Funding from Sanitary District Bonds is used to design, plan, renovate, construct or equip various wastewater facilities.

There are certain limitations and restrictions contained in the various bond indentures including call provisions. The County is in compliance with the limitations and restrictions.

A detailed list of bonds outstanding as of June 30, 2023, is contained on pages 60 and 61.

The annual debt service requirements to maturity for principal and interest for bonds payable as of June 30, 2023, were as follows:

Year Ending June 30	Governmental Activities				Business-Type			
	General		Notes From		General		Notes From	
	Obligation Bonds		Direct Borrowings		Obligation Bonds		Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 11,462,366	\$ 5,842,249	\$ 6,099	\$ -	\$ 1,787,634	\$ 1,294,202	\$ 1,916,715	\$ 456,180
2025	12,201,676	5,871,856	6,099	-	1,843,324	1,339,254	1,865,656	424,292
2026	12,635,062	4,828,286	6,099	-	2,334,938	1,125,706	1,493,911	393,097
2027	13,048,623	4,344,500	6,099	-	2,496,377	1,046,051	1,413,275	365,723
2028	11,505,961	3,900,537	6,099	-	2,594,039	967,718	1,392,204	339,086
2029-2030	19,056,027	6,593,744	12,198	-	5,353,973	1,683,493	2,786,378	596,202
2031-2035	46,989,441	10,856,895	12,197	-	11,305,559	3,076,006	7,097,844	994,041
2036-2040	36,903,519	4,774,886	-	-	9,011,481	1,880,436	1,429,285	475,777
2041-2045	13,566,741	1,703,267	-	-	7,553,259	895,130	1,383,267	300,154
2046-2050	6,589,930	690,238	-	-	3,225,069	247,432	989,432	186,808
2051-2055	2,845,836	64,353	-	-	639,161	14,453	1,059,754	116,486
2056-2060	-	-	-	-	-	-	1,130,804	41,170
Total	\$ 186,805,182	\$ 49,470,811	\$ 54,890	\$ -	\$ 48,144,814	\$ 13,569,881	\$ 23,958,525	\$ 4,689,016

The following is a summary of general, special assessment, and revenue bonds outstanding as of June 30, 2023:

<b>Date of Issue/ Maturity</b>	<b>Amount of Original Issue</b>	<b>Description</b>	<b>Interest Rates</b>	<b>Balance Outstanding</b>		<b>Balance Outstanding June 30, 2022</b>
				<b>Govt. Activities</b>	<b>Business Type</b>	
2015/2027	\$ 34,975,000	Refunding Bond 2015	3.0%-4.0%	\$ 15,830,200	\$ 9,800	\$ 15,840,000
2016/2036	50,530,000	Consolidated Public Improvement and Refunding Bonds of 2016 New Money \$35,800,000 Refunding \$14,730,000	3.0%-4.0%	25,975,223	5,664,777	31,640,000
2018/2037	47,645,000	Consolidated Public Improvement and Refunding Bonds of 2017 New Money \$33,500,000 Refunding \$14,145,000	3.0%-5.0%	29,919,075	6,640,925	36,560,000
2020/2039	47,000,000	Consolidated Public Improvement 2019 New Money \$47,000,000	3.0%-5.0%	39,318,136	41,864	39,360,000
2021/2049	77,745,000	Refunding Bond 2021 Refunding \$77,745,000	1.05%-5.0%	45,475,000	28,985,000	74,460,000
2021/2051	37,795,000	Consolidated Public Improvement New Money \$37,795,000	1.05%-5.0%	30,287,551	6,802,449	37,090,000
<b>Total General Obligation Bonds</b>				<u>\$ 186,805,182</u>	<u>\$ 48,144,813</u>	<u>\$ 234,949,995</u>

List of Bonds outstanding at June 30, 2023 (continued):

Amount of Original Issue	Description	Interest Rates	Balance Outstanding Govt. Activities	Business Type	Balance Outstanding June 30, 2022
2,050,000	Maryland Water Quality Bond 2002A CherryHill WWTP	2.0%	-	0	0
6,279,112	Maryland Water Quality Bond 2002B 2002B North East River WWTP	1.9%	-	17,444	17,444
845,000	USDA Bond 2003A Cherry Hill WWTP	4.252%	-	595,946	595,946
2,616,645	Maryland Water Quality Bond 2003B Lakeside/Rt 272 Sewer Upgrades	1.2%	-	0	0
1,585,000	USDA Bond 2004A Carpenters Point Ph I collection system	4.577%	-	1,166,489	1,166,489
8,000,000	Maryland Water Quality Bond 2004B Meadowview WWTP	1.1%	-	857,238	857,238
2,702,000	Maryland Water Quality Bond 2008A Washington Street Pump Station, Carpenters Point Ph II collection system	1%	-	503,811	503,811
800,000	Maryland Water Quality Bond 2008B Septage Receiving Facility	None	-	200,000	200,000
1,257,000	Maryland Water Quality Bond 2010A Carpenters Point Ph III collection system	1%	-	490,573	490,573
19,705,893	Maryland Water Quality Bond 2014 Northeast River WWTP ENR Upgrade	2%	-	13,317,531	13,317,531
7,225,000	USDA Bond 2020 Mill Run Sewer	1.375%	-	6,809,493	6,809,493
149,000	West View Shores II - Erosion Control Special Assessment Debt	None	<u>54,890</u>	-	<u>54,890</u>
Total Direct Borrowings			<u>54,890</u>	<u>23,958,524</u>	<u>24,013,415</u>
Total Debt Outstanding			<u>\$186,860,072</u>	<u>\$72,103,337</u>	<u>\$258,963,409</u>

**C. Defeasance of Debt**

Prior Year Defeasance of Debt. In prior years, Cecil County defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. As of June 30, 2023, \$0 of Cecil County Maryland bonds outstanding from this defeasement are considered defeased. The last retirement of \$71,546,000 was September 2021.

**D. Financed Purchases**

The County has a Financed Purchases Agreement with Banc of America Capital Corp. The agreement allows the County to purchase equipment at an adjustable market rate of interest. The County has a Financed Purchases Agreement with Enterprise Fleet Management Trust for vehicles. As of June 30, 2023, future minimum payments under financed purchases were as follows:

Years Ending June 30	Primary Government		Business Type	
	Principal	Interest	Principal	Interest
2024	\$ 1,175,350	\$ 27,700	\$ 215,407	\$ 13,130
2025	807,028	10,724	221,791	6,745
2026	407,226	2,346	-	-
2027	-	-	-	-
2028	-	-	-	-
Total Financed Purchases	<u>\$ 2,389,604</u>	<u>\$ 40,770</u>	<u>\$ 437,198</u>	<u>\$ 19,875</u>

**E. Subscription-Based Information Technology Arrangements (SBITAs)**

Subscription-based information technology arrangements (SBITAs) are contracts that convey control of the right to use another party's information technology (IT) software for a specified period of time. They are presented as lease liabilities and right-to-use assets – subscriptions in the financial statements. The following schedule is for future subscription payments for lease liabilities as of June 30, 2023:

Years Ending June 30	Primary Government		Component Units	
	Principal	Interest	Principal	Interest
2024	\$ 277,100	\$ 18,533	\$ 352,466	\$ 24,151
2025	284,087	12,037	194,734	9,868
2026	254,155	5,739	75,002	2,659
2027	2,780	66	40,326	954
	<u>\$ 818,122</u>	<u>\$ 36,375</u>	<u>\$ 662,528</u>	<u>\$ 37,632</u>

**9. Leases**

Cecil County incurred leases which are obligations for right-to-use vehicles, equipment, and buildings. They are presented as lease liabilities and right-to-use assets – leases in the financial statements. The leases expire at various dates through 2036. The following schedule is for future rental payments for lease liabilities as of June 30, 2023:

Years Ending June 30	Primary Government		Business Type		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 655,911	\$ 67,020	\$ 215,407	\$ 13,130	\$ 768,875	\$ 95,963
2025	618,056	52,327	221,791	6,745	616,484	67,557
2026	633,639	36,745	-	-	292,051	45,618
2027	644,729	20,755	-	-	201,252	26,666
2028	487,473	5,485	-	-	86,066	6,056
2029-2033	89,322	678	-	-	-	-
2034-2036	44,913	87	-	-	-	-
	<u>\$ 3,174,043</u>	<u>\$ 183,097</u>	<u>\$ 437,198</u>	<u>\$ 19,875</u>	<u>\$ 1,964,728</u>	<u>\$ 241,860</u>

**10. Landfill Closure and Post-closure Care Costs**

State and federal laws and regulations require the County to place a final cover on its central refuse landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure.

Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each statement of net assets date.

The landfill closure and post-closure care liability of \$11,527,630 as of June 30, 2023, represented the cumulative amount reported to date based on the use of approximately 94% of the estimated capacity of the currently constructed cells at the landfill. Based on the historical average disposal volume in the last 5 years, it is anticipated that the existing landfill has approximately 2 years of remaining disposal life. The remaining estimated cost of closure and post-closure care of \$689,835 will be recognized as the remaining estimated capacity is filled. The total closure and post-closure liability calculation is based on current 2024 costs. Actual cost may be different because of inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to meet certain financial assurance requirements relative to financing the expected cost of closure and post-closure care. The County is in compliance with these requirements.

11. Unavailable Revenues

Government Funds report unavailable revenues in connection with revenues that are not considered to be available to liquidate liabilities of the current period. In the government-wide statement, unavailable revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

	<u>Governmental Fund Financial Statements</u>	<u>Government-wide Financial Statements</u>
<b><u>Unavailable Revenues</u></b>		
<b>General Fund</b>		
Income Taxes	\$ 35,173,900	\$ -
Property Taxes	702,556	-
	<hr/>	<hr/>
<b>Total Governmental Activities</b>	<b><u>\$ 35,876,456</u></b>	<b><u>\$ -</u></b>
<b><u>Unearned Revenues</u></b>		
<b>Housing Programs Fund</b>		
Unearned Grant Revenue	\$ 11,983	\$ 11,983
<b>General Capital Project Fund</b>		
Unearned Grant Revenue	314,974	314,974
<b>Other Grants Fund</b>		
Unearned Grant Revenue	20,293,281	20,293,281
<b>Non-Major Funds</b>		
Community Services	392,425	392,425
	<hr/>	<hr/>
<b>Internal Service Fund</b>		
Motor Vehicle Fund	-	29,422
	<hr/>	<hr/>
<b>Total Governmental Activities</b>	<b><u>\$ 21,012,663</u></b>	<b><u>\$ 21,042,085</u></b>

**12. Fund Balance**

The County has adopted GASB Statement No. 54 which redefined how fund balances are presented in fund financial statements. In the governmental fund financial statements, fund balances are classified as follows:

**Non-spendable** – Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.

**Restricted** – Amounts that can be spent only for specific purposes because of the County Charter, state or federal laws, or externally imposed conditions by grantors or creditors.

**Committed** – Amounts that can be used only for specific purposes determined by formal County Council legislative action.

**Assigned** – Amounts that are allocated for a future use by the County Executive but are not spendable until a budget ordinance is passed by County Council.

**Unassigned** – All amounts not included in other spendable classifications.

The details of the fund balances are included in the Balance Sheet of Governmental Funds. Restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by Council or the Assignment has been changed by the County Executive. Decreases to fund balance first reduce Unassigned Fund Balance; in the event that Unassigned becomes zero, then Assigned and Committed Fund Balances are used in that order.

**General Fund**

The General Fund had Nonspendable fund balances of \$7,378,200 as of June 30, 2023. The Motor Vehicle internal service fund holds depreciable assets; the receivables from this fund is considered as Advances and classified as Nonspendable because the cash flow from service charges is insufficient to repay the balance in the short term (discussed in Note 7). The County’s Nonspendable fund balance detail is as follows:

<b>Non-spendable</b>	
Advance to Motor Vehicle Fund	\$ 3,226,789
Advance to Information Technologies Fund	3,944,679
Inventory and Prepaid	<u>206,732</u>
	<u>\$ 7,378,200</u>

The General Fund had Assigned fund balances of \$98,086,898 as of June 30, 2023. The Reserve for Contingencies was legislated to set aside resources to cover unanticipated deficits or revenue reductions that may be caused by adverse economic conditions or public emergency. The Emergency Reserve is equal to 10% of \$232,041,807 - fiscal year 2024 revenues budgeted as of the end of June 30, 2023. The Assigned amount also included a Budget Stabilization Reserve (equal to 7% of the fiscal year 2024 revenue budget).

The Assigned fund balance detail is as follows:

<b>Assigned</b>		
Emergency Reserve for Contingencies	\$	23,204,181
Budget Stabilization		15,082,717
		<b>38,286,898</b>
Lease Buyout		8,200,000
Cyber Security - Software		5,000,000
Healthcare		3,000,000
HVAC Repairs		3,000,000
Insurance		2,000,000
Business Incentives		2,000,000
IT Cameras = Detention		1,600,000
VFC - Carryover FY23 Vehicle Budget		1,500,000
Land Purchases		1,000,000
Tactical Armored Vehicle - FY23		500,000
		<b>27,800,000</b>
Pay-Go		32,000,000
		<b>32,000,000</b>
<b>Assigned</b>		<b>\$ 98,086,898</b>

The General Fund is the only governmental fund that can report a positive Unassigned fund balance; the Unassigned balance as of June 30, 2023 is \$18,238,937.

General Fund balance also contains \$10,000,000 of committed funds for the exclusive use of covering future mandated fiscal year increases associated with the Maryland State Department of Education Maintenance of Effort and/or Blueprint for Maryland's Future.

**Other Funds**

The restricted fund balances for all special revenue funds amounted to \$23,153,830 and are intended to be used for subsequent years' expenditures for various grants and activities. The balances as of June 30, 2023 consist of the following:

<b>Restricted</b>		
Major Fund	Housing	\$ 1,547,414
Major Fund	Casino Local Impact	4,263,339
Major Fund	Capital Projects	14,248,414
Non-Major Funds	Other Governmental	3,094,663
		<b>23,153,830</b>
		<b>\$ 23,153,830</b>

**13. Risk Management**

**A. Health Insurance**

The County is self-insured for health care benefits provided to employees. The County pays between 80-90% of the cost of providing benefits with employees contributing 10-20% of the cost. Benefits are provided through the Health Insurance Internal Service Fund. The Fund was established in fiscal year

1993 to provide health care benefits to employees of the County government, and two component units (Cecil College and Cecil County Public Library). Under the Plan, charges are made to employers on a formula basis. Inter-fund charges within the County are recorded as revenue in the Health Insurance Fund and as expenditure/expense to the benefiting department.

The County manages the Plan through retention of risk in the Internal Service Fund and the purchase of commercial insurance. The payment of health-related claims is processed through a third-party administrator. Excess insurance is purchased to cover individual claims that exceed \$200,000 per plan year.

The liability for Health Insurance Fund claims of \$541,802 was based on standard insurance industry practices for estimating claims for insured losses incurred but not reported by June 30, 2023. Historical claims experience and other relevant reports are the basis for these estimates.

An analysis of claims liabilities recorded in the Health Insurance Fund is presented below:

	Beginning Fiscal Year Liability	Claims and Claims Incurred	Claims Paid	Ending Fiscal Year Liability
2021-2022	\$ 967,580	\$ 11,766,832	\$ (12,144,977)	\$ 589,435
2022-2023	589,435	10,171,599	(10,219,232)	541,802

**B. Workers Compensation Insurance**

Effective July 1, 2009, the County became self-insured for workers compensation benefits provided to employees. The County manages the Plan through retention of risk in the Internal Service Fund and the purchase of commercial insurance. The payment of workers compensation claims is processed through a third-party administrator. Excess insurance is purchased to cover individual claims that exceed \$750,000 per plan year.

The liability for Workers Compensation Fund claims of \$4,557,000 is based on standard insurance industry practices for estimating claims for insured losses incurred but not reported by June 30, 2023.

An analysis of claims liabilities recorded in the Workers' Compensation Fund is presented below:

	Beginning Fiscal Year Liability	Claims and Claims Incurred	Claims Paid	Ending Fiscal Year Liability
2021-2022	\$ 5,126,000	\$ 550,357	\$ (845,357)	\$ 4,831,000
2022-2023	4,831,000	914,183	(1,188,183)	4,557,000

**C. Other Insurance**

The County is exposed to various risks of loss related to torts, thefts or damage to assets, destruction of assets, errors and omissions, injuries to employees and other losses. The County participates in the Maryland Local Government Insurance Trust (LGIT). Coverage and deductibles under LGIT vary depending on type of incident.

The County insures its primary liability, property damage, and excess liability coverage through participation in LGIT, a public entity risk pool. For the pooled coverage, there is a total risk and cost sharing for all participants. Liabilities in excess of assets of the Trust may be assessed to participating members. Stop loss insurance is provided to protect against catastrophic losses. Premiums are paid by the General Fund. The County does not have any claim liability in addition to premiums unless an assessment is made by the Trust.

#### **14. Commitments and Contingencies**

##### **A. Educational Funding Commitments**

The Annotated Code of Maryland (§ 16-305 13(d)) requires that the County provide funding to Cecil College that is equal to or greater than the prior fiscal year operating fund appropriations. The County has met the funding requirement for the year ended June 30, 2023. Funding for the year ending June 30, 2024, is estimated to be \$12,180,457. The Code also requires that the County maintain its funding level from year to year for the Board of Education, except in cases where the State calculates a lower County share of Maintenance of Effort (MOE). For the year ended June 30, 2023, such funding amounted to \$89,196,266 and is estimated to be \$88,501,618 for the year ending June 30, 2024.

##### **B. Grant Compliance**

The County receives Federal and State funding under a number of programs. Payments made by these sources under contractual agreements are provisional and subject to redetermination based on the filing of reports and audits of those reports. Final settlements due from or to these sources are recorded in the year in which the related services are performed. Any adjustment resulting from subsequent examinations is recognized in the year in which the results of such examinations become known. County officials do not expect any significant adjustment as a result of these examinations.

##### **C. Litigation Compliance**

The County is a party to numerous legal proceedings, many of which normally occur in governmental operations. The legal proceedings are not, in the opinion of the County's attorneys, likely to have a material adverse impact on the County's financial position.

#### **15. Employee Retirement Systems and Pension Plans**

##### **A. Pension Plans – Primary Government**

The County sponsors a single-employer, defined benefit pension plan, the Cecil County Pension Plan for Public Safety Employees (PPPSE), to provide benefits to certain law enforcement and public safety personnel. Except for employees of the Bainbridge Development Corporation, all other County employees and the employees of its component units are covered by the Maryland State Retirement and Pension System (MSRPS), a cost-sharing multiple employer public employee retirement system. The County also has established a Length of Service Award Program (LOSAP) for the County's Department of Fire and Rescue Service volunteers who meet certain age and service criteria. For the year ended June 30, 2023, the County recognized aggregated pension expense of \$7,295,239 for all three pension systems.

