



**THE CECIL COUNTY, MARYLAND VOLUNTEER
LENGTH OF SERVICE AWARDS BENEFITS TRUST**

**ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**A FIDUCIARY FUND OF
CECIL COUNTY, MARYLAND**

Prepared by the Cecil County Department of Finance

**THE CECIL COUNTY, VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM
BENEFITS TRUST
ANNUAL FINANCIAL REPORT
OF A FIDUCIARY FUND OF CECIL COUNTY, MARYLAND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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**THE CECIL COUNTY, MARYLAND VOLUNTEER LENGTH OF SERVICE AWARD
PROGRAM
BENEFITS TRUST
BOARD OF TRUSTEES
200 Chesapeake Blvd.
Elkton, MD 21921
410-996-5385**

April 4th, 2025

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

We are pleased to present this Annual Financial Report of The Cecil County, Maryland Volunteer Length of Service Award Benefits Trust (The Trust) for the fiscal year ended June 30, 2024. The Trust is a non-pension post-retirement plan and a fiduciary fund of Cecil County. This report is divided into two sections: an Introductory Section including the administrative organization and the letter of transmittal; and a Financial Section including the report of the independent public accountants, management's discussion and analysis, the financial statements of the Trust, and certain required and other supplementary information.

This report consists of management's representations concerning the finances of the Trust. Consequently, the Trustees of the Trust assume responsibility for the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, the Trustees of the Trust have established a comprehensive internal control framework that is designed to protect the Trust's assets from loss, theft, or misuse and to compile sufficient information for the preparation of the Trust's financial statements in conformity with Generally Accepted Accounting Principles. Because the cost of internal controls should not outweigh their benefits, the Trust's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Trust's financial statements have been audited by SB & Company, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Trust as of and for the fiscal year ended June 30, 2024, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and any significant estimates made by management; and evaluating the overall financial statement presentation. The independent public accountants issued an unmodified opinion on the Trust's financial statements as of and for the fiscal year ended June 30, 2024, which means that the financial statements are fairly presented in conformity with GAAP. The independent public accountant's report is presented as the first component of the Financial Section of this report. GAAP requires 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 Trust's MD&A can be found immediately following the report of the independent public accountants.

Transmittal Letter, June 30, 2024 The Cecil County MD, Volunteer Length of Service Award Benefits Trust

Profile of the Plan

The Trust was established effective August 16th, 2019, under a trust agreement enacted by Cecil County to provide funding for benefits for the County's Department of Fire and Rescue Service volunteers who meet certain age and service criteria. Responsibility for the administration and operation of the Trust is vested in a 6-member Board of Trustees (the Trustees) appointed by the County Executive and confirmed by the County Council. The Trust was created by the BOCC to comply with the Governmental Accounting Standards Board (GASB) Statements No. 74 and No. 75, which require recognition of the long-term liability created by non-pension post-retirement benefits provided to many governmental employees.

Funding

A non-pension post employment benefits plan is well funded when its net position is equal to or greater than the liability. The Trust's funding objective is to meet long-term benefit promises through actuarially determined contributions to and investment earnings from the Trust. The VLOSAP liability and the Net Position of the Trust as of June 30, 2024 the most recent actuarial valuation, amounted to \$10,171,447 and \$2,557,229 respectively, or 25% funded. The County provides a fixed dollar benefit based on their years of service.

Additions and Deductions from Plan Net Position

The County Executive funded \$1,437,665 to the VLOSAP Fund, and net interest earnings of \$121,627 resulted in total additions to the plan in the amount of \$1,559,292 for fiscal year 2024.

The Trust paid \$854,349 in direct pensions monthly, \$3,000 in direct pensions as a lump sum, and \$13,000 for actuarial services, and \$4,824 in auditing services resulting in total deductions of \$875,173 from the Trust.

Net position of the Trust increased by \$684,119 and totaled \$2,557,299 as of June 30, 2024.

Investments

The Trust's funds are held in the Maryland Local Investment Pool fund.

Professional Services

Professional consultants are appointed by the Board of Trustees to perform professional services that are essential to the effective and efficient operation of the Trust. An opinion from the independent public accountants is included in this report. The Trust also utilized a professional actuary to calculate its Voluntary Length of Service Award obligation. The consultants appointed by the Board of Trustees are listed on page iv.