**Cecil County Pension Plan for Public Safety Employees (PPPSE)**

Plan description. Established by Cecil County on July 1, 2002, the Cecil County Pension Plan for Public Safety Employees (PPPSE) is a single-employer, defined benefit pension plan which provides retirement, disability, and death benefits to Plan members and their beneficiaries. The Plan covers all full-time employees on the County's Public Safety Pay Scale hired after June 30, 2002, the Cecil County Sheriff, and eligible public safety employees who have opted to convert from the Maryland State Retirement and Pension System Plan. As of June 30, 2023, there were 230 active Plan members, 110 retirees receiving benefits, 1 disabled beneficiary receiving benefits and 26 members entitled to but not yet receiving retirement benefits. Responsibility for the administration and operation of the Plan is vested with a 9-member Board of Trustees. The Plan issues publicly available financial statements, which are available from the Cecil County Department of Finance, 200 Chesapeake Blvd., Elkton, MD 21921 or [www.ccgov.org/government/finance/financial-reports](http://www.ccgov.org/government/finance/financial-reports).

The Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds of contributions are recognized when due and payable in accordance with the terms of the Plan. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. For fixed income securities, fair value may be based on quoted market prices.

Funding Policy. The contribution requirements of Plan members and the County are established by resolution of the former Board of County Commissioners and may be amended by resolution. Plan members are required to contribute 8% of the base compensation. Cecil County, as the employer, is required to make actuarially determined annual contribution amounts; the current rate is 15.01% of covered payroll.

Annual Pension Cost. For the fiscal year ended June 30, 2023, the County's annual contribution to the PPPSE was \$1,983,869 which was equal to the actuarially determined contribution. The required contribution to the Public Safety Plan was determined as part of the July 1, 2021, actuarial valuation using the entry age normal. The total pension liability was determined by an actuarial valuation as of July 1, 2022 rolled forward to June 30, 2023. The actuarial assumptions included: (a) 6.75% investment rate of return compounded annually, net of investment expenses; (b) projected salary increases vary by years of service; (c) termination of service rates vary by years of service; (d) an inflation rate of 2.5% resulting in post-retirement benefit increases of the maximum 2%; (e) For healthy participants and beneficiaries, the RP-2014 Combined Healthy tables with the Blue Collar adjustment and generational; projection by Scale MP-2015. For disabled participants, the table is set forward five years; (f) the remaining amortization ranges from 2 to 16 years; (g) the source of mortality assumptions is the RP-2014 combined healthy tables and (h) the actuarial assumptions are based largely on an experience study completed in July 2018.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation (2.5%). The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
US Equity - Large Cap	34%	7.4%
US Equity - Small/Mid Cap	18%	7.8%
International - Developed	12%	7.8%
International - Emerging	3%	8.6%
US Corp Bonds - Core	32%	4.8%
Cash	1%	3.2%
Total	100%	

**Discount rate.** The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed the plan member contributions will be made at the current contribution rate and that the County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability(Asset) (a) - (b)
<b>Balances at 6/30/22</b>	\$ 80,622,152	\$ 65,234,009	\$ 15,388,143
<b>Changes for the year:</b>			
Service cost	\$ 2,142,730	\$ -	\$ 2,142,730
Interest	5,331,284	-	5,331,284
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(2,282,678)	-	(2,282,678)
Changes of assumptions	-	-	-
Contributions - employer	-	1,983,869	(1,983,869)
Contributions - member	-	1,029,319	(1,029,319)
Net investment income	-	6,856,772	(6,856,772)
Benefit payments, including refunds of member contributions	(3,280,341)	(3,280,341)	-
Administrative expense	-	(483,184)	483,184
<b>Net Changes</b>	<u>1,910,995</u>	<u>6,106,435</u>	<u>(4,195,440)</u>
<b>Balances at 6/30/23</b>	<u>\$ 82,533,147</u>	<u>\$ 71,340,444</u>	<u>\$ 11,192,703</u>

**Sensitivity of the net pension liability to changes in the discount rate.** The following presents the net pension liability of the County, calculated using the discount rate of 6.75 percent, 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 (5.75 percent) or 1 percentage point higher (7.75 percent) than the current rate:

	<u>1% Decrease</u> 5.75%	<u>Current</u> <u>Discount Rate</u> 6.75%	<u>1% Increase</u> 7.75%
County's Net Pension Liability/(Asset)	\$ 23,552,796	\$ 11,192,703	\$ 1,225,532

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

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2023, the County recognized pension expense of \$3,737,792. As of June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Differences between expected and actual experience	\$ 108,439	\$ 2,174,142
Changes in Assumptions	1,649,789	-
Net difference between projected and actual earnings on pension plan investments	2,928,330	-
	-	-
<b>Total</b>	<b>\$ 4,686,558</b>	<b>\$ 2,174,142</b>

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

<u>Year ending June 30:</u>	<u>Pension Expense</u>
2024	\$ 686,023
2025	(420,250)
2026	2,742,401
2027	(495,758)
2028	-
Thereafter	-

**Maryland State Retirement and Pension System (MSRPS)**

Plan description. Except for public safety personnel participating in the Pension Plan for Public Safety described previously and employees of Bainbridge Development Corporation, the employees of the County and its component units are covered by a plan within either the Employees' Retirement and Pension System or the Teachers' Retirement and Pension System. These plans are part of the Maryland State Retirement and Pension System (MSRPS), a cost-sharing multiple-employer public employee retirement system administered by the State Retirement Agency. The MSRPS was established by the State Personnel and Pensions Article of the Annotated Code of Maryland (State law) to provide retirement allowances and other benefits to state employees, teachers, police, judges, legislators and employees of participating governmental units. Responsibility for the administration and operation of the MSRPS is vested in a 15-member Board of Trustees. The MSRPS issues annual financial statements which are publicly available at [www.sra.state.md.us](http://www.sra.state.md.us) or may be obtained by writing to the State Retirement and Pension System of Maryland, 301 West Preston Street, Baltimore, MD 21201, or by calling 1-800-492-5909.

Funding policy. The contribution requirements for plan members, the County and its component units are established by State law. Employees are required to contribute two percent to seven percent of their compensation, depending on the plan in which they are enrolled. Employers, including the County, are required to contribute at an actuarially determined rate based on annual actuarial valuations using the entry age normal cost method with projection and other actuarial assumptions adopted by the Board of Trustees. Current employer contribution rates to the Employees' Retirement and Employees' Pension plans vary from 5% to 10% of covered payroll depending on the plan. The County's contributions to the MSRPS for the years ending June 30, 2023, 2022, and 2021 were \$2,517,319, \$2,196,632 and \$2,077,812, respectively and equaled the required contribution for each year. Amounts contributed by the State on behalf of the component units can be found in their respective financial statements.

Summary of total pension costs. The total annual pension cost for the County and its component units to the MSRPS and the Pension Plan for Public Safety Employees for the year ended June 30, 2023, was equal to the required and actual contributions as follows:

	<u>MSRPS</u>	<u>Public Safety</u>	<u>Total</u>
Primary Government	\$ 2,517,319	\$ 1,983,869	\$ 4,501,188
Component Units			
Board of Education	12,287,928	-	12,287,928
Community College	535,254	-	535,254
Public Library	492,189	-	492,189
Total	<u>\$ 15,832,690</u>	<u>\$ 1,983,869</u>	<u>\$ 17,816,559</u>

Pension Liabilities. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: As of June 30, 2023, the County reported a liability of \$19,257,477 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participants members, actuarially determined. As of June 30, 2023, the County's proportion was .09625%.

For the year ended June 30, 2023, the County recognized pension expense of \$3,939,577. As of June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contributions Subsequent to Measurement Date	\$ 2,517,319	\$ -
Differences between expected and actual experience	-	1,374,834
Changes in Assumptions	5,903,293	5,961,616
Net difference between projected and actual earnings on pension plan investments	2,147,053	194,088
Change in Proportionate Share	241,560	2,111
Total	<u>\$ 10,809,225</u>	<u>\$ 7,532,649</u>

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

Years Ending June 30	Pension Expense
2024	\$ 160,908
2025	160,908
2026	160,908
2027	160,908
2028	115,626
Total	<u>\$ 759,256</u>

Actuarial Assumptions. The key actuarial assumptions used to perform the June 30, 2022 pension liability calculation are as follows:

Actuarial	Entry Age Normal
Amortization method	Level Percentage of Payroll
Inflation	2.25% General, 2.75% Wage
Salary Increases	2.75% to 11.25% Including Inflation
Investment Rate of Return	6.80%

Mortality rates were based on the Public Sector 2010 Mortality Tables calibrated to MSRPS experience with generational projections using MP-2018 (2-dimensional) mortality improvement scale.

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Public Equity	34%	6.00%
Private Equity	16%	8.40%
Rate Sensitive	21%	1.20%
Credit Opportunity	8%	4.90%
Real Assets	15%	5.20%
Absolute Return	6%	3.50%
Total	<u>100%</u>	

Discount rate. The discount rate used to measure the total pension liability was 6.8 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current active and inactive employees. Therefore, the long-term 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 County's proportionate share of the net pension liability to changes in the discount rate. The following presents the County's proportionate share of the net pension calculated using the discount rate of 6.80 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 5.80%	Discount Rate 6.80%	1% Increase 7.80%
County's Net Pension Liability	\$ 29,547,098	\$ 19,257,477	\$ 10,719,477

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued System's Comprehensive Annual Report for the fiscal year ended June 30, 2022. This can be found at: <https://sra.maryland.gov/annual-financial-reports>.

#### **Length of Service Award Program (LOSAP)**

Plan description. Under Section 7-209 of the Maryland Public Safety Code, the County has established a Length of Service Award Program (LOSAP) for the County's Department of Fire and Rescue Service volunteers who meet certain age and service criteria. This program is a single-employer deferred compensation plan because the benefits are based on the age and years of service. Any local fire and rescue volunteer is eligible for this program if the volunteer is at least 16 years old and satisfies the following conditions: (a) was an active volunteer on or after January 1, 1979 or (b) on January 1, 1984, had completed 25 years as an active volunteer or (c) from and after July 1, 2008, any member who accumulates the proper number of points needed to qualify and certify for 25 years of service may receive benefits at the age of 55 years.

Benefit provisions for this program are established under Section 7-209 (4) of the County Code. The types of benefits included in this program are monthly award payments, disability benefits, survivor's benefits, death benefits, and other benefits. Effective July 1, 2008 normal benefits are payable earlier of (a) 25 years of service and age 55, or (b) 10 years of service and age 70, The lifetime benefit equal to (a) \$12.00 per month for each year of service up to 25 years plus (b) \$6.00 per month for each year of service in excess of 25 years. The maximum total benefit is \$600 per month. There is a 50% survivor annuity for the spouse. A \$1,000 lump sum benefit paid to spouse for any member with a minimum of 25 years of service. Benefits continue to accrue for service earned after payments commence. There is no provision with respect to benefit change for automatic cost of living adjustment. The benefit terms are established by and may be amended by the County Council.

The credited service is based on the point system as described in the Cecil County By-Laws for the Volunteer Length of Service Program (VLOSAP). An active volunteer is one who accumulates at least 50 points in a calendar year under the point system. The points are not transferable to another year. An individual must not receive points for any activity performed as a County employee.

Funding Policy. In August 2019, Bill No. 2019-07 was put into effect after being approved by County Council to authorize the establishment of the Cecil County, Maryland Volunteer Length of Service Award Program Trust Fund. The establishment of said trust allows the County to contribute on an annual basis (per an actuarial study) towards investments to provide future affordability of the pension plan and thus reducing the County's LOSAP Net Pension Liability.

Pension Liabilities. The County's total pension liability of \$11,536,286 was measured as of June 30, 2023 and was determined by an actuarial valuation date as of January 1, 2022.

Actuarial Assumptions. The LOSAP pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	January 1, 2022
Actuarial Method	Entry Age Normal
Retirement Age	100 percent of members are assumed to commence benefits at Earliest eligibility of:
	1. Age 70 with 10 years of LOSAP Service
	2. Any age with 25 years of LOSAP Service

Mortality rates were based on the RP-2014 Blue Collar Mortality with fully generational projection using Scale MP2015 to the year of the valuation is assumed to be current mortality experience. Generational projection beyond the valuation date is assumed to account for future mortality improvements for all participants, using MP2015 as the projection scale.

Discount rate. For this valuation, a discount rate of 6.75% was used to measure the total pension liability as of June 30, 2023.

	Changes in the Net Pension Liability		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at 6/30/22</b>	\$ 13,132,561	\$ 1,436,990	\$ 11,695,571
<b>Changes for the year:</b>			
Service cost	250,424		250,424
Interest	858,372		858,372
Changes of benefit terms	-		-
Differences between expected and actual experience	-		-
Changes of assumptions	-		-
Contributions - employer		1,210,654	(1,210,654)
Contributions - member		-	-
Net investment income		78,363	(78,363)
Benefit payments, including refunds of member contributions	(831,891)	(831,891)	-
Administrative expense		(20,936)	20,936
Other		-	-
Net Changes	276,905	436,190	(159,285)
<b>Balances at 6/30/23</b>	<b>\$ 13,409,466</b>	<b>\$ 1,873,180</b>	<b>\$ 11,536,286</b>

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following presents the total pension liability calculated using the discount rate of 6.75%, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-

percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) discount rate:

	<u>1% Decrease 5.75%</u>	<u>Current Discount Rate 6.75%</u>	<u>1% Increase 7.75%</u>
County's net pension liability	\$ 12,978,821	\$ 11,536,286	\$ 10,327,354

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2023, the County recognized pension expense of (\$382,130). As of June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 617,430
Changes of assumptions	169,375	1,588,670
Net difference between projected and actual earnings on pension plan investments	102,750	-
Total	<u>\$ 272,125</u>	<u>\$ 2,206,100</u>

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

<u>Year ended June 30:</u>	<u>Pension Expense</u>
2024	\$ (1,730,048)
2025	(144,259)
2026	(65,811)
2027	6,143
Thereafter	-
Total	<u>\$ (1,933,975)</u>

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

**B. Pension Plans – Component Units**

Cecil County Public Schools: As of June 30, 2023, the Public Schools reported a liability of approximately \$11.9 million for its proportionate share of the Employees Retirement System of the State of Maryland (ERS) net pension liability. The ERS net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Public School's proportion of the ERS net pension liability was based on a projection of the Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating government units, actuarially determined. As of June 30, 2023, the Board's proportion for ERS was 0.0594%, which was substantially the same from its proportion measured as of June 30, 2022. For the year ended June 30, 2023, the Public Schools recognized pension expense for ERS of approximately \$1.4 million. Detailed retirement plan information for the Public Schools is available in

their current year audited financial statements.

Cecil County Library: As of June 30, 2023, the Library reported a liability of approximately \$573 thousand for its proportionate share of the Employees Retirement System of the State of Maryland (ERS) net pension liability. The ERS net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library's proportion of the ERS net pension liability was based on a projection of the Library's long-term share of contributions to the pension plan relative to the projected contributions of all participating government units, actuarially determined. As of June 30, 2023, the Library's proportion for ERS was 0.00286%, which was substantially the same from its proportion measured as of June 30, 2019. For the year ended June 30, 2023, the Library recognized pension expense for ERS of approximately \$76 thousand. Detailed retirement plan information for the Library is available in their current year audited financial statements.

### **C. Defined Contribution Plan**

Employees of Cecil College are eligible to be covered under the Teachers' Insurance and Annuity Association - College Retirement Equity Fund (TIAA-CREF). TIAA-CREF, a private insurance company, is the optional retirement program chosen by the State Board of Community Colleges for professional staff only. The College has also chosen a TIAA-CREF plan to provide retirement benefits to certain employees not eligible to participate in any other plan. Covered payroll for employees participating in the TIAA-CREF Plan was \$5,188,592 in 2023.

## **16. Other Post-Employment Benefits**

### **A. Plan Description**

The Cecil County Maryland Non-Pension Post-Employment Benefits Trust (the "Plan") is a single employer defined benefit plan administered by the County. The Plan provides medical, prescription drug, dental and vision to all eligible retired employees of the County, Cecil County Public Library and Cecil College. The retiree must be continuously enrolled under the Cecil County Employee Benefit Plan for four years immediately preceding retirement date and must meet the eligibility requirements of the plan. In addition, eligible spouses and dependents desiring coverage through the eligible retiree's plan must be enrolled in the Plan immediately prior to the retiree's effective date of retirement depending on the employee's years of service, the County contributes \$75 to \$150 per month per participant to the Plan, and the participant is required to pay the balance of the Plan's insurance premiums, as well as any annual deductibles. As of December 1, 2018, the date of the last actuarial valuation, approximately 66 retirees and their beneficiaries were receiving benefits, and an estimated 706 active employees are potentially eligible to receive future benefits. The Plan issues publicly available financial statements, which are available from the Cecil County Department of Finance, 200 Chesapeake Blvd., Elkton, MD 21921 or [ccgov.org/government/finance/financial-reports](http://ccgov.org/government/finance/financial-reports).

The Plan's financial statements are prepared using the accrual basis of accounting. Member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. For fixed income securities, fair value may be based on quoted market prices.

**B. Funding Policy**

The County pays a portion of retiree healthcare premiums based on years of service. The retiree pays the remaining premium, including the cost of eligible dependents. The County pays post-retirement medical benefits (normal cost) from the General Fund, not from the trust. The Cecil County Maryland, Non-Pension Post-Employment Benefits Trust was established by Cecil County to provide funding for post-retirement non-pension benefits for certain employees of the County, Cecil College and the Cecil County Library.

**C. Net OPEB Liability of the County**

The County’s net OPEB liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total OPEB liability was determined by an actuarial valuation as of August 1, 2023 rolled forward to June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Asset valuation method	Fair Value of Assets
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll
Amortization period	16 year (as of July 1, 2023)
Inflation	2.40%
Projected salary increase	2.5% per year
Discount rate	7.0%, net of investment expenses
Healthcare cost trend rate	The trend rate for 2023 is 7.5%. The ultimate trend is 3.94%
Employees Included	25% of active employees enrolled in health care 5% of terminated employees currently enrolled in Health care. The OPEB coverage is assumed to begin at age 65
Marital Status and Age of Spouse	Actual coverage election

The actuarial assumptions used in the June 30, 2023 valuation are based on a weighted average of the projected claims with retiree claims for each fiscal year weighted 10% each (a total of 30 percent), and age adjusted active and pre-Medicare claims for the 2015-2016 period and the 2016-2017 period weighted 35% each (a total of 70 percent). For the employee claims data, the resulting average claims were age adjusted. The source of mortality assumptions is the RP-2014 combined healthy tables and the actuarial assumptions are based largely on an experience study completed in July 2018.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual determined contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

return by the target allocation percentage and by adding expected inflation (2.4%).

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	49%	7.50%
International equity	15%	8.61%
Fixed income	35%	3.86%
Cash	1%	1.06%

Discount rate. The discount rate used to measure the OPEB liability was 6.7 percent. The included calculations assume that the members and the County will continue to make the current contribution levels. Based on that assumption, the plan's fiduciary net position is expected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB investments was applied to all periods of the projected benefit payments to determine the Actuarially Determined Contribution.

	<u>Change in Net OPEB Liability (Asset)</u>		
	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
<b>Balance at 6/30/22</b>	<b>\$3,783,152</b>	<b>\$7,587,326</b>	<b>(\$3,804,174)</b>
<b>Changes for the Year</b>			
Service Cost	94,719		94,719
Interest	257,687		257,687
Changes of Benefit Terms	0		0
Experience Losses/(Gains)	(85,965)		(85,965)
Trust Contribution - Employer		0	0
Net Investment Income		873,682	(873,682)
Changes in Assumptions	(29,234)		(29,234)
Benefit Payments (net of retiree contributions)	(141,167)	(141,167)	0
Administrative Expense		(62,621)	62,621
<b>Net Changes</b>	<b>96,040</b>	<b>669,894</b>	<b>(573,854)</b>
<b>Balance at 6/30/23</b>	<b>\$3,879,192</b>	<b>\$8,257,220</b>	<b>(\$4,378,028)</b>
<i>Funded status</i>		212.86%	

Sensitivity of Total and Net OPEB liability to changes in the discount rate and the trend rate.

The following table presents the County's Total and Net OPEB liability using the discount rate of 6.75 percent, as well as what it would be using a discount rate that is 1 percentage point lower or 1 percentage point higher.

Discount Rate	1% Decrease 5.75%	Baseline 6.75%	1% Increase 7.75%
Net OPEB Liability/(Asset)	(\$3,901,208)	(\$4,378,028)	(\$4,780,651)

The following table presents the County's Net OPEB liability using the health care trend rate, as well as what it would be using a trend rate that is 1 percentage point lower or 1 percentage point higher.

Discount Rate	1% Decrease 2.94%	Baseline 3.94%	1% Increase 4.94%
Net OPEB Liability/(Asset)	(\$4,390,957)	(\$4,378,028)	(\$4,363,360)

Detailed information about the OPEB plan's net position is available in the separately issued OPEB financial report.

**D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.**

For the year ended June 30, 2023, the County recognized OPEB expense of (\$191,404). As of June 30, 2023, the County 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
Differences between expected and actual experience	\$ -	\$ 846,155
Changes of assumptions	-	537,363
Net difference between projected and actual earnings on OPEB plan investments	410,938	-
Employer contribution subsequent to measurement date	-	-
<b>Total</b>	<b>\$ 410,938</b>	<b>\$ 1,383,518</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense as follows:

Years Ending June 30	Pension Expense
2024	\$ (129,597)
2025	(209,545)
2026	101,980
2027	(314,271)
2028	(181,651)
Thereafter	(239,496)
Total	<u>\$ (972,580)</u>

**Board of Education**

The Board of Education (the Board) offers post-retirement health care benefits, in accordance with a Board-adopted plan, to all retired employees who have completed fourteen years or more of service and have been continuously covered by the Board's health care plan for one year prior to retirement. Currently, 707 retirees meet these requirements. The Board pays retirees' health care premiums up to a maximum of \$8,833 per year based on years of service and employee classification. Expenditures for post-retirement health care benefits are recognized as retirees report claims and include an accrual for the estimate of the amount payable at the end of the fiscal year.

The components of the net OPEB liability of the Board of Education for fiscal year 2023, were as follows:

Total OPEB liability	\$ 86,943,592
Plan fiduciary net position	<u>14,699,286</u>
Board of Education's net OPEB liability	<u>\$ 72,244,306</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 16.91%



Cecil County Public  
**LIBRARY**



## REQUIRED SUPPLEMENTARY INFORMATION

**THE CECIL COUNTY PENSION PLAN  
FOR PUBLIC SAFETY EMPLOYEES  
SCHEDULE OF CHANGES IN THE COUNTY'S  
NET PENSION LIABILITY AND RELATED RATIOS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Total Pension Liability</b>										
Service cost	\$ 2,197,590	\$ 2,283,832	\$ 2,338,610	\$ 2,336,327	\$ 2,417,404	\$ 2,239,555	\$ 2,243,458	\$ 2,260,915	\$ 2,505,242	\$ 2,142,730
Interest	2,922,270	3,327,286	3,553,215	3,769,916	3,880,936	4,247,837	4,495,322	4,819,941	4,875,642	5,331,284
Differences between expected and actual experience	-	(1,214,713)	(736,331)	(1,268,373)	1,283,613	(323,218)	542,195	(865,170)	(193,444)	(2,282,678)
Changes of assumptions	2,298,433	674,511	-	(998,224)	-	(70,937)	-	-	2,749,649	-
Benefit payments, including refunds of member contributions	(1,455,709)	(1,808,984)	(1,877,716)	(2,241,817)	(2,265,496)	(2,415,526)	(2,699,946)	(2,587,173)	(3,093,332)	(3,280,341)
Net change in total pension liability	5,962,584	3,261,932	3,277,778	1,597,829	5,316,457	3,677,711	4,581,029	3,628,513	6,843,757	1,910,995
Total pension liability - beginning	42,474,553	48,437,146	51,699,078	54,976,856	56,574,685	61,891,142	65,568,853	70,149,882	73,778,395	80,622,152
Total pension liability - ending (a)	\$ 48,437,147	\$ 51,699,078	\$ 54,976,856	\$ 56,574,685	\$ 61,891,142	\$ 65,568,853	\$ 70,149,882	\$ 73,778,395	\$ 80,622,152	\$ 82,533,147
<b>Plan Fiduciary net position</b>										
Contributions - employer	\$ 2,287,679	\$ 2,199,663	\$ 2,288,108	\$ 2,102,732	\$ 1,676,936	\$ 1,898,390	\$ 1,615,251	\$ 1,787,079	\$ 1,900,798	\$ 1,983,869
Contributions - member	677,946	909,516	925,386	957,910	955,419	974,306	997,274	1,033,449	1,033,052	1,029,319
Net investment income	6,148,908	1,316,789	(1,304,390)	6,587,039	4,490,113	2,106,178	(892,149)	16,984,893	(11,314,014)	6,856,772
Benefit payments, including refunds of member contributions	(1,455,709)	(1,808,984)	(1,877,716)	(2,241,817)	(2,265,496)	(2,415,526)	(2,699,946)	(2,587,173)	(3,093,332)	(3,280,341)
Administrative expense	(33,352)	(50,396)	(66,571)	(56,331)	(54,500)	(36,279)	(46,275)	(34,699)	(45,729)	(463,184)
Net change in plan fiduciary net position	7,805,472	2,566,568	(35,183)	7,349,533	4,802,472	2,527,069	(1,025,845)	19,183,549	(11,519,225)	6,106,435
Plan fiduciary net position - beginning	33,580,020	41,385,491	43,952,079	43,916,896	51,266,429	56,068,461	58,595,530	57,569,685	76,753,234	65,234,009
Plan fiduciary net position - ending (b)	\$ 41,385,492	\$ 43,952,079	\$ 43,916,896	\$ 51,266,429	\$ 56,068,461	\$ 58,595,530	\$ 57,569,685	\$ 76,753,234	\$ 65,234,009	\$ 71,340,444
<b>County's net pension liability - ending (a)-(b)</b>	\$ 7,051,655	\$ 7,746,999	\$ 11,059,960	\$ 5,308,256	\$ 5,822,241	\$ 6,973,323	\$ 12,580,197	\$ (2,974,839)	\$ 15,388,143	\$ 11,192,703
Plan fiduciary net position as a percentage of the total pension liability	85.44%	85.02%	79.88%	90.62%	90.59%	89.36%	82.07%	104.03%	80.91%	86.44%
Covered payroll <sup>1</sup>	\$ 10,968,011	\$ 11,505,952	\$ 11,637,624	\$ 11,869,325	\$ 12,526,137	\$ 13,494,174	\$ 13,634,895	\$ 13,738,061	\$ 14,356,805	\$ 13,219,893
County's net pension liability as a percentage of covered payroll	64.29%	67.33%	95.04%	44.72%	46.48%	51.68%	92.26%	-21.65%	107.18%	84.67%
Expected average remaining service years of all participants	6	6	6	6	6	5	5	5	5	4

<sup>1</sup> Per GASB 82, the amount shown reflect pensionable earnings only

**Notes to schedule:**

Benefit Changes: None

Change of Assumptions: Based on 2018 experience study, there were changes to retirement, termination and disability decrements.

Source: Cecil County Public Safety Pension Plan Actuarial Reports

THE CECIL COUNTY PENSION PLAN  
FOR PUBLIC SAFETY EMPLOYEES  
SCHEDULE OF COUNTY CONTRIBUTIONS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 2,267,679	\$ 2,199,663	\$ 2,171,030	\$ 2,102,732	\$ 1,676,936	\$ 1,898,390	\$ 1,615,251	\$ 1,787,079	\$ 1,900,798	\$ 1,983,869
Contributions in relation to the actuarially determined contribution	2,267,679	2,199,663	2,288,108	2,102,732	1,676,936	1,898,390	1,615,251	1,787,079	1,800,798	1,983,869
Contribution deficiency (excess)	\$ -	\$ -	\$ (117,076)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,968,011	\$ 11,505,952	\$ 11,637,624	\$ 11,869,325	\$ 12,526,137	\$ 13,494,174	\$ 13,634,895	\$ 13,738,061	\$ 14,356,805	\$ 13,219,893
Contributions as a percentage of covered payroll	20.68%	19.12%	19.66%	17.72%	13.39%	14.07%	11.85%	13.01%	13.24%	15.01%

Notes to schedule:

Valuation date:

Actuarially determined contribution amounts are calculated as of the beginning of the fiscal year (July 1) for the year immediately following the fiscal year and the next following year. Actuarial valuations are performed every year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Projected Unit Credit  
 Amortization method: Level Percentage of Payroll  
 Remaining amortization period: Ranging from 2 to 16 years  
 Asset valuation method: 5-year smoothed market  
 Inflation: 2.5%  
 Salary increases: Rates vary by participant service  
 Investment rate of return: 6.75%, net of pension plan investment expense, including inflation  
 Retirement age: Rates vary by participant age and service  
 Mortality: For healthy participants and beneficiaries, the RFP-2014 Combined Healthy tables with the Blue Collar adjustment and generational projection by Scale MP-2015. For disabled participants, the table is set forward five years

Source: Cecil County Public Safety Pension Plan Actuarial Reports

THE CECIL COUNTY PENSION PLAN  
FOR PUBLIC SAFETY EMPLOYEES  
SCHEDULE OF INVESTMENT RETURNS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual money-weighted rate of return, net of investment expense	17.88%	3.10%	-2.93%	14.82%	8.79%	3.89%	-1.39%	32.66%	-11.89%	10.57%

**THE CECIL COUNTY, MARYLAND  
VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM (LOSAP)  
SCHEDULE OF CHANGES IN THE COUNTY'S  
NET LOSAP LIABILITY AND RELATED RATIOS**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Total LOSAP Liability</b>						
Service cost	\$ 424,251	\$ 497,636	\$ 244,207	\$ 215,283	\$ 239,513	\$ 250,424
Interest	658,480	566,006	1,404,182	911,668	869,044	858,372
Differences between expected and actual experience	-	316,617	-	(458,845)	(723,152)	-
Changes of assumptions	-	1,319,665	(7,943,350)	-	282,291	-
Benefit payments	(750,814)	(779,739)	(667,148)	(814,741)	(819,706)	(831,891)
Net change in LOSAP liability	331,917	1,920,185	(6,962,109)	(146,635)	(152,010)	276,905
Total LOSAP liability - beginning	<u>18,141,213</u>	<u>18,473,130</u>	<u>20,393,315</u>	<u>13,431,206</u>	<u>13,284,571</u>	<u>13,132,561</u>
Total LOSAP liability - ending (a)	<u>\$ 18,473,130</u>	<u>\$ 20,393,315</u>	<u>\$ 13,431,206</u>	<u>\$ 13,284,571</u>	<u>\$ 13,132,561</u>	<u>\$ 13,409,466</u>
<b>Plan Fiduciary net position</b>						
Contributions - employer	\$ -	\$ -	\$ 1,515,025	\$ 1,032,000	\$ 1,210,654	\$ 1,210,654
Net investment income	-	-	15,180	592	3,068	78,363
Benefit payments	-	-	(667,148)	(814,741)	(819,706)	(831,891)
Administrative expense	-	-	(2,644)	(18,219)	(17,071)	(20,936)
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	860,413	199,632	376,945	436,190
Plan fiduciary net position - beginning	-	-	-	860,413	1,060,045	1,436,990
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 860,413</u>	<u>\$ 1,060,045</u>	<u>\$ 1,436,990</u>	<u>\$ 1,873,180</u>
<b>County's net pension liability - ending (a)-(b)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,570,793</u>	<u>\$ 12,224,526</u>	<u>\$ 11,695,571</u>	<u>\$ 11,536,286</u>
Fiduciary net position as a percentage of the total LOSAP liability	0.00%	0.00%	6.41%	7.98%	10.94%	13.97%
Covered payroll <sup>1</sup>	NA	NA	NA	NA	NA	NA
Net LOSAP liability as a percentage of payroll <sup>1</sup>	NA	NA	NA	NA	NA	NA
Expected average remaining service years of all participants	5	5	5	5	5	5

<sup>1</sup> Since the LOSAP plan does not depend on salary, the salary information is not shown.

**Notes to schedule:**

Information for fiscal year 2017 and earlier is not available.  
Benefits changes: None  
Changes in Assumptions: None

Source: Cecil County LOSAP Plan Actuarial Reports

**THE CECIL COUNTY, MARYLAND  
VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM (LOSAP)  
SCHEDULE OF COUNTY CONTRIBUTIONS**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Actuarially determined contribution	\$ 1,461,990	\$ 779,739	\$ 1,461,000	\$ 1,461,000	\$ 1,454,000	\$ 1,554,000
Contributions in relation to the actuarially determined contribution	<u>750,814</u>	<u>779,739</u>	<u>1,515,025</u>	<u>1,032,000</u>	<u>1,211,000</u>	<u>1,211,000</u>
Contribution deficiency (excess)	<u>\$ 711,176</u>	<u>\$ -</u>	<u>\$ (54,025)</u>	<u>\$ 429,000</u>	<u>\$ 243,000</u>	<u>\$ 343,000</u>
Covered payroll <sup>1</sup>	NA	NA	NA	NA	NA	NA
Contributions as a percentage of payroll <sup>1</sup>	NA	NA	NA	NA	NA	NA

<sup>1</sup> Since the LOSAP plan does not depend on salary, the salary information is not shown.

**Notes to schedule:**

**Valuation date:**

Actuarially determined contribution amounts are calculated as of the beginning of the fiscal year (July 1) for the year immediately following the fiscal year and the next following year. Actuarial valuations are performed every year.

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Projected Unit Credit (Entry Age Normal used for GASB 67 purposes)
Amortization method	Level Dollar
Remaining amortization period	Ranging from 17 to 20 years
Asset valuation method	Market Value of Assets
Inflation	2.50 percent
Salary increases	Not Applicable
Investment rate of return	6.75%, net of pension plan investment expense, including inflation
Retirement age	Rates vary by participant age.
Mortality	Pub-2010 Safety with fully generational mortality using Scale MP-2021

**Prior Year Information:**

Information for fiscal year 2017 and earlier is not available

**Source:** Cecil County LOSAP Plan Actuarial Reports

**THE CECIL COUNTY, MARYLAND NON-PENSION  
VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM (LOSAP)  
SCHEDULE OF INVESTMENT RETURNS**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Annual money-weighted rate of return, net of investment expense	N/A	N/A	1.76%	0.06%	0.21%	4.85%

**Notes to schedule:**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, pension plans should present information for those years for which information is available.