Transmittal Letter, June 30, 2024 The Cecil County MD, Volunteer Length of Service Award Benefits Trust

Major Initiatives

Current Year. The Trust finished the year with an increase in net position of 27%. As of June 30, 2024, the Trust's net position as a percentage of the total liability is 20%. The Fund met its current obligations to provide post-employment benefits to retirees.

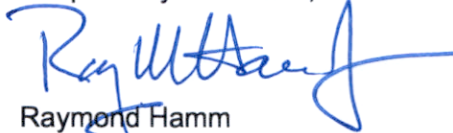
Long Term. The Board of Trustees will continue to monitor credit and duration exposures in the portfolio over the coming months. Specifically, the Trustees will keep abreast of market volatility, given the current expectation of the potential for the Federal Reserve to lower short-term interest rates.

Acknowledgements

The operation of the Trust was made possible by the efforts of the Volunteer Firefighter Staff, County Executive, County Council, and the Trustees of the Trust, as well as the Human Resources staff and members of the Department of Finance. Preparation of the Annual Financial Report, on a timely basis was made possible by the dedicated service of the Department of Finance staff.

In closing, the Trustees look forward to serving the members of The Cecil County Maryland, Volunteer of Service Award Benefits Trust by providing benefits in their retirement.

Respectfully Submitted,



Raymond Hamm
Trustee

**THE CECIL COUNTY, MARYLAND VOLUNTEER LENGTH OF SERVICE
AWARD PROGRAM
BENEFITS TRUST**

Principal Officials & Consultants

June 30, 2024

Appointed Officials

Board of Trustees

Trustee	Shon McCollum
Trustee	Antonio Prattico
Trustee	Paul Camponelli
Trustee	Wayne Tome
Trustee	Dale DeWeese
Trustee	Bob Meffley

Consultants

Actuary	Bolton Partners, Inc.
Independent Public Accountant	SB & Company, LLC



Certified Public
Accountants &
SBC Business Advisors

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

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

Opinion

We have audited the accompanying financial statements of the Cecil County, Maryland Volunteer Length of Service Award Program Benefits Trust (the Trust), a fiduciary fund of Cecil County, Maryland, which comprise of the statements of net position as of June 30, 2024, and the related statements of changes in net position, for the year then ended, and the related notes to the financial statements, which comprise the Trust's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as of June 30, 2024, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Trust 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 opinion.

Responsibilities of Management for the Financial Statements

The Trust management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls 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 Trust's ability to continue as a going concern for one year beyond the date that the financial statements are available to be issued, including any currently known information that may raise substantial doubt shortly thereafter.



Auditor's Responsibilities 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 opinion. 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 controls. 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 controls 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 internal controls. 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 Trust'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 controls-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 schedule of changes in the County's net LOSAP liability/(asset) and related ratios, and schedule of County contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited



Certified Public
Accountants &
SBC Business Advisors

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 evidence sufficient 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 Trust's basic financial statements. The schedule of administrative expenses and schedule of professional fees paid to consultants are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of administrative expenses and schedule of professional fees paid to consultants 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 schedule of administrative expenses and schedule of professional fees paid to consultants 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 listed in the table of contents. The other information comprises the introductory section but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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
April 4, 2025

SBC + Company, LLC

**THE CECIL COUNTY, MARYLAND VOLUNTEER LENGTH OF SERVICE
AWARD PROGRAM
BENEFITS TRUST
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024**

The Trustees of the Cecil County, Maryland Volunteer Length of Service Award Program Benefits Trust (the Trust) are pleased to present to the County Executive, the County Council and other readers of the financial statements of the Trust this narrative overview and analysis of the financial activities of the Trust for the fiscal year ended June 30, 2024.

Financial Highlights

The assets of the Trust exceeded its liabilities at the close of the fiscal year by \$2,557,299 (net position). The Trust's total contributions increased in 2024 to the amount of \$1,437,665 in comparison to \$1,210,654 in 2023. The interest income increased from \$73,435 in 2023 to \$121,627 in 2024. The entire amount of net position is available to assist the County in financing the Volunteer Length of Service Award Program provided by the County under the Cecil County Volunteer Length of Service Award Benefit Plan.

Overview of the Financial Statements

This discussion and analysis is an introduction to the Trust's basic financial statements, which are comprised of three components: 1) Statement of Net Position, 2) Statement of Change in Net Position, and 3) Notes to the Financial Statements.

The Statement of Net Position (page 7) presents information on all of the Trust's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Trust is improving or deteriorating.

The Statement of Change in Net Position (page 8) presents information showing how the Trust's net position changed during the 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.