MARYLAND STATE RETIREMENT AND PENSION SYSTEM  
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
County's portion of the net pension liability	0.0575%	0.0657%	0.0716%	0.0729%	0.0667%	0.0754%	0.0806%	0.0850%	0.0943%	0.0962%
County's proportionate share of the net pension liability	\$ 11,323,431	\$ 11,659,304	\$ 14,887,172	\$ 17,189,747	\$ 14,413,561	\$ 15,810,503	\$ 16,632,084	\$ 19,211,514	\$ 14,146,424	\$ 19,257,477
Covered payroll	25,567,660	25,576,863	26,603,993	26,852,179	27,669,211	30,061,458	32,821,401	33,970,280	\$ 34,958,494	\$ 36,484,965
County's Net Pension Liability as a percentage of covered payroll	44.29%	45.59%	55.96%	64.02%	52.09%	52.59%	50.67%	56.55%	40.47%	52.78%
Plan fiduciary net position as a percentage of the total pension liability	67.20%	71.87%	68.78%	65.79%	69.38%	71.18%	71.18%	70.72%	81.89%	76.27%

MARYLAND STATE RETIREMENT AND PENSION SYSTEM  
SCHEDULE OF COUNTY CONTRIBUTIONS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 1,531,008	\$ 1,509,892	\$ 1,419,302	\$ 1,356,684	\$ 1,502,619	\$ 1,655,900	\$ 1,822,489	\$ 2,077,812	\$ 2,196,632	\$ 2,517,319
Contributions in relation to the actuarially determined contribution	<u>1,531,008</u>	<u>1,509,892</u>	<u>1,419,302</u>	<u>1,356,684</u>	<u>1,502,619</u>	<u>1,655,900</u>	<u>1,822,489</u>	<u>2,077,812</u>	<u>2,196,632</u>	<u>2,517,319</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 25,576,863	\$ 26,603,993	\$ 26,852,179	\$ 27,669,211	\$ 30,061,458	\$ 32,821,401	\$ 33,970,280	\$ 34,958,494	\$ 36,484,965	\$ 38,300,362
Contributions as a percentage of covered payroll	5.99%	5.68%	5.29%	4.90%	5.00%	5.05%	5.38%	5.94%	6.02%	6.57%

Source: Maryland State Retirement and Pension System

Note: Information for fiscal year 2013 and earlier is not available

**THE CECIL COUNTY, MARYLAND NON-PENSION  
POST EMPLOYMENT BENEFIT TRUSTS  
SCHEDULE OF CHANGES IN THE COUNTY'S  
NET OPEB LIABILITY AND RELATED RATIOS**

	2017	2018	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>							
Service cost	\$ 309,000	\$ 330,630	\$ 314,936	\$ 270,453	\$ 90,366	\$ 91,163	\$ 94,719
Interest	415,000	436,619	430,095	428,961	273,402	248,223	\$ 257,687
Changes of benefit terms	-	-	-	(2,338,643)	-	-	\$ -
Differences between expected and actual experience	-	(589,415)	(145,405)	(143,180)	(452,902)	(71,730)	\$ (85,965)
Changes of assumptions	-	-	(379,104)	(347,987)	(161,010)	-	\$ (29,234)
Benefit payments	(534,136)	(301,175)	(234,600)	(101,967)	(119,767)	(132,811)	(141,167)
Net change in OPEB liability	189,864	(123,341)	(14,078)	(2,232,363)	(369,911)	134,845	96,040
Total OPEB liability - beginning	6,198,136	6,388,000	6,264,658	6,250,581	4,018,218	3,648,307	3,783,152
Total OPEB liability - ending (a)	\$ 6,388,000	\$ 6,264,659	\$ 6,250,580	\$ 4,018,218	\$ 3,648,307	\$ 3,783,152	\$ 3,879,192
<b>Plan Fiduciary net position</b>							
Contributions - employer	\$ 948,000	\$ 322,000	\$ 254,947	\$ 234,000	\$ 50,000	\$ -	\$ -
Net investment income	651,279	466,729	325,838	95,053	2,059,847	(1,443,617)	873,682
Benefit payments	(534,136)	(301,175)	(234,600)	(101,967)	(119,767)	(132,811)	(141,167)
Administrative expense	(20,241)	(31,730)	(24,239)	(15,313)	(23,882)	(24,127)	(62,621)
Net change in plan fiduciary net position	1,044,902	455,824	321,946	211,773	1,966,198	(1,600,555)	669,894
Plan fiduciary net position - beginning	5,187,238	6,232,140	6,687,964	7,009,910	7,221,683	9,187,881	7,587,326
Plan fiduciary net position - ending (b)	\$ 6,232,140	\$ 6,687,964	\$ 7,009,910	\$ 7,221,683	\$ 9,187,881	\$ 7,587,326	\$ 8,257,220
<b>County's net pension liability (asset) - ending (a)-(b)</b>	\$ 155,860	\$ (423,305)	\$ (759,330)	\$ (3,203,465)	\$ (5,539,574)	\$ (3,804,174)	\$ (4,378,028)
Fiduciary net position as a percentage of the total OPEB liability	97.56%	106.76%	112.15%	179.72%	251.84%	200.56%	212.86%
Covered-employee payroll <sup>1</sup>	NA	NA	NA	NA	NA	NA	NA
Net OPEB liability as a percentage of payroll <sup>1</sup>							
Expected average remaining service years of all participants	10	10	10	10	10	10	10

<sup>1</sup> Since the OPEB plan does not depend on salary, the salary information is not shown.

**Notes to schedule:**

Information for fiscal year 2016 and earlier is not available.  
 Benefit Changes: Effective January 1, 2020, the plan was changed to provide a health reimbursement plan (HRA) for participants.  
 The County provides a fixed dollar benefit for retirees based on their years of service.  
 Medical Trend was updated to the latest model released by the SOA  
 Claims assumptions was updated to include the most recent three years of plan experience

Source: Cecil County OPEB Plan Actuarial Reports

**THE CECIL COUNTY, MARYLAND NON-PENSION  
POST EMPLOYMENT BENEFIT TRUSTS  
SCHEDULE OF COUNTY CONTRIBUTIONS**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Actuarially determined contribution	\$ 331,000	\$ 233,000	\$ 155,000	\$ 155,000	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	<u>948,000</u>	<u>322,000</u>	<u>254,947</u>	<u>234,000</u>	<u>50,000</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	\$ <u>(617,000)</u>	\$ <u>(89,000)</u>	\$ <u>(99,947)</u>	\$ <u>(79,000)</u>	\$ <u>(50,000)</u>	\$ <u>-</u>	\$ <u>-</u>

Covered payroll <sup>1</sup>

Contributions as a percentage of payroll <sup>1</sup>

<sup>1</sup> Since the OPEB plan does not depend on salary, the salary information is not shown.

**Notes to schedule:**

**Valuation date:**

Actuarially determined contribution amounts are calculated as of the beginning of the fiscal year (July 1) for the year immediately following the fiscal year and the next following year. Actuarial valuations are performed every year.

**Methods and assumptions used to determine contribution rates:**

Valuation Date	1/1/2020
Actuarial cost method	Projected Unit Cost
Amortization method	Level Percentage of Payroll
Remaining amortization period	16 Years for 2023
Asset valuation method	Fair Value of Assets
Inflation	2.40%
Salary increases	2.5% per year
Investment rate of return	7.0%, net of investment expense
Healthcare cost trend rate	The trend for 2023 is 7.50%. The ultimate trend is 3.94%.
Employees included	25% of active employees enrolled in health care 5% of terminated employees currently enrolled in health care The OPEB coverage is assumed to begin at age 65
Marital Status and Age of Spouse	Actual coverage election

**Prior Year Information:**

Information for fiscal year 2016 and earlier is not available

Source: Cecil County OPEB Plan Actuarial Reports

**THE CECIL COUNTY, MARYLAND NON-PENSION  
POST EMPLOYMENT BENEFIT TRUSTS  
SCHEDULE OF INVESTMENT RETURNS**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Annual money-weighted rate of return, net of investment expense	12.97%	7.67%	4.95%	1.36%	29.64%	-16.11%	11.67%

**Notes to schedule:**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, pension plans should present information for those years for which information is available.

# CECIL COUNTY

MARYLAND

Economic Development



## **CECIL COUNTY, MARYLAND**

### **Major Governmental Fund**

#### **General Fund**

The General Fund is the general operating fund of the County. It is used to account for all financial resources except for those required to be accounted for in another fund.

The schedules on the following pages present General Fund budget and actual activity in its lowest level of legal budgetary control - the department.

Note that due to the size of the Department of Public Works and the Sheriff's Office, the divisions of those departments are shown and totaled. Also, the divisions of Building Maintenance are shown in the four primary functions that they serve to more closely disclose the costs of each function.

CECIL COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER  
FINANCING SOURCES (USES) - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
<b>Revenues</b>				
Property Taxes	\$ 129,468,634	\$ 129,468,634	\$ 133,571,564	\$ 4,102,930
Income Taxes	70,075,564	70,075,564	86,917,881	16,842,317
Licenses and Permits	2,234,529	2,234,529	1,998,736	(235,793)
Intergovernmental	3,400,851	3,400,851	3,459,378	58,527
Charges for Services	14,874,293	15,099,293	13,358,230	(1,741,063)
Investment Earnings	102,972	102,972	6,055,226	5,952,254
Contributions & Other Revenues	198,500	412,983	935,563	522,580
<b>Total Revenues</b>	<u>220,355,343</u>	<u>220,794,826</u>	<u>246,296,578</u>	<u>25,501,752</u>
<b>Other Financing Sources</b>				
Transfers in from Other Funds	442,000	594,000	490,482	(103,518)
<b>Total Other Financing Sources</b>	<u>442,000</u>	<u>594,000</u>	<u>490,482</u>	<u>(103,518)</u>
<b>Total Revenues and Other Financing Sources</b>	<u>\$ 220,797,343</u>	<u>\$ 221,388,826</u>	<u>\$ 246,787,060</u>	<u>\$ 25,398,234</u>
<b>Expenditures</b>				
<b>General Government</b>				
County Executive	\$ 168,994	\$ 168,994	\$ 178,159	\$ (9,165)
County Council	492,621	492,621	495,807	(3,186)
Office of Administrator	428,279	428,279	380,864	47,415
County Attorney & Legal	711,110	711,110	415,876	295,234
Human Resources	1,686,519	1,686,519	1,576,086	110,433
Finance Department	3,174,301	3,174,301	3,188,568	(14,267)
Information Systems	715,938	1,604,376	1,557,511	46,865
Circuit Court	2,583,620	2,583,620	2,569,024	14,596
Orphans Court	53,426	53,426	48,129	5,297
Board of Elections	1,353,105	1,353,105	953,071	400,034
Liquor Board Licensing	237,593	252,593	227,564	25,029
Building Maintenance	2,196,539	2,291,642	2,231,661	59,981
<b>Total General Government</b>	<u>13,802,045</u>	<u>14,800,586</u>	<u>13,822,320</u>	<u>978,266</u>
<b>Highways, Streets, and Bridges</b>				
Public Works - Administration	3,207,171	3,757,955	3,552,689	205,266
Public Works - Roads Administration	5,240,017	5,231,885	5,617,785	(385,900)
Public Works - Roads Maintenance	4,090,972	6,849,104	6,261,968	587,136
<b>Total Highways, Streets, and Bridges</b>	<u>12,538,160</u>	<u>15,838,944</u>	<u>15,432,442</u>	<u>406,502</u>
<b>Recreation and Culture</b>				
Board of Parks	1,968,751	2,402,634	2,415,318	(12,684)
Building Maintenance	143,000	83,786	75,821	7,965
<b>Total Recreation and Culture</b>	<u>\$ 2,111,751</u>	<u>\$ 2,486,420</u>	<u>\$ 2,491,139</u>	<u>\$ (4,719)</u>

**CECIL COUNTY, MARYLAND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER**  
**FINANCING SOURCES (USES) - BUDGET AND ACTUAL**  
**GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Expenditures (Continued)</b>				
<b>Public Safety</b>				
Sheriff's Office - Law Enforcement	\$ 15,086,826	\$ 15,143,666	\$ 14,793,939	\$ 349,727
Sheriff's Office - Special Assignments	301,981	301,981	294,119	7,862
Sheriff's Office - Detention Center	10,288,107	10,225,267	8,835,975	1,389,292
Sheriff's Office - Work Release Program	2,219,122	2,219,122	1,690,871	528,251
Sheriff's Office - Department Total	27,896,036	27,890,036	25,614,904	2,275,132
State's Attorney's Office	3,645,298	3,895,298	3,516,425	378,873
Emergency Management	10,611,899	10,717,959	10,928,465	(210,506)
Volunteer Fire Departments	6,421,126	6,421,126	5,701,650	719,476
Land Use & Development Services	2,806,522	2,958,523	2,633,866	324,657
Building Maintenance	2,226,125	2,287,225	2,085,296	201,929
<b>Total Public Safety</b>	<b>53,607,006</b>	<b>54,170,167</b>	<b>50,480,606</b>	<b>3,689,561</b>
<b>Health and Welfare</b>				
Health Department	3,915,893	3,915,893	3,915,893	-
Social Services	566,077	566,077	290,061	276,016
Non-Profit Agencies	108,145	108,145	75,914	32,231
Building Maintenance	275,539	257,550	249,701	7,849
<b>Total Health and Welfare</b>	<b>4,865,654</b>	<b>4,847,665</b>	<b>4,531,569</b>	<b>316,096</b>
<b>Education</b>				
Cecil County Board of Education	89,496,266	89,736,266	89,328,999	407,267
Cecil Community College	12,021,157	12,021,157	12,021,021	136
<b>Total Education</b>	<b>101,517,423</b>	<b>101,757,423</b>	<b>101,350,020</b>	<b>407,403</b>
<b>Public Libraries</b>	<b>6,624,333</b>	<b>6,624,333</b>	<b>6,624,333</b>	<b>-</b>
<b>Economic Development</b>	<b>1,742,640</b>	<b>1,748,240</b>	<b>1,550,769</b>	<b>197,471</b>
<b>Agriculture</b>	<b>848,660</b>	<b>848,660</b>	<b>823,892</b>	<b>24,768</b>
<b>Municipalities</b>	<b>771,579</b>	<b>771,579</b>	<b>782,225</b>	<b>(10,646)</b>
<b>Total Expenditures</b>	<b>198,429,251</b>	<b>203,894,017</b>	<b>197,889,315</b>	<b>6,004,702</b>
<b>Other Financing Uses</b>				
Transfers to Special Revenue Funds	5,609,142	6,968,360	5,120,235	1,848,125
Transfers to Debt Service Fund	16,758,950	16,758,950	17,345,524	(586,574)
Transfers to Capital Projects Funds	-	120,000	-	120,000
Transfers to Internal Service Funds	-	-	414,917	(414,917)
<b>Total Other Financing Uses</b>	<b>22,368,092</b>	<b>23,847,310</b>	<b>22,880,676</b>	<b>966,634</b>
<b>Total Expenditures and</b>				
<b>Other Financing Uses</b>	<b>\$ 220,797,343</b>	<b>\$ 227,741,327</b>	<b>\$ 220,769,991</b>	<b>\$ 6,971,336</b>

**CECIL COUNTY, MARYLAND**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2023**

	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total Non-Major Governmental Funds</u>
<b>ASSETS</b>			
Cash (Note 3)	\$ -	\$ 1,849,230	\$ 1,849,230
Receivables, Net (Note 4)	35,861	61	35,922
Due from Other Governments	1,488,885	-	1,488,885
Restricted Assets: Cash and Investments (Note 3)	<u>1,211,929</u>	<u>-</u>	<u>1,211,929</u>
<b>Total Assets</b>	<u>\$ 2,736,675</u>	<u>\$ 1,849,291</u>	<u>\$ 4,585,966</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 337,178	\$ -	\$ 337,178
Salaries and Benefits Payable	215,201	-	215,201
Due to Other Funds	548,930	-	548,930
Deferred Revenue	392,425	-	392,425
Other Liabilities	<u>(2,430)</u>	<u>-</u>	<u>(2,430)</u>
<b>Total Liabilities</b>	<u>1,491,304</u>	<u>-</u>	<u>1,491,304</u>
<b>Fund Balances:</b>			
Restricted	<u>1,245,371</u>	<u>1,849,291</u>	<u>3,094,662</u>
<b>Total Fund Balances</b>	<u>1,245,371</u>	<u>1,849,291</u>	<u>3,094,662</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,736,675</u>	<u>\$ 1,849,291</u>	<u>\$ 4,585,966</u>

**CECIL COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total Non-Major Governmental Funds</u>
<b>REVENUES</b>			
Special Assessments	\$ -	\$ 6,099	\$ 6,099
Intergovernmental	5,415,440	-	5,415,440
Charges for Services	787,351	-	787,351
Investment Earnings	15,624	-	15,624
<b>Total Revenues</b>	<u>6,218,415</u>	<u>6,099</u>	<u>6,224,514</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Health and Welfare	10,980,740	-	10,980,740
Agriculture	182,150	-	182,150
Debt Service:			
Principal	-	11,100,972	11,100,972
Interest and Fiscal Charges	-	6,257,401	6,257,401
Bond Issuance Cost	-	-	-
Capital Outlay	-	-	-
<b>Total Expenditures</b>	<u>11,162,890</u>	<u>17,358,373</u>	<u>28,521,263</u>
<b>Deficiency of Revenues (Under) Expenditures</b>	<u>(4,944,475)</u>	<u>(17,352,274)</u>	<u>(22,296,749)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	5,037,284	17,345,524	22,382,808
<b>Total Other Financing Sources</b>	<u>5,037,284</u>	<u>17,345,524</u>	<u>22,382,808</u>
<b>Net Change in Fund Balances</b>	92,809	(6,750)	86,059
<b>Fund Balances - Beginning</b>	<u>1,152,562</u>	<u>1,856,041</u>	<u>3,008,603</u>
<b>Fund Balances - Ending</b>	<u>\$ 1,245,371</u>	<u>\$ 1,849,291</u>	<u>\$ 3,094,662</u>



**MARYLAND  
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AT FAIR HILL**



Doug Payne and Vandiver competing at Maryland 5 Star at Fair Hill event.

## CECIL COUNTY, MARYLAND

### Non-Major Governmental Funds

#### Special Revenue Funds

Special Revenue Funds are used to account for operating revenues that are restricted to finance particular functions or activities of government.

**Agricultural Land Preservation Fund** - This fund is used to account for federal, state (including the Maryland Agricultural Land Preservation Foundation programs), and County funding of agricultural land easement purchases and direct land purchases.

**Community Services Fund** - This fund is used to account for services, programs, and activities supported by legally restricted state and federal grants, and funds from County government resources.

**Economic Development Catalyst Loan Fund** - This fund is used to account for federal Community Development Block Grants and State revolving loan programs legally restricted to economic development programs within the County.

**CECIL COUNTY, MARYLAND**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**JUNE 30, 2023**

	Agricultural Land Preservation	Community Services	Economic Development Catalyst Loan Fund	Total
<b>ASSETS</b>				
Receivables, Net:				
Accounts	\$ -	\$ 2,982	\$ 7,227	\$ 10,209
Notes	-	-	25,652	25,652
Due from Other Governments	-	1,488,885	-	1,488,885
Restricted Assets: Cash and Investments	<u>805,711</u>	<u>-</u>	<u>406,218</u>	<u>1,211,929</u>
<b>Total Assets</b>	<u>\$ 805,711</u>	<u>\$ 1,491,867</u>	<u>\$ 439,097</u>	<u>\$ 2,736,675</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ (563)	\$ 337,741	\$ -	\$ 337,178
Salaries and Benefits Payable	-	215,201	-	215,201
Due to Other Funds	-	548,930	-	548,930
Deferred Revenue	-	392,425	-	392,425
Other Liabilities	-	(2,430)	-	(2,430)
<b>Total Liabilities</b>	<u>(563)</u>	<u>1,491,867</u>	<u>-</u>	<u>1,491,304</u>
<b>Fund Balances:</b>				
Restricted	<u>806,274</u>	<u>-</u>	<u>439,097</u>	<u>1,245,371</u>
<b>Total Fund Balances</b>	<u>806,274</u>	<u>-</u>	<u>439,097</u>	<u>1,245,371</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 805,711</u>	<u>\$ 1,491,867</u>	<u>\$ 439,097</u>	<u>\$ 2,736,675</u>

## CECIL COUNTY, MARYLAND

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE NON-MAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	Agricultural Land Preservation	Community Services	Economic Development Catalyst Loan Fund	Total
<b>REVENUES</b>				
Intergovernmental	\$ 259,335	\$ 5,156,105	\$ -	\$ 5,415,440
Charges for Services	-	787,351	-	787,351
Investment Earnings	-	-	15,624	15,624
<b>Total Revenues</b>	<u>259,335</u>	<u>5,943,456</u>	<u>15,624</u>	<u>6,218,415</u>
<b>EXPENDITURES</b>				
Current:				
Health and Welfare	-	10,980,740	-	10,980,740
Agriculture	182,150	-	-	182,150
<b>Total Expenditures</b>	<u>182,150</u>	<u>10,980,740</u>	<u>-</u>	<u>11,162,890</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>77,185</u>	<u>(5,037,284)</u>	<u>15,624</u>	<u>(4,944,475)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	-	5,037,284	-	5,037,284
<b>Total Other Financing Sources</b>	<u>-</u>	<u>5,037,284</u>	<u>-</u>	<u>5,037,284</u>
<b>Net Change in Fund Balances</b>	77,185	-	15,624	92,809
<b>Fund Balances - Beginning</b>	<u>729,089</u>	<u>-</u>	<u>423,473</u>	<u>1,152,562</u>
<b>Fund Balances - Ending</b>	<u>\$ 806,274</u>	<u>\$ -</u>	<u>\$ 439,097</u>	<u>\$ 1,245,371</u>

**CECIL COUNTY, MARYLAND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**

**AGRICULTURAL LAND PRESERVATION**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 80,000	\$ 80,000	\$ 259,335	\$ 179,335
<b>Total Revenues</b>	<u>80,000</u>	<u>80,000</u>	<u>259,335</u>	<u>179,335</u>
<b>EXPENDITURES</b>				
Current:				
Agriculture	665,881	665,881	182,150	483,731
<b>Total Expenditures</b>	<u>665,881</u>	<u>665,881</u>	<u>182,150</u>	<u>483,731</u>
<b>Deficiency of Revenues (Under) Expenditures</b>	<u>(585,881)</u>	<u>(585,881)</u>	<u>77,185</u>	<u>663,066</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	-	-	-	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(585,881)	(585,881)	77,185	663,066
<b>Fund Balance - Beginning</b>	<u>(154,784)</u>	<u>(154,784)</u>	<u>729,089</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ (740,665)</u>	<u>\$ (740,665)</u>	<u>\$ 806,274</u>	<u>\$ 663,066</u>

**CECIL COUNTY, MARYLAND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**

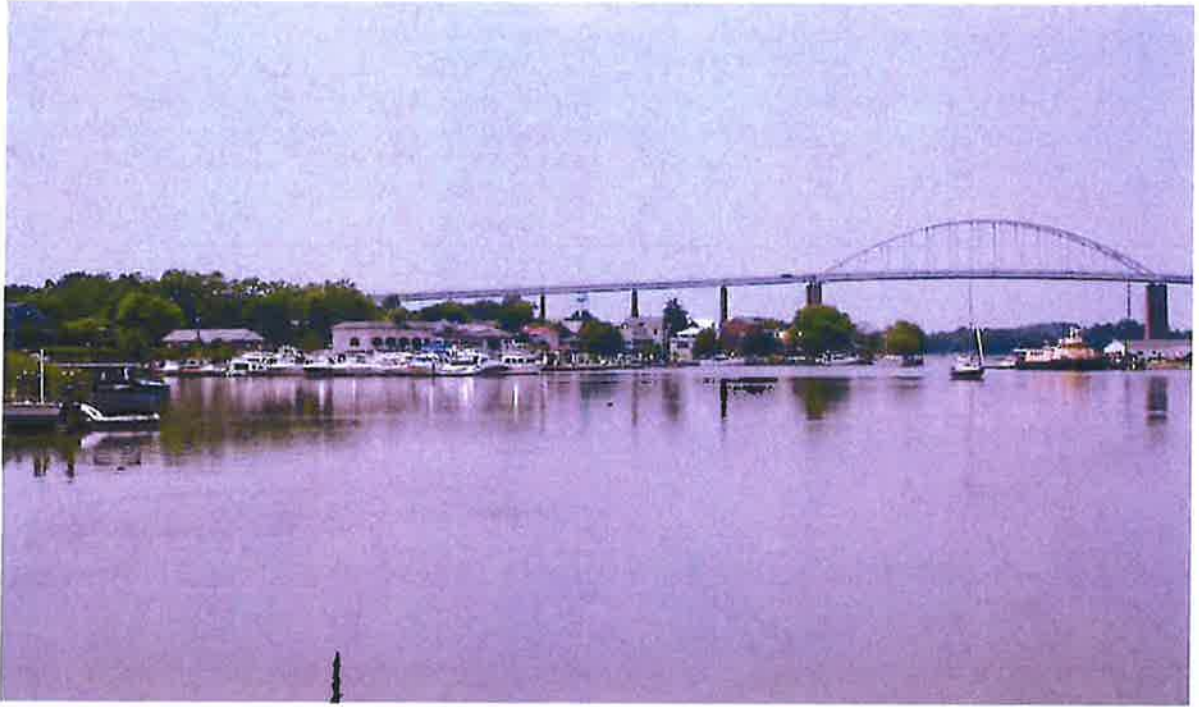
**COMMUNITY SERVICES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 6,052,851	\$ 6,920,465	\$ 5,156,105	\$ (1,764,360)
Charges for Services	792,460	792,460	787,351	(5,109)
<b>Total Revenues</b>	<u>6,845,311</u>	<u>7,712,925</u>	<u>5,943,456</u>	<u>(1,769,469)</u>
<b>EXPENDITURES</b>				
Current:				
Health and Welfare	11,995,524	12,863,138	10,980,740	1,882,398
<b>Total Expenditures</b>	<u>11,995,524</u>	<u>12,863,138</u>	<u>10,980,740</u>	<u>1,882,398</u>
<b>Deficiency of Revenues (Under) Expenditures</b>	<u>(5,150,213)</u>	<u>(5,150,213)</u>	<u>(5,037,284)</u>	<u>112,929</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	5,150,213	5,150,213	5,037,284	(112,929)
<b>Total Other Financing Sources</b>	<u>5,150,213</u>	<u>5,150,213</u>	<u>5,037,284</u>	<u>(112,929)</u>
<b>Net Change in Fund Balance</b>	-	-	-	-
<b>Fund Balance - Beginning</b>	<u>(8,500)</u>	<u>(8,500)</u>	<u>-</u>	<u>8,500</u>
<b>Fund Balance - Ending</b>	<u>\$ (8,500)</u>	<u>\$ (8,500)</u>	<u>\$ -</u>	<u>\$ 8,500</u>

**CECIL COUNTY, MARYLAND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**

**ECONOMIC DEVELOPMENT CATALYST LOAN FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	-	15,624	15,624
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>15,624</u>	<u>15,624</u>
<b>EXPENDITURES</b>				
Current:				
Economic Development	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>15,624</u>	<u>15,624</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>-</u>	<u>15,624</u>	<u>15,624</u>
<b>Fund Balance - Beginning</b>	<u>420,474</u>	<u>420,470</u>	<u>423,473</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 420,474</u>	<u>\$ 420,470</u>	<u>\$ 439,097</u>	<u>\$ 15,624</u>



Cecil County - Small Towns



## **CECIL COUNTY, MARYLAND**

### **Non-Major Governmental Funds**

#### **Debt Service Fund**

The Debt Service Fund is maintained to account for the issuance and payment of long-term general obligation bonds and other long-term debt.

**CECIL COUNTY, MARYLAND**  
**BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUND**

**DEBT SERVICE FUND**  
**JUNE 30, 2023**

<b>ASSETS</b>	
Cash	\$ 1,849,230
Investments	-
Receivables, Net	<u>61</u>
<b>Total Assets</b>	<b>\$ 1,849,291</b>
 <b>LIABILITIES AND FUND BALANCES</b>	
<b>Liabilities:</b>	
Accounts Payable	\$ <u>-</u>
<b>Total Liabilities</b>	<u>-</u>
 <b>Fund Balance:</b>	
Restricted	<u>1,849,291</u>
<b>Total Fund Balances</b>	<u>1,849,291</u>
 <b>Total Liabilities and Fund Balance</b>	 <b>\$ 1,849,291</b>

**CECIL COUNTY, MARYLAND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NON-MAJOR GOVERNMENTAL FUND**

**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget -
	<u>Original</u>	<u>Final</u>		Positive (Negative)
<b>REVENUES</b>				
Special Assessments	\$ 6,099	\$ 6,099	\$ 6,099	\$ -
<b>Total Revenues</b>	<u>6,099</u>	<u>6,099</u>	<u>6,099</u>	<u>-</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal	14,389,115	14,389,115	11,100,972	3,288,143
Interest & Fiscal Charges	5,976,125	5,976,125	6,257,401	(281,276)
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<u>20,365,240</u>	<u>20,365,240</u>	<u>17,358,373</u>	<u>3,006,867</u>
<b>Deficiency of Revenues (Under) Expenditures</b>	<u>(20,359,141)</u>	<u>(20,359,141)</u>	<u>(17,352,274)</u>	<u>3,006,867</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Premium on Debt Issued	-	-	-	-
Refunding Bonds Issued	-	-	-	-
Advance Refunding Agent	-	-	-	-
Transfers In	19,059,141	16,053,875	17,345,524	1,291,649
<b>Total Other Financing Sources</b>	<u>19,059,141</u>	<u>16,053,875</u>	<u>17,345,524</u>	<u>1,291,649</u>
<b>Net Change in Fund Balance</b>	(1,300,000)	(4,305,266)	(6,750)	4,298,516
<b>Fund Balance - Beginning</b>	<u>(1,293,901)</u>	<u>(4,299,167)</u>	<u>1,856,041</u>	<u>6,155,208</u>
<b>Fund Balance - Ending</b>	<u>\$ (2,593,901)</u>	<u>\$ (8,604,433)</u>	<u>\$ 1,849,291</u>	<u>\$ 10,453,724</u>

## CECIL COUNTY, MARYLAND

### Internal Service Funds

Internal Service Funds are maintained to account for the financing of goods and/or services provided by one department to other departments or governmental units on a cost-reimbursement basis.

**Health Insurance Fund** - This fund is used to account for the expenditures and allocations of costs of the group health insurance plan. The Plan employer participants are Cecil County Government, Cecil College, and Cecil County Public Library.

**Workers Compensation Fund** - This fund is used to account for the expenditures and allocations of the costs of the self-insured workers compensation benefits. The expenditures consist of payments for work related injuries to employees. Stop loss insurance is provided to protect against catastrophic losses.

**Motor Vehicle Fund** - This fund is used to account for the expenditures and allocations of the costs of the County fleet of vehicles. The expenditures consist of depreciation and the operating costs of the County central garage including utilities and a contract maintenance services. In 2014, the County changed this fund from just a maintenance service cost allocation fund to a fund that owned and depreciated the vehicles as well as performed maintenance services. As part of this change, the County acquired vehicles from the General Fund and Enterprise Funds.

**Information Technology Fund** - This fund is used to account for the expenditures and allocations of the costs of the County's information technology department. The expenditures consist of depreciation and operating costs related to maintaining the County's computer and network infrastructure, communication and telephone infrastructure, and copier services. In 2014, the County created this fund and transferred in the budget and responsibilities from the General Fund.

**CECIL COUNTY, MARYLAND**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2023**

	<u>Health Insurance</u>	<u>Workers Compensation</u>	<u>Information Technology</u>	<u>Motor Vehicle</u>	<u>Total Internal Service Funds</u>
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash and Cash Equivalents (Note 3)	\$ 4,809,426	\$ -	\$ -	\$ -	\$ 4,809,426
Investments (Note 3)	6,545,984	10,161,962	-	-	16,707,946
Receivables, Net:					
Accounts	78,074	-	-	-	78,074
Other	262,880	-	-	1,822	264,702
Due from Other Governments	-	-	-	-	-
Inventory	-	-	-	146,626	146,626
Other Assets	649,077	90,000	-	-	739,077
<b>Total Current Assets</b>	<u>12,345,441</u>	<u>10,251,962</u>	<u>-</u>	<u>148,448</u>	<u>22,745,851</u>
<b>Non-Current Assets:</b>					
Capital Assets, Net:					
Construction In Progress	-	-	-	23,285	23,285
Vehicles	-	-	-	8,077,295	8,077,295
Buildings	-	-	-	149,815	149,815
Right-to-Use Assets - Leases	-	-	-	2,891,905	2,891,905
Right-to-Use Assets - Subscriptions	-	-	847,578	-	847,578
Machinery & Equipment	-	-	4,035,692	-	4,035,692
<b>Total Non-Current Assets</b>	<u>-</u>	<u>-</u>	<u>4,883,270</u>	<u>11,142,300</u>	<u>16,025,570</u>
<b>Total Assets</b>	<u>12,345,441</u>	<u>10,251,962</u>	<u>4,883,270</u>	<u>11,290,748</u>	<u>38,771,421</u>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts Payable	1,177,327	1,238,892	297,097	335,003	3,048,319
Salary & Benefits Payable	-	-	50,647	-	50,647
Accrued Expenses	541,802	5,105,000	-	6,586	5,653,388
Due to Other Funds	-	-	-	-	-
Unearned Revenue (Note 11)	-	-	-	29,422	29,422
Right-to-Use Assets - Leases	-	-	-	582,034	582,034
Right-to-Use Assets - Subscriptions	-	-	277,100	-	277,100
Compensated Absences	-	-	70,986	-	70,986
<b>Total Current Liabilities</b>	<u>1,719,129</u>	<u>6,343,892</u>	<u>695,830</u>	<u>953,045</u>	<u>9,711,896</u>
<b>Non-Current Liabilities:</b>					
Financed Purchases	-	-	-	2,389,604	2,389,604
Right-to-Use Assets - Leases	-	-	-	2,301,341	2,301,341
Right-to-Use Assets - Subscriptions	-	-	541,022	-	541,022
Advances from Other Funds (Note 7)	-	-	2,811,872	3,944,679	6,756,551
Compensated Absences	-	-	35,493	-	35,493
<b>Total Non-Current Liabilities</b>	<u>-</u>	<u>-</u>	<u>3,388,387</u>	<u>8,635,624</u>	<u>12,024,011</u>
<b>Total Liabilities</b>	<u>1,719,129</u>	<u>6,343,892</u>	<u>4,084,217</u>	<u>9,588,669</u>	<u>21,735,907</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	-	-	4,065,148	8,752,696	12,817,844
Unrestricted (Deficit)	10,626,312	3,908,070	(3,266,095)	(7,050,617)	4,217,670
<b>Total Net Position</b>	<u>\$ 10,626,312</u>	<u>\$ 3,908,070</u>	<u>\$ 799,053</u>	<u>\$ 1,702,079</u>	<u>\$ 17,035,514</u>

**CECIL COUNTY, MARYLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Health Insurance</u>	<u>Workers Compensation</u>	<u>Information Technology</u>	<u>Motor Vehicle</u>	<u>Total Internal Service Funds</u>
<b>Operating Revenues:</b>					
Charges for Services	\$ 15,232,691	\$ 1,117,023	\$ 5,786,007	\$ 4,389,282	\$26,525,003
Miscellaneous Revenue	-	-	-	4,310	4,310
	<u>15,232,691</u>	<u>1,117,023</u>	<u>5,786,007</u>	<u>4,393,592</u>	<u>26,529,313</u>
<b>Operating Expenses:</b>					
Benefit Payments	11,761,663	1,188,183	-	-	12,949,846
Salaries and Related	-	-	1,687,107	-	1,687,107
Right-to-Use Assets - Leases	-	-	-	592,512	592,512
Materials, Supplies, and Services	605,779	65,834	3,270,271	1,684,862	5,626,746
Depreciation	-	-	1,803,885	2,408,458	4,212,343
<b>Total Operating Expenses</b>	<u>12,367,442</u>	<u>1,254,017</u>	<u>6,761,263</u>	<u>4,685,832</u>	<u>25,068,554</u>
<b>Operating Income (Loss)</b>	<u>2,865,249</u>	<u>(136,994)</u>	<u>(975,256)</u>	<u>(292,240)</u>	<u>1,460,759</u>
<b>Non-Operating Revenues (Expenses)</b>					
Investment Earnings	294,461	243,177	-	-	537,638
Interest Expense	-	-	(9,592)	(73,662)	(83,254)
Bond Issue Expense	-	-	-	-	-
Gain/Loss on Fixed Asset Disposals	-	-	-	38,698	38,698
<b>Total Non-Operating Revenues</b>	<u>294,461</u>	<u>243,177</u>	<u>(9,592)</u>	<u>(34,964)</u>	<u>493,082</u>
<b>Income (Loss) Before</b>					
<b>Contributions and Transfers</b>	3,159,710	106,183	(984,848)	(327,204)	1,953,841
<b>Capital Contributions and Transfers:</b>					
Intergovernmental Grants	-	-	-	-	-
Transfers In	-	-	414,917	-	414,917
Transfers Out	-	-	-	-	-
<b>Change in Net Position</b>	3,159,710	106,183	(569,931)	(327,204)	2,368,758
<b>Net Position - Beginning</b>	<u>7,466,602</u>	<u>3,801,887</u>	<u>1,368,984</u>	<u>2,029,283</u>	<u>14,666,756</u>
<b>Net Position - Ending</b>	<u>\$ 10,626,312</u>	<u>\$ 3,908,070</u>	<u>\$ 799,053</u>	<u>\$ 1,702,079</u>	<u>\$ 17,035,514</u>

**CECIL COUNTY, MARYLAND**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Health Insurance</u>	<u>Workers Compensation</u>	<u>Information Technology</u>	<u>Motor Vehicle</u>	<u>Total Internal Service Funds</u>
<b>Cash Flows From Operating Activities:</b>					
Receipts from Service Charges & Insured	\$ 15,886,279	\$ 1,117,023	\$ 5,786,007	\$ 4,404,550	\$ 27,193,859
Payments to Suppliers and Providers	(12,722,344)	(1,030,570)	(3,216,868)	(2,134,293)	(19,104,076)
Payments to Employees	-	-	(1,711,360)	-	(1,711,360)
<b>Net Cash Provided by Operating Activities</b>	<u>3,163,935</u>	<u>86,453</u>	<u>857,779</u>	<u>2,270,256</u>	<u>6,378,423</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>					
Advances from Other Funds	<u>422,718</u>	<u>1,022,610</u>	<u>334,652</u>	<u>263,429</u>	<u>2,043,409</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>	<u>422,718</u>	<u>1,022,610</u>	<u>334,652</u>	<u>263,429</u>	<u>2,043,409</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>					
Proceeds from Capital Lease Received	-	-	-	-	-
Proceeds from Capital Grants Received	-	-	91,317	-	91,317
Acquisition of Capital Assets	-	-	(1,139,495)	(1,208,172)	(2,347,667)
Principal Paid on Debt Maturities	-	-	(134,660)	(1,290,550)	(1,425,210)
Interest Paid on Debt	-	-	(9,592)	(73,662)	(83,254)
Proceeds from Sale of Capital Assets	-	-	-	38,698	38,698
<b>Net Cash Flows From Capital and Related Financing Activities</b>	<u>-</u>	<u>-</u>	<u>(1,192,430)</u>	<u>(2,533,686)</u>	<u>(3,726,116)</u>
<b>Cash Flows From Investing Activities:</b>					
Interest on Investments	<u>294,461</u>	<u>243,177</u>	<u>-</u>	<u>-</u>	<u>537,638</u>
<b>Net Cash Flows From Investment Activities</b>	<u>294,461</u>	<u>243,177</u>	<u>-</u>	<u>-</u>	<u>537,638</u>
<b>Net Increase in Cash and Cash Equivalents</b>	3,881,114	1,352,240	0	(0)	5,233,354
<b>Cash and Cash Equivalents - June 30, 2022</b>	<u>7,474,296</u>	<u>8,809,722</u>	<u>-</u>	<u>-</u>	<u>16,284,018</u>
<b>Cash and Cash Equivalents - June 30, 2023</b>	<u>\$ 11,355,410</u>	<u>\$ 10,161,962</u>	<u>\$ 0</u>	<u>\$ (0)</u>	<u>\$ 21,517,372</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>					
Operating Income (Loss)	\$ 2,865,249	\$ (136,994)	\$ (975,256)	\$ (292,240)	\$ 1,460,759
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	-	-	1,803,885	2,408,458	4,212,343
Effect of changes in Assets and Liabilities:					
Accounts Receivable	653,588	-	-	17,517	671,104
Due to Other Funds	-	-	-	-	-
Inventory	-	-	-	-	-
Other Assets	-	-	2,107	42,331	44,438
Accounts Payable	(307,269)	(50,552)	51,296	94,164	(212,361)
Salary & Benefits Payable	-	-	(39,034)	-	(39,034)
Compensated Absences	-	-	14,781	-	14,781
Accrued Expenses	(47,633)	273,999	-	6,586	232,952
Unearned Revenue	-	-	-	(6,559)	(6,559)
Total Adjustments	<u>298,686</u>	<u>223,447</u>	<u>1,833,035</u>	<u>2,562,497</u>	<u>4,917,664</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 3,163,935</u>	<u>\$ 86,453</u>	<u>\$ 857,779</u>	<u>\$ 2,270,257</u>	<u>\$ 6,378,423</u>

## CECIL COUNTY, MARYLAND

### Fiduciary Fund Type - Pension Funds

**Public Safety Retirement Fund** - This fund is used to account for the pension system of certain law enforcement and public safety employees of Cecil County.