The Trust is reported as a fiduciary fund of the Cecil County, Maryland, government.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found beginning on page 9 of this report.

Required Supplementary Information. The required supplementary information and related notes provide additional information that is essential to a full understanding of the funding progress of the non-pension post employment benefits trust. The information can be found beginning on page 13 of this report.

Additional information. Other supplementary information is shown on page 15.

Financial Analysis of the Trust

Net Position. The following is a year-to-year comparison of net position of the Trust.

	June 30, 2024	June 30, 2023	Increase (Decrease) Amount	Increase (Decrease) Percentage
<u>Assets</u>				
Cash and Cash Equivalents	\$ 2,592,367	\$ 1,876,180	\$ 716,187	38.2%
A/R Other	174	-	174	0.0%
Total Assets	<u>2,592,541</u>	<u>1,876,180</u>	<u>716,361</u>	<u>38.2%</u>
<u>Liabilities</u>				
Accounts Payable	35,242	3,000	32,242	0.0%
Total Liabilities	<u>35,242</u>	<u>3,000</u>	<u>32,242</u>	<u>1074.7%</u>
<u>Net Position</u>				
Held in Trust for Participants	<u>\$ 2,557,299</u>	<u>\$ 1,873,180</u>	<u>\$ 684,119</u>	<u>36.5%</u>

Changes in Net Position. The Trust experienced an increase in net position of 684,119 in fiscal year 2024. Total contributions increased by \$227,011 in 2024. Interest earnings increased by \$48,192. Benefit payments increased by \$25,458 and Administrative expenses decreased by \$3,112. A year-to-year comparison of changes of the Trust's net position is as follows.

	FY 2024	FY 2023	Increase (Decrease) Amount	Increase (Decrease) Percentage
Additions:				
Contributions from County	\$ 1,437,665	\$ 1,210,654	\$ 227,011	18.8%
Interest Earnings	<u>121,627</u>	<u>73,435</u>	<u>48,192</u>	<u>65.6%</u>
Total Additions	<u>1,559,292</u>	<u>1,284,089</u>	<u>275,203</u>	<u>21.4%</u>
Deductions:				
Direct Pensions Monthly	854,349	828,891	25,458	3.1%
Direct Pensions Lump Sum	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>0.0%</u>
Total Retirement, Pension Payments	<u>857,349</u>	<u>831,891</u>	<u>25,458</u>	<u>3%</u>
Professional Services	17,824	20,936	(3,112)	-15%
Total Deductions	<u>875,173</u>	<u>852,827</u>	<u>22,346</u>	<u>3%</u>
Net Change in Net Position	<u>\$ 684,119</u>	<u>\$ 431,262</u>	<u>\$ 252,857</u>	<u>59%</u>

The Trust was established to fund future Volunteer Length of Service monthly or lump sum benefits and consequently its assets consist of contributions from the County and interest from investments. The liabilities of the Trust consist of short-term obligations related to administration of the fund.

Requests for Information

This financial report is designed to provide a general overview of the Trust's finances to the citizens of Cecil County, and other users of such data. Requests for additional copies of this report, an actuarial report, a list of investments, questions concerning any of the information in this report, and requests for additional financial information should be addressed to Cecil County Director of Finance, 200 Chesapeake Blvd, Suite 2300, Elkton, Md 21921.

BASIC FINANCIAL STATEMENTS

**CECIL COUNTY, MARYLAND VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM
 BENEFITS TRUST
 STATEMENT OF CHANGE IN NET POSITION
 AS OF JUNE 30, 2024**

Assets		
	Investments	\$ 2,592,367
	A/R Other	<u>174</u>
	Total Assets	2,592,541
Liabilities		
	Accounts Payable	35,242
	Total Liabilities	35,242
Net Position		<u><u>\$ 2,557,299</u></u>

**CECIL COUNTY, MARYLAND VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM
BENEFITS TRUST
STATEMENT OF CHANGE IN NET POSITION
AS OF JUNE 30, 2024**

Additions:	
Contributions from County	\$ 1,437,665
Interest Earnings	121,627
Total Additions	1,559,292
 Deductions:	
Benefit Payments	857,349
Total Retirement, Pension Payments	857,349
Professional Services	17,824
Total Administrative Expenses	17,824
Total Deductions	875,173
Net Change in Net Position	684,119
 Net Position as of July 1, 2023	 1,873,180
Net Position as of June 30, 2024	2,557,299

**The Cecil County, Maryland Volunteer Length of Service Award Program,
Benefits Trust**
Notes to the Financial Statements for the Fiscal Year Ended June 30, 2024

1. Summary of Significant Accounting Policies

The financial statements of the Cecil County, Maryland Volunteer Length of Service Award Benefits Trust (the Trust) 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 principles.