**Other Post Employment Benefits Fund** - This fund is used to account for the County's other post-employment benefits; the trust fund will act as a funding mechanism for the employer's cost of retiree benefits.

**Volunteer Length of Service Award Program Fund** - This fund is used to account for the deferred compensation plan of certain local fire and rescue service volunteers of Cecil County.

**CECIL COUNTY, MARYLAND**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**JUNE 30, 2023**

	<u>Public Safety Retirement Fund</u>	<u>Other Post Employment Benefits Fund</u>	<u>Volunteer Length of Service Award Program Fund</u>	<u>Total Pension Funds</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 458,391	\$ 331,884	\$ -	\$ 790,275
AR Other	-	-	-	-
Investments, at fair value:				
Institutional Separate Accounts	65,670,041	-	-	65,670,041
Mutual Funds	5,221,132	7,868,438	-	13,089,570
Maryland Local Govt. Investment Pool	-	387,202	1,876,180	2,263,382
Total Investments	<u>70,891,173</u>	<u>8,255,640</u>	<u>1,876,180</u>	<u>81,022,993</u>
<b>Total Assets</b>	<u>71,349,564</u>	<u>8,587,524</u>	<u>1,876,180</u>	<u>81,813,268</u>
<b>LIABILITIES</b>				
Accrued Expenses	9,120	23,280	8,405	40,805
Accounts Payable	-	307,024	(5,405)	301,619
Due to Other Funds	-	-	-	-
<b>Total Liabilities</b>	<u>9,120</u>	<u>330,304</u>	<u>3,000</u>	<u>342,424</u>
<b>NET POSITION</b>				
Restricted for:				
Employee Benefits	71,340,444	8,257,220	1,873,180	81,470,844
<b>Total Net Position</b>	<u>\$ 71,340,444</u>	<u>\$ 8,257,220</u>	<u>\$ 1,873,180</u>	<u>\$ 81,470,844</u>

**CECIL COUNTY, MARYLAND**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Public Safety Retirement Fund</u>	<u>Other Post Employment Benefits Fund</u>	<u>Volunteer Length of Service Award Program Fund</u>	<u>Total Pension Funds</u>
<b>ADDITIONS</b>				
Contributions				
Cecil County	\$ 1,983,869	\$ -	\$ 1,210,654	\$ 3,194,523
Participants	1,029,319	-	-	1,029,319
Other	-	-	-	-
Total Contributions	<u>3,013,188</u>	<u>-</u>	<u>1,210,654</u>	<u>4,223,842</u>
<b>INVESTMENT INCOME</b>				
Investment Earnings:				
Net Appreciation (Depreciation) in Fair Value of Investments	5,113,491	663,383	-	5,776,874
Interest and Dividends	<u>1,743,280</u>	<u>210,299</u>	<u>73,435</u>	<u>2,027,014</u>
Total Investment Earnings (Loss)	6,856,771	873,682	73,435	7,803,888
Less: Investment Expense	<u>(476,126)</u>	<u>(38,222)</u>	<u>-</u>	<u>(514,348)</u>
Net Investment Income (Loss)	<u>6,380,645</u>	<u>835,460</u>	<u>73,435</u>	<u>7,289,540</u>
Total Additions	<u>9,393,833</u>	<u>835,460</u>	<u>1,284,089</u>	<u>11,513,382</u>
<b>DEDUCTIONS</b>				
Benefit Payments	2,781,779	141,167	831,891	3,754,837
Refunds of Contributions	498,562	-	-	498,562
Administrative Expense	<u>7,058</u>	<u>24,399</u>	<u>20,936</u>	<u>52,393</u>
Total Deductions	<u>3,287,399</u>	<u>165,566</u>	<u>852,827</u>	<u>4,305,792</u>
<b>Change in Net Position</b>	6,106,435	669,894	431,262	7,207,591
<b>Net Position - Beginning</b>	<u>65,234,009</u>	<u>7,587,326</u>	<u>1,441,918</u>	<u>74,263,253</u>
<b>Net Position - Ending</b>	<u>\$ 71,340,444</u>	<u>\$ 8,257,220</u>	<u>\$ 1,873,180</u>	<u>\$ 81,470,844</u>

## CECIL COUNTY, MARYLAND

### **Fiduciary Fund Type - Custodial Funds**

The Custodial Funds are maintained to account for assets held by the County in a custodial capacity.

**State Tax Collection Fund** - This fund is maintained to account for state taxes collected and held in an custodial capacity.

**State Bay Restoration Fee Collection Fund** - This fund is maintained to account for State Bay Restoration Fees collected and held in an custodial capacity.

**Town Collection Funds** - These funds are maintained to account for taxes billed and collected on behalf of the County's incorporated towns and held in an custodial capacity.

**CECIL COUNTY, MARYLAND**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS - CUSTODIAL FUNDS**  
**JUNE 30, 2023**

	<u>State Taxes</u>	<u>Bay Restoration Fees</u>	<u>Cecilton</u>	<u>Chesapeake City</u>	<u>Charlestown</u>	<u>Elkton</u>	<u>North East</u>	<u>Port Deposit</u>	<u>Perryville</u>	<u>Rising Sun</u>	<u>Total</u>
<b>ASSETS</b>											
Cash	\$ (264,870)	\$ 297,053	\$ 767	\$ 6,462	\$ 2,947	\$ 574,201	\$ 12,753	\$ 8,051	\$ 23,324	\$ 31,237	\$ 691,924
Receivables, Net:											
Property Taxes & Fees	694,232	157,667	14	102	5,296	53,590	4,753	8,358	(1,037)	19,934	942,911
Interest & Other	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<u>429,362</u>	<u>454,720</u>	<u>781</u>	<u>6,564</u>	<u>8,243</u>	<u>627,791</u>	<u>17,506</u>	<u>16,409</u>	<u>22,287</u>	<u>51,171</u>	<u>1,634,835</u>
<b>LIABILITIES</b>											
Due to Other Governments	<u>429,362</u>	<u>454,720</u>	<u>781</u>	<u>6,564</u>	<u>8,243</u>	<u>627,791</u>	<u>17,506</u>	<u>16,409</u>	<u>22,287</u>	<u>51,171</u>	<u>1,634,835</u>
<b>Total Liabilities</b>	<u>429,362</u>	<u>454,720</u>	<u>781</u>	<u>6,564</u>	<u>8,243</u>	<u>627,791</u>	<u>17,506</u>	<u>16,409</u>	<u>22,287</u>	<u>51,171</u>	<u>1,634,835</u>
<b>NET POSITION</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CECIL COUNTY, MARYLAND**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS - CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>State Taxes</u>	<u>Bay Restoration Fees</u>	<u>Cecilton</u>	<u>Chesapeake City</u>	<u>Charlestown</u>	<u>Elkton</u>	<u>North East</u>	<u>Port Deposit</u>	<u>Perryville</u>	<u>Rising Sun</u>	<u>Total</u>
<b>ADDITIONS</b>											
Contributions											
Property Tax Collections for Other Governments	44,035,165	5,943,360	552,169	1,609,424	2,044,384	25,828,105	8,543,471	1,524,430	5,593,734	4,074,502	99,748,744
Other	-	-	-	-	-	-	-	-	-	-	-
Total Additions	<u>44,035,165</u>	<u>5,943,360</u>	<u>552,169</u>	<u>1,609,424</u>	<u>2,044,384</u>	<u>25,828,105</u>	<u>8,543,471</u>	<u>1,524,430</u>	<u>5,593,734</u>	<u>4,074,502</u>	<u>99,748,744</u>
<b>DEDUCTIONS</b>											
Payments of Property Tax to Other Governments	44,035,165	5,943,360	552,169	1,609,424	2,044,384	25,828,105	8,543,471	1,524,430	5,593,734	4,074,502	99,748,744
Total Deductions	<u>44,035,165</u>	<u>5,943,360</u>	<u>552,169</u>	<u>1,609,424</u>	<u>2,044,384</u>	<u>25,828,105</u>	<u>8,543,471</u>	<u>1,524,430</u>	<u>5,593,734</u>	<u>4,074,502</u>	<u>99,748,744</u>
Change in Net Position	-	-	-	-	-	-	-	-	-	-	-
Net Position - Beginning	-	-	-	-	-	-	-	-	-	-	-
Net Position - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# CECIL COUNTY, MARYLAND

## STATISTICAL SECTION

This part of Cecil County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<b>Contents</b>	<b><u>Page</u></b>
<b>Financial Trends - Tables I to IV</b>	120
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
<b>Revenue Capacity - Tables V to VIII</b>	125
These schedules contain information to help the reader assess the County's most significant revenue source, the property tax.	
<b>Debt Capacity - Tables IX to XII</b>	129
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
<b>Demographic and Economic Information - Tables XIII - XIV</b>	133
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
<b>Operating Information - Tables XV to XVII</b>	135
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the services it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive reports for the relevant year. The County implemented GASB 34 in 2003 and GASB 54 was implemented in 2010; Table III has been restated to reflect the change in fund balance presentation.

STATISTICAL  
STATISTICAL SECTION



Table I

**NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>GOVERNMENTAL ACTIVITIES</b>										
Net: Investment in Capital Assets	\$ 166,819,030	\$ 171,724,604	\$ 163,724,657	\$ 155,575,258	\$ 165,183,735	\$ 165,352,831	\$ 186,718,203	\$ 178,409,879	\$ 178,303,142	\$ 173,940,937
Restricted	15,914,261	12,254,006	17,513,461	8,420,657	15,366,150	5,713,812	11,851,705	15,106,271	32,937,397	28,297,880
Unrestricted (Deficit)	<u>(53,601,877)</u>	<u>(84,302,472)</u>	<u>(88,292,865)</u>	<u>(78,992,974)</u>	<u>(105,036,602)</u>	<u>(84,633,191)</u>	<u>(94,923,381)</u>	<u>(67,966,928)</u>	<u>(39,405,071)</u>	<u>(1,353,006)</u>
<b>Total Governmental Activities Net Position</b>	<u>\$ 129,131,414</u>	<u>\$ 99,676,138</u>	<u>\$ 92,945,253</u>	<u>\$ 85,002,941</u>	<u>\$ 75,513,283</u>	<u>\$ 86,433,452</u>	<u>\$ 103,646,527</u>	<u>\$ 125,549,222</u>	<u>\$ 171,835,468</u>	<u>\$ 200,885,811</u>
<b>BUSINESS-TYPE ACTIVITIES</b>										
Net: Investment in Capital Assets	\$ 40,395,599	\$ 49,134,864	\$ 47,186,961	\$ 47,487,579	\$ 45,917,726	\$ 50,824,139	\$ 52,088,388	\$ 59,680,406	\$ 53,678,864	\$ 53,447,112
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>(1,137,604)</u>	<u>(5,787,900)</u>	<u>(2,858,161)</u>	<u>(3,137,463)</u>	<u>(31,029)</u>	<u>2,549,840</u>	<u>9,585,932</u>	<u>15,579,866</u>	<u>25,437,341</u>	<u>28,363,268</u>
<b>Total Business-type Activities Net Position</b>	<u>\$ 39,257,995</u>	<u>\$ 43,346,964</u>	<u>\$ 44,328,800</u>	<u>\$ 44,350,116</u>	<u>\$ 45,886,697</u>	<u>\$ 53,373,979</u>	<u>\$ 61,674,320</u>	<u>\$ 75,260,272</u>	<u>\$ 79,116,205</u>	<u>\$ 81,810,380</u>
<b>PRIMARY GOVERNMENT</b>										
Net: Investment in Capital Assets	\$ 207,214,629	\$ 220,859,468	\$ 210,911,618	\$ 203,062,837	\$ 211,101,461	\$ 216,176,970	\$ 238,806,591	\$ 238,090,285	\$ 231,982,006	\$ 227,388,049
Restricted	15,914,261	12,254,006	17,513,461	8,420,657	15,366,150	5,713,812	11,851,705	15,106,271	32,937,397	28,297,880
Unrestricted	<u>(54,739,481)</u>	<u>(90,090,372)</u>	<u>(91,151,026)</u>	<u>(82,130,437)</u>	<u>(105,067,631)</u>	<u>(82,083,351)</u>	<u>(85,337,449)</u>	<u>(52,387,062)</u>	<u>(13,967,730)</u>	<u>27,010,262</u>
<b>Total Primary Government Net Position</b>	<u>\$ 168,389,409</u>	<u>\$ 143,023,102</u>	<u>\$ 137,274,053</u>	<u>\$ 129,353,057</u>	<u>\$ 121,399,980</u>	<u>\$ 139,807,431</u>	<u>\$ 165,320,847</u>	<u>\$ 200,809,494</u>	<u>\$ 250,951,673</u>	<u>\$ 282,696,189</u>

Table II

**CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>EXPENSES</b>										
<b>Governmental Activities:</b>										
General Government	\$ 12,609,671	\$ 12,826,539	\$ 13,103,376	\$12,619,834	\$11,457,065	\$12,520,607	\$13,065,581	\$14,008,947	\$14,203,634	\$18,080,975
Public Safety	40,619,762	40,998,732	41,637,796	43,903,804	45,100,531	49,442,403	50,059,790	56,882,838	52,942,419	56,259,626
Highways, Streets, and Bridges	16,513,958	16,162,586	17,134,114	16,467,551	15,839,552	17,306,415	19,712,812	18,138,965	18,407,042	19,396,275
Health and Welfare	14,227,016	14,331,807	15,163,709	15,755,447	15,498,604	17,066,704	23,047,432	23,764,716	29,200,437	24,997,976
Recreation and Culture	1,291,050	1,356,836	1,541,526	1,780,757	2,112,900	2,532,142	2,675,352	3,055,416	3,821,318	5,835,378
Education	92,433,904	102,085,334	98,805,396	96,384,547	101,432,771	101,462,249	102,174,873	110,336,931	105,381,990	105,396,996
Public Libraries	4,576,546	4,946,275	5,122,366	5,523,248	5,604,168	5,879,199	6,170,855	6,840,534	7,458,647	7,308,789
Economic Development	2,703,849	1,549,098	1,675,209	1,776,517	1,508,011	2,835,459	1,733,234	2,150,329	2,179,534	2,796,316
Agriculture	2,115,454	614,728	851,666	1,463,623	760,117	686,363	636,345	693,130	710,494	1,009,473
Interest on Long-Term Debt	4,658,763	5,135,996	4,933,867	4,568,004	4,906,177	4,967,097	5,275,494	5,157,935	4,742,879	4,790,051
<b>Total Governmental Activities Expenses</b>	<b>191,749,973</b>	<b>200,007,931</b>	<b>199,969,025</b>	<b>200,243,332</b>	<b>204,219,896</b>	<b>214,698,638</b>	<b>224,551,768</b>	<b>241,029,742</b>	<b>239,048,393</b>	<b>245,871,855</b>
<b>Business-Type Activities:</b>										
Water	-	-	-	-	-	-	-	-	-	-
Wastewater	6,610,145	6,971,250	8,004,698	8,882,464	8,572,029	8,920,270	10,636,091	10,858,273	11,534,549	12,945,882
Landfill	8,276,214	7,743,691	6,818,531	6,287,612	6,279,323	7,805,548	6,985,591	7,978,298	7,694,614	9,421,360
Property Management	-	-	373,677	570,994	575,199	572,446	527,942	569,199	469,088	557,313
<b>Total Business-Type Activities Expenses</b>	<b>14,886,359</b>	<b>14,714,941</b>	<b>15,196,906</b>	<b>15,741,070</b>	<b>15,426,551</b>	<b>17,298,264</b>	<b>18,149,624</b>	<b>19,405,770</b>	<b>19,698,251</b>	<b>22,924,555</b>
<b>Total Primary Government Expenses</b>	<b>\$ 206,636,332</b>	<b>\$ 214,722,872</b>	<b>\$ 215,165,931</b>	<b>\$ 215,984,402</b>	<b>\$ 219,646,447</b>	<b>\$ 231,996,902</b>	<b>\$ 242,701,392</b>	<b>\$ 260,435,512</b>	<b>\$ 258,746,644</b>	<b>\$ 268,796,410</b>
<b>PROGRAM REVENUES</b>										
<b>Governmental Activities:</b>										
<b>Charges for Services:</b>										
General Government	\$ 5,902,590	\$ 6,598,891	\$ 8,471,469	\$8,150,707	\$12,328,147	\$9,658,092	\$12,411,095	\$14,006,170	\$22,699,506	\$11,911,894
Public Safety	1,891,611	1,960,971	2,533,004	2,268,430	2,847,862	2,929,027	2,179,553	2,508,166	3,154,744	2,623,865
Highways, Streets, and Bridges	375,530	191,757	397,877	217,050	85,018	91,476	76,918	97,746	89,740	38,166
Other Activities	621,065	773,109	812,469	997,753	1,237,903	1,302,246	1,237,275	1,458,564	1,487,138	1,683,755
Operating Grants and Contributions	14,555,600	13,742,967	14,730,843	15,554,549	16,375,078	18,082,698	23,668,531	32,952,511	31,949,258	31,729,939
Capital Grants and Contributions	3,827,146	5,558,647	3,620,846	2,549,237	4,271,822	4,388,697	8,227,583	926,225	1,649,327	153,181
<b>Total Governmental Activities Revenues</b>	<b>27,173,542</b>	<b>28,826,342</b>	<b>30,566,508</b>	<b>29,737,726</b>	<b>37,145,830</b>	<b>36,452,236</b>	<b>47,800,955</b>	<b>51,949,382</b>	<b>61,029,713</b>	<b>48,140,800</b>