The following summarizes the Trust's significant accounting policies:

Financial Reporting Entity

The Cecil County Volunteer Length of Service Award Program (LOSAP) is a single-employer deferred compensation plan because the benefits are based on the age and years of service. 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. 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 is 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 a 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.

Although the Trust is a legally separate entity, the responsibility for the administration and operation of the Trust is vested in a 6-member Board of Trustees (the Trustees) appointed by the County Executive and confirmed by the County Council and make all employer contributions to the Trust. The Trust is a fiduciary fund of Cecil County, MD, because it provides services and benefits exclusively to the County.

**The Cecil County, Maryland Volunteer Length of Service Award Program,
Benefits Trust**
Notes to the Financial Statements for the Fiscal Year Ended June 30, 2024

Basis of Accounting

The Trust's financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized when due and the employer's policy is to fund these obligations in the year they occur.

Investments

The Trust's funds are invested in the Maryland Local Government Investment Pool fund.

Rate of Return

For the year ended June 30, 2024, the annual money-weighted rate of return on LOSAP investments, net of LOSAP investment expense, was 4.70%.

2. Contributions

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

3. Net LOSAP Liability.

The County's total pension liability of \$ \$10,171,447 was measured as of June 30, 2024 and was determined by an actuarial valuation date as of January 1, 2022.

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of January 1, 2022 rolled forward to June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	Not Applicable
Investment rate of return	6.75%, net of pension plan investment expense, including
Mortality	Pub-2010 Safety with fully generational mortality using Scale MP-
Retirement	First eligible
Turnover	Rates varying based on age
Disability	Rates varying based on age

The above is a summary of key actuarial assumptions. Full descriptions of the actuarial assumptions are available in the January 1, 2022 actuarial valuation report.

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 active Participants or Excluded Participants. 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 Cecil County, Maryland Volunteer Length of Service Award Program,
Benefits Trust**
Notes to the Financial Statements for the Fiscal Year Ended June 30, 2024

4. Discount rate.

The discount rate used to measure the total LOSAP liability was 6.75 percent. The included calculations assume that 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 LOSAP investments was applied to all periods of the projected benefit payments to determine the total LOSAP liability.

	Changes in the Net Pension Liability		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 6/30/23	\$ 13,409,466	\$ 1,873,180	\$ 11,536,286
Changes for the year:			
Service cost	249,559		249,559
Interest	876,203		876,203
Changes of benefit terms	-		-
Difference between Expected/Actual Ex	(949,133)		(949,133)
Changes of Assumptions	-		-
Contributions - Employer		1,437,665	(1,437,665)
Net Investment Income		-	-
Benefit Payments/ Refunds		121,627	(121,627)
Administrative Expense	(857,349)	(857,349)	-
Other		(17,824)	17,824
Net Changes		-	-
	<u>(680,720)</u>	<u>684,119</u>	<u>(1,364,839)</u>
Balances at 6/30/24	<u>\$ 12,728,746</u>	<u>\$ 2,557,299</u>	<u>\$ 10,171,447</u>

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

The following table presents the County's Net LOSAP 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.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
County's net pension liability	\$ 11,553,794	\$ 10,171,447	\$ 9,013,224

**The Cecil County, Maryland Volunteer Length of Service Award Program,
Benefits Trust**
Notes to the Financial Statements for the Fiscal Year Ended June 30, 2024
7. Reports Available

Additional copies of this annual financial statement and actuarial information are available from the Cecil County Department of Finance, 200 Chesapeake Blvd., Elkton, Maryland 21921 or www.ccgov.org/government/finance/financial-reports.

CECIL COUNTY, MARYLAND VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM
SCHEDULE OF CHANGES IN THE COUNTY'S
NET LIABILITY (ASSET) AND RELATED RATIOS
(Dollar amount in thousands)

Total pension liability	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service cost	\$ 250	\$ 250	\$ 240	\$ 215	\$ 244	\$ 498	\$ 424			
Interest	876	858	869	912	1,404	566	658			
Changes of benefit terms	-	-	-	-	-	-	-			
Differences between expected and actual experience	(949)	-	(723)	(459)	-	317	-			
Changes of assumptions	-	-	282	-	(7,943)	1,320	-			
Benefit payments, including refunds of member contributions	(857)	(832)	(820)	(815)	(667)	(780)	(751)			
Net change in total pension liability	(681)	277	(152)	(147)	(6,962)	1,920	332			
Total pension liability - beginning	13,409	13,133	13,285	13,431	20,393	18,473	18,141			
Total pension liability - ending	<u>\$ 12,729</u>	<u>\$ 13,409</u>	<u>\$ 13,133</u>	<u>\$ 13,285</u>	<u>\$ 13,431</u>	<u>\$ 20,393</u>	<u>\$ 18,473</u>			
Information for FY2017 and earlier is not available										
Plan fiduciary net position	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contributions - employer	\$ 1,438	\$ 1,211	\$ 1,211	\$ 1,032	\$ 1,515	\$ 780	\$ 751			
Contributions - member	-	-	-	-	-	-	-			
Net investment income	122	78	3	1	15	-	-			
Benefit payments, including refunds of member contributions	(857)	(832)	(820)	(815)	(667)	(780)	751			
Administrative expense	(18)	(21)	(17)	(18)	(3)	-	-			
Other	-	-	-	-	-	-	-			
Net change in plan fiduciary net position	\$ 684	\$ 436	\$ 377	\$ 200	\$ 860	\$ -	\$ -			
Plan fiduciary net position - beginning	1,873	1,437	1,060	860	-	-	-			
Plan fiduciary net position - ending (b)	<u>\$ 2,557</u>	<u>\$ 1,873</u>	<u>\$ 1,437</u>	<u>\$ 1,060</u>	<u>\$ 860</u>	<u>\$ -</u>	<u>\$ -</u>			
County's net pension liability	<u>\$ 10,171</u>	<u>\$ 11,536</u>	<u>\$ 11,696</u>	<u>\$ 12,225</u>	<u>\$ 12,571</u>	<u>\$ 13,431</u>	<u>\$ 20,393</u>			
Plan fiduciary net position as a percentage of the total pension liability	20.09%	13.97%	10.94%	7.98%	6.41%	0.00%	0.00%			
Covered payroll	N/A	NA	N/A	N/A	N/A	N/A	N/A			
County's net pension liability as a percentage of covered payroll	N/A	NA	N/A	N/A	N/A	N/A	N/A			
Expected average remaining service years of all participants	5	5	5	5	5	5	5			

Notes to Schedule:

Benefit changes: None.

Changes of assumptions: None.

CECIL COUNTY, MARYLAND VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM
 SCHEDULE OF COUNTY CONTRIBUTIONS
 FOR THE YEAR ENDED JUNE 30, 2024
 (Dollar amount in thousands)

	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 1,438	\$ 1,554	\$ 1,454	\$ 1,461	\$ 1,461			
Contributions in relation to the actuarially determined contribution	<u>1,438</u>	<u>1,211</u>	<u>1,211</u>	<u>1,032</u>	<u>1,515</u>			
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 343</u>	<u>\$ 243</u>	<u>\$ 429</u>	<u>\$ (54)</u>			
Covered Payroll	N/A	NA	N/A	N/A	N/A			
Contributions as a percentage of covered employee payroll	N/A	NA	N/A	N/A	N/A			

Notes to Schedule

Valuation date:

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

Methods and assumptions used to determine contribution rates:

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 14 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

*****Information for FY2019 and earlier is not available

**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>	<u>2024</u>
Annual money-weighted rate of return, net of investment expense	N/A	N/A	1.76%	0.06%	0.21%	4.85%	4.70%

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 complied, pension plans should present information for those years for which information is available.

CECIL COUNTY, MARYLAND VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM
 OTHER SUPPLEMENTARY INFORMATION
 PENSION PLAN INVESTMENTS
 FOR THE YEAR ENDED JUNE 30, 2024
 (Dollar amount in thousands)

SCHEDULE OF ADMINISTRATIVE FEES

Professional Fees	<u>\$ 17,824</u>
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SCHEDULE OF PROFESSIONAL FEES PAID TO CONSULTANTS

<u>TYPE OF SERVICE</u>	<u>CONSULTANT</u>	
Actuary	Bolton Partners Inc	\$ 13,000
Auditing	SB & Company, LLC	4,824
Total Payments to Consultants		<u>\$ 17,824</u>