Table II

**CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Business-Type Activities:</b>										
Charges for Services:										
Water	-	-	-	-	-	-	-	-	-	-
Wastewater	6,504,839	5,654,938	5,584,673	5,999,821	6,317,783	7,111,602	8,429,367	8,904,123	10,341,226	9,676,090
Landfill	5,903,453	6,632,144	7,313,027	7,877,565	8,404,849	8,555,589	8,763,531	9,825,204	10,629,466	9,835,966
Property Management	-	-	386,868	782,635	780,600	740,061	880,579	919,535	886,628	870,480
Capital Grants and Contributions	3,210,932	6,496,436	2,810,889	1,199,597	782,466	6,863,455	7,412,144	9,253,500	2,954,246	3,453,493
Total Business-Type Activities Revenues	15,619,224	18,783,518	16,095,457	15,859,618	16,285,698	23,270,707	25,485,621	28,902,362	24,811,566	23,836,029
<b>Total Primary Government Revenues</b>	<b>\$ 42,792,766</b>	<b>\$ 47,609,860</b>	<b>\$ 46,661,965</b>	<b>\$ 45,597,344</b>	<b>\$ 53,431,528</b>	<b>\$ 59,722,943</b>	<b>\$ 73,286,576</b>	<b>\$ 80,851,744</b>	<b>\$ 85,841,279</b>	<b>\$ 71,976,829</b>
<b>OTHER CHANGES IN NET POSITION</b>										
<b>Governmental Activities:</b>										
Taxes										
Property Taxes	\$ 103,397,531	\$ 102,727,666	\$ 106,810,382	\$ 106,490,517	\$ 114,077,543	\$ 117,898,407	\$ 121,433,103	\$ 126,825,903	\$ 129,619,991	\$ 133,571,564
Income Taxes	48,064,353	56,937,725	55,496,525	55,493,386	62,507,845	70,079,906	75,391,465	84,943,880	95,227,933	86,917,881
Investment Earnings	236,961	226,259	130,596	284,934	897,195	1,815,229	1,547,817	163,273	357,002	6,791,952
Other Revenues including Capital Asset Sales Gains (Losses)	568,691	209,749	234,129	108,004	352,294	278,029	(3,702,497)			
Grants, Entitlements, and Contributions not Restricted to Specific Programs	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	186,453	180,000	(905,000)	(706,000)	(950,000)	(900,000)	(500,000)
Total Governmental Activities	152,267,536	160,101,399	162,671,632	162,563,294	178,014,877	189,166,571	193,963,888	210,983,056	224,304,926	226,781,397
<b>Business-Type Activities:</b>										
Investment Earnings	13,270	20,392	73,285	89,221	857,434	609,839	258,344	3,139,360	(2,157,381)	1,257,700
Other Revenues including Capital Asset Sales Gains (Losses)	-	-	10,000	-	-	-	-	-	-	25,000
Transfers	-	-	-	(186,453)	(180,000)	905,000	706,000	950,000	900,000	500,000
Total Business-Type Activities	13,270	20,392	83,285	(97,232)	677,434	1,514,839	964,344	4,089,360	(1,257,381)	1,782,700
<b>Total Primary Government</b>	<b>\$ 152,280,806</b>	<b>\$ 160,121,791</b>	<b>\$ 162,754,917</b>	<b>\$ 162,466,062</b>	<b>\$ 178,692,311</b>	<b>\$ 190,681,410</b>	<b>\$ 194,928,232</b>	<b>\$ 215,072,416</b>	<b>\$ 223,047,545</b>	<b>\$ 228,564,097</b>
<b>CHANGE IN NET POSITION</b>										
Governmental Activities	\$ (12,308,895)	\$ (11,080,190)	\$ (6,730,885)	\$ (7,942,312)	\$ 10,940,811	\$ 10,920,169	\$ 17,213,075	\$ 21,902,696	\$ 46,286,246	\$ 29,050,342
Business-Type Activities	746,135	4,088,969	981,836	21,316	1,536,581	7,487,282	8,300,341	13,585,952	3,855,934	2,694,174
Total Primary Government	<b>\$ (11,562,760)</b>	<b>\$ (6,991,221)</b>	<b>\$ (5,749,049)</b>	<b>\$ (7,920,996)</b>	<b>\$ 12,477,392</b>	<b>\$ 18,407,451</b>	<b>\$ 25,513,416</b>	<b>\$ 35,488,647</b>	<b>\$ 50,142,180</b>	<b>\$ 31,744,516</b>

Table III

**FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>GENERAL FUND</b>										
Non-Spendable Fund Balance	\$ 10,982,077	\$ 13,335,406	\$ 10,603,047	\$ 10,215,102	\$ 10,075,089	\$ 9,812,028	\$ 6,874,368	\$ 6,348,832	\$ 6,654,445	\$ 7,704,688
Unrestricted Fund Balance										
Committed Fund Balance	17,548,538	14,683,298	16,196,482	-	-	1,360,150	2,225,000	282,492	-	10,000,000
Assigned Fund Balance	4,055,000	3,500,000	2,300,000	15,327,610	23,788,045	28,659,727	33,187,808	57,798,566	56,903,655	98,086,898
Unassigned Fund Balance	<u>7,425,546</u>	<u>6,206,671</u>	<u>8,755,014</u>	<u>10,247,486</u>	<u>9,775,539</u>	<u>11,381,665</u>	<u>12,237,704</u>	<u>11,539,070</u>	<u>44,455,355</u>	<u>18,238,937</u>
<b>Total General Fund</b>	<u>\$ 40,011,161</u>	<u>\$ 37,725,375</u>	<u>\$ 37,854,543</u>	<u>\$ 35,790,198</u>	<u>\$ 43,638,673</u>	<u>\$ 51,213,570</u>	<u>\$ 54,524,880</u>	<u>\$ 75,968,960</u>	<u>\$ 108,013,455</u>	<u>\$ 134,030,523</u>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Non-Spendable Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Fund Balance	38,089,278	12,254,036	17,513,461	8,420,657	21,201,499	5,713,812	33,849,131	6,591,858	29,038,509	23,003,832
Unrestricted Fund Balance:										
Committed Fund Balance	482,681	-	2,361,577	-	-	-	-	-	-	-
Unassigned Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,477,840)</u>	<u>-</u>	<u>(3,137,307)</u>	<u>(5,201)</u>	<u>365,826</u>
<b>Total All Other Governmental Funds</b>	<u>\$ 38,571,959</u>	<u>\$ 12,254,036</u>	<u>\$ 19,875,038</u>	<u>\$ 8,420,657</u>	<u>\$ 21,201,499</u>	<u>\$ (764,028)</u>	<u>\$ 33,849,131</u>	<u>\$ 3,454,551</u>	<u>\$ 29,033,308</u>	<u>\$ 23,369,658</u>

**Notes:**

In FY2017, after management review the Contingency Reserve was changed from Committed Fund Balance to Assigned Fund Balance.

Table IV

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>REVENUES</b>										
Property Taxes	\$ 103,371,143	\$ 102,735,882	\$ 106,839,214	\$ 106,417,932	\$ 114,098,978	\$ 117,739,156	\$ 121,521,370	\$ 126,455,523	\$ 129,690,091	\$ 133,577,663
Income Taxes	50,800,381	53,954,296	55,806,618	57,614,306	58,909,734	66,782,105	67,934,905	81,290,908	82,987,898	86,917,881
Licenses and Permits	1,682,772	1,741,618	2,383,661	1,981,371	2,198,271	2,496,542	1,862,139	2,250,615	2,705,006	1,998,736
Intergovernmental	14,465,177	16,122,745	16,441,829	15,800,667	18,274,023	19,410,912	26,440,450	33,596,632	32,281,482	30,720,747
Charges for Services	7,108,024	7,783,110	9,831,158	9,652,569	14,300,659	11,484,299	14,042,702	15,820,032	24,045,439	14,258,944
Investment Earnings	202,803	200,176	109,889	244,228	752,754	1,409,236	1,165,950	131,268	310,533	6,791,952
Contributions and Other Revenues	727,073	-	119,614	475,240	288,302	192,858	1,129,718	142,935	372,438	1,009,192
<b>Total Revenues</b>	<b>178,357,373</b>	<b>182,537,827</b>	<b>191,531,983</b>	<b>192,186,313</b>	<b>208,822,721</b>	<b>219,515,108</b>	<b>234,097,234</b>	<b>259,687,912</b>	<b>272,392,887</b>	<b>275,275,115</b>
<b>EXPENDITURES</b>										
General Government	11,088,643	11,176,755	11,412,816	10,436,710	10,493,224	10,773,331	11,630,570	12,045,421	16,029,599	18,156,748
Public Safety	37,063,402	38,531,809	39,188,740	42,140,763	42,918,915	46,404,066	48,687,444	55,565,065	51,648,556	53,234,580
Highways, Streets, and Bridges	11,131,474	11,554,492	11,217,928	9,561,474	11,319,441	12,405,752	16,450,372	12,220,948	15,232,931	15,981,372
Health and Welfare	13,083,185	13,841,044	14,778,726	15,192,470	15,445,675	16,483,436	22,762,243	24,868,050	29,275,638	24,964,294
Recreation and Culture	990,382	1,077,710	938,744	1,048,438	2,335,160	1,985,335	1,634,471	1,700,780	2,154,863	4,266,520
Education	82,888,100	85,446,064	89,945,828	92,020,570	93,617,178	95,555,299	98,581,668	99,361,023	101,273,513	101,350,020
Public Libraries	4,417,020	4,749,675	4,882,779	5,250,869	5,442,217	5,685,417	6,010,417	6,406,619	6,230,417	6,624,333
Economic Development	1,628,989	1,528,922	1,648,873	1,741,087	1,554,079	2,786,321	1,765,447	2,146,654	2,230,762	2,799,417
Agriculture	2,097,608	605,650	840,466	1,440,998	784,580	666,360	657,772	685,321	751,390	1,006,042
Municipalities	664,218	667,120	671,363	674,409	684,577	695,530	710,314	733,260	771,579	782,225
Capital Outlay	15,246,843	26,832,434	19,720,867	9,743,836	17,890,992	22,631,912	19,483,654	30,660,641	7,447,634	7,332,874
Debt Service:										
Principal	9,858,406	9,794,710	9,784,234	10,971,475	11,722,922	12,817,374	12,878,341	14,071,884	7,799,718	11,100,972
Bond Issuance Cost	-	-	-	-	-	-	-	-	186,146	-
Interest	4,851,033	5,568,661	5,397,046	5,668,428	5,488,549	6,410,605	5,845,222	7,222,746	6,176,257	6,257,401
<b>Total Expenditures</b>	<b>195,009,303</b>	<b>211,375,046</b>	<b>210,428,410</b>	<b>205,891,527</b>	<b>219,697,509</b>	<b>235,300,738</b>	<b>247,097,935</b>	<b>267,688,412</b>	<b>247,209,003</b>	<b>253,856,798</b>
<b>Deficiency of Revenues Under Expenditures</b>	<b>(16,651,930)</b>	<b>(28,837,219)</b>	<b>(18,896,427)</b>	<b>(13,705,214)</b>	<b>(10,874,788)</b>	<b>(15,785,630)</b>	<b>(13,000,701)</b>	<b>(8,000,500)</b>	<b>25,183,884</b>	<b>21,418,317</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from Capital Asset Disposal	440,893	17,600	2,088	36	88,979	-	-	-	-	-
Proceeds from Debt Transfer from Enterprise Fund	-	-	-	-	-	2,300,000	2,900,000	-	-	-
Proceeds from Bonds Issued	29,840,000	-	23,210,000	-	28,900,000	-	43,506,825	-	30,863,251	-
Premium on Debt Issued	4,401,727	3,730,456	5,209,762	-	3,484,818	-	5,333,114	-	2,337,004	-
Refunding Bonds Issued	-	31,128,617	12,243,531	-	6,347,823	-	-	-	48,760,000	-
Bond Issuance Cost	(233,221)	-	(78,558)	-	(121,445)	-	(108,768)	-	-	-
Advance Refunding Agent	-	(34,643,163)	(14,038,367)	-	(7,376,070)	-	-	-	(48,620,887)	-
Transfers In	26,387,095	18,761,837	21,431,745	19,351,635	22,092,347	20,885,973	27,381,326	23,525,316	23,786,411	22,956,261
Transfers Out	(26,387,095)	(18,761,837)	(21,333,604)	(19,165,183)	(21,912,347)	(21,790,973)	(28,087,327)	(24,475,317)	(24,686,410)	(24,021,158)
<b>Total Other Financing Sources (Uses)</b>	<b>34,449,399</b>	<b>233,510</b>	<b>26,646,597</b>	<b>186,488</b>	<b>31,504,105</b>	<b>1,395,000</b>	<b>50,925,170</b>	<b>(950,001)</b>	<b>32,439,369</b>	<b>(1,064,897)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 17,797,469</b>	<b>\$ (28,603,709)</b>	<b>\$ 7,750,170</b>	<b>\$ (13,518,726)</b>	<b>\$ 20,629,317</b>	<b>\$ (14,390,630)</b>	<b>\$ 37,924,469</b>	<b>\$ (8,950,501)</b>	<b>\$ 57,623,253</b>	<b>\$ 20,353,420</b>
<b>Debt Service as a Percentage of Non-capital Expenditures</b>	7.93%	7.79%	7.64%	8.29%	8.37%	9.01%	8.32%	8.67%	5.79%	7.04%

Table V

**ASSESSED VALUE AND ACTUAL VALUE  
OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Real Property				Personal Property		Total Taxable Actual Value	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate <sup>1</sup>
	Residential Property	Governmental	Commercial / Industrial	Agricultural	Public Utilities	Other				
2023	\$ 8,463,199,883	n/a	\$ 2,746,055,539	\$ 627,615,578	\$ 285,341,000	284,592,000	\$ 12,406,804,000	\$ 1,159,152,687	\$ 11,247,651,313	1.091
2022	8,024,254,277	n/a	2,631,508,736	598,353,987	234,661,000	360,000,000	11,848,778,000	1,113,849,381	10,734,928,619	1.113
2021	8,081,218,296	n/a	2,510,769,760	570,640,944	267,119,000	233,750,000	11,663,498,000	1,105,298,481	10,558,199,519	1.116
2020	7,853,735,116	n/a	2,277,982,595	551,574,289	231,785,000	216,000,000	11,131,077,000	1,076,496,766	10,054,580,234	1.111
2019	8,345,879,340	n/a	2,336,465,061	552,147,755	217,818,000	372,430,000	11,824,740,156	1,082,038,904	10,742,701,252	1.127
2018	8,083,377,107	n/a	2,196,422,419	577,145,678	201,388,000	185,409,000	11,243,742,204	1,045,798,818	10,197,943,386	1.101
2017	7,251,167,566	n/a	2,728,635,767	523,372,208	189,268,000	247,205,000	10,939,648,541	1,027,108,919	9,912,539,622	1.057
2016	7,204,868,497	n/a	2,643,369,801	507,534,006	198,056,000	233,500,000	10,787,328,304	1,015,229,774	9,772,098,530	1.056
2015	6,933,465,147	n/a	1,871,273,169	489,623,429	141,257,000	230,000,000	9,665,618,745	995,209,501	8,670,409,244	1.054
2014	6,963,756,250	n/a	1,830,995,567	504,922,966	141,257,000	230,000,000	9,670,931,783	953,466,796	8,717,464,987	1.054

Source: Maryland State Department of Assessment and Taxation  
Cecil County Department of Finance

Notes:

<sup>1</sup> The total direct tax rate is a weighted average of real and personal property rates.

Table VI

**DIRECT AND OVERLAPPING  
PROPERTY TAX RATES  
(per \$100 of Assessed Value)  
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Cecil County Direct Rates</b>										
Real Property	\$0.991	\$0.991	\$0.991	\$0.991	\$1.041	\$1.041	\$1.041	\$ 1.041	\$ 1.028	\$ 1.014
Personal Property	2.477	2.477	2.477	2.479	2.604	2.604	2.604	2.604	2.570	2.536
<sup>1</sup> Total Direct Tax Rate	1.054	1.054	1.056	1.057	1.101	1.127	1.111	1.116	1.113	1.091
<b>Towns</b>										
Cecilton	0.217	0.220	0.220	0.237	0.237	0.237	0.232	0.232	0.228	0.227
Charlestown	0.314	0.333	0.333	0.333	0.333	0.333	0.333	0.333	0.333	0.331
Chesapeake City	0.448	0.449	0.449	0.449	0.449	0.469	0.469	0.469	0.469	0.530
Elkton	0.586	0.586	0.586	0.586	0.636	0.636	0.636	0.636	0.636	0.636
North East	0.480	0.480	0.480	0.480	0.480	0.480	0.480	0.480	0.480	0.480
Perryville	0.314	0.313	0.313	0.310	0.310	0.360	0.360	0.360	0.360	0.360
Port Deposit	0.551	0.554	0.551	0.551	0.546	0.546	0.546	0.546	0.545	0.545
Rising Sun	0.406	0.406	0.406	0.480	0.480	0.470	0.460	0.460	0.460	0.460

**Sources:** Cecil County Department of Finance  
The government of each town establishes its respective tax rate.

**Note:** <sup>1</sup> The total direct tax rate is a weighted average of real and personal property rates.

Table VII

**PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

FISCAL YEAR 2023			
Taxpayer	Type of Business	Taxable Assessed Value	Percentage of Total Assessed Value
DELMARVA POWER & LIGHT COM	UTILITY	\$ 172,574,750	1.53%
W L GORE & ASSOCIATES INC	MANUFACTURING	103,093,070	0.92%
REALTY INCOME TRUST 2	DISTRIBUTION	97,894,233	0.87%
CLPF PRINCIPIO LLC	PROP. MANAGEMENT	95,069,933	0.85%
IKEA PROPERTY INC	RETAIL	86,985,293	0.77%
MRE PROPCO LP		75,595,967	0.67%
COLE ID NORTH EAST MD LLC	DISTRIBUTION	73,261,800	0.65%
LIDL US OPERATIONS LLC	RETAIL	72,580,167	0.65%
CPUS NE GATEWAY LP		69,428,633	0.62%
DRI TCC ELKTON LAND LLC	COMMERCIAL REAL EST	67,656,667	0.60%
Totals		<u>\$ 914,140,513</u>	<u>8.13%</u>

FISCAL YEAR 2014			
Taxpayer	Type of Business	Taxable Assessed Value	Percentage of Total Assessed Value
W.L. Gore & Associates, Inc.	Manufacturing	\$ 116,139,040	1.33%
Delmarva Power & Light Company	Utility	102,880,990	1.18%
Ikea Property Inc	Retail	75,813,300	0.87%
Mid Atlantic Distribution Center	Distribution	57,075,733	0.65%
Penn Cecil Maryland	Casino Gaming	51,030,260	0.59%
Cole ID North East MD LLC	Distribution	45,708,500	0.52%
Wal-Mart Real Estate Bus Tr	Retail	25,886,300	0.30%
Mason Dixon Sand & Gravel Co.	Manufacturing	23,986,600	0.28%
Chesapeake Ridge LLC	Property Mgmt	23,463,700	0.27%
Pibe Valley, LLC	Property Mgmt	21,631,190	0.25%
Totals		<u>\$ 543,615,613</u>	<u>6.24%</u>

Source: Cecil County Department of Finance

Notc: Taxpayer data included only if in the top ten for that year.

Table VIII

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of Levy		Collections in	Total Collections to Date	
	for Fiscal Year	Amount	Percentage of Levy	Subsequent Years	Amount	Percentage of Levy
2023	\$ 128,836,668	\$ 128,206,546	99.5%	\$ -	\$ 128,206,546	99.5%
2022	124,459,576	123,727,635	99.4%	441,786	124,169,421	99.8%
2021	122,195,143	121,653,870	99.6%	351,879	122,005,749	99.8%
2020	116,935,573	116,367,725	99.5%	499,429	116,867,154	99.9%
2019	113,075,267	112,524,488	99.5%	462,696	112,987,184	99.9%
2018	109,108,923	108,970,437	99.9%	52,372	109,022,809	99.9%
2017	101,641,723	101,569,226	99.9%	72,497	101,641,723	100.0%
2016	101,636,001	101,463,753	99.8%	164,327	101,628,080	100.0%
2015	99,732,494	99,440,061	99.7%	246,350	99,686,411	100.0%
2014	100,162,002	99,753,092	99.6%	384,913	100,138,005	100.0%

**Source:** Cecil County Department of Finance

**Note:** <sup>1</sup> For presentation purposes, the County considers Tax Levy to be the taxes levied during the normal tax year and excludes adjustments to prior year taxes.

**Note:** Total tax levy is all tax bill additions and insolvencies from general ledger for fiscal year. Amount collected is the total tax levy reduced by the ending general ledger balance.

Table IX

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage	
	General Obligation Bonds	Financed Purchases	Special Assessment Bonds	Wastewater Bonds	Landfill Bonds	Property Mgmt.	Capital Leases		of Personal Income	Per Capita <sup>1</sup>
2023	\$ 198,502,970	\$ 2,389,604	\$ 54,890	\$ 60,699,201	\$ 7,660,019	\$ 5,343,478	\$ 437,198	\$ 275,087,359	4.68%	\$2,621
2022	211,595,169	4,461,166	60,989	63,520,725	8,622,505	5,656,480	\$ 646,352	294,563,387	5.76%	2,848
2021	188,146,846	5,691,330	67,088	55,957,740	9,700,041	5,957,249	\$ -	265,520,294	5.19%	2,560
2020	204,436,750	5,278,492	73,187	60,179,429	10,825,396	6,246,802	-	287,040,056	5.61%	2,791
2019	170,302,603	4,552,304	79,285	52,930,641	11,946,819	6,525,140	-	246,336,792	5.21%	2,396
2018	185,090,721	3,361,901	85,384	54,740,952	13,059,685	6,793,282	-	263,131,925	5.81%	2,561
2017	166,250,368	1,876,310	91,483	54,724,461	13,045,166	7,051,229	-	243,039,017	5.47%	2,369
2016	179,272,367	-	97,582	57,568,263	13,931,049	7,300,000	-	258,169,261	6.06%	2,522
2015	159,837,619	-	103,681	49,061,076	14,763,528	-	-	223,765,904	5.16%	2,186
2014	168,262,646	-	109,780	42,685,905	16,265,125	-	-	227,323,456	5.19%	2,231

**Source:** Cecil County Department of Finance

**Notes:** Details regarding the County's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> See Schedule XIV for population data.

This ratio uses population data from the prior calendar year.

Table X

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value<sup>1</sup> of Property</u>	<u>Per Capita<sup>2</sup></u>
2023	\$ 272,205,667	\$ 272,205,667	2.42%	\$ 2,593.87
2022	289,394,880	289,394,880	2.70%	2,798.28
2021	259,761,876	259,761,876	2.46%	2,504.33
2020	281,688,377	281,688,377	2.80%	2,738.69
2019	241,705,203	241,705,203	2.25%	2,350.62
2018	259,684,640	259,684,640	2.55%	2,527.44
2017	241,071,224	241,071,224	2.43%	2,349.55
2016	258,071,679	258,071,679	2.64%	2,520.67
2015	223,662,223	223,662,223	2.58%	2,184.56
2014	227,213,676	227,213,676	2.61%	2,229.49

**Source:** Cecil County Department of Finance

**Note**     <sup>1</sup> See Schedule V for Actual Taxable Value of Property data.  
               <sup>2</sup> See Schedule XIV for population data.  
 This ratio uses population data from the prior calendar year.

Table XI

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2023**

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to Cecil County</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt Repaid with Property and Income Taxes</b>			
Elkton	\$ -	100%	\$ -
North East	-	100%	-
Perryville	1,460,000	100%	1,460,000
Rising Sun	<u>1,732,149</u>	100%	<u>1,732,149</u>
Subtotal - Overlapping Debt			3,192,149
<b>Cecil County Direct Debt</b>	193,905,264	100%	<u>193,905,264</u>
<b>Totals</b>			<u>\$197,097,413</u>

**Sources:** Cecil County Department of Finance  
The government of each town is the source of its respective debt.

Table XII

**LEGAL DEBT LIMITATION INFORMATION  
(Unaudited)**

There is no aggregate limit to the amount of bonds and other evidences of indebtedness that may be outstanding at any one time for Cecil County. There is a general limitation for short-term borrowing in any fiscal year; the County is authorized to borrow up to \$2,500,000 on a temporary basis provided that all such borrowing be repaid and all demands fully satisfied on or before June 30 of the fiscal year in which the money is borrowed.

Table XII

**PLEGGED - REVENUES COVERAGE  
LAST TEN FISCAL YEARS**

Fiscal Year	Wastewater Revenue Bonds						Special Assessment Bonds		
	Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Special Assessment Collections	Debt Service Principal	Coverage
				Principal	Interest				
2023	\$ 7,843,665	\$ 11,113,093	(3,269,428)	\$ 2,667,055	\$ 1,482,438	-79%	6,099	6,099	100%
2022	10,345,443	10,914,760	(569,317)	2,735,651	747,449	-16%	6,099	6,099	100%
2021	8,905,807	9,390,703	(484,896)	4,085,743	1,467,570	-9%	6,099	6,099	100%
2020	8,491,934	9,213,747	(721,813)	3,769,745	1,422,344	-14%	6,099	6,099	100%
2019	7,220,627	7,420,411	(199,784)	3,614,254	1,499,859	-4%	6,099	6,099	100%
2018	6,256,258	7,125,920	(869,662)	3,498,158	1,446,109	-18%	6,099	6,099	100%
2017	6,047,881	7,372,155	(1,324,274)	3,334,137	1,510,309	-27%	6,099	6,099	100%
2016	5,631,738	6,571,666	(939,928)	2,367,669	1,433,032	-25%	6,099	6,099	100%
2015	8,586,607	5,696,015	2,890,592	1,999,804	1,275,235	88%	6,099	6,099	100%
2014	6,505,751	5,874,501	631,250	1,763,754	735,644	25%	6,099	6,099	100%

Fiscal Year	Landfill Revenue Bonds					
	Landfill Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2023	11,093,304	9,054,411	2,038,893	816,823	366,950	172%
2022	\$ 8,467,868	\$ 7,548,749	919,119	\$ 1,385,396	\$ 245,164	56%
2021	12,916,306	7,801,011	5,115,295	953,474	177,287	452%
2020	8,959,308	6,795,005	2,164,303	941,551	190,586	191%
2019	9,056,403	7,588,875	1,467,528	929,118	216,673	128%
2018	9,177,098	5,957,723	3,219,375	911,301	321,600	261%
2017	7,917,946	5,861,891	2,056,055	876,171	425,721	158%
2016	7,348,970	6,399,300	949,670	893,354	419,231	72%
2015	6,652,536	7,230,652	(578,116)	1,501,597	513,039	-29%
2014	5,915,811	7,765,909	(1,850,098)	1,484,840	510,305	-93%

Fiscal Year	Property Management Revenue Bonds					
	Property Mgmt Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2023	\$ 870,479	\$ 278,188	592,292	\$ 313,003	\$ 279,124	100%
2022	886,628	344,386	542,242	300,768	124,702	127%
2021	919,535	349,342	570,193	289,553	219,857	112%
2020	880,579	296,883	583,696	278,338	231,059	115%
2019	740,061	330,434	409,627	268,142	242,012	80%
2018	780,600	322,700	457,900	257,947	252,499	90%
2017	783,415	308,576	474,839	248,771	262,418	93%
2016	387,145	158,400	228,745	-	109,286	209%

Source: Cecil County Department of Finance  
 Note: The property management fund began in FY 2016

Table XIII

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS

Calendar Year	Population <sup>a,d</sup>	Personal Income <sup>a,1,</sup>	Per Capita Income <sup>a</sup>	Average Employment <sup>b,2</sup>	Average Unemployment Rate <sup>b,2</sup>	Median Price of Housing Sales <sup>d</sup>	School Enrollment <sup>c,3</sup>
2022	104,942	5,802,558,006	55,293	51,972	3.3%	305,174	15,057
2021	103,905	5,369,914,305	51,681	51,455	5.2%	286,500	14,780
2020	103,419	5,116,896,000	49,477	53,741	5.9%	257,500	14,718
2019	102,855	5,116,896,000	49,749	52,129	3.9%	230,000	15,255
2018	102,826	4,732,415,000	46,059	50,507	4.3%	225,308	15,307
2017	102,746	4,531,488,000	44,104	50,558	4.7%	216,484	15,364
2016	102,603	4,440,668,000	43,374	51,074	5.0%	194,765	15,633
2015	102,382	4,262,448,000	41,632	50,042	6.0%	197,902	15,859
2014	102,383	4,337,575,000	42,562	48,665	6.6%	194,000	15,681

Sources: <sup>a</sup> U.S. Census Bureau , U.S. Department of Commerce

<sup>b</sup> Maryland Department of Labor, Licensing, and Regulation (DLLR)

BEA and DLLR data is presented as revised periodically based on census and survey results and analysis, and changes to statistical benchmarks.

<sup>c</sup> Maryland Department of Planning, Planning Data Services

<sup>c</sup> Cecil County Board of Education Annual Budgets

<sup>d</sup> Maryland Association of Realtors

Notes: <sup>1</sup> Personal Income is a total for the year.

<sup>2</sup> Employment and unemployment rates are adjusted annual averages. Employment is calculated as the count of County citizens employed in any location (i.e., inside or outside the County).

<sup>3</sup> School enrollment is for the school year ended in June of the calendar year.

Table XIV

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Calendar Year 2023			Calendar Year 2014		
	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees
W.L. Gore & Associates	3,076	1	5.92%	2,387	1	4.90%
Cecil County Board of Education	2,119	2	4.08%	2,125	2	4.36%
Perry Point VA Medical Center	1,516	3	2.92%	1,500	3	3.08%
Terumo Corp.*	1,083	4	2.08%	639	5	1.31%
Christiana Care/Union Hospital	932	5	1.79%	1,236	4	2.54%
Amazon MDT2	830	6	1.60%	**		
IKEA Perryville	708	7	1.36%	580	6	1.19%
Cecil County Government	655	8	1.26%	573	7	1.18%
Northrop Grumman	613	9	1.18%	464	10	0.95%
Medline	550	10	1.06%	**		
Cecil College				521	8	1.07%
Walmart Stores	***			500	9	1.03%
Totals	<u>12,082</u>		<u>23.26%</u>	<u>10,525</u>		<u>21.61%</u>

\*Note: Terumo Medical and Terumo Cardiovascular totals are combined under Terumo Corporation

\*\* not ranked in 2014

\*\*\* Numbers are now confidential

Sources: Cecil County Department of Economic Development

Cecil County Government

Table XV

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES  
BY FUNCTION  
LAST TEN FISCAL YEARS**

<u>Function</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government	99	110	99	105	108	116	112	112	122	140
Public Safety	302	303	315	321	322	331	337	343	315	325
Law Enforcement	99	105	105	108	111	112	114	114	105	115
Detention Center	81	70	78	74	76	70	72	72	59	56
EMS & Emergency Services	74	77	84	83	77	84	82	83	84	87
Other	48	51	48	56	58	65	69	74	67	68
Highways, Streets, and Bridges	65	68	67	61	64	64	63	64	61	63
Roads Maintenance	42	41	44	42	46	44	43	45	42	42
Engineering and Other	23	27	23	19	18	20	20	19	19	21
Health and Welfare	43	61	47	58	59	66	66	68	72	87
Senior Services	23	39	30	37	40	45	41	43	45	55
Other	20	22	17	21	19	21	25	25	27	32
Recreation and Culture	8	8	8	8	11	13	12	13	12	12
Economic Development	6	7	6	7	6	7	7	7	6	5
Agriculture	5	5	5	4	5	5	5	5	5	6
Water	-	-	-	-	-	-	-	-	-	-
Wastewater	16	15	14	16	16	17	19	20	19	20
Landfill	25	24	22	23	23	21	24	23	22	24
Totals	569	601	583	603	614	640	645	655	633	682

Sources: Cecil County Finance and Human Resources Departments

Table XVI

OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Public Safety</b>										
Physical Arrests	2,422	2,548	2,743	3,066	3,065	3,376	2,909	2,505	2,357	2,273
911 Calls	168,535	224,643	135,127	129,993	127,484	128,889	126,764	126,856	123,995	126,816
Fire/Paramedic Calls	28,845	29,820	12,360	14,441	14,706	15,114	14,767	15,805	16,486	16,997
Building Permits Issued	234	202	192	198	212	348	238	347	446	235
<b>Highways, Streets, and Bridges</b>										
Street Resurfacing (miles)	15.93	18.07	15.49	6.35	10.11	10.85	21.72	12.05	13.02	26.02
<b>Health and Welfare</b>										
Participants (avg. monthly)	1,135	1,235	1,765	1,327	843	918	917	984	1,817	2,257
Meals served	25,005	18,052	29,066	33,808	33,494	41,804	41,801	83,240	67,632	51,980
Bus Passengers	92,314	100,929	101,251	97,043	102,353	111,611	86,833	41,878	54,240	75,849
<b>Recreation and Culture</b>										
Recreation Registrations	15,750	15,130	14,620	17,388	18,546	14,500	13,330	17,850	19,430	19,512
Recreation Programs	197	157	162	244	248	207	184	220	223	221
Safetyville (attendance)	147	64	86	71	103	84	32	53	80	116
<b>Agriculture</b>										
Acres under Preservation Agreements	25,799	26,382	26,497	27,079	27,798	28,945	33,742	34,450	34,909	35,251
<b>Water</b>										
Average Daily Consumption (thousands of gallons)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Wastewater</b>										
Annual Sewage Treatment (thousands of gallons)	648,139	580,480	578,510	539,450	580,123	681,339	819,000	681,282	659,627	636,264
<b>Landfill</b>										
Annual Tons of Refuse	84,796	83,449	85,172	87,706	93,118	94,561	98,972	112,821	119,932	110,820

Sources: Various Cecil County departments.

Note: Quantifiable and meaningful operating indicators are not available for all functions.  
 NA = Not available  
 As of FY2007 a new Communication Systems came online to accept County-wide emergency calls.  
 The County sold the Water Operations effective December 21, 2011.

Table XVII

**CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Public Safety</b>										
Police Patrol Units	95	100	100	100	106	111	113	113	115	114
Paramedic Units	8	8	8	8	8	9	9	9	8	8
Ambulances	0	0	0	0	0	0	0	0	0	2
<b>Highways, Streets, and Bridges</b>										
Roads & Highways (miles)	599	600	604	604	604	606	607	607	607	607
Bridges	97	97	97	98	98	99	99	99	96	96
<b>Health and Welfare</b>										
Buses	13	17	17	14	17	18	20	20	20	20
<b>Recreation and Culture</b>										
Park Acreage	535	535	535	535	661	686	686	689	693	693
<b>Water</b>										
Production Capacity (millions of gallons per day)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Wastewater</b>										
Wastewater Treatment Capacity (millions of gallons per day)	3,490	3,490	3,465	3,165	3,165	3,165	3,165	3,165	3,165	3,165
<b>Landfill</b>										
Remaining Built Capacity (cubic yards)	1,800,200	1,628,300	1,501,646	1,333,555	1,155,234	939,152	853,830	673,847	520,776	362,290

**Sources:** Various Cecil County departments.

**Note:** Quantifiable and meaningful capital asset statistics are not available for all functions.  
The County sold the Water Operations effective December 21, 2011.